



Presentation Interim Report Q2 2024

16 August 2024

Highlights Q2 2024



- Strong increased net sales and cash flow
 - acquisition of Nudec S.A.U. increased net sales
 - organic growth was negative for comparable segments
- Improved operating profit, excluding non-recurring items
 - acquisition costs and write-downs, -9.0 SEKm
 - Government grant for electricity costs in segment Sweden in comparable period, 5.5 SEKm
- Raw material prices has continued to increase
 - significantly lower level compared with previous year
 - price movements less volatile
- Acquisition of Nudec S.A.U.
 - increased position and reach in Europe
 - improved footprint in Central and Southern Europe
 - PMMA strengthens our product portfolio

Source: Arla Plast AB, Interim Report January - June 2024

Financial overview – Group

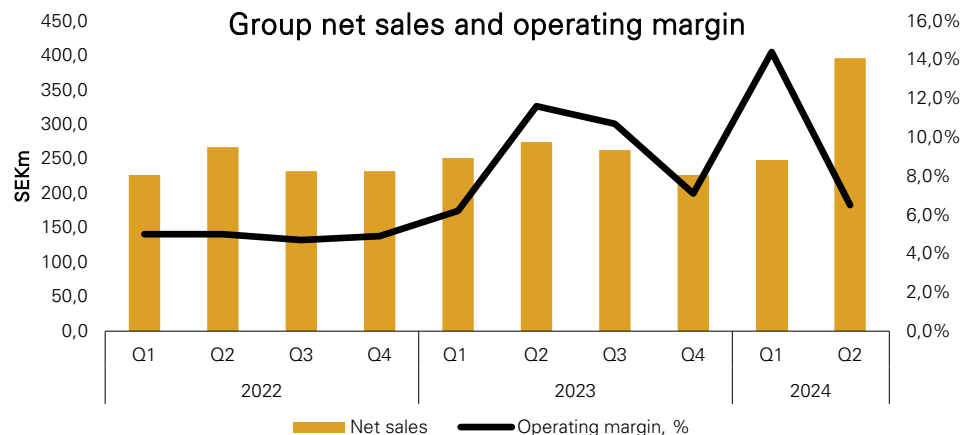


Net sales

- Q2: up 44%, organic down 4%
- Q1-Q2: up 22%, organic down 3%
- Acquisition of Nudac S.A.U.
- Lower raw material prices

Operating margin

- Q2: 6.5%
- Q1-Q2: 9.6%
- Non-recurring costs, -9.0 SEKm
- Electricity grant previous year, 5.5 SEKm



SEKm	Q2 2024	Q2 2023	Δ	Q1-Q2 2024	Q1-Q2 2023	Δ	R 12*	FY 2023	Δ
Net sales	395.9	274.6	44%	643.7	525.6	22%	1,133.2	1,015.1	12%
Operating profit	25.8	32.0	(19%)	61.6	47.6	29%	105.6	91.6	15%
Operating margin, %	6.5	11.6	(44%)	9.6	9.1	5%	9.3	9.0	3%

Source: Arla Plast AB, Interim Report January - June 2024

*Note: Rolling twelve months, refers to the period quarter 3 - 2023 to quarter 2 - 2024

Financial overview – Segment Sweden



Net sales

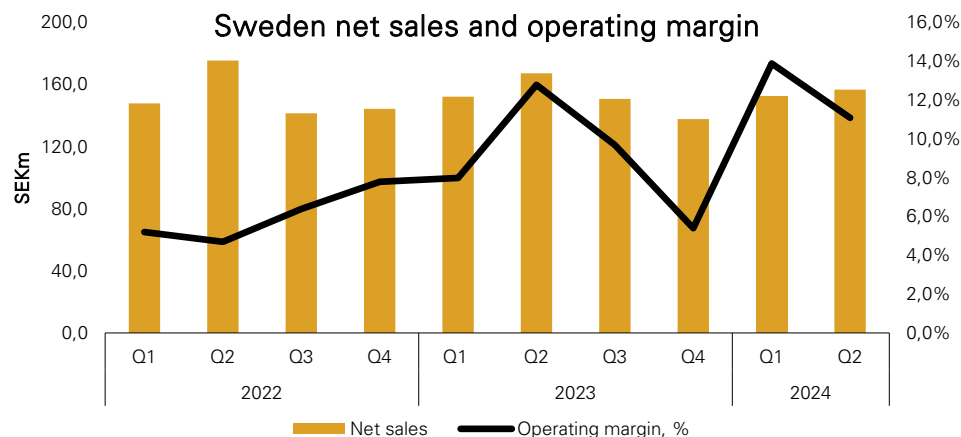
- Q2: down 6%
- Q1-Q2: down 3%

– Lower raw material prices

Operating margin

- Q2: 11.1%
- Q1-Q2: 12.5%

– Electricity grant previous year, 5.5 SEKm



SEKm

	Q2 2024	Q2 2023	Δ	Q1-Q2 2024	Q1-Q2 2023	Δ	R 12*	FY 2023	Δ
Net sales	156.9	167.4	(6%)	309.7	319.7	(3%)	598.7	608.7	(2%)
Operating profit	17.4	21.4	(19%)	38.6	33.6	15%	60.6	55.6	9%
Operating margin, %	11.1	12.8	(13%)	12.5	10.5	19%	10.1	9.1	11%

Source: Arla Plast AB, Interim Report January - June 2024

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Financial overview – Segment Czech Republic

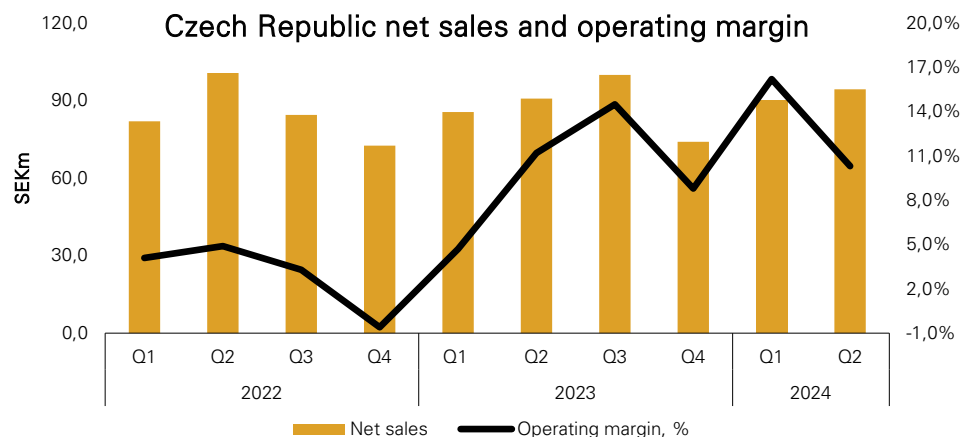


Net sales

- Q2: up 4%
 - Q1-Q2: up 5%
- Favorable product mix and high share special products

Operating margin

- Q2: 10.3%
 - Q1-Q2: 13.2%
- Write-downs of -5.9 SEKm



SEKm

	Q2 2024	Q2 2023	Δ	Q1-Q2 2024	Q1-Q2 2023	Δ	R 12*	FY 2023	Δ
Net sales	94.3	90.7	4%	184.3	176.3	5%	358.2	350.2	2%
Operating profit	9.7	10.2	(5%)	24.3	14.2	72%	45.3	35.2	29%
Operating margin, %	10.3	11.2	(8%)	13.2	8.1	63%	12.6	10.1	25%

Source: Arla Plast AB, Interim Report January - June 2024

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Financial overview – Segment Germany



Net sales

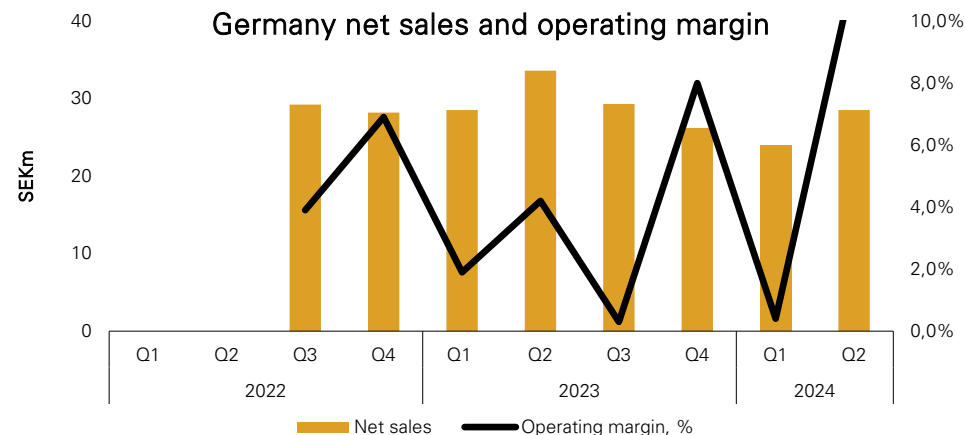
- Q2: down 15%
- Q1-Q2: down 16%

- Follow the market development
- Lower raw material prices

Operating margin

- Q2: 11.6%
- Q1-Q2: 6.5%

- Inventory management
- Adjusted customer portfolio



SEKm

	Q2 2024	Q2 2023	Δ	Q1-Q2 2024	Q1-Q2 2023	Δ	R 12*	FY 2023	Δ
Net sales	28.5	33.6	(15%)	52.4	62.1	(16%)	108.0	117.7	(8%)
Operating profit	3.3	1.4	136%	3.4	1.9	79%	5.6	4.1	37%
Operating margin, %	11.6	4.2	176%	6.5	3.1	110%	5.2	3.5	49%

Source: Arla Plast AB, Interim Report January - June 2024

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Financial overview – Segment Spain



Net sales

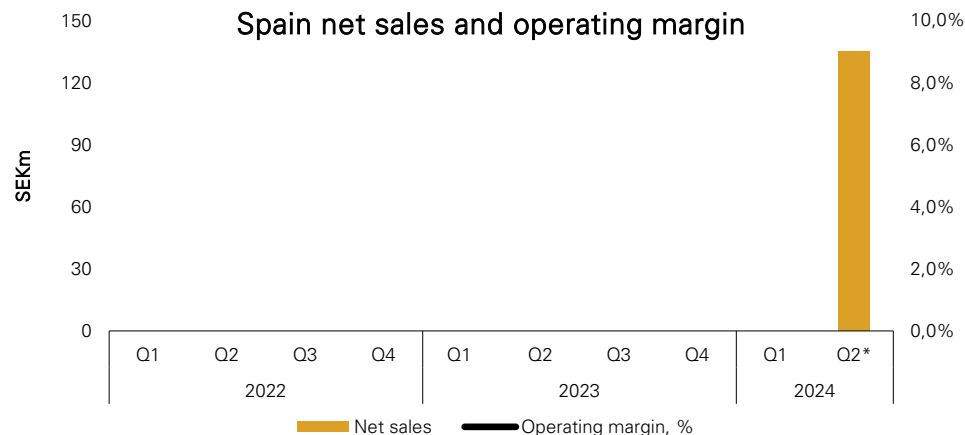
- Q2: 135.1 SEKm

- No comparable data, consolidated as of April 23, 2024

Operating margin

- Q2: -0.7%

- Initiated the work with improvements



SEKm	Q2 2024*	Q2 2023	Δ, %	Q1-Q2 2024*	Q1-Q2 2023	Δ, %	R 12*	FY 2023	Δ, %
Net sales	135.1	-	-	135.1	-	-	135.1	-	-
Operating profit	(1.0)	-	-	(1.0)	-	-	(1.0)	-	-
Operating margin, %	(0.7)	-	-	(0.7)	-	-	(0.7)	-	-

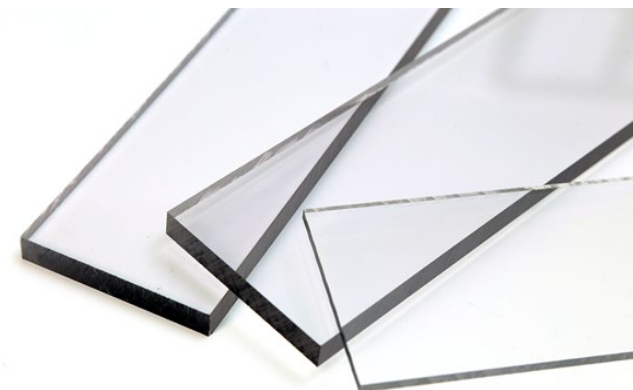
Source: Arla Plast AB, Interim Report January - June 2024

*Refers to period April 23, 2024 to June 30, 2024

Financial overview – Geographical markets



- Sweden – Lower prices, added net sales after acquisition
- Germany – Acquisition contributes positively with increased net sales
- Czech Republic – High share special products, expected seasonal effect from construction sector did not occur
- Poland – Weak demand from building and automotive industry, increased net sales after acquisition
- Rest of Europe – Strengthened market position, mainly countries in Central and Southern Europe
- Rest of world – Good demand for high-optical products



SEKm	Q2 2024	%	Q2 2023	%	Q1-Q2 2024	%	Q1-Q2 2023	%	R 12*	%	FY 2023	%
Sweden	37.1	9	37.2	14	64.4	10	70.4	14	128.3	11	134.3	13
Germany	69.4	17	53.9	19	112.2	17	106.0	20	195.3	17	189.1	19
Czech Republic	58.5	15	48.5	18	108.8	17	89.5	17	206.8	18	187.5	18
Poland	32.1	8	32.7	12	54.9	9	64.2	12	107.7	10	117.0	12
Rest of Europe	179.2	45	83.5	30	267.7	42	157.4	30	418.6	37	308.3	30
Rest of world	19.6	5	18.8	7	35.7	5	38.1	7	76.5	7	78.9	8
TOTAL	395.9	100	274.6	100	643.7	100	525.6	100	1,132.2	100	1,015.1	100

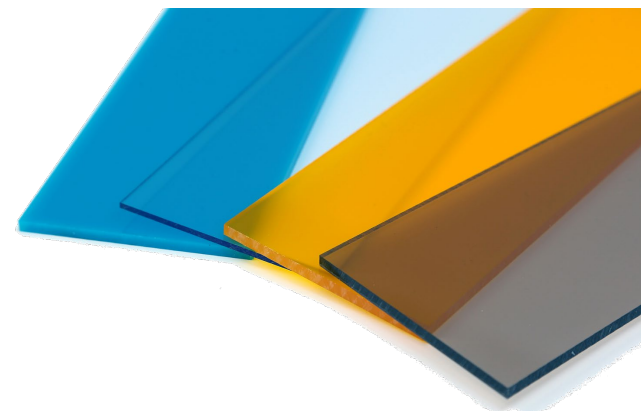
Source: Arla Plast AB, Interim Report January - June 2024

*Note: Rolling twelve months, refers to the period quarter 3 - 2023 to quarter 2 - 2024

Financial overview – Product areas



- TPC – Added net sales after acquisition, lower prices
- OPC – Increased demand and favorable product mix
- MWPC – Expected seasonal effect did not occur in construction sector
- ABS – Weak demand automotive industry
- PETG – Additional net sales and markets after acquisition
- PMMA – Strong increased net sales after acquisition, own production within the Group



SEKm	Q2 2024	%	Q2 2023	%	Q1-Q2 2024	%	Q1-Q2 2023	%	R 12*	%	FY 2023	%
TPC	146.1	37	121.0	44	253.2	40	226.6	43	466.0	41	439.4	43
OPC	58.2	15	48.9	18	120.6	19	99.7	19	227.0	20	206.1	21
MWPC	42.7	11	49.6	18	77.4	12	84.5	16	156.5	14	163.6	16
ABS	20.2	5	30.8	11	41.5	6	65.4	13	90.0	8	113.9	11
PETG	60.2	15	12.4	5	72.6	11	27.3	5	95.4	8	50.1	5
PMMA	68.5	17	11.9	4	78.4	12	22.1	4	98.3	9	42.0	4
TOTAL	395.9	100	274.6	100	643.7	100	525.6	100	1,132.2	100	1,015.1	100

Source: Arla Plast AB, Interim Report January - June 2024

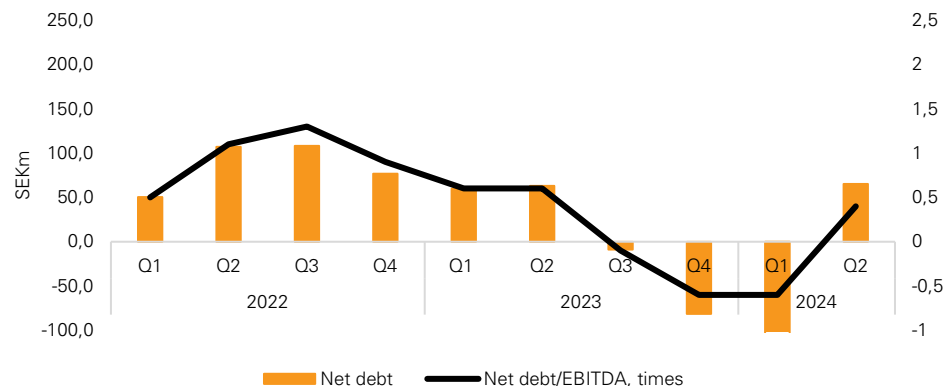
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Financial overview – Cash flow and balance sheet



- Negative impact on cash flow from operating activities due to lower operating profit and positively impacted by less tied-up capital
- Net debt affected by own financing of acquisition
- Net debt still low in relation to EBITDA

Net debt and net debt ratio



SEKm	Q2 2024	Q2 2023	Q1-Q2 2024	Q1-Q2 2023	R 12*	FY 2023
Cash flow from operating activities	38.0	22.4	65.3	43.3	187.5	165.5
Cash flow from investing activities	-98.3	-3.2	-101.6	-4.3	-103.7	-6.4
Cash flow for the period	-87.7	-9.0	-66.3	7.8	61.0	135.1
Net debt (+) / Net cash(-)	65.2	63.1	65.2	63.1	65.2	-81.3
Net debt / EBITDA	0.4	0.6	0.4	0.6	0.4	-0.6
Equity / assets ratio	54.7	67.2	54.7	67.2	54.7	72.4

Source: Arla Plast AB, Interim Report January - June 2024

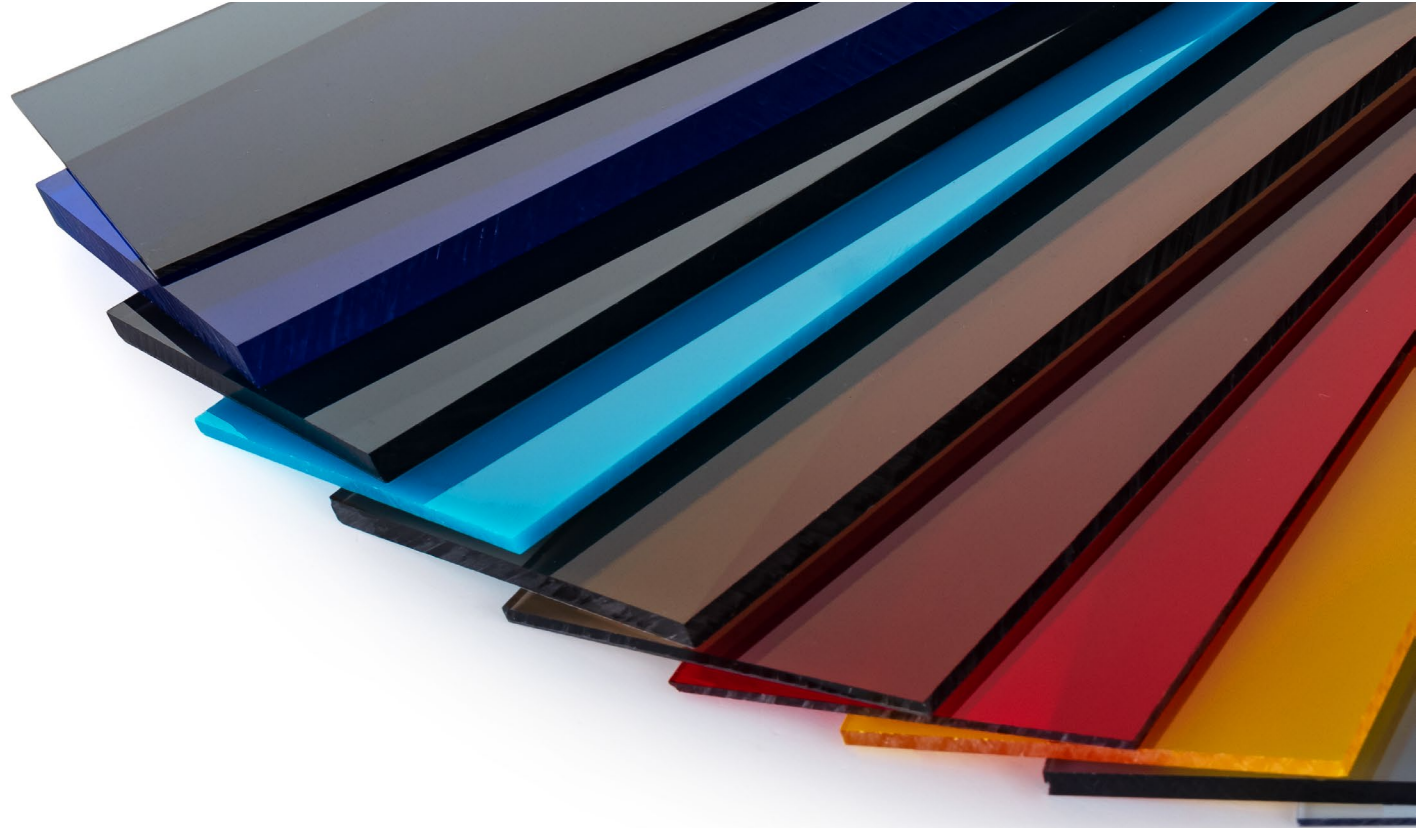
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Summary



- Significantly increased net sales and strong cash flow
- Net sales positively affected by acquisition, negatively by lower raw material prices
- Volumes for the entire market in Europe in level with previous period, perception that our market share remains unchanged
- Considerably higher operating profit excluding non-recurring items
- Focus:
 - Improvement work in Nudex, segment Spain
 - Ongoing investments in segment Sweden and segment Czech Republic
- Stronger position in Europe through a broadened product portfolio, well-positioned







Arla Plast AB

Box 33, SE-591 06 Borensberg, Sweden

Phone: +46 141 20 38 00 | Email: ir@arlaplast.com | www.arlaplastgroup.com