

Robit

Interim Report

January – March 2022



ROBIT PLC

STOCK EXCHANGE RELEASE

27 April 2022 at 2 pm

ROBIT PLC INTERIM REPORT 1 JANUARY–31 MARCH 2022: STRONG GROWTH IN NET SALES, COST INFLATION WEAKENED PROFITABILITY

Q1 refers to the period from 1 January to 31 March 2022.

Figures from the corresponding time period in 2021 are given in parentheses.

All the figures presented are in euros.

Percentages are calculated from thousands of euros.

1 January–31 March 2022 in brief

- Net sales EUR 26.3 million (23.0), change 14.2%
- EBITDA EUR 0.9 million (1.6)
- EBITDA 3.5% of net sales (6.9)
- EBITA EUR -0.3 million (0.3)
- EBIT percentage -1.9 of net sales (0.5)
- Review period net income EUR -0.8 million (0.4)
- Operating cash flow EUR -0.4 million (-1.7)
- Equity ratio at the end of the review period 44.1% (45.2)

Key financials	Q1 2022	Q1 2021	Change %	2021
Net sales, EUR 1,000	26,302	23,023	14.2 %	100,755
EBITDA*, EUR 1,000	922	1,578	-41.5 %	7,595
EBITDA, per cent of sales	3.5%	6.9%		7.5%
EBITA, EUR 1,000	-273	337	-181.2%	4,920
EBITA, per cent of sales	-1.0%	1.5%		2.9%
EBIT, EUR 1,000	-492	121	-507.1%	2,080
EBIT, per cent of sales	-1.9%	0.5%		2.1%
Result of the period, EUR 1,000	-749	415	-280.4%	886
Result of the period, per cent of sales	-2.8%	1.8%		0.9%
Earnings per share (EPS), EUR 1,000	-0.04	0.02		0.04
Return on equity (ROE), per cent	-6.8%	0.0%		1.8%
Return on capital employed (ROCE), per cent	-2.1%	0.0%		2.5%

*No items affecting comparability in Q1/2022 or Q1/2021.

ROBIT'S OUTLOOK FOR 2022

Robit estimates that the demand in mining and construction industry will remain at a good level, but the risks for regional weakening of demand have increased. The war in Ukraine and the strong cost inflation have added to the uncertainty of Robit's operating environment. For the time being, Robit does not accept new export orders from Russia or Belarus, which have accounted for under 8 per cent of the company's net sales.

Demand in the mining segment is supported by the positive development of metal prices. Demand in the construction industry is supported by the good working situation in the construction industry markets relevant to Robit and the significant financing decided for the construction industry globally. The risk of economic downturn, particularly in Europe, may weaken the demand in the construction industry. The company

estimates that the COVID-19 restrictions will have a limited impact on demand for Robit's products during 2022.

GUIDANCE FOR 2022

Robit estimates that net sales in 2022 will increase and comparable EBITDA profitability in euros will improve compared to 2021, assuming there are no significant changes in exchange rates from the level at the end of 2021.

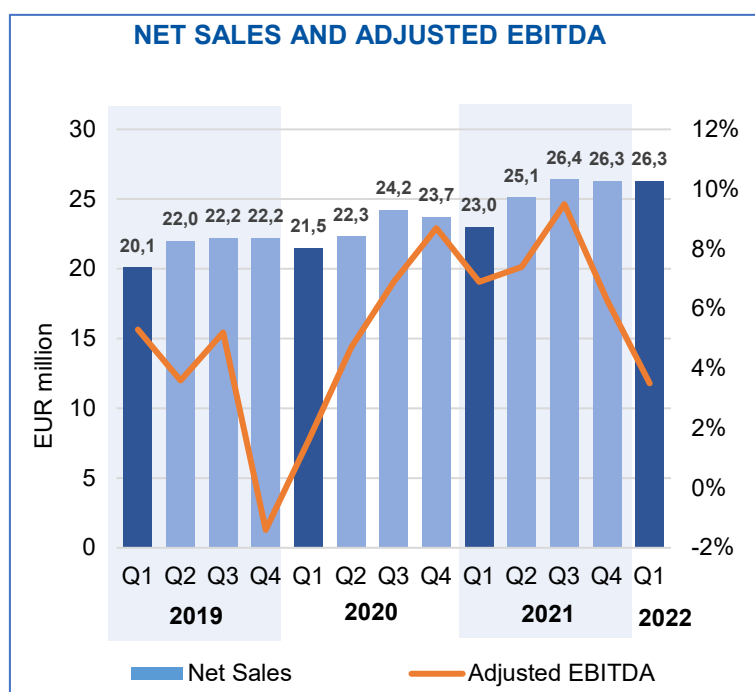
CEO ARTO HALONEN:

Robit's growth continued in the first quarter of the year. Net sales increased by 14.2% from the corresponding period, and in March we achieved the highest invoicing month in Robit's history. Orders received increased by 21%. Growth continued to be strong, especially in the company's Top Hammer business. Profitability remained below the target. Measures have been launched to correct the situation.

In the first quarter, EBITDA was EUR 0.9 million (1.6). Profitability was encumbered by cost inflation and freight costs that remained at a high level. Price increases were not yet able to compensate for the increased costs during the first quarter of the year. Majority of the effects of the increases will be transferred to second quarter.

The company's growth continued to be strong in the Americas market area, where systematic work to develop the distributor network and new mining accounts brought growth. Growth in the Asia market area was also at a good level. The impact of the war in Ukraine on sales in the East market area was limited in the first quarter of the year.

Demand in the mining segment continued to be good. Top Hammer net sales increased by 32.3%. Net sales in the the Down the Hole business decreased by 7.0%. Net sales in the Down the Hole business decreased in both the mining and construction segments. Orders received increased in both segments.



The outbreak of the war in Ukraine and the subsequent rise in raw material and energy prices brought challenges to the operating environment. In March, the company systematically reduced its business risks related to Russia. The company has been actively collecting trade receivables from customers, stopping stock deliveries to Russia, selling stock in Russia and, through these measures, repatriating funds from Russia. We have followed the sanctions imposed by the countries in which we operate and will comply with them in all circumstances. For the time being, the company is not accepting any new export orders to Russia.

The company's priorities for 2022 are improving profitability, profitable growth and strengthening cash flow. To strengthen profitability, measures will focus on three key areas: price management, procurement savings projects and remedial measures for low profitability customers. We responded to the rise in raw material prices caused by the crisis by introducing a price premium in customer pricing. We also prepared for rising raw material prices and potential availability challenges by increasing raw materials stocks. Decided price increases were implemented by the end of the quarter. Procurement savings projects progressed as

planned. During the quarter, we completed the tendering process for transport, and began taking on some new suppliers.

Managing the company's working capital is key to strengthening cash flow. Improvement measures will focus on three key areas: optimising the product range and inventories and assessing payment terms. We are taking steps to reduce the range of products and in particular the number of items that we stock. We are actively seeking to shift demand towards a more targeted range of products, and to implement product development projects to narrow and modularise our product selection. In the second quarter of the year, we will implement the company's new inventory- and availability management processes and tools. To reduce credit risk and strengthen cash flow, we selectively updated our payment terms both for our customers and suppliers.

NET SALES

Net sales by product area

EUR thousand	Q1 2022	Q1 2021	Change %	2021
Top Hammer	16,467	12,451	32.3%	56,287
Down the Hole	9,835	10,571	-7.0%	44,468
Total	26,302	23,023	14.2%	100,755

The Group's net sales for the review period totalled EUR 26.3 million (23.0). There was an increase of 14.2% from the corresponding period. In constant currencies, the change was 13.0%.

The Top Hammer business grew by 32.3%, the net sales for the review period being EUR 16.5 million (12.5). The growth of the Top Hammer business was promoted by the investments made last year in increasing the production capacity. The company's delivery capacity improved, although the freight market continued to be challenging.

The Down the Hole business decreased by 7.0%, the net sales for the review period being EUR 9.8 million (10.6). The Down the Hole business grew in North-America but decreased significantly in the East and certain EMEA markets.

Net sales by market area

EUR thousand	Q1 2022	Q1 2021	Change %	2021
EMEA	10,752	10,766	-0.1%	45,298
Americas	6,602	3,708	78.0%	19,960
Asia	2,852	2,373	20.2%	10,771
Australasia	3,308	3,202	3.3%	14,001
East	2,789	3,202	-6.2%	10,725
Total	26,302	23,023	14.2%	100,755

The company's strong growth in the Americas market are continued in the first quarter of the year. The net sales in the area grew by 78.0% to EUR 6.6 million (3.7). Good growth also continued in the Asia market area, where net sales grew by 20.2%. There was no development in the EMEA market area on the corresponding period. Sales in Australasia continued on the 3.3% growth track. In the East market area, net sales decreased slightly compared to the strong corresponding period. The war in Ukraine had a minor impact on the net sales.

PROFITABILITY

Key figures

	Q1 2022	Q1 2021	Change %	2021
EBITDA, EUR 1,000	922	1,578	-41.5%	7,595
EBITDA, per cent of sales	3.5%	6.9%		7.5%
EBITA, EUR 1,000	-492	121	-507.1%	2,080
EBITA, per cent of sales	-1.9%	0.5%		2.1%
Result of the period, EUR 1,000	-749	415	-280.4%	886
Result of the period, per cent of sales	-2.8%	1.8%		0.9%

The company's profitability clearly decreased in the review period. The review period EBITDA was EUR 0.9 million (1.6). EBITDA's share of net sales was not at a satisfactory level, being 3.5% (6.9). The company's EBIT was EUR -0.5 million (0.1). EBIT was -2.8% (1.8) of the review period net sales.

The weakened EBIT was mainly caused by the increased material and freight costs. The company will continue systematic work to improve profitability through material cost saving projects and more accurate pricing. The impact of these projects will be realised mainly during this year.

Financial income and expenses totalled EUR -0.4 million (0.2), of which EUR -0.3 million (-0.3) was interest expenses and EUR 0.0 million (0.5) exchange rate changes. The result of the review period was EUR -0.7 million (0.4).

CASH FLOW AND INVESTMENTS

Consolidated cash flow statement

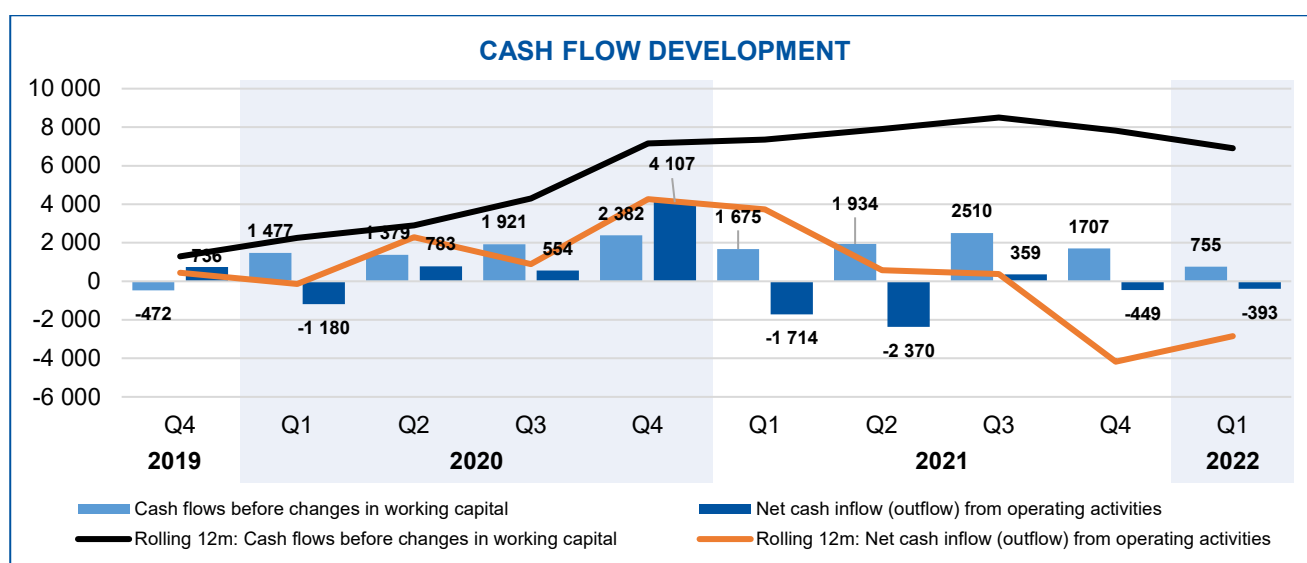
EUR thousand	Q1 2022	Q1 2021	2021
Cash flow from operating activities			
Cash flows before changes in working capital	755	1,675	7,826
Cash flows from operating activities before financial items and taxes	33	-1,161	-2,785
Net cash inflow (outflow) from operating activities	-393	-1,714	-4,174
Net cash inflow (outflow) from investing activities	-434	-795	-3,885
Net cash inflow (outflow) from financing activities	-1,492	374	3,091
Net increase (+)/decrease (-) in cash and cash equivalents	-2,319	-2,135	-4,968
Cash and cash equivalents at the beginning of the financial year	9,525	14,339	14,339
Exchange gains/losses on cash and cash equivalents	-21	148	154
Cash and cash equivalents at end of the year	7,185	12,352	9,525

The Group's cash flow before changes in working capital during the review period was EUR 0.8 million (1.7). The net cash flow for operating activities improved, being EUR -0.4 million (-1.7). Changes in working capital had an impact of EUR -0.7 million (-2.8). The negative change in working capital was caused by the decrease of 2.3 EUR million in account payables and the EUR 1.6 million growth in inventories. Decrease of trade and other receivables had a positive impact of EUR 3.2 million on cash flow.

The net cash flow for investment activities was EUR -0.4 million (-0.8). Gross investments in production during the review period totalled EUR -0.4 million (-0.8). The investments accounted for 1.6% of net sales (3.5). The investments were mainly directed at the investments on the company's factories in South Korea started last year. The investments respond to the growth of the Top Hammer business.

The net cash flow for financing was EUR -1.5 million (0.4). Net changes in loans totalled EUR 0.3 million (0.9). The net change in loans was due to the financing of investments. The change in bank overdrafts was EUR -1.4 million (3.3). The repayment of lease liabilities reported in net cash flow from financing activities under IFRS 16 totalled EUR -0.4 million (-0.5).

Depreciations and amortizations totalled EUR 1.6 million (1.5). EUR 0.2 million of which were related to depreciations of acquired companies' custom and brand value.



FINANCIAL POSITION

	31 March 2022	31 March 2021	31 December 2021
Cash and cash equivalents, EUR thousand	7,185	12,352	9,525
Interest-bearing liabilities, EUR thousand	40,184	36,331	41,522
of which current interest-bearing liabilities	9,046	10,986	10,500
Interest-bearing net debt, EUR thousand	32,999	23,979	31,996
Unused credit limit, EUR thousand	4,123	364	2,738
Gearing ratio, %	66.3%	49.3%	65.1%
Equity ratio, %	44.1%	45.2%	42.2%

The Group had interest-bearing debt amounting to EUR 40.2 million (36.3), of which EUR 7.5 million (6.4) was interest-bearing debt under IFRS 16. The Group's liquid assets totalled EUR 7.2 million (12.4). Interest-bearing net debt was EUR 33.0 million (24.0), and interest-bearing net bank debt without IFRS 16 debt impact was EUR 25.5 million (17.6).

The Group's equity at the end of the review period was EUR 49.8 million (48.6). The Group's equity ratio was 44.1% (45.2) and its net gearing was 66.3% (49.3).

PERSONNEL AND MANAGEMENT

The number of personnel increased by 7 from the end of the corresponding period, and at the end of the review period it was 271 (264). At the end of the review period, 73% of the company's personnel were located outside Finland.

Robit Plc's CEO Tommi Lehtonen and the company's Board of Directors agreed that Tommi Lehtonen would resign from the company's management on 15 March 2022. The company's Board of Directors appointed Arto Halonen as President and CEO as of 15 March 2022. He has served as CFO and Chief Operating Officer of the company since March 2020.

Ville Peltonen was appointed Robit Plc's Interim CFO on 16 March 2022. He joined the company as a Group Controller in January 2020, responsible for the company's financial administration and Robit Group's reporting, among other things.

At the end of the review period, the company's management team consisted of Arto Halonen (CEO), George Apostolopoulos (VP Global Sales), Adam Baker (VP Down the Hole), Jorge Leal (VP Top Hammer), Ville Peltonen (Interim CFO), Ville Pohja (VP Geotechnical) and Jaana Rinne (Group HR Director).

FINANCIAL TARGETS

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

	Long-term target	2020	2021	Q1 2022
Net sales growth	15% p.a.	6.0%	10.0%	14.2%
Comparable EBITDA, per cent of sales	13%	5.6%	7.5%	3.5%

ANNUAL GENERAL MEETING 2022

Robit Plc's Annual General Meeting on 22 March 2022 adopted the financial statements for 1 January–31 December 2021 and resolved that no dividend would be paid based on the adopted balance sheet for the financial year 2021.

The General Meeting resolved to discharge the members of the Board of Directors and the Chief Executive Officer from liability for the financial year ending 31 December 2021.

The General Meeting approved 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, Mikko Kuitunen, Anne Leskelä and Harri Sjöholm were re-elected as members of the Board of Directors. Eeva-Liisa Virkkunen and Markku Teräsvasara were elected as new members of the Board of Directors.

The annual remuneration for the Chairman of the Board of Directors is EUR 50,000, 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 compensation per meeting attended. 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 compensation per meeting attended. 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 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.

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 on the acquisition of a maximum of 2,117,990 shares of the company and/or accepting 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 will 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 25 March 2021 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 2023.

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 2,117,990, 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 will 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 2023. 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 March 2022, the company had 21,179,900 shares and 4,338 shareholders. Trading volume in January–March was 916,927 shares (2,538,843).

The company holds 88,464 treasury shares (0.42% of total shares). On 31 March 2022, the market value of the company's shares was EUR 66.4 million. The closing price of the share was EUR 3.15. The highest price in the review period was EUR 4.55 and the lowest price EUR 2.77.

RISKS AND BUSINESS UNCERTAINTIES

The tightening of the geopolitical situation poses a risk to the company's business. The war in Ukraine and sanctions against Russia affect the development of net sales and profitability, especially in Russia, Belarus and Ukraine, which account for less than 8 percent of the company's sales in the financial year 2021. Furthermore, the crisis has caused a considerable increase in the prices of raw materials to which Robit has responded by adopting premiums in customer prices. In addition, the effects of the sanctions on the smooth flow of payments in Russia pose a risk to the company's cash flow and cash management. Robit adheres to all set sanctions and is constantly monitoring the situation.

Robit is closely monitoring the impact of the coronavirus on industry demand. In general, customer activity has returned to normal levels. The impact on Robit's operations remains limited and targeted to individual countries or regions. Robit will continue to take measures to protect the health of its personnel and to ensure that the company continues to operate. At the time of reporting, all of the company's plants are operating at the planned capacity. No disruptions have been identified in the supply chain that cannot be managed, for example, through current inventory levels and supplier cooperation.

In addition, uncertainties include exchange rate developments, the functionality of information systems, the integration of acquisitions, security of supply and logistics risks, and IPR risks. Fully passing on the increase in raw material costs to customer prices could pose a financial risk. Changes in the tax and customs laws of exporting countries may make the company's export trade or its profitability more difficult. Risks related to data security and cyber threats can also have a detrimental effect on Robit's business. Potential changes in the business environment may adversely affect the payment behavior of the Group's customers and increase the risk of litigation, legal claims and disagreements 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 DURING THE REVIEW PERIOD

On 20 January 2022, the company announced the proposals concerning the members of the Board of Directors and the remuneration of the Board of Directors of Robit Corporation's Shareholders' Nomination Committee to the Annual General Meeting. The proposals of the Nomination Board were included in the notice of the Annual General Meeting. The Shareholders' Nomination Board is chaired by Timo Sallinen, Investment Director of Varma Mutual Pension Insurance Company, and the other members are Harri Sjöholm, Chairman of the Board of Five Alliance Oy, Tuomas Virtala, CEO of OP Asset Management Ltd, and Jukka Vähäpesola, CEO of Elo Mutual Pension Insurance Company.

On 15 February 2022, Robit Plc's Board of Directors decided on a performance share plan for the company's key personnel. The purpose of the share plan is to combine the goals of owners and key personnel to increase the company's value in the long term, to engage key personnel in the company and to encourage

them to achieve the company's strategically important goals and to provide them with a competitive long-term incentive plan. The share plan includes one and two-year earning periods. The first earning period of the share plan covers the year 2022 and the second earning period the years 2023–2024. The potential reward of the share plan for the one-year earning period 2022 is based on the company's pre-determined net operating cash flow target in the 2022 financial statements. The potential reward of the share plan for the two-year earning period 2023–2024 is based on the company's pre-determined average earnings per share in the 2023 and 2024 financial statements. The potential reward of the share plan for each earning period will be paid in May 2025. The target group of the share plan includes approximately 30 key personnel, members of the management team and high-potential employees.

Robit published its financial statements release from 1 January to 31 December 2021 on 15 February 2022.

On 15 February 2022, the company sent notice of the Annual General Meeting on 22 March 2022 to Robit Plc's shareholders.

On 25 February 2022, Robit announced that the company's Annual Report, Corporate Governance Statement and Remuneration Report for 2021 had been published on the company's website.

Robit Plc's CEO Tommi Lehtonen and the company's Board of Directors agreed that Tommi Lehtonen would resign from the company's management on 15 March 2022. The company's Board of Directors appointed Arto Halonen as President and CEO as of 15 March 2022. Ville Peltonen was appointed Robit Plc's Interim CFO on 16 March 2022.

The Annual General Meeting of the company was held on 22 March 2022. Robit announced the decisions of the Annual General Meeting in a separate stock exchange release on 22 March 2022.

On 22 March 2022, Robit published the decisions of the constituent meeting of the company's Board of Directors. In its constituent meeting, the Board of Directors elected by Robit Plc's Annual General Meeting on 22 March 2022 elected from among its members a Chairman of the Board, Harri Sjöholm, and a Vice Chairman of the Board, Anne Leskelä, as well as members to serve on Robit Plc's Personnel Committee, Working Committee and Audit Committee.

On 24 March 2022, Robit announced that the company's Board of Directors has decided to increase the maximum size of the performance-based share plan 2022-2024 from 180,000 shares to 240,000 shares. The change in the maximum size is due to the change of Robit Plc's CEO. No other changes were decided to the program. The program has previously been announced in a stock exchange release on 15 February 2022. After the decided change, the share-based incentive plan 2022-2024 has been sized so that the relative share of the share transfer that will take place through all share programs in force in the company will remain under four percent of all the company's shares.

EVENTS AFTER THE REVIEW PERIOD

No events after the review period.

Lempäälä, 27 April 2022

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 9 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.

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 figures expressed or assumed in statements about future prospects.

CONDENSED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	Q1 2022	Q1 2021	2021
Net sales	26,302	23,023	100,755
Other operating income	1,550	480	1,690
Materials and services*	-17,980	-14,872	-65,699
Employee benefit expense	-4,267	-3,953	-16,280
Depreciation, amortisation and impairment	-1,414	-1,457	-5,514
Other operating expenses*	-4,683	-3,101	-12,871
EBIT (Operating profit/loss)	-492	121	2,080
Finance income and costs			
Interest income and finance income	422	585	924
Interest cost and finance cost*	-832	-388	-2,253
Finance income and costs net	-410	197	-1,329
Profit/loss before tax	-901	318	751
Taxes			
Income tax	1	-31	-333
Change in deferred taxes	151	129	468
Income taxes	152	98	135
Result for the period	-749	415	886
Attributable to:			
Parent company shareholders	-845	360	843
Non-controlling interest**	96	55	44
	-749	415	886
Other comprehensive income			
Items that may be reclassified to profit or loss in subsequent periods:			
Cash flow hedges	241	-	45
Translation differences***	882	976	1,003
Other comprehensive income, net of tax	1,123	976	1,048
Total comprehensive income	374	1,337	1,934
Attributable to:			
Parent company shareholders	312	1,392	1,892
Non-controlling interest***	61	-55	42
Consolidated comprehensive income	374	1,337	1,934
Earnings per share			
Basic earnings per share	-0.04	0.02	0.04

*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 BALANCE SHEET

EUR thousand	31 Mar 2022	31 Mar 2020	31 Dec 2021
ASSETS			
Non-current assets			
Goodwill	5,450	5,412	5,487
Other intangible assets	2,453	3,564	2,695
Property, plant and equipment	26,884	25,021	27,396
Loan receivables	287	320	287
Other receivables	0	3	0
Derivatives	358	0	56
Deferred tax assets	2,110	1,698	1,926
Total non-current assets	37,543	36,017	37,847
Current assets			
Inventories	45,871	38,115	43,538
Account and other receivables	23,109	21,059	25,337
Loan receivables	88	129	100
Income tax receivable	207	84	57
Cash and cash equivalents	7,185	12,352	9,525
Total current assets	76,460	71,740	78,557
Total assets	114,003	107,757	116,403
EQUITY AND LIABILITIES			
Equity			
Share capital	705	705	705
Share premium	202	202	202
Reserve for invested unrestricted equity	82,570	82,570	82,570
Translation differences	-946	-1,822	-1,793
Revaluation reserve	286		45
Retained earnings	-32,859	-33,701	-33,738
Profit/loss for the year	-845	361	843
Equity attributable to parent company shareholders, total	49,114	48,315	48,833
Non-controlling interest*	411	306	281
Equity total	49,525	48,621	49,114
Liabilities			
Non-current liabilities			
Borrowings	25,502	20,229	25,209
Lease liabilities	5,636	5,116	5,813
Deferred tax liabilities	705	847	694
Employee benefit obligations	768	658	725
Total non-current liabilities	32,611	26,850	32,441
Current liabilities			
Borrowings	7,187	9,699	8,619
Lease liabilities	1,859	1,288	1,881
Advances received	1,515	210	771
Income tax liabilities	98	87	259
Account payables and other liabilities	21,163	20,913	23,278
Other provisions	45	91	40
Total current liabilities	31,867	32,287	34,848
Total liabilities	64,478	59,136	67,289
Total equity and liabilities	114,003	107,757	116,403

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

CASH FLOW STATEMENT

EUR thousand	1–3/2022	1–3/2021	2021
Cash flows from operating activities			
Profit before tax	-901	318	751
Adjustments:			
Depreciation, amortisation and impairment	1,414	1,457	5,514
Finance income and costs	413	-198	1,329
Share-based payments to employees	13	-11	-178
Loss (+)/Gain (-) on sale of property, plant and equipment	-23	-1	-144
Other non-cash transactions*	-161	109	553
Cash flows before changes in working capital	755	1,675	7,826
Change in working capital			
Increase (-)/decrease (+) in account and other receivables	3,199	-1,663	-6,452
Increase (-)/decrease (+) in inventories	-1,610	-2,392	-8,187
Increase (+)/decrease (-) in account and other payables	-2,310	1,219	4,028
Cash flows from operating activities before financial items and taxes	33	-1,161	-2,785
Interest and other finance expenses paid	-132	-320	-1,046
Interest and other finance income received	0	0	22
Income taxes paid	-295	-233	-365
Net cash inflow (outflow) from operating activities	-393	-1,714	-4,174
Cash flows from investing activities			
Purchases of property, plant and equipment	-374	-792	-4,169
Purchases of intangible assets	-46	-18	-124
Proceeds from the sale of property, plant and equipment	31	5	279
Proceeds from loan receivables	-45	9	129
Net cash inflow (outflow) from investing activities	-434	-795	-3,885
Cash flows from financing activities			
Dividend payments*	-		-9
Changes in non-current loans	322	940	5,385
Change in bank overdrafts	-1,385	-103	-478
Payment of leasing liabilities	-430	-463	-1,807
Net cash inflow (outflow) from financing activities	-1,492	374	3,091
Net increase (+)/decrease (-) in cash and cash equivalents	-2,319	-2,135	-4,968
Cash and cash equivalents at the beginning of the financial year	9,525	14,339	14,339
Exchange gains/losses on cash and cash equivalents	-21	148	154
Cash and cash equivalents at end of the year	7,185	12,352	9,525

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 on 1 January 2021	705	202	82,570	-2,798		-33,690			46,989
Profit for the period						361	361	55	415
Other comprehensive income									
Translation differences				976		976			976
Total comprehensive changes				976		361	361	55	1 391
Share-based payments to employees						-11			-11
Change in non-controlling interests								251	251
Total transactions with shareholders, recognised directly in equity						-11		251	240
Equity on 31 March 2021	705	202	82,570	-1,822		-33,340	361	306	48,621

EUR thousand	A	B	C	D	E	F	G	H	I
Equity on 1 January 2022	705	202	82,570	-1,793	45	-32,846	48,883	281	49,114
Profit for the period						-845	-845	96	-749
Other comprehensive income									
Cash flow hedges					241		241		241
Translation differences				847			847	34	882
Total comprehensive changes				847	241	-845	244	130	374
Share-based payments to employees						-13	-13		-13
Total transactions with shareholders, recognised directly in equity						-13	-13	0	-13
Equity on 31 March 2022	705	202	82,570	-946	286	-33,704	49,113	411	49,525

NOTES

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1. Scope and principles of the interim report
2. Key figures and calculation
3. Breakdown of net sales
4. Financing arrangements
5. Changes to property, plant and equipment
6. Given guarantees
7. Business acquisitions
8. Derivatives

1. SCOPE AND PRINCIPLES OF THE INTERIM REPORT

We have prepared this interim report in accordance with the IAS 34 standard for interim financial reporting and using the same principles as for the annual financial statement. The interim report has not 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

Key figures	Q1 2022	Q1 2021	2021
Net sales, EUR thousand	26,302	23,023	100,755
EBIT, EUR thousand	-492	121	2,080
EBIT, per cent of sales	-1.9%	0.5%	2.1%
Earnings per share (EPS), EUR	-0.04	0.02	0.04
Return on equity (ROE) %	-6.8%	0.0%	1.8%
Return on capital employed (ROCE) %	-2.1%	0.0%	2.5%
Equity ratio %	44.1%	45.2%	42.2%
Gearing ratio %	66.3%	49.3%	65.1%
Gross investments, EUR thousand	420	809	4,293
Gross investments, % of net sales	1.6%	3.5%	4.3%
Number of shares (outstanding)	21,091,436	21,058,936	21,091,436
Treasury shares (owned by the Group)	88,464	120,964	88,464
Percentage of total shares	0.42%	0.57%	0.42%

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.

Adjusted EBITDA and EBITA

EUR thousand	Q1 2022	Q1 2021	2021
EBIT (Operating profit)	-492	121	2,080
Depreciation, amortisation and impairment	1,414	1,457	5,514
EBITDA	922	1,578	7,595
Items affecting comparability	0	0	0
Adjusted EBITDA	922	1,578	7,595
EBIT (Operating profit)	-492	121	2,080
Amortisation of acquisitions	219	216	859
EBITA	-273	337	2,940
Items affecting comparability	0	0	0
Adjusted EBITA	-273	337	2,940

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 business unit

EUR thousand	1 January–31 March 2022	1 January–31 March 2021	Change %	1 January–31 December 2021
Top Hammer	16,467	12,451	32.3%	56,287
Down the Hole	9,835	10,571	-7.0%	44,468
Total	26,302	23,023	14.2%	100,755

Net sales by market area

EUR thousand	1 January–31 March 2022	1 January–31 March 2021	Change %	1 January 31 December 2021
EMEA	10,752	10,766	-0.1%	45,298
Americas	6,602	3,708	78.0%	19,960
Asia	2,852	2,373	20.2%	10,771
Australasia	3,308	3,202	3.3%	14,001
East	2,789	2,972	-6.2%	10,725
Total	26,302	23,023	14.2%	100,755

4. FINANCING ARRANGEMENTS

The company's cash and cash equivalents were EUR 7.2 million on 31 March 2022. 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 March 2022. The company obtained the consent of its main financier to the breach of the covenant on 24 March 2022.

INTEREST BEARING LOANS

EUR thousand	31 March 2022	31 March 2021	31 December 2021
Non-current borrowings			
Loans from credit institutions	25,497	20,080	25,182
Other loans	12	12	12
Lease liabilities	5,629	5,253	5,813
Total non-current borrowings	31,138	25,345	31,022
Current borrowings			
Loans from credit institutions	5,175	5,835	5,187
Other loans	0	0	0
Bank overdrafts	1,877	3,636	3,262
Lease liabilities	1,994	1,515	1,88,
Total current borrowings	9,046	10,986	10,500
Total borrowings	40,184	36,331	41,522

5. CHANGES TO PROPERTY, PLANT AND EQUIPMENT

EUR thousand	31 March 2022	31 March 2021	31 December 2021
Cost at the beginning of period	53,794	47,323	47,323
Additions	508	926	6,644
Disposals	-400	-16	-282
Reclassification	0		-533
Exchange differences	1,638	890	644
Cost at the end of period	55,900	49,124	53,794
Accumulated depreciation and impairment at the beginning of period	-26,398	-22,682	-22,682
Depreciation	-1,083	-1,073	-3,902
Disposals	33	62	227
Reclassification	-57		289
Exchange differences	-1,511	-410	-330
Accumulated depreciation and impairment at the end of period	-29,016	-24,103	-26,398
Net book amount at the beginning of period	27,396	24,642	24,642
Net book amount at the end of period	26,884	25,021	27,396

6. GIVEN GUARANTEES

EUR thousand	31 March 2022	31 March 2021	31 December 2021
Guarantees and mortgages given on own behalf	48,201	47,828	48,205
Other guarantee liabilities	49	1,121	80
Total	48,250	48,948	48,285

7. 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 predicted in terms of time, volume and interest rate risk.

There were no open currency derivatives at the end of the reporting 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 interest rate swap starts on 30 June 2023 and ends on 30 June 2026. The company applies hedge accounting to the interest rate swap 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	31 March 2022	31 March 2021	31 December 2021
Interest rate swaps			
Nominal value	10,000	-	10,000
Fair value	358	-	56

Robit

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