

Alleima

2025

Q1 roadshow

 Alleima

# 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)

-414



# 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

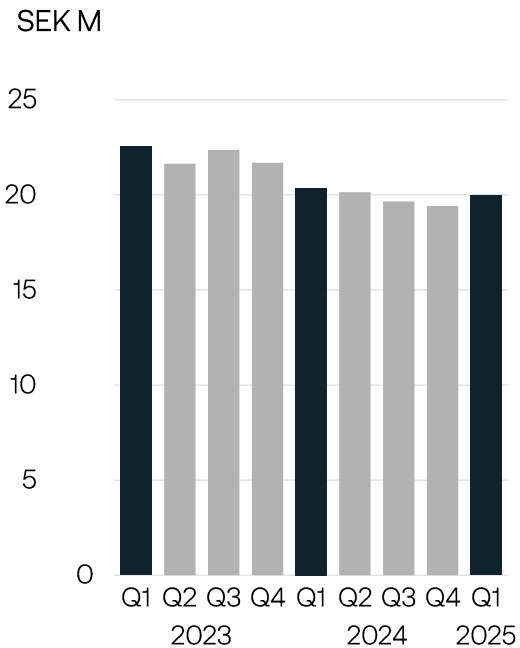
Order intake R12  
(SEK M)

19,962

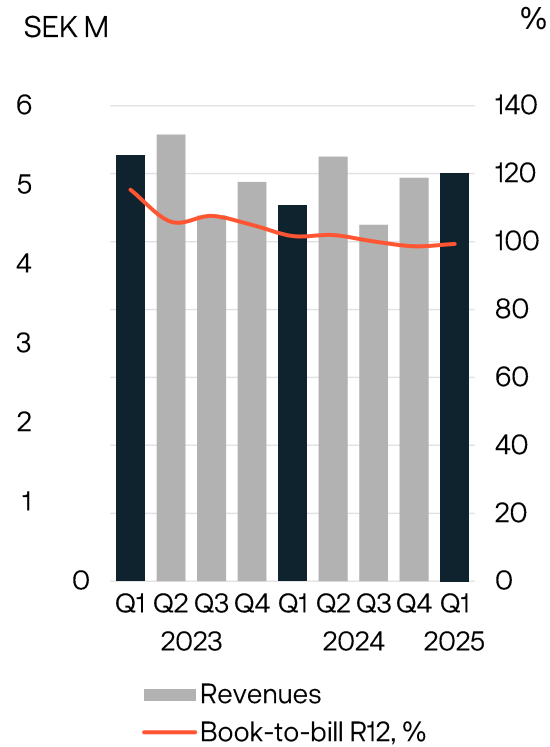
Revenues  
(SEK M)

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

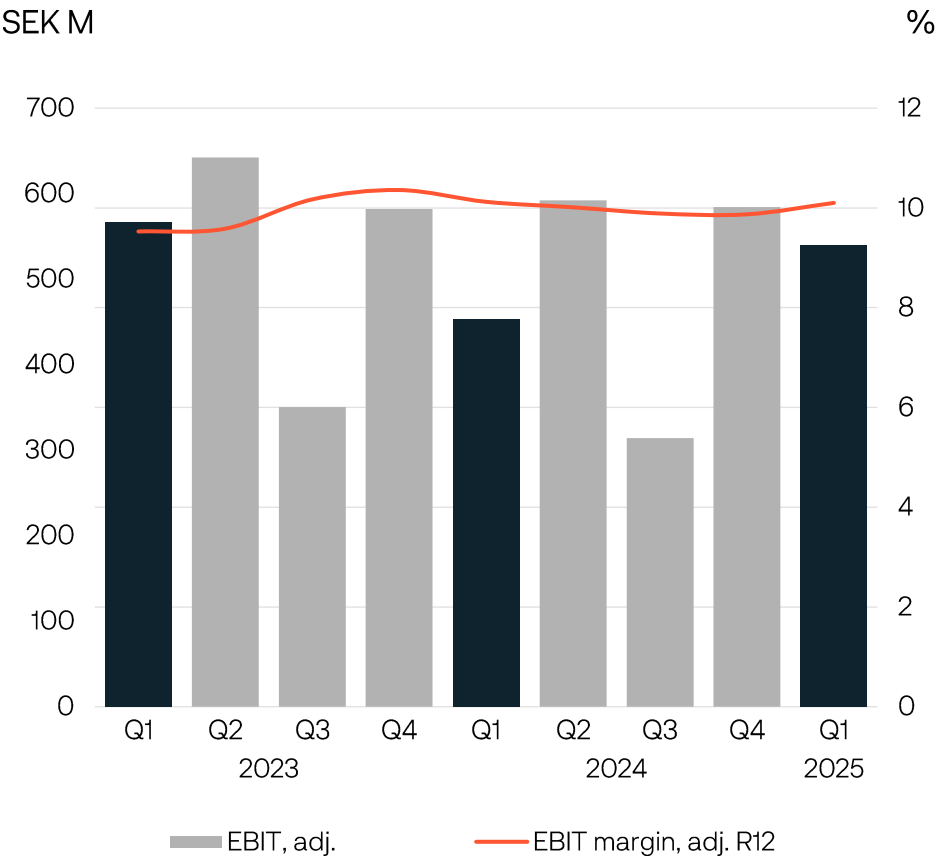
Adjusted EBIT at SEK 540 million (453)

- 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

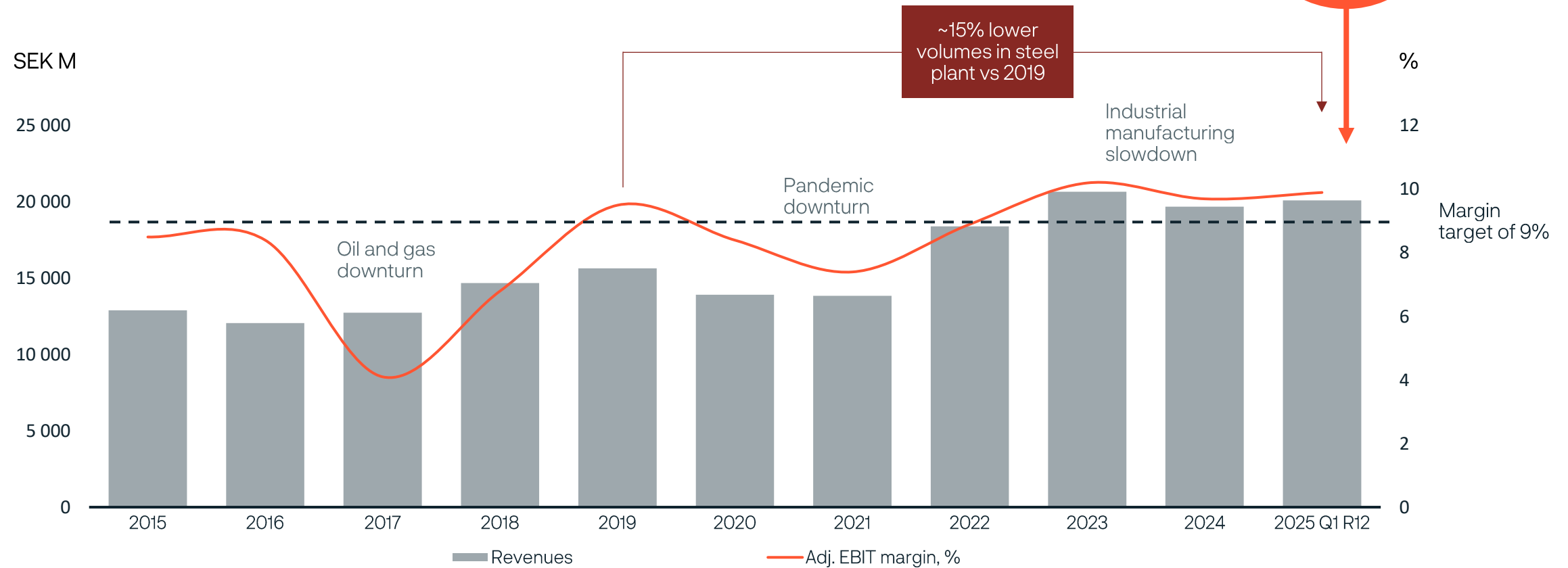
## Adjusted EBIT





# Improved margin resilience

## Revenues and adj. EBIT margin





# Tube

## Continued organic revenue growth

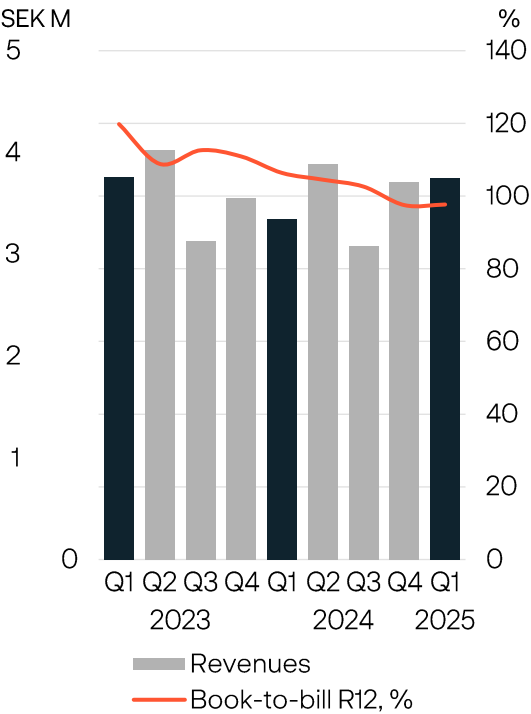
- Organic order intake growth of -3% R12
- Book-to-bill of 98% R12
- Organic revenue growth of 12%

## Increased earnings stability

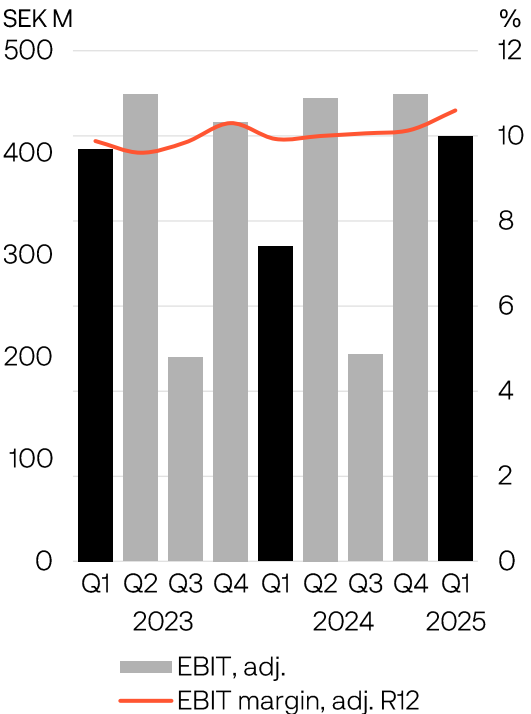
- Adj. EBIT margin increased to 11.1% (9.2)
- Good product mix
- FX headwind of SEK -20 million yoy

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

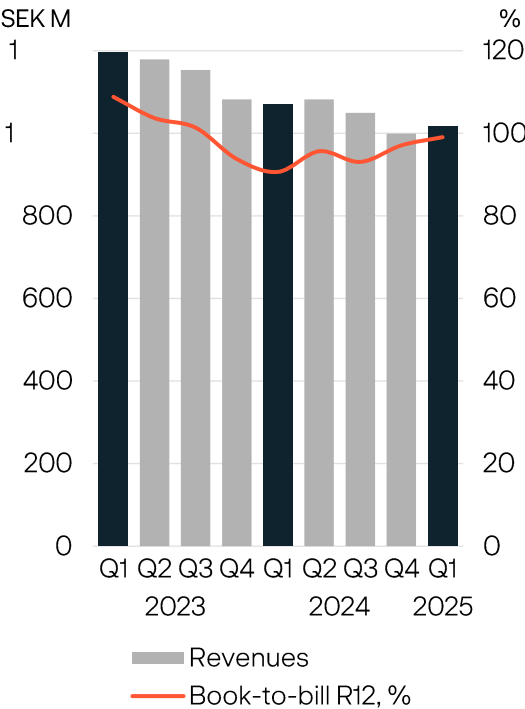
- Organic order intake growth R12 of 4%
- Organic revenue growth of -7%
- Book-to-bill of 99% R12

## Solid underlying margin resilience

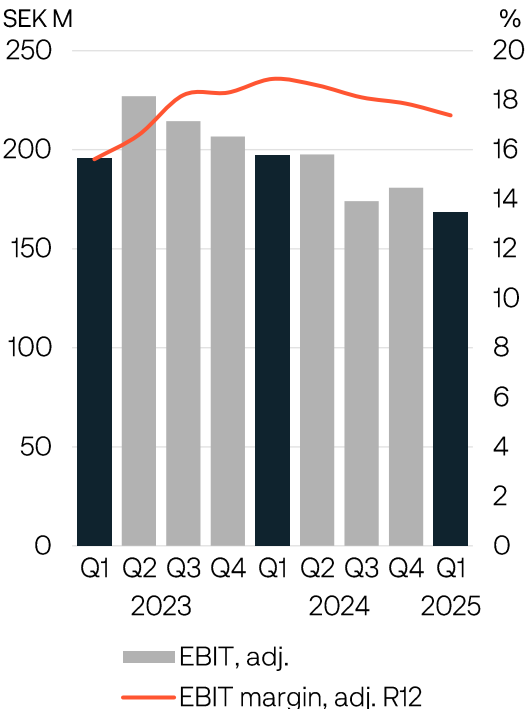
- Adjusted EBIT margin at 16.6% (18.5)
- Negative product mix in certain segments
- Negative effect from FX of SEK 17 million yoy

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

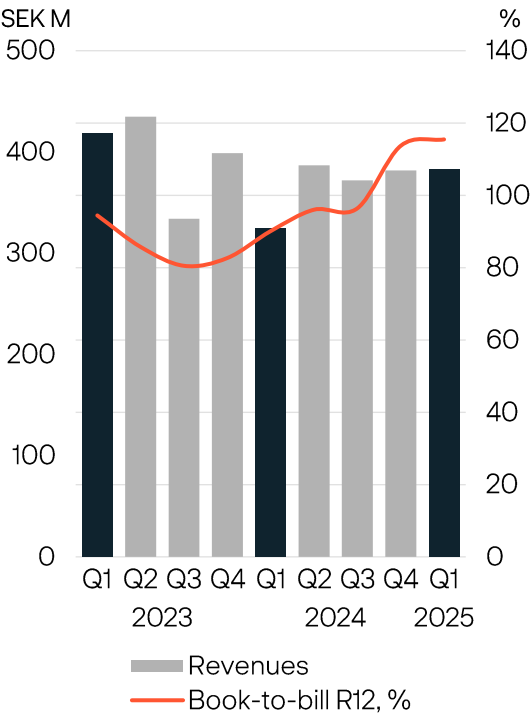
- Organic order intake growth of 34% R12
- Organic revenue growth of 19%
- Book-to-bill of 115% R12

## Continued market rebound

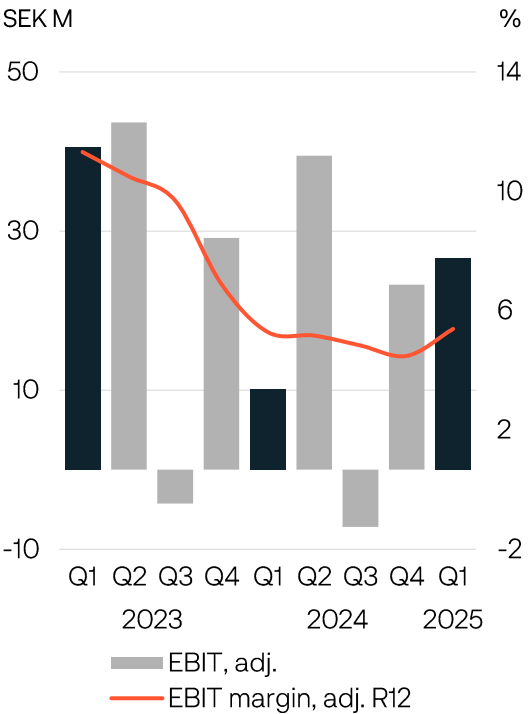
- Improving the underlying profitability
- Adjusted EBIT margin of 6.9% (3.1)
- FX tailwind of SEK 12 million yoy

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, (%)



Alleima

10

# Company presentation

# A world-leading advanced materials company

- High value-added products in advanced stainless steels and special alloys as well as products for industrial heating
- Strong market positions across a wide range of niche end-markets, serving ten customer segments
- Fully integrated value chain, from industry-leading R&D capabilities to finishing and global sales force

REVENUES, R12 Q1'25

20,100

SEK M

ADJ. EBIT, R12 Q1'25

2,030

SEK M

ADJ. EBIT, R12 Q1'25

10.1%

# FTE's, FY 24

6,825\*

Three divisions...

TUBE



KANTHAL



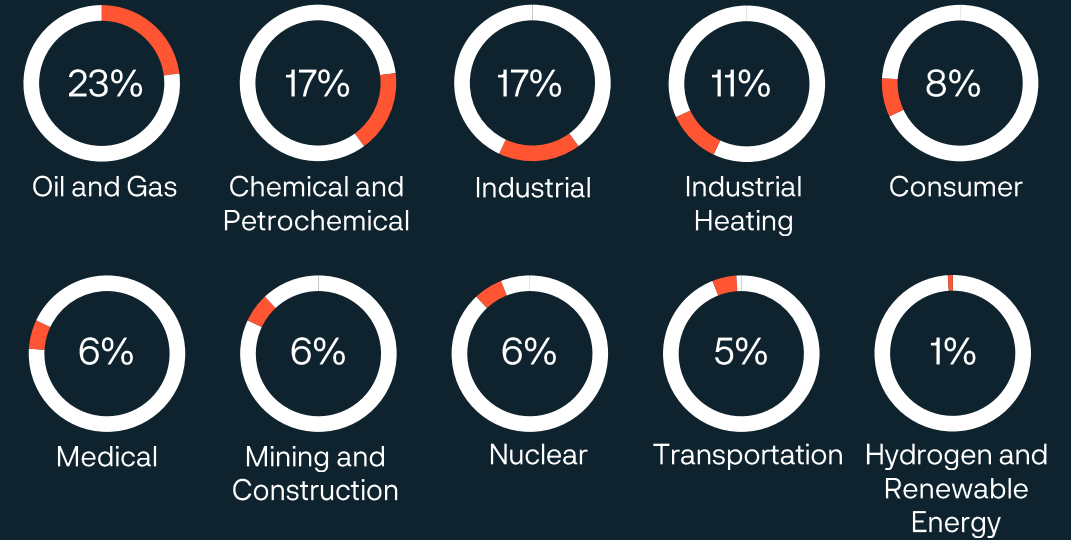
STRIP



\* Total workforce includes employees and third-party workers and is based on full-time equivalents.



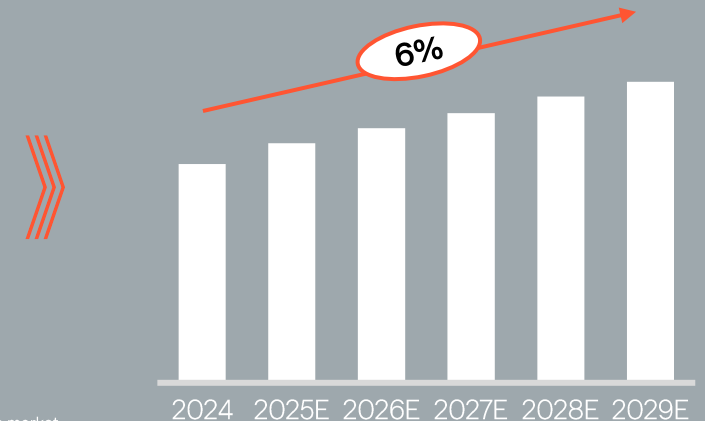
...serving ten customer segments



Sales by customer segment 2024

SEK B

...adding up to a serviceable addressable market growth of 6% CAGR 2024-2029\*



\* Based on Alleima's aggregated assessment of its addressable market



# Premium offering across three divisions

## Tube

Seamless tubes and other long products in advanced stainless steels used in O&G, nuclear & other energy-related end-markets as well as chemicals, automotive and aerospace

R12 Q1 2025

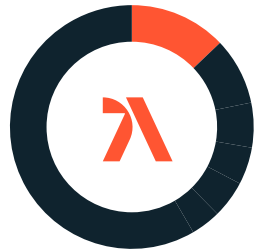
**14.4bn**

Revenues (SEK)

**10.1%**

Adj. EBIT margin

Market share



Example market positions

#1 Umbilical Tubing

#1 Aerospace Titanium Tube

#1 Steam Generator Tubing

Example products



Umbilical Tubes



High Pressure Tubes



Heat Exchanger Tubes



Hollow Bar



Round Bar



Rock Drill Steel

## Kanthal

Resistance wire for heating elements (consumer and industrial heating) as well as wire for medical devices

R12 Q1 2025

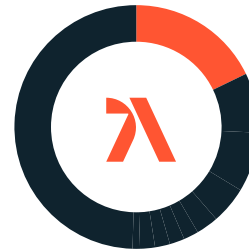
**4.1bn**

Revenues (SEK)

**17.4%**

Adj. EBIT margin

Market share



Example market positions

#1 Industrial Heating Solutions

#2 Medical wire

Example products



Flow Heaters



Furnace Rollers



Medical wire



Heating Elements



Diffusion Cassettes



Resistance Heating Wire

## Strip

Wide range of strip steel and a variety of strip-based products mainly supplying consumer driven products within white goods, automotive, shaving and the printing industry

R12 Q1 2025

**1.5bn**

Revenues (SEK)

**5.4%**

Adj. EBIT margin

Market share



Example market positions

#1 Compressor Valve Steel

#3 Razor Blade Steel

#1 Stainless Knife Steel

Example products



Razor Blade



Printing Doctor Blade



Knife & Spring Steel



Coated Strip Steel



Fuel cell Materials

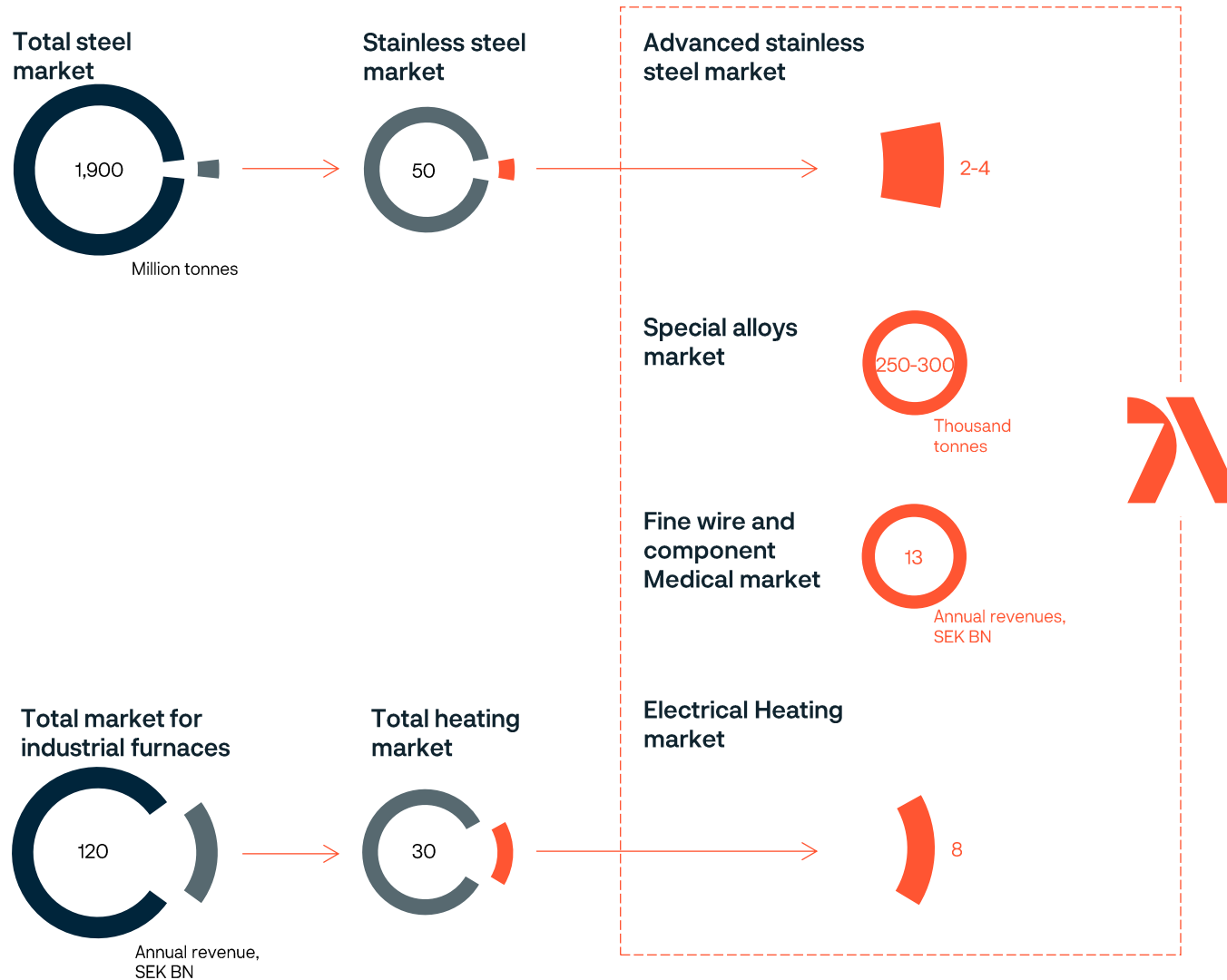


Compressor Valve Steel





# Who we are – a niche player in niche markets



**Niche player with large share of high refined products for several customer segments**

- Advanced stainless steel
- Special alloys
- Medical wire and components
- Industrial heating solutions with ongoing conversion from fossil fuelled industrial furnaces to electric furnaces

# Fully integrated value chain with world-class capabilities

Customer Need  
Identification



Research &  
Development



Primary Melting



Hot Working



Cold Working



Finishing



Sales &  
Marketing

Ensure  
independence and control  
of value chain

Enabling close  
customer collaboration

Secure product  
quality

Prerequisite for new  
materials and product  
development



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





# Focused strategy execution for profitable growth

1



## Profitable Growth

- Capitalize on the megatrends of energy transition, energy efficiency, electrification, medical growth and capture O&G rebound
- Expand through M&A within select key verticals and niches to enable accelerated growth and its diversification across products and end markets

2



## Materials Innovator and Technology Leader

- Focus R&D towards new business opportunities, defend and strengthen core and widen portfolio
- Increase pace of new product introductions

3



## Operational and Commercial Excellence

- Continuous improvements and footprint optimization
- Pricing management and mix optimization
- Strengthen employer branding and competence development

4



## Industry Leading Sustainability

- Sustainability deemed key differentiator vs. competitors
- Ongoing investments and development of sustainable offering
- Continuous efforts and process improvements to reduce impact from production and operations

# A growth strategy built to capitalize on global megatrends...



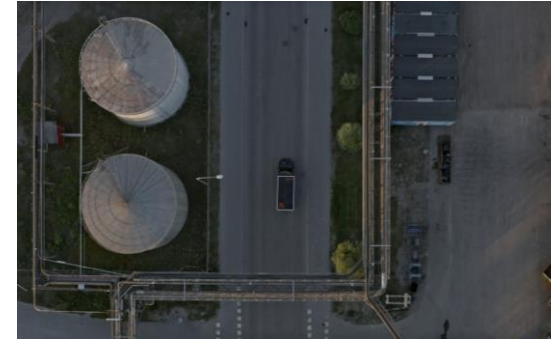
## Changing demographics

- Global population growth
- Increased consumption and energy demand
- Share of people aged +60 years is expected to increase
- Increased demand for health care and medical solutions



## Increasing and changing energy demand

- Global energy demand driven by
  - Population growth
  - Economic growth
- Electricity price fluctuations
- Shift toward renewable energy production sources



## Electrification of industry and transportation

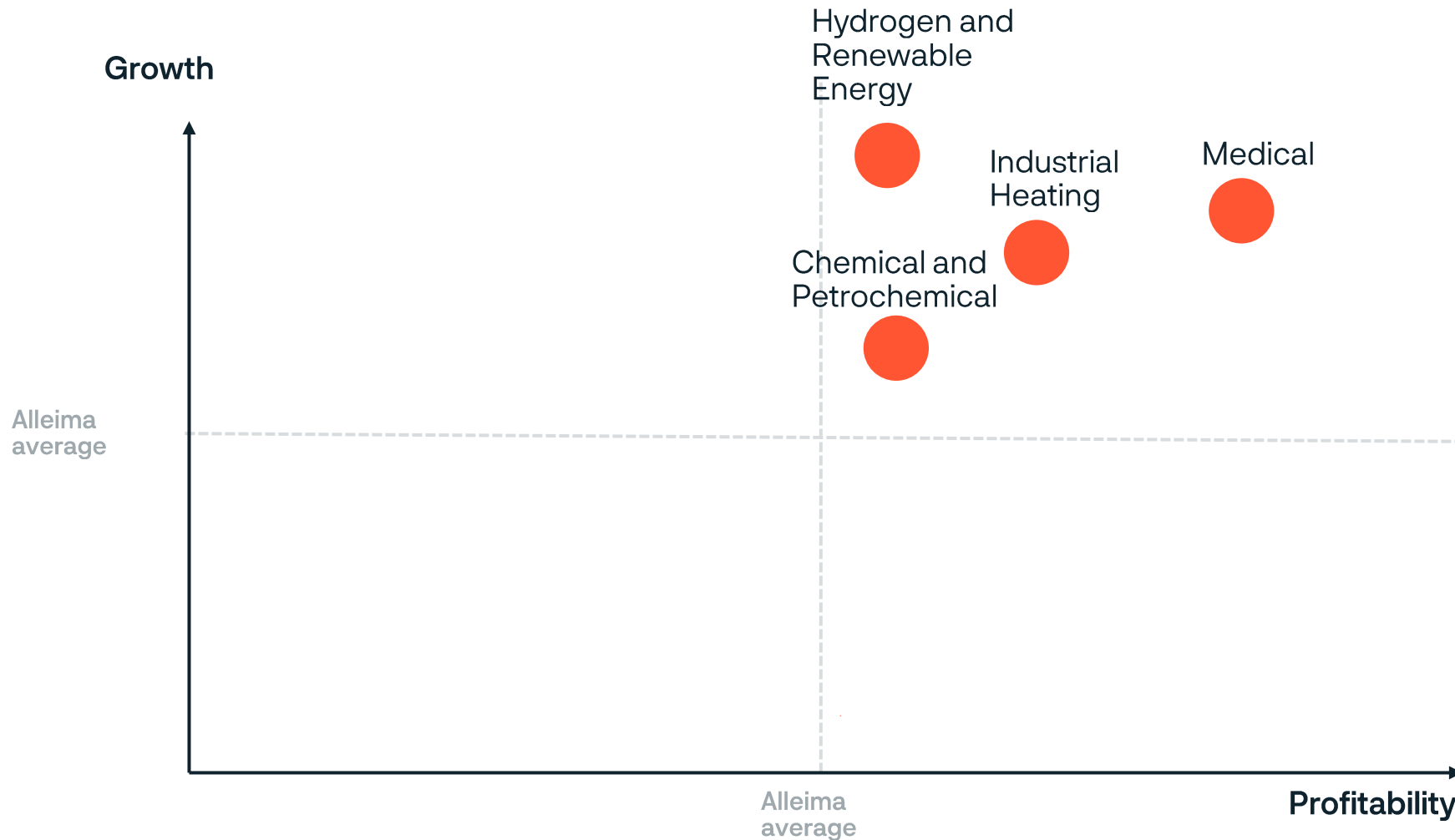
- Electrification of vehicles
- Adoption of renewable energy
- Increasing connectivity



## Growth in emerging markets

- Rising living standards
- Industrial development

# Prioritized segments in focus for capital allocation



Note: Low volumes in Hydrogen and Renewable Energy

## Four prioritized segments

- Chemical and Petrochemical
- Hydrogen and Renewable Energy
- Medical
- Industrial Heating

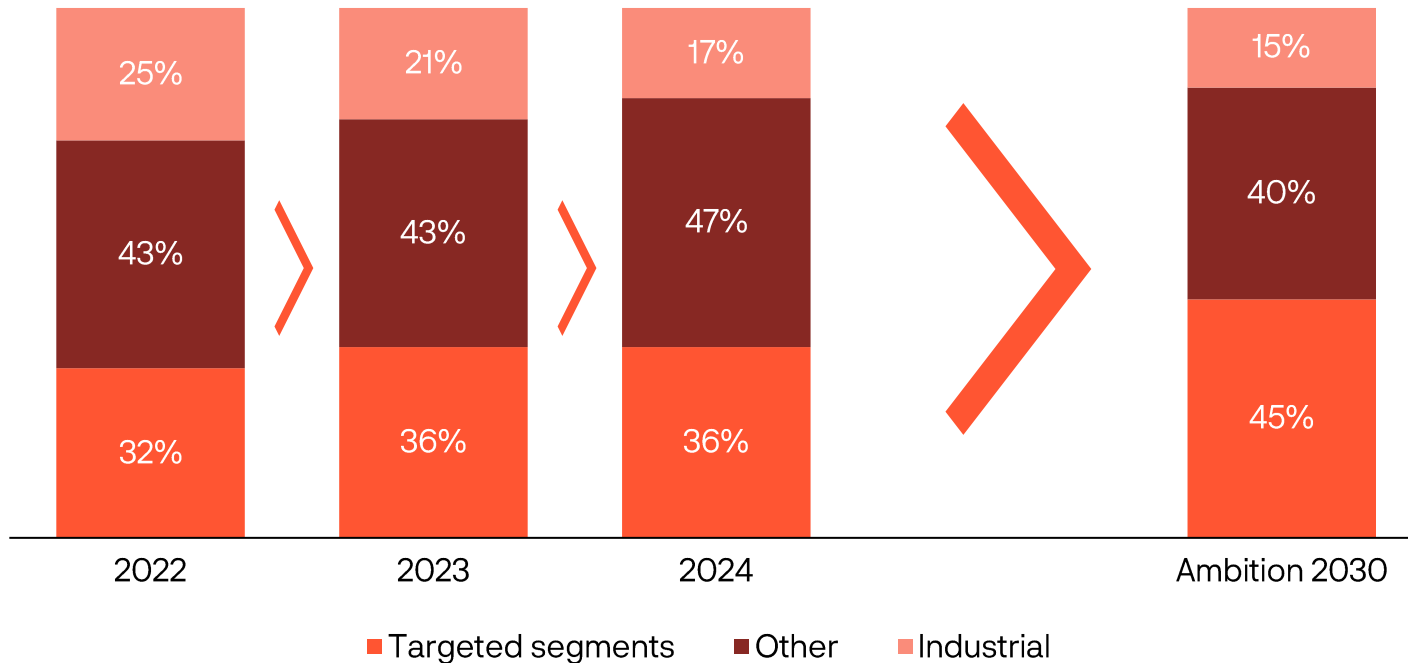
## Principles for capital allocation decisions

- Market position and growth
- Profitability
- Capital efficiency
- Resilience

...indicating an improved product mix with higher revenues from targeted segments...

Current revenue split

Revenue split ambition\*\*



- Grow in line with or above targeted end markets
- Includes targeted segments as well as attractive niches across the business
- Increased share of revenues from the targeted segments

Targeted segments: Chemical and Petrochemical, Industrial Heating, Medical and Hydrogen and Renewable Energy

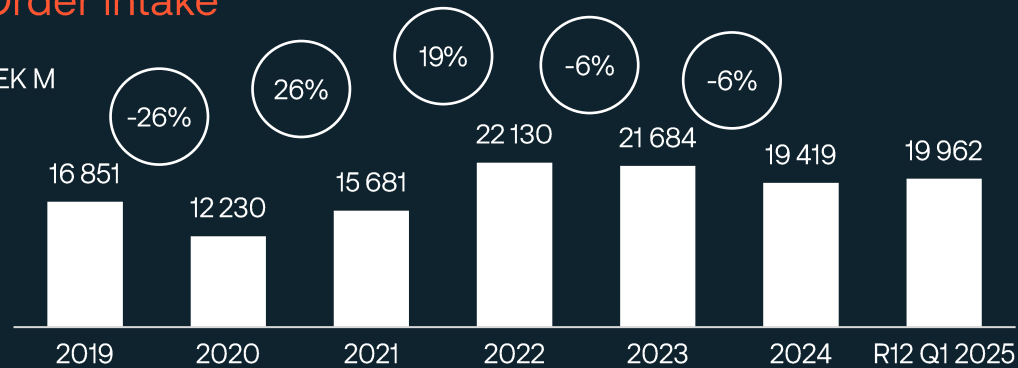
Other: Oil and Gas, Nuclear, Transportation, Consumer, Mining and Construction

\*\*Excluding M&A

# Financial background – focus on resilience

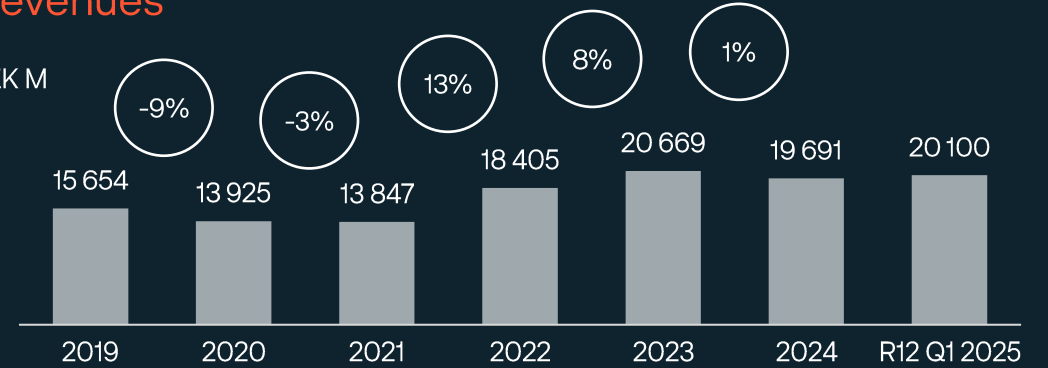
## Order intake

SEK M



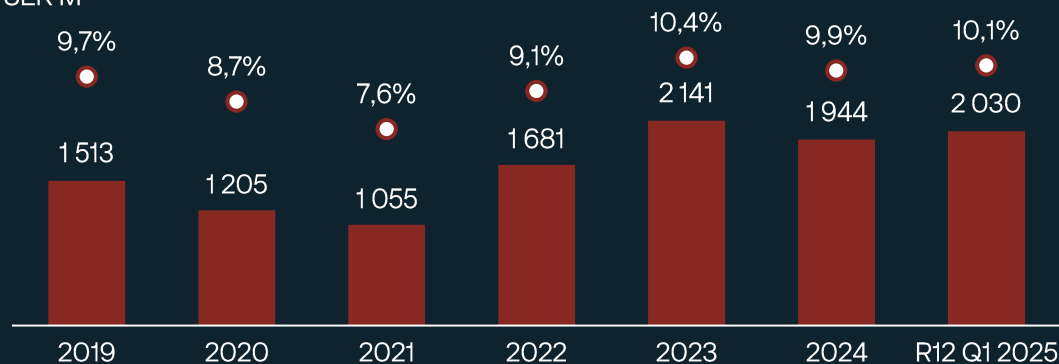
## Revenues

SEK M



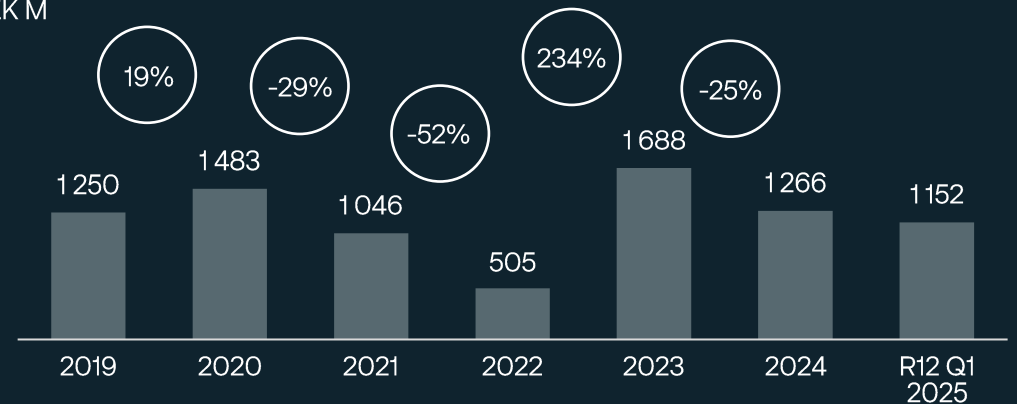
## Adj. EBIT and margin %

SEK M



## Free operating cash flow<sup>1</sup>

SEK M





<sup>1</sup>) Free operating cash flow defined as EBITDA adjusted for non-cash items plus changes in net working capital less acquisitions and divestments of tangible and intangible assets and less amortization of lease liabilities



# Nature of the business – metal price effect

## Metal price trend and how it affects different measures

- Isolating the effect from metal price changes in the business where market price for metal has a direct impact on pricing.
- At constant volumes, mix and lead time the effects can be described as follows:

Metal price trend	Order intake	Revenues	Profitability	Inventory	Accounts payable	Accounts receivable	Cash flow
<b>Rising market price</b> 	Increase in value – higher prices	Increase in value – higher prices	Positive - raw material bought cheaper in earlier periods will be sold in current period at higher price.	Higher value - due to higher price for the last added metals when continuously replacing inventory	Increase - higher price on metals from suppliers	Increase due to higher metal price to customers	The conversion of profitability to cash will be affected negatively by cash being tied up in net working capital due to higher metal prices
<b>Decreasing market price</b> 	Decrease in value – lower prices	Decrease in value – lower prices	Negative – raw material bought at higher price in earlier periods will be sold at lower price in current period	Lower value - due to lower price for the last added metals when continuously replacing inventory	Decrease - lower price on metals from suppliers	Decrease due to lower metal price to customers	Cash will be released from net working capital offsetting the cash negative impact from lower profitability





# Winning platform set to unlock shareholder value

1

Premium offering with solid market positions and diverse customer segment exposure



2

Fully integrated value chain with prominent metallurgy expertise and global footprint



3

Multiple and tangible levers to deliver profitable growth, capitalizing on global megatrends including the transition to renewable energy



4

Solid foundation with attractive and resilient earnings and cash-flow profile





Thank you  
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