FLS

Interim Report Q1 2025

1 January – 31 March 2025
Company Announcement no. 8

FLSmidth & Co. A/S
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Highlights Q1 2025

The year has started better than anticipated, with strong financial results and a solid commercial performance driving an upgraded full-year financial outlook. This robust performance was achieved in a quarter with increasing uncertainty and turbulence from US tariff measures.

The US accounted for approximately 20% of our sales in 2024, with approximately half of our sales to the US being imports. Our flexible supply chains and proactive tariff mitigation measures – reducing China-US supply flows, potentially passing on tariff costs to customers and optimising our supply chain efficiency – will help mitigate the associated risks, and we currently see limited direct impacts on our operations. However, we recognise that continued tariff-related uncertainty may further delay larger investment decisions and impact the overall market sentiment if prolonged.

Amid this market backdrop, it was encouraging to see growth in orders within our consumables and pumps, cyclones & valves (PC&V) businesses. Further, effective backlog management and order execution resulted in a 14% growth in Mining Service revenue. Combined with the continued implementation of our corporate model, this was the primary driver behind the realisation of an Adjusted EBITA margin of 15.1% for the quarter.

Our Cement business also showed further improvements in financial performance, with an Adjusted EBITA margin of 9.5% in the quarter. We have made further progress towards the potential sale of the Cement business and have entered into exclusive negotiations with Pacific Avenue Capital Partners. There is still no certainty that any transaction will transpire and will make further announcements as and when appropriate.

All in all, we are very pleased with the results delivered in the first quarter, and we are well positioned to deliver our updated targets for the full year.

Mikko Keto, Group CEO

Mining

- Service orders in line with expectations supported by growth within consumables and PC&V
- 14% growth in Service revenue driven by effective backlog management and order execution
- Adjusted EBITA margin of 15.1% reflecting continued profitability improvements
- Significant expansion of service centre network announced in Q1 2025

Cement

- Order intake in line with expectations
- Negative growth in topline and order intake continues to reflect de-risking and impact from divestments
- Adjusted EBITA margin of 9.5% reflecting good strategic execution, with reduced SG&A costs and effective de-risking
- FLSmidth has entered exclusive negotiations for the potential divestment of the Cement business

Sustainability

- Further progression on our Science Based Targets
- New mill liner recycling service launched in Antofagasta in Chile
- The coarseAIR™ Flotation Cell for coarse particle recovery offically launched
- Order for 18 tower mills, showing 25-50% reduction in energy consumption, awarded in India

Performance and other

- The financial guidance for the full year 2025 was raised on 14 May 2025
- Julian Soles joined as President, Mining Products on 1 May 2025. Toni Laaksonen is expected to join soon as President, Mining Service
- Non-Core Activities ceased as planned in early Q1 2025, with the remaining, insignificant contract portfolio moved into the Mining segment

Financial performance highlights Q1 2025

Mining

Order intake DKKm
▼ -9.6%

3,777

Revenue DKKm
▲ 3.5%

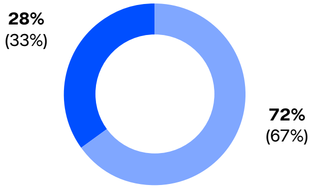
3,708

EBITA & EBITA margin DKKm – %
▲ 37.3%

508

13.7% (adj. 15.1%)

Revenue split by Service & Products %



Service
Products

Cement

Order intake DKKm
▼ -18.2%

852

Revenue DKKm
▼ -15.5%

1,021

EBITA & EBITA margin DKKm – %
▲ 54.4%

88

8.6% (adj. 9.5%)

Revenue split by Service & Products %

Service
Products

Group

Order intake DKKm
▼ -11.8%

4,629

Revenue DKKm
▼ -2.3%

4,729

EBITA & EBITA margin DKKm – %
▲ 63.3%

596

12.6% (adj. 13.9%)

Cash flow from operating activities
DKKm (12) ▲ from DKKm (352) in Q1 2024

Earnings per share
DKK 6.1 ▲ from DKK 3.4 in Q1 2024

Net working capital ratio
12.0% ▲ from 8.4% end of Q1 2024

NIBD/EBITDA
0.4x ▼ from 0.5x end of Q1 2024

Sustainability performance highlights Q1 2025

In Q1 2025, we progressed positively in all our KPIs linked to the Science Based Targets initiative. Whilst we continue to focus on safety, our numbers slightly deteriorated, and performance remains behind target. The number of women managers increased during the first quarter.

Scope 1 & 2 Greenhouse gas emissions

SCIENCE BASED TARGETS

tCO_2e (market-based)

7,765 (target <32,871)

▲ 13.2% improvement

Scope 3 Economic intensity (use of sold products)[2]

SCIENCE BASED TARGETS

tCO_2e/DKKm order intake

2,002 (target <4,065 by 2030)

▲ 32.9% improvement

Spend with suppliers with science-based targets

SCIENCE BASED TARGETS

%

22.7 (target >30%)

▲ 0.2%-points improvement

Safety

Rate of recordable work-related accidents/million working hours

2.6 (target <1.0)

▼ 0.3 deterioration

Women managers[1]

%

15.9 (target >19.5%)

▲ 0.2%-points improvement

Water withdrawal

m^3

30,229 (target 183,101)

▲ 1.0% improvement

1. Women managers KPI now reflects a 12-month rolling average. 2024 figure has been restated to reflect the new methodology

Sustainability performance highlights Q1 2025

Scope 1 and 2 GHG emissions for the first quarter of 2025 decreased by 13.2% compared to Q1 2024. The improvement reflects initiatives implemented in the second half of 2024 where the positive impact to emission reduction is now being fully realised. These include site consolidation; head count reduction and the completion of two solar panel projects, one in the US and one in South Africa.

Scope 3 Economic Intensity (use of sold products) reflects the life-time emissions of our product sales and performance is sensitive to order mix. During the first quarter of 2025, Economic intensity decreased by 32.9% compared to the end of 2024. A combination of lower sales in high economic intensity product groups, such as pyro systems and our mills range, combined with a higher share of order intake from lower intensity products, such as our pumps range, and service business line drove performance.

Spend with suppliers with science-based targets increased by 0.2%-points compared to the end of 2024. Engagement with our key large suppliers in setting targets continues to drive core performance. This is further supported by a wider trend of suppliers continuing to set science-based targets..

Safety, Total recordable injury rate increased by 0.3%-points compared to the end of 2024. We continue to focus on initiatives to embed safety everyday operations. These include, our Global Hand Safety Campaign; an implementation of an Incident Review Board in all regions; and a Global Safety Recognition programme to motivate employees to promote better safety practices. Further, FLS has implemented a new HSE compliance audit program with eight sites selected for review in 2025; two being completed in the first quarter. The goal is to globally align corporate standards, policies and best practices to support future performance.

Percentage of Women Managers increased 0.2%- points since the end of 2024 and reflects our commitments to increase the proportion of women managers in the organisation. We now track development by using a 12-month rolling average to remove short-term volatility and track longer term development. The positive performance highlights an ongoing positive trend to work towards our year-end target.

Water withdrawal decreased by 1% compared to Q1 2024. Similar to our GHG emissions reductions, performance has been supported by headcount reduction and site consolidation. This has been slightly offset by increased service activity which often utilises more water.

Mission Zero and Sustainability developments at FLSmidth

FLS awarded large order for an iron ore plant in India

FLSmidth recently received the largest single order for our tower mills in the world - both in installed power and mill quantity. Our tower mills are vertical fine grinding solutions which reduce energy and water consumption during wet grinding of minerals and can reduce energy consumption in fine grinding of minerals by 25-50% when compared to traditional horizontal ball mills.

In addition to these mills, the order includes the delivery of multiple UMD pumps and gMAX hydrocyclones; two products that have undergone EU Taxonomy alignment assessments.

FLS launch new mill liner recycling service in Antofagasta, Chile

Our comprehensive recycling solution for composite and rubber grinding mill liners will serve customers across South America with plans for global expansion.

Recycling composite liners, rather than sending them to landfill, results in carbon emissions savings of up to 61% compared to producing the mill liners from virgin materials. Recycling promotes a circular economy and reduces the impact by reducing the need for new raw material extraction.

FLS formally launch the coarseAIR™ Flotation Cell for coarse particle recovery coarseAIR™ Flotation Cells significantly improve mineral recovery and allow for coarser grinding in the grinding circuit, leading to increased plant throughput. The resulting effects are reduced operating costs and an increase in ESG benefits from energy savings per tonne material processed, potentially lowering the operational carbon footprint. Further, it has the potential to enhance tailings and water management. Coarser tailings allow more water to be recovered, reducing water loss, and improving tailings stability.

Key figures

DKKm	Q1 2025	Q1 2024	2024
Income statement			
Revenue	4,729	4,839	20,187
Gross profit[1]	1,629	1,384	6,465
EBITDA	664	442	2,257
EBITA	596	365	1,969
Adjusted EBITA*	656	443	2,230
EBIT	533	305	1,738
Financial items, net	(1)	(2)	(180)
EBT	532	303	1,558
Profit for the year	351	194	1,030
Orders			
Order intake	4,629	5,248	19,133
Order backlog	14,762	17,482	15,214
Earning ratios			
Gross margin[1]	34.4%	28.6%	32.0%
EBITDA margin	14.0%	9.1%	11.2%
EBITA margin	12.6%	7.5%	9.8%
Adjusted EBITA margin	13.9%	9.2%	11.0%
EBIT margin	11.3%	6.3%	8.6%
EBT margin	11.2%	6.3%	7.7%
Cash flow			
Cash flow from operating activities (CFFO)	(12)	(352)	640
Acquisitions of property, plant and equipment	(88)	(58)	(384)
Cash flow from investing activities (CFFI)	(110)	46	(508)
Free cash flow	(122)	(306)	132
Free cash flow adjusted for acquisitions and disposals of enterprises and activities	(120)	(454)	7
Balance sheet			
Net working capital	2,415	1,935	2,107
Net interest-bearing debt (NIBD)	(1,043)	(830)	(847)
Total assets	26,379	26,904	26,935
CAPEX	187	109	831
Equity	11,842	11,085	11,781
Dividend to shareholders, proposed	-	-	461

[1] Q1 2024 information has been restated to reflect a reclassification of DKK 31m from Administrations costs to Production costs.

DKKm	Q1 2025	Q1 2024	2024
Financial ratios			
Book-to-bill	97.9%	108.5%	94.8%
Order backlog / Revenue	73.5%	76.2%	75.4%
Return on equity	10.0%	7.1%	9.1%
Equity ratio	44.9%	41.2%	43.7%
ROCE, average	12.1%	7.8%	11.0%
Net working capital ratio, end	12.0%	8.4%	10.4%
NIBD / EBITDA	0.4x	0.5x	0.4x
Capital employed, average	18,203	18,078	17,867
Number of employees	7,682	8,769	7,739
Share ratios			
Cash flow per share, diluted	(0.2)	(6.2)	11.2
Earnings per share (EPS), diluted	6.1	3.4	17.8
Share price	329	344	356
Number of shares (1,000), end	57,650	57,650	57,650
Market capitalisation, end	18,967	19,832	20,523
Sustainability key figures			
Scope 1 and 2 greenhouse gas emissions (tCO_2e) market-based	7,765	8,947	30,638
Scope 3: Economic intensity Use of sold products (tCO_2e/DKKm order intake)**	2,002	2,530	2,985
Spend with suppliers with science-based targets	22.7%	19.0%	22.5%
Safety, Rate of recordable work-related accidents/million working hours	2.6	2.3	2.3
Women managers	15.9	15.5%	15.7%
Water withdrawal (m^3)	30,229	30,523	156,062
Other key figures			
Quality, DIFOT Delivery In Full On Time	81,6%	83.2%	82.7%

Throughout the report, we present financial measures which are not defined according to IFRS. We refer to note 7.4, Alternative performance measures, and note 7.8, Definition of terms, in the 2024 Annual Report for further information.
The financial ratios have been computed in accordance with the guidelines of the Danish Finance Society. Refer to note 7.8 in the 2024 Annual Report for definitions of terms.
* To reflect the underlying business performance, we present an adjusted EBITA margin by excluding costs related to our ongoing transformation activities and the separation of Mining and Cement.
** From 2024, we measure Scope 3 Economic intensity quarterly as a year-to-date figure

2025 financial guidance

The financial guidance for the full year 2025, that was upgraded on 14 May 2025 (ref. Company Announcement no. 7-2025), is maintained. The financial guidance for the full year 2025 reflects the ongoing business simplification and transformation efforts, continued improvement in the core Mining business and the effects from the strategic initiatives implemented in the Cement business.

Mining

Revenue (DKKbn)

~15.0

(DKK 3.7bn)

Adj. EBITA margin

14.0-14.5%

(15.1%)

Compared to 2024, we expect market demand in the Mining Service business to remain stable and active, whereas market demand in the Mining Products business is expected to remain soft.

The guidance for the Adjusted EBITA margin excludes transformation and separation costs of around DKK 200m for the full year 2025. Further, the Adjusted EBITA margin is expected to be positively impacted by additional business simplification initiatives, organisational restructuring and enhanced commercial execution.

Cement

Revenue (DKKbn)

~4.0

(DKK 1.0bn)

Adj. EBITA margin

9.0-9.5%

(9.5%)

We expect the short-term outlook for the cement industry to remain impacted by macroeconomic uncertainty. The guidance for revenue reflects the divestment of the MAAG business completed in 2024.

The guidance for the Adjusted EBITA margin excludes transformation and separation costs of around DKK 50m for the full year 2025.

Group

Revenue (DKKbn)

~19.0

(DKK 4.7bn)

Adj. EBITA margin

13.0-13.5%

(13.9%)

EBITA margin

11.5-12.0%

(12.6%)

The Consolidated Group guidance reflects the sum of the guidance for the two business segments.

The guidance for 2025 is subject to uncertainty from macroeconomic and geopolitical turmoil.

Note: Numbers in brackets represent actual year-to-date financial results as of Q1 2025.

Performance

Mining financial performance

Market activity in the first quarter remained consistent with levels seen at the end of 2024. However, recent macroeconomic and tariff-related uncertainties may cause adverse effects on economic development and mining activity.

Throughout Q1 2025, the mining service market has remained stable and active, albeit with a relative softness in North America, which is likely a result of macroeconomic and cost uncertainty stemming from tariff measures.

We continue to observe a soft products market with persistent hesitation by some customers to allocate capital expenditures to larger brownfield and greenfield projects. However, customers continue to show good interest in smaller product solutions that drive efficiency, increase throughput or reduce maintenance costs, such as pumps, cone crushers and flotation and thickening upgrades.

Looking further into 2025, we expect market activity to remain broadly in line with current levels, assuming no significant external changes. Our supply chain remains relatively flexible, and we are actively implementing measures to mitigate the operational impact from tariffs. These initiatives include reducing the supply flows from China to the US, potentially passing tariff costs on to customers and further optimising our supply chain efficiency. Nonetheless, we recognise that continued tariff-induced cost uncertainty may pose a risk of further delaying customers' larger investment decisions, which, if prolonged, may impact the overall market sentiment.

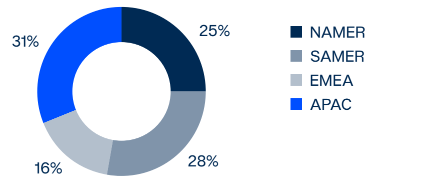
Optimism on the longer-term demand outlook persists, with metals prices (especially for copper and gold) remaining relatively high and indications from engineering, procurement and construction managers (EPCMs) that larger projects may progress over the next couple of years, albeit with uncertain timing.

Mining

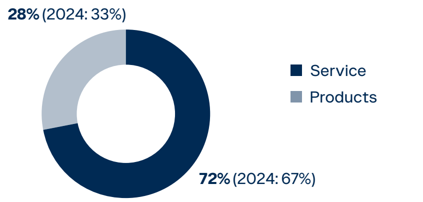
(DKKm)	Q1 2025	Q1 2024	Change (%)
Order intake	**3,777**	**4,176**	**-10%**
Hereof service order intake	2,732	2,784	-2%
Hereof products order intake	1,045	1,392	-25%
Order backlog	**11,165**	**12,581**	**-11%**
Revenue	**3,708**	**3,581**	**4%**
Hereof service revenue	2,748	2,404	14%
Hereof products revenue	960	1,177	-18%
Gross profit*	**1,304**	**1,153**	**13%**
Gross margin*	35.2%	32.2%	
SG&A cost*	**(755)**	**(721)**	**5%**
SG&A ratio*	20.4%	20.1%	
Adjusted EBITA	**559**	**412**	**36%**
Adjusted EBITA margin	15.1%	11.5%	
EBITA	**508**	**370**	**37%**
EBITA margin	13.7%	10.3%	
Number of employees	5,700	6,553	-13%

* Q1 2024 information has been restated to reflect a reclassification of DKK 27m from Administrations costs to Production costs.

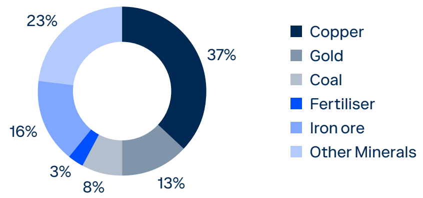
Order intake split by Region, Q1 2025



Order intake split by Service and Products, Q1 2025



Order intake split by Commodity, Q1 2025



Non-core Activities ceased as planned in early Q1 2025, with the remaining, insignificant contract portfolio moved into the Mining segment.

Order intake development in Q1 2025

Mining order intake decreased by 10% compared to Q1 2024. Currencies had no impact on Mining order intake in Q1 2025.

Service order intake decreased by 2% compared to Q1 2024, partly driven by our exit from basic labour contracts. The year-on-year decline was partly offset by a higher order intake within consumables. The overall decline in Service order intake can primarily be attributed to lower activity in North America.

Products order intake decreased by 25% compared to Q1 2024. The year-on-year decline reflects the continued softness of the mining products market as well as the continued de-risking of our order backlog. The decline was partly offset by a 10% increase in pumps, cyclones & values (PC&V)-related orders compared to Q1 2024. No large Products orders were announced in Q1 2025, whereas two large orders with a combined value of DKK 680m were announced in Q1 2024.

During the quarter, Service and Products orders accounted for 72% and 28% of the total order intake, respectively, compared to 67% and 33% in Q1 2024.

Revenue development in Q1 2025

Mining revenue increased by 4% compared to Q1 2024. Currencies had no impact on Mining revenue in Q1 2025.

Service revenue increased by 14% compared to Q1 2024 to DKK 2,748m. The year-on-year increase was primarily attributable to higher revenue from consumables, spare parts and upgrades & retro-fits, driven by effective backlog management and enhanced order execution. Additionally, order turnaround times showed continued improvement in Q1 2025 compared to the same period last year. The year-on-year increase was partly offset by relatively lower revenue within professional services, which can be partly explained by our exit from basic labour services.

Products revenue decreased by 18% compared to Q1 2024. The decrease was primarily a reflection of the de-risking of our products portfolio, as well as the timing of execution for certain large-scale Product orders.

In Q1 2025, Service and Products revenue accounted for 74% and 26% of the total Mining revenue, respectively, compared to 67% and 33% in Q1 2024.

Gross profit development in Q1 2025

Gross profit increased by 13% to DKK 1,304m, from DKK 1,153m in Q1 2024. The corresponding gross margin increased from 32.2% in Q1 2024 to 35.2% in Q1 2025, which in large parts was a reflection of the relatively higher share of Service revenue in the quarter.

The gross margin represents the highest level achieved for our Mining business in several years, and was a result of good margin execution, mix and our de-risking strategy.

EBITA development in Q1 2025

The Adjusted EBITA margin was 15.1% when excluding transformation and separation costs of DKK 51m. The improvement compared to Q1 2024 was primarily attributable to the higher gross profit and a relatively stable level for sales, general, and administrative (SG&A) costs. The EBITA margin increased to 13.7%, compared to 10.3% in Q1 2024.

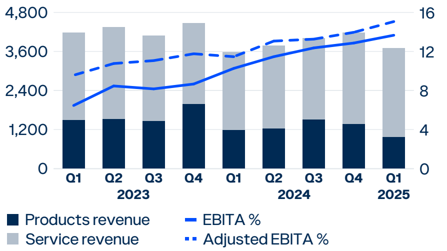
Employees

The number of employees in Mining has been reduced by 853 since the end of Q1 2024. This reduction is largely attributable to the continued streamlining of our operating model and strategic footprint optimisation, undertaken to enhance operational efficiency and support sustained, long-term profitability.

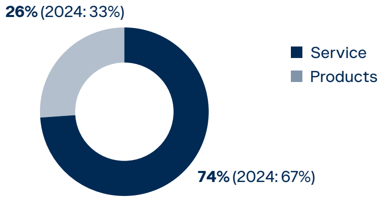
Growth in order intake and revenue in Q1 2025 (vs. Q1 2024)

	Order intake	Revenue
Organic	-10%	4%
Currency	0%	0%
Total growth	**-10%**	**4%**

Revenue and EBITA margin



Revenue split by Service and Products, Q1 2025



Cement financial performance

Following a year of muted growth for the cement industry in 2024, Q1 2025 has continued a similarly mixed picture, with the market sentiment being characterised by macroeconomic uncertainties stemming from tariff measures.

2025 has gotten off to a mixed start, not least due to the macroeconomic and geopolitical uncertainties introduced by the new US administration. In Q1 2025, the US saw a decline in cement production while European markets were broadly stable. Demand in Latin America has been mixed, with especially Brazil remaining strong. India continued to show good performance, while the rest of Asia performed below expectations, with especially China showing continued decline.

The impact of the US-imposed tariffs is currently expected to be limited, as majority of tariff costs are expected to be passed on to customers. Further, the risk to our supply-chain is also assumed to be limited, as import from tariff-impacted countries is limited and alternative supply-sources for our products and services are being identified. We continue to follow the situation closely, as visibility on future tariff developments remains limited.

Leading indicators looking at developments in the residential, non-residential and infrastructure sectors are tentative, broadly pointing to 2025 as a year with low single-digit growth expectations, with similar geographical variations as in 2024.

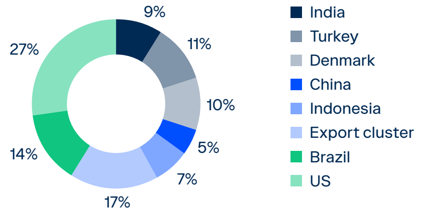
In addition to market demand, the impact of regulatory and commercial pressures on delivering net-zero ambitions are other significant long-term growth drivers. Across the world, cement plants are focused on optimisation projects, seeking to decarbonise firstly through clinker substitution, fossil fuels replacement and reduced energy consumption, while keeping an eye on developing carbon capture and storage technologies.

Cement

(DKKm)	Q1 2025	Q1 2024	Change (%)
Order intake	**852**	**1,042**	**-18%**
Hereof service order intake	619	721	-14%
Hereof products order intake	233	321	-27%
Order backlog	**3,597**	**4,422**	**-19%**
Revenue	**1,021**	**1,208**	**-15%**
Hereof service revenue	716	721	-1%
Hereof products revenue	305	487	-37%
Gross profit*	**325**	**271**	**20%**
Gross margin*	31.8%	22.4%	
SG&A cost*	**(223)**	**(236)**	**-6%**
SG&A ratio*	21.8%	19.5%	
Adjusted EBITA	**97**	**93**	4%
Adjusted EBITA margin	9.5%	7.7%	
EBITA	**88**	**57**	**54%**
EBITA margin	8.6%	4.7%	
Number of employees	1,982	2,128	-7%

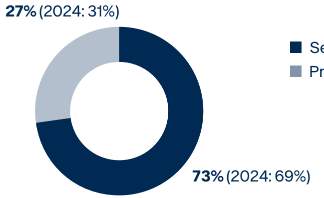
* Q1 2024 information has been restated to reflect a reclassification of DKK 4m from Administrations costs to Production costs.

Order intake split by cluster in Q1 2025



* For more information on clusters, please refer to page 31 in the 2024 Annual Report

Order intake split by Service and Products, Q1 2025



We are well-positioned to enable the industry and our clients to achieve their sustainability objectives through our extensive portfolio of services and products. Our offerings drive optimisation, enhance energy efficiency, provide alternative fuel solutions and facilitate clinker substitution, including through technologies for materials such as calcined clay.

Order intake development in Q1 2025

Cement organic order intake decreased by 18% in Q1 2025 compared to Q1 2024. Excluding currency and divestment effects, order intake decreased organically by 12%.

Service order intake decreased by 14% compared to Q1 2024, primarily reflecting the divestment of the MAAG business in Q1 2024. Customer hesitancy concerning US tariff measures as well as considerations about cement sales levels have impacted decision-making, especially for larger orders relating to upgrades and retrofits. While this has resulted in the postponement of certain orders, we have continued to see growth in the US and India compared to Q1 2024, and we see strong pipelines in both countries. We also continue to see an overall stable market in South America.

Products order intake decreased by 27% compared to Q1 2024, driven in part by the divestments of the MAAG business in Q1 2024, as well as by the simplification of the Pyro and Grinding businesses as part of our strategic focus on profitability and continuous risk mitigation.

Service and Products comprised 73% and 27% of the total Cement order intake in Q1 2025, respectively, compared to 69% and 31% in Q1 2024, respectively.

Revenue development in Q1 2025

Revenue decreased by 15% compared to Q1 2024. Excluding currency and divestment effects, revenue decreased organically by 11%.

Service revenue decreased by 1% compared to Q1 2024 due to the divestment of the MAAG business in Q1 2024. Excluding the effect of the divestment of the MAAG business, Service revenue increased by 6%.

Products revenue decreased by 37% compared to Q1 2024 driven in part by the continued pruning of the product portfolio as well by the divestment of the MAAG business.

Service and Products comprised 70% and 30% of the total Cement revenue in Q1 2025, respectively, compared to 60% and 40% in Q1 2024, respectively.

Gross profit development in Q1 2025

Gross profit increased by 20% in Q1 2025 compared to Q1 2024 due to a more favorable sales mix and significantly lower inventory write-downs. The corresponding gross margin increased by 9.4%-points to 31.8% in Q1 2025.

EBITA development in Q1 2025

The Adjusted EBITA margin was 9.5% when excluding transformation and separation costs of DKK 9m. EBITA increased by 54% in Q1 2025 to DKK 88m compared to DKK 57m in Q1 2024. The increase was driven by improved gross profit and lower SG&A costs due to simplification of the operating model. The corresponding EBITA margin improved by 3.9%-points to 8.6% compared to Q1 2024.

Excluding the net gain of DKK 28m from the sale of the MAAG business in Q1 2024, the EBITA margin improved by 6.2%-points year-on-year.

Employees

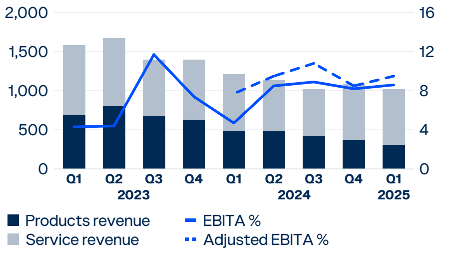
The number of employees in the Cement business was relatively unchanged and totalled 1,982 by the end of Q1 2025.

Growth in order intake and revenue in Q1 2025 (vs. Q1 2024)

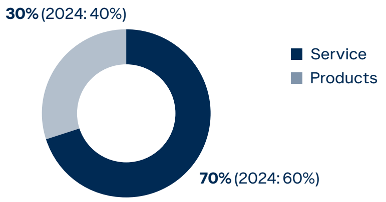
	Order intake	Revenue
Organic	-12%	-11%
Divestments	-6%	-4%
Currency	0%	0%
Total growth	**-18%**	**-15%**

Revenue and EBITA margin

DKKm EBITA margin %



Revenue split by Service and Products, Q1 2025



Consolidated quarterly financial performance

Order intake in Q1 2025

Order intake decreased by 12% in Q1 2025 to DKK 4,629m compared to DKK 5,248m in Q1 2024. Excluding currency effects and effects from divestments, order intake decreased organically by 11%.

Service order intake decreased by 4% compared to Q1 2024, driven by relatively lower order intake in both the Mining and Cement businesses.

Products order intake decreased by 27% compared to Q1 2024 driven by lower Products orders in both the Mining and Cement businesses.

Service and Products represented 72% and 28% of the total order intake, respectively, compared to 67% and 33% respectively in Q1 2024.

Order backlog and maturity in Q1 2025

The order backlog decreased by 16% to DKK 14,762m compared to Q1 2024, mainly driven by our de-risking strategy. The order backlog decreased by 3% since the end of Q4 2024, primarily driven by currency effects.

Backlog maturity	Mining	Cement	FLSmidth Group
2025	56%	52%	55%
2026	39%	25%	36%
2027 & beyond	5%	23%	9%

Revenue in Q1 2025

Revenue decreased by 2% to DKK 4,729m in Q1 2025, compared to Q1 2024, driven by lower revenue in the Cement business. Excluding currency effects and effects from divestments, revenue decreased organically by 1% compared to Q1 2024.

Service revenue increased by 11% compared to Q1 2024 driven by higher Service revenue in the Mining business. The year-on-year increase was partly offset by lower Service revenue in the Cement business, which can be largely attributed

Group

(DKKm)	Q1 2025	Q1 2024	Change (%)
Order intake	**4,629**	**5,248**	**-12%**
Hereof service order intake	3,351	3,505	-4%
Hereof products order intake	1,278	1,743	-27%
Order backlog	**14,762**	**17,482**	**-16%**
Revenue	**4,729**	**4,839**	**-2%**
Hereof service revenue	3,464	3,130	11%
Hereof products revenue	1,265	1,709	-26%
Gross profit*	**1,629**	**1,384**	**18%**
Gross margin*	34.4%	28.6%	
SG&A cost*	**(978)**	**(977)**	**0%**
SG&A ratio*	20.7%	20.2%	
Adjusted EBITA	**656**	**443**	**48%**
Adjusted EBITA margin	13.9%	9.2%	
EBITA	**596**	**365**	**63%**
EBITA margin	12.6%	7.5%	
Number of employees	7,682	8,769	-12%

* Q1 2024 information has been restated to reflect a reclassification of DKK 31m from Administration costs to Production costs.

Growth in order intake in Q1 2025 (vs. Q1 2024)

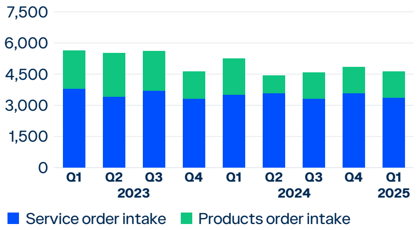
	Mining	Cement	FLSmidth Group
Organic	-10%	-12%	-11%
Divestments	0%	-6%	-1%
Currency	0%	0%	0%
Total growth	-10%	-18%	-12%

Growth in revenue in Q1 2025 (vs. Q1 2024)

	Mining	Cement	FLSmidth Group
Organic	4%	-11%	-1%
Divestments	0%	-4%	-1%
Currency	0%	0%	0%
Total growth	4%	-15%	-2%

Order intake split by Service and Products, Q1 2025

DKKm



to the divestment of the MAAG business in Q1 2024.

Products revenue decreased by 26% compared to Q1 2024. For Mining, the decrease was driven by our de-risking portfolio strategy and the timing of the execution of certain larger Products orders. For Cement, the decrease was driven by the continued pruning of the product portfolio, our exit from project-oriented businesses with significant risk profiles and lower margins, and MAAG divestment in Q1 2024.

Service and Products revenue accounted for 73% and 27% of the total revenue in Q1 2025, respectively, compared to 65% and 35%, respectively, in Q1 2024.

Profit in Q1 2025

Gross profit and margin

Gross profit increased by 18% to DKK 1,629m in Q1 2025, compared to DKK 1,384m in Q1 2024, as a results of favourable mix, impact from our de-risking strategy and a lower level of write-down of inventories, but was partly offset by the lower revenue in quarter. The corresponding gross margin increased to 34.4% in Q1 2025 compared to 28.6% in Q1 2024, representing the highest gross margin achieved in several years.

Research & development costs

In Q1 2025, total research and development costs (R&D) amounted to DKK 52m, representing 1.1% of revenue (Q1 2024: 1.5%).

(DKKm)	Q1 2025	Q1 2024
Production costs	38	45
Capitalised	14	26
Total R&D	**52**	**71**

SG&A costs

Sales, general and administrative costs (SG&A) of DKK 978m were in line with Q1 2024, reflecting the positive effects from the ongoing simplification of our operating model, offset by strategic hirings in the Mining business and effects from inflation. Currencies had a favorable impact on SG&A of DKK 18m in the quarter.

SG&A costs as a percentage of revenue increased slightly to 20.7% in Q1 2025 compared to 20.2% in Q1 2024 due to the lower revenue.

EBITA and margin

Excluding transformation and separation costs of DKK 60m, the Adjusted EBITA margin was 13.9% in Q1 2025 compared to 9.2% in Q1 2024. Including these costs, the EBITA margin was 12.6% in Q1 2025 compared to 7.5% in Q1 2024. Excluding the net gain of DKK 28m from the sale of the MAAG business in Q1 2024, the EBITA margin improved from 7.0% to 12.6%.

Amortisation of intangible assets

Amortisation of intangible assets amounted to DKK 63m (Q1 2024: DKK 60m).

Financial items

Net financial items amounted to DKK -1m (Q1 2025: DKK -2m), of which net interest amounted to DKK -17m (Q1 2024: DKK -34m), foreign exchange and fair value adjustments amounted to DKK 16m (Q1 2024: DKK 32m).

Tax

Tax in Q1 2025 totalled DKK -181m (Q1 2024: -109m), corresponding to an effective tax rate of 34.0% (Q1 2024: 36.0%). This includes impact from withholding tax in both periods.

Profit for the period

Profit in Q1 2025 was DKK 351m (Q1 2024: DKK 194m) driven by the improved gross profit.

Return on capital employed

Return on capital employed (ROCE) increased to 12.1% (Q1 2024: 7.8%) due to the higher EBITA.

Employees

The number of employees decreased slightly to 7,682 at the end of Q1 2025, compared to 7,739 at the end of Q4 2024.

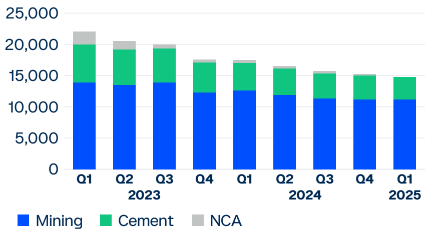
Capital in Q1 2025

Cash flow from operating activities

Cash flow from operating activities (CFFO) amounted to DKK -12m in Q1 2025 (Q1 2024: DKK -352m). The improvement compared to the prior-year period was a reflection of the higher earnings and a relatively smaller increase in net working capital.

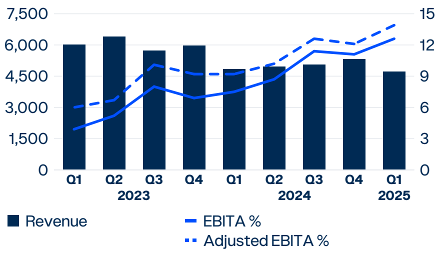
Backlog

DKKm



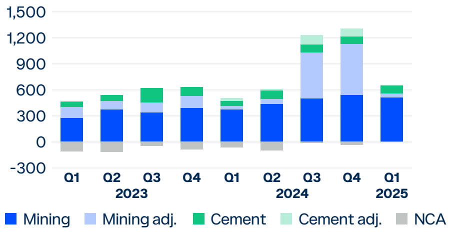
Revenue & EBITA margin

DKKm EBITA margin %



EBITA

DKKm



Cash flow from investing activities

Cash flow from investing activities amounted to DKK -110m (Q1 2024: DKK 46m), with the majority of the investment activity in the first quarter of 2025 relating to a new mill liner manufacturing facility in Chile and the construction of a manufacturing facility in the US Cement business. The positive cash flow in Q1 2024 was affected by cash flow from disposal of enterprises and activities stemming from the sale of the MAAG business.

Cash flow from financing activities

Cash flow from financing activities amounted to DKK -66m (Q1 2024: DKK 513m). Cash flow from financing activities in Q1 2024 included a net increase in interest-bearing debt of DKK 541m.

Free cash flow

Free cash flow (the sum of cash flow from operating and investing activities) amounted to DKK -122m in the quarter (Q1 2024: DKK -306m). Free cash flow adjusted for business acquisitions and disposals amounted to DKK -120m in Q1 2025 (Q1 2024: DKK -454m).

Net working capital

Net working capital increased by DKK 308m to DKK 2,415m at the end of Q1 2025 compared to DKK 2,107m at the end of Q4 2024. The increase was primarily driven by payments to suppliers leading to a reduction in trade payables and reduced prepayments from customers, partly offset by a reduction in trade receivables from increased cash collection and work in progress.

The corresponding net working capital ratio increased from 10.4% of revenue in Q4 2024 to 12.0% in Q1 2025.

Utilisation of supply chain financing decreased to DKK 425m in Q1 2025 (Q4 2024: 515m).

Net interest-bearing debt

Net interest-bearing debt (NIBD) at 31 March 2025 increased to DKK 1,043m (Q4 2024: DKK 847m). The financial gearing end of Q1 2025 amounted to 0.4x (Q4 2024: 0.4x) and remains comfortably below our target level of less than 2.0x.

Financial position

By the end of Q1 2025, FLSmidth had DKK 6.3bn of available committed credit facilities of which DKK 4.8bn remained undrawn. The committed credit facilities have a weighted average time to maturity of 2.2 years.

Credit facilities of DKK 5.0bn and DKK 1.1bn will mature in 2027 and 2030, respectively. The remaining DKK 0.2bn mature in later years. The DKK 5.0bn credit facility is expected to be refinanced before year end. Additionally, FLSmidth has DKK 0.8bn of uncommitted credit facilities available.

Equity ratio

Equity at the end of Q1 2025 increased to DKK 11,842m (end of Q4 2024: DKK 11,781m), driven primarily by profit for the period, partly offset from currency adjustments. The equity ratio was 44.9% at the end of Q1 2025 (end of Q4 2024: 43.7%).

Treasury shares

The holding of treasury shares as of 31 March 2025 decreased from the end of 2024 and amounted to 563,870 shares (Q4 2024: 813,075 shares), representing 0.98% of the total share capital. Treasury shares are used to cover our obligations under the company's share-based incentive programmes.

Other business

Updates on new Mining business line Presidents

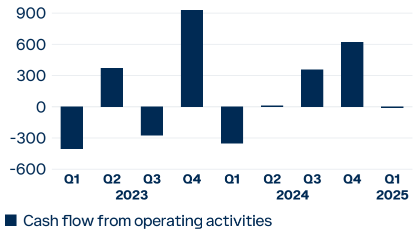
With reference to the press release issued on 18 February 2025, Julian Soles formally joined FLSmidth on 1 May 2025 as President, Mining Products Business Line. Further, Toni Laaksonen, who has been appointed as new President, Mining Service Business Line, is expected to join FLSmidth soon.

Update on potential divestment of the Cement business

In the first quarter of 2025, FLSmidth has made further progress towards the potential divestment of the Cement business. To this end, we have entered into exclusive negotiations with Pacific Avenue Capital Partners, a global investment fund specialised in industrial carve-outs. There is no certainty that any transaction will transpire. Any further announcements will be made as and when appropriate.

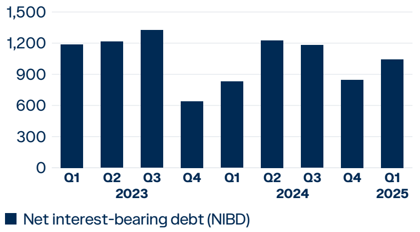
Cash flow

DKKm



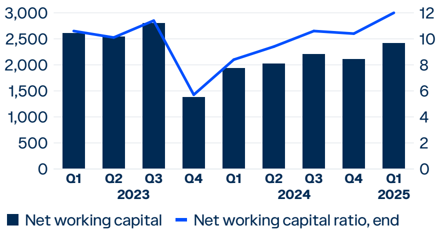
Net interest-bearing debt

DKKm

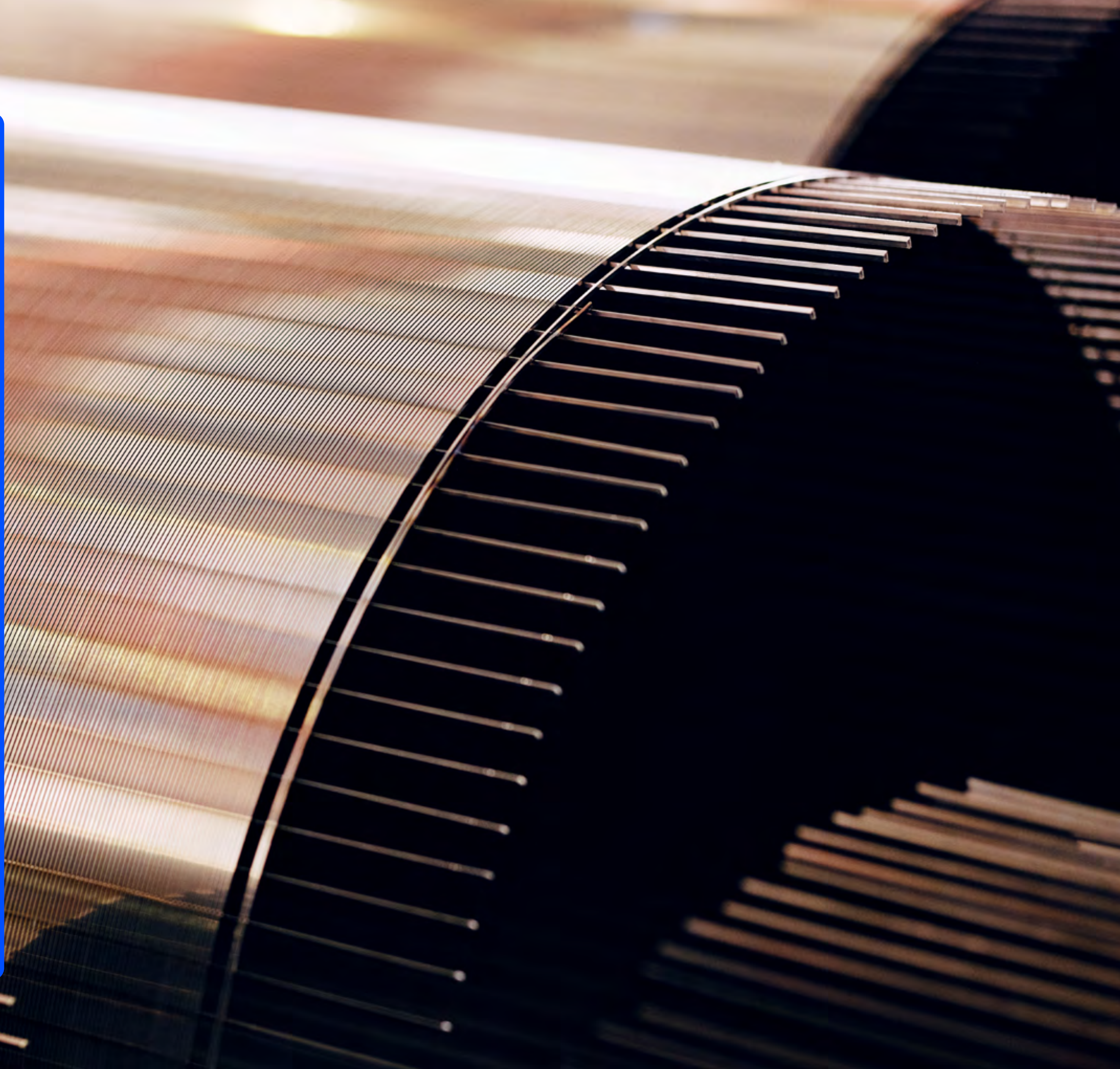


Net working capital

DKKm NWC%



Consolidated Condensed Financial statements



Income statement

Notes	DKKm	Q1 2025	Q1 2024
3,4	Revenue	4,729	4,839
	Production costs	(3,100)	(3,455)
	Gross profit*	**1,629**	**1,384**
	Sales costs	(433)	(416)
	Administrative costs*	(545)	(561)
9	Other operating net income	13	35
	EBITDA	**664**	**442**
	Depreciation and impairment of property, plant and equipment and lease assets	(68)	(77)
	EBITA	**596**	**365**
	Amortisation and impairment of intangible assets	(63)	(60)
	EBIT	**533**	**305**
	Financial income	298	224
	Financial costs	(299)	(226)
	EBT	**532**	**303**
	Tax for the year	(181)	(109)
	Profit for the period	**351**	**194**
	Attributable to:		
	Shareholders in FLSmidth & Co. A/S	347	194
	Minority interests	4	0
		351	**194**
	Earnings per share (EPS):		
	Earnings per share (DKK)	6.1	3.4
	Earnings per share, diluted (DKK)	6.1	3.4

* Q1 2024 information has been restated to reflect a reclassification of DKK 31m from Administration costs to Production costs.

Statement of comprehensive income

Notes	DKKm	Q1 2025	Q1 2024
	Profit for the period	**351**	**194**
	Items that will not be reclassified to profit or loss:		
	Actuarial gains and losses on defined benefit plans	(5)	5
	Tax of actuarial gains and losses on defined benefit plans		
	Items that are or may be reclassified subsequently to profit or loss:		
	Currency adjustments regarding translation of entities	(293)	65
	Reclassification of currency adjustments on disposal	0	(18)
	Cash flow hedging:		
	Value adjustments for the year	(11)	(5)
	Value adjustments transferred to work in progress	1	3
	Tax hereof	3	(1)
	Other comprehensive income for the period after tax	**(305)**	**49**
	Comprehensive income for the period	**46**	**243**
	Attributable to:		
	Shareholders in FLSmidth & Co. A/S	41	242
	Minority interests	5	1
		46	**243**

Cash flow statement

Notes	DKKm	Q1 2025	Q1 2024
	EBITDA	664	442
	Adjustment for gain on sale of activities and property, plant and equipment and other non-cash items	(2)	(17)
	Change in provisions, pension and employee benefits	(4)	120
7	Change in net working capital	(429)	(650)
	Cash flow from operating activities before financial items and tax	**229**	**(105)**
	Financial items received and paid	(19)	(34)
	Taxes paid	(222)	(213)
	Cash flow from operating activities	**(12)**	**(352)**
8	Acquisition of enterprises and activities	(2)	(93)
	Acquisition of intangible assets	(41)	(42)
	Acquisition of property, plant and equipment	(88)	(58)
	Acquisition of financial assets	(4)	(2)
9	Disposal of enterprises and activities	0	241
	Disposal of intangible assets	0	0
	Disposal of property, plant and equipment	25	0
	Disposal of financial assets	0	0
	Dividend from associates	0	0
	Cash flow from investing activities	**(110)**	**46**
	Dividend paid	0	0
	Buyout of minority interests	0	0
	Acquisition of treasury shares	0	0
	Repayment of lease liabilities	(28)	(28)
	Change in interest-bearing debt	(38)	541
	Cash flow from financing activities	**(66)**	**513**
	Change in cash and cash equivalents	(188)	**207**
	Cash and cash equivalents at beginning of period	1,070	1,352
	Foreign exchange adjustment, cash and cash equivalents	(23)	1
	Cash and cash equivalents at 31 March	**859**	**1,560**

The cash flow statement cannot be inferred from the published financial information only.

Free cash flow

DKKm	Q1 2025	Q1 2024
Free cash flow	(122)	(306)
Free cash flow, adjusted for acquisitions and disposals of enterprises and activities	(120)	(454)

Balance sheet

Notes	DKKm	31/03 2025	31/12 2024	31/03 2024
	Assets			
	Goodwill	6,448	6,559	6,505
	Patents and rights	605	623	666
	Customer relations	269	287	320
	Other intangible assets	77	90	130
	Completed development projects	269	241	153
	Intangible assets under development	817	826	695
	Intangible assets	**8,485**	**8,626**	**8,469**
	Land and buildings	1,641	1,654	1,702
	Plant and machinery	335	357	339
	Operating equipment, fixtures and fittings	106	108	100
	Tangible assets in course of construction	408	352	139
	Property, plant and equipment	**2,490**	**2,471**	**2,280**
	Deferred tax assets	2,306	2,358	2,173
	Investments in associates	33	36	78
	Other securities and investments	58	56	56
	Other non-current assets	**2,397**	**2,450**	**2,307**
	Non-current assets	**13,372**	**13,547**	**13,056**
	Inventories	3,587	3,572	3,447
	Trade receivables	3,940	4,073	4,156
	Work in progress	2,716	3,009	2,785
	Prepayments	458	351	502
	Income tax receivables	523	423	440
	Other receivables	924	890	958
	Cash and cash equivalents	859	1,070	1,560
	Current assets	**13,007**	**13,388**	**13,848**
	Total assets	**26,379**	**26,935**	**26,904**

Notes	DKKm	31/03 2025	31/12 2024	31/03 2024
	Equity and liabilities			
	Share capital	1,153	1,153	1,153
	Foreign exchange adjustments	(1,077)	(783)	(833)
	Cash flow hedging	(38)	(28)	(34)
10	Retained earnings	11,819	11,459	10,827
	Shareholders in FLSmidth & Co. A/S	**11,857**	**11,801**	**11,113**
	Minority interests	(15)	(20)	(28)
	Equity	**11,842**	**11,781**	**11,085**
	Deferred tax liabilities	189	220	203
	Pension obligations	331	322	352
5	Provisions	722	705	696
	Lease liabilities	158	133	83
	Bank loans and mortgage debt	1,520	1,508	2,058
	Prepayments from customers	313	303	380
	Income tax liabilities	120	120	110
	Other liabilities	45	48	46
	Non-current liabilities	**3,398**	**3,359**	**3,928**
	Pension obligations	3	3	2
5	Provisions	1,656	1,670	1,723
	Lease liabilities	93	85	86
	Bank loans and mortgage debt	66	47	44
	Prepayments from customers	1,294	1,480	1,704
	Work in progress	2,720	2,791	2,849
	Trade payables	3,203	3,538	3,369
	Income tax liabilities	237	193	273
	Other liabilities	1,867	1,988	1,841
	Current liabilities	**11,139**	**11,795**	**11,891**
	Total liabilities	**14,537**	**15,154**	**15,819**
	Total equity and liabilities	**26,379**	**26,935**	**26,904**

Equity statement

	Q1 2025							Q1 2024						
DKKm	**Share capital**	**Foreign exchange adjustments**	**Cash flow hedging**	**Retained earnings**	**Shareholders in FLSmidth & Co A/S**	**Minority interests**	**Total**	**Share capital**	**Foreign exchange adjustments**	**Cash flow hedging**	**Retained earnings**	**Shareholders in FLSmidth & Co A/S**	**Minority interests**	**Total**
Equity at 1 January	**1,153**	**(783)**	**(28)**	**11,459**	**11,801**	**(20)**	**11,781**	**1,153**	**(879)**	**(32)**	**10,615**	**10,857**	**(29)**	**10,828**
Comprehensive income for the period														
Profit/loss for the period				347	347	4	351				194	194	0	194
Other comprehensive income														
Actuarial gain/loss on defined benefit plans				(5)	(5)		(5)				5	5		5
Currency adjustments regarding translation of entities		(294)			(294)	1	(293)		64			64	1	65
Reclassification of currency adjustments on disposal									(18)			(18)		(18)
Cash flow hedging:														
Value adjustments for the period			(11)		(11)		(11)			(5)		(5)		(5)
Value adjustments transferred to work in progress			1		1		1			3		3		3
Tax on other comprehensive income				3	3		3				(1)	(1)		(1)
Other comprehensive income for the period	**0**	**(294)**	**(10)**	**(2)**	**(306)**	**1**	**(305)**	**0**	**46**	**(2)**	**4**	**48**	**1**	**49**
Comprehensive income for the period	**0**	**(294)**	**(10)**	**345**	**41**	**5**	**46**	**0**	**46**	**(2)**	**198**	**242**	**1**	**243**
Transactions with owners:														
Dividend paid														
Share-based payment				15	15		15				14	14		14
Buyout of minority interests														
Acquisition of treasury shares														
Equity at 31 March	**1,153**	**(1,077)**	**(38)**	**11,819**	**11,857**	**(15)**	**11,842**	**1,153**	**(833)**	**(34)**	**10,827**	**11,113**	**(28)**	**11,085**

Notes

1. Key accounting estimates and judgements

When preparing the consolidated condensed financial statements, we are required to make several estimates and judgements. The estimates and judgements that can have a significant impact on the consolidated condensed financial statements are categorised as key accounting estimates and judgements. Key accounting estimates and judgements are regularly assessed to adapt to the market conditions and changes in political and economic factors.

The uncertainty arising from the geopolitical situation from various ongoing conflicts, combined with increasing unrest in many regions and anti-globalisation sentiments, increased during the first quarter of 2025. However, FLSmidth is continuously assessing risk-scenarios to minimise potential negative impacts in a timely manner. Based on our diversified supply chain and a significant production capacity both within and outside the US, we are not currently expecting any significant negative impacts.

Areas affected by key accounting estimates and judgements are unchanged from the Annual report 2024. Therefore, key accounting judgements are made in relation to the accounting of revenue when determining the recognition method, while key accounting estimates relate to the estimation of warranty provisions, valuation of inventories, work in progress and deferred tax.

For further details, reference is made to Annual Report 2024, Key accounting estimates and judgements, page 141 and to specific notes.

2. Income statement by function

It is our policy to prepare the income statement based on an adjusted classification of the cost by function in order to show the earnings before depreciation, amortisation and impairment. Depreciation, amortisation, and impairment are therefore separated from the individual functions and presented in separate lines.

The income statement prepared on the basis of cost by function is shown below:

Income statement by function

DKKm	Q1 2025	Q1 2024
Revenue	4,729	4,839
Production costs, including depreciation and amortisation*	(3,171)	(3,527)
Gross profit*	**1,558**	**1,312**
Sales costs, including depreciation and amortisation	(437)	(421)
Administrative costs, depreciation and amortisation*	(601)	(621)
Other operating net income	13	35
EBIT	**533**	**305**
Depreciation, amortisation and impairment consist of:		
Depreciation and impairment of property, plant and equipment and lease assets	(68)	(77)
Amortisation and impairment of intangible assets	(63)	(60)
	(131)	**(137)**
Depreciation, amortisation and impairment are divided into:		
Production costs	(71)	(72)
Sales costs	(4)	(5)
Administrative costs	(56)	(60)
	(131)	**(137)**

* Q1 2024 information has been restated to reflect a reclassification of DKK 31m from Administration costs to Production costs.

3. Segment information

DKKm	Q1 2025 Mining**	Q1 2025 Cement	Q1 2025 FLSmidth Group Continuing activities	Q1 2024 Mining	Q1 2024 Cement	Q1 2024 Non-Core Activites	Q1 2024 FLSmidth Group Continuing activities
Income statement							
Revenue	**3,708**	**1,021**	**4,729**	**3,581**	**1,208**	**50**	**4,839**
Production costs*	(2,404)	(696)	(3,100)	(2,428)	(937)	(90)	(3,455)
Gross profit*	**1,304**	**325**	**1,629**	**1,153**	**271**	**(40)**	**1,384**
SG&A costs*	(755)	(223)	(978)	(721)	(236)	(20)	(977)
Other operating net income	18	(5)	13	1	34	0	35
EBITDA	**567**	**97**	**664**	**433**	**69**	**(60)**	**442**
Depreciation and impairment of property, plant and equipment	(59)	(9)	(68)	(63)	(12)	(2)	(77)
EBITA	**508**	**88**	**596**	**370**	**57**	**(62)**	**365**
Amortisation of intangible assets	(52)	(11)	(63)	(52)	(8)	0	(60)
EBIT	**456**	**77**	**533**	**318**	**49**	**(62)**	**305**
Order intake	3,777	852	4,629	4,176	1,042	30	5,248
Order backlog	11,165	3,597	14,762	12,581	4,422	479	17,482
*Gross margin**	*35.2%*	*31.8%*	*34.4%*	*32.2%*	*22.4%*	*-80,1%*	*28.6%*
EBITDA margin	*15.3%*	*9.5%*	*14.0%*	*12.1%*	*5.7%*	*-120.0%*	*9.1%*
EBITA margin	*13.7%*	*8.6%*	*12.6%*	*10.3%*	*4.7%*	*-124.0%*	*7.5%*
EBIT margin	*12.3%*	*7.5%*	*11.3%*	*8.9%*	*4.1%*	*-124.0%*	*6.3%*
Number of employees at 31 March	**5,700**	**1,982**	**7,682**	**6,553**	**2,128**	**88**	**8,769**
Reconciliation of profit/(loss) for the period							
EBIT			533				305
Financial income			298				224
Financial costs			(299)				(226)
EBT			**532**				**303**

* Q1 2024 information has been restated to reflect a reclassification of DKK 31m from Administration costs to Production costs.
** Non-Core Activities ceased as planned in early Q1 2025, with the remaining, insignificant contract portfolio moved into the Mining segment.

4. Revenue

Revenue arises from sale of life cycle offerings to our customers. We sell a broad range of goods and services within the Mining and Cement segments split into the main businesses Products and Services.

In the graphs on the right, revenue is split by regions in which delivery takes place.

Revenue is recognised either at a point in time where the control over the goods and/or services is transferred to the customer or over time to reflect the percentage of completion of the performance obligations in the contracts. Percentage of completion covers a wide range of different types of contracts, from contracts where the customer consumes the services over time, such as fixed price service contracts, to more complex product bundles with engineering subject to the enhanced risk governance structure under the Risk Management Board and to risk quotas. More information on when and how the two recognition principles are applied can be found in note 1.4 in the Annual report 2024.

Backlog

The order backlog at 31 March 2025 amounted to DKK 14,762m (end of 2024: DKK 17,482m).

The backlog represents the value of outstanding performance obligations on current contracts. The value of outstanding performance obligations on current contracts is a combination of value from contracts where we will transfer control at a future point in time and the value of the remaining performance obligations on contracts where we transfer control over time.

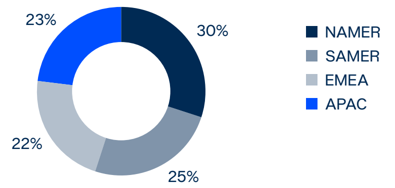
Revenue split on timing of revenue recognition principle

DKKm	Q1 2025 Mining	Q1 2025 Cement	Q1 2025 Group	Q1 2024 Mining	Q1 2024 Cement	Q1 2024 Non-Core Activities	Q1 2024 Group
Point in time	2,407	552	2,959	2,684	619	5	3,308
Percentage of completion							
Service, single machines and product bundles	1,157	421	1,578	606	546	0	1,152
Product bundles with engineering under enhanced risk governance	144	48	192	291	43	45	379
Total revenue	**3,708**	**1,021**	**4,729**	**3,581**	**1,208**	**50**	**4,839**

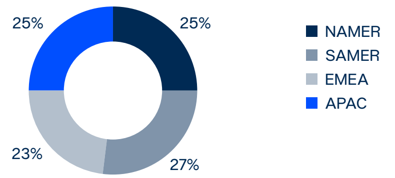
Revenue split on industry and category

DKKm	Q1 2025 Mining	Q1 2025 Cement	Q1 2025 Group	Q1 2024 Mining	Q1 2024 Cement	Q1 2024 Non-Core Activities	Q1 2024 Group
Products business	960	305	1,265	1,177	487	45	1,709
Service business	2,748	716	3,464	2,404	721	5	3,130
Total revenue	**3,708**	**1,021**	**4,729**	**3,581**	**1,208**	**50**	**4,839**

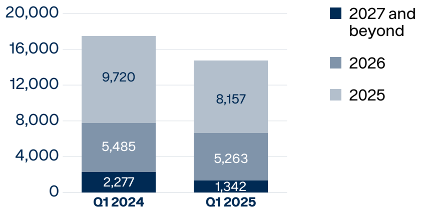
Revenue split by Regions, Q1 2025
%



Revenue split by Regions, Q1 2024
%



Backlog maturity
DKKm



5. Provisions

Provisions increased by DKK 3m compared to 31 December 2024, primarily driven by other provisions and warranties but partly offset by a reduction in loss-making and restructuring provisions.

For a description of the main provision categories see note 2.7 in the 2024 Annual Report.

Provisions

DKKm	**31/03 2025**	**31/12 2024**	**31/03 2024**
Provisions at 1 January	2,375	2,295	2,295
Foreign exchange adjustments	(28)	17	3
Disposal of Group enterprises	0	(12)	0
Acquisition of Group enterprises	0	0	(11)
Additions	191	1,476	395
Used	(119)	(966)	(201)
Reversals	(41)	(467)	(62)
Reclassification to/from other liabilities	0	32	0
Provisions at 31 March	**2,378**	**2,375**	**2,419**
The split of provisions is as follows:			
Warranties	859	850	913
Restructuring	358	390	269
Other provisions	1,161	1,135	1,237
	2,378	**2,375**	**2,419**
The maturity of provisions is specified as follows:			
Current liabilities	1,656	1,670	1,723
Non-current liabilities	722	705	696
	2,378	**2,375**	**2,419**

6. Contractual Commitments and contingent liabilities

Contingent liabilities at Q1 2025 amounted to DKK 2,068m (31 December 2024: DKK 2,230m).

Contingent liabilities primarily relate to customary performance and payment guarantees. The volume of such guarantees amounted to DKK 1,786m (31 December 2024: DKK 1,947m). It is customary market practice to issue guarantees to customers, which serve as a security that we will deliver as promised in terms of performance, quality, and timing. The volume of the guarantees varies with the activity level and reflects the outstanding backlog, finalised projects and deliveries that are covered by warranties etc. Only a minor share of such guarantees is expected to materialise into losses. In the event a guarantee is expected to materialise, a provision is recognised to cover the risk. Information on provisions is included in note 5.

Other contingent liabilities of DKK 282m (31 December 2024 DKK 283m) relate to our involvement in legal disputes, which are already pending with courts or other authorities and other disputes which may or may not lead to formal legal proceedings being initiated against us.

No significant changes have occurred to the nature and extent of our contractual commitments and contingent liabilities compared to what was disclosed in note 2.9 in the 2024 Annual Report.

7. Net working capital

Net working capital at 31 March 2025 has increased by DKK 0.3bn compared to 31 December 2024. The increase relates primarily to payments to suppliers leading to reduction in trade payables and decrease in prepayments from customers, partly offset by a reduction in trade receivables from increased cash collection and work in progress.

Utilisation of supply chain financing decreased in the first three months of 2025 to DKK 425m (31 December 2024: 515m).

Net working capital

DKKm	31/03 2025	31/12 2024	31/03 2024
Inventories	3,587	3,572	3,447
Trade receivables	3,940	4,073	4,156
Work in progress, assets	2,716	3,009	2,785
Prepayments	458	351	502
Other receivables	836	781	860
Derivative financial instruments	32	53	40
Prepayments from customers	(1,607)	(1,783)	(2,084)
Trade payables	(3,203)	(3,538)	(3,369)
Work in progress, liability	(2,720)	(2,791)	(2,849)
Other liabilities	(1,556)	(1,587)	(1,532)
Derivative financial instruments	(68)	(33)	(21)
Net working capital	**2,415**	**2,107**	**1,935**
Change in net working capital	(308)	(725)	(553)
Acquisitions/disposal of activities, financial instruments and foreign exchange effect on cash flow	(121)	(49)	(97)
Cash flow effect from change in net working capital	**(429)**	**(774)**	**(650)**

8. Business Acquisitions

There has been no business acquisitions in Q1 2025.

On 4 March 2024, FLSmidth acquired the Canadian mill engineering, supply and services provider, Farnell-Thompson Applied Technologies Inc. Its offerings is integrated into FLSmidth's core Mining business. The acquisition is aligned with our Mining CORE'26 strategy, which includes targeting service growth through strategic investments and prioritisation.

Farnell-Thompson is a global supplier of engineering services, parts and mills to the mining industry. Prior to the acquisition Farnell-Thompson has been a consulting partner providing these services to FLSmidth for many years. Consequently, a seamless integration of the new business and staff is anticipated.

The purchase price net of cash acquired is DKK 102m with DKK 9m falling due over the next three years. The acquisition increased working capital assets and liabilities by DKK 23m and DKK 18m. The excess of the purchase price over the net assets is recognised as goodwill of DKK 96m in the preliminary allocation of the purchase price. Goodwill represents primarily the value of the assembled workforce. The initial accounting will be retrospectively adjusted to reflect new information obtained in subsequent periods within a maximum period of 12 months after the acquisition date.

The impact on net profit is insignificant.

9. Disposal of activities

There has been no disposal of activities in Q1 2025.

On 22 January 2024, FLSmidth Cement entered into an agreement to sell the MAAG gears and drives business to Solix Group AB. The transaction closed on 1 March 2024 and includes all related assets, including intellectual property, technology, employees and customer contracts.

Total assets and liabilities related to the activities of DKK 463m and DKK 237m, respectively, were derecognised. The assets include intangible assets of DKK 80m, other non-current assets of DKK 118m and current assets of DKK 265m (primarily working capital). The liabilities include lease liabilities of DKK 55m, provisions of DKK 11m, working capital and other liabilities of DKK 171m. The transaction led to a gain of DKK 28m.

10. Shareholders' equity

At the Annual General Meeting 2 April 2025, a dividend of DKK 8 per share was declared. The total dividend amounting to DKK 455m, excluding the proportion related to FLSmidth's holding of treasury shares, was paid out in April 2025.

In 2024, the Annual General Meeting was held in April and the total dividend paid was DKK 228m.

11. Events after the balance sheet date

In the first quarter of 2025, FLSmidth has made further progress towards the potential divestment of the Cement business. To this end, we have entered into exclusive negotiations with Pacific Avenue Capital Partners, a global investment fund specialised in industrial carve-outs. There is no certainty that any transaction will transpire. Any further announcements will be made as and when appropriate.

We are not aware of any other subsequent matters that could be of material importance to the Group's financial position at 31 March 2025.

12. Accounting policies

The condensed interim report of the Group for the first three months of 2025 is presented in accordance with IAS 34, Interim Financial Reporting, as approved by the EU and additional Danish disclosure requirements regarding interim reporting by listed companies.

Apart from the below mentioned changes, the accounting policies are unchanged from those applied in the 2024 Annual Report. Reference is made to note 7.5, Material accounting policies, note 7.6, Impact from new IFRS Accounting Standards, note 7.7, New IFRS Accounting Standards not yet adopted and to specific notes in the 2024 Annual Report for further details.

Changes in accounting policies

As of 1 January 2025, FLSmidth Group has implemented the changes to:

- IAS 21 (Lack of Exchangeability)

Besides this, there are no changes to IFRS Accounting Standards with an effective date 1 January 2025.

The implementation has not had and is not expected to have significant impact on the consolidated condensed financial statements.

Statements

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the interim report for the period 1 January – 31 March 2025.

The consolidated condensed interim financial statements are presented in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU and Danish disclosure requirements for interim reports of listed companies. The consolidated condensed interim financial statements have not been audited or reviewed by the Group's independent auditors.

In our opinion, the consolidated condensed interim financial statements give a true and fair view of the Group's financial position at 31 March 2025 as well as of the results of its operations and cash flows for the period 1 January – 31 March 2025.

In our opinion, the management's review gives a fair review of the development in the Group's activity and financial matters, results of operations, cash flows and financial position as well as a description of the principal risks and uncertainties that the Group faces.

Valby, 14 May 2025

Executive management

Mikko Juhani Keto
Group CEO

Roland M. Andersen
Group CFO

Board of directors

Mads Nipper
Chair

Christian Bruch
Vice chair

Anne Louise Eberhard

Thrasyvoulos Moraitis

Anna Kristiina Hyvönen

Lars Engström

Rune Wichmann

Leif Gundtoft

Nour Amrani

Henrik Stender Christensen

Forward looking statements

FLSmidth & Co. A/S' financial reports, whether in the form of annual reports or interim reports, filed with the Danish Business Authority and/or announced via the company's website and/or NASDAQ Copenhagen, as well as any presentations based on such financial reports, and any other written information released, or oral statements made, to the public based on this report or in the future on behalf of FLSmidth & Co. A/S, may contain forward-looking statements.

Words such as 'believe', 'expect', 'may', 'will', 'plan', 'strategy', 'prospect', 'foresee', 'estimate', 'project', 'anticipate', 'can', 'intend', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance identify forward-looking statements. Examples of such forward-looking statements include, but are not limited to:

- Statements of plans, objectives or goals for future operations, including those related to FLSmidth & Co. A/S' markets, products, product research and product development.
- Statements containing projections of or targets for revenues, profit (or loss), CAPEX, dividends, capital structure or other net financial items.
- Statements regarding future economic performance, future actions and outcome of contingencies such as legal proceedings and statements regarding the underlying assumptions or relating to such statements.
- Statements regarding potential merger & acquisition activities.

These forward-looking statements are based on current plans, estimates and projections. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, which may be outside FLSmidth & Co. A/S' influence, and which could materially affect such forward-looking statements.

FLSmidth & Co. A/S cautions that a number of important factors, including those described in this report, could cause actual results to differ materially from those contemplated in any forward-looking statements.

Factors that may affect future results include, but are not limited to, global as well as local political and economic conditions, including interest rate and exchange rate fluctuations, delays or faults in project execution, fluctuations in raw material prices, delays in research and/or development of new products or service concepts, interruptions of supplies and production, unexpected breach or termination of contracts, market-driven price reductions for FLSmidth & Co. A/S' products and/or services, introduction of competing products, reliance on information technology, FLSmidth & Co. A/S' ability to successfully market current and new products, exposure to product liability and legal proceedings and investigations, changes in legislation or regulation and interpretation thereof, intellectual property protection, perceived or actual failure to adhere to ethical marketing practices, investments in and divestitures of domestic and foreign enterprises, unexpected growth in costs and expenses, failure to recruit and retain the right employees and failure to maintain a culture of compliance. Unless required by law FLSmidth & Co. A/S is under no duty and undertakes no obligation to update or revise any forward-looking statement after the distribution of this report.

Interim Report Q1 2025
1 January – 31 March 2025

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