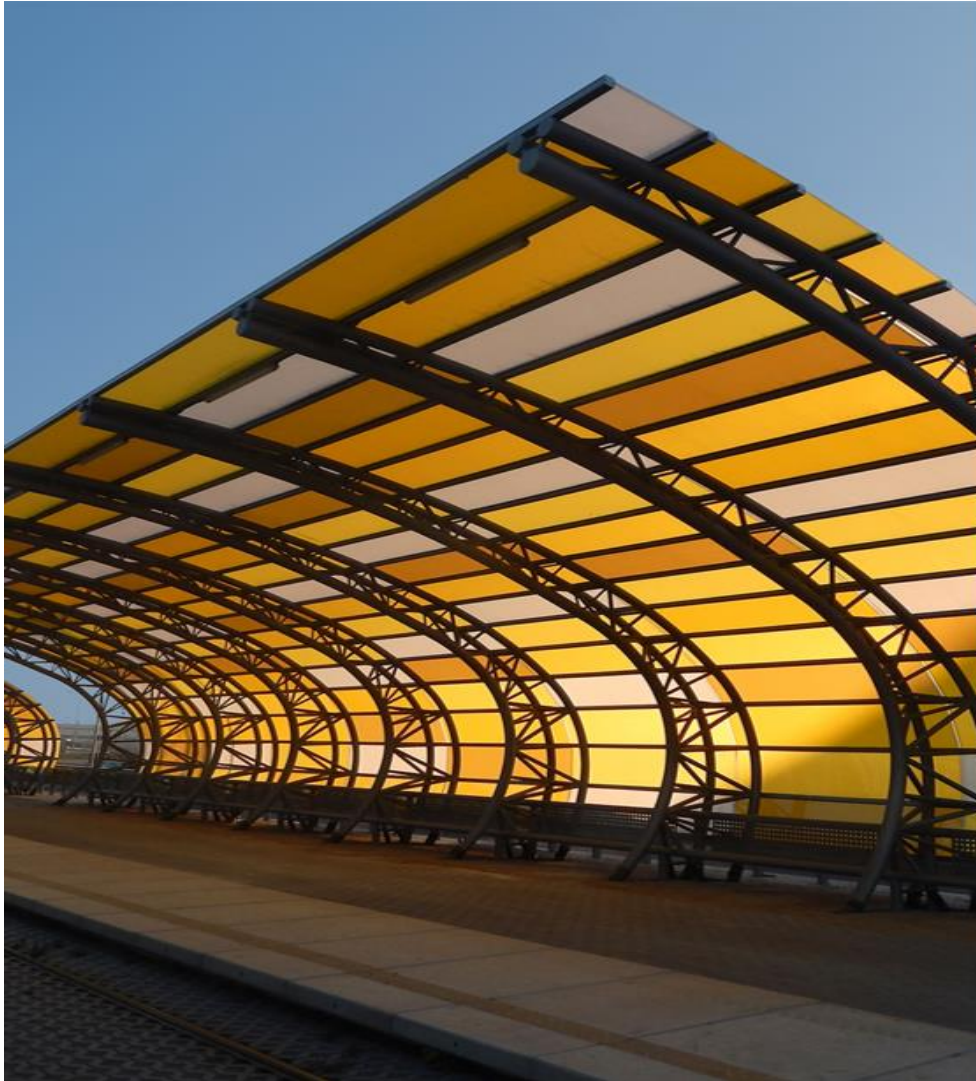




Presentation Q1 2022

11 May 2022

HIGHLIGHTS Q1 2022



- Volumes down for entire industry in Europe-
Arla Plast 's market shares unchanged
 - Demand for barriers products almost non existing
 - Demand from other vital categories such as the travel and automotive industries hesitant
- Raw material prices keep rising
- Tough comparable quarter as Q1 2021 was strong due to pandemic related sales
- Price competition has continued thus affecting gross and operating margins negatively
- Higher energy prices and freight costs negatively impacted margins
- Uncertainty regarding the effects from the war in Ukraine remain

Source: Arla Plast Interim report January – March 2022

Financial overview – Group financials



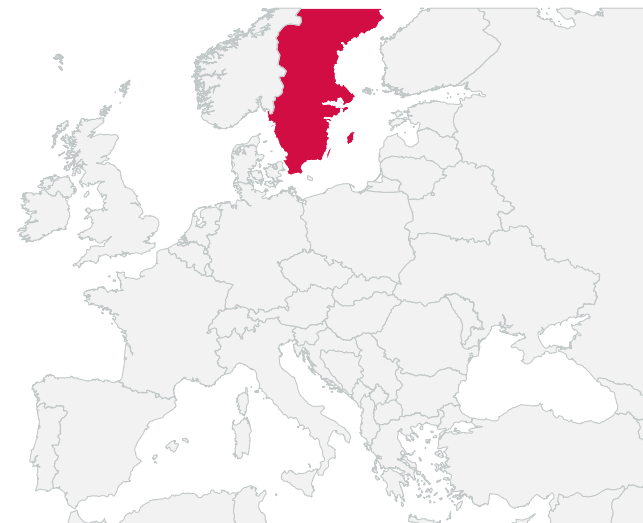
- Tough comparable quarter since 2021 was strong due to the pandemic related sales
- Volumes declined in whole industry in Europe – Arla Plast's market shares unchanged
- Volumes down 20%, Net sales up 4%, organically up 1%.
- Prices for raw material keep rising
- Fierce price competition limits the possibility to compensate for higher costs
- Gross and operating margins down

SEKm	Q1 2022	Q1 2021	Δ, %	R 12	FY 2021	Δ, %
SALES VOLUME, TONNES	4,941	6,181	(20%)	21,406	22,646	(5%)
NET SALES	226.7	218.8	4%	935.4	927.5	1%
ADJUSTED OPERATING PROFIT	11.4	30.8	(63%)	72.9	92.3	(21%)
ADJUSTED OPERATING MARGIN	5.0	14.1	(65%)	7.8%	10.0%	(22%)

Financial overview – Segment Sweden



Volume	Net sales	Operating margin
<ul style="list-style-type: none"> Q1: down 22% R 12: down 6% <p>- challenging comparable quarter and demand from other applications not yet recovered</p>	<ul style="list-style-type: none"> Q1: down 5% R 12: up 1% <p>- price adjustments due to higher cost of input material partly compensated lost volumes</p>	<ul style="list-style-type: none"> Q1: 5.2% R 12: 8.6% <p>- increased price competition affecting gross and operating margins</p>



SEKm	Q1 2022	Q1 2021	Δ, %	R 12	FY 2021	Δ, %
SALES VOLUME, TONNES	3,332	4,259	(22%)	13,944	14,871	(6%)
NET SALES	148.0	155.3	(5%)	611.2	618.5	1%
OPERATING PROFIT	7.7	25.7	(70%)	52.5	70.5	(26%)
OPERATING MARGIN	5.2%	16.6%	(69%)	8.6%	11.4%	(25%)

Note: 1) Rolling Twelve Months – the period Q2 2021 – Q1 2022

Financial overview – Segment Czech Republic



Volume	Net sales	Operating margin
<ul style="list-style-type: none"> Q1: down 21% R 12: down 5% <p>– challenging comparable quarter and demand from other applications not yet recovered</p>	<ul style="list-style-type: none"> Q1: up 16%, organically up 6% R 12: up 3% <p>–price adjustments due to higher cost of input material partly boosts sales</p>	<ul style="list-style-type: none"> Q1: 4.1% R 12: 5.4% <p>– disturbances within production effected margins negatively</p>



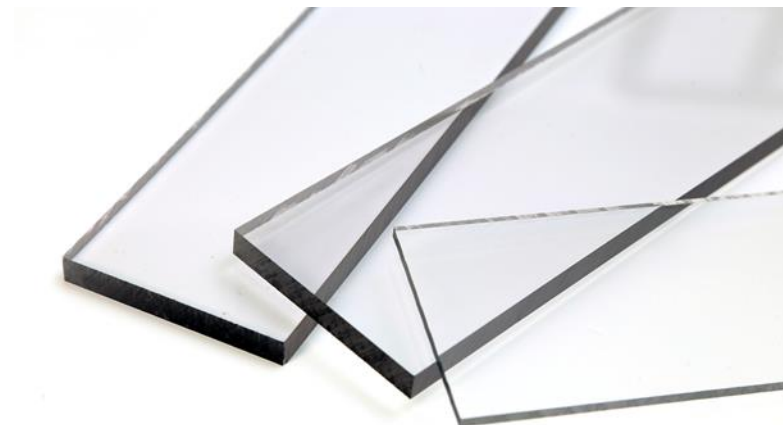
SEKm	Q1 2022	Q1 2021	Δ, %	R 12	FY 2021	Δ, %
SALES VOLUME, TONNES	1,740	2,203	(21)%	8,466	8,929	(5)%
NET SALES	82.0	70.6	16%	355.0	343.6	3%
OPERATING PROFIT	3.4	4.8	(29)%	19.2	20.6	(7)%
OPERATING MARGIN	4.1%	6.8%	(40)%	5.4%	6.0%	(10)%

Note: 1) Rolling Twelve Months – the period Q2 2021 – Q1 2022

Financial overview – Geographical markets



- Germany – strong comparable quarter effected by pandemic related sales as well as changes in customer portfolio
- Czech Republic – strong sale within home and garden

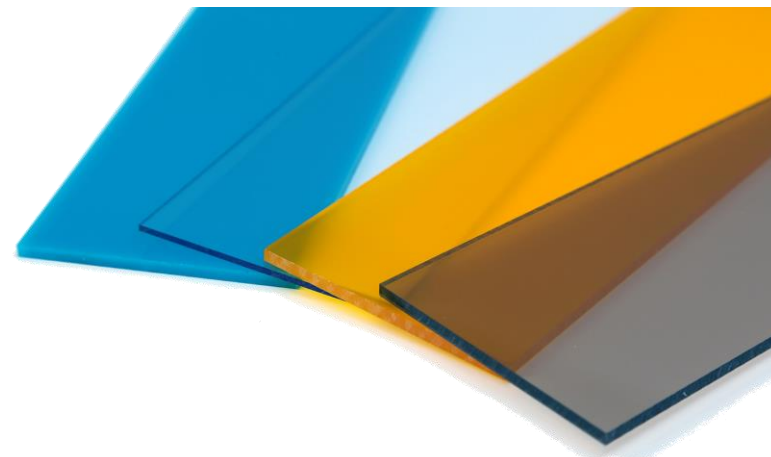


SEKm	Q1 2022	%	Q1 2021	%	R 12	%	FY 2021	%
SWEDEN	26.6	12%	26.2	12%	122.1	13%	121.8	13%
GERMANY	38.2	17%	51.8	24%	161.1	17%	174.8	19%
CZECH REPUBLIC	46.5	20%	35.0	16%	148.1	16%	136.6	15%
POLAND	25.6	11%	21.2	10%	111.0	12%	106.5	12%
REST OF EUROPE	78.6	35%	74.5	34%	341.8	37%	337.8	36%
REST OF WORLD	11.2	5%	10.1	5%	51.2	5%	50.0	5%
TOTAL	226.7	100%	218.8	100%	935.3	100%	927.5	100%

Financial overview – Product range



- TPC – Volume decline according to our view linear with the market
- OPC – Demand returned from several industrial applications
- MWPC – Price adjustments compensated higher costs
- ABS – Increasing demand from low-end applications, automotive industry still hesitant
- PETG – Sales effect from the pandemic has diminished within this range



SEKm	Q1 2022		Q1 2021		%	R 12	%	FY 2021	%
TPC	103.6	42%	114.3	52%		416.7	45%	427.4	46%
OPC	33.0	15%	23.4	11%		133.8	14%	124.1	13%
MWPC	49.7	21%	39.9	18%		221.2	24%	211.4	23%
ABS	27.6	15%	21.5	10%		105.1	11%	98.9	11%
PETG	12.7	7%	19.8	9%		58.6	6%	65.7	7%
TOTAL	226.7	100%	218.8	100%		935.3	100%	927.5	100%

Financial overview – Cash flow and balance sheet



- Cash flow from operating activities was negatively impacted by a lower operating profit but was offset by an improved change in working capital
- The first quarter is normally weak from a cash flow perspective
- Strong equity/asset ratio 68.9%



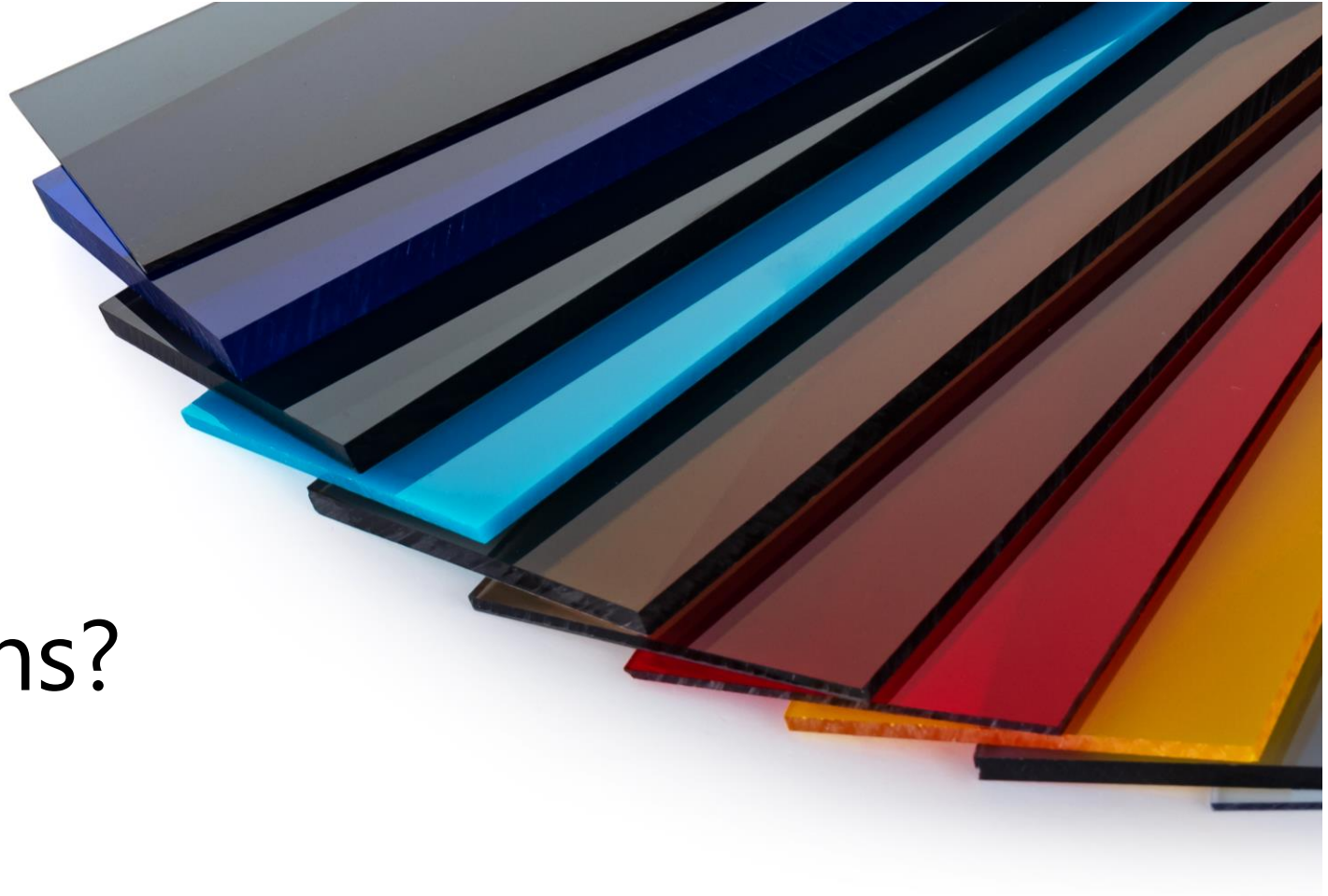
SEKm	Q1 2022	Q1 2021	R 12	FY 2021
CASH FLOW FROM OPERATING ACTIVITIES	1.0	1.9	46.9	47.7
CASH FLOW FROM INVESTING ACTIVITIES	-4.1	-12.5	-26.2	-34.6
CASH FLOW FOR THE PERIOD	12.0	6.4	-0.4	-6.0
NET DEBT (+) / NET CASH (-)	50.4	48.4	50.4	44.5
RETURN ON CAPITAL EMPLOYED	13.8	24.1	13.8	18.8
EQUITY / ASSET RATIO	68.9	66.4	68.9	72.6

Summary and outlook



- Volumes down for entire industry in Europe- Arla Plast 's market shares unchanged
- Prices for input material continued to increase in Q1, the expected price decrease is still ahead of us
- Tough comparable quarter as Q1 2021 was strong due to pandemic related sales
- Price competition has continued thus affecting gross and operating margins negatively
- Effects from the war in Ukraine remain with uncertainty
- Certification in accordance with ISCC approved
- Changes initiated in order to improve the use of our sales organization
- Although uncertainty remains high, we can see some effects after our internal improvement work coming





Questions?



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