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PROFITABILITY IMPROVED SIGNIFICANTLY

In the early part of the year, market demand remained at the level of the end of 2023. Demand in the mining industry remained strong. Demand in the construction industry remained low. Especially in the Nordic well drilling market, the work situation of customers has been weak after several strong years.

Robit's net sales grew by 4.0% on the previous year and totaled EUR 22.8 million (21.9). In constant currencies, there was an increase of 6.7%. The net sales grew, driven by the Top Hammer business, which grew by 10.1%. From the market areas, the company's growth came from Australasia. Sales were boosted by new customers and good demand from existing customers in the region.

In the first quarter, comparable EBIT grew clearly and was EUR 1.1 million (-1.4). As a percentage of net sales, the EBIT was 4.7 (-6.3). *"The measures implemented to strengthen profitability and competitiveness were reflected in the results. We will continue these measures by focusing specifically on renewing the product offering as well as promoting procurement cost-saving measures"*, states Arto Halonen, Group CEO.

The Fit for Service program focused on working capital management continued. The company's inventories decreased by EUR 1.8 million from the level at the end of 2023. In 2024, Robit will focus in particular on improving the inventory turnover rate. The decrease in inventory value and strengthened profitability supported the improvement of the cash flow from the company's business operations to EUR 0.9 million (-1.3).

Robit updated its long-term financial targets. The company's long-term target is to grow faster than average market growth and achieve comparable EBIT profitability of 10%.

The company's guidance remains unchanged: Robit expects net sales for 2024 and comparable EBIT profitability in euros to improve from 2023.

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Robit is a global expert focused on high-quality drilling consumables for mining and construction markets to help you drill further and faster. Robit strives to be world number one company in drilling consumables. Through our high and proven quality Top Hammer, Down the Hole and Geotechnical products, and our expert services, we deliver saving in drilling costs to our customers. Robit has its own sales and service points in seven countries and an active distributor network through which it sells to more than 100 countries. Robit's manufacturing units are located in Finland, South Korea and the UK. Robit's share is listed on Nasdaq Helsinki Ltd. Further information at www.robitgroup.com.