DISCOVERING THE NEXT SOLUTION

Q4 REPORT

BUFAB

PICTURE THEME:
NOVIA GROUP

DISCOVERING THE NEXT SOLUTION

Q4 REPORT

Q4

Erik Lundén
President & CEO

Helena Häger
Acting CFO

BUFAB

Full year 2025 – another successful year for Bufab

- **Record-high results, despite weak demand**
  - Total growth was 0.5% whereof the organic growth was 0.3%
  - Record-high gross margin at 31.9% and adj. operating margin at 13.3%
  - Proposed dividend of SEK 1.30 (1.05) per share

- **Continued strong execution of our strategy**
  - More value-added services and value-based pricing
  - New sustainability offering and awarded EcoVadis platinum rating
  - Interesting customer projects across key segments like defence, infrastructure and general industry
  - Acquisition of novia Group & divestment of a small manufacturing unit in the USA

➡ ***Strong momentum and in a good position to deliver on our profitability target***

Q4 highlights



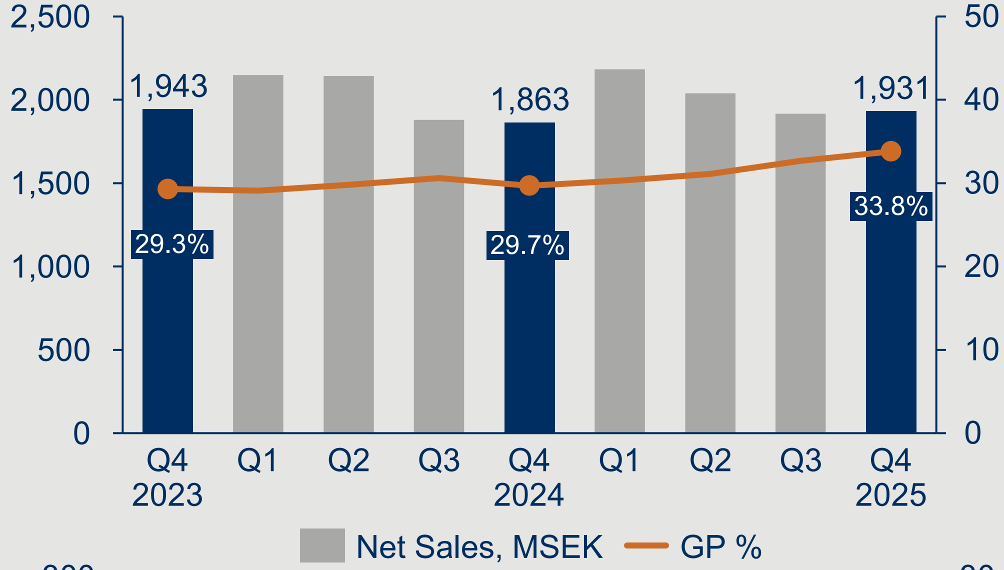

Erik Lundén

President & CEO

BUFAB

Q4 highlights – a strong end to a successful year

- Organic sales growth of 0.3%
- Continued uncertain market with large variations between countries and customer segments
- Strong gross margin at 33.8% (29.7) and adj. operating margin at 13.1% (10.8)
- Underlying cost level unchanged to last year when adjusted for novia Group and VITAL
- All regions except UK/Ireland delivered very strong results in the quarter



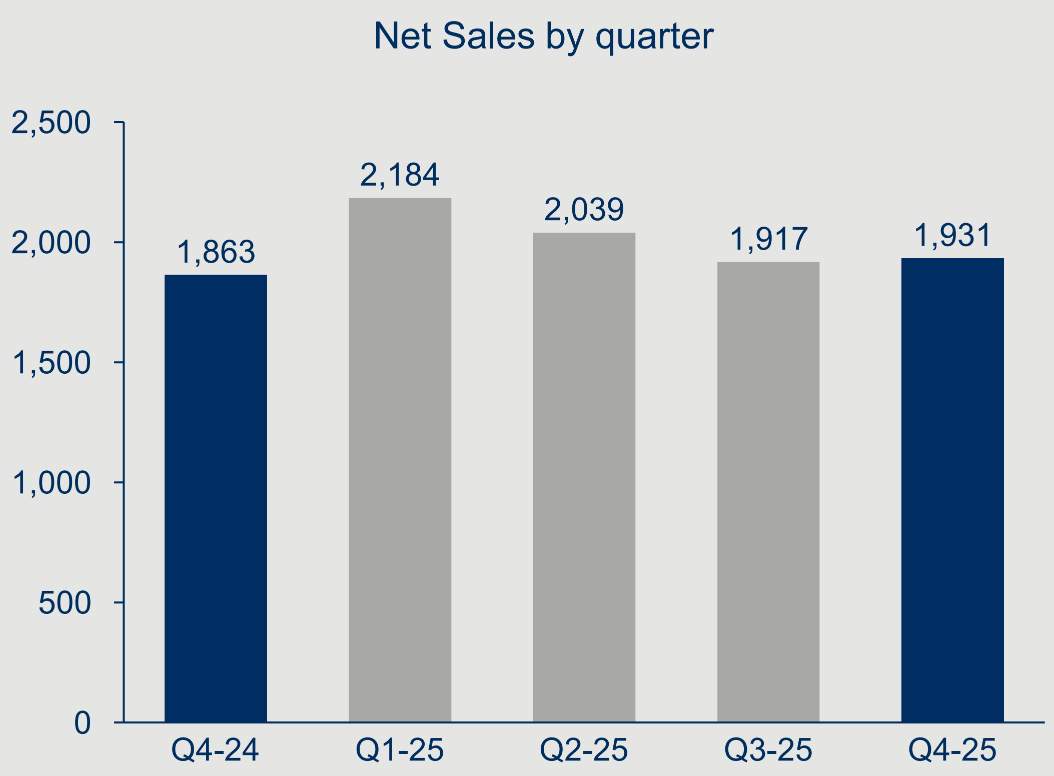
BUFAB

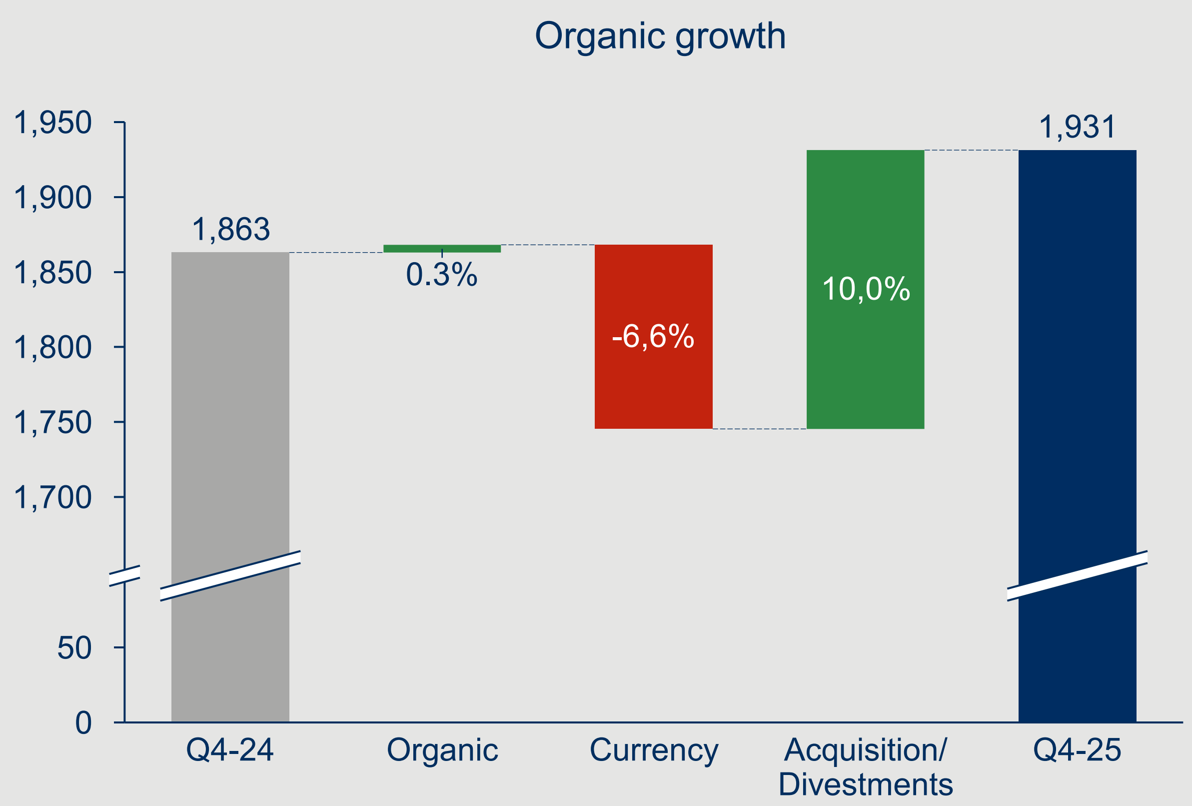
NOVIA GROUP
SHANGHAI QUALITY CONTROL

Financial highlights

Helena Häger
Acting CFO

Organic growth, reflecting a continued uncertain market

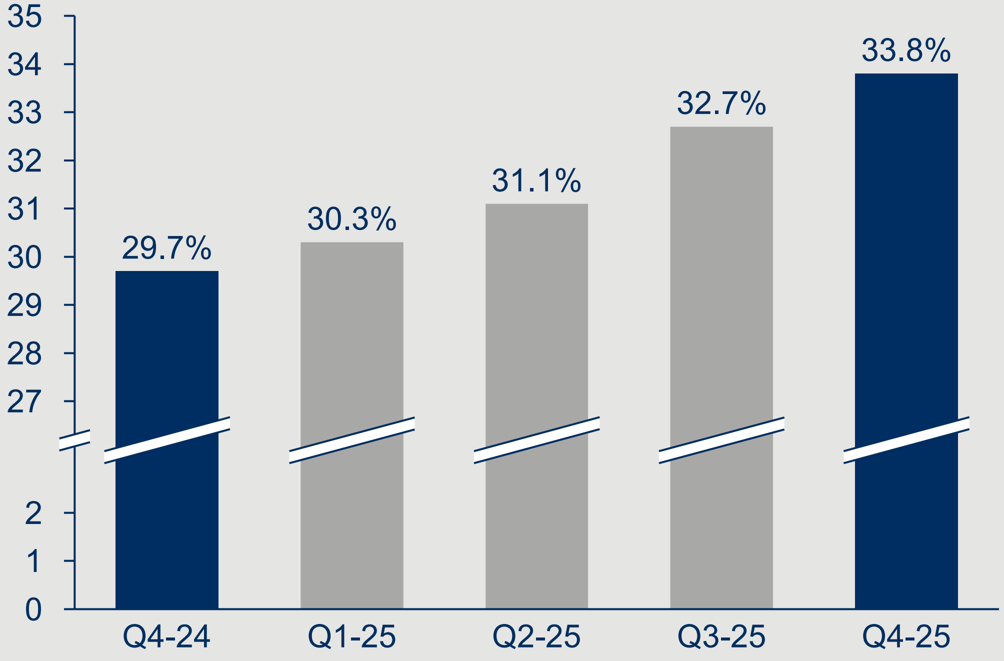




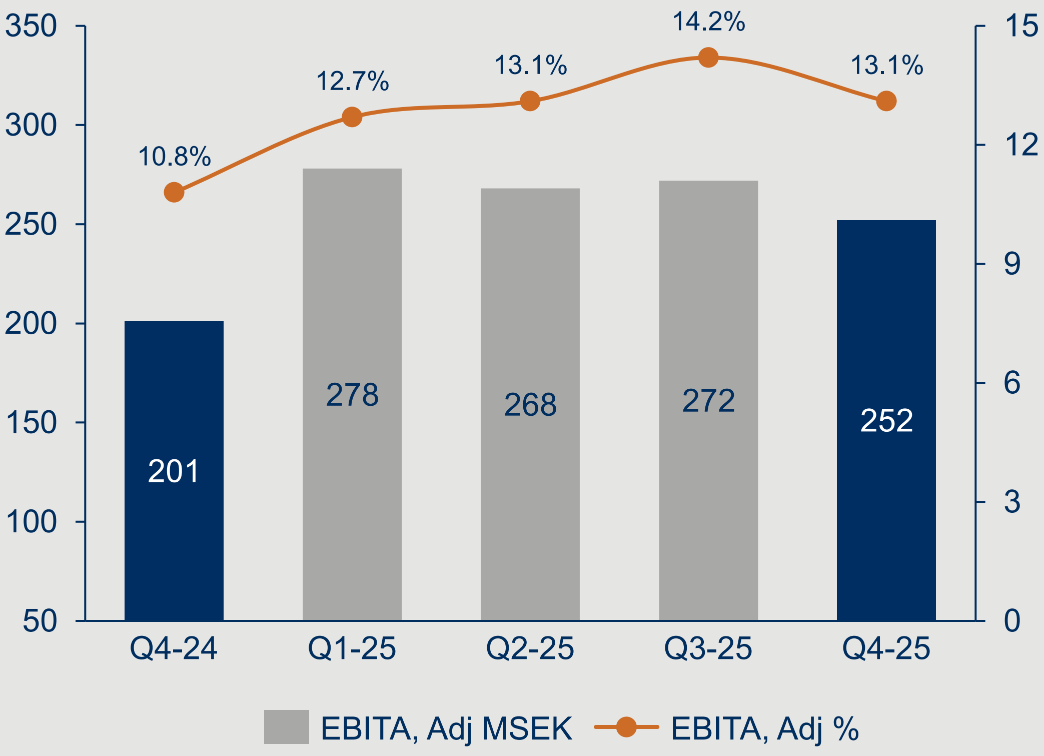
Strong gross- and operating margin

Driven by purchasing savings, improved customer and product mix, price adjustments and currency

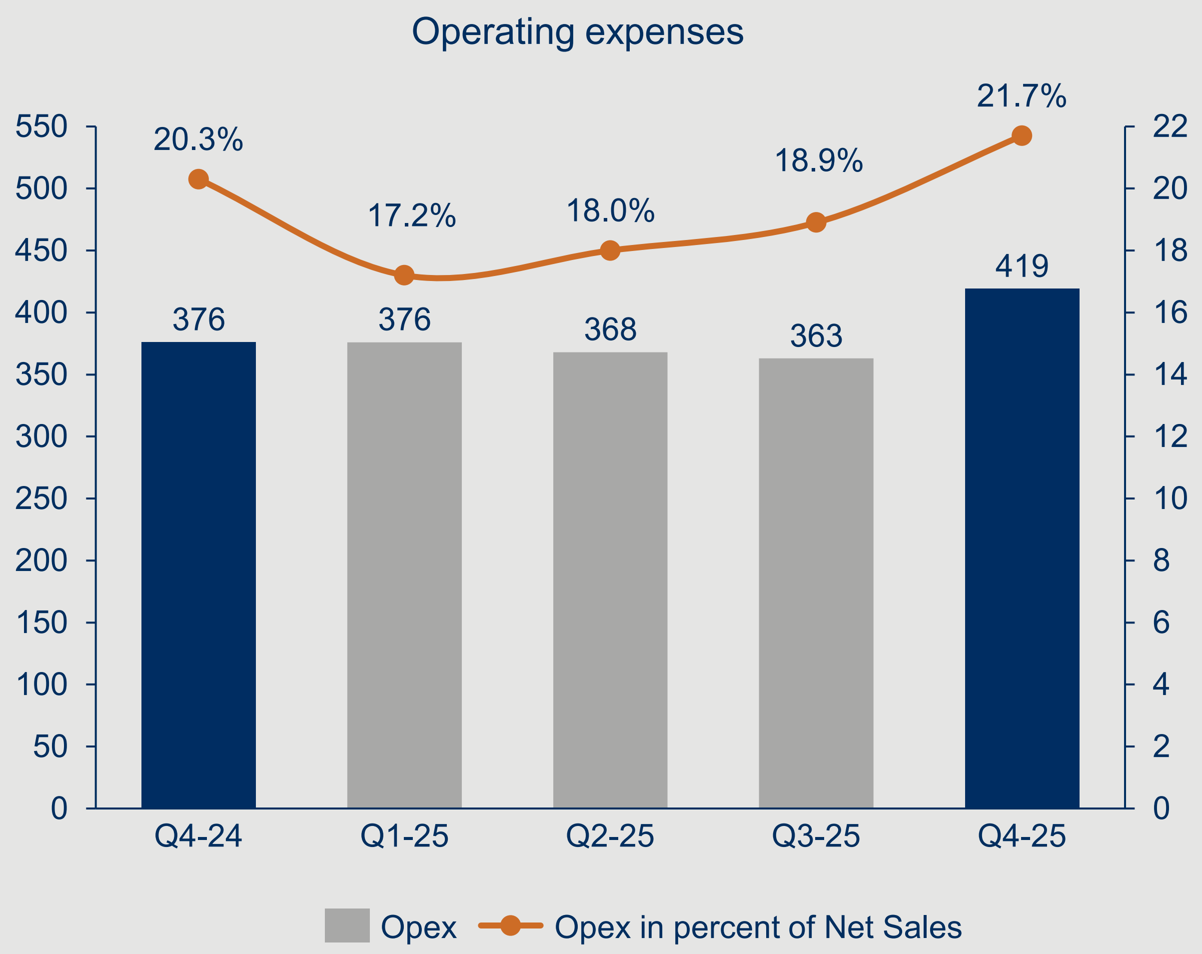
Gross Profit Margin



EBITA adjusted and EBITA margin adjusted



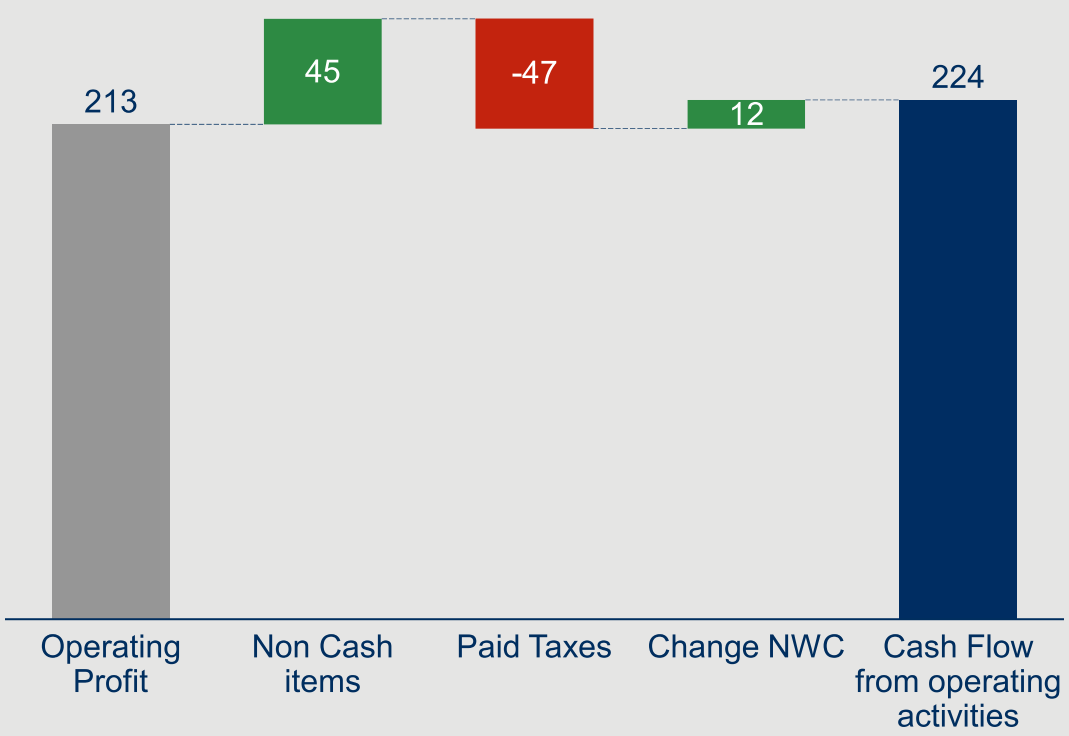
Underlying cost level unchanged to last year



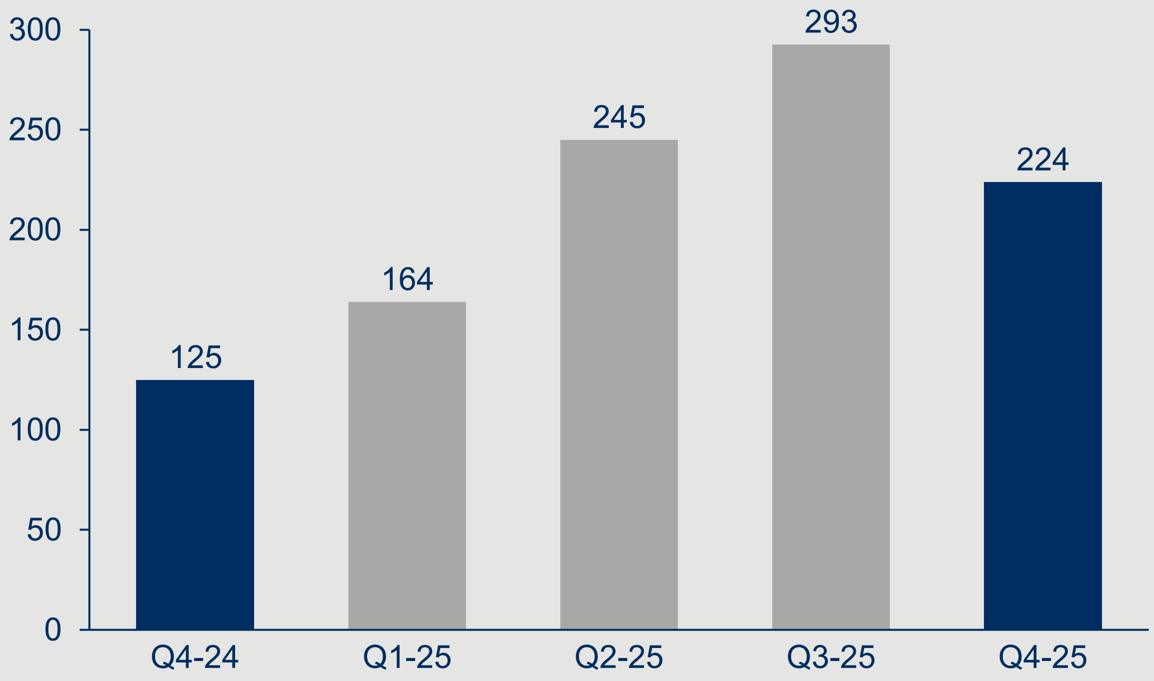
- Cost level higher than last year
- When adjusted for novia Group and VITAL the cost level was unchanged to last year
- Strong focus on cost control while also investing in growth

Higher cash flow is explained by improved results and working capital

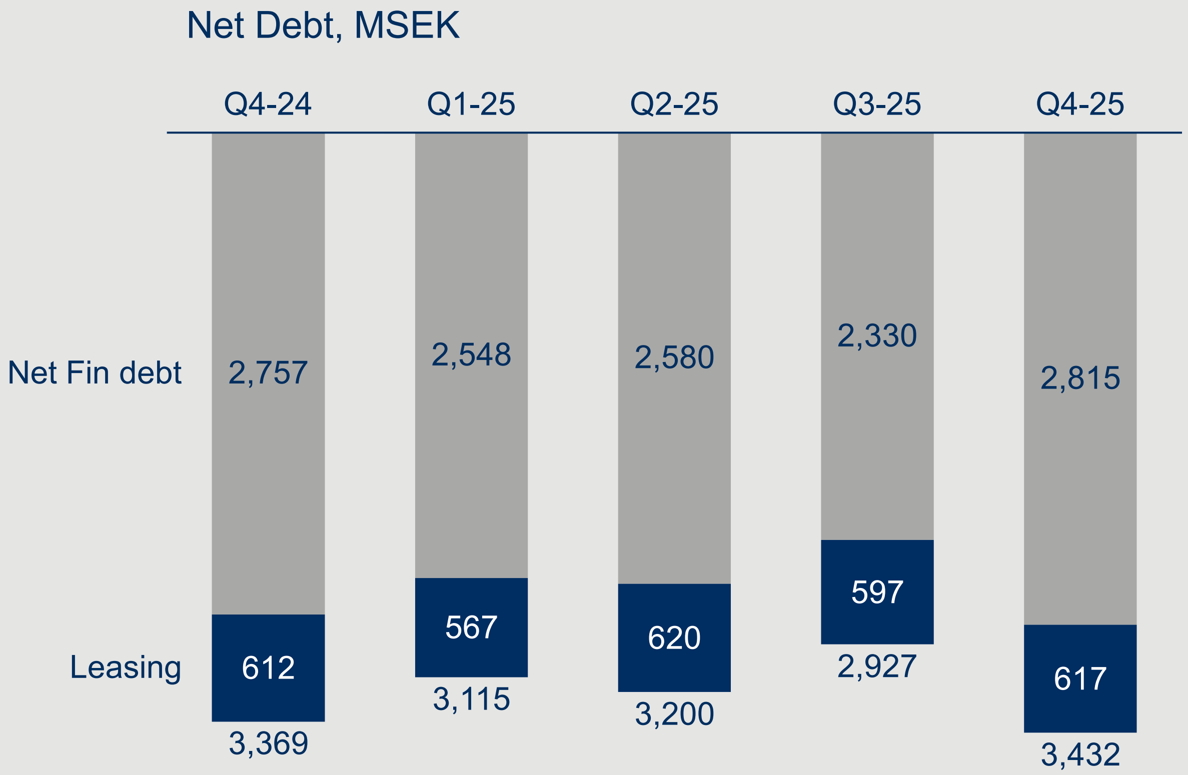
Cash flow from operating activities, MSEK

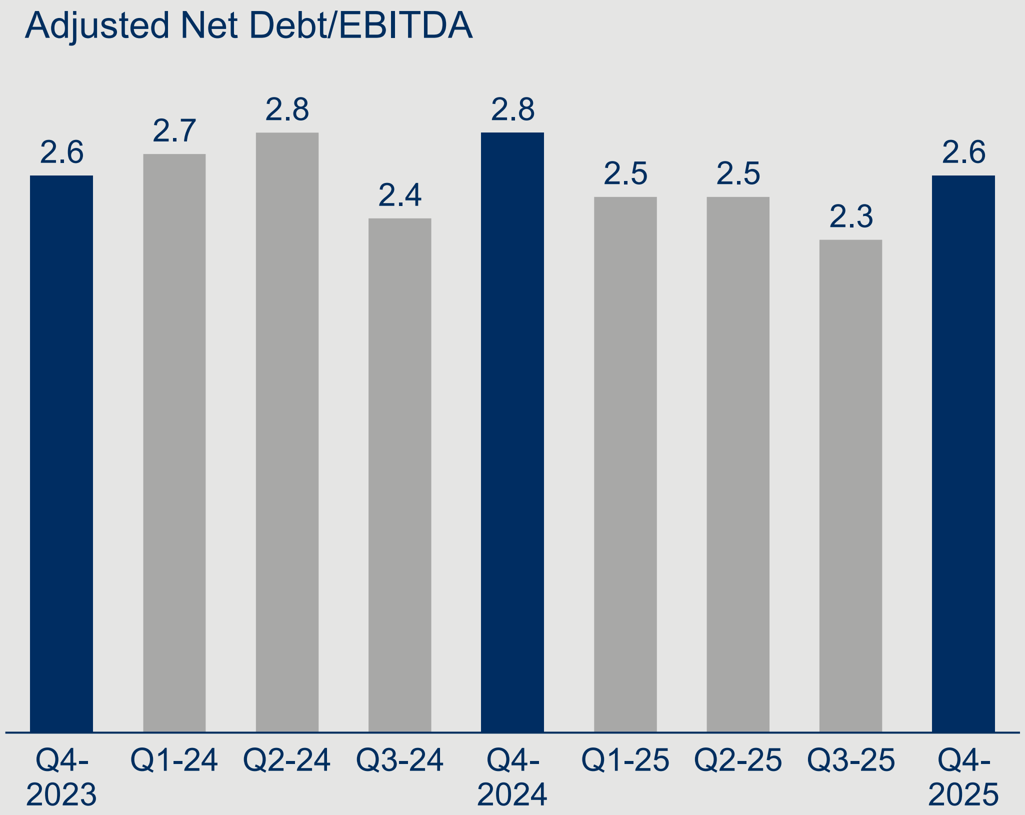


Cash flow from operating activities, MSEK



Net Debt/EBITDA amounted to 2.6x





BUFAB

Regional highlights

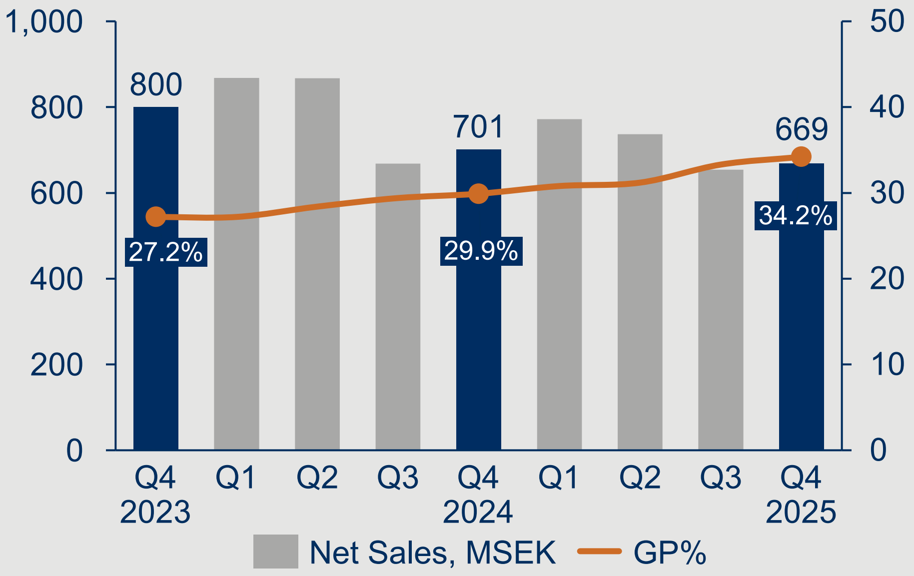
Erik Lundén
President & CEO

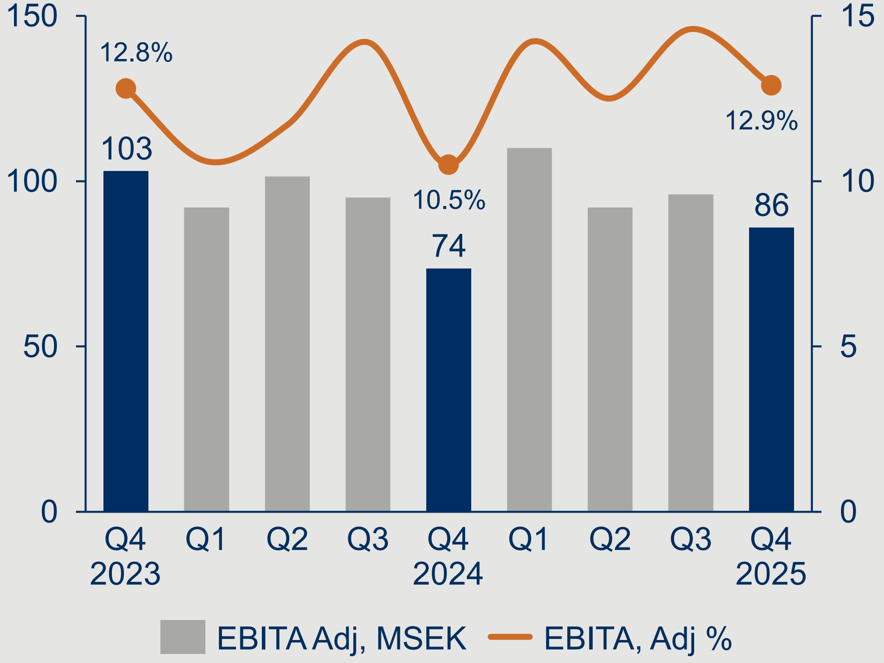
BUFAB

Region

Europe North & East

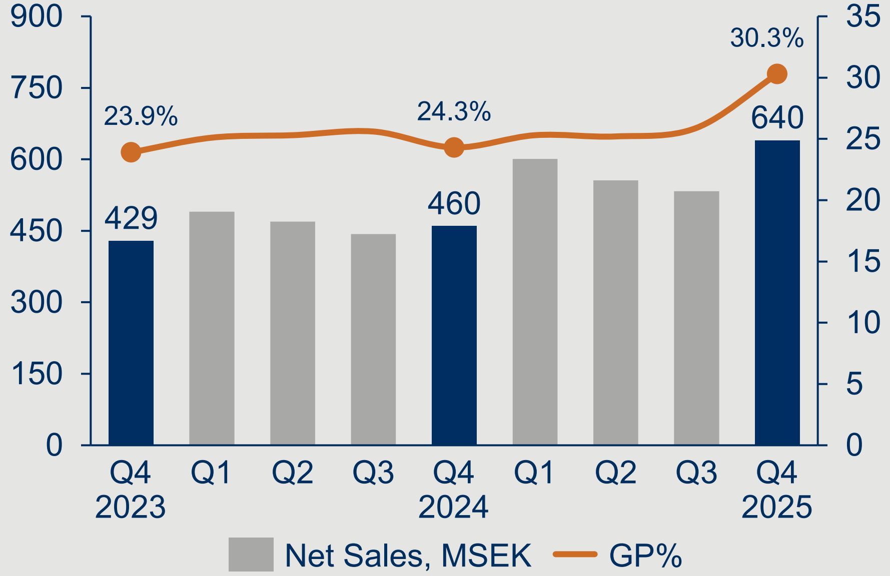
- Total growth was -4.6%, of which organic growth was -1.8%
- Demand in the furniture and kitchen sector remained weak, while defence and digital infrastructure were strong
- Gross margin up 4.3 pp driven by customer and product mix, consolidations of purchasing volumes and currency
- Operating expenses up mainly explained by one-offs due to workforce restructuring, but also inflationary pressures
- Adjusted operating margin improved to 12.9% (10.5)





Region
Europe West

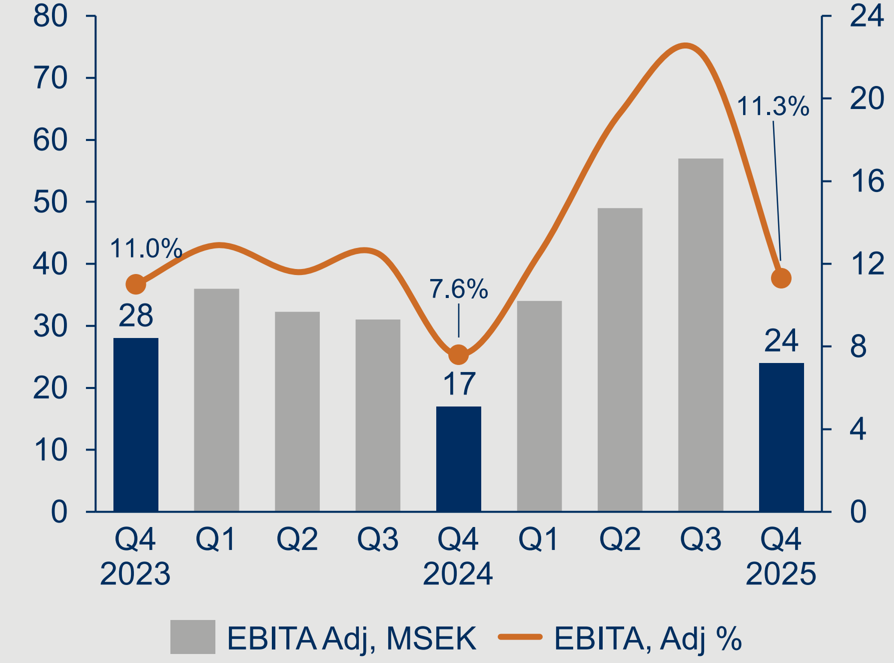
- Total growth was 39.2%, of which 40.4% was acquisitions and 3.9% was organic growth
- Good demand in energy and defence, while the automotive and construction industries continued on low activity levels
- Gross margin up 6.0 pp, driven by price adjustments and increased added value services on new projects
- Adjusted for VITAL and novia Group, share of OpEx was lower than the previous year
- The adjusted operating margin was 16.2% (11.1)
- novia Group had a negative impact on the margin due to full year bonus provisions and currency effects booked in Q4 but novia expect to have a positive impact on the region during 2026



Region

Americas

- Total growth was -4.1%, and the organic growth was 9.1%, mainly driven by price increases
- Demand was stable but on a low level for the mobile home and trailer market, and low demand was noted in the automotive industry
- Gross margin up 8.4 pp driven by price adjustments, the divestment within CSG, and a reclassification of obsolescence reserve
- No positive impact on gross profit due to tariffs
- Higher operating expenses mainly due to an increased obsolescence reserve
- The adjusted operating margin improved to 11.3% (7.6)

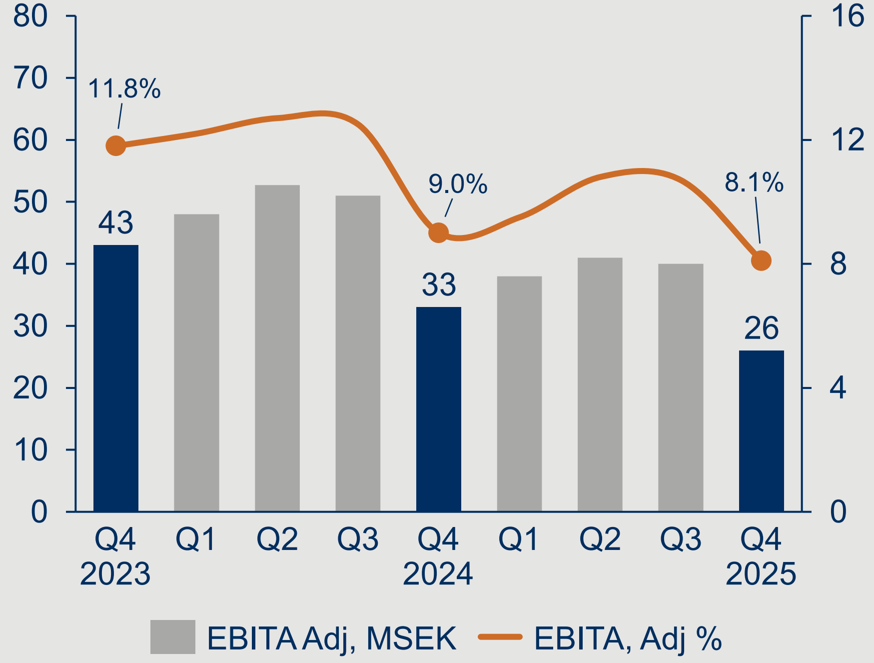


BUFAB

Region

UK & Ireland

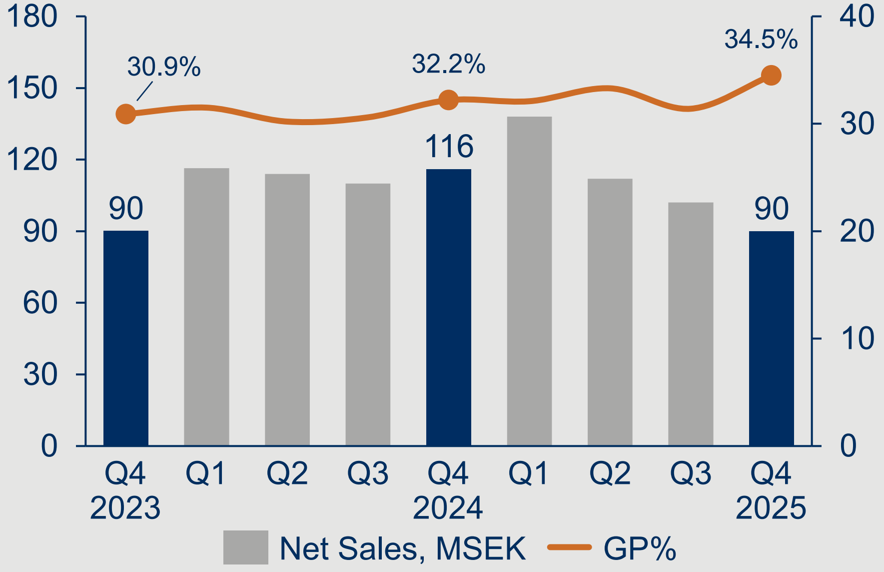
- Total growth amounted to -12.5%, of which the organic growth was -2.4%
- Low demand in the manufacturing industry impacted Bufab UK combined with lower market prices, which impacted Apex Stainless Fasteners
- Gross margin up 3.0 pp, mainly driven by sourcing savings and lower freight charges
- Higher cost level due to inflation from higher social tax and national minimum wage
- The adjusted operating margin was 8.1% (9.0)

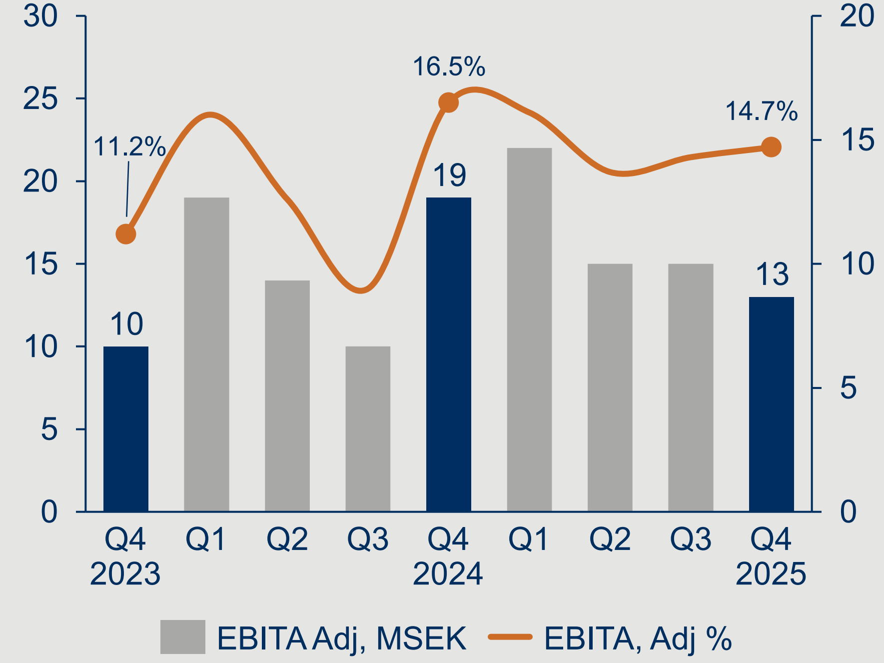


Region

Asia-Pacific

- Total growth amounted to -22.4%, of which the organic growth was -9.7%
- Bufab Shanghai was strong, Bufab India noted a minor negative growth, and Bufab Singapore had a larger decline due to a larger one-time project sales in Q4 last year
- Gross margin up 2.3 pp due to purchasing savings and active work with value-based pricing
- Higher share of OpEx primarily due to the lower volumes and a smaller currency impact
- The adjusted operating margin improved to 14.7% (16.5)





Group news

Erik Lundén
President & CEO

BUFAB

Major customer project with a world-leading supplier to the semiconductor industry

New contract in 2025 with a world-leading manufacturer to the semiconductor industry

Mainly Bumax but also Flos deliver 366 specialised items through a tailor-made Logistic Solution

Deliver Peace of Mind and value to the customer through cost savings, shorter lead times and quality control

High volumes in early project phase, with a predictable ramp-up continuing through 2026/2027

WHY IS THIS A GOOD DEAL?

A fast-growing industry of interest

Utilize our strengths with our broad offering and tailor-made logistics solutions and services

Clear value creation for the customer. If we perform well, strong growth and high margins

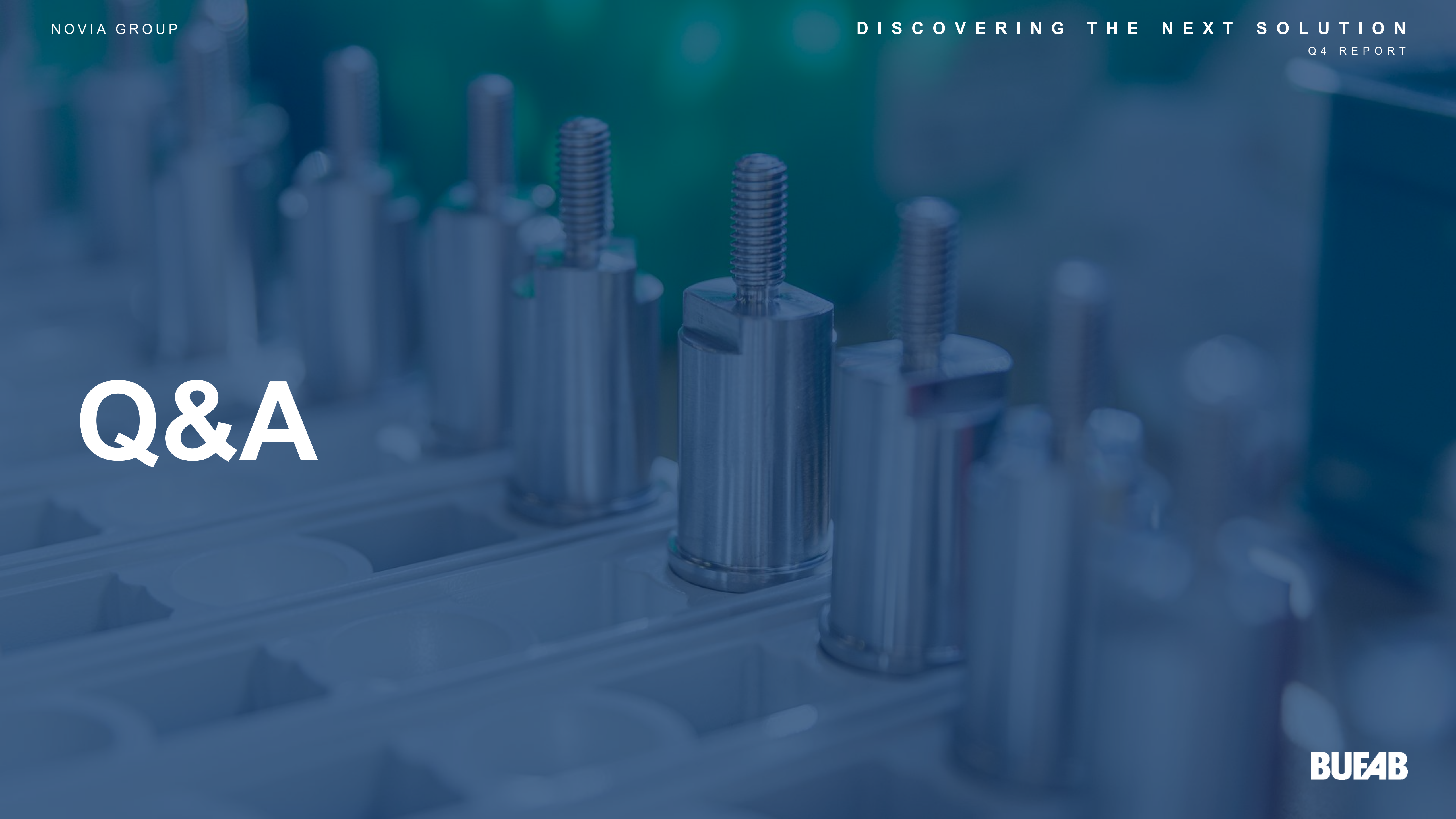
Long term partnership and win and win situation

Summary, Outlook & Priorities

Erik Lundén
President & CEO

Summary, outlook & priorities

- During 2025, we continued to deliver on our strategy and achieved record-high gross and operating margins
- Strong performance in Q4 despite a weak market
- Continued solid development of the gross margin is expected during 2026
- Despite the uncertain market climate, 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 gross margin and on cost savings
    3) Continuing to improve our NWC and secure strong cash flow
- Strong momentum for the future



Q&A

BUFAB