Group financial information

Consolidated income statement

January-December, MSEK	Note	2025	2024
Revenues	4	61 998	63 604
Cost of sales		-39 024	-40 658
Gross profit		**22 974**	**22 946**
Administrative expenses		-4 498	-4 531
Marketing expenses		-4 021	-4 250
Research and development expenses		-1 966	-2 282
Other operating income	7	262	628
Other operating expenses	7	-826	-106
Share of profit in associated companies	15	0	-20
Operating profit	4, 5, 6, 7, 17	**11 925**	**12 385**
Financial income	8, 9	476	470
Financial expenses	8, 9	-1 165	-1 416
Net financial items		**-689**	**-946**
Profit before tax		**11 236**	**11 439**
Income tax expense	10	-2 637	-2 683
Profit for the year		**8 599**	**8 756**
Profit attributable to:			
– owners of the parent		8 602	8 731
– non-controlling interests		-3	25
Basic earnings per share, SEK	12	7.12	7.23
Diluted earnings per share, SEK	12	7.11	7.23

Consolidated statement of comprehensive income

January-December, MSEK	Note	2025	2024
Profit for the year		**8 599**	**8 756**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit pension plans		135	204
Income tax relating to items that will not be reclassified		-30	-45
Total items that will not be reclassified to profit or loss		**105**	**159**
Items that may be reclassified subsequently to profit or loss			
Translation differences on foreign operations		-4 688	1 459
Hedge of net investments in foreign operations		-76	251
- realized and reclassified to income statement		-251	-
Cash flow hedges		240	-288
Income tax relating to items that may be reclassified		18	8
Total items that may be reclassified subsequently to profit or loss		**-4 757**	**1 430**
Other comprehensive income for the year, net of tax	11	**-4 652**	**1 589**
Total comprehensive income for the year		**3 947**	**10 345**
Total comprehensive income attributable to			
- owners of the parent		3 990	10 317
- non-controlling interests		-43	28

Consolidated balance sheet

MSEK	Note	Dec. 31, 2025	Dec. 31, 2024
Assets			
Non-current assets			
Intangible assets	13	21 923	25 075
Rental equipment	14	1 300	1 543
Other property, plant and equipment	14	7 449	7 932
Investments in associated companies	15	29	34
Other financial assets and other receivables	16	2 638	2 225
Deferred tax assets	10	1 505	1 576
Total non-current assets		**34 844**	**38 385**
Current assets			
Inventories	17	18 100	19 191
Trade receivables	18	11 155	12 424
Other receivables	19	3 952	3 868
Current tax receivables		1 386	1 059
Financial assets	16	1 366	1 483
Cash and cash equivalents	20	9 574	7 179
Total current assets		**45 533**	**45 204**
Total assets		**80 377**	**83 589**
Equity and liabilities			
Equity			
Share capital		500	500
Other paid-in capital		118	117
Reserves		-2 524	2 193
Retained earnings including profit for the year		44 167	39 947
Equity attributable to owners of the parent		**42 261**	**42 757**
Non-controlling interests		11	423
Total equity	21	**42 272**	**43 180**
Liabilities			
Non-current liabilities			
Interest-bearing liabilities	22, 23	16 776	19 612
Post-employment benefits	24	178	201
Deferred tax liabilities	10	1 552	1 737
Other liabilities		132	165
Provisions	27	311	442
Total non-current liabilities		**18 949**	**22 157**
Current liabilities			
Interest-bearing liabilities	22, 23	4 247	2 405
Trade payables	26	5 683	5 756
Current tax liabilities		627	444
Other liabilities	26	8 163	9 143
Provisions	27	436	504
Total current liabilities		**19 156**	**18 252**
Total equity and liabilities		**80 377**	**83 589**

Consolidated statement of changes in equity

2025	Equity attributable to owners of the parent							
MSEK	**Share capital**	**Other paid-in capital**	**Translation reserve**	**Cash flow hedge**	**Retained earnings**	**Subtotal**	**Non-controlling interests**	**Total equity**
Opening balance, Jan. 1	**500**	**117**	**2 192**	**1**	**39 947**	**42 757**	**423**	**43 180**
Profit for the year	-	-	-	-	8 602	8 602	-3	8 599
Other comprehensive income for the year	-	-	-4 648	-69	105	-4 612	-40	-4 652
Total comprehensive income for the year	**-**	**-**	**-4 648**	**-69**	**8 707**	**3 990**	**-43**	**3 947**
Dividend	-	-	-	-	-4 594	-4 594	-16	-4 610
Divestment of 666 914 series A shares	-	1	-	-	141	142	-	142
Share-based payment, equity settled								
– expense during the year	-	-	-	-	9	9	-	9
– exercise option	-	-	-	-	-41	-41	-	-41
Non-controlling interest acquired/divested	-	-	-	-	-2	-2	-353	-355
Closing balance, Dec. 31	**500**	**118**	**-2 456**	**-68**	**44 167**	**42 261**	**11**	**42 272**

2024	Equity attributable to owners of the parent							
MSEK	**Share capital**	**Other paid-in capital**	**Translation reserve**	**Cash flow hedge**	**Retained earnings**	**Subtotal**	**Non-controlling interests**	**Total equity**
Opening balance, Jan. 1	**500**	**105**	**735**	**30**	**35 452**	**36 822**	**388**	**37 210**
Profit for the year	–	–	–	–	8 731	8 731	25	8 756
Other comprehensive income for the year	–	–	1 456	-29	159	1 586	3	1 589
Total comprehensive income for the year	**–**	**–**	**1 456**	**-29**	**8 890**	**10 317**	**28**	**10 345**
Dividend	–	–	–	–	-4 591	-4 591	-2	-4 593
Divestment of 1 405 910 series A shares	–	13	–	–	277	290	–	290
Share-based payment, equity settled								
– expense during the year	–	–	–	–	13	13	–	13
– exercise option	–	–	–	–	-93	-93	–	-93
Non-controlling interest acquired/divested	–	–	–	–	0	0	9	9
Closing balance, Dec. 31	**500**	**117**	**2 192**	**1**	**39 947**	**42 757**	**423**	**43 180**

Consolidated statement of cash flows

January - December, MSEK	Note	2025	2024
Cash flow from operating activities			
Operating profit		11 925	12 385
Adjustments for:			
Depreciation, amortization and impairment	13, 14	3 088	3 444
Capital gain/loss and other non-cash items		-7	-958
Net financial items received/paid		-1	-447
Taxes paid		-2 824	-3 039
Pension funding and payment of pension to employees		-75	-68
Cash flow before change in working capital		**12 106**	**11 317**
Change in:			
Inventories		-1 035	1 589
Operating receivables		-757	-1 620
Operating liabilities		714	-543
Change in working capital		**-1 078**	**-574**
Increase in rental equipment		-917	-878
Sale of rental equipment		564	595
Net cash flow from operating activities		**10 675**	**10 460**
Cash flow from investing activities			
Investments in other property, plant and equipment		-1 120	-890
Sale of other property, plant and equipment		18	16
Investments in intangible assets	13	-875	-966
Sale of intangible assets	13	7	–
Acquisition of subsidiaries and associated companies	3	-88	-9 658
Divestment of subsidiaries and associated companies		1	–
Proceeds to/from other financial assets, net		-182	-192
Net cash flow from investing activities		**-2 239**	**-11 690**
Cash flow from financing activities			
Dividend		-4 594	-4 591
Dividend to non-controlling interest		-16	-2
Acquisition of non-controlling interest		-355	–
Divestment of own shares		142	290
Borrowings		3 820	12 164
Repayment of borrowings		-3 833	-5 295
Payment of lease liabilities	23	-782	-667
Net cash flow from financing activities		**-5 618**	**1 899**
Net cash flow for the year		**2 818**	**669**
Cash and cash equivalents, Jan. 1		7 179	6 401
Exchange rate difference in cash and cash equivalents		-423	109
Cash and cash equivalents, Dec. 31	20	**9 574**	**7 179**
Operating cash flow			
Net cash from operating activities		10 675	10 460
Net cash from investing activities		-2 239	-11 690
Acquisition and divestment of subsidiaries and associated companies		87	9 658
Other adjustments [1)]		-797	704
Operating cash flow		**7 726**	**9 132**

[1)] Mainly currency hedges of loans and changes in Financial Solutions portfolios.

Group notes

Note 1 Accounting policies

The consolidated financial statements comprise Epiroc AB, the Parent Company ("the Company"), and its subsidiaries (together "the Group" or Epiroc) and the Group's interest in associated companies. Epiroc AB is headquartered in Nacka, Sweden. The financial year for Epiroc is Jan 1 - December 31.

The Annual Report for the Group and for Epiroc AB, including financial statements, was approved for issuance on March 19, 2026. The balance sheets and income statements are subject to approval by the Annual General Meeting of the shareholders on May 5, 2026.

Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as endorsed by the EU, the Swedish recommendation RFR 1 "Supplementary Accounting Rules for Groups" and applicable statements issued by the Swedish Financial Reporting Board.

The Group describes the most material accounting policies in conjunction with each note with the aim of providing enhanced understanding of each accounting area.

Functional currency and foreign currency translation

The financial statements are presented in Swedish krona (SEK), which is the functional reporting currency for Epiroc AB and the presentation currency for the Group. Unless otherwise stated, the amounts presented are in millions Swedish krona (MSEK).

Exchange rates for major currencies that have been used for the Group's financial statements are disclosed below.

CURRENCY RATES USED IN THE FINANCIAL STATEMENTS

			Year-end rate		Average rate	
	Value	**Code**	**2025**	**2024**	**2025**	**2024**
Australia	1	AUD	6.15	6.86	6.34	6.96
Canada	1	CAD	6.70	7.64	7.03	7.71
Chile	1 000	CLP	10.02	11.07	10.33	11.17
EU	1	EUR	10.80	11.47	11.07	11.42
South Africa	1	ZAR	0.55	0.59	0.55	0.57
USA	1	USD	9.17	11.00	9.86	10.56

New and revised accounting policies 2025

The revised accounting standards effective from January 1, 2025, have not materially affected the Group's financial statements.

New and revised accounting policies 2026 and later

An evaluation of the impact of IFRS 18 Presentation and Disclosure in Financial Statements has been performed. Implementation of IFRS 18 will have impact on presentation and classifications in the income statement and cash flow. No other new accounting standards and interpretations are considered to have a material impact on the Group's financial statements.

Accounting policies	Note	IFRS standard
Acquisitions and divestments	3. Acquisitions and divestments	IFRS 3, IFRS 10
Operating segments	4. Segment information and revenues	IFRS 8
Revenue recognition	4. Segment information and revenues	IFRS 15
Incentive programs	5. Employees and personnel expenses	IAS 19, IFRS 2
Hyperinflation	8. Remeasurement for hyperinflation	IAS 29
Income taxes	10. Income taxes	IAS 12
Earnings per share	12. Earnings per share	IAS 33
Intangible assets	13. Intangible assets	IFRS 3, IAS 36, IAS 38
Property, plant and equipment	14. Property, plant and equipment	IAS 36
Inventories	17. Inventories	IAS 2
Leasing	23. Leases	IFRS 16
Pensions and other obligations	24. Post-employment benefits	IFRS 2, IAS 19
Share-based payments	25. Share-based payments	IFRS 2
Financial instruments	29. Financial instruments	IFRS 7, IFRS 9, IFRS 13, IAS 32

Note 2 Critical accounting estimates and judgments

The preparation of financial reports requires management's judgment and the use of estimates and assumptions that affect the amounts reported in the Group's financial statements. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the prevailing circumstances. Actual results may differ from those estimates. The estimates and assumptions are reviewed on an on-going basis. Changes in accounting estimates are recognized in the period in which they are revised and in any future periods affected.

The estimates and the judgments which, in the opinion of management, are significant to the underlying amounts included in the financial reports and for which there is a significant risk that future events or new information could entail a change in those estimates or judgments are presented in connection to the items considered to be affected. The table discloses where to find these descriptions.

Critical accounting estimates and judgments	Note
Business combinations	3. Acquisitions and divestments
Revenue recognition	4. Segment information and revenues
Impairment of goodwill	13. Intangible assets
Inventories	17. Inventories
Trade and financial receivables	18. Trade receivables

The Group's assessment of how climate related issues might affect the business has been integrated into its strategic and financial planning process. At the same time, the Group reviews the potential impact of the material risks and opportunities on the balance sheet, critical accounting estimates and accounting policies including the useful economic lives of intangible and tangible assets.

The Group has issued green bonds to support the implementation of the transition plan. Epiroc is allocating funds that directly contribute to our 2030 climate goals. Sustainability targets are included in the variable compensation plans for all Group management members, including the President and CEO. Relevant sustainability targets, such as safety, CO2e reductions, or a mix of targets, are also set for other managers and employees based on their roles and responsibilities.

In summary, the Group's climate change considerations did not have a material impact on the consolidated financial reports or on the critical accounting estimates and judgments during the year.

Note 3 Acquisitions and divestments

ACCOUNTING POLICY

Business combinations

Business combinations are accounted for using the acquisition method. Business combinations are seen as if the Group directly acquires the assets and assumes the liabilities of the entity acquired. At the acquisition date, the date on which control is obtained, each identifiable asset acquired, and liability assumed is recognized at its acquisition date fair value. When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. When a business combination is achieved in stages, the Group's previously held interests (including associated companies) in the acquired entity are remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognized in profit or loss. Transaction costs that the Group incurs in connection with a business combination are expensed as incurred as operating expenses.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree, if any, over the net of acquisition date fair value amounts of the identifiable assets acquired and liabilities assumed.

Non-controlling interest is initially measured at the non-controlling interest's proportionate share of the fair value of identifiable net assets. Subsequent profit or loss attributable to the non-controlling interest is allocated to the non-controlling interest, even if it puts the non-controlling interest in a deficit position. Acquisitions of non-controlling interests are recognized as a transaction between owners of the parent and non-controlling interests. The difference between consideration paid and the proportionate share of net assets acquired is recognized in equity.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The valuation of business combinations is based on management assessment of the future earnings of the acquired company. The determination of the fair value of assets and liabilities in connection to a business combination requires the Group to apply assumptions and estimates which can vary from the actual outcomes. Some of the business combinations contain earn-outs which are based on the acquisitions achieving future targets for revenues for a predetermined period. The fair value of earn-outs is reviewed on a regular basis.

Acquisitions 2025

On April 2, 2025, Epiroc acquired the remaining share of Radlink. Epiroc acquired a majority shareholding of Radlink, 53%, already in 2022, and now owns 100%. The business has been consolidated and reported within "Service" since 2022. The transaction of MSEK -355 is reported as acquisition of non-controlling interest included in financing activities. Radlink provides mines with wireless data and voice communication networks and supporting infrastructure to surface and underground mines, vital to support mining automation. The company has approximately MSEK 1 330 in annual revenues and 415 employees. No other acquisitions have been made 2025.

Fair value (preliminary) of acquired assets and liabilitites	Changes related to acquisitions made before 2025 [1]
	2025
Net assets identified	212
of which:	
Intangible assets	33
Tangible assets	-51
Inventory	-35
Trade payables	-199
Goodwill	-180
Total consideration	**32**
Contingent consideration	-56
Net cash outflow	**88**

[1] The changes are related to updated final purchase price allocations for acquisitions completed in 2024, and payout of earn-out related to acquisitions prior years.

Divestments 2025

No material divestments of subsidiaries have been made during the last twelve months. The cash flow effect related to divestment amounts to 1 MSEK.

Acquisitions 2024

All acquisitions described below were made through the purchase of 100% of shares and voting rights or through the purchase of the net assets of the acquired business, except for ASI Mining where the remaining 66% of the shares and voting rights were acquired. Epiroc owned 34% of the shares in ASI Mining (associated company) before the acquisition date. The transaction resulted in a revaluation gain on non-controlling interest of 554 which was recognized in Other operating income. See note 7. From July 3, ASI Mining is a fully-owned subsidiary.

The Group received control over the businesses upon the date of the acquisition. All acquisitions have been accounted for using the acquisition method, no equity instruments have been issued in connection with the acquisitions.

Acquisitions that support profitable growth are a natural part of the strategy and in 2024, Epiroc has completed five acquisitions:

In April, reporting segment Tools & Attachments acquired Stanley Infrastructure, USA, including subsidiaries. The company designs, manufactures, and sells attachments, typically used on excavators, and handheld hydraulic and battery-powered tools for applications in infrastructure, construction, scrap recycling, deconstruction, and railroad infrastructure.

In May, reporting segment Equipment & Service acquired Weco Proprietary Limited, South Africa including subsidiaries. The company manufactures precision-engineered rock drilling parts and provides related repairs and services.

In June, reporting segment Tools & Attachments acquired Yieldpoint, Canada. The company designs, manufactures and sells advanced digital geotechnical instruments and has customers worldwide.

In July, reporting segment Equipment & Service acquired ASI Mining, USA, including subsidiary. The company provides mining automation systems such as remote control, teleoperation, and fully autonomous solutions.

In September, reporting segment Tools & Attachments acquired ACB+, France including subsidiary. The company manufactures attachments and quick couples used on excavators for construction and related areas such as scrap recycling and deconstruction.

The amounts in the following table detail the recognized amounts according to the preliminary purchase price allocations. The amounts are aggregated for four of the acquisitions made during the year, as the relative amounts of these individual acquisitions are not considered significant. The fifth acquisition, Stanley Infrastructure, is reported separately. The purchase price allocations are finalized within twelve months, when all relevant information have been retrieved.

Fair value (preliminary) of acquired assets and liabilitites	Group recognized values (Total)	Whereof Stanley Infrastructure	Whereof changes related to acquisitions made before 2024 1)
	2024	**2024**	**2024**
Net assets identified	4 031	3 646	6
of which:			
Intangible assets	3 029	2 559	2
Tangible assets	1 269	1 125	–
Inventory	1 092	999	–
Trade receivables	525	467	–
Trade payables	532	507	–
Goodwill	6 094	4 334	-6
Total consideration	**10 125**	**7 980**	**-0**
Acquired cash and cash equivalents	120	36	–
Revaluation gain on noncontrolling interest in ASI Mining	554	–	–
Contingent consideration 2)	-207	–	-633
Net cash outflow	**9 658**	**7 944**	**633**

1) The changes are related to updated final purchase price allocations for acquisitions completed in 2023, and payout of earn-out related to acquisitions prior years.
2) The contingent consideration consists of paid earn-out and hold-back amounts of -633 and hold-back amounts related to acquisitions in 2024 of 426. The total outstanding earn-out per December 31, amounts to 423, which corresponds to the maximum amount. The change in fair value of earn-out is included in other operating income and other operating expenses

The goodwill recognized on acquisitions is primarily related to the synergies expected to be achieved from integrating these companies into the Group's existing structure. As of December 31, the acquisitions have a total cash flow effect of -9 025. The earn-out is recognized as a liability at fair value. The payment is dependent on achieving future targets for revenues within two years of the acquisition. The fair value is based on probability-weighted scenarios and is discounted to net present value. According to the preliminary purchase price allocations, total consideration amounts to 10 125. The acquired businesses have contributed to revenues by 2 807 and to operating profit by -3 since their respective dates of acquisition.

CONTRIBUTION FROM BUSINESSES ACQUIRED IN 2024

MSEK	Total	Whereof Stanley Infrastructure 1)
Contribution from date of control		
Revenues	2 807	2 635
Operating profit	-3	-17
Contribution if the acquisition had occured on Jan. 1		
Revenues	4 072	3 595
Operating profit	-233	-167

1) The revenues were lower 2024 due to weak construction market in USA.

Divestments 2024

No material divestments of subsidiaries have been made during the last twelve months.

Note 4 Segment information and revenues

ACCOUNTING POLICY - SEGMENT INFORMATION

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Group's President and CEO, who is the chief operating decision maker for Epiroc, monitors the operations by divisions which represent the operating segments for the Group. In the Group's financial statements, the operating segments are aggregated into two Business Areas, Equipment & Service and Tools & Attachments, which are the reporting segments, in accordance with IFRS 8.

The Group is organized in eight separate and focused, but still integrated operating divisions, which in turn are organized in two Business Areas: Equipment & Service and Tools & Attachments. The Business Areas offer different products and services and are also, together with the divisions, the basis for management and internal reporting and are regularly reviewed by the Group's President and CEO. The Business Areas are the reporting segments for Epiroc.

2025	**Equipment & Service**	**Tools & Attachments**	**Common group functions**	**Eliminations**	**Group**
Revenues from external customers	47 121	14 783	94	-	61 998
Inter-segment revenues	-	5	27	-32	-
Total revenues	**47 121**	**14 788**	**121**	**-32**	**61 998**
Operating profit	**10 458**	**1 810**	**-372**	**29**	**11 925**
– of which share of profit in associated companies	-	-	-	-	-
Net financial items	-	-	-	-	-689
Income tax expense	-	-	-	-	-2 637
Profit for the year	**-**	**-**	**-**	**-**	**8 599**
Non-cash expenses					
Depreciation/amortization	2 206	818	76	-15	3 085
Impairment	3	-	-	-	3
Other non-cash expenses/income	16	-111	-8	-	-103
Segment assets	**41 275**	**21 142**	**5 447**	**-1 003**	**66 861**
– of which goodwill	7 587	6 944	-	-	14 531
Investments in associated companies	27	2	-	-	29
Unallocated assets	-	-	-	-	13 487
Total assets	**-**	**-**	**-**	**-**	**80 377**
Segment liabilities	**12 718**	**3 938**	**1 998**	**-972**	**17 682**
Unallocated liabilities	-	-	-	-	20 423
Total liabilities	**-**	**-**	**-**	**-**	**38 105**
Capital expenditures					
Property, plant and equipment	2 099	634	53	-10	2 776
– of which assets leased	523	215	-	-	739
Intangible assets	751	94	30	-	875
Total capital expenditures	**2 850**	**728**	**83**	**-10**	**3 651**
Intangible assets acquired (acquisition of business)	6	27	-	-	33
Goodwill acquired	16	-196	-	-	-180

2024	Equipment & Service	Tools & Attachments	Common group functions	Eliminations	Group
Revenues from external customers	48 793	14 637	174	–	63 604
Inter-segment revenues	121	3	23	-147	-
Total revenues	**48 914**	**14 640**	**197**	**-147**	**63 604**
Operating profit	**11 310**	**1 373**	**-306**	**8**	**12 385**
– of which share of profit in associated companies	*-20*	–	–	–	*-20*
Net financial items	–	–	–	–	-946
Income tax expense	–	–	–	–	-2 683
Profit for the year	**–**	**–**	**–**	**–**	**8 756**
Non-cash expenses/income					
Depreciation/amortization	2 268	740	118	-29	3 097
Impairment	347	–	–	–	347
Other non-cash expenses/income	-15	-93	-75	-	-183
Segment assets	**44 643**	**24 031**	**4 981**	**-454**	**73 201**
– of which goodwill	*8 444*	*8 255*	–	–	*16 699*
Investments in associated companies	31	3	–	–	34
Unallocated assets	–	–	–	–	10 354
Total assets	**–**	**–**	**–**	**–**	**83 589**
Segment liabilities	**13 227**	**4 549**	**1 302**	**-391**	**18 687**
Unallocated liabilities	–	–	–	–	21 722
Total liabilities	**–**	**–**	**–**	**–**	**40 409**
Capital expenditures					
Property, plant and equipment	2 239	569	188	-37	2 957
– of which assets leased	*936*	*240*	*14*	–	*1 189*
Intangible assets	882	74	10	–	966
Total capital expenditures	**3 121**	**643**	**196**	**-37**	**3 923**
Intangible assets acquired (acquisition of business)	399	2 630	–	–	3 029
Goodwill acquired	1 450	4 461	–	183	6 094

Common group functions are functions which serve the whole Group and is not considered a segment. Common group functions include Epiroc Financial Solutions. Revenues from operating leases owned by Epiroc Financial Solutions are reported under common group functions.

Segment assets comprise property, plant and equipment (including right-of-use assets), intangible assets, lease receivables, other non-current receivables, inventories, and current receivables. Segment liabilities include the sum of non-interest-bearing liabilities such as operating liabilities, other provisions, and other non-current liabilities. Lease liabilities (part of interest-bearing liabilities) are also included. Capital expenditure includes property, plant and equipment, and intangible assets, but excludes the effect of goodwill, intangible assets and property, plant and equipment through acquisitions.

ACCOUNTING POLICY - REVENUE RECOGNITION

Revenue recognition
Revenue is recognized to an amount that reflects the expected and entitled consideration for transferring goods and/or services to customers when control has passed to the customer.

Goods sold/Equipment
Revenue from goods sold is recognized at one point in time when control of the goods has been transferred to the customer. This occurs when the Group has a present right to payment for the goods, the customer has legal title of the goods, the goods have been delivered to the customer and/or the customer has the significant risks and rewards of the ownership of the goods.

When the goods sold are highly customized and an enforceable right to payment is present, revenue is recognized over time using the proportion of cost incurred to date compared to estimated total cost to measure progress towards transferring the control of the goods to the customer.

Some contracts with customers provide a right of return, trade discounts or volume rebates. With such components, revenue is deferred until highly probable that a reversal of revenue will not occur. Such provisions are estimated at contract inception and updated thereafter.

When a contract with a customer provides a right to return the goods within a specified period, the Group accounts for the right of return using the expected value method based on historical experience with the customer or similar customers and taking into consideration future expected deliveries. The amount of revenue related to the expected returns is deferred and recognized in the balance sheet within "Other liabilities". A corresponding adjustment is made to the cost of sales and recognized in the balance sheet within "Other receivables".

The performance obligation is satisfied upon delivery of the equipment, except for equipment with complex installation, in these circumstances; the performance obligation is satisfied upon completion of installation of the equipment. Payment is generally due between 30–60 days from delivery. In some contracts, short-term advances are required before the equipment is delivered. Some contracts contain right of return, late delivery penalties, volume rebates and buy-backs, which give rise to variable consideration. With variable consideration revenue is deferred until highly probable that a reversal of revenue will not occur.

Installation services are sold either separately or as a part of an equipment sale. The performance obligation is satisfied over time and payment is generally due upon completion and acceptance by the customer.

Services
Revenue from services is recognized over time by reference to the progress towards satisfaction of each performance obligation. The progress towards satisfaction of each performance obligation is measured by the proportion of cost incurred to date compared to estimated total cost of each performance obligation.

Where the outcome of a service contract cannot be estimated reliably, revenue is recognized to the extent of costs incurred that are expected to be recoverable. When it is probable that total contract costs will exceed total revenue, the expected loss is recognized as an expense immediately. Payment is generally due 30–60 days after completion.

Rental operations
Rental income from rental equipment is recognized on a straight-line basis over the rental period. Sale of rental equipment is recognized as revenue when the significant risks and rewards of ownership have been transferred to the buyer. The carrying value of the rental equipment sold is recognized as cost of sales. Investments in and sale of rental equipment are included in cash flow from operating activities.

Contract assets and contract liabilities
If the right to consideration for a specific performance obligation is conditional on satisfying another performance obligation, the right is classified as a contract asset. When payment has been received in advance of satisfying the performance obligation, the liability is classified as a contract liability.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Revenue for services is recognized over time in profit or loss by reference to the progress towards satisfaction of the performance obligation at the balance sheet date. The progress towards satisfaction is determined by the proportion of cost incurred to date compared to estimated total cost of each performance obligation. Revenue for goods sold is recognized in profit or loss at one point in time when control of the goods has been transferred to the customer.

Management's judgment is used, for instance, when assessing:

- the degree of progress towards satisfaction of the performance obligations and the estimated total costs for such contracts when revenue is recognized over time, to determine the revenue and cost to be recognized in the current period, and whether any losses need to be recognized,
- if the control has been transferred to the customer (i. e., the Group has a present right to payment for the goods, the customer has legal title of the goods, the goods have been delivered to the customer and/or the customer has the significant risks and rewards of the ownership of the goods), to determine if revenue and cost should be recognized in the current period,
- the transaction price of each performance obligation when a contract includes more than one performance obligation, to determine the revenue and cost to be recognized in the current period, and
- the customer credit risk (i.e., the risk that the customer will not meet the payment obligation), to determine and justify the revenue recognized in the current period.

REVENUES BY SEGMENT AND CATEGORY

	2025	2024
Equipment & Service	47 121	48 914
of which Equipment	21 229	*21 726*
of which Service [1)]	25 892	*27 188*
Tools & Attachments	14 788	14 640
Common Group functions/eliminations	89	50
Total	**61 998**	**63 604**

[1)] Service includes spare parts and service.

Geographical information

The revenues presented are based on the location of the customers while non -current assets are based on the geographical location of the assets. These assets include non-current assets other than financial instruments, investments in associated companies, deferred tax assets, and post-employment benefit assets.

GEOGRAPHICAL DISTRIBUTION OF REVENUES

	2025	2024
Epiroc Group [1)]	**61 998**	**63 604**
North America	17 808	17 795
South America	7 808	7 760
Europe	8 270	8 719
Africa/Middle East	9 961	10 832
Asia/Australia	18 151	18 498
Equipment & Service	**47 121**	**48 914**
North America	11 217	11 679
South America	6 950	6 838
Europe	5 503	6 151
Africa/Middle East	7 858	8 592
Asia/Australia	15 593	15 654
Tools & Attachments	**14 788**	**14 640**
North America	6 533	6 040
South America	858	922
Europe	2 739	2 592
Africa/Middle East	2 103	2 240
Asia/Australia	2 555	2 846

[1)] Including 89 (50) related to common group functions and eliminations.

BY GEOGRAPHIC AREA/COUNTRY

	Revenues		Non-current assets	
	2025	**2024**	**2025**	**2024**
North America				
USA	8 803	8 293	9 664	11 977
Canada	6 360	6 905	1 496	1 716
Mexico	2 645	2 597	851	871
	17 808	**17 795**	**12 011**	**14 564**
South America				
Chile	3 619	3 250	205	246
Peru	1 897	1 819	91	108
Brazil	1 276	1 409	74	72
Argentina	211	332	1	2
Dominican Republic	199	248	0	0
Other countries	606	702	18	17
	7 808	**7 760**	**389**	**445**
Europe				
Sweden	1 655	1 468	5 992	5 843
Türkiye	1 099	1 386	11	15
France	649	452	413	461
Spain	623	565	26	31
Germany	586	546	185	328
Norway	470	558	52	63
Poland	423	419	6	6
Italy	377	466	164	150
Other countries	2 388	2 859	458	482
	8 270	**8 719**	**7 307**	**7 379**
Africa/Middle East				
South Africa	4 017	4 309	1 047	1 128
Congo (DRC)	1 494	2 472	115	110
Zambia	1 028	1 072	41	46
Ghana	583	430	27	37
Mali	349	256	14	16
Tanzania	297	291	23	21
Other countries	2 193	2 002	46	34
	9 961	**10 832**	**1 313**	**1 392**
Asia/Australia				
Australia	10 461	10 444	8 139	9 198
China	2 750	2 812	718	833
India	1 690	1 777	497	431
Kazakhstan	994	990	50	41
Mongolia	812	699	37	6
Indonesia	563	740	41	54
Other countries	881	1 036	170	207
	18 151	**18 498**	**9 652**	**10 770**
Total	**61 998**	**63 604**	**30 672**	**34 550**

Performance obligations

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially satisfied as of December 31) are as follows:

	2025	**2024**
Within one year	636	1 542
More than one year	771	799

The remaining performance obligations expected to be recognized within one year or more than one year, relate to combined service contracts, where the entire contract is assessed to be one performance obligation.

The amount of remaining performance obligations not yet satisfied or partially satisfied has not been disclosed for:

- Contracts with a contract period of less than one year.
- Contracts meeting the requirement for the right to invoice expedient.

Note 5 Employees and personnel expenses

ACCOUNTING POLICY

Incentive programs
The Group has share-based incentive programs, consisting of stock options and share appreciation rights, which may be offered to certain employees based on position and performance. Additionally, the Board are offered synthetic shares. The incentive programs are accounted for in accordance with IAS 19 Employee benefits. See note 25.

AVERAGE NUMBER OF EMPLOYEES

	2025			2024		
	Women	Men	Total	Women	Men	Total
Parent Company						
Sweden	31	23	54	31	22	53
Subsidiaries						
North America	812	3 376	4 187	756	3 231	3 987
South America	254	1 137	1 391	248	1 222	1 470
Europe	1 139	3 668	4 807	1 103	3 620	4 723
– of which Sweden	853	2 659	3 512	*832*	*2 675*	*3 507*
Africa/Middle East	520	2 238	2 758	472	2 334	2 806
Asia/Australia	1 080	4 777	5 857	1 022	4 717	5 739
Total subsidiaries	**3 804**	**15 196**	**19 000**	**3 601**	**15 124**	**18 725**
Total	**3 835**	**15 219**	**19 054**	**3 632**	**15 146**	**18 778**

NUMBER AND PROPORTION OF WOMEN IN THE BOARD OF DIRECTORS, GROUP MANAGEMENT AND OTHER SENIOR MANAGERS

	2025			2024		
Group	Women	Men	Proportion of women %	Women	Men	Proportion of women %
Board of Directors excl. union representatives [1)]	5	4	56	5	4	56
Group Management	2	4	33	3	10	23
Other senior managers in subsidiaries [2)]	5	37	12	5	31	14

[1)] The President and CEO is also a member of the Board of Directors.

[2)] Other senior managers refer to General Managers and Regional General Managers with legal functions.

REMUNERATION AND OTHER BENEFITS FOR THE GROUP

KSEK	2025	2024
Salaries and other remuneration [1), 2)]	12 082	12 813
of which Parent Company [2)]	*111*	*101*
Contractual pension benefits [3)]	844	778
of which Parent Company	*17*	*16*
Other social costs	1 642	1 594
of which Parent Company [2)]	*25*	*20*
Total	**14 568**	**15 185**

[1)] Salaries and other remuneration including variable compensation to Board of Directors and Group Management, excluding pensions, 91 (91).

[2)] Recognized costs for share-based payments 16 (7) of which 3 (3) to Group Management and social costs 4 (-7).

[3)] Pensions to Group Management 13 (16).

REMUNERATION TO SENIOR MANAGERS IN SUBSIDIARIES [1)]

MSEK	2025	2024
Salaries and other remuneration [2)]	126	108
Contractual pension benefits	11	9
Other social costs	9	8

[1)] Senior managers refer to General Managers and Regional Managers with legal functions.

[2)] Salaries and other remuneration include recognized cost for share-based payments.

REMUNERATION AND OTHER BENEFITS TO THE BOARD OF DIRECTORS

2025 KSEK	Fee	Value of synthetic share at grant date	Number of shares at grant date	Other fees [1)]	Total fees incl. value of synthetic shares at grant date [2)]	Effect of vesting and change in stock price [3)]	Total expense recognized
Chair of Board:							
Ronnie Leten	2 876	-	-	493	3 369	-	3 369
Other members of the Board:							
Anthea Bath	452	452	2 119	81	984	111	1 095
Astrid Skarheim Onsum [4)]	302	-	-	83	385	166	551
Fredric Stahl	601	-	-	15	616	-	616
Helena Hedblom	-	-	-	-	-	-	-
Jeane Hull	903	-	-	-	903	-	903
Jenny Lindqvist	301	301	1 389	-	601	-	601
Johan Forssell	452	452	2 119	123	1 026	230	1 256
Lennart Evrell [4)]	151	151	729	126	428	237	665
Ulla Litzén	452	452	2 119	452	1 355	23	1 378
Sigurd Mareels	452	452	2 119	-	903	230	1 133
Union representatives [5)]	-	-	-	96	96	-	96
Total	**6 940**	**2 258**	**10 593**	**1 470**	**10 667**	**996**	**11 664**

[1)] Refers to fees in board committees.
[2)] Provision for synthetic shares (excl. social costs) at December 31, 2025, amounted to MSEK 9.6 (8.9).
[3)] Refers to synthetic shares received in 2021-2025.
[4)] Astrid Skarheim Onsum and Lennart Evrell left the board after the Annual General Meeting 2025.
[5)] Union representatives receive compensation to prepare for their participation in board meetings.

2024 KSEK	Fee	Value of synthetic share at grant date	Number of shares at grant date	Other fees [1)]	Total fees incl. value of synthetic shares at grant date [2)]	Effect of vesting and change in stock price [3)]	Total expense recognized
Chair of Board:							
Ronnie Leten	2 668	-	-	449	3 117	-	3 117
Other members of the Board:							
Anthea Bath	418	418	2 034	-	836	-44	793
Astrid Skarheim Onsum	836	-	-	200	1 037	-28	1 009
Helena Hedblom	-	-	-	-	-	-	-
Jeane Hull	836	-	-	-	836	-	836
Johan Forssell	418	418	2 034	111	947	-58	890
Lennart Evrell	418	418	2 034	330	1 166	-58	1 190
Ulla Litzén	569	268	1 293	414	1 250	-17	1 233
Sigurd Mareels	418	418	2 034	-	836	-75	761
Union representatives [4)]	-	-	-	96	96	-	96
Total	**6 583**	**1 941**	**9 428**	**1 600**	**10 123**	**-279**	**9 844**

[1)] Refers to fees in board committees.
[2)] Provision for synthetic shares (excl. social costs) at December 31, 2024, amounted to MSEK 8.9 (9.6).
[3)] Refers to synthetic shares received in 2020-2024.
[4)] Union representatives receive compensation to prepare for their participation in board meetings.

REMUNERATION AND OTHER BENEFITS TO GROUP MANAGEMENT

2025 KSEK	Base salary	Variable compensation 1)	Other benefits 2)	Pension fees	Total, excl. recognized costs for share-based payments	Recognized costs for share-based payments 3)	Total expense recognized
President and CEO							
Helena Hedblom	13 650	3 740	127	4 777	22 294	1 691	23 985
Other members of Group Management (5 positions) 4)	41 243	14 720	6 316	8 683	70 962	3 781	74 743
Total	**54 893**	**18 460**	**6 443**	**13 460**	**93 256**	**5 472**	**98 728**

1) Variable compensation refers to amount earned in 2025 and to be paid in 2026

2) Refers to vacation pay, company car, medical insurance, housing allowance, severance pay and other benefits.

3) Refers to the stock options received in 2018–2025 and includes recognized costs due to change in stock price and vesting period.

4) Effective September 1, 2025, Epiroc introduced two Business Areas. Division Presidents now report to Business Area Presidents instead of the CEO, reducing other Group Management positions from twelve to five. Expenses for the twelve positions are included until August 31, 2025.

2024 KSEK	Base salary	Variable compensation 1)	Other benefits 2)	Pension fees	Total, excl. recognized costs for share-based payments	Recognized costs for share-based payments 3)	Total expense recognized
President and CEO							
Helena Hedblom	13 000	2 093	129	4 550	19 772	2 483	22 255
Other members of Group Management (12 positions) 4)	45 415	7 389	13 026	11 227	77 057	330	77 387
Total	**58 415**	**9 482**	**13 155**	**15 777**	**96 829**	**2 813**	**99 642**

1) Variable compensation refers to amount earned in 2024 and to be paid in 2025

2) Refers to vacation pay, company car, medical insurance, housing allowance, severance pay and other benefits.

3) Refers to the stock options received in 2017–2024 and includes recognized costs due to change in stock price and vesting period.

4) In April 2024 Wayne Symes joined as President of Underground Division, replacing Sami Niiranen who left for a position outside the Group. In June 2024 Jodie Velasquez joined as President of Part & Services APAC Division, replacing Arman Bagdasarian who left for a position outside the Group.

REMUNERATION AND OTHER FEES FOR MEMBERS OF THE BOARD OF DIRECTORS, THE PRESIDENT AND CEO, AND OTHER MEMBERS OF GROUP MANAGEMENT

Remuneration to the Board of Directors 2025

The remuneration to the Board of Directors is approved at the Annual General Meeting of the shareholders. Remuneration and fees are based on the work performed by the Board. The Annual General Meeting held on May 8, 2025, decided that fees to the Board members elected by the general meeting, until the next Annual General Meeting, should be as follows:

- The Chair of the Board was granted an amount of SEK 2 960 000.
- Each of the other Board members not employed by the Group were granted SEK 930 000.
- An amount of SEK 372 000 was granted to the Chair of the Audit Committee and SEK 242 000 to each of the other members of this committee.
- An amount of SEK 172 000 was granted to the Chair of the Remuneration Committee and SEK 125 000 to each of the other members of this committee.
- An amount of SEK 85 000 to each non-executive director who, in addition, participates in committee work decided upon by the Board.

The Board members may choose to receive their whole remuneration in cash or 50% of the remuneration in cash and 50% of their remuneration in the form of synthetic shares. The synthetic shares received will be based on an average of the closing price of A-shares during ten trading days following the publishing of the first quarter results 2025. The payment of each synthetic share is made in 2030 and corresponds to the average price during the ten trading days after the publishing of the first quarterly result in 2030. The synthetic shares also carry the right to a recalculation in order to take into account the value of any dividend paid on Epiroc's shares during the period the synthetic shares have been held.

Five Board members accepted the right to receive synthetic shares. The number and costs at grant date and at the end of the fiscal year are disclosed by Board member in the table "Remuneration and other benefits to the Board of Directors".

Remuneration to Group Management

The principles for the remuneration to the members of Group Management are adopted by the general meeting of the shareholders in the Guidelines for Senior Executive Remuneration. The present guidelines were adopted by the Annual General Meeting 2025. These approved guidelines are outlined below. They will be in force until the Annual General Meeting 2029 unless the Board before then finds a need for material amendments and proposes to the general meeting to adopt such amendments.

Group Management consists of the present President and CEO and five other members. The compensation to Group Management consists of base salary, variable compensation, possible long-term incentive, pension benefits and other benefits.

President and CEO

The variable compensation can provide a maximum of 70% of the base salary. The variable compensation is not included in the basis for pension benefits.
The President and CEO is a member of the Epiroc group pension policy for executives in Sweden, which is a defined contribution plan. The contribution is age related and 35% of the base salary for the President and CEO. The retirement age is 65.
The President and CEO is entitled to severance pay of 12 months if the Company terminates employment and a further six months if the President and CEO has not been engaged in a new employment contract.
The President and CEO is eligible to a performance related employee stock option plan during 2025. Further information about the plan is found in note 25.

Other members of Group Management

The variable compensation can provide a maximum of 40-60% of the base salary depending on position.

Members of Group Management locally employed in Sweden have a defined contribution pension plan, with contribution ranging from 30% to 35% of the base salary depending on age. The variable compensation is not included in the basis for pension benefits. The retirement age is 65. One member is on expatriate terms and conditions and on a defined contribution pension plan with contributions related to the home country pension plan. One member is locally employed in the US with a defined contribution pension plan according to local market practice.

Other benefits mainly consist of company car and private health insurance. One member is on expatriate terms and conditions and receive benefits according to the Epiroc Group Expatriate Policy and one member is locally employed in the US with benefits according to local market practice.

Other members of Group Management are entitled to severance pay if the Company terminates their employment. The amount of severance pay is dependent on the length of employment with the Company and the age of the executive, but never more than 24 months' salary.

Stock Options, holdings for Group Management

Group Management is eligible for a performance based employee stock option plan during 2025. The stock options holdings as of December 31, 2025, are detailed below. Further information about the plan is found in note 25.

STOCK OPTIONS HOLDINGS (INCLUDING MATCHING OPTIONS) AT DEC. 31, 2025

Grant Year	President and CEO	Other members of Group Management
2019	32 563	24 523
2020	58 723	24 189
2021	153 341	67 046
2022	129 062	122 223
2023	14 496	15 632
2024	6 033	8 767
2025 [1)]	89 970	71 960
Total	**484 188**	**334 340**

[1)] Estimated grants for the 2025 stock option program.

Performance based employee stock option plan

It is important that key personnel at Epiroc have a long-term interest in good value development of the shares of the Company and align their performance in a manner that enhances such development. In particular, this applies to the group of key personnel that consists of the senior executives. It is also the assessment of the Board that a share related employee stock option program increases the attractiveness of Epiroc on the global market and enhances the possibility to recruit and keep key personnel in the Group.

Guidelines for senior executive remuneration, as adopted by the Annual General Meeting 2025

The President and CEO and the other members of Group Management fall within the provisions of these guidelines and are hereinafter referred to as "senior executives". The guidelines are forward-looking, i.e., they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting 2025. These guidelines do not apply to remuneration decided or approved by the general meeting.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

For more information regarding the Company's business strategy, see chapter "Value-creating strategy". A prerequisite for the successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company is able to recruit and retain qualified personnel. To this end, it is necessary that the Company offers competitive remuneration.

Long-term share-related incentive programs have been implemented in the Company. Such programs have been decided, and any future such program will be decided, by the general meeting and are therefore excluded from these guidelines. For more information on the existing programs, see note 25.

Types of remuneration, etc.

The remuneration may consist of a base salary, annual variable compensation, pension contributions and additional benefits and shall be on market terms. Additionally, the Annual General Meeting may, irrespective of these guidelines, decide on, among other things, share-related or share price-related remuneration.

Base salary

The base salary shall reflect the position, competence and individual performance.

Variable cash remuneration

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration compensation is limited to a maximum of 70% of the base salary. The variable cash remuneration shall be linked to criteria that can be financial or non-financial. The financial goals may be in relation to, for example, value creation, and development of revenues, operating profit or working capital. The goals may be individualized, quantitative or qualitative objectives. The objective with the variable cash remuneration is to promote the fulfillment of annual short-term goals in line with the company's business strategy and long-term interests, including its sustainability. Further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 100% of the annual base salary. Any resolution on such remuneration shall be made by the Board of Directors based on a proposal from the remuneration committee.

To what extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation so far as it concerns variable remuneration to the President and CEO. For variable cash remuneration to other executives, the President and CEO is responsible for the evaluation.

Right to reclaim and withhold variable cash remuneration

The Board of Directors shall have the possibility to partially or fully reclaim payments, if these are made on incorrect grounds for example in breach of Epiroc's Code of Conduct, if possible, according to contractual provisions and applicable law. The Board of Directors shall under exceptional circumstances have the possibility to adjust payment of variable compensation, to protect the company's long-term interests provided it is possible according to contractual provisions and applicable law.

Pension benefits

The pension benefits shall be defined contribution to a maximum of 35% of the base salary. Variable cash remuneration shall not qualify for pension benefits if not stipulated by mandatory law or by collective agreement covering the executive.

Other benefits

Other benefits may include, for example, life insurance, private medical insurance and company cars. Premiums and other costs relating to such benefits may amount to not more than 15% of the base salary.

Conditions for expatriates, etc.

For a senior executive working on an international assignment outside of own home country, certain other benefits apply in compliance with the Company's Conditions for Expatriate Employees. For executives employed in other countries than Sweden the pension and other benefits will be according to local market practice.

Termination of employment

In case of termination of employment of a senior executive by the Company, the compensation can amount to a maximum of 24 months' base salary depending on age, length of employment and possible income from other economic activity or employment. When the executive terminates employment, the period of notice is six months. The executive will in the latter case not be entitled to severance pay unless bound by a non-compete obligation.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for other employees of the company have been taken into account. This is done by including information on the employees' total remuneration, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The remuneration committee's tasks include preparing the Board of Directors' decision to propose guidelines for senior executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be valid until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for executive management, the application of the guidelines for senior executive remuneration as well as the current remuneration structures and compensation levels in the Company.

Deviations from these guidelines

The Board of Directors may resolve to deviate from these guidelines, in whole or in part, if in a specific case there is special cause for the deviation and the Board deems a deviation is reasonable to serve the company's long-term interests or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to deviate from the guidelines.

Note 6 Remuneration to auditors

AUDIT FEES AND OTHER SERVICES

	2025	2024
Ernst & Young		
Audit fees	54	55
Audit activities other than the audit assignment	5	1
Tax services	3	3
Other services	2	4
Other audit firms		
Audit fees	8	6
Total	**72**	**69**

Audit fees refers to audit of the financial statements and the accounting records. For the Parent Company this also includes audit of the administration of the business by the Board of Directors, and the President and CEO as well as the Sustainability audit at Group level.
Tax services include both tax consulting services and tax compliance services. Other services include comfort letters and other quality assurance services.
At the Annual General Meeting 2025, Ernst & Young was elected as auditor for the Epiroc Group until the Annual General Meeting 2026.

Note 7 Other operating income and expenses

OTHER OPERATING INCOME

	2025	2024
Capital gain on sale of property, plant and equipment	42	31
Revaluation gain on non-controlling interest in ASI Mining	-	554
Foreign exchange gains	-	23
Insurance settlement gain	85	-
Other operating income	135	20
Total	**262**	**628**

OTHER OPERATING EXPENSES

	2025	2024
Capital loss on sale of property, plant and equipment and intangible assets	-33	-11
Foreign exchange loss	-664	-
Other operating expenses	-129	-95
Total	**-826**	**-106**

Gains and losses on disposals of non-current assets are determined by comparing the proceeds from disposal with the carrying amount. Included in the operating profit are exchange rate gains and losses on translation of payables and receivables of an operating nature.

Additional information on costs by nature
Cost of sales includes expenses for inventories, see note 17, warranty costs, environmental fees, and transportation costs.

Salaries, remunerations and employer contributions amounted to 14 568 (15 185) of which expenses for post-employment benefits amounted to 844 (778). See note 5.

Amortization, depreciation and impairment for the year amounted to 3 088 (3 444). Costs for research and development, including amortization, depreciation and impairment, amounted to 1 966 (2 282). Amortization related to development expenditure amounted to 561 (862). See note 13 and 14.

Note 8 Remeasurement for hyperinflation

ACCOUNTING POLICY

Epiroc's operations in Türkiye are accounted for according to IAS 29, Financial reporting in Hyperinflationary economies. Remeasurement of the non-monetary balance sheet items and the statement of income on subsidiary level is part of the net monetary gain or loss recognized in the statement of income as part of financial income and expenses. The statement of income has been translated at the closing rate on the balance sheet date.

EXCHANGE RATES AND INDEX

	2025	2024
Exchange rate SEK/TRY	0.21	0.31
Index	3 513.87	2 684.55

The impact on the consolidated statement of income from IAS 29 is illustrated below. The index used by Epiroc for the remeasurement of the financial statements is the consumer price index with base period January 2003.

NET MONETARY GAIN OR LOSS RECOGNIZED IN THE CONSOLIDATED STATEMENT OF INCOME

	2025	2024
Net monetary gain or loss	-19	-9

Note 9 Financial income and expenses

FINANCIAL INCOME AND EXPENSES

	2025	2024
Assets measured at amortized cost		
Interest income		
– cash and cash equivalents	188	240
– financial lease receivables	215	228
Interest income at effective interest method	**403**	**467**
Assets measured at fair value through profit or loss		
Capital gain – other assets	0	2
Foreign exchange gain, net	73	-
Financial income	**476**	**470**
Liabilities measures at amortized cost		
Interest expenses		
– borrowings	-686	-811
Total interest expenses at effective interest method	**-686**	**-811**
Liabilities measured at fair value through profit or loss		
– derivatives	-303	-321
– leases liabilities	-130	-121
– pension provisions, net	-2	-7
– other	-46	-64
Change in fair value		
– other liabilities and borrowings	1	-74
Foreign exchange loss, net	-	-33
Impairment gain or loss	1	15
Financial expenses	**-1 165**	**-1 416**
Financial expenses, net	**-689**	**-946**

Transactions in foreign currencies are translated at the foreign exchange rate prevailing at the date of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the balance sheet date. Non-monetary items that are measured at historical cost are not retranslated.

Interest income and interest expense are recognized in profit or loss using the effective interest rate method. Foreign exchange gain, net includes foreign exchange gains of 1 165 (471) and foreign exchange losses of -1 092 (-503). The gains and losses refer to revaluation of derivatives, interest-bearing liabilities and cash in foreign currency.

Note 10 Income taxes

ACCOUNTING POLICY

Income taxes include both current and deferred taxes. A current tax liability or asset is recognized for the estimated tax payable or refundable for the current year or prior years.

Deferred tax is recognized using the balance sheet liability method; based on differences between the values reported in the balance sheet and their values for taxation, referred to as temporary differences. To calculate the deferred tax asset or liability, the temporary differences are multiplied with the enacted or substantively enacted tax rates for the relevant tax jurisdictions. Temporary differences attributable to the following assets and liabilities are not provided for: the initial recognition of goodwill, the initial recognition (other than in business combinations) of assets or liabilities that affect neither accounting nor taxable profit, and differences related to investments in subsidiaries and associated companies to the extent that they will probably not reverse in the foreseeable future, and for which the Company is able to control the timing of the reversal of the temporary differences. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Current and deferred tax assets and liabilities are netted when there is a legally enforceable right to do so, and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The legal entities of the Group are frequently subject to audits by tax authorities in accordance with standard practice in the countries where the Group operates. In instances where the tax authorities have a different view on how to interpret the tax legislation, the Group makes estimates as to the likelihood of the outcome of the dispute, as well as estimates of potential claims which may vary from actual outcomes.

Epiroc is applying BEPS Pillar 2 in all countries where Epiroc has subsidiaries. Epiroc and each of its subsidiaries have reported tax rates of at least 15% in 2025 and Epiroc has not incurred any top-up taxes under BEPS Pillar 2.

INCOME TAX EXPENSE

	2025	2024
Current taxes	-2 556	-2 691
Deferred taxes	-81	8
Total	**-2 637**	**-2 683**

The income tax expense recognized was -2 637 (-2 683), which corresponds to an effective tax rate of 23.5 % (23.5). The major differences between the effective tax rate and the expected tax rate are explained below. The expected tax rate is calculated as a weighted average, based on profit before tax multiplied by the statutory tax rate in each country.

BRIDGE OF THE EFFECTIVE TAX RATE

	2025	2024
Profit before tax	**11 236**	**11 439**
Expected income tax expense (weighted average)	-2 526	-2 588
Expected tax in %	**22.5**	**22.6**
Tax effect of:		
Non-deductible expenses	-152	-163
Non-taxable income	228	256
Withholding taxes	-48	-17
Adjustments related to prior years, net:		
– current taxes	-243	-119
– deferred taxes	87	-17
Tax loss carryforwards and tax credits, net	22	-37
Change in tax rates, deferred tax	5	8
Other items	-10	-6
Recognized income tax expense	-2 637	-2 683
Effective tax in %	**23.5**	**23.5**

The income tax expense was mainly impacted by non-deductible expenses and non-taxable income. Included in non-taxable income is income subject to reduced taxation under local tax law, mainly in China and USA. Withholding taxes concern taxes on profit repatriation. Adjustments from prior years, current and deferred taxes, relate to adjustments of tax provisions and tax assessments for previous years. The net effect from tax credits and tax loss carryforwards relates to expired tax credits and tax loss carryforwards, as well as utilized tax credits and tax loss carryforwards for which no deferred tax assets previously were recognized. Change in tax rate relates to changed corporate tax rates in certain countries.

Changes in the net deferred tax asset balance from the beginning of the year to the end of the year are explained below:

CHANGE IN NET DEFERRED TAX ASSET BALANCE

	2025	2024
Opening balance, Jan. 1	-161	587
Recognized in the income statement	-81	8
Tax on amounts recorded in equity	-13	-37
Acquisitions	77	-725
Translation difference	60	8
Transaction with shareholders	71	-2
Closing balance, Dec. 31	**-47**	**-161**

Changes in deferred taxes recognized in the income statement are attributable to the change in temporary differences on the following items:

DEFERRED TAXES RECOGNIZED IN THE INCOME STATEMENT

	2025	2024
Intangible assets	159	41
Property, plant and equipment	-35	-175
Other financial assets	1	-8
Inventories	-21	-9
Current receivables	224	-220
Operating liabilities	13	8
Provisions	-352	134
Post-employment benefits	-68	94
Borrowings	-9	72
Other items	7	95
Changes due to temporary differences	**-81**	**32**
Tax loss/credit carryforwards	0	-24
Charges to profit for the year	**-81**	**8**

The deferred tax assets and liabilities recognized in the balance sheet are attributable to temporary differences on the following items:

DEFERRED TAX ASSETS AND LIABILITIES

	2025			2024		
	Assets	Liabilities	Net balance	Assets	Liabilities	Net balance
Intangible assets	118	1 331	-1 213	35	1 558	-1 523
Property, plant and equipment	97	857	-760	100	1 056	-956
Other financial assets	16	80	-64	15	203	-188
Inventories	1 066	8	1 058	1 086	18	1 068
Current receivables	67	68	-1	55	111	-56
Operating liabilities	471	73	398	810	13	797
Provisions	198	74	124	248	129	119
Post-employment benefits	18	2	16	22	2	20
Borrowings	432	-	432	643	0	643
Tax loss/credit carryforwards	151	0	151	129	1	128
Other items [1]	25	213	-188	0	213	-213
Deferred tax assets/liabilities	**2 659**	**2 706**	**-47**	**3 143**	**3 304**	**-161**
Netting of assets/liabilities	-1 154	-1 154		-1 567	-1 567	
Net deferred tax balances	**1 505**	**1 552**	**-47**	**1 576**	**1 737**	**-161**

[1] Other items primarily relate to provision for taxes on profit repatriation.

Epiroc has tax loss carryforwards of 347 (301), for which no deferred tax assets have been recognized. Such tax loss carryforwards expire as indicated below.

EXPIRATION OF UNUSED TAX LOSS CARRYFORWARDS

	2025	2024
Expires after 1-2 years	3	5
Expires after 3-4 years	4	5
Expires after 5-6 years	63	74
Expires after 6 or more years	13	22
No expiry date	264	195
Total	**347**	**301**

Note 11 Other comprehensive income

OTHER COMPREHENSIVE INCOME FOR THE YEAR

	2025			2024		
	Before tax	Tax	After tax	Before tax	Tax	After tax
Attributable to owners of the parent						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans	135	-30	105	204	-45	159
Items that may be reclassified subsequently to profit or loss						
Translation differences on foreign operations	-4 648	-	-4 648	1 456	–	1 456
- realized and reclassified to profit and loss	-76	-	-76			
Hedge of net investments in foreign operations	-251	-	-251	251	–	251
Cash flow hedges	240	18	258	-288	8	-280
Total other comprehensive income	**-4 600**	**-12**	**-4 612**	**1 623**	**-37**	**1 586**
Attributable to non-controlling interests						
Translation differences on foreign operations	-40	-	-40	3	–	3
Total other comprehensive income	**-4 640**	**-12**	**-4 652**	**1 626**	**-37**	**1 589**

Note 12 Earnings per share

ACCOUNTING POLICY

Basic earnings per share are calculated based on the profit for the year attributable to owners of the parent and the basic number of shares outstanding adjusted for any subsequent split made prior to the release of the financial statements. Diluted earnings per share are calculated based on the profit for the year attributable to owners of the parent and the diluted number of shares outstanding. Dilutive effects arise from stock options that are settled in shares. Stock options have a dilutive effect when the average share price during the period exceeds the exercise price of the options. When calculating the dilutive effect, the exercise price is adjusted by the value of future services related to the options.

EARNINGS PER SHARE

SEK	2025	2024
Basic earnings per share	7.12	7.23
Diluted earnings per share	7.11	7.23

The calculation of earnings per share presented above is based on profits and average number of shares as detailed below.

PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT

	2025	2024
Profit for the year	8 602	8 731

AVERAGE NUMBER OF SHARES OUTSTANDING

	A shares		B shares		Total	
In thousands of shares	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Basic weighted average number of shares outstanding	818 900	817 871	389 973	389 973	1 208 873	1 207 844
Effect of employee stock options	219	519	0	–	219	519
Diluted weighted average number of shares outstanding	**819 119**	**818 390**	**389 973**	**389 973**	**1 209 092**	**1 208 363**

Note 13 Intangible assets

ACCOUNTING POLICY

Goodwill
Goodwill is recognized at its acquisition cost, as determined on the date of acquiring a business, reduced by any accumulated impairment losses. Goodwill is allocated to the cash-generating units (CGUs) expected to benefit from the synergies resulting from the business combination. The divisions represent the operating segments and Epiroc has identified the operating segments as CGUs. Impairment testing is performed at least annually or whenever the need is indicated. Goodwill is reported as an intangible asset with an indefinite useful life.

Technology-based intangible assets
Expenditures related to research activities are expensed as they are incurred. Research projects acquired as part of business combinations are initially recognized at their fair value as of the acquisition date. After initial recognition, these research projects are carried at cost, less any amortization and impairment losses. Expenditures associated with development activities are also expensed as incurred unless they meet specific criteria for capitalization:

- the product or process under development is estimated to be technically and commercially feasible with the potential to generate probable future benefits.
- the Group has the intent and capability to complete, sell, or utilize the product or process.
- the Group can reliably measure the expenditures directly attributable to the development of the intangible asset.

Capitalized expenditure includes the cost of materials, direct labor, and other costs directly attributable to the project. Capitalized development expenditure is recorded at cost, reduced by accumulated amortization and impairment losses.

Other intangible assets
Other intangible assets include trademarks, marketing and customer related intangible assets and contract-based rights, such as licenses or franchise agreements. Other intangible assets acquired in relation to contract-based rights, including licenses or franchise agreements, are initially capitalized at their fair value upon acquisition and subsequently reported at cost, reduced by accumulated amortization and impairment losses. Expenditure on internally generated goodwill, trademarks and similar items is expensed as incurred.

The estimated useful lives are as follows:

- Technology-based intangible assets (Product development and Other technology and contract based) 3–15 years
- Trademarks 4–10 years
- Marketing and customer related intangible assets 4–10 years

Straight-line basis amortization is utilized as the method for allocating the cost of an asset over its useful life and residual values. The useful life and residual values are reassessed annually or more frequently if there are indications of impairment.

Climate risks create uncertainties in the assessment of useful life of intangible assets. Climate-related regulations may also lead to changes in useful life and impairment assessments. Legal or regulatory limitations related to emissions or sustainability practices could also impact the recoverable value of intangible assets.

Research and development related to climate-change mitigation might provide opportunities for Epiroc and could create new intangible assets while failure to invest in climate-related research and development may lead to missed opportunities, increased impairments or negative impact on the recoverable value of existing intangible assets.

Considerations related to climate risks have not had any significant impact on the financial reporting including any changes of useful economic lives of intangible assets.

Impairment
Goodwill is allocated and tested at the level of cash-generating units, which are identified as Epiroc's operating segments. The Group conducts a periodic assessment of the carrying values of its non-financial assets, which takes place annually or whenever there are indications of impairment. When such indications are identified, the Group proceeds to estimate the recoverable amount of the asset. The recoverable amount for each cash-generating unit has been determined based on the value in Epiroc's valuation model. Epiroc's valuation model is based on discounted future cash flows, with a forecast period of either five years or ten years, depending on applicability. The forecast is based on the business plan of each operating segment, considering the characteristics and development of its specific end markets. This assessment is based on both internal and external sources and reflects management's best estimate of the trajectory of its business operations. The parameters used to calculate future cash flows are assumptions on revenue growth, gross margin development, functional cost efficiency, as well as capital efficiency. This includes planned capital expenditures and target levels of working capital. Epiroc's weighted average cost of capital (WACC) is calculated at 8% (8) after tax. Since the operating segments are all relatively diversified but with similar geographic coverage and share similar organizational structures and customer bases, the same discount rate is applied to all segments. The perpetual growth beyond the forecast period is assumed as 2% (2).

An impairment loss is acknowledged when the carrying value of an asset or its cash-generating unit (CGU) surpasses its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. When determining value in use, the estimated future cash flows are discounted to their present value, employing a discount rate that reflects the current market's assessment of the time value of money and the specific risks associated with the asset or CGU. Impairment loss related to goodwill is not subject to reversal in contrast to other assets where impairment losses incurred in previous periods are subject to periodic review with possibility of impairment reversal.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Impairment of goodwill
Key sources of estimation uncertainty
Asset impairment requires management's judgment, particularly in assessing:

- whether an event has occurred that may affect asset values,
- whether the carrying value of an asset can be supported by the net present value of future cash flows, which are estimated based upon the continued use of the asset in the business,
- the appropriate assumptions to be applied in preparing cash flow projections, and
- the discounting of these cash flows.

Changing the assumptions selected by management to determine the level of impairment, if any, could affect the financial position and results of operation.

GOODWILL

	2025	2024
Underground Division	1 445	1 604
Surface Division	2 824	3 196
Parts & Services Division APAC	644	790
Parts & Services Division NASA	428	463
Parts & Services Division EMEA	91	90
Digital Solutions Division	2 156	2 301
Equipment & Service	**7 587**	**8 444**
Tools Division	973	1 108
Attachments Division	5 971	7 147
Tools & Attachments	**6 944**	**8 255**
Total	**14 531**	**16 699**

In 2025, the estimated value of all Epiroc's operating segments exceeded their carrying values, and no impairment was recognized. Epiroc also performed sensitivity analysis including a range for the most critical assumptions, including revenue growth, gross margin development, WACC and perpetual growth rate, and concluded that neither of these scenarios would give rise to any impairment charge.

The table presents the carrying value of goodwill allocated to operating segments (cash-generating units) and reporting segments.

Amortization and impairment of intangible assets are recognized on the following line items in the income statement:

	2025		2024	
	Internally generated	Acquired	Internally generated	Acquired
Cost of sales	5	42	-	49
Administrative expenses	86	39	89	55
Marketing expenses	-	304	-	329
Research and development expenses	372	189	342	520
Total	**463**	**574**	**431**	**953**

Impairment charges on intangible assets totaled 3 (347), of which 3 (0) were classified as cost of sales, 0 (303) were classified as research and development expenses and 0 (44) were classified as marketing expenses in the income statement.

2025	Internally generated Product development	Internally generated Other technology and contract based	Acquired Trademarks	Acquired Marketing and customer related	Acquired Other technology and contract based	Goodwill	Total
Cost							
Opening balance, Jan. 1	4 965	810	1 261	3 173	4 159	16 699	31 067
Additions	723	12	-	-	140	-	875
Acquisition of business	-	-	1	41	-9	-180	-147
Disposals	-22	-3	-	-21	-131	-	-177
Reclassifications	-10	4	-11	10	-1	-	-8
Translation differences	-277	-20	-172	-401	-412	-1 988	-3 270
Closing balance, Dec. 31	**5 379**	**803**	**1 079**	**2 802**	**3 746**	**14 531**	**28 340**
Amortization and impairment losses							
Opening balance, Jan. 1	3 157	461	268	585	1 521	-	5 992
Amortization	357	106	66	230	275	-	1 034
Impairment charge	-	-	-	-	3	-	3
Disposals	-22	-3	-	-21	-128	-	-174
Reclassifications	-5	-	-	-1	-2	-	-8
Translation differences	-179	-20	-28	-75	-128	-	-430
Closing balance, Dec. 31	**3 308**	**544**	**306**	**718**	**1 541**	**-**	**6 417**
Carrying amounts							
At Jan. 1	1 808	349	994	2 588	2 637	16 699	25 075
At Dec. 31	**2 071**	**259**	**773**	**2 084**	**2 205**	**14 531**	**21 923**

2024	Internally generated Product development	Internally generated Other technology and contract based	Acquired Trademarks	Acquired Marketing and customer related	Acquired Other technology and contract based	Goodwill	Total
Cost							
Opening balance, Jan. 1	4 448	809	465	2 043	2 915	10 222	20 902
Additions	741	7	-	-	218	-	966
Acquisition of business	-	-	768	1 275	986	6 094	9 123
Disposals	-358	-16	-	-210	-30	-	-614
Reclassifications	-5	-	-	-	-2	-	-7
Translation differences	139	10	28	65	72	383	697
Closing balance, Dec. 31	**4 965**	**810**	**1 261**	**3 173**	**4 159**	**16 699**	**31 067**
Amortization and Impairment losses							
Opening balance, Jan. 1	3 067	378	174	516	924	-	5 059
Amortization	342	89	79	225	302	-	1 037
Impairment charge	-	-	12	32	303	-	347
Disposals	-358	-15	-	-210	-30	-	-613
Reclassifications	-5	-	-	-	-1	-	-6
Translation differences	111	9	3	22	23	-	168
Closing balance, Dec. 31	**3 157**	**461**	**268**	**585**	**1 521**	**-**	**5 992**
Carrying amounts							
At Jan. 1	1 381	431	291	1 527	1 991	10 222	15 843
At Dec. 31	**1 808**	**349**	**994**	**2 588**	**2 637**	**16 699**	**25 075**

Other technology and contract based intangible assets include computer software, patents, trademarks, customer relationships and contract based rights such as licenses and franchise agreements.

Note 14 Property, plant and equipment

ACCOUNTING POLICY

Property, plant and equipment
Property, plant, and equipment items are carried at cost less accumulated depreciation and impairment losses. The cost of an asset within this category encompasses several components, including the purchase price, import duties, and any expenses directly associated with placing the asset in the required location and condition for use. The cost also includes dismantlement and removal of the asset in the future, if applicable. Borrowing costs incurred for assets requiring a substantial period to get ready for their intended use are included in the cost value until the assets are substantially prepared for their use or sale, after which they are subject to depreciation. The Group adheres to a policy of capitalizing costs upon initial recognition and for the replacement of substantial parts of property, plant, and equipment, provided that it is probable the future economic benefits associated with these expenditures will accrue to the Group, and the costs can be reliably measured. Conversely, all other expenses are immediately recognized in the profit or loss statement upon their incurrence.

Rental equipment
The rental fleet includes drill rigs, mine trucks, loaders, and to a lesser extent hydraulic attachments, simulators and other mining and construction equipment. Rental equipment is initially recognized at cost and is depreciated over the estimated useful life of the equipment. The depreciation of rental equipment is structured with consideration for a residual value, estimated within a range of 0-10% of the equipment's cost.

Depreciation and amortization
Depreciation and amortization are calculated based on the cost of the asset and are applied using the straight-line method over the estimated useful life. In cases where certain components of property, plant, and equipment have a substantial cost relative to the total cost of the item and do not share a corresponding useful life, they are depreciated separately.

The estimated useful lives are as follows:
Buildings 25–50 years
Machinery and equipment 3–10 years
Vehicles 4–5 years
Computer hardware and software 3–10 years
Rental equipment 3–8 years

The useful life and residual values are reassessed annually or more often if there are indications of impairment. Land and assets under construction are not depreciated or amortized.

Epiroc considers climate risk factors when evaluating the estimated useful life of property, plant and equipment. The heightened occurrence and severity of extreme weather events, such as floods and storms, could impact the production capacity and maintenance of buildings and equipment. Additionally, water shortages in specific regions may also affect production capacity. If innovations lead to alternatives with lower climate impact, older equipment may become obsolete earlier than anticipated. Additionally, stricter regulations and increased requirements related to climate and environmental protection may impact the use and valuation of certain equipment.

Considerations related to climate risks have not had any significant impact on the financial reporting including any changes of useful economic lives of tangible assets.

2025	Buildings and land	Machinery and equipment	Construction in progress and advances	Right of use-asset	Total	Rental equipment	Right of use-asset	Total Rental equipment
Cost								
Opening balance, Jan. 1	2 691	7 622	589	5 035	15 937	2 992	-1	2 991
Additions	172	321	627	739	1 859	917	-	917
Acquisitions of business	-20	-28	-3	-	-51	-	-	0
Divestment of business	-	-1	-	-	-1	-	-	0
Disposals	-43	-286	-	-416	-745	-580	-	-580
Reclassifications	245	334	-596	0	-17	-327	-	-327
Translation differences	-320	-596	-41	-397	-1 354	-221	-	-221
Closing balance, Dec. 31	**2 725**	**7 366**	**576**	**4 961**	**15 628**	**2 781**	**-1**	**2 780**
Depreciation and impairment losses								
Opening balance, Jan. 1	809	5 148	-	2 047	8 004	1 449	-1	1 448
Depreciation	110	576	-	788	1 474	577	-	577
Divestment of business	-	-1	-	-	-1	-	-	0
Disposals	-20	-274	-	-350	-644	-253	-	-253
Reclassifications	2	-1	-	-	1	-183	-	-183
Translation differences	-105	-382	-	-168	-655	-109	-	-109
Closing balance, Dec. 31	**796**	**5 066**	**-**	**2 317**	**8 179**	**1 481**	**-1**	**1 480**
Carrying amounts								
At Jan. 1	1 882	2 474	589	2 987	7 932	1 543	-	1 543
At Dec. 31	**1 929**	**2 300**	**576**	**2 644**	**7 449**	**1 300**	**-**	**1 300**

Set out below are the carrying amounts of right-of-use assets by class of underlying asset recognized. See also note 23.

RIGHT OF USE- ASSETS

2025	Buildings and land	Machinery and equipment	Total	Rental equipment
Carrying amounts, Jan. 1	2 389	601	2 987	-
Carrying amounts, Dec. 31	**2 063**	**580**	**2 644**	**-**

2024	Buildings and land	Machinery and equipment	Construction in progress and advances	Right of use-asset	Total	Rental equipment	Right of use-asset	Total Rental equipment
Cost								
Opening balance, Jan. 1	1 952	6 504	598	3 919	12 973	2 815	6	2 821
Additions	35	284	571	1 189	2 079	878	-	878
Acquisitions of business	477	566	29	197	1 269	-	-	-
Divestment of business	-	-	-2	-	-2	-	-	-
Disposals	-16	-276	0	-373	-665	-729	-	-729
Reclassifications	155	366	-615	-6	-100	-48	-7	-55
Translation differences	88	178	8	109	383	76	-	76
Closing balance, Dec. 31	**2 691**	**7 622**	**589**	**5 035**	**15 937**	**2 992**	**-1**	**2 991**
Depreciation and impairment losses								
Opening balance, Jan. 1	676	4 656	-	1 609	6 941	1 233	6	1 239
Depreciation	102	577	-	724	1 403	657	-	657
Disposals	-14	-257	-	-323	-594	-398	-	-398
Reclassifications	18	31	-	-6	43	-79	-7	-86
Translation differences	27	141	-	43	211	36	-	36
Closing balance, Dec. 31	**809**	**5 148**	**-**	**2 047**	**8 004**	**1 449**	**-1**	**1 448**
Carrying amounts								
At Jan. 1	1 276	1 848	598	2 310	6 032	1 582	-	1 582
At Dec. 31	**1 882**	**2 474**	**589**	**2 987**	**7 932**	**1 543**	**-**	**1 543**

Depreciation and impairment of tangible assets are recognized on the following line items in the income statement:

	2025	2024
Cost of sales	1 460	1 454
Administrative expenses	354	394
Marketing expenses	112	110
Research and development expenses	88	60
Other operating expenses	37	42
Total	**2 051**	**2 060**

Depreciation for the period relating to right-of-use assets amounted to a total of 788 (724), of which 554 (515) relates to Buildings and land, 234 (209) to Machinery and equipment and 0 (0) to Rental equipment.

Note 15 Investments in associated companies

An associated company is an entity in which the Group has significant influence, but not control, over financial and operating policies. When the Group holds 20–50% of the voting power, it is presumed that significant influence exists, unless otherwise demonstrated. Investments in associated companies are reported according to the equity method.

ACCUMULATED CAPITAL PARTICIPATION

	2025	2024
Opening balance, Jan. 1	34	49
Impairment	0	0
Profit for the year after income tax	0	-20
Translation differences	-5	5
Closing balance, Dec. 31	**29**	**34**

SUMMARY OF FINANCIAL INFORMATION FOR ASSOCIATED COMPANIES

2025	Country	Assets	Liabilities	Equity	Revenues	Profit for the year	Group's share, %
Shenzhen Nectar Engineering & Equipment Co. Ltd.	China	174	93	81	98	2	25
Glass Terra Pty Ltd.	Australia	0	0	0	0	0	27
Sirius Consulting Pty Ltd.	South Africa	3	1	2	1	-1	50

2024	Country	Assets	Liabilities	Equity	Revenues	Profit for the year	Group's share, %
Shenhzen Nectar Engineering & Equipment Co. Ltd.	China	191	100	91	220	1	25
Glass Terra Pty Ltd.	Australia	0	0	0	0	0	27
Sirius Consulting Pty Ltd.	South Africa	13	4	9	5	10	50

The above table is based on the most recent financial reporting available from associated companies. The Epiroc percentage share of each holding represents both ownership interest and voting rights.

Note 16 Other financial assets

Fair value of financial instruments under other financial assets corresponds to their carrying value.

	2025	2024
Non-current assets		
Pension plan assets in excess of pension obligations (note 24)	407	315
Derivatives		
– designated for hedge accounting	591	197
Available-for-sale investments	29	30
Financial assets classified at amortized cost		
– finance lease receivables	474	492
– other financial receivables	1 137	1 191
Closing balance, Dec. 31	**2 638**	**2 225**
Current assets		
Derivatives		
– recognized at fair value through profit and loss	94	228
– designated for hedge accounting	3	3
Financial assets classified at amortized cost		
– finance lease receivables	248	299
– other financial receivables	1 021	953
Closing balance, Dec. 31	**1 366**	**1 483**

The gross amount of finance lease receivables amounted to 723 (792), of which 1 (1) have been impaired. The gross amount of other financial receivables amounted to 2 178 (2 152), of which 20 (8) have been impaired. The total estimated fair value of collateral to finance lease receivables and other financial receivables was 300 (292) and 1 397 (1 461), respectively, consisting primarily of repossession rights. See note 23 for information regarding finance leases for Group as lessor and note 30 for information on credit risk.

Note 17 Inventories

ACCOUNTING POLICY

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recognized according to the first- in-first- out principle and include the cost of acquiring inventories and bringing them to their existing location and condition, or through a method that is built on weighted average prices. Inventories of similar nature are valued according to the same method. Inventories manufactured by the Group and work in progress include an appropriate share of production overheads based on normal operating capacity. Inventories are reported net of deductions for obsolescence and internal profits arising in connection with deliveries from the production companies to the distribution and customer centers.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Group values inventory at the lower of historical cost, based on the first-in-first-out basis, and net realizable value. The calculation of net realizable value involves management's judgment as to the estimated sales prices, overstock articles, outdated articles, damaged goods, and selling costs. If the estimated net realizable value is lower than historical cost, a valuation allowance is established for inventory obsolescence.

	2025	2024
Raw materials	1 017	1 451
Work in progress	3 503	3 266
Semi-finished goods	2 547	2 724
Finished goods	11 033	11 750
Closing balance, Dec. 31	**18 100**	**19 191**

Provisions for obsolescence and other write-downs of inventories recorded as cost of sales amounted to 850 (850). Reversals of writedowns which were recognized in earnings totaled 477 (265). Previous write-downs have been reversed as a result of improved market conditions in certain markets. Inventories recognized as expenses amounted to 30 937 (29 960).

Note 18 Trade receivables

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Trade and financial receivables
Key sources of estimation uncertainty
The Group measures the expected credit losses on financial assets classified at amortized cost including trade and financial receivables, lease receivables and contract assets. The expected credit losses are an assessment that reflects an unbiased, expected outcome based on reasonable and supportable forecasts.

Accounting judgment
Management's judgment considers rapidly changing market conditions which may be particularly sensitive in customer financing operations. An overall control is performed to ensure that an adequate loss allowance is recognized.

Fair value for trade receivables corresponds to their carrying value. Trade receivables are classified at amortized cost.

TRADE RECEIVABLES

	2025		2024	
Gross value	**Gross**	**Impaired**	**Gross**	**Impaired**
Not past due	7 944	2	8 757	9
Past due				
0-30 days	1 544	2	1 975	5
31-60 days	525	0	578	1
61-90 days	280	2	348	2
More than 90 days	1 531	663	1 296	513
Total	**11 824**	**669**	**12 954**	**530**

Trade receivables relate to a large number of customers, spread across diverse geographical areas and reflect the spread of sales. Within overdue receivables more than 90 days the majority of the receivables which are not impaired relate to the sub-Sahara region where there are longer payment patterns. The group considers the total credit risk to be limited.

EXPECTED CREDIT LOSSES, TRADE RECEIVABLES

	2025	2024
Provisions at Jan. 1	530	576
Business acquisitions and divestments	0	0
Provisions recognized for expected credit losses	345	189
Release of unutilized provisions	-117	-143
Write-offs	-50	-120
Translation differences	-39	28
Closing balance, Dec. 31	**669**	**530**

Trade receivables of 11 155 (12 424) are reported net of impairment amounting to 669 (530). The expected credit loss amounted to 5,7% (4.1) of gross total customer receivables. Impairment recognized in the income statement totaled 345 (189). Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days. The acquisition of subsidiaries increased trade receivables by 0 (525) at date of completion of the acquisitions.

The impairment assessed for individual receivables affected the loss provision negatively. The change in the provision for potential credit losses is due to assessments made on an individual basis for each receivable, which also takes into account future ability to pay, changed market conditions, and is not always linked to a change in the size of the balance sheet item.

Note 19 Other receivables

Fair value for other receivables corresponds to their carrying value.

	2025	2024
Other receivables	2 573	2 365
Accrued income	420	514
Prepaid expenses	959	989
Closing balance, Dec. 31	**3 952**	**3 868**

Other receivables consist primarily of VAT claims and advances to suppliers. Accrued income relates mainly to service and construction projects. Prepaid expenses include items such as rent, insurance, interest, IT and employee costs. Other receivables are reported net of impairments. See note 30 for information regarding derivatives.

Note 20 Cash and cash equivalents

Cash and cash equivalents are classified at amortized cost. Fair value corresponds to their carrying value. Cash equivalents consist of short-term bank deposits with a maturity less than three months and investments in liquidity funds that can easily be converted into cash. Cash and cash equivalents are subject to impairment testing according to the expected credit loss model. During 2025 the impairment was insignificant and therefore not recognized. Cash and cash equivalents had an estimated average effective interest rate of 2.2% (3.1).

The committed, but unutilized, credit line is MSEK 4 000 (4 000), see note 22 for additional information.

	2025	2024
Cash	6 649	5 112
Cash equivalents	2 925	2 068
Closing balance, Dec. 31	**9 574**	**7 179**

Note 21 Equity

At year-end, Epiroc's share capital totaled 500 (500). The total number of issued Epiroc shares was 1 213 738 703 (1 213 738 703) shares, of which 823 765 854 (823 765 854) were class A shares and 389 972 849 (389 972 849) were class B shares, each with a quota value of approximately SEK 0.41 (0.41). Class A shares entitle the owner to one vote while class B shares entitle the owner to one tenth of a vote. Class A shares and class B shares carry equal rights to a part of the company's assets upon liquidation and distribution of dividends.

The Board of Directors of Epiroc has been granted a mandate by Epiroc's Annual General Meeting on May 8, 2025, to repurchase, transfer and sell own shares in order to fulfill the obligations under Epiroc's performance based employee stock option plans. Repurchase and sale will be made at a price per share within the registered trading interval, at any given point in time. The mandate is valid until Epiroc's Annual General Meeting 2026 and allows:

1. The acquisition of not more than 1 900 000 series A shares, of which a maximum of 1 800 000 may be transferred to option holders under the performance based personnel option plan 2025.
2. The acquisition of not more than 20 000 series A shares, later to be sold on the market in connection with payment to Board members who have opted to receive synthetic shares as part of their remuneration.
3. The sale of not more than 60 000 series A shares to cover costs related to previously issued synthetic shares to Board members.
4. The sale of a maximum 4 100 000 series A shares currently held by the company, for the purpose of covering costs of fulfilling obligations related to the performance based personnel option plans 2018, 2019, 2020, 2021 and 2022.

The Board of Directors of Epiroc has been granted a mandate by Epiroc's Annual General Meeting on May 14, 2024, to repurchase, transfer and sell own shares in order to fulfill the obligations under Epiroc's performance based employee stock option plans. Repurchase and sale will be made at a price per share within the registered trading interval, at any given point in time. The mandate was valid until Epiroc's Annual General Meeting 2025 and allowed:

1. The acquisition of not more than 1 950 000 series A shares, of which a maximum of 1 900 000 may be transferred to option holders under the performance based personnel option plan 2024.
2. The acquisition of not more than 20 000 series A shares, later to be sold on the market in connection with payment to Board members who have opted to receive synthetic shares as part of their remuneration.
3. The sale of not more than 60 000 series A shares to cover costs related to previously issued synthetic shares to Board members.
4. The sale of a maximum 4 000 000 series A and series B shares currently held by the company, for the purpose of covering costs of fulfilling obligations related to the performance based personnel option plans 2018, 2019, 2020 and 2021.

During 2025 Epiroc divested 666 914 class A shares in accordance with mandates granted by the 2025 and 2024 Annual General Meeting. As of December 31, 2025, Epiroc AB held 4 695 191 (5 362 105) class A shares. More information regarding employee stock option plans can be found in note 25.

Reserves
Consolidated equity includes certain reserves which are described below:

Translation reserve
The translation reserve comprises all exchange differences arising from the translation of the financial statements of foreign operations, the translation of intra- group receivables from or liabilities to foreign operations that in substance are part of the net investment in the foreign operations, as well as from the translation of liabilities that hedge the company's net investments in foreign operations.

Cash flow hedges
Cash flow hedges amounts to -67 (1). See note 30 for more information.

Non-controlling interest
The non- controlling interest amounts to 11 (423). On April 2, 2025, Epiroc acquired the remaining share of Radlink. Epiroc acquired a majority shareholding of Radlink, 53%, already in 2022, and now owns 100%.

Appropriation of profit
The Board of Directors proposes a dividend of SEK 3.80 (3.80) per share, totaling 4 594 (4 594) if shares held by the Company on December 31, 2025, are excluded. The dividend is proposed to be paid in two equal installments during 2026.

Amounts in SEK	
Retained earnings including reserve for fair value	44 656 785 351
Profit for the year	3 168 444 236
Total	**47 825 229 587**
The Board of Directors proposes that these earnings be appropriated as follows;	
To the shareholders, a dividend of SEK 3.80 per share [1)]	4 594 365 346
To be retained in the business	43 230 864 241
Total	**47 825 229 587**

1) Based on number of shares outstanding at the balance sheet date.

The proposed dividend for 2024 of SEK 3.80 per share, that was approved by the Annual General Meeting on May 8, 2025, was accordingly paid by Epiroc AB. Total dividend paid amounted to SEK 4 593 965 614.

Note 22 Borrowings

		2025		2024	
	Maturity	Carrying amount	Fair value	Carrying amount	Fair value
Non-current					
Medium Term Note Program MSEK 1 000, Fixed	2026	1 000	1 001	999	981
Medium Term Note ProgramMSEK 1 000, Floating	2026	998	1 004	999	1 009
Medium Term Note Program MSEK 1 500, Fixed	2027	1 499	1 554	1 499	1 561
Medium Term Note Program MSEK 500, Floating	2027	499	506	500	508
Medium Term Note Program MSEK 1 000, Fixed	2028	999	1 054	999	1 056
Medium Term Note Program MSEK 500, Floating	2028	499	509	499	509
Medium Term Note Program MSEK 500, Fixed	2029	500	540	500	541
Medium Term Note Program MEUR 500, Fixed	2031	5 356	5 653	5 681	6 032
Bilateral borrowings MSEK 1 000, Floating	2027	1 000	1 027	999	1 043
Bilateral borrowings MSEK 2 000, Floating	2030	1 996	2 058	1 996	2 042
Bilateral borrowings MSEK 1 000, Floating	2030	998	1 036	997	1 042
Bilateral borrowings MAUD 200, Floating	2034	1 228	1 385	1 368	1 563
Other bank loans		74	74	105	105
Less current portion of long-term borrowings		-2 000	-2 000	-4	-4
Total non-current bonds and loans		**14 645**	**15 399**	**17 137**	**17 988**
Lease liabilities		2 015	2 015	2 336	2 336
Other financial liabilities		116	116	139	139
Total non-current borrowings		**16 776**	**17 531**	**19 612**	**20 463**
Current					
Current portion of long-term borrowings		2 000	2 000	4	4
Loans		314	314	186	186
Lease liabilities		754	754	792	792
Commercial papers		482	482	1 111	1 111
Other financial liabilities		697	697	312	312
Total current borrowings		**4 247**	**4 247**	**2 405**	**2 405**
Closing balance Dec. 31		**21 023**	**21 778**	**22 017**	**22 868**

The difference between carrying amount and fair value of borrowings relates to the measurement method as certain liabilities are reported at amortized cost and not at fair value. See additional information about the Group's exposure to interest rate risk and foreign currency risk in note 30.

Debt in the Group is primarily raised by the Parent Company and transferred to subsidiaries as internal loans or capital injections. Financing is also undertaken locally in countries in which there are legal restrictions preventing financing through Group companies. The bilateral sustainability-linked credit facility of MSEK 2 000 has been prolonged two years and is maturing in 2030. The bilateral sustainability-linked credit facility of MSEK 1 000 has been prolonged one year and is maturing in 2030.

In May 2025, S&P Global Ratings affirmed Epiroc's BBB+ credit rating with a stable outlook. The Euro Medium Term note (EMTN) program has a program limit of MEUR 2 000 and the commercial paper program has a framework amount of MSEK 2 000. The table below shows the Group's back-up facility.

BACK-UP FACILITIES

	2025		2024	
	Facility size	Utilized	Facility size	Utilized
Revolving credit facility [1]	4 000	-	4 000	-
Commercial paper program	2 000	482	2 000	1 111
Total back-up facilities	**6 000**	**482**	**6 000**	**1 111**

[1] The revolving credit facility matures in 2030.

RECONCILIATION OF CHANGES IN LIABILITIES

2025	Opening balance	Financing cash flows	New Leases	Other changes in lease liabilities	Acquired/divested companies	Fair Value change through P/L	Foreign exchange movement	Reclassification	Closing Balance
Non-current									
Loans and bonds	17 137	-1	-	-	-	-16	-474	-2 001	14 645
Lease liabilities	2 336	-72	322	3	-	-	-166	-408	2 015
Other financial liabilities	139	1	-	-	-	-	-24	-	116
Total non-current borrowings	**19 612**	**-72**	**322**	**3**	**0**	**-16**	**-664**	**-2 409**	**16 776**
Current									
Loans	190	157	-	-	-	-	-34	2 001	2 314
Lease liabilities	792	-703	417	-90	-	-	-70	408	754
Other financial liabilities	1 423	-202		-	-	-	-42	-	1 179
Total current borrowings	**2 405**	**-748**	**417**	**-90**	**0**	**0**	**-146**	**2 409**	**4 247**
Total	**22 017**	**-820**	**739**	**-87**	**0**	**-16**	**-810**	**0**	**21 023**

2024	Opening balance	Financing cash flows	New Leases	Other changes in lease liabilities	Acquired/divested companies	Fair Value change through P/L	Foreign exchange movement	Reclassification	Closing Balance
Non-current									
Loans and bonds	10 012	7 017	-	-	2	11	99	-4	17 137
Lease liabilities	1 808	-54	781	-27	150	-	52	-374	2 336
Other financial liabilities	2	133	-	-	0	-	-	4	139
Total non-current borrowings	**11 822**	**7 096**	**781**	**-27**	**152**	**11**	**151**	**-374**	**19 612**
Current									
Loans	117	48	-	-	20	-	6	0	190
Lease liabilities	596	-629	408	-22	47	-	17	374	792
Other financial liabilities	1 440	-255	-	-	231	-	7	0	1 423
Total current borrowings	**2 153**	**-836**	**408**	**-22**	**298**	**0**	**30**	**374**	**2 405**
Total	**13 975**	**6 260**	**1 189**	**-49**	**450**	**11**	**181**	**-0**	**22 017**

Note 23 Leases

ACCOUNTING POLICY

Group as the Lessee
The Group recognizes a right-of-use asset and a corresponding lease liability on the balance sheet at the lease commencement date. The lease liability's initial measurement is based on the present value of unpaid lease payments, employing the contract's implicit interest rate or, when not readily available, the incremental borrowing rate. This rate takes into consideration country-specific risks. This includes fixed and variable payments, residual value guarantees, and lease payments linked to options reasonably expected to be exercised.

The lease liability is adjusted when there are changes in lease terms, purchase option assessments, variations in lease payments due to index fluctuations, or modifications to the lease contract, using recalculated discount rates.

Lease contracts involving low-value assets or with a term of less than 12 months are treated differently. Such payments are recognized as expenses over the lease term. Variable non-lease components, like service-related components, are expensed over the lease term.

The Group's leasing contracts primarily encompass properties, machinery, technical assets, equipment, and installations, including facilities, offices, technical assets, and company cars. Lease agreements for office and factory facilities, as well as machinery, generally have durations ranging from 3 to 15 years, while motor vehicles and other equipment typically feature lease terms spanning 2 to 5 years. A limited number of these leasing contracts offer purchase and renewal options. With regards to machinery, there is often an option to acquire the underlying asset and extend the contract, and for premises, an extension option is available.

Consolidated Balance Sheet and Cash Flow
In the consolidated balance sheet, the Group categorizes lease liabilities into two sections: "non-current interest-bearing liabilities" and "current interest-bearing liabilities". For more details on the right-of-use asset, see note 14.

In the consolidated statement of cash flows, the Group includes a line item labeled "Payment of lease liabilities". This line item represents the amortization of liabilities arising from lease agreements and is included to account for the depreciation of the right to use the leased assets. Additionally, there is another line item labeled "Net financial items received/paid" which encompasses the portion of lease expenses related to ongoing interest costs on lease agreements. This includes any adjustments resulting from changes in the discount rates used for present value calculations.

Group as the Lessor
Lease contracts, provided by Epiroc Financial Solutions and certain other subsidiaries, are divided into two categories: operating and finance leases.

When the Group is acting as a lessor under an operating lease, the Group classifies the asset as rental equipment. Operating leases result in the recognition of assets valued at cost, accounting for depreciation over the contract term and considering future realizable value and residual value risks. Lease income is evenly distributed throughout the contract period.

In finance leases where the Group acts as the lessor, the transaction is recorded as a sale, creating a lease receivable that encompasses future minimum lease payments and any residual value guaranteed to the lessor. Lease payments represent both the repayment of the lease receivable and interest income.

In instances involving intermediate lessor roles, the Group accounts separately for head-lease and sub-lease arrangements, taking into consideration the right-of-use asset arising from the head-lease.

Leases – lessee

The carrying amount of right-of-use assets as of December 31, 2025, amounted to 2 644 (2 987). See note 14 for the carrying amounts of right-of-use assets by class of underlying asset recognized and movements during the period.

The carrying amounts of lease liabilities (included under interest- bearing liabilities) are presented below.

Lease liability	2025	2024
Carrying amounts, Jan. 1	3 128	2 404
Carrying amounts, Dec. 31	**2 769**	**3 128**
Non-current	2 015	2 336
Current	754	792
Total	**2 769**	**3 128**

See note 30 for maturity analysis of the lease liability. The Group had a cash outflow for lease liabilities of 782 (667), see note 22 for more information.

The amounts recognized in the income statement are the following;

	2025	2024
Costs for low value leases	-16	-16
Costs for short-term leases	-37	-25
Variable lease payments not included in the lease liability	-7	-7
Income from subleasing right-of-use assets	1	-1
Interest expenses on lease liability	-130	-121
Depreciation	-788	-724

For information on financial exposure and policies for control of financial risks see note 30.

Leases – lessor

Operating leases – lessor

Future payments for non-cancelable operating leasing contracts fall due as follows:

Fall due year:	2025	2024
2025		213
2026	175	78
2027	43	88
2028	21	15
2029	19	3
2030	-	-
Total	**258**	**397**

During 2025, lease income relating to operating lease contracts amounted to 518 (553).

Finance leases – lessor

See note 30 for information on financial exposure and policies for control of financial risks. Future lease payments to be received fall due as follows:

Fall due year:	2025	2024
2025		72
2026	249	215
2027	140	117
2028	191	282
2029	113	106
2030 and later	82	-
Undiscounted lease payments	**775**	**792**
Unguaranteed residual value	-	2
Less: Unearned finance income	52	2
Present value of lease payments receivable	**723**	**792**
Impairment loss allowance	-1	-1
Net investment in the lease	**722**	**791**

The selling profit/loss (net) recognized in the income statement amounted to 122 (147), and the finance income on the net investment in the lease amounted to 0 (0).

Note 24 Post-employment benefits

ACCOUNTING POLICY

Post-employment benefit plans are classified either as defined contribution or defined benefit plans. Under a defined contribution plan, the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts if the fund does not hold sufficient assets to pay all employee benefits. Contributions to defined contributions plans are expensed when employees provide services entitling them to the contribution.

Defined benefit plans are the Group's obligation to provide agreed benefits to current and former employees. The net obligation of defined benefit plans is calculated by estimating the amount of future benefits that employees have earned in return for their services in current and prior periods.

The amount is discounted to determine its present value and the fair values of any plan assets are deducted. Funded plans with net assets, i.e., plans with assets exceeding the commitments, are reported as non-current financial assets.

The costs for defined benefit plans are calculated using the Projected Unit Credit Method, which distributes the cost over the employee's service period. The calculation is performed annually by independent actuaries using actuarial assumptions such as employee turnover, mortality and future increase in salaries and medical costs. Changes in actuarial assumptions, experience adjustments of obligations and changes in fair value of plan assets result in remeasurements and are recognized in OCI. Each quarter a remeasurement is performed to adjust the present value of pension liabilities and the fair value of pension assets against OCI. Net interest on defined benefit obligations and plan assets is reported as interest income or interest expense.

Epiroc provides post-employment defined benefit pension plans and other long-term employee benefits in most of its major locations. The most significant countries in terms of size of plans are Sweden, Germany and India.

The plans in the three countries are funded with different local financing vehicles, held separated from the Group for future benefit payments. In Sweden, the main ITP 2-plans retirement pension is funded by the Group's pension foundation. In addition, the Epiroc family pension under ITP 2 is insured by a third-party insurer, Alecta. This plan is recognized as a defined contribution plan as sufficient information for calculating the net pension obligation is not available. Alecta's surplus can be distributed among the policyholders and/or the insured. At the end of 2025, Alecta's surplus of its so-called collective funding amounted to 167% (162). The collective funding consists of the fair value of Alecta's assets as a percentage of the insurance obligations calculated in accordance with Alecta's actuarial calculation assumptions.

The Group identifies a number of risks in the investments of pension plan assets. The main risks are interest rate risk, market risk, counter-party risk, liquidity risk, inflation risk and currency risk. The risk that the managed pension assets will not cover the pension commitments is also affected by life expectancy and any large wage increases. The Group works continuously to manage the risks and ensure that the investment orientations reflect Epiroc's risk tolerance level and that the investments have a long-term investment horizon. The investment portfolio should be diversified, which means that multiple asset classes, markets and issuers should be utilized. An asset liability management assessment should be conducted periodically. The study should include a number of elements. The most important elements are the duration of the assets and the timing of settlement of liabilities, the expected return of the assets, the expected development of liabilities, the forecasted cash flows and the impact of a shift in interest rates on the obligation.

The net obligations for post-employment benefits and other long-term employee benefits have been recognized in the balance sheet as follows:

	2025	2024
Financial assets (note 16)	-407	-315
Post-employment benefits	178	201
Other provisions (note 27)	160	159
Closing Balance, Dec. 31	**-69**	**45**

The tables show the Group's obligations for post-employment benefits and other long-term employee benefits, the assumptions used to determine these obligations and the assets relating to these obligations for employee benefits, as well as the amounts recognized in the income statement and the balance sheet.

The net amount recognized in the balance sheet amounted to -69 (45). The weighted average remaining duration of the obligation is 19,6 (20.1) years.

POST-EMPLOYMENT BENEFITS

2025	Funded pension plans	Unfunded pension plan	Other funded plans	Other unfunded plans	Total
Present value of defined benefit obligations	1 432	288	7	155	1 882
Fair value of plan assets	-1 930	-	-21	-	-1 951
Net amount recognized in balance sheet	**-498**	**288**	**-14**	**155**	**-69**

2024	Funded pension plans	Unfunded pension plan	Other funded plans	Other unfunded plans	Total
Present value of defined benefit obligations	1 428	288	10	149	1 875
Fair value of plan assets	-1 810	-	-20	-	-1 830
Net amount recognized in balance sheet	**-382**	**288**	**-10**	**149**	**45**

PLAN CONSISTS OF THE FOLLOWING:

2025	Quoted market price	Unquoted market price	Total
Debt instruments	414	-	414
Equity instruments	268	-	268
Property [1]	-	478	478
Assets held by insurance companies	72	0	72
Cash	107	-	107
Investment funds	96	501	597
Derivatives	-	3	3
Others	12	-	12
Closing balance, Dec 31	**969**	**982**	**1 951**

[1] There are properties occupied and used by Epiroc.

2024	Quoted market price	Unquoted market price	Total
Debt instruments	425	0	425
Equity instruments	207	0	207
Property [1]	-	414	414
Assets held by insurance companies	56	0	56
Cash	142	0	142
Investment funds	107	464	571
Derivatives	-	1	1
Others	14	0	14
Closing balance, Dec 31	**951**	**879**	**1 830**

[1] There are properties occupied and used by Epiroc.

MOVEMENT IN PLAN ASSETS

	2025	2024
Fair value of plan assets at Jan. 1	1 830	1 736
Interest income	66	60
Remeasurement – return on plan assets	79	118
Settlements	0	-77
Other significant events	-	0
Employer contributions	85	99
Plan members contributions	-	-
Benefit paid by the plan	-83	-114
Translation differences	-26	8
Fair value of plan assets at Dec 31	**1 951**	**1 830**

THE PLAN ASSETS ARE ALLOCATED AMONG THE FOLLOWING GEOGRAPHIC AREAS

	2025	2024
Europe	1 865	1 758
of which Sweden	*1 739*	*1 621*
Rest of the world	86	72
Total	**1 951**	**1 830**

ASSET CEILING

	2025	2024
Asset ceiling at Jan. 1	-	18
Interest income	-	0
Remeasurements – asset ceiling	-	-18
Translation difference	-	0
Asset ceiling, Dec. 31	**-**	**-**

MOVEMENT IN PRESENT VALUE OF THE OBLIGATIONS FOR DEFINED BENEFITS

	2025	2024
Defined benefit obligations at Jan. 1	1 875	1 873
Current service cost	111	123
Past service cost	0	-3
Gain/loss on settlement	0	18
Interest expense (+)	68	67
Other significant events	19	19
Actuarial gains (–)/ losses (+) arising from experience adjustments	21	71
Actuarial gains (–)/ losses (+) arising from financial assumptions	-66	-135
Actuarial gains (–)/ losses (+) arising from demographic assumptions	0	20
Settlements	0	-76
Benefits paid from plan or company assets	-83	-114
Translation differences	-63	12
Defined benefit obligations, Dec. 31	**1 882**	**1 875**

Remeasurements recognized in other comprehensive income amount to -135 (-204) and 12 (23) in profit and loss. The Group expects to pay 92 (85) in contributions to defined benefit plans in 2026.

EXPENSES RECOGNIZED IN THE INCOME STATEMENT

	2025	2024
Current service cost	111	123
Past service cost	0	-3
Gain/loss on settlements	0	18
Net interest cost	2	8
Remeasurement of other long-term benefits	12	23
Total	**125**	**169**

The total benefit expense for defined benefit plans amounted to 125 (169), of which -123 (-161) has been charged to related functions under operating expenses and -2 (-8) to financial expenses. Expenses related to defined contribution plans amounted to 722 (617).

PRINCIPAL ACTUARIAL ASSUMPTIONS

Europe	2025	2024
Financial assumptions		
Discount rate %	4.05	3.62
Salary increases %	3.00	2.80
Inflation rate %	2.00	1.77
Demographic assumptions		
Life expectancy after age 65 in years	21.65	22.15

The Group has identified discount rate, future salary increases, inflation rate and life expectancy as the primary actuarial assumptions for determining defined benefit obligations. Changes in those actuarial assumptions affect the present value of the net obligation. The discount rate is determined by reference to market yields at the balance sheet date using, if available, high quality corporate bonds (AAA or AA) matching the duration of the pension obligations. In countries where corporate bonds are not available, government bonds are used to determine the discount rate. In Sweden, in line with prior years, mortgage bonds are used for determining the discount rate.

Epiroc's mortality assumptions are set by country, based on the most recent available mortality studies. Where possible, generational mortality assumptions are used, meaning that they include expected improvements in life expectancy over time.

The table below shows the sensitivity analysis for principal actuarial assumptions, and describes the potential effect on the present value of the defined pension obligation.

SENSITIVITY ANALYSIS OF PRINCIPAL ACTUARIAL ASSUMPTIONS

Europe	2025	2024
Financial assumptions		
Discount rate + 0.50%	-149	-153
Discount rate - 0.50%	168	173
Salary increase rate + 0.50%	30	37
Salary increase rate - 0.50%	-28	-35
Inflation rate + 0.50%	164	169
Inflation rate - 0.50%	-146	-149
Demographic assumptions		
Life expectancy +/- 1 year	60	60

Note 25 Share-based payments

ACCOUNTING POLICY

The Group has share- based incentive programs, consisting of stock options and share appreciation rights, which may be offered to certain employees based on position and performance. Additionally, the Board are offered synthetic shares.

The fair value of stock options that can only be settled in shares (equity- settled) is recognized as an employee expense with a corresponding increase in equity. The fair value, measured at grant date using the Black- Scholes model, is recognized as an expense over the vesting period. The amount recognized as an expense is adjusted to reflect the actual number of stock options vested.

The fair value of the share appreciation rights, synthetic shares, and options with a choice for employees to settle in shares or cash is recognized in accordance with policies for cash- settled share-based payments. The value is recognized as an employee expense with a corresponding increase in liabilities. The fair value, measured at grant date and remeasured at each reporting date using the Black- Scholes model, is accrued, and recognized as an expense over the vesting period. Changes in fair value are, during the vesting period and after the vesting period until settlement, recognized in profit or loss as an employee expense. The accumulated expense recognized equals the cash amount paid at settlement. Social security charges are paid in cash and are accounted for in line with the policies for cash- settled share- based payments, regardless of whether they are related to equityor cash- settled share-based payments.

Share value based incentive programs

Performance based employee stock option plan 2018-2024

Approximately 270 key employees of Epiroc have received under the performance based stock option plan for the years 2018-2024 options related to Epiroc and receive incentives related to the performance of Epiroc. The terms and conditions of the performance based employee stock option plans for the years 2018–2024 are in all material aspects similar to the terms and conditions of the performance based employee stock option plan for 2025 in Epiroc, as described below, except for that the 2018-2024 plans for senior executives also included matching options. The matching options were allotted to the senior executives proportionally to the number of Epiroc A shares acquired which was and still is a condition for participation in the plan. As from 2025 matching options are no longer allotted to senior executives, but the requirement of own investment remains as a condition for participation of the plan.

Performance based employee stock option plan 2025

The Annual General Meeting of Epiroc held on May 8, 2025, resolved, based on a proposal from the Board of Directors, to introduce a performance based employee stock option plan for 2025, which is similar in structure to the previous stock option plans approved by the Annual General Meeting.

The performance based employee stock option plan is directed at a maximum of 140 key employees in Epiroc, who will have the possibility to acquire a maximum of 1 800 000 Class A shares in Epiroc. The issuing of options for all categories depends on the value increase of Epiroc expressed as Economic Value Added during 2025. In an interval of SEK 1 200 000 000, the allotment varies linear from zero to 100% of the maximum number. In 2025, ESG targets were introduced for the CEO and the rest of the Group Management (including Division Presidents). The ESG target having a weight of approximately 15% and Economic Value Added then having a weight of approximately 85%.

The participating key employees are divided into four categories, with different amounts of maximum of options, depending on their positions. The issuing of options will take place no later than March 20, 2026. The term of the options is seven years from granting, and the options are exercisable not earlier than three years from grant date. The exercise price shall be set at an amount corresponding to 110% of the average of the closing rates on Nasdaq Stockholm of Epiroc's Class A shares during a period of ten business days following the date of the publishing of the Interim report Q4, 2025. A participant must still be employed in order to exercise the options. The options are not transferable and a single payment in relation to an option can never be higher than four times the exercise price of the option.

The costs of the performance based employee stock option plan will, on an on-going basis during the term of the plan, be reported in accordance with IFRS 2, and is estimated to amount up to approximately 36,8. The estimated costs for advice and administration linked to the program are approximately 3.5. In order to limit the exposure of the performance based employee stock option plan, hedging measures have been adopted in the form of share buy-backs (see note 21), which can be transferred to the participants of the plan pursuant to resolutions passed at the Annual General Meeting of Epiroc.

A prerequisite for the participation of senior executives (11 participants) in the performance based employee stock option plan is an investment of a maximum of ten percent of the participants' respective base salary (20% for expatriates with net salary) for 2025 before tax, in series A shares of Epiroc. The investments may be made in cash or by payment of shares, however, not by shares that are obtained as a part of the performance based employee stock option plans for 2023 – 2024. The senior executive's participation the plan corresponds proportionally to the investment made. The acquired shares need to be kept during the vesting period of the plan. If the number of the acquired shares are reduced, the the right to the options is reduced proportionally.

For all the programs, 2019–2025, a total maximum of 3 264 256 shares could be delivered to employees, corresponding to approximately 0.3% of the total number of shares in Epiroc.

The Board of Epiroc has the right to decide to implement an alternative incentive solution (SARs) for key persons in such countries where the grant of employee stock options is not feasible. Such alternative incentive solutions (SARs) shall, to the extent possible, have terms and conditions corresponding to the ones applicable to the performance based employee stock option plan.

The Black-Scholes model is used to calculate the fair value of the options/SARs in the plans at issue date. For the programs in 2025, the fair value of the options/SARs was based on the following assumptions:

KEY ASSUMPTIONS

	2025 Program (Dec. 31, 2025)	2024 Program (Dec. 31, 2024)
Expected exercise price, SEK [1)]	230.89	211.81/144.41
Expected volatility, %	30	30
Expected options life (years)	4.42	4.42
Expected share price, SEK	209.90	192.55
Expected dividend, SEK, (growth %)	3.80 (6%)	3.80 (6%)
Risk free interest rate, %	2.35	2.17
Expected average grant value, SEK [1)]	40.40	35.69/59.37
Number of outstanding options	1 739 050	1 850 279
– of which forfeited [2)]	-807 658	-1 850 279
Number of matching options	-	25 697

[1)] Matching options for senior executives.
[2)] Including adjustments for performance achievement.

The expected volatility has been determined by analyzing the historic development of the Epiroc A Share price and other shares on the stock market. When determining the expected option life, assumptions have been made regarding the expected exercising behavior of different categories of optionees.

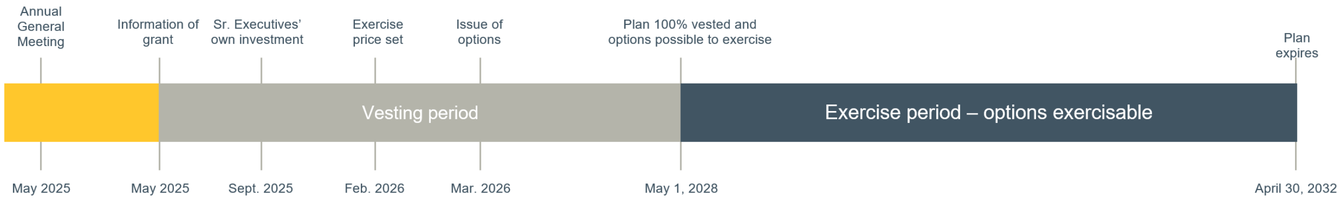
For the stock options in the 2018–2025 programs, the fair value is recognized as an expense over the following vesting periods:

PROGRAM

	Vesting period		Exercise period	
Stock options	From	To	From	To
2018	May-18	Apr-21	May-21	Apr-25
2019	May-19	Apr-22	May-22	Apr-26
2020	May-20	Apr-23	May-23	Apr-27
2021	May-21	Apr-24	May-24	Apr-28
2022	May-22	Apr-25	May-25	Apr-29
2023	May-23	Apr-26	May-26	Apr-30
2024	May-24	Apr-27	May-27	Apr-31
2025	May-25	Apr-28	May-28	Apr-32

For the 2025 program, a new valuation of the fair value has been performed and will be performed at each reporting date until the issue date, which as indicated below will occur in March 2026.

Timeline 2025 Option plan



For SARs, the fair value is recognized as an expense over the same vesting period; the fair value is, however, remeasured at each reporting date and changes in the fair value after the end of the vesting period continue to be recognized as a personnel expense.

In accordance with IFRS 2, the expense in 2025 for the Group for all share-based incentive programs amounted to 16 (7) excluding social costs, of which 9 (13) refers to equity-settled options. The related costs for social security contributions are accounted for in accordance with the statement from the Swedish Financial Reporting Board (UFR 7) and are classified as personnel expenses. In the balance sheet, the provision for the Group for share appreciation rights as of December 31, 2025, amounted to 21 (36). See additional information about the Group's share based incentive program in note 5.

SUMMARY OF SHARE VALUE BASED INCENTIVE PROGRAMS

Program	Initial number of employees	Number of options	Additional number of options, share split redemption 2021 1)	Expiration date	Exercise price, SEK 1)	Type of share	Fair value at grant date	Intrinsic value for vested SARs
Stock options								
2018	63	1 976 817	25 383	4-30-2025	95.39	A	15.63	–
2019	70	743 903	11 210	4-30-2026	127.85	A	6.48	–
2020	64	393 126	5 939	4-30-2027	179.91	A	37.04	–
2021	69	1 188 927	n/a	4-30-2028	218.06	A	39.59	–
2022	87	1 047 348	n/a	4-30-2029	226.55	A	32.94	–
2023	95	1 037 004	n/a	4-30-2030	203.23	A	44.38	–
2024	93	1 316 978	n/a	4-30-2031	211.81	A	35.69	0
Matching options								
2018	11	50 566	760	4-30-2025	65.04	A	27.11	–
2019	13	44 784	670	4-30-2026	87.17	A	14.14	–
2020	11	37 891	569	4-30-2027	122.66	A	61.34	–
2021	11	24 101	n/a	4-30-2028	148.68	A	66.66	–
2022	11	26 479	n/a	4-30-2029	154.46	A	57.31	–
2023	12	27 534	n/a	4-30-2030	138.57	A	70.27	–
2024	11	25 697	n/a	4-30-2031	158.31	A	70.40	0
Share appreciation rights								
2018	24	555 408	6 301	4-30-2025	95.39	A	–	114.51
2019	21	184 998	2 785	4-30-2026	127.85	A	–	82.05
2020	27	138 965	2 101	4-30-2027	179.91	A	–	29.99
2021	23	335 425	n/a	4-30-2028	218.06	A	–	-8.16
2022	33	339 809	n/a	4-30-2029	226.55	A	–	-16.65
2023	49	391 340	n/a	4-30-2030	203.23	A	–	–
2024	47	517 759	n/a	4-30-2031	211.81	A	–	–

1) A share split and mandatory redemption of the Epiroc share was executed in May 2021. In order to ensure that the economic value for the participant was not negatively affected, the exercise price and the number of stock options, matching options and share appreciation rights were adjusted, similar to the method used by Nasdaq Stockholm to adjust exchange traded option contracts.

NUMBER OF OPTIONS/RIGHTS 2025

Program	Outstanding January 1	Exercised	Expired/ forfeited	Outstanding Dec. 31	–of which exercisable	Time to expiration, in months	Average stock price for exercised options, SEK
Stock options							
2018	216 617	216 617	-	-	-	-	212.47
2019	420 974	129 553	-	291 421	291 421	4	212.88
2020	291 791	41 533	4 834	245 424	245 424	16	213.22
2021	970 114	-	39 945	930 169	930 169	28	-
2022	920 274	-	45 112	875 162	875 162	40	-
2023	69 958	-	3 764	66 194	-	52	-
2024	1 316 978	-	1 316 978	0	-	64	-
Matching options							
2018	10 242	10 242	-	-	-	-	215.66
2019	20 059	13 969	-	6 090	6 090	4	221.45
2020	24 701	-	-	24 701	24 701	16	-
2021	18 882	-	-	18 882	18 882	28	-
2022	20 896	-	-	20 896	20 896	40	-
2023	25 983	-	-	25 983	-	52	-
2024	25 697	-	-	25 697	-	64	-
Share appreciation rights							
2018	134 288	134 288	-	-	0	-	210.76
2019	138 817	53 845	-	84 972	84 972	4	211.65
2020	110 223	19 336	-	90 887	90 887	16	209.88
2021	295 480	-	13 315	282 165	282 165	28	-
2022	289 865	-	33 834	256 031	256 031	40	-
2023	22 699	-	3 117	19 582	-	52	-
2024	517 759	-	517 759	-	-	64	-

NUMBER OF OPTIONS/RIGHTS 2024

Program	Outstanding January 1	Exercised	Expired/ forfeited	Outstanding Dec. 31	–of which exercisable	Time to expiration, in months	Average stock price for exercised options, SEK
Stock options							
2017	181 218	181 218	–	–	–	–	202.84
2018	728 081	511 464	–	216 617	216 617	4	207.86
2019	562 543	141 569	–	420 974	420 974	16	206.36
2020	344 965	53 174	–	291 791	291 791	28	204.86
2021	1 091 981	39 945	81 922	970 114	970 114	40	228.43
2022	998 049	–	77 775	920 274	–	52	–
2023	1 037 004	–	967 046	69 958	–	64	–
Matching options							
2017	3 471	3 471	–	–	–	–	194.40
2018	27 504	17 262	–	10 242	10 242	4	207.57
2019	31 758	11 699	–	20 059	20 059	16	213.89
2020	24 701	–	–	24 701	24 701	28	–
2021	20 398	–	1 516	18 882	18 882	40	–
2022	22 443	–	1 547	20 896	–	52	–
2023	27 534	–	1 551	25 983	–	64	–
Share appreciation rights							
2017	206 976	206 976	–	–	–	–	198.94
2018	222 522	88 234	–	134 288	134 288	4	219.10
2019	163 300	24 483	–	138 817	138 817	16	227.27
2020	116 896	6 673	–	110 223	110 223	28	227.32
2021	295 480	–	–	295 480	295 480	40	–
2022	332 962	–	43 097	289 865	–	52	–
2023	391 340	–	368 641	22 699	–	64	–

Note 26 Trade payables and other liabilities

Trade payables and other financial liabilities are classified at amortized cost. Fair value of other liabilities corresponds to carrying value.

Other current liabilities	2025	2024
Trade payables	5 683	5 756
Derivatives		
– classified at fair value through profit and loss	149	348
Other financial liabilities		
– other liabilities	1 569	1 550
– accrued expenses	4 107	4 583
Advances from customers [1)]	1 711	2 058
Deferred revenues service contracts [1)]	627	605
Closing balance, Dec 31	**13 846**	**14 899**

[1)] In advances from customers and deferred revenue, 1 888 (1 590) is related to contract liabilities. 1 548 (730) of the advances from customers and deferred revenue 2024 have been recognized as revenue during 2025.

Accrued expenses include items such as social costs, vacation pay liability, accrued interest and accrued operational expenses.

The Group classifies financial liabilities that arise from organized factoring for Epiroc suppliers within trade payables since they have similar nature and function to trade payables. Organized factoring amount to 1 746 (1 591). Cash flows from organized factoring are included in operating activities.

Note 27 Provisions

Provisions are recognized:

- when the Group has a legal or constructive obligation (as a result of a past event),
- it is probable that the Group will have to settle the obligation, and
- the amount of the obligation can be estimated reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, the provision is determined by discounting the expected future cash flows of estimated expenditures.

2025	Product warranty	Restructuring	Other	Total
Opening balance, Jan. 1	**281**	**172**	**493**	**946**
Additions to provisions	217	44	132	393
Utilization	-147	-128	-154	-429
Reversal of excess amounts	-79	-14	0	-93
Reclassification	7	0	5	12
Translation differences	-34	-7	-41	-82
Closing balance, Dec. 31	**245**	**67**	**435**	**747**
Non-current	8	32	271	311
Current	237	35	164	436
Total	**245**	**67**	**435**	**747**

2025, Maturity	Product warranty	Restructuring	Other	Total
Less than one year	237	35	164	436
Between one and five years	8	31	238	277
More than five years	0	1	33	34
Total	**245**	**67**	**435**	**747**

Provisions for product warranties are recognized as cost of sales at the time the products are sold based on the estimated cost using historical data for level of repairs and replacements. Provisions for product warranties should cover future commitments for the sales volumes already realized. Warranty provision is a complex accounting estimate due to the variety of variables which are included in the calculations. The calculation methods are based on the type of products sold and historical data for level of repairs and replacements. The underlying estimates for calculating the provision are reviewed at least quarterly as well as when new products are being introduced or when other changes occur which may affect the calculation.

A restructuring provision is recognized when the Group has approved a detailed and formal restructuring plan and the restructuring has either commenced or been announced publicly.

Other provisions consist primarily of amounts related to share- based payments including social fees and other long-term employee benefits, see note 25.

2024	Product warranty	Restructuring	Other	Total
Opening balance, Jan. 1	**273**	**182**	**552**	**1 007**
Additions to provisions	273	53	119	445
Utilization	-162	-50	-151	-363
Reversal of excess amounts	-114	-20	-40	-174
Acquisition of business	-	-	2	2
Reclassification	2	-	-	2
Translation differences	9	7	11	27
Closing balance, Dec. 31	**281**	**172**	**493**	**946**
Non-current	9	150	283	442
Current	272	22	210	504
Total	**281**	**172**	**493**	**946**

2024, Maturity	Product warranty	Restructuring	Other	Total
Less than one year	272	22	210	504
Between one and five years	9	149	236	394
More than five years	-	1	47	48
Total	**281**	**172**	**493**	**946**

Note 28 Pledged assets and contingent liabilities

A contingent liability is a possible obligation or a present obligation that arises from past events that is not reported as a liability or provision, due either to the fact that it is not probable that an outflow of resources will be required to settle the obligation, or a sufficiently reliable calculation of the amount cannot be made. Epiroc had 118 (174) in sureties and other contingent liabilities. These primarily relate to pension commitments and commitments related to customer claims and various legal matters. In addition, Epiroc has commercial guarantees for fulfillment of contractual undertakings, which is part of the Group's normal course of business of 422 (401).

During 2025, Epiroc entered into a contract for a supply chain resilience solution with a distributor of equipment and spare parts, with commitments to purchase the products within twelve months. All purchases through this solution were according to forecast and no shortfall of orders occurred. The objective of this solution is to create a more resilient supply chain, resulting in shorter lead times and improved delivery performance to Epiroc's end customers. In 2025, Epiroc purchased equipment and spare parts amounting to 282 MSEK through this solution. As of December 31, 2025 the unrecognized commitment for future purchases according to forecast amounts to 750 MSEK.

Note 29 Financial instruments

ACCOUNTING POLICY

Recognition and derecognition
Financial assets and liabilities include trade receivables, financial investments, derivatives and cash and cash equivalents and loan liabilities, trade payables and derivatives, respectively. Financial assets and liabilities are recognized when the Group becomes a party to the contractual provision of the instrument and the classification of measurement occur at the initial recognition. A financial asset is derecognized at maturity or when the Group has transferred risks and rewards to an external party and no longer has control over it.

Financial assets and liabilities at amortized cost
Financial assets such as trade receivables, financial investments and cash and cash equivalents are included in this category. Financial liabilities in this category include loan liabilities, trade payables and other liabilities. Financial assets and liabilities classified to amortized cost are initially recognized to fair value including transaction costs. Transaction costs stemming from new loans are amortized over the maturity period of the loan as financial costs. Assets in this category are subject to a loss allowance for expected credit losses.

Financial assets and liabilities classified to fair value through other comprehensive income (FVOCI)
Accounting policy for Hedge accounting, see note 30.

Financial assets and liabilities through profit or loss (FVTPL)
Fair value through profit or loss is all other debt instruments that are not valued to amortized cost or FVOCI. Derivatives are measured to FVTPL unless they are used as hedging instruments in cash flow or net investment hedges. As in the other categories, assets in this category are subject to a loss allowance for expected credit losses.

Impairment of financial assets
Financial assets not classified to FVTPL are subject to impairment for expected credit losses. Examples of such asset include trade receivables, debt instruments, contract assets, loan commitments and financial guarantees. Epiroc uses two impairment methods depending on the asset class. One of the methods uses historical data to reflect an unbiased and probability-weighted level of credit losses, while the other method is a three-step model with its base in both external and internally calculated credit ratings for the specific customer as well as its country. In simplified terms, the three-step model means that provisions are increased depending on the credit risk. Forward-looking analysis, including macroeconomic aspects that affect different customer segments and geographical areas, are treated separately for both models (in the case that it has not been treated in the rating model) and the level of impairment is adjusted to reflect the identified changes in the specific market, if necessary

Fair value of financial instruments
In the Group's balance sheet, financial instruments are recorded to fair value or amortized cost. The fair value is decided according to the hierarchy of fair value. The fair value for financial assets is determined by prices from active markets if such exist. If prices from an active market does not exist, the fair value is determined by different valuation techniques. The majority of the Group's financial instruments, such as currency future contracts, electricity derivatives, interest bearing debt, financial leasing agreements and other financial receivables are based on market interest rates and the present value of future cash flows,level 2 in the fair value hierarchy. The Group's bonds are classified at level 1, meaning prices from active markets. In level 3, items such as earn-outs from acquisitions, where the valuation is built upon a valuation model with non-observable market data, exist.

Comments for the year
No changes have been made between the different levels in the fair value hierarchy and no material changes have been made to the valuation techniques, neither for used data nor the assumptions, compared to 2024.

The carrying amount of the Group's financial instruments corresponds to the fair value in all categories except financing. See note 22.

FINANCIAL ASSETS AND LIABILITIES

		2025		2024	
MSEK	Fair value level	Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Financial assets at fair value through profit and loss					
whereof derivatives	2	94	94	228	228
Financial assets at fair value through OCI					
where of derivatives	2	594	594	200	200
Financial assets at amortized cost					
whereof trade receivables	2	11 155	11 155	12 424	12 424
whereof cash and cash equivalents	2	9 574	9 574	7 179	7 179
whereof other financial assets	2	2 881	2 881	2 935	2 935
Total financial assets		**24 298**	**24 298**	**22 966**	**22 966**
Financial liabilities					
Financial liabilities at fair value through profit and loss					
whereof derivatives	2	149	149	348	348
whereof earn-out [1]	3	331	331	423	423
Financial liabilities at fair value through OCI					
whereof derivatives	2	4	4	11	11
Financial liabilities at amortized cost					
whereof bonds	1	11 350	11 821	11 676	12 197
whereof other loans	2	9 673	9 957	10 341	10 671
whereof trade payables	2	5 683	5 683	5 756	5 756
whereof other financial liabilities	2	5 346	5 346	5 709	5 709
Total financial Liabilities		**32 536**	**33 291**	**34 264**	**35 115**

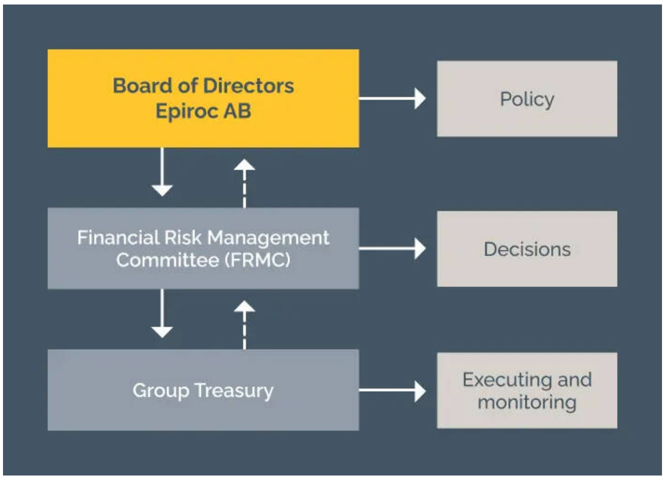
1) The fair value is based on probability-weighted scenarios and is discounted to net present value. More information is found in note 3.

Note 30 Financial risk management

In its operations, Epiroc is exposed to a variety of financial risks: funding and liquidity risk, currency risk, interest rate risk and credit risk. The Board of Directors establishes the Group's financial risk policy, which includes frameworks, rules and guidelines for how to manage the risks. The financial risk policy is reviewed at least annually. The Group has a financial risk management committee (FRMC), that manage the Group's financial risks within the mandate from the Board of Directors. The members in the FRMC are the CEO, CFO, Group Treasurer and representative from Group Treasury.

Group Treasury has the operational responsibility for financial risk management in the Group. Group Treasury manages and controls financial risk exposures, ensures that appropriate financing is in place through loans and committed credit facilities and manages the Group's liquidity.

Group Treasury reports to the FRMC quarterly and the FRMC reports to the Audit Committee.



Capital structure and credit rating

The Group defines capital as borrowings and equity. The capital requirement is assessed based on ratios such as net debt/equity and net debt/EBITDA. Another variable in the assessment of the Group's capital structure is the credit rating. In May 2025, S&P Global Ratings affirmed the credit rating BBB+ with a stable outlook.

Funding and liquidity risk

Funding and liquidity risk is defined as the risk of the cost being higher and financing opportunities limited as borrowing is renegotiated and payment obligations cannot be met as a result of insufficient liquidity or difficulties in securing funding. The funding and liquidity risk is measured with the following metrics:

Policy	Limit	2025
Average tenor (long-term)	>3 years	3.7
Maturities coming 12 months	<5 000 MSEK	3 564
Committed credit facilities	>4 000 MSEK	4 000

In addition, the policy states that Group should ensure a short-term liquidity reserve, which consists of cash and cash equivalents and uncommitted credit facilities.

Net debt

Net debt is defined by the Group as interest-bearing debt and post-employment benefits, less cash and cash equivalents and certain other financial receivables.

See note 20 and note 22 for more information.

NET DEBT

	2025	2024
Interest-bearing liabilities	21 023	22 017
Post-employment benefits	178	201
Cash and cash equivalents	-9 574	-7 179
Other financial assets	-622	-262
Net debt	**11 004**	**14 777**
Total equity	**42 272**	**43 180**
Net debt/equity ratio, %	26.0	34.3
EBITDA	15 011	15 827
Net debt/EBITDA	**0.73**	**0.93**

The maturity profile of the Group's financial liabilities is illustrated in the following table. The Group's short-term liquidity reserve exceeds financial liabilities due within 2026.

FINANCIAL LIABILITIES - FUTURE UNDISCOUNTED CASH FLOWS

2025	2026	2027	2028	2029	2030	>2030
Liabilities to credit institutions	3 368	3 516	1 905	856	3 293	7 093
Lease liabilities	778	667	504	343	243	560
Derivatives	149	5	-	-	-	-
Other liabilities	11 359	69	-	-	-	-
whereof trade payables	5 683	-	-	-	-	-
Total	**15 654**	**4 257**	**2 409**	**1 199**	**3 536**	**7 653**

Interest rate risk

Interest rate risk is the risk that changes in market interest rates affect the Group's net interest. How quickly interest rate changes impact net interest depends on the fixed interest term of the borrowings, including interest rate derivatives. Interest rate risk is measured by duration.

Policy	Limit	2025
Duration	6-48 months	15

Comments for the year

The Group's borrowings have a mix of fixed and floating rates. The floating rates are based on STIBOR, SOFR and BBSW with a credit margin and the borrowings at a floating rate amounted to 9 742 (10 382) at year-end. Borrowings with floating rate amounted to 58 percent of total borrowings. The average interest rate of the Parent Company's borrowings was 3.75% (4.21). A change by 1 percentage point on the floating interest rates would affect the Group's interest net by approximately +/- 5 (104).

Currency risk

The Group operates in various geographical markets and undertakes transactions denominated in foreign currencies and is consequently exposed to exchange rate fluctuations. Currency exposure occurs in connection with payments in foreign currency (transaction exposure) and when translating foreign subsidiaries' balance sheets and income statements into SEK (translation exposure).

Transaction exposure

Transaction exposure primarily arises when the Group's products are sold in other countries and in other currencies. Sales in each respective market primarily take place in local currency, meaning that Epiroc has a large net inflow of foreign currencies. These payment flows create currency exposures that affect the Group's earnings in the event of exchange fluctuations.

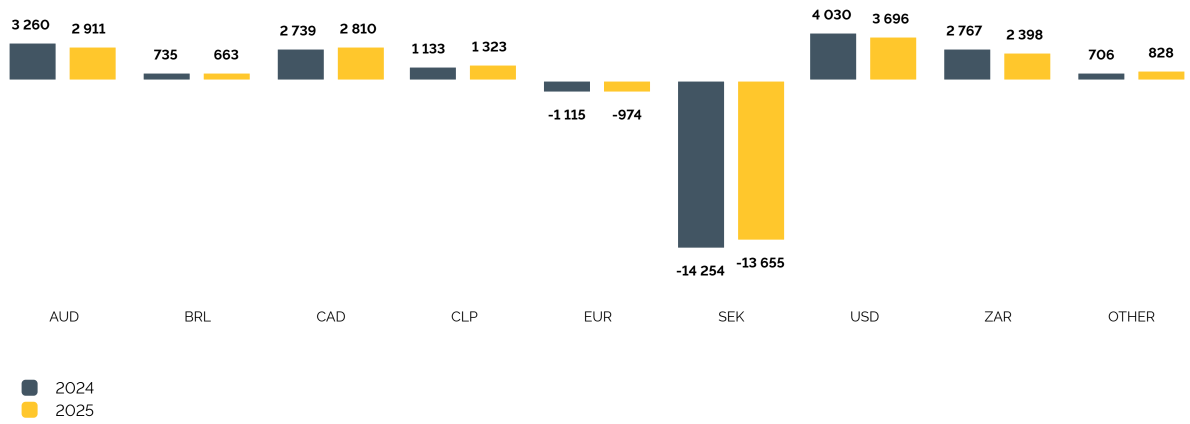
Policy

The policy states that exposures shall be reduced by matching inflows and outflows of the same currencies. Based on the assumption that currency hedging does not have any significant effect on the Group's long-term result, the policy recommends leaving transaction exposures unhedged. Divisional management is responsible to adjust operations to compensate for adverse currency movements. However, the FRMC can decide to hedge part of the transaction exposure as well as the purchase price of highly probable acquisitions. Such transactions shall qualify for hedge accounting in accordance with IFRS and hedging beyond 18 months is not allowed. The operational transactional exposure is measured as an estimate of the net foreign exchange flows per currency and is based on both intercompany and external payment flows in the most significant currencies.

Comments for the year

The net amounts for the transaction exposure are shown in the graph below and amounts to 15 570 (16 595). Epiroc is exposed to a large net inflow in many currencies against the SEK and EUR where the Group has its main costs. During the year, a part of the USD transaction exposure was hedged through FX forward contracts. At year-end, no outstanding hedges remained.

Estimated operational transaction exposure in the Group's most important currencies, MSEK, 2024 and 2025



The table below shows the effect on pretax earnings that one-sided fluctuations in each currency may have.

TRANSACTION EXPOSURE SENSITIVITY [1)]

	2025	2024
AUD Currency rate +/–1%	29	33
CAD Currency rate +/–1%	28	27
USD Currency rate +/–1%	37	40
SEK Currency rate +/–1%	137	143
ZAR Currency rate +/–1%	24	28

[1)] The indication is based on the assumptions that no hedging transactions have been undertaken, and before any impact of offsetting price adjustments or similar measures.

The financial transaction exposure in the Group, i.e., internal and external borrowing or lending in foreign currencies, is centrally managed by Group Treasury. Group Treasury hedges the financial transaction exposure either by FX forwards or by matching inflows and outflows in the same currencies.

Translation exposure

Currency exposure occurs when translating the results and net assets of foreign subsidiaries into SEK, which affects the Group's income statement and other comprehensive income, respectively, when exchange rates fluctuate.

Policy

The translation exposure is measured as the net of assets and liabilities in a certain currency. The Group's general policy for managing translation exposure is that translation exposure should be reduced by matching assets and liabilities in the same currencies. The FRMC can decide to hedge part or all of the remaining translation exposure and any hedging shall qualify for hedge accounting in accordance with IFRS.

Comments for the year

During the year, a part of the USD translation exposure was hedged through FX forwards contracts. At year-end, no outstanding hedges remained. See the hedge accounting section for more information. A change up or down by 1% in the value of each currency against the Swedish krona would affect the Group's pretax earnings by approximately +/– 55 (39).

Credit risk

Credit risk can be divided into operational and financial credit risk. These risks are described further in the following sections. The table shows the total credit risk exposure related to assets classified as financial instruments as of December 31, 2025.

CREDIT RISK

	2025	2024
Receivables		
– trade receivables	11 155	12 424
– finance lease receivables	723	791
– other financial receivables	2 159	2 144
– other receivables	2 573	2 365
– accrued income	420	514
– cash and cash equivalents	9 574	7 179
Derivatives	688	428
Total	**27 292**	**25 845**

Operational credit risk

Operational credit risk is the risk that the Group's customers do not meet their payment obligations.

Policy

Since the Group's sales are distributed among many customers and that no single customer represents a significant share of the Group's commercial risk, the monitoring of commercial credit risks is primarily performed at the divisional or entity level. Each entity is required to have an approved commercial risk policy. These shall aim to preserve the high credit quality of the Group's portfolios and thereby protect the Group's short and long-term viability. The commercial credit risk is measured as the net value of customer receivables. For information about the impairment process, see the section for impairment of financial assets.

Customer finance operation

Epiroc has an in-house customer finance operation, a part of Financial Solutions, as a means of supporting equipment sales. The credit risk in customer financing is typically mitigated by Epiroc Financial Solutions' maintaining collateral for its credit portfolio primarily through repossession rights in equipment. Entities may also transfer the commercial risk through insurance to external entities, usually to an export credit agency. In addition, Epiroc Financial Solutions also has non-cancelable operating lease contracts, where the residual value is managed through monitoring of equipment with support from customer centers and the customer centers also perform a continuous assessment of the value of the underlying asset. For more information, see note 16 and 23.

Comments for the year

The credit risk is deemed to be limited as the customer receivables relate to a large number of customers, spread across different geographical areas and that a commercial risk policy is applied. At yearend, trade receivables of 11 155 (12 424) were reported, net of impairment amounting to 670 (530). The expected credit losses amounted to 5.7% (4.1) of gross total customer receivables. For more information, see note 18.

The credit risk for the customer finance operation is also diversified as no customer represents more than 6% (6) of the total outstanding receivables. See the table for a distribution of the credit portfolio. Financial Solutions non-cancelable operating lease contracts amounted to 95 (194).

CREDIT PORTFOLIO FOR CUSTOMER FINANCE

	2025	2024
Trade receivables	11	15
Finance lease receivables	723	792
Other financial receivables	1 818	1 787
Total	**2 552**	**2 594**

Financial credit risk

Credit risk on financial transactions is the risk that the Group incurs losses as a result of non-payment by counterparties related to the Group's investments, bank deposits or derivative transactions. The financial credit risk is measured differently depending on transaction type.

Policy

The Group's policy states that diversification of credit risk should be the norm and that maximum exposure limits shall be assigned for each financial counterparty with a maximum of 3 000 per counterparty. Derivative transactions can only be undertaken with counterparties for which CSA (Credit Support Annex) agreements are established. Furthermore, financial transactions are only to be entered into with counterparties that have a certain rating (not below A3/A-/A-). An investment policy stipulating the framework for investments of the Group's excess cash shall consider the above points. The policy's demand for security shall always be prioritized over the aim of maximum return. When measuring credit risk on cash and cash equivalents, the Group applies the general approach on impairment.

Comments for the year

The maturities of the currency derivatives are well below 12 months and the counterparties are stable banks with a high rating. Calculations based on the banks' probabilities of default, yields an expected loss which is in all respects immaterial. At year-end 2025, the measured credit risk on currency derivatives, taking into account the mark-to-market value and collateral, amounted to 74 (156). The table below presents the reported value of the Group's derivatives.

OUTSTANDING DERIVATIVE INSTRUMENTS

	2025	2024
Currency and interest rate derivatives		
Assets	681	421
– whereof net position	65	-
Liabilities	144	342
– whereof net position	-	137
Electricity derivatives		
Assets	7	7
Liabilities	9	11

No financial assets or liabilities are offset in the balance sheet. Currency and interest rate derivatives are covered by ISDA agreements with a CSA, requiring weekly collateral exchanges based on market values. Net positions may still occur due to timing differences. Electricity derivatives are not subject to ISDA agreements.

Commodity and electricity price risk

Commodity price risk is the risk that the cost of direct and indirect materials could increase as underlying commodity prices rise in global markets.

Policy

The Group is directly and indirectly exposed to price fluctuations of raw materials and electricity. Cost increase for raw materials and components frequently coincide with strong end-customer demand and are offset by increased sales to mining customers and compensated for by increased market prices. Therefore, the Group does not hedge commodity price risks on a regular basis. However, the Operations may decide to hedge part of the commodity risk and if so, the hedging shall be approved by Group Treasury and qualify for hedge accounting. Hedging beyond 60 months is not allowed.

Comments for the year

Part of the electricity price risk in the Swedish production facilities is hedged up to five years, managed through a discretionary management mandate. The remaining part of the electricity price risk is measured by the divisions as part of cost of sales. For more information, see the hedge accounting section.

Hedge accounting

ACCOUNTING POLICY

The Group applies hedge accounting to hedge FX risk, interest rate risk and electricity price risk. Epiroc applies a mix of cash flow hedging, fair value hedging and net investment hedging. To apply hedge accounting, hedge relationships must be formally identified and documented. In addition, there needs to be an economic relationship between the hedged item and the hedging instrument, the effect of credit risk may not dominate the value changes resulting from that relationship, and the hedge ratio is the same as that resulting from the quantity of both the hedged item and the hedging instrument used.

The economic relationships are assessed based on a qualitative analysis of critical terms, which are matched. As such, the carrying amounts are expected to move in opposite directions as a result of a change in the hedged risk. The effects of credit risk are not considered to dominate the changes in fair value. The hedge ratios applied by Epiroc is 1:1. The potential sources of ineffectiveness are related to changes in Epiroc's or the counterparty's credit risk and valuation changes in floating legs from swaps designated as hedging instruments. Any ineffectiveness is recognized in profit or loss.

Epiroc uses derivatives as hedging instruments for hedge accounting, either by themselves or in combination with other offsetting derivatives. The derivatives can be designated in one or more hedging relationships. If a derivative is used in multiple hedging relationships, it is bifurcated to achieve hedge accounting. Subsequently, the bifurcated derivatives are identified as hedging instruments. Any reference below to derivatives are the hedging instruments used for hedge accounting.

The following table shows the maturity of the hedging instruments:

2025	<1 year	1-5 years	>5 years	Total
Electricity derivatives	**54**	**46**		**100**
– Average forward rate (GWH)	0.48	0.44		
Cross-currency interest rate swaps			**5 398**	**5 398**
– Average fixed interest			3.63	3.63
Interest rate swaps			**2 511**	**2 511**
– Average fixed interest			5.15	5.15

Cash flow hedge

Epiroc applies cash flow hedging on foreign currency exposures and electricity price exposures. The strategies are to hedge part, or all, of the identified exposures:

- A portion, approximately 15%, of the foreign currency transaction exposure from future sales in USD has been hedged with FX forward contracts up to one year. Sales in foreign currency is designated as the hedged risk.
- Foreign currency issued debt is hedged with a cross-currency interest rate swap that converts EUR borrowing to SEK.
- Most of the electricity price risk in the Swedish production facilities is hedged up to five years through a discretionary management mandate. 90% of the estimated electricity consumption is hedged with a declining linear basis to 0 percent in year 4.

The effective portion of any gains or losses on the hedging instrument is recognized in other comprehensive income and is reclassified to profit or loss when the hedged item impact profit and loss. Changes in foreign currency basis spread is recognized in cost of hedging in other comprehensive income.

Net investment hedge

Epiroc also applies hedges of net investments in foreign operations. The strategy is to hedge part of the USD currency risk of Epiroc's net investment in foreign operations using cross-currency interest rate swaps. The hedged risk is the FX spot rate. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized in other comprehensive income, while any gains or losses relating to the ineffective portion are recognized in profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to profit or loss. Changes in forward element and foreign currency basis spread is recognized in cost of hedging in other comprehensive income.

The table shows impact of cash flow hedging and net investment hedging on the statement of financial position as of 31 December 2025.

2025			Change in value used for measuring ineffectiveness for the period						
Hedging instruments	**Nominal amount**	**Carrying amount**	**Hedging instrument**	**Hedged item**	**Hedge ineffectiveness recognised in the income statement**	**Balance in Cash flow Hedge reserve**	**Balance in Foreign currency translation reserve**	**Balance in cost of hedging reserve**	**Re-classified into profit or loss**
Cash flow Hedge									
– FX Forward contracts	–	–	–	–	–	–	–	–	–
– Cross-currency interest rate swaps	2 798	-57	-99	99	–	-99	–	-6	-99
– Electricity derivatives	100 GWh	-2	-2	2	–	-2	–	–	4
Net investment Hedge									
– Cross-currency	5 664	-14	786	-786	–	–	786	-76	–

2024			Change in value used for measuring ineffectiveness for the period						
Hedging instruments	**Nominal amount**	**Carrying amount**	**Hedging instrument**	**Hedged item**	**Hedge ineffectiveness recognised in the income statement**	**Balance in Cash flow Hedge reserve**	**Balance in Foreign currency translation reserve**	**Balance in cost of hedging reserve**	**Re-classified into profit or loss**
Cash flow Hedge									
– FX Forward contracts	99	0	0	-0	–	-0	–	–	39
– Cross-currency interest rate swaps	2 798	-112	68	-68	–	68	–	-246	68
– Electricity derivatives	103 GWh	45	-49	45	–	-4	–	–	–
Net investment Hedge									
– Cross-currency	5 664	-190	-214	214	–	–	-214	252	–

Any ineffectiveness is recognized in net financial items in the income statement. The hedging instruments are recognized on the line other assets or other liabilities in the statement of financial position. The table shows a reconciliation of each component of equity and the analysis of other comprehensive income resulting from hedge accounting:

2025	Cash flow Hedge reserve	Cost of Hedging reserve	Foreign currency translation reserve
Opening balance, Jan. 1	-3	5	–
Effective changes in fair value from hedging instruments			
– FX forward contracts	–	–	–
– Cross-currency interest rate swaps	-99	-82	-786
– Electricity derivatives	-2	–	–
Foreign currency revaluation of the net foreign operations	–	–	786
Amount reclassified to the income statement	**95**	**–**	**–**
Tax	2	16	–
Closing balance, Dec. 31	**-7**	**-61**	**0**

2024	Cash flow Hedge reserve	Cost of Hedging reserve	Foreign currency translation reserve
Opening balance, Jan. 1	39	0	–
Effective changes in fair value from hedging instruments			
– FX forward contracts	0	–	–
– Cross-currency interest rate swaps	68	6	-214
– Electricity derivatives	-4	–	–
Foreign currency revaluation of the net foreign operations	–	–	214
Amount reclassified to the income statement	**-107**	**–**	**–**
Tax	1	-1	–
Closing balance, Dec. 31	**-3**	**5**	**0**

Fair Value Hedge

Epiroc applies fair value hedging on foreign currency exposures and interest rate exposures. The strategy is to hedge part of EUR spot risk and the benchmark interest rate risk exposure of Epiroc's fixed foreign currency debt using cross-currency interest rate swaps. The hedged item's and hedging instrument's changes in fair value, related to changes in currency and interest rates, are recognized in the income statement within net financial items in the statement of financial position. Changes in foreign currency basis spread is recognized in cost of hedging in other comprehensive income.

The table shows impact of hedge accounting on the statement of financial position and hedge ineffectiveness as of 31 December 2025.

Hedging instruments	Classification	Nominal amount	Carrying amount	Change in fair value used for measuring ineffectiveness
EUR denominated debt	Hedged item	2 679	2 678	44
Cross-currency interest rate swaps	Hedged instrument	2 798	-125	-76
Ineffectiveness recognized in Profit or loss				-33
Accumulated change				**-55**

Any ineffectiveness is recognized in net financial items in the income statement. The hedging instruments are recognized on the line other assets or other liabilities in the statement of financial position.

Note 31 Related parties

Related-party transactions

Related parties are defined as the subsidiaries in the Epiroc Group and companies over which related physical persons have a controlling or significant influence. The Company's largest shareholder, Investor AB, controls approximately 23% of the voting rights in Epiroc AB. Related parties also include transactions with associated companies. Related persons include Board members, senior executives and close family members of the above.

No Board member, senior officer or shareholder has:

(i) been a party to a transaction with the Company on unusual terms or of an unusual nature, or

(ii) that is of importance, or has been of importance, for operations as a whole in the present or immediately preceding fiscal year, or in any previous fiscal year, and in any way may be considered outstanding or incomplete.

Information about participation in Group companies can be found in note A19. The Group has transactions with related parties reported in note 4 where intercompany revenues account for a minor part of total revenues as presented in the note. The parent company's revenue of 175 (194) mainly entails allocation of centrally incurred administration costs. Information about remunerations and other benefits to key management personnel can be found in note 5 and in the Corporate governance report. All intra-group transactions take place on general and commercial terms and at market price.

Transactions with associated companies

The Group sold various products and purchased goods through certain associated companies on terms generally similar to those prevailing with unrelated parties.

The following table summarizes the Group's related-party transactions with its associates.

	2025	2024
Revenues	79	87
Goods purchased	-8	-17
Services purchased	0	–
At Dec. 31:		
Trade receivables	4	7
Trade payables	1	8

Note 32 Events after the reporting period

On March 9, 2026, Epiroc agreed to acquire Eventspec Proprietary Limited, a South African mining aftermarket solutions provider. The company manufactures parts for drill rigs, mine trucks and loaders, and provides related rebuilds, repairs and services, has around 120 employees and had revenues in 2025 of around MSEK 160. The acquisition is subject to customary regulatory filings and is expected to be completed in the early part of the third quarter 2026.

Parent company financial information

Income statement

January - December, MSEK	Note	2025	2024
Administrative expenses	A2	-280	-264
Marketing expenses		-25	-32
Other operating income	A3	178	195
Other operating expenses	A3	-19	-10
Operating profit		**-146**	**-111**
Financial income	A4	644	700
Financial expenses	A4	-692	-764
Profit after financial items		**-194**	**-175**
Appropriations	A5	4 179	5 318
Profit before tax		**3 985**	**5 143**
Income tax	A6	-817	-1 046
Profit for the year		**3 168**	**4 097**

Statement of comprehensive income

January - December, MSEK	Note	2025	2024
Profit for the year		3 168	4 097
Total comprehensive income for the year		**3 168**	**4 097**

Balance sheet

MSEK	Note	2025	2024
Assets			
Non-current assets			
Intangible assets		34	6
Tangible assets		5	6
Shares in Group companies	A8, A18	46 274	46 260
Other financial assets	A9	15 062	15 055
Deferred tax assets	A7	29	31
Total non-current assets		**61 404**	**61 358**
Current assets			
Income tax receivable		407	279
Other receivables	A10	4 186	6 662
Cash and cash equivalents	A16	0	0
Total current assets		**4 593**	**6 941**
Total assets		**65 997**	**68 299**
Equity and liabilities			
Equity	A11		
Share capital		500	500
Legal reserve		3	3
Total restricted equity		**503**	**503**
Retained earnings		44 657	45 044
Profit for the year		3 168	4 097
Total non-restricted equity		**47 825**	**49 141**
Total equity		**48 328**	**49 644**
Provisions			
Post-employment benefits	A12	57	47
Other provisions	A13	66	82
Total provisions		**123**	**129**
Liabilities			
Non-current liabilities			
Borrowings	A14	14 574	17 036
Total non-current liabilities		**14 574**	**17 036**
Current liabilities			
Borrowings	A14	2 482	1 111
Other liabilities	A15	490	379
Total current liabilities		**2 972**	**1 490**
Total equity and liabilities		**65 997**	**68 299**

Statement of changes in equity

2025, MSEK	Number of shares outstanding	Share capital	Legal reserve	Retained earnings	Total Equity
Opening balance, Jan. 1	1 208 376 598	500	3	49 141	49 644
Total comprehensive income for the year	–	–	–	3 168	3 168
Dividend	–	–	–	-4 594	-4 594
Divestment of series A shares	666 914	–	–	142	142
Share-based payment, equity-settled					
– expense during the year	–	–	–	9	9
– exercise option	–	–	–	-41	-41
Closing balance, Dec. 31	**1 209 043 512**	**500**	**3**	**47 825**	**48 328**

2024, MSEK	Number of shares outstanding	Share capital	Legal reserve	Retained earnings	Total Equity
Opening balance, Jan. 1	1 206 970 688	500	3	49 425	49 928
Total comprehensive income for the year	–	–	–	4 097	4 097
Dividend	–	–	–	-4 591	-4 591
Divestment of series A shares	1 405 910	–	–	290	290
Share-based payment, equity-settled					
– expense during the year	–	–	–	13	13
– exercise option	–	–	–	-93	-93
Closing balance, Dec. 31	**1 208 376 598**	**500**	**3**	**49 141**	**49 644**

See note A11 for additional information.

Statement of cash flows

January - December, MSEK	Note	2025	2024
Cash flow from operating activities			
Operating profit		-146	-111
Adjustments for:			
Depreciation, amortization and impairment		1	1
Capital gain/loss and other non-cash items		-60	-162
Operating cash flow surplus/deficit		**-205**	**-272**
Net financial items received/paid		-36	-54
Group contributions received		5 318	5 847
Taxes paid		-945	-1 096
Cash flow before change in working capital		**4 132**	**4 425**
Change in:			
Operating receivables		1 443	-2 236
Operating liabilities		7	4
Change in working capital		**1 450**	**-2 232**
Net cash flow from operating activities		**5 582**	**2 193**
Cash flow from investing activities			
Investments in intangible assets		-29	-7
Proceeds to/from other financial assets, net		-473	-4 912
Net cash flow from investing activities		**-502**	**-4 919**
Cash flow from financing activities			
Dividend		-4 594	-4 591
Divestment of own shares		142	290
Borrowings		2 517	11 958
Repayment of borrowings		-3 145	-4 931
Net cash flow from financing activities		**-5 080**	**2 726**
Net cash flow for the year		**0**	**0**
Cash and cash equivalents, Jan. 1		0	0
Net cash flow for the year		0	0
Cash and cash equivalents, Dec. 31		**0**	**0**

Parent company notes

Note A1 Accounting policies

Epiroc AB is the ultimate Parent Company of the Epiroc Group and is headquartered in Nacka, Sweden. The financial statements of Epiroc AB have been prepared in accordance with the Swedish Annual Accounts Act and the recommendation RFR 2, "Accounting for Legal Entities", hereafter referred to as "RFR 2", issued by the Swedish Financial Reporting Board. In accordance with RFR 2, parent companies that issue consolidated financial statements according to IFRS Accounting Standards, as endorsed by the European Union, shall present their financial statements in accordance with IFRS, to the extent these accounting policies comply with the Swedish Annual Accounts Act and may use exemptions from IFRS provided by RFR 2 due to Swedish accounting or tax legislation. The financial statements are presented in Swedish krona (SEK), which is the accounting currency for Epiroc AB and also the presentation currency. Unless otherwise stated, the amounts presented are in millions Swedish krona (MSEK).

The Parent Company's accounting policies have been consistently applied to all periods presented unless otherwise stated. The financial statements are prepared using the same accounting policies as described in note 1 in the Group's consolidated financial statements, except for those disclosed in the following sections. For information regarding accounting estimates and judgments, see note 2 in the Group's consolidated financial statements.

Subsidiaries

Participations in subsidiaries are accounted for by the Parent Company at historical cost. The carrying amounts of participations in subsidiaries are reviewed for impairment in accordance with IAS 36, Impairment of Assets. See the Group's accounting policies, Impairment of financial assets, for further details. Transaction costs incurred in connection with a business combination are accounted for by the Parent Company as part of the acquisition costs and are not expensed.

Lease contracts

The Parent Company recognizes leases in accordance with the exemption rule for IFRS 16 provided in RFR 2. All lease contracts entered into by the Parent Company are accounted for as operating leases.

Employee benefits

Defined benefit plans

Defined benefit plans are not accounted for in accordance with IAS 19. In the Parent Company defined benefit plans are accounted for according to the Swedish law regarding pensions,"Tryggandelagen", and regulations issued by the Swedish Financial Supervisory Board. The primary differences as compared to IAS 19 are the way discount rates are fixed, the calculation of defined benefit obligations is based on current salary levels, without consideration of future salary increases and all actuarial gains and losses are included in profit or loss as they occur.

Share-based payments

The share-based payments that the Parent Company has granted to employees in the Parent Company are accounted for using the same principle as described in note 25 in the Group's consolidated financial statements. The share- based payments that the Parent Company has granted to employees in subsidiaries are not accounted for as an employee expense in the Parent Company, but are recognized against Shares in Group companies. This vesting cost is accrued over the same period as in the Group and with a corresponding increase in equity for equity-settled programs and as a change in liabilities for cash-settled programs.

Financial guarantees

Financial guarantees issued by the Parent Company for the benefit of subsidiaries are not valued at fair value. They are reported as contingent liabilities, unless it is probable that the guarantees will lead to payments. In such case, provisions will be recorded.

Financial instruments

The Parent Company applies the exemption rule for IFRS 9 "Financial instruments", in accordance with RFR 2, which means that all financial instruments are reported in accordance with a method based on cost, in accordance with the Swedish Annual Accounts Act, except for impairment of financial assets where the policies for expected credit losses are applied. The Parent Company does not apply hedge accounting.

Group and shareholders' contributions

In Sweden, group contributions are deductible for tax purposes but shareholders' contributions are not. Group contributions are recognized as appropriations in the income statement. Shareholders' contributions are recognized as an increase of shares in group companies and tested for impairment.

Note A2 Employees, personnel expenses and remunerations to auditors

AVERAGE NUMBER OF EMPLOYEES

	2025			2024		
	Women	Men	Total	Women	Men	Total
Sweden	31	23	54	31	22	53

WOMEN ON EPIROC BOARD OF DIRECTORS AND GROUP MANAGEMENT, %

	Dec. 31, 2025	Dec. 31, 2024
Board of Directors excl. union representatives	56	56
Group Management	33	23

REMUNERATION AND OTHER BENEFITS

	2025		2024	
	Board members and Group Management [1)]	Other employees	Board members and Group Management [1)]	Other employees
Sweden	43	52	41	57
of which variable compensation [1)]	6	-	4	-

[1)] Includes 8 (8) board members who receive fees from Epiroc AB as well as the President and CEO and 4 (4) members of the Group Management who are employed by and receive remuneration and other benefits from the Parent Company.

For information regarding remuneration and other fees for members of the Board, the President and CEO, and other members of Group Management, see note 5, in the consolidated financial statements.

PENSION BENEFITS AND OTHER SOCIAL COSTS

	2025	2024
Contractual pension benefits for Board Members and Group Management	9	9
Contractual pension benefits for other employees	12	12
Other social costs	29	20
Total	**50**	**41**

REMUNERATIONS TO AUDITORS

	2025	2024
Ernst & Young		
Audit fees	10	9
Audit activities other than audit assignment	3	-
Tax services	0	0
Other services	3	2
Total	**16**	**11**

Audit fees refer to audit of the financial statements and accounting records. For the Parent Company the audit also includes the administration of the business by the Board of Directors, the President and CEO. Audit activities other than the audit assignment refer, for example, to comfort letters and the limited assurance report on Epiroc's Sustainability report. At the Annual General Meeting 2025, Ernst & Young was elected as auditor for the Group until the Annual General Meeting 2026.

Note A3 Other operating income and expenses

OTHER OPERATING INCOME

	2025	2024
Management fees [1]	175	194
Foreign exchange gains	-	1
Other operating income	3	0
Total	**178**	**195**

OTHER OPERATING EXPENSES

	2025	2024
Management fees [2]	-17	-10
Foreign exchange losses	-2	-
Other operating expenses	0	0
Total	**-19**	**-10**

[1] Income related to services for common group functions in Parent Company.

[2] Expenses related to services for common group functions in Epiroc Rock Drills AB.

Note A4 Financial income and expenses

	2025	2024
Assets measured at amortized cost		
Interest income		
– cash and cash equivalents	0	0
– receivables from Group companies	616	695
– other	28	1
Interest income at effective interest method	**644**	**696**
Net foreign exchange gain	-	4
Financial income	**644**	**700**
Liabilities measured at amortized cost		
Interest expenses		
– borrowings	-650	-747
– liabilities to Group companies	-38	-17
Interest expenses at effective interest method	**-688**	**-764**
Net foreign exchange loss	-4	-
Financial expenses	**-692**	**-764**
Financial expenses, net	**-48**	**-64**

Note A5 Appropriations

	2025	2024
Group contributions paid	-292	-188
Group contributions received	4 471	5 506
Total	**4 179**	**5 318**

Note A6 Income tax

	2025	2024
Current tax	-816	-1 048
Deferred tax	-1	2
Total	**-817**	**-1 046**

	2025	2024
Profit before tax	3 985	5 143
The Swedish corporate tax rate, %	20.6	20.6
National tax based on profit before taxes	-821	-1 060
Tax effect of:		
Non- deductible expenses	-1	0
Tax- exempt income	5	16
Adjustments from prior years	0	-2
Total	**-817**	**-1 046**
Effective tax in %	20.5	20.3

Note A7 Deferred tax assets and liabilities

DEFERRED TAX ASSETS AND LIABILITIES

	2025			2024		
	Assets	Liabilities	Net balance	Assets	Liabilities	Net balance
Post-employment benefits	13	–	13	12	–	12
Other provisions	16	–	16	19	–	19
Net deferred tax assets/liabilities	**29**	**–**	**29**	**31**	**–**	**31**

	2025	2024
Net balance, Jan. 1	31	28
Charges to profit for the year	-2	3
Net balance, Dec. 31	**29**	**31**

Note A8 Shares in Group companies

	2025	2024
Accumulated cost		
Opening balance, Jan. 1	46 260	46 261
Shareholder contributions	14	-1
Closing balance, Dec. 31	**46 274**	**46 260**

For further information about Group companies, see note A18 and A19.

Note A9 Other financial assets

	2025	2024
Receivables from Group companies	15 006	15 006
Endowment insurance	53	47
Financial assets classified as loans and receivables		
- other financial receivables	3	2
Closing balance, Dec. 31	**15 062**	**15 055**

Endowment insurance relates to defined contribution pension plans and is pledged to the pension beneficiary (see notes A12 and A17).

Note A10 Other receivables

	2025	2024
Receivables from Group companies	4 139	6 611
Other receivables	3	1
Prepaid expenses and accrued income	44	50
Closing balance, Dec. 31	**4 186**	**6 662**

Note A11 Equity

For information on share transactions, mandates approved by the Annual General Meeting and proposed dividend for 2025, see note 21 in the consolidated financial statements.

The Parent Company's equity includes a legal reserve which is part of restricted equity and is not available for distribution.

Note A12 Post-employment benefits

	2025			2024		
	Defined contribution pension plan	Defined benefit pension plan	Total	Defined contribution pension plan	Defined benefit pension plan	Total
Opening balance, Jan. 1	47	0	47	40	18	58
Provision made	7	3	10	7	2	9
Provision used	-1	0	0	0	0	0
Provision reversed	-	-	-	–	-20	-20
Closing balance, Dec. 31	**53**	**3**	**57**	**47**	**0**	**47**

The Parent Company has endowment insurance of 53 (47) relating to defined contribution pension plans. The insurance is recognized in other financial assets, and pledged to the pension beneficiary.

Description of defined benefit pension plans

The Parent Company has one defined benefit pension plan. The ITP plan is a final salary pension plan covering employees in Epiroc AB and the benefits are secured through the Epiroc pension trust.

	2025			2024		
	Funded pension	Unfunded pension	Total	Funded pension	Unfunded pension	Total
Defined benefit obligations	23	3	26	22	0	22
Fair value of plan assets [1]	-23	-	-23	-22	–	-22
Present value of net obligations	**0**	**3**	**3**	**0**	**0**	**0**
Not recognized surplus	-	-	-	–	–	–
Net amount recognized in balance sheet	**0**	**3**	**3**	**0**	**0**	**0**

RECONCILIATIONS OF DEFINED BENEFIT OBLIGATIONS

	2025			2024		
	Funded pension	Unfunded pension	Total	Funded pension	Unfunded pension	Total
Defined benefit obligations at Jan. 1	22	0	22	–	18	18
Service cost	1	3	4	2	2	4
Other changes in obligations [1]	-	-	-	20	-20	0
Benefits paid from plan	0	-	0	0	–	0
Defined benefit obligations at Dec. 31	**23**	**3**	**26**	**22**	**0**	**22**

PENSION COMMITMENTS PROVIDED FOR IN THE BALANCE SHEET

	2025	2024
Costs excluding interest	3	3
Total	**3**	**3**
Pension commitments provided for through insurance contracts		
Service cost	7	7
Total	**7**	**7**
Net cost for pensions, excluding taxes	**10**	**10**
Special employer's contribution	5	5
Total	**15**	**15**

Note A13 Other provisions

	2025	2024
Opening balance, Jan. 1	82	146
During the year		
– provisions used	-33	-55
– provisions reversed	17	-9
Closing balance, Dec. 31	**66**	**82**

Other provisions primarily include provisions for costs related to employee option programs accounted for in accordance with IFRS 2 and UFR 7.

Note A14 Borrowings

		2025		2024	
	Maturity	Carrying amount	Fair Value	Carrying amount	Fair Value
Non-current					
Medium Term Note Program MSEK 1 000, Fixed	2026	-	-	999	981
Medium Term Note Program MSEK 1 000, Floating	2026	-	-	999	1 009
Medium Term Note Program MSEK 1 500, Fixed	2027	499	506	1 499	1 561
Medium Term Note Program MSEK 500, Floating	2027	1 499	1 554	500	508
Medium Term Note Program MSEK 1 000, Fixed	2028	999	1 054	999	1 056
Medium Term Note Program MSEK 500, Floating	2028	499	509	499	509
Medium Term Note Program MSEK 500, Fixed	2029	500	540	500	541
Medium Term Note Program MEUR 500, Fixed	2031	5 357	5 654	5 681	6 032
Bilateral borrowings MSEK 1 000, Floating	2027	1 000	1 027	999	1 043
Bilateral borrowings MSEK 2 000, Floating	2030	1 996	2 058	1 996	2 042
Bilateral borrowings MSEK 1 000, Floating	2030	998	1 036	997	1 042
Bilateral borrowings MAUD 200, Floating	2034	1 228	1 385	1 368	1 563
Total non-current borrowings		**14 574**	**15 322**	**17 036**	**17 887**
Current					
Medium Term Note Program MSEK 1 000, Fixed	2026	1 000	1 001	-	-
Medium Term Note Program MSEK 1 000, Floating	2026	998	1 004	-	-
Commercial papers		484	484	1 111	1 111
Total current borrowings		**2 482**	**2 489**	**1 111**	**1 111**
Closing balance, Dec. 31		**17 056**	**17 811**	**18 147**	**18 998**
Of which external borrowings		**17 056**	**17 811**	**18 147**	**18 998**

The difference between carrying value and fair value relates to the measurement method as certain liabilities are reported at amortized cost and not at fair value. Changes in interest rates and credit margins create the difference between fair value and amortized cost.

Note A15 Other liabilities

	2025	2024
Accounts payable	19	25
Liabilities to Group companies	148	17
Other financial liabilities	12	11
Accrued expenses and prepaid income	311	326
Closing balance, Dec. 31	**490**	**379**

Accrued expenses include items such as social costs, vacation pay liability and accrued interest.

Note A16 Financial risk management

FINANCIAL CREDIT RISK

	2025	2024
Cash and cash equivalents	0	0
Receivables from Group companies, current	4 139	6 611
Receivables from Group companies, non-current	15 006	15 006
Total	**19 145**	**21 617**

Financial credit risk

Credit risk on financial transactions is the risk that the Parent Company incurs losses as a result of non- payment by counterparties related to the Parent Company's investments and bank deposits. Cash, cash equivalents and receivables from Group companies are subject to impairment testing according to the expected credit loss model. During 2025 the impairment was insignificant and therefore not recognized. The table above shows the actual exposure of financial instruments as of December 31.

Note A17 Pledged assets and contingent liabilities

	2025	2024
Pledged assets for pension commitments		
Endowment insurance	53	47
Total pledged assets for pension commitments	**53**	**47**
Contingent liabilities		
Sureties and other contingent liabilities		
– for external parties	-1	0
– for Group companies	1 317	1 809
Total contingent liabilities	**1 316**	**1 809**
Total	**1 369**	**1 856**

Sureties and other contingent liabilities include commercial and financial bank guarantees and parent company guarantees.

Note A18 Directly owned subsidiaries

	2025			2024		
	Number of shares	Percent held (%)	Carrying value	Number of shares	Percent held (%)	Carrying value
Epiroc Rock Drills AB, 556077-9018, Örebro	1 026 897	100	46 269	1 026 897	100	46 255
Certus Insurance Inc, 371238, Burlington, VT	100 000	100	5	100 000	100	5
Epiroc Mining India Ltd, U29309PN2017PLC171542, Pune	-	-	-	1	0	0
Carrying amount, Dec. 31			**46 274**			**46 260**

Note A19 Related parties

Relationships

The Parent Company has related party relationships with its largest shareholders, its subsidiaries, its associates and with its Board members and Group Management. The Parent Company's largest shareholder, Investor AB, controls approximately 23% of the voting rights in Epiroc AB. The subsidiaries that are directly owned by the Parent Company are presented in note A18 and all directly and indirectly owned operating subsidiaries are listed on the following pages. Information about Board members and Group Management is presented in the Corporate governance report.

Transactions and outstanding balances

The Group has not had any transactions with Investor AB during the year and has no outstanding balances with Investor AB. Investor AB has controlling or significant influence in companies which Epiroc AB may have transactions with in the normal course of business. Any such transactions are made on commercial terms. The following table summarizes the Parent Company's transactions with Group companies:

	2025	2024
Revenues		
Group contribution	4 471	5 506
Interest income	616	695
Expenses		
Group contribution	-292	-188
Interest expenses	-38	-17
Receivables		
Receivables, current	4 139	6 611
Receivables, non-current	15 006	15 006
Liabilities	**148**	**17**
Guarantees	**1 317**	**1 809**

Directly and indirectly owned subsidiaries (excluding branches), presented by country of incorporation:

Country	Company	Location (City)
Argentina	Epiroc Argentina S.A.C.I	Buenos Aires
Australia	3D-P Australia Pty Ltd	Southbank, VIC
	Active Core Technology Pty Ltd	Murarrie, QLD
	ASI Mining Pty Ltd	Perth, WA
	Beyond Voice Radio Pty Ltd	East Victoria Park, WA
	Corescan Pty Ltd	Ascot, WA
	Coreshed Pty Ltd	Ascot, WA
	CQMS Casting Pty Ltd	Murarrie, QLD
	CQMS Finance Pty Ltd	Murarrie, QLD
	CQMS Group Holdings 1 Pty Ltd	Murarrie, QLD
	CQMS Group Holdings Pty Ltd	Murarrie, QLD
	CQMS Holdings Pty Ltd	Murarrie, QLD
	CQMS Pty Ltd	Murarrie, QLD
	CQMS Razer Pty Ltd	Murarrie, QLD
	CR Australia Holding Pty Ltd	Murarrie, QLD
	Epiroc Australia Pty Ltd	Perth Airport, WA
	Epiroc Financial Solutions Australia Pty Ltd	Perth Airport, WA
	Epiroc South Pacific Holdings Pty Ltd	Perth Airport, WA
	Gen Z Energy Pty Ltd	East Victoria Park, WA
	GeoLease Pty Ltd	Ascot, WA
	Geoscan Pty Ltd	Ascot, WA
	GET Trakka Pty Ltd	Balcatta, WA
	Hylogging Systems Pty Ltd	Ascot, WA
	JTMEC Holdings Pty Ltd	Perth Airport, WA
	JTMEC Projects Pty Ltd	Perth Airport, WA
	JTMEC Pty Ltd	Perth Airport, WA
	Kinetic Logging Services Pty Ltd	Perth Airport, WA
	ProReman Pty Ltd	Wacol, QLD
	Radlink Holdings Pty Ltd	Perth, WA
	Radlink Management Pty Ltd	East Victoria Park, WA
	Radlink Networks Pty Ltd	East Victoria Park, WA
	Radlink Pty Ltd	East Victoria Park, WA
	Radlink Solutions Pty Ltd	East Victoria Park, WA
	Remote Control Technologies Pty Ltd	Kewdale, WA
Austria	Epiroc Österreich GmbH	Vienna
Belgium	Epiroc Belgium Distribution NV	Etterbeek
Bolivia	Epiroc Bolivia Equipos y Servicios S.A.	La Paz
Bosnia and Herzegovina	Epiroc B-H d.o.o.	Sarajevo
Botswana	Epiroc Botswana (Pty) Ltd	Gaborone
Brazil	Epiroc Brasil Comercializacao De Produtos E Servicos Para Mineracao E Construcao Ltda	Sao Paulo
Bulgaria	Epiroc Bulgaria EOOD	Sofia
Burkina Faso	Epiroc Burkina Faso SARL	Ouagadougou
Canada	Corescan Ltd	Vancouver, BC
	CQMS Razer Canada Pty Ltd	Vancouver, BC
	CWS Industries (MFG) Corp.	Vancouver, BC
	Epiroc Canada Holding Inc.	Toronto, ON
	Epiroc Canada Inc.	Toronto, ON
	Evtech Solutions Ltd	Calgary, AB
	Fordia Group Inc.	Montreal, QC
	Meglab Electronique Inc.	Val D`Or, QC
Chile	CQMS Razer (Chile) S.A.	Santiago
	Epiroc Chile S.A.C.	Santiago
	Epiroc Distribution Chile SpA	Santiago
	Epiroc Financial Solutions Chile Ltda	Santiago
	Fordia Sudamerica Ltd	Santiago
	Mining Tag S.A.	Santiago
	Perfomex Chile SpA	Santiago
China	CQMS Razer (Hong Kong) Mining Equipment Co., Ltd	Hong Kong
	CR (Ningbo) Mining Equipment Co., Ltd	NingBo
	Dongying CQMS Razer Mining Equipment Co., Ltd	Dongying
	Epiroc (Nanjing) Construction and Mining Equipment Co., Ltd	Nanjing
	Epiroc (Shenyang) Trading Co., Ltd	Shenyang
	Epiroc (Zhangjiakou) Construction & Mining Equipment Co., Ltd	Zhangjiakou
	Epiroc Hong Kong, Ltd	Hong Kong

Country	Company	Location (City)
	Epiroc Tools and Attachments (Shanghai) Co., Ltd	Shanghai
	Epiroc Trading Co., Ltd	Nanjing
	Fordia (Changzhou) Mining Equipment Co., Ltd	Changzhou
	GIA (Nanjing) Mining Equipment Co., Ltd	Nanjing
	Hefei Intaca Science & Technology Development Co., Ltd	Hefei
Colombia	Epiroc Colombia S.A.S	Bogota
Croatia	Epiroc Croatia d.o.o.	Zagreb
Czech Republic	Epiroc Czech Republic s.r.o.	Prague
Democratic Republic of the Congo	Epiroc DRC SARLU	Lubumbashi
	Epiroc Services DRC SAS	Kolwezi
Dominican Republic	Epiroc Republica Dominicana, S. A. S.	Santo Domingo
Ecuador	Epiroc Ecuador S.A.	Guayaquil
Estonia	Sautec AS	Tallinn
Finland	Epiroc Finland Oy Ab	Vantaa
France	Ateliers De Construction Du Beaujolais SAS	Saint-Lager
	Dubuis et Cie SAS	Villebarou
	Epiroc France SAS	Cergy Pontoise
	SCI ACB	Saint-Lager
Germany	Construction Tools GmbH[1)]	Essen
	Construction Tools Solution Center GmbH[1)]	Essen
	Epiroc Deutschland GmbH[1)]	Essen
Ghana	Epiroc Equipment Ghana Ltd	Accra
Greece	Epiroc Hellas Single Member S.A.	Athens
India	Epiroc Mining India Private Ltd	Pune
Indonesia	PT Epiroc Southern Asia	Jakarta
Italy	Epiroc Italia S.r.l.	Milan
Ivory Coast	Epiroc Cote d'ivoire Sarl	Abidjan
Japan	Epiroc Japan KK	Kanagawa
Kazakhstan	Epiroc Central Asia LLP	Astana
Kenya	Epiroc Eastern Africa Ltd	Nairobi
Kyrgyzstan	Epiroc Kyrgyzstan LLC	Bishkek
Laos	Epiroc (Lao) Sole Co. Ltd	Ban Phiavat
Liberia	Epiroc Liberia, Inc.	Monrovia
Mali	Epiroc Mali SARL	Bamako
Mexico	Corescan, S.A. de C.V.	Hermosillo
	Epiroc México, S.A. de C.V.	Tlalnepantla
	Refacciones Neumáticas La Paz, S.A. de C.V.	Matehuala
Mongolia	Epiroc Mongolia LLC	Ulaanbaatar
	Modern Machine Engineers Gobi LLC	Khanbogd soum
Morocco	Epiroc Maroc SARL	Casablanca
Mozambique	Epiroc Moçambique Limitada	Maputo
Namibia	Epiroc Mining (Namibia) (Pty) Ltd	Windhoek
North Macedonia	Epiroc North Macedonia DOOEL	Skopje
Norway	Epiroc Norge AS	Langhus
Panama	Epiroc Central América S.A.	Panama
Peru	Corescan S.A.C.	San Bora
	Epiroc Perú S.A.	Lima
	Fordia Andina S.A.C.	Lima
	Mining Tag Peru S.A.C.	Lima
	Perfomex Perú S.A.C.	Lima
Philippines	Epiroc Global Business Services Inc.	Santa Rosa
	Epiroc Philippines Inc.	Laguna
Poland	Epiroc Polska Sp. z o.o.	Warsaw
Portugal	Epiroc Portugal Unipessoal Lda	Porto Salvo
Russia	Epiroc RUS LLC	Moscow
Serbia	Epiroc Srbija a.d.	Belgrade
Singapore	Epiroc Singapore Distribution Pte. Ltd	Singapore
South Africa	Aard Mining Equipment (Pty) Ltd	Krugersdorp
	Central Queensland Mining Supplies (Africa) Proprietary Ltd	Germinston
	CHT Beleggings (Pty) Ltd	Aeroton
	Elytica (Pty) Ltd	Potchefstroom
	Epiroc Digital Hub South Africa (Pty) Ltd	Centurion
	Epiroc Digital Safety Solutions South Africa (Pty) Ltd	Centurion

Country	Company	Location (City)
	Epiroc Holdings South Africa (Pty) Ltd	Boksburg
	Epiroc South Africa (Pty) Ltd	Boksburg
	Fordia South Africa (Pty) Ltd	Alberton
	Innovative Mining Products (Pty) Ltd	Aeroton
	K2024020098 (SOUTH AFRICA) (Pty) Ltd	Krugersdorp
	K2024020117 (SOUTH AFRICA) (Pty) Ltd	Krugersdorp
	Keep Investments (Pty) Ltd	Aeroton
	New Concept Mining (Pty) Ltd	Aeroton
	Nicaud Companies 22 (Pty) Ltd	Aeroton
	Polkadots Properties 117 (Pty) Ltd	Krugersdorp
	Retfin 211 (Pty) Ltd	Aeroton
	WECO (Pty) Ltd	Krugersdorp
South Korea	D and A Heavy Industries Co.,Ltd	Seoul
	Epiroc Korea Co., Ltd	Seongnam
Spain	Epiroc Minería e Ingeniería Civil España, S.L	Coslada
Sweden	Construction Tools PC AB	Kalmar
	Epiroc Drilling Tools AB	Fagersta
	Epiroc Financial Solutions AB	Nacka
	Epiroc Gällersta Gryt 4:9 HB	Örebro
	Epiroc Hjullastaren 1 Fastighets AB	Örebro
	Epiroc Rock Drills AB	Örebro
	Epiroc Sweden AB	Norsborg
	Epiroc Treasury AB	Nacka
Switzerland	Epiroc Schweiz AG	Studen
Tanzania	Epiroc Tanzania Ltd	Dar es Salaam
Thailand	Epiroc (Thailand) Ltd	Bangna
Turkey	Epiroc Makina AS	Istanbul
Ukraine	Epiroc Ukraine LLC	Kiev
United Arab Emirates	Epiroc Middle East FZE	Dubai
United Kingdom	Corescan Ltd	Kensington
	Epiroc UK and Ireland Ltd	Hemel Hempstead
USA	Certus Insurance Inc.	Burlington, VT
	Corescan Inc.	Chapel Hill, NC
	CPE Acquisition Co.	Ooltewah, TN
	CR Americas Inc.	Portland, OR
	CR Mining Equipment (USA) LLC	Portland, OR
	Epiroc Drilling Solutions LLC	Garland, TX
	Epiroc Drilling Tools LLC	Fort Loudon, PA
	Epiroc Financial Solutions USA LLC	Garland, TX
	Epiroc Industrial Tools and Attachments LLC	Milwaukie, OR
	Epiroc North America Corp.	Garland, TX
	Epiroc Surface Mining Automation Center LLC	Logan, UT
	Epiroc USA LLC	Commerce City, CO
	EPRC Export Corp.	Garland, TX
	Italparts USA LLC	Garland, TX
	JCAC Technologies Inc.	Payson, AZ
	JRB Attachments LLC	Akron, OH
	Paladin Brands Group Inc.	Milwaukie, OR
	Pengo Corp.	Milwaukie, OR
	Sweepster Attachments LLC	Dexter, MI
Uzbekistan	Epiroc Mining and Construction Technique FE LLP	Tashkent
Zambia	Epiroc Zambia Ltd	Chingola
Zimbabwe	Epiroc Zimbabwe (Private) Ltd	Harare

[1] These companies have made use of the exemption rights under Sec. 264 para. 3 of the German Commercial Code (HGB) since 2018.

Note A20 Events after the reporting period

No significant events have occurred after the balance sheet date.

Signatures of the Board of Directors

The financial statements have been prepared in accordance with generally accepted accounting policies in Sweden and the consolidated financial statements have been prepared in accordance with International Accounting Standards as prescribed by the European Parliament and the Regulation (EC) No 1606/2002 dated July 19, 2002 on the application of International Accounting Standards.
The audited Annual Report for the Group and Parent Company provides a true and fair view of the business development, financial position and result of operation of the Parent Company and the consolidated Group and describes significant risks and uncertainties that the Parent Company and its subsidiaries face.
Furthermore, the annual accounts have been prepared in accordance with the sustainability reporting standards adopted pursuant to Article 29b of Directive 2013/34/EU and as well as the specifications adopted pursuant to Article 8.4 of the European Parliament Regulation (EU) 2020/852.

The content of this annual report was approved on March 18, 2026.

The annual report was signed by all on March 18, 2026.

Ronnie Leten
Chair of Board

Ulla Litzén
Board member

Anthea Bath
Board member

Helena Hedblom
Board member
President and CEO

Jeane Hull
Board member

Jenny Lindqvist
Board member

Johan Forsell
Board member

Sigurd Mareels
Board member

Fredric Stahl
Board member

Kristina Kanestad
Employee representative

Niclas Bergström
Employee representative

Our auditor's report regarding the annual accounts and the consolidated accounts was issued on March 18, 2026. Our limited assurance report regarding the statutory sustainability statement was issued on March 18, 2026.

Ernst & Young AB

Erik Sandström
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Epiroc AB (publ), corporate identity number 556041-2149

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Epiroc AB (publ) except for the corporate governance statement on pages 57-78 and the statutory sustainability report on pages 79-158. The annual accounts and consolidated accounts of the company are included on pages 44-227 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 57-78 and the statutory sustainability report on pages 79-158. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Revenue recognition

Description

The group recognize revenue from a wide range of geographical markets and the revenues are generated from product- and product related offerings such as equipment and service. The timing of revenue recognition can vary from a point in time to recognition over time. Judgement may be required in assessing if control has been transferred to the customer and to determine the satisfaction of performance obligations.

Disclosures related to the group's accounting principles, critical accounting estimates and judgement are provided in note 4 and also provides disclosures regarding revenue disaggregated by operating segment and geography.

Based on the above, we have assessed the revenue recognition as a key audit matter in our audit.

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How our audit addressed this key audit matter

In our audit we have assessed the group's processes for revenue recognition. Further, we have reviewed the group's accounting manual and assessed whether the policies for revenue recognition are in accordance with the applicable accounting standards.

We have on a sample basis examined significant revenue contracts and evaluated the identified performance obligations and determinations made regarding when performance obligations are considered satisfied. In addition, we have on a sample basis performed detailed revenue transaction testing and revenue data analytical procedures to assess the revenue recognition.

We have also assessed the appropriateness of the disclosures provided in the annual report.

Valuation of goodwill

Description

As at December 31, 2025, the carrying value of goodwill amounts to 14,531 MSEK (16,699 MSEK), which corresponds to 18 percent (20 percent) of the group's total assets. Goodwill is allocated to the group's different cash generating units. Goodwill is tested for impairment at least annually or whenever there are indicators of impairment. The test is carried out by comparing the recoverable amount to the carrying value. To calculate the recoverable amount management applies significant judgment and estimates regarding future cash flows, growth rate and discount rates. The impairment tests for 2025 did not result in any impairment.

Disclosures related to the group's accounting principles, significant accounting estimates and judgements as well as disclosures related to the impairment tests performed are provided in note 13.

Based on carrying value of the goodwill and the high degree of estimates required to perform the impairment tests, we have assessed the valuation of goodwill as a key audit matter in our audit.

How our audit addressed this key audit matter

In our audit, we have evaluated the group's process for conducting impairment tests. Based on established criteria, we have examined how the group identifies cash-generating units.

With support from our internal valuation specialists, we have evaluated the valuation methods used. We have assessed the reasonableness of assumptions, conducted sensitivity analysis, and compared them to historical outcomes.

Finally, we have assessed the appropriateness of the disclosures provided in the annual report.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-43, 79-58 and 235-239. The other information also includes the remuneration report for 2025 which we obtained before the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Report on the audit of the administration and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Epiroc AB (publ) for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Epiroc AB (publ) for the financial year 2025.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the ESEF report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Epiroc AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 70-96 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Ernst & Young AB with Erik Sandström as auditor in charge, Box 7850, 103 99 Stockholm, was appointed auditor of Epiroc AB (pub) by the general meeting of the shareholders on 8 May 2025 and has been the company's auditor since 25 April 2022.

Stockholm, March 18, 2026

Ernst & Young AB

Erik Sandström

Authorized Public Accountant

This is the translation of the auditor's report in Swedish.

Auditor's limited assurance report on Epiroc AB's sustainability statement

To the General Meeting of the shareholders Epiroc AB, corporate identity number 556041-2149

Conclusion

We have conducted a limited assurance engagement of the sustainability statement prepared by Epiroc AB (the Company) for the financial year 2025. The sustainability statement is included on pages 79–158 of this document.
Based on our limited assurance engagement as described in the section Auditor's Responsibility, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects, prepared in accordance with the Swedish Annual Accounts Act, which includes:

- Whether the sustainability statement meets the requirements of ESRS
- Whether the process carried out by the Company to identify reported sustainability information has been conducted as described in the sustainability statement; and
- Compliance with the reporting requirements in Article 8 of the EU's Green Taxonomy Regulation.

Basis for Conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 – Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. Our responsibility under this recommendation is described in more detail in the section Auditor's Responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information than the sustainability statement

This document also contains other information than the sustainability statement, found on pages 1-78 and 159–239, excluding pages 228–234 and the topics included within the Incorporation by Reference table on page 83. The Board of Directors and the Managing Director are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information, and we do not express any conclusion with assurance regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

If we based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

The information in the sustainability statement regarding the previous financial year has in some cases been subject to a review in the previous year and the limited assurance report in accordance with RevR6 was submitted on March 20, 2025. Other comparative figures in the sustainability report for the year 2025 have not been subject to review.

Responsibilities of the Board of directors and Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of sustainability statement in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion whether the sustainability statement is prepared in accordance with Chapter 6, Sections 12–12 f of the Swedish Annual Accounts Act based on our limited assurance engagement.

The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement, and manage a quality management system including guidelines or procedures regarding compliance with ethical requirements, standards of professional practice, and applicable laws and regulations

We are independent of Epiroc AB in accordance with professional ethics for accountants in in Sweden and have otherwise fulfilled our ethical responsibilities according to these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability information. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepare the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

The review procedures primarily include:

Our review procedures regarding the sustainability statement included, but were not limited to the following:

- Through inquiries, obtaining a general understanding of the internal control environment, reporting processes, and information systems relevant to the preparation of the information in the sustainability statement;
- Evaluating whether information identified as material through the process the Company has undertaken to identify the content of the sustainability statement is also included;
- Evaluating whether the structure and presentation of the sustainability statements are consistent with the requirements of ESRS;
- Conducting inquiries with relevant personnel and analytical review procedures regarding selected disclosures in the sustainability statements;
- Performing substantive review procedures based on a sample of selected disclosures in the sustainability statements;
- Obtain, through inquiries and analytical review procedures, support for the methods used for preparing material estimates and forward-looking information and on how these methods were applied;

Our review procedures regarding the process the company have undertaken to identify sustainability information to report included, but were not limited to the following:

- Obtaining an understanding of the process by:
  - Conducting inquiries to understand the sources of the information used by management (e.g., stakeholder dialogues, business plans, and strategy documents), and
  - Reviewing the company's internal documentation of its process; and
  - Evaluating whether the information obtained from our procedures regarding the process implemented by the company aligns with the description of the process in 90-91 in the sustainability statement.

Our review procedures regarding the taxonomy disclosures included but was not limited to the following review procedures:

- Obtaining an understanding of the process for identifying economic activities that are covered by and are consistent with the EU Green Taxonomy and the corresponding disclosures in the sustainability statement by:
  - Conducting inquiries to relevant personnel and analytical review procedures on the taxonomy disclosures;
  - Conducting inquiries to understand the sources of the information used in the taxonomy disclosures;
- Evaluating whether the presentation of the taxonomy disclosures is consistent with the requirements of the EU Taxonomy Regulation;
- Performing substantive review procedures based on a sample of selected disclosures in the sustainability statement regarding the EU Green Taxonomy.

Inherent limitations

In reporting forward-looking information in accordance with ESRS, the board and management of Epiroc AB must prepare forward-looking information based on specified assumptions about events that may occur in the future and possible future activities of Epiroc AB. Actual outcomes are likely to differ as expected often do not occur as anticipated.

Stockholm, March 18, 2026
Ernst & Young AB

Erik Sandström
Authorized Public Accountant

Multi-year summary

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Growth										
*Orders received, MSEK	27 634	33 831	39 400	39 492	36 579	45 648	53 222	59 332	62 213	62 974
*Total order growth, %	+0	+22	+16	+0	-7	+25	+17	+11	+6	+1
*Organic order growth, %	+3	+20	+13	-5	+0	+26	+2	+1	+3	+7
Revenues, MSEK	27 102	31 364	38 285	40 849	36 122	39 645	49 694	60 343	63 604	61 998
Total revenue growth, %	-5	+16	+22	+7	-12	+10	+25	+21	+5	-3
*Organic revenue growth, %	-3	+14	+18	+1	-5	+12	+11	+9	+2	+2
*Book-to-bill, %	102	108	103	97	99	115	107	98	98	102
Costs										
Cost of sales, MSEK	-18 003	-20 101	-24 317	-25 547	-22 418	-24 192	-30 675	-37 197	-40 658	-39 024
Administrative expenses, MSEK	-1 879	-2 121	-2 589	-3 261	-2 817	-3 166	-3 628	-4 105	-4 531	-4 498
Marketing expenses, MSEK	-2 164	-2 280	-2 574	-2 797	-2 225	-2 313	-3 042	-3 959	-4 250	-4 021
Research and development expenses, MSEK	-662	-795	-977	-1 035	-1 032	-1 172	-1 438	-1 930	-2 282	-1 966
Research and development expenses, % of revenue	2.4	2.5	2.6	2.5	2.9	3.0	2.9	3.2	3.6	3.2
Profitability										
Gross profit, MSEK	9 099	11 263	13 968	15 302	13 704	15 453	19 019	23 146	22 946	22 974
*Gross margin, %	33.6	35.9	36.5	37.5	37.9	39.0	38.3	38.4	36.1	37.1
*EBITDA, MSEK	5 765	7 183	8 753	10 114	9 128	10 740	13 276	15 843	15 827	15 011
*EBITDA margin, %	21.3	22.9	22.9	24.8	25.3	27.1	26.7	26.3	24.9	24.2
*Adjusted operating profit, MSEK			7 779	8 582	7 669	9 098	11 755	13 117	12 624	12 962
*Adjusted operating margin, %			20.3	21.0	21.2	22.9	23.7	21.7	19.8	19.6
Operating profit, MSEK	4 548	5 930	7 385	8 136	7 382	8 995	11 147	13 183	12 385	11 925
*Operating margin, %	16.8	18.9	19.3	19.9	20.4	22.7	22.4	21.8	19.5	19.2
Profit before tax, MSEK	4 411	5 793	7 201	7 843	7 087	8 964	10 778	12 235	11 439	11 236
*Profit margin, %	16.3	18.5	18.8	19.2	19.6	22.6	21.7	20.3	18.0	18.1
Profit for the period, MSEK	3 231	4 298	5 437	5 884	5 410	7 069	8 411	9 458	8 756	8 599
Capital efficiency										
Capital employed, MSEK, period end	23 933	19 286	25 927	31 838	34 700	35 329	44 534	51 437	65 398	63 473
Average capital employed, MSEK	23 167	21 674	23 086	29 518	34 033	34 485	39 794	48 815	60 153	63 023
Average capital employed, excl. cash, MSEK	22 696	20 812	19 469	23 221	21 818	21 543	29 477	42 896	51 916	54 309
*Return on capital employed, %	19.6	27.4	32.0	27.6	21.7	26.1	28.0	27.0	20.6	18.9
*Capital employed turnover ratio		1.4	1.7	1.4	1.1	1.1	1.2	1.2	1.1	1.0
Net debt (+)/Net cash (-), MSEK		5 424	1 208	483	-4 137	-1 304	3 691	7 824	14 778	11 004
*Net debt/EBITDA ratio		0.75	0.14	0.05	-0.45	-0.12	0.28	0.49	0.93	0.73
*Net Debt/equity, %, period end		45.0	6.4	2.1	-17.4	-5.1	11.0	21.0	34.2	26.0
*Equity ratio, period end		43.7	52.1	55.6	54.1	53.1	54.2	54.9	51.7	52.6
Net working capital, MSEK, average		9 991	12 158	14 062	12 217	11 495	15 570	21 228	23 803	22 883
*Net working capital, MSEK, period end		10 173	12 897	13 153	10 571	12 186	18 564	21 736	24 322	22 026
*Average net working capital, % of revenue		31.9	31.8	34.4	33.8	29.0	31.3	35.2	37.4	36.9
Credit rating S&P, period end			BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+
Cash generation										
*Operating cash flow, MSEK	4 880	4 610	3 884	6 688	7 006	6 867	5 662	6 211	9 132	7 726
Cash conversion rate, %, 12 months	151	107	71	114	130	97	67	66	104	90
Equity information										
Basic number of shares outstanding, millions	1 212	1 212	1 206	1 201	1 204	1 206	1 206	1 206	1 208	1 209

Diluted number of shares outstanding, millions	-	-	1 206	1 202	1 205	1 208	1 208	1 207	1 208	1 209
Equity per share, SEK, period end	12.70	9.94	15.63	19.02	19.71	21.38	27.80	30.80	35.70	35.00
Basic earnings per share, SEK	2.66	3.55	4.50	4.89	4.48	5.85	6.96	7.82	7.23	7.12
Diluted earnings per share, SEK	-	-	4.49	4.89	4.48	5.84	6.95	7.81	7.23	7.11
*Return on equity, %		29.1	33.2	28.3	22.7	29.5	28.4	26.8	22.2	20.9
*Operating cash flow per share, SEK	4.00	3.80	3.20	5.57	5.82	5.69	4.69	5.15	7.56	6.39
Dividend per share, SEK			2.10	2.40	2.50	3.00	3.40	3.80	3.80	3,80**
Payout ratio, %			47	49	56	51	49	49	53	53**
Redemption per share, SEK					3.00	-	-	-	-	-

* Several key figures are not defined according to IFRS. The alternative performance measures are marked with a * and are unchanged compared to previous periods. They provide complementary information aiming to help readers to analyze the company's operations and facilitate an evaluation of performance. Since not all companies calculate financial performance measures in the same manner, these are not always comparable with measures used by other companies. These financial performance measures should therefore not be regarded as a replacement for measures as defined according to IFRS. For a full list of financial definitions, non-IFRS measures and calculations, see next page.

** Proposed by the Board of Directors.

Financial definitions

Alternative performance measures

Key figure	Description	Reason for use
Adjusted operating margin	Adjusted operating profit in % of revenues.	A measurement of the operational profit which enables comparisons over time by excluding items that are irregular in frequency or size.
Adjusted operating profit	Operating profit adjusted for items affecting comparability.	Enables comparisons over time - and between companies - by excluding items that are irregular in frequency or size.
Book-to-bill	Orders received divided by revenues	An indicator of demand trends.
Cash conversion, %	Operating cash flow divided by net profit, rolling 12 months	The cash conversion rate measures how efficiently a company converts its net income into operating cash flow.
Capital employed (average)	Average total assets [1] less average non-interest-bearing liabilities/provisions. Capital employed for the segments excludes cash, tax liabilities and tax receivables.	Shows how much of total capital is tied to operations.
Capital employed turnover ratio	Revenues [2] divided by the average capital employed [1].	Shows how efficiently Epiroc generates revenues from the capital utilized to run operations.
Capital turnover ratio	Revenues [2] divided by average total assets [1]	Shows how effectively total assets are used.
EBITA	Earnings before interest, taxes, and amortization and impairment of intangible assets. Alternatively; the operating profit plus amortization and impairment.	An indicator of cash generating ability.
EBITDA	Earnings before interest, taxes, depreciation and amortization. Alternatively; the operating profit plus depreciation, impairment and amortization.	An indicator of cash generating ability.
EBITDA margin	EBITDA as % of revenues.	An indicator of cash generating ability.
Equity ratio	Equity including non-controlling interests, as % of total assets.	A measure of financial risk showing how much of Epiroc's total assets that have been financed with equity.
Gross margin	Gross profit as % of revenues.	Measures how much of Epiroc's revenues are left after paying the costs of goods sold.
Items affecting comparability	Items such as operating profit/loss from acquisitions and divestments, one-time items (restructuring) and change in provision for share-based long-term incentive programs.	Shows how non-recurring items have affected the result.
Large orders	Orders above MSEK 100.	Shows orders impacting comparability.

Net debt	Interest-bearing liabilities and post-employment benefits, adjusted for the fair value of interest rate swaps, less cash and cash equivalents and certain other financial receivables.	A measurement of the financial position.
Net debt/EBITDA ratio	Net debt in relation to EBITDA.[2)]	A measurement of financial risk.
Net debt/equity ratio	Net debt in relation to equity, including non-controlling interests.	A measurement of financial risk.
Net working capital	Working capital net of inventories, trade receivables, trade payables, other operating assets and liabilities.	Measures Epiroc's liquidity and capital efficiency.
Operating cash flow	Cash flow from operations and cash flow from investing activities, excluding company acquisitions/divestments, as well as other adjustments.	Indicates Epiroc's ability to generate sufficient positive cash flow to maintain and grow operations.
Operating cash flow per share	Operating cash flow divided by basic number of shares outstanding.	Improves the ability to make comparisons over time.
Operating margin	Operating profit as % of revenues.	Helps monitor Epiroc's fulfillment of the financial goal of having market leading profitability.
Orders on hand	Orders on hand are orders that have been placed but not yet completed and recognized as revenues.	As from 2024, Epiroc does not include orders on hand (order book) in orders received when acquiring companies. The reported orders received in 2023 of MSEK 59 332 included orders on hand from acquired companies of MSEK 433 for the group, of which MSEK 30 for Equipment & Service and MSEK 402 for Tools & Attachments. Figures in the Admin report have been restated.
Order contracts	Order contracts refer to the value of ordered equipment, tools, solutions and services for which production and/or delivery is planned in the mid/long term, normally between 2-7 years.	A good indicator of demand for Epiroc's equipment and aftermarket in the mid term.
Orders received	Orders received refers to the value of ordered equipment, tools, solutions, and services for which there is a specific delivery date and quantity specified, and production and/or delivery is planned in the near or midterm, normally within a year.	A good indicator of demand for Epiroc's equipment and aftermarket in the long term.
Orders received growth	The total order growth includes the contribution from organic growth, currency and structure.	A good indicator of demand for Epiroc's equipment and aftermarket.
Organic growth	Organic growth is total growth excluding the contribution from currency and structure. Alternatively, the growth that is based on volume and price.	Explains how volume, price and product/service mix changes drive the growth.
Pay-out ratio	Dividend per share as % of basic earnings per share.	Facilitates monitoring of Epiroc's financial target of a payout ratio of 50%.
Profit margin	Profit before tax as % of revenues.	An indicator of profitability.

Return on capital employed	Operating profit [2)] as % of average capital employed [1)].	Measures how efficiently Epiroc generates profits from the capital utilized to run operations.
Return on equity	Profit for the period [2)] divided by average equity, excluding non-controlling interest [1)].	Shows Epiroc's ability to generate a return on the investments made by shareholders.

[1)] Calculated as an average of five quarters. In 2016 and 2015, however, it was calculated as an average of two periods.
[2)] 12 months' value.