



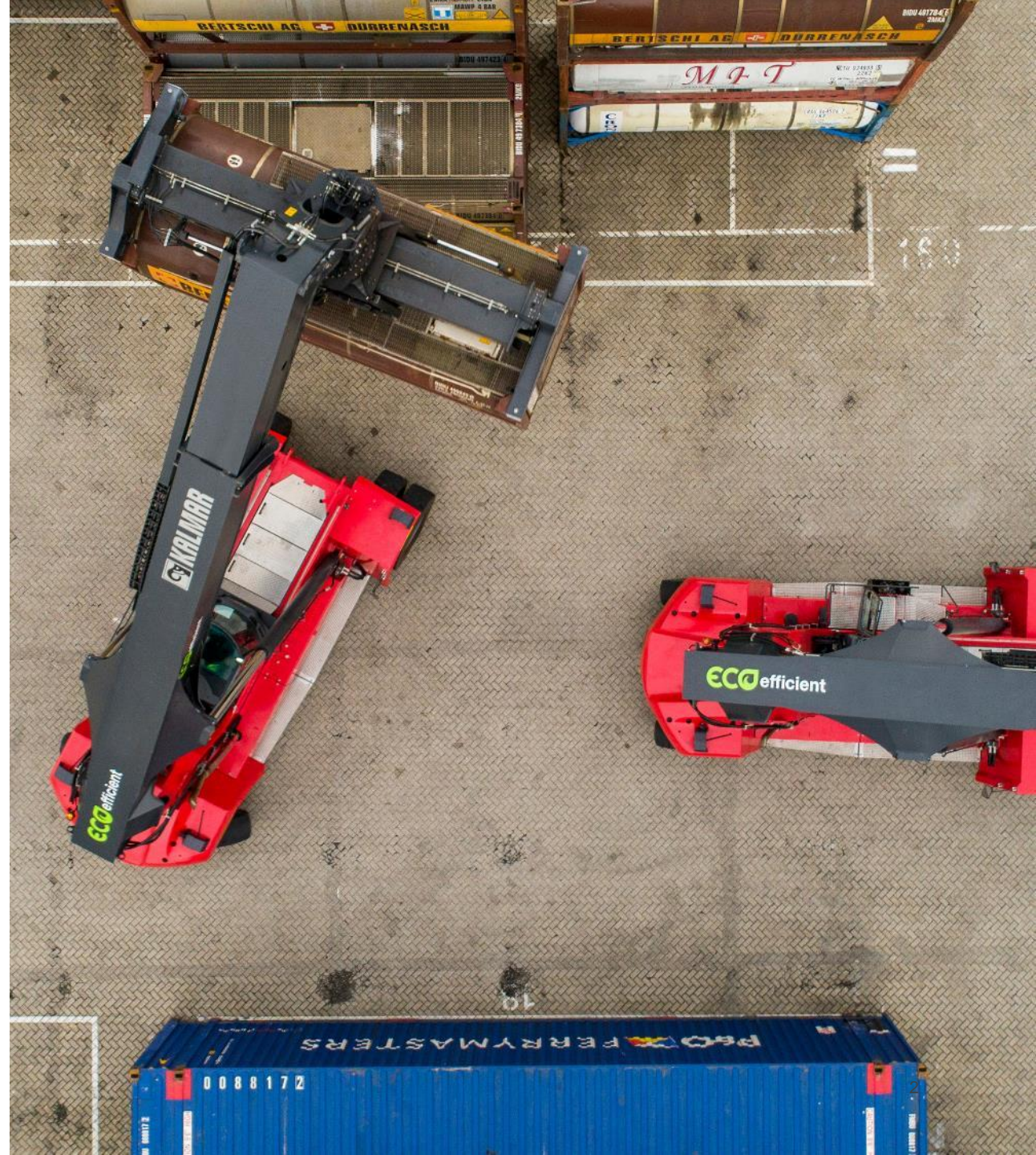
Investor meeting in Shanghai, September 2019

A tough market with long term growth opportunities

Shushu Zhang, VP Greater China

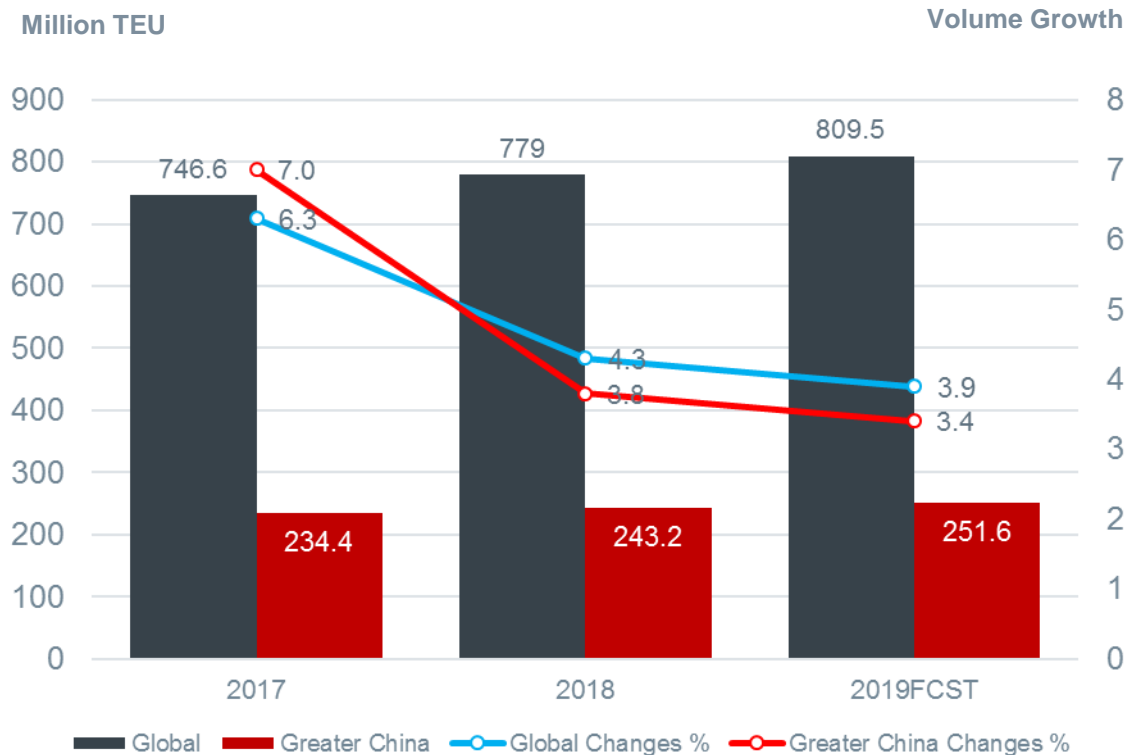
Agenda

1. Business environment in China
2. Kalmar mobile solutions in China
3. Bromma
4. Navis



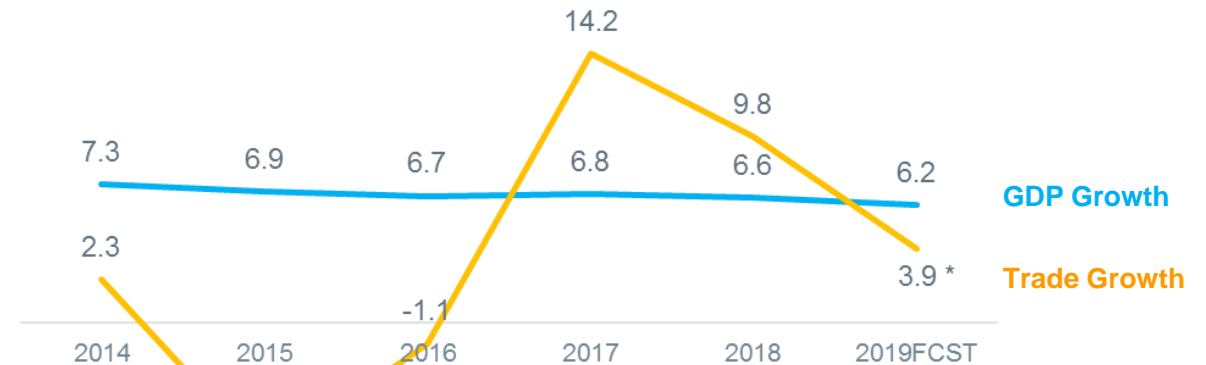
The biggest market in container handling

Total Container throughput & growth rate



Data sources: Drewry

China's GDP growth & Trade Growth

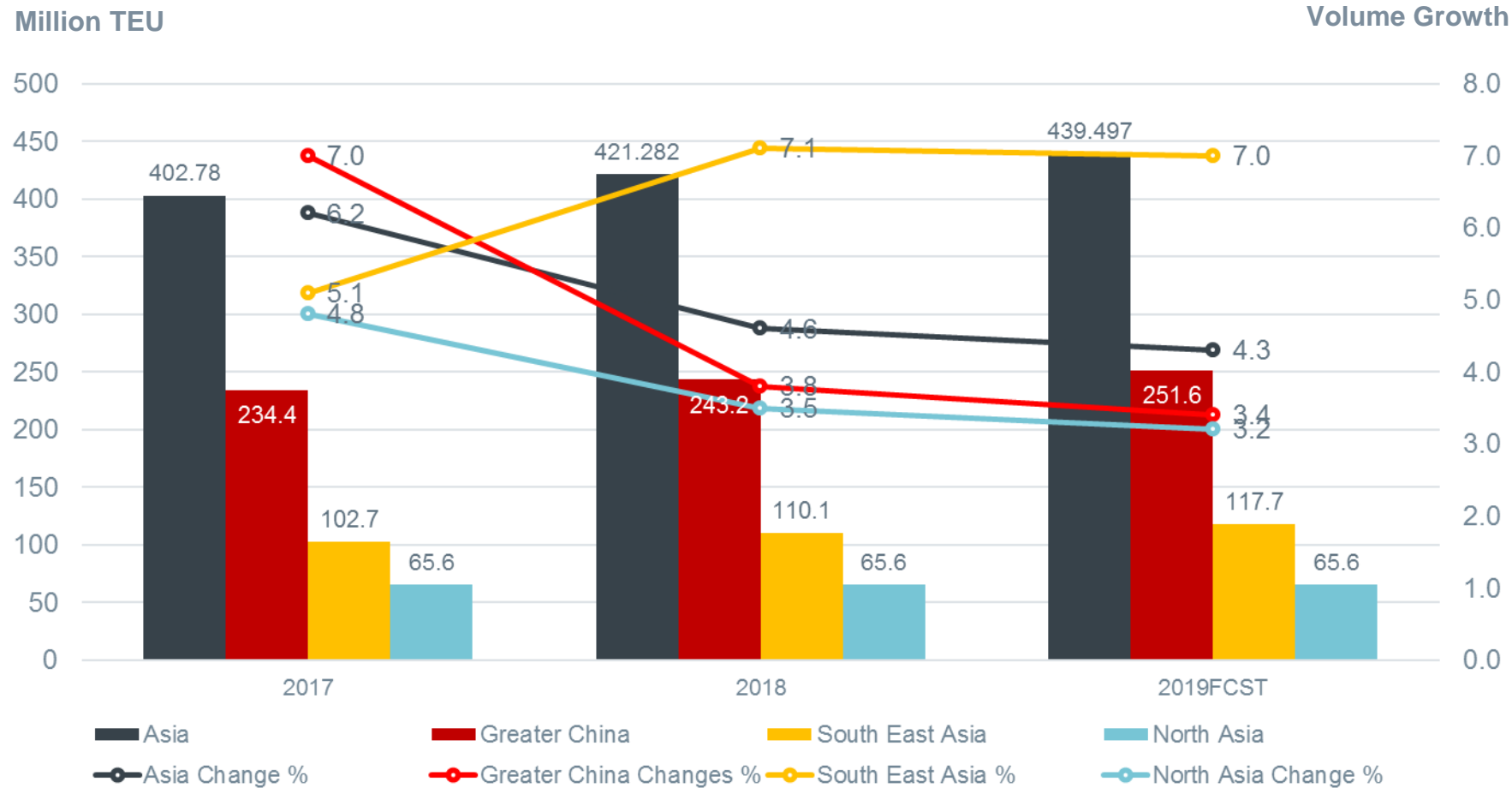


*In the first half year of 2019, China total import and export volume trade reported 14.67 trillion yuan, year-on-year **increase 3.9%**.

GDP Data sources: IMF

Trade Growth Data sources: General Administration of Customs, China

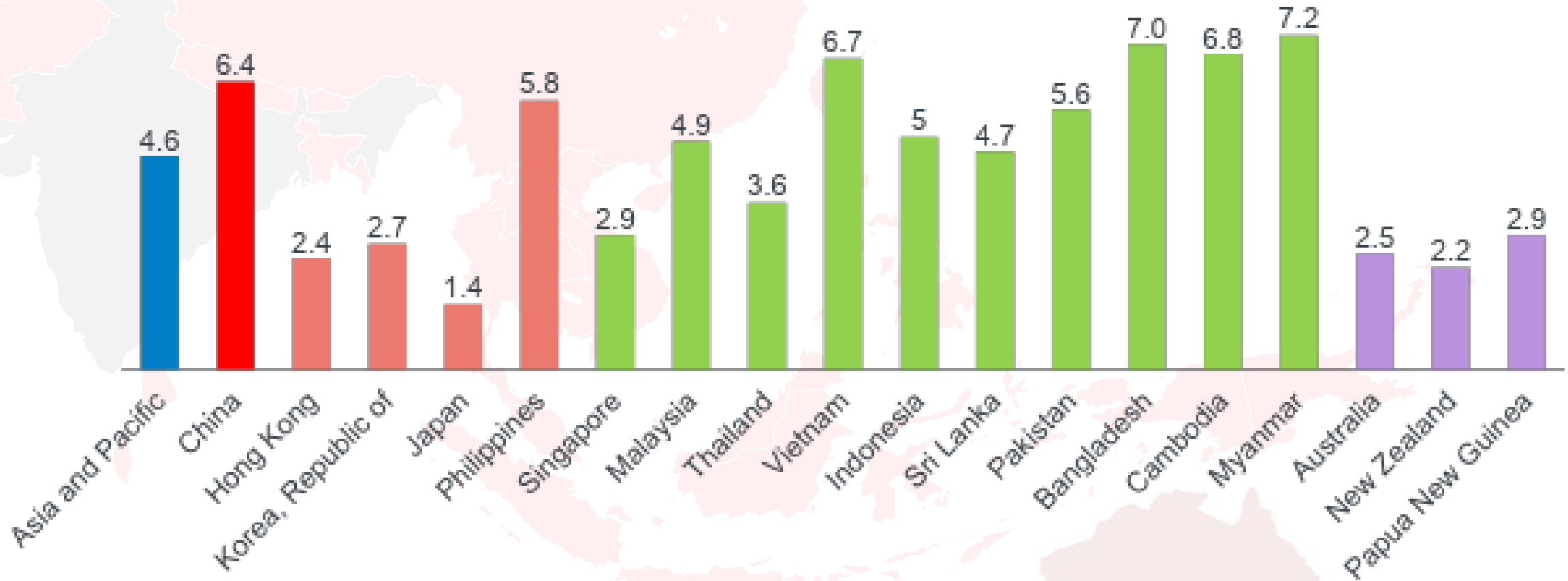
Container throughput and growth rate in Asia



Data sources: Drewry

2019 Asia and Pacific Average GDP Growth

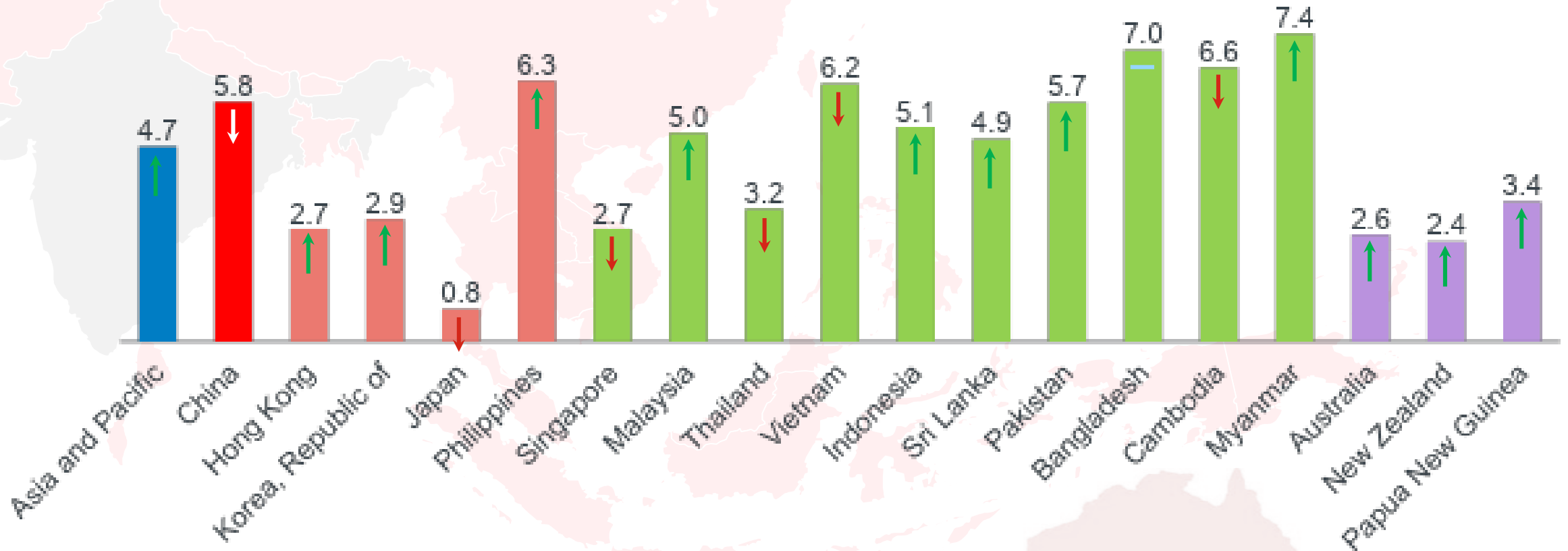
Asia and Pacific continues to drive global growth. Emerging nations (South & Southeast Asia)



Source: EIU, 2018

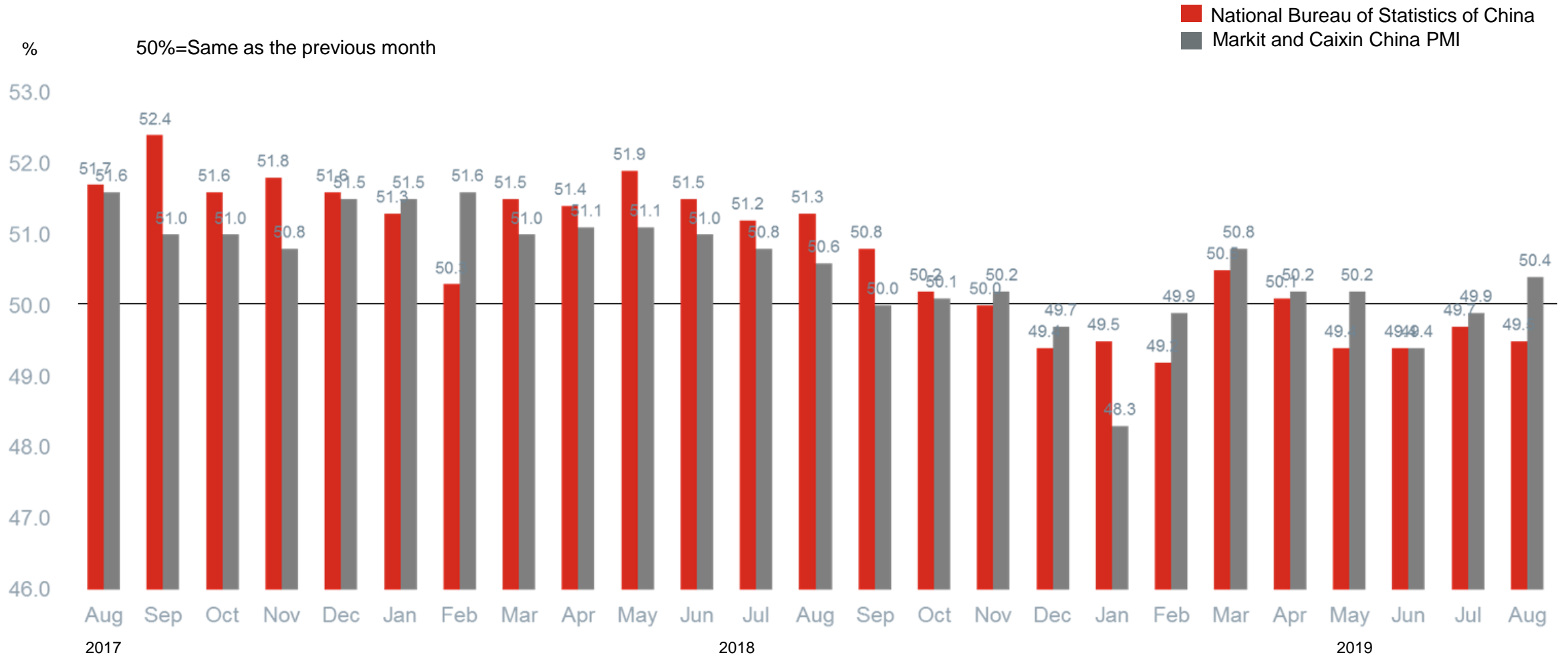
2019 – 2023 Asia and Pacific Average GDP Growth

Asia and Pacific continues to drive global growth. Emerging nations (South & Southeast Asia)



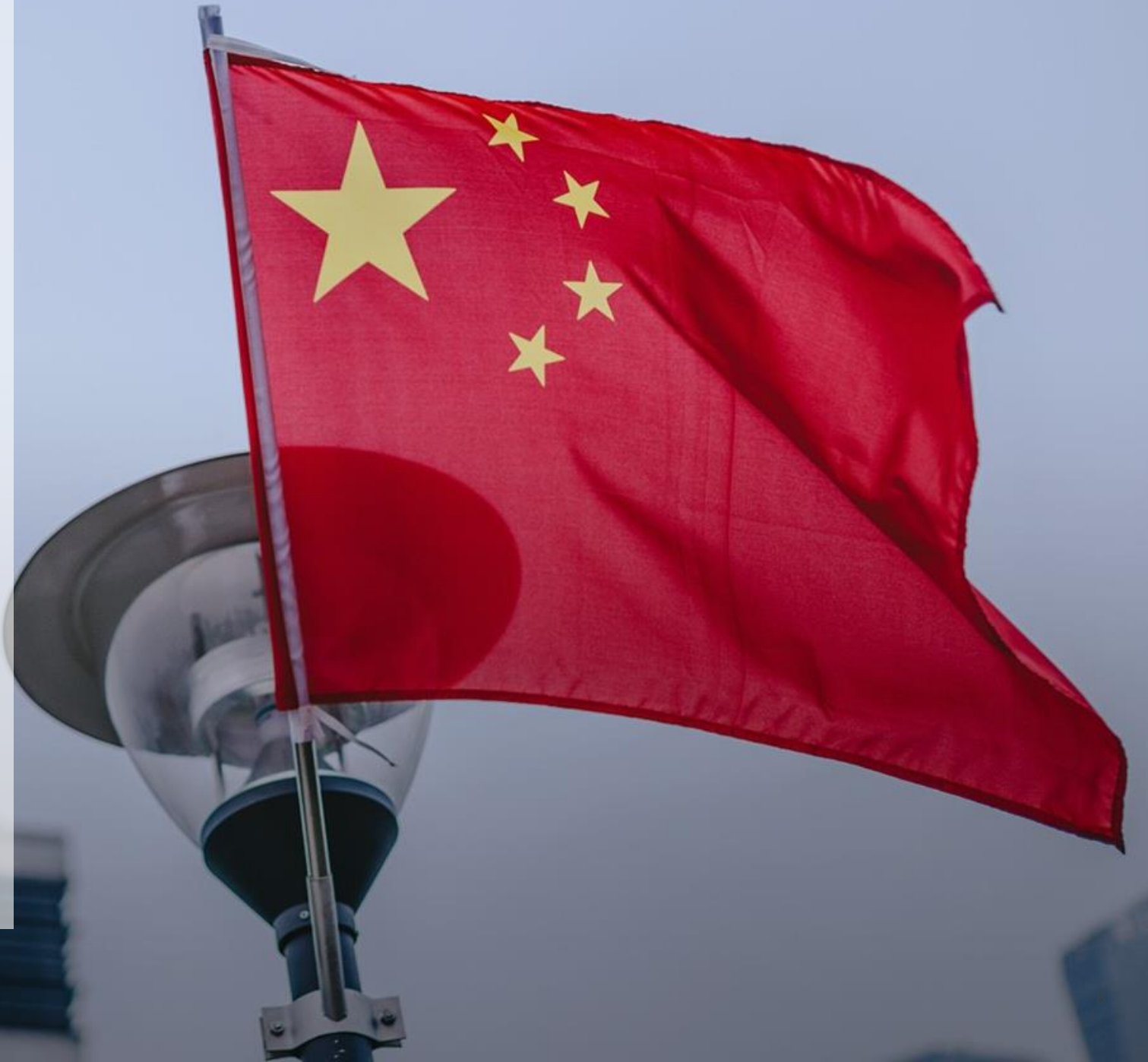
Source: EIU, 2018

Manufacturing slowing down – PMI Index



Uncertainties beyond the trade talk

- Differences greater than trade
- Investment decision delays
- Manufacturing migration
- Preferences on local brands
- Cost pressure tightening up



Market trends in China



Speed

Service, Support, Cargo flow, Innovation

Cost

Equipment, Fuel, Labor, Spare Parts, Service

High Volume

High intensity, limited space, move per hour, industry consolidation

Safety and Environment

Safety KPIs, Emission policy, Electric vehicles

Labor Force

Labor supply and wage increase, Specialized Technicians

Inland

Intermodal, Containerisation, River ports and dry ports

China is a tough market but there are growth opportunities

Terminals

- Volume growth slowing down
- Industry consolidation
- Cost pressure
- Electrification and semi-automation
- Replacement opportunities

Railway

- Cautious investment decisions in 2019
- Intermodal operation expansion
- Growth opportunities in Tier 2 & 3 cities

Logistics and Distribution

- Growth opportunities in Tier 2 & 3 cities
- Containerization of bulk cargo as national policy

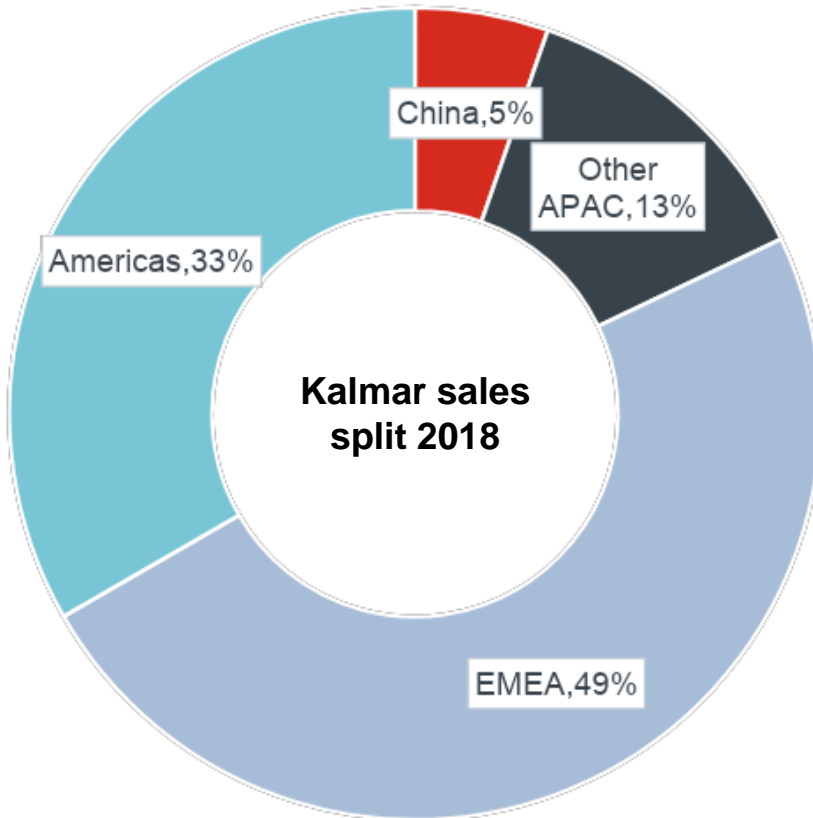
Industrial

- Electric vehicle production
- Metal and mining
- Remote control / remote monitoring solutions
- Service contracts



Kalmar Mobile Solutions

China is a big market for Kalmar mobile solutions

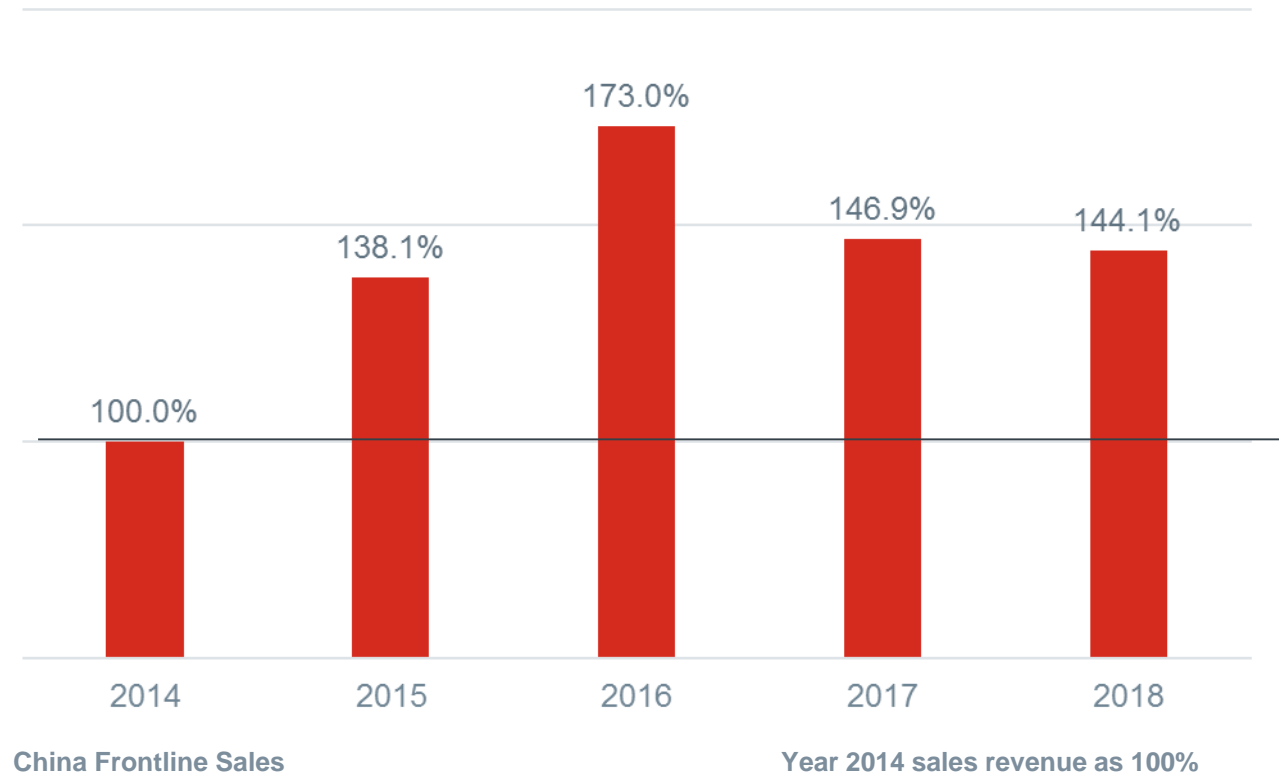


- **Reachstackers**
- **Empty Container Handlers**
- **Forklift Trucks**
- **Terminal Tractors**
- **Services**

We are
able to lead
the market



Kalmar Mobile Solutions in China



Key to growth

- Service support (speed, reliability and competence)
- Customer collaboration
- Product offering

- Over 70% of total sales from reachstackers and empty container handlers

Why we are different?



Professional

- Industry forerunner in terminal automation and in energy efficient container handling
- Safety Culture



Speed

- 24x7 service
- Wide network coverage



Support

- Service point and Dealers network
- Spare parts warehouses and technical support



Reliable

- Total cost ownership and reliable service

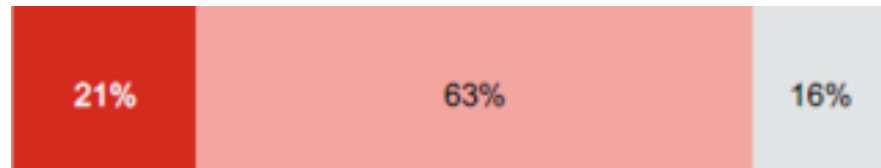


Competence

- Focus on product R&D and people development

Customer Satisfaction in 2019

84% responses are satisfied







50% open responses: After sales and service

79% future buying intentions



Source: Kalmar CSAT 2019

Our focus areas in 2019

<p>FINANCIAL</p> 	<p>Maintain Market Share (Reachstackers and Empty Container Handlers)</p>
<p>CUSTOMER</p> 	<p>Promote new models (Essential Range, ECO Reachstacker) Key account relationship Launch Kalmar Insight Promote our vision of Full electric offerings by 2021</p>
<p>PROCESSES</p> 	<p>Optimise distribution network Internal Processes (Internal control, Sales Process, Cost Management, and ISO System)</p>
<p>DEVELOPMENT</p> 	<p>Leadership development Talent acquisition and staff retention Customer Centricity and collaboration</p>

Customer round table and workshops

Time	Locations
Jan	Yingkou
March	Urumqi
April	Kunming
April	Shantou
May	Shenzhen
May	Qinzhou
May	Shanghai
June	Qingdao
June	Guangzhou
June	Xiamen
June	Wuhan
July	Tianjing
July	Xiamen
July	Ningbo
August	Yantai
August	Shenzhen
August	Ningbo
August	Shanghai



Kalmar has supplied Shantou China Merchants Port Group Co., Ltd. with Eight Essential Range Empty Container Handlers

The newly purchased machines will be added to Shantou China Merchants Port Group's existing Kalmar mobile equipment fleet. In the future, more than 30 Kalmar reachstackers and empty container handlers will continue to support the container handling businesses of the group and its terminals. Kalmar maintains two senior service engineers at the port service station of Shantou CMPort to support the daily operation of the terminal.



Kalmar ECO Reachstacker Guangzhou roadshow

Grow in mobile
equipment

Win through customer
centricity



Kalmar China Distribution Centre opening

Excel in services

Win through
customer centricity

 **KALMAR**  **建发物流**

卡尔玛中国零件分拨中心开业典
Kalmar China Distribution Centre Grand Opening



Kalmar Insight launched in China

Digitally enabled
services

2019 集装箱码头自动化建设与技术交流会
Container Terminal Automation Construction and Technology Seminar

创新赋能·互联互通
Innovation and Empowerment
Interconnection and Intercommunication
2019年8月16日 中国·深圳

Summary

- **Services and product innovation** are key to our long term success in China
- Make **Availability, Safety culture and professionalism** our competitive edge
- Capture new opportunities with **electric offerings**
- **Collaborate** with all stakeholders





Bromma

Bromma's China Plan

- Major growth in local orders has been achieved vs 2015
- Bromma brand well established in China and recognized as a premium brand
- Strong relationships with most of the significant OEM's and end users in China
- Local Sales and Service network established
- Local offering is available
- A large installed base of older machines means replacement and/or service opportunities

Navis



Navis in China

- NAVIS today manages 1/3 of the container volume in China.
 - On the back of Navis partnership with customers in Qingdao and Tianjin - and the work done with ZPMC - Navis can claim to be the leading supplier of advanced TOS implementations in there.
- NAVIS is providing solutions in China for new and brownfield terminal that are world leading
 - N4 in use in the most productive, fully automated Qingdao terminal in the world
 - Global partnership with COSCO will extend the number of N4 sites in China, EMEA and Latin America over the next 2 years.
- Octopi to be used to penetrate to river and inland terminals
 - Navis is looking to expand to river and inland terminals, by using Octopi to penetrate this market with the support of existing partners and customers.
- Business has more than doubled in the last 3 years
 - By using both a direct and indirect go to market strategy, the business has more than doubled in the last 3 years.
- Future plans
 - Looking ahead, our ambition is to continue the journey to be the largest TOS supplier in China.

Competitive advantages of Navis in China

- Navis has an established and long term presence in China
- Proven, installed base in China for all types of terminal operations
- Unique experience implementing major automation projects in China and the rest of the world
- Experts in developing software for all types of automated equipment and terminal designs
- Strong partnership with key companies in China



Making your every move count.