



Financial Statements Review

January – December 2021

Metso:Outotec



Metso Outotec's Financial Statements Review January 1 – December 31, 2021

The merger of Metso Minerals and Outotec was completed on June 30, 2020. The comparative financial information for January-June 2020, prior to the merger, is based on the illustrative combined historical Metso Minerals carve-out information and Outotec information.

Figures in brackets refer to the corresponding period in 2020, unless otherwise stated.

Fourth-quarter 2021 in brief, IFRS

- Strong market activity continued
- Orders received totaled EUR 1,310 million (EUR 1,304 million)
- Sales grew by 31% to EUR 1,278 million (EUR 977 million)
- Adjusted EBITA increased to EUR 164 million, or 12.8% of sales (EUR 103 million, or 10.6%)
- Operating profit improved to EUR 130 million, or 10.2% of sales (EUR 44 million, or 4.5%)
- EUR 142 million annual run-rate of the Metso Outotec cost synergies achieved, well exceeding the target of EUR 120 million

January–December 2021 in brief, IFRS (1-6/2020 illustrative combined)

- Orders received grew by 31% to EUR 5,421 million (EUR 4,150 million)
- Sales grew 9% to EUR 4,236 million (EUR 3,897 million)
- Adjusted EBITA increased to EUR 547 million, or 12.9% of sales (EUR 448 million, or 11.5%)
- Operating profit EUR improved to 425 million, or 10.0% of sales (EUR 253 million, or 6.5%)
- Earnings per share for continuing operations EUR 0.35 (EUR 0.20)
- Strong cash flow from operations of EUR 608 million (587 million)
- The Board of Directors will propose a dividend of EUR 0.24 for 2021, to be paid in two installments

President and CEO Pekka Vauramo:



"I am confident that our actions to grow and strengthen our performance will continue to generate value to our stakeholders."

Last year was successful for Metso Outotec. Our sales and results improved significantly, the company's integration and synergy program was concluded ahead of the plan, and we also saw positive development in several other important areas, such as sustainability. I want to thank our entire personnel for their hard work in achieving all of this together.

The demand for our products and services was strong the whole year and resulted in an order growth of 31% for the Group, with all three segments reporting double-digit order growth. Customer activity was particularly strong in investments in new equipment, whereas the pandemic-related restrictions somewhat limited the demand for on-site services. In line with our expectations based on backlog timing, our sales growth in Minerals equipment and Metals accelerated during the last two quarters. Supply chain constraints have lengthened delivery times also for the services and Aggregates orders lately.

The annual sales growth of 9% as well as cost synergies and other improvement actions, had a positive impact on the Group's profitability. Our adjusted EBITA increased 22% to EUR 547 million and adjusted EBITA margin improved to 12.9%. In addition, we generated a strong cash flow from operations of EUR 608 million.

Looking at the fourth quarter specifically, the sales growth of 31% resulted in a strong adjusted EBITA of EUR 164 million and adjusted EBITA margin of 12.8%. In line with our expectations, challenges in the global supply chain and higher logistics and energy costs had some negative impact on our profitability during the quarter. The overall positive development and the healthy backlog at the year-end, however, provide us with a solid starting point to continue our journey towards our targets during 2022.

We made strong progress in sustainability in 2021. We updated targets relating to emissions reductions in our own footprint and aim for a 50% reduction in own CO₂ emissions by 2024 and achieving net-zero by 2030. During the year, we achieved a 58% reduction compared to the baseline of 2019. This equals around 70 kt less CO₂ emissions. We achieved this reduction by, for example, shifting to the use of renewable energy at the majority of our biggest locations. We also continued our efforts to decarbonize our supply chain and engaged several energy-intensive suppliers to this undertaking.

In terms of our handprint, we launched the Planet Positive portfolio, which includes products that help customers improve their water and energy efficiency, reduce CO₂ emissions, and improve safety. The scope for Planet Positive portfolio currently covers about 100 products and solutions, and we aim to include our services offering within the scope of the portfolio during 2022. The sales of Planet Positive products totaled EUR 592 million in 2021, and this is targeted to grow faster than our overall sales.

The Metso Outotec integration and synergy project was completed by year end and was a success, with the total cost synergies achieved higher than the target and the targeted revenue synergies achieved almost a year earlier than expected. As of the beginning of 2022, our focus is on growth; our customer industries offer a lot of opportunities for both organic growth and selected bolt-on acquisitions. At the same time, in line with our announcement of carrying out a strategic review of the Metals business portfolio, we will advance with the next steps in the development of our Metals businesses. I am confident that our actions to grow and strengthen our performance will continue to generate value for our stakeholders.

Covid-19 market update

Local and regional restrictions and lockdowns continued to limit access to customer sites and in certain countries, also to our own premises. Despite gradual easing of restrictions, challenges related mainly to international travel remained. These are apt to slow down decision-making and overall cooperation with customers. While the Omicron variant has appeared less serious, its rapid spread has been a challenge especially to the manufacturing and warehousing operations, where a higher number of sick leaves has resulted in temporary shortages of employees. Metso Outotec's own operations, however, have run without any significant disruptions, thanks to various measures such as replanned work and increased utilization of temporary workforce.

Market outlook

According to its disclosure policy, Metso Outotec's market outlook describes the expected sequential development of market activity during the following six-month period using three categories: improve, remain at the current level, or decline.

Metso Outotec expects the market activity to remain at the current strong level, subject to the development of the Covid-19 pandemic.



Group review

Key figures (IFRS, except for 1-6/2020 illustrative combined)

EUR million	Q4/2021	Q4/2020	Change %	2021	2020	Change %
Orders received	1,310	1,304	0	5,421	4,150	31
Orders received by services business	621	519	20	2,330	2,071	13
% of orders received	47	40	–	43	50	–
Order backlog	–	–	–	3,536	2,366	49
Sales	1,278	977	31	4,236	3,897	9
Sales by services business	570	483	18	2,067	2,017	3
% of sales	45	50	–	49	52	–
Adjusted EBITA	164	103	58	547	448	22
% of sales	12.8	10.6	–	12.9	11.5	–
Operating profit	130	44	195	425	253	68
% of sales	10.2	4.5	–	10.0	6.5	–
Earnings per share, continuing operations, EUR (IFRS)	0.11	0.03	267	0.35	0.20	75
Cash flow from operations (IFRS)	164	177	-7	608	587	3
Gearing, % (IFRS)	–	–	–	20.9	39.2	–
Personnel at end of period	–	–	–	15,630	15,466	1

The Group's financial performance

Fourth quarter

Activity in Metso Outotec's customer industries continued to be healthy during the fourth quarter in both the equipment and services businesses. The Group's orders received of EUR 1,310 million were on a similar high level as in the fourth quarter of 2020 (EUR 1,304 million). Services orders increased by 20%, thanks to improved activity in on-site services, such as rebuilds and productivity improvements. Equipment orders were lower in the Aggregates and Minerals segments and roughly unchanged year-on-year in the Metals segment.

The Group's sales increased 31% to EUR 1,278 million (EUR 977 million), thanks to higher deliveries from the equipment backlog in all segments. Services sales grew 18% year-on-year, despite still seeing some negative impact resulting from constraints in the global supply chain and logistics.

Adjusted EBITA improved to EUR 164 million and adjusted EBITA margin improved to 12.8% (EUR 103 million and 10.6%). Adjusted EBITA increased in all segments, supported by higher sales volumes as well as cost synergies and other improvement actions.

The Group's operating profit (EBIT) improved to EUR 130 million and EBIT margin to 10.2% (EUR 44 million and 4.5%). Operating profit included negative adjustments of EUR 16 million (EUR 22 million negative), the majority of which were related to the Metso Outotec integration. PPA amortization totaled EUR 12 million.

January-December

The activity in Metso Outotec's customer industries increased during 2021 compared to the previous year. Improvement was seen especially in the demand for new equipment in all three segments, whereas Covid-19-related restriction measures continued to limit the demand for service work at customer sites. This was seen particularly during the first half of the year, whereas the demand for services started to recover during the second half.

The Group's orders received grew 31% and totaled EUR 5,421 million (EUR 4,150 million). The growth was driven by an almost 50% growth in equipment orders. The majority of the order intake consisted of small and mid-sized product and services orders, while a few large orders were booked in the Metals and Minerals segments. Increased demand was seen for Planet Positive products. Annual sales increased 9% to EUR 4,236 million (EUR 3,897 million), with the strongest growth seen in the Aggregates and Metals segments. The growth accelerated during the second half, thanks to an increase in deliveries from the backlog and a strong increase in services sales in the fourth quarter. The order backlog of EUR 3,536 million at the end of December was almost 50% higher than a year before.

Adjusted EBITA increased to EUR 547 million (EUR 448 million) and adjusted EBITA margin improved to 12.9% (11.5%). Operating profit totaled EUR 425 million, or 10.0% of sales (EUR 253 million and 6.5%). Operating profit included negative adjustments of EUR 50 million (EUR 97 million negative), the majority of which were related to the Metso Outotec integration. Profit before taxes was EUR 385 million (EUR 209 million). The effective tax rate was 24% (26%). The lower tax rate resulted from certain tax-exempt one-off-items. Earnings per share for continuing operations were EUR 0.35 (EUR 0.20).

Impacts of currencies and structural changes

EUR million, %	Orders received		Sales	
	Q4	Q1-Q4	Q4	Q1-Q4
2020	1,304	4,150	977	3,897
Organic growth in constant currencies, %	1	32	32	9
Impact of changes in exchange rates, %	-1	-1	-1	-1
Structural changes, %	0	0	0	0
Total change, %	0	31	31	9
2021	1,310	5,421	1,278	4,236

The Group's financial position

The Group's net interest-bearing liabilities were EUR 470 million at the end of December (Dec 31, 2020: EUR 799 million), gearing decreased to 20.9% (Dec 31, 2020: 39.2%) and the debt-to-capital ratio to 26.7% (Dec 31, 2020: 37.2%). The equity-to-assets ratio was 43.2% (Dec 31, 2020: 39.5%).

The Group's liquidity position is strong, supported by its healthy operative cash flow, maturity structure of its funding, and available back-up credit facilities. Liquid funds, consisting of cash and cash equivalents, amounted to EUR 473 million (Dec 31, 2020: EUR 537 million), and there were no deposits or securities with a maturity more than three months (Dec 31, 2020: EUR 0 million).

In addition, Metso Outotec has a committed syndicated revolving credit facility of EUR 600 million with a maturity in 2026. At the end of the period the facility was undrawn. The company also has a EUR 600 million Finnish commercial paper program, which was fully unutilized at the end of the period.

Metso Outotec has a Euro Medium Term Note Program (EMTN) of EUR 2 billion, under which EUR 687 million at carrying value was outstanding at the end of December (Dec 31, 2020: EUR 689 million). EUR 587 million (Dec 31, 2020: EUR 589) of the outstanding amount was public bonds and EUR 100 million (Dec 31, 2020: EUR 100 million) private placements.

The average interest rate of total loans and derivatives was 1.38%, on December 31, 2021. The duration of medium- and long-term interest-bearing debt was 2.2 years and the average maturity 3.3 years.

Metso Outotec made several early repayments to bank loans using its liquid funds in 2021. During the first quarter, the company made an early repayment of a EUR 100 million term loan, which would have matured in 2022. During the second quarter, the company cancelled two bilateral revolving credit facilities totaling EUR 90 million, which would have matured in 2022. A term loan of EUR 150 million, which would have matured in 2022, was repaid in three EUR 50 million lots in the second, third and fourth quarters. Another loan of EUR 150 million, which would have matured in July 2022, was repaid with early repayments of EUR 100 million in December and the remaining EUR 50 million after the reporting period in January 2022.

As part of its strategic commitment to sustainability, in 2021 Metso Outotec initiated financing linked to its sustainability targets. Sustainability targets relating to the Group's own CO2 emissions, emissions from its logistics, and its suppliers having Science-Based emission targets were incorporated in its EUR 600 million syndicated revolving credit facility, and the cost of the facility will depend on the achievement of these targets. The revolving credit facility remained undrawn at the end of the year.

The same sustainability targets were included in a new loan agreement with Nordic Investment Bank for EUR 100 million with a maturity of eight years. The loan was committed and undrawn at the end of 2021.

Metso Outotec has a 'BBB-' long-term issuer credit rating with stable outlook from S&P Global Ratings and a 'Baa2' long-term issuer rating with stable outlook from Moody's Investor Service.

Metso Outotec integration and synergies

Metso Outotec achieved a run-rate of EUR 142 million at the end of the year, clearly exceeding its cost synergy target of reaching an annual run-rate of EUR 120 million. The majority of the realized synergies resulted from the restructuring of the organization and the rest came from procurement, facilities, and IT.

As of the end of 2021, revenue synergies realized as sales totaled EUR 110 million and an additional EUR 115 million was recognized in the order backlog, resulting in the annual run-rate revenue synergy target of EUR 150 million to be well exceeded ahead of the scheduled end of 2022. Due to the successful execution of both the cost and revenue synergies, Metso Outotec will close the integration period and discontinue the reporting of synergies. As of the beginning of 2022, the company will focus on implementing its growth strategy and achieving its earlier set financial targets.

One-off, pre-tax costs of EUR 81 million materialized from the actions taken to achieve the cost and revenue synergies during the integration period. This is slightly higher than the earlier estimated EUR 75 million.



Segment review

Aggregates

IFRS, except for 1-6/2020 illustrative combined

	EUR million, %	Orders received		Sales	
		Q4	Q1-Q4	Q4	Q1-Q4
2020		363	1,107	251	992
Organic growth in constant currencies, %		-10	24	28	21
Impact of changes in exchange rates, %		1	0	1	0
Structural changes, %		—	—	—	—
Total change, %		-9	24	29	21
2021		331	1,374	324	1,202

- Strong market activity
- Strong full-year sales and EBITA improvement
- Supply chain challenges affected Q4 orders received

Fourth quarter

Market activity remained strong in the fourth quarter. Orders received were high at EUR 331 million (363 million) but lower year-on-year, due to the tight availability of components and the company not confirming some orders to ensure delivery capability in the first half of 2022. Services orders increased 18% year-on-year, supported by a good demand and a revised approach to the business during 2021.

Sales increased 29% year-on-year in the fourth quarter, supported by strong order growth during the previous quarters. Adjusted EBITA improved to EUR 34 million (EUR 31 million). Adjusted EBITA margin, however, declined to 10.6% (12.2%), largely due to inventory write-downs related to the company's decisions to discontinue certain products and to reorganize its joint venture in China. Excluding these negative impacts, adjusted EBITA margin would have been in line with the comparison period.

January–December

Orders received increased 24% to EUR 1,374 million, thanks to the strong customer activity especially in the European and North American markets. Sales grew 21% year-on-year, with both equipment and services sales increasing. Adjusted EBITA improved to EUR 161 million (EUR 107 million), corresponding to a margin of 13.4% (10.8%). The improvement in EBITA and profitability was driven by higher sales volumes, healthy sales margins and operational performance.

Key figures (IFRS, except for 1-6/2020 illustrative combined)

EUR million	Q4/2021	Q4/2020	Change %	2021	2020	Change %
Orders received	331	363	-9	1,374	1,107	24
Orders received by services business	98	83	18	367	319	15
% of orders received	30	23	—	27	29	—
Order backlog	—	—	—	545	402	35
Sales	324	251	29	1,202	992	21
Sales by services business	89	73	22	338	312	8
% of sales	27	29	—	28	32	—
Adjusted EBITA	34	31	12	161	107	50
% of sales	10.6	12.2	—	13.4	10.8	—
Operating profit	37	31	22	148	95	56
% of sales	11.5	12.2	—	12.3	9.5	—

Segment review

Minerals

IFRS, except for 1-6/2020 illustrative combined

- **Strong market activity**
- **Solid sales growth during Q4**
- **Profitability improvement in Q4 driven by higher volumes**

EUR million, %	Orders received		Sales	
	Q4	Q1-Q4	Q4	Q1-Q4
2020	730	2,601	640	2,523
Organic growth in constant currencies, %	7	23	25	3
Impact of changes in exchange rates, %	-3	-3	-3	-2
Structural changes, %	0	0	0	0
Total change, %	4	20	22	0
2021	760	3,127	779	2,527

Fourth quarter

Customer activity was strong in the fourth quarter and was reflected in proposal and quotation activity as well as in orders received. The customers' focus on sustainability and productivity continued to be a key theme, in both the equipment and services business. The level of activity for spare parts and consumables was healthy, and demand for rebuilds and other on-site services continued to pick up.

The segment's orders increased 4% to EUR 760 million (730 million). Services order growth continued and was 22% in the fourth quarter, largely driven by improved demand for rebuilds and life-cycle services.

Quarterly sales totaled EUR 779 million (EUR 640 million). Sales of new equipment grew 31%, driven by increased deliveries from the backlog; services sales grew 16%, despite continued challenges in the supply chain and logistics. Adjusted EBITA totaled EUR 110 million (EUR 85 million) and adjusted EBITA margin was 14.1% (13.3%). Positive impacts from synergies and the improved profitability of the equipment business were able to offset the impact caused by supply chain challenges and higher freight and energy costs.

January–December

Orders received increased 20% to EUR 3,127 million (2,601 million), driven by the equipment business. Sales were flat year-on-year, due to the timing of revenue recognition in the equipment business as well as logistics and supply chain constraints in services. Implemented cost synergies and other improvement actions had a positive impact on adjusted EBITA of EUR 368 million and adjusted EBITA margin of 14.6% (EUR 365 million and 14.5%).

Key figures (IFRS, except for 1-6/2020 illustrative combined)

EUR million	Q4/2021	Q4/2020	Change %	2021	2020	Change %
Orders received	760	730	4	3,127	2,601	20
Orders received by services business	502	410	22	1,867	1,673	12
% of orders received	66	56	–	60	64	–
Order backlog	–	–	–	1,990	1,426	40
Sales	779	640	22	2,527	2,523	0
Sales by services business	455	394	16	1,628	1,603	2
% of sales	58	62	–	64	64	–
Adjusted EBITA	110	85	30	368	365	1
% of sales	14.1	13.3	–	14.6	14.5	–
Operating profit	92	49	88	312	291	7
% of sales	11.8	7.6	–	12.3	11.5	–

Segment review

Metals

IFRS, except for 1-6/2020 illustrative combined

- **Strong annual order growth**
- **Sales growth started in the second half of 2021**
- **EBITA improvement driven by volume and cost savings**

EUR million, %	Orders received		Sales	
	Q4	Q1-Q4	Q4	Q1-Q4
2020	212	443	86	382
Organic growth in constant currencies, %	3	108	102	33
Impact of changes in exchange rates, %	0	-1	1	0
Structural changes, %	–	–	–	–
Total change, %	3	108	102	33
2021	219	919	174	508

Fourth quarter

Market activity continued to be good across the offering. One large order of more than EUR 100 million was booked during the fourth quarter. Orders received totaled EUR 219 million, compared to EUR 212 million in the comparison period. Sales more than doubled year-on-year to EUR 174 million (EUR 86 million), driven by increased deliveries from the backlog. Higher volumes coupled with the successful closure of a few old projects and delivery of cost savings implemented during the year supported the increase of adjusted EBITA to EUR 20 million (EUR -9 million) and the improvement of adjusted EBITA margin to 11.6% (-10.1%).

January–December

Customer demand strengthened significantly compared to 2020 and was reflected in an increase in proposals and quotations as well as awarded orders. Orders received more than doubled to EUR 919 million (443 million), including a significant smelter order and a few other large orders. Deliveries from the backlog started to accelerate during the second half of the year and resulted in sales growth of 33% compared to the previous year. Adjusted EBITA improved to 27 million (-2 million) and adjusted EBITA margin increased to 5.3% (-0.6%). This improvement was driven by higher volumes and cost savings implemented as part the segment's turnaround program.

Key figures (IFRS, except for 1-6/2020 illustrative combined)

EUR million	Q4/2021	Q4/2020	Change %	2021	2020	Change %
Orders received	219	212	3	919	443	108
Orders received by services business	21	26	-19	96	78	22
% of orders received	9	12	–	10	18	–
Order backlog	–	–	–	1,002	538	86
Sales	174	86	102	508	382	33
Sales by services business	26	17	59	101	101	0
% of sales	15	19	–	20	27	–
Adjusted EBITA	20	-9	–	27	-2	–
% of sales	11.6	-10.1	–	5.3	-0.6	–
Operating profit	18	-14	–	12	-23	–
% of sales	10.2	-15.7	–	2.5	-6.1	–

Sustainability

Sustainability KPI (%)	Target	2021	2020
Lost time injury frequency rate (LTIFR)	Zero harm	1.1	1.4
Total recordable injury frequency rate (TRIFR)	Zero harm	3.1	3.7
Planet Positive sales* (EUR million)	Annual growth of over 10%	592 new target	
Reduction of CO ₂ emissions: own operations**	Net zero by 2030; -50% by 2024	-58%	-63%
Reduction of CO ₂ emissions: logistics***	-20% by 2025	-18%	-29%
Spend with suppliers having set Science Based Targets	30% by 2025	10.1%	2.5%

* includes capital equipment and consumables, ** scope 1 and 2, baseline 2019, *** baseline 2019

Health and safety. To support its uncompromising approach to health and safety, Metso Outotec has a comprehensive agenda to continuously improve its safety performance. Despite the efforts across the company during the year, a fatal incident took place at a customer site in late 2021. There has been a thorough investigation of the causes and its findings will be implemented to prevent such incidents.

Planet Positive sales. The Planet Positive portfolio was launched in March 2021. These are products that help customers improve their water and energy efficiency, reduce CO₂ emissions, and improve safety. Planet Positive sales totaled EUR 592 million in 2021. The Planet Positive portfolio consisted of around 100 products at the end of the year.

Planet Positive orders. Several orders included a significant Planet Positive element in 2021. These included three large orders totaling EUR 610 million: the Green Zinc Odda project in Norway, the delivery of a nickel-copper concentrator in Russia, and the design and engineering of a copper smelter to Indonesia. In addition, several smaller and medium-sized Planet Positive orders were booked. These orders can be expected to translate into meaningful growth in Planet Positive sales over the upcoming years as they get delivered.

Planet Positive launches. 100% of R&D projects' spend on projects with annual energy efficiency, emissions, circularity, water, or safety target. In 2021, 95% of the projects qualified, and investing in R&D continued, demonstrated by a good pipeline of product launches, such as:

- The next generation of the Circored™ process for the direct reduction of iron ore fine particles. This process is 100% hydrogen-based, requires no fossil fuels, and eliminates the energy-intensive and costly pelletizing step.
- A series of process islands that are productized, modular and configurable units that can be assembled as plant building blocks. They are built around key Planet Positive equipment and optimized to provide a higher level of environmental performance
- Concorde Cell™ flotation technology for fine and ultra-fine particle recovery
- The Reactorwell™ feed system for maximizing thickener and clarifier performance
- The Furnace Camera solution for safety and availability improvements of smelting furnaces
- A Life Cycle Services program for optimal filtration results.

Footprint. In 2021, the 58% reduction of CO₂ emissions in own operations as compared to 2019 was achieved by using a higher proportion of renewable energy sources, e.g. by building solar power systems and ground-source heat pumps, by investing in own energy generation and insulation at facilities, as well as by moving to electric equipment, e.g. electric forklifts. In 2021, a total of 44 sites out of 52 were covered by renewable electricity and 15 sites were zero CO₂ emissions.

Indices. In the results published by CDP, Metso Outotec received a score of A- for its climate change leadership and a score of B for tackling water security. In January 2022, after the reporting period, Metso Outotec was included in the Corporate Knights' Global 100 list, ranking the world's 100 most sustainable companies.



Capital expenditure and investments

Gross capital expenditure, excluding right-of-use assets, was EUR 91 million in January–December 2021. The investments were largely made in foundry operations and other services operations globally.

Research and development

Research and development (R&D) expenses and investments were EUR 70 million, or 1.6% of sales in January–December 2021.

Inventions and patents

	2021	2020
Invention disclosures	185	104
Priority patent applications	47	46
Individual granted patents in force, as of December 31	6,810	6,381
Inventions protected by patents, as of December 31	1,052	981

Code of Conduct

All Metso Outotec employees are required to complete Code of Conduct training annually. In 2021, 97% of all employees completed the training. Code of Conduct training is a mandatory part of onboarding for all new employees. In addition, all sales third parties are required to complete a specific anti-corruption training to ensure a common understanding of Metso Outotec's zero-tolerance for corruption and bribery. Also, suppliers are expected to comply with Metso Outotec's Supplier Code of Conduct.

Compliance management

Metso Outotec has an audit framework in place to support risk management by assessing compliance and driving continuous development. In total, 34 internal audits were performed in 2021.

In addition, 28 reports of suspected financial misconduct and 32 reports of suspected non-financial misconduct were received by Internal Audit and Compliance. The cases of suspected misconduct were reviewed by the Audit and Risk Committee in line with Metso Outotec's guidelines on reporting misconduct. None of the cases had a significant impact on Metso Outotec's financial results.

Regarding data privacy, the focus was on the development of international data transfer requirements as well as reviewing its related processes.

Personnel

Metso Outotec had 15,630 (15,466) employees at the end of December 2021.

Personnel by area on December 31, 2021

	Share, %
Europe	35
North and Central America	13
South America	27
Asia Pacific and Greater China	13
Africa, Middle East, and India	12
Total	100

Annual General Meeting 2021

Metso Outotec Corporation's Annual General Meeting (AGM) was held on April 23, 2021, in Helsinki through exceptional procedures in accordance with the temporary legislative act, which entered into force on October 3, 2020, to limit the spread of the Covid-19 pandemic. The AGM adopted the financial statements and discharged the members of the Board of Directors and the President & CEOs from liability for the financial year 2020 and adopted the company's remuneration report for governing bodies through an advisory resolution.

Dividend for 2020

The AGM resolved to approve the Board of Directors' proposal to pay a dividend of EUR 0.20 per share for the financial year 2020 in two installments.

The first dividend installment of EUR 0.10 per share was paid on May 4, 2021, and the second installment of EUR 0.10 per share was paid on November 10, 2021.

Composition of the Board of Directors

The AGM resolved to elect seven members to the Board of Directors. The AGM resolved to re-elect the following members of the Board of Directors: Kari Stadigh was elected as the Chair, Klaus Cawén as the Vice Chair, and Christer Gardell, Antti Mäkinen, Ian W. Pearce, Emanuela Speranza, and Arja Talma as members of the Board. The term of office of the Board will expire at the end of Metso Outotec's next Annual General Meeting.

Remuneration of the Board of Directors

The AGM resolved that the members of the Board of Directors will be paid the same fixed annual remuneration as in the previous term as follows:

- Chair: EUR 150,000
- Vice Chair: EUR 80,000
- Other members: EUR 65,000 each

and the additional remuneration to be paid to the members of the Board of Directors that are elected as members of the committees of the Board will be also unchanged as follows:

- EUR 23,000 for the Chair of the Audit Committee
- EUR 10,000 each for the other members of the Audit Committee
- EUR 12,000 for the Chair of the Remuneration and HR Committee
- EUR 5,000 each for the other members of the Remuneration and HR Committee.

As a condition for the annual remuneration, the Board members are obliged, directly based on the AGM's decision, to use 20 or 40 percent of their fixed total annual remuneration for purchasing Metso Outotec shares from the market at a price formed in public trading. These purchases were carried out on April 27, 2021.

Meeting fees

The AGM also resolved to approve the following meeting fees, unchanged from the previous term: for each Board and committee meeting: a fee of EUR 900 to be paid to the members residing in the Nordic countries, a fee of EUR 1,800 to be paid to the members residing in other European countries, and a fee of EUR 2,700 to be paid to the members residing outside Europe. In addition, members of the Board of Directors are to be compensated for direct expenses arising from Board work.

Auditor

Authorized public accounting firm Ernst & Young Oy was re-elected as Auditor for a term ending at the closing of the Annual General Meeting 2022. Ernst & Young Oy has appointed Mikko Järventausta, APA, as the principally responsible auditor. The remuneration to the Auditor was decided to be paid against the Auditor's reasonable invoice approved by the company.

Authorizations to repurchase the Company's own shares and to issue shares and special rights entitling to shares

The AGM approved the Board's proposals, which related to authorizing the Board to decide on the repurchase of an aggregate maximum of 82,000,000 of Metso Outotec's own shares (corresponding to approximately 9.9 percent of all shares) and authorizing the Board to decide on the issuance of shares and the issuance of special rights entitling to shares.

Shares and share trading

Metso Outotec has a total of 828,972,440 shares and its share capital is EUR 107,186,442.52. Treasury shares totaled 925,021 at the end of December.

Share performance on Nasdaq Helsinki

EUR	January 1-December 31, 2021
Closing price	9.35
Highest share price	10.29
Lowest share price	7.55
Volume-weighted average trading price	9.09

Other main events between January 1 and December 31, 2021

Conveyance of own shares based on the long-term incentive plans

On February 19, 2021, a total of 68,217 of Metso Outotec's treasury shares were conveyed without consideration, in accordance with the terms and conditions of the Restricted Share Plan 2018-2020 (RSP 2018–2020) and Matching Share Plan to the President and CEO. The directed share issue was based on an authorization given by the Annual General Meeting held on March 11, 2020.

Divestment of the Aluminium business

On April 6, 2021, Metso Outotec completed the divestment of its Aluminium business to REEL International. The divested business comprises equipment and plant solutions to green anode plants, anode rod shops, and cast houses used in aluminium smelters, as well as the related services. Metso Outotec will continue to serve its customers in certain other parts of the aluminium value chain, such as alumina refinery and petroleum coke calcination technologies.

Changes in the Metso Outotec Executive Team

On April 12, 2021, the following changes were made in the Metso Outotec Executive Team with immediate effect. Markku Teräsvärasa was nominated President, Minerals business area, following the departure of Stephan Kirsch from the company. Markku Teräsvärasa served previously as President, Services business area. He also continues as Deputy CEO of the company. Sami Takaluoma was nominated as the new President, Services business area. He was previously President, Consumables business area. Heikki Metsälä was appointed President, Consumables business area. Previously he served as SVP, Mill & Chute lining business line in the Consumables business area management team.

Shareholders' Nomination Board's proposals regarding the composition and remuneration of the Board of Directors of Metso Outotec

On November 2, 2021, Metso Outotec's Shareholders' Nomination Board published its proposals regarding the composition and remuneration of the Board of Directors of Metso Outotec.

The shareholders' Nomination Board proposes that the Board of Directors have nine members and that Klaus Cawén, Christer Gardell, Antti Mäkinen, Ian W. Pearce, Emanuela Speranza, Kari Stadigh, and Arja Talma be re-elected as Board members. The Nomination Board proposes that Brian Beamish and Terhi Koipijärvi be elected as new Board members.

Furthermore, the Nomination Board proposes that Kari Stadigh be re-elected Chair of the Board and Klaus Cawén Vice Chair.

All the Board member candidates have given their consent to be elected and have been assessed to be independent of the company and its significant shareholders, except for Antti Mäkinen, who has been assessed to be independent of the company but not independent of its significant shareholder.

The Nomination Board proposes fixed annual remuneration to the Board members as follows (current remuneration in brackets):

- Chair EUR 156,000 (EUR 150,000)
- Vice Chair EUR 82,500 (EUR 80,000)
- Other members EUR 67,000 (EUR 65,000)

An additional remuneration is proposed to be paid to the Board members that are elected as members of the Audit & Risk Committee and the Remuneration and HR Committee as follows (current remuneration in brackets):

- Chair of the Audit & Risk Committee EUR 23,800 (EUR 23,000)
- Members of the Audit & Risk Committee EUR 10,300 (EUR 10,000)
- Chair of the Remuneration and HR Committee EUR 12,400 (EUR 12,000)
- Members of the Remuneration and HR Committee EUR 5,150 (EUR 5,000)

The Nomination Board proposes that, as a condition for the annual remuneration, the Board members should be obliged, directly based on the Annual General Meeting's decision, to use 20% or 40% of their fixed total annual remuneration for purchasing Metso Outotec shares from the market at a price formed in public trading, and that the purchase be carried out within two weeks from the publication of the interim report for January 1 – March 31, 2022.

The Nomination Board proposes the following meeting fees to be paid for attending the meetings of the Board and its committees:

- EUR 900 for meetings requiring travel within the Nordic countries
- EUR 1,800 for meetings requiring travel within a continent
- EUR 3,000 for meetings requiring intercontinental travel
- EUR 900 for meetings with remote attendance

Metso Outotec's Board of Directors will include all the above-mentioned proposals in the notice of the Annual General Meeting of 2022.

Metso Outotec's Shareholders' Nomination Board consists of:

- Annareetta Lumme-Timonen (Investment Director, Solidium Oy) as Chair
- Niko Pakalén (Partner, Cevian Capital Partners Ltd.)
- Risto Murto (President and CEO, Varma Mutual Pension Insurance Company)
- Mikko Mursula (Deputy CEO, Ilmarinen Mutual Pension Insurance Company)
- Kari Stadigh (Chair of Metso Outotec's Board of Directors)

The Shareholders' Nomination Board consists of the representatives of the four largest registered shareholders of the company based on the ownership situation as of August 15 annually, as well as the Chair of Metso Outotec's Board of Directors.

Kari Stadigh did not participate in the decision-making concerning the remuneration of the Board members.

Divestment of the Waste Recycling business

On December 1, 2021, Metso Outotec completed the divestment of its Waste Recycling business to Ahlström Capital. The Waste Recycling business continues its operations as M&J Recycling, and its headquarters is in Horsens, Denmark.

Divestment of the Metal Recycling business

On December 31, 2021, Metso Outotec signed an agreement to divest its Metal Recycling business line to an affiliate of Mimir, an investment company based in Stockholm, Sweden. The closing of the transaction is expected to take place during the first half of 2022.

Events after the reporting period

On January 17, 2022, Metso Outotec announced that it will take the next structural development steps in its business portfolio. The company plans to change its business area structure and related reporting segments by transferring the Hydrometallurgy business from Metals to Minerals. The objective of the change is to accelerate Metso Outotec's profitable growth in the minerals processing industry by more efficiently leveraging the opportunities and synergies in the mineral sand hydrometallurgical processes. A strategic review will be conducted in the remaining Metals business area, consisting of the Smelting, Metals & Chemical Processing and the Ferrous & Heat Transfer business lines, as well as related aftermarket services. The review will focus on evaluating the best environment for developing the Metals business and its strategic fit in Metso Outotec's business portfolio.

Short-term business risks and market uncertainties

The global development of the Covid-19 pandemic continues to pose short-term risks and uncertainties to Metso Outotec's markets and operations. While the current omicron variant seems to pose less severe health risks possible abrupt measures taken by various national and local governments to restrict the spread may continue to have an impact on Metso Outotec's own and its customers' operations. This could restrict the ability to provide services at customer sites and to run manufacturing sites. To protect its personnel, the company may also need to take abrupt measures that are likely to affect the efficiency of its operations and customer deliveries.

Global supply chains continue to be very tight, which is visible in inflation and challenges in availability of components, and these may further increase and risk the company's ability to deliver on-time and on-budget. Recently, the volatile price of energy has emerged as an additional risk for the company's cost base. Trade imbalances caused by the pandemic and port congestion continue to have a negative impact on the availability of containers globally and risk further affecting the availability and cost of logistics and hence supply chain efficiency.

The heightened political tension and risk for further sanctions impacting trade with Russia may impact project execution and delivery of order backlog to Russia and Russian counterparties. Tariffs or other trade barriers could pose challenges to our supply chain and price management, impacting our capability to secure customer deliveries and margins. There are also other market and customer-related risks that could cause on-going projects to be postponed, delayed, or discontinued.

Uncertain market conditions could adversely affect our customers' payment behavior and increase the risk of lawsuits, claims, and disputes taken against Metso Outotec in various countries related to, among other things, Metso Outotec's products, projects, and other operations.

Exchange rate fluctuations and changes in commodity prices could affect our orders received, sales, and financial position. Metso Outotec hedges currency exposure linked to firm delivery and purchase agreements.

Information security and cyber threats could disturb or disrupt Metso Outotec's businesses and operations.

Metso Outotec has identified a significant risk related to its ilmenite smelter project in Saudi Arabia, in line with earlier disclosures. Provisions have been made against this risk. The contractual position and other factual circumstances will ultimately determine the eventual liability and financial impact.

Disputes related to project execution and resulting in extra costs and/or penalties are a risk for Metso Outotec. In the contracts related to the delivery of major projects, the liquidated damages attributable to, for instance, delayed delivery or non-performance may be significant. Even though provisions are provided for, in accordance with accounting principles, there is no certainty that additional liabilities would not materialize.

Metso Outotec is involved in a few disputes that may lead to arbitration and court proceedings. Differing interpretations of international contracts and laws may cause uncertainties in estimating the outcome of these disputes. The enforceability of contracts in certain market areas may be challenging or difficult to foresee.

Market outlook

According to its disclosure policy, Metso Outotec's market outlook describes the expected sequential development of market activity during the following six-month period using three categories: improve, remain at the current level, or decline.

Metso Outotec expects the market activity to remain at the current strong level, subject to the development of the Covid-19 pandemic.

Board of Directors' proposal on the use of profit

The Company's distributable funds on December 31, 2021, amounted to EUR 973,074,799.67 million.

The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.24 per share be paid based on the balance sheet to be adopted for the financial year ended December 31, 2021, and that the remaining part of the profit for the financial year be retained and carried forward in unrestricted equity.

The dividend is proposed to be paid in two installments, i.e. EUR 0.12 in May and EUR 0.12 in November.

Corporate Governance Statement and Remuneration Report

Metso Outotec will publish a separate Corporate Governance Statement and Remuneration Report for 2021, which comply with the recommendations of the Finnish Corporate Governance Code for listed companies and cover other central areas of corporate governance. The documents will be published on our website, separately from the Board of Directors' Report, during the week commencing March 14, 2022, at the latest.

Non-financial information

Metso Outotec will publish non-financial information that complies with the Finnish Accounting Act, as part of the Board of Directors' Report, during the week commencing March 14, 2022, at the latest.

Annual General Meeting 2022

Metso Outotec Corporation's Annual General Meeting 2022 is planned to be held on April 21, 2022. The Board will convene the meeting by a separate invitation.

Helsinki, February 10, 2022

Metso Outotec Corporation's Board of Directors

Metso Outotec Financial Statements Review

January 1–December 31, 2021: Tables

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Consolidated statement of income, IFRS

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Sales	1,278	977	4,236	3,319
Cost of sales	-938	-746	-3,058	-2,429
Gross profit	340	232	1,178	889
Selling and marketing expenses	-96	-81	-348	-283
Administrative expenses	-93	-92	-321	-303
Research and development expenses	-17	-21	-66	-53
Other operating income and expenses, net	-4	8	-18	-10
Share of results of associated companies	-1	0	-1	0
Operating profit	130	44	425	239
Finance income	1	1	4	5
Foreign exchange gains/losses	-5	-6	-4	0
Finance expenses	-10	-14	-40	-44
Finance income and expenses, net	-14	-19	-39	-38
Profit before taxes	116	26	385	201
Income taxes	-22	-2	-92	-52
Profit for the period from continuing operations	94	24	294	149
Profit from discontinued operations	26	-9	48	-11
Profit for the period	120	15	342	138
Profit attributable to				
Shareholders of the Parent Company	121	16	342	138
Non-controlling interests	-1	-1	0	0
Earnings per share, EUR	0.15	0.02	0.41	0.19
Earnings per share, diluted, EUR	0.15	–	0.41	0.19
Earnings per share from continuing operations, EUR	0.11	0.03	0.35	0.20

More information under "Key figures, IFRS".

The IFRS-based comparison period January–June 2020 includes only Metso Minerals carve-out data, and the comparison period July–December includes Metso Outotec Group financial data.

Consolidated statement of comprehensive income, IFRS

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Continuing and discontinued operations				
Profit for the period	120	15	342	138
Other comprehensive income				
Cash flow hedges, net of tax	-1	8	-13	9
Currency translation on subsidiary net investment	14	14	46	-58
Items that may be reclassified to profit or loss in subsequent periods	13	22	33	-49
Defined benefit plan actuarial gains and losses, net of tax	0	-6	5	-6
Items that will not be reclassified to profit or loss	0	-6	5	-6
Other comprehensive income	13	16	38	-56
Total comprehensive income	133	31	380	82
Attributable to				
Shareholders of the Parent Company	134	32	380	83
Non-controlling interests	-1	-1	0	0

Consolidated Balance Sheet – Assets, IFRS

EUR million	Dec 31, 2021	Restated Dec 31, 2020
Non-current assets		
Intangible assets		
Goodwill	1,124	1,118
Other intangible assets	878	942
Total intangible assets	2,002	2,060
Property, plant and equipment		
Land and water areas	35	42
Buildings and structures	121	116
Machinery and equipment	174	157
Assets under construction	43	41
Total property, plant and equipment	373	356
Right-of-use assets	127	132
Other non-current assets		
Investments in associated companies	7	10
Non-current financial assets	4	4
Loan receivables	6	6
Derivative financial instruments	2	3
Deferred tax assets	178	149
Other non-current receivables	38	43
Total other non-current assets	234	215
Total non-current assets	2,737	2,764
Current assets		
Inventories	1,269	1,038
Trade receivables	668	556
Customer contract assets	324	298
Loan receivables	3	2
Derivative financial instruments	46	43
Income tax receivables	36	36
Other current receivables	210	147
Liquid funds	473	537
Total current assets	3,028	2,658
Assets held for sale	65	145
TOTAL ASSETS	5,830	5,567

Balance sheet for 2020 has been restated due to adjustments in the fair values of Outotec at the acquisition date. The adjustments effect goodwill, non-current deferred tax assets and liabilities, income tax liabilities, other current liabilities and liabilities held for sale.

Consolidated Balance Sheet – Equity and liabilities, IFRS

EUR million	Restated	
	Dec 31, 2021	Dec 31, 2020
Equity		
Share capital	107	107
Share premium fund	20	20
Cumulative translation adjustments	-164	-210
Fair value and other reserves	1,130	1,136
Retained earnings	1,156	983
Equity attributable to shareholders	2,250	2,037
Non-controlling interests	1	3
Total equity	2,251	2,040
Liabilities		
Non-current liabilities		
Borrowings	627	1,129
Lease liabilities	104	106
Post-employment benefit obligations	124	102
Provisions	45	73
Derivative financial instruments	6	2
Deferred tax liability	209	223
Other non-current liabilities	2	4
Total non-current liabilities	1,117	1,639
Current liabilities		
Borrowings	192	78
Lease liabilities	30	32
Trade payables	692	539
Provisions	178	122
Advances received	235	161
Customer contract liabilities	388	236
Derivative financial instruments	52	29
Income tax liabilities	76	42
Other current liabilities	585	453
Total current liabilities	2,428	1,690
Liabilities held for sale	35	198
TOTAL EQUITY AND LIABILITIES	5,830	5,567

Balance sheet for 2020 has been restated due to adjustments in the fair values of Outotec at the acquisition date. The adjustments effect goodwill, non-current deferred tax assets and liabilities, income tax liabilities, other current liabilities and liabilities held for sale.

Consolidated statement of changes in shareholders' equity, IFRS

EUR million	Share capital	Share premium fund	Cumulative translation adjustments	Fair value and other reserves	Retained earnings	Equity attributable to shareholders	Non-controlling interests	Total equity
Jan 1, 2021	107	20	-210	1,136	983	2,037	3	2,040
Profit for the period	—	—	—	—	342	342	0	342
Other comprehensive income								
Cash flow hedges, net of tax	—	—	—	-13	—	-13	—	-13
Currency translation on subsidiary net investments	—	—	46	—	—	46	0	46
Defined benefit plan actuarial gains (+) / losses (-), net of tax	—	—	—	—	5	5	—	5
Total comprehensive income	—	—	46	-13	347	380	0	380
Dividends	—	—	—	—	-166	-166	—	-166
Share-based payments, net of tax	—	—	—	7	-3	4	—	4
Other items	—	—	—	—	2	2	0	2
Changes in non-controlling interests	—	—	—	—	-7	-7	-2	-10
Dec 31, 2021	107	20	-164	1,130	1,156	2,250	1	2,251

EUR million	Share capital	Share premium fund	Cumulative translation adjustments	Fair value and other reserves	Retained earnings	Equity attributable to shareholders	Non-controlling interests	Total equity
Jan 1, 2020	—	—	-151	0	1,403	1,252	3	1,254
Profit for the period	—	—	—	—	138	138	0	138
Other comprehensive income								
Cash flow hedges, net of tax	—	—	—	9	—	9	—	9
Currency translation on subsidiary net investments	—	—	-58	—	—	-58	0	-58
Defined benefit plan actuarial gains (+) / losses (-), net of tax	—	—	—	—	-6	-6	—	-6
Total comprehensive income	—	—	-58	9	132	83	0	82
Dividends	—	—	—	—	-177	-177	—	-177
Dividends to related party	—	—	—	—	-2	-2	—	-2
Share-based payments, net of tax	—	—	—	2	-4	-2	—	-2
Changes in invested equity	—	—	—	—	-19	-19	—	-19
Demerger effect	90	—	—	265	-355	—	—	—
Reverse acquisition	17	20	—	860	—	898	1	898
Other items	—	—	—	—	6	6	0	6
Dec 31, 2020	107	20	-210	1,136	983	2,037	3	2,040

Condensed consolidated statement of cash flows, IFRS

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Operating activities				
Profit for the period	120	15	342	138
Adjustments:				
Depreciation and amortization	42	61	167	160
Financial expenses, net	14	19	39	38
Income taxes	22	5	92	58
Other items	-1	-2	-2	0
Change in net working capital	-33	81	-31	193
Net cash flow from operating activities before financial items and taxes	164	177	608	587
Financial income and expenses paid, net	-11	-14	-35	-35
Income taxes paid	-16	10	-64	-62
Net cash flow from operating activities	137	173	508	491
Investing activities				
Capital expenditures on non-current assets	-27	-14	-91	-88
Proceeds from sale of non-current assets	6	2	22	3
Proceeds from sale of non-current assets, Metso Group	—	-1	—	93
Business acquisitions, net of cash acquired	—	—	—	209
Business acquisitions, net of cash acquired, Metso Group	—	—	—	-6
Proceeds from sale of businesses, net of cash sold	51	—	74	—
Proceeds from sale of associated companies	1	—	1	—
Net cash flow from investing activities	31	-13	5	211
Financing activities				
Dividends paid	-83	—	-166	-177
Dividends paid, Metso Group	—	—	—	-2
Increase in loan receivables	0	-1	0	-1
Proceeds from and repayments of non-current debt, net	-150	436	-350	436
Proceeds from and repayment of current debt, net	-15	-529	-37	-395
Proceeds from and repayment of debt, net, Metso Group	—	—	—	-139
Repayment of lease liabilities	-9	-11	-38	-31
Net cash flow from financing activities	-256	-105	-591	-309
Net change in liquid funds	-89	56	-78	393
Effect from changes in exchange rates	5	11	14	-6
Cash classified as assets held for sale	7	-6	0	-6
Liquid funds equivalents at beginning of period	550	477	537	156
Liquid funds at end of period	473	537	473	537

Key figures, IFRS

EUR million	Dec 31, 2021	Dec 31, 2020
Profit for the period from continuing operations	294	149
Earnings per share from continuing operations, EUR ¹⁾	0.35	0.20
Profit for the period	342	138
Earnings per share, EUR	0.41	0.17
Earnings per share, EUR ¹⁾	0.19	
Equity / share at end of period, EUR	2.72	2.46
Number of shares at Jun 30, 2020 (thousands)	183,121	
New shares issued as demerger consideration to Metso's shareholders (thousands)	645,851	
Total number of shares at end of period (thousands)	828,972	828,972
Own shares held by Parent Company (thousands)	925	993
Number of outstanding shares at end of period (thousands)	828,047	827,979
Average number of outstanding shares (thousands)	828,038	737,413

¹⁾ Comparative figures are based on average number of outstanding shares of 737,413 thousands.

EUR million	Dec 31, 2021	Dec 31, 2020	Restated
Net debt	470	799	
Gearing, %	20.9%	39.2%	
Equity to asset ratio, %	43.2%	39.5%	
Debt to capital, %	26.7%	37.2%	
Debt to equity, %	36.4%	59.1%	
Net working capital (NWC)	254	414	
Net debt and gearing			
Borrowings	819	1,206	
Lease liabilities	133	138	
Gross debt	952	1,345	
Loan receivables	9	8	
Liquid funds	473	537	
Net debt	470	799	
Gearing	20.9%	39.2%	

The Balance sheet for year 2020 has been restated due to adjustments in the fair values of Outotec at the acquisition date. For more information, see note 8. Acquisitions.

Formulas for key figures

Earnings before financial expenses, net, taxes, and amortization, adjusted (adjusted EBITA)	=	Operating profit + adjustment items + amortization
Earnings per share, basic	=	$\frac{\text{Profit attributable to shareholders}}{\text{Average number of outstanding shares during the period}}$
Earnings per share, diluted	=	$\frac{\text{Profit attributable to shareholders}}{\text{Average number of diluted shares during the period}}$
Equity/share	=	$\frac{\text{Equity attributable to shareholders}}{\text{Number of outstanding shares at the end of the period}}$
Gearing, %	=	$\frac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$
Equity-to-asset ratio, %	=	$\frac{\text{Total equity}}{\text{Balance sheet total - advances received}} \times 100$
Debt to capital, %	=	$\frac{\text{Interest-bearing liabilities - lease liabilities}}{\text{Total equity} + \text{interest-bearing liabilities - lease liabilities}} \times 100$
Debt to equity, %	=	$\frac{\text{Interest-bearing liabilities - lease liabilities}}{\text{Total equity}} \times 100$
Interest-bearing liabilities (Gross debt)	=	Interest-bearing liabilities, non-current and current + lease liabilities, non-current and current
Net interest-bearing liabilities (Net debt)	=	Interest-bearing liabilities - non-current financial assets - loan and other interest-bearing receivables (current and non-current) - liquid funds
Net working capital (NWC)	=	Inventories + trade receivables + other non-interest-bearing receivables + customer contract assets and liabilities, net - trade payables - advances received - other non-interest-bearing liabilities

Alternative Performance Measures

Metso Outotec presents certain key figures (alternative performance measures) as additional information to the financial measures presented in the consolidated statements of comprehensive income and the consolidated balance sheet and cash flows prepared in accordance with IFRS. In Metso Outotec's view, alternative performance measures provide meaningful supplemental information on its operational results, financial position and cash flows and are widely used by analysts, investors, and other parties.

To improve the comparability between periods, Metso Outotec presents adjusted EBITA, being earnings before interest, tax, and amortization adjusted by capacity adjustment costs, acquisition costs, gains, and losses on business disposals as well as Metso Outotec transaction and integration costs. Their nature and net effect on cost of goods sold, selling, general and administrative expenses, as well as other income and expenses are presented in the segment information. Net debt, gearing, equity-to-asset ratio, debt-to-capital ratio, and debt-to-equity ratio are presented as complementing measures because, in Metso Outotec's view, they are useful measures of Metso Outotec's ability to obtain financing and service its debts. Net working capital provides additional information concerning the cash flow needs of Metso Outotec's operations.

Alternative performance measures should not be viewed in isolation or as a substitute to the IFRS financial measures. All companies do not calculate alternative performance measures in a uniform manner, and therefore Metso Outotec's alternative performance measures may not be comparable with similarly named measures presented by other companies.

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1. Basis of preparation

This Financial Statements Review has been prepared in accordance with IAS 34 'Interim Financial Reporting', applying the accounting policies of Metso Outotec, which are consistent with the accounting policies of Metso Outotec Financial Statements 2020. New accounting standards have been adopted, as described in note 2. This Financial Statements Review is unaudited. The figures in this review are based on the audited Financial Statements.

All figures presented have been rounded; consequently, the sum of individual figures might differ from the presented total figures.

The partial demerger of Metso Corporation and the combination of Metso's Minerals business and Outotec was completed on June 30, 2020. In the transaction, the legal acquirer Outotec issued new shares to Metso shareholders and received all assets, rights, debts, and liabilities related to Metso's Minerals business. In the consolidated financial statements according to IFRS, this transaction is treated as a reverse acquisition, where Metso Minerals is the accounting acquirer and Outotec the accounting acquiree. The historical IFRS-based statement of income and cash flow for the comparison period January–June 2020 includes only Metso Minerals carve-out data. The July–December 2020 consolidated statement of income and cash flows includes Metso Outotec Group financial data.

Outotec's net assets were identified and recognized at fair value as of the acquisition date on June 30, 2020. The preliminary acquisition calculation has been adjusted to final on June 30, 2021. Due to adjustments in the fair values of Outotec at the acquisition date, the balance sheet for year 2020 has been restated. The adjustments had no effect on the Income statement.

At the time of the acquisition, balance sheet of Outotec included assets held for sale. In year 2021 the treatment of these assets been specified, and a significant portion of these assets has been transferred to continuing operations.

On October 28, 2020, Metso Outotec announced its decision to divest the Recycling business, and it has been classified as discontinued operations. The assets and liabilities held for sale have been transferred to separate lines in the consolidated balance sheet.

Reporting segments

Metso Outotec Group is a global supplier of sustainable technologies, end-to-end solutions, and services for the minerals processing, aggregates, and metals refining industries. Metso Outotec has a broad offering in terms of equipment, solutions, and various types of aftermarket services. Reportable segments of Metso Outotec are based on end-customer groups, which are differentiated by both offering and business model: Aggregates, Minerals, and Metals.

The segments are reported in a manner consistent with the internal reporting provided to the Board of Directors, Metso Outotec's chief operating decision-maker with responsibility for allocating resources and assessing the performance of the segments, deciding on strategy, selecting key employees, as well as deciding on major development projects, business acquisitions, investments, organizational structure, and financing. The accounting principles applied to the segment reporting are the same as those used in preparing the consolidated financial statements.

Aggregates offers a wide range of equipment, aftermarket parts, and services for quarries, aggregates contractors, and construction companies. Minerals supplies a wide portfolio of process solutions, equipment, and aftermarket services, as well as plant delivery capability for mining operations. Metals provides sustainable solutions for processing virtually all types of ores and concentrates to refined metals. The Group Head Office and other segment is comprised of the Parent Company with centralized Group functions, such as treasury and tax, as well as global business service center and holding companies.

Segment performance is measured with operating profit/loss (EBIT). In addition, Metso Outotec uses alternative performance measures to reflect the underlying business performance and to improve comparability between financial periods: earnings before interest, tax and amortization (EBITA), and adjusted net working capital. Alternative performance measures, however, should not be considered as a substitute for measures of performance in accordance with the IFRS.

2. New accounting standards

Metso Outotec has applied the revised IFRS Standards that have been effective since January 1, 2021. These amendments have not had a material impact on the reported figures.

3. Disaggregation of sales

SALES BY SEGMENTS

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Aggregates	324	251	1,202	992
Minerals	779	640	2,527	2,112
Metals	174	86	508	215
Sales	1,278	977	4,236	3,319

EXTERNAL SALES BY CATEGORY

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Sales of services	570	483	2,067	1,793
Aggregates	89	73	338	312
Minerals	455	394	1,628	1,430
Metals	26	17	101	51
Sales of projects, equipment, and goods	708	493	2,169	1,526
Aggregates	235	178	864	680
Minerals	324	246	899	682
Metals	148	70	406	164
Sales	1,278	977	4,236	3,319

EXTERNAL SALES BY TIMING OF REVENUE RECOGNITION

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
At a point in time	909	742	3,215	2,613
Over time	369	235	1,021	706
Sales	1,278	977	4,236	3,319

EXTERNAL SALES BY DESTINATION

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Europe	359	259	1,198	879
North and Central America	248	192	861	721
South America	200	160	677	569
APAC	255	204	878	669
Africa, Middle East, and India	215	162	622	481
Sales	1,278	977	4,236	3,319

4. Financial risk management

As a global company, Metso Outotec is exposed to a variety of business and financial risks. Financial risks are managed centrally by the Group Treasury under annually reviewed written policies approved by the Board of Directors. Treasury operations are monitored by the Treasury Management Team chaired by the CFO. Group Treasury identifies, evaluates, and hedges financial risks in close cooperation with the operating units. Group Treasury functions as counterparty to the operating units, centrally manages external funding, and is responsible for the management of financial assets and appropriate hedging measures. The objective of financial risk management is to minimize potential adverse effects on Metso Outotec's financial performance.

Liquidity and refinancing risk, capital structure management

Liquidity or refinancing risk arises when a company is not able to arrange funding at terms and conditions corresponding to its creditworthiness. Sufficient cash, short-term investments, and committed and uncommitted credit facilities are maintained to protect short-term liquidity. Diversification of funding among different markets and an adequate number of financial institutions is used to safeguard the availability of liquidity at all times. Group Treasury monitors bank account structures, cash balances, and forecasts of the operating units, and manages the utilization of the consolidated cash resources.

The liquidity position of Metso Outotec remained good, supported by the healthy operative cash flow, maturity structure of the funding, and available back up credit facilities. Liquid funds, consisting of cash and cash equivalents, amounted to EUR 473 million (EUR 537 million in 2020), and there were no deposits or securities with a maturity more than three months (EUR 0 million in 2020).

In addition, Metso Outotec has a committed and undrawn EUR 600 million syndicated revolving credit facility with a maturity in 2026. At the end of the period the facility was undrawn. The company also has a EUR 600 million Finnish commercial paper program, which was fully unutilized at the end of the period.

Metso Outotec made several early repayments to bank loans using its liquid funds in 2021. During the first quarter, the company made an early repayment of a EUR 100 million term loan, which would have matured in 2022. During the second quarter, the company cancelled two bilateral revolving credit facilities totaling EUR 90 million, which would have matured in 2022. A term loan of EUR 150 million, which would have matured in 2022, was repaid in three EUR 50 million lots in the second, third, and fourth quarters. In December, the company made an early repayment of EUR 100 million of the EUR 150 million loan that would have matured in July 2022. After the reporting period, in January 2022, the company made an early repayment of the remaining EUR 50 million of the original EUR 150 million loan that would have matured in July 2022.

During 2021, sustainability targets were incorporated in Metso Outotec's EUR 600 million syndicated revolving credit facility. The sustainability targets are related to the Group's own CO₂ emissions, emissions from its logistics, and its suppliers having Science-Based emission targets. The development of these targets will be measured annually, and the cost of the facility will depend on the achievement of these targets.

In December, Metso Outotec signed a sustainability linked loan agreement with Nordic Investment Bank for EUR 100 million with a maturity of eight years. The loan is committed and remained undrawn at the end of the period. The loan includes the same sustainability targets as the syndicated revolving credit facility.

Capital structure management in Metso Outotec comprises both equity and interest-bearing debt. As of December 31, 2021, the equity attributable to shareholders was EUR 2,250 million (EUR 2,037 million in 2020), and the amount of interest-bearing debt excluding lease liabilities was EUR 819 million (EUR 1,206 million in 2020).

Metso Outotec has a target to maintain an investment-grade credit rating. Metso Outotec has a 'BBB-' long-term issuer credit rating with stable outlook from S&P Global Ratings and a 'Baa2' long-term issuer rating with stable outlook from Moody's Investor Service.

There are no prepayment covenants in Metso Outotec's financial contracts that would be triggered by changes in credit rating. Covenants included in some financing agreements refer to a combination of certain credit-rating level and Metso Outotec's capital structure. Metso Outotec is in compliance with all covenants and other terms of its debt instruments.

5. Fair value estimation

For those financial assets and liabilities that have been recognized at fair value in the balance sheet, the following measurement hierarchy and valuation methods have been applied:

Level 1	Unadjusted quoted prices in active markets at the balance sheet date. The market prices are readily and regularly available from an exchange, dealer, broker, market information service system, pricing service, or regulatory agency. The quoted market price used for financial assets is the current bid price. Level 1 financial instruments include fund investments classified as fair value through profit and loss.
Level 2	<p>The fair value of financial instruments in Level 2 is determined using valuation techniques. These techniques utilize observable market data readily and regularly available from an exchange, dealer, broker, market information service system, pricing service or regulatory agency. Level 2 financial instruments include:</p> <ul style="list-style-type: none"> • Over-the-counter derivatives classified as financial assets/liabilities at fair value through profit and loss or qualified for hedge accounting • Debt securities classified as financial instruments at fair value through profit and loss • Fixed-rate debt under fair value hedge accounting
Level 3	A financial instrument is categorized into Level 3 if the calculation of the fair value cannot be based on observable market data. There were no such instruments on December 31, 2021, or on December 31, 2020.

The table below presents financial assets and liabilities that are measured at fair value. There have been no transfers between fair value levels during the presented period.

EUR million	Dec 31, 2021		
	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit and loss			
Derivatives not under hedge accounting	–	24	–
Financial assets at fair value through other comprehensive income			
Derivatives under hedge accounting	–	24	–
Total	–	48	–

EUR million	Dec 31, 2021		
	Level 1	Level 2	Level 3
Liabilities			
Financial liabilities at fair value through profit and loss			
Derivatives not under hedge accounting	–	29	–
Financial liabilities at fair value through other comprehensive income			
Derivatives under hedge accounting	–	29	–
Total	–	58	–

EUR million	Dec 31, 2020		
	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit and loss			
Derivatives not under hedge accounting	–	20	–
Financial assets at fair value through other comprehensive income			
Derivatives under hedge accounting	–	27	–
Total	–	47	–

EUR million	Dec 31, 2020		
	Level 1	Level 2	Level 3
Liabilities			
Financial liabilities at fair value through profit and loss			
Derivatives not under hedge accounting	–	21	–
Financial liabilities at fair value through other comprehensive income			
Derivatives under hedge accounting	–	10	–
Total	–	31	–

The carrying value of other financial assets and liabilities other than those presented in this fair value level hierarchy table approximates their fair value. Fair values of other debt are calculated as net present values.

6. Notional amounts of derivative instruments

EUR million	Dec 31, 2021	Dec 31, 2020
Forward exchange rate contracts	2,456	1,638
Interest-rate swaps	275	295

7. Contingent liabilities and commitments

EUR million	Dec 31, 2021	Dec 31, 2020
Guarantees		
External guarantees given by Parent and Group companies	1,575	1,260
Other commitments		
Repurchase commitments	0	0
Other contingencies	1	1
Total	1,577	1,262

8. Acquisitions

Outotec acquisition in 2020

The partial demerger of Metso Corporation and the combination of Metso's Minerals business and Outotec was completed on June 30, 2020. In the consolidated financial statements according to IFRS this transaction is treated as a reverse acquisition, where Metso Minerals is the accounting acquirer and Outotec the accounting acquiree. The acquisition of Outotec has been accounted for in the consolidated financial statements as a business combination using the acquisition method.

Consideration transferred

The consideration transferred amounted to EUR 899 million and was measured using the market price of the Outotec share (EUR 4.91) as of June 30, 2020, and the number of Outotec shares outstanding (183.1 million) before the completion of the transaction.

Recognized amounts of identifiable assets acquired, and liabilities assumed

Outotec's net assets were identified and recognized at fair value as of the acquisition date on June 30, 2020. Adjustments were made as of June 30, 2021 as follows: deferred tax assets on prior year timing differences EUR -16 million, other liabilities EUR 13 million, right-of-use assets EUR 3 million, current liabilities EUR 6 million, increases in provisions related to discontinued operations EUR 61 million compared to the original fair value calculation, and other minor items. Due to the adjustments in fair values of Outotec at the acquisition date, the value of goodwill increased EUR 89 million, of which EUR 67 million in 2021. The following table summarizes the fair values of assets and liabilities assumed.

Assets and liabilities recognized as a result of the acquisition

EUR million	Fair value
Intangible assets	858
Property, plant, and equipment	43
Right-of-use assets	61
Deferred tax assets	71
Other non-current assets	8
Inventory	219
Trade receivables	115
Customer contract assets	181
Income tax receivables	15
Other receivables	67
Liquid funds	215
Assets	1,854
Non-current interest-bearing liabilities	-43
Deferred tax liability	-188
Other non-current liabilities	-124
Current interest-bearing liabilities	-468
Trade payables	-126
Customer contract liabilities	-145
Accrued income taxes	-13
Other liabilities	-329
Liabilities	-1,437
Net liabilities, held for sale	-100
Net identifiable assets acquired at fair value	316
Goodwill	584
Purchase consideration	899

Due to adjustments in the fair values of Outotec at the acquisition date, the balance sheet for 2020 has been restated. The adjustments had no effect on the Income statement.

9. Business disposals

Continuing operations

On December 1, 2021, Metso Outotec completed the divestment of Outotec Turula Oy to the Lithuanian company UAB Arginta Engineering. The divested business is a manufacturer of equipment and components used in the minerals processing and metals refining industries. As part of the transaction, approximately 120 employees transferred from Metso Outotec to UAB Arginta Engineering. The transaction did not impact Metso Outotec's financial result.

Discontinued operations

The businesses to be divested are classified as discontinued operations at the time the decision to divest is made. These assets and related liabilities are presented on their own lines in the balance sheet. The income statement has been restated by moving discontinued operations to be presented separately from continuing operations.

On October 28, 2020, Metso Outotec announced its decision to divest its recycling business. The Recycling business sells products and services for metal and waste recycling. On December 1, 2021, Metso Outotec completed the divestment of its waste recycling business to Ahlström Capital.

In late 2019, Outotec announced its decision to divest the businesses related to aluminium and waste-to-energy. The aluminium business comprises equipment and plant solutions to green anode plants, anode rodshops, and casthouses used in aluminium smelters, as well as the related services. The waste-to-energy business comprises biomass, wood waste and various other fuel plants, including related service operations. On April 6, 2021, Metso Outotec completed the divestment of its aluminium business to REEL International.

With the above mentioned transactions, approximately 250 Metso Outotec employees were transferred to the new owners. The total capital gain of these transactions was approximately EUR 40 million and has been reported under discontinued operations.

10. Segment information, IFRS

ORDERS RECEIVED

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Aggregates	331	363	1,374	1,107
Minerals	760	730	3,127	2,250
Metals	219	212	919	340
Metso Outotec total	1,310	1,304	5,421	3,696

ORDERS RECEIVED BY SERVICES BUSINESS

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Aggregates	98	83	367	319
% of orders received	29.6	22.9	26.7	28.9
Minerals	502	410	1,867	1,485
% of orders received	66.0	56.2	59.7	66.0
Metals	21	26	96	35
% of orders received	9.5	12.1	10.4	10.4
Metso Outotec total	621	519	2,330	1,840
% of orders received	47.4	39.8	43.0	49.8

SALES

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Aggregates	324	251	1,202	992
Minerals	779	640	2,527	2,112
Metals	174	86	508	215
Metso Outotec total	1,278	977	4,236	3,319

SALES BY SERVICES BUSINESS

EUR million	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Aggregates	89	73	338	312
% of sales	27.4	29.1	28.1	31.5
Minerals	455	394	1,628	1,430
% of sales	58.4	61.6	64.4	67.7
Metals	26	17	101	51
% of sales	15.1	19.2	19.9	23.7
Metso Outotec total	570	483	2,067	1,793
% of sales	44.6	49.5	48.8	54.0

ADJUSTED EBITA AND OPERATING PROFIT

EUR million, %	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Aggregates				
Adjusted EBITA	34	31	161	107
% of sales	10.6	12.2	13.4	10.8
Amortization of intangible assets	-3	-3	-14	-13
Adjustment items	6	3	1	1
Operating profit	37	31	148	95
% of sales	11.5	12.2	12.3	9.5
Minerals				
Adjusted EBITA	110	85	368	318
% of sales	14.1	13.3	14.6	15.0
Amortization of intangible assets	-11	-29	-47	-55
Adjustment items	-7	-7	-9	-10
Operating profit	92	49	312	253
% of sales	11.8	7.6	12.3	12.0
Metals				
Adjusted EBITA	20	-9	27	-10
% of sales	11.6	-10.1	5.3	-4.6
Amortization of intangible assets	-1	-5	-9	-14
Adjustment items	-1	0	-6	0
Operating profit	18	-14	12	-24
% of sales	10.2	-15.7	2.5	-11.2
Group Head Office and other				
Adjusted EBITA	-1	-3	-8	-18
Amortization of intangible assets	-1	-1	-3	-4
Adjustment items	-15	-18	-36	-63
Operating profit	-17	-22	-47	-84
Metso Outotec total				
Adjusted EBITA	164	103	547	397
% of sales	12.8	10.6	12.9	11.9
Amortization of intangible assets	-16	-38	-72	-85
Adjustment items	-16	-22	-50	-72
Operating profit	130	44	425	239
% of sales	10.2	4.5	10.0	7.2

ADJUSTMENT ITEMS BY CATEGORY

EUR million, %	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Capacity adjustment costs	-23	-24	-59	-38
Acquisition costs	8	5	6	5
Profit and loss on disposal	-1	—	3	—
Metso Outotec integration costs	—	-3	—	-14
Metso Outotec transaction costs	—	-1	—	-25
Adjustment items, total	-16	-22	-50	-72

Quarterly segment information, IFRS

ORDERS RECEIVED

EUR million	10–12/2021	7–9/2021	4–6/2021	1–3/2021	10–12/2020
Aggregates	331	325	363	356	363
Minerals	760	968	755	645	730
Metals	219	357	243	101	212
Metso Outotec total	1,310	1,649	1,360	1,102	1,304

SALES

EUR million	10–12/2021	7–9/2021	4–6/2021	1–3/2021	10–12/2020
Aggregates	324	293	320	265	251
Minerals	779	604	578	566	640
Metals	174	126	112	95	86
Metso Outotec total	1,278	1,023	1,010	925	977

Adjusted EBITA

EUR million	10–12/2021	7–9/2021	4–6/2021	1–3/2021	10–12/2020
Aggregates	34	42	47	37	31
Minerals	110	96	82	80	85
Metals	20	6	2	-1	-9
Group Head Office and other	-1	-5	0	-2	-3
Metso Outotec total	164	139	131	115	103

Adjusted EBITA, % OF SALES

%	10–12/2021	7–9/2021	4–6/2021	1–3/2021	10–12/2020
Aggregates	10.6	14.4	14.6	14.1	12.2
Minerals	14.1	15.9	14.2	14.2	13.3
Metals	11.6	4.8	1.6	-1.0	-10.1
Group Head Office and other	n/a	n/a	n/a	n/a	n/a
Metso Outotec total	12.8	13.6	12.9	12.4	10.6

AMORTIZATION

EUR million	10–12/2021	7–9/2021	4–6/2021	1–3/2021	10–12/2020
Aggregates	-3	-4	-3	-4	-3
Minerals	-11	-12	-12	-12	-29
Metals	-1	-1	-5	-2	-5
Group Head Office and other	-1	-1	-1	0	-1
Metso Outotec total	-16	-18	-21	-17	-38

ADJUSTMENT ITEMS

EUR million	10–12/2021	7–9/2021	4–6/2021	1–3/2021	10–12/2020
Aggregates	6	-1	-3	0	3
Minerals	-7	3	-4	-2	-7
Metals	-1	-1	-2	-2	0
Group Head Office and other	-15	-15	-4	-2	-18
Metso Outotec total	-16	-14	-13	-6	-22

OPERATING PROFIT

EUR million	10–12/2021	7–9/2021	4–6/2021	1–3/2021	10–12/2020
Aggregates	37	37	40	33	31
Minerals	92	87	66	67	49
Metals	18	4	-4	-5	-14
Group Head Office and other	-17	-21	-5	-4	-22
Metso Outotec total	130	107	97	91	44

OPERATING PROFIT, % OF SALES

%	10–12/2021	7–9/2021	4–6/2021	1–3/2021	10–12/2020
Aggregates	11.5	12.7	12.6	12.6	12.2
Minerals	11.8	14.4	11.4	11.8	7.6
Metals	10.2	3.2	-4.0	-5.1	-15.7
Group Head Office and other	n/a	n/a	n/a	n/a	n/a
Metso Outotec total	10.2	10.5	9.6	9.8	4.5

ORDER BACKLOG

EUR million	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Aggregates	545	560	536	492	402
Minerals	1,990	1,983	1,633	1,500	1,426
Metals	1,002	953	707	577	538
Metso Outotec total	3,536	3,496	2,876	2,569	2,366

11. Exchange rates

Currency	1–12/2021	1–12/2020	Dec 31, 2021	Dec 31, 2020
USD (US dollar)	1.1851	1.1452	1.1326	1.2271
SEK (Swedish krona)	10.1469	10.4789	10.2503	10.0343
GBP (Pound sterling)	0.8615	0.8864	0.8403	0.8990
CAD (Canadian dollar)	1.4868	1.5320	1.4393	1.5633
BRL (Brazilian real)	6.3782	5.8847	6.3101	6.3735
CNY (Chinese yuan)	7.6388	7.8916	7.1947	8.0225
AUD (Australian dollar)	1.5792	1.6523	1.5615	1.5896

12. Events after the reporting period

On December 31, 2021, Metso Outotec announced that it has signed an agreement to divest its Metal Recycling business line to an affiliate of Mimir, an investment company based in Stockholm, Sweden. The closing of the transaction is expected to take place during the first half of 2022. The divestment will not have a material impact on Metso Outotec's financial results. Since October 2020, Metal Recycling has been reported as part of discontinued operations in Metso Outotec's financial statements.

On January 17, 2022, Metso Outotec announced that it will take the next structural development steps in its business portfolio, following the completed integration of its Minerals business and the successful turnaround of its Metals business. The company plans to change its business area structure and related reporting segments by transferring the Hydrometallurgy business from Metals to Minerals. The objective of the change is to accelerate Metso Outotec's profitable growth in the minerals processing industry by more efficiently leveraging the opportunities and synergies in the mineral sand hydrometallurgical processes.

It should be noted that certain statements herein which are not historical facts, including, without limitation, those regarding expectations for general economic development and the market situation, expectations for customer industry profitability and investment willingness, expectations for company growth, development and profitability and the realization of synergy benefits and cost savings, and statements preceded by "expects", "estimates", "forecasts" or similar expressions, are forward-looking statements. These statements are based on current decisions and plans and currently known factors. They involve risks and uncertainties that may cause the actual results to materially differ from the results currently expected by the company.

Such factors include, but are not limited to:

- (1) general economic conditions, including fluctuations in exchange rates and interest levels which influence the operating environment and profitability of customers and thereby the orders received by the company and their margins,
- (2) the competitive situation, especially significant technological solutions developed by competitors,
- (3) the company's own operating conditions, such as the success of production, product development and project management and their continuous development and improvement,
- (4) the success of pending and future acquisitions and restructuring.

Metso Outotec's information in 2022

Annual Report 2021 during the week commencing March 14, 2022

Annual General Meeting 2022 on April 21

Interim Review for January–March 2022 on April 21

Half-Year Review for 2022 on July 22

Interim Review for January–September 2022 on October 28

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