

Report for Q3 2024



Highlights

- Order intake was SEK 18.9 (17.0) billion, an organic increase of 15 percent.
- Net sales was SEK 16.2 (15.8) billion, an organic increase of 6 percent.
- Adjusted EBITA increased by 7 percent to SEK 2.8 (2.6) billion, corresponding to a margin of 17.3 (16.7) percent.
- Strong cash flow from operating activities of SEK 3.7 (2.9) billion.
- Earnings per share of SEK 4.77 (4.29).

Summary

SEK millions	Q3				Jan-Sep			
	2024	2023	%	%*	2024	2023	%	%*
Order intake	18,927	17,032	11	15	56,116	53,822	4	6
Net sales	16,208	15,768	3	6	48,643	45,759	6	8
Adjusted EBITA **	2,800	2,626	7		8,166	7,391	10	
- adjusted EBITA margin (%) **	17.3	16.7			16.8	16.2		
Result after financial items	2,529	2,345	8		7,166	6,396	12	
Net income for the period	1,983	1,781	11		5,369	4,811	12	
Earnings per share (SEK)	4.77	4.29	11		12.92	11.56	12	
Cash flow from operating activities	3,745	2,932	28		8,126	5,278	54	
Return on capital employed (%) **					22.8	19.4		
Net debt*** to EBITDA, times **					0.61	1.19		

* Organic change. ** Alternative performance measures. *** Net debt including lease liabilities.

The totals in the tables and calculations do not always add up due to rounding differences on individual lines. Meaning each subtotal or line figure corresponds with its original source and rounding, which can result in differences with reported totals which aggregate the exact figures before rounding.

Comment from Tom Erixon

President and CEO

Outlook for the fourth quarter

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

Earlier published outlook (July 23, 2024):

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

“The demand remained strong in the third quarter and order intake amounted to 18.9 BSEK, a solid 11 percent growth compared to last year and sequentially stable. With a book-to-bill of 1.17 and an order book of 52 BSEK we continued to build the invoicing platform for 2025 and 2026.

The main driver of the growth in the quarter was the Marine division. The ship contracting remained on a high level, especially for the important tanker segment. The division increased the order intake with 41 percent and recorded an order intake of 8.1 BSEK. All parts of the division grew, and the cargo pumping business reached a new quarterly record again. The Food & Water division posted an order intake 10 percent below last year with orders amounting to 5.7 BSEK. As earlier guided, Desmet is not repeating the strong order intake from last year. All other businesses continued to grow in the quarter with good support from the transactional part of the business. The Energy division returned to a growth of 3 percent in the quarter despite the current weakness of the important HVAC segment. Several strong end markets compensated for the volume drop in HVAC, including clean energy and data centres.

The EBITA margin improved to 17.3 percent in the quarter supported by good performance in all three divisions. The Marine division improved the margin to 18.8 percent based on a solid order book and completed restructuring programs. The Energy division faced significant headwinds related to low utilization in the brazed heat exchanger manufacturing plants, but this was well compensated for by strict cost control and strong business performance in other product areas. The divisional margin of 20.9 percent was above expectations and just slightly below last years' record margin. The Food & Water division margin of 15.7 percent was stable compared to last year and supported by growth in the transactional business and service, as well as solid execution of the large project portfolio.

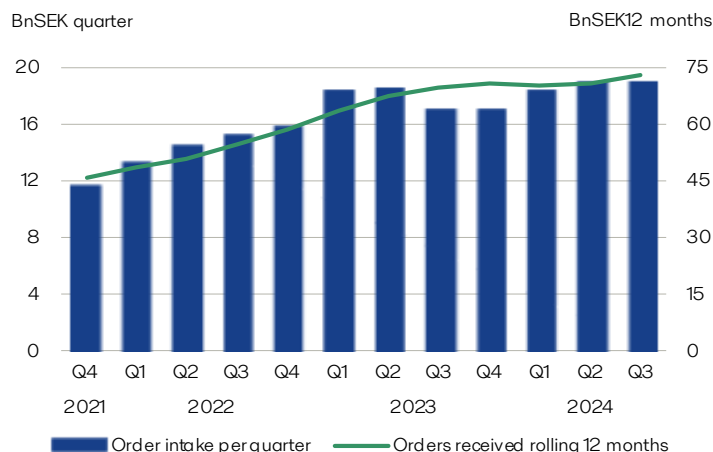


The sustainability agenda is continuously gaining momentum despite a slower pace in the global energy transition. Internally, the emission targets for scope 1-2 are met or exceeded and supported by a well-defined investment plan. The intense work to improve safety at work is on a clear path of fewer accidents and increased safety awareness. Finally, the product programs to support the decarbonization efforts of our customers continue to grow in almost all areas. The two largest development programs at this moment, for hydrogen plate technologies and wind propulsion for large merchant ships, are proceeding according to plans. We remain committed to leading the energy transition together with our customers and partners.”

Tom Erixon,
President and CEO

Financial overview

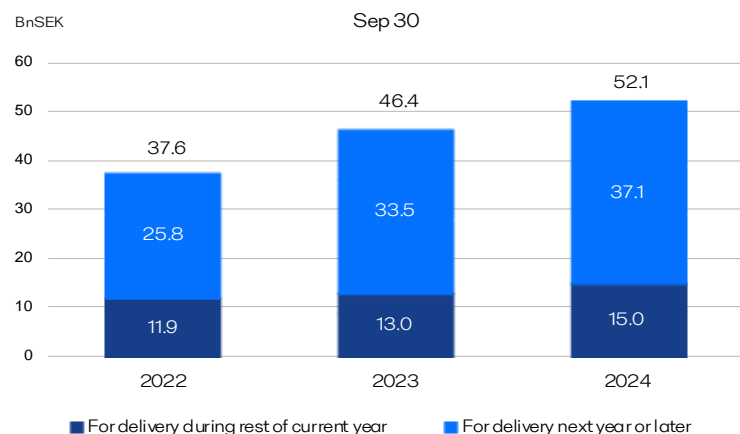
Order intake



Orders received was SEK 18,927 (17,032) million in the third quarter and SEK 56,116 (53,822) million in the first nine months 2024.

Orders received from Service constituted 26.7 (27.6) percent of the Group's total orders received during the third quarter and 27.7 (27.5) percent during the first nine months 2024.

Order backlog



Excluding currency effects and adjusted for acquisition and divestment of businesses the order backlog was 14.4 percent higher than the order backlog at September 30, 2023 and 16.7 percent higher than the order backlog at the end of 2023.

Net sales

Net invoicing was SEK 16,208 (15,768) million for the third quarter and SEK 48,643 (45,759) million for the first nine months 2024.

Net invoicing relating to Service constituted 31.1 (30.3) percent of the Group's total net invoicing in the third quarter and 30.4 (30.6) percent in the first nine months 2024.

Organic: Change excluding acquisition/divestment of businesses.

Structural: Acquisition/divestment of businesses.

Service: Parts and service.

Order bridge

SEK millions/%	Q3	Jan-Sep
2023	17,032	53,822
Organic	14.9%	6.1%
Structural	0.0%	0.1%
Currency	-3.8%	-1.9%
Total	11.1%	4.3%
2024	18,927	56,116

Order bridge Service

SEK millions/%	Q3	Jan-Sep
2023	4,694	14,826
Organic	11.2%	6.3%
Structural	0.1%	0.3%
Currency	-3.7%	-1.6%
Total	7.6%	5.0%
2024	5,053	15,564

Sales bridge

SEK millions/%	Q3	Jan-Sep
2023	15,768	45,759
Organic	6.0%	8.0%
Structural	0.0%	0.1%
Currency	-3.2%	-1.8%
Total	2.8%	6.3%
2024	16,208	48,643

Sales bridge Service

SEK millions/%	Q3	Jan-Sep
2023	4,783	14,002
Organic	8.5%	6.8%
Structural	0.1%	0.3%
Currency	-3.3%	-1.6%
Total	5.3%	5.5%
2024	5,035	14,779

Income analysis

SEK millions	Q3		Jan-Sep		Jan-Dec	Last 12
	2024	2023	2024	2023	2023	months
Net sales	16,208	15,768	48,643	45,759	63,598	66,482
Adjusted gross profit*	5,968	5,480	17,462	15,972	21,849	23,339
- adjusted gross margin (%)*	36.8	34.8	35.9	34.9	34.4	35.1
Expenses**	-2,747	-2,463	-8,041	-7,463	-10,069	-10,647
- in % of net sales	16.9	15.6	16.5	16.3	15.8	16.0
Adjusted EBITDA*	3,221	3,017	9,421	8,509	11,780	12,692
- adjusted EBITDA margin (%)*	19.9	19.1	19.4	18.6	18.5	19.1
Depreciation	-421	-391	-1,255	-1,118	-1,559	-1,696
Adjusted EBITA*	2,800	2,626	8,166	7,391	10,221	10,996
- adjusted EBITA margin (%)*	17.3	16.7	16.8	16.2	16.1	16.5
Amortisation of step-up values	-126	-247	-554	-730	-965	-789
Operating income	2,674	2,379	7,612	6,661	9,256	10,207

* Alternative performance measures. ** Excluding comparison distortion items.

Invoicing in the quarter reached SEK 16,208 million, a growth of 2.8 percent compared to the same quarter last year. Sequentially, invoicing followed normal seasonality and decreased with 7 percent. Sales in the quarter yielded an adjusted EBITA of SEK 2,800 million and a margin equivalent of 17.3 percent (16.7). January to September sales have increased with 6.3 percent to reach SEK 48,643 million with an EBITA of SEK 8,166 million with a margin equivalent of 16.8 percent (16.2). From a mix perspective, the quarter had a sales invoicing mix tilted towards projects which from a margin dilution perspective was offset by a continued growing service business making up 31 percent of sales in the quarter. Gross margin was in line with expectations and 2 percent higher boosted by better factory and engineering results compared to the same quarter last year. Imbalances between actual demand and manufacturing capacity remain in a few product groups and proactive actions have already been undertaken with future expected demands as input. Operating income increased with 12 percent to SEK 2,674 million in the quarter. The current orderbook with planned deliveries for Q4 supports a continued good invoicing level with a mix tilted towards projects. The orderbook in general is in line with current input cost levels.

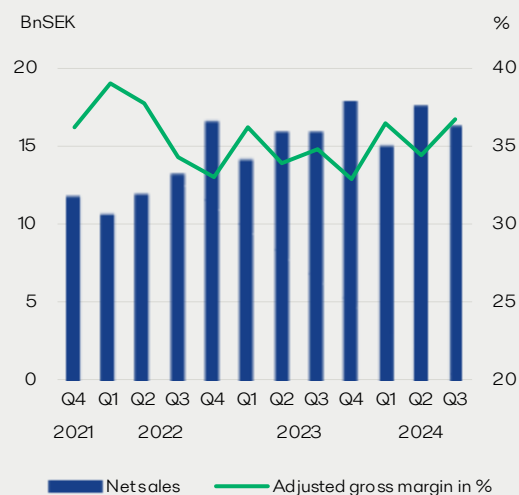
Sales and administration expenses were SEK 2,500 (2,260) million during the third quarter and SEK 7,551 (6,781) million during the first nine months 2024. The figures for the first nine months corresponded to 15.5 (14.8) percent of net sales. Sales and administration expenses increased by 10.6 percent during the third quarter and by 11.4 percent during the first nine months 2024 compared to the corresponding periods last year.

The costs for research and development during the first nine months of 2024 corresponded to 2.5 (2.5) percent of net sales. The costs for research and development increased with 11.8 percent during the third quarter and by 6.3 percent during the first nine months 2024 compared to the corresponding period last year.

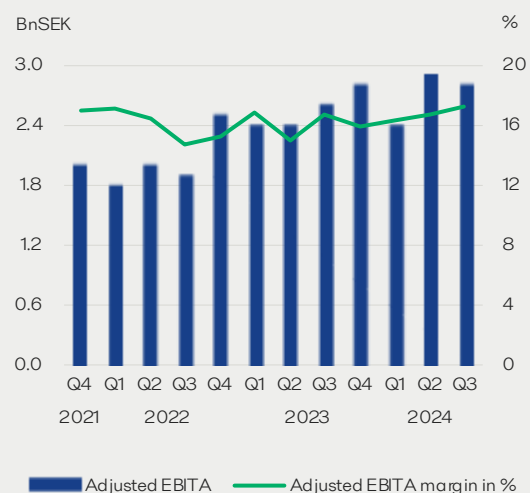
Income bridge

SEK millions	Q3	Jan-Sep
Adjusted EBITA 2023	2,626	7,391
Volume	310	1,241
Mix	317	461
Costs	-384	-802
Currency	-69	-125
Adjusted EBITA 2024	2,800	8,166

Net sales



Adjusted EBITA



Earnings per share in the quarter amounted to SEK 4.77 (4.29) and 12.92 (11.56) for the first nine months 2024. The corresponding figure excluding amortisation of step-up values and the corresponding tax, was SEK 13.96 (12.94) for the first nine months.

Consolidated financial net

SEK millions	Q3		Jan-Sep		Jan-	Last 12
	2024	2023	2024	2023	Dec	months
Financial net	-145	-34	-445	-265	-606	-786
Net of interests	-81	-102	-230	-250	-350	-330
- of which interest expense on loans	-74	-90	-210	-219	-295	-286
Dividends and other financial income	4	-1	11	7	13	17
Net of exchange rate differences	-68	69	-227	-21	-269	-475

Taxes

The tax on the result after financial items was SEK -546 (-564) million in the third quarter and SEK -1,797 (-1,585) million in the first nine months 2024. The tax rate was 25 percent for the Group in the first nine months which is in line with the guidance range of 24-26 percent.

Cash flow

Strong cash conversion in the quarter resulted in a SEK 3,745 (2,932) million operating cash flow and SEK 8,126 (5,278) million in the first nine months.

Depreciation, excluding allocated step-up values, was SEK 421 (391) million in the quarter and SEK 1,255 (1,118) million during the first nine months 2024.

Acquisition of businesses and release of acquisition related withheld amounts during the first nine months 2024 amounted to SEK -50 (-332) million of which SEK - (-232) million is related to this quarter.

Financing activities amounted to SEK -1,493 (-804) millions in the third quarter mainly due to amortisation of loans. Total cash flow in the third quarter was SEK 1,548 (1,381) million with a balance of cash and cash equivalents at the end of the quarter of SEK 5,243 (4,793) million.

Key figures

	Sep 30		Dec 31
	2024	2023	2023
Return on capital employed (%) ¹⁾	22.8	19.4	21.0
Return on equity (%) ²⁾	18.0	17.0	17.6
Solidity (%) ³⁾	47.2	43.1	45.4
Net debt to EBITDA, times ¹⁾⁵⁾	0.61	1.19	0.85
Debt ratio, times ¹⁾	0.19	0.35	0.27
Number of employees ⁴⁾	22,095	21,089	21,321

1) Alternative performance measure. 2) Net income in relation to average equity, calculated on 12 months' revolving basis, expressed in percent. 3) Equity in relation to total assets at the end of the period, expressed in percent. 4) At the end of the period. 5) Net debt including lease liabilities.

Energy division

Highlights

- Order intake increased by 3 percent to SEK 5.0 (4.9) billion, with an organic increase of 6 percent.
- Net sales decreased by 7 percent to SEK 4.6 (5.0) billion, with an organic decline of 4 percent.
- Adjusted EBITA of SEK 964 (1,075) million, corresponding to a margin of 20.9 percent.

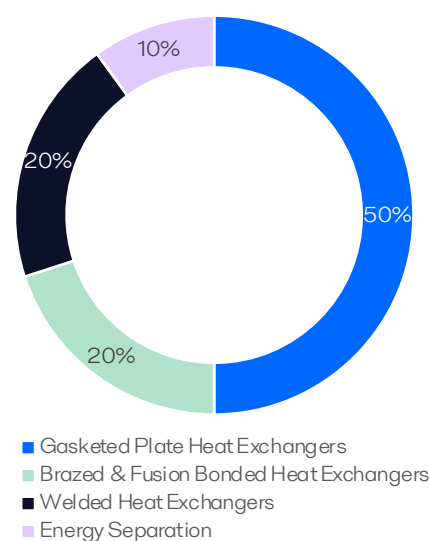
SEK millions	Q3		Jan-Sep		Jan-Dec	Last 12
	2024	2023	2024	2023	2023	months
Orders received	5,042	4,902	14,993	15,752	20,414	19,655
Order backlog ¹⁾	10,738	10,676	10,738	10,676	10,075	10,738
Net sales	4,611	4,967	14,144	14,073	19,269	19,340
Operating income ²⁾	951	1,060	2,777	3,037	3,927	3,667
Adjusted EBITA ³⁾	964	1,075	2,817	3,086	3,986	3,717
Adj. EBITA margin ⁴⁾	20.9%	21.6%	19.9%	21.9%	20.7%	19.2%
Depreciation	125	94	355	256	372	471
Amortisation	13	15	40	49	59	50
Investments ⁵⁾	319	166	954	608	992	1,338
Assets ¹⁾	19,816	20,346	19,816	20,346	19,263	19,816
Liabilities ¹⁾	7,059	8,107	7,059	8,107	7,433	7,059
Employees ¹⁾	5,951	5,702	5,951	5,702	5,902	5,951

1) At end of period. 2) Excluding comparison distortion items. 3) Alternative performance measure. 4) Adjusted EBITA/net sales. 5) Excluding new leases.

Quarterly development



Order intake by business unit Jan-Sep 2024



Trend indicators by end market

	% of Total	YTD 24/23	Trend*
HVAC & Ref	25%	-30%	↘
Fossil base fuels & power	23%	0%	↗
Process industry	23%	4%	↗
Light industry & tech	21%	17%	↗
Clean fuels, power & chemicals	8%	22%	↘

*Sequential change between Q2 2024 and Q3 2024.

Order intake*

The Energy Division reported a higher order intake compared to the same quarter last year. Although a somewhat weaker momentum for new technologies in the global energy transition, the focus on energy efficiency remains a key focus amongst customers and demand grows for the clean energy portfolio. Outside of a continued somewhat soft HVAC** industry, demand was positive in most industries and service continued to develop in a strong way.

Order intake in HVAC declined compared to the same quarter last year, driven by a continued weak heat pump market. Sequentially, demand from heat pump manufacturers stabilized at a low level. Demand in commercial heating and cooling was stable despite low activity in the construction sector. Refrigeration was unchanged compared to the same quarter last year. The third quarter likely marked the bottom of the cycle for HVAC. Order intake grew in Light Industry & Tech, driven by a strong demand for more efficient cooling solutions in the data centre and semi-conductor end markets. Orders in Fossil base fuels & Power grew. Investments in oil and gas, petrochemicals and refinery remained on good levels. Process industries had a strong quarter, with orders growing especially in circularity, inorganic chemicals and organic chemicals. Order intake grew in Clean Fuels, Power & Chemicals, with a strong quarter for renewable chemicals and carbon capture. Geographically, Europe and Asia reported a high order intake compared to the same quarter last year. North and Latin America, which has been the growth driver in previous quarters, was more stable due to a weaker quarter in the United States.

Service continued the positive trend with high growth compared to the same quarter last year. Growth was particularly strong for spare parts, while other services was more stable. There is a positive service trend in all regions with high growth in North America, North Europe and South Europe.

Net sales*

Sales declined compared to the same quarter last year. The lost volumes in heat pumps could not be fully compensated by the high sales growth in Light Industry & Tech, Service and increased invoicing of large orders.

Adjusted EBITA***

Adjusted EBITA improved compared to last year. Volume was negative, however more than compensated by positive mix due to strong growth in service invoicing.

Costs related to investment programs and inflationary pressure resulted in increased overhead costs compared to last year. Currency had a small negative impact on the overall result.

* Comments excluding currency effects.

** Heating, Ventilation & Air Conditioning.

*** Comments relating to income bridge.

Order bridge

SEK millions/%	Q3	Jan-Sep
2023	4,902	15,752
Organic	6.2%	-3.2%
Structural	0.1%	0.1%
Currency	-3.4%	-1.7%
Total	2.9%	-4.8%
2024	5,042	14,993

Sales bridge

SEK millions/%	Q3	Jan-Sep
2023	4,967	14,073
Organic	-4.3%	2.2%
Structural	0.1%	0.2%
Currency	-3.0%	-1.9%
Total	-7.2%	0.5%
2024	4,611	14,144

Order intake split, Jan-Sep 2024



Income bridge

SEK millions	Q3	Jan-Sep
Adjusted EBITA 2023	1,075	3,086
Volume	-76	127
Mix	114	8
Costs	-123	-355
Currency	-26	-49
Adjusted EBITA 2024	964	2,817



Food & Water division

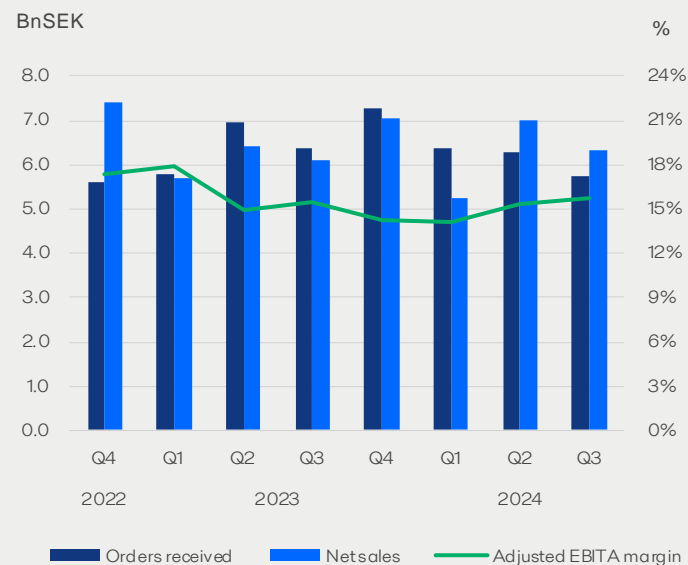
Highlights

- Order intake decreased by 10 percent to SEK 5.7 (6.4) billion, with an organic decline of 7 percent.
- Net sales increased by 4 percent to 6.3 (6.1) billion, with an organic growth of 7 percent.
- Adjusted EBITA of SEK 995 (942) million, corresponding to a margin of 15.7 percent.

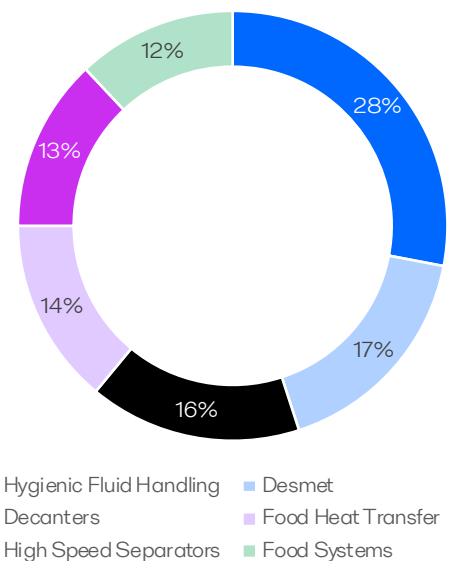
SEK millions	Q3		Jan-Sep		Jan-Dec	Last 12
	2024	2023	2024	2023	2023	months
Orders received	5,739	6,365	18,369	19,082	26,368	25,655
Order backlog ¹⁾	15,497	15,806	15,497	15,806	15,977	15,497
Net sales	6,342	6,086	18,628	18,220	25,280	25,688
Operating income ²⁾	934	880	2,632	2,748	3,698	3,582
Adjusted EBITA ³⁾	995	942	2,814	2,931	3,942	3,825
Adj. EBITA margin ⁴⁾	15.7%	15.5%	15.1%	16.1%	15.6%	14.9%
Depreciation	117	118	377	354	502	525
Amortisation	61	62	182	183	244	243
Investments ⁵⁾	115	107	324	300	472	496
Assets ¹⁾	22,000	21,918	22,000	21,918	20,376	22,000
Liabilities ¹⁾	8,853	8,548	8,853	8,548	8,295	8,853
Employees ¹⁾	8,433	8,278	8,433	8,278	8,283	8,433

1) At end of period. 2) Excluding comparison distortion items. 3) Alternative performance measure. 4) Adjusted EBITA/net sales. 5) Excluding new leases.

Quarterly development



Order intake by business unit Jan-Sep 2024



Trend indicators by end market

	% of Total	YTD 24/23	Trend*
Oils & Fats	26%	-16%	↘
Dairy	19%	6%	→
Prep. Food & Beverage	18%	6%	↘
Ethanol, Starch & Sugar	9%	-9%	↗
Waste & Water	7%	0%	↗
Pharma & Biotech	7%	1%	↘
Protein	6%	0%	↘
Brewery	5%	-11%	↗
Other	3%	10%	↘

*Sequential change between Q2 2024 and Q3 2024.

Order intake*

Order intake declined compared to the same quarter last year. A continued improvement in the transactional business and service could not fully offset last year's very strong order intake in Desmet. China continued on a path of recovery with good growth. Demand grew in Europe, whilst a lower demand was noted in North America.

Oils & fats declined from last year's strong levels, both for traditional oils and fats but not least for large biodiesel and HVO orders (Hydrotreated Vegetable Oil for biodiesel). With new capacity in place in the industry and lower commodity prices, investment decisions are now being taken somewhat more selectively. Protein orders declined. However, a very large project for plant-based protein was secured in Europe, a good example of the increased strategic focus on more sustainable "Next Generation Food". Order intake in Dairy grew, with good development in most regions. Several new projects materialized after more positive activity levels in the industry. Orders in Pharma & biotech continued to grow, particular in China but also in North America. Following last year's saturation post the strong pandemic years, the sector has gradually been recovering. Ethanol orders were slightly below last year. The driver for the sector with a continued strong biofuel demand from higher blending requirements in countries like USA, Brazil and India, remains unchanged. Waste & water showed strong growth, driven by the large and important North American market. The size and timing of when public funds for water investments, and when the specific projects are made available for tender, determine investments in the industry. Brewery was slightly below last year's level. The industry is still characterized by limited capacity related investments. Replacements, process and yield improving products and solutions however continue at a stable pace.

Service showed a very solid growth, primarily driven by parts sales but also by a strong development in other services. Activity was high in Pharma & biotech, Protein and also Oils & fats, whereas most other key industries grew at a good level.

Net sales*

Net sales grew at a solid pace, with most of the increase from more extensive revenue recognition in the project business. Industry wise, sales grew strongly in Oils & fats following last year's strong order intake. Dairy delivered double digit sales growth, and the remaining industries were unchanged compared to last year.

Adjusted EBITA**

Adjusted EBITA increased compared to last year, driven by growth in invoicing and a positive mix. Despite that large projects are being a larger share of the invoicing, the mix was favourable with gross profit increasing from good execution and high load in factories. Cost was up in the quarter, partly from current high activity level but also due to some inflationary impacted, however on expected level. Currency had a small negative impact.

* Comments excluding currency effects.

** Comments relating to income bridge.

Order bridge

SEK millions/%	Q3	Jan-Sep
2023	6,365	19,082
Organic	-7.2%	-2.4%
Structural	0.0%	0.1%
Currency	-2.6%	-1.4%
Total	-9.8%	-3.7%
2024	5,739	18,369

Sales bridge

SEK millions/%	Q3	Jan-Sep
2023	6,086	18,220
Organic	7.1%	3.6%
Structural	0.0%	0.1%
Currency	-2.9%	-1.5%
Total	4.2%	2.2%
2024	6,342	18,628

Order intake split, Jan-Sep 2024



Income bridge

SEK millions	Q3	Jan-Sep
Adjusted EBITA 2023	942	2,931
Volume	123	180
Mix	51	13
Costs	-110	-290
Currency	-11	-20
Adjusted EBITA 2024	995	2,814



Marine division

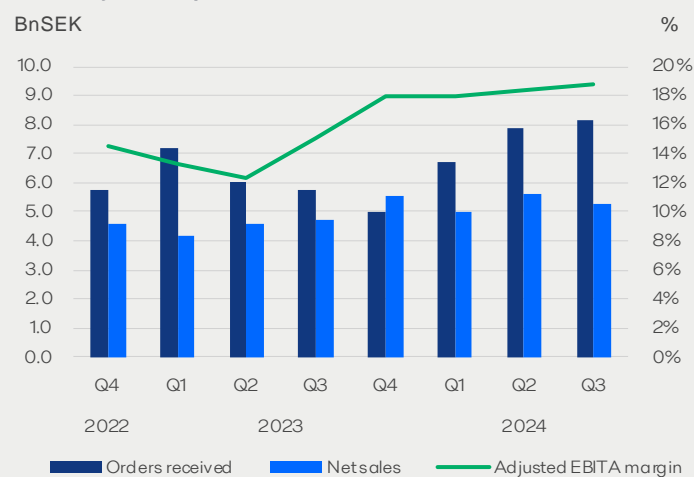
Highlights

- Order intake increased by 41 percent to SEK 8.1 (5.8) billion, with an organic increase of 47 percent.
- Net sales increased by 12 percent to SEK 5.3 (4.7) billion, with an organic growth of 15 percent.
- Adjusted EBITA of SEK 989 (712) million, corresponding to a margin of 18.8 percent.

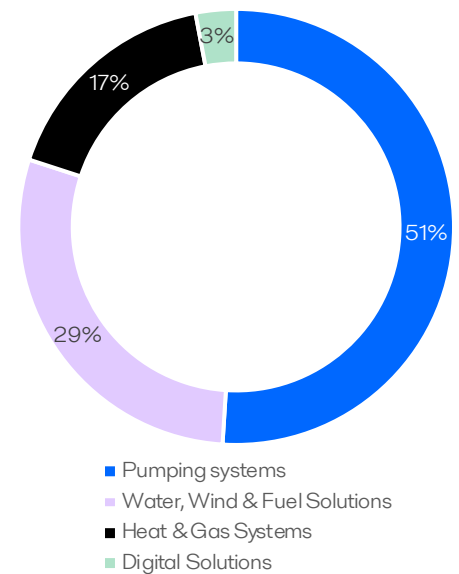
SEK millions	Q3		Jan-Sep		Jan-Dec	Last 12 months
	2024	2023	2024	2023	2023	
Orders received	8,146	5,765	22,754	18,988	23,960	27,726
Order backlog ¹⁾	25,835	19,935	25,835	19,935	19,273	25,835
Net sales	5,255	4,715	15,871	13,466	19,049	21,454
Operating income ²⁾	937	543	2,585	1,338	2,178	3,425
Adjusted EBITA ³⁾	989	712	2,914	1,833	2,836	3,917
Adj. EBITA margin ⁴⁾	18.8%	15.1%	18.4%	13.6%	14.9%	18.3%
Depreciation	85	84	258	248	336	346
Amortisation	52	169	329	495	658	492
Investments ⁵⁾	76	112	200	204	336	332
Assets ¹⁾	29,055	31,314	29,055	31,314	29,856	29,055
Liabilities ¹⁾	8,973	8,605	8,973	8,605	7,998	8,973
Employees ¹⁾	6,174	5,661	6,174	5,661	5,655	6,174

1) At end of period. 2) Excluding comparison distortion items. 3) Alternative performance measure. 4) Adjusted EBITA/net sales. 5) Excluding new leases.

Quarterly development



Order intake by business unit Jan-Sep 2024



Trend indicators by end market

	% of Total	YTD 24/23	Trend*
Ship Building & Shipping	75%	38%	↓
Offshore	13%	-29%	↑
Other	8%	30%	↓
Engine Power	4%	-14%	↑

*Sequential change between Q2 2024 and Q3 2024.

Order intake*

Order intake for the Marine Division was significantly higher compared to the same quarter last year. A high demand for the marine portfolio across the board, including digital solutions and service, more than offset the lower demand levels in ballast systems and gas systems.

The underlying market sentiment related to the building of new vessels was on a higher level compared to the same period last year. New contracting has been strong across almost all ship segments with exceptionally high ordering in the oil tanker and cruise segments. The increased shipbuilding activity has been further supported by a continued growing demand for sustainability related solutions which mitigate carbon emissions, including solutions around energy efficiency, low carbon and zero carbon fuels. Demand for ballast water treatment systems has, as expected, eased further as the 2024 regulatory deadline related to retrofits has been passed and the addressable market is now correlated to new vessels being contracted. Multi-fuel capable solutions, primarily with LNG as the alternative fuel, continue to gain traction, driving demand for the new generation of multi-fuel boilers and alternative fuel supply systems. Offshore orders were at a higher level compared to the same quarter last year as the constrained supply chains have eased. The underlying market sentiment in this area remains strong due to stable high oil prices and the sanctioning of new projects to safeguard long term energy security.

Service orders grew compared to the same quarter last year. Demand was driven by a good activity level in both the shipping and offshore end markets and due to a growing installed base of environmental solutions. Good freight rates in almost all vessel segments and the consequent desire to keep vessel assets in good operational readiness resulted in increased on-board maintenance and higher demand for all service scopes, ranging from spare parts to service.

Net sales*

Sales were at a higher level than the same quarter last year. Sales were higher for both capital sales and service in almost all product areas except ballast water systems.

Adjusted EBITA**

Adjusted EBITA increased compared to last year, positively impacted by increased invoicing and mix effects in the quarter. The factory and engineering result was positive due to the good factory load. The cost level was higher than last year due to inflationary pressure and a higher activity level.

* Comments excluding currency effects.

** Comments relating to income bridge.

Order bridge

SEK millions/%	Q3	Jan-Sep
2023	5,765	18,988
Organic	46.9%	22.4%
Structural	0.0%	0.0%
Currency	-5.6%	-2.6%
Total	41.3%	19.8%
2024	8,146	22,754

Sales bridge

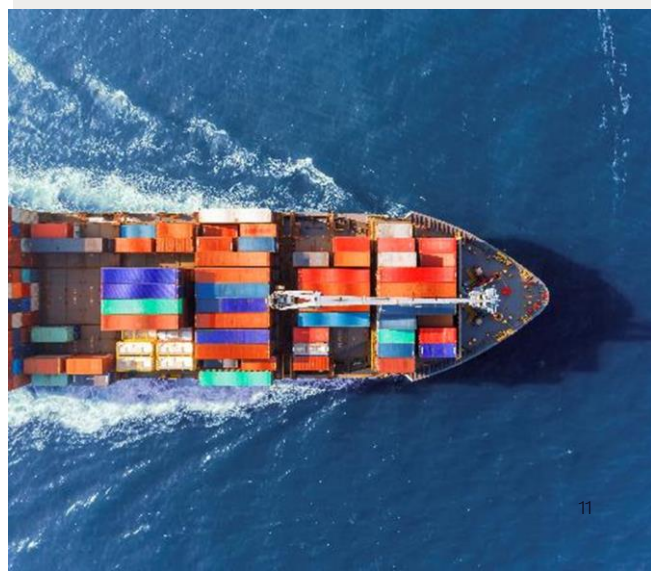
SEK millions/%	Q3	Jan-Sep
2023	4,715	13,466
Organic	15.3%	20.0%
Structural	0.0%	0.0%
Currency	-3.8%	-2.1%
Total	11.5%	17.9%
2024	5,255	15,871

Order intake split, Jan-Sep 2024



Income bridge

SEK millions	Q3	Jan-Sep
Adjusted EBITA 2023	712	1,833
Volume	248	898
Mix	157	392
Costs	-94	-157
Currency	-34	-52
Adjusted EBITA 2024	989	2,914



Operations and Other

Operations and Other covers procurement and logistics as well as corporate overhead and non-core businesses.

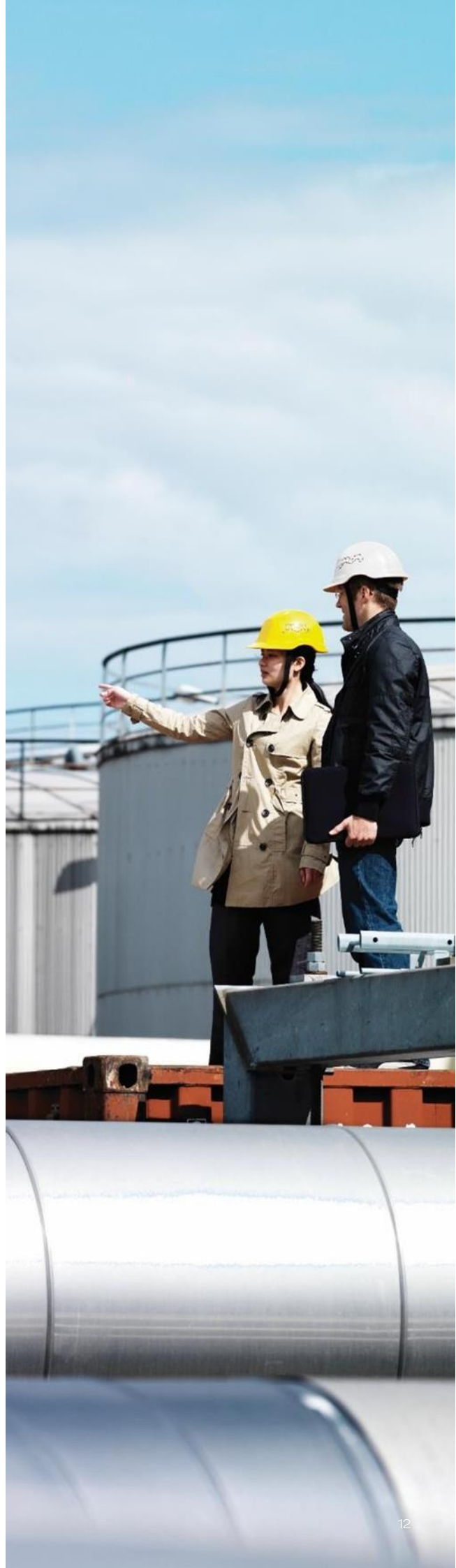
SEK millions	Q3		Jan-Sep		Jan- Dec	Last 12
	2024	2023	2024	2023	2023	months
Orders received	0	0	0	0	0	0
Order backlog ¹⁾	0	0	0	0	0	0
Net sales	0	0	0	0	0	0
Operating income ²⁾	-149	-119	-383	-467	-565	-481
Adj. EBITA margin ⁴⁾	-148	-118	-379	-464	-561	-476
Depreciation	93	95	263	260	349	352
Amortisation	1	1	4	3	4	5
Investments ⁴⁾	194	142	785	404	640	1,021
Assets ¹⁾	2,013	2,109	2,013	2,109	1,986	2,013
Liabilities ¹⁾	960	1,140	960	1,140	885	960
Employees ¹⁾	1,536	1,448	1,536	1,448	1,481	1,536

1) At end of period. 2) Excluding comparison distortion items. 3) Alternative performance measure. 4) Excluding new leases.

Reconciliation between Divisions and Group total

SEK millions	Q3		Jan-Sep		Jan- Dec	Last 12
	2024	2023	2024	2023	2023	months
Adjusted EBITA						
Total for divisions	2,801	2,611	8,164	7,386	10,203	10,981
Amortisation	-127	-247	-554	-730	-965	-789
Consolidation adjustments *	0	15	2	5	18	15
Total operating income	2,674	2,379	7,612	6,661	9,256	10,207
Financial net	-145	-34	-446	-265	-606	-787
Result after financial items	2,529	2,345	7,166	6,396	8,650	9,420
Assets **						
Total for divisions	72,884	75,687	72,884	75,687	71,481	72,884
Corporate ***	11,249	10,802	11,249	10,802	10,807	11,249
Group total	84,133	86,489	84,133	86,489	82,288	84,133
Liabilities **						
Total for divisions	25,845	26,400	25,845	26,400	24,611	25,845
Corporate ***	18,542	22,849	18,542	22,849	20,299	18,542
Group total	44,387	49,249	44,387	49,249	44,910	44,387

* Difference between management accounts and IFRS. ** At the end of the period. *** Corporate refers to items in the statement on financial position that are interest bearing or are related to taxes.



Large orders (>EUR 5 million) in the third quarter

Division	Business Unit	Delivery date	Order amount	Total per Business Unit	
			SEK millions	Q3 2024	Q3 2023
Scope of supply					
Energy					
	Gasketed Plate Heat Exchangers		-	-	72
	Welded Heat Exchangers				
	Heat exchanger to maximise heat recovery in Middle East refinery for gasoline and aromatic production.	2025	146		
	Spiral heat exchangers for petrochemical production in China.	2026	148		
	High pressure reactor effluent air coolers for wet H2S and Hydrogen service in Netherlands.	2025	58	352	324
Food & Water					
	Food Systems				
	System for extraction of proteins from vegetables to company in Sweden.	2025	158	158	-
	Desmet				
	Oil seeds preparation & solvent extraction equipment for a crushing plant in Bulgaria.	2025	90		
	Pretreatment and HVOI equipment for a renewable fuel plant in Romania.	2025	61		
	Pretreatment & Biodiesel equipment for an Indonesian plant.	2025	60		
	Oil seeds preparation & solvent extraction equipment for a rapeseed plant in Poland.	2025	24	235	1,201
Marine					
	Heat & Gas Systems				
	Boiler system producing steam from waste heat for being used in a steam turbine making electricity	2025	289		
	Boilers used for re-gasification and boil-off-gas management during operations in Poland.	2025	82	371	240
	Pumping Systems				
	Submerged pumping systems for two FPSO's vessels outside South America.	2026	890		
	Seawater lift pumps for an FPSO vessel outside South America.	2025	79	969	663
Total				2,085	2,500

* Hydrogenated vegetable oil.

**Floating Production Storage and Offloading.

Information about products and services

Net sales by product/service *	Q3		Jan-Sep		Jan-Dec	Last 12 months
	2024	2023	2024	2023	2023	
Own products within:						
Separation	2,531	2,603	7,652	7,266	10,312	10,698
Heat transfer	6,419	6,602	19,186	18,594	25,311	25,903
Fluid handling	3,731	3,125	11,442	9,194	13,024	15,272
Marine environmental	710	866	2,205	2,679	3,596	3,122
Other	0	0	0	0	0	0
Associated products	1,787	1,533	4,985	4,982	7,083	7,086
Services	1,029	1,039	3,173	3,044	4,272	4,401
Total	16,208	15,768	48,643	45,759	63,598	66,482

* The split of own products within separation, heat transfer and fluid handling is a reflection of the current three main technologies. Marine environmental is a growing new product area basically outside the main technologies. Other is own products outside these four product areas. Associated products are mainly purchased products that complement Alfa Laval's product offering. Services cover all sorts of service and service agreements excluding spare parts.

Information about major customers

Alfa Laval does not have any customer that accounts for 10 percent or more of net sales. Tetra Pak within the Tetra Laval

Group is Alfa Laval's single largest customer with a volume representing approximately 5 percent of net sales.

Sustainability

Case studies

"I care" Walk & Talks for good habits

Lost Time Injury Frequency Rate (LTIFR) has decreased with approx. 15% year to date, a result of several activities including the "I care" Walk & Talk.

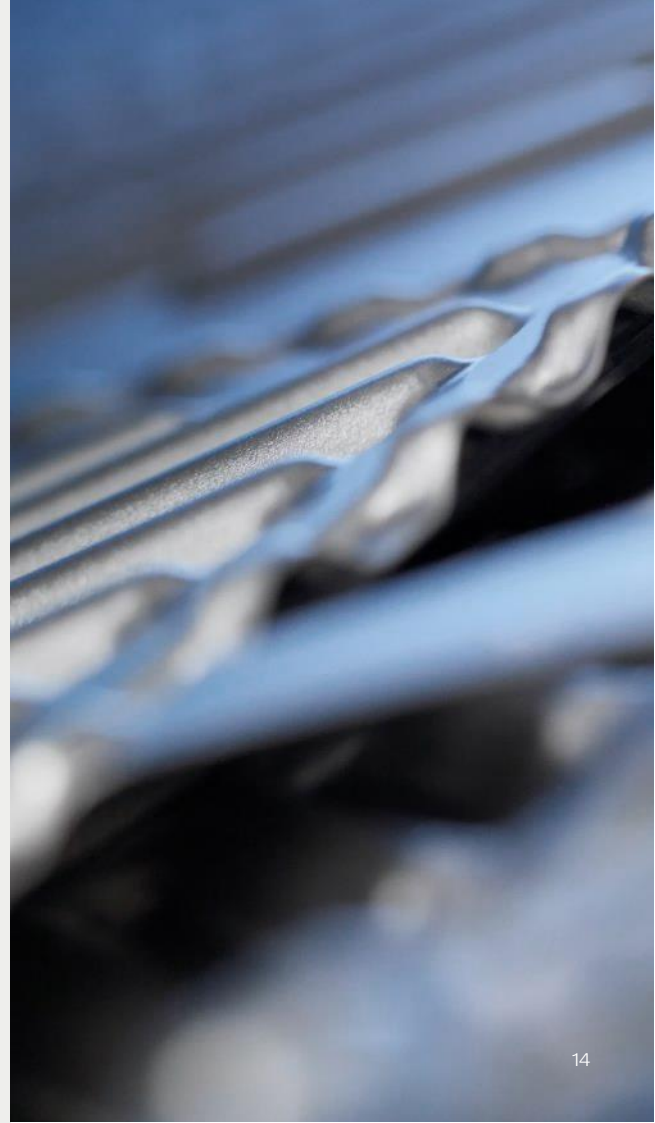
The Walk & Talk is a proactive approach to safety, promoting visible leadership and engaging employees in meaningful dialogue about safe and unsafe behaviors. Its core focus is on addressing not just the physical hazards, but the behavioural aspects, aiming to strengthen safety culture and prevent accidents. During this year, managers and employees have conducted a large number of walk and talks on the factory floor, to boost safety and to better understand what needs to be improved.

Fossil fuels replaced by heat pump technology

To reach net zero in operations emissions by 2030, fossil fuels must be phased out. A specific example was recently implemented at the Fusa site, Norway, in the painting booth, where diesel burners were replaced by heat pump technology. The heat pump is estimated to be 42% more energy efficient compared to the diesel burning system, run on renewables and reduce the consumption of diesel by approx. 65 000 litres.

Recycled grit powder

Increasing recycling is an important part of the circularity targets, 2030: 85% of waste recycled yearly. By recycling grit powder from the shot-blasting process at the Fontanil site in France, 12 tonne of the 15 tonne of steel grit purchased every year have been recycled by steel manufacturers. The same setup has been implemented at several sites across Alfa Laval.



Quarterly follow up

Energy

In the last quarter, energy efficiency was unchanged compared to Q2 2024. The execution of initiatives in local energy plans will continue the coming years.

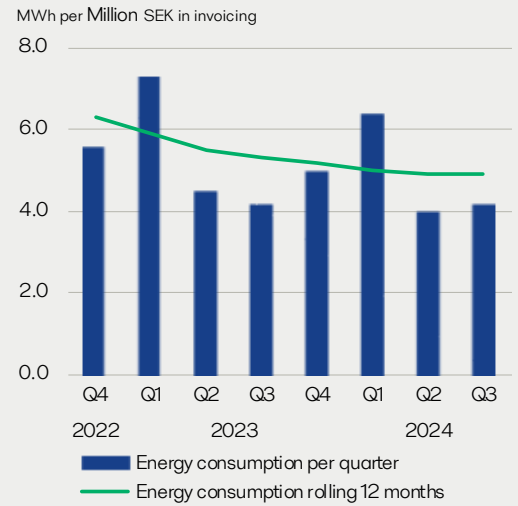
Carbon emissions

There is a slight increase in Scope 1 emissions and a slight decrease in Scope 2 compared to the same quarter previous year. The increase in Scope 1 is driven by heat treatment processes at certain production sites, where natural gas and heating oil are the energy sources. Meanwhile, the decline in Scope 2 emissions can be attributed to lower electricity consumption and improvements in energy mix and efficiency.

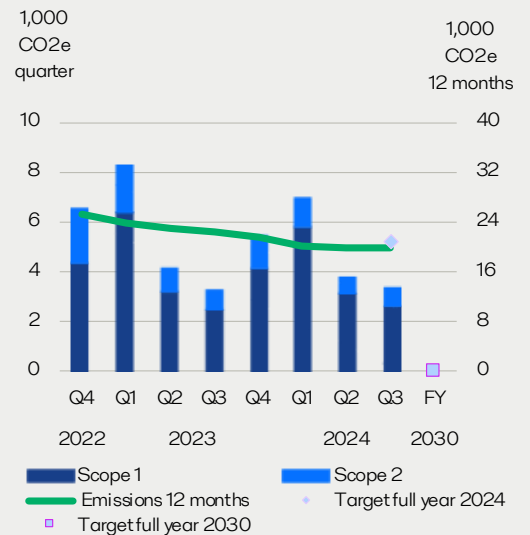
Health and safety

The number of Lost Time Injuries (LTIs) decreased during Q3 2024, compared to Q2 2024. Lost Time Injury Frequency Rate (LTIFR) continues to improve, moving closer to the target for this year. This progress is largely driven by several proactive initiatives aimed at reinforcing safe behaviours, as well as improving processes and machinery safety. No serious accidents occurred during the quarter that resulted in significant bodily harm.

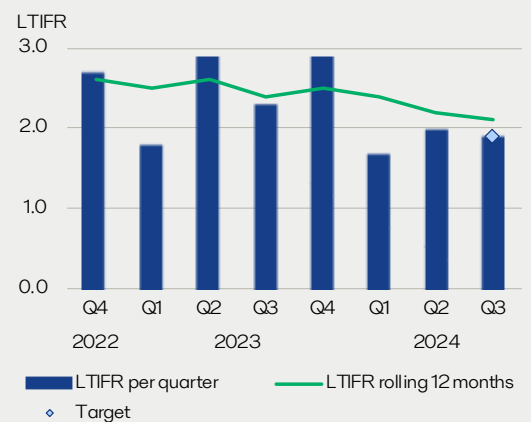
Energy: consumption in relation to turnover



Carbon emissions



Health and safety: Lost Time Injury Frequency Rate



LTIFR = Number of lost time injuries in time period * 1,000,000 / Worked hours in the period

New products during the third quarter

During the third quarter Alfa Laval has introduced among others the following new products that help our customers to become more energy efficient, reduce their carbon footprint and improve their processes:

1. Alfa Laval FCM Ammonia

The new Alfa Laval FCM Ammonia, designed for secure use of ammonia includes a fuel supply system (FSS) as the primary solution for feeding the fuel to the engine. This base system is integrated with fuel valve train (FVT) for isolating the engine from upstream systems and vent treatment system (VTS) for ensuring a controlled vent release into the atmosphere. The dedicated automation system of FCM Ammonia regulates all critical functions of FSS, FVT and VTS. The first deliveries are expected by end of 2025, in line with the timeline for the first dual-fuel ammonia marine engines.

2. Alfa Laval T21 Concept Zero™

Alfa Laval is taking a major step forward in sustainability by expanding the use of low-carbon-emission steel to one of its top-selling gasketed plate heat exchangers - the T21. After becoming the first manufacturer to integrate this innovative steel into plate heat exchangers, we are scaling up its application. T21 heat exchangers manufactured in Lund, Sweden will feature SSAB Zero™ steel in their frames, resulting in up to 39% reduction in carbon emissions per unit. Once delivered these heat exchangers will be installed in industrial processes ranging from HVAC and Data Centers to Heavy Industry. Secure your T21 Concept Zero™ heat exchanger today - www.alfalaval.com/T21.

3. Alfa Laval Optiwia™

With the global focus sharpening on the importance of efficient water use in industrial operations, a simple piece of new technology is set to make a big difference when it comes to saving water and costs in the brewing and beverage industries. Alfa Laval Optiwia™ helps the brewing and beverage industries save up to 70% of water in the separation process by reusing and recirculating cooling and flushing water and eliminating the need for additional coolant or energy-intensive chillers. This technology is compact and easy to install and can be retrofitted to any brew or beverage centrifuge, saving one customer in a water-scarce area as much as 458,000 litres of water annually.



1.



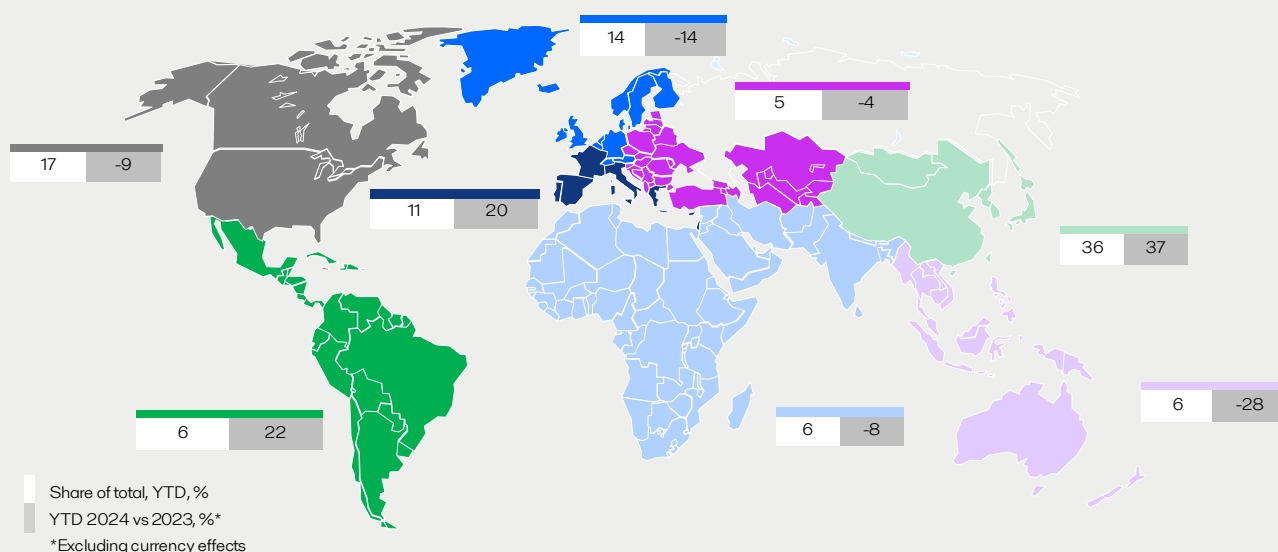
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3.

1. Alfa Laval FCM Ammonia
2. Alfa Laval T21 Concept Zero™
3. Alfa Laval Optiwia™

Order intake by region



Northern Europe

The region reported growth in order intake compared to the same quarter last year. Energy grew, driven by process industry and refinery. Food & Water grew, driven mainly by good demand in protein. Marine reported a strong underlying demand in shipping. Service grew in all three divisions.

Central and Eastern Europe

The order intake in the region grew double-digit compared to the same quarter last year. Energy had strong demand in light industry & tech. Food & Water grew driven by oils & fats and brewery. Marine grew driven by engine power. Service reported growth in Marine and stable development in Energy and Food & Water.

Southern Europe

The order intake in the region grew double-digit compared to the same quarter last year. Energy grew mainly driven by good demand in process industry. Food & Water reported growth, driven by oils & fats and dairy. Marine grew mainly driven by shipping. Service grew in all three divisions.

North America

The region reported a declining order intake compared to the same quarter last year, mainly due to a weaker demand in oils & fats and offshore. Energy grew, despite weaker demand in offshore, driven by tech and clean fuels & chemicals. Food & Water declined mainly driven by oils & fats. Marine reported growth in ship building & shipping. Service grew in all three divisions.

Latin America

The region reported a declining order intake compared to the same quarter last year. Energy grew driven by offshore and HVAC & ref. Food & Water declined mainly driven by oils & fats. Marine noted a weaker demand in engine power. Service reported growth in Food & Water and Marine.

Northeast Asia

The order intake in the region grew double-digit compared to the same quarter last year. Energy reported growth mainly driven by process industry and light industry & tech. Food & Water grew driven by brewery and protein. Marine grew driven by offshore and shipbuilding. Service grew in all three divisions.

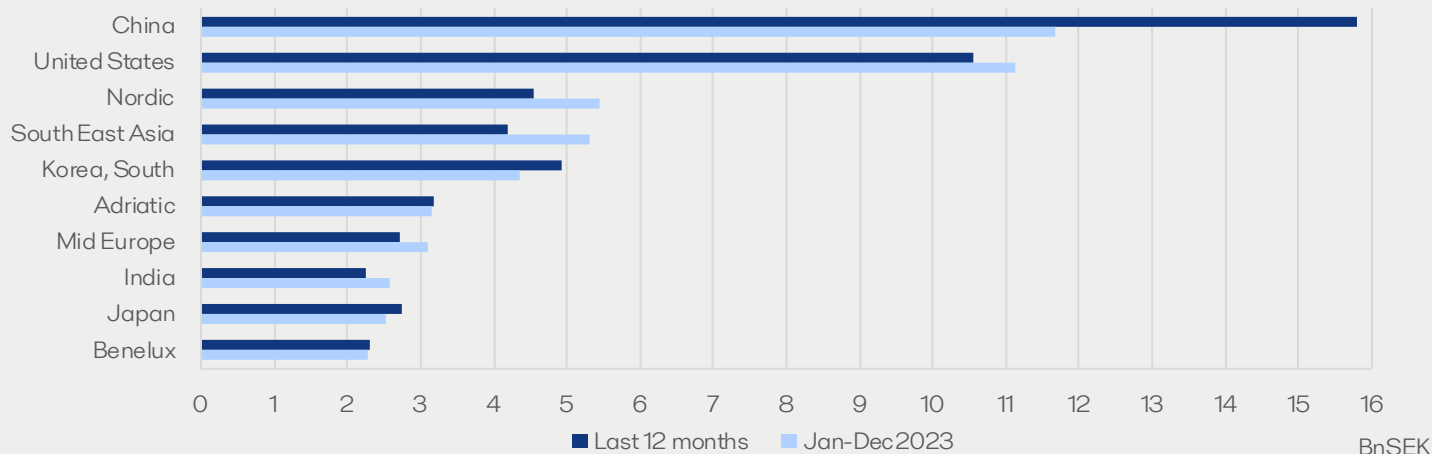
Southeast Asia and Oceania

The order intake in the region decreased compared to the same quarter last year. Energy reported growth driven by conventional power and mining. Food & Water reported decline mainly in oils & fats. Marine noted a weaker demand in offshore and shipping. Service grew in Energy and Marine.

India, Middle East and Africa

The order intake in the region grew compared to the same quarter last year. Energy grew driven by refinery and organic chemical. Food & Water noted robust underlying demand in ethanol, starch & sugar and dairy. Marine had a strong underlying demand in offshore. Service grew in all three divisions.

Order intake for the 10 largest markets



Net sales

SEK millions	Q3		Jan-Sep		Jan-Dec	Last 12
	2024	2023	2024	2023	2023	months
To customers in:						
Sweden	276	326	893	1,048	1,411	1,256
Other EU	3,635	3,926	11,195	11,462	15,590	15,326
Other Europe	1,047	1,181	3,477	3,608	4,895	4,763
USA	2,764	2,618	8,509	7,903	10,613	11,219
Other North America	500	293	1,597	903	1,327	2,021
Latin America	898	951	2,670	2,553	3,578	3,694
Africa	318	276	816	924	1,302	1,194
China	2,562	2,384	7,363	6,287	8,943	10,018
South Korea	975	758	2,947	2,366	3,527	4,108
Other Asia	3,015	2,875	8,562	8,142	11,625	12,044
Oceania	218	180	614	563	787	839
Total	16,208	15,768	48,643	45,759	63,598	66,482

Net sales are reported by country on the basis of invoicing address, which is normally the same as the delivery address.

Non-current assets*

SEK millions	Sep 30		Dec 31
	2024	2023	2023
Sweden	3,904	3,194	3,509
Denmark	5,447	5,580	5,354
Other EU	9,390	9,265	9,219
Norway	13,131	14,378	13,689
Other Europe	383	391	391
USA	4,237	4,296	3,961
Other North America	151	160	154
Latin America	325	366	352
Africa	6	8	7
Asia	4,903	4,606	4,808
Oceania	113	115	114
Subtotal	41,990	42,359	41,558
Other long-term securities	523	449	542
Pension assets	271	281	239
Deferred tax asset	1,732	1,662	1,720
Total	44,515	44,751	44,059

* Non-current assets include Intangible assets, Property, plant and equipment and Other non-current assets.

Consolidated cash flows

SEK millions	Q3		Jan-Sep		Jan-Dec	Last 12
	2024	2023	2024	2023	2023	months
Operating activities						
Operating income	2,674	2,379	7,612	6,661	9,256	10,207
Adjustment for depreciation and amortisation	548	638	1,809	1,848	2,524	2,485
Adjustment for other non-cash items	-5	-11	-90	32	-419	-541
	3,217	3,006	9,331	8,541	11,361	12,151
Taxes paid	-406	-503	-1,533	-1,641	-1,933	-1,825
	2,811	2,503	7,798	6,900	9,428	10,326
Changes in working capital:						
Increase(-)/decrease(+) of receivables	754	-331	-697	-2,439	-1,319	423
Increase(-)/decrease(+) of inventories	-542	-193	-435	-1,651	-652	564
Increase(+)/decrease(-) of liabilities	670	1,062	1,408	2,690	2,373	1,091
Increase(+)/decrease(-) of provisions	52	-109	52	-222	-661	-387
Increase(-)/decrease(+) in working capital	934	429	328	-1,622	-259	1,691
	3,745	2,932	8,126	5,278	9,169	12,017
Investing activities						
Investments in fixed assets (Capex)	-704	-527	-2,263	-1,516	-2,440	-3,187
Divestment of fixed assets	-	12	140	14	90	216
Acquisition of businesses	-	-232	-50	-332	-337	-55
	-704	-747	-2,173	-1,834	-2,687	-3,026
Financing activities						
Received interests and dividends	41	41	146	108	168	206
Paid interests	-94	-111	-358	-358	-489	-489
Realised financial exchange gains	1	2	29	50	52	31
Realised financial exchange losses	-57	-56	-259	-191	-536	-604
Dividends to owners of the parent	-	-	-3,100	-2,480	-2,480	-3,100
Dividends to non-controlling interests	-	1	-37	-18	-18	-37
Increase(-) of financial assets	46	23	-32	-57	-555	-530
Decrease(+) of financial assets	70	2	542	37	11	516
Increase of loans	-212	-6	1,664	2,409	2,400	1,655
Amortisation of loans	-1,288	-700	-4,462	-2,500	-4,096	-6,058
	-1,493	-804	-5,867	-3,000	-5,543	-8,410
Cash flow for the period	1,548	1,381	86	444	939	581
Cash and cash equivalents at the beginning of the period	3,766	3,467	5,135	4,352	4,352	4,793
Translation difference in cash and cash equivalents	-70	-55	22	-3	-156	-131
Cash and cash equivalents at the end of the period	5,243	4,793	5,243	4,793	5,135	5,243
Free cash flow per share (SEK) *	7.36	5.85	14.52	9.14	16.50	21.89
Capex in relation to net sales	4.3%	3.3%	4.7%	3.3%	3.8%	4.8%
Average number of shares	413,326,315	413,326,315	413,326,315	413,326,315	413,326,315	413,326,315

* Free cash flow is an alternative performance measure. It is the sum of cash flows from operating activities, investments and divestments of fixed assets.

Consolidated comprehensive income

SEK millions	Q3		Jan-Sep		Jan-Dec	Last 12
	2024	2023	2024	2023	2023	months
Net sales	16,208	15,768	48,643	45,759	63,598	66,482
Cost of goods sold	-10,366	-10,535	-31,735	-30,517	-42,714	-43,932
Gross profit	5,842	5,233	16,908	15,242	20,884	22,550
Sales costs	-1,734	-1,568	-5,150	-4,658	-6,342	-6,834
Administration costs	-766	-692	-2,401	-2,123	-2,880	-3,158
Research and development costs	-418	-374	-1,223	-1,150	-1,563	-1,636
Other operating income	230	192	719	628	932	1,023
Other operating costs	-488	-427	-1,263	-1,325	-1,827	-1,765
Share of result in joint ventures	8	15	22	47	52	27
Operating income	2,674	2,379	7,612	6,661	9,256	10,207
Dividends and other financial income and costs	4	-1	11	7	13	17
Interest income and financial exchange rate gains	154	93	320	297	448	471
Interest expense and financial exchange rate losses	-303	-126	-777	-569	-1,067	-1,275
Result after financial items	2,529	2,345	7,166	6,396	8,650	9,420
Taxes	-546	-564	-1,797	-1,585	-2,269	-2,481
Net income for the period	1,983	1,781	5,369	4,811	6,381	6,939
Other comprehensive income:						
Items that will subsequently be reclassified to net income						
Cash flow hedges	106	313	132	-548	54	734
Translation difference	-1,052	-59	155	-384	-2,040	-1,501
Deferred tax on other comprehensive income	-58	-124	-42	202	-31	-275
Sum	-1,004	130	245	-730	-2,017	-1,042
Items that will subsequently not be reclassified to net income						
Revaluations of defined benefit obligations	-70	9	-110	58	-125	-293
Market valuation of external shares	-	-	-	-	-2	-2
Deferred tax on other comprehensive income	18	-5	28	-18	23	69
Sum	-52	4	-82	40	-104	-226
Comprehensive income for the period	927	1,915	5,532	4,121	4,260	5,671
Net income attributable to:						
Owners of the parent	1,973	1,770	5,342	4,776	6,330	6,896
Non-controlling interests	9	11	29	35	51	45
Earnings per share (SEK)	4.77	4.29	12.92	11.56	15.31	16.68
Average number of shares	413,326,315	413,326,315	413,326,315	413,326,315	413,326,315	413,326,315
Comprehensive income attributable to:						
Owners of the parent	922	1,905	5,493	4,084	4,224	5,633
Non-controlling interests	3	10	41	37	36	40

Consolidated financial position

SEK millions	Sep 30		Dec 31
	2024	2023	2023
ASSETS			
Non-current assets			
Intangible assets	29,092	31,142	29,622
Property, plant and equipment	12,846	11,150	11,769
Other non-current assets	2,576	2,459	2,668
	44,515	44,751	44,059
Current assets			
Inventories	14,833	16,085	14,950
Assets held for sale	44	98	59
Accounts receivable	9,722	11,058	10,282
Other receivables	9,244	9,246	6,761
Derivative assets	233	147	314
Other current deposits	299	311	728
Cash and cash equivalents *	5,243	4,793	5,135
	39,618	41,738	38,229
TOTAL ASSETS	84,133	86,489	82,288
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Owners of the parent	39,406	36,891	37,033
Non-controlling interests	341	349	345
	39,747	37,240	37,378
Non-current liabilities			
Liabilities to credit institutions etc.	10,001	10,206	9,829
Lease liabilities	1,864	1,760	1,473
Provisions for pensions and similar commitments	1,127	1,106	1,090
Provision for deferred tax	2,263	2,030	2,372
Other non-current liabilities	393	483	390
	15,649	15,585	15,154
Current liabilities			
Liabilities to credit institutions etc.	476	5,246	3,444
Accounts payable	5,612	4,945	5,205
Advances from customers	9,665	9,013	7,975
Other provisions	1,911	2,151	1,757
Other liabilities	10,891	11,412	10,849
Derivative liabilities	183	897	526
	28,738	33,664	29,756
Total liabilities	44,387	49,249	44,910
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	84,133	86,489	82,288

* The item cash and cash equivalents includes bank deposits and liquid deposits.

Financial assets and liabilities at fair value

SEK millions	Valuation hierarchy level	Sep 30		Dec 31
		2024	2023	2023
Financial assets				
Other non-current securities	1 and 2	286	252	280
Bonds and other securities	1	108	116	132
Derivative assets	2	283	214	481
Financial liabilities				
Derivative liabilities	2	240	978	579
Liability for seller's earn-out possibility	3	88	-	117

Valuation hierarchy level 1 is according to quoted prices in active markets for identical assets and liabilities. Valuation hierarchy level 2 is out of directly or indirectly observable market data outside level 1. Valuation hierarchy level 3 is out of unobservable market data.

Borrowings and net debt

SEK millions	Sep 30		Dec 31
	2024	2023	2023
Credit institutions	190	352	145
Swedish Export Credit	2,250	2,303	2,207
Handelsbanken	-	1,152	-
Commercial papers	299	299	-
Corporate bonds	7,738	11,346	10,921
Borrowings	10,477	15,452	13,273
Cash and cash equivalents and current deposits	-5,542	-5,104	-5,863
Net debt excluding lease liabilities*	4,935	10,348	7,410
Lease liabilities	2,797	2,674	2,601
Net debt including lease liabilities*	7,732	13,022	10,011

* Alternative performance measure.

Alfa Laval has a revolving credit facility of EUR 700 million corresponding to SEK 7,882 million on September 30, 2024 with a banking syndicate. The facility has a maturity of five years from April 2023 and includes a possibility to increase it by EUR 200 million. On September 30, 2024 the facility was not utilized.

Alfa Laval has two loans of EUR 100 million from Svensk Exportkredit that mature in 2027 and 2028 respectively.

The commercial paper programme amounts to SEK 4,000 million, of which SEK 300 million was utilised at September 30, 2024 with varying maturity dates during the last quarter of 2024.

On September 30, 2024, Alfa Laval had three tranches of corporate bonds listed on the Irish stock exchange. Two of them corresponding to EUR 300 million each that mature in February 2026 and in February 2029 respectively, whereas the third of SEK 1,000 million matures in November 2025

Changes in consolidated equity

SEK millions	Jan-Sep		Jan-Dec
	2024	2023	2023
At the beginning of the period	37,378	35,704	35,704
Changes attributable to:			
Owners of the parent			
Comprehensive income			
Comprehensive income for the period	5,493	4,084	4,224
Transactions with shareholders			
Cancellation of repurchased shares	-	-1	-1
Bonus issue of shares	-	1	1
Increase of ownership in subsidiaries with non-controlling interests	-19	-95	-93
Dividends	-3,100	-2,480	-2,480
	-3,119	-2,575	-2,573
Subtotal	2,374	1,509	1,651
Non-controlling interests			
Comprehensive income			
Comprehensive income for the period	41	37	36
Transactions with shareholders			
Decrease of non-controlling interests	-8	-27	-27
Non-controlling interests in acquired companies	-	35	32
Dividends	-38	-18	-18
	-46	-10	-13
Subtotal	-5	27	23
At the end of the period	39,747	37,240	37,378

Condensed segment reporting per quarter

Orders received

SEK millions	2024			2023				2022
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Energy	5,042	4,771	5,179	4,662	4,902	5,413	5,437	4,407
Food & Water	5,739	6,273	6,357	7,286	6,365	6,941	5,776	5,613
Marine	8,146	7,872	6,736	4,972	5,765	6,051	7,172	5,747
Operations & Other	0	0	0	0	0	0	0	0
Total	18,927	18,916	18,272	16,920	17,032	18,405	18,385	15,767

Order backlog

SEK millions	2024			2023				2022
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Energy	10,738	10,340	10,380	10,075	10,676	10,716	10,149	8,517
Food & Water	15,497	16,125	16,719	15,977	15,806	15,454	14,779	14,381
Marine	25,835	23,004	20,603	19,273	19,935	18,807	17,247	14,122
Operations & Other	0	0	0	0	0	0	0	0
Total	52,070	49,469	47,702	45,325	46,417	44,977	42,175	37,020

Net sales

SEK millions	2024			2023				2022
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Energy	4,611	4,891	4,643	5,196	4,967	4,910	4,196	4,500
Food & Water	6,342	7,023	5,263	7,060	6,086	6,412	5,722	7,407
Marine	5,255	5,616	5,000	5,583	4,715	4,558	4,193	4,577
Operations & Other	0	0	0	0	0	0	0	0
Total	16,208	17,530	14,906	17,839	15,768	15,880	14,111	16,484

Adjusted EBITA*

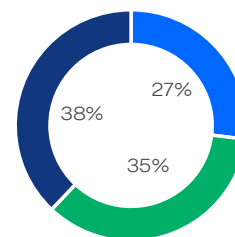
SEK millions	2024			2023				2022
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Energy	964	935	917	900	1,075	974	1,037	746
Food & Water	995	1,077	742	1,011	942	962	1,027	1,292
Marine	989	1,031	894	1,003	712	565	556	664
Operations & Other	-148	-122	-109	-97	-118	-132	-214	-151
Total	2,800	2,921	2,444	2,817	2,611	2,369	2,406	2,551

Adjusted EBITA margin*

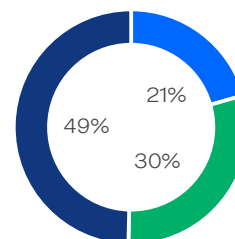
%	2024			2023				2022
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Energy	20.9	19.1	19.8	17.3	21.6	19.8	24.7	16.6
Food & Water	15.7	15.3	14.1	14.3	15.5	15.0	17.9	17.4
Marine	18.8	18.4	17.9	18.0	15.1	12.4	13.3	14.5
Total	17.3	16.7	16.4	15.8	16.6	14.9	17.1	15.5

* In management accounts, see reconciliation on page 12.

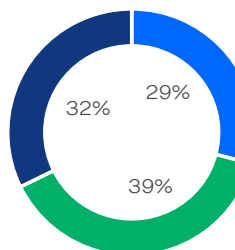
Last 12 months



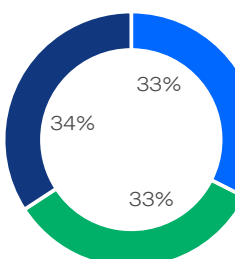
Sep 30, 2024



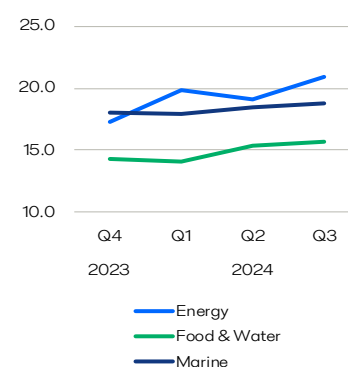
Last 12 months



Last 12 months



Per quarter



Parent company

The parent company's result after financial items for the first nine months 2024 was SEK 242 (4,204) million, out of which dividends from subsidiaries SEK 56 (4,037) million, net interests SEK 209 (170) million, realised and unrealised exchange rate gains and losses SEK 0 (0) million, costs related to the listing

SEK -4 (-4) million, fees to the Board SEK -8 (-7) million, cost for annual report and annual general meeting SEK -1 (-1) million and other operating income and operating costs the remaining SEK -10 (9) million.

Parent company income *

SEK millions	Q3		Jan-Sep		Jan-Dec
	2024	2023	2024	2023	2023
Administration costs	-3	-3	-13	-12	-14
Other operating income	0	3	0	10	1
Other operating costs	-9	0	-10	-1	-4
Operating income	-12	0	-23	-3	-17
Revenues from interests in group companies	56	37	56	4,037	4,037
Interest income and similar result items	57	75	209	170	252
Interest expenses and similar result items	0	0	0	0	-1
Result after financial items	101	112	242	4,204	4,271
Change of tax allocation reserve	-	-	-	-	-48
Group contributions	-	-	-	-	1,314
Result before tax	101	112	242	4,204	5,537
Tax on this year's result	-9	-15	-38	-34	-271
Net income for the period	92	97	204	4,170	5,266

* The statement over parent company income also constitutes its statement over comprehensive income.

Parent company financial position

SEK millions	Sep 30		Dec 31
	2024	2023	2023
ASSETS			
Non-current assets			
Shares in group companies	4,669	4,669	4,669
Current assets			
Receivables on group companies	6,251	7,836	9,266
Other receivables	248	418	116
Cash and cash equivalents	3	3	3
	6,502	8,257	9,385
TOTAL ASSETS	11,170	12,926	14,054
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Restricted equity	2,387	2,387	2,387
Unrestricted equity	6,398	8,197	9,293
	8,785	10,584	11,680
Untaxed reserves			
Tax allocation reserves, taxation 2018-2024	2,340	2,293	2,341
Current liabilities			
Liabilities to group companies	45	48	30
Accounts payable	0	0	0
Other liabilities	0	1	3
	45	49	33
TOTAL EQUITY AND LIABILITIES	11,170	12,926	14,054

Owners and shares

Owners and legal structure

Alfa Laval AB (publ) is the parent company of the Alfa Laval Group. The company had 55,590 (53,762) shareholders on September 30, 2024. The largest owner is Winder Holding AG, Switzerland, who owns 29.5 (29.5) percent. Next to the largest owner, there are nine institutional investors with ownership in the range of 7.6 to 1.4 percent. These ten largest shareholders owned 63.2 (61.3) percent of the shares.

Nomination Committee for the Annual General Meeting 2025

The Nomination Committee for the Annual General Meeting 2025 has now been appointed by the largest shareholders of Alfa Laval AB and consists of the following members:

Jörn Rausing – Winder Holding
Daniel Kristiansson – Alecta Tjänstepension Ömsesidigt
Lennart Francke – Swedbank Robur Fonder
Anders Oscarsson – AMF-Försäkring och Fonder
Javiera Ragnartz – SEB Fonder

In addition, Dennis Jönsson, Chairman of the Board of Alfa Laval AB, will be part of the Nomination Committee.

The Annual General Meeting of Alfa Laval AB will be held in Lund, Sweden, on Thursday April 29, 2025, at 16.00 (CEST).

Shareholders who wish to submit proposals for the Nomination Committee in preparation of the Annual General Meeting can turn to the Chairman of the Board of Alfa Laval AB, Dennis Jönsson or to the other shareholder representatives. Contact can also be made directly via e-mail to: valberedningen@alfalaval.com

Acquisitions of businesses

On March 14, 2024, Alfa Laval acquired the remaining 10.3 percent of StormGeo's subsidiary Climatempo in Brazil from the minority owners. Alfa Laval's ownership thereby increased from 89.7 percent to 100 percent. The transaction is reported as a change within the equity.

Risks and other

Material factors of risk and uncertainty

The main factors of risk and uncertainty facing the Group concern the business cycle, the consequences of Russia's war on Ukraine and other geo-political tensions, the price development of metals, inflationary pressures, the interest rate development and volatile fluctuations in major currencies. It is the company's opinion that the description of risks made in the Annual Report for 2023 is still correct.

Russia's war on Ukraine

The ongoing conflict has resulted in that Alfa Laval has ceased all commercial activities in Russia. Alfa Laval's assessment is that the longer-term implications of the war are of such a magnitude that the company in the fourth quarter 2022 provided for the entire closure of operations.

Sanctions

The current geopolitical environment has resulted in several sanction packages imposed on several countries where conflicts are ongoing. Alfa Laval follows and enforces all sanction imposed by the European Union as well as all US and other sanctions that are applicable. The significantly increased amount of sanctioned entities together with the sophisticated circumvention attempts, make the assurance work more demanding.

Asbestos-related lawsuits

The Alfa Laval Group was as of September 30, 2024 named as a co-defendant in a total of 407 asbestos-related lawsuits with a total of approximately 407 plaintiffs. Alfa Laval strongly believes the claims against the Group are without merit and intends to vigorously contest each lawsuit.

Based on current information and Alfa Laval's understanding of these lawsuits, Alfa Laval continues to believe that these lawsuits will not have a material adverse effect on the Group's financial condition or results of operation.

Accounting principles

The interim report for the second quarter 2024 is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. In the report, alternative performance measures are used. See the Annual Report 2023 for definitions. Alfa Laval follows the Guidelines on Alternative Performance Measures issued by ESMA (European Securities and Markets Authority).

"Q3" and "Third quarter" refer to the period July 1 to September 30. "Jan-Sep" and "First nine months" refer to the period January 1 to September 30. "Jan-Dec" and "Full year" refers to the period January 1 to December 31. "Last 12 months" refers to the period October 1, 2023 to September 30, 2024. "The corresponding period last year" refers to the third quarter 2023.

"Currency effects" only relate to translation effects, whereas "foreign exchange effects" also relate to transactional effects. "Mix" in the operating income bridge also includes a price effect. Comparison distortion items are reported in the comprehensive income statement on each concerned line but are specified separately (when applicable).

The totals in the tables and calculations do not always add up due to rounding differences on individual lines. Meaning each subtotal or line figure corresponds with its original source and rounding, which can result in differences with reported totals which aggregate the exact figures before rounding.

The accounting and valuation principles of the parent company comply with the Swedish Annual Accounts Act and the recommendation RFR 2 Accounting for legal entities issued by the Council for Financial Reporting in Sweden.

The Q3 2024 report has been reviewed by the company's auditors.

The interim report has been issued at CEST 07.30 on October 24, 2024 by the President and CEO by proxy from the Board of Directors.

Lund, October 24, 2024,

Tom Erixon
President and CEO

Review report

Introduction

We have reviewed the condensed interim report for Alfa Laval AB (publ) as of September 20, 2024 and for the nine months period then ended. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Lund, October 24, 2024

Ernst & Young AB

Andreas Troberg
Authorized Public Accountant

Hanna Fehland
Authorized Public Accountant

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Date for the next financial reports

Alfa Laval will publish financial reports at the following dates:

Interim report for the fourth quarter February 5, 2025

Interim report for the first quarter April 29, 2025

Interim report for the second quarter July 22, 2025

This information is information that Alfa Laval AB (publ) is obliged to make public pursuant to the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at CEST 07.30 on October 24, 2024.

