

Arla Plast AB

Year-end report 2021



LOWER MARGINS IN THE QUARTER – FULL YEAR IN LINE WITH FINANCIAL OBJECTIVES

OCTOBER – DECEMBER 2021

- Sales volume declined by 2% to 5,503 tonnes (5,588).
- Net sales increased by 13% to SEK 240.3 (211.9) million. The organic increase was 12%.
- Operating profit declined by 63% to SEK 10.2 (27.4) million and adjusted operating profit by 69% to SEK 10.2 (33.2) million.
- The operating margin declined to 4.2% (12.9%) and adjusted operating margin declined to 4.2% (15.7%).
- Profit for the period declined by 58% to SEK 8.4 (19.9) million.
- Earnings per share before dilution amounted to SEK 0.42 (1.00), and after dilution, to SEK 0.40 (0.95).
- Costs of 3.1 MSEK is charged to operating profit and relates to termination costs for the former CEO.
- Cash flow from operating activities decreased to SEK 27.1 million (55.3).
- Christian Krichau has been appointed CEO.

JANUARY – DECEMBER 2021

- Sales volume declined by 6% to 22,646 tonnes (23,992 tonnes).
- Net sales increased by 5% to SEK 927.5 (884.7) million. The organic increase was 5%.
- Operating profit declined by 19% to SEK 86.2 (105.9) million, while the adjusted operating profit decreased by 19% to SEK 92.3 (113.5) million.
- The operating margin decreased to 9.3% (12.0%) and the adjusted operating margin decreased to 10.0 % (12.8%).
- Profit for the period declined by 15% to SEK 68.1 (80.2) million.
- Earnings per share, before dilution, amounted to SEK 3.41 (4.01) and after dilution to SEK 3.25 (3.93).
- Net debt amounted to SEK 44.5 (37.0) million at the end of the period, corresponding to 0.4 times (0.3 times) EBITDA.
- Cash flow from operating activities decreased to SEK 47.7 million (148.8).
- The Board proposes a dividend of SEK 1,50 per share, equivalent to 44 percent of net profit.

GROUP IN SUMMARY*

	Oct-Dec 2021	Oct-Dec 2020	Δ,%	Jan-Dec 2021	Jan-Dec 2020	Δ,%
Sales volume, tonnes	5,503	5,588	-2	22,646	23,992	-6
Net sales, SEK million	240.3	211.9	13	927.5	884.7	5
Gross margin, %	14.6	25.8	-43	19.5	23.6	-17
EBITDA, SEK million	20.1	36.3	-45	124.4	141.1	-12
Adjusted EBITDA, SEK million	20.1	42.1	-52	130.5	148.8	-12
Operating profit, SEK million	10.2	27,4	-63	86.2	105.9	-19
Adjusted operating profit, SEK million	10.2	33.2	-69	92.3	113.5	-19
Operating margin, %	4.2	12.9	-67	9.3	12.0	-22
Adjusted operating margin, %	4.2	15.7	-73	10.0	12.8	-22
Profit for the period, SEK million	8.4	19.9	-58	68.1	80.2	-15
Earnings per share before dilution, SEK	0.42	1.00	-59	3.41	4.01	-15
Earnings per share after dilution, SEK	0.40	0.95	-59	3.25	3.93	-18
Net debt/EBITDA, multiple	0.4	0.3	38	0.4	0.3	38
Net debt, SEK million	44.5	37.0	20	44.5	37.0	20
Cash flow from operating activities, SEK million	27.1	55.3	-51	47.7	148.8	-68
Return on capital employed, %	18.8	22.9	-18	18.8	22.9	-18
Equity/assets ratio, %	72.6	67.6	7	72.6	67.6	7

* For definitions and alternative performance measures, see page 19.

LOWER MARGINS IN THE QUARTER – FULL YEAR IN LINE WITH FINANCIAL OBJECTIVES

Market conditions

For Arla Plast, the pandemic meant new demand in the form of transparent barrier products, which kept our production facilities busy during 2020 and in the beginning of 2021 and we delivered large volumes of these products. As the world and the market gradually have returned to more normal behaviors, demand for this type of products has waned while other application areas have returned or increased in importance.

Throughout 2021, we have had a turbulent raw material situation with sharply rising prices that almost doubled during the year. We had expected, in line with previous patterns, that raw material supply would increase by mid-year and prices would thus fall, but they have instead continued to increase, albeit at a slower pace.

Higher net sales with lower margins during the fourth quarter

The fourth quarter is generally the weakest quarter of the year, due to the industry's low activities during Christmas and New Year break, so also this year. In addition, the fourth quarter in 2020 was unusually strong and therefore a tough quarter to compare with. The reason behind this was the high demand for barrier products during the pandemic, which had a strong impact both on net sales as well as on margins. In the fourth quarter of 2021, volumes therefore decreased slightly compared to 2020, while net sales increased organically by 12 percent, as a result of higher prices. Raw material prices have continued to rise, and we have not been able to raise prices fully towards customers, which has had a negative impact on both gross and operating margins during the quarter. In addition, the quarter has been charged with costs for the former CEO of SEK 3.1 million.

Full year in line with financial objectives

In 2020, prior to the IPO, the Board adopted financial objectives: "annual organic net sales growth, over a business cycle, should be 5 percent". This objective was achieved for 2021 when the organic increase in net sales was 5 percent, despite the tough comparison year and slightly reduced volumes. Thus, net sales were positively affected by price increases. The operating margin in 2021 amounted to 9.3 percent and adjusted operating margin to 10 percent, in line with the financial objective of at least 10 percent over a business cycle.

It is satisfying that we have had good growth in all product areas except, of course, barrier products and that from the second quarter onwards we have seen a persistent demand for "multiwall", which are used for products in home and gardening.

Internal review

In my new position as CEO, in addition to running the day-to-day business, I have made an overview of the organization in order to identify improvement potentials. I see this in the marketing and sales organization. Here we can state that some of the changes implemented in 2020 within the sales organization have not had full effect, which is why we will implement several changes in order to make better use of the organization and the full potential of our employees.

Outlook

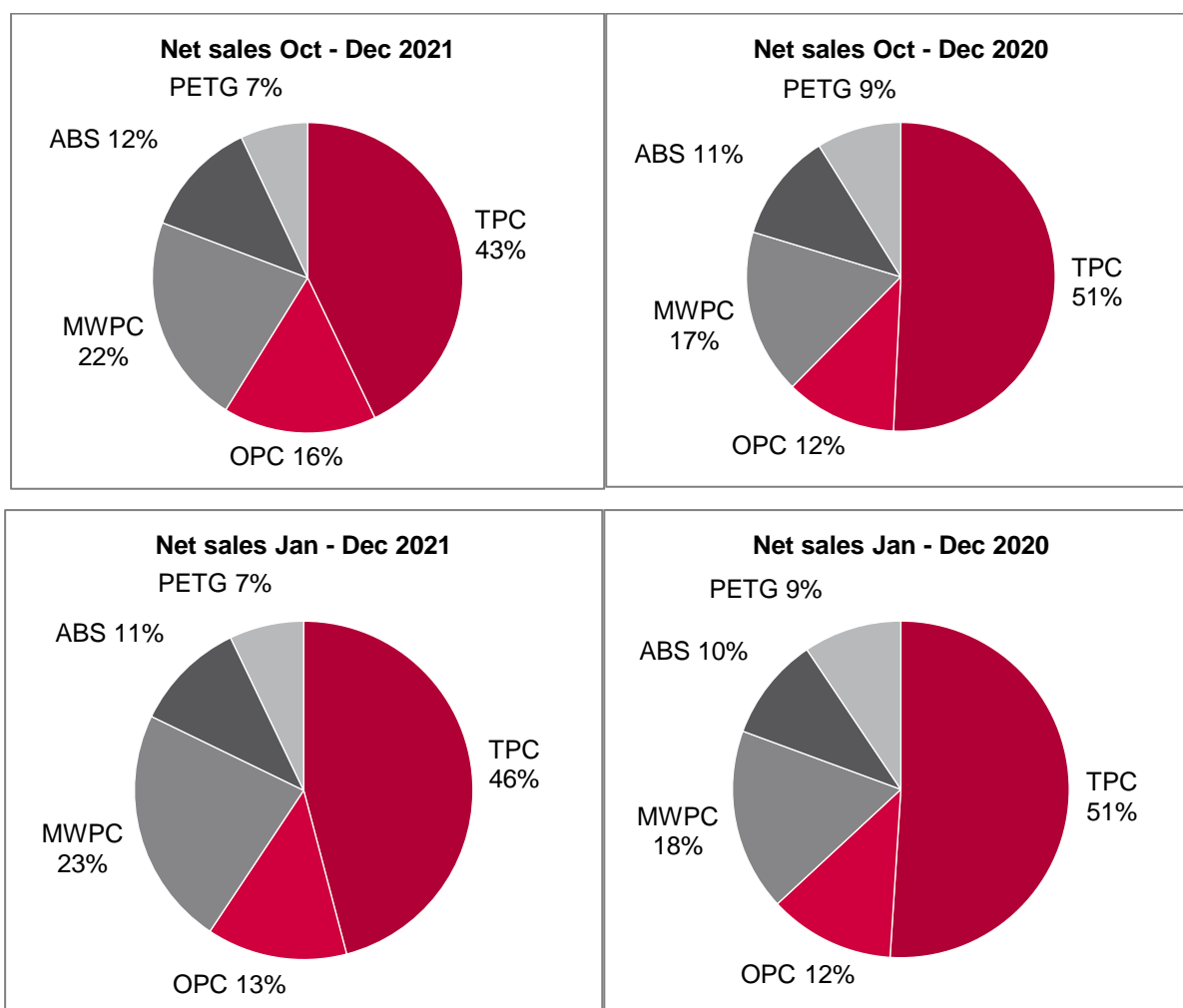
The current year 2022 has started as 2021 ended. Raw material prices remain high and we have not seen any clear signs that they will fall, at the same time as competition for market volumes has intensified in certain areas. However, the world is slowly but surely opening up, something we, like everyone else, welcome, and it should mean that demand is coming back from many of the application areas where we have seen modest demand over the past two years. In 2021, we carried out several investments and improvement activities that have significantly increased our production capacity, which paves the way for an even better service to our customers. Together with our talented employees and our increased capacity, we will be able to best meet our customers' demands and expectations, thereby enabling growth. Our internal organization is ready, so the focus will be to provide the best conditions for our sales organization, so that together we can meet our customers with our four cornerstones based on flexibility, speed, quality and service.

Christian Krichau
President and CEO

FINANCIAL OVERVIEW

Profit and loss items and cash flow are compared with the corresponding period of the previous year. Balance sheet items refer to the position at the end of the period and are compared with the corresponding date of the previous year.

Breakdown of total net sales by product area* in the fourth quarter and full year:



*For definitions of product areas, see page 23.

Net sales and operating profit

Arla Plast's sales volume in the fourth quarter 2021 declined by 2 percent to 5,503 tonnes (5,588 tonnes) compared to the corresponding quarter last year. The demand is still hesitant from some applications at the same time as the demand from pandemic related barrierproducts have diminished. Net sales increased by 13 percent to SEK 240.3 (211.9) million; organically the increase was 12 percent. Price adjustments in order to meet higher prices for input material together with a changed product mix affected net sales positively. However, the price competition increased during the quarter and we were not able to fully compensate for the higher raw material prices. Net sales increased in both segments, preferably Czech Republic.

Operating profit for the fourth quarter amounted to SEK 10.2 (27.4) million, a decrease by 63 percent. Operating margin declined to 4.2 percent (12.9 percent). The operating profit for the fourth quarter has been charged with termination costs related to the previous CEO of SEK 3.1 million. Costs for input material remained at a high level and affected gross margin negatively. Adjusted operating profit amounted to SEK 10.2 (33.2) million, and the adjusted operating margin, to 4.2 (15.7 percent).

Arla Plast's sales volume during 2021 decreased by 6 percent to 22,646 tonnes (23,992 tonnes) compared to the corresponding period last year. The corresponding period 2020 reflects an unusually high demand for pandemic related products which now has been normalised. Net sales increased by 5 percent to SEK 927.5 million (SEK 884.7 million), organically an increase by 5

percent. Price adjustments in order to meet higher prices for input material together with a changed product mix affected net sales positively. Net sales increased in segment Sweden as well as in segment Czech Republic.

Operating profit for 2021 amounted to SEK 86.2 (105.9) million, a decline of 19 percent. Operating margin amounted to 9.3 percent (12.0 percent). The adjusted operating profit amounted to SEK 92.3 (113.5) million, and the adjusted operating margin, to 10.0 percent (12.8 percent). The operating profit has been charged with termination costs related to the previous CEO of SEK 3.1 million. Costs for input material remained at a high level and affected gross margin negatively.

Profit/loss for the period and earnings per share

During the fourth quarter 2021, profit before tax amounted to SEK 10.0 (24.3) million. Net financial income and expenses totaled SEK -0.2 (-3.0) million, including interest expenses of SEK -0.5 (-0.3) million. Taxes in the fourth quarter amounted to SEK -1.6 (-4.4) million, which corresponds to an effective tax rate of 15.7 percent (18.1 percent). Net profit for the period was SEK 8.4 (19.9) million during the fourth quarter 2021, and earnings per share before dilution was SEK 0.42 (1.00), and after dilution, SEK 0.40 (0.95).

During 2021, profit before tax amounted to SEK 85.5 (100.6) million. Net financial income and expenses totaled SEK -0.7 (-5.3) million, including interest expenses of SEK -1.0 (-1.1) million. Taxes in 2021 amounted to SEK -17.4 (-20.5) million, which corresponds to an effective tax rate of 20.3 percent (20.4 percent). Net profit for the period was SEK 68.1 (80.2) million during 2021 and earnings per share before dilution was SEK 3.41 (SEK 4.01), and after dilution, SEK 3.25 (SEK 3.93).

Cash flow

Cash flow from operating activities decreased during the fourth quarter to SEK 27.1 (55.3) million. Cash flow was negatively impacted by a lower operating profit and due to that a temporary release in working capital in the fourth quarter 2020 was not repeated.

Cash flow from investing activities was SEK -7.3 (-16.9) million during the quarter and refers mainly to new and replacement investments in the three production facilities.

Cash flow from financing activities totaled SEK -24.6 (-104.4) million. During the corresponding period 2020, a dividend of SEK 100 million was paid out to the shareholder.

For the full year 2021, cash flow from operating activities amounted to SEK 47.7 (148.8) million. The decrease is a result from increased inventory, increased operating assets and lower operating liabilities. The increase in inventory and higher operating assets are mainly a result from higher prices for input material. In addition the operating profit was lower.

Cash flow from investing activities during 2021 amounted to SEK -34.1 (-38.4) million and refers mainly to investments in the production facilities, of which SEK -12.5 million relates to a new production line in Borensberg.

Cash flow from financing activities totaled SEK -19.6 (-157.9) in 2021. Previous year was impacted by a dividend of SEK 100.0 millions to the shareholder.

Investments

Arla Plast continuously invests in its production units. The Group's investments in property plant and equipment in the fourth quarter amounted to SEK 7.3 (20.0) million and refers primarily to new and replacement investments in our three production facilities. Total depreciations for the fourth quarter amounted to SEK -9.9 (-8.9) million.

During 2021, the Group's investments in property, plant and equipment amounted to SEK 34.1 (41) million, of which SEK 12.5 (4.3) million refers to an investment in a new capacity-increasing production line in Borensberg, which was commenced in 2019. The new production line was commissioned during the second quarter, and the total investment is estimated to SEK 55.7 million, whereof SEK 1.1 million remains to be paid during 2022. Total depreciation for 2021 amounted to SEK -38.2 (-35.2) million.

Financial position

Arla Plast's total assets amounted to SEK 646.6 million as of 31 December 2021 (SEK 576.0 million).

The Group's net debt amounted to SEK 44.5 million as of 31 December 2021 (SEK 37.0 million), which corresponds to 0.4 times EBITDA (0.3 times). Net debt increased as a result from a prolonged lease contract which affected the lease debts by SEK 16.3 million in the third quarter, see note 5. In addition an increase in working capital as a result of higher raw material prices have affected negatively.

The Group's equity ratio, equity at the end of the period as a percentage of total assets, was 72.6 percent (67.6 percent).

Parent company

Arla Plast AB is the parent company of the Arla Plast Group. The parent company's activities include the Swedish operating activities, as well as Group-wide functions such as management, finance, IT, purchasing and communications. In the fourth quarter of 2021, net sales amounted to SEK 157.6 (152.8) million, and operating profit, to SEK 0.6 (18.2) million.

For the full year 2021, net sales amounted to SEK 618.5 (614.1) million, and operating profit to, SEK 64.4 (86.7) million. Cash and cash equivalents at 31 December 2021 amounted to SEK 18.4 million compared to SEK 23.1 million at 31 December 2020.

Segments

The Group's activities are monitored through the two operating segments, Sweden and the Czech Republic. Group-wide functions can be found in both Sweden and the Czech Republic and are internally invoiced to ensure that a fair result can be monitored in each segment. The costs affecting comparability that relate to preparation costs for a possible listing are charged to Group-wide costs and have not been allocated.

SWEDEN

Key performance indicator	2021	2020	Δ,%	2021	2020	Δ,%
	Oct-Dec	Oct-Dec		Jan-Dec	Jan-Dec	
Sales volume, tonnes	3,725	3,902	-5	14,871	16,211	-8
Net sales, SEK million	157.6	152.8	3	618.5	614.1	1
Operating profit, SEK million	1.0	24.0	-96	70.5	94.4	-25
Operating margin, %	0.7	15.7	-96	11.4	15.4	-26

In the fourth quarter, sales volumes decreased by 5 percent. The demand from certain applications remained hesitant at the same time as demand from pandemic related barrier products has ceased. Net sales increased by 3 percent to SEK 157.6 (152.8) million. Price competition was fierce and we were not able to raise prices to the extent that it fully compensated for higher prices for input materials. Operating profit declined to SEK 1.0 (24.0) million as a result of lower gross profit. The operating profit has also been charged with costs of SEK 3.1 million related to the termination of the previous CEO. The operating margin declined to 0.7 percent (15.7).

During the full year 2021, sales volume decreased by 8 percent. The demand from certain applications remained hesitant at the same time as demand from pandemic related barrier products has ceased. Net sales increased by 1 percent to SEK 618.5 (614.1) million. The price competition became more fierce towards the end of the year and we were not fully able to compensate us for the higher raw material prices. Operating profit amounted to SEK 70.5 (94.4) million. The operating profit was also charged with costs of SEK 3.1 million related to the termination of the prior CEO. Operating margin declined to 11.4 percent (15.4 percent).

CZECH REPUBLIC

Key performance indicator	2021	2020	Δ,%	2021	2020	Δ,%
	Oct-Dec	Oct-Dec		Jan-Dec	Jan-Dec	
Sales volume, tonnes	2,084	1,981	5	8,929	8,642	3
Net sales, SEK million	91.4	69.7	31	343.6	314.1	9
Operating profit, SEK million	8.9	9.2	-4	20.6	18.7	10
Operating margin, %	9.7	13.2	-27	6.0	6.0	-

In the fourth quarter 2021, sales volumes increased by 5 percent. A raising trend within home and garden has continued at the same time as a normalization of the demand for barrier products. Net sales increased by 31 percent to SEK 91.4 (69.7) million, the organic increase was 27 percent. Price increases in this segment has to a large extent compensated for the higher raw material prices, during the fourth quarter. Operating profit declined to SEK 8.9 (9.2) million. Operating margin increased to 9.7 percent (13.2 percent).

During 2021 sales volumes increased by 3 percent. Net sales increased by 9 percent to SEK 343.6 (314.1) million, taking into account exchange rate fluctuations, the organic increase was 11 percent. Operating profit improved to SEK 20.6 (18.7) million. Operating margin was unchanged, 6 percent (6.0 percent).

Financial objectives

In preparation for the listing on Nasdaq Stockholm, Arla Plast's Board of Directors adopted financial targets, which are presented below.

Sales growth

Annual organic sales growth over a business cycle should be 5 percent. This target is not likely to be met during the 2021 financial year, as growth was unexpectedly high in 2020 due to the sale of barrier products at the start of the pandemic.

Operating margin

Operating margin over a business cycle should be at least 10 percent.

Net debt

Net debt in relation to EBITDA shall not exceed 2.5x times.

Dividend policy

The dividend policy is to pay shareholders about 30-50 percent of the profit for the year. Decisions on dividends will reflect the Company's financial position, cash flow and investment needs.

Significant risks and uncertainties

As a Group with international operations, Arla Plast is exposed to various risks and uncertainties. For Arla Plast, the risk management process involves identifying, valuing and reducing risks related to the Group's business and operations.

Strategic risks include general economic conditions and trends, particularly in Europe, where the majority of the Group's products are sold. An economic downturn in the market may have a negative impact on the Group's sales and earnings. Arla Plast faces competition from both small and relatively large companies and continuously streamlines its production, distribution and organization in order to maintain its competitiveness. The COVID-19 situation has had a significant impact and may continue to affect the Group's operations both in terms of fluctuations in demand, but also the risk of contagion, which could lead to difficulties in staffing production facilities.

The supply and price of key raw materials is one of the most substantial operational risks. The main and most important raw material component in the production is PC, ABS and PETG granulate, where volatility in supply and price can lead to the risk of material shortages, as well as a negative impact on profitability.

Regarding compliance risks, Arla Plast's operations are met by a number of laws and regulations at national and international level. Non-compliance with these could involve exposure to material risk if not actively addressed. For this reason, significant resources and costs are used to ensure compliance with applicable rules but also to monitor future regulations.

Financial risks include market risk, liquidity risk, credit risk and refinancing risk. Currency risk is the most significant market risk as the Group is exposed to both transaction risk and translation risk. The Group is exposed to transaction risk mainly through EUR transactions within the Group. Furthermore, the Group is exposed to translation risk when converting the foreign subsidiary in the Czech Republic's revenues, costs, assets and liabilities in CZK into the Group's reporting currency, which is SEK.

For further information on risks and uncertainties, see the 2020 Annual Report.

Sustainability and the environment

It is important for Arla Plast to conduct its business in a sustainable and responsible manner, to strengthen our long-term competitiveness and to create value, both financially and operationally. Sustainable business value is achieved by working according to our sustainability framework and goals. Our approach to sustainability is that these types of issues should be addressed in an integrated way, as part of our day-to-day operations as well as part of our strategic processes.

Key areas of the Group's sustainability work include environmental footprint, social sustainability and business ethics. This entails that Arla Plast shall conduct its operations in accordance with the legal requirements imposed on the business with regard to environmental impact and actively work to minimize the environmental footprint of the Group's operations and products. Furthermore, Arla Plast's social responsibility shall primarily include employees and society, where a good and safe workplace is in focus together with an active effort to contribute to a positive social development. Arla Plast shall also conduct its business in an ethical and responsible manner and be a trustworthy partner in all relationships and wherever the company operates.

Arla Plast has certifications for quality, environment and work environment according to the ISO standards ISO 9001, ISO 14001 and ISO 45001. Arla Plast has identified a number of KPI's related to sustainability which we follow up on. CO2 and sickness leave are two important KPI's. For the fourth quarter 2021, our CO2 footprint was in average 3.5 kilo CO2 per produced product and sick leave 6.1 percent.

During spring 2022 our ambition is to begin a certification process in accordance with ISCC (International Sustainability Carbon Certification).

For further information regarding our sustainability work please find our Sustainability report for 2020 on www.arlaplastgroup.com.

Seasonal variations

Arla Plast has a large number of customers in a wide range of industries. Demand for Arla Plast's products does not generally have any major seasonal variations except for MWPC, which normally has a weaker winter season and a stronger summer season. However, the Group's results are affected by the number of working days, with the number of public holidays and the holiday and Christmas period having a negative impact.

Personnel

The average number of full-time employees in the fourth quarter of 2021 was 265 (263). During the fourth quarter, women accounted for 24 percent (22 percent) of employees. For the full year 2021, the average number of full-time employees was 265 (258) whereof women accounted for 25 percent (24 percent).

Organization

Christian Krichau was appointed President and CEO as of December 7, having held the position as interim CEO as of November 1. Christian has earlier held the position as Production Manager at Arla Plast AB and has been employed for the last six years.

Former CEO, Henrik Håkansson left the company on November 1, due to lack of consensus on issues relating to the management of the company between the Board and the CEO. The operating profit was charged with SEK 3.1 million referring to costs related to 12 months salary for Henrik.

In conjunction with a smaller reorganization as of November 1 2021, Magnus Sävestam left the Group Management to take part of Segment Sweden's management group. The Group Management consists of President and CEO Christian Krichau, CFO Monica Ljung, President Arla Plast s.r.o. Tomas Jon and Commercial Director Peter Mikkonen.

Annual General Meeting 2022

The AGM will take place Thursday May 19th at 00 pm at Arla Plasts Head Office, Västanåvägen 2, Borensberg. Shareholders who wish to propose matters for consideration at the AGM may do so by email, ir@arlaplast.com not later than March 31, 2022.

Dividend

The Board proposes a dividend of 1.50 SEK per share for 2021, a total of 30.0 MSEK. The proposed dividend amounts to 44 % of the net profit 2021. Record date for the dividend will be communicated in conjunction with the notice to the AGM.

The share

On 25 May 2021, Arla Plast was listed on Nasdaq Stockholm Small Cap, ticker ARPL. Shares corresponding to 52 percent of the total number of shares and votes were sold prior to the listing of the selling shareholder, Synnersten Invest AB. As of 30 September, Synnersten Invest AB owns 48 percent, Svolder AB 13 percent, Nortal Investments AB 10 percent, Nordea Investment Funds 6 percent and Roosgruppen AB 5 percent. Arla Plast AB has a total of approximately 2,200 shareholders. An incentive program 2020/23 corresponding to a total of 980,000 warrants has been issued to key employees.

Events after the reporting period

No significant events after the reporting period.

FINANCIAL REPORTS

Consolidated statement of comprehensive income

Amounts in SEK thousand	Note	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales	2,3	240,286	211,940	927,494	884,680
Cost of goods sold		-205,244	-157,170	-746,987	-675,631
Gross margin		35,042	54,770	180,507	209,049
Selling expenses		-15,834	-12,302	-57,629	-63,946
Administrative expenses	9	-10,181	-13,907	-45,201	-41,568
Other operating income	4	2,852	779	8,855	6,056
Other operating expenses		-1,676	-1,975	-317	-3,671
Operating profit		10,203	27,365	86,215	105,920
Financial income		898	-	313	4
Financial expense		-1,081	-3,027	-1,016	-5,283
Profit before tax		10,020	24,338	85,512	100,641
Tax expense		-1,570	-4,408	-17,400	-20,478
Profit for the period		8,450	19,930	68,112	80,163
Other comprehensive income:					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of foreign operations		5,026	-2,122	12,229	-12,769
Other comprehensive income for the period		5,026	-2,122	12,229	-12,769
Total comprehensive income for the period		13,476	17,808	80,341	67,394
Amounts in SEK					
Earnings per share, basic	10	0.42	1.00	3.41	4.01
Earnings per share, diluted	10	0.40	0.95	3.25	3.93

The profit and the total comprehensive income for the period are attributable in their entirety to the shareholders of the parent company.

Consolidated statement of financial position

Amounts in SEK thousand	Note	2021-12-31	2020-12-31
ASSETS			
Total non-current assets			
Intangible non-current assets		509	805
Property, plant and equipment		280,836	275,253
Right-of-use assets	5	21,941	8,593
Other non-current receivables	6	7	14
Total non-current assets		303,293	284,665
Current assets			
Inventories	7	184,306	160,769
Accounts receivable	6	126,229	93,109
Other current receivables	6	11,136	10,788
Prepaid expenses and accrued income		3,110	2,884
Cash and cash equivalents	6	18,565	23,814
Total current assets		343,346	291,364
TOTAL ASSETS		646,639	576,029
EQUITY			
Share capital		2,400	2,400
Other capital contributions		1,666	1,666
Translation reserve		33,263	21,034
Retained earnings (including profit for the period)		432,459	364,347
Total equity attributable to owners of the parent		469,788	389,447
LIABILITIES			
Non-current liabilities			
Non-current portion of lease liability	5	17,310	4,041
Deferred tax liabilities		40,549	38,697
Total non-current liabilities		57,859	42,738
Current liabilities			
Liabilities to credit institutions	6	41,106	52,186
Current portion of lease liability	5	4,661	4,624
Accounts payable	6	14,078	26,074
Current tax liabilities		4,771	6,609
Derivative instruments	6	-	32
Other liabilities	6	28,273	29,067
Accrued expenses and deferred income		26,103	25,252
Total current liabilities		118,992	143,844
Total liabilities		176,851	186,582
TOTAL EQUITY AND LIABILITIES		646,639	576,029

Condensed consolidated statement of changes in equity

Amounts in SEK thousand	2021-12-31	2020-12-31
Opening balance	389,447	420,387
Profit for the period	68,112	80,163
Other comprehensive income	12,229	-12,769
Total comprehensive income	469,788	67,394
Dividend	-	-100,000
Cash for warrants	-	1,666
Total transactions with shareholders	-	-98,334
Closing balance	469,788	389,447

Consolidated statement of cash flows

Amounts in SEK thousand	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Cash flow from operating activities				
Operating profit	10,203	27,365	86,215	105,920
Adjustment for items not included in cash flow	15,110	11,125	41,760	36,934
Interest received	-	-350	-	4
Interest paid	-282	-536	-765	-1,912
Income tax paid	2,912	-133	-16,732	-13,394
Cash flow from operating activities before changes in working capital	27,943	37,471	110,478	127,552
Cash flow from changes in working capital				
Increase/decrease in inventories	10,400	333	-18,451	5,215
Increase/decrease in operating receivables	11,937	28,806	-28,223	-6,989
Increase/decrease in operating liabilities	-23,215	-11,327	-16,110	23,062
Total change in working capital	-878	17,812	-62,784	21,288
Cash flow from operating activities	27,065	55,283	47,694	148,840
Cash flow from investing activities				
Investments in intangible fixed assets	-1	-	-29	-498
Investments in property, plant and equipment	-7,294	-19,992	-34,119	-40,998
Disposal of long-term receivables	-	3,129	-	3,129
Cash flow from investing activities	-7,295	-16,863	-34,148	-38,367
Cash flow from financing activities				
Derivative instruments	-	-30	-	-184
Dividend	-	-100,000	-	-100,000
Increased use of overdraft facility	-	17,327	-	17,022
Reduced use of overdraft facility	-21,283	-	-12,759	-
Amortization related to lease liability	-3,323	-1,301	-6,836	-5,324
Amortization of loans to credit institutions	-	-	-	-31,560
Amortization of debt to Group companies	-	-20,397	-	-39,497
Cash for warrants	-	-	-	1,666
Cash flow from financing activities	-24,606	-104,401	-19,595	-157,877
Cash flow for the period	-4,836	-65,981	-6,049	-47,404
Cash and cash equivalents at beginning of period	23,232	95,994	23,814	77,430
Exchange differences in cash and cash equivalents	169	-6,199	800	-6,212
Cash and cash equivalents at close of period	18,565	23,814	18,565	23,814

Condensed parent company income statement

Amounts in SEK thousand	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net sales	157,591	152,757	618,501	614,077
Cost of goods sold	-137,966	-114,280	-481,805	-449,211
Gross profit	19,625	38,477	136,696	164,866
Selling expenses	-13,617	-8,451	-46,702	-49,337
Administrative expenses	-7,262	-10,985	-34,500	-30,638
Other operating income and operating expenses	1,849	-871	8,864	1,809
Operating profit	595	18,170	64,358	86,700
Financial income and financial expenses	118	-2,360	-207	-4,246
Profit before appropriations and tax	713	15,810	64,151	82,454
Appropriations	-13,218	-18,942	-13,218	-18,942
Profit before tax	-12,505	-3,132	50,933	63,512
Tax expense	-930	623	-10,827	-13,639
Profit for the period	-13,435	-2,509	40,106	49,873

Parent company's condensed statement of comprehensive income

Profit for the period	-13,435	-2,509	40,106	49,873
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-13,435	-2,509	40,106	49,873

Condensed parent company balance sheet

Amounts in SEK thousand	2021-12-31	2020-12-31
ASSETS		
Total non-current assets		
Intangible non-current assets	509	803
Property, plant and equipment	173,124	167,735
Financial fixed assets	28,986	28,986
Total non-current assets	202,619	197,524
Current assets		
Inventories	103,712	96,578
Total current assets	93,188	79,396
Cash and bank balances	18,397	23,126
Total current assets	215,297	199,100
TOTAL ASSETS	417,916	396,624
	2021-12-31	2020-12-31
EQUITY		
Restricted equity	2,880	2,880
Unrestricted equity	201,056	160,950
Total equity	203,936	163,830
Untaxed reserves	140,682	127,464
LIABILITIES		
Liabilities to credit institutions	21,937	38,366
Other current liabilities	51,361	66,964
Total current liabilities	73,298	105,330
TOTAL EQUITY AND LIABILITIES	417,916	396,624

NOTES

Not 1 Basic accounting policies

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with the Annual Accounts Act. The same accounting policies as those in the last annual report have been applied for the Group and the Parent Company.

Significant estimates and judgements are set out in Note 4 of the 2020 Annual Report. No changes have been made to that could have a substantial impact on the current interim report.

New standards, amendments and interpretations effective from 1 January 2021 or later have not had a substantial impact on this financial report.

Not 2 Categories of revenue

Below is a breakdown of revenue from contracts with customers in Arla Plast's largest markets based on the domicile of the customer and Arla Plast's product areas. No single customer accounts for 10 percent or more of sales, which means that dependence on individual customers is limited for Arla Plast.

External net sales per geographical market, SEK Thousand	Oct-Dec 2021	%	Oct-Dec 2020	%	Jan-Dec 2021	%	Jan-Dec 2020	%
Sweden	31,906	13	29,985	14	121,805	13	111,772	13
Germany	35,921	15	43,524	21	174,772	19	234,498	26
Czech Republic	34,722	14	23,965	11	136,523	15	88,362	10
Polen	31,923	13	26,468	12	106,524	12	84,210	10
Rest of Europe	90,074	38	78,066	37	337,826	36	329,830	37
Rest of World	15,740	7	9,932	5	50,044	5	36,008	4
Total	240,286	100	211,940	100	927,494	100	884,680	100

External net sales per product category, SEK Thousand	Oct-Dec 2021	%	Oct-Dec 2020	%	Jan-Dec 2021	%	Jan-Dec 2020	%
TPC	103,767	43	107,136	51	427,358	46	450,768	51
OPC	37,911	16	24,609	12	124,148	13	106,815	12
MWPC	52,712	22	37,175	17	211,353	23	155,808	18
ABS	29,057	12	23,942	11	98,889	11	87,422	10
PETG	16,839	7	19,078	9	65,746	7	83,867	9
Summa	240,286	100	211,940	100	927,494	100	884,680	100

Note 3 Operating segments

The Group's activities are divided into two operating segments, Sweden and the Czech Republic.

Group-wide functions can be found in both Sweden and the Czech Republic and are internally invoiced to ensure that a fair result can be monitored in each segment. Items affecting comparability, which relate to preparation costs for a possible listing, are charged to Group-wide costs and have not been allocated. In the consolidated statement of comprehensive income, the items affecting comparability are included in administrative expenses. Intersegment sales take place on market terms. The CEO primarily uses net sales and adjusted operating profit in assessing the Group's performance.

Sweden

The Sweden segment is the Group's larger segment. This segment represents approximately 65 percent (70 percent) of the Group's total net sales in the fourth quarter of 2021 and includes all operations conducted and based in Borensberg. The main raw materials in the segment are polycarbonate and ABS. The product areas in which the segment operates are TPC, OPC and ABS. Approximately 61 percent (48 percent) of the net sales of the joint product area OPC are generated in the Sweden segment.

Czech Republic

The Czech Republic segment represents approximately 35 percent (30 percent) of the Group's total net sales in the fourth quarter of 2021, but is expected to grow. This segment includes all activities conducted and originating in the Czech Republic. Production takes place in Kadaň and Pelhřimov. The main raw materials in the segment are polycarbonate and PETG. The product areas in which the segment operates are MWPC, OPC and PETG. Regarding the joint product area OPC, the Czech Republic segment accounts for approximately 39 percent (52 percent) of net sales.

Revenue

Intersegment sales take place on market terms. Revenue from external parties reported to the CEO is measured in the same way as in the consolidated statement of comprehensive income.

Net sales and earnings by segment, net sales by geographic market and segment, as well as significant assets and liabilities by segment are shown below:

NET SALES AND EARNINGS PER SEGMENT

Net sales and earnings	Segment	Segment	Jointly	Elim.	Group	Segment	Segment	Jointly	Elim.	Group
	Sweden	Czech				Sweden	Czech			
	Q4	Q4	Q4	Q4	Q4	Q4	Q4	Q4	Q4	Q4
	2021	2021	2021	2021	2021	2020	2020	2020	2020	2020
Sales volume, tonnes	3,725	2,084	-	-306	5,503	3,902	1,981	-	-295	5,588
Net sales, external, SEK million	155.6	84.7	-	-	240.3	149.0	63.0	-	-	212.0
Net sales, intern, SEK million	2.0	6.7	-	-8.7	-	3.7	6.8	-	-10.5	-
Total net sales, SEK million	157.6	91.4	-	-8.7	240.3	152.8	69.7	-	-10.5	212.0
Adjusted operating profit, SEK million	1.0	8.9	-	0.3	10.2	24.0	9.2	-	-0.1	33.1
Items affecting comparability, SEK million	-	-	-	-	-	-	-	5.8	-	5.8
Operating profit, SEK million	1.0	8.9	-	0.3	10.2	24.0	9.2	-5.8	-0.1	27.3
Net financial items, SEK million	0.1	-0.3	-	-	-0.2	-2.4	-0.6	-	-	-3.0
Profit before tax, SEK million	1.1	8.6	-	0.3	10.0	21.6	8.6	-5.8	-0.1	24.3
Operating margin, %	0.7	9.7	-	-	4.2	15.7	14.9	-	-	12.9
Adjusted operating margin, %	0.7	9.7	-	-	4.2	15.7	14.9	-	-	15.7

Net sales and earnings	Segment Sweden Jan-Dec 2021	Segment Czech Jan-Dec 2021	Jointly Jan-Dec 2021	Elim. Jan-Dec 2021	Group Jan-Dec 2021	Segment Sweden Jan-Dec 2020	Segment Czech Jan-Dec 2020	Jointly Jan-Dec 2020	Elim. Jan-Dec 2020	Group Jan-Dec 2020
Sales volume, tonnes	14,871	8,929	-	-1,154	22,646	16,211	8,642	-	-861	23,992
Net sales, external, SEK million	610.2	317.3	-	-	927.5	591.9	292.8	-	-	884.7
Net sales, intern, SEK million	8.3	26.3	-	-34.6	-	22.1	21.4	-	-43.5	-
Total net sales, SEK million	618.5	343.6	-	-34.6	927.5	614.1	314.1	-	-43.5	884.7
Adjusted operating profit, SEK million	70.5	20.6	-	1.2	92.3	94.4	18.7	-	0.4	113.5
Items affecting comparability, SEK million	-	-	6.1	-	6.1	-	-	7.6	-	7.6
Operating profit, SEK million	70.5	20.6	-6.1	1.2	86.2	94.4	18.7	-7.6	0.4	105.9
Net financial items, SEK million	-0.2	-0.5	-	-	-0.7	-4.3	-1.0	-	-	-5.3
Profit before tax, SEK million	70.3	20.1	-6.1	1.2	85.5	90.1	17.7	-7.6	0.4	100.6
Operating margin, %	11.4	6.0	-	-	9.3	15.4	6.0	-	-	12.0
Adjusted operating margin, %	11.4	6.0	-	-	10.0	15.4	6.0	-	-	12.8

NET SALES BY GEOGRAPHIC MARKET AND SEGMENT

Geographical market, SEK Thousands	Segment Sweden Q4 2021	Segment Czech Q4 2021	Internal Q4 2021	Group Q4 2021	Segment Sweden Q4 2020	Segment Czech Q4 2020	Internal Q4 2020	Group Q4 2020
Sweden	29,116	9,467	-6,677	31,906	24,871	11,864	-6,750	29,985
Germany	26,499	9,422	-	35,921	33,748	9,776	-	43,524
Czech	12,794	23,982	-2,054	34,722	12,056	15,735	-3,826	23,965
Polen	20,505	11,418	-	31,923	18,798	7,670	-	26,468
Rest Europe	58,478	31,596	-	90,074	55,286	22,780	-	78,066
Rest World	10,199	5,541	-	15,740	7,998	1,934	-	9,932
Total	157,591	91,426	-8,731	240,286	152,757	69,759	-10,576	211,940

Geographical market, SEK Thousands	Segment Sweden Jan-Dec 2021	Segment Czech Jan-Dec 2021	Internal Jan-Dec 2021	Group Jan-Dec 2021	Segment Sweden Jan-Dec 2020	Segment Czech Jan-Dec 2020	Internal Jan-Dec 2020	Group Jan-Dec 2020
Sweden	109,859	38,260	-26,314	121,805	101,400	31,750	-21,378	111,772
Germany	120,541	54,231	-	174,772	152,096	82,402	-	234,498
Czech	49,514	95,325	-8,315	136,524	72,200	38,319	-22,157	88,362
Polen	71,140	35,383	-	106,523	38,205	46,005	-	84,210
Rest Europe	234,587	103,239	-	337,826	225,158	104,672	-	329,830
Rest World	32,860	17,184	-	50,044	25,018	10,990	-	36,008
Total	618,501	343,622	-34,629	927,494	614,077	314,138	- 43,535	884,680

MATERIAL ASSETS AND LIABILITIES PER SEGMENT

Material assets and liabilities per segment, SEK Thousands	2021-12-31	2020-12-31
<i>Segment Sweden</i>		
Property, plant and equipment	173,124	167,735
Inventories	103,712	96,578
Liabilities	73,298	105,330
<i>Segment Czech</i>		
Property, plant and equipment	113,347	114,375
Inventories	80,594	64,191
Liabilities	56,687	49,590

Not 4 Other operating income

Other operating income includes consideration for sales other than in the ordinary course of business, such as net gains on the sale of non-current assets, government grants received and exchange gains of an operating nature. Government grants are recognized at fair value when there is reasonable assurance that the grants will be received and the Group will comply with the conditions attached to the grants. Afa Sjukförsäkringsaktiebolag decided to pay out consolidation funds available within the collectively agreed health insurance AGS to certain employers. For Arla Plast, this meant SEK 2.1 million and the payment was made via Fora in October 2021. This item was reported as other operating income and receivables in the third quarter.

Not 5 Right-of-use assets

The Group leases buildings, vehicles and other technical equipment such as a container compactor, inkjet printer, scrubbing machines and a vending machine. These are recognized as right-of-use assets with a corresponding liability. During the third quarter 2021, an agreement was reached on an extension of the lease of a production facility in the Czech Republic by 5 years, which affected the value of right-of-use assets by SEK 16.3 million and with a corresponding leasing debt.

Note 6 Financial instruments

The Group's financial assets and liabilities comprise the following items: other long-term receivables, accounts receivable, other receivables, cash and cash equivalents, liabilities to credit institutions, leasing liabilities, liabilities to Group companies, accounts payable, other liabilities and derivative financial instruments.

For those financial instruments carried at amortized cost, the carrying amount is considered to be a reasonable estimate of fair value, as they are all current instruments.

All derivatives are measured at fair value and classified as Level 2, which means that all significant inputs required for measurement are observable.

At the end of the reporting period, the Group did not have any outstanding derivatives.

The table below shows the fair value of outstanding derivatives (forward exchange contracts) included in the balance sheet:

Amounts in SEK Thousands	2021-12-31	2020-12-31
Current liabilities	-	32

Note 7 Inventories

Amounts in SEK Thousands	2021-12-31	2020-12-31
Raw materials and merchandise in stock	98,382	88,855
Finished goods produced in-house	79,372	68,869
Products in progress	6,552	3,045
Total inventories	184,306	160,769

The increase in inventories is mainly due to higher prices for input materials which have had an impact on the value of raw material as well as on finished goods.

Note 8 **Related-party transactions**

There have been no changes in the Group's or Parent Company's related-party relationships compared to those described in the 2020 Annual Report. There were no material related-party transactions during the period.

Note 9 **Items affecting comparability**

Amounts in SEK thousand	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
IPO costs	-	5,833	6,107	7,635
Total	-	5,833	6,107	7,635

In order to prepare Arla Plast for a listing on Nasdaq Stockholm, a number of different measures have been taken with external assistance. The listing took place in May 2021, and the costs associated with the preparations amounted to SEK 0 (5,8) million in the fourth quarter and SEK 6,1 million (7,6) for the full year. Items affecting comparability refers to group-wide costs and have not been charged to the segments. In the consolidated statement of comprehensive income, items affecting comparability are included in administrative expenses.

Note 10 **Earnings per share**

The share capital of Arla Plast AB amounts to SEK 2,400,000. The Extraordinary General Meeting on July 3, 2020, decided to merge shares and to split shares. Following these decisions, the number of shares in the company amounts to 20,000,000 with a quota value of SEK 0.12. Basic earnings per share for all periods have been based on 20,000,000 shares. Diluted earnings per share are calculated by adjusting the average number of shares to include all potential dilution of shares. The company issued a total of 980,000 warrants at the Annual General Meeting on 13 August 2020.

Basic and diluted earnings per share	Oct-Dec 2021	Oct-Dec 2020	2021-12-31	2020-12-31
Profit attributable to equity holders of the parent, SEK thousand	8,450	19,930	68,112	80,163
Weighted number of shares, basic	20,000,000	20,000,000	20,000,000	20,000,000
Weighted number of shares, diluted	20,980,000	20,980,000	20,980,000	20,377,541
Earnings per share, basic, SEK	0.42	1.00	3.41	4.01
Earnings per share, diluted, SEK	0.40	0.95	3.25	3.93

Note 11 **Alternative Performance Measures**

The performance measures in this report take into account the nature of the operations and are deemed to provide relevant information to shareholders and other stakeholders, while also enabling comparability with other companies. In addition to the financial ratios prepared in accordance with IFRS, Arla Plast presents financial ratios that have not been defined in accordance with IFRS, for example EBITDA and adjusted operating margin. These alternative performance measures are considered important earnings and performance indicators for investors and other users of the interim report. The alternative performance measures should be considered a complement to, but not a substitute for, the financial information prepared in accordance with IFRS. The Arla Plast Group's definitions of these measures that are not defined under IFRS are described in this note.

Definitions	Calculation	Purpose
Gross margin, %	Gross profit/loss as a percentage of the net sales for the period.	The gross margin is used to measure profitability after the cost of goods sold.
Operating margin, %	Operating profit as a percentage of the net sales for the period.	The operating margin is used to measure operating profitability. The key ratio is one of the company's financial targets and should amount to at least 10% over a business cycle.
EBITDA, SEK thousand	Operating profit before depreciation, amortization and impairment.	The EBITDA is used to measure the operating profit without the effect of depreciation, amortization and impairment and therefore provides a measure of profit that is comparable over time.

Items affecting comparability, SEK thousand	Significant items not included in the ordinary course of business such as costs of preparing for a listing, restructuring and the impact of acquisitions or disposals.	Taking items affecting comparability into account increases the comparability and therefore the understanding of the Group's financial performance.
Adjusted operating profit, SEK thousand	Operating profit adjusted for items affecting comparability.	Adjusting the operating profit makes it more comparable. Used to monitor the Group's operating segment.
Adjusted operating margin, %	The adjusted operating profit as a percentage of the net sales for the period.	The adjusted operating margin excludes the effect of items affecting comparability, which enables a comparison of the underlying operating profitability.
Adjusted EBITDA, SEK thousand	EBITDA adjusted for items affecting comparability.	EBITDA adjusted increases the comparability of EBITDA.
Interest-bearing assets, SEK thousand	Cash and bank balances.	The interest-bearing assets are used to calculate the net debt.
Interest-bearing liabilities, SEK thousand	Current and non-current liabilities owed to credit institutions, current and non-current lease liabilities, and debt owed to the parent company.	The interest-bearing liabilities are used to calculate the net debt.
Net debt, SEK thousand	Interest-bearing liabilities less interest-bearing assets.	The net debt is used to measure the Company's ability to repay all of its debt using the Company's available cash if the debt matured on the calculation date.
Net debt/EBITDA, multiple	The net debt at period-end in relation to the EBITDA for the last 12 months.	The net debt/EBITDA ratio gives an indication of the company's ability to reduce its debt. It represents the number of years that it would take to repay the debt if the net debt and EBITDA stayed constant, without taking into account interest-, tax- and investment-related cash flow. The key ratio is one of the company's financial targets and should not exceed 2.5 times.
Organic growth, %	Organic growth is the sales growth excluding growth attributable to acquisitions, disposals and exchange rate fluctuations.	Organic growth is used to monitor the underlying change in income between different periods with constant exchange rates and excluding the effect of any acquisitions and/or divestments. The key ratio is one of the company's financial targets, and the annual organic sales growth over a business cycle should be 5%.
Working capital, SEK thousand	Inventories and other short-term operating assets less other short-term operating liabilities.	This measure is used to analyze the company's short-term tied-up capital.
Working capital/sales, %	Operating receivables less operating liabilities in relation to sales.	This key ratio is used to monitor the change in working capital in relation to net sales.
Capital employed, SEK thousand	Total assets less non-interest-bearing liabilities (including deferred tax).	Capital employed measures the ability of the enterprise to meet the needs of the business in addition to cash and cash equivalents.
Return on capital employed (ROCE), %	Adjusted operating profit divided by average capital employed. Average capital employed is calculated by adding the capital employed at period-end to the capital employed at period-end for the same period of the previous year and dividing it by two.	ROCE is a long-term profitability indicator that measures how effectively the company is using its capital.
Sales volume, metric tons	Volume sold stated in metric tons.	The sales volume is a key performance indicator used to assess the company's sales in relation to the total volume sold in the company's end markets.
R12, SEK thousand	A summary of outcomes from the last 12 months.	R12 allows for comparison with the full year 2020.
Operating cash flow, SEK thousand	Cash flow from operating activities and cash flow from investing activities.	This indicator measures the total cash flow in operating activities.
Equity/assets ratio	The equity at period-end as a percentage of total assets.	The equity ratio indicates the proportion of the company's assets that are financed by equity. This performance measure makes it possible to analyze a company's long-term ability to pay.

Calculation of key ratios:

	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Gross margin, %:				
Gross profit, SEK thousand	35,042	54,770	180,507	209,049
Net sales, SEK thousand	240,286	211,940	927,494	884,680
Gross margin, %	14.6	25.8	19.5	23.6
Operating margin, %, Sweden:				
Net sales, SEK thousand	157,591	152,757	618,501	614,077
Operating profit, SEK thousand	1,029	24,023	70,490	94,378
Operating margin, %, Sweden	0.7	15.7	11.4	15.4
Operating margin, %, Czech Republic				
Net sales, SEK thousand	91,426	61,759	343,622	314,138
Operating profit, SEK thousand	8,868	9,216	20,608	18,742
Operating margin, %, Czech Republic	9.7	14.9	6.0	6.0
Adjusted EBITDA, SEK thousand:				
Operating profit	10,203	27,365	86,215	105,920
Less depreciation and amortization of non-current	9,940	8,912	38,193	35,218
Minus depreciation of non-current assets	-	-	-	-
EBITDA	20,143	36,277	124,408	141,138
Less items affecting comparability	-	5,833	6,107	7,635
Adjusted EBITDA, SEK thousand	20,143	42,110	130,515	148,773
Organic growth, %:				
Net sales, SEK thousand	240,286	211,940	927,494	884,680
Net sales for the same period of the previous year, SEK thousand	211,940	176,920	884,680	794,567
Net sales, change	28,346	35,020	42,814	90,113
Less exchange rate fluctuations, SEK thousand	-2,028	6,548	3,554	11,282
Organic growth, %	12.3	24.4	5.3	12.9
Working capital/sales, %:				
Operating receivables, SEK thousand	324,781	267,550	324,781	267,550
Operating liabilities, SEK thousand	68,454	80,425	68,454	80,425
Net working capital, SEK thousand	256,327	187,125	256,327	187,125
Net sales, R12 SEK thousand	927,494	884,680	927,494	884,680
Working capital/sales, %	27.6	21.2	27.6	21.2
Return on capital employed (ROCE), %:				
Capital employed, SEK thousand	532,865	450,298	532,865	450,298
Average capital employed, SEK thousand	491,582	496,089	491,582	496,089
Adjusted operating profit R12, SEK thousand	92,322	113,555	92,322	113,555
Return on capital employed (ROCE), %	18.8	22.9	18.8	22.9
Net debt/EBITDA, multiple:				
Net debt, SEK thousand	44,512	37,037	44,512	37,037
EBITDA, R12 SEK thousand	124,408	141,138	124,408	141,138
Net debt/EBITDA, multiple	0.36	0.26	0.36	0.26
Equity/assets ratio, %:				
Equity, SEK thousand	469,788	389,447	469,788	389,447
Total capital, SEK thousand	646,639	576,029	646,639	576,029
Equity/assets ratio, %	72.6	67.6	72.6	67.6

Financial information

Interim report January - March 2022 - 11 May 2022

Annual General meeting 2022 - 19 May 2022

Interim report January - June 2022 - 18 August 2022

Interim report January - September 2022 - 10 November 2022

Year-end report 2022 - 17 February 2023

Arla Plast AB (reg no 556131-2611)

Borensberg 17 February, 2022

Christian Krichau
CEO

This interim report has not been reviewed by the company's auditor.

For further information, please contact:

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Forward-looking information

Certain statements in this report are forward-looking and the actual outcome may be significantly different. In addition to the specific mentioned factors, other factors may have material impact on the actual outcome. Such factors include, but are not limited to, the general economic climate, exchange-rate fluctuations and changes in interest rates, political developments, the impact of competing products and the prices of such products, interruptions to the access to raw materials.

This information is such information that Arla Plast AB is obliged to publish in accordance with the EU Market Abuse Regulation. The information was published by the above mentioned contact persons on 18 February 2022 at 8:00 am CET.

ABOUT ARLA PLAST

Arla Plast is a producer and supplier of extruded sheets made of technical plastics. The plastic sheets are made of polycarbonate (PC), acrylonitrile butadiene styrene (ABS) and glycol-modified polyethylene terephthalate (PETG) and have a large number of areas of application, such as safety products, machine guards, ice hockey rinks, greenhouses, pool covers, sound walls, protective barriers (for COVID-19), suitcases, vehicle components and various construction-related areas of application. The company is headquartered in Borensberg, Sweden, and has production facilities in Borensberg and two in the Czech Republic. Arla Plast has around 260 employees and a turnover of more than SEK 900 million.

More information about Arla Plast is available at www.arlaplastgroup.com.

Definitions of product areas

ABS:	Acrylonitrile butadiene styrene. The product group also includes products that are combinations of PC and ABS.
OPC:	Opaque polycarbonate.
MWPC:	Multiwall of polycarbonate.
PETG:	Polyethylene terephthalate glycol.
TPC:	Transparent polycarbonate.

