Metso:Outotec

Investor presentation



August 2022

Forward looking statements

It should be noted that certain statements herein which are not historical facts, including, without limitation, those regarding expectations for general economic development and the market situation, expectations for customer industry profitability and investment willingness, expectations for company growth, development and profitability and the realization of synergy benefits and cost savings, and statements preceded by "expects", "estimates", "forecasts" or similar expressions, are forward looking statements. These statements are based on current decisions and plans and currently known factors. They involve risks and uncertainties which may cause the actual results to materially differ from the results currently expected by the company.

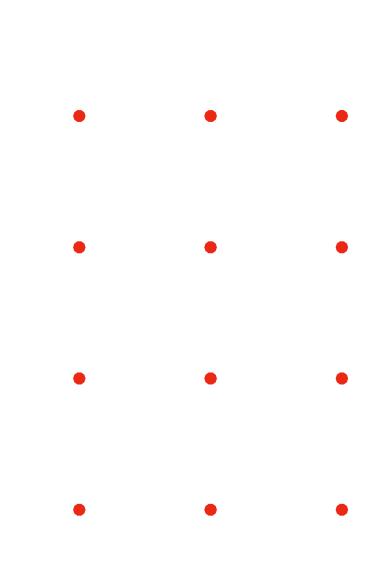
Such factors include, but are not limited to:

1) general economic conditions, including fluctuations in exchange rates and interest levels which influence the operating environment and profitability of customers and thereby the orders received by the company and their margins

2) the competitive situation, especially significant technological solutions developed by competitors

3) the company's own operating conditions, such as the success of production, product development and project management and their continuous development and improvement

4) the success of pending and future acquisitions and restructuring.



Enabling sustainable modern life



billion euro sales in 2021

4.2



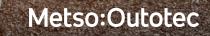
50+ countries we operate in

R S S **15,600+** employees



90+ nationalities

30 locations with R&D, testing or laboratory capabilities VISION: To be customers' number one choice for sustainable use of Earth's natural resources. Together we deliver service, reliability, innovation and results – safely.



Our businesses



Aggregates

Crushing and screening equipment for the production of aggregates



Minerals

Equipment, process islands, and plants for minerals processing and hydrometallurgical solutions for recovery of metals



Metals

Process technologies, solutions, and services for metal and chemical industries



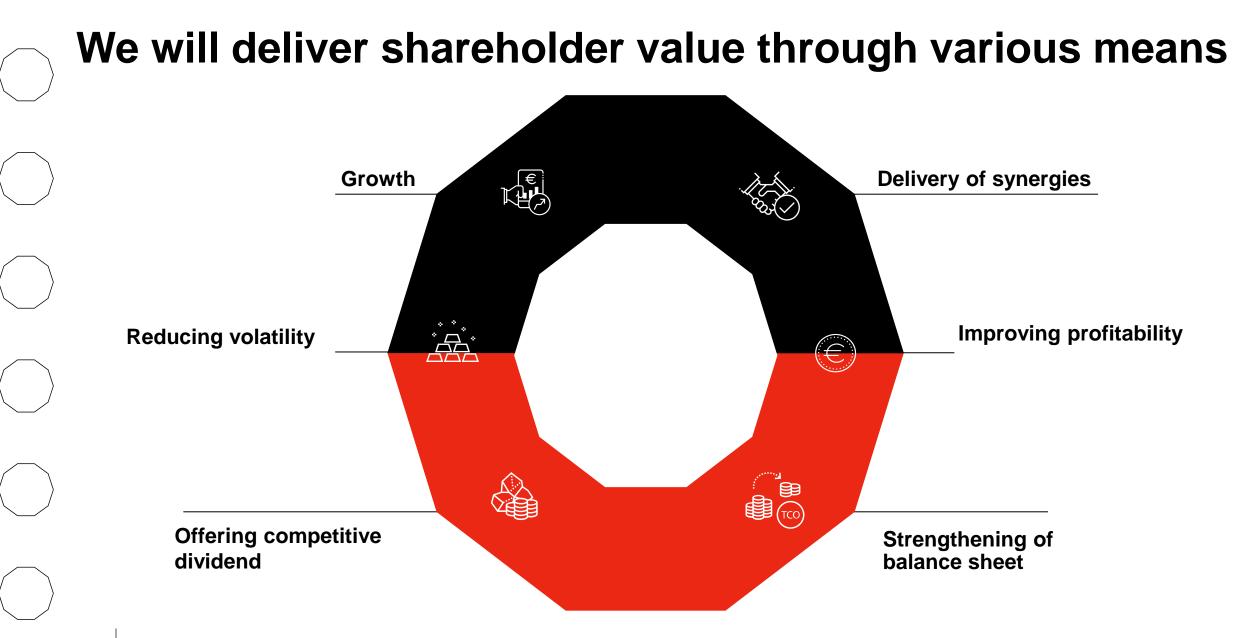
Services

Spare parts, refurbishments and professional services for mining and aggregates customers

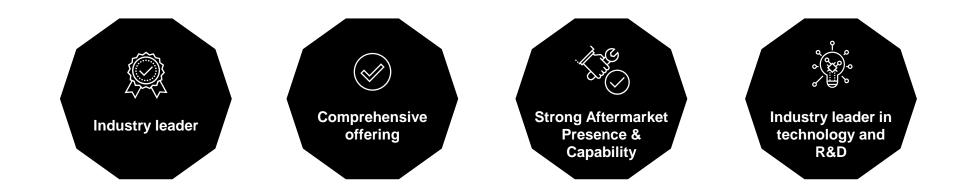


Consumables

Comprehensive offering of wear parts for mining and aggregates processes



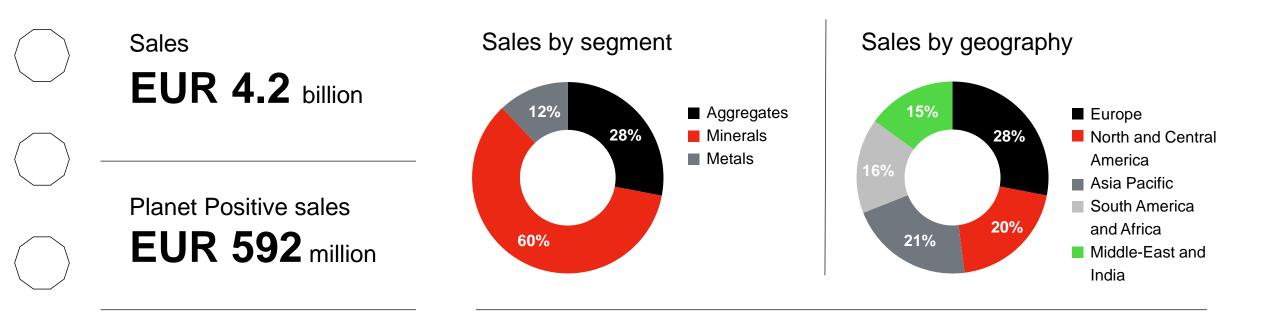
Our investment highlights



We have created a stronger platform in an industry that is transforming through consolidation, digitalization and an increased focus on sustainability



Metso Outotec key financials 2021



Services share of sales **43%**

7

Adjusted EBITA EUR 547 million / 12.9%

Metso Outotec – Enabling sustainable modern life

Megatrends

Urbanization Electrification Sustainability Resource scarcity

To be customers' number one choice for sustainable use of Earth's natural resources. Together we deliver service, reliability, innovation and results – safely.

Brand promise

Vision

We are the partner for positive change

Top priorities

Financial performance Customer success Sustainability Performance culture





AGGREGATES | MINERALS | METALS | SERVICES | CONSUMABLES

Values

High ambition – always



Customer in center



Getting it done – together



Open and honest

Strategy implementation continues through four top priorities









Financial performance

9

Customer success

Sustainability

Performance culture

Target to be industry leading company with strong financial performance

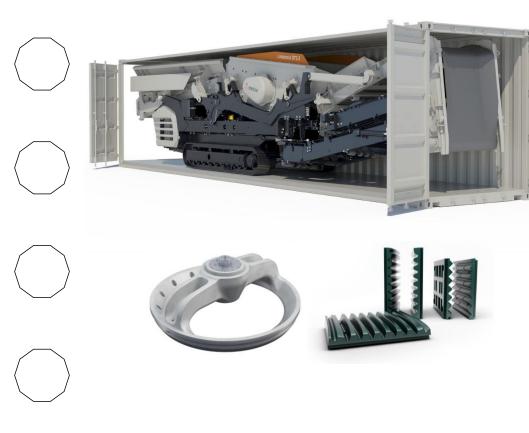
Adjusted EBITA margin of **>15%** over the cycle Maintaining investment grade credit rating

Dividend payout of at least 50% of earnings per share Progress in sustainability in alignment with the **1.5°C** commitment

Metso:Outotec

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Emphasizing services and product development



Metso:Outotec



CONTINUOUSLY GROW SERVICES

 Reinforce presence in service-intensive businesses

• Profitability and stability over cycles

 Grow coverage of own installed base and grow beyond that



FOCUS ON PRODUCT DEVELOPMENT

- Building on our end-toend **process knowledge**
- Standardized and preengineered products
- Securing service business potential via design to service
- Reducing dependency on big projects

Metso Outotec growth areas

Products with high aftermarket intensity Sustainable offering

Automation & digitalization

China & Silk Road

Integration synergy targets achieved ahead of plan

End

2021

July 2019

Original synergy targets

Cost synergies by end 2022 EUR 100 million

Revenue synergies by end 2022 EUR 150 million Targets exceeded, integration period has ended

Cost synergies **EUR 142 million**

Revenue synergies

EUR 110 million in sales; EUR 115 million in backlog



Action taken in Metals & Recycling

- Metals strategic review started in January 2022
- Hydrometallurgy moved to Minerals
- Waste Recycling business divestment completed in Dec 2021
- Metals Recycling business divestment completed in June 2022



Our core industries have a solid growth outlook...

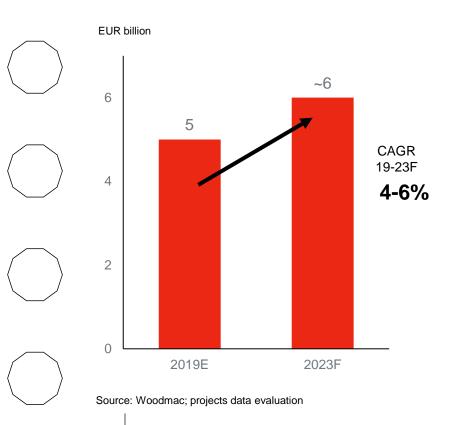


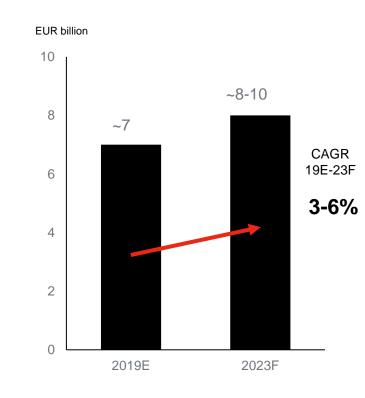
MINERALS PROCESSING

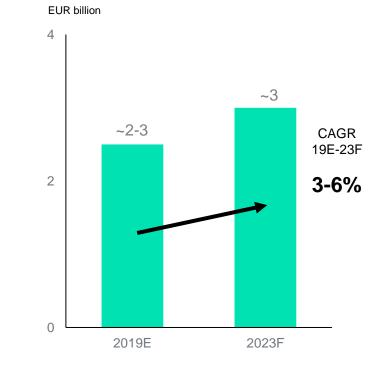
– equipment market growth

METAL REFINING

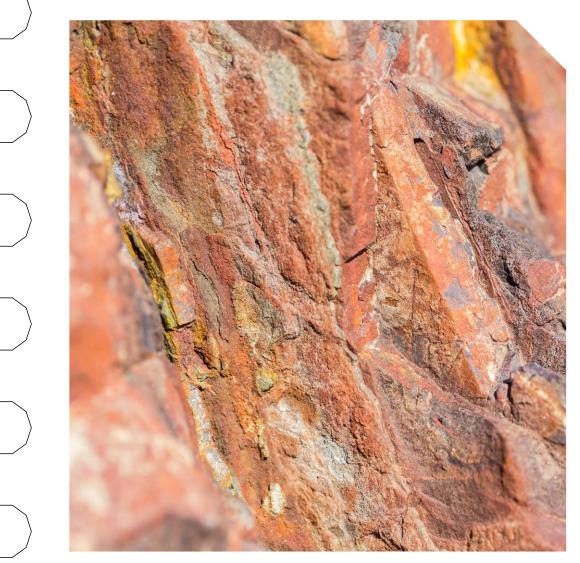
- equipment market growth



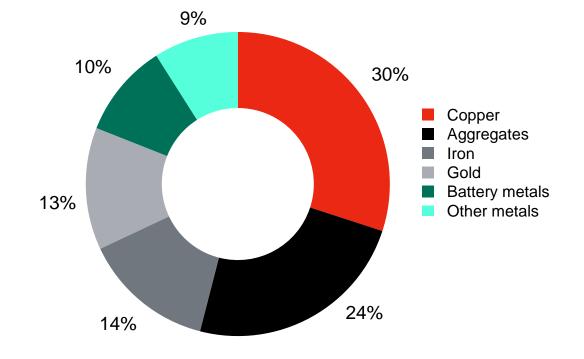




...and our exposure is balanced...

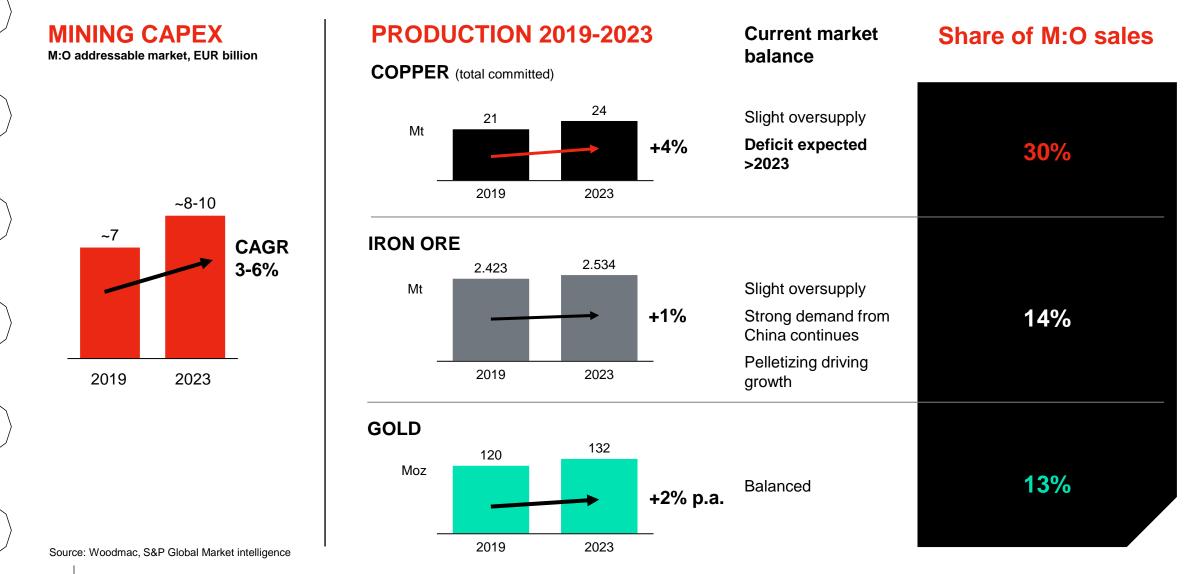


~80% of sales spread across 4 major applications



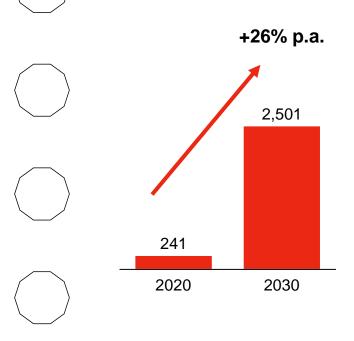
Excluding recycling and other industries

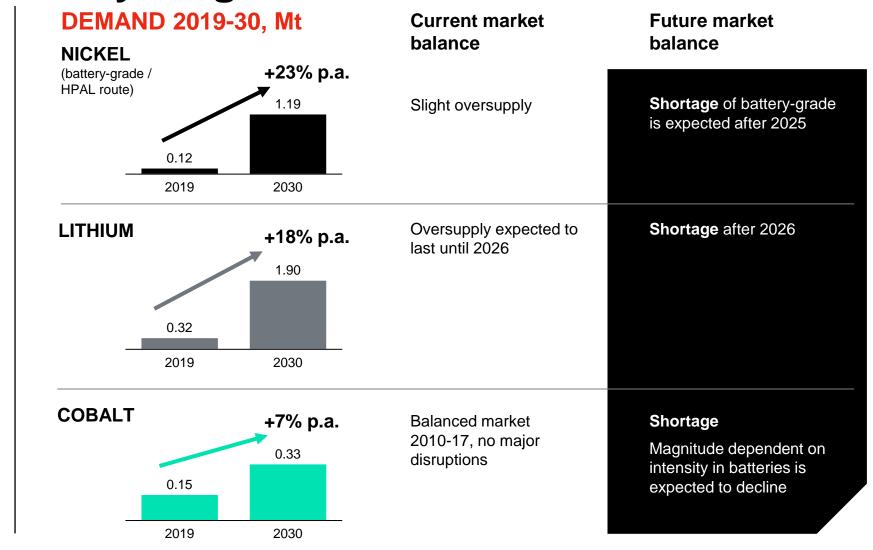
...between three major growing metals...



...and a good position in fast-emerging battery metal processing and recycling markets

GLOBAL LI-ION BATTERY CELL DEMAND GWh





Source: S&P Global Market Inteligence

Sustainability, R&D and people

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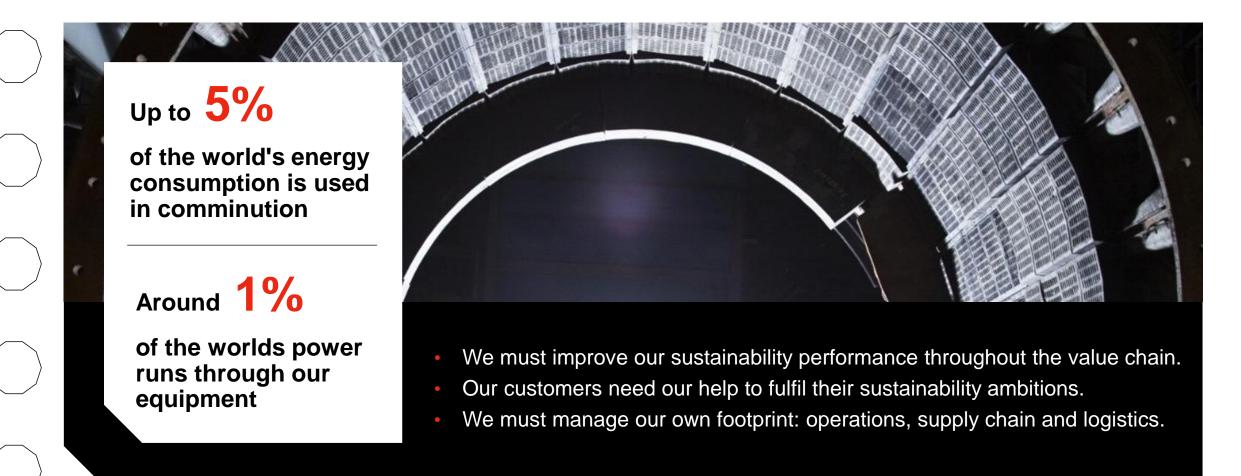
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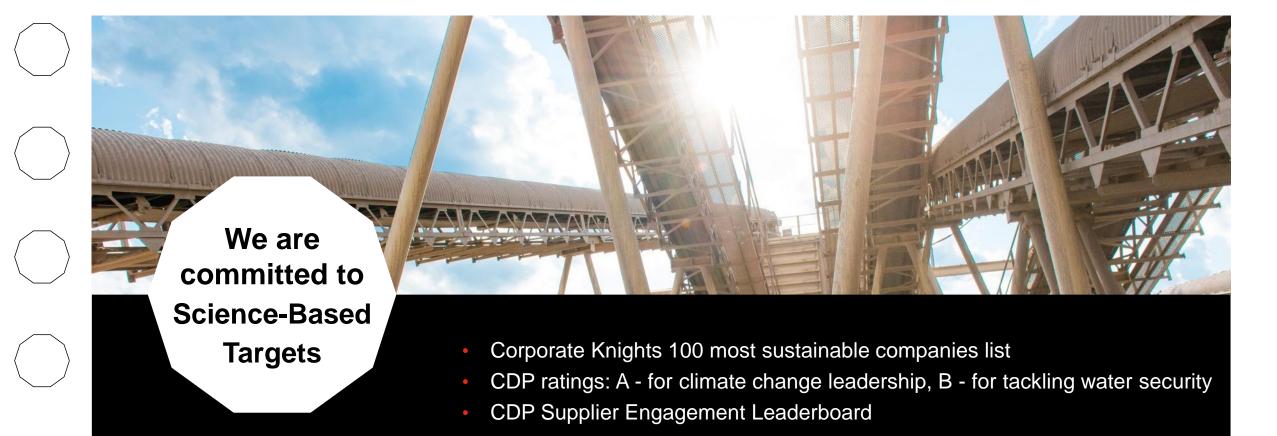
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Mining industry and equipment suppliers play an important role in addressing the climate challenge



We have ambitious goals that target limiting global warming to 1.5 degrees



Enabling customers to reach their sustainability targets

Planet Positive product for every part of the value chain

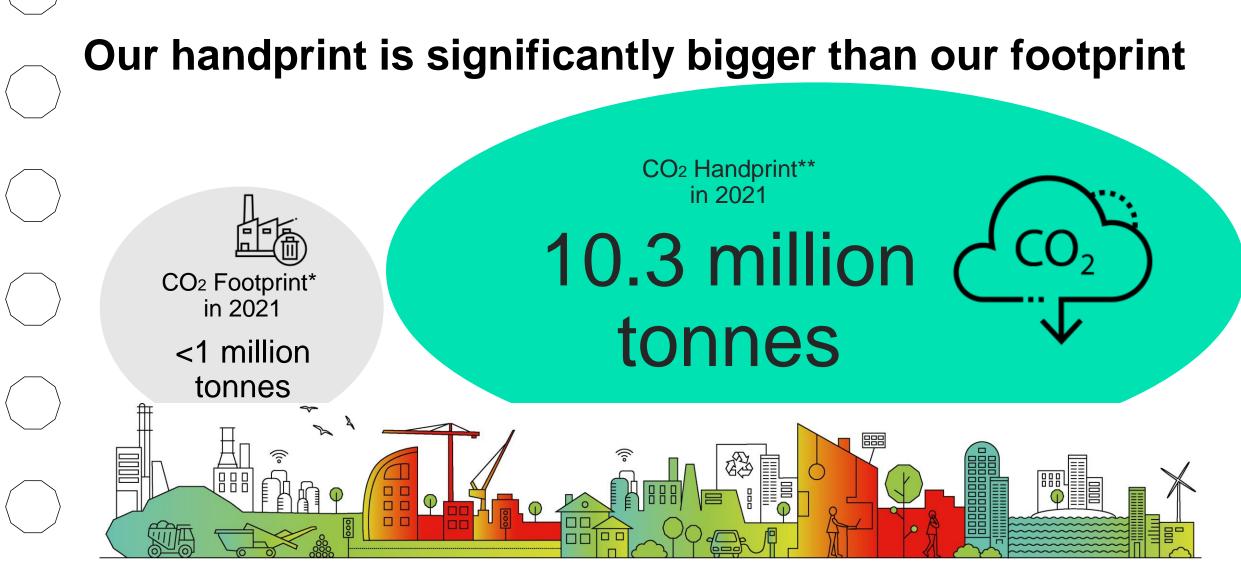


All R&D with sustainability targets

Accelerating Planet Positive sales Partnering with suppliers to decarbonize the supply chain

Own operations CO_2 emissions net zero by 2030

Zero harm



*Footprint = emissions generated in production, logistics, purchased goods and services as well as flights **Handprint = emissions avoided in customer operations across 17 metals refining and minerals processing technologies

Our environmental footprint

We aim to minimize our footprint by reducing environmental impact in our own operations, logistics and procurement.

CO₂ emissions in own operations

by 2030*

- 58% in 2021

* Baseline 2019

Logistics CO₂ emissions -20%

by 2025 *

- 19% in 2021

Spend from suppliers with Science-Based emissions targets

30% by 2025

10.1% in 2021

Making an environmental impact with our sustainable offering





- Energy efficiency
- Carbon efficiency
- Optimized for using renewable energy
- Water efficiency
- Less pollution
- Reduced embedded carbon
- Electrified solutions

- Over 100 Planet Positive products and services
 - Demonstrably better than the industry benchmark
 - Help our customers achieve their climate and other environmental targets
- 100% commitment to sustainable R&D

* Additionally, a Planet Positive product needs to be as good, or preferably better, than the industry benchmark product(s) in terms of health and safety, pollution and biodiversity impact.

Examples of our Planet Positive solutions



Energyefficient modular In-pit crush and convey solutions



Energy efficient Horizontal Mill Plant units for optimized grinding circuit throughput



Concorde Cell[™] for recovering fine and ultra-fine particles with minimized energy and water consumption



Energy-efficient comminution circuits with HRCe[™] HPGRs and modular Stirred milling plants



MD series mill discharge pumps for enhanced sustainability



Larox[®] FFP3716 Filter for sustainable tailings filtration



Metso:Outotec

Examples of our Planet Positive solutions

pare and wear parts, upgrades and modernizations



Truck body Lighter, more payload & less fuel per hauled ton



Optimized wear parts More efficient processes Long lasting wears Lower energy consumption Safer operations



Repairs Extending the lifetime of customer assets for reduced waste



Unique BSE Screen Eliminates water consumption in the screening process



Recycling solutions for worn materials



Upgrades and modernizations e.g., FloatForce upgrade for lower energy consumption and improved wear life



Industry-leading service expertise with global network

- Comprehensive service portfolio from spares and wears to advanced lifecycle services
- World-class team of experts
- Efficient service processes to enable our experts to get it right – fast
 Deep understanding of customer process, product design and technology
 Efficient logistic network in all main customer markets

~3,000 service experts

∼<mark>140</mark> service locations

3 performance centers

6 own foundries and selected partner foundries **9** rubber and Poly-Met part factories

Strong innovation and R&D power



Uncompromised safety in offering and operations







Health and safety of people

- Safe and secure
 workplace
- Proactive attitude
 towards zero harm

Safe products and services

- Products designed for safety
- Safe and professional service teams

Safe and responsible supply chain

- Rigorous supplier screening
- Supplier code of conduct

LTIFR* (2021) **1.1** Long-term target **Zero harm**

TRIFR** (2021) **3.2** Long-term target **Zero harm**

* Lost time injury frequency rate ** Total recordable injury frequency rate

Our industry leading diverse group of professionals

	Our largest countries People Chile 2,300	Our people by geography		Our people by employee category	
	Finland 2,300				
	Brazil 1,600				
\frown	India 1,200				
	United States 1,000		■ Europe		■ Blue collars
	China 970		South Am	erica	Professionals
	Australia 870		Asia-Paci	fic	Management
	Sweden 660		North and		
\frown	Canada 530		Central A	merica	
	Mexico 530	Africa and		id MEI	
	15,000+ employees globally	Over 50 countries	94 nationalities	44/56% women/men in	18/82% women/men
				executive team	

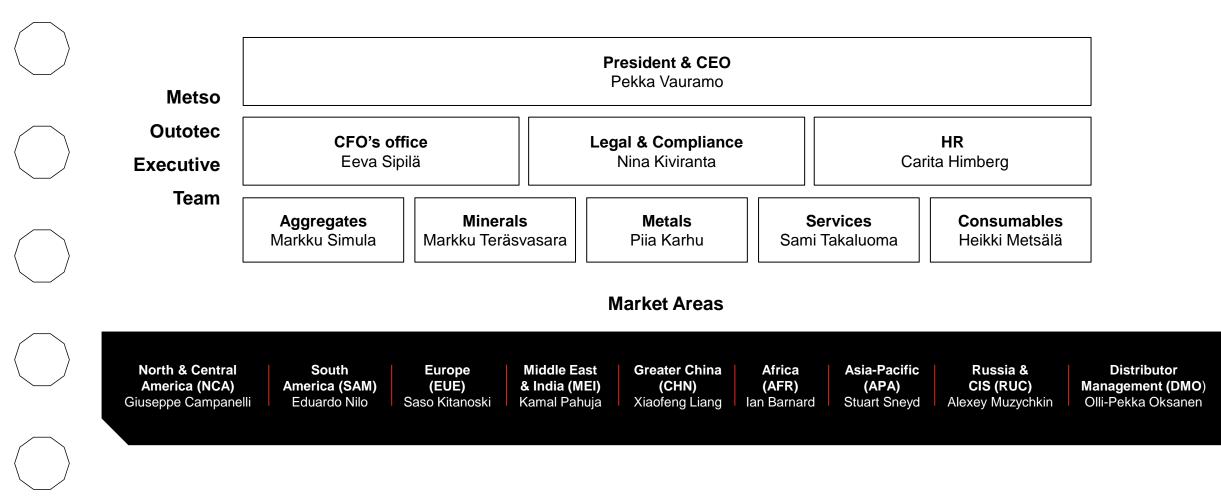
Diversity & inclusion is the basis of everything we do

- We are committed to developing a workplace where diversity and inclusion is embedded and celebrated in our culture.
- We believe that an inclusive environment where everyone can be their genuine selves makes our teams and our business stronger.



Metso Outotec leadership team

Extended Metso Outotec Executive Team



Our offering

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Aggregates to build modern societies

Supplying equipment and services for a diverse customer base



Going electric

Crushing is energy-intensive. We Innovate with our customers to provide products and solutions that are positive for our planet

Customer benefits

- Best cost, best availability, easyto-buy, and easy-to-own solutions
- Comprehensive range of brands and solutions
- Less noise and dust in urban environments
- Timely and reliable expert service and parts near customers
- Extensive distributor network



Our customers

Large international and smaller local companies in the aggregates industry

Driven by sustainability and digitalization

Crushers and screens

- Mobile and portable machines and plants
- Stationary crushing and screening plant systems

Spares and wears

Spare and wear parts and upgrades



Professional services

- Installation, inspections, plant audit, maintenance, shutdowns, optimization
- Life cycle services and performance solutions

Our equipment is ~50% electric

- Stationary: fully electric
- Wheel mounted: fully electric
- Track mounted ~15%
 electric

Digital customer experience

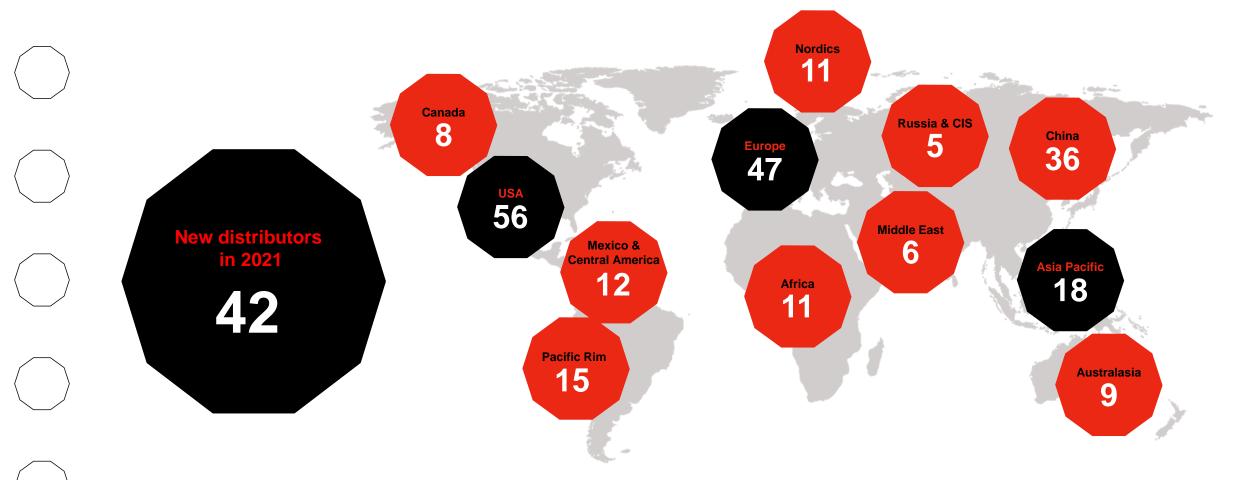
- Intelligent crushing
- Fleet management
- Remote control



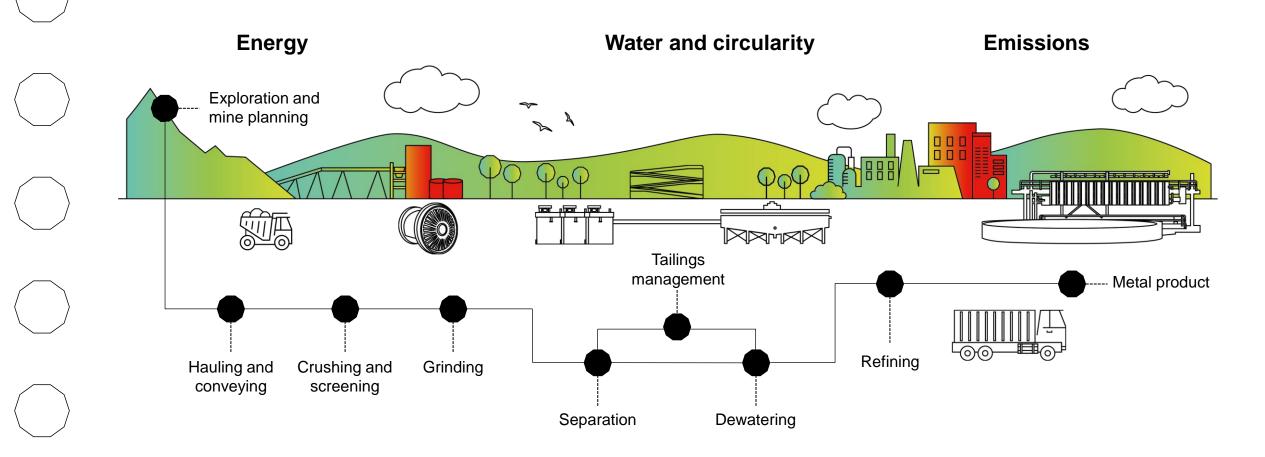
Multi-brand: Serving our customers' different needs

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	Global brands		Aggregates recycling & demolition	Aggregates contractors	Quarries	OEM business
	Metso:Outotec	High performance crushing & screening solutions	Nordtrack	Lokotrack		
	MCCIOSKOY	Mobile crushing, screening & recycling				
	Regional brands		Aggregates recycling & demolition	Aggregates contractors	Quarries	
	TESAB	Mobile crushing, screening & material handling	-			
	K LIPPMANN	Heavy duty crushing & screening			<u>.</u>	
	JONSSON™	Heavy duty electric crushing & screening				
	PART OF METSO	Fit-for-purpose crushing & screening	<u></u>			
	37				Mets	o:Outotec

Customers benefit from a global network of over 200 distributors



Presence in the whole ore to metals value chain



WE CREATE THE BIGGEST IMPACT THROUGH OUR CUSTOMERS

Minerals processing

Focus on smarter and more sustainable mining processes



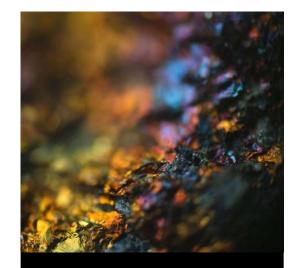
Our customers are focusing on:

Energy consumption

Water stewardship Agility through, for example, modularity New levels of reliability

Capturing the value of ore, responsibly

Leading offering for mining and minerals processing



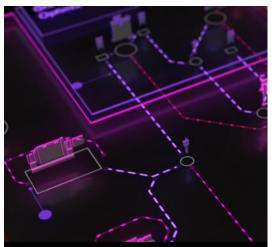
Solutions for virtually all ore types and process steps

covering comminution, sizing, concentration, dewatering, material and slurry handling and tailings management, and hydrometallurgical processing

Broad offering

ranging from pre-feasibility studies, engineering and process equipment to complete process islands and plants with related life cycle services





Digitalization at the core

Geminex[™] metallurgical digital twin for flow sheet planning to manage variability and optimize resources, a wide automation offering complemented with connected services to deliver insight-driven performance

Driving sustainable flowsheets

An extensive range of Planet Positive products continuously complemented with new valueadding solutions



Comprehensive expertise with a full portfolio of sustainable solutions for all ore types and processes

Grinding Industry's most comprehensive portfolio

Crushing: Combining legacy and unmatched expertise Separation Maximizing recovery throughout minerals' processing operations Materials handling Less maintenance, safer operations

Plant Solutions Unmatched performance and expertise

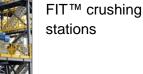
Screening Reliable solutions designed to optimize your process

Slurry Handling Maximizing pumping efficiency in mining Filtration Enabling economic and environmental sustainability Hydrometallurgy Industry-leading hydrometallurgical process technology for main metals

Examples of our recent innovations for minerals processing







HRC™e HPGR

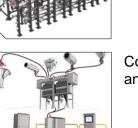
Foresight[™] &



Metso Outotec Premier[™] & Select[™] horizontal grinding mills



MD Series mill discharge pump



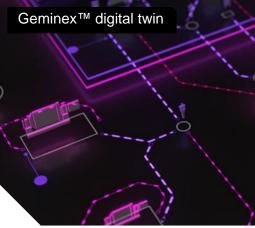
Courier™ 6G SL analyzer

Activated Carbon

(AC) filter

Linear Metallurgical Sampler (LMS)

Larox[®] FFP3716 filter









Advanced solutions from ore or concentrate to metal

Metso Outotec for metals



Global leader in process technologies for metal and chemical industries for pyrometallurgy, agglomeration and sulphuric acid applications Unique portfolio with best-inclass technology and expertise throughout the asset lifecycle, driven by proprietary IP and strong innovation track-record supporting customers' sustainability targets Leading solutions for decreasing customers' CO_2 emissions, e.g.

- Copper Flash Smelting[™]
- Alumina calcination
- FeCr smelting

R&D focus on carbon-free production with innovative modular plants & digital solutions.

Leading process technology for metals producers

Plants, equipment, and services



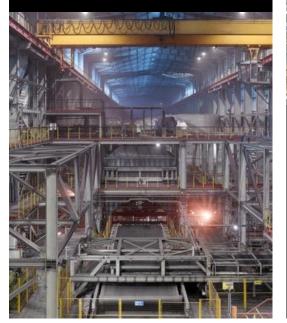
Pyrometallurgy

Process solutions for

- Smelting
- Calcining
- Roasting
- Direct reduction

Agglomeration

- Process solutions for
- Pelletizing
- Sintering





Sulphuric acid

Process solutions for

- Metallurgical acid plants
- Sulphur burning plants
- Gas cleaning

Industries served

- Base metals
- Iron & steel
- Precious metals
- Light metals
- Fertilizers



Strong portfolio of metals processing technologies



Iron ore agglomeration >400 Sinter plants and >140 Pellet plants in travelling grate and grate Kiln technology supplied, including the world's biggest ones



Light metals >70 Alumina Calcination and Tube Digestion plants delivered

Acid plant process >650 completed acid plant deliveries

- High-efficiency gas cleaning solutions
- Largest Metallurgical Acid plant: 4,500 tpd (1.5 Mtpa)
- plant. 4,500 tpu (1.5 Mipa)
- Largest Sulfur Burning plant: 5,000 tpd (1.7 Mtpa)





Smelting technologies Operated by world's largest copper, nickel and ferro-chrome operations and widely used in various secondary smelters • >60% of global

- pyrometallurgical copper and nickel are produced with these technologies
- ~60% of global ferrochrome is produced with this technology
- 100 anode casting shops

Calcining >1,500 Rotary Kiln Installations for Minerals and Metals Calcining & Roasting



Fluid Bed >300 Fluid Bed Roasting installation incl. the largest partial Roasting plant



Life Cycle Services - unique maintenance and optimization capabilities and process expertise



Long-term solutions to help our customers exceed their performance targets through partnership agreements

Common objectives:





Highest safety, lowest environmental footprint



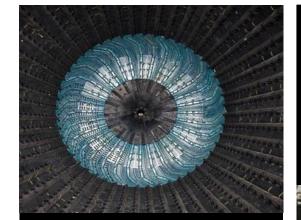
production



availability

Lower operating costs

Our service solutions improve customers' equipment and process efficiency sustainably



- Process optimization and connected services
- Improved customer experience with digital solutions

- Spare and wear parts built to perform
- Modernizations, upgrades and retrofits



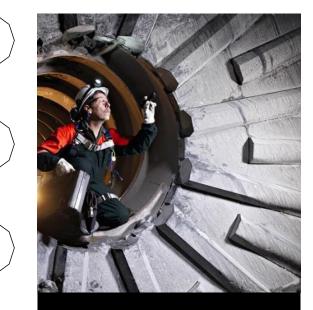
Life Cycle Services

- Repair services
- Maintenance and shutdowns
- Training services

• We produce solutions for the entire market, not just for the Metso Outotec installed base



Optimal wear solutions for the entire value chain



Mill lining solutions

More than 60 years of pioneering developments in mill lining – metallic, rubber and Poly-Met.

Crusher wear parts

Designed to the same specifications and exacting standards as our crushing equipment, ensuring equipment compatibility for reliable and safe operation.





Screening solutions

With solutions that range from rubber and polyurethane to classic wire, Metso Outotec offers media designed to optimize your screening process.

Loading and hauling

Wide range of wear linings covering chute, conveyor and loading and hauling solutions designed to optimize safety, productivity and profit.



Not all spare parts are created equal



Crushing

Wide-ranging parts offering for gyratory, cone and jaw crushers, to mobile and portable plants, to select non-Metso Outotec crushers.

Screening

Metso Outotec screen and feeder parts boast a strong design to suit tough operating conditions.





Grinding

A proven history of designing, manufacturing, and servicing grinding mills and components.

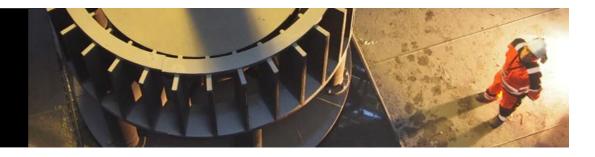


Filtration

Readily available parts, enabling optimal performance, increased uptime, higher reliability, lower maintenance costs, and better personnel protection.

Engineered upgrades

Upgrades and modernizations bring multiple benefits across the flowsheet such as higher productivity, improved safety and sustainability improvements.



Q2/2022 and Half-year results

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Good progress

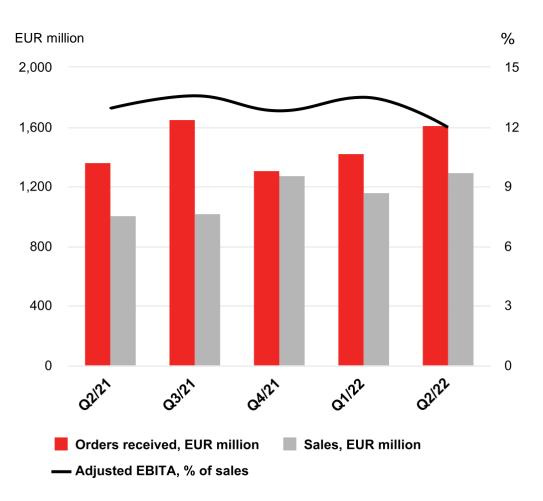
in sustainability



Group key figures

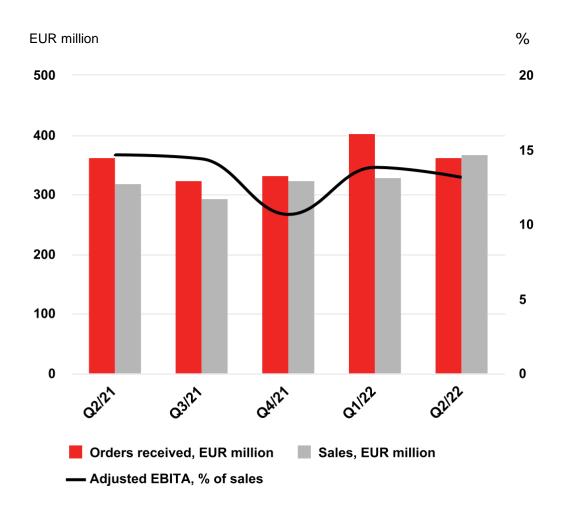
EUR million	Q2/2022	Q2/2021	Change %
Orders received	1,610	1,360	18
Sales	1,295	1,010	28
Adjusted EBITA	155	131	19
% of sales	12.0	12.9	_
Operating profit*	-13	97	-113
% of sales	-1.0	9.6	_
Earnings per share, continuing operations, EUR	-0.02	0.07	_
Cash flow from operations	15	107	-86

*Q2/2022 including EUR 150 million non-recurring charge related to the wind-down of the business in Russia



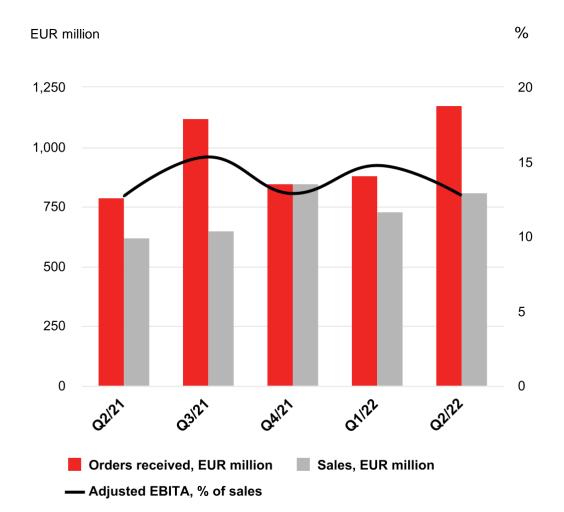
Aggregates segment quarterly highlights

- Orders received EUR 363 million (EUR 363 million)
 - North America strongest market
 - Equipment -6%, services +17%
- Sales EUR 368 million (EUR 320 million)
 - Growth supported by backlog
 - Services share 35% (31%)
- Adjusted EBITA EUR 48 million (EUR 47 million)
 - Margin of 13.1% (14.6%)
 - Profitability affected by currencies (~2.5 p.p.) and cost pressures in consumables



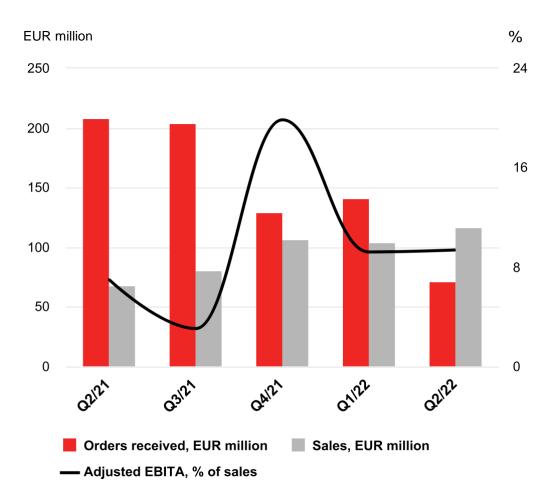
Minerals segment quarterly highlights

- Orders EUR 1,176 million (EUR 789 million)
 - Strong market activity and order growth
 - Equipment orders +80%
 - Services orders +29%
- Sales EUR 810 million (EUR 622 million)
 - Equipment +63%
 - Services +14%
 - Services share 59% (67%)
- Adjusted EBITA EUR 103 million (EUR 79 million)
 - Margin of 12.7% (12.7%)
 - Supported by volume growth and synergies, affected by higher share of equipment
 - Negative impact from currencies (~2.1 p.p.) and cost pressure in consumables



Metals segment quarterly highlights

- Orders received EUR 71 million (EUR 208 million)
 - No large orders booked during the quarter due to timing
- Sales EUR 117 million (EUR 68 million)
 - Supported by increased deliveries from backlog
 - Services share 12% (16%)
- Adjusted EBITA EUR 11 million (EUR 5 million)
 - Adjusted EBITA margin 9.3% (7.0%)
 - Volume growth and better cost position

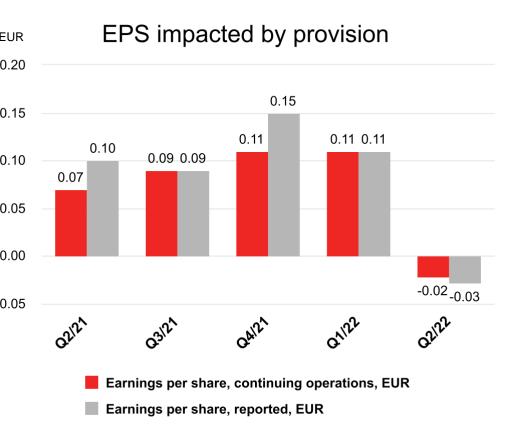


Russia business update

- Wind-down continued in the second quarter
- Deliveries totaled EUR 67 million in the second quarter
- Provision of EUR 150 million expected to cover the remaining exposure
 - Group's order backlog reduced by EUR 380 million at the end of June

Income Statement

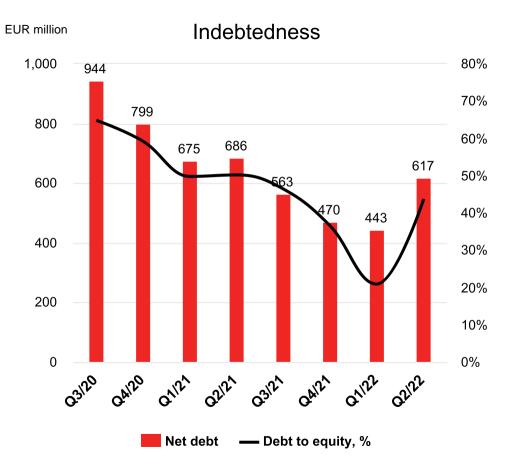
EUR million	Q2/2022	Q2/2021	Q1-Q2/2022	Q1-Q2/2021	2021
Sales	1,295	1,010	2,459	1,935	4,236
Adj. EBITA	155	131	312	245	547
Adj. EBITA, %	12.0	12.9	12.7	12.7	12.9
Operating profit*	-13	97	127	188	425
Operating profit, %	-1.0	9.6	5.1	9.7	10.0
Net financial expenses	-11	-11	-31	-18	-39
Profit before taxes	-24	86	95	170	385
Income taxes	5	-22	-27	-43	-92
Profit for the period, continuing operations	-19	64	69	127	294
Earnings per share, continuing operations, EUR	-0.02	0.07	0.08	0.15	0.35
Profit for the period	-24	86	64	145	342



*Q2/2022 including EUR 150 million non-recurring charge related to the wind-down of the business in Russia

Balance Sheet

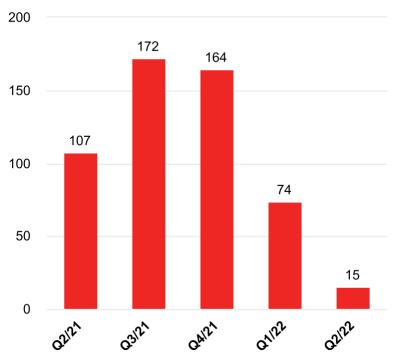
EUR million	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
Intangible assets	2,007	2,041	2,002
Total property, plant and equipment	394	372	373
Right-of-use assets	125	132	127
Other non-current assets	313	250	234
Inventories	1,665	1,154	1,269
Receivables (trade and other)	1,460	1,112	1,285
Liquid funds	451	469	473
Assets held for sale	13	143	65
TOTAL ASSETS	6,427	5,673	5,830
Total equity	2,167	2,049	2,251
Interest-bearing liabilities	1,076	1,164	952
Non-interest-bearing liabilities	3,182	2,346	2,592
Liabilities held for sale	3	114	35
TOTAL EQUITY AND LIABILITIES	6,427	5,673	5,830



Cash Flow

EUR million	Q2/2022	Q2/2021	Q1-Q2/2022	Q1-Q2/2021	2021
Profit for the period	-24	86	64	145	342
Adjustments:					
Depreciation and amortization	39	44	77	83	167
Financial expenses, net	11	11	31	18	39
Income taxes	-5	23	26	43	92
Other items	11	-23	14	-14	-2
Total adjustments	56	55	148	130	297
Change in net working capital	-16	-34	-124	-4	-31
Net cash flow from operating activities before financial items and taxes	15	107	89	272	608





Financial position

- Repayment of matured EUR 100 million private placements
- EUR 100 million loan drawn from the Nordic Investment Bank
- EUR 99 million dividend paid in May
- Ratings:
 - S&P (February 2022): 'BBB-' long-term rating with revised outlook to positive
 - Moody's (April 2021): 'Baa2' long-term rating with stable outlook

EUR million	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
Liquid funds	451	469	473
Net debt	617	686	470
Gearing, %	28.5	33.5	20.9
Equity-to-assets ratio, %	37.9	39.7	43.2
Debt to capital, %	30.4	33.4	26.7
Equity/share, EUR	2.60	2.47	2.72

Portfolio development



Review of the Metals businesses under way



Market active for small M&A

• Tesab Engineering acquired in April

Divestment of Metal Recycling completed



Sustainability highlights in Q2/22



Strong order flow of Planet Positive technologies

Actions completed to reduce footprint CO₂ emissions

Sustainability-Linked Finance Framework published

Planet Positive highlights



First **fully Planet Positive comminution circuit** order (incl. HPGRs and Vertimills)



Metrics for real-time 24/7 monitoring of screens and Lokotrack mobile crushers



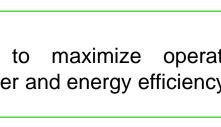
New products

Tailings Management Solutions for tailings thickening and dewatering and tailings handling through conveying and dry stacking

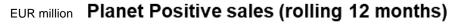
Metso Outotec Sense for optimizing minerals and hydrometallurgical processes

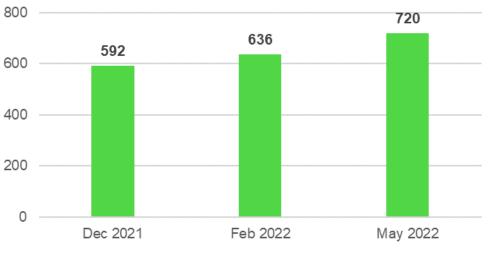


Filtration Plant Units to maximize operational reliability and increase water and energy efficiency











Cost-efficient Mill Discharge Low Rider pumps

Market Outlook

Market activity is expected to remain at the current level with the minerals market remaining strong and aggregates market declining slightly.

According to its disclosure policy, Metso Outotec's market outlook describes the expected sequential development of market activity during the following six-month period using three categories: improve, remain at the current level, or decline.



Metso:Outotec

Partner for positive change



