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Company announcement no. 10

FLSmidth & Co. A/S
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Interim Report H1 2024

FLSmidth

Contents

Management review

Highlights Q2 2024

Our performance in the first half of the year is a testament to our continued strong progression across all of our core transformation activities, with additional improvements in profitability for both Mining and Cement.

In Mining, we delivered an Adjusted EBITA margin of 13.1% in the second quarter of the year - the highest level in many years. This was driven by strong margin execution and a continued robust performance by our Service business. We continue to see a stable and healthy service market, whereas the products market remains soft due to persisting hesitation by some customers on larger investment decisions.

Our Cement business achieved an Adjusted EBITA margin of 9.6% in the second quarter of the year, demonstrating our successful efforts in simplifying its operating model and driving Service growth in our core market clusters. The largely stable cement market continues to provide good opportunities for the Service business, whereas we continue to de-risk the Products business to preserve profitability.

The process for the divestment of the Cement business is progressing according to plan and it remains our expectation that a potential transaction can take place at the earliest by the end of 2024.

Looking ahead, the resilience of our service-oriented business model, our continued focus on business simplification to ensure a cost-efficient operating model and our dedicated focus on strategy execution gives us great confidence that we are well on track to meet our long-term financial ambitions for both Mining and Cement.

Mikko Keto, Group CEO

Mining

- 7% growth in Service order intake, whereas the significant decline in Products orders reflects market softness
- Revenue decline of 13% primarily reflects timing of the execution of certain Products orders
- Strong gross margin driven by mix and good backlog execution
- Continued profitability progress with adj. EBITA margin of 13.1%

Cement

- Service order intake growth in core market clusters partly offsets impacts from de-risking and divestments
- Revenue declined by 32% as a result of portfolio pruning and divestments
- Adj. EBITA margin of 9.6% reflecting strong margin execution and lower SG&A costs
- Divestment process proceeding according to plan

Sustainability

- Continued good progression on all our Science Based Targets
- Safety performance improved from end of 2023 but remains behind our 2024 target
- First commercial REFLUX™ flotation cell order, supporting our MissionZero programme

Performance and other

- Continued business simplification with >2,000 less FTEs vs. Q2'23
- Dedicated focus on implementing a cost-efficient operating model and corporate structure over the next 12-18 months
- Financial guidance for 2024, as set out on 7 August 2024, is maintained

Financial performance highlights

Mining

Order intake (DKKm)

▼ -18.8%

3,423

Q2 2024 3,423
Q2 2023 4,215

Revenue (DKKm)

▼ -13.1%

3,783

Q2 2024 3,783
Q2 2023 4,351

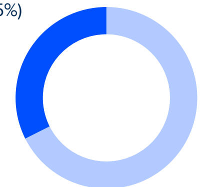
EBITA & EBITA margin (DKKm - %)

▲ 16.7%

434 11.5% (adj. 13.1%)

Q2 2024 434
Q2 2023 372

Revenue split by Service & Products (%)



Cement

Order intake (DKKm)

▼ -21.2%

1,006

Q2 2024 1,006
Q2 2023 1,276

Revenue (DKKm)

▼ -32.3%

1,131

Q2 2024 1,131
Q2 2023 1,670

EBITA & EBITA margin (DKKm - %)

▲ 31.5%

96 8.5% (adj. 9.6%)

Q2 2024 96
Q2 2023 73

Revenue split by Service & Products (%)

Non-Core Activities

Order intake (DKKm)

▼ -78.1%

7

Q2 2024 7
Q2 2023 32

Revenue (DKKm)

▼ -88.4%

44

Q2 2024 44
Q2 2023 378

EBITA & EBITA margin (DKKm - %)

▲ 13.3%

(99) -225.0%

Q2 2024 (99)
Q2 2023 (113)

Revenue split by Service & Products (%)

Group

Order intake (DKKm)

▼ -19.7%

4,436

Q2 2024 4,436
Q2 2023 5,523
H1 2024 9,684
H1 2023 11,155

Revenue (DKKm)

▼ -22.5%

4,958

Q2 2024 4,958
Q2 2023 6,399
H1 2024 9,797
H1 2023 12,415

EBITA & EBITA margin (DKKm - %)

▲ 29.8%

431 8.7% (adj. 10.2%)

Q2 2024 431
Q2 2023 332
H1 2024 796
H1 2023 567

Cash flow from operating activities
DKK 14m ▼ from DKK 372m in Q2 2023

Earnings per share
DKK 3.2 ▲ from DKK 2.0 in Q2 2023

Net working capital ratio
9.4% ▼ from 10.1% end of Q2 2023

NIBD/EBITDA
0.7x ▼ from 1.0x end of Q2 2023

Sustainability performance highlights

Scope 1 and 2 greenhouse gas emissions

SCIENCE BASED TARGETS

tCO_2e (market-based)

16,817

Target: 39,445 in 2024
14.8% improvement

Scope 1 and 2 CO_2 emissions declined by 14.8% compared to H1 2023. Consolidation of Mining Technologies sites during 2023 and the sale of MAAG in Q1 2024 continue to be supportive in reducing emissions. Further emissions reduction initiatives, such as the Tucson solar panel project completed during Q2 2024, will further contribute to our emissions target for 2024.

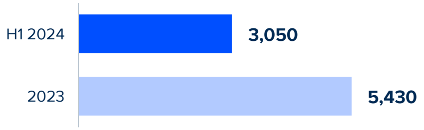
Scope 3: Economic intensity (use of sold products)

SCIENCE BASED TARGETS

tCO_2e/DKKm order intake

3,050

Target: 4,065 by 2030
43.8% improvement



Scope 3 economic intensity for H1 2024 declined by 43.8% compared to 2023. The significant reduction is driven by the order mix, with Mining orders representing a greater share of order intake relative to Cement orders year-to-date. Cement Product orders within pyro systems remain subdued and is a key driver to our economic intensity. We expect quarterly volatility with this KPI relating to order mix.

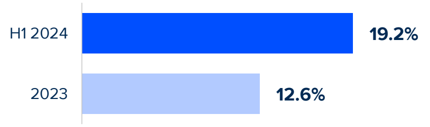
Spend with suppliers with science-based targets

SCIENCE BASED TARGETS

%

19.2

Target: 15% in 2024
6.6%-points improvement



Spend with suppliers with science-based targets increased by 6.6%-points compared to 2023. Performance for the first half of the year was supported by a greater share of our large suppliers committing to the Science Based Targets initiative. The improvement reflects our ongoing engagement with suppliers to promote environmentally responsible practices.

Water withdrawal

m^3

71,828

Target: 192,738 in 2024
4.7% improvement

Water withdrawal was reduced by 4.7% compared to H1 2023. Consolidation of Mining Technologies sites during 2023 and the sale of MAAG were supportive for the performance year-to-date. However, withdrawal has trended upwards during Q2 2024 due to seasonal impacts. Performance remains on track to meet our annual target.

Women managers

%

15.0

Target: 18.4% in 2024
1.3%-points reduction

The percentage of women managers decreased during the first half of 2024. Further delayering within the organisation resulted in several managers moving to an individual contributor role. These changes largely impacted parts of the organisation with a higher representation of our female workforce. We will continue with our initiatives to progress toward our targets despite short term swings.

Safety (Total recordable injury rate)

Total recordable injury rate/million working hours

2.5

Target: 1.1 in 2024
0.5 improvement

Safety performance has improved compared to H1 2023 but we remain behind our target for the full year. To support improvement, we implemented several initiatives towards the end of 2023. This has improved performance and stabilised the incident rate, and we will continue our efforts toward our long-term target of ‘Zero Harm’.

MissionZero developments

Through our MissionZero programme, we enable our customers to drive their green transition by providing innovative technologies and solutions across the full flowsheet.

First REFLUX™ flotation cell order

Included in order intake for the quarter, FLSmidth received its first commercial order for our REFLUX™ flotation cell (RFC) with a US based customer. The RFC delivers fast and high-efficiency flotation, which raises the standard when it comes to concentrate grade and recovery. The RFC significantly shifts the grade and recovery curve, whilst at the same time reducing energy consumption and significantly increasing throughput.

Solar panel car park installation at FLSmidth manufacturing site

FLSmidth recently completed the installation of 914 solar panels over our parking structure in Tucson, Arizona. The solar panel system will generate enough electricity to cover 35% of the annual power consumption of the facility and, when combined with certified renewable energy certificates from local utilities, the project is expected to offset 100% of our electrical consumption and reduce our carbon footprint by approximately 600t CO_2 per annum. The project has been designed to also provide a shaded parking area for more than 100 cars, enhancing safety in a city that sees temperatures often above 38°C.

Key figures

DKKm, unless otherwise stated	Q2 2024	Q2 2023	H1 2024	H1 2023	2023
Income statement					
Revenue	4,958	6,399	9,797	12,415	24,106
Gross profit	1,579	1,497	2,993	2,894	6,087
EBITDA	501	415	943	737	1,761
EBITA	431	332	796	567	1,438
Adjusted EBITA*	506	429	949	791	1,919
EBIT	372	267	677	444	1,200
Financial items, net	(80)	(73)	(82)	(89)	(146)
EBT	292	194	595	355	1,054
Profit for the period, continuing activities	187	123	381	226	672
Loss for the period, discontinued activities**	0	(5)	0	(24)	(181)
Profit for the period	187	118	381	202	491
Orders					
Order intake	4,436	5,523	9,684	11,155	21,376
Order backlog			16,518	20,544	17,593
Earning ratios					
Gross margin	31.8%	23.4%	30.6%	23.3%	25.3%
EBITDA margin	10.1%	6.5%	9.6%	5.9%	7.3%
EBITA margin	8.7%	5.2%	8.1%	4.6%	6.0%
Adjusted EBITA margin*	10.2%	6.7%	9.7%	6.4%	8.0%
EBIT margin	7.5%	4.2%	6.9%	3.6%	5.0%
EBT margin	5.9%	3.0%	6.1%	2.9%	4.4%
Cash flow					
Cash flow from operating activities (CFFO)	14	372	(338)	(32)	623
Acquisitions of property, plant and equipment	(80)	(34)	(138)	(58)	(176)
Cash flow from investing activities (CFFI)	(103)	(154)	(57)	(178)	(257)
Free cash flow	(89)	218	(395)	(210)	366
Free cash flow adjusted for acquisitions and disposals of enterprises and activities	(89)	260	(543)	(168)	201
Balance sheet					
Net working capital			2,021	2,542	1,382
Net interest-bearing debt (NIBD)			(1,227)	(1,214)	(639)
Total assets			28,086	29,217	27,011
CAPEX			293	215	604
Equity			11,112	10,715	10,828
Dividend to shareholders, paid	227	170	227	170	170

DKKm, unless otherwise stated	Q2 2024	Q2 2023	H1 2024	H1 2023	2023
Financial ratios					
Book-to-bill	89.5%	86.3%	98.8%	89.9%	88.7%
Order backlog / Revenue			76.9%	83.7%	73.0%
Return on equity			6.1%	3.8%	4.5%
Equity ratio, end			39.6%	36.7%	40.1%
ROCE, average			8.3%	5.0%	8.2%
Net working capital ratio, end			9.4%	10.1%	5.7%
NIBD / EBITDA			0.7.x	1.0x	0.4x
Capital employed			18,211	18,041	17,552
Number of employees			8,225	10,234	9,377
Share ratios					
Cash flow per share (CFPS), (diluted), (DKK)	0.2	6.5	(5.9)	(0.6)	10.9
Earnings per share (EPS), (diluted), (DKK)	3.2	2.0	6.5	3.6	8.7
Share price, (DKK)			346.2	330.2	287.2
Number of shares (1,000), end			57,650	57,650	57,650
Market capitalisation, end			19,958	19,036	16,557
Sustainability key figures					
Scope 1 & 2 GHG emissions (tCO2e) market-based			16,817	19,742	38,022
Scope 3 Economic intensity***			3,050		5,430
Spend with suppliers with science-based targets			19.2%	10.5%	12.6%
Water withdrawal (m3)			71,828	75,382	167,610
Women managers			15.0%	16.1%	16.3%
Safety, TRIR Total Recordable Injury Rate (including contractors)			2.5	3.0	2.7
Other key figures					
Quality, DIFOT Delivery In Full On Time			84.1%	83.0%	81.9%

Use of alternative performance measures

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 2023 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 2023 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. In 2023, adjustments were made for integration costs related to the integration of Mining Technologies.

**From 1 January 2024, the remaining responsibilities to finalise legacy projects within discontinued activities are included in Non-Core Activities.

***From 2024, we measure Scope 3 Economic intensity quarterly as year to date number.

2024 financial guidance

Financial guidance for 2024, as set out in Company Announcement no. 9-2024 on 7 August 2024, is maintained. The guidance reflects the ongoing business simplification and transformation efforts, continued improvement in the core Mining business, realisation of the full cost synergies from the Mining Technologies acquisition, continued profitability progress in the Cement business and the ongoing exit from the Non-Core Activities segment.

Mining			Cement			Non-Core Activities			Group		
	Guidance May 2024	**Guidance August 2024**		**Guidance May 2024**	**Guidance August 2024**		**Guidance May 2024**	**Guidance August 2024**		**Guidance May 2024**	**Guidance August 2024**
Revenue (DKKbn)	16.0-17.0	**~ 15.5** (7.4)	Revenue (DKKbn)	4.0-4.5	**4.0-4.5** (2.3)	Revenue (DKKm)	250-350	**200-300** (94)	Revenue (DKKbn)	20.0-21.5	**~ 20.0** (9.8)
Adj. EBITA margin	11.5-12.5%	**12.5-13.0%** (12.3%)	Adj. EBITA margin	5.5-6.5%	**8.0-9.0%** (8.6%)				Adj. EBITA margin	9.0-10.0%	**10.0-11.0%** (9.7%)
						EBITA (DKKm)	Loss of 200-300	**Loss of 200-300** (Loss of 161)	EBITA margin	7.5-8.5%	**8.5-9.5%** (8.1%)

The numbers in brackets represent H1 2024 results.

We expect the mining service market to remain stable, whereas the products market remains soft due to persistent hesitation by some customers on larger investment decisions. Longer term, the mining industry continues to benefit from a positive outlook for minerals crucial to continued global economic development and a successful green energy transition.

The guidance for the adjusted EBITA margin includes an adjustment for transformation and separation costs of around DKK 200m for the full year 2024. The adjusted EBITA margin is impacted by the realisation of the full cost synergies from the Mining Technologies acquisition, cost base inflation and re-investment of parts of the synergies into key commercial areas to support our CORE'26 strategy and to fuel our long-term growth ambitions.

We expect the short-term outlook for the cement industry to remain impacted by macroeconomic uncertainty.

The guidance for revenue and adjusted EBITA margin reflects the ongoing execution of the 'GREEN'26' strategy, continued business simplification and product portfolio pruning, including the completed sale of the MAAG business in Q1 2024. Further, the guidance for adjusted EBITA margin includes an adjustment for transformation and separation costs of around DKK 100m for the full year 2024.

The guidance for revenue reflects continued execution of the order backlog and contract negotiations aimed at reducing the scope of the remaining Non-Core Activities order backlog. The EBITA margin guidance reflects the operational loss-making nature of the business as well as costs related to finalising the exit of the business segment by end of 2024.

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

The guidance for 2024 is subject to uncertainties stemming from the current macroeconomic and geopolitical environment.

Mining financial performance

The mining service market remains stable with increased customer appetite for upgrading and rebuilding equipment to extend equipment life and improve operational efficiency as well as continued interest in smaller capex opportunities to increase production.

We have continued to observe a stable mining service market, with customers continuously looking to service providers for ways of enhancing their operational efficiency and extending equipment life through upgrades and rebuilds. Further, we continue to see good interest in services which enable increased mineral throughput and recovery rates as well as lower energy usage, which in combination will not only lead to enhanced operational efficiency but will also greatly improve customers' sustainability performance.

We have seen interest in smaller capex opportunities to increase production and improve process performance, although larger project awards continue to be delayed due to persisting hesitation by some customers on larger investment decisions. However, activity within gold project is somewhat of an exception with a slight positive development in the quarter.

Despite continued volatility in commodity prices, optimism on the longer-term demand outlook persists, bolstered by encouraging indicators from major economies and growing needs from the energy transition.

Order intake development in Q2 2024

Mining order intake decreased by 19% compared to Q2 2023, due to lower Products order intake. Excluding currency effects, the order intake decreased by 17%.

Service order intake increased by 7% compared to Q2 2023, mainly driven by consumables and upgrades & retrofits. In the quarter, a leading Chilean iron ore miner awarded FLSmidth with a multi-year contract to service its five high-pressure grinding rolls (HPGRs) across three of its mines in Chile. Key focus for the customer has been to enhance productivity and extend the lifetime of its HPGRs.

Products order intake decreased by 61% compared to Q2 2023 as a result of our general derisking approach as well as continued customer hesitation to approve larger brownfield and greenfield expansions. In addition, no large orders were signed in the quarter compared to two large, announced Products orders with a combined value of around DKK 785m signed in Q2 2023.

During the quarter, Service and Products orders accounted for 82% and 18% of the total order intake, respectively, compared to 62% and 38% in Q2 2023.

Order intake development in H1 2024

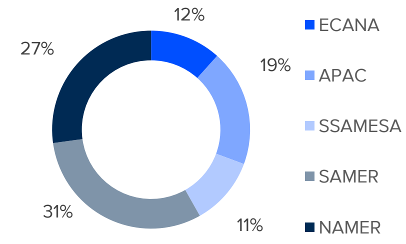
H1 2024 order intake, compared to H1 2023, decreased by 9% to DKK 7,599m. Excluding currency effects order intake decreased by 7%.

Service order intake increased by 1% in H1 2024, reflecting stable and healthy market conditions for mining service activities.

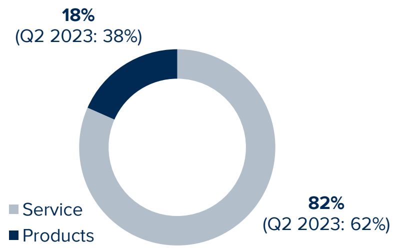
Products order intake decreased by 30% as customers continue to hesitate on large capital investments, combined with an ongoing environment of political uncertainties and permitting issues. Two large Products orders with a combined value of DKK 680m were announced in H1 2024 compared to three large orders with a combined value of DKK 1.1bn announced in H1 2023.

During the first half of the year, Service and Products order intake represented 73% and 27% of Mining order intake, respectively, compared to 66% and 34% in H1 2023.

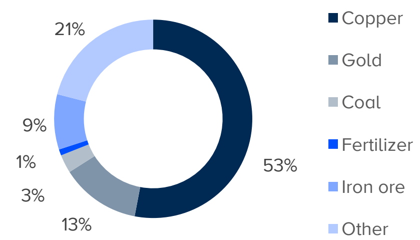
Order intake split by region, Q2 2024



Order intake split by Service and Products, Q2 2024



Order intake split by commodity, Q2 2024



Mining financial performance

Revenue development in Q2 2024

Revenue decreased by 13% compared to Q2 2023. Excluding currency effects, revenue decreased by 12%.

Service revenue decreased by 10% compared to Q2 2023 to DKK 2,557m. The year-on-year decrease was primarily due to lower revenue within spare parts and professional services driven by timing of order execution in South America as well as Q2 2023 included order execution from two major orders. The decline was partly offset by relatively higher revenue within consumables.

Products revenue decreased by 19% compared to Q2 2023 driven by our de-risking strategy and timing of the execution of certain larger Products orders.

Service and Products revenue comprised 68% and 32% of total Mining revenue in Q2 2024.

Gross profit development in Q2 2024

Gross profit increased by 14% to DKK 1,263m, from DKK 1,107m in Q2 2023. The corresponding gross margin increased from 25.4% in Q2 2023 to 33.4% in Q2 2024. The strong gross margin was a result of good execution on higher-margin orders following our de-risking strategy.

EBITA development in Q2 2024

The Adjusted EBITA margin was 13.1% when excluding transformation and separation costs of DKK 63m related to our ongoing separation of the Mining and Cement businesses as well as the ongoing business simplification. The higher Adjusted EBITA margin was driven by the improvement in gross profit partly offset by an increase in SG&A costs due to new hirings in key commercial areas. The EBITA margin increased to 11.5% from 8.6% in Q2 2023.

Mining

(DKKm)	Q2 2024	Q2 2023	Change (%)	H1 2024	H1 2023	Change (%)
Order intake	**3,423**	**4,215**	**-19%**	**7,599**	**8,392**	**-9%**
- Hereof service order intake	2,794	2,615	7%	5,578	5,517	1%
- Hereof products order intake	629	1,600	-61%	2,021	2,875	-30%
Order backlog	**11,852**	**13,472**	**-12%**	**11,852**	**13,472**	**-12%**
Revenue	**3,783**	**4,351**	**-13%**	**7,364**	**8,536**	**-14%**
- Hereof service revenue	2,557	2,833	-10%	4,961	5,533	-10%
- Hereof products revenue	1,226	1,518	-19%	2,403	3,003	-20%
Gross profit	**1,263**	**1,107**	**14%**	**2,443**	**2,172**	**12%**
Gross margin	33.4%	25.4%		33.2%	25.4%	
Adjusted EBITA	**497**	**469**	**6%**	**908**	**869**	**4%**
Adjusted EBITA margin	13.1%	10.8%		12.3%	10.2%	
EBITA	**434**	**372**	**17%**	**804**	**646**	**24%**
EBITA margin	11.5%	8.6%		10.9%	7.6%	
Number of employees	6,110	6,742	-9%	6,110	6,742	-9%

Revenue development in H1 2024

Mining revenue decreased by 14% compared to H1 2023. Excluding currency effects, revenue decreased by 12%. Service revenue decreased by 10% compared to H1 2023 primarily as a result of lower revenue within spare parts as well as the ongoing exit from basic labour services. Products revenue decreased by 20% as a result of our de-risking strategy and timing of the execution of certain larger Products orders.

Gross profit development in H1 2024

Gross profit increased by 12% to DKK 2,443m in H1 2024. The corresponding gross margin of 33.2% was driven by good execution on higher-margin orders and lower cost of production resulted from the realised synergies from the business simplification.

EBITA development in H1 2024

EBITA increased by 24% in H1 2024 with a corresponding EBITA margin of 10.9%, reflecting good execution on higher-margin orders, partly offset by relatively higher SG&A costs due to new hirings in key commercial areas. Excluding transformation and separation costs of DKK 104m, the adjusted EBITA margin was 12.3%.

Employees

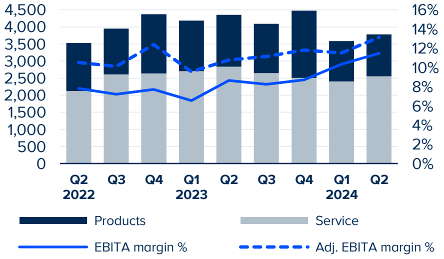
The number of employees in Mining has been reduced by 632 since the end of Q2 2023. This reduction reflects the synergy takeout related to the integration of Mining Technologies and the business simplification, partly offset by new hirings in key commercial areas to fuel our long-term growth ambitions to support our CORE'26 strategy.

Growth in order intake and revenue in Q2 2024 (vs. Q2 2023)

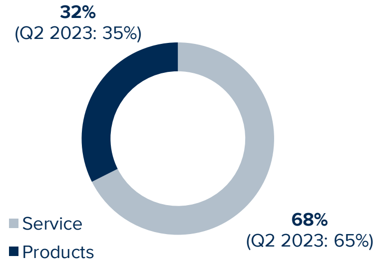
	Order intake	Revenue
Organic	-17%	-12%
Currency	-2%	-1%
Total growth	**-19%**	**-13%**

Revenue and EBITA margin

DKKm EBITA margin %



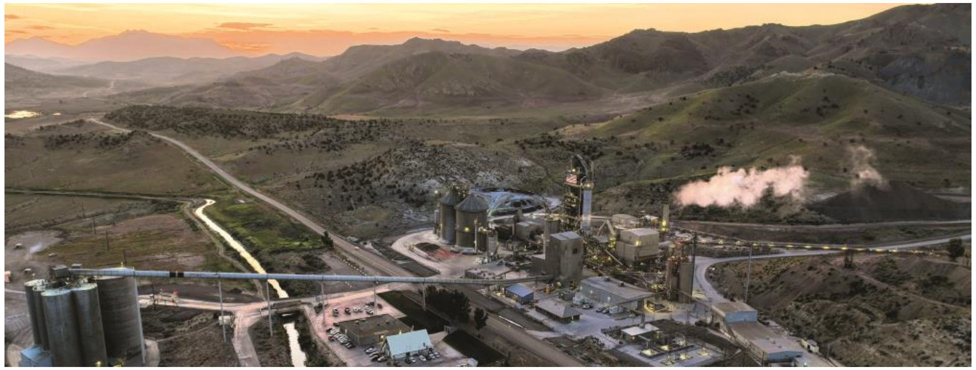
Revenue split by Service and Products, Q2 2024



Cement financial performance

Q2 2024 has shown promising signs for the Cement business, continuing the positive trend that began earlier in the year. While global cement demand is relatively unchanged, regional outlooks vary widely, with pockets of high demand in parts of the world.

Q2 2024 has shown tight competition among cement producers in mature markets, such as Europe and the US, and rising input prices are driving investments in optimisation, efficiency, and cost optimisation efforts. Meanwhile, in some regional markets, especially in India, growing infrastructure investments are driving a demand increase driven by housing and commercial construction as well as infrastructure development projects by the government. We anticipate these trends will support a prolonged appetite for cement plant equipment and services.



In the longer term, there will be a growing and significant need for solutions and services that support decarbonisation, such as calcined clay, alternative fuel solutions, energy efficient technologies and digital offerings. We already seeing cement producers in countries such as Turkey and Egypt making investments in green solutions, driven by rising primary fuel costs as well as the anticipation of the EU Carbon Border Adjustment Mechanism (CBAM) and possible equivalents in other developed markets. Finally, despite a slow cement demand and overcapacity in China, cement producers are also implementing technologies to minimise their environmental footprint in line with the government's strict requirements.

Order intake development in Q2 2024

Cement order intake decreased by 21% in Q2 2024 compared to Q2 2023, as a result of lower Products order intake and due to the divestment of the AFT and MAAG businesses. Excluding divestments and currency effects of 5%, the organic order intake decreased by 16%.

Service order intake increased by 1% compared to Q2 2023, despite the AFT divestment in Q3 2023 and the sale of the MAAG business in Q1 2024. We have seen continued strong growth in orders for spare parts and professional services within our core market clusters, partly offset by lower orders for upgrades & retrofits.

Product order intake decreased by 53% compared to Q2 2023, driven in part by the continued pruning of our product portfolio, following our de-risking strategy and the impact of divestments.

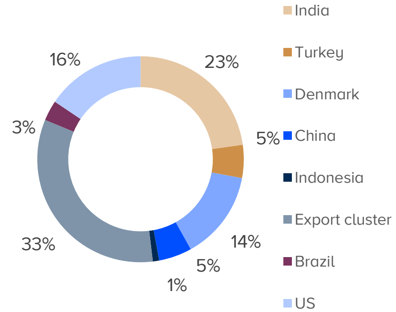
Service and Products comprised 75% and 25% of the total Cement order intake in Q2 2024, respectively, compared to 59% and 41% in Q2 2023.

Order intake development in H1 2024

Cement order intake in H1 2024 declined by 22%. This was mainly due to a 46% decrease in Products order intake compared to H1 2023, driven by the same factors as in Q2 2024. Excluding divestments and currency effects of 4%, the order intake decreased organically by 18%.

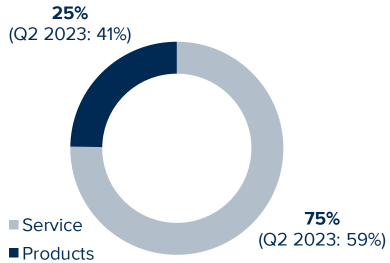
Service order intake decreased by 6% compared to H1 2023 mainly driven by lower orders related to upgrades and retrofits. The decrease was partly offset by an increase in orders for our core offerings, spare parts and professional services, as a result of stable market conditions and our ability to offset the impact of the recent divestments of AFT and MAAG with growth in share of wallet in our installed customer base.

Order intake split by cluster in Q2 2024



*For more information on clusters, please refer to page 31 in the 2023 Annual Report

Order intake split by Service and Products, Q2 2024



Cement financial performance

Revenue development in Q2 2024

Revenue decreased by 32% compared to Q2 2023. Excluding the effect from divestments and currency of 8%, revenue decreased organically by 24%.

Service revenue decreased by 26% compared to Q2 2023 due to the divestments of the AFT and MAAG businesses in Q3 2023 and Q1 2024, respectively. Products revenue decreased by 40% compared to Q2 2023 driven in part by the continued pruning of our product portfolio, following our de-risking strategy and the impact of divestments.

Service and Products comprised 57% and 43% of total Cement revenue in Q2 2024, respectively, compared to 52% and 48% in Q2 2023.

Gross profit development in Q2 2024

Gross profit decreased by 16% compared to Q2 2023 as a result of the lower revenue, partly offset by good execution on higher-margin orders. However, the corresponding gross margin increased by 6.1%-points to 31% in Q2 2024 compared to Q2 2023, which represents the highest gross margin achieved in several years.

EBITA development in Q2 2024

The Adjusted EBITA margin was 9.6% when excluding transformation and separation costs of DKK 12m related to the ongoing separation of the Mining and Cement businesses as well as our ongoing business simplification. The higher Adjusted EBITA margin was driven by the improvement in gross profit and a reduction in SG&A costs. EBITA increased by 32% to DKK 96m compared to DKK 73m in Q2 2023. The corresponding EBITA margin improved by 4.2%-points to 8.5% in Q2 2024.

Cement

(DKKm)	Q2 2024	Q2 2023	Change (%)	H1 2024	H1 2023	Change (%)
Order intake	**1,006**	**1,276**	**-21%**	**2,048**	**2,620**	**-22%**
- Hereof service order intake	758	752	1%	1,478	1,565	-6%
- Hereof products order intake	248	524	-53%	570	1,055	-46%
Order backlog	**4,231**	**5,658**	**-25%**	**4,231**	**5,658**	**-25%**
Revenue	**1,131**	**1,670**	**-32%**	**2,339**	**3,252**	**-28%**
- Hereof service revenue	648	870	-26%	1,368	1,760	-22%
- Hereof products revenue	483	800	-40%	971	1,492	-35%
Gross profit	**351**	**416**	**-16%**	**627**	**788**	**-20%**
Gross margin	31.0%	24.9%		26.8%	24.2%	
Adjusted EBITA	**108**	**73**	**48%**	**202**	**141**	**43%**
Adjusted EBITA margin	9.6%	4.3%		8.6%	4.3%	
EBITA	**96**	**73**	**32%**	**153**	**141**	**9%**
EBITA margin	8.5%	4.3%		6.6%	4.3%	
Number of employees	2,087	3,053	-32%	2,087	3,053	-32%

Employees

The number of employees in Cement was reduced by 966 compared to end Q2 2023. The reduction reflects the continued optimisation of our global footprint, simplification of the operating model to improve long-term profitability as well as the divestments of the AFT and MAAG businesses.

Revenue development in H1 2024

Cement revenue decreased by 28% to DKK 2,339m in H1 2024. Service and Products revenue decreased by 22% and 35%, respectively, due to both the divestments and the continued pruning of our product portfolio as part of our de-risking strategy. Excluding divestments and currency effects of 7%, revenue decreased organically by 21%.

Gross profit development in H1 2024

Gross profit decreased by 20% to DKK 627m in H1 2024 driven by the lower revenue. The corresponding gross margin of 26.8% was 2.6%-points higher than in H1 2023, driven by good execution on higher-margin orders.

EBITA development in H1 2024

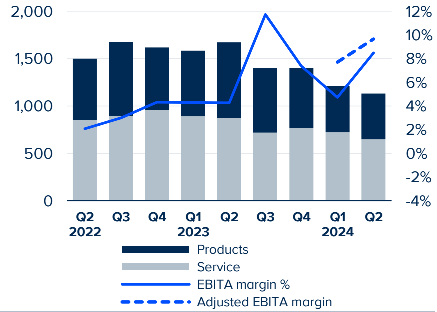
EBITA increased by 9% in H1 2024 with a corresponding EBITA margin of 6.6%, reflecting good execution on higher-margin orders and lower SG&A cost. Excluding transformation and separation costs of DKK 49m, the Adjusted EBITA margin was 8.6%. Excluding the net gain of around DKK 30m from the sale of the MAAG business in Q1 2024, the EBITA margin was 5.3% and the Adjusted EBITA margin was 7.4%.

Growth in order intake and revenue in Q2 2024 (vs. Q2 2023)

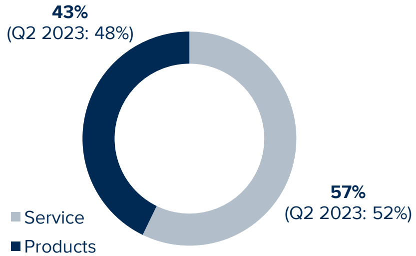
	Order intake	Revenue
Organic	-16%	-24%
Divestments	-5%	-8%
Currency	0%	0%
Total growth	**-21%**	**-32%**

Revenue and EBITA margin

DKKm and EBITA margin



Revenue split by Service and Products, Q2 2024



Non-Core Activities financial performance

Order intake development in Q2 2024
Order intake for Non-Core Activities (NCA) of DKK 7m related to contractual obligations and orders of parts already in stock.

Order backlog development in Q2 2024
The order backlog amounted to DKK 435m by the end of Q2 2024 representing a decrease of DKK 44m compared to Q1 2024 and a decrease of around DKK 0.1bn compared to Q4 2023. The decrease reflected execution of the order backlog as well as continued re-scoping and contract terminations. The majority of the remaining executable order backlog is to be executed in countries within the Asia Pacific and Europe, Central Asia and Northern Africa regions.

Revenue development in Q2 2024
Revenue amounted to DKK 44m in Q2 2024. Service and Products accounted for 55% and 45% of total NCA revenue, respectively.

Gross profit development in Q2 2024
Gross profit was negative by DKK 35m reflecting the general volatility and operationally loss-making nature of the NCA segment.

EBITA development in Q2 2024
EBITA for NCA amounted to DKK -99m driven by the negative gross profit and costs related to the ongoing exit of the activities in the segment.

Order intake development in H1 2024
Order intake for NCA amounted to DKK 37m in H1 2024. Service and Products orders represented 11% and 89%, respectively.

Revenue development in H1 2024
NCA revenue amounted to DKK 94m in H1 2024. Service and Products revenue represented 32% and 68%, respectively.

Gross profit development in H1 2024
Gross profit amounted DKK -77m in H1 2024 with a corresponding gross margin of -81.9%.

EBITA development in H1 2024
EBITA in H1 2024 amounted to DKK -161m with a corresponding EBITA margin of -171.3% reflecting the operationally loss-making nature of the NCA segment and costs related to the exit.

It remains the expectation that the NCA segment will be fully exited by end-2024.

Non-Core Activities

(DKKm)	Q2 2024	Q2 2023	Change (%)	H1 2024	H1 2023	Change (%)
Order intake	**7**	**32**	**-78%**	**37**	**143**	**-74%**
- Hereof service order intake	4	21	-81%	4	101	-96%
- Hereof products order intake	3	11	-73%	33	42	-21%
Order backlog	**435**	**1,414**	**-69%**	**435**	**1,414**	**-69%**
Revenue	**44**	**378**	**-88%**	**94**	**627**	**-85%**
- Hereof service revenue	24	130	-82%	30	222	-86%
- Hereof products revenue	20	248	-92%	64	405	-84%
Gross profit	**(35)**	**(26)**	**-35%**	**(77)**	**(66)**	**-17%**
Gross margin	-79.5%	-6.9%		-81.9%	-10.5%	
EBITA	**(99)**	**(113)**	**12%**	**(161)**	**(220)**	**27%**
EBITA margin	-225.0%	-29.9%		-171.3%	-35.1%	
Number of employees	28	439	-94%	28	439	-94%

Consolidated financial performance Q2 2024

Order intake

Order intake decreased by 20% in Q2 2024 to DKK 4,436m compared to DKK 5,523m in Q2 2023. Excluding divestments in Cement and currency effects of 2%, order intake decreased organically by 18%.

Service order intake increased by 5% compared to Q2 2023, driven by higher order intake for the Mining business and a stable service order intake in the Cement business. Products order intake decreased by 59% compared to Q2 2023 driven by lower order intake for both the Mining and Cement businesses.

Service and Products represented 80% and 20% of total order intake, respectively, compared to 61% and 39% in Q2 2023.

Order backlog and maturity

The order backlog decreased by 6% to DKK 16,518m compared to the prior quarter (Q1 2024: DKK 17,482m) as the order intake in Q2 2024 was more than offset by the de-risking strategy, continued wind-down of the NCA segment and the ongoing execution of the order backlog.

Outstanding order backlog related to Russian and Belarusian contracts was unchanged and amounted to DKK 0.1bn at the end of Q2 2024. The remaining orders are suspended by FLSmidth, and potential termination options are being investigated. Due to the uncertain nature of these contracts, they have been included in the backlog maturity for 'Within 3 years and beyond'.

Group

(DKKm)	Q2 2024	Q2 2023	Change (%)	H1 2024	H1 2023	Change (%)
Order intake	**4,436**	**5,523**	**-20%**	**9,684**	**11,155**	**-13%**
- Hereof service order intake	3,556	3,388	5%	7,060	7,183	-2%
- Hereof products order intake	880	2,135	-59%	2,624	3,972	-34%
Order backlog	**16,518**	**20,544**	**-20%**	**16,518**	**20,544**	**-20%**
Revenue	**4,958**	**6,399**	**-23%**	**9,797**	**12,415**	**-21%**
- Hereof service revenue	3,229	3,833	-16%	6,359	7,515	-15%
- Hereof products revenue	1,729	2,566	-33%	3,438	4,900	-30%
Gross profit	**1,579**	**1,497**	**5%**	**2,993**	**2,894**	**3%**
Gross margin	31.8%	23.4%		30.6%	23.3%	
***SG&A cost**	**(1,078)**	**(1,095)**	**-2%**	**(2,086)**	**(2,195)**	**-5%**
SG&A ratio	21.7%	17.1%		21.3%	17.7%	
Adjusted EBITA	**506**	**429**	**18%**	**949**	**791**	**20%**
Adjusted EBITA margin	10.2%	6.7%		9.7%	6.4%	
EBITA	**431**	**332**	**30%**	**796**	**567**	**40%**
EBITA margin	8.7%	5.2%		8.1%	4.6%	
Number of employees	8,225	10,234	-20%	8,225	10,234	-20%

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

Backlog maturity	Mining	Cement	Non-Core Activities	FLSmidth Group
2024	33%	25%	36%	31%
2025	54%	51%	0%	52%
2026 and beyond	13%	24%	64%	17%

At the end of Q2 2024, outstanding backlog for the NCA segment amounted to DKK 435m. As a portion of the backlog is expected to be terminated, this has consequently been included in the backlog maturity for '2026 and beyond'.

Revenue

Revenue decreased by 23% to DKK 4,958 in Q2 2024, compared to Q2 2023, driven by lower revenue in both the Mining and Cement businesses. Excluding the effect of 3% from divestments in Cement and currency, revenue decreased organically by 20% compared to Q2 2023.

The decrease in Service revenue by 16% compared to Q2 2023 was driven by both the Mining and Cement businesses. For Mining, the decrease was due to timing of order execution. For Cement, the development reflects the divestments.

Products revenue decreased by 33% compared to Q2 2023. For Mining, the decrease was driven by our de-risking strategy and timing of the execution of certain larger Products orders. For Cement, the decrease was driven by our de-risking strategy and divestments.

Service and Products revenue accounted for 65% and 35% of total revenue in Q2 2024, respectively, compared to 60% and 40%, respectively, in Q2 2023.

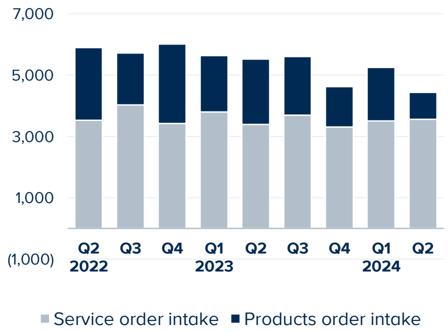
Growth in order intake in Q2 2024 (vs. Q2 2023)

	Mining	Cement	Non-Core Activities	FLSmidth Group
Organic	-17%	-16%	-80%	-18%
Divestments	0%	-5%	0%	-1%
Currency	-2%	0%	2%	-1%
Total growth	**-19%**	**-21%**	**-78%**	**-20%**

Growth in revenue in Q2 2024 (vs. Q2 2023)

	Mining	Cement	Non-Core Activities	FLSmidth Group
Organic	-12%	-24%	-88%	-20%
Divestments	0%	-8%	0%	-2%
Currency	-1%	0%	0%	-1%
Total growth	**-13%**	**-32%**	**-88%**	**-23%**

Order intake split by Service and Products Q2 2024



Profit in Q2 2024

Gross profit and margin

Gross profit increased by 5% to DKK 1,579m in Q2 2024, compared to DKK 1,497m in Q2 2023. The corresponding gross margin increased to 31.8% in Q2 2024 compared to 23.4% in Q2 2023. The gross margin reflects good execution of higher-margin orders following our de-risking strategy partly offset by lower revenue in the quarter. Further, the level represents the highest gross margin achieved in several years which applies to both the Mining and Cement segments.

Research & development costs

In Q2 2024, total research and development costs (R&D) amounted to DKK 69m, representing 1.4% of revenue (Q2 2023: 1.5%).

(DKKm)	Q2 2024	Q2 2023
Expensed	26	37
Capitalised	43	59
Total R&D	**69**	**96**

SG&A costs

Sales, general and administrative costs (SG&A) decreased by 2% to DKK 1,078m compared to Q2 2023, reflecting positive effects from our ongoing transformation efforts and the realised synergies from the acquisition of Mining Technologies partly offset by transformation and separation costs. Further, currencies had a favourable impact on SG&A of DKK 9m in the quarter.

SG&A costs as a percentage of revenue increased to 21.7% in Q2 2024 compared to 17.1% in Q2 2023 due to the lower revenue.

EBITA and margin

Excluding transformation and separation costs of DKK 75m, the Adjusted Group EBITA margin was 10.2% in Q2 2024 compared to 6.7% in Q2 2023. Including these costs, the EBITA margin was 8.7% in Q2 2024 compared to 5.2% in Q2 2023.

Amortisation of intangible assets

Amortisation of intangible assets amounted to DKK 59m (Q2 2023: DKK 65m). The effect of purchase price allocations amounted to DKK 11m (Q2 2023: DKK 11m) and other amortisation to DKK 48m (Q2 2023: DKK 54m).

Financial items

Net financial items amounted to DKK -80m (Q2 2023: DKK -73m), of which net interest amounted to DKK -39m (Q2 2023: DKK -20m) and foreign exchange and fair value adjustments amounted to DKK -2m (Q2 2023: DKK -53m). Financial items also included a loss from associates of DKK -39m (Q2 2023: DKK -12m) due to an impairment loss on the investment following a downward revision of expected future performance.

Tax

Tax in Q2 2024 totalled DKK -105m (Q2 2023: -71m), corresponding to an effective tax rate of 36.0% (Q2 2023: 36.6%). This includes impact from withholding tax in both periods.

Profit for the period

Profit in Q2 2024 was DKK 187m (Q2 2023: DKK 118m) driven by the improved profitability partly offset by an impairment loss of associates.

Return on capital employed

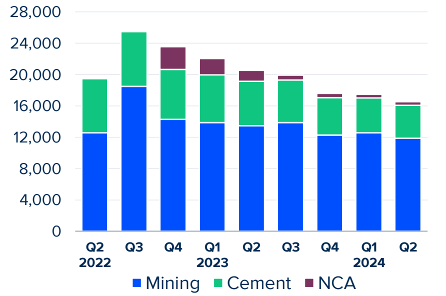
Return on capital employed (ROCE) increased to 8.3% (Q2 2023: 5.0%) due to higher earnings and a decrease in net working capital compared to Q2 2023.

Employees

The number of employees decreased by 544 to 8,225 at the end of Q2 2024, compared to 8,769 at the end of Q1 2024. The decrease was driven by workforce reductions across all business segments relating to footprint optimisation and the continued rightsizing of the organisation.

Backlog

DKKm

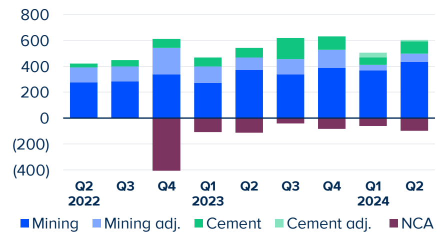


Revenue & EBITA margin

DKKm EBITA margin %

EBITA

DKKm



Capital in Q2 2024

Cash flow from operating activities
Cash flow from operating activities (CFFO) amounted to DKK 14m in Q2 2024 (Q2 2023: DKK 372m). The CFFO was negatively impacted by DKK 86m from an increase in net working capital and by DKK 190m from changes in provisions. In Q2 2023, the CFFO was positively impacted by changes in net working capital and provisions.

Cash flow from investing activities
Cash flow from investing activities amounted to DKK -103m (Q2 2023: DKK -154m) and was positively impacted by DKK 60m from the sale of property, plant and equipment.

Cash flow from financing activities
Cash flow from financing activities amounted to DKK 42m (Q2 2023: DKK -180m) as paid dividend of DKK 227m was funded by interest-bearing debt.

Free cash flow
Free cash flow (the sum of cash flow from operating and investing activities) amounted to DKK -89m in the quarter (Q2 2023: DKK 218m). Free cash flow adjusted for business acquisitions and disposals amounted to DKK -89m in Q2 2024 (Q2 2023: DKK 260m).

Net working capital
Net working capital increased by DKK 86m to DKK 2,021m at the end of Q2 2024 (end of Q1 2024: DKK 1,935m). The increase is primarily driven by the increase in amounts due from customers for work performed (i.e., net of trade receivables, work-in-progress and prepayments for customers).

The corresponding net working capital ratio increased from 8.4% of revenue in Q1 2024 to 9.4% in Q2 2024 in line with expectations.

Utilisation of supply chain financing increased to DKK 504m in Q2 2024 (Q1 2024: 456m).

Net interest-bearing debt
Net interest-bearing debt (NIBD) at 30 June 2024 increased to DKK 1,227m (Q1 2024: DKK 830m). The financial gearing end of Q2 2024 amounted to 0.7x (Q1 2024: 0.5x) and remains comfortably below our target level of less than 2.0x.

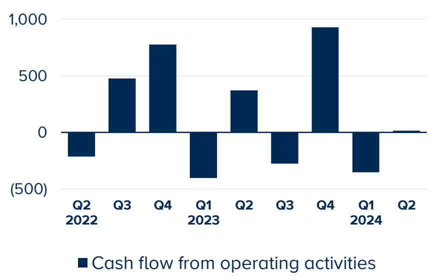
Financial position
By the end of Q2 2024, FLSmidth had DKK 6.3bn of available committed credit facilities of which DKK 3.9bn remained undrawn. The committed credit facilities have a weighted average time to maturity of 3.8 years.

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. Additionally, FLSmidth has DKK 0.8bn of uncommitted credit facilities available.

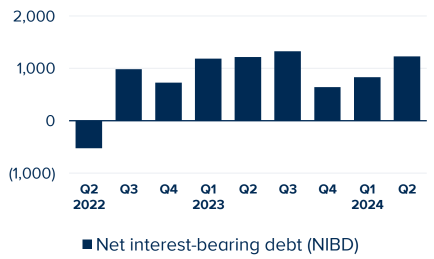
Equity ratio
Equity at the end of Q2 2024 increased to DKK 11,112m (end of Q1 2024: DKK 11,085m), driven primarily by currency adjustments, profit for the period and dividend paid out of DKK 227m. The equity ratio was 39.6% at the end of Q2 2024 (end of Q1 2024: 41.2%).

Treasury shares
The holding of treasury shares as of 30 June 2024 has increased from Q1 2024 and amounts to 813,219 shares, representing 1.41% of the total share capital. Treasury shares are used to cover our obligations under the company's share-based incentive programmes. The increase reflects purchase of shares for hedging the incentive programmes.

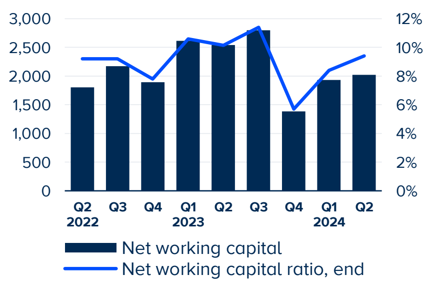
Cash flow
DKKm



Net interest-bearing debt
DKKm



Net working capital
DKKm NWC%



Consolidated financial performance H1 2024

Order intake

Order intake decreased by 13% to DKK 9,684m and by 11% excluding divestments and currency effects. Services order intake decreased by 2% driven by Cement. Products order intake decreased by 34%, driven by both Mining and Cement.

Mining Service orders increased by 1% in H1 2024 reflecting stable and healthy market conditions for mining service activities. Mining Products orders decreased by 30% as customers continue to hesitate larger capital investments combined with an ongoing environment of permitting delays as well as our de-risking approach. H1 2023 included three large Mining Products orders with a combined value of around DKK 1.1bn compared to two large Mining Products orders announced in H1 2024 with a combined value of around DKK 680m. Excluding currency effects, Mining order intake decreased 7% in H1 2024 compared to H1 2023.

Cement order intake decreased by 22% primarily due to a 46% decrease in Products order intake compared to H1 2023 driven by the continued pruning of our product portfolio, exit from larger projects and divestments. Cement Service order intake decreased 6% compared to H1 2023 driven by the AFT and MAAG divestments.

Order backlog

The order backlog decreased by 20% to DKK 16,518m by end of Q2 2024. The lower backlog is related to both Mining and Cement, which decreased by 12% and 25%, respectively.

Revenue

Revenue decreased by 21% to DKK 9,797m in H1 2024 comprising a 14% decrease in Mining and a 28% decrease in Cement. Excluding divestments and currency effects revenue decreased by 18% compared to H1 2023. In line with expectations, H1 2024 included DKK 94m in revenue from Non-Core Activities.

Mining revenue comprised a decrease of 10% in Service revenue and a 20% in Products revenue due to our de-risking strategy and timing of the execution of certain orders. In the first half year of 2024, Cement showed a decrease of 22% and 35% in Service and Products revenue, respectively due to the divestments and continued pruning of the product portfolio following our de-risking strategy.

Profit in H1 2024

Gross profit and margin

Gross profit in the first half year of 2024 increased by 3% to DKK 2,993m. The corresponding gross margin increased by 7.3%-points to 30.6%. The strong gross margin was driven by good execution on higher-margin orders and lower cost of production partly offset by the cost related to the ongoing exit from our Non-Core Activities segment.

Research and Development costs were DKK 140m (H1 2023: 178m), of which DKK 69m were capitalised (H1 2023: 89m).

EBITA and margin

Adjusted EBITA of DKK 949m exclude transformation and separation costs of DKK 153m. The corresponding adjusted Group EBITA margin was 9.7% in H1 2024. Including transformation and separation cost, EBITA was DKK 796m with an EBITA margin of 8.1% in H1 2024 compared to 4.6% in H1 2023.

Excluding the net gain of around DKK 30m from the sale of the MAAG business, the EBITA margin was 7.8% and the Adjusted EBITA margin was 9.4%.

Financial items

Net financial items amounted to DKK -82m (H1 2023: DKK -89m), of which foreign exchange and fair value adjustments amounted to DKK 30m (H1 2023: DKK -52m). Net interest amounted to DKK -72m (H1 2023: DKK -37m). Financial items also include a loss from associates of -40m (H1 2023: DKK -12m) due to an impairment loss on the investment following a downward revision of expected future performance.

Tax

Tax for H1 2024 totalled DKK -214m (H1 2023: DKK -129m), corresponding to an effective tax rate of 36.0% (H1 2023: 36.3%).

Profit for the period

Profit for the period was a gain of DKK 381m compared to a DKK 202m gain in the first half year of 2023.

Earnings per share

Earnings per share (diluted) increased to DKK 6.5 from DKK 3.6 in the first half year of 2023.

Growth in order intake in H1 2024 (vs. H1 2023)

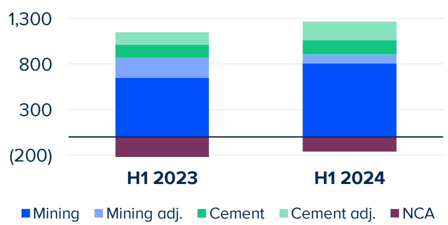
	Mining	Cement	Non-Core Activities	FLSmidth Group
Organic	-7%	-18%	-73%	-11%
Divestments	0%	-4%	0%	0%
Currency	-2%	0%	-1%	-2%
Total growth	**-9%**	**-22%**	**-74%**	**-13%**

Growth in revenue in H1 2024 (vs. H1 2023)

	Mining	Cement	Non-Core Activities	FLSmidth Group
Organic	-12%	-21%	-85%	-18%
Divestments	0%	-7%	0%	-1%
Currency	-2%	0%	0%	-2%
Total growth	**-14%**	**-28%**	**-85%**	**-21%**

EBITA split by segment

DKKm



Capital in H1 2024

Net working capital
Net working capital increased in H1 2024 to DKK 2,021m (end of 2023: DKK 1,382m). The corresponding net working capital ratio was 9.4% of 12-months trailing revenue, compared to 5.7% at the end of 2023.

The increase was primarily driven by payments to suppliers leading to a reduction in trade payables and increases in prepayments as the increased cash collection from customers in Q1 2024 was offset by increases in Q2 2024 in amounts due from customers for work performed.

Cash flow from operating activities
Cash flow from operating activities decreased to DKK -338m (H1 2023: DKK -32m). CFFO was negatively impacted by DKK 736m from the increase in working capital and by DKK 70m from changes in provisions. In H1 2023, changes in provisions impacted CFFO positively.

Cash flow from investing activities
Cash flow used for investments was DKK -57m compared to DKK -178m in the first half year of 2023.

Cash flow from financing activities
Cash flow from financing activities amounted to DKK 555m as the negative cash flow from operations of DKK 338m and paid dividend of DKK 227m was funded by interest-bearing debt.

Free cash flow
Free cash flow (the sum of cash flow from operating and investing activities) amounted to DKK -395m (H1 2023: DKK -210m). Free cash adjusted for business acquisitions and disposals amounted to DKK -543m in H1 2024 (H1 2023: DKK -168m).

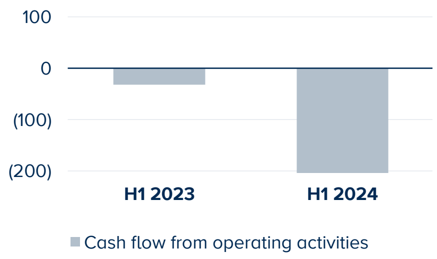
Balance sheet
Total assets increased to DKK 28,086m by 30 June 2024 (end of 2023: DKK 27,011), primarily related to increased net working capital assets and cash.

Net interest-bearing debt
Net interest-bearing debt (NIBD) by 30 June 2024 increased to DKK 1,227m (end of 2023: DKK 639m). The increase in debt was primarily due to the increase in working capital in the first half of 2024. The Group's financial gearing in H1 2024 increased to 0.7x (end of 2023: 0.4x) following the increase in NIBD.

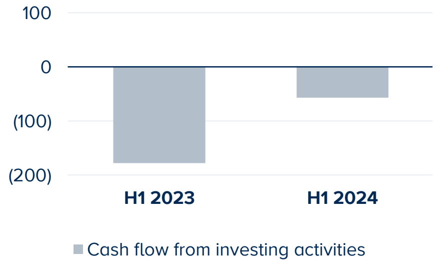
Equity
Equity at end H1 2024 increased to DKK 11,112m (end of 2023: DKK 10,828m). The increase was driven by currency adjustments, profit for the period and dividend paid out amounting to DKK 227m.

Treasury shares
The holding of treasury shares as of 30 June 2024 has decreased from year end 2023 and amounts to 813,219 shares, representing 1.41% of the total share capital. Treasury shares are used to hedge our share-based incentive programmes.

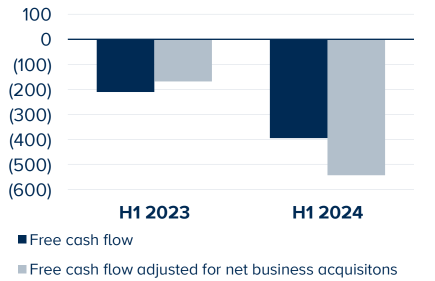
Cash flow from operating activities
DKKm



Cash flow from investing activities
DKKm



Free cash flow
DKKm




Consolidated Condensed Interim Financial statements

Income statement

Notes	DKKm	Q2 2024	Q2 2023	H1 2024	H1 2023
3, 4	Revenue	4,958	6,399	9,797	12,415
	Production costs	(3,379)	(4,902)	(6,804)	(9,521)
	Gross profit	**1,579**	**1,497**	**2,993**	**2,894**
	Sales costs	(446)	(425)	(862)	(858)
	Administrative costs	(632)	(670)	(1,224)	(1,337)
10	Other operating net income	0	13	36	38
	EBITDA	**501**	**415**	**943**	**737**
	Depreciation and impairment of property, plant and equipment and lease assets	(70)	(83)	(147)	(170)
	EBITA	**431**	**332**	**796**	**567**
	Amortisation and impairment of intangible assets	(59)	(65)	(119)	(123)
	EBIT	**372**	**267**	**677**	**444**
	Financial income	183	367	407	791
	Financial costs	(263)	(440)	(489)	(880)
	EBT	**292**	**194**	**595**	**355**
	Tax for the period	(105)	(71)	(214)	(129)
	Profit for the period, continuing activities	**187**	**123**	**381**	**226**
3, 7	Profit (loss) for the period, discontinued activities	0	(5)	0	(24)
	Profit for the period	**187**	**118**	**381**	**202**
	Attributable to:				
	Shareholders in FLSmidth & Co. A/S	181	117	375	203
	Minority interests	6	1	6	(1)
		187	**118**	**381**	**202**
	Earnings per share (EPS):				
	Continuing and discontinued activities per share (DKK)	3.2	2.0	6.6	3.6
	Continuing and discontinued activities per share, diluted (DKK)	3.2	2.0	6.5	3.6
	Continuing activities per share (DKK)	3.2	2.1	6.6	4.0
	Continuing activities per share, diluted (DKK)	3.2	2.1	6.5	4.0

Statement of comprehensive income

Notes	DKKm	Q2 2024	Q2 2023	H1 2024	H1 2023
	Profit for the period	**187**	**118**	**381**	**202**
	Items that will not be reclassified to profit or loss:				
	Actuarial gains on defined benefit plans	0	4	5	9
	Items that are or may be reclassified subsequently to profit or loss:				
	Currency adjustments regarding translation of entities	83	(25)	148	(152)
	Reclassification of currency adjustments on disposal	(18)	0	(18)	0
	Cash flow hedging:				
	- Value adjustments for the period	(10)	1	(15)	29
	- Value adjustments transferred to work in progress	(1)	4	2	9
	Tax of total other comprehensive income	2	(2)	1	(13)
	Other comprehensive income for the period after tax	**56**	**(18)**	**123**	**(118)**
	Comprehensive income for the period	**243**	**100**	**504**	**84**
	Attributable to:				
	Shareholders in FLSmidth & Co. A/S	239	96	499	80
	Minority interests	4	4	5	4
		243	**100**	**504**	**84**

Cash flow statement

Notes	DKKm	Q2 2024	Q2 2023	H1 2024	H1 2023
	EBITDA	501	415	943	737
	Adjustment for gain on sale of property, plant and equipment and other non-cash items	23	19	6	8
	Change in provisions, pension and employee benefits	(190)	174	(70)	347
8	Change in net working capital	(86)	62	(736)	(632)
	Cash flow from operating activities before financial items and tax	**248**	**666**	**143**	**447**
	Financial items received and paid	(38)	(20)	(72)	(38)
	Taxes paid	(196)	(274)	(409)	(441)
	Cash flow from operating activities	**14**	**372**	**(338)**	**(32)**
9	Acquisition of enterprises and activities	0	(42)	(93)	(42)
	Acquisition of intangible assets	(83)	(77)	(124)	(120)
	Acquisition of property, plant and equipment	(80)	(34)	(138)	(58)
	Acquisition of financial assets	0	(2)	(3)	(2)
10	Disposal of enterprises and activities	0	0	241	0
	Disposal of property, plant and equipment	60	1	60	34
	Disposal of financial assets	0	0	0	1
	Dividend from associates	0	0	0	9
	Cash flow from investing activities	**(103)**	**(154)**	**(57)**	**(178)**
	Dividend paid	(227)	(170)	(227)	(170)
	Buyout of minority interests	0	(13)	0	(13)
	Acquisition of treasury shares	(19)	0	(19)	0
	Repayment of lease liabilities	(21)	(38)	(49)	(67)
	Change in interest bearing debt	309	41	850	151
	Cash flow from financing activities	**42**	**(180)**	**555**	**(99)**
	Change in cash and cash equivalents	**(47)**	**38**	**160**	**(309)**
	Cash and cash equivalents at beginning of period	1,560	1,757	1,352	2,130
	Foreign exchange adjustment, cash and cash equivalents	(1)	(41)	0	(67)
	Cash and cash equivalents at 30 June	**1,512**	**1,754**	**1,512**	**1,754**

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

Free cash flow

DKKm	Q2 2024	Q2 2023	H1 2024	H1 2023
Free cash flow	(89)	218	(395)	(210)
Free cash flow, adjusted for acquisitions and disposals of enterprises and activities	(89)	260	(543)	(168)

Balance sheet

Notes	DKKm	30/06 2024	31/12 2023	30/06 2023
	Assets			
	Goodwill	6,560	6,448	6,356
	Patents and rights	653	688	731
	Customer relations	311	331	359
	Other intangible assets	116	143	131
	Completed development projects	137	174	174
	Intangible assets under development	776	653	527
	Intangible assets	**8,553**	**8,437**	**8,278**
	Land and buildings	1,640	1,777	1,908
	Plant and machinery	342	391	461
	Operating equipment, fixtures and fittings	98	117	120
	Tangible assets in course of construction	210	104	67
	Property, plant and equipment	**2,290**	**2,389**	**2,556**
	Deferred tax assets	2,206	2,314	1,941
5	Investments in associates	41	81	130
	Other securities and investments	56	56	56
	Other non-current assets	**2,303**	**2,451**	**2,127**
	Non-current assets	**13,146**	**13,277**	**12,961**
	Inventories	3,544	3,450	3,978
	Trade receivables	4,658	4,516	4,821
	Work in progress	3,018	2,769	3,279
	Prepayments	516	423	717
	Income tax receivables	602	229	526
	Other receivables	1,090	995	1,181
	Cash and cash equivalents	1,512	1,352	1,754
	Current assets	**14,940**	**13,734**	**16,256**
	Total assets	**28,086**	**27,011**	**29,217**

Notes	DKKm	30/06 2024	31/12 2023	30/06 2023
	Equity and liabilities			
	Share capital	1,153	1,153	1,153
	Foreign exchange adjustments	(748)	(879)	(674)
	Cash flow hedging	(45)	(32)	(32)
11	Retained earnings	10,776	10,615	10,290
	Shareholders in FLSmidth & Co. A/S	**11,136**	**10,857**	**10,737**
	Minority interests	(24)	(29)	(22)
	Equity	**11,112**	**10,828**	**10,715**
	Deferred tax liabilities	210	207	236
	Pension obligations	337	363	404
5	Provisions	675	660	856
	Lease liabilities	87	132	187
	Bank loans and mortgage debt	2,350	1,633	2,646
	Prepayments from customers	190	338	532
	Income tax liabilities	110	110	103
	Other liabilities	41	53	90
	Non-current liabilities	**4,000**	**3,496**	**5,054**
	Pension obligations	2	2	2
5	Provisions	1,574	1,635	1,967
	Lease liabilities	83	101	101
	Bank loans and mortgage debt	144	54	46
	Prepayments from customers	1,994	1,595	1,713
	Work in progress	3,417	3,025	3,505
	Trade payables	3,523	4,024	4,166
	Income tax payables	359	277	336
	Other liabilities	1,878	1,974	1,612
	Current liabilities	**12,974**	**12,687**	**13,448**
	Total liabilities	**16,974**	**16,183**	**18,502**
	Total equity and liabilities	**28,086**	**27,011**	**29,217**

Equity statement

	H1 2024							H1 2023						
DKKm	**Share capital**	**Currency adjust-ments**	**Cash flow hedging**	**Retained earnings**	**Share-holders in FLSmidth & Co A/S**	**Minority interests**	**Total**	**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**	**(879)**	**(32)**	**10,615**	**10,857**	**(29)**	**10,828**	**1,153**	**(517)**	**(70)**	**10,247**	**10,813**	**(26)**	**10,787**
Comprehensive income for the period														
Profit/loss for the period				375	375	6	381				203	203	(1)	202
Other comprehensive income														
Actuarial gains/(losses) on defined benefit plans				5	5		5				9	9		9
Currency adjustments regarding translation of entities		149			149	(1)	148		(157)			(157)	5	(152)
Reclassification of currency adjustments on disposal		(18)			(18)		(18)					0		0
Cash flow hedging:														
- Value adjustments for the period			(15)		(15)		(15)			29		29		29
- Value adjustments transferred to work in progress			2		2		2			9		9		9
Tax on other comprehensive income				1	1		1				(13)	(13)		(13)
Other comprehensive income total	**0**	**131**	**(13)**	**6**	**124**	**(1)**	**123**	**0**	**(157)**	**38**	**(4)**	**(123)**	**5**	**(118)**
Comprehensive income for the period	**0**	**131**	**(13)**	**381**	**499**	**5**	**504**	**0**	**(157)**	**38**	**199**	**80**	**4**	**84**
Transactions with owners:														
Dividend paid				(227)	(227)		(227)				(170)	(170)		(170)
Share-based payment				26	26		26				27	27		27
Buyout of minority interests					0		0				(13)	(13)		(13)
Acquisition of treasury shares				(19)	(19)		(19)							
Equity at 30 June	**1,153**	**(748)**	**(45)**	**10,776**	**11,136**	**(24)**	**11,112**	**1,153**	**(674)**	**(32)**	**10,290**	**10,737**	**(22)**	**10,715**

Notes

1. Key accounting estimates and judgements

When preparing the consolidated condensed interim 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 interim 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.

Areas affected by key accounting estimates and judgements are unchanged from the Annual report 2023, however, with no significant business acquisition made during the period. 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 and the valuation of inventories, trade receivables, work in progress and deferred tax assets.

For further details, reference is made to Annual Report 2023, Key accounting estimates and judgements, page 69 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	Q2 2024	Q2 2023	H1 2024	H1 2023
Revenue	4,958	6,399	9,797	12,415
Production costs	(3,447)	(4,976)	(6,944)	(9,665)
Gross profit	**1,511**	**1,423**	**2,853**	**2,750**
Sales costs, including depreciation and amortisation	(452)	(433)	(873)	(871)
Administrative costs, including depreciation and amortisation	(687)	(736)	(1,339)	(1,473)
Other operating net income	0	13	36	38
EBIT	**372**	**267**	**677**	**444**
Depreciation, amortisation and impairment consist of:				
Depreciation and impairment of property, plant and equipment and lease assets	(70)	(83)	(147)	(170)
Amortisation and impairment of intangible assets	(59)	(65)	(119)	(123)
	(129)	**(148)**	**(266)**	**(293)**
Depreciation, amortisation and impairment are divided into:				
Production costs	(68)	(74)	(140)	(144)
Sales costs	(6)	(8)	(11)	(13)
Administrative costs	(55)	(66)	(115)	(136)
	(129)	**(148)**	**(266)**	**(293)**

3. Segment information

	H1 2024				H1 2023				
								FLSmidth Group	
DKKm	Mining	Cement	Non-Core Activities	Total	Mining	Cement	Non-Core Activities	Continuing activities	Discontinued activities[1]
Revenue	**7,364**	**2,339**	**94**	**9,797**	**8,536**	**3,252**	**627**	**12,415**	**0**
Production costs	(4,921)	(1,712)	(171)	(6,804)	(6,364)	(2,464)	(693)	(9,521)	(8)
Gross profit	**2,443**	**627**	**(77)**	**2,993**	**2,172**	**788**	**(66)**	**2,894**	**(8)**
SG&A cost	(1,540)	(485)	(61)	(2,086)	(1,427)	(628)	(140)	(2,195)	(5)
Other operating net income	22	31	(17)	36	18	25	(5)	38	0
EBITDA	**925**	**173**	**(155)**	**943**	**763**	**185**	**(211)**	**737**	**(13)**
Depreciation and impairment of property, plant and equipment and lease assets	(121)	(20)	(6)	(147)	(117)	(44)	(9)	(170)	0
EBITA	**804**	**153**	**(161)**	**796**	**646**	**141**	**(220)**	**567**	**(13)**
Amortisation and impairment of intangible assets	(105)	(14)	0	(119)	(85)	(37)	(1)	(123)	0
EBIT	**699**	**139**	**(161)**	**677**	**561**	**104**	**(221)**	**444**	**(13)**
Order intake	7,599	2,048	37	9,684	8,392	2,620	143	11,155	0
Order backlog	11,852	4,231	435	16,518	13,472	5,658	1,414	20,544	0
Gross margin	*33.2%*	*26.8%*	*-81.9%*	*30.6%*	*25.4%*	*24.2%*	*-10.5%*	*23.3%*	
EBITDA margin	*12.6%*	*7.4%*	*-164.9%*	*9.6%*	*8.9%*	*5.7%*	*-33.7%*	*5.9%*	
EBITA margin	*10.9%*	*6.6%*	*-171.3%*	*8.1%*	*7.6%*	*4.3%*	*-35.1%*	*4.6%*	
EBIT margin	*9.5%*	*6.0%*	*-171.3%*	*6.9%*	*6.6%*	*3.2%*	*-35.2%*	*3.6%*	
Number of employees at 30 June	**6,110**	**2,087**	**28**	**8,225**	**6,742**	**3,053**	**439**	**10,234**	**0**
Reconciliation of profit before tax for the period									
EBIT				677				444	(13)
Financial income				407				791	2
Financial costs				(489)				(880)	(13)
EBT				**595**				**355**	**(24)**

1) From 1 January 2024, the remaining responsibilities to finalise legacy projects related to the non-mining bulk material handling sold in 2019 is included in Non-Core Activities. In 2023, it was presented as discontinued activities.

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 2023.

Backlog

The order backlog at 30 June 2024 amounted to DKK 16,518m (end of H1 2023: DKK 20,544m).

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	H1 2024 Mining	H1 2024 Cement	H1 2024 Non-Core Activities	H1 2024 Group	H1 2023 Mining	H1 2023 Cement	H1 2023 Non-Core Activities	H1 2023 Group
Point in time*	4,306	1,119	30	5,455	4,995	1,423	260	6,678
Percentage of completion								
- Service, single machines and product bundles*	2,455	1,094		3,549	3,040	1,635	0	4,675
- Product bundles with engineering under enhanced risk governance	603	126	64	793	501	194	367	1,062
Total revenue	**7,364**	**2,339**	**94**	**9,797**	**8,536**	**3,252**	**627**	**12,415**

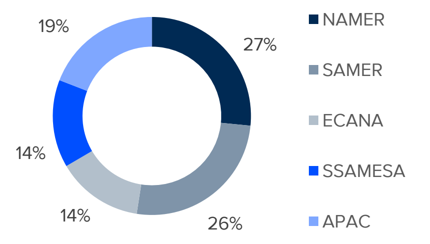
* Mining revenue in Q1 2024 of DKK 0.4bn is reclassified from Point in time to Percentage of completion (Service, single machines and product bundles).

Revenue split on segment and category

DKKm	H1 2024 Mining	H1 2024 Cement	H1 2024 Non-Core Activities	H1 2024 Group	H1 2023 Mining	H1 2023 Cement	H1 2023 Non-Core Activities	H1 2023 Group
Products business	2,403	971	64	3,438	3,003	1,492	405	4,900
Service business	4,961	1,368	30	6,359	5,533	1,760	222	7,515
Total revenue	**7,364**	**2,339**	**94**	**9,797**	**8,536**	**3,252**	**627**	**12,415**

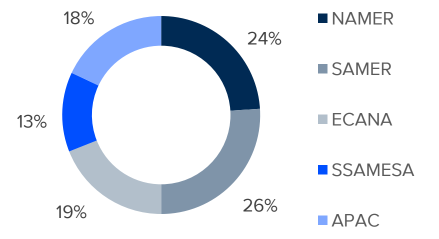
Revenue split by Regions H1 2024

%



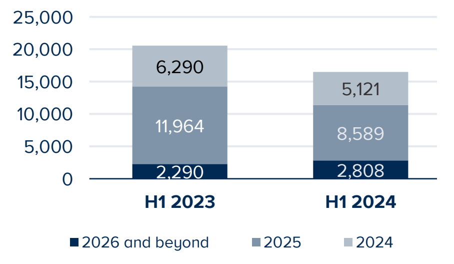
Revenue split by Regions H1 2023

%



Backlog

DKKm



5. Financial costs

Financial costs include an impairment loss of DKK 39m on the investment in the associate Intertek Robotics Laboratories Pty Ltd, Australia following a downward revision of expected future performance.

6. Provisions

Provisions decreased by DKK 46m compared to 31 December 2023. The decrease reflects primarily the use of restructuring provisions following execution on the transformation strategy that was partly offset by increase in other provisions.

For a description of the main provision categories see note 2.7 in the 2023 Annual Report.

Provisions

DKKm	30/06 2024	31/12 2023	30/06 2023
Provisions at 1 January	2,295	2,507	2,507
Foreign exchange adjustments	10	(19)	(22)
Acquisition and disposal of Group enterprises	(12)	14	2
Additions	645	1,598	874
Used	(493)	(1,399)	(400)
Reversals	(196)	(406)	(138)
Provisions	**2,249**	**2,295**	**2,823**
The split of provisions is as follows:			
Warranties	872	883	1,009
Restructuring	123	360	516
Other provisions	1,254	1,052	1,298
	2,249	**2,295**	**2,823**
The maturity of provisions is specified as follows:			
Current liabilities	1,574	1,635	1,967
Non-current liabilities	675	660	856
	2,249	**2,295**	**2,823**

7. Contractual Commitments and contingent liabilities

Contingent liabilities at Q2 2024 amounted to DKK 2,550m (31 December 2023: DKK 2,638m).

Contingent liabilities primarily relate to customary performance and payment guarantees. The volume of such guarantees amounted to DKK 2,266m (31 December 2023: DKK 2,272m). 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 6.

Other contingent liabilities of DKK 284m (31 December 2023 DKK 366m) 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.

In 2021, a customer initiated arbitration against FLSmidth and certain partners for alleged contractual breaches ('the Tunisia contract'). In Q2 2024, the case was settled.

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 2023 Annual Report.

8. Discontinued activities

Discontinued activities related to 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. In Q4 2023, we made a write down of DKK 149m as we foresee a high risk of not being able to collect amounts due from a customer that made an unsubstantiated cash withdrawal on a performance bond in 2021.

From 1 January 2024, the activities are included within the Non-Core Activities segment for full wind-down. This includes the remaining net asset of DKK 67m consisting of net working capital of DKK 132m and provisions of DKK 65m. We do not expect any material future financial impact from the full wind-down of the activities.

9. Net working capital

Net working capital at 30 June 2024 has increased by DKK 0.6bn compared to 31 December 2023. The increase is primarily driven by payments to suppliers leading to a reduction in trade payables and increase in prepayments.

Utilisation of supply chain financing is at the same level as December 2023 and amounting to DKK 504m in H1 2024 (31 December 2023: 504m).

Net working capital

DKKm	30/06 2024	31/12 2023	30/06 2023
Inventories	3,544	3,450	3,978
Trade receivables	4,658	4,516	4,821
Work in progress, assets	3,018	2,769	3,279
Prepayments	516	423	717
Other receivables	965	855	1,077
Derivative financial instruments	63	37	44
Prepayments from customers	(2,184)	(1,933)	(2,245)
Trade payables	(3,523)	(4,024)	(4,166)
Work in progress, liability	(3,417)	(3,025)	(3,505)
Other liabilities	(1,569)	(1,637)	(1,417)
Derivative financial instruments	(50)	(49)	(41)
Net working capital	**2,021**	**1,382**	**2,542**
Change in net working capital	(639)	511	(649)
Acquisitions/disposal of activities, financial instruments and foreign exchange effect on cash flow	(97)	(213)	17
Cash flow effect from change in net working capital	**(736)**	**298**	**(632)**

10. Business Acquisitions

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.

11. Disposal of activities

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 460m and DKK 262m, respectively, were derecognised. The assets include goodwill of DKK 72m, other non-current assets of DKK 124m and current assets of DKK 264m (primarily working capital). The liabilities include lease liabilities of DKK 54m, provisions of DKK 12m, working capital and other liabilities of DKK 195m. The transaction led to a gain of around DKK 30m, subject to final purchase price adjustments and presented under Other operating net income.

In Q3 2023, the transaction on the sale of material handling technology to KOCH Solutions was completed. The final purchase price adjustments are currently being determined. It is now expected that the outcome will be a loss from the sale of around DKK 20m that has been included in Q2 2024 within Non-core activities under Other operating net income.

12. 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 June 2024.

13. Accounting policies

The condensed interim report of the Group for the first six months of 2024 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 2023 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 2023 Annual Report for further details.

In addition to the changes mentioned in note 7.7 in Annual Report 2023, IASB has issued IFRS 18, Presentation and Disclosure in Financial Statements with effective date 1 January 2027. The Standard replaces IAS 1, Presentation of Financial Statements, and includes requirements on presentation in the primary financial statements together with the disclosure of information in the notes. It is not expected that the implementation will have a significant impact on the presentation and disclosure.

Changes in accounting policies

As of 1 January 2024, FLSmidth Group has implemented all new or amended accounting standards and interpretations as adopted by the EU and applicable for the 2024 financial year. This includes the changes to:

- IAS 1 (Classification of Liabilities as Current or Non-current) and
- IAS 7 and IFRS 7 (Supplier Finance Arrangements) and
- IFRS 16 (Lease Liability in a Sale and Leaseback)

The implementation has not had and is not expected to have significant impact on the consolidated condensed interim 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 June 2024.

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 consoli-dated condensed interim financial statements have not been audited or reviewed by the Group's inde-pendent auditors.

In our opinion, the consolidated condensed inter-im financial statements give a true and fair view of the Group's financial position at 30 June 2024 as well as of the results of its operations and cash flows for the period 1 January – 30 June 2024.

In our opinion, the management's review gives a fair review of the development in the Group's ac-tivity and financial matters, results of opera-tions, cash flows and financial position as well as a de-scription of the principal risks and uncertain-ties that the Group faces.

Valby, 15 August 2024

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

Thrasyvoulos Moraitis

Daniel Reimann

Anna Kristiina Hyvönen

Claus Østergaard

Carsten Hansen

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 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 June 2024

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