

BULLETIN

ROBIT PLC CUSTOMER MAGAZINE 2/2024

Looking back:

Robit's four dynamic decades

RG51 drill rod sets new records in performance

40 years, one company: Mick Wagstaff's inspiring journey

Robit

DEAR READER,

The holiday season is at the door. It is a time for gathering with loved ones around the table, catching up, and sharing stories. Here's one:

In the early 80s, there were two brothers who put up a machine shop in their dad's garage. They had an idea: to create the best drill bit for rock drilling. In 1985, that idea materialized in the creation of a company called Robit. We are still living that story, and in 2025, we'll celebrate Robit's forty remarkable years in the industry.

Robit realized quite early on that to reach the global markets, top-notch products are not enough; you need to build very close connections with local distributors and customers. This is where I want to thank our distributor partners: your expertise and commitment have been crucial in bringing Robit's products and values to countless customers across the globe. Together, we have built a strong and resilient network that we are proud to call the Robit family.

I'm happy to say that the same dedication lives in the hearts of our employees as well. We are proud of our work, and there's no better proof of that than the case of Mick Wagstaff, who just celebrated his fortieth work anniversary at Robit GB in England. Hats off! You can read more about Mick's exceptional journey on page 10.

I extend my warmest greetings and thanks to everyone. May the holiday season bring joy, peace, and prosperity, and may the new year be filled with opportunities and success for us all!

Arto Halonen, *Group CEO*



In 2018, product and sales training was organized regionally for the local sales organization and distributors.



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Robit 44 YEARS 1985-2025

4 decades of breaking new ground

In July 1985, the Finnish Trade Register recorded a new company called Robit in its books. It was founded by Vesa and Jorma Järvelä – brothers whose vision was to develop the market's best button bit for rock drilling. The company gradually took off, growing internationally, and continues to expand to this day. Robit will soon celebrate its 40th anniversary. On these pages, we share a few highlights from the past years.

Growth in every decade

Robit set its sights on export markets very early on. Rapid sales growth supported expansion, and by the 2010s, the company sought new products and larger market shares through bold acquisitions in addition to organic growth.

- **1987:** First export market: Sweden
- **1992:** Ten export countries: all continents covered except the Far East
- **2002:** One hundred sales representatives worldwide
- **2007:** Revenue exceeds €10 million
- **2011:** First acquisition: Top Hammer rod and shank manufacturer Young Poong (South Korea)
- **2012:** One hundred export countries
- **2015:** Listed on Nasdaq First North
- **2016:** Major acquisitions into the Down the Hole (DTH) market: Drilling Tools Australia and Bulroc (UK)
- **2017:** Listed on Nasdaq Helsinki main market
- **2018:** The industry's most modern factory opens in Korea
- **2021:** Revenue exceeds €100 million



The new ultra-modern production facility in Hwaseong, Korea was opened in 2018.

Nam Kyung-Pil, Governor of Gyeonggi-Do and Chairman Harri Sjöholm: the signing ceremony of Robit's major production investment in the Foreign Investment area in Gyeonggi-Do, South Korea, Sept. 15, 2017.





In 1988, Andreas Stelke (right) of Minroc, West Germany, and Harri Sjöholm (second from left) signed Robit's first foreign distributor deal.

Old friends Andreas (right) and Harri in Tampere in December 2024.



Key to Success: Distributor Collaboration

Close collaboration with local distributors has been central to Robit's international expansion. This successful strategy differs from global competitors. It was introduced by Harri Sjöholm, who joined Robit in 1988 and is still the company's Vice Chairman of the Board and a major owner.

- **1988:** First distributor agreement abroad: Minroc (Germany)
- **1990:** First Distributor Days: a dozen participants
- **1990s:** Market-driven product development with dealers and end-customers: competitive, customizable products
- **2000s:** Customer-focused production planning: consumption forecasted carefully, ensuring quick delivery
- **2010s:** Solid new distributor network: Robit now a comprehensive supplier of TH bits, rods, and shanks
- **2020s:** Specialized DTH and GEO segment distributors introduced
- **2024:** Distributor Days: 95 participants from 21 countries



H Series – the lowest total drilling cost:

- *Up to 25% lower fuel consumption*
- *Best-in-class performance*
- *Unbeatable for all conditions*

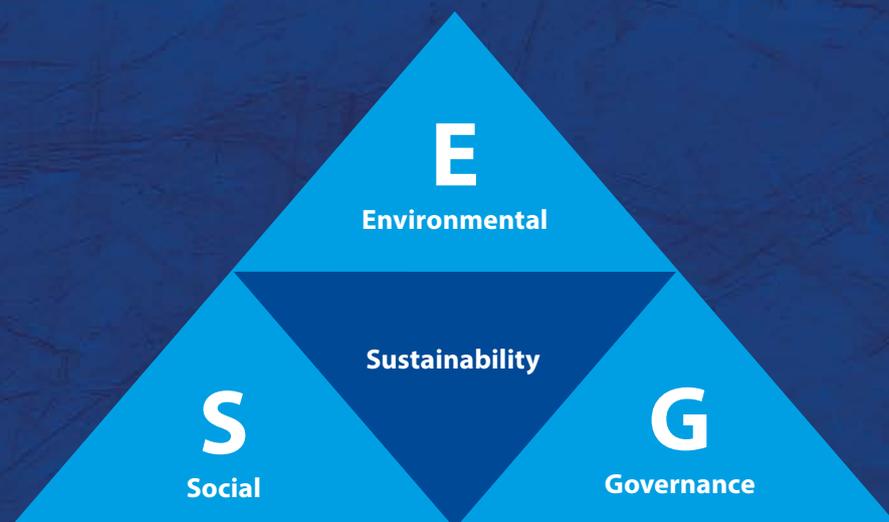
Robit's distributors and staff at the MEGA Dealer Meeting 3.0 in United Kingdom in September 2017.



Leading the Way in Innovation

Since its inception, continuous product development and improving production methods have been at Robit's core. Guided by customer and distributor needs, Robit has introduced the most high-performing products and technological innovations in its field. For a challenger in the market, this has been essential for success.

- **1989:** Robit HiTech button bit product family
- **1996:** Long-body retrac bit: straighter blasting holes
- **2000:** First Top Hammer product series for forepiling
- **2005:** First fully robotic, unmanned production cell in Lempäälä
- **2005:** RoX product range for ground drilling, based on Robit's patented locking technology
- **2010:** Hard Top Green (HTG) bit series made from recycled steel
- **2013:** Durable Robit® DTH Prime casing systems series for demanding piling conditions
- **2016:** Robit® 33" Hyper – most powerful Down the Hole hammer in the market
- **2020:** Robit drill bits: optimized button placement, improved penetration
- **2020:** Reliable Robit® DTH bit series for deep well drilling projects
- **2023:** H Series DTH hammer: superior fuel efficiency per drilled meter
- **2024:** Robit Male-Bit concept for Top Hammer (patent pending)



CSRD makes businesses walk the sustainability talk

"Sustainable" and "responsible" have long been buzzwords for almost any business describing their operations, regardless of the industry. The problem has been the lack of standard metrics: everyone has defined sustainability and responsibility in their own terms. At worst, this has resulted in misleading greenwashing. The CSRD is the new EU directive that seeks to address this issue.

The CSRD (Corporate Sustainability Reporting Directive) requires organizations to publish sustainability reports on activities that impact society and the environment. The directive precisely defines what, how, and when companies must report. The CSRD report will be part of Robit's annual report from now on.

What sort of new work does CSRD bring, Robit's HSEQ Manager Ritva Haavisto?

"It's a big undertaking. It includes training key personnel on the topic, conducting a current state analysis of our sustainability efforts, consulting our stakeholders, systematically analyzing all sustainability topics listed in the directive, defining new reporting needs, and finally creating a report that meets the requirements."

"The high-level topics are not new, but we'll need to report the sub-topics on a much more detailed level. For example, regarding employee well-being, we

have so far cited staff satisfaction survey responses and accident frequency. In the future, we'll also be reporting on more detailed indicators of work-life balance, equality, and training."

What is Robit's current state of affairs regarding CSRD-related matters?

We've made good progress in advancing sustainability, so CSRD reporting is no cause for concern. At Robit, we view sustainability issues as an opportunity; it's a strong foundation for moving things in the right direction. We've set clear goals and worked towards them. For instance, we've made good progress in reducing our CO² emissions.

Reporting will give us new, detailed insights into areas we haven't previously examined. We may be able to uncover new development opportunities. CSRD reporting may provide us with new tools for continuous improvement.

How demanding is it to prepare the report?

There will be more to report, and we'll need to collect a lot more data. Data quality must be ensured, and an external auditor must verify compliance. We will establish the practices as we create the first report; it requires a lot of expertise and time from multiple individuals. Reporting will likely become easier in the coming years as we already have the procedure in place.

Sotreq looking to grow with Robit in Brazil

The mineral sector is a crucial part of Brazil's economy, contributing significantly to its GDP, almost 4%, as well as exports and employment.

According to the latest Brazilian Mineral Yearbook, production exceeds BRL 350 billion (about € 55 billion) per year.

A major player in this field, Sotreq has become the exclusive distributor of Robit products in the Brazilian market. Their Robit product portfolio includes hammers, shank adaptors, couplings, rods, and bits for Top Hammer, DTH, and geotechnics solutions.

According to **Rafael Puga**, Corporate Market Development Consultant at Sotreq, the company joined forces with Robit because the partnership allows them to maintain service standards comparable to market leaders, going beyond the mere sale of products to make a difference.

Service options for varying needs

Sotreq offers two service options for customers with Robit products: off-the-shelf direct purchase or annual contract. The latter is ideal for ensuring high

productivity and continuous operations, and it comes in two versions: Basic and Full.

In the Basic package, the customer purchases parts and technical support from Sotreq, which offers a dedicated price list for imported goods. Once imported, Sotreq keeps the goods available, allowing monthly purchases as needed. Sotreq guarantees a continuous supply of consumables, with a tool technician and a manager responsible for the stock.

In the Full package, the customer is charged per drilled meter. A specialized team is assigned to serve the customer and ensure operational efficiency. A unique feature of this package is that Sotreq monitors the entire operation, ensuring its correct execution and bringing cost savings. Sotreq also provides training to ensure optimal drilling results, regardless of the equipment used.

Always on the lookout for growth opportunities in Brazil, Sotreq has identified underground mining as one of the most promising sectors in this respect. Their partnership with Robit, now in its second year, has already proven a strategically wise step.



RG51 rod sets new standards for Top Hammer

Robit's product development has long focused on the final part of the drill string: the drill bit. Recent years have seen major innovations in hammers as well. The latest breakthrough is for the middle of the drill string: the RG51 drill rod for Top Hammer applications.

The part of the rod most susceptible to impact wear is the thread. The RG51 rod threads feature shoulders that take the impact energy; the threading only transmits rotation, making the rod significantly stiffer and more durable than standard ones. This improves wear resistance, penetration rate, and even hole straightness, says Robit's Sales Manager **Santeri Sillanaukee**.

"A shoulder-driven rod is not a new invention in itself; it has primarily been used in underground drilling and larger equipment before, but in open pits in the Nordics, the method is new," Santeri explains.

"Compared to the competition, the RG51 is much easier to use. It is fully compatible with standard C51/T51 shank adapters and drill rods. This means that installing the RG51 is extremely straightforward and does not require any modifications to the drill rig," Santeri says.

PEAB, the largest Nordic construction company, runs several open-pit quarries in Finland as part of its aggregate business. PEAB has tested the RG51 rod at its quarries for several years, and the results are compelling. Drill strings equipped with the RG51 rod have significantly better durability than the competition. The penetration rate and hole straightness have also clearly improved. PEAB has almost entirely switched to RG51 rods for Top Hammer drilling in Finland.

Since the early test phases, PEAB driller **Tapani Kalmukoski** has gained firsthand experience with the RG51 rod in extraction blasting at various crushing sites.

"Rod breakages have decreased a lot. The RG51 is much more durable than a standard rod. Breakage at the thread is very rare. Wear resistance is also excellent. We achieve at least one-third more drill meters than a standard rod and even up to 50% more in difficult conditions. Everyone at PEAB is satisfied with the RG51," Tapani says.

The RG51 rod was developed in Finland under the leadership of R&D & Top Hammer Specialist **Daniel Kujanen**. The rods are manufactured at the South Korean factory, and demand is growing steadily. "Currently, the next batch is already pre-sold," says Santeri Sillanaukee.

From factory floor to managing director

Mick Wagstaff's remarkable 40-year journey

In 1984, Mick Wagstaff was a young lad of 19 years who, quite by chance, got his first full-time job as a labourer at a company called Bulroc that made DTH hammers in Chesterfield, Derbyshire, England. In 2024, he still works for the same company; only now it's called Robit GB, and he's the Managing Director—an exceptional achievement in today's job market.

1984 seems like a totally different world now. How did a young Mick see the world around him back then?

"At 19, I was young, free, and single with money in my pocket. It was an era of good music, and you got a lot for your money – 30p a pint of beer!"

Mick soon proved worth his salt, moving from labourer to hammer building, and soon he was asked to set up and run the cost department. Several years later, after a brief stint back on the factory floor as Foreman, he was promoted to Production Manager.

Were you ever tempted to look for a job elsewhere?

"An offer came up once to become the landlord of my local pub, but after much consideration and due to having a young family at the time, I felt it wasn't the right environment for family life, and the risk was too big to take. The drilling industry gets into your bones, and like a great wine, it's hard to let go."

What would be some of the highlights of your 40 years at work?

"Just to mention a few, the opportunity to travel and experience different cultures like Hong Kong, which at that time was our biggest market. I visited Europe, participating in exhibitions, and, of course, visited Finland both as a supplier and employee. In 2012, the game changer for Bulroc was the move from a small 15,000 sq/ft factory to our present 55,000 sq/ft factory, which allowed us to grow as a business. Along my journey, I have made great work colleagues and some becoming personal friends."

Eight years ago, Robit acquired Bulroc. How was the transition – was it hard to give up an old, revered name?

"To be honest, the takeover was business as usual. Giving up the name wasn't particularly hard, more strange than anything, and it took a while to stop answering the phone saying, "Good morning/afternoon, Bulroc." Even now, sometimes Bulroc accidentally slips into conversations."

It's 2024 now, and you're the Managing Director. Do you still have work-related ambitions or goals?

"My ambition is to make Robit GB the best it can be. As a manufacturing arm of Robit, I want to make sure we provide quality products, are profitable, and work hard toward the company's strategy and values."

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The drilling industry gets into your bones, and like a great wine, it's hard to let go."



Get to know

PIA MUTANEN



Pia Mutanen started as Human Resources Director at Robit in November. She has an extensive career in HR management across various industries. Pia lives in Tampere, Finland, with three children and one dog. The kids' sports activities take up much of her spare time; in her own time, Pia can be seen jogging, skiing, and at the stables. Her motorcycle mostly gets only admiring glances from her – most days are too busy to go for a ride.

What got you interested in this post?

I began my HR career at Sandvik, so Robit's industry is familiar and interesting. During the recruitment process, I was impressed by Robit as a company. The products are top-notch, and they build their service on a genuine understanding of the customer's operations. While discussing with Robit employees, I was impressed by their expertise and how they created such a positive and pleasant atmosphere.

How do you like Robit's corporate culture after a few weeks of experience?

The work atmosphere is excellent. I spent a day in production (I even got to help pack drill bits!) and received the warmest welcome. I am also looking forward to visiting other locations since we are present in almost every corner of the world. All employees are incredibly proud of the products, and there is a shared commitment to understanding and serving customers. I am also impressed by product development.

You are now leading Robit's HR operations. Are there any changes on the horizon?

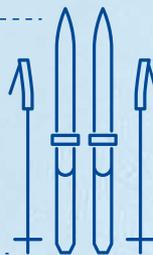
Robit's HR operations are already in very good shape. HR is seen as a reliable partner that supports business development. We need to streamline and digitize our personnel processes. By implementing transparent systems, we can eliminate manual steps, enhance data-driven leadership, improve job satisfaction, and support employee skills and career development. I believe my experience with executive teams can also bring some new ways of doing things.

What do you think is most important in the role of HR Director?

The most important thing is to ensure Robit's success. My task is to support Robit and its most valuable asset – its people. I need to understand where and how our employees work, what motivates them, enhances job satisfaction, and promotes well-being, and how I can support their success at work while ensuring we serve our customers with the best skills. We need to create a seamless customer journey, from excellent sales to production and final delivery. I also want to ensure that Robit remains financially sound, grows its sales and profits, and invests in development, sustainability, and, consequently, the future.

HILLA'S TRAINING DIARY

A corporate supporter of sports, Robit signed a sponsorship and cooperation agreement in 2021 with Hilla Niemelä, one of the most promising young skiers in Finland. Hilla has been keeping a training diary for our readers; here is episode six.



The new competition season is underway, and the World Cup season has also kicked off. My past training season with the national A-Team has been really successful. Besides Finland, we've had training camps in Ramsau, Austria, and the future World Championship site in Trondheim, Norway.

The season started off with success: I achieved my first individual podium spot in the Finnish Cup. After that, I had to take a few steps back due to illness. I'm back on track now. At the Lillehammer World Cup, my sprint skiing was pretty brisk, but the lack of competition experience is still showing.

The next stop was Davos, Switzerland, which also hosted a freestyle sprint like Lillehammer. From Davos, the journey continues back home to Tampere for the Christmas holidays. There will be a brief Christmas break from competitions, and I hope to do a successful training stint before January. By then, I need to be able to give it my best to secure a spot on the World Championships team heading to Trondheim.

Most of the work has already been done. Now it's time to start finding race form – there's a long season ahead. The World Championships in Trondheim remain the main goal, but there will be other important competitions and opportunities to prove myself throughout the winter. Fingers crossed that I stay healthy and that Tampere gets some snow soon!





Robit Lempäälä-based team had the honor of receiving tips for the upcoming skiing season in the hilly terrain of Suolijärvi, Tampere, under the guidance of Finnish national team skier Hilla Niemelä and her coach Ville Niemelä.



The folks at Distributor Days 2024 send everyone their

WARMEST GREETINGS!

Robit

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