

The Robit logo is displayed in a bold, white, sans-serif font. The letter 'i' in 'Robit' has a horizontal bar that extends to the left, creating a distinctive look. A registered trademark symbol (®) is positioned at the top right of the letter 't'.

**Robit<sup>®</sup>**

**ANNUAL GENERAL MEETING 2018**

**TAMPERE-TALO • 28 MARCH 2018**

The Robit logo is repeated in the bottom left corner of the slide, rendered in white against the dark blue background. It features the same bold, sans-serif font and distinctive 'i' as the top logo.

**Robit<sup>®</sup>**

# ROBIT – GROWTH AND SALES COMPANY

ORGANIC

STRUCTURAL  
THROUGH  
ACQUISITIONS

GROWTH  
SALES

GROWTH  
SALES

GROWTH  
SALES



# HIGHLIGHTS 2017

## PROS

- Growth continued – 38% growth in sales
- Korean investment progressing as planned – plant inaugurated on 8 Feb 2018
- Change to Nasdaq Helsinki main list
- Halco acquisitions for future growth

## CONS

- Room for improvement in NWC efficiency
- Profitability affected by share issue expenses, acquisition-related expenses, adverse foreign exchange effects, slow moving inventory write-offs and certain other one-off growth-related costs
- Fixed cost growth not in line with sales growth



# RESULTS 2017

- Profitability not in line with the company's strategic targets

## NET SALES

**2017**  
**88,2 EURm (+38%)**

**2016**  
**64,1 EURm**

## EBITDA

**2017**  
**1,6 EURm (1,8%)**

**2016**  
**7,5 EURm (11,7%)**

## EBITDA (adj.)

**2017**  
**3,5 EURm (4,0%)**

**2016**  
**10,3 EURm (16,0%)**

## EBITA

**2017**  
**-2,7 EURm (-3,1%)**

**2016**  
**4,7 EURm (7,4%)**

## EBITA (adj.)

**2017**  
**-0,9 EURm (-1,0%)**

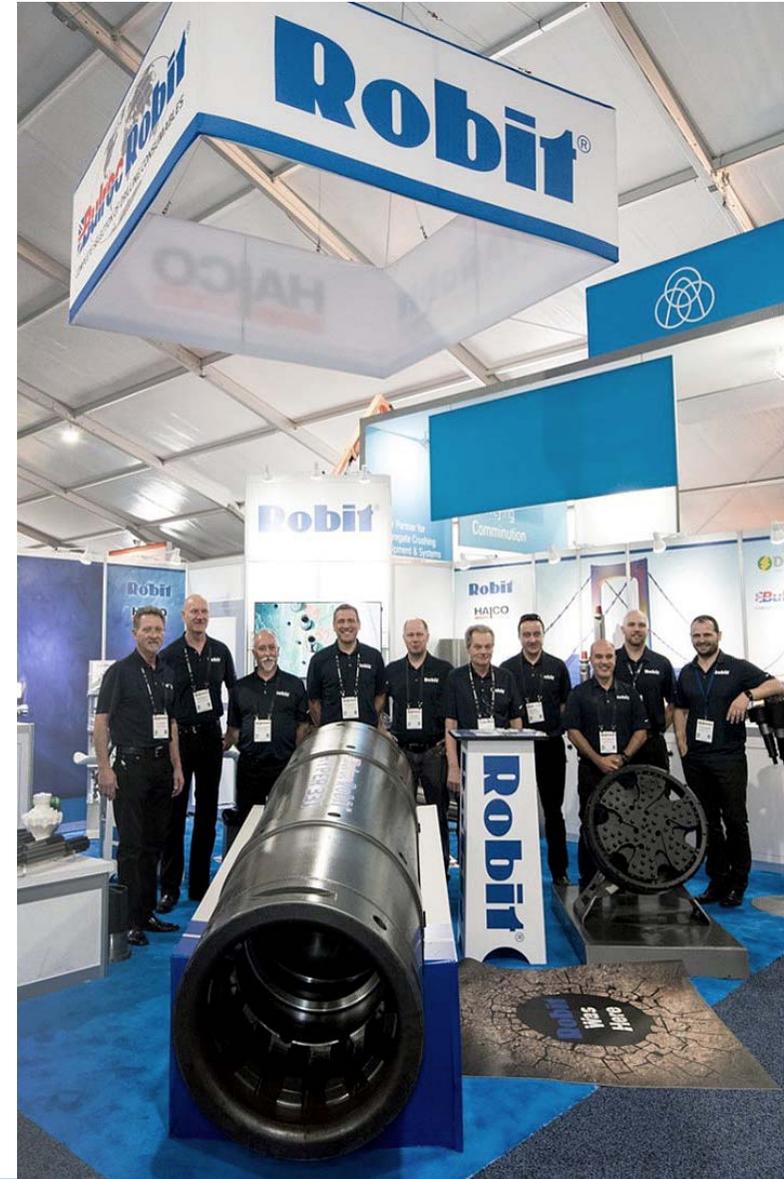
**2016**  
**7,5 EURm (11,7%)**

*Adjustments consist of following items: expensed share issue expenses 1,3 EURm, other acquisition related expenses 0,5 EURm and re-organising expenses 0,1 EURm. Amortization related to the acquisitions were 0,9 EURm.*

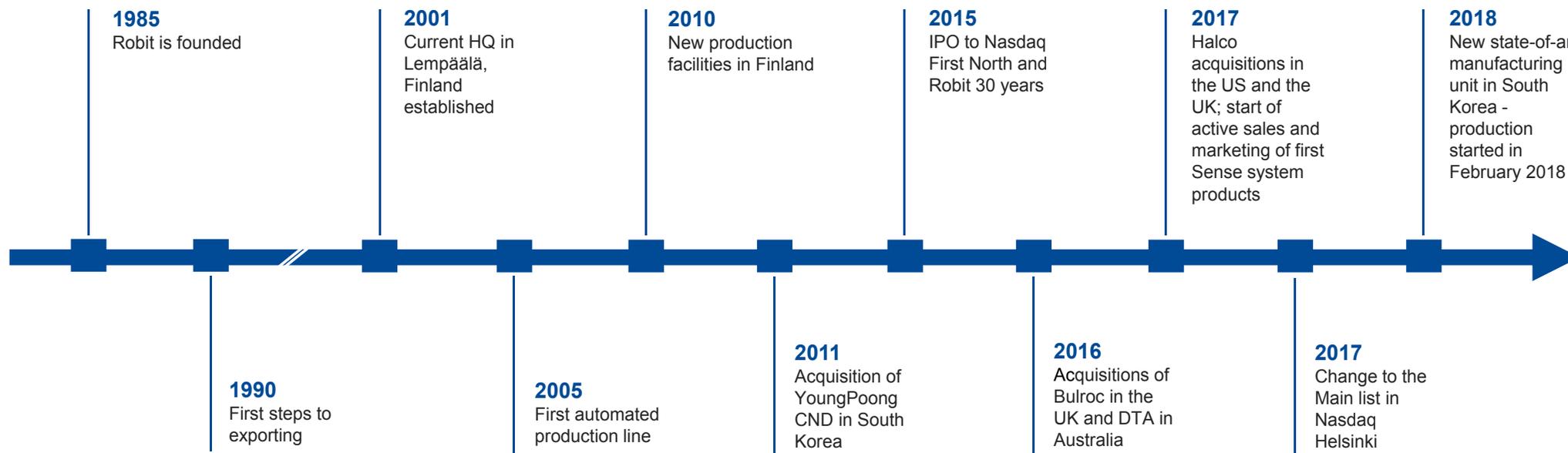


# ROBIT BUSINESS CONCEPT

- Robit is above all a **growth company**.
- Robit has tight focus on **drilling consumables** (all OPEX) having the **widest offering** in the industry.
- **150 dealers** together with **own sales and service points** give an excellent reach to the **customer interface** in different market segments and applications.
- Robit acts globally with **21 sales and service points** **supporting its distributors** by emphasizing availability via **local presence**.
- **One goal** for everybody – **Growth**.



# DETERMINED DEVELOPMENT OF THE COMPANY



## RECENT ACQUISITIONS



Acquired in June 2016

- Established in 2004, DTA is a Perth-based expert provider of drilling consumables for the Australian market, with annual revenue of EUR 24 million (period ending June 30, 2016) and 67 employees at the time of the acquisition in June 2016
- Offers DTH and TH drilling equipment and technical solutions for the mining and construction industry
- Was subsidiary of a listed Australian mining industry company Ausdrill



Acquired in July 2016

- Established in 1969, Bulroc is a Chesterfield-based leading supplier of large DTH hammers and related ancillary equipment
- Manufacturing in Chesterfield, UK and sales office in Hong Kong
- Bulroc generated sales of some EUR 8.4 million (in the financial period ending on 30 September 2015) and had 43 employees at the time of the acquisition

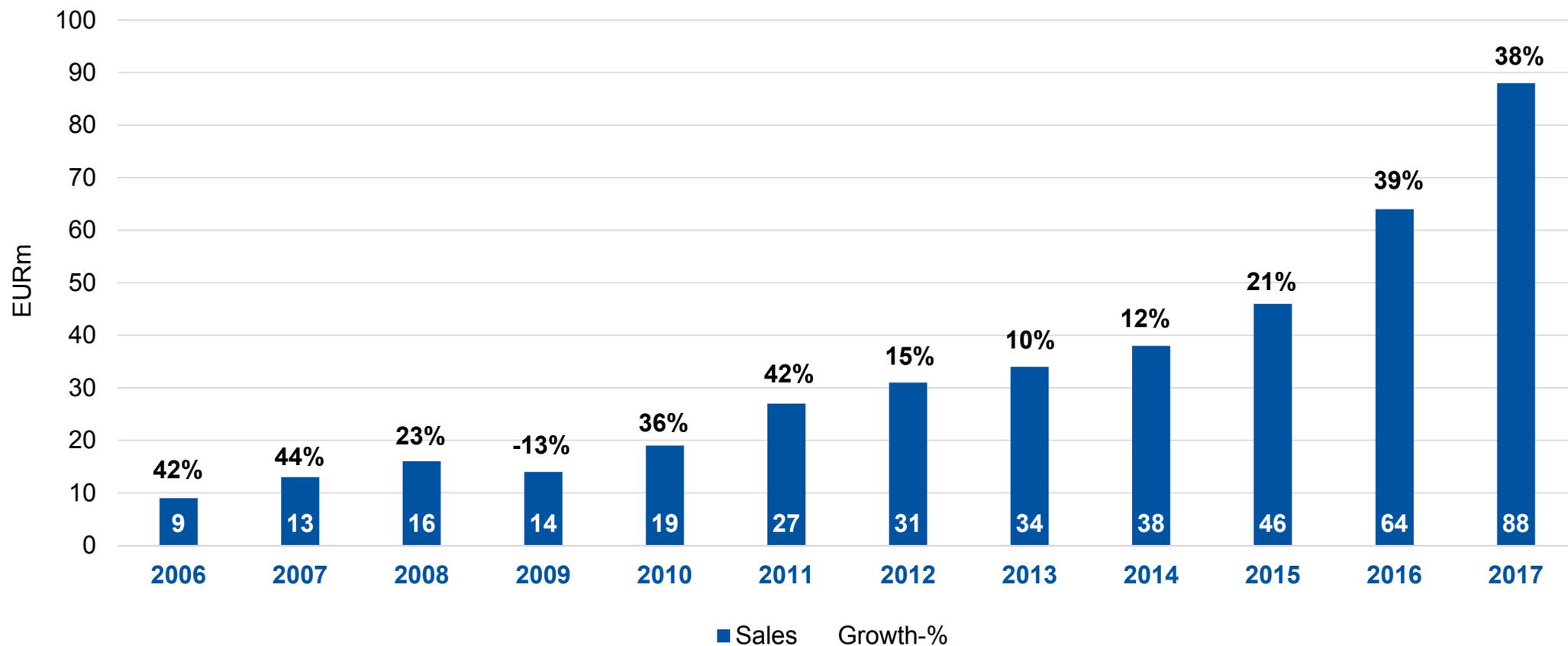


Acquired in Jan/Feb 2017

- Fixed assets, inventory and IPRs were acquired from Halco International LLC and Halco America LLC with a production unit near Dallas, USA in January 2017
- The majority of the share capital in Halco Brighthouse Ltd, Halco's company carrying on DTH business operations in the UK with annual turnover of some EUR 5 million and 45 employees at the time of the acquisition, were acquired in February 2017
- Halco is focused on DTH drilling consumables

# SALES GROWTH

*Last 12 years' average growth 26% per annum*



# OUR FOCUS - 4 MARKET SEGMENTS



 **MINING**



 **CONSTRUCTION**



 **WELL DRILLING**



 **TUNNELING**



# COMPREHENSIVE PRODUCT OFFERING OF DRILLING CONSUMABLES AND STRONG BRANDS

- Forming the basis for organic growth in the future

## COMPREHENSIVE PRODUCT OFFERING

Top Hammer



Down the Hole



Digital Services



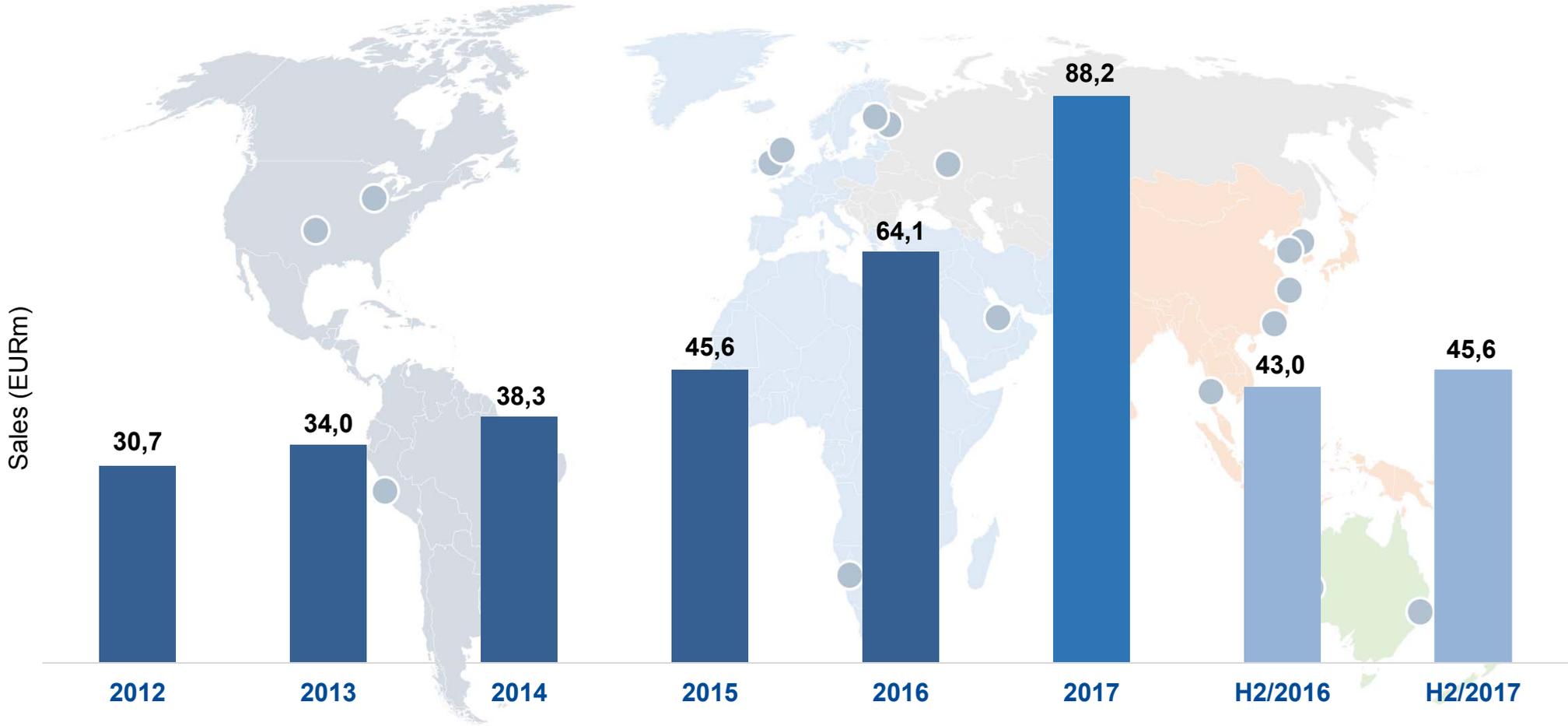
# GLOBAL MANUFACTURING FOOTPRINT



## SIX MANUFACTURING PLANTS

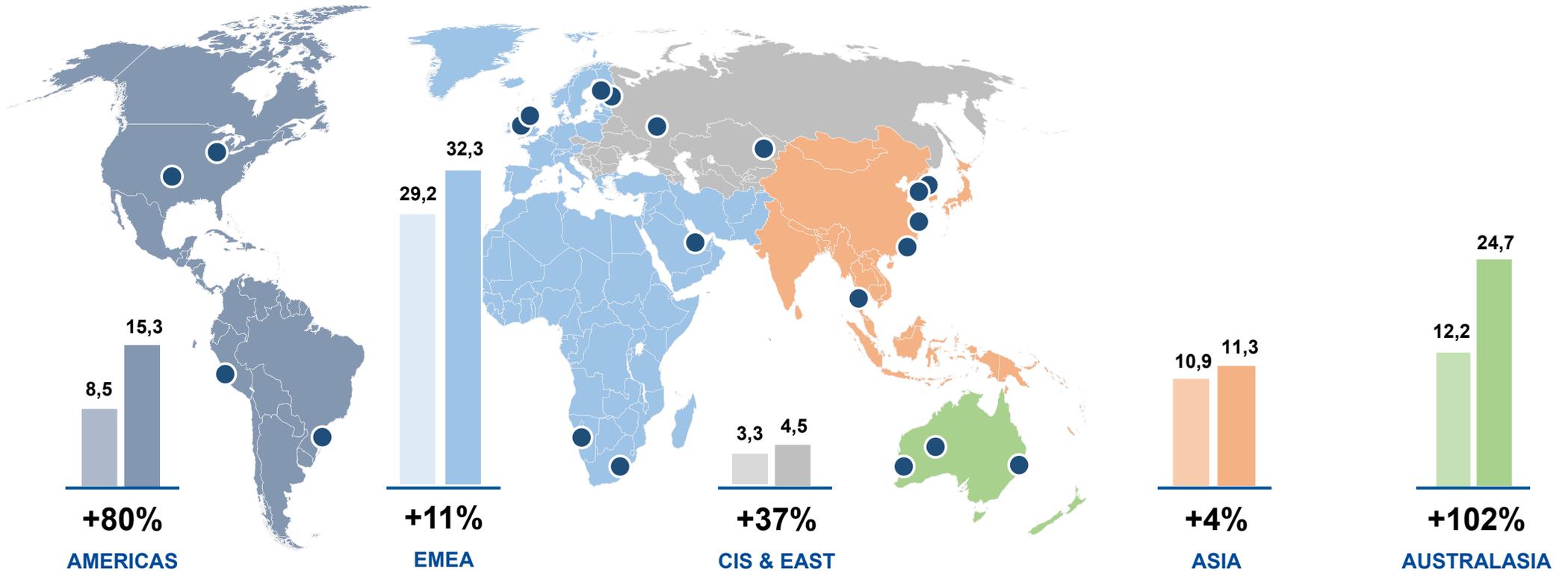
- Ensuring good availability of products and service while enabling efficiency
- Supporting future growth

# NET SALES, EURm

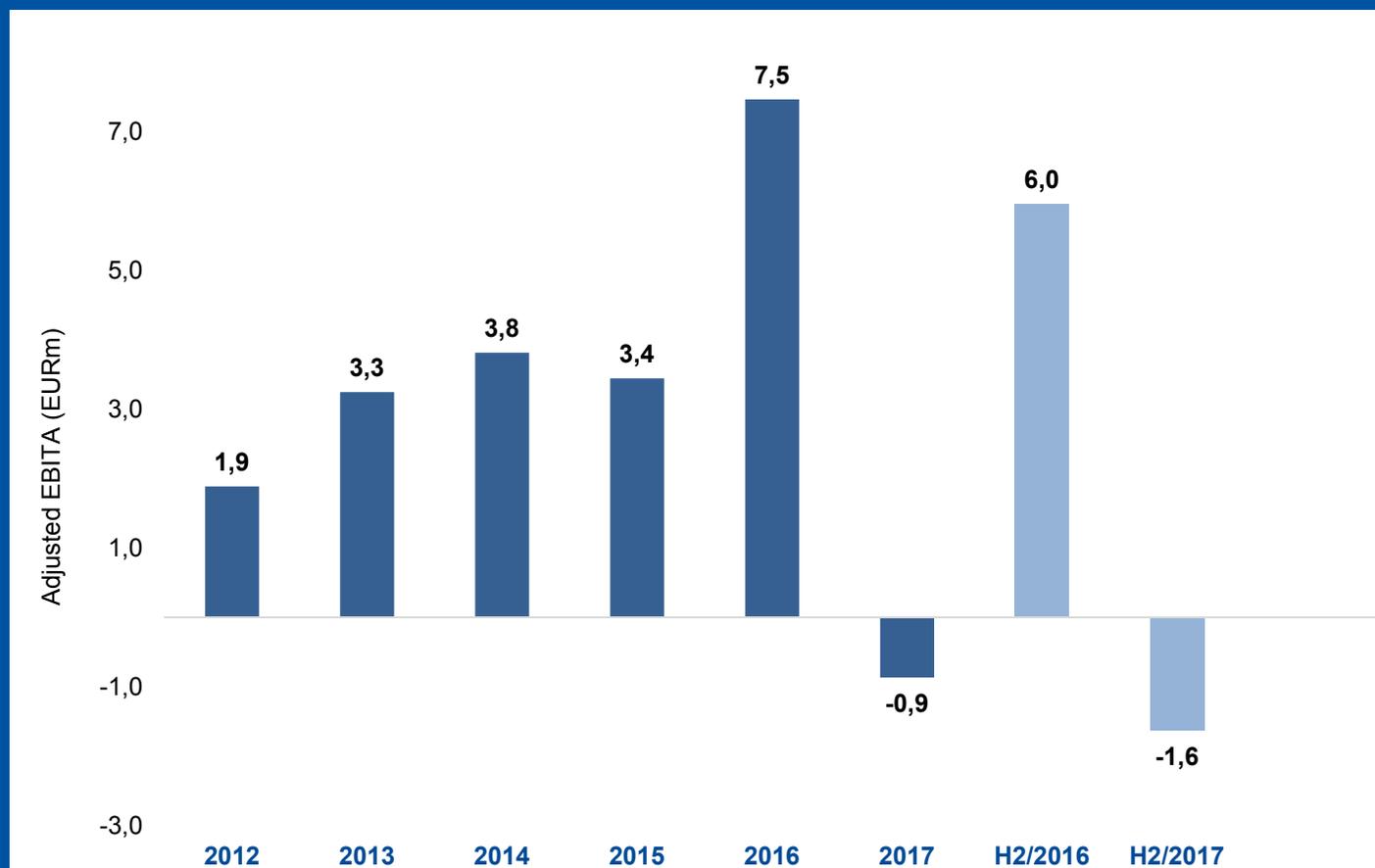


# REGIONAL SALES DEVELOPMENT

- Global platform – 21 own sales & service points, ca. 150 dealers
- Availability is the key competitive edge – aim to secure it with the strong market presence



# PROFITABILITY DEVELOPMENT



## Adjustments consist of the following items:

- Share issue expenses 1,3 EURm
- Other acquisition related expenses 0,5 EURm
- Re-organising related expenses 0,1 EURm
- Amortization related to the acquisitions 0,9 EURm

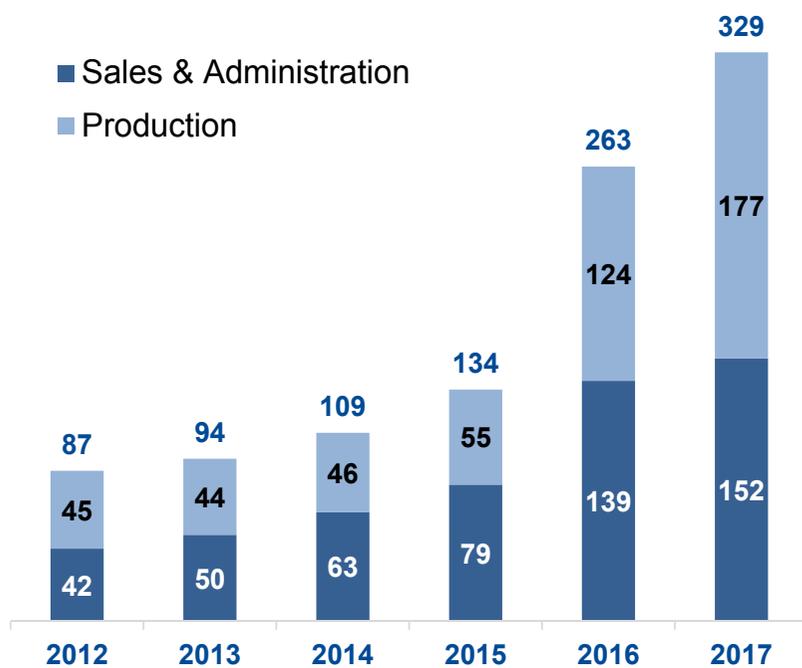
## EBITA was also affected by:

- Strengthening personnel
- Integrating acquired units
- Higher fixed costs
- Lower than targetted sales

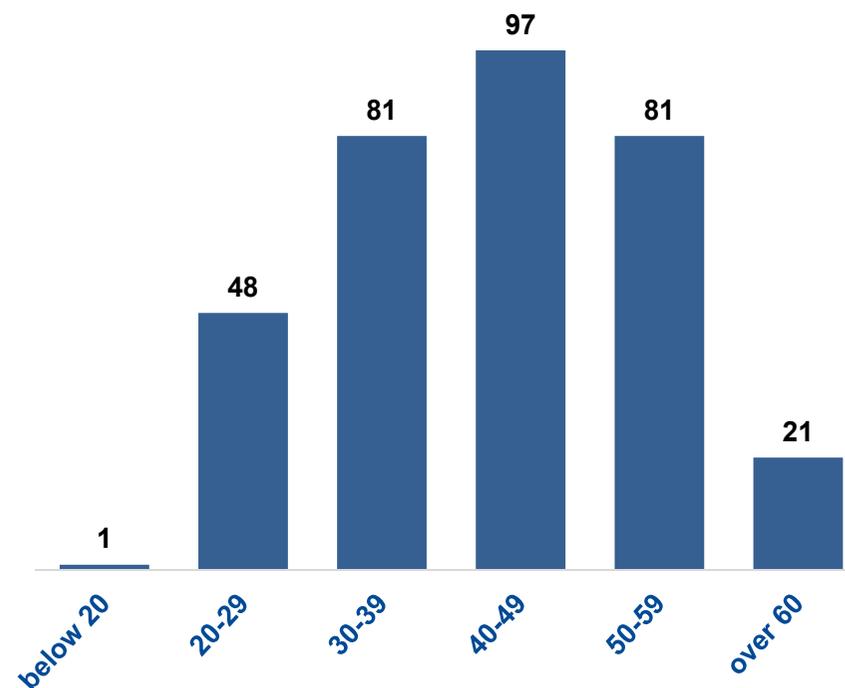
# HUMAN RESOURCES

- 76 % of personnel outside Finland

## Number of employees at the end of period



## Age distribution at the end of period



# CONSOLIDATED INCOME STATEMENT (IFRS)

- Net sales growth 38 % through acquisitions
- Material proportion increased from 51 % to 54 % mainly due to higher volumes in Korean products
- Employee benefits increase both structural change and up-front personnel investments
- In other operating expenses, there are 1,3 EURm expenses relating to list change and share issue, 0,5 EURm M&A and 0,1 EURm re-organizing expenses
- EBITDA to 1,6 EURm (1,8 %); previous year 7,5 EURm
- Increase in depreciation and amortizations is due to acquired companies D&A – amortization due to acquisitions 0,9 EURm
- Financial expenses include 1,6 EURm foreign exchange losses

EUR thousand	1 Jan - 31 Dec 2017	1 Jan - 31 Dec 2016
<b>Net sales</b>	<b>88 222</b>	<b>64 050</b>
Changes in inventories of finished goods and WIP	-2 649	-67
Work performed by the Group and capitalized	43	201
Other operating income	1 482	241
Materials and services	-47 960	-32 651
Employee benefit expense	-18 943	-11 113
Depreciation, amortization and impairment	-5 267	-3 233
Other operating expenses	-18 568	-13 167
<b>EBIT (Operating profit)</b>	<b>-3 640</b>	<b>4 262</b>
Finance income and costs net	-2 425	906
<b>Profit before income tax</b>	<b>-6 065</b>	<b>5 168</b>
Income taxes		
Current taxes	-238	-1 100
Change in deferred taxes	1 113	-28
Income taxes	875	-1 128
<b>Result for the period</b>	<b>-5 190</b>	<b>4 040</b>
Attributable to:		
Owners of the parent	-5 190	4 040
Non-controlling interest	0	0
	<b>-5 190</b>	<b>4 040</b>
<b>Other comprehensive income</b>		
Items that may be reclassified to profit or loss in subsequent periods:		
Translation differences	-1 301	43
<b>Other comprehensive income, net of tax</b>	<b>-1 301</b>	<b>43</b>
<b>Total comprehensive income</b>	<b>-6 492</b>	<b>4 083</b>
Attributable to:		
Owners of the parent	-6 492	4 083
Non-controlling interest	0	0
	<b>-6 492</b>	<b>4 083</b>

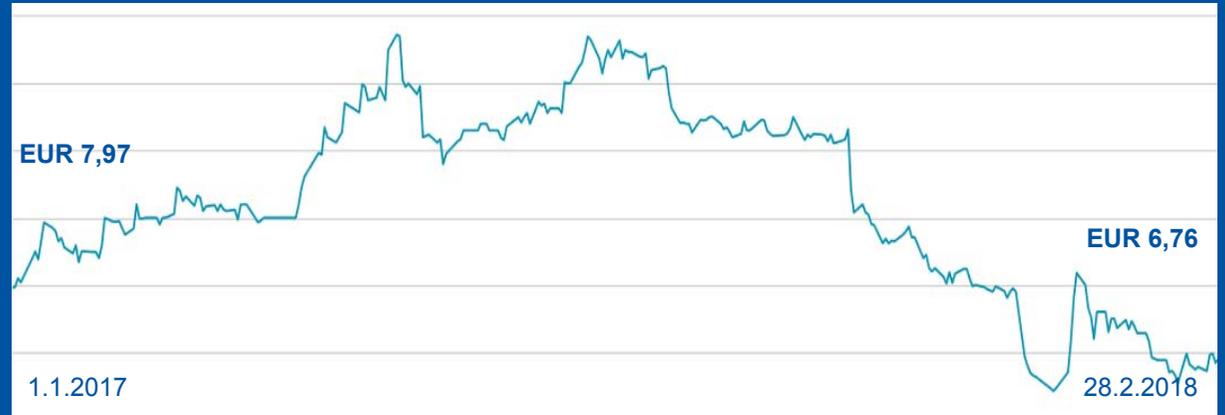
# CONSOLIDATED BALANCE SHEET (IFRS)

- The balance sheet strengthened by share issue funds
- Property, plant and equipment the main increases
  - Korean new plant 6,9 EURm
  - Halco assets 3,5 EURm
- Working capital
  - Inventory remained flat compared to PY affected by slower than forecasted sales in Nov-Dec 2017
  - Account receivables increased 3,9 EURm mainly because current and less than 30 days over due AR increased 4,8 EURm
- Robit net debt was 7,7 EURm
  - Robit was in breach of the covenant net debt/ adjusted EBITDA and thus 28,0 EURm non-current loans have temporarily been reported as current borrowings. The position has negotiated with the bank and status been cured

EUR thousand	31 December 2017	31 December 2016
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	25 029	25 469
Other intangible assets	8 088	8 333
Property, plant and equipment	26 280	16 611
Loan receivables	517	720
Other receivables	3	157
Deferred tax assets	1 903	720
<b>Total non-current assets</b>	<b>61 820</b>	<b>52 011</b>
<b>Current assets</b>		
Inventories	30 141	30 176
Account and other receivables	25 921	21 248
Loan receivables	17	48
Income tax receivable	139	0
Cash and cash equivalents	42 172	10 519
<b>Total current asset</b>	<b>98 391</b>	<b>61 991</b>
<b>Total assets</b>	<b>160 211</b>	<b>114 002</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Total equity</b>	<b>92 118</b>	<b>50 056</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Borrowings	3 511	36 601
Deferred tax liabilities	2 241	2 093
Derivative financial instruments	0	0
Employee benefit obligations	988	947
<b>Total non-current liabilities</b>	<b>6 740</b>	<b>39 641</b>
<b>Current liabilities</b>		
Borrowings	46 413	10 828
Derivative financial instruments		38
Advances received	324	282
Income tax liabilities	70	736
Account payables and other liabilities	14 546	12 421
<b>Total current liabilities</b>	<b>61 353</b>	<b>24 305</b>
<b>Total liabilities</b>	<b>68 093</b>	<b>63 946</b>
<b>Total equity and liabilities</b>	<b>160 211</b>	<b>114 002</b>

# SHARE INFORMATION

- On 28 February 2018 the company had 2 259 shareholders
- On 28 February 2018 the company held 86 320 own shares; 0,4 % of the shares
- Market capitalization on 28 February 2018 was EUR 143 million (share price EUR 6,76)



- Trading in the shares of Robit Plc commenced on 17 May 2017 on the official list maintained by Nasdaq Helsinki Ltd
- Robit Plc issued 5,000,000 (approx. 31% prior and 24% following the offering) new shares in the company to institutional investors in an accelerated book-built offering on 24 May 2017
- The subscription price was set at EUR 9.90 per offer share amounting to total proceeds of EUR 49.5 million before commissions and expenses
- The subscription price was 2.9 per cent higher than the volume-weighted average price per share for the period from the date of the announcement to investigate the transfer to the official list of Nasdaq Helsinki



# MAJOR SHAREHOLDERS, 28 FEBRUARY 2018

No.	Shareholder	Number of Shares	NOSH in Million	% of Shares	Mkt Value (EURm)
1	Five Alliance Oy	4 408 253	4,41	20,91	29,80
2	Skandinaviska Enskilda Banken AB (Publ) Helsinki Branch (Nominee Registered)	2 805 269	2,81	13,31	18,96
3	Keskinäinen Työeläkevakuutusyhtiö Varma	1 657 000	1,66	7,86	11,20
4	Keskinäinen Työeläkevakuutusyhtiö Elo	1 573 597	1,57	7,46	10,64
5	OP-Suomi -sijoitusrahasto	1 437 649	1,44	6,82	9,72
6	Fondita Nordic Micro Cap Placeringsfond	1 405 000	1,41	6,66	9,50
7	Sijoitusrahasto Aktia Capital	1 012 193	1,01	4,80	6,84
8	Svenska Handelsbanken AB (Publ) Filial Verksamheten i Finland (Nominee Registered)	1 004 982	1,00	4,77	6,79
9	Nordea Bank AB (Publ), Finnish Branch (Nominee Registered)	515 537	0,52	2,45	3,49
10	Keskinäinen Eläkevakuutusyhtiö Ilmarinen	475 000	0,48	2,25	3,21
11	OP-Suomi Pienyhtiöt	438 051	0,44	2,08	2,96
12	Sijoitusrahasto Aktia Nordic Small Cap	347 100	0,35	1,65	2,35
13	OP-Eläkekassa	300 793	0,30	1,43	2,03
14	Sijoitusrahasto Säästöpankki Pienyhtiöt	292 211	0,29	1,39	1,98
15	Fondita Equity Spice Placeringsfond	215 452	0,22	1,02	1,46
16	SR Danske Invest Suomen Pienyhtiöt	200 000	0,20	0,95	1,35
17	Pensionsförsäkringsaktiebolaget Veritas	190 000	0,19	0,90	1,28
18	Sijoitusrahasto Aktia Nordic Micro Cap	162 580	0,16	0,77	1,10
19	Pohjoismaat Plus	153 473	0,15	0,73	1,04
20	Säästöpankki Kotimaa -sijoitusrahasto	137 754	0,14	0,65	0,93
	<b>Top-20</b>	<b>18 731 894</b>	<b>18,73</b>	<b>88,84</b>	<b>126,63</b>
	<b>Rest of the shareholders</b>	<b>2 352 006</b>	<b>2,35</b>	<b>11,16</b>	<b>15,90</b>

# SHORT-TERM FOCUS

## Sales, Sales & Sales

- Market share growth

## Cash generation

- Profitability
- NWC



# MEDIUM & LONG-TERM FOCUS

## Focus in Robit 4.0

- Distributor concept execution
- Continue strong growth
- Branding

## Projects

- Project businesses
- Digitalization opportunities

## New Robit Way Implementation

- Focus work with distributors
- Focus on personnel development



# Robit® Bit Better



Robit®



**Robit Oyj**

**Tilintarkastus 2017**

28.3.2018



The better the question. The better the answer.  
The better the world works.



# Tilintarkastajan lausunto tilinpäätöksestä

---

- ▶ Olemme tilintarkastaneet Robit Oyj:n (y-tunnus 0825627-0) tilinpäätöksen tilikaudelta 1.1.–31.12.2017. Tilinpäätös sisältää konsernin taseen, laajan tuloslaskelman, laskelman oman pääoman muutoksista, rahavirtalaskelman ja liitetiedot, mukaan lukien yhteenveto merkittävimmistä tilinpäätöksen laatimisperiaatteista, sekä emoyhtiön taseen, tuloslaskelman, rahoituslaskelman ja liitetiedot.
- ▶ Lausuntonamme esitämme, että
  - ▶ konsernitilinpäätös antaa oikean ja riittävän kuvan konsernin taloudellisesta asemasta sekä sen toiminnan tuloksesta ja rahavirroista EU:ssa käyttöön hyväksytyjen kansainvälisten tilinpäätösstandardien (IFRS) mukaisesti,
  - ▶ tilinpäätös antaa oikean ja riittävän kuvan emoyhtiön toiminnan tuloksesta ja taloudellisesta asemasta Suomessa voimassa olevien tilinpäätöksen laatimista koskevien säännösten mukaisesti ja täyttää lakisääteiset vaatimukset.

# Tilintarkastuksen kannalta keskeiset seikat

---

- ▶ Tilintarkastuksen kannalta keskeiset seikat ovat seikkoja, jotka ammatillisen harkintamme mukaan ovat olleet merkittävimpiä tarkastuksen kohteena olevan tilikauden tilintarkastuksessa
  - ▶ Myyntituottojen kirjaaminen
  - ▶ Liikearvon arvostus
  - ▶ Myyntisaamisten arvostus.

# Robit® Bit Better



Robit®