



Presentation of the Q1/2024 report

Martin Lindqvist, President & CEO
Leena Craelius, CFO
April 24, 2024

SSAB

Agenda

- Q1/24 in brief
- Financials
- Outlook and summary
- Q&A

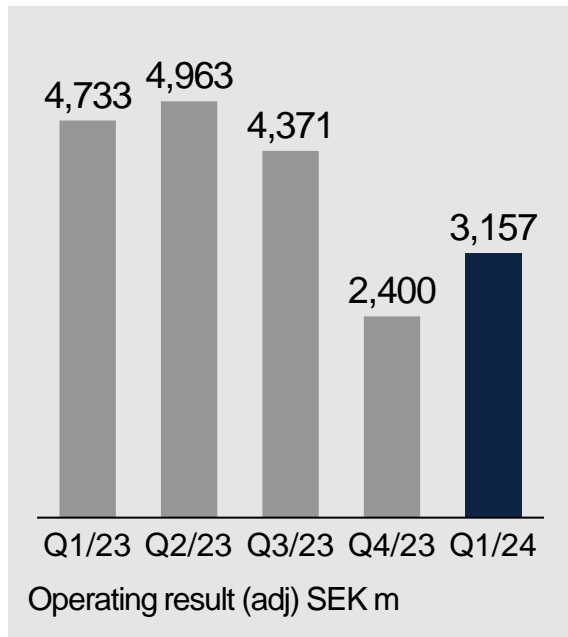


1.

Q1/24 in brief

Highlights in Q1 2024

Improvement vs Q4/23



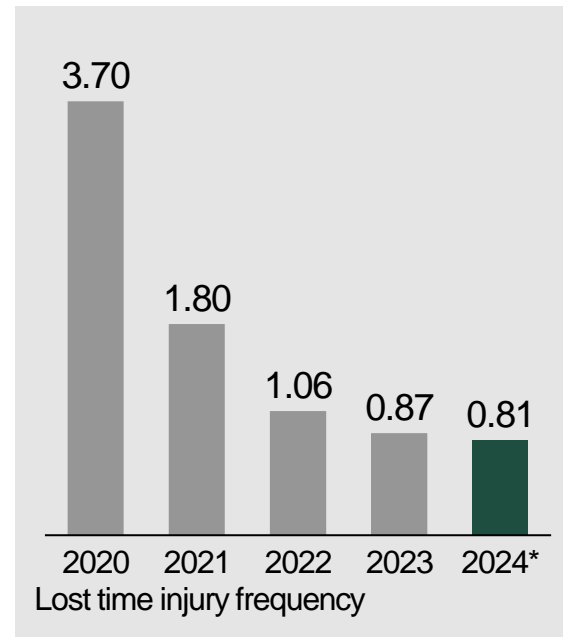
- Lower vs. Q1/23 due to lower US plate price (from high level)
- Q4/23 was impacted by planned maintenance cost

Leading the green transition



- Decision to transform Luleå to modern mini-mill
- Ramp up of SSAB Zero continues, 21,000 tonnes produced in Q1

Safer workplace



- LTIF and TRIF continues to decrease

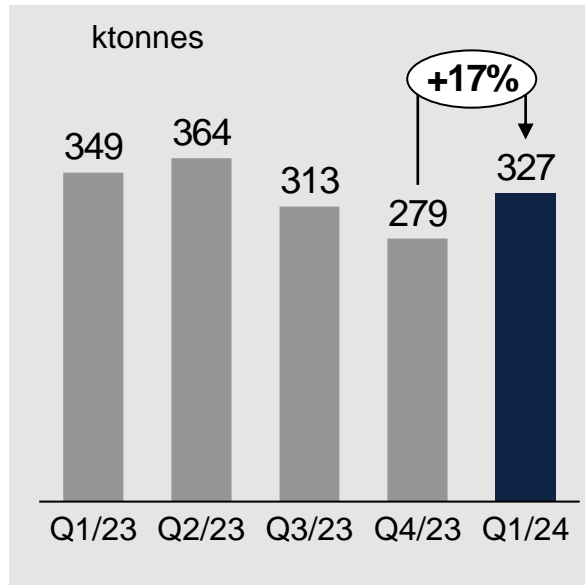


*2024 refers to rolling 12 mth

SSAB

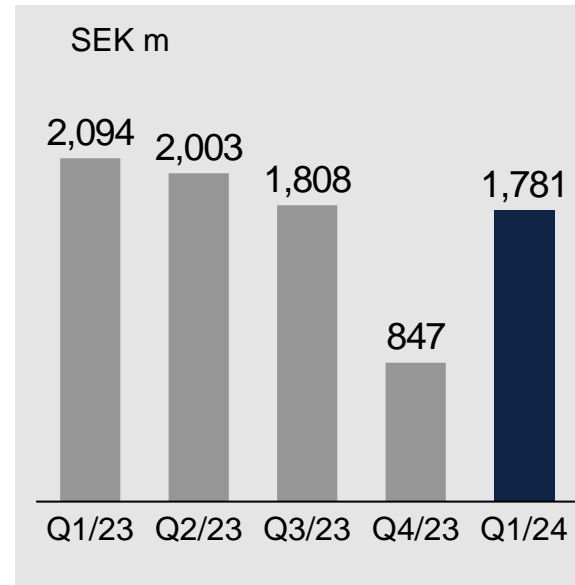
SSAB Special Steels

Shipments



- Seasonal recovery in Q1

Operating result



- Earnings on good level
- Planned maintenance in Oxelösund and Mobile in Q4/23
- Prices -2% vs. Q4/23

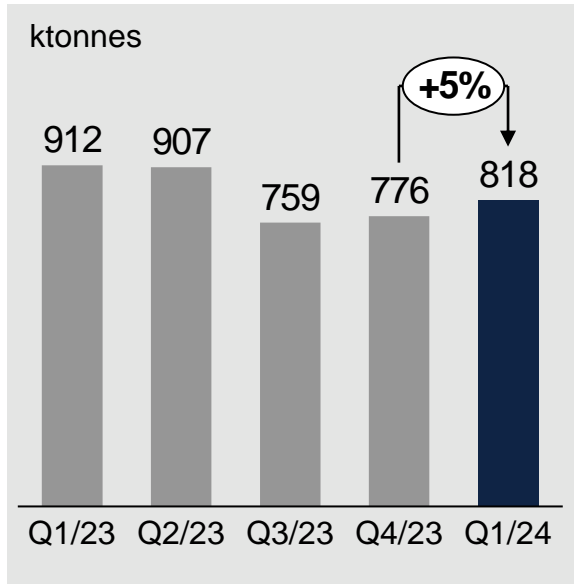
Additive Powder



- Launch of the world's first emission-free steel powder for commercial deliveries
- Combines the properties of SSAB's high-strength steel with the light structural possibilities of 3D-printing

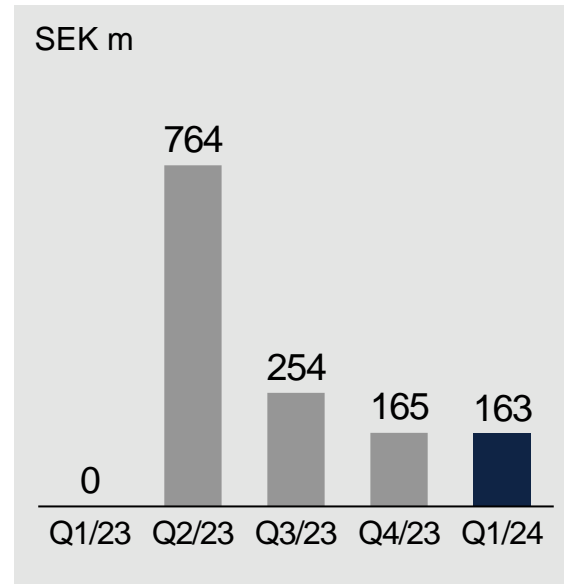
SSAB Europe

Shipments



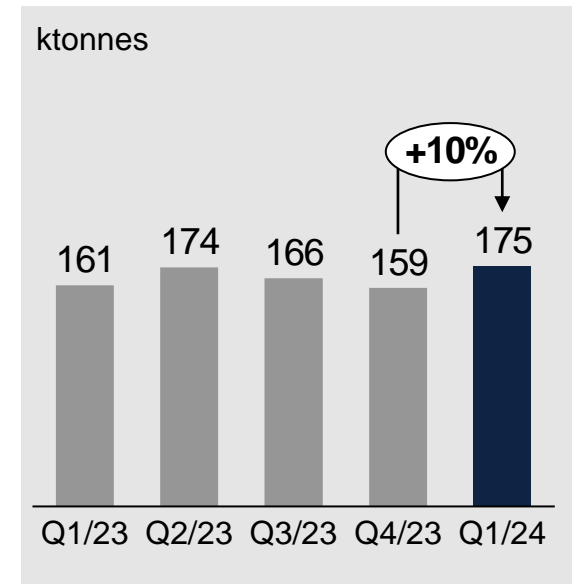
- Seasonal improvement vs Q4/23
- Finnish strikes reduced shipments by 100 ktonnes

Operating result



- Strikes in Finland had a negative effect of SEK 350m
- Prices +1% vs. Q4/23

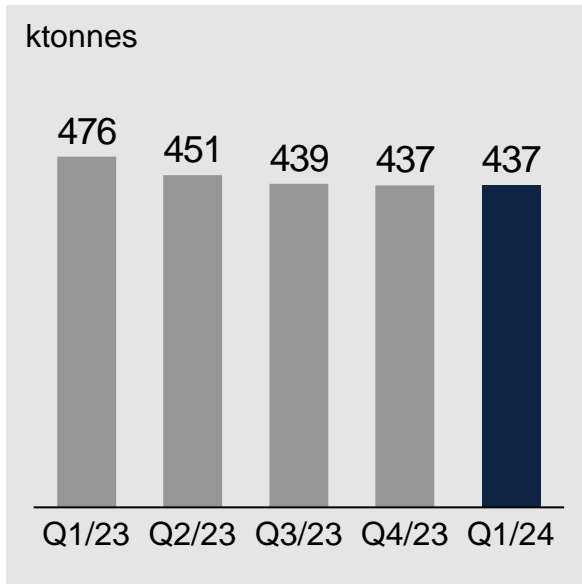
Automotive AHSS



- High level of shipments in Q1
- Strong product offering
- Leading position in emission free steel supports business

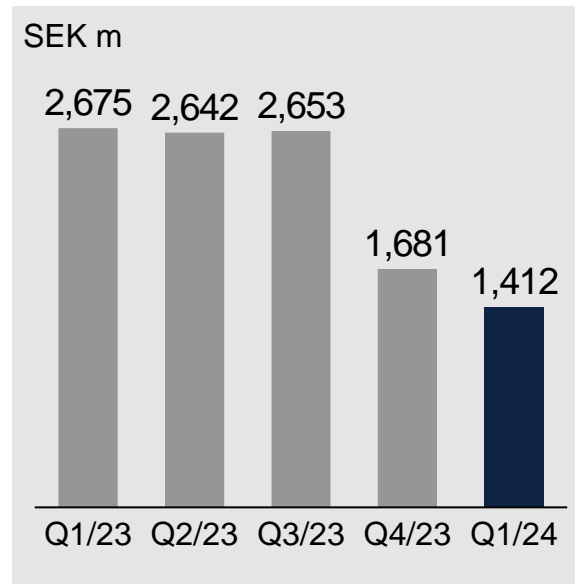
SSAB Americas

Shipments



- Cautious market without any meaningful restocking

Operating result



- Prices -3% vs Q4/23
- Prices have decreased from a high level

SSAB Zero



- Ramp-up continues
- 21,000 tonnes produced in Q1

Construction of EAF in Oxelösund continues

- Environmental permit in place
- Power allocation secured
- Permit for power lines approved in Jan 2024



Strong demand for emission-free steels

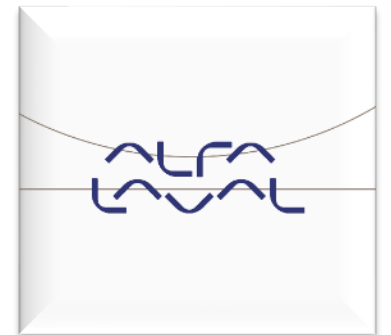
Automotive
industry

Heavy vehicles
and
construction
equipment

Construction
and industrial
equipment

Distribution
partners and
consumer
products

A total of 55 partnerships



Decision to transform Luleå to fossil-free steelmaking



- The total mini-mill investment is estimated to be EUR 4.5bn including contingencies. Will avoid replacement investments of around EUR 2bn that would otherwise be needed to sustain current system
- Flexible mix of fossil-free sponge iron and scrap as raw material
- Will reduce Sweden's CO₂ emissions by 7% in addition to the 3% from the Oxelösund mill conversion

Efficient set-up – higher capacity for premium and Q&T

Mini-mill set up in Luleå



A smaller volume of products for downstream processing in Borlänge:

- Tandem mill
- Annealing lines

- Pickling lines
- Cut-to-length lines

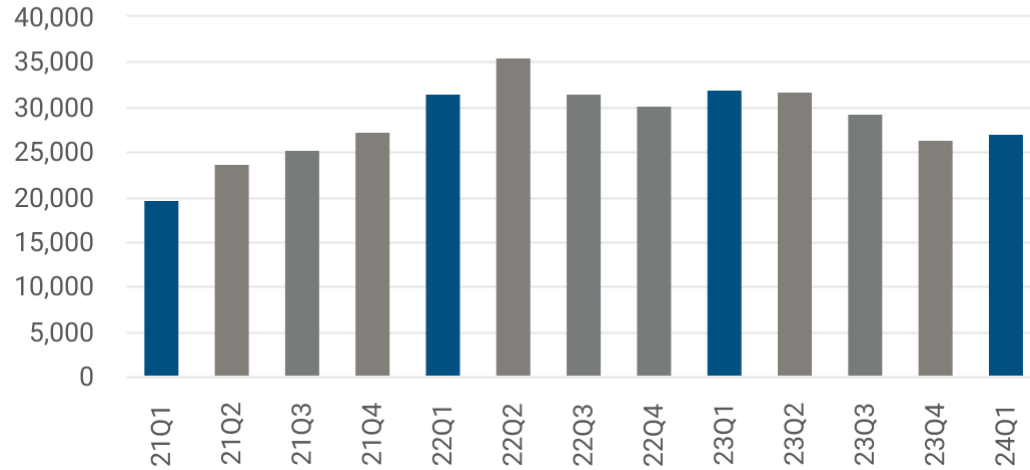


2.

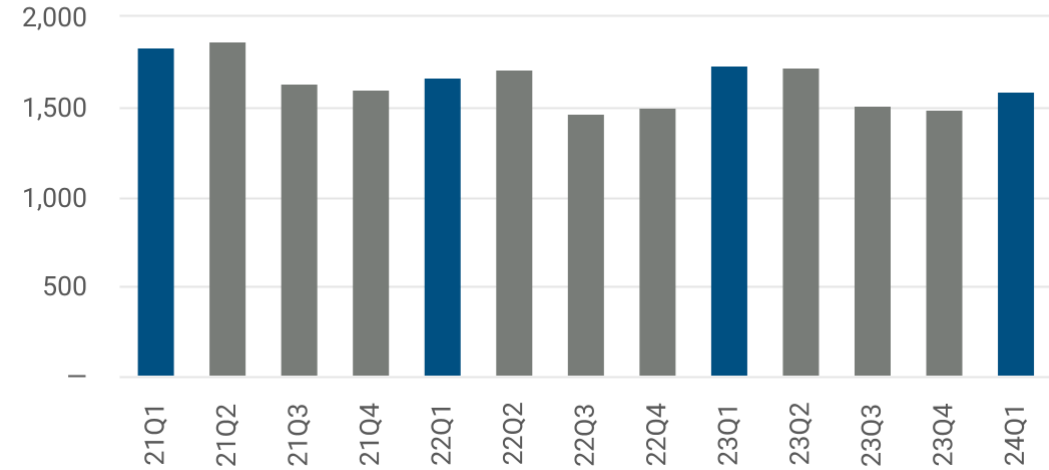
Financials

Improved shipments and result vs. Q4/23

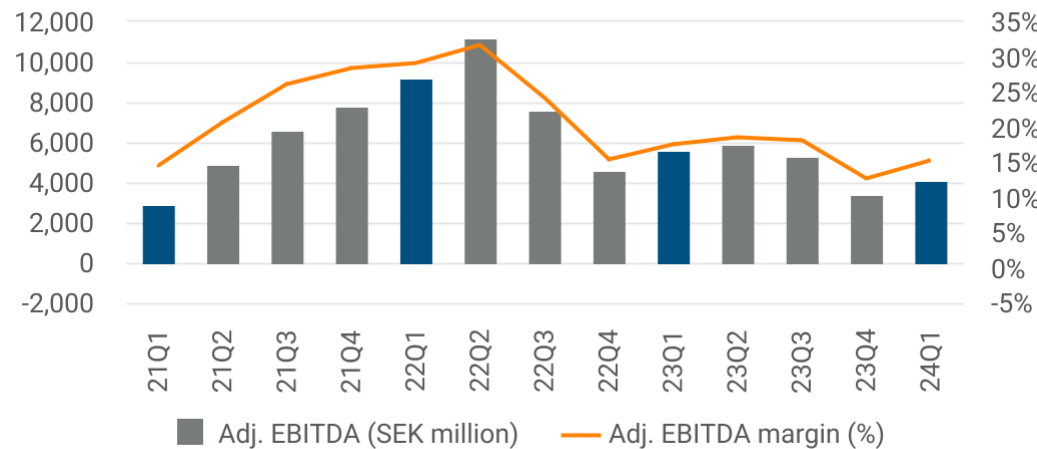
Revenue (SEK million)



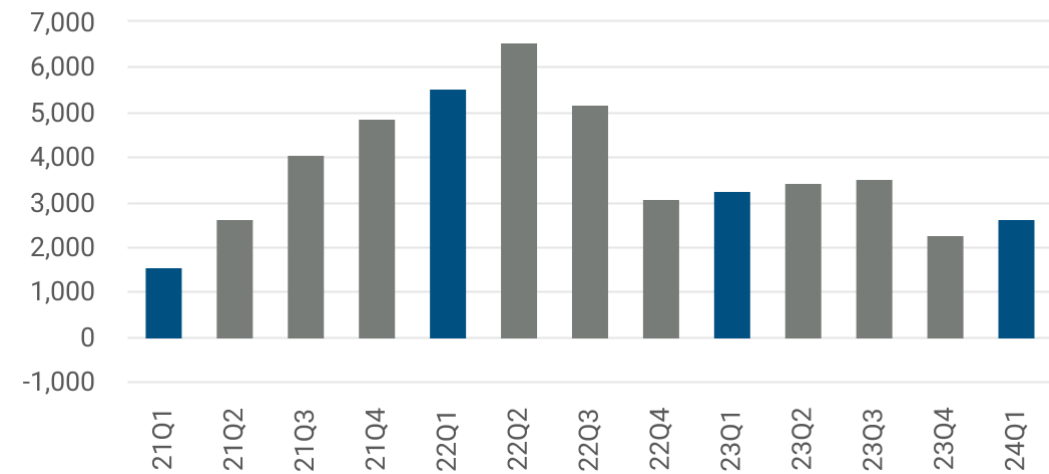
Steel shipments (ktonnes)



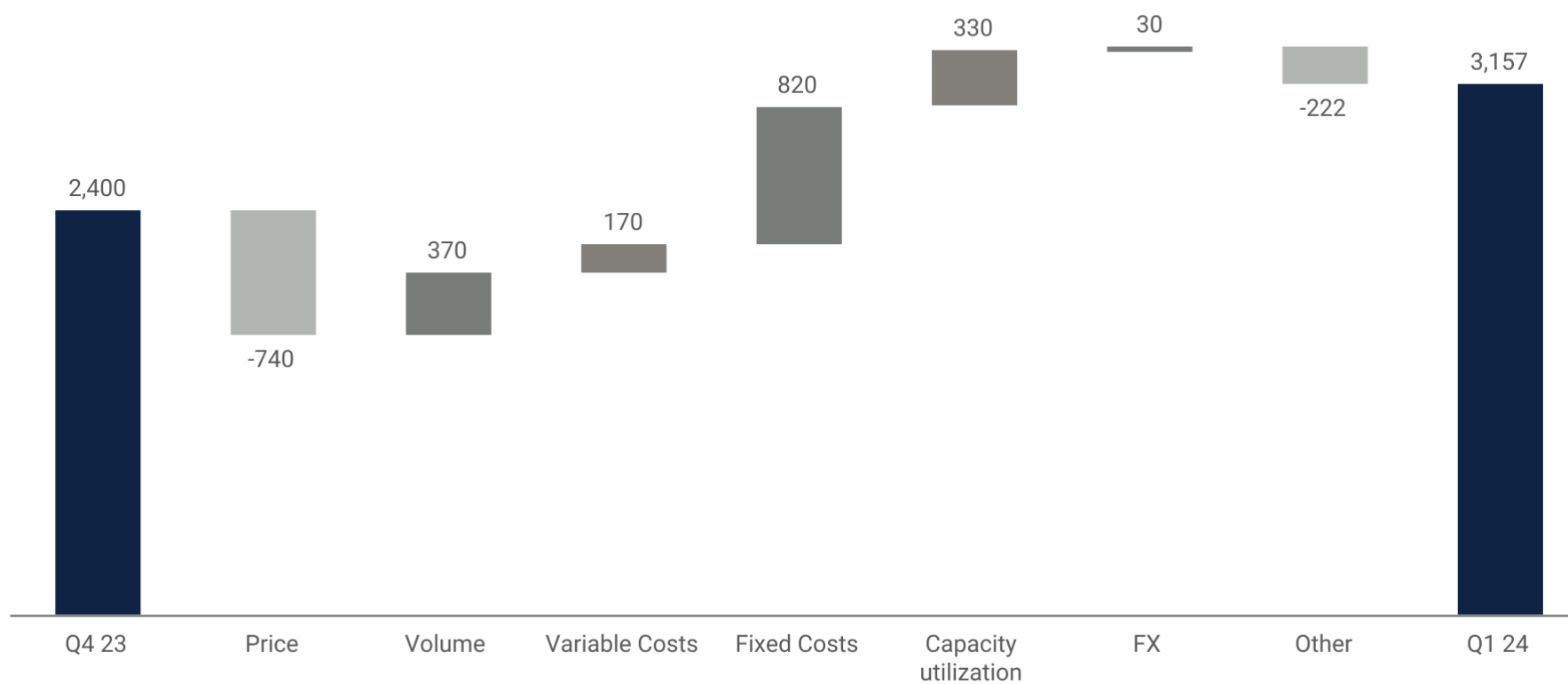
Adjusted EBITDA



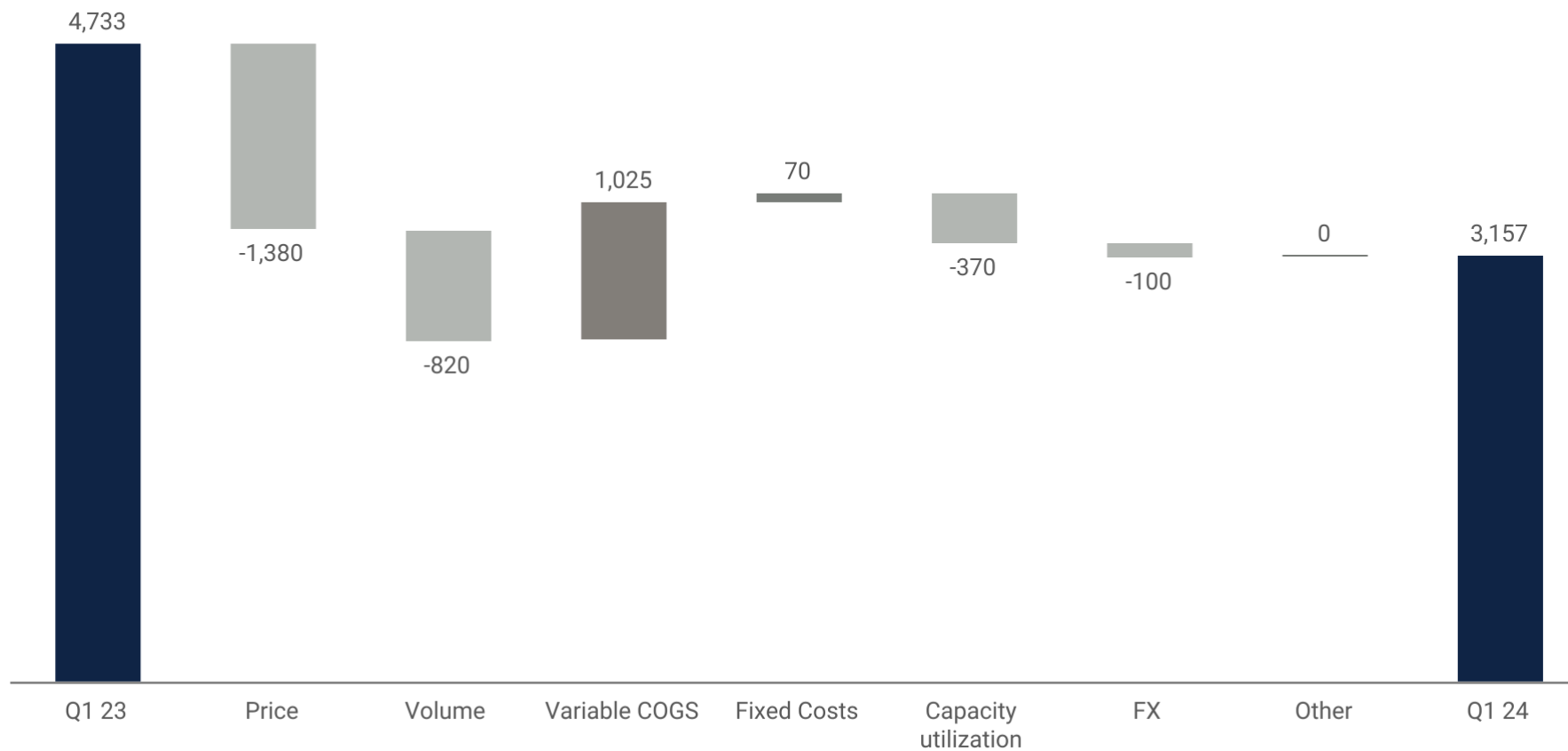
Adjusted EBITDA per tonne delivered steel (SEK/tonne)



Change in adjusted operating result Q1/24 vs. Q4/23



Change in adjusted operating result Q1/24 vs. Q1/23

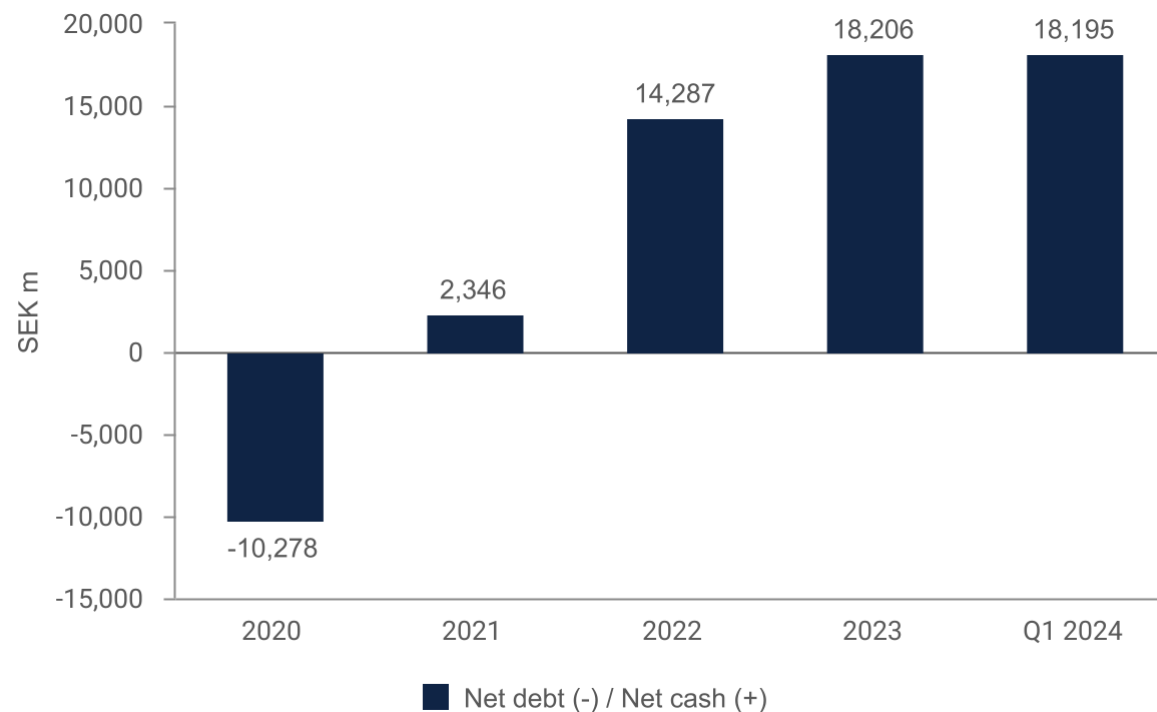


Lower result, somewhat higher capex vs Q1/23

SEK millions	2024 Q1	2023 Q1	2023 Full-year
EBITDA	4,142	5,600	20,141
Change in working capital	-1,477	-1,618	4,836
Maintenance capex	-520	-367	-2,585
Other	-221	-480	-867
Operating cash flow	1,923	3,135	21,524
Financial items	118	104	437
Taxes	-1,036	-754	-3,879
Cash flow from current operations	1,005	2,485	18,082
Strategic capex, plants and machinery	-508	-296	-1,889
Acquisitions of shares and operations	—	-24	-52
Investments/contributions in affiliated companies and JVs	—	—	-20
Divestments of shares and operations	—	—	61
Cash flow before dividend	497	2,165	16,182
Dividend, Parent company's shareholders	—	—	-8,960
Dividend, non-controlling interest	—	—	-8
Purchases of own shares	-1,215	—	-1,292
Net cash flow	-717	2,165	5,922

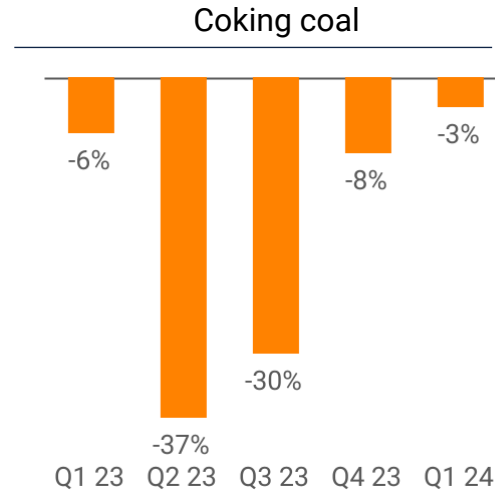
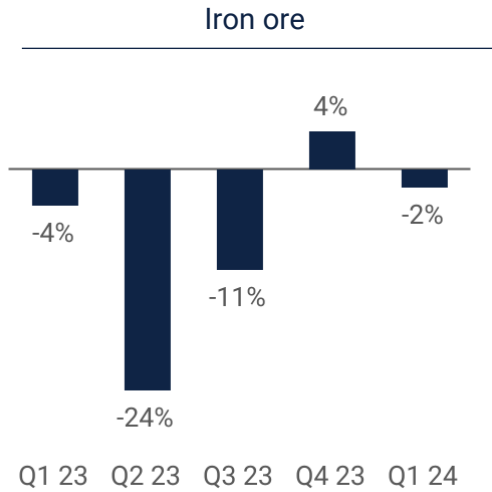
Stable net cash position

- Net cash of SEK 18.2 billion at the end of Q1/2024
- Net debt/equity ratio -25% (-22%)
- Dividend of SEK 5.00 per share proposed, would mean around SEK 5bn payout in Q2/24
- Share buy back completed in Q1/2024 (total of SEK 2.5bn)

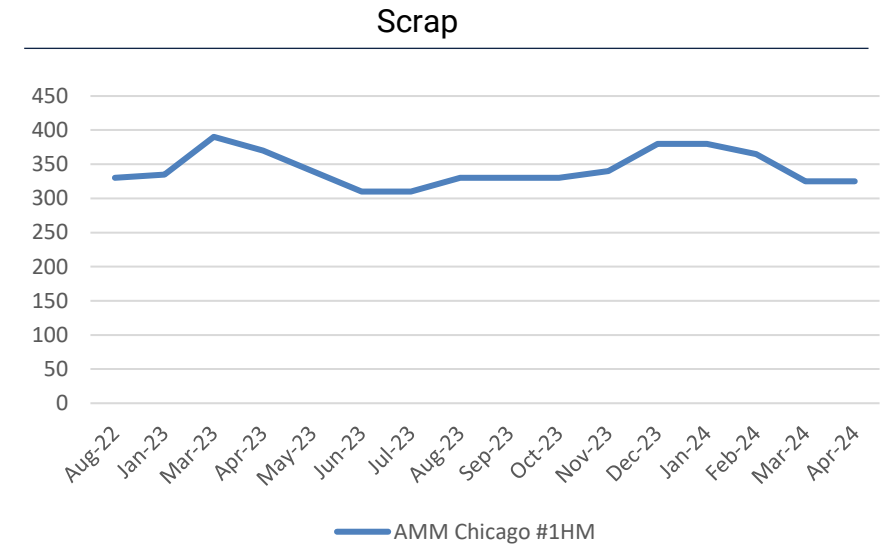


Raw material

SSAB's purchase price, year over year changes



Market prices (USD/tonne)



- In Q2/24 , the cost of raw materials is expected to be somewhat lower than prior quarter

- Scrap price decreased during Q1
- Purchase prices of scrap affect the result after a lag of around one month

Expected maintenance costs

- SSAB's total maintenance costs for 2024 are expected to be SEK 1,555 (1,480) million, unchanged to previous forecast
- Most maintenance to be carried out in Q3

SEK millions	2024	2024	2024	2024	2024
	Q1	Q2	Q3	Q4	Full-year
SSAB Special Steels	–	–	100	330	430
SSAB Europe	–	–	375	225	600
SSAB Americas	–	–	450	75	525
Total	–	–	925	630	1,555











Note: The estimates shown in table includes direct maintenance cost and cost of lower capacity utilization (under absorption) but excludes lost margins.



3.

Outlook and summary

SSAB's outlook for main customer segments Q2/2024

Segment	Demand	Comments	 Strong	 Neutral	 Weak
Heavy Transport		<ul style="list-style-type: none"> - Heavy trucks in Europe slowing down from high level - Good activity railcars and shipbuilding in the US 			
Automotive		<ul style="list-style-type: none"> - Structurally growing AHSS market - Generally good market, with a somewhat uncertain outlook 			
Construction Machinery		<ul style="list-style-type: none"> - Weaker demand in Europe, China stabilizing on low level - More stable demand in North America 			
Material Handling		<ul style="list-style-type: none"> - Stable demand in mining 			
Energy		<ul style="list-style-type: none"> - Good demand for wind power and other renewables 			
Construction		<ul style="list-style-type: none"> - Weak Nordic market 			
Service Centers		<ul style="list-style-type: none"> - Cautious approach both in Europe and the US - Inventory levels normal or on the lower side 			

SSAB's outlook for Q2/2024

- Underlying demand estimated to be fairly stable in Q2/24 vs Q1/24 in SSAB's main markets

Volume and pricing outlook		
Q2/24 vs. Q1/24	Shipments	Realized prices
SSAB Special Steels	Higher	Somewhat lower
SSAB Europe	Higher	Stable
SSAB Americas	Somewhat higher	Somewhat lower

Definitions: Significantly lower (>10%), Lower (5-10%), Somewhat lower (0-5%), Stable (~0%), Somewhat higher (0-5%), Higher (5-10%), Significantly higher (>10%)

Summary

- Good level of earnings in SSAB Special Steels
- High level of Automotive AHSS shipments
- Leading the green transition
 - Oxelösund transformation on-going
 - Decision to build mini-mill in Luleå
 - Strong demand for SSAB Zero





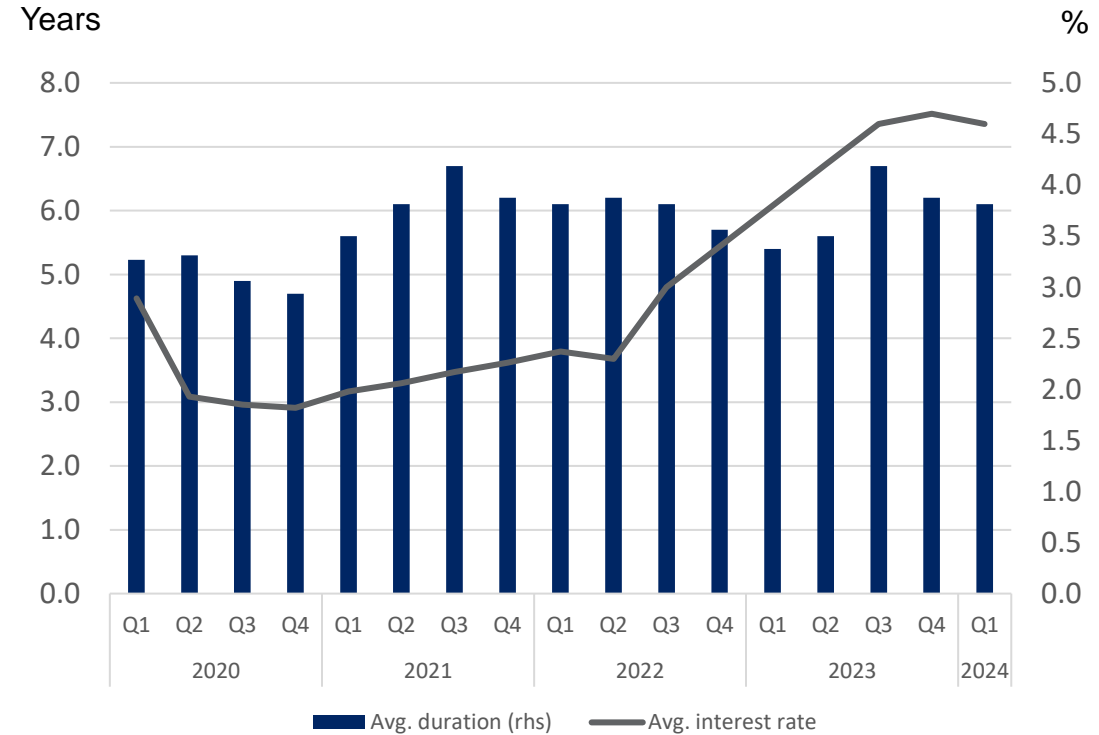
4.

Questions and Answers

Appendix

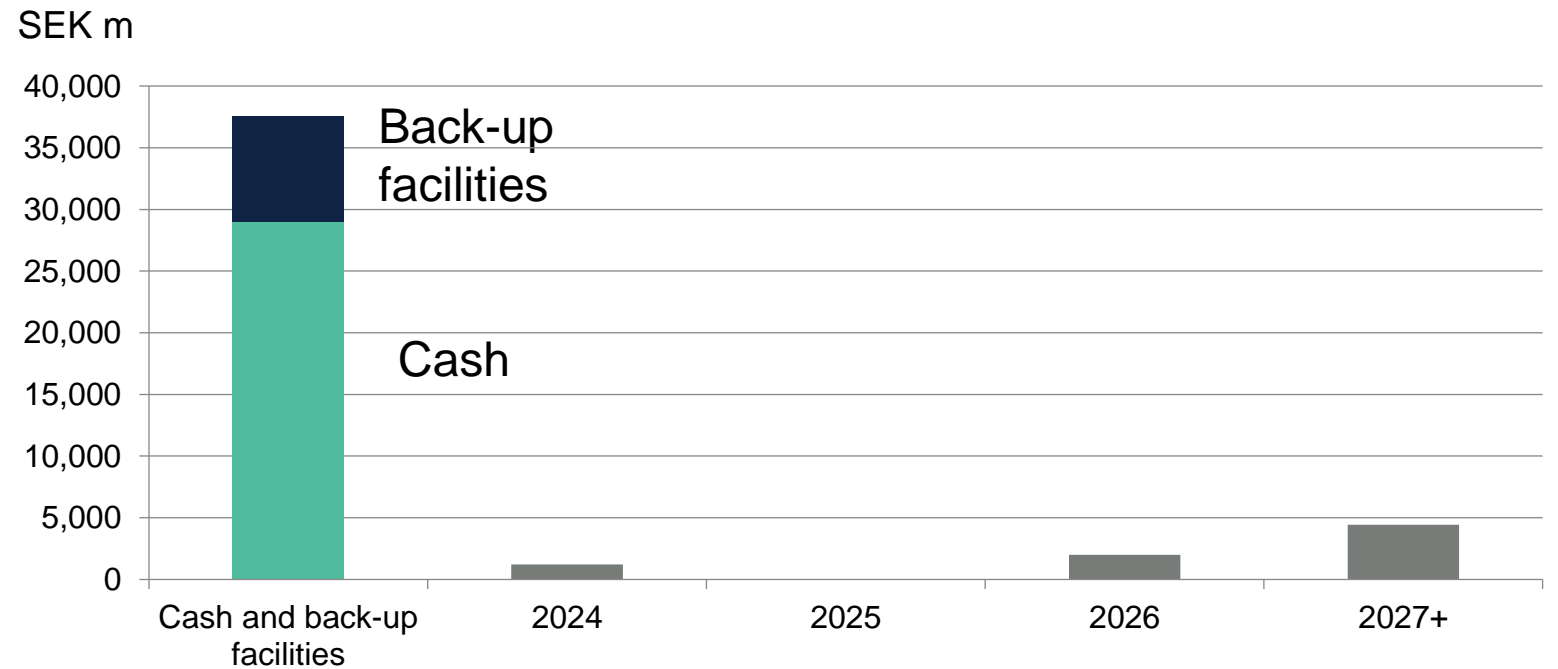
Debt portfolio duration and interest rate

- Duration of the loan portfolio was 6.1 (5.4) years
- Averaged fixed interest term was 1.2 (0.8) years
- Average interest rate was 4.6% (3.8%)



Maturity profile

- Liquid assets and committed credit lines at SEK 37.5bn at the end of Q1



SSAB