Robit

Interim Report

January – September 2024

ROBIT PLC STOCK EXCHANGE RELEASE 24 OCTOBER 2024 AT 9.00 A.M. EEST

ROBIT PLC INTERIM REPORT 1 JANUARY–30 SEPTEMBER 2024: EBIT IMPROVED DESPITE A SLIGHT DECREASE IN NET SALES

In the text, 'review period' or 'third quarter of the year' refers to 1 July–30 September 2024 (Q3), and 'January–September' refers to 1 January–30 September 2024. Figures from the corresponding time period in 2023 are given in parentheses. All the figures presented are in euros. Percentages are calculated from thousands of euros.

1 July–30 September 2024 in brief

- Received orders EUR 20.8 million (24.9); decrease 16.3%
- Net sales EUR 21.5 million (23.7); decrease 9.3%
- EBITDA EUR 1.0 million (1.4); 4.5% of net sales (5.8)
- Comparable EBITDA EUR 1.0 million (1.5); 4.5% of net sales (6.4)
- EBIT EUR 0.0 million (0.3); 0.0% of net sales (1.1)
- Comparable EBIT EUR 0.0 million (0.4); 0.0% of net sales (1.7)
- Net cash flow for operating activities EUR 0.2 million (-0.7)

1 January–30 September 2024 in brief

- Received orders EUR 69.2 million (70.6); decrease 2.0%
- Net sales EUR 68.9 million (70.0); decrease 1.6%
- EBITDA EUR 4.7 million (2.8); 6.8% of net sales (3.9)
- Comparable EBITDA EUR 4.7 million (3.0); 6.8% of net sales (4.3)
- EBIT EUR 2.9 million (-1.1); 3.2% of net sales (-1.5)
- Comparable EBIT EUR 2.9 million (-1.3); 3.2% of net sales (-1.8)
- Review period net income EUR 0.6 million (-2.7); 0.8% of net sales (-3.8)
- Net cash flow for operating activities EUR 3.0 million (1.3)
- Equity ratio at the end of the review period 47.2% (46.3)

Key financials	Q3 2024	Q3 2023	Change%	Q1-Q3 2024	Q1-Q3 2023	Change%	2023
Net sales, EUR 1,000	21 497	23 706	-9.3%	68 896	70 016	-1.6%	92 917
EBITDA, EUR 1,000	974	1 370	-28.9%	4 709	2 763	70.4%	5 172
EBITDA, % of net sales	4.5%	5.8%		6.8%	3.9%		5.6%
Comparable EBITDA, EUR 1,000	974	1 520	-35.9%	4 709	3 042	54.8%	5 004
Comparable EBITDA, % of net sales	4.5%	6.4%		6.8%	4.3%		5.4%
EBIT, EUR 1,000	2	265	-99.4%	1 744	-1 076	>100%	116
EBIT, % of net sales	0.0%	1.1%		2.5%	-1.5%		0.1%
Comparable EBIT, EUR 1,000	2	415	-99.6%	1 744	-1 267	>100%	-53
Comparable EBIT, % of net sales	0.0%	1.7%		2.5%	-1.8%		-5.7%
Result for the period, EUR 1,000	-573	-277	>100%	568	-2 687	>100%	-3 019
Result of the period, % of net sales	-2.7%	-1.2%		0.8%	-3.8%		-3.2%
Earnings per share (EPS), EUR 1,000	-0,03	-0,02	-47.7%	0,02	-0,13	>100%	-0,14
Return on equity (ROE), %				1.2%	-7.7%		-6.3%
Return on capital employed (ROCE), %				3.2%	-2.2%		-0.4%

MARKET OUTLOOK FOR 2024

Robit expects the global mining industry demand to remain at a good level. Demand in the construction industry is expected to remain at a weak level for the rest of 2024.

GUIDANCE FOR 2024

On 23 October 2024, Robit lowered its net sales guidance for 2024. Robit estimates that, in 2024, net sales will decline compared to 2023. The company expects its comparable EBIT profitability in euros to improve compared to the previous year.

According to the company’s previous guidance, Robit estimated net sales to increase and comparable EBIT profitability in euros to improve compared to 2023.

Background to the guidance

The company's net sales in the Down the Hole business is expected to decline from the 2023 levels, as the completed delivery contracts have not been able to be replaced with new ones within the timeline the company aimed for. Additionally, demand in the construction industry has been lower than the company's expectations.

CEO ARTO HALONEN:

In the quarter, market demand remained at a good level in the mining industry. The demand situation in the construction industry was at a weak level and no significant new projects were launched during the quarter. Market demand in the construction industry is not expected to improve significantly during this year.

Orders received in the review period totalled EUR 20.8 million (24.9), down by 16.3 per cent from the comparison period. Robit’s net sales decreased by 9.3 per cent in the review period and totalled EUR 21.5 million (23.7). In constant currencies, there was a decrease of 9.2 per cent.

Net sales in the Top Hammer business decreased by 3.1 per cent. However, the growth in the Top Hammer business remained strong in Australasia, supported by new customers. In other markets, net sales decreased due to weak demand in the construction industry, among other reasons.

Net sales in the Down the Hole business decreased by 47.3 per cent, due to the expiry of a significant supply agreement and the still low level of demand in the well drilling and exploration drilling segments, which are important for the business.

In the Geotechnical business, net sales grew by 20.7 per cent. The review period saw a lot of deliveries of projects won in the second quarter of the year. In market areas, growth came from Americas. The company’s sales grew well, especially in North America.

In the third quarter, comparable EBIT was EUR 0.0 million (0.4). Lower net sales and high freight costs were the most significant factors in the decline in profitability. Freight costs decreased as expected from the second quarter of the year but were still at a clearly higher level than in the comparison period. Freight costs are expected to continue to decline in the last quarter.

The company’s inventories increased by EUR 3.7 million in the quarter, totalling EUR 40.1 million. Due to extended transportation times, inventories were increased to ensure customer deliveries. The company’s product availability improved in the review period. Despite the increase in inventories, the net cash flow from operations improved, amounting to EUR 0,2 million (-0,7).

The focus for the rest of the year is on winning new customers and optimising inventory levels and availability. To win new customers, we launched the Robit QuickSave concept as part of our renewed strategy, in which we guarantee the customer savings when using Robit’s products. Robit QuickSave is a lightweight version of RobitSave, which is intended for bigger customers. During the review period, market-specific product launches progressed for the Robit Extreme Carbide bits released earlier this year, as well as for the H-series DTH hammer family. The products were prominently featured at events such as MinExpo (US), Electra Mining (ZA) and Expomina (PE). The products have been well received by customers.

NET SALES

Net sales by product area

EUR thousand	Q3 2024	Q3 2023	Change%	Q1-Q3 2024	Q1-Q3 2023	Change%	2023
Top Hammer	13 405	13 829	-3.1%	42 772	40 862	4.7%	54 406
Down the Hole	2 971	5 635	-47.3%	12 354	15 998	-22.8%	20 862
Geotechnical	5 120	4 243	20.7%	13 770	13 156	4.7%	17 648
Total	**21 497**	**23 706**	**-9.3%**	**68 896**	**70 016**	**-1.6%**	**92 917**

The Group's net sales in the third quarter were EUR 21.5 million (23.7). Down by 9.3 per cent from the comparison period. In constant currencies, there was a decrease of 9.2 per cent.

The Group's net sales in January–September totalled EUR 68.9 million (70.0). Down by 1.6 per cent from the comparison period. In constant currencies, there was a decrease of 0.8 per cent.

Top Hammer business net sales decreased by 3.1 per cent, net sales for the review period being EUR 13.4 million (13.8). The decrease in net sales was largely due to low demand in the construction industry, but there was positive development in Australasia with new mining customers.

Down the Hole business net sales decreased by 47.3 per cent, net sales for the review period being EUR 3.0 million (5.6). The decrease in net sales was largely due to the expiry of one significant supply contract in Australasia and continued low demand in the well drilling and prospection drilling segments.

Geotechnical business net sales grew by 20.7 per cent, net sales for the review period being EUR 5.1 million (4.2). The growth in net sales was largely due to the project deliveries made during the quarter. Net sales in the Geotechnical business increased in Americas and EMEA in particular.

Net sales by market area

EUR thousand	Q3 2024	Q3 2023	Change%	Q1–Q3 2024	Q1–Q3 2023	Change%	2023
EMEA & East	11 092	12 699	-12.7%	35 611	37 147	-4.1%	47 279
Americas	5 136	4 859	5.7%	14 630	15 407	-5.0%	20 840
Asia	1 927	2 228	-13.5%	6 336	6 657	-4.8%	8 950
Australasia	3 341	3 920	-14.8%	12 319	10 804	14.0%	14 835
Total	**21 497**	**23 706**	**-9.3%**	**68 896**	**70 016**	**-1.6%**	**92 917**

PROFITABILITY

Key figures

EUR thousand	Q3 2024	Q3 2023	Change%	Q1–Q3 2024	Q1–Q3 2023	Change%	2023
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Result for the period, % of net sales	-2.7%	-1.2%		0.8%	-3.8%		-3.2%

Comparable EBITDA for the third quarter was EUR 1.0 million (1.5). Comparable EBITDA's share of net sales was 4.5 per cent (6.4). The company's EBIT was EUR 0.0 million (0.3). The EBIT was 0.0 per cent (1.1) of the review period net sales.

In January–September, comparable EBITDA was EUR 4.7 million (3.0). Comparable EBITDA's share of net sales was 6.8 per cent (4.3). The company's EBIT improved by EUR 2.8 million to EUR 1.7 million (-1.1). EBIT was 2.5 per cent (-1.5) of the review period's net sales.

The company's profitability in the quarter remained low due to the decline in net sales. The company continued to invest in sales development by training its personnel.

The financial income and expenses in the third quarter totalled EUR -0.6 million (-0.6), of which EUR -0.4 million (-0.6) was interest expenses and EUR -0.2 million (0.1) exchange rate changes. Net income for the quarter decreased to EUR -0.6 million (-0.3).

In January–September, financial income and expenses totalled EUR -1.2 million (-1.8), of which EUR -1.2 million (-1,6) was interest expenses and EUR -0.1 million (0.0) was exchange rate changes. The review period income improved to EUR 0.6 million (-2.7).

CASH FLOW AND INVESTMENTS

Consolidated cash flow statement

EUR thousand	Q3 2024	Q3 2023	Q1–Q3 2024	Q1–Q3 2023	2023
Net cash flows from operating activities					
Cash flows before changes in working capital	1 286	1 196	4 835	2 330	4 509
Cash flows from operating activities before financial items and taxes	328	-465	3 966	2 791	11 074
Net cash inflow (outflow) from operating activities	200	-695	3 032	1 332	8 353
Net cash inflow (outflow) from investing activities	133	-23	1 644	-410	1 102
Net cash inflow (outflow) from financing activities	-995	-587	-3 099	-1 098	-4 069
Net increase (+)/decrease (-) in cash and cash equivalents	-662	-1 305	1 577	-175	5 386
Cash and cash equivalents at the beginning of the review period	13 486	7 013	11 201	6 085	6 085
Exchange gains/losses on cash and cash equivalents	-89	42	-43	-159	-269
Cash and cash equivalents at end of the review period	**12 735**	**5 751**	**12 735**	**5 751**	**11 201**

The Group's cash flow before changes in working capital during the third quarter was EUR 1.3 million (1.2). Net cash flow for operating activities was EUR 0.2 million (-0.7). The changes in working capital had an impact of EUR -1.0 million (-1.7). The change in working capital was caused by the EUR 2.1 increase in accounts payable. Increase in inventories had an impact of EUR -3.9 million and decrease in sales and other receivables an impact of EUR 0.8 million on the cash flow.

The net cash flow from investing activities for the third quarter was EUR 0.1 million (-0.0). Gross investments in production remained low as planned. The share of investments in net sales was 0.1 per cent (0.2).

The net cash flow from financing activities for the third quarter was EUR -1.0 million (-0.6). Loan payments totalled EUR -0.3 million (-0.0). The repayment of lease liabilities reported from financing activities under IFRS 16 totalled EUR -0.7 million (-0.3).

Fixed assets deprecation and impairment in the third quarter totalled EUR 1.0 million (1.1).

FINANCIAL POSITION

	30.9.2024	30.9.2023	31.12.2023
Cash and cash equivalents, EUR thousand	12 735	5 751	11 201
Interest-bearing liabilities, EUR thousand	29 769	34 903	32 532
of which short-term interest-bearing financial liabilities	4 723	5 102	6 463
Net interest-bearing liabilities, EUR thousand	17 034	29 152	21 331
Undrawn credit facility, EUR thousand	6 000	3 888	4 000
Gearing, %	36.7%	62.4%	46.7%
Equity ratio, %	47.2%	46.3%	48.5%

The Group had interest-bearing debt amounting to EUR 29.8 million (34.9), of which EUR 4.4 million (5.9) was interest-bearing debt under IFRS 16. The company had liquid assets of EUR 12.7 million (5.8) and an undrawn credit facility of EUR 6.0 million (3.9). The interest-bearing net liabilities were EUR 17.0 million (29.2) and interest-bearing net bank debt without IFRS 16 debt impact was EUR 12.6 million (21.7).

The Group's equity at the end of the review period was EUR 46.4 million (46.7). The Group's equity ratio was 47.2 per cent (46.3). Gearing was 36.7 per cent (62.2).

PERSONNEL AND MANAGEMENT

The number of personnel decreased by 9 persons from the end of the comparison period, and at the end of the review period was 229 (238). At the end of the review period, 66 per cent of the company's personnel were located outside Finland. In addition, the company had 51 agency contract workers (47) working mainly in mining customer relationships.

The company's Management Team at the end of the reporting period was composed of Arto Halonen (Group CEO), Perttu Aho (VP Down the Hole), Ville Iljanko (VP Distributor Sales), Jorge Leal (VP Top Hammer), Ville Peltonen (Group CFO), Ville Pohja (VP Geotechnical) and Jaana Rinne (HR Director).

FINANCIAL TARGETS

Robit's long-term target is to grow faster than average market growth and achieve comparable EBIT profitability of more than 10%.

	Long term target	2022	2023	Rolling 12 months per 30 Sep 2024
Comparable EBIT, % of net sales, p.a.	>10 %	2.7 %	-5.7 %	3.2 %

RESOLUTIONS OF THE ANNUAL GENERAL MEETING 2024

Robit Plc's Annual General Meeting was held in Tampere on 03 April 2024. The decisions and other materials related to the meeting are available on the company's website at https://www.robitgroup.com/investor/corporate-governance/general-meeting/.

SHARES AND SHARE TURNOVER

On 30 September 2024, the company had 21,179,900 shares and 5,332 shareholders (5,601). Trading volume in January–September was 2,350,542 shares (4,254,349).

The company holds 42,205 treasury shares (0.2% of total shares). On 30 September 2024, the market value of the company's shares was EUR 34.5 million. The closing price of the share was EUR 1.63. The highest price in January–September was EUR 2.05 and the lowest price EUR 1.31.

RISKS AND BUSINESS UNCERTAINTIES

Robit's risks and uncertainties are related to possible changes in the company's operating environment and global economic and political developments. The company's ability to manage and prevent these risks varies.

The development of the company's net sales and profitability are affected by the development of general market demand, especially in the construction industry, as well as the possible loss of customer relationships significant for the company.

Other uncertainty factors include the price and availability of financing, exchange rate development, the functioning of information systems, risks related to the security of supply and logistics, and IPR risks. Passing on the increase in raw material costs fully to customer prices may pose a financial risk. Changes in export countries' tax and customs legislation may adversely impact the company's export trade and its profitability. Risks related to information security and cyber threats may also have a detrimental effect on Robit's business. Potential changes in the business environment may adversely impact the payment behaviour of the Group's customers and increase the risk of litigation, legal claims and disputes related to Robit's products and other operations.

CHANGES IN GROUP STRUCTURE

There were no changes in the Group structure during the review period.

OTHER EVENTS IN JULY–SEPTEMBER 2024

Half-year report

On 2 August 2024, Robit Plc published its half-year report for 1 January–30 June 2024.

Changes in management

On 22 August 2024, the company announced that Pia Mutanen (b. 1980, M.Sc. Tech) had been appointed as Robit Plc's new HR Director and a member of the Management Team as of 1 January 2025.

Shareholders' nomination committee

On 2 September 2024, the four largest shareholders of Robit Plc elected their representatives to the Shareholders' Nomination Committee on the basis of the list of shareholders dated 2 September 2024:

- Harri Sjöholm, Chairman, Five Alliance Oy
- Timo Sallinen, Senior Vice President, Investments, Varma Mutual Pension Insurance Company
- Jukka Vähäpesola, Head of Equities, Mutual Employment Pension Insurance Company Elo
- Markus Lindqvist, Director, Sustainability, Aktia Bank Plc

The Nomination Committee will submit its proposal regarding the members of the Board of Directors and the remuneration to the Board of Directors by 31 January 2025.

EVENTS AFTER THE REVIEW PERIOD

No events after the review period.

Lempäälä, 24 October 2024

ROBIT PLC
Board of Directors

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Robit is a strongly international growth company servicing global customers and selling drilling consumables for applications in mining, construction, geotechnical engineering and well drilling. The company's offering is divided into three product and service ranges: Top Hammer, Down the Hole and Geotechnical. Robit has sales and service points in seven countries as well as an active sales network in more than 100 countries. Robit's manufacturing units are located in Finland, South Korea and the UK. Robit's share is listed on Nasdaq Helsinki Ltd. Further information is available at www.robitgroup.com.

The information presented above includes statements about future prospects. These relate to events or the company's economic development in the future. In some cases, such statements can be recognised by their use of conditional words (such as "may," "expected," "estimated," "believed," "predicted" and so on) or other similar expressions. Statements such as these are based on assumptions and factors that Robit's management have at their disposal and on current decisions and plans. There is always risk and uncertainty attached to any statements regarding future events because they pertain to events and depend on factors that are not possible to predict with certainty. For this reason, future results may differ – even significantly – from the figures expressed or assumed in statements about future prospects.

Robit FURTHER. FASTER.

CONDENSED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
Net sales	**21 497**	**23 706**	**68 896**	**70 016**	**92 917**
Other operating income	117	319	695	1 092	1 882
Materials and services*	-14 371	-15 849	-45 771	-46 672	-61 625
Employee benefit expense	-3 349	-3 724	-10 553	-11 694	-15 388
Depreciation and amortisation	-972	-1 105	-2 965	-3 838	-5 055
Impairment	-127	-174	-345	-345	-205
Other operating expense*	-2 791	-3 083	-8 214	-9 979	-12 409
EBIT (Operating profit/loss)	**2**	**265**	**1 744**	**-1 076**	**116**
Finance income and costs					
Interest income and finance income	-125	1	215	205	214
Interest cost and finance cost	-512	-603	-1 457	-1 986	-2 758
Finance income and costs net	-637	-602	-1 242	-1 781	-2 544
Profit/loss before tax	**-635**	**-337**	**501**	**-2 857**	**-2 427**
Taxes					
Income tax	8	14	0	7	-444
Change in deferred taxes	54	46	66	163	-148
Income taxes	62	60	66	170	-592
Result for the period	**-573**	**-277**	**568**	**-2 687**	**-3 019**
Attributable to:					
Parent company shareholders	-624	-354	446	-2 823	-3 048
Non-controlling interest**	51	77	121	136	29
	-573	**-277**	**568**	**-2 687**	**-3 019**
Other comprehensive income					
Items that may be reclassified to profit or loss in subsequent periods:					
Cash flow hedges	-67	5	-57	75	633
Translation differences***	-302	218	208	-1 045	41
Other comprehensive income, net of tax	**-369**	**224**	**151**	**-970**	**674**
Total comprehensive income	**-942**	**-53**	**719**	**-3 657**	**1 560**
Attributable to:					
Parent company shareholders	-1 038	-143	578	-3 747	1 501
Non-controlling interest**	96	90	141	90	58
Consolidated comprehensive income	**-942**	**-53**	**719**	**-3 657**	**1 560**
Earnings per share					
Basic and diluted earnings per share	-0,03	-0,02	0,02	-0,13	0,04

*In the condensed income statement, changes in inventories are presented in materials and services, and manufacture for own use in other operating expenses.

**Founded in 2015 by Robit SA, Black Employees Empowerment Trust owns 26% of the shares of Robit SA.
*** The Group has internal loans that are treated as net investments in foreign entities in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	30.9.2024	30.9.2023	31.12.2023
ASSETS			
Non-current assets			
Goodwill	5 518	5 335	5 308
Other intangible assets	736	915	817
Property, plant and equipment	17 099	21 519	19 561
Loan receivables	161	377	276
Other receivables	0	0	0
Derivatives	438	941	569
Deferred tax assets	1 442	2 188	1 417
Total non-current assets	**25 395**	**31 274**	**27 948**
Current assets			
Inventories	40 076	40 347	36 054
Account and other receivables	20 116	21 768	16 820
Loan receivables	67	74	70
Current tax assets	143	178	323
Other financial assets	0	1 603	1 628
Cash and cash equivalents	12 735	5 751	11 201
Total current assets	**73 136**	**69 720**	**66 096**
Total assets	**98 531**	**100 994**	**94 043**
EQUITY AND LIABILITIES			
Equity			
Share capital	705	705	705
Share premium	202	202	202
Reserve for invested unrestricted equity	82 147	82 178	82 147
Translation differences	-2 895	-2 744	-3 103
Fair value reserve	398	753	455
Retained earnings	-35 055	-31 957	-32 054
Profit/loss for the year	446	-2 823	-3 048
Equity attributable to parent company shareholders in total	45 949	46 313	**45 304**
Non-controlling interests*	466	429	325
Capital and reserves in total	**46 414**	**46 743**	**45 629**
Liabilities			
Non-current liabilities			
Borrowings	22 060	25 372	22 123
Lease liabilities	2 987	4 429	3 946
Deferred tax liabilities	296	926	389
Employee benefit obligations	414	540	504
Total non-current liabilities	**25 757**	**31 267**	**26 962**
Current liabilities			
Borrowings	3 262	3 680	5 180
Lease liabilities	1 461	1 421	1 283
Advances received	85	40	22
Income tax liabilities	0	27	130
Account payables and other liabilities	21 525	17 661	14 742
Other provisions	28	154	97
Total current liabilities	**26 360**	**22 984**	**21 453**
Total liabilities	**52 117**	**57 704**	**48 415**
Total equity and liabilities	**98 531**	**100 994**	**94 043**

* Founded in 2015 by Robit SA, Black Employees Empowerment Trust owns 26% of the shares of Robit SA.

CONSOLIDATED CASH FLOW STATEMENT

EUR thousand	7-9/2024	7-9/2023	1-9/2024	1-9/2023	2023
Cash flows from operating activities					
Profit before tax	-635	-337	501	-2 857	-2 427
Adjustments:					
Depreciation, amortisation, and impairment	972	1 105	2 965	3 838	5 055
Finance income and costs	637	602	1 242	1 781	2 610
Share-based payments to employees	4	-2	39	-67	-139
Loss (+)/Gain (-) on sale of property, plant and equipment	-77	7	-146	-260	-959
Other non-cash transactions	385	-178	233	-105	369
Cash flows before changes in working capital	1 286	1 196	4 835	2 330	4 509
Change in working capital					
Increase (-) / decrease (+) in account and other receivables	835	-364	-3 675	-864	3 629
Increase (-) / decrease (+) in inventories	-3 872	2 615	-3 676	2 943	6 836
Increase (+) / decrease (-) in account and other payables	2 079	-3 912	6 482	-1 619	-3 900
Cash flows from operating activities before financial items and taxes	328	-465	3 966	2 791	11 074
Interest and other finance expenses paid	-107	-197	-1 050	-1 166	-2 200
Interest and other finance income received	31	19	137	48	100
Income taxes paid	-51	-52	-21	-340	-621
Net cash inflow (outflow) from operating activities	**200**	**-695**	**3 032**	**1 332**	**8 353**
Cash flows from investing activities					
Other financial assets increase (-) / decrease (+)	0	0	1 628	0	0
Purchases of property, plant and equipment	-17	-36	-254	-450	-379
Purchases of intangible assets	-15	-5	-27	-59	-64
Proceeds from the sale of property, plant and equipment	112	-3	182	229	1 571
Proceeds from loan receivables	53	22	114	-130	-26
Net cash inflow (outflow) from investing activities	**133**	**-23**	**1 644**	**-410**	**1 102**
Cash flows from financing activities					
Acquisition of own shares	0	-9	0	-9	-150
Dividend payment	0	-393	0	-393	-441
Drawdowns of non-current loans	-277	0	0	3 500	3 500
Amortizations of non-current loans	0	-45	-1 853	-1 715	-3 352
Change in bank overdrafts	0	112	0	-1 669	-1 782
Payment of leasing liabilities	-718	-253	-1 246	-881	-1 844
Net cash inflow (outflow) from financing activities	**-995**	**-587**	**-3 099**	**-1 098**	**-4 069**
Net increase (+)/decrease (-) in cash and cash equivalents	-662	-1 305	1 577	-175	5 386
Cash and cash equivalents at the beginning of the financial year	13 486	7 013	11 201	6 085	6 085
Exchange gains/losses on cash and cash equivalents	-89	42	-43	-159	-269
Cash and cash equivalents at end of the year	**12 735**	**5 751**	**12 735**	**5 751**	**11 201**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A = Share capital
B = Share premium
C = Reserve for invested unrestricted equity
D = Cumulative translation difference
E = Fair value reserve
F = Retained earnings
G = Equity attributable to parent company shareholders
H = Non-controlling interests
I = Capital and reserves in total

EUR Thousand	A	B	C	D	E	F	G	H	I
Equity as of 1 January 2023	**705**	**202**	**82 570**	**-1 744**	**678**	**-31 928**	**50 483**	**339**	**50 822**
Profit for the period						-2 823	**-2 823**	135	-2 688
Other comprehensive income									
Cash flow hedges					75		**75**		75
Translation differences				-999			**-1 207**	-45	-1 045
Total comprehensive changes				**-999**	**75**	**-2 823**	**-3 748**	**90**	**-3 658**
Share-based payments to employees						-20	**-20**		-20
Acquisition of treasury shares						-9	**-9**		-9
Distribution of dividends			-393				**-393**		-393
Total transactions with owners, recognised directly in equity						**-29**	**-422**		-422
Equity as of 30 September 2023	**705**	**202**	**82 178**	**-2 744**	**753**	**-34 780**	**46 313**	**429**	**46 743**

EUR thousand	A	B	C	D	E	F	G	H	I
Equity as of 1 January 2024	**705**	**202**	**82 147**	**-3 103**	**455**	**-35 102**	**45 304**	**325**	**45 629**
Profit for the period						446	**446**	121	568
Other comprehensive income									
Cash flow hedges					-57		**-57**		-57
Translation differences				208			**208**	20	228
Total comprehensive changes				**208**	**-57**	**446**	**597**	**141**	**738**
Share-based payments to employees						48	**48**		48
Total transactions with owners, recognised directly in equity						48	**48**		48
Equity as of 30 September 2024	**705**	**202**	**82 147**	**-2 895**	**398**	**-34 608**	**45 949**	**466**	**46 414**

NOTES

Contents

1. SCOPE AND PRINCIPLES OF THE INTERIM REPORT

This interim report has been prepared in accordance with the IAS 34 standard for interim financial reporting and using the same principles as for the annual financial statements. The interim report has not been audited.

For reporting net sales for 2024, Robit combines the East market with the EMEA market due to the ceased business operations in Russia and the subsequent relatively small size of net sales in East as part of the Group's net sales.

All figures in the condensed financial statements and in the notes are rounded, which is why the sum of individual figures may deviate from the sum presented.

2.1 KEY FIGURES

Consolidated key figures	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	2023
Net sales, EUR 1,000	21 497	23 706	68 896	70 016	92 917
EBIT, EUR 1000	2	265	1 744	-1 076	116
EBIT, per cent of sales	0,0 %	1,1 %	2,5 %	-1,5 %	0,1 %
Earnings per share (EPS), EUR	-0,03	-0,02	0,2	-0,13	-0,14
Return on equity (ROE), %			1,2 %	-7,7 %	-6,3 %
Return on capital employed (ROCE), %			3,2 %	-2,2 %	0,4 %
Equity ratio, %			47,2 %	46,3 %	48,5 %
Net gearing, %			36,7 %	62,4 %	46,7 %
Gross investments, EUR 1,000	32	41	280	509	443
Gross investments, % of net sales	0,1 %	0,2 %	0,4 %	0,7 %	0,5 %
Number of shares (outstanding shares)			21 137 695	21 153 331	21 132 710
Treasury shares (owned by the Group)			42 205	26 569	47 190
Percentage of votes/shares			0,20 %	0,13 %	0,22 %

2.2 CONSOLIDATING ALTERNATIVE KEY FIGURES

Robit presents alternative key figures to supplement the key figures given in the IFRS-compliant consolidated profit and loss accounts, consolidated balance sheets and consolidated cash flow statements. Robit considers that the alternative figures provide significant extra insight into Robit's performance, financial position and cash flows. These figures are often used by analysts, investors and other parties.

The alternative key figures should not be examined separate from the IFRS key figures or as replacing the IFRS key figures. Not all companies calculate their alternative key figures in a uniform manner and, therefore, Robit's alternative figures may not be directly comparable to those presented by other companies, even if they carry the same headings.

Adjusted EBITDA and EBIT

EUR thousand	7–9/2024	7–9/2023	1–9/2024	1–9/2023	2023
EBIT (Operating profit)	**2**	**265**	**1 744**	**-1 076**	**116**
Depreciation and amortisation	972	1 105	2 965	3 838	5 055
EBITDA	**974**	**1 370**	**4 709**	**2 763**	**5 172**
Items affecting comparability					
Reorganizing expenses	0	150	0	280	-168
Comparable EBITDA	**974**	**1 520**	**4 709**	**3 042**	**5 004**
EBIT (Operating profit)	**2**	**265**	**1 744**	**-1 076**	**116**
Amortisation of acquisitions	37	32	109	453	487
Impairments					225
EBITA	**38**	**296**	**1 853**	**-623**	**829**
EBIT (Operating profit)	**2**	**265**	**1 744**	**-1 076**	**116**
Items affecting comparability					
Reorganizing expenses	0	150	0	280	-168
Comparable EBIT (Operating profit)	**2**	**415**	**1 744**	**-796**	**-53**

2.3 CALCULATION OF KEY FIGURES

EBITDA
EBIT + Depreciation, amortization and impairment

EBITA
EBIT + Amortisation of customer relationships

Net working capital
Inventory + Accounts receivables and other receivables – Accounts payables and other liabilities

Earnings per share (EPS), EUR

$$\frac{\text{Profit (loss) for the financial year}}{\text{Amount of shares adjusted with the share issue (average during the financial year)}}$$

Return on equity (ROE), %

$$\frac{\text{Profit (loss) for the financial year}}{\text{Equity (average during the financial year)}} \times 100$$

Return on capital employed (ROCE), %

$$\frac{\text{Profit before appropriations and taxes + Interest expenses and other financing expenses}}{\text{Equity (average during the financial year) + Interest-bearing financial liabilities (long-term and short-term loans from financial institutions, average during the financial year)}} \times 100$$

Net interest-bearing financial liabilities
Long-term and short-term loans from financial institutions – Cash and cash equivalents – Short-term financial securities

Equity ratio, %

$$\frac{\text{Equity}}{\text{Balance sheet total – Advances received}} \times 100$$

Gearing, %

$$\frac{\text{Net interest-bearing financial liabilities}}{\text{Equity}} \times 100$$

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3. BREAKDOWN OF NET SALES

The IFRS 15 recognition of entries as revenue is identical within each business unit and market area.

NET SALES

Net sales by product area

EUR thousand	7–9/2024	7–9/2023	Change %	1–9/2024	1–9/2023	Change %	2023
Top Hammer	13 405	13 829	-3,1 %	42 772	40 862	4,7 %	54 406
Down the Hole	2 971	5 635	-47,3 %	12 354	15 998	-22,8 %	20 862
Geotechnical	5 120	4 243	20,7 %	13 770	13 156	4,7 %	17 648
Total	**21 497**	**23 706**	**-9,3 %**	**68 896**	**70 016**	**-1,6 %**	**92 917**

Net sales by market area

EUR thousand	7–9/2024	7–9/2023	Change %	1–9/2024	1–9/2023	Change %	2023
EMEA & East	11 092	12 699	-12,7 %	35 611	37 147	-4,1 %	47 279
Americas	5 136	4 859	5,7 %	14 630	15 407	-5,0 %	20 840
Asia	1 927	2 228	-13,5 %	6 336	6 657	-4,8 %	8 950
Australasia	3 341	3 920	-14,8 %	12 319	10 804	14,0 %	14 835
Total	**21 497**	**23 706**	**-9,3 %**	**68 896**	**70 016**	**-1,6 %**	**92 917**

4. FINANCING ARRANGEMENTS

The company’s cash and cash equivalents totalled EUR 12.7 million on 30 September 2024. In addition, the company has an EUR 6.0 million credit facility. The company’s sufficient liquidity is secured by way of cash and cash equivalents and an undrawn credit facility.

The covenants of the parent company’s loans are based on the company’s net liabilities/EBITDA ratio and the company’s equity ratio. The covenants are tested on a quarterly basis and the company met all the conditions on 30 September 2024.

INTEREST-BEARING LOANS

EUR thousand	30.9.2024	30.9.2023	31.12.2023
Non-current borrowings			
Loans from credit institutions	22 048	25 360	22 111
Other loans	12	12	12
Lease liabilities	2 987	4 429	3 946
Total non-current borrowings	**25 047**	**29 801**	**26 069**
Current borrowings			
Loans from credit institutions	3 262	3 568	5 179
Bank overdrafts	0	112	0
Lease liabilities	1 461	1 422	1 284
Total current borrowings	**4 723**	**5 102**	**6 463**
Total borrowings	**29 769**	**34 903**	**32 532**

5. CHANGES TO PROPERTY, PLANT AND EQUIPMENT

EUR thousand	30.9.2024	30.9.2023	31.12.2023
Cost at the beginning of period	46 483	55 562	55 562
Other changes*			-1 188
Additions	1 486	600	903
Disposals	-1 264	-537	-6 356
Reclassification	686	0	-969
Exchange differences	-101	-1 268	-1 469
Cost at the end of period	47 290	54 357	46 483
Accumulated depreciation and impairment at the beginning of period	-26 922	-30 634	-30 634
Other changes*			1 000
Depreciation	-2 830	-3 054	-4 082
Disposals	253	375	5 128
Reclassification	-686	0	969
Exchange differences	-6	567	697
Accumulated depreciation and impairment at the end of period	-28 333	-32 746	-26 922
Net book amount at the beginning of period	**19 561**	**24 928**	**24 928**
Net book amount at the end of period	**17 099**	**21 611**	**19 561**

**Adjustments resulting from corrections to IFRS 16 calculations*

6. GIVEN GUARANTEES

EUR thousand	30.6.2024	30.9.2023	31.12.2023
Guarantees and mortgages given on own behalf	48 037	48 166	49 505
Other guarantee liabilities	49	49	48
Total	**48 086**	**48 214**	**49 553**

7. BUSINESS ACQUISITIONS

There were no changes in the Group structure during the review period.

8. DERIVATIVES

The company hedges the most significant net currency positions that can be forecast for time, volume and interest rate risk.

There were no open currency derivatives at the end of the review period.

On 8 June 2021, the company concluded a EUR 30 million financing agreement and, in connection with this, a EUR 10 million interest rate swap with an interest rate cap in order to hedge part of its exposure to variable interest rates. The interest rate swap will take effect on 30 June 2023 and it will end on 30 June 2026. The company applies hedge accounting in accordance with IFRS 9. This effectively leads to the recording of interest expenses on a hedged floating rate loan at a fixed rate.

The company's main interest rate risk arises from long-term loans with floating interest rates that expose the Group's cash flow to interest rate risk. The Group's policy is to use, if necessary, a floating to fixed interest rate swap.

Interest derivatives

EUR thousand	30.9.2024	30.9.2023	31.12.2023
Interest rate swaps			
Nominal value	10 000	10 000	10 000
Fair value	438	941	569

Robit

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