

Second Quarter 2023 report

Q2 2023

- Revenue 28.9 MEUR (27.2)
- Fleet Management profits 0.2 MEUR (0.0)
- Adjusted EBITDA 7.7 MEUR (6.9)
- Adjusted EBITDA-margin 26.7 % (25.5 %)
- Adjusted EBITA 2.5 MEUR (2.8)
- Operating cash flow 3.0 MEUR (4.0)
- Net debt/adjusted EBITDA 3.3x (3.0)

YTD 2023

- Revenue 47.8 MEUR (48.8)
- Fleet Management profits 0.2 MEUR (0.5)
- Adjusted EBITDA 9.1 MEUR (10.7)
- Adjusted EBITDA-margin 19.0 % (21.9 %)
- Adjusted EBITA -0.9 MEUR (2.6)
- Operating cash flow 1.7 MEUR (8.4)
- Net debt/adjusted EBITDA 3.3x (3.0)

Comments by the CEO

Comments on the second quarter 2023

Second quarter was good and pretty much in line with expectations. Depot business in Finland and Special Transport performed well, even though Transport suffered of some margin decline. Heavy Equipment recovered towards summer months, but Swedish depot business remained weak even though May and the beginning of June were promising. Kemi BTT project is coming to its end, resulting in positive margin development in Finnish depot business, as the fleet is getting increasingly occupied in contracts with higher margins. Declining volumes in Kemi BTT has also opened an opportunity to start the planned divestments of older equipment. Visibility on market remains blurred and the market has shifted to “stand-by” mode. Green shift projects in the north are progressing, but in somewhat slower pace than predicted. Recent weakening of the Swedish currency has had a negative impact on financial statements of the Group, reducing sales with ca. 2 million euro, compared to previous year.

Havator concluded the first half of the year of 2023 with revenue of 47.8 M€ which was 1 M€ below last year. Profitability improved in Q2, but it did not fully compensate the weak beginning of the year. EBITDA was 9.1 M€ for the first half, down by 1.6 M€ compared to previous year. In Q2, sale of old equipment was started and 0.2 M€ of Fleet Management gains were booked. Sales of older equipment will continue during second half of the year.



Hannu Leinonen, CEO

Group financial overview

M€	2023 Q2	2022 Q2	Change Y-o-Y	2023 Jan-Jun	2022 Jan-Jun	Change Y-o-Y	6-2023 LTM	6-2022 LTM	Change Y-o-Y
Revenue	28.9	27.2	6 %	47.8	48.8	-2 %	103.1	109.1	-6 %
Other income	0.2	0.0	525 %	0.2	0.5	-56 %	1.6	0.6	168 %
Total revenues	29.1	27.3	7 %	48.0	49.3	-3 %	104.7	109.7	-5 %
Adjusted EBITDA	7.7	6.9	11 %	9.1	10.7	-15 %	25.5	25.1	2 %
Adjusted EBITDA %	26.7 %	25.5 %	1.2pp	19.0 %	21.9 %	-2.9pp	24.8 %	23.0 %	1.8pp
Adjusted EBITA	2.5	2.8	-10 %	-0.9	2.6	-137 %	6.2	9.0	-31 %
Adjusted EBITA %	8.6 %	10.1 %	-1.5pp	-2.0 %	5.2 %	-7.2pp	6.0 %	8.3 %	-2.3pp
Operating cash flow	3.0	4.0	-25 %	1.7	8.4	-80 %	13.0	18.3	-29 %
Net debt	84.4	76.4	10 %	84.4	76.4	10 %	84.4	76.4	10 %

Group consolidated P&L

M€	2023 Q2	2022 Q2	2023 Jan-Jun	2022 Jan-Jun	6-2023 LTM	6-2022 LTM
Revenue	28.9	27.2	47.8	48.8	103.1	109.1
Other income	0.2	0.0	0.2	0.5	1.6	0.6
Total revenues	29.1	27.3	48.0	49.3	104.7	109.7
Cost of sales	-16.8	-15.4	-29.4	-28.7	-60.3	-65.9
Gross profit	12.3	11.9	18.6	20.6	44.4	43.8
Other operating expenses	-4.6	-5.0	-9.6	-9.9	-18.9	-18.7
Depreciation	-5.2	-4.2	-10.0	-8.1	-19.4	-16.1
Operating profit/loss	2.5	2.8	-0.9	2.6	6.2	9.0
Net financial items	-1.9	-1.4	-3.7	-2.6	-6.8	-6.1
Share of profit of equity-accounted investees	0.0	0.1	0.1	0.2	0.1	0.2
Non-recurring costs	-0.2	-0.1	-0.3	-0.4	-0.9	-0.4
Profit/loss before tax	0.3	1.4	-4.9	-0.3	-1.4	2.7

Group consolidated balance sheet

M€	2023 Jun 30	2022 Jun 30	2022 Dec 31
ASSETS			
Goodwill	2.3	2.4	2.4
Other intangible assets	5.5	3.4	4.8
Tangible assets	126.5	124.9	128.8
Other receivables	12.1	13.1	12.0
Cash and cash equivalents	0.5	6.4	6.8
TOTAL ASSETS	146.9	150.2	154.8
LIABILITIES			
Shareholder's equity	33.3	37.8	40.0
Interest-bearing debt	84.9	82.8	85.8
Prepaid expenses and accrued income	28.7	29.5	29.0
TOTAL LIABILITIES	146.9	150.2	154.8

Group consolidated cash flow

1 000 €	2023 Q2	2022 Q2	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
OPERATING CASH FLOW					
Profit for the period	298	1 387	-4 890	-239	2 956
Depreciation	5 217	4 182	10 019	8 140	17 529
Net financial costs	1 934	1 356	3 654	2 634	5 809
Other non-cash adjustments	-2 103	-1 729	-3 014	-2 228	-4 060
Operating cash flow before changes in NWC	5 346	5 196	5 769	8 307	22 233
Changes in Net Working Capital:					
Change in trade and other receivables	-3 159	-1 717	-168	1 360	2 462
Change in trade and other payables	2 737	1 881	-251	1 397	807
Operating cash flow before interests and taxes	4 925	5 360	5 350	11 064	25 503
Interests and other financial costs	-1 934	-1 356	-3 654	-2 634	-5 726
OPERATING CASH FLOW (A)	2 991	4 004	1 696	8 430	19 776
INVESTMENT CASH FLOW (B)	-3 807	-5 921	-3 737	-6 370	-16 407
FINANCING CASH FLOW					
Issuance of shares	0	0	100	100	150
Changes in interest-bearing liabilities	173	543	-4 342	-2 419	-3 389
FINANCING CASH FLOW (C)	173	543	-4 242	-2 319	-3 239
CHANGE IN LIQUID FUNDS (A+B+C)	-643	-1 374	-6 284	-259	131
Cash in beginning of the financial period	1 122	7 748	6 763	6 632	6 632
Cash in end of the financial period	479	6 373	479	6 373	6 763

Notes

“Adjusted EBITDA” used in this report is the same as “EBITDA excluding non-recurring items” as defined in the bond terms.

“Adjusted EBITA” used in this report is the same as “EBITA excluding non-recurring items” as defined in the bond terms.

“Other income” includes Fleet Management-income and any other non-operative income.

As Havator Group does not do tax planning quarterly, full P&L is not available for quarterly numbers.