

**Q2 2022 | Interim report**  
**January-June 2022**

## Order backlog increased 98% to EUR 152.8 million

On February 22, 2022, Cavotec signed an agreement to divest 100% of the Airports business to US based investment company Fernweh Group. As a result of the planned divestment, Airports is reported as a discontinued operation.

### APRIL–JUNE 2022 NEW CAVOTEC

- Order backlog increased 98% compared to Q221 to EUR 152.8 million
- Revenues increased 22.8% to EUR 31.7 million (25.8)
- EBIT decreased to EUR -0.9 million (-0.4), corresponding to a margin of -3.0% (-1.6%).

### JANUARY–JUNE 2022 NEW CAVOTEC

- Revenues increased 7.2% to EUR 59.1 million (55.1)
- EBIT decreased to EUR -2.4 million (0.7), corresponding to a margin of -4.1% (1.3%)

### APRIL–JUNE 2022 TOTAL (INCL. DISCONTINUED)

- Net result for the group was EUR 0.9 million (-0.9), of which EUR -0.7 million attributable to the discontinued operations of the Airports business

### JANUARY–JUNE 2022 TOTAL (INCL. DISCONTINUED)

- Revenues increased 1.2% to EUR 74.7 million (73.8)
- EBIT decreased to EUR -7.7 million (-0.4), corresponding to a margin of -10.3% (-0.5%)
- Net debt amounted to EUR 25.3 million (Q122: 23.8)

Unless otherwise stated, figures in brackets refer to the same period in the preceding year

#### Key events during the quarter

- On April 25 Cavotec announced an order in the first quarter for a battery charging system for industrial use worth over EUR 3M.
- On April 26 Cavotec appointed David Pagels to take over as CEO from Mikael Norin who, as previously announced, had decided to leave Cavotec. David officially assumed the role of CEO on 15 May 2022.
- On May 2 Cavotec announced a shore power order valued at EUR 15.7 million received from a major global shipping line. Deliveries are scheduled to start in the fourth quarter of 2022 and continue throughout 2023 and 2024.
- On May 5 the Cavotec factory in Shanghai partially re-opened for production and returned to full production by the end of June. The factory was previously closed in March due to control measures implemented in the city of Shanghai to contain the spread of the Covid virus.

#### Key events after the quarter

- Both parties to the Share Purchase Agreement dated 22 February 2022 agreed to complete the transaction for the sale and purchase of the Airports business on 29 July 2022. The lenders agreed to waive compliance with the financial covenants of the Credit Facility Agreement for the testing period ending on 30 June 2022, considering the imminent completion of the transaction.

**FINANCIAL SUMMARY**

EUR 000's	Q222	Q221	Delta	1H22	1H21	Delta	Dec 2021
Order backlog New Cavotec	152,794	77,357	97.5%	152,794	77,357	97.5%	98,893
Revenues New Cavotec	31,671	25,797	22.8%	59,078	55,137	7.2%	115,794
EBITDA New Cavotec	580	1,187	-51.1%	724	3,914	-81.5%	5,717
EBITDA New Cavotec margin, %	1.8%	4.6%	-2.8 pp	1.2%	7.1%	-5.9 pp	4.9%
EBIT New Cavotec	(942)	(405)	132.6%	(2,415)	719	-435.9%	(747)
EBIT New Cavotec margin, %	-3.0%	-1.6%	-1.4 pp	-4.1%	1.3%	-5.4 pp	-0.6%
Net profit/(loss) for the period discontinued operations	(727)	(408)	78.2%	(4,657)	(1,150)	305%	(35,890)
Net profit/(loss) for the period Group	900	(887)	201.5%	(3,307)	582	-668.2%	(37,101)
Basic and diluted earnings per share Group, EUR	0.009	(0.009)	100%	(0.035)	0.006	-683.3%	(0.394)
Operating cash flow	2,168	3,842	-43.6%	2,067	3,047	-32.2%	687
Net debt	(25,274)	(19,389)	30.4%	(25,274)	(19,389)	30.4%	(19,630)
Equity/assets ratio	31.5%	52.6%	-21.1 pp	31.5%	52.6%	-21.1 pp	38.1%
Leverage ratio	6.46x	1.80x	4,7x	6.46x	1.80x	4,7x	3.20x
Full time equivalent employees	616	540	76	616	540	76	604

Please refer to page 12 for further segmental details and page 14 for Airports (discontinued operations) details

Comment from the CEO

## Continued increase in orders, focus on delivery



We had a high level of new orders in the second quarter of 2022. The order backlog has almost doubled (+98%) in the past 12 months and is 54% higher than at the beginning of the year.

Orders for shore power solutions continue to underpin the growth in the backlog. One example is the large order that was secured in May, totalling EUR 15.7 million for the supply of on-ship shore power for new build vessels that will be constructed from 2022 to 2024.

We previously reported that the Cavotec factory in Shanghai was closed in March, due to the implementation of city-wide restrictions to control the spread of the Covid virus. The factory was re-opened in early May and finally returned to full production by the end of June. Employees in China made the extra effort to maximise assembly and delivery of products during the phased re-opening of the factory, in very challenging circumstances.

In addition to the direct impact on China operations, the restrictions in Shanghai disrupted the other Cavotec factories in Italy and Germany, which also assemble products for delivery into China.

The above factors explain to a large extent why the positive development in orders has so far only slowly translated to growth in revenues. Although revenues increased 23% in the quarter, there was a significant impact from delayed deliveries. The disruption to our operations is estimated to have delayed revenue by more than EUR 10 million by the end of the second quarter, up from approximately EUR 3 million at the end of the prior quarter. It is anticipated that delays will be recovered, and lead times improved, by the end of 2022. This is based on having more capacity in China, ramping up during the third quarter. It also assumes that Cavotec factories in China, Italy and Germany remain at full production for the second half of 2022.

The divestment of the airports business is almost completed. Taking into consideration the period up to the date of this report, we have completed the carve out of the entities that we committed for completion. This included legal, operational and systems separations in multiple countries. We agreed with Fernweh, the buyer of the airports business to complete the transaction on 29 July 2022. The imminent completion led to discussions with our lenders, and they agreed to waive compliance with the second quarter

covenants while we prepared for the final separation of the business.

This is my first report after taking over CEO responsibilities in the middle of the second quarter. I am privileged to lead Cavotec and to develop the company to its full potential. After a few weeks, I see that there is strong demand in the market for our products, which is evident in the growth in order backlog. The divestment of the airports business, now known as Dabico Airports solutions, will be completed this week. We will focus on our core business of connection and electrification solutions for ports and industrial applications. Despite challenges about inflation and supply chain disruption, I am confident that, with this focus, Cavotec will grow successfully in the coming years.

Lugano, 27 July 2022

David Pagels  
Chief Executive Officer

ORDER BACKLOG AND REVENUE

EUR 000s	Q222			Q221			1H22			1H21		
	New Cavotec	Airports	Total	New Cavotec	Airports	Total	New Cavotec	Airports	Total	New Cavotec	Airports	Total
Revenue from sales of goods and services	31,671	9,700	41,371	25,797	9,983	35,780	59,078	15,597	74,676	55,137	18,658	73,795
Increase/(decrease)	5,874	(283)	5,591	(4,084)	(2,146)	(6,230)	3,941	(3,061)	880	(2,048)	(4,817)	(6,865)
Percentage change	22.8%	-2.8%	15.6%	-13.7%	-17.7%	-14.8%	7.2%	-16.4%	1.2%	-3.6%	-20.5%	-8.5%
Of which												
- Volumes and prices	20.0%	-10.1%	11.5%	-13.6%	-12.7%	-13.4%	4.5%	-23.3%	-2.6%	-3.4%	-16.0%	-7.1%
- Currency effects	2.8%	7.3%	4.1%	-0.1%	-5.0%	-1.4%	2.7%	6.9%	3.8%	-0.2%	-4.5%	-1.4%

DIVISIONS

Revenue

EUR 000s	Q222	Q221	Change %	1H22	1H21	Change %	LTM Rolling	FY21	Change %
New Cavotec	31,671	25,797	22.8%	59,078	55,137	7.2%	119,735	115,794	4.0%
Airports	9,700	9,983	-2.8%	15,597	18,658	-16.4%	36,723	39,784	-10.9%
<b>Total</b>	<b>41,371</b>	<b>35,780</b>	<b>15.6%</b>	<b>74,676</b>	<b>73,795</b>	<b>1.2%</b>	<b>156,458</b>	<b>155,578</b>	<b>0.7%</b>

Order Backlog

EUR 000s	1H22	1H21	Change %	Q122	Change %	FY21	Change %
New Cavotec	152,795	77,357	97.5%	124,531	22.7%	98,893	54.5%
Airports	31,643	28,506	11.0%	33,436	-5.4%	28,182	12.3%
<b>Total</b>	<b>184,438</b>	<b>105,863</b>	<b>74.2%</b>	<b>157,967</b>	<b>16.8%</b>	<b>127,075</b>	<b>45.1%</b>

## Financial Review

### APRIL-JUNE 2022

Cavotec reports its ports & maritime and industry businesses combined under the name New Cavotec. Airports is reported as discontinued operations. Allocations between the businesses remain unchanged.

#### New Cavotec

#### Revenue and Order Backlog

New Cavotec's order backlog increased 98% compared to Q221 to EUR 152.8 million.

The backlog is particularly strong in EMEA and Far East, including orders for On Ship Shore Power. Furthermore, order backlog has grown significantly in the Nordics and South-East Asia, including orders for Motorized Reels and MoorMaster NxG, and for connectors in APAC.

Services backlog showed an increase across all regions, compared to previous year, mainly within service of MoorMaster and motorized cable reels.

Revenues increased 22.8% to EUR 31.7 million (25.8). The lower increase relative to the fast-growing order backlog is explained by delayed deliveries, mainly due to the lock down in Shanghai, the flow on effects of that to our factories, and of increasing lead times in our supply chain.

Industry revenue was driven by motorized cable reels and flow business in general, while services revenue continued to profit from the refurbishment of a large Port project in the Middle East. Services share of revenues in New Cavotec was 25.9% (24.7%).

#### EBIT

EBIT amounted to EUR -0.9 million (-0.4), corresponding to an EBIT margin of -3.0% (-1.6%). The negative EBIT in the quarter is mainly explained by the increase in fixed cost in anticipation of higher levels of activity, not fully absorbed by the volumes of the quarter.

Margins continued to be impacted by supply chain constraints, reflected in higher energy costs, raw materials, and freight costs.

#### Employees

The number of full-time equivalent employees in Cavotec was 616 as of 30 June 2022 (540).

#### Total

#### Revenue and Order Backlog

The order backlog increased 45.1% compared to Q421 and 74.2% compared to Q122 to EUR 184.4 million. Revenues increased 15.6% to EUR 41.4 million (35.8).

#### EBIT

EBIT decreased to EUR -2.6 million (-0.1), corresponding to a margin of -6.3% (-0.4%). EBIT for the Group was mainly impacted by the poor performance of Airports (EUR -1.7M) due to higher operational expenses.

#### Profit for the period and earnings per share

Finance costs amounted to EUR -0.6 million (-0.4).

Currency exchange differences amounted to EUR 4.4 million (-0.7). Income tax expenses for the quarter amounted to EUR -0.4 million (-0.3).

Net result for the period was EUR 0.9 million (-0.9).

Earnings per share basic and diluted amounted to EUR 0.009 (-0.009).

#### Cash flow

Operating cash flow amounted to EUR -0.1 million (2.5) in the quarter. There was build-up of inventory of EUR 6.9 million because of the growth in production, driven by improvement in order backlog, partially offset by customer advances received in the quarter mainly from ports & maritime.

Investing activities amounted to EUR 0.2 million (0.5), mainly due to the disposal of building in Italy, partially offset by R&D investments in New Cavotec products, especially in the continued development of our new MoorMaster NxG product.

Cash flow from financing activities was EUR 2.1 million (-1.7), mainly due to utilization of the revolving credit facility.

Cash and cash equivalents amounted to EUR 10.0 million as of 30 June 2022 (14.2).

### JANUARY-JUNE 2022

#### Total

#### Profit for the period and earnings per share

Net result for the group was EUR -3.3 million (0.6) of which EUR -4.7 million attributable to the discontinued operations.

Earnings per share basic and diluted amounted to EUR -0.035, (0.006).

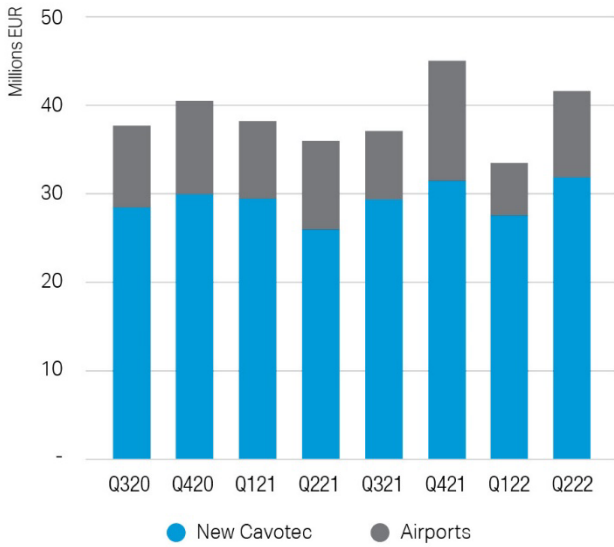
Operating cash flow amounted to EUR -6.1 million (-2.9).

#### Financial Position

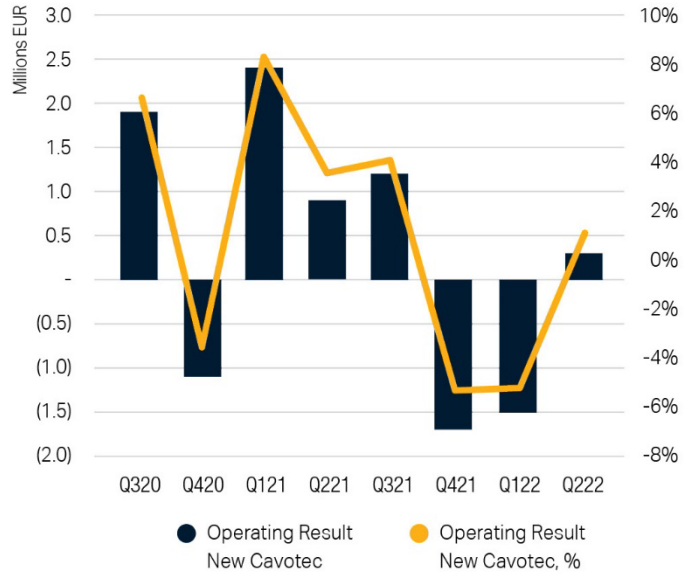
Net debt amounted to EUR 25.3 million (1Q22: 23.8). Cavotec's total assets amounted to EUR 187.8 million (201.8) as of 30 June 2022.



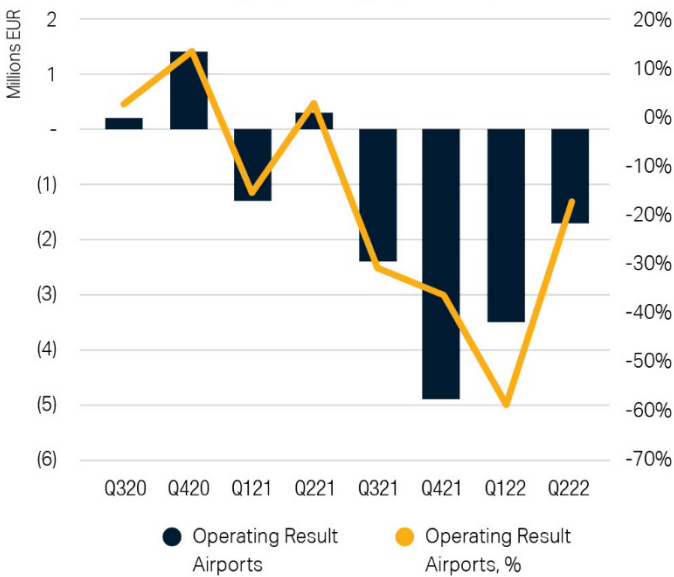
Quarterly Revenues New Cavotec and Airports



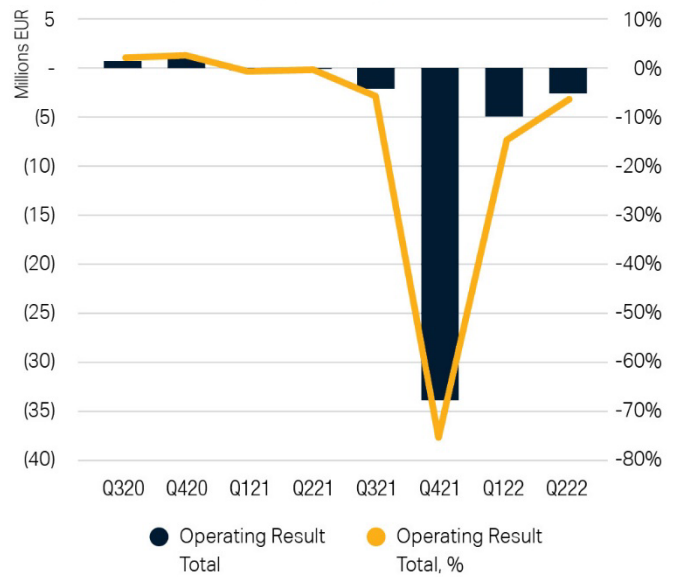
Quarterly Operating Result New Cavotec



Quarterly Operating Result Airports



Quarterly Operating Result Total



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 000s	Unaudited three months 30 Jun, 2022	Unaudited three months 30 Jun, 2021*	Unaudited six months 30 Jun, 2022	Unaudited six months 30 Jun, 2021	Audited year 31 Dec, 2021
Revenue from sales of goods and services	31,671	25,796	59,078	55,137	115,794
Other income	587	1,100	1,100	1,562	2,276
Cost of materials	(16,579)	(12,127)	(30,582)	(26,969)	(58,593)
Employee benefit costs	(10,783)	(9,922)	(21,590)	(19,078)	(38,570)
Operating expenses	(4,315)	(3,661)	(7,282)	(6,739)	(15,190)
<b>Gross Operating Result</b>	<b>580</b>	<b>1,187</b>	<b>724</b>	<b>3,913</b>	<b>5,717</b>
Depreciation and amortisation	(769)	(826)	(1,548)	(1,666)	(3,222)
Depreciation of right-of-use of leased asset	(753)	(766)	(1,590)	(1,529)	(3,068)
Impairment losses	-	-	-	-	(174)
<b>Operating Result</b>	<b>(942)</b>	<b>(405)</b>	<b>(2,415)</b>	<b>718</b>	<b>(747)</b>
Interest income	-	6	-	-	153
Interest expenses	(438)	(20)	(514)	(223)	(285)
Currency exchange differences – net	3,324	(390)	4,390	1,484	3,632
Other financial item	-	-	-	-	(30)
<b>Profit / (loss) before income tax</b>	<b>1,944</b>	<b>(809)</b>	<b>1,462</b>	<b>1,979</b>	<b>2,723</b>
Income taxes	(317)	331	(113)	(246)	(3,934)
<b>Profit / (loss) for the period, continuing operations</b>	<b>1,627</b>	<b>(477)</b>	<b>1,349</b>	<b>1,732</b>	<b>(1,211)</b>
Profit / (loss) for the period, discontinued operations	(727)	(408)	(4,657)	(1,150)	(35,890)
<b>Profit / (loss) for the period</b>	<b>900</b>	<b>(887)</b>	<b>(3,307)</b>	<b>582</b>	<b>(37,101)</b>
<b>Other comprehensive income:</b>					
Remeasurements of post employment benefit obligations continued operations	(14)	(6)	12	12	282
Remeasurements of post employment benefit obligations discontinued operations	(11)	3	(16)	(6)	22
<b>Items that will not be reclassified to profit or loss</b>	<b>(25)</b>	<b>(3)</b>	<b>(4)</b>	<b>6</b>	<b>304</b>
Currency translation differences	(3,026)	68	(3,567)	(587)	(1,098)
Currency translation differences of discontinued operations	(629)	3	(768)	(156)	(507)
<b>Items that may be subsequently reclassified to profit / (loss)</b>	<b>(3,655)</b>	<b>71</b>	<b>(4,334)</b>	<b>(743)</b>	<b>(2,415)</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>(3,680)</b>	<b>68</b>	<b>(4,338)</b>	<b>(737)</b>	<b>(2,111)</b>
<b>Total comprehensive income for the period</b>	<b>(2,778)</b>	<b>(819)</b>	<b>(7,643)</b>	<b>(155)</b>	<b>(39,212)</b>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Group	(2,779)	(818)	(7,645)	(154)	(39,214)
Non-controlling interest	1	(1)	(2)	1	2
<b>Total</b>	<b>(2,778)</b>	<b>(819)</b>	<b>(7,643)</b>	<b>(155)</b>	<b>(39,212)</b>
<b>Profit / (loss) attributed to:</b>					
Equity holders of the Group continued operations	1,627	(477)	1,350	1,732	(1,211)
Equity holders of the Group discontinued operations	(727)	(408)	(4,657)	(1,150)	(35,890)
<b>Total</b>	<b>900</b>	<b>(887)</b>	<b>(3,307)</b>	<b>582</b>	<b>(37,101)</b>
Basic and diluted earnings per share from continuing operations attributed to the equity holders of the Group	0.017	(0.005)	0.014	0.018	(0.013)
Basic and diluted earnings per share from discontinued operations attributed to the equity holders of the Group	(0.008)	(0.004)	(0.049)	(0.012)	(0.381)
Basic and diluted earnings per share attributed to the equity holders of the Group	0.009	(0.009)	(0.035)	0.006	(0.394)
Average number of shares	94,243,200	94,243,200	94,243,200	94,243,200	94,243,200

\* The comparative has been restated in accordance with IFRS5



CONSOLIDATED BALANCE SHEET

EUR 000s	Unaudited 30 Jun, 2022	Unaudited 30 Jun, 2021	Audited 31 Dec, 2021
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	10,032	14,182	12,230
Trade receivables	23,239	29,239	23,967
Contract assets	670	3,574	2,509
Tax assets	2,150	2,888	2,736
Other current receivables	4,762	4,622	3,651
Inventories	42,211	40,956	29,835
Assets held for sale	28,689	3,417	24,147
<b>Total current assets</b>	<b>111,754</b>	<b>98,878</b>	<b>99,075</b>
<b>Non-current assets</b>			
Property, plant and equipment	6,385	14,058	7,426
Right-of-use of leased assets	13,648	18,503	14,394
Intangible assets	39,094	52,388	38,188
Non-current financial assets	38	135	55
Deferred tax assets	9,154	10,718	8,629
Other non-current receivables	7,740	7,159	7,249
<b>Total non-current assets</b>	<b>76,059</b>	<b>102,961</b>	<b>75,941</b>
<b>Total assets</b>	<b>187,813</b>	<b>201,839</b>	<b>175,016</b>
<b>Equity and Liabilities</b>			
<b>Current liabilities</b>			
Current financial liabilities	(3,827)	(4,151)	(4,124)
Current lease liabilities	(2,709)	(3,979)	(2,850)
Trade payables	(46,716)	(36,270)	(38,668)
Contract liabilities	(8,238)	(2,010)	(115)
Tax liabilities	(737)	(892)	(2,953)
Provision for risk and charges, current	(2,660)	(3,666)	(2,866)
Other current liabilities	(8,061)	(9,300)	(9,703)
Liabilities directly associated with assets classified as held for sale	(16,948)	-	(15,897)
<b>Total current liabilities</b>	<b>(89,896)</b>	<b>(60,268)</b>	<b>(77,176)</b>
<b>Non-current liabilities</b>			
Non-current financial liabilities	(17,030)	(9,600)	(9,196)
Non-current lease liabilities	(10,780)	(14,587)	(11,425)
Deferred tax liabilities	(2,234)	(2,112)	(2,130)
Other non-current liabilities	(59)	(201)	(63)
Provision for risk and charges, non-current	(7,360)	(6,417)	(7,100)
Employee benefit obligation	(1,294)	(2,408)	(1,274)
<b>Total non-current liabilities</b>	<b>(38,756)</b>	<b>(35,325)</b>	<b>(31,188)</b>
<b>Total liabilities</b>	<b>(128,652)</b>	<b>(95,593)</b>	<b>(108,364)</b>
<b>Equity</b>			
Share Capital	(100,169)	(100,169)	(100,169)
Reserves	(646)	(6,745)	(4,833)
Retained earnings	41,685	696	38,379
<b>Equity attributable to owners of the parent</b>	<b>(59,130)</b>	<b>(106,218)</b>	<b>(66,623)</b>
Non-controlling interests	(31)	(28)	(29)
<b>Total equity</b>	<b>(59,161)</b>	<b>(106,246)</b>	<b>(66,652)</b>
<b>Total equity and liabilities</b>	<b>(187,813)</b>	<b>(201,839)</b>	<b>(175,016)</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR 000s	Share Capital	Reserves	Retained earnings	Equity related to owners of the parent	Non-controlling interest	Total equity
<b>Unaudited</b>						
Balance as at 1 January 2021	(100,169)	(7,074)	1,278	(105,965)	(27)	(105,992)
(Profit) / Loss for the period	-	-	(582)	(582)	-	(582)
Currency translation differences	-	743	-	743	(1)	742
Remeasurements of post employment benefit obligations	-	(6)	-	(6)	-	(6)
<b>Total comprehensive income and expenses</b>	-	<b>737</b>	<b>(582)</b>	<b>155</b>	<b>(1)</b>	<b>154</b>
Employees share scheme	-	(408)	-	(408)	-	(408)
<b>Transactions with shareholders</b>	-	<b>(408)</b>	-	<b>(408)</b>	-	<b>(408)</b>
<b>Balance as at 30 June 2021</b>	<b>(100,169)</b>	<b>(6,745)</b>	<b>696</b>	<b>(106,218)</b>	<b>(28)</b>	<b>(106,246)</b>
<b>Audited</b>						
Balance as at 1 January 2021	(100,169)	(7,074)	1,278	(105,965)	(27)	(105,992)
(Profit) / Loss for the period	-	-	37,101	37,101	-	37,101
Currency translation differences	-	2,417	-	2,417	(2)	2,415
Remeasurements of post employment benefit obligations	-	(304)	-	(304)	-	(304)
<b>Total comprehensive income and expenses</b>	-	<b>2,113</b>	<b>37,101</b>	<b>39,214</b>	<b>(2)</b>	<b>39,212</b>
Employees share scheme	-	128	-	128	-	128
<b>Transactions with shareholders</b>	-	<b>128</b>	-	<b>128</b>	-	<b>128</b>
<b>Balance as at 31 December 2021</b>	<b>(100,169)</b>	<b>(4,833)</b>	<b>38,379</b>	<b>(66,623)</b>	<b>(29)</b>	<b>(66,652)</b>
<b>Unaudited</b>						
Balance as at 1 January 2022	(100,169)	(4,833)	38,379	(66,623)	(29)	(66,652)
(Profit) / Loss for the period	-	-	3,307	3,307	-	3,307
Currency translation differences	-	4,334	-	4,334	(2)	4,334
Remeasurements of post employment benefit obligations	-	4	-	4	-	4
<b>Total comprehensive income and expenses</b>	-	<b>4,338</b>	<b>3,307</b>	<b>7,645</b>	<b>(2)</b>	<b>7,643</b>
Employees share scheme	-	(152)	-	(152)	-	(152)
<b>Transactions with shareholders</b>	-	<b>(152)</b>	-	<b>(152)</b>	-	<b>(152)</b>
<b>Balance as at 30 June 2022</b>	<b>(100,169)</b>	<b>(647)</b>	<b>41,686</b>	<b>(59,130)</b>	<b>(31)</b>	<b>(59,161)</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS**

EUR 000s	Unaudited three months 30 Jun, 2022	Unaudited three months 30 Jun, 2021	Unaudited six months 30 Jun, 2022	Unaudited six months 30 Jun, 2021	Audited year 31 Dec, 2021
<b>Profit / (loss) for the period</b>	<b>900</b>	<b>(887)</b>	<b>(3,307)</b>	<b>582</b>	<b>(37,101)</b>
Adjustment to reconcile net income to cash flow from operating activities – continued operations					
Loss from discontinued operations, net of income taxes	(727)	(408)	(4,657)	(1,150)	(35,890)
<b>Adjustments for:</b>					
Net interest expenses	438	14	513	223	132
Current taxes	509	525	879	1,152	2,905
Depreciation and amortization	733	826	1,478	1,666	3,222
Depreciation of right-of-use of leased assets	753	766	1,590	1,529	3,068
Impairment losses	36	-	71	-	174
Deferred tax	(192)	(856)	(766)	(906)	1,029
Provision for risks and charges	686	(83)	707	770	(319)
Capital (gain) or loss on assets	(3)	(775)	(4)	(784)	(817)
Other items not involving cash flows	(3,634)	1,010	(4,597)	(588)	(3,413)
Interest paid	(42)	219	(111)	(4)	176
Taxes (paid) / received	(1,100)	(1,077)	(2,509)	(276)	213
	(1,816)	568	(2,750)	2,783	6,370
<b>Cash flow before changes in working capital</b>	<b>(189)</b>	<b>89</b>	<b>(1,400)</b>	<b>4,515</b>	<b>5,159</b>
<b>Impact of changes in working capital:</b>					
Inventories	(6,881)	(3,266)	(11,251)	(2,530)	(3,633)
Trade receivables and contract assets	(920)	1,727	2,885	2,882	(11,492)
Other current receivables	(987)	372	(1,546)	(4,339)	(241)
Trade payables and contract liabilities	11,890	4,918	15,265	2,166	16,698
Other current liabilities	(745)	2	(1,886)	354	2,163
Impact of changes involving working capital	2,357	3,753	3,467	(1,468)	3,495
<b>Net cash inflow / (outflow) from operating activities from continued operations</b>	<b>2,168</b>	<b>3,842</b>	<b>2,067</b>	<b>3,047</b>	<b>8,654</b>
<b>Net cash inflow / (outflow) from operating activities from discontinued operations</b>	<b>(2,305)</b>	<b>(1,297)</b>	<b>(8,147)</b>	<b>(5,959)</b>	<b>(9,341)</b>
<b>Net cash inflow / (outflow) from operating activities</b>	<b>(137)</b>	<b>2,545</b>	<b>(6,080)</b>	<b>(2,912)</b>	<b>687</b>
<b>Financial activities:</b>					
Net changes in loans and borrowings	3,659	(280)	7,354	(584)	(1,218)
Repayment of lease liabilities	(1,214)	(2,458)	(1,572)	(2,683)	(2,857)
<b>Net cash inflow / (outflow) from financial activities from continued operations</b>	<b>2,445</b>	<b>(2,737)</b>	<b>5,782</b>	<b>(3,268)</b>	<b>(4,075)</b>
<b>Net cash inflow / (outflow) from financial activities from discontinued operations</b>	<b>(388)</b>	<b>1,015</b>	<b>(754)</b>	<b>689</b>	<b>(1,375)</b>
<b>Net cash inflow / (outflow) from financial activities</b>	<b>2,057</b>	<b>(1,722)</b>	<b>5,028</b>	<b>(2,579)</b>	<b>(5,450)</b>
<b>Investing activities:</b>					
Investments in property, plant and equipment	(276)	(71)	(389)	(165)	(665)
Investments in intangible assets	(381)	(503)	(883)	(969)	(3,158)
(Increase)/Decrease of non current financial asset	(5)	2	(18)	1	10
Disposal of assets	811	552	812	561	1,155
<b>Net cash inflow / (outflow) from investing activities from continued operations</b>	<b>149</b>	<b>(20)</b>	<b>(478)</b>	<b>(573)</b>	<b>(2,658)</b>
<b>Net cash inflow / (outflow) from investing activities from discontinued operations</b>	<b>2</b>	<b>470</b>	<b>(9)</b>	<b>407</b>	<b>(144)</b>
<b>Net cash inflow / (outflow) from investing activities</b>	<b>152</b>	<b>450</b>	<b>(487)</b>	<b>(166)</b>	<b>(2,802)</b>
Cash at the beginning of the period	8,669	13,217	12,230	19,151	19,151
<b>Cash flow for the period from continued operations</b>	<b>4,772</b>	<b>1,085</b>	<b>7,380</b>	<b>(794)</b>	<b>1,921</b>
<b>Cash flow for the period from discontinued operations</b>	<b>(2,700)</b>	<b>188</b>	<b>(8,919)</b>	<b>(4,863)</b>	<b>(10,860)</b>
<b>Cash flow for the period</b>	<b>2,072</b>	<b>1,273</b>	<b>(1,539)</b>	<b>(5,657)</b>	<b>(8,939)</b>
Currency exchange differences	(709)	(308)	(659)	688	2,018
Cash at the end of the period	10,032	14,182	10,032	14,182	12,230

\* The comparative has been restated in accordance with IFRS5

## DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

The group derives revenue from the transfer of goods and services over time and at a point in time in the following Divisions and geographical regions.

30 June 2022		New Cavotec	Airports	Total
EUR 000s				
<b>Revenue from external customer</b>				
<i>Timing of revenue recognition</i>				
At a point in time		62,398	15,363	77,761
Over time		(3,320)	234	(3,086)
<b>Total</b>		<b>59,078</b>	<b>15,597</b>	<b>74,676</b>

30 June 2021		New Cavotec	Airports	Total
EUR 000s				
<b>Revenue from external customer</b>				
<i>Timing of revenue recognition</i>				
At a point in time		48,398	16,173	64,571
Over time		6,739	2,485	9,224
<b>Total</b>		<b>55,137</b>	<b>18,658</b>	<b>73,795</b>

31 December 2021		New Cavotec	Airports	Total
EUR 000s				
<b>Revenue from external customer</b>				
<i>Timing of revenue recognition</i>				
At a point in time		104,923	35,829	140,752
Over time		10,871	3,955	14,826
<b>Total</b>		<b>115,794</b>	<b>39,784</b>	<b>155,578</b>

30 June 2022		AMER	EMEA	APAC	Total
EUR 000s					
<b>Revenue from geographical regions</b>					
New Cavotec		5,601	31,989	21,488	59,078
Airports		4,856	4,854	5,887	15,597
<b>Total</b>		<b>10,457</b>	<b>36,843</b>	<b>27,375</b>	<b>74,676</b>

30 June 2021		AMER	EMEA	APAC	Total
EUR 000s					
<b>Revenue from geographical regions</b>					
New Cavotec		5,408	35,382	14,347	55,137
Airports		8,420	8,063	2,175	18,658
<b>Total</b>		<b>13,828</b>	<b>43,445</b>	<b>16,522</b>	<b>73,795</b>

31 December 2021		AMER	EMEA	APAC	Total
EUR 000s					
<b>Revenue from geographical regions</b>					
New Cavotec		10,348	68,891	36,555	115,794
Airports		16,321	19,646	3,817	39,784
<b>Total</b>		<b>26,669</b>	<b>88,537</b>	<b>40,372</b>	<b>155,578</b>

SEGMENT INFORMATION

EUR 000s	New Cavotec	Airports	Other reconciling items	Total
<b>Unaudited</b>				
<b>Three months ended 30 June 2022</b>				
Revenue from sales of goods and services	31,671	9,700	-	<b>41,371</b>
Other income	587	485	-	<b>1,072</b>
Cost of materials and operating expenses before depreciation and amortization	(30,400)	(11,172)	(1,279)	<b>(42,850)</b>
<b>Gross Operating Result (EBITDA)</b>	<b>1,858</b>	<b>(987)</b>	<b>(1,279)</b>	<b>(408)</b>
<b>Unaudited</b>				
<b>Three months ended 30 June 2021</b>				
Revenue from sales of goods and services	25,797	9,983	-	<b>35,780</b>
Other income	1,099	601	-	<b>1,700</b>
Cost of materials and operating expenses before depreciation and amortization	(24,409)	(9,692)	(1,300)	<b>(35,401)</b>
<b>Gross Operating Result (EBITDA)</b>	<b>2,487</b>	<b>892</b>	<b>(1,300)</b>	<b>2,079</b>
<b>Unaudited</b>				
<b>Six months ended 30 June 2022</b>				
Revenue from sales of goods and services	59,078	15,597	-	74,676
Other income	1,100	766	-	<b>1,866</b>
Cost of materials and operating expenses before depreciation and amortization	(56,842)	(20,264)	(2,613)	<b>(79,718)</b>
<b>Gross Operating Result (EBITDA)</b>	<b>3,337</b>	<b>(3,900)</b>	<b>(2,613)</b>	<b>(3,177)</b>
<b>Unaudited</b>				
<b>Six months ended 30 June 2021</b>				
Revenue from sales of goods and services	55,137	18,658	-	<b>73,795</b>
Other income	1,562	922	-	<b>2,484</b>
Cost of materials and operating expenses before depreciation and amortization	(50,205)	(19,481)	(2,581)	<b>(72,267)</b>
<b>Gross Operating Result (EBITDA)</b>	<b>6,494</b>	<b>99</b>	<b>(2,581)</b>	<b>4,012</b>
<b>Audited</b>				
<b>Year ended 31 December 2021</b>				
Revenue from sales of goods and services	115,794	39,784	-	<b>155,578</b>
Other income	2,276	1,593	-	<b>3,869</b>
Cost of materials and operating expenses before depreciation and amortization	(107,813)	(41,759)	(4,540)	<b>(154,111)</b>
<b>Gross Operating Result (EBITDA)</b>	<b>10,257</b>	<b>(382)</b>	<b>(4,540)</b>	<b>5,335</b>

PARENT COMPANY – CONDENSED STATEMENT OF COMPREHENSIVE INCOME

CAVOTEC SA EUR 000s	Unaudited three months 30 Jun, 2022	Unaudited three months 30 Jun, 2021	Unaudited six months 30 Jun, 2022	Unaudited six months 30 Jun, 2021	Audited year 31 Dec, 2021
Dividend	-	-	-	-	480
Other income	524	554	1.092	1,113	1,192
Employee benefit costs	(228)	(473)	(413)	(748)	(331)
Operating expenses	(1.411)	(238)	(1.998)	(515)	(1,310)
<b>Operating Result</b>	<b>(1.115)</b>	<b>(157)</b>	<b>(1.319)</b>	<b>(150)</b>	<b>31</b>
Interest expenses – net	(92)	(10)	(103)	(20)	(41)
Currency exchange differences – net	(14)	1	(18)	(1)	(16)
Write down on investments	-	-	-	-	(43,941)
<b>Profit / (Loss) for the period</b>	<b>(1.221)</b>	<b>(166)</b>	<b>(1.439)</b>	<b>(171)</b>	<b>(43,967)</b>
Income taxes	(1)	(15)	(8)	(20)	(9)
<b>Profit / (Loss) for the period</b>	<b>(1.222)</b>	<b>(181)</b>	<b>(1.447)</b>	<b>(191)</b>	<b>(43,976)</b>
<b>Other comprehensive income:</b>					
Actuarial gain (loss)	-	-	-	-	7
<b>Total comprehensive income for the period</b>	<b>(1.222)</b>	<b>(181)</b>	<b>(1.447)</b>	<b>(191)</b>	<b>(43,969)</b>

PARENT COMPANY – CONDENSED BALANCE SHEET

CAVOTEC SA EUR 000s	Unaudited six months 30 Jun, 2022	Unaudited six months 30 Jun, 2021	Audited 31 Dec, 2021
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	(203)	(52)	52
Trade receivables	294	139	930
Tax assets	66	30	19
Other current receivables	1.442	1,151	(2)
<b>Total current assets</b>	<b>1.599</b>	<b>1,268</b>	<b>999</b>
<b>Non-current assets:</b>			
Investment in subsidiary companies	91.106	137,306	93,365
Deferred tax assets	76	72	76
<b>Total non-current assets</b>	<b>91.183</b>	<b>137,378</b>	<b>93,441</b>
<b>Total assets</b>	<b>92.782</b>	<b>138,646</b>	<b>94,440</b>
<b>Equity and Liabilities</b>			
<b>Current liabilities</b>			
Bank overdraft	(27.019)	(33,735)	(33,934)
Current financial liabilities	(2.955)	(2,955)	(2,955)
Trade payables	(1.396)	(480)	(508)
Other current liabilities	(49)	(127)	(123)
<b>Total current liabilities</b>	<b>(31.420)</b>	<b>(37,297)</b>	<b>(37,520)</b>
<b>Non-current liabilities:</b>			
Provision for risks and charges – non current	(88)	(67)	(88)
Long-term financial debt	(18.000)	(10,000)	(10,000)
Other non-current liabilities	(39)	(181)	(45)
<b>Total non-current liabilities</b>	<b>(18.126)</b>	<b>(10,248)</b>	<b>(10,133)</b>
<b>Total liabilities</b>	<b>(49.547)</b>	<b>(47,545)</b>	<b>(47,653)</b>
<b>Total equity</b>	<b>(43.234)</b>	<b>(91,101)</b>	<b>(46,787)</b>
<b>Total equity and liabilities</b>	<b>(92.782)</b>	<b>(138,646)</b>	<b>(94,440)</b>



## General information

Cavotec is a leading cleantech company that designs and delivers connection and electrification solutions to enable the decarbonization of ports and industrial applications worldwide. Backed by more than 40 years of experience, our systems ensure safe, efficient, and sustainable operations for a wide variety of customers and applications worldwide. Our credibility comes from our application expertise, dedication to innovation and world class operations. Our success rests on the core values we live by: Integrity, Accountability, Performance and Teamwork. Cavotec's personnel represent many cultures and provide customers with local support, backed by the Group's global network of engineering expertise. Cavotec SA, the Parent company, is a limited liability company incorporated and domiciled in Switzerland and listed on Nasdaq Stockholm Mid Cap.

These unaudited Financial Statements have been approved by the Board of Directors for publication on 27 July 2022.

## Basis of preparation of Financial Statements

This quarterly report was prepared in accordance with IFRS, applying IAS 34 Interim Financial Reporting. The same accounting and valuation policies were applied in the most recent annual report. The amendments to the standards that became applicable for the current reporting period did not have an impact on Cavotec accounts. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended in December 2021. The preparation of quarterly financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates.

## Asset held for sale

As a result of the decision to divest the Airports business, Cavotec reclassified the assets and liabilities pertaining to those activities to held for sale in accordance with IFRS 5. In distinguishing between the assets and liabilities pertaining to continuing operations and those pertaining to discontinued operations judgment had to be applied, as a part of those assets and liabilities are used by both types of activities. In the Consolidated Statements of Income and of Cash Flows, discontinued operations are reported separately from continuing operations; prior periods are presented on a comparable basis. The determination of the fair value less costs to sell includes the use of estimates and assumptions that tend to be uncertain.

<i>Income Statement</i>	<b>Unaudited year 30-Jun-22</b>	<b>Unaudited year 30-Jun-21</b>
<b>EUR 000s</b>		
Revenue from sales of goods and services	15,597	18,658
Other income	766	923
Expenses	(20,095)	(19,482)
Loss on the spin off	(449)	-
<b>Loss from discontinued operations before income taxes</b>	<b>(4,181)</b>	<b>(1,169)</b>
Income taxes	(476)	19
<b>Loss from discontinued operations</b>	<b>(4,657)</b>	<b>(1,150)</b>

<i>Balance Sheet</i>	<b>Unaudited Year 30-Jun-22</b>	<b>Unaudited Year 31-Dec-21</b>
<b>EUR 000s</b>		
Trade receivables	11,443	11,761
Contract assets	4,614	2,228
Tax assets	158	-
Other current receivables	2,591	1,437
Inventories	5,997	5,444
<b>Total assets</b>	<b>24,805</b>	<b>20,870</b>
Current lease liabilities	(1,603)	(1,339)
Trade payables	(11,508)	(8,961)
Contract liabilities	(54)	(49)
Tax liabilities	-	(9)
Provision for risk and charges, current	(280)	(130)
Other current liabilities	(1,427)	(2,620)
Non-current lease liabilities	(966)	(1,844)
Provision for risk and charges, non-current	(45)	(41)
Employee benefit obligation	(1,066)	(904)
<b>Total liabilities</b>	<b>(16,948)</b>	<b>(15,897)</b>

<i>Cashflow</i>	<b>Unaudited year 30-Jun-22</b>	<b>Unaudited year 30-Jun-21</b>
<b>EUR 000s</b>		
Net cash Inflow/(outflow) from operating activities	(8,147)	(5,959)
Net cash Inflow/(outflow) from financing activities	(754)	689
Net cash Inflow/(outflow) from investing activities	(9)	407
<b>Cash flow for the period</b>	<b>(8,919)</b>	<b>(4,863)</b>

## Segment information

Operating segments have been determined based on the Group Management structure in place and on the management information and used by the Chief Operating Decision Maker (CODM) to make strategic decisions. On 5 March 2021, the Group announced that it would initiate a process to divest the airports business. As a result of the divestment process, the Group has changed the organizational structure and reporting to the CODM. The Segment information presented in Q222 report reflects the two new operating segments:

**New Cavotec** - development and manufacture of innovative automation and electrification technologies for the global ports and maritime sectors and development and manufacture of electrification and radio control products for industrial applications, such as cranes, energy, processing and transportation, mining, and tunnelling.

**Airports** - development and manufacture of fully integrated gate and remote apron solutions for airports.

## Legal disputes

In June 2021, Cavotec settled a class action legal suit in the USA for an amount equivalent to EUR 0.7 million. The class action relates to employment matters. We are expecting the settlement to be approved by a local court in summer 2022.

## Sale of Property

The sale of a small factory in Italy was finalized in April. The net proceeds amounted to EUR 0.8M.

## Sanctions

Following the recent evolution of the situation in Ukraine the Group has performed a preliminary assessment of its exposure in the region. The group has a very limited exposure to the region and foresees no material impact on the 2022 performance. The Group is carefully monitoring the evolution of the situation, having a specific focus on the sanctions, that have been and will be imposed.

## Noteworthy risks and uncertainties

Cavotec's significant risks and uncertainties are divided into three categories, market, credit and liquidity risks. In these categories, there are both risks due to political and macroeconomic trends and specific risks directly linked to business carried out by the Group. Market risk includes currency and interest rate risk. Credit risk includes the risk of managing our customers and other receivables while liquidity risk includes the management of cash in a diverse, global group.

## Key events during the quarter

On April 25 Cavotec announced an order in the first quarter for a battery charging system for industrial use worth over EUR 3M.

On April 26 Cavotec appointed David Pagels to take over as CEO from Mikael Norin who, as previously announced, had decided to leave Cavotec. David officially assumed the role of CEO on 15 May 2022.

On May 2 Cavotec announced a shore power order valued at EUR 15.7 million received from a major global shipping line. Deliveries are scheduled to start in the fourth quarter of 2022 and continue throughout 2023 and 2024.

**Key events during the quarter (continued)**

On May 5 the Cavotec factory in Shanghai partially re-opened for production and returned to full production by the end of June. The factory was previously closed in March due to control measures implemented in the city of Shanghai to contain the spread of the Covid virus.

**Key events after the quarter**

Pursuant to the Share Purchase Agreement dated 22 February 2022, both parties agreed to complete the transaction for the sale and purchase of the airports business on 29 July 2022. At closing, Cavotec will receive approximately EUR 13 million gross cash consideration, including estimated adjustments for working capital. The assets and liabilities described in discontinued operations on page 14 will be sold on completion.

The lenders agreed to waive compliance with the financial covenants of the Credit Facility Agreement for the testing period ending on 30 June 2022, due to the imminent completion of the transaction described above. Completion of the transaction has a positive impact on the covenant ratios. The equity ratio improves by approximately four percentage points due to the reduction in total assets.

**Forward looking statement**

Some statements in this report are forward-looking, and the actual outcome could be materially different. In addition to the factors explicitly discussed, other factors could have a material effect on the actual outcome. Such factors include, but are not limited to, general business conditions, fluctuations in exchange rates and interest rates, political developments, the impact of competing products and their pricing, product development, commercialisation and technological difficulties, interruptions in supply, and major customer credit losses.

**Financial calendar**

November 4, 2022 Q322 Report  
February 24, 2023 Q422 and Annual Report 2022

**Quarterly Reports on [www.cavotec.com](http://www.cavotec.com)**

The full report for the period January-June 2022 and previous quarterly and full year reports are available at:  
<http://ir.cavotec.com/financial-reports>

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This is information that Cavotec SA is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, at 07:00 CEST on 27 July 2022

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