SIXTH CONSECUTIVE QUARTER WITH GOOD RESULTS, DEMERGER COMPLETED

CARGOTEC'S HALF-YEAR FINANCIAL REPORT

JANUARY–JUNE 2024

CARGOTEC

CARGOTEC

Cargotec's half-year financial report January-June 2024: Sixth consecutive quarter with good results, demerger completed

- Hiab's strong profitability continued, comparable operating profit margin was 15.9% in the second quarter
- MacGregor's comparable operating profit increased to EUR 21 million in the second quarter
- Sales process of MacGregor started
- Outlook specified for Hiab and MacGregor

Unless otherwise stated, the financial information in this report concerns Cargotec's continuing operations.

April–June 2024 in brief: Orders received increased

- Orders received increased by 4 percent and totalled EUR 584 (562) million.
- Order book amounted to EUR 1,691 (31 Dec 2023: 1,788) million at the end of the period.
- Sales decreased by 4 percent and totalled EUR 625 (648) million.
- Service sales increased by 6 percent and totalled EUR 212 (201) million.
- Service sales represented 34 (31) percent of consolidated sales.
- Eco portfolio sales decreased by 13 percent and totalled EUR 188 (217) million.
- Eco portfolio sales represented 30 (33) percent of consolidated sales.
- Operating profit was EUR 52 (79) million, representing 8.3 (12.1) percent of sales. The operating profit includes items affecting comparability worth EUR -30 (-2) million, which were mainly related to MacGregor's settlement with a monopile installation vessel project customer.
- Comparable operating profit increased by 2 percent and amounted to EUR 82 (81) million, representing 13.1 (12.4) percent of sales.
- Profit for the period amounted to EUR 31 (55) million.
- Basic earnings per share was EUR 0.48 (0.85).
- Cash flow from operations before finance items and taxes totalled EUR 89 (41) million.[1]

January–June 2024 in brief: Comparable operating profit increased

- Orders received increased by 8 percent and totalled EUR 1,236 (1,149) million.
- Order book amounted to EUR 1,691 (31 Dec 2023: 1,788) million at the end of the period.
- Sales remained at previous year's level and totalled EUR 1,242 (1,237) million.
- Service sales increased by 4 percent and totalled EUR 419 (401) million.
- Service sales represented 34 (32) percent of consolidated sales.
- Eco portfolio sales decreased by 10 percent and totalled EUR 363 (402) million.
- Eco portfolio sales represented 29 (33) percent of consolidated sales.
- Operating profit was EUR 122 (120) million, representing 9.8 (9.7) percent of sales. The operating profit includes items affecting comparability worth EUR -32 (-10) million, which were mainly related to MacGregor's settlement with a monopile installation vessel project customer.
- Comparable operating profit increased by 18 percent and amounted to EUR 153 (130) million, representing 12.3 (10.5) percent of sales.
- Profit for the period amounted to EUR 78 (78) million.
- Basic earnings per share was EUR 1.21 (1.22).
- Cash flow from operations before finance items and taxes totalled EUR 263 (68) million.[1]

[1] Includes discontinued operations

Outlook for 2024 specified

Cargotec estimates[2] Hiab’s comparable operating profit margin in 2024 to be above 13.5 percent and MacGregor’s comparable operating profit in 2024 to be above EUR 55 million.

In its outlook initially published on 1 February 2024, Cargotec estimated Hiab’s comparable operating profit margin in 2024 to be above 12 percent and MacGregor’s comparable operating profit in 2024 to improve from 2023 (EUR 33 million).

Cargotec has updated its reporting structure due to the partial demerger

The completion of the partial demerger of Cargotec Corporation and the incorporation of a new Kalmar Corporation was registered in the Finnish Trade Register on 30 June 2024. As a result of the partial demerger, Cargotec has updated its segment reporting.

From 30 June 2024 onwards Cargotec has two reporting segments, Hiab and MacGregor. The Kalmar segment has been removed. The new reporting structure is being used in this half-year financial report January–June 2024.

To provide a basis for comparison, Cargotec published on 3 July 2024 its reclassified financial information of reportable segments and Corporate administration and support functions for all quarters of 2023 and the first quarter of 2024 separately, as well as for the full year 2023. Corporate administration and support functions now reflect continuing operations while Hiab and MacGregor financial information remains unchanged.

The reclassified financial information is unaudited.

[2] The business area 2024 profitability outlook is presented using the same principles which are applied in the 2023 external financial reporting.

Cargotec's key figures

MEUR	Q2/24	Q2/23	Change	Q1–Q2/24	Q1–Q2/23	Change	2023
Orders received	584	562	4%	1,236	1,149	8%	2,282
Service orders received	204	190	7%	409	409	0%	787
Order book, end of period	1,691	1,961	-14%	1,691	1,961	-14%	1,788
Sales	625	648	-4%	1,242	1,237	0%	2,519
Service sales	212	201	6%	419	401	4%	806
Service sales, % of sales	34%	31%		34%	32%		32%
Eco portfolio sales	188	217	-13%	363	402	-10%	797
Eco portfolio sales, % of sales	30%	33%		29%	33%		32%
Operating profit	52.0	78.6	-34%	121.7	120.3	1%	236.0
Operating profit, %	8.3%	12.1%		9.8%	9.7%		9.4%
Comparable operating profit	82.1	80.6	2%	153.3	130.3	18%	236.7
Comparable operating profit, %	13.1%	12.4%		12.3%	10.5%		9.4%
Profit before taxes	51.5	74.0	-30%	119.7	109.4	9%	219.5
Profit for the period	31.1	54.7	-43%	78.2	78.4	0%	162.4
Basic earnings per share, EUR	0.48	0.85	-43%	1.21	1.22	-1%	2.49
Personnel, end of period*	6,109	6,575	-7%	6,109	6,575	-7%	6,400

*Comparative information has been adjusted.

Cargotec’s key figures*

Among the below presented key figures, statement of income related components and operating cash flow before financing items and taxes include both continuing and discontinued operations in all presented periods. The key figures including components from the balance sheet (interest-bearing net debt at the end of the period, gearing, return on capital employed) include discontinued operations in all presented periods, except June 2024.

MEUR	Q2/24	Q2/23	Change	Q1–Q2/24	Q1–Q2/23	Change	2023
Cash flow from operations before finance items and taxes	89.0	41.2	> 100%	262.9	67.7	> 100%	544.2
Interest-bearing net debt, end of period	18	503	-96%	18	503	-96%	179
Gearing, %	1.5%	31.9%		1.5%	31.9%		10.2%
Interest-bearing net debt / EBITDA**	0.0	1.1		0.0	1.1		0.3
Return on capital employed (ROCE), last 12 months, %	23.7%	11.5%		23.7%	11.5%		19.9%

*Due to Kalmar business area's classification as discontinued operations, suspended depreciation and amortisation starting from 1 February 2024 had a positive EUR 17.9 million impact on the presented result figures before taxes and EUR 13.4 million positive impact on the result after taxes. Comparative information is not restated accordingly.

**Last 12 months’ EBITDA

Cargotec's President and CEO Casimir Lindholm: Sixth consecutive good quarter and significant milestones achieved in reshaping the company

The second quarter of 2024 was another operationally solid one for Cargotec. We have now six quarters in a row with good and stable results. The market environment remained mixed as high interest rates and uncertainty in some of Hiab's key geographies and industries continued to delay customer decision making. On the other hand, MacGregor continued to benefit from the strong ship building cycle. During the quarter, we achieved two major milestones in reshaping Cargotec. We completed the partial demerger on 30 June with Kalmar listing starting on Nasdaq Helsinki on 1 July, and we started the sales process of MacGregor in May.

Taking a look at our financial performance, Cargotec's orders received in the second quarter increased, driven by MacGregor and totalling EUR 584 million. The order book declined from the comparison period as Hiab's order book has gradually been returning to a more normal level. Sales amounted to EUR 625 million, declining by 4 percent from the comparison period. A solid business execution in both Hiab and MacGregor led the second quarter comparable operating profit to increase by 2 percent to EUR 82 million or 13.1 percent of sales. Our balance sheet is very strong after the demerger. Our gearing is only 2 percent and net debt amounted to EUR 18 million.

In Hiab, delayed decision making continued to impact customers' ordering behaviour whereas the order book collected in the past couple of years still supported Hiab's sales. Orders received declined by 7 percent to EUR 348 million. Hiab's sales decreased from a record-breaking comparison period by 11 percent to EUR 433 million. Service sales continued to increase and amounted to EUR 115 million, representing 27 percent of Hiab's sales. Despite lower sales, Hiab's profitability remained on a good level and the comparable operating profit amounted to EUR 69 million, corresponding to 15.9 percent of sales.

In MacGregor, the positive development continued with both merchant and service businesses continuing their strong performance. Demand remained strong and orders received increased by 26 percent to EUR 235 million. MacGregor's order book continued to increase and amounted to EUR 1,014 million. Sales increased by 17 percent to EUR 192 million, driven by merchant and service businesses. MacGregor's comparable operating profit improved yet again against the comparison period, reaching EUR 21 million, representing 11.1 percent of sales.

To proactively adjust to continued uncertainty in the market environment, and to support Hiab's future growth, Hiab initiates planning of an efficiency improvement programme. On top of cost saving actions in 2024, the target would be to reach approximately EUR 20 million of cost savings in 2025. These actions would further promote Hiab's ambition to improve efficiency and to support our commitment to profitable growth and sustainable customer value creation.

We have also specified our outlook for 2024. Cargotec now estimates Hiab's comparable operating profit margin in 2024 to be above 13.5 percent and MacGregor's comparable operating profit in 2024 to be above EUR 55 million. In the outlook initially published in February, we estimated Hiab's comparable operating margin to be above 12 percent and MacGregor's comparable operating profit to increase from 2023 (EUR 33 million).

We strongly believe that Hiab will continue its profitable growth by shaping the essential industries with innovative lifting and delivery solutions and increase customer's productivity, safety and sustainability. This is reflected in the new long term financial targets set for 2028 which were published in May: Hiab targets to continue to grow over 7 percent over the cycle and to reach a comparable operating profit of 18 percent (as a business area of Cargotec), and deliver an over 25 percent operative ROCE. Setting Hiab-specific financial targets is also a major milestone on Hiab's journey to become a standalone company.

Preparations of transforming Hiab into a standalone company progressed well during the quarter. We announced that if a solution to MacGregor is found so that MacGregor would not thereafter be part of the Cargotec group, Cargotec's Board of Directors is planning to propose to Cargotec's General Meeting of shareholders that the company's name would be changed from Cargotec to Hiab. The Board of Directors would then appoint the President of the Hiab business Scott Phillips as the President and CEO of the renamed company being the current Cargotec. We currently estimate that these changes could take place during 2025. The current Cargotec CFO Mikko Puolakka would continue as CFO of standalone Hiab.

A major step was also taken in finding a solution for MacGregor. We settled the dispute with a monopile installation vessel customer and started the sales process of MacGregor. We continue to aim to find a solution for MacGregor in 2024.

Reporting segments' key figures

Orders received

MEUR	Q2/24	Q2/23	Change	Q1–Q2/24	Q1–Q2/23	Change	2023
Hiab	348	375	-7%	734	755	-3%	1,466
MacGregor	235	187	26%	502	395	27%	816
Internal orders	0	0		0	0		0
Total	**584**	**562**	**4%**	**1,236**	**1,149**	**8%**	**2,282**

Order book

MEUR	30 Jun 2024	31 Dec 2023	Change
Hiab	676	799	-15%
MacGregor	1,014	988	3%
Internal order book	1	1	
Total	**1,691**	**1,788**	**-5%**

Sales

MEUR	Q2/24	Q2/23	Change	Q1–Q2/24	Q1–Q2/23	Change	2023
Hiab	433	485	-11%	847	917	-8%	1,787
MacGregor	192	164	17%	395	320	23%	733
Internal sales	0	0		0	0		0
Total	**625**	**648**	**-4%**	**1,242**	**1,237**	**0%**	**2,519**

Operating profit

MEUR	Q2/24	Q2/23	Change	Q1–Q2/24	Q1–Q2/23	Change	2023
Hiab	68.8	81.5	-16%	137.4	142.9	-4%	252.1
MacGregor	-8.3	8.2	< -100%	2.4	0.8	> 100%	31.8
Corporate administration and support functions	-8.5	-11.1	23%	-18.1	-23.4	23%	-48.0
Total	**52.0**	**78.6**	**-34%**	**121.7**	**120.3**	**1%**	**236.0**

Comparable operating profit

MEUR	Q2/24	Q2/23	Change	Q1–Q2/24	Q1–Q2/23	Change	2023
Hiab	68.7	81.4	-16%	137.4	142.8	-4%	252.1
MacGregor	21.4	10.3	> 100%	33.5	11.0	> 100%	32.6
Corporate administration and support functions	-8.0	-11.1	28%	-17.6	-23.4	25%	-48.0
Total	**82.1**	**80.6**	**2%**	**153.3**	**130.3**	**18%**	**236.7**

Telephone conference for analysts, investors and media

A live international telephone conference for analysts, investors and media will be arranged on the publishing day at 9:30 a.m. EEST. The event will be held in English. The report will be presented by President and CEO of Cargotec Casimir Lindholm, CFO Mikko Puolakka and President of Hiab Scott Phillips. The presentation material will be available at www.cargotec.com by the latest 9:30 a.m. EEST.

To ask questions, please join the teleconference by registering via the following link: https://palvelu.flik.fi/teleconference/?id=50049132. After the registration, the conference phone numbers and a conference ID to access the conference will be provided. Questions can be presented during the conference.

The event can also be viewed as a live webcast at https://cargotec.videosync.fi/q2-2024. The conference call will be recorded and an on-demand version of the conference will be published at Cargotec's website later during the day.

Please note that by dialling to the conference call, the participant agrees that personal information such as name and company name will be collected.

For further information, please contact:

Mikko Puolakka, CFO, tel. +358 20 777 4000
Aki Vesikallio, Vice President, Investor Relations, tel. +358 40 729 1670

Cargotec's (Nasdaq Helsinki: CGCBV) businesses Hiab and MacGregor enable smarter cargo flow for a better everyday with leading cargo handling solutions and services. Hiab is a leading provider of smart and sustainable on road load-handling solutions, committed to delivering the best customer experience every day with the most engaged people and partners. MacGregor is a leader in sustainable maritime cargo and load handling with a strong portfolio of products, services and solutions. Cargotec's sales in 2023 totalled approximately EUR 2.5 billion and it employs over 6,000 people. www.cargotec.com

Cargotec's half-year financial report January–June 2024

The half-year financial report provides estimates on future prospects involving risk and uncertainty factors, and other factors as a result of which the performance, operation or achievements of Cargotec may substantially deviate from the estimates. Forward-looking statements relating to future prospects are subject to risks, uncertainties and assumptions, the implementation of which depends on the future business environment and other circumstances.

Operating environment

The business environment in which Cargotec operates is complex, stemming from high interest rates and inflation, growing geopolitical tensions, and sluggish growth estimates. However, the global economy has remained remarkably resilient and the shipping market is in a strong cycle.

Demand for Hiab's solutions is influenced by general economic growth, construction market development and truck sales, among others. Inflation, high interest rates and political instabilities continue to cause challenges[3]. Decrease in interest rates, easing inflation and overall enhancing economic outlook may boost the customer investment activity, but timing remains uncertain.

According to the International Monetary Fund's (IMF) world economic outlook update published in July 2024, the global economy is projected to grow by 3.2 percent in 2024 and by 3.3 percent in 2025. In the IMF's advanced economies group (a group of countries which includes several key markets for Hiab, such as the United States, the United Kingdom and Germany), the IMF estimates a 1.7 percent growth in 2024 and a 1.8 percent growth in 2025. The report notes that services inflation, linked to both wages and prices, is hindering the disinflation progress and making the normalisation of monetary policy more difficult.[4]

The demand for MacGregor's solutions is impacted by the level of merchant ship and offshore newbuilding contracting at shipyards. By the end of the second quarter, the new ship orders amounted to 898, including also 72 mobile offshore units (Q1–Q2 2023: 683). In 2024, the number of new vessel orders is projected to be 1,879 (FY 2023: 2,114 as per 1 July 2024).[5]

The shipping market is in a continued strong market cycle with high earnings. Geopolitical disruptions, for example, are driving robust shipping capacity demand growth, along with improving seaborne trade volumes. A tight supply-demand balance has increased freight rates and ship owner earnings are above the ten-year average. However, shipyard capacity is a limiting factor for sector growth and newbuild prices are approaching a record-high level.

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[3] S&P Global, Q2 2024
[4] International Monetary Fund: World Economic Outlook Update, July 2024
[5] Clarkson Research, July 2024

Financial performance

Orders received and order book

MEUR	Q2/24	Q2/23	Change	Q1–Q2/24	Q1–Q2/23	Change	2023
Orders received	584	562	4%	1,236	1,149	8%	2,282
Service orders received	204	190	7%	409	409	0%	787
Order book, end of period	1,691	1,961	-14%	1,691	1,961	-14%	1,788

In the second quarter of 2024, orders received increased by 4 percent from the comparison period and totalled EUR 584 (562) million. Orders received decreased in Hiab and increased in MacGregor. Service orders received increased by 7 percent and totalled EUR 204 (190) million.

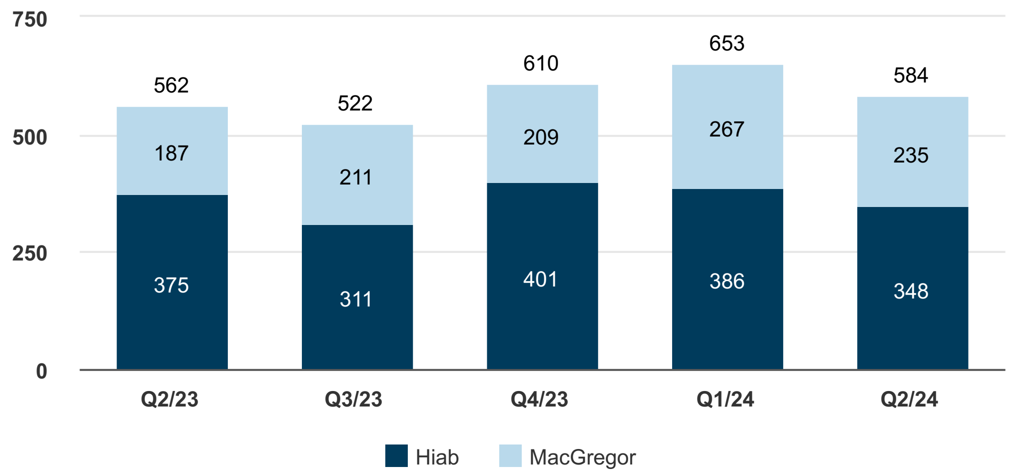
Orders received increased in January–June by 8 percent from the comparison period and totalled EUR 1,236 (1,149) million. Orders received decreased in Hiab and increased in MacGregor. Service orders received was at the comparison period's level and totalled EUR 409 (409) million.

The order book decreased by 5 percent from the end of 2023, and at the end of the second quarter it totalled EUR 1,691 (31 Dec 2023: 1,788) million. Hiab's order book totalled EUR 676 (799) million, representing 40 (45) percent of the consolidated order book. MacGregor's order book amounted to EUR 1,014 (988) million or 60 (55) percent of the consolidated order book.

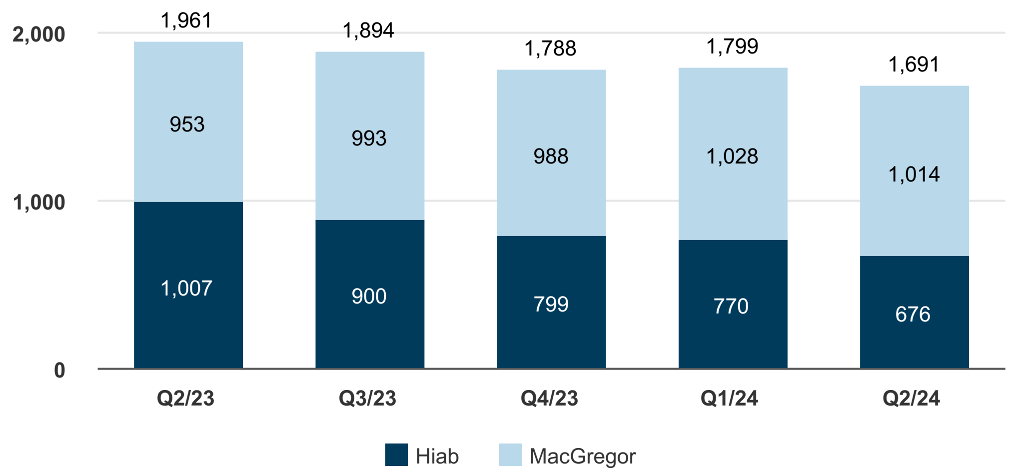
In geographical terms, the share of orders received in the second quarter was 42 (47) percent in EMEA and 26 (32) percent in the Americas. Asia-Pacific's share of orders received was 32 (21) percent.

In January–June, the share of orders received was 41 (44) percent in EMEA and 28 (33) in the Americas. Asia-Pacific's share of orders received was 31 (23) percent.

Orders received, MEUR



Order book, MEUR



Sales

MEUR	Q2/24	Q2/23	Change	Q1–Q2/24	Q1–Q2/23	Change	2023
Sales	625	648	-4%	1,242	1,237	0%	2,519
Service sales	212	201	6%	419	401	4%	806
Eco portfolio sales	188	217	-13%	363	402	-10%	797

In the second quarter of 2024, sales decreased from the comparison period by 4 percent and amounted to EUR 625 (648) million. Sales decreased in Hiab and increased in MacGregor. Service sales increased by 6 percent from the comparison period and totalled EUR 212 (201) million, representing 34 (31) percent of consolidated sales.

Sales in January–June remained at the comparison period level and amounted to EUR 1,242 (1,237) million. Sales decreased in Hiab and increased in MacGregor. Service sales increased by 4 percent from the comparison period and totalled EUR 419 (401) million, representing 34 (32) percent of consolidated sales.

During the second quarter, MacGregor settled a customer dispute related to one and only monopile installation vessel project. The settlement and closing of the project had an approximately EUR 39 million negative impact on MacGregor's second quarter 2024 sales.

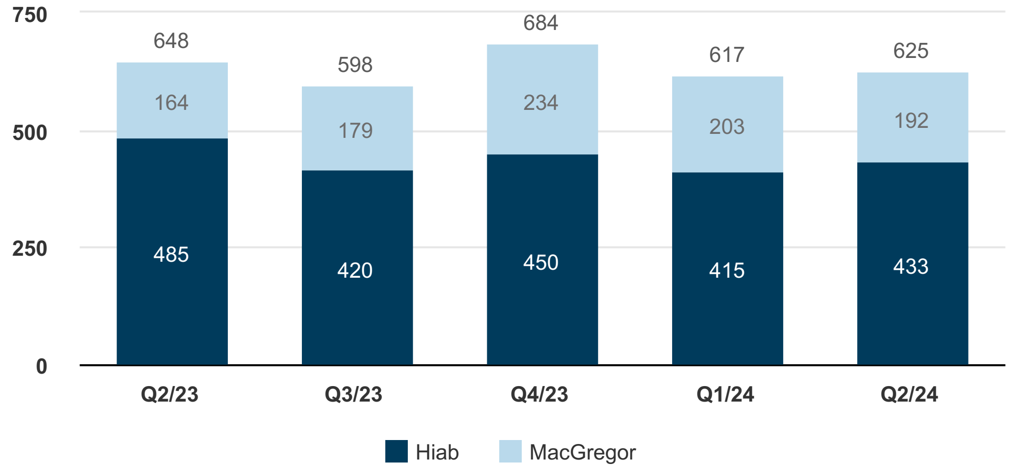
In the second quarter, eco portfolio sales decreased by 13 percent and amounted to EUR 188 (217) million, representing 30 (33) percent of consolidated sales. Eco portfolio sales decreased in the climate solutions category and in the circular solutions category. Eco portfolio sales decreased in both Hiab and MacGregor.

In January–June, eco portfolio sales decreased by 10 percent and totalled EUR 363 (402) million, representing 29 (33) percent of consolidated sales.

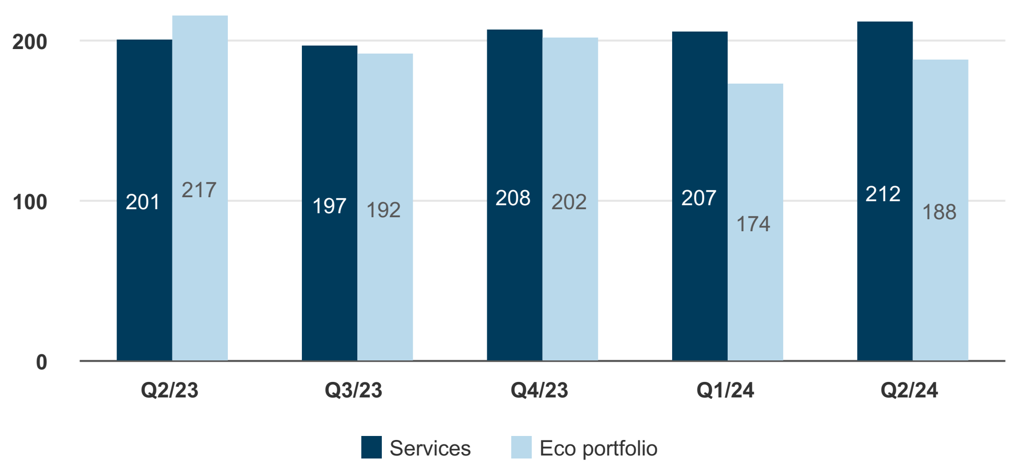
Sales increased in Asia-Pacific and Americas and decreased in EMEA in the second quarter. EMEA's share of consolidated sales was 40 (52) percent, Americas' 34 (31) percent and Asia-Pacific's 26 (18) percent.

In January–June, EMEA's share of consolidated sales was 42 (53) percent, Americas' 33 (30) percent and Asia-Pacific's 25 (17) percent.

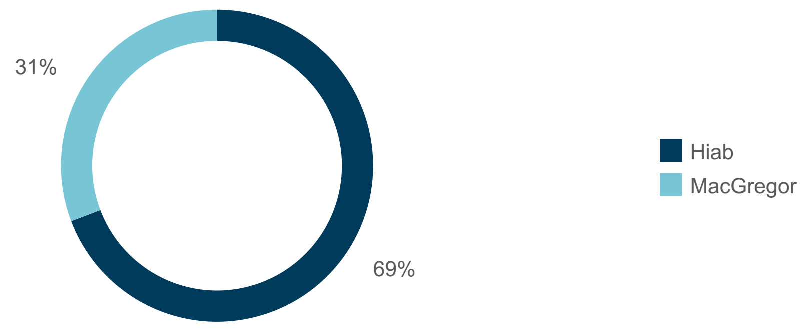
Sales, MEUR



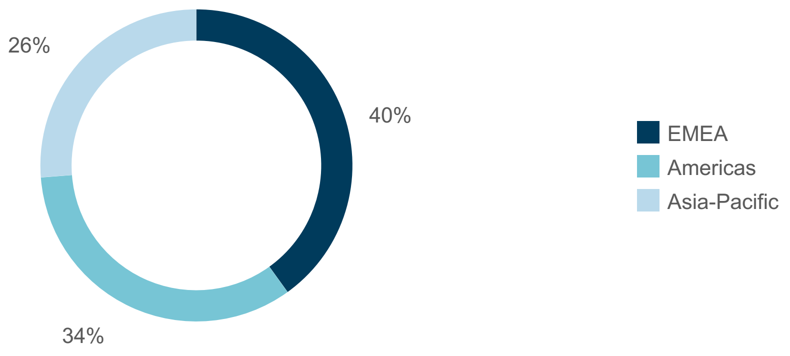
Service and eco portfolio sales, MEUR



Sales by business area Q2/2024, %



Sales by geographical area Q2/2024, %



Financial result

Operating profit and comparable operating profit

MEUR	Q2/24	Q2/23	Change	Q1–Q2/24	Q1–Q2/23	Change	2023
Operating profit	52.0	78.6	-34%	121.7	120.3	1%	236.0
Operating profit, %	8.3%	12.1%		9.8%	9.7%		9.4%
Comparable operating profit	82.1	80.6	2%	153.3	130.3	18%	236.7
Comparable operating profit, %	13.1%	12.4%		12.3%	10.5%		9.4%

Operating profit for the second quarter totalled EUR 52 (79) million. The operating profit includes items affecting comparability worth EUR -30 (-2) million.

During the second quarter, MacGregor settled a customer dispute related to a one and only monopile installation vessel project. The settlement and closing of the project had an approximately EUR 29 million negative impact on MacGregor's second quarter 2024 operating profit. This impact is reported as items affecting comparability as the settlement is related to a one of its kind pilot project and the product is no longer in MacGregor's sales portfolio. The settlement had a 0.8 percentage point positive impact on Cargotec's second quarter comparable operating profit margin due to a reversal of sales related to the project.

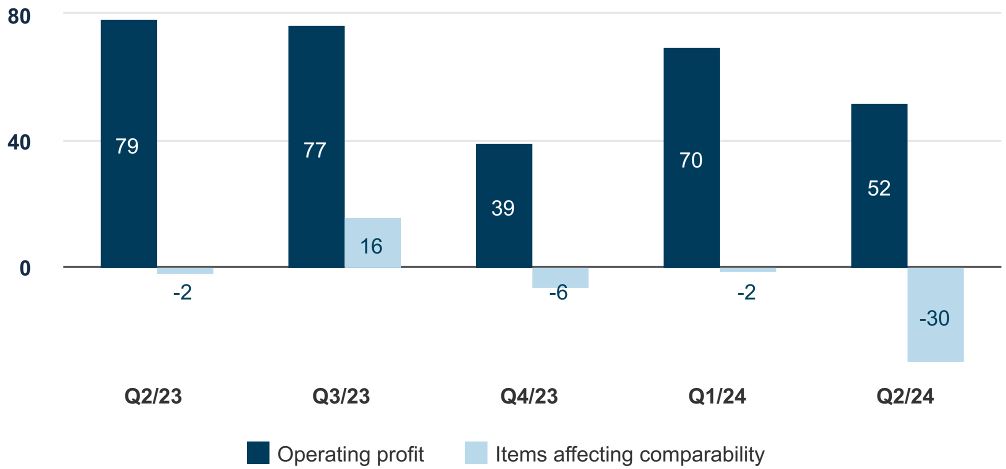
Operating profit in January–June totalled EUR 122 (120) million. Operating profit includes items affecting comparability worth EUR -32 (-10) million, the majority of which, EUR -31 (-10) million, was related to MacGregor.

Comparable operating profit for the second quarter increased by 2 percent and totalled EUR 82 (81) million, representing 13.1 (12.4) percent of sales. The comparable operating profit increase was driven by MacGregor's improved profitability.

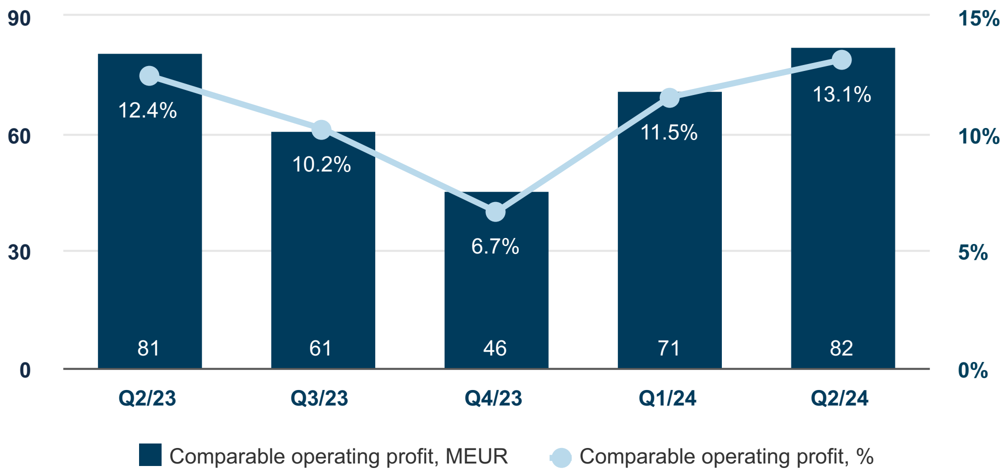
Comparable operating profit in January–June increased by 18 percent and totalled EUR 153 (130) million, representing 12.3 (10.5) percent of sales. The comparable operating profit increase was driven by MacGregor's improved profitability.

More information regarding items affecting comparability is available in Note 7, Comparable operating profit.

Operating profit and items affecting comparability, MEUR



Comparable operating profit, MEUR
Comparable operating profit, %



Net finance expenses and net income

Net interest expenses for interest-bearing debt and assets for the second quarter totalled EUR -1 (3) million. Net finance expenses totalled EUR 1 (5) million.

In January–June, net interest expenses for interest-bearing debt and assets totalled EUR -2 (5) million. Net finance expenses totalled EUR 2 (11) million.

Profit for the second quarter totalled EUR 31 (55) million, and basic earnings per share was EUR 0.48 (0.85).

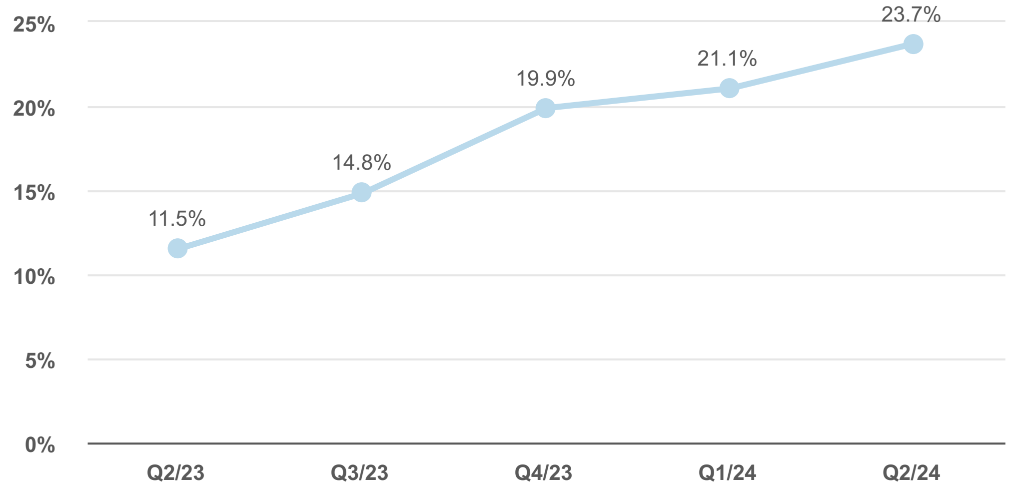
Profit for January–June totalled EUR 78 (78) million, and basic earnings per share was EUR 1.21 (1.22).

Balance sheet, cash flow and financing

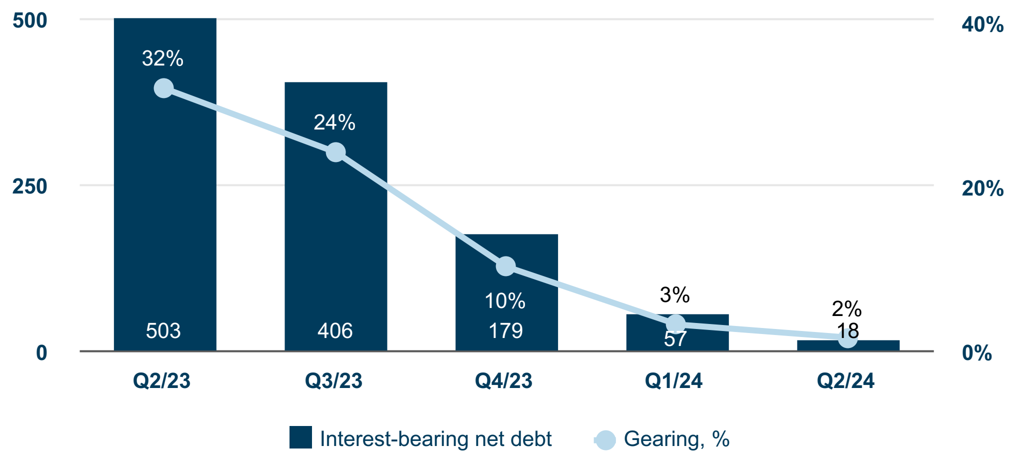
In this chapter, the balance sheet comparative periods include continuing and discontinued operations. The consolidated balance sheet total was EUR 2,560 (31 Dec 2023: 4,376) million at the end of the second quarter. Equity attributable to the equity holders of the parent was EUR 1,161 (1,752) million, representing EUR 18.05 (27.25) per share. Property, plant and equipment on the balance sheet amounted to EUR 170 (445) million and intangible assets to EUR 711 (996) million. The decrease was related to the partial demerger of Cargotec Corporation and the incorporation of a new Kalmar Corporation. More information about the partial demerger is available in Note 18, Demerger.

Return on equity (ROE, last 12 months) was 22.7 (31 Dec 2023: 21.2) percent at the end of the second quarter and return on capital employed (ROCE, last 12 months) was 23.7 (19.9) percent. The key figures including components from the balance sheet (interest-bearing net debt at the end of the period, gearing, return on capital employed) include discontinued operations in all presented periods, except June 2024.

Return on capital employed, % (ROCE), last 12 months



Interest-bearing net debt, MEUR, Gearing, %



Cash flow from operating activities before finance items and taxes totalled EUR 263 (68) million during January–June including both continuing and discontinued operations. The increase in cash flow was driven by continued good profitability and lower net working capital.

Cargotec's liquidity position is strong. The liquidity reserves, consisting of cash and cash equivalents and undrawn EUR 330 million long-term committed revolving credit facilities, totalled EUR 666 million on 30 June 2024 (31 Dec 2023: 1,115). In addition to the liquidity reserves, Cargotec had access to a EUR 150 million commercial paper programme, out of which EUR 150 (150) million were undrawn, as well as undrawn bank overdraft facilities, totalling EUR 50 (94) million.

The company's liquidity requirement – repayments of interest-bearing liabilities due within the following 12 months – totalled EUR 129 (159) million, which includes EUR 28 (43) million lease liabilities.

At the end of the second quarter, the interest-bearing debt amounted to EUR 375 (31 Dec 2023: 867) million, of which EUR 100 (178) million was in lease liabilities. Of the interest-bearing debt, EUR 129 (159) million was current and EUR 246 (708) million non-current debt. The average interest rate of interest-bearing liabilities, excluding on-balance sheet lease liabilities, was 1.5 (3.3) percent. Cash and cash equivalents, loans receivable, and other interest-bearing assets totalled EUR 357 (688) million. Interest-bearing net debt totalled EUR 18 (179) million.

At the end of the second quarter, Cargotec's equity to assets ratio was 50.4 (31 Dec 2023: 43.8) percent. Gearing was 1.5 (10.2) percent.

Impacts of currencies and structural changes

	Orders received		Sales	
MEUR	**Q2**	**Q1-Q2**	**Q2**	**Q1-Q2**
2023	**999**	**2,058**	**1,200**	**2,274**
Restatement of Discontinued Operations	-44 %	-44 %	-46 %	-46 %
2023 Continuing operations	**562**	**1,149**	**648**	**1,237**
Organic growth in constant currencies, %	5%	9%	-3%	2%
Impact of changes in exchange rates, %	0%	0%	0%	0%
Structural changes, %	-1%	-1%	-1%	-1%
Total change, Continuing operations, %	**4%**	**8%**	**-4%**	**0%**
2024	**584**	**1,236**	**625**	**1,242**

In the second quarter of 2024, orders received increased organically in constant currencies by 5 percent. Changes in exchange rates did not have an effect on orders received. Structural changes had a -1 percentage point impact on orders received. In constant currencies, sales decreased organically by 3 percent. Changes in exchange rates did not have an effect on sales. Structural changes had a -1 percentage point effect on sales.

In January–June, orders received increased organically in constant currencies by 9 percent. Changes in exchange rates did not have an effect on Cargotec's orders received. Structural changes had a -1 percentage point impact on Cargotec's orders received. In constant currencies, sales increased organically by 2 percent. Changes in exchange rates did not have an effect on Cargotec's sales. Structural changes had a -1 percentage point effect on Cargotec's sales.

Capital expenditure

Capital expenditure excluding acquisitions totalled EUR 28 (27) million in January–June. Depreciation, amortisation and impairment amounted to EUR 29 (28) million. The amount includes impairments worth EUR 0 (0) million.

Acquisitions and divestments in 2024

Cargotec is actively developing and maintaining an M&A pipeline. The aim of a potential M&A would be to strengthen Hiab's portfolio and to complement the offering, enter new developing markets and seek growth in adjacent segments.

Information regarding the demerger is available on chapter Demerger of Cargotec and in Note 18, Demerger.

Information regarding acquisitions and divestments is available in Note 15, Acquisitions and disposals.

Operational restructurings

Restructuring costs in the second quarter amounted to EUR 29 (2) million and to EUR 31 (5) million in January–June. Of the January–June restructuring costs, EUR 29 million is related to MacGregor settling a customer dispute related to one and only monopile installation vessel project. The impact of the settlement was reported as items affecting comparability as the settlement is related to a one of it kind pilot project and the product is no longer in MacGregor's sales portfolio. The remaining part of the restructuring costs was related to the restructuring programme in MacGregor, targeting EUR 10 million annual cost savings compared to 2023. With the restructuring and strengthened project management, Cargotec is continuing to turn around MacGregor's offshore business.

Hiab initiates planning of an efficiency improvement programme to reach approximately EUR 20 million cost savings in 2025. With the efficiency programme, Hiab aims to proactively adjust to continued uncertainty in the market environment.

As part of preparing Hiab for its future standalone status, Cargotec is planning to increase Hiab's administrative presence in Finland. This is not estimated to have a significant impact on Cargotec's comparable operating profit.

More information regarding restructuring costs and other items affecting comparability is available in Note 7, Comparable operating profit.

Personnel

Cargotec employed 6,109 (31 Dec 2023: 6,400) people at the end of the second quarter. Hiab employed 3,816 (3,877) people, MacGregor 1,821 (1,853), and corporate administration and support functions 472 (670). The average number of employees during January–June was 6,148 (1–12/2023: 6,544).

Financial targets

Cargotec published new long term financial targets for its Hiab business area on 27 May 2024. Cargotec's Board of Directors has set the following financial targets for Hiab to measure success by 2028:

- Annual sales growth over seven percent over the cycle
- Comparable operating profit 18 percent[6]
- Return on capital employed over 25 percent[7]

In addition to the Hiab-specific long term targets, Cargotec's climate target to reduce greenhouse gas emissions in all three emission scopes by at least 50 percent by 2030 compared to a 2019 baseline remains valid. The target is validated by the Science Based Targets initiative (SBTi). In its planned standalone future after the solution for MacGregor has been found, Cargotec (future Hiab) is planning to publish a new climate target and applying its validation from SBTi.

Cargotec also aims for a growing dividend of 30–50 percent of EPS and to keep gearing below 50 percent.

[6] As business area of Cargotec
[7] As business area of Cargotec, operative ROCE defined as (Operating profit / Operative capital employed)

CARGOTEC

Demerger of Cargotec

The completion of the partial demerger of Cargotec Corporation and the incorporation of a new Kalmar Corporation was registered in the Finnish Trade Register on 30 June 2024. Trading in the Kalmar class B shares on Nasdaq Helsinki commenced on 1 July 2024. Trading in Cargotec's class B shares has continued on the official list of Nasdaq Helsinki with a new ISIN code of FI4000571013. The new ISIN code for Cargotec's class A shares is FI4000571005.

The cumulative total costs related to the partial demerger amount to EUR 69 million. Cargotec estimates to book an additional EUR 15 million cost related to the transaction. The estimate may be subject to change. Costs are reported as part of discontinued operations.

Solution for MacGregor and preparation for standalone Hiab

As announced on 14 November 2022, MacGregor will not be part of Cargotec's portfolio in the future. Cargotec has continued to look for a solution for MacGregor in 2024 and announced on 28 May 2024 that it has decided to proceed with the sales process of MacGregor.

If a solution to MacGregor is found so that MacGregor would not thereafter be part of the Cargotec group, Cargotec's Board of Directors is planning to propose to Cargotec's General Meeting of shareholders that the company's name would be changed from Cargotec to Hiab. Should such actions be carried out as planned in the leadership of the current President and CEO of Cargotec, Casimir Lindholm has announced his intention to step down as President and CEO at such point. The Board of Directors would then appoint the President of the Hiab business Scott Phillips as the President and CEO of the renamed company being the current Cargotec. Cargotec currently estimates that these changes to transform into standalone Hiab could take place during 2025. The current Cargotec CFO Mikko Puolakka would continue as CFO of standalone Hiab.

Sustainability

In the second quarter of 2024, Cargotec continued to prepare for the EU Corporate Sustainability Reporting Directive (CSRD). The company, for example, continued to raise awareness of the European Sustainability Reporting Standards (ESRS) among relevant internal stakeholders to ensure readiness to report in accordance with the standards. Cargotec also kicked off the assurance of its 2024 annual sustainability reporting, which is a mandatory element of the CSRD, in collaboration with Ernst & Young. During the third and fourth quarters of 2024, the focus will be on executing CSRD-aligned sustainability reporting and ensuring knowledge transfers to Hiab and MacGregor.

During the quarter, Hiab continued to build its sustainability organisation to ensure needed capabilities as a future standalone company. Similarly, MacGregor continued to increase relevant sustainability capabilities in preparation for the planned sale of the business area.

Hiab continuously develops new sustainable solutions. For example, a new engine control feature was introduced for HIAB loader cranes in June. The feature includes an automatic start/stop functionality and dynamic flow control, which can save up to 20 percent in diesel consumption.

In May, Hiab announced an expansion of its spare parts portfolio, creating new opportunities for growth in circular services. With Hiab Exchange Parts, a returned component is recycled, remanufactured or disposed of by Hiab and replaced by a Red Parts component with reduced price, extending the lifetime of older equipment.

Cargotec published new long-term targets for its Hiab business area on 28 May. In addition to Hiab's long-term financial targets, Cargotec's climate target to reduce greenhouse gas emissions in all emission scopes by at least 50 percent by 2030, compared to a 2019 baseline, remains valid. The Science Based Targets initiative (SBTi) has approved the target. After the solution for MacGregor has been found and when Cargotec (future Hiab) is functioning as an independent company as planned, the company plans to publish a new climate target and to seek SBTi approval for it.

In the second quarter, eco portfolio sales decreased by 13 percent and amounted to EUR 188 (217) million, representing 30 (33) percent of consolidated sales. Eco portfolio sales decreased in the climate solutions category and in the circular solutions category. Eco portfolio sales decreased in both Hiab and MacGregor.

In January–June, eco portfolio sales decreased by 10 percent and totalled EUR 363 (402) million, representing 29 (33) percent of consolidated sales.

Cargotec's safety performance is monitored primarily with the rolling 12 months industrial injury frequency rate (IIFR, number of injuries per million hours worked), which includes fatalities and lost time injuries. At the end of the second quarter, the company's IIFR performance was as follows:

	Hiab	MacGregor	Continuing operations
Performance in Q2/2024 (Q2/2023)	2.58 (4.54)	3.83 (3.06)	3.01 (4.03)
Assembly sites	1.62 (6.54)	N/A	1.62 (6.54)
Non-assembly sites	3.80 (1.48)	3.83 (3.06)	3.82 (2.38)
Target for 2024	<3.2	<2.3	N/A

In January–June, eco portfolio sales for discontinued operations totalled EUR 344 (341) million. At the end of the quarter, the IIFR for Kalmar was 4.23 (4.79).

Leadership Team

On 30 June 2024, Cargotec's Leadership Team consisted of Casimir Lindholm, President and CEO; Mikko Puolakka, Executive Vice President, CFO; Mikko Pelkonen, Senior Vice President, Human Resources; Mikael Laine, Senior Vice President, Strategy; Soili Mäkinen, Senior Vice President, Sustainable Business Development; Outi Aaltonen, Senior Vice President, General Counsel; Sami Niiranen, President, Kalmar; Scott Phillips, President, Hiab; and Leif Byström, President, MacGregor.

On 30 June 2024, the completion of the partial demerger of Cargotec Corporation and the incorporation of a new Kalmar Corporation was registered in the Finnish Trade Register. As of 1 July 2024, Kalmar's President Sami Niiranen is no longer a member of Cargotec's Leadership Team.

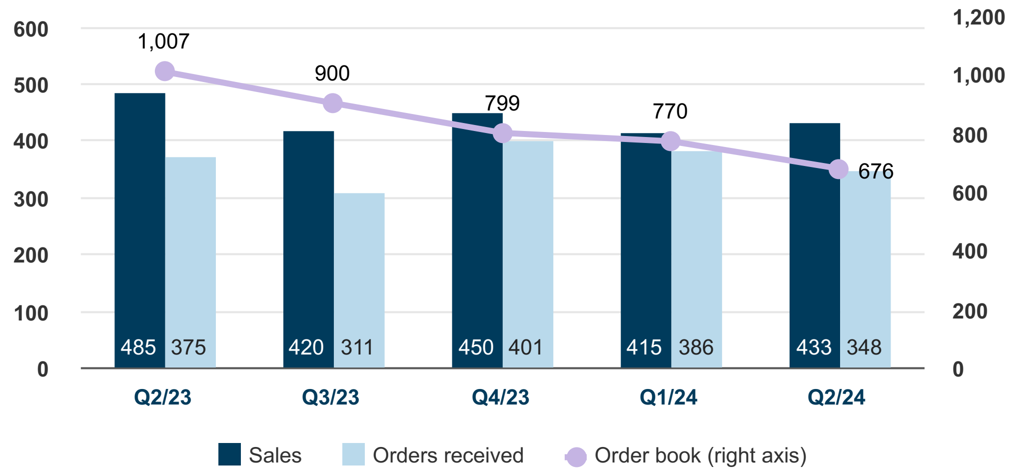
Reporting segments

Hiab

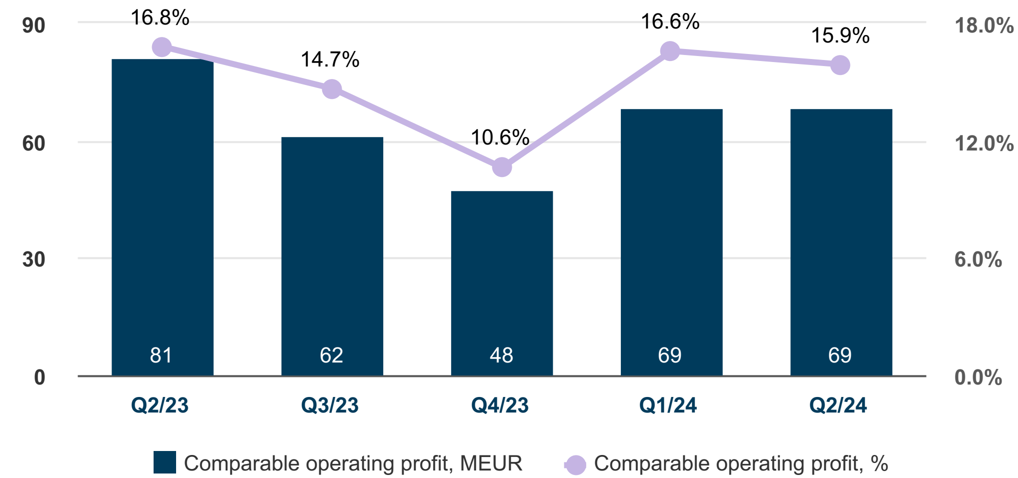
MEUR	Q2/24	Q2/23	Change	Q1–Q2/24	Q1–Q2/23	Change	2023
Orders received	348	375	-7%	734	755	-3%	1,466
Order book, end of period	676	1,007	-33%	676	1,007	-33%	799
Sales	433	485	-11%	847	917	-8%	1,787
Service sales	115	113	2%	233	226	3%	452
% of sales	27%	23%		27%	25%		25%
Operating profit	68.8	81.5	-16%	137.4	142.9	-4%	252.1
% of sales	15.9%	16.8%		16.2%	15.6%		14.1%
Comparable operating profit	68.7	81.4	-16%	137.4	142.8	-4%	252.1
% of sales	15.9%	16.8%		16.2%	15.6%		14.1%
Operative return on capital employed (operative ROCE) (%), last 12 months	29.4%	33.4%		29.4%	33.4%		30.7%
Personnel, end of period	3,816	3,961	-4%	3,816	3,961	-4%	3,877

In the second quarter, Hiab's orders received decreased by 7 percent from the comparison period and totalled EUR 348 (375) million. Compared to the comparison period, orders received decreased in Americas and Asia-Pacific and remained at the comparison period level in EMEA. During the quarter, Hiab's orders received were relatively small individual ones which is typical for Hiab's business. Service orders received increased.

Sales, orders received, order book, MEUR



Comparable operating profit, MEUR
Comparable operating profit, %



Hiab’s orders received in January–June decreased by 3 percent and totalled EUR 734 (755) million.

Hiab’s order book decreased by 15 percent from the end of 2023, totalling EUR 676 (31 Dec 2023: 799) million at the end of the second quarter.

Hiab’s second quarter sales decreased by 11 percent and totalled EUR 433 (485) million. Service sales increased by 2 percent and amounted to EUR 115 (113) million, representing 27 (23) percent of sales.

Hiab’s January–June sales decreased by 8 percent and totalled EUR 847 (917) million. Service sales increased by 3 percent and amounted to EUR 233 (226) million, representing 27 (25) percent of sales.

Hiab’s second quarter operating profit totalled EUR 69 (82) million. The operating profit includes EUR 0 (0) million in items affecting comparability. The comparable operating profit for the second quarter decreased by 16 percent and amounted to EUR 69 (81) million, representing 15.9 (16.8) percent of sales. Hiab’s comparable operating profit decreased due to lower sales. Decline in sales was partly offset by successful management of inflationary pressures and increase in service sales.

Hiab’s operating profit in January–June totalled EUR 137 (143) million. The operating profit includes EUR 0 (0) million in items affecting comparability. The comparable operating profit in January–June decreased by 4 percent and amounted to EUR 137 (143) million, representing 16.2 (15.6) percent of sales. Hiab’s comparable operating profit decreased due to lower sales. Decline in sales was partly offset by successful management of inflationary pressures and increase in service sales. Hiab's operative cash flow increased from the comparison period.

Research and development

Hiab's research and product development expenditure in the second quarter totalled EUR 10 (9) million, representing 2 (2) percent of sales. In research and development, Hiab focused on solutions supporting climate targets such as electrification, energy efficiency, digitalisation and automation as well as projects that aim to improve the competitiveness and cost efficiency of products.

In May, Hiab announced an expansion of its spare parts portfolio, creating new opportunities for growth in circular services. With Hiab Exchange Parts, a returned component is recycled, remanufactured or disposed of by Hiab and replaced by a Red Parts component with reduced price, extending the lifetime of older equipment.

In June, Hiab launched the WALTCO MDV liftgate series for speedy and hassle-free dock loading and distribution. Combined with intuitive controls for easy operations, the new liftgate series offers several sustainability advantages and safety features.

Also in June, Hiab announced the launch of MyHiab mobile app to improve operator productivity and safety. The digital companion provides features and content about Hiab equipment throughout its lifecycle. It also establishes a communication channel between Hiab and the end-users.

A new engine control feature was introduced for HIAB loader cranes in June. The feature includes an automatic start/stop functionality and dynamic flow control, which can save up to 20 percent in diesel consumption.

During the second quarter Hiab finalised the development of the HIAB eX.HIPRO crane, launching the crane in early July. With its advanced all-new hydraulic system, the eX.HIPRO crane provides unprecedented efficiency with energy savings of up to 30 percent. It is designed to maximise uptime and productivity, backed by extensive warranties and a wide network of service support.

MacGregor

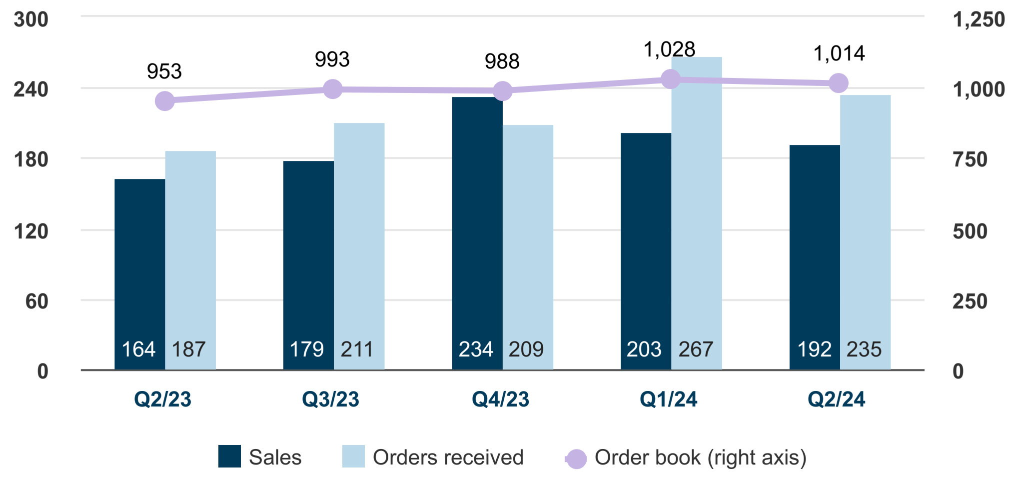
MEUR	Q2/24	Q2/23	Change	Q1–Q2/24	Q1–Q2/23	Change	2023
Orders received	235	187	26%	502	395	27%	816
Order book, end of period	1,014	953	6%	1,014	953	6%	988
Sales	192	164	17%	395	320	23%	733
Service sales	97	88	10%	186	175	6%	354
% of sales	50%	54%		47%	55%		48%
Operating profit	-8.3	8.2	< -100%	2.4	0.8	> 100%	31.8
% of sales	-4.3%	5.0%		0.6%	0.3%		4.3%
Comparable operating profit	21.4	10.3	> 100%	33.5	11.0	> 100%	32.6
% of sales	11.1%	6.3%		8.5%	3.4%		4.5%
Personnel, end of period	1,821	1,935	-6%	1,821	1,935	-6%	1,853

In the second quarter, MacGregor's orders received increased by 26 percent from the comparison period to EUR 235 (187) million. Compared to the comparison period, orders received decreased in EMEA and Americas and increased in Asia-Pacific. Service orders received increased.

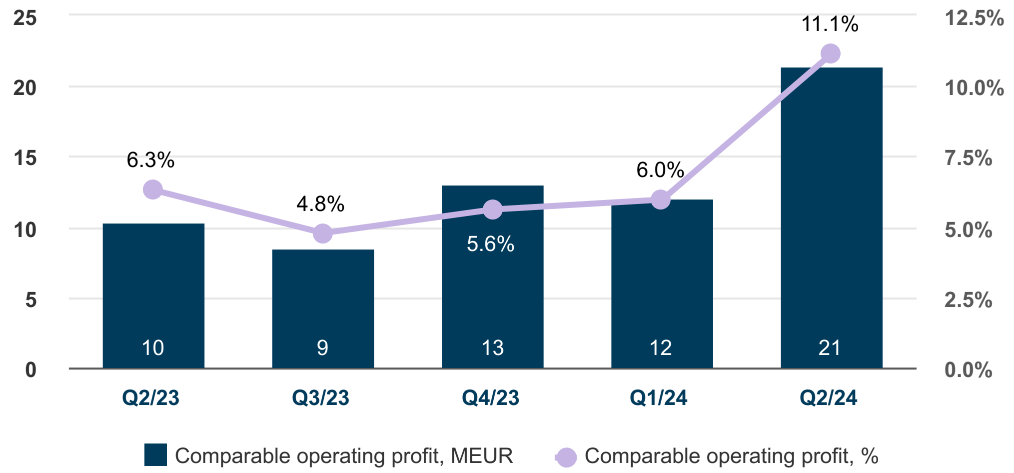
Major orders received by MacGregor in the second quarter included:

- a 50-tonne active heave-compensated (AHC) crane for a customer headquartered in Australia.

Sales, orders received, order book, MEUR



Comparable operating profit, MEUR
Comparable operating profit, %



MacGregor's orders received in January–June increased by 27 percent and totalled EUR 502 (395) million.

MacGregor's order book increased by 3 percent from the end of 2023, totalling EUR 1,014 (31 Dec 2023: 988) million at the end of the second quarter.

MacGregor's second quarter sales increased by 17 percent and amounted to EUR 192 (164) million. Service sales increased by 10 percent and totalled EUR 97 (88) million, representing 50 (54) percent of sales.

MacGregor's January–June sales increased by 23 percent and amounted to EUR 395 (320) million. Service sales increased by 6 percent and totalled EUR 186 (175) million, representing 47 (55) percent of sales.

MacGregor's second quarter operating profit totalled EUR -8 (8) million. Operating profit includes EUR -30 (-2) million in items affecting comparability mainly related to the settlement of a dispute related to the monopile installation vessel project. The comparable operating profit increased by more than 100 percent and totalled EUR 21 (10) million, representing 11.1 (6.3) percent of sales. Comparable operating profit increased due to higher sales in the merchant business and smaller losses related to offshore business.

MacGregor's operating profit in January–June totalled EUR 2 (1) million. Operating profit includes EUR -31 (-10) million in items affecting comparability mainly related to the settlement of a dispute related to the monopile installation vessel project. The comparable operating profit in January–June increased by more than 100 percent and totalled EUR 34 (11) million, representing 8.5 (3.4) percent of sales. Comparable operating profit increased due to higher sales in service and merchant businesses and smaller losses related to offshore business.

During the second quarter, MacGregor settled a customer dispute related to a one and only monopile installation vessel project. The settlement and closing of the project had an approximately EUR 29 million negative impact on MacGregor's second quarter 2024 operating profit. This impact is reported as items affecting comparability as the settlement is related to a one of its kind pilot project and the product is no longer in MacGregor's sales portfolio. The settlement had a EUR 39 million negative impact on MacGregor's second quarter sales and a 1.9 percentage point positive impact on MacGregor's second quarter comparable operating profit margin due to a reversal of sales.

As announced on 14 November 2022, MacGregor will not be part of Cargotec's portfolio in the future. Since then, as MacGregor's performance and market conditions have improved, and as a dispute with a monopile installation vessel customer has been settled, Cargotec has decided to proceed with the sales process of MacGregor.

MacGregor still has challenges with offshore wind related projects containing new technologies and the offshore business is loss making. MacGregor's business in the merchant ship segment and service business has been profitable. Excluding the offshore business, MacGregor's comparable operating profit margin in January–June would have been around 11 percent. At the end of the second quarter, MacGregor's order book related to offshore pilot projects containing advanced technologies amounted to EUR 17 million.

Research and development

MacGregor's research and product development expenditure in the second quarter totalled EUR 2 (2) million, representing 1 (1) percent of sales. In research and development, MacGregor focused on solutions supporting climate targets such as digitalisation, electrification and automatisation, as well as projects that aim to improve the competitiveness and cost efficiency of products.

During the second quarter, MacGregor continued the work with the self-unloader vibration feeder, "GravityVibe™" with a real scale test facility. GravityVibe™ is a new and augmented gravity self-unloading system that will allow bulk carriers to deliver a wider variety of cargo, in greater volume. Equipped with a patent-pending vibrating unloader, the new system minimises internal friction, facilitating the discharge of coarse materials like wood chips from the cargo hold.

Annual General Meeting

Decisions taken at the Annual General Meeting

Cargotec Corporation's Annual General Meeting was held on 30 May 2024 in Helsinki, Finland. The meeting adopted the financial statements and consolidated financial statements, approved the remuneration policy and the remuneration report 2023, and granted discharge from liability to the members of the Board of Directors and to the President and CEO for the financial year 1 January–31 December 2023. The Annual General Meeting authorised the Board of Directors to decide on the repurchase of the company's own shares, share issues, and on donations.

The meeting approved a dividend distribution of EUR 2.14 per class A share and EUR 2.15 for each outstanding class B share. The dividend payment day was 10 June 2024.

The number of Board members was confirmed at seven. The current Board members Raija-Leena Hankonen-Nybom, Ilkka Herlin and Ritva Sotamaa were re-elected to the Board of Directors. Eric Alström, Jukka Moisio, Tuija Pohjolainen-Hiltunen and Luca Sra were elected as new members of the Board of Directors. The remuneration of the Board members was approved as per the proposal made to the Annual General Meeting.

The Annual General Meeting re-elected the accounting firm Ernst & Young Oy as the company's auditor, and the authorised sustainability auditor Ernst & Young Oy as the sustainability reporting assurance provider. Their fees were decided to be paid according to their invoices reviewed by the company.

The Annual General Meeting resolved on the partial demerger of Cargotec Corporation in accordance with the demerger plan approved by the Board of Directors and signed on 1 February 2024. As part of the demerger resolution and conditional upon the completion of the demerger, the Annual General Meeting resolved on the incorporation of Kalmar Corporation and approval of its articles of association, the composition and remuneration of the Board of Directors of Kalmar Corporation, as well as on the auditor and sustainability reporting assurance provider and their fees. Also as part of the demerger resolution and conditional upon the completion of the demerger, the Annual General Meeting resolved on the establishment of the Shareholders' Nomination Board of Kalmar Corporation and adopted its charter. The meeting also approved the remuneration policy for governing bodies of Kalmar Corporation.

As part of the demerger resolution and conditional upon the completion of the demerger, the Annual General Meeting resolved on a decrease of share capital of Cargotec Corporation and on the dissolution of share premium reserve of Cargotec Corporation.

Cargotec published the notice to Annual General Meeting 2024 on 8 April 2024. On 30 May 2024, Cargotec published stock exchange releases on the decisions taken at the AGM as well as the Board of Directors' organising meeting. The notice, stock exchange releases and presentations of the members of the Board of Directors are available on Cargotec's website at www.cargotec.com.

Shares and trading

Share capital, own shares and share issue

Cargotec Corporation's share capital totalled EUR 20,000,000 at the end of June 2024. The number of class B shares was 55,182,079, while the number of class A shares totalled 9,526,089.

At the end of June 2024, Cargotec held a total of 384,050 own class B shares, accounting for 0.59 percent of the total number of shares and 0.26 percent of the total number of votes. The number of outstanding class B shares totalled 54,798,029.

During the first quarter, Cargotec's Board of Directors decided on a directed share issue related to the reward payments for share-based incentive programmes. In the share issue, 172,993 own class B shares held by the company were transferred on 28 March 2024 without consideration to the key employees participating in the share-based incentive programmes in accordance with the programme-specific terms and conditions. More detailed information about the launch and the terms and conditions of these programmes is available in the stock exchange releases published on 4 February 2021,13 May 2022 and 2 February 2023.

The decision on the directed share issue was based on the authorisation granted to the Board of Directors by the Annual General Meeting on 23 March 2023. According to the authorisation, the Board of Directors can decide on a share issue amounting to a maximum of 952,000 class A shares and 5,448,000 class B shares.

During the first quarter, Cargotec's Board of Directors also decided to exercise the authorisation of the Annual General Meeting on 23 March 2023 to repurchase company's own shares. According to the decision, Cargotec repurchased 150,000 own class B shares at public trading on Nasdaq Helsinki Ltd. at an average price of 61.6730 EUR between 9–29 February 2024.

Share-based incentive programmes

During January–June of the financial year 2024, Cargotec had several share-based incentive programmes in place for the group's key employees. During the second quarter, the Board of Directors of Cargotec Corporation did not establish any new share-based incentive programmes.

The completion of the partial demerger of Cargotec Corporation and the incorporation of a new Kalmar Corporation was registered in the Finnish Trade Register on 30 June 2024. As a result of the partial demerger, Cargotec's Board of Director's will adjust the details of the share-based incentive programmes. Adjustments will be decided in the third quarter. Kalmar continues share-based incentive programmes inherited from Cargotec on substantially the same terms, with an adjustment to express the rewards in the number of Kalmar shares.

The following share-based incentive programmes established by the Board of Directors of Cargotec during the past financial years were in operation during January–June 2024:

- Performance share programme 2020–2024, performance period 2022–2024. The performance period includes three measuring periods of one calendar year. For its third measuring period of the financial year 2024, the potential reward will be based on the eco portfolio share in orders received for the key employees of the Hiab business area. For Cargotec Corporate key employees, the performance criterion is Cargotec's eco portfolio share in orders received. Before the partial demerger, the programme was directed to approximately 100 key employees, including the members of Cargotec Leadership Team. In the partial demerger, approximately 30 programme members transferred to Kalmar. Before the partial demerger, the rewards to be paid on the basis of the performance period amounted up to an approximate maximum total of 280,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees, the total maximum amount of shares was reduced by approximately 59,000 shares.

- Performance share programme 2023–2025, performance period 2023–2025. The performance period includes three measuring periods of one calendar year. For its second measuring period 2024, the potential reward will be based on the service gross profit for the key employees of the Hiab business area. For Cargotec Corporate key employees, the performance criterion is Cargotec's service gross profit. Before the partial demerger, the programme was directed to approximately 100 key employees, including the members of Cargotec Leadership Team. In the partial demerger, approximately 40 programme members transferred to Kalmar. Before the partial demerger, the rewards to be paid on the basis of the performance period amounted up to an approximate maximum total of 200,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees, the total maximum amount of shares was reduced by approximately 60,000 shares.

- Performance share programme 2024–2026, performance period 2024–2026. The performance period includes three measuring periods of one calendar year. For the key employees of the Hiab business area, the potential reward of the programme from the first measuring period 2024 will be based on the business areas' earning per share (EPS). For the Cargotec Corporate key employees, the performance criteria is Cargotec's earning per share (EPS). Before the partial demerger, the programme was directed to approximately 100 key employees, including the members of Cargotec Leadership Team. In the partial demerger, approximately 40 programme members transferred to Kalmar. Before the partial demerger, the rewards to be paid on the basis of the performance period amounted up to an approximate maximum total of 222,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees, the total maximum amount of shares was reduced by approximately 92,250 shares.

- Restricted share programme 2020–2024, earnings period 2022–2024. Before the partial demerger, the rewards to be paid on the basis of the performance period amounted up to an approximate maximum total of 31,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees, the total maximum amount of shares was reduced by approximately 5,000 shares.

- Restricted share programme 2023–2025. The rewards to be paid on the basis of the programme amounted up to an approximate maximum total of 24,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees, the total maximum amount of shares was reduced by approximately 8,000 shares.

- Restricted share programme 2024–2026. The rewards to be paid on the basis of the programme amounted up to an approximate maximum total of 20,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees. the total maximum amount of shares was reduced by approximately 10,000 shares.

- Restricted share unit programme 2023–2025. The reward from the programme is conditional on the achievement of strategic goals set by the Board of Directors. The reward is estimated to be paid in 2025. The shares received as a reward from the programme may not be sold, transferred, pledged or otherwise assigned during a lock-up period which ends six months after the reward payment. The programme is intended for approximately 50 Cargotec group's key employees, including selected Leadership Team members. The rewards to be allocated on the basis of the programme will amount up to an approximate maximum total of 268,750 Cargotec's class B shares.

Market capitalisation and trading

Trading on Nasdaq Helsinki Oy[8]	Q1–Q2/2024	Q1–Q2/2023
Total market value of class B shares. MEUR[9]	4,107	2,778
Market capitalisation of class A and B shares at the end of the period, MEUR[10]	4,822	3,258
Closing price of class B share, EUR[11]	74.95	50.35
Volume-weighted average price of class B share, EUR	64.76	47.98
Highest quotation of class B share, EUR	82.90	55.15
Lowest quotation of class B share, EUR	48.36	41.16
Trading volume, million class B shares	12	12
Turnover of class B shares, MEUR	767	566

At the end of the period, the number of registered shareholders was 35,629. The number of Finnish household shareholders was 33,879, corresponding to around 16 percent ownership of Cargotec's listed B shares. At the end of the period, around 30 percent of Cargotec's listed B shares were nominee registered or held by non-Finnish holders.

Short-term risks and uncertainties

Developments in the global economy have a direct effect on Cargotec's operating environment and customers' willingness to invest. Changes in the global economy and supply chains, geopolitical tensions and wars, energy availability, sanctions and trade wars can have an impact on global flow of goods and therefore on the demand of Cargotec's solutions.

Still high borrowing costs and inflation, withdrawal of fiscal support, longer-term effects from the COVID-19 pandemic and Russia's invasion of Ukraine as well as tensions in Middle East, weak growth in productivity and increasing geo-economic fragmentation are limiting economic growth.

In the current market situation, demand for Hiab's solutions might be lower than in previous years. Customers may also try to postpone or cancel orders or demand lower prices. Despite planned cost savings, lower production volumes could impact Hiab's profitability margins negatively.

In addition to economic growth, for example, Hiab's demand is also impacted by the development of the construction market. Low new building activity can negatively impact demand of a part of Hiab's portfolio, especially in Europe. A significant share of Hiab's orders are from the United States. Even though cash flows are hedged for the existing order book, the weakening of the US dollar could in the longer term weaken Hiab's results. Similarly, a stronger dollar can improve Hiab's results. Hiab's solutions are installed on trucks, and truck delivery bottlenecks can have a negative impact on Hiab's sales development.

MacGregor's market development is affected by the tightening emission regulation for ships and related uncertainty. The increases in the new vessel construction costs and high amounts of order bookings at shipyards may slow down new vessel orders. Global decarbonisation targets have led to a fall in investments by the oil industry, which has long been reflected in low offshore vessel investments. Downward revision of market estimates or rising interest rates could result in an impairment of MacGregor's goodwill. Project executions face risks related to schedule, cost and delivery guarantees, especially those related to offshore business and new product developments. Currently MacGregor has approximately 10 loss making offshore pilot projects containing advanced technologies in the order book.

Availability problems and increases in costs of components, raw materials and energy could make cost control more challenging, elevate manufacturing expenses as well as increase challenges to pass them on to the prices of end products. The turnover, availability and cost of skilled personnel can create disturbances to Cargotec and its supplier operations and increase costs.

The deterioration of the global economic outlook and access to finance as well as interest rates that have remained higher than in the past decade can lead to economic and financial difficulties among Cargotec's customers. In some cases their financial position may rapidly deteriorate significantly or even lead to insolvency.

In May 2024, Cargotec announced that it had started the sales process of MacGregor. Taking into account MacGregor's losses in recent years and significant project cost overruns in the offshore business, the buyer's view of the company's value may differ significantly from Cargotec's estimate, which could result in a write-down of MacGregor's book value.

If a solution to MacGregor is found so that MacGregor would not thereafter be part of the Cargotec group, Cargotec's Board of Directors is planning to propose to Cargotec's General Meeting of shareholders that the company's name would be changed from Cargotec to Hiab. The planned actions can include risks related to the retention of skilled personnel, customer relationships, the execution of potential transactions, and costs, for example. Changes in operating models, combined with tightening tax regulation, may lead to additional tax payments.

Cargotec is exposed to climate-related risks via environmental, regulatory, and technological changes, and due to the commitments it has made to reduce emissions. The evaluation of the

[8] Class B shares were also traded in several alternative marketplaces.
[9] At the end of the period, excluding own shares held by the company.
[10] Excluding own shares held by the company, unlisted class A shares are valued at the average price of class B shares on the last trading day of the period.
[11] On the last trading day of the period.

financial impacts of climate change on Cargotec is complicated because the occurrence and timing of the resulting effects are difficult to predict, let alone quantify. To reduce emissions generated in its supply chain, Cargotec must reduce emissions through its whole supply chain from raw materials to components and manufacturing, which may result in changes in the suppliers used, limit the number of potential suppliers, and increase costs.

The reduction of emissions related to the use of Cargotec's products can only be achieved if there is sufficient demand for low-emission products. In order to achieve this, Cargotec must succeed in developing and selling low-emission products. Cargotec's product development has a critical role in achieving this. Cargotec has invested heavily to electrify its product offering and customers are increasingly choosing low-emission products although the majority of products sold are still based on conventional technologies. In the future, Cargotec's product offering may be based on multiple low-emission technologies, which may increase complexity and cost.

Reaching the set emission targets requires efforts in every aspect of Cargotec's business. In addition to being exposed to climate-related risks, the ongoing transition process causes new risks, the realisation of which can have significant financial effects. These effects can lead, for example, to impairments of assets due to the shortened life cycles of products, as well as additional costs related to the introduction of new technologies, which may arise in product development, the realisation of project risks, the growth of inventories, and new types of warranty defects. In addition, tightening regulation may directly limit Cargotec's product offering.

Cargotec is involved in certain legal disputes, investigations and trials. The interpretation of international agreements and legislation may weaken the predictability of the end results of legal disputes and trials. Further, Cargotec is involved in governmental business with specific requirements. Failing to comply with such requirements may lead to penalties or exclusion from government tenders.

Risks regarding Cargotec’s acquisitions are related to, for example, the knowledge of local markets, authority processes, customers, corporate culture, integration, costs, achieving targets, as well as key employees.

Information security risks are also materially related to Cargotec’s operations. A cyber attack on systems that are critical to the operations of the company, its customers or suppliers can disrupt operational stability, lead to a decrease in sales and damage Cargotec’s reputation, for example.

There are also ethical risks related to the industries and the geographical scope where Cargotec operates. Cargotec has increased actions to ensure compliance with its business guidelines, regulations and ethical principles. Related internal processes are constantly being developed.

More information on risks is available at www.cargotec.com, under Investors > Governance > Internal control and risk management.

Events after the reporting period

Cargotec announced on 7 August 2024 that the Board of Directors resolved on the adjustment of ongoing share-based incentive programmes so as to be payable in rewards expressed in shares of Cargotec Corporation only. The adjustments were made following the demerger registered on 30 June 2024. More information is provided on a stock exchange release published on 7 August 2024.

Cargotec announced on 7 August 2024 that the Board of Directors had decided to exercise the authorisation of the Annual General Meeting on 30 May 2024 to repurchase the company's own shares. Cargotec will repurchase 400,000 class B shares to be used as reward payments for Cargotec's share-based incentive programmes. More information is provided on a stock exchange release published on 7 August 2024.

Outlook for 2024 specified

Cargotec estimates[12] Hiab’s comparable operating profit margin in 2024 to be above 13.5 percent and MacGregor’s comparable operating profit in 2024 to be above EUR 55 million.

In its outlook initially published on 1 February 2024, Cargotec estimated Hiab’s comparable operating profit margin in 2024 to be above 12 percent and MacGregor’s comparable operating profit in 2024 to improve from 2023 (EUR 33 million).

Financial calendar 2024

- Interim report January–September 2024, on Wednesday, 23 October 2024

Helsinki, 7 August 2024
Cargotec Corporation
Board of Directors

This half-year report is unaudited.

[12] The business area 2024 profitability outlook is presented using the same principles which are applied in the 2023 external financial reporting.

Consolidated statement of income

MEUR	Note	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Sales	5	**624.9**	**648.2**	**1,242.2**	**1,237.0**	**2,519.4**
Cost of goods sold		-452.2	-479.2	-911.6	-935.1	-1,923.0
Gross profit		**172.7**	**169.1**	**330.7**	**301.9**	**596.5**
Gross profit, %		27.6%	26.1%	26.6%	24.4%	23.7%
Selling and marketing expenses		-31.7	-31.8	-61.3	-62.6	-128.0
Research and development expenses		-12.2	-11.0	-23.9	-21.3	-44.4
Administration expenses		-49.0	-45.9	-97.0	-93.6	-198.2
Restructuring costs	7	-29.2	-1.7	-30.7	-5.0	-13.4
Other operating income		2.3	1.9	2.9	3.8	8.7
Other operating expenses		-1.5	-1.9	-1.0	-3.0	12.7
Share of associated companies' and joint ventures' net result		0.7	0.0	1.9	0.1	2.1
Operating profit		**52.0**	**78.6**	**121.7**	**120.3**	**236.0**
Operating profit, %		8.3%	12.1%	9.8%	9.7%	9.4%
Finance income		3.8	0.7	8.1	2.0	7.0
Finance expenses		-4.3	-5.3	-10.1	-12.8	-23.5
Profit before taxes		**51.5**	**74.0**	**119.7**	**109.4**	**219.5**
Profit before taxes, %		8.2%	11.4%	9.6%	8.8%	8.7%
Income taxes	9	-20.4	-19.3	-41.5	-31.0	-57.1
Profit for the period, continuing operations		**31.1**	**54.7**	**78.2**	**78.4**	**162.4**
Profit for the period, discontinued operations	17	1,069.5	52.9	1,103.7	101.8	186.2
Profit for the period		**1,100.6**	**107.7**	**1,181.9**	**180.3**	**348.7**
Profit for the period, %		176.1%	16.6%	95.1%	14.6%	13.8%
Profit for the period attributable to:						
Shareholders of the parent company		1,100.5	107.7	1,181.6	180.5	346.9
Non-controlling interest		0.1	-0.1	0.3	-0.2	1.8
Total		**1,100.6**	**107.7**	**1,181.9**	**180.3**	**348.7**

MEUR	Note	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Earnings per share for profit attributable to the shareholders of the parent company:						
Basic earnings per share, EUR						
Continuing operations		0.48	0.85	1.21	1.22	2.49
Discontinued operations	17	16.63	0.82	17.16	1.58	2.89
Diluted earnings per share, EUR						
Continuing operations		0.48	0.85	1.21	1.22	2.48
Discontinued operations	17	16.60	0.82	17.13	1.57	2.88

The notes are an integral part of the half-year financial report.

Consolidated statement of comprehensive income

MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Profit for the period	**1,100.6**	**107.7**	**1,181.9**	**180.3**	**348.7**
Other comprehensive income					
Items that cannot be reclassified to statement of income:					
Actuarial gains (+) / losses (-) from defined benefit plans	0.3	0.7	1.0	0.9	-7.4
Taxes relating to items that cannot be reclassified to statement of income	-0.1	-0.1	-0.2	-0.2	1.5
Items that can be reclassified to statement of income:					
Gains (+) / losses (-) on cash flow hedges	0.7	-12.3	-13.0	-3.1	19.9
Gains (+) / losses (-) on cash flow hedges transferred to statement of income	2.4	2.0	7.2	-4.8	-19.2
Translation differences*	90.4	-14.0	70.7	-44.1	-22.5
Taxes relating to items that can be reclassified to statement of income	-0.1	1.9	1.3	0.9	-0.5
Share of other comprehensive income of associates and JV, net of tax	0.0	0.0	0.7	0.7	0.7
Other comprehensive income, net of tax	**93.7**	**-21.8**	**67.7**	**-49.7**	**-27.4**
Comprehensive income for the period	**1,194.3**	**85.8**	**1,249.6**	**130.5**	**321.2**

MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Comprehensive income for the period attributable to:					
Shareholders of the parent company	1,194.2	85.9	1,249.3	130.8	319.5
Non-controlling interest	0.1	-0.1	0.3	-0.2	1.7
Total	**1,194.3**	**85.8**	**1,249.6**	**130.5**	**321.2**
Comprehensive income for the period attributable to Shareholders of the parent company:					
Continuing operations	125.9	36.8	148.1	30.6	135.6
Discontinued operations	1,068.3	49.1	1,101.2	100.2	183.9
Total	**1,194.2**	**85.9**	**1,249.3**	**130.8**	**319.5**

*Including translation differences transferred to statement of income in connection with the partial demerger, see Note 18, Demerger

The notes are an integral part of the half-year financial report.

Consolidated balance sheet

ASSETS, MEUR	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
Non-current assets				
Goodwill		615.3	863.6	878.1
Intangible assets		95.4	119.8	118.4
Property, plant and equipment		170.0	426.9	444.9
Investments in associated companies and joint ventures	16	29.7	68.1	76.6
Share investments	16	0.0	0.0	0.0
Loans receivable and other interest-bearing assets	11	0.8	0.3	0.1
Deferred tax assets		78.8	131.4	122.2
Derivative assets	12	—	1.1	—
Other non-interest-bearing assets		4.3	7.1	5.8
Total non-current assets		**994.2**	**1,618.3**	**1,646.0**
Current assets				
Inventories		564.3	1,156.7	1,033.8
Loans receivable and other interest-bearing assets*	11	20.4	1.8	3.4
Income tax receivables		34.5	28.4	18.5
Derivative assets	12	29.4	16.1	54.0
Accounts receivable		429.0	849.2	723.8
Contract assets		22.9	74.4	47.3
Other non-interest-bearing assets		128.6	168.8	164.9
Cash and cash equivalents*	11	336.2	337.8	684.7
Total current assets		**1,565.4**	**2,633.1**	**2,730.4**
Total assets		**2,559.6**	**4,251.4**	**4,376.5**

*Included in interest-bearing net debt.

Information about the net assets distributed to the owners in connection with the partial demerger is presented in note 18, Demerger. The comparative data include continuing and discontinued operations.

The notes are an integral part of the half-year financial report.

EQUITY AND LIABILITIES, MEUR	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
Equity attributable to the shareholders of the parent company				
Share capital		20.0	64.3	64.3
Share premium		—	98.0	98.0
Translation differences		14.3	-78.0	-56.4
Fair value reserves		-6.3	-9.8	-2.5
Reserve for invested unrestricted equity		—	52.5	35.3
Retained earnings		1,132.9	1,448.3	1,613.6
Total equity attributable to the shareholders of the parent company		**1,160.9**	**1,575.3**	**1,752.3**
Non-controlling interest		1.4	0.5	1.5
Total equity		**1,162.2**	**1,575.7**	**1,753.8**
Non-current liabilities				
Interest-bearing liabilities*	11	246.0	502.1	708.2
Deferred tax liabilities		10.6	28.5	21.9
Pension obligations		49.8	79.1	89.0
Provisions		2.5	5.2	5.6
Other non-interest-bearing liabilities		10.8	81.6	87.1
Total non-current liabilities		**319.7**	**696.5**	**911.8**
Current liabilities				
Current portion of interest-bearing liabilities*	11	128.3	326.9	142.9
Other interest-bearing liabilities*	11	1.1	14.1	15.6
Provisions		59.5	169.3	154.9
Income tax payables		50.3	56.9	54.3
Derivative liabilities	12	26.5	22.3	26.0
Accounts payable		307.9	619.9	511.2
Contract liabilities		251.4	345.1	374.5
Other non-interest-bearing liabilities		252.6	424.7	431.5
Total current liabilities		**1,077.7**	**1,979.2**	**1,710.9**
Total equity and liabilities		**2,559.6**	**4,251.4**	**4,376.5**

CARGOTEC

Consolidated statement of changes in equity

	Attributable to the shareholders of the parent company							Non-controlling interest	Total equity
MEUR	Share capital	Share premium	Translation differences	Fair value reserves	Reserve for invested unrestricted equity	Retained earnings	Total		
Equity 1 Jan 2024	**64.3**	**98.0**	**-56.4**	**-2.5**	**35.3**	**1,613.6**	**1,752.3**	**1.5**	**1,753.8**
Profit for the period						1,181.6	1,181.6	0.3	1,181.9
Cash flow hedges				-3.8			-3.8	—	-3.8
Translation differences			70.7				70.7	0.0	70.7
Actuarial gains and losses from defined benefit plans						0.8	0.8	—	0.8
Comprehensive income for the period*	**—**	**—**	**70.7**	**-3.8**	**—**	**1,182.4**	**1,249.3**	**0.3**	**1,249.6**
Effect of the partial demerger	-44.3	-98.0			-26.0	168.3	—		—
Fair value of net assets distributed to owners						-1,698.2	-1,698.2		-1,698.2
Dividends paid						-138.2	-138.2	-0.4	-138.6
Treasury shares acquired					-9.3		-9.3		-9.3
Share-based payments						4.9	4.9		4.9
Transactions with owners of the company	**-44.3**	**-98.0**	**—**	**—**	**-35.3**	**-1,663.1**	**-1,840.7**	**-0.4**	**-1,841.1**
Transactions with non-controlling interests						—	—	—	—
Equity 30 Jun 2024	**20.0**	**—**	**14.3**	**-6.3**	**—**	**1,132.9**	**1,160.9**	**1.4**	**1,162.2**
Equity 1 Jan 2023	**64.3**	**98.0**	**-34.0**	**-3.5**	**52.8**	**1,350.0**	**1,527.6**	**0.7**	**1,528.3**
Profit for the period						180.5	180.5	-0.2	180.3
Cash flow hedges				-6.3			-6.3	—	-6.3
Translation differences			-44.1				-44.1	0.0	-44.1
Actuarial gains and losses from defined benefit plans						0.7	0.7	—	0.7
Comprehensive income for the period*	**—**	**—**	**-44.1**	**-6.3**	**—**	**181.2**	**130.8**	**-0.2**	**130.5**
Dividends paid						-86.9	-86.9	—	-86.9
Treasury shares acquired					-0.3		-0.3		-0.3
Share-based payments						4.1	4.1		4.1
Transactions with owners of the company	**—**	**—**	**—**	**—**	**-0.3**	**-82.8**	**-83.1**	**—**	**-83.1**
Transactions with non-controlling interests						—	—	—	—
Equity 30 Jun 2023	**64.3**	**98.0**	**-78.0**	**-9.8**	**52.5**	**1,448.3**	**1,575.3**	**0.5**	**1,575.7**

*Net of tax
The notes are an integral part of the half-year financial report.

Consolidated statement of cash flows

Cash flow statement includes continuing and discontinued operations.

MEUR	Note	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Net cash flow from operating activities						
Profit for the period*		1,100.6	107.7	1,181.9	180.3	348.7
Depreciation, amortisation and impairment	8	18.6	28.2	39.9	56.7	114.9
Finance income and expenses		6.4	9.5	10.7	17.7	30.8
Income taxes*	9	32.5	33.4	66.5	56.5	104.3
Non-cash adjustments related to partial demerger	18	-1,039.7	—	-1,039.7	—	—
Change in net working capital		-20.9	-136.1	13.4	-240.0	-46.5
Other adjustments		-8.5	-1.5	-9.7	-3.6	-8.0
Cash flow from operations before finance items and taxes		**89.0**	**41.3**	**262.9**	**67.7**	**544.2**
Cash flow from finance items and taxes		-64.7	-41.1	-79.0	-39.1	-108.3
Net cash flow from operating activities		**24.3**	**0.2**	**183.9**	**28.7**	**435.9**
Net cash flow from investing activities						
Acquisitions of businesses, net of cash acquired	15	-0.1	—	-1.5	-15.7	-25.7
Disposals of businesses, net of cash sold	15	—	-0.5	2.1	7.0	11.1
Cash flow from investing activities, other items		-2.0	-10.4	-15.7	-19.6	-47.1
Net cash flow from investing activities		**-2.1**	**-10.9**	**-15.1**	**-28.2**	**-61.8**

MEUR	Note	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Net cash flow from financing activities						
Treasury shares acquired		—	—	-9.3	-0.3	-17.5
Repayments of lease liabilities		-12.4	-10.8	-24.7	-22.3	-46.9
Proceeds from long-term borrowings		—	—	—	—	50.9
Repayments of long-term borrowings		—	—	-100.0	—	-38.2
Proceeds from short-term borrowings		0.0	-5.0	0.0	6.6	10.6
Repayments of short-term borrowings		-1.2	—	-3.0	—	-3.9
Dividends paid		-125.6	-86.9	-125.6	-86.9	-87.3
Net cash flow from financing activities		**-139.1**	**-102.7**	**-262.6**	**-103.0**	**-132.1**
Change in cash and cash equivalents		**-117.0**	**-113.5**	**-93.7**	**-102.6**	**242.0**
Cash and cash equivalents, and bank overdrafts at the beginning of period		458.2	450.4	680.8	445.4	445.4
Effect of exchange rate changes		-0.1	-1.4	-3.2	-7.3	-6.6
Cash and cash equivalents, and bank overdrafts included in the net assets held for distribution to owners at 31 March 2024		242.8	—	—	—	—
Cash and cash equivalents, and bank overdrafts distributed to the owners	18	-247.7	—	-247.7	—	—
Cash and cash equivalents, and bank overdrafts at the end of period		**336.2**	**335.5**	**336.2**	**335.5**	**680.8**
Bank overdrafts at the end of period		0.1	2.3	0.1	2.3	3.8
Cash and cash equivalents at the end of period		**336.3**	**337.8**	**336.3**	**337.8**	**684.7**

*In Q2/24 Cargotec corrected in statement of cash flows for the periods Q2/23 and Q1-Q2/23 Profit for the period and Income taxes, EUR +19.2 million and EUR -19.2 million respectively.

The notes are an integral part of the half-year financial report.

Notes to the half-year financial report

1. General information

Cargotec Corporation (1927402-8) is a limited liability company domiciled in Helsinki, Finland. The registered address is Porkkalankatu 5, 00180 Helsinki, Finland. Cargotec Corporation and its subsidiaries form the Cargotec Group (later referred to as Cargotec or company). Cargotec Corporation's class B shares are quoted on Nasdaq Helsinki since 1 June 2005.

2. Accounting principles

The half-year financial report has been prepared according to IAS 34 Interim Financial Reporting. The accounting policies adopted are consistent with those of the annual financial statements for 2023 and comply with changes in IAS/IFRS accounting standards effective from 1 January 2024 that had no material impact on the half-year financial report.

All figures presented have been rounded, which may cause, for example, the sum of individual figures to deviate from the presented sum total.

The financial information presented in this release refers to Cargotec's continuing operations (Hiab and MacGregor) unless otherwise stated.

Partial demerger of Cargotec

On 30 May 2024, Cargotec's general meeting approved the separation of the Kalmar business area into its own listed company (Demerger). The implementation date of the Demerger was 30 June 2024, after which Kalmar operates as an independent listed company.

As a result of the planned Demerger, Cargotec has presented the Kalmar business area as discontinued operations in accordance with IFRS 5 Non-current assets held for sale and discontinued operations starting from the first quarter of 2024. In accordance with the IFRS 5 standard, the net result of discontinued operations is presented in the consolidated statement of income separately from the income and expenses of continuing operations (Hiab and MacGregor). In addition, the statement of income includes profit from the Demerger. The balance sheet presented as of 30 June 2024 does not include balance sheet items related to Kalmar due to the Demerger. The cash flow statement and statement of changes in equity include the effects of Kalmar's business and the Demerger. More information about Kalmar's financial performance as discontinued operations is presented in note 17, Discontinued operations, and about the Demerger and Kalmar's financial position is presented in note 18, Demerger.

In the statement of income, the comparison periods have been adjusted accordingly. The balance sheet has not been adjusted. The presented discontinued operations include revenue and expenses directly related to the Kalmar business area, as well as other income and expenses related to continuing operations that are not expected to continue after the Demerger or that would have been avoided without the Demerger. In addition to the balance sheet items of the Kalmar segment, certain items not belonging to the Kalmar segment were removed from Cargotec's balance sheet in the Demerger, which were not depreciated in accordance with the presentation method of IFRS 5. Due to the reasons mentioned above, the financial information presented as Cargotec's continuing operations and Kalmar business area's discontinued operations do not reflect the previous or future profitability of either business as separate independent operations before or after the Demerger.

The adjusted financial information presented in this release is unaudited. Additional information about the restated comparative information has been published in a stock exchange release on April 8, 2024.

New IAS/IFRS accounting standards and standard amendments published in 2024

Amendments to IFRS 9 and IFRS 7, amendments to the classification and measurement of financial instruments

The amendments include guidance for determining whether cash flows of financial instruments tied to environmental, social, and governance (ESG) objectives are considered to be ordinary payments of principal and interest. The amendments also include certain additional disclosure requirements. The changes become effective on 1 January 2026 and are not expected to impact Cargotec's reporting.

IFRS 18 Presentation and disclosure in financial statements

The standard introduces a standardized structure for the statement of profit and loss, and certain improvements to the statement of cash flows. The standard also provides additional guidance on aggregation and disaggregation of data in financial statements and introduces disclosure requirements related to management-defined performance measures. The standard is becoming effective on 1 January 2027 and will change the presentation of Cargotec's financial statements.

IFRS 19 Subsidiaries without public accountability: disclosures

The standard defines limited reporting requirements that a subsidiary can apply in its own IFRS reporting, if certain conditions are met, instead of the presentation requirements of the normal IFRS accounting standards. The standard is becoming effective on 1 January 2027 and has no impact on Cargotec's reporting.

3. Prevailing economic uncertainty

Developments in the global economy and cargo flows have a direct effect on Cargotec's operating environment and customers' willingness to invest. Changes in the global economy and supply chains, geopolitical tensions and wars, energy availability, sanctions and trade wars can have an impact on global flow of goods and therefore on the demand of Cargotec's solutions.

Still high borrowing costs and inflation, withdrawal of fiscal support, longer-term effects from the COVID-19 pandemic and Russia's invasion of Ukraine as well as tensions in Middle East, weak growth in productivity and increasing geo-economic fragmentation are limiting economic growth.

In the current market situation, demand for Cargotec's solutions might be lower than in previous years. Customers may also try to postpone or cancel orders or demand lower prices. Despite planned cost savings, lower production volumes could impact Cargotec's profitability margins negatively.

Deterioration of the global economic outlook and access to finance as well as increases in interest rates can lead to economic and financial difficulties among Cargotec's customers. In some cases their financial position may rapidly deteriorate significantly or even lead to insolvency.

MacGregor goodwill impairment testing

MacGregor's goodwill impairment testing was renewed on 30 June 2024 due to the low level of MacGregor's recoverable amount in relation to the assets being tested. Cargotec announced in November 2022 that MacGregor will not be part of Cargotec's portfolio in the future. Cargotec continues to focus on a turnaround of the business and is looking for a solution for MacGregor in 2024. As a result of the decision, the recoverable amount of the MacGregor segment is determined in the goodwill impairment testing based on the fair value less costs to sell. The testing indicated that the recoverable amount exceeded the tested assets by a EUR 157.3 million (December 31, 2023: EUR 142.0 million). The post-tax WACC (weighted average cost of capital) used in the testing was 7.4 (7.7) percent.

Based on the performed impairment testing, no impairment loss has been recorded. However, MacGregor's recoverable amount remains low relative to testable assets and is sensitive to changes in WACC and forecasts. In addition, in the sale alternative, the refinement of MacGregor's fair value may lead to a further impairment of goodwill.

The goodwill of the MacGregor segment was EUR 376.5 (December 31, 2023: 379.5) million at the time of reporting. As part of MacGregor's impairment testing, sensitivity analyses have been performed for the key assumptions based on three different scenarios. The changes tested in the analyses are a 2 percentage point increase in the discount rate in the first scenario, a 10 percent decrease in turnover and a 2 percentage point decrease in operating profit margin throughout the estimation period in the second scenario, and the combined effect of the previous scenarios in the third scenario. The results of the sensitivity analysis are presented in the table below.

MacGregor goodwill sensitivity analysis

		Sensitivity analysis scenarios and results		
		Scenario 1	Scenario 2	Scenario 3
	Recoverable amount in excess of book value of assets, MEUR	WACC +2 percentage points	Sales -10 percent and operating profit -2 percentage points	Sales -10 percent, operating profit -2 percentage points and WACC +2 percentage points
30 Jun 2024	157,3	No impairment*	Impairment**	Impairment
31 Dec 2023	142.0	No impairment*	Impairment**	Impairment

*Threshold for impairment was WACC +2.3 percentage points (31 Dec 2023: +2.1 percentage points).
**Threshold for impairment was estimation period sales -10 percent and operating profit -1.0 percentage points (31 Dec 2023: estimation period sales -10 percent and operating profit -0.9 percentage points).

Due to the current level of excess value of MacGregor's recoverable amount compared to the book value of assets, should the scenarios considered in the sensitivity analysis realise, the amount to be written off would be; EUR 90 (96) million in the second scenario, and EUR 144 (151) million in the third.

Financial risks related to climate change

Cargotec is exposed to climate-related risks via environmental, regulatory, and technological changes, and due to the commitments it has made to reduce emissions. Evaluation of the financial impacts of climate change on Cargotec is complicated because the occurrence and timing of the resulting effects are difficult to predict, let alone quantify.

Reaching the set emission targets requires efforts in every aspect of Cargotec's business. In addition to being exposed to climate-related risks, the ongoing transition process causes new risks, the realisation of which can have significant financial effects. These effects can lead, for example, to impairments of assets due to the shortened life cycles of products, as well as additional costs related to the introduction of new technologies, which may arise in product development, the realisation of project risks, the growth of inventories, and new types of warranty defects. In addition, tightening regulation may directly limit Cargotec's product offering.

More information about the effects of climate-related risks on Cargotec and Cargotec's commitments to reduce its carbon dioxide emissions is given in the 2023 annual report.

4. Segment information

The completion of the partial demerger of Cargotec Corporation ("Cargotec") (the "Demerger") and the incorporation of a new Kalmar Corporation was registered in the Finnish Trade Register on 30 June 2024. As a result of the Demerger, Cargotec has updated its segment reporting. From 30 June 2024 onwards Cargotec has two reporting segments, Hiab and MacGregor. The Kalmar segment has been removed.

To provide a basis for comparison, Cargotec published on 3 July 2024 its reclassified financial information of reportable segments and Corporate administration and support functions for all quarters of 2023 and the first quarter of 2024 separately, as well as for the full year 2023. Corporate administration and support functions now reflect continuing operations while Hiab and MacGregor financial information remains unchanged. The reclassified financial information is unaudited.

Sales, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Hiab	433	485	847	917	1,787
MacGregor	192	164	395	320	733
Internal sales	0	0	0	0	0
Total	**625**	**648**	**1,242**	**1,237**	**2,519**

Sales by geographical area, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
EMEA	250	335	521	650	1,237
Americas	211	198	410	374	766
Asia-Pacific	164	115	311	212	516
Total	**625**	**648**	**1,242**	**1,237**	**2,519**

Sales by geographical area, %	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
EMEA	40%	52%	42%	53%	49%
Americas	34%	31%	33%	30%	30%
Asia-Pacific	26%	18%	25%	17%	20%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Operating profit and EBITDA, total, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Hiab	68.8	81.5	137.4	142.9	252.1
MacGregor	-8.3	8.2	2.4	0.8	31.8
Corporate administration and support functions	-8.5	-11.1	-18.1	-23.4	-48.0
Operating profit	**52.0**	**78.6**	**121.7**	**120.3**	**236.0**
Depreciation, amortisation and impairment*	14.3	14.1	28.6	28.4	57.7
EBITDA	**66.3**	**92.7**	**150.3**	**148.7**	**293.7**

*Includes the effects of allocating the acquisition cost of businesses	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Hiab	-0.8	-0.8	-1.5	-1.5	-3.1
MacGregor	-1.7	-1.7	-3.4	-3.5	-6.9
Effects of allocating the acquisitions cost of businesses in total	**-2.4**	**-2.5**	**-4.9**	**-5.0**	**-10.0**

Operating profit, %	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Hiab	15.9 %	16.8 %	16.2 %	15.6 %	14.1 %
MacGregor	-4.3 %	5.0 %	0.6 %	0.3 %	4.3 %
Total	**8.3%**	**12.1%**	**9.8%**	**9.7%**	**9.4%**

Items affecting comparability, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Hiab	0.0	0.1	—	0.1	0.1
MacGregor	-29.7	-2.1	-31.2	-10.1	-0.8
Corporate administration and support functions	-0.5	0.0	-0.5	0.0	0.0
Items affecting comparability, total	**-30.1**	**-2.0**	**-31.7**	**-10.0**	**-0.7**
Restructuring costs	-29.2	-1.7	-30.7	-5.0	-13.4
Other items affecting comparability	-0.9	-0.3	-1.0	-5.0	12.7

Comparable operating profit, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Hiab	68.7	81.4	137.4	142.8	252.1
MacGregor	21.4	10.3	33.5	11.0	32.6
Corporate administration and support functions	-8.0	-11.1	-17.6	-23.4	-48.0
Total	**82.1**	**80.6**	**153.3**	**130.3**	**236.7**

CARGOTEC

Comparable operating profit, %	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Hiab	15.9%	16.8%	16.2%	15.6%	14.1%
MacGregor	11.1%	6.3%	8.5%	3.4%	4.5%
Total	**13.1%**	**12.4%**	**12.3%**	**10.5%**	**9.4%**

Orders received, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Hiab	348	375	734	755	1,466
MacGregor	235	187	502	395	816
Internal orders received	0	0	0	0	0
Total	**584**	**562**	**1,236**	**1,149**	**2,282**

Orders received by geographical area, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
EMEA	245	263	506	505	981
Americas	152	179	349	376	697
Asia-Pacific	186	120	381	268	604
Total	**584**	**562**	**1,236**	**1,149**	**2,282**

Orders received by geographical area, %	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
EMEA	42%	47%	41%	44%	43%
Americas	26%	32%	28%	33%	31%
Asia-Pacific	32%	21%	31%	23%	26%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Order book, MEUR	30 Jun 2024	30 Jun 2023	31 Dec 2023
Hiab	676	1,007	799
MacGregor	1,014	953	988
Internal order book	1	1	1
Total	**1,691**	**1,961**	**1,788**

Number of employees at the end of period*	30 Jun 2024	30 Jun 2023	31 Dec 2023
Hiab	3,816	3,961	3,877
MacGregor	1,821	1,935	1,853
Corporate administration and support functions	472	679	670
Total	**6,109**	**6,575**	**6,400**

Average number of employees*	Q1–Q2/24	Q1–Q2/23	2023
Hiab	3,814	3,914	3,932
MacGregor	1,824	1,965	1,938
Corporate administration and support functions	510	668	674
Total	**6,148**	**6,547**	**6,544**

*Comparative numbers of employees have been adjusted to reflect estimated continuing operations. Corporate administration and support functions numbers in 2023 include employees who have moved to discontinued operations during 2024.

5. Revenue from contracts with customers

Hiab, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Equipment sales	317	371	615	691	1,334
Service sales	115	113	233	226	452
Total sales	**433**	**485**	**847**	**917**	**1,787**
Recognised at a point in time	429	481	839	910	1,772
Recognised over time	4	3	8	7	15

MacGregor, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Equipment sales	95	76	209	145	379
Service sales	97	88	186	175	354
Total sales	**192**	**164**	**395**	**320**	**733**
Recognised at a point in time	166	114	319	238	507
Recognised over time	27	49	76	83	226

Cargotec, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Equipment sales	413	447	824	836	1,714
Service sales	212	201	419	401	806
Total sales	**625**	**648**	**1,242**	**1,237**	**2,519**
Recognised at a point in time	594	596	1,158	1,147	2,278
Recognised over time	31	53	84	90	241

6. Share-based payments

During January–June of the financial year 2024, Cargotec had several share-based incentive programmes in place for the group's key employees. During the quarter, the Board of Directors of Cargotec Corporation did not establish any new share-based incentive programmes.

The completion of the partial demerger of Cargotec Corporation and the incorporation of a new Kalmar Corporation was registered in the Finnish Trade Register on 30 June 2024. As a result of the partial demerger, Cargotec's Board of Director's will adjust the details of the share-based incentive programmes. Adjustments will be decided in the third quarter.

The following share-based incentive programmes established by the Board of Directors of Cargotec during the past financial years were in operation during January–June of 2024:

Performance share programme 2020–2024, performance period 2022–2024. The performance period includes three measuring periods of one calendar year. For its third measuring period of the financial year 2024, the potential reward will be based on the eco portfolio share in orders received for the key employees of the Hiab business area. For Cargotec Corporate key employees, the performance criterion is Cargotec's eco portfolio share in orders received. Before the partial demerger, the programme was directed to approximately 100 key employees, including the members of Cargotec Leadership Team. In the partial demerger, approximately 30 programme members transferred to Kalmar. Before the partial demerger, the rewards to be paid on the basis of the performance period amounted up to an approximate maximum total of 280,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees, the total maximum amount of shares was reduced by approximately 59,000 shares.

Performance share programme 2023–2025, performance period 2023–2025. The performance period includes three measuring periods of one calendar year. For its second measuring period 2024, the potential reward will be based on the service gross profit for the key employees of the Hiab business area. For Cargotec Corporate key employees, the performance criterion is Cargotec's service gross profit. Before the partial demerger, the programme was directed to approximately 100 key employees, including the members of Cargotec Leadership Team. In the partial demerger, approximately 40 programme members transferred to Kalmar. Before the partial demerger, the rewards to be paid on the basis of the performance period amounted up to an approximate maximum total of 200,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees, the total maximum amount of shares was reduced by approximately 60,000 shares.

Performance share programme 2024–2026, performance period 2024–2026. The performance period includes three measuring periods of one calendar year. For the key employees of the Hiab business area, the potential reward of the programme from the first measuring period 2024 will be based on the business areas' earning per share (EPS). For the Cargotec Corporate key employees, the performance criteria is Cargotec's earning per share (EPS). Before the partial demerger, the programme was directed to approximately 100 key employees, including the members of Cargotec Leadership Team. In the partial demerger, approximately 40 programme members transferred to Kalmar. Before the partial demerger, the rewards to be paid on the basis of the performance period amounted up to an approximate maximum total of 222,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees, the total maximum amount of shares was reduced by approximately 92,250 shares.

Restricted share programme 2020–2024, earnings period 2022–2024. Before the partial demerger, the rewards to be paid on the basis of the performance period amounted up to an approximate maximum total of 31,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees, the total maximum amount of shares was reduced by approximately 5,000 shares.

Restricted share programme 2023–2025. The rewards to be paid on the basis of the programme amounted up to an approximate maximum total of 24,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees, the total maximum amount of shares was reduced by approximately 8,000 shares.

Restricted share programme 2024–2026. The rewards to be paid on the basis of the programme amounted up to an approximate maximum total of 20,000 Cargotec's class B shares. In the partial demerger, following the transfer of Kalmar employees. the total maximum amount of shares was reduced by approximately 10,000 shares.

Restricted share unit programme 2023–2025. The reward from the programme is conditional on the achievement of strategic goals set by the Board of Directors. The reward is estimated to be paid in the beginning of 2025. The shares received as a reward from the programme may not be sold, transferred, pledged or otherwise assigned during a lock-up period which ends six months after the reward payment. The programme is intended for approximately 50 Cargotec group's key employees, including selected Leadership Team members. The rewards to be allocated on the basis of the programme will amount up to an approximate maximum total of 268,750 Cargotec's class B shares.

7. Comparable operating profit

MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Operating profit	**52.0**	**78.6**	**121.7**	**120.3**	**236.0**
Restructuring costs					
Employment termination costs	0.0	0.5	0.6	1.9	5.1
Impairments of inventories	-0.2	—	0.5	—	-1.2
Restructuring-related disposals of businesses*	—	0.6	—	0.6	1.6
Other restructuring costs**	29.4	0.6	29.5	2.5	7.9
Restructuring costs, total	**29.2**	**1.7**	**30.7**	**5.0**	**13.4**
Other items affecting comparability					
Expenses related to business acquisitions or disposals***	0.9	0.1	1.0	0.4	0.5
Other costs****	0.0	0.2	0.0	4.6	-13.2
Other items affecting comparability, total	**0.9**	**0.3**	**1.0**	**5.0**	**-12.7**
Comparable operating profit	**82.1**	**80.6**	**153.3**	**130.3**	**236.7**

* Additional information regarding disposals of businesses is presented in note 15, Acquisitions and disposals.

** Other restructuring costs includes contract termination costs (other than employment contracts), costs arising from outsourcing or transferring operations to new locations, maintenance costs of vacant and in the future redundant premises for Cargotec, gains and losses on sale of intangible assets and property, plant and equipment that relate to sold or discontinued operations as well as costs for the group-wide reorganisation of support functions.

During the second quarter of 2024, MacGregor settled a dispute with a customer related to an installation vessel pilot project for offshore wind turbines, as a result of which the negative result impact of approximately EUR 29 million related to settlement of the dispute and termination of the project was recorded to restructuring costs. The product is no longer in MacGregor's sales portfolio.

*** Additional information regarding disposals of businesses is presented in note 15, Acquisitions and disposals and note 16, Joint ventures and associated companies.

**** In 2022 Cargotec and its subsidiary MacGregor USA, Inc. made a voluntary self-disclosure to US authorities regarding compliance with certain export regulations related to information management in the context of MacGregor's US Government business in 2022. MacGregor then booked an approximately EUR 18 million provision to cover possible consequences. During the third quarter of 2023, relevant US authorities resolved the matter without monetary penalty, and Cargotec thereby released the provision as an item affecting comparability.

8. Capital expenditure, depreciation, amortisation and impairment

Capital expenditure, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Owned assets					
Intangible assets	0.3	1.3	1.1	1.6	2.6
Land and buildings	0.2	0.1	0.6	0.5	2.6
Machinery and equipment	3.9	5.2	7.9	10.2	20.1
Right-of-use assets					
Land and buildings	6.9	4.2	12.4	7.4	15.3
Machinery and equipment	2.8	3.7	5.7	7.0	14.8
Total	**14.0**	**14.6**	**27.7**	**26.8**	**55.3**

Depreciation, amortisation and impairment, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Owned assets					
Intangible assets	3.2	3.4	6.3	6.9	13.5
Land and buildings	0.7	0.7	1.4	1.3	2.5
Machinery and equipment	2.8	2.6	5.6	5.5	11.5
Right-of-use assets					
Land and buildings	4.5	4.5	9.1	9.1	18.0
Machinery and equipment	3.2	2.9	6.2	5.7	12.2
Total	**14.3**	**14.1**	**28.6**	**28.4**	**57.7**

9. Taxes in statement of income

MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Current year tax expense	38.4	21.8	62.4	35.3	66.3
Change in current year's deferred tax assets and liabilities	-17.2	-3.0	-24.2	-5.5	-5.1
Tax expense for previous years	-0.8	0.5	3.3	1.2	-4.1
Total	**20.4**	**19.3**	**41.5**	**31.0**	**57.1**

10. Net working capital

MEUR	30 Jun 2024	30 Jun 2023	31 Dec 2023
Inventories	564.3	1,156.7	1,033.8
Operative derivative assets	17.1	42.3	35.9
Accounts receivable	429.0	849.2	723.8
Contract assets	22.9	74.4	47.3
Other operative non-interest-bearing assets	131.4	174.6	166.6
Working capital assets	**1,164.7**	**2,297.2**	**2,007.5**
Provisions	-62.0	-174.5	-160.5
Operative derivative liabilities	-25.4	-50.4	-33.0
Pension obligations	-49.8	-79.1	-89.0
Accounts payable	-307.9	-619.9	-511.2
Contract liabilities	-251.4	-345.1	-374.5
Other operative non-interest-bearing liabilities	-229.6	-498.9	-510.4
Working capital liabilities	**-926.1**	**-1,767.8**	**-1,678.6**
Total	**238.6**	**529.4**	**328.9**

Information about the net assets distributed to the owners in connection with the partial demerger is presented in note 18, Demerger. The comparative data include continuing and discontinued operations.

Assets and liabilities that are not allocated to business operations are not included in net working capital. Unallocated assets comprise loans and other interest-bearing receivables, cash and cash equivalents, income tax receivables, deferred tax assets, deferred interests, deferred considerations on disposals, and derivatives designated as hedges of future treasury transactions. Unallocated liabilities comprise loans and other interest-bearing liabilities, income tax payables, deferred tax liabilities, accrued interests, deferred considerations on acquisitions, dividend liabilities, and derivatives designated as hedges of future treasury transactions.

11. Interest-bearing net debt and liquidity

MEUR	30 Jun 2024	30 Jun 2023	31 Dec 2023
Interest-bearing liabilities	375.4	843.1	866.7
Lease liabilities included in interest-bearing liabilities	99.9	167.6	177.6
Loans receivable and other interest-bearing assets	-21.2	-2.0	-3.5
Cash and cash equivalents	-336.2	-337.8	-684.7
Interest-bearing net debt	**18.0**	**503.3**	**178.6**
Equity	1,162.2	1,575.7	1,753.8
Gearing	**1.5%**	**31.9%**	**10.2%**

MEUR	Q2/24	Q2/23	2023
Operating profit, last 12 months	448.7	275.7	483.8
Depreciation, amortisation and impairment, last 12 months	98.1	199.5	114.9
EBITDA, last 12 months	**546.8**	**475.1**	**598.7**
Interest-bearing net debt / EBITDA, last 12 months	**0.0**	**1.1**	**0.3**

The fair values of interest-bearing assets and liabilities are not significantly different from their carrying amounts.

MEUR	30 Jun 2024	30 Jun 2023	31 Dec 2023
Cash and cash equivalents	336.2	337.8	684.7
Committed long-term undrawn revolving credit facilities	330.0	330.0	430.0
Repayments of interest-bearing liabilities in the following 12 months	-129.4	-341.0	-158.5
Liquidity	**536.9**	**326.8**	**956.2**

Information about the net assets distributed to the owners in connection with the partial demerger is presented in note 18, Demerger. The comparative data include continuing and discontinued operations.

12. Derivatives

Fair values of derivative financial instruments

	Positive fair value	Negative fair value	Net fair value	Net fair value	Net fair value
MEUR	30 Jun 2024	30 Jun 2024	30 Jun 2024	30 Jun 2023	31 Dec 2023
Non-current					
Equity warrants	–	–	–	1.1	–
Total non-current	**–**	**–**	**–**	**1.1**	**–**
Current					
Currency forwards, cash flow hedge accounting	0.9	3.8	-3.0	-0.7	11.4
Currency forwards, other	28.6	22.7	5.8	-5.4	16.6
Total current	**29.4**	**26.5**	**2.9**	**-6.2**	**28.1**
Total derivatives	**29.4**	**26.5**	**2.9**	**-5.1**	**28.1**

Financial assets and liabilities recognised at fair value through profit and loss comprise mainly currency derivatives. The recurring measurement of these instruments at fair value is based on commonly applied valuation methods and uses observable market-based variables. Therefore, these measurements are categorised in the fair value hierarchy as level 2 fair values.

Nominal values of derivative financial instruments

MEUR	30 Jun 2024	30 Jun 2023	31 Dec 2023
Currency forward contracts	5,070.2	3,742.1	4,020.2
Cash flow hedge accounting	1,731.8	2,500.7	2,313.9
Other	3,338.4	1,241.4	1,706.3
Total	**5,070.2**	**3,742.1**	**4,020.2**

The derivatives have been recognised at gross fair values on the balance sheet, as the netting agreements related to derivatives allow unconditional netting only in the occurrence of credit events but not in a normal situation. The group has not given or received collateral related to derivatives from the counterparties.

Information about the net assets distributed to the owners in connection with the partial demerger is presented in note 18, Demerger. The comparative data include continuing and discontinued operations.

13. Commitments

MEUR	30 Jun 2024	30 Jun 2023	31 Dec 2023
Customer financing	–	8.9	8.3
Off-balance sheet leases	4.9	17.2	8.0
Other contingent liabilities	0.6	1.1	1.3
Total	**5.5**	**27.2**	**17.5**

Cargotec Corporation has guaranteed obligations of Cargotec companies arising from ordinary course of business. The total amount of these guarantees on 30 Jun 2024 was EUR 244.2 (30 Jun 2023: 484.8 and 31 Dec 2023: 404.3) million.

Contingent liabilities are related to guarantees given by Cargotec in the ordinary course of business for the delivery of products and services. Guarantees are provided in different ways including direct guarantees, bank guarantees, and performance bonds. Various Group entities are parties to legal actions and claims which arise in the ordinary course of business. While the outcome of some of these matters cannot precisely be foreseen, they are not expected to result in a significant loss to the Group.

Commitments related to leases include commitments related to off-balance sheet leases, on-balance sheet leases not yet commenced, and residual value risk related to equipment sold under customer finance arrangements and accounted for as leases.

The comparative data above include both continuing and discontinued operations.

14. Related party transactions

Cargotec's related parties include the parent company Cargotec Corporation and its subsidiaries, associated companies and joint ventures. Related parties include also the members of the Board of Directors, the CEO and other members of the Leadership Team, their close family members and entities controlled directly or indirectly by them. In addition, major shareholders with more than 20 percent ownership of shares or of the total voting rights in the company, are included in related parties.

Business transactions with related parties

MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Sale of products and services					
Joint ventures	0.7	0.4	2.8	1.2	4.5
Purchase of products and services					
Joint ventures	3.3	2.1	6.1	6.0	12.7

Transactions with joint ventures are carried out at market prices.

Assets and liabilities with related parties

MEUR	30 Jun 2024	30 Jun 2023	31 Dec 2023
Accounts receivable			
Joint ventures	2.4	2.1	2.2
Accounts payable			
Joint ventures	3.2	2.1	3.9

Cargotec sold in April a property to its related parties Wipunen varainhallinta oy, Mariatorp Oy, Pivosto Oy who jointly acquired the property on behalf of the established company. The property's sales price was based on estimates given by two independent real estate brokers. The total value of the transaction including movable property was EUR 11.4 million resulting in a sales profit of EUR 7.7 million that was included in the result of the discontinued operation.

Cargotec did not have other material business transactions, or balance sheet items with its related parties than those presented above.

15. Acquisitions and disposals

Cargotec made no acquisitions or disposals during the first half of 2024.

Acquisitions in 2023

Hiab acquired in January the share capitals of Olsbergs Hydraulics Aktiebolag and Olsbergs Electronics AB at a purchase price of EUR 19.1 million of which the EUR 1.9 million share is conditional and paid later. Olsbergs is the technological leader in the design and manufacture of hydraulic valves and remote control systems. Its solutions are used to manoeuvre Hiab's truck mounted loader cranes and forestry cranes. Via acquisition, Hiab is insourcing these components and has better capabilities to further develop them in an integrated manner with other crane components. In determining the fair values, EUR 3.3 million of intangible assets and EUR 4.9 million of goodwill, which is not tax deductible, were identified. As a result of the acquisition, approximately 100 employees transferred to Hiab.

Acquired net assets and goodwill related to Olsbergs acquisition, MEUR MEUR	
Intangible assets	3.3
Property, plant and equipment	13.6
Inventories	4.7
Accounts receivable and other non-interest-bearing receivables	3.3
Cash and cash equivalents	0.9
Accounts payable and other non-interest-bearing liabilities	-1.9
Interest-bearing liabilities	-8.2
Deferred tax liabilities	-1.6
Net assets	**14.1**
Purchase price, payable in cash	17.1
Purchase price, conditional	1.9
Total consideration	**19.1**
Goodwill	**4.9**
Purchase price, paid in cash	17.1
Cash and cash equivalents acquired, including overdrafts	-0.9
Cash flow impact	**16.2**

Disposals in 2023

In December, Hiab sold its Spanish subsidiary Hiab Iberia S.L.U. at a sales price of EUR 6.1 million, of which EUR 2.1 million was paid during the first quarter of 2024. With the transaction, Hiab transferred its spare parts business in Spain to its partner Mulder Maquinaria S.L.U. The transaction had no material effect on the reported figures.

In November, MacGregor sold its 51% ownership in the UK-based Flintstone Technology Limited to Bridon International Ltd. The transaction had no material effect on the reported figures.

In October, MacGregor sold the Voyage Data Recorder and Maritime Data Engine businesses to Danelec Electronics A/S. The transaction had no material effect on the reported figures.

In May, Hiab sold its Russian subsidiary Hiab RUS LLC to the company's executive management. The company has mainly sold Hiab equipment and related services to the Russian market. The transaction had no material effect on the reported figures.

16. Joint ventures and associated companies

There we no changes in Cargotec's ownerships in joint ventures and associated companies during the first half of 2024.

Changes in joint ventures and associated companies in 2023

In April, Hiab completed the closure of the joint venture Sinotruk Hiab (Shandong) Equipment Co., Ltd. Termination of the company had no material profit impact.

The sale of TTS Hua Hai Ships Equipment (Shanghai) Co., Ltd. (THH) to CSSC was completed in March. The transaction had no material profit impact.

17. Discontinued operations

On 30 May 2024, Cargotec's annual general meeting approved the separation of the Kalmar business area into its own listed company (Demerger). The implementation date of the Demerger was 30 June 2024, after which Kalmar operates as an independent listed company.

As a result of the Demerger, Cargotec has presented the Kalmar business area as discontinued operations in accordance with IFRS 5 Non-current assets held for sale and discontinued operations starting from the first quarter of 2024. In accordance with the IFRS 5 standard, the net result of discontinued operations is presented in the consolidated statement of income separately from the income and expenses of continuing operations (Hiab and MacGregor). The balance sheet presented as of 30 June 2024 does not include balance sheet items related to Kalmar due to the Demerger. The cash flow statement and statement of changes in equity include the effects of Kalmar's business and the Demerger.

In the statement of income, the comparison periods have been adjusted accordingly. The balance sheet has not been adjusted. The presented discontinued operations include revenue and expenses directly related to the Kalmar business area, as well as other income and expenses related to continuing operations that are not expected to continue after the Demerger or that would have been avoided without the Demerger. In addition to the balance sheet items of the Kalmar segment, certain items not belonging to the Kalmar segment were removed from Cargotec's balance sheet in the Demerger. These items were not depreciated or amortised in accordance with the presentation method of IFRS 5. Due to the reasons described above, the financial information presented as Cargotec's continuing operations and Kalmar business area's discontinued operations do not reflect the previous or future profitability of either business as separate independent operations before or after the Demerger.

The tables below include additional information about Kalmar's financial performance as discontinued operations. Information about balance sheet items transferred to Kalmar in the Demerger is presented in note 18, Demerger.

Income for the discontinued operations

MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Sales	**416.5**	**551.6**	**855.2**	**1,036.9**	**2,049.4**
Cost of goods sold	-298.1	-419.3	-619.0	-782.3	-1,540.6
Gross profit	**118.3**	**132.4**	**236.2**	**254.6**	**508.8**
Selling and marketing expenses	-22.5	-21.8	-42.5	-41.7	-85.5
Research and development expenses	-11.3	-12.1	-22.7	-24.9	-53.9
Administration expenses	-27.3	-29.6	-52.4	-57.5	-111.2
Restructuring costs	0.0	0.0	0.0	-0.4	-1.2
Other operating income	15.4	8.1	23.1	15.6	31.2
Other operating expenses	-25.4	-7.2	-44.2	-15.2	-49.4
Share of associated companies' and joint ventures' net result	0.7	2.1	0.3	3.8	9.0
Operating profit	**47.8**	**71.9**	**97.7**	**134.2**	**247.8**
Finance income	1.9	1.0	4.9	2.6	5.7
Finance expenses	-7.8	-5.9	-13.6	-9.4	-20.1
Profit before taxes of the operations transferred to discontinued operations	**42.0**	**67.1**	**89.0**	**127.3**	**233.5**
Income taxes	-12.1	-14.1	-25.0	-25.5	-47.3
Profit for the period of the operations transferred to discontinued operations	**29.9**	**52.9**	**64.0**	**101.8**	**186.2**
Fair value gain recognised from net assets distributed to the owners	1,112.7	–	1,112.7	–	–
Translation differences	-73.1	–	-73.1	–	–
Profit for the period, discontinued operations	**1,069.5**	**52.9**	**1,103.7**	**101.8**	**186.2**
Profit for the period attributable to:					
Shareholders of the parent company	1,069.5	52.9	1,103.7	101.8	186.2
Non-controlling interest	–	–	–	–	–
Total	**1,069.5**	**52.9**	**1,103.7**	**101.8**	**186.2**

Cash flows from discontinued operations

MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Net cash flow from operating activities	-13.7	-18.9	95.7	-34.3	208.8
Net cash flow from investing activities	3.4	-5.3	-5.5	-14.7	-43.6
Net cash flow from financing activities	-4.3	-11.0	-10.3	-3.4	38.0
Net cash flow total	**-14.6**	**-35.2**	**79.8**	**-52.4**	**203.2**

Comparable operating profit

MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Operating profit	**47.8**	**71.9**	**97.7**	**134.2**	**247.8**
Restructuring costs					
Employment termination costs	—	0.0	—	0.2	1.1
Impairments of inventories	0.0	—	-0.1	0.0	0.3
Other restructuring costs*	—	-0.1	0.2	0.2	-0.1
Restructuring costs, total	**0.0**	**-0.1**	**0.1**	**0.4**	**1.2**
Other items affecting comparability					
Costs related to the partial demerger	26.0	5.8	41.6	5.8	27.6
Other items affecting comparability, total	**26.0**	**5.8**	**41.6**	**5.8**	**27.6**
Comparable operating profit	**73.8**	**77.6**	**139.4**	**140.4**	**276.7**

* Other restructuring costs includes contract termination costs (other than employment contracts), costs arising from outsourcing or transferring operations to new locations, maintenance costs of vacant and in the future redundant premises for Cargotec, gains and losses on sale of intangible assets and property, plant and equipment that relate to sold or discontinued operations.

Capital expenditure, depreciation, amortisation and impairment

Capital expenditure, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Owned assets	11.3	10.4	22.5	28.1	55.8
Right-of-use assets	6.2	5.2	11.4	7.8	25.9
Total	**17.5**	**15.6**	**33.8**	**35.9**	**81.7**

Depreciation, amortisation and impairment, MEUR	Q2/24	Q2/23	Q1–Q2/24	Q1–Q2/23	2023
Owned assets	0.0	10.2	2.7	20.7	41.1
Right-of-use assets	4.3	4.0	8.5	7.6	16.1
Total	**4.3**	**14.2**	**11.3**	**28.3**	**57.2**

18. Demerger

On 30 May 2024, Cargotec's annual general meeting approved the separation of the Kalmar business area into its own listed company (Demerger). The implementation date of the Demerger was 30 June 2024, after which Kalmar operates as an independent listed company. The trading in the class B shares of Kalmar on Nasdaq Helsinki commenced on 1 July 2024.

The Hiab business area of Cargotec remains in the Demerger with the current company. As announced by Cargotec on 14 November 2022, MacGregor, which is one of the business areas of Cargotec, will not be part of Cargotec's portfolio in the future. Therefore, in parallel, Cargotec's focus remains to continue looking for a solution for MacGregor during 2024.

Based on the Board of Directors' assessment, Demerger would be expected to improve the business performance of Kalmar and Hiab through higher agility, decisiveness, and stronger management focus. In addition, as two standalone businesses, the companies are positioned to achieve faster organic and inorganic growth thanks to a more tailored capital allocation strategy and flexible access to external capital. The Board of Directors believes the transaction would increase the attractiveness of the companies and facilitate their fair valuation. Furthermore, the separation would improve governance, simplify the structures of the entities, and provide greater transparency and accountability.

In the Demerger, all assets, debts, and liabilities of Cargotec that related to the Kalmar business area or mainly served the Kalmar business area of Cargotec were transferred to a new company named Kalmar Corporation that was incorporated in the Demerger.

The Demerger was executed as a partial demerger, as set out in the Finnish Companies Act (624/2006, as amended). The shareholders of Cargotec received as demerger consideration one new share of the corresponding share class (i.e., class A or class B) of Kalmar for each class A and class B share owned in Cargotec. There are corresponding two share classes in Kalmar as in Cargotec, i.e., class A and class B, which will carry the same voting and dividend rights as class A and class B shares in Cargotec, respectively. No action was required from the shareholders to receive the demerger consideration.

Fair value of the Demerger was determined based on the closing price of 26.40 euros on the first trading day of the Kalmar Corporation class B share on July 1, 2024. Based on the stock of Kalmar's 64,324,118 shares (9,526,089 class A shares and 54,798,029 class B shares), the fair value of the Demerger was EUR 1,698.2 million and the fair value gain from the Demerger was EUR 1,039.7 million. The gain from the Demerger was included in the discontinued operation's result. The demerger gain had no tax effect on the consolidated statement of income.

Fair value gain from the Demerger

MEUR	
Fair value of the Demerger	1,698.2
Net assets distributed to the owners	-585.7
Cash flow hedges transferred to the statement of income, net of tax	0.2
Fair value gain recognised from the net assets distributed to the owners	**1,112.7**
Translation differences	-73.1
Fair value gain from the Demerger	**1,039.7**

Distributed net assets

MEUR	
Assets	
Goodwill	261.0
Intangible assets	17.6
Property, plant and equipment	287.7
Investments in associated companies and joint ventures	47.3
Inventory	455.6
Accounts receivable and other non-interest-bearing receivables	374.0
Loans receivable and other interest-bearing assets	4.1
Cash and cash equivalents	248.6
Deferred tax assets	51.1
Liabilities	
Accounts payable and other non-interest-bearing liabilities	-741.0
Interest-bearing liabilities	-409.6
Deferred tax liabilities	-11.0
Net assets	**585.7**

Additional information about the Demerger can be found in the press release published by Cargotec on 1 February 2024. Additionally, The Demerger and listing prospectus,contains more detailed information about the Demerger and Kalmar.

19. Events after the reporting period

Cargotec announced on 7 August 2024 that the Board of Directors resolved on the adjustment of ongoing share-based incentive programmes so as to be payable in rewards expressed in shares of Cargotec Corporation only. The adjustments were made following the demerger registered on 30 June 2024. More information is provided on a stock exchange release published on 7 August 2024.

Cargotec announced on 7 August 2024 that the Board of Directors had decided to exercise the authorisation of the Annual General Meeting on 30 May 2024 to repurchase the company's own shares. Cargotec will repurchase 400,000 class B shares to be used as reward payments for Cargotec's share-based incentive programmes. More information is provided on a stock exchange release published on 7 August 2024.

Key exchange rates for euro

Closing rates	30 Jun 2024	30 Jun 2023	31 Dec 2023
SEK	11.360	11.806	11.096
USD	1.071	1.087	1.105

Average rates	Q1–Q2/24	Q1–Q2/23	2023
SEK	11.377	11.373	11.456
USD	1.083	1.079	1.082

Cargotec's key figures

The key figures including components related to the statement of income include both continuing and discontinued operations. The key figures including components from the balance sheet (equity, interest-bearing net debt, gearing, return on capital employed) include discontinued operations in all presented periods, except June 2024.

		Q1–Q2/24	Q1–Q2/23	2023
Equity / share	EUR	18.05	24.35	27.25
Equity to asset ratio	%	50.4%	40.3%	43.8%
Interest-bearing net debt	MEUR	18.0	503.3	178.6
Interest-bearing net debt / EBITDA, last 12 months		0.0	1.1	0.3
Gearing	%	1.5%	31.9%	10.2%
Return on equity (ROE), last 12 months	%	22.7%	9.1%	21.2%
Return on capital employed (ROCE), last 12 months*	%	23.7%	11.5%	19.9%

Additional information regarding interest-bearing net debt and gearing is disclosed in note 11, Interest-bearing net debt and liquidity.

Calculation of key figures

IFRS key figures

Basic earnings per share (EUR)	=	$\frac{\text{Profit attributable to the shareholders of the parent company}}{\text{Average number of outstanding shares during the period}}$
Diluted earnings per share (EUR)	=	$\frac{\text{Profit attributable to the shareholders of the parent company}}{\text{Average number of diluted outstanding shares during the period}}$

Alternative performance measures

According to the ESMA Guidelines on Alternative Performance Measures, an Alternative Performance Measure (APM) is understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. In addition to IFRS key figures, Cargotec uses the following alternative performance measures:

Key figure		Definition	Reason for use	Reconciliation
Operating profit (MEUR and % of sales)	=	Sales - cost of goods sold - selling and marketing expenses - research and development expenses - administration expenses - restructuring costs + other operating income - other operating expenses + share of associated companies' and joint ventures' result	Operating profit is used to measure business profitability. It describes the profitability of the business before taking into account financial items and taxes.	Statement of income
Comparable operating profit (MEUR and % of sales)	=	Operating profit excluding items significantly affecting comparability	Comparable operating profit is used to monitor and forecast profit development and set related targets. It is calculated by excluding items significantly affecting comparability from operating profit, which makes it easier to compare the profitability of the business at different time periods.	Note 7. Comparable operating profit

Items significantly affecting comparability (MEUR)	=	Items significantly affecting comparability include, in addition to restructuring costs, mainly capital gains and losses, gains and losses related to acquisitions and disposals, acquisition and integration costs including during years 2020-2022 costs related to the merger plan with Konecranes Plc, impairments and reversals of impairments of assets, insurance benefits, and expenses related to legal proceedings.	Factor used to calculate Comparable operating profit.	Note 7. Comparable operating profit
Cash flow from operations before financing items and taxes	=	Profit for the period + depreciation, amortisation and impairment + finance income and expenses + taxes + other adjustments + changes in net working capital	Represents cash flow from operations after income from sales less operating expenses. Measures the company's ability to meet its financial commitments, including interest payments, taxes, investments, and equity and debt payments. Used to monitor and forecast business performance.	Statement of cash flows
Interest- bearing net debt/EBITDA, last 12 months	=	Interest-bearing net debt / EBITDA, last 12 months	Used to measure corporate capital structure and financial capacity.	Note 11, Interest-bearing net debt and liquidity
Interest- bearing net debt (MEUR)	=	Interest-bearing liabilities (non-current interest-bearing liabilities + current portion of interest-bearing liabilities + current other interest-bearing liabilities) - interest-bearing receivables (non-current and current loans receivable and other interest-bearing assets) - cash and cash equivalents +/- foreign currency hedge of corporate bonds	Interest-bearing net debt represents Cargotec's indebtedness. Used to monitor capital structure and as a factor to calculate Interest-bearing net debt / EBITDA and Gearing.	Note 11, Interest-bearing net debt and liquidity
EBITDA (MEUR), last 12 months	=	Operating profit + depreciation, amortisation and impairment, last 12 months	Factor used to calculate Interest-bearing net debt / EBITDA.	Note 11, Interest-bearing net debt and liquidity
Net working capital (MEUR)	=	Inventories + operative derivative assets + accounts receivable + contract assets + other operative non-interest-bearing assets - provisions - operative derivative liabilities - pension obligations - accounts payable - contract liabilities - other operative non-interest-bearing liabilities	Net working capital is used to follow the amount of capital needed for the business to operate. It does not include financing items, taxes nor non-current assets. Used also as a factor to calculate Operative capital employed.	Note 10, Net working capital
Operative capital employed (MEUR)	=	Goodwill + intangible assets + property, plant and equipment + investments in associated companies and joint ventures + share investments + net working capital	Operative capital employed refers to the amount of capital needed for the business to operate and generate profits. It does not include taxes or finance income and expenses. Used to measure the efficiency with which the capital is used.	Note 10, Net working capital

Investments	=	Additions to intangible assets and property, plant and equipment including owned assets and right- of-use assets, excluding assets acquired through business combinations	Investments refer to money used to acquire long-term assets. Used as a factor in cash flow calculation.	Note 8, Capital expenditure, depreciation and amortisation
Return on equity (ROE) (%), last 12 months	= 100 x	Profit for the period, last 12 months, excluding Fair value gain from the Demerger / Total equity (average for the last 12 months)	Represents the rate of return that shareholders receive on their investments.	Profit for the period: Statement of income; Total equity: Balance sheet Fair value gain from the Demerger: Note 18, Demerger
Return on capital employed (ROCE) (%), last 12 months	= 100 x	Profit before taxes + finance expenses, last 12 months / Total assets - non-interest-bearing debt (average for the last 12 months)	Represents relative profitability or the rate of return that has been received on capital employed requiring interest or other return.	Profit before taxes and finance expenses: Statement of income; Total assets and non-interest-bearing debt: Balance sheet
Operative return on capital employed (operative ROCE) (%), last 12 months	= 100 x	Operating profit, last 12 months / Operative capital employed (average for the last 12 months)	Represents relative business profitability that has been received on operative capital employed requiring interest or other return.	Operating profit: Note 4, Segment information; Operative capital employed: Note 10. Net working capital
Non-interest-bearing debt	=	Total assets - total equity - non-current interest-bearing liabilities - current portion of interest-bearing liabilities - current other interest-bearing liabilities	Used as a factor to calculate Return on capital employed (ROCE).	Balance sheet
Equity to asset ratio	= 100 x	Total equity / Total assets - contract liabilities	Used to measure solvency and describe the share of the company's assets financed by equity.	Balance sheet
Gearing (%)	= 100 x	Interest-bearing net debt / Total equity	Represents the company's indebtedness by measuring the amount of interest-bearing debt in proportion to equity capital. Some of Cargotec's loan agreements include a covenant restricting the corporate capital structure, measured by gearing.	Note 11, Interest-bearing net debt and liquidity

In the calculation of the balance sheet related key figures, the assets held for distribution to owners and associated liabilities are included in the applicable account groups, even though in the balance sheet they are presented on one row.

Quarterly key figures

Cargotec		Q2/24	Q1/24	Q4/23	Q3/23	Q2/23
Orders received	MEUR	584	653	610	522	562
Service orders received	MEUR	204	205	194	183	190
Order book	MEUR	1,691	1,799	1,788	1,894	1,961
Sales	MEUR	625	617	684	598	648
Service sales	MEUR	212	207	208	197	201
Service sales, % of sales	%	34%	33%	30%	33%	31%
Eco portfolio sales	MEUR	188	174	202	192	217
Eco portfolio sales, % of sales	%	30%	28%	30%	32%	33%
Operating profit	MEUR	52.0	69.7	39.0	76.7	78.6
Operating profit	%	8.3%	11.3%	5.7%	12.8%	12.1%
Comparable operating profit	MEUR	82.1	71.2	45.5	60.9	80.6
Comparable operating profit	%	13.1%	11.5%	6.7%	10.2%	12.4%
Basic earnings per share	EUR	0.48	0.73	0.31	0.97	0.85

Hiab		Q2/24	Q1/24	Q4/23	Q3/23	Q2/23
Orders received	MEUR	348	386	401	311	375
Order book	MEUR	676	770	799	900	1,007
Sales	MEUR	433	415	450	420	485
Service sales	MEUR	115	117	114	113	113
Comparable operating profit	MEUR	68.7	68.7	47.8	61.5	81.4
Comparable operating profit	%	15.9%	16.6%	10.6%	14.7%	16.8%

MacGregor		Q2/24	Q1/24	Q4/23	Q3/23	Q2/23
Orders received	MEUR	235	267	209	211	187
Order book	MEUR	1,014	1,028	988	993	953
Sales	MEUR	192	203	234	179	164
Service sales	MEUR	97	89	94	85	88
Comparable operating profit	MEUR	21.4	12.1	13.1	8.5	10.3
Comparable operating profit	%	11.1%	6.0%	5.6%	4.8%	6.3%