

Report for Q2 2024

Tom Erixon
President and CEO

Key figures

SEK million

	Q2 2024	Q2 2023	Tot Δ	Organic Δ*	Q1 2024
Order intake	18,916	18,405	3 %	4 %	18,272
Net sales	17,530	15,880	10 %	11 %	14,906
Adjusted EBITA	2,932	2,378	23 %		2,436
Adjusted EBITA- margin	16.7 %	15.0 %			16.3 %

*) Organic growth i.e. excluding currency effects and structural changes.

Q2 2024

Energy division

Highlights and comments, SEK million

Markets and order intake

- Customer focus on energy efficiency almost compensated for a slower pace in the global energy transition.
- HVAC remains negatively affected by a soft construction market and a weak heat pump market.
- Continued strong demand in Service.

Profitability (EBITA)

- Profit improvement in many areas largely balanced the lower volumes in HVAC compared to last year.

	Q2 24	Q2 23	Tot Δ, %	Org Δ, %	Q1 24
ORDERS	4,771	5,413	-11.9	-11.0	5,179
SALES	4,891	4,910	-0.4	0.5	4,643
Adj EBITA	935	974			917
Adj EBITA (%)	19.1	19.8			19.8



Food & Water division

Highlights and comments, SEK million

Markets and order intake

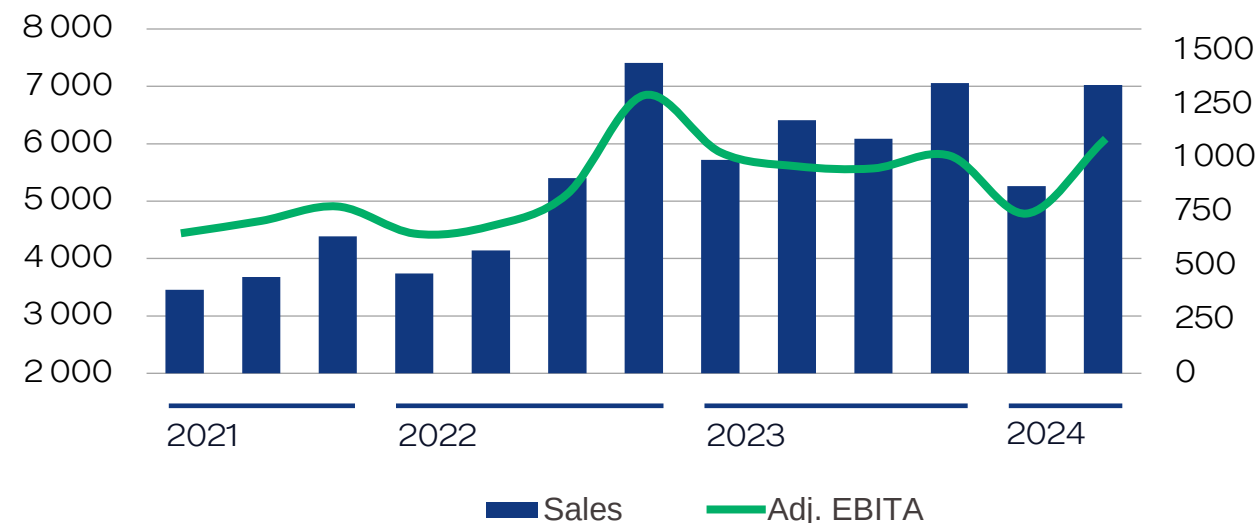
- Demand continued to improve in the transactional business, particularly in the important distribution channel.
- As expected, order intake for larger projects was on a lower level after an unusually high pace last year.
- Although the biofuel sector has experienced some volatility, order intake remained robust in the quarter.

Profitability (EBITA)

- The margin improved both sequentially and compared to last year as revenue volumes and delivery execution improved.

Q2 2024

	Q2 24	Q2 23	Tot Δ, %	Org Δ, %	Q1 24
ORDERS	6,273	6,941	-9.6	-9.3	6,357
SALES	7,023	6,412	9.5	10.3	5,263
Adj EBITA	1,077	962			742
Adj EBITA (%)	15.3	15.0			14.1



Marine division

Highlights and comments, SEK million

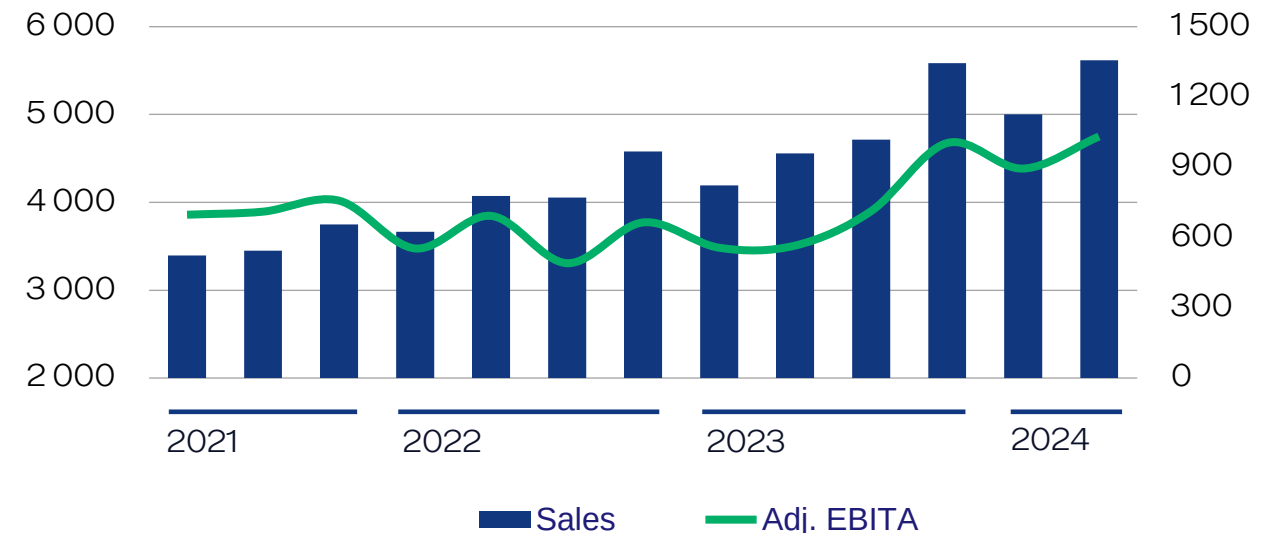
Markets and order intake

- Ship contracting remained on a good level and demand is further supported by sustainability related solutions.
- Continued high demand for pumping systems.
- Good growth in Service, driven by high fleet utilization rates and a growing installed base.

Profitability (EBITA)

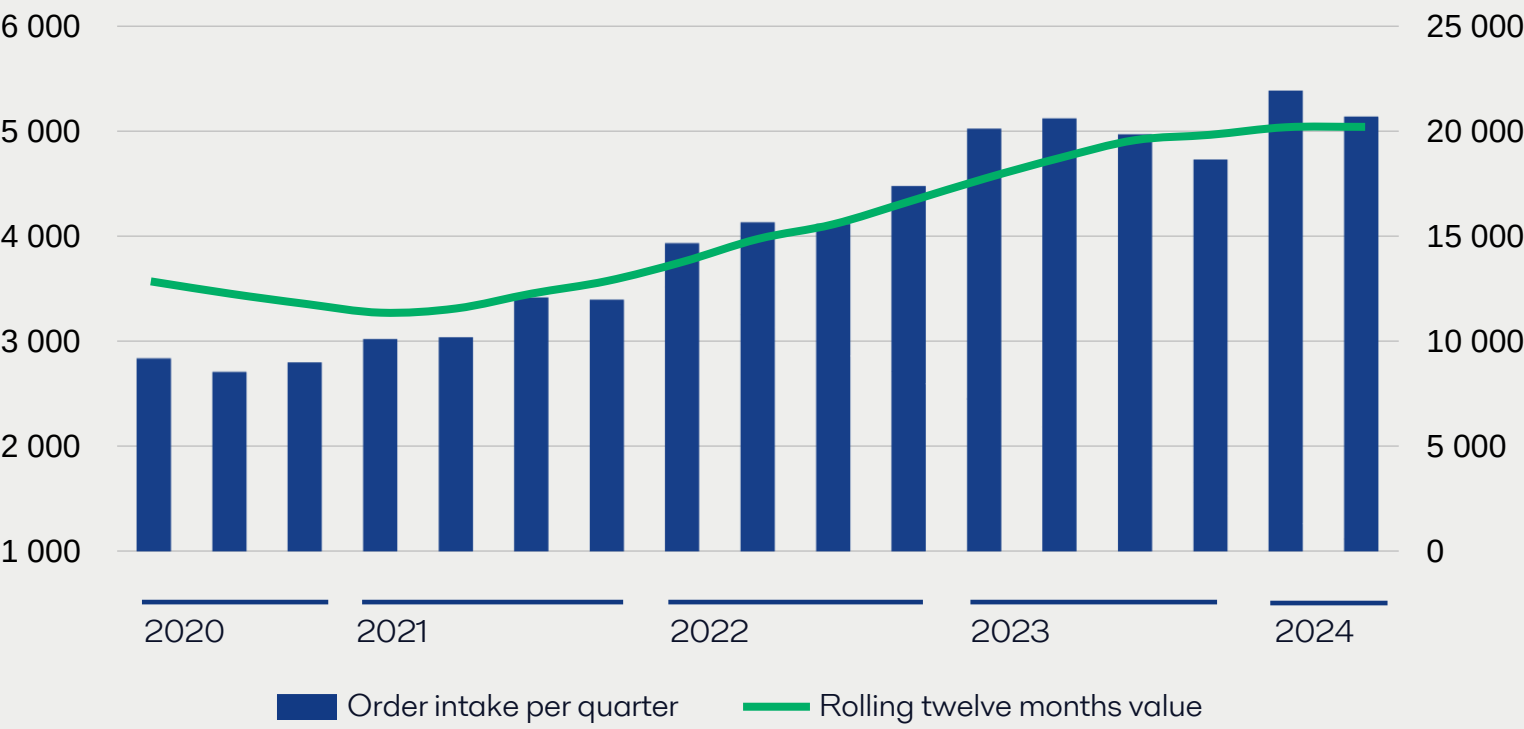
- The margin remained on a good level sequentially, confirming that the recovery from a weak 2023 is now completed.

	Q2 24	Q2 23	Tot Δ, %	Org Δ, %	Q1 24
ORDERS	7,872	6,051	30.1	30.8	6,736
SALES	5,616	4,558	23.2	24.0	5,000
Adj EBITA	1,031	565			894
Adj EBITA (%)	18.4	12.4			17.9



Service orders, Q2

Order intake, SEK million



Q2 2024



Marine



Food & Water



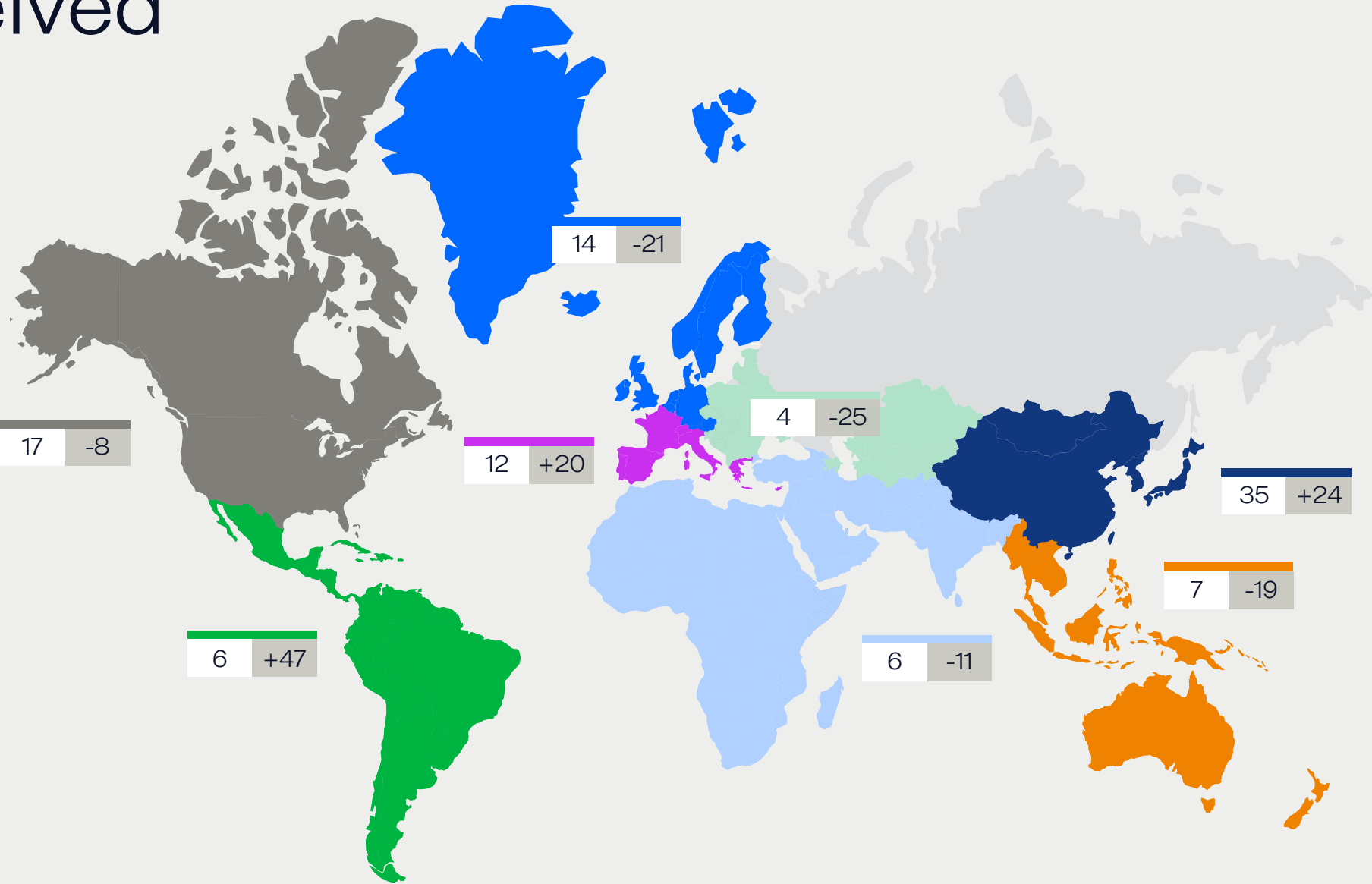
Energy



Orders received by region

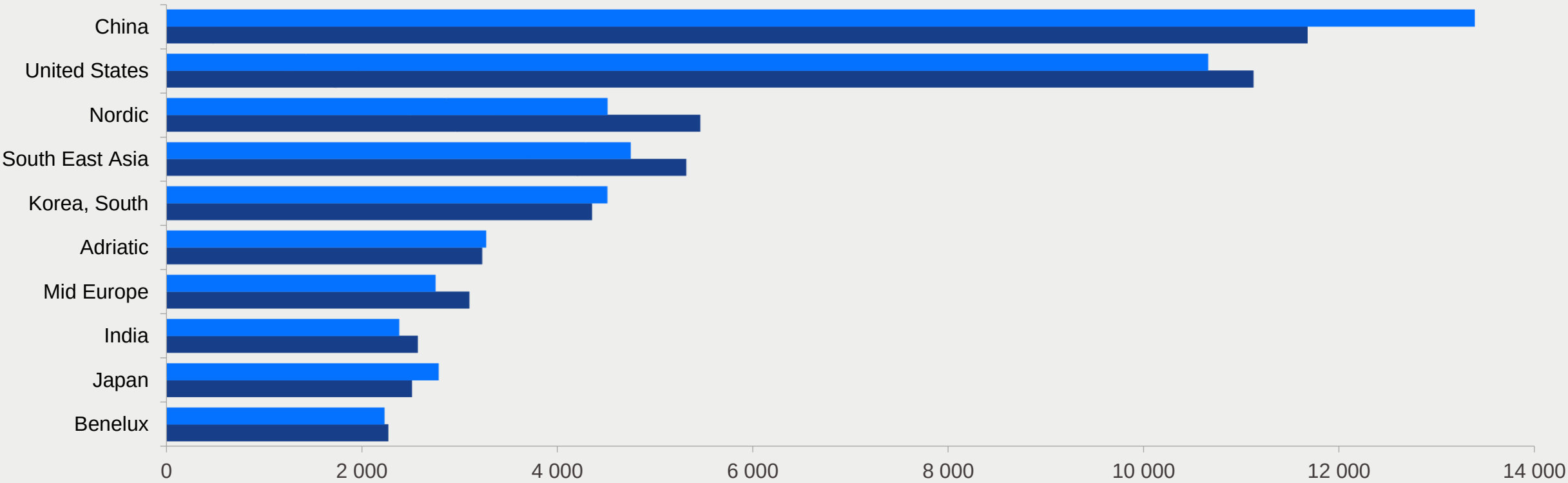
Excluding currency effects

- North America
- Latin America
- Northern Europe
- Eastern Europe
- Southern Europe
- India, Middle East & Africa
- NorthEast Asia
- SouthEast Asia & Oceania



Top ten markets*

SEK million



*Top ten markets order intake development 2023.

LTM

FY 2023



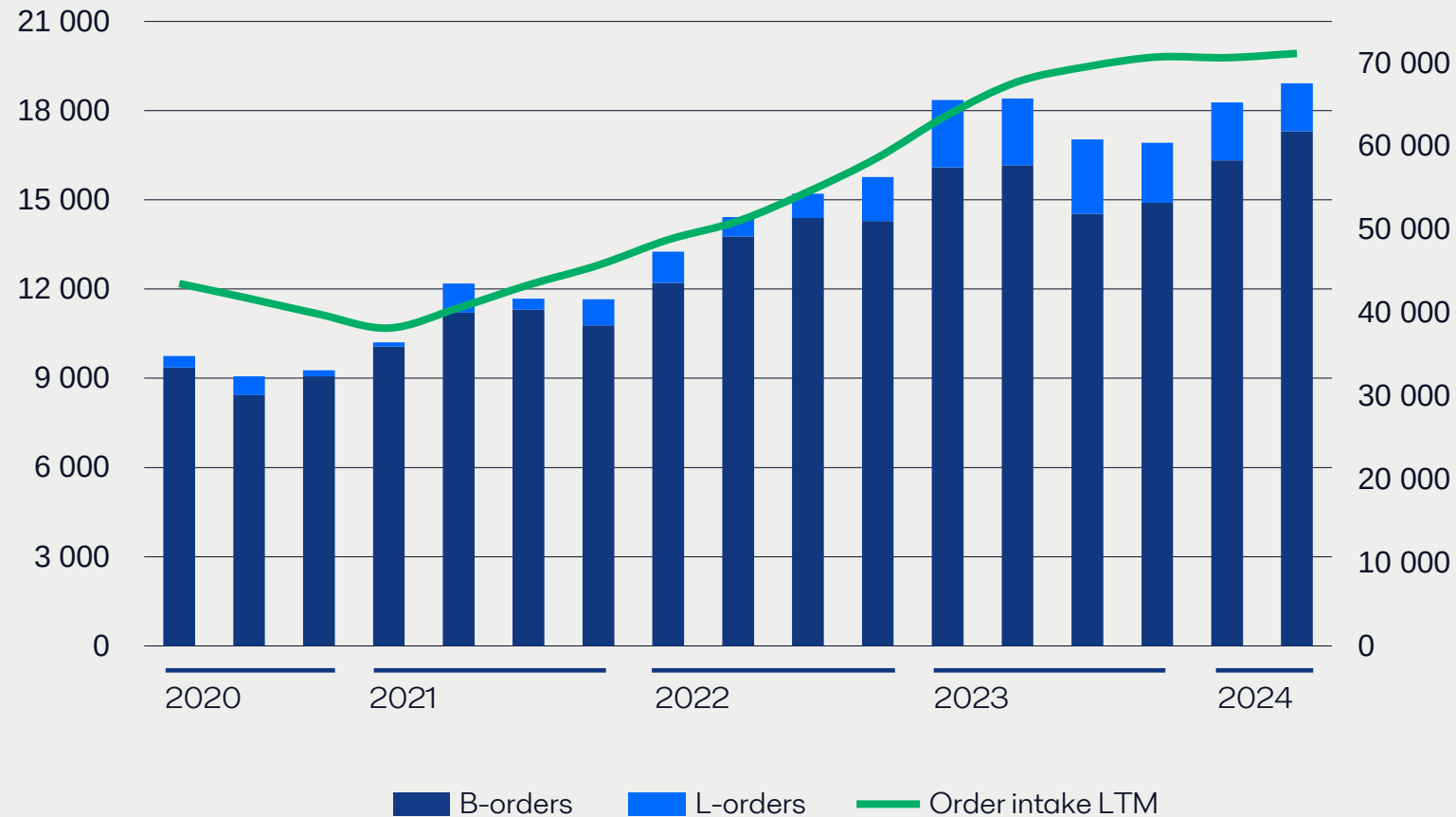
Financials Q2 2024

Fredrik Ekström, CFO



Orders received

SEK million



Q2 2024

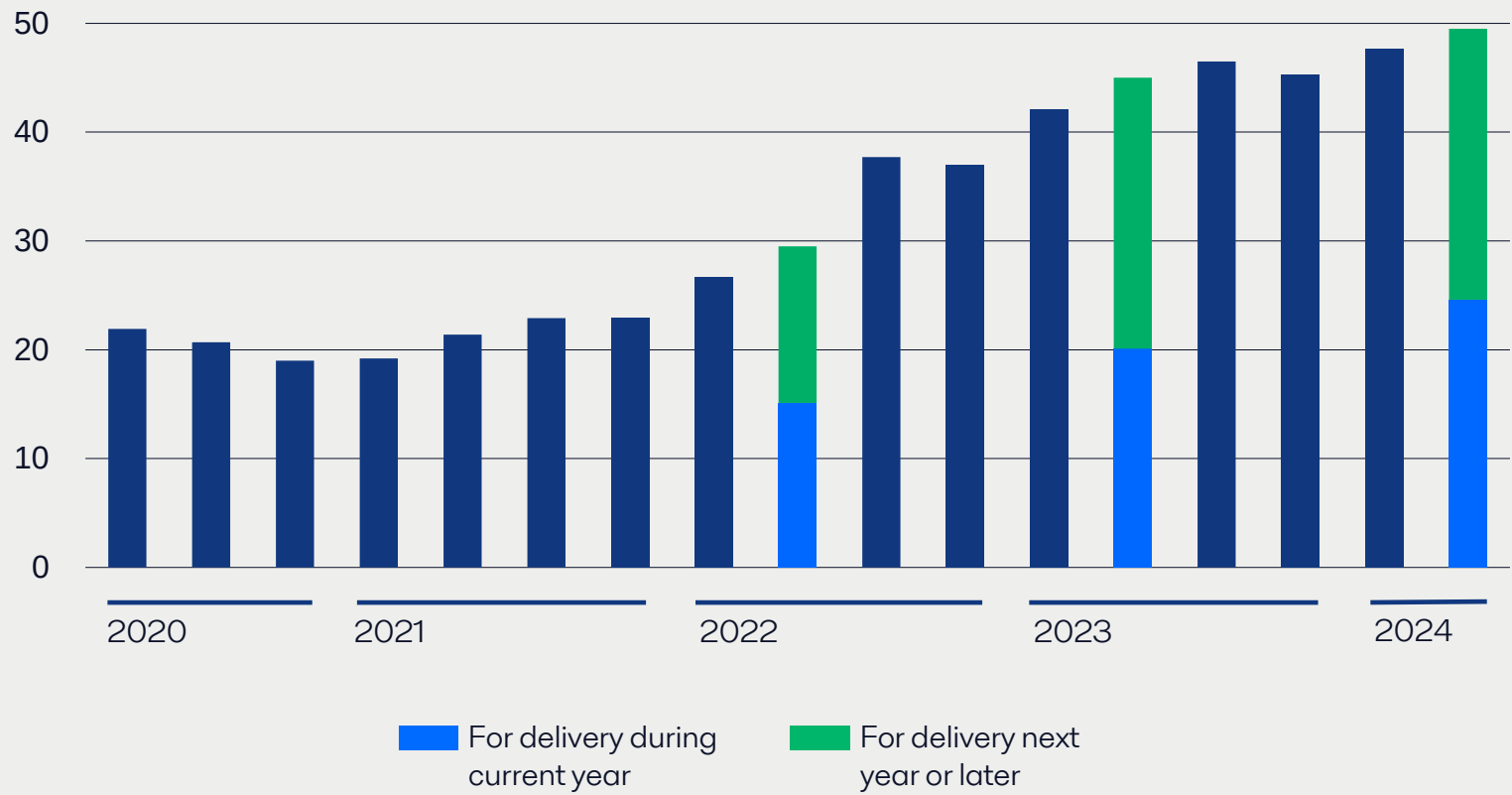
- Order intake of 18,916 MSEK (18,405)
- 2.8% growth
 - 3.5% organic growth
 - 0.1% structure
 - -0.8% currency

YTD 2024

- Order intake of 37,189 MSEK (36,790)
- Growth of 1.1%

Order backlog as per June 30

SEK billion



Q2 2024

- Order backlog of 50 BSEK
 - 25 BSEK for delivery 2024
 - 25 BSEK for delivery 2025 or later
- 10% increase YoY
- Backlog corresponds to 9.0 months of sales
- Q2 book-to-bill of 1.08

Sales

SEK million



Q2 2024

- Sales of 17,530 MSEK (15,880)
- 10.4% growth
 - 11.2% organic growth
 - 0.1% structure
 - -0.9% currency

YTD 2024

- Sales of 32,435 MSEK (29,991)
- Growth of 8.1%

Key figures

SEK million

	Q2 2024	Q2 2023
Sales	17,530	15,880
Gross profit	5,857	5,144
Sales & Admin	-2,592	-2,342
R&D	-411	-417
Net other cost/income	-113	-268
Operating income	2,742	2,136
Financial net	-352	-133
Profit before tax	2,390	2,003
Taxes	-694	-488
EPS	4.08	3.63

Q2 2024



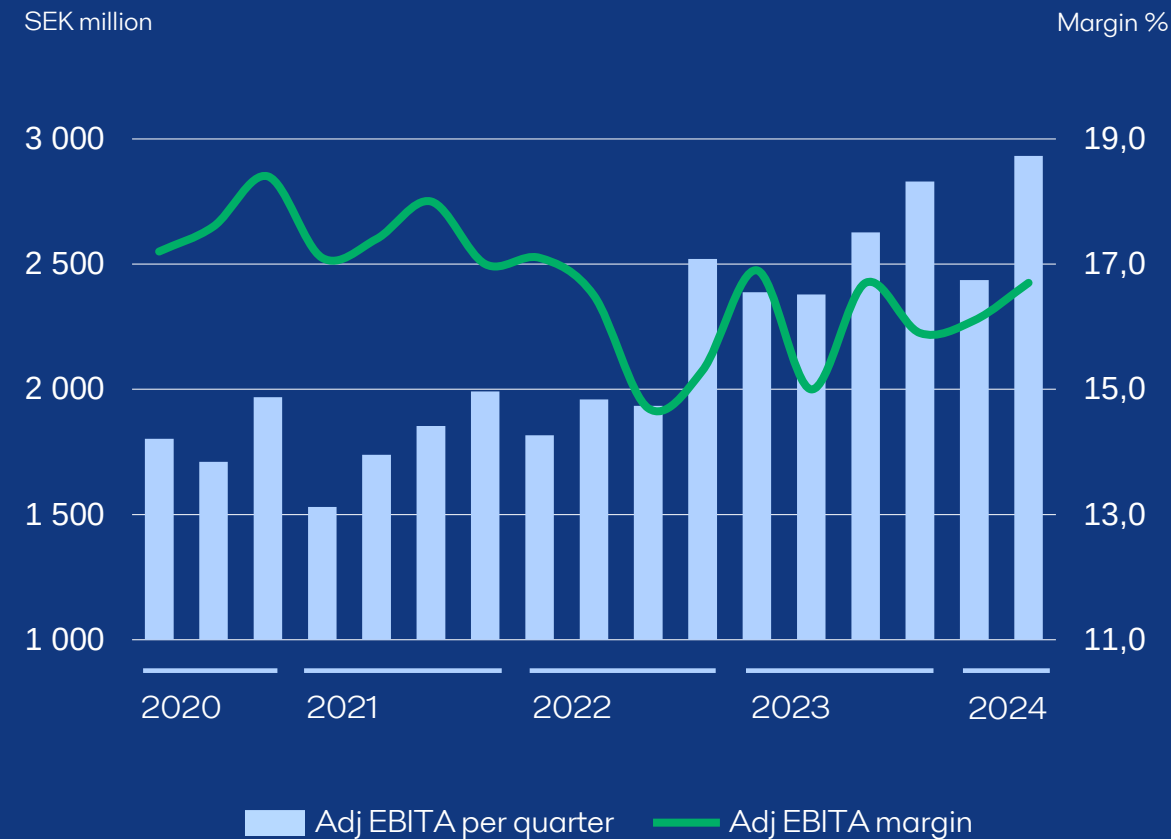
Adjusted EBITA margin*

SEK million and in percent of sales

	Q2 2024	Organic	Currency	Structure	Q2 2023
Sales	17,530	1 779	-143	16	15 880
Sales growth %	5.6%	6.6%	-1.2%	0.2%	
Adj EBITA	2,932	570	-13	-4	2,378
Adj EBITA %	16.7%				15.0%
Dil/Acc		1.7%	0.0%	0.0%	

* Adjusted EBITA – "Earnings before interests, taxes, amortization of goodwill and step-up values and comparison distortion items."

Q2 2024



Cash-flow statement

SEK million

	Q2 2024	Q2 2023	YTD 2024	YTD 2023
EBITDA	3,236	2,783	6,116	5,535
Working Capital	30	-739	-606	-2,051
Taxes paid	-633	-702	-1,127	-1,138
Cash flow from operating activities	2,633	1,342	4,383	2,346
Capital expenditures	-741	-549	-1,559	-989
Free cash flow	1,892	793	2,824	1,357
Disposals	96	1	140	2
Acquisitions	-2	-14	-50	-100
Cash flow after investing activities	1,986	780	2,914	1,259
Financing activities	-4,702	-1,510	-4,374	-2,196
Cash flow	-2,716	-730	-1,460	-937

Debt position

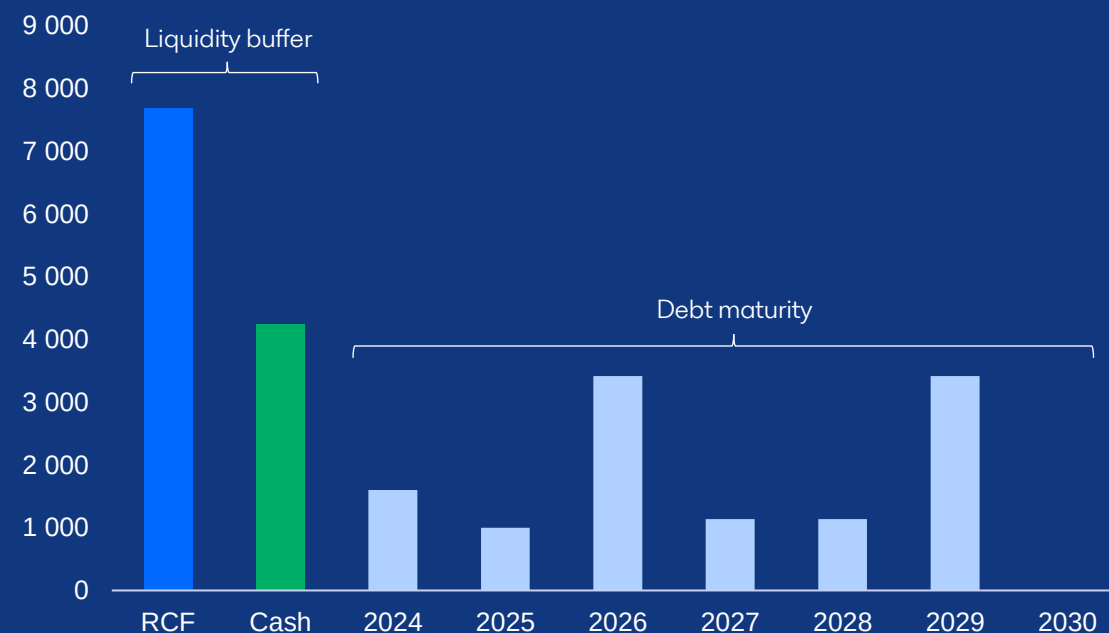
SEK million

Net debt	Q2 2024	Q2 2023
Debt	11,762	16,495
Debt/EBITDA LTM	0.94	1.60
Cash & cash equivalents and current deposits	-4,044	-3,783
Net Debt excl leases	7,718	12,712
Net Debt excl leases/EBITDA LTM	0.62	1.23
Lease liabilities	2,642	2,661
Net Debt incl leases	10,360	15,373
Net Debt incl leases/EBITDA LTM	0.83	1.49

Q2 2024

Maturity profile and liquidity buffer

- Loans maturing 2024-2029: 11,706 MSEK
- Average funding rate on our debt is 2.43% per annum



Guidance

	Q3 2024	FY 2024	FY 2025
CAPEX (cash)	Estimated 0.4 - 0.6 BSEK	Estimated 2.0 - 2.5 BSEK	Estimated 2.5 – 3.0 BSEK
Currency impact on EBITA*	Estimated transaction and translation impact of 30 MSEK	Estimated transaction and translation impact of 250 MSEK	
PPA amortization		~700 MSEK	~500 MSEK
Tax rate		24-26%	24-26%



Outlook for the
third quarter:

“We expect **demand** in the third quarter to be on a **somewhat lower level** compared to the second quarter.”

Q&A

Financial calendar 2024

Interim report Q3 2024

24 October 2024

Interim report Q4 2024

5 February 2025

Capital Markets Day 2024

21 November 2024

Q2 2024





Cautionary statement

This presentation contains forward-looking statements that are based on the current expectations of the management of Alfa Laval Group.

Although management believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment, other government actions and fluctuations in exchange rates. Alfa Laval undertakes no obligation to publicly update or revise these forward-looking statements, other than as required by law or other regulations.