

## Interim Report Q3 2024 Responsibility Today – Opportunities for Tomorrow

Kaunisvaara, 31 October 2024 – Kaunis Holding AB has released its Q3 2024 interim report, detailing steps to strengthen the company's resilience in a challenging market environment. With a focus on long-term sustainability, the company is addressing current challenges while maintaining optimism about the future.

### Quarter Summary

- **Net Revenue:** SEK 390 million (SEK 700 million Q3 2023), impacted by price declines, increased freight costs, and reduced shipments.
- **Shipments:** 502 ktons from Narvik (604 ktons Q3 2023), due to limited rail capacity during the quarter.
- **Operating Profit:** Affected by higher production costs and an 11 USD drop in Platts 65 pricing compared to the previous year. Inventory write-downs totaling SEK 48 million also impacted the result.
- **Cash Flow:** Negative operating cash flow of SEK -89 million.
- **Investments:** SEK 186 million, primarily in permit-focused investments in the tailings facility in compliance with the Environmental Court's ruling.

### Operational and Strategic Measures

To address the market downturn, Kaunis Iron has implemented extensive cost-saving measures, including workforce reductions. These actions, along with continued investments in infrastructure, are aimed at ensuring the company is well-positioned in the current market environment.

### Permitting Process and Outlook

The company is approaching a critical phase in the permitting process, with a hearing in the Environmental Court of Appeal scheduled soon. Kaunis Iron is committed to meeting all requirements and remains focused on a sustainable future in Tornedalen. A final decision in the process is expected by 2025.

### CEO's Statement

"We are navigating a challenging market and have taken important steps to strengthen our long-term competitiveness, though it is still too early to see the full impact of these measures. With China's new stimulus package, we are seeing positive signals for the iron ore market, and we look to the future with confidence," says Klas Dagertun, CEO of Kaunis Iron AB.



**PRESS RELEASE**

31 October 2024 09:00:00 CET

**Image Attachments**

**Kaunis Iron Sep 2022 64**