

Arla Plast AB

Year-end report 2023



STABLE CLOSE TO A SUCCESSFUL YEAR

OCTOBER – DECEMBER 2023

- Sales volume amounted to 4,328 tonnes (4,124 tonnes) an increase by 5%.
- Net sales amounted to SEK 226.6 million (SEK 232.0 million), a decline by 2%. The organic decline was 3%.
- Operating profit amounted to SEK 16.0 million (SEK 11.3 million), an increase by 42%.
- The operating margin increased to 7.1% (4.9%).
- Profit for the period amounted to SEK 9.1 million (SEK 8.6 million) an increase by 6%.
- Earnings per share before dilution amounted to SEK 0.43 (SEK 0.43), and after dilution to SEK 0.43 (SEK 0.41).
- The cash flow from operating activities amounted to SEK 78.6 million (SEK 51.3 million).

JANUARY – DECEMBER 2023

- Sales volume amounted to 19,232 tonnes (18,657 tonnes) an increase by 3%.
- Net sales amounted to SEK 1,015.1 million (SEK 957.8 million), an increase by 6%. The organic decrease was 3%.
- Operating profit amounted to SEK 91.6 million (SEK 47.0 million), an increase by 95%.
- The operating margin increased to 9.0% (4.9%)
- Profit for the period amounted to SEK 66.9 million (SEK 34.4 million), an increase by 94%.
- Earnings per share before dilution amounted to SEK 3.29 (SEK 1.72), and after dilution to SEK 3.19 (SEK 1.64).
- Net cash amounted to SEK 81.3 million (SEK -76.7 million) at the end of the period, 0.6 times (-0.9 times) EBITDA.
- The cash flow from operating activities amounted to SEK 165.5 million (SEK 86.7 million).
- The Board proposes a dividend of 1.25 SEK per share (1.00 SEK per share), equivalent to 39 percent (58 percent) of net profit.

GROUP IN SUMMARY*

	Oct-Dec 2023	Oct-Dec 2022	Δ,%	Jan-Dec 2023	Jan-Dec 2022	Δ,%
Sales volume, tonnes	4,328	4,124	5	19,232	18,657	3
Net sales, SEK million	226.6	232.0	-2	1,015.1	957.8	6
Gross margin, %	21.6	16.8	28	21.6	15.5	39
EBITDA, SEK million	27.5	22.9	20	139.5	89.1	57
Adjusted EBITDA, SEK million	27.5	22.9	20	139.5	90.3	54
Operating profit, SEK million	16.0	11.3	42	91.6	47.0	95
Adjusted operating profit, SEK million	16.0	11.3	42	91.6	48.2	90
Operating margin, %	7.1	4.9	44	9.0	4.9	84
Adjusted operating margin, %	7.1	4.9	44	9.0	5.0	80
Profit for the period, SEK million	9.1	8.6	6	66.9	34.4	94
Earnings per share before dilution, SEK	0.43	0.43	0	3.29	1.72	91
Earnings per share after dilution, SEK	0.43	0.41	5	3.19	1.64	95
Net debt/EBITDA, multiple	-0.6	0.9	-	-0.6	0.9	-
Net debt, SEK million	-81.3	76.7	-	-81.3	76.7	-
Cash flow from operating activities, SEK million	78.6	51.3	53	165.5	86.7	91
Return on capital employed, %	14.2	8.3	71	14.2	8.3	71
Equity/assets ratio, %	72.4	67.9	7	72.4	67.9	7

* For definitions and alternative performance measures, see page 20.

STABLE CLOSE TO A SUCCESSFUL YEAR

The market

The positive market development has continued into the fourth quarter, although demand moderated somewhat towards the end of the year. Demand from the construction industry remains weak overall, but we have observed continued strong growth in several other sectors, especially within application area industry and industrial projects. Our perception is that we maintain our market position in Europe.

Prices of raw materials, which affect both net sales and gross profit, continued to decline during the fourth quarter before leveling off. Global demand for raw materials has been weak, resulting in currently good supply. However, we have begun to see trends of capacity reduction in the supply chain, which together with disruptions in the logistics chain may lead to an upward turn in raw material price development.

Positive profit development despite decreased net sales

Our sales volumes increased by 5 percent compared to the corresponding period previous year, while net sales decreased by 2 percent. The increased volumes, product mix and currency effects positively impacted net sales, while lower raw material prices counteracted. The trend of economic challenges in specific product areas such as PETG and MWPC continues, while demand from application area industry and industrial projects is more favorable, as evidenced by an increased share of OPC sales.

The operating profit for the fourth quarter amounted to 16.0 MSEK, which is a significant improvement compared to the same period the previous year. In the somewhat subdued market conditions and downward price development, we have managed to defend our gross margins. The product mix has been favorable, and our initiatives for more efficient material usage have given results, contributing to the improved outcome.

During 2023, we have maintained a consistently lower level of working capital, and the cash flow is a result of the increased operating profit and our efforts to optimize capital utilization, especially in inventory. The strong cash flow has enabled us to further reduce our net debt to a net cash position of 81.3 MSEK.

Full year

After a long period of declining volumes in the industry, demand turned upwards again in the second half of 2023. For the full year, this meant a volume increase of 3 percent. Net sales increased by 6 percent positively influenced by a favorable product mix and acquisition, while low raw material prices had the opposite effect.

Both gross and operating margins improved and cash flow strengthened thanks to targeted sales efforts, streamlined operations and reduced capital utilization. We have also prioritized our sustainability initiatives with activities to increase awareness and recycling rates of materials in the supply chain. Investments have been modest as we plan for modernization of our facility in Kadaň and the construction of a new warehouse in Borensberg in the coming years.

Well prepared for 2024

It is positive that market demand has stabilized and is stronger now than the previous year. Looking ahead, we see a continued consolidation of actors and it is difficult to predict how it will affect the market. We will maintain our long-term focus while flexibly addressing short-term challenges.

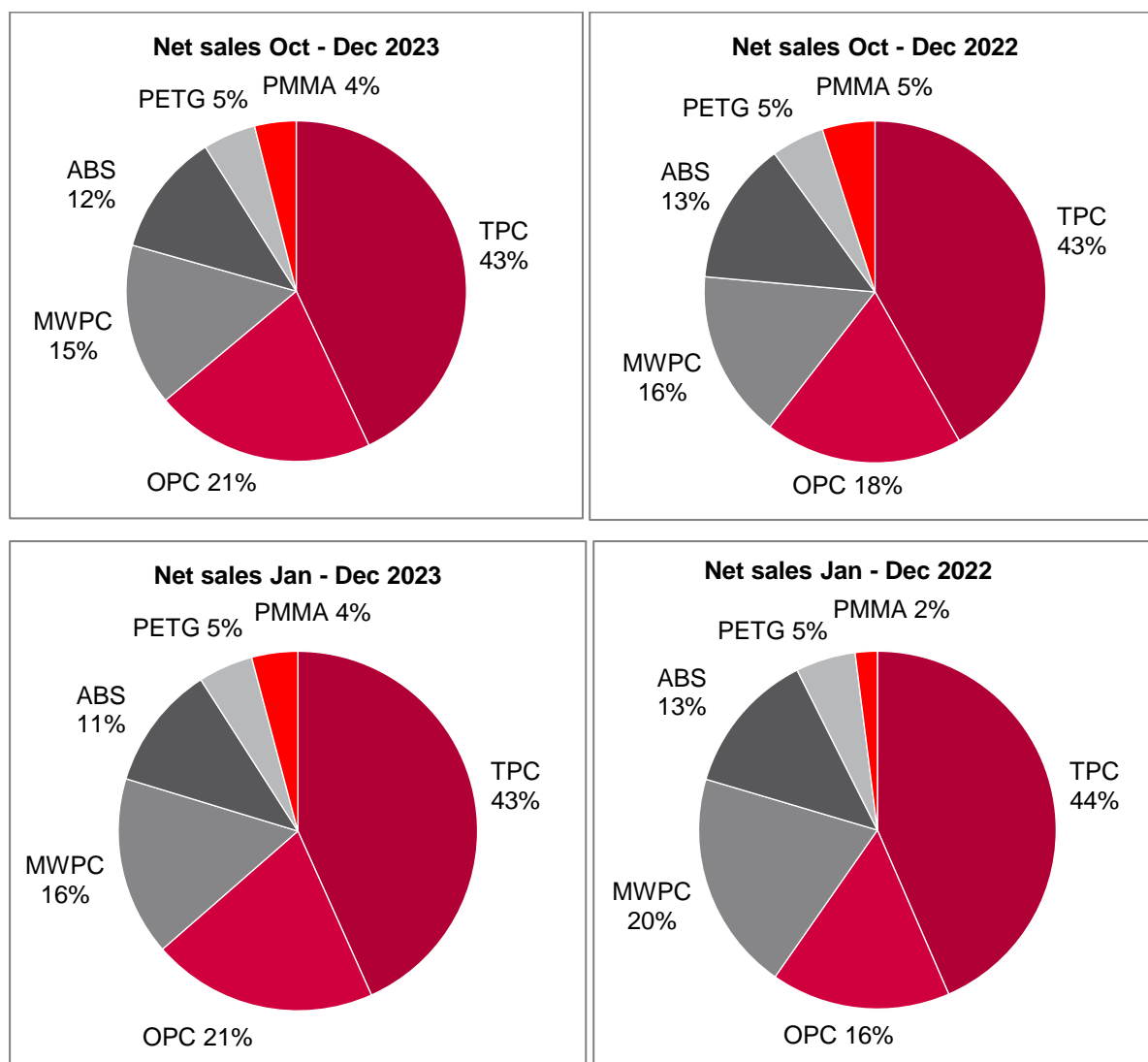
The results for 2023 are something to be proud of. We have significantly strengthened our company, made it more sustainable, and achieved one of our best financial results ever. I want to thank all dedicated employees for their efforts which have made this possible.

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 24.

Net sales and operating profit

Arla Plast's sales volume in the fourth quarter 2023 increased by 5 percent to 4,328 tonnes (4,124 tonnes) compared with the corresponding quarter last year. Net sales decreased by 2 percent to SEK 226.6 million (SEK 232.0 million), organically the decrease was 3 percent. The total demand on the market measured in sales volume increased, our view is that Arla Plast maintained its market position. A positive product mix with a higher share of special products affected the net sales positively but was countered by falling prices on raw material. The gross margin increased to 21.6 percent (16.8 percent). The gross margin was positively affected by a favourable product mix and efficient material utilization.

Operating profit for the fourth quarter amounted to SEK 16.0 million (SEK 11.3 million), an increase of 42 percent. The operating margin increased to 7.1 percent (4.9 percent). The operating margin increased mainly due to higher gross margin.

Arla Plast's sales volume during 2023 increased by 3 percent to 19,232 tonnes (18,657 tonnes) compared with the corresponding period last year. Net sales amounted to SEK 1,015.1 million (SEK 957.8 million), an increase of 6 percent. Organically, the decrease was 3 percent. The gross margin increased to 21.6 percent (15.5 percent). The gross margin was positively affected mainly by a change in product mix with a higher share of special products together with improved material utilization. Operating profit for 2023 amounted to SEK 91.6 million (SEK 47.0 million), an increase of 95 percent. The operating margin amounted to 9.0 percent (4.9 percent). The operating profit is positively affected by a improved gross margin.

Government grant for electricity during the second quarter is included in segment Sweden amounting to SEK 5.5 million. The operating profit is charged with reservation costs in segment Czech Republic for disposal of a machine taken out of operations amounting to approximately SEK 2.5 million in the third quarter.

Profit/loss for the period and earnings per share

During the fourth quarter of 2023, the profit before tax amounted to SEK 14.2 million (SEK 10.0 million). Net financial income and expenses totalled SEK -1.8 million (SEK -1.3 million), including interest expenses of SEK -0.1 million (SEK -1.0 million). Taxes in the fourth quarter amounted to SEK -5.1 million (SEK -1.4 million), corresponding to an effective tax rate of 35.9 percent (14.0 percent). The tax burden in the quarter is affected by non-deductible reservation costs together with deferred tax on temporary differences in segment Czech Republic. Net profit for the period was SEK 9.1 million (SEK 8.6 million) during the fourth quarter 2023, and earnings per share before dilution was SEK 0.43 (SEK 0.43), and after dilution, SEK 0.43 (SEK 0.41).

For the full year 2023, profit before tax amounted to SEK 86.0 million (SEK 44.4 million). Net financial income and expenses totalled SEK -5.6 million (SEK -2.7 million), including interest expenses of SEK -2.6 million (SEK -2.2 million). Taxes in 2023 amounted to SEK -19.1 million (SEK -10.0 million), corresponding to an effective tax rate of 22.2 percent (22.4 percent). Net profit for the period was SEK 66.9 million (SEK 34.4 million) and earnings per share before dilution was SEK 3.29 (SEK 1.72), and after dilution, SEK 3.19 (SEK 1.64).

Cash flow

Cash flow from operating activities increased during the fourth quarter to SEK 78.6 million (SEK 51.3 million). The cash flow was positively impacted by decreased working capital compared to the comparison quarter. The working capital declined as an effect of high focus on inventory control.

Cash flow from investing activities was SEK -1.7 million (SEK -11.9 million) during the quarter and refers primarily to the maintenance investments in our three production facilities.

Cash flow from financing activities amounted to SEK -13.1 million (SEK -58.9 million) and concerns amortization of loans to credit institutes.

For the full year the cash flow from operating activities amounted to SEK 165.5 million (SEK 86.7 million). The improvement in cash flow is explained by a positive effect from change in working capital and an improved operating profit.

Cash flow from investing activities during 2023 amounted to SEK -6.4 million (SEK -63.5 million) and refers mainly to maintenance investments in our three production facilities.

Cash flow from financing activities totalled SEK -24.0 million (SEK 3.8 million) in 2023 and includes mainly a dividend of SEK -20.0 million, amortization of loans of SEK -9.4 million, decreased utilization of overdraft facilities of SEK -14.9 million and emission from warrant program of SEK 29.2 million.

Investments

Arla Plast continuously invests in its facilities. The Group's investments in property, plant and equipment during the fourth quarter amounted to SEK 1.7 million (SEK 3.2 million) and refers primarily to maintenance investments in our three production facilities. Total depreciations for the fourth quarter amounted to SEK -11.5 million (SEK -11.5 million).

During 2023 the Group's investments in property, plant and equipment amounted to SEK 6.4 million (SEK 17.4 million). Total depreciation for the full year amounted to SEK -47.9 million (SEK -42.0 million).

Financial position

Arla Plast's total assets amounted to SEK 785.2 million as of December 31, 2023 (SEK 736.0 million).

The Group's net cash amounted to SEK 81.3 million as of December 31, 2023 (SEK -76.7 million), corresponding to 0.6 times EBITDA (-0.9 times). Net debt has turned to net cash because of emission from warrant program and improved cash flow.

The Group's equity ratio, equity at the end of the period as a percentage of total assets, was 72.4 percent (67.9 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 2023, net sales amounted to SEK 138.0 million (SEK 144.6 million) and operating profit to SEK 7.4 million (SEK 11.3 million).

For the full year, net sales amounted to SEK 608.7 million (SEK 610.1 million) and operating profit to SEK 55.6 million (SEK 36.2 million).

Cash and cash equivalents as of December 31, 2023, amounted to SEK 116.3 million compared to SEK 40.8 million as of December 31, 2022.

Segments

The Group's activities are monitored through the three operating segments, Sweden, the Czech Republic and Germany. 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.

SWEDEN

Key performance indicator	Oct-Dec 2023	Oct-Dec 2022	Δ,%	Oct-Dec 2023	Oct-Dec 2022	Δ,%
Sales volume, tonnes	2,724	2,543	7	12,175	12,003	1
Net sales, SEK million	138.0	144.6	-5	608.7	610.1	-
Operating profit, SEK million	7.4	11.3	-35	55.6	36.3	53
Operating margin, %	5.4	7.8	-31	9.1	5.9	54

During the fourth quarter, sales volumes increased by 7 percent. The total market demand, measured in volume sold, increased and our view is that Arla Plast maintained its market position. Falling raw material prices contributes to the net sales decreasing although the volume increased. Net sales decreased to SEK 138.0 million (SEK 144.6 million). Operating profit decreased to SEK 7.4 million (SEK 11.3 million), mainly as a result of higher selling expenses than the comparing quarter. The operating margin decreased to 5.4 percent (7.8 percent).

During the full year 2023, sales volume increased by 1 percent. Net sales are level to the prior year amounting to SEK 608.7 million (SEK 610.1 million). Operating profit increased to SEK 55.6 million (SEK 36.3 million) mainly as a result of the higher gross profit. Government grant for electricity amounting to SEK 5.5 million affected the second quarter. The operating margin increased to 9.1 percent (5.9 percent).

CZECH REPUBLIC

Key performance indicator	Oct-Dec 2023	Oct-Dec 2022	Δ,%	Oct-Dec 2023	Oct-Dec 2022	Δ,%
Sales volume, tonnes	1,459	1,380	6	6,473	6,879	-6
Net sales, SEK million	74.0	72.6	2	350.2	339.6	3
Operating profit, SEK million	6.5	-0.4	n/a	35.2	10.7	229
Operating margin, %	8.8	-0.6	n/a	10.1	3.2	216

In the fourth quarter of 2023, sales volume increased by 6 percent. The increased demand arised mainly from application area industry and industrial projects. Net sales increased by 2 percent to SEK 74.0 million (SEK 72.6 million). Organically the increase was 3 percent. Operating profit increased to SEK 6.5 million (SEK -0.4 million). The gross margin improved primarily due to a positive product mix with a higher share of special products to industrial applications. The operating margin increased to 8.8 percent (-0.6 percent).

During 2023 sales volumes decreased by 6 percent. Net sales increased by 3 percent to SEK 350.2 million (SEK 339.6 million) and considering the currency rate change the organic decrease was 7 percent. Net sales was affected negatively by the lower sales volumes and falling raw material prices but has been compensated by special projects towards industrial applications. Operating profit amounted to SEK 35.2 million (SEK 10.7 million) and the operating margin increased to 10.1 percent (3.2 percent). The operating profit is charged with reservation costs for disposal of a machine taken out of operations amounting to SEK 2.5 million in the third quarter. The gross margin improved primarily due to the positive product mix.

GERMANY

Key performance indicator	Oct-Dec 2023	Oct-Dec 2022	Δ,%	Oct-Dec 2023	Oct-Dec 2022*	Δ,%
Sales volume, tonnes	473	539	-12	2,132	920	n/a
Net sales, SEK million	26.2	28.2	-7	117.7	47.4	n/a
Operating profit, SEK million	2.1	1.9	11	4.1	2.7	n/a
Operating margin, %	8.0	6.9	16	3.5	5.7	n/a

* Consolidation started August 1, 2022

The operating segment Germany started as of August 1, 2022 with the acquisition of Alphaplex GmbH. For the fourth quarter the sales volume decreased by 12 percent. Net sales decreased by 7 percent to SEK 26.2 million (SEK 28.2 million) and considering the currency rate change the organic decrease was 13 percent. The operating profit increased to SEK 2.1 million (SEK 1.9 million) and the operating margin amounted to 8.0 percent (6.9 percent). The operating profit was improved mainly due to an increased gross profit.

During 2023 the sales volume amounted to 2,132 tonnes (920 tonnes). Net sales amounted to SEK 117.7 million (SEK 47.4 million) and the operating profit to SEK 4.1 million (SEK 2.7 million). The operating margin amounted to 3.5 percent (5.7 percent).

Financial objectives

Sales growth

Annual organic sales growth over a business cycle should be 5 percent.

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 2.5 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, evaluating 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 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 several 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 subsidiaries in the Czech Republic and Germany. The risk is related to converting revenues, costs, assets and liabilities in CZK and EUR into the Group's reporting currency, which is SEK.

For further information risks and uncertainties, see the 2022 Annual report on www.arlaplastgroup.com.

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 several KPI's related to sustainability which we follow up on. CO2 and sickness leave are two important KPI's. During the fourth quarter 2023, our carbon footprint related to the production of raw materials consumed was in average 3.4 kg CO2e per kg of finished product produced (3.3 kg CO2e) and sick leave was 6.1 percent (5.4

percent). The distribution unit Alphaplex GmbH does not produce finished products and is thus not included in the calculation of CO₂e per kg of finished product produced.

During the year, we have raised our ambitions in order to develop a sustainable product portfolio, increase supplier responsibility, raise the level of responsible operations, develop a sustainable workforce and directly address the climate change.

For further information regarding our sustainability work, see the 2022 Annual report 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 do 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 2023 was 265 (241). During the fourth quarter, women accounted for 26 percent (26 percent) of the employees. For the twelve months period, the average number of full-time employees was 256 (253) whereof women accounted for 25 percent (25 percent).

Annual General Meeting 2024

The AGM will take place Tuesday May 7th at Arla Plast's 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 7th, 2024.

Dividend

The Board proposes a dividend of 1.25 SEK per share (1.00 SEK per share) amounting to 39 percent (58 percent) of the net profit 2023. The Board's proposal is based on the company's dividend policy, high equity/assets ratio, good cash flow and long-term dividend ability. In connection with the proposal, the Board has taken into account that the company is facing a potential acquisition which, if completed, will be financed with own funds and loans. Record date for the dividend will be communicated in conjunction with the notice to the AGM.

Events after the end of the reporting period

The CFO of Arla Plast, Monica Ljung, has after many years in the company, at her own request, decided to end her employment to accept new challenges outside the Group. Monica will continue to work during her resignation time to the middle of May 2024. The recruitment of a new CFO has started.

Arla Plast AB has signed an Letter of Intent with the shareholders of Nudec S.A. to acquire 100 percent of the shares. If the acquisition will be completed, the Arla Plast Group's geographical position in Europe will be strengthened and the product portfolio will be further broadened. Like Arla Plast, Nudec is a manufacturer of extruded sheets in technical plastic materials based just outside Barcelona, Spain. Nudec has a strong position in southern Europe. The company was founded in 1980 and has a successful history of earnings and growth, although the result for 2022 was comparatively weak. In 2022, Nudec had sales of approximately EUR 57 million, corresponding to approximately slightly above SEK 600 million. The parties' ambition is to complete the transaction during the first half of 2024.

No other significant events after the reporting period.

The share

As of December 31, 2023, Svolder AB owns 15 percent, Mats Synnersten AB 14 percent, K Synnersten Holding AB 13 percent, Ranzom AB 11 percent, Jan Synnersten AB 11 percent, Swedia Invest AB 10 percent, Nordea Investment Funds 8 percent and Roosgruppen AB 5 percent. Arla Plast AB has a total of 2,150 shareholders.

FINANCIAL REPORTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK million	Note	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales	2,3	226.6	232.0	1,015.1	957.8
Cost of goods sold		-177.7	-193.1	-795.8	-809.0
Gross margin		48.9	38.9	219.3	148.7
Selling expenses		-18.5	-15.5	-72.9	-60.1
Administrative expenses		-15.2	-14.2	-65.3	-50.5
Other operating income	4	0.4	2.9	10.6	10.4
Other operating expenses	10	0.4	-0.8	-0.1	-1.5
Operating profit		16.0	11.3	91.6	47.0
Financial income	5	-0.2	0.7	-	2.6
Financial expense	5	-1.6	-2.0	-5.6	-5.3
Profit before tax		14.2	10.0	86.0	44.4
Tax expense		-5.1	-1.4	-19.1	-10.0
Profit for the period		9.1	8.6	66.9	34.4
Other comprehensive income:					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of foreign operations		-14.5	8.8	-7.6	25.8
Other comprehensive income for the period		-14.5	8.8	-7.6	25.8
Total comprehensive income for the period		-5.5	17.4	59.3	60.2
Amounts in SEK					
Earnings per share, basic	11	0.43	0.43	3.29	1.72
Earnings per share, diluted	11	0.43	0.41	3.19	1.64

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 million	Note	2023-12-31	2022-12-31
ASSETS			
Total non-current assets			
Intangible non-current assets		30.9	32.8
Property, plant and equipment		238.0	272.9
Right-of-use assets	6	26.0	32.0
Total non-current assets		294.9	337.7
Current assets			
Inventories	8	173.2	216.1
Accounts receivable	7	126.2	118.4
Other current receivables	7	11.8	11.4
Prepaid expenses and accrued income		2.8	3.0
Derivative instruments	7	0.2	1.5
Cash and cash equivalents	7	176.1	47.9
Total current assets		490.3	398.3
TOTAL ASSETS		785.2	736.0
EQUITY			
Share capital		2.5	2.4
Other capital contributions		30.7	1.7
Translation reserve		51.4	59.0
Retained earnings (including profit for the period)		483.8	436.9
Total equity attributable to owners of the parent		568.4	500.0
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	7	5.8	-
Non-current portion of lease liability	6	18.6	24.4
Deferred tax liabilities		41.7	44.4
Total non-current liabilities		66.1	68.8
Current liabilities			
Liabilities to credit institutions	7	62.7	92.5
Current portion of lease liability	6	7.6	7.7
Accounts payable	7	16.6	20.2
Current tax liabilities		5.3	1.8
Other liabilities	7	22.7	23.6
Accrued expenses and deferred income		35.8	21.3
Total current liabilities		150.7	167.2
Total liabilities		216.8	236.0
TOTAL EQUITY AND LIABILITIES		785.2	736.0

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEK million	2023-12-31	2022-12-31
Opening balance	500.0	469.8
Profit for the period	66.9	34.4
Other comprehensive income	-7.6	25.8
Total comprehensive income	559.3	60.2
Dividend	-20.0	-30.0
Emission	29.2	-
Total transactions with shareholders	9.2	-30.0
Closing balance	568.4	500.0

CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in SEK million	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Cash flow from operating activities				
Operating profit	16.0	11.3	91.6	47.0
Adjustment for items not included in cash flow	13.8	14.6	47.2	45.6
Interest received	1.5	0.7	3.3	3.5
Interest paid	-1.5	-0.9	-5.2	-2.6
Income tax paid	3.1	-1.3	-10.9	-21.7
Cash flow from operating activities before changes in working capital	32.9	24.4	126.0	71.8
Cash flow from changes in working capital				
Increase/decrease in inventories	20.6	14.0	41.3	0.3
Increase/decrease in operating receivables	45.8	43.5	-13.2	29.6
Increase/decrease in operating liabilities	-20.7	-30.6	11.5	-14.9
Total change in working capital	45.7	26.9	39.5	14.9
Cash flow from operating activities	78.6	51.3	165.5	86.7
Cash flow from investing activities				
Investments in property, plant and equipment	-1.7	-3.2	-6.4	-17.4
Acquisitions	-	-8.7	-	-46.1
Cash flow from investing activities	-1.7	-11.9	-6.4	-63.5
Cash flow from financing activities				
Dividend	-	-	-20.0	-30.0
Reduced use of overdraft facility	-1.6	-57.0	-14.9	-9.9
Borrowing from credit institutions	13.5	-	107.7	65.7
Amortization related to lease liability	-2.1	-1.9	-8.8	-6.6
Amortization of loans to credit institutions	-22.9	-	-117.1	-15.5
Emission	-	-	29.2	-
Cash flow from financing activities	-13.1	-58.9	-24.0	3.8
Cash flow for the period	63.8	-19.5	135.1	27.0
Cash and cash equivalents at beginning of period	119.5	67.2	47.9	18.6
Exchange differences in cash and cash equivalents	-7.2	0.3	-6.9	2.4
Cash and cash equivalents at close of period	176.1	47.9	176.1	47.9

CONDENSED PARENT COMPANY INCOME STATEMENT

Amounts in SEK million	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2023	2022	2023	2022
Net sales	138.0	144.6	608.7	610.1
Cost of goods sold	-106.3	-115.1	-465.4	-502.6
Gross profit	31.7	29.5	143.3	107.5
Selling expenses	-15.1	-11.5	-54.6	-45.4
Administrative expenses	-8.1	-8.5	-39.3	-34.9
Other operating income and operating expenses	-1.1	1.7	6.2	9.0
Operating profit	7.4	11.3	55.6	36.2
Financial income and financial expenses	-0.7	-1.5	-4.6	-4.1
Profit before appropriations and tax	6.7	9.8	51.0	32.2
Appropriations	-4.5	4.7	-4.5	4.7
Profit before tax	2.2	14.5	46.5	36.8
Tax expense	-1.0	-2.3	-10.2	-8.0
Profit for the period	1.2	12.2	36.3	28.8

PARENT COMPANY'S CONDENSED STATEMENT OF COMPREHENSIVE INCOME

Profit for the period	1.2	12.2	36.3	28.8
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	1.2	12.2	36.3	28.8

CONDENSED PARENT COMPANY BALANCE SHEET

Amounts in SEK million	2023-12-31	2022-12-31
ASSETS		
Total non-current assets		
Intangible non-current assets	0.3	0.4
Property, plant and equipment	140.8	156.4
Financial fixed assets	83.2	90.9
Total non-current assets	224.3	247.6
Current assets		
Inventories	75.2	98.2
Receivables to group companies	-	1.3
Total current assets	84.0	74.8
Cash and bank balances	116.3	40.8
Total current assets	275.5	215.1
TOTAL ASSETS	499.8	462.7

	2023-12-31	2022-12-31
EQUITY		
Restricted equity	3.0	2.9
Unrestricted equity	245.2	199.9
Total equity	248.2	202.7
Untaxed reserves	140.5	136.0
LIABILITIES		
Long-term liabilities		
Provisions	6.7	14.2
Current liabilities		
Liabilities to credit institutions	58.6	69.1
Other current liabilities	45.8	40.6
Total current liabilities	104.4	109.7
Total liabilities	111.1	123.9
TOTAL EQUITY AND LIABILITIES	499.8	462.7

NOTES

Note 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 2022 Annual Report. No changes have been made to that could have a substantial impact on the year-end report.

New standards, amendments and interpretations effective from 1 January 2023 or later have not had a substantial impact on this financial report.

Note 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 million	Oct-Dec 2023	%	Oct-Dec 2022	%	Jan-Dec 2023	%	Jan-Dec 2022	%
Sweden	33.8	15	35.6	15	134.3	13	124.7	13
Germany	34.7	15	45.8	20	189.1	19	167.5	17
Czech Republic	43.8	19	35.2	15	187.5	18	171.5	18
Polen	27.9	12	28.9	12	117.0	12	118.3	12
Rest of Europe	71.7	32	69.0	30	308.3	30	303.4	32
Rest of World	14.7	7	17.5	8	78.9	8	72.4	8
Total	226.6	100	232.0	100	1,015.1	100	957.8	100
External net sales per product category, SEK million								
TPC	97.4	43	98.8	43	439.4	43	422.4	44
OPC	47.5	21	42.5	18	206.1	21	153.7	16
MWPC	34.9	15	37.5	16	163.6	16	188.4	20
ABS	26.5	12	30.9	13	113.9	11	123.2	13
PETG	11.4	5	11.6	5	50.1	5	51.2	5
PMMA	8.9	4	10.7	5	42.0	4	18.9	2
Summa	226.6	100	232.0	100	1,015.1	100	957.8	100

Note 3 Operating segments

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

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 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 other operating 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 58 percent (60 percent) of the Group's total net sales in the fourth quarter of 2023 and includes all operations conducted and originating 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 33 percent (49 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 31 percent (28 percent) of the Group's total net sales in the fourth quarter of 2023. This segment includes all operations 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 67 percent (51 percent) of net sales.

Germany

The German segment represents approximately 11 percent (12 percent) of the Group's total net sales in the fourth quarter of 2023. This segment includes all activities conducted and originating in Hüllhorst, Germany. The segment is active in all product areas and also within PMMA. The segment is only to a limited extent active in the joint product area OPC and for the reporting periods there was no net sales in the product area.

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. Segment Germany is included with five months in the year 2022.

NET SALES AND EARNINGS PER SEGMENT

	Segment Sweden Q 4 2023	Segment Czech Q 4 2023	Segment Germany Q 4 2023	Jointly Q 4 2023	Elim. Q 4 2023	Group Q 4 2023	Segment Sweden Q 4 2022	Segment Czech Q 4 2022	Segment Germany Q 4 2022	Jointly Q 4 2022	Elim. Q 4 2022	Group Q 4 2022
Net sales and earnings												
Sales volume, tonnes	2,724	1,459	473	-	-328	4,328	2,543	1,380	539	-	-338	4,124
Net sales, external, SEK million	133.0	68.3	25.3	-	-	226.6	140.6	64.5	26.9	-	-	232.0
Net sales, intern, SEK million	5.0	5.7	0.9	-	-11.6	-	4.0	8.1	1.3	-	-13.4	-
Total net sales, SEK million	138.0	74.0	26.2	-	-11.6	226.6	144.6	72.6	28.2	-	-13.4	232.0
Adjusted operating profit, SEK million	7.4	6.5	2.1	-	-	16.0	11.3	-0.4	1.9	-1.8	0.3	11.3
Items affecting comparability, SEK million	-	-	-	-	-	-	-	-	-	-	-	-
Operating profit, SEK million	7.4	6.5	2.1	-	-	16.0	11.3	-0.4	1.9	-1.8	0.3	11.3
Net financial items, SEK million	-1.4	-0.3	-0.1	-	-	-1.8	-1.5	0.3	-0.1	-	-	-1.3
Profit before tax, SEK million	6.0	6.2	2.0	-	-	14.2	9.8	-0.1	1.8	-1.8	0.3	10.0
Operating margin, %	5.4	8.8	8.0	-	-	7.1	7.8	-0.6	6.9	-	-	4.9
Adjusted operating margin, %	5.4	8.8	8.0	-	-	7.1	7.8	-0.6	6.9	-	-	4.9

	Segment Sweden Jan-Dec 2023	Segment Czech Jan-Dec 2023	Segment Germany Jan-Dec 2023	Jointly Jan-Dec 2023	Elim. Jan-Dec 2023	Group Jan-Dec 2023	Segment Sweden Jan-Dec 2022	Segment Czech Jan-Dec 2022	Segment Germany Jan-Dec 2023	Jointly Jan-Dec 2022	Elim. Jan-Dec 2022	Group Jan-Dec 2022
Net sales and earnings												
Sales volume, tonnes	12,175	6,473	2,132	-	-1,548	19,232	12,003	6,879	920	-	-1,145	18,657
Net sales, external, SEK million	581.2	322.0	111.9	-	-	1,015.1	600.1	311.6	46.1	-	-	957.8
Net sales, intern, SEK million	27.5	28.2	5.8	-	-61.5	-	10.0	28.0	1.3	-	-39.3	-
Total net sales, SEK million	608.7	350.2	117.7	-	-61.5	1,015.1	610.1	339.6	47.4	-	-39.3	957.8
Adjusted operating profit, SEK million	55.6	35.2	4.1	-	-3.3	91.6	36.3	10.7	2.7	-2.7	1.2	48.2
Items affecting comparability, SEK million	-	-	-	-	-	-	-	-	-	1.2	-	1.2
Operating profit, SEK million	55.6	35.2	4.1	-	-3.3	91.6	36.3	10.7	2.7	-3.9	1.2	47.0
Net financial items, SEK million	-4.6	-0.6	-0.4	-	-	-5.6	-4.1	1.6	-0.2	-	-	-2.6
Profit before tax, SEK million	51.0	34.6	3.7	-	-3.3	86.0	32.2	12.3	2.5	-3.9	1.2	44.4
Operating margin, %	9.1	10.1	3.5	-	-	9.0	5.9	3.2	5.7	-	-	4.9
Adjusted operating margin, %	9.1	10.1	3.5	-	-	9.0	5.9	3.2	5.7	-	-	5.0

NET SALES BY GEOGRAPHIC MARKET AND SEGMENT

Geographical market, SEK millions	Segment Sweden Q 4 2023	Segment Czech Q 4 2023	Segment Germany Q 4 2023	Internal Q 4 2023	Group Q 4 2023	Segment Sweden Q 4 2022	Segment Czech Q 4 2022	Segment Germany Q 4 2022	Internal Q 4 2022	Group Q 4 2022
Sweden	34.1	3.8	1.4	-5.5	33.8	33.6	7.3	1.1	-6.4	35.6
Germany	19.4	2.8	18.5	-6.0	34.7	22.7	6.4	23.6	-6.9	45.8
Czech	10.8	32.9	0.2	-0.1	43.8	8.9	26.2	0.2	-0.1	35.2
Polen	16.0	11.5	0.4	-	27.9	16.7	11.7	0.5	-	28.9
Rest Europe	48.9	17.1	5.7	-	71.7	48.7	17.5	2.8	-	69.0
Rest World	8.8	5.9	-	-	14.7	14.0	3.5	-	-	17.5
Total	138.0	74.0	26.2	-11.6	226.6	144.6	72.6	28.2	-13.4	232.0

Geographical market, SEK millions	Segment Sweden Jan-Dec 2023	Segment Czech Jan-Dec 2023	Segment Germany Jan-Dec 2023	Internal Jan-Dec 2023	Group Jan-Dec 2023	Segment Sweden Jan-Dec 2022	Segment Czech Jan-Dec 2022	Segment Germany Jan-Dec 2022	Internal Jan-Dec 2022	Group Jan-Dec 2022
Sweden	128.6	25.9	6.6	-26.8	134.3	116.8	30.2	1.2	-23.5	124.7
Germany	107.4	25.0	90.2	-33.5	189.1	109.2	30.8	40.5	-13.0	167.5
Czech	40.3	147.3	1.1	-1.2	187.5	50.6	123.5	0.2	-2.8	171.5
Polen	69.3	46.7	1.0	-	117.0	76.7	41.1	0.5	-	118.3
Rest Europe	214.3	75.2	18.8	-	308.3	208.2	90.2	5.0	-	303.4
Rest World	48.8	30.1	-	-	78.9	48.5	23.8	-	-	72.4
Total	608.7	350.2	117.7	-61.5	1 015.1	610.1	339.6	47.4	-39.4	957.8

MATERIAL ASSETS AND LIABILITIES PER SEGMENT

Material assets and liabilities per segment, SEK millions	2023-12-31	2022-12-31
<i>Segment Sweden</i>		
Property, plant and equipment	140.8	156.4
Inventories	75.2	98.2
Liabilities	111.1	109.7
<i>Segment Czech</i>		
Property, plant and equipment	95.9	117.6
Inventories	82.1	95.3
Liabilities	43.4	49.1
<i>Segment Germany</i>		
Property, plant and equipment	3.4	3.2
Inventories	15.9	22.6
Liabilities	4.8	11.8

Note 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.

Note 5 Financial income and financial expense

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Interest income	-	-0.1	-	-
Change in value of forward exchange contracts	-0.2	0.8	-	2.6
Total financial income	-0.2	0.7	-	2.6
Interest payable to credit institutions	-	-0.9	-2.0	-1.7
Interest on lease liabilities	-0.1	-0.1	-0.6	-0.5
Foreign exchange losses	-1.5	-1.0	-3.0	-3.1
Total financial expense	-1.6	-2.0	-5.6	-5.3
Financial items – net	-1.8	-1.3	-5.6	-2.7

Forward exchange contracts in Arla Plast s.r.o, where future cash flow of EUR has been exchanged to CZK, will affect at maturity and as well as when evaluating the market value of contracts not yet due. At the end of the period there were outstanding forward exchange contracts. For further information regarding forward exchange contracts see note 7.

Note 6 Right-of-use assets

The Group leases buildings, vehicles and other technical equipment such as a container compactor and a vending machine. These are recognized as right-of-use assets with a corresponding liability.

Note 7 Financial Instruments

The Group's financial assets and liabilities comprise accounts receivable, other receivables, cash and cash equivalents, liabilities to credit institutions, leasing liabilities, 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.

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

Amounts in SEK millions	2023-12-31	2022-12-31
Current assets	0.2	1.5

Note 8 Inventories

Amounts in SEK millions	2023-12-31	2022-12-31
Raw materials and merchandise in stock	71.2	89.2
Finished goods produced in-house	97.6	122.7
Products in progress	4.4	4.2
Total inventories	173.2	216.1

The decrease in inventory is mainly due to decreased prices on input material which has affected the value of raw material in inventory as well as finished goods produced in-house.

Note 9 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 2022 Annual Report. There were no material related-party transactions during the period.

Note 10 Items affecting comparability

Amounts in SEK millions	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Acquisition costs	-	-	-	1.2
Total	-	-	-	1.2

In connection with the acquisition of Alphaplex GmbH in the third quarter of 2022 external lawyers were hired. The items affecting comparability are not allocated per segment. In the consolidated statement of comprehensive income the items affecting comparability can be found amongst other operating costs.

Note 11 Earnings per share

The company issued a total of 980,000 warrants at the Annual General Meeting on August 13, 2020, and all warrants of series 2020/2023 have been exercised for subscription of new shares in the Company per September 1, 2023. Due to the exercise of the warrants, the number of shares and votes in the Company have increased by 980,000, from 20,000,000 to 20,980,000 and the share capital has increased to SEK 2,517,600. Earnings per share before dilution is based on 20,000,000 shares until September 1, 2023 and thereafter on 20,980,000 shares. Earnings per share is calculated by embracing all potential dilution of shares. The number of shares and votes is by the end of September 2023 20,980,000 without further potential dilution.

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Basic and diluted earnings per share				
Profit attributable to equity holders of the parent, SEK million	9.1	8.6	66.9	34.4
Weighted number of shares, basic	20,980,000	20,000,000	20,327,526	20,000,000
Weighted number of shares, diluted	20,980,000	20,980,000	20,980,000	20,980,000
Earnings per share, basic, SEK	0.43	0.43	3.29	1.72
Earnings per share, diluted, SEK	0.43	0.41	3.19	1.64

Note 12 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 year-end 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

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 million	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 million	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 million	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 million	EBITDA adjusted for items affecting comparability.	EBITDA adjusted increases the comparability of EBITDA.
Interest-bearing assets, SEK million	Cash and bank balances.	The interest-bearing assets are used to calculate the net debt.
Interest-bearing liabilities, SEK million	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 million	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 million	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 million	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 million	A summary of outcomes from the last 12 months.	R12 allows for comparison with the full year 2020.
Operating cash flow, SEK million	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 the company's long-term ability to pay.

CALCULATION OF KEY RATIOS:

	Oct-Dec 2023	Oct-Dec 2022	2023	2022
Gross margin, %:				
Gross profit, SEK million	48.9	38.9	219.3	148.7
Net sales, SEK million	226.6	232.0	1,015.1	957.8
Gross margin, %	21.6	16.8	21.6	15.5
Operating margin, %, Sweden:				
Net sales, SEK million	138.0	144.6	608.7	610.1
Operating profit, SEK million	7.4	11.3	55.6	36.2
Operating margin, %, Sweden	5.4	7.8	9.1	5.9
Operating margin, %, Czech Republic				
Net sales, SEK million	74.0	72.6	350.2	339.6
Operating profit, SEK million	6.5	-0.4	35.2	10.7
Operating margin, %, Czech Republic	8.8	-0.6	10.1	3.2
Operating margin, %, Germany				
Net sales, SEK million	26.2	28.2	117.7	47.4
Operating profit, SEK million	2.1	1.9	4.1	2.7
Operating margin, %, Germany	8.0	6.9	3.5	5.7
Adjusted EBITDA, SEK million:				
Operating profit	16.0	11.3	91.6	47.0
Less depreciation and amortization of non-current assets	11.5	11.5	47.9	42.0
Minus depreciation of non-current assets	-	-	-	-
EBITDA	27.5	22.9	139.5	89.1
Less items affecting comparability	-	-	-	1.2
Adjusted EBITDA, SEK million	27.5	22.9	139.5	90.3
Organic growth, %:				
Net sales, SEK million	226.6	232.0	1,015.1	957.8
Net sales for the same period of the previous year, SEK million	232.0	240.3	957.8	927.5
Minus acquisition	-	-21.3	-46.4	-34.4
Net sales, change	-5.4	-29.5	10.9	-4.1
Less exchange rate fluctuations, SEK million	-0.9	-12.9	-36.4	-20.7
Organic growth, %	-2.7	-17.0	-2.7	-3.0
Working capital/sales, %:				
Operating receivables, SEK million	310.6	342.9	310.6	342.9
Operating liabilities, SEK million	75.0	65.1	75.0	65.1
Net working capital, SEK million	235.6	277.8	235.6	277.8
Net sales, R12 SEK million	1,015.1	957.8	1,015.1	957.8
Working capital/sales, %	23.2	29.0	23.2	29.0
Return on capital employed (ROCE), %:				
Capital employed, SEK million	663.2	624.7	663.2	624.7
Average capital employed, SEK million	643.9	578.8	643.9	578.8
Adjusted operating profit R12, SEK million	91.6	48.2	91.6	48.2
Return on capital employed (ROCE), %	14.2	8.3	14.2	8.3
Net debt/EBITDA, multiple:				
Net debt, SEK million	-81.3	76.7	-81.3	76.7
EBITDA, R12 SEK million	139.5	89.1	139.5	89.1
Net debt/EBITDA, multiple	-0.58	0.86	-0.58	0.86
Equity/assets ratio, %:				
Equity, SEK million	568.4	500.0	568.4	500.0
Total capital, SEK million	785.2	736.0	785.2	736.0
Equity/assets ratio, %	72.4	67.9	72.4	67.9

FINANCIAL INFORMATION

Interim report January – March 2024 - April 25, 2024
Release of Annual & Sustainability report 2023 - Week 14, 2024
AGM 2024 – May 7, 2024, in Borensberg
Interim report January – June 2024 - August 16, 2024
Interim report January – September 2024 - November 8, 2024
Year-end report 2024 - February 19, 2025

Arla Plast AB (reg no 556131-2611)

Borensberg February 21, 2024

Christian Krichau
President and CEO

This year-end report has not been reviewed by the company's auditor.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Monica Ljung, CFO, +46 141 20 38 02

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 and the Securities Markets Act. The information was published by the abovementioned contact persons on February 22, 2024 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), glycol-modified polyethylene terephthalate (PETG) and polymethyl methacrylate (PMMA) and have a large number of areas of application, such as safety products, machine guards, ice hockey rinks, greenhouses, pool covers, sound walls, suitcases, automotive components and various construction-related areas of application. The company is headquartered in Borensberg, Sweden, and has a total of three production facilities in Sweden and the Czech Republic and a distribution unit in Germany. Arla Plast has a turnover of more than SEK 1,000 million, has approximately 250 employees and delivers to more than 700 customers in over 45 countries.

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.
PMMA:	Polymethyl methacrylate

