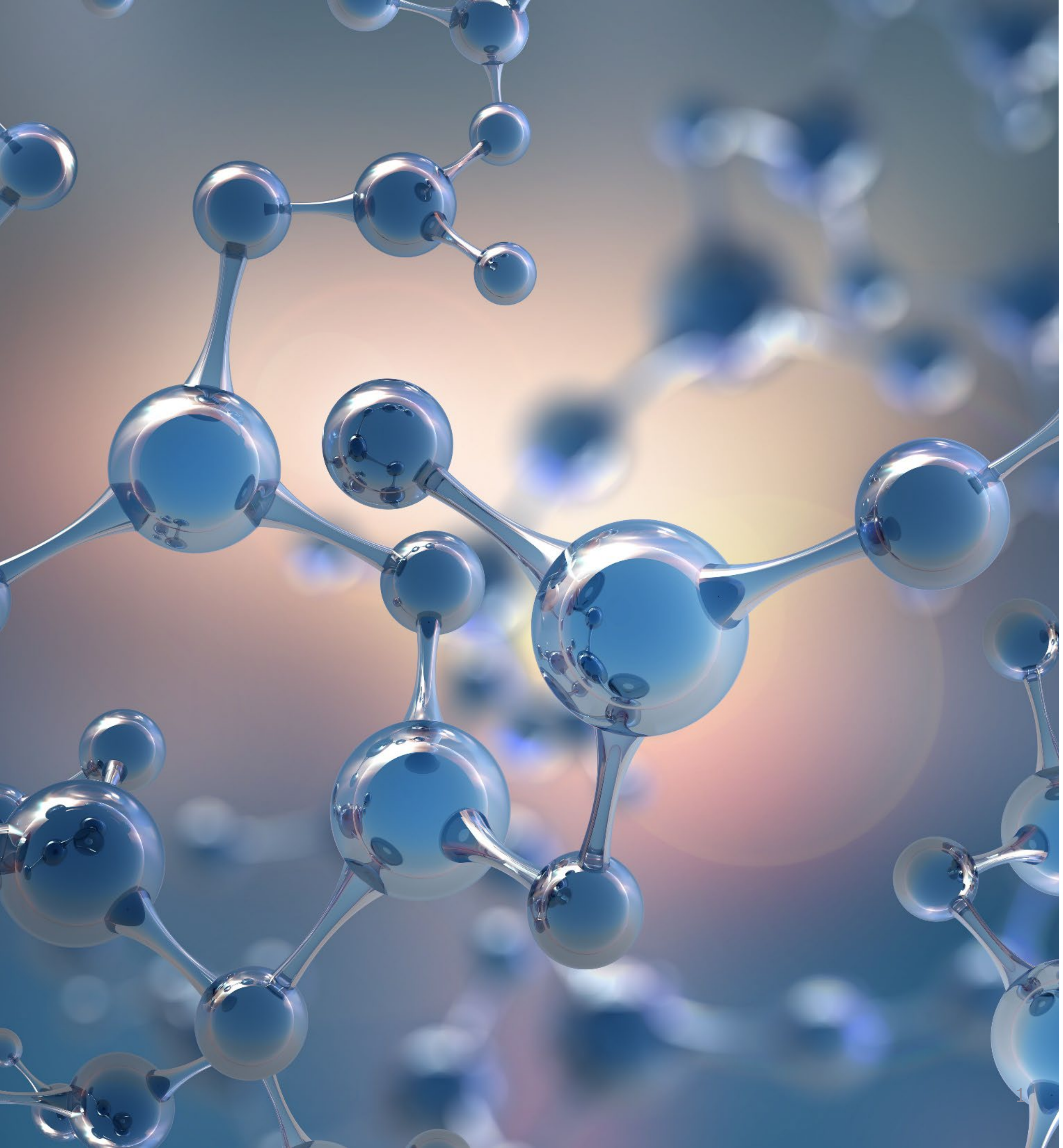

HEXPOL Q1 2024 Presentation

April 26, 2024

HEXPOL
A Material Difference

Q1 2024 Presentation

Presented by

Peter Rosén

Acting CEO and CFO

Agenda

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

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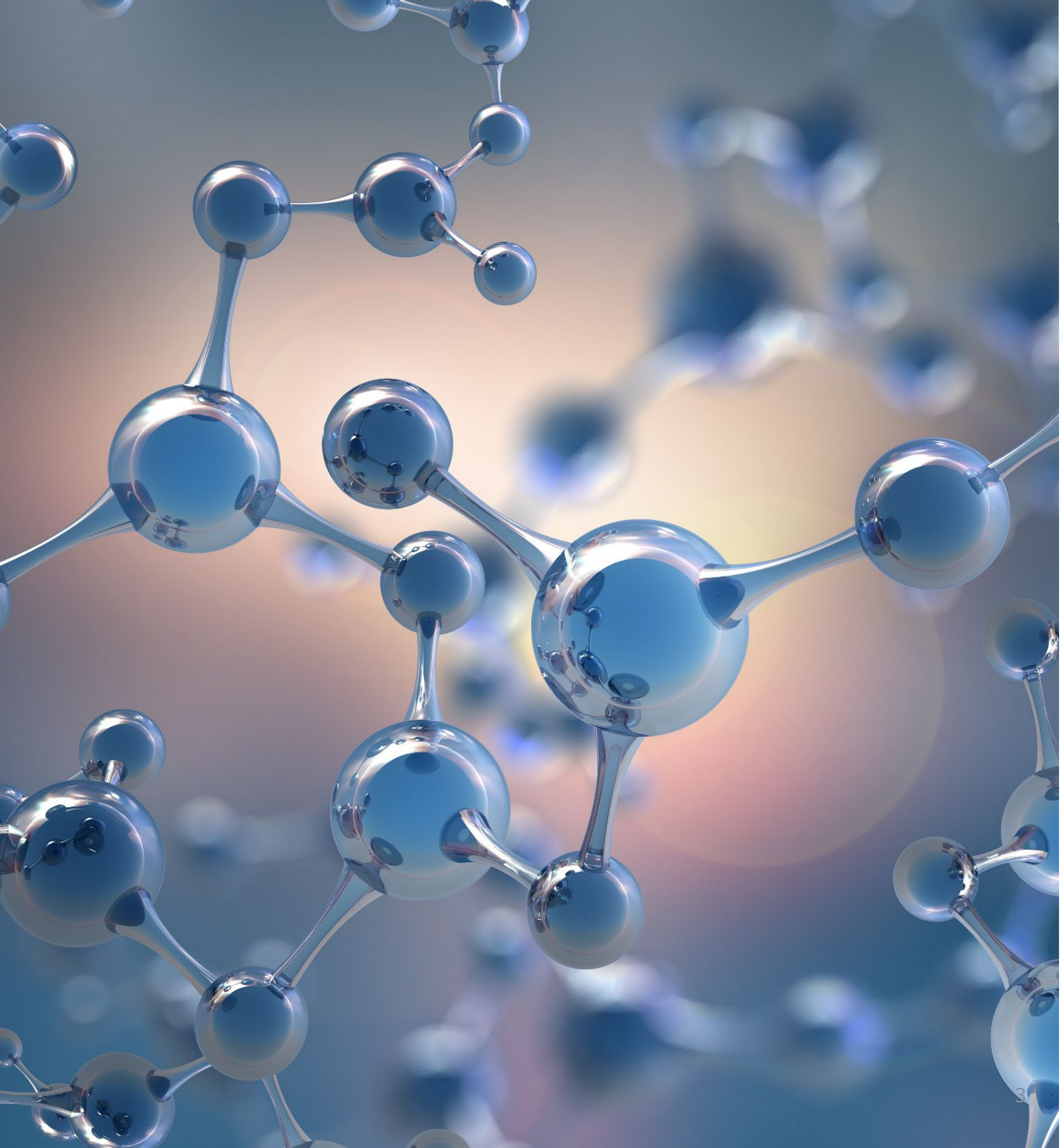

Business Performance

Stable Beginning With Strong Margins

- **First quarter performance**
  - Sales of 5 312 MSEK (5 990) – high Q1'23 comparative figures when demand was stronger and sales prices were higher driven by higher prices on raw materials. Also, fewer days of sales in Q1'2024
  - EBIT came in at 905 MSEK (946)
  - Strong EBIT margin at 17,0% (15,8%)
  - Continued execution of our business model where price management is crucial
  - Good product and price mix
- **Demand and sales prices**
  - Sequentially stable demand and sales prices
  - Automotive demand down some vs. Q1'23 following on somewhat lower light vehicle production volumes
  - Building and construction demand substantially down vs Q1'23 as is demand from producers of consumer products
- **Operations**
  - Consolidation of operations in California is ongoing and follows plan
  - Star Thermoplastics in the US acquired and integration is ongoing
- **Sustainability focus**
  - High interest in recycled products resulting in high number of projects, not least from automotive industry
  - New investment in a devulcanization line in Europe – will increase our recycling of rubber

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Stable Beginning With Strong Margins

- **M&A**
  - High focus and strong financial position support further acquisitions
- **HEXPOL Compounding**
  - Sequentially stable demand and sales prices
  - Automotive demand down some vs. Q1'23 following on somewhat lower light vehicle production volumes
  - Building and construction demand substantially down vs Q1'23 as is demand from producers of consumer products
  - Stable supply chain
  - Most raw materials see lower prices year over year – sequentially stable
  - Good product and price mix
  - Strong EBIT and improved margin
- **HEXPOL Engineered Products**
  - Sales in line with LY, good development in Wheels
  - EBIT just below LY levels

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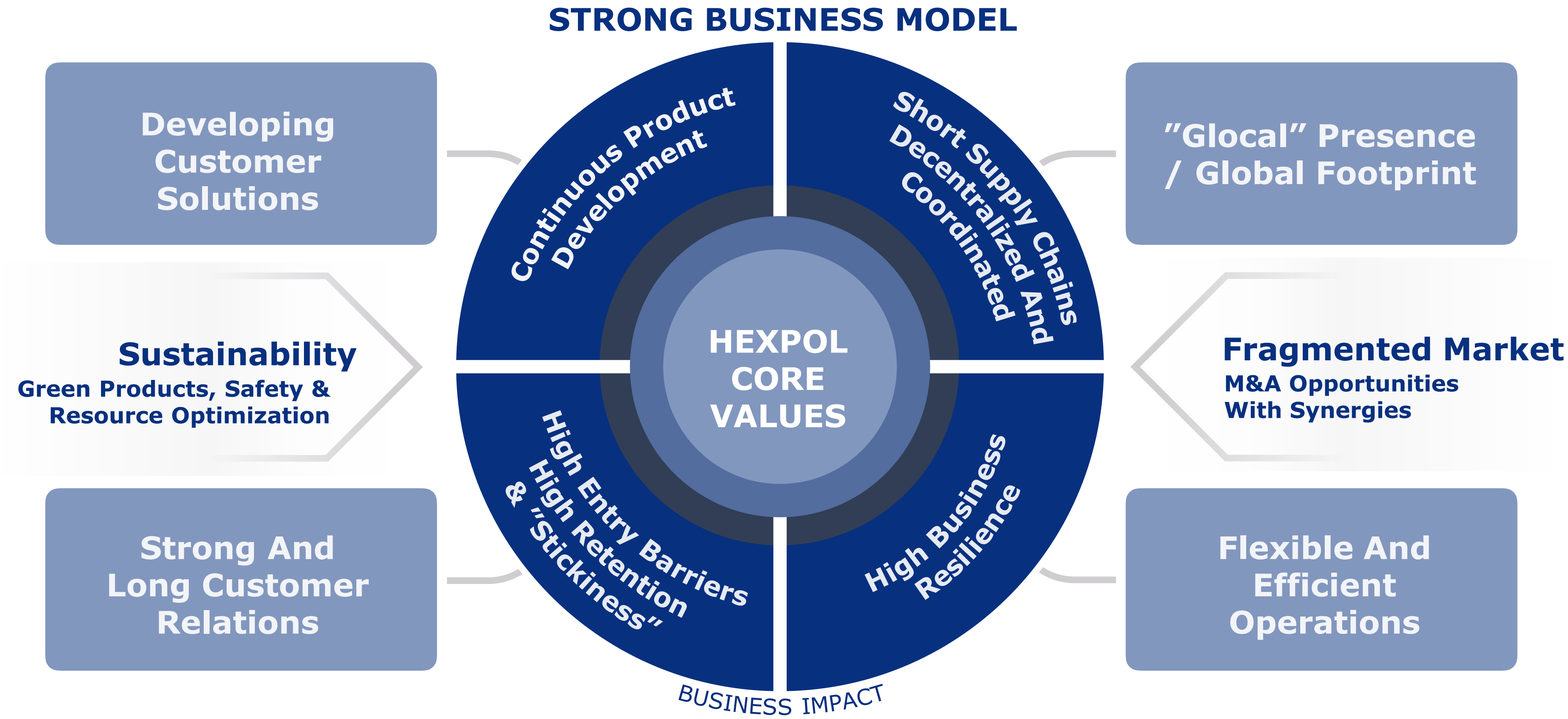
Strong Culture Delivering

Purpose The positive impact of what we do	**We create a material difference**
Vision Our long-term objective	**The preferred solutions provider for sustainable polymer applications**
Mission What we do daily	**We engineer high-quality polymer solutions which improve customer applications, everyday, everywhere**

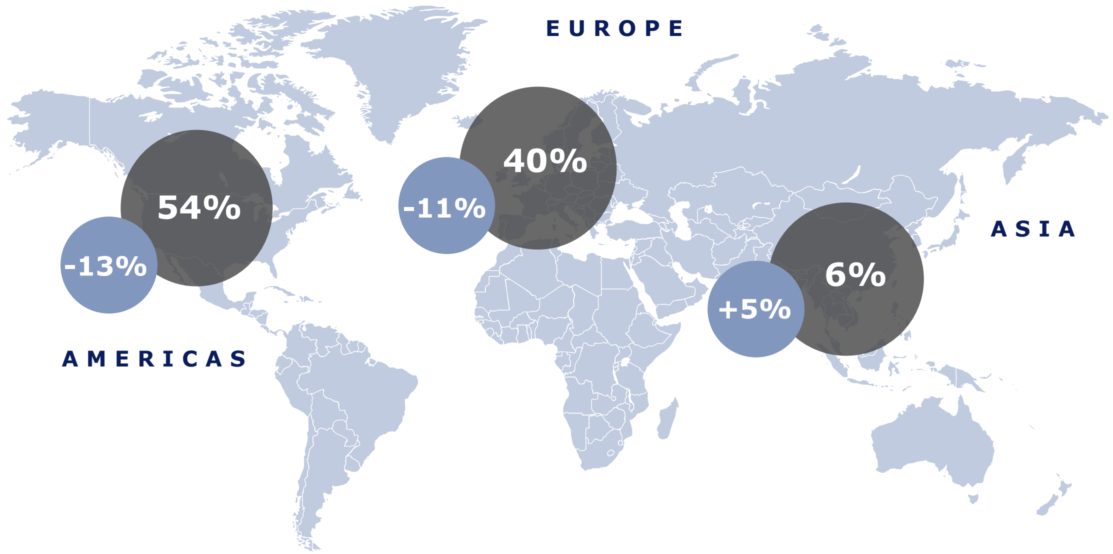
Core values Our fundamental beliefs that dictate our behavior	**We are committed**	**We are close to you**	**We make you sustainable**	**We are entrepreneurial**	**We are true specialists**
Rationale & evidence Proof of what we say is true	We know our markets, customers and their end products. This ensures that you can grow with us globally in any segment regardless application.	Our global footprint with agile development focused units will ensure that you always have the best local support for your needs.	We take sustainability seriously and challenge our businesses to be best in class when it comes to corporate citizenship and to minimize the climate impact.	A decentralized structure with local experts and close customer contact give you the benefit of speed and creativity combined with the efficiency in a larger structure.	HEXPOL values technical skills and deep applications knowledge over everything else. This enables us to exceed your expectations and make your products better.

Strong Execution of Our Business Model

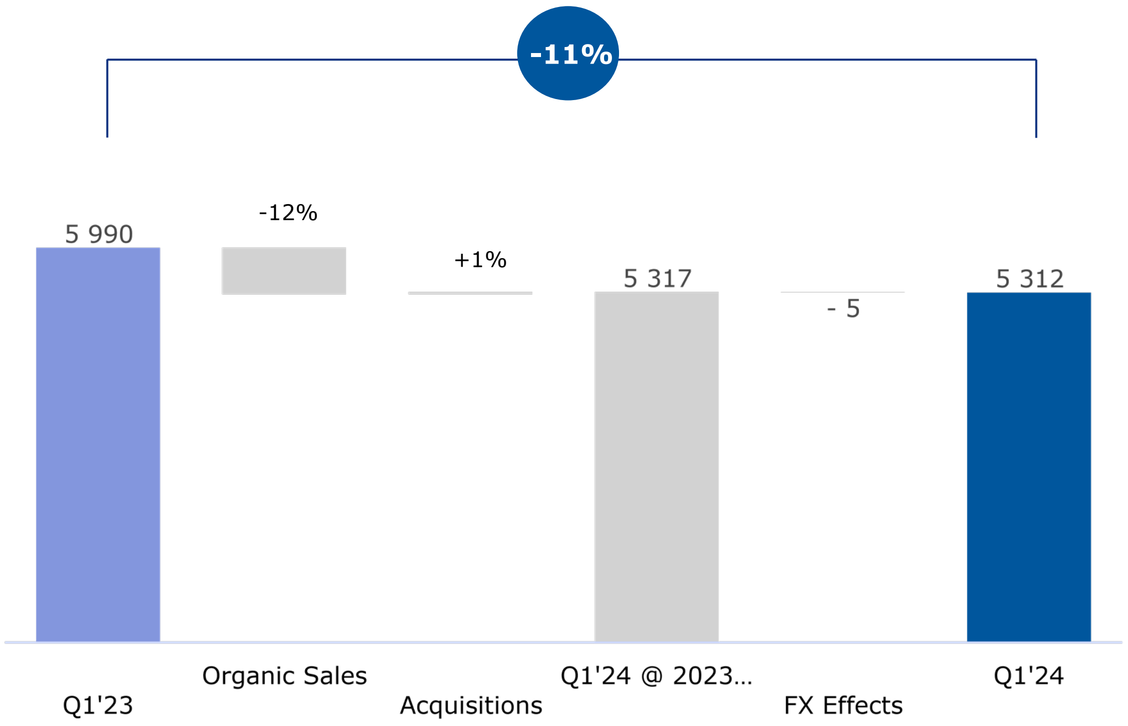


Q1 Sales Development

Regional Development



Sales development
MSEK



Share of HEXPOL sales
Sales development vs same period LY

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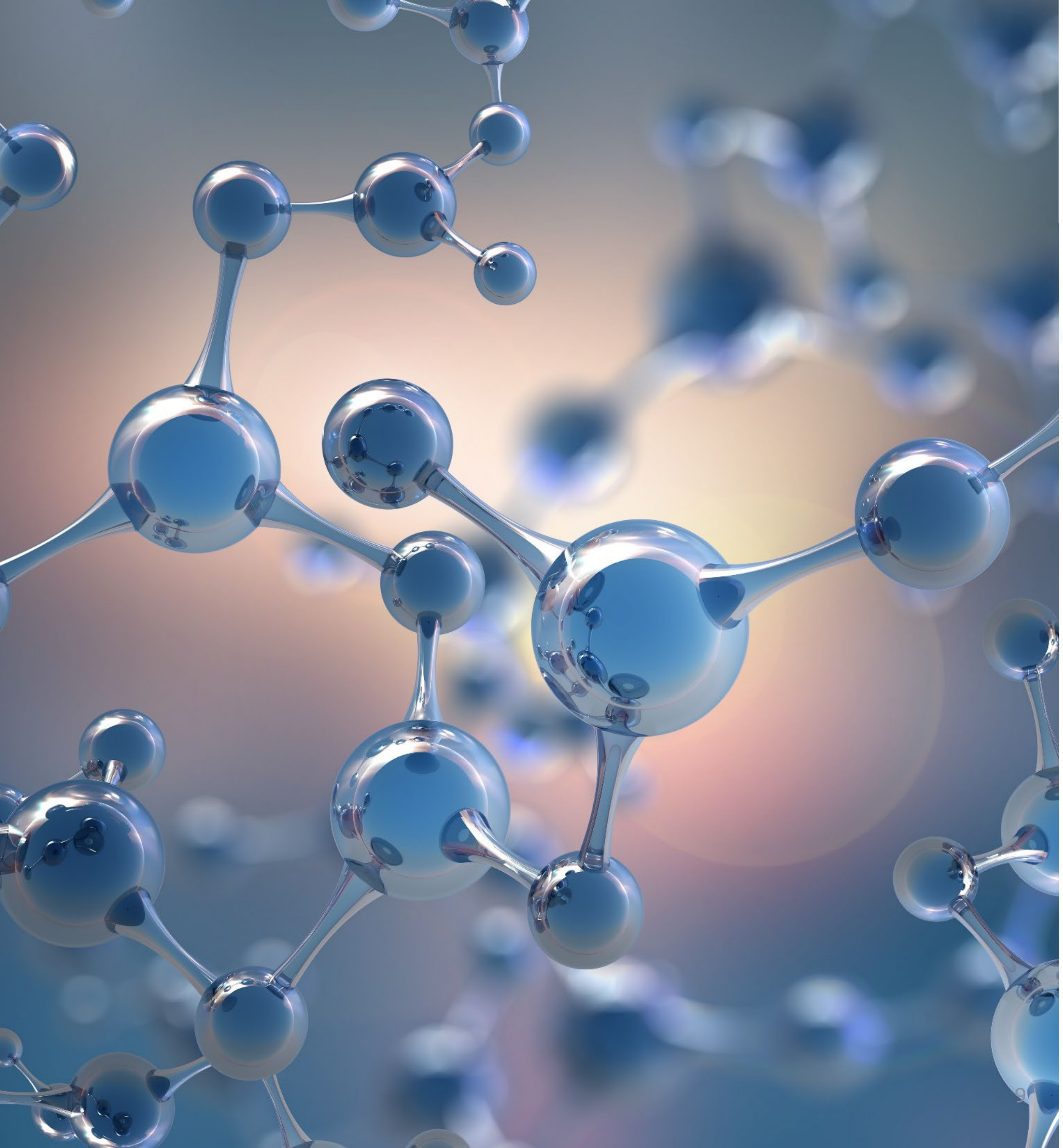

Financial Overview

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Q1 Financial Overview

Stable quarter with strong margins

Group Summary

Key figures **MSEK**	**Q1'24**	**Q1'23**
Sales	5 312	5 990
EBITA	939	975
EBITA-Margin, %	17,7	16,3
Operating Profit	905	946
Operating Margin, %	17,0	15,8
Profit after tax	654	668
Earnings per share, SEK	1,90	1,94
Equity/assets ratio, %	66	60
Return on capital employed, % R12	18,8	19,0
Operating cash flow	112	593

Highlights

- Sales of 5 312 MSEK
- Operating Profit of 905 MSEK
- Increased Operating Margin of 17,0%
- Strong Equity/Asset ratio of 66%
- High return on capital employed at 18,8%

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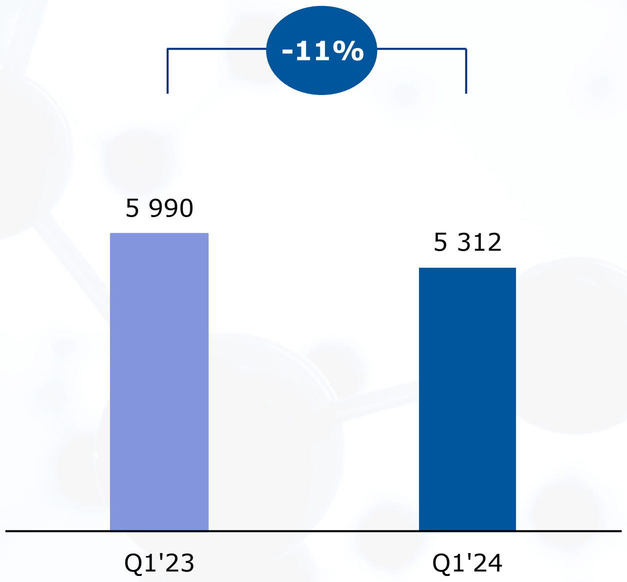
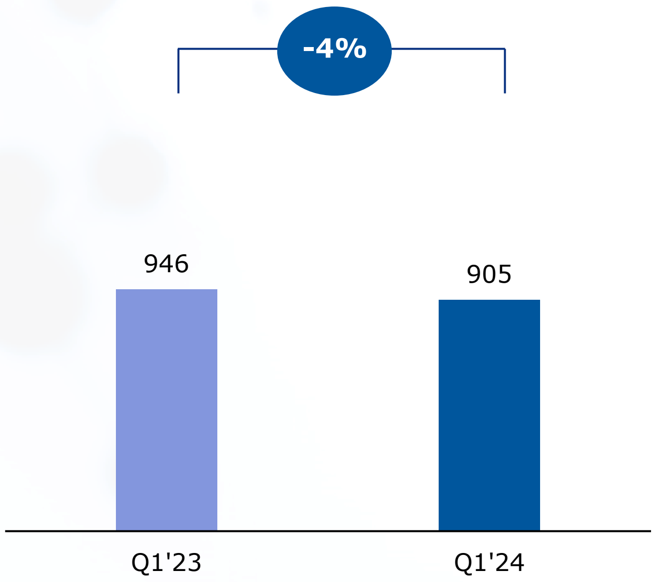
Q1 Financial Highlights

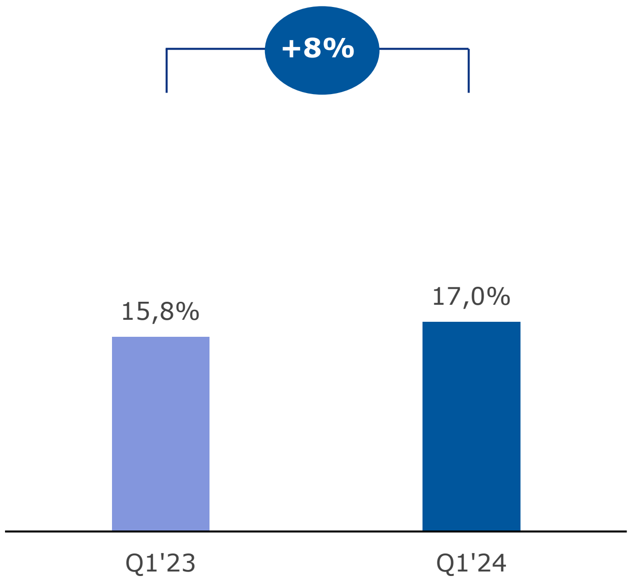
Sales
MSEK



Operating Profit
MSEK



Operating Margin
%



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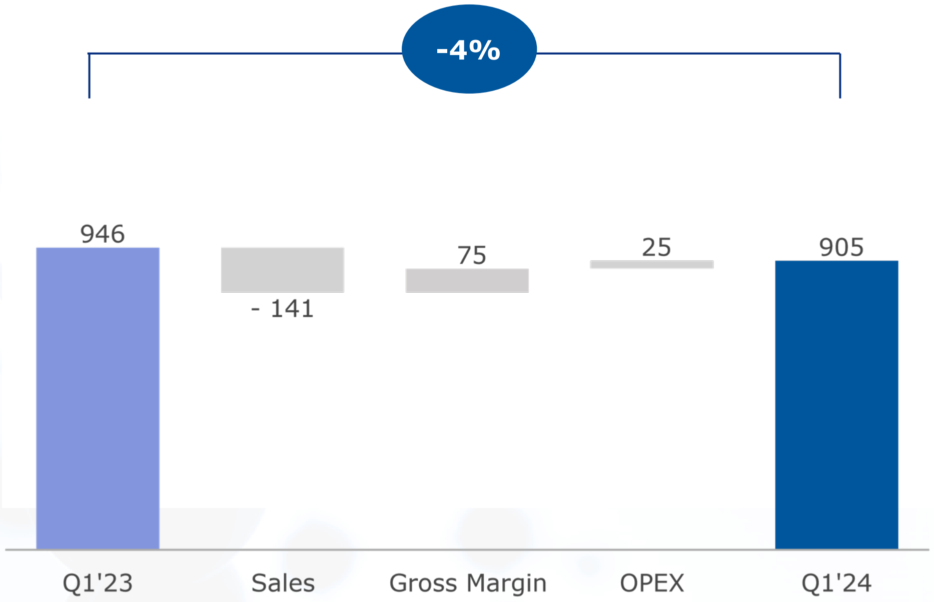
Q1 Operating Profit

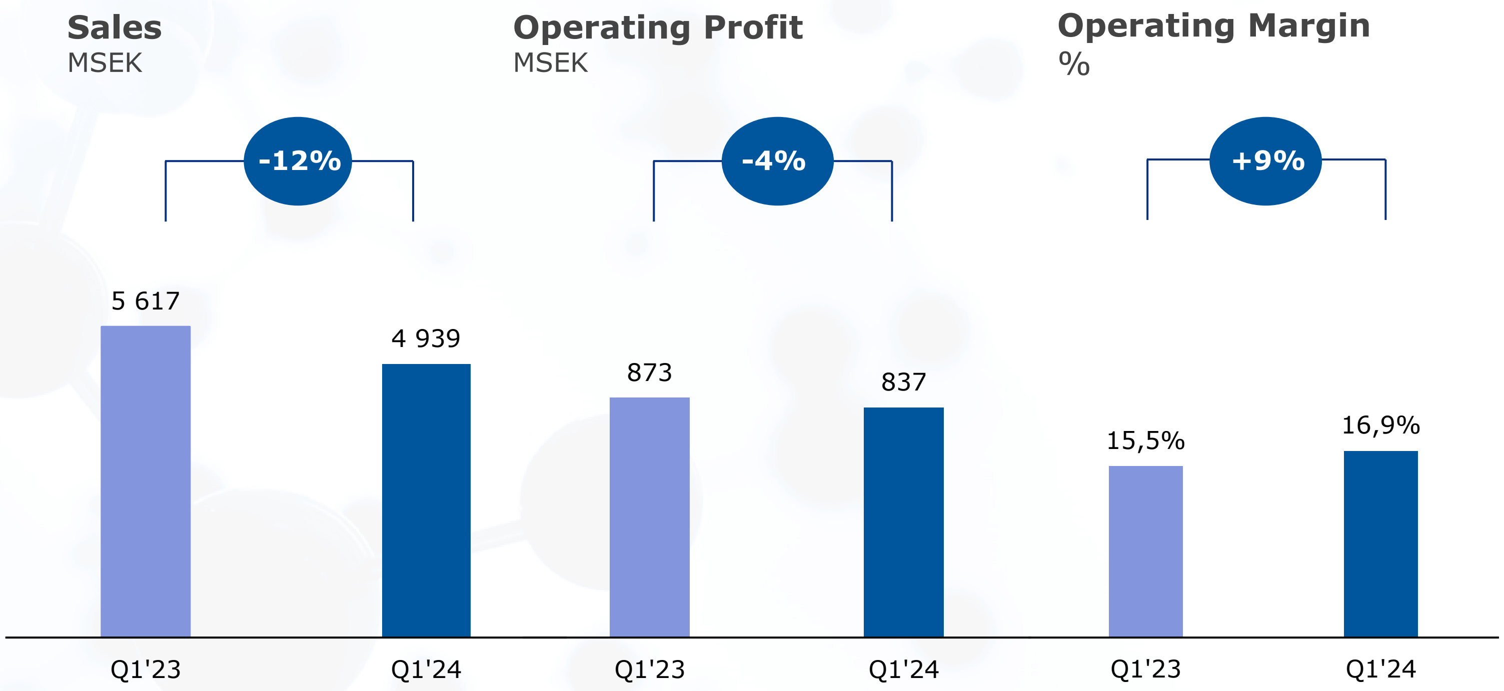
Operating Profit
MSEK



Highlights

- Lower sales are offset by stronger gross margin and lower OPEX
- Stronger gross margin due to better product and price mix
- OPEX decrease driven by general cost control

Q1 HEXPOL Compounding



Highlights

- Lower demand and sales seen in most markets from building and construction as well as from producers of consumer products. Somewhat lower demand from automotive. Fewer days of sales has negative impact on sales.
- Lower sales prices driven by lower prices on main raw materials
- Operating Profit decreased some compared to LY
- Higher Operating Margin mainly driven by positive product and price mix

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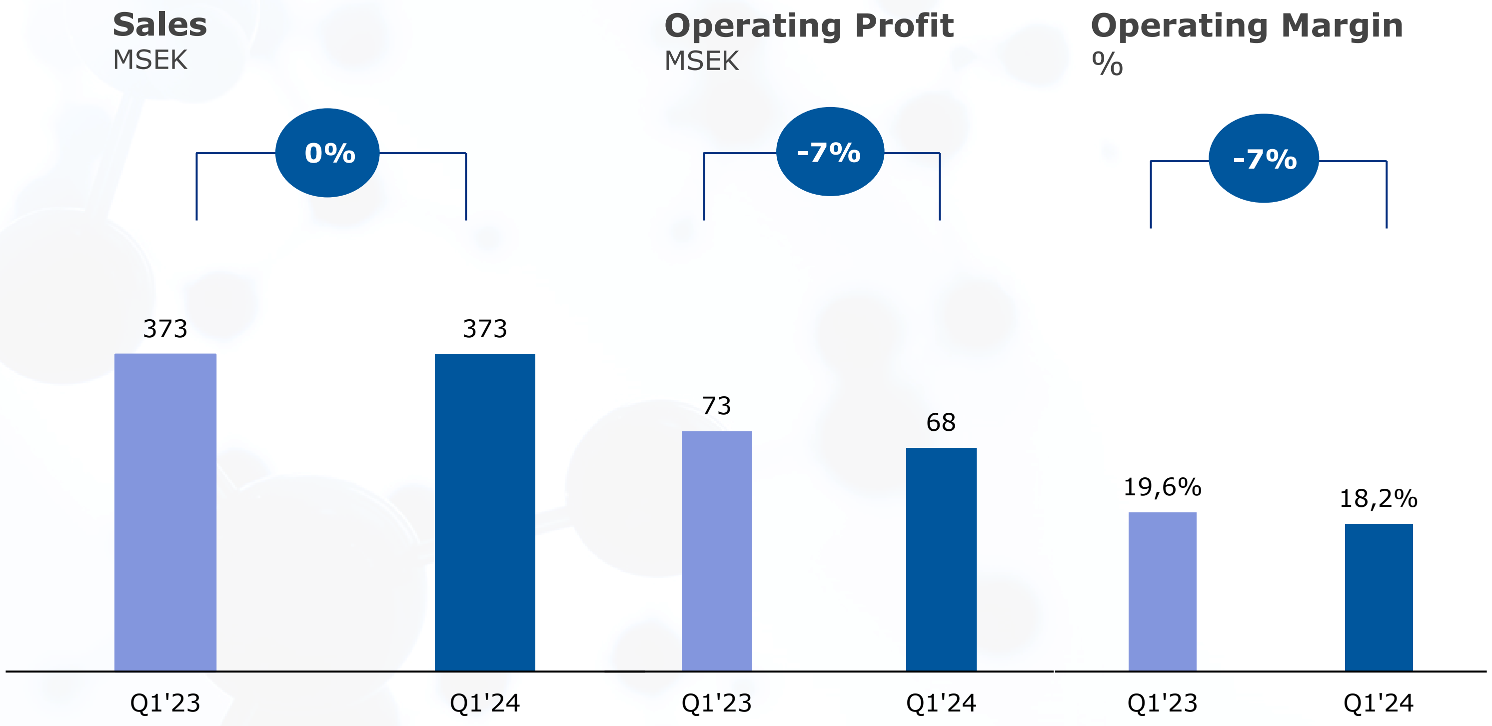
Q1 HEXPOL Engineered Products



Highlights

- Sales in line with LY
- Operating Profit and Operating Margin just below LY

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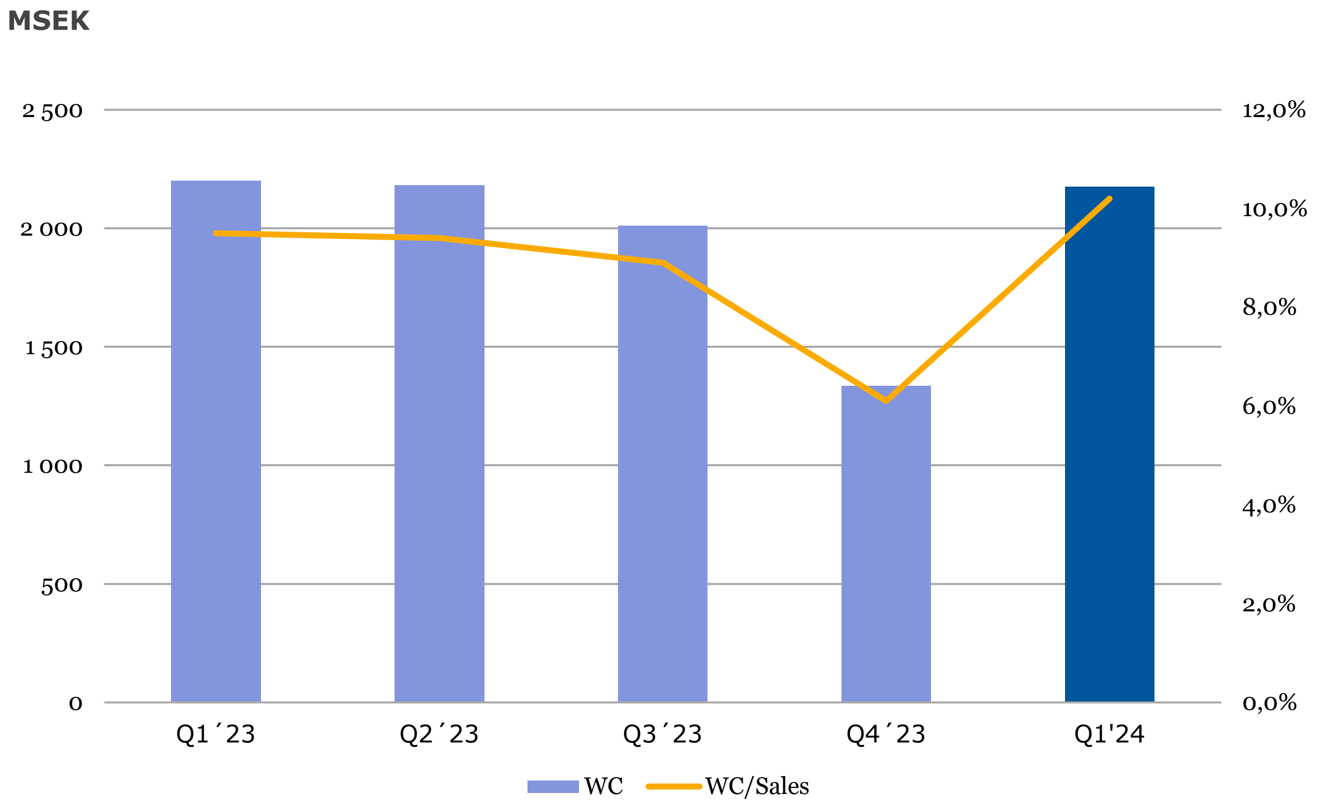
Q1 Working Capital



Highlights

- Compared to last year, the acquisition of Star Thermoplastics added some 21 MSEK in working capital
- Working capital in line with Q1 last year, both in absolute terms and in relation to sales

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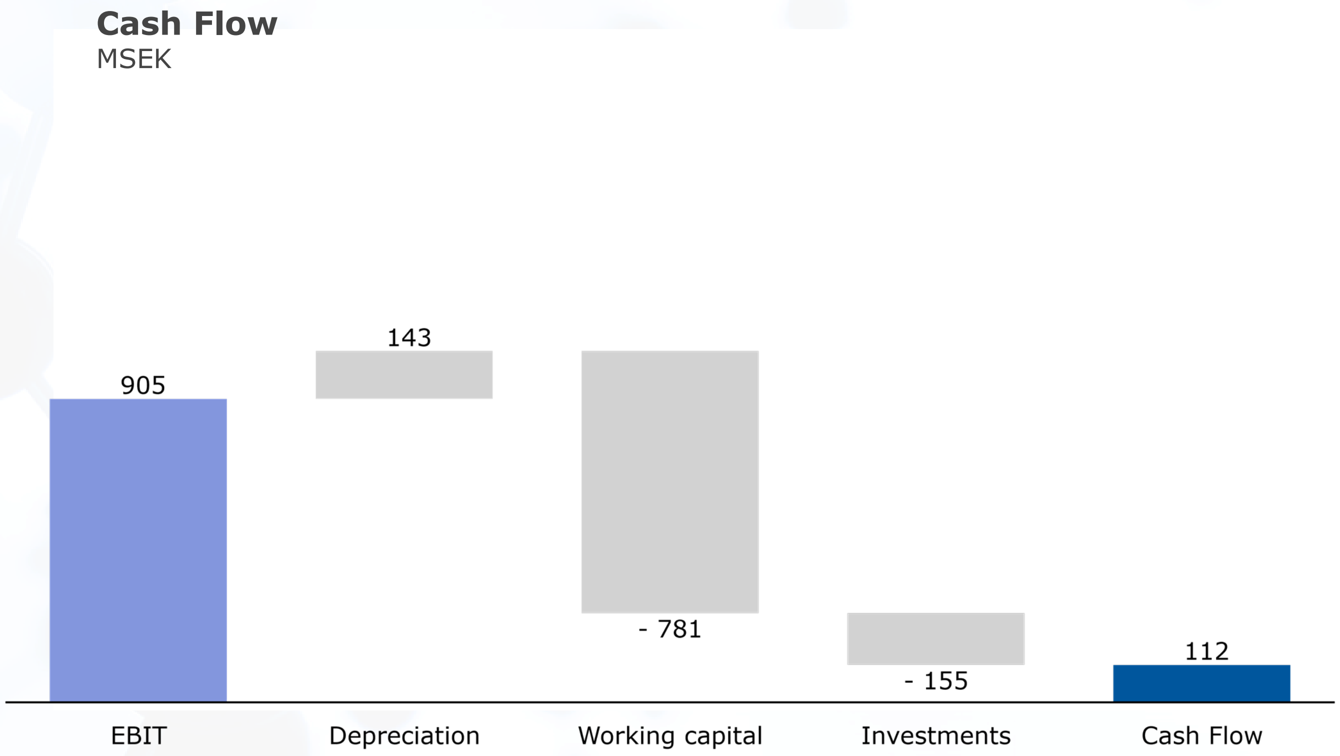
Q1 Cash Flow



Highlights

- As is normal in first quarter, low cash flow where EBIT was offset by growth in accounts receivables
- The growth in accounts receivables is driven by low level at start of the year
- No change in underlying terms and conditions

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Q1 Net Debt

Strong financial position

MSEK	31-mar 2024	31-mar 2023
Cash at hand	1 462	1 449
Used credit facilities	-2 923	-3 918
Net debt	-1 461	-2 469
Net debt/EBITDA*	0,36	0,62

* EBITDA is R12 months

Highlights

- Strong financial position

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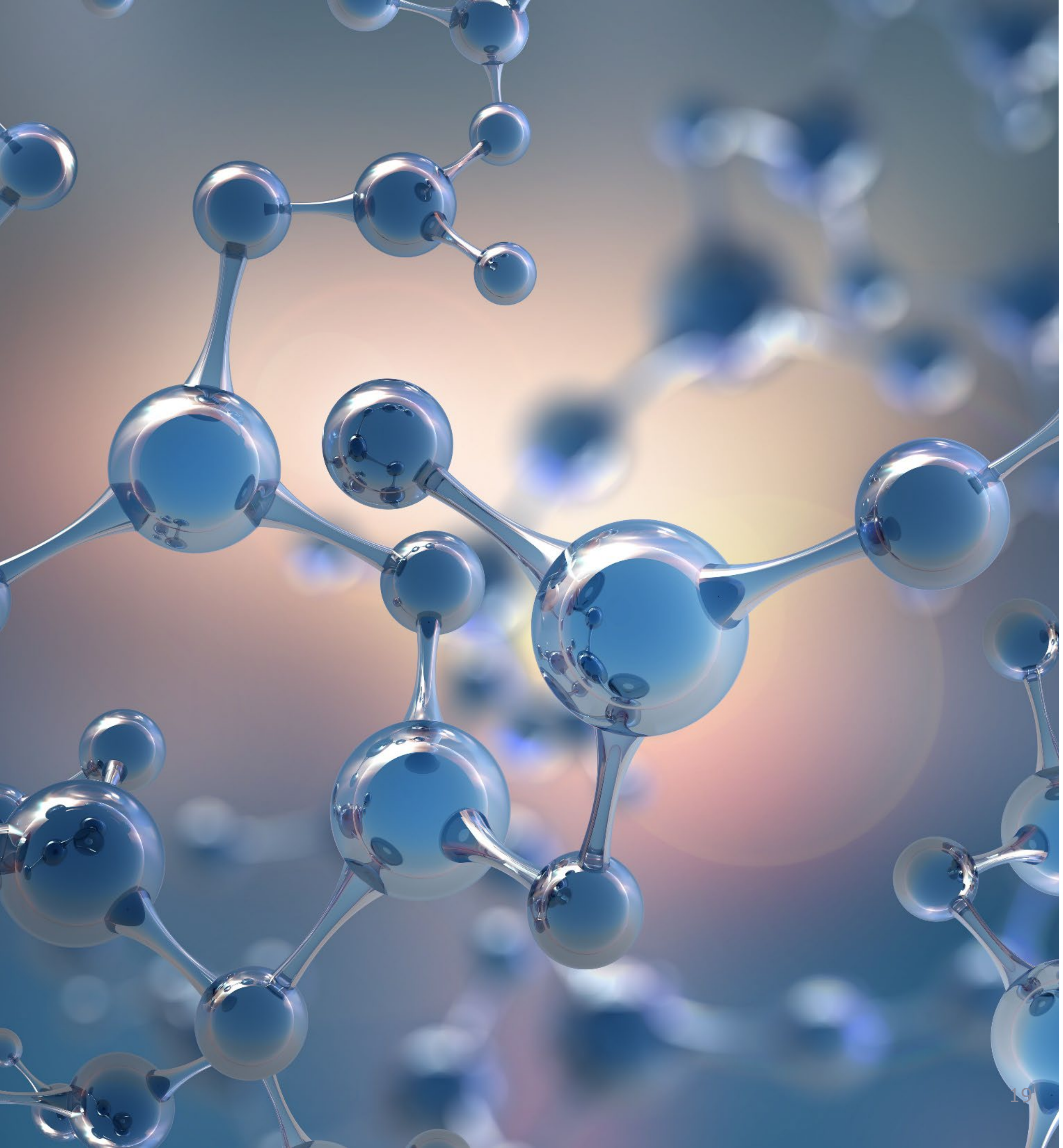

Q&A

Thank You

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