Dear Epiroc analyst,

Hope all is well. Please find some already communicated information to consider (checklist) when preparing your pre-results analysis. Black text = new. *Grey text = from previous pre-results e-mail.* You can find all financial publications here.

Report details:

- We plan to publish the results at **11:30 CET** on Wednesday, October 28, 2026.
- The webcast is planned for **13:00 CET.**
- Presentation: https://epiroc.events.inderes.com/q3-report-2026/
- Telco: https://events.inderes.com/epiroc/q3-report-2026/dial-in.
- We enter the silent period on October 2, 2026.

Company-compiled consensus:

As always, we gather company-compiled consensus and share it with those analysts contributing. Please add your estimates and send them back **no later than Wednesday, October 14**.

- Please note, we also gather post-results consensus. **We will allocate time for roadshows and conferences based on how well you contribute**, pre- and post, to consensus.

No pre-results call:

By sending this e-mail, we hope that you get all your questions answered. We do not organize a pre-results call. However, if anything is unclear, please reach out, and we will try to clarify.

Demand comment in CEO comment:

- In the near term, we expect mining demand to remain high and demand from infrastructure customers to increase somewhat.
  - *From the Q2 report.*

Details on mining demand? How sustainable is the mining cycle? *82% (79) of Group orders in Q2 2026.*

- We delivered a strong second quarter supported by continued high customer activity and strong demand for mining.
- Demand for exploration customers was particularly strong, with high double-digit growth, … On exploration, we see good activity levels, both on equipment as well as on consumables. A lot of exploration is ongoing close to existing mines. There is a lot of exploration ongoing in Africa, but also in the Middle East.
- Equipment orders increased by 30% organically, supported by MSEK 720 in large orders. The vast majority of orders are from existing customers, that either replace Epiroc fleet or expand their current operations. The mining equipment business is rather sticky, and the lumpiness of large orders depends more on replacement timing than anything else.
- Business cooking looks strong and there are many large tenders in which we are involved in. The tenders are mainly within copper and gold and within brownfield and replacement. When I look at

the business cooking map of larger investments, there are some new countries. We see projects in Argentina, for example, that has been there for a long time, but now start to materialize, et cetera. … Copper is maybe different compared to the other commodities... there is a clear long-term gap between demand and supply.

- We also continue to see encouraging adoption of our automation and digital solutions as customers increasingly integrate these technologies into their operations. Our relationships deepen and our position as a long-term productivity partner strengthens.
- Service orders in the quarter continued to develop well, increasing organically by 6%, reflecting both high customer activity and an aging fleet.
- We had very strong tools order intake in Q1. Given that tungsten prices then were ramping up and we had customers with contracts for three months, we said that there might be a bit of pre-buy. I think we have seen a little bit of that now in Q2 with a little bit lower level compared to Q1.
    - *From the Q2 report and presentation.*
- In 2025, Nickel represented 1% of Group orders. In 2025, we lost roughly half of this business, which was tilted towards service. The comps are easing throughout 2026.
    - *IR comment.*

Service demand? What are deciding factors when Epiroc captures more customer share?
(Customer share = portion of Epiroc fleet Epiroc services in some form, currently north of 50%)

- Service orders in the quarter continued to develop well, increasing organically by 6%, reflecting both high customer activity and an aging fleet.
- Demand for our service solutions remains solid, reflecting the value customers place in availability, reliability, and operational performance. I'm confident about our leading aftermarket offering and position, both in the short and in the long run. Through our strong local presence and expanding service footprint, we help customers improve productivity and safety while maximizing equipment uptime.
- On orders, we have fewer mid-life upgrades in this quarter compared to Q1. Mid-life rebuilds are also planned over longer time. .. The pipeline, of course, with an aging fleet, the potential for mid-life upgrade, it's great. There are high activity levels across most markets, supported by commodity prices and customers' focus on maximizing production…. It's healthy growth in all components of service, but fewer mid-life upgrades. Mid-life upgrades can be a sizable amount as well and create swings between quarters.
- Our financial target is 8% growth. A big portion of that needs to come from the aftermarket. With an aging fleet, with more technology in the equipment, our ability to capture customer share is increasing. The opportunity is there.
- The first year, the machines don't generate that service demand. … The strong equipment growth over recent quarters creates potential for parts revenues in the coming years.
- It (service contracts) could be 6-10 years, depending on the machines we put in the market.
    - *From the Q2 report*

At the CMD, BA President E&S Jess Kindler gave the following supporting factors for service growth (condensed):

- Fleet utilization: Automation as a service multiplier, because machines are running extra hours and are not stopping.
- Electrification adding new service layers, such as the batteries, the infrastructure (chargers and then the life cycle management of those batteries), including the end of life and recycling of them. We see at least 15% more service revenue on electrified machines compared to diesel machines over 5 years, all else being equal.
- Fleet age: About 37% of the machines in our installed fleet are older than 10 years. We'll see more mid-life upgrades and end-of-life rebuilds. That's why we see that kind of consistent order growth over time, because as the fleet ages and then the boom comes, or the downturn comes, you're always working on the equipment.
- Service agreements: Today, about 33% of our addressable fleet is covered by some type of service agreement. Machines with a service agreement generate twice the revenue compared to machines not under agreement. So how high do we want to go? I would like to see us, within a few years, be up at the 40% coverage rate.
- Deep customer relationships: The top 10 customers at Epiroc represent 18% of Group revenues, and they're growing faster than the Group average. And so that's not a coincidence. It's the way that we work with those customers. This is exactly what we aim to scale, more service agreements and then that kind of deeper customer intimacy and relationship, driving the quality of our growth and earnings going forward.
- More than 50% of our fleet was serviced in some form in 2025. So, there's still almost half of that fleet out there that is an opportunity for us to go after.
- People and technician talent as a foundation: We have 7 800 service employees across the globe. (IR comment: This figure includes all employees in service operations, not only service technicians.)
    - *Comments from CMD 2026*

Large (mining) orders?

- The large orders (above MSEK 150) in Q2 amounted to MSEK 720 (230), mainly brownfield and replacement orders.
- In Q3, we have one announced and booked large order to date: MSEK 610. Epiroc wins large equipment order for copper mine in Botswana

See also our key figures file, sheet "large orders".

Quarter	Sum of externally announced large orders (press release)	Actual / Comment in results presentation

Q326	610	N/A
Q226	210	720
Q126 (New definition: large* = 150+)	560	1 280
Q425 (large = 100+)	0	670
Q325 (large = 100+)	115	600
Q225 (large = 100+)	100	230*

** As of Q1 2026, large orders are defined as orders above MSEK 150. Previously, the threshold was MSEK 100. Comparable figures have been restated where applicable.*

Market shares, risks and opportunities onwards? China?

- We do not see significant shifts in market share. We have a strong position, especially in platform rigs, and the long lifespan of these machines means market share cannot be judged over short-term periods.
    - *CEO comment in investor meeting September 17, 2026*
- We are following the Chinese customers when they go abroad, and we do that business from China. We have customer service representatives from China placed in the different parts of the world as key account managers in Zambia, in DRC, et cetera. For us, China is an important market, and the Chinese customers are important. Today, we have 900 employees. China represents 4% of our revenue, and we are step-by-step investing and building more and more capabilities in China.
- Over the last years, we have developed a multi-brand in China. It is called GIA. We have a tiered offering in China, where we are capturing also the more value segment in China with completely separate R&D and separate sales channels.
    - *From CMD presentation*

Demand comment for infrastructure? *18% (21) of Group orders in Q2 2026.*

- The investment sentiment within infrastructure and construction projects has improved, which led to stable order development.
- We also start to see more positive sentiment towards construction and infrastructure. Higher activity level, even though from levels.
    - *From the Q2 presentation*

How is Epiroc affected by US tariffs?

- The impact from tariffs was lower than in the previous quarter. In Q1, we said it was -0.5 percentage point on the margin. The lower level now is both because we have taken mitigating action and because the tariffs themselves are at an absolute lower level.
    - *From the Q2 presentation*

Tariff communication to date?

- Q225: Not significant but some effect on working capital due to rerouting/logistics.

- Q325: -0.5 percentage point net tariff impact on Group EBIT margin.
- Q425: -0.5 percentage point net tariff impact on Group EBIT margin.
- Q126: Just below -0.5 percentage point net tariff impact on Group EBIT margin.
    - *From quarterly reports presentations*

How is Epiroc impacted by the conflict in Iran/Middle East? And the increased oil price?

- We have no revenues or employees in Iran. Revenues in the Middle East region represent less than 1% of Group total and we have 20 employees in the region. The business in the region is well diversified across countries and customers.
- Regarding the oil price, we see no direct impact. The potential effect is indirect and more related to higher costs for input material as a consequence of higher energy prices.
    - *IR comments in meetings*

Main messages at CMD in Örebro, Sweden, June 8-9, 2026

- Commitment to profitable growth and market-leading margins.
- Continuous innovation of electrification solutions, with outstanding infrastructure offering. Customers with installed electric solutions make repeat orders.
- Market-leading position in OEM mixed-fleet automation with 3 900+ driverless machines in operation. High customer interest. Our driverless mixed-fleet solution is also expanding beyond mining into quarries through the partnership with Heidelberg Materials.
- Exploration orders, 12m, amounted to SEK 3.1 billion as of March 31, 2026, or about 4.7% of Group orders and have had a CAGR of 17% in the last three years.
- How Epiroc combines premium positioning with broader market reach through multi-brand, different value propositions and sales channels as well as R&D synergies. One example of this approach is the successful GIA brand in China.
- Strong position in safety solutions and large opportunities to scale digitalization business.

Size of electric business? BaaS? Impact on the balance sheet?

- Electrification revenues represented 3.8% (4.2) of Group revenues in 2025.
- 40 mines globally have ordered our battery electric vehicles (BEVs), and the majority of our BEV orders in 2025 came from these pre-existing customers.
    - *From the Q4 results call*

What about EBIT margins?

- We do not provide guidance on margins. Our goal is to have the industry-best operating margin.
- **Group**: Our profitability improved, up 17% year-on-year, translating into an EBIT margin of 19.9%. Adjusted, (only LTIP), the margin was 20.1% compared to 19.7% last year. The improvement was driven by efficiency measures implemented over recent quarters and high invoicing.

- The impact from tariffs was lower than in the previous quarter. In Q1, we said it was -0.5 percentage point on the margin. The lower level now is both because we have taken mitigating action and because the tariffs themselves are at an absolute lower level.

- What we see in the result is a clear improvement in our absorption rates in our factories. We have been consolidating sites and working on the efficiency in our production sites as well as in service, where we see also better coverage in our workshops. A variable portion in our functional cost is very much related to volume; Logistics, for example.

- Håkan; leave out or keep? As a group, we are delivering profitable growth. And our focus is to make sure that we continue to do that, and we continue to stay focused on efficiency measures. It's a solid quarter, but I'm still not happy with the margin. There is more that we can do, of course.

- **E&S:** If we look at the mix, equipment revenues represented 46% of revenue, compared to 44% in Q2 2025. The underlying mix is negative on profitability. Still, we were able to improve the operating margin to 23.1% (22.5). Adjusted, the margin improved slightly to 23.1% from 23.0%. The key driver here for margin improvement is high invoicing as well as efficiency measures that we have taken.

- The first year, the machines don't generate that much parts demand. With the strong equipment orders over the last quarters that we've had, that creates the potential then for parts revenue in the coming years. … We're growing now very nicely on equipment, but that's also a timing issue because eventually that will start to generate aftermarket, of course.

- On factory utilization, the expensive part is when you ramp up, when you train a lot of assemblers. We are adding shifts. We also have a very strong set of dual capabilities and can produce the same equipment in several of our manufacturing sites. We can ramp up in parallel now, both in India, in China, in Sweden, as well as in U.S. I don't see any challenges on the capacity side. It's more about getting people on board and training them.

- **T&A:** EBIT increased by 30% to SEK 488 million, resulting in an operating margin of 12.7% compared with 10.3% a year ago. Adjusted, 12.7% (12.9). supported by efficiency measures that more than offset the currency headwind. The increased input cost for tungsten, which as you might remember, impacted the Tools & Attachments margin with more than 1 percentage point in the previous quarter, has been mitigated to a large extent. The surcharges to customers as well as the recycling program are contributing positively, the negative impact is therefore significantly less now in the second quarter.

- *Answer to question on long-term margin:* I think a more normalized margin for that (T&A) business at that time was around 17%. The big change is the acquisition of Stanley. When we acquired them, they were between 15%-20% on EBITA level. If the market comes back, we should be able to get back to that same level for Stanley. We also need recovery for our other attachment business. There's nothing structurally or fundamentally that has changed in the market. With the market coming back, or being strong again, we see opportunities to get back to that level.
    - *Q2 results call.*

- Please note: We are treating the increase in tungsten prices by adding a specific surcharge to the normal price for the drill bit. The surcharge offsets increased COGS. In other words, we will not compensate with price, but with lower COGS.
- The tungsten is used predominantly in the “drill bits” within the Tools business. In this division (which is one of two divisions in the business area T&A), we also provide drill strings, hammers and ground support. China dominates the tungsten market and controls around 80% of the supply.
    - *IR comment in meetings*

Working capital? Supply-chain issues? Lead times? Time to translate equipment orders to equipment revenues?

- If I turn into net working capital, it amounted to SEK 24.9 billion at the end of the quarter, which is an increase of 10% compared with a year ago. As a share of revenues, however, net working capital improved slightly to 37.1% from 37.5% a year ago. Why have we then increased our working capital? It's mainly driven by higher inventories, and higher inventories are reflected in the high activity level we see in the market.
- We have successfully ramped up our production after having a quite long period of strong equipment growth. Doing that, our lead times remain at normal levels.
- The ramp-ups are going according to plan, that generated strong revenue growth here in 11 of 15 quarters. We are at a new level of output in the factories. I'm very pleased with how the organization has ramped up and continues to make sure that we can safeguard the lead times, because that's also crucial in the environment that we are in.
    - *Comments from the Q2 results call.*

Interest cost? Financial position? ROCE?

- The net debt/EBITDA ratio was 0.75 (0.82).
- The average tenor of Epiroc’s long-term debt was 3.8 years (4.2). The average interest duration was 15 months (18) and the average interest rate at the end of the quarter was 4.1% (4.1).
- Return on capital employed was 19.3% (20.2), mainly explained by a lower operating profit level during the last 12 months.
    - *From the Q2 report.*

Cash generation?

- Operating cash flow was MSEK 1 902 (1 104) and the cash conversion rate, rolling 12 months, was 93% (94).
    - *From the Q2 presentation.*

FX?

- Currency impacted the margin negatively with -1.0 percentage points. I would argue that if it stays where it is right now, when it's more stable, then you will see less of an impact overall in Q3 than we have seen previously.
    - *From the Q2 results call.*

Items affecting comparability, including changes in provision for share-based long-term incentive (LTI) programs?

- Items affecting comparability of MSEK -33 (-153), fully explained by the change in provision for the share-based long-term incentive programs.
    - *From the Q2 report*
- No items affecting comparability have been announced for Q3 2026 to date.

Capital allocation priorities? And M&A?

- Priorities: 1. Continuously invest in organic profitable growth. 2. Invest in acquisitions that support our organic efforts: Complementary core, aftermarket, and digital. 3. Cash distribution.
- The acquisition of the business of Eventspec Proprietary Limited was completed on August 4. Eventspec manufactures parts for drill rigs, mine trucks and loaders, and provides related rebuilds, repairs and services. The business is based in Johannesburg, South Africa, and had revenues in 2025 of approximately MZAR 280, corresponding to MSEK 160, with approximately 125 employees.
- You can always find an updated M&A list here.
- *"We are constantly looking into the opportunities that are out there. If I look at the different segments that we explore, it is complementary to core. And what is complementary to core? It is very much adjacent. It's products that fit well into our offering and where we can leverage the synergies in cross selling these products across the globe. So, I would say that it's in closing gaps of products. It's strength in the aftermarket, which could be companies that could do consumables. They could be service providers that have a strong regional footprint, for example, or a regional business somewhere where we want to expand, but also technology companies. So, it's also towards technology... it will be close to what we know and where we know that we can leverage the strength of Epiroc."*
- *"Where we see the biggest untapped potential given what we have today and of course, our strength and our history, I would still say it is within mining, even though, of course, an uptick — a strong uptick in infrastructure will, of course, support us greatly because we have the foundation and we have the products."*
    - *From CMD 2026*

Other relevant announcements for the quarter?

- Epiroc inaugurates expanded manufacturing facility for hydraulic attachments in Sweden
- Epiroc's sustainability work earns Gold Medal again from EcoVadis
- Epiroc wins large equipment order for copper mine in Botswana

Seasonality?

- Historically Q3 has somewhat lower orders and revenues than Q2.
    - *IR comments to financial markets in key figure file, sheet OIB.*

Capex needs?

- We produce only the core components where we want to safeguard our own innovation, and we want to have a flexible manufacturing setup. And actually, as much as 70% of the product cost for equipment is purchased from our suppliers. It enables us to be fast, both when demand goes up, but also to adjust costs when demand goes down. It also results in quite low CapEx needs. We have said our need is between 2% to 3%. Actually, if you look at the last few years, it has been lower than that. But as we heard Helena talk about before, we are looking to expand more in growth markets now in the coming few years.
    - *From CMD 2026.*

Tax rate guidance?

- Between 22% and 24%.

Please let us know if anything is unclear – or if there is something we can improve. We are happy to help.

Best regards

Karin, Alexander & Gustaf