

Q2 2021 | Interim report
January-June 2021

Accelerating order backlog in “New Cavotec”

On 5 March 2021, Cavotec communicated a decision to focus resources and make investments in the ports & maritime and industrial markets. As a consequence, a process was initiated to divest the Airports business. From the first quarter 2021, Cavotec reported the groups ports & maritime and industry businesses combined under the name New Cavotec. Airports is reported separately.

APRIL–JUNE 2021 NEW CAVOTEC

- Order backlog increased 19.0% compared to Q121 to EUR 77.4 million
- Revenues decreased -13.7% to EUR 25.8 million (29.9)
- EBIT amounted to EUR 0.9 million (1.1), corresponding to a margin of 3.5% (3.6%)
- EBIT adjusted for growth investments amounted to EUR 1.3 million corresponding to a margin of 5.2%

JANUARY–JUNE 2021 NEW CAVOTEC

- Revenues decreased -3.6% to EUR 55.1 million (57.2)
- EBIT increased to EUR 3.3 million (2.6), corresponding to a margin of 6.0% (4.6%)
- EBIT adjusted for growth investments amounted to EUR 3.9 million corresponding to a margin of 7.0%

APRIL–JUNE 2021 TOTAL

- Order backlog increased 13.8% compared to Q121 to EUR 105.9 million
- Revenues decreased -14.8% to EUR 35.8 million (42.0)
- EBIT decreased to EUR -0.1 million (2.8), corresponding to a margin of -0.4% (6.6%)

JANUARY–JUNE 2021 TOTAL

- Revenues decreased -8.5% to EUR 73.8 million (80.7)
- EBIT decreased to EUR -0.4 million (3.6), corresponding to a margin of -0.5% (4.5%)
- Net debt amounted to EUR 19.4 million (Q121: 22.0)

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

Key events during the quarter

- Cavotec announced the decision to accelerate focus on cleantech solutions and will invest EUR 20 million over the next five years.
- Leading Norwegian ferry operator Fjord 1 ordered a further two MoorMaster™ systems.
- Cavotec won a major multiyear service contract in Western Australia for MoorMaster™.
- Cavotec won a breakthrough MoorMaster™ order in Japan.
- Cavotec won a series of orders with a total value of EUR 5 million to equip a series of new-build container ships with ShorePower systems.
- Cavotec wins supplier excellence award from equipment manufacturer Epiroc China.

Key events after the quarter

- Cavotec launched MoorMaster-as-a-Service – the world’s first subscription-based automated mooring service – and a new way for ports to access our market-leading MoorMaster™ technology.
- Cavotec secured order with Port of Stockholm for first MoorMaster™ system in Sweden, reducing CO2 emissions by up to 5,000 tonnes per year.
- Cavotec wins key motorised cable reel order for advanced container cranes in Japan.
- Cavotec Airports incurred a payment of EUR 1.5 million, as a consequence of a customer calling on a performance bond guarantee. Cavotec considers the draw to be groundless and we are disputing the action.

FINANCIAL SUMMARY

EUR 000's	Q221	Q220	Delta	1H21	1H20	Delta	Dec 2020
Order backlog New Cavotec	77,357	67,614	14.4%	77,357	67,614	14.4%	57,773
Order backlog Airports	28,506	30,572	-6.8%	28,506	30,572	-6.8%	27,183
Order backlog Total	105,863	98,186	7.8%	105,863	98,186	7.8%	84,956
Revenues New Cavotec	25,797	29,880	-13.7%	55,137	57,185	-3.6%	115,351
Revenues Airports	9,983	12,130	-17.7%	18,658	23,475	-20.5%	43,086
Revenues Total	35,780	42,010	-14.8%	73,795	80,660	-8.5%	158,437
EBITDA New Cavotec	2,487	2,721	-8.6%	6,494	5,919	9.7%	10,942
EBITDA New Cavotec margin, %	9.6%	9.1%	0.5 pp	11.8%	10.4%	1.4 pp	9.5%
EBITDA Airports	892	1,962	-54.5%	99	3,143	-96.9%	5,945
EBITDA Airports margin, %	8.9%	16.2%	-7.3 pp	0.5%	13.4%	-12.9 pp	13.8%
EBITDA Total	2,079	5,003	-58.4%	4,012	8,158	-50.8%	13,524
EBITDA Total margin, %	5.8%	11.9%	-6.1 pp	5.4%	10.1%	-4.7 pp	8.5%
EBIT New Cavotec	895	1,083	-17.4%	3,299	2,627	25.6%	3,408
EBIT New Cavotec margin, %	3.5%	3.6%	-0.1 pp	6.0%	4.6%	1.4 pp	3.0%
EBIT New Cavotec adj. for growth investments	1,341	n/a	n/a	3,871	n/a	n/a	n/a
EBIT New Cavotec adj. for growth investments margin, %	5.2%	n/a	n/a	7.0%	n/a	n/a	n/a
EBIT Airports	259	1,337	-80.6%	1,085	1,894	-42.7%	3,461
EBIT Airports margin, %	2.6%	11.0%	-8.4 pp	5.8%	8.1%	-2.3 pp	8.0%
EBIT Total	(146)	2,790	-105.2%	(367)	3,618	-110.1%	3,506
EBIT Total margin, %	-0.4%	6.6%	-7.0 pp	-0.5%	4.5%	-5.0 pp	2.2%
Net profit/(loss) for the period Group	(887)	181	-590.1%	582	2,239	-74.0%	(3,992)
Basic and diluted earnings per share Group, EUR	(0.009)	0.002	-550.0%	0.006	0.024	-75.0%	(0.042)
Operating cash flow	2,545	2,270	12.1%	(2,912)	2,587	-212.6%	15,708
Net debt	(19,389)	(22,073)	-12.2%	(19,389)	(22,073)	-12.2%	(15,264)
Equity/assets ratio	52.6%	52.4%	0.2 pp	52.6%	52.4%	0.2 pp	52.8%
Leverage ratio	1.80x	0.98x	0.82x	1.80x	0.98x	0.82x	0.98x
Full time equivalent employees	766	767	-1	766	767	-1	747

Comment from the CEO**Strong signs of growth in New Cavotec**

The second quarter was characterized by a high activity level and many high quality break through orders in our ports and maritime business, with current as well as new customers and in new fast growing geographies. As a result, the order backlog in New Cavotec increased by 19.0% compared to Q121. The quality of the order backlog is high, including a series of orders with a total value of EUR 5 million that we signed during the quarter to equip the world's largest new-build container ships with ShorePower systems; a breakthrough MoorMaster order in Japan – the first of its kind in the Far-East; a repeat order for two MoorMaster™ systems from leading Norwegian electrical ferry operator Fjord 1 and, after the end of the quarter, an order with Port of Stockholm for the first automated mooring system in Sweden.

All those installations will lead to reduced CO2 emissions by up to 90%. This means that we play a crucial role in the decarbonization of the maritime industry. It is truly encouraging to experience the widespread interest in our technology and its growing use around the world. In addition, many of the recent orders, such as the order in the Far East and in Sweden, lay the foundation for a wider adoption in those and the neighboring markets.

As for revenues, we are still feeling the effect the pandemic has had on the order intake in 2020. Revenues decreased -13.7% to EUR 25.8 million versus the same period last year. However, despite this, our EBIT margin adjusted for investments in our future growth grew to 5.2% versus 3.6% a year ago.

We have long recognized that one of the biggest obstacles to greater port automation is perceived complexity and upfront investment. In the beginning of July, we therefore launched MoorMaster-as-a-Service – the world's first subscription-based automated mooring service. This is one of the maritime industry's first product-as-a-service offerings. Under a MoorMaster as a Service contract, Cavotec enables customers to benefit from the productivity of MoorMaster with zero upfront investment and a full performance guarantee. Cavotec installs the hardware and covers all of the maintenance costs in a fully managed service. We're also setting up a Service 'Command Centre' that will monitor and optimise existing and new MoorMaster systems around the clock. Our customers will appreciate this reliable and simple

way of accessing the market-leading MoorMaster technology and for us as a company it leads to longer customer relationships and a higher degree of recurring revenue.

The process to divest the Airports business is ongoing and expected to be finalized during 2021. Airports' order backlog increased 1.7% compared to Q121 to EUR 28.5 million. However, demand for both new build and service is expected to increase, due to expected increased travelling after the pandemic. Revenues decreased -17.7% to EUR 10.0 million. The decrease is mainly explained by previously delayed orders due to the pandemic. EBIT decreased to 0.3 EUR million (1.3), corresponding to a margin of 2.6% (11.0%).

On May 12, we announced our ambition to further leverage our strong position in the fast-growing market for electrification and automation of ports around the world, including a EUR 20 million investment over the next five years in technology, engineering, and business development. The activities to deliver on our plan are certainly high, and we are seeing signs every day of how former niche markets of electrification now rapidly are becoming mass markets in which Cavotec plays an important role.

Lugano, 30 July, 2021

Mikael Norin
Chief Executive Officer

ORDER BACKLOG AND REVENUE

EUR 000s	Q221			Q220			1H21			1H20		
	New Cavotec	Airports	Total	New Cavotec	Airports	Total	New Cavotec	Airports	Total	New Cavotec	Airports	Total
Revenue from sales of goods and services	25,797	9,983	35,780	29,880	12,130	42,010	55,137	18,658	73,795	57,185	23,475	80,660
Increase/(decrease)	(4,084)	(2,146)	(6,230)	(4,386)	(4,964)	(9,350)	(2,048)	(4,817)	(6,865)	(13,456)	(5,723)	(19,179)
Percentage change	-13.7%	-17.7%	-14.8%	-12.8%	-29.0%	-18.2%	-3.6%	-20.5%	-8.5%	-19.0%	-19.6%	-19.2%
Of which												
- Volumes and prices	-13.6%	-12.7%	-13.4%	-10.7%	-30.0%	-17.2%	-3.4%	-16.0%	-7.1%	-16.5%	-20.4%	-17.9%
- Currency effects	-0.1%	-5.0%	-1.4%	-2.1%	1.0%	-1.0%	-0.2%	-4.5%	-1.4%	-2.5%	0.8%	-1.3%

DIVISIONS

On 5 March 2021, the Group announced to initiate a process to divest Airports business. The Q220, 1H20 and FY2020 comparatives have been restated to enhance comparability.

Revenue

EUR 000s	Q221	Q220	Change %	1H21	1H20	Change %	LTM Rolling	FY20	Change %
New Cavotec	25,797	29,880	-13.7%	55,137	57,185	-3.6%	113,303	115,351	-1.8%
Airports	9,983	12,130	-17.7%	18,658	23,475	-20.5%	38,269	43,086	-11.2%
Total	35,780	42,010	-14.8%	73,795	80,660	-8.5%	151,572	158,437	-4.3%

Order Backlog

EUR 000s	1H21	1H20	Change %	Q121	Change %	FY20	Change %
New Cavotec	77,357	67,614	14.4%	65,032	19.0%	57,773	33.9%
Airports	28,506	30,572	-6.8%	28,033	1.7%	27,183	4.9%
Total	105,863	98,186	7.8%	93,065	13.8%	84,956	24.6%

Financial Review

April–June 2021

From the first quarter 2021, Cavotec reports its ports & maritime and industry businesses combined under the name New Cavotec. Airports is reported separately. Allocations between the businesses remain unchanged.

New Cavotec

Revenue and Order Backlog

New Cavotec's order backlog increased 19.0% compared to Q121 to EUR 77.4 million. The segment continued to grow both in the shore power and e-vessel markets and with industry customers.

During the quarter Cavotec won, among others, a series of orders with a total value of EUR 5 million – to equip the world's largest new-build container ships with ShorePower systems, a major MoorMaster service contract in Western Australia, a breakthrough automated vacuum mooring order in the Far East and an order for our next generation vacuum mooring technology, MoorMaster NxG, from leading Norwegian ferry operator Fjord 1.

Demand for Spring reels and radio equipment from industrial customers continued to be high during the period.

Revenues decreased -13.7% to EUR 25.8 million (29.9). The decrease is to a large extent explained by the impact the pandemic has had on the order intake in the end of 2020. However, deliveries of automated e-charging and MoorMaster systems, increased compared to the previous quarters. Services share of revenues in New Cavotec was 24.7% (18.2%).

EBIT

EBIT amounted to EUR 0.9 million (1.1), corresponding to a margin of 3.5% (3.6%). EBIT in the quarter was stable compared to last year despite lower revenue volume and increase in raw material and freight costs.

EBIT Adjusted for growth investments

EBIT adjusted for growth investments amounted to EUR 1.3 million, corresponding to a margin of 5.2%. In 2021 Cavotec launched a transformation plan to accelerate focus on cleantech by investing in sales, marketing, engineering and technology to solidify the market leading position. In the quarter the investments amount was EUR 0.4 million.

Airports

Revenue and Order Backlog

Airports' order backlog increased 1.7% compared to Q121 to EUR 28.5 million. Going forward, demand for both new build and service is expected to increase, due to expected increase of travelling after the pandemic.

Revenues decreased -17.7% to EUR 10.0 million (12.1). The decrease is mainly explained by delayed deliveries and low

order intake in the end of 2020, due to the Covid-19 situation still impacting the aviation business. Services share of revenues in Airports was 21.5% (15.6%).

EBIT

EBIT decreased to EUR 0.3 million (1.3), corresponding to a margin of 2.6% (11.0%). The lower EBIT is mainly explained by lower volumes and negative impact driven by product mix, especially on AGC and Fuelling products.

Total

Revenue and Order Backlog

The order backlog increased 13.8% compared to Q121 to EUR 105.9 million. Revenues decreased -14.8% to EUR 35.8 million (42.0).

EBIT

EBIT decreased to EUR -0.1 million (2.8), corresponding to a margin of -0.4% (6.6%). EBIT was affected by increased costs for recruitment, marketing and development of products, in line with the strategy communicated in May to increase investments in strengthening our leading position and to meet the expected demand.

Profit for the period and earnings per share

Finance costs amounted to EUR -1.1 million (-2.2).

Currency exchange differences amounted to EUR -0.7 million (-1.8).

Income tax expenses for the second quarter 2021 amounted to EUR 0.3 million (-0.4).

Net result for the period was EUR -0.9 million (0.2).

Earnings per share basic and diluted amounted to EUR -0.009 (0.002).

Cash flow

Operating cash flow amounted to EUR 2.5 million (2.3).

Investing activities amounted to EUR 0.5 million (-0.3), related to the sale of Cavotec Realty France building and to 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 -1.7 million (-12.5), mainly due to repayment of financial liabilities. The difference compared to last year is due to the new long-term credit facility agreement entered in June 2020.

Cash and cash equivalents amounted to EUR 14.2 million as of 30 June 2021 (13.2).

JANUARY–JUNE 2021

Total

Revenue and Order Backlog

The order backlog increased 13.8% compared to Q121 to EUR 105.9 million. Revenues decreased -8.5% to EUR 73.8 million (80.7).

EBIT

EBIT decreased to EUR -0.4 million (3.6), corresponding to a margin of -0.5% (4.5%). EBIT was affected by increased costs for recruitment, marketing and development of products, in line with the strategy communicated in May to increase investments in strengthening our leading position and to meet the expected demand.

EBIT Adjusted for growth investments

EBIT adjusted for growth investments amounted to EUR 0.2 million, corresponding to a margin of 0.3%. In the first half of 2021, Cavotec launched a transformation to accelerate focus on cleantech by investing in sales, marketing, engineering and technology to solidify the market leading position. The investments amount was EUR 0.6 million.

Profit for the period and earnings per share

Finance costs amounted to EUR 1.2 million (-0.2). Currency exchange differences amounted to EUR 2.0 million (0.5). Income tax expenses for the first six months 2021 amounted to EUR -0.2 million (-1.1), with an effective tax rate of 28.1%. Net result for the period was EUR 0.6 million (2.2).

Earnings per share basic and diluted amounted to EUR 0.006 (0.024).

Operating cash flow amounted to EUR -2.9 million (2.6M).

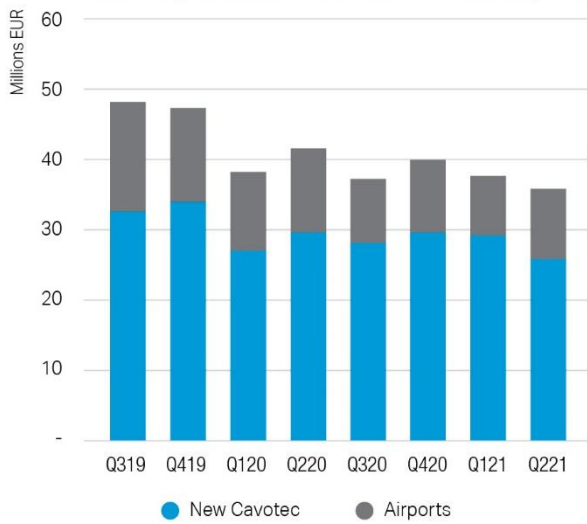
Financial Position

Net debt amounted to EUR 19.4 million (1Q21: 22.0). Cavotec's total assets amounted to EUR 201.8 million (206.4) as of 30 June 2021.

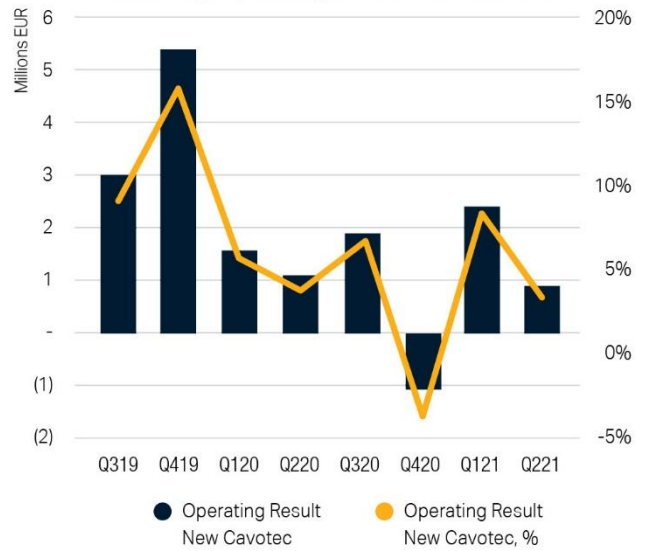
Employees

The number of full-time equivalent employees in the Cavotec Group was 766 as of 30 June 2021 (767). Approximately 225 full-time equivalent employees were in our airports and related airports service business at the end of the quarter.

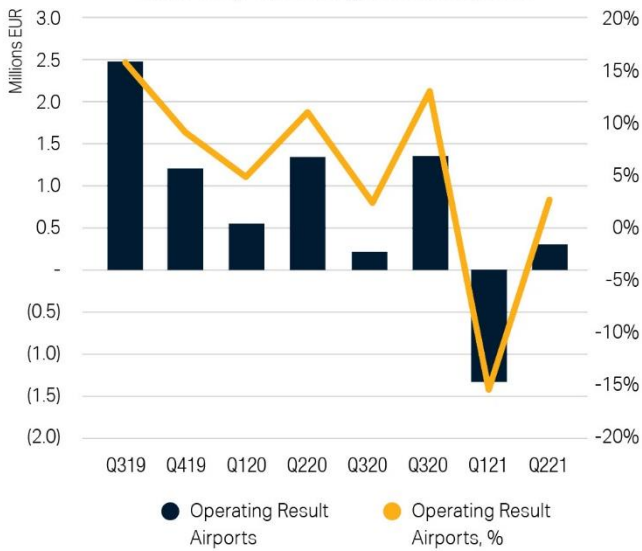
Quarterly Revenues New Cavotec and Airports



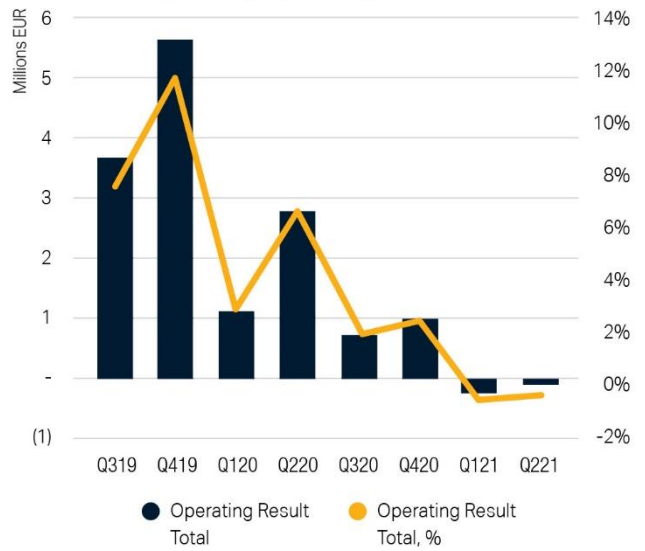
Quarterly Operating Result New Cavotec



Quarterly Operating Result Airports



Quarterly Operating Result Total



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited three months 30 Jun, 2021	Unaudited three months 30 Jun, 2020	Unaudited six months 30 Jun, 2021	Unaudited six months 30 Jun, 2020	Audited year 31 Dec, 2020
EUR 000s					
Revenue from sales of goods and services	35,780	42,010	73,795	80,660	158,437
Other income	1,700	495	2,484	1,836	3,312
Cost of materials	(16,659)	(19,424)	(36,048)	(37,245)	(76,072)
Employee benefit costs	(13,995)	(13,439)	(27,193)	(27,347)	(52,469)
Operating expenses	(4,747)	(4,639)	(9,026)	(9,746)	(19,684)
Gross Operating Result	2,079	5,003	4,012	8,158	13,524
Depreciation and amortisation	(1,168)	(1,166)	(2,320)	(2,347)	(4,731)
Depreciation of right-of-use of leased asset	(1,057)	(1,047)	(2,059)	(2,193)	(4,364)
Impairment losses	-	-	-	-	(923)
Operating Result	(146)	2,790	(367)	3,618	3,506
Interest income	3	-	8	-	27
Interest expenses	(396)	(399)	(784)	(700)	(1,610)
Currency exchange differences – net	(667)	(1,786)	1,953	461	(5,495)
Other financial item	-	-	-	-	395
Profit / (loss) before income tax	(1,206)	605	810	3,379	(3,177)
Income taxes	319	(424)	(228)	(1,140)	(815)
Profit / (loss) for the period	(887)	181	582	2,239	(3,992)
Other comprehensive income:					
Remeasurements of post employment benefit obligations	(3)	7	6	(21)	(175)
Items that will not be reclassified to profit or loss	(3)	7	6	(21)	(175)
Currency translation differences	71	1,177	(743)	(2,405)	1,544
Items that may be subsequently reclassified to profit / (loss)	71	1,177	(743)	(2,405)	1,544
Other comprehensive income for the period, net of tax	68	1,184	(737)	(2,426)	1,369
Total comprehensive income for the period	(819)	1,365	(155)	(187)	(2,623)
Total comprehensive income attributable to:					
Equity holders of the Group	(818)	1,364	(154)	(187)	(2,623)
Non-controlling interest	(1)	1	1	-	(3)
Total	(819)	1,365	(155)	(187)	(2,626)
Profit / (loss) attributed to:					
Equity holders of the Group	(887)	181	582	2,239	(3,992)
Total	(887)	181	582	2,239	(3,992)
Basic and diluted earnings per share attributed to the equity holders of the Group	(0.009)	0.002	0.006	0.024	(0.042)
Average number of shares	94,243,200	94,241,329	94,243,200	94,241,329	94,235,531

CONSOLIDATED BALANCE SHEET

EUR 000s	Unaudited 30 Jun, 2021	Unaudited 30 Jun, 2020	Audited 31 Dec, 2020
Assets			
Current assets			
Cash and cash equivalents	14,182	13,177	19,151
Trade receivables	29,239	36,770	27,891
Tax assets	2,888	3,687	4,203
Other current receivables	3,574	4,888	3,970
Contract assets	4,622	749	1,199
Inventories	40,956	39,635	37,997
Assets held for sale	3,417	3,538	3,408
Total current assets	98,878	102,444	97,819
Non-current assets			
Property, plant and equipment	14,058	17,028	15,289
Right-of-use of leased assets	18,503	17,674	18,815
Intangible assets	52,388	52,059	51,768
Non-current financial assets	135	204	129
Deferred tax assets	10,718	9,083	9,673
Other non-current receivables	7,159	7,859	7,171
Total non-current assets	102,961	103,907	102,845
Total assets	201,839	206,351	200,664
Equity and Liabilities			
Current liabilities			
Current financial liabilities	(4,151)	(4,169)	(4,144)
Current lease liabilities	(3,979)	(4,165)	(3,440)
Trade payables	(36,270)	(27,825)	(24,279)
Contract liabilities	(2,010)	(6,151)	(10,765)
Tax liabilities	(892)	(2,392)	(1,108)
Provision for risk and charges, current	(3,666)	(5,946)	(3,439)
Other current liabilities	(9,300)	(10,423)	(9,637)
Total current liabilities	(60,268)	(61,071)	(56,812)
Non-current liabilities			
Non-current financial liabilities	(9,600)	(10,903)	(10,085)
Non-current lease liabilities	(14,587)	(14,874)	(15,385)
Deferred tax liabilities	(2,112)	(2,347)	(2,123)
Other non-current liabilities	(201)	(99)	(98)
Provision for risk and charges, non-current	(6,417)	(6,690)	(7,753)
Employee benefit obligation	(2,408)	(2,230)	(2,416)
Total non-current liabilities	(35,325)	(37,143)	(37,860)
Total liabilities	(95,593)	(98,214)	(94,672)
Equity			
Share Capital	(100,169)	(100,169)	(100,169)
Reserves	(6,745)	(2,985)	(7,074)
Retained earnings	696	(4,954)	1,278
Equity attributable to owners of the parent	(106,218)	(108,108)	(105,965)
Non-controlling interests	(28)	(29)	(27)
Total equity	(106,246)	(108,137)	(105,992)
Total equity and liabilities	(201,839)	(206,351)	(200,664)

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 2020	(100,169)	(5,257)	(2,714)	(108,140)	(30)	(108,170)
(Profit) / Loss for the period	-	-	(2,239)	(2,239)	-	(2,239)
Currency translation differences	-	2,405	-	2,405	-	2,405
Remeasurements of post employment benefit obligations	-	21	-	21	-	21
Total comprehensive income and expenses	-	2,426	(2,239)	187	-	187
Employees share scheme	-	(153)	-	(153)	-	(153)
Transactions with shareholders	-	(153)	-	(153)	-	(153)
Balance as at 30 June 2020	(100,169)	(2,984)	(4,953)	(108,106)	(30)	(108,137)
Audited						
Balance as at 1 January 2020	(100,169)	(5,257)	(2,714)	(108,140)	(30)	(108,170)
(Profit) / Loss for the period	-	-	3,992	3,992	-	3,992
Currency translation differences	-	(1,544)	-	(1,544)	3	(1,541)
Remeasurements of post employment benefit obligations	-	175	-	175	-	175
Total comprehensive income and expenses	-	(1,369)	3,992	2,623	3	2,626
Employees share scheme	-	(445)	-	(445)	-	(445)
Issue of treasury shares to employees	-	(3)	-	(3)	-	(3)
Transactions with shareholders	-	(448)	-	(448)	-	(448)
Balance as at 31 December 2020	(100,169)	(7,074)	1,278	(105,965)	(27)	(105,992)
Unaudited						
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)
Total comprehensive income and expenses	-	737	-	155	(1)	154
Employees share scheme	-	(408)	-	(408)	-	(408)
Transactions with shareholders	-	(408)	-	(408)	-	(408)
Balance as at 30 June 2021	(100,169)	(6,745)	696	(106,218)	(28)	(106,246)

CONSOLIDATED STATEMENT OF CASH FLOWS – INDIRECT METHOD

EUR 000s	Unaudited three months 30 Jun, 2021	Unaudited three months 30 Jun, 2020	Unaudited six months 30 Jun, 2021	Unaudited six months 30 Jun, 2020	Audited year 31 Dec, 2020
Profit / (loss) for the period	(887)	181	582	2,239	(3,992)
Adjustments for:					
Net interest expenses	392	242	776	391	1,583
Current taxes	682	284	1,338	1,153	1,525
Depreciation and amortization	1,168	1,166	2,320	2,347	4,731
Depreciation of right-of-use of leased assets	1,057	1,046	2,059	2,194	4,364
Impairment losses	-	-	-	-	923
Deferred tax	(1,001)	141	(1,110)	(14)	(710)
Provision for risks and charges	(977)	31	(1,081)	(796)	(1,479)
Capital (gain) or loss on assets	(1,036)	(39)	(1,045)	(763)	(787)
Other items not involving cash flows	1,298	2,123	(1,067)	(62)	6,170
Interest paid	(160)	(414)	(557)	(702)	(1,638)
Taxes (paid) / received	(968)	891	(239)	(296)	(2,468)
	455	5,471	1,394	3,452	12,214
Cash flow before changes in working capital	(432)	5,652	1,976	5,691	8,222
Impact of changes in working capital:					
Inventories	(3,649)	2,538	(3,810)	(1,255)	(5)
Trade receivables and contract assets	1,603	(2,347)	(895)	(473)	8,574
Other current receivables	230	1,763	(5,047)	(639)	2,023
Trade payables and contract liabilities	5,719	(3,640)	5,270	959	(479)
Other current liabilities	(926)	(1,696)	(406)	(1,696)	(2,627)
Impact of changes involving working capital	2,977	(3,382)	(4,888)	(3,104)	7,486
Net cash inflow / (outflow) from operating activities	2,545	2,270	(2,912)	2,587	15,708
Financial activities:					
Net changes in loans and borrowings	(280)	(11,717)	(584)	(2,085)	(3,220)
Repayment of lease liabilities	(1,442)	(758)	(1,995)	(1,562)	(4,105)
Net cash inflow / (outflow) from financial activities	(1,722)	(12,475)	(2,579)	(3,647)	(7,325)
Investing activities:					
Investments in property, plant and equipment	(159)	(269)	(319)	(450)	(1,373)
Investments in intangible assets	(503)	(149)	(969)	(261)	(1,936)
(Increase)/Decrease of non current financial asset	-	76	-	76	151
Disposal of assets	1,112	72	1,122	1,674	2,459
Net cash inflow / (outflow) from investing activities	450	(270)	(166)	1,039	(699)
Cash at the beginning of the period	13,217	24,316	19,151	13,254	13,254
Cash flow for the period	1,273	(10,475)	(5,657)	(21)	7,684
Currency exchange differences	(308)	(664)	688	(56)	(1,787)
Cash at the end of the period	14,182	13,177	14,182	13,177	19,151

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.

On 5 March 2021, the Group announced to initiate a process to divest Airports business. The 1H20 and FY2020 comparatives have been restated to enhance comparability.

30 June 2021 EUR 000s	New Cavotec	Airports	Total
Revenue from external customer			
<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
Total	55,137	18,658	73,795

30 June 2020 EUR 000s	New Cavotec	Airports	Total
Revenue from external customer			
<i>Timing of revenue recognition</i>			
At a point in time	54,807	20,650	75,457
Over time	2,378	2,825	5,203
Total	57,185	23,475	80,660

31 December 2020 EUR 000s	New Cavotec	Airports	Total
Revenue from external customer			
<i>Timing of revenue recognition</i>			
At a point in time	111,115	39,003	150,118
Over time	4,236	4,083	8,319
Total	115,351	43,086	158,437

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

30 June 2020 EUR 000s	AMER	EMEA	APAC	Total
New Cavotec	7,629	33,628	15,928	57,185
Airports	9,107	9,974	4,394	23,475
Total	16,736	43,602	20,322	80,660

31 December 2020 EUR 000s	AMER	EMEA	APAC	Total
New Cavotec	16,193	65,371	33,787	115,351
Airports	17,591	17,645	7,850	43,086
Total	33,784	83,016	41,637	158,437

SEGMENT INFORMATION

On 5 March 2021, the Group announced to initiate a process to divest Airports business. The Q220, 1H20 and FY2020 comparatives have been restated to enhance comparability.

EUR 000s	New Cavotec	Airports	Other reconciling items	Total
Unaudited				
Three months ended 30 June 2021				
Revenue from sales of goods and services	25,797	9,983	-	35,780
Other income	1,099	601	-	1,700
Cost of materials and operating expenses before depreciation and amortization	(24,409)	(9,692)	(1,300)	(35,401)
Gross Operating Result (EBITDA)	2,487	892	(1,300)	2,079
Unaudited - Restated				
Three months ended 30 June 2020				
Revenue from sales of goods and services	29,880	12,130	-	42,010
Other income	240	255	-	495
Cost of materials and operating expenses before depreciation and amortization	(27,399)	(10,423)	320	(37,502)
Gross Operating Result (EBITDA)	2,721	1,962	320	5,003
Unaudited				
Six months ended 30 June 2021				
Revenue from sales of goods and services	55,137	18,658	-	73,795
Other income	1,562	922	-	2,484
Cost of materials and operating expenses before depreciation and amortization	(50,205)	(19,481)	(2,581)	(72,267)
Gross Operating Result (EBITDA)	6,494	99	(2,581)	4,012
Unaudited - Restated				
Six months ended 30 June 2020				
Revenue from sales of goods and services	57,185	23,475	-	80,660
Other income	1,352	484	-	1,836
Cost of materials and operating expenses before depreciation and amortization	(52,618)	(20,816)	(904)	(74,338)
Gross Operating Result (EBITDA)	5,919	3,143	(904)	8,158
Unaudited – Restated*				
Year ended 31 December 2020				
Revenue from sales of goods and services	115,351	43,086	-	158,437
Other income	1,983	1,329	-	3,312
Cost of materials and operating expenses before depreciation and amortization	(106,392)	(38,470)	(3,363)	(148,225)
Gross Operating Result (EBITDA)	10,942	5,945	(3,363)	13,524

*The restatement of the segment information FY2020 was not audited.

PARENT COMPANY – CONDENSED STATEMENT OF COMPREHENSIVE INCOME

CAVOTEC SA EUR 000s	Unaudited three months 30 Jun, 2021	Unaudited three months 30 Jun, 2020	Unaudited six months 30 Jun, 2021	Unaudited six months 30 Jun, 2020	Audited year 31 Dec, 2020
Dividend	-	-	-	-	185
Other income	554	1,038	1,113	1,703	1,389
Employee benefit costs	(473)	572	(748)	367	(135)
Operating expenses	(238)	(266)	(515)	(488)	(1,330)
Operating Result	(157)	1,344	(150)	1,582	109
Interest expenses – net	(10)	(10)	(20)	(19)	(56)
Currency exchange differences – net	1	(2)	(1)	-	5
Profit / (Loss) for the period	(166)	1,332	(171)	1,563	58
Income taxes	(15)	(296)	(20)	(309)	(303)
Profit / (Loss) for the period	(181)	1,036	(191)	1,254	(245)
Other comprehensive income:					
Actuarial gain (loss)	-	-	-	-	(10)
Total comprehensive income for the period	(181)	1,036	(191)	1,254	(255)

PARENT COMPANY – CONDENSED BALANCE SHEET

CAVOTEC SA EUR 000s	Unaudited six months 30 Jun, 2021	Unaudited six months 30 Jun, 2020	Audited year 31 Dec, 2020
Assets			
Current assets			
Cash and cash equivalents	(52)	32	222
Trade receivables	139	887	1,047
Tax assets	30	15	3
Other current receivables	1,151	1,120	31
Total current assets	1,268	2,054	1,303
Non-current assets:			
Investment in subsidiary companies	137,306	137,306	137,306
Deferred tax assets	72	66	72
Total non-current assets	137,378	137,372	137,378
Total assets	138,646	139,426	138,681
Equity and Liabilities			
Current liabilities			
Bank overdraft	(33,735)	(33,758)	(34,117)
Current financial liabilities	(2,955)	(2,955)	(2,955)
Trade payables	(480)	(108)	(164)
Other current liabilities	(127)	(417)	(417)
Total current liabilities	(37,297)	(37,238)	(37,653)
Non-current liabilities:			
Provision for risks and charges – non current	(67)	(24)	(67)
Long-term financial debt	(10,000)	(10,000)	(10,000)
Other non-current liabilities	(181)	(64)	(76)
Total non-current liabilities	(10,248)	(10,088)	(10,143)
Total liabilities	(47,545)	(47,326)	(47,796)
Total equity	(91,101)	(92,100)	(90,885)
Total equity and liabilities	(138,646)	(139,426)	(138,681)

General information

Cavotec is a leading cleantech company that designs and delivers connection and electrification solutions to enable the decarbonization of ports & maritime, industrial and airports 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. 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 Team Work. Cavotec's personnel represent a large number of 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 29 July 2021.

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 2020. 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 on the basis of 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. To facilitate the divestment process the Group has changed the organizational structure and reporting to the CODM. The Segment information presented in Q221 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 products for industrial applications, such as cranes, energy, processing and transportation, surface and underground mining, and tunnelling.

Airports - development and manufacture of fully integrated gate and remote apron solutions for Airports. Q220, 1H20 and FY2020 comparatives have been restated based on the new segments to enhance comparability.

Legal disputes

In the long running litigation matter in California, the Group's accounting position is unchanged during the quarter and our view remains that we have accounted for the most likely eventualities of the process. The latest development in the case supports this position.

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 December 2021.

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.

Covid – 19 Update

The COVID-19 pandemic has had a significant effect on the global economy. The impact on Cavotec is mainly delays in decisions from customers on new orders as well as delays in taking deliveries of product or services. At the date of this report all Cavotec facilities are open. With the high uncertainty surrounding the situation and potential initiatives by authorities and customers, it is very difficult to predict the full financial impact that the situation may have on the Group for the coming quarters. As of June 30, 2021, there is no significant impact on any balance sheet items. The Group benefited by government assistance funds in different Countries, mainly related to employee costs, but the impact on the financials was not material.

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.

Key events after the quarter

In July 2021, Cavotec incurred a payment of EUR 1.5 million as a consequence of a customer calling on a performance bond guarantee. We consider the draw to be groundless and we are disputing the action.

Financial calendar

October 29, 2021 Q321 Report
February 25, 2022 Q421 and Annual Report 2021

Conference call in connection with publication of the quarterly report

A conference call for shareholders, analysts and media will be held on 30 July 2021 at 10:00 CEST. Participating on the conference call from Cavotec will be Mikael Norin, CEO, and Glenn Withers, CFO.

Conference call Dial-in numbers:

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Weblink: <https://tv.streamfabriken.com/cavotec-q2-2021>

Quarterly Reports on www.cavotec.com

The full report for the period January-June 2021 and previous quarterly and full year reports are available at: <http://ir.cavotec.com/financial-reports>

Analysts & Media

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This is information that Cavotec SA is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 07:00 CEST on 30 July 2021.

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