

**SANDVIK**

# SANDVIK TO ACQUIRE MINING-RELATED PART OF SCHENCK PROCESS

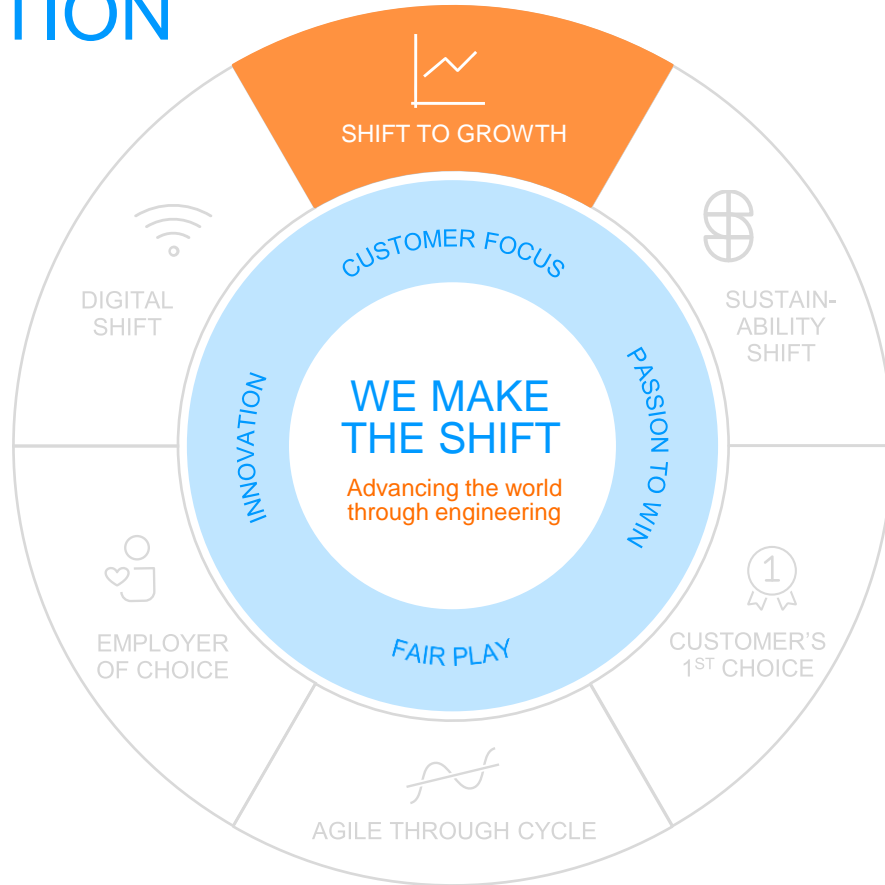


schenckprocess



# STRATEGY EXECUTION

- Focus on growth through organic and acquisitive initiatives
- Enhancing core offering and expanding in the value chain
- Drive digitalization, sustainability and productivity solutions in the customers value chain



# WORLD LEADING IN CRUSHING & SCREENING SOLUTIONS



SRP



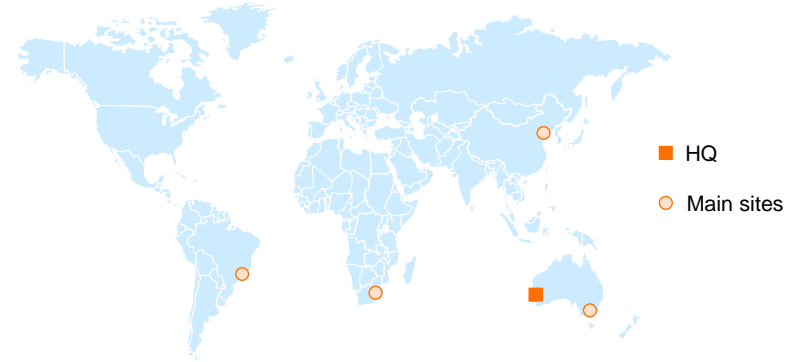
# THE MINING-BUSINESS OF SCHENCK PROCESS

# LEADING PROVIDER OF HIGH-CAPACITY SCREENS

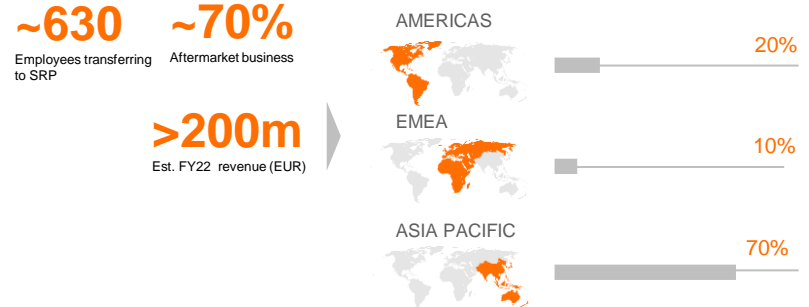
## Overview

- Global provider of high-capacity screening, feeding and screening media solutions
- EBITA margin accretive to Sandvik SRP's margin
- High aftermarket content which includes application support, screen refurbishment, product engineering design and manufacturing and digital support services
- Top tier customer base

## Geographic presence



## Key facts



# SELECTED PARTS OF MINING OFFERING

## Equipment

## Aftermarket

### Vibrating screens



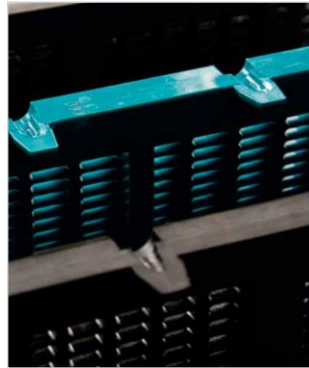
Handle and classify large quantities of materials through vibrations. Ore, which enters at the top, passes down in an even mobile stream

### Vibrating feeders



Discharge heavy, highly abrasive material in a controlled and reliable manner and convey material over a variety of distances

### Screening media



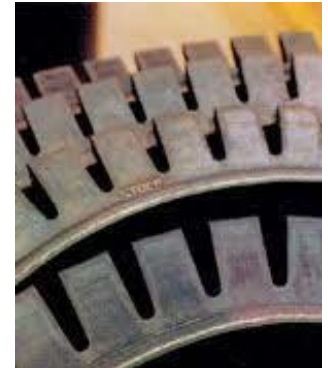
Panels that filter and categorize materials by size and shape

### Refurbishment & service



Repair, replacement or minor upgrades for extension of machinery lifetime

### Spare parts



For components that can no longer be refurbished SPG Mining offers comprehensive replacement portfolio to enable full lifetime utilization

# STRATEGIC FIT

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**Complementary offering** (Tier 1) –  
equipment, parts & services offering

**Digital solution** with clear opportunity to  
leverage the existing SRP digital platform

**Minimal customer application and  
geographical overlap**, strengthen the  
footprint & market position

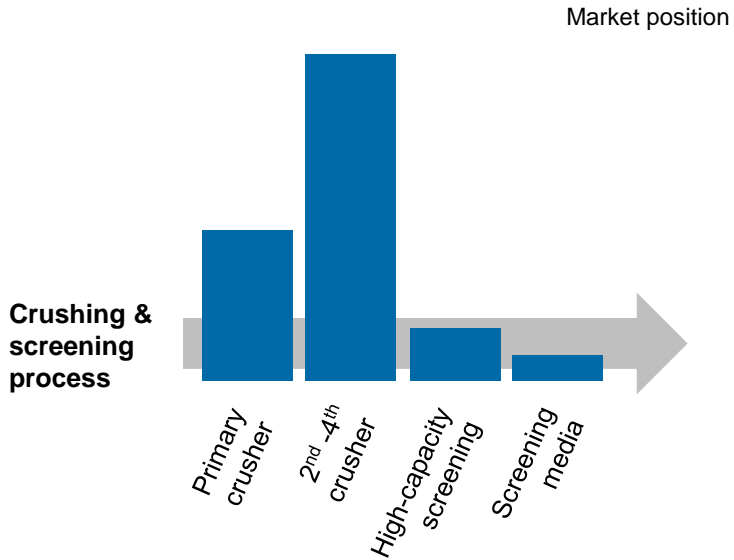
**Customer value and profit logic** driven by  
same principles as SRP

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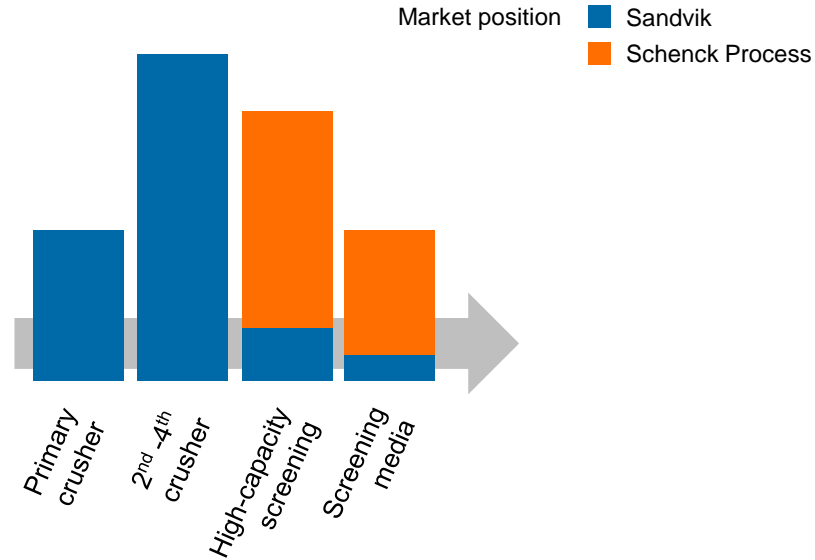


# STRENGTHEN CUSTOMER VALUE ADD

**Currently a “product niche” player**  
Mining crushing & screening scope (T1)



**Becoming a “full solutions provider”**  
Mining crushing & screening scope (T1)





# STRATEGIC RATIONALE

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- 1 Fills a gap** **Expand mining offering.** Adds high-capacity screens, feeders and screening media to enable a solutions provider position in the market. Complements Sandvik/Kwatani product range.
  - 2 Financially sound** **Relatively higher profitability vs peers.** Good underlying growth, industry-leading profitability and top-tier customers, all combined with a high customer loyalty
  - 3 Grow recurring revenues** **Significant share of recurring aftermarket sales.** Aftermarket sales incl. screening media, generating recurring revenue across the installed base
  - 4 #1 potential** **Strong market position.** Well positioned to capture growth opportunities within copper and gold segments, as well as in geographies outside Asia Pacific
  - 5 Technology leadership** **High quality products supported by digital offering.** Attractive product offering with focus on productivity, quality and safety that are well received by customers
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# TRANSACTION OVERVIEW & FINANCIAL IMPACT

# TRANSACTION OVERVIEW

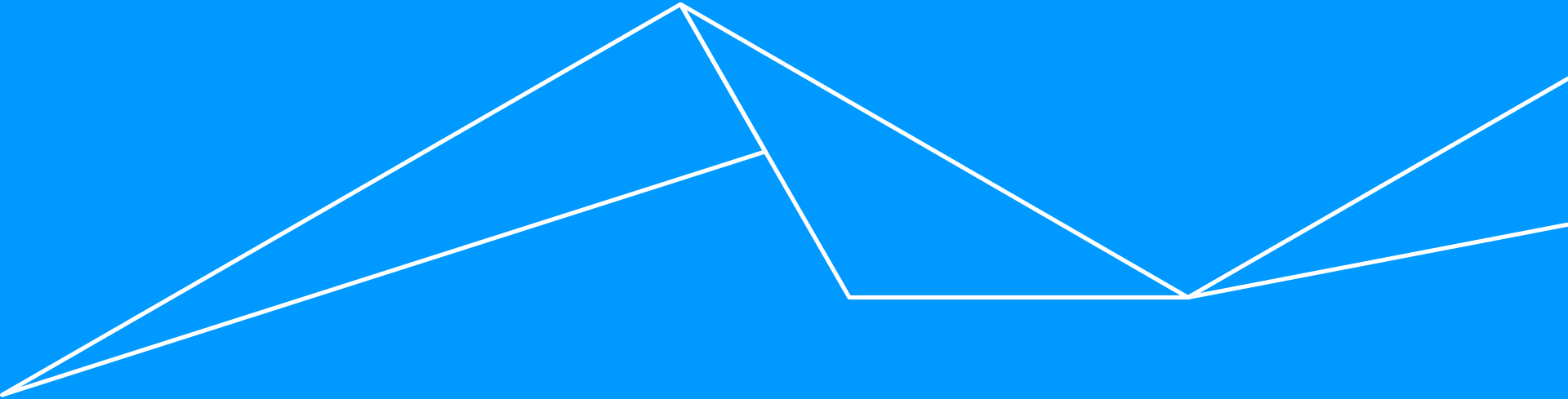
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## TRANSACTION CONSIDERATIONS

- **EV/EBITDA:** Multiple including expected 5-year run-rate synergies is approximately 10x
  - **Estimated closing:** Expected to close during the fourth quarter 2022, subject to relevant regulatory approvals
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## FINANCIAL IMPACT

- **Financial impact:** EBITA margin is accretive to SRP
  - **EPS impact:** Impact on Sandvik's EPS will initially be neutral
  - **Impact on the Group balance sheet:** Group **gearing** at March 31 was 0.31 (incl. SMT). The deal will have an impact on the debt KPI:s as it is a 100% cash deal. The credit metrics will remain at levels commensurate with the current rating requirements.
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# Q&A