DISCOVERING THE NEXT SOLUTION

Q3 REPORT

Q3



Erik Lundén
President & CEO



Marcus Söderberg
CFO

BUFAB



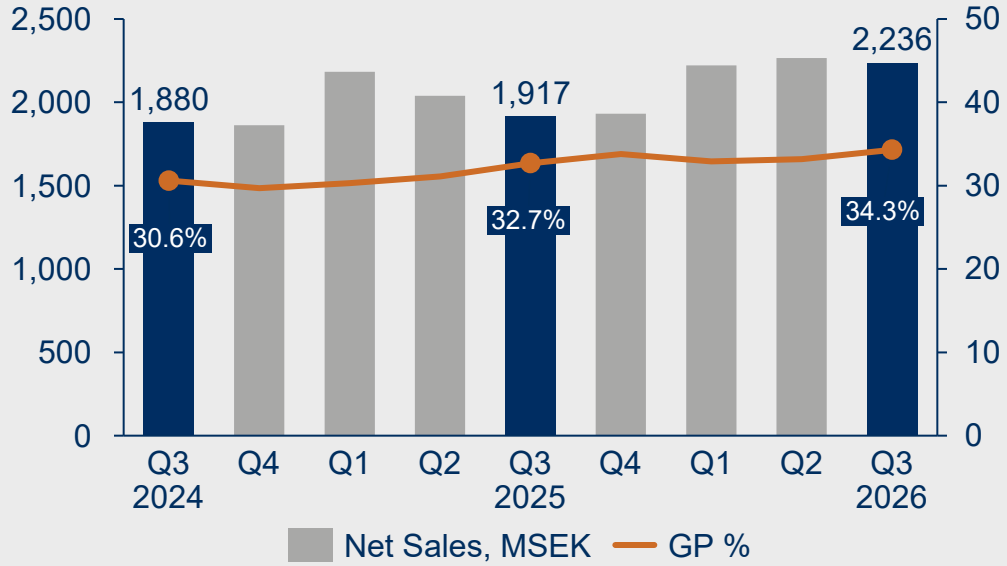
Q3 highlights

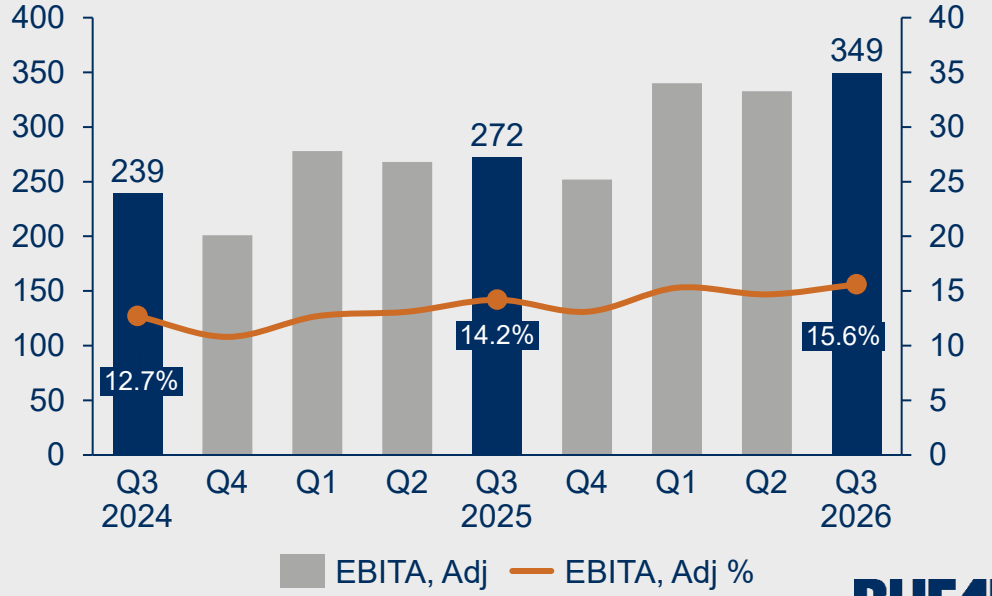
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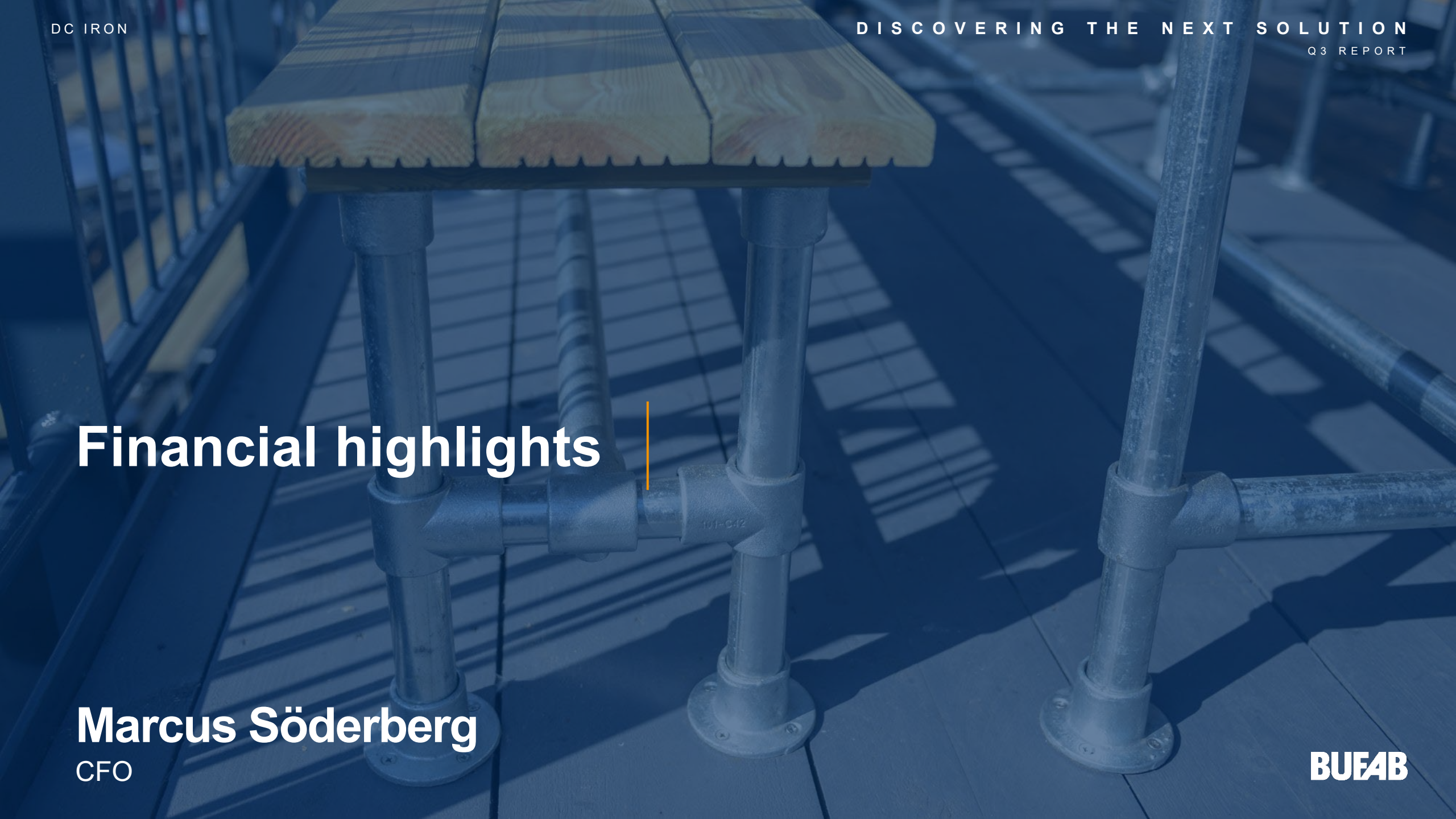
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Q3 highlights – strong organic growth and record margins

- Continued execution on our strategy with a strong focus on value creation for our customers
- Total growth of 16.6%, with strong organic growth of 6.5%
- Increased market shares and somewhat stronger underlying demand
- Gross margin up by 1.6 pp, reaching record-high 34.3%
- Adj. operating margin, reaching record-high 15.6% (14.2)
- Almost all companies delivered improved results, especially in Europe West and Asia-Pacific
- Positive development of DC Iron during the quarter





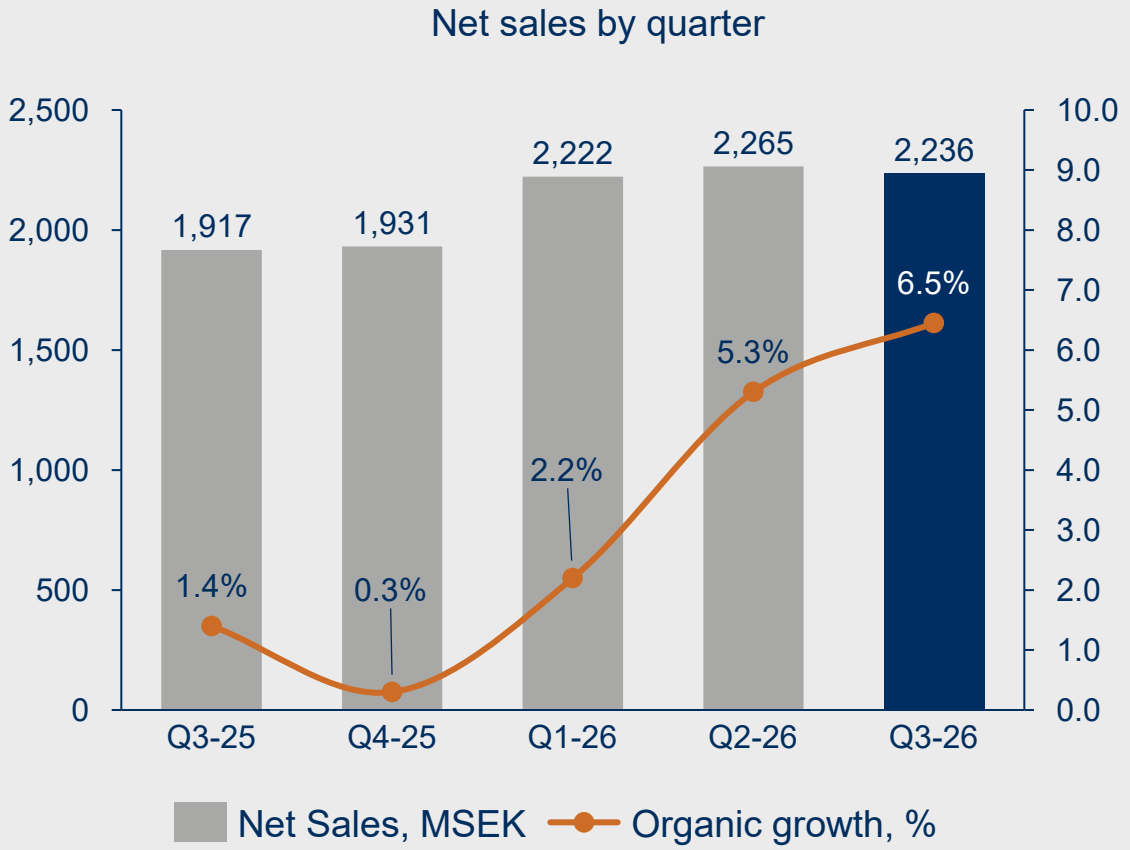


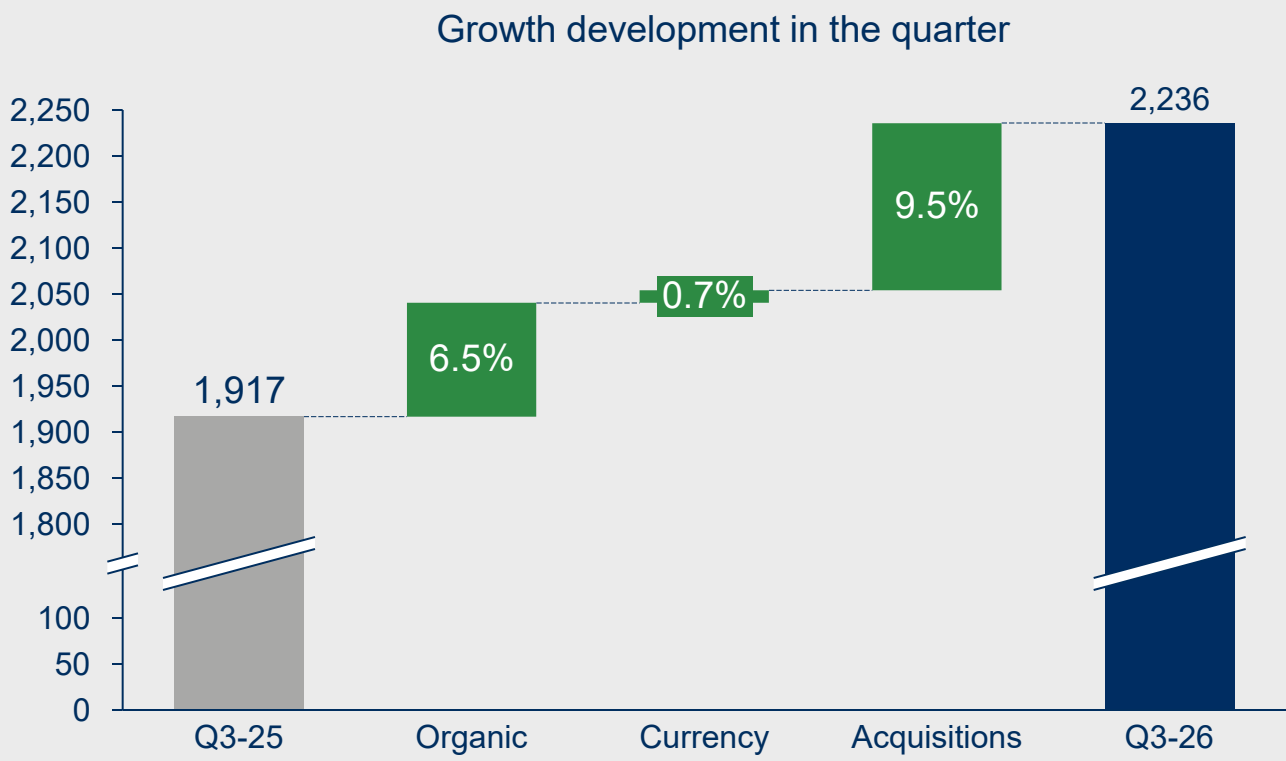
Financial highlights

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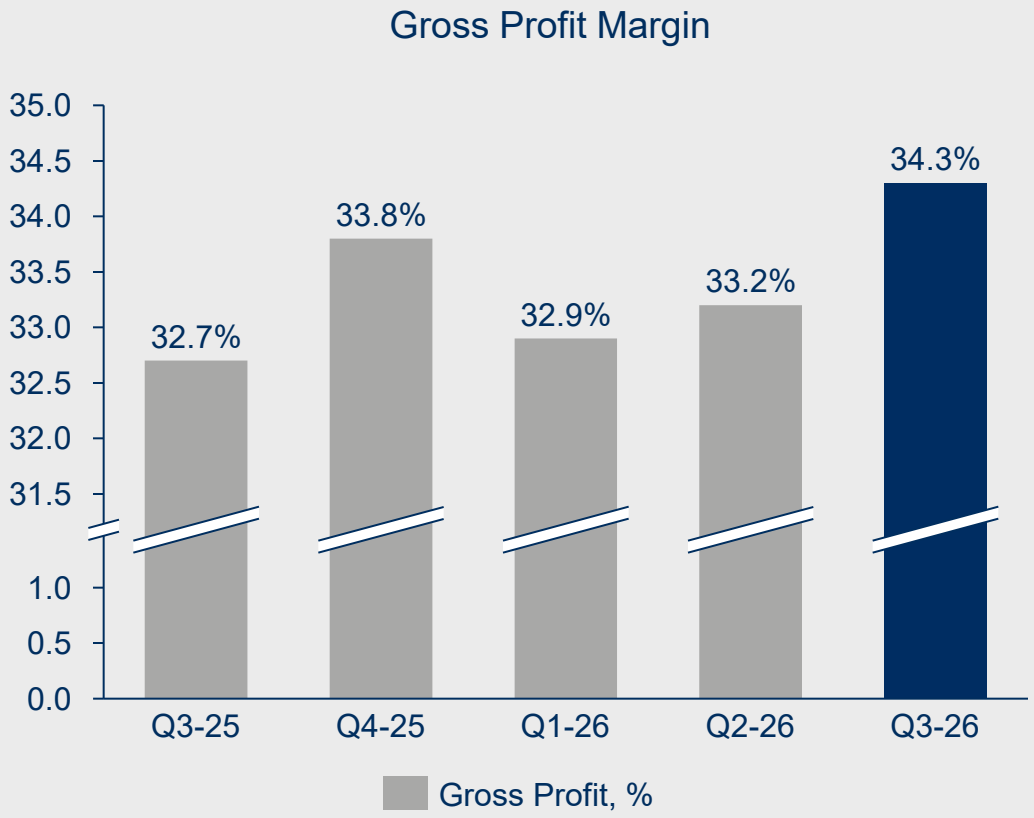
Strong organic growth, driven by increased market shares and improved underlying demand

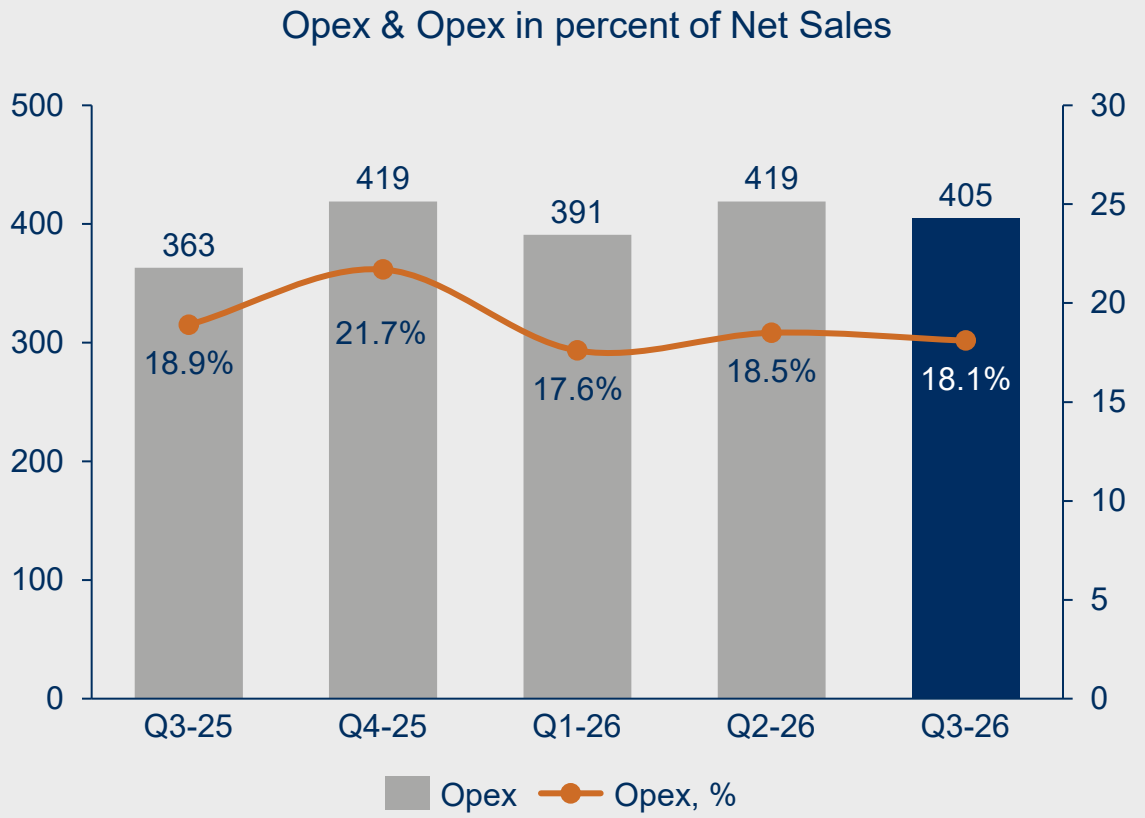




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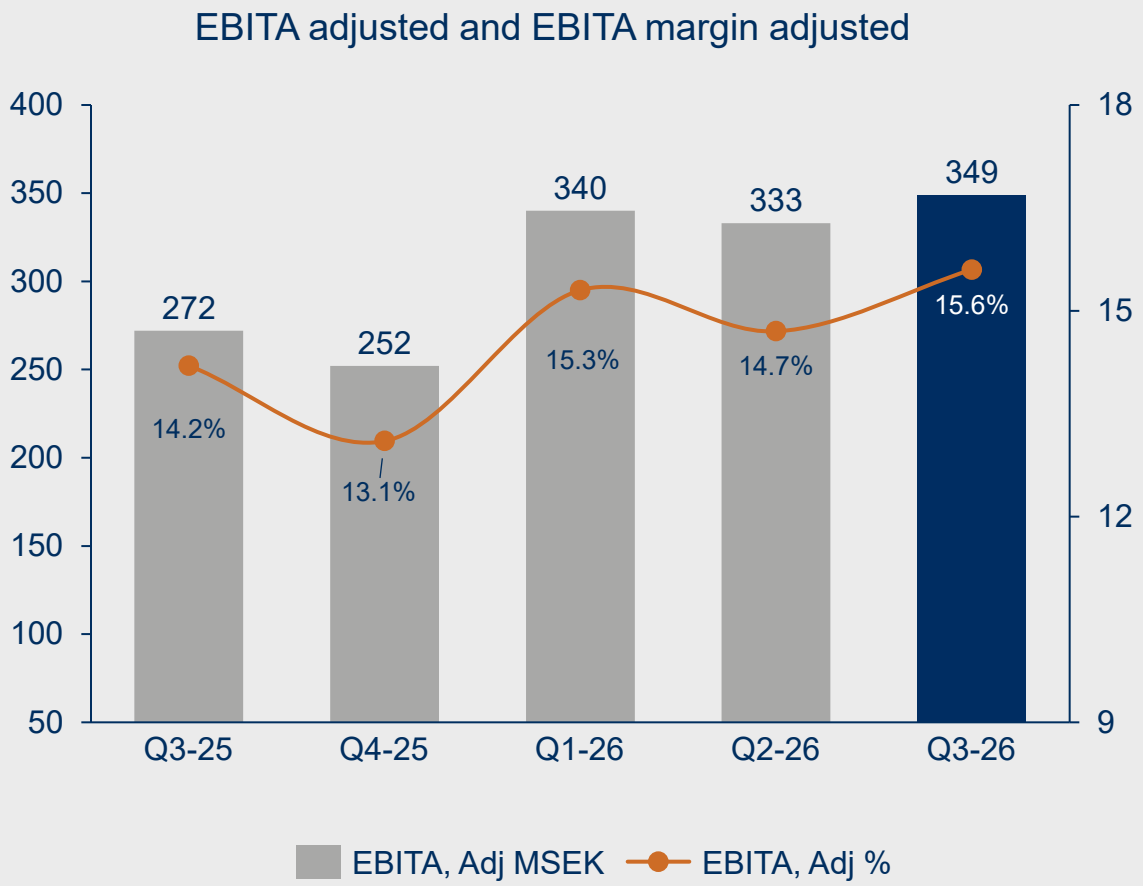
Strong gross margin momentum and continued cost control





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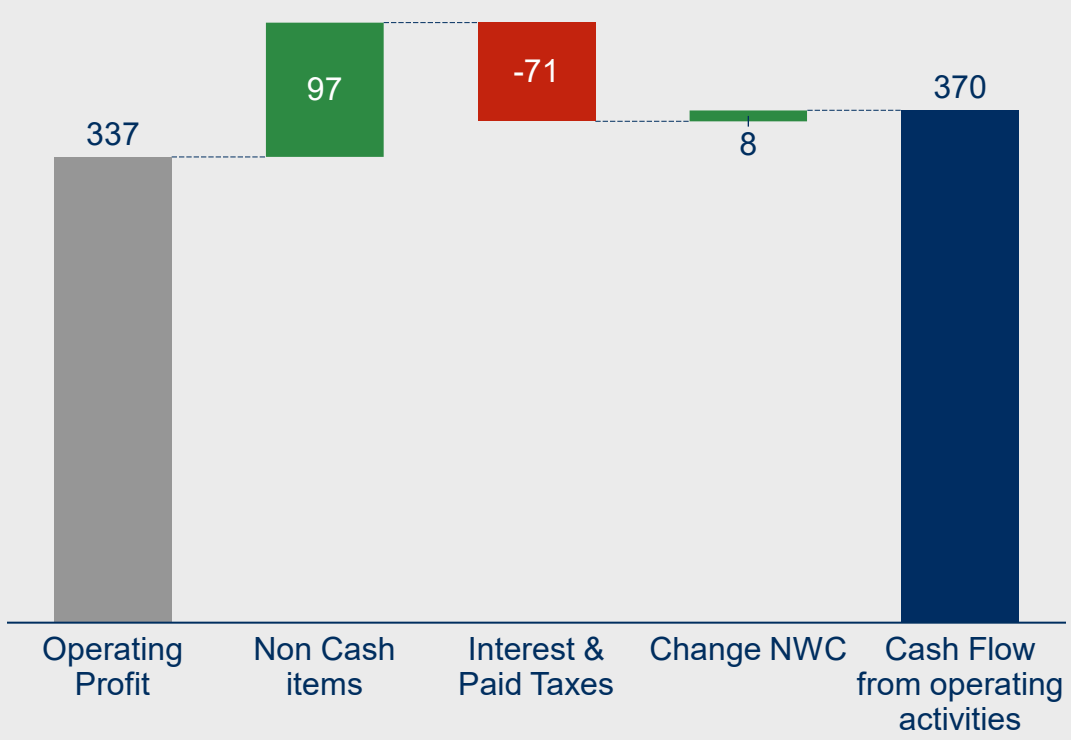
Record-high operating margin



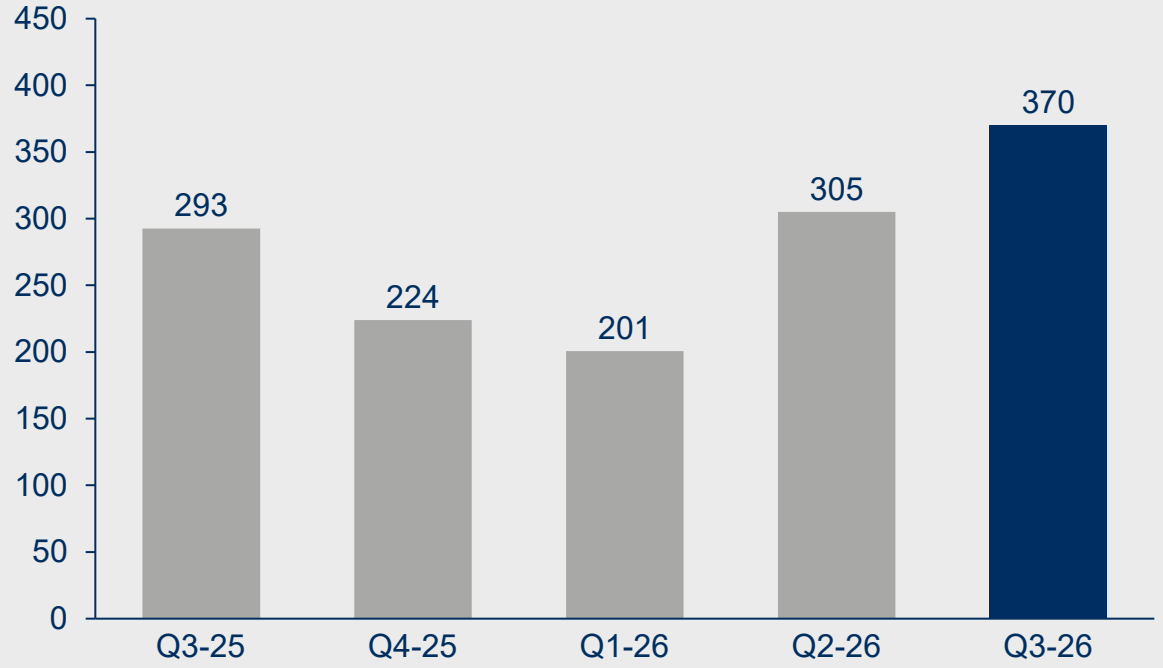
- Strong topline, increased gross margin in combination with good cost control led to a clear improvement in the adj. operating margin to 15.6% (14.2).
- Adjusted operating profit increased 28,2% to 349 SEK million (272).
- Four of five regions improved margins.

Higher cash flow, mainly explained by improved results

Cash flow from operating activities, MSEK

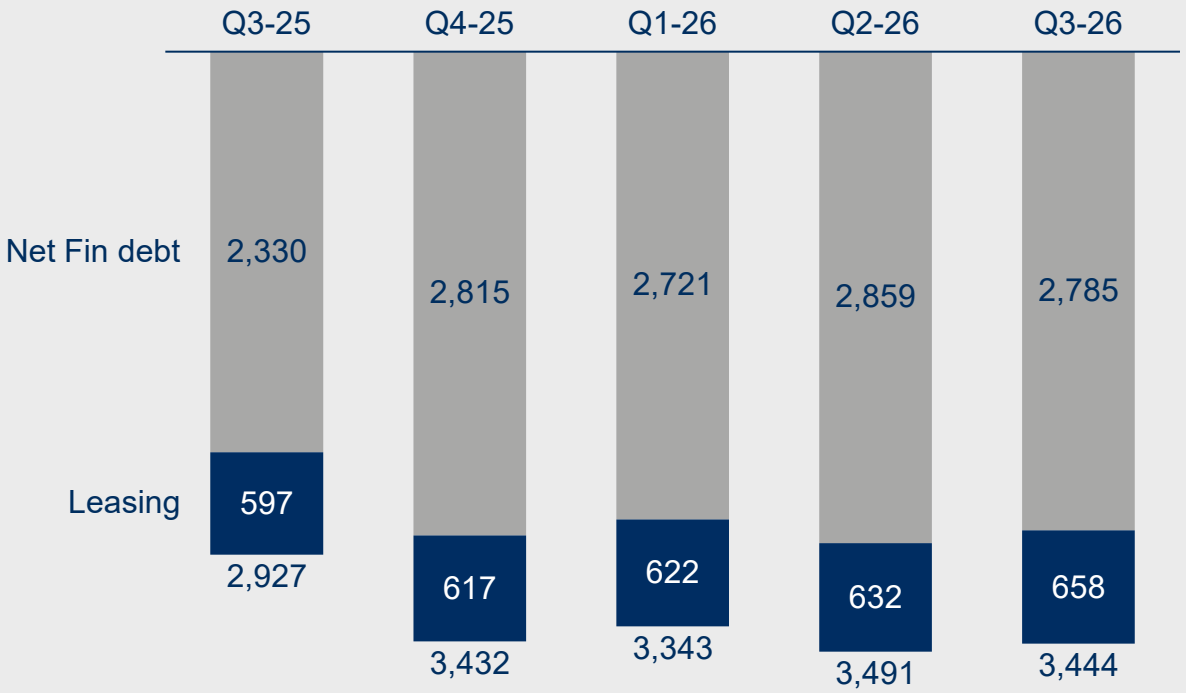


Cash flow from operating activities, MSEK

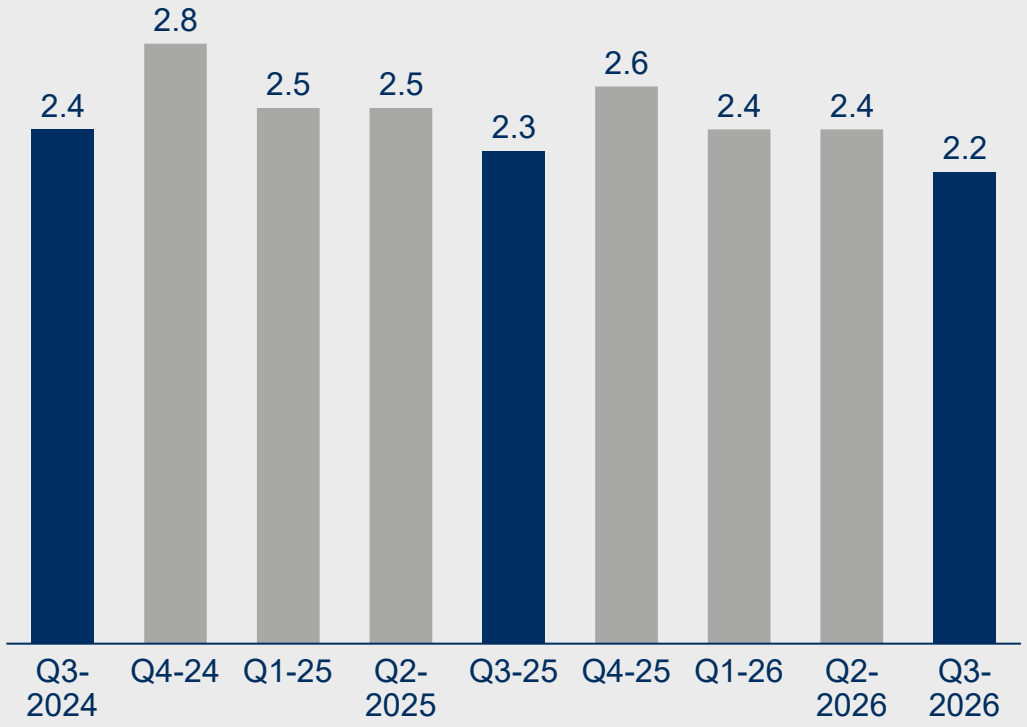


Net Debt/EBITDA improved to 2.2

Net Debt, MSEK



Adjusted Net Debt/EBITDA



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Regional highlights

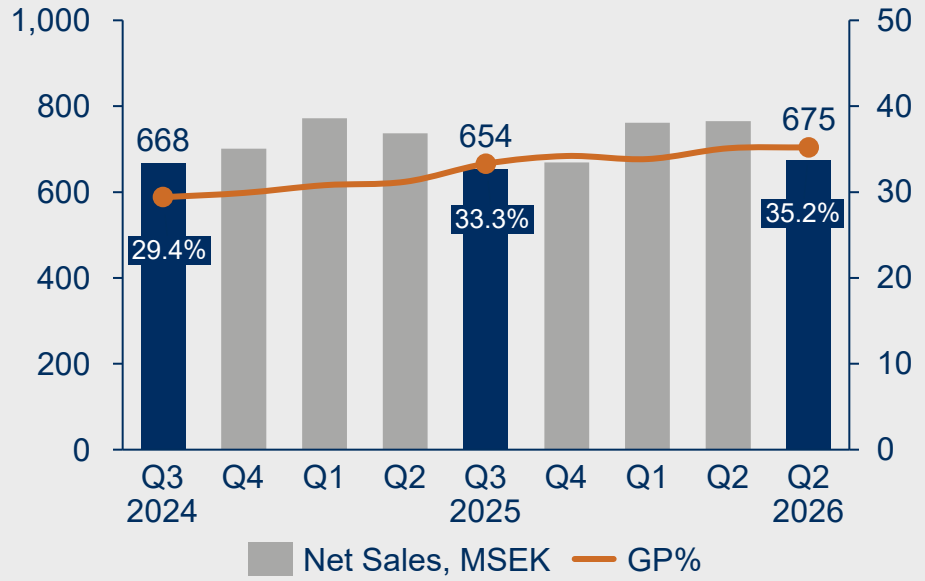
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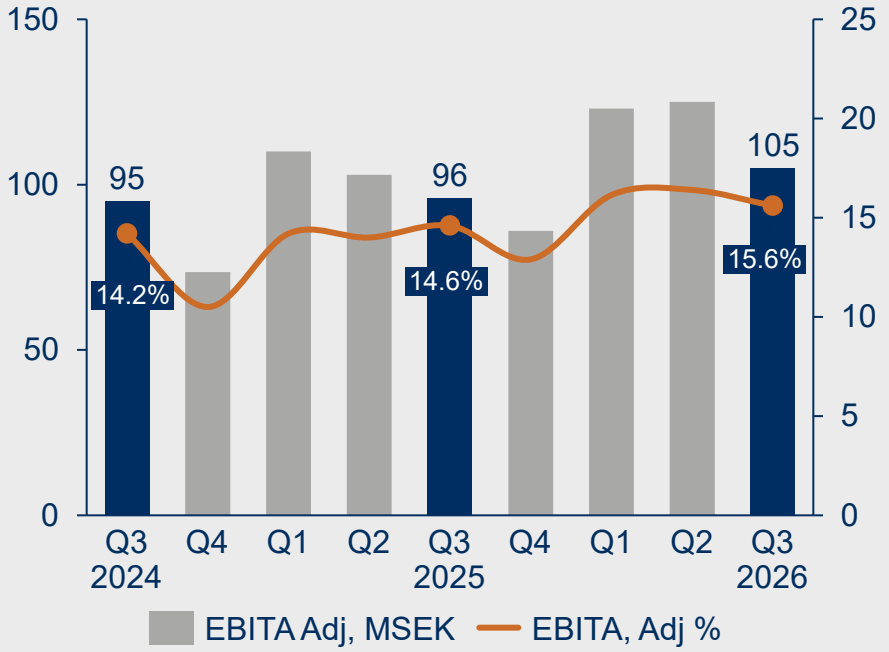
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Region

Europe North & East

- Total growth was 3.2%, of which organic growth was 3.0%
- Strong demand in defence, digital infrastructure and electrification while demand remained weak demand in construction and furniture
- Gross margin up 1.9 pp driven by customer and product mix as well as value-based selling
- Cost level up mainly due to foreign exchange losses on operating receivables and somewhat higher costs for inventory obsolescence and investments in growth
- Ad. operating margin improved to 15.6% (14.6)

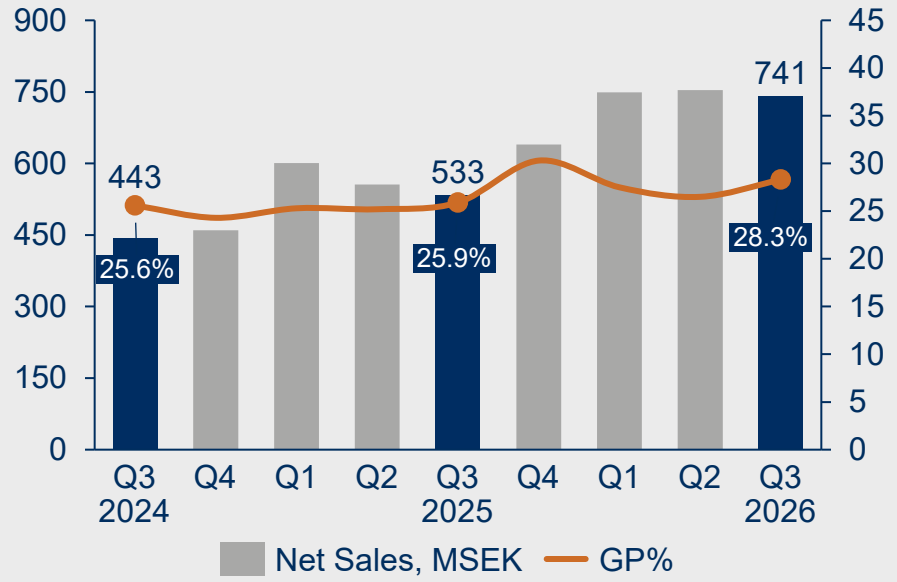


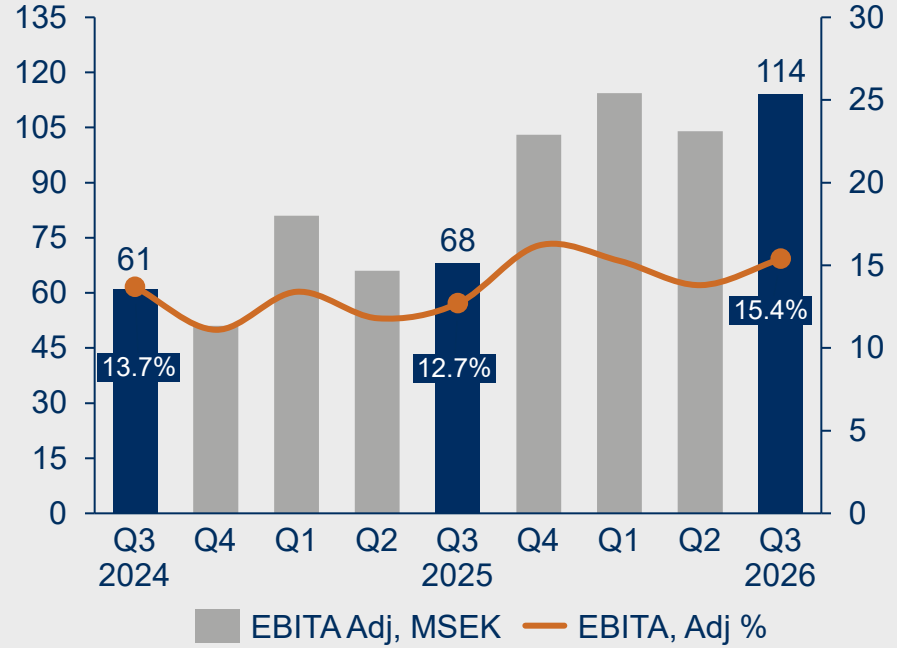


Region

Europe West

- Total growth was 39.0%, of which 25.2% was acquisitions and 14.2% was organic growth
- Strong demand in mechatronics, aerospace electricity and defence
- Strong Gross margin, up 2.4 pp, driven by an improved product mix and added value on new projects
- Cost level down due to strong operational leverage
- Adj. operating margin improved to 15.4% (12.7)
- Stable development of novia Group

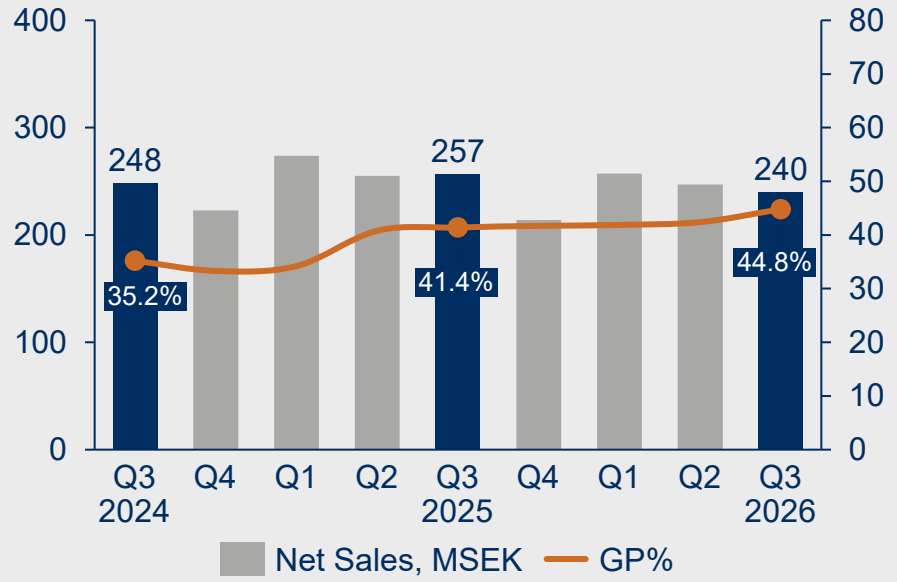


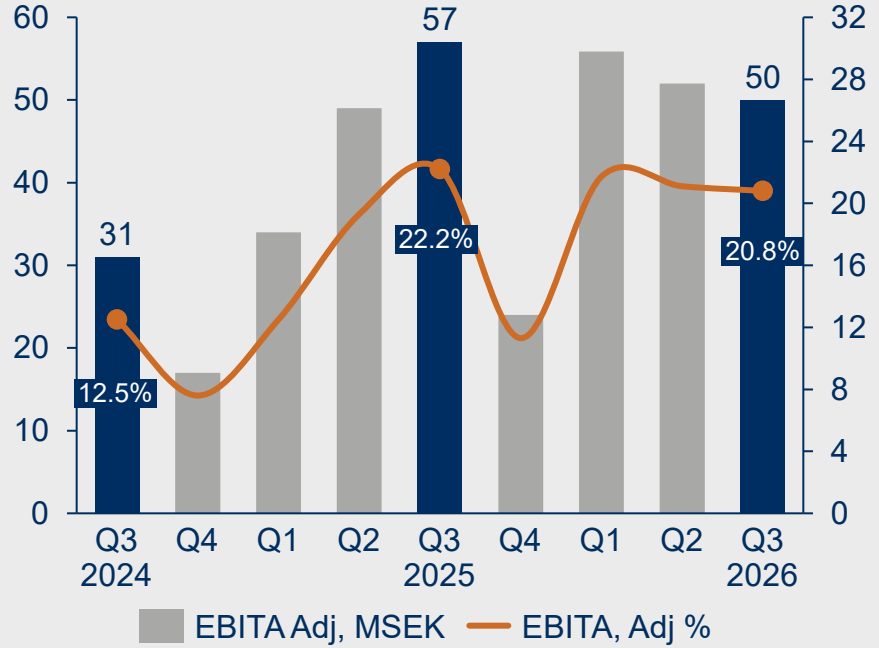


Region

Americas

- Total growth was -6.6%, of which organic growth was -8.0%
- The negative organic growth was due to refunds of previously paid customs duties, lower demand in the RV and automotive markets, and a strong comparative quarter
- Gross margin up 3.4 pp driven by price adjustments and a successful development within CSG
- Somewhat higher cost level due to the negative organic growth and somewhat higher obsolescence costs
- Adj. operating margin was 20.8% (22.2)

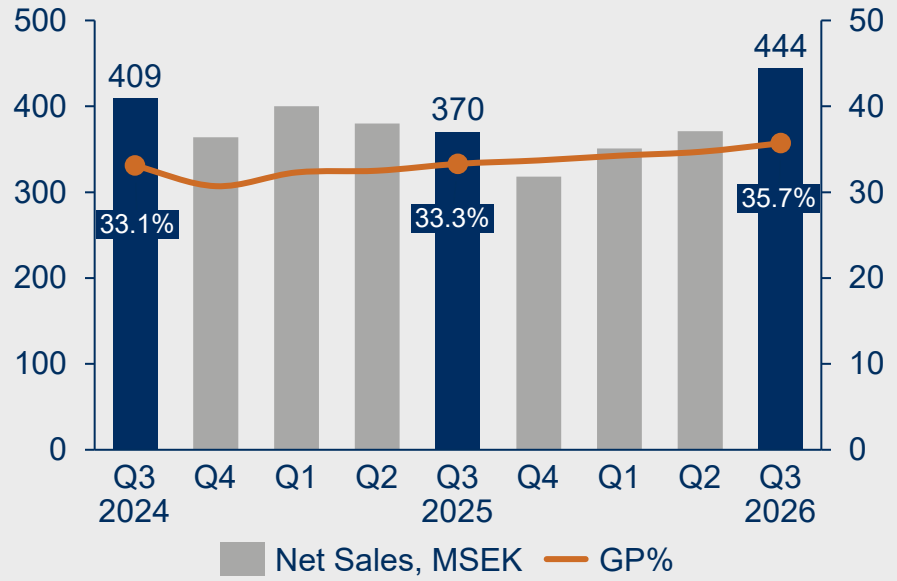


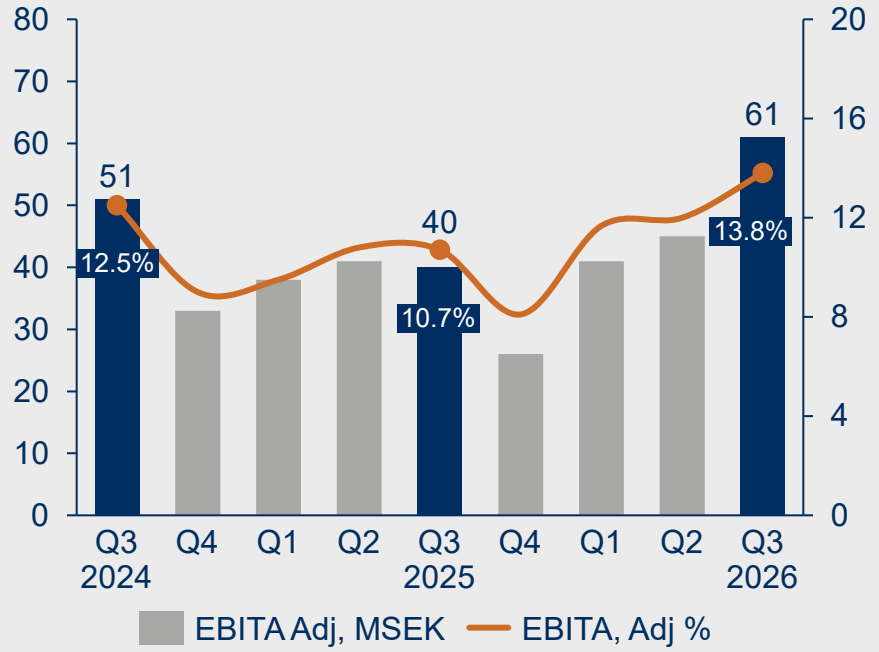


Region

UK & Ireland

- Total growth was 20.2% of which 13.4% was the acquisition of D.C. Iron and organic growth was 5.4%
- TIMCO delivered robust sales despite weak construction, while higher stainless steel prices supported a slight improvement at Apex Stainless Fasteners
- Gross margin up 2.4 pp, mainly driven by a better customer and product mix, rising prices of stainless steel and the acquisition of D.C. Iron
- Higher cost level due to transaction costs related to D.C. Iron
- Adj. operating margin improved to 13.8% (10.7)

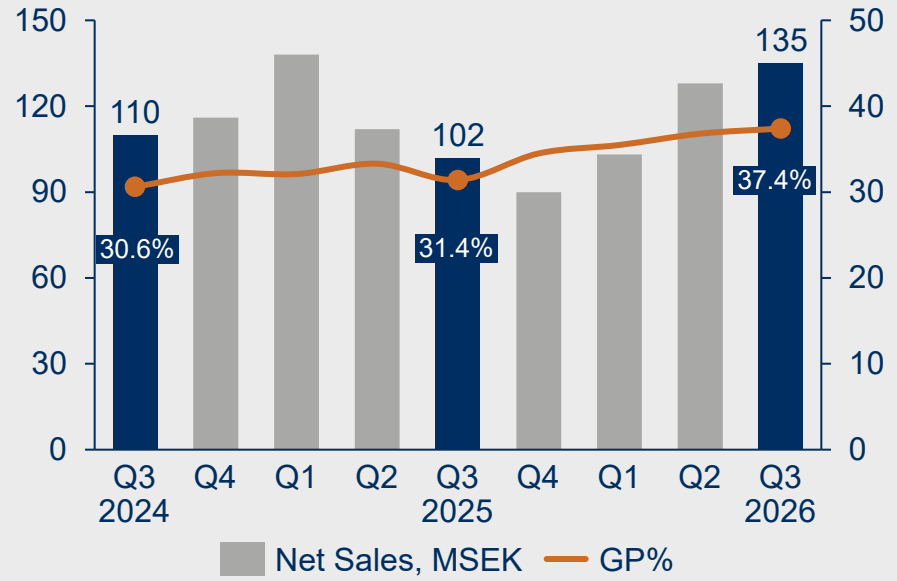


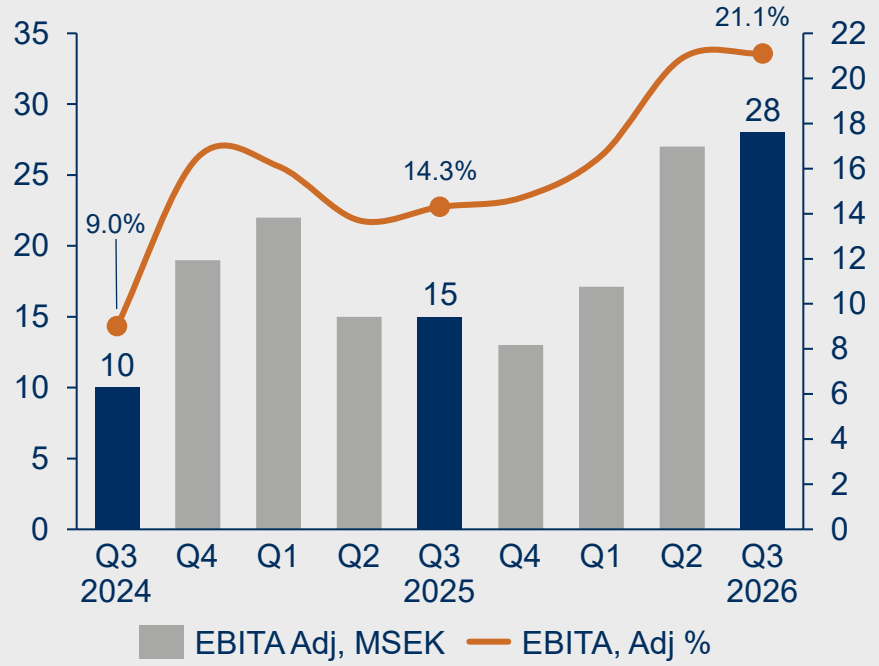


Region

Asia-Pacific

- Total growth amounted to 32.0%, of which organic growth was 28.4%.
- Strong growth within energy and industrial automation solutions impacting especially Bufab Shanghai and Bufab India
- Gross margin up 6.0 pp due to active work with value-based pricing, improved customer and product mix and purchasing savings
- Lower cost level mainly due to the higher volumes and a good cost control
- A solid development on all levels led to an adj. operating margin of 21.1% (14.3)





Customer case: Growing our partnership with Knorr-Bremse

KNORR-BREMSE & THEIR NEEDS

- Global braking systems leader
- Simplifying a complex C-Part supply chain

HOW BUFAB CREATES VALUE

- One partner from sourcing to logistics
- Tailored solutions reducing complexity and cost

FURTHER VALUE CREATION & GROWTH

- Strategic global partner across 30 production sites
- Significant potential in new commodities & sites





Group news

Erik Lundén
President & CEO

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Summary, outlook & priorities

- ✓ Strong quarter with organic growth of 6.5% and record-high gross and operating margins
- ✓ Despite geopolitical uncertainty, we experienced slight improvement in market conditions
- ✓ Somewhat higher purchase prices from Asia
- ✓ We remain optimistic about the future – focus on things within our control

    1) Continue securing new business and taking market shares
    2) Improve our margins - focused work on strengthening our gross margin and on cost savings
    3) Continue to improve our NWC and secure strong cash flow

- ✓ Continue our value journey, improving our customer and product mix and implement more value-based pricing
- ✓ Strong momentum for the future



Welcome to

Bufab's Capital Markets Day

on December 10, 2026, in Stockholm.

Hotel Miss Clara by Nobis
Register by e-mail: sofie.unnersjo@bufab.com

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Q&A