



**Robit Plc**  
**Financial Statements Release**

January – December 2021

**Robit**

ROBIT PLC STOCK EXCHANGE RELEASE 15 FEBRUARY 2022 AT 11.00 AM

## ROBIT PLC FINANCIAL STATEMENTS RELEASE 1 JANUARY–31 DECEMBER 2021: NET SALES AND ORDERS RECEIVED BREAK NEW RECORD

In the text, 'review period' or 'last quarter of the year' refers to 1 October–31 December 2021 (Q4), and 'January–December' refers to 1 January–31 December 2021. Figures from the corresponding time period in 2020 are given in parentheses. All the figures presented are in euros. Percentages are calculated from thousands of euros.

### 1 October–31 December 2021 in brief

- Net sales EUR 26.3 million (23.7), change 11.0%
- EBITDA EUR 1.7 million (2.1)
- EBITA EUR 0.5 million (0.8)
- Operating profit as percentage of net sales (EBIT %) 1.2% (2.6)
- Review period net income EUR -0.2 million (0.5)
- Net cash flow for operating activities EUR -0.4 million (4.1)

### 1 January–31 December 2021 in brief

- Net sales EUR 100.8 million (91.6)
- EBITDA EUR 7.6 million (5.1)
- EBITA EUR 2.9 million (-0.0)
- Operating profit as percentage of net sales (EBIT %) 2.1% (-0.9)
- Review period net income EUR 0.9 million (-2.9)
- Net cash flow for operating activities EUR -4.2 million (4.3)
- Equity ratio at the end of the review period 42.2% (45.5)

Key financials	Q4 2021	Q4 2020	Change %	2021	2020	Change %
Net sales, EUR 1,000	26,285	23,691	11.0%	100,755	91,631	10.0%
EBITDA*, EUR 1,000	1,650	2,052	-19.6%	7,595	5,116	48.4%
EBITDA, % of net sales	6.3%	8.7%		7.5%	5.6%	
EBITA, EUR 1,000	543	832	-34.8%	2,940	-48	6,236.1%
EBITA, % of sales	2.1%	3.5%		2.9%	-0.1%	
EBIT, EUR 1,000	327	626	-47.8%	2,080	-868	339.8%
EBIT, % of sales	1.2%	2.6%		2.1%	-0.9%	
Result for the period, EUR 1,000	-152	515	-129.5%	886	-2,894	130.6%
Result for the period, % of sales	-0.6%	2.2%		0.9%	-3.2%	
Earnings per share (EPS)	0.00	0.02	-104.8%	0.04	-0.14	125.0%
Return on equity (ROE), %**				1.8%	-5.9%	
Return on capital employed (ROCE), %**				2.5%	-2.6%	

\*No items affecting comparability Q1–Q4/2021 or Q1–Q4/2020

\*\*Corrected the calculation principles to correspond to the formula defined for key figures

### TREATMENT OF RESULT FOR THE FINANCIAL YEAR

The Board of Directors proposes to the Annual General Meeting that the parent company's loss for the financial year ended on 31 December 2021, EUR 1,518,952.39, be transferred to cumulative loss.

### DISTRIBUTION OF FUNDS TO SHAREHOLDERS

The Board of Directors proposes to the Annual General Meeting that no dividend be paid for 2021.

## ROBIT'S OUTLOOK FOR 2022

Robit expects the market situation to remain strong if geopolitical risks do not materialise. Demand in the mining segment is supported by the positive development in metal prices. Demand in the construction industry is supported by the good work situation in the construction market areas that are relevant to Robit and the significant financing decided globally for the construction industry. The company expects COVID-19 restrictions to have a limited impact on the demand of Robit's products in 2022.

Demand prospects for the mining industry are good for 2022. Demand for consumable parts across cycles is more stable in relation to investment products. The high level of mineral prices and positive outlook are reflected in the prospection drilling activities which are developing well. Prospection drilling is a cyclical part of the industry, reflecting the mining industry's willingness to invest in future capacity increases. Robit has good growth potential in the mining segment.

The construction industry is always locally cyclical, and the market situation can change rapidly. The prospects of Robit's customers are good, and projects related to infrastructure construction that are ongoing or about to be launched support the prospects for 2022.

## GUIDANCE FOR 2022

Robit estimates that net sales for 2022 will grow and adjusted EBITDA profitability in euros will improve compared with 2021, assuming that there are no significant changes in the exchange rates compared with the end of 2021.

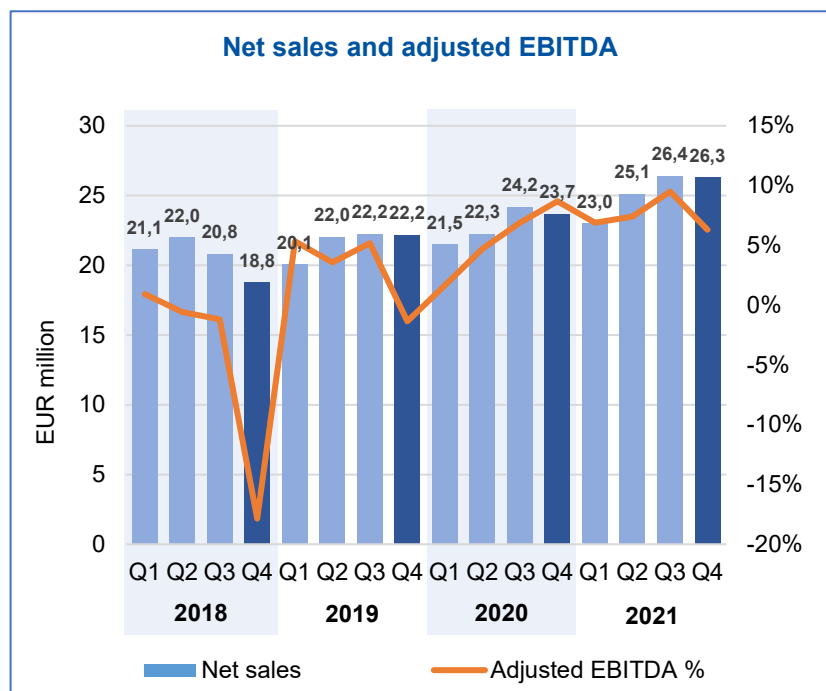
## CEO TOMMI LEHTONEN

Robit's growth and profitability continued to develop positively in 2021. For the first time in the company's history, net sales exceeded EUR 100 million and totalled EUR 100.8 million (91.6). There was an increase of 10% from 2020. Orders received increased by 13%.

The year ended well in terms of sales. In the last quarter of the year, net sales grew by 11% and orders by 29.8%. This was the first quarter in which orders exceeded EUR 30 million.

Robit's profit for the financial year turned positive, although profitability development was held back by cost inflation and supply chain challenges. The EBITDA for the financial period was EUR 7.6 million (5.1), up 48.4% on the corresponding period.

In the last quarter, the EBITDA was EUR 1.7 million (2.1). Profitability in the last quarter was particularly weakened by high freight costs. Raw material costs rose rapidly during the year. Result impacts were limited by pricing and procurement measures. Already at the end of 2020, the challenges for global container traffic and the rapid growth in sales of Top Hammer products led to many measures aimed at safeguarding the level of customer service. These measures raised our inventory levels as we prioritised ensuring availability.





### Success in business growth

During 2021, we managed to grow our business, especially in the Top Hammer and mining customer segments. We won several new mining contracts in all markets, and the Top Hammer business continues to have good growth prospects. The share of the mining industry increased to about 60% of 2021 sales.

The Down the Hole business developed unevenly across markets. Down the Hole involves significant project business, which results in fluctuations in demand. We will continue to systematically develop sales of Down the Hole products for both mining and construction into new markets with clear geographical priorities.

The challenges associated with container transport, combined with rapid growth, caused bottlenecks in the supply chain during the year. This development was already visible at the end of 2020, and provisions were made for it, including by increasing inventory levels. During the year, decisions were also made on investments of around EUR 6 million, mainly related to Top Hammer production, with the aim of ensuring sufficient supply capacity to support the growth in the coming years. The new capacity was partly available in the last quarter of the year and will be at full capacity in the first quarter of 2022. During the financial period, many ad hoc arrangements were made in relation to ensuring customers' deliveries, which resulted in additional costs affecting the company's profitability, for example due to air freight.

In 2021, raw material prices rose rapidly. This trend was already visible at the end of 2020, and the impact of cost inflation was also limited by increasing orders for raw materials until the end of 2020. These measures helped to postpone the impact of the rise in raw material prices until the second half of the year. In line with the strategy, the share of new, more cost-effective suppliers was increased, and price increases were implemented during the year. These measures helped to limit the impact of cost inflation on the company's performance.

### Responsibility rooted even more strongly in Robit's daily operations

Robit embedded sustainability plans into its daily operations. All Robit team members and our partners are actively involved in developing the company towards our corporate responsibility goals under four main themes: responsible partnerships, reducing CO2 emissions in the value chain, a happy and prosperous work community and efficiency throughout the product life cycle. In many areas, we already saw good progress in the second half of the year. For each of the main themes, the company has defined indicators and objectives that will be part of the company's incentive scheme in the future.

### Determined movement towards strategic goals

During the year, we updated our business plans to support Robit in achieving its strategic goals. The focus of the plans remains on ensuring growth, profitability and cash flow development. At the same time, we decided to invest more strongly in our ability to deliver as well as in our long-term product development.

We clarified and strengthened our sales organisation to ensure that our growth projects progress in line with the priorities we have set. The most significant results were achieved in strengthening the distributor structure. We won new customers both with distributors and in our direct sales regions. Overall, we managed to grow in several markets, and Robit still has significant opportunities for further growth in all our market areas.

During the year, we implemented several development measures to strengthen our sales margin. We managed to increase the share of purchases from new, more cost-effective suppliers and we implemented price increases. At the same time, we strengthened our pricing processes during the year. Overall, cost inflation and supply difficulties held back profitability.

An efficient supply chain is an essential part of a competitive the company that supplies consumables. In addition to investments, we are taking our order-to-supply chain practices one step further. We strengthened resourcing in this area and implemented a major development project focused on improving factory lead times and the security of supply.

### Systematically strengthening supply

We made progress on a broad front during the year. The focus was on strengthening longer-term capabilities through a three-part product development and research programme. We also launched new product ranges, which will simplify the offering and make it more competitive. We also worked closely with key customers, and

through this, we were able to develop new products with significantly better performance. The new products developed will serve as the basis for new product ranges to be launched in 2022. We managed to take a clear step forward in strengthening the competitiveness of Robit's offering.

## NET SALES

### Net sales by product area

EUR thousand	Q4 2021	Q4 2020	Change %	2021	2020	Change %
Top Hammer	15,910	11,284	41.0%	56,287	46,348	21.4%
Down the Hole	10,375	12,407	-16.4%	44,468	45,283	-1.8%
<b>Total</b>	<b>26,285</b>	<b>23,691</b>	<b>11.0%</b>	<b>100,755</b>	<b>91,631</b>	<b>10.0%</b>

The Group's net sales in the fourth quarter of the year totalled EUR 26.3 million (23.7). There was an increase of 11% from the corresponding period (6.9). In constant currencies, the change was 9% (14.1).

The Group's net sales in January–December totalled EUR 100.8 million (91.6). There was an increase of 10% from the corresponding period (6.0). In constant currencies, the change was 10.7% (10.8).

The Top Hammer business continued to grow strongly in the fourth quarter, with net sales growing by 41%. In January–December, Top Hammer net sales grew by 21.4% to EUR 56.3 million (46.3). The growth of the business has been supported in particular by the new mining customers gained.

The Down the Hole business decreased by -16.4% in the fourth quarter. In January–December, the net sales decreased by -1.8% to EUR 44.5 million (45.3). The decrease in net sales came from the Geotechnical segment, where the activity of the project business was lower than in 2020. The Down the Hole business grew in the mining and excavation segment, but the growth was lower than the company's targets.

### Net sales by market area

EUR thousand	Q4 2021	Q4 2020	Change %	2021	2020	Change %
EMEA	11,276	9,289	21.4%	45,298	40,028	13.2%
Americas	5,738	4,000	43.4%	19,960	14,008	42.5%
Asia	3,128	2,789	12.1%	10,771	11,397	-5.5%
Australasia	3,649	3,519	3.7%	14,001	13,654	2.5%
East	2,495	4,094	-39.1%	10,725	12,544	-14.5%
<b>Total</b>	<b>26,285</b>	<b>23,691</b>	<b>11.0%</b>	<b>100,755</b>	<b>91,631</b>	<b>10.0%</b>

The company's strong growth continued in the fourth quarter in the Americas region, where net sales grew by 43.4%. Growth was strong in both South and North America. Net sales also grew in the EMEA, Asia and Australasia regions. The East region was clearly left behind the exceptionally strong corresponding quarter. There were significant project deliveries during the corresponding period in 2020.

In January–December, the company's growth was especially driven by the Americas and EMEA regions. In the East region, low project activity in the Geotechnical segment was reflected in declining net sales. Other segments in the East region increased. Net sales in the Asia region fell by -5.5% due to the low demand in the early part of the year. In the Australasia region, the company grew by 2.5%.

## PROFITABILITY

### Key figures

EUR thousand	Q4 2021	Q4 2020	Change %	2021	2020	Change %
EBITDA, EUR 1,000	1,650	2,052	-19.6%	7,595	5,116	48.4%
EBITDA, % of net sales	6.3%	8.7%		7.5%	5.6%	
EBIT, EUR 1,000	327	626	-47.8%	2,080	-868	339.8%
EBIT, % of net sales	1.2%	2.6%		2.1%	-0.9%	
Result for the period, EUR 1,000	-152	515	-129.5%	886	-2,894	130.6%
Result for the period, % of sales	-0.6%	2.2%		0.9%	-3.2%	

The EBITDA for the fourth quarter was EUR 1.7 million (2.1). The EBITDA's share of net sales was 6.3% (8.7). The company's EBIT was EUR 0.3 million (0.6). The EBIT was 1.2% (2.6) of the review period net sales. The result was weakened by increased logistical and raw material costs.

In January–December, the EBITDA was EUR 7.6 million (5.1). The EBITDA's share of net sales was 7.5% (5.6). The company's EBIT was EUR 2.1 million (-0.9). The EBIT was 2.1% (-0.9) of the net sales.

Improved operating profit in the financial period was supported by increased net sales, measures taken in the pricing and management of pricing as well as the gradual realisation of savings in acquisitions. High freight costs and the globally increased costs of raw materials created cost pressure, especially towards the end of the year. Securing customer service and the delivery pipeline for new customers also caused higher than normal freight costs during the comparison period.

Financial income and expenses in the fourth quarter totalled EUR -0.3 million (-0.4), of which EUR -0.3 million (-0.4) was interest expenses and EUR 0.1 million (0.1) exchange rate changes. Review period net income was EUR -0.6 million (0.5).

In January–December, financial income and expenses totalled EUR -1.3 million (-2.7), of which EUR -1.2 million (-1.1) was interest expenses and EUR 0.1 million (-1.3) exchange rate changes. The result for the financial period improved to EUR 0.4 million (-2.9).

## CASH FLOW AND INVESTMENTS

### Consolidated cash flow statement

EUR thousand	Q4 2021	Q4 2020	2021	2020
<b>Net cash flows from operating activities</b>				
Cash flows before changes in working capital	1,707	2,382	7,826	7,160
Cash flows from operating activities before financial items and taxes	-237	4,401	-2,785	5,555
<b>Net cash inflow (outflow) from operating activities</b>	-449	4,107	-4,174	4,263
<b>Net cash inflow (outflow) from investing activities</b>	-1,454	-991	-3,885	-1,173
<b>Net cash inflow (outflow) from financing activities</b>	2,391	-2,184	3,091	-3,626
<b>Net increase (+)/decrease (-) in cash and cash equivalents</b>	487	932	-4,968	-536
Cash and cash equivalents at the beginning of the financial year	8,926	13,235	14,339	15,248
Exchange gains/losses on cash and cash equivalents	113	174	154	-370
<b>Cash and cash equivalents at end of the year</b>	<b>9,525</b>	<b>14,339</b>	<b>9,525</b>	<b>14,339</b>

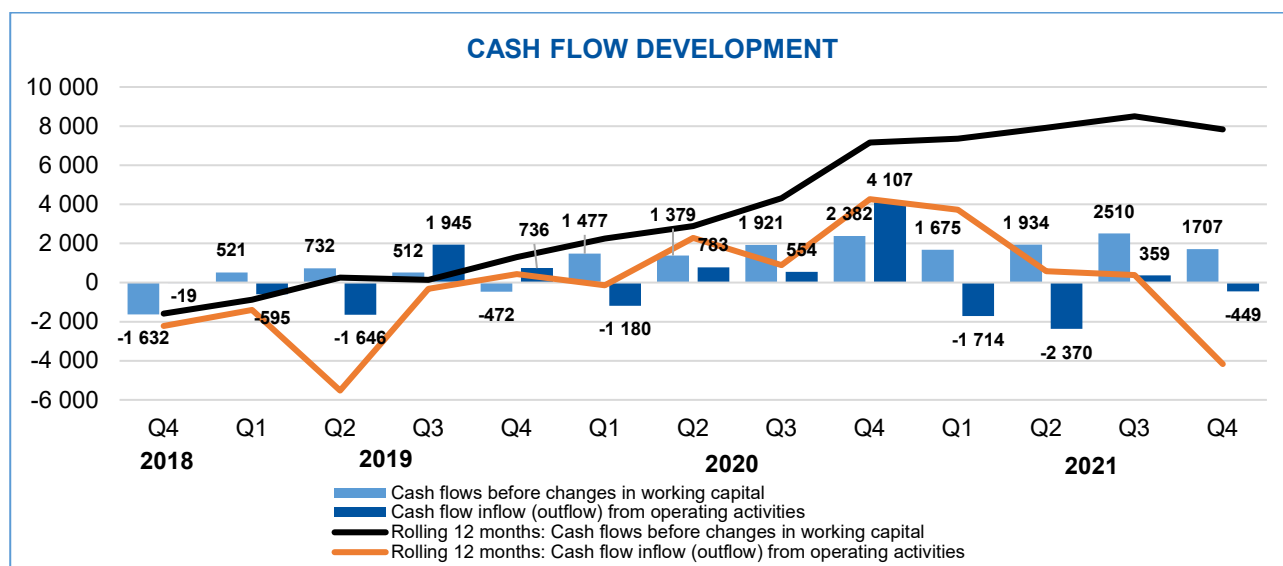
The Group's cash flow before changes in working capital during the fourth quarter was EUR 1.7 million (2.4). The net cash flow for operating activities was EUR -0.4 million (4.1). The changes in working capital had an impact of EUR -1.9 million (2.0). The growth in sales and other receivables had an impact on cash flow of EUR -0.4 million and on inventories of EUR -1.5 million. The growth in inventories primarily came from the growth in inventories in the Top Hammer business. The increase in account payables and other payables had an

impact of EUR -0.1 million on the cash flow from operating activities. The net cash flow from operations in the financial period was EUR -4.2 million (4.3).

The net cash flow from investing activities in the fourth quarter was EUR -1.5 million (-1.0). Gross investments in production during the review period totalled EUR 1.5 million (0.9). The investments' share of net sales was 6% (4.0). The investments were mainly directed at the company's factories in South Korea and Lempäälä, Finland. The investments are aimed at responding to the growth of the Top Hammer business. The net cash flow for investment activities in the financial period was EUR -3.9 million (-1.2).

The net cash flow from financing activities for the fourth quarter was EUR 2.4 million (-2.2). Net changes in loans totalled EUR -0.4 million (-1.9). The change in bank overdrafts was EUR 3.3 million (0.1). The repayment of lease liabilities reported in net cash flow from financing activities under IFRS 16 totalled EUR -0.5 million (-0.4). The net cash flow from financing activities in the financial period was EUR 3.1 million (-3.6).

Depreciation, amortisation and write-downs in the fourth quarter totalled EUR -1.3 million (-1.4). Of this, EUR 0.2 million related to amortisation of customer relationships and brand value from business acquisitions. Depreciation, amortisation and write-downs in the financial period totalled EUR -5.5 million (-6.0).



## FINANCIAL POSITION

	31 December 2021	31 December 2020
Cash and cash equivalents, EUR thousand	9,525	14,339
Interest-bearing liabilities, EUR thousand	41,522	35,567
of which short-term interest-bearing financial liabilities:	10,500	11,154
Net interest-bearing debt, EUR thousand	31,996	21,228
Undrawn credit facility, EUR thousand	2,738	261
Gearing, %	65.1%	45.2
Equity ratio, %	42.2%	45.5

The Group had interest-bearing debt amounting to EUR 41.5 million (35.6), of which EUR 7.7 million (6.4) was interest-bearing debt under IFRS 16. The Group's liquid assets totalled EUR 9.5 million (14.3). Interest-bearing net liabilities were EUR 32.0 million (21.2), and interest-bearing net bank debt without IFRS 16 debt impact was EUR 24.3 million (14.8).

The Group's equity at the end of the review period was EUR 49.1 million (47.0). The Group's equity ratio was 42.2% (45.5) and its net gearing was 65.1% (45.2).

## PERSONNEL AND MANAGEMENT

The number of personnel increased by 12 from the end of the comparison period, and at the end of the review period it was 273 (261). At the end of the review period, 72% of the company's personnel were located outside Finland.

The company Management Team at the end of the review period was comprised of Tommi Lehtonen (CEO), Jaana Rinne (HR Director) and Arto Halonen (CFO).

## FINANCIAL TARGETS

Robit's long-term target is to achieve organic net sales growth of 15% annually and adjusted EBITDA profitability of 13%.

	Long-term target	2019	2020	2021
Net sales growth, %	15%	4.6%	6.0%	10.0%
Adjusted EBITDA, % of net sales	13%	3.1%	5.6%	7.5%

## SHARE-BASED INCENTIVE PROGRAMMES

### Share-based incentive scheme 2018–2021

On 15 June 2018, Robit's Board of Directors decided on a new share-based incentive scheme for the Group's management and key personnel. The scheme has three parts: the key person's own investment in the company, reward shares and a performance-based additional share scheme. Obtaining a reward from the share scheme required the acquisition of Robit Plc's shares by the key person. The commitment period of the incentive scheme's additional share scheme allocated in 2018 started on 1 September 2018.

For shares subject to share ownership conditions, the key personnel who joined the scheme in 2018 received shares as a reward after a commitment period of around three years. At the time of allocation, the rewards of the additional share scheme payable on the basis of the commitment period that started on 1 September 2018 were estimated to correspond to the value of a maximum of 24,000 Robit Plc shares, also including the component payable in cash. On 31 May 2021, when the share ownership conditions of the additional share scheme were fulfilled, an amount corresponding to the value of 17,000 Robit Plc shares, also including the component payable in cash, was paid. The targets set for the earning period 2018–2020 of the performance-based additional share scheme were not achieved and, therefore, no reward was payable for the earning period of the performance-based additional share scheme that ended on 31 December 2020. The incentive scheme ended on 31 May 2021 when the rewards of the additional share scheme were paid, and they did not include any transfer restrictions in accordance with the rules of the scheme.

### Share-based incentive scheme 2020–2023

On 25 February 2020, Robit's Board of Directors decided on a new share-based incentive scheme for the Group's management and key personnel. The share scheme has three elements: own investment of the key personnel in Robit shares (base share plan), reward shares by the company (matching share plan) and performance-based additional share plan (performance matching plan). The share-based incentive scheme covers 17 individuals. The company's matching shares and performance matching shares will be paid in April 2023. After the payment, the shares will be subject to a transfer restriction for a period of one year. If all three main elements of the scheme are fulfilled in full as determined in the scheme and according to the target setting of the company's Board of Directors, the maximum amount of shares issued based on the scheme will be 441,760 shares, corresponding to 2.1% of the current total share capital.



### Share-based incentive scheme 2021–2024

On 15 June 2021, Robit Plc's Board of Directors decided on a performance-based share reward scheme for key personnel. The share scheme includes earning periods of one and two years. The first earning period of the share scheme comprises the year 2021 and the second earning period comprises the years 2022–2023. The share scheme's potential reward for the one-year earning period 2021 is based on the company's predetermined EBITDA target in the financial statements for 2021. The share scheme's possible reward for the two-year earning period 2022–2023 is based on the company's predetermined average earnings per share in the financial statements for the years 2022 and 2023. The share scheme's possible reward for both earning periods will be paid in May 2024.

The share scheme covers 21 individuals. The total amount of share rewards payable on the basis of the earning periods 2021 and 2022–2023 corresponds to a maximum of 155,000 Robit Plc shares, corresponding to 0.7% of the company's current share capital.

### Long-term share-based incentive scheme for the CEO 2019–2024

On 24 September 2019, the Board of Directors of Robit Plc decided on a long-term share-based incentive scheme for the CEO. The scheme covers Tommi Lehtonen, who started as the CEO of the Group on 1 May 2019. The share reward scheme has three earning periods and covers the period from 1 January 2019 to 31 December 2024.

The Board of Directors of Robit Plc sets targets for each two-year earning period starting from 2019. The earning periods end on 31 December 2020, 31 December 2022 and 31 December 2024 respectively. The rewards payable on the basis of this system will correspond to the value of a total of 160,000 Robit Plc shares, also including the amount of money used for taxes and tax-related payments. The number of shares corresponds to approximately 0.8% of the total number of the company's shares.

The rewards of the incentive scheme are paid in three instalments after the end of each earning period. No reward was paid to the CEO for the earning period ending on 31 December 2020.

## RESOLUTIONS OF THE ANNUAL GENERAL MEETING 2021

Robit Plc's Annual General Meeting on 25 March 2021 adopted the financial statements for 1 January–31 December 2020 and resolved that no dividend would be paid based on the adopted balance sheet for the financial year 2020.

The General Meeting resolved to discharge the members of the Board of Directors and the Managing Directors from liability for the financial year ending 31 December 2020.

The General Meeting decided to approve the Remuneration Report for Governing Bodies. The decision was advisory.

The General Meeting resolved that the Board of Directors consists of six (6) members. Kim Gran, Mammu Kaario, Mikko Kuitunen, Anne Leskelä, Kalle Reponen and Harri Sjöholm were re-elected as members of the Board of Directors.

The annual remuneration for the Chairman of the Board of Directors is EUR 45,000, of which 40% is paid in shares and the remaining 60% is an advance tax withheld and paid to the Finnish Tax Administration by the company. There is also a meeting fee of EUR 500 per meeting. The fee is paid for meetings attended by the Chairman of the Board. Other costs such as travel and lodging expenses will also be compensated.

The annual remuneration for the Board members is EUR 30,000, of which 40% is paid as shares and the remaining 60% is an advance tax withheld and paid to the Finnish Tax Administration by the company. There

is also a meeting fee of EUR 500 per meeting. The fee is paid for meetings attended by the member of the Board. Other costs such as travel and lodging expenses will also be compensated.

Members of the Working Committee, Personnel Committee and Audit Committee are paid a financial compensation of EUR 500 per meeting attended. Other costs such as travel and lodging expenses will also be compensated.

The annual remuneration of the Chairman of the Board and Board members for the entire term of office will be paid in December 2021. The part of the remuneration paid in shares may be paid by issuing new shares in the company or by acquiring shares by the authorisation given to the Board of Directors by the General Meeting. The receiver of the remuneration pays the transfer tax.

Ernst & Young Oy, an audit firm, was re-elected as the company's auditor for a term that will continue until the end of the next Annual General Meeting. Ernst & Young Oy has notified the company that Authorised Public Accountant Toni Halonen will serve as the company's principal responsible auditor.

The General Meeting resolved to pay the auditor's remuneration in accordance with an invoice approved by the company.

The General Meeting resolved to authorise the Board of Directors to resolve the acquisition of a maximum of 2,108,390 treasury shares and/or accept the same number of the company's shares as a pledge, in one or several tranches by using funds in the unrestricted shareholders' equity. The maximum total of shares that will be acquired and/or accepted as a pledge corresponds to 10% all shares in the company as of the date of the notice to the General Meeting. However, the company cannot, together with its subsidiary companies, own or accept as a pledge altogether more than 10% of its own shares at any point in time. The company's shares may be purchased under this authorisation solely by using unrestricted shareholders' equity.

The shares will be acquired otherwise than in proportion to the share ownership of the shareholders via public trading arranged by Nasdaq Helsinki Ltd at the market price on the date on which the acquisition is made or otherwise at a price formed on the market. The authorisation is proposed to be used e.g. for the purposes of implementing the company's share-based incentive schemes or for other purposes as decided by the Board of Directors.

It was resolved that the authorisation revokes the authorisation granted by the General Meeting on 22 April 2020 to decide on the acquisition of treasury shares.

The authorisation is valid until the closing of the next Annual General Meeting, however, no longer than until 30 June 2022.

The Annual General Meeting resolved to authorise the Board of Directors to resolve on a share issue and on the issuance of special rights entitling to shares as referred to in Chapter 10 Section 1 of the Finnish Limited Liability Companies Act, in one or more tranches, either against or without consideration.

The number of shares to be issued, including shares to be issued on the basis of special rights, may not exceed 2,108,390, which amounts to 10% of all shares in the company as of the date of the notice to the Annual General Meeting. The Board of Directors may decide to either issue new shares or to transfer any treasury shares held by the company.

The authorisation entitles the Board of Directors to decide on all terms that apply to the share issue and to the issuance of special rights entitling to shares, including the right to derogate from the shareholders' pre-emptive right. The authorisation shall be used e.g. for the purposes of strengthening the company's balance sheet and improving its financial status, implementing the company's share-based incentive systems or for other purposes as decided by the Board of Directors.

The authorisation is valid until the closing of the next Annual General Meeting, however, no longer than until 30 June 2022. The authorisation will revoke all previously granted, unused authorisations to decide on a share issue and the issuance of options or other special rights entitling to shares.

## SHARES AND SHARE TURNOVER

On 31 December 2021, the company had 21,179,900 shares and 4,252 shareholders. The trading volume in January–December was 5,866,628 shares (7,539,280).

The company holds 88,464 treasury shares (0.4% of total shares). On 31 December 2021, the market value of the company's shares was EUR 85.4 million. The closing price of the share was EUR 4.03. The highest price in the review period was EUR 6.46 and the lowest price EUR 3.65.

## RISKS AND BUSINESS UNCERTAINTIES

Robit closely monitors the impact of COVID-19 on demand in the sector. In general, customer activities have returned to normal levels. The effects on Robit's operations are now limited and only affect individual countries or regions. COVID-19 continues to restrict travel and thus the implementation of some testing and sales growth projects. Robit will continue actions to protect the health of its personnel and to ensure the continuity of the company's operations. At the time of reporting, all of the company's factories were operating at design capacity. No disruptions in the supply chain have been identified that cannot be managed, for example, with current inventory levels and supplier cooperation.

The geopolitical situation, which is growing tenser, poses a risk to the company's business. The escalation of the situation may affect the development of net sales and profitability, especially in the East region, which accounts for 11% of the company's sales. In addition, the effects of possible sanctions on the smooth flow of payment transactions pose a risk to the company's cash flow and treasury management.

Other uncertainty factors include exchange rate development, the functioning and commissioning of new information systems, integration of corporate acquisitions, risks related to the security of supply and logistics as well as the IPR risks. Fully transferring the increase in raw material costs to customer prices may pose a financial risk. Changes in export countries' tax and customs legislation may adversely impact the company's export trade or 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 financial period.

## OTHER EVENTS IN OCTOBER–DECEMBER 2021

On 22 October 2021, the company updated its previous profit guidance for 2021. According to the new guidance, Robit Plc expected the market situation to remain at a good level for the rest of the year. The company estimated that net sales would grow and comparable profitability would improve in 2021 as follows: net sales would be EUR 97 to 101 million and adjusted EBITDA would be at least EUR 7 million, assuming that the exchange rates remained at the level of September 2021. According to the old guidance, Robit expected the market situation to develop positively and believed COVID-19 restrictions to have a limited impact on the demand of the company's products in 2021. Robit Plc estimated that net sales for 2021 would grow and adjusted EBITDA profitability in euros would improve compared with 2020.

On 28 October 2021, the company published its interim financial reporting for 1 January–30 September 2021.

On 9 November 2021, the company published the company's schedule for financial information and the Annual General Meeting of 2022.

On 16 December 2021, the Board of Directors of Robit Plc decided to transfer a total of 19,500 shares of the company as Board fees to the members of the Board of Directors on the basis of the Board's 2021 term of office. The transfer was based on the authorisation given by the Annual General Meeting on 25 March 2021. At the closing price of 15 December 2021, the total value of the shares to be transferred was EUR 78,000. It was decided to transfer to CEO Tommi Lehtonen a total of 3,000 shares as part of the fixed annual salary. The

transfer was based on the CEO agreement. At the closing price of 15 December 2021, the total value of the shares to be transferred was EUR 12,000.00. It was decided to transfer to CFO Arto Halonen a total of 1,500 shares as part of the fixed annual salary. The transfer was based on the executive employment contract. At the closing price of 15 December 2021, the total value of the shares to be transferred was EUR 6,000.00. Therefore, the total number of shares to be transferred was 24,000 and their total value at the closing price of 15 December 2021 was EUR 96,000. The share rewards were paid with Robit Plc's treasury shares held by the company, so the total number of Robit Plc's shares did not change. Before the transfer, Robit Plc held 112,464 treasury shares, which was 0.5% of the company's entire shareholding, and 88,464 after the transfers, which was 0.4% of the company's total shares. The share rewards were paid by 23 December 2021.

## EVENTS AFTER THE REVIEW PERIOD

On 20 January 2022, the company published the proposals of Robit Plc's Shareholders' Nomination Committee for the Annual General Meeting of 2022:

The Nomination Committee proposes that the Annual General Meeting elect six (6) members to the Board of Directors.

The Nomination Committee proposes to the Annual General Meeting that Kim Gran, Mikko Kuitunen, Anne Leskelä and Harri Sjöholm be re-elected as members of the Board of Directors for a term ending at the end of the next Annual General Meeting after the election. Of the current members of the Board, Mammu Kaario and Kalle Reponen have announced that they will no longer be available for the election of the members of the Board. Eeva-Liisa Virkkunen and Markku Teräsvasara are nominated as new members.

All candidates have given their consent to the selection and are independent of the company and its major shareholders, with the exception of Harri Sjöholm, who is dependent on the company and its major shareholders. Harri Sjöholm is the majority shareholder in Five Alliance Oy, which holds 27.06% of the company's shares.

The Nomination Committee proposes to the Annual General Meeting that the annual remuneration for the Chairman of the Board is EUR 50,000, of which 40% is paid as shares and the remaining 60% is an advance tax withheld and paid to the Finnish Tax Administration by the company. The annual remuneration for the Board members is EUR 30,000, of which 40% is paid as shares and the remaining 60% is an advance tax withheld and paid to the Finnish Tax Administration by the company.

The Nomination Committee also proposes that the Board members and the Chairman be paid a meeting fee of EUR 500 per meeting attended for Board meetings and committee meetings. Other costs such as travel and lodging expenses will also be compensated.

The annual remuneration of the Chairman of the Board and Board members for the entire term of office will be paid in December 2022. The part of the remuneration paid in shares may be paid by issuing new shares in the company or by acquiring shares by the authorisation given to the Board of Directors by the General Meeting. The receiver of the remuneration pays the transfer tax.

The Nomination Committee's proposals will be included in the notice of the general meeting.

Timo Sallinen (Senior Vice-President, Investments, Varma Mutual Pension Insurance Company) acted as the Chairman of the Shareholders' Nomination Committee that prepared the proposals for the Annual General Meeting of 2022, with Harri Sjöholm (Chairman of the Board of Five Alliance Oy), Tuomas Virtala (CEO, Asset Management of OP Corporate Bank Plc) and Jukka Vähäpesola (CEO of Elo Mutual Pension Insurance Company) as the other members.

On 26 January 2022, the company announced that it was strengthening its management team. As of 26 January 2022, the following key personnel of the company were appointed as new members of Robit's management team: George Apostolopoulos, VP Global Sales; Adam Baker, VP Down the Hole; Jorge Leal, VP Top Hammer and Ville Pohja, VP Geotechnical. CFO Arto Halonen, CEO Tommi Lehtonen and HR Director Jaana Rinne will continue as members of the management team.



Lempäälä, 15 February 2022

ROBIT PLC  
Board of Directors

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*Robit is a strongly internationalised 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 8 countries as well as an active sales network in more than 100 countries. Robit's manufacturing units are located in Finland, South Korea, Australia and the UK. Robit's shares are listed on Nasdaq Helsinki Ltd. Further information is available at [www.robitgroup.com](http://www.robitgroup.com).*

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## CONDENSED FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	10–12/2021	10–12/2020	2021	2020
<b>Net sales</b>	<b>26,285</b>	<b>23,691</b>	<b>100,755</b>	<b>91,631</b>
Other operating income	276	994	1,690	2,524
Materials and services*	-17,611	-15,581	-65,699	-58,773
Employee benefit expense	-4,194	-4,131	-16,280	-15,747
Depreciation, amortisation and impairment	-1,323	-1,426	-5,514	-5,984
Other operating expenses*	-3,109	-2,922	-12,871	-14,520
<b>EBIT (Operating profit/loss)</b>	<b>327</b>	<b>626</b>	<b>2,080</b>	<b>-868</b>
Finance income and costs				
Interest income and finance income	257	142	924	286
Interest cost and finance cost	-571	-533	-2,253	-2,936
Finance income and costs net	-314	-391	-1,329	-2,650
<b>Profit/loss before tax</b>	<b>13</b>	<b>235</b>	<b>751</b>	<b>-3,518</b>
Taxes				
Income tax	-260	-372	-333	-380
Change in deferred taxes	95	626	468	1,004
Income taxes	-165	280	135	624
<b>Result for the period</b>	<b>-152</b>	<b>515</b>	<b>886</b>	<b>-2,894</b>
Attributable to:				
Parent company shareholders	-25	515	843	-2,894
Non-controlling interest**	-127	0	44	0
	<b>-152</b>	<b>515</b>	<b>886</b>	<b>-2,894</b>
<b>Other comprehensive income</b>				
Items that may be reclassified to profit or loss in subsequent periods:				
Cash flow hedges	58	0	45	0
Translation differences**	1,062	941	1,003	-1,088
<b>Other comprehensive income, net of tax</b>	<b>1,121</b>	<b>941</b>	<b>1,048</b>	<b>-1,088</b>
<b>Total comprehensive income</b>	<b>969</b>	<b>1,456</b>	<b>1,934</b>	<b>-3,981</b>
Attributable to:				
Parent company shareholders	1,096	1,456	1,892	-3,981
Non-controlling interest**	-127	0	42	0
<b>Consolidated comprehensive income</b>	<b>969</b>	<b>1,456</b>	<b>1,934</b>	<b>-3,981</b>
<b>Earnings per share</b>				
Basic earnings per share	0.00	0.02	0.04	-0.14

\*In the summarised 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	31 December 2021	31 December 2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	5,487	5,134
Other intangible assets	2,695	3,809
Property, plant and equipment	27,396	24,641
Loan receivables	287	386
Other receivables	0	3
Derivatives	56	0
Deferred tax assets	1,926	1,528
<b>Total non-current assets</b>	<b>37,847</b>	<b>35,500</b>
<b>Current assets</b>		
Inventories	43,538	34,857
Account and other receivables	25,337	18,621
Loan receivables	100	125
Current tax assets	57	81
Cash and cash equivalents	9,525	14,339
<b>Total current assets</b>	<b>78,557</b>	<b>68,023</b>
<b>Total assets</b>	<b>116,403</b>	<b>103,523</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	705	705
Share premium	202	202
Reserve for invested unrestricted equity	82,570	82,570
Translation differences	-1,793	-2,798
Fair value reserve	45	0
Retained earnings	-33,738	-30,796
Profit/loss for the year	843	-2,894
Equity attributable to parent company shareholders in total	48,833	46,989
Non-controlling interests	281	0
<b>Capital and reserves in total</b>	<b>49,114</b>	<b>46,989</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Borrowings	25,209	19,247
Lease liabilities	5,813	5,166
Deferred tax liabilities	694	798
Employee benefit obligations	725	628
<b>Total non-current liabilities</b>	<b>32,441</b>	<b>25,838</b>
<b>Current liabilities</b>		
Borrowings	8,619	9,941
Lease liabilities	1,881	1,213
Advances received	771	130
Income tax liabilities	259	283
Account payables and other liabilities	23,278	19,029
Other provisions	40	100
<b>Total current liabilities</b>	<b>34,848</b>	<b>30,696</b>
<b>Total liabilities</b>	<b>67,289</b>	<b>56,534</b>
<b>Total equity and liabilities</b>	<b>116,403</b>	<b>103,523</b>

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

**CONSOLIDATED CASH FLOW STATEMENT**

EUR thousand	Q4 2021	Q4 2020	2021	2020
<b>Cash flows from operating activities</b>				
Profit before tax	13	235	751	-3,518
Adjustments:				
Depreciation, amortisation and impairment	1,323	1,426	5,514	5,984
Finance income and costs	314	421	1,329	2,650
Share-based payments to employees	-37	50	-178	182
Loss (+)/Gain (-) on sale of property, plant and equipment	24	136	-144	158
Other non-cash transactions	70	115	553	1,704
Cash flows before changes in working capital	1,707	2,382	7,826	7,160
Change in working capital				
Increase (-) in account and other receivables	-410	5,319	-6,452	1
Increase (-)/decrease (+) in inventories	-1,454	-2,165	-8,187	-5,000
Increase (+) in account and other payables	-80	-1,135	4,028	3,395
Cash flows from operating activities before financial items and taxes	-237	4,401	-2,785	5,555
Interest and other finance expenses paid	-152	-314	-1,046	-1,083
Interest and other finance income received	6	11	22	28
Income taxes paid	-69	9	-365	-238
<b>Net cash inflow (outflow) from operating activities</b>	<b>-449</b>	<b>4,107</b>	<b>-4,174</b>	<b>4,263</b>
<b>Cash flows from investing activities</b>				
Purchases of property, plant and equipment	-1,541	-876	-4,169	-1,204
Purchases of intangible assets	-32	-71	-124	-77
Proceeds from the sale of property, plant and equipment	55	17	279	103
Proceeds from loan receivables	65	-61	129	6
<b>Net cash inflow (outflow) from investing activities</b>	<b>-1,454</b>	<b>-991</b>	<b>-3,885</b>	<b>-1,173</b>
<b>Cash flows from financing activities</b>				
Equity issue	0	0	0	79
Distribution of dividends*	-9	0	-9	0
Changes in non-current loans	-346	-1,875	5,385	-1,751
Change in bank overdrafts	3,262	128	-478	-179
Payment of leasing liabilities	-515	-437	-1,807	-1,774
<b>Net cash inflow (outflow) from financing activities</b>	<b>2,391</b>	<b>-2,184</b>	<b>3,091</b>	<b>-3,626</b>
<b>Net increase (+)/decrease (-) in cash and cash equivalents</b>	<b>487</b>	<b>932</b>	<b>-4,968</b>	<b>-536</b>
Cash and cash equivalents at the beginning of the financial year	8,926	13,235	14,339	15,248
Exchange gains/losses on cash and cash equivalents	113	174	154	-370
<b>Cash and cash equivalents at end of the year</b>	<b>9,525</b>	<b>14,339</b>	<b>9,525</b>	<b>14,339</b>

\*Dividend paid to the foundation of Robit SA as a minority shareholder in accordance with the agreement



**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
<b>Equity on 31 December 2019</b>	<b>705</b>	<b>202</b>	<b>82,268</b>	<b>-1,710</b>		<b>-30,744</b>			<b>50,721</b>
Other changes*						-223			-223
<b>Equity on 1 January 2020</b>	<b>705</b>	<b>202</b>	<b>82,268</b>	<b>-1,710</b>		<b>-30,968</b>			<b>50,498</b>
Profit for the period						-2,894			-2,894
Other comprehensive income									
Translation differences				-1,088					-1,088
<b>Total comprehensive changes</b>				<b>-1,088</b>		<b>-2,894</b>			<b>-3,981</b>
Equity issue			183						183
Share-based payments to employees			44			172			216
Use of treasury shares in the remuneration of the Board of Directors			74						74
<b>Total transactions with shareholders, recognised directly in equity</b>			<b>301</b>			<b>172</b>			<b>473</b>
<b>Equity on 31 December 2020</b>	<b>705</b>	<b>202</b>	<b>82,570</b>	<b>-2,798</b>		<b>-33,690</b>			<b>46,989</b>
<b>EUR thousand</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>	<b>I</b>
<b>Equity on 1 January 2021</b>	<b>705</b>	<b>202</b>	<b>82,570</b>	<b>-2,798</b>	<b>0</b>	<b>-33,690</b>	<b>46,989</b>	<b>0</b>	<b>46,989</b>
Profit for the period						843	843	44	886
Other comprehensive income									
Cash flow hedges					45		45		45
Translation differences				1,005			1,005	-2	1,003
<b>Total comprehensive changes</b>				<b>1,005</b>	<b>45</b>	<b>843</b>	<b>1,892</b>	<b>42</b>	<b>1,934</b>
Share-based payments to employees						-142	-142		-142
Use of treasury shares in the remuneration of the Board of Directors						94	94		94
Change in non-controlling interests								240	240
<b>Total transactions with shareholders, recognised directly in equity</b>						<b>-48</b>	<b>-48</b>	<b>240</b>	<b>191</b>
<b>Equity on 31 December 2021</b>	<b>705</b>	<b>202</b>	<b>82,570</b>	<b>-1,793</b>	<b>45</b>	<b>-32,896</b>	<b>48,833</b>	<b>281</b>	<b>49,114</b>

\*Other changes include corrections to IFRS 16 calculations for 2019 and Robit SA inventory balances.

## NOTES

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### 1. SCOPE AND PRINCIPLES OF THE INTERIM REPORT

This financial statement release has been prepared in accordance with the IAS 34 standard for interim financial reporting and using the same principles as for the annual financial statement. The financial statement release and interim reports have not been audited. The company's financial statements for 2021 have been audited.

All figures in the summarised financial statement have been rounded to the nearest figure, therefore the sum of reported figures may not exactly match those presented.

### 2.1 KEY FIGURES

Consolidated key figures	Q4 2021	Q4 2020	2021	2020
Net sales, EUR 1,000	26,285	23,691	100,755	91,631
EBIT, EUR 1000	327	626	2,080	-868
EBIT, % of net sales	1.2%	2.6%	2.1%	-0.9%
Earnings per share (EPS), EUR	0.00	0.02	0.04	-0.14
Return on equity (ROE), %			1.8%	-5.9%
Return on capital employed (ROCE), %			2.5%	-2.6%
Equity ratio, %			42.2%	45.5%
Net gearing, %			65.1%	45.2%
Gross investments, EUR 1,000	1,573	947	4,293	1,281
Gross investments, % of net sales	6.0%	4.0%	4.3%	1.4%
Number of shares (outstanding shares)			21,091,436	21,058,936
Treasury shares (owned by the Group)			88,464	120,964
Percentage of votes/shares			0.42%	0.57%

### 2.2 CONSOLIDATING ALTERNATIVE KEY FIGURES

Robit presents alternative key figures to supplement the key figures given in the Group's income statements, balance sheets and cash flow statements that have been drawn up according to IFRS standards. Robit considers that the alternative figures give significant extra insight into the result of Robit's operations, its financial position and cash flows. These figures are often used by analysts, investors and other parties.

Alternative key figures should not be studied apart from the key figures according to IFRS or instead of them. Not all companies calculate their alternative key figures in the same way, so Robit's alternative figures may not be directly comparable to those presented by other companies, even if they carry the same headings.

The following events affect comparability: costs relating to being listed on the stock exchange and share issue, acquisition costs and business restructuring costs.

### Adjusted EBITDA and EBITA

EUR thousand	Q4 2021	Q4 2020	2021	2020
<b>EBIT (Operating profit)</b>	<b>327</b>	<b>626</b>	<b>2,080</b>	<b>-868</b>
Depreciation, amortisation and impairment	1,323	1,426	5,514	5,984
<b>EBITDA</b>	<b>1,650</b>	<b>2,052</b>	<b>7,595</b>	<b>5,116</b>
<b>Items affecting comparability</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Adjusted EBITDA</b>	<b>1,650</b>	<b>2,052</b>	<b>7,595</b>	<b>5,116</b>
<b>EBIT (Operating profit)</b>	<b>327</b>	<b>626</b>	<b>2,080</b>	<b>-868</b>
Amortisation of acquisitions	216	207	859	820
<b>EBITA</b>	<b>543</b>	<b>832</b>	<b>2,940</b>	<b>-48</b>
<b>Items affecting comparability</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Adjusted EBITA</b>	<b>543</b>	<b>832</b>	<b>2,080</b>	<b>-48</b>

### 2.3 CALCULATION OF KEY FIGURES

#### EBITDA:

EBIT + Depreciation, amortisation 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

Profit (loss) for the financial year

Amount of shares adjusted with the share issue (average during the financial year)

#### Return on equity (ROE), %

Profit (loss) for the financial year

Equity (average during the financial year) x 100

#### Return on capital employed (ROCE), %

Profit before appropriations and taxes + Interest expenses and other financing expenses

Equity (average during the financial year) + Interest-bearing financial liabilities (long-term and short-term loans from financial institutions, average during the financial year) x 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, %

Equity

Balance sheet total – Advances received x 100

#### Net gearing, %

Net interest-bearing financial liabilities

Equity x 100

### 3. BREAKDOWN OF NET SALES

Entries are recorded according to IFRS 15 in the same way for each business unit and market area.

#### NET SALES

##### Net sales by product area

EUR thousand	Q4 2021	Q4 2020	Change %	2021	2020	Change %
Top Hammer	15,910	11,284	41.0%	56,287	46,348	21.4%
Down the Hole	10,375	12,407	-16.4%	44,468	45,283	-1.8%
<b>Total</b>	<b>26,285</b>	<b>23,691</b>	<b>11.0%</b>	<b>100,755</b>	<b>91,631</b>	<b>10.0%</b>

##### Net sales by market area

EUR thousand	Q4 2021	Q4 2020	Change %	2021	2020	Change %
EMEA	11,276	9,289	21.4%	45,298	40,028	13.2%
Americas	5,738	4,000	43.4%	19,960	14,008	42.5%
Asia	3,128	2,789	12.1%	10,771	11,397	-5.5%
Australasia	3,649	3,519	3.7%	14,001	13,654	2.5%
East	2,495	4,094	-39.1%	10,725	12,544	-14.5%
<b>Total</b>	<b>26,285</b>	<b>23,691</b>	<b>11.0%</b>	<b>100,755</b>	<b>91,631</b>	<b>10.0%</b>

### 4. FINANCING ARRANGEMENTS

The company's cash and cash equivalents were EUR 9.5 million on 31 December 2021. In addition, the company has EUR 3.5 million undrawn of the financing agreement of EUR 30.0 million signed on 8 June 2021. The company's sufficient liquidity is secured through cash and a loan that has not been drawn down.

The parent company's covenants are based on the company's net debt/EBITDA ratio and the company's equity ratio. The covenants are tested on a quarterly basis.

The covenant of Robit Plc's financing agreement, net interest-bearing debt/EBITDA, did not meet the terms of the financing agreement on 31 December 2021. The company obtained the consent of its main financier to the breach of the covenant on 21 December 2021.

#### BORROWINGS/LOANS/INTEREST-BEARING LOANS

EUR thousand	31 December 2021	31 December 2020
Non-current borrowings		
Loans from credit institutions	25,182	19,060
Other loans	12	41
Lease liabilities	5,828	5,312
<b>Total non-current borrowings</b>	<b>31,022</b>	<b>24,413</b>
Current borrowings		
Loans from credit institutions	5,187	5,850
Other loans	0	86
Bank overdrafts	3,262	3,739
Lease liabilities	2,051	1,479
<b>Total current borrowings</b>	<b>10,500</b>	<b>11,154</b>
<b>Total borrowings</b>	<b>41,522</b>	<b>35,567</b>



## 5. CHANGES TO PROPERTY, PLANT AND EQUIPMENT

EUR thousand	31 December 2021	31 December 2020
Cost at the beginning of period	47,323	45,952
Other changes*		-1,376
Additions	6,644	4,230
Disposals	-282	-496
Reclassification	-533	0
Exchange differences	644	-1,007
Cost at the end of period	53,794	47,323
Accumulated depreciation and impairment at the beginning of period	-22,682	-19,193
Other changes*		349
Depreciation	-3,902	-4,385
Disposals	227	235
Reclassification	289	0
Exchange differences	-330	311
Accumulated depreciation and impairment at the end of period	-26,398	-22,682
<b>Net book amount at the beginning of period</b>	<b>24,642</b>	<b>26,759</b>
<b>Net book amount at the end of period</b>	<b>27,396</b>	<b>24,642</b>

\*Other changes include corrections to IFRS 16 calculations for 2019.

## 6. GIVEN GUARANTEES

EUR thousand	31 December 2021	31 December 2020
Guarantees and mortgages given on own behalf	48,205	45,119
Other guarantee liabilities	80	94
<b>Total</b>	<b>48,285</b>	<b>45,213</b>

## 7. GOODWILL IMPAIRMENT TESTING

The amount of goodwill is reviewed at least annually in accordance with the IFRS provisions. The values of the goodwill testing variables are also revised if there have been material changes in business, competition, the market or other assumptions of goodwill testing.

In the situation on 31 December 2021, the company has carried out the annual impairment testing of the Down the Hole and Top Hammer cash-generating units. In connection with the testing, the company has assessed the changes caused by the COVID-19 pandemic in the company's operating environment and their impact on the company's long-term profitability and cash flows. Based on the impairment testing, there is no need for goodwill write-downs.

The recoverable amount of the Top Hammer cash-generating unit is estimated to exceed the carrying amount of the tested net assets by EUR 5,582,000, which represents 11% of the carrying amount of the tested assets.

The recoverable amount of the Down the Hole cash-generating unit is estimated to exceed the carrying amount of the tested net assets by EUR 4,931,000, which represents 16% of the carrying amount of the tested assets.

## 8. ACQUISITIONS

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

## 9. DERIVATIVES

The company hedges the most significant net currency positions that can be predicted in terms of time, volume and interest rate risk.

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

On 8 June, the company entered into a financing agreement of EUR 30.0 million and, in connection with this, an interest rate swap of EUR 10.0 million with an interest rate cap in order to hedge part of its exposure to fluctuating interest rates. The company applies hedge accounting to the interest rate swap in accordance with IFRS 9. This effectively leads to the recording of interest expenses in the income statement 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	31 December 2021	31 December 2020
Interest rate swaps		
Nominal value	10,000	-
Fair value	56	-



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