

# SKAKO

# 2023

Accounting period:  
1. January – 30. September 2023

## INTERIM REPORT Q3

Revenue

(DKKm)

Q1-Q3: 372.5 (+18.8%)  
Q3: 120.4 (+8.4%)

EBIT before special items

(DKKm)

Q1-Q3: 27.8 (+39.3%)  
Q3: 10.3 (+12.5%)

EBIT margin before special items

Q1-Q3: 7.5% (+1.1pp)  
Q3: 8.5% (+0.3pp)

ROIC

Q1-Q3: 19.6% (+6.0pp)

Order backlog

(DKKm)

Q1-Q3: 204.4 (-3.7%)

SKAKO A/S  
CVR: 36440414  
Bygmestervej 2  
5600 Faaborg  
Denmark

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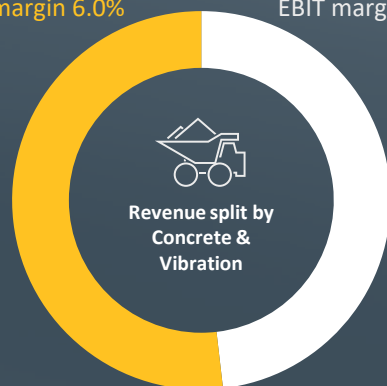
## Important notice about this document

This document contains forward-looking statements. Words such as believe, expect, may, will, plan, strategy, prospect, foresee, estimate, project, anticipate, can, intend, outlook, guidance, target and other words and terms of similar meaning in connection with any discussion of future operation of financial performance identify forward-looking statements. Statements regarding the future are subject to risks and uncertainties that may result in considerable deviations from the outlook set forth. Furthermore, some of these expectations are based on assumptions regarding future events which may prove incorrect.

# 1. Q3 2023 IN BRIEF

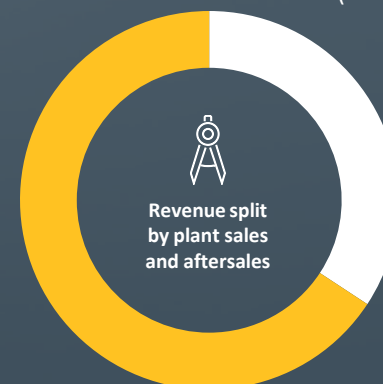
**SKAKO Concrete**  
63.4 (mDKK)  
EBIT margin 6.0%

**SKAKO Vibration**  
58.0 (mDKK)  
EBIT margin 12.2%



**Plant sales**  
79.3 (mDKK)

**After sales**  
41.1 (mDKK)



Order intake  
(DKKm)  
**112.3**  
(-1.2%)  
Down from 113.7 in Q3 2022

Order backlog  
(DKKm)  
**204.4**  
(-3.7%)  
Down from 212.2 in Qq-Q3 2022

Revenue  
(DKKm)  
**120.4**  
(+8.4%)  
Up from 111.1 in Q3 2022

EBIT before special items  
(DKKm)  
**10.3**  
(+12.5%)  
Up from 9.1 in Q3 2022

EBIT margin  
before special items  
**8.5%**  
(+0.3pp)  
Up from 8.2% in Q3 2022

Earnings per share  
(DKKm)  
**2.48**  
(-0.15)  
Up from 2.63 in Q3 2022

Employees  
**214**  
(+7.5%)  
Up from 199 in Q3 2022

ROIC  
**19.6%**  
(+6.0pp)  
Up from 13.6% in Q3 2022

## 2. KEY FIGURES AND FINANCIAL RATIOS

DKK thousands	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	FY 2022
<b>INCOME STATEMENT</b>					
Revenue	120,376	111,065	372,510	313,666	437,920
Gross profit	29,789	26,292	89,189	77,955	114,637
Operating profit (EBIT) before special items	10,278	9,136	27,813	19,961	30,842
Special items	-	-	-1,934	-1,650	-1,650
Operating profit (EBIT) after special items	10,278	9,136	25,879	18,311	29,192
Net financial items	-252	246	-2,827	-1,492	-4,962
Profit before tax	10,026	9,382	23,052	16,819	24,230
Profit for the year	7,645	8,119	17,107	13,957	25,074
<b>BALANCE SHEET</b>					
Non-current assets	93,392	80,776	93,392	80,776	88,599
Current assets	331,005	253,727	331,005	253,727	295,458
Assets	424,397	334,503	424,397	334,503	384,057
Equity	147,368	133,454	147,368	133,454	146,167
Non-current liabilities	25,983	29,640	25,983	29,640	26,473
Current liabilities	251,046	171,409	251,046	171,409	211,417
Net debt	9,576	28,444	9,576	28,444	20,997
Net working capital	103,358	113,387	103,358	113,387	110,681
<b>OTHER KEY FIGURES</b>					
Investment in intangible assets	1,729	-	1,809	1,474	4,153
Investment in tangible assets	721	297	10,428	1,301	3,179
Cash flow from operating activities (CFFO)	51,073	4,687	40,629	15,266	28,850
Free cash flow	48,623	4,390	28,392	12,491	22,213
Average number of employees	214	199	214	199	205

## KEY FIGURES AND FINANCIAL RATIOS CONTINUED

DKK thousands	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	FY 2022
<b>FINANCIAL RATIOS</b>					
Gross profit margin	24.7%	23.7%	23.9%	24.9%	26.2%
Profit margin (EBIT margin) before special items	8.5%	8.2%	7.5%	6.4%	7.0%
Profit margin (EBIT margin) after special items	8.5%	8.2%	6.9%	5.8%	6.7%
Liquidity ratio	131.9%	148.0%	131.9%	148.0%	140.1%
Equity ratio	34.7%	39.9%	34.7%	39.9%	38.3%
Return on equity	20.1%	14.4%	20.1%	14.4%	17.9%
ROIC	19.6%	13.6%	19.6%	13.6%	16.5%
Financial leverage	6.5%	21.3%	6.5%	21.3%	14.2%
Net debt to EBITDA	0.2	0.8	0.2	0.8	0.5
NWC/Revenue	20.8%	27.0%	20.8%	27.0%	25.3%
Earnings per share	2.48	2.63	5.55	4.53	8.13
Equity value per share	47.8	43.3	47.8	43.3	48.0
Share price	77.0	50.0	77.0	50.0	62.6
Price-book ratio	1.61	1.2	1.61	1.2	1.3
Market capitalization	239,194	155,321	239,194	155,321	194,461
Order backlog	204,392	212,217	204,392	212,217	215,202

For calculation of financial ratios please see page 35. Net working capital is calculated as inventory, trade receivables and contract assets less contract liabilities and trade payables. Backlog represents revenue from signed contracts or orders executed but not yet completed or performed in full.

# KEY FIGURES AND FINANCIAL RATIOS – EUR

EUR thousands	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	FY 2022
<b>INCOME STATEMENT</b>					
Revenue	16,160	14,928	50,009	42,159	58,883
Gross profit	3,999	3,534	11,973	10,478	15,414
Operating profit (EBIT) before special items	1,380	1,228	3,734	2,683	4,147
Special items	-	-	-260	-201	-222
Operating profit (EBIT) after special items	1,380	1,228	3,474	2,482	3,925
Net financial items	-34	33	-379	-201	-667
Profit before tax	1,346	1,261	3,095	2,281	3,258
Profit for the year	1,026	1,091	2,297	1,876	3,371
<b>BALANCE SHEET</b>					
Non-current assets	12,525	10,857	12,525	10,857	11,913
Current assets	44,393	34,103	44,393	34,103	39,728
Assets	56,919	44,960	56,919	44,960	51,640
Equity	19,765	17,937	19,765	17,937	19,654
Non-current liabilities	3,485	3,984	3,485	3,984	3,560
Current liabilities	33,669	23,039	33,669	23,039	28,430
Net debt	1,284	3,082	1,284	3,823	2,824
Net working capital	13,862	15,240	13,862	15,240	14,884
<b>OTHER KEY FIGURES</b>					
Investment in intangible assets	232	-	243	198	558
Investment in tangible assets	97	40	1,399	175	427
Cash flow from operating activities (CFFO)	6,853	630	5,452	2,052	3,879
Free cash flow	6,524	590	3,810	1,679	2,714
Average number of employees	214	199	214	199	205

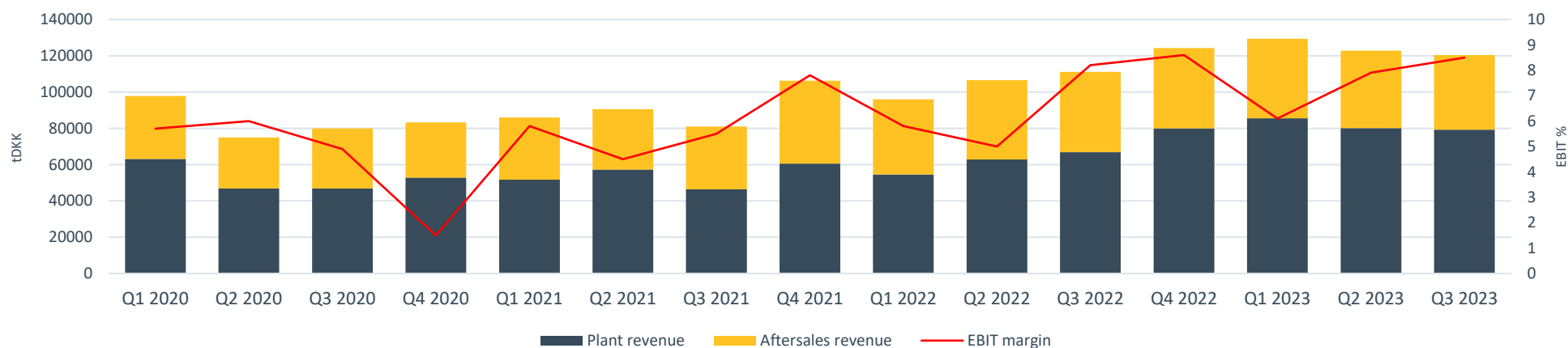
# KEY FIGURES AND FINANCIAL RATIOS – EUR CONTINUED

EUR thousands	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	FY 2022
<b>FINANCIAL RATIOS</b>					
Gross profit margin	24.7%	23.7%	23.9%	24.9%	26.2%
Profit margin (EBIT margin) before special items	8.5%	8.2%	7.5%	6.4%	7.0%
Profit margin (EBIT margin) after special items	8.5%	8.2%	6.9%	5.8%	6.7%
Liquidity ratio	131.9%	148.0%	131.9%	148.0%	140.1%
Equity ratio	34.7%	39.9%	34.7%	39.9%	38.3%
Return on equity	20.1%	14.4%	20.1%	14.4%	17.9%
ROIC	19.6%	13.6%	19.6%	13.6%	16.5%
Financial leverage	6.5%	21.3%	6.5%	21.3%	14.2%
Net debt to EBITDA	0.2	0.8	0.2	0.8	0.5
NWC/Revenue	20.8%	27.0%	20.8%	27.0%	25.3%
Earnings per share	0.33	0.35	0.74	0.61	1.09
Equity value per share	6.41	5.82	6.41	5.82	6.45
Share price	10.33	6.72	10.33	6.72	8.42
Price-book ratio	1.61	1.2	1.61	1.2	1.3
Market capitalization	32,080	20,876	32,080	20,876	26,150
Order backlog	27,412	28,524	27,412	28,524	28,939

## 3. FINANCIAL REVIEW Q1-Q3 2023

DKK thousands	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change
Plant sales revenue	79,318	66,884	18.6%	244,911	184,323	32.9%
Aftersales revenue	41,058	44,182	-7.1%	127,599	129,344	-1.3%
<b>Total revenue</b>	<b>120,376</b>	<b>111,066</b>	<b>8.4%</b>	<b>372,510</b>	<b>313,666</b>	<b>18.8%</b>
Production costs	-90,587	-84,773	6.9%	-283,321	-235,711	20.2%
<b>Gross profit</b>	<b>29,789</b>	<b>26,292</b>	<b>13.3%</b>	<b>89,189</b>	<b>77,955</b>	<b>14.4%</b>
Gross profit margin	24.7%	23.7%	1.0pp	23.9%	24.9%	-1.0pp
Distribution costs	-10,217	-11,259	-9.3%	-33,259	-33,824	-1.7%
Administrative expenses	-9,294	-5,897	57.6%	-28,117	-24,169	16.3%
<b>Operating profit (EBIT) before special items</b>	<b>10,278</b>	<b>9,136</b>	<b>12.5%</b>	<b>27,813</b>	<b>19,961</b>	<b>39.3%</b>
Operating profit margin (EBIT margin) before special items	8.5%	8.2%	0.3pp	7.5%	6.4%	1.1pp
Special items	-	-		-1,934	-1,650	17.2%
<b>Operating profit (EBIT) after special items</b>	<b>10,278</b>	<b>9,136</b>	<b>12.5%</b>	<b>25,879</b>	<b>18,311</b>	<b>41.3%</b>
Operating profit margin (EBIT margin) after special items	8.5%	8.2%	0.3pp	6.9%	5.8%	1.1pp
<b>Profit for the period</b>	<b>7,645</b>	<b>8,119</b>	<b>-5.8%</b>	<b>17,107</b>	<b>13,957</b>	<b>22.6%</b>
Order backlog beginning of period	212,433	209,582	1.4%	215,202	122,309	75.9%
Order intake	112,335	113,700	-1.2%	361,700	403,574	-7.7%
Revenue	-120,376	-111,066	8.4%	-372,510	-313,666	18.8%
<b>Order backlog end of period</b>	<b>204,392</b>	<b>212,217</b>	<b>-3.7%</b>	<b>204,392</b>	<b>212,217</b>	<b>-3.7%</b>

SKAKO Group revenue and EBIT margin





# Financial highlight

The markets of SKAKO continue to show high level of activity, in line with what we saw in the second half of 2022 and first half of 2023.

As expected, SKAKO delivered a strong Q3 with good order intake and improved profitability. The order backlog continues to be at a very high level in both Concrete and Vibration. This gives SKAKO a good outset for delivering strong results in 2023 and 2024 in accordance with increased guidance, see company announcement 8/2023. For a detailed financial review of each business unit, please see section 4 for SKAKO Concrete and section 5 for SKAKO Vibration.

## Revenue

In Q3 2023 revenue was DKK 120.4m which is an increase of 8.4% compared to the same period in 2022 which was also a very strong quarter after the strong order build up in the previous quarter. YTD revenue growth was 19% due to the continuous strong order build up since Q2 2022.

Revenue from plant orders increased by 19%, while revenue from aftersales decreased by 7.1%, compared to Q3, 2022.

## Gross profit

Gross profit was DKK 29.8m in Q3 2023 which is an increase of 13.3% compared to Q3 2022, driven by both higher revenue and better gross profit margin. Gross profit margin in Q3 2023 increased by 1.0pp to DKK 25% mainly driven by an increase in SKAKO Vibration. YTD gross profit increased by 14.4% driven by higher revenue.

## Capacity costs

In Q3 2023 capacity costs increased by DKK 2.3m or 13.4% compared to Q3 2022. The main reason is more personnel to support the high growth in activities.

## Operating profit

Operating Profit (EBIT) increased by 12.5% to DKK 10.3m compared to DKK 9.1m in Q3 2022.

The increase is driven by an increase in revenue with 8.4%, and an improved EBIT margin of 0.3pp.

YTD operation Profit after special items increased by 39.3% driven by higher revenue and an increase in operating profit margin of 1.1pp.

## Net financial items

Net financial items consist of interest income, interest expenses as well as realized and unrealized foreign exchange gains and losses and amount to an expense of DKK 0.3m for the period compared to an income of DKK 0.2m in Q3 2022. The increasing interest rate only has a slightly negative impact on net financial items due to SKAKO's low net debt.

## Profit for the period

Profit after tax amounted to DKK 7.6m in Q3 2023 compared to DKK 8.1 in the same period in 2022. The lower profit after tax is due to a low effective tax rate in Q3 2022 where the tax rate was adjusted for using a too high tax rate in the two previous quarters. YTD profit after tax amounted to DKK 17.1m compared to DKK 14.0m in the same period last year corresponding to a growth of 23%.

## Order intake and backlog

Order intake in Q3 2023 amounted to DKK 112.3m compared to DKK 113.7m in Q3 2022, a decrease of 1.2%. Despite the decrease compared to same period in 2022, the order intake is still maintained at a high level. The pipeline of new orders remains strong for both SKAKO Vibration and SKAKO Concrete and gives a strong outset for the rest of the year and 2024.

# Financial highlight

## Cash flow developments

Cash flow from operating activities (CFFO) in Q3 2023 amounted to DKK 51.1m compared to DKK 4.7m last year. The very positive cash flow development in Q3 2023 was driven by large payments from customers and prepayments on development contracts. The very strong cash flow in Q3 2023 is also a consequence of postponed payments from some customers in Q2 2023 as mentioned in the quarterly report for Q2 2023.

Free cash flow amounted to DKK 48.6m due to the positive operating cash flow. YTD free cash flow was DKK 28.4m compared to DKK 12.5m in the same period last year. This is due to very strong growth in operating profit as well as improved net working capital.

## Equity

Group equity was DKK 147.4m on 30 September 2023 (DKK 133.5m on 30 September 2022) corresponding to an equity ratio of 35% (40% on 30 September 2022).

## ROIC

As of 30 September 2023, return on invested capital (rolling four quarters) amounted to 20% compared to 13.6% as of 30 September 2022. The increase in return on invested capital is due to strong results in 2023 compared to 2022.

## Balance sheet

As of 30 September 2023, Group's total assets were DKK 424.4m (30 September 2022: DKK 334.5m). Non-current assets increased by DKK 12.6m and amounted to DKK 93.4m (30 September 2022: DKK 80.8m) while current assets increased by DKK 77.3m to DKK 331.0m (30 September 2022: DKK 253.8m). The increase in current assets relates mainly to an increase in cash of DKK 70.0m due to the strong operating result and improved net working capital.

Due to the positive cash flow development net debt decreased by DKK 18.9m to DKK 9.6m in Q3 2023.

The ratio of net debt to EBITDA amounted to 0.2 compared to 0.8 on 30 September 2022 due to the positive cash flow development. It is our ambition to keep the ratio of net debt to EBITDA below 2.5.

## Events after the balance sheet date

There have been no events that materially affect the assessment of this interim report after the balance sheet date and up to today.

## Outlook 2023

Guidance for 2023 is still the same as in company announcement 8/2023 and is as follows:

- Operating profit (EBIT) before special items is expected to be DKK 36-40m. Special items for 2023 are still expected to amount to DKK 2.0-2.5m related to transaction costs in connection with the terminated transaction process with Zefyr Invest.

Expectations are based on current exchange rates, in particular USD/DKK, remaining at current levels.

The outlook is based on the assumption that no events with a material negative impact on the global economy and SKAKO's markets will occur in the last quarter of 2023.

## Accounting policies as well as financial estimates and assumptions

The interim report has been prepared in accordance with IAS 34, Interim financial reporting, as adopted by the EU and further Danish disclosure requirements in respect of interim reports for listed companies.

The accounting policies used for the interim report are the same as the accounting policies used for Annual Report 2022 to which we refer for a full description. The Group has adopted all new, amended and revised accounting standards and interpretations as published by the IASB and adopted by the EU effective for the accounting period beginning on 1 January 2023. We refer to the notes to the annual report for a description of material estimates and assumptions.

Compared with the description in Annual Report 2022, there have been no changes in the accounting estimates and assumptions made by Management in the preparation of the interim report.

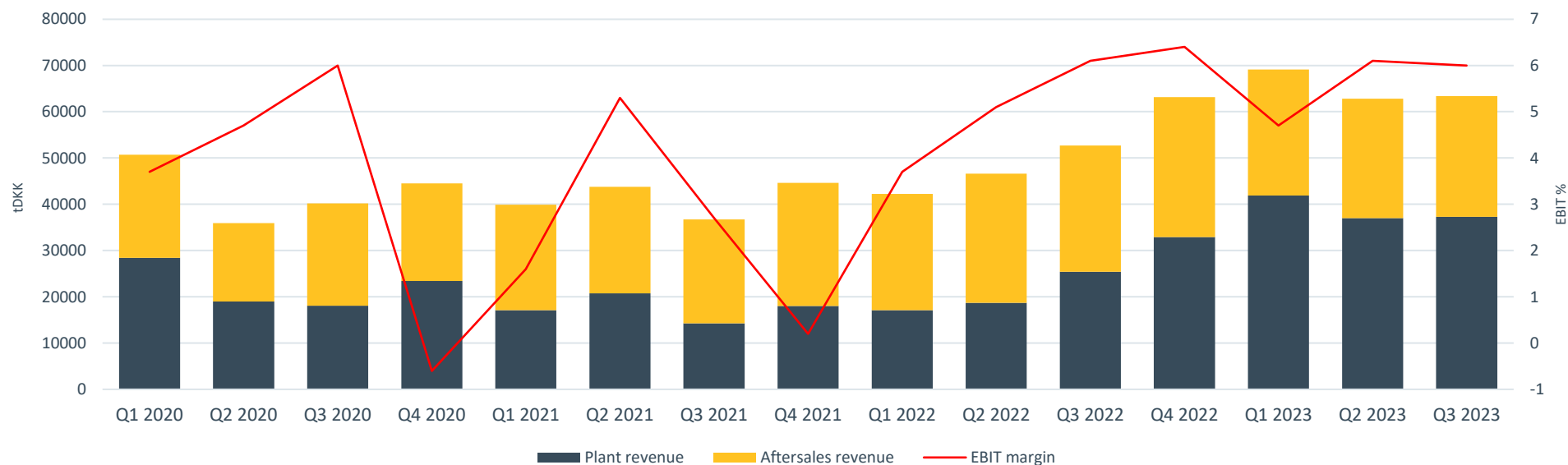


## 4. SKAKO CONCRETE

# Q1-Q3 2023 FINANCIAL REVIEW SKAKO CONCRETE

DKK million	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change
Plant sales revenue	37.3	25.4	46.9%	116.2	61.2	89.9%
Aftersales revenue	26.1	27.3	-4.4%	79.1	80.4	-1.6%
<b>Total revenue</b>	<b>63.4</b>	<b>52.7</b>	<b>20.3%</b>	<b>195.3</b>	<b>141.6</b>	<b>37.9%</b>
<b>Gross profit</b>	<b>12.2</b>	<b>11.2</b>	<b>8.9%</b>	<b>35.3</b>	<b>29.9</b>	<b>18.1%</b>
Gross profit margin	19.2%	21.3%	-2.1pp	18.1%	21.1%	-3.0pp
<b>Operating profit (EBIT)</b>	<b>3.8</b>	<b>3.2</b>	<b>18.8%</b>	<b>10.8</b>	<b>7.2</b>	<b>50.0%</b>
Profit margin (EBIT margin)	6.0%	6.1%	-0.1pp	5.6%	5.1%	0.5pp
Order backlog beginning of period	135.1	126.8	6.5%	142.7	72.2	97.6%
Order intake	60.0	65.7	-8.7%	184.3	209.6	-12.1%
<b>Order backlog end of period</b>	<b>131.7</b>	<b>140.2</b>	<b>-6.1%</b>	<b>131.7</b>	<b>140.2</b>	<b>-6.1%</b>

SKAKO Concrete revenue and EBIT margin



# FINANCIAL PERFORMANCE IN Q3 2023

## Financial performance in Q3 2023

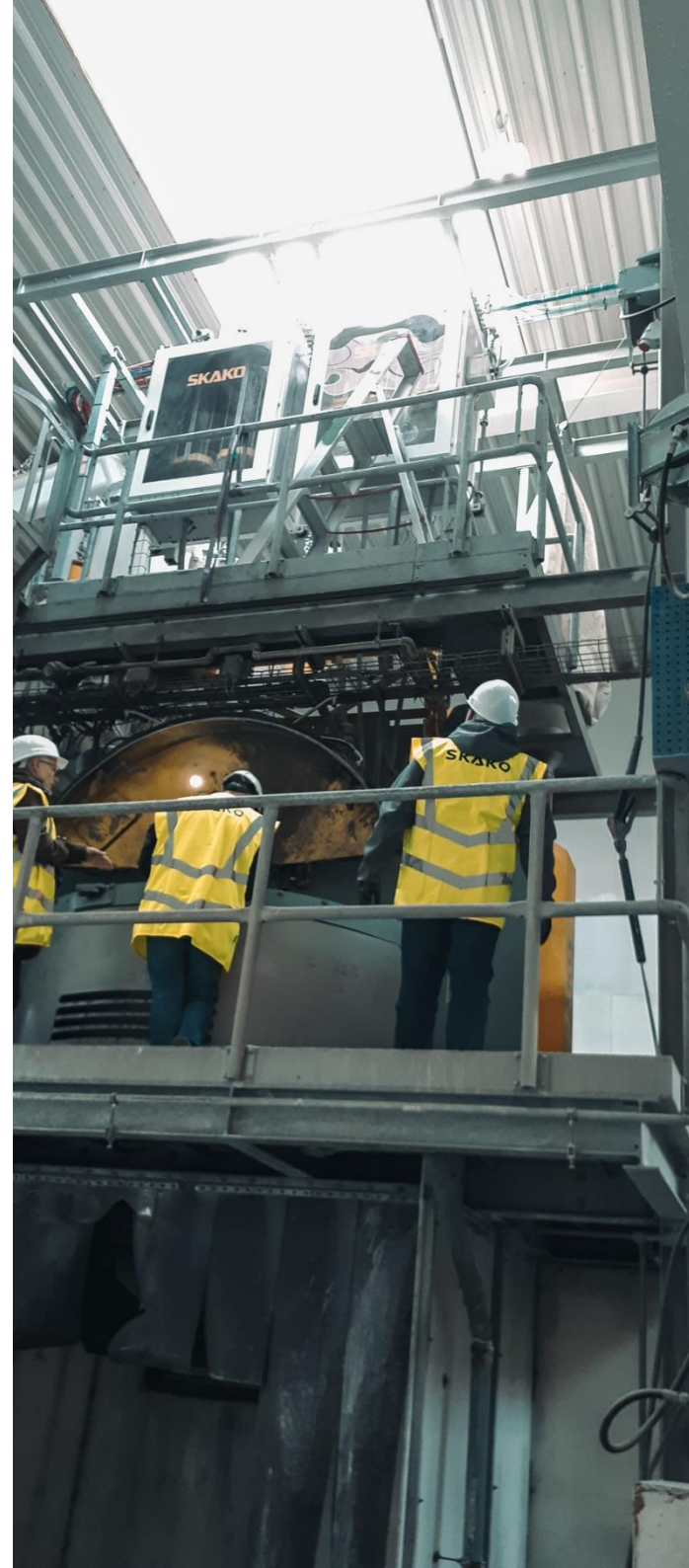
SKAKO Concrete continued the positive development on key markets resulting in strong growth in revenue, operating profit and order backlog.

As, in H1 2023 SKAKO Concrete continued to experience a higher demand for plants from both existing and new customers.

## Financial results

Below, the key financials for SKAKO Concrete in Q3 2023:

- Revenue increased by 20% amounting to DKK 63.4m driven by an increase in plant sales of 47% and a decrease of 4.4% in after-sales. After-sales in Q1-Q3 2023 decreased by 1.6% compared to same period in 2022. YTD revenue increased with 38% driven by high plant sales while after-sales decreased slightly.
- Gross profit increased by 8.9% amounting to DKK 12.2m while gross profit margin decreased with 2.1pp. The decrease in margin is due to the larger share of plant sales which has a lower margin than after-sales.
- Operating profit (EBIT) increased by 19% to DKK 3.8m driven by growth in revenue while maintaining EBIT margin of the same level compared to the same period last year. YTD operating profit increased with 50% due to high revenue growth and an increase in margin of 0.5pp.
- Order intake in Q3 2023 was DKK 60.0m compared to DKK 65.7m in the same period of 2022 fueling an order backlog of DKK 131.7m at the end of Q3 2023, a decrease of 6.1% compared to last year. The order backlog was maintained at a high level above DKK 120m for the sixth consecutive quarter.



# BUSINESS UPDATE

## Maintaining high order backlog

SKAKO Concrete continues to maintain the order backlog at a very high level of DKK 132m.

Despite dampening of activity on Concretes markets we continue to see a very positive development in plant projects. Especially United States shows a very positive development driven by a positive business climate and supported by the implemented changes in management and organization. We also see good demand for our products in the German speaking countries.

## Aftersales

Aftersales still has our high focus and we have through Q3 engaged in market research and expect to have the result from this research ready for implementation at the end of 2023. We therefor expect an increase in aftersales in the coming years with our new strategy and increased focus on customer satisfaction where we have adopted a more proactivity approach.

Customer care is essential for a business like SKAKO Concrete and therefor we have implemented a more focused aftersales strategy. The plan is to reach out earlier to our customers to be ahead of their needs. To do so, we have employed additional aftersales managers in several countries.

## Project refurbish

As a part of the ESG transition with higher focus on the E (Environmental), we have further developed our refurbish strategy. In Q3 2023 we therefor had increased focus on refurbishing of existing plants. We have as a result made agreements regarding refurbishment of existing plants as well as the reuse of spare parts in new plants.

We see an increased demand for our refurbish approach and expect that this approach will contribute positively to SKAKO Concrete in the years ahead.

## ESG

As a part of our future development and contribution to the ESG transition, we have raised the focus on ESG data. The increased focus on ESG, will create higher demands on our value chain, including ourselves. We want to be an active part of the green transition, and as a part of the strategy we are investing in internal resources in ESG.



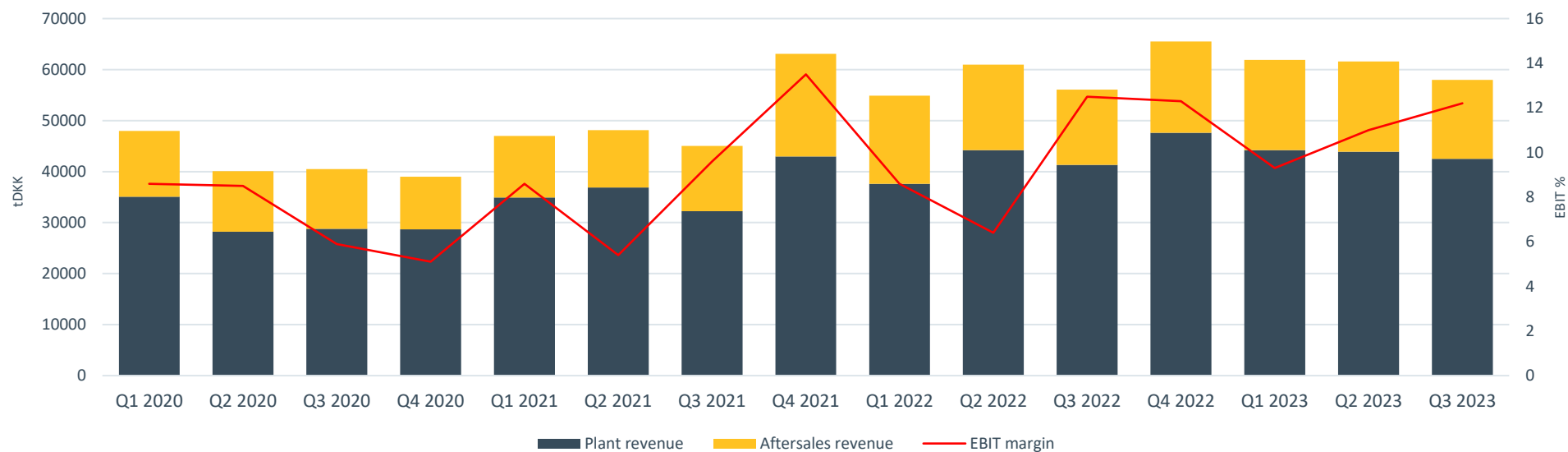


## 5. SKAKO VIBRATION

# Q1-Q3 2023 FINANCIAL REVIEW SKAKO VIBRATION

DKK thousands	Q3 2023	Q3 2022	Change	Q1-Q3 2023	Q1-Q3 2022	Change
Plant sales revenue	42.5	41.3	2.9%	130.6	123.1	6.1%
Aftersales revenue	15.5	14.8	4.7%	50.9	48.9	4.1%
<b>Total revenue</b>	<b>58.0</b>	<b>56.1</b>	<b>3.4%</b>	<b>181.5</b>	<b>172.0</b>	<b>5.5%</b>
<b>Gross profit</b>	<b>18.4</b>	<b>17.6</b>	<b>4.5%</b>	<b>56.4</b>	<b>52.0</b>	<b>8.5%</b>
Gross profit margin	31.7%	31.4%	0.3pp	31.1%	29.7%	1.4pp
<b>Operating profit (EBIT)</b>	<b>7.1</b>	<b>7.0</b>	<b>1.4%</b>	<b>19.7</b>	<b>15.6</b>	<b>26.3%</b>
Profit margin (EBIT margin)	12.2%	12.5%	-0.3pp	10.9%	8.9%	2.0pp
Order backlog beginning of period	77.0	84.5	-8.9%	72.6	53.9	34.7%
Order intake	53.1	52.3	1.5%	181.0	200.3	-9.6%
<b>Order backlog end of period</b>	<b>72.1</b>	<b>79.0</b>	<b>-8.7%</b>	<b>72.1</b>	<b>79.0</b>	<b>-8.7%</b>

SKAKO Vibration revenue and EBIT margin





# FINANCIAL PERFORMANCE IN Q3 2023

## Financial performance in Q3 2023

For SKAKO Vibration, Q3 2023 ended a little lower than previous quarters, but still with a high momentum and a revenue just below DKK 60m. The order backlog is still above DKK 70m on 30 September 2023.

Below, the key financials for SKAKO Vibration in Q2 2023:

- Revenue increased by 3.4% amounting to DKK 58.0m driven by an increase in both after-sales of 4.7% and plant sales of 2.9%. YTD revenue increased with 5.5% with an increase in plant sales of 6.1% and after-sales of 4.1%.
- Gross profit increased by 4.5% amounting to DKK 18.4m due to growth in revenue and an increase in gross profit margin of 0.3pp. The increase in margin was driven by the higher share of after-sales with higher margin than plant sales. YTD gross profit increased with 8.5% due to higher revenue and an increase in margin of 1.4pp to 31%.
- Operating profit (EBIT) increased with 1.4% to DKK 7.1m with a margin of 12.2% compared to 12.5% in the same period last year. YTD operating profit increased with 26% to DKK 19.7m due to higher revenue and an increase in margin of 2.0pp to 10.9%. This is ahead of our mid-term margin ambition of 10% in 2024.
- Order intake in Q3 2023 was DKK 53.1m compared to DKK 52.3m in the same period of 2022 fueling an order backlog of DKK 72.1m at the end of Q3 2023, a decrease of 8.7% compared to last year but still at a high level.



# BUSINESS UPDATE

## Growth

We continue to see robust demand for our products in Q3 2023, particularly in the Mineral and Recycling segments.

## Sharing of knowledge between business units

Our strategy has a high focus on realising synergies between the different segments in SKAKO Vibration. Experience and knowhow in the different segments are shared across segments and thereby contribute to a positive development throughout the business.

We believe that sharing the knowledge between the business units, will make every unit stronger in their own way. Through the process, we have had benefits in both the individual units in relation to the knowledge that is generated, but also focused on further development of the existing business procedures, and know-how in the individual unit as a knowledge sharer.

As a consequence our strategy strengthens our position in all market segments of the SKAKO Vibration business.

## Visibility in the market

In Q3, there has been a high focus on the marketing and sales of SKAKO Vibration e.g. by participation in various trade fairs in France, Holland, Poland and United Kingdom.

The visibility helps to support our pipeline, especially within recycling projects, where there is a high focus throughout Europe and therefore underpinning the green development.

It is expected that the investments in market activities will help SKAKO Vibration to become a partner in many companies' green transition projects. We are experiencing that SKAKO Vibrations products can contribute positively to many industries in connection with their green transition.

SKAKO Vibrations products can contribute positively to many industries in connection with their green transition. We have many products that can support different industries and these products can easily be adapted to new as well as existing constructions and thereby help the transition to greener products.





## 6. FINANCIAL STATEMENTS

## 6.1 STATEMENT BY MANAGEMENT

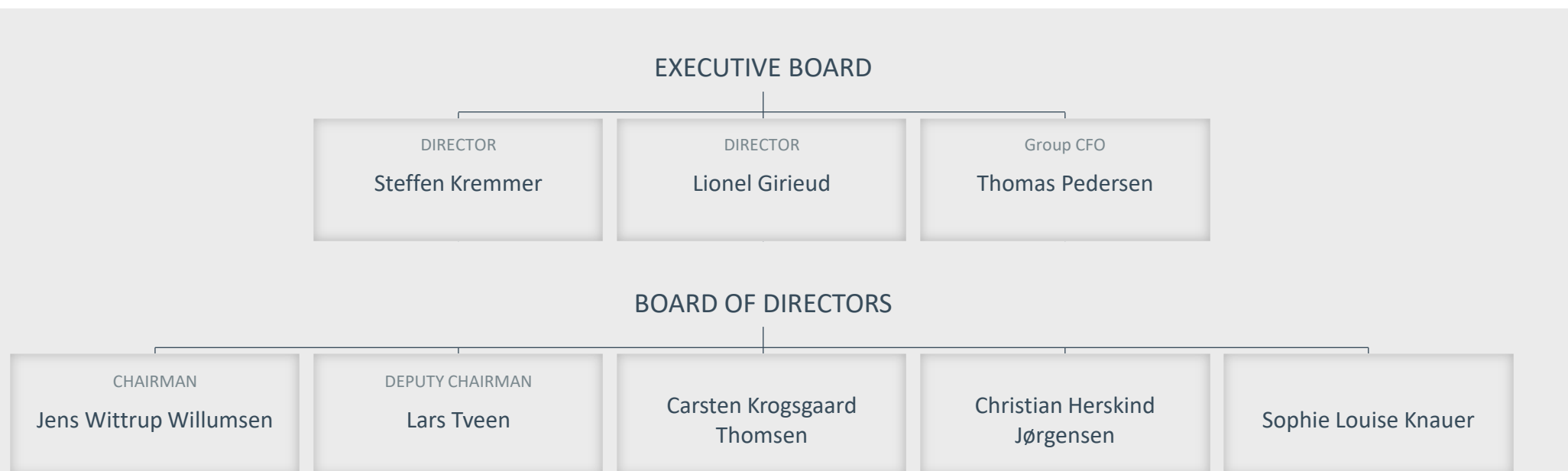
We have considered and approved the interim report of SKAKO A/S for the period 1 January – 30 September 2023.

The interim report, which has not been audited or reviewed by our auditors, has been prepared in accordance with IAS 34 Interim financial reporting, as adopted by the European Union and accounting policies set out in the annual report for 2022 of SKAKO A/S. Furthermore, the interim report for the period 1 January – 30 September 2023 has been prepared in accordance with additional Danish disclosure requirements for interim reports of listed companies.

In our opinion, the interim financial report gives a true and fair view of the Group's assets, liabilities, and financial position on 30 September 2023 and of the results of the Group's operations and cash flows for the nine months of 2023.

We also believe that the Management commentary contains a fair review of the development in the Group's business and financial position, the results for the period and the Group's financial position as well as a description of the principal risks and uncertainties facing SKAKO.

Faaborg, 8 November 2023



## 6.2 CONSOLIDATED INCOME STATEMENT

DKK thousands	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
Revenue from contracts with customers	120,376	111,066	372,510	313,666	437,920
Production costs	-90,587	-84,773	-283,321	-235,711	-323,283
Gross profit	29,789	26,292	89,189	77,955	114,637
Distribution costs	-10,217	-11,259	-33,259	-33,824	-43,923
Administrative expenses	-9,295	-5,897	-28,117	-24,169	-39,872
Operating profit (EBIT) before special items	10,278	9,136	27,813	19,961	30,842
Special items	-	-	-1,934	-1,650	-1,650
Operating profit (EBIT) after special items	10,278	9,136	25,879	18,311	29,192
Financial income	428	887	980	887	916
Financial expenses	-680	-641	-3,807	-2,379	-5,878
Profit before tax	10,026	9,382	23,052	16,819	24,230
Tax on profit for the period	-2,381	-1,263	-5,945	-2,862	844
Profit for the period	7,645	8,119	17,107	13,957	25,074
Profit for the period attributable to SKAKO A/S shareholders	7,645	8,119	17,107	13,957	25,074
Earnings per share (EPS), DKK	2.48	2.63	5.55	4.53	8.13
Diluted earnings per share (EPS), DKK	2.48	2.63	5.55	4.53	7.83

## 6.3 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DKK thousands	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
Profit for the period	7,645	8,119	17,107	13,957	25,074
Other comprehensive income:					
Items that have been or may subsequently be reclassified to the income statement:					
Foreign currency translation, subsidiaries	-2,842	-2,750	-543	-899	533
Value adjustments of hedging instruments	-	-1	5	-	-
Other comprehensive income	-2,842	-2,751	-538	-899	533
Comprehensive income	4,803	5,368	16,569	13,058	25,607
Comprehensive income attributable to SKAKO A/S shareholders	4,803	5,368	16,569	13,058	25,607

## 6.4 CONSOLIDATED BALANCE SHEET 30 SEPTEMBER

DKK thousands	30 September 2023	30 September 2022	31 December 2022
Intangible assets	34,227	37,482	36,188
Intangible assets under development	5,801	3,113	4,237
Intangible assets	40,028	40,595	40,425
Leased assets	12,482	6,772	8,786
Land and buildings	7,148	5,644	5,821
Plant and machinery	1,568	1,513	1,238
Operating equipment, fixtures and fittings	2,188	1,512	2,458
Leasehold improvements	3,704	2,818	2,906
Tangible assets under construction	979	199	156
Property, plant and equipment	28,069	18,458	21,365
Other receivables	1,238	1,294	1,234
Deferred tax assets	24,057	20,429	25,575
Other non-current assets	25,295	21,723	26,809
Total non-current assets	93,392	80,776	88,599
Inventories	81,318	79,376	72,740
Trade receivables	91,200	89,234	101,385
Contract assets	66,375	63,780	63,876
Income tax	-	525	-
Other receivables	7,028	8,831	9,270
Prepaid expenses	5,950	2,849	3,045
Cash	79,134	9,132	45,142
Current assets	331,005	253,727	295,458
Assets	424,397	334,503	384,057

# CONSOLIDATED BALANCE SHEET 30 SEPTEMBER CONTINUED

DKK thousands	30 September 2023	30 September 2022	2022
Share capital	31,064	31,064	31,064
Foreign currency translation reserve	-461	-1,350	82
Hedging reserve	-44	-49	-49
Proposed dividends	-	-	15,532
Retained earnings	116,809	103,789	99,538
Equity	147,368	133,454	146,167
Other payables	3,256	7,779	7,562
Leasing	8,903	4,524	5,416
Loans and borrowings	9,769	11,271	9,150
Provisions	4,055	6,066	4,345
Non-current liabilities	25,983	29,640	26,473
Loans and borrowings	11,835	9,214	9,828
Bank loans and credit facilities	54,371	10,181	38,119
Leasing	3,833	2,386	3,626
Provisions	4,551	760	3,530
Contract liabilities	59,502	34,616	46,829
Trade payables	76,033	84,387	81,200
Income tax	9,060	1,915	997
Other liabilities	31,861	27,712	27,288
Deferred income	-	238	-
Current liabilities	251,046	171,409	211,417
Liabilities	277,029	201,049	237,890
<b>EQUITY AND LIABILITIES</b>	<b>424,397</b>	<b>334,503</b>	<b>384,057</b>



# 6.5 CONSOLIDATED CASH FLOW STATEMENT

DKK thousands	Q3 2023	Q3 2022	Q1-Q3 2023	Q1-Q3 2022	2022
Profit before tax	10,026	9,382	23,052	16,819	24,230
Adjustments	1,255	-848	7,323	5,735	16,341
Changes in receivables, etc.	17,847	-7,682	7,019	-13,067	-25,890
Change in inventories	-949	-2,173	-8,578	-15,296	-9,367
Change in trade payables and other liabilities, etc.	23,698	6,849	15,837	23,099	30,351
<b>Cash flow from operating activities before financial items and tax</b>	<b>51,877</b>	<b>5,528</b>	<b>44,653</b>	<b>17,290</b>	<b>35,665</b>
Financial items received and paid	252	246	-2,323	-1,492	-4,710
Taxes paid and received	-1,056	-1,087	-1,701	-532	-2,105
<b>Cash flow from operating activities</b>	<b>51,073</b>	<b>4,687</b>	<b>40,629</b>	<b>15,266</b>	<b>28,850</b>
Investment in intangible assets	-721	-1	-801	-1,474	-4,153
Investment in tangible assets	-1,729	-296	-11,436	-1,301	-6,174
Acquisition of entities	0	-	0	-	1,690
<b>Cash flow from investing activities</b>	<b>-2,450</b>	<b>-297</b>	<b>-12,237</b>	<b>-2,775</b>	<b>-8,637</b>
Change in borrowings	493	-900	6,320	-2,697	-
Repayments	0	-	0	-	-2,072
Paid dividends	0	-	-15,532	-12,336	-12,335
Change in short-term bank facilities	-18,999	-3,031	16,252	-25,789	2,149
<b>Cash flow from financing activities</b>	<b>-18,506</b>	<b>-3,931</b>	<b>7,040</b>	<b>-40,822</b>	<b>-12,258</b>
Change in cash and cash equivalents	30,117	459	35,432	-28,331	7,955
Cash and cash equivalents beginning of the period	49,598	11,336	45,142	39,075	39,075
Foreign exchange adjustment, cash and cash	-581	-2,664	-1,440	-1,612	-1,888
<b>Cash and cash equivalents at the end of the period</b>	<b>79,134</b>	<b>9,132</b>	<b>79,134</b>	<b>9,132</b>	<b>45,142</b>
Breakdown of cash and cash equivalents at the end of the year:		-		-	-
Cash and other investments	79,134	9,132	79,134	9,132	45,142
<b>Cash and cash equivalents at the end of the year:</b>	<b>79,134</b>	<b>9,132</b>	<b>79,134</b>	<b>9,132</b>	<b>45,142</b>

## 6.6 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Shared capital	Foreign currency translation reserve	Hedging reserve	Retained earnings	Proposed dividends	Equity
Equity 1 January 2023	31,064	82	-49	99,538	15,532	146,167
Comprehensive income in Q1-Q3 2023						
Profit for the period				17,107		17,107
Paid dividends					-15,532	-15,532
Other comprehensive income:						
Foreign currency translation adjustments, subsidiaries		-543				-543
Value adjustments of hedging instruments			5			5
Other comprehensive income		-543	5			538
<b>Comprehensive income, period</b>		-543	5	17,107	-15,532	1,037
Share-based payment, warrants				164		164
Equity 30 September 2023	31,064	-461	-44	116,809	-	147,368

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY CONTINUED

	Shared capital	Foreign currency translation reserve	Hedging reserve	Retained earnings	Proposed dividends	Equity
Equity 1 January 2022	31,064	-451	-49	89,338	12,335	132,237
Paid dividends					-12,335	-12,335
<b>Comprehensive income in Q1-Q3 2022:</b>						
Profit for the period*				13,957		13,957
Other comprehensive income:						
Foreign currency translation adjustments, subsidiaries		-899				-899
Value adjustments of hedging instruments						
Other comprehensive income		-899				-899
<b>Comprehensive income, period</b>		<b>-899</b>		<b>13,957</b>	<b>-12,335</b>	<b>723</b>
Share-based payment, warrants				494		494
<b>Equity 30 September 2022</b>	<b>31,064</b>	<b>-1,350</b>	<b>-49</b>	<b>103,789</b>	<b>-</b>	<b>133,454</b>

## 6.7 SEGMENT INFORMATION

Q1-Q3 2023	Concrete	Vibration	Not distributed including parent company	Eliminations	Group total
Revenue, external	195,248	177,262			372,510
Revenue, internal	36	4,261		-4,297	-
<b>Total revenue</b>	<b>195,284</b>	<b>181,523</b>		<b>-4,297</b>	<b>372,510</b>
Depreciations	-2,452	-2,666			-5,118
<b>Operating profit (EBIT) before special items</b>	<b>10,841</b>	<b>19,721</b>	<b>-2,749</b>		<b>27,813</b>
<b>Special items</b>	<b>-</b>	<b>-</b>	<b>-1,634</b>		<b>-1,634</b>
<b>Operating profit (EBIT) after special items</b>	<b>10,841</b>	<b>19,721</b>	<b>-4,683</b>		<b>25,879</b>
Order backlog, beginning	142,652	72,550			215,202
Order intake	184,301	181,080		-3,681	361,700
<b>Order backlog, ending</b>	<b>131,668</b>	<b>72,107</b>		<b>617</b>	<b>204,392</b>
Segment non-current assets	39,792	43,212	176,989	-166,601	93,392
Segment assets	249,531	234,615	184,960	-244,709	424,397
Segment liabilities	170,596	113,801	70,807	-78,176	277,028
Investments in intangible and tangible asset	4,271	7,966			12,237
Average number of employees	103	111			214

## SEGMENT INFORMATION CONTINUED

Q1-Q3 2022	Concrete	Vibration	Not distributed including parent company	Eliminations	Group total
Revenue, external	141,613	172,053			313,666
Revenue, internal	-	3,071		-3,071	-
Total revenue	141,613	175,124		-3,071	313,666
Depreciations	-2,351	-2,971			-5,322
Operating profit (EBIT) before special items	7,191	15,655	-2,885		19,961
Special items	-	-	-1,650		-1,650
Operating profit (EBIT) after special items	7,191	15,655	-4,535		18,311
Order backlog, beginning	71,822	53,884		-3,397	122,309
Order intake	209,994	200,257		-6,677	403,574
<b>Order backlog, ending</b>	<b>140,203</b>	<b>79,017</b>		<b>-7,003</b>	<b>212,217</b>
Segment non-current assets	30,289	40,533	9,954		80,776
Segment assets	159,275	227,209		-51,981	334,503
Segment liabilities	95,418	125,058		-19,423	201,053
Investments in intangible and tangible asset	1,411	1,364			2,775
Average number of employees	91	108			199

## 6.8 QUARTERLY KEY FIGURES AND FINANCIAL RATIOS

DKK thousands	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Full year 2022
<b>INCOME STATEMENT</b>						
Revenue	120,376	122,774	129,360	124,254	111,065	437,920
Gross profit	29,789	30,606	28,794	36,682	26,292	114,637
Operating profit (EBIT) before special items	10,278	9,707	7,828	10,881	9,136	30,842
Operating profit (EBIT) after special items	10,278	9,707	5,894	10,881	9,136	29,192
Net financial items	(252)	(1,541)	(1,034)	(3,470)	246	(4,962)
Profit before tax	10,026	8,166	4,860	7,411	9,382	24,230
Profit for the year	7,645	6,088	3,374	11,117	8,119	25,074
<b>BALANCE SHEET</b>						
Non-current assets	93,392	95,510	92,780	88,599	80,776	88,599
Current assets	331,005	318,369	304,346	295,458	253,727	295,458
Assets	424,397	413,879	397,126	384,057	334,503	384,057
Equity	147,368	142,565	150,256	146,167	133,454	146,167
Non-current liabilities	25,983	28,733	28,652	26,473	29,640	26,473
Current liabilities	251,046	242,581	218,218	211,417	171,413	211,417
Net debt	0.2	57,619	23,355	20,997	28,444	20,997
Net working capital	103,358	140,280	113,514	110,681	113,387	110,681
<b>OTHER KEY FIGURES</b>						
Investment in intangible and tangible assets	2,450	2,928	6,859	4,557	296	7,332
Cash flow from operating activities (CFFO)	51,073	(16,286)	4,883	13,731	4,687	28,850
Free cash flow	48,623	(19,214)	(1,976)	7,840	4,390	20,183
Average number of employees	214	208	207	205	199	205

# QUARTERLY KEY FIGURES AND FINANCIAL RATIOS CONTINUED

DKK thousands	Q3 2023	Q2 2023	Q1 2023	Q4 2023	Q3 2023	Full year 2022
<b>FINANCIAL RATIOS</b>						
Gross profit margin	24.7%	24.9%	22.3%	29.5%	23.7%	26.2%
Profit margin (EBIT margin) before special items	7.5%	7.9%	6.1%	8.8%	8.2%	7.0%
Profit margin (EBIT margin) after special items	7.5%	7.9%	4.6%	8.8%	8.2%	6.7%
Liquidity ratio	131.9%	131.2%	139.5%	139.8%	148.0%	140.1%
Equity ratio	34.7%	34.4%	37.8%	38.1%	39.9%	38.3%
Return on equity	20.1%	21.2%	17.4%	18.0%	14.4%	17.9%
ROIC	19.6%	16.9%	17.1%	16.8%	13.6%	16.5%
Financial leverage	6.5%	40.4%	15.5%	14.4%	21.3%	14.2%
Net debt to EBITDA	0.2	1.3	0.7	0.5	0.8	0.5
NWC/revenue	20.8%	28.8%	24.1%	25.1%	27.0%	25.3%
Earnings per share	2.48	1.97	1.09	3.61	2.63	8.13
Equity value per share	47.79	46.23	48.72	47.40	43.28	48.0
Share price	77.0	73.5	81.0	62.6	50.00	62.6
Price-book ratio	1.61	1.59	1.66	1.32	1.16	1.3
Market capitalization	239,194	228,322	251,620	194,462	155,321	194,461

## FINANCIAL RATIO

- Financial ratios are calculated as follows:
- Gross profit margin =  $\text{Gross profit} \times 100 / \text{Revenue}$
- Profit margin =  $\text{EBIT} \times 100 / \text{Revenue}$
- EBIT margin before special items =  $\text{EBIT before special items} \times 100 / \text{Revenue}$
- EBIT after special items =  $\text{EBIT after special items} \times 100 / \text{Revenue}$
- Liquidity ratio =  $\text{Total current assets} \times 100 / \text{Total current liabilities}$
- Equity ratio =  $\text{Total equity} \times 100 / \text{Total assets}$
- Return on equity =  $\text{Profit for the period} \times 100 / (\text{Equity this year} + \text{equity prior year}) / 2^*$
- Financial leverage =  $\text{Net interest-bearing debt} \times 100 / \text{Equity}$
- Net debt to EBITDA =  $\text{Net debt} / \text{EBITDA (EBIT less depreciations)}^*$
- NWC/Revenue =  $\text{Net working capital} \times 100 / \text{Revenue}^*$
- Earnings per share =  $\text{Profit for the period} / \text{Shares in free flow}$
- Equity value per share =  $\text{Equity} / \text{Total shares}$
- Share price = Share price at end of period
- Price-book ratio =  $\text{Share price} / \text{Equity per share}$
- Market capitalization =  $\text{Total number of share} \times \text{Share price}$
- ROIC =  $\text{NOPAT} / (\text{Invested capital this year} + \text{invested capital prior year}) / 2^*$
- NOPAT = Profit for the period +/- net financial income\*
- Invested capital =  $\text{Total assets} - \text{net cash and credits} - \text{deferred tax}$

\* Measured over a 12-month period



# SKAKO



Bygmestervej 2  
DK-5600 Faaborg  
Denmark  
Tel.: +45 6311 3860  
[skako.dk@skako.com](mailto:skako.dk@skako.com)  
[www.skako.com](http://www.skako.com)  
CVR No. 36440414