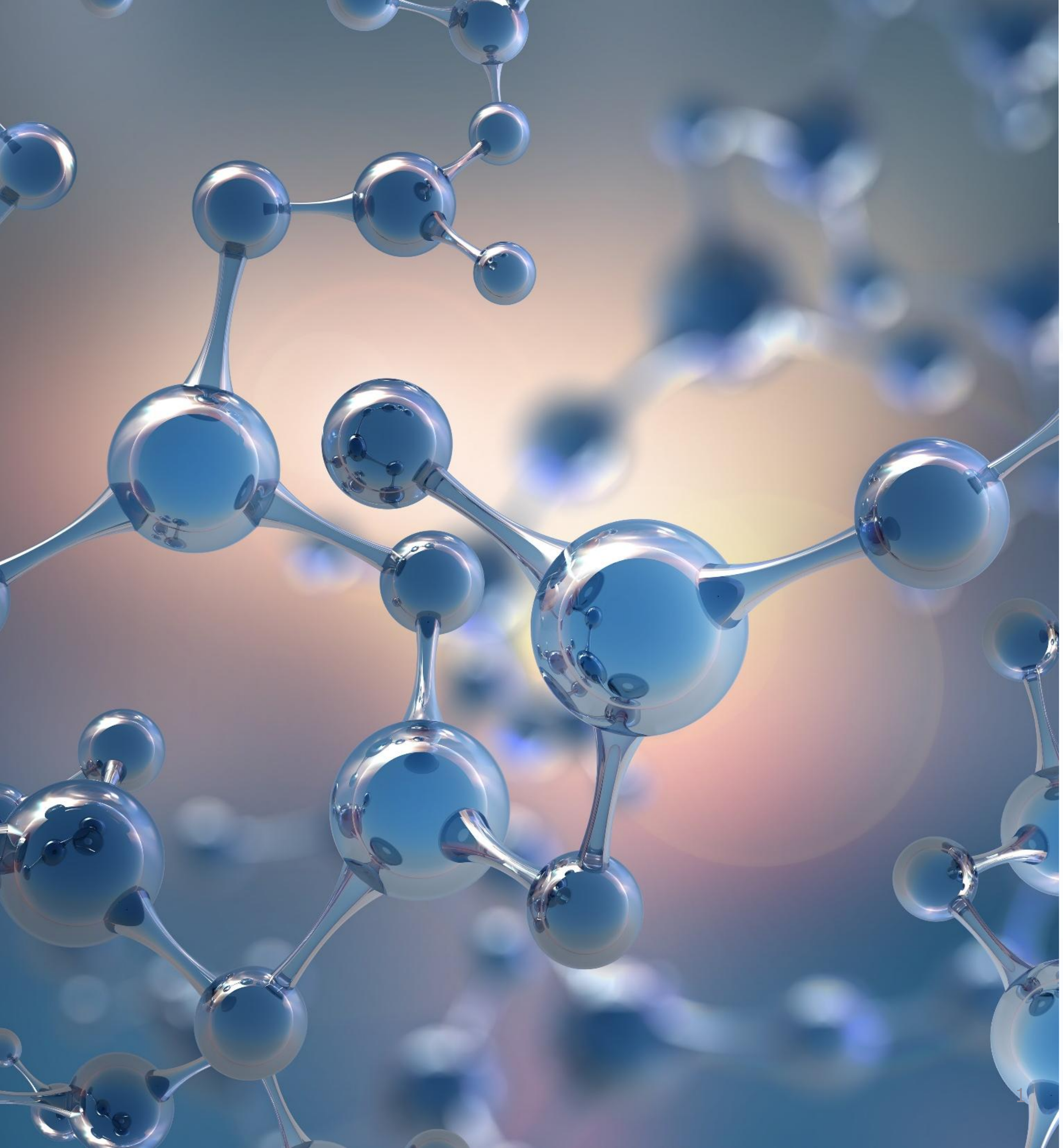

HEXPOL Q3 2025 Presentation

October 24, 2025

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Q3 2025 Presentation

Presented by

Klas Dahlberg

CEO

Peter Rosén

CFO

Agenda

- Business Performance
- Financial Overview
- Summary
- Q&A

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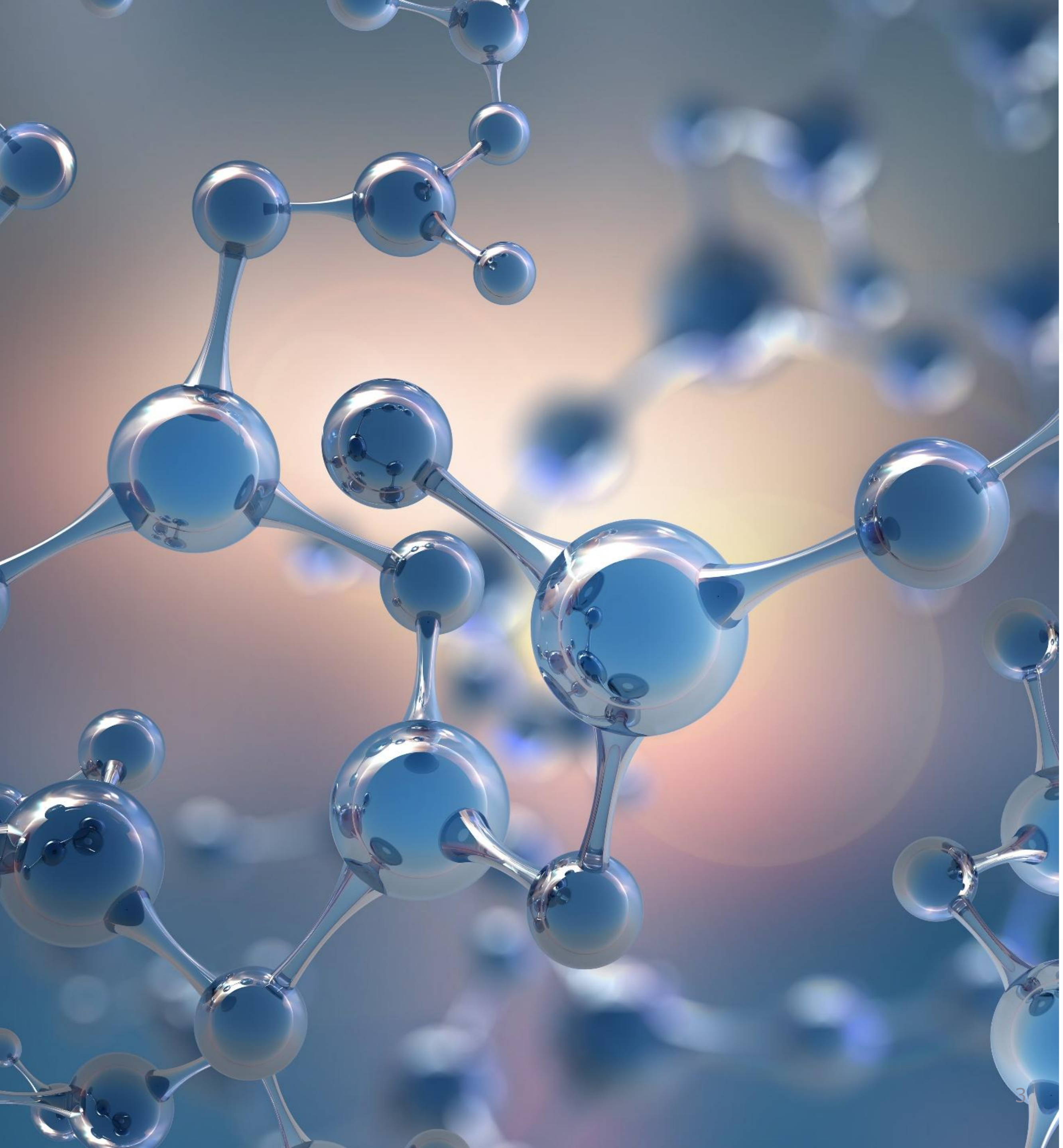

Business Performance

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Strong cash flow in a market still affected by geopolitical uncertainty

- **Markets**
    - European market stable despite uncertainty
    - High economic uncertainty in the North American market impacts demand negatively
    - Minor direct impact from tariffs has been compensated for
- **Demand and sales prices**
    - Automotive end customer segment down some primarily in North America
    - Building and Construction, Wire & Cable and some smaller segments showed increased demand
    - Piedmont in the US and Kabkom in Turkey added compared to last year
    - Sales prices stable sequentially and vs last year
    - High uncertainty continues going forward triggered by US tariffs and US trade policy
- **Q3 performance**
    - Q3 sales 4 692 MSEK (4 977) with negative FX effects of 312 MSEK
    - Acquired Piedmont and Kabkom added some 231 MSEK in sales, offset by lower organic sales in Rubber Compounding Americas. Compounding Europe showed stable organic sales
    - EBIT margin at 14,7% (16,1%) and EBIT 688 MSEK (800) with negative FX effects of 53 MSEK and unfavorable mix
    - Good cash flow of 740 MSEK (803)
- **M&A**
    - High focus and strong financial position supports further acquisitions
    - Geopolitical uncertainty impacts the M&A activity level short term

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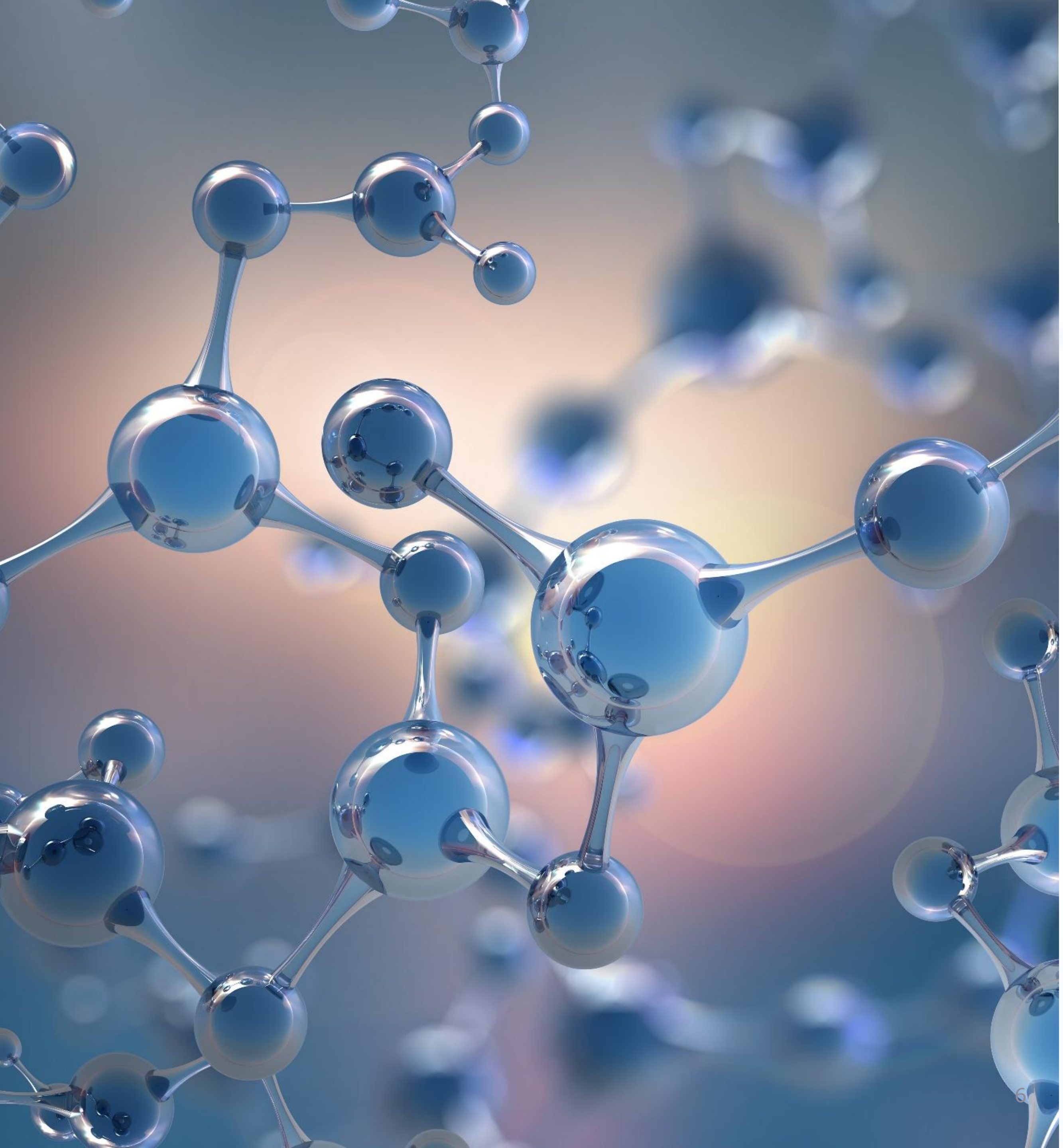
Strong cash flow in a market still affected by geopolitical uncertainty

- **HEXPOL Compounding**
  - Overall organic volumes in line with last year
  - Lower sales impacted by negative FX impact of 290 MSEK and mix
  - Automotive end customer segment down some primarily in North America
  - Building and Construction, Wire & Cable and some smaller segments showed increased demand
  - Raw material prices stable sequentially and vs last year
  - Lower Operating Margin affected by unfavorable mix and OPEX in relation to sales
  - Ken Bloom appointed interim President Rubber Compounding Americas to strengthen the organization and better capture opportunities
- **HEXPOL Engineered Products**
  - Excluding negative FX impact of 22 MSEK sales were up 3% compared to Q3'24 with strong development in Gaskets
  - Stable operating Profit and Operating Margin
- **Sustainability focus**
  - On a good path to deliver on the 75% CO_2 reduction target at the end of this year.
  - The work with updated sustainability targets and strategy are ongoing and will be completed during Q1 2026.
- **CMD**
  - On November 4 in Stockholm, we will present our strategy with focus on organic growth, M&A and operational efficiency



Financial Overview

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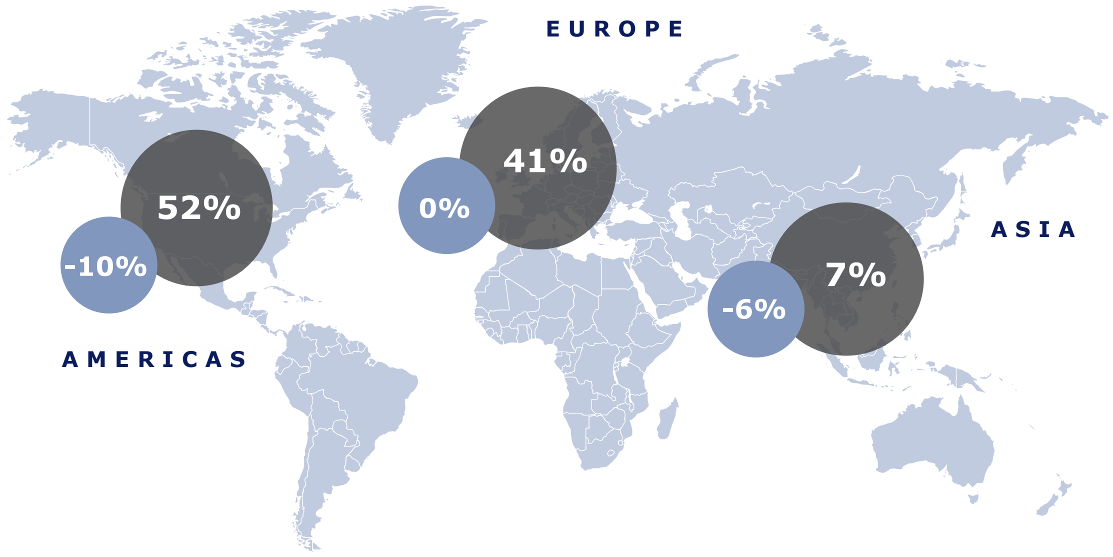
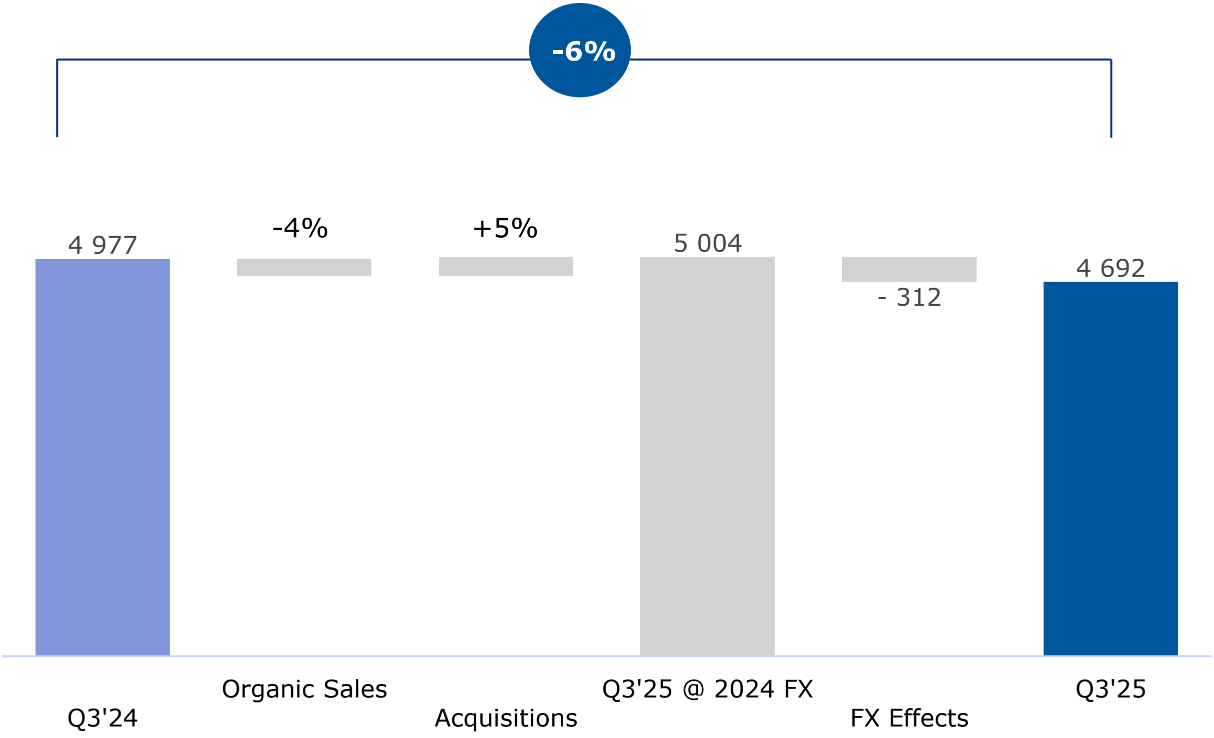
Q3 Sales Development

Regional Development



Share of HEXPOL sales   Sales development vs same period LY

Sales development
MSEK



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Q3 Financial Overview

Resilience in an uncertain world

Group Summary

Key figures MSEK	Q3'25	Q3'24	jan-sep 2025	jan-sep 2024
Sales	4 692	4 977	15 070	15 743
EBITA	727	834	2 388	2 717
EBITA-Margin, %	15,5	16,8	15,8	17,3
Operating Profit	688	800	2 283	2 616
Operating Margin, %	14,7	16,1	15,1	16,6
Profit after tax	465	559	1 604	1 867
Earnings per share, SEK	1,35	1,62	4,66	5,42
Equity/assets ratio, %			59	64
Return on capital employed, % R12			14,7	18,4
Operating cash flow	740	803	1 762	1 841

Highlights

- Sales of 4 692 MSEK
- Operating Profit of 688 MSEK
- Operating Margin of 14,7%
- Strong Equity/Asset ratio of 59%
- Strong cash flow

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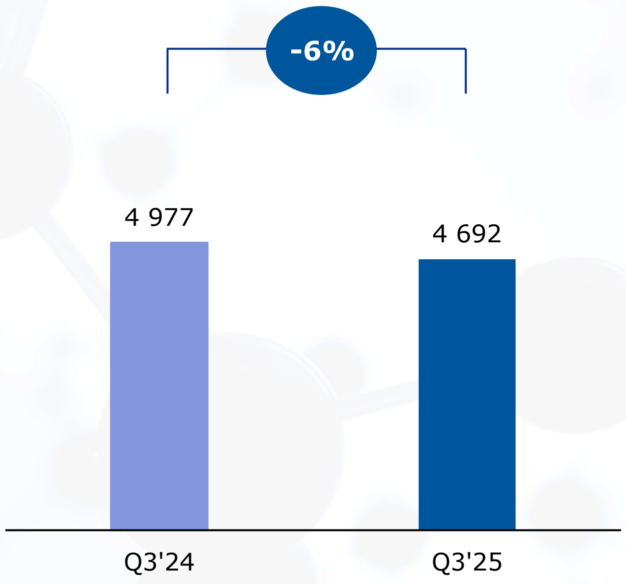
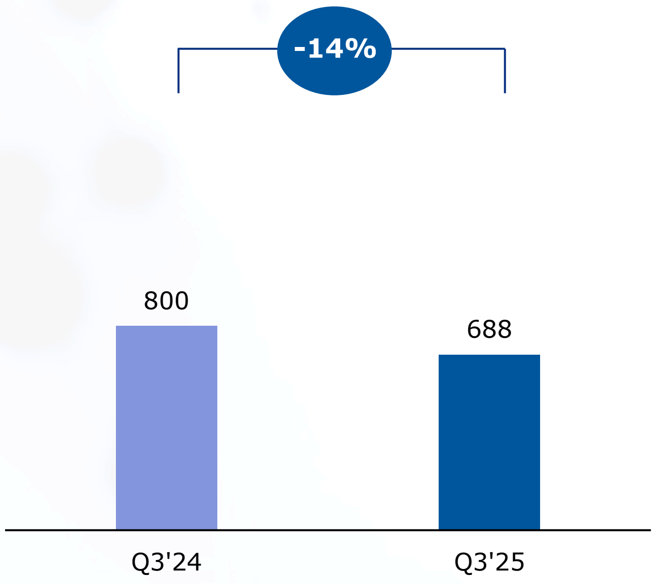
Q3 Financial Highlights

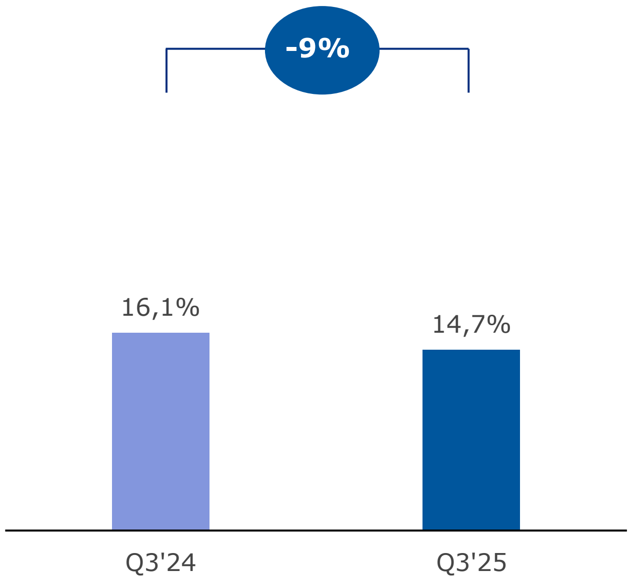
Sales
MSEK



Operating Profit
MSEK



Operating Margin
%



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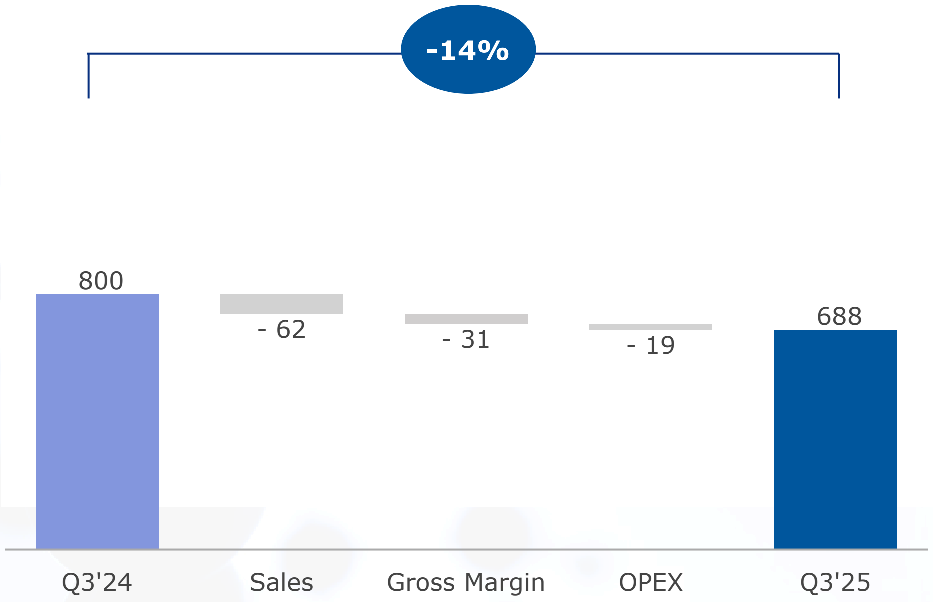
Q3 Operating Profit

Operating Profit
MSEK



Highlights

- The lower Operating Profit is mainly driven by lower sales
- The lower gross margin compared to LY is affected by unfavorable mix

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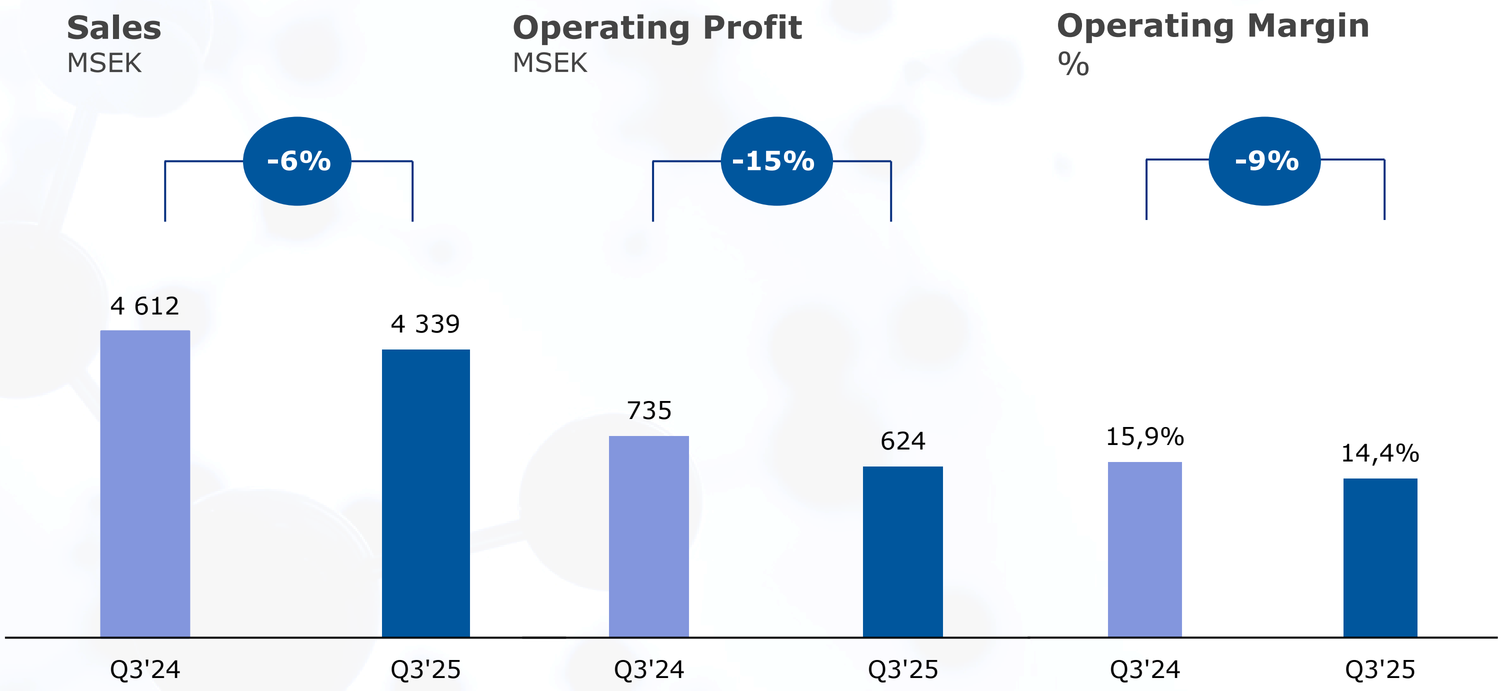
Q3 HEXPOL Compounding



Highlights

- Lower sales including negative FX impact of 290 MSEK
- Lower demand seen in North America while Europe stable. Overall, Automotive end customer segment saw lower demand partly offset by growth in Building & Construction, Wire & Cable and some smaller segments
- Operating Profit decreased compared to LY following on the lower gross margin and OPEX in relation to lower sales

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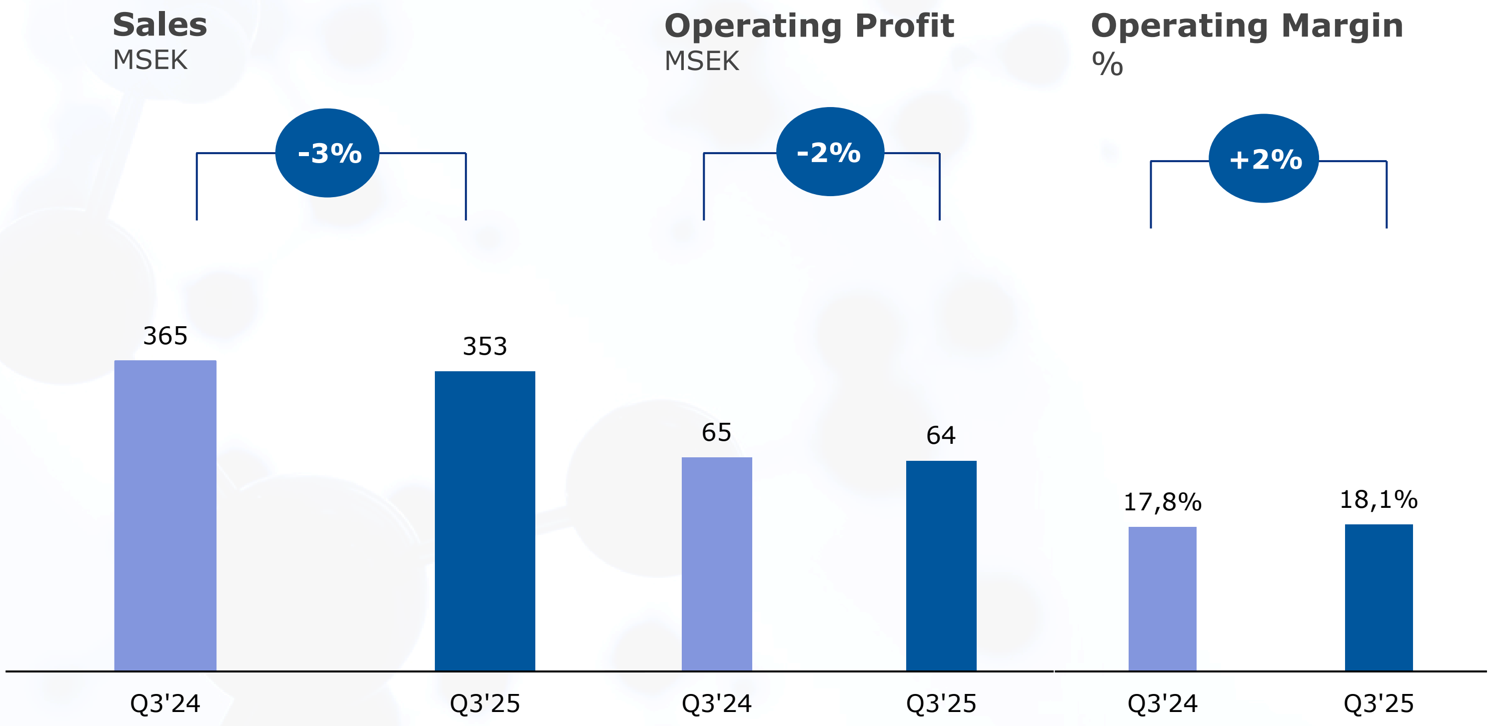
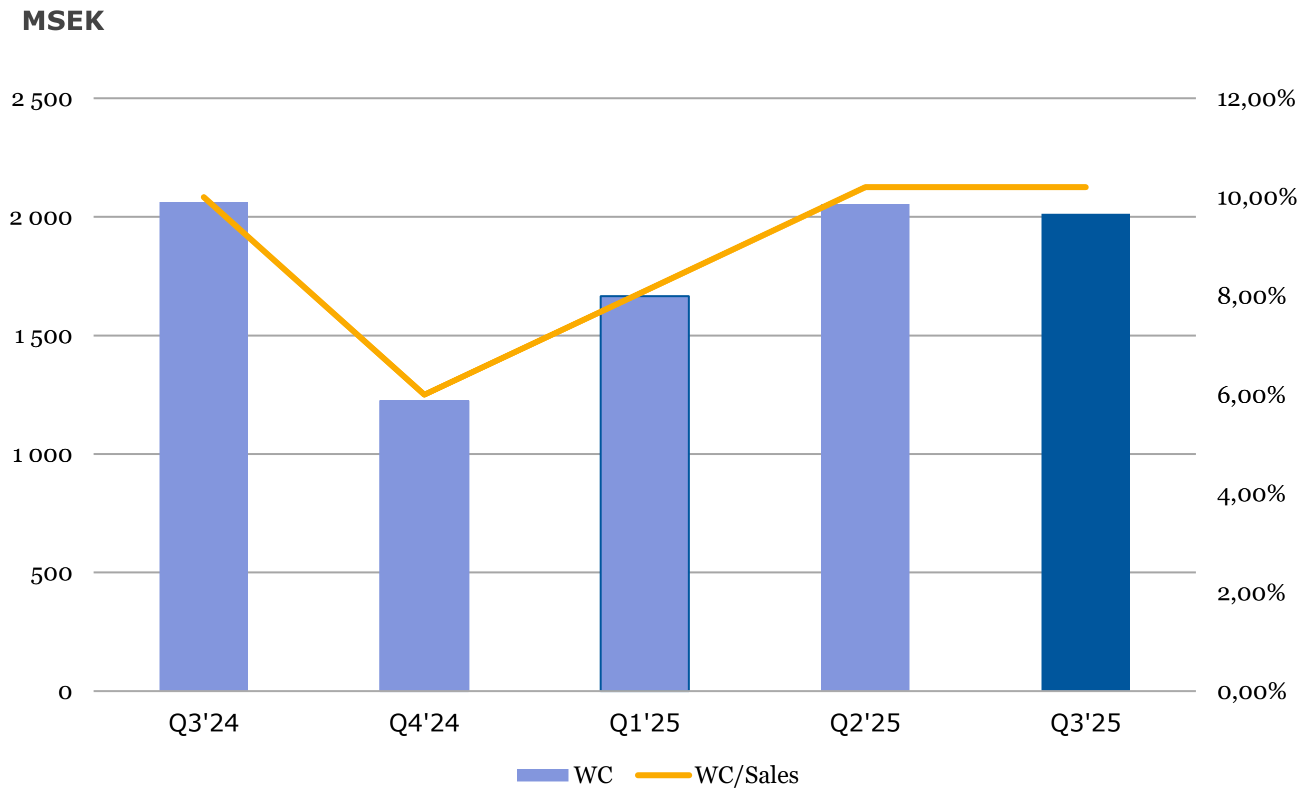
Q3 HEXPOL Engineered Products



Highlights

- Excluding negative FX effects of 22 MSEK, sales were up 3% driven by good Gaskets performance
- Operating Margin on a stable level

Q3 Working Capital



Highlights

- Compared to last year, the acquisition of Piedmont and Kabkom added some 116 MSEK in working capital
- Working capital in line with Q3 last year, both in absolute terms and in relation to sales

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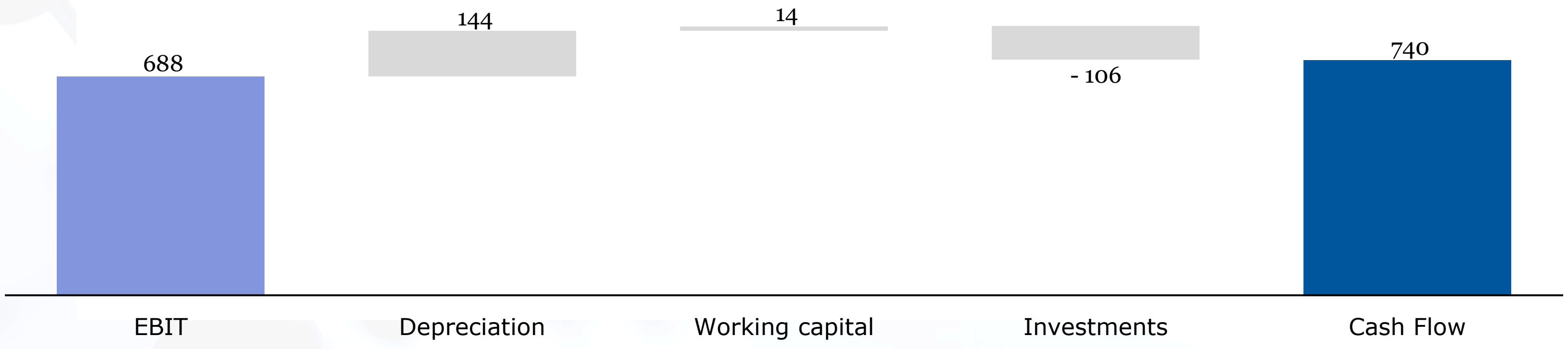
Q3 Cash Flow

Cash Flow
MSEK



Highlights

- Strong cash flow in the quarter

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Q3 Net Debt

Strong financial position

MSEK	30-sep 2025	30-sep 2024
Cash at hand	1 208	790
Used credit facilities	-5 094	-3 247
Net debt	-3 886	-2 457
Net debt/EBITDA*	1,14	0,62

* EBITDA is R12 months

Highlights

- Strong financial position
- Net debt affected by the acquisition of the minority share of almaak and the acquisition of Kabkom

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Summarizing Q3

- Europe showed stable sales compared to LY
- Engineered Products stable with good profitability
- Lower demand in North America affected by the high uncertainty related to US trade policy
- No direct impact from tariffs in Q3
- Ken Bloom appointed interim President, Rubber Compounding Americas
- Kabkom consolidated as of 1 May, Wire & Cable is a growing segment
- We continue to focus on M&A, strong balance sheet allowing us to act
- We continue to focus on sustainability with good progress
- CMD in Stockholm on November 4th

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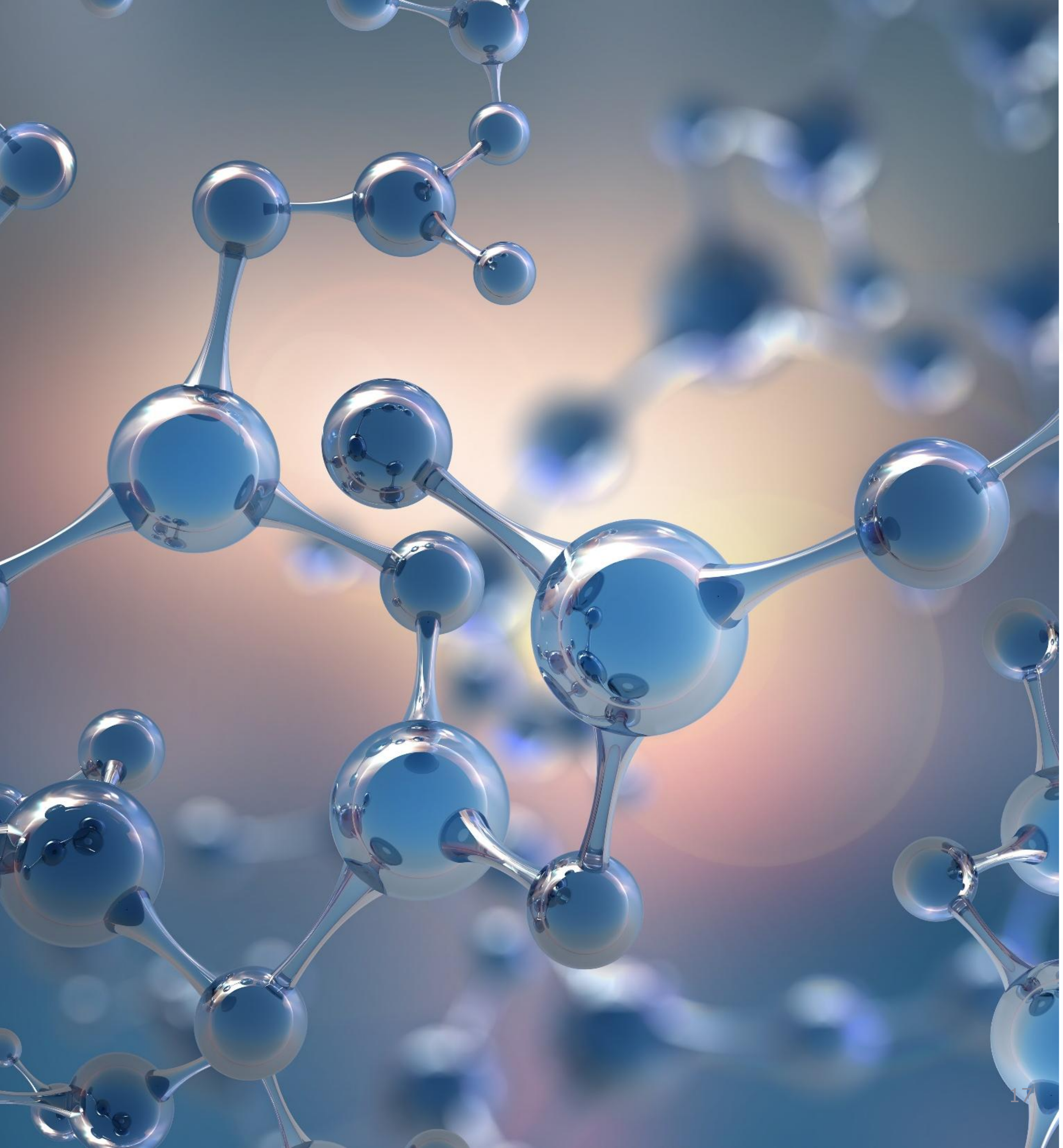

Q&A

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Thank You

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