

Roblon reports better-than-expected revenue and earnings for the first half of 2021/22 and adjusts expectations for the full-year

Interim report – H1 2021/22 (the period 1 November 2021 – 30 April 2022)

Roblon

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

Highlights of the interim report of the Roblon Group:

As expected, the Group was adversely impacted by COVID-19 in the first half of 2021/22, facing logistics challenges, supply shortages of raw materials and other market impacts. Despite these challenges, the Group's reported revenue and earnings for the first half of 2021/22 exceeded the guidance for the period. This positive development can be attributed to the Composite product group and to the European part of the FOC product group, while the US subsidiary did not perform as expected.

As described in company announcement no. 1/2022, the Group acquired the Czech company Vamafil spol. s.r.o at 3 January 2022, and in this connection increased its long-term credit facilities by DKKm 75 to support the acquisition of Vamafil and the Group's growth strategy.

- In H1 2021/22, the order intake rose to DKKm 207.1 (DKKm 150.4) and the order book at 30 April 2022 was DKKm 103.4 (DKKm 73.1).
- Revenue amounted to DKKm 178.1 (DKKm 103.0). Both product groups, but particularly FOC, recorded improvements compared with the year-earlier period.
- The gross margin of 49.9% (44.8%) 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 12.6 (a loss of DKKm 18.6).
- EBIT before special items was a loss of DKKm 0.5 (a loss of DKKm 28.2).
- Special items relating to the acquisition of Vamafil in the Czech Republic amounted to a net expense of DKKm 3.6 (DKKm 0).
- Roblon's equity at 30 April 2022 stood at DKKm 219.9 (DKKm 216.4).
- Cash flow from operations for H1 2021/22 was a net outflow of DKKm 18.6 (an outflow of DKKm 22.0), adversely affected by an increase of approximately DKKm 30 in working capital. The increase mainly related to the higher level of activity, increasing raw materials prices, the business acquisition and larger inventories of critical raw materials.

Guidance for full year 2021/22

The guidance is still subject to uncertainty due to the adverse impacts 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 first half of 2021/22, Management adjusts the full-year guidance for 2021/22 as follows:

- revenue in the DKKm 360-390 range against earlier mDKK 330 to 370 (2020/21: DKKm 249.9);
- operating profit before depreciation, amortisation and impairment and special items (EBITDA) in the range of DKKm 17-27 against earlier DKKm 8 to 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 against earlier a loss of DKKm 19 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 head office 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.

Frederikshavn, 17 June 2022

Roblon A/S

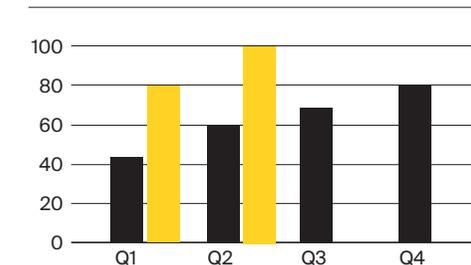
Jørgen Kjær Jacobsen
Chairman of the Board

Lars Østergaard
Managing Director and CEO

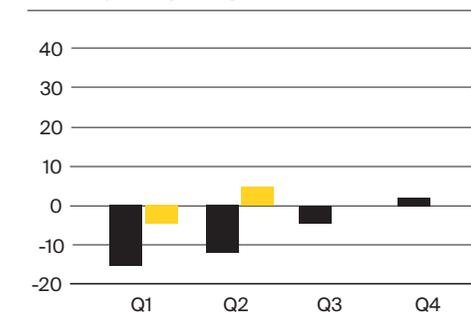
Enquiries regarding this announcement should be addressed to:

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	Q2 2021/22 ¹	Q2 2020/21 ¹	Q1-Q2 2021/22 ¹	Q1-Q2 2020/21 ¹	FY 2020/21 ¹
Orders						
Order intake	DKKkm	92.3	58.7	207.1	150.4	301.7
Order book	DKKkm	103.4	73.1	103.4	73.1	79.7
Income statement						
Revenue	DKKkm	99.8	60.7	178.1	103.0	249.9
Gross profit/loss	DKKkm	52.3	26.4	88.8	46.1	116.8
Operating profit/loss before depreciation, amortisation and impairment and special items (EBITDA)	DKKkm	11.1	-6.6	12.6	-18.6	-12.5
Operating profit/loss before special items (EBIT)	DKKkm	4.1	-11.6	-0.5	-28.2	-32.8
Net special items	DKKkm	-0.5	-	-3.6	-	-
Net financial items	DKKkm	2.6	0.5	5.1	1.2	-
Profit/loss before tax from continuing operations	DKKkm	6.2	-11.1	1.0	-27.0	-29.2
Profit/loss for the period from continuing operations	DKKkm	4.9	-8.6	0.2	-20.9	-29.2
Profit/loss for the period from discontinued operations	DKKkm	0.1	-	0.3	-	-
Profit/loss for the period	DKKkm	5.0	-8.6	0.5	-20.9	-20.7
Balance sheet						
Cash and securities	DKKkm	13.4	61.7	13.4	61.7	45.7
Assets	DKKkm	339.8	273.5	339.8	273.5	279.8
Working capital	DKKkm	125.6	72.9	125.6	72.9	100.2
Invested capital	DKKkm	206.0	150.8	206.0	150.8	167.5
Equity	DKKkm	219.9	216.4	219.9	216.4	217.3
Cash flows						
Cash flow from operating activities	DKKkm	-1.7	-17.4	-18.6	-22.0	-42.3
Cash flow from investing activities	DKKkm	-5.5	-0.7	-13.3	9.9	21.8
Of which investment in marketable securities	DKKkm	-	4.4	42.3	19.7	36.9
Of which investment in property plant and equipment	DKKkm	-4.9	-4.0	-6.8	-7.6	-11.1
Cash flow from financing activities	DKKkm	0.1	9.2	41.5	8.1	16.9
Depreciation, amortisation and impairment, total	DKKkm	-7.0	-5.0	-13.1	-9.6	-20.3
Cash flow for the period	DKKkm	-7.1	-8.9	9.6	-4.0	-3.6

	Unit	Q2 2021/22 ¹	Q2 2020/21 ¹	Q1-Q2 2021/22 ¹	Q1-Q2 2020/21 ¹	FY 2020/21 ¹
Ratios						
Book-to-bill ratio	%	92.5	96.7	116.3	146.0	120.7
Revenue growth	%	64.4	-11.1	72.9	-27.5	-1.9
Gross margin	%	52.4	43.5	49.9	44.8	46.7
EBIT margin	%	4.1	-19.1	-0.3	-27.4	-13.2
ROIC/return on average invested capital ²	%	9.0	-29.8	-0.7	-36.3	-20.1
Equity ratio	%	64.7	79.1	64.7	79.1	77.7
Return on equity ²	%	8.4	-14.7	0.3	-17.9	-9.1
Employees						
Average no. of full-time employees	No.	233	186	187	177	191
Gross profit per full-time employee	DKKkm	0.2	0.1	0.5	0.3	0.6
Per share ratios						
Earnings per DKK 20 share (EPS) ²	DKK	2.8	-4.8	0.2	-11.7	-11.6
Price/earnings ratio (PE)	DKK	51.4	-38.1	715.8	-15.6	-13.1
Cash flow from operations per DKK 20 share	DKK	-1.0	-9.7	-10.4	-12.3	-23.7
Book value of shares ²	DKK	123.0	121.0	123.0	121.0	121.5
Market price per share	DKK	142.5	183.0	142.5	183.0	152.0
Price/book value		1.2	1.5	1.2	1.5	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, in H1 2021/22 Roblon continued to experience adverse effects from the COVID-19 pandemic, 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 materials. Despite this, the Group's reported revenue and earnings for the first half of 2021/22 exceeded the guidance for the period. This positive development can be attributed to the Composite product group and to the European part of the FOC product group, while the US subsidiary did not perform as expected.

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, and two further relocation stages are scheduled and expected fully executed before the end of 2022.

Consolidated income statement

Order intake

The Group's order intake amounted to DKKm 207.1 in H1 2021/22 (DKKm 150.4). The DKKm 56.7 net increase covered a DKKm 30.1 improvement in the FOC product group and a DKKm 26.6 improvement in the Composite product group, of which DKKm 16.9 stemmed from the acquired Vamafil business.

Revenue

For H1 2021/22, Roblon realised revenue of DKKm 178.1 (DKKm 103.0). The DKKm 75.1 net increase covered a DKKm 47.1 improvement in the FOC product group and a DKKm 28.0 improvement in the Composite product group, of which DKKm 11.2 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 in EMEA (Europe, Middle East and Africa) also generated higher revenue.

As mentioned in the interim report for Q1 2021/22, Roblon's customers in the FOC product

group in the US are affected by supply shortages of components and raw materials that are necessary to maintain the expected high and rising level of production. Roblon thus experienced lower-than-expected revenue in Q2 2021/22, and the Group's sales potential is expected to be adversely affected in the second half of 2021/22. 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 had a favourable impact of DKKm 5.6 on reported revenue for H1 2021/22.

The Czech koruna exchange rate (CZK/DKK) development had a favourable effect of DKKm 0.1 on reported revenue in H1 2021/22.

Gross profit and gross margin

The Group's gross profit was DKKm 88.8 (DKKm 46.1) and the gross margin for H1 2021/22 was 49.9% (44.8%), positively affected by especially a favourable product mix and improved profitability in the FOC product group. Moreover, a positive development in the USD/DKK exchange rate had a positive impact.

Other external costs

Other external costs amounted to DKKm 20.4 (DKKm 16.9) in H1 2021/22. The DKKm 3.5 increase was due to Vamafil costs being recognised from 3 January 2022 in the amount of DKKm 1.4 and a higher level of activity, increased

travel and selling costs and provision for a loss on a single customer.

Staff costs

Staff costs increased to DKKm 58.3 (DKKm 49.1) in H1 2021/22, a DKKm 9.2 year-on-year increase, of which approximately half was due to the recognition of Vamafil staff costs from 3 January 2022. Other factors in 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)

EBITDA for H1 2021/22 amounted to DKKm 12.6 (a loss of DKKm 18.6).

Depreciation, amortisation and impairment

The Group's depreciation, amortisation and impairment in H1 2021/22 amounted to DKKm 13.1 (DKKm 9.6). 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 1.6.

Operating profit/loss before special items (EBIT)

For H1 2021/22, EBIT before special items was a loss of DKKm 0.5 (a loss of DKKm 28.2).

Special items

Special items comprises DKKm 3.0 regarding transaction costs in connection with the acquisi-

tion of the Czech business Vamafil at 3 January 2022 and DKKm 0.6 regarding other costs in connection with the relocation of production facilities from Denmark to the Czech Republic.

Net financial items

The Group's net financial items for H1 2021/22 amounted to DKKm 5.1 (DKKm 1.2). The net amount covers a positive foreign exchange adjustment of DKKm 5.4, 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 0.6.

Profit/loss before tax from continuing operations

For H1 2021/22, the Group posted a profit before tax from continuing operations of DKKm 1.0 (a loss of DKKm 27.0).

Profit/loss from discontinued operations

In 2019/20, Roblon wrote off a receivable concerning the divestment of a former Roblon divisiob. Roblon has in the current half year received repayment of the loan of DKKm 0.3.

Profit/loss after tax

Roblon realised a net profit for the period of DKKm 0.5 (a net loss of DKKm 20.9). Tax on the profit 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 lifted the Group's net profit for H1 2021/22 by DKKm 0.2.

The CZK/DKK exchange rate development did not affect the Group's net profit for H1 2021/22.

Consolidated balance sheet

The Group's total assets at 30 April 2022 amounted to DKKm 339.8 (DKKm 273.5).

Total investments in intangible assets for H1 2021/22 amounted to DKKm 1.5 (DKKm 2.2), comprising investments of DKKm 1.3 in development projects and of DKKm 0.2 in the Group's ERP solution. Investments in property plant and equipment amounted to DKKm 7.9 (DKKm 7.6) in H1 2021/22, mainly comprising investment projects to strengthen 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 at 30 April 2022 amounted to DKKm 99.6 (DKKm 67.1). 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. The increased level of inventories was also due to sharp raw materials price increases and additions from the acquired Czech company, Vamafil.

The Group implements ongoing decisions and actions to reduce working capital.

The Group's equity at 30 April 2022 amounted to DKKm 219.9 (DKKm 216.4). The equity ratio at 30 April 2022 was 64.7% (79.1%).

Consolidated cash flows

The Group's net cash flow from operating activities in H1 2021/22 was an outflow of DKKm 18.6 (an outflow of DKKm 22.0).

Total cash flow from investing activities was a net outflow of DKKm 13.3 (an inflow of DKKm 9.9), covering a outflow from net investments in intangible assets and property, plant and equipment of DKKm 8.3 (an outflow of DKKm 9.8), an inflow from net sales of securities of DKKm 42.3 (DKKm 19.7) and an outflow of DKKm 47.3 from the acquisition of the Czech subsidiary.

Net cash flow from financing activities in H1 2021/22 was an inflow of DKKm 41.5 (an inflow of DKKm 8.1), mainly consisting of drawing on operating credits and raising of loan capital.

Capital resources

At 30 April 2022, net deposits of cash and securities amounted to DKKm 13.4 (DKKm 61.7). 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, the Company 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 10). Roblon had an undrawn credit facility at 30 April 2022 of DKKm 28.3 (DKKm 0.3).

Total cash resources at 30 April 2022 amounted to DKKm 41.7 (DKKm 62.0).

Product development

In H1 2021/22, the Group incurred product development costs of DKKm 3.8 (DKKm 4.1).

Guidance for full year 2021/22

The guidance is still subject to uncertainty due to the adverse impacts 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 first half of 2021/22, Management adjusts the full-year guidance for 2021/22 as follows:

- revenue in the DKKm 360-390 range against earlier mDKK 330 to 370 (2020/21: DKKm 249.9);
- operating profit before depreciation, amortisation

and impairment and special items (EBITDA) in the range of DKKm 17-27 against earlier DKKm 8 to 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 against earlier a loss of DKKm 19 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 head office 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 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

15/9 2022:	Interim report for Q3 2021/22
20/12 2022:	Preliminary statement 2021/22
26/1 2023:	Annual General Meeting

Announcements – NASDAQ Copenhagen

During the period 21 December 2021 to 17 June 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

Statement by Management

The Board of Directors and Executive Management have today considered and approved the interim report of Roblon A/S for H1 2020/21 (the period 1 November 2021 to 30 April 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 30 April 2022 as well as of the results of the Group's activities and cash flows for the period 1 November 2021 to 30 April 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, 17 June 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 30 April 2022

DKK	Note	Q2 2021/22	Q2 2020/21	Q1-Q2 2021/22	Q1-Q2 2020/21	FY 2020/21
Revenue	4	99.8	60.7	178.1	103.0	249.9
Cost of sales		-47.5	-34.3	-89.3	-56.9	-133.1
Gross profit/loss		52.3	26.4	88.8	46.1	116.8
Work carried out for own account and capitalised		0.7	0.6	1.2	1.0	2.3
Other operating income		0.3	0.2	1.3	0.3	1.3
Other external costs		-11.0	-8.3	-20.4	-16.9	-34.0
Staff costs		-31.2	-25.5	-58.3	-49.1	-98.9
Operating profit/loss before depreciation, amortisation and impairment and special items (EBITDA)		11.1	-6.6	12.6	-18.6	-12.5
Depreciation, amortisation and impairment		-7.0	-5.0	-13.1	-9.6	-20.3
Operating profit/loss before special items (EBIT)		4.1	-11.6	-0.5	-28.2	-32.8
Net special items		-0.5	-	-3.6	-	-
Net financial items		2.6	0.5	5.1	1.2	3.6
Profit/loss before tax (PBT)		6.2	-11.1	1.0	-27.0	-29.2
Tax on profit/loss for the period		-1.3	2.5	-0.8	6.1	8.5
Profit/loss for the period from continuing operations		4.9	-8.6	0.2	-20.9	-20.7
Profit/loss for the period from discontinued operations	5	0.1	-	0.3	-	-
Profit/loss for the period		5.0	-8.6	0.5	-20.9	-20.7
Earnings per share (DKK)						
Earnings per share (EPS), continuing and discontinued operations		2.8	-4.8	0.2	-11.7	-11.6
Earnings per share, diluted (EPS-D), continuing and discontinued operations		2.8	-4.8	0.2	-11.7	-11.6

Consolidated statement of comprehensive income

for the period 1 November 2021 to 30 April 2022

DKK	Note	Q2 2021/22	Q2 2020/21	Q1-Q2 2021/22	Q1-Q2 2020/21	FY 2020/21
Profit/loss for the period		5.0	-8.6	0.5	-20.9	-20.7
<i>Items that may be recycled to profit or loss:</i>						
Foreign exchange adjustment of foreign subsidiaries		0.5	-0.2	2.1	-0.9	-0.1
Comprehensive income		5.5	-8.8	2.6	-21.8	-20.8

Consolidated balance sheet

at 30/04/2022

DKKkm	Note	30/04/2022	30/04/2021	31/10/2021
ASSETS				
Completed development projects		6.6	5.2	7.6
Development projects in progress		3.7	5.1	2.3
Trademarks, licenses and customer relations		6.5	5.4	5.1
Other intangible assets		8.7	9.8	10.0
Intangible assets		25.5	25.5	25.0
Land and buildings		60.8	19.0	17.9
Plant and machinery		46.6	35.9	38.7
Other fixtures and fittings, tools and equipment		1.9	1.5	1.5
Property, plant and equipment in progress		7.6	5.9	1.3
Right-of-use assets		11.1	11.6	10.8
Property, plant and equipment		128.0	73.9	70.2
Deferred tax assets		4.7	0.8	4.2
Financial assets		4.7	0.8	4.2
Total non-current assets		158.2	100.2	99.4
Inventories		99.6	67.1	75.0
Trade receivables		63.4	33.5	55.5
Corporation tax receivable		0.2	8.4	2.5
Other receivables		5.0	2.6	1.7
Securities		-	58.5	42.0
Cash and cash equivalents		13.4	3.2	3.7
Total current assets		181.6	173.3	180.4
TOTAL ASSETS		339.8	273.5	279.8

DKKkm	Note	30/04/2022	30/04/2021	31/10/2021
EQUITY AND LIABILITIES				
Share capital		35.8	35.8	35.8
Other reserves		-1.4	-4.3	-3.5
Retained earnings		185.5	184.9	185.0
Equity		219.9	216.4	217.3
Deferred tax		3.7	5.3	0.2
Lease liabilities		8.7	9.3	8.5
Non-current loans		9.4	-	-
Non-current liabilities		21.8	14.6	8.7
Current portion of lease liability		2.9	2.5	2.6
Current portion of loans		0.4	-	-
Operating credit		51.7	9.7	19.3
Other provisions		0.2	-	-
Advance payments from customers		2.8	-	1.6
Trade payables		26.6	18.6	20.0
Income tax		0.7	-	-
Other interest-bearing debt		-	2.9	-
Other payables		12.8	8.8	10.3
Current liabilities		98.1	42.5	53.8
Total liabilities		119.9	57.1	62.5
TOTAL EQUITY AND LIABILITIES		339.8	273.5	279.8

Consolidated statement of changes in equity

DKKkm	Share capital	Currency translation reserve	Retained earnings	Proposed dividends	Total equity
H1 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	-	-	0.5	-	0.5
Other comprehensive income	-	2.1	-	-	2.1
Total comprehensive income for the period	-	2.1	0.5	-	2.6
Equity at 30/04/2022	35.8	-1.4	185.5	-	219.9
H1 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	-	-	-20.9	-	-20.9
Other comprehensive income	-	-0.9	-	-	-0.9
Total comprehensive income for the period	-	-0.9	-20.9	-	-21.8
Equity at 30/04/2021	35.8	-4.3	184.9	-	216.4

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 – 30 April 2022

DKKkm	Spec.	Q2 2021/22	Q2 2020/21	Q1-Q2 2021/22	Q1-Q2 2020/21	FY 2020/21
Operating profit/loss (EBIT) from continuing operations		3.6	-11.6	-4.1	-28.2	-32.9
Operating profit/loss (EBIT) from discontinued operations		0.2	-	0.4	-	-
Operating profit/loss (EBIT)		3.8	-11.6	-3.7	-28.2	-32.9
Adjustment for non-cash items	A	5.7	4.9	10.4	9.9	19.8
Change in working capital	B	-13.9	-10.7	-32.4	-1.8	-28.9
Cash generated from operations		-4.4	-17.4	-25.7	-20.1	-42.0
Financial income received		3.7	0.6	6.1	0.7	1.4
Financial expenses paid		-1.0	-0.1	-1.1	-1.2	-0.1
Income tax paid		-	-0.5	-	-1.8	-2.0
Income tax received		-	-	2.1	0.4	0.4
Cash flow from operating activities		-1.7	-17.4	-18.6	-22.0	-42.3
Purchase of intangible assets		-0.6	-1.1	-1.5	-2.2	-3.9
Purchase of property, plant and equipment		-5.2	-4.0	-7.9	-7.6	-11.1
Sale of property, plant and equipment		0.3	-	1.1	-	-
Purchase of securities		-	-2.6	-	-4.3	-5.3
Sale of securities		-	7.0	42.3	24.0	42.1
Acquisition of subsidiary		-	-	-47.3	-	-
Cash flow from investing activities		-5.5	-0.7	-13.3	9.9	21.8
Operating credits used		-9.0	9.7	32.7	9.7	19.3
Loans raised		9.2	-	9.2	-	-
Lease payments		-0.1	-0.5	-0.4	-1.6	-2.4
Cash flow from financing activities		0.1	9.2	41.5	8.1	16.9
Change in cash and cash equivalents		-7.1	-8.9	9.6	-4.0	-3.6
Cash and cash equivalents at beginning of period		20.4	12.1	3.7	7.2	7.2
Value adjustment of cash and cash equivalents		0.1	-	0.1	-	0.1
Cash and cash equivalents at end of period		13.4	3.2	13.4	3.2	3.7

DKKkm	Q2 2021/22	Q2 2020/21	Q1-Q2 2021/22	Q1-Q2 2020/21	FY 2020/21
Spec. A: Adjustments for non-cash items					
Profit/loss from sale of property, plant and equipment	-0.1	-	-0.7	-	-
Depreciation, amortisation and impairment	6.9	5.0	13.0	9.6	20.3
Provisions	0.1	-	0.2	-0.3	-0.3
Foreign exchange adjustment	-1.2	-0.1	-2.1	0.6	-0.2
	5.7	4.9	10.4	9.9	19.8
Spec. B: Change in working capital					
Change in inventories	-13.3	-4.2	-21.8	-5.8	-13.6
Change in receivables	-7.5	-10.1	-6.7	-1.1	-19.9
Change in current liabilities	6.9	3.6	-3.9	5.1	4.6
	-13.9	-10.7	-32.4	-1.8	-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 2019/20.

Note 3 – Seasonality

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

Note 4 – Revenue

DKKm	Q2 2021/22	Q2 2020/21	Q1-Q2 2021/22	Q1-Q2 2020/21	FY 2020/21
Revenue from external customers:					
By product groups					
FOC	72.4	52.5	139.5	92.5	207.2
Composite	27.2	8.2	38.6	10.5	42.7
Total	99.8	60.7	178.1	103.0	249.9
By geographical markets					
Denmark	1.7	0.6	4.2	0.8	9.7
United Kingdom	9.5	5.4	14.2	7.8	20.7
Rest of Europe	31.4	14.7	46.1	23.2	48.4
Asia	8.1	3.7	15.0	6.9	19.1
Brazil	8.0	2.6	9.9	4.0	15.8
Latin America	0.9	0.4	2.6	1.0	2.0
USA	40.2	33.3	86.1	59.3	134.2
Total	99.8	60.7	178.1	103.0	249.9

Of the Group's non-current assets, DKKm 60.0 (DKKm 62.9) were located in Denmark, DKKm 36.7 (DKKm 36.5) in the USA and DKKm 56.8 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 half of 2021/22. Revenue from each of these customers amounted to DKKm 26.8, DKKm 26.7 and DKKm 26.4, respectively. Last year, three individual customers accounted for more than 10% of the Group's total revenue for the first half of 2020/21. Revenue relating to these customers was DKKm 24.7, DKKm 20.6 and DKKm 15.6, 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 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 amounting to EURm 0.7 according to a preliminary calculation.

The preliminary consideration of EURm 7.3 (DKKm 54.6) 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. In the calculation of the consideration, adjustment has been made for this loan, which was repaid in full at 1 January 2022.

In relation to the acquisition, the Group incurred transaction costs of DKKm 3.0 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	4.7
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	-1.1
Acquired net assets	54.6
Of which cash and cash equivalents	-7.3
Cash consideration	47.3

The above calculation is preliminary and will not be finalised until audited financial statements have been prepared in the Czech Republic. The preliminary calculation is not expected to change significantly, however.

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	Q2 2021/22	Q2 2020/21	Q1-Q2 2021/22	Q1-Q2 2020/21	FY 2020/21
Consolidated income statement					
Net proceeds from divestment of operations	0.2	-	0.4	-	-
Tax on profit/loss for the year	-0.1	-	-0.1	-	-
Profit/loss for the period	0.1	-	0.3	-	-

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 H1 2021/22, Roblight repaid DKKm 0.4 of the loan. As further repayment of the loan is still considered to be uncertain, Roblon maintains a loss provision for the residual value of the loan.