



Sandvik to divest its Exploration business

Sandvik has signed an agreement to divest its Exploration business to Drillman, a subsidiary of the M Group of companies, which is 100% owned and operated in Australia. Drillman provide equipment and technical support to the Geotechnical, Mineral Exploration, Horizontal, Directional and Upstream Gas Drilling sectors, among others.

The deal includes exploration rigs, consumables and production stock, along with selected trademarks and patents. The business is currently reported in Sandvik Mining and Rock Technology.

“I am pleased that we have signed an agreement to sell our Exploration business as this is in line with our focus to further improve the efficiency and profitability of our company,” says Stefan Widing, President and CEO of Sandvik.

“I believe we have found a good home for our Exploration business in Drillman, who will support in the further development of its operations and performance,” says Henrik Ager, President of Sandvik Mining and Rock Technology.

“We are very excited to acquire Sandvik’s Exploration business and look forward to collaborating throughout the transition. The acquisition forms part of our long-term strategy to expand our international footprint and we are eager to introduce our passion for the mining and exploration business into the global market,” says Harry Mostert, CEO for M Group of Companies.

The parties have agreed not to disclose the purchase price and the closing is subject to relevant regulatory approvals. The Exploration business will remain consolidated in the financial statements of Sandvik Mining and Rock Technology until closing of the transaction, which is expected during the fourth quarter 2020. In 2019, the Exploration business had revenues of about SEK 450 million and a margin slightly dilutive to Sandvik Mining and Rock Technology.

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Sandvik AB

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Sandvik Group

Sandvik is a high-tech and global engineering group offering products and services that enhance customer productivity, profitability and safety. We hold world-leading positions in selected areas – tools and tooling systems for metal cutting; equipment and tools, service and technical solutions for the mining industry and rock excavation within the construction industry; products in advanced stainless steels and special alloys as well as products for industrial heating. In 2019, the Group had approximately 40,000 employees and revenues of about 100 billion SEK in more than 160 countries within continuing operations.

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