



Nasdaq OMX  
Nikolaj Plads 6  
P.O. Box 1040  
1007 København K

27<sup>th</sup> January 2021

## Interim Report

On a recently held board meeting, the Board noted that the development in the turnover in the first three months of the financial year 2020/21 has been higher than last year. The profit has been at a higher level than the expectations for the quarter. RIAS A/S has thereby had a positive development in the expectations for the first quarter of the financial year 2020/21. The development shows a turnover at same level as last year in the industry sector, and increasing sales in the building and construction sector and the export markets.

The demand in the industry sector has been on same level compared to last year. Despite the partly lock-down in December 2020 due to COVID-19, the national demand has still been on a reasonable level. This development covers large differences in demand from different industries where especially retail has been hit hard. This has had a negative effect on the sale of the products that normally are sold within this industry. Generally, the mood is very reluctant and consequently, we see a much shorter order horizon. The uncertainty on what the next months will bring, especially after the lock-down, makes it hard to predict the future.

The turnover in the Building and Construction sector has been at a higher level than last year. This is estimated i.a. to be an effect of the still high degree of home workplaces due to COVID-19 and people's inability to travel and thus spend more money on refurbishing their house and home. The removal of the limit on the construction projects in the municipalities has led to more project inquiries and thereby increased turnover on the project market. The climate in the DIY sector is still positive, however a normalization of the demand is expected when the pandemic during spring/summer 2021 is expected to be under control.

The turnover and profit in Sweden have also developed to a higher level than 2019/20. Due to a changed approach to the market and despite of a fierce competition, we have noted a continuous positive development in the profit margin.

The processing area that has been moved to larger and more up-to-date premises is developing positively and at a higher level than last year.

Based on the above mentioned developments, a tight cost control and the continued focus on the positive development on the strategic areas provide a good basis for the first quarter of 2020/21. The renewed lock-down that the Government decided in December 2020, continues to create great uncertainty about the development for the coming quarters. It is difficult to predict how the situation post COVID-19 will develop.



Based on the mentioned uncertainty and with a positive first quarter, the Board of RIAS A/S still expects an EBIT level for the accounting year 2020/21 of DKK 8,5-10,0 million.

Med venlig hilsen

RIAS A/S

A handwritten signature in blue ink, appearing to be "Henning Hess", written over a faint grid pattern.

Henning Hess