



# HALF-YEAR REPORT JANUARY – JUNE 2020

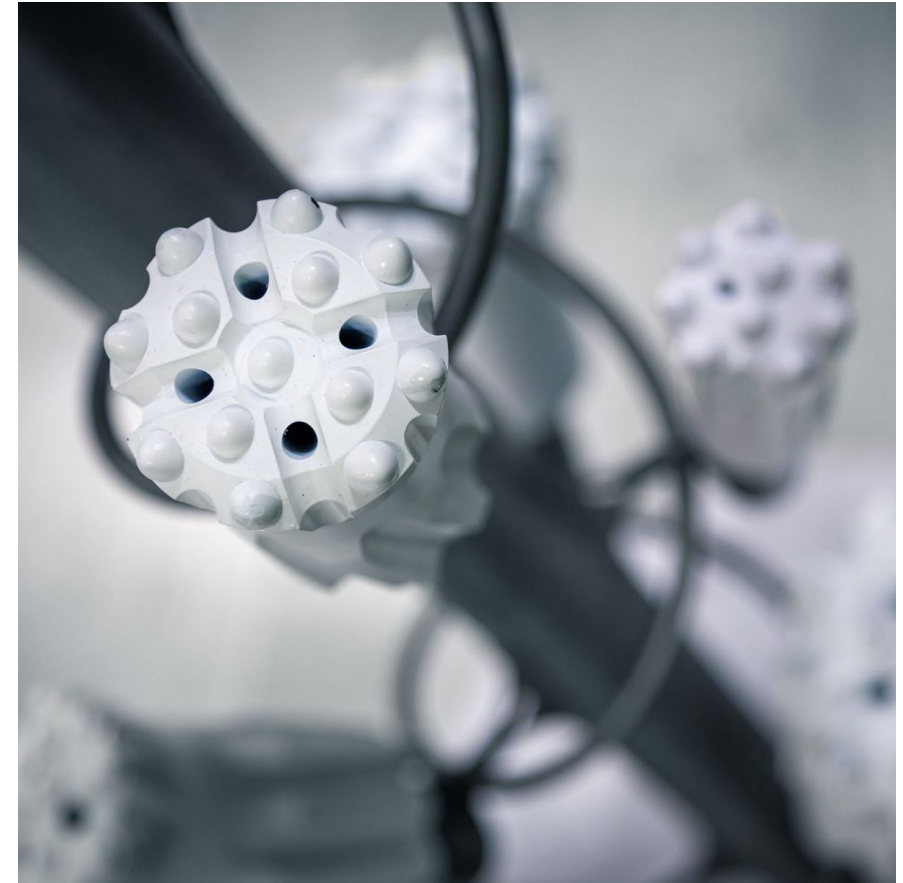
Analyst & Press Conference

6 August 2020, Helsinki

**Robit**

# KEY HIGHLIGHTS H1/2020

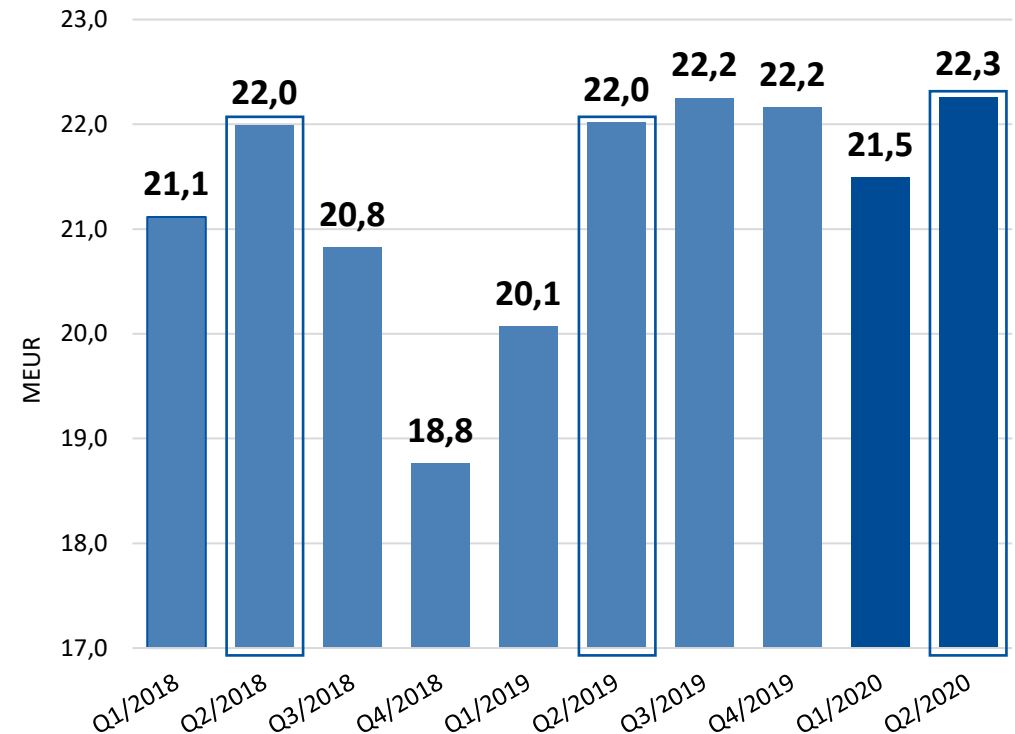
- Growth in a challenging market environment
- Net sales H1/2020 increased by 6,7% compared to H1/2019 in fixed currencies
- Net sales Q2/2020 increased by 5,0% compared to Q2/2019 in fixed currencies
- Results from ongoing growth initiatives compensated for the sales drop in lockdown markets
- Rapid market area mix change impacted inventory levels and profitability
- Fixed cost savings initiatives were implemented effectively and savings realized as planned
- Organization adapted quickly and effectively to the rapid changes caused by COVID-19



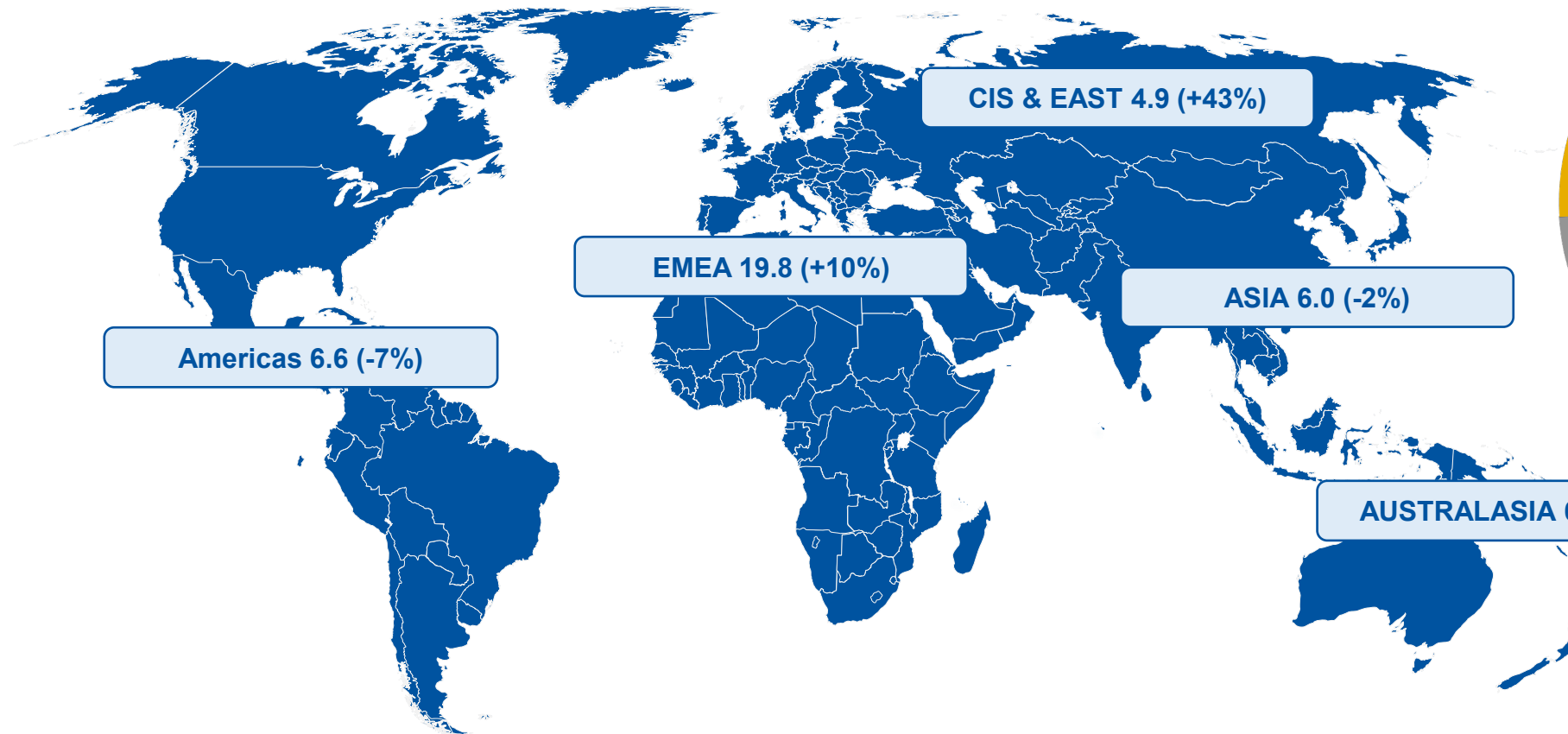
# KEY FINANCIALS H1/2020

- Net sales increased by 4,0% to MEUR 43.7 (42.1), 6,7% in fixed currencies
  - Top Hammer net sales MEUR 22.8 (20.0)
  - Down the Hole net sales MEUR 20.9 (22.1)
- Adjusted EBITDA% improved to 4,6% (4,4%)
- Operating cash flow was MEUR -0.4 (-2.2)
  - Cash flow before changes in NWC was MEUR 2.9 (1.3)
- Equity ratio totaled 45,5% (49,5%)

## NET SALES LAST 10 QUARTERS 2018–2020

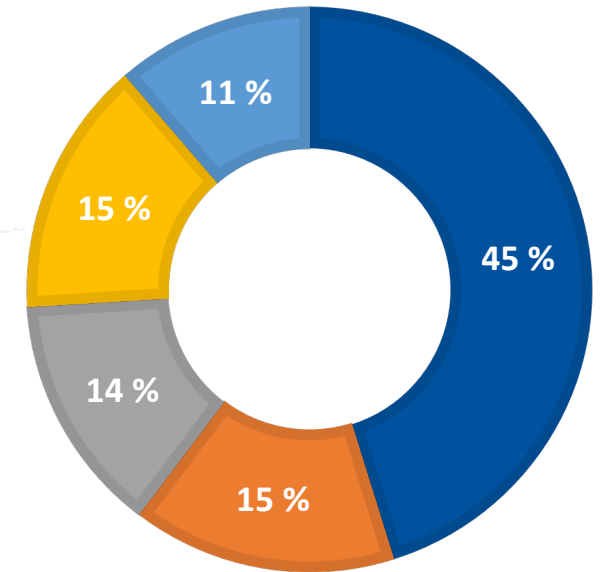


# NET SALES BY REGION H1/2020 (MEUR)



## NET SALES SHARE

■ EMEA ■ Americas ■ Asia ■ Australasia ■ East





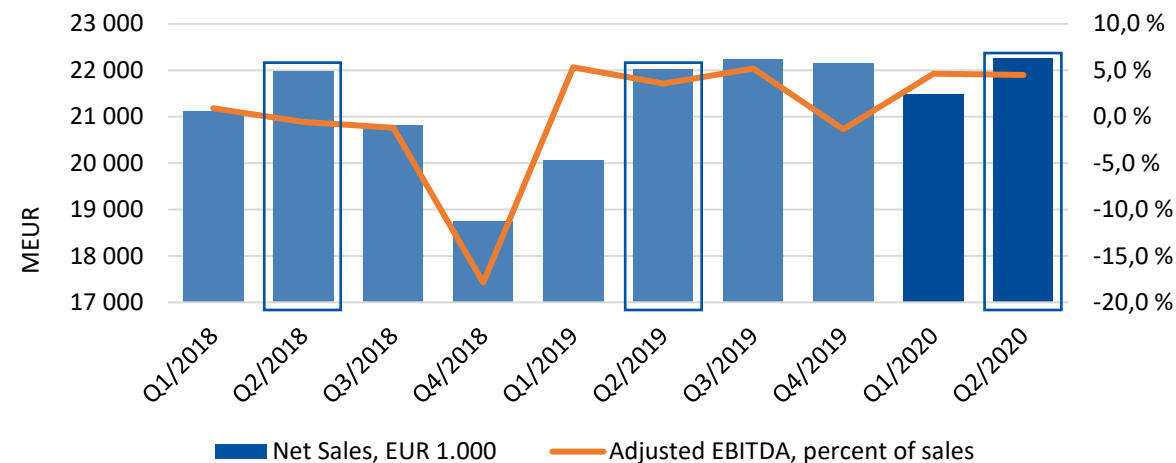
## FINANCIALS

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# INCOME STATEMENT

- Net sales Q2/2020 totaled MEUR 22.3 being 1,1% higher than Q2/2019 and 3,6% higher than Q1/2020. With fixed exchange rates Q2/2020 growth was 5,0% compared to Q2/2019.
- Comparable EBITDA% Q2/2020 improved to 4,5% (3,3%).
- Comparable EBITA% Q2/2020 was -1,4% (-4,1%).
- Timely implemented fixed cost saving actions supported improved EBITA level and compensated by the negative impact caused by market area mix and exchange rate fluctuations.
- Net financial expenses totaled MEUR -1.8 (-1.0), of which -1,4 MEUR (-0,7) coming from exchange rate losses, which are mostly unrealized exchange rate losses from subsidiary loans.

## NET SALES AND ADJUSTED EBITDA

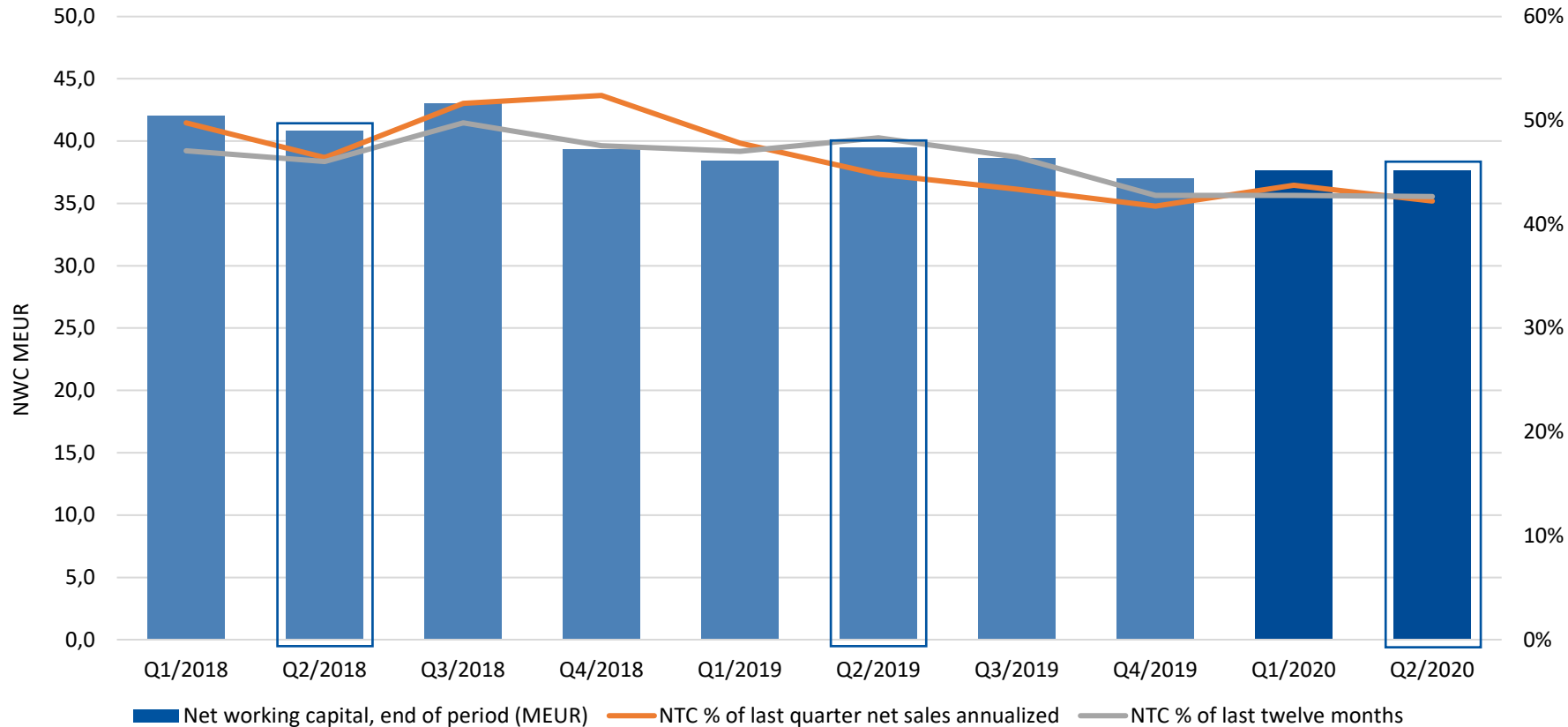


## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	Q2 2020	Q2 2019	H1 2020	H1 2019	2019	2018
<b>Net sales</b>	<b>22 256</b>	<b>22 012</b>	<b>43 746</b>	<b>42 078</b>	<b>86 482</b>	<b>82 683</b>
EBITDA	1 001	556	1 998	1 695	1 605	-4 782
Comparable EBITDA	1 001	718	1 998	1 856	2 707	-3 529
EBITA	-314	-1 062	-612	-1 640	-4 927	-9 658
Comparable EBITA	-314	-901	-612	-1 479	-3 720	-8 405
<b>EBIT (Operating profit)</b>	<b>-517</b>	<b>-2 234</b>	<b>-1 019</b>	<b>-3 025</b>	<b>-5 767</b>	<b>-29 800</b>
Finance income and expenses	-1 794	-1 044	-2 236	-829	-893	-1 623
<b>Profit before income tax</b>	<b>-2 311</b>	<b>-3 279</b>	<b>-3 254</b>	<b>-3 854</b>	<b>-6 660</b>	<b>-31 423</b>
Income taxes	111	96	152	291	-604	39
<b>Result for the period</b>	<b>-2 201</b>	<b>-3 183</b>	<b>-3 103</b>	<b>-3 563</b>	<b>-7 265</b>	<b>-31 384</b>

# NET WORKING CAPITAL DEVELOPMENT

## NET WORKING CAPITAL DEVELOPMENT



- NWC remained at 43% of last 12 months net sales.
- Changes in market area mix impacted on inventory levels.
- Receivables increased due to good invoicing levels. Progress was made in improving the health of the receivables.

- Cash flow before changes in working capital developed favorable in Q2/2020 and H1/2020.
- Cash flow from operating activities in Q2/2020 improved to MEUR +0.8 (-1.6).
- Cash flow from investing activities was MEUR -0.3 in Q2/2020.
- Cash flow from financing activities was MEUR +0.0 in Q2/2020.

## CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	Q2 2020	Q2 2019	H1 2020	H1 2019	1-12 2019
Cash flows before changes in working capital	1 379	732	2 856	1 253	1 293
Cash flows from operating activities bf financial items and taxes	1 292	-1 271	395	-1 514	1 802
<b>Net cash inflow (outflow) from operating activities</b>	<b>783</b>	<b>-1 647</b>	<b>-398</b>	<b>-2 243</b>	<b>439</b>
<b>Net cash inflow (outflow) from investing activities</b>	<b>-255</b>	<b>213</b>	<b>-576</b>	<b>256</b>	<b>889</b>
<b>Net cash inflow (outflow) from financing activities</b>	<b>22</b>	<b>-2 352</b>	<b>-1 235</b>	<b>-11 527</b>	<b>-13 770</b>
<b>Net increase (+) / decrease (-) in cash and cash equivalents</b>	<b>550</b>	<b>-3 786</b>	<b>-2 209</b>	<b>-13 514</b>	<b>-12 442</b>
Cash and cash equivalents at the beginning of the reporting period	12 123	17 959	15 248	27 470	27 470
Exchange gains/losses on cash and cash equivalents	15	-127	-348	90	219
<b>Cash and cash equivalents at end of the reporting period</b>	<b>12 691</b>	<b>14 046</b>	<b>12 691</b>	<b>14 046</b>	<b>15 248</b>



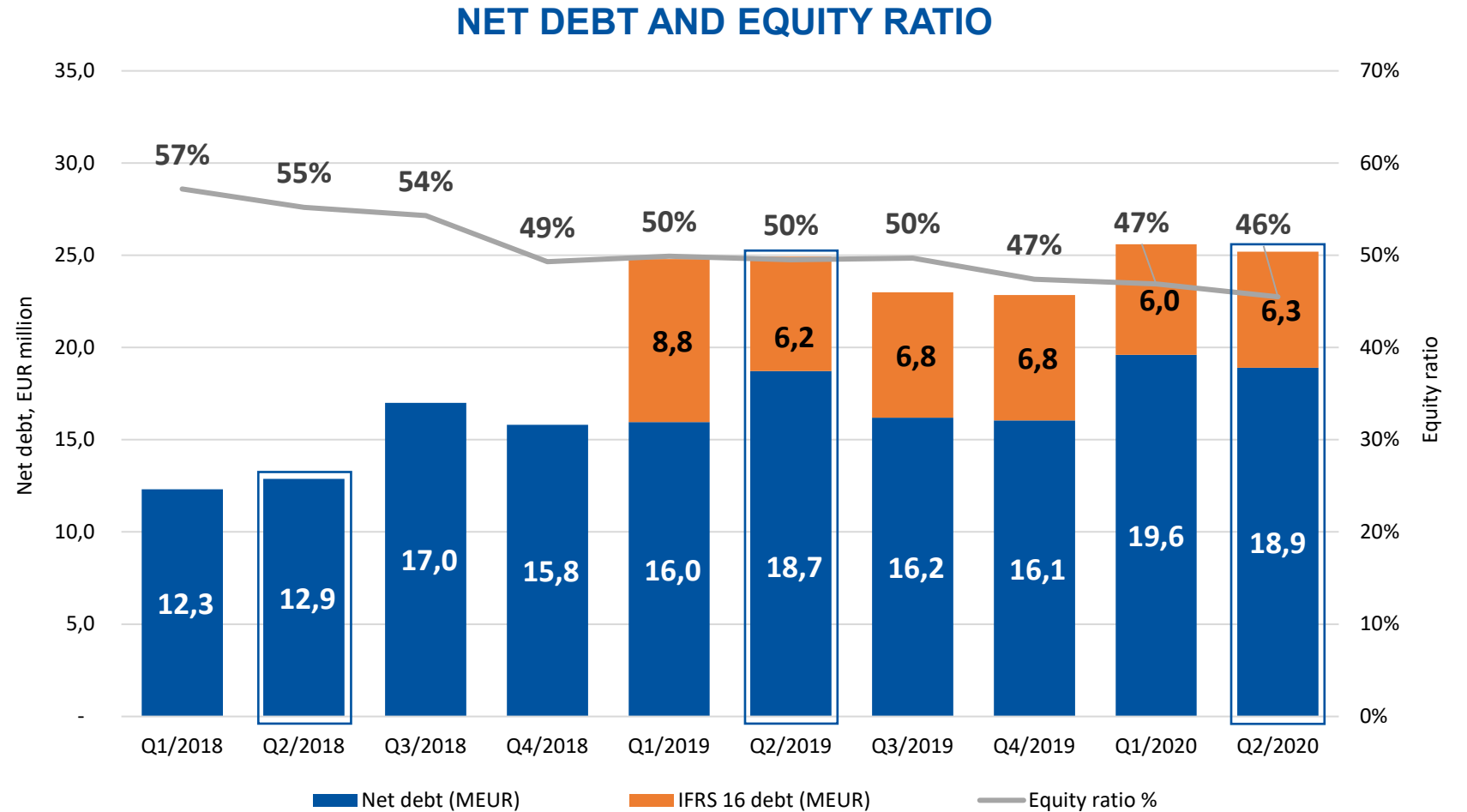
# BALANCE SHEET

- Goodwill was MEUR 5.1. Impairment testing for the goodwill was conducted on 30 June 2020. Based on the impairment testing there is no need for impairment of goodwill.
- Inventories and receivables increased by KEUR 40.0. Inventories were affected negatively by market area mix change during Q2/2020.
- Total interest-bearing loans and utilized credit limits were MEUR 37.9 including MEUR 6.2 of IFRS 16 liabilities.

## CONSOLIDATED BALANCE SHEET

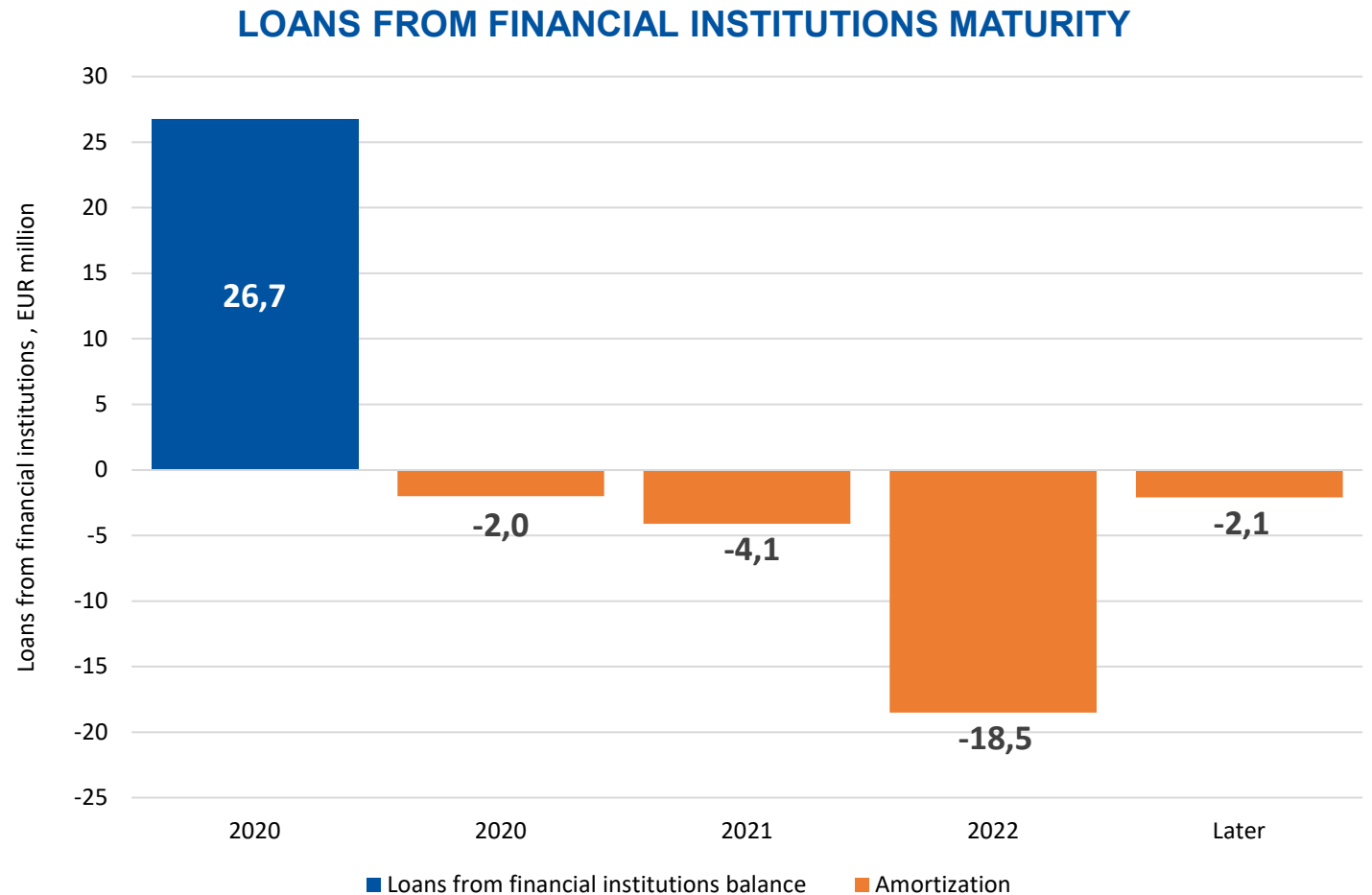
EUR thousand	30-Jun-20	30-Jun-19
<b>ASSETS</b>		
Total non-current assets	<b>36 167</b>	<b>41 339</b>
Current assets		
Inventories	32 934	32 584
Account and other receivables	20 857	20 916
Other receivables	211	462
<b>Cash and cash equivalents</b>	<b>12 691</b>	<b>14 046</b>
Total current asset	<b>66 694</b>	<b>68 008</b>
<b>Total assets</b>	<b>102 860</b>	<b>109 347</b>
<b>EQUITY AND LIABILITIES</b>		
Total equity	46 569	54 064
<b>Total non-current liabilities</b>	<b>28 015</b>	<b>32 604</b>
Total current liabilities	28 276	22 655
Total liabilities	56 291	55 258
<b>Total equity and liabilities</b>	<b>102 860</b>	<b>109 347</b>

- Net debt was MEUR 25.2.
- Equity ratio was 45,5%.



# LOAN MATURITY

- Loans from financial institutions at the end of the Q2/2020 totaled MEUR 26.7.
- During Q2/2020 restructuring of MEUR 24.5 loans was agreed.
- Next instalment of MEUR 2.0 expires on 31 December 2020, subsequently, the instalments of MEUR 2.0 will expire half-yearly.
- On 30 June 2022, Robit's bullet loan and final instalments on amortized loan will expire.
- In the next covenant evaluation on 31 December 2020 net debt to EBITDA ratio can be maximum 4,0x. In 2021, covenants will return to originally agreed net debt to EBITDA ratio 2,5x and equity ratio of minimum 32,5%.





## SUMMARY AND OUTLOOK

**Robit**

## SUMMARY

During Q2/2020, Robit grew in a difficult market environment.

We have the people and infrastructure to develop towards our long-term financial targets.

Current management agenda:

- Growth – capture our potential
- Profitability – cost competitiveness
- Processes – improved customer service

Our strategic focus protects us against rapid demand changes.

We see more opportunities than threats moving forward.

## GUIDANCE FOR 2020

Due to the uncertainty in the industry and economy caused by coronavirus, it is difficult to forecast the future of the business.

In these circumstances, Robit renounces its guidance for 2020 for the time being.

The company will update the outlook and guidance again when the market situation provides normal conditions for doing so.

## LONG-TERM TARGET

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



Q&A

**Robit**

# THANK YOU!

Robit publishes its Interim Report 1 January – 30 September 2020 on Tuesday 27 October 2020.

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**Robit**