



Cavotec SA - Interim report January - December 2020

February 26, 2021

Resilient profitability and record cashflow despite lower revenue

OCTOBER – DECEMBER 2020

- Revenue decreased -15.7% to EUR 40.3 million (47.8). Ports & Maritime decreased -20.8% and Airports & Industry decreased -11.3%
- EBIT excluding non-recurring items decreased to EUR 1.0 million (5.6), corresponding to a margin of 2.5% (11.8%)
- Non-recurring items include investment expenditure related to future growth for EUR 1.9 million.
- Net result for the period was EUR -4.7 million (1.8)
- Earnings per share basic and diluted amounted to EUR -0.050 (0.019)
- Operating cash flow amounted to EUR 9.6 million (9.0)
- Net debt amounted to EUR 15.3 million (Q3 2020: 19.0)
- Order backlog decreased -7.2% compared to the previous quarter to EUR 85.0 million

JANUARY–DECEMBER 2020

- Revenue decreased -19.2% to EUR 158.4 million (196.0)
- EBIT excluding non-recurring items decreased to EUR 5.4 million (15.7), corresponding to a margin of 3.4% (8.0%)
- Non-recurring items include investment expenditure related to future growth for EUR 1.9 million.
- Net result for the period was EUR -4.0 million (7.5)
- Earnings per share basic and diluted amounted to EUR -0.042 (0.080)
- Operating cash flow amounted to EUR 15.7 million (13.8)
- Leverage ratio stable at 0.98x (0.98x)

Comment from the CEO

Optimism in the face of adversity

The second wave of Covid-19 in the fourth quarter and partial lock downs continued to delay decision making and projects in our markets. Despite this revenue and EBIT improved slightly versus the third quarter 2020, while the operating cash flow was considerably stronger.

The measures we implemented early on in the year to control our costs has continued to help us mitigate the most severe effects and remain profitable during the pandemic despite lower revenue levels.

Compared with the same period 2019 revenues decreased 15.7% to EUR 40.3 million (47.8) and adjusted EBIT decreased to EUR 1.0 million (5.6), corresponding to a margin of 2.5%.

The operating cash flow amounted to EUR 9.6 million (9.0), a great achievement in the midst of a global pandemic.

The order backlog decreased 7.2% compared to the previous quarter to EUR 85.0 million. The general uncertainty impacted customer decision making, with delays to orders and approval of new investments taking longer than normal.

Despite the depressed business climate at the end of the year, we continue to be optimistic about the future. We remain more committed than ever to developing solutions that contribute to improvements in efficiency and productivity while at the same time reducing environmental impact. We actually see the pandemic making key trends of efficiency, safety and sustainability, that our solutions address, more relevant than ever.

Underpinning our optimism are some of the orders we won in the quarter that reinforces our leading position in the growing market for profitable sustainability solutions for the maritime sector.

We won automated mooring and automated e-charging systems for the world's first fleet of zero-emission, autonomous, battery powered ships in Norway.

We were further encouraged by receiving two orders in quick succession for our next generation mooring system, MoorMaster™ NxG soon after the global launch in October. This is a testament to how MoorMaster™ can revolutionise the way ships enter and leave ports, mooring in as little as 30 seconds to drastically reduce docking times. This leads to increased loading/offloading productivity in the port where, from an environmental perspective, it results in an hour less of heavy diesel emissions for every ship, every mooring sequence and a greener, cleaner world.

Our optimistic view of the future also meant that we, despite the headwinds, increased our investments in developing our technology and products.

In October we announced that we will open a new innovation center in the Netherlands at the beginning of 2021 focusing on profitable sustainability solutions for the maritime sector. This will allow us to bring together our capabilities within areas such as artificial intelligence, remote connectivity, high power, high speed electrical charging and battery technology.

Although we have seen market challenges affecting revenue in the short term, we will continue to invest in our market position to be prepared for the expected recovery and growth in our markets. We are well positioned to fully leverage on the expected increase in demand as soon as the world returns to a more normal situation.

Lugano, 26 February 2021

Mikael Norin

Chief Executive Officer

ENDS

Conference call in connection with publication of the quarterly report

A conference call for shareholders, analysts and media will be held on 26 February 2021 at 10:00 CET. Participating on the conference call from Cavotec will be Mikael Norin, CEO, and Glenn Withers, CFO.

Conference call Dial-in numbers:

SE: +46856642703

UK: +443333009264

US: +18335268395

Weblink: <https://tv.streamfabriken.com/cavotec-q4-2020>

Quarterly Reports on www.cavotec.com

The full report for the period January-December 2020 and previous quarterly and full year reports are available at:

<http://ir.cavotec.com/financial-reports>

Analysts & Media

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This is information that Cavotec SA is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 07:00 CET on 26 February 2021.

Attachment

- [4Q20 Report](#)