

Interim report Q3 2024

October 25, 2024



Table of Contents

Epiroc interim report Q3	3
Financial overview	3
CEO comments	4
Profits and returns	6
Balance sheet	7
Cash flow	7
Leading productivity and sustainability partner	8
Equipment & Service	9
Tools & Attachments	11
Sustainability: People & Planet	13
January – September in summary	14
Other information	15
Key risks	15
Signature of the President	15
Financial Statements	16
Condensed consolidated income statement	16
Condensed consolidated statement of comprehensive income	16
Condensed consolidated balance sheet	17
Condensed consolidated statement of changes in equity	18
Condensed consolidated statement of cash flows	19
Condensed parent company income statement	20
Condensed parent company balance sheet	20
Condensed segments quarterly	21
Geographical distribution of orders received	22
Geographical distribution of revenues	22
Group notes	23
Note 1: Accounting principles	23
Note 2: Acquisitions and divestments	23
Note 3: Fair value of derivatives, earn-out and borrowings	25
Note 4: Share buybacks and divestments	25
Note 5: Transactions with related parties	25
Key figures	26
Epiroc in brief	27
About this report	27
Further information	28
Financial calendar	28

On the cover: PowerROC T45 is a tophammer drill rig optimized for larger construction work and quarry applications where simple flexibility in positioning is required. The straightforward design, with excellent hydraulic base drill and productivity, makes it a powerful, reliable, and operator friendly rig.

Epiroc interim report Q3

- Orders received increased 8% to MSEK 15 520 (14 360). The organic increase was 6%.
 - Large orders amounted to MSEK 1 400 (1 000).
- Revenues increased 5% to MSEK 15 699 (14 997). The organic increase was 3%.
- Operating profit amounted to MSEK 3 277 (3 260), including items affecting comparability of MSEK 191 (-12)*. The operating margin was 20.9% (21.7).
- The adjusted operating profit was MSEK 3 086 (3 272), corresponding to an adjusted operating margin of 19.7% (21.8).
- Basic earnings per share were SEK 1.92 (1.85).
- Operating cash flow was MSEK 1 789 (1 889).
- Net debt/EBITDA ratio was 0.97 (0.49).
- The acquisitions of ASI Mining (remaining shares) and ACB+ were completed.

Financial overview

MSEK	2024	2023	Δ,%	2024	2023	Δ,%
	Q3	Q3		Jan-Sep	Jan-Sep	
Orders received	15 520	14 360	8	46 031	44 511	3
Revenues	15 699	14 997	5	46 353	44 775	4
EBITA	3 896	3 533	10	10 064	10 512	-4
<i>EBITA margin, %</i>	<i>24.8</i>	<i>23.6</i>		<i>21.7</i>	<i>23.5</i>	
Operating profit, EBIT	3 277	3 260	1	8 958	9 834	-9
<i>Operating margin, EBIT, %</i>	<i>20.9</i>	<i>21.7</i>		<i>19.3</i>	<i>22.0</i>	
Profit before tax	3 013	2 929	3	8 313	9 321	-11
<i>Profit margin, %</i>	<i>19.2</i>	<i>19.5</i>		<i>17.9</i>	<i>20.8</i>	
Profit for the period	2 323	2 244	4	6 377	7 190	-11
Operating cash flow	1 789	1 889	-5	5 176	3 776	37
Basic earnings per share, SEK	1.92	1.85	4	5.27	5.94	-11
Diluted earnings per share, SEK	1.92	1.85	4	5.27	5.94	-11
<i>Return on capital employed, %, 12 months</i>	<i>21.5</i>	<i>27.8</i>				
Net debt/EBITDA, ratio	0.97	0.49				

* For further information, see pages 6 and 21.

CEO comments

Strong mining demand

In the third quarter, orders received increased 8% to MSEK 15 520 (14 360), corresponding to an organic growth of 6%. The demand from mining customers was strong and several large mining equipment orders were won. In total, large orders were record-high at MSEK 1 400 (1 000), contributing to an organic order growth for equipment of 11%. For construction, as anticipated, demand remained weak, especially for attachments, where orders slowed further in the United States.

In the near term, we expect that the underlying mining demand, both for equipment and aftermarket, will remain at a high level, while demand from construction customers is expected to remain weak.

Revenues and profitability

Our revenues increased 5% to SEK 15.7 billion, driven by organic growth in Equipment & Service and by acquisitions in Tools & Attachments. Our EBIT increased slightly to MSEK 3 277 (3 260) and included items affecting comparability of MSEK 191 (-12).

The adjusted operating margin, EBIT, was 19.7% (21.8). The lower margin compared to the previous year is mainly explained by mix effects within Equipment & Service, where we have stronger revenue growth in equipment than in the traditional service business, as well as dilution from the acquisition of Stanley Infrastructure. On a Group level, the dilution from acquisitions was -1.3 percentage points.

Sequentially, efficiency measures have yielded results, and the organic contribution to the margin was positive. The workforce was reduced by 450 in the quarter and by 1 000 year-to-date for comparable units. Several efficiency measures are ongoing, including the consolidation of sites in the United States.

Cash flow and working capital

Operating cash flow was MSEK 1 789 and the net working capital was MSEK 24 395. Sequentially, the net working capital was reduced with MSEK 650, driven mainly by lower inventory, which was reduced by MSEK 1 171.

Strategy for resilient, recurring and profitable growth

In September, in conjunction with the world's largest mining exhibit, MINExpo, we hosted our Capital Markets Day. The main purpose of the event was to provide insight into how Epiroc is positioned for profitable, resilient growth in an ever-changing world. We provided updates on the progress of our financial and sustainability goals. Within safety, both when it comes to our offering and our own improvements, we have seen particularly good progress. We shared details of our market-leading position in electrification and automation, which includes more than 600 electric vehicles and 3 100 vehicles with our safety and mixed fleet automation solutions.

Innovation highlights at the MINExpo

At MINExpo in Las Vegas, with over 44 000 guests from 126 countries, we showcased many of our groundbreaking innovations. One innovation that attracted significant interest was the large-capacity Minetruck MT66 S eDrive, a hybrid with both an electric drivetrain and a powerful diesel engine. Epiroc aims to remain in the forefront of a rapidly changing industry by offering the most effective solutions within automation, electrification and digitalization.

Passionate people create exceptional things

During my visit at MINExpo, I had the pleasure to interact with many customers and it is clear that our approach to partnership is highly valued. I applaud the efforts of our passionate employees to provide our customers with solutions that make their operations safer, more productive and more energy efficient, while at the same time strengthening Epiroc for the future.

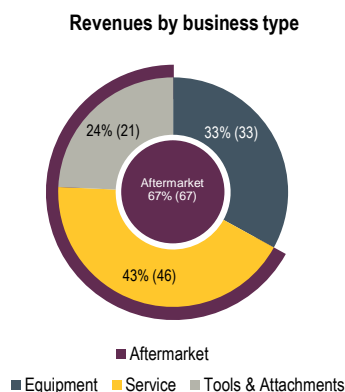
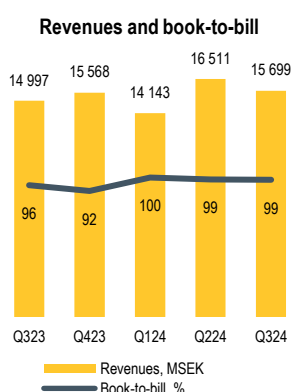
Helena Hedblom

President and CEO



Photo from MINExpo

Orders and revenues



Financial overview

	2024	2023	
MSEK	Q3	Q3	Δ,%
Orders received	15 520	14 360	8
Revenues	15 699	14 997	5
EBITA	3 896	3 533	10
EBITA margin, %	24.8	23.6	
Adj. operating profit, EBIT	3 086	3 272	-6
Adj. operating margin, EBIT, %	19.7	21.8	
Operating profit, EBIT	3 277	3 260	1
Operating margin, EBIT, %	20.9	21.7	

Orders received

Orders received increased 8% to MSEK 15 520 (14 360). The organic increase was 6%. Customer activity remained high in mining. On the construction side, demand remained weak, especially for attachments, where orders received weakened even further in the United States. Structure (acquisitions) impacted the growth positively with 6%, while currency impacted negatively with -4%.

Compared to the previous year, orders received in local currency, including acquisitions, increased in Europe, Asia/Australia, South America and North America, while it decreased in Africa/Middle East. The comparable period, Q3 2023, in Africa/Middle East includes Epiroc's largest equipment order in history, MSEK 700.

Mining customers represented 78% (86) of orders received in the quarter and construction customers 22% (14). The increase in construction compared to the previous year is mainly explained by the acquisition of Stanley Infrastructure.

Sequentially, compared to the previous quarter, orders received decreased -3% organically.

Revenues

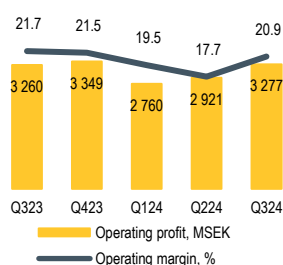
Revenues increased by 5% to MSEK 15 699 (14 997), corresponding to an organic increase of 3%. Acquisitions impacted revenues positively with 6%, while currency impacted negatively with -4%. The book-to-bill ratio was 99% (96).

The aftermarket represented 67% (67) of revenues in the quarter.

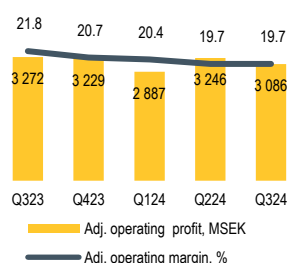
Sales Bridge	Orders received	Revenues
	MSEK, Δ, %	MSEK, Δ, %
Q3 2023	14 360	14 997
Organic	6	3
Currency	-4	-4
Structure/other	6	6
Total	8	5
Q3 2024	15 520	15 699

Profits and returns

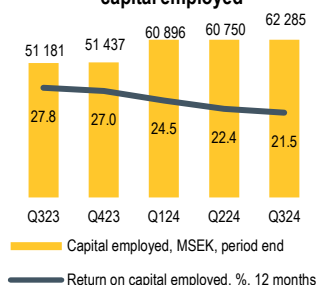
Operating profit and margin



Adjusted operating profit and margin



Capital employed and return on capital employed



Profit bridge	Operating profit	
	MSEK, Δ	Margin, Δ, pp
Q3 2023	3 260	21.7
Organic	-130	-1.3
Currency	-53	0.5
Structure/other*	200	0.0
Total	17	-0.8
Q3 2024	3 277	20.9

* Includes operating profit/loss from acquisitions and divestments and items affecting comparability (incl. change in provision for share-based long-term incentive programs).

Operating profit, EBIT, amounted to MSEK 3 277 (3 260), including items affecting comparability of MSEK 191 (-12). These include a positive revaluation effect of the shares held prior to the acquisition of ASI Mining and an impairment of acquisition-related intangible assets in Equipment & Service for a net effect of MSEK 208 (see page 21), as well as a change in provision for the share-based long-term incentive programs of MSEK -17 (-19). The operating margin, EBIT, was 20.9% (21.7).

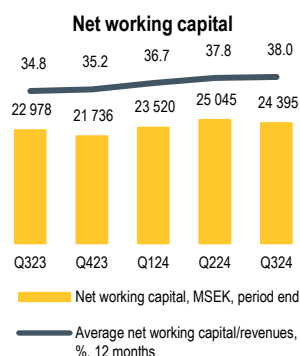
The adjusted operating margin, excluding items affecting comparability, was 19.7% (21.8). Compared to the previous year, the negative margin development is mainly explained by dilution from acquisitions. In addition, the margin was also negatively impacted by mix effects, such as a higher share of revenues from equipment. Currency contributed positively to the margin. The dilution from acquisitions was -1.3 percentage points. Sequentially, efficiency measures have yielded results, and the organic contribution to the margin was positive.

Net financial items amounted to MSEK -264 (-331). Net interest increased to MSEK -250 (-146), explained by higher interest-bearing debt and an increased average interest rate.

Profit before tax was MSEK 3 013 (2 929). Income tax expense amounted to MSEK -690 (-685). The effective tax rate was 22.9% (23.4). Profit for the period totaled MSEK 2 323 (2 244). Basic earnings per share were SEK 1.92 (1.85).

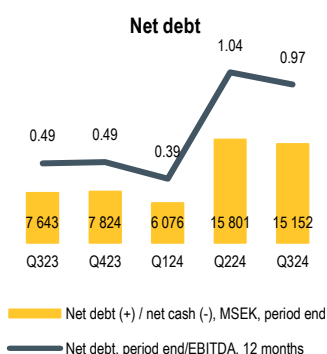
Return on capital employed was 21.5% (27.8), negatively impacted mainly by increased intangible assets, such as goodwill from acquisitions. The return on equity was 22.6% (27.9).

Balance sheet



Net working capital

Compared to the previous year, net working capital increased 6% to MSEK 24 395 (22 978). The increase is mainly explained by lower payables. Sequentially however, the net working capital was reduced with MSEK 650, driven mainly by lower inventory. The average net working capital in relation to revenues in the last 12 months was 38.0% (34.8).



Net debt

Epiroc ended the quarter with a cash and cash equivalents position of MSEK 7 129 (6 330). The net debt was MSEK 15 152 (7 643). The net debt/EBITDA ratio increased to 0.97 (0.49), driven by an increased debt level after acquisitions. Sequentially, the net debt/EBITDA decreased.

The average tenor of Epiroc's long-term debt was 4.3 years. The average interest duration was 20 months (19) and the average interest rate at the end of the quarter was 4.41% (4.16).

Cash flow



Operating cash flow

Operating cash flow amounted to MSEK 1 789 (1 889). It was negatively impacted by lower operating profit adjusted for non-cash items, while positively impacted by a lower build-up of working capital.

Acquisitions and divestments

The net cash flow from acquisitions and divestments was MSEK -1 080 (-7).

Leading productivity and sustainability partner

Innovations, acquisitions, and partnerships strengthen Epiroc's position as a leading global productivity and sustainability partner. Below are some highlights from the quarter.



Acquisitions – Creating options for the future

Two acquisitions were completed in the quarter. *See note 2.*

- **ASI Mining** provides mining automation systems, incl. fully autonomous solutions. Its solutions are OEM agnostic, meaning they work regardless of machine brand and fit well for mixed fleets. During 2018, Epiroc acquired 34% of the shares and on July 3, 2024, the remaining 66% outstanding shares were acquired.
- **ACB+** manufactures attachments and quick couplers used on excavators for construction and scrap recycling/deconstruction, and strengthens Epiroc's offering within Attachments. The acquisition was completed September 4.



Minetruck MT66 S eDrive

The Minetruck MT66 S eDrive, launched during MINExpo in Las Vegas in September, is the first large-capacity mine truck with both an electric drivetrain and a powerful diesel engine (hybrid). It combines the cost-effectiveness of a traditional mine truck with the productivity of an electric one, without requiring change to a mine's infrastructure. Customers enjoy 15% boost in productivity, 11% faster ramp speed and 7% fuel reduction compared to previous versions.



Large order for underground mining equipment, including battery-electric vehicles

Epiroc won a large order, MSEK 350, for underground mining equipment, including battery-electric vehicles, from Eurasian Resources Group (ERG) in Kazakhstan. Several of the machines will be operated driverless (tele-remotely), and all of the equipment will be supplied with a collision avoidance system.

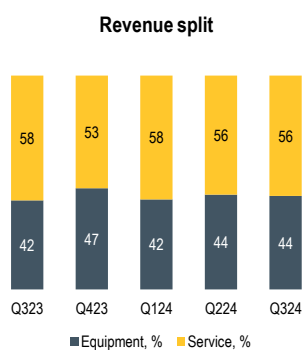
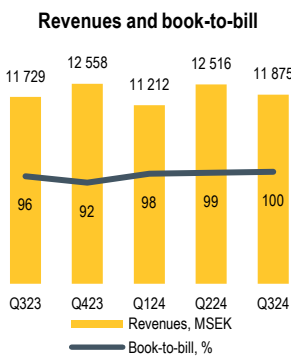
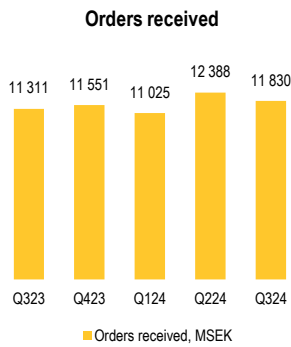


A breath of fresh air

While battery-electric equipment reduces the ventilation needs in an underground mine, sufficient ventilation for people to work in the mine is still needed. With Epiroc's Ventilation on Demand technology, customers can significantly reduce energy consumption.

Equipment & Service

Equipment & Service provides rock drilling equipment, equipment for rock excavation, rock reinforcement, loading and haulage, ventilation systems, drilling equipment for exploration, water and energy, exploration tools and solutions, as well as related spare parts and service for the mining and construction industries. The segment also provides solutions for automation, digitalization and electrification.



Financial overview

MSEK	2024	2023	Δ, %
	Q3	Q3	
Orders received	11 830	11 311	5
Revenues	11 875	11 729	1
EBITA	3 468	3 105	12
EBITA margin, %	29.2	26.5	
Adj. operating profit, EBIT	2 715	2 861	-5
Adj. operating margin, EBIT, %	22.9	24.4	
Operating profit, EBIT	2 923	2 868	2
Operating margin, EBIT, %	24.6	24.5	

Orders received

Orders received increased 5% to MSEK 11 830 (11 311). The organic increase was 9% while currency impacted negatively with -4%.

Compared to the previous year, orders received in local currency, including acquisitions, increased in South America, Asia/Australia and Europe, while it decreased in Africa/Middle East and North America. The strongest development was in South America, supported by large equipment orders.

For equipment, orders received amounted to MSEK 5 170 (4 739), corresponding to an organic increase of 11%. The large orders, i.e. orders above MSEK 100, totaled MSEK 1 400 (1 000). The share of orders from equipment was 44% (42).

For service, orders received increased 1% to MSEK 6 660 (6 572). The organic growth was 6% and reflected a continued high activity level and a good demand for digital solutions, including mixed-fleet automation solutions, as well as high demand for mid-life upgrades. The share of orders from service was 56% (58).

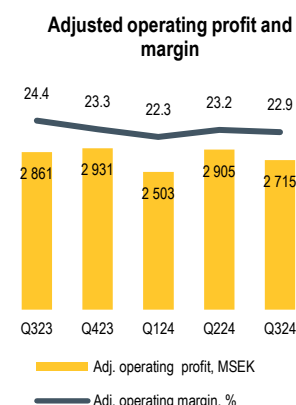
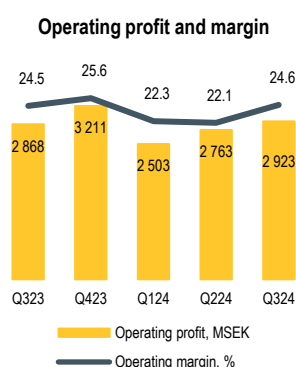
Sequentially, orders received decreased -2% organically for the segment.

Revenues

Revenues amounted to MSEK 11 875 (11 729), corresponding to an organic growth of 5%. Currency impacted negatively with -4%. Equipment revenues increased 8% organically, while service revenues increased 3% organically. The share of revenues from service was 56% (58). The book-to-bill ratio was 100% (96).

Equipment & Service

Sales Bridge	Equipment & Service		Equipment		Service	
	Orders received	Revenues	Orders received	Revenues	Orders received	Revenues
	MSEK,Δ,%	MSEK,Δ,%	MSEK,Δ,%	MSEK,Δ,%	MSEK,Δ,%	MSEK,Δ,%
Q3 2023	11 311	11 729	4 739	4 870	6 572	6 859
Organic	9	5	11	8	6	3
Currency	-4	-4	-4	-4	-4	-4
Structure/other	0	0	2	2	-1	-1
Total	5	1	9	6	1	-2
Q3 2024	11 830	11 875	5 170	5 178	6 660	6 697



Operating profit and margin

Operating profit, EBIT, increased 2% to MSEK 2 923 (2 868). Items affecting comparability amounted to MSEK 208 (7), including a positive revaluation effect of the shares held prior to the acquisition of ASI Mining and impairment of acquisition-related intangible assets. See page 21. The operating margin, EBIT, was 24.6% (24.5).

The adjusted operating margin, excluding items affecting comparability, was 22.9% (24.4). The negative organic impact is mainly explained by the higher proportion of equipment invoiced, as well as negative mix effects within service. Cost measures initiated earlier this year yielded positive results in the quarter, but not enough to compensate for the mix effects. Currency contributed positively to the margin. There was no margin impact from acquisitions.

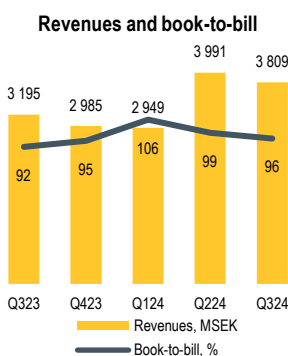
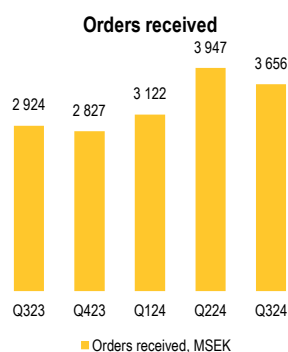
Profit bridge	Operating profit	
	MSEK,Δ	Margin,Δ,pp
Q3 2023	2 868	24.5
Organic	-137	-2.4
Currency	-18	0.8
Structure/other	210	1.7
Total	55	0.1
Q3 2024	2 923	24.6

Acquisitions

In the quarter, the acquisition of the remaining shares (66%) of ASI Mining was completed, leading to a positive revaluation effect of the shares held prior to the acquisition. See note 2.

Tools & Attachments

Tools & Attachments provides rock drilling tools, ground engaging tools and hydraulic attachments that are attached to machines used mainly for drilling, deconstruction and recycling as well as rock excavation. It also provides related service, spare parts and digital solutions, and serves the mining and construction industries.



Financial overview

MSEK	2024 Q3	2023 Q3	Δ, %
Orders received	3 656	2 924	25
Revenues	3 809	3 195	19
EBITA	505	516	-2
EBITA margin, %	13.3	16.2	
Adj. operating profit, EBIT	429	481	-11
Adj. operating margin, EBIT, %	11.3	15.1	
Operating profit, EBIT	429	481	-11
Operating margin, EBIT, %	11.3	15.1	

Orders received

Orders received increased 25% to MSEK 3 656 (2 924), driven by acquisitions. The organic development was flat. It was supported by the demand for ground engaging tools from mining customers, whereas the demand from construction customers remained weak, impacting mainly Attachments, but also Tools to some extent. Structure (acquisitions) impacted the growth positively with 28%, whereas currency impacted negatively with -3%.

Compared to the previous year, orders received in local currency, including acquisitions, increased in North America, Europe, Asia/Australia and Africa/Middle East, while it decreased in South America. The growth in Asia/Australia was driven by the demand for ground engaging tools.

Sequentially, orders received decreased -6% organically for the segment.

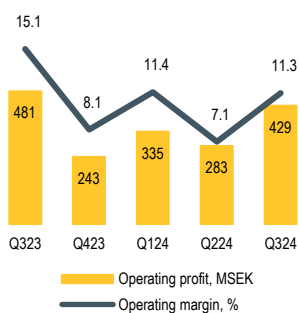
Revenues

Revenues increased 19% to MSEK 3 809 (3 195), corresponding to an organic decrease of -5%. Acquisitions contributed with 27% while currency impacted revenues negatively with -3%. The book-to-bill ratio was 96% (92).

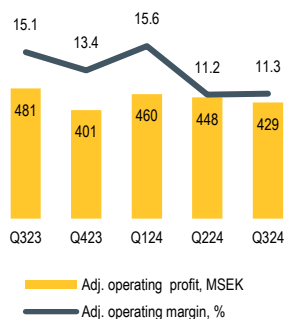
Sales Bridge	Orders received	Revenues
	MSEK, Δ, %	MSEK, Δ, %
Q3 2023	2 924	3 195
Organic	0	-5
Currency	-3	-3
Structure/other	28	27
Total	25	19
Q3 2024	3 656	3 809

Tools & Attachments

Operating profit and margin



Adjusted operating profit and margin



Operating profit and margin

Operating profit, EBIT, amounted to MSEK 429 (481) and the operating margin, EBIT, was 11.3% (15.1).

The adjusted operating margin was 11.3% (15.1). Acquisitions impacted the margin negatively, while the organic contribution was positive. The dilution from acquisitions was -3.9 percentage points. Actions to improve efficiency are ongoing, including the consolidation of manufacturing sites in the United States.

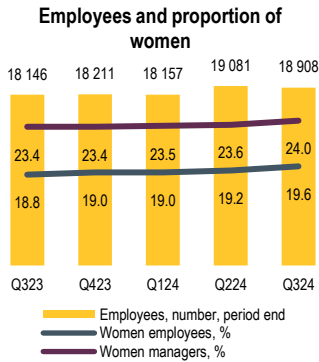
Profit bridge

	Operating profit	
	MSEK, Δ	Margin, Δ, pp
Q3 2023	481	15.1
Organic	-6	0.6
Currency	-33	-0.6
Structure/other	-13	-3.8
Total	-52	-3.8
Q3 2024	429	11.3

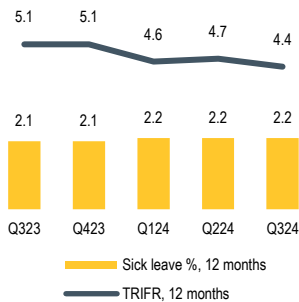
Acquisitions

In the quarter, Epiroc completed the acquisition of ACB+. See note 2.

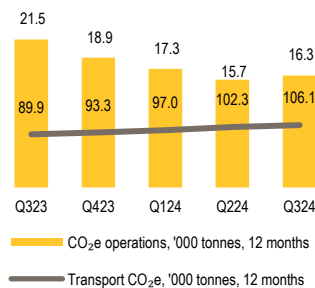
Sustainability: People & Planet



Sick leave and TRIFR



CO₂e emissions



Employees

Compared to the third quarter 2023, the number of employees increased to 18 908 (18 146). External workforce decreased to 1 592 (1 795). For comparable units, the total workforce decreased by -802 compared to the previous year and by -450 sequentially, as part of efficiency measures taken. The largest reduction was within service and manufacturing.

The proportion of women employees and women managers increased to 19.6% (18.8) and 24.0% (23.4), respectively.

India's first all-women mine rescue team triumphs on global stage

In the XIII International Mine Rescue Competition in Colombia, organized by the National Mining Agency, history was made. 26 elite teams from across the world joined the competition, and among them, Hindustan Zinc Limited's first-ever all-women underground mine rescue team. In this team, Alka Chindaliya, a service engineer from Epiroc India, joined, and the team secured an extraordinary 2nd place. These women have not only made history, but they have also set the stage for an even more inclusive and diverse future in mining.

Safety and health

The total recordable injury frequency rate (TRIFR) per one million working hours the last 12 months decreased to 4.4 (5.1). Actions are continuously taken to reduce injuries. The sick leave increased somewhat to 2.2% (2.1).

CO₂e emissions from operations

The CO₂e emissions from operations for comparable units* the last 12 months decreased -24% to 16 295 (21 531) tonnes. The improvement is driven by higher share of renewable energy purchased and installation of solar panels on own facilities.

* Comparable units are production companies, distribution centers and our largest customer centers 2022.

CO₂e emissions from transport

The CO₂e emissions from transport for comparable units* the last 12 months increased 18% to 106 070 (89 881) tonnes.

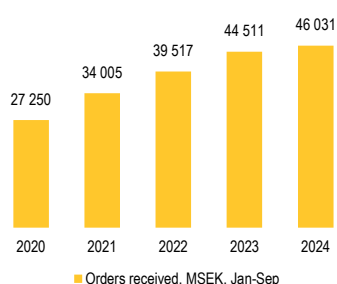
* Comparable units are production companies and distribution centers in 2022.

Silver medal in EcoVadis sustainability rating

With 89% target fulfilment in EcoVadis' sustainability classification, Epiroc received a silver medal. This performance is well above the industry average, and Epiroc is among the top 11% of companies.

January – September in summary

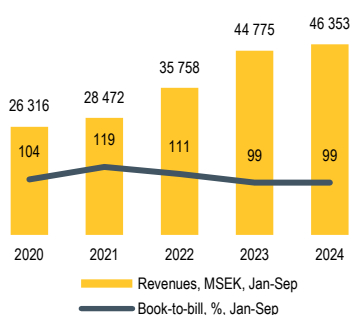
Orders received, Jan-Sep



The orders received the first nine months increased 3% to MSEK 46 031 (44 511), corresponding to an organic increase of 2%. Revenues increased 4% to MSEK 46 353 (44 775), of which 2% organically.

Sales Bridge	Orders received	Revenues
	MSEK,Δ,%	MSEK,Δ,%
Jan-Sep 2023	44 511	44 775
Organic	2	2
Currency	-3	-3
Structure/other	4	5
Total	3	4
Jan-Sep 2024	46 031	46 353

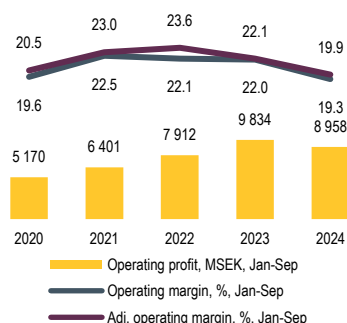
Revenues and book-to-bill, Jan-Sep



Operating profit, EBIT, was MSEK 8 958 (9 834), including items affecting comparability of MSEK -261 (-54). See page 21. The operating margin, EBIT, was 19.3% (22.0), negatively impacted by increased cost, mix, and dilution from acquisitions, while currency impacted positively.

The adjusted operating margin was 19.9% (22.1). Efficiency measures have been carried out, and for comparable units, the workforce has been reduced by 1 000 year-to-date.

Operating profit and margin, Jan-Sep



Profit bridge	Operating profit	
	MSEK,Δ	Margin,Δ,pp
Jan-Sep 2023	9 834	22.0
Organic	-1 123	-2.7
Currency	389	1.4
Structure/other	-142	-1.4
Total	-876	-2.7
Jan-Sep 2024	8 958	19.3

Profit before tax was MSEK 8 313 (9 321). Profit for the period totaled MSEK 6 377 (7 190).

Basic earnings per share were SEK 5.27 (5.94).

Operating cash flow was MSEK 5 176 (3 776).

Other information

In the quarter

- 2024-07-03 – Epiroc completed acquisition of remaining share of autonomous solutions provider ASI Mining.
- 2024-08-22 – Epiroc’s main community engagement initiative “Water for All” celebrated 40 years of changing lives.
- 2024-09-04 – Epiroc completed acquisition of French manufacturer of excavator attachments, ACB+.
- 2024-09-04 – Epiroc to expand rock drilling tools manufacturing facility and opens innovation center in Hyderabad, India.
- 2024-09-09 – Epiroc won a large mining equipment order in Australia.
- 2024-09-24 – Epiroc hosted a Capital Markets Day (CMD) for institutional investors, analysts, and financial media in Las Vegas, United States.

After the period end

- 2024-10-03 – Epiroc announced Nomination Committee for the Annual General Meeting 2025.
- 2024-10-07 – Epiroc diversified its financing with sustainability-linked NIB loan of MUS\$ 150 (MSEK 1 555).
- 2024-10-08 – Epiroc announced a large mining equipment order in Australia of MSEK 335 (reported in Q3).
- 2024-10-08 – Epiroc announced a large mining equipment order in Kazakhstan of MSEK 350 (reported in Q3).

Key risks

Epiroc is exposed to strategic, operational, legal and compliance as well as financial risks. The key risks include climate change and environment, competition, geopolitical and regulatory, market, corruption and fraud, cyber security and information risk, employees, product development, production, reputation, safety and health, and supply chain. Further information on risks, opportunities and risk management can be found in Epiroc’s Annual and Sustainability Report 2023.

Signature of the President

The President and CEO of Epiroc AB declares that the interim report gives a fair view of the business development, financial position and result of operation of the Parent Company and the consolidated Group, and describes significant risks and uncertainties that the Parent Company and its subsidiaries are facing.

Nacka, Sweden, October 25, 2024

Helena Hedblom
President and CEO, Epiroc AB

The company’s auditors have not reviewed this report.

Financial Statements
Condensed consolidated income statement

MSEK	2024 Q3	2023 Q3	2024 Jan-Sep	2023 Jan-Sep
Revenues	15 699	14 997	46 353	44 775
Cost of sales	-9 874	-9 218	-29 397	-27 377
Gross profit	5 825	5 779	16 956	17 398
Administrative expenses	-1 069	-974	-3 430	-3 014
Marketing expenses	-1 075	-1 001	-3 159	-2 939
Research and development expenses	-771	-517	-1 769	-1 466
Other operating income and expenses	367	-27	360	-145
Operating profit	3 277	3 260	8 958	9 834
Net financial items	-264	-331	-645	-513
Profit before tax	3 013	2 929	8 313	9 321
Income tax expense	-690	-685	-1 936	-2 131
Profit for the period	2 323	2 244	6 377	7 190
Profit attributable to				
- owners of the parent	2 318	2 235	6 368	7 170
- non-controlling interests	5	9	9	20
Basic earnings per share, SEK	1.92	1.85	5.27	5.94
Diluted earnings per share, SEK	1.92	1.85	5.27	5.94

Condensed consolidated statement of comprehensive income

MSEK	2024 Q3	2023 Q3	2024 Jan-Sep	2023 Jan-Sep
Profit for the period	2 323	2 244	6 377	7 190
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit pension plans	105	114	104	70
Income tax relating to items that will not be reclassified	-22	-24	-25	-15
Total items that will not be reclassified to profit or loss	83	90	79	55
Items that may be reclassified subsequently to profit or loss				
Translation differences on foreign operations	-890	-421	459	408
Hedge of net investments in foreign operations	94	-	178	-
Cash flow hedges	-106	-19	-293	-112
Income tax relating to items that may be reclassified	3	4	24	23
Total items that may be reclassified subsequently to profit or loss	-899	-436	368	319
Other comprehensive income for the period, net of tax	-816	-346	447	374
Total comprehensive income for the period	1 507	1 898	6 824	7 564
Total comprehensive income attributable to				
- owners of the parent	1 506	1 900	6 804	7 548
- non-controlling interests	1	-2	20	16

Condensed consolidated balance sheet

	2024	2023	2023
Assets, MSEK	Sep 30	Sep 30	Dec 31
Intangible assets	24 131	16 472	15 843
Rental equipment	1 602	1 597	1 582
Other property, plant and equipment	7 546	5 924	6 032
Investments in associated companies and joint ventures	27	59	49
Other financial assets and other receivables	2 226	2 118	1 649
Deferred tax assets	1 553	1 535	1 509
Total non-current assets	37 085	27 705	26 664
Inventories	20 202	20 031	18 747
Trade receivables	10 883	10 832	10 455
Other receivables	3 764	3 390	3 093
Current tax receivables	1 187	698	721
Financial assets	1 315	1 559	1 703
Cash and cash equivalents	7 129	6 330	6 401
Assets held for sale	-	95	-
Total current assets	44 480	42 935	41 120
Total assets	81 565	70 640	67 784
Equity and liabilities, MSEK			
Share capital	500	500	500
Retained earnings	38 725	36 141	36 322
Total equity attributable to owners of the parent	39 225	36 641	36 822
Non-controlling interest	405	502	388
Total equity	39 630	37 143	37 210
Interest-bearing liabilities	18 051	10 798	11 822
Post-employment benefits	134	144	251
Other liabilities and provisions	635	598	576
Deferred tax liabilities	1 500	953	922
Total non-current liabilities	20 320	12 493	13 571
Interest-bearing liabilities	4 470	3 096	2 153
Trade payables	5 314	6 210	5 902
Current tax liabilities	378	543	483
Other liabilities and provisions	11 453	11 155	8 465
Total current liabilities	21 615	21 004	17 003
Total equity and liabilities	81 565	70 640	67 784

Condensed consolidated statement of changes in equity

MSEK	Equity attributable to		
	owners of the parent	non-controlling interests	Total equity
Opening balance, Jan 1, 2024	36 822	388	37 210
Total comprehensive income for the period	6 804	20	6 824
Dividend	-4 590	-2	-4 592
Transactions with non-controlling interests	0	-1	-1
Acquisition and divestment of own shares	257	-	257
Share-based payments, equity settled	-68	-	-68
Closing balance, Sep 30, 2024	39 225	405	39 630
Opening balance, Jan 1, 2023	33 020	488	33 508
Total comprehensive income for the period	7 548	16	7 564
Dividend	-4 102	-2	-4 104
Acquisition and divestment of own shares	254	-	254
Share-based payments, equity settled	-79	-	-79
Closing balance, Sep 30, 2023	36 641	502	37 143
Opening balance, Jan 1, 2023	33 020	488	33 508
Total comprehensive income for the period	7 706	10	7 716
Dividend	-4 103	-3	-4 106
Transactions with non-controlling interests	1	-107	-106
Acquisition and divestment of own shares	279	-	279
Share-based payments, equity settled	-81	-	-81
Closing balance, Dec 31, 2023	36 822	388	37 210

Condensed consolidated statement of cash flows

MSEK	2024 Q3	2023 Q3	2024 Jan-Sep	2023 Jan-Sep
Cash flow from operating activities				
Operating profit	3 277	3 260	8 958	9 834
Adjustments for depreciation, amortization and impairment	1 168	701	2 629	1 980
Adjustments for capital gain/loss and other non-cash items	-480	279	-674	-201
Net financial items received/paid	-109	-472	-10	-619
Taxes paid	-773	-849	-2 527	-2 849
Pension funding and payment of pension to employees	-19	-16	-53	-52
Change in working capital	-573	-840	-1 501	-3 319
Increase in rental equipment	-131	-236	-674	-812
Sale of rental equipment	141	90	368	388
Net cash flow from operating activities	2 501	1 917	6 516	4 350
Cash flow from investing activities				
Investments in other property, plant and equipment	-201	-222	-616	-675
Sale of other property, plant and equipment	-	9	15	35
Investments in intangible assets	-343	-106	-709	-431
Sale of intangible assets	-	-	-	3
Acquisition of subsidiaries and associated companies	-1 080	-7	-9 374	-3 324
Proceeds to/from other financial assets, net	-106	-45	-260	-492
Net cash flow from investing activities	-1 730	-371	-10 944	-4 884
Cash flow from financing activities				
Dividend	-	-	-2 295	-2 051
Dividend to non-controlling interest	-1	-1	-2	-2
Sale/Repurchase of own shares	26	45	257	254
Change in interest-bearing liabilities	-141	-149	7 190	1 354
Net cash flow from financing activities	-116	-105	5 150	-445
Net cash flow for the period	655	1 441	722	-979
Cash and cash equivalents, beginning of the period	6 598	4 949	6 401	7 326
Exchange differences in cash and cash equivalents	-124	-60	6	-17
Cash and cash equivalents, end of the period	7 129	6 330	7 129	6 330
	2024	2023	2024	2023
Operating cash flow*	Q3	Q3	Jan-Sep	Jan-Sep
Net cash flow from operating activities	2 501	1 917	6 516	4 350
Net cash flow from investing activities	-1 730	-371	-10 944	-4 884
Acquisitions and divestments, net	1 080	7	9 374	3 324
Other adjustments	-62	336	230	986
Operating cash flow	1 789	1 889	5 176	3 776

* Operating cash flow is not defined according to IFRS.

Condensed parent company income statement

	2024	2023	2024	2023
MSEK	Q3	Q3	Jan-Sep	Jan-Sep
Administrative expenses	-52	-74	-203	-220
Marketing expenses	-7	-5	-23	-21
Other operating income and expenses	42	39	138	115
Operating profit/loss	-17	-40	-88	-126
Financial income and expenses	-10	-16	-46	-60
Profit/loss before tax	-27	-56	-134	-186
Income tax	8	17	38	46
Profit/loss for the period	-19	-39	-96	-140

Condensed parent company balance sheet

	2024	2023	2023
MSEK	Sep 30	Sep 30	Dec 31
Total non-current assets	56 872	55 331	56 334
Total current assets	9 858	3 543	5 013
Total assets	66 730	58 874	61 347
Total restricted equity	503	503	503
Total non-restricted equity	44 928	44 819	49 425
Total equity	45 431	45 322	49 928
Total provisions	171	212	204
Total non-current liabilities	15 569	8 984	9 982
Total current liabilities	5 559	4 356	1 233
Total equity and liabilities	66 730	58 874	61 347

Condensed segments quarterly

Epiroc has two reporting segments; Equipment & Service and Tools & Attachments. In addition, Epiroc reports common Group functions, including Financial Solutions, Group Management, support functions and eliminations.

As from January 1, 2024, Epiroc will not include orders on hand (order book) in orders received when acquiring companies. The previously reported orders received in the first quarter 2023 of MSEK 15 148 included orders on hand from acquired companies of MSEK 433. Figures in this report have been restated, unless otherwise stated. The table below has not been restated.

	2023				2023	2024		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Orders received, MSEK								
Equipment & Service	11 570	12 276	11 311	11 551	46 708	11 025	12 388	11 830
Equipment	5 151	5 404	4 739	4 924	20 218	4 404	5 406	5 170
Service	6 419	6 872	6 572	6 627	26 490	6 621	6 982	6 660
Tools & Attachments	3 535	3 180	2 924	2 827	12 466	3 122	3 947	3 656
Common group functions	43	-20	125	10	158	15	14	34
Epiroc Group	15 148	15 436	14 360	14 388	59 332	14 162	16 349	15 520
Revenues, MSEK								
Equipment & Service	10 733	12 510	11 729	12 558	47 530	11 212	12 516	11 875
Equipment	4 120	5 489	4 870	5 931	20 410	4 708	5 547	5 178
Service	6 613	7 021	6 859	6 627	27 120	6 504	6 969	6 697
Tools & Attachments	3 125	3 418	3 195	2 985	12 723	2 949	3 991	3 809
Common group functions	10	-18	73	25	90	-18	4	15
Epiroc Group	13 868	15 910	14 997	15 568	60 343	14 143	16 511	15 699
Operating profit, EBIT, and profit before tax, MSEK								
Equipment & Service	2 718	2 995	2 868	3 211	11 792	2 503	2 763	2 923
Tools & Attachments	532	524	481	243	1 780	335	283	429
Common group functions	-89	-106	-89	-105	-389	-78	-125	-75
Epiroc Group	3 161	3 413	3 260	3 349	13 183	2 760	2 921	3 277
Net financial items	-197	15	-331	-435	-948	-116	-265	-264
Profit before tax	2 964	3 428	2 929	2 914	12 235	2 644	2 656	3 013
Operating margin, EBIT, %								
Equipment & Service	25.3	23.9	24.5	25.6	24.8	22.3	22.1	24.6
Tools & Attachments	17.0	15.3	15.1	8.1	14.0	11.4	7.1	11.3
Epiroc Group	22.8	21.5	21.7	21.5	21.8	19.5	17.7	20.9
Items affecting comparability, MSEK*								
Change in provision for LTIP**	26	16	19	2	63	2	18	17
Items in Equipment & Service	-	-	-7	-280	-287	-	142	-208
Items in Tools & Attachments	-	-	-	158	158	125	165	-
Epiroc Group	26	16	12	-120	-66	127	325	-191
Adj. margin for items affecting comparability, EBIT, %								
Adjusted operating margin, E&S, %	25.3	23.9	24.4	23.3	24.2	22.3	23.2	22.9
Adjusted operating margin, T&A, %	17.0	15.3	15.1	13.4	15.2	15.6	11.2	11.3
Adjusted operating margin, %	23.0	21.6	21.8	20.7	21.7	20.4	19.7	19.7

* Items affecting comparability are shown with reverse sign. I.e. a positive number indicates a cost and vice versa.

- In Q3, Equipment & Service included items affecting comparability of net MSEK 208 (positive revaluation effect of the shares held prior to the acquisition of ASI Mining MSEK +554 and impairments of intangible assets related to acquisitions of MSEK -346).

- In Q2, Equipment & Service included items affecting comparability of MSEK -142 (earn-out for the acquisition of RCT of MSEK -73 and restructuring costs of MSEK -69). Tools & Attachments included items affecting comparability of MSEK -165 (transaction and integration costs for acquisitions of MSEK -130 and restructuring costs of MSEK -35).

- In Q1 2024, Tools & Attachments included items affecting comparability of MSEK -125, which was transaction costs related to acquisitions.

** Change in provision for long-term incentive programs is reported as administrative expenses.

Geographical distribution of orders received

As from January 1, 2024, Epiroc will not include orders on hand (order book) in orders received when acquiring companies. The previously reported orders received in the first quarter 2023 of MSEK 15 148 included orders on hand from acquired companies of MSEK 433. Figures in this report have been restated, unless otherwise stated. The tables below have not been restated.

MSEK % currency adjusted	2023				2023 FY	2024			Δ,% Y-o-Y
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	
Epiroc Group	15 148	15 436	14 360	14 388	59 332	14 162	16 349	15 520	14%
North America	3 608	3 651	3 825	3 676	14 760	3 611	4 734	4 087	13%
South America	1 803	2 257	1 937	2 436	8 433	2 023	1 690	2 147	21%
Europe	2 304	2 120	1 589	1 761	7 774	2 191	2 327	1 836	23%
Africa/Middle East	2 561	2 885	2 919	2 020	10 385	2 094	2 635	2 597	-6%
Asia/Australia	4 872	4 523	4 090	4 495	17 980	4 243	4 963	4 853	21%
Equipment & Service	11 570	12 276	11 311	11 551	46 708	11 025	12 388	11 830	10%
North America	2 511	2 735	2 769	2 767	10 782	2 608	2 943	2 506	-3%
South America	1 427	1 862	1 664	2 242	7 195	1 747	1 494	1 914	26%
Europe	1 613	1 599	1 108	1 199	5 519	1 525	1 619	1 249	21%
Africa/Middle East	2 015	2 359	2 342	1 498	8 214	1 532	2 100	2 028	-8%
Asia/Australia	4 004	3 721	3 428	3 845	14 998	3 613	4 232	4 133	23%
Tools & Attachments	3 535	3 180	2 924	2 827	12 466	3 122	3 947	3 656	30%
North America	1 065	929	945	899	3 838	1 002	1 788	1 558	72%
South America	376	396	272	194	1 238	276	196	233	-8%
Europe	680	535	472	564	2 251	650	699	575	27%
Africa/Middle East	548	524	577	523	2 172	561	536	569	2%
Asia/Australia	866	796	658	647	2 967	633	728	721	12%

Geographical distribution of revenues

MSEK % currency adjusted	2023				2023 FY	2024			Δ,% Y-o-Y
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	
Epiroc Group	13 868	15 910	14 997	15 568	60 343	14 143	16 511	15 699	10%
North America	3 759	3 954	3 817	3 898	15 428	3 927	4 860	4 348	20%
South America	1 985	2 116	2 194	2 176	8 471	1 737	2 122	1 809	-10%
Europe	2 155	2 426	1 850	2 195	8 626	2 022	2 249	2 086	18%
Africa/Middle East	2 048	2 786	2 611	2 455	9 900	2 254	2 725	2 759	12%
Asia/Australia	3 921	4 628	4 525	4 844	17 918	4 203	4 555	4 697	6%
Equipment & Service	10 733	12 510	11 729	12 558	47 530	11 212	12 516	11 875	7%
North America	2 706	2 960	2 803	2 958	11 427	2 995	3 006	2 694	2%
South America	1 716	1 772	1 798	1 915	7 201	1 473	1 898	1 588	-3%
Europe	1 463	1 713	1 299	1 616	6 091	1 489	1 550	1 482	21%
Africa/Middle East	1 545	2 219	2 013	1 935	7 712	1 718	2 199	2 146	14%
Asia/Australia	3 303	3 846	3 816	4 134	15 099	3 537	3 863	3 965	6%
Tools & Attachments	3 125	3 418	3 195	2 985	12 723	2 949	3 991	3 809	23%
North America	1 056	1 028	956	928	3 968	924	1 847	1 650	79%
South America	269	344	396	261	1 270	264	223	221	-40%
Europe	681	701	539	571	2 492	557	702	593	14%
Africa/Middle East	504	566	597	521	2 188	536	526	613	5%
Asia/Australia	615	779	707	704	2 805	668	693	732	6%

Group notes

Note 1: Accounting principles

The interim report is prepared in accordance with IAS 34 Interim financial reporting. The accounting principles applied in the preparation of this interim report apply to all periods and comply with the accounting principles presented in the Annual and Sustainability Report 2023. No new and revised standards and interpretations effective from January 1, 2024, are considered to have any material impact on the financial statements.

Accounting principles of the Parent Company

The interim financial statements of Epiroc AB have been prepared in accordance with the Swedish Annual Accounts Act and the recommendation RFR 2, Accounting for Legal Entities, issued by the Swedish Financial Reporting Board. The accounting principles applied in the preparation of this interim report apply to all periods and comply with the accounting principles presented in the Annual and Sustainability Report 2023, note A1 in the Parent Company accounts. No new and revised standards and interpretations effective from January 1, 2024, are considered to have any material impact on the Parent Company's financial statements.

Note 2: Acquisitions and divestments

Date	Completed acquisitions	Divestments	Segment	Revenues	Employees
2024 Sep 4	ACB+		T&A	325	140
2024 Jul 3	ASI Mining		E&S	300	49
2024 Jun 17	Yieldpoint Inc.		T&A	-	10
2024 May 3	Weco Proprietary Limited		E&S	90	80
2024 Apr 1	Stanley Infrastructure		T&A	4 725	1 380
2023 Apr 3	AARD Mining Equipment		E&S	650	200
2023 Feb 2	CR		T&A	1 700	400
2023 Feb 2	Mernok Elektronik (Pty) Ltd		E&S	50	45

The table presents annual revenues in MSEK and employees at the time of the acquisition.

Acquisitions completed in 2024

- Stanley Infrastructure** designs, manufactures, and sells attachments, typically used on excavators, and handheld hydraulic and battery-powered tools for applications in infrastructure, construction, scrap recycling, deconstruction, and railroad infrastructure. Its strong and innovative brands include LaBounty, Paladin, Pengo and Dubuis. The acquisition strengthens Epiroc's presence especially in the United States. Stanley Infrastructure had revenues in 2023 of MUSD 447 (MSEK 4 725), an adjusted EBITA margin of 16% and 1 380 employees. The acquisition was announced on December 15, 2023, and was completed on April 1, 2024. Revenues from the acquisition are reported in "Tools & Attachments". The purchase price (Enterprise Value) amounted to MUSD 760 (MSEK 8 200) and is mainly allocated to intangible assets and goodwill. The acquisition was an all-cash transaction. The acquisition will dilute the Group's and the Tools & Attachments' full year 2024 adjusted EBITA margins with approximately 0.6-0.8 and 1.6-1.8 percentage points respectively. Integration and transaction costs amounted to MSEK -255 in the first nine months 2024 (booked in Q1 and Q2).
- Weco Proprietary Limited** manufactures precision-engineered rock drilling parts and provides related repairs and services in the Southern African region. The company has approximately MSEK 90 in annual revenues and 80 employees. The acquisition was announced on December 12, 2023, and was completed on May 3, 2024. Revenues from the acquisition are reported in "Service".

- **Yieldpoint** designs, manufactures and sells advanced digital geotechnical instruments, and has customers worldwide. The products, which include ground movement sensors and telemetry solutions, are primarily used for underground mining, tunnelling, and civil construction applications. The company has 10 employees. The acquisition was announced on May 28 and was completed on June 17. Revenues from the acquisition are reported in “Tools & Attachments”.
- **ASI Mining** (new product name: LinkOA) provides mining automation systems, such as remote control, teleoperation, and fully autonomous solutions. Its solutions are OEM agnostic, meaning they work regardless of machine brand and fit well for mixed fleets. The company has approximately MSEK 300 in annual revenues. Epiroc already owned 34% of ASI Mining, which it acquired in 2018. The acquisition of the remaining 66% of the company was completed on July 3. Revenues from the acquisition are reported in “Equipment”. The transaction has led to a positive revaluation effect of the ownership held prior to the acquisition in the segment Equipment & Service. The gain has been reported as an item affecting comparability of MSEK +554 in the third quarter 2024.
- **ACB+** manufactures attachments and quick couplers used on excavators for construction as well as related areas such as scrap recycling and deconstruction. Quick couplers are used with carriers, typically excavators, to enable safe and efficient change of attachments, such as buckets and hydraulic tools. The company is market leading in France and has customers throughout Europe. The company has approximately MSEK 325 in annual revenues and 140 employees. Revenues from the acquisition are reported in “Tools & Attachments”.

Financial effect of acquisitions as per September 30, 2024

The completed acquisitions have had a total cash flow effect of MSEK 9 025. According to the preliminary purchase price allocation, intangible assets amount to MSEK 3 063 and goodwill amounts to MSEK 5 786. The acquired entities during 2024 have contributed to revenues with MSEK 1 887 and operating profit with MSEK 41 since the respective dates of acquisition.

Fair value of acquired assets and liabilities 2024, MSEK	whereof Stanley	
Net assets identified including tax	1 276	1 407
Intangible assets	3 063	2 559
Goodwill	5 786	4 014
Total consideration	10 125	7 980
Net cash outflow	9 025	7 944
<i>- related to prior years acquisitions</i>	349	

Note 3: Fair value of derivatives, earn-out and borrowings

The carrying value and fair value of the Group's outstanding derivatives, earn-out and borrowings are shown in the tables below. The fair values of bonds are based on level 1, the fair values of derivatives and other loans are based on level 2 and the fair values of earn-out are based on level 3 in the fair value hierarchy. Compared to 2023, no transfers have been made between different levels in the fair value hierarchy and no significant changes have been made to valuation techniques, inputs or assumptions.

Outstanding derivatives recorded to fair value MSEK		2024 Sep 30	2023 Dec 31	
Non-current assets and liabilities				
Assets		377	4	
Liabilities		6	5	
Current assets and liabilities				
Assets		119	512	
Liabilities		250	63	
Carrying value and fair value MSEK				
	2024 Sep 30	2024 Sep 30	2023 Dec 31	2023 Dec 31
	Carrying value	Fair value	Carrying value	Fair value
Earn-out	642	642	176	176
Bonds	11 578	12 071	5 992	6 123
Other loans	10 942	11 091	7 983	8 151
Total	23 162	23 804	14 151	14 450

Note 4: Share buybacks and divestments

The Board of Directors has been authorized to purchase, transfer and sell Epiroc shares in relation to Epiroc's share-based long-term incentive programs.

	A share	B share	Total
Total number of shares	823 765 854	389 972 849	1 213 738 703
Whereof shares held by Epiroc	5 520 471		
Change in the quarter			
Purchased (+) / divested (-) shares, number	-129 726		
Value of purchased (+) / divested (-) shares, SEK	-25 746 682		

Note 5: Transactions with related parties

In the quarter, no material changes have taken place, and no significant related-party transactions were made.

Key figures

	2024 Q3	2023 Q3	2024 Jan-Sep	2023 Jan-Sep	2023 FY
Growth					
*Orders received, MSEK	15 520	14 360	46 031	44 511	58 899
Revenues, MSEK	15 699	14 997	46 353	44 775	60 343
*Total revenue growth, %	5	17	4	25	21
*Organic revenue growth, %	3	7	2	11	9
Profitability					
*Gross margin, %	37.1	38.5	36.6	38.9	38.4
*EBITDA margin, %	28.3	26.4	25.0	26.4	26.3
*EBITA margin, %	24.8	23.6	21.7	23.5	23.3
*Adjusted operating margin, EBIT, %	19.7	21.8	19.9	22.1	21.7
*Operating margin, EBIT, %	20.9	21.7	19.3	22.0	21.8
*Profit margin, %	19.2	19.5	17.9	20.8	20.3
Capital efficiency					
*Return on capital employed, %	21.5	27.8			27.0
*Net debt / EBITDA, ratio	0.97	0.49			0.49
*Net debt / equity, %, period end	38.2	20.6			21.0
*Average net working capital / revenues, %	38.0	34.8			35.2
Cash generation					
*Operating cash flow, MSEK	1 789	1 889	5 176	3 776	6 211
*Cash conversion rate, %, 12 months	96	55			66
Equity information					
Basic number of shares outstanding, millions	1 208	1 207	1 208	1 206	1 206
Diluted number of shares outstanding, millions	1 209	1 208	1 208	1 207	1 207
*Equity per share, SEK, period end	32.8	30.8			30.8
Basic earnings per share, SEK	1.92	1.85	5.27	5.94	7.82
*Return on equity, %	22.6	27.9			26.8
*Operating cash flow per share, SEK	1.48	1.57	4.29	3.13	5.15
Dividend per share, SEK					3.80
Payout ratio, %					49
People & Planet					
Employees, period end	18 908	18 146			18 211
Women employees, %, period end	19.6	18.8			19.0
Women managers, %, period end	24.0	23.4			23.4
Total recordable injury frequency rate, TRIFR, 12 months	4.4	5.1			5.1
Sick leave, %, 12 months	2.2	2.1			2.1
CO ₂ e emissions from operations, tonnes, 12 months	16 295	21 531			18 879
CO ₂ e emissions from transport, tonnes, 12 months	106 070	89 881			93 258

Several key figures in this report are not defined according to IFRS. The alternative performance measures are marked with a *. They provide complementary information aiming to help readers to analyze the company's operations and facilitate an evaluation of the performance. Since not all companies calculate financial performance measures in the same manner, these are not always comparable with measures used by other companies. These financial performance measures should therefore not be regarded as a replacement for measures as defined according to IFRS. For a list of financial definitions, non-IFRS measures and calculations, visit the Epiroc Group website.

Epiroc in brief

Epiroc is a global productivity partner for mining and construction customers, and accelerates the transformation toward a sustainable society. With ground-breaking technology, Epiroc develops and provides innovative and safe equipment, such as drill rigs, rock excavation and construction equipment and tools for surface and underground applications. The company also offers world-class service and other aftermarket support as well as solutions for automation, digitalization and electrification. Epiroc is based in Stockholm, Sweden, had revenues of more than SEK 60 billion in 2023, and has around 19 000 passionate employees supporting and collaborating with customers in around 150 countries.

Financial goals

- To achieve annual revenue growth of 8% over a business cycle and to grow faster than the market. Growth will be organic and supported by selective acquisitions.
- To have an industry-best operating margin, with strong resilience over the cycle.
- To improve capital efficiency and resilience. Investments and acquisitions shall create value.
- To have an efficient capital structure and the flexibility to make selective acquisitions. The goal is to maintain an investment grade rating.
- To provide long-term stable and rising dividends to its shareholders. The dividend should correspond to 50% of net profit over the cycle.

Sustainability ambition and KPIs

Epiroc has four prioritized areas within sustainability:

- We live by the highest ethical standards.
- We invest in safety and health.
- We grow together with passionate people and courageous leaders.
- We use resources responsibly and efficiently.

For each area there are several targets and key performance indicators, including the long-term goals for 2030 that further advance the Group's ambitions on e.g. climate change and diversity.

Our vision

Dare to think new.

Our mission

Drive the productivity and sustainability transformation in our industry.

Our core values

Innovation, Commitment and Collaboration.

Strategy

By being in attractive niches and prioritizing innovation, aftermarket and operational excellence, we strive to achieve outperformance. Our success is reinforced by our strong company culture and our integrated approach to sustainability.

Our investment case

- We focus on attractive niches with structural growth.
- We drive the productivity and sustainability transformation in our industry.
- We have a high proportion of recurring business.
- We have a well-proven business model.
- We create value for our stakeholders.
- Our success is based on sustainability and a strong corporate culture.

See Epiroc's Annual and Sustainability report for more information.

About this report

Forward-looking statements

Some statements in this report are forward looking, and the actual outcomes could be materially different. In addition to the factors explicitly discussed, other factors could have a material effect on the actual outcomes.

Language

In the event of inconsistency or discrepancy between the English and the Swedish version of this publication, the Swedish version shall prevail.

Totals and roundings

Totals quoted in tables and statements may not always be the exact sum of the individual items because of rounding differences. The aim is that each line item should correspond to its source, and rounding differences may therefore arise.

This information is information that Epiroc AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons on the next page, at 08:00 CEST on October 25, 2024.

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Financial calendar

Webcast & conference call

At 10:00 CEST on October 25, Epiroc will host a telephone conference for investors, analysts and media. The report will be presented by President and CEO Helena Hedblom and CFO Håkan Folin.

Webcast link and presentation material can be found here:

www.epirocgroup.com/en/investors/financial-publications

Upcoming investor events

- January 30, 2025: Q4 2024 results
- April 29, 2025: Q1 2025 results
- May 8, 2025, Annual General Meeting in Nacka at 4 PM
- July 18, 2025: Q2 2025 results
- October 29, 2025: Q3 2025 results

United in performance. Inspired by innovation.

Performance unites us, innovation inspires us, and commitment drives us to keep moving forward. Count on Epiroc to deliver the solutions you need to succeed today and the technology to lead tomorrow.

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