

# Announcement

To Nasdaq Copenhagen A/S and the press

Nørresundby, 30 November 2023

Announcement no. 19/2023

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## Annual report 2022/23

(the period 1 October 2022 - 30 September 2023)

### Strong result for RTX in 2022/23

*Demand increased strongly in 2022/23 and led to record high revenue second year in a row. Contributing to this strong performance is the normalization of past years' industry-wide challenges with component shortages and supply chain constraints. With continued focus on the development of our key accounts and offerings, RTX expects to continue the growth path in the coming years. However, we expect a temporary setback in 2023/24 due to macro-economic uncertainties and high inventory levels at our major customers.*

### Financial highlights for 2022/23

RTX is pleased with our performance in 2022/23. Revenue increased by 18% and reached an all-time high of DKK 783 million with very strong demand for RTX products. Earnings improved as well, EBITDA increased by 26% to DKK 108 million and EBIT increased by 49% to DKK 68 million, aided by the growth in revenue. Both revenue and earnings surpassed our expectations for the year.

- Revenue reached DKK 783 million, an increase of 18% from last year.
- EBITDA reached DKK 108 million, an increase of 26% from last year.
- EBIT reached DKK 68 million, an increase of 49% from last year.
- EPS reached DKK 5.7 per share, up from 4.2 DKK per share.

### CEO Peter Røpke in a comment to the annual report:

*"I am pleased that RTX has delivered one more year (2022/23) with growth and record high revenue. Looking ahead, I see short-term challenges from high inventory levels at our largest customers caused by the past year's problems in the global electronic industry. However, I still experience strong commitment to RTX and our offerings when I speak to our key customers. Therefore, I believe that RTX has an opportunity for further growth beyond 2023/24. Our business model and strategy for generating recurring revenue from the partnerships with our customers, who are global leaders in their respective industries, form a strong foundation for the realization of our ambitions for the coming years."*

### Strong demand and improved supply chain

RTX experienced strong demand for our products and services in 2022/23. The global supply chain challenges were normalizing during the year, and we experienced shorter lead times of components and material in the end of the year compared to what we have experienced in the previous years. This improvement in combination with the strong demand was the basis for RTX exceeding the original revenue expectations for the year.

Demand in ProAudio for our product-based business was high and explains the good performance in the segment. RTX is no longer doing stand-alone hourly-based engineering services in this segment as outlined in the strategy some years ago. The Enterprise segment was growing as well, with growth coming from RTX's large framework agreement customers – both long-standing and newer framework agreement customers.

Healthcare segment demand and revenue also increased in 2022/23 where we, together with our customer, are in a transitioning from old products to a new product generation. The normalized supply chain has led to a high stock level of products at our customers. This situation in combination with the macro-economic situation have led to a high level of uncertainty when it comes to near-term demand for products from our customers.

For that reason, we expect revenue in 2023/24 to be backloaded in the fiscal year and demand not to be on the same level as in 2022/23.

### **Growth Strategy**

We are satisfied with the growth in both revenue and earnings in 2022/23. We have seen the gross margin stabilize as the global electronic component market has improved during the year both in terms of lead times and partly in terms of cost. In the second part of the year, it has not been necessary to buy expensive components on the spot market as in the previous year.

An important focus area for RTX in the coming years will be to continue ensuring right component costs as the supply-demand balance in the component markets becomes more normal.

The past years' instability in global electronic supply, where lead times rapidly changed first up to 18 months and then back to a normal level of 3 months, has now led to a situation where inventory levels of products at our large customers are at a high level. We expect, as mentioned before, that order intake from these customers will be moderate in the coming months until inventory levels at our customers have normalized.

However, RTX expects, based on dialogue with our customers and the amount of new product initiatives, that this situation will be temporary, and we still believe in our long-term ambition.

### **Looking ahead to 2023/24 and beyond**

For 2023/24 we expect revenue to be impacted by high inventory levels at our customers, combined with the macroeconomic and geopolitical uncertainty. The past years' instability in global electronic supply, where lead times rapidly changed, first up to 18 months and then back to a normal level of 3 months, has now led to a situation where our large customers have high product inventory levels. We expect that order intake from these customers will be moderate in the coming months, until inventory levels at our customers have normalized.

For that reason, we expect 2023/24 revenue to be backloaded in the fiscal year and demand not to be at the same level as in 2022/23. Based on the above assumptions, the outlook for 2023/24 is a revenue of DKK 580-630 million, and EBITDA of DKK 45-60 million and EBIT of DKK 5-20 million.

Based on dialogue with our customers regarding their medium- and long-term demand, along with our development pipeline of new product initiatives, RTX expects that the slower demand forecasted for 2023/24 is a temporary supply chain adjustment until high inventories at our customers have normalized.

RTX A/S

**PETER THOSTRUP**

Chair

**PETER RØPKE**

President & CEO

**Investor and analysts meeting**

RTX Management is available for meetings with investors and analysts in relation to the Annual Report. Meetings can be booked via Danske Bank per e-mail to [lomo@danskebank.dk](mailto:lomo@danskebank.dk).

**Enquiries and further information:**

The Annual Report 2022/23 can be found via:

<https://www.rtx.dk/en/investors/downloads/financial-reports/>

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RTX's homepage: [www.rtx.dk](http://www.rtx.dk)