



# Interim report Q2 2022

July 20, 2022



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Cover: Epiroc has launched the “V Cutter” VC 2000. The V Cutter sets a new standard in trenching and quarrying. Thanks to the V-shaped design an extraordinary effectiveness is achieved, which enables energy savings of up to 40%.

## Epiroc interim report Q2

- Orders received increased 21% to MSEK 13 377 (11 070), organic increase of 6%. Excluding Russia, the organic order growth was 18%.
- Revenues increased 22% to MSEK 11 868 (9 733), organic increase of 9%.
- Operating profit increased 9% to MSEK 2 381 (2 182), corresponding to a margin of 20.1% (22.4).
- Items affecting comparability were MSEK -420 (-15), including a provision of MSEK -400 related to Russia.\*
- Adjusted operating profit increased 27% to MSEK 2 801 (2 197), corresponding to a margin of 23.6% (22.6).
- Basic earnings per share were SEK 1.47 (1.40).
- Operating cash flow was MSEK 1 462 (1 229).
- Acquisitions of JTMEC, a provider of electrical infrastructure solutions, and of RNP México, a manufacturer of rock drills.\*\*
- Decision to relocate production of surface drill rigs from Japan to China.\*\*\*

## Financial overview

MSEK	2022 Q2	2021 Q2	Δ,%	2022 Jan-Jun	2021 Jan-Jun	Δ,%
Orders received	13 377	11 070	21	27 195	21 760	25
Revenues	11 868	9 733	22	22 956	18 506	24
Operating profit	2 381	2 182	9	5 012	4 049	24
<i>Operating margin, %</i>	<i>20.1</i>	<i>22.4</i>		<i>21.8</i>	<i>21.9</i>	
Profit before tax	2 292	2 138	7	4 856	3 972	22
<i>Profit margin, %</i>	<i>19.3</i>	<i>22.0</i>		<i>21.2</i>	<i>21.5</i>	
Profit for the period	1 773	1 693	5	3 773	3 083	22
Operating cash flow	1 462	1 229	19	2 329	2 839	-18
Basic earnings per share, SEK	1.47	1.40	5	3.12	2.55	22
Diluted earnings per share, SEK	1.47	1.40	5	3.12	2.55	22
<i>Return on capital employed, %, 12 months</i>	<i>28.1</i>	<i>23.4</i>				
Net debt/EBITDA, ratio	-0.07	-0.03				

\* For further information, see page 6.

\*\* For further information, see page 24.

\*\*\* For further information, see page 10.

## CEO comments

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### High demand

The demand remained high and orders received increased 21% to MSEK 13 377. Several large equipment orders were won, of which many included battery-electric and automation solutions. Also, the service business performed strongly. In total, the organic order growth was 6%. Excluding Russia, the organic order growth was 18%.

We expect that the underlying demand, both for equipment and aftermarket, will remain at a high level in the near term.

### Agility and resilience

The war in Ukraine is truly horrifying and we continue to take measures to protect our colleagues and manage the complex situation in Ukraine and Russia. See also page 6.

We also continue to face higher input costs and supply-chain challenges. However, our agile organization can adapt quickly to changes and challenges, and our large aftermarket business provides resilience.

### Record revenues and adjusted margin

Our revenues increased 9% organically to a record MSEK 11 868. The adjusted operating profit increased 27% and reached MSEK 2 801. Items affecting comparability were MSEK -420, including a provision of MSEK -400 related to Russia. The adjusted operating margin improved to 23.6% (22.6).

Our operating cash flow increased to MSEK 1 462 (1 229), supported by higher operating profit, partly offset by build-up of working capital.

### Best quarter ever for electrification

We offer market-leading solutions within automation, digitalization, and electrification and the second quarter was our best quarter ever for electrification.

We won several orders for battery-electric equipment, also for greenfield projects, as well as for battery retrofits and electrical infrastructure solutions. And, shortly a customer will be testing our first battery-electric surface drill rig. We are excited to help our customers reach their sustainability goals.

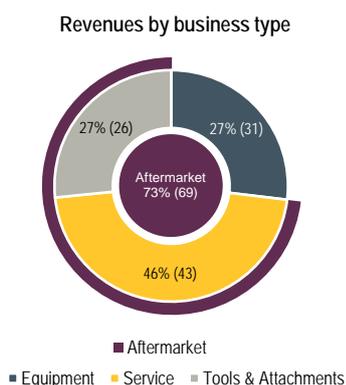
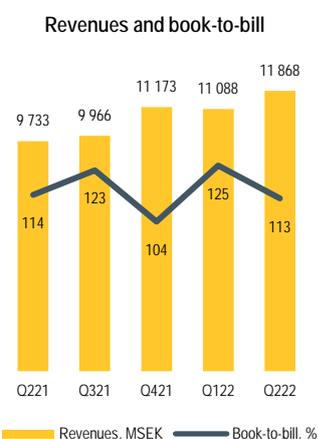
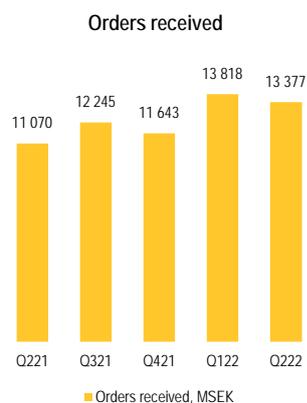
### Drive the productivity and sustainability transformation

In June we celebrated four years as a listed company. It has been an exciting time. We drive the productivity and sustainability transformation in our industry and will continue doing this by investing in innovation, aftermarket, and in options for the future. Some examples are the acquisitions of a provider of electrical infrastructure solutions and of a manufacturer of rock drills. Also, to enhance focus, we appointed a Chief Technology Officer and created a dedicated division for our digital solutions. We continue to build for the future, and I am proud of all our passionate and committed colleagues who take part in our journey.



**Helena Hedblom**  
President and CEO

## Orders and revenues



### Financial overview

MSEK	2022	2021	Δ,%
	Q2	Q2	
Orders received	13 377	11 070	21
Revenues	11 868	9 733	22
Operating profit	2 381	2 182	9
Operating margin, %	20.1	22.4	

### Orders received

Orders received increased 21% to MSEK 13 377 (11 070), corresponding to an organic growth of 6%. Excluding Russia, the organic order growth was 18%. Currency contributed with 10% and acquisitions with 5%, whereof close to half relates to orders-on-hand of the acquired company JTMEC.

Compared to the previous year, orders received in local currency increased in all regions, except in Europe. North America achieved the highest growth.

Mining customers represented 73% (82) of orders received in the quarter and infrastructure customers 27% (18).

Sequentially, orders received decreased -10% organically, mainly explained by the development in Russia.

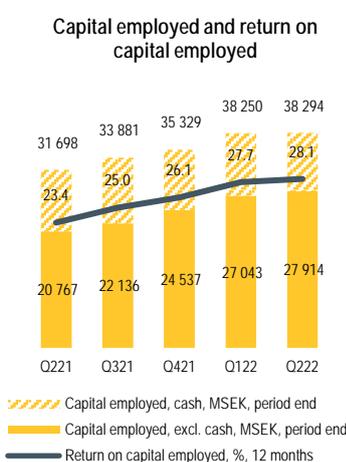
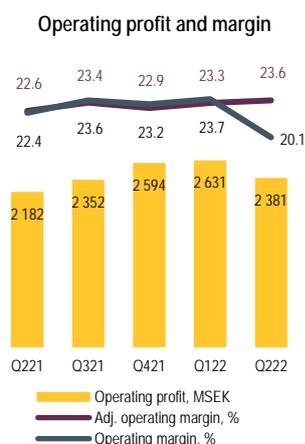
### Revenues

Revenues increased 22% to MSEK 11 868 (9 733), corresponding to an organic growth of 9%. Currency and acquisitions impacted revenues positively with 10% and 3%, respectively. The book-to-bill ratio was 113% (114).

The aftermarket represented 73% (69) of revenues in the quarter.

Sales Bridge	Orders received	Revenues
	MSEK, Δ,%	MSEK, Δ,%
<b>Q2 2021</b>	<b>11 070</b>	<b>9 733</b>
Organic	6	9
Currency	10	10
Structure/other	5	3
Total	21	22
<b>Q2 2022</b>	<b>13 377</b>	<b>11 868</b>

## Profits and returns



	Operating profit	
	MSEK, Δ	Margin, Δ, pp
<b>Q2 2021</b>	<b>2 182</b>	<b>22.4</b>
Organic	445	2.4
Currency	169	-0.5
Structure/other*	-415	-4.2
Total	199	-2.3
<b>Q2 2022</b>	<b>2 381</b>	<b>20.1</b>

\* 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 increased 9% to MSEK 2 381 (2 182), including items affecting comparability of MSEK -420 (-15). The operating profit was negatively impacted by provisions related to Russia of MSEK -400 and restructuring costs related to the relocation of manufacturing from Japan to China of MSEK -95. Change in provision for the share-based long-term incentive programs was MSEK 75 (-15). The operating margin was 20.1% (22.4). The adjusted operating margin, i.e. excluding items affecting comparability, was 23.6% (22.6). It was supported by organic growth and mix, but diluted by acquisitions and currency.

Net financial items amounted to MSEK -89 (-44). The net interest was MSEK -23 (-19).

Profit before tax was MSEK 2 292 (2 138). Income tax expense amounted to MSEK -519 (-445), corresponding to an effective tax rate of 22.6% (20.8).

Profit for the period totaled MSEK 1 773 (1 693). Basic earnings per share were SEK 1.47 (1.40).

Return on capital employed was 28.1% (23.4) and the return on equity was 30.4% (25.4).

## Exposure to Russia and Ukraine

### Orders on hand

Orders on hand in Russia and Ukraine totaled approximately MSEK 1 400 at the end of June 2022, compared to approximately MSEK 1 800 at the end of March 2022. In local currency, the orders on hand more than halved between March and June. The reduction is primarily related to cancellations of orders in Russia, which amounted to MSEK 480. It is uncertain if and when the remaining orders on hand will be delivered and invoiced. Deliveries to Russia have been paused since March 1.

### Revenues

In the second quarter the business activity level has been significantly reduced in Russia and Ukraine. Some revenues have been recognized, but significantly lower than in the second quarter 2021. For the full year 2021, Epiroc had revenues of MSEK 2 421 in Russia and MSEK 294 in Ukraine. In total this corresponds to 6.8% of Group revenues.

### Assets and provisions

Epiroc had assets in Ukraine and Russia totaling approximately MSEK 1 000 at the end of June 2022, of which more than half was cash. A provision of MSEK -400 related to inventory, receivables and other restructuring costs was recorded in the second quarter. In local currency, the assets decreased significantly between March and June, but remained at approximately the same level in SEK.

## Balance sheet



### Net working capital

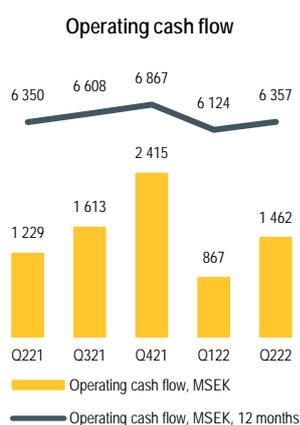
Compared to the previous year, net working capital increased 37% to MSEK 15 561 (11 368). Excluding the effect of acquisitions and currency, the net working capital increased 18%. The average net working capital in relation to revenues in the last 12 months improved to 29.5% (30.8).



### Net cash / net debt

The Group's net cash position amounted to MSEK 876 (322). A total of MSEK 1 810 was distributed to shareholders in May through the first payment of the dividend. The net debt/EBITDA ratio was -0.07 (-0.03).

## Cash flow



### Operating cash flow

Operating cash flow was MSEK 1 462 (1 229). It was supported by higher operating profit, but negatively impacted from change in working capital. Cash flow from change in working capital was MSEK -436 (-223).

### Acquisitions and divestments

Net cash flow from acquisitions and divestments was MSEK -257 (-1 282).

## 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

Epiroc has completed one acquisition in the quarter and signed an agreement to acquire a business. See more details on page 24.

**JTMEC** provides electrical infrastructure solutions. The acquisition supports the transition to battery electrification.

**RNP México** manufactures rock drills and related spare parts. The acquisition strengthens Epiroc's presence in Latin America.



### Innovation – world's first automated one-boom jumbo

The Boomer S10 S is the world's first one-boom jumbo featuring Epiroc's Rig Control System. The consistent, repeatable, and quality-assured results are made possible by advanced automation, operator-assisting features, and digital drill plans.



### Innovation – a drill bit protected by diamonds

Powerbit X is a new drill bit with diamond-protected buttons, which can significantly prolong the replacement intervals. Less exposure to danger for operators, more uptime and lower CO<sub>2</sub>e emissions are some of the benefits.



### Innovation – revolution in trenching

The V Cutter sets a new standard in trenching and quarrying. Thanks to the V-shaped design an extraordinary effectiveness is achieved, which enables energy savings of up to 40%.



### Innovation – first ever battery-electric surface drill rig

The world's first battery-electric drill rig for surface operations, the SmartROC T35 E rig, equipped both with battery and electric cable, will be field tested by Swedish construction company Skanska. This is a milestone for zero-emission drilling in surface mines and quarries.

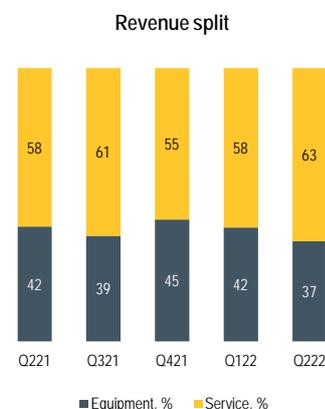
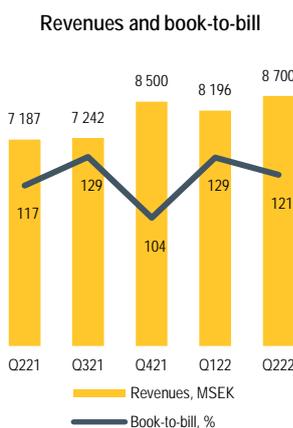
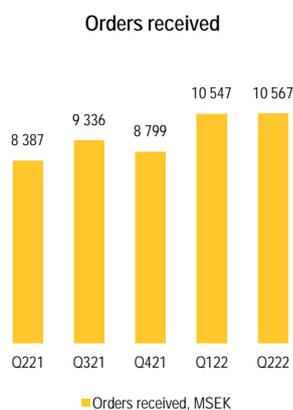


### Innovation – digital solutions for tunneling construction

Epiroc expands the digital solutions portfolio within the construction industry with Mobilaris Tunneling Intelligence. The solutions increase safety levels while still improving productivity.

## Equipment & Service

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



### Financial overview

MSEK	2022	2021	Δ,%
	Q2	Q2	
Orders received	10 567	8 387	26
Revenues	8 700	7 187	21
Operating profit	1 891	1 880	1
Operating margin, %	21.7	26.2	

### Orders received

Orders received increased 26% to MSEK 10 567 (8 387), corresponding to an organic growth of 10%. Excluding Russia, the organic order growth was 25%. Currency contributed with 11% and acquisitions with 5%, whereof approximately 3 percentage points relates to orders-on-hand of the acquired company JTMEC.

Compared to the previous year, orders received in local currency increased in all regions, except Europe. North America achieved the highest growth rate.

For equipment, orders received increased 16% to MSEK 4 682 (4 031), corresponding to an organic growth of 5%. Cancellations in Russia impacted negatively. Many large and medium-sized orders were won, including several with battery-electric and automation solutions. The share of orders from equipment was 44% (48).

For service, orders received increased 35% to MSEK 5 885 (4 356), corresponding to an organic growth of 14%. The growth was supported by several orders for midlife services, including battery retrofits, and large components. The share of orders from service was 56% (52).

Sequentially, orders received decreased -7% organically for the segment, mainly explained by Russia.

### Revenues

Revenues increased 21% to MSEK 8 700 (7 187), corresponding to an organic growth of 8%. Currency contributed with 10% and acquisitions with 3%. The revenues for service increased 18% organically, while equipment revenues decreased -6% organically. Equipment revenues were negatively impacted by the paused deliveries to Russia. The share of revenues from service was 63% (58). The book-to-bill ratio was 121% (117).

## Equipment &amp; 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,%
<b>Q2 2021</b>	<b>8 387</b>	<b>7 187</b>	<b>4 031</b>	<b>3 052</b>	<b>4 356</b>	<b>4 135</b>
Organic	10	8	5	-6	14	18
Currency	11	10	10	9	11	11
Structure/other	5	3	1	2	10	4
Total	26	21	16	5	35	33
<b>Q2 2022</b>	<b>10 567</b>	<b>8 700</b>	<b>4 682</b>	<b>3 190</b>	<b>5 885</b>	<b>5 510</b>



## Operating profit and margin

Operating profit increased 1% to MSEK 1 891 (1 880). It was supported by organic growth and currency, but negatively impacted by provisions related to Russia of MSEK -327 and restructuring costs related to the relocation of manufacturing from Japan to China of MSEK -95. The operating margin was 21.7% (26.2). Adjusted operating margin was 26.6% (26.2) supported by organic growth and mix, but diluted by currency and acquisitions.

Profit bridge	Operating profit	
	MSEK,Δ	Margin,Δ,pp
<b>Q2 2021</b>	<b>1 880</b>	<b>26.2</b>
Organic	366	2.6
Currency	104	-1.0
Structure/other	-459	-6.1
Total	11	-4.5
<b>Q2 2022</b>	<b>1 891</b>	<b>21.7</b>

## Relocation of manufacturing from Japan to China

The production of surface drill rigs will be relocated from Yokohama, Japan, to Nanjing, China. The production facility in Japan, with about 50 employees, has been sold and will be closed by mid-2023. Restructuring costs were MSEK -95. A capital gain from the sale of the property in Japan of approximately MSEK 350 is expected to be recognized in 2024.

## Epiroc enhances focus on technology and digital solutions

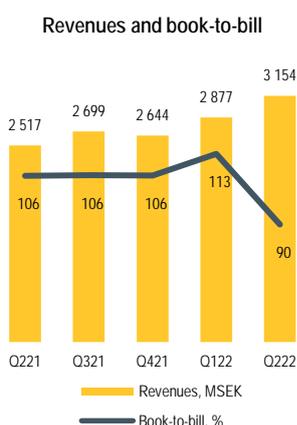
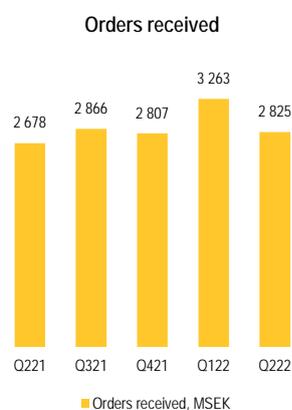
Jonas Albertson has been appointed Chief Technology Officer, with responsibility for the development of common automation and digital platforms as well as for Group IT. A division, Digital Solutions, with commercial responsibility for Epiroc's digital solutions, including acquired businesses, has been created. Ashleigh Braddock has been appointed acting division President. The appointments were effective as from July 1, 2022.

## Acquisitions

In the quarter, JTMEC was acquired and an agreement was signed to acquire RNP México. See more details on page 8 and 24.

## Tools & Attachments

Tools & Attachments provides rock drilling 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 and spare parts and serves the mining and infrastructure industries.



### Financial overview

MSEK	2022 Q2	2021 Q2	Δ,%
Orders received	2 825	2 678	5
Revenues	3 154	2 517	25
Operating profit	500	416	20
Operating margin, %	15.9	16.5	

### Orders received

Orders received increased 5% to MSEK 2 825 (2 678), corresponding to a decrease of -8% organically. The organic decline is mainly due to Russia. Excluding Russia, the organic order decrease was -2%. Currency contributed with 9% and acquisitions with 4%. Orders received decreased both for hydraulic attachments and for rock drilling tools.

Compared to the previous year, orders received in local currency grew in Asia/Australia, Africa/Middle East and North America, but decreased in Europe and South America. Asia/Australia achieved the highest growth rate.

Sequentially, orders received decreased -18% organically, partly explained by Russia.

### Revenues

Revenues increased 25% to MSEK 3 154 (2 517), corresponding to an organic increase of 11%. Currency contributed with 10% and acquisitions with 4%. The book-to-bill ratio was 90% (106).

Sales Bridge	Orders received	Revenues
	MSEK, Δ,%	MSEK, Δ,%
<b>Q2 2021</b>	<b>2 678</b>	<b>2 517</b>
Organic	-8	11
Currency	9	10
Structure/other	4	4
Total	5	25
<b>Q2 2022</b>	<b>2 825</b>	<b>3 154</b>

## Tools & Attachments

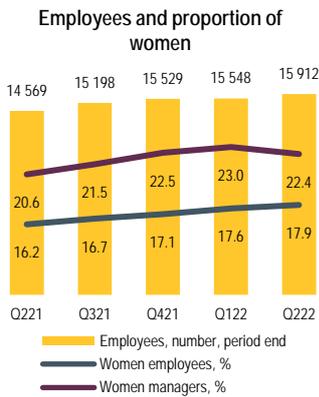


### Operating profit and margin

Operating profit increased 20% to MSEK 500 (416). It was supported by organic growth, currency and acquisitions, but negatively impacted by provisions of MSEK -73 related to Russia. The operating margin was 15.9% (16.5). Adjusted operating margin was 18.2% (16.5) supported by organic growth and currency.

Profit bridge	Operating profit	
	MSEK,Δ	Margin,Δ,pp
<b>Q2 2021</b>	<b>416</b>	<b>16.5</b>
Organic	66	0.9
Currency	64	0.6
Structure/other	-46	-2.1
<b>Total</b>	<b>84</b>	<b>-0.6</b>
<b>Q2 2022</b>	<b>500</b>	<b>15.9</b>

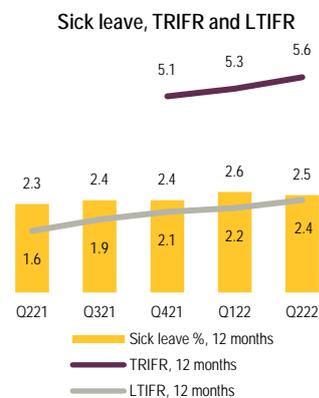
Sustainability: People & Planet



**Employees**

The number of employees increased to 15 912 (14 569), partly due to acquisitions. External workforce amounted to 1 582 (1 354). For comparable units, the total workforce increased with 874 compared to the previous year, mainly related to service.

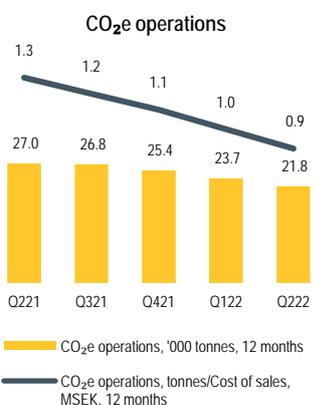
The proportion of women employees and women managers at the end of the period increased to 17.9% and 22.4%, respectively, compared to the previous year.



**Safety and health**

The total recordable injury frequency rate (TRIFR)\* the last 12 months increased to 5.6 compared to 5.1 for the full year 2021. Lost time injury frequency rate (LTIFR) also increased to 2.4. Several actions are taken to reduce injuries. The sick leave increased slightly to 2.5%, negatively impacted by the Covid-19 pandemic.

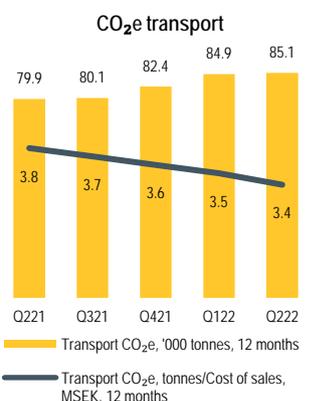
\* New types of injuries were included in reporting in 2021. Data for periods before Q4 2021 are not comparable.



**CO<sub>2</sub>e emissions from operations**

The CO<sub>2</sub>e emissions from operations and for comparable units\*\* (Scope 1 & Scope 2) the last 12 months was 21 820 tonnes, a reduction of -14% compared to 25 372 tonnes for the full year 2021. This improvement is driven by several initiatives, including the installation of solar panels and a higher share of renewable electricity.

\*\* In order to comply with Science Based Targets initiative's (SBTi) requirements to have a minimum 95% coverage of Scope 1 and Scope 2 emissions, 22 additional customer centers have reported CO<sub>2</sub>e emissions for full-year 2021. For comparability, Epiroc will report CO<sub>2</sub>e emissions for comparable units, i.e. excluding the additional customer centers, in the quarterly reports until year-end 2022.

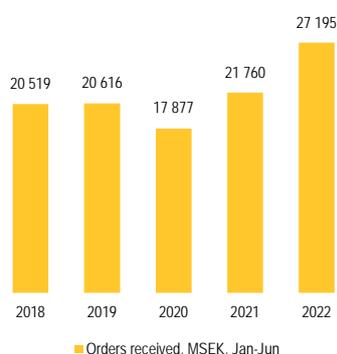


**CO<sub>2</sub>e emissions from transport**

The CO<sub>2</sub>e emissions from transport the last 12 months increased 3% to 85 110 tonnes, compared to 82 383 tonnes for the full year 2021. The increase is mainly explained by higher volumes delivered. The emissions from transport were 22 386 tonnes lower compared to the base year emissions in 2019, which corresponds to 42% fulfilment of the 2030 goal to halve CO<sub>2</sub>e emissions from transport.

## January – June in summary

Orders received, Jan-Jun



The orders received the first six months increased 25% to MSEK 27 195 (21 760), corresponding to an organic growth of 12%. Revenues increased 11% organically to MSEK 22 956 (18 506).

Sales Bridge	Orders received	Revenues
	MSEK,Δ,%	MSEK,Δ,%
<b>Jan-Jun 2021</b>	<b>21 760</b>	<b>18 506</b>
Organic	12	11
Currency	9	9
Structure/other	4	4
<b>Total</b>	<b>25</b>	<b>24</b>
<b>Jan-Jun 2022</b>	<b>27 195</b>	<b>22 956</b>

Operating profit increased 22% to MSEK 5 012 (4 049), including items affecting comparability of MSEK -377 (-164). Provisions related to Russia were MSEK -400 and restructuring costs related to the relocation of manufacturing from Japan were MSEK -95. Change in provision for the share-based long-term incentive programs was MSEK 118 (-164).

Revenues and book-to-bill, Jan-Jun



The operating margin was 21.8% (21.9). The adjusted operating margin increased to 23.5% (22.8). The operating margin was supported by organic revenue growth, but diluted by acquisitions and currency.

Profit bridge	Operating profit	Margin,Δ,pp
	MSEK,Δ	
<b>Jan-Jun 2021</b>	<b>4 049</b>	<b>21.9</b>
Organic	888	1.9
Currency	311	-0.3
Structure/other	-236	-1.7
<b>Total</b>	<b>963</b>	<b>-0.1</b>
<b>Jan-Jun 2022</b>	<b>5 012</b>	<b>21.8</b>

Operating profit and margin, Jan-Jun



Profit before tax was MSEK 4 856 (3 972). Profit for the period totaled MSEK 3 773 (3 083).

Basic earnings per share were SEK 3.12 (2.55).

Operating cash flow was MSEK 2 329 (2 839).

## Key risks

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Epiroc is exposed to strategic, operational, legal and compliance as well as financial risks. The key risks include market, competition, product development, supply chain, employees, environment and climate, reputation, corruption and fraud, safety and health. Further information on risks, opportunities and risk management can be found in Epiroc's Annual and Sustainability Report 2021.

As stated in the Annual and Sustainability Report 2021, operating in complex markets with various political, economic and social conditions can affect Epiroc. The situation in Russia and Ukraine is highly complex and fluid, and there are continuous changes in sanctions, logistical flows and the financial system. Epiroc is closely monitoring the situation and continuously evaluating the implications for employees, business and operations in the short and long term. See also page 6.

## Signature of the President and the Board

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The Board of Directors and President of Epiroc AB declare 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, July 20, 2022

**Ronnie Leten**  
Chair of Board

**Helena Hedblom**  
Board member  
President and CEO

**Johan Forssell**  
Board member

**Anders Ullberg**  
Board member

**Ulla Litzén**  
Board member

**Lennart Evrell**  
Board member

**Jeane Hull**  
Board member

**Astrid Skarheim Onsum**  
Board member

**Sigurd Mareels**  
Board member

**Anthea Bath**  
Board member

**Kristina Kanestad**  
Employee representative

**Daniel Rundgren**  
Employee representative

## Auditor's review report

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Epiroc AB (publ), Corp.Reg.No. 556041-2149

**Introduction:** We have reviewed the condensed interim report for Epiroc AB as at 30 June 2022 and for the six-month period then ended. The Board of Directors and the CEO is responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

**Scope of Review:** We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion:** Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, Sweden, July 20, 2022

**Ernst & Young AB,**

Erik Sandström  
Authorized Public Accountant

**Financial Statements**
**Condensed consolidated income statement**

MSEK	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun
Revenues	11 868	9 733	22 956	18 506
Cost of sales	-7 813	-5 898	-14 644	-11 331
<b>Gross profit</b>	<b>4 055</b>	<b>3 835</b>	<b>8 312</b>	<b>7 175</b>
Administrative expenses	-818	-732	-1 539	-1 551
Marketing expenses	-767	-570	-1 408	-1 098
Research and development expenses	-363	-283	-682	-512
Other operating income and expenses	274	-68	329	36
<b>Operating profit</b>	<b>2 381</b>	<b>2 182</b>	<b>5 012</b>	<b>4 049</b>
Net financial items	-89	-44	-156	-77
<b>Profit before tax</b>	<b>2 292</b>	<b>2 138</b>	<b>4 856</b>	<b>3 972</b>
Income tax expense	-519	-445	-1 083	-889
<b>Profit for the period</b>	<b>1 773</b>	<b>1 693</b>	<b>3 773</b>	<b>3 083</b>
Profit attributable to				
- owners of the parent	1 770	1 691	3 767	3 078
- non-controlling interests	3	2	6	5
Basic earnings per share, SEK	1.47	1.40	3.12	2.55
Diluted earnings per share, SEK	1.47	1.40	3.12	2.55

**Condensed consolidated statement of comprehensive income**

MSEK	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun
<b>Profit for the period</b>	<b>1 773</b>	<b>1 693</b>	<b>3 773</b>	<b>3 083</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Remeasurements of defined benefit pension plans	369	-43	780	235
Income tax relating to items that will not be reclassified	-78	10	-163	-48
<b>Total items that will not be reclassified to profit or loss</b>	<b>291</b>	<b>-33</b>	<b>617</b>	<b>187</b>
<b>Items that may be reclassified subsequently to profit or loss</b>				
Translation differences on foreign operations	1 362	-258	2 032	553
<b>Total items that may be reclassified subsequently to profit or loss</b>	<b>1 362</b>	<b>-258</b>	<b>2 032</b>	<b>553</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>1 653</b>	<b>-291</b>	<b>2 649</b>	<b>740</b>
<b>Total comprehensive income for the period</b>	<b>3 426</b>	<b>1 402</b>	<b>6 422</b>	<b>3 823</b>
Total comprehensive income attributable to				
- owners of the parent	3 419	1 402	6 412	3 817
- non-controlling interests	7	0	10	6

**Condensed consolidated balance sheet**

	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>Jun 30</b>	<b>Jun 30</b>	<b>Dec 31</b>
<b>Assets, MSEK</b>			
Intangible assets	7 653	5 963	7 233
Rental equipment	1 430	1 103	1 279
Other property, plant and equipment	4 909	4 452	4 587
Investments in associated companies and joint ventures	81	181	106
Other financial assets and other receivables	1 722	809	1 007
Deferred tax assets	1 641	1 443	1 469
<b>Total non-current assets</b>	<b>17 436</b>	<b>13 951</b>	<b>15 681</b>
Inventories	15 119	10 271	11 861
Trade receivables	8 381	6 669	7 174
Other receivables	2 760	1 681	2 057
Current tax receivables	343	242	190
Financial assets	1 026	772	828
Cash and cash equivalents	10 380	10 931	10 792
Assets held for sale	98	-	-
<b>Total current assets</b>	<b>38 107</b>	<b>30 566</b>	<b>32 902</b>
<b>Total assets</b>	<b>55 543</b>	<b>44 517</b>	<b>48 583</b>
<b>Equity and liabilities, MSEK</b>			
Share capital	500	500	500
Retained earnings	28 093	20 477	25 229
<b>Total equity attributable to owners of the parent</b>	<b>28 593</b>	<b>20 977</b>	<b>25 729</b>
Non-controlling interest	70	51	56
<b>Total equity</b>	<b>28 663</b>	<b>21 028</b>	<b>25 785</b>
Interest-bearing liabilities	8 788	8 527	8 562
Post-employment benefits	118	612	356
Other liabilities and provisions	454	680	657
Deferred tax liabilities	872	729	785
<b>Total non-current liabilities</b>	<b>10 232</b>	<b>10 548</b>	<b>10 360</b>
Interest-bearing liabilities	725	1 530	628
Trade payables	6 239	4 796	5 512
Current tax liabilities	678	434	562
Other liabilities and provisions	9 006	6 181	5 736
<b>Total current liabilities</b>	<b>16 648</b>	<b>12 941</b>	<b>12 438</b>
<b>Total equity and liabilities</b>	<b>55 543</b>	<b>44 517</b>	<b>48 583</b>

**Condensed consolidated statement of changes in equity**

MSEK	Equity attributable to		Total equity
	owners of the parent	non-controlling interests	
<b>Opening balance, Jan 1, 2022</b>	<b>25 729</b>	<b>56</b>	<b>25 785</b>
Total comprehensive income for the period	6 412	10	6 422
Dividend	-3 619	-1	-3 620
Transactions with non-controlling interests	-	5	5
Acquisition and divestment of own shares	76	-	76
Share-based payments, equity settled	-5	-	-5
<b>Closing balance, Jun 30, 2022</b>	<b>28 593</b>	<b>70</b>	<b>28 663</b>
<b>Opening balance, Jan 1, 2021</b>	<b>23 693</b>	<b>46</b>	<b>23 739</b>
Total comprehensive income for the period	3 817	6	3 823
Dividend/Redemption	-6 635	-1	-6 636
Acquisition and divestment of own shares	125	-	125
Share-based payments, equity settled	-23	-	-23
<b>Closing balance, Jun 30, 2021</b>	<b>20 977</b>	<b>51</b>	<b>21 028</b>
<b>Opening balance, Jan 1, 2021</b>	<b>23 693</b>	<b>46</b>	<b>23 739</b>
Total comprehensive income for the period	8 707	17	8 724
Dividend/Redemption	-6 635	-7	-6 642
Acquisition and divestment of own shares	64	-	64
Share-based payments, equity settled	-100	-	-100
<b>Closing balance, Dec 31, 2021</b>	<b>25 729</b>	<b>56</b>	<b>25 785</b>

**Condensed consolidated statement of cash flows**

MSEK	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun
<b>Cash flow from operating activities</b>				
Operating profit	2 381	2 182	5 012	4 049
Depreciation, amortization and impairment	487	411	953	793
Capital gain/loss and other non-cash items	-129	1	-325	7
Net financial items received/paid	-6	-172	-275	63
Taxes paid	-661	-581	-1 300	-1 052
Pension funding and payment of pension to employees	-13	-11	-25	-21
Change in working capital	-436	-223	-1 605	-379
Increase in rental equipment	-298	-255	-468	-368
Sale of rental equipment	75	70	184	153
<b>Net cash flow from operating activities</b>	<b>1 400</b>	<b>1 422</b>	<b>2 151</b>	<b>3 245</b>
<b>Cash flow from investing activities</b>				
Investments in other property, plant and equipment	-126	-100	-270	-241
Sale of other property, plant and equipment	3	-2	12	-3
Investments in intangible assets	-121	-99	-236	-211
Acquisition of subsidiaries and associated companies	-267	-1 284	-285	-1 284
Sale of subsidiaries and associated companies	10	2	10	2
Proceeds to/from other financial assets, net	-122	-3	-208	-82
<b>Net cash flow from investing activities</b>	<b>-623</b>	<b>-1 486</b>	<b>-977</b>	<b>-1 819</b>
<b>Cash flow from financing activities</b>				
Dividend	-1 810	-1 508	-1 810	-1 508
Dividend to non-controlling interest	-1	-1	-1	-1
Redemption of shares	-	-3 619	-	-3 619
Sale/Repurchase of own shares	49	79	76	123
Change in interest-bearing liabilities	-139	-136	-216	-593
<b>Net cash flow from financing activities</b>	<b>-1 901</b>	<b>-5 185</b>	<b>-1 951</b>	<b>-5 598</b>
<b>Net cash flow for the period</b>	<b>-1 124</b>	<b>-5 249</b>	<b>-777</b>	<b>-4 172</b>
Cash and cash equivalents, beginning of the period	11 207	16 191	10 792	15 053
Exchange differences in cash and cash equivalents	297	-11	365	50
<b>Cash and cash equivalents, end of the period</b>	<b>10 380</b>	<b>10 931</b>	<b>10 380</b>	<b>10 931</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Operating cash flow*</b>	<b>Q2</b>	<b>Q2</b>	<b>Jan-Jun</b>	<b>Jan-Jun</b>
Net cash flow from operating activities	1 400	1 422	2 151	3 245
Net cash flow from investing activities	-623	-1 486	-977	-1 819
Acquisitions and divestments, net	257	1 282	275	1 282
Other adjustments	428	11	880	131
<b>Operating cash flow</b>	<b>1 462</b>	<b>1 229</b>	<b>2 329</b>	<b>2 839</b>

\* Operating cash flow is not defined according to IFRS. See page 26.

**Condensed parent company income statement**

<b>MSEK</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Q2</b>	<b>Q2</b>	<b>Jan-Jun</b>	<b>Jan-Jun</b>
Administrative expenses	-53	-59	-105	-129
Marketing expenses	-8	-9	-13	-14
Other operating income and expenses	34	3	34	20
<b>Operating profit/loss</b>	<b>-27</b>	<b>-65</b>	<b>-84</b>	<b>-123</b>
Financial income and expenses	-5	-4	-13	-8
<b>Profit/loss before tax</b>	<b>-32</b>	<b>-69</b>	<b>-97</b>	<b>-131</b>
Income tax	9	42	22	57
<b>Profit/loss for the period</b>	<b>-23</b>	<b>-27</b>	<b>-75</b>	<b>-74</b>

**Condensed parent company balance sheet**

<b>MSEK</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>Jun 30</b>	<b>Jun 30</b>	<b>Dec 31</b>
Total non-current assets	53 200	54 225	53 318
Total current assets	231	431	2 272
<b>Total assets</b>	<b>53 431</b>	<b>54 656</b>	<b>55 590</b>
Total restricted equity	503	503	503
Total non-restricted equity	43 867	43 789	47 489
<b>Total equity</b>	<b>44 370</b>	<b>44 292</b>	<b>47 992</b>
Total provisions	166	300	321
Total non-current liabilities	6 990	6 986	6 989
Total current liabilities	1 905	3 078	288
<b>Total equity and liabilities</b>	<b>53 431</b>	<b>54 656</b>	<b>55 590</b>

## 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.

	2021				2021	2022	
Orders received, MSEK	Q1	Q2	Q3	Q4	FY	Q1	Q2
Equipment & Service	7 991	8 387	9 336	8 799	34 513	10 547	10 567
Equipment	4 028	4 031	4 532	3 812	16 403	5 244	4 682
Service	3 963	4 356	4 804	4 987	18 110	5 303	5 885
Tools & Attachments	2 674	2 678	2 866	2 807	11 025	3 263	2 825
Common group functions	25	5	43	37	110	8	-15
<b>Epiroc Group</b>	<b>10 690</b>	<b>11 070</b>	<b>12 245</b>	<b>11 643</b>	<b>45 648</b>	<b>13 818</b>	<b>13 377</b>
<b>Revenues, MSEK</b>							
Equipment & Service	6 391	7 187	7 242	8 500	29 320	8 196	8 700
Equipment	2 562	3 052	2 792	3 791	12 197	3 410	3 190
Service	3 829	4 135	4 450	4 709	17 123	4 786	5 510
Tools & Attachments	2 345	2 517	2 699	2 644	10 205	2 877	3 154
Common group functions	37	29	25	29	120	15	14
<b>Epiroc Group</b>	<b>8 773</b>	<b>9 733</b>	<b>9 966</b>	<b>11 173</b>	<b>39 645</b>	<b>11 088</b>	<b>11 868</b>
<b>Operating profit and profit before tax, MSEK</b>							
Equipment & Service	1 696	1 880	1 909	2 323	7 808	2 142	1 891
Tools & Attachments	386	416	502	480	1 784	520	500
Common group functions	-215	-114	-59	-209	-597	-31	-10
<b>Epiroc Group</b>	<b>1 867</b>	<b>2 182</b>	<b>2 352</b>	<b>2 594</b>	<b>8 995</b>	<b>2 631</b>	<b>2 381</b>
Net financial items	-33	-44	73	-27	-31	-67	-89
<b>Profit before tax</b>	<b>1 834</b>	<b>2 138</b>	<b>2 425</b>	<b>2 567</b>	<b>8 964</b>	<b>2 564</b>	<b>2 292</b>
<b>Operating margin, %</b>							
Equipment & Service	26.5	26.2	26.4	27.3	26.6	26.1	21.7
Tools & Attachments	16.5	16.5	18.6	18.2	17.5	18.1	15.9
<b>Epiroc Group</b>	<b>21.3</b>	<b>22.4</b>	<b>23.6</b>	<b>23.2</b>	<b>22.7</b>	<b>23.7</b>	<b>20.1</b>
<b>Items affecting comparability, MSEK*</b>							
Change in provision for LTIP**	149	15	-21	127	270	-43	-75
Items in Equipment & Service	-	-	-	-167	-167	-	422
Items in Tools & Attachments	-	-	-	-	-	-	73
<b>Epiroc Group</b>	<b>149</b>	<b>15</b>	<b>-21</b>	<b>-40</b>	<b>103</b>	<b>-43</b>	<b>420</b>
<b>Adj. margin for items affecting comparability %</b>							
Adjusted operating margin, E&S, %	26.5	26.2	26.4	25.4	26.1	26.1	26.6
Adjusted operating margin, T&A, %	16.5	16.5	18.6	18.2	17.5	18.1	18.2
<b>Adjusted operating margin, %</b>	<b>23.0</b>	<b>22.6</b>	<b>23.4</b>	<b>22.9</b>	<b>22.9</b>	<b>23.3</b>	<b>23.6</b>

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

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

**Geographical distribution of orders received**

MSEK % currency adjusted	2021				2021	2022	Δ,%	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Y-o-Y
<b>Epiroc Group</b>	<b>10 690</b>	<b>11 070</b>	<b>12 245</b>	<b>11 643</b>	<b>45 648</b>	<b>13 818</b>	<b>13 377</b>	<b>10%</b>
North America	2 226	2 542	2 974	2 843	10 585	3 358	3 753	28%
South America	1 177	1 420	1 480	1 498	5 575	1 687	1 892	24%
Europe	2 623	2 612	2 577	2 761	10 573	3 100	1 742	-34%
Africa/Middle East	1 629	1 495	1 793	1 553	6 470	2 125	1 962	18%
Asia/Australia	3 035	3 001	3 421	2 988	12 445	3 548	4 028	23%
<b>Equipment &amp; Service</b>	<b>7 991</b>	<b>8 387</b>	<b>9 336</b>	<b>8 799</b>	<b>34 513</b>	<b>10 547</b>	<b>10 567</b>	<b>15%</b>
North America	1 489	1 805	2 199	2 101	7 594	2 431	2 878	39%
South America	911	1 165	1 220	1 243	4 539	1 375	1 629	31%
Europe	1 824	1 819	1 882	1 930	7 455	2 149	1 178	-36%
Africa/Middle East	1 190	1 050	1 294	1 068	4 602	1 665	1 423	20%
Asia/Australia	2 577	2 548	2 741	2 457	10 323	2 927	3 459	25%
<b>Tools &amp; Attachments</b>	<b>2 674</b>	<b>2 678</b>	<b>2 866</b>	<b>2 807</b>	<b>11 025</b>	<b>3 263</b>	<b>2 825</b>	<b>-4%</b>
North America	726	716	748	718	2 908	930	902	9%
South America	267	256	258	255	1 036	312	263	-9%
Europe	787	813	683	819	3 102	943	553	-33%
Africa/Middle East	440	445	500	485	1 870	460	540	12%
Asia/Australia	454	448	677	530	2 109	618	567	15%

**Geographical distribution of revenues**

MSEK % currency adjusted	2021				2021	2022	Δ,%	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Y-o-Y
<b>Epiroc Group</b>	<b>8 773</b>	<b>9 733</b>	<b>9 966</b>	<b>11 173</b>	<b>39 645</b>	<b>11 088</b>	<b>11 868</b>	<b>10%</b>
North America	1 915	2 158	2 326	2 457	8 856	2 767	3 139	26%
South America	1 156	1 378	1 368	1 395	5 297	1 565	1 597	6%
Europe	1 992	2 172	2 172	2 481	8 817	2 172	2 177	-6%
Africa/Middle East	1 208	1 405	1 406	1 470	5 489	1 683	1 902	23%
Asia/Australia	2 502	2 620	2 694	3 370	11 186	2 901	3 053	6%
<b>Equipment &amp; Service</b>	<b>6 391</b>	<b>7 187</b>	<b>7 242</b>	<b>8 500</b>	<b>29 320</b>	<b>8 196</b>	<b>8 700</b>	<b>9%</b>
North America	1 233	1 453	1 587	1 772	6 045	1 934	2 154	29%
South America	930	1 130	1 111	1 150	4 321	1 290	1 306	7%
Europe	1 308	1 456	1 435	1 750	5 949	1 452	1 464	-7%
Africa/Middle East	825	941	896	1 008	3 670	1 174	1 355	29%
Asia/Australia	2 095	2 207	2 213	2 820	9 335	2 346	2 421	-0%
<b>Tools &amp; Attachments</b>	<b>2 345</b>	<b>2 517</b>	<b>2 699</b>	<b>2 644</b>	<b>10 205</b>	<b>2 877</b>	<b>3 154</b>	<b>14%</b>
North America	659	693	731	669	2 752	813	976	22%
South America	227	248	256	246	977	274	291	5%
Europe	672	705	723	719	2 819	728	711	-3%
Africa/Middle East	384	465	510	463	1 822	509	547	9%
Asia/Australia	403	406	479	547	1 835	553	629	43%

## Group notes

### Note 1: Accounting principles

The consolidated financial statements of the Epiroc Group are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. 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 2021, in note 1 Significant accounting principles. No new and revised standards and interpretations effective from January 1, 2022, 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 2021, note A1 in the Parent Company accounts. No new and revised standards and interpretations effective from January 1, 2022, 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
2022 Jun 1	JTMEC		E&S	235	190
2022 May 31		Zhejiang GIA Machinery			
2021 Nov 3	FVT Research		E&S	27	25
2021 Nov 2	Mobilaris MCE AB		E&S	60	50
2021 Aug 10	DandA Heavy Industries		T&A	210	60
2021 Jul 7	Mining Tag S.A.		E&S	65	120
2021 Jul 2	Meglab		E&S	335	240
2021 Jun 7	3D-P		E&S	110	50
2021 Jun 1	Kinetic Logging Services		E&S	195	180
2021 May 4	MineRP		E&S	135	200
2021 Apr 6		Epiroc Armenia LLC			-20

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

#### Acquisitions completed in 2022

- JTMEC provides electrical infrastructure solutions. The acquisition supports the transition to battery electrification. The company has approximately MSEK 235 in revenues and 190 employees. The acquisition was announced on April 29 and completed on June 1. The acquisition is reported in "Service".

#### Financial effect of acquisitions as per June 30, 2022

As per June 30, the acquisition of JTMEC has had a total cash flow effect of MSEK -262. According to the preliminary purchase price allocation, intangible assets amount to MSEK 72 and goodwill amounts to MSEK 174. The acquired entity during 2022 has contributed to revenues with MSEK 23 and operating profit with MSEK 0.2 since the date of acquisition.

#### Announced, but not yet completed acquisition

- RNP México manufactures rock drills and related spare parts. The acquisition strengthens Epiroc's presence in Latin America. The company has approximately MSEK 245 in revenues and 370 employees. The acquisition was announced on June 10 and is expected to be completed in the third quarter 2022. The acquisition will be reported in "Service".

### Note 3: Fair value of derivatives and borrowings

The carrying value and fair value of the Group's outstanding derivatives and borrowings are shown in the tables below. The fair values of bonds are based on level 1 and the fair values of derivatives and other loans are based on level 2 in the fair value hierarchy. Compared to 2021, no transfers have been made between different levels in the fair value hierarchy for derivatives and borrowings and no significant changes have been made to valuation techniques, inputs or assumptions.

Outstanding derivatives recorded to fair value		2022	2021	
MSEK		Jun 30	Dec 31	
<b>Current assets and liabilities</b>				
Assets		95	46	
Liabilities		178	94	
<b>Carrying value and fair value</b>				
MSEK	2022	2022	2021	2021
	Jun 30	Jun 30	Dec 31	Dec 31
	Carrying value	Fair value	Carrying value	Fair value
Bonds	3 993	3 951	3 992	4 137
Other loans	5 520	5 312	5 198	5 222
<b>Total interest-bearing loans</b>	<b>9 513</b>	<b>9 263</b>	<b>9 190</b>	<b>9 359</b>

### 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	7 098 542		
<b>Change in the quarter</b>			
Purchased (+) / divested (-) shares, number	-246 561		
Value of purchased (+) / divested (-) shares, SEK	-48 252 332		

### 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**

	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun
<b>Growth</b>				
*Orders received, MSEK	13 377	11 070	27 195	21 760
Revenues, MSEK	11 868	9 733	22 956	18 506
*Total revenue growth, %	22	15	24	5
*Organic revenue growth, %	9	22	11	14
<b>Profitability</b>				
*Gross margin, %	34.2	39.4	36.2	38.8
*EBITDA margin, %	24.2	26.7	26.0	26.2
*Adjusted operating margin, %	23.6	22.6	23.5	22.8
*Operating margin, %	20.1	22.4	21.8	21.9
*Profit margin, %	19.3	22.0	21.2	21.5
<b>Capital efficiency</b>				
*Return on capital employed, %	28.1	23.4		
*Net debt / EBITDA, ratio	-0.07	-0.03		
*Net debt / equity ratio, period end	-3.1	-1.5		
*Average net working capital / revenues, %	29.5	30.8		
<b>Cash generation</b>				
*Operating cash flow, MSEK	1 462	1 229	2 329	2 839
*Cash conversion rate, %, 12 months	82	105		
<b>Equity information</b>				
Basic number of shares outstanding, millions	1 207	1 206	1 206	1 206
Diluted number of shares outstanding, millions	1 208	1 208	1 208	1 208
*Equity per share, SEK, period end	23.8	17.4		
Basic earnings per share, SEK	1.47	1.40	3.12	2.55
*Return on equity, %	30.4	25.4		
*Operating cash flow per share, SEK	1.21	1.02	1.93	2.35
<b>People &amp; Planet</b>				
Employees, period end	15 912	14 569		
Women employees, %, period end	17.9	16.2		
Women managers, %, period end	22.4	20.6		
Total recordable injury frequency rate, TRIFR, 12 months	5.6	4.7		
Sick leave, %, 12 months	2.5	2.3		
CO2e emissions from operations, tonnes, 12 months	21 820	26 990		
CO2e emissions from transport, tonnes, 12 months	85 110	79 944		

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

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Epiroc is a vital part of a sustainable society and a global productivity partner for mining and infrastructure customers. 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 SEK 40 billion in 2021, and has more than 15 500 passionate employees supporting and collaborating with customers in more than 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 strengths

- 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

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### 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 and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons on the next page, at 11:30 CEST on July 20, 2022.*

## Further information

### Analysts and investors:

Mattias Olsson  
Senior Vice President Corporate Communications  
E-mail: [ir@epiroc.com](mailto:ir@epiroc.com)  
Tel: +46 10 755 0000

### Journalists and media:

Ola Kinnander  
Media Relations Manager  
E-mail: [media@epiroc.com](mailto:media@epiroc.com)  
Tel: +46 70 347 2455

### Epiroc AB (publ)

Reg. No. 556041-2149  
Box 4015  
SE-131 04 Nacka, Sweden  
Tel: +46 10 755 0000

[www.epirocgroup.com/en/investors](http://www.epirocgroup.com/en/investors)

## Financial calendar

### Webcast & conference call:

At 13.00 CEST on July 20, Epiroc will host a report presentation and conference call 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](http://www.epirocgroup.com/en/investors/financial-publications)

Dial-in numbers for the conference call:

- Sweden: +46 8 505 163 86
- United Kingdom: +44 20 319 84884
- United States: +1 412 317 6300
- Pin code: 6583791

### Upcoming investor events:

- October 24: Record date for SEK 1.50 dividend per share
- October 26: Q3 2022 report
- October 27: Dividend payment of SEK 1.50 per share

# 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.  
**[epiroc.com](http://epiroc.com)**

