

October 22, 2025

Göran Björkman, President & CEO
Johan Eriksson, CFO

Interim report

Third 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



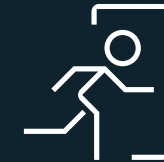
Emergency number



Psychological safety



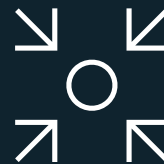
First aid kit



Emergency exit



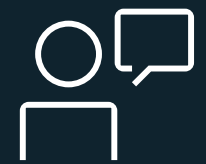
Alarm



Assembly point



Health & well-being



Speak Up

Q3 highlights

Mixed market demand

- Continued market uncertainty
- Broad exposure reduces volatility
- Solid backlog in key segments

Weak Europe affecting earnings

- Extended maintenance stop
- Overall solid product mix

Actions for increased efficiency

- Long-term cost savings
- Strong balance sheet is a prerequisite
- Ongoing growth initiatives

Revenues
(SEK M)

4,222

Organic revenue
growth

0%

Adj. EBIT
(SEK M)

197

Adj. EBIT margin

4.7%

Free op. cash flow
(SEK M)

285

Net debt
(SEK M)

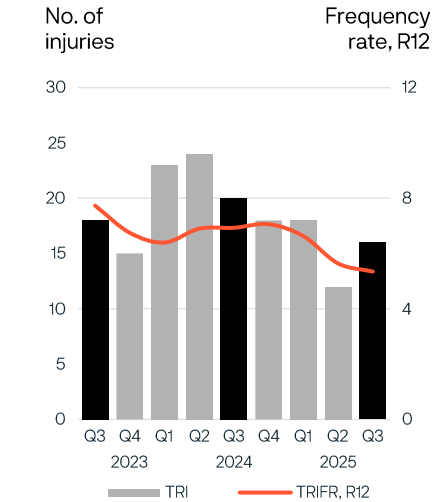
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Leading sustainability

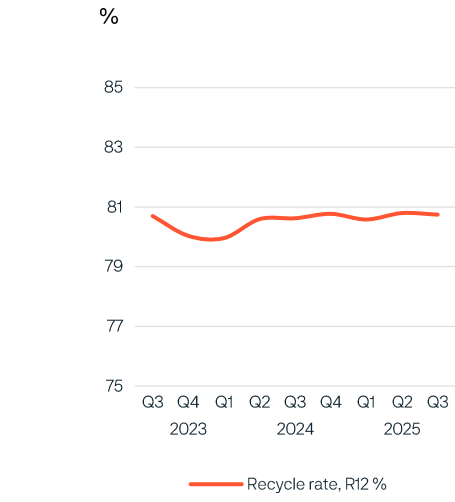
Making an impact through our operations

- All time high safety performance
- Share of recycled steel remains high
- Reducing CO₂ emissions
- Market leader in sustainability



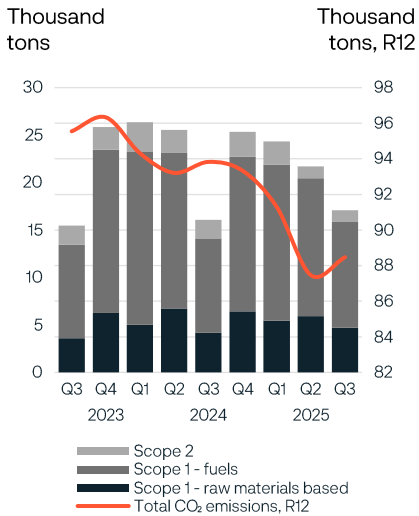
Health and safety

- R12 total recordable injury frequency rate, TRIFR, was 5.3 (6.9). The quarterly outcome was 5.9 (7.1).



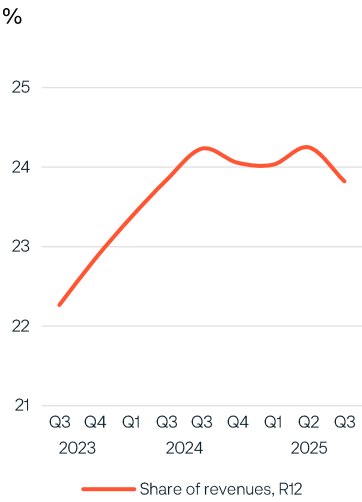
Recycled steel

- R12 share of recycled steel in the steel manufacturing amounted to 80.7% (80.6). The quarterly figure amounted to 80.8% (81.0).



CO₂ emissions

- R12 CO₂ emissions amounted to 88 kton (94), a reduction of 6%. Emissions for the quarter amounted to 17 kton (16), an increase of 6%.



Sustainable product portfolio

- The sustainable product portfolio's R12 share of revenues amounted to 23.8% (24.2).

Enabling the sustainable transition

Acknowledgements within sustainability

Alleima again awarded Gold Medal by EvoVadis

- Rated in the top 5% globally
- Sustainability targets validated by SBTi
- Including scope 3 emissions





Market development

- Mixed marked demand
- Weak sentiment in Europe and North America, while Asia was solid
- Continued momentum in key segments

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

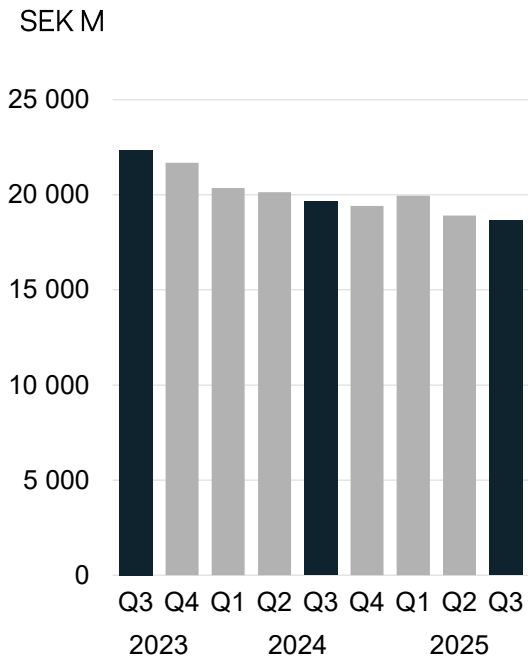
Order intake R12
(SEK M)

18,665

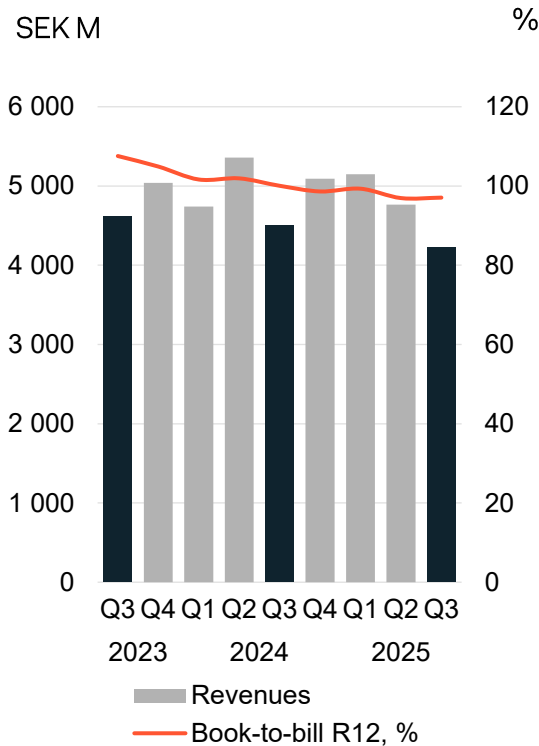
Revenues
(SEK M)

4,222

Order intake R12



Revenues and book-to-bill



- Organic order intake growth of -1% for rolling 12 months
- Organic revenue growth of 0%
- R12 book-to-bill 97%



Earnings

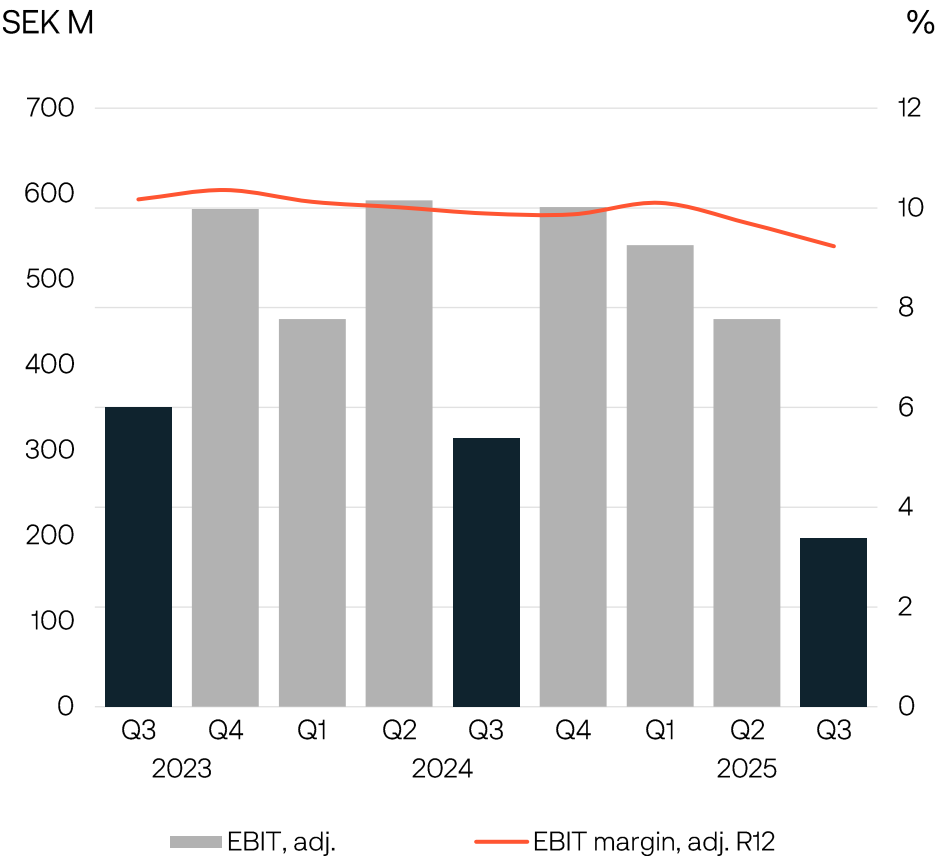
Adjusted EBIT at SEK 197 million

- Margin of 4.7%
- Overall good product mix
- FX headwind

Free operating cash flow of SEK 285 million

- Lower EBIT and higher capex

Adjusted EBIT



Tube

Dampened by a weak Europe

- R12 organic order intake growth of -6%
- R12 Book-to-bill of 93%
- Organic revenue growth of -3%

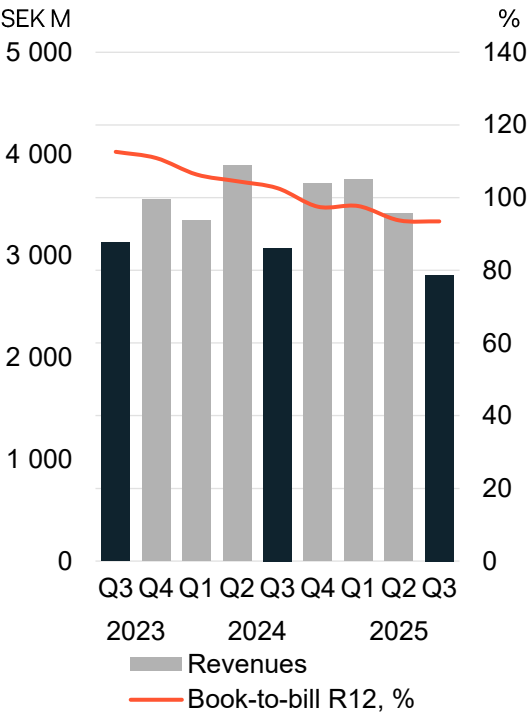
Lower volumes in short-cycled business

- Adj. EBIT margin of 3.6%
- Solid product mix
- FX headwind of SEK -16 million yoy

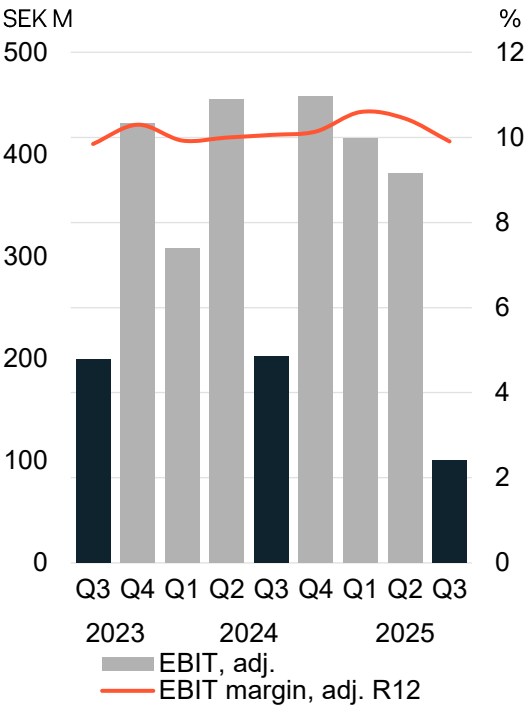


SEK M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024
Order intake, R12	12,793	14,232	-	-
Organic growth, R12, %	-6	-9	-	-
Revenues	2,812	3,077	9,974	10,314
Organic growth, %	-3	3	1	1
Adj. EBIT	101	202	898	965
Margin, %	3.6	6.6	9.0	9.4

Revenues and Book-to-bill



Adjusted EBIT, (%)



Kanthai

Troughed Industrial Heating

- R12 organic order intake growth of 9%
- Organic revenue growth of 7%
- R12 Book-to-bill of 104%

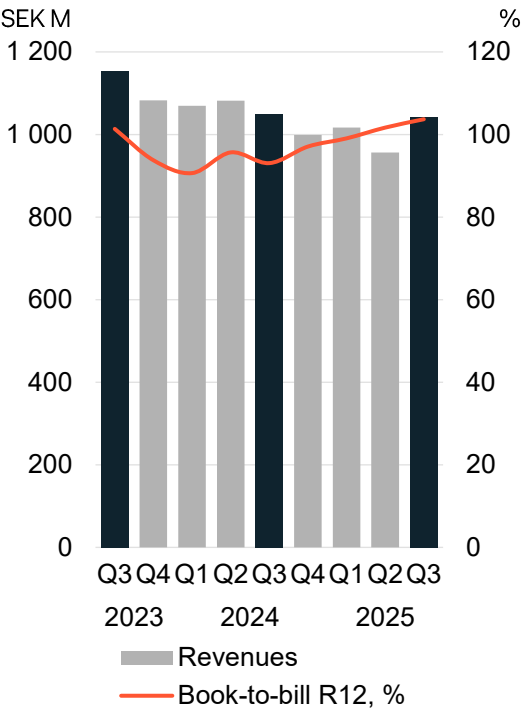
Continued strong Medical momentum

- Adjusted EBIT margin at 16.1%
- Still low volumes in Industrial Heating
- Negative effect from FX of SEK 20 million yoy

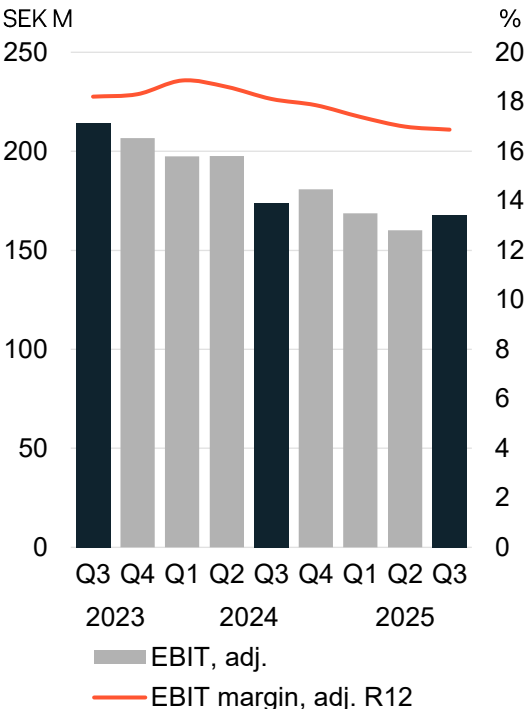


SEK M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024
Order intake, R12	4,162	3,986	-	-
Organic growth, R12, %	9	-8	-	-
Revenues	1,042	1,049	3,015	3,201
Organic growth, %	7	-3	-2	-2
Adj. EBIT	168	174	496	569
Margin, %	16.1	16.6	16.5	17.8

Revenues and Book-to-bill



Adjusted EBIT, (%)



Strip

Continued top line growth

- R12 organic order intake growth of 24%
- Organic revenue growth of 5%
- R12 Book-to-bill of 112%

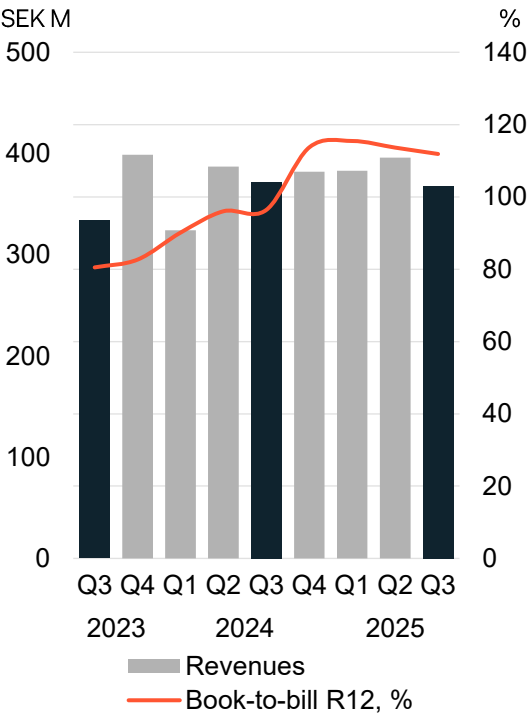
Productivity issues

- Adjusted EBIT margin of -4.2%
- FX headwind of SEK -4 million yoy

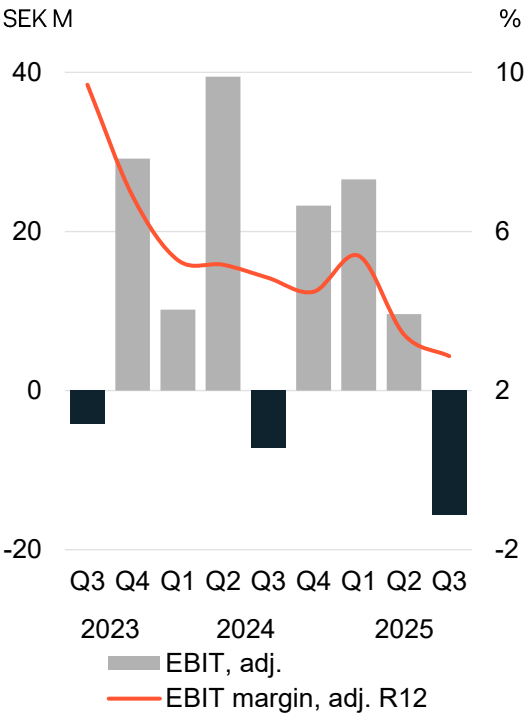


SEK M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024
Order intake, R12	1,710	1,428	-	-
Organic growth, R12, %	24	11	-	-
Revenues	368	372	1,147	1,083
Organic growth, %	5	16	10	-5
Adj. EBIT	-16	-7	21	42
Margin, %	-4.2	-1.9	1.8	3.9

Revenues and Book-to-bill



Adjusted EBIT, (%)





Financial summary

SEK M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024
Order intake, R12	18,665	19,646	-	-
Revenues	4,222	4,498	14,136	14,597
Adj. EBIT	197	314	1,191	1,360
Adj. EBIT margin, %	4.7	7.0	8.4	9.3
Metal price effects	-70	-24	-268	-255
Items affecting comparability	0	0	0	0
EBIT	127	290	923	1,105
EBIT margin, %	3.0	6.5	6.5	7.6
Net financial items	6	0	36	95
Normalized tax rate, %	25.8	23.1	24.1	23.7
NWC, % ¹	39.5	38.8	35.4	35.5
Free operating cash flow	285	411	678	1,064
ROCE excl. cash, % ²	8.1	9.9	8.1	9.9
Adj. EPS, diluted	0.56	1.02	3.56	4.49

SEK M	Order intake, R12	Revenues
Q3 2024	19,646	4,498
Organic, %	-1	0
Structure, %	0	0
Currency, %	-2	-4
Alloys, %	-2	-2
Total growth, %	-5	-6
Q3 2025	18,665	4,222

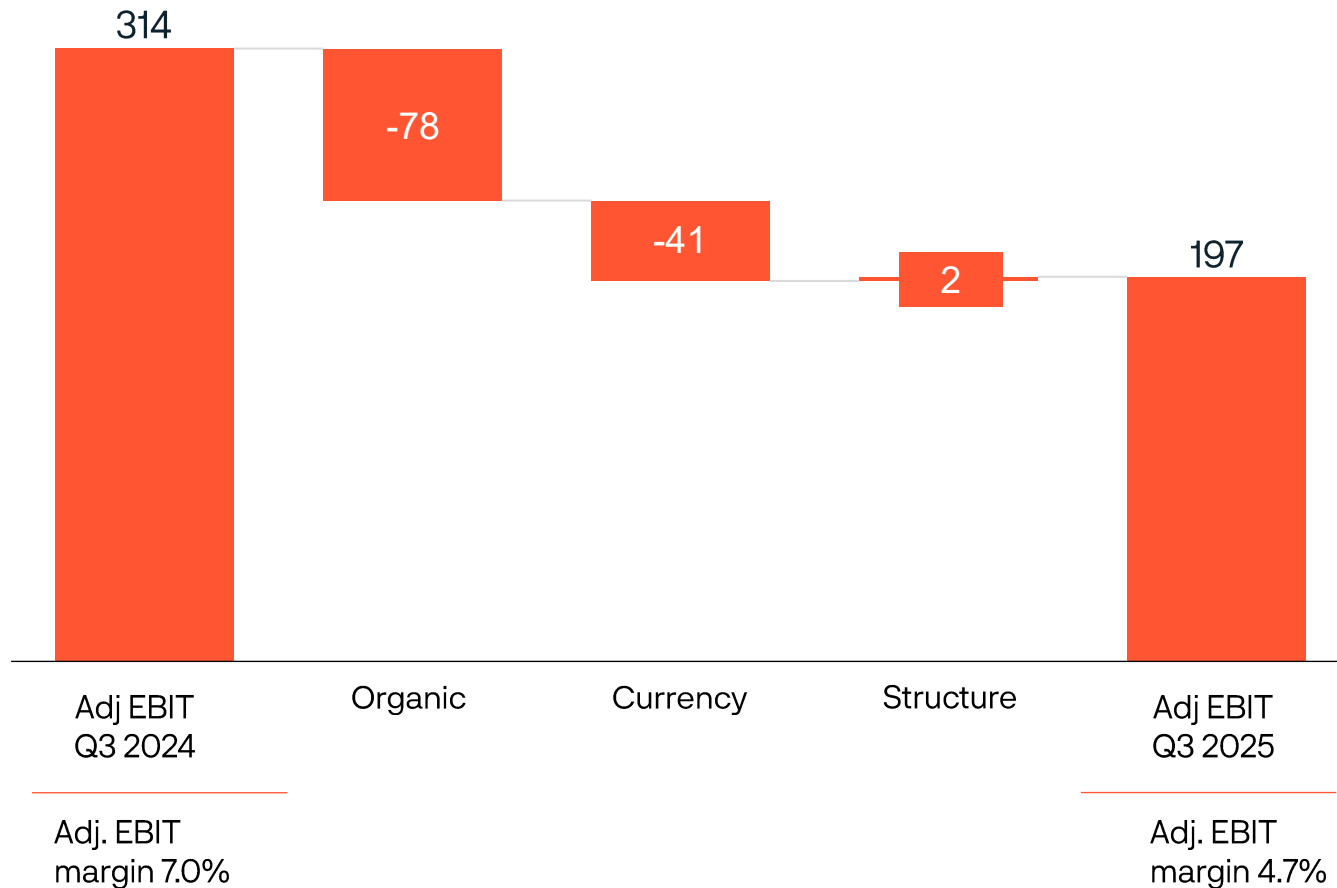
Change compared to the same quarter last year

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:
N/A

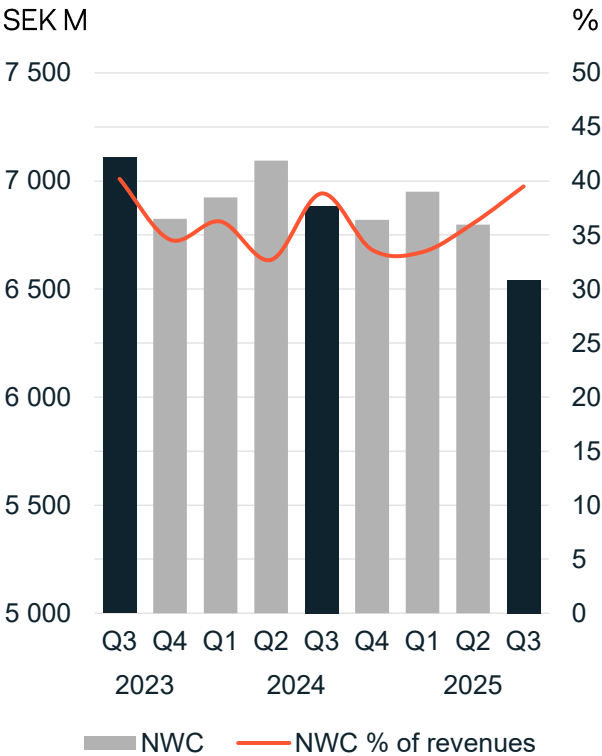
- Negative organic development driven by lower revenues and under absorption effects
- FX had a negative impact of SEK 41 million yoy
- Structural contribution from Endox



Capital efficiency

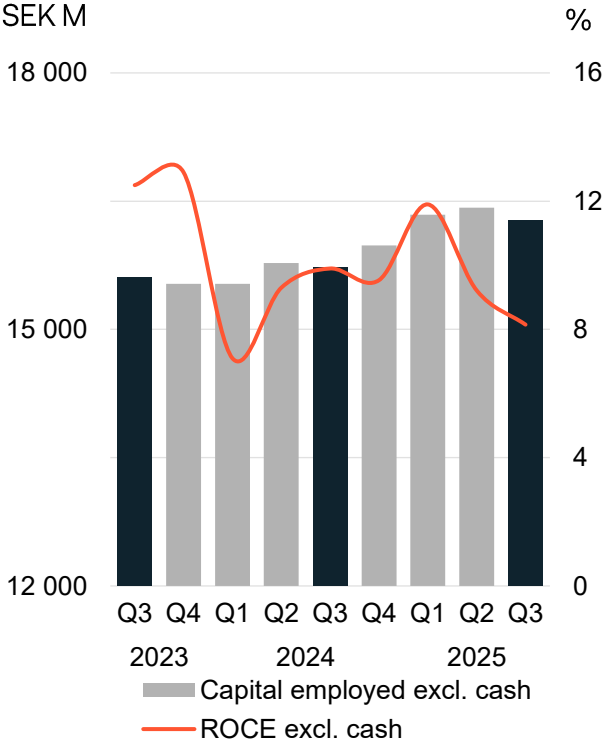
- NWC amounted to SEK 6,541 million (6,884)
- Sequential NWC decrease due to seasonality
- NWC in relation to revenues at 39.5% (38.8)

Net working capital



- Capital employed excl. cash increased to SEK 16,274 million (15,720)
- ROCE excl. cash of 8.1% (9.9) in the quarter

Capital employed excl. cash



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



Cash flow

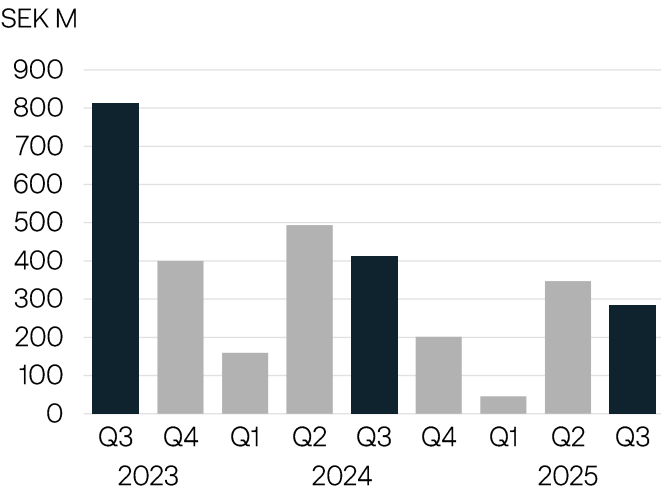
- Free operating cash flow of SEK 285 million (411)
- Higher capex due to growth investments
- Cash flow normally higher in H2

Free operating cash flow

SEK M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024
EBITDA	357	514	1,613	1,779
Non-cash items	103	77	55	96
Changes in working capital	147	105	-141	-112
Capex	-289	-249	-745	-602
Amortization, lease liabilities	-33	-36	-104	-98
Free operating cash flow¹	285	411	678	1,064

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

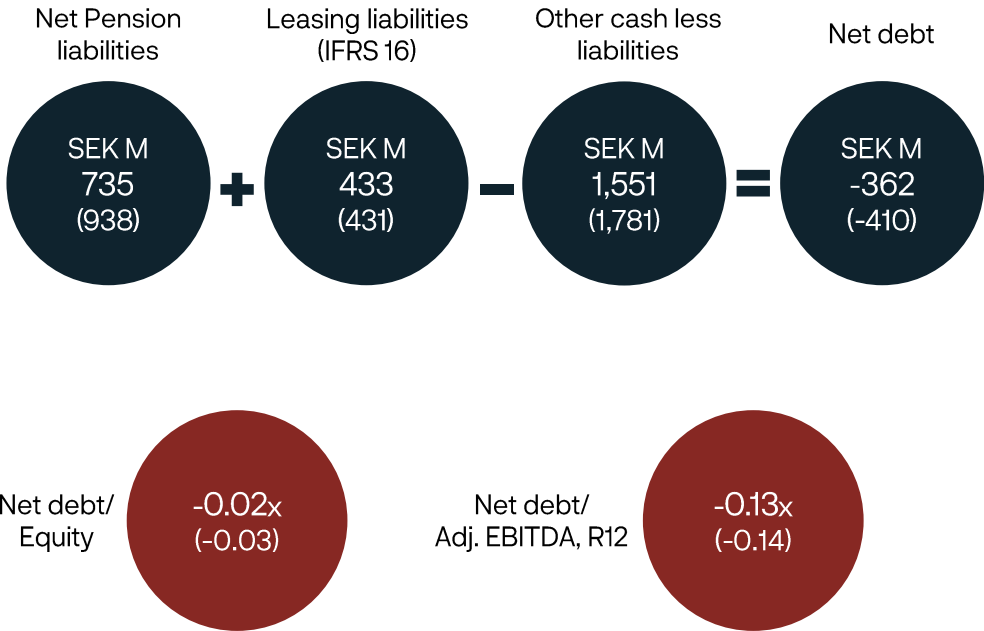
Free operating cash flow quarterly



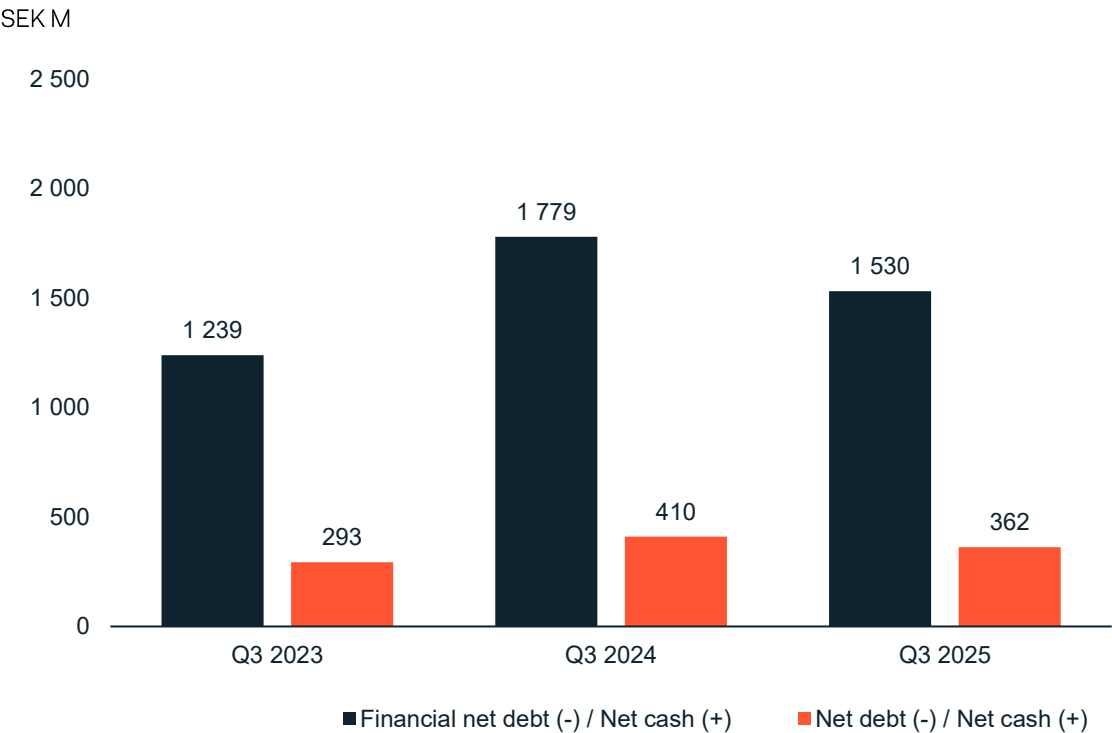


Strong financial position

Capital structure



Net debt and Financial net debt





Guidance ahead of the quarter and outcome

	Outcome Q3 2025	Guidance ahead of Q3 2025
Capex (Cash)	SEK 745 million YTD 2025	Approximately SEK 1,200 million in FY 2025
Currency transaction and translation effect	SEK -113 million in Q3	SEK -115 million in Q2
Total currency effect	SEK -41 million in Q3	-
Metal price effect	SEK -70 million in Q3	SEK -150 million in Q2
Tax rate, normalized	24.1% YTD 2025	23-25% in FY 2025



Guidance Q4 2025 and FY 2025

Capex (cash)

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

Currency effects (transaction and translation)

- SEK -150 million on operating profit (EBIT) for Q4 2025, compared to the corresponding period last year

Metal price effects

- Neutral effect on operating profit (EBIT) for Q4 2025

Tax rate

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



Outlook for the fourth quarter 2025

- Geopolitical uncertainty expected to linger
- One-off cost for action plan in Q4
- Effects from delayed ramp-up
- Solid backlog in key segments, shorter backlog for the short-cycled business
- Product mix is expected to be similar to Q3
- Estimated currency headwind in Q4
- Cash flow normally higher in H2

Summary

- Continued uncertainty
- Flat organic revenue development
- FX headwind
- Measures for increased efficiency
- Strong financial position





Q&A

Thank you
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