

# INTERIM REPORT FOURTH QUARTER 2021 AND FULL YEAR 2021



## STRONG FINISH TO A SOLID YEAR

- Organic order intake increased by 23% year on year to SEK 30,902 million (22,051), driven by strong broad-based demand in all business areas. Total order intake growth, at fixed exchange rates, was 36%
- Revenues increased organically by 14% and amounted to SEK 29,128 million (22,408). Total revenue growth, at fixed exchange rates, was 26%
- Adjusted EBITA amounted to SEK 5,354 million (4,602), corresponding to a margin of 18.4% (20.5)
- Transactional M&A costs amounted to SEK 179 million in the quarter
- Profit for the period amounted to SEK 3,870 million (2,633) and earnings per share, diluted were SEK 3.07 (2.10). Adjusted earnings per share, diluted were SEK 3.05 (2.67)
- Free operating cash flow was SEK 4,604 million (5,941)
- Successful M&A-execution year, with 14 acquisitions announced, of which six signed in the quarter
- Sandvik committed to set targets in line with Science Based Targets initiative
- New Digital Mining Technologies division established in Sandvik Mining and Rock Solutions and record orders received for Sandviks' automation and digital technology offerings
- The Board of Directors proposes a cash dividend of SEK 4.75 per share (4.50 + 2.00). The proposal corresponds to 42% (75) of the adjusted earnings per share for the Sandvik Group in total

## FINANCIAL OVERVIEW

MSEK	Q4 2020	Q4 2021	CHANGE %	Q1-Q4 2020	Q1-Q4 2021	CHANGE %
Order intake	22,051	30,902	40	86,287	108,898	26
Organic growth, % <sup>1)</sup>	-1	23	-	-12	24	-
Revenues	22,408	29,128	30	86,404	99,105	15
Organic growth, % <sup>1)</sup>	-5	14	-	-11	12	-
Adjusted EBITA <sup>2)</sup>	4,602	5,354	16	14,878	18,935	27
Adjusted EBITA margin	20.5	18.4	-	17.2	19.1	-
Amortization of surplus values (PPA)	-97	-249	156	-315	-818	160
EBIT	3,487	5,163	48	11,216	18,654	66
EBIT margin	15.6	17.7	-	13.0	18.8	-
Adjusted EBIT <sup>2)</sup>	4,505	5,106	13	14,563	18,116	24
Adjusted EBIT margin	20.1	17.5	-	16.9	18.3	-
Adjusted profit before tax <sup>2,3)</sup>	4,424	5,214	18	14,029	17,923	28
Profit for the period	2,633	3,870	47	8,753	14,493	66
Adjusted profit for the period <sup>2,3)</sup>	3,358	3,841	14	10,823	14,126	31
Earnings per share, diluted, SEK	2.10	3.07	46	6.98	11.52	65
Adjusted earnings per share, diluted, SEK <sup>2,3)</sup>	2.67	3.05	14	8.63	11.23	30
Return on capital employed, % <sup>4)</sup>	15.6	19.5	-	13.3	19.5	-
Free operating cash flow	5,941	4,604	-23	16,425	14,578	-11
Net working capital % <sup>4)</sup>	24.3	22.3	-	27.5	23.8	-

**1)** Change from the preceding year at fixed exchange rates for comparable units, excluding acquisitions. **2)** Adjusted for items affecting comparability of SEK 58 million in Q4 2021 (-1,018) and SEK 538 million YTD 2021 (-3,347). Q4 2021 is mainly related to a capital gain from divestment of property, partial provision releases related to structural and volume related savings measures in 2020 offset by SMT separation costs. FY 2021 is also primarily impacted by closure of defined benefit pension plans in US and UK. FY 2020 primarily related to structural and volume related savings measures and costs related to Varel Oil & Gas disposal in Q1. For full details on IAC, see page 25. **3)** There are no items affecting comparability reported on net financial items for 2021 (0). **4)** Quarter is quarterly annualized and year-to-date numbers are based on a four quarter average.

Tables and calculations in the report do not always agree exactly with the totals due to rounding. Comparisons refer to the year-earlier period, unless otherwise stated. Comments and numbers in the report relate to continuing operations, unless otherwise stated. Alternative performance measures and definitions used in this report are explained on page 28. For more information see [home.sandvik](http://home.sandvik). N/M = not meaningful

## CEO'S COMMENT

2021 was a very successful year for Sandvik. Thanks to our agility and dedicated employees, we navigated through supply chain imbalances and inflationary pressures while staying focused on our shift to growth strategy. We delivered strong organic and acquisitive growth as well as solid profitability. And we made important acquisitions that were purposely targeted to fill value chain gaps in our offering, enhance our core portfolio and regional exposure, accelerate our digital shift, and consequently strengthen our position going forward. Organic order intake and revenues for full year 2021 rose by 24% and 12%, respectively. Total order intake and revenue growth for the full year, at fixed exchange rates, was 30% and 18%, respectively. Adjusted EBITA margin was 19.1%.

We concluded this solid year with a strong fourth quarter, reporting a year on year organic order intake growth of 23% and double-digit gains in all business areas. I am also happy with the performance of our acquired companies, and total order intake and revenues grew by 36% and 26%, respectively. The adjusted EBITA margin was 18.4%.

The demand within Sandvik Mining and Rock Solutions remained very strong in the fourth quarter. We secured two major orders valued at SEK 1.4 billion and the high interest in Sandvik's automation and digital offerings led to record orders for our AutoMine® Fleet and Newtrax collision avoidance systems. Total order intake grew by a high 52% year on year, of which organic growth was 30% - a major step-up considering the already high levels in the corresponding quarter of the preceding year. Total revenues grew 42% year on year. In December, we announced the acquisition of Deswik, the leading and fastest growing major provider of mine planning software. Mine planning is a key growth opportunity, and combined with Sandvik's equipment and automation expertise, we will create new opportunities for optimizing our customers' value chain. In order to maximize this opportunity, we announced the creation of a new division, Digital Mining Technologies, that will focus solely on our digital and automation solutions business.

Continued positive momentum in general engineering and double-digit growth in aerospace led to an increase in organic order intake and revenues of 11% and 12%, respectively in Sandvik Manufacturing and Machining Solutions. With solid contribution

from our acquired companies, total order intake, at fixed exchange rates, grew by 23%. In December, we acquired the US round tools company GWS, an important step in our ambition to increase our market share in round tools and enhance our exposure to the US. We also completed the acquisition of Dimensional Control Systems, thereby strengthening our metrology software offering.

Sandvik Rock Processing Solutions noted continued strong demand in the quarter, with year on year organic order intake growth of 18%. Invoicing held up well despite supply chain and logistics issues and organic revenues rose by 15% with double-digit growth in both equipment and aftermarket.

Organic order intake in Sandvik Materials Technology increased by 40%, with improvements across all segments. The pace of recovery within oil & gas seen throughout the year continued in the fourth quarter.

In December, we announced our commitment to the Science Based Targets initiative, a natural step in our sustainable business strategy, where we constantly work with customers and suppliers to develop more productive, safer and sustainable solutions.

As a global company we are exposed to prevailing macro challenges such as logistics constraints, inflationary pressure, and the Covid-19 pandemic, to name a few. We expect these challenges to continue into the new year. While the impact on our company is hard to predict, I feel confident that we will tackle these issues in the same agile manner as we have done in the past year.

I am proud of this year's achievements. Much progress has been made and we have accomplished what we set out to do, and more. We have delivered a solid set of results, advanced our strategic objectives by achieving our key results for the year and completed more acquisitions than ever in Sandvik's history, all with a strong strategic rationale. As we now enter the new year, we do so with a more robust foundation - a Sandvik with stronger digital capabilities and higher growth potential.

Stefan Widing  
President and CEO



## ORDER INTAKE AND REVENUES

GROWTH		
Q4	ORDER INTAKE	REVENUES
Organic, %	23	14
Structure, %	13	13
Currency, %	2	2
Alloys, %	1	1
<b>TOTAL, %</b>	<b>40</b>	<b>30</b>

*Change compared to same quarter last year. The table is multiplicative, i.e. the different components must be multiplied to determine the total effect.*

Order intake increased organically by 23% year on year driven by strong performance across the Group. Total growth, at fixed exchange rates, was 36%. Organic revenues increased by 14% year on year, and total growth, at fixed exchange rates, was 26%.

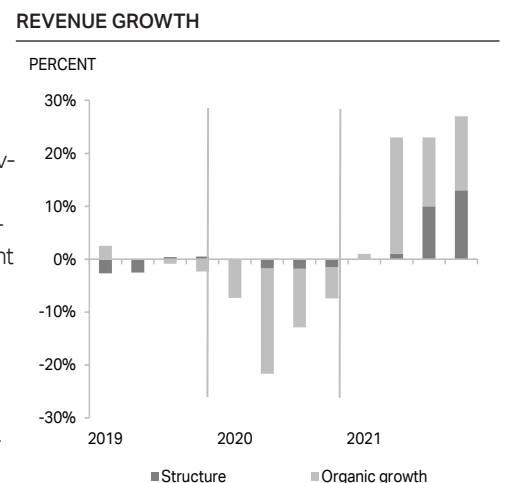
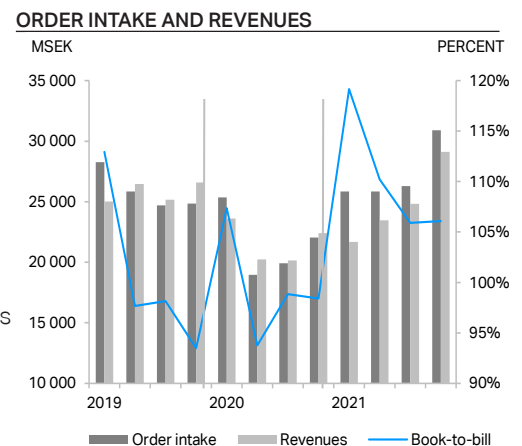
Momentum within mining and infrastructure was strong throughout the year, driven by high commodity prices and increased investments, with no exception in the fourth quarter. Broad regional demand led to a double-digit growth in organic order intake for both Sandvik Mining and Rock Solutions (30%) and Sandvik Rock Processing Solutions (18%). The supply chain disturbances, freight capacity- and mobility constraints as well as component shortages during 2021, remained a challenge in the final quarter of the year. Reflecting efficient execution, organic revenue for SMR and SRP increased by 20% and 15%, respectively.

Underlying demand in Sandvik Manufacturing and Machining Solutions was solid overall, driven by the largest segment, general engineering, which developed positively throughout the year. Aerospace picked up strongly in the second half of the year, albeit from a low comparable, and grew by double-digits in the fourth quarter. Solid recovery in the automotive segment at the beginning of the year was followed by a slowdown in late spring due to hampered demand owing to semi-conductor shortages. This resulted in a year on year decline in the fourth quarter although the trend was stable sequentially. Total organic order intake in SMM grew by 11% year on year and revenues increased by 12%.

Demand in Sandvik Materials Technology was solid across all segments in 2021, although levels in the oil & gas segment were still significantly lower compared to pre-covid. Organic order intake in the fourth quarter rose by 40% year on year. Revenues were slightly up, 1%, mainly due to lower invoicing of umbilicals compared to the fourth quarter of the preceding year.

Strong broad-based demand contributed to all major regions recording double-digit growth for the full year compared with the year-earlier period and, for the fourth quarter, all regions noted increases aside from Asia, which reported stable development year on year.

Changed exchange rates had a positive impact of 2% on both order intake and revenues.



Q4 UNDERLYING MARKET DEVELOPMENT	MARKET SEGMENTS					
	MINING 41% of 2021 revenues	GENERAL ENGINEERING 23%	AUTOMOTIVE 8%	ENERGY 8%	INFRA-STRUCTURE 9%	AERO 4%
	% of 2021 Group revenue	Order intake Y/Y (excl. large orders)				
Europe	31%	+17% (+17%)	→	→	→	→
North America	23%	+47% (+47%)	→	→	→	→
Asia	17%	-2% (-2%)	→	→	→	→
Africa/ Middle East	12%	+46% (+6%)	→	→	→	→
Australia	9%	+9% (+9%)	→	→	→	→
South America	6%	+48% (+14%)	→	→	→	→

## EARNINGS

Reported gross profit amounted to SEK 11,368 million (8,644). Adjusted gross profit increased by 24% to SEK 11,343 million (9,147) mainly due to higher volumes year on year. The adjusted gross margin declined to 38.9% (40.8) with some impact from freight and energy costs, as well as dilution from acquisitions.

Sales, administration and R&D costs excluding items affecting comparability increased by 34% year on year and amounted to SEK 6,159 million (4,953) with the overall ratio to revenues at a stable 21.1% (20.5).

Adjusted EBITA increased by 16% to SEK 5,354 million (4,602), corresponding to a margin of 18.4% (20.5). Reported EBIT amounted to SEK 5,163 million (3,487). Adjusted EBIT increased by 13% to SEK 5,106 million (4,505) corresponding to a margin of 17.5% (20.1). Margins were impacted by a dilution of approximately 60 basis points from M&A transaction costs totaling SEK 179 million (0). The adjusted EBIT margin excluding metal price effects on a rolling 12-months basis was 17.8% (17.1). The impact from transaction and translation exchange rates was positive SEK 76 million year on year. The total impact from changed exchange rates, including hedges and accounting effects was positive SEK 131 million year on year.

The interest net was reduced to SEK -87 million (-96) due to lower average interest in the debt portfolio. Net financial items amounted to SEK 108 million (-80), with the increase driven by temporary positive revaluation effects and a reported capital gain of SEK 173 million from divestment.

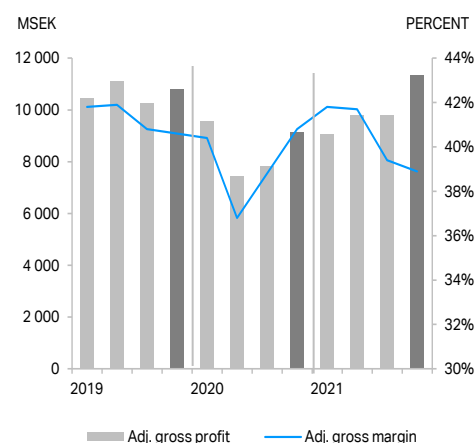
The tax rate excluding items affecting comparability for continuing operations was 26.3% (24.1). The reported tax rate for continuing operations was 26.6% (22.7) and 26.6% (22.8) for the Group in total.

Profit for the period amounted to SEK 3,870 million (2,633), corresponding to earnings per share, diluted, of SEK 3.07 (2.10) and adjusted earnings per share, diluted, of SEK 3.05 (2.67). Adjusted earnings per share, diluted, excluding surplus values, amounted to SEK 3.21 (2.74).

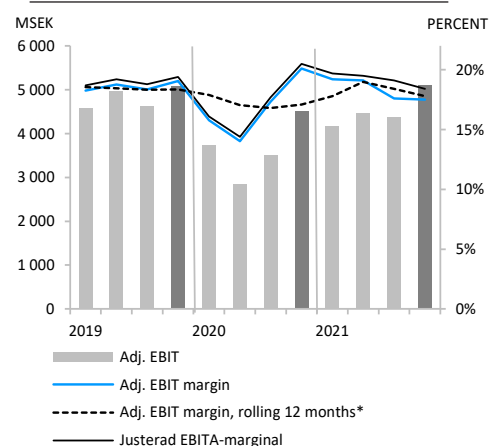
### Cost and savings initiatives

The permanent savings and cost initiatives that were announced in 2020 had a positive impact of SEK 230 million in the quarter, corresponding to an annualized run-rate of about SEK 1,100 million of a total of SEK 1,200 million in targeted savings. The initial targeted savings of SEK 1,300 million was revised downwards as some restructuring initiatives in SMT was not deemed necessary due to improved market conditions. The majority of savings from these initiatives have been realized this year. The reversal of temporary savings had a negative year on year impact in the quarter of approximately SEK 395 million, due to higher discretionary spend and limited work time reductions compared with the corresponding period in the preceding year.

### ADJUSTED GROSS PROFIT AND MARGIN

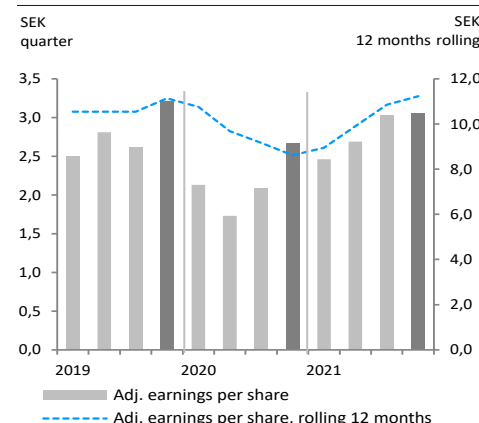


### ADJUSTED EBITA (%) AND EBIT



\*Excluding metal price effects

### ADJUSTED EARNINGS PER SHARE, DILUTED



## BALANCE SHEET AND CASH FLOW

Capital employed increased sequentially mainly due to acquisitions and amounted to SEK 119.2 billion (101.1). Adjusted return on capital employed was sequentially stable at 18.9% (19.2).

Net working capital increased year on year and amounted to SEK 26.8 billion (20.3) and increased sequentially (25.3). The sequential uptick was mainly a consequence of acquired companies and higher inventories. Net working capital in relation to revenues decreased to 22.3% compared with the third quarter (24.3%).

Investments in tangible and intangible assets increased slightly compared with the preceding year and amounted to SEK 1.3 billion (1.1), corresponding to 143% of scheduled depreciations.

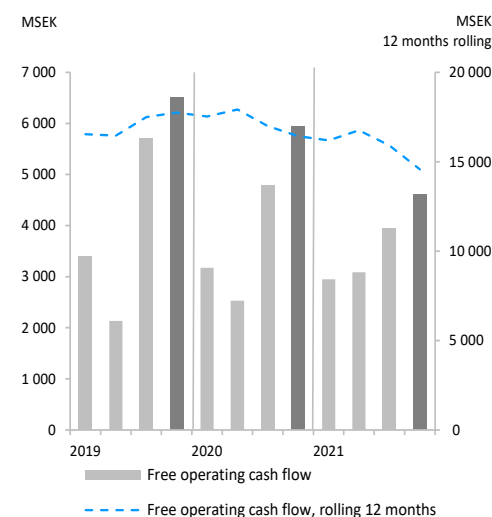
The financial net debt of SEK 16.8 billion (-8.8) was higher than in the preceding year and sequentially (7.4) mainly due to a negative cash impact from acquisitions, net of cash acquired of SEK 10.6 billion, partly offset by positive cash flow from operations. The net pension liability decreased year on year to SEK 6.1 billion (8.5) and sequentially (6.8), due to higher discount rates and return on assets. Total net debt increased to SEK 26.9 billion (2.6) and increased sequentially from SEK 17.9 billion in the third quarter. The net debt to equity ratio was 0.35 (0.04), representing an increase year on year and sequentially (0.25).

Free operating cash flow decreased year on year to SEK 4.6 billion (5.9) as a consequence of strong growth, with the earnings contribution offset by the build-up of net working capital.

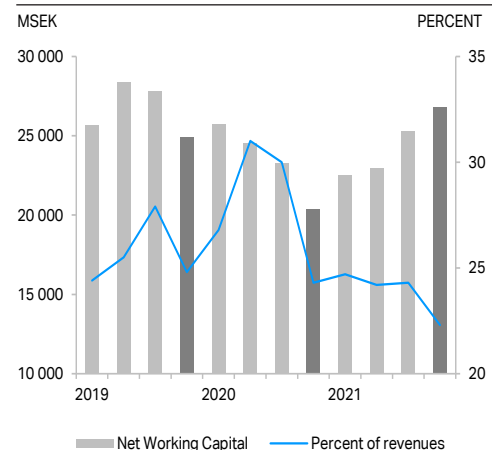
FREE OPERATING CASH FLOW, MSEK	Q4 2020	Q4 2021
EBITDA <sup>1)</sup> + non-cash items	5,285	6,254
Net Working Capital change	1,903	-578
Capex <sup>2)</sup>	-1,248	-1,073
<b>FREE OPERATING CASH FLOW <sup>3)</sup></b>	<b>5,941</b>	<b>4,604</b>

<sup>1)</sup> Adjusted for cash items related to certain acquisition costs <sup>2)</sup> Including investments and disposals of rental equipment of SEK -79 million (-236) and tangible and intangible assets of SEK -994 million (-1,012)  
<sup>3)</sup> Free operating cash flow before acquisitions and disposals of companies, financial net items and paid taxes.

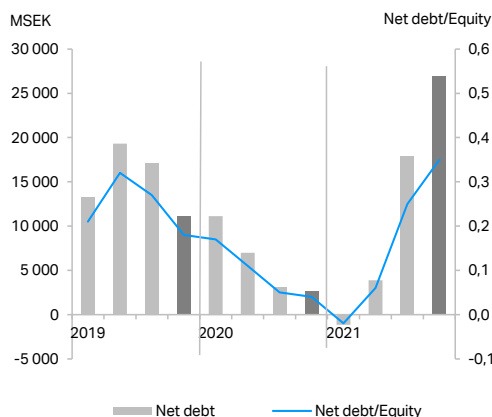
### FREE OPERATING CASH FLOW



### NET WORKING CAPITAL



### NET DEBT, GROUP TOTAL



## SANDVIK MINING AND ROCK SOLUTIONS

ORDER INTAKE AT ALL-TIME HIGH

RECORD ORDERS FOR AUTOMATION SOLUTIONS

ACQUISITION OF MINE PLANNING SOFTWARE COMPANY DESWIK



### GROWTH

Q4	ORDER INTAKE	REVENUES
Organic, %	30	20
Structure, %	22	22
Currency, %	3	3
TOTAL, %	55	46

Change compared to same quarter last year. The table is multiplicative, i.e. the different components must be multiplied to determine the total effect.

### Order intake and revenues

Key items impacting order intake and revenues year on year:

- Continued strong demand with yet another quarter on all-time high order intake levels. Total growth, at fixed exchange rates, of 52% year on year, of which organic growth was 30%
- Excluding major orders of SEK 1.4 billion (0), total growth, at fixed exchange rates was 37%, of which organic was 15%
- Record orders received for Sandvik's Automine solutions (SEK 254 million) and for Newtrax collision avoidance system (SEK 155 million)
- Organic order intake for equipment grew by 42% and aftermarket by 20% year on year
- Aftermarket with highest order intake level on record
- Solid broad regional demand with organic order intake growth of 60% in North America, 14% in South America, 6% in Europe and 9% in Africa/Middle East. Including major orders, South America grew by 65% and Africa Middle East by 55%
- The aftermarket business accounted for 63% (59) of revenues while the equipment business accounted for 37% (41)

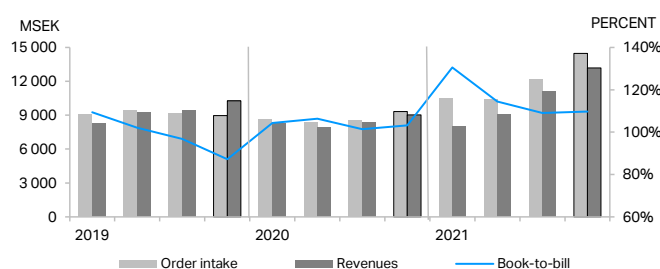
### Adjusted EBITA and EBIT

- Adjusted EBITA margin of 21.1% (22.8) positively impacted by higher volumes, offset by the reversal of savings and M&A transaction costs. Higher raw material costs were offset by pricing
- DSI underlying was 190 basis point dilutive to the EBITA margin
- Adjusted EBIT margin was 20.5% (22.3)
- Permanent savings had a positive impact of SEK 15 million and reversal of temporary savings had a negative impact of SEK 80 million year on year
- Exchange rates had a positive impact of SEK 141 million year on year

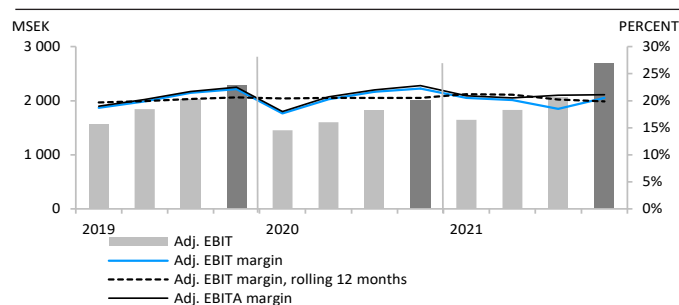
### Shift to growth

During the quarter, Sandvik agreed to acquire Australian-based Deswik, the leading and fastest growing major provider of mine planning software. Deswik's unique software suite combined with Sandvik's digital and automation offering creates a clear world leader in digital solutions for the mining industry. Deswik will fill a value chain gap in SMR's offering, increasing upstream mining coverage and enabling opportunities for end-to-end optimization solutions. A new division Digital Mining Technologies has been established which will include mine planning, automation solutions and the Newtrax telemetry and collision avoidance solutions.

### ORDER INTAKE, REVENUES AND BOOK-TO-BILL



### ADJUSTED EBITA (%) AND EBIT



FINANCIAL OVERVIEW, MSEK	Q4 2020**	Q4 2021	CHANGE %	Q1-Q4 2020**	Q1-Q4 2021	CHANGE %
Order intake *	9,314	14,470	30	34,832	47,460	29
Revenues *	9,031	13,186	20	33,572	41,409	16
Adjusted EBITA	2,055	2,782	35	7,018	8,659	23
Adjusted EBITA margin	22.8	21.1	-	20.9	20.9	-
EBIT	2,192	2,692	23	6,400	8,220	28
EBIT margin	24.3	20.4	-	19.1	19.9	-
Adjusted EBIT <sup>1)</sup>	2,011	2,698	34	6,885	8,227	19
Adjusted EBIT margin	22.3	20.5	-	20.5	19.9	-
Return on capital employed <sup>2)</sup>	41.7	31.5	-	29.2	31.2	-
Number of employees <sup>3)</sup>	12,442	15,574	25	12,442	15,574	25

\* Change at fixed exchange rates for comparable units. \*\* Last years figures has been restated due the new BA structure as of January 1, 2021.

<sup>1)</sup> EBIT adjusted for items affecting comparability of SEK -6 million Q4 2021 (182) and for YTD 2021 the impact was SEK -6 million (-485). For Q4 2021, related to additional expenses for a provision taken in the second quarter 2020. For 2020 primarily related to structural and volume related saving measures. See page 25. <sup>2)</sup> Quarter is quarterly annualized and the year to date numbers are based on a four quarter average. <sup>3)</sup> Full-time equivalent.

## SANDVIK ROCK PROCESSING SOLUTIONS

EQUIPMENT ORDER INTAKE GREW BY 51%

RECORD-HIGH REVENUES DESPITE SUPPLY CHAIN ISSUES

KWATANI ACQUISITION COMPLETED



### GROWTH

Q4	ORDER INTAKE	REVENUES
Organic, %	18	15
Structure, %	0	0
Currency, %	2	2
<b>TOTAL, %</b>	<b>20</b>	<b>18</b>

Change compared to same quarter last year. The table is multiplicative, i.e. the different components must be multiplied to determine the total effect.

### Order intake and revenues

Key items impacting order intake and revenues year on year:

- Strong organic order intake growth of 18% driven by equipment
- Organic order intake for equipment grew by 51% year on year due to soft comparables and supported by larger-sized orders while aftermarket was flat facing tougher comparables
- Solid broad-based demand in both infrastructure and mining with strongest order intake growth in North America of 58%, followed by South America 21% and Europe 13%
- Logistics challenges were effectively managed in the quarter, organic revenues grew by 15% with double-digit growth in both equipment and aftermarket
- The aftermarket business accounted for 48% (50) of revenues while the equipment business accounted for 52% (50)

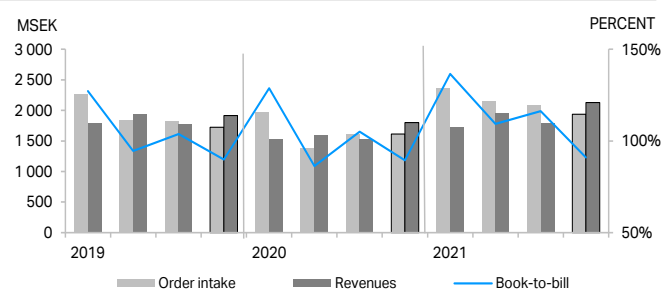
### Adjusted EBITA and EBIT:

- Adjusted EBITA margin of 15.9% (18.6). Higher volumes were negatively offset by cost inflation items, charges related to a restructuring initiative, and lower than usual SG&A spend in the fourth quarter in the year earlier period
- Adjusted EBIT margin was 15.9% (18.6)
- Permanent savings had a positive impact of SEK 5 million and the reversal of temporary savings had a negative impact of SEK 15 million compared with the preceding year
- Exchange rates had an impact of SEK 0 million year on year

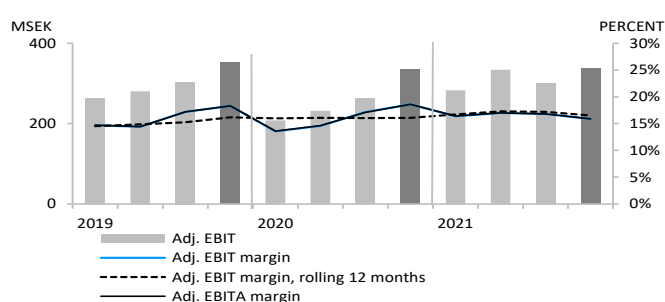
### Shift to growth

SAM by Sandvik, our digital service platform, is continuously evolving and during the quarter we extended the Fleet and Inspection capabilities to our hydraulic hammer range and the first hammers were connected. To date, thousands of hydraulic hammers around the world are connected and once a customer is connected to SAM it will provide them with direct access to data, analytics, communications and service inspections to mention a few.

### ORDER INTAKE, REVENUES AND BOOK-TO-BILL



### ADJUSTED EBITA (%) AND EBIT



FINANCIAL OVERVIEW, MSEK	Q4 2020**	Q4 2021	CHANGE %	Q1-Q4 2020**	Q1-Q4 2021	CHANGE %
Order intake *	1,612	1,937	18	6,571	8,524	32
Revenues *	1,802	2,129	15	6,459	7,610	19
Adjusted EBITA	335	338	1	1,038	1,255	21
Adjusted EBITA margin	18.6	15.9	-	16.1	16.5	-
EBIT	288	338	17	990	1,255	27
EBIT margin	16.0	15.9	-	15.3	16.5	-
Adjusted EBIT <sup>1)</sup>	335	338	1	1,038	1,255	21
Adjusted EBIT margin	18.6	15.9	-	16.1	16.5	-
Return on capital employed <sup>2)</sup>	26.9	29.9	-	21.9	28.7	-
Number of employees <sup>3)</sup>	1,736	2,091	20	1,736	2,091	20

\* Change at fixed exchange rates for comparable units. \*\* Last years figures has been restated due to the new BA structure as of January 1, 2021.

1) There are no items affecting comparability for 2021 (-4B). See page 25. 2) Quarter is quarterly annualized and the year to date numbers are based on a four quarter average. 3) Full-time equivalent.



## SANDVIK MANUFACTURING AND MACHINING SOLUTIONS

**ORGANIC ORDER INTAKE GROWTH OF 11%**

**STRONG PERFORMANCE FROM ACQUIRED COMPANIES**

**US ROUND TOOLS COMPANY GWS ACQUIRED**



**GROWTH**

Q4	ORDER INTAKE	REVENUES
Organic, %	11	12
Structure, %	10	10
Currency, %	1	1
<b>TOTAL, %</b>	<b>23</b>	<b>23</b>

Change compared to same quarter last year. The table is multiplicative, i.e. the different components must be multiplied to determine the total effect.

### Order intake and revenues

Key items impacting order intake and revenues year on year:

- Solid underlying demand, with organic order intake growth of 11% driven by general engineering and aerospace
- All core SMS brands recorded high-single to double-digit organic growth in orders
- Strong performance of acquired companies, total order intake, at fixed exchange rates grew by 23% year on year
- All major regions contributed to year on year order intake growth, with Europe accounting for 13%, North America 17% and Asia 3%
- Daily order intake developed favorably throughout the quarter and improved versus the third quarter, with the first weeks of January continuing on a positive trajectory
- The number of working days had a year on year impact of +0.6% on orders and revenues

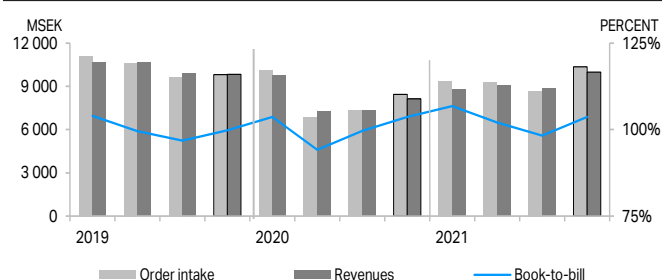
### Adjusted EBITA and EBIT

- The adjusted EBITA margin was 20.7% (22.0). Higher volumes were negatively offset by the reversal of savings, M&A transaction costs of SEK 100 million and temporary cost items
- Cost inflation were offset by pricing
- Adjusted EBIT was 19.1% (21.4)
- Permanent savings had a positive impact of SEK 145 million while the reversal of temporary savings impacted the quarter negatively by SEK 250 million compared with the preceding year
- Exchange rates had a negative year on year impact of SEK 43 million

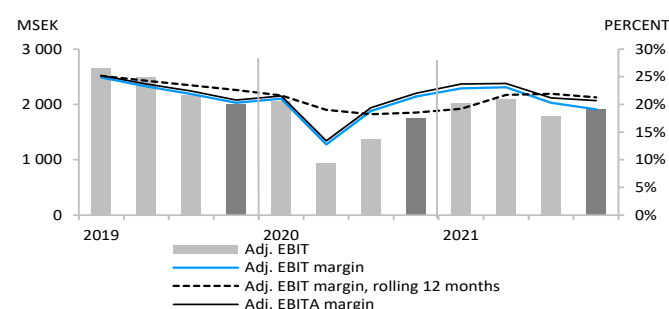
### Shift to growth

Sandvik signed an agreement to acquire 100% of the equity interests of the US based company GWS. GWS is an established and fast-growing provider of made-to-order round tools with a large exposure to the general engineering and aerospace segments. The acquisition will increase our market share in round tools and presence in the North American market. Furthermore, Sandvik acquired US-based DCS – a leading global provider of dimensional quality management software and on-site engineering services. DCS's offering will complement and enhance Sandvik's existing metrology portfolio.

### ORDER INTAKE, REVENUES AND BOOK-TO-BILL



### ADJUSTED EBITA (%) AND EBIT



FINANCIAL OVERVIEW, MSEK	Q4 2020	Q4 2021	CHANGE %	Q1-Q4 2020	Q1-Q4 2021	CHANGE %
Order intake *	8,434	10,365	11	32,677	37,680	16
Revenues *	8,139	9,996	12	32,477	36,681	14
Adjusted EBITA	1,794	2,066	15	6,281	8,183	30
Adjusted EBITA margin	22.0	20.7	-	19.3	22.3	-
EBIT	894	2,086	133	4,606	8,058	75
EBIT margin	11.0	20.9	-	14.2	22.0	-
Adjusted EBIT <sup>1)</sup>	1,742	1,905	9	6,100	7,803	28
Adjusted EBIT margin	21.4	19.1	-	18.8	21.3	-
Return on capital employed <sup>2)</sup>	11.7	18.3	-	14.6	21.6	-
Number of employees <sup>3)</sup>	17,301	20,435	18	17,301	20,435	18

\* Change at fixed exchange rates for comparable units.

<sup>1)</sup> EBIT adjusted for items affecting comparability of SEK 181 million in Q4 2021 (-848) and SEK 255 million YTD 2021 (-1,494) mainly impacted by provision releases of restructuring initiatives. See page 25. <sup>2)</sup> Quarter is quarterly annualized and the year to date numbers are based on a four quarter average. <sup>3)</sup> Full-time equivalent.

## SANDVIK MATERIALS TECHNOLOGY

**ORGANIC ORDER INTAKE GROWTH OF 40%**

**SOLID DEMAND ACROSS ALL SEGMENTS**

**STABLE REVENUES AND MARGINS DESPITE LOWER UMBILICALS**



**GROWTH**

Q4	ORDER INTAKE REVENUES	
Organic, %	40	1
Structure, %	1	1
Currency, %	0	1
Alloys, %	11	9
<b>TOTAL, %</b>	<b>53</b>	<b>11</b>

Change compared to same quarter last year. The table is multiplicative, i.e. the different components must be multiplied to determine the total effect.

### Order intake and revenues

Key items impacting order intake and revenues year on year:

- Solid demand across all segments with strong order intake growth of 40%
- Continued positive trajectory in the oil & gas segments
- All major regions noted favorable order intake trend, with strong contribution from North America and Europe
- Organic revenues flattish year on year mainly related to lower invoicing for umbilicals

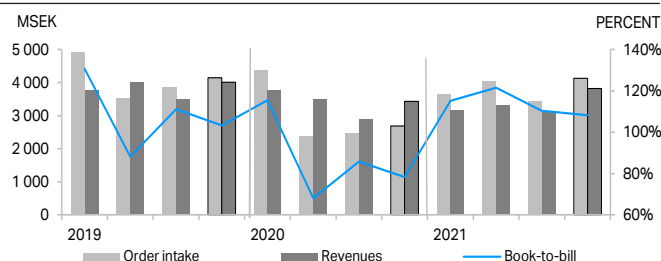
### Adjusted EBIT:

- Adjusted EBIT margin of 12.6% (15.4), impacted by weaker mix mainly from lower levels of umbilicals and some impact from rising energy prices
- Permanent savings had a positive impact of SEK 55 million and reversal of temporary savings had a negative impact of SEK 25 million compared with the preceding year
- Exchange rates had a positive impact of SEK 27 million year on year
- Changed metal prices had a positive impact of SEK 129 million in the quarter
- Adjusted EBIT excluding metal price effects totaled SEK 353 million (399), corresponding to an underlying margin of 9.2% (11.6)

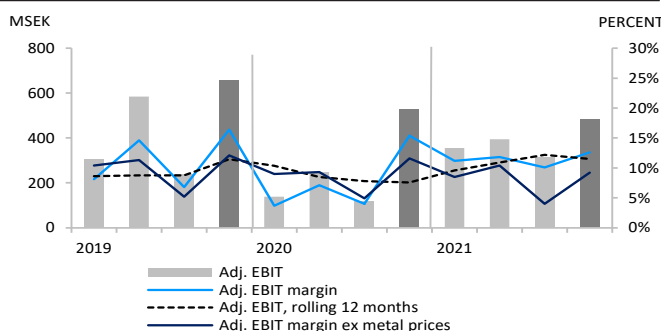
### Shift to growth

During the quarter, Sandvik signed the agreement to acquire the German based company Gerling GmbH, a precision tube engineering company serving multiple industries including the fast-developing hydrogen market. The offering includes innovative engineering solutions, such as high-pressure control technology in hydrogen refueling stations.

### ORDER INTAKE, REVENUES AND BOOK-TO-BILL



### ADJUSTED EBIT



FINANCIAL OVERVIEW, MSEK	Q4 2020	Q4 2021	CHANGE %	Q1-Q4 2020	Q1-Q4 2021	CHANGE %
Order intake *	2,691	4,130	40	11,910	15,234	25
Revenues *	3,436	3,817	1	13,598	13,405	-4
Adjusted EBITA	528	484	-8	1,032	1,548	50
Adjusted EBITA margin	15.4	12.7	-	7.6	11.6	-
EBIT	371	392	6	492	1,379	180
EBIT margin	10.8	10.3	-	3.6	10.3	-
Adjusted EBIT <sup>1)</sup>	528	481	-9	1,032	1,543	49
Adjusted EBIT margin	15.4	12.6	-	7.6	11.5	-
Return on capital employed, % <sup>2)</sup>	12.5	12.4	-	3.9	11.3	-
Number of employees <sup>3)</sup>	5,084	5,465	7	5,084	5,465	7

\* Change at fixed exchange rates for comparable units.

<sup>1)</sup> EBIT adjusted for items affecting comparability of SEK -89 million in Q4 2021 (-157) and SEK -164 million YTD 2021 (-540), related to the internal separation of Sandvik Materials Technology offset by partial provision releases of structural and volume related saving measures reported in 2020. See page 25. <sup>2)</sup> Quarterly number is annualized and the year-to-date number is based on four quarter average. <sup>3)</sup> Full-time equivalent.

## SHIFTING TO A MORE SUSTAINABLE BUSINESS

**SANDVIK COMMITTED TO SCIENCE BASED TARGETS**

**DECREASED INJURY RATE IN THE QUARTER**

**CONTINUED DECREASE IN GHG EMISSIONS**



During the quarter Sandvik committed to set targets in line with the Science Based Targets initiative (SBTi), consistent with the Paris Agreement. The commitment is a formal mark of our firm determination to reduce greenhouse gas emissions through our products and our operations. We continued to note a favorable trend in greenhouse gas (GHG) emissions both in the quarter and for the full year, with a positive impact from our clean energy sourcing initiative. Our diversity and inclusion initiative also demonstrated strong progress with the share of female managers at a higher level than ever before.

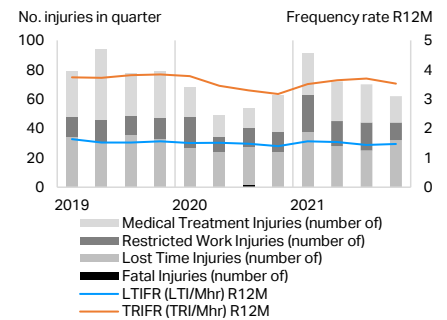
### Fourth quarter 2021

- Injury rates decreased after a negative trend in the first three quarters of the year. For full year 2021 TRIFR was 3.5 (3.2). The year on year development was mainly attributable to higher number of less severe injuries which accounted for 79% of the total increase of incidents, in relation to how our exposure hours grew
- GHG emissions decreased by almost 10% and amounted to 65 kton (72). Clean energy sourcing had a positive impact during the year and GHG emissions for 2021 improved 16% and amounted to 234 kton (280). Increased fossil fuel use contributed on an aggregated level with a 2% increase, mainly from Sandvik Materials Technology's production in Sandviken and Wolfram in Austria. Increased activity and travel contributed negatively but was far outweighed by the positive effects of executing our key activities to source clean energy
- The share of circular waste amounted to 67% in the quarter (75%). For full year the waste circularity amounted to 67%, down from 74% in the preceding year
- The share of female managers continued to trend positively, and at the end of the quarter the ratio was 19.8 compared to 18.5 at the end of 2020. This verified the increased pace of improvement that was noted throughout the year, and the 1.3 percentage unit increase corresponded to a 7.3% higher share of female managers than a year ago

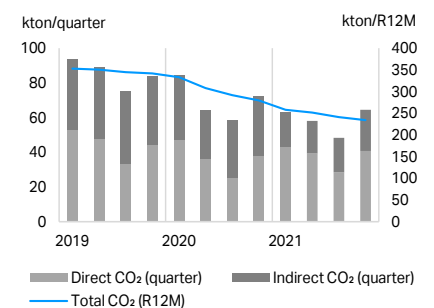
### Case of the quarter

During 2021, Sandvik Mining and Rock Solutions gained momentum in the field of electric mining equipment. In June, Sandvik received orders valued at SEK 140 million, the highest-ever order intake recorded for battery-electric mining vehicles (BEVs) in a single month. During MinExpo, new BEV products were launched, headlined by Sandvik TH550B - a loader equipped with our proprietary battery-swapping technology AutoSwap. In December, Sandvik and mine operator LKAB signed an agreement for an extensive trial of the TH550B truck and the LH518B loader. Zero emissions as well as reduced heat and noise in the mines are some of the sustainability and safety benefits from BEVs. These machines also improve productivity in terms of more efficient loading and increased speed. Electrification is advancing rapidly resulting in more sustainable mining operations across the globe.

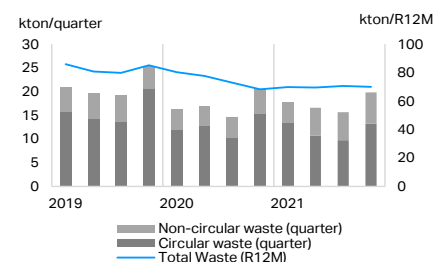
### ZERO HARM



### CO<sub>2</sub> EMISSIONS

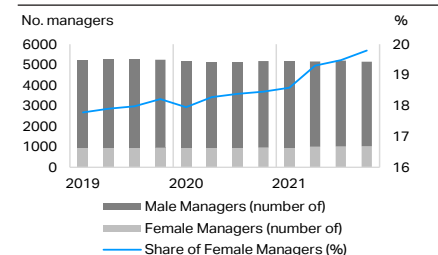


### WASTE\*



\*Excluding tailings, digestion sludge and slag to disposal

### DIVERSITY



SUSTAINABILITY OVERVIEW		Q4 2020	Q4 2021	CHANGE %	Q1-Q4 2020	Q1-Q4 2021	CHANGE%
Circularity	Total waste, thousand tonnes*	21	20	-3.6	68	70	2.5
Circularity	Waste recovered, % of total	75	67	-11.1	74	67	-8.7
Climate	Total CO <sub>2</sub> , thousand tonnes*	72	65	-10.2	280	234	-16.2
People	Total recordable injury frequency rate, R12M frequency / million working hours	3.2	3.5	11.1	3.2	3.5	11.1
People	Lost time injury frequency rate, R12M frequency / million working hours	1.4	1.5	5.2	1.4	1.5	5.2
People	Share of female managers, %	18.5	19.8	7.3	18.5	19.8	7.3

\* Excluding tailings, digestion sludge and slag to disposal  
For definitions see home.sandvik

## PARENT COMPANY

For full year 2021 the parent company's invoiced sales amounted to SEK 12,244 million (9,599) and the EBIT was SEK 4,328 million (2,950). Result from shares in Group companies of SEK 2,205 million (-1,558) for the year consists primarily of contributions and dividends offset by result from disposal of shares to

establish the legal structure of SMT. Interest-bearing liabilities, less cash and cash equivalents and interest-bearing assets, amounted to SEK 21,688 million (7,057). Investments in property, plant and machinery amounted to SEK 1,070 million (430).

## FULL YEAR 2021

For the full year of 2021, demand for Sandvik's products and solutions increased compared to the same period in the preceding year, with organic order intake growth of 24%. Excluding the impact of large orders, organic order intake growth was 23%. Revenues increased organically by 12%.

The year has been characterised by high customer activity and strong broad-based demand, with record high order intake levels in mining and construction. Underlying demand in general engineering has been solid throughout the year, while the automotive segment has been impacted by component shortages with Sandvik's customers. A cautious pick up in aerospace was noted at the beginning of 2021, with significant growth during the second half of the year although against low levels in the preceding year. The energy segment continued to improve, but with oil & gas not having caught up with levels pre the covid pandemic. Organic order intake grew at a double-digit rate in all major regions. Changed exchange rates had a negative impact of -3% on order intake and revenues, respectively. Sandvik's order intake amounted to SEK 108,898 million (86,287), and revenues were SEK 99,105 million (86,404), implying a book-to-bill ratio of 110%.

Adjusted EBITA increased by 27% year on year to SEK 18,935 million (14,878) corresponding to a margin of 19.1% (17.2).

The reported EBIT increased by 66% to SEK 18,654 million (11,216) and the reported EBIT margin was 18.8% (13.0).

Adjusted EBIT increased by 24% year on year to SEK 18,116 million (14,563) corresponding to a margin of 18.3% (16.9).

Changed metal prices had a positive impact of SEK 487 million (-172) in the period.

Net financial items amounted to SEK -194 million (54) and profit before tax was SEK 18,460 million (11,270).

The tax rate, excluding items affecting comparability, for continuing operations was 21.2% (22.8). The reported tax rate for continuing operations was 21.5% (22.3) and 21.5% (22.4) for the Group in total.

Profit for the period amounted to SEK 14,493 million (8,753) for continuing operations and SEK 14,484 million (8,721) for the Group total. Earnings per share for continuing operations amounted to SEK 11.54 (6.99) while earnings per share for the Group total amounted to SEK 11.53 (6.96).

Net debt increased year-on-year to SEK 26.9 billion (2.6) resulting in a net debt to equity ratio of 0.35 (0.04).

During the year, 14 acquisitions were announced: Cambrio, DWFritz Automation, Fanar, CNC Software Inc., 67% of the round tools company Chuzhou Yongpu, GWS Tool Group, ICAM Technologies Corporation and Dimensional Control Systems within Sandvik Manufacturing and Machining Solutions. Sandvik Mining and Rock Solutions announced the acquisitions of DSI Underground including Joint Venture partner's (Jennmar) share of the Rocbolt Technologies JVs in China, South Africa and Mongolia, Tricon Drilling Solutions and Deswik. Sandvik Rock Processing Solutions announced the acquisition of Kwatani. Sandvik Materials Technology announced the acquisition of Accuratech Group and Gerling GmbH.

Out of 14 announced acquisitions, 12 were completed: Cambrio, DWFritz Automation, Fanar, CNC Software, Chuzhou Yongpu, GWS Tool Group, ICAM Technologies Corporation, Dimensional Control Systems, DSI Underground including the Joint Venture partner's (Jennmar) share of the Rocbolt Technologies, Tricon Drilling Solutions, Kwatani and Accuratech Group.

## ACQUISITIONS AND DIVESTMENTS

### ACQUISITIONS DURING THE LAST 12 MONTHS

	COMPANY/UNIT	CLOSING DATE	REVENUES	NO. OF EMPLOYEES
<b>2021</b>				
Sandvik Mining and Rock Solutions	DSI Underground <sup>1)</sup>	July 7, 2021	596 MEUR in 2020	2,000
Sandvik Manufacturing and Machining Solutions	Chuzhou Yongpu Carbide Tools Co., Ltd <sup>2)</sup>	July 31, 2021	400 MSEK 12M Q220 – Q121	500
Sandvik Manufacturing and Machining Solutions	CNC Software Inc.	September 29, 2021	60 MUSD in 2020	220
Sandvik Mining and Rock Solutions	Tricon Drilling Solutions	October 1, 2021	18 MAUD 12M Q319 – Q220	24
Sandvik Manufacturing and Machining Solutions	DWFritz Automation Inc.	October 1, 2021	720 MSEK in 2020	560
Sandvik Materials Technology	Accuratech Group	October 4, 2021	75 MSEK in 2020	50
Sandvik Manufacturing and Machining Solutions	Cambrio	October 15, 2021	628 MSEK in 2020	375
Sandvik Manufacturing and Machining Solutions	Fanar	November 2, 2021	175 MSEK in 2020	230
Sandvik Rock Processing Solutions	Kwatani	December 9, 2021	175 MSEK in 2020	150
Sandvik Manufacturing and Machining Solutions	ICAM Technologies Corporation	December 23, 2021	30 MSEK in 2020	27
Sandvik Manufacturing and Machining Solutions	GWS Tool Group	December 23, 2021	41 MUSD in 2020	490
Sandvik Manufacturing and Machining Solutions	Dimensional Control Systems	December 27, 2021	92 MSEK in 2020	70

<sup>1)</sup> On August 3, Sandvik acquired Joint Venture partner's (Jennmar) share of the Rockbolt Technologies JVs in China, South Africa and Mongolia. <sup>2)</sup> Acquired 67% of Chuzhou Yongpu Carbide Tools Co., Ltd, with a call option/put option to buy the remaining part after three years' time.

The preliminary purchase price allocations of DWFritz Automation Inc. and Cambrio are presented below. The acquisitions were made through the purchase of 100% of shares and voting rights. Sandvik received control over the operations upon the date of closing. No equity instruments have been issued in connection with the acquisitions. The acquisitions have been accounted for using the acquisition method.

MSEK	Purchase price on cash and debt free basis	Preliminary goodwill and other surplus values
Acquisitions 2021	24,784	25,090

### FAIR VALUE RECOGNIZED IN THE GROUP 2021

MSEK	DWFritz Automation Inc.	Cambrio
Intangible assets	13	0
Property, plant and equipment	119	7
Other non-current assets	71	28
Inventories	116	2
Receivables	188	179
Other current assets	16	26
Cash and cash equivalents	167	267
Interest bearing loans and borrowings	-243	-797
Other liabilities and provisions	-331	-330
Deferred tax assets/liabilities, net	-	-478
<b>Net identifiable assets and liabilities</b>	<b>116</b>	<b>-1,095</b>
Goodwill and surplus values	1,051	6,960
<b>Purchase consideration</b>	<b>-1,167</b>	<b>-5,865</b>
Deferred consideration	209	-
Cash and cash equivalents in the acquired business	167	267
Transaction expenses	-38	-83
<b>Net cash outflow</b>	<b>-829</b>	<b>-5,681</b>

## DWFritz Automation Inc.

In October, Industrial Metrology division within Sandvik Manufacturing and Machining Solutions acquired US-based DWFritz Automation Inc., a leading global provider of precision metrology, inspection- and assembly solutions for advanced manufacturing. DWFritz Automation designs, builds and supports engineer-to-order high-speed, non-contact metrology solutions and automation systems. With DWFritz Automation, Sandvik would expand its current metrology offering and take a leading position in in-line metrology, including a broader position in high-speed, high-volume, non-contact inspection and assembly automation. The Impact on Sandvik's earnings per share will initially be neutral. Goodwill of SEK 755 million and other surplus values of SEK 296 million was recorded on the purchase. Goodwill is deductible for tax purposes. DWFritz Automation Inc. acquisition includes a contingent consideration clause and the fair value of the contingent consideration has been calculated based on a discount rate of 16.7%.

## Cambrio

In October, Design & Planning Automation division within Sandvik Manufacturing and Machining Solutions acquired US-based Cambrio, a leading company with an end-to-end portfolio in CAD/CAM software for manufacturing industries like automotive, transportation, energy, medical and aerospace. By acquiring Cambrio, Sandvik will establish an important position in the CAM market that includes both toolmaking and general-purpose machining. This will complement the existing customer offering in Sandvik Manufacturing and Machining Solutions. Cambrio's product portfolio includes GibbsCAM for production milling, turning, and mill turn operations, Cimatron for mold and die, as well as SigmaNEST for sheet metal fabrication. The impact on Sandvik's earnings per share will initially be neutral. Goodwill of SEK 5,120 million and other surplus values of SEK 1,840 million was recorded on the purchase. Goodwill is not deductible for tax purposes.

## CONTRIBUTIONS FROM COMPANIES ACQUIRED IN 2021

MSEK	DWFritz Automation Inc.	Cambrio
<b>Contributions as of acquisition date</b>		
Revenues	202	151
Profit (loss) for the year	-38	22
<b>Contributions if the acquisition date would have been January 1, 2021</b>		
Revenues	888	666
Profit (loss) for the year	-91	57

## DIVESTMENTS DURING LAST 12 MONTHS

No significant divestments has been made during the past 12 months.

## SIGNIFICANT EVENTS

### DURING THE FOURTH QUARTER

- On October 4, Sandvik Manufacturing and Machining Solutions announced the completion of the acquisition of DWFritz Automation.
- On October 5, Sandvik Materials Technology announced the completion of the acquisition of Accuratech Group.
- On October 18, Sandvik Manufacturing and Machining Solutions announced the completion of the acquisition of Cambrio.
- On October 18, The Board of Directors confirmed its previous decision to proceed with the preparation to distribute Sandvik Materials Technology to Sandvik's shareholders and list the company's shares on the Nasdaq Stockholm Exchange. The Board's current target is to complete the listing on the Nasdaq Stockholm Exchange during second or third quarter 2022, subject to approval by Sandvik's shareholders. The intended distribution of shares is expected to meet the Lex Asea requirements.
- On November 2, Sandvik Manufacturing and Machining Solutions announced the completion of the acquisition of Fanar.
- On November 9, Sandvik announced the first three members of the Board of Sandvik Materials Technology – the new company planned to be listed in 2022.
- On November 16, Sandvik Materials Technology announced the acquisition of the German company Gerling. The transaction is expected to close during the first quarter 2022.
- On November 19, it was announced that Sandvik has raised EUR 500 million in the corporate bond market under its Euro Medium Term Note (EMTN) program.
- On November 22, Sandvik Manufacturing and Machining Solutions announced the acquisition of the US based company GWS Tool Group. The transaction was completed on December 23.
- On November 25, Sandvik Manufacturing and Machining Solutions announced the acquisition of the Canada based company ICAM Technologies Corporation. The transaction was completed on December 23.
- On December 2, Sandvik Mining and Rock Solutions announced the acquisition of the Australian-based company Deswik and the launch of a new division, Digital Mining Technologies. The transaction is expected to close during the first quarter 2022.
- On December 9, Sandvik Rock Processing Solutions announced the completion of the acquisition of Kwatani.
- On December 10, it was announced that Sandvik has committed to set targets in line with the Science Based Targets initiative (SBTi), consistent with the Paris Agreement.
- On December 29, Sandvik Manufacturing and Machining Solutions announced the acquisition of Dimensional Control Systems.

### AFTER THE FOURTH QUARTER

- No significant events after the fourth quarter.

## GUIDANCE AND FINANCIAL TARGETS

Guidance below relates to continuing operations. Sandvik does not provide a market outlook or business performance forecasts. However, guidance relating to certain

non-operational key figures considered useful when modeling financial outcome is provided in the table below:

<b>CAPEX (CASH)</b>	Estimated at SEK <5.0 billion for 2022.
<b>CURRENCY EFFECTS</b>	Based on currency rates at the end of December 2021, it is estimated that transaction and translation currency effects will have an impact of about SEK +400 million on operating profit (EBIT) for the first quarter of 2022, compared with the year-earlier period.
<b>METAL PRICE EFFECTS</b>	In view of currency rates, inventory levels and metal prices at the end of December 2021, it is estimated that there will be an impact of about SEK +80 million on operating profit (EBIT) in Sandvik Materials Technology for the first quarter of 2022.
<b>INTEREST NET</b>	Estimated at SEK <-0.4 billion in 2022.
<b>TAX RATE</b>	Estimated at 22% - 24% for 2022, normalized.

### Sandvik has four long-term financial targets, defined in 2019:

#### GROWTH

A growth of at least 5% through a business cycle.

#### TROUGH EBIT MARGIN

A trough EBIT margin of at least 16% rolling 12 months, adjusted for IAC and metal prices.

#### DIVIDEND PAYOUT RATIO

A dividend payout ratio of 50% of EPS, adjusted for IAC, through a business cycle.

#### NET DEBT/EQUITY RATIO

A net debt/equity ratio below 0.5.

The 2030 sustainability targets focus on the areas of circularity, climate, people and ethics. These targets are reported on a quarterly basis and can be found on page 11.

## ACCOUNTING POLICIES

This interim report was prepared in accordance with IFRS, applying IAS 34, Interim Financial Reporting. The same accounting and valuation policies were applied as in the most recent annual report with the exception of new and revised standards and interpretations effective as of January 1, 2021.

The interim report for the Parent Company has been prepared in accordance with the Annual Accounts Act and the Securities Market Act, which is in line with standard RFR 2 Reporting by a legal entity issued by the Swedish Financial Reporting Board.

### Put options issued to owners with non-controlling interests

Put options issued to owners with non-controlling interests refer to agreements that give the owner the right to sell interests in the company, either at a fixed price or a fair value at a future period in time. The amount to be paid if the option is exercised is initially recognized, at present value, as a financial liability. The liability is remeasured and any change in present value is recognized in equity. If the option is not exercised by maturity the liability is derecognized with a corresponding adjustment in equity.

### Cloud computing arrangements

During the year an agenda decision was published by IFRS Interpretations Committee (IFRS IC) on configuration or customization costs in cloud computing arrangements. The consequence of the agenda decision is that some intangible assets might have to be expensed retroactively or reclassified in the balance sheet. Another consequence is that it will not be possible to capitalize future configuration or customization costs in cloud computing arrangements to the same extent as today in future financial reports.

Sandvik is carrying out an analysis on the full effects of IFRS IC's agenda decision. It is not considered to have any significant impact on the Group.

IASB has published amendments of standards that are effective as of January 1, 2021 or later. The standards have not had any material impact on the financial reports.

## TRANSACTIONS WITH RELATED PARTIES

No transactions between Sandvik and related parties that significantly affected the company's position and results took place.

## IMPACT ON THE FINANCIAL REPORTING DUE TO COVID-19

As of December 31, there has been no significant impact on the financial reporting due to Covid-19 related to valuation of goodwill, expected credit losses, valuation of inventory or government grants.

The strong organic order intake and revenue growth recorded for the fourth quarter and full year was driven by robust underlying demand. Due to the Covid-19 outbreak in 2020, demand weakened as a consequence, and significantly so for certain parts of the business. Segments like oil & gas and aerospace, that was hit the hardest has improved throughout 2021, with good growth in the second half, albeit not back on pre-covid levels. The improved business momentum and higher demand has led to significant imbalances in the global supply chain and inflationary pressures, which has had an impact on Sandvik's operations. Mitigating actions such as alternative sourcing and price increases has been carried out and was well managed during the year and in the fourth quarter. Risks and uncertainties connected to the pandemic do remain and lock-downs have been noted, especially in Asia.

## RISK ASSESSMENT

As an international group with a wide geographic spread, Sandvik is exposed to several strategic, business and financial risks. Strategic risk at Sandvik is defined as emerging risks affecting the business long-term, such as industry shifts, technological shifts and macroeconomic developments. The business risks can be divided into operational, sustainability, compliance, legal and commercial risks. The financial risks include currency risks, interest rates, raw material prices, tax risks and more. These risk areas can all impact the business negatively both long and short-term but often also create business opportunities if managed well. Risk management at Sandvik begins with an assessment in operational management teams where the material risks for their operations are first identified, followed by an evaluation of the probability of the risks occurring and their potential impact on the Group. Once the key risks have been identified and evaluated risk mitigating activities to eliminate or reduce the risks are agreed on. For a more detailed description of Sandvik's analysis of risks and risk universe, see the Annual Report for 2020.



## FINANCIAL REPORTS SUMMARY

### THE GROUP

#### INCOME STATEMENT

MSEK	Q4 2020	Q4 2021	CHANGE %	Q1-Q4 2020	Q1-Q4 2021	CHANGE %
<i>Continuing operations</i>						
Revenues	22,408	29,128	30	86,404	99,105	15
Cost of goods and services sold	-13,764	-17,760	29	-54,167	-58,932	9
<b>Gross profit</b>	<b>8,644</b>	<b>11,368</b>	<b>32</b>	<b>32,237</b>	<b>40,173</b>	<b>25</b>
% of revenues	38.6	39.0		37.3	40.5	
Selling expenses	-2,680	-3,263	22	-10,710	-11,642	9
Administrative expenses	-1,452	-1,949	34	-5,504	-6,069	10
Research and development costs	-959	-1,066	11	-3,429	-3,682	7
Other operating income and expenses	-66	73	-212	-1,378	-126	-91
<b>Earnings before interest and tax</b>	<b>3,487</b>	<b>5,163</b>	<b>48</b>	<b>11,216</b>	<b>18,654</b>	<b>66</b>
% of revenues	15.6	17.7		13.0	18.8	
Financial income	120	384	222	993	877	-12
Financial expenses	-199	-276	39	-940	-1,071	14
<b>Net financial items</b>	<b>-80</b>	<b>108</b>	<b>-236</b>	<b>54</b>	<b>-194</b>	<b>-461</b>
<b>Profit before tax</b>	<b>3,407</b>	<b>5,272</b>	<b>55</b>	<b>11,270</b>	<b>18,460</b>	<b>64</b>
% of revenues	15.2	18.1		13.0	18.6	
Income tax	-774	-1,402	81	-2,517	-3,967	58
<b>Profit for the period, continuing operations</b>	<b>2,633</b>	<b>3,870</b>	<b>47</b>	<b>8,753</b>	<b>14,493</b>	<b>66</b>
% of revenues	11.8	13.3		10.1	14.6	
<b>Loss for the period, discontinued operations</b>	<b>-13</b>	<b>0</b>	<b>-98</b>	<b>-32</b>	<b>-10</b>	<b>-70</b>
<b>Profit for the period, Group total</b>	<b>2,621</b>	<b>3,870</b>	<b>48</b>	<b>8,721</b>	<b>14,484</b>	<b>66</b>
<i>Profit (loss) for the period attributable to</i>						
Owners of the parent company	2,621	3,857		8,735	14,461	
Non-controlling interest	-1	12		-14	23	
<b>Earnings per share, SEK</b>						
Continuing operations, basic	2.10	3.08	46	6.99	11.54	65
Continuing operations, diluted	2.10	3.07	46	6.98	11.52	65
Group total, basic	2.09	3.08	47	6.96	11.53	66
Group total, diluted	2.09	3.07	47	6.95	11.52	66
<b>OTHER COMPREHENSIVE INCOME</b>						
<i>Items that will not be reclassified to profit (loss)</i>						
Actuarial gains (losses) on defined benefit pension plans	-609	824		-1,146	2,492	
Tax relating to items that will not be reclassified	95	-181		225	-501	
<b>Total items that will not be reclassified to profit (loss)</b>	<b>-514</b>	<b>642</b>		<b>-921</b>	<b>1,991</b>	
<i>Items that will be reclassified subsequently to profit (loss)</i>						
Foreign currency translation differences	-2,920	1,421		-4,754	3,846	
Cash flow hedges	12	12		28	48	
Tax relating to items that may be reclassified	-3	-3		-8	-11	
<b>Total items that may be reclassified subsequently to profit (loss)</b>	<b>-2,911</b>	<b>1,431</b>		<b>-4,734</b>	<b>3,882</b>	
<b>Total other comprehensive income</b>	<b>-3,425</b>	<b>2,073</b>		<b>-5,655</b>	<b>5,873</b>	
<b>Total comprehensive income</b>	<b>-804</b>	<b>5,943</b>		<b>3,066</b>	<b>20,357</b>	
<i>Total comprehensive income attributable to</i>						
Owners of the parent company	-804	5,920		3,077	20,323	
Non-controlling interest	0	23		-11	34	

NM = not meaningful. For definitions see [home.sandvik](http://home.sandvik)

## THE GROUP

### BALANCE SHEET CONTINUING AND DISCONTINUED OPERATIONS

MSEK	DEC 31, 2020	DEC 31, 2021
Intangible assets	21,004	47,809
Property, plant and equipment	23,975	26,076
Right-of-use assets	2,891	3,840
Financial assets	7,285	7,418
Inventories	21,473	29,910
Current receivables	18,387	26,556
Cash and cash equivalents	23,752	13,585
Assets held for sale	361	323
<b>Total assets</b>	<b>119,128</b>	<b>155,517</b>
Total equity	65,082	77,332
Non-current interest-bearing liabilities	22,358	30,551
Non-current non-interest-bearing liabilities	3,741	5,349
Current interest bearing liabilities	4,352	10,704
Current non-interest-bearing liabilities	23,424	31,474
Liabilities related to assets held for sale	171	107
<b>Total equity and liabilities</b>	<b>119,128</b>	<b>155,517</b>
<b>Group total</b>		
Net working capital <sup>1)</sup>	20,096	26,803
Loans	14,900	30,406
Non-controlling interests in total equity	1	132

*1) Total inventories, trade receivables, accounts payable and other current non-interest bearing receivables and liabilities, excluding tax assets and liabilities*

### NET DEBT

MSEK	DEC 31, 2020	DEC 31, 2021
Interest-bearing liabilities excluding pension liabilities and leases	14,923	30,433
Less cash and cash equivalents	-23,752	-13,585
<b>Financial net debt/net cash</b>	<b>-8,829</b>	<b>16,848</b>
Net pensions liabilities	8,509	6,137
Leases	2,965	3,917
<b>Net debt</b>	<b>2,645</b>	<b>26,902</b>
<b>Net debt to equity ratio</b>	<b>0.04</b>	<b>0.35</b>

### CHANGES IN EQUITY

MSEK	EQUITY RELATED TO OWNERS OF THE PARENT COMPANY	NON-CONTROLLING INTEREST	TOTAL EQUITY
<b>Opening equity January 1, 2020</b>	<b>61,844</b>	<b>14</b>	<b>61,858</b>
Adjustment on correction of error	-53	-	-53
<b>Opening equity January 1, 2020</b>	<b>61,791</b>	<b>14</b>	<b>61,805</b>
Total comprehensive income for the period	3,077	-11	3,066
Changes in non-controlling interest	2	-2	0
Share based program	210	-	210
<b>Closing equity December 31, 2020</b>	<b>65,081</b>	<b>1</b>	<b>65,082</b>
<b>Opening equity January 1, 2021</b>	<b>65,081</b>	<b>1</b>	<b>65,082</b>
Adjustment on correction of error	-48	-	-48
<b>Opening equity January 1, 2021</b>	<b>65,033</b>	<b>1</b>	<b>65,034</b>
Total comprehensive income for the period	20,323	34	20,357
Changes in non-controlling interest	-94	97	3
Share based program	78	-	78
Dividends	-8,140	-	-8,140
<b>Closing equity December 31, 2021</b>	<b>77,200</b>	<b>132</b>	<b>77,332</b>

*For definitions see home.sandvik*

## THE GROUP

### CASH FLOW STATEMENT

MSEK	Q4 2020	Q4 2021	Q1-Q4 2020	Q1-Q4 2021
<i>Continuing operations</i>				
<i>Cash flow from operating activities</i>				
Profit before tax	3,407	5,272	11,270	18,460
Adjustment for depreciation, amortization and impairment losses	1,481	1,630	5,964	5,995
Other adjustments for non-cash items	76	-1,308	1,022	-2,339
Payment to pension fund	-135	-167	-674	-457
Income tax paid	-1,267	-987	-3,518	-4,154
<b>Cash flow from operating activities before changes in working capital</b>	<b>3,560</b>	<b>4,440</b>	<b>14,063</b>	<b>17,506</b>
<i>Changes in working capital</i>				
Change in inventories	853	-942	866	-5,245
Change in operating receivables	165	-1,374	1,440	-3,500
Change in operating liabilities	885	1,739	-312	5,032
<b>Cash flow from changes in working capital</b>	<b>1,903</b>	<b>-578</b>	<b>1,994</b>	<b>-3,713</b>
Investments in rental equipment	-302	-219	-935	-941
Proceeds from sale of rental equipment	66	140	292	364
<b>Cash flow from operating activities, net</b>	<b>5,228</b>	<b>3,783</b>	<b>15,414</b>	<b>13,217</b>
<i>Cash flow from investing activities</i>				
Acquisitions of companies and shares, net of cash acquired	-3,153	-10,623	-3,274	-23,578
Proceeds from sale of companies and shares, net of cash disposed	-	29	778	423
Acquisitions of tangible assets	-902	-1,097	-2,684	-2,936
Proceeds from sale of tangible assets	68	319	269	578
Acquisitions of intangible assets	-178	-228	-514	-642
Proceeds from sale of intangible assets	0	13	0	13
Acquisitions of financial assets	-74	-	-74	-
Proceeds from sale of financial assets	-	141	633	141
Other investments, net	1	-137	87	-191
<b>Cash flow from investing activities, net</b>	<b>-4,238</b>	<b>-11,584</b>	<b>-4,777</b>	<b>-26,192</b>
<i>Cash flow from financing activities</i>				
Repayment of borrowings	-165	-4,714	-2,354	-9,660
Proceeds from borrowings	16	15,897	56	21,312
Amortization, lease liabilities	-331	-290	-1,012	-1,025
Dividends paid	-	-	-	-8,140
<b>Cash flow from financing activities, net</b>	<b>-480</b>	<b>10,893</b>	<b>-3,310</b>	<b>2,486</b>
<b>Total cash flow from continuing operations</b>	<b>510</b>	<b>3,092</b>	<b>7,327</b>	<b>-10,489</b>
Total cash flow from discontinued operations	0	-34	-66	-39
<b>Cash flow for the period, Group total</b>	<b>510</b>	<b>3,058</b>	<b>7,261</b>	<b>-10,527</b>
Cash and cash equivalents at beginning of the period	23,443	10,406	16,987	23,752
Foreign exchange rate differences in cash and cash equivalents	-202	121	-496	360
<b>Cash and cash equivalents at the end of the period</b>	<b>23,752</b>	<b>13,585</b>	<b>23,752</b>	<b>13,585</b>
<i>Group Total</i>				
Cash flow from operations	5,227	3,748	15,347	13,177
Cash flow from investing activities	-4,237	-11,583	-4,775	-26,191
Cash flow from financing activities	-480	10,893	-3,310	2,486
<b>Group total cash flow</b>	<b>510</b>	<b>3,058</b>	<b>7,261</b>	<b>-10,527</b>

For definitions see [home.sandvik](http://home.sandvik)

## THE PARENT COMPANY

### INCOME STATEMENT

MSEK	Q4 2020	Q4 2021	Q1-Q4 2020	Q1-Q4 2021
Revenues	2,514	3,077	9,599	12,244
Cost of goods and services sold	-663	-616	-1,877	-2,593
<b>Gross profit</b>	<b>1,851</b>	<b>2,461</b>	<b>7,722</b>	<b>9,651</b>
Selling expenses	-250	-258	-956	-904
Administrative expenses	-370	-625	-1,382	-1,701
Research and development costs	-434	-442	-1,386	-1,496
Other operating income and expenses	-589	-653	-1,048	-1,222
<b>Earnings before interest and tax</b>	<b>208</b>	<b>483</b>	<b>2,950</b>	<b>4,328</b>
Result from shares in group companies	-14	880	-1,558	2,205
Interest income/expenses and similar items	-27	-61	-130	-242
<b>Profit after net financial items</b>	<b>167</b>	<b>1,302</b>	<b>1,262</b>	<b>6,291</b>
Appropriations	4	-30	2,285	-134
Income tax expenses	-127	-186	-680	-1,223
<b>Profit for the period</b>	<b>44</b>	<b>1,086</b>	<b>2,867</b>	<b>4,934</b>

### BALANCE SHEET

MSEK	DEC 31, 2020	DEC 31, 2021
Intangible assets	39	585
Property, plant and equipment	3,219	3,082
Financial assets	54,107	65,775
Inventories	676	824
Current receivables	6,294	6,164
Cash and cash equivalents	-	-
<b>Total assets</b>	<b>64,335</b>	<b>76,430</b>
Total equity	37,731	34,603
Untaxed reserves	937	1,071
Provisions	750	524
Non-current interest-bearing liabilities	11,346	15,127
Non-current non-interest-bearing liabilities	123	87
Current interest-bearing liabilities	10,466	22,233
Current non-interest-bearing liabilities	2,982	2,785
<b>Total equity and liabilities</b>	<b>64,335</b>	<b>76,430</b>
Interest-bearing liabilities and provisions minus cash and cash equivalents and interest-bearing assets	7,057	21,688
Investments in fixed assets	430	1,070

For definitions see [home.sandvik](http://home.sandvik)

## MARKET OVERVIEW, THE GROUP

### ORDER INTAKE BY REGION

MSEK	Q4 2021	CHANGE *		SHARE	Q1-Q4 2021	CHANGE *		SHARE
		%	% <sup>1)</sup>	%		%	% <sup>1)</sup>	%
<b>THE GROUP</b>								
Europe	9,716	17	17	31	35,942	20	23	33
North America	7,180	47	47	23	23,481	29	30	22
South America	1,955	48	14	6	6,215	48	38	6
Africa/Middle East	3,778	46	6	12	11,692	33	20	11
Asia	5,378	-2	-2	17	21,711	20	17	20
Australia	2,896	9	9	9	9,858	9	13	9
<b>Total Continuing Operations <sup>2)</sup></b>	<b>30,902</b>	<b>23</b>	<b>17</b>	<b>100</b>	<b>108,898</b>	<b>24</b>	<b>23</b>	<b>100</b>
<b>SANDVIK MINING AND ROCK SOLUTIONS**</b>								
Europe	1,554	6	6	11	5,451	28	28	11
North America	3,192	59	59	22	9,848	37	37	21
South America	1,503	66	16	10	4,220	54	39	9
Africa/Middle East	3,503	54	9	24	10,448	40	25	22
Asia	2,039	-9	-9	14	8,527	23	16	18
Australia	2,678	9	9	19	8,966	7	11	19
<b>Total continuing operations <sup>2)</sup></b>	<b>14,470</b>	<b>29</b>	<b>15</b>	<b>100</b>	<b>47,460</b>	<b>29</b>	<b>24</b>	<b>100</b>
<b>SANDVIK ROCK PROCESSING SOLUTIONS**</b>								
Europe	587	13	13	30	2,537	32	32	30
North America	471	58	58	24	1,920	40	40	23
South America	187	21	21	10	735	28	28	9
Africa/Middle East	145	-3	-3	7	714	3	3	8
Asia	425	3	3	22	2,085	37	37	24
Australia	123	16	16	6	533	52	52	6
<b>Total</b>	<b>1,937</b>	<b>18</b>	<b>18</b>	<b>100</b>	<b>8,524</b>	<b>32</b>	<b>32</b>	<b>100</b>
<b>SANDVIK MANUFACTURING AND MACHINING SOLUTIONS</b>								
Europe	5,314	13	13	51	20,035	17	17	53
North America	2,480	17	17	24	8,236	14	14	22
South America	223	19	19	2	822	49	49	2
Africa/Middle East	94	6	6	1	314	8	8	1
Asia	2,187	3	3	21	8,011	12	12	21
Australia	67	8	8	1	262	4	4	1
<b>Total</b>	<b>10,365</b>	<b>11</b>	<b>11</b>	<b>100</b>	<b>37,680</b>	<b>16</b>	<b>16</b>	<b>100</b>
<b>SANDVIK MATERIALS TECHNOLOGY</b>								
Europe	2,260	44	44	55	7,919	21	34	52
North America	1,037	113	113	25	3,476	45	51	23
South America	43	-40	-40	1	437	36	36	3
Africa/Middle East	37	-55	-55	1	216	-32	-32	1
Asia	727	2	2	18	3,088	21	21	20
Australia	27	4	4	1	97	56	56	1
<b>Total</b>	<b>4,130</b>	<b>40</b>	<b>40</b>	<b>100</b>	<b>15,234</b>	<b>25</b>	<b>33</b>	<b>100</b>

\*At fixed exchange rates for comparable units compared with the year-earlier period. \*\* Last years figures have been restated due to the new BA structure as of January 1, 2021.

1) Excluding major orders which is defined as above SEK 400 million in Sandvik Rock Processing solutions and above SEK 200 million in Sandvik Mining and Rock Solutions and Sandvik Materials Technology. 2) Includes rental fleet order intake in Q4 of SEK 217 million and for 2021 SEK 638 million recognized according to IFRS 16.

## REVENUES BY REGION

MSEK	Q4 2021	CHANGE*, %	SHARE %	Q1-Q4 2021	CHANGE*, %	SHARE %
<b>THE GROUP</b>						
Europe	9,228	11	32	33,156	9	33
North America	6,469	25	22	21,483	11	22
South America	1,535	31	5	5,151	32	5
Africa/Middle East	2,973	15	10	9,778	18	10
Asia	5,939	8	20	20,252	13	20
Australia	2,984	0	10	9,284	3	9
<b>Total Continuing Operations</b>	<b>29,128</b>	<b>14</b>	<b>100</b>	<b>99,105</b>	<b>12</b>	<b>100</b>
Discontinued Operations	0	0	0	5	0	0
<b>Group total <sup>1)</sup></b>	<b>29,128</b>	<b>14</b>	<b>100</b>	<b>99,110</b>	<b>12</b>	<b>100</b>
<b>SANDVIK MINING AND ROCK SOLUTIONS**</b>						
Europe	1,608	26	12	4,662	4	11
North America	2,700	41	20	8,558	24	21
South America	1,068	42	8	3,453	37	8
Africa/Middle East	2,575	17	20	8,488	21	20
Asia	2,485	16	19	7,760	13	19
Australia	2,750	-1	21	8,489	2	21
<b>Total <sup>1)</sup></b>	<b>13,186</b>	<b>20</b>	<b>100</b>	<b>41,409</b>	<b>15</b>	<b>100</b>
<b>SANDVIK ROCK PROCESSING SOLUTIONS**</b>						
Europe	649	26	30	2,285	14	30
North America	449	25	21	1,685	27	22
South America	157	2	7	651	26	9
Africa/Middle East	232	16	11	741	14	10
Asia	495	-2	23	1,799	19	24
Australia	147	33	7	449	16	6
<b>Total</b>	<b>2,129</b>	<b>15</b>	<b>100</b>	<b>7,610</b>	<b>19</b>	<b>100</b>
<b>SANDVIK MANUFACTURING AND MACHINING SOLUTIONS</b>						
Europe	5,104	9	51	19,532	14	53
North America	2,370	31	24	8,003	15	22
South America	203	18	2	775	45	2
Africa/Middle East	94	8	1	301	5	1
Asia	2,159	-1	22	7,811	8	21
Australia	66	-13	1	260	0	1
<b>Total</b>	<b>9,996</b>	<b>12</b>	<b>100</b>	<b>36,681</b>	<b>13</b>	<b>100</b>
<b>SANDVIK MATERIALS TECHNOLOGY</b>						
Europe	1,867	2	49	6,678	-4	50
North America	950	-11	25	3,238	-20	24
South America	107	27	3	273	-16	2
Africa/Middle East	72	-28	2	248	-12	2
Asia	799	16	21	2,883	23	22
Australia	21	42	1	85	45	1
<b>Total</b>	<b>3,817</b>	<b>1</b>	<b>100</b>	<b>13,405</b>	<b>-4</b>	<b>100</b>

\* At fixed exchange rates for comparable units compared with the year-earlier period. \*\* Last years figures have been restated due to the new BA structure as of January 1, 2021.

1) Includes rental fleet revenues in Q4 of SEK 247 million and for 2021 SEK 866 million recognized according to IFRS 16.

## THE GROUP

### ORDER INTAKE BY BUSINESS AREA

MSEK	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1-Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	CHANGE % %*		Q1-Q4 2021
Sandvik Mining and Rock Solutions**	8,598	8,400	8,519	9,314	34,832	10,469	10,399	12,122	14,470	55	30	47,460
Sandvik Rock Processing Solutions**	1,973	1,373	1,614	1,612	6,571	2,358	2,147	2,082	1,937	20	18	8,524
Sandvik Manufacturing and Machining Solutions	10,124	6,821	7,298	8,434	32,677	9,379	9,270	8,666	10,365	23	11	37,680
Sandvik Materials Technology	4,365	2,377	2,477	2,691	11,910	3,641	4,041	3,422	4,130	53	40	15,234
Other Operations	297	0	0	0	297	-	-	-	-	-	-	-
<b>Continuing operations</b>	<b>25,356</b>	<b>18,971</b>	<b>19,909</b>	<b>22,051</b>	<b>86,287</b>	<b>25,847</b>	<b>25,857</b>	<b>26,292</b>	<b>30,902</b>	<b>40</b>	<b>23</b>	<b>108,898</b>
Discontinued operations	0	0	0	1	1	0	1	0	0	-	-	2
<b>Group Total <sup>1)</sup></b>	<b>25,356</b>	<b>18,971</b>	<b>19,909</b>	<b>22,052</b>	<b>86,288</b>	<b>25,847</b>	<b>25,858</b>	<b>26,293</b>	<b>30,902</b>	<b>40</b>	<b>23</b>	<b>108,900</b>

### REVENUES BY BUSINESS AREA

MSEK	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1-Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	CHANGE % %*		Q1-Q4 2021
Sandvik Mining and Rock Solutions**	8,244	7,899	8,399	9,031	33,572	8,019	9,090	11,114	13,186	46	20	41,409
Sandvik Rock Processing Solutions**	1,531	1,590	1,536	1,802	6,459	1,727	1,964	1,790	2,129	18	15	7,610
Sandvik Manufacturing and Machining Solutions	9,766	7,247	7,325	8,139	32,477	8,782	9,083	8,820	9,996	23	12	36,681
Sandvik Materials Technology	3,782	3,495	2,886	3,436	13,598	3,162	3,324	3,101	3,817	11	1	13,405
Other Operations	297	0	0	0	297	-	-	0	-	-	-	-
<b>Continuing operations</b>	<b>23,620</b>	<b>20,230</b>	<b>20,145</b>	<b>22,408</b>	<b>86,404</b>	<b>21,691</b>	<b>23,460</b>	<b>24,826</b>	<b>29,128</b>	<b>30</b>	<b>14</b>	<b>99,105</b>
Discontinued operations	2	-1	0	4	6	2	1	1	0	-91	-91	5
<b>Group Total <sup>1)</sup></b>	<b>23,623</b>	<b>20,229</b>	<b>20,146</b>	<b>22,412</b>	<b>86,409</b>	<b>21,693</b>	<b>23,461</b>	<b>24,828</b>	<b>29,128</b>	<b>30</b>	<b>14</b>	<b>99,110</b>

### EBIT BY BUSINESS AREA

MSEK	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1-Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	CHANGE %		Q1-Q4 2021
Sandvik Mining and Rock Solutions**	1,453	934	1,820	2,192	6,400	1,644	1,827	2,057	2,692	23		8,220
Sandvik Rock Processing Solutions**	208	232	263	288	990	283	334	300	338	17		1,255
Sandvik Manufacturing and Machining Solutions	1,690	645	1,377	894	4,606	2,012	2,096	1,863	2,086	133		8,058
Sandvik Materials Technology	94	-83	110	371	492	336	355	295	392	6		1,379
Group activities	-168	-178	-89	-258	-694	-19	142	-35	-345	33		-257
Other Operations	-515	-42	-22	0	-578	0	0	0	0	-210		0
<b>Continuing operations</b>	<b>2,762</b>	<b>1,508</b>	<b>3,459</b>	<b>3,487</b>	<b>11,216</b>	<b>4,256</b>	<b>4,754</b>	<b>4,480</b>	<b>5,163</b>	<b>48</b>		<b>18,654</b>
Discontinued operations	-12	-4	-3	-13	-32	-3	-3	-3	0	-98		-10
<b>Group Total <sup>1)</sup></b>	<b>2,750</b>	<b>1,504</b>	<b>3,456</b>	<b>3,474</b>	<b>11,184</b>	<b>4,253</b>	<b>4,751</b>	<b>4,477</b>	<b>5,163</b>	<b>49</b>		<b>18,644</b>

### EBIT MARGIN BY BUSINESS AREA

%	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1-Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021			Q1-Q4 2021
Sandvik Mining and Rock Solutions**	17.6	11.8	21.7	24.3	19.1	20.5	20.1	18.5	20.4			19.9
Sandvik Rock Processing Solutions**	13.6	14.6	17.1	16.0	15.3	16.4	17.0	16.8	15.9			16.5
Sandvik Manufacturing and Machining Solutions	17.3	8.9	18.8	11.0	14.2	22.9	23.1	21.1	20.9			22.0
Sandvik Materials Technology	2.5	-2.4	3.8	10.8	3.6	10.6	10.7	9.5	10.3			10.3
Other Operations	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M			N/M
<b>Continuing operations</b>	<b>11.7</b>	<b>7.5</b>	<b>17.2</b>	<b>15.6</b>	<b>13.0</b>	<b>19.6</b>	<b>20.3</b>	<b>18.0</b>	<b>17.7</b>			<b>18.8</b>
Discontinued operations	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	-78.6			N/M
<b>Group Total <sup>1)</sup></b>	<b>11.6</b>	<b>7.4</b>	<b>17.2</b>	<b>15.5</b>	<b>12.9</b>	<b>19.6</b>	<b>20.2</b>	<b>18.0</b>	<b>17.7</b>			<b>18.8</b>

\* Change at fixed exchange rates for comparable units compared with the year-earlier period. \*\* Last years figures has been restated due to the new BA structure as of January 1, 2021.

<sup>1)</sup> Internal transactions had negligible effect on business area profits.

N/M = Non-meaningful.

## THE GROUP

### ADJUSTED EBITA BY BUSINESS AREA

MSEK	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1-Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	CHANGE %	Q1-Q4 2021
Sandvik Mining and Rock Solutions*	1,484	1,631	1,848	2,055	7,018	1,676	1,859	2,341	2,782	35	8,659
Sandvik Rock Processing Solutions*	208	232	263	335	1,038	283	334	300	338	1	1,255
Sandvik Manufacturing and Machining Solutions	2,097	970	1,420	1,794	6,281	2,082	2,164	1,871	2,066	15	8,183
Sandvik Materials Technology	139	248	116	528	1,032	355	396	313	484	-8	1,548
Group activities	-138	-129	-82	-112	-461	-124	-182	-88	-316	182	-710
Other Operations	11	-42	0	0	-31	0	0	0	0	-210	0
<b>Continuing operations</b>	<b>3,801</b>	<b>2,911</b>	<b>3,564</b>	<b>4,602</b>	<b>14,878</b>	<b>4,271</b>	<b>4,571</b>	<b>4,738</b>	<b>5,354</b>	<b>16</b>	<b>18,935</b>
Discontinued operations	-12	-4	-3	-13	-32	-3	-3	-3	0	-98	-10
<b>Group Total <sup>1)</sup></b>	<b>3,789</b>	<b>2,906</b>	<b>3,561</b>	<b>4,589</b>	<b>14,846</b>	<b>4,268</b>	<b>4,568</b>	<b>4,735</b>	<b>5,354</b>	<b>17</b>	<b>18,925</b>

### ADJUSTED EBITA MARGIN BY BUSINESS AREA

%	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1-Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1-Q4 2021
Sandvik Mining and Rock Solutions*	18.0	20.7	22.0	22.8	20.9	20.9	20.5	21.1	21.1	20.9
Sandvik Rock Processing Solutions*	13.6	14.6	17.1	18.6	16.1	16.4	17.0	16.8	15.9	16.5
Sandvik Manufacturing and Machining Solutions	21.5	13.4	19.4	22.0	19.3	23.7	23.8	21.2	20.7	22.3
Sandvik Materials Technology	3.7	7.1	4.0	15.4	7.6	11.2	11.9	10.1	12.7	11.6
Other Operations	3.8	N/M	N/M	N/M	-10.4	N/M	N/M	N/M	N/M	N/M
<b>Continuing operations</b>	<b>16.1</b>	<b>14.4</b>	<b>17.7</b>	<b>20.5</b>	<b>17.2</b>	<b>19.7</b>	<b>19.5</b>	<b>19.1</b>	<b>18.4</b>	<b>19.1</b>
Discontinued operations	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	-78.6	N/M
<b>Group Total <sup>1)</sup></b>	<b>16.0</b>	<b>14.4</b>	<b>17.7</b>	<b>20.5</b>	<b>17.2</b>	<b>19.7</b>	<b>19.5</b>	<b>19.1</b>	<b>18.4</b>	<b>19.1</b>

### ADJUSTED EBIT BY BUSINESS AREA

MSEK	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1-Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	CHANGE %	Q1-Q4 2021
Sandvik Mining and Rock Solutions*	1,453	1,601	1,820	2,011	6,885	1,644	1,827	2,057	2,698	34	8,227
Sandvik Rock Processing Solutions*	208	232	263	335	1,038	283	334	300	338	1	1,255
Sandvik Manufacturing and Machining Solutions	2,054	927	1,377	1,742	6,100	2,013	2,097	1,789	1,905	9	7,803
Sandvik Materials Technology	139	248	116	528	1,032	355	394	313	481	-9	1,543
Group activities	-138	-129	-82	-112	-461	-124	-182	-88	-316	182	-710
Other Operations	11	-42	0	0	-31	-	-	-	-	-210	-
<b>Continuing operations</b>	<b>3,728</b>	<b>2,837</b>	<b>3,494</b>	<b>4,505</b>	<b>14,563</b>	<b>4,170</b>	<b>4,469</b>	<b>4,371</b>	<b>5,106</b>	<b>13</b>	<b>18,116</b>
Discontinued operations	-12	-4	-3	-13	-32	-3	-3	-3	0	-98	-10
<b>Group Total <sup>1)</sup></b>	<b>3,716</b>	<b>2,833</b>	<b>3,491</b>	<b>4,492</b>	<b>14,531</b>	<b>4,167</b>	<b>4,466</b>	<b>4,368</b>	<b>5,105</b>	<b>14</b>	<b>18,107</b>

### ADJUSTED EBIT MARGIN BY BUSINESS AREA

%	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1-Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1-Q4 2021
Sandvik Mining and Rock Solutions*	17.6	20.3	21.7	22.3	20.5	20.5	20.1	18.5	20.5	19.9
Sandvik Rock Processing Solutions*	13.6	14.6	17.1	18.6	16.1	16.4	17.0	16.8	15.9	16.5
Sandvik Manufacturing and Machining Solutions	21.0	12.8	18.8	21.4	18.8	22.9	23.1	20.3	19.1	21.3
Sandvik Materials Technology	3.7	7.1	4.0	15.4	7.6	11.2	11.8	10.1	12.6	11.5
Other Operations	3.8	N/M	N/M	N/M	-10.4	N/M	N/M	N/M	N/M	N/M
<b>Continuing operations</b>	<b>15.8</b>	<b>14.0</b>	<b>17.3</b>	<b>20.1</b>	<b>16.9</b>	<b>19.2</b>	<b>19.1</b>	<b>17.6</b>	<b>17.5</b>	<b>18.3</b>
Discontinued operations	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	-78.6	N/M
<b>Group Total <sup>1)</sup></b>	<b>15.7</b>	<b>14.0</b>	<b>17.3</b>	<b>20.0</b>	<b>16.8</b>	<b>19.2</b>	<b>19.0</b>	<b>17.6</b>	<b>17.5</b>	<b>18.3</b>

\* Last years figures has been restated due to the new BA structure as of January 1, 2021. <sup>1)</sup> Internal transactions had negligible effect on business area profits. N/M = Non-meaningful.



## ITEMS AFFECTING COMPARABILITY ON EBIT

MSEK	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1-Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1-Q4 2021
Sandvik Mining and Rock Solutions*	-	-667	0	182	-485	-	-	-	-6	-6
Sandvik Rock Processing Solutions*	-	-	0	-48	-48	-	-	-	-	-
Sandvik Manufacturing and Machining Solutions	-364	-282	-	-848	-1,494	0	-1	74	181	255
Sandvik Materials Technology	-45	-331	-6	-157	-540	-19	-39	-18	-89	-164
Group activities	-30	-49	-7	-146	-233	105	324	53	-29	453
Other Operations	-526	-	-21	-	-547	-	-	-	-	-
<b>Continuing operations</b>	<b>-965</b>	<b>-1,329</b>	<b>-35</b>	<b>-1,018</b>	<b>-3,347</b>	<b>86</b>	<b>285</b>	<b>109</b>	<b>58</b>	<b>538</b>
Discontinued operations	-	-	-	-	-	-	-	-	-	-
<b>Group Total</b>	<b>-965</b>	<b>-1,329</b>	<b>-35</b>	<b>-1,018</b>	<b>-3,347</b>	<b>86</b>	<b>285</b>	<b>109</b>	<b>58</b>	<b>538</b>

\* Last years figures have been restated due to the new BA structure as of January 1, 2021.

### Items affecting comparability on EBIT

Q4 2020 - reported EBIT was impacted by one-off costs totaling SEK -1,018 million, comprising long-term savings measures announced in December at a net cost of SEK -1,010 million, including a reversal of a provision made in Q2 2020 for Sandvik Mining and Rock Solutions and costs related to the separation of SMT of SEK -7 million.

Q1 2021 - Sandvik reported items affecting comparability of SEK 86 million, comprising of a net gain of a divested property SEK 115 million and costs related to the separation of SMT of SEK -29 million.

Q2 2021 - Sandvik reported items affecting comparability of SEK 285 million, comprising of a positive impact from closure of a pension plan in US of SEK 343 million and a release of SEK 39 million related to a structural initiative during 2020 in SMT, offset by costs related to the separation of SMT of SEK -97 million in total.

Q3 2021 - Sandvik reported items affecting comparability (IAC) of SEK 109 million, with the total on Group activities comprising of SMT separation costs of SEK -16 million, a positive impact of SEK 47 million related to closure of a defined benefit plan in UK, and a capital gain of SEK 21 million from a property divestment where the write-down was taken as an IAC last year. On Sandvik Manufacturing and Machining Solutions, IAC consist of a positive impact of SEK 75 million from a partial reversal of a restructuring provision

accounted for in the first quarter preceding year. On Sandvik Materials Technology total IAC includes a provision release of SEK 32 million related to a restructuring initiative and a capital gain from a property divestment of SEK 29 million announced last year, and separation costs totaling SEK -80 million.

Q4 2021 - Sandvik reported items affecting comparability (IAC) of SEK 58 million, with the total on Group activities relating to SMT separation costs of SEK -29 million. On Sandvik Mining and Rock Solutions, total IAC includes additional expenses of SEK -6 million for a provision taken in the second quarter 2020, costs related to the separation of SMT of SEK -3 million, offset by a provision release of SEK 2 million related to cost measures to mitigate a slower demand environment as well as to ensure optimized efficiency in 2019. On Sandvik Manufacturing and Machining Solutions, IAC consist of a capital gain of SEK 176 million from a property divestment, a provision release of SEK 7 million related to cost measures to mitigate a slower demand environment as well as to ensure optimized efficiency in 2019, offset by costs related to the separation of SMT of SEK -2 million. On Sandvik Materials Technology, total IAC includes separation costs totaling SEK -130 million, offset by partial provision releases of SEK 41 million in total related to structural and volume related savings measures in 2020.

## ITEMS AFFECTING COMPARABILITY ON NET FINANCIAL ITEMS

MSEK	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1-Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1-Q4 2021
Group activities	-	-	588	-	588	-	-	-	-	-
<b>Group Total</b>	<b>-</b>	<b>-</b>	<b>588</b>	<b>-</b>	<b>588</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## ADJUSTED EBIT AND ADJUSTED EBITA PER BUSINESS AREA

Q4	Reported EBIT, MSEK	Reported EBIT, %	IAC, MSEK	Adjusted EBIT, MSEK	Adjusted EBIT, %	Amortizations, <sup>1)</sup> MSEK	Adjusted EBITA, MSEK	Adjusted EBITA, %
Sandvik Mining and Rock Solutions	2,692	20.4	-6	2,698	20.5	-84	2,782	21.1
Sandvik Rock Processing Solutions	338	15.9	0	338	15.9	-1	338	15.9
Sandvik Manufacturing and Machining Solutions	2,086	20.9	181	1,905	19.1	-161	2,066	20.7
Sandvik Materials Technology	392	10.3	-89	481	12.6	-3	484	12.7
Group activities	-345	N/M	-29	-316	N/M	N/M	-316	N/M
<b>Continuing operations</b>	<b>5,163</b>	<b>17.7</b>	<b>58</b>	<b>5,106</b>	<b>17.5</b>	<b>-249</b>	<b>5,354</b>	<b>18.4</b>
Discontinued operations	N/M	-78.6	N/M	N/M	N/M	N/M	N/M	N/M
<b>Group Total</b>	<b>5,163</b>	<b>17.7</b>	<b>58</b>	<b>5,105</b>	<b>17.5</b>	<b>-249</b>	<b>5,354</b>	<b>18.4</b>

1) Adjusted for amortization and other accounting effects arising from business combinations.

## TAXES EXCLUDING ITEMS AFFECTING COMPARABILITY

Q4 2020	Reported tax, MSEK	Reported tax, %	IAC, MSEK	IAC, %	Tax excluding IAC, MSEK	Tax excluding IAC, %
Continued operations	-774	22.7	293	28.8	-1,066	24.1
Discontinued operations	-	-	-	-	-	-
<b>Group total</b>	<b>-774</b>	<b>22.8</b>	<b>293</b>	<b>28.8</b>	<b>-1,066</b>	<b>24.2</b>

Q4 2021	Reported tax, MSEK	Reported tax, %	IAC, MSEK	IAC, %	Tax excluding IAC, MSEK	Tax excluding IAC, %
Continued operations	-1,402	26.6	-29	49.7	-1,373	26.3
Discontinued operations	-	-	-	-	-	-
<b>Group total</b>	<b>-1,402</b>	<b>26.6</b>	<b>-29</b>	<b>49.7</b>	<b>-1,373</b>	<b>26.3</b>

## NET WORKING CAPITAL & CAPITAL EMPLOYED

MSEK	DEC 31, 2020	MAR 31, 2021	JUN 30, 2021	SEP 30, 2021	DEC 31, 2021
Inventories	21,718	23,671	24,743	27,811	29,912
Trade receivables	12,369	14,148	14,729	15,760	17,341
Account payables	-7,024	-7,773	-8,579	-10,003	-12,011
Other receivables	3,128	3,792	3,964	4,330	5,155
Other liabilities	-9,862	-11,347	-11,908	-12,628	-13,592
<b>Net working capital</b>	<b>20,330</b>	<b>22,491</b>	<b>22,949</b>	<b>25,270</b>	<b>26,805</b>
Tangible assets	23,975	24,299	24,087	25,283	26,267
Intangible assets	21,006	21,559	21,137	34,791	47,851
Other assets (incl. cash and cash equivalents)	74,032	78,591	75,161	73,665	81,310
Other liabilities	-27,184	-29,258	-30,449	-32,649	-36,250
<b>Capital employed</b>	<b>91,830</b>	<b>95,191</b>	<b>89,936</b>	<b>101,089</b>	<b>119,178</b>

## KEY FIGURES

CONTINUING OPERATIONS	Q4 2020	Q4 2021	Q1-Q4 2020	Q1-Q4 2021
Tax rate, %	22.7	26.6	22.3	21.5
Return on capital employed, % <sup>1)</sup>	15.6	19.5	13.3	19.5
Return on total equity, % <sup>1)</sup>	16.1	20.8	13.6	20.5
Return on total capital, % <sup>1)</sup>	12.1	14.9	10.2	14.8
Shareholders' equity per share, SEK	51.9	61.5	51.9	61.5
Net debt/equity ratio	0.04	0.35	0.04	0.35
Net debt/EBITDA <sup>2)</sup>	0.15	1.09	0.15	1.09
Equity/assets ratio, %	55	50	55	50
Net working capital, % <sup>1)</sup>	24.3	22.3	27.5	23.8
Earnings per share, basic, SEK	2.10	3.08	6.99	11.54
Earnings per share, diluted, SEK	2.10	3.07	6.98	11.52
EBITDA, MSEK	4,967	6,793	17,180	24,649
Cash flow from operations, MSEK	5,228	3,783	15,414	13,217
Funds from operations (FFO), MSEK	3,560	4,440	14,063	17,506
Interest coverage ratio, %	1,787	4,352	1,497	1,952
Number of employees <sup>3)</sup>	37,122	44,133	37,122	44,133

1) Quarter is quarterly annualized and the annual number is based on a four quarter average. 2) Net debt/EBITDA has previously been calculated with a net debt based on a five quarter average, this as been changed from Q4 2021 and the base is now the net debt in current period. All comparable numbers have been updated in this report. 3) Full-time equivalent.

GROUP TOTAL	Q4 2020	Q4 2021	Q1-Q4 2020	Q1-Q4 2021
Tax rate, %	22.8	26.6	22.4	21.5
Return on capital employed, % <sup>1)</sup>	15.6	19.5	13.3	19.5
Return on total equity, % <sup>1)</sup>	16.0	20.8	13.6	20.5
Return on total capital, % <sup>1)</sup>	12.0	14.9	10.1	14.8
Shareholders' equity per share, SEK	51.9	61.5	51.9	61.5
Net debt/equity ratio	0.04	0.35	0.04	0.35
Net debt/EBITDA <sup>2)</sup>	0.15	1.09	0.15	1.09
Equity/assets ratio, %	55	50	55	50
Net working capital, % <sup>1)</sup>	24.3	22.4	27.5	23.8
Earnings per share, basic, SEK	2.09	3.08	6.96	11.53
Earnings per share diluted, SEK	2.09	3.07	6.95	11.52
EBITDA, MSEK	4,955	6,793	17,149	24,640
Cash flow from operations, MSEK	5,227	3,748	15,347	13,177
Funds from operations (FFO), MSEK	3,552	4,422	13,935	17,480
Interest coverage ratio, %	1,782	4,335	906	1,949
Number of employees <sup>3)</sup>	37,125	44,136	37,125	44,136
No. of shares outstanding at end of period ('000)	1,254,386	1,254,386	1,254,386	1,254,386
Average no. of shares, ('000)	1,254,386	1,254,386	1,254,386	1,254,386
Average no. of shares, diluted, ('000)	1,255,637	1,255,855	1,256,063	1,255,811

1) Quarter is quarterly annualized and the annual number is based on a four quarter average. 2) Net debt/EBITDA has previously been calculated with a net debt based on a five quarter average, this as been changed from Q4 2021 and the base is now the net debt in current period. All comparable numbers have been updated in this report. 3) Full-time equivalent.

## DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

Sandvik presents certain financial measures that are not defined in the interim report in accordance with IFRS. Sandvik believes that these measures have an important purpose of providing useful supplemental information to investors and the company's management when they allow evaluation of trends and the company's performance. As not all companies calculate the financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should not be seen as a substitute for measures defined under IFRS. For definitions of alternative performance measures that Sandvik uses see below.

### ADJUSTED EBIT

Earnings before interest and taxes adjusted for items affecting comparability.

### ADJUSTED EBIT MARGIN

Earnings before interest and taxes adjusted for items affecting comparability in relation to sales.

### ADJUSTED EBITA

Earnings before interest and taxes adjusted for items affecting comparability, excluding amortizations and other accounting effects arising from business combinations.

### ADJUSTED EBITA MARGIN

Earnings before interest and taxes adjusted for items affecting comparability, excluding amortizations and other accounting effects arising from business combinations in relations to sales.

### ADJUSTED EBIT EXCLUDING METAL PRICE EFFECTS

Earnings before interest and taxes adjusted for items affecting comparability and metal price effects. Metal price effects are one of the non-operational key figures that Sandvik provides quarterly guidance for, as the metal price effects are volatile and difficult for the investors to predict.

### ADJUSTED EPS

Profit for the period adjusted for items affecting comparability attributable to equity holders of the Parent Company divided by the average number of shares outstanding during the year.

### ADJUSTED EPS, DILUTED

Profit for the period adjusted for items affecting comparability attributable to equity holders of the Parent Company divided by the average number of shares outstanding during the year including shares that will be allotted in the long-term incentive programs.

### ADJUSTED EPS, DILUTED EXCLUDING SURPLUS VALUES

Profit for the period adjusted for items affecting comparability excluding amortizations and other accounting effects, net of tax, arising from business combinations attributable to equity holders of the Parent Company divided by the average number of shares outstanding during the year including shares that will be allotted in the long-term incentive programs.

### ADJUSTED PROFIT BEFORE TAX

Profit before tax adjusted from items affecting comparability.

### CAPITAL EMPLOYED

Capital employed is defined as total net working capital plus tangible and intangible assets, including those classified as asset held for sale, other current assets (incl. cash and cash equivalents) less other current liabilities.

### EBIT

Earnings before interest and taxes.

### EBIT MARGIN

Earnings before interest and taxes in relation to sales.

### FREE OPERATING CASH FLOW

Earnings before interest, taxes and depreciation adjusted for non-cash items and cash items related to certain acquisition costs plus the change in net working capital minus investments and disposals of rental equipment and tangible and intangible assets.

### ITEMS AFFECTING COMPARABILITY (IAC)

Sandvik reports EBITA, EBIT, profit before tax and earnings per share adjusted for Items Affecting Comparability. IAC includes capital gains and losses from divestments and larger restructuring initiatives, impairments, capital gains and losses from divestments of financial assets as well as other material items having a significant impact on the comparability.

### NET DEBT

Interest-bearing current and non-current liabilities, including net pension liabilities and leases, less cash and cash equivalents.

### NET DEBT TO EQUITY RATIO

Interest-bearing current and non-current liabilities, including net pension liabilities and leases, less cash and cash equivalents divided by total equity.

### NET WORKING CAPITAL (NWC)

Total of inventories, trade receivables, account payables and other current non-interest-bearing receivables and liabilities, including those classified as liabilities and assets held for sale, but excluding tax assets and liabilities and provisions.

### ORGANIC GROWTH

Change in order intake and revenues after adjustments for exchange rate effects and structural changes such as divestments and acquisitions. Sandvik generates the majority of its revenues in currencies other than in the reporting currency (i.e. SEK, Swedish Krona). Organic growth is used to analyze the underlying sales performance in the Group.

### RETURN ON CAPITAL EMPLOYED (ROCE)

Earnings before interest and taxes plus financial income, as a percentage of a four quarter average capital employed.

## DISCLAIMER STATEMENT

Some statements herein are forward-looking and the actual outcome could be materially different. In addition to the factors explicitly commented upon, the actual outcome could be materially affected by other factors, for example the effect of economic conditions, exchange-rate and interest-rate movements, political risks, impact of competing products and their pricing, product development, commercialization and technological difficulties, supply disturbances, and major customer credit losses.

## ANNUAL GENERAL MEETING

The Annual General Meeting will be held in Sandviken, Sweden on April 27, 2022. The notice to convene the Annual General Meeting will be made in the prescribed manner.

The Board of Directors proposes a cash dividend of SEK 4.75 per share (4.50 + 2.00). The proposal corresponds to 42% (75) of Sandvik Group total's adjusted earnings per share. The proposed record date to receive dividends is April 29, 2022. Assuming the general meeting accepts the dividend proposal, the date to receive dividends is May 4, 2022.

*Stockholm January 20, 2022*  
**Sandvik Aktiebolag (publ)**

**The Board of Directors**

The Company's Auditor has not reviewed the report for the full year of 2021.

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This information is information that Sandvik AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 08:00 AM CET on January 20, 2022.

Additional information may be obtained from Sandvik Investor Relations on +46 70 782 63 74 (Louise Tjeder).

A telephone conference will be held on January 20, 2022 at 10:00 AM CET.

Information is available at [home.sandvik.ir](http://home.sandvik.ir)

### CALENDAR

March 14, 2022	Annual Report
April 20, 2022	Report, first quarter 2022
April 27, 2022	Annual General Meeting
April 29, 2022	Proposed record date to receive dividends
May 4, 2022	Proposed date to receive cash dividends
May 17, 2022	Capital Markets Day
July 15, 2022	Report, second quarter 2022
October 17, 2022	Report, third quarter 2022

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