

Epiroc CMD 2024



Film: Accelerate the transformation



2m05m



Highlights

- Transition to a fossil-free society
- Cities need to cope with a growing population in a sustainable way
- Speed up shift towards a more sustainable mining and construction industry
- Epiroc accelerate this transformation



Karin Larsson

Epiroc

"Mrs. Ballroom dancer"

2023: VP Investor Relations & Media

2019: VP Investor Relations, Epiroc

2017: Head of External Communications, Ahlsell

2011: IR Officer, Atlas Copco

2006: Equity Sales, SEB Enskilda, Germany

2006: M.Sc. Finance, Linköping University, Sweden

1983: Born in Hallsberg, Sweden

Holdings in Epiroc 3 650 A shares and 35 B shares. Employment in Sweden if not specified.



Alexander Apell

Epiroc

"Mr. Head of Sports"

2023: Investor Relations Controller

2018: Controller, Epiroc

2015: Group Business Controller, Dometic Group

2013: Junior Controller, Skruf Snus

2013: M.Sc. Business and Economics, Linnaeus University, Sweden

1987: Born in Sävsjö, Sweden

Employment in Sweden if not specified.



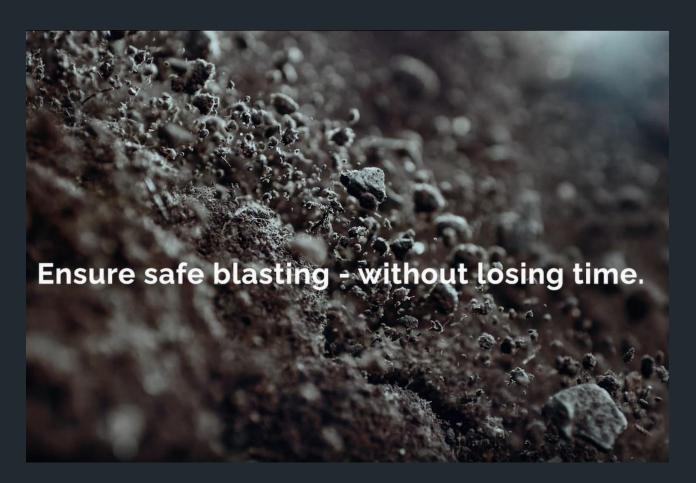
Safety first!



Film: Safe blasting

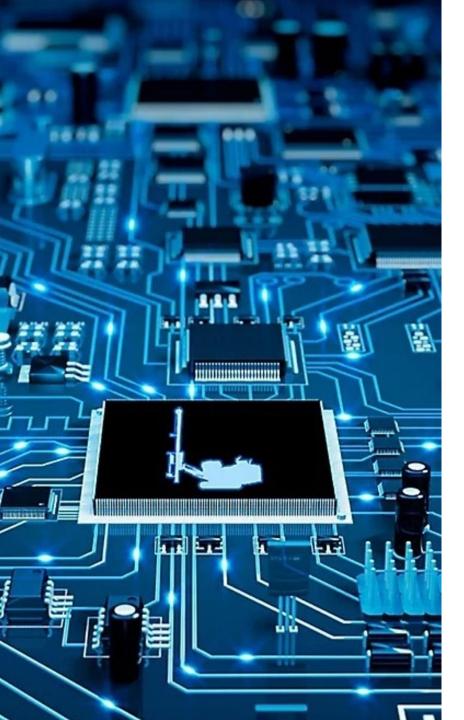


0m30s



Highlights

- Ensure safe blasting, without losing time
- Before blasting, you need to confirm that everyone is safe
- Protect your people by knowing where everyone is with Epiroc's blast support



Agenda



08:00-12:15 - CMD presentation incl. break and Q&A (17:00-21:15 CEST)

- CMD webcasted live
- Questions will be answered in the Q&A session at the end of the presentation

12:15-13:30 - Seated management lunch

Free seating

13:30-14:00 - Bus transport to MINExpo

Make sure you have your ticket on hand + ID

14:00-17:00 - MINExpo

Time at your own disposal

Film: MINExpo with Anna Dahlman Herrgård, Surface division



2m50s



Highlights

- MINExpo with Anna Dahlman Herrgård, MINExpo Project Owner.
- Global Brand and Communication Manager, Surface division.
- Anna is interviewed by Ola Kinnander, Media Relations Manager.

Strategy for profitable growth





Investment case



We accelerate the productivity and sustainability transformation in our industry

We have a high proportion of recurring business

We have a well-proven business model

Attractive niches •

We focus on attractive niches with structural growth

Innovation

Aftermarket

Operational excellence

We create value for our stakeholders

Our success is based on sustainability and a strong corporate culture

Outperformance



Helena Hedblom



"Mrs. Handstand"

2020: President & CEO

2017: Senior Executive Vice President Mining and Infrastructure, Epiroc

2013: President, Rock Drilling Tools, Atlas Copco

2011: General Manager, Rock Drilling Tools, Atlas Copco

2008: Vice President R&D, Rock Drilling Tools, Atlas Copco

2000: Manager Material Development, Rock Drilling Tools, Atlas Copco

1997: Product Manager, Avesta Welding

1997: M.Sc. Material Technology, Royal Institute of Technology, Stockholm, Sweden

1973: Born in Härnösand, Sweden

Holdings in Epiroc 21 379 A shares, 225 709 personnel options and 27 184 matching options. Employment in Sweden if not specified.



Håkan Folin



"Mr. NBA"

2021: CFO, SVP Controlling, Finance & Sustainability

2013: CFO, SSAB

2010: CFO, Business area APAC, SSAB, China

2008: CFO, Tibnor

2006: Group Business Controller, SSAB

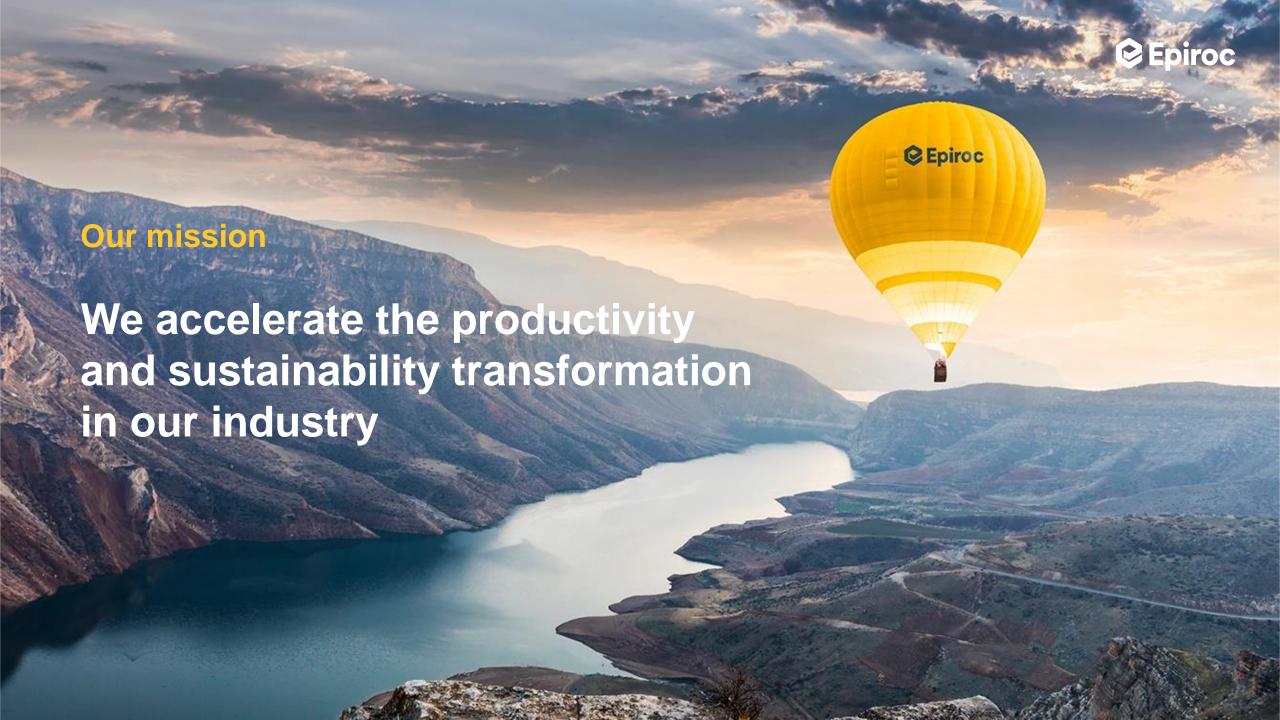
2005: Business Development, Newsec

2002: Senior Associate, McKinsey

2002: M. Sc. Engineering/Industrial Management, Royal Institute of Technology, Stockholm, Sweden

1976: Born in Stockholm, Sweden

Holdings in Epiroc 6 862 A shares, 37 056 personnel options and 2 450 matching options. Employment in Sweden if not specified.



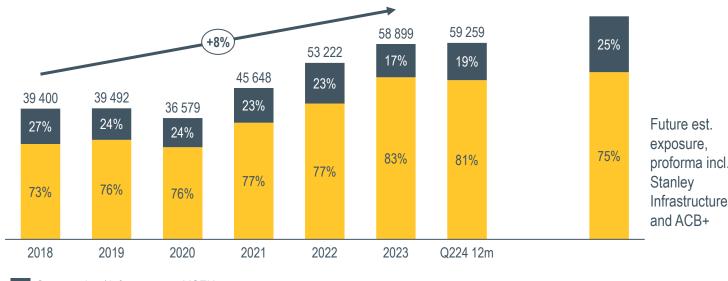


Two attractive customer groups



The world needs metals and minerals for the energy transition. We also need cities that can cope with a growing population in a sustainable way. To succeed we need to speed up the shift towards more sustainable mining and construction industries. We at Epiroc accelerate this transformation.

Mining and construction exposure of orders received



Construction / infrastructure, MSEK

Mining, MSEK

Strong and lasting relationships



Customers in ~150 countries

Strong customer relationships

89% direct sales*

Diverse customer base

Top 10 customers represent 23% of revenues*

Strong corporate culture and 19 000 employees

Top 5 markets

- Australia 17%
- USA 12%
- Canada 11%
- South Africa 6%
- Chile 6%

End market exposure according to MSCI

- Developed Markets 49%
- Emerging Markets 35%
- Frontier Markets & Other 16%

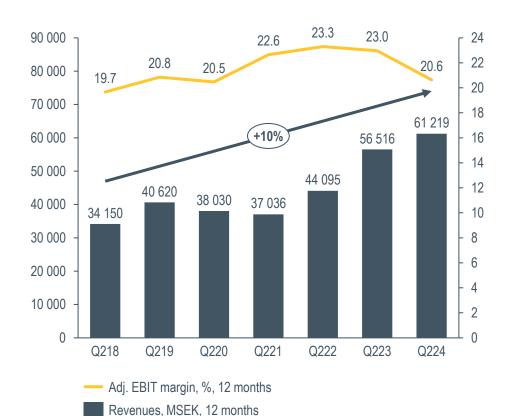




Sustainable profitable growth and shareholder value



Revenues and operating margin



Since IPO June 18, 2018

Revenues +79% 10% CAGR

Adj. operating profit +88% 11% CAGR

Total shareholder return 142.5%

Line/circle with figure = CAGR



Financial goals over a business cycle



Since Q218

Annual revenue growth of 8%

• CAGR 10%

Industry-best operating margin, with strong resilience

• EBIT margin 21.0%

Improve capital efficiency and resilience. Investments and acquisitions shall create value

• ROCE 24.3%. 27 acquisitions with BSEK 12.6 in revenues

Have an efficient capital structure and have the flexibility to make selective acquisitions. The goal is to maintain an investment grade rating

Net debt/EBITDA 1.04 and Rating BBB+*

Provide long-term stable and rising dividends to its shareholders. The dividend should correspond to 50% of net profit over the cycle

50% payout

Our offering and reporting structure



Reporting segments, % of revenues

Equipment & Service 79%

Tools & Attachments 21%

Revenue streams, % of revenues

Equipment 34%

Service 45%

Tools & Attachments 21%

Business types, % of revenues

Equipment 34%















Divisions

Underground

Surface

Parts & Services NASA Parts & Services EMEA

Parts & Services APAC

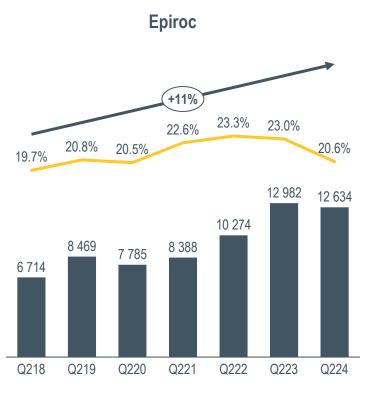
Digital Solutions

Tools

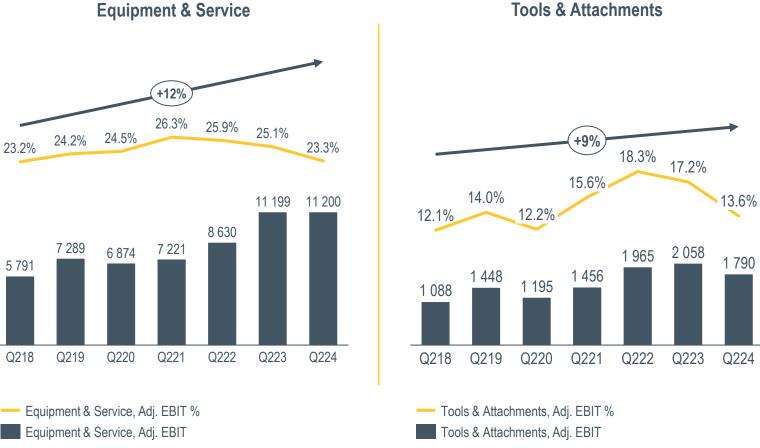
Attachments

Adj. operating profit and margin development





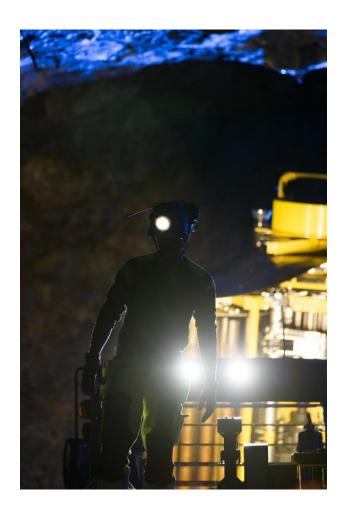




Looking ahead



Q2 2024



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

Strategy for profitable growth







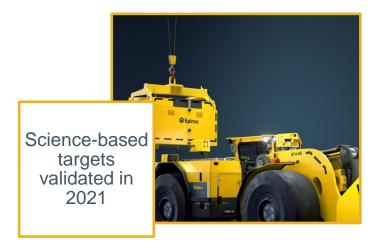
Six years of achievements for people and planet













2030 goals for people



No work-related injuries

 TRIFR 5.1 (6.0). Relentless focus on safety and safety awareness training

Balanced workforce and double the number of women in operational roles

- 23.4% (19.3) women managers
- Women in operational roles 13.7% (11.0)

Have all employees and business partners comply with our Code of Conduct and Responsible Sales Assessment Process (RSA) implemented

- 100% of managers and 98% of employees
- 100% of significant suppliers
- Implementation of the RSA process, launched in 2019, continues globally



2023 vs. base year 2019

Film: Meet Nozinhle Khumalo, Engineer Trainee



1m00s



Highlights

- Being an Epirocer means daring to think new
- Epiroc is a big player in the energy transition and automation
- We strive to make the mining industry greener, safer and more productive
- Different challenges everyday



2030 goals for planet

Halve CO₂e emissions in operations*

96% completion

90% renewable energy in own operations

• 61% renewable energy

Halve transport CO₂e emissions

• 50% completion

Offer a full range of emission-free products

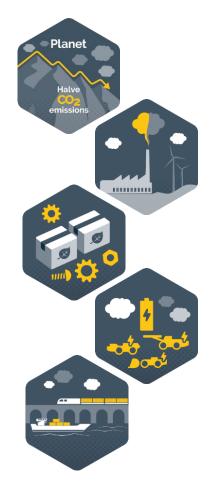
• 42% of fleet available in emission-free option

Halve CO₂e emissions from machines sold*

• -2% goal completion (higher volumes)

Require 50% reduction of CO₂e emissions from relevant suppliers







Strategy for profitable growth









Attractive niches with structural growth

Structural growth

- Growing population and middle class
- Urbanization
- Energy transition and sustainable transformation

Challenges for customers

- Low utilization rates
- Lower ore grades
- Trend towards underground mining

Sustainability focus

- Increased safety
- Lower emissions
- Deconstruction and recycling

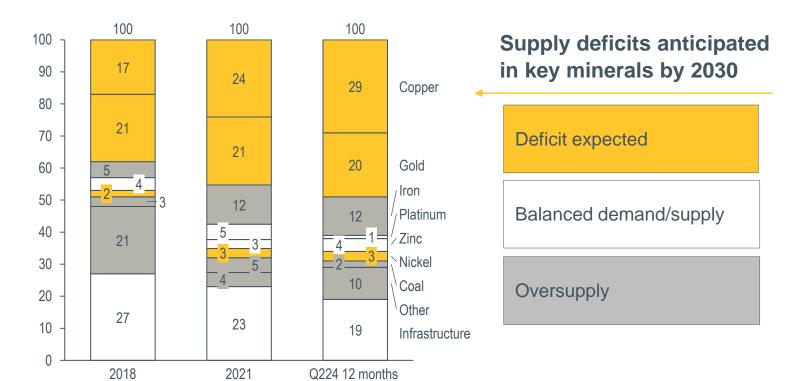


Attractive hard-rock exposure



Mining and construction/infrastructure

Orders received



Mining

81% of orders received



Epiroc's offering to mining customers



Surface

Complete range of rigs for blasthole drilling.

Underground

- Complete range of rigs for blasthole drilling, rock reinforcement, loaders, and trucks and ventilation systems.
- Infrastructure solutions for electrification.

Exploration

 Wide range of exploration drill rigs, tools and digital solutions to analyze ore.

Surface and underground

- Spare parts and maintenance.
- Tools for rock drilling and rock reinforcement.
- Solutions for automation and digitalization.
- Advanced ground engaging tools (GET).
- Attachments, such as breakers.
- Circular services, such as mid-life upgrades, diesel to battery conversions and remanufacturing of components.
- OEM-agnostic digital solutions from mine to mill.





Customer demand correlates well with Epiroc's mineral index



Short term

 High mineral prices lead to higher demand for service and tools

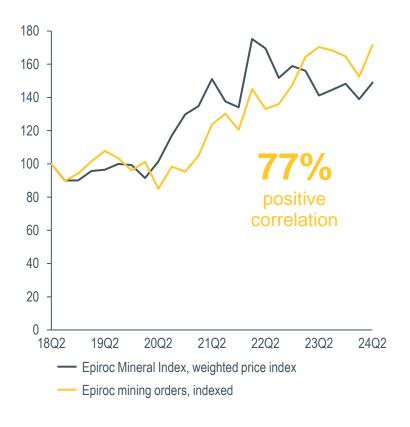
Mid term

 Mineral prices are leading indicators for capex within 1-2 years*

Long term

 Increased customer confidence leads to increased exploration budgets and greenfield investments

Demand for mining equipment, services and tools correlates well with Epiroc's mining index



Exploration is set for growth and Epiroc has an attractive mineral exposure to capture it



2000-2012

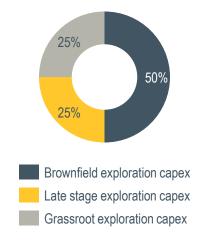
- Strong exploration capex growth
- Peak in 2012 at BUSD 21
- In 2004, grassroot exploration represented half of exploration capex

2012-2016

- Decrease in exploration capex due to falling commodity prices and a shift towards cost-cutting
- Trough in 2016 at BUSD 7

2017-2023

- Slow exploration capex recovery
- Today, only roughly 25% of exploration capex is greenfield



2024+ exploration capex set for growth

- Current exploration capex run-rate at BUSD 13
- Mineral prices at high levels
- Deficit expected in copper and gold within a few years
- Technology advancements and digitalization lead to more cost-efficient exploration
- Financing cost decreasing

Portion of global exploration capex





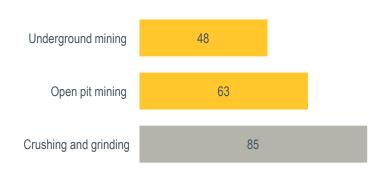


We help customers tackle their challenges



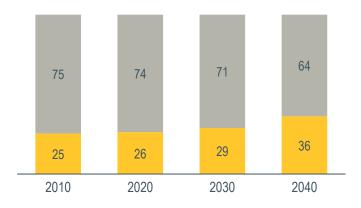
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Low equipment utilization rate



Strong focus on increased utilization rates drives demand for equipment and solutions that increase productivity

Trend towards underground mining

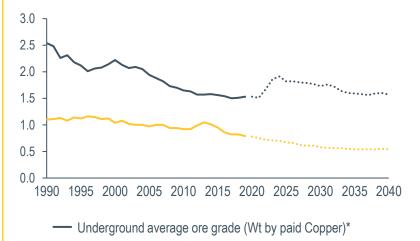


% of open pit production, refined copper

% of underground production, refined copper

Trend towards underground mining benefits Epiroc that has established a technology leadership in complex ore bodies

Depletion of ore grades



Depletion of ore grades means that more rock needs to be excavated, which in turn leads to demand for equipment enabling accurate extraction

Surface average ore grade (Wt by paid Copper)*





Epiroc's contribution to mining customers

V Safer mines

Leadership in safety solutions for the full mining value chain

Higher productivity

 Productivity-enhancing equipment (drill rigs, loaders and trucks), services and solutions, incl. OEM-agnostic digital solutions and mixed-fleet automation

Lower emissions

- Fossil-free alternatives and energy efficient equipment
- Circular business models such as mid-life upgrades and 2nd life applications

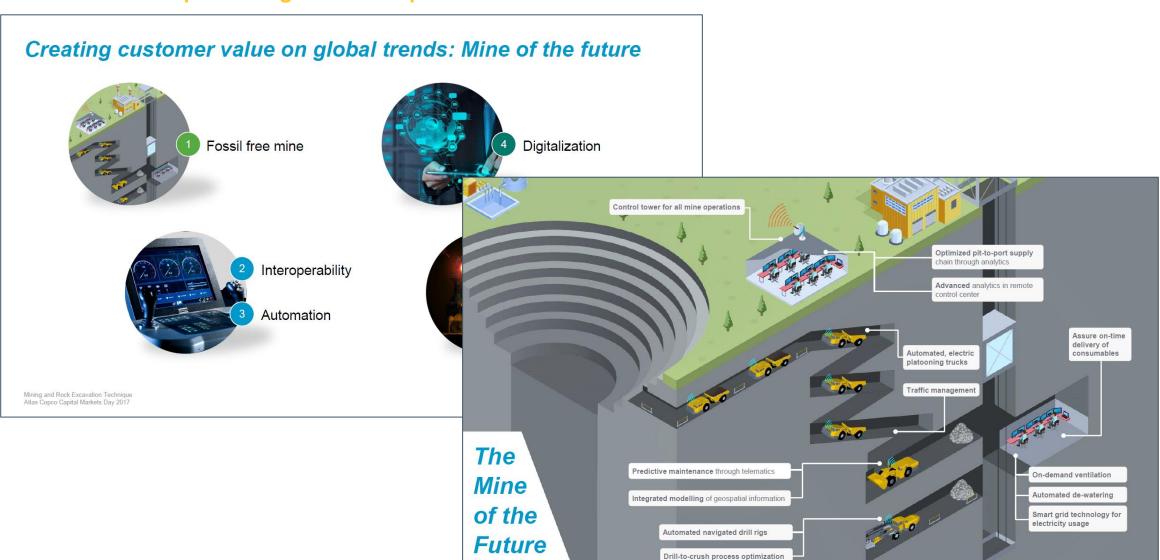
✓ Precise exploration

Widest exploration offering in the market

In 2017: Creating the mine of the future



Helena Hedblom presenting at Atlas Copco CMD in Stockholm



Film: Transforming towards the mine of the future

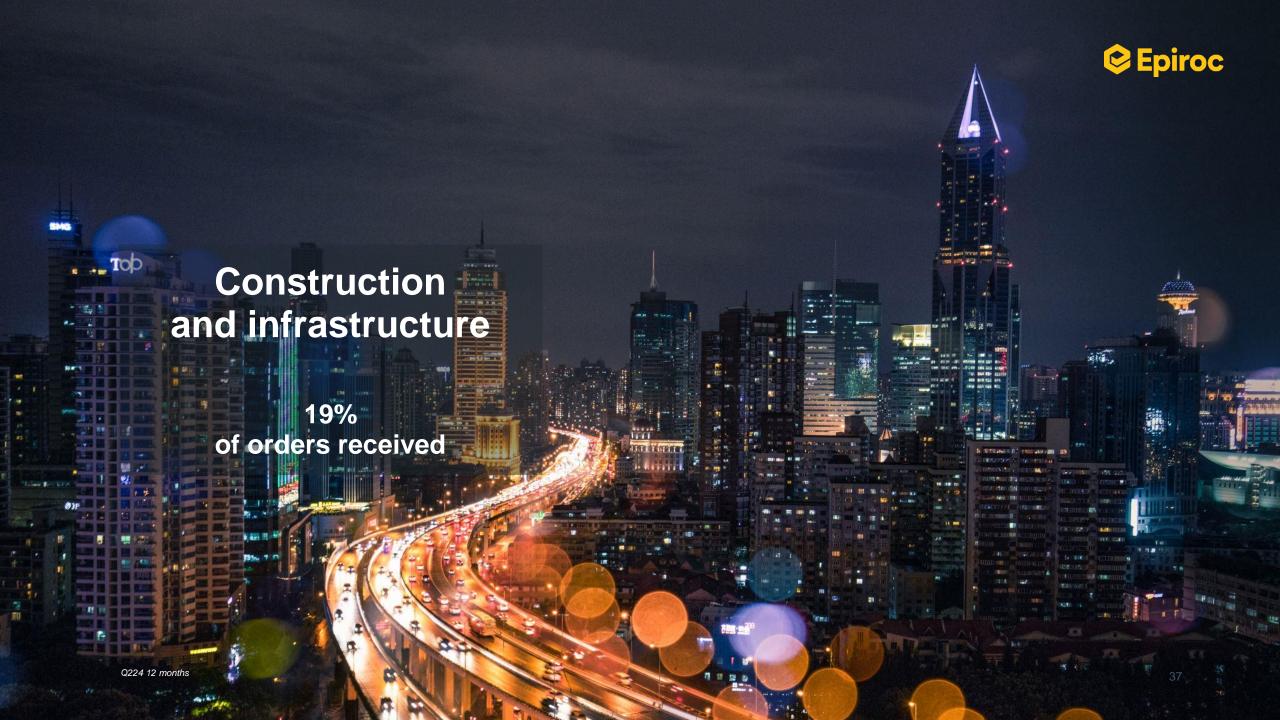


2m02s



Highlights

- Sustainable mining digitalization and automation are key enables
- OEM-agnostic and scalable solutions
- Safety is a priority. Everyone gets home safely every day in the mine of the future
- Remotely control entire fleets
- Movement toward zero emissions and energy-friendly mining
- Efficiency meets sustainability



Epiroc's offering to construction and infrastructure customers



Surface

- Blasthole drill rigs, attachments and rock drilling tools.
 - Removing rock at urban construction sites or producing aggregates (in quarries) for roads and buildings.
 - Drilling for water or geothermal energy.

Underground

- Drill rigs for blasthole drilling and rock reinforcement, grouting systems, loaders and trucks, as well as ventilation systems.
 - Creating roads and railway tunnels and hydropower plants.

Surface and underground

- Spare parts and maintenance.
- Tools for rock drilling and rock reinforcement.
- Excavator attachments and hydraulic handheld tools.
- Circular services, such as mid-life upgrades.
- OEM-agnostic digital solutions.





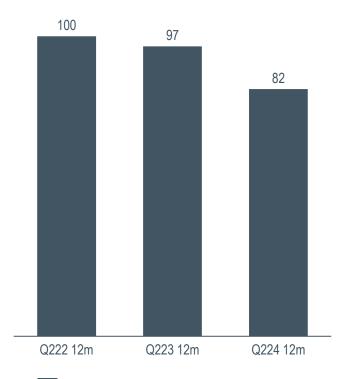
Construction demand



Short term

- In Q2 2023, the construction demand weakened
- The attachments business was particularly impacted
- Efficiency actions have been taken
- Manufacturing consolidation ongoing, impacting two sites (Essen, Germany; and Akron, OH, USA)
- H2 is seasonally weak
- Volumes need to improve for margins to get back to previous levels

Epiroc construction demand/orders, illustration



Epiroc construction demand, illustration, index

Attractive construction and infrastructure end-market exposure



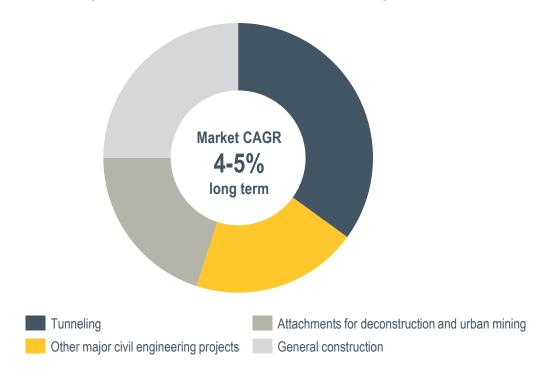
Infrastructure market growth

• 4-5% CAGR long term

Major end-market exposure and CAGR until 2032

- Tunneling: +7%
- Other major civil engineering projects: +3%
- Attachments for deconstruction and urban mining: +5%
- General construction: +2%

Epiroc construction and infrastructure exposure



Exposure: Management's best assumption 40





Attractive infrastructure geographical exposure

North America

 USA is expected to benefit from infrastructure investments following the Inflation Reduction Act.

Europe

 Large scale infrastructure projects and sustainable construction practices.

Asia

- India will benefit from rapid population growth and urbanization,
 leading to demand for infrastructure and transportation networks.
- China will benefit from major infrastructure investments, such as transportation networks.





Epiroc's contribution to construction and infrastructure customers

Safer construction sites

- A complete range of equipment for automated drilling
- Leadership in safety solutions, such as Mobilaris Tunneling Intelligence

Higher productivity

- Equipment for drilling and blasting, as well as removing rock from unwanted areas (tunneling, railways etc.)
- High quality rock drilling tools and attachments

Lower emissions

Fossil-free alternatives and energy efficient equipment

Strategy for profitable growth

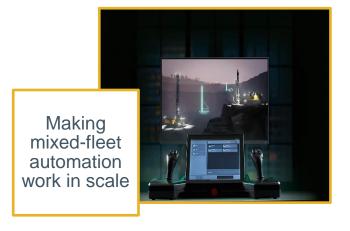




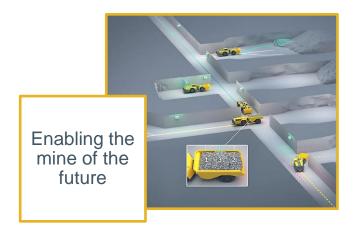


Six years of achievements within innovation

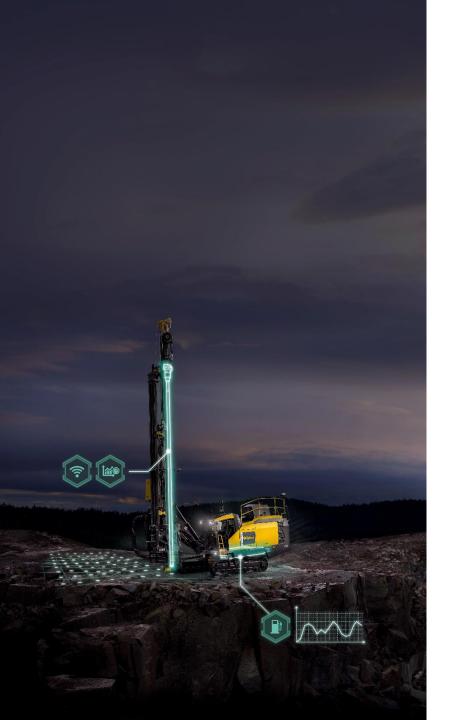












Leveraging innovation to remain technology leader



3.2% R&D expenses

of revenues

Leveraging innovation

Internal R&D

(Research & Development)



Collaboration for success

Supplier Innovation

Acquisitions to gain speed

Q224 12 months 45

Internal R&D and a strong innovation culture



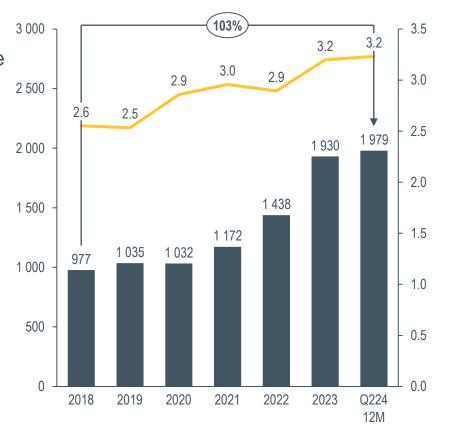
Internal R&D

- 9% of workforce in R&D
- 1 950+ R&D engineers, incl. additional workforce
- R&D hubs on all continents
- Patented inventions 5x higher than in 2018
- New sales ratio of 61%* in the equipment divisions

Strong innovation culture

- Continuous improvements
- 'Nail-and-scale' approach
- Inclusion and diversity lead to better innovation and improved results

Research & Development



- Research and development costs of revenues, %

Research and development costs, MSEK

Automation

Digitalization

Electrification

^{*} Share of revenues of equipment sold, that was launched during the last 5 years, incl. RCS upgrades.

Market leader in mixed-fleet automation





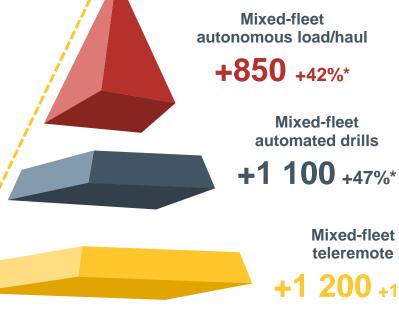
Autonomous load/haul

Epiroc equipment (used mainly underground) that is fully autonomous in operation and other OEMs equipment that have ASI Mining and/or RCT's Guidance /Automation technology with fully autonomous tramming capabilities (surface).



Automated drill rigs

Mainly Epiroc equipment that is autonomous in operation, but in some cases need operator for tramming between areas. Since 2023, RCT mixed-fleet solutions for drill rigs are also included in the number.



+3 100

driverless machines +29%*

Great potential to connect an even larger fleet: Epiroc and/or other OEM

Mixed-fleet teleremote

200 +18%*



Teleremote

Remotely controlled equipment (Epiroc + other OEMs, surface and underground) using cameras and monitors.





Leading electrification position in our niches

Group revenues related to electrification 4%

Active electric fleet of rigs, loaders and trucks* 600+

- Surface and underground equipment
- Mining and construction

Sites with BEVs globally 34

- BEVs operating on all continents
- Recurring BEV orders from 12 sites
- **3X** increase in utilization rate of BEVs during the last 12 months

Focus on reducing emissions by offering a wide range of electrification solutions

BEV, cable, trolley and hybrid

Film: Minetruck MT66 S eDrive



1m21s



Highlights

- Faster, stronger, and carries more tonnes than the ones before
- New electric drivetrain
- This truck combines the best of two worlds (diesel and electric)
- Keep on trucking
- ... and something (a loader) is coming that is perfectly matching this Minetruck



Epiroc's digitalization in numbers



Leadership within automation

- 3 100+ driverless machines (mixed fleet)
- Different types of machines automated 150+

Leadership within safety

- 3 000+ CAS L7/8 systems delivered
- 100+ CAS L9 systems delivered
- Installations of situational awareness systems at 45+ sites

The Digital Solutions division

- Digital solutions in operations on all continents
- 1 300 dedicated employees
- BSEK 2.4 revenues*



How the industry trends contribute to profitable growth for Epiroc



Higher portion of resilient, recurring and profitable revenue streams

- Grow market share by offering superior equipment and solutions
- Grow customer share by adding technologies, such as digitalization and automation (hardware, software and licensing fees)
- Higher aftermarket penetration
- Project and consultancy revenues

Improved efficiency and innovation

- Insights to improve products further
- Data-driven preventive maintenance

Partnership is the new leadership

Collaboration for success and supplier innovation





With Orica, we are developing solutions for semi-automatic explosive charging systems.



With Bluvein, we speed up the mining industry's shift towards electrification.



With Smart Exploration
Research Center, we
collaborate in the area of
finding metals and minerals
that are critical for the transition
to green solutions.



Sweden's Innovation Agency

With Luleå University of Technology and Algoryx, we improve autonomy in critical mining operations by adding a layer of robotics-inspired reactive navigation. The ReNAM project is sponsored by Vinnova.

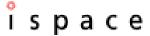
Sustainable Underground Mining

Collaboration to set a new world standard for sustainable mining at great depth.



Next Generation Carbon Neutral Pilots for Smart Intelligent Mining Systems (NEXGEN SIMS) is a collaboration for carbon-neutral sustainable mining.

EU-sponsored project.



With ispace, we are having a longterm collaboration agreement that involves that Epiroc is contributing technology and solutions for commercial Moon missions.



Leading global association dedicated to promote interoperability based on the Combined Charging System (CCS) as the global standard for charging vehicles of all kinds.

COMBITECH

With Combitech, we are developing solutions for autonomous mixedfleet operations.



With SSAB, we are securing fossil-free steel and recycled steel for use in the production of Epiroc's mining equipment.



With Ericsson, we are working with 5G for optimal connectivity in mines.

northvolt

With Northvolt, we are collaborating on battery-powered vehicles and batteries.



With ABB, we are collaborating on battery-powered vehicles and electric powertrains.

52





Acquisitions to gain speed and strengthen position

27 acquisitions since listing

- Revenues of BSEK 12.6* and 5 600* employees
- Focus on integration and leveraging synergies

Well defined acquisition model with the following key criteria

- Attractive stand-alone and well-run in attractive niches
- Cultural fit with strong innovation capabilities
- Strategic fit and synergies with Epiroc
- Leading market position

Acquisitions contribute to the innovation strategy

 Leading position within safety, electrification, mixed-fleet automation, and closed product gaps

Film: MINExpo with Schalk Janse van Rensburg



2m11s



Highlights

- MINExpo with Schalk Janse van Rensburg, Collision Avoidance Expert and Mernok Elektronik Founding Partner.
- GM Mernok Elektronik, Digital Solutions division.
- Schalk was interviewed by Alexander Apell, IR Controller.

Surface





José M. Sanchez



"Mr. Sunshine"

2020: President Surface division, USA

2015: President Drilling Solutions division, Atlas Copco, USA

2007: General Manager, Atlas Copco, Chile

2002: General Manager, Atlas Copco, Mexico

1996: Product Manager Surface Drilling Exploration and Area Manager Americas, Atlas Copco

1994: Regional Underground Rock Excavation Manager and Marketing Manager, Atlas Copco, China

1988: M.Sc. Mining from Madrid School of Mines, M.Sc. in Marketing & Sales Management, Spain

1963: Born in Madrid, Spain

Holdings in Epiroc 16 724 A shares, 198 107 personnel options, 6 877 matching options.



Epiroc

Six years of achievements in the Surface division









Creating the world's largest OEM-agnostic autonomous mine



Epiroc is converting Roy Hill's mixed fleet to driverless operation in Australia

 78 autonomous haul trucks (Caterpillar and Hitachi) and 200+ utility vehicles to run 24/7 under contract

Remote operations center in Perth

1 100 km from mine

Largest-ever automation order

MSEK 500, received in March 2023

Update August 2024

- 25%+ of the mine is now under autonomous operation
- 50%+ of the trucks have been converted for use in autonomy
- The trucks have collectively moved 100+ million tonnes to date and covered 2 500 000 kilometers







Film: MINExpo with Tim Ledbetter, Surface division



2m06s



Highlights

- MINExpo with Tim Ledbetter, Automation Authority.
- VP R&D Automation, Surface division.
- Tim is interviewed by Ola Kinnander, Media Relations Manager.



How automation enables productivity and sustainability transformation



For customers

- Protecting people. Keeping them away from equipment and dangerous situations
- Increasing productivity
- Reducing energy consumption
- Lowering the total cost of ownership

Example: Pit Viper diesel

Manual vs. autonomous

+22% productivity
per meter drilled

-40% cost
per meter drilled

-29% CO₂e per cycle hour

Higher drilling accuracy

Automated drilling contributes to additional savings for people and planet



Epiroc

130 000 hours of drilling saved (the machine does the same job in shorter time)

- + 5 200 000 wasted over-drill meters avoided (the machine is more accurate)
- = 310 000 kg tricone bits and pipes saved (steel saved as the holes didn't need to be drilled)



Safety is increased as less drill bits needs to be replaced.



Less steel needs to be refined and processed.

But what about Epiroc's tools sales?

Fewer tools sold in market, but for Epiroc specifically, it is positive as:

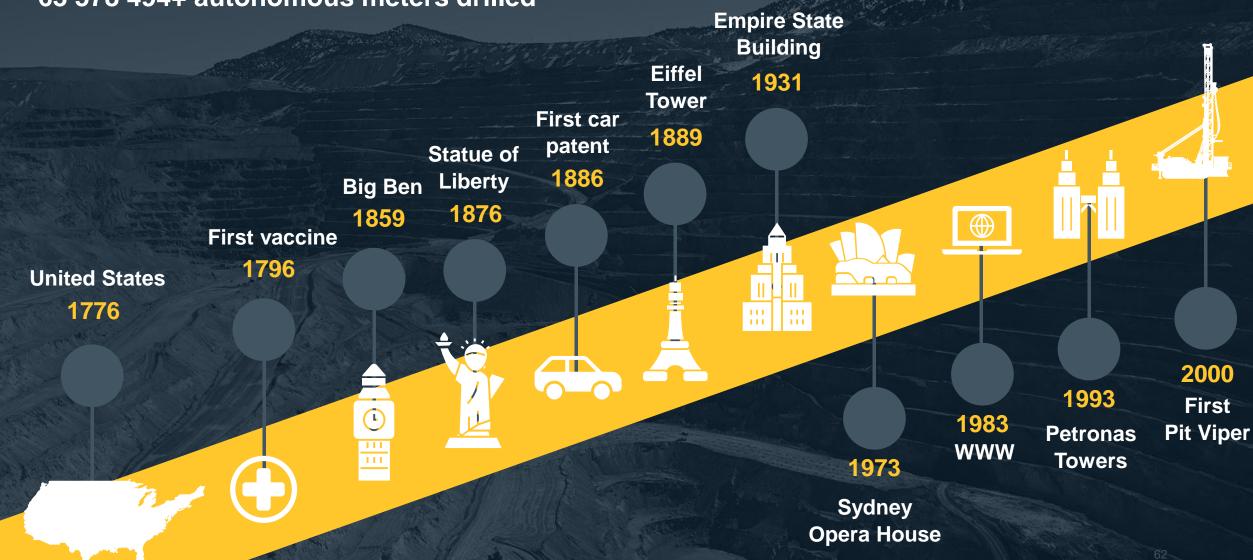
- + Epiroc has the most durable tools in the market.
- + Epiroc has a strong position within high quality tools, for which there is a high demand in autonomous operations.
- + Epiroc offers resharpening of tools as well as a recycling program for carbide inserts.





Our rigs have drilled autonomously for 2.2 million hours = 250 years Epiroc

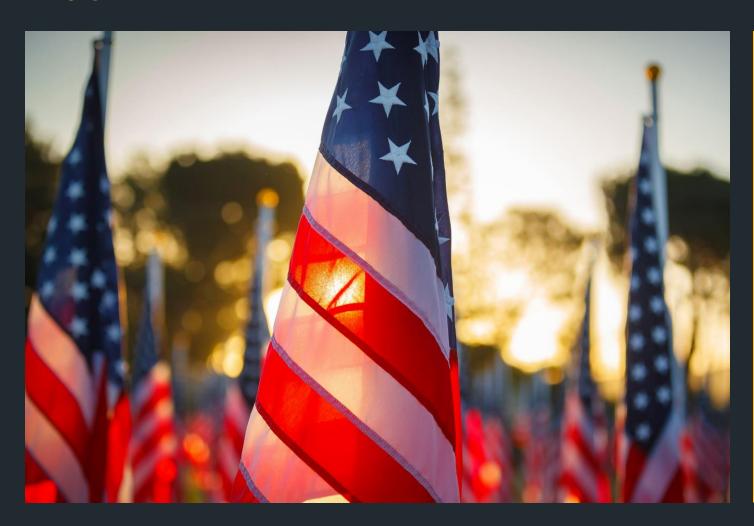




Film: MINExpo with Jonathan Torpy, Epiroc USA



2m54s



Highlights

- MINExpo with Jonathan Torpy, Pit Viper Pro.
- General Manager USA.
- Jonathan is interviewed by Karin Larsson, VP IR & Media.







Did you know?

- Electric surface drill rigs since 1977
- Early 2000: the Pit Viper 351 D was launched with outstanding productivity increase, setting new standards in the market

Today: All Pit Viper drills available in electric version

- Electric Pit Viper drills represent 11% of fleet population
- Strong customer interest

Pit Viper 271E for high-performing mining operations

- Superior automation features, maximizing safety and productivity
- Patented cable feed system with automatic tensioning





How automation and electrification enable productivity and sustainability transformation

Example: Pit Viper diesel

Manual vs. autonomous

+22% productivity

per meter drilled

-40% cost

per meter drilled

-29% CO₂e per cycle hour

Example: Pit Viper electric

Manual vs. autonomous

-38% cost per meter drilled

-23% kWh per cycle hour

-100% CO₂e

per cycle hour (assuming renewable energy source)



The energy transition requires lithium



An important part of the energy transition depends on battery-electric adoption, which in turn requires copper, nickel and lithium.

Large equipment order for a lithium mine won in September

- Fleet of 14 Epiroc SmartROC D65
- Pilbara Minerals in Australia, the world's largest, independent hard rock lithium producer
- Delivery from September 2024 through early 2025



Film: Increased efficiency for Luck Stone



2m09s



Highlights

- Challenging conditions and manual work
- By using the Hole Navigation System (HNS), the cost for explosives decreases and better fragmentation
- Produce more in a shorter period of time





Best seller in its class with outstanding productivity...

... and sustainability, thanks to alternative power sources and flexible drilling technologies

Biofuel solutions for all models

• HVO100 fuel – up to 90% reduction in harmful emissions

Battery-electric solutions

SmartROC D65 BE – zero tailpipe CO2e emissions

Fuel efficiency solutions

 SmartROC CL – 50% less fuel consumption than SmartROC D65, which is already the market's most fuel-efficient rig in its niche

Film: MINExpo with Robin Edsborn, Surface division



1m18s



Highlights

- MINExpo with Robin Edsborn, SmartROC Expert.
- Global Product Line Manager, Surface division.
- Robin is interviewed by Alexander Apell, IR Controller.



Underground





Wayne Symes



"Mr. Ironman"

2024: President Underground division

2020: Vice President Global Customer Relationships, Epiroc. Australia

2019: General Manager, Irrigation Tasmania Pty. Ltd., Australia

2017: Business Line Manager Parts & Services, Atlas Copco, Australia

2016: General Manager Underground, Atlas Copco, Australia

2007: Business Line Manager Underground, Atlas Copco, Australia

1999: Various positions. Elphinstone and Caterpillar Underground, Australia

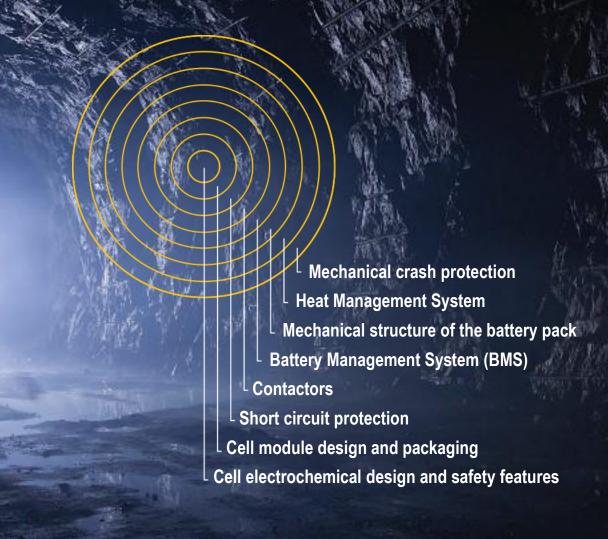
1998: Diploma of Business Management. Marketing Program (RMIT University Sydney, Australia) and Diploma of International Management (IMP Stockholm School of Economics Sweden & Duke University, USA)

1973: Born in Wynyard, Tasmania, Australia

Holdings in Epiroc 25 240 personnel options. Employment in Sweden if not specified.

Safety is a must in an underground environment





State-of-the-art battery safety

Battery system designed to prevent thermal runaway, yet capable of handling one



* One battery (of three on site) started burning in a tunnel in Norway in 2024. The cause of the fire was flooding in the tunnel. The incident was in no way related to the design or chemistry of the battery.

(Generation 2018-to date)





Six years of achievements in the Underground division









A complete electrification offer



Productivity-enhancing equipment

- Cable-electric equipment
- High performing battery-electric equipment (NMC) with universal/standard charging and thermal management system
- Trolley-electric equipment
- "Hybrid": Diesel-electric equipment
- ... and exploring more

Enabling services to optimize customer performance

- Electric infrastructure
- Batteries as a Service (BaaS)
- Batteries with Service (BwS)
- Battery retrofit / Conversion
- 2nd life applications / Battery energy storage
- Energy management

Why Nickel Manganese Cobalt Oxide (NMC) batteries?

- Epiroc offers the most powerful cell technology on the market, which is a prerequisite for high productivity in high-demanding BEV applications.
- All BEVs introduced to market are more productive than comparable diesel machine

Electrification makes a positive difference that goes beyond our scope



· ~40%*

of opex cost of running an underground mine derive from ventilation

• ~35%

of emissions derive from ventilation

Sources of carbon emissions in mining, %

Example: Copper, underground, Australia; 13 Mt p.a. ore production





In 2040, 80% of underground mobile equipment is estimated to be powered by electricity



Projected share of mobile equipment energy source, %, est.



Going electric requires a holistic approach



Electrification is more than just (B)EV machines



Energy management

Film: Drivers behind electrification



2m6s



Highlights

- United goal to minimize global warming
- General targets (not Epiroc specific):
 - Half by 2030 and net zero by 2050
- Carbon taxes and carbon declarations
- Low carbon products are more valuable
- Investments today will live beyond 2030
- Electrification is one of the key technologies going forward
- Curious for more insights from our electrification experts?
 See our movies here!



How electrification enables productivity Epiroc and sustainability transformation

Proof-points from Boliden Rävliden mine (Sweden)

Boliden, Epiroc and ABB make battery-electric trolley truck system for underground mining a reality. Test results:

- Protecting people from toxic gases, noise and heat
- Higher productivity
 - +50% speed up ramp
 - +23% productivity
 - +126 tonnes per shift
- Eliminating or reducing CO2e emissions
- Reducing energy consumption
- Avoiding costly capex investments in ventilation
- Lower maintenance cost
- Adhering to new legislation, rules and standards



How automation enables productivity and sustainability transformation



For customers

- Protecting people. Keeping them away from equipment and dangerous situations
- Increasing productivity
- Reducing energy consumption
- Lowering the total cost of ownership

Example: ST14 SG

Manual vs. autonomous

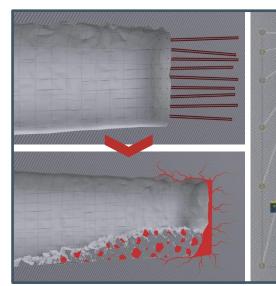
+30% productivity

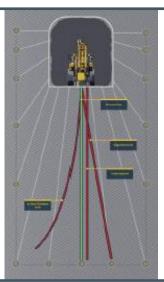
continuous operation and reduced downtime

-50% cost

lower fuel consumption and lower maintenance

High-quality drilling paves the way for automation in the mine process



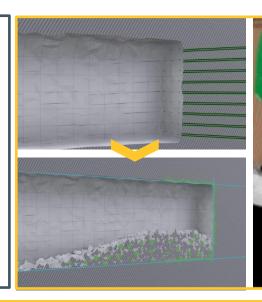


Manual drilling

Misaligned holes

Overbreak

Poor fragmentation



Automated drilling Aligned and straight holes

Better tunnel profile

Good fragmentation

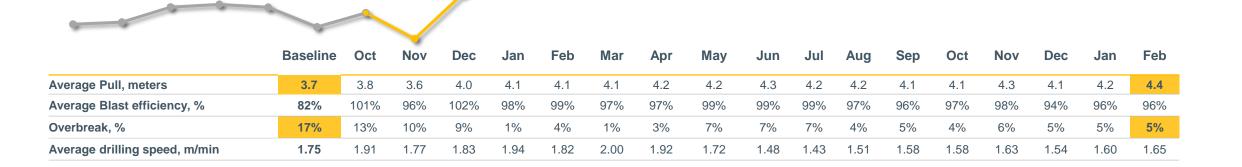
Cycle time reduction

More meters drilled

Reduced overbreak



High-performance development with automated drilling and digital drill plans





Automation is not only good for single machines...

Automated drilling benefits the entire mine process





Crushing

Safety incidents -50-70% Operators are removed from hazardous environments.

+20-30% in productivity Continuous operations.

Downtime reduction -10-20% Predictive maintenance.

+15-25% drilling accuracy

+10-20% loading efficiency

Perfect fragmentation results in optimal rock sizes, fitting better into loaders, reducing the number of loading passes required.

+15-25% hauling efficiency With better fragmentation, haul trucks can be loaded more evenly and quickly, reducing cycle times.

+20-30% crusher throughput Perfectly fragmented material

is easier to process, leading to higher crusher throughput and reduced energy consumption.

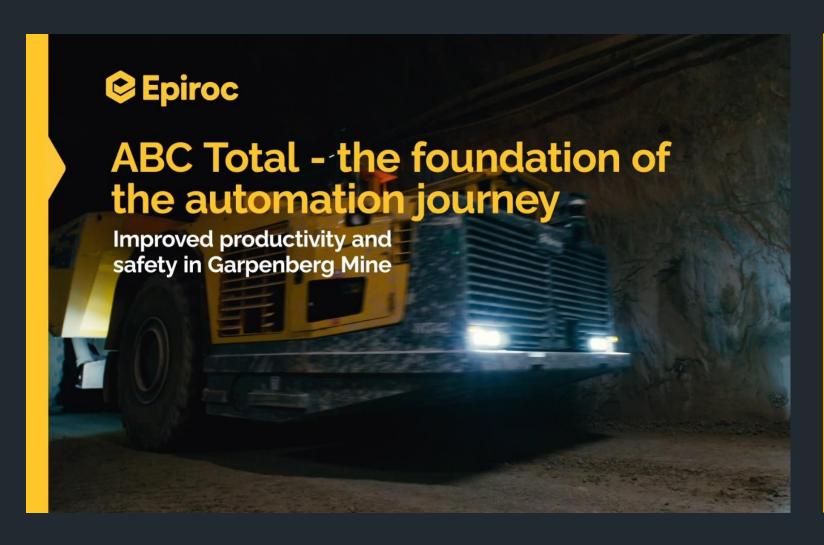
Additional benefits

- Lower fuel consumption
 Improved loading and hauling
 efficiency reduces the fuel
 consumption.
- Lower maintenance cost
 Less wear and tear on
 equipment, lowering
 maintenance costs and
 extends the lifespan of
 equipment.

Film: ABC Total – the foundation of the automation journey



2m13s



Highlights

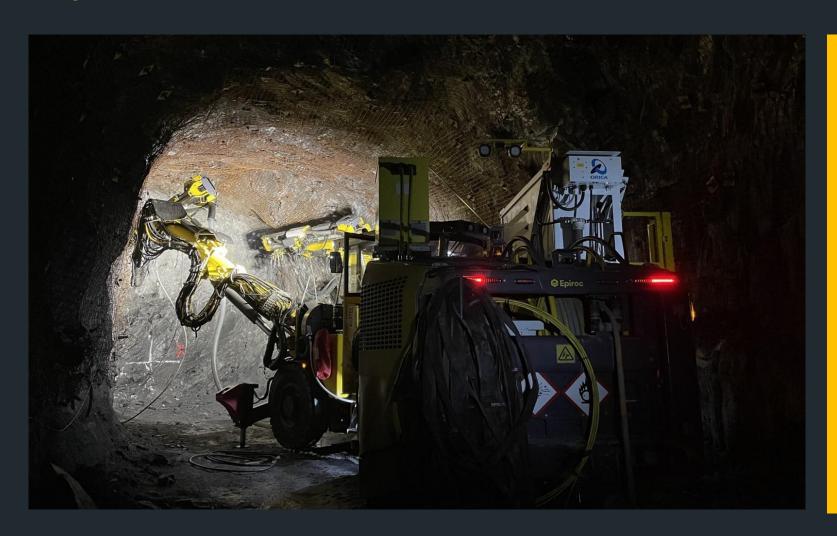
- Good results from drilling will have positive effects down the chain
- It's in the drilling you set the prerequisites for the rest of the cycle
- First step: Digital drill plans and high-precision navigation
- The quality you accept is the quality you get
- ABC Total is Epiroc's solution for automated drilling
- Boliden Garpenberg employs several cutting-edge automation solutions







2m01



Highlights

- MINExpo with Camilla Spångberg, Blast Safety Boss.
- Global Product Manager Face Drilling Equipment and Avatel, Underground division.
- Camilla is interviewed by Ola Kinnander, Media Relations Manager.

BREAK: More from Epiroc CMD in Las Vegas in...





Catch the action!

Strategy for profitable growth





Aftermarket

We have a high proportion of recurring business



Epiroc has two reporting segments, three revenue streams and eight divisions



Reporting segments

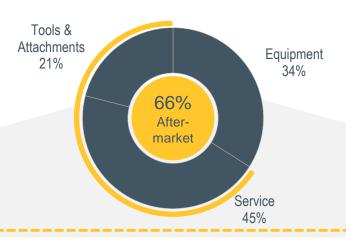
Revenue streams

Divisions

Tools & Attachments

21% of revenues 13.6% Adj. EBIT margin

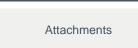


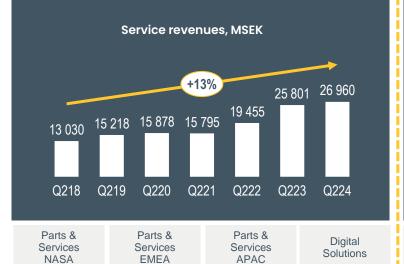


Equipment & Service

79% of revenues 23.3% Adj. EBIT margin









Surface

Tools

Underground

Parts & Services





Nelson Trejo

Epiroc

"Mr. Visionary"

2023: President Parts & Services division NASA, USA

2022: Regional President Parts & Services NASA, USA

2017: Vice President Marketing, Parts & Services, Atlas Copco and Epiroc since 2018, USA

2012: Business Manager Parts & Services, Atlas Copco, Chile

2008: Product Manager Drilling Solutions, Atlas Copco, Chile

2005: Branch Manager Calama, Atlas Copco, Chile

1999: M. Sc. in Mining Engineering, Universidad de Santiago de Chile

1975: Born in Los Andes, Chile

Holdings in Epiroc 2 300 A-shares, 37 588 personnel options



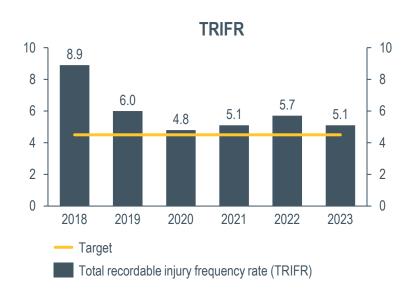
Safety first

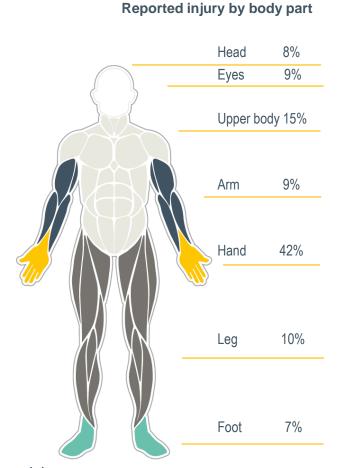


7 400 employees in Service (of 20 800, incl. additional workforce)

Creating a strong safety culture

- The power of daring to say no
- Awareness training
- Safety is a shared responsibility





"General rule: Epiroc employees are trained to perform their own risk assessments and are required to follow regulations and procedures. If employees still are exposed to risk, they should not put themselves in a hazardous situation."

Film: Safety by choice not by chance

Epiroc

1m10s



Highlights

- Life is full of precious moments
- Our loved ones are normally the most attentive ones
- Sometimes unexpected things happen
- Work procedures are made to be followed
- Safety is by choice, not by chance



Epiroc

Six years of achievements in the Parts & Services divisions







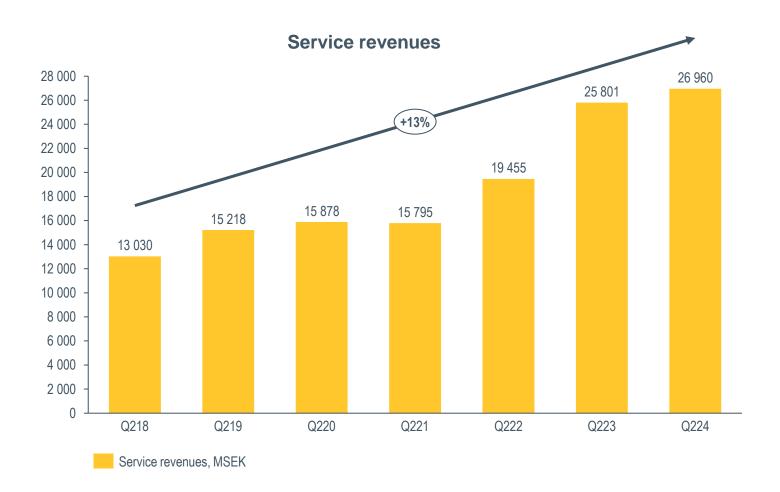




Strong service growth



The service revenue stream



Line/circle with figure = CAGR

A strong service offering



Service revenue stream: 45% of Group revenues

Parts & Services 91%



1. Replacement parts and kits



2. Service agreements and audits

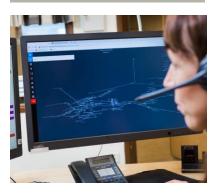


3. Circular services, incl. midlife upgrades and remanufacturing solutions for components



4. Other service solutions, incl. custom-engineered solutions, Live Work Elimination, and training

Digital 9%



5. Digital solutions, open and OEM-agnostic capabilities, incl. connectivity, collision prevention systems and automation solutions



Creating customer value



Epiroc's competitive edge

Strong presence

- Most feet on the ground
- Regional focus to meet various demand

Three service divisions

Technological competence

- Best feet on the ground
- Rapid response and solutions

High availability

- High availability of parts at customer centers
- Regional distribution setup







Nelson Trejo NASA

Luis Araneda EMEA

Jodie Velasquez APAC

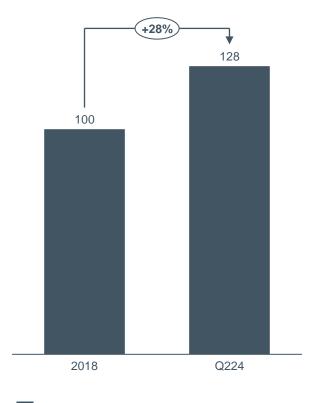


Larger and aging fleet requires more maintenance



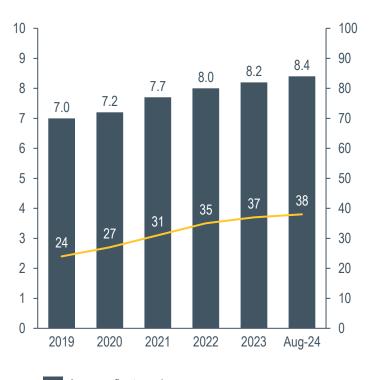
99

Addressable Epiroc fleet



Fleet size, indexed

Average fleet age and % of fleet older than 10 years



Average fleet age in years

Older than 10 years, %

Automation leads to higher parts revenues



Automation vs. manual



Example: Simba ME7 C production drill rig +30% productivity*



Example: Pit Viper 351 rig +22% productivity

For customers

- Higher utilization and productivity
- Reduced parts damage

For Epiroc

 Intensified use, e.g. more drilling per hour, day, week, month, etc., in a relatively shorter time span means higher parts revenues for Epiroc

Service agreements and hours not included in calculation.

^{*} https://www.epirocgroup.com/en/media/corporate-press-releases/2020/20200512-epiroc-awards-recognize-automation-and-battery-electrification



Maintenance on BEVs is a win-win



Battery vs. combustion engine machines

For customers

Customers save 15-35% in parts consumption (including engine maintenance). Other savings, such as diesel and ventilation, come on top

For Epiroc

- Epiroc gets 15%+ aftermarket revenues over 5 years thanks to new revenue streams from electric infrastructure and Batteries as a Service
- All BEVs to date have been delivered with service agreement, leading to more parts consumption (from Epiroc)
- Larger portion of resilient, recurring and profitable revenues

August 2024. 101



1. Replacement parts and kits



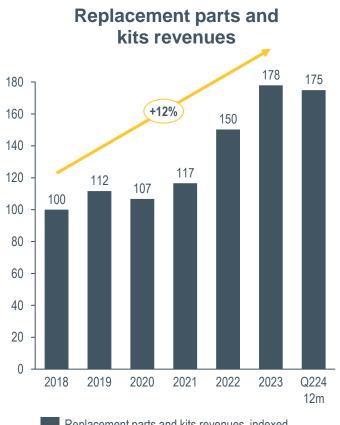
Peace of mind for the customer

What?

- High-quality genuine parts
- Repair kits and preventive maintenance kits
- Rock drills, feed and boom parts, hydraulics, Rig Control Systems (RCS) and more

Epiroc strengths

- Strong local presence with right feet on the ground
- Wide offering
- High availability



Replacement parts and kits revenues, indexed

102 Line/circle with figure = CAGR

Film: Service power



1m06s



Highlights

 Wherever you are, whenever you need us, we are there for you



2. Service agreements and audits



From parts provider to productivity partner

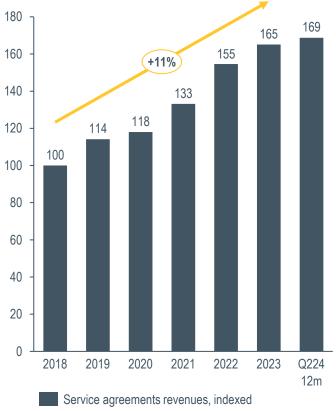
What?

- Wide portfolio of tailored-made service agreements
- Services that enable new technology implementation, like electrification, automation and digitalization

Epiroc strengths

- Strong local presence with right feet on the ground
- Competitive advantage in terms of value propositions
- Standardization projects and data-driven services and subscriptions

Service agreements revenues



Presence is vital and a competitive advantage!







The right feet on the ground



Build and keep competence

- 7 400 employees in service*
- Focus on training and competence
- ~300 apprentices in academies around the globe
- Strong safety culture
- Mentoring program
- Clear career path

90% (86%)

of technicians with knowledge in hydraulics, pneumatics and electrification (Certification Level 1)

65% (55%)

of technicians have deep technical knowledge in models and systems (Certification Level 2)



From parts provider to productivity partner



Secure customer share (more per machine)

Focus on the service agreement ratio

- Increase customer satisfaction and loyalty by close collaboration
- Increase Epiroc's share of resilient, recurring and profitable revenues

On average 2X more revenues from machines with service agreements

Service agreements ratio

~32%

(of addressable Epiroc fleet)

Increase market share (more machines)

* 26% at CMD in June 2023



3. Circular services



Old becomes new again

- Midlife services and remanufacturing solutions for components services, including battery conversion
- Customers pay less than buying a new machine or component
- Sustainable option and different value propositions

Epiroc strengths

- 20+ years of experience
- High skillset
- Standard operation procedures
- Large installed fleet

Revenues

12%

CAGR 2018-2023

Circular machine offering







Circular component offering









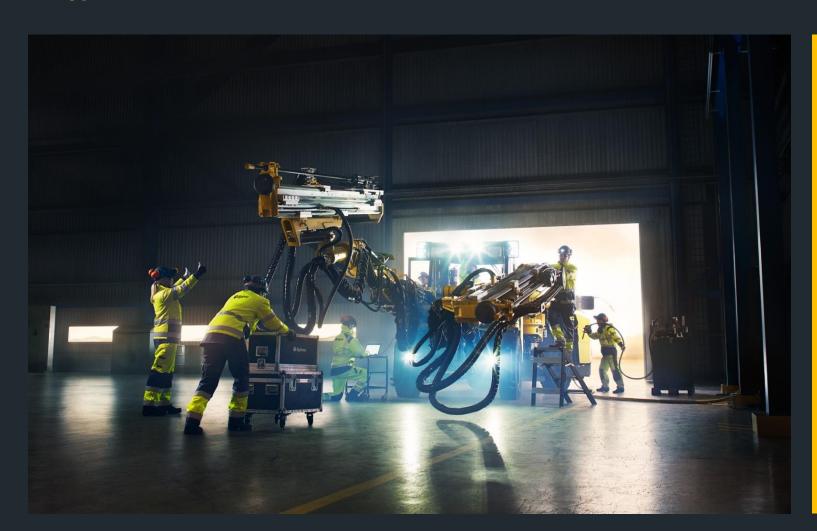








1m25s



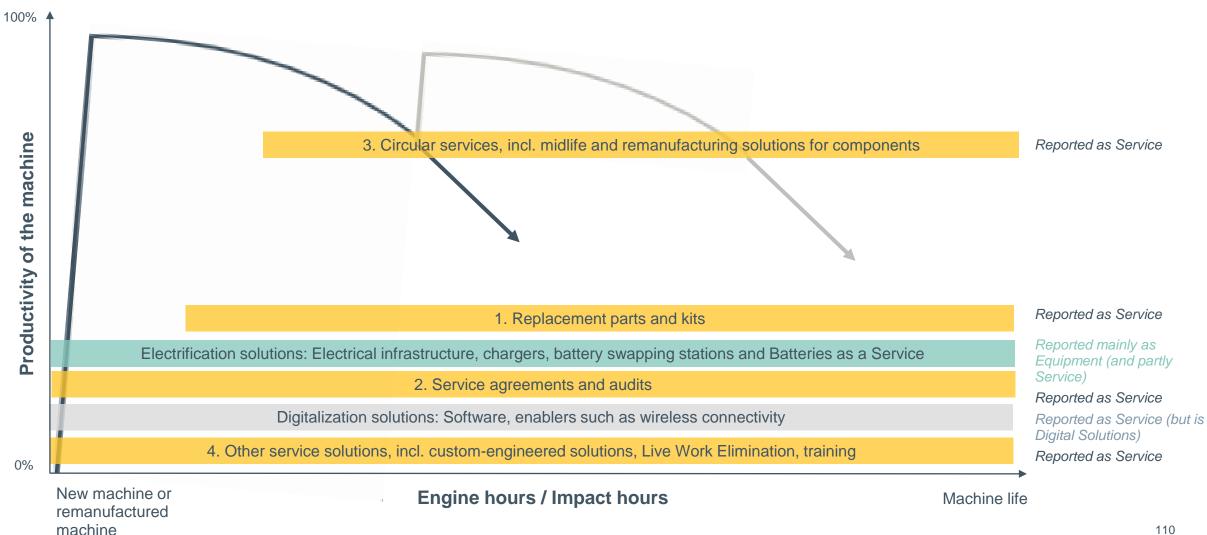
Highlights

- MINExpo with Christian Précenth, Services Specialist
- Global Product Portfolio Manager, Parts & Services
- Christian was interviewed by Karin Larsson, VP IR & Media

Our service offering during a machine life cycle



When does the machine create revenues to Epiroc?



Film Productos Reman – Fresnillo Mexico



1m27s



Highlights

- Fresnillo is one of Epiroc's most important customers in Mexico
- 80% of the mine's equipment is Epiroc equipment
- High availability of parts is very important
- Reman parts on site has increased availability and enabled continuous operations

Building a resilient, recurring and profitable service revenue stream



For customers

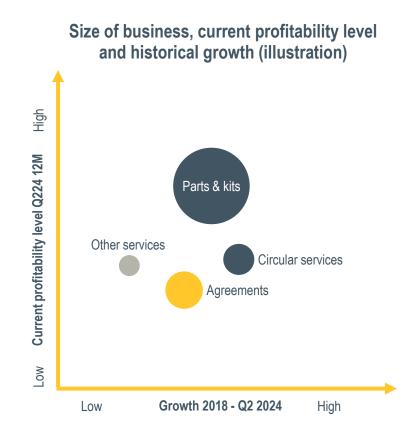
- Increased safety
- Higher productivity
- Predicable cost
- Circular approach



For Epiroc

- Recurring and resilient revenues
- Stronger customer relationships
- Larger portion of profitable service revenues, in relation to Group revenues

Revenue type	Demand	Product scope	Labor intensity	Current investment needs
Parts & kits	Volatile	Epiroc	Low	Low
Agreements	Recurring	Epiroc + more	Medium	Medium
Circular services	Recurring	Epiroc + more	High	Low/Medium
Other service	Volatile	Epiroc	Varies	Low
Other service	Volatile	Epiroc	Varies	Low





Digital Solutions





Paul Bergström



"Mr. Farmer"

2023: President Digital Solutions division

2017: Executive Vice President, Head of Global Services, Elekta

2014: President, Ericsson, Hong Kong & Macau

2011: VP Strategy and Marketing & Communications, Global Services, Ericsson

2007: Head of Commercial and Price Management, Ericsson

2006: Director Systems Integration and Multimedia, Ericsson, Germany

2003: Sales Development Manager, System Integration, Ericsson

2000: M.Sc. Electrical Engineering, Telecoms, Royal Institute of Technology, Stockholm, Sweden

1974: Born in Örebro, Sweden

Holdings in Epiroc: 3 405 A-shares, 3 180 personnel options. Employment in Sweden if not specified.

First day on the job!





Safety first: When the collision was not avoided



Incident

 Collision Avoidance System (CAS) installed on light vehicle, but not on heavy vehicle.

Outcome

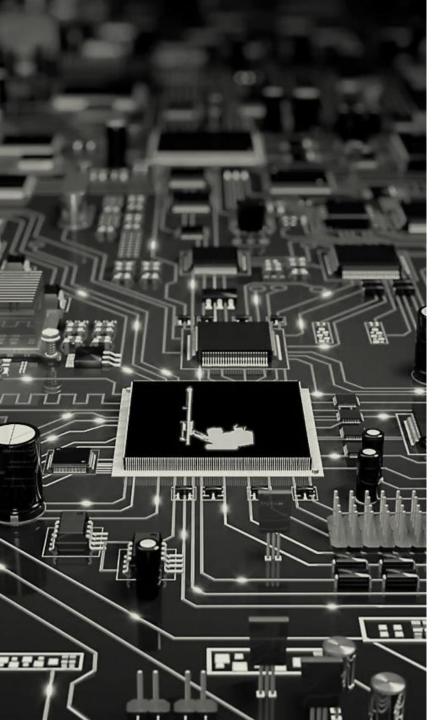
 The heavy vehicle driver accidentally ran over the light vehicle while reversing.
 Fortunately, no one was hurt.

Prevention

Implementing CAS on all mobile equipment.







How digitalization enables productivity and sustainability transformation



For customers

- Increasing safety and productivity
- Providing insights and full control of fleet, equipment and people
- Improving mine planning, reducing traffic congestion
- Optimizing mine production plans / drill-to-mill
- Predictive maintenance
- Measuring environmental impact in real-time (e.g., CO₂e and water)

Example:

Evacuation time

-25-50%

Production output

+8%



TODAY

Offering the fully automated mine

Safe productivity



accidents.

Operational Excellence



Data-driven decisions

boost production throughput, enhance plan consistency, optimize flow to the processing plant, and reduce overall operating costs.

Increase utilization over shift changes to

Mitigate risks by removing personnel from

hazardous environments, ensuring their

well-being and reducing the potential for

Enable data-driven decision-making by delivering timely and relevant information to the appropriate stakeholders.





Agnostic approach gives customers freedom to grow

- Eco-system approach and vendor-agnostic
- Modular and scalable
- Utilize diverse equipment with the same controls and systems
- Integrate best-in-class software for maximum outcomes

The key areas for mining transformation

















Agnostic network and connectivity



Agnostic equipment automation



Safety and situational awareness



Mine planning and management



Data-driven and responsive operations



Sustainable and decarbonized mining





















Safety solutions that protect people and equipment

Did you know?

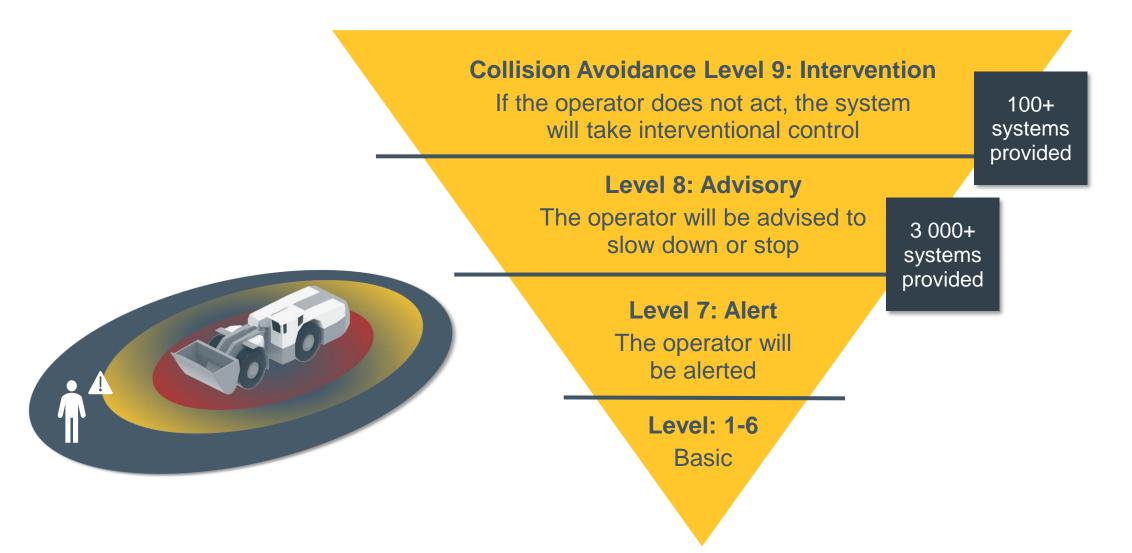
 30-40% of industry fatalities are related to failures of vehicle interaction controls

Leadership in safety and situational awareness

- Epiroc offers the highest level of collision avoidance solution: Level 9
- On-board machine and personnel protection
- OEM-agnostic machine control solutions, such as Line-of-Sight;
 controlling machine functions within visual range
- Emergency Support (evacuation support and emergency response systems), improving the evacuation making sure everyone is safe, shortening evacuation time with 25-50%
- Real-time message response status to all personnel
- Blast safety

Epiroc has the highest Collision Avoidance Level for safer mining operations





Leveraging innovations by combining acquired solutions





A combined safety system

- One display
- Two functions

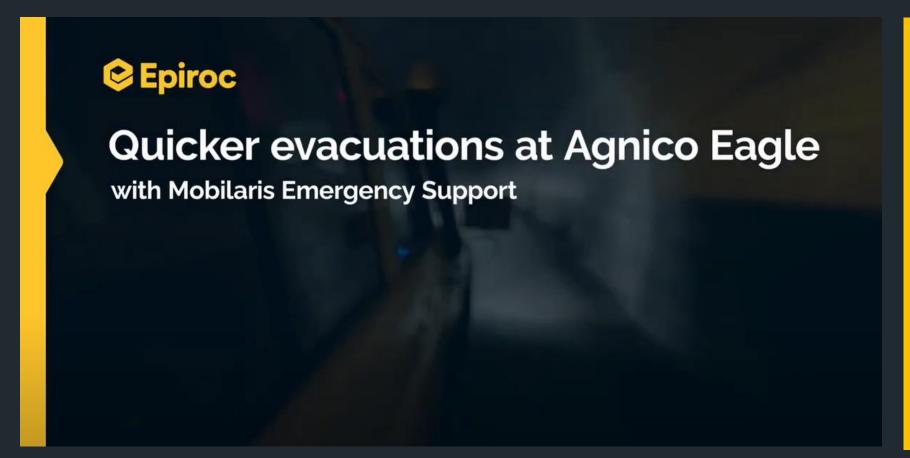
Collision Avoidance System

- + Traffic awareness
- = Outstanding productivity and safety

Film: Quicker evacuations at Agnico Eagle



0m48s



Highlights

- Quicker evacuation
- Halved evacuation time (from 60 to 30 minutes).
- Can see who has received emergency message in real time
- Can see people moving in the mine
- Enables safer evacuation



Mine planning and management



Integrated mine planning and management to maximize productivity and sustainability

- Mine drafting
- Mine design
- Mine planning
- Mine scheduling
- Work management
- Shift support

Film: Transforming planning at Rosh Pinah Zinc Mine



1m35s



Highlights

- Goal to reduce dilution
- Under a period of three years, starting with a dilution of 20%, it has been reduced to 11%
- Significant improvements in the planning process
- Game changer in productivity
- Annual record production



Epiroc's digitalization in numbers



Leadership within automation

- 3 100+ driverless machines (mixed fleet)
- Different types of machines automated 150+

Leadership within safety

- 3 000+ CAS L7/8 systems delivered
- 100+ CAS L9 systems delivered
- Installations of situational awareness systems at 45+ sites

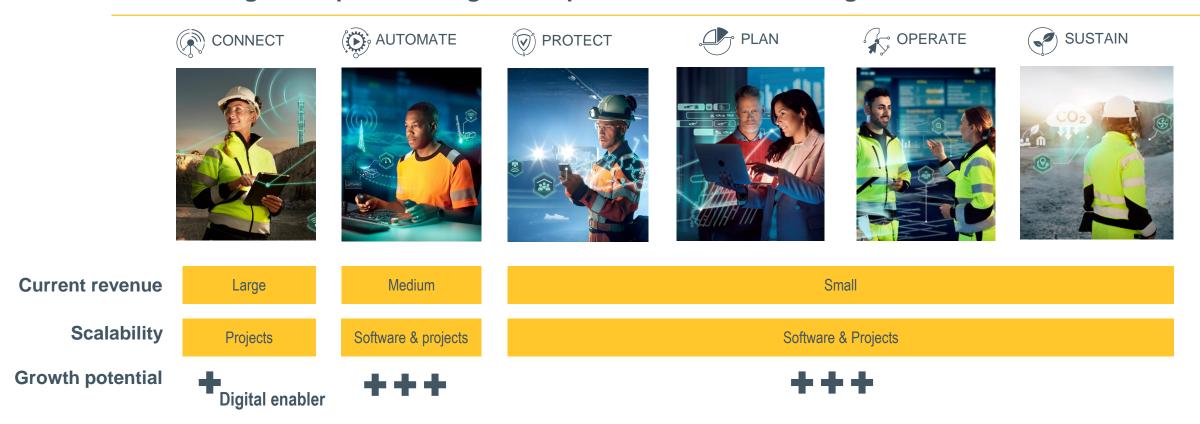
The Digital Solutions division

- Digital solutions in operations on all continents
- 1 300 dedicated employees
- BSEK 2.4 revenues*

Digital Solutions' growth potential at a glance



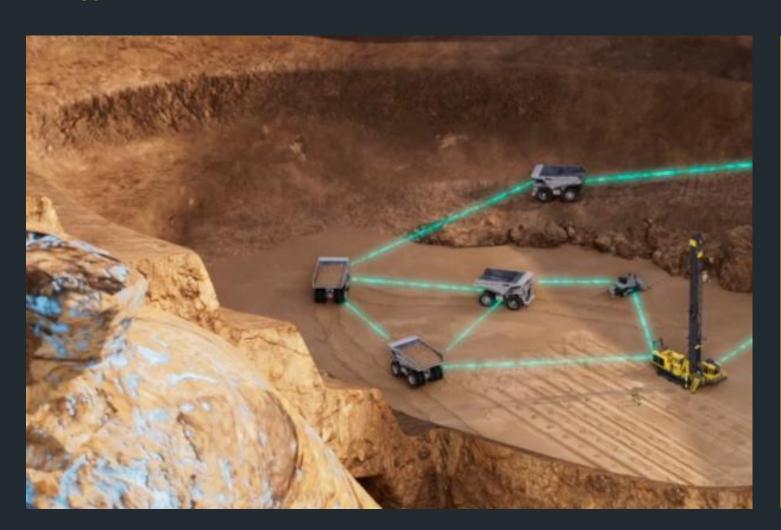
The agnostic portfolio is geared up to scale with increasing customer demand



Film: Groundbreaking Intelligence

Epiroc

1m28s



Highlights

- IT, digitalization, automation and Al are all part of the modern mine
- No mines are the same
- Speed of change higher than ever
- Improved safety and data-driven decisions
- Are you drowning in siloed data?
- Use what we have in smarter ways
- You can accelerate the transformation with Epiroc's digitalization and automation solutions

Delivering customer value across all levels of mining operations



Larger customer engagements with mixed fleet and increased complexity



Customer value:

Enhance safety and efficiency for both machines and the people near them.



Customer value:

Reduce non-productive time, create visibility on fleet availability, maximize fleet utilization, and keep people safe.



Customer value:

Provide a holistic view of the mine and data they can trust.



Tools & Attachments





Goran Popovski



"Mr. Turnaround"

2024: President Attachments division

2020: President Tools and Attachments division, Epiroc

2017: President Hydraulic Attachments Tools division, Atlas Copco and Epiroc since 2018

2012: Vice President Marketing, Surface Drilling division, Atlas Copco

2010: Regional Business Manager Surface Drilling division EMEA, Atlas Copco, Czech Republic

2005: Regional Business Line Manager Surface Drilling, Central Europe, Atlas Copco, Czech Republic

2005: M. Sc. Logistics, Materials and Supply Chain Management, University of Gothenburg, Sweden

2002: M. Sc. International Business, University of Gothenburg, Sweden

1998: B. Sc. International Marketing, University St. Kiril and Metódij, Skopje, Macedonia

1974: Born in Bitola, Macedonia

Holdings in Epiroc 9 253 A-shares, 159 502 personnel options and 10 584 matching options. Employment in Sweden if not specified.

Epiroc has two reporting segments, three revenue streams and eight divisions



Reporting segments

streams

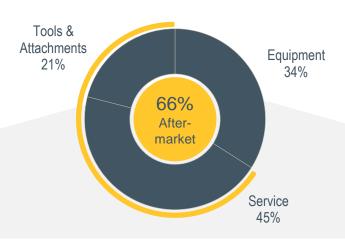
Revenue

Divisions

Tools & Attachments

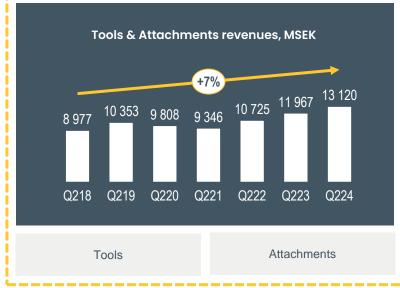
21% of revenues 13.6% Adj. EBIT margin

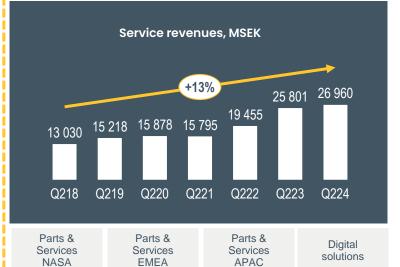
Revenue split



Equipment & Service

79% of revenues 23.3% Adj. EBIT margin







Line/circle with figure = CAGR Q224 12m.



Tools and attachments for hard rock excavation, deconstruction and recycling

The perfect match for performance







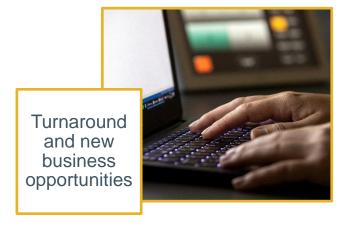
Attachments





Six years of achievements within Attachments

















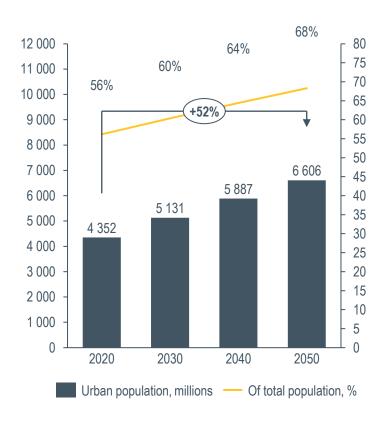
Population growth and urbanization drive demand

Construction and deconstruction equipment are needed

- Around 3 million people move to urban areas every week
- By 2050, 68% of the world population will live in urban areas
- By 2030, additional 1.2 million km² of urban built-up area will be required

Epiroc construction and infrastructure market growth: 4-5% p.a. long term

Strong urbanization trend







Attractive geographical exposure for the Attachments division

Americas

- Strong growth forecasted
- Infrastructure investments
- Shift to sustainable construction.

Europe

- Mature market with steady growth
- Strict environmental regulations
- Advanced technology adoption in construction and mining

Asia

- Fastest-growing region
- Rapid urbanization
- Infrastructure megaprojects
- Increased industrialization

Africa

- High growth potential
- Renewable energy, public-private partnerships and foreign investments offer key opportunities, despite regulatory challenges
- Strong infrastructure projects and urbanization

Urban mining has a strong growth trajectory



Waste to manage

2.2 billion tons of construction and demolition waste generated globally per year.

Circularity

Our attachments drive the cycle of construction, demolition, and recycling, ensuring material reuse and minimizing waste.

Urbanization trend

Urbanization and infrastructure renewal drive long-term demand.



Technological efficiency

Our innovative equipment enhances operational efficiency, allowing customers to recover more valuable materials faster and at lower costs.

Sustainability push

More regulations make urban mining essential.

Waste to revenue

Our solutions help customers recover more materials, reducing costs and boosting profitability.

Demand for more versatility

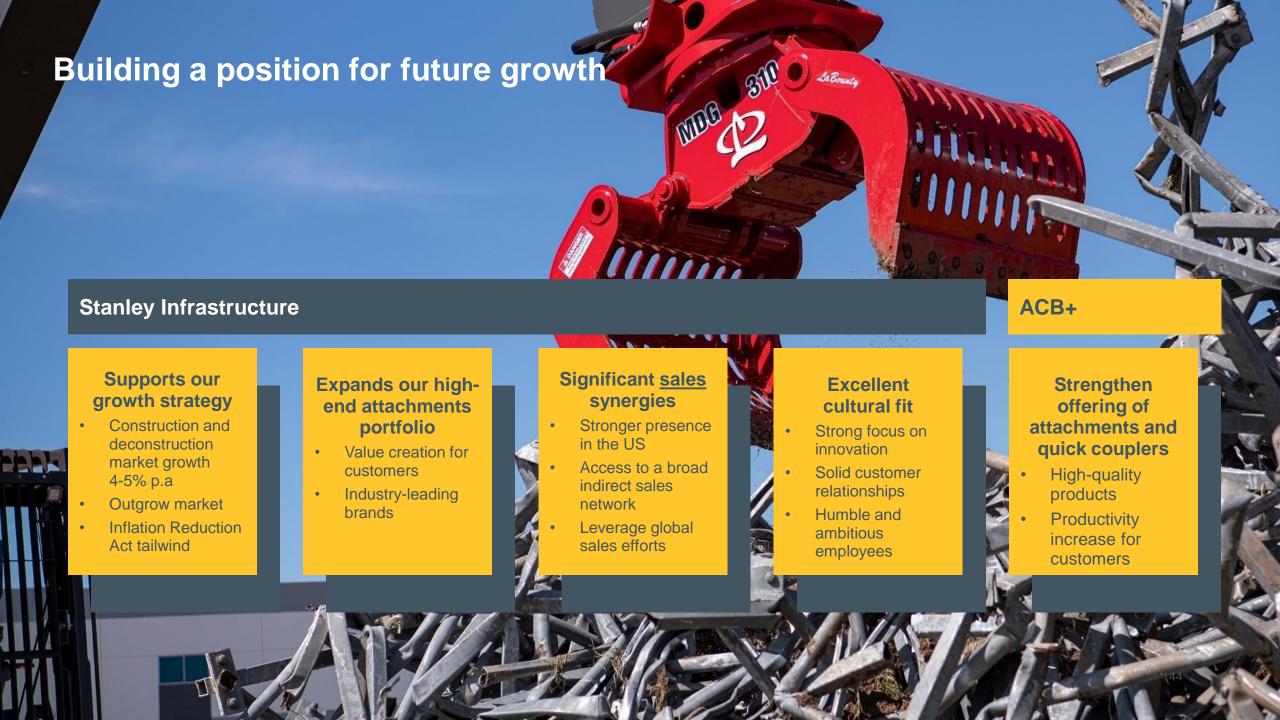


Attachments increase the versatility of carrier machines

- Flexible and cost efficient as one excavator handles several applications by having different attachments
- Reduced need for capex and storage as the increased number of attachments require fewer excavators
- Strong trend towards versatile attachments and quick couplers

"Swiss army knife"





Film: The Attachments division



1m03s



Epiroc Attachments division



Highlights

- Develop, manufacture and market
- Excavator attachments
- Ground Engaging Tools
- Cordless & hydraulic industrial handheld tools
- We dare to think new
- Advancing our business through innovation, customer understanding, financial resilience
- Investing in our people, sustainability and future talent, ensuring speed and execution in everything we do

Right value proposition to customers



Tailored go-to-market strategy will increase business resilience



Multi-brand approach for deep market penetration

Enable growth for business partners

Addressing 2 700+ dealers close to end user





Direct business with carrier manufactures

Dedicated sales team and supply chain

60+ quality customers including all leading carrier manufacturers



Direct sales to end users

Primary segment in mining

Synergies with Epiroc equipment and digital solutions



Attachment's competitive edge



OEM agnostic

Expanding our market potential while efficiently covering our various customer demands



Increased productivity

Our solutions are designed to boost customer efficiency and operational productivity



Aftermarket support

Focus on post-sale services that enhance customer productivity and satisfaction









Increased mine site productivity through **GET**

- The right GETs can increase excavator productivity by +5%
 - Payloads +3% and decreased fill times by 4%
- Switching to cast lip systems can save up to USD 130 000 annually per machine
- Advanced manufacturing techniques enhance
 GET durability and efficiency
- CR maintains 95% delivery in full on time (DIFOT) rate
- Optimized GET can save up to 217 tonnes of CO2e emissions per excavator annually



Film: MINExpo with Michael Meidow, Attachments division



1m28s



Highlights

- MINEXpo with Michael Meidow, Ground Engaging Genius.
- VP Technical Support.
- Michael was interviewed by Alexander Apell, IR Controller.



Tools





Martin Hjerpe

♥ Epiroc

"Mr. Diver"

2024: President Tools division

2023: Senior Vice President, Supply Chain & Strategy, Epiroc

2019: Senior Vice President, M&A and Strategy, Epiroc

2009: Partner, McKinsey & Company

2002: Consultant, McKinsey & Company, Sweden & USA

2000: Analyst, AB Gyllenhammar & Sahlin

2000: M.Sc. Engineering Physics, Chalmers, Gothenburg, Sweden

1976: Born in Tibro, Sweden

Holdings in Epiroc 11 500 A-shares, 97 579 personnel options, 12 749 matching options. Employment in Sweden if not specified.



Six years of achievements within Tools











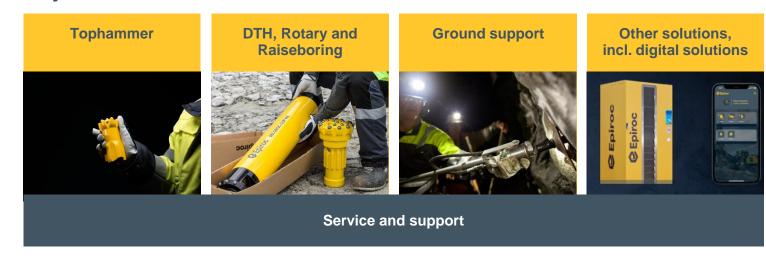


High-end offering for hard rock excavation



- Consumables, tools and digital solutions for rock drilling and ground support used in mining and construction
- Supply chain for spare parts and rock drilling tools

Major revenue streams





Boosting productivity with diamonds



Powerbit X

- Drill without interruption with the long-lasting drill string
- Realize the full potential of automation and drill during shift and ventilation breaks
- Save hundreds of hours by not changing the bit
- Cut CO₂ emissions

Epiroc The ET drill string: An all-new solution Up to 100% longer service life Easy to see when it's time to replace tubes bending resistance Hassle-free uncoupling thanks The shoulder drive reduces wear 3 kg to innovative thread geometry and material stress and ensures lighter tubes more efficient energy transfer 15%

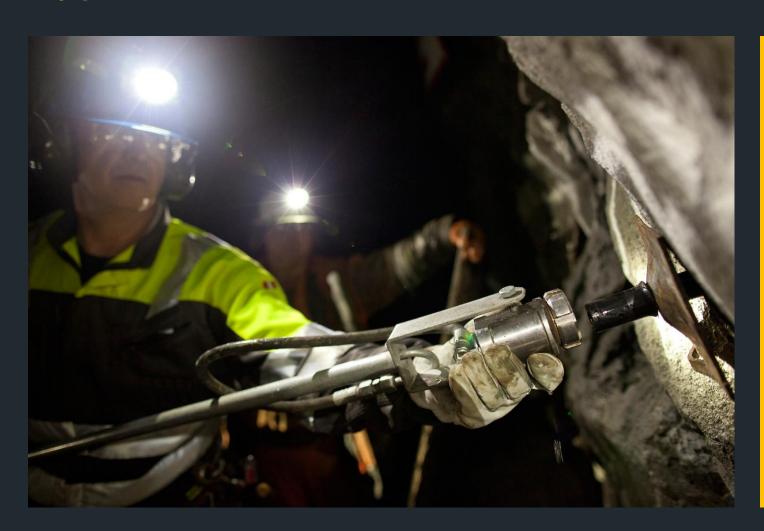
higher penetration rate

157

Film: MINExpo with Pieter de Bruin, Tools division



2m02s



Highlights

- MINExpo with Pieter De Bruin, Ground Support Guru.
- Head of Strategic Marketing, Ground Support, Tools division.
- Pieter was interviewed by Ola Kinnander, Media Relations Manager.



Strategy for profitable growth





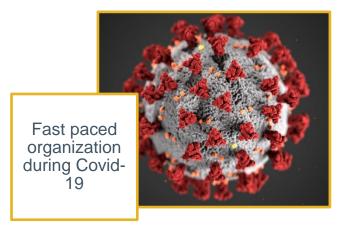


Epiroc

Six years of achievements within operational excellence











Well proven business model



Focus and decentralization since 1976

- Quick and efficient decision making
- Accountability and results-driven organization

High degree of direct sales

- Strong customer relationships
- Customer feedback leads to innovation.

Strong aftermarket business

Resilient, recurring and profitable revenue streams

Asset light and flexible manufacturing

- 75% of product cost for equipment is purchased
- Global manufacturing footprint

Leveraging innovation

- Leadership in automation, digitalization and electrification
- Collaboration for success



Long-lasting customer relationships



Direct sales 89%

Direct sales lead to long-lasting relationships

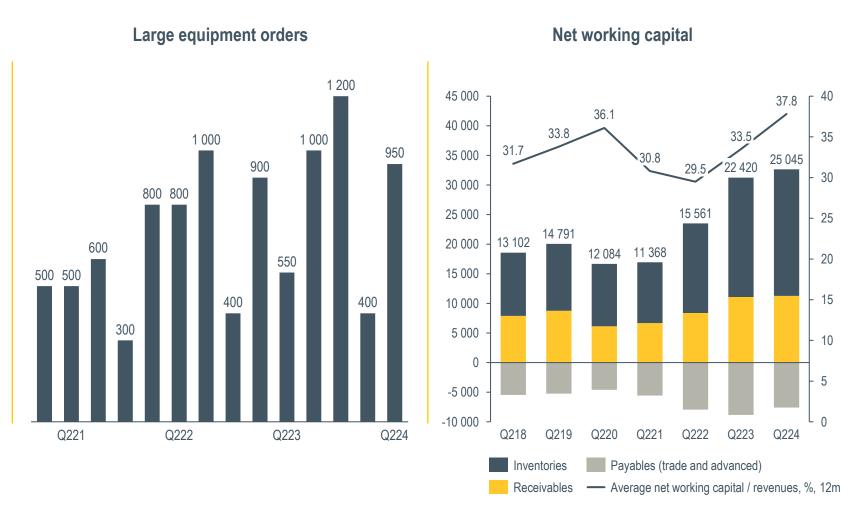
- Direct interaction allows for better understanding of customer challenges and needs
- Strong presence and close relationships lead to trust and repeat business and referrals
- Immediate feedback to address any concerns promptly
- Cost savings for both Epiroc and customers by eliminating intermediaries
- Attractive financing offering enables sales and strengthens relationships

Full year 2023 163

Growth has implications on the working capital



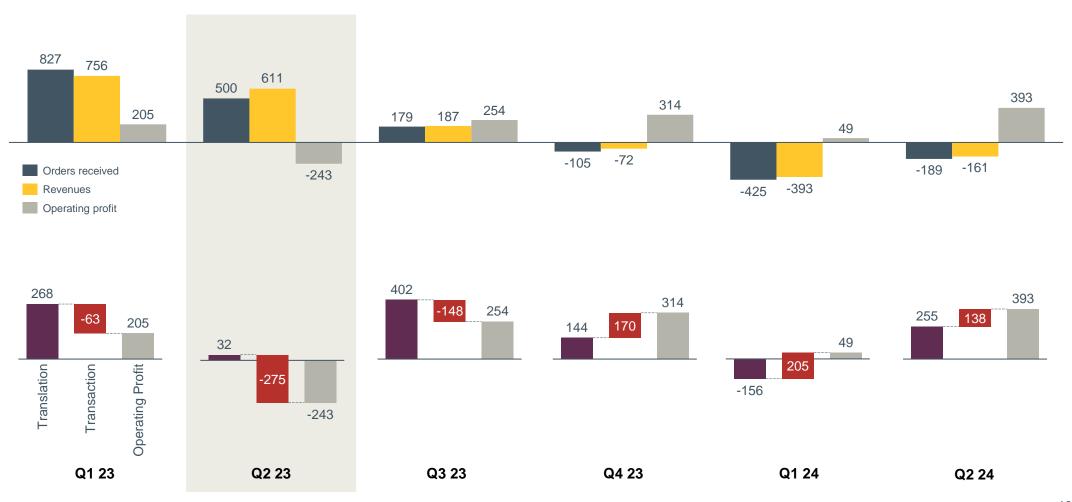
- Direct sales imply "higher" working capital as we do not have distributors holding inventory
- Equipment made to order
- Higher working capital means higher fx volatility on the operating profit



The profit bridge currency effect has not been straight forward...



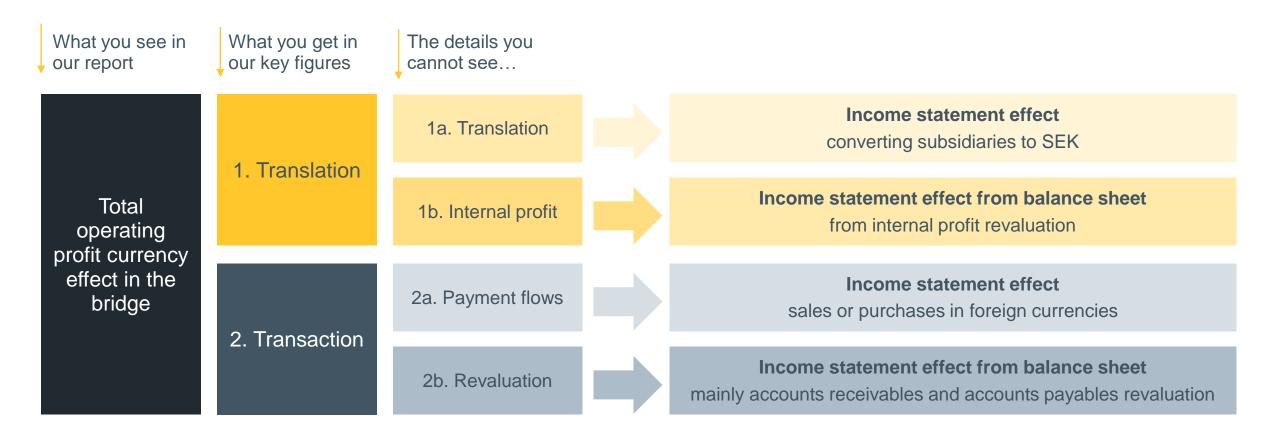
... let's look at an example Q2 2023



The profit bridge currency effect has not been straight forward...



... four things impact the FX effect on operating profit



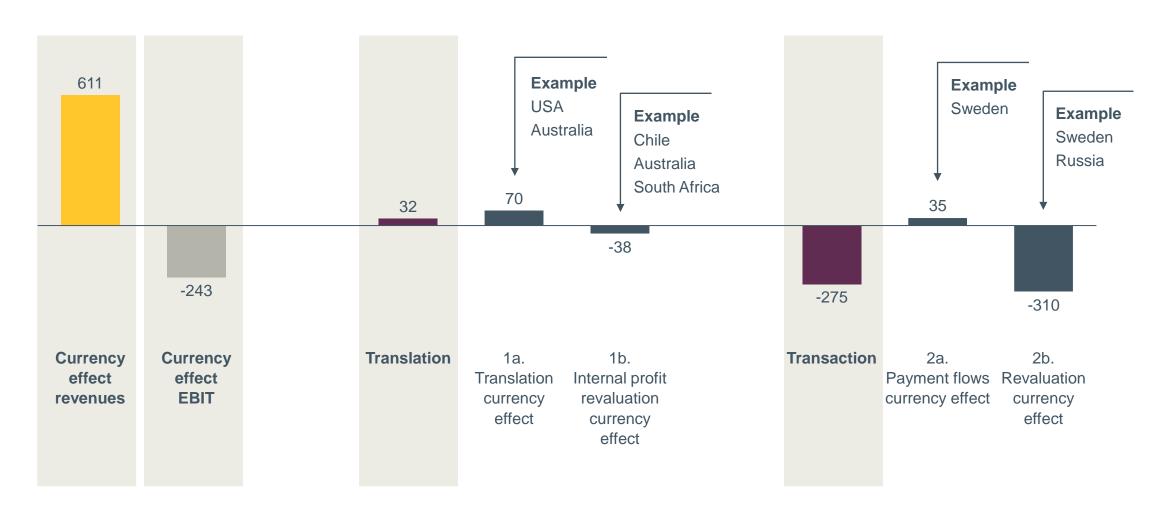
Epiroc's major currency exposure*: AUD, CAD, USD, ZAR, EUR, CLP

* See note 29 in the Annual and Sustainability Report

Revaluation currency effect disrupted the bridge figures



Detailed information Q2 2023





Strong aftermarket business



66% of revenues

A broad global aftermarket offering

Service, incl. digital solutions, tools, and attachments

Potential to grow an even larger resilient, recurring and profitable revenue stream

 Service agreements, circular offerings and increased technological height of equipment

Potential for increased efficiency

- Increase efficiency and knowledge of service personnel
- New technical tools to enable more efficient operations
- Improved value proposition towards customers by differentiation
- Create more customer value with less resources.



Benefits with flexible manufacturing



75% of product cost for equipment is purchased

- We produce equipment to order, which enables quick and smooth adjustments in manufacturing in the event of changed demand
- We only produce core components to safeguard a flexible manufacturing set-up whilst protecting our innovations
- Low capex needs. Approximately 2-3% of revenues over a cycle

Example: Boomer

- We design the product with the best components and parts from suppliers
- Inhouse, we produce the rock drill and the "brain" of the machine, and we do the final assembly





Produce once. Sell twice.



Our circular approach enables double revenue streams.

Example: Battery

1st life: Batteries as a Service

Offering customers increased productivity and reduced ventilation cost

2nd life: Energy storage solutions

 Offering customers (mining and beyond) energy for other relevant applications



Film: Epiroc batteries supporting the Swedish grid

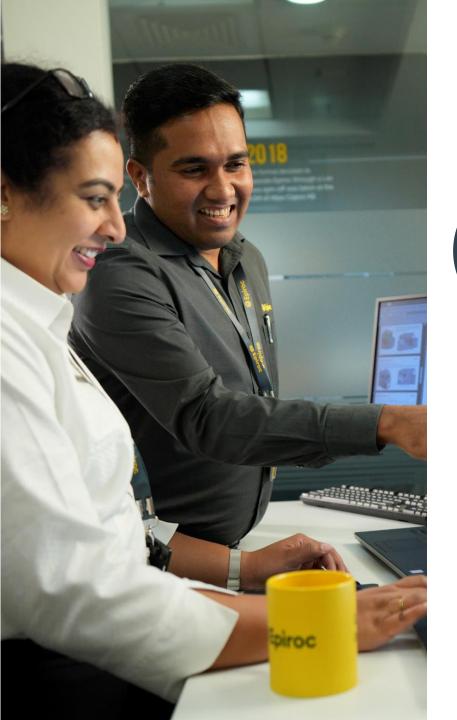


1m09s



Highlights

- We need more renewable energy, and we also need predictability in power supply
- Battery storage solution built of Epiroc 2nd life batteries
- 80% of available power utilized
- Use for the Swedish national grid as well as in operating mines
- When the 1st life battery utilization rate is down to 80%, it is not used in mining applications, but still perfect for use as supporting grid and mines



Focused R&D requires discipline on the intangible assets



3.2%

Leveraging innovation

R&D expenses of revenues

Focused R&D

(Research & Development)



Collaboration for success

Supplier Innovation

Acquisitions to gain speed

Total internally generated intangible assets BSEK 1.4

1.7% of total assets

Q224 12 months 172

Strategy for profitable growth





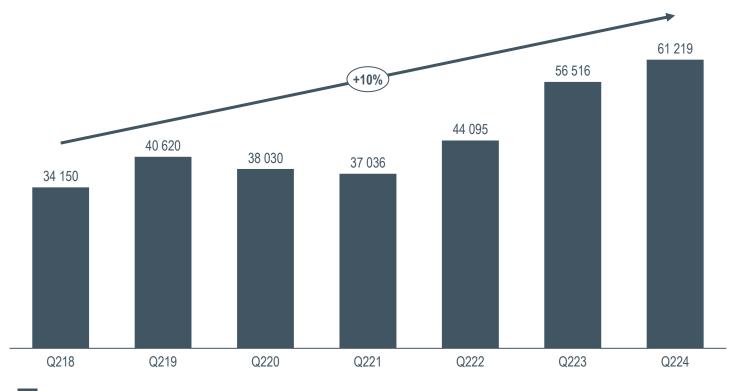


Financial goal: Annual revenue growth of 8% over a business cycle



10% revenue growth per year since listing

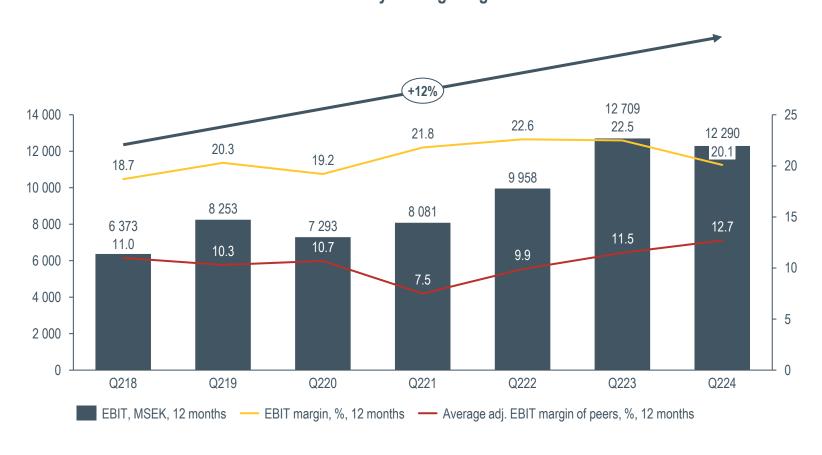
Whereof 3% acquired revenues



Revenues, MSEK, 12 months



Operating profit increased 12% per year since listing with industry-leading margin





Financial goal: Improve capital efficiency and resilience. Investments and acquisitions shall create value.

Building a more resilient company

 Wider offering leads to higher recurring resilient revenues and drives profitable growth

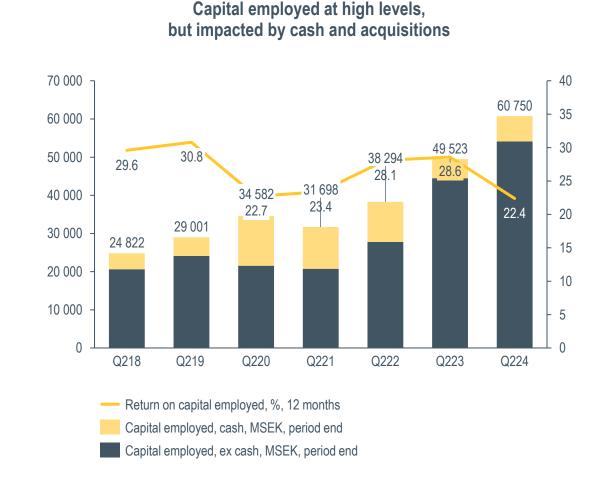
Working capital in focus

 Business model leads to variations over a cycle, but focus is to improve

Strong execution on acquisitions

- 27 acquisitions
- Revenues of BSEK 12.6*
- 5 600* employees

Focus on profitability







Financial goal: Have an efficient capital structure and have the flexibility to make selective acquisitions. The goal is to maintain an investment grade rating. **S&P rating: BBB+ Stable outlook**

Strong balance sheet despite recent high M&A activity







Financial goal: Provide long-term stable and rising dividends to its shareholders. The dividend should correspond to 50% of net profit over the cycle.

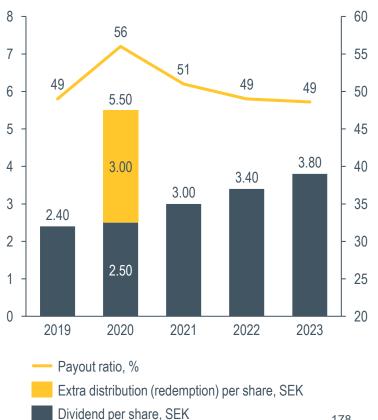
Priorities for use of cash

- Continuously invest in organic profitable growth
- Invest in acquisitions that support our organic efforts
- Cash distribution

Dividend for 2023 (payment 2024)

- Dividend of SEK 3.80 per share Total MSEK 4 589
- Two equal installments with record dates May 16 and October 22, 2024

Dividend and payout ratio

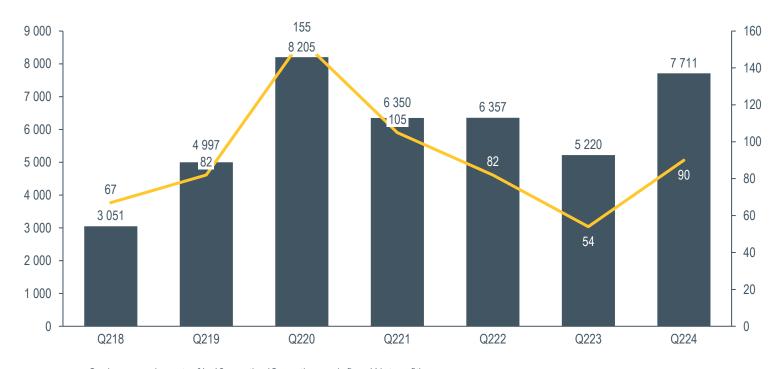




Cash is king...



Operating cash flow and cash conversion rate, %



- Cash conversion rate, %, 12 months (Operating cash flow / Net profit)
- Operating cash flow, MSEK, 12 months

Investment case



We accelerate the productivity and sustainability transformation in our industry

We have a high proportion of recurring business

We have a well-proven business model

Attractive niches •

We focus on attractive niches with structural growth

Innovation

Aftermarket

Operational excellence

We create value for our stakeholders

Our success is based on sustainability and a strong corporate culture

Outperformance



United. Inspired.

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.

epiroc.com



