INFORMATION BROCHURE

Information to the shareholders of SKF prior to deciding on the proposed distribution of the shares in SKF Vertevo at the Extraordinary General Meeting on 1 October 2026

SKF   SKF vertevo

This information brochure is not a prospectus. The information brochure is intended to be used as basis for the decision by SKF's shareholders when resolving on the Board of Directors' proposal on the distribution of the shares in the wholly-owned subsidiary SKF Vertevo to the shareholders of SKF. Provided that the Extraordinary General Meeting of SKF on 1 October 2026 resolves on a distribution in accordance with the Board of Directors' proposal, no further action is required of shareholders in SKF in order to receive shares in SKF Vertevo other than being registered as a shareholder of at least five (5) shares of the same share series (directly registered or nominee registered) on the record date for the distribution of the shares. Provided that the Extraordinary General Meeting resolves on a distribution in accordance with the Board of Directors' proposal, a prospectus will be published prior to the listing of the SKF Vertevo shares on Nasdaq Stockholm.

Important information

The Board of Directors of SKF has proposed that the Extraordinary General Meeting on 1 October 2026 resolves to distribute all of the shares in SKF Vertevo to the shareholders of SKF. This information brochure only contains general information and does not constitute a prospectus. Instead, the information brochure is to be used as decision-making material prior to the shareholder resolution. Provided that the Extraordinary General Meeting on 1 October 2026 resolves to distribute all of the shares in SKF Vertevo in accordance with the Board of Directors' proposal, a prospectus will be published before the SKF Vertevo shares are distributed and listed on Nasdaq Stockholm. The prospectus will contain detailed information about SKF Vertevo and the risks associated with an investment in the SKF Vertevo shares.

This information brochure is published by SKF (corporate ID No. 556007-3495) and is governed by Swedish law. Disputes arising in connection with the content of this information brochure, or any subsequent legal relationships, are to be settled exclusively by Swedish courts. This information brochure has been prepared in both Swedish and English language versions. In the event of any conflict between the versions, the English version shall prevail.

Information to investors in the United States

The shares in SKF Vertevo have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or the securities legislation of any state or other jurisdiction in the United States. SKF Vertevo expects to rely on the exemption from registration under Rule 12g3-2(b) of the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**"), as amended, and accordingly the shares in SKF Vertevo will not be registered under the U.S. Exchange Act and SKF Vertevo will not be subject to the reporting requirement of the U.S. Exchange Act.

The shares in SKF Vertevo should generally not be treated as "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, and persons who receive shares in SKF Vertevo as a result of the distribution (other than affiliates) may resell them without restriction under the U.S. Securities Act. A receiving shareholder who is an affiliate of SKF Vertevo as at the date and time at which the distribution becomes effective or who becomes an affiliate thereafter will be subject to certain U.S. transfer restrictions relating to the SKF Vertevo shares received.

The shares in SKF Vertevo have neither been approved nor disapproved by the U.S. Securities and Exchange Commission (SEC), any state securities authority or any other authority in the United States. Furthermore, the foregoing authorities have not passed upon the accuracy or adequacy of this information brochure. Any representation to the contrary is a criminal offence in the United States.

Forward-looking statements and risk factors

The information brochure contains certain forward-looking statements that reflect SKF's or SKF Vertevo's present view of future events as well as financial and operational development. Words such as "intend", "anticipate", "expect", "may", "plan", "believe", "estimate", "project", and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking statements. Forward-looking statements are inherently associated with both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements are not a guarantee of future results or developments, and actual outcomes may differ materially from the information set forth in the forward-looking statements. Neither SKF nor SKF Vertevo makes any undertakings that they will disclose updates or revisions of forward-looking statements due to new information, future events or other such matters, other than what is required according to applicable legislation.

A number of factors may affect the SKF and SKF Vertevo operations. A description of certain risk factors associated with the distribution of shares in SKF Vertevo is included in "*Risk factors associated with the distribution of shares in SKF Vertevo*". A more comprehensive description of material risk factors pertaining to SKF Vertevo will be included in the prospectus to be published prior to the distribution and listing of the shares in SKF Vertevo on Nasdaq Stockholm.

Industry and market information

This information brochure contains industry and market information compiled from information obtained from third parties, as well as SKF's and SKF Vertevo's own estimates. Neither SKF nor SKF Vertevo assumes any responsibility for the accuracy of any industry or market information that is included in this information brochure.

Presentation of financial information

Certain figures in this information brochure, including financial data, have been rounded. Accordingly, figures shown in totals in certain tables may not be an exact arithmetical aggregation of the figures which precede them. Unless otherwise explicitly stated, no information in the information brochure has been audited or reviewed by an auditor.

Additional information

This information brochure contains limited information with respect to SKF and SKF Vertevo, and is supplemented by the public filings and reports of SKF, other information available on SKF's website and the SKF Vertevo listing prospectus that will be published prior to the distribution and listing of the shares in SKF Vertevo. Shareholders may access the following information:

- SKF's Annual Report 2024 and 2025 and SKF's half-year report 2026, available at www.skf.com/group/investors/financials.
- Additional information on SKF's business, financial position, results of operations, cash flows and shares, available at www.skf.com/group/investors.
- The SKF Vertevo listing prospectus, which will be published on the SKF and SKF Vertevo websites prior to the distribution and listing of the shares in SKF Vertevo.

Shareholders are encouraged to read the information outlined above along with this information brochure.

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Important dates

Record date for attendance at SKF Extraordinary General Meeting:	23 September 2026
Final date to provide notification of attendance at SKF Extraordinary General Meeting:	25 September 2026
Extraordinary General Meeting of SKF:	1 October 2026
Expected record date for receipt of SKF Vertevo shares:	27 November 2026
Expected distribution and first day of trading in the SKF Vertevo shares:	1 December 2026

Attendance at SKF's Extraordinary General Meeting

Information regarding the right to participate and how to register f or attendance at the SKF Extraordinary General Meeting on 1 October 2026 can be found in the notice published on SKF's website, www.skf.com/group/investors/corporate-governance/general-meetings.

Capital Markets Day

Provided that the SKF Extraordinary General Meeting resolves in accordance with the Board of Directors' proposal to distribute all shares in SKF Vertevo to the shareholders of SKF, a Capital Markets Day dedicated to SKF Vertevo is intended to be held on 17 November 2026.

Certain definitions

"**SKF**" refers to, depending on the context, Aktiebolaget SKF (publ) (corporate ID No. 556007-3495) or the group in which Aktiebolaget SKF (publ) is the parent company.
The "**SKF Group**" refers to Aktiebolaget SKF (publ) and its subsidiaries.

"**SKF Vertevo**" or the "**Company**" refers to, depending on the context, SKF Vertevo AB (corporate ID No. 559505-9022) or the group in which SKF Vertevo AB is the parent company.

"**Euroclear Sweden**" refers to Euroclear Sweden AB.

"**Nasdaq Stockholm**" refers to the Swedish regulated market Nasdaq Stockholm or its operator Nasdaq Stockholm AB, as the context may require.

"**SEK**" and "**EUR**" refers to Swedish kronor and Euro, respectively (**B** indicates billions and **M** indicates millions).

Background and reasons

Founded in 1907 in Gothenburg, Sweden, and listed on Stockholm Stock Exchange since 1916, SKF has built over a century of engineering expertise by fighting friction. Today, it is a global bearing technology and industrial-solutions company with net sales of BSEK 90 on a last twelve-month basis, a presence in around 130 countries and 36,460 employees, as of 30 June 2026.

On 17 September 2024, the Board of Directors of SKF announced its decision to initiate a separation of the SKF Group's automotive business, SKF Vertevo, from the rest of the SKF Group with the intention to distribute the shares of SKF Vertevo to SKF's shareholders through a so-called Lex Asea distribution and admit the SKF Vertevo shares to trading on Nasdaq Stockholm. The decision followed a strategic review and organisational initiatives dating back to February 2022, when the automotive business was given a more independent operating model, aimed at positioning each business for long-term success.

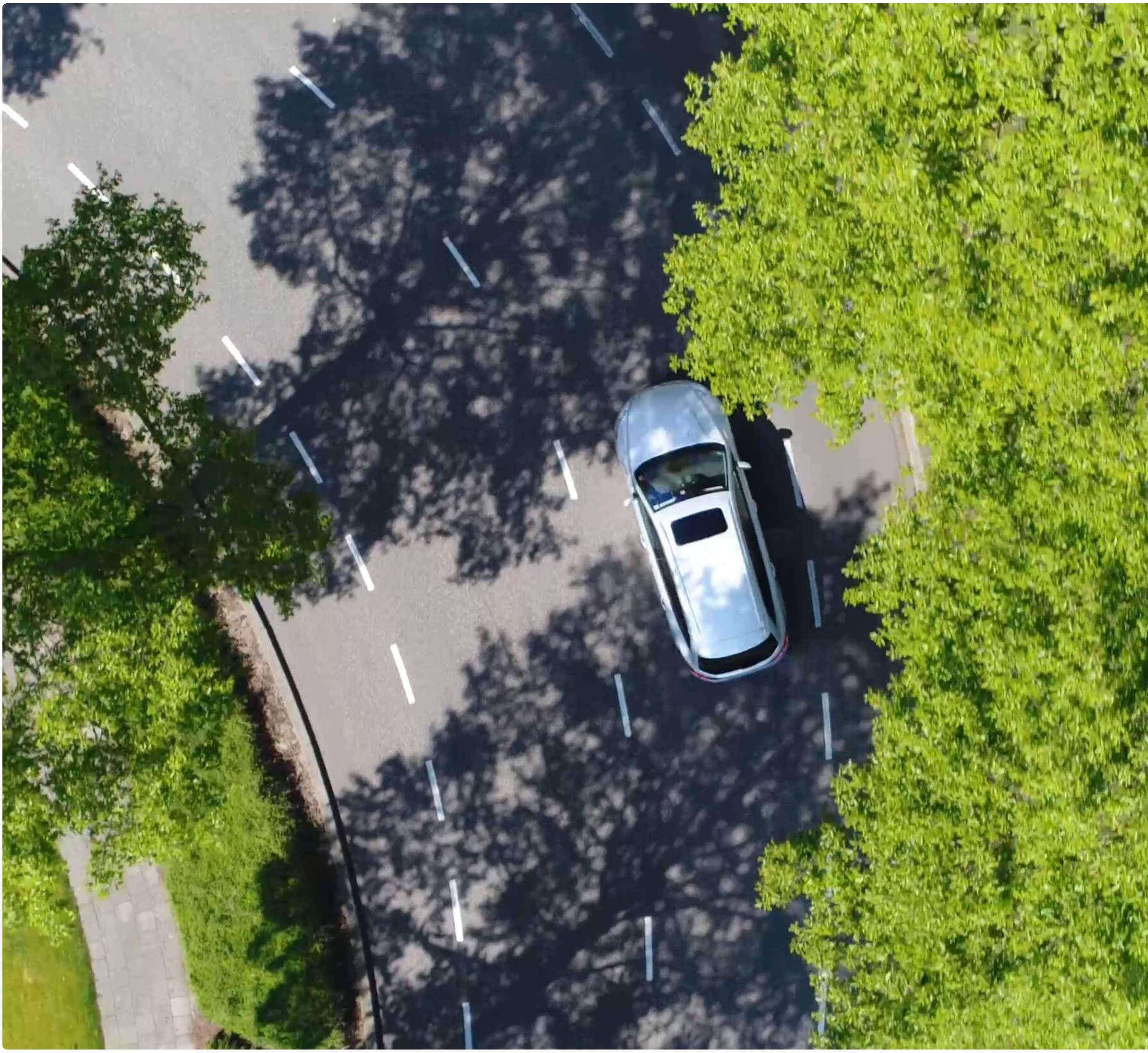
The Board of Directors of SKF now proposes that, in order to reflect the businesses' different dynamics, end markets and success drivers, the separation of the businesses be completed by way of a distribution of the SKF Vertevo shares to SKF's shareholders. SKF Vertevo is largely driven by long-term contracts with global Original Equipment Manufacturers ("**OEMs**"), high volumes, cost efficiency, speed and the rapid transformation caused by the electrification trend, while SKF's industrial operation is characterised by shorter cycles, smaller batches, broader customer exposure and a need for speed, availability and adaptability. The Board of Directors of SKF believes that SKF and SKF Vertevo, as standalone entities, can allocate capital, resources and management attention to the opportunities that matter most in its own markets. This should improve responsiveness, strengthen competitiveness and enable more tailored execution driving customer value. In turn, the separation is expected to unlock the full potential of both businesses and accelerate profitable growth and long-term shareholder value creation.

Following the proposed distribution, SKF will comprise the pure-play industrial operations with net sales of BSEK 71 on a last twelve-month basis and 29,070 employees as of 30 June 2026, providing bearing technology and industrial solutions across more than 20 industries worldwide. The pure-play industrial operations have a resilient foundation with diversified industry verticals, strong geographical coverage and an aftermarket business representing about half of net sales on a last twelve-month basis as of 30 June 2026. To further accelerate progress, the SKF Group excluding SKF Vertevo is better positioned to reignite growth through high-growth industries and geographies, by scaling services and intelligent solutions, accelerating the Specialized Industrial Solutions business, and exploring bolt-on M&A opportunities. Moreover, it intends to continue to drive customer value through innovation leadership by differentiating through customer-centric innovation as well as through a business-driven value chain.

SKF Vertevo will, subject to shareholder approval, become a listed company spun-off from the SKF Group, serving the automotive industry across all powertrains, namely combustion, hybrid and electric, with customised bearings and related products for wheel-end, powertrain as well as steering and suspension applications. SKF Vertevo will continue to supply the vehicle aftermarket with a wide range of spare parts, both directly and through a network of more than 10,000 distributors.

As of 30 June 2026, SKF Vertevo accounted for net sales of BSEK 24 on a last twelve-month basis, representing 26 per cent of SKF's net sales, reported an operating profit of MSEK –1,000 and an adjusted operating profit of MSEK 916 on a last twelve-month basis, representing 8 per cent of SKF, and employed approximately 7,500 people.

SKF Vertevo reports items affecting comparability for the full year 2025 of MSEK –1,560, compared to MSEK –337 for the full year 2024, and MSEK –1,102 for the six-month period ended 30 June 2026, compared to MSEK –746 for the corresponding period 2025. The items affecting comparability are mainly one-time costs related to the separation and distribution of SKF Vertevo from SKF and is not connected to the Company's underlying business.



Adjusted for the items affecting comparability SKF Vertevo's adjusted operating profit amounts to MSEK 903 for the full year 2025 compared to MSEK 1,567 for the full year 2024 and MSEK 650 for the six-month period ended 30 June 2026 compared to MSEK 637 for the corresponding six-month period 2025.

After the spin-off, SKF Vertevo is expected to benefit from dedicated management focus and independent capital allocation, enabling the Company to improve capital efficiency by steering investments into higher growth and margin accretive areas while also accelerating the ongoing work of creating conditions for a leaner and more cost-efficient setup, in line with automotive industry best practice. The aim will be to continue successfully competing in core categories, maintaining and strengthening innovation capabilities as well as expanding the addressable market. A lean company setup and an automotive-adapted value chain are expected to increase cost competitiveness, speed and efficiency in the business.

In light of the above, the Board of Directors of SKF has today proposed that the Extraordinary General Meeting on 1 October 2026 resolves on the distribution of all shares in the wholly-owned subsidiary SKF Vertevo to the shareholders of SKF, through a Lex Asea distribution. Subject to the approval of the distribution by the Extraordinary General Meeting of SKF, SKF currently intends to complete the distribution and have the shares of SKF Vertevo admitted to trading on 1 December 2026.

Gothenburg, 7 September 2026

Aktiebolaget SKF (publ)

The Board of Directors

Information regarding the proposed distribution of SKF Vertevo

Resolution on distribution

Provided that the Extraordinary General Meeting of SKF on 1 October 2026 resolves, in accordance with the Board of Directors' proposal, to distribute all shares in the wholly-owned subsidiary SKF Vertevo to the shareholders of SKF, registered shareholders of SKF on the subsequently determined record date for distribution of shares in SKF Vertevo, as determined by the Board of Directors of SKF, are entitled to receive, for every five (5) shares held in SKF, one (1) share of the same share series in SKF Vertevo. Aside from being registered as a shareholder on the record date for distribution (directly registered or nominee-registered), no further actions are required in order to receive shares in SKF Vertevo. It is expected that the distribution of the shares in SKF Vertevo will fulfil the requirements set out in the so-called "Lex Asea" rules and therefore not be immediately taxable for individuals and limited liability companies that are Swedish tax residents. For further information, see "*Tax considerations*" below.

Distribution ratio

Every five (5) shares of series A in SKF entitle to one (1) share of series A in SKF Vertevo and every five (5) shares of series B in SKF entitle to one (1) share of series B in SKF Vertevo. In total, 91,070,213 shares in SKF Vertevo will be distributed, of which 5,783,662 series A shares and 85,286,551 series B shares. If a shareholder's shareholding in SKF is not evenly divisible by five (5), the fraction of shares which the shareholder's shareholding in SKF otherwise would entitle to in SKF Vertevo will be combined with all other shareholders' fractions of shares into whole shares in SKF Vertevo, which will be sold on Nasdaq Stockholm through Skandinaviska Enskilda Banken AB ("**SEB**"). The proceeds from such sale, free of any commissions, will then be paid to such shareholders through the Euroclear system on a pro rata basis. For further information, see "*Shares and ownership structure*" below.

Record date

The Board of Directors proposes that the Extraordinary General Meeting of SKF to be held on 1 October 2026 authorises the Board of Directors to resolve on the record date for the distribution of the shares in SKF Vertevo. The record date is expected to be 27 November 2026, whereas the delivery of the shares in SKF Vertevo and the first day of trading in the SKF Vertevo share on Nasdaq Stockholm are expected to occur on 1 December 2026.

Receipt of shares in SKF Vertevo

Those recorded in the share register, maintained by Euroclear Sweden, as shareholders of SKF on the record date for the distribution of shares in SKF Vertevo will receive shares in SKF Vertevo with no further action required. Shares in SKF Vertevo will be available in the securities account of those shareholders who are entitled to receive the distribution (or the securities account belonging to the party who is otherwise entitled to the distribution) no later than two banking days after the

record date. Thereafter, Euroclear Sweden will send out a statement containing information on the number of shares registered in the securities account of the recipient.

Nominee-registered holdings

Shareholders whose holdings in SKF are registered in the name of a nominee (i.e. a bank or other nominee) will not receive a statement from Euroclear Sweden. Notification and the crediting of shares in SKF Vertevo to the accounts of nominee-registered shareholders will instead be carried out in accordance with the procedures of the respective nominee.

Listing of shares in SKF Vertevo

The Board of Directors of SKF Vertevo will apply for listing of the Company's shares of series A and series B, respectively, on Nasdaq Stockholm. Information regarding the ISIN codes for SKF Vertevo's shares will be available in the prospectus that will be published ahead of the listing of SKF Vertevo's shares.

Holders of SKF American Depositary Receipts

Pursuant to the terms of the deposit agreement under which the American Depositary Receipts ("**ADRs**") representing shares of SKF were issued, it is expected that a broker, on behalf of the depositary Citibank, will sell the shares in SKF Vertevo distributed in respect to the shares of SKF deposited in the ADR facilities. The net cash proceeds from the sale of the shares and fractions of shares in SKF Vertevo will be distributed by the depositary to the holders of ADRs representing shares of SKF, on a pro rata basis.

Listing costs

The total listing costs for the proposed distribution of the shares in SKF Vertevo are estimated to be approximately MSEK 135 (of which MSEK 16 were incurred in 2025 and MSEK 119 are expected to be incurred in 2026). These costs do not include costs for the separation nor one-time foreign tax costs (disclosed in SKF's interim reports).

Market overview for SKF Vertevo

The statistics, data and other information contained in this document relating to markets, market sizes, market shares and market positions pertaining to SKF Vertevo's business and markets reflects SKF's own assessment. Such assessment is based on market insights commissioned by SKF and prepared by McKinsey & Company in December 2025 (updated with market data in June 2026), together with other external sources, including S&P Global (data retrieved in June and August 2026) (together, the "**Market Insight**").

Market dynamics

Overview of the automotive bearing market
SKF Vertevo operates in the automotive bearing market across two primary channels: Original Equipment ("**OE**") and Vehicle Aftermarket ("**VA**"). The two channels have different market dynamics: OE demand is cyclical, tied to vehicle production volumes and technological development, whereas VA demand is more stable, underpinned by an ageing and growing vehicle parc. Electrification is reshaping demand patterns in both channels through its impact on bearing content and maintenance requirements.

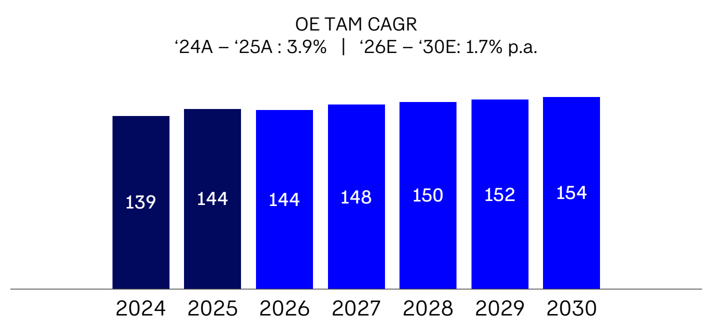
Original Equipment

SKF Vertevo serves global and regional OEMs as well as Automotive Tier-1 suppliers across three end-user categories:

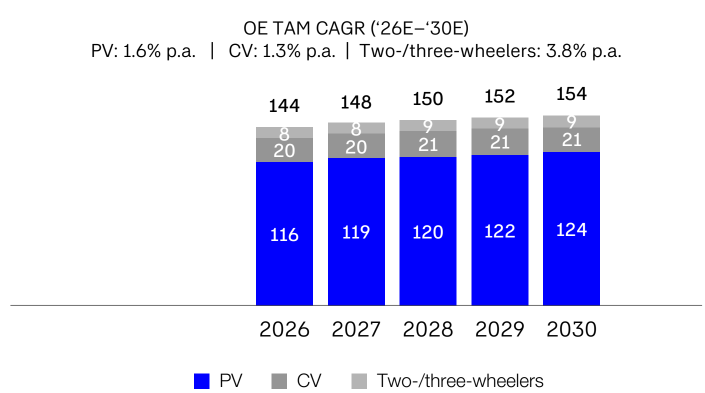
- *Passenger Vehicles* ("**PVs**"): Passenger cars, light Commercial Vehicles up to six tonnes, pick-up trucks and high-performance vehicles.
- *Commercial Vehicles* ("**CVs**"): Light- to heavy-duty trucks, trailers and buses.
- *Two-/three-wheelers*: Motorcycles, scooters, mopeds and other two-/three-wheeled vehicles used for personal transport or light cargo.

The global total addressable market ("**TAM**") for OE bearings is estimated at BSEK 144 in 2026, with a projected compounded annual growth rate ("**CAGR**") of 1.7 per cent through 2030.[1]

OE bearing TAM (BSEK)[2]

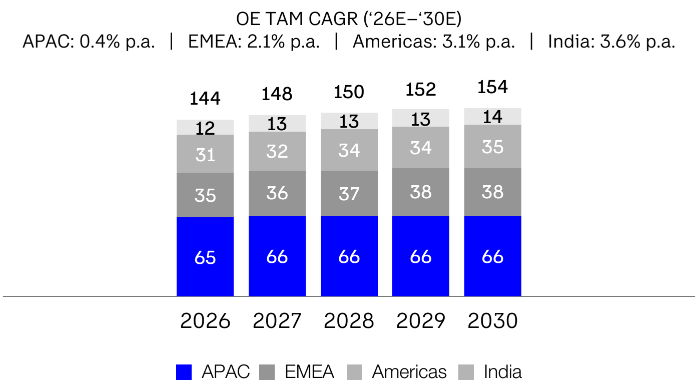


OE bearing TAM by vehicle type (BSEK)[3]

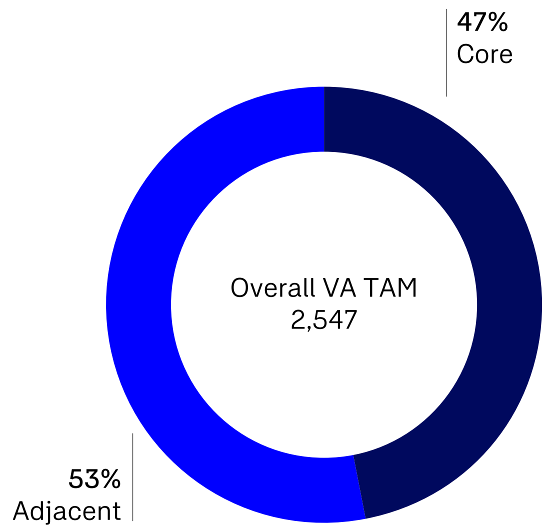


1) The Market Insight.
2) The Market Insight.
3) The Market Insight.

OE bearing TAM by geography (BSEK)[4]

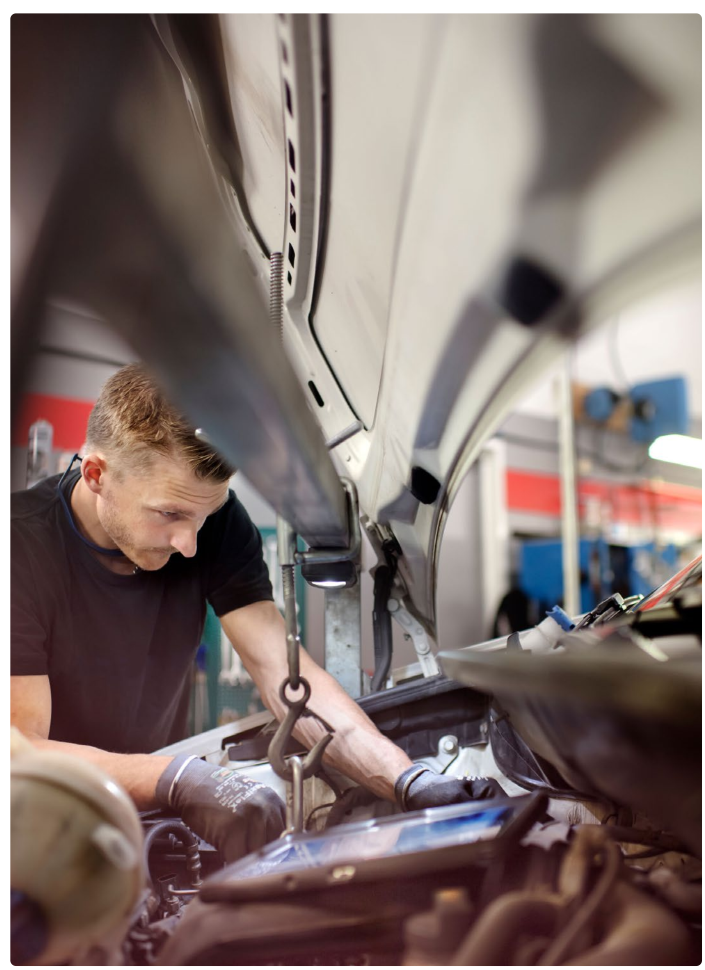


VA core and adjacent markets TAM, 2026E (BSEK)[7]



Vehicle Aftermarket
SKF Vertevo serves distributors, workshops and fleet operators in the independent aftermarket across PVs, CVs and two-/three-wheelers. Demand is driven by the size, age and utilisation of the vehicle parc, creating recurring need for maintenance, repair and replacement solutions throughout the vehicle lifecycle. Effective product lifecycle management is critical to retain market relevance over the full vehicle lifetime and to avoid ceding mature vehicle categories to lower-cost competitors.[5]

SKF Vertevo's core VA business focuses on repair-critical categories such as bearings, wheel-end bearings, seals, powertrains and drivelines, all areas in which SKF Vertevo has a long history. Other adjacent VA categories include solutions with a historical OE engineering pedigree in brakes as well as steering, and suspension, all of which have expanded since 2020. The core VA market is valued at BSEK 1,204 globally in 2026 and projected to grow at around 1.9 per cent annually through 2030. Besides the core VA market, SKF Vertevo's adjacent VA categories are expected to account for 53 per cent of the total global VA TAM in 2026, with a growth rate of 3.1 per cent per annum until 2030. In total, the VA TAM is valued at BSEK 2,547 in 2026 and projected to expand at 2.6 per cent annually through 2030. The adjacent categories provide additional growth opportunities by broadening VA's participation in workshop demand and enhancing its relevance as a trusted premium supplier. Across the portfolio, the VA benefits from recurring replacement demand, increasing vehicle complexity as well as ongoing requirements for quality, availability and technical support.[6]



4) The Market Insight.
5) The Market Insight and SKF Vertevo's assessment.
6) The Market Insight and SKF Vertevo's assessment.
7) The Market Insight.

Global megatrends[8)]

Seven key global megatrends are expected to shape the future of the automotive bearing industry:

- *EV transition*: Vehicle electrification and the shift to Electric Vehicles (“**EVs**”)[9)] are set to reduce the number of bearings per vehicle unit while increasing their technical complexity, for example through insulated, high-speed and low-friction designs. This is expected to underpin higher bearing prices and offset the decline in Internal Combustion Engine (“**ICE**”)-related products, contributing to the overall growth in the automotive bearing market.
- *OEM sourcing preferences*: OEMs’ increasing preference for lower-cost alternatives is opening the competitive landscape to lower-cost Asian manufacturers. In turn, this is increasing competition and forcing established bearing suppliers to match cost competitiveness while sustaining innovation-driven programmes.
- *Autonomous driving and software-defined vehicles*: The rapid evolution of electrified, software-defined vehicles and advanced autonomous driving functions is driving higher requirements for durability, reliability, functional safety and system redundancy across vehicle platforms. At the same time, X-by-wire technologies are progressively replacing traditional mechanical and hydraulic linkages with electronically controlled systems. These architectures are becoming a key enabler of next-generation EV platforms, particularly in braking and steering applications, as they reduce mechanical complexity, optimise packaging, lower vehicle weight and enable tighter integration between software, controls and vehicle dynamics. These trends increase the technical and innovation requirements for bearings in steering and braking actuation, and are expected to favour higher-specification and higher-value solutions.
- *Tariffs & geopolitical uncertainty*: Tariffs, military conflicts and general uncertainty are reshaping supply chains and are pushing automakers to reconsider component sourcing.
- *Digitalisation of aftermarket channels and interfaces*: Digitalisation is shifting parts identification, technical information as well as ordering and fulfilment towards integrated digital platforms and online interfaces. This increases reach and speed, while making high-quality product data, fitment accuracy and repair information key differentiators for aftermarket suppliers.
- *Ageing and growing vehicle parc*: A growing and ageing global vehicle parc drives recurring demand for maintenance, repair and replacement solutions. As vehicles age and residual values decline, customers increasingly require fit-for-purpose solutions at different price points to keep repairs affordable and accessible throughout the vehicle lifecycle.
- *Increasing repair complexity and workshop support needs*: More complex vehicles, broader technology diversity and pressure on workshop productivity increase the need for complete repair solutions, including training, special tools, repair and maintenance information as well as digital tutorials.

8) The Market Insight and SKF Vertevo’s assessment.
9) Refers to battery- and fuel-cell-powered vehicles, including hybrid vehicles with a battery capacity exceeding 20 kWh.

Overview of the Original Equipment Passenger Vehicles bearing market[10)]

Global PV production volume in 2026 is estimated at 90 million units. This represents an OE PV bearing TAM of roughly BSEK 116, equivalent to 81 per cent of the total OE bearing TAM, and is expected to grow at an annual rate of 1.6 per cent between 2026 and 2030. Asia-Pacific ("**APAC**")[11)] constitutes the single largest regional market, while India is forecast to be the fastest-growing region over the coming years.

The PV market is further undergoing a shift away from ICE vehicles to EVs, with EV production volumes estimated to grow at 11.9 per cent annually between 2026 and 2030. The transition is set to lift EVs' global share of PVs from around 27 per cent to 40 per cent, most markedly in APAC, at close to 60 per cent by 2030. The total bearing counts per vehicle will decline as EV adoption widens, but this reduction is concentrated in plain bearings, or sliding bearings.

Trends impacting the OE PV bearing market

The following trends are expected to impact the OE PV bearing market:

- India is anticipated to be the fastest growing market through to 2030. Free trade agreements and limited geopolitical friction make it an attractive alternative to other regions.
- The electrification of PVs is reshaping bearing demand, as EV bearings command a price premium owing to their more stringent specifications. This value shift is set to accelerate further with next-generation EVs, which require bearings with even higher performance across durability, Noise, Vibration and Harshness ("**NVH**"), insulation and conductivity. Separately, although the total number of bearings per vehicle is set to decline as EV adoption widens, this is expected to be more than offset by rising per-unit values. Overall, electrification is therefore expected to support growth in the OE PV bearing market over the coming years.

10) The Market Insight and SKF Vertevo's assessment.
11) Unless otherwise indicated, references to APAC exclude India.

- There is a structural trend in favour of Sport Utility Vehicles ("**SUVs**"), which together with the rest of the high-end PV segment requires more demanding specifications. As specifications rise and moves toward more advanced bearings, the average bearing prices increase and underpin expansions in the OE PV bearing market.
- X-by-wire, the electronic control system replacing traditional mechanical linkages, is becoming a core enabler of software-defined EV platforms, especially in braking, steering and suspension, by reducing mechanical complexity and improving space consumption, weight and control integration. While China is likely to lead near-term adoption, the transition is global. The most immediate value pools are brake-by-wire, followed by steering and rear-wheel steering, whose electromechanical actuators add ball-screw and precision bearing content per vehicle.

Overview of the Original Equipment Commercial Vehicles bearing market[12)]

The global OE CV bearing market represents a further area of focus for SKF Vertevo. Worldwide CV production volume is estimated at around 3.6 million units in 2026. This corresponds to an OE CV bearing TAM of roughly BSEK 20, equivalent to approximately 14 per cent of the overall OE bearing TAM. Growth is expected to be steady, with the OE CV bearing TAM projected to grow at an annual rate of 1.3 per cent from 2026 to 2030. Within OE CV bearings, APAC stands out as the largest market, while the fastest growing markets are the Americas and Europe, the Middle East, and Africa ("**EMEA**").

The OE CV bearing market is also being shaped by the broader move towards electrification. While ICE platforms still account for most production volume, future growth is expected to be predominantly EV-driven. In 2026, EVs are projected to represent a 12 per cent share of the CV production volume, growing to 24 per cent by 2030 at an annual growth rate of 19.7 per cent. This growth is expected to be led by light CVs and light-duty trucks.

Trends impacting the OE CV bearing market

The following trends are expected to affect the OE CV bearing market:

- CV production is expected to grow fastest in the Americas and EMEA, driven by changing regulations and increased replacement demand stemming from an ageing vehicle fleet. In addition, high demand for CV transportation coupled with a long-deferred need for replacement is driving investments in new, more modern and fuel-efficient CV fleets.
- Electrification is expected to be led by light CVs and light-duty trucks, whose shorter-range requirements align well with current battery technology. Heavy-duty applications are expected to follow, though on a longer timeline given their higher energy and charging infrastructure needs. China has led early adoption in heavy-duty applications, with other regions expected to follow over a longer horizon.
- Heavy-duty applications and increased axle loads are raising durability and performance requirements, favouring high specification bearing solutions, supporting favourable total cost of ownership.

Overview of the OE two-/three-wheeler bearing market[13)]

With global two-/three-wheeler production volume estimated at 65.8 million units in 2026, the market represents an OE two-/three-wheeler bearing TAM of around BSEK 8 and accounts for 6 per cent of the total OE bearing TAM. The OE two-/three-wheeler bearing TAM is set to grow annually at 3.8 per cent between 2026 and 2030, outpacing all other OE bearing categories. Geographically, India stands out as one of the largest and fastest-growing markets, driven by favourable economic and industrial conditions supporting high-volume and cost-efficient mobility.

The electrification trend reshaping other OE bearing categories is also evident in the market for two-/three-wheelers. Globally, the EV share of production volume is expected to nearly double from around 11 per cent in 2026 to 20 per cent by 2030, representing an annual growth rate of 20.1 per cent. In absolute terms, the growth is concentrated in India and APAC. Together these two markets are expected to account for over 93 per cent of the global EV market for two-/three-wheeler bearings in 2030, supported by government incentives for clean mobility.

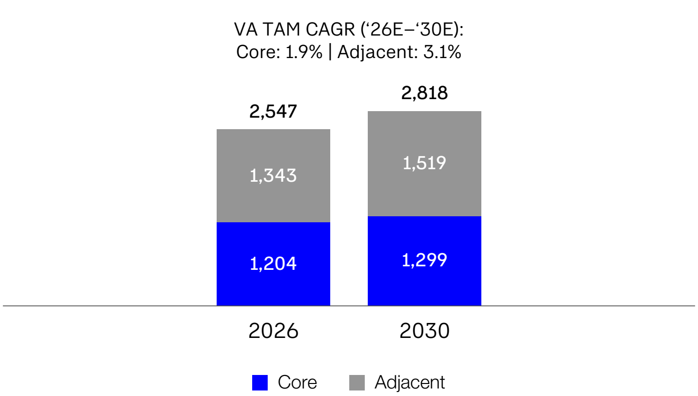
12) The Market Insight and SKF Vertevo's assessment.
13) The Market Insight and SKF Vertevo's assessment.

Trends impacting the OE two-/three-wheeler bearing market
The following trends are expected to drive development in the OE two-/three-wheeler bearing market:

- India is expected to be the primary driver of growth in the two-/three-wheeler market, supported by its position as a major global production hub with expanding manufacturing capabilities. Structural tailwinds, including population growth, rising disposable incomes, and accelerating urbanisation, are expected to further stimulate vehicle ownership and fleet expansion.
- While ICE powertrains are expected to retain their dominant position in the near term, electrification in the two-/three-wheeler segment is gaining momentum, underpinned by government incentive schemes supporting clean mobility adoption across India and APAC.

Overview of the Vehicle Aftermarket[14)]

VA core and adjacent market TAM by category (BSEK)[15)]



SKF Vertevo further operates in the global VA, serving recurring demand for maintenance, repair and wear-and-tear replacement solutions throughout the vehicle lifecycle. Its core VA categories, including bearings, wheel-end bearings, seals, powertrains and drivelines, are set to correspond to an overall estimated TAM of BSEK 1,204 in 2026.

Beyond its core VA categories, SKF Vertevo is positioned to further strengthen its presence in adjacent categories such as braking as well as steering and suspension, broadening its participation in workshop demand and reinforcing its position as a trusted premium supplier. These adjacent categories are projected to collectively represent a TAM of approximately BSEK 1,343 in 2026. As vehicles age and residual values decline, customers increasingly require fit-for-purpose repair solutions at different price points to keep maintenance affordable and accessible.

India stands out as a growth opportunity within the overall VA. The total VA TAM of the Indian market is projected to expand from BSEK 226 in 2026 to BSEK 266 by 2030 at an annual growth rate of 4.2 per cent. A growing and increasingly motorised population is expanding the vehicle parc, providing a shared foundation for aftermarket demand. The Indian PV parc is among the oldest, with over 70 per cent of vehicles currently more than eight years old, generating sustained and recurring demand for replacement parts and maintenance. Indian CV aftermarket volumes are further supported by strong macroeconomic growth and the continued expansion of e-commerce-driven logistics. Within the Indian two-/three-wheeler market, volume growth is accompanied by a shift towards higher-value components and more frequent servicing, reflecting rising commercial usage and the higher maintenance intensity it brings.

14) The Market Insight and SKF Vertevo's assessment.
15) The Market Insight.

Trends impacting the Vehicle Aftermarket

The following trends are expected to impact the VA market:

- Ageing vehicle fleets continue to drive recurring demand for maintenance, repair and replacement solutions. As vehicle residual values decline over time, fit-for-purpose repair solutions at different price points become increasingly important to maintain affordability throughout the vehicle's lifecycle and support vehicle retention.
- Parts identification, technical information, diagnostics, ordering and fulfilment are increasingly conducted through digital platforms, e-commerce marketplaces and integrated e-procurement interfaces. As a result, product data quality, fitment accuracy, digital cataloguing, real-time availability information and seamless customer interfaces are becoming critical as competitive differentiators.
- Increasing adoption of digital planning tools, predictive analytics and automated replenishment solutions is improving demand forecasting and inventory management across the VA value chain. Customers increasingly value suppliers that can provide high service levels, supply chain visibility, and efficient fulfilment while supporting inventory optimisation.
- Increasing vehicle complexity, including advanced electronics, software-enabled systems and electrified powertrains, combined with ongoing technician shortages, continues to increase demand for comprehensive repair solutions. Workshops increasingly seek partners that provide not only replacement parts, but also technical training, special tools, repair instructions, diagnostics support and digital learning content to improve repair efficiency and productivity.
- Growth in the EV parc is creating demand for EV-specific maintenance and repair solutions, while many drivetrain-independent product categories remain relevant across all powertrain technologies. The coexistence of internal combustion, hybrid and electric vehicles is expected to support broad and diverse aftermarket demand for the foreseeable future.
- Increasing focus on sustainability, resource efficiency and total cost of ownership is encouraging consumers and fleet operators to extend vehicle lifespans through maintenance and repair rather than replacement. This trend supports long-term demand for high-quality replacement parts and repair solutions.
- CV parc growth, particularly in APAC and other high-utilisation markets, continues to support demand for maintenance and repair solutions. Higher vehicle utilisation rates generally increase wear-related replacement demand and reinforce the importance of product availability and service support.

Competitive landscape[16)]

SKF Vertevo operates globally in the automotive bearing market as a focused, pure-play automotive business specialising in bearings, adjacent products and related services. In the OE bearing market, SKF Vertevo seeks to differentiate itself through its capabilities in innovation, quality, engineering support and sustainability, with applications spanning from two-/three-wheelers to high-performance vehicles. In VA, SKF Vertevo operates a resilient and diversified global business, supported by a well-established premium brand, a broad portfolio of repair and wear-and-tear solutions, strong technical know-how, repair-support capabilities and high service levels. Further, SKF Vertevo competes as a provider of integrated repair solutions. Components are combined with repair information, tools, training and digital support, helping distributors and workshops carry out repairs throughout the vehicle lifecycle. Together with OE-derived engineering expertise, SKF Vertevo believes that this strengthens customer trust and reinforces SKF Vertevo's position as a trusted premium supplier.

The competitive dynamics of the automotive bearing market differ between the OE and VA markets. In OE, competition is driven by cost competitiveness, quality, engineering excellence, innovation, product range, speed, resilience and sustainability. By comparison, real-time availability, breadth of range, price point, service level and brand strength are the key drivers of demand in VA.

OE nominations create an installed base of vehicles fitted with the nominated components. Those components are replaced over the vehicle lifecycle, supporting future VA demand. OE engineering credentials also support VA positioning. Furthermore, field data and repair experience from the VA feed back into product development, quality improvements and lifecycle management. Suppliers that combine OE engineering depth with VA reach therefore hold a structural advantage that pure OE suppliers and pure VA players each lack.

The competitive landscape can broadly be divided into three different groups:

- *Global majors*: Comprises large, established multinational bearing manufacturers with broad, full-line product portfolios as well as worldwide manufacturing and distribution capabilities. The premium segment of the automotive bearing market is dominated by the global majors. They command deeply established market positions across major regions, the primary exception being China where the presence of local bearing manufacturers creates a more fragmented competitive landscape. In the OE bearing market specifically, the positions of the global majors are underpinned by long-standing customer relationships and significant engineering resources. In VA, global majors compete on brand strength, breadth of product range and OEM-aligned product quality, which are reinforced by proprietary service ecosystems that drive independent garage loyalty.
- *Scale challengers*: Comprises primarily Asian bearing manufacturers with domestic manufacturing capacity who are actively seeking qualifications with international OEMs and investing in distribution infrastructure to support broader geographic reach. Further, scale challengers compete primarily on price rather than brand heritage to win market shares, but typically provide a complete product offering to OEMs. Scale challengers are generally not full-service engineering companies and instead reverse engineer the solutions developed by global majors for mass production.
- *Emerging brands*: Comprises smaller and more regionally focused bearing manufacturers. They typically lack the full-line portfolio breadth, established quality credentials and global distribution infrastructure of the larger groups and concentrate instead on specific product categories or customer segments. In the OE bearing market, this group seeks to build scale progressively through focused product wins, customer endorsements and offshore capacity build-out. Based on recent sourcing events, this group is estimated to offer pricing at a further discount compared to both the global majors and the scale challengers. In VA, emerging brands similarly concentrate on specific product categories or regional markets rather than pursuing broad coverage, competing primarily on cost as they have limited service levels and brand strength.

16) The Market Insight and SKF Vertevo's assessment.

Brief description of SKF Vertevo

Business overview

SKF Vertevo is a global provider of innovative bearing products and related solutions for PVs, CVs, two-/three-wheelers and VA, with a global diversified customer base and operations. The Company considers itself to have a strong position across several automotive bearing categories, including EVs, SUVs, heavy-duty trucks, motorcycles and high-performance vehicles, supported by its premium brand, engineering and manufacturing capabilities, product quality and long-standing customer relationships. Furthermore, SKF Vertevo has established presence and relationships in core EV producing geographies such as APAC and EMEA, which it believes are among the fastest growing markets for its products.

Bearings reduce friction and increase energy efficiency in rotational motion. Hence, bearings are critical components for the energy efficiency and durability of the automotive systems. Leveraging more than a century of engineering expertise, SKF Vertevo focuses on performance-critical applications, enabling reliable and more sustainable mobility for its customers who seek speed, innovation and attentiveness throughout the mobility lifecycle.

SKF Vertevo serves global and regional OEMs and Automotive Tier-1 suppliers, as well as distributors, workshops and fleet operators in the independent aftermarket. The Company believes that it is well positioned to support the ongoing transition towards electrification through its sizable and growing EV product portfolio, established customer relationships and global footprint, while also maintaining a strong position in internal combustion engine vehicles, where ongoing demand from the existing vehicle parc and continued production of ICE platforms are expected to remain important during the powertrain transition. Furthermore, the vehicle aftermarket business serves more than 10,000 distributors, workshops and fleet operators with a broad portfolio of repair and replacement solutions, supported by technical training, strong product availability and regional portfolio tailoring. SKF Vertevo's products are relevant throughout the vehicle life cycle, not least for future service, repair and replacement demand. In turn, the Vehicle Aftermarket business provides lifecycle insight and stable and recurring revenue.

Headquartered in Gothenburg, Sweden, SKF Vertevo operates 10 technical centres worldwide to stay close to its customers. As of 30 June 2026, the business generated approximately BSEK 24 in net sales on a last twelve-month basis, of which EMEA accounted for 41 per cent, followed by the Americas with 31 per cent, APAC with 20 per cent and India with 9 per cent.[17)] As of 30 June 2026, SKF Vertevo employed a global workforce of approximately 7,500 people, drawing from a total presence in over 20 offices and 16 factories worldwide.

17) Due to rounding, the percentages showing net sales by geographic area do not total 100 per cent.

Global manufacturing footprint

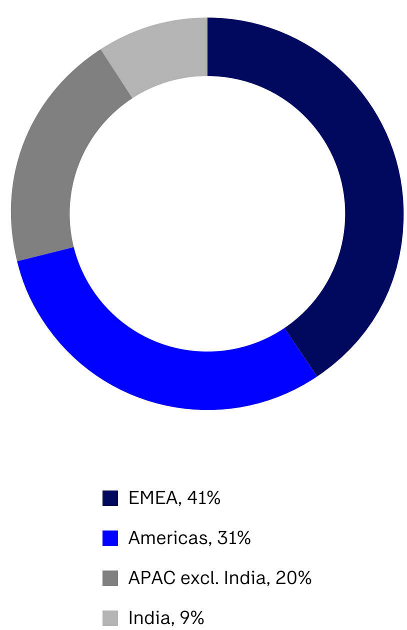
SKF Vertevo's history

SKF Vertevo traces its roots back more than a century as part of the SKF Group. Since 1907, SKF has been part of setting the world in motion.

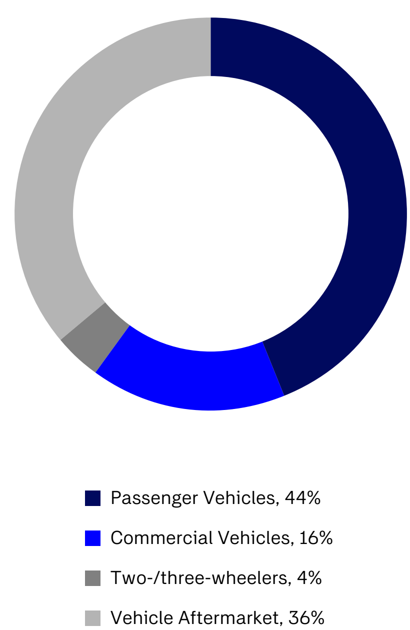
SKF's breakthrough bearings inventions revolutionised machinery performance and propelled SKF into the automotive industry's early growth, quickly cementing its status as a global supplier. SKF's close ties to automakers led SKF to briefly enter vehicle manufacturing itself. In 1926, SKF founded the car company Volvo as a subsidiary, and Volvo's first car rolled out in 1927 using SKF bearings. SKF spun-off Volvo in 1935, returning fully to bearings supply.

From the 1940s onward, SKF became a trusted supplier to racing teams (partnering with Scuderia Ferrari since 1947), using high-performance competition as a testbed for innovation in bearing design. By 1970, SKF operated 67 factories in 13 countries, for its operations in industrial and automotive bearings.

Net sales by geographic area (LTM Jun-26)[18)]



Net sales by end-market (LTM Jun-26)



18) Due to rounding, the percentages showing net sales by geographic area do not total 100 per cent.

In the 2000s, SKF embraced the rise of electronics and digital control in vehicles by developing bearings with integrated encoder interfaces for anti-lock braking systems. By the 2010s, SKF was leveraging its global footprint to serve virtually all major vehicle OEMs worldwide and had built a vast aftermarket distribution network to supply replacement parts to over 130 countries.

In recent years, SKF's automotive business has strategically pivoted to support the automotive industry's transition toward electric and more sustainable mobility. Building on decades of materials and application expertise, SKF Vertevo, as a part of SKF, has developed advanced insulated bearing solutions for electric motors, designed to mitigate electrical current damage, enhance durability and ensure reliable system performance. This positions SKF Vertevo as a critical partner for EV manufacturers, providing essential components that support the longevity and efficiency of next-generation electric drivetrains.

Today, SKF considers SKF Vertevo to have a strong position in automotive bearings for the fast-growing EV category and more established categories across both global and Chinese OEMs. SKF Vertevo blends dedication, speed and precision to continue pushing the boundaries of technology to be able to stay ahead of the curve. Driven by partnership, performance and progress, SKF Vertevo seeks to play a vital role in the evolution of mobility.

1907	Foundation of Svenska Kullagerfabriken (SKF)
1916	SKF was listed on Stockholm Stock Exchange
1926	SKF founded the Volvo company (divested in 1935)
1920s	SKF begins supplying bearings to automotive OEMs globally
1970s	SKF expands into automotive globally
1990s–2000s	Launch of advanced bearing technologies for powertrain and wheel-end applications
2010s	Development of ceramic bearings for EVs and began strategic partnerships with OEMs on e-powertrain and by-wire systems
2022–2023	Strategic review & portfolio optimisation to focus on high-margin segments and EV-aligned products
2024	SKF Group announces its intention to separate the Automotive business and subsequently proceeds with the separation
2026	SKF announces the future name of the Automotive business: SKF Vertevo

SKF Vertevo customer groups

Original Equipment

SKF Vertevo serves OEMs across a broad range of mobility categories, working with major OEMs and suppliers to provide high-performance, application-critical solutions across key platforms, including:

- *Passenger Vehicles*: SKF Vertevo collaborates with global and regional OEMs and Tier-1 suppliers to supply advanced components for both ICE and EVs. With a strong footprint across the world, growing presence in India and China as well as deep co-development capabilities, the Company supports both established manufacturers and emerging EV players.
- *Commercial Vehicles*: SKF Vertevo considers itself to hold a leadership position, based on its net sales, in the heavy-duty truck OEMs and Tier-1 suppliers to the market, providing robust, durable solutions tailored for long lifecycle platforms and optimised total cost of ownership. The Company is also well-positioned in faster-growing niches like last-mile delivery EV vans, where reliability and range are critical. These markets combine exposure to higher growth, together with sustained demand from the CV cycles.
- *Two-/three-wheelers*: SKF Vertevo delivers transmission, steering and wheel-end products to fast growing two-/three-wheeler markets in India and Southeast-Asia. The Company has been active in the Indian market since 1923, and holds long lasting business relationships with the main two-/three-wheeler manufacturers in the region, including strong positions with selected key manufacturers. The electrification of two-wheelers is an opportunity for additional value creation.

In addition to the abovementioned customer groups, SKF has since 1947 maintained what is now the longest-running technical partnership in Formula 1 with Scuderia Ferrari. Today, SKF Vertevo is supplying all eleven Formula 1 teams across the grid, either through direct relationships or via engine/gearbox supply chains. In addition, SKF supports Ducati Corse's MotoGP racing team as a technical partner, supplying a wide range of high-demand bearings. The customers in the high-performance

vehicle market are characterised by extreme demands of technical performance pushing the boundaries of innovation in designs, materials and production. These capabilities also support SKF Vertevo's broader OE work. Further customer groups are found within National Association for Stock Car Auto Racing (NASCAR), a U.S.-based stock car racing series, and high-performance car and motorcycle markets.

Vehicle Aftermarket
SKF Vertevo's VA business is a resilient and cash-accretive growth platform, supported by a large, ageing and expanding global vehicle parc. Across PVs, CVs and two-/three-wheelers, the business generates recurring demand for maintenance, repair and replacement solutions throughout the vehicle lifecycle.

The Company serves a broad and diversified customer base of more than 10,000 distributors, workshops, garages, fleet operators, e-retailers, traditional retailers and OE service channels. Purchasing decisions in the VA market are typically driven by product quality, availability, fitment accuracy and access to technical support, areas where SKF Vertevo differentiates itself through its broad portfolio, OE-derived engineering know-how, technical expertise and global distribution network. The continued use of the well-established SKF trademark is expected to remain an important enabler of customer trust, market access and commercial performance, reinforcing SKF Vertevo's position as a trusted premium supplier.

SKF Vertevo product categories

Original Equipment offering
SKF Vertevo's offering is structured around three product categories, each designed to meet the specific needs of its core customers:

- *Wheel-end products*: High-performance bearings and hub units that are durable, low-friction and compatible with both ICE and EV platforms. These solutions drive lower friction and higher energy efficiency and with that contributing to increased range of both ICE and EVs.
- *Powertrain*: Advanced bearing technologies for powertrain applications, including transmission bearings, e-Drive units. These products are engineered for high-speed capability, electric current management and superior performance under demanding conditions.
- *Drive control*: Precision bearings that support steering and suspension and brake applications. These products support vehicle control, steering feel, comfort, chassis durability and serviceability in applications exposed to road loads, vibration, contamination, temperature variation and repeated movement.

Aftermarket offering
SKF Vertevo's VA offering to OEMs, workshops and distributors combines premium-quality replacement parts with value-added services that support efficient, reliable and professional vehicle repair. The portfolio covers key repair and wear-and-tear categories across PVs, CVs and two-/three-wheelers, including bearings, wheel-end solutions, engine kits, braking components, steering and suspension parts, driveline components and related repair solutions.

Beyond the product portfolio, SKF Vertevo supports OEMs, distributors, workshops, garages and fleet operators with technical training, dedicated repair tools, repair information, digital tutorials and application know-how. Such services help customers identify the right solution, reduce repair complexity, improve first-time-right repair performance, and increase workshop efficiency.

This solution-oriented approach is a key differentiator in an aftermarket where workshops increasingly seek integrated repair solutions rather than sourcing products, technical data and installation guidance separately. Combined with the strength of the SKF premium brand, the offering positions SKF Vertevo as a trusted aftermarket partner for quality, availability, technical competence and service continuity. This is reflected in SKF Vertevo's current portfolio coverage of approximately 50 per cent of the product and solution requirements of a typical European workshop.

Business model and strategy

Business model

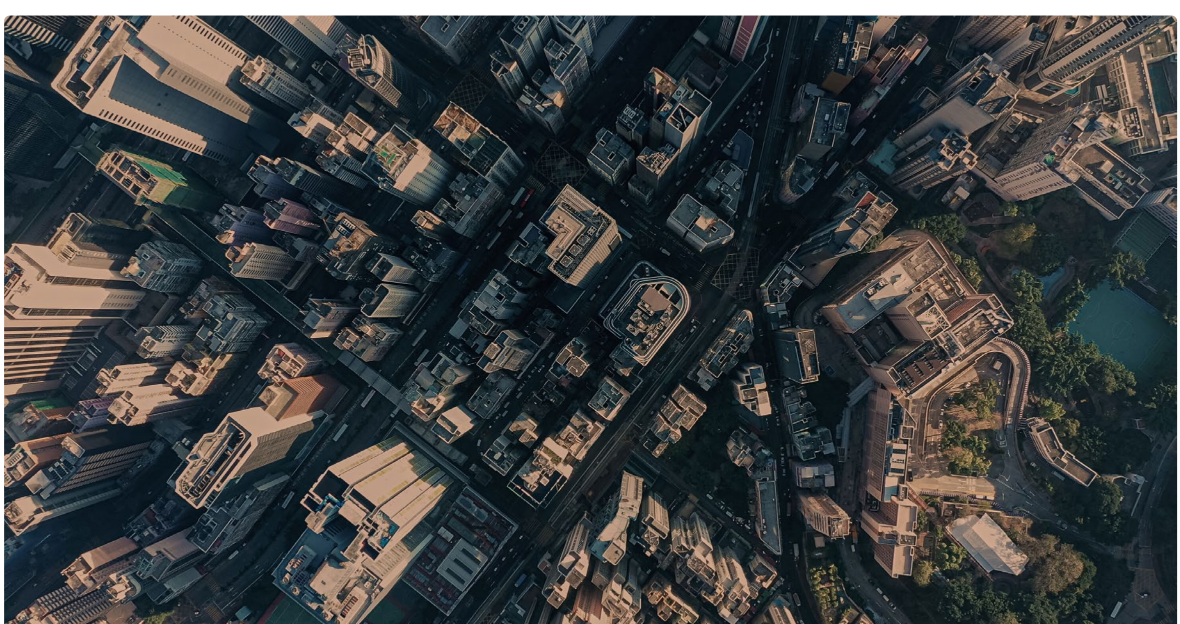
SKF Vertevo's business model is built around close OEM and Automotive Tier-1 supplier partnerships and a flexible value chain. The Company manages key activities from product development and engineering through sales, manufacturing and distribution, enabling it to tailor solutions to customer requirements, maintain quality and traceability, and coordinate supply across regions.

Further, the engineering and commercial teams work hand-in-hand with customers to understand application requirements, co-develop solutions and support long-term vehicle platform needs. Because solutions are validated into each platform, switching suppliers mid-platform is associated with cost, making nominated positions durable and giving predictable revenue. These relationships span multiple years. For example, in CV applications, these supply engagements typically span 15 years.

SKF Vertevo footprint supports a geo-flexible, multi-origin supply model, enabling customers to be served from the most suitable regional hub as demand patterns, tariffs, capacity needs or logistics conditions shift. This flexibility is supported by common technology, quality and manufacturing standards across sites, combined with regional engineering and manufacturing teams that address customer-specific requirements, localisation demands, tariff resilience and logistics efficiency.

The Company also serves VA customers through a broad distribution network, supplying distributors, workshops, garages, fleets and retailers with replacement parts and repair solutions across a large installed vehicle base. Recurring maintenance, repair and replacement demand is driven by the size, age and utilisation of the vehicle parc rather than new-vehicle production alone. The nature of the underlying market, in combination with strong brand recognition in comparison with competitors[19], product availability and fit-for-purpose lifecycle management, supports resilient demand and cash generation through the cycle. By combining premium-quality products with training, special tools, repair information and digital tutorials, SKF Vertevo offers integrated repair solutions, including complete repair kits, reducing repair time and strengthening its relevance to customers beyond the product itself.

OE nominations build an installed base of vehicles equipped with the nominated components. Replacement of those components during the vehicle lifecycle supports future VA demand. Further OE engineering credentials underpin the premium VA brand position and field data from OE and VA feeds back into product development and quality work. This combination of OE engineering depth and aftermarket reach is something which pure OE suppliers and pure aftermarket players each lack, and is central to why SKF Vertevo is positioned to win in its markets.



19) Ipsos, SKF Bearings Brand Survey – Automotive, 12 December 2025.

Strategy

SKF Vertevo's strategy is built on three strategic pillars, structured in seven strategic levers intended to drive growth, profitability and speed as an independent automotive bearings and related solutions business.

Growth
- **Continue to win in core categories**: Focus on delivering profitable market share growth in high-value categories across PVs, CVs, two-/three-wheelers and VA by leveraging SKF Vertevo's established position in automotive bearing applications and continued portfolio improvement.
- **Expand addressable market**: Broaden the product offering in growing and profitable categories, including EVs, CVs and VA, considering also geographic reach expansions.
- **Maintain and strengthen position in innovation**: Continue to advance in bearing and motion technologies, supported by digital tools, application know-how and customer co-development, in order to accelerate time-to-market and address evolving customer requirements.

Efficiency
- **A lean company setup**: Operate as a focused automotive business benefiting from a dedicated leadership, streamlined organisational structure and faster decision-making to enhance responsiveness and execution supported by artificial intelligence and technology.
- **Automotive-adapted value chain**: Continue to simplify the value chain for automotive-specific requirements, including transforming logistics, manufacturing and support functions, with the aim of improving cost efficiency, resilience, simplification, scalability and speed without compromising flexibility.
- **Best competences in the best place**: Deploy engineering, manufacturing, purchasing and commercial capabilities where they create the greatest customer and operational impact, combining global centres of expertise with regional execution close to customers, platforms and supply chains.

Speed
- **Faster processes and decision-making**: Speed not only enables SKF Vertevo to do more with less, but also provides a competitive advantage to meet customer expectations and be the preferred partner. Speed is a critical differentiator in the Company's business model, built on and continuously enhanced through the scaling of AI and automation. This enables real-time transparency, optimised resource allocation and accelerated execution through parallel and disciplined ways of working.

Long-term indicative objectives

At SKF's Capital Markets Day in November 2025, the following long-term indicative objectives were communicated for SKF Vertevo:

- Organic growth: Above market over a business cycle
- Adjusted operating margin: High single digit
- Adjusted return on capital employed (ROCE): Will be disclosed in the prospectus and presented at SKF Vertevo's Capital Markets Day
- Net leverage[20]: <1.0x

Further information, including the long-term targets and dividend policy, will be disclosed in the prospectus and presented at SKF Vertevo's Capital Markets Day in November 2026. At listing, the net leverage ratio will be around 0.0x.

Strengths and competitive advantages

Globally positioned in automotive bearings with a focus on EV, CV and high-performance vehicles

SKF Vertevo is a globally established supplier of automotive bearings, with well-established positions in technically demanding categories. The Company is positioned to benefit from structural growth in SUVs and EVs, while also maintaining relevance to legacy ICE platforms.

SKF Vertevo's position is underpinned by long-standing relationships with major OEMs (and Tier 1s) across the Americas, APAC, EMEA and India, as well as by its presence in demanding EV and CV applications, where performance, durability and reliability are critical. This combination of excellence, global customer reach and exposure to attractive end markets supports SKF Vertevo's prominent position within automotive bearings.

Innovation and engineering capabilities built on deep OEM collaboration and long-standing co-development programmes

SKF Vertevo combines more than a century of automotive engineering experience with deep application know-how and a long track record of innovation in bearing technologies. The Company has developed a broad portfolio of high-performance automotive bearing solutions designed to meet demanding requirements for quality, durability, efficiency and precision across conventional and EV platforms.

A key differentiator is SKF Vertevo's close collaboration with OEM customers through pre-development programmes. The Company works alongside customer engineering teams from early platform design and application development through testing, validation and industrialisation, helping tailor solutions to specific performance requirements. This embedded customer collaboration, together with SKF Vertevo's focused automotive expertise and global technical footprint, supports its position as a trusted partner in mission-critical applications.

Resilient aftermarket platform

SKF Vertevo's VA business benefits from recurring replacement demand supported by a growing and ageing global vehicle parc. The business serves more than 10,000 distributors, workshops and fleet operators with a broad portfolio of repair and wear-and-tear solutions, supported by technical training, strong product availability and repair-support capabilities.

The aftermarket portfolio supports SKF Vertevo's relevance across vehicle lifecycles and powertrain types, including combustion, hybrid and EVs. By enabling repair and replacement over the vehicle lifetime, the business also contributes to resource efficiency and circularity.

As a large and growing part of SKF Vertevo, with secular tailwinds business, strong customer proximity, recurring demand and high relevance across vehicle technologies, VA is expected to remain an important contributor to SKF Vertevo's profitable growth, cash generation and resilience as a standalone automotive company. SKF Vertevo has also established positions in the adjacent VA categories of brakes as well as steering and suspension, broadening its participation in workshop demand, which the Company believes will strengthen its relevance as a trusted premium supplier.

Global and geo-flexible footprint

SKF Vertevo benefits from a global manufacturing and engineering footprint designed to combine scale, proximity to customers and operational flexibility. The footprint supports localised customer service, supply chain resilience and knowledge transfer across regions, while enabling production to be adjusted across locations where required, when required.

Focused standalone organisation

As an independent automotive-focused business, SKF Vertevo expects to benefit from dedicated leadership, clear accountability and a streamlined operating model. This setup is intended to support faster decision-making, improved customer responsiveness, operational efficiency and focused capital allocation, directing investment decisions to support the Company's transformation to a pure-play automotive business.

The global footprint and focused company setup give SKF Vertevo the

20) Net debt (including pensions) / adjusted EBITDA.

opportunity to operate with greater speed and efficiency while continuing to seek to strengthen its position in core segments and expand in selected growth areas. With a supply chain optimised for the automotive industry, the transformation is expected to improve business processes, cost efficiency and speed.

Sustainability

Sustainability is embedded in SKF Vertevo's overall organisation and corporate strategy and Code of Conduct. It is about creating long-term stakeholder value by managing impacts, risks and opportunities across environmental, social and governance (ESG) pillars, and is an integrated part of how SKF Vertevo develops and conducts its business.

The largest contribution to sustainable solutions comes from SKF Vertevo's products, as they help customers to improve their sustainability performance and business by increasing the efficiency and range of their vehicles, reducing emissions and decreasing the amount of energy needed.

By aligning its product portfolio and operating model with the automotive industry's decarbonisation and circularity priorities, SKF Vertevo believes it is well positioned to capture additional growth opportunities, deepen strategic customer relationships and support OE customers in the transition towards lower-emission mobility.

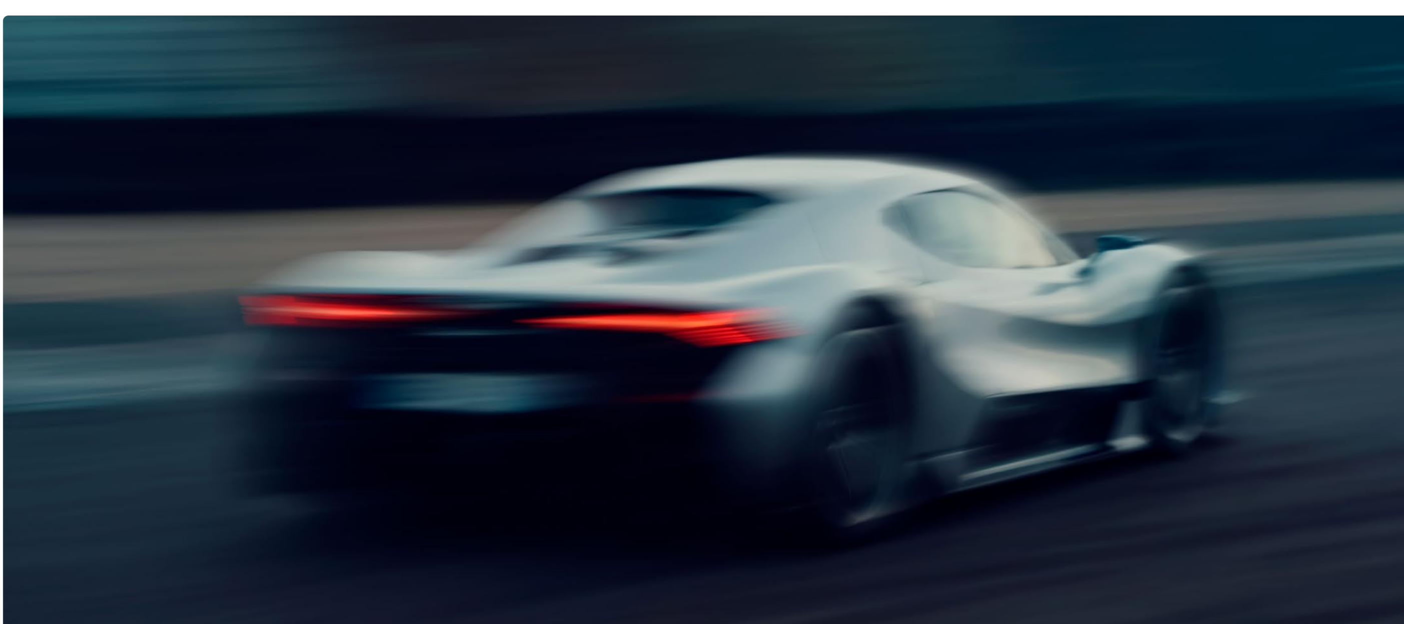
New brand philosophy

The name SKF Vertevo combines vertere, Latin for "to turn" or "to transform", and evo, short for evolution. Retaining SKF in the name signals continuity and trust, building on a long-standing heritage of engineering excellence, quality and innovation, while Vertevo marks the next step: increased focus, independence and a clear ambition to be part of shaping the future of mobility.

The SKF Vertevo brand is centred on partnership, performance and progress.

The visual identity is developed to be distinct, while remaining connected to SKF, combining continuity with a clear forward-looking expression. Together, this creates a strong and differentiated brand, supporting SKF Vertevo's position in a rapidly evolving automotive market.

SKF vertevo



Selected financial information for SKF Vertevo

The following tables present selected unaudited combined financial information for SKF Vertevo for the financial years 2024 and 2025 as well as the first six months of 2025 and 2026. The majority of the functions and processes required for SKF Vertevo to operate as an independent company, separate from SKF, were implemented in 2025 and early 2026 or will be implemented during 2026. Accordingly, the historical financial information does not fully reflect the standalone costs related to these functions and processes. SKF Vertevo expects 2027 to be the first full year in which the costs related to the new functions and processes will be fully reflected in SKF Vertevo's financial statements. It should also be noted that the condensed combined income statement includes expenses attributable to restructuring, separation and impairments of tangible and intangible assets. These expenses are classified as items affecting comparability and are presented in further detail on page 25–26. Excluding items affecting comparability, SKF Vertevo's adjusted operating profit was positive for each of the periods presented below.

Furthermore, SKF Vertevo, as part of SKF, has had limited external financing. However, SKF Vertevo will enter into external financing arrangements prior to the planned listing. For more information, please see "*Financing*" below. Accordingly, historical financial information relating to financial liabilities, net debt, and financial net does not reflect the effects of such financing arrangements.

The complete set of combined financial statements will be included in the prospectus to be published prior to the listing of the shares in SKF Vertevo on Nasdaq Stockholm. These will be prepared in accordance with IFRS® Accounting Standards as endorsed by the European Union ("**IFRS**") and the Swedish recommendation RFR 1 (Supplementary Accounting Rules for Groups).

Condensed combined income statement

MSEK	Jan–Jun 2026	Jan–Jun 2025	2025	2024
Net sales	11,908	12,878	24,725	28,133
Cost of goods sold	–10,506	–11,005	–21,456	–23,387
Gross profit[1]	**1,403**	**1,872**	**3,269**	**4,745**
Research and development expenses	–257	–114	–255	–224
Selling and administrative expenses	–1,336	–1,543	–3,165	–2,944
Other operating income/expenses, net	–262	–323	–506	–348
Operating profit[2]	**–452**	**–109**	**–657**	**1,230**
Financial net	–300	–190	–455	–41
Profit before taxes	**–752**	**–299**	**–1,112**	**1,189**
Income tax	–152	–35	–11	–218
Net profit	**–904**	**–334**	**–1,122**	**971**
Net profit attributable to:				
Shareholders of the parent company	–672	–365	–1,208	897
Non-controlling interests	–232	31	85	74

1) Gross profit includes items affecting comparability within cost of goods sold. Adjusted gross profit for the six-month period January–June 2026 was MSEK 2,063 compared to MSEK 2,308 for the corresponding six-month period 2025, and MSEK 4,059 for the full year 2025 compared to MSEK 4,925 for the full year 2024.
2) Operating profit includes items affecting comparability. Adjusted operating profit for the six-month period January–June 2026 was MSEK 650 compared to MSEK 637 for the corresponding six-month 2025 period and MSEK 903 for the full year 2025 compared to 1,567 for the full year 2024.

Condensed combined balance sheet

MSEK	30 Jun 2026	30 Jun 2025	31 Dec 2025	31 Dec 2024
Goodwill	324	375	312	453
Other intangible assets	231	221	211	283
Property, plant and equipment	6,567	8,232	8,095	9,596
Right-of-use asset leases	382	700	612	693
Deferred tax assets	665	360	419	391
Other non-current assets	165	209	149	249
Non-current assets	**8,334**	**10,097**	**9,798**	**11,665**
Inventories	6,918	8,049	7,494	8,809
Trade receivables	5,190	4,523	4,050	4,468
Other current assets	2,779	1,260	1,617	1,218
Other current financial assets	3,314	1,311	1,596	1,267
Current assets	**18,201**	**15,143**	**14,757**	**15,761**
Total assets	**26,535**	**25,240**	**24,555**	**27,427**
Equity attributable to shareholders of the parent company	8,868	11,686	9,773	13,415
Equity attributable to non-controlling interests	738	995	738	1,010
Total equity	**9,605**	**12,682**	**10,511**	**14,425**
Non-current financial liabilities	962	443	332	508
Provisions for post-employment benefits	249	299	263	340
Deferred tax liabilities	789	20	96	22
Other non-current liabilities and provisions	166	243	293	170
Non-current liabilities	**2,166**	**1,004**	**984**	**1,039**
Trade payables	5,598	5,153	4,904	5,638
Current financial liabilities	5,174	3,356	4,681	3,538
Other current liabilities and provisions	3,991	3,046	3,475	2,788
Current liabilities	**14,763**	**11,555**	**13,060**	**11,964**
Total equity and liabilities	**26,535**	**25,240**	**24,555**	**27,427**

Condensed combined cash flow statement

MSEK	Jan–Jun 2026	Jan–Jun 2025	2025	2024
Operating activities:				
Operating profit	−452	−109	−657	1,230
Non-cash items:				
Depreciation, amortisation and impairment	622	413	673	562
Net loss/gain (-) on sales of PPE	16	3	4	−3
Other non-cash items	1,554	862	1,543	263
Income taxes paid	384	45	184	−576
Interest and other financial items (net)	−314	−203	−480	−69
Changes in working capital:				
Inventories	852	231	559	−1,531
Trade receivable	−863	−556	−255	501
Trade payable	431	−6	−109	1,460
Other operating assets/liabilities	−610	11	−285	260
Net cash flow from operating activities	**1,619**	**690**	**1,176**	**2,096**
Investing activities:				
Payments for property, plant and equipment	−230	−192	−809	−956
Payments for intangible assets	−29	−0	−0	−1
Sales of property, plant and equipment	46	42	211	92
Investment in/sale of equity securities	−9	–	−9	–
Net cash flow used in investing activities	**−222**	**−151**	**−608**	**−864**
Net cash flow after investments before financing	**1,397**	**539**	**568**	**1,231**
Financing activities:				
Proceeds from current and non-current loans	5,447	465	2,189	915
Repayments of current and non-current loans	−4,689	−256	−720	−124
Repayment of leases	−72	−49	−98	−174
Investments in financial assets	−13	−1	−1	−95
Sales of financial assets	1	8	162	–
Other financing items	−404	70	−322	140
Net cash flow from financing activities	**270**	**237**	**1,210**	**663**
Net cash flow	**1,667**	**776**	**1,778**	**1,894**
Change in cash and cash equivalents:				
Cash and cash equivalents at the beginning of the year	1,291	1,025	1,173	1,641
Exchange rate effect	367	−40	−133	−269
Transactions with owners[1]	−750	−465	−1,526	−2,093
Cash and cash equivalents at end of the period	**2,575**	**1,296**	**1,291**	**1,173**

1) Transactions with owners consist of effects on cash from cash flows presented in SKF Vertevo's combined financial statements relating to legal entities that will remain part of the SKF Group following the separation.

Key performance indicators

SKF Vertevo presents certain key operating metrics below, including measures that are not defined under IFRS (alternative performance measures, APMs).

MSEK (unless otherwise stated)	Jan–Jun 2026	Jan–Jun 2025	2025	2024
Net sales	11,908	12,878	24,725	28,133
Organic growth, %[1]	–1.7	–4.5	–4.5	N/A
Adjusted EBITDA[1]	1,014	927	1,490	2,093
Adjusted EBITDA margin, %[1]	8.5	7.2	6.0	7.4
Adjusted gross profit[1]	2,063	2,308	4,059	4,925
Adjusted gross margin, %[1]	17.3	17.9	16.4	17.5
Adjusted operating profit[1]	650	637	903	1,567
Adjusted operating margin, %[1]	5.5	4.9	3.7	5.6
Items affecting comparability[1, 2]	–1,102	–746	–1,560	–337
of which: Items affecting comparability within cost of goods sold[1, 3]	–660	–436	–790	–180
Gross profit[1]	1,403	1,872	3,269	4,745
Gross margin, %[1]	11.8	14.5	13.2	16.9
Operating profit/loss[1]	–452	–109	–657	1,230
Operating margin, %[1]	–3.8	–0.8	–2.7	4.4
Net working capital 12 months rolling sales, %[1]	27.4	N/A[4]	26.9	27.2
ROCE, %[1]	–5.9	N/A[4]	–3.5	7.1
Adjusted ROCE, %[1]	5.8	N/A[4]	5.5	8.9
Adjusted ROCE excluding cash and cash equivalents, %[1]	6.6	N/A[4]	5.9	9.6
Return on equity (ROE), %[1]	–15.2	N/A[4]	–9.0	6.6
Gearing, %[1]	40.0	24.4	33.4	23.3
Equity/assets ratio, %[1]	36.2	50.2	42.8	52.6
Additions to property, plant and equipment[1]	230	192	809	956
Net debt[1]	3,077	2,781	3,681	3,125
Net debt/EBITDA[1]	–24.0	N/A[4]	320.9	1.7
Net debt/adjusted EBITDA[1]	2.0	N/A[4]	2.5	1.5
Net debt/equity, %[1]	32.0	21.9	35	21.7
Net debt/equity, excluding post-employment benefits, %[1]	29.4	19.6	32.5	19.3
Registered number of employees	7,390	7,597	7,499	7,564

1) Alternative performance measure (non-IFRS measure).
2) For the full year 2025 SKF Vertevo reported items affecting comparability of MSEK –1,560 consisting of restructuring costs of MSEK –444, separation costs of MSEK –1,034 and impairments of tangible and intangible assets of MSEK –82 (2024: MSEK –337 consisting of restructuring costs of MSEK –174, separation costs of MSEK –128 and impairment of tangible and intangible assets of MSEK –36) and MSEK –1,102 for the six-month period ended 30 June 2026 consisting of restructuring costs of MSEK –138, separation costs of MSEK –711 and impairments of tangible and intangible assets of MSEK –253 (the six-month period ended 30 June 2025: MSEK –746 consisting of restructuring costs of MSEK –229, separation costs of MSEK –393 and impairment of tangible and intangible assets of MSEK –124). For information on operating profit excluding items affecting comparability, see “*Adjusted operating profit*” in the table above.
3) For the full year 2025 SKF Vertevo reported items affecting comparability within cost of goods sold of MSEK –790 consisting of restructuring costs of MSEK –443, separation costs of MSEK –317 and impairments of tangible and intangible assets of MSEK –29 (2024: MSEK –180 consisting of restructuring costs of MSEK –162, separation costs of MSEK 0 and impairment of tangible and intangible assets of MSEK –18) and MSEK –660 for the six-month period ended 30 June 2026 consisting of restructuring costs of MSEK –140, separation costs of MSEK –267 and impairments of tangible and intangible assets of MSEK –253 (the six-month period ended 30 June 2025: MSEK –436 consisting of restructuring costs of MSEK –229, separation costs of MSEK –83 and impairment of tangible and intangible assets of MSEK –124).For information on gross profit excluding items affecting comparability (within cost of goods sold), see “*Adjusted gross profit*” in the table above.
4) KPI not calculated for January–June 2025 due to the unavailability of certain 2024 information required for the rolling twelve months’ calculation.

Definitions of alternative performance measures

Measure	Definition
Additions to property, plant and equipment	Investments relating to acquisition of property, plant and equipment.
Adjusted EBITDA	Operating profit excluding items affecting comparability (total) before depreciations, amortisations, and impairments.
Adjusted EBITDA margin, %	Adjusted EBITDA as a percentage of net sales.
Adjusted gross profit	Gross profit excluding items affecting comparability within cost of goods sold.
Adjusted gross margin, %	Gross profit margin excluding items affecting comparability within cost of goods sold.
Adjusted operating profit	Operating profit excluding items affecting comparability.
Adjusted operating margin, %	Operating profit margin excluding items affecting comparability.
Adjusted return on capital employed (Adjusted ROCE)	Return on capital employed (ROCE) excluding items affecting comparability.
Adjusted return on capital employed, excluding cash and cash equivalents	Return on capital employed (ROCE) excluding items affecting comparability and cash and cash equivalents.
Capital employed	Twelve months' rolling average of total assets less the average of other non-current provisions, current provisions, deferred tax liabilities, other non-current liabilities, trade payables and other current liabilities.
Equity/assets ratio, %	Equity as a percentage of total assets.
Gross profit	Net sales less cost of goods sold.
Gross margin, %	Gross profit as a percentage of net sales.
Gearing, %	Non-current financial liabilities, other current financial liabilities excluding current derivative liabilities, provision for post-employment benefits and non-current lease liabilities (debt) as a percentage of the sum of debt and total equity.
Items affecting comparability	Significant income/expenses that, due to amount or type of transaction, affect comparability between accounting periods. This includes, but is not limited to, restructuring costs, separation costs of SKF Vertevo from SKF including build-up of new organisation structure, impairments and write-offs, currency effects caused by devaluations and gains and losses on divestments of businesses.
Items affecting comparability within cost of goods sold	Significant expenses within cost of goods sold that, due to amount or type of transaction, affect comparability between accounting periods. This includes, but is not limited to, restructuring costs, separation costs of SKF Vertevo from SKF including build-up of new organisation structure, impairments and write-offs, currency effects caused by devaluations.
Net debt	Non-current financial liabilities, current lease liabilities, other current financial liabilities excluding current derivative liabilities, provision for post-employment benefits and non-current lease liabilities less other current financial assets and cash and cash equivalent excluding derivatives.
Net debt/adjusted EBITDA	Net debt, in relation to twelve months' rolling EBITDA excluding items affecting comparability.
Net debt/EBITDA	Net debt, in relation to twelve months' rolling EBITDA.
Net debt/equity, %	Net debt, as a percentage of total equity.
Net debt/equity, excluding post-employment benefits, %	Net debt, as a percentage of total equity, excluding post-employment benefits.
Net working capital (NWC)	Trade receivables plus inventories minus trade payables.
Net working capital (NWC), % of net sales	Trade receivables plus inventory minus trade payables as a percentage of twelve months' rolling net sales.
Operating profit/loss	Gross profit less research and development expenses, selling and administrative expenses and other operating income/expenses, net.
Operating margin, %	Operating profit/loss, as a percentage of net sales.
Organic growth, %	Net sales growth excluding effects of currency and acquired and divested businesses.
Return on capital employed (ROCE), %	Twelve months' rolling operating profit/loss plus interest income as a percentage of twelve months' rolling average of total assets less the average of other non-current provisions, current provisions, deferred tax liabilities, other non-current liabilities, trade payables and other current liabilities.
Return on equity (ROE), %	Twelve months' rolling profit/loss after taxes as a percentage of twelve months' rolling average of total equity.

Bridge between SKF Vertevo's condensed combined financial statements and the restated Automotive segment reported by the SKF Group

In the SKF Group's financial reports, SKF Vertevo has been presented as an operating segment; the Automotive segment. The Automotive segment has been based on SKF management's analysis of the performance of the automotive business within the SKF Group. Separate combined financial statements have been prepared to present SKF Vertevo's historical financial information.

IFRS does not specifically address the preparation of combined financial statements. The term "combined financial statements" refers to financial information prepared by aggregating financial information for entities under common control that do not constitute a group under IFRS 10 (Consolidated Financial Statements). One important requirement for the preparation of these combined financial statements is that all entities are under common control through SKF's ownership.

The formation of SKF Vertevo comprised transactions between entities under common control. A suitable and established method that management considers to be relevant and reliable is to aggregate the units forming SKF Vertevo and use previous carrying amounts (predecessor basis of accounting), which is the principle that SKF Vertevo has applied.

The differences in the basis of preparation between the Automotive segment presented in SKF's financial reports, and the combined financial statements of SKF Vertevo give rise to certain differences in the amounts presented. Below is a bridge to explain the differences between the Automotive segment and SKF Vertevo's combined financial statements.

Jan–Jun 2026

MSEK	Reported in Automotive segment after restatement 2026[1)]	Difference in set prices[2)]	Non-recurring cost allocations[3)]	Currency translation adjustments[4)]	Other[5)]	Combined financial statements
Net sales	11,912	–5	–	–	1	11,908
Operating profit	–467	56	–	–19	–23	–452
Items affecting comparability	1,102					1,102
Adjusted operating profit	635	56	–	–19	–23	650

1) For restated segment numbers, please see SKF's press release dated 16 March 2026 ("*SKF announces new business segments and releases restated figures*").
2) The segment reporting is based on contract manufacturing prices for Automotive as a standalone entity, while the combined financial statements are based on historical transfer pricing prices.
3) Cost allocations that will not be recurring following the separation. Organisational changes, including the reclassification of business between SKF's Industrial and Automotive segments due to the separation of Automotive, are not fully reflected in the periods prior to the separation being completed. This means that the combined financial statements for SKF Vertevo carry cost for Industrial-related management services. In the restated segments, the allocations have been updated to reflect the organisational changes and the cost have been excluded in the Automotive segment.
4) Foreign exchange differences.
5) Other adjustments.

Jan–Jun 2025

MSEK	Reported in Automotive segment after restatement 2026[1)]	Difference in set prices[2)]	Non-recurring cost allocations[3)]	Currency translation adjustments[4)]	Other[5)]	Combined financial statements
Net sales	12,752	128	–	–	–2	12,878
Operating profit	–7	54	–89	–20	–47	–109
Items affecting comparability	746					746
Adjusted operating profit	739	54	–89	–20	–47	637

1) For restated segment numbers, please see SKF's press release dated 16 March 2026 ("*SKF announces new business segments and releases restated figures*").
2) The segment reporting is based on contract manufacturing prices for Automotive as a standalone entity, while the combined financial statements are based on historical transfer pricing prices.
3) Cost allocations that will not be recurring following the separation. Organisational changes, including the reclassification of business between SKF's Industrial and Automotive segments due to the separation of Automotive, are not fully reflected in the periods prior to the separation being completed. This means that the combined financial statements for SKF Vertevo carry cost for Industrial-related management services. In the restated segments, the allocations have been updated to reflect the organisational changes and the cost have been excluded in the Automotive segment.
4) Foreign exchange differences.
5) Other adjustments.

Financial year 2025

MSEK	Reported in Automotive segment after restatement 2026[1)]	Difference in set prices[2)]	Non-recurring cost allocations[3)]	Currency translation adjustments[4)]	Other[5)]	Combined financial statements
Net sales	24,632	96	–	–	−3	24,725
Operating profit	−533	122	−185	−17	−45	−657
Items affecting comparability	1,560					1,560
Adjusted operating profit	1,027	122	−185	−17	−45	903

1) For restated segment numbers, please see SKF's press release dated 16 March 2026 ("*SKF announces new business segments and releases restated figures*").
2) The segment reporting is based on contract manufacturing prices for Automotive as a standalone entity, while the combined financial statements are based on historical transfer pricing prices.
3) Cost allocations that will not be recurring following the separation. Organisational changes, including the reclassification of business between SKF's Industrial and Automotive segments due to the separation of Automotive, are not fully reflected in the periods prior to the separation being completed. This means that the combined financial statements for SKF Vertevo carry cost for Industrial-related management services. In the restated segments, the allocations have been updated to reflect the organisational changes and the cost have been excluded in the Automotive segment.
4) Foreign exchange differences.
5) Other adjustments.

Financial year 2024

MSEK	Reported in Automotive segment after restatement 2026[1)]	Difference in set prices[2)]	Non-recurring cost allocations[3)]	Currency translation adjustments[4)]	Other[5)]	Combined financial statements
Net sales	27,745	319	–	–	69	28,133
Operating profit	1,195	266	−150	−69	−12	1,230
Items affecting comparability	337					337
Adjusted operating profit	1,532	266	−150	−69	−12	1,567

1) For restated segment numbers, please see SKF's press release dated 16 March 2026 ("*SKF announces new business segments and releases restated figures*").
2) The segment reporting is based on contract manufacturing prices for Automotive as a standalone entity, while the combined financial statements are based on historical transfer pricing prices.
3) Cost allocations that will not be recurring following the separation. Organisational changes, including the reclassification of business between SKF's Industrial and Automotive segments due to the separation of Automotive, are not fully reflected in the periods prior to the separation being completed. This means that the combined financial statements for SKF Vertevo carry cost for Industrial-related management services. In the restated segments, the allocations have been updated to reflect the organisational changes and the cost have been excluded in the Automotive segment.
4) Foreign exchange differences.
5) Other adjustments.

Financing

SKF Vertevo is currently financed primarily through equity and intra-group loans from SKF. The net debt as per 30 June 2026, amounted to MSEK 3,077, corresponding to a net debt in relation to equity of 32 per cent and net debt in relation to rolling twelve months' adjusted EBITDA of 2.0. In preparation for the listing of SKF Vertevo's shares, a capital contribution from SKF is planned for no later than October 2026, in order to capitalise SKF Vertevo to the desired net debt of SEK 0, considering certain post-listing transactions. Neither dividend payments nor capital contribution payments between SKF Vertevo and SKF are expected to occur after October 2026, implying that cash flow generated in SKF Vertevo after this date will remain in SKF Vertevo. After the listing of the Company's shares, there will be no loans outstanding between SKF Vertevo and SKF. However, there will be trade payables and trade receivables outstanding in the ordinary course of business. For general corporate purposes, SKF Vertevo has entered into a revolving credit facility of MEUR 400 and plans to sign term loan agreements of approximately MSEK 1,500 prior to the listing.

Brief description of SKF, excluding SKF Vertevo

Overview

Since its founding in 1907, SKF has grown into a global provider of bearings, seals, lubrication systems and condition-monitoring solutions, purpose-built to fight friction. As a global engineering company with 36,460 employees and net sales of BSEK 90 on a last twelve-month basis, as of 30 June 2026, SKF pairs more than a century of expertise with a profound understanding of customer applications, earning a trusted brand and long-standing customer relationships. Following the proposed distribution, SKF will comprise the pure-play industrial operations with net sales of BSEK 71 on a last twelve-month basis and 29,070 employees as of 30 June 2026. Its presence in bearing technology and industrial solutions spans more than 20 industries worldwide, underpinned by deep competence in materials science, rotation, sealing and lubrication. By fighting friction and solving specific critical operational challenges, SKF helps its customers become more competitive and energy-efficient, contributing to a more sustainable future.

SKF's offering includes bearings, seals, lubrication systems and power transmission products, complemented by rotating shaft services and advanced solutions in machine health assessment, reliability engineering and circularity. SKF's circularity efforts are underpinned by its remanufacturing operations and bearings designed for circular performance, demonstrating its commitment to sustainability and resource efficiency.

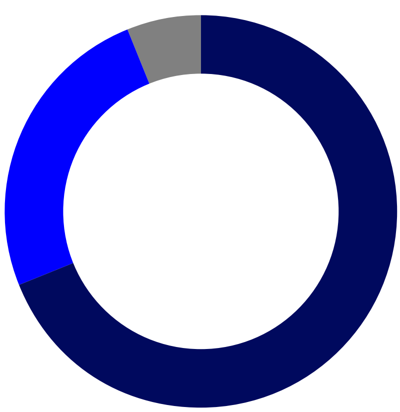
SKF operates across a wide range of industries, including industrial mobility, defence, high-speed machinery, electrical and heavy industries. This broad industry presence is underpinned by a comprehensive aftermarket offering, with its products and services supplied to OEMs and end-users both directly and through a global network of approximately 7,000 distributors.

SKF conducts operations in two business segments, Bearing Solutions and Specialized Industrial Solutions, as presented on the following page.

Bearing Solutions
Bearing Solutions is a global developer, designer and manufacturer of bearings for a wide variety of customer applications and conditions, also offering services such as condition monitoring, predictive maintenance and remanufacturing. Market exposure is diversified through the supply of bearings and services across a broad range of industries globally. The segment operates under a regional model that enables agility and responsiveness to local market needs, placing operational and financial accountability close to customers.

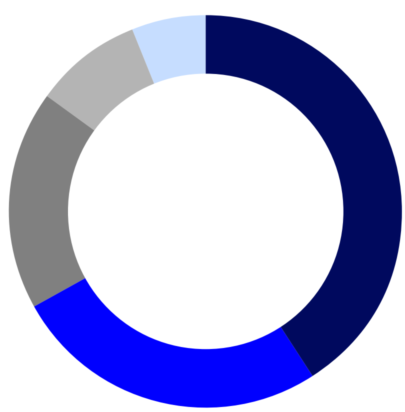
Specialized Industrial Solutions
Specialized Industrial Solutions consists of four standalone, end-to-end responsible businesses: Aerospace, Lubrication Lifetime Solutions, Sealing Solutions and Magnetic Solutions. These units have distinct global value chains including logistics, factories and sales teams and operate as fully owned subsidiaries, with accountability and freedom to develop to their full potential. The segment was formed following SKF's organisational redesign in September 2025, when the former Independent and Emerging Business segment was discontinued and its stand-alone entities were integrated into Specialized Industrial Solutions to enhance focus, capture synergies and increase competitiveness.

Net sales split by business segment (LTM Jun-26)



- Bearing Solutions, 69%
- Specialized Industrial Solutions, 25%
- Other[21], 6%

Net sales split by region (LTM Jun-26)



- Europe, Middle East and Africa, 41%
- The Americas, 26%
- China and Northeast Asia, 18%
- India and Southeast Asia, 9%
- Other[22], 6%

Share of sales by customer industry (LTM Jun-26)	
Aftermarket and service	54%
Industrial mobility and defence	14%
High-speed machinery and electrical	7%
Sustainable food supply	4%
Heavy industries	3%
Advanced technology	1%
Other	17%

21) Other refers to sales (contract manufacturing) from SKF excluding SKF Vertevo, to SKF Vertevo.
22) Other refers to sales (contract manufacturing) from SKF excluding SKF Vertevo, to SKF Vertevo.

Strategy

SKF's strategy, built on three pillars and seven levers, combines targeted growth, innovation leadership and a more efficient, business-driven value chain to unlock value and drive more progress in the mid and long term.

Reignite growth

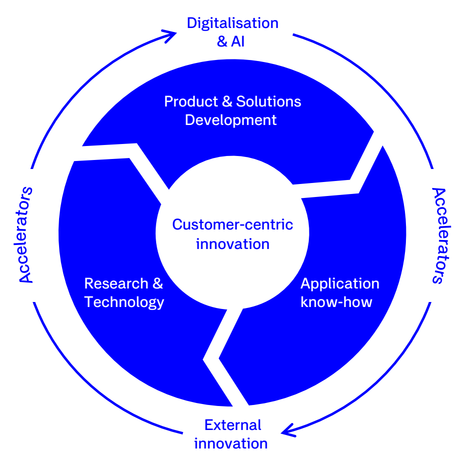
SKF's strategy for reigniting growth rests on four key levers. By leveraging attractive, high-growth industries and geographies, SKF aims to capture robust, long-term structural growth. In parallel, the service and intelligent solutions business, which covers SKF's offering in condition monitoring, reliability solutions with predictive maintenance, customisation and remanufacturing, is scaling up to increase customer stickiness and drive a higher share of recurring revenues. Thirdly, within Specialized Industrial Solutions, the focus is to lift under-performing areas toward Bearing Solutions' profitability through targeted activities for margin improvements and to accelerate growth in already strong business units. Complementing these initiatives, SKF is set to explore value-accretive bolt-on acquisitions, targeting businesses with strong aftermarket and service content, clear adjacency to the core business or the ability to consolidate existing geographies or open up new ones.

Innovation leadership

To continue to drive customer-centric innovation and maintain the strength of its offering, SKF has a full value-chain approach based on three pillars: Research & Technology, Product & Solution Development and Application know-how. This model focuses on developing hard-to-replicate technologies to drive competitiveness, transforming research into scalable customer solutions and delivering application-specific solutions faster. Digitalisation & AI and External innovation acts as accelerators, strengthening SKF's innovative edge.

3 pillars and 7 levers for more progress

Reignite growth	Innovation leadership	Business-driven value chain
1 Leverage attractive high-growth industries and geographies 2 Scale recurring service and intelligent solution business 3 Accelerate Specialized Industrial Solutions 4 Explore value accretive bolt-on M&A	5 Differentiate through customer-centric innovation and AI	6 Finalise ongoing regionalisation and footprint optimisation 7 Optimise supply chain for a pure Industrial play



Business-driven value chain
With a business-driven value chain, SKF aims to complete its ongoing regionalisation and manufacturing footprint optimisation, while building a supply chain suited to a pure industrial play. By operating closer to customers and running operations with a lean mindset, SKF seeks to strengthen flexibility, efficiency and resilience across the business. At the same time, the strategy supports the decarbonisation of operations, reinforcing SKF's long-term positioning alongside its other strategic pillars.

Sustainability

Sustainability is an integral part of SKF's strategy and long-term value creation and is embedded across the business through the SKF Care framework. It is structured around four pillars: Business Care, Employee Care, Environment Care and Community Care, and provides a holistic approach to managing environmental, social and governance-related priorities across operations and the value chain.

A key focus is on reducing environmental impact while strengthening competitiveness and resilience. SKF works systematically to improve resource efficiency and increase circularity by extending product lifetime, reducing material and energy use, as well as enabling reuse and remanufacturing. These efforts support both SKF's own performance and customers' sustainability ambitions.

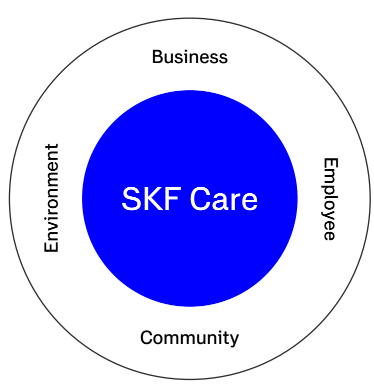
Climate action is central to SKF's sustainability agenda. SKF aims to decarbonise its own operations by 2030 and to achieve net-zero greenhouse gas emissions across the value chain by 2050. In addition to actions within its own operations, SKF places increasing emphasis on collaboration with suppliers to reduce emissions in the supply chain, improve transparency and drive continuous improvement. Through these initiatives, SKF seeks to create long-term value for customers, employees, shareholders and society.

Business Care
A clear focus on customers, financial performance and shareholder returns – combined with the highest standards for sustainability and ethical behaviour.

Employee Care
Sustaining a safe work environment, personal development, health and well-being of employees at SKF, as well as people in the supply chain.

Environment Care
Continuously reducing the environmental impact from SKF's operations, and those of suppliers and customers.

Community Care
Making positive contributions to the communities in which SKF operates



Financial targets

The long-term financial targets over a business cycle for SKF (post-separation from SKF Vertevo) are:

- Organic growth[23)]: 4 per cent
- Adjusted operating margin:
  >17 per cent mid-term,
  >19 per cent long-term
- Cash conversion[24)]: 60 per cent
- Adjusted return on capital employed (ROCE): 20 per cent
- Net leverage[25)]: <2.0x
- Dividend of average net profit: 50 per cent

SKF Annual Report 2025 and half-year report 2026

For further information on SKF, please refer to the SKF Annual Report 2025, available at www.skf.com/group/investors/financials/annual-reports and the SKF half-year report 2026, available at www.skf.com/group/investors/financials/quarterly-reports.

23) 1 percentage point above market over a business cycle excluding SKF Vertevo contract manufacturing. Consequently, the target of 4 per cent is based on an assumption of market growth of 3 per cent.
24) Adjusted Cash Flow after investments / adjusted EBITDA.
25) Net debt (including pensions) / adjusted EBITDA.

Selected financial information for SKF, with SKF Vertevo presented as assets held for distribution

The tables below present selected unaudited financial information for SKF for the financial year 2025 and the first six months 2026 and 2025, respectively, with SKF Vertevo presented as discontinued operation and as assets and liabilities held for distribution. The basis for the financial information in this section is the financial information presented in the SKF Annual Report 2025 and SKF's half-year report 2026, including comparative information for the six-month period ended 30 June 2025. The remaining SKF Group's operating profit is presented as continuing operations. Similarly operating assets and operating liabilities related to SKF Vertevo are presented as operating assets and operating liabilities classified as held for distribution, and operating cash flow related to SKF Vertevo presented as operating cash flow from discontinued operation. Note, however, that SKF Vertevo will be treated as an asset held for distribution according to IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations) in the interim report as of 30 September 2026. Accordingly, the below is only for information purposes. Furthermore, the selected income statement data includes expenses attributable to the separation of SKF Vertevo, which are classified as items affecting comparability (for further details, see page 37).

Selected income statement data

MSEK	Jan–Jun 2026	Jan–Jun 2025	2025
Net sales	35,868	37,047	72,048
Cost of goods sold	–24,110	–26,006	–50,598
Gross profit	**11,759**	**11,040**	**21,451**
Research and development expenses	–1, 338	–1,620	–3,112
Selling and administrative expenses	–5,323	–6,041	–10,837
Other operating income/expenses, net	232	810	787
Operating profit from continuing operations	**5,330**	**4,190**	**8,289**
Operating profit/loss (-) from discontinued operation (SKF Vertevo)	–467	–7	–533
Operating profit[1)]	**4,862**	**4,183**	**7,756**
Financial net[1)]	–491	–730	–1,330
Profit before taxes[1)]	**4,371**	**3,453**	**6,426**
Income tax[1)]	–1,303	–923	–2,176
Net profit[1)]	**3,068**	**2,531**	**4,250**
Net profit attributable to:			
Shareholders of AB SKF	2,890	2,312	3,927
Non-controlling interests	178	219	322

1) Including SKF Vertevo.

Condensed balance sheet[1)]

MSEK	30 Jun 2026	30 Jun 2025	31 Dec 2025
Goodwill	11,118	10,965	10,645
Other intangible assets	3,224	3,631	3,264
Property, plant and equipment	22,341	21,228	21,679
Right-of-use asset leases	2,536	2,752	2,544
Deferred tax assets	4,576	4,100	4,095
Other non-current assets	2,859	2,281	2,571
Non-current assets	**46,654**	**44,956**	**44,798**
Inventories	20,154	18,342	17,847
Trade receivables	13,001	12,424	11,479
Other current assets	6,309	5,097	5,443
Other current financial assets	12,954	11,375	9,466
Current assets	**52,418**	**47,238**	**44,235**
Operating assets classified as held for distribution	19,533	18,969	17,183
Assets classified as held for sale	–	216	206
Total assets	**118,605**	**111,379**	**106,422**
Equity attributable to shareholders of AB SKF	57,550	53,157	53,558
Equity attributable to non-controlling interests	2,321	2,230	2,110
Long-term financial liabilities	18,458	14,551	14,168
Provisions for post-employment benefits	6,968	8,075	7,004
Provisions for deferred taxes	2,186	1,783	1,954
Other long-term liabilities and provisions	1,471	1,529	1,603
Non-current liabilities	**29,082**	**25,937**	**24,729**
Trade payables	8,055	7,817	7,920
Short-term financial liabilities	2,114	4,753	1,172
Other short-term liabilities and provisions	12,671	11,744	11,465
Current liabilities	**22,840**	**24,314**	**20,556**
Operating liabilities classified as held for distribution	6,813	5,728	5,453
Liabilities classified as held for sale	–	13	16
Total equity and liabilities	**118,605**	**111,379**	**106,422**

1) The balance sheet corresponds to SKF's consolidated balance sheet, with operating assets and operating liabilities related to SKF Vertevo being presented as operating assets and operating liabilities classified as held for distribution. Note, however, that SKF Vertevo will be treated as an asset held for distribution according to IFRS 5 in the interim report as of 30 September 2026, and, hence, the above is only for information purposes.

Selected cash flow statement data

MSEK	Jan–Jun 2026	Jan–Jun 2025	2025
Operating activities:			
Operating profit	5,326	4,190	8,289
Non-cash items:			
Depreciation, amortisation and impairment	1,699	1,973	3,897
Net loss/gain (-) on sales of PPE and businesses	–345	–1,031	–1,029
Other non-cash items	–631	1,671	1,388
Income taxes paid	–1,074	–1,108	–2,490
Interest received	15	79	318
Interest paid	–109	–233	–567
Other	–587	–518	–1,104
Changes in working capital:			
Inventories	–1,529	–996	–1,153
Trade receivable	–1,085	–1,313	–726
Trade payable	–182	5	192
Other operating assets/liabilities	–190	850	767
Net cash flow from operating activities	**1,308**	**3,569**	**7,782**
Investing activities:			
Payments and sales of property, plant and equipment	–911	–1,184	–2,401
Sales of business net of cash and taxes	458	1,999	1,978
Net cash flow used in investing activities	**–453**	**815**	**–423**
Net cash flow used in financing activities	**2,313**	**–4,047**	**–8,289**
Net cash flow	**3,168**	**337**	**–930**
Change in cash and cash equivalents:			
Cash and cash equivalents at 1 January	8,984	11,031	11,031
Net cash flow	3,168	337	–930
Exchange rate effect	239	–456	–648
Operating cash flow from discontinued operations	70	–122	–469
Cash and cash equivalents at end of the period	**12,461**	**10,790**	**8,984**

Key performance indicators

MSEK	Jan–Jun 2026	Jan–Jun 2025	Jan–Dec 2025
Organic growth, %[1]	3.2	–0.3	1.0
Adjusted operating margin, %[1]	15.4	15.1	14.8
Adjusted ROCE, %[1]	11.5	12.3	13.1
Net debt/Adjusted EBITDA[1]	1.1	1.2	0.9
Net cash flow from operating activities	1,308	3,569	7,782

1) Alternative performance measure (non-IFRS measure).

Definitions of alternative performance measures

Measure	Definition
Organic growth, %	Sales excluding effects of currency, acquired and divested businesses and contract manufacturing sales to SKF Vertevo.
Items affecting comparability	Significant income/expenses that affects comparability between accounting periods. This includes, but is not limited to, restructuring costs, impairments and write-offs, currency exchange rate effects caused by devaluations and gains and losses on divestments of businesses. During the periods presented above, the continuing operations in SKF Group have incurred costs in connection with the separation of SKF Vertevo from SKF. Those separation costs are presented as items affecting comparability.
Adjusted operating margin, %	Operating profit margin excluding items affecting comparability.
Adjusted ROCE, %	Return on capital employed (ROCE) excluding items affecting comparability.
Net debt/Adjusted EBITDA	Net debt, in relation to 12 months rolling EBITDA excluding items affecting comparability.

The SKF Vertevo spin-off effect on SKF's financing

SKF Vertevo is currently primarily financed through equity and intra-group loans from SKF. These loans will be settled prior to the planned listing. In preparation for the listing of SKF Vertevo's shares, a capital contribution from SKF amounting to approximately BSEK 5 is planned for no later than October 2026, in order to capitalise SKF Vertevo to the desired net debt of SEK 0, considering certain post listing transactions. Consequently, at the date of distribution of SKF Vertevo, SKF's net debt will decrease with an amount equivalent to the net debt of SKF Vertevo.

SKF Vertevo's Board of Directors, Executive Management Team and auditor[26)]

Board of Directors

According to SKF Vertevo's Articles of Association the Board of Directors shall be comprised of not less than five and not more than twelve members, elected by the shareholders at the General Meeting. In addition and by law, employee organisations are entitled to appoint employee representatives. The Board of Directors currently comprises eight members elected by General Meetings as well as one member with one deputy appointed by Swedish employee organisations.

Håkan Buskhe
Chair of the Board

Born 1963. Chair of the Board since 2025. Chair of the People Committee and member of the Audit and Sustainability Committee.

Education and professional experience: Master of Science, Licentiate of Engineering, Chalmers University of Technology, Sweden. CEO of FAM AB. Former CEO and President of SAAB AB and CEO of E.ON Nordic AB.

Principal activities outside of the SKF Vertevo Group: CEO of FAM AB and deputy CEO of Wallenberg Investments AB.

Current board assignments and similar: Chair of Stora Enso Oyj. Vice Chair of SKF. Board member of New Stegra HoldCo AB, Navigare AB, The Grand Group and the Swedish Defence University. Deputy board member of FAM Invest AB.

Holding in SKF: 5,000 shares of series B and 4,551 synthetic shares (variable board fee).

Therese Friberg

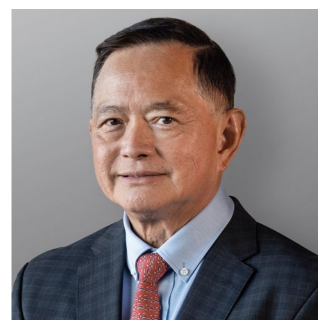
Born 1975. Member of the Board since 2025. Chair of the Audit and Sustainability Committee and member of the People Committee.

Education and professional experience: Bachelor of Science in Business Administration from Stockholm University, Sweden. Former board member of SKF.

Principal activities outside of the SKF Vertevo Group: Group CFO at AB Electrolux.

Current board assignments and similar: Board member of certain subsidiaries of AB Electrolux.

Holding in SKF: –



Hock Goh

Born 1955. Member of the Board since 2025.

Education and professional experience: Bachelor's degree in Mechanical Engineering, Monash University, Australia. Advanced Management Program at INSEAD, France. Former Operating Partner at Baird Asia Partners (an affiliate of RW Baird & Co.). Chair of MEC Resources Ltd. Former board member of SKF, Stora Enso Oyj, Santos Ltd, Harbour Energy and Vesuvius plc. Previous experience from several senior management positions in Schlumberger Limited.

Principal activities outside of the SKF Vertevo Group: –

Current board assignments and similar: Chair of NetGain Systems Pte Ltd.

Holding in SKF: 1,000 shares of series B.

26) Information on holdings in SKF in this section represents own holdings and holdings of close relatives and legal entities set up for the benefit of the member of the Board or Management, or his/hers close relatives. The ownership structure in SKF Vertevo will initially be identical to that of SKF on the record date for the proposed distribution, with the adjustment that five (5) shares in SKF entitle to one (1) share of the same share series in SKF Vertevo.

Philip Ahlgren
Born 1989. Member of the Board since 2026. Member of the Audit & Sustainability Committee and the People Committee.

Education and professional experience: Master of Science in Finance from Stockholm School of Economics, Sweden.

Principal activities outside of the SKF Vertevo Group: Partner at Cevian Capital.

Current board assignments and similar: –

Holding in SKF: –

Jumana Al-Sibai
Born 1972. Member of the Board since 2026.

Education and professional experience: Diploma in Industrial Engineering from Karlsruhe Institute of Technology (KIT), Germany. Former Management Board member at MAHLE GmbH and senior leadership positions in Robert Bosch GmbH.

Principal activities outside of the SKF Vertevo Group: –

Current board assignments and similar: Board member of Atlas Copco AB. Member of the Advisory Board for Frankfurt School of Finance & Management.

Holding in SKF: –

Ebba Bonde
Born 1980. Member of the Board since 2026.

Education and professional experience: Master of Science in Applied Mathematics & Statistics from Johns Hopkins University, United States, MBA at Harvard Business School, United States. Former COO at Anticimex Global, Business Development at Skandia and Consultant at Bain & Company Nordic.

Principal activities outside of the SKF Vertevo Group: COO and deputy CEO at Ramudden Global.

Current board assignments and similar: Board member of certain subsidiaries of the Ramudden Group.

Holding in SKF: 797 shares of series B.

Maria Hemberg
Born 1964. Member of the Board since 2026.

Education and professional experience: Master of Laws from Lund University, Sweden. Former General Counsel and Chief Legal Officer at Volvo Car Group, legal counsel at SKF and lawyer at Mannheimer Swartling Advokatbyrå.

Principal activities outside of the SKF Vertevo Group: –

Current board assignments and similar: Chair of Adamson & Partners Ltd.

Holding in SKF: 416 shares of series B.

Kerstin Enochsson
Born 1975. Member of the Board and President and CEO since 2026.
See "*Executive Management Team*" below.

Theres Gebl
Born 1980. Member of the Board since 2026. Employee representative of Unionen.

Education and professional experience: Higher vocational education in Business Economics from IHM Business School, Sweden, Higher vocational education in Electronics and Data Communication from Östraboskolan, Sweden. Employed at SKF since 2012, currently as Automotive Customer Quality Engineer within Automotive Sales EMEA, Customer Warranty & Quality EMEA, and previously as in-house sales coordinator and account manager.

Principal activities outside of the SKF Vertevo Group: –

Current board assignments and similar: Chair of the union club Unionen Automotive SKF Vertevo.

Holding in SKF: 30 shares of series B.

Antti Syvänen
Born 1976. Deputy board member since 2026. Employee representative of Unionen.

Education and professional experience: Studies in economics and finance at the School of Economics, Business and Law at Gothenburg University, Sweden. Employed at SKF since 2008, currently as Financial Analytics Expert within Finance & Controlling, previously as Global Account Contract Manager, Forecast Manager EMEA, Performance Analyst Group Purchasing, Financial Controller and Financial Analytics Expert.

Principal activities outside of the SKF Vertevo Group: –

Current board assignments and similar: Board member of the union club Unionen Automotive SKF Vertevo.

Holding in SKF: 30 shares of series B.

Executive Management Team

Kerstin Enochsson
President and Chief Executive Officer
Born 1975. Employed within SKF since 2023.

Education and professional experience: Master of Business Administration from the ESCP-EAP European School of Management, France. Master of Laws from Freie Universität of Berlin, Germany. President of SKF Automotive. Former senior roles at Volvo Car Group and AB Volvo – Volvo Construction Equipment.

Current board assignments and similar: Board member of SSAB AB.

Holding in SKF: –

Niclas Sjöswärd
CFO, SVP Finance & IT
Born 1974. Employed within SKF since 2026.

Education and professional experience: Bachelor of Science in Business Administration from Gothenburg School of Economics, Sweden. Former Group CFO at Arjo AB. Senior finance roles at Getinge AB and AB Volvo.

Current board assignments and similar: –

Holding in SKF: 131 shares of series B.

Fredrik Larsson
SVP Business Lines & Product Management
Born 1975. Employed within SKF since 2001.

Education and professional experience: Master of Science in Mechanical Engineering from Chalmers University of Technology, Sweden. Several commercial and strategy leadership roles at SKF Automotive.

Current board assignments and similar: –

Holding in SKF: 5,070 shares of series B.

Olaf Henning
SVP Vehicle Aftermarket
Born 1967. Employed within SKF since 2024.

Education and professional experience: Certificate degree in Product Engineering from University of Furtwangen, Germany / De Montfort University, United Kingdom, Executive Leadership Programs from Carnegie Mellon University, Tepper School of Business, United States. Leadership roles at SKF, MAHLE, Bosch and Michelin.

Current board assignments and similar: Board member of Partslife GmbH.

Holding in SKF: –

Bastian Thomas
SVP EMEA, India & Americas
Born 1982. Employed within SKF since 2024.

Education and professional experience: Diploma in Industrial Engineering from Munich University of Applied Sciences (HM), Germany. Senior leadership roles at SKF Automotive, Grammer, Volvo Car Group and BMW.

Current board assignments and similar: –

Holding in SKF: –

Hao Chu
SVP China & Asia Pacific
Born 1982. Employed within SKF since 2020.

Education and professional experience: Master of Science in Mechanical Engineering from Shanghai Jiao Tong University, China. Senior leadership roles at SKF Automotive APAC. Former executive and senior leadership roles in GKN.

Current board assignments and similar: –

Holding in SKF: –

Federico Galetto
CTO, SVP R&D
Born 1985. Employed within SKF since 2010.

Education and professional experience: Master of Science in Automotive Engineering from Polytechnic University of Turin, Italy. Several leadership roles at SKF.

Current board assignments and similar: –

Holding in SKF: 1,916 shares of series B.

Johan Lidell
SVP Procurement & Supply Chain
Born 1990. Employed within SKF since 2024.

Education and professional experience: Master of Science in International Business from University College Dublin, Smurfit Graduate Business School, Ireland. Former senior procurement leader at Volvo Car Group.

Current board assignments and similar: –

Holding in SKF: –

Antonio Molle
SVP Manufacturing Operations, Quality & EHS
Born 1966. Employed within SKF since 1994.

Education and professional experience: Master of Science in Mechanical Engineering from University of Cassino and Southern Lazio, Italy, Executive MBA from SDA Bocconi School of Management, Italy. Leadership roles at SKF.

Current board assignments and similar: –

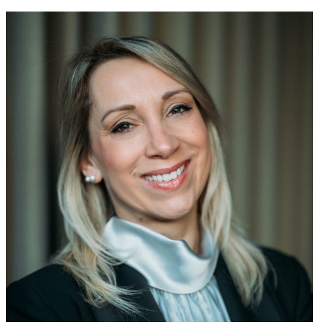
Holding in SKF: 2,771 shares of series B.

Magnus Prick
General Counsel, SVP Legal & Compliance
Born 1984. Employed within SKF since 2025.

Education and professional experience: Master of Laws and Bachelor of Business Administration from Gothenburg School of Business, Economics and Law, Sweden. Former Head of Legal M&A at Volvo Car Group, legal counsel at the Volvo Group and lawyer at Mannheimer Swartling Advokatbyrå.

Current board assignments and similar: –

Holding in SKF: –



Angela Toro
SVP People Experience & Communication
Born 1977. Employed within SKF since 2003.

Education and professional experience: Master of Science in Economics and Business Administration from University of Turin, Italy, HR Executive Master from SAA Business School Turin, Italy. Several leadership roles within human resources at SKF.

Current board assignments and similar: –

Holding in SKF: 2,771 shares of series B.

Auditor

Deloitte AB

Auditor in charge: Hans Warén

Shares and ownership structure

Share information

As of the date of this information brochure, SKF's registered share capital amounts to SEK 1,138,377,670 distributed on 455,351,068 shares, of which 28,918,310 series A shares and 426,432,758 series B shares. Every five (5) shares held in SKF entitle to one (1) share of the same share series in SKF Vertevo. In total, 91,070,213 shares in SKF Vertevo will be distributed to the shareholders of SKF.

In conjunction with the distribution, SKF Vertevo's shares will be listed on Nasdaq Stockholm. Series A shares and series B shares, respectively, will have the same rights as shares of the same share series in SKF.

Voting rights

At the General Meeting, each series A share in SKF Vertevo carries one vote and each series B share carries one tenth of a vote.

Preferential rights to new shares, etc.

If SKF Vertevo issues new shares, warrants or convertibles in a cash issue or an issue offsetting debt, shareholders have preferential rights to subscribe for such securities in proportion to the number of shares held prior to the issue. There are, however, no provisions in the Company's Articles of Association that limit the Company's ability to decide, in accordance with the rules set out in the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*), to issue new shares, warrants or convertibles with deviation from the shareholder's preferential rights.

Rights to dividends and surplus in the event of liquidation

Series A shares and series B shares in SKF Vertevo give equal rights to dividends and the Company's profit and any surpluses in the event of liquidation. Decisions regarding any dividends will be made by the General Meeting. All shareholders who are registered in the share register maintained by Euroclear Sweden on the record date determined by the General Meeting will be entitled to receive dividends. These are normally paid to shareholders through Euroclear Sweden as a cash amount per share but may also comprise forms other than cash dividends (distribution in kind).

Central securities depository

SKF Vertevo shares will be registered in a central securities depositary register in accordance with the Swedish Central Securities Depository and Financial Instruments Accounts Act (Sw. *lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*). This register will be maintained by Euroclear Sweden. No share certificates will be issued for SKF Vertevo shares. Information regarding the ISIN codes for SKF Vertevo shares will be contained in the prospectus to be published ahead of the listing of SKF Vertevo's shares.

Convertibles, warrants and other share-based instrument

There are no outstanding warrants, convertibles or other share-based financial instruments issued by SKF Vertevo.

Long-term incentive programmes

SKF long-term incentive programmes

Members of SKF Vertevo's Executive Management Team and other SKF Vertevo employees who are senior managers or key employees within the SKF Group currently participate in three long-term incentive programmes within the SKF Group: SKF Performance Share Programme 2024, 2025 and 2026 (each an "**SKF PSP**"). In connection with the separation of the SKF Vertevo Group from the SKF Group, participants transferring to employment within the SKF Vertevo Group will be entitled to a pro rata cash award reflecting the level of fulfilment of the applicable performance conditions under the relevant SKF PSP up to the record date for the distribution of the SKF Vertevo shares to the shareholders of SKF. Any such award will remain conditional upon the participant remaining employed within the SKF Vertevo Group until the end of the relevant performance period under the applicable SKF PSP.

SKF Vertevo long-term incentive programmes
SKF Vertevo has adopted three long-term incentive programmes: SKF Vertevo Performance Share Programme 2025, 2026 and 2027 (each an "**SKF Vertevo PSP**"). Participants of SKF PSP 2025 and SKF PSP 2026 who transfer to employment within the SKF Vertevo Group in connection with the separation from the SKF Group will be offered participation in SKF Vertevo PSP 2025 and SKF Vertevo PSP 2026, respectively, as replacements for the periods remaining under the ongoing SKF PSP 2025 and SKF PSP 2026 as from the record date for the distribution of the SKF Vertevo shares. Participation in SKF Vertevo PSP 2027 will be offered to senior managers and key employees of the SKF Vertevo Group.

Delivery of shares under the SKF Vertevo PSPs is subject to fulfilment of performance conditions based on (i) a ROCE target (weighted 45 per cent), (ii) the total shareholder return of the SKF Vertevo series B share relative to a peer group or industry index, as determined by the Board of Directors (weighted 45 per cent), and (iii) a CO2 emissions reduction target (weighted 10 per cent), as well as continued employment within the SKF Vertevo Group throughout the relevant performance period. The performance periods run during 2027, 2027–2028 and 2027–2029, respectively, with delivery of shares expected to occur following the end of the relevant performance period. The SKF Vertevo PSPs will not entail any dilution of SKF Vertevo shares.

Major shareholders

As of the date of this information brochure, SKF Vertevo is a wholly-owned subsidiary of SKF. The table below presents SKF's largest shareholders as per 30 June 2026. The table is compiled based on information from Modular Finance. If the record date for the distribution of shares in SKF Vertevo had been 30 June 2026, the largest shareholders of SKF Vertevo would have initially been as illustrated below. The ownership structure in SKF Vertevo will initially be identical to that of SKF on the record date for proposed distribution, with the adjustment that five (5) shares in SKF entitle to one (1) share of the same share series in SKF Vertevo.

Holder/nominee/custodian	Number of shares of series A	Number of shares of series B	Total number of shares	Shares, %	Votes, %
FAM AB	15,550,000	53,677,539	69,227,539	15.20	29.23
Cevian Capital	–	37,049,148	37,049,148	8.14	5.18
SEB Funds	–	18,661,814	18,661,814	4.10	2.61
BlackRock	–	17,555,939	17,555,939	3.86	2.45
Vanguard	–	15,272,656	15,272,656	3.35	2.13
Handelsbanken Fonder	–	10,889,669	10,889,669	2.39	1.52
Nordea Funds	–	10,610,667	10,610,667	2.33	1.48
Alecta Tjänstepension	–	10,506,584	10,506,584	2.31	1.47
Swedbank Robur Fonder	–	9,307,777	9,307,777	2.04	1.30
Carnegie Fonder	–	7,382,304	7,382,304	1.62	1.03
Total, ten largest holders	**15,550,000**	**190,914,097**	**206,464,097**	**45.34**	**48.41**
Other shareholders	13,368,320	235,518,651	248,886,971	54.66	51.59
Total	**28,918,320**	**426,432,748**	**455,351,068**	**100.0**	**100.0**

Source: Modular Finance

The spin-off and material agreements between SKF and SKF Vertevo

The spin-off from SKF

During 2024–2026, the SKF Group underwent an intra-group restructuring in order to separate the automotive business from the industrial business. The separation was implemented by a series of corporate restructuring transactions pursuant to which the entities, assets, employees, liabilities and operations associated with the automotive business were allocated to, and consolidated within, the SKF Vertevo Group while, conversely, the entities, assets, employees, liabilities and operations associated with the industrial business were allocated to, and consolidated within, the remaining SKF Group. Such measures included, among other things, share transfers, asset transfers, real property transfers, shareholder contributions, dividends, demergers, internal reorganisation matters, assignments of intellectual property rights and employee transfers.

In addition to the transactions described above, SKF and SKF Vertevo will, prior to the distribution date of the SKF Vertevo shares, have entered into certain additional agreements and implemented certain further transactions as part of the separation of SKF Vertevo from the SKF Group. These transactions and agreements are intended to facilitate the separation and ensure that SKF Vertevo and the remaining SKF Group are able to operate separately and, in all material respects, independently of each other following the distribution. Such arrangements may include, among other things, lease agreements, facility management agreements and services agreements. Amongst those remaining transactions and agreements, the parties have agreed on the transferring of 15 production channels from SKF to SKF Vertevo in China, to be completed in 2027, for cash consideration corresponding to approximately MSEK 200, with an additional cash consideration of approximately MSEK 50, subject to a valuation to be carried out following completion.

Master Separation Agreement

SKF and SKF Vertevo will enter into a master separation agreement (the "**Master Separation Agreement**"), which governs and sets out the general separation principles as well as the overall allocation of liability between the SKF Group and SKF Vertevo. In the Master Separation Agreement, SKF and SKF Vertevo acknowledge that the transfers have been made on an "as is" basis (Sw. *befintligt skick*). Furthermore, the Master Separation Agreement establishes, as a general rule, that each business continues to be fully liable for the conduct of its business, as well as any losses and liabilities connected to such business, and shall indemnify the other party for losses and liabilities it might incur relating to the other party, regardless of if such liability materialises before or after the distribution of the shares in SKF Vertevo. This general rule is subject to certain exceptions relating to the allocation of tax liabilities and environmental liabilities at manufacturing sites and certain customer claims liabilities.

The Master Separation Agreement will become effective on the date of delivery of the shares in SKF Vertevo to the shareholders of SKF and will remain in force for a perpetual period of time. Neither party has a right to terminate the agreement.

Services Agreements

SKF and SKF Vertevo will enter into a transitional services agreement (the "**Transitional Services Agreement**") and a long-term services agreement (the "**Services Agreement**") under which SKF and SKF Vertevo will provide each other with certain services. The services to be provided pursuant to the Transitional Services Agreement include certain limited IT services, business support in relation to research and development, manufacturing business support, shared logistics services and certain facility services for shared sites. The services to be provided pursuant to the Services Agreement mainly relate to the lease of property including facility management services.

As a general principle, all services shall be provided on commercial terms not materially different from what could have been obtained from bona fide third parties.

The Transitional Services Agreement and the Services Agreement will become effective on the date of delivery of the shares in SKF Vertevo to the shareholders of SKF. The Transitional Services Agreement will remain in force until the expiry of all service terms, which will occur no later than 18 months after the effective date. The Services Agreement will remain in force until the expiry of all service terms and will continue to be delivered until terminated by the relevant service recipient.

The Services Agreement includes a right to terminate certain services which are of a more sensitive nature under circumstances such as a change of control or the other party becoming a sanctioned entity.

Background Intellectual Property/ Intellectual Assets Licence Agreement

SKF and SKF Vertevo have entered into a Background Intellectual Property/Intellectual Assets Licence Agreement (the "**BIPLA**") to establish a cross-licensing framework relating to IP used by both SKF and SKF Vertevo to independently operate and develop its respective business following the separation. Under the BIPLA, each party grants the other party royalty-free, exclusive, cross-licences to patents, design rights and intellectual assets, as well as software (licensed from SKF to SKF Vertevo only) (the "**Licensed IP**"). The licenses are granted on an "as is" (Sw. *befintligt skick*) basis. The use of Licensed IP is restricted to each party's respective exclusive field, where such restrictions are permissible under competition law: SKF Vertevo's use is limited to the automotive sector and SKF's use correspondingly covers all products and services outside SKF Vertevo's exclusive field, with limited exceptions. The BIPLA terms are to a large extent mimicking co-ownership through, for example, licensee co-determination rights. The BIPLA has an initial term of 30 years, with automatic five-year renewals.

The BIPLA contains provisions aimed at protecting the Licensed IP and the parties' interests in maintaining control over such IP. This includes, for example, change of control provisions and provisions governing situations where a competitor or sanctioned party undertakes certain actions in relation to SKF and/or SKF Vertevo concerning the licensed IP. In such circumstances, after having imposed certain mitigating obligations and limitations on the affected party, the non-affected party is as a last resort entitled to terminate the BIPLA (see "*SKF and SKF Vertevo will be dependent on continued access to certain cross-licensed intellectual property*" below). A party may also terminate the BIPLA in the event of a material breach causing a material adverse effect on the non-defaulting party. Further, the BIPLA may during the first ten years be terminated in relation to a specific market if the exclusive field restrictions are deemed or become incompatible with competition law in relation to such product market. Upon termination of the BIPLA the parties have agreed on general and specific phase-out obligations to facilitate an orderly transition (being more protective during the first five years from the distribution of shares of SKF Vertevo) and avoid negative impact on existing customer engagements.

Software Services Agreement

SKF and SKF Vertevo have entered into a Software Services Agreement (the "**SSA**") under which SKF provides SKF Vertevo with access, maintenance, support and strategic development services in respect of software where SKF Vertevo has no access to the source code of the licensed software (so-called black-box software) and certain other software required for the utilisation of the black-box software, as licensed to SKF Vertevo under the BIPLA (together the "**Software**"). SKF Vertevo's right to receive services under the SSA is conditional upon it holding a valid license for the Software under the BIPLA. SKF Vertevo pays a fixed service fee for the access and maintenance, subject to annual index adjustment and reviews every third year. For the strategic development services, SKF Vertevo pays a fee based on consumed resources. The software developed in connection with the services provided under the SSA remains owned by SKF, with licenses granted to SKF Vertevo on terms substantially equivalent to those under the BIPLA. Upon expiry of the SSA, all licenses to the black-box software automatically expire. The SSA has an initial term of ten years; upon expiry, SKF Vertevo is entitled to continued access for at least five years on commercially reasonable terms. The SSA may be terminated on the same grounds as the BIPLA (see "*Background Intellectual Property/Intellectual Assets Licence Agreement*" above). In the event of termination by SKF, SKF Vertevo is generally entitled to certain continued services including the assistance that is required to fulfil existing customer engagements, whilst SKF retains certain safeguards to replace direct access to the Software.

Research and Development Collaboration Agreement

SKF and SKF Vertevo have entered into a Research and Development Collaboration Agreement (the "**RDCA**") to establish a framework for continued post-separation collaboration on research and development activities where the parties have compatible needs and expect mutual benefit. The RDCA governs joint early-stage research and development activities.

The parties share costs equally and each party is entitled to use the results within its respective exclusive field (as described under "*Background Intellectual Property/Intellectual Assets Licence Agreement*" above). Intellectual property arising from the collaboration is allocated between the parties based on the nature of the relevant intellectual property and their respective fields of use. The non-owning party is granted a licence to use such intellectual property on terms substantially equivalent to those under the BIPLA except for limitations in the termination rights. The RDCA has an initial term of four years, with a mid-term review after two years at which either party may elect to terminate upon 12 months' notice. The RDCA may be terminated on the same grounds as the BIPLA (see "*Background Intellectual Property/Intellectual Assets Licence Agreement*" above). Further, the RDCA terminates automatically in the event that the BIPLA is terminated.

Trademark License Agreement

SKF and SKF Vertevo have entered into a Trademark Licensing Agreement (the "**TLA**") under which SKF grants SKF Vertevo a royalty-free, exclusive, worldwide licence to use the SKF trademarks within its exclusive field, i.e., the automotive sector (see "*Background Intellectual Property/Intellectual Assets Licence Agreement*" above) following the separation. SKF retains full ownership of the trademark portfolio and may not use the SKF trademarks within SKF Vertevo's exclusive field, with limited exceptions. SKF Vertevo is required to use the SKF trademarks together with its new trademark (VERTEVO) and in accordance with agreed brand use guidelines. The TLA has an initial term of 10 years from the distribution of shares in SKF Vertevo, with automatic three-year renewals for as long as SKF Vertevo actively uses the SKF trademarks. The TLA may be terminated on the same grounds as the BIPLA (see "*Background Intellectual Property/Intellectual Assets Licence Agreement*" above). Upon any expiration or termination, SKF Vertevo is entitled to a phase-out period of up to 12 months.

Contract Manufacturing Agreements

SKF and SKF Vertevo have entered into two contract manufacturing agreements on substantially similar terms (each a "**CMA**"), each operating as a global master framework establishing the commercial, operational and legal terms pursuant to which SKF and SKF Vertevo will manufacture and supply bearings, seals and certain related products for each other. The CMAs are generally intended to serve as a temporary bridging solution until the parties have built up their own capacity to manufacture in-scope products or have implemented alternative sourcing solutions. However, it is the parties' ambition to reduce the contract manufacturing under the CMAs over time, as it is dilutive to both companies' margins. The value of contract manufacturing under the CMAs is expected to amount to approximately five per cent of SKF's (excluding SKF Vertevo) sales at the point of separation and is envisioned to significantly decrease over the medium term. The respective CMAs are in effect until terminated. Either party may as a general rule terminate the CMAs in whole or in part (including in respect of specific product lines) subject to 18 months' prior written notice during which the parties shall discuss a structured wind-down. Termination of the BIPLA or the TLA gives each party a right to terminate the CMAs, provided that such termination shall not take effect before the date on which the BIPLA or the TLA ceases to apply.

Operational matters are governed by local agreements executed between the relevant local entities of each group and incorporating the master terms. Under each CMA, the manufacturer holds an exclusive right to manufacture and supply the in-scope products to the principal, with limited exceptions, and the principal is required to source all its requirements of such in-scope products from the manufacturer, with some limited exceptions. These exclusive rights apply during the first five years following the separation and may thereafter be cancelled by either party with six months' written notice, unless terminated earlier under the general termination right. The CMAs also contain customer restrictions whereby when SKF manufactures products for SKF Vertevo under the CMA, SKF may not sell the manufactured products to automotive customers and SKF Vertevo may not actively sell manufactured products to industrial customers, and equivalent restrictions apply in the reverse direction. The services under the CMAs are provided under a pricing that is determined based on a cost-plus model, with a base cost determined on the effective date of the agreement and subject to indexation.

The manufacturer under each CMA gives customary warranties during certain specified warranty periods. Certain operational decisions under the CMAs require consensus between the parties. In case of disagreement, an escalation procedure is in place to facilitate resolution.

SKF Vertevo and SKF will also enter into a separate agreement pursuant to which SKF will manufacture and supply, and perform certain engineering services in relation to, certain special and standard bearings, seals and related products for the high-performance vehicle market to SKF Vertevo. This agreement will particularly reflect the dynamic nature and specific requirements of the high-performance vehicle business, including in relation to ordering, forecasting, lead times, pricing, engineering services and warranty obligations.

Risk factors associated with the distribution of shares in SKF Vertevo

Below is a brief outline of certain risk factors related to the distribution of shares in SKF Vertevo. A more detailed description of the risks relating to SKF Vertevo will be included in the prospectus to be published prior to the listing of SKF Vertevo on Nasdaq Stockholm, provided that the Extraordinary General Meeting of SKF on 1 October 2026 resolves on the distribution of SKF Vertevo in accordance with the Board of Directors' proposal.

The distribution of SKF Vertevo shares may fail to realise anticipated benefits

The proposed separation of SKF Vertevo from SKF aims to create two standalone entities positioned to have clearer focus on distinct opportunities to enhance customer value, accelerate growth and improve efficiency and competitiveness. However, the anticipated benefits may not be achieved if underlying assumptions prove incorrect or if anticipated benefits or underlying drivers have been overestimated. For example, SKF Vertevo, as a standalone company, may not be able to procure external financing or other financial services, either in the short or long term, on conditions as favourable as those obtainable by SKF before the distribution. Investor appetite for SKF Vertevo may also be overestimated, causing unfavourable share price development following the listing of SKF Vertevo shares on Nasdaq Stockholm. To the extent SKF Vertevo incurs additional costs or achieves lower revenues as a standalone company, its business, financial position and results of operations could be adversely affected and anticipated benefits from the distribution may fail to materialise.

SKF and SKF Vertevo will be dependent on continued access to certain cross-licensed intellectual property

As part of the separation, SKF and SKF Vertevo have allocated ownership of intellectual property ("**IP**") based on predominant use and entered into the BIPLA (as described in "*Background Intellectual Property/Intellectual Assets Licence Agreement*" above). As part of the BIPLA, SKF Vertevo is granted a right to use certain Software (as described in "*Software Services Agreement*" above) and will, for this particular Software, rely on SKF to provide certain services under the SSA (as described in "*Software Services Agreement*" above). SKF and SKF Vertevo have also entered into the TLA (as described in "*Trademark License Agreement*" above) under which SKF Vertevo is granted a long-term license to the SKF trademarks. The BIPLA, SSA and TLA are collectively referred to as the "**IP Agreements**".

As the licenses, rights and software services provided under the IP Agreements are critical to SKF and SKF Vertevo's business operations, any failures by either party to meet its obligations under the IP Agreements, disagreements regarding their interpretation, early termination thereof or other significant disruptions, could have a material adverse effect on SKF's and SKF Vertevo's business, operations, revenues, profitability, financial position and results of operations. For example, a termination of any of the IP Agreements would revoke a party's right to use the IP previously licensed or provided thereunder. As the Licensed IP (as described in "*Background*

Intellectual Property/Intellectual Assets Licence Agreement" above) is abundant and includes unique assets of high value and complexity, the sunset provisions and phase-out periods in the agreements, while in length comparable with the range commonly seen in the market, may be insufficient to mitigate the effects of such termination on each company's business.

The IP Agreements contain provisions aimed at safeguarding the Licensed IP, including field of use and customer restrictions (as described in, for example, "*Background Intellectual Property/Intellectual Assets Licence Agreement*" above). The restrictions limit, to the extent permitted under competition law, each party's right to use the Licensed IP to its own exclusive field and, consequently, the parties' opportunities to operate freely and dynamically using the Licensed IP outside their respective exclusive fields. In addition, if any restriction were to be deemed incompatible with competition law in relation to a certain product market, any IP licenses granted under the BIPLA or the TLA in relation to such product market may be terminated if the parties are not able to mitigate the effect of such incompatibility. Such termination would have the effect that the party previously being the licensee of such IP loses its rights to use the IP in relation to such product markets and that the party previously being the licensor of such IP may use it freely, also within the other party's exclusive field. Such termination could result in a loss of competitiveness, restricted market access and adverse effects on either company's revenues and profitability in the affected product markets.

The parties' respective ability to seek compensation is subject to customary limitations of liability with limited exceptions and, as is customary in commercial contracts, the remedies available to the parties may be insufficient to fully compensate for the operational and financial consequences of a material failure by the other party. In particular, service level remedies in the SSA are confined to escalation procedures and customary breach of contract remedies.

The IP Agreements further contain change of control provisions pursuant to which a change of control occurs if anyone who is not already a major shareholder (as defined in the agreements) acquires control of 30 per cent or more of the voting rights in either SKF or SKF Vertevo, and provisions governing situations where a competitor or sanctioned party undertakes certain actions in relation to SKF or SKF Vertevo concerning the Licensed IP. In such circumstances, obligations and limitations may be imposed on the affected party to safeguard the Licensed IP and the non-affected party is, as a last resort if the imposed measures fail to safeguard the Licensed IP, entitled to terminate the relevant IP agreement(s). A termination of any agreement under these provisions would result in the termination of the licences granted thereunder, which would adversely affect the party previously being the licensee's ability to use the relevant IP and hence could materially disrupt its business operations. Despite a termination, the previous licensee retains rights to use certain previously licensed IP to the extent required to fulfil existing customer engagements.

In addition, since both SKF and SKF Vertevo will use the SKF trademarks, adverse events or publicity relating to one company could harm the other company's reputation and brand image, undermine stakeholder confidence, reduce demand for its products and affect investors' willingness to invest in its shares.

SKF and SKF Vertevo will be dependent on each other as suppliers of contract manufacturing services

SKF and SKF Vertevo will also enter into the two CMAs pursuant to which SKF and SKF Vertevo will manufacture bearings, seals and certain related products for each other (as described in "*Contract Manufacturing Agreements*" above).

As the continuation of supply of certain products under the CMAs is critical to SKF and SKF Vertevo's business operations, any failures by either party to meet its obligations under the CMAs, disagreements regarding their interpretation, early termination thereof or other significant disruptions, could have a material adverse effect on SKF's and SKF Vertevo's business, operations, revenues, profitability, financial position and results of operations, including as a result of underutilised capacity, excess inventory and an inability to meet contractual customer commitments.

The CMAs contain provisions aimed at safeguarding the products manufactured thereunder. This includes, to the extent permitted under competition law, customer restrictions which limit each party's right to supply products manufactured under the CMAs to the other party's exclusive field, and an exclusivity commitment whereby the manufacturer, subject to certain limited exceptions, holds an exclusive right to manufacture and supply the in-scope products to the principal, and the principal is required to source all its requirements of such products from the manufacturer. Upon finding new sources of supply or as each of the parties ramps-up its own capacity, there is a right to terminate the CMA for convenience upon 18 months' notice, during the last six months of said notice period the exclusivity is partly phased out to enable ramp-up of the principal's own production or alternative sourcing.

Although the exclusivity commitment and customer restrictions under the CMA are intended to enhance competitiveness within each party's respective segment, they may limit commercial flexibility over the longer term, which could materially and adversely affect the business operations and prospects of both SKF and SKF Vertevo. Also, the CMAs may adversely affect commercial and operational flexibility resulting in adverse effects on profitability and results of operations due to its pricing model and certain reserve manufacturing capacity obligations.

In each quarter the party acting as principal under the CMA places an order for a certain volume of products two quarters out. The principal commits to purchase ninety-five per cent of the volume of such quarterly order. In the event of a decrease in demand during these two quarters, the principal may be required to compensate for the manufacturer's costs regarding volumes in excess of its actual demand in accordance with an agreed mechanism. The call-off lead time mechanism in the CMAs provides for variable call-off lead times determined by the manufacturer from time to time by reference to its material lead times and certain other factors, without any defined maximum call-off lead time. This could lead to the principal being unable to meet customer demand or fulfil contractual obligations towards its customers. In order to avoid this risk, the principal might be forced to build up stocks, which would lead to an increase of cost. In addition, the CMAs also require mutual consent for certain changes, meaning that each party, in their respective capacity as principal, effectively will have veto rights regarding certain changes affecting products and the supply chain. This could limit each of SKF's and SKF Vertevo's flexibility to optimise operations and negatively impact their ability to adapt to unforeseen events or changing conditions, which may adversely affect cost efficiency and profitability.

Moreover, specifically regarding the CMA whereby SKF is the manufacturer and SKF Vertevo is the principal, although the notice period for termination by convenience is intended to accommodate processes commonly required in the automotive industry such as the production-part approval process (PPAP), it may nevertheless provide insufficient time for SKF Vertevo to transition to an alternative supplier for critical products, particularly in light of such requirements and other obligations relating to supply chain changes. In such a scenario, SKF Vertevo could be unable to fulfil contractual commitments to its customers, which could result in liability claims and loss of customers, which could have a material adverse effect on SKF Vertevo's revenues and profitability. In addition, any failure by SKF or an SKF supplier or assignee to comply with its contractual obligations relating to the supply of products or services to SKF Vertevo, including by ceasing to supply such products or services on the agreed terms, could have a material adverse effect on SKF Vertevo's business, financial condition and results of operations.

The parties' respective ability to seek compensation is subject to customary limitations of liability with limited exceptions and, as is customary in commercial contracts, the remedies available to the parties may be insufficient to fully compensate for the operational and financial consequences of a material failure by the other party. In addition, if products manufactured and supplied by either party to the other under the relevant CMAs are affected by defects, quality deficiencies or performance issues, the remedies available under the CMA may not fully cover SKF's or SKF Vertevo's resulting liabilities and obligations towards their respective customers. This could, in turn, have a material adverse effect on the relevant company's business, operations, financial position and results of operations.

SKF and SKF Vertevo will be dependent on each other as suppliers for certain functions over a transitional and long-term period

SKF and SKF Vertevo will, prior to the distribution and listing of SKF Vertevo, enter into the Transitional Services Agreement (as described in "*Services Agreements*" above) under which SKF and SKF Vertevo will provide certain services relating to shared facilities, logistics and warehousing and limited IT services. The term of the different services varies between a few months to 18 months from the distribution of the shares in SKF Vertevo. Shortcomings in either party's fulfilment of its obligations under the agreement, as well as disagreements over interpretation or other disruptions in the provision of the services could adversely impact the operations of both SKF and SKF Vertevo. After the transitional period, SKF Vertevo is required to have implemented sufficient replacement services or capabilities. Such new services or capabilities could be of a lower quality, or more expensive, than the services previously provided by SKF, which could have an adverse impact on the profitability of SKF Vertevo.

Due to some operational entanglements between SKF and SKF Vertevo they will also, prior to the distribution and listing of SKF Vertevo, enter into the Services Agreement (as described in "*Services Agreements*" above) under which SKF and SKF Vertevo will provide each other with certain services which are primarily facility-related, that neither group can independently perform. The services under the Services Agreement will be provided for a longer period than the transitional services described above, reflecting the fact that certain operational interdependencies arising from shared sites are unavoidable and cannot reasonably be resolved within a transitional timeframe. Shortcomings in either party's fulfilment of its obligations under the Services Agreement, as well as disagreements over its interpretation or other disruptions in the provision of services, could adversely impact the operations of both SKF and SKF Vertevo. In particular, the longer duration of the Services Agreement means that both parties will remain exposed to risks relating to service quality, pricing adjustments, changes in the other party's operations and the continued availability of third-party consents and licences necessary for the provision of the services, which could thus have a negative impact on either company's profitability, operational results and financial position.

Indemnities under the Master Separation Agreement may result in unforeseen costs for SKF or SKF Vertevo

Under the Master Separation Agreement (as described in "*Master Separation Agreement*" above) entered into in connection with the separation of SKF Vertevo from the SKF Group, SKF Vertevo shall, as a general rule, indemnify SKF for any liability or loss caused by or relating to the business area comprising SKF Vertevo prior to the spin-off, regardless of when and in what legal entity such liability occurred. SKF shall, conversely, as a general rule, indemnify SKF Vertevo for any liability or loss caused by or relating to the remaining SKF business, regardless of when and in what legal entity such liability occurred. Unforeseen significant liabilities pertaining to either party's business that trigger indemnification liability could lead to increased costs for SKF or SKF Vertevo. If SKF and SKF Vertevo fail to agree on allocation of liability, the matter may need to be resolved in arbitration procedures, which may be protracted and costly for both parties.

The proposed distribution may affect the price of both SKF and SKF Vertevo shares

The proposed distribution of SKF Vertevo will create an independent group consisting of operations and assets that accounted for approximately 26 per cent of the SKF Group's net sales as of 30 June 2026. It is not possible to predict the market prices of the shares of SKF and SKF Vertevo as standalone companies or whether their combined share price will exceed SKF's current share price. The distribution may affect the individual companies' financial positions and risk profiles as well as other conditions for conducting their respective business. The market may not react favourably to the distribution and investors may perceive the standalone companies less favourably than the SKF Group as currently constituted.

Tax considerations

The following is a general description of certain tax considerations relating to the proposed distribution of shares in SKF Vertevo to the shareholders of SKF. It does not purport to be a complete analysis of all tax considerations, neither in Sweden, the United States nor elsewhere. The tax treatment of each individual shareholder depends on the shareholder's particular circumstances and the tax laws in the country where the shareholder is resident for tax purposes. Each shareholder should therefore consult its own tax adviser with regard to the specific tax consequences that may arise in the individual case. This summary is based upon the laws and regulations in effect as of the date of this information brochure and does not consider changes in laws or regulations effective, sometimes with retroactive effect, after such date.

Certain tax issues in Sweden

The following is a summary of certain Swedish tax consequences that may arise from the proposed distribution of shares in SKF Vertevo to shareholders of SKF. The summary is based on current legislation and only provide general information applicable to individuals and limited liability companies (Sw. *aktiebolag*) resident in Sweden for tax purposes.

The summary does not cover: (i) shares held by partnerships or as current assets in business operations (Sw. *lagertillgångar*); (ii) the specific rules concerning tax-exempt capital gains (including non-deductibility for capital losses) and dividends in the corporate sector in case shares are deemed to be held for business reasons under the Swedish participation exemption regime (Sw. *näringsbetingade andelar*); (iii) shares that are held in an investment savings account (Sw. *investeringssparkonto*), or endowment insurance (Sw. *kapitalförsäkring*), which are both subject to notional taxation; or (iv) special tax rules applicable to certain investors (e.g. investment funds and insurance companies).

The tax consequences for each individual shareholder will ultimately depend on the shareholder's particular circumstances. Each shareholder should therefore consult a tax adviser regarding the specific tax consequences that may arise in the individual case, including (but not limited to) the applicability and effect of foreign tax rules and tax treaties.

Taxation of the distribution of SKF Vertevo

It is expected that the distribution of the SKF Vertevo shares will fulfil the requirements set out in the so-called "Lex Asea" rules. The distribution of SKF Vertevo shares to SKF's shareholders will therefore not trigger any immediate taxation. Shareholders in SKF entitled to participate in the distribution will have the tax basis in their SKF shares allocated among these shares and the shares received in SKF Vertevo. The allocation of the tax basis will be based on the change in value of the SKF shares due to the distribution of the shares in SKF Vertevo. SKF will request general guidelines from the Swedish Tax Agency (Sw. *Skatteverket*) concerning how this tax basis should be allocated and these guidelines will be published on the websites of SKF, SKF Vertevo and the Swedish Tax Agency as soon as possible.

Withholding tax on dividends

Since the distribution of the shares in SKF Vertevo is expected to fulfil the requirements set out in the so-called "Lex Asea" rules, no Swedish withholding tax will be levied on the distribution.

Taxation upon the disposal of shares and fractions of shares in SKF Vertevo

The disposal of SKF Vertevo shares received will result in capital gains taxation. The same applies to shareholders who receive fractions of SKF Vertevo shares that are subsequently sold for their account. The capital gain or capital loss is calculated as the difference between the sales price, after deducting selling expenses and the tax basis (consisting of, among other things, the acquisition cost). The acquisition cost of the SKF Vertevo shares received by the distribution will be determined based on the general guidelines that the Swedish Tax Agency will render. The acquisition cost of each fraction of a SKF Vertevo share should be the corresponding portion of the acquisition cost of a SKF Vertevo share established on the basis of the Swedish Tax Agency's guidelines. Since the shares in SKF Vertevo will be listed on the stock market, the tax basis of these shares may alternatively be determined at 20 per cent of the net sales revenue, using the standard method. For Swedish limited liability companies, capital losses on listed shares may only be offset against corresponding capital gains on such assets.

Certain U.S. federal income tax considerations

THIS SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR GENERAL INFORMATION ONLY. U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF RECEIVING, OWNING AND DISPOSING OF SKF VERTEVO'S SHARES, THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW AFTER THE DATE HEREOF.

The following is a summary of certain U.S. federal income tax consequences of the receipt of SKF Vertevo shares by U.S. Holders (as defined below) pursuant to the distribution of SKF Vertevo shares to the shareholders of SKF (the "**Distribution**"). This summary applies only to a U.S. Holder that holds its SKF shares, or SKF American Depositary Shares ("**ADSs**"), as the case may be, as "capital assets" (generally, property held for investment). This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), applicable U.S. Treasury regulations, administrative interpretations, court decisions and the U.S.-Sweden income tax treaty (the "**Treaty**"), all as in effect as of the date of this information brochure, all of which may change, possibly with retroactive effect.

This summary does not address any U.S. tax consequences of owning SKF Vertevo shares following the Distribution. For additional information regarding certain U.S. federal income tax consequences to U.S. Holders of owning the distributed SKF Vertevo shares, see the discussion set forth under the heading "*Certain U.S. federal income tax considerations*" in the prospectus that will be published prior to the listing of SKF Vertevo shares on Nasdaq Stockholm.

For purposes of this discussion, a "U.S. Holder" is a beneficial owner of less than 5 per cent of the SKF shares (including shares underlying SKF's ADSs) by vote or value, that is, for U.S. federal income tax purposes, either:

- a citizen or resident of the U.S.;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organised in or under the laws of the U.S., any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

This discussion does not address all aspects of U.S. federal income taxation that may be important to a U.S. Holder in light of the U.S. Holder's particular circumstances or to a U.S. Holder subject to special rules, such as:

- a financial institution, regulated investment company or insurance company;
- a tax-exempt organisation;
- a dealer or broker in securities or foreign currencies;
- a shareholder that holds SKF shares or will hold SKF Vertevo shares, as part of a hedge, appreciated financial position, straddle, conversion, or other risk reduction transaction;
- a shareholder that holds SKF shares, or will hold SKF Vertevo shares, in a tax-deferred account;
- a shareholder that holds SKF shares, or will hold SKF Vertevo shares, in connection with a trade or business conducted outside the United States; or
- a shareholder that acquired or received SKF shares as compensation.

If a partnership, or any entity treated as a partnership for U.S. federal income tax purposes, holds SKF shares, the tax treatment of a partner in such partnership generally will depend on the status of the partners and the activities of the partnership. A partner in a partnership holding SKF shares should consult its tax adviser.

A U.S. Holder of ADSs of SKF should be treated as the beneficial owner of the underlying SKF shares for U.S. federal income tax purposes and the remainder of this discussion so assumes.

This discussion of certain U.S. federal income tax consequences is not a complete analysis or description of all potential U.S. federal income tax consequences of the Distribution (and as mentioned above, does not address any consequences of owning SKF Vertevo shares). It does not address tax consequences that may vary with, or are contingent on, individual circumstances (including any minimum tax or Medicare contribution tax consequences). In addition, it does not address any U.S. federal, estate, gift or other non-income tax, or any state, local tax or non-U.S. tax consequences of the Distribution. Accordingly, each holder and beneficial owner of SKF shares should consult its tax adviser to determine the particular U.S. federal, state, local or non-U.S. tax consequences of the Distribution and of owning or disposing of SKF Vertevo shares.

The following discussion assumes that neither SKF nor SKF Vertevo has been a passive foreign investment company (PFIC) for U.S. federal income tax purposes for any taxable year.

The Distribution

SKF intends to take the position that for U.S. federal income tax purposes the Distribution qualifies as a non-taxable distribution to U.S. Holders under Section 355 of the Code. However, certain aspects of the application of Section 355 of the Code to the Distribution, certain transactions related thereto and various arrangements entered into between the parties are subject to uncertainties. U.S. Holders should be aware that neither SKF nor SKF Vertevo has requested, or intends to request, an opinion from any law or accounting firm, or a ruling from the U.S. Internal Revenue Service (the "**IRS**"), with respect to the U.S. federal income tax treatment of the Distribution or any of the other conclusions expressed herein. Neither SKF nor SKF Vertevo can give any assurance that the IRS will not successfully challenge the views expressed herein. U.S. Holders should consult their tax advisers regarding whether Section 355 of the Code is applicable to the Distribution.

If the Distribution qualifies under Section 355 of the Code:

- no gain or loss would be recognised by, and no amount would be included in the income of, U.S. Holders with respect to the receipt of SKF Vertevo shares in the Distribution, except as described below in the 4th bullet;
- the aggregate tax basis of the SKF Vertevo shares received by a U.S. Holder (or the depositary) with respect to the U.S. Holder's SKF shares or ADSs would be determined by allocating the aggregate tax basis the U.S. Holder has in such SKF shares or ADSs immediately before the Distribution between such SKF shares or ADSs, as applicable, and the SKF Vertevo shares received with respect thereto (including any fractions of SKF Vertevo shares receivable), in proportion to their relative fair market values immediately following the Distribution;
- the holding period of SKF Vertevo shares received (including any fraction of a SKF Vertevo share receivable) in the Distribution would include the holding period of the SKF shares or ADSs with respect to which the SKF Vertevo shares were distributed; and
- a U.S. Holder of SKF shares that receives cash in lieu of a fraction of a share of SKF Vertevo (or a U.S. Holder of ADSs whose SKF Vertevo shares are sold by the depositary for the benefit of the U.S. Holder) will recognise capital gain or loss, measured by the difference between the cash received and the U.S. Holder's tax basis in the relevant sold shares, determined as described above. Such gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period in the sold SKF Vertevo shares (as described above) is more than one year as of the closing date of the Distribution.

A U.S. Holder that acquired different blocks of SKF shares or ADSs at different times and at different prices generally must apply the rules described above separately to each identifiable block of shares of SKF shares or ADSs. Any such U.S. Holder should consult its tax adviser regarding the application of these rules with respect to each block of SKF shares or ADSs.

If contrary to SKF and SKF Vertevo's intended treatment the Distribution does not qualify under Section 355 of the Code as a tax-free distribution, the Distribution would be treated as a taxable distribution of SKF Vertevo shares to U.S. Holders in an amount equal to the fair market value of SKF Vertevo shares on the date of the Distribution (determined in U.S. dollars). Because SKF does not maintain calculations of its earnings and profits for U.S. federal income tax purposes, U.S. Holders should expect that a taxable distribution would be reported to them in its entirety as a dividend for U.S. federal income tax purposes. In the case of a taxable distribution, a U.S. Holder generally would have a tax basis in the SKF Vertevo shares equal to the fair market value of the SKF Vertevo shares at the time of the Distribution (determined in U.S. dollars). If the depositary sells SKF Vertevo shares for the benefit of a U.S. Holder of SKF ADSs, the U.S. Holder will recognise further gain or loss on the difference between the amount realised and the U.S. Holder's tax basis in the sold shares.

Frequently asked questions

Why are the shares in SKF Vertevo distributed?

The Board of Directors of SKF believes that SKF and SKF Vertevo, as standalone entities, can allocate capital, resources and management attention to the opportunities that matter most in its own markets. This should improve responsiveness, strengthen competitiveness and enable more tailored execution driving customer value. SKF will comprise the pure-play industrial operations, providing bearing technology and industrial solutions across more than 20 industries worldwide. SKF Vertevo will be focused on customised automotive bearings and related products for wheel-end, powertrain as well as steering and suspension applications and will continue to supply the vehicle aftermarket with a wide range of spare parts, both directly and through a network of more than 10,000 distributors. The Board of Directors of SKF believes that the sharpened focus of both SKF and SKF Vertevo has the potential to unlock the full potential of both businesses and accelerate profitable growth and long-term shareholder value creation.

What are the terms and conditions for the distribution?

Registered shareholders of SKF on the record date for distribution of shares are entitled to receive one (1) share in SKF Vertevo, for no consideration, for every five (5) shares of the same series held in SKF. If a shareholder's shareholding in SKF is not evenly divisible by five (5), the fraction of shares which the shareholder's shareholding in SKF otherwise would entitle to will be combined with all other shareholders' fractions of shares into whole shares in SKF Vertevo, which will be sold on Nasdaq Stockholm through SEB. The proceeds from such sales, free of any commissions, will then be paid to such shareholders through the Euroclear system on a pro rata basis.

Do I need to take any actions in order to receive distributed shares?

No. Registered (directly registered or nominee registered) shareholders of at least five (5) SKF shares on the record date for distribution will automatically receive shares in SKF Vertevo. Holders of ADRs in SKF should read "*Holders of SKF American Depositary Receipts*" on page 5 in this information brochure.

When is the record date for the distribution?

The Board of Directors proposes that the Extraordinary General Meeting authorises the Board of Directors to resolve on the record date for the distribution of the shares in SKF Vertevo. The record date is expected to be 27 November 2026, whereas the distribution of the shares in SKF Vertevo and the first day of trading in the SKF Vertevo share on Nasdaq Stockholm are expected to occur on 1 December 2026.

When will the prospectus be published and where can I find it?

A prospectus, which will contain information about SKF Vertevo and the risks associated with an investment in SKF Vertevo shares, is expected to be published in November 2026. The prospectus will be available for downloading on the SKF and SKF Vertevo websites and can also be obtained in paper format from the SKF and SKF Vertevo offices.

Will the distribution cause any tax consequences for shareholders?

The distribution of the shares in SKF Vertevo is expected to fulfil the requirements set out in the so-called "Lex Asea" rules and will therefore not be immediately taxable for individuals and limited liability companies that are Swedish tax residents. The tax basis for the shares in SKF that carry distribution rights will however be allocated among these shares and the shares received in SKF Vertevo. The allocation of the tax basis will be based on the change in value of the shares in SKF due to the distribution of the shares in SKF Vertevo. SKF will request general guidelines from the Swedish Tax Agency regarding the allocation of the tax basis. Information regarding the Swedish Tax Agency's general guidelines will be published as soon as possible on the websites of SKF, SKF Vertevo and the Swedish Tax Agency.

No Swedish withholding tax will be levied on a distribution made in accordance with the requirements set out in the so-called "Lex Asea" rules. However, for shareholders who receive fractions of shares that are subsequently sold on their behalf, the sale of fractions of shares will result in capital gains taxation. Such shareholders should read "*Taxation upon the disposal of shares and fractions of shares in SKF Vertevo*" on page 52–53 in this information brochure.

U.S. investors should read "*Certain U.S. federal income tax considerations*" on page 53–54 in this information brochure.

Questions regarding the proposed distribution will be answered by email at info.SKF-SKFVertevo@skf.com.

This information brochure can also be downloaded from SKF's website, www.skf.com.

Glossary

Abbreviation	Definition
APAC	Asia Pacific
CAGR	Compounded Annual Growth Rate
CV/CVs	Commercial Vehicles
EMEA	Europe, Middle East, Africa
EV/EVs	Electric Vehicles (refers to battery- and fuel-cell-powered vehicles, including hybrid vehicles with a battery capacity exceeding 20 kWh)
ICE	Internal Combustion Engine
NVH	Noise, Vibration and Harshness
OE	Original Equipment
OEM	Original Equipment Manufacturer
PV/PVs	Passenger Vehicles
SUV	Sport Utility Vehicle
TAM	Total Addressable Market
VA	Vehicle Aftermarket

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