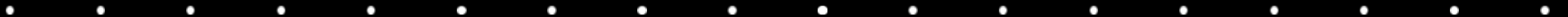


# Metso

## Q2 and Half-Year Review 2024

President and CEO Pekka Vauramo and CFO Eeva Sipilä  
July 24, 2024



# 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.

# Agenda

**01** Results in brief

**02** Financials

**03** Sustainability and outlook

**04** Q&A

July 24, 2024

Metso

# 01

## Results in brief

Pekka Vauramo  
President and CEO

# Q2/24 highlights



Market activity in line with expectations



Headwind in orders and sales



Resilient adjusted EBITA margin of 16.9%

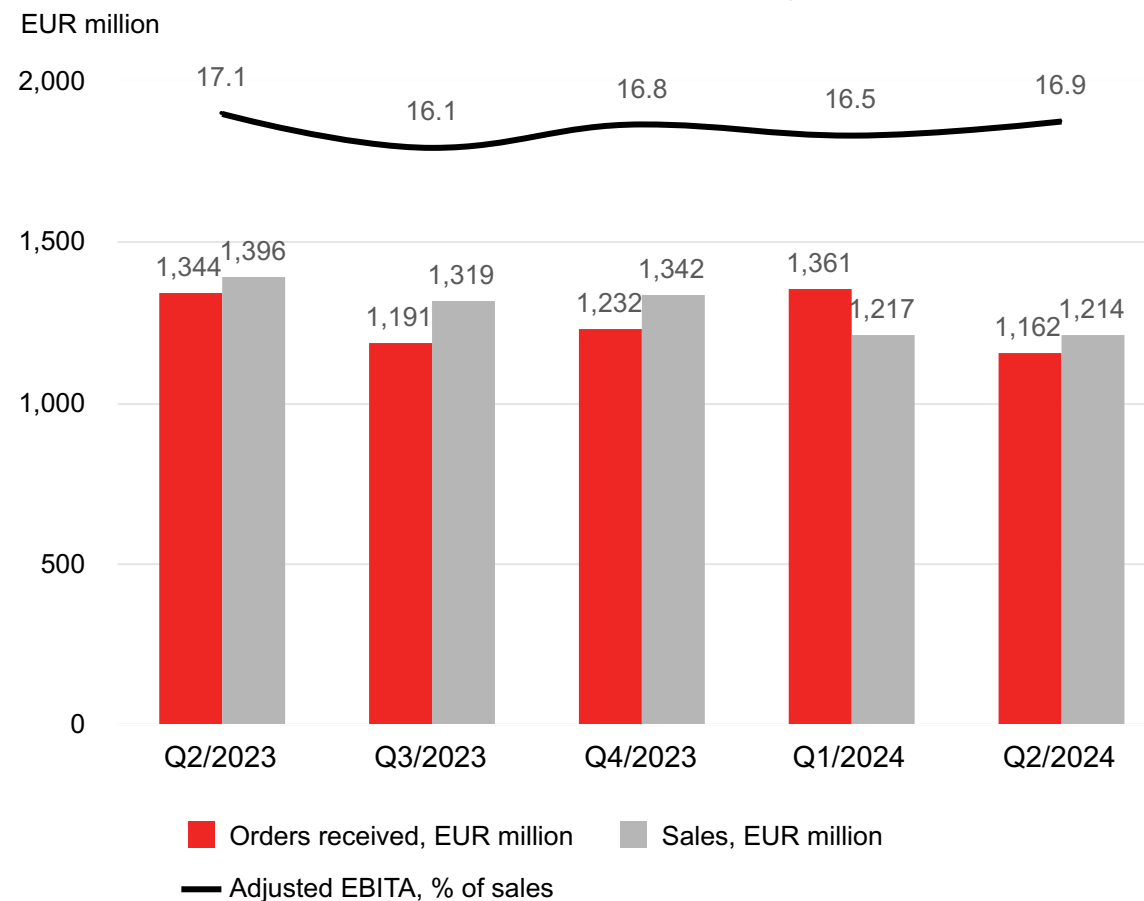


Positive development in cash flow

# Group Q2/2024 key figures

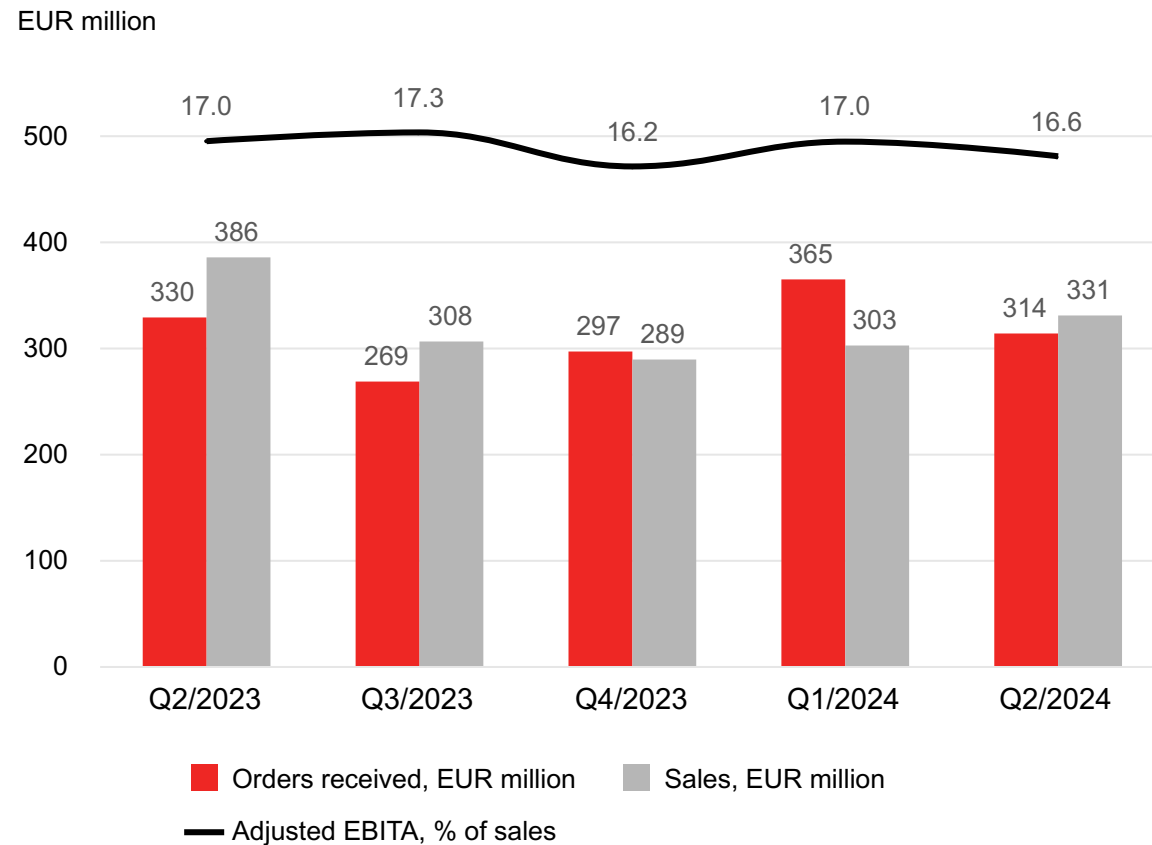
EUR million	Q2/2024	Q2/2023	Change %
Orders received	1,162	1,344	-14
Sales	1,214	1,396	-13
Adjusted EBITA	205	238	-14
% of sales	16.9	17.1	-
Operating profit	195	222	-12
% of sales	16.1	15.9	-
Earnings per share, continuing operations, EUR	0.16	0.18	-11
Cash flow from operations	152	62	143

## Group orders, sales and adj. EBITA



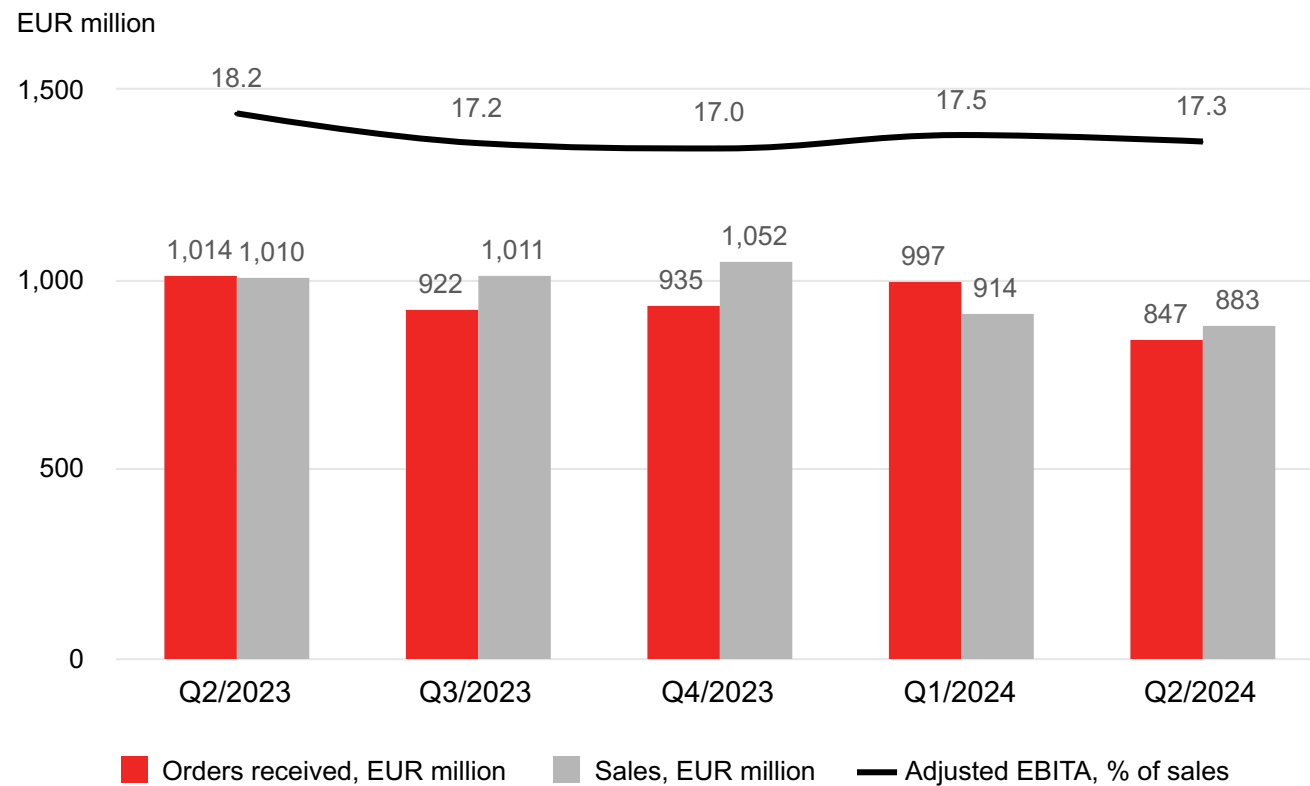
# Aggregates profitability remains solid

- Orders received EUR 314 million (EUR 330 million)
  - Market activity on Q1 level; lower y-o-y
  - North American mobile equipment market challenging
  - Equipment orders -5%, services -3%
- Sales EUR 331 million (EUR 386 million)
  - Decline due to lower backlog
  - Services share 33% (28%)
- Adjusted EBITA EUR 55 million (EUR 66 million)
  - Margin of 16.6% (17.0%)
  - Cost management and sales mix partially offset the impact of lower sales



# Minerals showing resilient performance

- Orders EUR 847 million (EUR 1,014 million)
  - Unchanged market activity with delayed customer decision-making
  - Equipment orders -34% ; services -6%
- Sales EUR 883 million (EUR 1,010 million)
  - Services -7%, equipment -22%
  - Services share 66% (62%)
- Adjusted EBITA EUR 152 million (EUR 184 million)
  - Margin of 17.3% (18.2%)
  - Cost management and sales mix partially offset the impact of lower sales





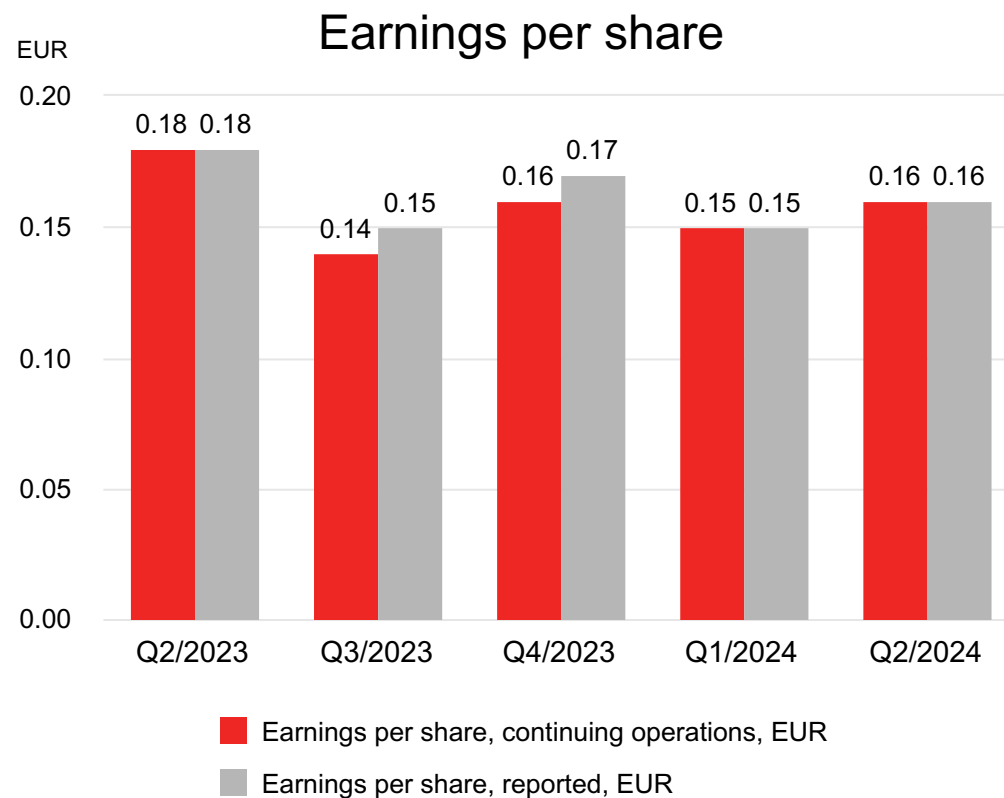
# 02

## Financials in details

Eeva Sipilä  
CFO

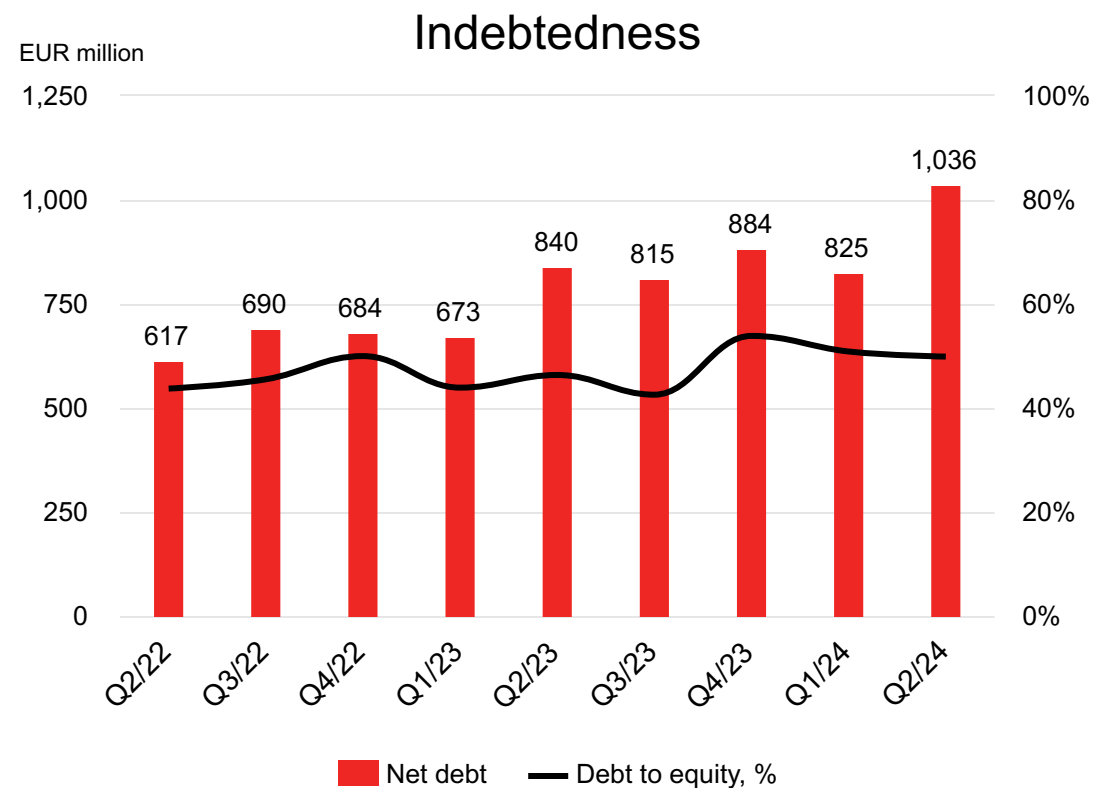
# Group Income Statement

EUR million	Q2/2024	Q2/2023	Q1-Q2/2024	Q1-Q2/2023	2023
Sales	1,214	1,396	2,431	2,729	5,390
<b>Adj. EBITA</b>	<b>205</b>	<b>238</b>	<b>405</b>	<b>449</b>	<b>887</b>
Adj. EBITA, %	16.9	17.1	16.7	16.5	16.5
<b>Operating profit</b>	<b>195</b>	<b>222</b>	<b>383</b>	<b>416</b>	<b>805</b>
Operating profit, %	16.1	15.9	15.8	15.2	14.9
Net financial expenses	-16	-20	-38	-32	-80
Profit before taxes	180	202	345	384	724
Income taxes	-45	-52	-86	-96	-187
<b>Profit for the period, continuing operations</b>	<b>134</b>	<b>151</b>	<b>259</b>	<b>288</b>	<b>537</b>
Earnings per share, continuing operations, EUR	0.16	0.18	0.31	0.34	0.65
Profit for the period	129	152	250	286	546



# Group Balance Sheet

EUR million	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
Goodwill and intangible assets	1,873	1,947	1,886
Property, plant and equipment	511	435	472
Right-of-use assets	109	114	114
Other non-current assets	254	288	271
Inventories	1,978	2,008	1,951
Receivables (trade and other)	1,456	1,755	1,585
Liquid funds	348	365	638
Assets held for sale	236	–	238
<b>TOTAL ASSETS</b>	<b>6,766</b>	<b>6,913</b>	<b>7,156</b>
Total equity	2,554	2,366	2,618
Interest-bearing liabilities	1,388	1,214	1,528
Non-interest-bearing liabilities	2,666	3,333	2,841
Liabilities held for sale	159	–	169
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,766</b>	<b>6,913</b>	<b>7,156</b>

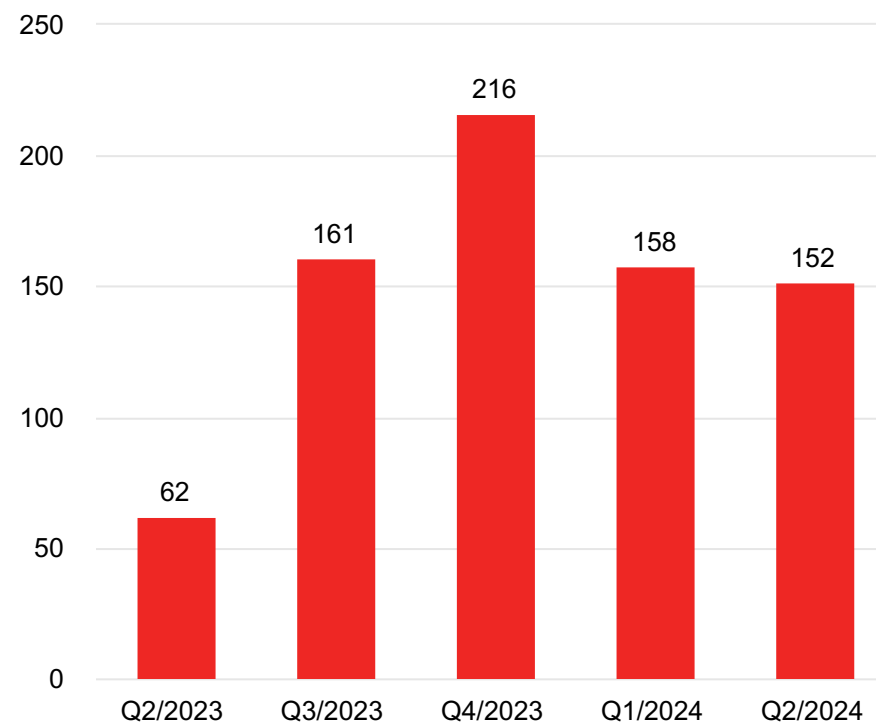


# Operating cash flow improved

EUR million	Q2/2024	Q2/2023	Q1-Q2/2024	Q1-Q2/2023	2023
Profit for the period	129	152	250	286	546
Adjustments:					
Depreciation and amortization	40	39	82	78	158
Financial expenses, net	16	20	38	32	80
Income taxes	48	53	91	99	199
Other items	21	15	15	22	15
Total adjustments	125	127	226	231	453
Change in net working capital	-102	-217	-166	-344	-449
<b>Net cash flow from operating activities before financial items and taxes</b>	<b>152</b>	<b>62</b>	<b>309</b>	<b>173</b>	<b>550</b>

EUR million

## Cash flow from operations



# Financial position

- Ratings:
  - S&P Global: 'BBB' with stable outlook (June 17, 2024)
  - Moody's: 'Baa2' long-term rating with stable outlook (May 13, 2024)
- Average interest rate of loans and derivatives 4.3%
- Q2 events:
  - Payment of 1<sup>st</sup> dividend installment of EUR 149 million in May
  - EUR 197 million public bond matured in June
- Available credit facilities:
  - EUR 600 million undrawn committed syndicated revolver
  - EUR 600 million commercial paper program, of which 90 million was issued at the end June

EUR million	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
Liquid funds	348	365	638
Net debt	1,036	840	884
Gearing, %	40.6	35.5	33.8
Equity-to-assets ratio, %	40.9	38.6	40.2
Debt to capital, %	33.3	31.7	35.0
Equity/share, EUR	3.08	2.85	3.16

# 03

## Sustainability and outlook

Pekka Vauramo

President and CEO

# Good progress in most sustainability KPIs

## Planet Positive

sales to grow faster than overall sales

H1/2024\*:  
EUR 1,411 million  
+2% y-o-y

**In target**

One significant e-waste order to India

## Net zero

CO<sub>2</sub> emissions in own operations\*\* by 2030

H1/2024:  
-76%\*\*\*

**In target**

Around 20 CO<sub>2</sub> and/or energy savings projects completed

Logistics CO<sub>2</sub> emissions

**-20%**  
by 2025

H1/2024:  
-8%\*\*\*

**Below target**

Flat development

Spend from suppliers with science-based emissions targets

**30%**  
by 2025

H1/2024:  
28.9%\*\*\*\*

**Above target**

More than 35 new suppliers signed for SBTs

*\*Rolling 12 months as of end of May 2024 \*\*Scope 1 and 2 \*\*\*Baseline year 2019 \*\*\*\*of total procurement spend from suppliers that have committed to SBTi or alternative ambitious climate target validated by Metso. KPIs are calculated based on absolute figures.*



# Market Outlook

Metso expects the market activity in both Minerals and Aggregates will remain at the current level.

In its previously published outlook, Metso expected the market activity in both Minerals and Aggregates to remain at the current level.

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

| July 24, 2024



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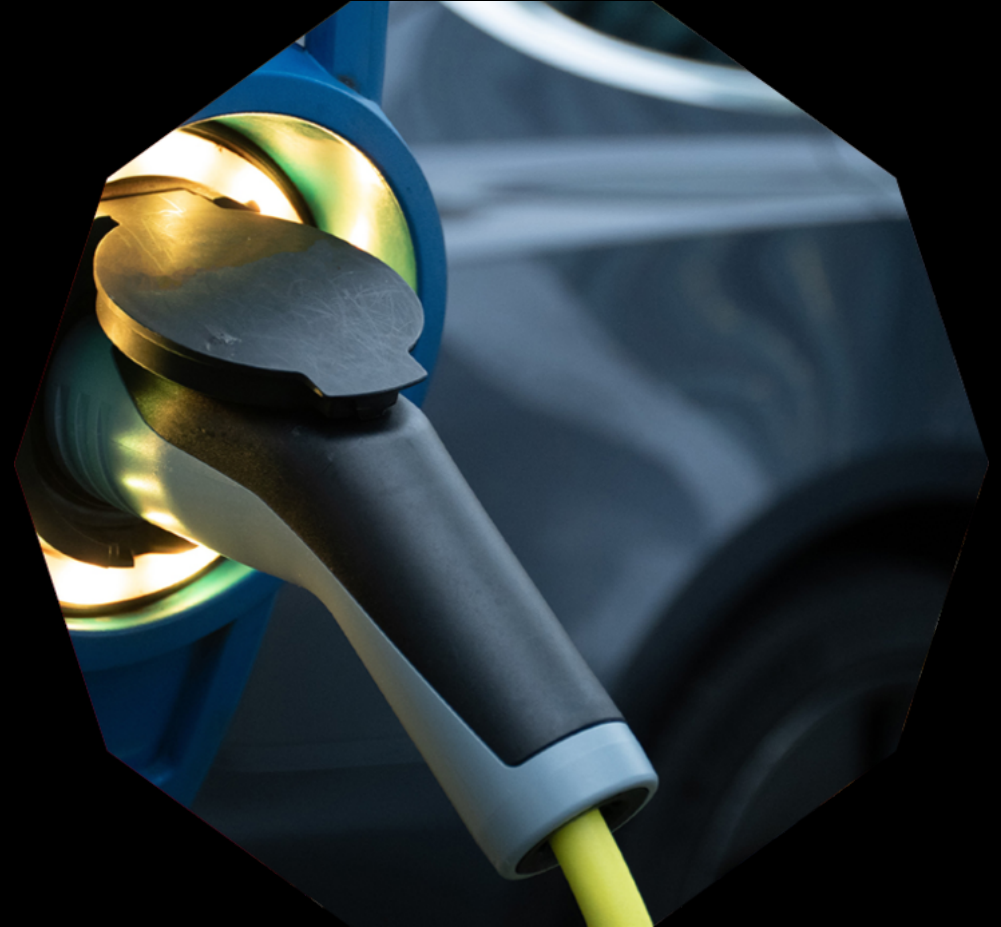
04

Q&A

Metso

# Metso

## Partner for positive change



[metso.com](https://www.metso.com)

