

**Q3 2022 | Interim report**  
**January-September 2022**

## Increased revenues - profitability negatively impacted by non-recurring factors

On February 22, 2022, Cavotec signed an agreement to divest 100% of the Airports business to US based investment company Fernweh Group. On July 29, 2022, Cavotec completed the divestment of the Airports business. As a result of the divestment, the Airports business is reported as a discontinued operation.

### JULY–SEPTEMBER 2022 NEW CAVOTEC (EXCL. DISCONTINUED)

- Order backlog increased 65.8% compared to Q321 to EUR 153.9 million
- Revenues increased 43.5 % to EUR 42.0 million (29.2)
- EBIT decreased to EUR -0.4 million (0.2), corresponding to a margin of -1.1% (0.8 %)

### JANUARY–SEPTEMBER 2022 NEW CAVOTEC (EXCL. DISCONTINUED)

- Revenues increased 19.8% to EUR 101.0 million (84.4)
- EBIT decreased to EUR -2.9 million (0.9), corresponding to a margin of -2.8% (1.1%)

### JULY–SEPTEMBER 2022 TOTAL (INCL. DISCONTINUED)

- Net result for the group was EUR -3.0 million (1.2), of which EUR -5.1 million attributable to the discontinued operations of the Airports business

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

- Net result for the group was EUR -6.3 million (-0.7), of which EUR -9.8 million attributable to the discontinued operations of the Airports business
- Net debt amounted to EUR 23.9 million (Q222: 25.3)

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

#### Key events during the quarter

- On July 29, 2022, Cavotec announced that it had completed the sale of its Airports business, Dabico Airport Solutions, to US-based investment company Fernweh Group LLC. The transaction was announced in February 2022. The Airports business accounted for approximately 25 per cent of Cavotec's revenue in 2021.

#### Key events after the end of the quarter

- Considering the impact of the completion of the sale of the Airports business, the lenders agreed to waive compliance with the financial covenants of the Credit Facility Agreement for the testing period ending on September 30, 2022 and December 31, 2022.

**FINANCIAL SUMMARY**

EUR 000's	Q322	Q321	Delta	9M22	9M21	Delta	Dec 2021
Order backlog New Cavotec	153,865	92,818	65.8%	153,865	92,818	65.8%	98,893
Revenues New Cavotec	41,952	29,230	43.5%	101,030	84,367	19.8%	115,794
EBITDA New Cavotec	996	1,776	-43.9%	1,720	5,690	-69.8%	5,717
EBITDA New Cavotec margin, %	2.4%	6.1%	-3.7 pp	1.7%	6.7%	-5.0 pp	4.9%
EBIT New Cavotec	(445)	240	-285.4%	(2,859)	959	-398.1%	(747)
EBIT New Cavotec margin, %	-1.1%	0.8%	-1.9 pp	-2.8%	1.1%	-3.9 pp	-0.6%
Net profit/(loss) for the period discontinued operations	(5,096)	(1,978)	157.6%	(9,753)	(3,128)	211.2%	(35,890)
Net profit/(loss) for the period Group	(2,996)	(1,244)	140.8%	(6,304)	(662)	852.3%	(37,101)
Basic and diluted earnings per share Group, EUR	(0.032)	(0.013)	146.2%	(0.067)	(0.007)	857.1%	(0.394)
Operating Cash Flow New Cavotec	(4,703)	1,180	-498.5%	(2,636)	4,266	-161.8%	8,654
Operating cash flow Group	(9,309)	(3,573)	160.5%	(15,389)	(6,485)	137.3%	687
Net debt	(23,958)	(23,815)	0.6%	(23,958)	(23,815)	0.6%	(19,630)
Equity/assets ratio	32.0%	51.4%	-19.4 pp	32.0%	51.4%	-19.4 pp	38.1%
Leverage ratio	8.60x	3.23x	5.37x	8.60x	3.23x	5.37x	3.20x
Full time equivalent employees at period end	636	571	65	636	571	65	604

Please refer to page 12 for further segmental details and page 15 for Airports (discontinued operations) details

## Comment from the CEO

## Still unsatisfactory profitability, despite stronger revenues



In the third quarter, New Cavotec's revenues increased almost 44% to EUR 42.0 million compared to the same period last year. The strong development is partly explained by a capacity ramp up in Shanghai, which meant that we could catch up on Covid related delays. During the quarter we reduced the backlog of delayed orders by EUR 7 million, down to EUR 3 million and we expect to reduce it further.

However, during the quarter, the profitability in New Cavotec was very unsatisfactory. This has been impacted by several different factors. Starting in 2021 we invested in our organisation for growth, which is not yet in sync with revenues. We added net 65 people in the past twelve months. Existing orders with low margins also had a negative effect on our profitability. In addition, there were material cost increases, increased transportation costs and supply chain constraints, which were not fully compensated for in time. Furthermore, there were one-off costs of EUR 1.0 million arising from the departure of the prior CEO.

In total, the above factors lead to an EBIT in New Cavotec in the third quarter amounting to EUR -0.4 million (0.2).

Completing the divestment of the Airports business was a strategically important achievement. However, it took more time to complete than anticipated, leading to higher transaction costs and additional impairment. The group results for the quarter include a loss from discontinued operations of EUR 5.1 million.

The combination of lower profitability in New Cavotec's core business (Ports & Maritime, Industry and Services) and the one-off impact of the divestment led to Cavotec requesting, and our lenders subsequently agreeing, to waive compliance with covenants in both the third and fourth quarters of 2022.

Looking at the overall development of New Cavotec's core business, there was an increase in shipyards building new ships with on ship shore power. To electrify new ships is almost a prerequisite in today's shipping market, due to increasing legislation and demand for sustainable solutions. Going forward, we expect a strong outlook in our retrofit business to install shore power on existing container vessels, driven by an increasing demand on international shipping companies to be able to switch off their diesel power in ports. In addition, during the quarter we have won an order for close to EUR 5 million for a MoorMaster NxG™ installation at a container terminal in South America.

Revenues and order book for our industrial applications improved due to strong demand across diverse markets and customer segments. We see significant interest in our high-power charging solution package for the mining and heavy

construction segment, where substantial resources are directed towards net-zero and at decarbonization generally. We expect such investments to accelerate and adoption rate to further progress in the future.

We have intensified our sales efforts to grow service revenue from our installed base of port installations worldwide from periodic overhauls and increasing spare parts volumes.

I joined Cavotec six months ago. I have visited customers and end users, met with many of our employees and I have also participated in assembling products at our sites worldwide. I can clearly see that we have a huge potential in Cavotec, a strong need for our products and that we have a skilled workforce. However, it is also clear to me that there are challenges and hard work to be done, which is evident in this quarter's result.

A new chapter in Cavotec's history starts now when we finally can focus on our core business with full force. I am very optimistic about our future, and I am looking forward to working with our teams to create a sustainable and profitable business.

Stockholm, November 30, 2022

David Pagels  
Chief Executive Officer

**ORDER BACKLOG AND REVENUE**

EUR 000s	Q322			Q321			9M22			9M21		
	New Cavotec	Airports	Total	New Cavotec	Airports	Total	New Cavotec	Airports	Total	New Cavotec	Airports	Total
Revenue from sales of goods and services	41,952	3,297	45,249	29,230	7,676	36,906	101,030	18,895	119,925	84,367	26,334	110,701
Increase/(decrease)	12,722	(4,378)	8,344	881	(1,503)	(622)	16,663	(7,439)	9,224	(1,167)	(6,319)	(7,486)
Percentage change	43.5%	-57.04%	22.6%	3.1%	-16.4%	-1.7%	19.8%	-28.3%	8.3%	-1.4%	-19.4%	-6.3%
Of which												
- Volumes and prices	40.5%	-61.5%	19.2%	1.7%	-17.1%	-3.0%	16.6%	-35.7%	4.1%	-1.8%	-16.6%	-5.9%
- Currency effects	3.1%	4.5%	3.5%	1.4%	0.7%	1.3%	3.2%	7.4%	4.3%	0.4%	-2.8%	-0.4%

**DIVISIONS**

**Revenue**

EUR 000s	Q322	Q321	Change %	9M22	9M21	Change %	LTM Rolling	FY21	Change %
New Cavotec	41,952	29,230	43.5%	101,030	84,367	19.8%	132,457	115,794	14.4%
Airports	3,297	7,676	-57.04%	18,895	26,334	-28.3%	32,345	39,784	-18.7%
<b>Total</b>	<b>45,249</b>	<b>36,906</b>	<b>22.6%</b>	<b>119,925</b>	<b>110,701</b>	<b>8.3%</b>	<b>164,802</b>	<b>155,578</b>	<b>5.9%</b>

**Order Backlog**

EUR 000s	9M22	9M21	Change %	1H22	Change %	FY21	Change %
New Cavotec	153,865	92,818	65.8%	152,795	0.7%	98,893	54.5%
<b>Total</b>	<b>153,865</b>	<b>92,818</b>	<b>65.8%</b>	<b>152,795</b>	<b>0.7%</b>	<b>98,893</b>	<b>54.5%</b>

## Financial Review

### JULY-SEPTEMBER 2022

On July 29, 2022, Cavotec completed the divestment of Airports business. As a result of the divestment, Cavotec reports its Ports & Maritime and Industry businesses combined under the name New Cavotec, while the Airports business is reported as a discontinued operation.

#### New Cavotec

##### Revenue and Order Backlog

New Cavotec's order backlog increased 65.8% compared to Q321 to EUR 153.9 million.

All regions showed growth in order backlog in ports & maritime applications compared to the same period last year, apart from the Nordics where the order backlog was flat. New orders in the quarter included a MoorMaster NxG™ installation at a container terminal in South America as well On-Ship Shore Power and PowerFit in the Middle East, MCR orders in Malaysia, the UK and the Nordics.

Industrial customers orders increased compared to the same period last year, with the highest increase coming from Connectors, Motorized Reels and Spring Reels orders.

The after-market order backlog also increased significantly.

Revenue increased 43.5% to EUR 42.0 million (29.2). The revenue includes EUR 7 million out of the EUR 10 million in revenues that were reported as delayed in the second quarter because of the disruption in the operations in Shanghai and which mainly consisted of shore power orders. Cavotec factories in China, Italy and Germany were generally at required production levels in the third quarter 2022.

Ports & Maritime deliveries showed the strongest increase within PowerAMPReels and PowerFits, mainly in China, the Far East and the Nordics and within MCR projects and Power Reach units in Europe and the Nordics. Revenue in the after-market increased due to strong demand across diverse market and customer segments.

##### Operating Result (EBIT)

EBIT amounted to EUR -0.4 million (0.2), corresponding to an EBIT margin of -1.1% (0.8%), impacted by several factors like the investment into the growth of the organization starting 2021. In addition, existing orders with low margins had a negative effect on profitability, together with increases of raw material and transportation costs, which were not yet fully compensated for. Local restrictions led to low capacity in the Shanghai operations in the beginning of the quarter and to inefficient logistics.

Employee costs in the quarter reflect a full quarter's cost of the increase of 65 heads that has occurred in the past twelve months. It also includes a one-off impact of EUR 1.0 million arising from the departure of the prior CEO.

##### Employees

The number of full-time equivalent employees in Cavotec was 636 as of 30 September 2022 (571).

#### Total

##### Operating Result (EBIT)

EBIT decreased to EUR -5.3 million (-2.1), corresponding to a margin of -11.7% (-5.8%). EBIT for the Group was mainly impacted by the poor performance of Airports of EUR -4.9 million due to higher operational expenses.

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

Finance costs amounted to EUR -0.5 million (-0.4).

Currency exchange differences amounted to EUR 4.7 million (2.0). Income tax expenses for the quarter amounted to EUR -1.8 million (-0.7).

Net result for the period was EUR -3.0 million (1.2).

Earnings per share basic and diluted amounted to EUR -0.032 (-0.013).

##### Cash flow

Operating cash flow amounted to EUR -9.3 million (-3.6) in the quarter. Inventory levels at the end of Q3 were in line with the end of Q2. Receivables increased EUR 5 million, due to the strong increase of revenue. Furthermore, cash flow in the quarter was boosted by advance payments from customers.

Investing activities amounted to a cash inflow of EUR 11.6 million (-1.1), mainly due to the consideration received because of the divestment of Airports business and the disposal of a 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 -2.4 million (-1.1), mainly due to utilization of the revolving credit facility. EUR 16 million of long-term loans were reclassified as current as per 30 September 2022. However, as previously stated, after the end of the quarter, the lenders have waived the covenants for Q3 and Q4 2022.

Cash and cash equivalents amounted to EUR 9.0 million as of 30 September 2022 (9.1).



JANUARY–SEPTEMBER 2022

New Cavotec

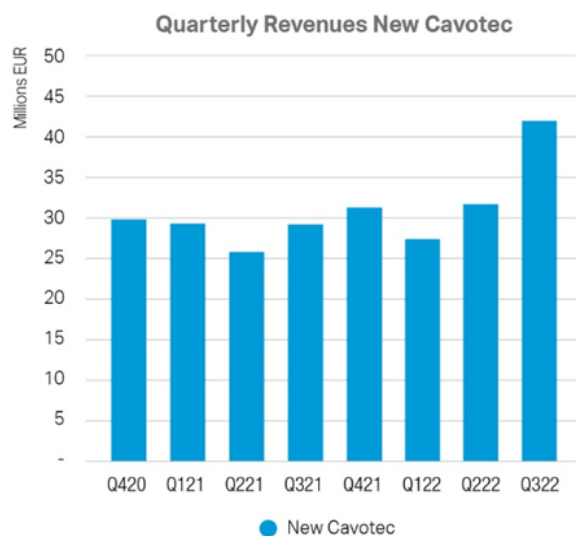
Revenues

Revenues increased 19.8% to EUR 101.0 million (84.4).

Throughout the year we experience strong demand for On-Ship Shore Power products like PowerAMPReels, primarily for new build container vessels and, to a lesser extent PowerFits, for existing vessels in the Ports & Maritime Division. For industrial customers, motorized reels and spring reels remain a significant portion of the volume. EMEA continues to be the largest region, followed by China and North America.

Operating Result (EBIT)

EBIT amounted to EUR -2.9 million (0.9), corresponding to an EBIT margin of -2.8% (1.1%), mainly affected by investments for growth in the Ports & Maritime, as well as the Service Business. This is mainly due to the increase in headcount since the beginning of 2021. Increasing costs of materials and components, supply chain challenges and one-off costs led to a temporary decrease of profitability.



Total

Profit for the period and earnings per share

Net result for the group was EUR -6.3 million (-0.7) of which EUR -9.8 million attributable to the discontinued operations.

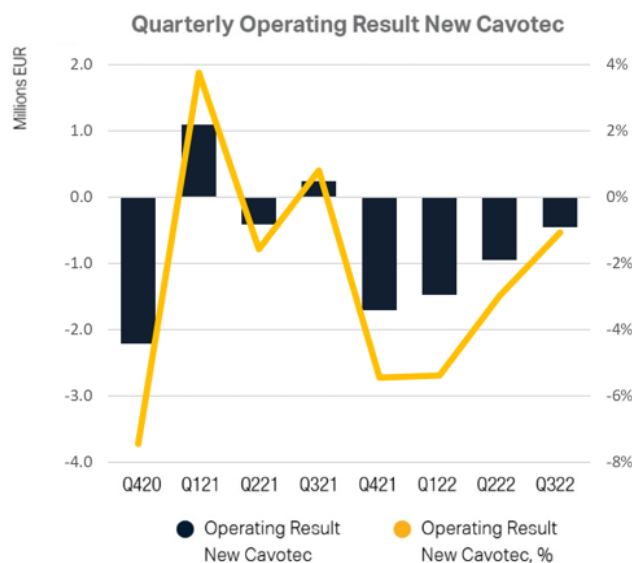
Earnings per share basic and diluted amounted to EUR -0.067, (-0.007).

Operating cash flow amounted to EUR -15.4 million (-6.5).

Financial Position

EUR 16 million of long-term loans were reclassified as current as per 30 September 2022. However, as previously stated, after the end of the quarter, the lenders have waived the covenants for Q3 2022 and Q4 2022. Net debt amounted to EUR 23.9 million (23.8).

Cavotec's total assets amounted to EUR 158.1 million (201.3) as of 30 September 2022.



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 000s	Unaudited three months 30 Sep, 2022	Unaudited three months 30 Sep, 2021*	Unaudited nine months 30 Sep, 2022	Unaudited nine months 30 Sep, 2021*	Audited year 31 Dec, 2021
Revenue from sales of goods and services	41,952	29,230	101,030	84,367	115,794
Other income	484	314	1,584	1,867	2,276
Cost of materials	(23,489)	(15,152)	(54,072)	(42,121)	(58,593)
Employee benefit costs	(12,921)	(9,109)	(34,511)	(28,187)	(38,570)
Operating expenses	(5,030)	(3,506)	(12,312)	(10,245)	(15,190)
<b>Gross Operating Result</b>	<b>996</b>	<b>1,776</b>	<b>1,720</b>	<b>5,690</b>	<b>5,717</b>
Depreciation and amortisation	(904)	(774)	(2,381)	(2,440)	(3,222)
Depreciation of right-of-use of leased asset	(827)	(762)	(2,417)	(2,291)	(3,068)
Impairment losses	291	-	220	-	(174)
<b>Operating Result</b>	<b>(445)</b>	<b>240</b>	<b>(2,859)</b>	<b>959</b>	<b>(747)</b>
Interest income	-	43	-	-	153
Interest expenses	(535)	-	(1,048)	(180)	(285)
Currency exchange differences – net	4,546	1,251	8,937	2,735	3,632
Other financial items	-	-	-	-	(30)
<b>Profit / (loss) before income tax</b>	<b>3,567</b>	<b>1,534</b>	<b>5,026</b>	<b>3,514</b>	<b>2,723</b>
Income taxes	(1,467)	(800)	(1,580)	(1,047)	(3,934)
<b>Profit / (loss) for the period, continuing operations</b>	<b>2,100</b>	<b>734</b>	<b>3,449</b>	<b>2,467</b>	<b>(1,211)</b>
Profit / (loss) for the period, discontinued operations	(5,096)	(1,978)	(9,753)	(3,128)	(35,890)
<b>Profit / (loss) for the period</b>	<b>(2,996)</b>	<b>(1,244)</b>	<b>(6,304)</b>	<b>(662)</b>	<b>(37,101)</b>
<b>Other comprehensive income:</b>					
Remeasurements of post employment benefit obligations continued operations	(19)	(9)	(7)	2	282
Remeasurements of post employment benefit obligations discontinued operations	(6)	(5)	(22)	(11)	22
<b>Items that will not be reclassified to profit or loss</b>	<b>(25)</b>	<b>(15)</b>	<b>(29)</b>	<b>(9)</b>	<b>304</b>
Currency translation differences	(6,167)	(1,014)	(9,733)	(1,609)	(1,098)
Currency translation differences of discontinued operations	613	(254)	155	(402)	(507)
<b>Items that may be subsequently reclassified to profit / (loss)</b>	<b>(5,554)</b>	<b>(1,268)</b>	<b>(9,888)</b>	<b>(2,011)</b>	<b>(2,415)</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>(5,579)</b>	<b>(1,283)</b>	<b>(9,917)</b>	<b>(2,020)</b>	<b>(2,111)</b>
<b>Total comprehensive income for the period</b>	<b>(8,573)</b>	<b>(2,527)</b>	<b>(16,216)</b>	<b>(2,682)</b>	<b>(39,212)</b>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Group	(8,576)	(2,526)	(16,221)	(2,683)	(39,214)
Non-controlling interest	2	(1)	5	1	2
<b>Total</b>	<b>(8,574)</b>	<b>(2,527)</b>	<b>(16,216)</b>	<b>(2,682)</b>	<b>(39,212)</b>
<b>Profit / (loss) attributed to:</b>					
Equity holders of the Group continued operations	<b>2,100</b>	<b>734</b>	<b>3,449</b>	<b>2,467</b>	<b>(1,211)</b>
Equity holders of the Group discontinued operations	(5,096)	(1,978)	(9,753)	(3,128)	(35,890)
<b>Total</b>	<b>(2,996)</b>	<b>(1,244)</b>	<b>(6,304)</b>	<b>(662)</b>	<b>(37,101)</b>
Basic and diluted earnings per share from continuing operations attributed to the equity holders of the Group	0.022	0.008	0.037	0.026	(0.013)
Basic and diluted earnings per share from discontinued operations attributed to the equity holders of the Group	(0.054)	(0.020)	(0.103)	(0.033)	(0.381)
Basic and diluted earnings per share attributed to the equity holders of the Group	(0.032)	(0.013)	(0.067)	(0.007)	(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 Sep, 2022	Unaudited 30 Sep, 2021	Audited 31 Dec, 2021
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8,995	9,106	12,230
Trade receivables	28,270	29,230	23,967
Contract assets	721	4,417	2,509
Tax assets	2,881	1,996	2,736
Other current receivables	4,779	5,407	3,651
Inventories	41,406	42,893	29,835
Assets held for sale	2,305	3,418	24,147
<b>Total current assets</b>	<b>89,357</b>	<b>96,467</b>	<b>99,075</b>
<b>Non-current assets</b>			
Property, plant and equipment	6,451	13,543	7,426
Right-of-use of leased assets	13,299	17,752	14,394
Intangible assets	39,418	53,221	38,188
Non-current financial assets	38	92	55
Deferred tax assets	8,204	11,347	8,629
Other non-current receivables	1,283	8,894	7,249
<b>Total non-current assets</b>	<b>68,693</b>	<b>104,849</b>	<b>75,941</b>
<b>Total assets</b>	<b>158,049</b>	<b>201,316</b>	<b>175,016</b>
<b>Equity and Liabilities</b>			
<b>Current liabilities</b>			
Current financial liabilities *	(18,590)	(4,155)	(4,124)
Current lease liabilities	(3,005)	(4,403)	(2,850)
Trade payables	(43,203)	(26,863)	(38,668)
Contract liabilities	(10,987)	(12,660)	(115)
Tax liabilities	(1,170)	(1,430)	(2,953)
Provision for risk and charges, current	(1,870)	(3,326)	(2,866)
Other current liabilities	(12,579)	(10,232)	(9,703)
Liabilities directly associated with assets classified as held for sale	-	-	(15,897)
<b>Total current liabilities</b>	<b>(91,404)</b>	<b>(63,069)</b>	<b>(77,176)</b>
<b>Non-current liabilities</b>			
Non-current financial liabilities *	-	(9,385)	(9,196)
Non-current lease liabilities	(10,439)	(13,810)	(11,425)
Deferred tax liabilities	(2,323)	(2,165)	(2,130)
Other non-current liabilities	(654)	(85)	(63)
Provision for risk and charges, non-current	(1,222)	(6,946)	(7,100)
Employee benefit obligation	(1,182)	(2,464)	(1,274)
<b>Total non-current liabilities</b>	<b>(15,820)</b>	<b>(34,855)</b>	<b>(31,188)</b>
<b>Total liabilities</b>	<b>(107,224)</b>	<b>(97,924)</b>	<b>(108,364)</b>
<b>Equity</b>			
Share Capital	(45,288)	(100,169)	(100,169)
Reserves	(50,184)	(5,135)	(4,833)
Retained earnings	44,681	1,940	38,379
<b>Equity attributable to owners of the parent</b>	<b>(50,791)</b>	<b>(103,364)</b>	<b>(66,623)</b>
Non-controlling interests	(34)	(28)	(29)
<b>Total equity</b>	<b>(50,825)</b>	<b>(103,392)</b>	<b>(66,652)</b>
<b>Total equity and liabilities</b>	<b>(158,049)</b>	<b>(201,316)</b>	<b>(175,016)</b>

\*EUR 16.0 million long term loans are reclassified as current as per 30 September 2022. After the end of the quarter, the lenders waived the covenants for Q3 & Q4 2022

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	-	-	662	662	-	662
Currency translation differences	-	2,012	-	2,012	(1)	2,011
Remeasurements of post employment benefit obligations	-	9	-	9	-	9
<b>Total comprehensive income and expenses</b>	-	<b>2,021</b>	<b>662</b>	<b>2,683</b>	<b>(1)</b>	<b>2,682</b>
Employees share scheme	-	(82)	-	(82)	-	(82)
<b>Transactions with shareholders</b>	-	<b>(82)</b>	-	<b>(82)</b>	-	<b>(82)</b>
<b>Balance as at 30 September 2021</b>	<b>(100,169)</b>	<b>(5,135)</b>	<b>1,940</b>	<b>(103,364)</b>	<b>(28)</b>	<b>(103,392)</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	-	-	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
<b>Total comprehensive income and expenses</b>	-	<b>9,918</b>	<b>6,304</b>	<b>16,221</b>	<b>(5)</b>	<b>16,216</b>
Employees share scheme	-	(388)	-	(388)	-	(388)
Share Premium Reserve	54,881	(54,881)	-	-	-	-
<b>Transactions with shareholders</b>	<b>54,881</b>	<b>(55,269)</b>	-	<b>(388)</b>	-	<b>(388)</b>
<b>Balance as at 30 September 2022</b>	<b>(45,288)</b>	<b>(50,184)</b>	<b>44,681</b>	<b>(50,791)</b>	<b>(34)</b>	<b>(50,825)</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS**

EUR 000s	Unaudited three months 30 Sep, 2022	Unaudited three months 30 Sep, 2021*	Unaudited nine months 30 Sep, 2022	Unaudited nine months 30 Sep, 2021*	Audited year 31 Dec, 2021*
<b>Profit / (loss) for the period</b>	<b>(2,996)</b>	<b>(1,244)</b>	<b>(6,304)</b>	<b>(662)</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	<b>(5,096)</b>	<b>(1,978)</b>	<b>(9,753)</b>	<b>(3,129)</b>	<b>(35,890)</b>
<b>Adjustments for:</b>					
Net interest expenses	535	(43)	1,048	180	132
Current taxes	628	996	1,507	2,148	2,905
Depreciation and amortization	904	774	2,381	2,440	3,222
Depreciation of right-of-use of leased assets	827	762	2,417	2,291	3,068
Impairment losses	(291)	-	(220)	-	174
Deferred tax	994	(196)	228	(1,101)	1,029
Provision for risks and charges	(306)	(503)	401	267	(319)
Capital (gain) or loss on assets	(18)	(6)	(22)	(790)	(817)
Other items not involving cash flows	3,929	(1,804)	(8,526)	(2,392)	(3,413)
Interest paid	(701)	(46)	(811)	(49)	176
Taxes (paid) / received	(926)	635	(3,435)	358	213
	<b>(2,281)</b>	<b>(569)</b>	<b>(5,031)</b>	<b>3,352</b>	<b>6,370</b>
<b>Cash flow before changes in working capital</b>	<b>181</b>	<b>1,304</b>	<b>(1,582)</b>	<b>5,819</b>	<b>5,159</b>
<b>Impact of changes in working capital:</b>					
Inventories	(798)	(181)	(12,049)	(2,711)	(3,633)
Trade receivables and contract assets	(5,686)	(1,857)	(2,800)	1,025	(11,492)
Other current receivables	212	(4,572)	(1,335)	(8,912)	(241)
Trade payables and contract liabilities	(73)	6,087	15,192	8,253	16,698
Other current liabilities	1,824	399	(62)	753	2,163
Long term receivable	-	-	-	-	-
Impact of changes involving working capital	<b>(4,522)</b>	<b>(124)</b>	<b>(1,055)</b>	<b>(1,593)</b>	<b>3,495</b>
<b>Net cash inflow / (outflow) from operating activities from continued operations</b>	<b>(4,703)</b>	<b>1,180</b>	<b>(2,636)</b>	<b>4,226</b>	<b>8,654</b>
<b>Net cash inflow / (outflow) from operating activities from discontinued operations</b>	<b>(5,309)</b>	<b>(4,753)</b>	<b>(12,752)</b>	<b>(10,712)</b>	<b>(9,341)</b>
<b>Net cash inflow / (outflow) from operating activities</b>	<b>(9,309)</b>	<b>(3,573)</b>	<b>(15,389)</b>	<b>(6,485)</b>	<b>687</b>
<b>Financial activities:</b>					
Net changes in loans and borrowings	(1,812)	(298)	5,542	(883)	(1,218)
Repayment of lease liabilities	(417)	938	(1,989)	(1,746)	(2,857)
<b>Net cash inflow / (outflow) from financial activities from continued operations</b>	<b>(2,229)</b>	<b>639</b>	<b>3,553</b>	<b>(2,629)</b>	<b>(4,075)</b>
<b>Net cash inflow / (outflow) from financial activities from discontinued operations</b>	<b>(153)</b>	<b>(1,706)</b>	<b>(907)</b>	<b>(1,017)</b>	<b>(1,375)</b>
<b>Net cash inflow / (outflow) from financial activities</b>	<b>(2,382)</b>	<b>(1,067)</b>	<b>2,646</b>	<b>(3,646)</b>	<b>(5,450)</b>
<b>Investing activities:</b>					
Investments in property, plant and equipment	(205)	(184)	(594)	(349)	(665)
Investments in intangible assets	(261)	(914)	(1,144)	(1,882)	(3,158)
(Increase)/Decrease of non current financial asset	(1)	(1)	(19)	-	10
Disposal of assets	19	540	832	1,100	1,155
<b>Net cash inflow / (outflow) from investing activities from continued operations</b>	<b>(447)</b>	<b>(559)</b>	<b>(925)</b>	<b>(1,131)</b>	<b>(2,658)</b>
<b>Net cash inflow / (outflow) from investing activities from discontinued operations</b>	<b>12,047</b>	<b>(489)</b>	<b>12,038</b>	<b>(82)</b>	<b>(144)</b>
<b>Net cash inflow / (outflow) from investing activities</b>	<b>11,600</b>	<b>(1,048)</b>	<b>11,113</b>	<b>(1,213)</b>	<b>(2,802)</b>
Cash at the beginning of the period	10,032	14,182	12,230	19,151	19,151
<b>Cash flow for the period from continued operations</b>	<b>(7,380)</b>	<b>1,261</b>	<b>(8)</b>	<b>467</b>	<b>1,921</b>
<b>Cash flow for the period from discontinued operations</b>	<b>7,288</b>	<b>(6,948)</b>	<b>(1,622)</b>	<b>(11,811)</b>	<b>(10,860)</b>
<b>Cash flow for the period</b>	<b>(91)</b>	<b>(5,688)</b>	<b>(1,630)</b>	<b>(11,344)</b>	<b>(8,939)</b>
Currency exchange differences	(946)	612	(1,605)	1,299	2,018
<b>Cash at the end of the period</b>	<b>8,995</b>	<b>9,106</b>	<b>8,995</b>	<b>9,106</b>	<b>12,230</b>

\* 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 September 2022 EUR 000s	New Cavotec	Airports	Total
<b>Revenue from external customer</b>			
<i>Timing of revenue recognition</i>			
At a point in time	100,778	18,613	119,391
Over time	252	282	534
<b>Total</b>	<b>101,030</b>	<b>18,895</b>	<b>119,925</b>

30 September 2021 EUR 000s	New Cavotec	Airports	Total
<b>Revenue from external customer</b>			
<i>Timing of revenue recognition</i>			
At a point in time	74,919	23,139	98,058
Over time	9,448	3,195	12,643
<b>Total</b>	<b>84,367</b>	<b>26,334</b>	<b>110,701</b>

31 December 2021 EUR 000s	New Cavotec	Airports	Total
<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 September 2022 EUR 000s	AMER	EMEA	APAC	Total
<b>Revenue from geographical regions</b>				
New Cavotec	8,901	56,004	36,125	101,030
Airports	8,712	8,759	1,423	18,895
<b>Total</b>	<b>17,613</b>	<b>64,763</b>	<b>37,549</b>	<b>119,925</b>

30 September 2021 EUR 000s	AMER	EMEA	APAC	Total
<b>Revenue from geographical regions</b>				
New Cavotec	7,682	50,148	26,537	84,367
Airports	11,283	12,031	3,020	26,334
<b>Total</b>	<b>18,965</b>	<b>62,179</b>	<b>29,557</b>	<b>110,701</b>

31 December 2021 EUR 000s	AMER	EMEA	APAC	Total
<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 September 2022</b>				
Revenue from sales of goods and services	41,952	3,297		<b>45,249</b>
Other income	483	17		<b>500</b>
Cost of materials and operating expenses before depreciation and amortization	(40,093)	(7,015)	(1,347)	<b>(48,455)</b>
<b>Gross Operating Result (EBITDA)</b>	<b>2,343</b>	<b>(3,700)</b>	<b>(1,347)</b>	<b>(2,704)</b>
<b>Unaudited</b>				
<b>Three months ended 30 September 2021</b>				
Revenue from sales of goods and services	29,230	7,676	-	<b>36,906</b>
Other income	314	300	-	<b>614</b>
Cost of materials and operating expenses before depreciation and amortization	(26,824)	(9,721)	(943)	<b>(37,488)</b>
<b>Gross Operating Result (EBITDA)</b>	<b>2,720</b>	<b>(1,745)</b>	<b>(943)</b>	<b>32</b>
<b>Unaudited</b>				
<b>Nine months ended 30 September 2022</b>				
Revenue from sales of goods and services	101,030	18,895		<b>119,925</b>
Other income	1,584	783		<b>2,368</b>
Cost of materials and operating expenses before depreciation and amortization	(96,935)	(27,279)	(3,960)	<b>(128,174)</b>
<b>Gross Operating Result (EBITDA)</b>	<b>5,680</b>	<b>(7,601)</b>	<b>(3,960)</b>	<b>(5,881)</b>
<b>Unaudited</b>				
<b>Nine months ended 30 September 2021</b>				
Revenue from sales of goods and services	84,367	26,334	-	<b>110,701</b>
Other income	1,876	1,223	-	<b>3,099</b>
Cost of materials and operating expenses before depreciation and amortization	(77,030)	(29,203)	(3,523)	<b>(109,756)</b>
<b>Gross Operating Result (EBITDA)</b>	<b>9,213</b>	<b>(1,646)</b>	<b>(3,523)</b>	<b>4,044</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>

# 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 of cash flows on pages 7 to 10 and notes on pages 11-12 and 15) of Cavotec SA for the period ended 30 September 2022. 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



Efrem Dell'Era



Luigi Voulgarelis

Lugano, 30 November 2022



PARENT COMPANY – CONDENSED STATEMENT OF COMPREHENSIVE INCOME

CAVOTEC SA EUR 000s	Unaudited three months 30 Sep, 2022	Unaudited three months 30 Sep, 2021	Unaudited nine months 30 Sep, 2022	Unaudited nine months 30 Sep, 2021	Audited year 31 Dec, 2021
Dividend	-	-	-	-	480
Other income	474	551	1,567	1,663	1,192
Employee benefit costs	(1,605)	327	(2,018)	(421)	(331)
Operating expenses	(3,435)	(455)	(5,433)	(970)	(1,310)
<b>Operating Result</b>	<b>(4,566)</b>	<b>423</b>	<b>(5,884)</b>	<b>272</b>	<b>31</b>
Interest expenses – net	(10)	(10)	(113)	(30)	(41)
Currency exchange differences – net	(20)	1	(38)	(2)	(16)
Write down on investments	-	-	-	-	(43,941)
<b>Profit / (Loss) for the period</b>	<b>(4,596)</b>	<b>414</b>	<b>(6,035)</b>	<b>240</b>	<b>(43,967)</b>
Income taxes	(1)	11	(9)	(9)	(9)
<b>Profit / (Loss) for the period</b>	<b>(4,597)</b>	<b>425</b>	<b>(6,044)</b>	<b>231</b>	<b>(43,976)</b>
<b>Other comprehensive income:</b>					
Actuarial gain (loss)	-	-	-	-	7
<b>Total comprehensive income for the period</b>	<b>(4,597)</b>	<b>425</b>	<b>(6,044)</b>	<b>231</b>	<b>(43,969)</b>

PARENT COMPANY – CONDENSED BALANCE SHEET

CAVOTEC SA EUR 000s	Unaudited nine months 30 Sep, 2022	Unaudited nine months 30 Sep, 2021	Audited 31 Dec, 2021
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	298	-	52
Trade receivables	255	132	930
Tax assets	58	2	19
Other current receivables	1,907	1,352	(2)
<b>Total current assets</b>	<b>2,519</b>	<b>1,486</b>	<b>999</b>
<b>Non-current assets:</b>			
Investment in subsidiary companies	80,350	137,306	93,365
Deferred tax assets	76	72	76
Other non-current financial liabilities	68	-	-
<b>Total non-current assets</b>	<b>80,494</b>	<b>137,378</b>	<b>93,441</b>
<b>Total assets</b>	<b>83,013</b>	<b>138,864</b>	<b>94,440</b>
<b>Equity and Liabilities</b>			
<b>Current liabilities</b>			
Bank overdraft	(18,211)	(33,959)	(33,934)
Current financial liabilities*	(18,955)	(2,955)	(2,955)
Trade payables	(2,984)	(417)	(508)
Other current liabilities	(3,847)	(199)	(123)
<b>Total current liabilities</b>	<b>(43,997)</b>	<b>(37,530)</b>	<b>(37,520)</b>
<b>Non-current liabilities:</b>			
Provision for risks and charges – non current	(88)	(68)	(88)
Long-term financial debt	-	(10,000)	(10,000)
Other non-current liabilities	(55)	(67)	(45)
<b>Total non-current liabilities</b>	<b>(143)</b>	<b>(10,135)</b>	<b>(10,133)</b>
<b>Total liabilities</b>	<b>(44,140)</b>	<b>(47,665)</b>	<b>(47,653)</b>
<b>Total equity</b>	<b>(38,873)</b>	<b>(91,199)</b>	<b>(46,787)</b>
<b>Total equity and liabilities</b>	<b>(83,013)</b>	<b>(138,864)</b>	<b>(94,440)</b>

\*EUR 16.0 million long term loans are reclassified as current as per 30 September 2022. After the end of the quarter, the lenders waived the covenants for Q3 & Q4 2022

## 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 30 November 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 completion of the transaction occurred 29 July 2022. Proceeds received based on the estimated closing balance sheet was EUR 13,1 million, of which EUR 2,4 million are owed back to the buyer based on the final closing balance sheet. All assets and liabilities of the discontinued business have been taken out of Cavotec group balance sheet, resulting in a final loss on the divestment of EUR 1,57 million. Approximately 212 people were working in the Airports business at the time of the sale.

<i>Income Statement</i>	<b>Unaudited period 30-Sep-22</b>	<b>Unaudited period 30-Sep-21</b>
<b>EUR 000s</b>		
Revenue from sales of goods and services	18,895	26,334
Other income	783	1,223
Expenses	(28,550)	(30,819)
CTA	(155)	-
Loss on the spin off	(1,567)	-
<b>Loss from discontinued operations before income taxes</b>	<b>(10,594)</b>	<b>(3,262)</b>
Income taxes	(841)	134
<b>Loss from discontinued operations</b>	<b>(9,753)</b>	<b>(3,128)</b>

<i>Cashflow</i>	<b>Unaudited period 30-Sept-22</b>	<b>Unaudited period 30-Sep-21</b>
<b>EUR 000s</b>		
Net cash Inflow/(outflow) from operating activities	(12,752)	(10,712)
Net cash Inflow/(outflow) from financing activities	(907)	(1,017)
Net cash Inflow/(outflow) from investing activities	12,038	(82)
<b>Cash flow for the period</b>	<b>(1,630)</b>	<b>(11,811)</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 Q322 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. The settlement was approved by the court at the end of July 2022 and paid in full in August 2022.

## Sale of Property

The sale of a building 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 July 29, 2022, Cavotec announced that it had completed the sale of its Airports business, Dabico Airport Solutions, to US-based investment company Fernweh Group LLC. The transaction was announced in February 2022. The Airports business accounted for approximately 25 per cent of Cavotec's revenue in 2021. Net proceeds were approximately EUR 3.0M.

## Key events after the period

EUR 16 million of long-term loans were reclassified as current as per 30 September 2022. After the end of the quarter, the lenders have waived the covenants for Q3 and Q4 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, commercialisation and technological difficulties, interruptions in supply, and major customer credit losses.

## Financial calendar

February 22, 2023 Q422 Report

## Webcast

A webcast - in English – will be held November 30, 2022 at 10:00 CET. CEO David Pagels and CFO Glenn Withers will present the Quarterly Report. Please find a link to the webcast below:

<https://ir.financialhearings.com/cavotec-q3-2022>

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

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

**Analysts & Media**

Johan Hähnel – Investor Relations Manager  
Mobile: +46 70 605 63 34 – Email: [investor@cavotec.com](mailto: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 CET November 30, 2022.

**Cavotec SA**

Via G.B. Pioda 14

CH-6900 Lugano, Switzerland

+41 91 911 40 10

[cavotec.com](http://cavotec.com)

[investor@cavotec.com](mailto:investor@cavotec.com)