

Full year 2023 financial guidance raised due to a better-than-expected Mining Service performance and integration of Mining Technologies

Today FLSmidth announces its preliminary and unaudited financial results for Q2 and H1 2023. As a result of a better-than-expected Mining Service performance and integration of Mining Technologies, our financial guidance for the full year 2023 is raised. The updated Mining guidance now reflects an expected dilutive effect on the full year 2023 Adjusted Mining EBITA margin from Mining Technologies of less than 2%-points (previously around 2%-points).

As consequence of the raised Mining guidance, Group guidance for revenue, Adjusted EBITA margin and EBITA margin are updated accordingly.

Market outlook

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 short- to midterm outlook for the cement industry is increasingly impacted by a slow-down in market demand.

Preliminary and unaudited key figures for Q2 and H1 2023

	Mining		Cement		Non-Core Activities		Consolidated Group	
	Q2 2023	H1 2023	Q2 2023	H1 2023	Q2 2023	H1 2023	Q2 2023	H1 2023
Revenue, DKKbn	4.4	8.5	1.7	3.3	0.4	0.6	6.4	12.4
Adj. EBITA margin	10.8%	10.2%					6.7%	6.4%
EBITA margin			4.3%	4.3%	Loss of DKK 113m	Loss of DKK 220m	5.2%	4.6%
Order intake, DKK	4.2bn	8.4bn	1.3bn	2.6bn	32m	143m	5.5bn	11.2bn

The Q2 and H1 2023 results include integration costs related to the Mining Technologies acquisition of DKK 97m and DKK 224m, respectively. Guidance for Adjusted EBITA margin includes adjustments for integration costs of around DKK 550m for the full year 2023.

Updated financial guidance for FY 2023

Guidance 2023	Mining	Cement	Non-Core Activities	Consolidated Group
Revenue, DKKbn	Around 17.0 <i>(16.0-17.0)</i>	Around 6.0 <i>(unchanged)</i>	0.8-1.0 <i>(unchanged)</i>	Around 24.0 <i>(23.0-24.0)</i>
Adj. EBITA margin	10-11% <i>(9-10%)</i>			7.5-8.5% <i>(6.5-7.5%)</i>
EBITA margin		5.5-6.5% <i>(unchanged)</i>	Loss of ~DKK 250-350m <i>(unchanged)</i>	5.5-6.5% <i>(4.5-5.5%)</i>

Note: Numbers in brackets represent prior guidance as provided on 14 July 2023 in Company Announcement No. 13-2023

FLSmidth will, as previously communicated, release the detailed and unaudited financial results for the first half of 2023 on 15 August 2023.

Contacts:

Investor Relations

Jannick Lindegaard Denholt, +45 21 69 66 57, jli@flsmidth.com
Andreas Escherich Holkjær, +45 24 85 03 84, andh@flsmidth.com

Media Relations

Rasmus Windfeld, +45 40 44 60 60, rwin@flsmidth.com

About FLSmidth

FLSmidth is a full flowsheet technology and service supplier to the global mining and cement industries. We enable our customers to improve performance, lower operating costs and reduce environmental impact. MissionZero is our sustainability ambition towards zero emissions in mining and cement by 2030. FLSmidth works within fully validated Science-Based Targets, our commitment to keep global warming below 1.5°C and to becoming carbon neutral in our own operations by 2030. www.flsmidth.com