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Year-end Report 2025: Lower earnings in the quarter, despite stable underlying operations

LKAB ends the year with stable production and delivery volumes. Profit for the full year has been weighed down by a significantly weakened US dollar and a substantial increase in costs associated with the urban transformation in Kiruna.

For the fourth quarter, net sales amounted to MSEK 8,305 (9,451), with the decrease largely due to a weakened US dollar (USD). Operating profit for the quarter was MSEK 986 (2,619).

Net sales for full-year 2025 amounted to MSEK 33,325 (33,146). During the year LKAB has reported increased production and delivery volumes compared with the previous year, which was affected by various production stoppages and extensive disruptions on the Iron Ore Line. The higher delivery volume in 2025 was partly offset by a weakened US dollar, which has had a significant impact on sales revenue.

Operating profit for the full year amounted to MSEK 3,274 (8,722), with the lower profit being mainly a result of increased costs for the urban transformation in Kiruna.

The Board of Directors is proposing to the Annual General Meeting that an ordinary dividend amounting to MSEK 1,500 (4,400) is paid, which is 50 percent of profit for the year.

The global spot price for iron ore products during the year remained at lower, yet stable, levels. For the fourth quarter the average price was USD 106 (103) per tonne and at the end of the quarter, and thus the year, the price was USD 109 per tonne. Quoted pellet premiums were around USD 12 per tonne lower than in the same period last year.

During the year LKAB demonstrated improved operational stability compared with the previous year. Production for the fourth quarter amounted to 6.5 (5.7) Mt and for the full year production volumes increased to 25.9 (22.7) Mt. Delivery volumes for the quarter amounted to 7.0 (6.7) Mt and were the highest for the year. For the full year, deliveries increased to 25.8 (21.9) Mt.

"In a year of substantial external impacts and changing market conditions, our focus has been on strengthening our internal operations. Our total delivery and production volumes for the year show that we are on the right track. We are not yet at the levels

we need going forward, but the gradual improvement and stability give us room to increase both production and delivery volumes. In a challenging global environment, this becomes even more important," says Jan Moström, President and CEO of LKAB.

The expanded impact area in Kiruna means that the urban transformation is increasing in extent, which will entail intensive efforts and increased outgoings in the coming years. In addition, LKAB continues its efforts to enhance its current and future competitiveness. We are facing several different challenges, including those related to permitting issues, and the outlook going forward continues to be marked by an unpredictable global landscape.

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