

Q1



Erik Lundén
President & CEO



Marcus Söderberg
CFO

Q1 highlights

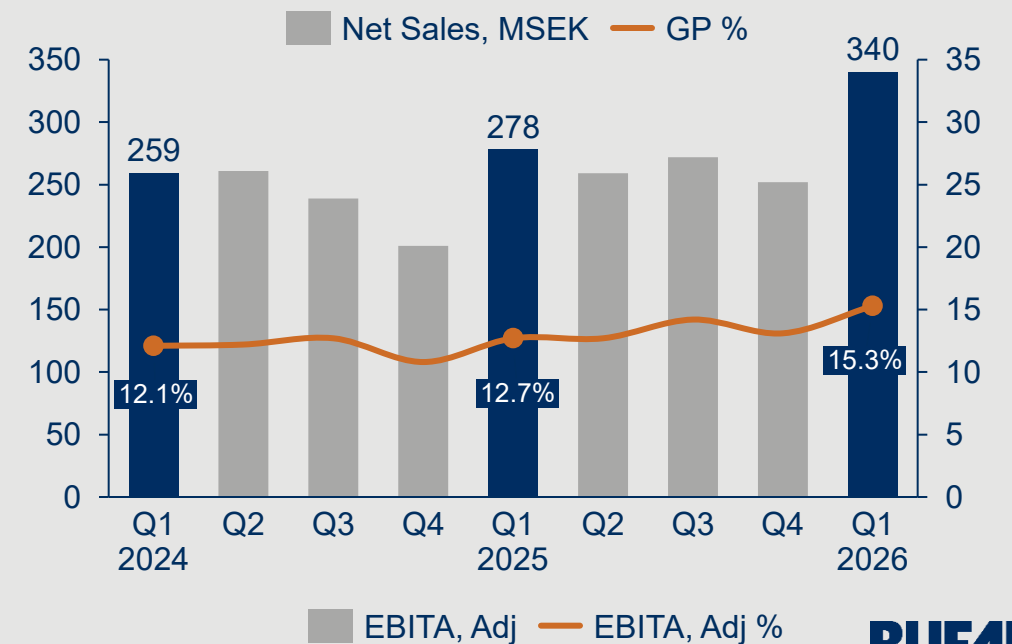
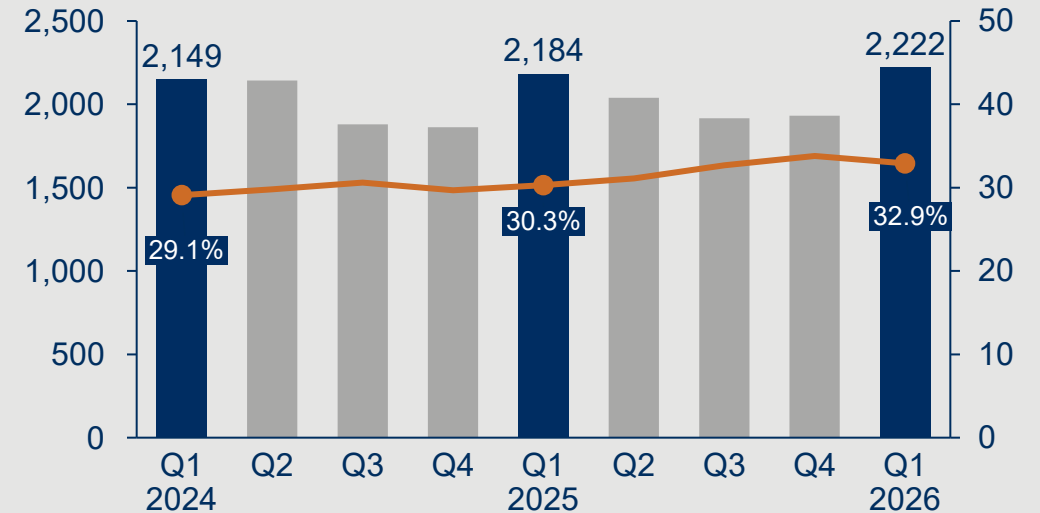


Erik Lundén

President & CEO

Q1 highlights – strong start to the year

- Continued strong execution of our strategy with a clear focus on value creation for our customers
- Organic sales growth of 2.2%
- Underlying demand remained cautious, with large variations between countries and customer segments
- Strong momentum in gross margin, reaching 32.9% (30.3)
- Underlying cost level slightly lower than last year
- Adj. operating margin at a high 15.3% (12.7)
- All regions and the vast majority of companies delivered improved results in the quarter compared with last year

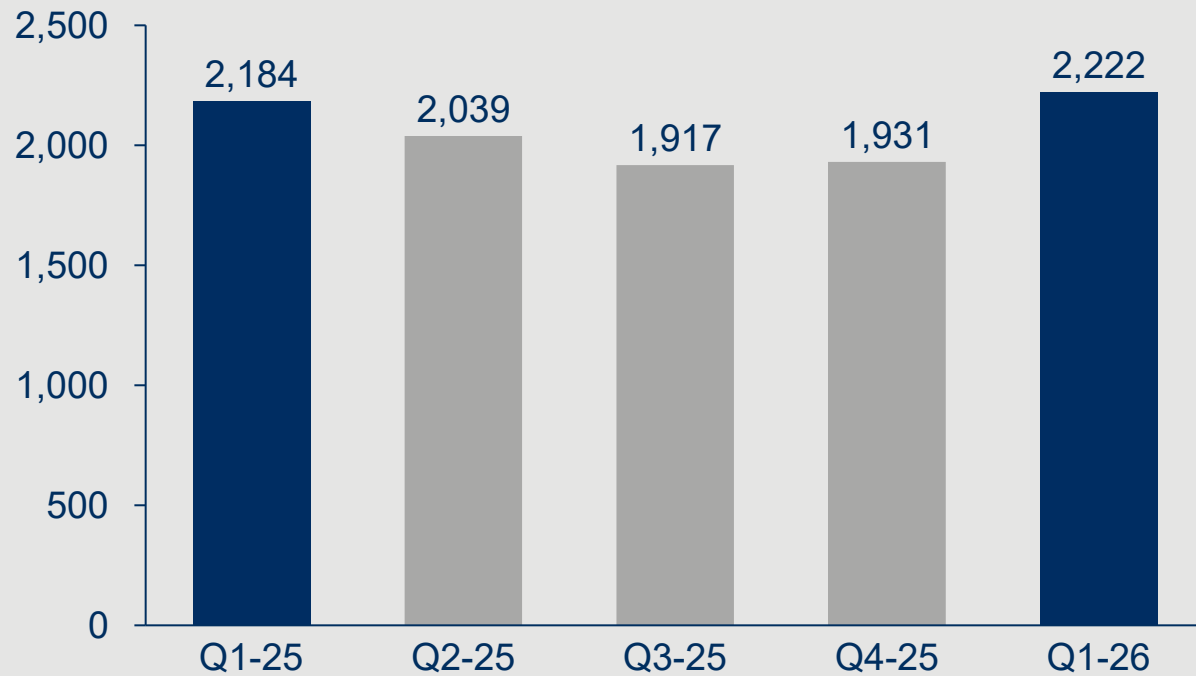


Financial highlights

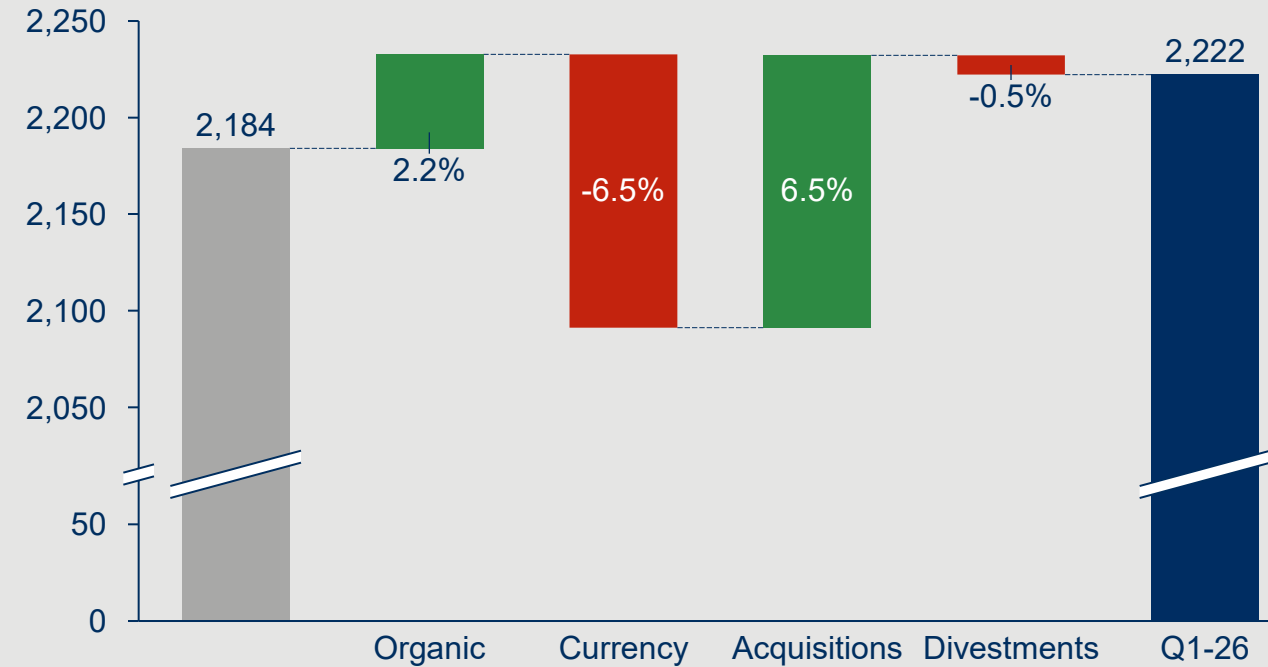
Marcus Söderberg
CFO

Organic growth, but underlying demand remains cautious

Net sales by quarter

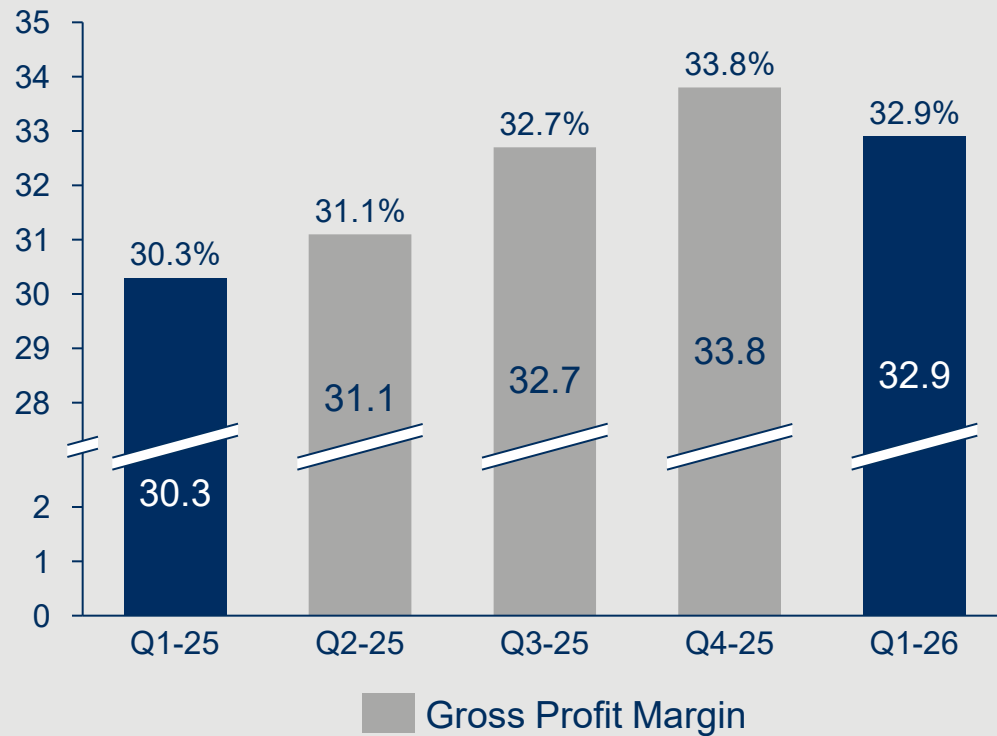


Growth development in the quarter

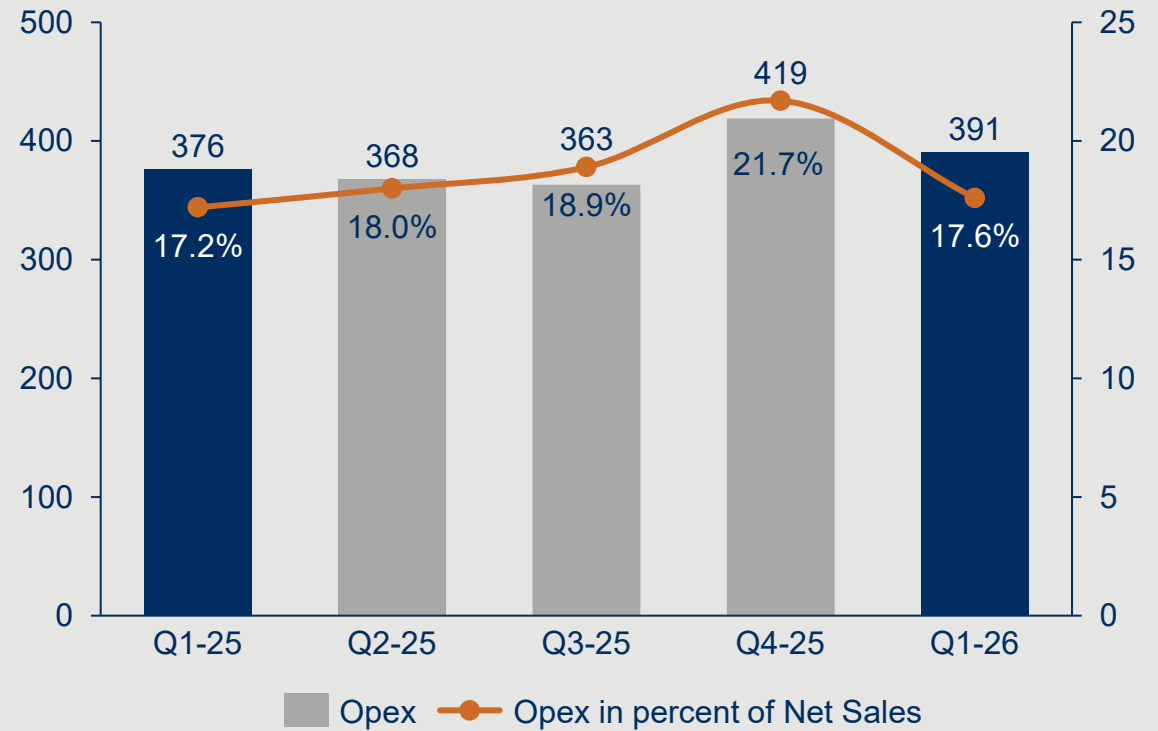


Strong gross margin momentum and good cost control

Gross Profit Margin

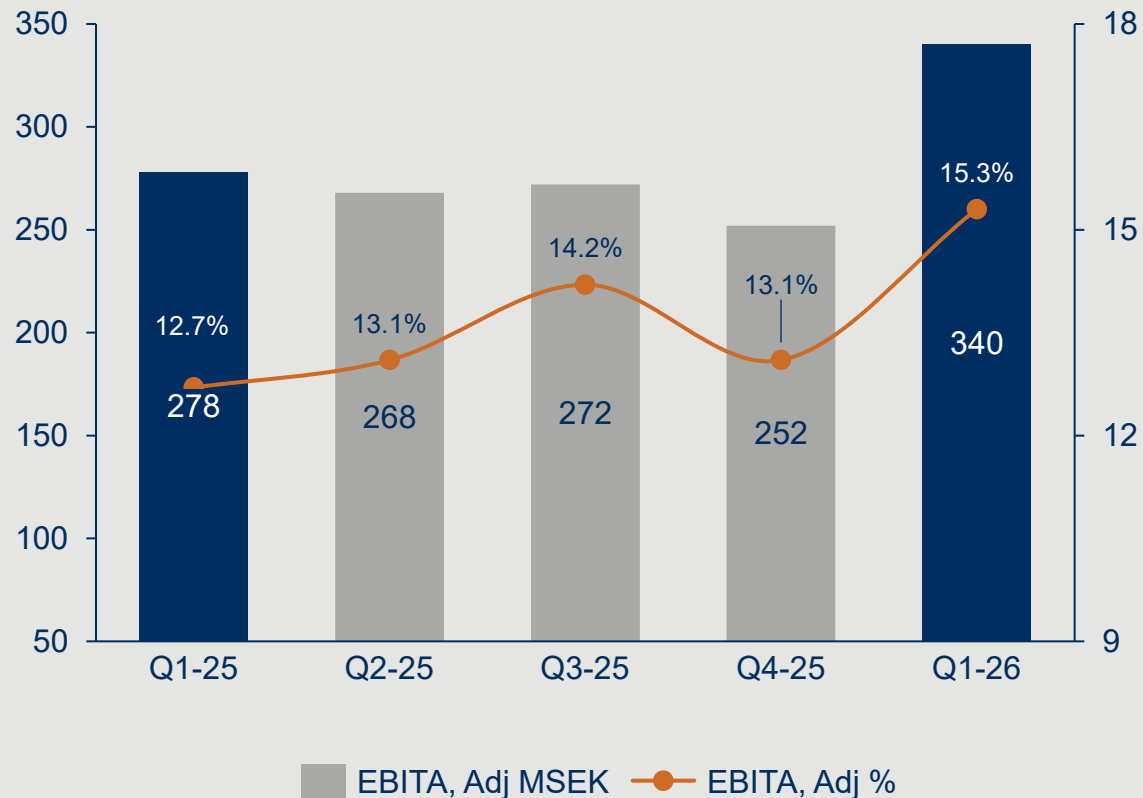


Opex & Opex in percent of Net Sales



Clear improvement in operating margin – well on track to reach our margin target

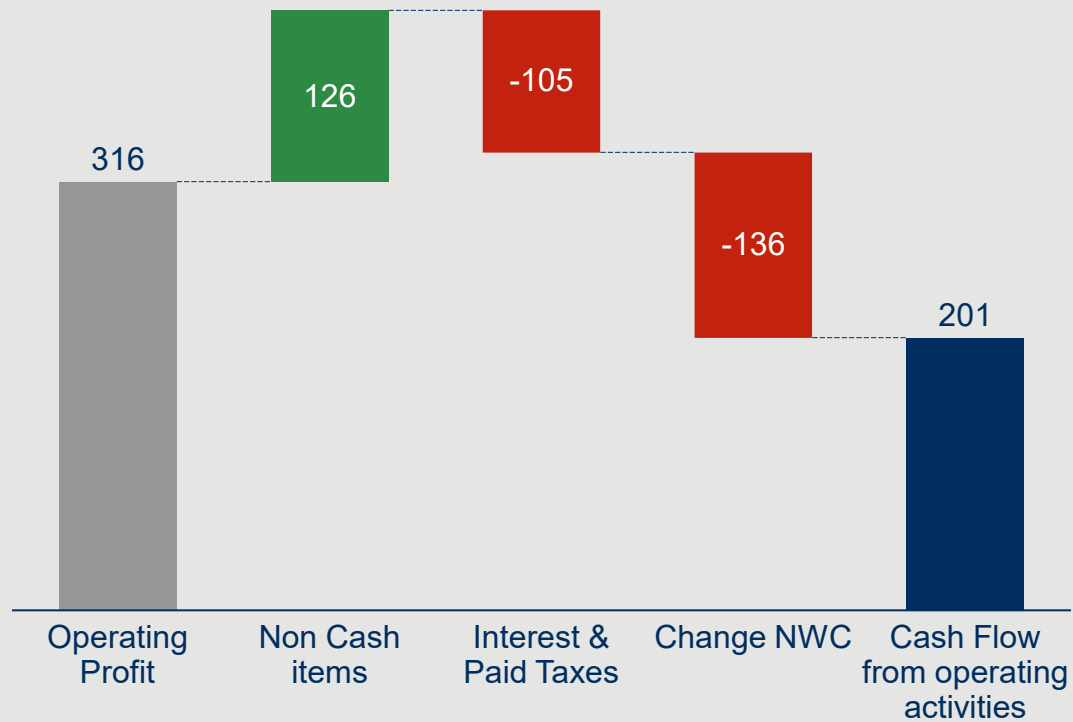
EBITA adjusted and EBITA margin adjusted



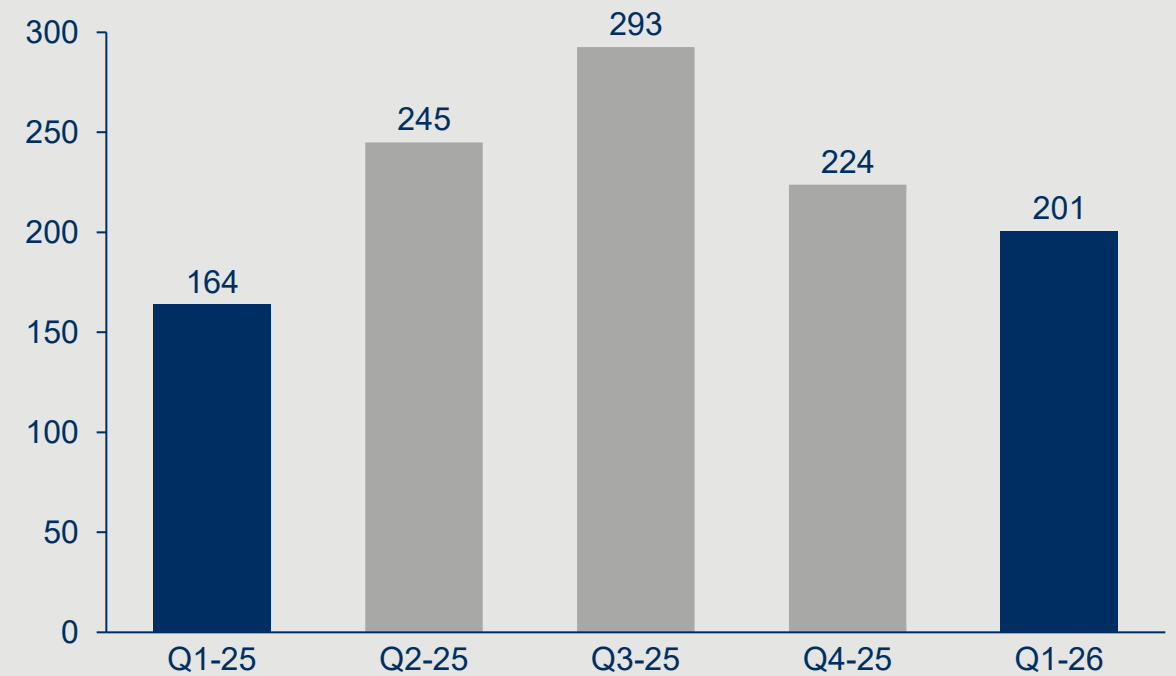
- Strong gross margin in combination with good cost control led to a clear improvement in operating margin, 15,3 percent (12,7).
- Adjusted operating profit increased 22 percent to 340 SEK million (278).
- Well in track to reach our margin target for the full year 2026.

Higher cash flow, mainly explained by improved results

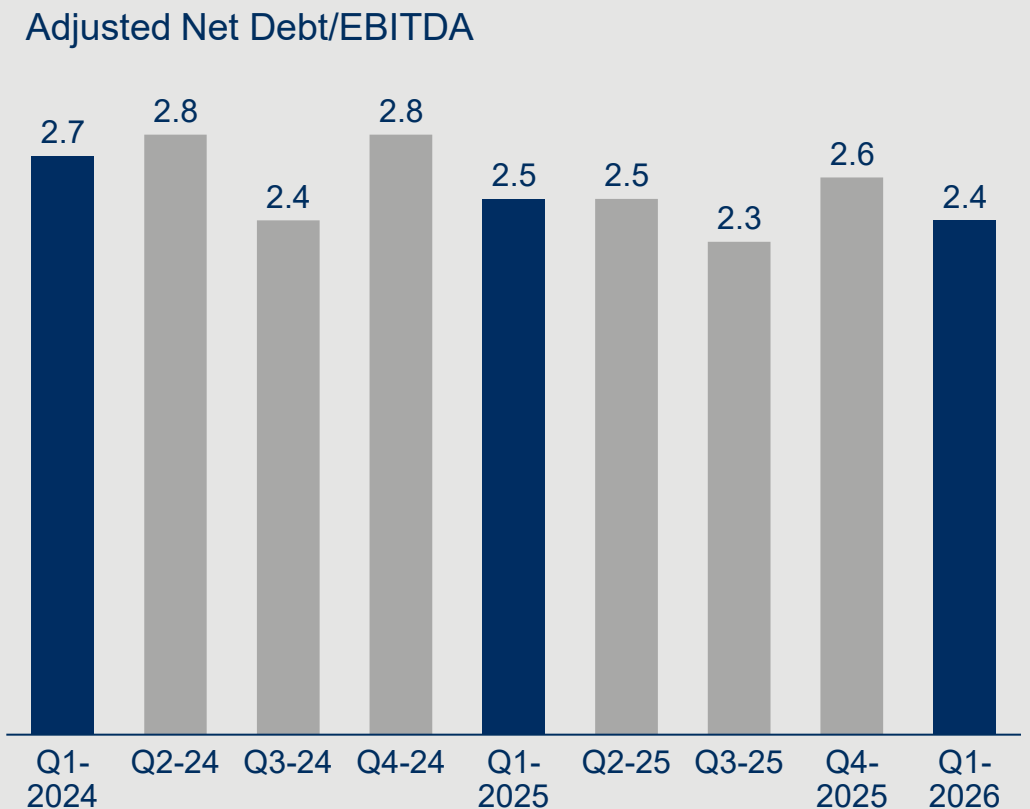
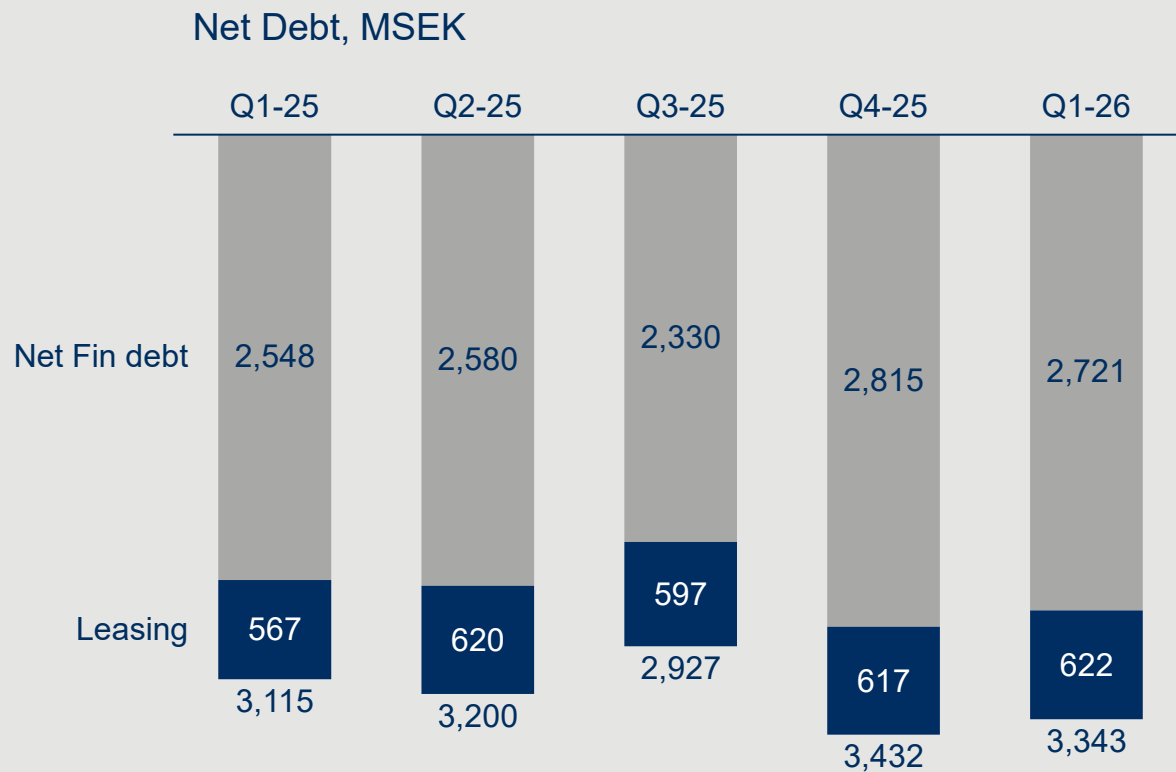
Cash flow from operating activities, MSEK



Cash flow from operating activities, MSEK



Strengthened balance sheet - Net Debt/EBITDA improved to 2.4x



Regional highlights



Erik Lundén

President & CEO

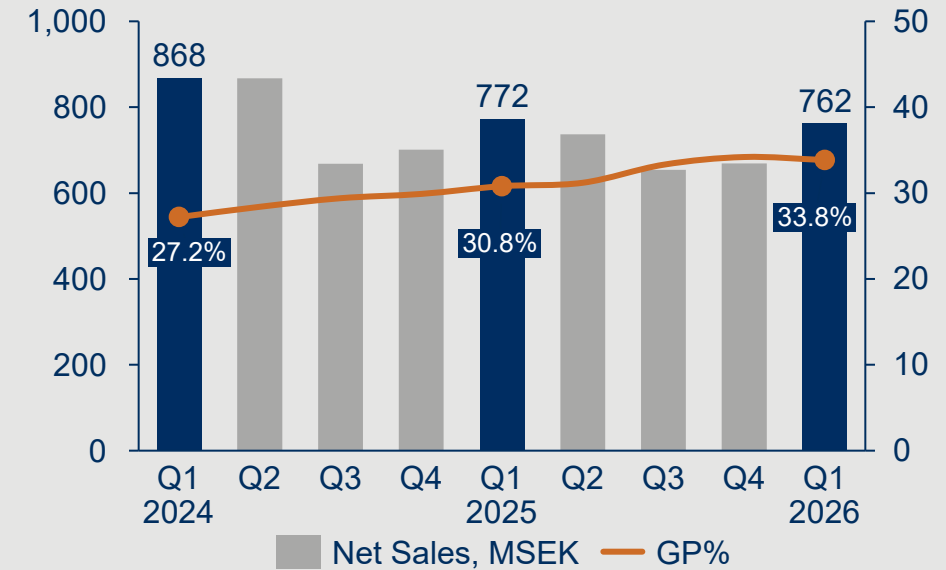
BUFA



Region

Europe North & East

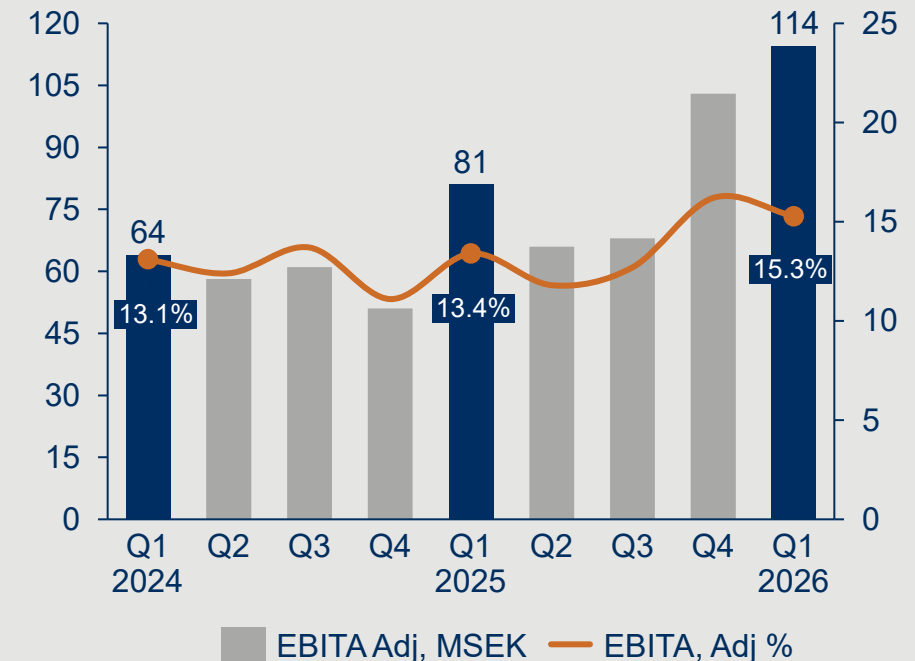
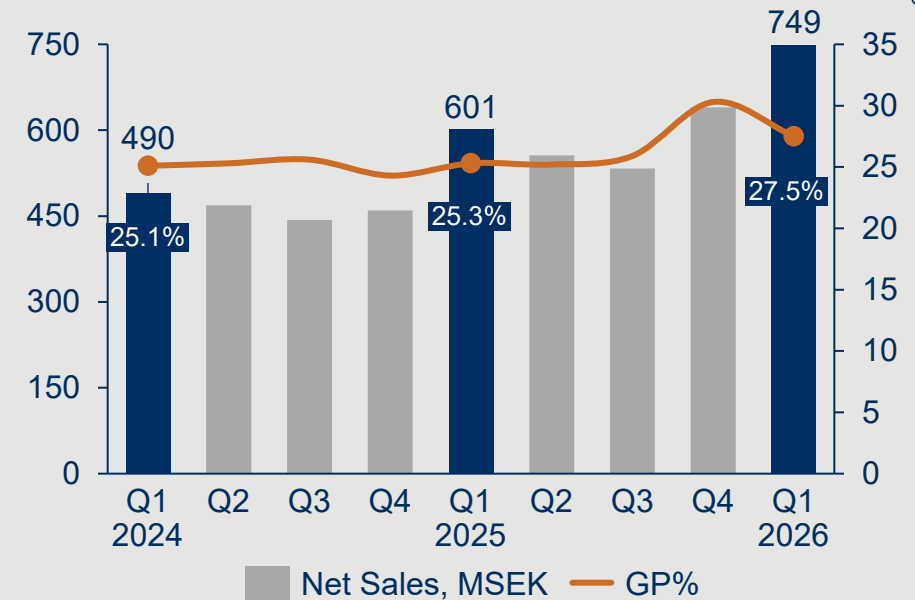
- Total growth was -1.3%, of which organic growth was 1.7%
- Demand in the furniture and kitchen sector remained weak, while defence and digital infrastructure were strong
- Gross margin up 3.0 pp driven by customer and product mix, consolidations of purchasing volumes and currency
- Operating expenses up mainly due to remeasured additional purchase considerations in the comparable quarter
- Ad. operating margin improved to 16.1% (14.2)



Region

Europe West

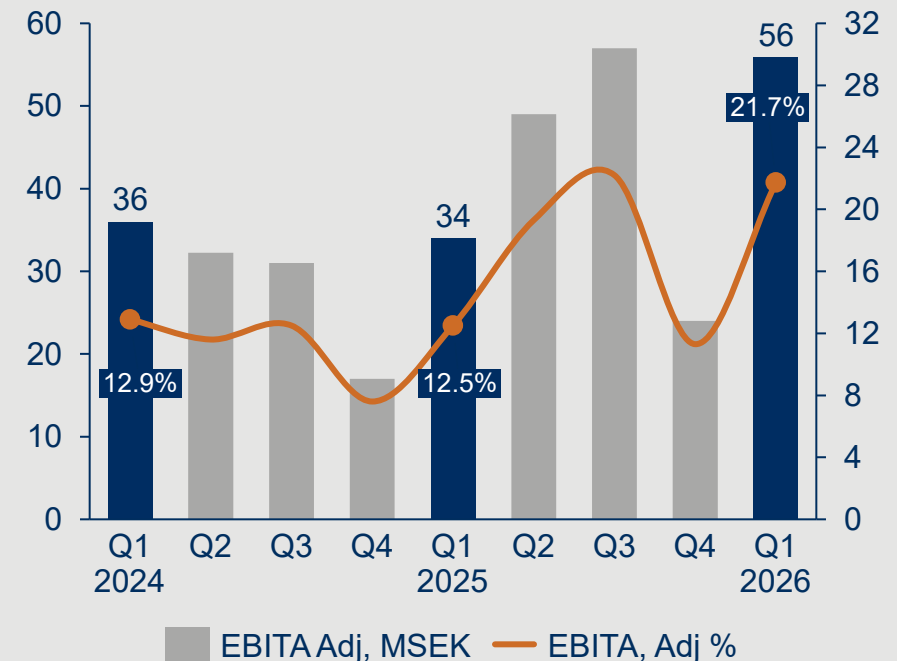
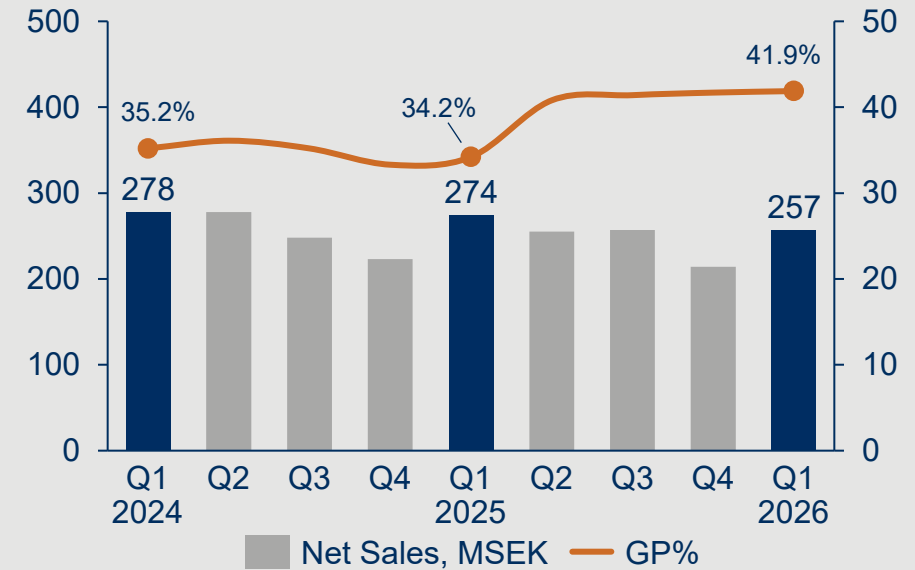
- Total growth was 24.7%, of which 23.7% was acquisitions and 6.3% was organic growth
- Strong demand in mechatronics, aerospace and defence
- Gross margin up 2.2 pp, driven by better product mix and added value on new projects
- Cost level in line with last year
- Adj. operating margin improved to 15.3% (13.4)
- The newly acquired novia Group developed according to plan



Region

Americas

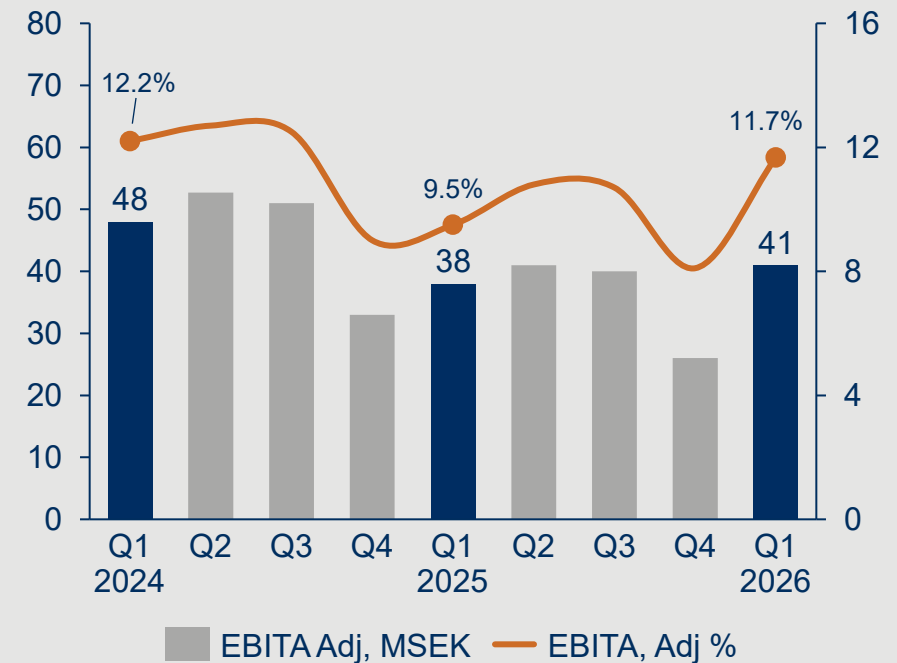
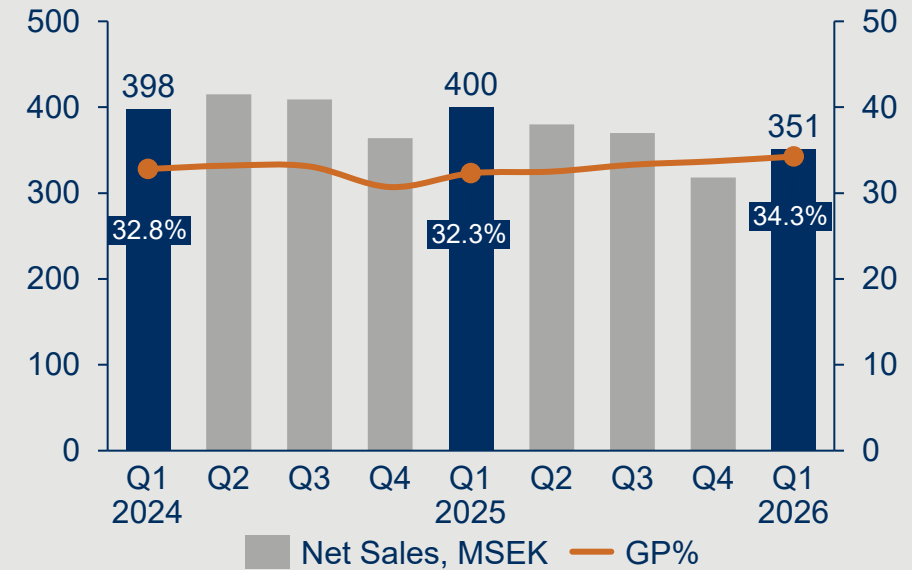
- Total growth was -6.1% and the organic growth was 11.6%, mainly driven by price increases
- Stable demand but on a low level for the RV and trailer market, and low demand in the automotive industry
- Gross margin up 7.7 pp driven by price adjustments and a successful improvement within CSG
- Gross margin expected to decrease slightly going forward, but remain on a high level
- Lower cost level due to the divestment of BGM within CSG and good cost control
- Adj. operating margin improved to 21.7% (12.5)



Region

UK & Ireland

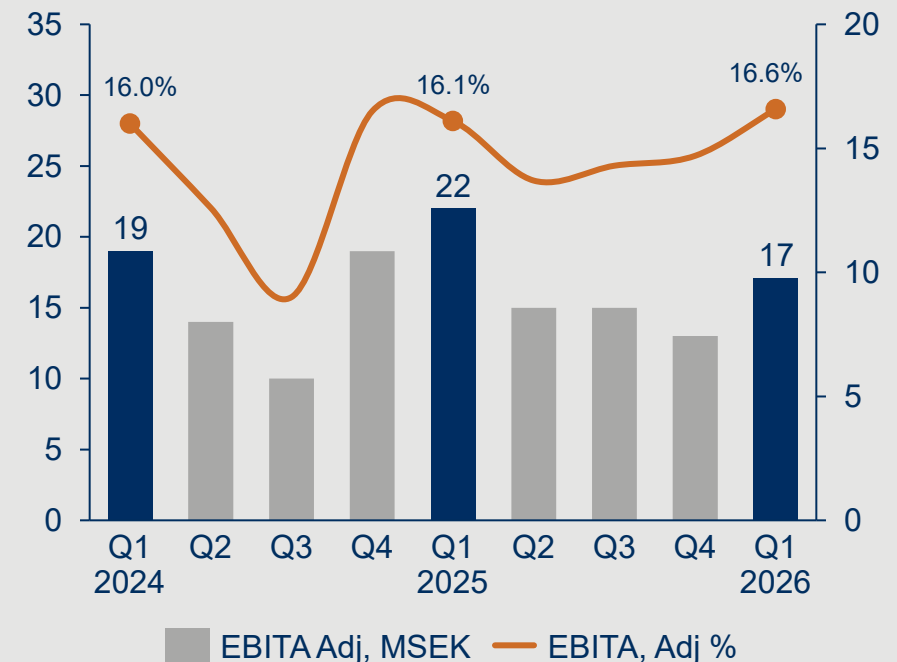
- Total growth was -12.2%, of which the organic growth was -3.8%
- Low demand in the manufacturing industry impacted Bufab UK and Ireland combined with lower market prices, which impacted Apex Stainless Fasteners
- Gross margin up 2.0 pp, mainly driven by sourcing savings and lower freight charges
- Lower cost level due to a customer loss as well as restructuring costs in the comparable quarter
- Adj. operating margin improved to 11.7% (9.5)



Region

Asia-Pacific

- Total growth amounted to -25.3%, of which -14.0% was organic growth and -11.3% was currency
- Lower demand from some large customers impacted Bufab Singapore and Bufab Shanghai had a small decline due to strong comparables
- Gross margin up 3.4 pp due to active work with value-based pricing and purchasing savings
- Higher cost level primarily due to the lower volumes and currency
- Adj. operating margin improved to 16.6% (16.1)



Market update

Erik Lundén

President & CEO

BUEAB

We help out in turbulent times

The Middle East conflict

- So far limited impact on demand.
- Higher transport costs on air freight.

Trade barriers

- Tariffs in US well managed, and we are acting proactively on CBAM as well.

Our Position & Opportunity

- Reliability is key in turbulent times
- Uncertainty drives consolidation
- Complexity and regulation favour scaled specialists
- Decentralized operating model makes us fast and flexible

→ ***Well positioned for market share gain***



Summary, Outlook & Priorities

Erik Lundén

President & CEO

Summary, outlook & priorities

- ✓ Strong performance in Q1 with organic growth and clear improvement in gross and operating margins, despite cautious demand
- ✓ The strong momentum in gross margin is expected to continue during the year
- ✓ Increased market uncertainty due to conflict in the Middle East
- ✓ We remain optimistic about the future – Focus on things within our control
 - 1) Continue securing new business and taking market shares
 - 2) Improve our margin - focused work on strengthening our margins
 - 3) Continuing to improve our NWC and secure strong cash flow
- ✓ Continue execute on our strategy - Strong momentum and well positioned for the future

Q&A