

Sandvik to acquire mining part of Schenck Process Group

Sandvik has signed an agreement to acquire the mining related business of Schenck Process Group (SP Mining). SP Mining is one of the market leaders in screening, feeding and screening media solutions in the industry. The company will be reported in Stationary Crushing and Screening, a division in Sandvik Rock Processing Solutions (SRP).

"I am pleased that we continue to execute on our shift to growth strategy by expanding our core offering in a profitable niche, as well as strengthening the aftermarket share within rock processing. This validates our strategy when forming the Sandvik Rock Processing business area, and it allows us to bring value to a larger part of our mining customers' value chain", says Stefan Widing, President and CEO of Sandvik.

SP Mining is a global provider of high-capacity screening solutions, highly complementary to Sandvik's offering, and with a strong aftermarket business which includes application support, screen refurbishment, product engineering design and manufacturing and digital support services. Main R&D and production sites are located in Australia, with additional production units in South Africa, Brazil and China.

"SP Mining's proven range of high-capacity screens and feeders will complement the Sandvik product range and enhance our position among key customer groups within mining rock processing. The transaction also gives Sandvik access to a broadened screening media offering, which will add significant potential to our aftermarket business", says Anders Svensson, President of Sandvik Rock Processing Solutions.

SP Mining has approximately 630 employees and in 2022 the company expects revenues of about EUR 200 million of which approximately 70% is aftermarket, and an EBITA margin accretive to Sandvik Rock Processing Solutions' margin. Strong synergies are expected to drive revenue growth of mid- to high-single digits above market growth. EV/EBITDA multiple including expected five year run-rate synergies is approximately 10x. Impact on Sandvik's earnings per share will initially be neutral.

The transaction is expected to close during fourth quarter of 2022 and is subject to relevant regulatory approvals.

Conference call

There will be a conference call related to the intended acquisition on May 9, 2022 at 15.00 CEST for analysts, investors and financial media. The conference call will also be available in 'listen-only' mode on Sandvik's website. Please see home.sandvik for dial-in details and presentation material.

Dial-in numbers for the conference call:

SE: +46 8 505 583 50
UK: +44 333 300 92 72
US: +1 646 722 49 04

Stockholm, May 9, 2022

Sandvik AB

For further information, contact Louise Tjeder, Vice President Investor Relations, phone: +46 70 782 6374 or Johannes Hellström, Press and Media Relations Manager, phone: +46 79 098 2670.

Postal address

SANDVIK AB
Box 510
SE-101 30 STOCKHOLM
SWEDEN

Public Company (publ)

Reg.No 556000-3468
VAT No. SE663000060901
home.sandvik

Telephone

+46 8 456 11 00

Sandvik Group

Sandvik Group Sandvik is a global high-tech engineering group offering solutions that enhance productivity, profitability and sustainability for the manufacturing, mining and infrastructure industries. We are at the forefront of digitalization and focus on optimizing our customers' processes. Our world-leading offering includes equipment, tools, services and digital solutions for machining, mining, rock excavation, rock processing and advanced materials. In 2021 the Group had approximately 44,000 employees and revenues of about 99 billion SEK in about 150 countries