



Q2 2023

July 18, 2023

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Highlights Q2 2023

- Record quarter
 - High customer activity and several large equipment orders
 - Service performing well with support by larger rebuilds
- Profitable growth
 - Record revenues and EBIT
 - Dilution and negative mix effect
- Eventful quarter
 - Epiroc World Expo in Örebro
 - CMD in Örebro
 - 150-year-old start-up company



Leading productivity and sustainability partner

- Acquisition
 - AARD Mining Equipment complements offering within low-profile underground machines
- Key assets for reverse circulation (RC) drilling acquired
- MTRV (Multi Terrain Vehicle Reanimator)
 - Improve operational agility by reducing the reliance on mine site infrastructure
- Deepened collaboration with SSAB on fossil carbon emission-free recycled steel
 - Agreed delivery of SSAB Zero™ steel
 - Fossil-free steel spare parts and components using additive technology
- SmartROC T25 R
 - New flagship construction drill rig with exceptional coverage area, excellent terrainability and application versatility



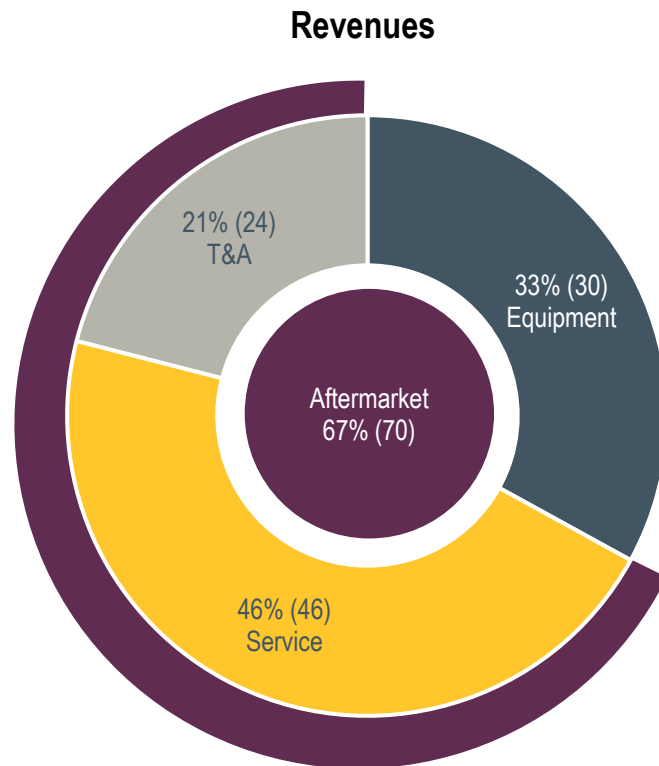
Video: SmartROC T25 R

A smart rig for smarter operators



Aftermarket

- High customer activity, especially in mining
- Strong Services with many larger rebuilds
- Hydraulic attachments somewhat weaker



Operational excellence

- New Service Centers in Antofagasta, Chile and in Kathu, South Africa
- Autonomous Haulage System Business Center in Australia
- Top-modern heat treatment plant for rock drills in Örebro, Sweden



Sustainability

People & Planet

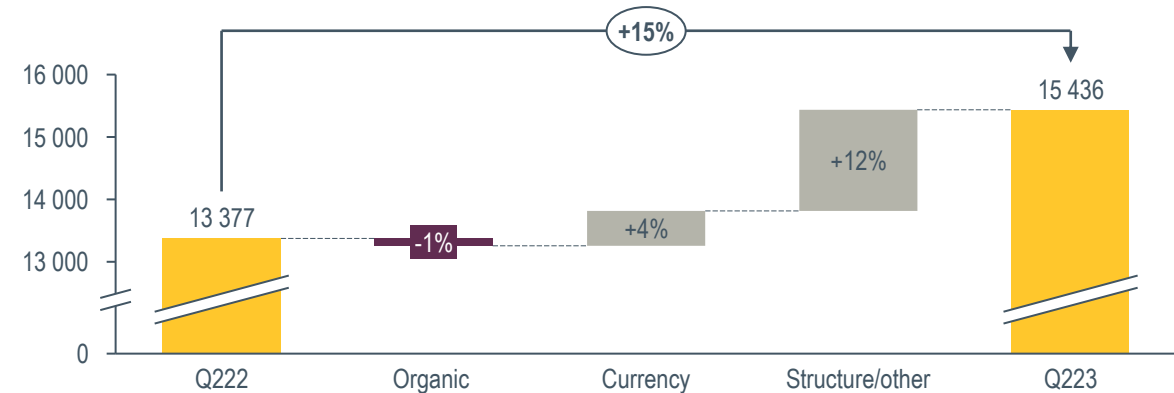
- Safety improved
 - TRIFR at 5.5 (5.6)
- 18 056 employees (15 912)
 - Acquisitions
- Increased share of women employees and managers
 - Employees 18.8% (17.9) and managers 23.1% (22.4)
- CO₂e from operations lower
- CO₂e from transport higher
 - Higher volumes
- Financial Times European Climate Leader
- Green bonds issuance BSEK 1.5



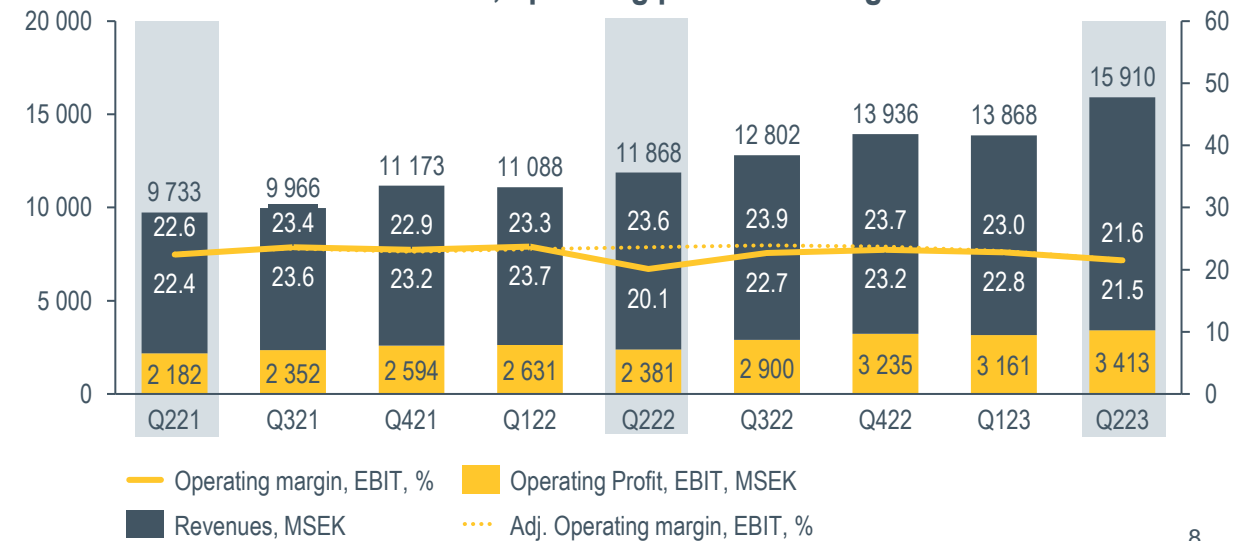
Key financials

- Orders MSEK 15 436, -1% organic
 - Excl. Russia: organic -4%
 - Several large orders
- Revenues MSEK 15 910, +17% organic
- Operating profit, EBIT, MSEK 3 413 (2 381)
 - LTIP MSEK -16 (-420)
- Adjusted EBIT margin 21.6% (23.6)
 - Reported EBIT margin 21.5% (20.1)
- Operating cash flow MSEK 1 549 (1 462)

Orders received, MSEK and change, %



Revenues, operating profit and margin



Epiroc Group: Profit bridge



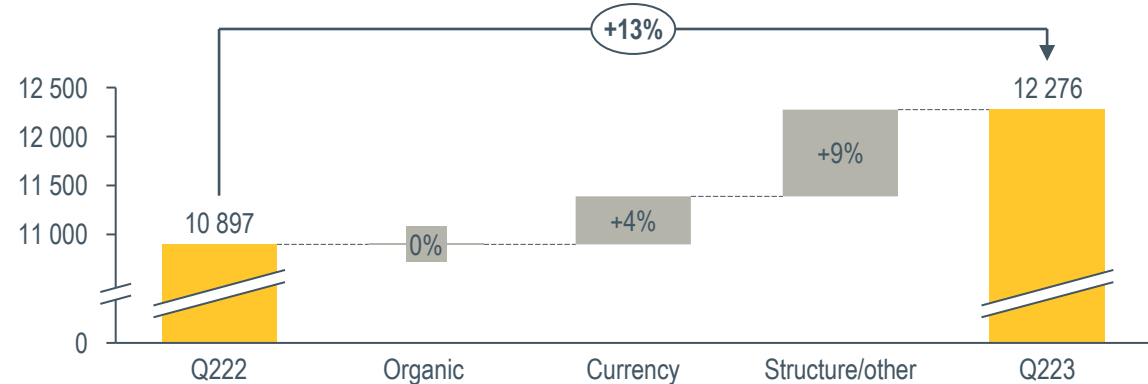
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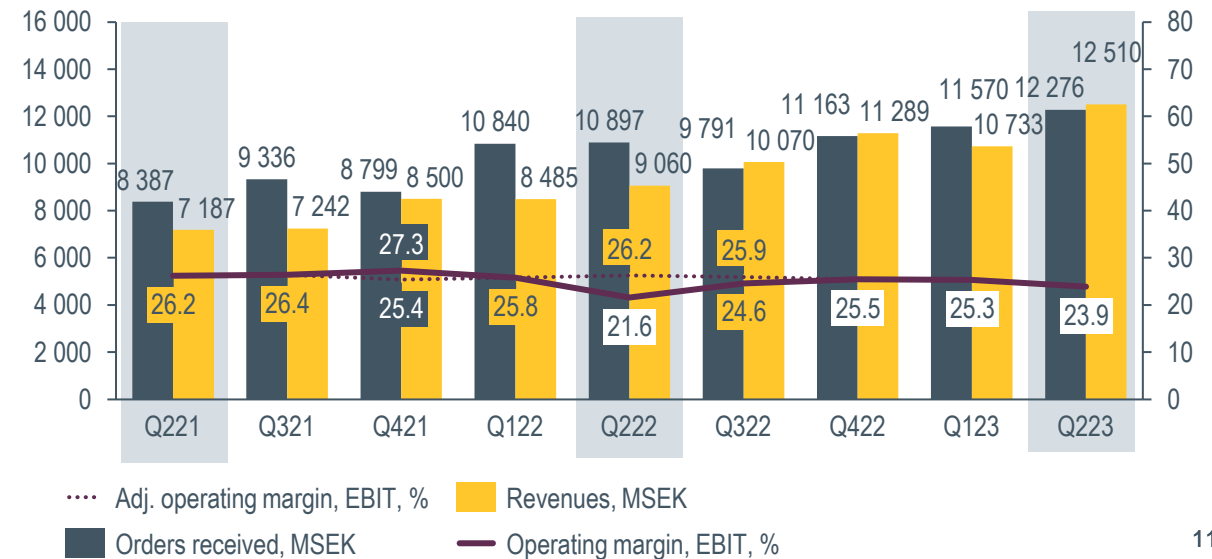
Segment: Equipment & Service

- Orders received MSEK 12 276, flat organic
 - Equipment, -6% organic
 - Service, +5% organic
- Revenues +22% organic
- Operating profit, EBIT, MSEK 2 995 (1 955)
 - EBIT margin at 23.9% (21.6)
- Acquisition
 - AARD Mining Equipment

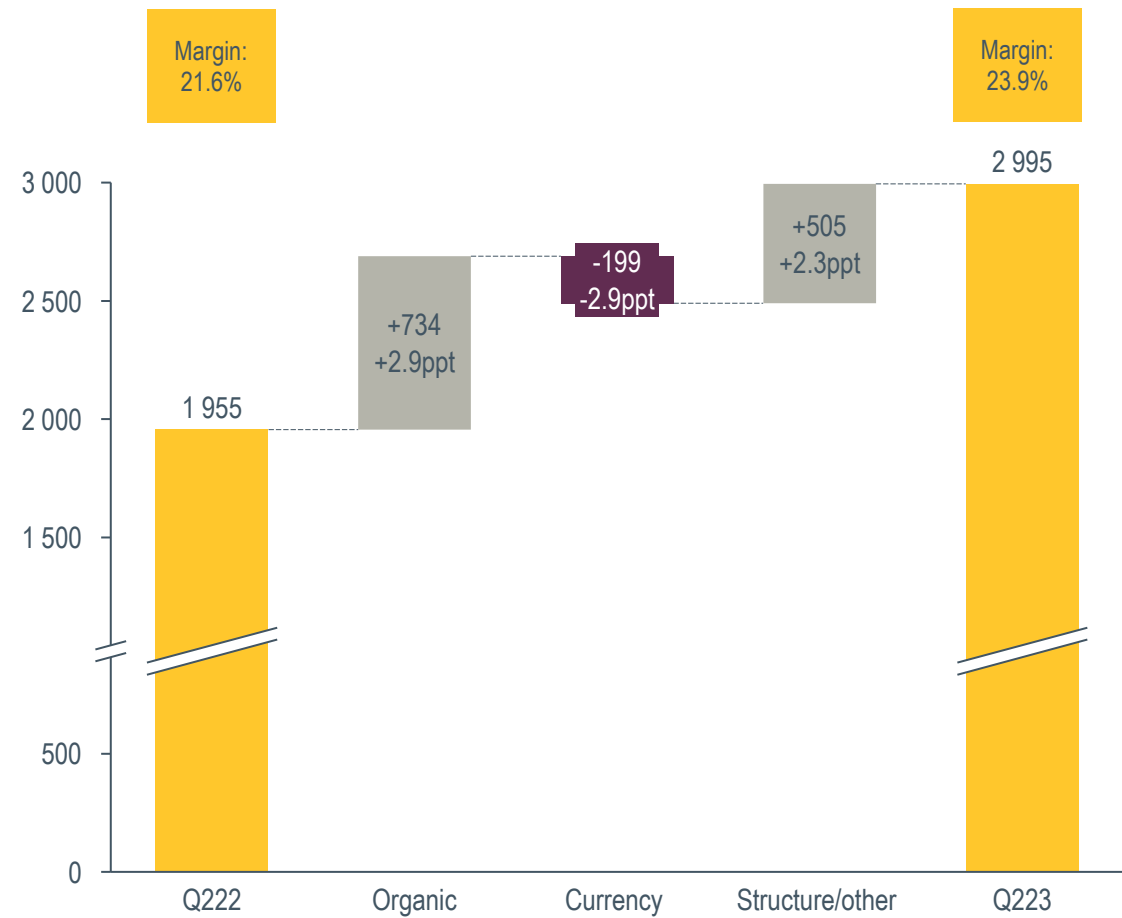
Orders received, MSEK and change, %



Orders received, revenues and operating margin



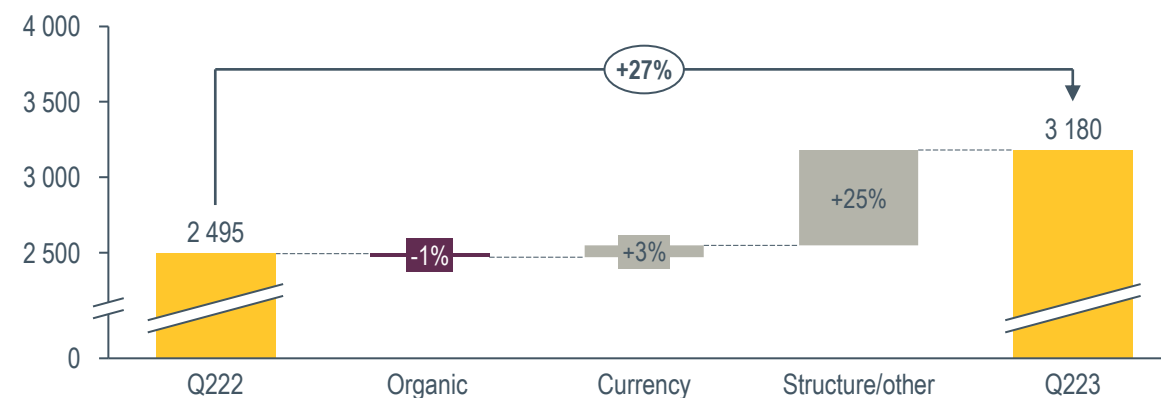
Equipment & Service: Profit bridge



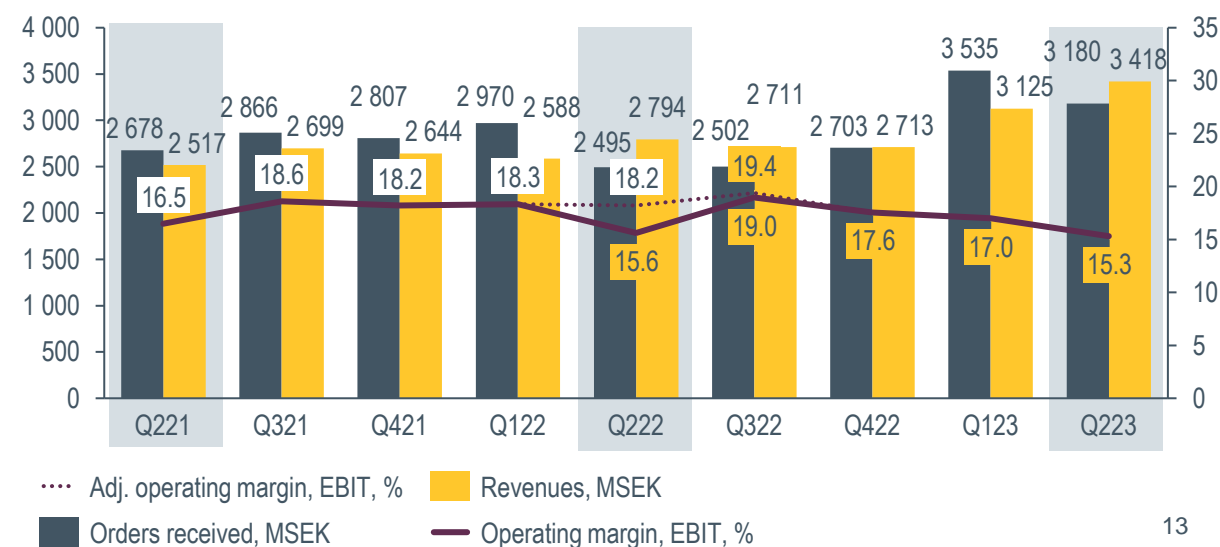
Segment: Tools & Attachments

- Orders received MSEK 3 180, -1% organic
 - Acquisitions +25%
- Revenues MSEK 3 418, flat organic
- Operating profit, EBIT, MSEK 524 (436)
 - EBIT margin of 15.3% (15.6)

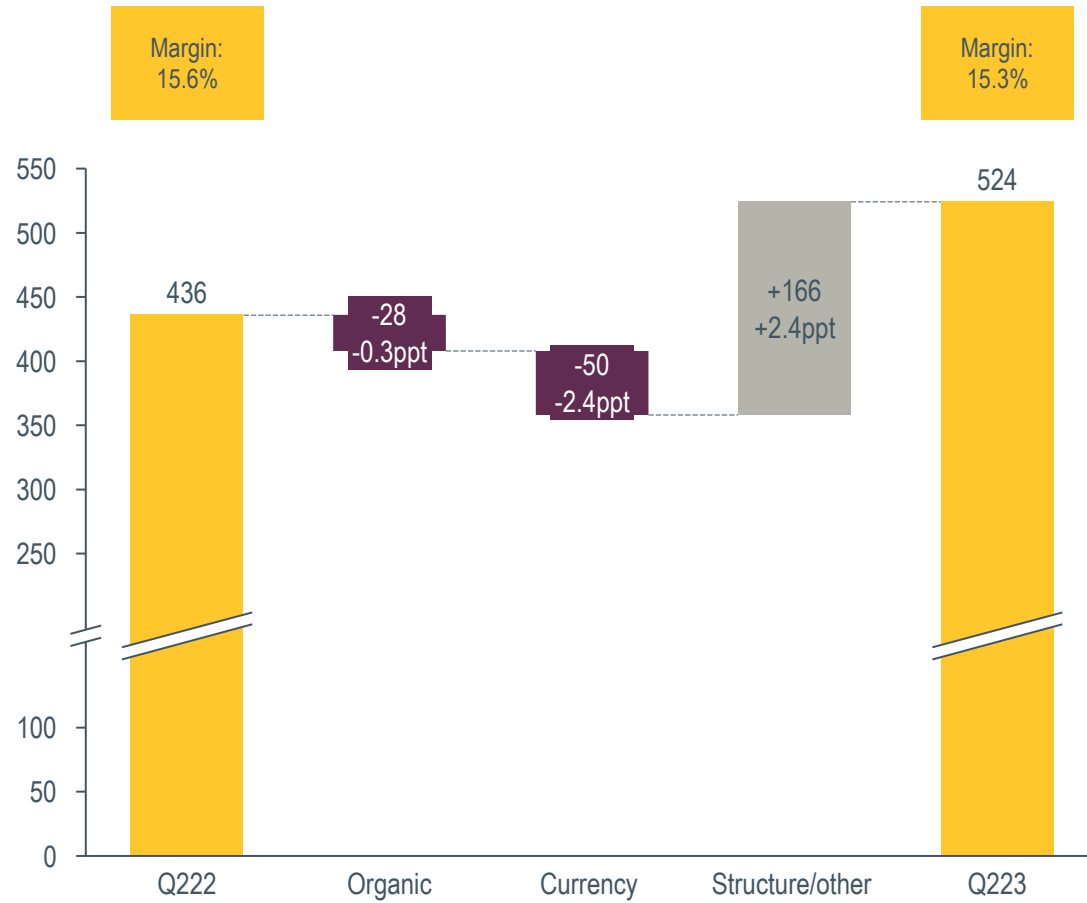
Orders received, MSEK and change, %



Orders received, revenues and operating margin

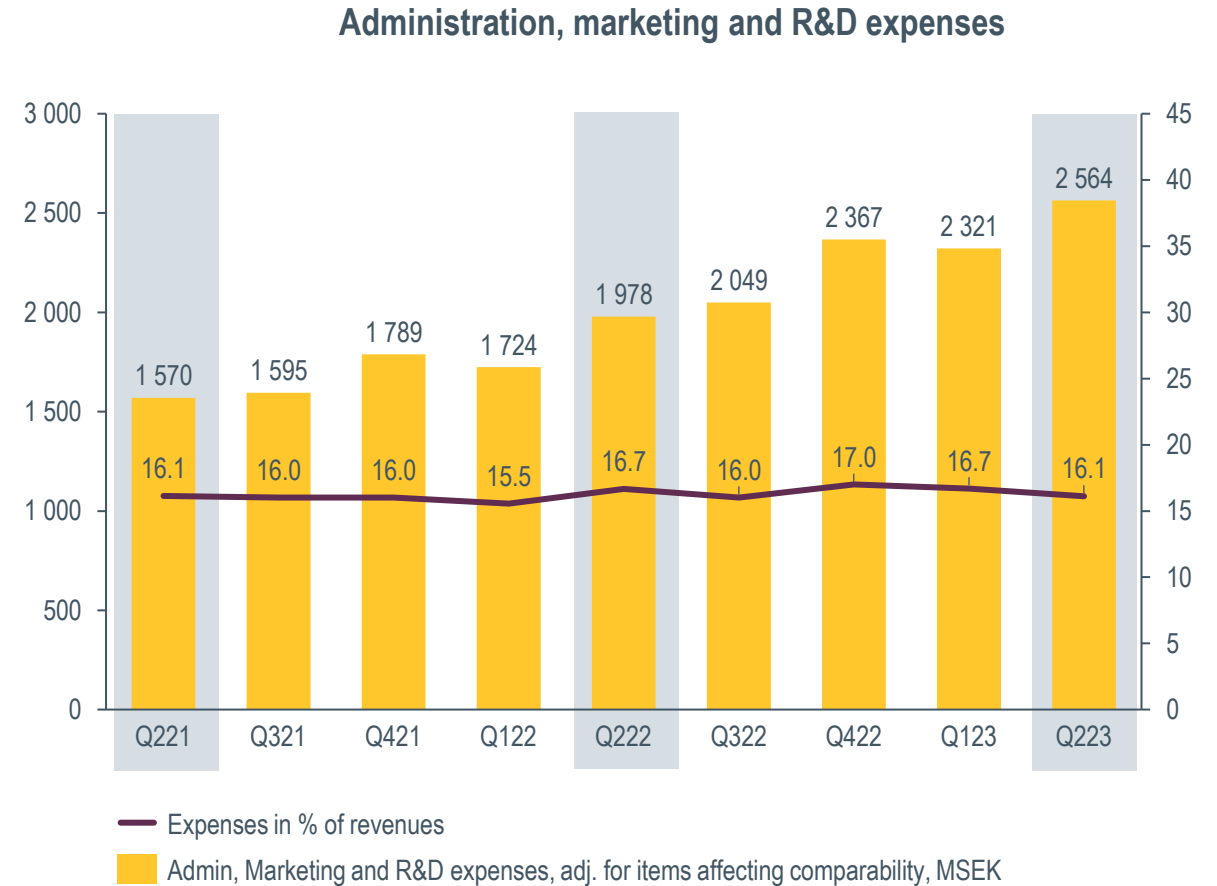


Tools & Attachments: Profit bridge



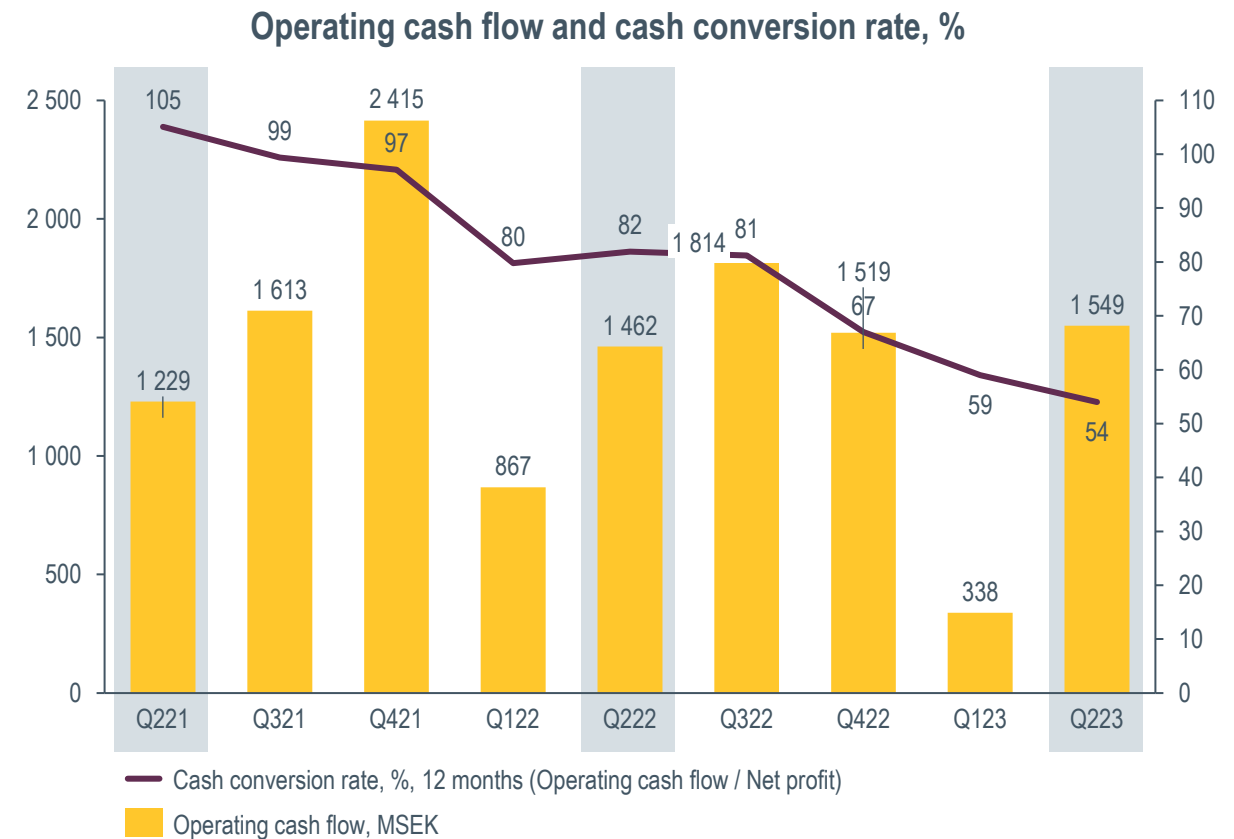
Costs, net financials and tax

- Cost control
 - R&D investments at all-time high MSEK 497 (363)
 - Growth and high activity levels
- Net financial items MSEK 15 (-89)
 - Interest net MSEK -131 (-23)
- Tax expense MSEK -775 (-519)
 - Effective tax rate 22.6% (22.6)



Operating cash flow

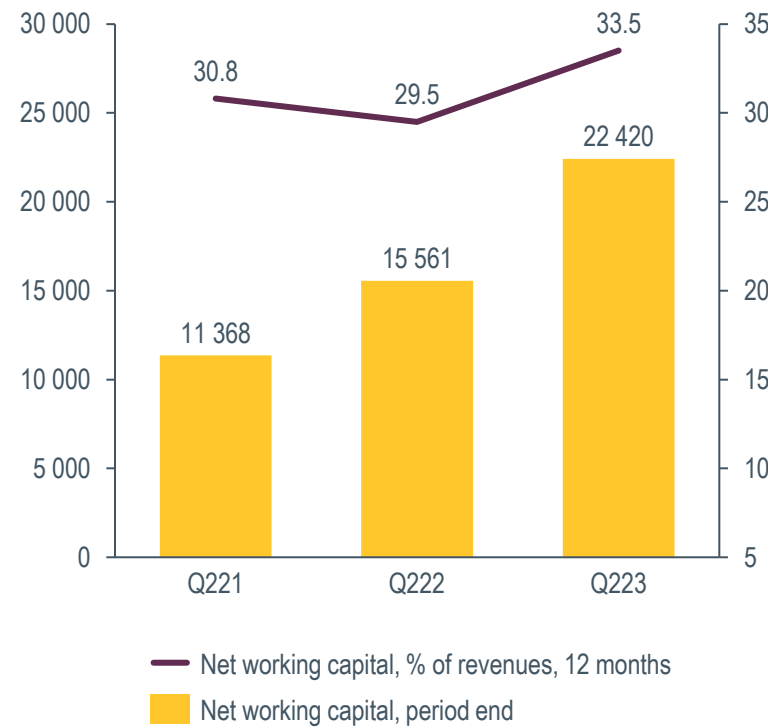
MSEK	Q2 23	Q2 22
Operating profit	3 413	2 381
Depreciation, amortization and impairment	644	487
Capital gain/loss and other non-cash items	-254	-129
Net financial items received/paid	-189	-6
Taxes paid	-1 078	-661
Change in working capital	-640	-436
Investments, incl. rental equipment*	-597	-467
Pension funding and other**	250	293
Operating cash flow	1 549	1 462
Acquisitions and divestments	-38	-257



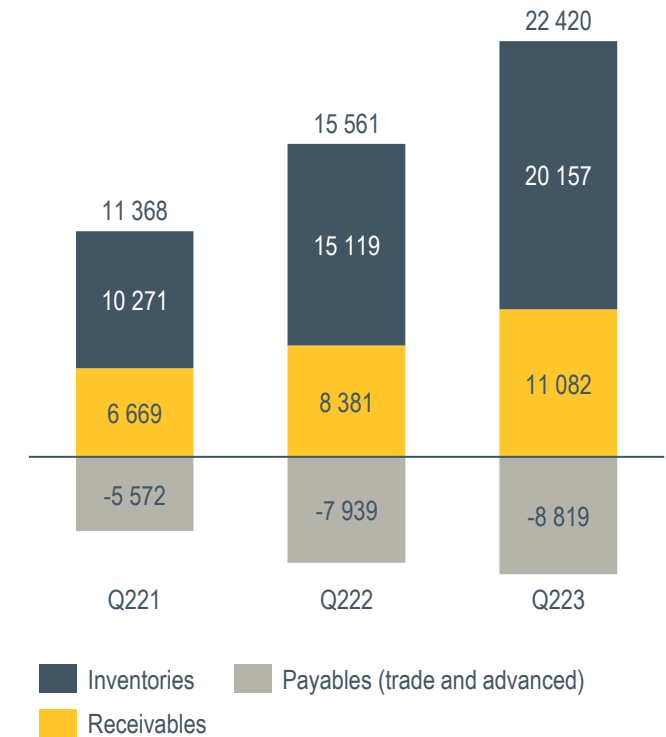
Working capital

- Net working capital MSEK 22 420
 - Excl. acquisitions and fx +29%
 - 33.5% (29.5) of revenues
- Strong growth and higher equipment volumes and supply-chain issues
- Implementation of regional distribution centers ongoing

Net working capital



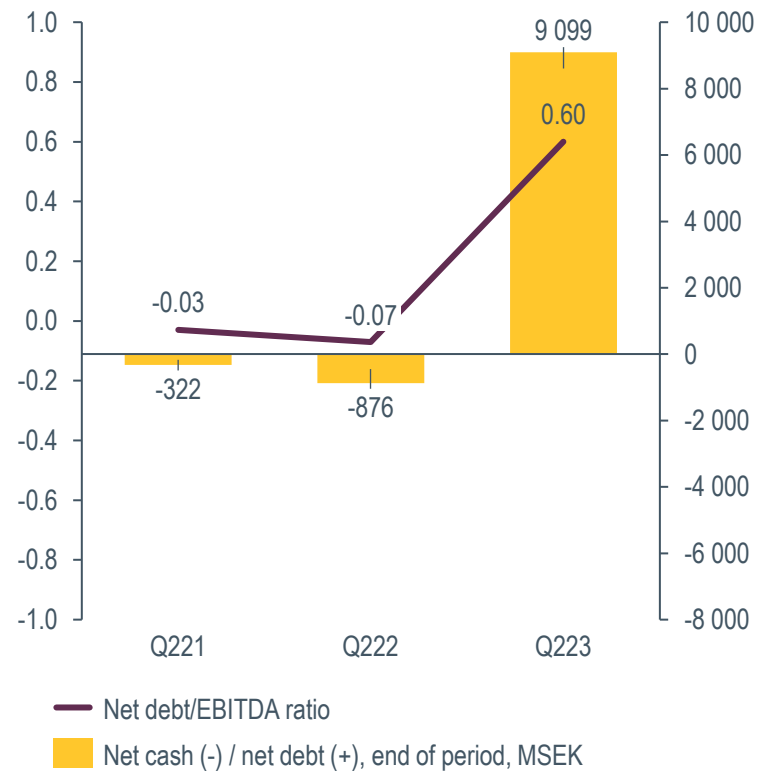
Working capital



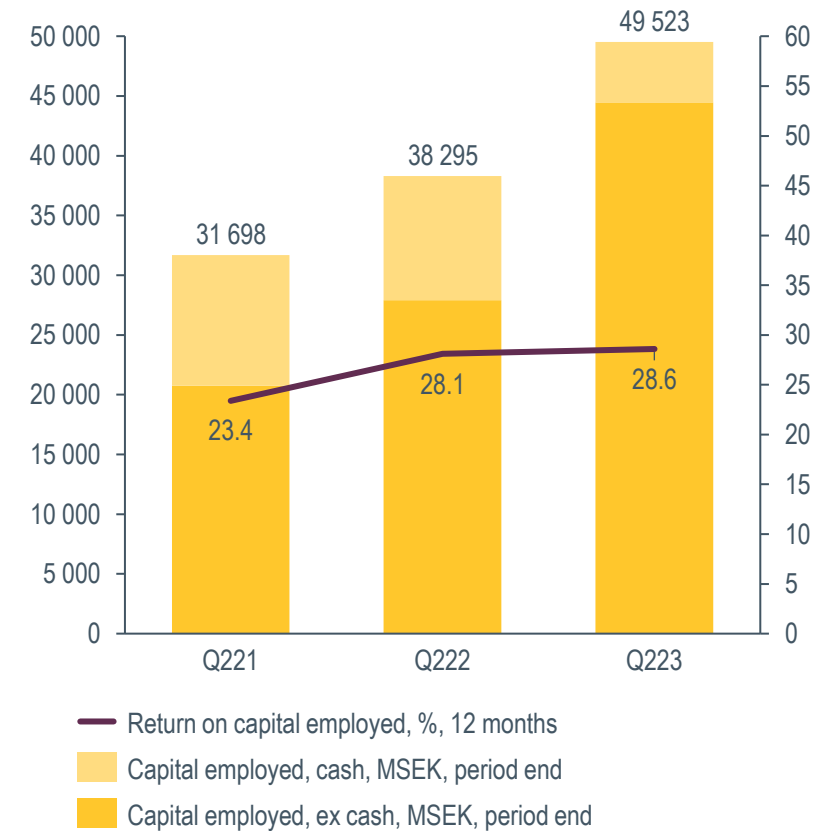
Capital efficiency

- Net debt at MSEK 9 099 (- 876)
 - Acquisitions MSEK -7 728
 - Working capital MSEK -4 611
 - Dividend MSEK -3 860
- Net debt/EBITDA 0.60 (-0.07)

Net debt and Net debt/EBITDA



Capital employed and ROCE



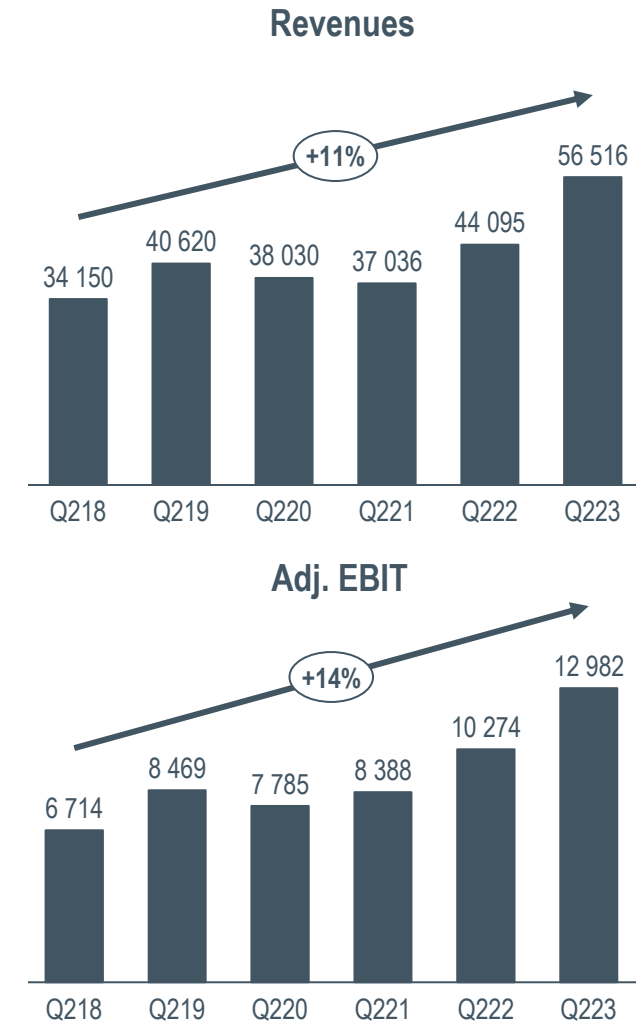
150-year-old start-up company

- Some achievements during our first 5 years!
 - Successfully established the Epiroc brand
 - Innovation is thriving
 - High acquisition pace
 - Set ambitious sustainability goals for 2030
 - Validated as science based goals
 - Vision: Dare to think new
 - Profitable growth

Revenues
+65%
11% CAGR

Adj. EBIT
+93%
14% CAGR

Adj. EBIT-margin
+3.3 ppt
From 19.7% to 23.0%



Summary



- Record – and eventful - quarter
- Profitable growth
- Innovation is thriving
- High acquisition pace
- Safety improving
- Climate leader
- 150-year-old start-up company

Looking ahead



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

Video: Epiroc World Expo



Q&A



United. Inspired.

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

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