



Interim report Q4 2022

January 31, 2023



Table of Contents

Epiroc interim report Q4	3
Financial overview	3
CEO comments	4
Orders and revenues	5
Profits and returns	6
Dividend	6
Balance sheet	7
Cash flow	7
Leading productivity and sustainability partner	8
Equipment & Service	9
Tools & Attachments	11
Sustainability: People & Planet	13
Full year 2022 in summary	14
Other information	15
Key risks	15
Signature of the President	15
Financial Statements	16
Condensed consolidated income statement	16
Condensed consolidated statement of comprehensive income	16
Condensed consolidated balance sheet	17
Condensed consolidated statement of changes in equity	18
Condensed consolidated statement of cash flows	19
Condensed parent company income statement	20
Condensed parent company balance sheet	20
Condensed segments quarterly	21
Geographical distribution of orders received	22
Geographical distribution of revenues	22
Group notes	23
Note 1: Accounting principles	23
Note 2: Acquisitions and divestments	23
Note 3: Fair value of derivatives and borrowings	25
Note 4: Share buybacks and divestments	25
Note 5: Transactions with related parties	25
Key figures	26
Epiroc in brief	27
About this report	27
Further information	28
Financial calendar	28

On the cover: Epiroc and Orica, in partnership with Agnico Eagle, have successfully commenced live blasting with Avatel™ – the world's first semi-automated underground development charging solution. It significantly improves safety during the charging cycle, which is one of the highest risks in underground mining.

Epiroc interim report Q4

- Orders received increased 18% to MSEK 13 705 (11 643), organic decrease of -4%. Excluding Russia, the organic growth was 3%.
- Revenues increased 25% to MSEK 13 936 (11 173), organic increase of 8%.
- Operating profit increased 25% to MSEK 3 235 (2 594), including items affecting comparability of MSEK -67 (40).*
- Operating margin was 23.2% (23.2), and the adjusted operating margin was 23.7% (22.9).
- Basic earnings per share were SEK 1.98 (1.70).
- Operating cash flow was MSEK 1 519 (2 415).
- Several acquisitions announced and/or completed that strengthen Epiroc's position in automation, electrification and digitalization.**
- The Board proposes a dividend of SEK 3.40 (3.00) per share to be paid in two equal installments.

Financial overview

MSEK	2022 Q4	2021 Q4	Δ,%	2022 FY	2021 FY	Δ,%
Orders received	13 705	11 643	18	53 222	45 648	17
Revenues	13 936	11 173	25	49 694	39 645	25
Operating profit	3 235	2 594	25	11 147	8 995	24
<i>Operating margin, %</i>	23.2	23.2		22.4	22.7	
Profit before tax	3 046	2 567	19	10 778	8 964	20
<i>Profit margin, %</i>	21.9	23.0		21.7	22.6	
Profit for the period	2 395	2 057	16	8 411	7 069	19
Operating cash flow	1 519	2 415	-37	5 662	6 867	-18
Basic earnings per share, SEK	1.98	1.70	16	6.96	5.85	19
Diluted earnings per share, SEK	1.98	1.70	16	6.95	5.84	19
<i>Return on capital employed, %, 12 months</i>				28.0	26.1	
Net debt/EBITDA, ratio				0.28	-0.12	

* For further information, see page 6.

** For further information, see pages 23-24.

CEO comments

Strong performance in a challenging market

Throughout 2022, Epiroc managed significant supply-chain challenges, including disruptions resulting from the war in Ukraine. In March we stopped deliveries into Russia, which at the time was our fourth largest market.

Customer activity remained high in 2022. We won many large equipment orders and we had strong development in the aftermarket.

We launched many ground-breaking innovations and made several acquisitions that help customers increase safety and productivity, and reduce emissions. Demand is continuously increasing for our electrification and automation solutions, and we strengthened our position as a market leader in these areas.

The organization executed well on the strategy and we delivered profitable growth. All in all, it was a record year for Epiroc.

High customer activity in the fourth quarter

The demand remained high in the fourth quarter. That said, large equipment orders are often lumpy and we did not receive as many large orders as in previous quarters. Service continued to grow well, supported by high customer activity. The order intake increased 18% to MSEK 13 705 (11 643).

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

Profitable growth

The period of strong order growth, easing supply-chain challenges and a good output level from our production sites led to record-high revenues. Organically, our revenues increased 8% to MSEK 13 936.

The adjusted operating profit increased 29% to MSEK 3 302 (2 554). The adjusted operating margin improved to 23.7% (22.9), supported by organic growth.

Following a period of strong equipment growth, with lead times of around 9-12 months and extended freight times, the quarter ended with a higher level of working capital. This in turn impacted the operating cash flow negatively and it amounted to MSEK 1 519 (2 415).

Dare to think new

To continue to drive the industry's ongoing productivity and sustainability transformation, we are investing more than ever in R&D; MSEK 1 438 (1 172) for the full year. This is resulting in exciting new products and solutions. The acquired companies serve the same purpose, to provide customers with the best solutions available today and in the future.

Innovations that make a true difference

Do you remember our collaboration with Roy Hill in Australia in creating the world's largest autonomous mine? In January, we announced that Epiroc will continue to support Roy Hill as they enter the final stage and convert their mixed fleet of 96 haul trucks to driverless operation. After a two-year testing phase, the solution Epiroc has developed in collaboration with ASI Mining has proved to be more productive and safe than conventional solutions.

Another highlight is that we in joint collaboration with Agnico Eagle Mines and Orica have successfully commenced live blasting using Avatel at the Kittilä mine in Finland. Avatel is the world's first semi-automated charging system for underground use. It is a game changer as safety is significantly improved during the charging cycle.

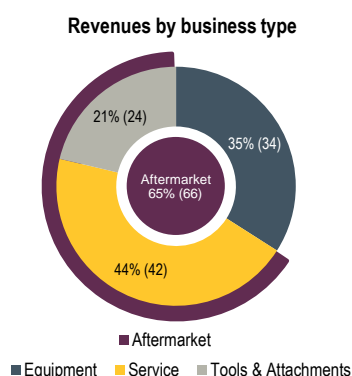
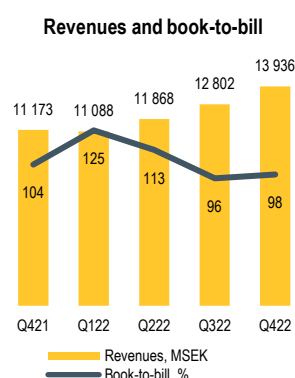
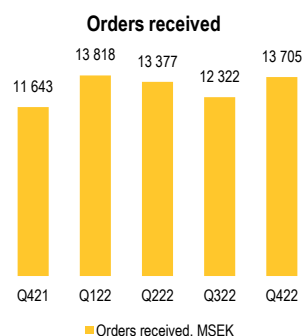
A stronger Epiroc than ever

As we enter 2023, Epiroc stands stronger than ever. Our employees are our greatest asset and I am proud of the hard work and all achievements. We are committed to transform the industry and create value for all our stakeholders.



Helena Hedblom
President and CEO

Orders and revenues



Financial overview

	2022	2021	
MSEK	Q4	Q4	Δ, %
Orders received	13 705	11 643	18
Revenues	13 936	11 173	25
Operating profit	3 235	2 594	25
Operating margin, %	23.2	23.2	

Orders received

Orders received increased to MSEK 13 705 (11 643), corresponding to an organic decrease of -4%. Excluding Russia, the organic order growth was 3%. Currency and acquisitions contributed with 11%, respectively. The orders received also included orders on hand from acquired companies. These had a positive impact of approximately 9%.

Compared to the previous year, orders received in local currency increased with double digits in Asia/Australia, South America and Africa/Middle East. It decreased with single digit in North America and decreased significantly in Europe, negatively impacted by Russia. Excluding Russia, Europe had a slightly positive order growth.

Mining customers represented 79% (76) of orders received in the quarter and infrastructure customers 21% (24).

Sequentially, compared to the previous quarter, orders received increased 4% organically.

Revenues

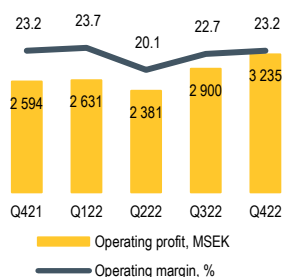
Revenues increased 25% to MSEK 13 936 (11 173), corresponding to an organic growth of 8%. Currency and acquisitions impacted revenues positively with 13% and 4%, respectively. The book-to-bill ratio was 98% (104).

The aftermarket represented 65% (66) of revenues in the quarter.

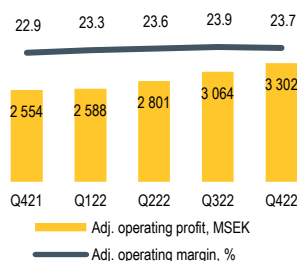
Sales Bridge	Orders received	Revenues
	MSEK, Δ, %	MSEK, Δ, %
Q4 2021	11 643	11 173
Organic	-4	8
Currency	11	13
Structure/other	11	4
Total	18	25
Q4 2022	13 705	13 936

Profits and returns

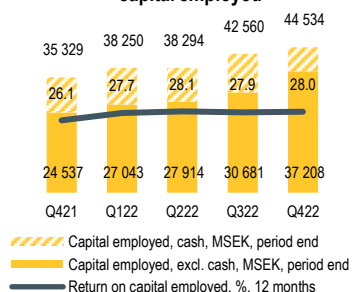
Operating profit and margin



Adjusted operating profit and margin



Capital employed and return on capital employed



Profit bridge

	Operating profit	
	MSEK, Δ	Margin, Δ, pp
Q4 2021	2 594	23.2
Organic	545	2.5
Currency	217	-0.8
Structure/other*	-121	-1.7
Total	641	
Q4 2022	3 235	23.2

* 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 25% to MSEK 3 235 (2 594). Items affecting comparability was MSEK -67 (40), including a change in provision for the share-based long-term incentive programs of MSEK -67 (-127). Previous year also included a positive revaluation effect of the shares held prior to the acquisition of the remaining shares of Mobilis MCE of MSEK 167.

The operating margin was 23.2% (23.2). The adjusted operating margin, i.e. excluding items affecting comparability, was 23.7% (22.9). It was supported by organic growth but diluted by acquisitions and currency.

Net financial items amounted to MSEK -189 (-27). Previous year included a positive impact from exchange rate differences. The net interest was MSEK -67 (-25).

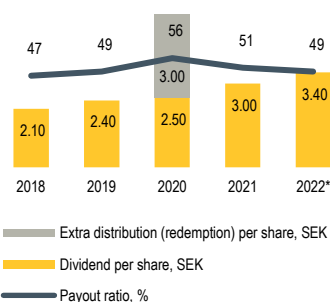
Profit before tax was MSEK 3 046 (2 567). Income tax expense amounted to MSEK -651 (-510), corresponding to an effective tax rate of 21.4% (19.9).

Profit for the period totaled MSEK 2 395 (2 057). Basic earnings per share were SEK 1.98 (1.70).

Return on capital employed was 28.0% (26.1) and the return on equity was 28.4% (29.5).

Dividend

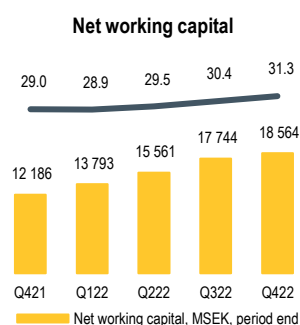
Dividend and payout ratio



Dividend

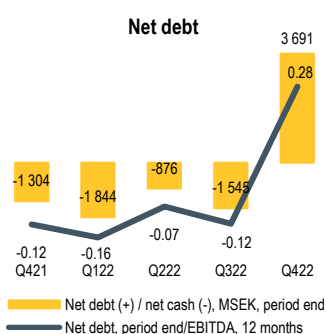
The Board of Directors proposes to the Annual General Meeting an ordinary dividend to shareholders of SEK 3.40 (3.00) per share, equal to MSEK 4 099 (3 619). The dividend is proposed to be paid in two equal installments with record dates May 25 and October 24, 2023.

Balance sheet



Net working capital

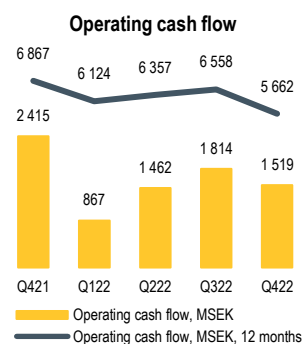
Compared to the previous year, net working capital increased 52% to MSEK 18 564 (12 186). Excluding the effect of acquisitions and currency, the net working capital increased 33%. The increase is mainly explained by growth in combination with challenges in the supply chain. The average net working capital in relation to revenues in the last 12 months was 31.3% (29.0).



Net debt

Epiroc ended the quarter with a cash and cash equivalents position of MSEK 7 326 (10 792) and a net debt position of MSEK 3 691 (-1 304). The change is mainly explained by acquisitions and dividend. The net debt/EBITDA ratio was 0.28 (-0.12).

Cash flow



Operating cash flow

Operating cash flow was MSEK 1 519 (2 415). It was supported by higher operating profit, but negatively impacted from change in working capital of MSEK -1 001 (247), mainly inventory and receivables, as well as higher taxes paid.

Acquisitions and divestments

Four acquisitions were completed in the quarter leading to a net cash flow from acquisitions and divestments of MSEK -4 201 (-578).

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

Since the end of September, Epiroc has announced and/or completed six acquisitions. Acquisitions of four companies with combined annual revenues of more than BSEK 1.9 and 700 employees were completed. The acquisition consideration corresponded to a net cash outflow of BSEK 4.2.

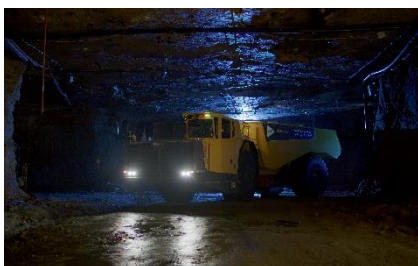
- **CR** expands Epiroc's offering of essential consumables and digital solutions.
- **Mernok Elektronik** strengthens Epiroc's position as a world-leading provider of automation and safety solutions.
- **Remote Control Technologies*** makes Epiroc the world leading automation solutions provider not only for surface and underground rock drilling but also for underground loading and haulage.
- **Wain-Roy*** strengthens Epiroc's presence in the North American construction market and increases manufacturing capacity for advanced attachments in the region.
- **Radlink*** strengthens Epiroc's offering in automation and digital solutions.
- **Geoscan*** complements Epiroc's offering within orebody knowledge, which in turn strengthens productivity in customers operations.

** Completed. See more details on pages 23-24.*



Creating the world's largest autonomous mine

Epiroc continues to support Roy Hill in creating the world's largest autonomous mine. The previous two years of testing have proven that desired safety and productivity metrics are achieved and now Roy Hill's mixed fleet, consisting of 96 haul trucks, will be converted to driverless operation.



Mine truck made using fossil-free steel

In partnership with steel manufacturer SSAB, Epiroc has prototyped a battery-electric Minetruck MT42 partly made of fossil-free steel. The result is a 10-tonne reduction of CO₂e emissions per manufactured dump box.

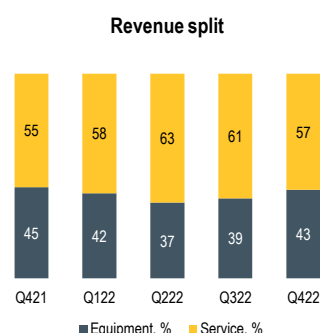
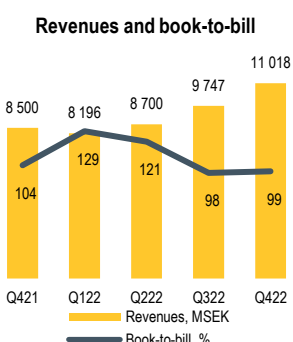
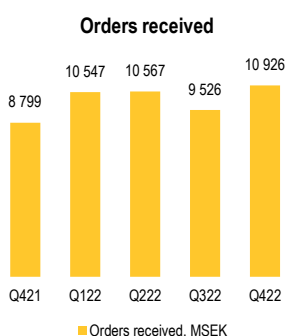


Epiroc becomes a member of CharIN

Epiroc provides a wide range of electric vehicles and charging solutions. By becoming a member of CharIN, a leading global association promoting interoperability based on the Combined Charging System (CCS), Epiroc can better support customers when transitioning towards using battery electric vehicles.

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

	2022	2021	
MSEK	Q4	Q4	Δ, %
Orders received	10 926	8 799	24
Revenues	11 018	8 500	30
Operating profit	2 827	2 323	22
Operating margin, %	25.7	27.3	

Orders received

Orders received was MSEK 10 926 (8 799), corresponding to an organic decline of -2%. Excluding Russia, the orders received increased 7% organically. Acquisitions contributed with 14% and currency with 12%. The orders received also included orders on hand from acquired companies. These had a positive impact of approximately 11%.

Compared to the previous year, orders received in local currency increased with double digits in Asia/Australia, South America and Africa/Middle East. They decreased slightly in North America while they decreased significantly in Europe, negatively impacted by Russia.

For equipment, orders received was unchanged, and amounted to MSEK 3 826 (3 812), corresponding to an organic decline of -10%. The share of orders from equipment was 35% (43).

For service, orders received increased 42% to MSEK 7 100 (4 987), with a strong contribution from orders on hand from acquired companies. The organic growth was 4%. The organic growth reflected a high activity level. The share of orders from service was 65% (57).

Sequentially, orders received increased 6% organically for the segment.

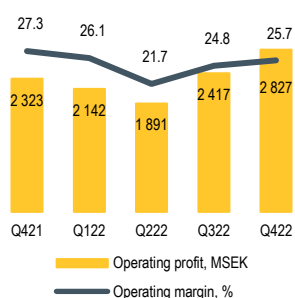
Revenues

Revenues increased 30% to MSEK 11 018 (8 500), corresponding to an organic growth of 12%. Currency contributed with 13% and acquisitions with 5%. The revenues for service increased 10% organically, while equipment revenues increased 12% organically. The share of revenues from service was 57% (55). The book-to-bill ratio was 99% (104).

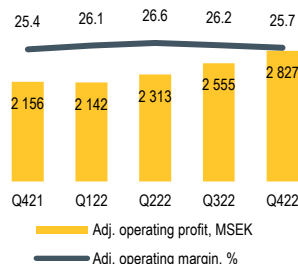
Equipment & Service

Sales Bridge	Equipment & Service		Equipment		Service	
	Orders received	Revenues	Orders received	Revenues	Orders received	Revenues
	MSEK,Δ,%	MSEK,Δ,%	MSEK,Δ,%	MSEK,Δ,%	MSEK,Δ,%	MSEK,Δ,%
Q4 2021	8 799	8 500	3 812	3 791	4 987	4 709
Organic	-2	12	-10	12	4	10
Currency	12	13	10	13	13	14
Structure/other	14	5	0	1	25	9
Total	24	30	0	26	42	33
Q4 2022	10 926	11 018	3 826	4 766	7 100	6 252

Operating profit and margin



Adjusted operating profit and margin



Operating profit and margin

Operating profit increased 22% to MSEK 2 827 (2 323). It was supported by strong organic growth and currency, but negatively impacted by acquisitions. Previous year was impacted by a positive revaluation effect of the shares held prior to the acquisition of the remaining shares of Mobilis MCE of MSEK 167.

The operating margin was 25.7% (27.3). Adjusted operating margin was 25.7% (25.4), supported by organic growth but diluted by acquisitions and currency.

Profit bridge

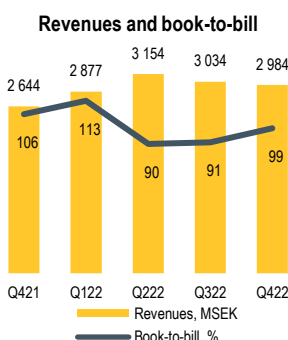
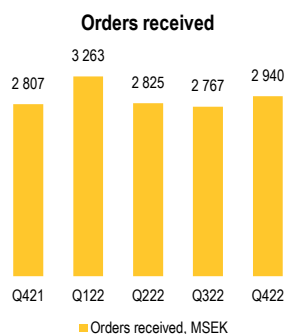
	Operating profit	
	MSEK,Δ	Margin,Δ,pp
Q4 2021	2 323	27.3
Organic	591	2.9
Currency	105	-1.7
Structure/other	-192	-2.8
Total	504	-1.6
Q4 2022	2 827	25.7

Acquisitions

Since September 30, Equipment & Service has announced and/or finalized several acquisitions. See pages 23-24.

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

	2022	2021	
MSEK	Q4	Q4	Δ, %
Orders received	2 940	2 807	5
Revenues	2 984	2 644	13
Operating profit	523	480	9
Operating margin, %	17.5	18.2	

Orders received

Orders received was MSEK 2 940 (2 807), corresponding to an organic order decline of -7%. Excluding Russia, the orders received decreased -4% organically. Currency contributed with 10% and acquisitions with 2%. The orders received also included orders on hand from acquired companies. These have a positive impact of approximately 1%.

Compared to the previous year, orders received in local currency increased in Africa/Middle East and North America while Europe, Asia/Australia and South America decreased. Europe was negatively impacted by Russia, resulting in a significant decline.

Sequentially, orders received increased 4% organically.

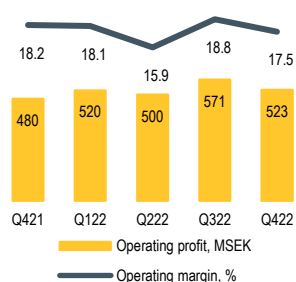
Revenues

Revenues increased 13% to MSEK 2 984 (2 644), corresponding to an organic increase of 1%. Currency contributed with 11% and acquisitions with 1%. The book-to-bill ratio was 99% (106).

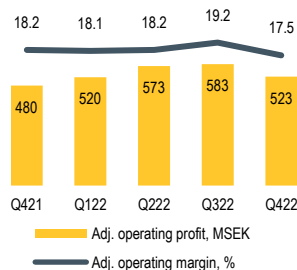
Sales Bridge	Orders received	Revenues
	MSEK, Δ, %	MSEK, Δ, %
Q4 2021	2 807	2 644
Organic	-7	1
Currency	10	11
Structure/other	2	1
Total	5	13
Q4 2022	2 940	2 984

Tools & Attachments

Operating profit and margin



Adjusted operating profit and margin



Operating profit and margin

Operating profit increased 9% to MSEK 523 (480). The operating margin was 17.5% (18.2). It was supported by currency, but negatively impacted by higher cost.

Profit bridge

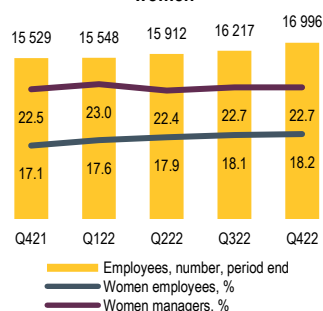
	Operating profit	
	MSEK, Δ	Margin, Δ, pp
Q4 2021	480	18.2
Organic	-38	-1.4
Currency	78	0.8
Structure/other	3	-0.1
Total	43	-0.7
Q4 2022	523	17.5

Acquisitions

Since September 30, Tools & Attachments has announced and/or finalized two acquisitions. See page 23-24.

Sustainability: People & Planet

Employees and proportion of women

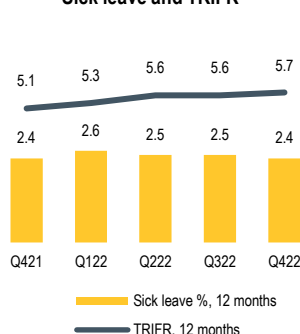


Employees

The number of employees increased to 16 996 (15 529), mainly due to acquisitions. External workforce amounted to 1 630 (1 474). For comparable units, the total workforce increased with 322 compared to the previous year.

The proportion of women employees and women managers at the end of the period increased to 18.2% and 22.7%, respectively.

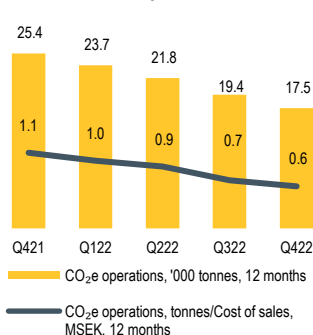
Sick leave and TRIFR



Safety and health

The total recordable injury frequency rate (TRIFR) the last 12 months was 5.7 (5.1). Lost time injury frequency rate (LTIFR) increased to 2.3 (2.1). Several actions have been taken to reduce injuries. The sick leave remained at 2.4%.

CO₂e operations

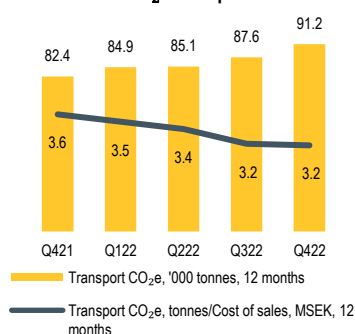


CO₂e emissions from operations

The CO₂e emissions from operations and for comparable units* the last 12 months was 17 462 tonnes, a decrease of -31% 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 CO₂e emissions for full-year 2021. For comparability, Epiroc will report CO₂e emissions for comparable units, i.e. excluding the additional customer centers, in the quarterly reports until year-end 2022.

CO₂e transport

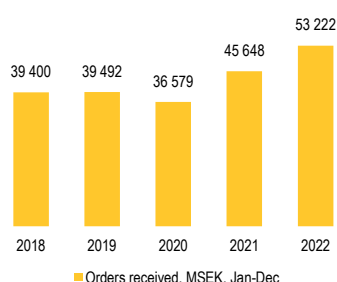


CO₂e emissions from transport

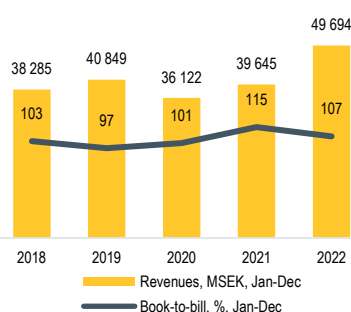
The CO₂e emissions from transport the last 12 months increased 11% to 91 168 (82 383) tonnes. The increase is mainly explained by higher volumes delivered. The emissions from transport were 38 954 tonnes lower compared to the base year emissions in 2019, which corresponds to 60% fulfilment of the 2030 goal to halve CO₂e emissions from transport.

Full year 2022 in summary

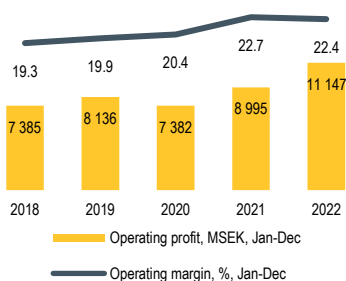
Orders received, Jan-Dec



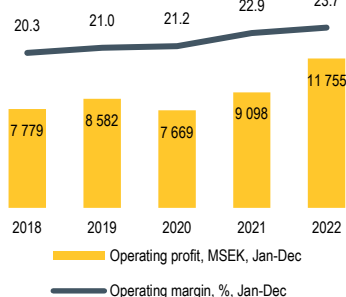
Revenues and book-to-bill, Jan-Dec



Operating profit and margin, Jan-Dec



Adjusted operating profit and margin, Jan-Dec



Orders received for 2022 increased 17% to MSEK 53 222 (45 648), corresponding to an organic growth of 2%. Excluding Russia, the organic order growth was 11%. Currency contributed with 10% and acquisitions with 5%. Revenues increased 11% organically to MSEK 49 694 (39 645).

Sales Bridge	Orders received	Revenues
	MSEK,Δ,%	MSEK,Δ,%
FY 2021	45 648	39 645
Organic	2	11
Currency	10	11
Structure/other	5	3
Total	17	25
FY 2022	53 222	49 694

Operating profit increased 24% to MSEK 11 147 (8 995), including items affecting comparability of MSEK -608 (-103). Provisions related to Russia were MSEK -550 and restructuring costs related to the relocation of manufacturing from Japan were MSEK -95. Previous year was impacted by a positive revaluation effect of the shares held prior to the acquisition of the remaining shares of Mobilaris MCE of MSEK 167. Change in provision for the share-based long-term incentive programs was MSEK 37 (-270). The operating margin was 22.4% (22.7) and the adjusted operating margin was 23.7% (22.9%). The margin was supported by organic revenue growth, but diluted by acquisitions and currency.

Profit bridge	Operating profit	
	MSEK,Δ	Margin,Δ,pp
FY 2021	8 995	22.7
Organic	1 932	2.0
Currency	744	-0.6
Structure/other	-524	-1.7
Total	2 152	-0.3
FY 2022	11 147	22.4

Profit before tax was MSEK 10 778 (8 964). Income tax expense amounted to MSEK 2 367 (1 895), corresponding to an effective tax rate of 22.0% (21.1). Profit for the period totaled MSEK 8 411 (7 069). Basic earnings per share were SEK 6.96 (5.85).

Operating cash flow was MSEK 5 662 (6 867).

Russia

Effective March 1, Epiroc stopped deliveries into Russia. During the second and third quarter, Epiroc had order cancellations totaling BSEK 1.4 and provisions totaling MSEK 550. At the end of December, Epiroc had no orders on hand in the country and the net assets amounted to approximately MSEK 240, mainly cash.

Other information

Changes in Group Management

- Jess Kindler, President of Epiroc's Parts & Services division and member of Group Management, left the Group for a position at a private company based in the United States as per year-end 2022.
- As of January 1, 2023, Epiroc has established three regional Parts & Services divisions. Nelson Trejo, Luis Araneda and Arman Bagdasarian have been appointed division presidents and members of Epiroc Group Management.
- Effective January 1, 2023, Mattias Olsson, Senior Vice President Corporate Communications, took up a new role as Vice President M&A and Integration in the Group.
- Paul Bergström has been appointed President of the Digital Solutions division and member of Group Management, effective not later than June 1, 2023.

Key risks

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.

Signature of the President

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

Nacka, Sweden, January 31, 2023

Helena Hedblom

President and CEO, Epiroc AB

This report has not been audited.

Financial Statements

Condensed consolidated income statement

MSEK	2022 Q4	2021 Q4	2022 FY	2021 FY
Revenues	13 936	11 173	49 694	39 645
Cost of sales	-8 142	-6 862	-30 675	-24 192
Gross profit	5 794	4 311	19 019	15 453
Administrative expenses	-1 186	-923	-3 628	-3 166
Marketing expenses	-852	-633	-3 042	-2 313
Research and development expenses	-396	-360	-1 438	-1 172
Other operating income and expenses	-125	199	236	193
Operating profit	3 235	2 594	11 147	8 995
Net financial items	-189	-27	-369	-31
Profit before tax	3 046	2 567	10 778	8 964
Income tax expense	-651	-510	-2 367	-1 895
Profit for the period	2 395	2 057	8 411	7 069
Profit attributable to				
- owners of the parent	2 391	2 054	8 397	7 058
- non-controlling interests	4	3	14	11
Basic earnings per share, SEK	1.98	1.70	6.96	5.85
Diluted earnings per share, SEK	1.98	1.70	6.95	5.84

Condensed consolidated statement of comprehensive income

MSEK	2022 Q4	2021 Q4	2022 FY	2021 FY
Profit for the period	2 395	2 057	8 411	7 069
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit pension plans	-76	218	687	697
Income tax relating to items that will not be reclassified	22	-41	-139	-141
Total items that will not be reclassified to profit or loss	-54	177	548	556
Items that may be reclassified subsequently to profit or loss				
Translation differences on foreign operations	-955	309	2 112	1 099
Cash flow hedges	13	-	119	-
Income tax relating to items that may be reclassified	-3	-	-25	-
Total items that may be reclassified subsequently to profit or loss	-945	309	2 206	1 099
Other comprehensive income for the period, net of tax	-999	486	2 754	1 655
Total comprehensive income for the period	1 396	2 543	11 165	8 724
Total comprehensive income attributable to				
- owners of the parent	1 387	2 536	11 144	8 707
- non-controlling interests	9	7	21	17

Condensed consolidated balance sheet

	2022	2021
	Dec 31	Dec 31
Assets, MSEK		
Intangible assets	13 073	7 233
Rental equipment	1 458	1 279
Other property, plant and equipment	5 429	4 587
Investments in associated companies and joint ventures	67	106
Other financial assets and other receivables	1 752	1 007
Deferred tax assets	1 526	1 469
Total non-current assets	23 305	15 681
Inventories	16 945	11 861
Trade receivables	9 581	7 174
Other receivables	3 195	2 057
Current tax receivables	315	190
Financial assets	1 010	828
Cash and cash equivalents	7 326	10 792
Assets held for sale	103	-
Total current assets	38 475	32 902
Total assets	61 780	48 583
Equity and liabilities, MSEK		
Share capital	500	500
Retained earnings	32 520	25 229
Total equity attributable to owners of the parent	33 020	25 729
Non-controlling interest	488	56
Total equity	33 508	25 785
Interest-bearing liabilities	8 877	8 562
Post-employment benefits	149	356
Other liabilities and provisions	652	657
Deferred tax liabilities	1 215	785
Total non-current liabilities	10 893	10 360
Interest-bearing liabilities	1 999	628
Trade payables	6 375	5 512
Current tax liabilities	670	562
Other liabilities and provisions	8 335	5 736
Total current liabilities	17 379	12 438
Total equity and liabilities	61 780	48 583

Condensed consolidated statement of changes in equity

MSEK	Equity attributable to		
	owners of the parent	non-controlling interests	Total equity
Opening balance, Jan 1, 2022	25 729	56	25 785
Total comprehensive income for the period	11 144	21	11 165
Dividend	-3 619	-2	-3 621
Transactions with non-controlling interests	-111	413	302
Acquisition and divestment of own shares	-116	-	-116
Share-based payments, equity settled	-7	-	-7
Closing balance, Dec 31, 2022	33 020	488	33 508
Opening balance, Jan 1, 2021	23 693	46	23 739
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
Closing balance, Dec 31, 2021	25 729	56	25 785

Condensed consolidated statement of cash flows

MSEK	2022 Q4	2021 Q4	2022 FY	2021 FY
Cash flow from operating activities				
Operating profit	3 235	2 594	11 147	8 995
Depreciation, amortization and impairment	651	491	2 130	1 746
Capital gain/loss and other non-cash items	124	-148	-183	-192
Net financial items received/paid	-263	-17	-561	139
Taxes paid	-910	-470	-2 676	-1 978
Pension funding and payment of pension to employees	-8	-16	-45	-57
Change in working capital	-1 001	247	-3 737	-619
Increase in rental equipment	-169	-243	-875	-775
Sale of rental equipment	84	106	358	348
Net cash flow from operating activities	1 743	2 544	5 558	7 607
Cash flow from investing activities				
Investments in other property, plant and equipment	-218	-94	-600	-489
Sale of other property, plant and equipment	36	4	62	1
Investments in intangible assets	-102	-130	-414	-437
Acquisition of subsidiaries and associated companies	-4 201	-578	-4 696	-2 358
Sale of subsidiaries and associated companies	-	-	10	6
Proceeds to/from other financial assets, net	58	-54	-353	-196
Net cash flow from investing activities	-4 427	-852	-5 991	-3 473
Cash flow from financing activities				
Dividend	-1 809	-1 508	-3 619	-3 016
Dividend to non-controlling interest	-1	-6	-2	-7
Acquisition of non-controlling interest*	-	-	-175	-
Redemption of shares	-	-	-	-3 619
Sale/Repurchase of own shares	-118	2	-116	64
Change in interest-bearing liabilities	230	-1 149	686	-1 858
Net cash flow from financing activities	-1 698	-2 661	-3 226	-8 436
Net cash flow for the period	-4 382	-969	-3 659	-4 302
Cash and cash equivalents, beginning of the period	11 879	11 745	10 792	15 053
Exchange differences in cash and cash equivalents	-171	16	193	41
Cash and cash equivalents, end of the period	7 326	10 792	7 326	10 792
	2022 Q4	2021 Q4	2022 FY	2021 FY
Operating cash flow**				
Net cash flow from operating activities	1 743	2 544	5 558	7 607
Net cash flow from investing activities	-4 427	-852	-5 991	-3 473
Acquisitions and divestments, net	4 201	578	4 686	2 352
Other adjustments	2	145	1 409	381
Operating cash flow	1 519	2 415	5 662	6 867

* In the third quarter 2022, Epiroc acquired the full remaining non-controlling interest of Epiroc Mining India Ltd for MSEK -173.

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

Condensed parent company income statement

MSEK	2022 Q4	2021 Q4	2022 FY	2021 FY
Administrative expenses	-72	-75	-231	-258
Marketing expenses	-7	-8	-32	-26
Other operating income and expenses	51	121	112	148
Operating profit/loss	-28	38	-151	-136
Financial income and expenses	-22	-10	-29	-24
Appropriations	6 638	4 837	6 638	4 837
Profit/loss before tax	6 588	4 865	6 458	4 677
Income tax	-1 351	-987	-1 320	-914
Profit/loss for the period	5 237	3 878	5 138	3 763

Condensed parent company balance sheet

MSEK	2022 Dec 31	2021 Dec 31
Total non-current assets	53 281	53 318
Total current assets	4 748	2 272
Total assets	58 029	55 590
Total restricted equity	503	503
Total non-restricted equity	48 885	47 489
Total equity	49 388	47 992
Total provisions	213	321
Total non-current liabilities	6 990	6 989
Total current liabilities	1 438	288
Total equity and liabilities	58 029	55 590

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				2022
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Orders received, MSEK										
Equipment & Service	7 991	8 387	9 336	8 799	34 513	10 547	10 567	9 526	10 926	41 566
Equipment	4 028	4 031	4 532	3 812	16 403	5 244	4 682	3 437	3 826	17 189
Service	3 963	4 356	4 804	4 987	18 110	5 303	5 885	6 089	7 100	24 377
Tools & Attachments	2 674	2 678	2 866	2 807	11 025	3 263	2 825	2 767	2 940	11 795
Common group functions	25	5	43	37	110	8	-15	29	-161	-139
Epiroc Group	10 690	11 070	12 245	11 643	45 648	13 818	13 377	12 322	13 705	53 222
Revenues, MSEK										
Equipment & Service	6 391	7 187	7 242	8 500	29 320	8 196	8 700	9 747	11 018	37 661
Equipment	2 562	3 052	2 792	3 791	12 197	3 410	3 190	3 832	4 766	15 199
Service	3 829	4 135	4 450	4 709	17 123	4 786	5 510	5 915	6 252	22 462
Tools & Attachments	2 345	2 517	2 699	2 644	10 205	2 877	3 154	3 034	2 984	12 049
Common group functions	37	29	25	29	120	15	14	21	-66	-16
Epiroc Group	8 773	9 733	9 966	11 173	39 645	11 088	11 868	12 802	13 936	49 694
Operating profit and profit before tax, MSEK										
Equipment & Service	1 696	1 880	1 909	2 323	7 808	2 142	1 891	2 417	2 827	9 277
Tools & Attachments	386	416	502	480	1 784	520	500	571	523	2 114
Common group functions	-215	-114	-59	-209	-597	-31	-10	-88	-115	-244
Epiroc Group	1 867	2 182	2 352	2 594	8 995	2 631	2 381	2 900	3 235	11 147
Net financial items	-33	-44	73	-27	-31	-67	-89	-24	-189	-369
Profit before tax	1 834	2 138	2 425	2 567	8 964	2 564	2 292	2 876	3 046	10 778
Operating margin, %										
Equipment & Service	26.5	26.2	26.4	27.3	26.6	26.1	21.7	24.8	25.7	24.6
Tools & Attachments	16.5	16.5	18.6	18.2	17.5	18.1	15.9	18.8	17.5	17.5
Epiroc Group	21.3	22.4	23.6	23.2	22.7	23.7	20.1	22.7	23.2	22.4
Items affecting comparability, MSEK*										
Change in provision for LTIP**	149	15	-21	127	270	-43	-75	14	67	-37
Items in Equipment & Service	-	-	-	-167	-167	-	422	138	-	560
Items in Tools & Attachments	-	-	-	-	-	-	73	12	-	85
Epiroc Group	149	15	-21	-40	103	-43	420	164	67	608
Adj. margin for items affecting comparability, %										
Adjusted operating margin, E&S, %	26.5	26.2	26.4	25.4	26.1	26.1	26.6	26.2	25.7	26.1
Adjusted operating margin, T&A, %	16.5	16.5	18.6	18.2	17.5	18.1	18.2	19.2	17.5	18.3
Adjusted operating margin, %	23.0	22.6	23.4	22.9	22.9	23.3	23.6	23.9	23.7	23.7

* 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	2021				2021	2022				Δ,%	2022	Δ,%
% currency adjusted	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	Y-o-Y	FY	Y-o-Y
Epiroc Group	10 690	11 070	12 245	11 643	45 648	13 818	13 377	12 322	13 705	7%	53 222	6%
North America	2 226	2 542	2 974	2 843	10 585	3 358	3 753	3 438	3 147	-5%	13 696	12%
South America	1 177	1 420	1 480	1 498	5 575	1 687	1 892	1 851	2 102	24%	7 532	23%
Europe	2 623	2 612	2 577	2 761	10 573	3 100	1 742	601	2 016	-28%	7 459	-29%
Africa/Middle East	1 629	1 495	1 793	1 553	6 470	2 125	1 962	2 312	1 900	12%	8 299	15%
Asia/Australia	3 035	3 001	3 421	2 988	12 445	3 548	4 028	4 120	4 540	39%	16 236	19%
Equipment & Service	7 991	8 387	9 336	8 799	34 513	10 547	10 567	9 526	10 926	12%	41 566	10%
North America	1 489	1 805	2 199	2 101	7 594	2 431	2 878	2 407	2 422	-2%	10 138	15%
South America	911	1 165	1 220	1 243	4 539	1 375	1 629	1 553	1 814	30%	6 371	29%
Europe	1 824	1 819	1 882	1 930	7 455	2 149	1 178	182	1 348	-31%	4 857	-34%
Africa/Middle East	1 190	1 050	1 294	1 068	4 602	1 665	1 423	1 779	1 348	15%	6 215	20%
Asia/Australia	2 577	2 548	2 741	2 457	10 323	2 927	3 459	3 605	3 994	49%	13 985	24%
Tools & Attachments	2 674	2 678	2 866	2 807	11 025	3 263	2 825	2 767	2 940	-5%	11 795	-2%
North America	726	716	748	718	2 908	930	902	1 002	886	5%	3 720	11%
South America	267	256	258	255	1 036	312	263	299	287	-4%	1 161	-1%
Europe	787	813	683	819	3 102	943	553	424	665	-21%	2 585	-17%
Africa/Middle East	440	445	500	485	1 870	460	540	532	555	6%	2 087	3%
Asia/Australia	454	448	677	530	2 109	618	567	510	547	-5%	2 242	-2%

Geographical distribution of revenues

MSEK	2021				2021	2022				Δ,%	2022	Δ,%
% currency adjusted	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	Y-o-Y	FY	Y-o-Y
Epiroc Group	8 773	9 733	9 966	11 173	39 645	11 088	11 868	12 802	13 936	12%	49 694	14%
North America	1 915	2 158	2 326	2 457	8 856	2 767	3 139	3 433	3 475	20%	12 814	25%
South America	1 156	1 378	1 368	1 395	5 297	1 565	1 597	1 810	1 873	17%	6 845	17%
Europe	1 992	2 172	2 172	2 481	8 817	2 172	2 177	1 832	2 146	-16%	8 327	-8%
Africa/Middle East	1 208	1 405	1 406	1 470	5 489	1 683	1 902	2 046	2 126	30%	7 757	27%
Asia/Australia	2 502	2 620	2 694	3 370	11 186	2 901	3 053	3 681	4 316	18%	13 951	14%
Equipment & Service	6 391	7 187	7 242	8 500	29 320	8 196	8 700	9 747	11 018	17%	37 661	16%
North America	1 233	1 453	1 587	1 772	6 045	1 934	2 154	2 484	2 681	28%	9 253	32%
South America	930	1 130	1 111	1 150	4 321	1 290	1 306	1 513	1 597	21%	5 706	20%
Europe	1 308	1 456	1 435	1 750	5 949	1 452	1 464	1 143	1 410	-21%	5 469	-11%
Africa/Middle East	825	941	896	1 008	3 670	1 174	1 355	1 491	1 607	43%	5 627	37%
Asia/Australia	2 095	2 207	2 213	2 820	9 335	2 346	2 421	3 116	3 723	21%	11 606	14%
Tools & Attachments	2 345	2 517	2 699	2 644	10 205	2 877	3 154	3 034	2 984	2%	12 049	8%
North America	659	693	731	669	2 752	813	976	944	878	13%	3 611	14%
South America	227	248	256	246	977	274	291	297	278	-4%	1 140	3%
Europe	672	705	723	719	2 819	728	711	676	715	-5%	2 830	-2%
Africa/Middle East	384	465	510	463	1 822	509	547	556	522	3%	2 134	8%
Asia/Australia	403	406	479	547	1 835	553	629	561	591	-0%	2 334	17%

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 Dec 1	Remote Control Technologies (RCT)		E&S	600	225
2022 Nov 4	Wain-Roy		T&A	200	100
2022 Nov 1	Radlink		E&S	1 040	330
2022 Oct 14	Geoscan		E&S	65	50
2022 Aug 2	RNP México		E&S	245	370
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. Line indicates new quarter.

Acquisitions completed in 2022

- **JTMEC** provides electrical infrastructure solutions. The acquisition supports the transition to battery electrification. The company has approximately MSEK 235 in annual revenues and 190 employees. The acquisition was announced on April 29 and completed on June 1. The acquisition is reported in "Service".
- **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 annual revenues and 370 employees. The acquisition was announced on June 10 and completed on August 2. The acquisition is reported in "Service".
- **Geoscan** provides digital geological imaging solutions to mining companies. The acquisition complements Epiroc's offering within orebody knowledge, which in turn strengthens productivity in customers operations. The company has approximately MSEK 65 in annual revenues and 50 employees. The acquisition was announced on October 7 and completed on October 14. The acquisition reports in "Equipment".

- **Radlink** provides mines with wireless connectivity solutions. The acquisition of a majority stake of 53% strengthens Epiroc's offering in automation and digital solutions. The company has approximately MSEK 1 040 in annual revenues and 330 employees. The acquisition was announced on September 19 and completed on November 1. The minority share is reported as "non-controlling interests" and reports in "Service".
- **Wain-Roy** manufactures excavator attachments for the construction industry. The acquisition strengthens Epiroc's presence in the North American construction market and increases the capacity for manufacturing advanced attachments in that region. The company has approximately MSEK 200 in annual revenues and 100 employees. The acquisition was announced on October 21 and completed on November 4. The acquisition reports in "Tools & Attachments".
- **Remote Control Technologies** provides automation and remote-control solutions for mining customers around the world and makes Epiroc the world-leading automation solutions provider not only for surface and underground rock drilling but also for underground loading and haulage. The company has approximately MSEK 600 in annual revenues and 225 employees. The acquisition was announced on October 31 and completed on December 1. It reports in "Service".

Financial effect of acquisitions as per December 31, 2022

The completed acquisitions have had a total cash flow effect of MSEK 4 674. According to the preliminary purchase price allocation, intangible assets amount to MSEK 2 022 and goodwill amounts to MSEK 3 798. The acquired entities during 2022 have contributed to revenues with MSEK 599 and operating profit with MSEK 28 since the respective date of acquisition.

Fair value of acquired assets and liabilities 2022, MSEK	whereof RCT	
Net assets identified	404	-18
Non-controlling interest Radlink	-473	
Intangible assets	2 022	956
Goodwill	3 798	2 395
Total consideration*	5 751	3 333
Net cash outflow	4 674	2 895

* Of which probability weighted earn-out of 465 MSEK.

Announced, but not yet completed acquisition

- **CR** provides advanced ground engaging tools (GET) and related digital solutions mainly for the mining industry and expands Epiroc's first-rate offering of essential consumables and digital solutions. The company has approximately BSEK 1.7 in annual revenues and 400 employees. The acquisition was announced on December 13 and is expected to be completed in the first half of 2023. The acquisition will report in "Tools & Attachments".
- **Mernok Elektronik** provides advanced collision avoidance systems and strengthens Epiroc's position as a world-leading provider of automation and safety solutions for mining operations. The company has approximately MSEK 50 in annual revenues and 45 employees. The acquisition was announced on December 9 and is expected to be completed in the first quarter 2023. It will report in "Service".
- **AARD Mining Equipment** manufactures a wide range of mining equipment, specializing in low-profile underground machines for mines with low mining heights. The acquisition complements Epiroc's underground offering as well as strengthens Epiroc's footprint in Africa. The company has approximately MSEK 650 in annual revenues and 200 employees. The acquisition was announced on August 25 and is expected to be completed in the first quarter 2023. The acquisition will report in "Equipment".

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 MSEK		2022 Dec 31	2021 Dec 31
Non-current assets and liabilities			
Assets		30	-
Liabilities		1	-
Current assets and liabilities			
Assets		296	46
Liabilities		200	94

Carrying value and fair value MSEK		2022 Dec 31	2022 Dec 31	2021 Dec 31	2021 Dec 31
	Carrying value		Fair value	Carrying value	Fair value
Bonds	5 125		5 170	3 992	4 137
Other loans	5 751		5 508	5 198	5 222
Total interest-bearing loans	10 876		10 678	9 190	9 359

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	8 168 377		
Change in the quarter			
Purchased (+) / divested (-) shares, number	612 289		
Value of purchased (+) / divested (-) shares, SEK	118 083 666		

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 Q4	2021 Q4	2022 FY	2021 FY
Growth				
*Orders received, MSEK	13 705	11 643	53 222	45 648
Revenues, MSEK	13 936	11 173	49 694	39 645
*Total revenue growth, %	25	14	25	10
*Organic revenue growth, %	8	9	11	12
Profitability				
*Gross margin, %	41.6	38.6	38.3	39.0
*EBITDA margin, %	27.9	27.6	26.7	27.1
*Adjusted operating margin, %	23.7	22.9	23.7	22.9
*Operating margin, %	23.2	23.2	22.4	22.7
*Profit margin, %	21.9	23.0	21.7	22.6
Capital efficiency				
*Return on capital employed, %	28.0		28.0	26.1
*Net debt / EBITDA, ratio	0.28		0.28	-0.12
*Net debt / equity, %, period end	11.0		11.0	-5.1
*Average net working capital / revenues, %	31.3		31.3	29.0
Cash generation				
*Operating cash flow, MSEK	1 519	2 415	5 662	6 867
*Cash conversion rate, %, 12 months	67		67	97
Equity information				
Basic number of shares outstanding, millions	1 206	1 206	1 206	1 206
Diluted number of shares outstanding, millions	1 207	1 208	1 208	1 208
*Equity per share, SEK, period end			27.8	21.4
Basic earnings per share, SEK	1.98	1.70	6.96	5.85
*Return on equity, %			28.4	29.5
*Operating cash flow per share, SEK	1.26	2.00	4.69	5.69
People & Planet				
Employees, period end			16 996	15 529
Women employees, %, period end			18.2	17.1
Women managers, %, period end			22.7	22.5
Total recordable injury frequency rate, TRIFR, 12 months			5.7	5.1
Sick leave, %, 12 months			2.4	2.4
CO2e emissions from operations, tonnes, 12 months			17 462	25 372
CO2e emissions from transport, tonnes, 12 months			91 168	82 383

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

Epiroc in brief

Epiroc is a 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 50 billion in 2022, and has around 17 000 passionate employees supporting and collaborating with customers in around 150 countries.

Financial goals

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

Sustainability ambition and KPIs

Epiroc has four prioritized areas within sustainability:

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

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

Our vision

Dare to think new.

Our mission

Drive the productivity and sustainability transformation in our industry.

Our core values

Innovation, Commitment and Collaboration.

Strategy

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

Our 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

Forward-looking statements

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

Language

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

Totals and roundings

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

This information is information that Epiroc AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons on the next page, at 11:30 CET on January 31, 2023.

Further information

Analysts and investors:

Karin Larsson
Vice President Investor Relations
E-mail: ir@epiroc.com
Tel: +46 10 755 0106

Journalists and media:

Ola Kinnander
Media Relations Manager
E-mail: 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

Financial calendar

Webcast & conference call:

At 14.00 CET on January 31, Epiroc will host a report presentation and Q&A-session for investors, analysts and media. The report will be presented by President and CEO Helena Hedblom and CFO Håkan Folin.

Webcast link and presentation material can be found here:

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

Upcoming investor events 2023:

- April 28: Q1 2023 report
- May 23: Annual General Meeting in Nacka, Sweden at 5 PM CEST
- May 25: Record date for dividend*
- May 30: Dividend payment*
- June 1-2: Capital Markets Day in Örebro, Sweden
- July 18: Q2 2023 report
- October 24: Record date for dividend*
- October 27: Q3 2023 report
- October 27: Dividend payment*

** Proposal by the Board*

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

