

YEAR-END REPORT 2024

Strong cash flow and increased profit

OCTOBER – DECEMBER 2024

- Net sales amounted to SEK 362.3 million (226.6), an increase of 60%.
- Net sales for comparable segments decreased by SEK 3.3 million, a decrease of 2%.
- Operating profit amounted to SEK 22.9 million (16.0), an increase of 43%.
- Non-recurring items affected the result by SEK -5.7 million (0.0).
- The operating margin decreased to 6.3% (7.1).
- The profit for the period amounted to SEK 28.2 million (9.1), an increase of 210%.
- Earnings per share, before dilution, amounted to SEK 1.34 (0.43) and after dilution to SEK 1.34 (0.43).
- Cash flow from operating activities amounted to SEK 108.0 million (78.6), an increase of 37%.

JANUARY – DECEMBER 2024

- Net sales amounted to SEK 1,398.0 million (1,015.1), an increase of 38%.
- Net sales for comparable segments decreased by SEK 43.1 million, a decrease of 4%.
- Operating profit amounted to SEK 116.7 million (91.6), an increase of 27%.
- Non-recurring items affected the result by -SEK 21.5 million (3.0).
- The operating margin decreased to 8.3% (9.0).
- The profit for the period amounted to SEK 97.9 million (66.9), an increase of 46%.
- Earnings per share, before dilution, amounted to SEK 4.67 (3.29) and after dilution to SEK 4.67 (3.19).
- The net cash amounted to SEK 17.3 million (81.3) at the end of the period, equivalent to 0.1 times (0.6) EBITDA.
- Cash flow from operating activities amounted to SEK 166.0 million (165.5).
- The Board proposes a dividend of 1.50 SEK per share (1.25), equivalent to 32% (39) of net profit.

Net sales, SEK million

362.3

(226.6)

an increase of 60%

Operating profit, SEK million

22.9

(16.0)

an increase of 43%

Operating margin, %

6.3

(7.1)

a decrease of 11%

GROUP IN SUMMARY*

	Oct-Dec 2024	Oct-Dec 2023	Δ,%	Jan-Dec 2024	Jan-Dec 2023	Δ,%
Net sales, SEK million	362.3	226.6	60	1 398.0	1,015.1	38
Gross margin, %	20.9	21.6	-3	21.4	21.6	-1
EBITDA, SEK million	40.0	27.5	45	180.4	139.5	29
Operating margin, SEK million	22.9	16.0	43	116.7	91.6	27
Operating margin, %	6.3	7.1	-11	8.3	9.0	-7
Profit for the period, SEK million	28.2	9.1	210	97.9	66.9	46
Earnings per share before dilution, SEK	1.34	0.43	212	4.67	3.29	42
Earnings per share after dilution, SEK	1.34	0.43	212	4.67	3.19	46
Net debt/EBITDA, times	-0.1	-0.6	-83	-0.1	-0.6	-83
Net debt, SEK million	-17.3	-81.3	-79	-17.3	-81.3	-79
Cash flow from operating activities, SEK million	108.0	78.6	37	166.0	165.5	0
Return on capital employed (ROCE), %	16.1	14.2	13	16.1	14.2	13
Equity/assets ratio, %	65.6	72.4	-9	65.6	72.4	-9

* For definitions and alternative performance measures, see page 17



CEO COMMENTS

Strong cash flow and increased profit

Considerably higher net sales, increased profit and a strong cash flow describes the fourth quarter of 2024.

Market

We note a market with volumes, which according to our perception, are in level with the comparison quarter in the previous year. The demand from the construction industry is continued weak but in level with previous year while the automotive industry has further weakened. The volumes within segment Spain have decreased somewhat impacted by the market demand and our business plan for the segment. We have though noted a good demand within other segments, especially in the sectors industry and industrial projects. By the end of the year we have observed an increased demand for our high-optical products.

Through the acquisition of Nudec S.A.U., carried out in during the second quarter of 2024 our customer portfolio has strengthened and overall the sales volume is significantly higher. We have a considerably stronger market position in Central and Southern Europe.

The raw material prices, which affect both net sales and gross margin, have had a modest downward trend during the fourth quarter but are on a slightly higher level than in the comparison quarter. Price competition towards customers increased at the end of the year, which is a consequential effect of declining raw material prices and the market demand.

Increased net sales

The net sales for the fourth quarter increased with 60% which is an effect of the additional net sales from segment Spain. The lower net sales in the comparable segments are mainly an effect of increased price competition and the market demand.

We see a continued positive diversification in our product and customer portfolio through the additional the sales volume of PETG and PMMA from segment Spain.

During the fourth quarter of 2024 the operating margin amounted to SEK 22.9 million, which is an increase of 43% compared to the same period previous year. Our margins in the quarter are slightly lower compared to the same period affected by the slightly weaker margins in segment Spain and non-recurring items in segment Sweden. During the quarter we have reduced our temporary build-up of inventory made during quarter three 2024, this has resulted in a strengthened cash flow from the operating activities which have enabled a decreased net debt to a net cash of SEK 17.3 million. It is through the positive cash flow of recent years we have been able to finance the acquisition of Nudec S.A.U. with only own funds.

Outlook

When I summarize the fourth quarter and full year 2024 I can conclude that we have moved forward our position in the European market. Through the acquisition of Nudec S.A.U. we have increased our local presence in Central and Southern Europe, which is in line with our long-term business and sustainability ambitions.

Our financial position is strong and we continue to develop our organization and align operations in segment Spain with other

segments to increase the efficiency and gain synergy effects. In segment Czech Republic the modernization of the machinery and streamlining of production flows continue. In segment Sweden the planning of warehouse and production facility continues.

For the first quarter we see a stable but continued weak market within some sectors. The perception is that our well-diversified customer portfolio will balance between the sectors.

During quarter four the raw material prices continued to decrease and seem to continue further down in the first quarter 2025. We can be proud of the results for 2024. We have achieved one of our best financial results ever, strengthened our company significantly and made it more sustainable. I want to thank all competent and dedicated employees for their efforts which have made this possible.



Christian Krichau
President and CEO



FINANCIAL OVERVIEW

The Group's net sales and profit

Net sales during the fourth quarter increased by 60% to SEK 362.2 million (226.6). The increased net sales are an effect from the additional volume after the acquisition of Nudec S.A.U. The net sales for comparable segments decreased by 2%. Gross margin decreased to 20.9% (21.6). The gross margin was negatively affected by segment Spain's comparably lower margins.

Operating profit for the fourth quarter amounted to SEK 22.9 million (16.0), an increase of 43%. Operating margin decreased to 6.3% (7.1%). Operating profit is impacted by non-recurring items amounting to SEK -5.3 million related to impairment of goodwill of the acquisition of Alphaplex GmbH and SEK -1.4 million for production-related equipment being taken out of operations in segment Sweden and a revenue of SEK 1.0 million related to negative goodwill from the acquisition of Nudec S.A.U. None of these items have impacted the cashflow.

Profit before tax for the fourth quarter was SEK 23.8 million (14.2). Net financial items amounted to SEK 0.9 million (-1.8), including interest costs of SEK -1.6 million (-0.1). Tax expenses in the fourth quarter amounted to SEK 4.4 million (-5.1). The tax has been positively impacted in the quarter due to an increased loss carry forward in Spain. Net profit for the period was SEK 28.2 million (9.1). Earnings per share, before dilution, were SEK 1.34 (0.43), and after dilution, SEK 1.34 (0.43).

For the full year 2024 net sales amounted to SEK 1,398.0 million (1,015.1), an increase of 38%. The increased net sales are an effect from the additional volume after the acquisition of Nudec S.A.U. The net sales for comparable segments decreased by 4%. Gross margin amounted to 21.4% (21.6). The weaker margin in our acquired company Nudec S.A.U. is balanced by strengthened margins in the other segments.

Operating profit amounted to SEK 116.7 million (91.6) for the full year 2024, an increase of 27%. Operating margin was 8.3% (9.0). Operating profit includes non-recurring items amounting to approximately SEK -21.5 million of which SEK -3.1 million has

impacted the cashflow. The previous year included non-recurring items of SEK -2.5 million but included also government grant for electricity costs of SEK 5.5 million which affected the operating profit.

Profit before tax for the full year 2024 was SEK 117.0 million (86.0). Net financial items amounted to SEK 0.3 million (-5.6), including interest costs of SEK -6.7 million (-2.6). Tax expenses for 2024 amounted to SEK -19.1 million (-19.1), resulting in an effective tax rate of 16.3% (22.2). Net profit for the full year 2024 was SEK 97.9 million (66.9) and earnings per share, before dilution, were SEK 4.67 (3.29), and after dilution, SEK 4.67 (3.19).

Net sales and operating margin





FINANCIAL OVERVIEW

Cash flow and financial position

Cash flow and investments

Cash flow from operating activities increased to SEK 108.0 million (78.6) in the fourth quarter, an increase of 37%. The cash flow was positively impacted by the change in working capital. The group has actively focused on reducing inventory.

Cash flow from investing activities was SEK -6.1 million (-1.7) during the quarter, primarily related to maintenance investments in the four facilities.

Cash flow from financing activities amounted to SEK -51.0 million (-13.1). The change is primarily due to segment Spain, where credit utilization has been reduced.

For the full year 2024, cash flow from operating activities amounted to SEK 166.0 million (165.5).

Cash flow from investing activities for the full year 2024 was SEK -108.7 million (-6.4), mainly due to the acquisition of Nudac S.A.U. and maintenance investments in the four facilities.

From financing activities, cash flow amounted to SEK -76.4 million (-24.0) for the full year 2024, including dividends of SEK -26.2 million (-20.0). The previous year also includes emission from warrant program of SEK 29.2 million.

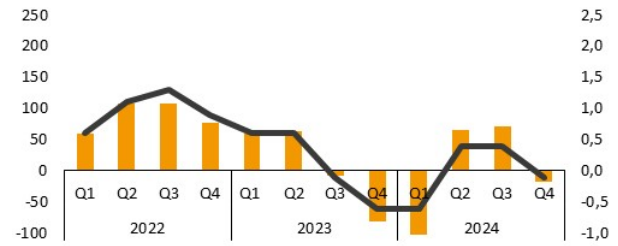
Financial position

The total assets of Arla Plast amounted to SEK 982.8 million as of December 31, 2024 (785.2).

As of December 31, 2024, the Group's net cash amounted to SEK 17.3 million (81.3), which corresponds to 0.1 times EBITDA (0.6).

The Group's solvency ratio was 65.6% as of December 31, 2024 (72.4).

Net debt and net debt/EBITDA



■ Net debt +, net cash -, SEK million
 ■ Net debt/EBITDA, times



FINANCIAL OVERVIEW

The segment's net sales and profit

The Group's operations are monitored through the four segments Sweden, Czech Republic, Germany and Spain. Group-wide functions are located in both Sweden and the Czech Republic and are internally invoiced to ensure accurate reporting within each segment.

Sweden

In the fourth quarter of 2024 net sales decreased by 4% to SEK 132.8 million (138.0). Operating profit decreased to SEK 1.2 million (7.4). The operating margin decreased to 0.9% (5.4). Operating profit is impacted by non-recurring items amounting to SEK -5.3 million related to impairment of goodwill of the acquisition of Alphaplex GmbH and SEK -1.4 million for production-related equipment being taken out of operations. None of these items have impacted on the cashflow.

For the full year 2024, net sales decreased by 5% to SEK 580.6 million (608.7). Operating profit decreased to SEK 53.9 million (55.6), primarily due to non-recurring items amounting to SEK -9.8 million while government grant for electricity costs amounting to SEK 5.5 million affected the operating profit positively in the previous year. The operating margin increased to 9.3% (9.1).

Czech Republic:

In the fourth quarter of 2024 net sales increased by 6% to SEK 78.8 million (74.0). Operating profit increased to SEK 11.0 million (6.5). The operating margin increased to 14.0% (8.8).

For the full year 2024, net sales increased by 1% to SEK 353.2 million (350.2). Operating profit amounted to SEK 46.8 million (35.2) and is burdened by non-recurring items of approximately SEK - 12.7 million this year and SEK - 2.5 million previous year. The operating margin increased to 13.3% (10.1).

Germany

For the fourth quarter, net sales amounted to SEK 22.4 million (26.2), a decrease of 15%. The lower net sales are mainly an effect of lower volumes. Operating profit amounted to SEK 2.4 million (2.1) and the operating margin was 10.7% (8.0).

For the full year 2024, net sales amounted to SEK 100.3 million (117.7), a decrease of 15%. Operating profit amounted to SEK 6.6 million (4.1) and the operating margin was 6.6% (3.5).

Spain

Segment Spain started as of April 23, 2024 with the acquisition of Nudac S.A.U. For the fourth quarter, net sales amounted to SEK 142.7 million and the operating profit amounted to SEK 7.4 million. The operating margin was 5.2%.

During the eight-months period, net sales amounted to SEK 439.0 million and the operating profit amounted to SEK 12.8 million. The operating margin was 2.9%. For more information about the segment see note 3 and about the acquisition see note 7.

Key performance indicator	Oct-Dec 2024	Oct-Dec 2023	Δ,%	Jan-Dec 2024	Jan-Dec 2023	Δ,%
<i>Sweden</i>						
Net sales, SEK million	132.8	138.0	-4	580.6	608.7	-5
Operating profit, SEK million	1.2	7.4	-84	53.9	55.6	-3
Operating margin, %	0.9	5.4	-83	9.3	9.1	2
<i>Czech Republic</i>						
Net sales, SEK million	78.8	74.0	6	353.2	350.2	1
Operating profit, SEK million	11.0	6.5	69	46.8	35.2	33
Operating margin, %	14.0	8.8	59	13.3	10.1	32
<i>Germany</i>						
Net sales, SEK million	22.4	26.2	-15	100.3	117.7	-15
Operating profit, SEK million	2.4	2.1	14	6.6	4.1	61
Operating margin, %	10.7	8.0	34	6.6	3.5	89
<i>Spain*</i>						
Net sales, SEK million	142.7	-	-	439.0	-	-
Operating profit, SEK million	7.4	-	-	12.8	-	-
Operating margin, %	5.2	-	-	2.9	-	-

*Consolidation started April 23, 2024



FINANCIAL OVERVIEW

Other

Parent Company

Arla Plast AB is the parent company of the Arla Plast Group. The parent company's operations include the Swedish operational activities as well as Group-wide functions such as management, finance, IT, purchasing, and communications. During the fourth quarter of 2024, net sales amounted to SEK 132.8 million (138.0), and operating profit was SEK 1.2 million (7.4).

For the full year 2024, net sales amounted to SEK 580.6 million (608.7), and operating profit amounted to SEK 53.9 million (55.6).

Cash and cash equivalents as of December 31, 2024, were SEK 86.9 million (116.3).

Seasonal Variations

Arla Plast has numerous customers across various 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 vacation period having a negative impact.

Personnel

The average number of full-time employees during the fourth quarter of 2024 was 356 (265). During the fourth quarter, women accounted for 24% (26) of the employees. For the full year 2024, the average number of full-time employees was 346 (256), with women accounting for 25% (25) of the employees.

Events after the end of the reporting period

No significant events after the reporting period.

Annual General Meeting

The AGM will take place Wednesday May 7th 2025, at 15.00 in 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 no later than March 19th, 2025.

Dividend

The Board proposes a dividend of 1.50 SEK per share (1.25 SEK per share) amounting to 32 percent (39 percent) of the net profit 2024. The Board's proposal follows the company's dividend policy.

The share

As of December 31, 2024, Mats Synnersten AB owns 14%, Svolder AB 14%, K Synnersten Holding AB 13%, Swedia Invest AB 11%, Ranzom AB 11%, Jan Synnersten AB 11% and Nordea Investment Funds 9% of the shares in Arla Plast AB. The company has approximately 2,500 shareholders and a total of 20,980.000 shares.

Risks and Uncertainties

For further information regarding risks see the Group's Annual report 2023, available at www.arlaplastgroup.com.

Sustainability

During the fourth quarter of 2024, our carbon footprint related to the production of raw materials consumed was in average 3.4 kg CO₂e per kg of finished product produced (3.4) and sick leave was 6.0% (6.1). The distribution unit Alphaplex GmbH does not produce finished products and is thus not included in the calculation of CO₂e per kg of finished products produced. For further information regarding our sustainability work see the Annual report 2023 available at www.arlaplastgroup.com.



FINANCIAL REPORTS

Consolidated statement of comprehensive income

Amounts in SEK million	Note	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	2,3	362.3	226.6	1,398.0	1,015.1
Costs of goods sold		-286.5	-177.7	-1,098.5	-795.8
Gross margin		75.8	48.9	299.5	219.3
Selling expenses		-25.0	-18.5	-98.8	-72.9
Administrative expenses		-27.8	-15.2	-88.4	-65.3
Other operating income	4	1.5	0.4	9.2	10.6
Other operating expenses	7	-1.6	0.4	-4.8	-0.1
Operating profit		22.9	16.0	116.7	91.6
Financial income and expenses		0.9	-1.8	0.3	-5.6
Result before tax		23.8	14.2	117.0	86.0
Tax expenses		4.4	-5.1	-19.1	-19.1
Profit for the period		28.2	9.1	97.9	66.9
Other comprehensive income					
Items that may be reclassified subsequently to profit of loss					
Exchange differences on translation of foreign operations		5.7	-14.5	4.6	-7.6
Other comprehensive income for the period		5.7	-14.5	4.6	-7.6
Total comprehensive income for the period		33.9	-5.5	102.5	59.3
Amounts in SEK					
Earnings per share before dilution		1.34	0.43	4.67	3.29
Earnings per share after dilution		1.34	0.43	4.67	3.19

The period's result and total comprehensive income are entirely attributable to the parent company's shareholders.



FINANCIAL REPORTS

Consolidated statement of financial position

Amounts in SEK million	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Intangible non-current assets		35.4	30.9
Property, plant and equipment		265.8	238.0
Right-of-use assets		22.8	26.0
Deferred tax assets		21.9	-
Total non-current assets		345.9	294.9
Current assets			
Inventories		261.2	173.2
Trade receivables	5	202.7	126.2
Other current receivables	5	10.7	14.8
Cash and cash equivalents	5	162.3	176.1
Total current assets		636.9	490.3
TOTAL ASSETS		982.8	785.2
EQUITY			
Equity attributable to owners of the parent		644.7	568.4
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	5	25.8	5.8
Non-current portion of lease liability	5	14.5	18.6
Deferred tax liability		43.4	41.7
Other provisions		-	-
Total non-current liabilities		83.7	66.1
Current liabilities			
Liabilities to credit institutions	5	96.0	62.7
Current portion of lease liability	5	8.7	7.6
Accounts payable	5	66.3	16.6
Other current liabilities	5	83.4	63.8
Total current liabilities		254.4	150.7
Total liabilities		338.1	216.8
TOTAL EQUITY AND LIABILITIES		982.8	785.2



FINANCIAL REPORTS

Condensed consolidated statement of changes in equity

Amounts in SEK million	Note	31 Dec 2024	31 Dec 2023
Opening balance		568.4	500.0
Profit for the period		97.9	66.9
Other comprehensive income		4.6	-7.6
Total comprehensive income		102.5	59.3
Dividend		-26.2	-20.0
Emission		-	29.2
Total transactions with shareholders		-26.2	9.2
Closing balance		644.7	568.4

Consolidated statement of cash flows

Amounts in SEK million	Note	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Cash flow from operating activities before changes in working capital		49.9	32.9	156.5	126.0
Cash flow from changes in working capital		58.1	45.7	9.5	39.5
Cash flow from operating activities		108.0	78.6	166.0	165.5
Cash flow from investing activities		-6.1	-1.7	-108.7	-6.4
Cash flow from financing activities		-51.0	-13.1	-76.4	-24.0
Cash flow for the period		50.9	63.8	-19.1	135.1
Cash and cash equivalents at beginning of period		109.4	119.5	176.1	47.9
Exchange differences in cash and cash equivalents		2.0	-7.2	5.3	-6.9
Cash and cash equivalents at close of period		162.3	176.1	162.3	176.1



FINANCIAL REPORTS

Condensed parent company income statement

Amounts in SEK million	Note	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales		132.8	138.0	580.6	608.7
Cost of goods sold		-104.3	-106.3	-436.0	-465.4
Gross profit		28.5	31.7	144.6	143.3
Selling expenses		-11.7	-15.1	-46.5	-54.6
Administrative expenses		-16.0	-8.1	-46.2	-39.3
Other operating income and operating expenses		0.4	-1.1	2.0	6.2
Operating profit		1.2	7.4	53.9	55.6
Financial income and expenses		2.0	-0.7	70.1	-4.6
Profit before appropriations and tax		3.2	6.7	124.0	51.0
Appropriations		-12.1	-4.5	-12.1	-4.5
Profit before tax		-8.9	2.2	111.9	46.5
Tax expenses		0.1	-1.0	-10.8	-10.2
Profit for the period		-8.8	1.2	101.1	36.3

Parent company's condensed statement of comprehensive income

Amounts in SEK million	Note	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Profit for the period		-8.8	1.2	101.1	36.3
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		-8.8	1.2	101.1	36.3



FINANCIAL REPORTS

Condensed parent company balance sheet

Amounts in SEK million	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Intangible non-current assets		0.2	0.3
Property, plant and equipment		131.7	140.8
Financial non-current assets		185.9	83.2
Total non-current assets		317.8	224.3
Current assets			
Inventories		84.7	75.2
Other current assets		88.4	83.9
Cash and cash equivalents		86.9	116.3
Total current assets		260.0	275.4
TOTAL ASSETS		577.8	499.7
EQUITY			
Untaxed reserves		152.6	140.5
LIABILITIES			
Non-current liabilities			
Provisions		6.9	6.7
Current liabilities			
Liabilities to credit institutions		47.1	58.6
Other current liabilities		48.1	45.7
Total current liabilities		95.2	104.3
Total liabilities		102.1	111.0
TOTAL EQUITY AND LIABILITIES		577.8	499.7



FINANCIAL REPORTS

Notes

Note 1 Basic accounting principles

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 to the Group and the Parent Company.

Significant estimates and judgements are set out in note 4 of the 2023 Annual Report. No changes have been made that could have a substantial impact on the interim report.

New standards, amendments and interpretations effective from 1 January 2024 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% or more of sales, which means that dependence on individual customers is limited for Arla Plast.

Arla Plast offers products in four technical plastic materials; PC, ABS, PETG and PMMA. Based on product properties, PC is divided into transparent with high optical performance (TPC), coloured or opaque (OPC) and multiwall polycarbonate (MWPC). This gives the customer six different product areas to choose from: TPC, OPC, MWPC, ABS, PETG and PMMA. Arla Plast offers great opportunities for customization in all product areas and a wide range of specifications, such as thickness, dimensions, colours, design effects, structures and UV protection.

Amounts in SEK million	Oct-Dec 2024		Oct-Dec 2023		Jan-Dec 2024		Jan-Dec 2023	
		%		%		%		%
External net sales per geographical market								
Sweden	29.9	8	33.8	15	121.9	9	134.3	13
Germany	56.4	16	34.7	15	232.9	17	189.1	19
Czech Republic	32.3	9	43.8	19	190.9	14	187.5	18
Poland	29.6	8	27.9	12	119.0	8	117.0	12
Rest of Europe	173.9	48	71.7	32	627.5	45	308.3	30
Rest of world	40.2	11	14.7	7	105.8	7	78.9	8
Summa	362.3	100	226.6	100	1,398.0	100	1,015.1	100
External net sales per product category								
TPC	133.7	37	97.4	43	531.6	38	439.4	43
OPC	53.2	15	47.5	21	231.4	17	206.1	21
MWPC	39.1	11	34.9	15	158.8	11	163.6	16
ABS	18.5	5	26.5	12	80.0	6	113.9	11
PETG	55.1	15	11.4	5	187.3	13	50.1	5
PMMA	62.7	17	8.9	4	208.9	15	42.0	4
Summa	362.3	100	226.6	100	1,398.0	100	1,015.1	100



Note 3 Operating segments

The Group's operations are divided into four segments Sweden, the Czech Republic, Germany and Spain. Group-wide functions are located in Sweden and the Czech Republic and are internally invoiced to ensure accurate reporting in each segment. Comparability items burden group-wide costs and have not been allocated. In the Group's comprehensive income statement, comparability items are included in administrative expenses and other operating costs. Sales between segments occur at market terms. The CEO primarily uses net sales and operating profit to assess the Group's performance.

Sweden

During the fourth quarter of 2024, the Sweden segment accounted for approximately 35% (58) of the Group's total net sales and includes all operations based in Borensberg. The main raw materials in the segment are PC and ABS. The product areas in which the segment operates are TPC, OPC and ABS.

Czech Republic

The Czech Republic segment accounted for approximately 21% (31) of the Group's total net sales during the fourth quarter of 2024. The segment includes all operations based in the Czech Republic. Production takes place in Kadaň and Pelhřimov. The main raw materials in the segment are PC and PETG. The product areas in which the segment operates are MWPC, OPC, and PETG.

Germany

The Germany segment accounted for approximately 6% (11) of the Group's total net sales during the fourth quarter of 2024. The segment includes all operations based in Hüllhorst, Germany. The segment operates within all product areas.

Spain

The Spain segment accounted for approximately 38% (-) of the Group's total net sales during the fourth quarter of 2024. The segment includes all operations based in Polinyá, Barcelona, Spain. The main raw materials in the segment are PC, PETG and PMMA. The product areas in which the segment operates are TPC, PETG, and PMMA. The segment is not active within the common OPC product area. Segment Spain is included as of April 23, 2024 in the full year 2024.

Net sales and result per segment

Net sales and result, SEK million	Sweden	Czech	Germany	Spain	Other and elim.	Group	Sweden	Czech	Germany	Spain	Other and elim.	Group
	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec
	2024	2024	2024	2024	2024	2024	2023	2023	2023	2023	2023	2023
Net sales, external	127.9	73.0	22.4	139.0	-	362.3	133.0	68.3	25.3	-	-	226.6
Net sales, internal	4.9	5.8	-	3.7	-14.4	-	5.0	5.7	0.9	-	-11.6	-
Total net sales	132.8	78.8	22.4	142.7	-14.4	362.3	138.0	74.0	26.2	-	-11.6	226.6
Operating profit	1.2	11.0	2.4	7.4	0.9	22.9	7.4	6.5	2.1	-	-	16.0
Net financial items	2.0	-1.5	-0.1	0.2	0.3	0.9	-1.4	-0.3	-0.1	-	-	-1.8
Profit before tax	-8.9	9.5	2.4	7.5	13.3	23.8	6.0	6.2	2.0	-	-	14.2
Operating margin, %	0.9	14.0	10.7	5.2	-	6.3	5.4	8.8	8.0	-	-	7.1

Net sales and result, SEK million	Sweden	Czech	Germany	Spain*	Other and elim.	Group	Sweden	Czech	Germany	Spain	Other and elim.	Group
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2024	2024	2024	2024	2024	2024	2023	2023	2023	2023	2023	2023
Net sales, external	551.8	319.9	100.3	426.0	-	1,398.0	581.2	322.0	111.9	-	-	1,015.1
Net sales, internal	28.8	33.3	-	13.0	-75.1	-	27.5	28.2	5.8	-	-61.5	-
Total net sales	580.6	353.2	100.3	439.0	-75.1	1,398.0	608.7	350.2	117.7	-	-61.5	1,015.1
Operating profit	53.9	46.8	6.6	12.8	-3.4	116.7	55.6	35.2	4.1	-	-3.3	91.6
Net financial items	70.1	-0.4	-0.2	-1.3	-67.9	0.3	-4.6	-0.6	-0.4	-	-	-5.6
Profit before tax	111.9	46.4	6.5	11.4	-59.2	117.0	51.0	34.6	3.7	-	-3.3	86.0
Operating margin, %	9.3	13.3	6.6	2.9	-	8.3	9.1	10.1	3.5	-	-	9.0



Geographical market, SEK million	Sweden	Czech	Germany	Spain	Internal	Group	Sweden	Czech	Germany	Spain	Internal	Group
	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec
	2024	2024	2024	2024	2024	2024	2023	2023	2023	2023	2023	2023
Sweden	26.4	7.8	0.3	0.4	-5.0	29.9	34.1	3.8	1.4	-	-5.5	33.8
Germany	22.9	3.0	18.6	21.2	-9.3	56.4	19.4	2.8	18.5	-	-6.0	34.7
Czech Republic	4.4	26.7	-	1.3	-0.1	32.3	10.8	32.9	0.2	-	-0.1	43.8
Poland	12.2	10.4	-	7.0	-	29.6	16.0	11.5	0.4	-	-	27.9
Rest of Europe	45.3	22.6	3.5	102.5	-	173.9	48.9	17.1	5.7	-	-	71.7
Rest of world	21.6	8.3	-	10.3	-	40.2	8.8	5.9	-	-	-	14.7
Total	132.8	78.8	22.4	142.7	-14.4	362.3	138.0	74.0	26.2	-	-11.6	226.6

Geographical market, SEK million	Sweden	Czech	Germany	Spain*	Internal	Group	Sweden	Czech	Germany	Spain	Internal	Group
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2024	2024	2024	2024	2024	2024	2023	2023	2023	2023	2023	2023
Sweden	102.9	33.2	4.3	8.7	-27.2	121.9	128.6	25.9	6.6	-	-26.8	134.3
Germany	109.3	20.3	74.6	74.4	-45.7	232.9	107.4	25.0	90.2	-	-33.5	189.1
Czech Republic	35.5	148.2	0.6	8.8	-2.2	190.9	40.3	147.3	1.1	-	-1.2	187.5
Poland	52.9	43.0	0.4	22.7	-	119.0	69.3	46.7	1.0	-	-	117.0
Rest of Europe	224.2	84.7	20.4	298.2	-	627.5	214.3	75.2	18.8	-	-	308.3
Rest of world	55.8	23.8	-	26.2	-	105.8	48.8	30.1	-	-	-	78.9
Total	580.6	353.2	100.3	439.0	-75.1	1,398.0	608.7	350.2	117.7	-	-61.5	1,015.1

*Consolidation started April 23, 2024



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 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 million	31 Dec 2024	31 Dec 2023
Derivative assets	-0.1	0.2

Note 6 Related-party transactions

There have not been any changes in the Group's or Parent Company's related-party relationships compared to those described in the 2023 Annual Report. There were no material related-party transactions during the period.

Note 7 Acquisition

On April 23, 2024 Arla Plast completed the acquisition of Nudec S.A.U. Like Arla Plast, Nudec S.A.U. is a manufacturer of extruded sheets in technical plastic materials based in Polinyá, just outside Barcelona, Spain. With the acquisition Arla Plast Group's geographical position in Central and Southern Europe will be strengthened and the product portfolio will be further broadened.

Nudec S.A.U. is consolidated from April 23, 2024. Below is the preliminary purchase price allocation:

Final purchase price allocation Nudec S.A.U.

	EURm	SEKm
Net identified assets and liabilities	8.6	99.2
Intangible assets (no goodwill) and provision	1.0	11.3
Negative goodwill	-0.1	-1.0
Final purchase price	9.5	109.5
Cash consideration paid for acquisition	9.1	104.8
Cash and cash equivalents in Nudec S.A.U.	1.1	12.8
Effect on the Group's cash and cash equivalents	-8.0	-92.0

The purchase price allocation is final and fair values at the acquisition date have been determined. The acquisition has resulted in transaction costs of EUR -0.3 million corresponding to SEK -3,1 million which have affected the operating profit for the full year 2024. In the consolidated statement of comprehensive income, the cost can be found amongst other operating costs.

The acquisition resulted to a negative goodwill of 1 MSEK, which has been recognized as other operating income in the fourth quarter of 2024.



Signatures

Arla Plast AB (reg. no. 556131–2611)

Borensberg February 18, 2025

Christian Krichau
CEO and President

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



ALTERNATIVE PERFORMANCE MEASURES

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 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

Definition	Calculation
Gross margin, %	Gross profit % of the net sales during the period.
Operating margin, %	Operating profit in % of net sales during the period.
EBITDA, SEK million	Operating profit before depreciation, amortization and impairment.
Interest bearing assets, SEK million	Cash and cash equivalents.
Interest bearing liabilities, SEK million	Current and non-current liabilities owed to credit institutions, current and non-current lease liabilities.
Net debt, SEK million	Interest-bearing liabilities less interest-bearing assets.
Net debt/ EBITDA, times	The net debt at period-end in relation to the EBITDA for the last 12 months.
Organic growth, %	Organic growth is the sales growth excluding growth attributable to acquisitions and disposals.
Working capital, SEK million	Inventories and other short-term operating assets less other short-term operating liabilities.
Working capital/net sales, %	Working capital in relation to net sales.
Capital employed, SEK million	Total assets less non-interest-bearing liabilities (including deferred tax).
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.
R12, SEK million	A summary of outcomes from the last 12 months.
Operating cash flow, SEK million	Cash flow from operating activities and cash flow from investing activities.
Equity/assets ratio	The equity at period-end as % of total assets.



Calculation of alternative key ratios

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Gross margin, %:				
Gross profit, SEK million	75.8	48.9	299.5	219.3
Net sales, SEK million	362.3	226.6	1,398.0	1,015.1
Gross margin, %	20.9	21.6	21.4	21.6
EBITDA, SEK MILLION:				
Operating profit, SEK million	22.9	16.0	116.7	91.6
Depreciation of fixed assets, SEK million	17.1	11.5	63.7	47.9
EBITDA, SEK MILLION	40.0	27.5	180.4	139.5
Organic growth, %:				
Net sales, SEK million	362.3	226.6	1,398.0	1,015.1
Net sales corresponding period previous year, SEK million	226.6	232.0	1,015.1	957.8
Acquisition, SEK million	-139.0	-	-426.0	-46.4
Net sales change, SEK million	-3.3	-5.4	-43.1	10.9
Organic growth, %	-1.5	-2.3	-4.2	1.1
Working capital/net sales, %:				
Operating receivables, SEK million	472.1	310.6	472.1	310.6
Operating liabilities, SEK million	140.8	75.0	140.8	-75.0
Net working capital, SEK million	331.3	235.6	331.3	235.6
Net sales R12, SEK million	1,398.0	1,015.1	1,398.0	1,015.1
Working capital/net sales, %	23.7	23.2	23.7	23.2
Return on capital employed (ROCE), %:				
Capital employed, SEK million	789.7	663.2	789.7	663.2
Average capital employed, SEK million	726.5	643.9	726.5	643.9
Operating profit R12, SEK million	116.7	91.6	116.7	91.6
Return on capital employed (ROCE), %	16.1	14.2	16.1	14.2
Net debt, SEK million:				
Interest bearing liabilities, SEK million	162.3	176.1	162.3	176.1
Interest bearing assets, SEK million	145.0	94.8	145.0	94.8
Net debt, SEK million	-17.3	-81.3	-17.3	-81.3
Net debt/ EBITDA, times:				
Net debt, SEK million	-17.3	-81.3	-17.3	-81.3
EBITDA R12, SEK million	180.4	139.5	180.4	139.5
Net debt/ EBITDA, times	-0.1	-0.6	-0.1	-0.6
Equity/assets ratio, %:				
Equity, SEK million	644.7	568.4	644.7	568.4
Total assets, SEK million	982.8	785.2	982.8	785.2
Equity/assets ratio, %	65.6	72.4	65.6	72.4



For further information, please contact:

Christian Krichau, President and CEO, +46 141-20 38 58

Forward-looking information

Some statements in this report are forward-looking and the actual outcome may be significantly different. In addition to the factors specifically highlighted, other factors may have a material impact on the actual outcome. Such factors include, but are not limited to, the general economic situation, changes in exchange rates and interest rates, political developments, the impact of competing products and their prices, and disruptions in the supply of 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 abovementioned contact persons on February 19, 2025 at 8:00 am (CET).

Financial calendar

Interim report January – March 2025 - April 29, 2025
 Release of annual and sustainability report 2024 – Week 14, 2025
 AGM 2025 – May 7, 2025, in Borensberg
 Interim report January – June 2025 - August 15, 2025
 Interim report January – September 2025 - November 7, 2025
 Year-end report 2025 - February 19, 2026

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 four production facilities in Sweden, the Czech Republic and Spain and a distribution unit in Germany. Arla Plast has a turnover of about SEK 1,400 million, has approximately 350 employees and delivers to more than 1000 customers in over 50 countries.

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

Financial objectives

Sales growth

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

Operating margin

The operating margin over a business cycle should be at least 10%.

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% of the profit for the year. Decisions on dividends will reflect the Company's financial position, cash flow and investment needs.

Sustainability information

Further information regarding our sustainability work can be found in our Annual Report 2023 which is available at www.arlaplastgroup.com.

Definitions 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. The product group also includes PET.
 TPC: Transparent polycarbonate.
 PMMA: Polymethyl methacrylate