

Improved profitability with positive cash flow and net profit

JULY–SEPTEMBER 2023

- Revenue amounted to EUR 42.0 million (42.0)
- EBIT increased to EUR 1.7 million (-0.4), corresponding to an EBIT margin of 4.1% (-1.1%)
- Net result for the period was EUR 0.1 million (-3.0)
- Operating cash flow improved to EUR 4.3 million (-4.7)
- Earnings per share, basic and diluted, increased to EUR 0.001 (-0.032)

JANUARY–SEPTEMBER 2023

- Order backlog decreased -11.3% to EUR 136.5 million (153.9)
- Revenue increased 25.9% to EUR 127.2 million (101.0)
- EBIT improved to EUR 3.2 million (-2.9), corresponding to an EBIT margin of 2.5% (-2.8%)
- Net result for the period was EUR -2.2 million (-6.3)
- Operating cash flow amounted to EUR -3.2 million (-2.6)
- Earnings per share, basic and diluted, amounted to EUR -0.021 (-0.067)

KEY EVENTS DURING THE THIRD QUARTER

- Commissioning of the world's first ultra-fast 3 MW charging system for battery-powered heavy-duty vehicles, supplied by Cavotec

KEY EVENTS AFTER THE THIRD QUARTER

- Order valued at EUR 6.65 million from one of the world's largest shipping companies for PowerFit, Cavotec's containerized solutions for high-voltage connection of vessels to shore
- Long-term service agreement signed with COSCO Group

FINANCIAL SUMMARY

EUR 000s	Q323	Q322	Change	9M23	9M22	Change	LTM	2022	Change
Order backlog	136,510	153,865	-11.3%	136,510	153,865	-11.3%	136,510	147,207	-7.3%
Revenue	41,966	41,952	0.0%	127,227	101,030	25.9%	174,046	147,849	17.7%
EBITDA	3,143	996	215.6%	7,791	1,720	352.9%	7,701	1,631	372.2%
EBITDA margin	7.5%	2.4%	5.1 pp	6.1%	1.7%	4.4 pp	4.4%	1.1%	3.3 pp
EBIT (operating result)	1,706	(445)	-	3,183	(2,859)	-	1,535	(4,506)	-
EBIT margin	4.1%	-1.1%	5.2 pp	2.5%	-2.8%	5.3 pp	0.9%	-3.0%	3.9 pp
Net profit/(loss) for the period*	104	(2,996)	-	(2,172)	(6,304)	65.5%	(10,560)	(14,692)	28.1%
Operating cash flow	4,279	(4,703)	-	(3,214)	(2,636)	-21.9%	(6,063)	(5,485)	10.5%
Basic and diluted EPS, EUR*	0.001	(0.032)	-	(0.021)	(0.067)	68.7%	(0.1100)	(0.156)	29.5%
Net debt*	(21,423)	(23,958)	10.6%	(21,423)	(23,958)	10.6%	(21,423)	(30,328)	29.4%
Equity/assets ratio*	33.3%	32.0%	1.3 pp	33.3%	32.0%	1.3 pp	33.3%	26.2%	7.1 pp
Leverage ratio*	2.68x	8.60x	-5.92x	2.68x	8.60x	-5.92x	2.68x	12.50x	-9.82x

The income statement has been amended for the year 2022 to reflect discontinued operations in line with IFRS 5. KPIs marked with * include discontinued operations for the period in 2022. Please refer to page 13 for further information. LTM (Last Twelve Months) refers to the cumulative results of the last twelve months.

Comment from the CEO

On the right track to build a stronger Cavotec



We have achieved important progress in the transformation of Cavotec during the quarter. We report positive EBIT for the third consecutive quarter as well as positive operating cash flow and net result in the quarter. These are key improvements in our work to create a stronger, value creating Cavotec. We have set clear strategic priorities that we focus on to capitalize on the strong megatrends of electrification and reduced greenhouse gases that drive our market.

In the quarter, revenue amounted to EUR 42.0 million and was at the same level as previous year. Our focus on profitable growth has resulted in a normalization of the order backlog while we continue to see a steady stream of customer inquiries and strong interest in our cleantech solutions. An example of a recent customer win after the end of the quarter, is the order from one of the world's largest shipping companies for shore power, valued at EUR 6.65 million. At the same time, the trend persists where customers carefully evaluate the macroeconomic environment.

It is encouraging to see that we for the third consecutive quarter report a positive EBIT. In the quarter, EBIT amounted to EUR 1.7 million, an improvement from last year's loss of EUR -0.4 million. This improvement is mainly reflecting reduced operating expenses. We also achieved a positive operating cash flow of EUR 4.3 million and report a net profit of EUR 0.1 million in the quarter. These numbers demonstrate that we are on the right track with the transformation and building of a stronger company.

We lay the foundation for value creation

With the transformation of Cavotec, we create the conditions for growth with stable profitability and good cash flow. In that work, we do a total review of the company and focus on strategic priorities which include customers and go-to-market, operational excellence, cost control, culture and values, and innovation. This work has been ongoing since I took on the CEO role just over a year ago and we have already achieved major strategic improvements that lay the foundation for a Cavotec that creates value for customers, employees and shareholders.

Comprehensive change programs

Our change programs are comprehensive and cover the entire group. Let me give some examples of what the changes include. As part of the go-to-market priorities, we will establish clear responsibilities for following up on customer projects which will make us more efficient and reduce for example invoicing time. An example of how we improve production and procurement is our new Indian assembly unit that will serve the significant Indian market and gives us the opportunity to use the local supplier base. By having our assembly units close to customers, we save costs while building closer customer relationships. Cost control is also an important component of the transformation and must constantly be present in all our processes and characterize our daily work.

Culture key to success

I am convinced that we can only achieve our strategic priorities if we have a culture characterized by openness and a common desire to reach the same goals, while working as one company. At the same time, innovation – which I give a broader meaning than just developing and creating new products and services – must be present in everything we do. If we are to succeed in our change work, we must all be innovative, dare to question existing routines and be open to new ideas and ways of working.

Megatrends supported by legislation

We have an attractive offer and our markets are driven by strong megatrends. The need to electrify operations and reduce greenhouse gas emissions is growing worldwide. This trend is supported by authorities that all over the world introduce regulations in, for example ports, to reduce emissions and noise pollution. With Cavotec's solutions, our customers can electrify their operations as well as reduce emissions and noise. In addition, our products and solutions create safer and more attractive workplaces.

Good customer case from Sweden

A good example of how we succeed in this is from the port of Kapellskär, north of Stockholm in Sweden. In mid-September, Sweden got its first port – Kapellskär – with automatic mooring of a ship using vacuum technology. We have delivered and provided service for the automatic mooring with vacuum plates and next-generation electrical connection at this port. It is Finnline's brand new ship M/S Finnsirius, which runs on the route Kapellskär – Naandal in Finland with automated vacuum plates. The plates moor and unmoor the ship in less than 30 seconds. In addition to making mooring and unloading faster, emissions are reduced and workplaces become safer.

On the right track

With the plans and strategic priorities we have, I am confident that we are on the right track to build a stronger Cavotec and grow profitably. We are well positioned to be a key player in the transition to a more sustainable, emission-free world.

David Pagels
Chief Executive Officer

Financial Review – Group

REVENUE – GROUP AND SEGMENTS – VOLUMES, PRICES, CURRENCY

EUR 000s	Q323			Q322			9M23			9M22		
	Group	Ports & Maritime	Industry	Group	Ports & Maritime	Industry	Group	Ports & Maritime	Industry	Group	Ports & Maritime	Industry
Revenue	41,966	27,421	14,545	41,952	26,337	15,615	127,227	79,821	47,406	101,030	56,085	44,945
Increase/(decrease)	14	1,084	(1,070)	12,722	10,774	1,949	26,197	23,736	2,461	16,663	10,531	6,133
Change	0.0%	4.1%	-6.9%	43.6%	69.2%	14.2%	25.9%	42.4%	5.5%	19.8%	23.1%	15.8%
Of which												
- Volumes and prices	1.0%	5.1%	-5.9%	40.5%	70.2%	15.2%	29.1%	45.3%	9.0%	16.6%	19.0%	13.6%
- Currency effects	-1.0%	-1.0%	-1.0%	3.1%	-1.0%	-1.0%	-3.2%	-2.9%	-3.5%	3.2%	4.1%	2.2%

JULY–SEPTEMBER 2023

Order backlog and revenue

Order backlog decreased -2.7% to EUR 136.5 million from EUR 140.3 million in the previous quarter. Revenue was at the same level as the third quarter previous year and amounted to EUR 42.0 million (42.0). The focus on profitable growth has resulted in a normalization of the order backlog while there is a continuous steady stream of customer inquiries and strong interest in Cavotec's cleantech solutions.

EBIT (operating result)

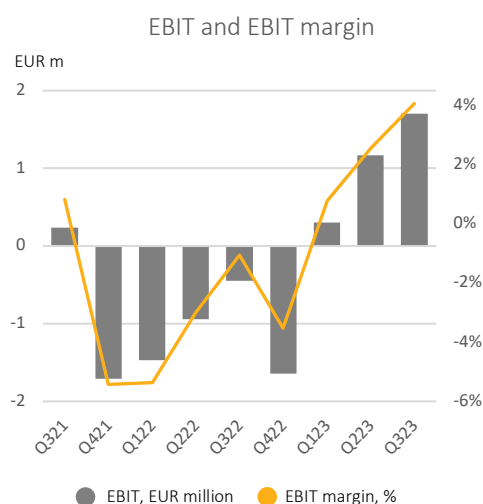
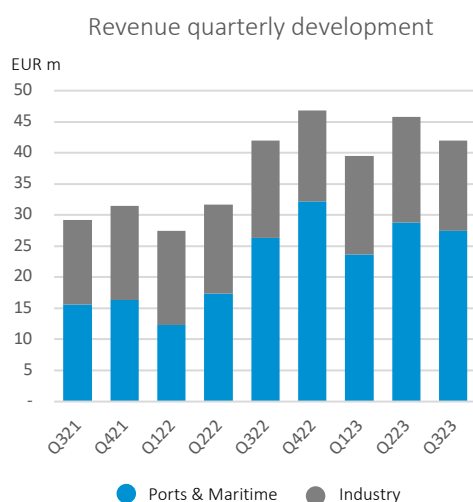
EBIT improved to EUR 1.7 million (-0.4), corresponding to an EBIT margin of 4.1% (-1.1%). The improvement is mainly reflecting lower operating expenses.

Profit for the period and earnings per share

Net financial income amounted to EUR -0.7 million (-0.5). Income taxes amounted to EUR -0.8 million (-1.5). Profit for the period increased to EUR 0.1 million (-3.0). Earnings per share, basic and diluted, improved to EUR 0.001 (-0.032).

Cash flow

Operating cash flow improved to EUR 4.3 million (-4.7) due to improved results from operating activities.



JANUARY–SEPTEMBER 2023

Order backlog and revenue

In the nine-month period, the order backlog decreased -11.3% to EUR 136.5 million (153.9) while revenue increased 25.9% to EUR 127.2 million (101.0). The strong growth is mainly driven by the Ports & Maritime segment.

Growth in North America amounted to 72.7% to EUR 15.4 million (8.9), in Europe and Middle East 17.4% to EUR 65.8 million (56.0), and in Asia Pacific 27.6% to EUR 46.1 million (36.1).

EBIT (operating result)

EBIT improved to EUR 3.2 million (-2.9), corresponding to an EBIT margin of 2.5% (-2.8%). The improvement is reflecting higher revenue following increased volumes and prices.

Profit for the period and earnings per share

Net financial income amounted to EUR -2.6 million (-7.9). Income taxes amounted to EUR -2.8 million (-1.6). Loss for the period decreased to EUR -2.2 million (-6.3). Earnings per share, basic and diluted, improved to EUR -0.021 (-0.067).

Cash flow

Operating cash flow amounted to EUR -3.2 million (-2.6).

Financial position

Net debt decreased to EUR 21.4 million from EUR 30.3 million at 31 December 2022. Net debt also decreased from 30 June 2023 when it amounted to EUR 23.3 million. The leverage ratio (measured as debt-to-equity) improved in the quarter to 2.68x from 3.73x at the end of the previous quarter. The assets to equity ratio decreased from 3.82x at 31 December 2022 to 3.00x at the end of the period and increased from 2.88x at the end of the previous quarter.

Employees

At the end of the period, Cavotec had 630 (636) full-time equivalent employees.

Financial Review – Segments

ORDER BACKLOG – SEGMENTS

EUR 000s	30 Sep, 2023	30 Sep, 2022	Change	30 Jun, 2023	Change	31 Dec, 2022	Change
Order backlog							
Ports & Maritime	107,015	123,289	-13.2%	108,755	-1.6%	116,916	-8.5%
Industry	29,496	30,575	-3.5%	31,502	-6.4%	30,291	-2.6%
Group	136,510	153,865	-11.3%	140,257	-2.7%	147,207	-7.3%

PORTS & MARITIME

JULY–SEPTEMBER 2023

Revenue

Revenue increased by 4.1% to EUR 27.4 million (26.3), primarily driven by strong growth in North America.

EBITDA

EBITDA improved to EUR 2.2 million (-1.2), mainly due to lower operating expenses. The EBITDA margin increased to 8.1% (-4.6%).

JANUARY–SEPTEMBER 2023

Order backlog and revenue

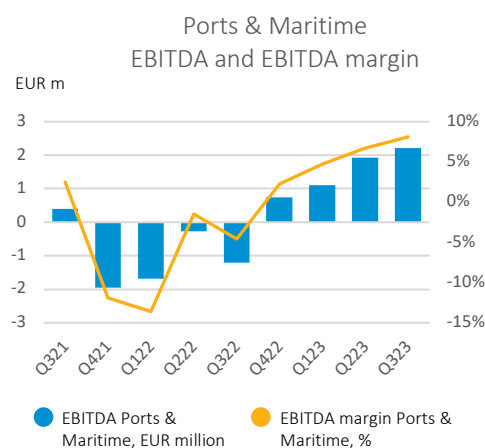
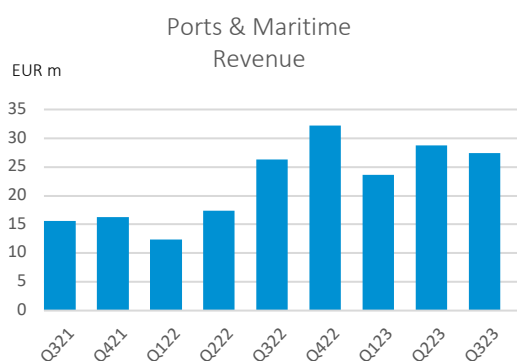
Order backlog decreased -13.2% to EUR 107.0 million (123.3) while revenue increased 42.3% to EUR 79.8 million (56.1). Growth in North America amounted to 101% to EUR 11.5 million (5.7), in Europe and Middle East 33.8% to EUR 33.4 million (25.0), and in Asia Pacific 37.6% to EUR 34.9 million (25.4).

After the end of the quarter, an order valued at EUR 6.65 million from one of the world’s largest shipping companies was signed for shore power. The order includes PowerFit, Cavotec’s containerized solution for high-voltage connection of vessels to shore. Deliveries will take place between late 2023 and early 2025.

After the end of the quarter, a long-term service agreement was signed with COSCO Group, one of the world’s largest shipping companies.

EBITDA

EBITDA improved to EUR 5.2 million (-3.2), mainly due to increased sales and lower operating expenses. The EBITDA margin increased to 6.6% (-5.6%).



INDUSTRY

JULY–SEPTEMBER 2023

Revenue

Revenue decreased by -6.9% to EUR 14.6 million (15.6) across all regions.

In the quarter, the world’s first ultra-fast 3 MW charging system for battery-powered heavy-duty vehicles, supplied by Cavotec, was commissioned.

EBITDA

EBITDA amounted to EUR 0.9 million (2.2) and the EBITDA margin decreased to 6.4% (14.1%), negatively impacted mainly by lower volumes.

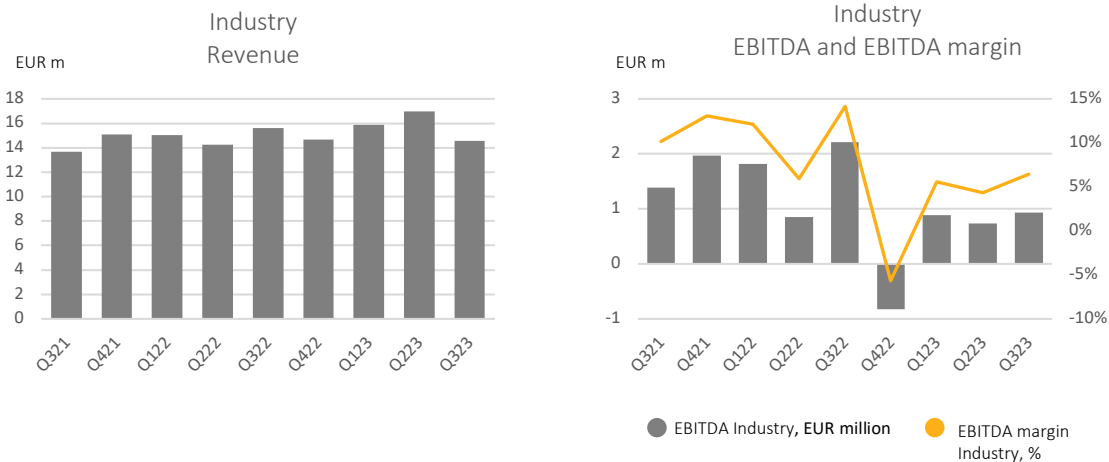
JANUARY–SEPTEMBER 2023

Order backlog and revenue

Order backlog decreased -3.5% to EUR 29.5 million (30.6) while revenue increased 5.5% to EUR 47.4 million (45.0). Growth in North America amounted to 21.8% to EUR 4.0 million (3.2), in Europe and Middle East 4.3% to EUR 32.3 million (31.0), and in Asia Pacific 4.1% to EUR 11.1 million (10.8).

EBITDA

EBITDA amounted to EUR 2.6 million (4.9) and the EBITDA margin decreased to 5.4% (10.9%), negatively impacted mainly by lower volumes.



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 000s	Unaudited three months 30 Sep, 2023	Unaudited three months 30 Sep, 2022	Unaudited nine months 30 Sep, 2023	Unaudited nine months 30 Sep, 2022	Audited year 31 Dec, 2022
Revenue from sales of goods and services	41,966	41,952	127,227	101,030	147,849
Other income	71	484	1,165	1,584	1,776
Cost of materials	(23,132)	(23,489)	(69,906)	(54,072)	(80,911)
Employee benefit costs	(11,248)	(12,921)	(36,514)	(34,511)	(47,807)
Operating expenses	(4,515)	(5,030)	(14,182)	(12,312)	(19,276)
Gross operating result	3,143	996	7,791	1,720	1,631
Depreciation and amortisation	(564)	(904)	(2,137)	(2,381)	(2,906)
Depreciation of right-of-use of leased asset	(773)	(827)	(2,370)	(2,417)	(3,222)
Impairment losses	(100)	291	(100)	220	(9)
Operating result (EBIT)	1,706	(445)	3,183	(2,859)	(4,506)
Interest income	2	-	9	-	108
Interest expenses	(768)	(535)	(2,612)	(1,048)	(1,354)
Currency exchange differences – net	(19)	4,546	94	8,937	5,471
Other financial item	(5)	-	(37)	-	-
Profit / (loss) before income tax	961	3,567	637	5,026	(281)
Income taxes	(812)	(1,467)	(2,809)	(1,580)	(2,890)
Profit / (loss) for the period, continuing operations	104	2,100	(2,172)	3,449	(3,170)
Profit / (loss) for the period, discontinued operations	-	(5,096)	-	(9,753)	(11,522)
Profit / (loss) for the period	104	(2,996)	(2,172)	(6,304)	(14,692)
Other comprehensive income:					
Remeasurements of post-employment benefit obligations continued operations	-	(19)	3	(7)	507
Remeasurements of post-employment benefit obligations discontinued operations	-	(6)	-	(22)	193
Items that will not be reclassified to profit or loss	-	(25)	3	(29)	700
Currency translation differences	245	(6,167)	(1,165)	(9,733)	(8,364)
Currency translation differences of discontinued operations	-	613	-	155	(155)
Items that may be subsequently reclassified to profit / (loss)	245	(5,554)	(1,165)	(9,888)	(8,519)
Other comprehensive income for the period, net of tax	245	(5,579)	(1,162)	(9,917)	(7,819)
Total comprehensive income for the period	349	(8,573)	(3,335)	(16,216)	(22,540)
Total comprehensive income attributable to:					
Equity holders of the Group	(349)	(8,576)	(3,335)	(16,221)	(22,511)
Non-controlling interest	-	2	-	5	(29)
Total	(349)	(8,574)	(3,335)	(16,216)	(22,540)
Profit / (loss) attributed to:					
Equity holders of the Group continued operations	104	2,100	(2,172)	3,449	(3,170)
Equity holders of the Group discontinued operations	-	(5,096)	-	(9,753)	(11,522)
Total	104	(2,996)	(2,172)	(6,304)	(14,692)
Basic and diluted earnings per share from continuing operations attributed to the equity holders of the Group	0.001	0.022	(0.021)	0.037	(0.034)
Basic and diluted earnings per share from discontinued operations attributed to the equity holders of the Group	-	(0.054)	-	(0.103)	(0.122)
Basic and diluted earnings per share attributed to the equity holders of the Group	-	(0.032)	-	(0.067)	(0.156)
Average number of shares	106,696,030	94,243,200	104,315,342	94,243,200	94,243,200

CONSOLIDATED BALANCE SHEET

EUR 000s	Unaudited 30 Sep, 2023	Unaudited 30 Sep, 2022	Audited 31 Dec, 2022
Assets			
Current assets			
Cash and cash equivalents	12,493	8,995	9,625
Trade receivables	29,081	28,270	33,315
Contract assets	1,781	721	1,171
Tax assets	3,146	2,881	6,399
Other current receivables	8,474	4,779	6,256
Inventories	46,231	41,406	43,002
Assets held for sale	2,168	2,305	2,320
Total current assets	103,373	89,357	102,088
Non-current assets			
Property, plant and equipment	5,153	6,451	5,941
Right-of-use of leased assets	11,304	13,299	13,213
Intangible assets	38,018	39,418	38,920
Non-current financial assets	106	38	106
Deferred tax assets	6,414	8,204	6,201
Other non-current receivables	1,177	1,283	1,215
Total non-current assets	62,173	68,693	65,597
Total assets	165,545	158,049	167,685
Equity and Liabilities			
Current liabilities			
Current financial liabilities	(181)	(18,590)	(4,914)
Current lease liabilities	(2,918)	(3,005)	(2,687)
Trade payables	(32,712)	(43,203)	(36,126)
Contract liabilities	(23,723)	(10,987)	(28,125)
Tax liabilities	(2,962)	(1,170)	(3,101)
Provision for risk and charges, current	(2,202)	(1,870)	(2,032)
Other current liabilities	(12,528)	(12,579)	(11,906)
Liabilities directly associated with assets classified as held for sale	-	-	-
Total current liabilities	(77,226)	(91,404)	(88,891)
Non-current liabilities			
Non-current financial liabilities	(21,384)	-	(21,172)
Non-current lease liabilities	(8,817)	(10,439)	(10,353)
Deferred tax liabilities	(1,134)	(2,323)	(1,100)
Other non-current liabilities	(42)	(654)	(461)
Provision for risk and charges, non-current	(1,295)	(1,222)	(1,357)
Employee benefit obligation	(519)	(1,182)	(501)
Total non-current liabilities	(33,191)	(15,820)	(34,944)
Total liabilities	(110,418)	(107,224)	(123,835)
Equity			
Share Capital	(54,131)	(45,288)	(45,288)
Reserves	(56,239)	(50,184)	(51,633)
Retained earnings	55,242	44,681	53,071
Equity attributable to owners of the parent	(55,128)	(50,791)	(43,850)
Non-controlling interests	-	(34)	-
Total equity	(55,128)	(50,825)	(43,850)
Total equity and liabilities	(165,545)	(158,049)	(167,685)

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
Unaudited						
Balance as at 1 January 2022	(100,169)	(4,833)	38,379	(66,623)	(29)	(66,652)
(Profit) / Loss for the period	-	-	6,304	6,304	-	6,304
Currency translation differences	-	9,888	-	9,888	(5)	9,883
Remeasurements of post-employment benefit obligations	-	29	-	29	-	29
Total comprehensive income and expenses	-	9,918	6,304	16,221	(5)	16,216
Employees share scheme	-	(388)	-	(388)	-	(388)
Share Premium Reserve	54,881	(54,881)	-	-	-	-
Transactions with shareholders	-	(55,269)	-	(388)	-	(388)
Balance as at 30 September 2022	(45,288)	(50,184)	44,681	(50,791)	(34)	(50,825)
Audited						
Balance as at 1 January 2022	(100,169)	(4,833)	38,379	(66,623)	(29)	(66,652)
(Profit) / Loss for the period	-	-	14,692	14,692	29	14,721
Currency translation differences	-	8,519	-	8,519	-	8,519
Remeasurements of post-employment benefit obligations	-	(700)	-	(700)	-	(700)
Total comprehensive income and expenses	-	7,819	14,692	22,511	29	22,540
Employees share scheme	-	262	-	262	-	262
Share Premium Reserve	54,881	(54,881)	-	-	-	-
Transactions with shareholders	54,881	(54,619)	-	262	-	262
Balance as at 31 December 2022	(45,288)	(51,633)	53,071	(43,850)	-	(43,850)
Unaudited						
Balance as at 1 January 2023	(45,288)	(51,633)	53,071	(43,850)	-	(43,850)
(Profit) / Loss for the period	-	-	2,172	2,172	-	2,172
Currency translation differences	-	1,165	-	1,165	-	1,165
Remeasurements of post-employment benefit obligations	-	(3)	-	(3)	-	(3)
Total comprehensive income and expenses	-	1,162	2,172	3,335	-	3,335
Employees share scheme	-	(174)	-	(174)	-	(174)
Capital increase	(8,843)	-	-	(8,843)	-	(8,843)
Share Premium Reserve	-	(5,595)	-	(5,595)	-	(5,595)
Transactions with shareholders	(8,843)	(5,769)	-	(14,621)	-	(14,621)
Balance as at 30 September 2023	(54,131)	(56,240)	55,243	(55,128)	-	(55,128)

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR 000s	Unaudited three months 30 Sep, 2023	Unaudited three months 30 Sep, 2022	Unaudited nine months 30 Sep, 2023	Unaudited nine months 30 Sep, 2022	Audited year 31 Dec, 2022
Profit / (loss) for the period	104	(2,996)	(2,172)	(6,304)	(14,692)
Loss from discontinued operations, net of income taxes	-	(5,096)	-	(9,753)	(11,522)
Adjustments for:					
Net interest expenses	766	535	2,603	1,048	1,246
Current taxes	991	628	3,015	1,507	2,709
Depreciation and amortization	564	904	2,137	2,381	2,906
Depreciation of right-of-use of leased assets	773	827	2,370	2,417	3,222
Impairment losses	100	(291)	100	(220)	9
Deferred tax	(179)	994	(207)	228	181
Provision for risks and charges	57	(306)	487	401	(827)
Capital (gain) or loss on assets	(20)	(18)	(18)	(22)	-
Other items not involving cash flows	1,960	3,929	211	(8,526)	(4,907)
Interest paid	(594)	(701)	(2,330)	(811)	(945)
Taxes (paid) / received	161	(926)	98	(3,435)	(6,225)
	4,579	(2,281)	8,467	(5,031)	(2,631)
Cash flow before changes in working capital	4,682	181	6,295	(1,582)	(5,802)
Impact of changes in working capital:					
Inventories	(3,510)	(798)	(3,946)	(12,049)	(12,960)
Trade receivables and contract assets	(1,210)	(5,686)	3,850	(2,800)	(8,784)
Other current receivables	(447)	212	(2,218)	(1,335)	(2,613)
Trade payables and contract liabilities	4,840	(73)	(7,815)	15,192	23,161
Other current liabilities	(75)	1,824	621	(62)	1,513
Impact of changes involving working capital	(403)	(4,522)	(9,509)	(1,055)	317
Net cash inflow / (outflow) from operating activities from continued operations	4,279	(4,703)	(3,214)	(2,636)	(5,485)
Net cash inflow / (outflow) from operating activities from discontinued operations	-	(5,309)	-	(12,752)	(15,508)
Net cash inflow / (outflow) from operating activities	4,279	(9,309)	(3,214)	(15,389)	(20,993)
Financial activities:					
Increase of equity capital	-	(1,812)	14,438	5,542	-
Net changes in loans and borrowings	2,103	(417)	(4,515)	(1,989)	12,257
Repayment of lease liabilities	(410)	-	(1,861)	-	(3,073)
Net cash inflow / (outflow) from financial activities from continued operations	1,693	(2,229)	8,062	3,553	9,184
Net cash inflow / (outflow) from financial activities from discontinued operations	-	(153)	-	(907)	(907)
Net cash inflow / (outflow) from financial activities	1,693	(2,382)	8,062	2,646	8,277
Investing activities:					
Investments in property, plant and equipment	(86)	(205)	(361)	(594)	(1,183)
Investments in intangible assets	(319)	(261)	(320)	(1,144)	(1,399)
(Increase)/Decrease of non-current financial asset	-	(1)	-	(19)	(50)
Disposal of assets	23	19	21	832	1,142
Net cash inflow / (outflow) from investing activities from continued operations	(382)	(447)	(661)	(925)	(1,490)
Net cash inflow / (outflow) from investing activities from discontinued operations	-	12,047	-	12,038	9,679
Net cash inflow / (outflow) from investing activities	(382)	11,600	(661)	11,113	8,189
Cash at the beginning of the period	8665	10,032	9,625	12,230	12,230
Cash flow for the period from continued operations	5,591	(7,380)	4,187	(8)	2,209
Cash flow for the period from discontinued operations	-	7,288	-	(1,622)	(6,736)
Cash flow for the period	5,591	(91)	4,187	(1,630)	(4,527)
Currency exchange differences	(1,763)	(946)	(1,319)	(1,605)	1,922
Cash at the end of the period	12,493	8,995	12,493	8,995	9,625

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 September 2023			
EUR 000s	Ports & Maritime	Industry	Total
Revenue from external customer			
<i>Timing of revenue recognition</i>			
At a point in time	78,144	47,406	125,550
Over time	1,677	-	1,677
Total	79,821	47,406	127,227

30 September 2022			
EUR 000s	Ports & Maritime	Industry	Total
Revenue from external customer			
<i>Timing of revenue recognition</i>			
At a point in time	55,833	44,945	100,778
Over time	252	-	252
Total	56,085	44,945	101,030

31 December 2022			
EUR 000s	Ports & Maritime	Industry	Total
Revenue from external customer			
<i>Timing of revenue recognition</i>			
At a point in time	85,855	59,590	145,445
Over time	2,404	-	2,404
Total	88,259	59,590	147,849

30 September 2023				
EUR 000s	AMER	EMEA	APAC	Total
Ports & Maritime	11,522	33,428	34,871	79,821
Industry	3,849	32,341	11,216	47,406
Total	15,371	65,769	46,087	127,227

30 September 2022				
EUR 000s	AMER	EMEA	APAC	Total
Ports & Maritime	5,741	24,992	25,352	56,085
Industry	3,160	31,012	10,773	44,945
Total	8,901	56,004	36,125	101,030

31 December 2022				
EUR 000s	AMER	EMEA	APAC	Total
Ports & Maritime	8,621	40,616	39,022	88,259
Industry	4,040	41,602	13,948	59,590
Total	12,661	82,218	52,970	147,849

SEGMENT INFORMATION

EUR 000s	Ports & Maritime	Industry	Other reconciling items	Total
Unaudited				
Three months ended 30 September 2023				
Revenue from sales of goods and services	27,421	14,545	-	41,996
Other income	(154)	225	-	71
Cost of materials and operating expenses before depreciation and amortization	(24,234)	(13,172)	(1,489)	(38,895)
Gross Operating Result (EBITDA)	3,034	1,597	(1,489)	3,143
Unaudited				
Three months ended 30 September 2022 (restated)				
Revenue from sales of goods and services	26,337	15,615	-	41,952
Other income	211	274	-	485
Cost of materials and operating expenses before depreciation and amortization	(26,925)	(13,167)	(1,347)	(41,439)
Gross Operating Result (EBITDA)	(377)	2,721	(1,347)	996
Unaudited				
Nine months ended 30 September 2023				
Revenue from sales of goods and services	79,821	47,406	-	127,227
Other income	474	691	-	1,165
Cost of materials and operating expenses before depreciation and amortization	(72,586)	(44,030)	(3,986)	(120,602)
Gross Operating Result (EBITDA)	7,709	4,067	(3,986)	7,791
Unaudited				
Nine months ended 30 September 2022 (restated)				
Revenue from sales of goods and services	56,085	44,945	-	101,030
Other income	899	685	-	1,584
Cost of materials and operating expenses before depreciation and amortization	(58,045)	(38,889)	(3,960)	(100,895)
Gross Operating Result (EBITDA)	(1,060)	6,740	(3,960)	1,720
Unaudited				
Year ended 31 December 2022 (restated)				
Revenue from sales of goods and services	88,259	59,590	-	147,849
Other income	830	946	-	1,776
Cost of materials and operating expenses before depreciation and amortization	(89,026)	(54,294)	(4,673)	(147,994)
Gross Operating Result (EBITDA)	61	6,243	(4,673)	1,631

From 1 January 2023, the Group has changed the organizational structure and reporting to the CODM. The Segment information reflects these changes, the comparatives are restated in line with the revised segments.

Report on the Review

of Interim consolidated financial statements to the Board of Directors of Cavotec SA

Lugano

Introduction

We have reviewed the interim consolidated financial statements (consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated statement cash flows on pages 7 to 10 and notes on pages 11-12 and 15-16) of Cavotec SA for the period ended 30 September 2023. The Board of Directors is responsible for the preparation and presentation of these interim consolidated financial statements in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with Swiss Auditing Standard 910 and International Standard on Review Engagements 2410, “Review of interim financial information performed by the independent auditor of the entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Swiss Auditing Standards and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements have not been prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers SA



Efreem Dell'Era



Laura Cazzaniga

Lugano, 10 November 2023

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PARENT COMPANY – CONDENSED STATEMENT OF COMPREHENSIVE INCOME

CAVOTEC SA EUR 000s	Unaudited three months 30 Sep, 2023	Unaudited three months 30 Sep, 2022	Unaudited nine months 30 Sep, 2023	Unaudited nine months 30 Sep, 2022	Audited year 31 Dec, 2022
Other income	518	474	2,579	1,567	1,104
Employee benefit costs	(250)	(1,605)	(862)	(2,018)	(1,481)
Operating expenses	(629)	(3,435)	(2,023)	(5,433)	(7,393)
Operating Result	(361)	(4,566)	(306)	(5,884)	(7,770)
Interest expenses – net	(378)	(10)	(1,377)	(113)	(319)
Currency exchange differences – net	(2)	(20)	81	(38)	(29)
Other financial items	-	-	(37)	-	-
Write down on investments	-	-	-	-	3,776
Profit / (Loss) for the period	(741)	(4,596)	(1,639)	(6,035)	(4,342)
Income taxes	(5)	(1)	(11)	(9)	(87)
Profit / (Loss) for the period	(746)	(4,597)	(1,650)	(6,044)	(4,429)
Other comprehensive income:					
Actuarial gain (loss)	-	-	-	-	(22)
Total comprehensive income for the period	(746)	(4,597)	(1,650)	(6,044)	(4,451)

PARENT COMPANY – CONDENSED BALANCE SHEET

CAVOTEC SA EUR 000s	Unaudited nine months 30 Sep, 2023	Unaudited nine months 30 Sep, 2022	Audited 31 Dec, 2022
Assets			
Current assets			
Cash and cash equivalents	-	298	166
Trade receivables	1,834	255	1,136
Tax assets	2	58	85
Other current receivables	2,299	1,908	13,664
Total current assets	4,135	2,519	15,051
Non-current assets:			
Investment in subsidiary companies	93,365	80,350	93,365
Deferred tax assets	-	76	-
Other non-current financial liabilities	68	68	68
Total non-current assets	93,433	80,494	93,433
Total assets	97,567	83,013	108,484
Equity and Liabilities			
Current liabilities			
Bank overdraft	(181)	(18,211)	(1,081)
Current financial liabilities	-	(18,955)	(2,955)
Trade payables	(570)	(2,984)	(3,647)
Other current liabilities	(5,776)	(3,847)	(16,669)
Total current liabilities	(6,527)	(43,997)	(24,352)
Non-current liabilities:			
Provision for risks and charges – non-current	-	(88)	-
Long-term financial debt	(36,215)	-	(42,045)
Other non-current liabilities	(30)	(55)	(14)
Total non-current liabilities	(36,245)	(143)	(42,059)
Total liabilities	(42,772)	(44,140)	(66,411)
Total equity	(54,795)	(38,873)	(42,073)
Total equity and liabilities	(97,567)	(83,013)	(108,484)

Other information

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. Cavotec SA is listed on Nasdaq Stockholm in the Mid Cap segment.

These audited Financial Statements have been approved by the Board of Directors for publication on 10 November 2023.

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 2022. 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.

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.

In 2022 Cavotec completed the divestment of its airports business. As a result of the divestment process, from 1 January 2023, the Group has changed the organizational structure and reporting to the CODM.

The Segment information presented in the Q323 report reflects these changes, the comparatives are restated in line with the revised segments. The two new operating segments are:

- a) Ports & Maritime – development, manufacture and service of innovative automation and electrification technologies for the global ports and maritime sectors.
- b) Industry – development, manufacture and service of electrification and radio control products for industrial applications, such as cranes, energy, processing and transportation, mining, and tunnelling.

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. Read more about the risks in the Annual Report 2022.

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, commercialization and technological difficulties, interruptions in supply, and major customer credit losses.

Annual General Meeting 2024

The Annual General Meeting 2024 will take place on 4 June 2024 in Lugano, Switzerland. Shareholders wishing to raise an issue for discussion at the AGM may do so by submitting their proposal to the Chairman of Cavotec by email: investor@cavotec.com or by post to: Cavotec SA, AGM 2024, Via G.B. Pioda 14, CH-6900 Lugano, Switzerland. To ensure their inclusion in the notice and thus on the agenda for the AGM, proposals must be received by the Company no later than 5 April 2024.

The Nomination Committee

Prior to the Annual General Meeting 2024, the Nomination Committee consists of Henrik Blomquist, representing Bure Equity AB, Fabio Cannavale, representing Nomina SA, Per Colleen, representing TomEq Private, Thomas Ehling, representing The Fourth Swedish National Pension Fund, and Patrik Tigerschiöld, Chairman of Cavotec’s Board of Directors. Henrik Blomquist is the Chairman of the Nomination Committee. Shareholders wishing to submit proposals to the Nomination Committee for the 2024 AGM may do so by sending an email to nomination@cavotec.com or writing to: Cavotec SA, Nomination Committee, Via G.B. Pioda 14, CH-6900 Lugano, Switzerland. Proposals must be submitted no later than 17 April 2024.

Financial calendar

Fourth quarter and year-end report	23 February, 2024
Annual and Sustainability Report 2023	Week that begins 15 April, 2024
First quarter report	26 April, 2024
Second quarter report	25 July, 2024
Third quarter report	8 November, 2024
Fourth quarter report	21 February, 2025
Annual and Sustainability Report 2024	Week that begins 31 March 2025

Webcasted presentation and telco

CEO David Pagels and CFO Joakim Wahlquist will present the interim report on Friday 10 November at

10:00 am CET. If you wish to participate via webcast, please use the link <https://ir.financialhearings.com/cavotec-q3-report-2023/register>. Via the webcast you may submit written questions. If you wish to participate via teleconference, please register on the link <https://conference.financialhearings.com/teleconference/?id=2001522>. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference. The presentation is in English.

Interim reports on [cavotec.com](https://ir.cavotec.com/financial-reports)

The full report and previous interim and annual reports are available on <https://ir.cavotec.com/financial-reports>.

Contact person for analysts and media

Joakim Wahlquist, Group CFO
 Phone +41 91 911 4010
 Email investor@cavotec.com

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 am CET on 10 November 2023.

About Cavotec

Cavotec is a leading cleantech company that designs and delivers connection and electrification solutions to enable the decarbonization of ports and industrial applications. 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. To find out more about Cavotec, please visit cavotec.com.