

Press release
Göteborg, May 5, 2025
10:00 a.m. CEST

Absolent Air Care Group Interim report January-March 2025

- Net sales amounted to SEK 312.8 (357.6) million, which corresponds to a growth of -12.5 (-0.3) %.
- Operating result before amortizations and depreciations (EBITDA) decreased to SEK 43.9 (75.6) million, corresponding to a margin of 14.0 (21.1) %. Adjusted for currency effects related to operating receivables and liabilities, the EBITDA margin for January-March 2025 amounted to 17.0% and 20.0% for the same period last year.
- Operating result (EBIT) decreased to SEK 30.6 (62.1) million, corresponding to a margin of 9.8 (17.4) %. Adjusted for currency effects related to operating receivables and liabilities, the EBIT margin for January-March 2025 amounted to 12.7% and 16.2% for the same period last year.
- Earnings per share amounted to SEK 1.14 (4.39).
- Cash flow from operating activities increased to SEK 26.6 (10.6) million.

CEO comments

Cautious markets in an uncertain world

The first quarter of the year has been a period largely characterized by increased uncertainty in global markets and the introduction of new trade barriers. In March in particular, we have seen increasingly cautious behavior from our customers and longer lead times for investment decisions, which has led us to report a 12.5 % decline in sales for the first quarter of the year compared to the previous year. The biggest slowdown has been in the Industrial business area on the North American and Chinese markets. It is worth noting that in the first quarter of last year, the North American market showed very strong growth, in contrast to the slowdown we saw in the first quarter of 2025. Despite the slowdown in the above-mentioned markets, our assessment is that we are maintaining our market positions.

The lower sales during the quarter have also had negative volume effects on the result, where the operating margin before amortizations and depreciations (EBITDA) amounted to 14.0 (21.1) %. The EBITDA margin has also been negatively affected by currency effects linked to working capital. The first quarter of 2024, on the other hand, included positive currency effects of the same kind. Adjusted for these effects, the EBITDA margin for January-March 2025 amounted to 17.0 %, compared with 20.0 % for the same period last year.

Industrial

The slowdown we have seen in the latter part of the quarter has mainly impacted the Industrial business area, for which sales decreased by 14.0 % year-on-year. The largest contributing factor to the negative development was the Americas region, as well as the Chinese market. For the APAC region as a whole, the negative development in China was partly offset by growth in other markets, such as India and South Korea, during the quarter. The EMEA region also reported a decrease in sales for the quarter compared to the previous year, with declines in the UK and Switzerland, among other countries, as well as a continued weak market situation for the European automotive industry. Development in several markets has been weak due to uncertainty surrounding the introduction of tariffs and a weaker economy in certain countries.

Commercial Kitchen

For Commercial Kitchen, January-March was a good sequential performance compared to the weaker quarters seen in the second half of 2024. However, compared to the same period last year, sales decreased by 6.4 %, as several of the Nordic markets remain weaker than last year. The business area's profitability has also improved compared with the second half of 2024, partly as a result of the efficiency measures initiated in 2024.

Long- and short-term developments

To further strengthen our market position in the Industrial business area, we launched our new product line for dust filters at the beginning of the second quarter of the year. This product line is the result of several years of solid development work and is based on our approach to modular products with effective adaptation to each customer's needs. The product series will be a valuable addition to our existing offering and will be an important building block in our development in the coming years.

The situation regarding global tariffs, which escalated during the latter part of the quarter, will continue to set the tone for the macroeconomic situation going forward. Given the current market conditions and global uncertainty, we have a cautious view on near-term developments. We are monitoring global developments closely and focusing on what we can influence by continuously evaluating needs and opportunities to take measures to adapt operations if the current uncertainty in the markets continues.

In the long term, we continue to have a positive view of the global markets, where the long-term trend is an increased need for cleaner air in industrial environments and commercial kitchens. A need that Absolent Air Care Group will be able to meet with an innovative and renewed product range.

Joakim Westh

Interim CEO and President

Further information

The complete interim report is available at
<https://www.absolentgroup.com/en/investors/financial-reports/>

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