

April 23, 2025

Göran Björkman, President & CEO
Olof Bengtsson, CFO

Interim report

First quarter 2025



Safety first

At Alleima our objective is zero harm to our people, the environment we work in, our customers and our suppliers.



Protective equipment



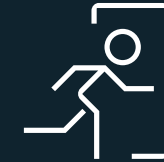
Emergency number



Psychological safety



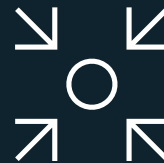
First aid kit



Emergency exit



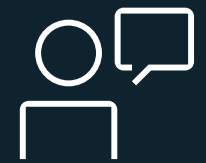
Alarm



Assembly point



Health & well-being



Speak Up

Q1 highlights

Broad based topline growth

- Organic order intake growth R12
- Organic revenue growth
- Backlog remains solid

Solid financial performance

- Adj. EBIT-margin growth
- Solid operational leverage
- Slight FX headwind

A strengthened Alleima

- Growth initiatives in less cyclical and more profitable segments
- Geographical footprint and proximity to customers

Revenues
(SEK M)

5,150

Organic revenue
growth

8%

Adj. EBIT
(SEK M)

540

Adj. EBIT margin

10.5%

Free op. cash flow
(SEK M)

46

Net debt
(SEK M)

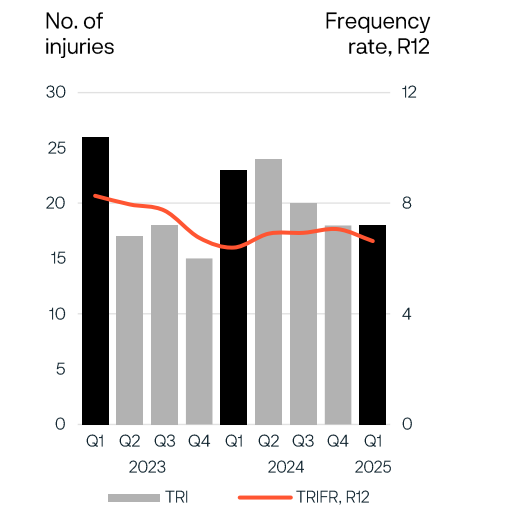
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Leading sustainability

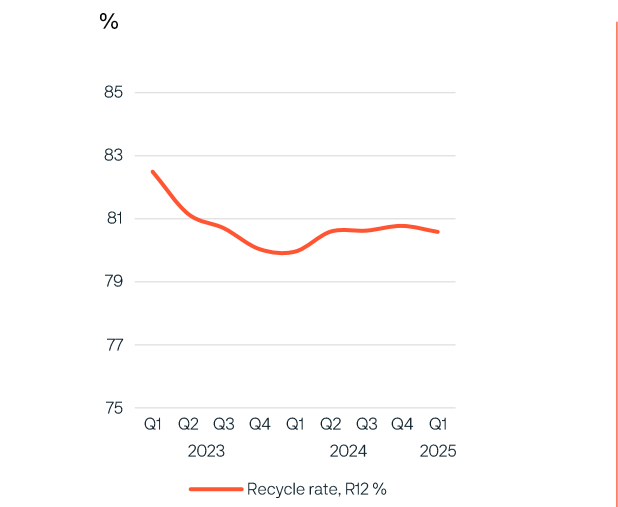
Making an impact through our operations

- Prioritizing safety performance
- Share of recycled steel remains high
- Reducing CO₂ emissions
- Increasing the share of female managers



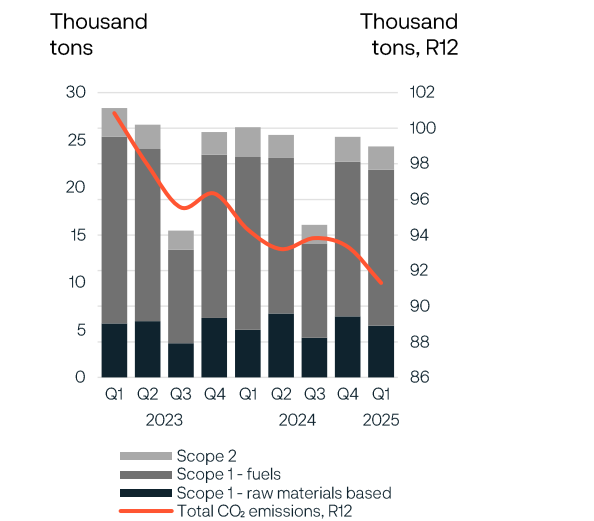
Health and safety

— R12 total recordable injury frequency rate, TRIFR, was 6.6 (6.4). The quarterly outcome was 5.9 (7.6).



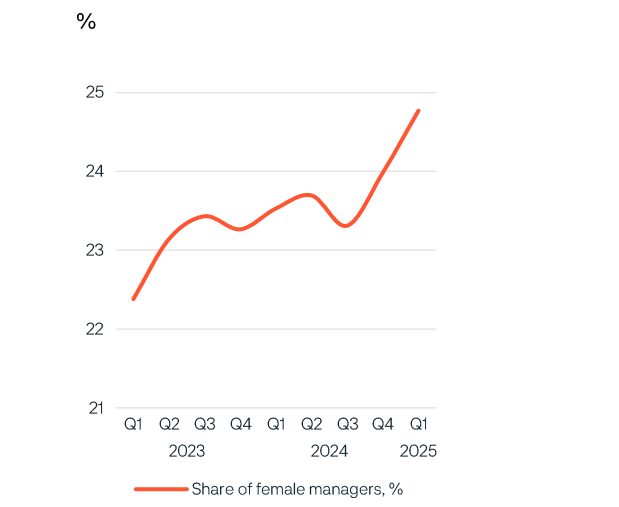
Recycled steel

— R12 share of recycled steel in the steel manufacturing amounted to 80.6% (80.0). The quarterly figure amounted to 80.0% (80.7).



CO₂ emissions

— R12 CO₂ emissions amounted to 91 kton (94), a reduction of 3%. Emissions for the quarter amounted to 24 kton (26), a decrease of 8%.



Share of female managers

— The share of female managers amounted to 24.8% (23.5) in the quarter.



Enabling the sustainable transition

Making an impact through our products

Facilitating hydrogen infrastructure build-out

- Versatile on-site tubing solution launched in Canada
- Enables broad-based savings
- Supporting >70 hydrogen projects in Europe



Exhibition of Alleima's mobile solution for on-site tubing at the CMD 2022



Market development

- Mixed marked demand
- Soft European market, solid development in Asia, recovery in North America

Perceived year on year underlying market demand trend

	OIL AND GAS	CHEMICAL AND PETROCHEMICAL	INDUSTRIAL	INDUSTRIAL HEATING	CONSUMER
Year on year underlying demand trend					
% of Group revenues 2024	23%	17%	17%	11%	8%
	MEDICAL	MINING AND CONSTRUCTION	NUCLEAR	TRANSPORTATION	HYDROGEN AND RENEWABLE ENERGY
Year on year underlying demand trend					
% of Group revenues 2024	6%	6%	6%	5%	1%



Order intake and revenues

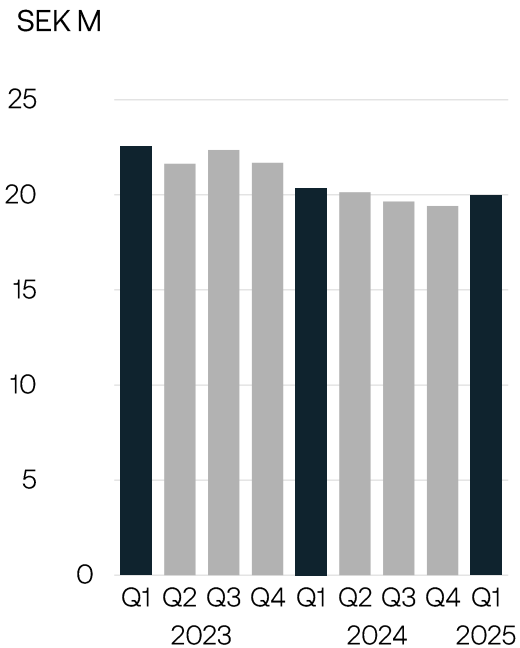
Order intake R12
(SEK M)

19,962

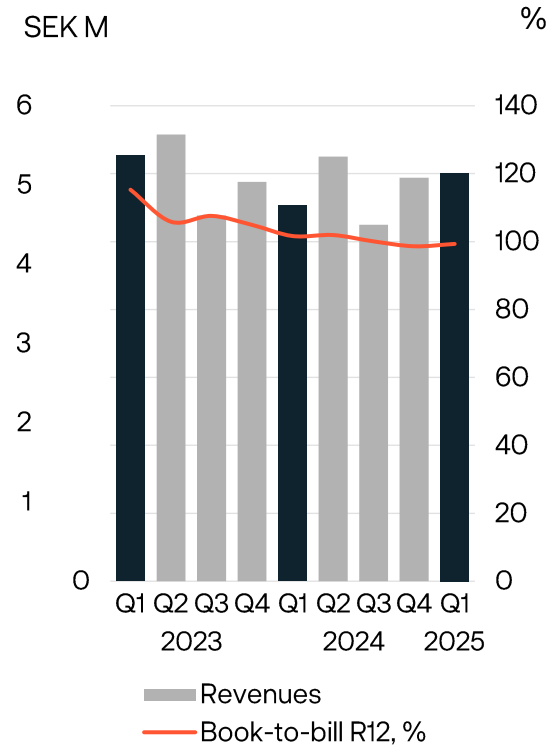
Revenues
(SEK M)

5,150

Order intake R12



Revenues and book-to-bill



- Organic order intake growth of 1% for rolling 12 months
- Organic revenue growth of 8%
- R12 book-to-bill 99%



Earnings

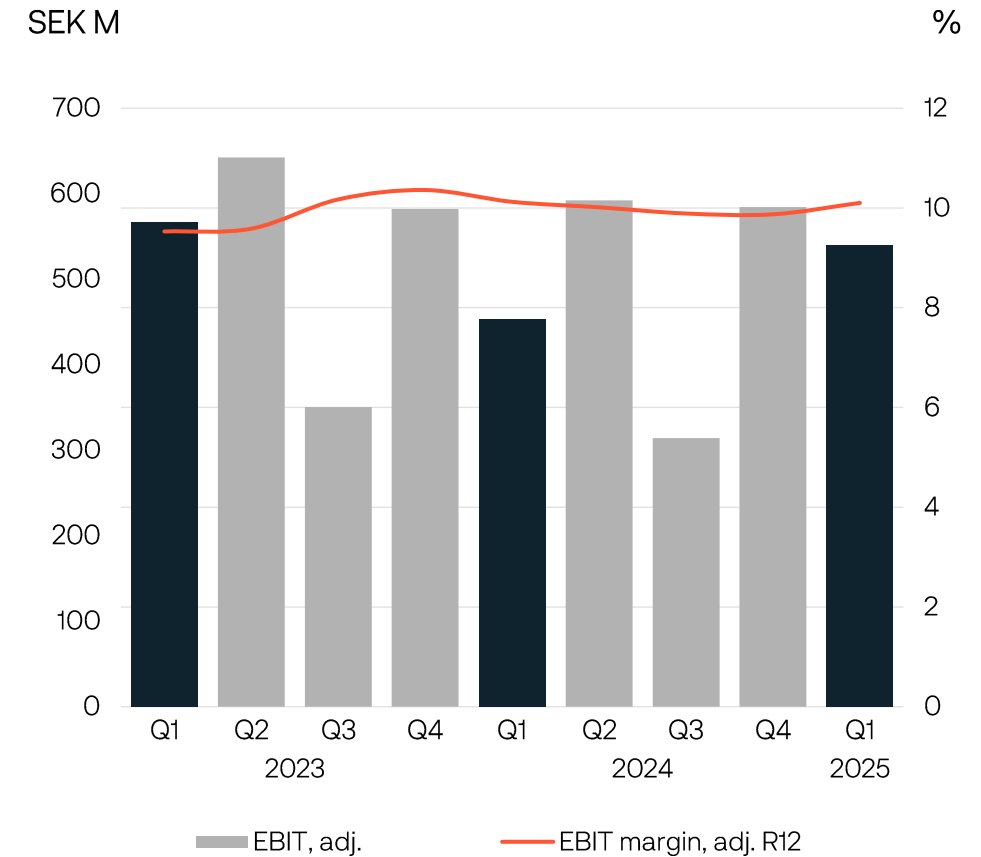
Adjusted EBIT at SEK 540 million (453)

- Margin of 10.5% (9.6)
- Contribution from several segments
- Solid operational leverage
- Slight FX headwind

Free operating cash flow of SEK 46 million (159)

- Higher production volumes and higher capex

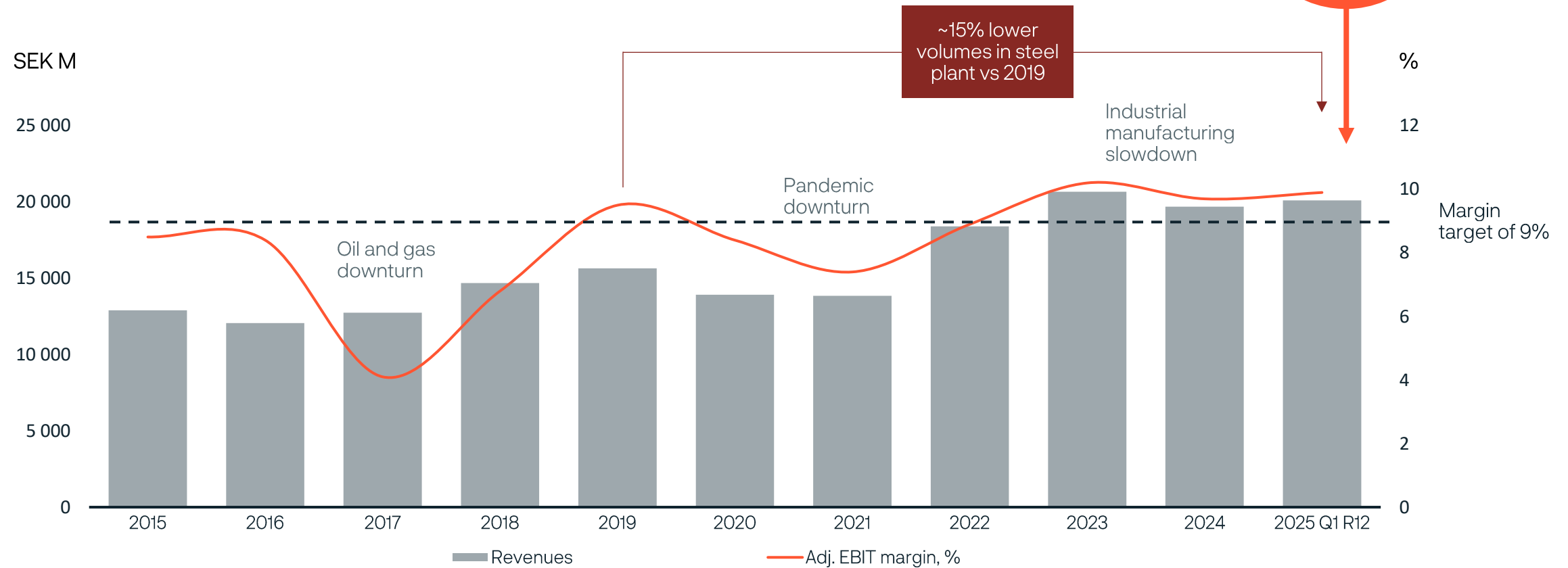
Adjusted EBIT





Improved margin resilience

Revenues and adj. EBIT margin





Tube

Continued organic revenue growth

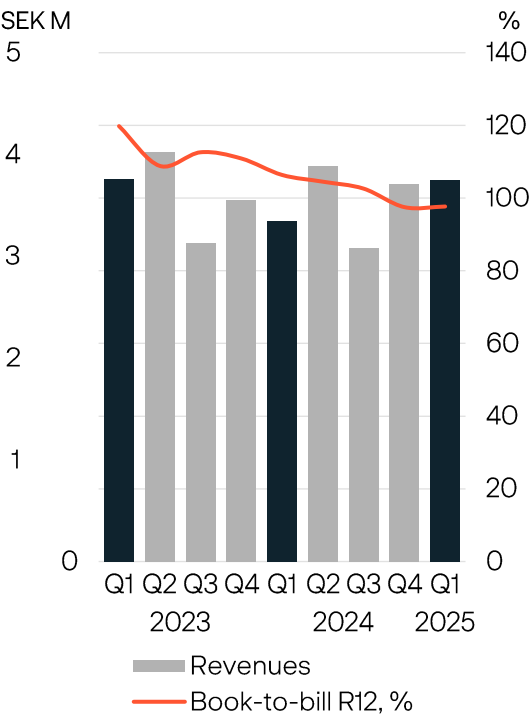
- Organic order intake growth of -3% R12
- Book-to-bill of 98% R12
- Organic revenue growth of 12%

Increased earnings stability

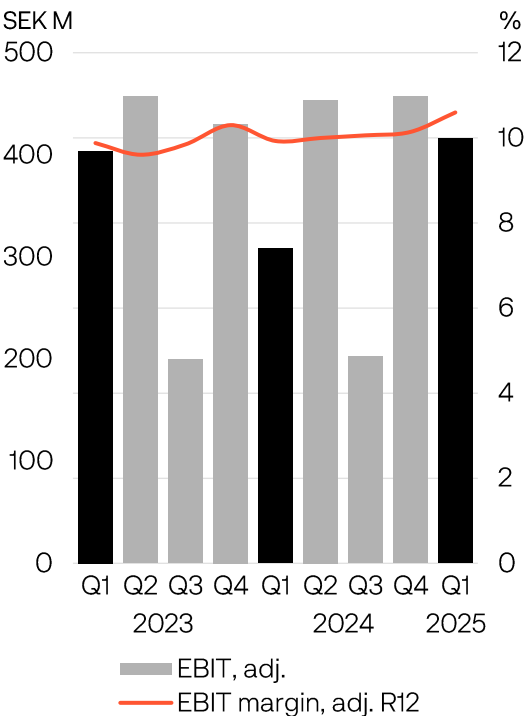
- Adj. EBIT margin increased to 11.1% (9.2)
- Good product mix
- FX headwind of SEK -20 million yoy

SEK M	Q1 2025	Q1 2024	FY 2024
Order intake, R12	14,095	14,954	13,677
Organic growth, R12, %	-3	-7	-10
Revenues	3,750	3,347	14,027
Organic growth, %	12	-1	2
Adj. EBIT	416	308	1,422
Margin, %	11.1	9.2	10.1

Revenues and Book-to-bill



Adjusted EBIT, (%)





Kanthal

Mixed market demand

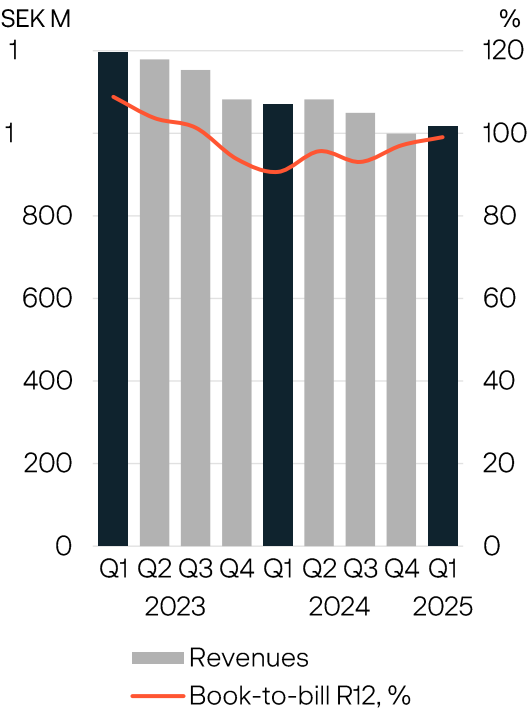
- Organic order intake growth R12 of 4%
- Organic revenue growth of -7%
- Book-to-bill of 99% R12

Solid underlying margin resilience

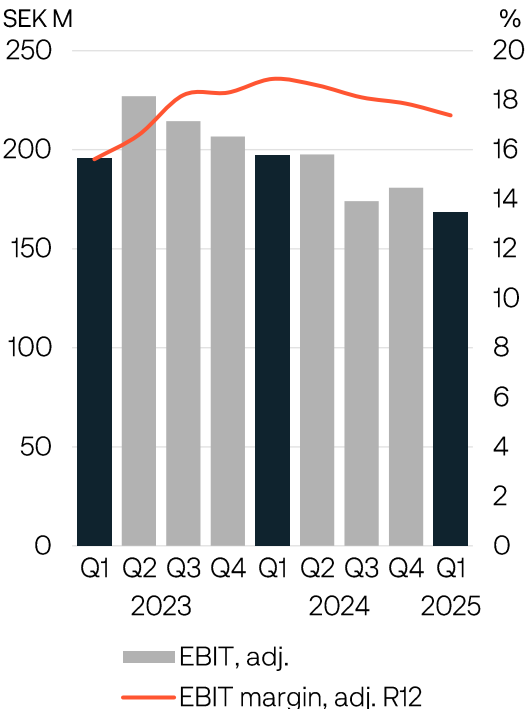
- Adjusted EBIT margin at 16.6% (18.5)
- Negative product mix in certain segments
- Negative effect from FX of SEK 17 million yoy

SEK M	Q1 2025	Q1 2024	FY 2024
Order intake, R12	4,108	4,064	4,077
Organic growth, R12, %	4	-9	0
Revenues	1,017	1,069	4,200
Organic growth, %	-7	0	-3
Adj. EBIT	169	197	750
Margin, %	16.6	18.5	17.9

Revenues and Book-to-bill



Adjusted EBIT, (%)





Strip

Strong order intake growth

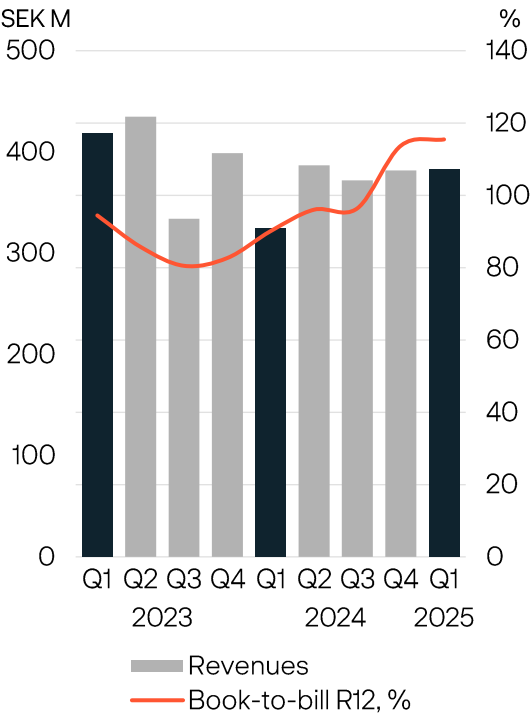
- Organic order intake growth of 34% R12
- Organic revenue growth of 19%
- Book-to-bill of 115% R12

Continued market rebound

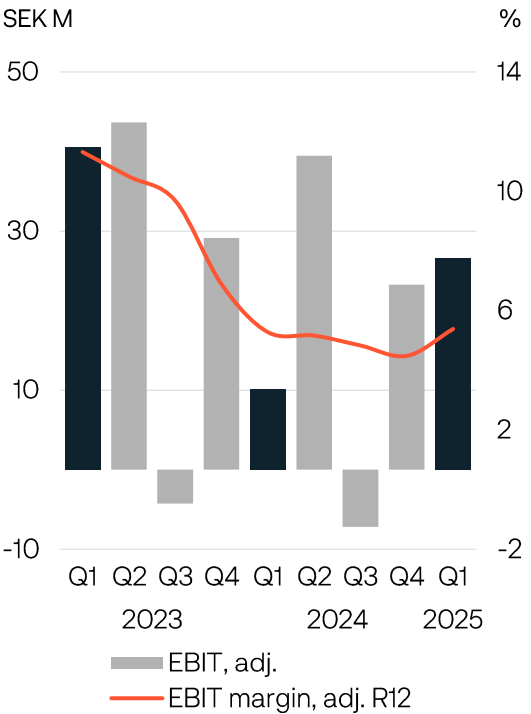
- Improving the underlying profitability
- Adjusted EBIT margin of 6.9% (3.1)
- FX tailwind of SEK 12 million yoy

SEK M	Q1 2025	Q1 2024	FY 2024
Order intake, R12	1,759	1,344	1,665
Organic growth, R12, %	34	-13	32
Revenues	383	324	1,465
Organic growth, %	19	-19	-4
Adj. EBIT	27	10	66
Margin, %	6.9	3.1	4.5

Revenues and Book-to-bill



Adjusted EBIT, (%)





Global footprint and go-to-market strategy – local for local





Financial summary

SEK M	Q1 2025	Q1 2024	FY 2024
Order intake, R12	19,962	20,362	19,419
Revenues	5,150	4,740	19,691
Adj. EBIT	540	453	1,944
<i>Adj. EBIT margin, %</i>	10.5	9.6	9.9
Metal price effects	-27	-328	-446
Items affecting comparability	0	0	0
EBIT	513	126	1,498
<i>EBIT margin, %</i>	10.0	2.7	7.6
Net financial items	13	-42	73
<i>Normalized tax rate, %</i>	23.1	24.6	23.9
<i>NWC, % ¹</i>	33.4	36.3	35.1
Free operating cash flow	46	159	1,266
<i>ROCE excl. cash, % ²</i>	11.9	7.1	9.5
Adj. EPS, diluted	1.65	1.24	6.27

SEK M	Order intake, R12	Revenues
Q1 2024	20,362	4,740
Organic, %	+1	+8
Structure, %	+0	+0
Currency, %	-1	+0
Alloys, %	-2	-0
Total growth, %	-2	+9
Q1 2025	19,962	5,150

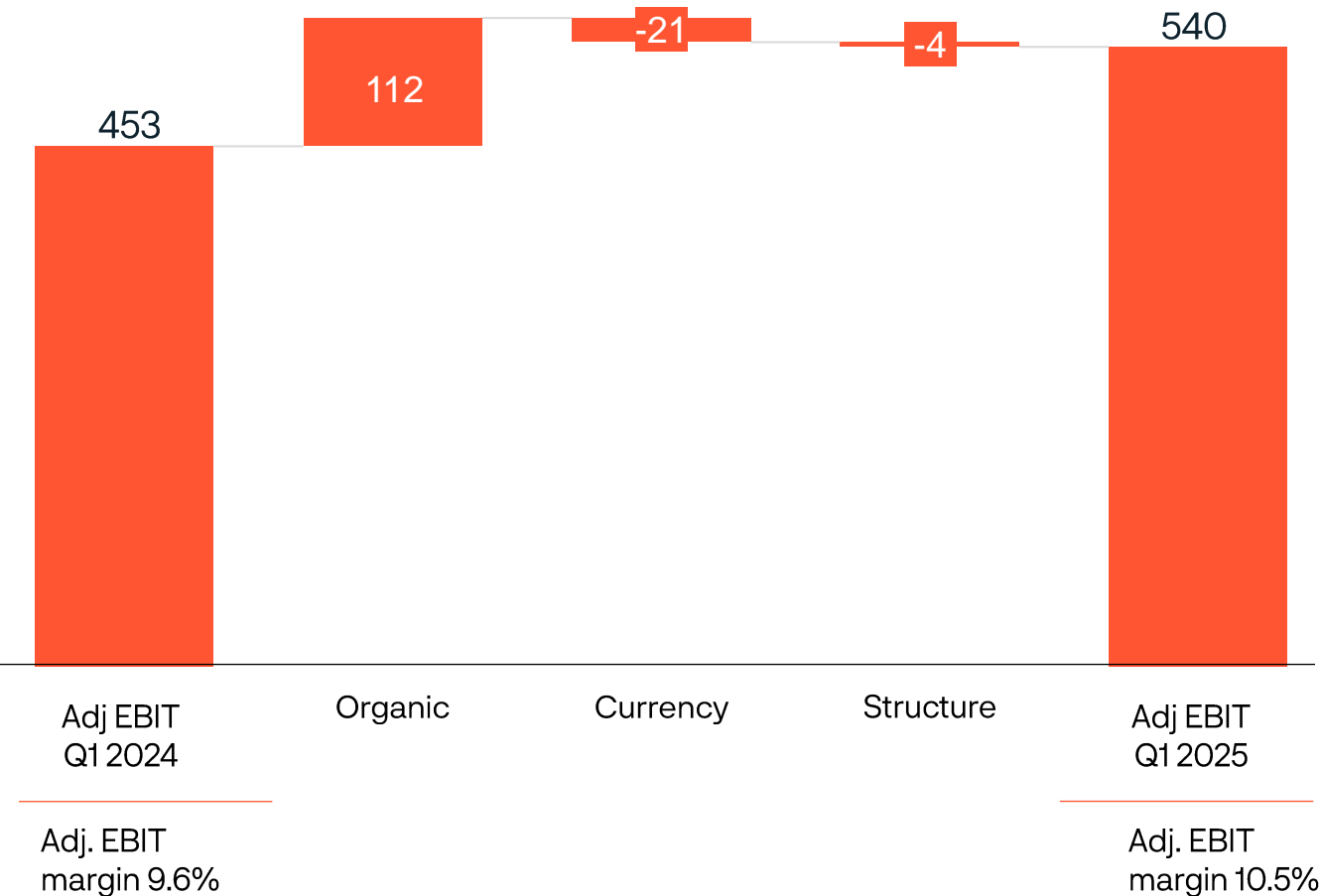
Change compared to the same quarter last year

1) Quarter is quarterly annualized and the annual number is based on a four quarter average.

2) Based on rolling 12 months and a four-quarter average.



Bridge analysis, adjusted EBIT



Leverage:
28%

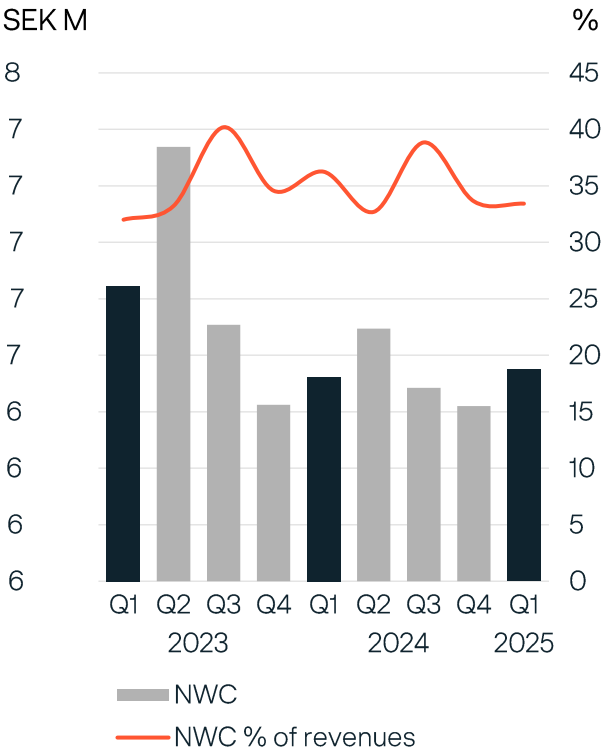
- Positive organic development driven by volume increase and favorable mix
- FX had a negative impact of SEK 21 million yoy
- Costs associated with the acquisition of Endox



Capital efficiency

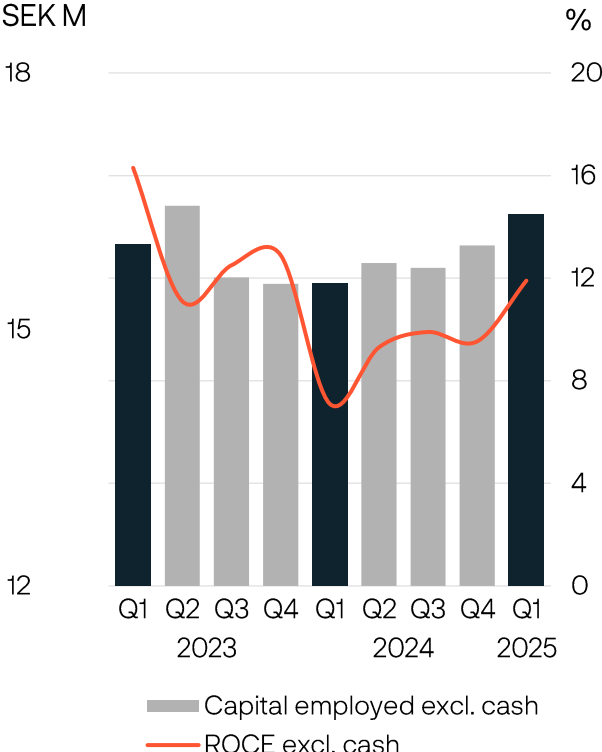
- NWC amounted to SEK 6,950 million (6,923)
- Sequential NWC increase due to seasonal inventory build up
- NWC in relation to revenues declined to 33.4% (36.3)

Net working capital



- Capital employed excl. cash increased to SEK 16,343 million (15,532)
- ROCE excl. cash increased to 11.9% (7.1) in the quarter

Capital employed excl. cash



Note: Based on rolling 12 months and a four-quarter average.



Cash flow

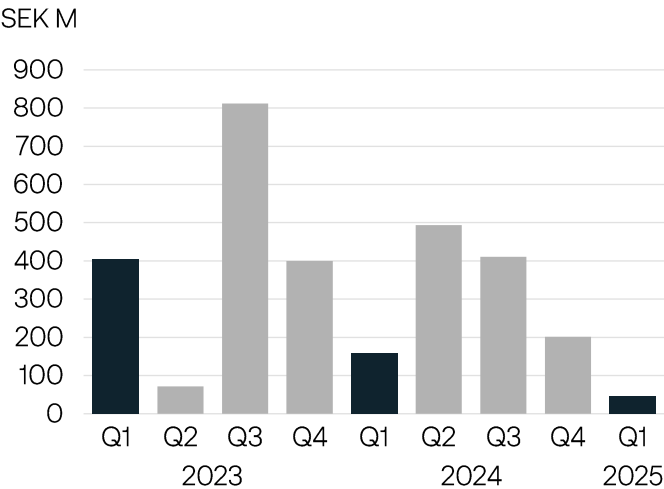
- Free operating cash flow of SEK 46 million (159)
- Higher capex due to growth investments
- Cash flow normally higher in H2

Free operating cash flow

SEK M	Q1 2025	Q1 2024	FY 2024
EBITDA	745	353	2,410
Non-cash items	-71	-57	148
Changes in working capital	-382	36	33
Capex	-213	-141	-1,190
Amortization, lease liabilities	-34	-31	-135
Free operating cash flow¹	46	159	1,266

1) Free operating cash flow before acquisitions and disposals of companies, net financial items and paid taxes.

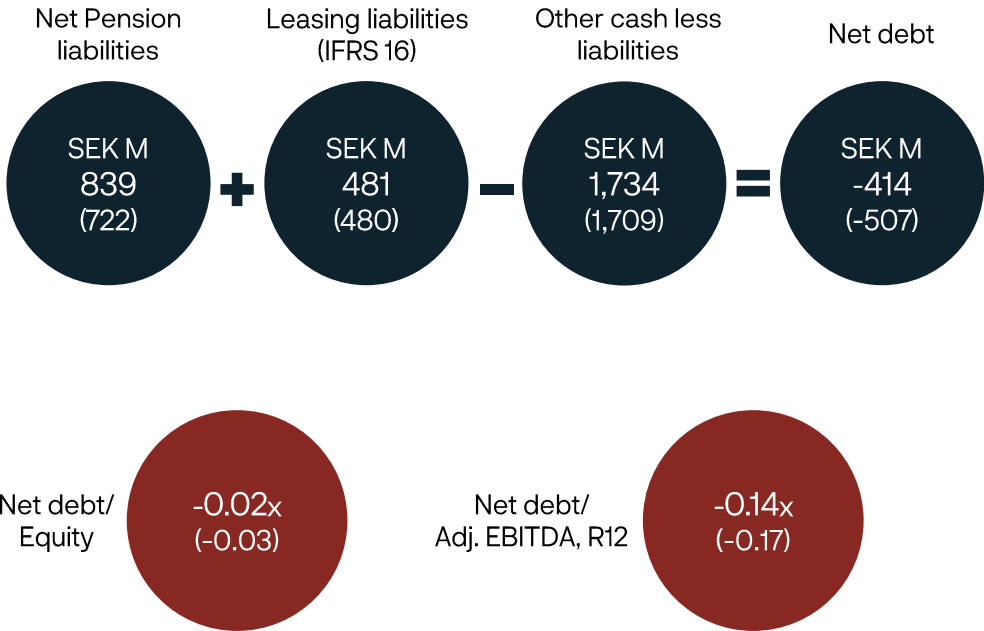
Free operating cash flow quarterly



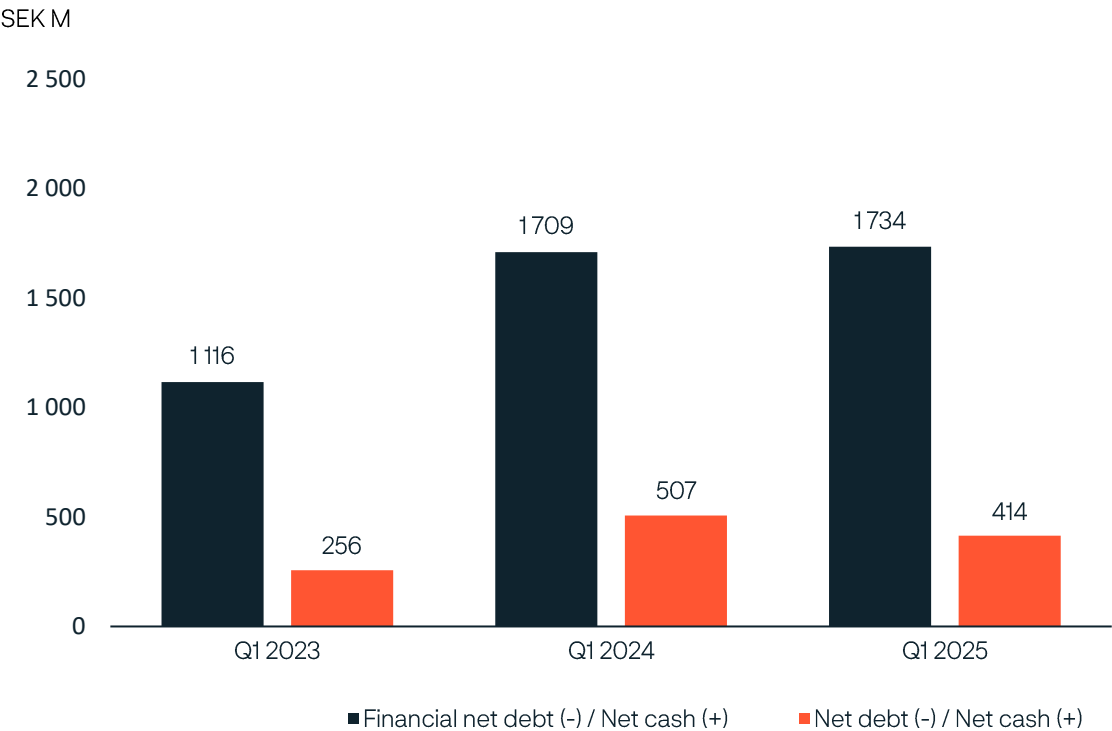


Strong financial position

Capital structure



Net debt and Financial net debt





Guidance ahead of the quarter and outcome

	Outcome Q1 2025	Guidance ahead of Q1 2025
Capex (Cash)	SEK 213 million YTD 2025	Approximately SEK 1,200 million in FY 2025
Currency transaction and translation effect	SEK 64 million in Q1	SEK 85 million in Q1
Total currency effect	SEK -21 million in Q1	-
Metal price effect	SEK -27 million in Q1	Neutral effects in Q1
Tax rate, normalized	23.1% Q1 2025	23-25% in FY 2025



Guidance Q2 2025 and FY 2025

Capex (cash)

- Estimated to approximately SEK 1,200 million for FY 2025

Currency effects (transaction and translation)

- SEK -130 million on operating profit (EBIT) for Q2 2025, compared to the corresponding period last year

Metal price effects

- SEK -150 million on operating profit (EBIT) for Q2 2025

Tax rate

- The normalized tax rate is estimated to 23-25% for FY 2025



Outlook for the second quarter 2025

- Uncertainties related to macro and mixed market demand
- Positive development in several segments and challenges in other
- Solid backlog in key segments
- Product mix is expected to be similar to Q1
- Estimated currency headwind in Q2
- Cash flow normally lower in H1

Summary

- Solid financial performance
- Mixed market sentiment
- Organic revenue growth
- Positive EBIT-margin development
- Ongoing growth initiatives
- Strong financial position





Q&A

Thank you
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