

April 27, 2026

Interim report

First quarter 2026

Göran Björkman, President & CEO  
Johan Eriksson, CFO



## Safety first

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



Protective equipment



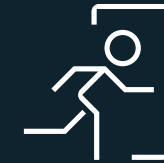
Emergency number



Psychological safety



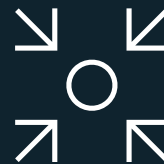
First aid kit



Emergency exit



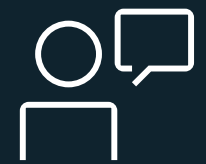
Alarm



Assembly point



Health & well-being



Speak Up

# Highlights Q1 2026

## Increased market uncertainty

- Geopolitical instability
- Continued weak short-cycle business
- Key segments contributing positively

## Impact on earnings

- Weak European markets
- FX headwind
- Solid product mix

## Long-term value creation

- Improving cost position
- Financial maneuverability
- Expanded capacity for Heating Systems

Revenues  
(SEK M)

4,576

Organic revenue  
growth

-5%

Adj. EBIT  
(SEK M)

386

Adj. EBIT margin

8.4%

Free op. cash flow  
(SEK M)

-65

Net debt  
(SEK M)

-596

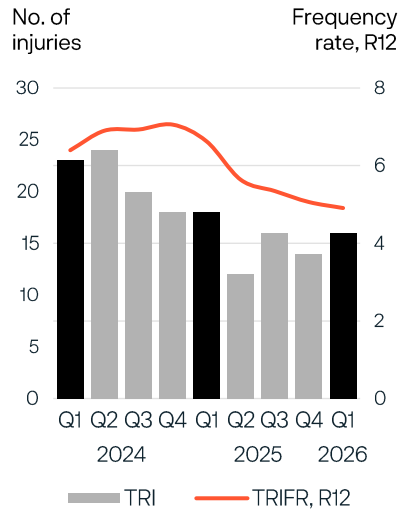


# Industry-leading sustainability

Solid sustainability performance during the quarter

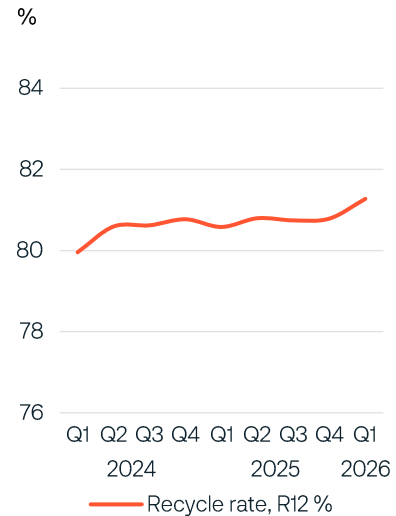
## Health and safety

R12 total recordable injury frequency rate, TRIFR, was 4.9 (6.6). The quarterly outcome was 5.3 (5.9).



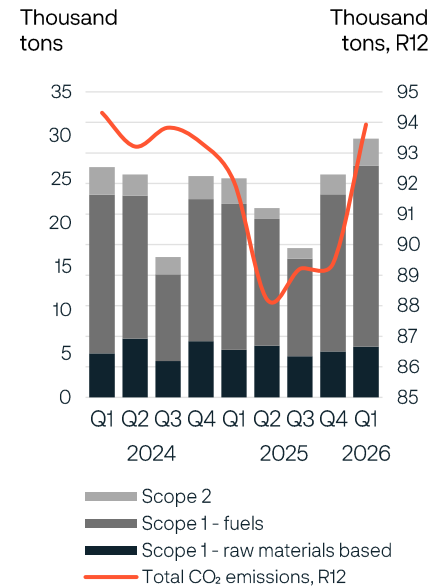
## Recycled steel

R12 share of recycled steel in the steel manufacturing amounted to 81.3% (80.6). The quarterly figure amounted to 81.7% (80.0).



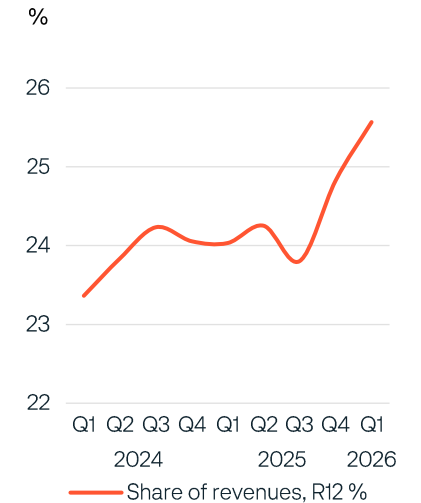
## CO<sub>2</sub> emissions

R12 CO<sub>2</sub> emissions amounted to 94 kton (92), an increase of 2%. Emissions for the quarter amounted to 30 kton (25), an increase of 18%.



## Sustainable product portfolio

The sustainable product portfolio's R12 share of revenues amounted to 25.6% (24.0).

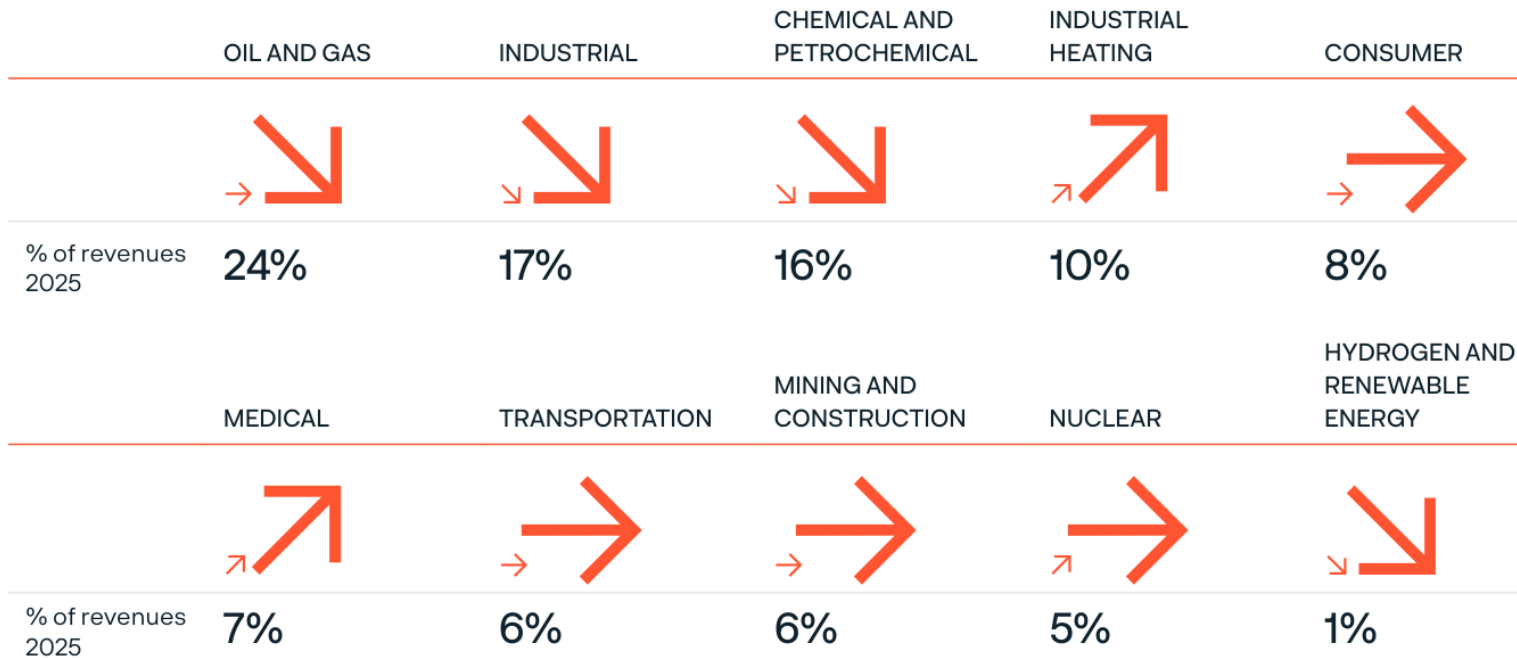




# Market development

- Increased uncertainty
- Weak sentiment in Europe and North America, Asia more resilient
- Continued momentum in key segments

## Perceived year on year underlying market demand trend



The large arrow shows year on year underlying demand trend, the small shows the estimation previous quarter.

## Limited impact of the ongoing crisis in the Middle East so far

- Increases market uncertainty, causing volatility in energy prices, shipping costs, and concerns about rising inflation
- Part of Alleima's Oil and Gas segment, the OCTG business, has both direct and indirect exposure to the Middle East region, and is currently affected
- Only minor impact on the rest of Alleima's businesses



OCTG (Oil Country Tubular Goods) refers to production pipes used to transport oil or gas from boreholes, primarily for onshore and offshore environments



# Order intake and revenues

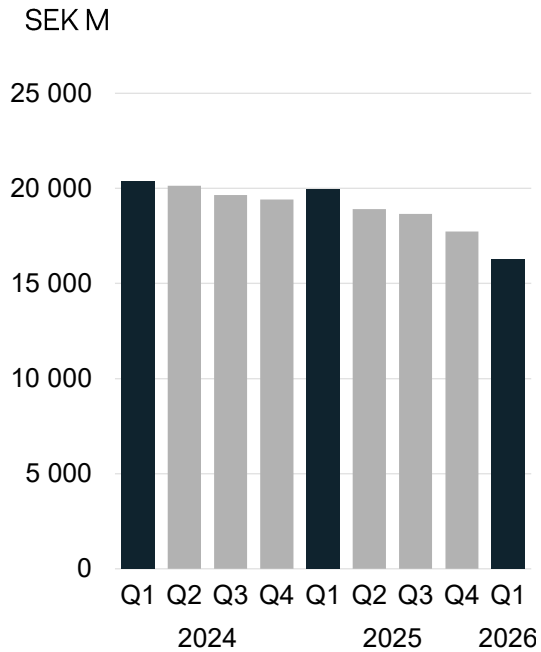
**Order intake R12**  
(SEK M)

**16,266**

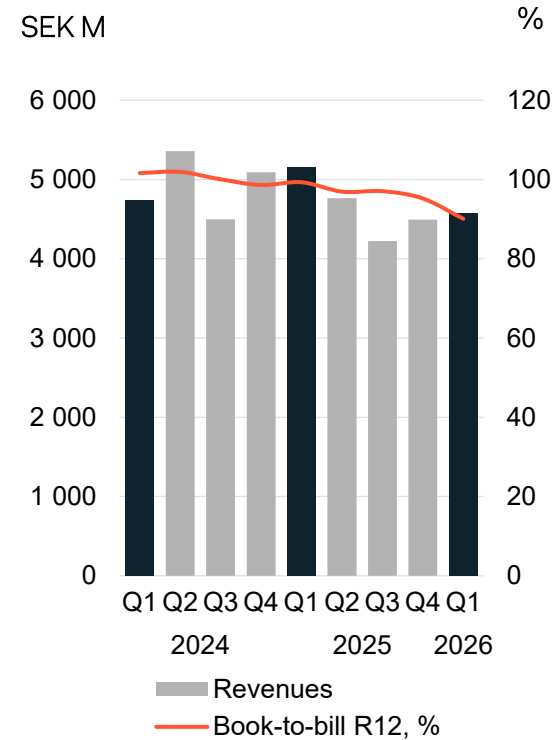
**Revenues**  
(SEK M)

**4,576**

**Order intake R12**



**Revenues and book-to-bill**



- Organic order intake growth of -12% for rolling 12 months
- Organic revenue growth of -5%
- R12 book-to-bill 90%



# Earnings

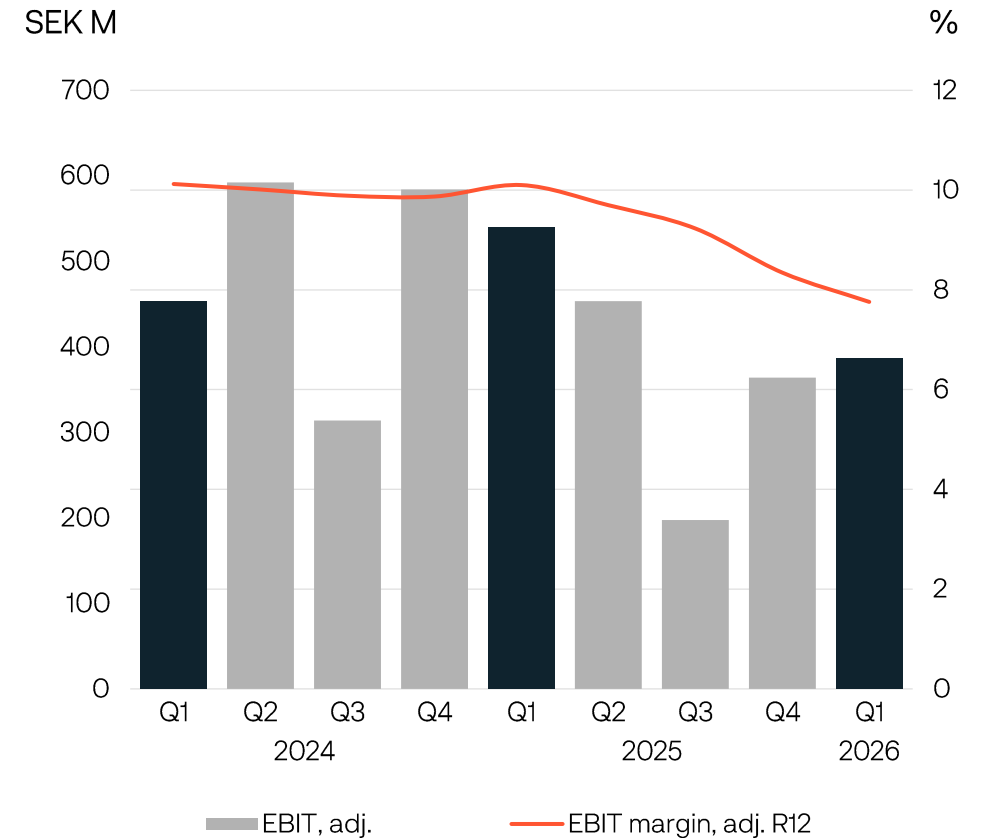
## Adjusted EBIT at SEK 386 million

- Margin of 8.4%
- FX headwind
- Absorption effects due to weak short cycled market

## Free operating cash flow of SEK -65 million

- Changes in working capital
- Cash flow normally lower in H1

## Adjusted EBIT



# Tube

## Continued weak market sentiment

- R12 organic order intake growth of -19%
- Organic revenue growth of -9%
- R12 Book-to-bill of 85%

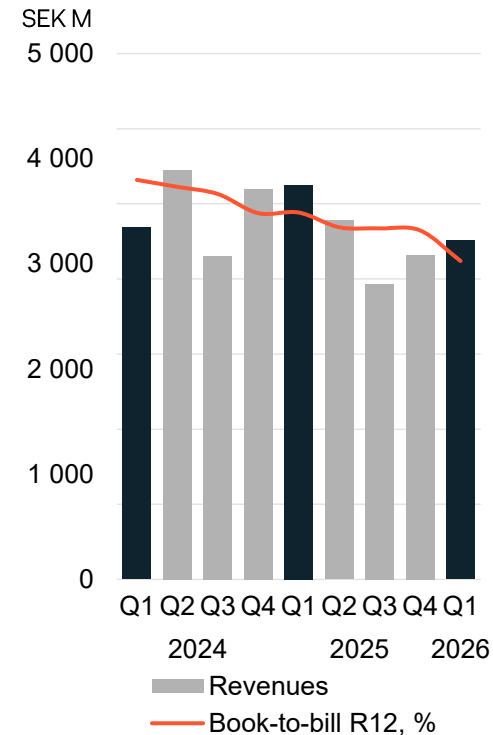
## Resilience from key segments

- Adj. EBIT margin of 8.9% (9.2% excl. FX)
- Weak European markets
- FX headwind of SEK -23 million yoy

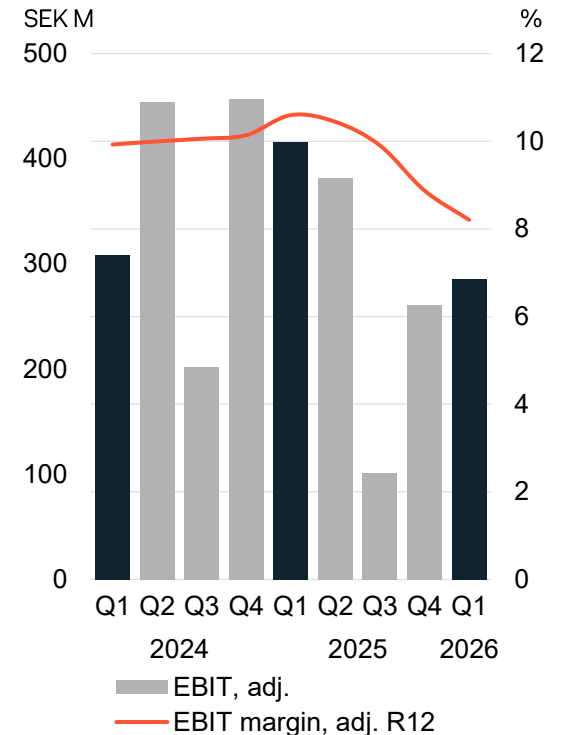


SEK M	Q1 2026	Q1 2025	FY 2025
Order intake, R12	10,626	14,095	12,138
Organic growth, R12, %	-19	-3	-7
Revenues	3,222	3,750	13,063
Organic growth, %	-9	12	-2
Adj. EBIT	285	416	1,159
Margin, %	8.9	10.7	8.9

### Revenues and Book-to-bill



### Adjusted EBIT



# Kanthai

## Positive topline development

- R12 organic order intake growth of 14%
- Organic revenue growth of 8%
- R12 Book-to-bill of 108%

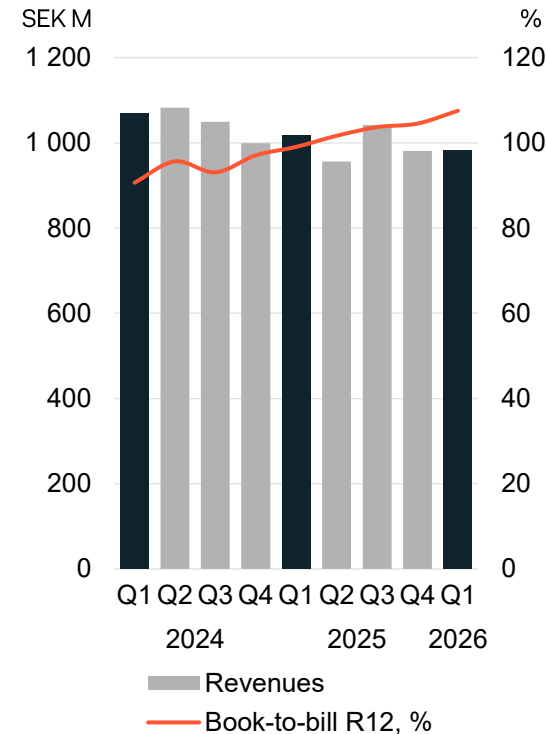
## Earnings affected by FX

- Adjusted EBIT margin at 17.0% (18.8% excl. FX)
- Solid product mix
- FX headwind of SEK -41 million yoy

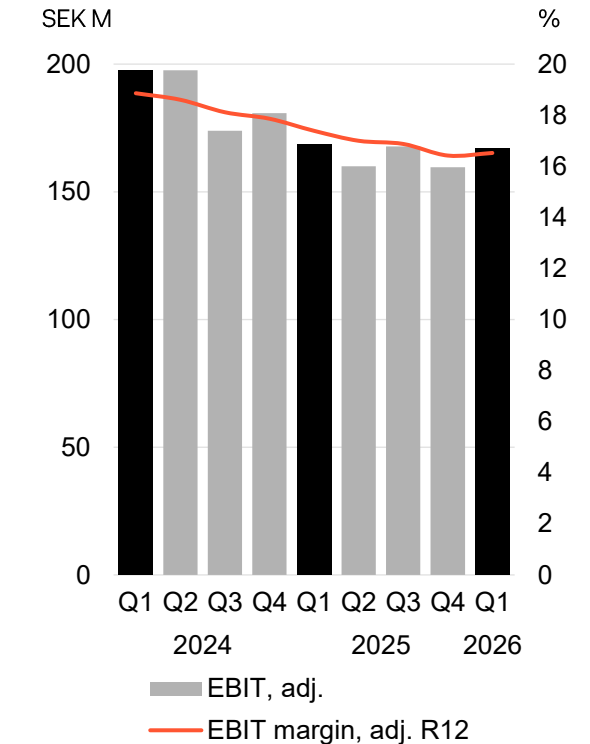


SEK M	Q1 2026	Q1 2025	FY 2025
Order intake, R12	4,260	4,108	4,177
Organic growth, R12, %	14	4	9
Revenues	982	1,017	3,996
Organic growth, %	8	-7	1
Adj. EBIT	167	169	656
Margin, %	17.0	16.6	16.4

### Revenues and Book-to-bill



### Adjusted EBIT



# Strip

## Solid underlying development

- R12 organic order intake growth of -16%
- Organic revenue growth of 5%
- R12 Book-to-bill of 88%

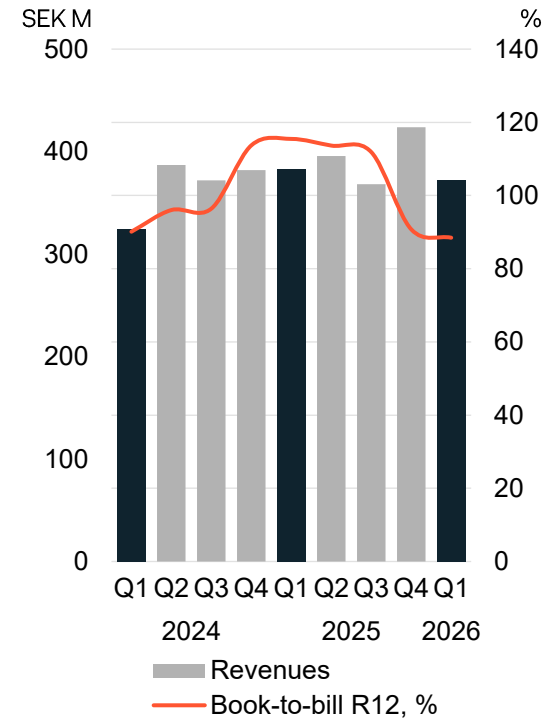
## Improved earnings

- Adjusted EBIT margin of 5.9% (12.6% excl. FX)
- Strong FX headwind of SEK -29 million yoy
- Solid contribution from the Consumer segment in several regions

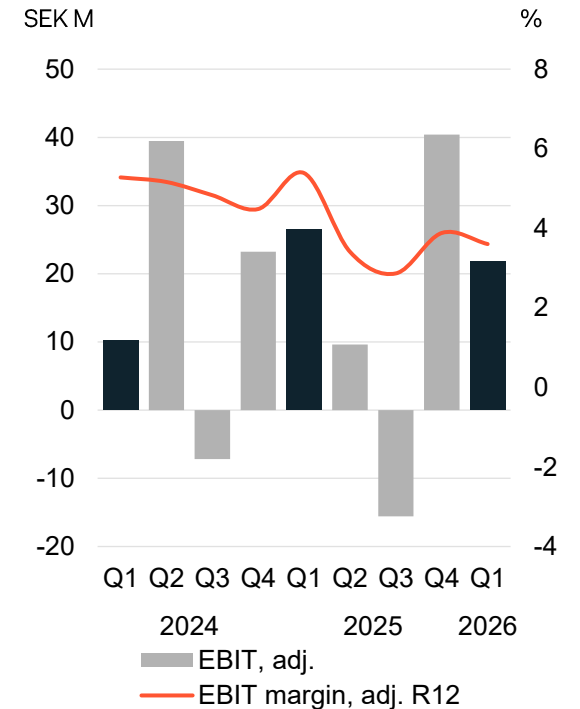


SEK M	Q1 2026	Q1 2025	FY 2025
Order intake, R12	1,380	1,759	1,426
Organic growth, R12, %	-16	34	-11
Revenues	372	383	1,571
Organic growth, %	5	19	13
Adj. EBIT	22	27	61
Margin, %	5.9	6.9	3.9

### Revenues and Book-to-bill



### Adjusted EBIT





# Financial summary

SEK M	Q1 2026	Q1 2025	FY 2025
Order intake, R12	16,266	19,962	17,741
Revenues	4,576	5,150	18,630
Adj. EBIT	386	540	1,555
<i>Adj. EBIT margin, %</i>	8.4	10.5	8.3
Metal price effects	8	-27	-275
Items affecting comparability	-3	0	-342
EBIT	391	513	938
<i>EBIT margin, %</i>	8.5	10.0	5.0
Net financial items	-11	13	35
<i>Normalized tax rate, %</i>	24.5	23.1	23.9
<i>NWC, %<sup>1</sup></i>	35.5	33.4	35.8
Free operating cash flow	-65	46	1,100
<i>ROCE excl. cash, %<sup>2</sup></i>	5.0	11.9	5.8
Adj. EPS, diluted	1.14	1.65	4.62

SEK M	Order intake, R12	Revenues
Q1 2025	19,962	5,150
Organic, %	-12	-5
Structure, %	0	0
Currency, %	-6	-6
Alloys, %	-2	-1
Total growth, %	-19	-11
Q1 2026	16,266	4,576

Change compared to the same quarter last year

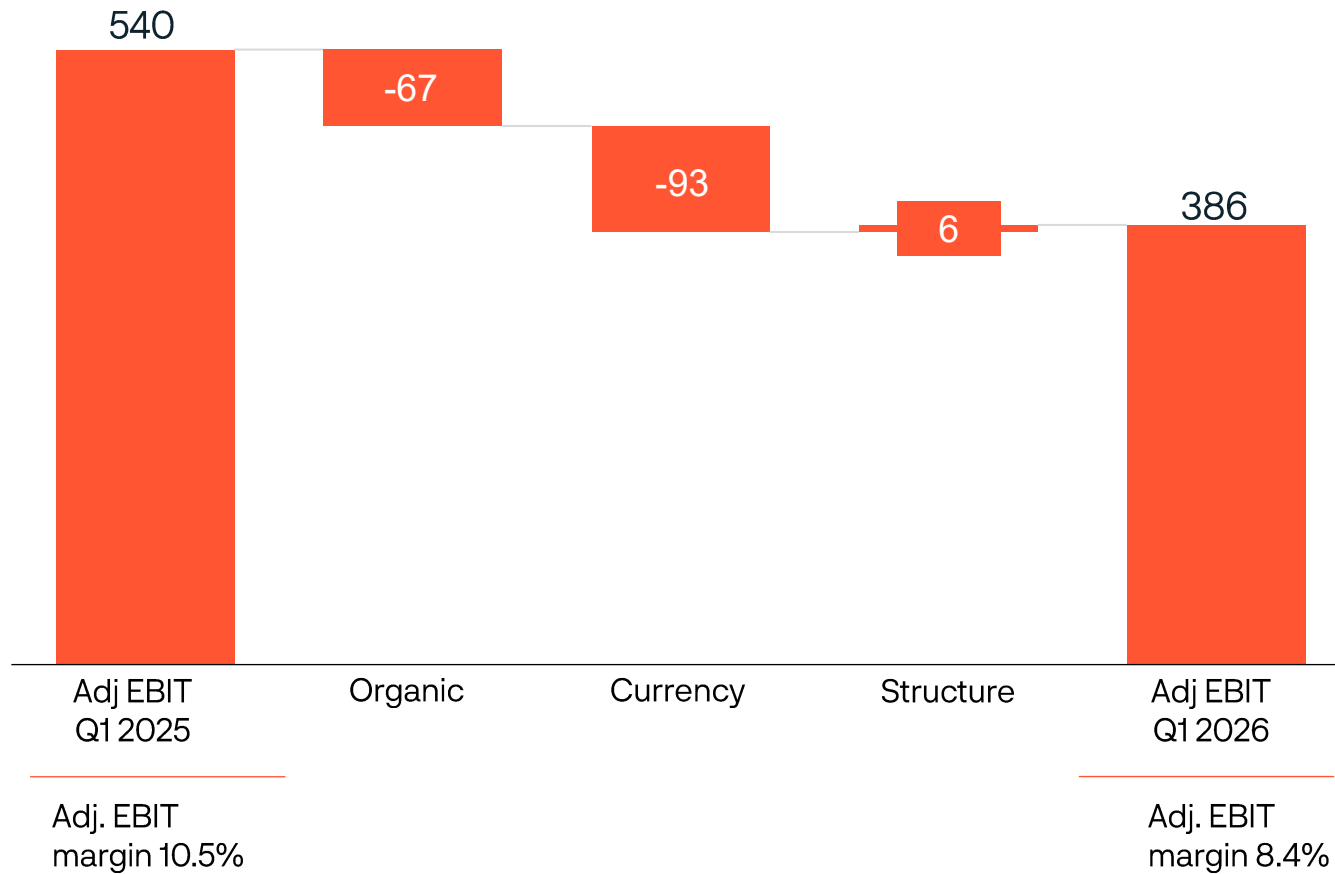
Quarterly revenues includes approximately +70 BPS from US tariffs

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%**

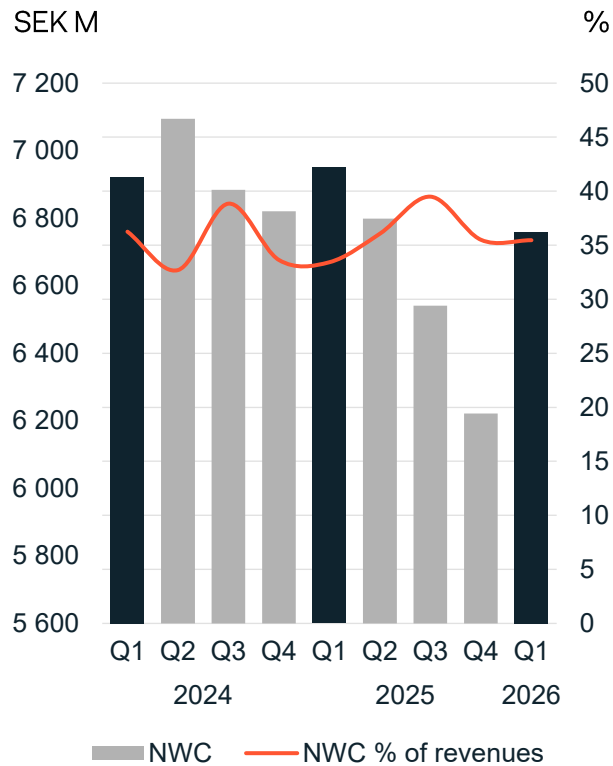
- Negative organic development driven by lower revenues and under absorption effects
- Positive effect from targeted measures
- Still heavily impacted by FX



# Capital efficiency

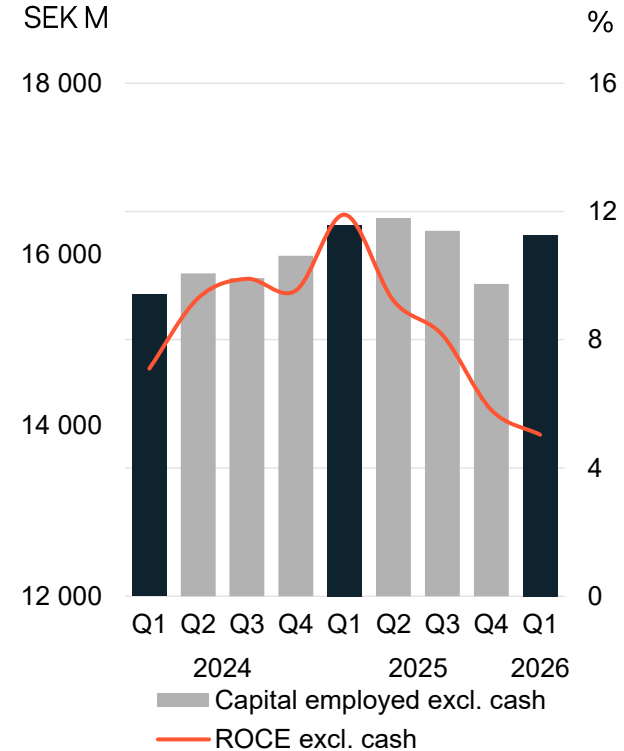
- NWC amounted to SEK 6,760 million (6,950)
- Sequential NWC increase due to seasonality
- NWC in relation to revenues at 35.5% (33.4)

## Net working capital



- Capital employed excl. cash amounted to SEK 16,224 million (16,343)
- ROCE excl. cash of 5.0% (11.9) in the quarter

## Capital employed excl. cash



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



# Cash flow

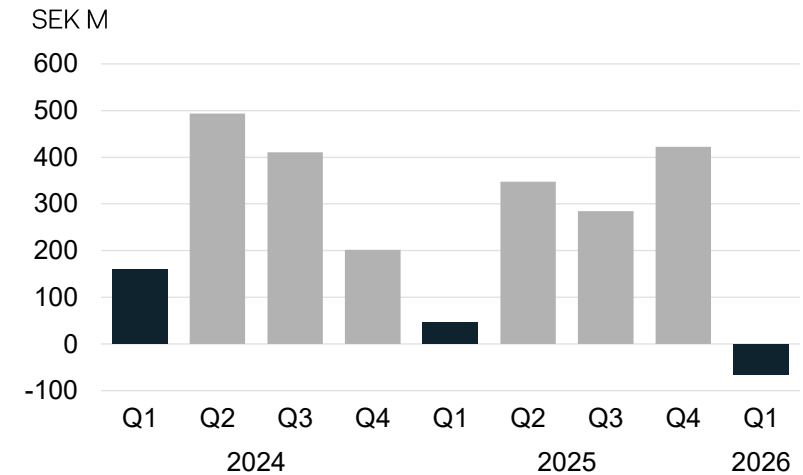
- Free operating cash flow of SEK -65 million (46)
- Driven by lower EBITDA and changes in working capital

## Free operating cash flow

SEK M	Q1 2026	Q1 2025	FY 2025
EBITDA	628	745	1,950
Non-cash items	-42	-71	301
Changes in working capital	-453	-382	86
Capex	-160	-213	-1,089
Amortization, lease liabilities	-38	-34	-148
<b>Free operating cash flow<sup>1</sup></b>	<b>-65</b>	<b>46</b>	<b>1,100</b>

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

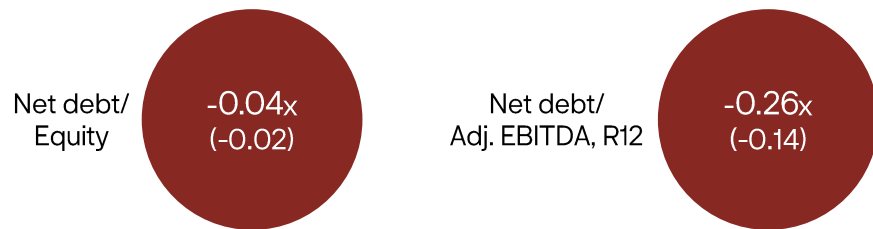
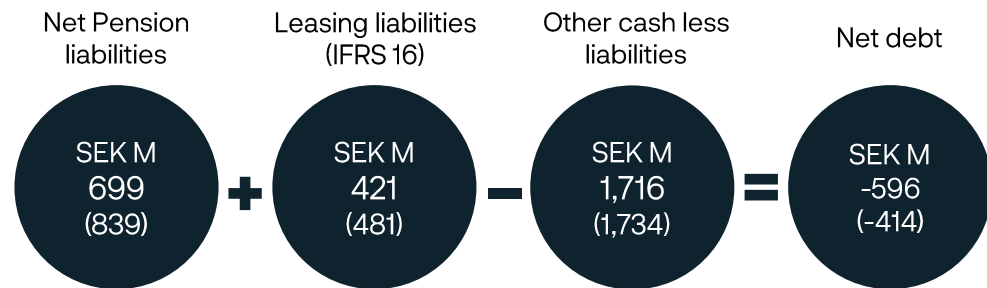
## Free operating cash flow quarterly



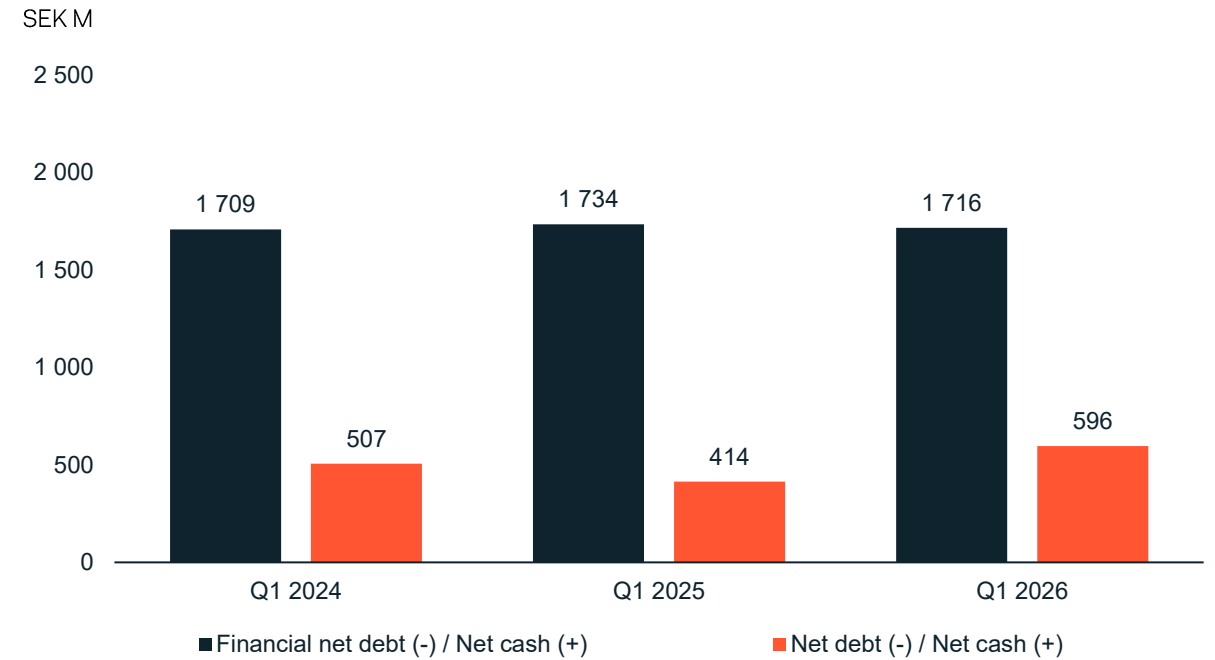


# Strong financial position

## Capital structure



## Net debt and Financial net debt





## Guidance ahead of the quarter and outcome

	<b>Outcome Q1 2026</b>	<b>Guidance ahead of Q1 2026</b>
Capex (Cash)	SEK 160 million YTD 2026	Approximately SEK 1,100 million in FY 2026
Currency transaction and translation effect	SEK -173 million in Q1	SEK -240 million in Q1
Total currency effect	SEK -93 million in Q1	-
Metal price effect	SEK 8 million in Q1	SEK -50 million in Q1
Tax rate, normalized	24.5% in Q1	23-25% in FY 2026



# Guidance Q2 2026 and FY 2026

## Capex (cash)

- Estimated to approximately SEK 1,100 million for FY 2026

## Currency effects (transaction and translation)

- Estimated negative effect of SEK -60 million on operating profit (EBIT) for Q2 2026, compared to the corresponding period last year

## Metal price effects

- SEK 150 million effect on operating profit (EBIT) for Q2 2026

## Tax rate

- The normalized tax rate is estimated to 23-25% for FY 2026



## Outlook for the second quarter 2026

- Market instability to continue
- Uncertainties related to the development in the Middle East
- The order book remains strong in several segments
- Product mix is expected to be similar to Q1
- Cash flow is usually lower in the first half of the year



## Summary

- Increased uncertainty in the market
- Underlying resilience
- Continued FX headwind
- Staying with the long-term strategy





# Q&A

Thank you  
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