

Roblon maintains full-year profit guidance for 2021/22

Interim report for Q3 2021/22 (the period 1 November 2021 – 31 July 2022)

Highlights of the interim report of the Roblon Group:

As expected, the Group continued to suffer the after-effects of COVID-19 during the first three quarters of 2021/22, mainly in the form of supply shortages of raw materials, logistics challenges and general market impacts. This and rising inflation and impacts from the war in Ukraine have temporarily challenged revenue and profitability and resulted in increased inventories of critical raw materials.

As described in company announcement no. 1/2022, the Group acquired the Czech company Vamafil spol. s.r.o at 3 January 2022 as part of Roblon's growth strategy within its core business, the fibre optic cable industry. A preliminary purchase price allocation has been made, as detailed in note 5 to the interim report.

The relocation and installation of selected parts of the production facilities from Denmark to the Czech Republic are proceeding according to plan. The first stage of the relocation took place in early June 2022, the second relocation stage took place in August 2022 and the third and final relocation stage is scheduled to be completed by the end of 2022.

- In Q1-Q3 2021/22, the order intake rose to DKKm 313.1 (DKKm 223.4) and the order book at 31 July 2022 was DKKm 123.7 (DKKm 83.0).
- Revenue amounted to DKKm 262.0 (DKKm 169.4). This covered an increase of DKKm 61.3 in the FOC product group and a DKKm 31.3 increase in the Composite product group, of which DKKm 19.6 related to Vamafil.
- The gross margin of 49.1% (45.8%) for the first half was positively affected by a favourable product mix and improved profitability in the FOC product group.
- Operating profit before depreciation, amortisation and impairment and special items (EBITDA) was DKKm 10.9 (a loss of DKKm 18.7).
- EBIT before special items was a loss of DKKm 9.2 (a loss of DKKm 33.5).
- Special items relating to the acquisition of Vamafil in the Czech Republic amounted to a net expense of DKKm 4.9 (DKKm 0).
- Roblon's equity at 31 July 2022 stood at DKKm 214.3 (DKKm 214.1).
- Cash flow from operations for Q1-Q3 2021/22 was a net outflow of DKKm 21.2 (an outflow of DKKm 31.3), adversely affected by an increase of approximately DKKm 20 in working capital. The increase mainly related to the higher level of activity, increasing raw materials prices and larger inventories of critical raw materials.

Guidance for full year 2021/22

The guidance is still subject to uncertainty due to the adverse after-effects

of COVID-19 in all the Group's markets, most recently reflected in an adverse impact on the FOC product group in the USA.

Roblon has ceased all sales to Russia and Belarus as a result of the war in Ukraine. Historically, the Group has not had significant business activities in either Russia, Belarus or Ukraine.

Supply shortages of certain raw materials and components are expected to remain a challenge.

At the end of the third quarter of 2021/22, Management maintains the following full-year guidance for 2021/22:

- Revenue in the DKKm 360-390 range (2020/21: DKKm 249.9).
- Operating profit before depreciation, amortisation and impairment and special items (EBITDA) in the range of DKKm 17-27 (2020/21: a loss of DKKm 12.6).
- Operating profit/loss before special items (EBIT) in the range of a loss of DKKm 10 to a profit of DKKm 0 (2020/21: a loss of DKKm 32.9).
- Special items relating to restructuring costs amounting to an expense of around DKKm 8 (2020/21: DKKm 0).

Head office building put up for sale

In early 2020, the Group decided to put its property in Frederikshavn up for sale. There are currently no potential buyers of the buildings, but the sales process continues. After the sale, the Group's Danish activities will all be located at Roblon's facilities in Gærum, which currently house production and various administrative functions. As well as generating positive synergies in the day-to-day operations, this initiative is also expected to have a positive impact on Roblon's results and equity going forward.

Forward-looking statements

Please note that short-term forecasts are subject to a high degree of uncertainty in light of all markets being affected by COVID-19. The war in Ukraine raises further uncertainty regarding the supply and transport of components and raw materials etc.

The above forward-looking statements, in particular revenue and earnings projections, are inherently uncertain and subject to risk. Many factors are beyond Roblon's control and, consequently, actual results may differ significantly from the projections expressed in this interim report. Such factors include, but are not limited to, changes in market and competitive situation, changes in demand and purchasing behaviour, foreign exchange and interest rate fluctuations and general economic, political and commercial conditions.

Roblon

Roblon A/S
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DK-9900 Frederikshavn
CVR no. 57 06 85 15

Frederikshavn, 15 September 2022

Roblon A/S

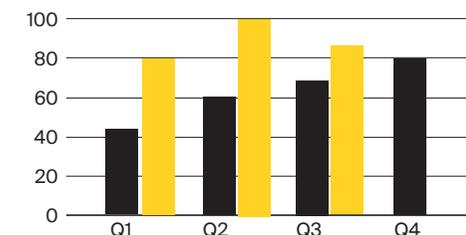
Jørgen Kjær Jacobsen
Chairman of the Board
and CEO

Lars Østergaard
Managing Director

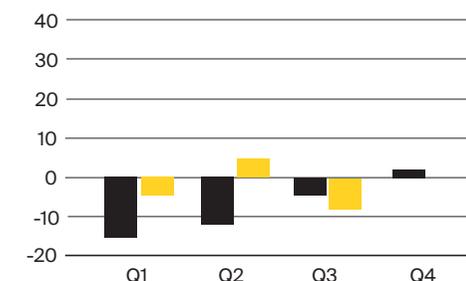
Enquiries regarding this announcement should be addressed to:

Managing Director and CEO Lars Østergaard, tel. +45 9620 3300

Quarterly revenue (DKKm)



Quarterly EBIT (DKKm)



■ 2020/21 ■ 2021/22

Financial highlights

for the Roblon Group

	Unit	Q3 2021/22 ¹	Q3 2020/21 ¹	Q1-Q3 2021/22 ¹	Q1-Q3 2020/21 ¹	FY 2020/21 ¹
Orders						
Order intake	DKKm	106.0	75.0	313.1	223.4	301.7
Order book	DKKm	123.7	83.0	123.7	83.0	79.7
Income statement						
Revenue	DKKm	83.9	66.4	262.0	169.4	249.9
Gross profit	DKKm	39.8	31.5	128.6	77.6	116.7
Operating profit/loss before depreciation, amortisation and impairment and special items (EBITDA)	DKKm	-1.8	-0.1	10.9	-18.7	-12.6
Operating profit/loss before special items (EBIT)	DKKm	-8.8	-5.3	-9.2	-33.5	-32.9
Net special items	DKKm	-1.3	-	-4.9	-	-
Net financial items	DKKm	2.0	1.8	7.1	3.0	-
Profit/loss before tax from continuing operations	DKKm	-8.1	-3.5	-7.0	-30.5	-29.3
Profit/loss for the period from continuing operations	DKKm	-6.3	-2.7	-6.0	-23.6	-29.3
Profit/loss for the period from discontinued operations	DKKm	0.1	-	0.4	-	-
Profit/loss for the period	DKKm	-6.2	-2.7	-5.6	-23.6	-20.8
Consolidated balance sheet						
Cash and securities	DKKm	15.8	58.6	15.8	58.6	45.7
Assets	DKKm	351.2	278.2	351.2	278.2	279.8
Working capital	DKKm	140.3	82.9	140.3	82.9	100.2
Invested capital	DKKm	196.0	150.8	196.0	150.8	167.5
Equity	DKKm	214.3	214.1	214.3	214.1	217.3
Cash flows						
Cash flow from operating activities	DKKm	-16.5	-9.3	-21.2	-31.3	-42.3
Cash flow from investing activities	DKKm	-4.1	2.1	-17.4	12.0	21.8
Of which investment in marketable securities	DKKm	-	5.1	42.3	24.8	36.9
Of which investment in property plant and equipment	DKKm	-3.7	-2.8	-10.5	-10.4	-11.1
Cash flow from financing activities	DKKm	23.0	8.3	50.5	16.4	16.9
Depreciation, amortisation and impairment, total	DKKm	-7.0	-5.2	-20.1	-14.8	-20.3
Cash flow for the period	DKKm	2.4	1.1	11.9	-2.9	-3.6

	Unit	Q3 2021/22 ¹	Q3 2020/21 ¹	Q1-Q3 2021/22 ¹	Q1-Q3 2020/21 ¹	FY 2020/21 ¹
Ratios						
Book-to-bill ratio	%	126.3	113.0	119.5	131.9	120.7
Revenue growth	%	26.4	5.7	54.7	-17.3	-1.9
Gross margin	%	47.4	47.4	49.1	45.8	46.7
EBIT margin	%	-10.5	-8.0	-3.5	-19.8	-13.2
ROIC/return on average invested capital ²	%	-19.8	-13.6	-7.0	-28.7	-20.1
Equity ratio	%	61.0	77.0	61.0	77.0	77.7
Return on equity ²	%	-10.8	-4.6	-3.4	-13.5	-9.1
Employees						
Average no. of full-time employees	No.	265	187	265	187	191
Gross profit per full-time employee	DKKm	0.2	0.2	0.5	0.4	0.6
Per share ratios						
Earnings per DKK 20 share (EPS) ²	DKK	-3.5	-1.5	-3.1	-13.2	-11.6
Price/earnings ratio (PE)	DKK	-53.5	-113.0	-59.2	-12.8	-13.1
Cash flow from operations per DKK 20 share	DKK	-9.2	-5.2	-11.9	-17.5	-23.7
Book value of shares ²	DKK	123.0	119.7	123.0	119.7	121.5
Market price per share	DKK	185.5	169.5	185.5	169.5	152.0
Price/book value		1.5	1.4	1.5	1.4	1.3

¹ The interim report has not been audited or reviewed by the Company's auditors.

² The ratio is calculated on a full-year basis.

The ratios are defined in note 32 to the 2020/21 annual report, Financial ratio definitions and formulas.

Management's review

Roblon's management reporting is based on one segment comprising the following product groups:

- **FOC** (comprising cable materials and cable machinery for the fibre optic cable industry)
- **Composite** (comprising composite materials for onshore and offshore industries)

Matters of note

As expected, the Group continued to suffer the effects of COVID-19 during the first three quarters of 2021/22, mainly in the form of supply shortages of raw materials, logistics challenges and general market impacts. In certain product groups, this resulted in a temporary reduction of profitability and increased inventories of critical raw materials.

As described in company announcement no. 1/2022, the Group acquired the Czech company Vamafil spol. s.r.o at 3 January 2022 as part of Roblon's growth strategy within its core business, the fibre optic cable industry. A preliminary purchase price allocation has been made, as detailed in note 5 to the interim report.

The relocation and installation of selected parts of the production facilities from Denmark to the Czech Republic are proceeding according to plan. The first stage of the relocation took place in early June 2022, the second relocation stage took place in August 2022 and the third and final relocation stage is scheduled to be completed by the end of 2022.

Consolidated income statement

Order intake and order book

The Group's order intake amounted to DKKm 313.1 in Q3 2021/22 (DKKm 223.4). The DKKm 89.7 net increase covered a DKKm 26.3 improvement in the FOC product group and a DKKm 63.4 improvement in the Composite product group, of which DKKm 26.1 stemmed from the acquired Vamafil business.

At the end of July 2022, the Group's order book stood at DKKm 123,7 (DKKm 83.0), distributed with DKKm 67.2 (DKKm 67.6) in the FOC product group and DKKm 56.5 (DKKm 15.4) in the Composite product group. Composite's order book at 31 July 2022 included Vamafil at an amount of DKKm 6.6 (DKKm 0).

Revenue

For Q1-Q3 2021/22, Roblon realised revenue of DKKm 262.0 (DKKm 169.4). The DKKm 92.6 net increase covered a DKKm 61.3 improvement in the FOC product group and a DKKm 31.3 improvement in the Composite product group, of which DKKm 19.6 related to Vamafil. The revenue increase in FOC was made possible by the expansion of production capacity in Roblon US and the favourable market conditions in the USA. The FOC product group also generated higher revenue in EMEA (Europe, the Middle East and Africa).

As mentioned in the interim report for Q2 2021/22, the Roblon Group finds that its US sales

potential in the FOC product group has been adversely affected in the second half of 2021/22. Roblon's customers in this part of the business are having difficulties sourcing the necessary components and raw materials to maintain an expected high and increasing production level. Furthermore, a few of the Group's customers are experiencing delays in completing capacity expansions. This has meant a decline in Roblon's revenue in Q3 2021/22, as expected. Once the raw materials and components supply situation normalises for Roblon's customers, the general market conditions are still considered to be favourable.

The USD/DKK exchange rate development in the Americal subsidiary had a positive impact of DKKm 10.6 on reported revenue for Q1-Q3 2021/22.

The Czech koruna exchange rate (CZK/DKK) development in the Czech subsidiary had a positive impact of DKKm 0.1 on reported revenue for Q1-Q3 2021/22.

Gross profit and gross margin

The Group's gross profit was DKKm 128.6 (DKKm 77.6) and the gross margin was 49.1% (45.8%) for Q1-Q3 2021/22, positively affected mainly by a favourable product mix and improved profitability in the FOC product group. A favourable development in the USD/DKK exchange rate also had a positive effect.

Other external costs

Other external costs amounted to DKKm 30.5 (DKKm 25.5) in Q1-Q3 2021/22. The DKKm 5.0 increase was due to Vamafil costs in the amount of DKKm 2.8 being recognised from 3 January 2022 and to a higher level of activity, including increased travel and selling costs.

Staff costs

Staff costs increased to DKKm 90.5 (DKKm 72.7) in Q1-Q3 2021/22, a DKKm 17.8 year-on-year increase, of which DKKm 9.6 was due to the recognition of Vamafil staff costs from 3 January 2022. Other factors of the increase were a higher level of activity and recruitments in production management.

Operating profit/loss before depreciation, amortisation and impairment and special items (EBITDA)

In Q1-Q3 2021/22, EBITDA amounted to DKKm 10.9 (a loss of DKKm 18.7).

Depreciation, amortisation and impairment

The Group's depreciation, amortisation and impairment for Q1-Q3 2021/22 was DKKm 20.1 (DKKm 14.8). The year-on-year increase was due to increased investments in production equipment to enhance capacity and production, primarily in the USA, as well as depreciation and amortisation in Vamafil amounting to DKKm 2.7.

Operating profit/loss before special items (EBIT)

For Q1-Q3 2021/22, EBIT before special items

was a loss of DKKm 9.2 (a loss of DKKm 33.5).

Special items

Special items totalling a net expense of DKKm 4.9 at the end of Q3 2021/22 comprised DKKm 3.1 regarding transaction costs in connection with the acquisition of the Czech business Vamafil at 3 January 2022 and DKKm 1.8 regarding other costs in connection with the relocation of selected parts of the production facilities from Denmark to the Czech Republic.

Net financial items

The Group's net financial items for Q1-Q3 2021/22 amounted to DKKm 7.1 (DKKm 3.0). The net amount covers a positive foreign exchange adjustment of DKKm 7.8, primarily relating to a loan to the US subsidiary, a positive return of DKKm 0.3 on Roblon's securities portfolio and interest expenses of DKKm 1.0.

Profit/loss before tax from continuing operations

For Q1-Q3 2021/22, the Group posted a loss before tax from continuing operations of DKKm 7.0 (a loss of DKKm 30.5).

Profit/loss from discontinued operations

In 2019/20, Roblon wrote off a receivable relating to the sale of a former Roblon division. In the current financial year, Roblon has received a partial repayment of DKKm 0.6 on the receivable, and for Q1-Q3 2021/22 the profit/loss from discontinued operations after tax was recognised at DKKm 0.4.

Profit/loss after tax

Roblon realised a net loss for the period of DKKm

5.6 (a net loss of DKKm 23.6). Tax on the profit/loss for the period has been calculated at the applicable tax rates in the countries in which the Group has operations.

The USD/DKK exchange rate reduced the Group's net results for Q1-Q3 2021/22 by DKKm 0.3.

The CZK/DKK exchange rate development did not affect the Group's net results for Q1-Q3 2021/22.

Consolidated balance sheet

The Group's total assets at 31 July 2022 amounted to DKKm 351.2 (DKKm 278.2).

Total investments in intangible assets for Q3 2021/22 amounted to DKKm 2.1 (DKKm 2.4), comprising a DKKm 1.5 investment in development projects and a DKKm 0.6 investment in the Group's ERP solution. A development project has been written down by DKKm 0.2.

Investments in property plant and equipment amounted to DKKm 11.6 (DKKm 10.4) in Q1-Q3 2021/22, mainly comprising investment projects to lift production capacity in the FOC business. Property, plant and equipment sold amounted to DKKm 1.1 (DKKm 0).

The investment in Roblon US was tested for impairment, which did not give rise to any write-down.

Inventories amounted to DKKm 119.3 (DKKm 69.0) at 31 July 2022. The rising level of activity throughout the Group resulted in an increased requirement for inventories of raw materials and

components as well as an increased inventory of critical raw materials. As Roblon's customers in the FOC product group are experiencing difficulties in sourcing components and raw materials, Roblon's revenue was lower than expected, and this also contributed to an increase in inventories. The increased level of inventories was also due to sharp raw materials price increases and additions from the acquired Czech company, Vamafil.

The Group regularly implements decisions and actions with a view to reducing working capital.

The Group's equity at 31 July 2022 amounted to DKKm 214.3 (DKKm 214.1). The equity ratio at 31 July 2022 was 61.0% (77.0%).

Consolidated cash flows

The Group's net cash flow from operating activities in Q1-Q3 2021/22 was an outflow of DKKm 21.2 (an outflow of DKKm 31.3).

Total cash flow from investing activities was a net outflow of DKKm 17.4 (an inflow of DKKm 12.0), covering an outflow from net investments in intangible assets and property, plant and equipment of DKKm 12.6 (an outflow of DKKm 12.8), an inflow from net sales of securities of DKKm 42.3 (an inflow of DKKm 29.7) and an outflow of DKKm 47.1 from the acquisition of the Czech subsidiary.

Net cash flow from financing activities in Q3 2021/22 was an inflow of DKKm 50.5 (an inflow of DKKm 16.4), mainly consisting of drawing on operating credits and raising of loan capital.

Capital resources

At 31 July 2022, net deposits of cash and securities amounted to DKKm 15.8 (DKKm 58.6). As stated in company announcement no. 7/2021 of 9 December 2021, Roblon secured DKKm 75 in long-term credit facilities to support the acquisition of Vamafil and the Group's growth strategy in general.

In February 2022, Roblon took out a mortgage of approximately DKKm 10 on the Company's buildings in Gærum to further strengthen its long-term capital resources.

The Group's total credit facilities amounted to DKKm 80 (DKKm 25). Roblon has an undrawn credit facility at 31 July 2022 of DKKm 6.1 (DKKm 6.6).

Total cash resources at 31 July 2022 amounted to DKKm 20.9 (DKKm 65.2).

In August 2022, Roblon strengthened the Group's credit facilities by a further DKKm 25 until the end of March 2023.

Product development

In Q1-Q3 2021/22, the Group incurred product development costs of DKKm 4.9 (DKKm 6.1).

Guidance for full year 2021/22

The guidance is still subject to uncertainty due to the adverse after-effects of COVID-19 in all the Group's markets, most recently reflected in an adverse impact on the FOC product group in the USA.

Roblon has ceased all sales to Russia and Belarus as a result of the war in Ukraine. Historically,

the Group has not had significant business activities in either Russia, Belarus or Ukraine.

Supply shortages of certain raw materials and components are expected to remain a challenge. At the end of the third quarter of 2021/22, Management maintains the following full-year guidance for 2021/22:

- Revenue in the DKKm 360-390 range (2020/21: DKKm 249.9).
- Operating profit before depreciation, amortisation and impairment and special items (EBITDA) in the range of DKKm 17-27 (2020/21: a loss of DKKm 12.6).
- Operating profit/loss before special items (EBIT) in the range of a loss of DKKm 10 to a profit of DKKm 0 (2020/21: a loss of DKKm 32.9).
- Special items relating to restructuring costs amounting to an expense of around DKKm 8 (2020/21: DKKm 0).

Head office building put up for sale

In early 2020, the Group decided to put its property in Frederikshavn up for sale. There are currently no potential buyers of the buildings, but the sales process continues. After the sale, the Group's Danish activities will all be located at Roblon's facilities in Gærum, which currently house production and various administrative functions. As well as generating positive synergies in the day-to-day operations, this initiative is also expected to have a positive impact on Roblon's results and equity going forward.

Forward-looking statements

Please note that short-term forecasts are subject to a high degree of uncertainty in light of all markets being affected by COVID-19. The war in Ukraine raises further uncertainty regarding the

supply and transport of components and raw materials etc.

The above forward-looking statements, in particular revenue and earnings projections, are inherently uncertain and subject to risk. Many factors are beyond Roblon's control and, consequently, actual results may differ significantly from the projections expressed in this interim report. Such factors include, but are not limited to, changes in market and competitive situation, changes in demand and purchasing behaviour, foreign exchange and interest rate fluctuations and general economic, political and commercial conditions.

Financial calendar

20/12 2022:	Annual report 2021/22
26/1 2023:	Annual General Meeting

Announcements – NASDAQ Copenhagen

During the period 21 December 2021 to 15 September 2022, the Company sent the following announcements to NASDAQ Copenhagen; these can be found on the Company's website, www.roblon.com.

No. 8	21/12/2021	Preliminary statement 2020/21
No. 9	22/12/2021	Reporting on leading employees' transactions
No. 10	27/12/2021	Reporting on leading employees' transactions
No. 1	03/01/2022	Roblon completes acquisition of company
No. 2	04/01/2022	Notice convening AGM
No. 3	12/01/2022	Reporting of related party transactions in Roblon A/S shares
No. 4	13/01/2022	Reporting of related party transactions in Roblon A/S shares
No. 5	17/01/2022	Reporting of related party transactions in Roblon A/S shares
No. 6	18/01/2022	Reporting of related party transactions in Roblon A/S shares
No. 7	27/01/2022	Minutes of the annual general meeting in Roblon A/S
No. 8	16/03/2022	Interim report for Q1 2021/22
No. 9	17/06/2022	Interim report for Q2 2021/22
No. 10	20/06/2022	Reporting of related party transactions in Roblon A/S shares
No. 11	06/07/2022	Reporting of related party transactions in Roblon A/S shares
No. 12	11/07/2022	Reporting of related party transactions in Roblon A/S shares
No. 13	15/07/2022	Reporting of related party transactions in Roblon A/S shares

Statement by Management

The Board of Directors and Executive Management have today considered and approved the interim report of Roblon A/S for Q3 2021/22 (the period 1 November 2021 to 31 July 2022).

The interim report, which has not been audited or reviewed by the Company's auditor, is presented in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional requirements under the Danish Financial Statements Act.

It is our opinion that the interim financial statements provide a true and fair view of the Group's assets, liabilities and financial position as of 31 July 2022 as well as of the results of the Group's activities and cash flows for the period 1 November 2021 to 31 July 2022.

Furthermore, in our opinion the management's review includes a fair review of the development and performance of the Group's business, results for the period and the Group's financial position together with a description of the principal risks and uncertainties that the Group faces.

Frederikshavn, 15 September 2022

Executive Management

Lars Østergaard
Managing Director and CEO

Carsten Michno
Chief Financial Officer (CFO)

Kim Müller
Chief Technology Officer (CTO)

Board of Directors

Jørgen Kjær Jacobsen
Chairman

Ole Lønsmann Andersen
Deputy Chairman

Peter Sloth Vagner Karlsen

Randi Toftlund Pedersen

Nita Svendsen
Employee representative

Flemming Nielsen
Employee representative

Consolidated income statement

for the period 1 November 2021 to 31 July 2022

DKKkm	Note	Q3 2021/22	Q3 2020/21	Q1-Q3 2021/22	Q1-Q3 2020/21	FY 2020/21
Revenue	4	83.9	66.4	262.0	169.4	249.9
Cost of sales		-44.1	-34.9	-133.4	-91.8	-133.1
Gross profit		39.8	31.5	128.6	77.6	116.8
Work carried out for own account and capitalised		0.5	0.5	1.7	1.5	2.3
Other operating income		0.3	0.1	1.6	0.4	1.3
Other external costs		-10.1	-8.6	-30.5	-25.5	-34.0
Staff costs		-32.3	-23.6	-90.5	-72.7	-98.9
Operating profit/loss before depreciation, amortisation and impairment and special items (EBITDA)		-1.8	-0.1	10.9	-18.7	-12.5
Depreciation, amortisation and impairment		-7.0	-5.2	-20.1	-14.8	-20.3
Operating profit/loss before special items (EBIT)		-8.8	-5.3	-9.2	-33.5	-32.8
Net special items		-1.3	-	-4.9	-	-
Net financial items		2.0	1.8	7.1	3.0	3.6
Profit/loss before tax (PBT)		-8.1	-3.5	-7.0	-30.5	-29.2
Tax on profit/loss for the period		1.8	0.8	1.0	6.9	8.5
Profit/loss for the period from continuing operations		-6.3	-2.7	-6.0	-23.6	-20.7
Profit/loss for the period from discontinued operations	5	0.1	-	0.4	-	-
Profit/loss for the period		-6.2	-2.7	-5.6	-23.6	-20.7
Earnings per share (DKK)						
Earnings per share (EPS), continuing and discontinued operations		-3.5	-1.8	-3.1	-13.2	-11.6
Earnings per share, diluted (EPS-D), continuing and discontinued operations		-3.5	-1.8	-3.1	-13.2	-11.6

Consolidated statement of comprehensive income

for the period 1 November 2021 to 31 July 2022

DKKkm	Note	Q3 2021/22	Q3 2020/21	Q1-Q3 2021/22	Q1-Q3 2020/21	FY 2020/21
Profit/loss for the period		-6.2	-2.7	-5.6	-23.6	-20.7
<i>Items that may be recycled to profit or loss:</i>						
Foreign exchange adjustment of foreign subsidiaries		0.5	0.4	2.6	-0.5	-0.1
Comprehensive income		-5.7	-2.3	-3.0	-24.1	-20.8

Consolidated balance sheet

at 31/07/2022

DKKm	Note	31/07/2022	31/07/2021	31/10/2021
ASSETS				
Completed development projects		6.2	8.0	7.6
Development projects in progress		3.8	1.0	2.3
Trademarks, licenses and customer relations		6.3	5.3	5.1
Other intangible assets		8.3	10.6	10.0
Intangible assets		24.6	24.9	25.0
Land and buildings		59.9	18.4	17.9
Plant and machinery		47.3	33.9	38.7
Other fixtures and fittings, tools and equipment		1.8	1.5	1.5
Property, plant and equipment in progress		7.3	7.7	1.3
Right-of-use assets		11.0	11.2	10.8
Property, plant and equipment		127.3	72.7	70.2
Deferred tax assets		4.8	0.8	4.2
Financial assets		4.8	0.8	4.2
Total non-current assets		156.7	98.4	99.4
Inventories		119.3	69.0	75.0
Trade receivables		54.5	42.6	55.5
Corporation tax receivable		1.7	9.3	2.5
Other receivables		3.2	0.3	1.7
Securities		-	54.3	42.0
Cash and cash equivalents		15.8	4.3	3.7
Total current assets		194.5	179.8	180.4
TOTAL ASSETS		351.2	278.2	279.8

DKKm	Note	31/07/2022	31/07/2021	31/10/2021
EQUITY AND LIABILITIES				
Share capital		35.8	35.8	35.8
Other reserves		-0.9	-3.9	-3.5
Retained earnings		179.4	182.2	185.0
Equity		214.3	214.1	217.3
Deferred tax		3.7	5.3	0.2
Lease liabilities		8.6	8.9	8.5
Non-current loans		9.2	-	-
Non-current liabilities		21.5	14.2	8.7
Current portion of lease liability		3.1	2.5	2.6
Current portion of loans		0.4	-	-
Operating credit		74.9	18.4	19.3
Other provisions		0.2	-	-
Advance payments from customers		2.9	1.3	1.6
Trade payables		25.2	16.6	20.0
Income tax		0.3	-	-
Other payables		8.4	11.1	10.3
Current liabilities		115.4	49.9	53.8
Total liabilities		136.9	64.1	62.5
TOTAL EQUITY AND LIABILITIES		351.2	278.2	279.8

Consolidated statement of changes in equity

DKKkm	Share capital	Currency translation reserve	Retained earnings	Proposed dividends	Total equity
Q3 2021/22					
Equity at 01/11/2021	35.8	-3.5	185.0	-	217.3
Comprehensive income for the period					
Profit/loss for the period	-	-	-5.6	-	-5.6
Other comprehensive income	-	2.6	-	-	2.6
Total comprehensive income for the period	-	2.6	-5.6	-	-3.0
Equity at 31/07/2022	35.8	-0.9	179.4	-	214.3
Q3 2020/21					
Equity at 01/11/2020	35.8	-3.4	205.8	-	238.2
Comprehensive income for the period					
Profit/loss for the period	-	-	-23.6	-	-23.6
Other comprehensive income	-	-0.5	-	-	-0.5
Total comprehensive income for the period	-	-0.5	-23.6	-	-24.1
Equity at 31/07/2021	35.8	-3.9	182.2	-	214.1

DKKkm	Share capital	Currency translation reserve	Retained earnings	Proposed dividends	Total equity
2020/21					
Equity at 01/11/2020	35.8	-3.4	205.8	-	238.2
Comprehensive income for the period					
Profit/loss for the period	-	-	-20.8	-	-20.8
Other comprehensive income	-	-0.1	-	-	-0.1
Total comprehensive income for the period	-	-0.1	-20.8	-	-20.9
Equity at 31/10/2020	35.8	-3.5	185.0	-	217.3

Statement of cash flows

for the period 1 November 2021 – 31 July 2022

DKKkm	Spec.	Q3 2021/22	Q3 2020/21	Q1-Q3 2021/22	Q1-Q3 2020/21	FY 2020/21
Operating profit/loss (EBIT) from continuing operations		-10.1	-5.3	-14.2	-33.5	-32.9
Operating profit/loss (EBIT) from discontinued operations		0.2	-	0.6	-	-
Operating profit/loss (EBIT)		-9.9	-5.3	-13.6	-33.5	-32.9
Adjustment for non-cash items	A	6.2	5.1	16.6	15.0	19.8
Change in working capital	B	-14.7	-9.9	-33.0	-11.7	-28.9
Cash generated from operations		-18.4	-10.1	-30.0	-30.2	-42.0
Financial income received		1.8	-0.1	7.7	0.6	1.5
Financial expenses paid		0.4	1.0	-0.7	-0.2	-0.1
Income tax paid		-0.3	-0.1	-0.3	-1.9	-2.0
Income tax received		-	-	2.1	0.4	0.4
Cash flow from operating activities		-16.5	-9.3	-21.2	-31.3	-42.2
Purchase of intangible assets		-0.6	-0.2	-2.1	-2.4	-3.9
Purchase of property, plant and equipment		-3.7	-2.8	-11.6	-10.4	-11.1
Sale of property, plant and equipment		-	-	1.1	-	-
Purchase of securities		-	-0.6	-	-4.9	-5.3
Sale of securities		-	5.7	42.3	29.7	42.1
Acquisition of subsidiary		0.2	-	-47.1	-	-
Cash flow from investing activities		-4.1	2.1	-17.4	12.0	21.8
Operating credits used		23.2	8.7	55.9	18.4	19.3
Loans raised/repaid		-0.1	-	9.1	-	-
Repaid loan on acquisition of Vamafil		-	-	-14.0	-	-
Lease payments		-0.1	-0.4	-0.5	-2.0	-2.4
Cash flow from financing activities		23.0	8.3	50.5	16.4	16.9
Change in cash and cash equivalents		35.5	1.1	45.0	-2.9	-3.5
Cash and cash equivalents at beginning of period		13.4	3.2	3.8	7.2	7.2
Value adjustment of cash and cash equivalents		-	-	0.1	-	0.1
Cash and cash equivalents at end of period		48.9	4.3	48.9	4.3	3.8

DKKkm	Q3 2021/22	Q3 2020/21	Q1-Q3 2021/22	Q1-Q3 2020/21	FY 2020/21
Spec. A: Adjustments for non-cash items					
Profit/loss from sale of property, plant and equipment	-	-	-0.7	-	-
Depreciation, amortisation and impairment	7.0	5.2	20.0	14.8	20.3
Provisions	-0.1	-	0.1	-0.3	-0.3
Foreign exchange adjustment	-0.7	-0.1	-2.8	0.5	-0.2
	6.2	5.1	16.6	15.0	19.8
Spec. B: Change in working capital					
Change in inventories	-19.7	-1.9	-41.5	-7.7	-13.6
Change in receivables	10.7	-6.6	4.0	-5.6	-19.9
Change in current liabilities	-5.7	-1.4	4.5	1.6	4.6
	-14.7	-9.9	-33.0	-11.7	-28.9

Notes to the financial statements

Note 1 – Accounting policies

The interim report is presented in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and Danish disclosure requirements for listed companies. No interim report has been prepared for the parent company.

The accounting policies applied in the interim report are consistent with those applied in Roblon's annual report for 2020/21, which was prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. For a more detailed description of the accounting policies, see the annual report for 2020/21.

The Company's business acquisition at 3 January 2022 is accounted for using the acquisition method in accordance with IFRS 3.

The acquired business is recognised in the consolidated financial statements as of the acquisition date, which is the date at which Roblon obtained control of the acquired company.

The purchase price is the fair value of the consideration. Costs incurred in completing the acquisition are not included in the purchase price but are recognised in the income statement as incurred.

Identifiable assets, liabilities and contingent liabilities in the acquired company are measured at fair value at the acquisition date using appropriate valuation methods. Identifiable intangible assets are recognised if they are separable or if they arise from a contractual right. Deferred tax relating to identifiable tax assets is recognised at the relevant tax rate of the acquired company's country of incorporation.

Any amount not allocated is recognised as goodwill on consolidation.

A preliminary purchase price allocation may be adjusted for up to 12 months of the acquisition date.

As mentioned in the 2020/21 annual report, IFRIC in 2021 issued an agenda decision on the accounting treatment of customisation costs in a cloud computing arrangement. Roblon carried out and completed an analysis of the potential consequences of the agenda decision and concluded that it will not affect the Group's accounting treatment of capitalised costs of the Group's ERP solution, and the accounting policy in this respect therefore remains unchanged.

Note 2 – Estimates

The preparation of interim reports requires Management to make accounting estimates that will affect the accounting policies and recognised assets, liabilities, income and costs. Actual results may differ from these estimates.

The most significant estimates made by Management in applying the Group's accounting policies and the most significant uncertainties associated therewith in preparing the condensed interim report are identical to those applying to the preparation of the annual report for 2020/21.

Note 3 – Seasonality

The Group's activities have not been affected by seasonal or cyclical fluctuations in the interim report.

Note 4 – Revenue

DKKm	Q3 2021/22	Q3 2020/21	Q1-Q3 2021/22	Q1-Q3 2020/21	FY 2020/21
Revenue from external customers:					
By product groups					
FOC	65.3	51.0	204.8	143.5	207.2
Composite	18.6	15.4	57.2	25.9	42.7
Total	83.9	66.4	262.0	169.4	249.9
By geographical markets					
Denmark	0.3	5.2	4.4	6.2	9.7
United Kingdom	6.8	6.6	21.1	14.4	20.7
Rest of Europe	27.3	11.0	71.8	34.4	48.4
Asia	5.6	4.7	20.7	11.6	19.1
Brazil	2.4	3.7	12.3	7.7	15.8
Latin America	1.7	0.8	4.3	1.8	2.0
USA	39.8	34.4	127.4	93.3	134.2
Total	83.9	66.4	262.0	169.4	249.9

Of the Group's non-current assets, DKKm 60.0 (DKKm 61.4) were located in Denmark, DKKm 36.3 (DKKm 37.0) in the USA and DKKm 55.8 (DKKm 0.0) in the Czech Republic.

The Group's revenue largely derived from the sale of goods.

Several of Roblon's customers are groups comprising several production companies. The revenue of individual customers is determined as the total revenue of all companies within the individual customer's group.

Of the Group's total revenue, three individual customers accounted for more than 10% in the first three quarters of 2021/22. Revenue from each of these customers amounted to DKKm 42.1, DKKm 40.2 and DKKm 36.3, respectively. Last year, three individual customers accounted for more than 10% of the Group's total revenue for the first three quarters of 2020/21. Revenue relating to these customers was DKKm 33.8, DKKm 23.9 and DKKm 23.3, respectively.

Note 5 – Business acquisition

In company announcement no. 7/2021, the Group announced its acquisition of the company Vamafil spol. s.r.o in the Czech Republic as part of Roblon's growth strategy within its core business, the fibre optic cable industry.

As described in company announcement no. 1/2022, the Group obtained control of the Czech company Vamafil spol. s.r.o at 3 January 2022 by acquiring all voting rights. Vamafil is an established company specialising in supplying high-performance fibre converting services to European customers. Roblon intends to continue the development of Vamafil's existing business area. In addition, the acquisition of Vamafil will facilitate Roblon's growth in its core business area within the fibre optic cable industry and strengthen competitiveness and profitability.

The agreed purchase price for the shares was EURm 8 (DKKm 59.6) less net debt and normalisation of working capital calculated at EURm 0.7. The preliminary consideration of EURm 7.3 (DKKm 54.4) was paid in cash.

In connection with the acquisition of Vamafil, Roblon took over a loan of EURm 1.5 which the former principal shareholders had extended to Vamafil. This loan was repaid in full at the beginning of January 2022.

In relation to the acquisition, the Group incurred transaction costs of DKKm 3.1 million related to legal and financial advisers. These costs were recognised in the income statement item Net special items.

The takeover balance sheet has been provisionally calculated as follows:

DKKm	Recognised value at takeover
Intangible assets	1.4
Buildings	44.4
Plant and machinery	11.4
Right-of-use assets	1.0
Inventories	2.8
Receivables	4.8
Cash and cash equivalents	7.3
Deferred tax	-3.5
Non-current debt	-0.1
Lease debt	-1.0
Trade payables	-1.4
Amount owed to seller	-11.3
Other payables	-1.4
Acquired net assets	54.4
Of which cash and cash equivalents	-7.3
Cash consideration	47.1

In connection with the acquisition of Vamafil, the Group calculated identifiable intangible assets, such as the trademark, and determined their fair values by discounting cash flows using the relief from royalty method.

The fair value of the buildings is based on, among other things, general market valuations and an evaluation of the properties' market values by an external pan-European valuation expert.

The fair values of production facilities and machinery are estimated using the depreciated replacement cost method.

Note 6 – Discontinued operations

DKKm	Q3 2021/22	Q3 2020/21	Q1-Q3 2021/22	Q1-Q3 2020/21	FY 2020/21
Consolidated income statement					
Net proceeds from divestment of operations	0.2	-	0.6	-	-
Tax on profit/loss for the year	-0.1	-	-0.2	-	-
Profit/loss for the period	0.1	-	0.4	-	-

As part of the agreement to sell Roblon Lighting on 30 April 2017, the Group provided a loan of DKKm 2.6. In the financial year 2019/20, due to elevated repayment risk, Roblon made a DKKm 3.0 loss provision for the full amount of the loan, including accrued interest.

In Q1-Q3 2021/22, Roblight repaid DKKm 0.6 of the debt. As further repayment of the loan is still considered to be uncertain, Roblon maintains a loss provision for the residual value of the loan.