



Interim report Q2 2024

July 19, 2024



Table of Contents

Epiroc interim report Q2	3
Financial overview	3
CEO comments	4
Profits and returns	6
Balance sheet	7
Cash flow	7
Leading productivity and sustainability partner	8
Equipment & Service	9
Tools & Attachments	11
Sustainability: People & Planet	13
January – June in summary	14
Other information	15
Key risks	15
Signature of the President and the Board	16
Auditor's review report	17
Financial Statements	18
Condensed consolidated income statement	18
Condensed consolidated statement of comprehensive income	18
Condensed consolidated balance sheet	19
Condensed consolidated statement of changes in equity	20
Condensed consolidated statement of cash flows	21
Condensed parent company income statement	22
Condensed parent company balance sheet	22
Condensed segments quarterly	23
Geographical distribution of orders received	24
Geographical distribution of revenues	24
Group notes	25
Note 1: Accounting principles	25
Note 2: Acquisitions and divestments	25
Note 3: Fair value of derivatives, earn-out and borrowings	27
Note 4: Share buybacks and divestments	27
Note 5: Transactions with related parties	27
Key figures	28
Epiroc in brief	29
About this report	29
Further information	30
Financial calendar	30

On the cover: ABB, Boliden and Epiroc have passed a new technology milestone by successfully deploying the first fully battery-electric trolley truck system for an underground mine, on an 800-meter long, test track in Sweden.

Epiroc interim report Q2

- Orders received increased 6% to MSEK 16 349 (15 436). The organic increase was 1%.
 - Large orders amounted to MSEK 950 (550).
- Revenues increased 4% to MSEK 16 511 (15 910), organic decrease of -1%.
- Operating profit decreased -14% to MSEK 2 921 (3 413), including items affecting comparability of MSEK -325 (-16)*. The operating margin was 17.7% (21.5).
- The adjusted operating profit was MSEK 3 246 (3 429), corresponding to an adjusted operating margin of 19.7% (21.6).
- Basic earnings per share were SEK 1.69 (2.19).
- Operating cash flow increased to MSEK 1 609 (1 549).
- Net debt/EBITDA ratio was 1.04 (0.60).
- Several acquisitions completed and/or announced, including Stanley Infrastructure.

Financial overview

MSEK	2024 Q2	2023 Q2	Δ,%	2024 Jan-Jun	2023 Jan-Jun	Δ,%
Orders received	16 349	15 436	6	30 511	30 151	1
Revenues	16 511	15 910	4	30 654	29 778	3
EBITA	3 192	3 605	-11	6 168	6 979	-12
EBITA margin, %	19.3	22.7		20.1	23.4	-14
Operating profit, EBIT	2 921	3 413	-14	5 681	6 574	-14
Operating margin, EBIT, %	17.7	21.5		18.5	22.1	
Profit before tax	2 656	3 428	-23	5 300	6 392	-17
Profit margin, %	16.1	21.5		17.3	21.5	
Profit for the period	2 044	2 653	-23	4 054	4 946	-18
Operating cash flow	1 609	1 549	4	3 387	1 887	79
Basic earnings per share, SEK	1.69	2.19	-23	3.35	4.09	-18
Diluted earnings per share, SEK	1.69	2.19	-23	3.35	4.09	-18
Return on capital employed, %, 12 months	22.4	28.6				
Net debt/EBITDA, ratio	1.04	0.60				

* For further information, see page 6.

CEO comments

Strong mining, weak construction

Mining activity continued to be strong in the quarter and the orders received increased to MSEK 16 349 (15 436), corresponding to an organic growth of 1%. Large equipment orders amounted to MSEK 950 (550). The organic service growth was 5%, driven by mid-life upgrades and a strong demand for mixed-fleet automation. The construction market weakened further in the quarter, impacting mainly the aftermarket business. The demand for hydraulic attachments in important markets, such as the United States and Europe, was especially weak.

Compared to the previous quarter, we achieved 5% organic growth, driven by higher order intake for mining equipment.

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

Revenues and profitability

Revenues increased 4% to MSEK 16 511 (15 910), driven by acquisitions. Organically, the revenues decreased -1% as Tools & Attachments had a weak development. The operating profit, EBIT, was MSEK 2 921 (3 413) and included items affecting comparability of MSEK -325 (-16), mainly related to the acquisition of Stanley Infrastructure and restructuring costs. The adjusted operating margin, EBIT, was 19.7% (21.6). The lower margin is mainly explained by overall higher cost levels, negative mix effects and dilution from acquisitions.

Actions to improve profitability

Efficiency measures were carried out as planned in the quarter. Sequentially, for comparable units, the number of employees decreased by around -450, mainly within service and manufacturing. Further measures for increased efficiency have already been initiated.

Cash flow and working capital

Operating cash flow increased to MSEK 1 609 (1 549). The improvement in cash flow is mainly explained by a more favorable development in working capital, partly compensating for the lower operating profit.

Building position for future growth

In the quarter, we closed the acquisition of Stanley Infrastructure and announced the acquisition of ACB+. Together, we will be a leader within attachments and quick couplers, providing customers with a more complete range of productivity solutions. Long term, the construction market is attractive, with an anticipated annual growth rate of 4-5%, with attachments used for deconstruction and recycling of steel and copper expected to grow even more.

Accelerated leadership within automation

On July 3, we acquired the remaining shares of ASI Mining, one of our collaboration partners in the Roy Hill project in Australia. In this project, we are converting a mixed fleet of around 100 haul trucks to driverless operations. When this project is complete, we will have created the world's largest autonomous mixed fleet mine.

I am excited about the uptake for our automation solutions including mixed fleet products for both surface and underground applications. These applications deliver proven benefits for our customers, including increased productivity, improved safety, and lower emissions. We are the one-stop shop for mixed-fleet automation and remote-control solutions, regardless of manufacturer or type of equipment, mainly thanks to acquisitions such as ASI Mining and RCT.

Battery-electric trolley truck system

In the quarter, we successfully deployed a battery-electric trolley truck system for underground mining in close collaboration with ABB and Boliden. This brings the mining industry closer to realizing the all-electric mine of the future, with sustainable, productive operations and improved working conditions.

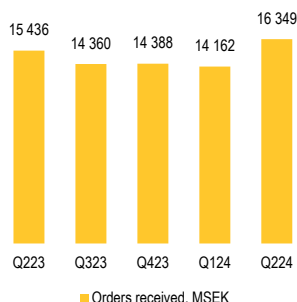
We are happy that customers continue to choose to collaborate with us to provide them with the right solutions for the future. Together we make it happen.

Helena Hedblom
President and CEO

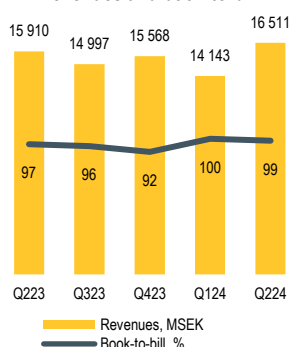


Orders and revenues

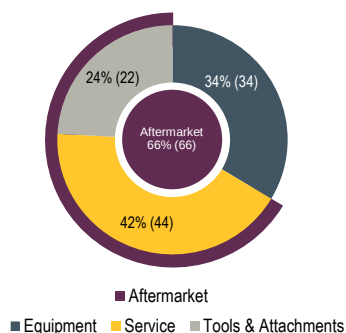
Orders received



Revenues and book-to-bill



Revenues by business type



Financial overview

	2024	2023	
MSEK	Q2	Q2	Δ,%
Orders received	16 349	15 436	6
Revenues	16 511	15 910	4
EBITA	3 192	3 605	-11
EBITA margin, %	19.3	22.7	
Adj. operating profit, EBIT	3 246	3 429	-5
Adj. operating margin, EBIT, %	19.7	21.6	
Operating profit, EBIT	2 921	3 413	-14
Operating margin, EBIT, %	17.7	21.5	

Orders received

Orders received increased 6% to MSEK 16 349 (15 436). The organic increase was 1%. Customer activity remained high in mining. On the construction side, demand remained weak, especially for hydraulic attachments. Structure and currency impacted the growth with 6% and -1%, respectively. In the quarter, acquisitions contributed with 7%.

Compared to the previous year, orders received in local currency, including acquisitions, increased in North America, Europe, and Asia/Australia, while it decreased in South America and Africa/Middle East.

Mining customers represented 77% (81) of orders received in the quarter and construction customers 23% (19). The increase in construction is explained by the acquisition of Stanley Infrastructure, completed on April 1.

Sequentially, compared to the previous quarter, orders received increased 5% organically, driven mainly by mining equipment.

Revenues

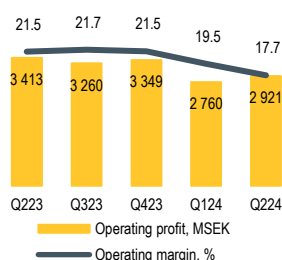
Revenues increased by 4% to MSEK 16 511 (15 910), corresponding to an organic decrease of -1%. Acquisitions impacted revenues positively with 6% while currency impacted negatively with -1%. The book-to-bill ratio was 99% (97).

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

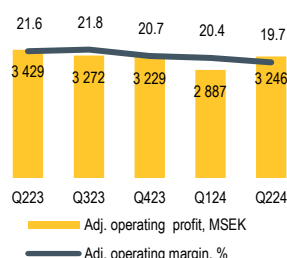
Sales Bridge	Orders received	Revenues
	MSEK, Δ, %	MSEK, Δ, %
Q2 2023	15 436	15 910
Organic	1	-1
Currency	-1	-1
Structure/other	6	6
Total	6	4
Q2 2024	16 349	16 511

Profits and returns

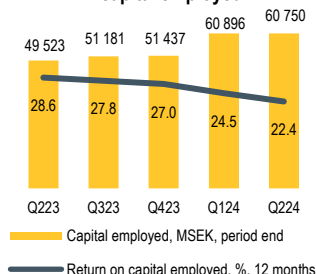
Operating profit and margin



Adjusted operating profit and margin



Capital employed and return on capital employed



Profit bridge	Operating profit	
	MSEK, Δ	Margin, Δ, pp
Q2 2023	3 413	21.5
Organic	-631	-3.6
Currency	393	2.8
Structure/other*	-254	-3.0
Total	-492	-3.8
Q2 2024	2 921	17.7

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

Operating profit, EBIT, decreased by -14% to MSEK 2 921 (3 413). Items affecting comparability amounted to MSEK -325 (-16), including transaction and integration costs of MSEK -130 related to acquisitions, restructuring costs of MSEK -104, earn-out for the acquisition of RCT of MSEK -73 and change in provision for the share-based long-term incentive programs of MSEK -18 (-16). The operating margin, EBIT, was 17.7% (21.5).

The adjusted operating margin, excluding items affecting comparability, was 19.7% (21.6). The lower margin is mainly explained by higher costs, negative mix effects and dilution from acquisitions. Currency contributed positively to the margin. The dilution from acquisitions was -0.9 percentage points.

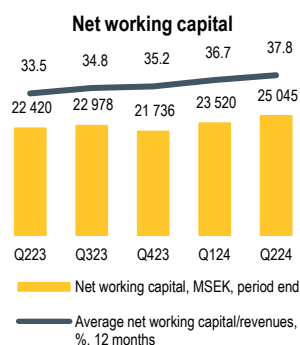
Efficiency measures were carried out as planned in the quarter. The number of employees, excluding acquisitions and for comparable units, has decreased with around -450 sequentially, mainly within service and manufacturing. Further measures for increased efficiency have already been initiated. No further restructuring costs related to the initiated measures are anticipated.

Net financial items amounted to MSEK -265 (15). Net interest increased to MSEK -231 (-131), explained by higher interest-bearing debt and an increased average interest rate.

Profit before tax was MSEK 2 656 (3 428). Income tax expense amounted to MSEK -612 (-775). The effective tax rate was 23.0% (22.6). Profit for the period totaled MSEK 2 044 (2 653). Basic earnings per share were SEK 1.69 (2.19).

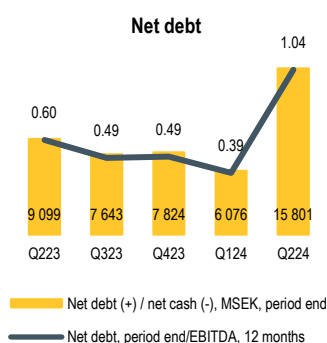
Return on capital employed was 22.4% (28.6), negatively impacted mainly by increased intangible assets, such as goodwill from acquisitions. The return on equity was 22.9% (29.3).

Balance sheet



Net working capital

Compared to the previous year, net working capital increased 12% to MSEK 25 045 (22 420). The increase is mainly explained by acquisitions and lower payables. Adjusted for acquisitions, the inventory increased compared to the previous year, while it decreased sequentially. The average net working capital in relation to revenues in the last 12 months was 37.8% (33.5).

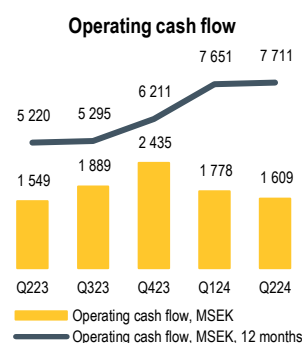


Net debt

Epiroc ended the quarter with a cash and cash equivalents position of MSEK 6 598 (4 949). The net debt was MSEK 15 801 (9 099). The net debt/EBITDA ratio increased to 1.04 (0.60), driven by an increased debt level after the acquisition of Stanley Infrastructure.

The average tenor of Epiroc's long-term debt was 4.5 years. The average interest duration is 21 months (17) and the average interest rate at the end of the quarter was 4.64% (3.91).

Cash flow



Operating cash flow

Operating cash flow increased to MSEK 1 609 (1 549). Compared to the previous year, it was positively impacted by mainly a lower build-up of working capital, whereas a lower operating profit contributed negatively.

Acquisitions and divestments

The net cash flow from acquisitions and divestments was MSEK -8 294 (-38). On April 1, Epiroc finalized the acquisition of Stanley Infrastructure with a purchase price of MSEK 8 200.

Leading productivity and sustainability partner

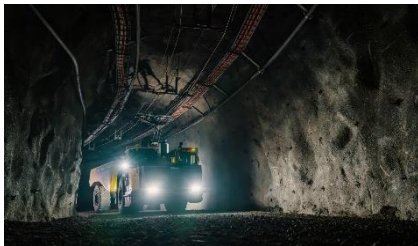
Innovations, acquisitions, and partnerships strengthen Epiroc's position as a leading global productivity and sustainability partner. Below are some highlights from the quarter.



Acquisitions – Creating options for the future

Five acquisitions were announced or completed in the quarter, or after the period end. *See note 2.*

- **Stanley Infrastructure** manufactures attachments for applications in infrastructure and strengthens Epiroc's construction business, especially in North America. The acquisition was completed April 1.
- **Weco** manufactures precision-engineered rock drilling parts and provides related repairs and services in the Southern African region. The acquisition was completed May 3.
- **ACB+** manufactures attachments and quick couplers used on excavators for construction and scrap recycling/deconstruction. The acquisition was announced May 24.
- **Yieldpoint** offers advanced digital geotechnical instruments to customers worldwide. The acquisition was completed June 17.
- **ASI Mining** provides leading mining automation systems, such as remote control, teleoperation, and fully autonomous solutions. The acquisition of the remaining shares (66%) was completed July 3.



Partnership – Battery-electric trolley truck system

ABB, Boliden and Epiroc have successfully deployed a fully battery-electric trolley truck system on an 800-meter-long underground mine test track in the Rävliiden Mine in Sweden. This means that the mining industry is a step closer to realizing the all-electric mine, with sustainable, productive operations and improved working conditions.



Sustainability – Recycled steel and carbides

Recycling is increasingly important for the mining industry. By recycling and reusing steel and metals, such as tungsten, the need to extract virgin material is reduced. Epiroc's recycling program for carbide inserts from drill bits is expanded to selected markets.

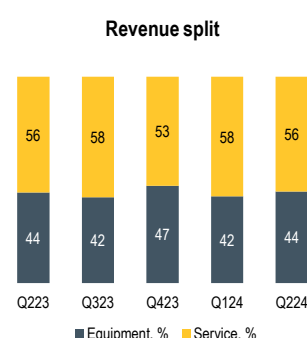
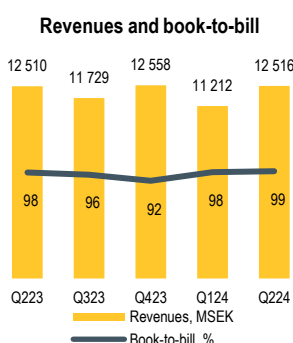
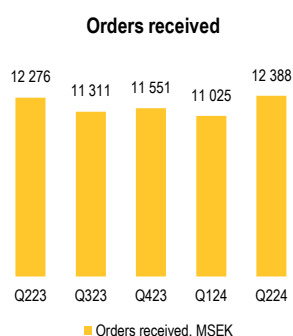


Sustainability – The world's 95th most sustainable company

In June, TIME Magazine listed Epiroc as the world's 95th most sustainable company. Among manufacturing and industrial production companies, Epiroc was listed as the 7th most sustainable company. Epiroc's climate targets, validated by the Science Based Targets initiative, aim to keep global warming at a maximum 1.5°C, consistent with the Paris agreement.

Equipment & Service

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



Financial overview

	2024	2023	
MSEK	Q2	Q2	Δ,%
Orders received	12 388	12 276	1
Revenues	12 516	12 510	0
EBITA	2 955	3 156	-6
EBITA margin, %	23.6	25.2	
Adj. operating profit, EBIT	2 905	2 995	-3
Adj. operating margin, EBIT, %	23.2	23.9	
Operating profit, EBIT	2 763	2 995	-8
Operating margin, EBIT, %	22.1	23.9	

Orders received

Orders received increased 1% to MSEK 12 388 (12 276). The organic increase was 3% while currency and structure impacted negatively with -1% respectively.

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

For equipment, orders received amounted to MSEK 5 406 (5 404), corresponding to an organic increase of 2%. The large orders, i.e. orders above MSEK 100, totaled MSEK 950 (550). The share of orders from equipment was 44% (44).

For service, orders received increased 2% to MSEK 6 982 (6 872). The organic growth was 5% and reflected a continued high activity level and a good demand for mid-life upgrades and digital solutions, including mixed-fleet automation solutions. The share of orders from service was 56% (56).

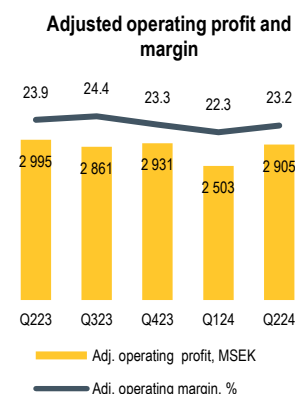
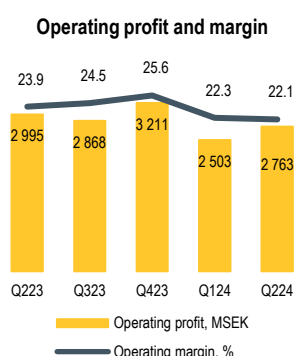
Sequentially, orders received was strong and increased 9% organically for the segment.

Revenues

Revenues were flat year-on-year and amounted to MSEK 12 516 (12 510), corresponding to an organic growth of 1%. Currency impacted negatively with -1%. Equipment revenues increased 1% organically, while service revenues increased 2% organically. The share of revenues from service was 56% (56). The book-to-bill ratio was 99% (98).

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,%
Q2 2023	12 276	12 510	5 404	5 489	6 872	7 021
Organic	3	1	2	1	5	2
Currency	-1	-1	-1	-1	-2	-2
Structure/other	-1	0	-1	1	-1	-1
Total	1	0	0	1	2	-1
Q2 2024	12 388	12 516	5 406	5 547	6 982	6 969



Operating profit and margin

Operating profit, EBIT, decreased -8% to MSEK 2 763 (2 995). Items affecting comparability amounted to MSEK -142 (0), including earn-out for RCT of MSEK -73 as well as restructuring costs of MSEK -69. The operating margin, EBIT, was 22.1% (23.9).

The adjusted operating margin, excluding items affecting comparability, was 23.2% (23.9). The lower margin is mainly explained by higher costs and negative mix effects within service. Currency contributed positively to the margin. The dilution from acquisitions was -0.1 percentage points. Actions have been taken to strengthen efficiency.

Profit bridge	Operating profit	
	MSEK,Δ	Margin,Δ,pp
Q2 2023	2 995	23.9
Organic	-440	-3.7
Currency	338	3.0
Structure/other	-130	-1.1
Total	-232	-1.8
Q2 2024	2 763	22.1

Organizational changes

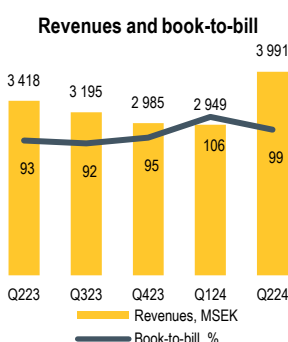
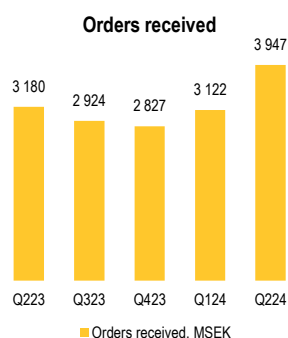
On April 1, Wayne Symes assumed the role as President of the Underground division. On June 3, Jodie Velasquez assumed the role as President Parts & Services APAC division.

Acquisitions

In the quarter, the acquisition of Weco Proprietary Limited was completed. After the end of the period, the acquisition of the remaining shares (66%) of ASI Mining was completed. The transaction will lead to a positive revaluation effect of the ownership held prior to the acquisition in the segment Equipment & Service. The gain, approximately MSEK 500, will be reported as an item affecting comparability in the third quarter 2024. For more information about the acquisitions, see note 2.

Tools & Attachments

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



Financial overview

	2024	2023	
MSEK	Q2	Q2	Δ,%
Orders received	3 947	3 180	24
Revenues	3 991	3 418	17
EBITA	361	556	-35
EBITA margin, %	9.0	16.3	
Adj. operating profit, EBIT	448	524	-15
Adj. operating margin, EBIT, %	11.2	15.3	
Operating profit, EBIT	283	524	-46
Operating margin, EBIT, %	7.1	15.3	

Orders received

Orders received increased 24% to MSEK 3 947 (3 180), driven by the acquisition of Stanley Infrastructure. The organic decrease was -6%. The demand from construction customers remained weak, impacting both attachments and rock drilling tools used within construction projects. Acquisitions impacted the growth positively with 31%, mainly the Stanley Infrastructure acquisition, whereas currency impacted negatively with -1%.

Compared to the previous year, orders received in local currency, including acquisitions, increased in North America, Europe and Africa/Middle East, but decreased in all other regions.

Sequentially, orders received decreased -10% organically for the segment, explained by a weakened demand in important markets such as the United States and Europe.

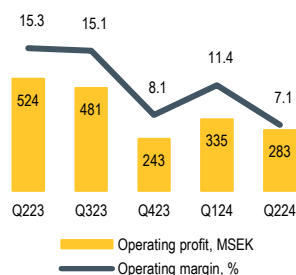
Revenues

Revenues increased 17% to MSEK 3 991 (3 418), corresponding to an organic decrease of -10%. Acquisitions contributed with 28% while currency impacted revenues negatively with -1%. The book-to-bill ratio was 99% (93).

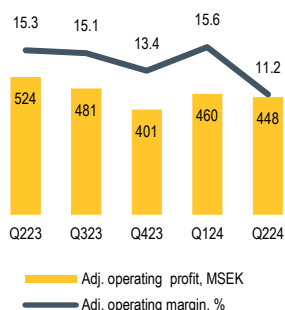
Sales Bridge	Orders received	Revenues
	MSEK, Δ, %	MSEK, Δ, %
Q2 2023	3 180	3 418
Organic	-6	-10
Currency	-1	-1
Structure/other	31	28
Total	24	17
Q2 2024	3 947	3 991

Tools & Attachments

Operating profit and margin



Adjusted operating profit and margin



Operating profit and margin

Operating profit, EBIT, decreased -46% to MSEK 283 (524). Items affecting comparability amounted to MSEK -165 (0), including transaction and integration costs for acquisitions of MSEK -130 and restructuring costs of MSEK -35. The operating margin, EBIT, was 7.1% (15.3).

The adjusted operating margin, excluding items affecting comparability, was 11.2% (15.3). The lower margin is mainly explained by underabsorption and product mix. Currency contributed positively to the margin. The dilution from acquisitions was -2.2 percentage points. Actions have been taken to strengthen efficiency.

Profit bridge

	Operating profit	
	MSEK, Δ	Margin, Δ, pp
Q2 2023	524	15.3
Organic	-184	-1.5
Currency	64	2.2
Structure/other	-121	-8.9
Total	-241	-8.2
Q2 2024	283	7.1

Acquisitions

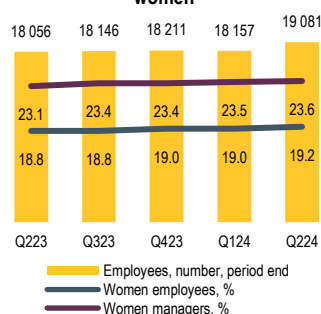
In the quarter, Epiroc completed two acquisitions: Stanley Infrastructure and Yieldpoint. In May, the acquisition of ACB+ was announced. See note 2.

Organizational changes

On May 1, Epiroc split the Tools & Attachments division into two divisions: the Tools division and the Attachments division. Martin Hjerpe, previously SVP M&A, Strategy and Supply Chain, became President of the Tools division. Goran Popovski, previously President of the Tools & Attachments division, became President of the Attachments division.

Sustainability: People & Planet

Employees and proportion of women

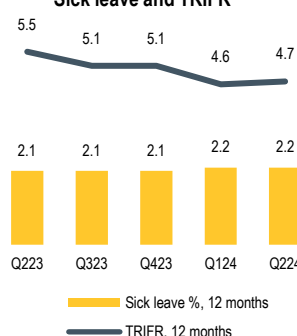


Employees

Compared to the second quarter 2023, the number of employees increased to 19 081 (18 056). External workforce amounted to 1 700 (1 783). For comparable units, the total workforce decreased by -283 compared to the previous year. Sequentially, the number of employees decreased with around -450, with the largest reduction within service and manufacturing.

The proportion of women employees and women managers increased to 19.2% (18.8) and 23.6% (23.1), respectively.

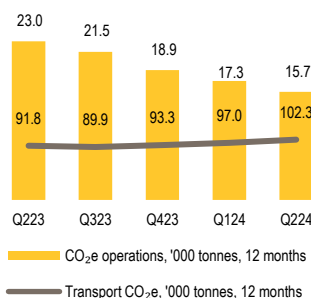
Sick leave and TRIFR



Safety and health

The total recordable injury frequency rate (TRIFR) per one million working hours the last 12 months decreased to 4.7 (5.5). Actions are continuously taken to reduce injuries. The sick leave increased modestly to 2.2% (2.1).

CO₂e emissions



CO₂e emissions from operations

The CO₂e emissions from operations for comparable units* the last 12 months decreased -32% to 15 692 (23 026) tonnes. The improvement is driven by higher share of renewable energy purchased and installation of solar panels on own facilities.

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

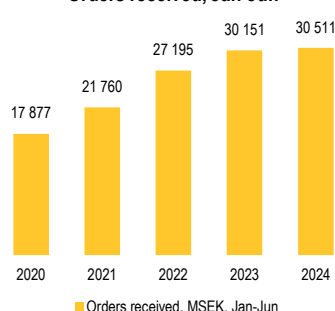
CO₂e emissions from transport

The CO₂e emissions from transport for comparable units* the last 12 months increased 11% to 102 310 (91 822) tonnes. The increase is mainly explained by higher volumes delivered.

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

January – June in summary

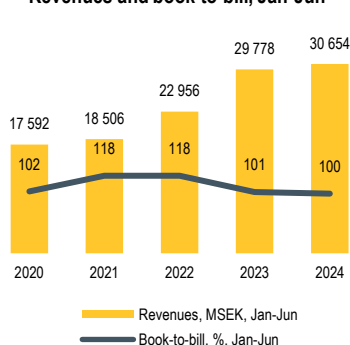
Orders received, Jan-Jun



The orders received the first six months increased 1% to MSEK 30 511 (30 151), corresponding to an organic decline of -1%. Revenues increased 3% to MSEK 30 654 (29 778), of which 1% organically.

Sales Bridge	Orders received	Revenues
	MSEK,Δ,%	MSEK,Δ,%
Jan-Jun 2023	30 151	29 778
Organic	-1	1
Currency	-2	-2
Structure/other	4	4
Total	1	3
Jan-Jun 2024	30 511	30 654

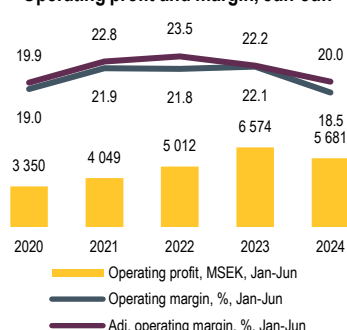
Revenues and book-to-bill, Jan-Jun



Operating profit, EBIT, was MSEK 5 681 (6 574). Items affecting comparability was MSEK -452 (-42), including transaction and integration costs for acquisitions of MSEK -255, restructuring costs of MSEK -104, earn-out of MSEK -73 and a change in provision for the share-based long-term incentive programs of MSEK -20 (-42). The operating margin, EBIT, was 18.5% (22.1) and the adjusted operating margin was 20.0% (22.2). The margin was negatively impacted by increased cost, mix, and dilution from acquisitions, while currency impacted positively.

Profit bridge	Operating profit	
	MSEK,Δ	Margin,Δ,pp
Jan-Jun 2023	6 574	22.1
Organic	-994	-3.4
Currency	442	1.9
Structure/other	-341	-2.1
Total	-893	-3.6
Jan-Jun 2024	5 681	18.5

Operating profit and margin, Jan-Jun



Profit before tax was MSEK 5 300 (6 392). Profit for the period totaled MSEK 4 054 (4 946).

Basic earnings per share were SEK 3.35 (4.09).

Operating cash flow was MSEK 3 387 (1 887).

Other information

In the quarter

- 2024-04-01 - Epiroc completed the acquisition of Stanley Infrastructure.
- 2024-04-01 - Wayne Symes assumed the role as President of the Underground division.
- 2024-05-01 - Epiroc split the Tools & Attachments division into two: the Tools division and the Attachments division. Martin Hjerpe, previously SVP M&A, Strategy and Supply Chain, became President of the Tools division. Goran Popovski, previously President of the Tools & Attachments division, became President of the Attachments division.
- 2024-05-03 - Epiroc completed the acquisition of Weco Proprietary Limited.
- 2024-05-14 - Epiroc hosted the Annual General Meeting. All proposals in the Notice were approved, including paying a dividend of SEK 3.80 per share in two equal installments, as well as re-election of nine Board members. The second installment of SEK 1.90 is going to be paid on October 25.
- 2024-05-24 - Epiroc announced the acquisition of ACB+.
- 2024-06-03 - Epiroc appointed Jodie Velasquez President Parts & Services APAC division.
- 2024-06-04 - Epiroc won a large mining equipment order in India of MSEK 215.
- 2024-06-17 - Epiroc completed the acquisition of Yieldpoint.

After the period end

- 2024-07-03 - Epiroc completed the acquisition of the remaining shares of autonomous solutions provider ASI Mining.
- 2024-09-24 - Epiroc will host a Capital Markets Day (CMD) for institutional investors, analysts, and financial media in Las Vegas, United States.

Key risks

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

Signature of the President and the Board

The Board of Directors and the President and CEO 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 19, 2024

Ronnie Leten
Chair of Board

Helena Hedblom
Board member
President and CEO

Johan Forssell
Board member

**Astrid Skarheim
Onsum**
Board member

Ulla Litzén
Board member

Lennart Evrell
Board member

Jeane Hull
Board member

Anthea Bath
Board member

Sigurd Mareels
Board member

Kristina Kanestad
Employee
representative

Niclas Bergström
Employee
representative

Auditor's review report

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

Introduction: We have reviewed the condensed interim report for Epiroc AB as at 30 June 2024 and for the six month period then ended. The Board of Directors and the CEO are 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 19, 2024

Erik Sandström

Authorized Public Accountant, Ernst & Young AB

Financial Statements

Condensed consolidated income statement

MSEK	2024 Q2	2023 Q2	2024 Jan-Jun	2023 Jan-Jun
Revenues	16 511	15 910	30 654	29 778
Cost of sales	-10 562	-9 887	-19 523	-18 159
Gross profit	5 949	6 023	11 131	11 619
Administrative expenses	-1 237	-1 071	-2 361	-2 040
Marketing expenses	-1 131	-1 012	-2 084	-1 938
Research and development expenses	-537	-497	-998	-949
Other operating income and expenses	-123	-30	-7	-118
Operating profit	2 921	3 413	5 681	6 574
Net financial items	-265	15	-381	-182
Profit before tax	2 656	3 428	5 300	6 392
Income tax expense	-612	-775	-1 246	-1 446
Profit for the period	2 044	2 653	4 054	4 946
Profit attributable to				
- owners of the parent	2 042	2 645	4 050	4 935
- non-controlling interests	2	8	4	11
Basic earnings per share, SEK	1.69	2.19	3.35	4.09
Diluted earnings per share, SEK	1.69	2.19	3.35	4.09

Condensed consolidated statement of comprehensive income

MSEK	2024 Q2	2023 Q2	2024 Jan-Jun	2023 Jan-Jun
Profit for the period	2 044	2 653	4 054	4 946
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit pension plans	-100	42	-1	-44
Income tax relating to items that will not be reclassified	20	-9	-3	9
Total items that will not be reclassified to profit or loss	-80	33	-4	-35
Items that may be reclassified subsequently to profit or loss				
Translation differences on foreign operations	-66	1 125	1 349	829
Hedge of net investments in foreign operations	84	-	84	-
Cash flow hedges	-146	-15	-187	-93
Income tax relating to items that may be reclassified	13	3	21	19
Total items that may be reclassified subsequently to profit or loss	-115	1 113	1 267	755
Other comprehensive income for the period, net of tax	-195	1 146	1 263	720
Total comprehensive income for the period	1 849	3 799	5 317	5 666
Total comprehensive income attributable to				
- owners of the parent	1 839	3 772	5 298	5 648
- non-controlling interests	10	27	19	18

Condensed consolidated balance sheet

	2024	2023	2023
	Jun 30	Jun 30	Dec 31
Assets, MSEK			
Intangible assets	22 897	16 875	15 843
Rental equipment	1 773	1 597	1 582
Other property, plant and equipment	7 723	5 963	6 032
Investments in associated companies and joint ventures	28	65	49
Other financial assets and other receivables	1 764	1 971	1 649
Deferred tax assets	1 600	1 579	1 509
Total non-current assets	35 785	28 050	26 664
Inventories	21 373	20 157	18 747
Trade receivables	11 271	11 082	10 455
Other receivables	3 429	3 753	3 093
Current tax receivables	1 077	592	721
Financial assets	1 483	1 613	1 703
Cash and cash equivalents	6 598	4 949	6 401
Assets held for sale	-	98	-
Total current assets	45 231	42 244	41 120
Total assets	81 016	70 294	67 784
Equity and liabilities, MSEK			
Share capital	500	500	500
Retained earnings	37 198	34 200	36 322
Total equity attributable to owners of the parent	37 698	34 700	36 822
Non-controlling interest	406	505	388
Total equity	38 104	35 205	37 210
Interest-bearing liabilities	17 977	10 344	11 822
Post-employment benefits	133	148	251
Other liabilities and provisions	563	690	576
Deferred tax liabilities	1 477	1 048	922
Total non-current liabilities	20 150	12 230	13 571
Interest-bearing liabilities	4 537	3 827	2 153
Trade payables	6 151	7 196	5 902
Current tax liabilities	379	502	483
Other liabilities and provisions	11 695	11 334	8 465
Total current liabilities	22 762	22 859	17 003
Total equity and liabilities	81 016	70 294	67 784

Condensed consolidated statement of changes in equity

MSEK	Equity attributable to		
	owners of the parent	non-controlling interests	Total equity
Opening balance, Jan 1, 2024	36 822	388	37 210
Total comprehensive income for the period	5 298	19	5 317
Dividend	-4 590	-1	-4 591
Acquisition and divestment of own shares	231	-	231
Share-based payments, equity settled	-63	-	-63
Closing balance, Jun 30, 2024	37 698	406	38 104
Opening balance, Jan 1, 2023	33 020	488	33 508
Total comprehensive income for the period	5 648	18	5 666
Dividend	-4 102	-1	-4 103
Acquisition and divestment of own shares	208	-	208
Share-based payments, equity settled	-74	-	-74
Closing balance, Jun 30, 2023	34 700	505	35 205
Opening balance, Jan 1, 2023	33 020	488	33 508
Total comprehensive income for the period	7 706	10	7 716
Dividend	-4 103	-3	-4 106
Transactions with non-controlling interests	1	-107	-106
Acquisition and divestment of own shares	279	-	279
Share-based payments, equity settled	-81	-	-81
Closing balance, Dec 31, 2023	36 822	388	37 210

Condensed consolidated statement of cash flows

MSEK	2024 Q2	2023 Q2	2024 Jan-Jun	2023 Jan-Jun
Cash flow from operating activities				
Operating profit	2 921	3 413	5 681	6 574
Adjustments for depreciation, amortization and impairment	788	644	1 461	1 279
Adjustments for capital gain/loss and other non-cash items	28	-254	-194	-480
Net financial items received/paid	-511	-189	99	-147
Taxes paid	-1 040	-1 078	-1 754	-2 000
Pension funding and payment of pension to employees	-41	-16	-34	-36
Change in working capital	-285	-640	-928	-2 479
Increase in rental equipment	-329	-354	-543	-576
Sale of rental equipment	80	168	227	298
Net cash flow from operating activities	1 611	1 694	4 015	2 433
Cash flow from investing activities				
Investments in other property, plant and equipment	-200	-219	-415	-453
Sale of other property, plant and equipment	4	19	15	26
Investments in intangible assets	-190	-214	-366	-325
Sale of intangible assets	-	3	-	3
Acquisition of subsidiaries and associated companies	-8 294	-38	-8 294	-3 317
Proceeds to/from other financial assets, net	-23	-325	-154	-447
Net cash flow from investing activities	-8 703	-774	-9 214	-4 513
Cash flow from financing activities				
Dividend	-2 295	-2 051	-2 295	-2 051
Dividend to non-controlling interest	-1	-1	-1	-1
Sale/Repurchase of own shares	111	49	231	209
Change in interest-bearing liabilities	2 000	1 357	7 331	1 503
Net cash flow from financing activities	-185	-646	5 266	-340
Net cash flow for the period	-7 277	274	67	-2 420
Cash and cash equivalents, beginning of the period	13 879	4 587	6 401	7 326
Exchange differences in cash and cash equivalents	-4	88	130	43
Cash and cash equivalents, end of the period	6 598	4 949	6 598	4 949
	2024	2023	2024	2023
Operating cash flow*	Q2	Q2	Jan-Jun	Jan-Jun
Net cash flow from operating activities	1 611	1 694	4 015	2 433
Net cash flow from investing activities	-8 703	-774	-9 214	-4 513
Acquisitions and divestments, net	8 294	38	8 294	3 317
Other adjustments	407	591	292	650
Operating cash flow	1 609	1 549	3 387	1 887

* Operating cash flow is not defined according to IFRS.

Condensed parent company income statement

	2024	2023	2024	2023
MSEK	Q2	Q2	Jan-Jun	Jan-Jun
Administrative expenses	-74	-78	-151	-146
Marketing expenses	-8	-9	-16	-16
Other operating income and expenses	47	76	96	76
Operating profit/loss	-35	-11	-71	-86
Financial income and expenses	-5	-17	-36	-44
Profit/loss before tax	-40	-28	-107	-130
Income tax	13	7	30	29
Profit/loss for the period	-27	-21	-77	-101

Condensed parent company balance sheet

	2024	2023	2023
MSEK	Jun 30	Jun 30	Dec 31
Total non-current assets	56 856	54 811	56 334
Total current assets	10 392	4 521	5 013
Total assets	67 248	59 332	61 347
Total restricted equity	503	503	503
Total non-restricted equity	44 926	44 817	49 425
Total equity	45 429	45 320	49 928
Total provisions	162	218	204
Total non-current liabilities	15 628	8 483	9 982
Total current liabilities	6 029	5 311	1 233
Total equity and liabilities	67 248	59 332	61 347

Condensed segments quarterly

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

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

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

* Items affecting comparability are shown with reverse sign. I.e. a positive number indicates a cost and vice versa. In Q2, Equipment & Service included items affecting comparability of MSEK -142 (earn-out for the acquisition of RCT of MSEK -73 and restructuring costs of MSEK -69). Tools & Attachments included items affecting comparability of MSEK -165 (transaction and integration costs for acquisitions of MSEK -130 and restructuring costs of MSEK -35).

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

Geographical distribution of orders received

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

MSEK	2023				2023	2024		Δ,%
% currency adjusted	Q1	Q2	Q3	Q4	FY	Q1	Q2	Y-o-Y
Epiroc Group	15 148	15 436	14 360	14 388	59 332	14 162	16 349	8%
North America	3 608	3 651	3 825	3 676	14 760	3 611	4 734	30%
South America	1 803	2 257	1 937	2 436	8 433	2 023	1 690	-19%
Europe	2 304	2 120	1 589	1 761	7 774	2 191	2 327	14%
Africa/Middle East	2 561	2 885	2 919	2 020	10 385	2 094	2 635	-4%
Asia/Australia	4 872	4 523	4 090	4 495	17 980	4 243	4 963	10%
Equipment & Service	11 570	12 276	11 311	11 551	46 708	11 025	12 388	4%
North America	2 511	2 735	2 769	2 767	10 782	2 608	2 943	7%
South America	1 427	1 862	1 664	2 242	7 195	1 747	1 494	-13%
Europe	1 613	1 599	1 108	1 199	5 519	1 525	1 619	5%
Africa/Middle East	2 015	2 359	2 342	1 498	8 214	1 532	2 100	-6%
Asia/Australia	4 004	3 721	3 428	3 845	14 998	3 613	4 232	14%
Tools & Attachments	3 535	3 180	2 924	2 827	12 466	3 122	3 947	26%
North America	1 065	929	945	899	3 838	1 002	1 788	93%
South America	376	396	272	194	1 238	276	196	-48%
Europe	680	535	472	564	2 251	650	699	34%
Africa/Middle East	548	524	577	523	2 172	561	536	4%
Asia/Australia	866	796	658	647	2 967	633	728	-8%

Geographical distribution of revenues

MSEK	2023				2023	2024		Δ,%
% currency adjusted	Q1	Q2	Q3	Q4	FY	Q1	Q2	Y-o-Y
Epiroc Group	13 868	15 910	14 997	15 568	60 343	14 143	16 511	6%
North America	3 759	3 954	3 817	3 898	15 428	3 927	4 860	23%
South America	1 985	2 116	2 194	2 176	8 471	1 737	2 122	6%
Europe	2 155	2 426	1 850	2 195	8 626	2 022	2 249	-4%
Africa/Middle East	2 048	2 786	2 611	2 455	9 900	2 254	2 725	1%
Asia/Australia	3 921	4 628	4 525	4 844	17 918	4 203	4 555	-1%
Equipment & Service	10 733	12 510	11 729	12 558	47 530	11 212	12 516	2%
North America	2 706	2 960	2 803	2 958	11 427	2 995	3 006	1%
South America	1 716	1 772	1 798	1 915	7 201	1 473	1 898	14%
Europe	1 463	1 713	1 299	1 616	6 091	1 489	1 550	-6%
Africa/Middle East	1 545	2 219	2 013	1 935	7 712	1 718	2 199	3%
Asia/Australia	3 303	3 846	3 816	4 134	15 099	3 537	3 863	1%
Tools & Attachments	3 125	3 418	3 195	2 985	12 723	2 949	3 991	18%
North America	1 056	1 028	956	928	3 968	924	1 847	80%
South America	269	344	396	261	1 270	264	223	-31%
Europe	681	701	539	571	2 492	557	702	3%
Africa/Middle East	504	566	597	521	2 188	536	526	-5%
Asia/Australia	615	779	707	704	2 805	668	693	-9%

Group notes

Note 1: Accounting principles

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

Accounting principles of the Parent Company

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

Note 2: Acquisitions and divestments

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

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

Acquisitions completed in the first half of 2024

- Stanley Infrastructure** designs, manufactures, and sells attachments, typically used on excavators, and handheld hydraulic and battery-powered tools for applications in infrastructure, construction, scrap recycling, deconstruction, and railroad infrastructure. Its strong and innovative brands include LaBounty, Paladin, Pengo and Dubuis. The acquisition strengthens Epiroc's presence especially in the United States. Stanley Infrastructure had revenues in 2023 of MUSD 447 (MSEK 4 725), an adjusted EBITA margin of 16% and 1 380 employees. The acquisition was announced on December 15, 2023, and was completed on April 1, 2024. Revenues from the acquisition are reported in "Tools & Attachments". The purchase price (Enterprise Value) amounted to MUSD 760 (MSEK 8 200) and is mainly allocated to intangible assets and goodwill. The acquisition was an all-cash transaction. The acquisition will dilute both the Group and the Tools & Attachments full year 2024 adjusted EBITA margins with approximately 0.5-0.7 percentage points. Integration and transaction costs amounted to MSEK -255 in the first half year 2024.
- Weco Proprietary Limited** manufactures precision-engineered rock drilling parts and provides related repairs and services in the Southern African region. The company has approximately MSEK 90 in annual revenues and 80 employees. The acquisition was announced on December 12, 2023, and was completed on May 3, 2024. Revenues from the acquisition are reported in "Service".
- Yieldpoint** designs, manufactures and sells advanced digital geotechnical instruments, and has customers worldwide. The products, which include ground movement sensors and telemetry solutions, are primarily used for underground mining, tunnelling, and civil construction applications. The company has 10 employees. The acquisition was announced on May 28 and was completed on June 17. Revenues from the acquisition are reported in "Tools & Attachments".

Financial effect of acquisitions as per June 30, 2024

The completed acquisitions have had a total cash flow effect of MSEK 8 031. According to the preliminary purchase price allocation, intangible assets amount to MSEK 2 588 and goodwill amounts to MSEK 4 099. The acquired entities during 2024 have contributed to revenues with MSEK 986 and operating profit with MSEK 51 since the respective dates of acquisition.

Fair value of acquired assets and liabilities 2024, MSEK	whereof Stanley	
Net assets identified including tax	1 398	1 358
Intangible assets	2 588	2 561
Goodwill	4 099	4 061
Total consideration	8 085	7 980
Net cash outflow	8 031	7 944
- related to prior years acquisitions	263	

Acquisitions completed in the third quarter 2024

- **ASI Mining** provides mining automation systems, such as remote control, teleoperation, and fully autonomous solutions. Its solutions are OEM agnostic, meaning they work regardless of machine brand and fit well for mixed fleets. The company has approximately MSEK 300 in annual revenues. Epiroc already owned 34% of ASI Mining, which it acquired in 2018. The acquisition of the remaining 66% of the company was completed on July 3. Revenues from the acquisition are reported in "Equipment". The transaction will lead to a positive revaluation effect of the ownership held prior to the acquisition in the segment Equipment & Service. The gain, approximately MSEK 500, will be reported as an item affecting comparability in the third quarter 2024.

Announced, but not yet completed acquisitions

- **ACB+** manufactures attachments and quick couplers used on excavators for construction as well as related areas such as scrap recycling and deconstruction. Quick couplers are used with carriers, typically excavators, to enable safe and efficient change of attachments, such as buckets and hydraulic tools. The company is market leading in France and has customers throughout Europe. It had revenues of about MSEK 365 in the 12 months through March 31, 2024, and has about 140 employees.

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

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

Outstanding derivatives recorded to fair value		2024	2023
MSEK		Jun 30	Dec 31
Non-current assets and liabilities			
Assets		90	4
Liabilities		7	5
Current assets and liabilities			
Assets		86	512
Liabilities		352	63

Carrying value and fair value	2024	2024	2023	2023
MSEK	Jun 30	Jun 30	Dec 31	Dec 31
	Carrying value	Fair value	Carrying value	Fair value
Earn-out	260	260	176	176
Bonds	11 638	11 839	5 992	6 123
Other loans	10 878	11 044	7 983	8 151
Total	22 776	23 143	14 151	14 450

Note 4: Share buybacks and divestments

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

	A share	B share	Total
Total number of shares	823 765 854	389 972 849	1 213 738 703
Whereof shares held by Epiroc	5 650 197		
Change in the quarter			
Purchased (+) / divested (-) shares, number	-518 279		
Value of purchased (+) / divested (-) shares, SEK	-111 424 863		

Note 5: Transactions with related parties

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

Key figures

	2024 Q2	2023 Q2	2024 Jan-Jun	2023 Jan-Jun	2023 FY
Growth					
*Orders received, MSEK	16 349	15 436	30 511	30 151	58 899
Revenues, MSEK	16 511	15 910	30 654	29 778	60 343
*Total revenue growth, %	4	34	3	30	21
*Organic revenue growth, %	-1	17	1	13	9
Profitability					
*Gross margin, %	36.0	37.9	36.3	39.0	38.4
*EBITDA margin, %	22.5	25.5	23.3	26.4	26.3
*EBITA margin, %	19.3	22.7	20.1	23.4	23.3
*Adjusted operating margin, EBIT, %	19.7	21.6	20.0	22.2	21.7
*Operating margin, EBIT, %	17.7	21.5	18.5	22.1	21.8
*Profit margin, %	16.1	21.5	17.3	21.5	20.3
Capital efficiency					
*Return on capital employed, %	22.4	28.6			27.0
*Net debt / EBITDA, ratio	1.04	0.60			0.49
*Net debt / equity, %, period end	41.5	25.8			21.0
*Average net working capital / revenues, %	37.8	33.5			35.2
Cash generation					
*Operating cash flow, MSEK	1 609	1 549	3 387	1 887	6 211
*Cash conversion rate, %, 12 months	90	54			66
Equity information					
Basic number of shares outstanding, millions	1 208	1 206	1 207	1 206	1 206
Diluted number of shares outstanding, millions	1 208	1 207	1 208	1 208	1 207
*Equity per share, SEK, period end	31.6	29.2			30.8
Basic earnings per share, SEK	1.69	2.19	3.35	4.09	7.82
*Return on equity, %	22.9	29.3			26.8
*Operating cash flow per share, SEK	1.33	1.28	2.81	1.56	5.15
Dividend per share, SEK					3.80
Payout ratio, %					49
People & Planet					
Employees, period end	19 081	18 056			18 211
Women employees, %, period end	19.2	18.8			19.0
Women managers, %, period end	23.6	23.1			23.4
Total recordable injury frequency rate, TRIFR, 12 months	4.7	5.5			5.1
Sick leave, %, 12 months	2.2	2.1			2.1
CO2e emissions from operations, tonnes, 12 months	15 692	23 026			18 879
CO2e emissions from transport, tonnes, 12 months	102 310	91 822			93 258

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

Epiroc in brief

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

Financial goals

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

Sustainability ambition and KPIs

Epiroc has four prioritized areas within sustainability:

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

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

Our vision

Dare to think new.

Our mission

Drive the productivity and sustainability transformation in our industry.

Our core values

Innovation, Commitment and Collaboration.

Strategy

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

Our investment case

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

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

About this report

Forward-looking statements

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

Language

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

Totals and roundings

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

This information is information that Epiroc AB is obliged to make public pursuant to the EU Market Abuse Regulation 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 19, 2024.

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Financial calendar

Webcast & conference call

At 13:00 CEST on July 19, Epiroc will host a telephone conference for investors, analysts and media. The report will be presented by President and CEO Helena Hedblom and CFO Håkan Folin.

Webcast link and presentation material can be found here:

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

Upcoming investor events

- September 24: Capital Markets Day in Las Vegas, USA (in conjunction with MINExpo)
- October 22: Record date for dividend
- October 25: Q3 2024 results
- October 25: Dividend payment
- January 30, 2025: Q4 2024 results
- April 29, 2025: Q1 2025 results

United in performance. Inspired by innovation.

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