



Leading the transition

Capital Markets Day 2023

Tom Erixon / CEO

Alfa Laval as the transition leader

Customer in focus

- Digital journey
- Understanding transition opportunities
- Partnership needs

Technology leaps ①

- Transition solutions – new platforms
- Digital solutions
- Expanding technical boundaries
- Scalability

Service Integration People

- Digital Service infrastructure
- Expanding service offerings
- Service partner network
- On-boarding
- Re-skilling
- Data analytics

Strategic direction Energy Division



Clean
technologies



Technology
leadership

①

Service



Superior customer
experience



Strategic
partnerships

R&D expenditures
from 2 % to 2.5 %

Accelerating
sustainable
performance

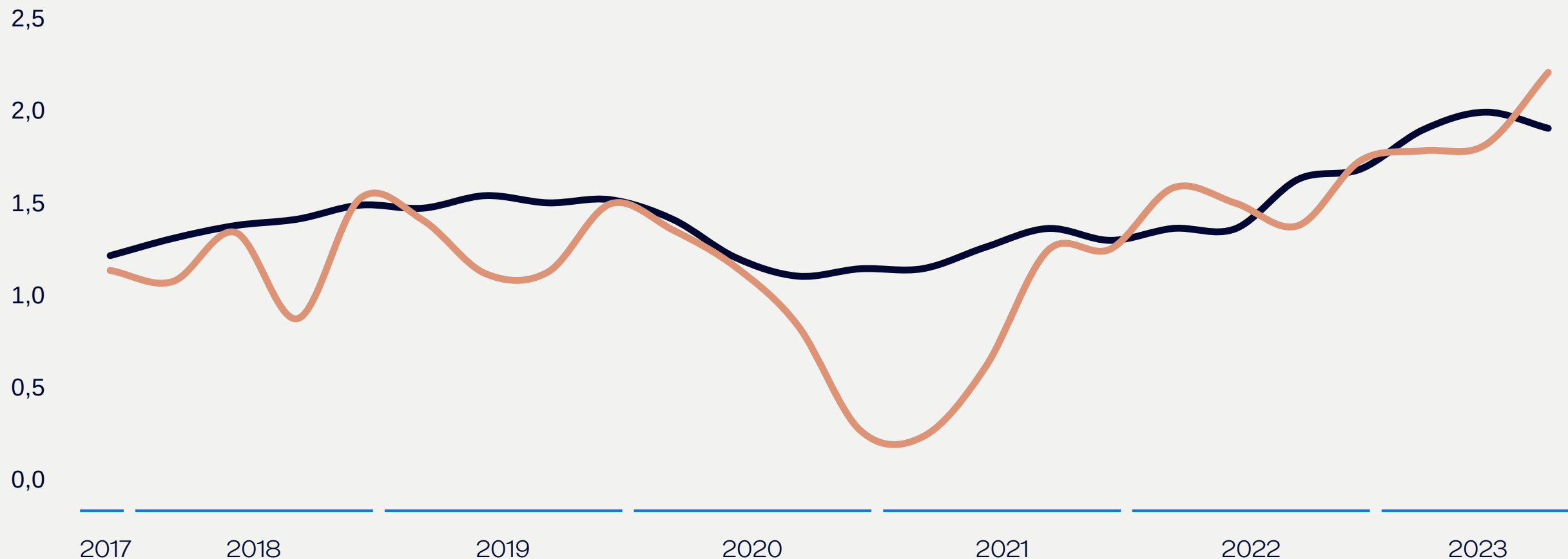
Driven by
digitalization

Energy separation improvement



BSEK

EBITA margin Orders



New Business Unit



Capturing the
potential in the
hydrogen sector

Strategic direction Food & Water Division



Sustainability



Service



Digital
transformation



Technology
leadership



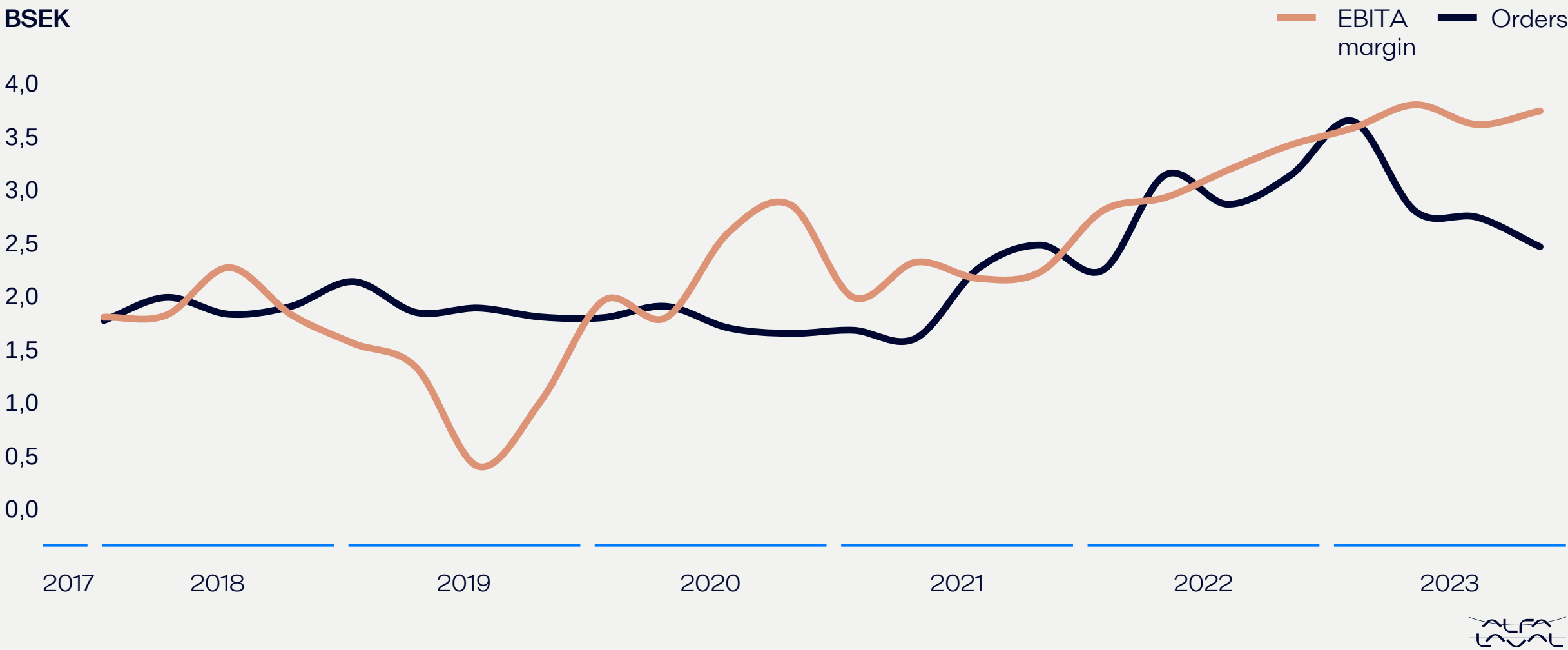
New solutions,
products
& services

Expand service
offering

Connected solutions

High pace of
innovation

Improved performance in the project business



Strategic direction Marine Division



Improve
foundation



Portfolio
transformation



Digital
transformation



Customer
journey



Restructuring

Industrializing
"Explore"

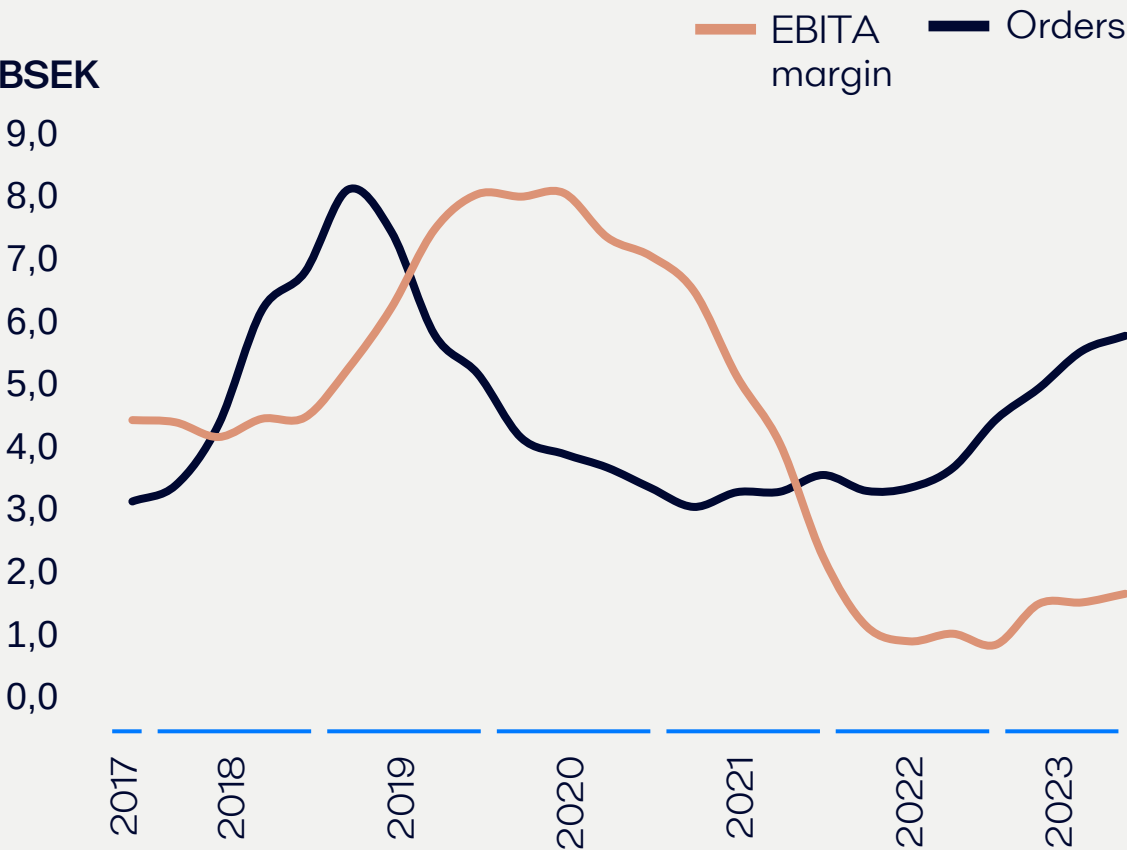
Acquisition of
StormGeo

Ship owner
management
structure

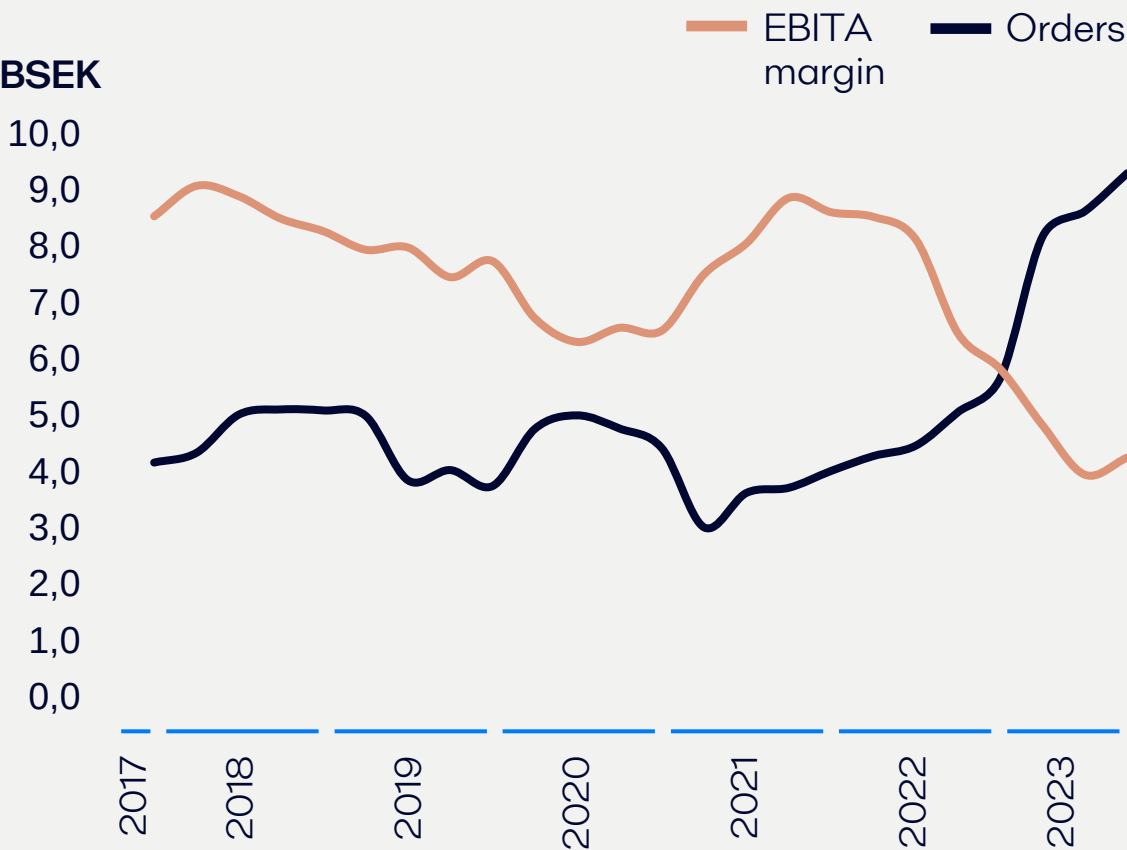
Profitability improvement



Boilers



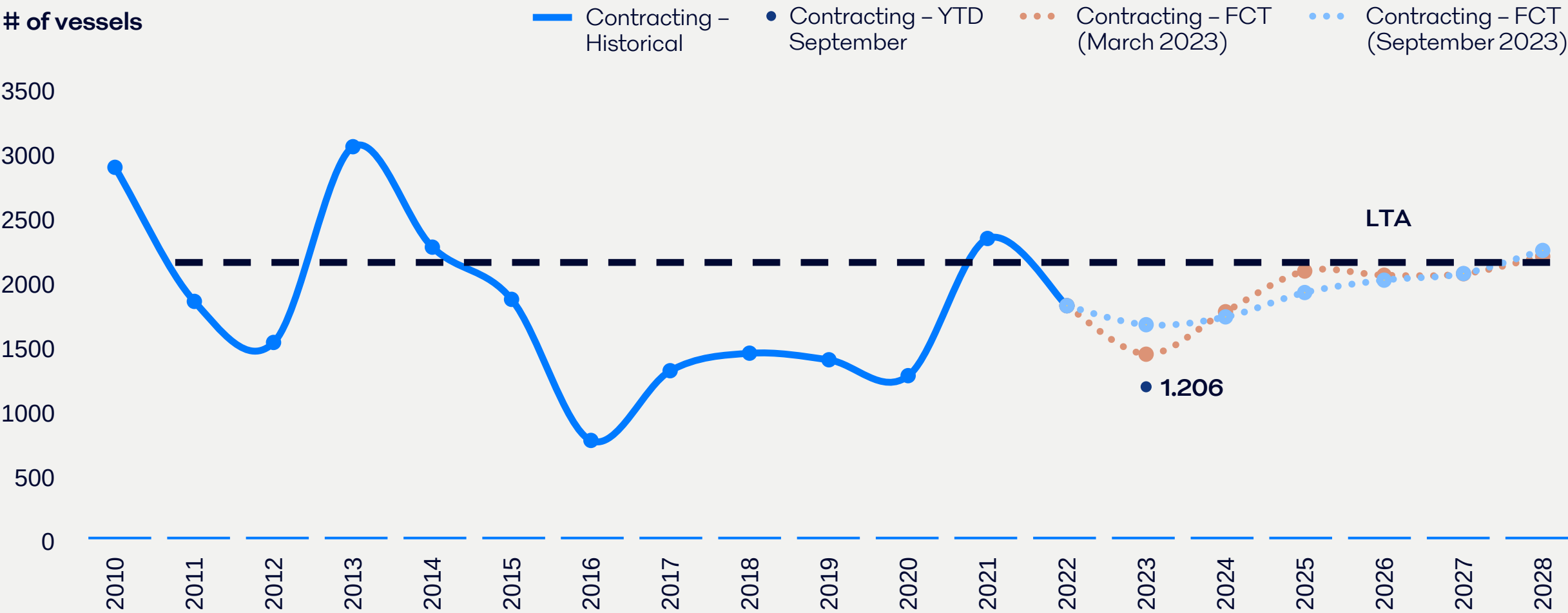
Framo



Shipbuilding market



of vessels



*Clarkson Research

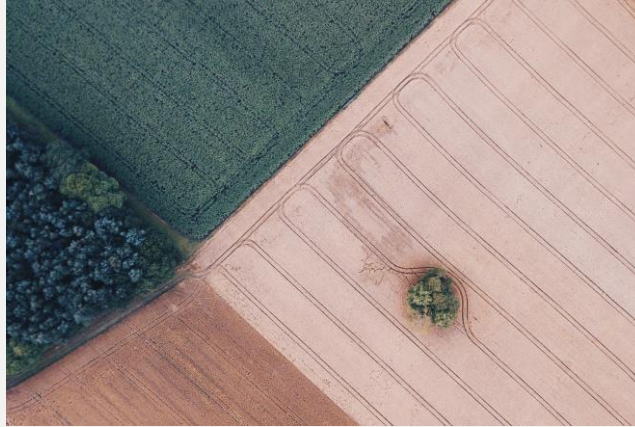


Division summary slide



Energy Division

- Clean technologies
- Technology leadership
- Service
- Superior customer experience



Food & Water Division

- Sustainability
- Service
- Digital transformation
- Technology leadership



Marine Division

- Improve foundation
- Portfolio transformation
- Digital transformation
- Customer journey

Sustainability Platform



Sustainability Strategy

Setting the direction



Communication

Creating awareness
and commitment



Internal Carbon Pricing

Integrating cost
of carbon emissions



KPI Dashboard

Following targets at BU
and site level



Sustainability Faculty

Securing capabilities
in our transition



Science Based Targets initiative (SBTi)



Human Rights

Policy & Report



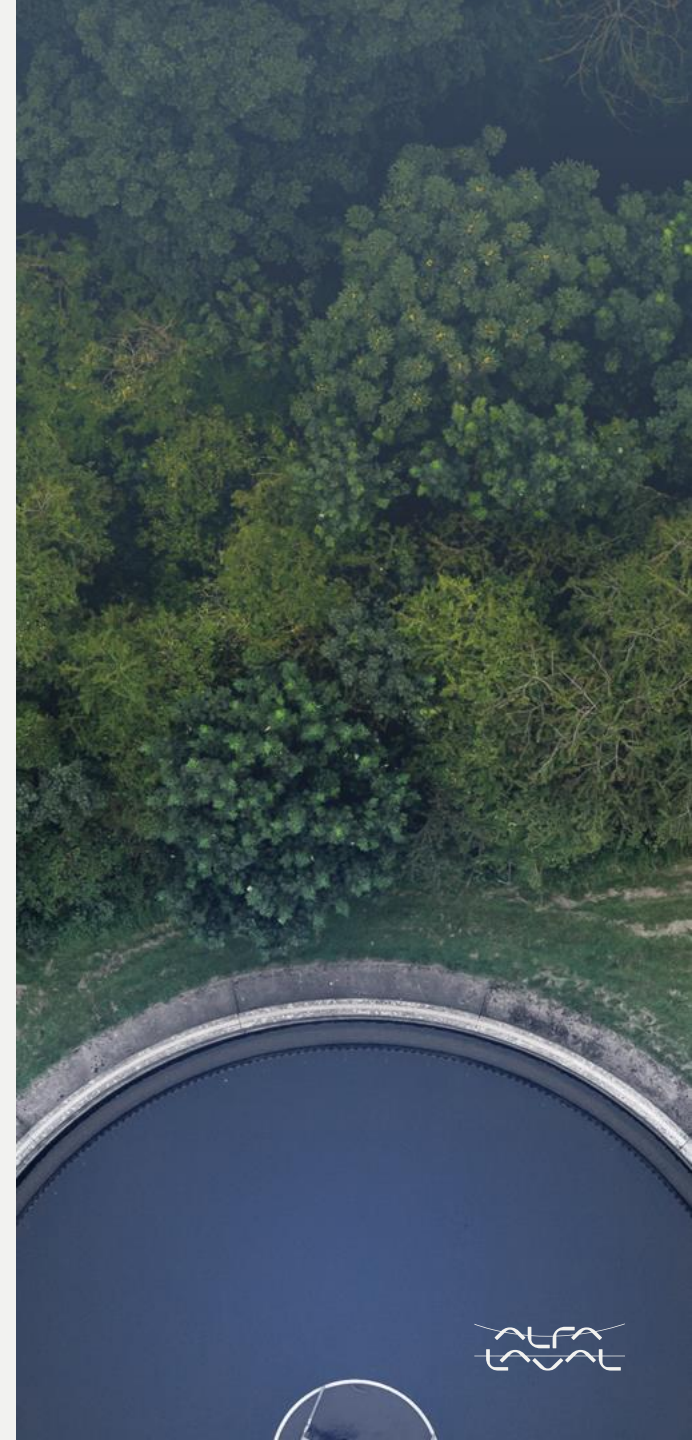
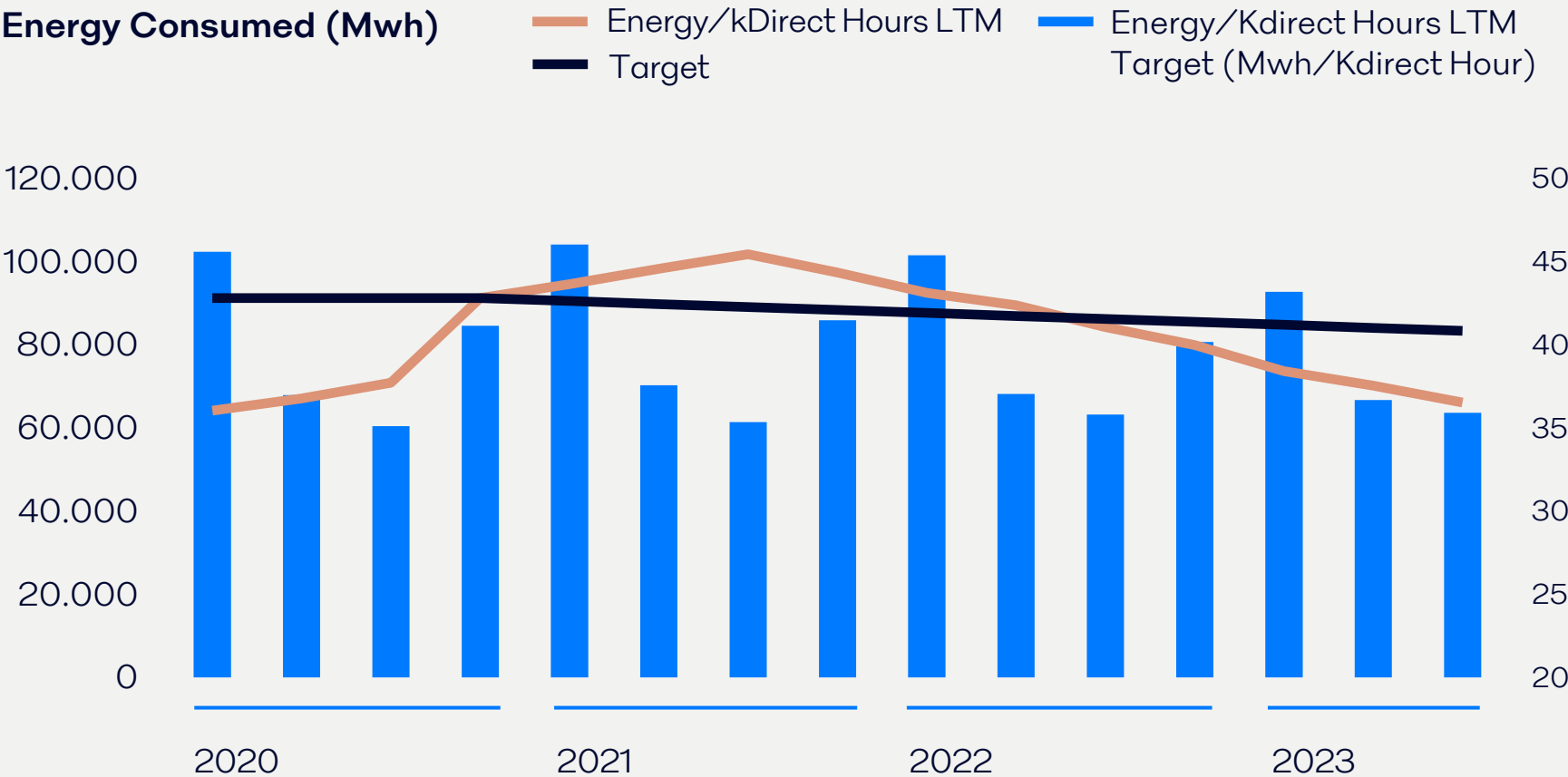
Partnerships & collaboration

MASSIV+, Tetra Pak,
FMC, Lund University



Climate Roadmaps

Energy Efficiency & Emissions Scope 1&2



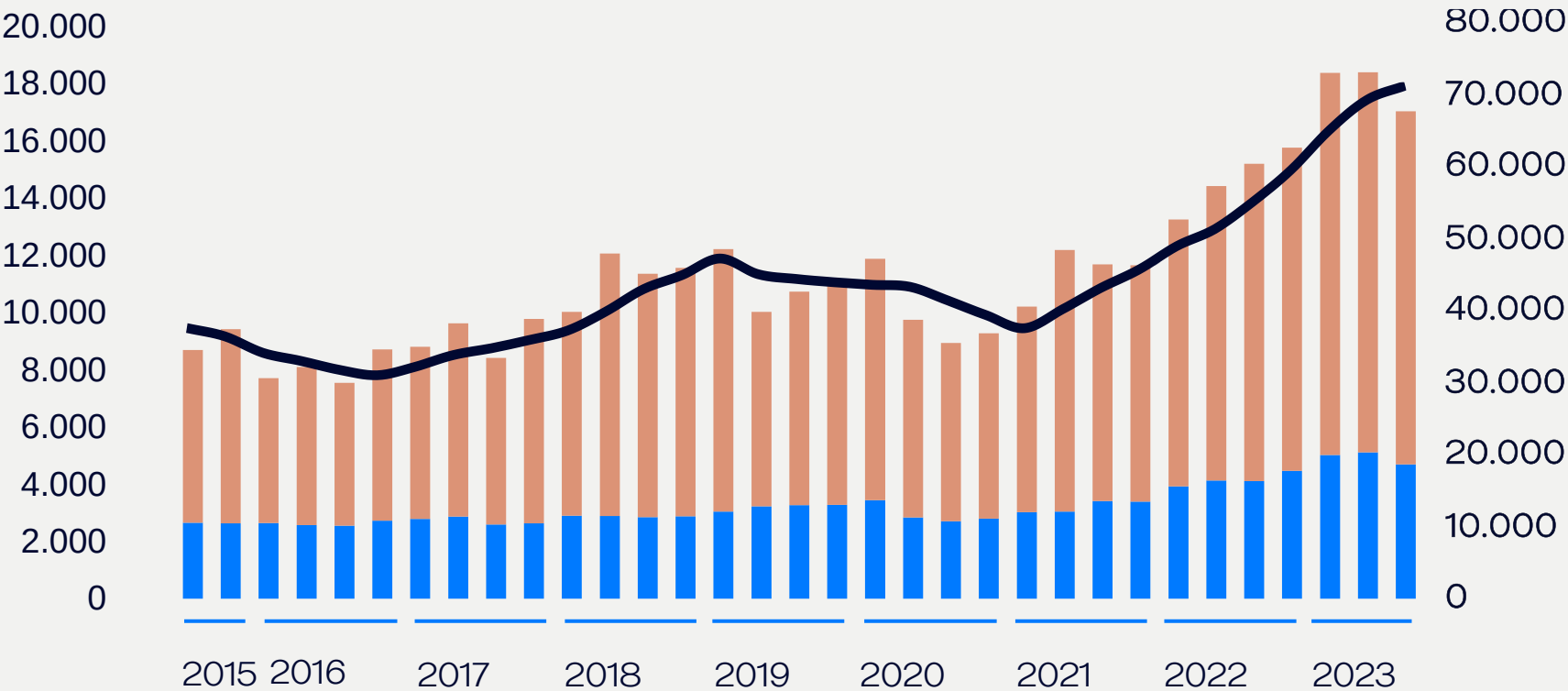
Capital Markets Day 2023

Fredrik Ekström / CFO

Alfa Laval Group

Order intake, MSEK

Service Base business Order intake, LTM



Growth 2016 – Q3 2023

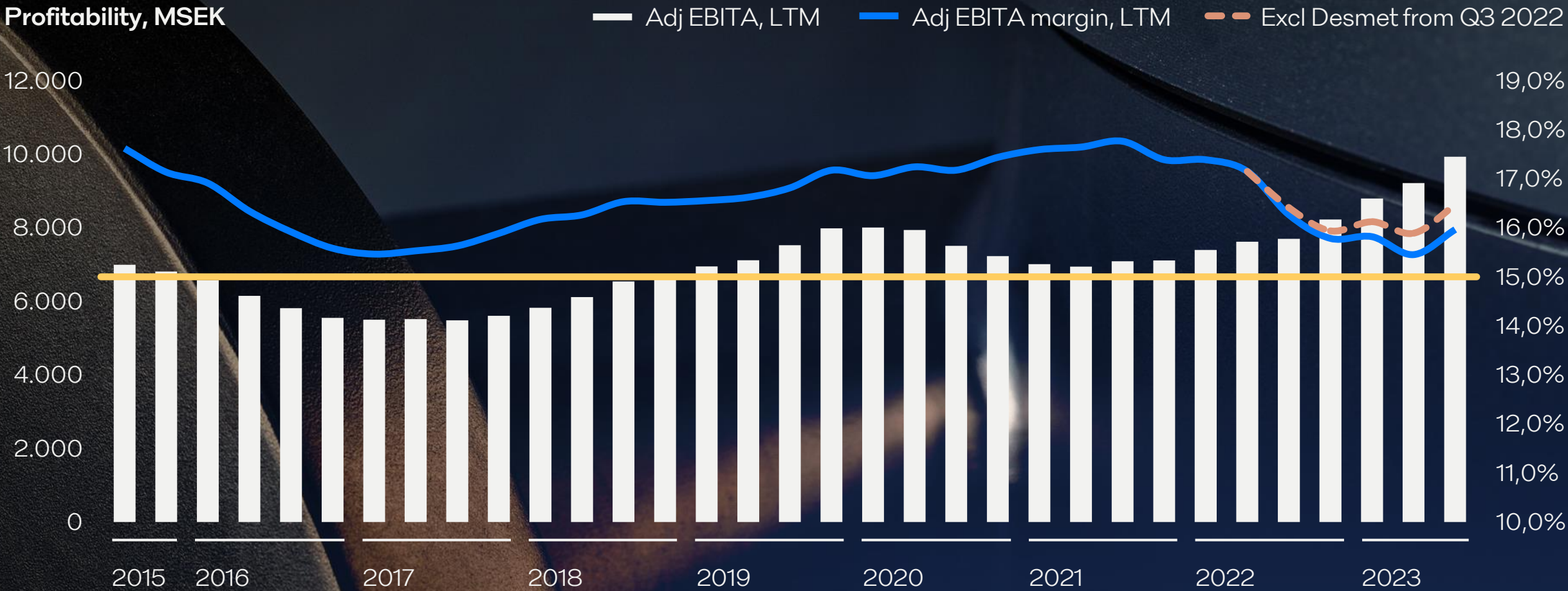
Total: 13.4%
Organic: 11.5%

Growth last 5 years

Total: 14.4%
Organic: 12.1%

Alfa Laval Group

Profitability, MSEK

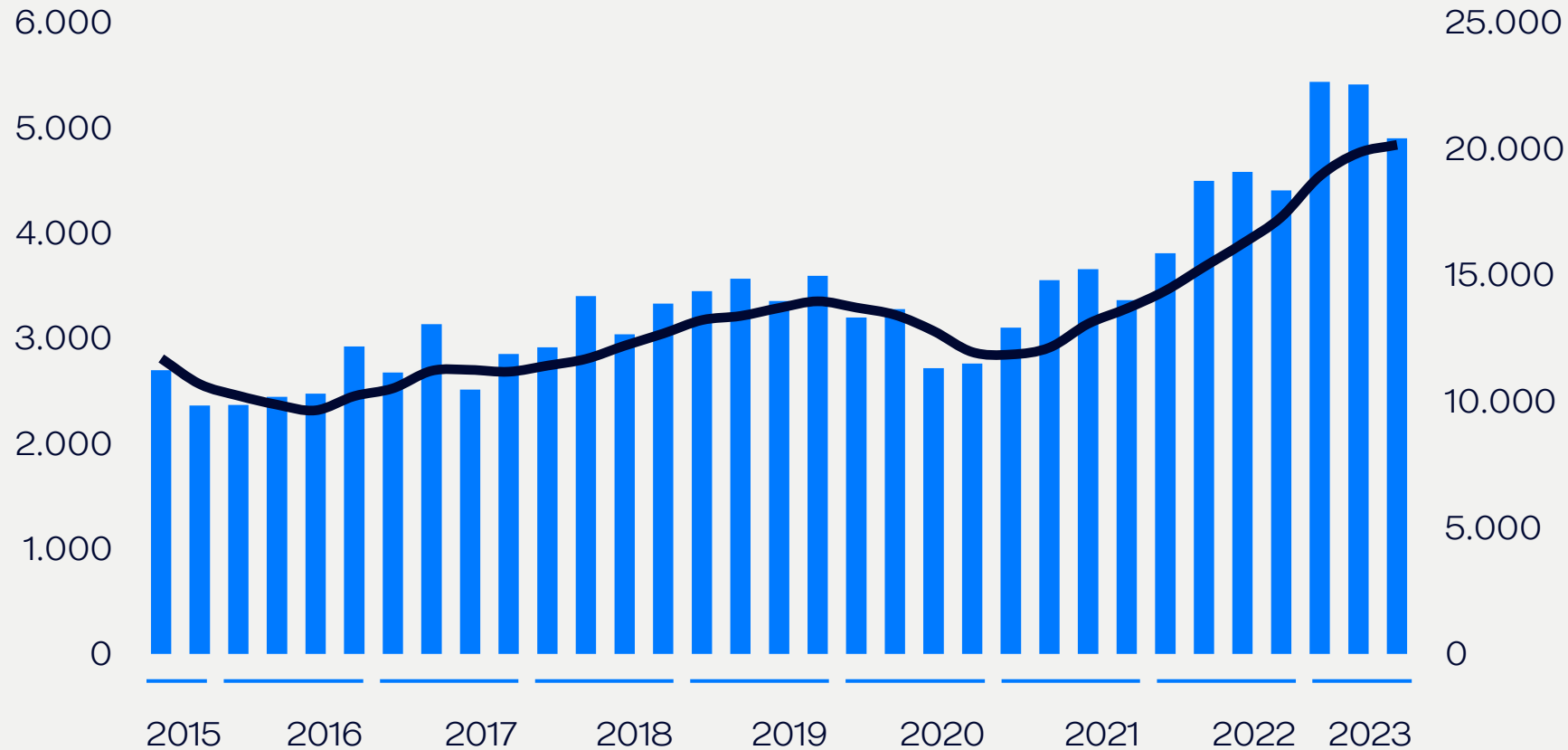


Energy division

Order intake, MSEK

Order intake

Order intake, LTM



Growth 2016 – Q3 2023

Total: 13.1%

Growth last 5 years

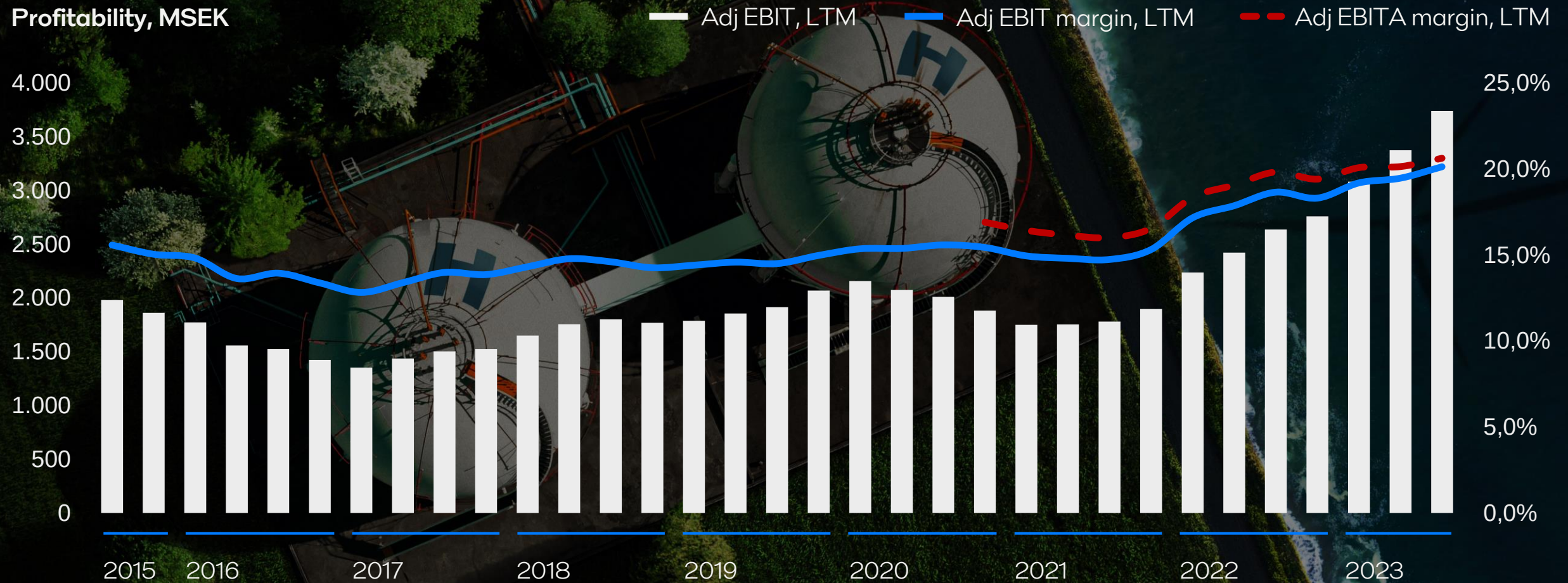
Total: 12.4%



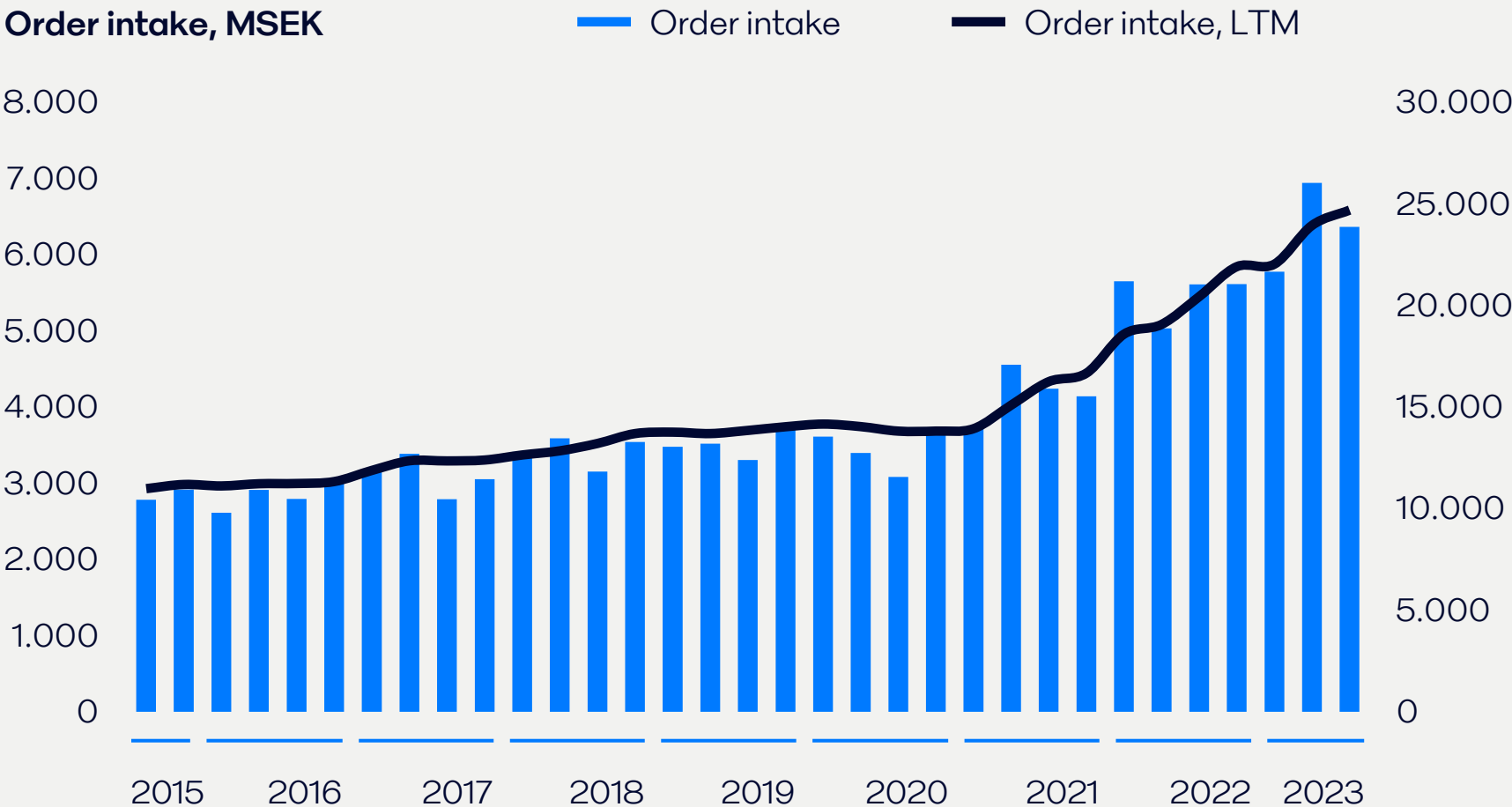
Energy division



Profitability, MSEK



Food & Water division



Growth 2016 – Q3 2023

Total 14.0%
Organic: 9.5%

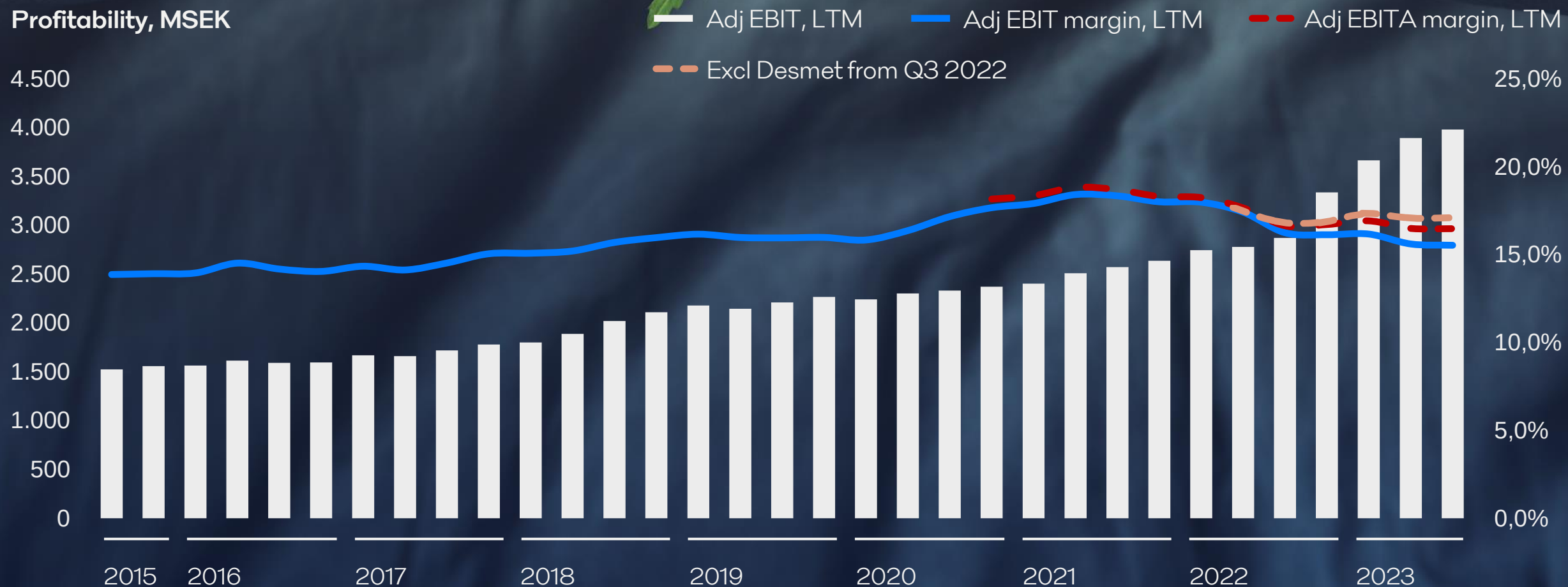
Growth last 5 Years

Total: 14.9%
Organic: 9.4%

Food & Water division



Profitability, MSEK

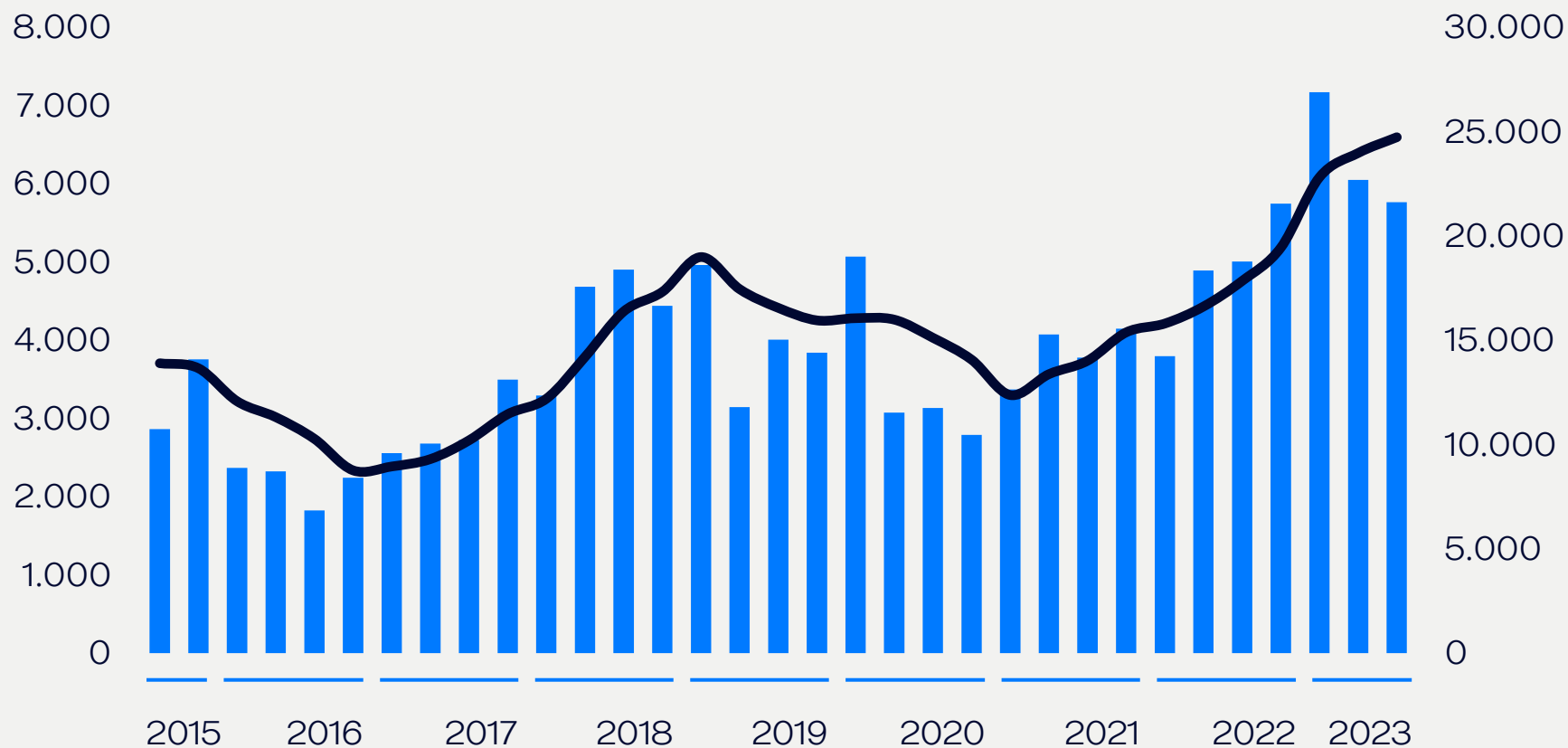


Marine division

Order intake, MSEK

Order intake

Order intake, LTM



Growth 2016 – Q3 2023

Total: 15.8%

Organic: 14.6%

Growth last 5 years

Total: 19.4%

Organic: 18.0%

Marine division



Profitability, MSEK



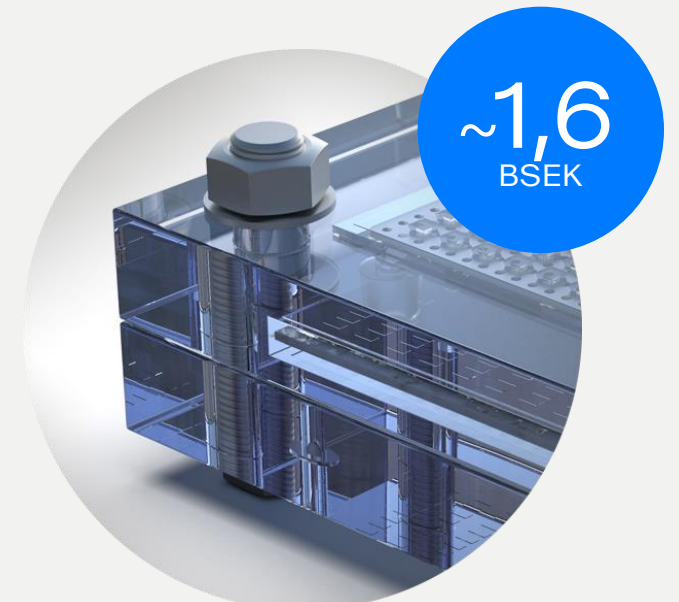
Investing for profitable growth



Evolve



Expand



Explore

Investing in the three buckets of growth

	Evolve	Expand	Explore
CAPEX	Maintenance CAPEX ~ 30%	Expansion CAPEX ~ 65%	Pending future decision ~ 5%
R&D	Continuous Development ~ 25%	New development of technologies ~ 45%	New technologies ~ 30%
SG&A	Strengthen core ~ 55%	Supporting growth ~ 38%	New organisations ~ 7%
M&A	Bolt on	Strengthen position in growing areas (Desmet)	Technology acquisitions (StormGeo)

CAPEX program 2021-2026

BSEK

	Energy	Food & Water	Marine
Investments 2021-2023	~ 2,5 billion BFB capacity expansion GPHE capacity expansion	~ 1,2 billion Capacity & automation Distribution	~ 0,7 billion Restructuring Automation
Expected investments 2024-2026	~ 6,0 billion BFB & GPHE capacity expansion Clean energy manufacturing Distribution	~ 1,2 billion Maintenance New product introduction	~ 1,0 billion Capacity & automation
Estimated total investments	~ 8,5 billion	~ 2,4 billion	~ 1,7 billion

Strong cash flow

MSEK

— Operating cash flow

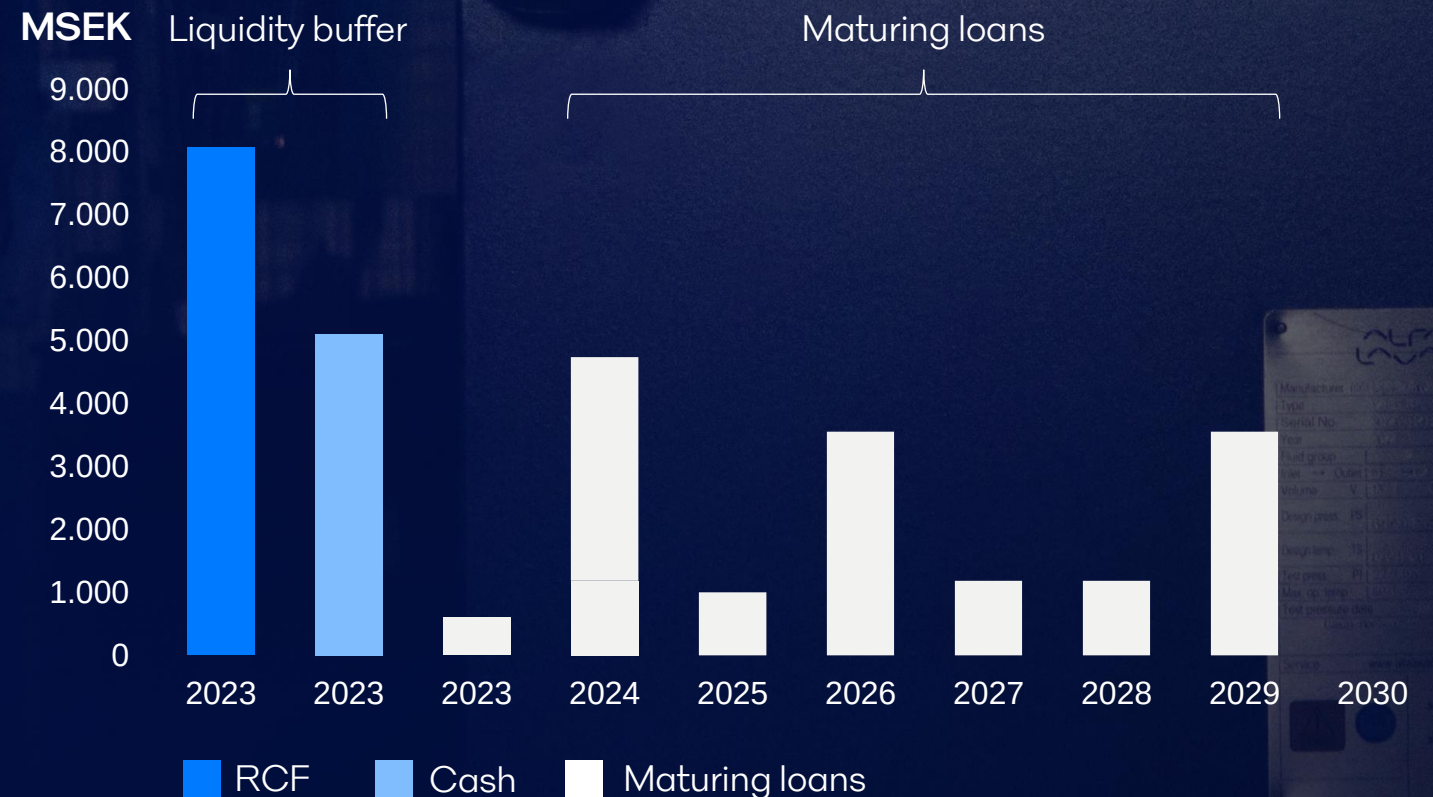


Maturity profile and liquidity buffer

Loans maturing in 2023-2029 amounts to approximately 15,1 BSEK

Weighted loan maturity of 2.80 years. 33% of the total outstanding debt matures within 12 months

Average funding rate on our debt is 1.92% p.a.
Interest duration 25 months



Financial targets

5%

CAGR L5Y 14.4%

Growth

15%

Avg L5Y 16.6%

EBITA

20%

Avg L5Y 19.4%

ROCE

*Measured over a business cycle