1 January –
30 September 2023
Company announcement no. 17

FLSmidth & Co. A/S
Vigerslev Allé 77
DK-2500 Valby
CVR No. 58180912

Interim Report 9M 2023

FLSmidth

Contents

Management review

Consolidated Condensed Financial statements

Notes

Statements

Management review

Highlights Q3 2023

During the third quarter, we have continued to see strong progression on all our core transformation efforts. This has led to continued improvement in our underlying performance and profitability despite the current global macroeconomic and geopolitical turmoil. While we have made good progress on reducing our water usage and emissions from own operations, our safety performance remains unsatisfactory and additional mitigating actions are being implemented.

Our Mining Service business continued to show good development, positively impacting profitability. The service market remained stable with a good inflow of customer enquiries. The products market remains more volatile with some customers delaying larger investment decisions. Despite this, our Mining Products business saw good growth in both order intake and revenue during Q3.

Our Cement business continued to be adversely affected by the global slowdown in market demand. Consequently, we continue to take the steps necessary to preserve the long-term profitability of the business, including a significant rightsizing of the organisation. Further, our pure play strategy is progressing according to plan, and the ongoing operational and legal separation of the Cement business is expected to be finalised towards the end of 2023.

Our exit from Non-Core Activities (NCA) continued to progress at an accelerated pace. Since the establishment of the NCA segment we have reduced the order backlog by more than 80% and we are well on track for full exit by end 2024 (previously towards end of 2025).

Mikko Keto, Group CEO

Mining

- 12% organic order intake* growth
- 12% organic revenue* growth
- Continued improvement with adj. EBITA margin of 11.1%
- Service centre expansions in the US and KAZ announced
- Second wave of synergy take-outs commenced

Cement

- 20% decrease in organic order intake reflecting market conditions and transformation efforts
- Organic revenue decline of 12%
- EBITA of 11.7%, incl. one-off net gain from Advanced Filtration Technologies (AFT) sale
- Underlying EBITA margin (excl. sale of AFT) of 4.7%
- New President for FLSmidth Cement appointed in October 2023
- Significant organisational rightsizing initiated

Sustainability

- Two large MissionZero orders received in Mining
- Water withdrawal and scope 1 & 2 emissions reduced to 2022 levels
- Continued unsatisfactory safety performance
- Continued improvement in spend with suppliers with SBT targets

Performance and other

- Transformation progressing well
- On track for new pure play company structure in 2024
- Non-Core Activities order backlog reduced to DKK 636m
- Financial guidance for FY2023 updated

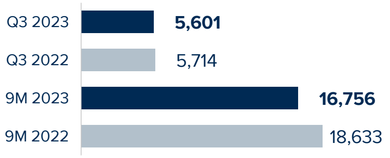
*Acquired growth from Mining Technologies is included in organic growth, as it is no longer possible to fully separate this from the legacy FLSmidth Mining business. Mining Q3 2022 includes Non-Core Activities.

Financial performance highlights

GROUP

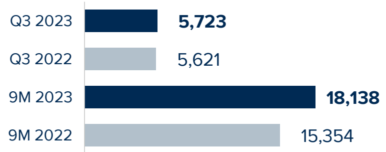
Order intake
DKKm

5,601
▼ -2.0%



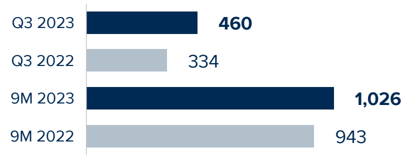
Revenue
DKKm

5,723
▲ 1.8%



EBITA & EBITA margin
DKKm - %

460 8.0% (adj. 10.1%)
▲ 37.7%



Cash flow from operating activities
DKKm -276 ▼ from DKKm 476 in Q3 2022

Earnings per share
DKK 4.8 ▲ from DKK 2.9 in Q3 2022

Net working capital ratio*
11.4% ▲ from 9.2% end of Q3 2022

NIBD/EBITDA
1.0x ▲ from 0.7x end of Q3 2022

*For an explanation on the calculation of the net working capital ratio refer to section 7.8 in the 2022 Annual Report.

MINING

Order intake
DKKm

4,320
▲ 5.4%

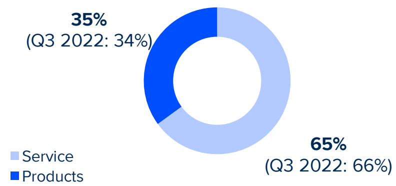
Revenue
DKKm

4,094
▲ 3.8%

EBITA & EBITA margin
DKKm - %

337 8.2% (adj. 11.1%)
▲ 18.7%

Revenue split by Products & Service



CEMENT

Order intake
DKKm

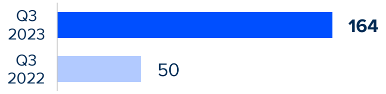
1,225
▼ -24.2%

Revenue
DKKm

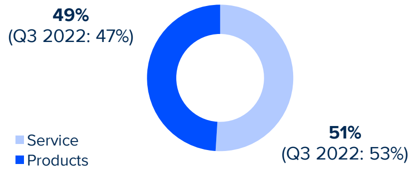
1,399
▼ -16.5%

EBITA & EBITA margin
DKKm - %

164 11.7%
▲ 228.0%



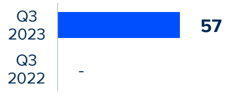
Revenue split by Products & Service



NON-CORE ACTIVITIES

Order intake
DKKm

57



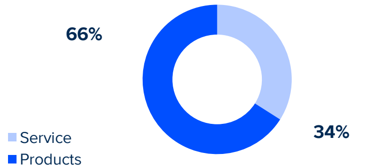
Revenue
DKKm

230

EBITA & EBITA margin
DKKm - %

(42) -18.3%

Revenue split by Products & Service



Sustainability performance highlights

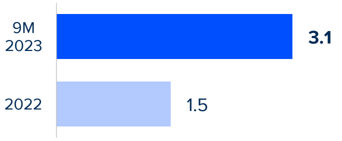
Safety (Total recordable injury rate)

Total recordable injury rate/million working hours

3.1

2023 Target: 1.2

▼ 1.6 deterioration



Our safety performance has continued to deteriorate, primarily due to an increased use of third-party contractors. The safety of our people remains of the utmost importance and we will continue our work in training and awareness campaigns, including initiating safety stand downs. We do not expect to meet our 2023 target.

Water withdrawal

m^3

125,262

2023 Target: <205,093

▲ 3.3% improvement

Water withdrawal is less than the same period last year and shows good progress toward the end of year target. There is a slight seasonal increase from Q2 to Q3 2023 as warmer months increase the use of water. However, our active water saving initiatives and leak detection activities are overall reducing our use of water.

Women managers

%

16.5

2023 Target: 16.3%

▲ 2.2%-points improvement

In Q3 2023, we surpassed our full-year target for women managers mainly as result of organisational changes, lower attrition rate and continued internal movements and recruiting initiatives.

Scope 1 & 2 greenhouse gas emissions

tCO_2e (market-based)

SCIENCE BASED TARGETS

28,381

2023 Target: <46,019

▲ 3.5% improvement

Emissions from own operations continue to decrease as we make good progress on our end of year target. This is due to the purchase of new renewable electricity agreements in a number of sites and continuous work with energy reduction initiatives.

MissionZero developments

FLSmidth is committed to improving the sustainability footprint of the global mining and cement industries not only by offering innovative technology to our customers, but also through initiatives and research in our own operations.

Spend with suppliers with science-based targets

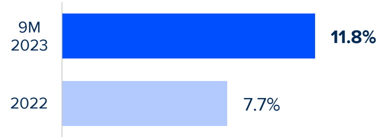
%

SCIENCE BASED TARGETS

11.8%

2023 Target: 10%

▲ 4.1%-points improvement



We are on track to surpass our 2023 target of 10% spend with suppliers with science-based targets. We continue to work actively to assist more suppliers to set their own targets and are seeing positive improvement.

FLSmidth to deliver beneficiation equipment to phosphate mine

Ma'aden mining company has chosen FLSmidth to supply key equipment and technical support services for its phosphate beneficiation plant in Saudi Arabia. The equipment to be supplied includes our paste thickening and de-watering technology, which will play a key role in reducing emissions and water spend from the beneficiation process—two key pillars of our MissionZero agenda to reduce the environmental impact of mining operations.

Steel recycling and reuse programme driving circularity in manufacturing

FLSmidth ABON® in Melbourne runs a highly successful steel reuse and recycling programme. Based on strong relationships with customers and suppliers, the programme drives circular economy practices, reduces emissions, saves on natural resources and reduces waste metal sent to landfill. Steel offcuts and machine turnings from the manufacturing processes, as well as worn teeth and shafts from refurbishments, are recovered and recycled.

New research to accelerate cement decarbonisation

Led by FLSmidth, a new research partnership aims to maximise the use of supplementary cementitious materials (SCMs) in cement. SCMs play a key role in cement industry pathways to net zero. Funded by Horizon Europe, the DETOCS (Data Enabling Transformation and Optimization towards Concrete Sustainability) partnership comprises industrial and academic partners and will be supported by 15 PhD students.

Key figures

DKKm	Q3 2023	Q3 2022	9M 2023	9M 2022	2022
Income statement					
Revenue	5,723	5,621	18,138	15,354	21,849
Gross profit	1,636	1,431	4,530	3,782	5,076
EBITDA	538	419	1,275	1,189	1,300
EBITA	460	334	1,026	943	943
Adjusted EBITA*	579	449	1,369	1,190	1,395
EBIT	404	256	848	713	619
Financial items, net	31	14	(57)	(20)	(67)
EBT	435	270	791	693	552
Profit for the period, continuing activities	274	166	500	426	351
Loss for the period, discontinued activities	(2)	(4)	(26)	(7)	1
Profit for the period	272	162	474	419	352
Orders					
Order intake	5,601	5,714	16,756	18,633	24,644
Order backlog			19,933	25,476	23,541
Earning ratios					
Gross margin	28.6%	25.5%	25.0%	24.6%	23.2%
EBITDA margin	9.4%	7.5%	7.0%	7.7%	5.9%
EBITA margin	8.0%	5.9%	5.7%	6.1%	4.3%
Adjusted EBITA margin*	10.1%	8.0%	7.5%	7.8%	6.4%
EBIT margin	7.1%	4.6%	4.7%	4.6%	2.8%
EBT margin	7.6%	4.8%	4.4%	4.5%	2.5%
Cash flow					
Cash flow from operating activities (CFFO)	(276)	476	(308)	192	968
Acquisitions of property, plant and equipment	(76)	(29)	(134)	(62)	(88)
Cash flow from investing activities (CFFI)	125	(2,146)	(53)	(2,194)	(2,310)
Free cash flow	(151)	(1,670)	(361)	(2,002)	(1,342)
Free cash flow adjusted for acquisitions and disposals of enterprises and activities	(436)	433	(604)	117	777
Balance sheet					
Net working capital			2,796	2,170	1,893
Net interest-bearing debt (NIBD)			(1,325)	(985)	(726)
Total assets			29,236	31,051	29,845
CAPEX			431	269	424
Equity			11,131	11,555	10,787
Dividend to shareholders, paid			170	170	170

DKKm	Q3 2023	Q3 2022	9M 2023	9M 2022	2022
Financial ratios					
Book-to-bill	97.9%	101.7%	92.4%	121.4%	112.8%
Order backlog / Revenue			80.9%	124.3%	107.7%
Return on equity**			5.8%	5.1%	3.3%
Equity ratio			38.1%	37.2%	36.1%
ROCE, average**			5.6%	6.3%	5.9%
Net working capital ratio, end**			11.4%	9.2%	7.8%
NIBD / EBITDA**			1.0x	0.7x	0.6x
Capital employed, average**			18,710	18,060	15,888
Number of employees			9,674	11,820	10,977
Share ratios					
Cash flow per share (CFPS), (diluted)	(4.8)	8.4	(5.4)	3.4	17.0
Earnings per share (EPS), (diluted)	4.8	2.9	8.3	7.7	6.5
Share price			319.2	165.9	251.7
Number of shares (1,000), end			57,650	57,650	57,650
Market capitalisation, end			18,402	9,564	14,511
Sustainability key figures					
Scope 1 & 2 GHG emissions (tCO2e) market-based			28,381	29,413	36,767
Water withdrawal (m3)			125,262	129,585	178,064
Safety, TRIR Total Recordable Injury Rate (including contractors)			3.1	1.6	1.5
Women managers			16.5%	14.1%	14.3%
Spend with suppliers with science-based targets			11.8%	n/a	7.7%
Other key figures					
Quality, DIFOT Delivery In Full On Time			82.3%	82.2%	81.9%

Use of alternative performance measures

Throughout the report, we present financial measures which are not defined according to IFRS. The financial ratios have been computed in accordance with the guidelines of the Danish Finance Society. We have included additional information in note 7.4, Alternative performance measures, and 7.8, Definition of terms, in the 2022 Annual Report and in note 12 of this report.

*To reflect the underlying business performance, we present an adjusted EBITA margin to adjust for the integration costs of DKK 343m in 9M 2023 (9M 2022: DKK 127m and FY 2022: DKK 252m) related to the integration of Mining Technologies. In 2022, EBITA was also adjusted for cost related to the exit of Russian activities of DKK 200m.

**For an explanation on the ratios, please refer to the Annual Report 2022, pages 121 - 122. Return on equity is based on an annualised profit determined as four times the quarterly average of the profit for 9M 2023.

2023 financial guidance

Financial guidance for 2023 is updated. Guidance for the full year 2023 reflects a continued improvement of the underlying legacy FLSmidth Mining business and the integration of Mining Technologies.

Mining

	Guidance August 2023	Guidance November 2023
Revenue (DKKbn)	Around 17.0	**Around 17.0** (DKK 12.6bn)
Adj. EBITA margin	10.0-11.0%	**10.5-11.0%** (10.5%)

Following a strong 2022, we expect mining market activity levels in 2023 to remain largely stable versus 2022 with some delays in larger investment decisions, mainly within Products.

The former Mining Technologies business is expected to contribute less than DKK 3bn in revenue in 2023 and is expected to have a dilutive effect on the full year 2023 adjusted Mining EBITA margin of less than 2%-points.

Guidance for Adjusted EBITA margin includes adjustments for integration costs of around DKK 550m for the full year 2023.

Cement

	Guidance August 2023	Guidance November 2023
Revenue (DKKbn)	Around 6.0	**Around 6.0** (DKK 4.7bn)
EBITA margin	5.5-6.5%	**5.5-6.5%** (6.5%)

The short-to-mid-term outlook for the cement industry is increasingly impacted by a slowdown in market demand.

Cement EBITA is positively impacted by a one-off net gain of around DKK 100m from the sale of the Advanced Filtration Technologies filter media business, which was recognised in Q3 2023. The underlying operational performance of Cement is expected to remain unchanged.

Non-Core Activities

	Guidance August 2023	Guidance November 2023
Revenue (DKKbn)	0.8-1.0	**0.9-1.0** (DKK 857m)
EBITA	Loss of ~DKK 250-350m	**Loss of ~DKK 300-350m** (Loss of DKK 263m)

Non-Core Activities (NCA) EBITA margin guidance for 2023 reflects the operationally loss-making nature of the business as well as costs related to contract negotiations aimed at reducing the scope of the NCA order backlog.

As previously communicated, the total loss for the Non-Core Activities segment over the exit period is expected to be around DKK 1.0bn. It is expected that the Non-Core Activities segment will be exited around end of 2024.

Group

	Guidance August 2023	Guidance November 2023
Revenue (DKKbn)	Around 24.0	**Around 24.0** (DKK 18.1bn)
Adj. EBITA margin	7.5-8.5%	**7.5-8.5%** (7.5%)
EBITA margin	5.5-6.5%	**5.5-6.5%** (5.7%)

Consolidated Group guidance reflects the sum of the guidance for the three business segments.

Guidance for Adjusted EBITA margin includes adjustments for integration costs of around DKK 550m for the full year 2023.

Guidance for 2023 is subject to uncertainty due to the global supply chain situation, potential recession and geopolitical turmoil.

Note: Numbers in brackets represent realised 9M 2023 results. Mining Technologies refers to the former thyssenkrupp Mining business, which FLSmidth acquired on 31 August 2022

Mining financial performance

Market outlook and trends in Q3 2023

The global mining market remained active within major commodities, especially for copper, lithium and gold, albeit with some adverse effects from delayed large capital investment decisions and permitting issues in certain countries as well as prevailing macroeconomic and geopolitical uncertainties.

The service market remains stable and active, whereas the products market is inherently more volatile. We continue to see a consistent inflow of customer service enquiries as miners aim to enhance operations through continued investments in productivity and sustainability solutions.

The mid-term outlook for the industry remains positive, supported by a promising pipeline. In addition, the growing demand for minerals crucial to a successful green transition supports the long-term outlook for the mining industry.

Order intake development in Q3 2023

Q3 2023 order intake increased by 5% to DKK 4,320m compared to Q3 2022. However, Q3 2022 included only one month of Mining Technologies activities, while Q3 2023 does not include the NCA segment. Excluding currency effects, the order intake increased by 12%.

It is estimated that excluding the impact of the NCA segment, the underlying order intake would have increased by approximately 6% compared to Q3 2022.

Compared to Q3 2022, which was characterised by an unusually high level of large spare parts orders, the Service order intake decreased by 6% in Q3 2023. Sequentially (i.e., compared to Q2 2023) Service order intake grew by 8%. This reflected continued focus on maximising customers' equipment reliability and improving energy efficiency in their operations, partly offset by our continued efforts to exit low-margin, basic labour services.

Products order intake increased by 37% compared to Q3 2022. Two large Products orders with a combined value of around DKK 730m were announced in the quarter (Q2 2023: DKK 785m), whereas the comparative quarter of 2022 did not include any large, announced Products orders.

In Q3 2023, Service and Products order intake accounted for 65% and 35% of the total order intake, respectively, compared to 73% and 27% in Q3 2022, respectively in line with our targeted share of Service order intake.

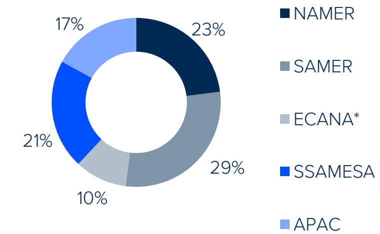
Order intake development in 9M 2023

9M 2023 order intake decreased by 4% to DKK 12,712m compared to 9M 2022 which included only one month of Mining Technologies activities. 9M 2023 does not include the NCA segment or Russia. If excluding a high-level estimate of the impact from those changes the underlying order intake would have decreased by 6% compared to 9M 2022.

Service order intake increased by 3% in 9M 2023. Products order intake decreased by 15% reflecting our continued de-risking efforts in addition to current market conditions. Products order intake in 9M 2023 included five large, announced Products orders with a combined value of approximately DKK 1.9bn. (9M 2022: DKK 1.6bn).

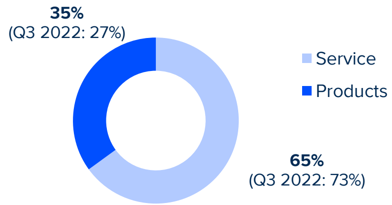
Service and Products order intake represented 66% and 34%, respectively, of the total Mining order intake in 9M 2023, compared to 61% and 39% in 9M 2022.

Order intake split per region Q3 2023

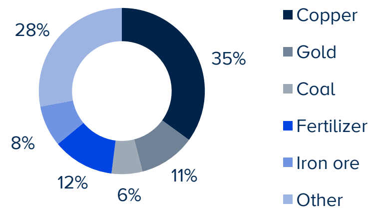


*ECANA refers to the region of Europe, Central Asia and North Africa.

Order intake split by Products & Service Q3 2023



Order intake split by commodity Q3 2023



Mining financial performance

Revenue development in Q3 2023

Q3 2023 revenue increased by 4%. Excluding currency effects, revenue increased organically by 12%. However, Q3 2022 included only one month of Mining Technologies activities, while Q3 2023 reflects the establishment of the NCA segment and our exit from Russia. If excluding a high-level estimate of the impact from those changes, the underlying revenue growth in the quarter was approximately 13%.

Mining Service revenue increased by 1% compared to Q3 2022 mainly driven by a continued healthy demand for spare parts and consumables but partly offset by relatively lower revenue within professional services. Mining Service revenue accounted for 65% of the total Mining revenue in the quarter.

Products revenue increased by 8% compared to Q3 2022 and accounted for 35% of the total Mining revenue. The increase was driven by strong backlog execution.

Gross profit development in Q3 2023

Gross profit increased by 21% to DKK 1,242m from DKK 1,026m in Q3 2022. The corresponding gross margin increased to 30.3% as a result of good margin execution, our de-risking strategy and scalability.

EBITA development in Q3 2023

Adjusted for integration costs of DKK 119m, the EBITA margin was 11.1% in Q3 2023. This was mainly driven by continued strong execution in our Service business across spare parts, consumables and upgrades & retrofit.

Including integration costs, the EBITA margin increased to 8.2% from 7.2% in Q3 2022.

The number of employees in Mining has been reduced by more than 1,550 since the end of Q3 2022. The reduction reflects the establishment of the NCA segment in Q4 2022, and the ongoing synergy takeout related to the integration of Mining Technologies.

Revenue development in 9M 2023

9M 2023 Mining revenue increased by 18% compared to 9M 2022. Excluding currency effects, revenue increased by 22%. The increase was mainly driven by relatively higher revenue in the Service business.

9M 2022 included only one month of Mining Technologies activities, while 9M 2023 reflects the establishment of the NCA segment and our exit from Russia. If excluding a high-level estimate of the impact from those changes the underlying revenue growth in 9M 2023 was approximately 18% compared to 9M 2022

Gross profit development in 9M 2023

Gross profit increased by 28% to DKK 3,414m in 9M 2023. The corresponding gross margin of 27.0% was 2.1%-points above 9M 2022 as a result of good margin execution, de-risking strategy and a relatively higher share of Service revenue.

EBITA development in 9M 2023

Adjusted for integration costs of DKK 343m, the EBITA margin was 10.5% in 9M 2023.

Mining

(DKKm)	Q3 2023	Q3 2022	Change (%)	9M 2023	9M 2022	Change (%)
Order intake	**4,320**	**4,097**	**5%**	**12,712**	**13,243**	**-4%**
- Hereof Service order intake	2,826	3,003	-6%	8,342	8,075	3%
- Hereof Products order intake	1,494	1,094	37%	4,370	5,168	-15%
Order backlog	**13,859**	**18,502**	**-25%**	**13,859**	**18,502**	**-25%**
Revenue	**4,094**	**3,946**	**4%**	**12,630**	**10,708**	**18%**
- Hereof Service revenue	2,643	2,607	1%	8,176	6,550	25%
- Hereof Products revenue	1,451	1,339	8%	4,454	4,158	7%
Gross profit	**1,242**	**1,026**	**21%**	**3,414**	**2,662**	**28%**
Gross margin	30.3%	26.0%		27.0%	24.9%	
Adjusted EBITA	**456**	**399**	**14%**	**1,328**	**1,056**	**26%**
Adjusted EBITA margin	11.1%	10.1%		10.5%	9.9%	
EBITA	**337**	**284**	**19%**	**985**	**809**	**22%**
EBITA margin	8.2%	7.2%		7.8%	7.6%	
Number of employees	6,588	8,154	-19%	6,588	8,154	-19%

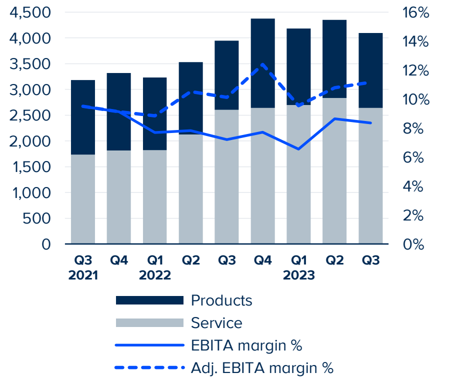
Growth in Mining in Q3 2023 (vs. Q3 2022)

	Order intake	Revenue
Organic*	12%	12%
Currency	-7%	-8%
Total growth	**5%**	**4%**

*Acquired growth from Mining Technologies is included in organic growth, as it is no longer possible to fully separate this from the legacy FLSmidth Mining business. Mining Q3 2022 includes Non-Core Activities.

Revenue and EBITA margin

DKKm EBITA margin %



Cement financial performance

Market outlook and trends in Q3 2023

The general slow-down in market demand, which characterised the second quarter of the year, continued into the third quarter. This is in large parts driven by rising interest rates and global inflation levels adversely impacting construction activity and thus the demand for cement.

As a result, cement producers are showing strict capital spending discipline leading to substantial delays in major investment decisions.

Market conditions continue to vary across regions and some markets, such as India and the US, are relatively less impacted by the market slow-down and are showing some positive signs - especially in the Service business. Other markets, however, including China and Europe, remain weaker.

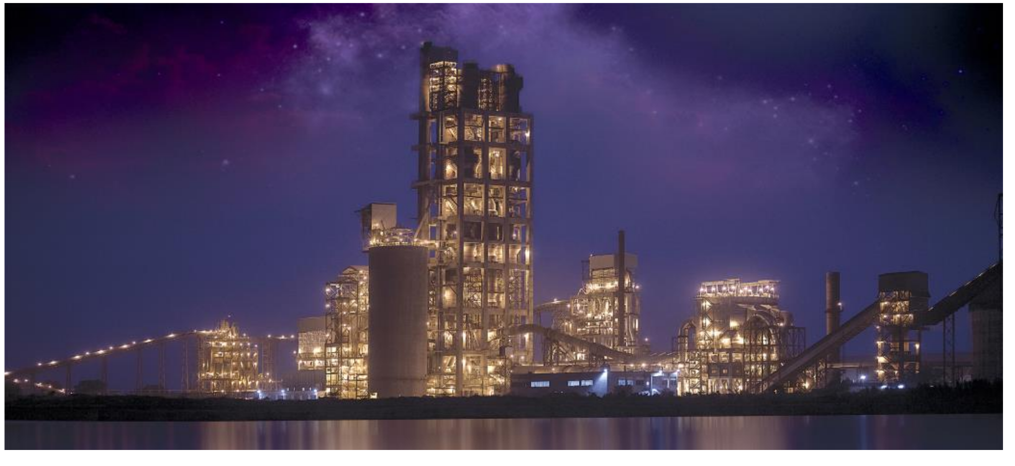
The long-term trend towards more sustainable cement production remains, supported by the growing urgency of the green transition. However, the short-to-mid-term market outlook remains challenging.

Order intake development in Q3 2023

Cement order intake in Q3 2023 declined organically by 20% and including currency effect by 24% to DKK 1,225m. The underlying margins in the pipeline remain stable and the profitability of the order intake improved across all offerings.

Service order intake decreased by 20% compared to Q3 2022. The decrease reflected the challenging market conditions arising from continued geopolitical and macroeconomic uncertainties.

In our main markets, our Service business has maintained an overall satisfactory performance throughout Q3 2023. However, some markets continue to see a slow-down in market demand which is adversely impacting order intake.



Compared to Q3 2022, Products order intake decreased by 31% as a result of current market conditions as well as continued pruning of our product offerings as well as the AFT sale. Further, as part of our de-risking approach, we continue to assess new installation products and investments and ensuring the long-term profitability of our order backlog.

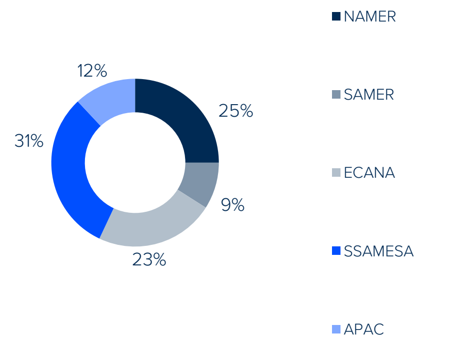
Service and Products orders represented 67% and 33% of Cement order intake, respectively, compared to 64% and 36% in Q3 2022.

Order intake development in 9M 2023

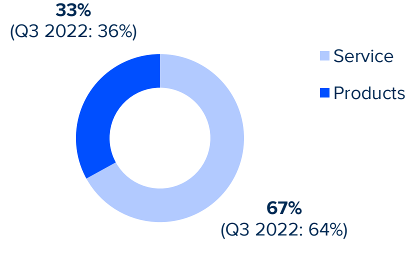
In 9M 2023, Cement order intake declined by 29% compared to 9M 2022 mainly driven by Products orders which declined by 40% compared to 9M 2022.

Service order intake decreased by 19% compared to 9M 2022 reflecting the current market conditions. We have seen some growth in Service orders within our main markets. This was, however, more than offset by declining orders in markets where we have decided to service through third-party agents and/or exit in full.

Order intake split per region Q3 2023



Order intake split by Products & Service Q3 2023



Cement financial performance

Revenue development in Q3 2023

Q3 2023 revenue decreased by 16%, and by 12% excluding currency effects, driven by both the Products and Service business.

Service revenue decreased by 20% compared to Q3 2022 due to the challenging market conditions arising from the macroeconomic and geopolitical turmoil as well as the divestment of AFT. Service accounted for 51% of total Cement revenue in Q3 2023.

Products revenue decreased by 13% compared to Q3 2022 as a result of customers' strict capital spending discipline leading to significant delays in larger investment decisions.

Gross profit development in Q3 2023

Gross profit decreased by 5% to DKK 385m mainly as a result of the relatively lower revenue. The corresponding gross margin of 27.5% was however 3.3%-points above the gross margin for Q3 2022 reflecting the impact of the continued business simplification, product pruning and execution of higher margin orders.

EBITA development in Q3 2023

Cement EBITA increased by DKK 114m compared to Q3 2022 due to the one-off net gain from the divestment of AFT in July 2023. The underlying EBITA, excluding the one-off net gain, amounted to DKK 66m in Q3 2023 compared to DKK 50m in Q3 2022, reflecting continued product pruning and business simplification. The corresponding underlying EBITA margin improved by 1.7%-points to 4.7% in Q3 2023.

The number of employees in Cement has been reduced by around 800 compared to Q3 2022.

The reduction reflects the divestment of AFT, continued optimisation of our global footprint and simplification of the operating model to improve operations and long-term profitability.

Revenue development in 9M 2023

Cement revenue of DKK 4,651 in 9M 2023 was in line with 9M 2022, reflecting a 4% decrease in Service revenue due to the divestment of AFT and continued overall challenging market conditions, partly offset by a 5% increase in Products revenue.

Gross profit development in 9M 2023

Gross profit increased by 5% to DKK 1,173m in 9M 2023 reflecting a good margin execution. The corresponding gross margin of 25.2% was 1.1%-points above 9M 2022.

EBITA development in 9M 2023

EBITA increased by 127% in 9M 2023 mainly as a result of the net gain from the divestment of AFT. The underlying EBITA of DKK 206m increased by 54% compared to 9M 2022. The corresponding EBITA margin of 4.4% was 1.5%-points above 9M 2022 reflecting the impact of the continued business simplification, product pruning and focus on higher margin orders.

Cement

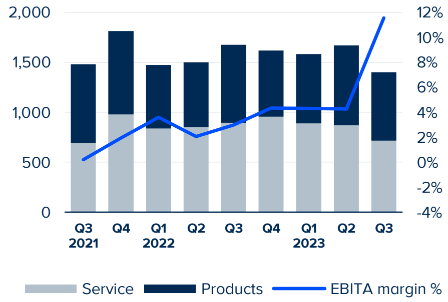
(DKKm)	Q3 2023	Q3 2022	Change (%)	9M 2023	9M 2022	Change (%)
Order intake	**1,225**	**1,617**	**-24%**	**3,844**	**5,390**	**-29%**
- Hereof Service order intake	820	1,027	-20%	2,385	2,958	-19%
- Hereof Products order intake	405	590	-31%	1,459	2,432	-40%
Order backlog	**5,438**	**6,974**	**-22%**	**5,438**	**6,974**	**-22%**
Revenue	**1,399**	**1,675**	**-16%**	**4,651**	**4,646**	**0%**
- Hereof Service revenue	717	895	-20%	2,477	2,582	-4%
- Hereof Products revenue	682	780	-13%	2,174	2,064	5%
Gross profit	**385**	**405**	**-5%**	**1,173**	**1,120**	**5%**
Gross margin	27.5%	24.2%		25.2%	24.1%	
EBITA	**164**	**50**	**228%**	**304**	**134**	**127%**
EBITA margin	11.7%	3.0%		6.5%	2.9%	
Number of employees	2,869	3,666	-22%	2,869	3,666	-22%

Growth in Cement in Q3 2023 (vs. Q3 2022)

	Order intake	Revenue
Organic	-20%	-12%
Currency	-4%	-4%
Total growth	**-24%**	**-16%**

Revenue and EBITA margin

DKKm EBITA margin %



Non-Core Activities financial performance

Non-Core Activities outlook
On 23 August 2023, FLSmidth closed the previously announced Asset Purchase & Transfer Agreement with KOCH Solutions, thereby transferring a total of around DKK 400m of contract backlog to KOCH Solutions.

Order intake development in Q3 2023
Order intake for NCA amounted to DKK 57m. This related to contractual obligations and parts already in stock. Service and Products orders represented 84% and 16% of NCA order intake in Q3 2023, respectively.

Order backlog development in Q3 2023
The order backlog amounted to around DKK 0.6bn by end of Q3 2023, representing a decrease of around DKK 0.8bn compared to Q2 2023 and a decrease of around DKK 2.3bn since the establishment of the NCA segment as of Q4 2022. The decrease reflected the divestment to KOCH Solutions and execution of the order backlog as well as continued re-scoping and contract terminations. The majority of the remaining order backlog is to be executed in countries within the APAC and ECANA regions.

Revenue development in Q3 2023
NCA revenue in Q3 2023 amounted to DKK 230m. Products and Service accounted for 66% and 34% of revenue, respectively.

Gross profit development in Q3 2023
Gross profit was DKK 9m with a corresponding gross margin of 3.9% reflecting the general volatility and the nature of the NCA business.

EBITA development in Q3 2023
EBITA amounted to DKK -42m with a corresponding EBITA margin of -18.3% driven by the low gross profit and costs related to the ongoing exit of the activities in the segment. The divestment to KOCH Solutions had no material impact on EBITA for Q3 2023.

The number of employees amounted to 217 as of the end of Q3 2023, representing a decline of 222 employees compared to end of Q2 2023. This was driven by the divestment to KOCH Solutions, continued rightsizing and natural attrition.

Order intake development in 9M 2023
Order intake for NCA amounted to DKK 200m in 9M 2023. Service and Products orders represented 75% and 25%, respectively.

Revenue development in 9M 2023
NCA revenue amounted to DKK 857m in 9M 2023. Service and Products revenue represented 35% and 65%, respectively.

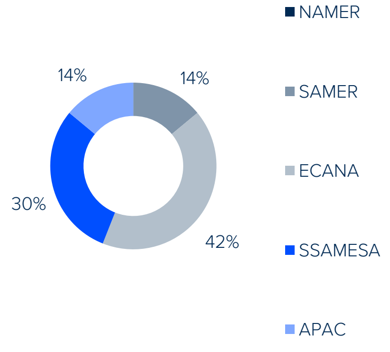
Gross profit development in 9M 2023
Gross profit amounted DKK -57m in 9M 2023 with a corresponding gross margin of -6.7% reflecting the general volatility and operationally loss-making nature of the NCA segment.

EBITA development in 9M 2023
EBITA in 9M 2023 amounted to DKK -263m with a corresponding EBITA margin of -30.7% reflecting the operationally loss-making nature of the NCA business and costs related to the exit.

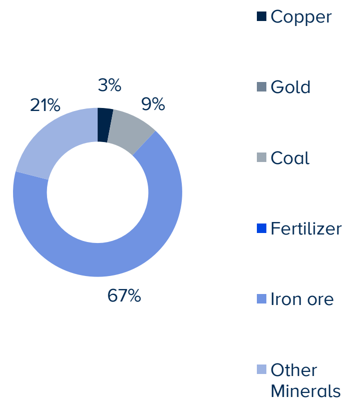
Non-Core Activities

(DKKm)	Q3 2023	9M 2023
Order intake	**57**	**200**
- Hereof Service order intake	48	149
- Hereof Products order intake	9	51
Order backlog	**636**	**636**
Revenue	**230**	**857**
- Hereof Service revenue	79	300
- Hereof Products revenue	151	557
Gross profit	**9**	**(57)**
Gross margin	3.9%	-6.7%
EBITA	**(42)**	**(263)**
EBITA margin	-18.3%	-30.7%
Number of employees	217	217

Order intake split per region Q3 2023



Order intake split by commodity Q3 2023



Consolidated financial performance Q3 2023

Growth

Group order intake in Q3 2023 increased organically by 4% mainly driven by Products. Group revenue increased 2%, also driven by Products.

Order intake

Q3 2023 order intake declined by 2% to DKK 5,601m. Q3 2022 included only one month of Mining Technologies activities. Excluding currency effects order intake increased by 4% compared to Q3 2022.

Service order intake decreased by 8% compared to Q3 2022, reflecting current market challenges in Cement and a stable Service level in Mining. Service represented 66% of total order intake in Q3 2023 against 71% in Q3 2022. Products order intake increased by 13% compared to Q3 2022, mainly driven by Mining Products.

Order backlog and maturity

The order backlog decreased by 3% to DKK 19.9bn compared to the prior quarter (Q2 2023: DKK 20.5bn) due to strong execution of the order backlog, the divestments in Cement and NCA, the exit of our Russian and Belarusian activities as well as continued wind-down of our NCA segment. Outstanding order backlog related to Russian and Belarusian contracts remained stable at DKK 0.2bn at the end of Q3 2023 (end of Q2 2023: DKK 0.2bn). The remaining orders are suspended by FLSmidth. We are working on potential termination options and are due to uncertainty included in the ‘2025 and beyond’ maturity. The Non-Core Activities backlog represented around DKK 0.6bn at the end of Q3 2023.

Backlog maturity	Mining	Cement	Non-Core Activities	FLSmidth Group
2023	15%	13%	23%	15%
2024	57%	50%	77%	56%
2025 & beyond	28%	37%	0%	29%

Revenue

Revenue increased by 2% to DKK 5,723m. Excluding currency effects, revenue increased by 9% compared to Q3 2022. The increase was driven by an 8% increase in Products revenue, partly offset by a 2% decrease in Service revenue compared to Q3 2022. Service revenue accounted for 60% of total revenue in the quarter, compared to 62% in Q3 2022.

Q3 2022 included only one month of Mining Technologies activities, while Q3 2023 reflects our exit from Russia. If excluding a high-level estimate of the impact of our exit from Russia, the underlying revenue growth would be 5%.

Group – continued activities

(DKKm)	Q3 2023	Q3 2022	Change (%)	9M 2023	9M 2022	Change (%)
Order intake	**5,601**	**5,714**	**-2%**	**16,756**	**18,633**	**-10%**
- Hereof Service order intake	3,694	4,030	-8%	10,876	11,033	-1%
- Hereof Products order intake	1,907	1,684	13%	5,880	7,600	-23%
Order backlog	**19,933**	**25,476**	**-22%**	**19,933**	**25,476**	**-22%**
Revenue	**5,723**	**5,621**	**2%**	**18,138**	**15,354**	**18%**
- Hereof Service revenue	3,439	3,502	-2%	10,953	9,132	20%
- Hereof Products revenue	2,284	2,119	8%	7,185	6,222	15%
Gross profit	**1,636**	**1,431**	**14%**	**4,530**	**3,782**	**20%**
Gross margin	28.6%	25.5%		25.0%	24.6%	
SG&A cost*	**(1,186)**	**(1,032)**	**15%**	**(3,381)**	**(2,649)**	**28%**
SG&A ratio*	20.7%	18.4%		18.6%	17.3%	
Adjusted EBITA	**579**	**449**	**29%**	**1,369**	**1,190**	**15%**
Adjusted EBITA margin	10.1%	8.0%		7.5%	7.8%	
EBITA	**460**	**334**	**38%**	**1,026**	**943**	**9%**
EBITA margin	8.0%	5.9%		5.7%	6.1%	
Number of employees	9,674	11,820	-18%	9,674	11,820	-18%

*SG&A cost has now been presented without Other operating net income. Comparative information has been restated.

Growth in order intake in Q3 2023 (vs. Q3 2022)

	Mining	Cement	Non-Core Activities	FLSmidth Group
Organic*	12%	-20%		4%
Currency	-7%	-4%		-6%
Total growth	**5%**	**-24%**	**n/a**	**-2%**

*Acquired growth from Mining Technologies is included in organic growth, as it is no longer possible to fully separate this from the legacy FLSmidth Mining business. Mining Q3 2022 includes Non-Core Activities.

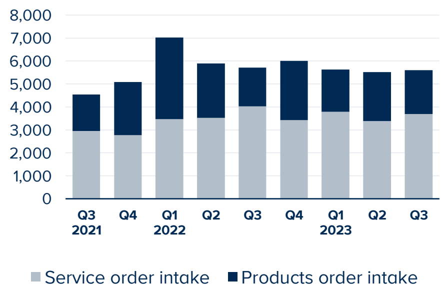
Growth in revenue in Q3 2023 (vs. Q3 2022)

	Mining	Cement	Non-Core Activities	FLSmidth Group
Organic*	12%	-12%		9%
Currency	-8%	-4%		-7%
Total growth	**4%**	**-16%**	**n/a**	**2%**

*Acquired growth from Mining Technologies is included in organic growth, as it is no longer possible to fully separate this from the legacy FLSmidth Mining business. Mining Q3 2022 includes Non-Core Activities.

Order intake

DKKm



Profit

Gross profit increased by 14% driven by a 2% increase in revenue and strong margin execution compared to Q3 2022. Adjusted EBITA increased by 29% reflecting positive impact from our core transformation efforts and the AFT sale.

Gross profit and margin

Gross profit increased by 14% to DKK 1,636m, driven by the higher revenue level, lower production costs and our ongoing transformation efforts, partly offset by integration costs related to Mining Technologies and the ongoing exit from the NCA segment. The corresponding gross margin was 28.6% (Q3 2022: 25.5%).

In Q3 2023, total research and development costs (R&D) amounted to DKK 96m, representing 1.7% of revenue (Q3 2022: 1.7%).

Research & development costs

(DKKm)	Q3 2023	Q3 2022
Production costs	34	47
Capitalised	62	46
Total R&D	**96**	**93**

SG&A costs

Sales, general and administrative costs (SG&A) increased by 15% compared to Q3 2022. The increase was driven by the integration costs related to Mining Technologies and our ongoing transformation efforts, which include the ongoing NCA segment exit, principal company model implementation and pure play separation of the Mining and Cement businesses. The increase compared to Q3 2022 was partly offset by a favourable currency effect of DKK 44m.

The corresponding SG&A ratio as a percentage of revenue was 20.7% in Q3 2023.

EBITA and margin

Excluding integration costs of DKK 119m related to the acquisition of Mining Technologies, adjusted Group EBITA margin was 10.1% in Q3 2023. Including integration costs, the EBITA margin was 8% in Q3 2023 compared to 5.9% in Q3 2022. Excluding the AFT divestment gain, the underlying EBITA margin was 6.3%. The NCA divestment to KOCH Solutions had no material impact on EBITA for the quarter.

Amortisation of intangible assets amounted to DKK 56m (Q3 2022: DKK 78m). The effect of purchase price allocations amounted to DKK 11m (Q3 2022: DKK 14m) and other amortisation to DKK 45m (Q3 2022: DKK 64m).

Financial items

Net financial items amounted to DKK 31m (Q3 2022: DKK 14m), of which net interest amounted to DKK -29m (Q3 2022: DKK 6m).

Tax

Tax in Q3 2023 totalled DKK -161m (Q3 2022: DKK -104m), corresponding to an effective tax rate of 37.0% (Q3 2022: 38.5%).

Profit for the period

Profit in Q3 2023 was a gain of DKK 272m (Q3 2022: DKK 162m). Discontinued activities had a loss of DKK -2m in Q3 2023 (Q3 2022: DKK -4m).

Return on capital employed

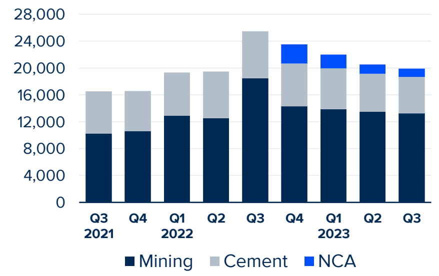
Return on capital employed (ROCE) decreased to 5.6% (Q3 2022: 6.3%) due to a relatively higher average capital employed, driven by the acquisition of Mining Technologies, and net working capital partly offset by a relatively higher EBITA in the quarter.

Employees

The number of employees decreased by 560 to 9,674 at the end of Q3 2023, compared to 10,234 at the end of Q2 2023. The decrease is a direct result of workforce reductions carried out in Mining, Cement and NCA relating to footprint optimisation, synergies from the acquisition of Mining Technologies, the NCA exit incl. the sale to KOCH Solutions as well as the sale of AFT within Cement.

Backlog

DKKm

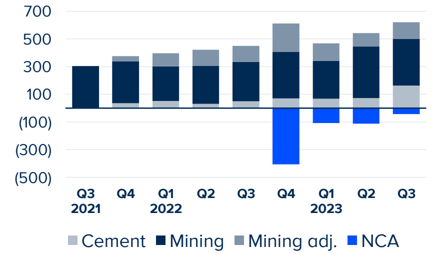


Revenue & EBITA margin

DKKm EBITA margin %

EBITA

DKKm



Capital

Cash flow from operations was negative in the quarter. The net working capital ratio increased to 11.4% in Q3 2023.

Net working capital

Net working capital increased by DKK 254m to DKK 2,796m at the end of Q3 2023 (end of Q2 2023: DKK 2,542m). The increase was primarily driven by relatively lower trade payables due to the payment to suppliers with larger orders and a build-up of work in progress, which will be invoiced in coming quarters partly offset by a decrease in inventory levels. The corresponding net working capital ratio increased from 10.1% of revenue in Q2 2023 to 11.4% of revenue in Q3 2023.

Utilisation of supply chain financing decreased to DKK 614m in Q3 2023 (Q2 2023: DKK 648m).

Cash flow from operating activities

Cash flow from operations (CFFO) in Q3 2023 amounted to DKK -276m (Q3 2022: DKK 476m). The decrease was primarily a result of a change in provisions and an increase in net working capital adversely impacting CFFO by DKK -442m. The decrease was partly offset by the relatively higher earnings in the quarter. Discontinued activities impacted CFFO negatively by DKK 1m in Q3 2023 (Q3 2022: DKK 30m).

Cash flow from investing activities

Cash flow from investing activities amounted to DKK 125m (Q3 2022: DKK -2,146m, of which DKK 2,103m relates to the acquisition of Mining Technologies).

Cash flow from financing activities

Cash flow from financing activities amounted to DKK -113m (Q3 2022: DKK 2,291m, as the payment of the acquisition of Mining Technologies was funded by an increase in net interest-bearing debt).

Free cash flow

Free cash flow (cash flow from operating and investing activities) amounted to DKK -151m in Q3 2023 (Q3 2022: DKK -1,670m). Free cash flow, adjusted for business acquisitions and disposals amounted to DKK -436m in the quarter (Q3 2022: DKK 433m).

Net interest-bearing debt

Net interest-bearing debt (NIBD) at 30 September 2023 increased to DKK 1,325m (Q2 2023: DKK 1,214m). The financial gearing end of Q3 2023 remained at 1.0x (Q2 2023: 1.0x) well below our target level.

Financial position

By the end of Q3 2023, FLSmidth had DKK 6.3bn of available committed credit facilities of which DKK 4.0bn was undrawn. The committed credit facilities have a weighted average time to maturity of 4.5 years.

Credit facilities of DKK 5.0bn and DKK 1.1bn will mature in 2027 and 2030, respectively. The remaining DKK 0.2bn matures in later years. FLSmidth also had DKK 0.8bn of uncommitted credit facilities available at the end of Q3 2023.

Equity ratio

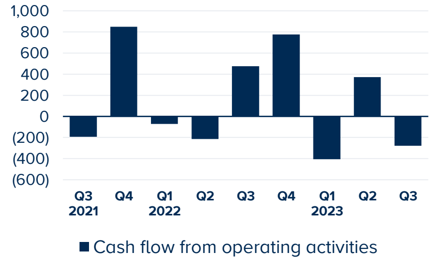
Equity at the end of Q3 2023 increased to DKK 11,131m (end of Q2 2023: DKK 10,715m), driven by increased profit and currency adjustments. The equity ratio was 38.1% (Q2 2023: 36.7%).

Other business

In October 2023, Christopher Ashworth was appointed new President of FLSmidth Cement reporting to the Group CEO, Mikko Keto. This appointment follows the departure of the former President of FLSmidth Cement, Asger Lauritsen, in August 2023. During the interim period Group CFO, Roland M. Andersen, has in addition to his duties as Group CFO served as interim President of FLSmidth Cement.

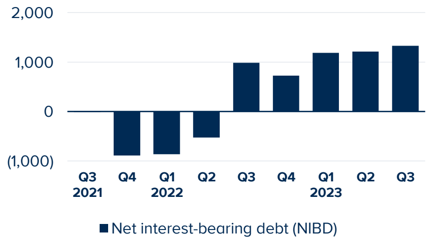
Cash flow

DKKm



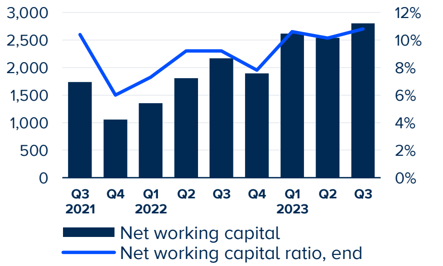
Net interest-bearing debt

DKKm



Net working capital

DKKm NWC%



Consolidated financial performance 9M 2023

GROWTH

Order intake

Order intake decreased by 10% compared to 9M 2022. Excluding currency effects, order intake decreased by 7% compared to 9M 2022. Service order intake decreased by 1% driven by Cement. Products order intake decreased by 23%, driven by both Mining and Cement.

9M 2022 included only one month of Mining Technologies activities, while 9M 2023 reflects our exit from Russia. If excluding a high-level estimate of the impact from our exit from Russia, the underlying order intake would decrease by approximately 15% compared to 9M 2022.

Order backlog

Compared to 9M 2022, the order backlog decreased 22% to DKK 19,933m by end of 9M 2023 including Russian and Belarusian contracts of around DKK 0.2bn. The lower backlog was a result of strong execution of the order backlog, de-risking strategy, the divestments in Cement and NCA, the exit of our Russian and Belarusian activities as well as wind-down of our NCA. Mining and Cement order backlogs decreased by 25% and 22%, respectively.

Revenue

Revenue increased by 18% to DKK 18,138m compared to 9M 2022. Excluding currency effects, revenue increased by 22% compared to 9M 2022.

9M 2022 included only one month of Mining Technologies activities, while 9M 2023 reflects our exit from Russia.

If excluding a high-level estimate of the impact from our exit from Russia, the underlying revenue growth would be approximately 12% compared to 9M 2022.

PROFIT

Gross profit and margin

Gross profit in the first nine months of 2023 increased by 20% to DKK 4,530m. The corresponding gross margin increased to 25.0% from 24.6% in 9M 2022, driven by the increased revenue and our ongoing transformation efforts, partly offset by costs related to the integration of Mining Technologies and the ongoing exit of our NCA segment.

In the first nine months of 2023, Research and Development costs amounted to DKK 274m (9M 2022: 239m), of which DKK 151m were capitalised (9M 2022: 110m) and the balance reported as production costs.

EBITA and margin

Adjusted EBITA of DKK 1,369m excludes integration costs of DKK 343m related to the acquisition of Mining Technologies. The corresponding adjusted Group EBITA margin was 7.5% in 9M 2023. Including integration costs, EBITA was DKK 1,026m with an EBITA margin of 5.7% in 9M 2023 compared to 6.1% in 9M 2022. Excluding the AFT one-off net divestment gain, the underlying EBITA margin was 5.1%. The NCA divestment to KOCH Solutions had no material impact on EBITA.

Financial items

Net financial items amounted to DKK -57m (9M 2022: DKK -20m), of which net interest amounted to DKK -66m (9M 2022: DKK -24m) and foreign exchange and fair value adjustments amounted to DKK -9m (9M 2022: DKK 4m).

Tax

Tax for 9M 2023 totalled DKK -291m (9M 2022: DKK -267m), corresponding to an effective tax rate of 36.8% (9M 2022: 38.5%).

Profit for the period

Profit for the period was a gain of DKK 474m. Profit for the period for continuing activities increased to DKK 500m from DKK 426m in 9M 2022. Discontinued activities reported a DKK 26m loss in 9M 2023, compared to a DKK 7m loss in the first nine months of 2022.

Earnings per share

Earnings per share (diluted) increased to DKK 8.3 from DKK 7.7 in the first nine months of 2022

Growth in order intake in 9M 2023 (vs. 9M 2022)

	Mining	Cement	Non-Core Activities	FLSmidth Group
Organic*	0%	-27%		-7%
Currency	-4%	-2%		-3%
Total growth	**-4%**	**-29%**	**n/a**	**-10%**

*Acquired growth from Mining Technologies is included in organic growth, as it is no longer possible to fully separate this from the legacy FLSmidth Mining business. Mining Q3 2022 includes Non-Core Activities.

Growth in revenue in 9M 2023 (vs. 9M 2022)

	Mining	Cement	Non-Core Activities	FLSmidth Group
Organic*	22%	2%		22%
Currency	-4%	-2%		-4%
Total growth	**18%**	**0%**	**n/a**	**18%**

*Acquired growth from Mining Technologies is included in organic growth, as it is no longer possible to fully separate this from the legacy FLSmidth Mining business. Mining Q3 2022 includes Non-Core Activities.

CAPITAL

Net working capital
Net working capital increased to DKK 2,796m in 9M 2023 (end of 2022: DKK 1,893m). The corresponding net working capital ratio was 11.4% of 12-months trailing revenue, compared to 7.8% at the end of 2022.

The increase related primarily to a lower trade payables level due to the payment to suppliers with larger orders, a decrease in prepayments from customers due to the de-risking strategy and a build-up of work in progress, which will be invoiced in coming quarters.

Cash flow from operating activities
Cash flow from operating activities decreased to DKK –308m (9M 2022: DKK 192m) mainly due to the decrease of DKK 1,074m from net working capital compared to 9M 2022 partly offset by the positive impact of DKK 250m in change in provisions (9M 2022: DKK 86m).

Cash flow from investing activities
Cash flow used for investments was DKK -53m compared to DKK -2,194m in 9M 2022 which included cash flow related to the acquisition of Mining Technologies.

Cash flow from financing activities
Cash flow from financing activities amounted to DKK -212m as paid dividend of DKK 170m and repayment of lease liabilities was partially funded by increased net interest-bearing debt.

Free cash flow
Free cash (cash flow from operating and investing activities) adjusted for business acquisitions and disposals amounted to DKK -604m in 9M 2023 (9M 2022: DKK 117m).

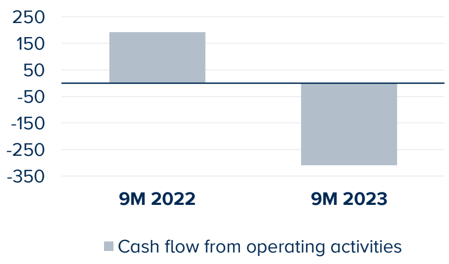
Balance sheet
Total assets decreased to DKK 29,236m by 30 September 2023 (end of 2022: DKK 29,845), primarily due to the sale of AFT and the divestment to KOCH Solutions.

Net interest-bearing debt
Net interest-bearing debt (NIBD) by 30 September 2023 increased to DKK 1,325m (end of 2022: DKK 726m). The increase in debt was primarily due to the increase in working capital in the first nine months of 2023. The Group's financial gearing in 9M 2023 remained at 1.0x (end of 2022: 0.6x) following the increase in NIBD.

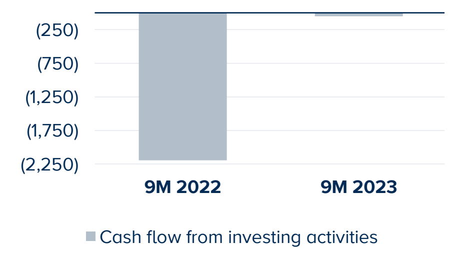
Equity
Equity at end 9M 2023 increased to DKK 11,131m (end of 2022: DKK 10,787m). The increase was driven by currency adjustments and dividend paid out amounting to DKK 170m.

Treasury shares
The holding of treasury shares as of 30 September 2023 was unchanged from year end 2022 and amounts to 913,828 shares, representing 1.6% of the total share capital. Treasury shares are used to hedge our share-based incentive programmes.

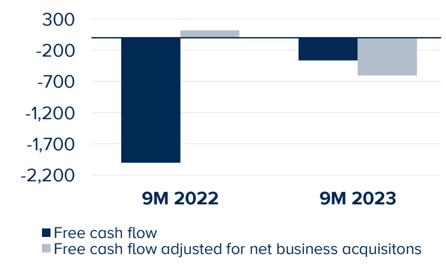
Cash flow from operating activities
DKKm



Cash flow from investing activities
DKKm



Free cash flow
DKKm



Consolidated Condensed Financial Statements

Income statement

Notes	DKKm	Q3 2023	Q3 2022	9M 2023	9M 2022
3, 4	Revenue	5,723	5,621	18,138	15,354
	Production costs	(4,087)	(4,190)	(13,608)	(11,572)
	Gross profit	**1,636**	**1,431**	**4,530**	**3,782**
	Sales costs	(407)	(438)	(1,265)	(1,174)
	Administrative costs	(779)	(594)	(2,116)	(1,475)
10	Other operating net income	88	20	126	56
	EBITDA	**538**	**419**	**1,275**	**1,189**
	Depreciation and impairment of property, plant and equipment and lease assets	(78)	(85)	(249)	(246)
	EBITA	**460**	**334**	**1,026**	**943**
	Amortisation and impairment of intangible assets	(56)	(78)	(178)	(230)
	EBIT	**404**	**256**	**848**	**713**
	Financial income	303	468	1,095	1,196
	Financial costs	(272)	(454)	(1,152)	(1,216)
	EBT	**435**	**270**	**791**	**693**
	Tax for the period	(161)	(104)	(291)	(267)
	Profit for the period, continuing activities	**274**	**166**	**500**	**426**
3, 7	Profit (loss) for the period, discontinued activities	(2)	(4)	(26)	(7)
	Profit for the period	**272**	**162**	**474**	**419**
	Attributable to:				
	Shareholders in FLSmidth & Co. A/S	274	167	477	439
	Minority interests	(2)	(5)	(3)	(20)
		272	**162**	**474**	**419**
	Earnings per share (EPS):				
	Continuing and discontinued activities per share (DKK)	4.8	2.9	8.4	7.7
	Continuing and discontinued activities per share, diluted (DKK)	4.8	2.9	8.3	7.7
	Continuing activities per share (DKK)	4.8	3.0	8.9	7.9
	Continuing activities per share, diluted (DKK)	4.8	3.0	8.8	7.9

Statement of comprehensive income

Notes	DKKm	Q3 2023	Q3 2022	9M 2023	9M 2022
	Profit for the period	**272**	**162**	**474**	**419**
	Items that will not be reclassified to profit or loss:				
	Actuarial gains on defined benefit plans	24	12	33	54
	Items that are or may be reclassified subsequently to profit or loss:				
	Currency adjustments regarding translation of entities	122	386	(30)	940
	Cash flow hedging:				
	- Value adjustments for the period	(15)	(48)	14	(100)
	- Value adjustments transferred to work in progress	1	(2)	10	15
	Tax of total other comprehensive income	(3)	5	(16)	7
	Other comprehensive income for the period after tax	**129**	**353**	**11**	**916**
	Comprehensive income for the period	**401**	**515**	**485**	**1,335**
	Attributable to:				
	Shareholders in FLSmidth & Co. A/S	405	519	485	1,354
	Minority interests	(4)	(4)	0	(19)
		401	**515**	**485**	**1,335**

Cash flow statement

Notes	DKKm	Q3 2023	Q3 2022	9M 2023	9M 2022
	EBITDA	538	419	1,275	1,189
3	EBITDA, discontinued activities	(1)	(5)	(14)	(9)
	Adjustment for gain on sale of property, plant and equipment and other non-cash items	(87)	9	(79)	0
	EBITDA adjusted to reflect cash flows	**450**	**423**	**1,182**	**1,180**
	Change in provisions, pension and employee benefits	(97)	61	250	86
8	Change in net working capital	(442)	24	(1,074)	(761)
	Cash flow from operating activities before financial items and tax	**(89)**	**508**	**358**	**505**
	Financial items received and paid	(29)	(7)	(67)	(36)
	Taxes paid	(158)	(25)	(599)	(277)
	Cash flow from operating activities	**(276)**	**476**	**(308)**	**192**
9	Acquisition of enterprises and activities	0	(2,103)	(42)	(2,119)
	Acquisition of intangible assets	(88)	(61)	(208)	(145)
	Acquisition of property, plant and equipment	(76)	(29)	(134)	(62)
	Acquisition of financial assets	(1)	(11)	(3)	(20)
10	Disposal of enterprises and activities	285	0	285	0
	Disposal of property, plant and equipment	5	58	39	152
	Disposal of financial assets	0	0	1	0
	Dividend from associates	0	0	9	0
	Cash flow from investing activities	**125**	**(2,146)**	**(53)**	**(2,194)**
	Dividend paid	0	0	(170)	(170)
	Buyout of minority interests	0	0	(13)	0
	Acquisition of treasury shares	(1)	0	(1)	0
	Repayment of lease liabilities	(29)	(32)	(96)	(93)
	Change in net interest bearing debt	(83)	2,323	68	2,550
	Cash flow from financing activities	**(113)**	**2,291**	**(212)**	**2,287**
	Change in cash and cash equivalents	**(264)**	**621**	**(573)**	**285**
	Cash and cash equivalents at beginning of period	1,754	1,639	2,130	1,935
	Foreign exchange adjustment, cash and cash equivalents	20	11	(47)	51
	Cash and cash equivalents at 30 September	**1,510**	**2,271**	**1,510**	**2,271**

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

Free cash flow

DKKm	Q3 2023	Q3 2022	9M 2023	9M 2022
Free cash flow	(151)	(1,670)	(361)	(2,002)
Free cash flow, adjusted for acquisitions and disposals of enterprises and activities	(436)	433	(604)	117

Balance sheet

Notes	DKKm	30/09 2023	31/12 2022	30/09 2022
	Assets			
	Goodwill	6,573	6,433	6,535
	Patents and rights	707	766	791
	Customer relations	351	392	397
	Other intangible assets	123	148	168
	Completed development projects	159	204	193
	Intangible assets under development	608	422	375
	Intangible assets	**8,521**	**8,365**	**8,459**
	Land and buildings	1,848	1,983	2,134
	Plant and machinery	404	493	446
	Operating equipment, fixtures and fittings	120	131	142
	Tangible assets in course of construction	98	40	47
	Property, plant and equipment	**2,470**	**2,647**	**2,769**
	Deferred tax assets	1,912	1,921	1,701
	Investments in associates	140	157	165
	Other securities and investments	58	59	71
	Other non-current assets	**2,110**	**2,137**	**1,937**
	Non-current assets	**13,101**	**13,149**	**13,165**
	Inventories	3,847	3,971	4,030
	Trade receivables	4,855	5,108	5,572
	Work in progress	3,450	3,147	3,440
	Prepayments	548	874	1,004
	Income tax receivables	695	321	361
	Other receivables	1,230	1,145	1,208
	Cash and cash equivalents	1,510	2,130	2,271
	Current assets	**16,135**	**16,696**	**17,886**
	Total assets	**29,236**	**29,845**	**31,051**

Notes	DKKm	30/09 2023	31/12 2022	30/09 2022
	Equity and liabilities			
	Share capital	1,153	1,153	1,153
	Foreign exchange adjustments	(550)	(517)	274
	Cash flow hedging	(46)	(70)	(139)
	Retained earnings	10,600	10,247	10,289
	Shareholders in FLSmidth & Co. A/S	**11,157**	**10,813**	**11,577**
	Minority interests	(26)	(26)	(22)
	Equity	**11,131**	**10,787**	**11,555**
	Deferred tax liabilities	181	294	193
	Pension obligations	377	414	474
5	Provisions	892	896	735
	Lease liabilities	138	206	226
	Bank loans and mortgage debt	2,396	1,929	2,868
	Prepayments from customers	463	578	604
	Income tax liabilities	104	103	119
	Other liabilities	61	85	95
	Non-current liabilities	**4,612**	**4,505**	**5,314**
	Pension obligations	2	2	2
5	Provisions	1,882	1,611	1,152
	Lease liabilities	104	117	121
	Bank loans and mortgage debt	87	615	55
	Prepayments from customers	1,717	2,193	2,108
	Work in progress	3,512	3,592	3,988
	Trade payables	3,719	4,339	4,580
	Income tax payables	524	346	257
	Other liabilities	1,946	1,738	1,919
	Current liabilities	**13,493**	**14,553**	**14,182**
	Total liabilities	**18,105**	**19,058**	**19,496**
	Total equity and liabilities	**29,236**	**29,845**	**31,051**

Equity statement

9M 2023

DKKm	Share capital	Currency adjust-ments	Cash flow hedging	Retained earnings	Share-holders in FLSmidth & Co A/S	Minority interests	Total
Equity at 1 January	**1,153**	**(517)**	**(70)**	**10,247**	**10,813**	**(26)**	**10,787**
Comprehensive income for the period							
Profit/loss for the period				477	477	(3)	474
Other comprehensive income							
Actuarial gains/(losses) on defined benefit plans				33	33		33
Currency adjustments regarding translation of entities		(33)			(33)	3	(30)
Cash flow hedging:							
- Value adjustments for the period			14		14		14
- Value adjustments transferred to work in progress			10		10		10
Tax on other comprehensive income				(16)	(16)		(16)
Other comprehensive income total	**0**	**(33)**	**24**	**17**	**8**	**3**	**11**
Comprehensive income for the period	**0**	**(33)**	**24**	**494**	**485**	**0**	**485**
Transactions with owners:							
Dividend paid				(170)	(170)		(170)
Share-based payment				43	43		43
Buyout of minority interests				(13)	(13)		(13)
Acquisition of treasury shares				(1)	(1)		(1)
Equity at 30 September	**1,153**	**(550)**	**(46)**	**10,600**	**11,157**	**(26)**	**11,131**

9M 2022

DKKm	Share capital	Currency adjust-ments	Cash flow hedging	Retained earnings	Share-holders in FLSmidth & Co A/S	Minority interests	Total
Equity at 1 January	**1,153**	**(665)**	**(54)**	**9,937**	**10,371**	**(3)**	**10,368**
Comprehensive income for the period							
Profit/loss for the period				439	439	(20)	419
Other comprehensive income							
Actuarial gains/(losses) on defined benefit plans				54	54		54
Currency adjustments regarding translation of entities		939			939	1	940
Cash flow hedging:							
- Value adjustments for the period			(100)		(100)		(100)
- Value adjustments transferred to work in progress			15		15		15
Tax on other comprehensive income				7	7		7
Other comprehensive income total	**0**	**939**	**(85)**	**61**	**915**	**1**	**916**
Comprehensive income for the period	**0**	**939**	**(85)**	**500**	**1,354**	**(19)**	**1,335**
Transactions with owners:							
Dividend paid				(170)	(170)		(170)
Share-based payment				22	22		22
Buyout of minority interests					0		0
Acquisition of treasury shares					0		0
Equity at 30 September	**1,153**	**274**	**(139)**	**10,289**	**11,577**	**(22)**	**11,555**

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 market conditions and changes in political and economic factors. In general, key accounting judgements are made in relation to the accounting of revenue when determining the performance obligations and the recognition method, while key accounting estimates relate to the estimation of warranty provisions, valuation of inventories, trade receivables, work in progress and deferred tax. For further details, reference is made to The Annual Report 2022, Key accounting estimates and judgements, pages 69-70 and to specific notes.

9M 2023 showed an active mining market in major commodities albeit with some adverse effects from delayed large capital investment decisions. For the cement market, relatively stable market conditions in the beginning of the year have during second and third quarters of 2023 been impacted by the general slow-down in market demand.

The change in market conditions has not resulted in any material impact on key accounting estimates and judgements in the consolidated condensed financial statements in the first nine months of 2023.

By nature, the updated key accounting estimates contain uncertainties, and it is possible that the outcomes in the next financial period can differ from those on which management's estimates are based.

More information on the uncertainties and the impact on key accounting estimates and judgements can be found on pages 69-70 of the 2022 Annual Report.

On 31 August 2022, we obtained control of Mining Technologies. The initial accounting of the acquisition has been finalised in Q3 2023 and led to an increase in goodwill of DKK 108m, consisting of an increase in the purchase price of DKK 72m and a decrease in net assets of DKK 36m. Further information can be found in note 9.

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	Q3 2023	Q3 2022	9M 2023	9M 2022
Revenue	5,723	5,621	18,138	15,354
Production costs	(4,144)	(4,273)	(13,809)	(11,815)
Gross profit	**1,579**	**1,348**	**4,329**	**3,539**
Sales costs, including depreciation and amortisation	(412)	(447)	(1,283)	(1,200)
Administrative costs, including depreciation and amortisation	(851)	(665)	(2,324)	(1,682)
Other operating net income	88	20	126	56
EBIT	**404**	**256**	**848**	**713**
Depreciation, amortisation and impairment consist of:				
Depreciation and impairment of property, plant and equipment and lease assets	(78)	(85)	(249)	(246)
Amortisation and impairment of intangible assets	(56)	(78)	(178)	(230)
	(134)	**(163)**	**(427)**	**(476)**
Depreciation, amortisation and impairment are divided into:				
Production costs	(57)	(83)	(201)	(243)
Sales costs	(5)	(9)	(18)	(26)
Administrative costs	(72)	(71)	(208)	(207)
	(134)	**(163)**	**(427)**	**(476)**

3. Segment information

				9M 2023				9M 2022	
				FLSmidth Group				FLSmidth Group	
DKKm	**Mining**	**Cement**	**Non-Core Activities [1]**	**Continuing activities**	**Discontinued activities [2]**	**Mining**	**Cement**	**Continuing activities**	**Discontinued activities [2]**
Revenue	**12,630**	**4,651**	**857**	**18,138**	**0**	**10,708**	**4,646**	**15,354**	**0**
Production costs	(9,216)	(3,478)	(914)	(13,608)	(9)	(8,046)	(3,526)	(11,572)	(6)
Gross profit	**3,414**	**1,173**	**(57)**	**4,530**	**(9)**	**2,662**	**1,120**	**3,782**	**(6)**
SG&A costs[3]	(2,261)	(929)	(191)	(3,381)	(5)	(1,699)	(950)	(2,649)	(3)
Other operating net income[3]	2	124	0	126	0	13	43	56	0
EBITDA	**1,155**	**368**	**(248)**	**1,275**	**(14)**	**976**	**213**	**1,189**	**(9)**
Depreciation and impairment of property, plant and equipment and lease assets	(170)	(64)	(15)	(249)	0	(167)	(79)	(246)	0
EBITA	**985**	**304**	**(263)**	**1,026**	**(14)**	**809**	**134**	**943**	**(9)**
Amortisation and impairment of intangible assets	(127)	(51)	0	(178)	0	(160)	(70)	(230)	0
EBIT	**858**	**253**	**(263)**	**848**	**(14)**	**649**	**64**	**713**	**(9)**
Order intake	12,712	3,844	200	16,756	0	13,243	5,390	18,633	0
Order backlog	13,859	5,438	636	19,933	0	18,502	6,974	25,476	0
Gross margin	*27.0%*	*25.2%*	*-6.7%*	*25.0%*		*24.9%*	*24.1%*	*24.6%*	
EBITDA margin	*9.1%*	*7.9%*	*-28.9%*	*7.0%*		*9.1%*	*4.6%*	*7.7%*	
EBITA margin	*7.8%*	*6.5%*	*-30.7%*	*5.7%*		*7.6%*	*2.9%*	*6.1%*	
EBIT margin	*6.8%*	*5.4%*	*-30.7%*	*4.7%*		*6.1%*	*1.4%*	*4.6%*	
Number of employees at 30 September	**6,588**	**2,869**	**217**	**9,674**	**0**	**8,154**	**3,666**	**11,820**	**0**
Reconciliation of profit for the period									
EBIT				848	(14)			713	(9)
Financial income				1,095	3			1,196	1
Financial costs				(1,152)	(15)			(1,216)	(2)
EBT				**791**	**(26)**			**693**	**(10)**

1) Non-Core Activities constitutes a separate reportable segment prospectively from 1 October 2022. Comparative information has not been restated. Further information can be found in the 2022 Annual Report note 1.2. Under the previous segmentation Mining and Non-Core Activities was presented as one segment.
2) Discontinued activities mainly consist of non-mining bulk material handling.
3) Other operating net income is presented as a separate line item instead of presented together with SG&A cost. Comparative information has been restated.

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. Revenue within the NCA segment reflects execution of the backlog and sale of parts already in stock.

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 2022. To reflect the wide range of contracts that are accounted for using percentage of completion, the category has been decomposed into two subcategories from 1 January 2023 with comparative information restated.

Backlog

The order backlog at 30 September 2023 amounted to DKK 19,933m (end of 9M 2022: DKK 25,476m).

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 by recognition principle

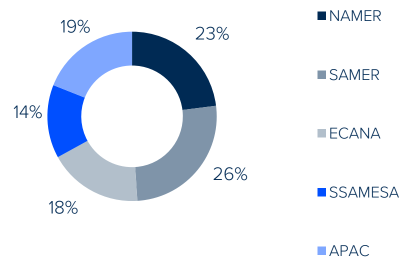
DKKm	9M 2023 Mining	9M 2023 Cement	9M 2023 Non-Core Activities	9M 2023 Group	9M 2022 Mining	9M 2022 Cement	9M 2022 Group
Point in time	7,344	2,015	356	9,715	5,687	1,929	7,616
Percentage of completion							
- Service, single machines and product bundles	4,438	2,313	0	6,751	3,342	2,248	5,590
- Product bundles with engineering under enhanced risk governance	848	323	501	1,672	1,679	469	2,148
Total revenue	**12,630**	**4,651**	**857**	**18,138**	**10,708**	**4,646**	**15,354**

Revenue split on industry and category

DKKm	9M 2023 Mining	9M 2023 Cement	9M 2023 Non-Core Activities	9M 2023 Group	9M 2022 Mining	9M 2022 Cement	9M 2022 Group
Products business	4,454	2,174	557	7,185	4,158	2,064	6,222
Service business	8,176	2,477	300	10,953	6,550	2,582	9,132
Total revenue	**12,630**	**4,651**	**857**	**18,138**	**10,708**	**4,646**	**15,354**

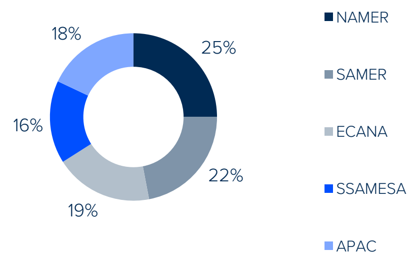
Revenue split by Regions 9M 2023

%



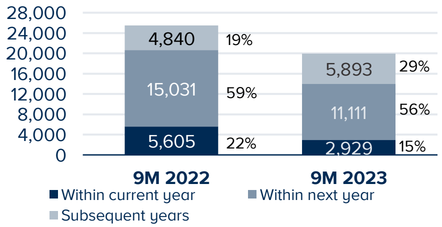
Revenue split by Regions 9M 2022

%



Backlog

DKKm



5. Provisions

Provisions increased by DKK 267m compared to 31 December 2022. The increase relates primarily to restructuring provisions following the implementation of our transformation strategy and from provisions for loss-making contracts in the NCA segment.

For a description of the main provision categories see note 2.7 in the 2022 Annual Report.

Provisions

DKKm	30/09 2023	31/12 2022	30/09 2022
Provisions at 1 January	2,507	1,147	1,147
Foreign exchange adjustments	3	(17)	30
Acquisition of Group enterprises	15	682	600
Additions	1,141	1,388	516
Used	(721)	(461)	(301)
Reversals	(171)	(232)	(105)
Provisions	**2,774**	**2,507**	**1,887**
The split of provisions is as follows:			
Warranties	926	980	961
Restructuring	521	404	30
Other provisions	1,327	1,123	896
	2,774	**2,507**	**1,887**
The maturity of provisions is specified as follows:			
Current liabilities	1,882	1,611	1,152
Non-current liabilities	892	896	735
	2,774	**2,507**	**1,887**

6. Contractual Commitments and contingent liabilities

Contingent liabilities at 30 September 2023 amounted to DKK 2.9bn excluding the Mining Technologies issued corporate guarantees mentioned below (31 December 2022: DKK 3.8bn).

Contingent liabilities primarily relate to customary performance and payment guarantees. The volume of such guarantees amounted to DKK 2.4bn (31 December 2022: DKK 3.3bn). At the end of 2022, additional corporate contract-support guarantees to customers of DKK 0.8bn was outstanding. By the end of September 2023, almost all such guarantees have expired. 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 0.5bn (31 December 2022: 0.5bn) 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 2022 Annual Report.

Provisions related to continued activities

DKKm	30/09 2023	31/12 2022	30/09 2022
Provisions at 1 January	2,390	999	999
Foreign exchange adjustments	3	(17)	30
Acquisition of Group enterprises	15	682	600
Additions	1,136	1,385	516
Used	(712)	(428)	(282)
Reversals	(169)	(231)	(105)
Provisions	**2,663**	**2,390**	**1,758**

7. Discontinued activities

Discontinued activities include the remaining responsibilities to finalise legacy projects, handling of claims, etc. retained on the sale of the non-mining bulk material handling business in 2019. For further information on discontinued activities, please refer to note 2.11 of Annual report 2022.

In addition to provisions of DKK 111m shown in the table below, discontinued activities accounts for DKK 328m (31 December 2022: DKK 362m) of the Group's net working capital shown in note 8.

Discontinued activities' effect on cash flow from operating activities

DKKm	9M 2023	12M 2022	9M 2022
EBITDA	(14)	(10)	(9)
Change in provisions	(6)	(31)	(19)
Change in net working capital	43	(6)	(35)
Cash flow from operating activities before financial items and tax	**23**	**(47)**	**(63)**
Financial items received and paid	(4)	(3)	(1)
Cash flow from operating activities	**19**	**(50)**	**(64)**

Discontinued activities' share of Group provisions disclosed in note 5

DKKm	30/09 2023	31/12 2022	30/09 2022
Provisions at 1 January	117	148	148
Additions	5	3	0
Used	(9)	(33)	(19)
Reversals	(2)	(1)	0
Provisions	**111**	**117**	**129**

8. Net working capital

Net working capital at 30 September 2023 has increased by DKK 0.9bn compared to 31 December 2022. The increase relates primarily to a lower trade payables level due to the payment to suppliers with larger orders, a decrease in prepayments from customers due to the de-risking strategy creating a slow-down in Products orders and a build-up of work in progress, which will be invoiced in coming quarters.

Utilisation of supply chain financing increased in the first nine months of 2023 to DKK 614m (31 December 2022: DKK 590m).

Net working capital

DKKm	30/09 2023	31/12 2022	30/09 2022
Inventories	3,847	3,971	4,030
Trade receivables	4,855	5,108	5,572
Work in progress, assets	3,450	3,147	3,440
Prepayments	548	874	1,004
Other receivables	1,030	1,030	1,055
Derivative financial instruments	32	54	72
Prepayments from customers	(2,180)	(2,771)	(2,712)
Trade payables	(3,719)	(4,339)	(4,580)
Work in progress, liability	(3,512)	(3,592)	(3,988)
Other liabilities	(1,513)	(1,509)	(1,556)
Derivative financial instruments	(42)	(80)	(167)
Net working capital	**2,796**	**1,893**	**2,170**
Change in net working capital	(903)	(835)	(1,112)
Acquisitions/disposal of activities, financial instruments and foreign exchange effect on cash flow	(171)	389	351
Cash flow effect from change in net working capital	**(1,074)**	**(446)**	**(761)**

9. Business Acquisitions

Mining Technologies

The provisional purchase price allocation presented in Annual report 2022 regarding the acquisition of Mining Technologies (ex-TK) on 31 August 2022 (note 2.10) has been updated and finalised in Q3 2023 to reflect new information obtained about facts and circumstances that existed on 31 August 2022. This includes the finalisation of the project reviews and the agreement with the Seller on the final adjustments to the purchase price, the latter being mainly the net of adjustments related to net working capital at closing and the resolution of a dispute on adjustments related to the project business. In total, the final adjustments amounted to DKK 72m that was paid in the beginning of Q4 2023.

The table below shows the final purchase price allocation and the resulting increase in goodwill of DKK 108m compared to the provisional purchase price allocation presented in Annual report 2022. The changes include the impact from the final adjustment of DKK 72m and a decrease in net assets of DKK 36m. The decrease in net assets reflects changes in the estimated fair value of property, plant and equipment of DKK -45m, increase in project related provisions of DKK 12m and impact on net assets of DKK 21m from changes in tax assets and tax liabilities.

Business Acquisitions 2022 (Mining Technologies)

Allocation of purchase price on assets acquired and liabilities assumed (DKKm)	**31/08 2022 Final**
Patents and IP rights	65
Customer relations	32
Land and buildings	379
Other tangible assets	183
Deferred tax assets	60
Inventories	820
Trade and other receivables	1,113
Work in progress	181
Other current assets	368
Cash	1,019
Total assets	**4,220**
Pension liabilities	180
Other non-current liabilities	121
Provisions	694
Prepayments from customers	119
Work in progress	783
Trade payables	564
Other current liabilities	632
Total liabilities	**3,093**
Total identifiable net assets	1,127
Goodwill	2,067
Purchase price	**3,194**
Cash	1,019
Net cash transferred to the seller in 2022 (apart from DKK 72m to be transferred in Q4 2023)	**2,175**

Acquisition in 2023

Effective from 1 June 2023, FLSmidth has acquired the American company Morse Rubber. The acquisition supports FLSmidth Mining's CORE'26 strategy and will be adding advanced molding capabilities for rubber and composite mill liners, as well as screen media and various rubber and rubber ceramic wear components to our existing offerings.

The acquisition increased assets and liabilities by DKK 48m and DKK 6m, respectively. The impact on net profit was insignificant.

10. Disposal of activities

On 14 June 2023, FLSmidth and KOCH Solution signed an asset purchase & transfer agreement involving material handling technology that is part of the Non-Core Activities segment. The transaction was completed on 1 September 2023 and led to the derecognition of assets and liabilities of around DKK 160m and DKK 50m, respectively, and a reduction in the backlog in Non-Core Activities of around DKK 400m. The transaction had an immaterial impact in the income statement in Q3 2023, subject to final price adjustments not yet determined.

On 14 July 2023, FLSmidth Cement sold its Advance Filtration Technologies (AFT) business to Micronics, a leading global provider of industrial filtration solutions. The sale included all related assets, including intellectual property, technology, employees and customer contracts.

The divestment of the AFT business is part of FLSmidth Cement's pure play strategy, which includes focusing the cement Products portfolio on the core technologies required for the green transition in the cement industry. The completion of the transaction led to the derecognition of assets and liabilities of around DKK 230m and DKK 80m, respectively, and a reduction in the order backlog in Cement of DKK 0.1bn. The transaction led to a gain of around DKK 100m, subject to final price adjustments not yet determined.

Gain and losses from disposal of activities are included in the line item 'Other operating net income'.

11. Events after the balance sheet date

We are not aware of any subsequent matters that could be of material importance to the Group's financial position at 30 September 2023.

12. Accounting policies

The condensed interim report of the Group for the first nine months of 2023 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 2022 Annual Report. Reference is made to note 7.5, Accounting policies, note 7.6, Impact from new IFRS, note 7.7, New IFRS not yet adopted and to specific notes in the 2022 Annual Report for further details.

Note 7.4, Alternative Performance Measures, and note 7.8, Definition of terms, in the 2022 Annual Report describes the APMs used throughout annual and interim reports. Following the significant integration of Mining Technology into the Mining segment it is impracticable to make the usual decomposition of growth into organic growth and acquired growth for the first 12 months. Starting from Q1 2023, organic growth therefore also includes acquired growth. Besides this, APMs are unchanged from those applied in the 2022 Annual Report.

Changes in accounting policies

As of 1 January 2023, the FLSmidth Group has implemented all new or amended accounting standards and interpretations as adopted by the EU and applicable for the 2023 financial year. This includes the changes to IAS 1 (Disclosure on Accounting Policies), IAS 8 (definition of Accounting Estimates) and IAS 12 (Deferred Tax).

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 – 30 September 2023.

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 30 September 2023 as well as of the results of its operations and cash flows for the period 1 January – 30 September 2023.

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, 9 November 2023

Executive management

Mikko Juhani Keto
Group CEO

Roland M. Andersen
Group CFO

Board of directors

Tom Knutzen
Chair

Mads Nipper
Vice chair

Anne Louise Eberhard

Daniel Reimann

Gillian Dawn Winckler

Thrasyvoulos Moraitis

Carsten Hansen

Claus Østergaard

Leif Gundtoft

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 the impact from 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
1 January – 30 September 2023

FLSmidth & Co. A/S
Vigerslev Allé 77
2500 Valby
Denmark

Tel.: +45 36 18 18 00
Fax: +45 36 44 11 46
corppr@flsmidth.com

www.flsmidth.com
CVR No. 58180912