



Robit

THE EXPERTS IN DRILLING CONSUMABLES

SECOND QUARTER AND HALF-YEAR REPORT 2024

RESULTS WEBCAST

2 AUGUST 2024

ARTO HALONEN, GROUP CEO & VILLE PELTONEN, GROUP CFO

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Q2 2024: STRONG GROWTH IN ORDERS, PROFITABILITY UP

ORDERS RECEIVED GREW, RECOVERY OF CONSTRUCTION MARKET DELAYED

- **Market demand** in mining remained good and in construction segment satisfactory.
- **Orders received** increased by 13.6% to MEUR 25.8 (22.8).
- **Net sales** increased by 0.9% to MEUR 24.6 (24.4). In constant currencies, growth was 0.9%.
- **Growth** was driven by Top Hammer business, especially in Australasia.

PROFITABILITY IMPROVED FROM THE COMPARISON PERIOD

- Comparable **EBIT improved** to MEUR 0.7 (0.2), 2.7% of net sales (0.7%).
- **Profitability improved** driven by the earlier implemented savings actions.
- High freight costs impacted profitability negatively during the quarter.

FINANCIAL POSITION CLEARLY IMPROVED, GEARING 34.6% (59.6%)

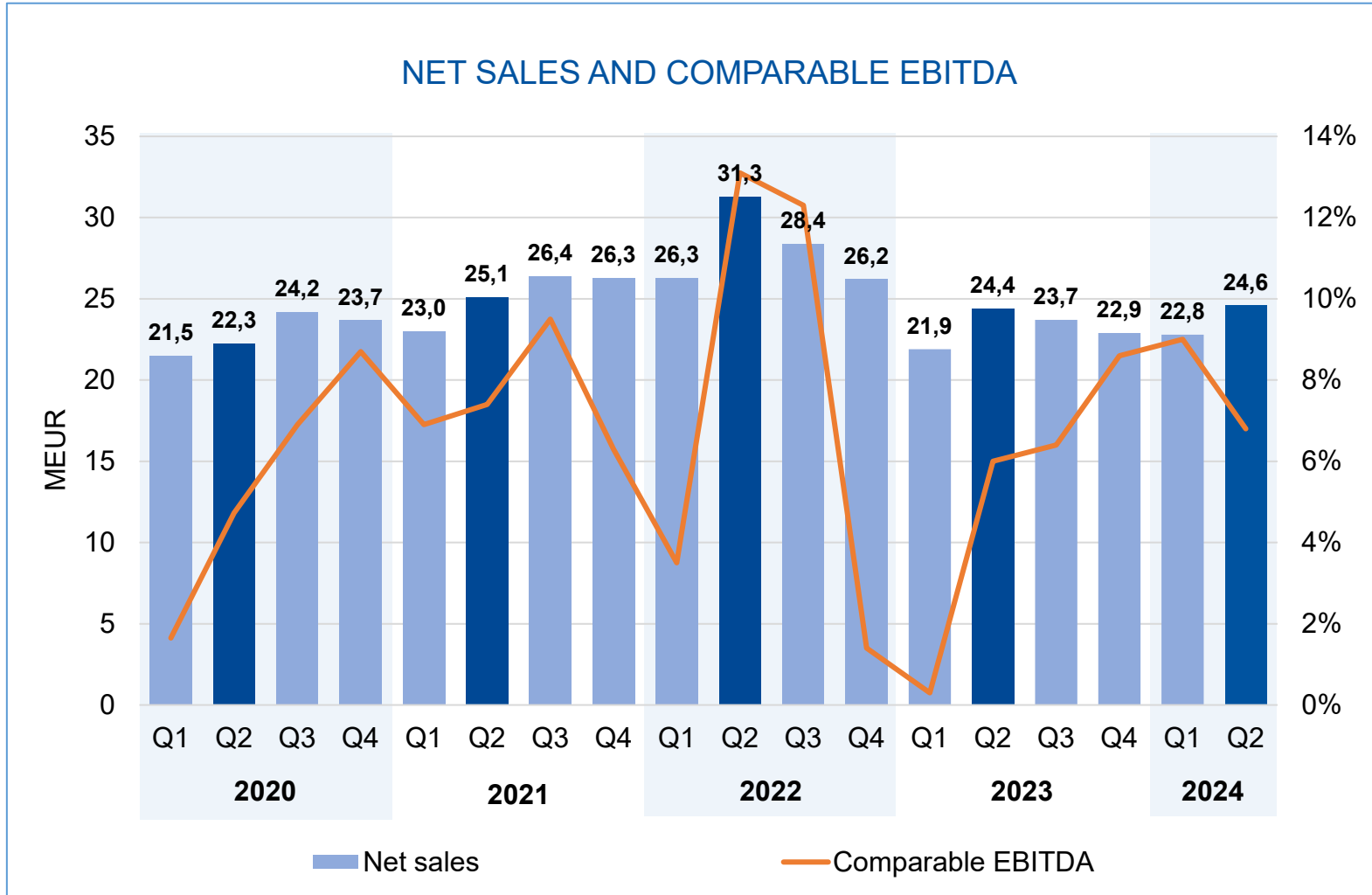
- Net cash flow from operations reached MEUR 2.0 (3.4).
- Inventories increased due to **prolonged transportation times** as well as **inventory ramp-up** for new customers.

STEPS TAKEN TOWARDS ACHIEVING SUSTAINABILITY TARGETS

- Emission intensity 35.7% was below benchmark year of 2020, 10%-points further down from the end of 2023.



H1 2024: IMPROVED PROFITABILITY WITH MODERATE GROWTH



NET SALES MEUR 47.4 (46.3). GROWTH IN CONSTANT CURRENCIES 3.6%

- **Top Hammer** net sales increased by 8.6% to MEUR 29.4 (27.0).
- **Down the Hole** net sales decreased by 9.5% to MEUR 9.4 (10.4).
- **Geotechnical** net sales decreased by 3.0% to MEUR 8.7 (8.9).
- Growth delivered in **Australasia** and **EMEA & East**.

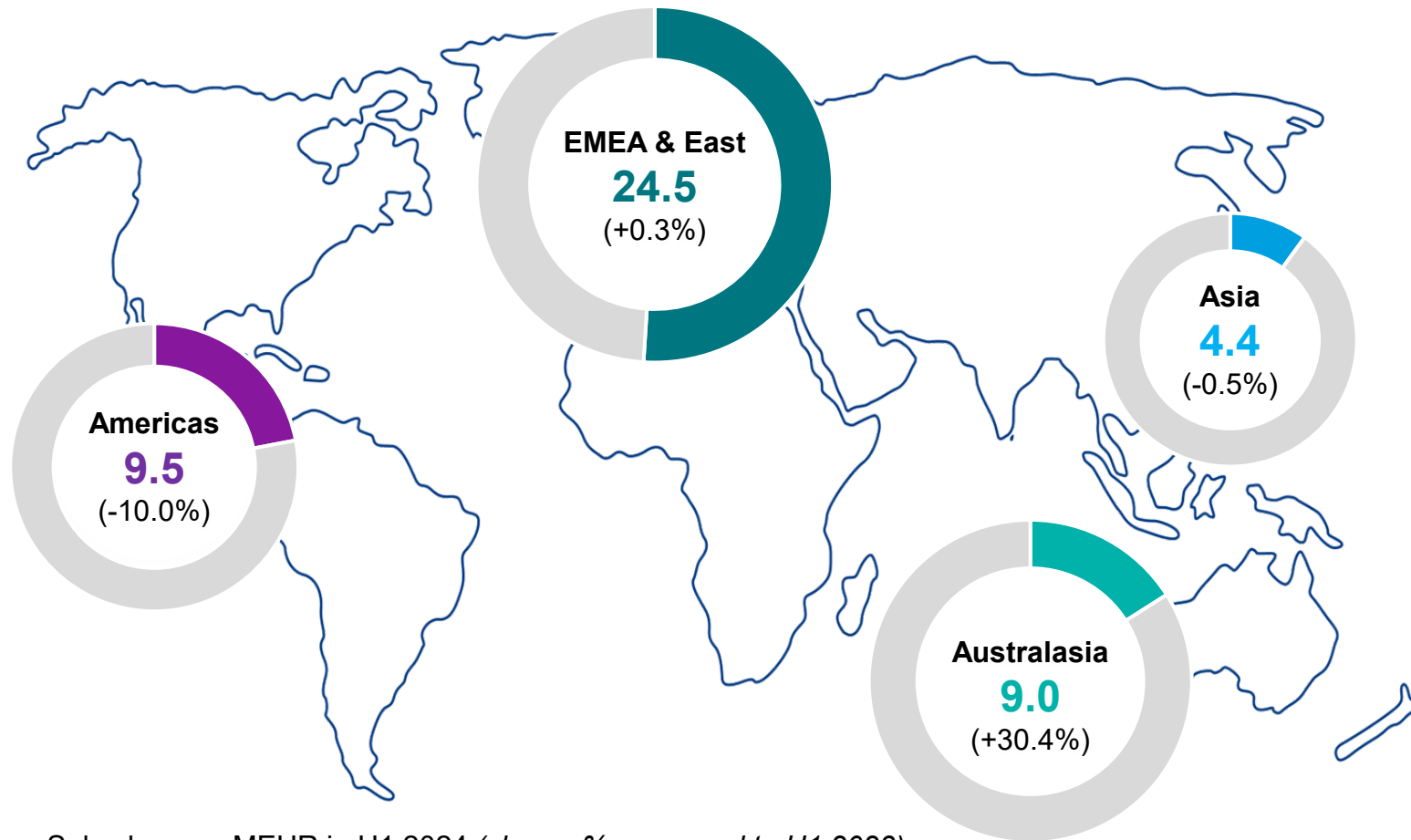
EBIT IMPROVING

- **Comparable EBIT improved by MEUR 3.0** and reached MEUR 1.7 (-1.3), 3.7% of net sales.
- Savings program driving improvement.

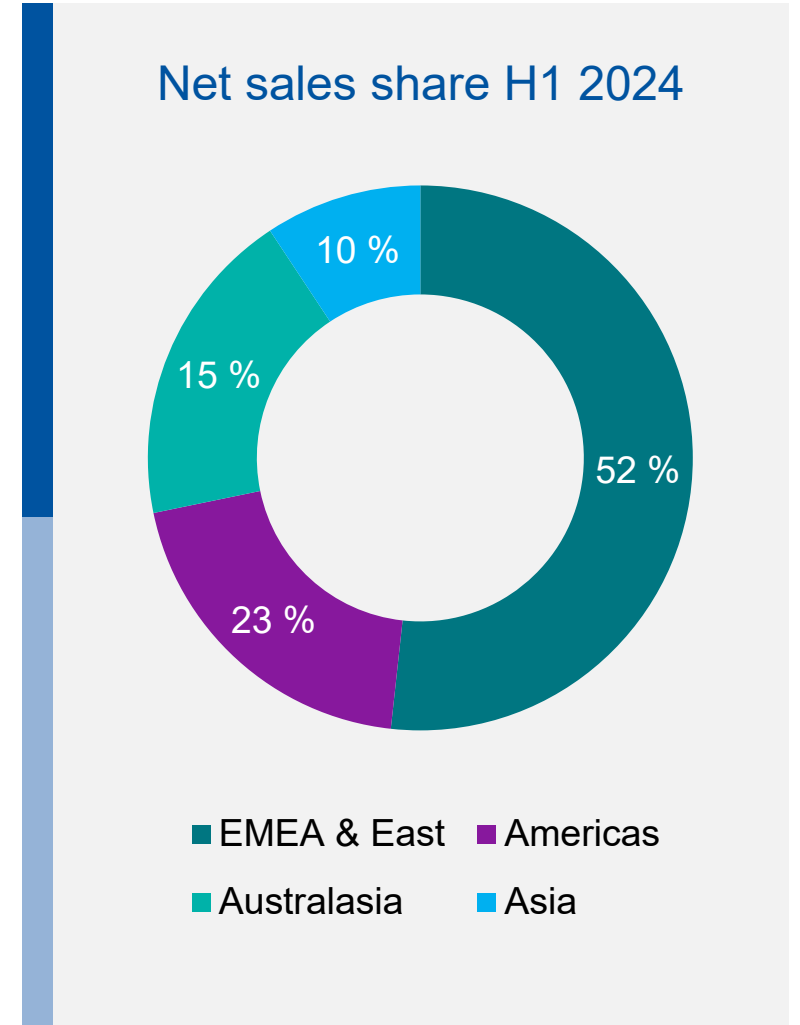
CASH FLOW FROM OPERATIONS IMPROVED

- **Net cash flow from operations** reached MEUR 2.8 (2.0).
- **Improved profitability** driving cash flow improvement.

H1 2024: GROWTH DELIVERED IN AUSTRALASIA



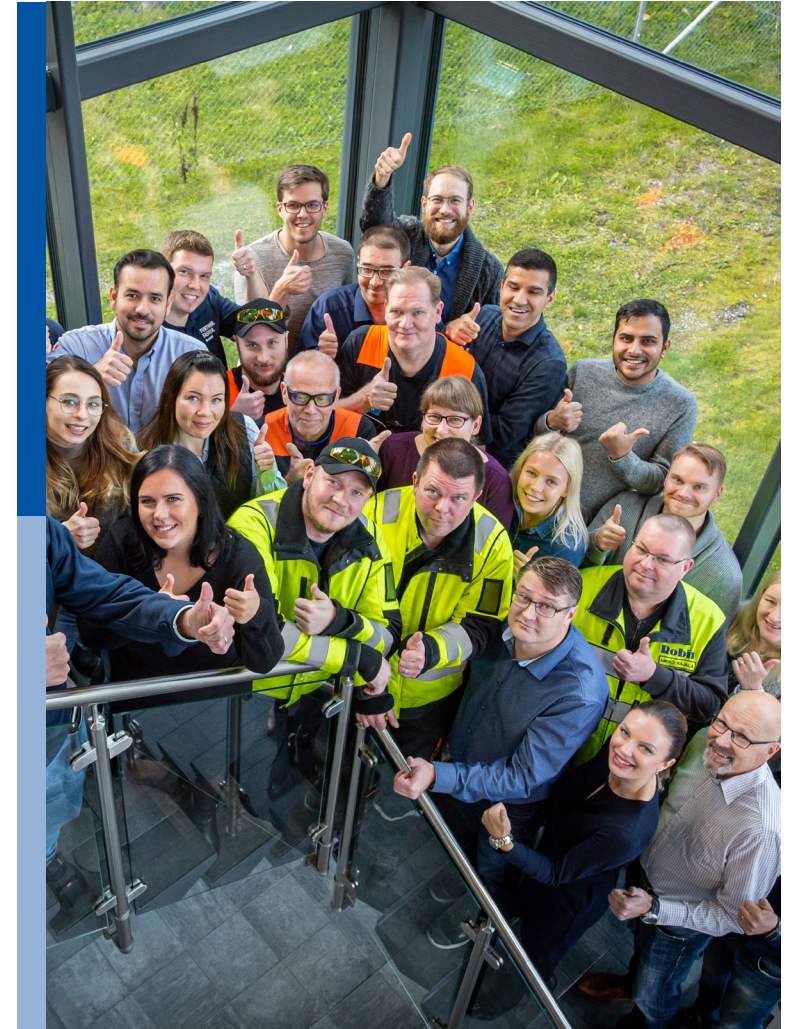
■ Sales by area MEUR in H1 2024 (change% compared to H1 2023)



PROGRESS IN ACHIEVING SUSTAINABILITY GOALS

Sustainable partnerships	CO2 emission reductions in our value chain	Happy and healthy workplace	Efficiency throughout the product lifecycle																
Over 90%* of suppliers committed to sustainable supply chain principles	50% emission reduction on Scope 1 & 2 by 2030	Employee engagement index improving y-o-y PeoplePower® index >70	Over 90% waste recovery ratio in Robit factory locations																
<table border="1"> <tr> <td>H1 2024</td> <td>H1 2023</td> </tr> <tr> <td>97.7%</td> <td>92.0%</td> </tr> </table>	H1 2024	H1 2023	97.7%	92.0%	<table border="1"> <tr> <td>H1 2024</td> <td>H1 2023</td> </tr> <tr> <td>-35.7%</td> <td>-10.6%</td> </tr> </table>	H1 2024	H1 2023	-35.7%	-10.6%	<table border="1"> <tr> <td>H1 2024*</td> <td>2023</td> </tr> <tr> <td></td> <td>68.6</td> </tr> </table>	H1 2024*	2023		68.6	<table border="1"> <tr> <td>H1 2024</td> <td>H1 2023</td> </tr> <tr> <td>86.8%</td> <td>89.0%</td> </tr> </table>	H1 2024	H1 2023	86.8%	89.0%
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Over 90%** of distributors committed to Robit ESG principles		LTIF zero	Annually over 1 000 hours of training hours consultative sales																
<table border="1"> <tr> <td>H1 2024</td> <td>H1 2023</td> </tr> <tr> <td>79.1%</td> <td>77.0%</td> </tr> </table>	H1 2024	H1 2023	79.1%	77.0%		<table border="1"> <tr> <td>H1 2024</td> <td>H1 2023</td> </tr> <tr> <td>10.4</td> <td>4.4</td> </tr> </table>	H1 2024	H1 2023	10.4	4.4	<table border="1"> <tr> <td>H1 2024</td> <td>H1 2023</td> </tr> <tr> <td>669h</td> <td>754h</td> </tr> </table>	H1 2024	H1 2023	669h	754h				
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* Employee engagement measured on annual level



INNOVATIONS



Robit® Rbit™
Extreme Carbides

- **Robit® Rbit™** equipped with **Extreme Carbides** to provide the **best performance and lifetime** in hard and abrasive rock conditions
- Extreme Carbide has **hard outer layer and optimized core** with improved resistance to breakages enabling:
 - Increased **bit lifetime up to 30%**
 - Improved **rate of penetration**
 - Reduced **grinding intervals**



Robit® H Series
Hammer Family

- **Robit® H Series modular hammer family** for DTH drilling consisting of sizes 4", 5", 6" and 8" inches:
 - **Up to 16 different variations** with just a few part changes to meet customers' specific needs
 - Lower **fuel consumption**
 - Maximised **performance**
 - Taylor-made for **customers' specific needs**
 - **Flexibility** for varying conditions



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THE EXPERTS IN DRILLING CONSUMABLES

FINANCIALS

VILLE PELTONEN, GROUP CFO

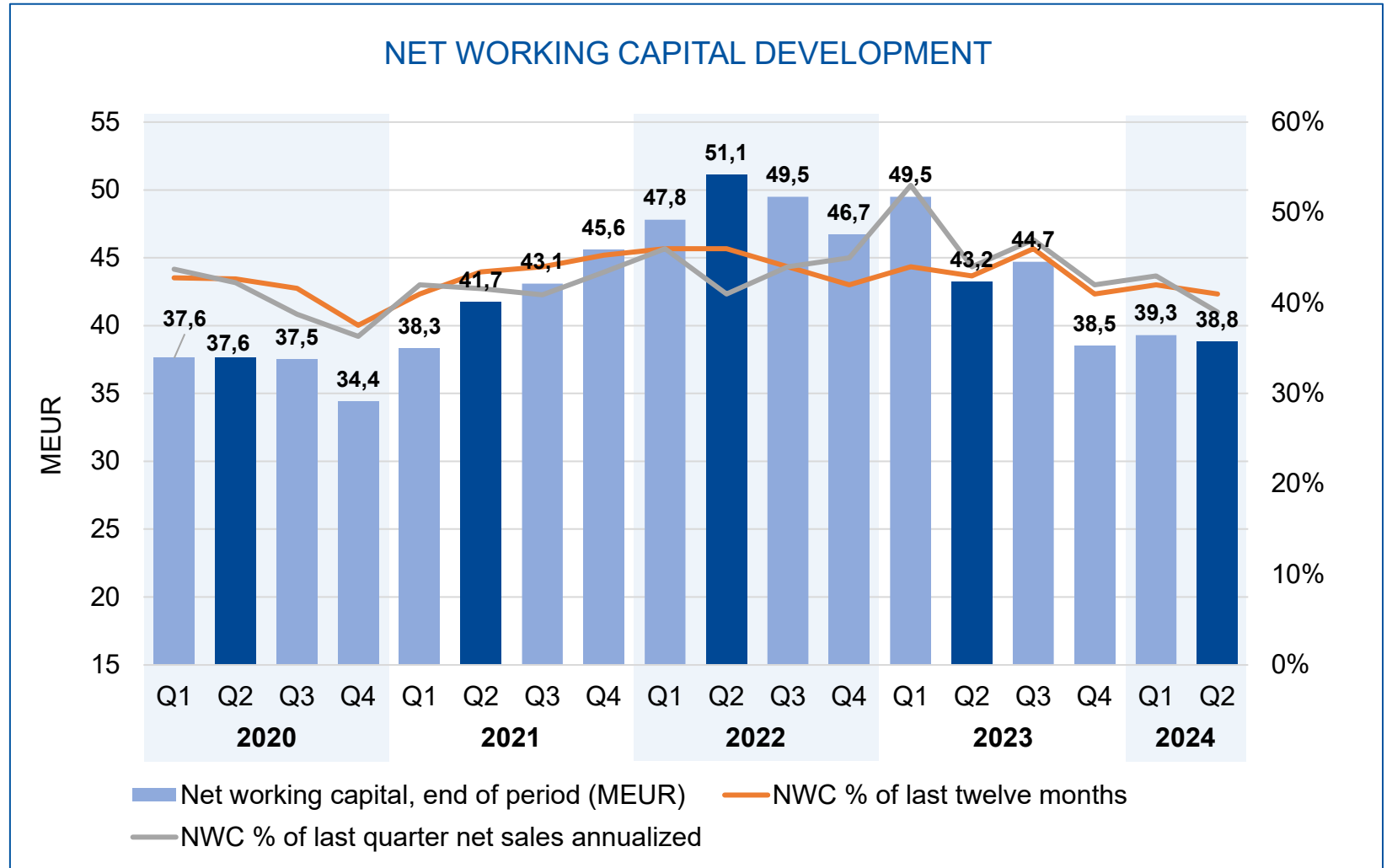
PROFITABILITY IMPROVED

- **Net sales** Q2 2024 increased by 0.9% to MEUR 24.6 (24.4)
- Q2 2024 comparable **EBITDA%** improved to 6.8% (6.0%)
- Comparable **EBIT%** in Q2 2024 increased to 2.7% (0.2%)
- Q2 2024 **result of the period** improved and was MEUR 0.6 (-0.7)

Key financials	Q2 2024	Q2 2023	Change %	H1 2024	H1 2023	Change %	2023
Net sales, EUR 1000	24 597	24 376	0.9%	47 400	46 309	2.4%	92 917
EBITDA, EUR 1000	1 682	1 332	26.3%	3 735	1 393	>100%	5 172
EBITDA, % of sales	6.8%	5.5%		7.9%	3.0%		5.6%
Comparable EBITDA, EUR 1 000	1 682	1 462	15.1%	3 735	1 523	>100%	5 004
Comparable EBITDA, % of sales	6.8%	6.0%		7.9%	3.3%		5.4%
EBIT, EUR 1000	670	48	>100%	1 742	-1 340	>100%	116
EBIT, % of sales	2.7%	0.2%		3.7%	-2.9%		0.1%
Comparable EBIT, EUR 1 000	670	178	>100%	1 742	-1 235	>100%	-53
Comparable EBIT, % of sales	2.7%	0.7%		3.7%	-2.7%		-5.7%
Result of the period, EUR 1000	633	-741	>100%	1 141	-2 411	>100%	-3 019
Result of the period, % of sales	2.6%	-3.0%		2.4%	-5.2%		-3.2%
Earnings per share (EPS)	0.03	-0.03	>100%	0.05	-0.12	>100%	-0.14
Return on equity (ROE), %				4.4%	-10.1%		-6.3%
Return on capital employed (ROCE), %				5.1%	-4.2%		-0.4%

Q2 2024: NET WORKING CAPITAL DEVELOPMENT

- Steady development in Q2 2024
- NWC** decreased by MEUR 4.4 and totaled MEUR 38.8 (43.2 in Q2 2023)
- Inventories** decreased to MEUR 36.3 (42.8)
- Receivables** increased to MEUR 21.7 (21.3)
- Payables** decreased to MEUR 19.2 (20.1)
- NWC%** of last 12 months sales was 41.3%



Q2 2024: CASH FLOW

- **Cash flow before changes in NWC** was MEUR 1.4 (1.0)
- **Operating cash flow** was MEUR 2.0 (3.4)
- **Cash flow from investing activities** was MEUR -0.1 (0.1)
- **Cash flow from financing activities** resulted to MEUR -1.8 (-0.2)

EUR thousand	Q2 2024	Q2 2023	H1 2024	H1 2023	2023
Cash flow from operating activities					
Cash flows before changes in working capital	1 412	1 018	3 549	1 134	4 509
Cash flows from operating activities before financial items and taxes	2 498	3 928	3 638	3 256	11 074
Net cash inflow (outflow) from operating activities	1 961	3 363	2 831	2 027	8 353
Net cash inflow (outflow) from investing activities	-88	73	1 511	-387	1 102
Net cash inflow (outflow) from financing activities	-1 768	-206	-2 104	-511	-4 069
Net increase (+)/decrease (-) in cash and cash equivalents	105	3 229	2 239	1 129	5 386
Cash and cash equivalents at the beginning of the financial period	13 307	3 858	11 201	6 085	6 085
Exchange gains/losses on cash and cash equivalents	74	-74	46	-201	-269
Cash and cash equivalents at end of the period	13 486	7 013	13 486	7 013	11 201

FINANCIAL POSITION DEVELOPED POSITIVELY

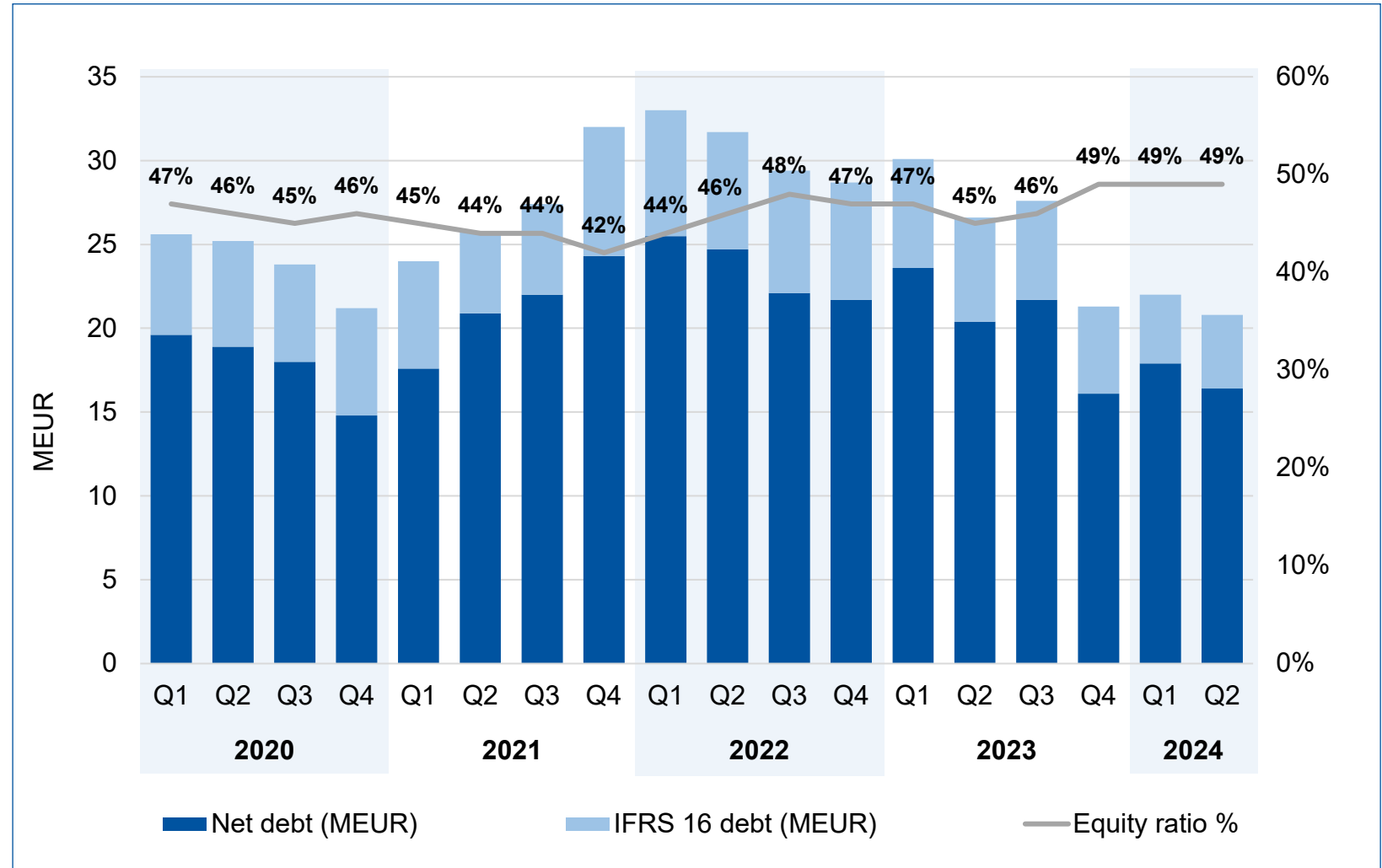
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	30 Jun 2024	30 Jun 2023	31 Dec 2023
ASSETS			
Total non-current assets	26 020	32 252	27 948
Current assets			
Inventories	36 328	42 750	36 054
Account and other receivables	21 500	21 065	16 820
Other receivables and financial assets	204	1 824	2 021
Cash and cash equivalents	13 486	7 013	11 201
Total current assets	71 519	72 652	66 096
Total assets	97 538	104 904	94 043
EQUITY AND LIABILITIES			
Equity total	47 303	47 200	45 629
Total non-current liabilities	25 986	31 589	26 962
Total current liabilities	24 250	26 115	21 453
Total liabilities	50 236	57 704	48 415
Total equity and liabilities	97 538	104 904	94 043

- Cash and cash equivalents** at the end of Q2 2024 were MEUR 13.5 (7.0)
- Total interest-bearing loans** and utilized credit limits were MEUR 29.9 (35.2) including IFRS 16 lease liabilities of MEUR 4.4 (6.2)

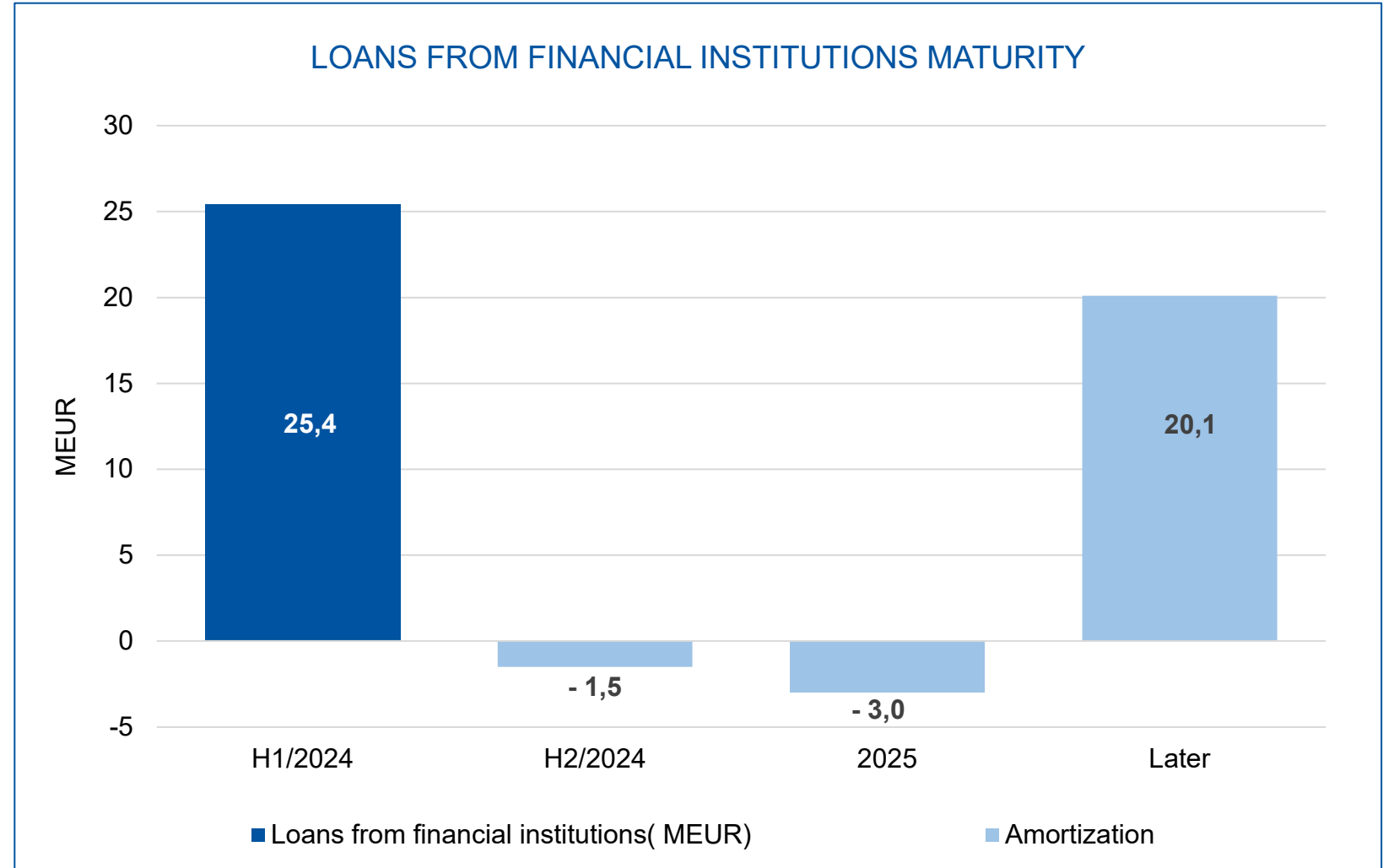
CAPITAL STRUCTURE

- **Net debt** continued to decrease and was MEUR 16.4 (26.5)
- **Net debt/12 month rolling EBITDA** was 2.18
- **Equity ratio** remained strong at 48.6%



LOAN MATURITY

- Loans from financial institutions at the end of Q2 2024 totaled MEUR 25.4
- Financing agreement extended ending in mid-2026
- Senior loan amortization of MEUR 1.5 bi-annually in June and December
- Company has an interest rate swap of EUR 10 million, which took effect on 30 June 2023 and ends on 30 June 2026





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THE EXPERTS IN DRILLING CONSUMABLES

OUTLOOK

ARTO HALONEN, GROUP CEO

ROBIT STRATEGY 2024–2027: LET’S DRILL BETTER

PURPOSE



We help our customers
To **drill better**

BRAND PROMISE



We are customer’s **trusted** partner
to reach **lowest total drilling costs**

CUSTOMER SEGMENT



Focus only on drilling tools
for mining, construction,
geotechnical and well drilling

VISION / BIG GOAL



Your **chosen partner**
in drilling tools

HOW TO WIN



Knowing the market
and **customer needs**



Products engineered and delivered
for **high performance**



Accelerating growth
through **distributors**

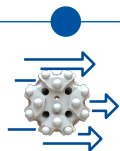


Focused **growth investments**
on selected market

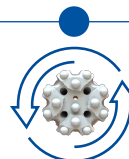


TEAM OF ENGAGED DRILLING TOOLS EXPERTS

ROBIT VALUES



**We serve
with speed**



**We drive
change**



**We respect
everyone**



FINANCIAL TARGETS AND GUIDANCE 2024

FINANCIAL TARGETS

Robit's long-term target is to **grow faster than average market growth** and **achieve comparable EBIT profitability of 10%**.

	Long-term target	2022	2023	Rolling 12 months per 30 Jun 2024
Comparable EBIT, % of net sales, p.a.	>10%	2.7%	-5.7%	3.4%

GUIDANCE

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

Background for the guidance

The guidance is based on the estimate that demand in the mining industry will remain at a good level and the demand in the construction industry has bottomed out in the first half of 2024. Additionally, the guidance assumes that there will be no significant changes in exchange rates from the levels at the end of 2023.





Robit
THANK YOU!

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