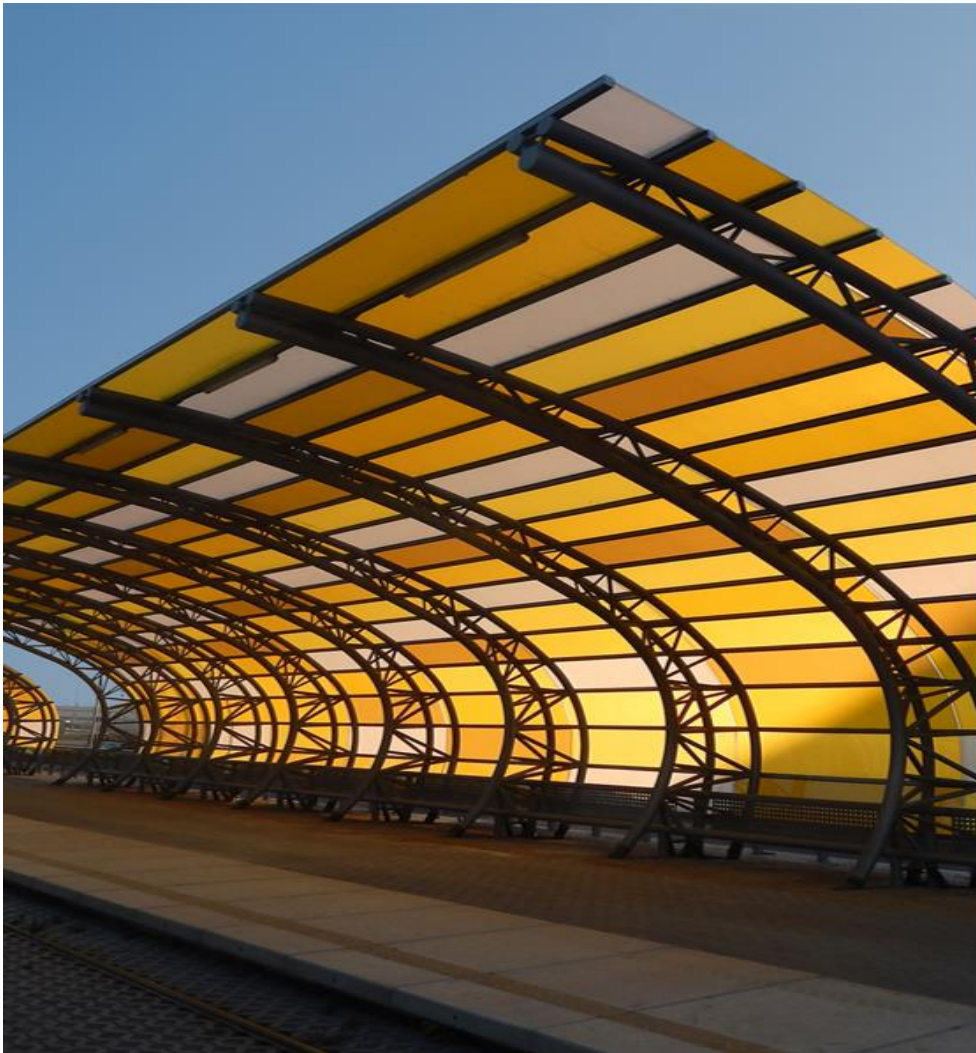




Presentation Q3 2022

v.45 -2022

HIGHLIGHTS Q3 2022



- Strongly declining market – our market share remains
 - Pandemic-related sales vanished, capacity increase within the industry
- Volatile price dynamics for raw materials
 - uncertainty of future development
- Lower volumes, but higher net sales
 - Well-balanced product mix, in combination with slight compensation of high raw material prices
- Lower gross and operating margins
 - lower volumes and high competition
- Reduction of workforce, 1.6 MSEK i Q3
- Diversified customer and product portfolio, a well-positioned customer offer, cost control, strengthen the sales organization
- Acquisition of Alphaplex
 - Increased presence on the German market, as well Austria and Switzerland

Source: Arla Plast Interim report January – September 2022

Financial overview – Group financials



- Remained our market position in a declining European market
- Volumes down 21%, net sales up 5%, organic growth 1%
- Volatile price dynamic for raw materials - uncertainty of future development
- Well-balanced product mix, in combination with slight compensation of high raw material prices
- Lower gross margin, affects the operating margin negatively
- Adjusted operating margin of 5.2%, cost of acquisition corresponding to SEK 1.2 million

SEKm	Q3 2022	Q3 2021	Δ, %	Q1-Q3 2022	Q1-Q3 2021	Δ, %	RTM ¹⁾
SALES VOLUME, TONNES	3,817	4,862	(21%)	14,533	17,143	(15%)	20,036
NET SALES	232.0	222.0	5%	725.7	687.2	6%	966.0
ADJUSTED OPERATING PROFIT	12.0	24.8	(52%)	36.9	82.1	(55%)	47.1
ADJUSTED OPERATING MARGIN	5.2%	11.2%	(54%)	5.1%	11.9%	(57%)	4.9%

Source: Arla Plast Interim report January – September 2022
 Note: 1) Rolling Twelve Months – the period Q4 2021 – Q3 2022

Financial overview – Segment Sweden



Volume	Net sales	Operating margin
<ul style="list-style-type: none"> Q3: declined 14% Q1-Q3: declined 15% <p>Drop in demand for the industry</p>	<ul style="list-style-type: none"> Q3: unchanged Q1-Q3: increased 1% <p>Product mix with a higher proportion of premium products affected net sales positively, despite lower volumes</p>	<ul style="list-style-type: none"> Q3: 6.4% Q1-Q3: 5.4% <p>Lower volumes, high raw material prices, costs of 1.6 MSEK for reducing the workforce</p>



SEKm	Q3 2022	Q3 2021	Δ, %	Q1-Q3 2022	Q1-Q3 2021	Δ, %	RTM ¹⁾
SALES VOLUME, TONNES	2,582	2,996	(14%)	9,460	11,146	(15%)	13,185
NET SALES	141.7	142.0	-%	465.5	460.9	1%	623.1
OPERATING PROFIT	9.1	20.3	(55%)	25.0	69.5	(64%)	26.0
OPERATING MARGIN	6.4%	14.3%	(55%)	5.4%	15.1%	(64%)	4.2%

Source: Arla Plast Interim report January – September 2022
 Note: 1) Rolling Twelve Months – the period Q4 2021 – Q3 2022

Financial overview – Segment Czech Republic



Volume	Net sales	Operating margin
<ul style="list-style-type: none"> Q3: declined 41% Q1-Q3: declined 20% <p>Low demand within home and garden, in combined with weak demand in other application areas</p>	<ul style="list-style-type: none"> Q3: declined 6%, organically declined 13% Q1-Q3: increased 6%, organically declined 2% <p>Weak demand</p>	<ul style="list-style-type: none"> Q3: 3.3% Q1-Q3: 4.2% <p>Lower volumes, high raw material prices, under-absorption impacted negatively</p>



SEKm	Q3 2022	Q3 2021	Δ, %	Q1-Q3 2022	Q1-Q3 2021	Δ, %	RTM ¹⁾
SALES VOLUME, TONNES	1,257	2,142	(41%)	5,499	6,845	(20%)	7,583
NET SALES	84.4	89.4	(6%)	267.0	252.2	6%	358.4
OPERATING PROFIT	2.7	4.3	(35%)	11.1	11.7	(5%)	20.0
OPERATING MARGIN	3.3%	4,7%	(30%)	4.2%	4.7%	(11%)	5,6%

Source: Arla Plast Interim report January – September 2022
 Note: 1) Rolling Twelve Months – the period Q4 2021 – Q3 2022

Financial overview – Segment Germany



Volume	Net sales	Operating margin
<p>No comparative data - consolidated since August</p> <p>Include volumes in all product areas, as well as PMMA</p>		



SEKm	Q3 2022	Q3 2021	Δ, %	Q1-Q3 2022	Q1-Q3 2021	Δ, %	RTM ¹⁾
SALES VOLUME, TONNES	381	-	-%	-	-	-%	-
NET SALES	19.2	-	-%	-	-	-%	-
OPERATING PROFIT	0.8	-	-%	-	-	-%	-
OPERATING MARGIN	3.9%	-	-%	-%	-%	-%	-%

Source: Arla Plast Interim report January – September 2022
 Note: 1) Rolling Twelve Months – the period Q4 2021 – Q3 2022

Financial overview – Geographical markets



- Sweden positive development, despite volumes moved to Poland, higher proportion premium products
- Germany, modest recovery
- Positive sales development outside Europe



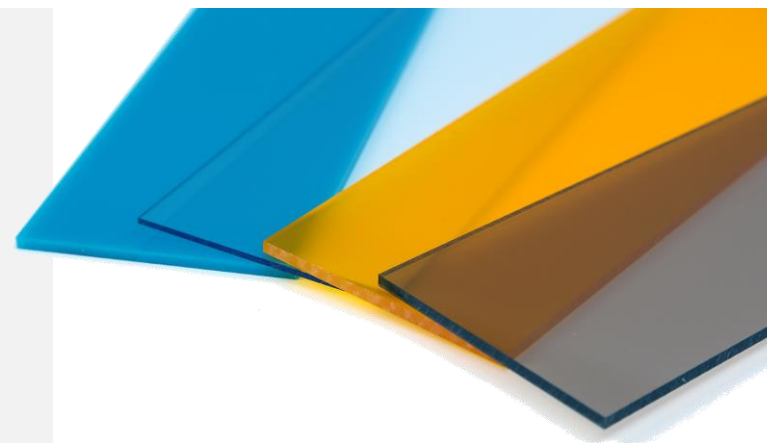
SEKm	Q3 2022	%	Q3 2021	%	Q1-Q3 2022	%	Q1-Q3 2021	%	RTM ¹⁾	%
SWEDEN	30.5	13%	28.9	13%	89.1	12%	89.9	13%	121,0	12%
GERMANY	41.3	18%	37.5	17%	121.7	17%	138.9	20%	157.6	16%
CZECH REPUBLIC	33.8	15%	32.2	15%	136.3	19%	101.8	15%	171.0	18%
POLAND	30.4	13%	24.9	11%	89.3	12%	74.6	11%	121.2	13%
REST OF EUROPE	74.0	32%	86.2	39%	234.5	32%	247.7	36%	324.6	34%
REST OF WORLD	21.9	9%	12.3	6%	54.8	8%	34.3	5%	70.6	7%
TOTAL	231.9	100%	222.0	100%	725.7	100%	687.2	100%	966.0	100%

Source: Arla Plast Interim report January – September 2022
 Note: 1) Rolling Twelve Months – the period Q4 2021 – Q3 2022

Financial overview – Product range



- TPC – Our view, volumes decline linearly with the market, mix with premium products affected net sales positive
- OPC – Increasing demand from majority of applications
- MWPC – Our view, volumes decline linearly with the market, high competition across the customer platform
- ABS – Slight increasing of demand, raw material prices less volatile
- PETG – Market demands shows similar pattern as other product categories
- PMMA – New product category. Our view is that the market demands shows similar pattern as TPC during the period



SEKm	Q3 2022	%	Q3 2021	%	Q1-Q3 2022	%	Q1-Q3 2021	%	RTM ¹⁾	%
TPC	101.7	44%	93.5	42%	323.7	45%	323.6	47%	427.4	44%
OPC	39.4	17%	32.3	15%	111.1	15%	86.2	13%	149.1	15%
MWPC	40.5	17%	60.2	27%	150.9	21%	158.7	23%	203.6	21%
ABS	29.3	13%	24.7	11%	92.2	13%	69.8	10%	121.3	13%
PETG	12.8	6%	11.3	5%	39.6	5%	48.9	7%	56.4	6%
PMMA	8.2	3%	-	-	8.2	1%	-	-	8.2	1%
TOTAL	231.9	100%	222.0	100%	725.7	100%	687.2	100%	966.0	100%

Source: Arla Plast Interim report January – September 2022
 Note: 1) Rolling Twelve Months – the period Q4 2021 – Q3 2022

Financial overview – Cash flow and balance sheet



- Operating cash flow negatively affected by lower operating profit, and positively by the reduced working capital
- Acquisition of Alphaplex 37.4 MSEK included in cash flow from investing activities
- Net debt increased due to newly taken loans for the acquisition
- ROCE negative affected due to lower operating profit and higher capital employed
- Strong equity/asset ratio 59.0%



SEKm	Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021	FY2021
CASH FLOW FROM OPERATING ACTIVITIES	52.9	-23.8	35.5	20.6	47.7
CASH FLOW FROM INVESTING ACTIVITIES	-41.7	-5.5	-51.6	-26.9	-34.6
CASH FLOW FOR THE PERIOD	45.5	-30.8	46.5	-1.2	-6.0
NET DEBT (+) / NET CASH (-)	108.0	63.1	108.0	63.1	44.5
RETURN ON CAPITAL EMPLOYED	7.9	21.3	7.9	21.3	18.8
EQUITY / ASSET RATIO	59.0	67.7	59.0	67.7	72.6

Source: Arla Plast Interim report January – September 2022
 Note: 1) Rolling Twelve Months – the period Q4 2021 – Q3 2022

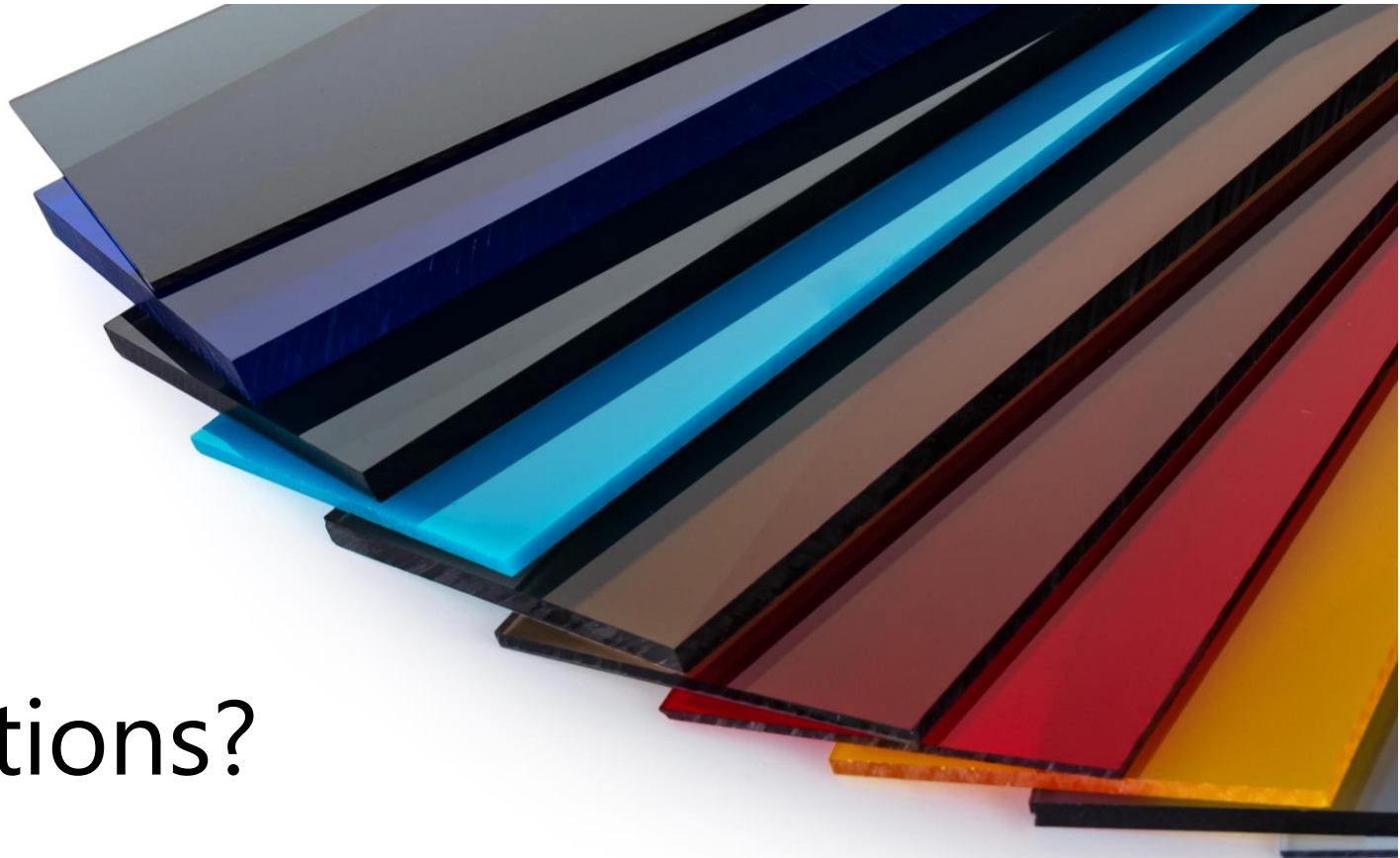
Summary and outlook



- Volumes for the entire industry in Europe continued to decline
 - our market share remains
- Volatile price dynamics for raw materials
- Market indicates continued high stocks at distribution
- High raw material price and the general economy creates a restrained market
- We continue focus on our cost structure, slight reduction in manning has taken place, both in Sweden and in the Czech Republic
- We continue our working to strengthen our marketing and sales organization
- With the acquisition of Alphaplex we increased our presence on the important German market
- We are proud of our sustainability work, our mission is to help our customers reduce their and our co2 footprint



Source: Arla Plast Interim report January – September 2022



Questions?



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