

## **Weir to acquire Micromine, a global leader in mining software solutions Vision to create a sector-leading digital optimisation platform**

*Weir has entered into a binding agreement to acquire Mining Software Holdings Pty Ltd (“Micromine”), a company based in Perth, Australia, for a sterling equivalent enterprise value of £657m<sup>1</sup> (A\$1,310m). Micromine is a top-tier global software provider to the mining industry, with comprehensive solutions across the upstream mining value chain. It supports critical mining operations from exploration through mine design and planning, operational scheduling and mining operations in hard ore, soft ore and underground applications.*

### **A digital optimisation platform to deliver productivity and sustainability in mining**

- Micromine brings a proven suite of mission-critical digital solutions from exploration through mine operations
- Significant opportunity to leverage Weir’s direct global distribution channels to accelerate growth
- Creates the platform to integrate domain knowledge to optimise the end-to-end mining value chain

### **An established top-tier business of scale**

- Micromine has a record of delivering consistently high growth, with a revenue CAGR of c. 25%<sup>2</sup>
- Industry leading recurring software-as-a-service (SaaS) subscription income c.90% of revenue
- Sector-leading operating margins and cash generation is additive to Weir’s aftermarket-focused model

### **A compelling value creation opportunity, immediately accretive to Weir’s growth and margins**

- Enterprise value (EV) of £657m<sup>1</sup> (A\$1,310m), to be paid in cash; expected to close in Q2 2025
- c.10x December 2025 EV / revenue and c.20x December 2025 EV / EBITDA excluding synergies
- EPS expected to be accretive in the first full year of ownership<sup>3</sup> and ROIC >WACC in 2028

### **Funding includes a combination of existing cash resources and new debt facilities**

- Weir’s net debt at 31 December 2024 was £535m, reflecting free operating cash conversion of 102%
- Net debt to EBITDA<sup>4</sup> of 0.7x at 31 December 2024
- Post acquisition, net debt to EBITDA<sup>4</sup> expected to be <2.0x at December 2025 and <1.5x by year end 2026

<sup>1</sup>See footnotes on page 2

### **Jon Stanton, Chief Executive Officer said:**

*“The acquisition of Micromine is a significant step in our strategy of investing in technology to accelerate smart, efficient and sustainable mining. The combined force of Micromine and Weir will create a sector-leading globally scaled platform to optimise performance across the mining process.*

*In Micromine, we are adding an established, high-quality business and proven performer that is complementary to Weir’s aftermarket-focused business model and current digital solutions. This acquisition provides a compelling opportunity for strong value creation in the immediate and longer term.*

*The Micromine team are experts in their field and share Weir’s innovative mindset and customer focus. We look forward to welcoming them to Weir and working with them to provide customers with unparalleled technology and insights to enhance their operations.*

*Today is an important and exciting day. Combining Weir’s engineering technology expertise and customer networks with Micromine’s leading software solutions and diversified customer base will allow us to further harness digital technology to drive productivity and sustainability for the global mining industry.”*

### **Andrew Gray, Managing Partner of Potentia Capital, said:**

*“We are thrilled that Micromine will be joining the Weir family of businesses which we think is the perfect home for the business. I feel the addition of Micromine’s solutions, in particular its suite of AI offerings, will allow Weir’s customers to rapidly capitalise on their digital futures.”*

### **A webcast of the management presentation will begin at 07:30 (GMT) on 28 February**

**2025 at [www.investors.weir](http://www.investors.weir).** A recording of the webcast will also be available at [www.investors.weir](http://www.investors.weir).

## Micromine - A high quality, high growth and highly profitable business

Micromine is a leading software provider to the mining industry with comprehensive solutions across the upstream mining value chain from exploration through mine design and planning, operational scheduling and mining operations in hard ore, soft ore and underground applications.

The business is established and highly successful to date. It's calendar 2025 revenues are expected to be c. £68m, having grown at 25% CAGR<sup>2</sup> over the past few years, and largely arise from recurring SaaS subscription income. Micromine is achieving sector-leading operating margins and is highly cash generative.

### Accelerating Weir's strategy for sustainable digital mining

Micromine is regarded as one of the most comprehensive dedicated software businesses in the mining industry and brings complementary domain expertise to Weir. Under Weir's ownership, Micromine will leverage the Company's global direct distribution channels in mining to further accelerate its growth.

The acquisition will ultimately combine with Weir's MOTION METRICS™ and NEXT intelligent solutions and accelerate its vision for a digital platform using data from across the mining value chain to optimise resource planning, mine design and operations, and processing activities. With this acquisition, Weir's strategy is to become an end-to-end software segment leader in the mining industry with solutions for process optimisation and clear competitive differentiation in line with Weir's existing business model.

### Value creation opportunity for Weir

A sterling equivalent enterprise value of £657m<sup>1</sup> (A\$1,310m), implies a revenue multiple of c.10x at December 2025, and EBITDA multiple of c.20x at December 2025, excluding the impact of synergies. The deal is accretive to Weir's revenue growth and operating margin profile.

The deal is expected to be EPS accretive in the first full year of ownership<sup>3</sup> with ROIC expected to exceed WACC in 2028.

Post acquisition, net debt to EBITDA<sup>4</sup> is expected to be below 2.0x at December 2025 and below 1.5x by year end 2026, in line with our capital allocation policy. The acquisition debt is underwritten for 24 months from the announcement date and will be refinanced in due course.

### Integration and leadership

The transaction is expected to complete in Q2 2025, subject to clearance by the Foreign Investment Review Board of Australia (FIRB).

Post completion, Weir intends to initially run Micromine independently, while reporting externally under the ESCO Division. In due course, we intend to integrate the business with MOTION METRICS™ and NEXT intelligent solutions, to create a combined digital optimisation platform.

This business will be led by Kristen Walsh, currently Managing Director of Minerals Division APAC region, who will join the Group Executive reporting to Jon Stanton. Andrew Birch, the current CEO of Micromine, will remain with Weir for up to 12 months supporting Kristen in an advisory capacity.

#### Notes:

1. Transaction spot rate of 1.996
2. Financial years June 2022 to June 2025E
3. Weir's financial reporting year ended December 2026
4. On a lender covenant basis

## Disclaimer

This information includes 'forward-looking statements'. All statements other than statements of historical fact included in this presentation, including, without limitation, those regarding The Weir Group PLC's (the "Group") financial position, business strategy, plans (including development plans and objectives relating to the Group's products and services) and objectives of management for future operations, are forward-looking statements. These statements contain the words "anticipate", "believe", "intend", "estimate", "expect" and words of similar meaning. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Group expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Past business and financial performance cannot be relied on as an indication of future performance.

## About The Weir Group PLC

Founded in 1871, The Weir Group PLC is one of the world's leading engineering businesses with a purpose to make its mining and infrastructure customers' operations more sustainable and efficient. Weir's highly engineered technology and digital solutions enable critical resources to be produced using less energy, water and waste while reducing customers' total cost of ownership. The Group is ideally positioned to benefit from structural trends that support long-term demand for its technology including the need for more essential metals to support economic development and carbon transition. The Group has c.12,000 employees operating in over 50 countries with a presence in every major mining region of the world. Find out more at [www.global.weir](http://www.global.weir).

Weir's ordinary shares trade on the London Stock Exchange (ticker: **WEIR LN**) and its American Depositary Receipts trade over-the-counter in the USA (ticker: **WEGRY**).

## About Potentia Capital

Potentia Capital is the leading private equity firm specializing in middle-market software and technology investments across Australia and New Zealand. With over A\$3 billion in capital under management, Potentia partners with high-potential businesses, providing strategic expertise and operational support to accelerate growth. The firm focuses on control investments in software, tech-enabled services, and established technology-driven business models, leveraging opportunities for expansion, including into key Asian markets.

### Enquiries:

Investors: Philip Carlisle	+44 (0)141 308 3617
Media: Sally Jones	+44 (0)141 308 3666
CDR: Kevin Smith	+44 (0)7710 815924 <a href="mailto:weir@cdrconsultancy.com">weir@cdrconsultancy.com</a>

### J.P. Morgan Cazenove (Financial Adviser & Joint Corporate Broker)

+44 20 7742 4000  
Robbie Constant / Richard Sheppard / Matt Smith

### Barclays (Joint Corporate Broker)

+44 20 7623 2323  
Robert Mayhew / Neal West / Guy Bomford