

A Material Difference

**Fast Growing With  
Strong Margins**

# **Closing Remarks**

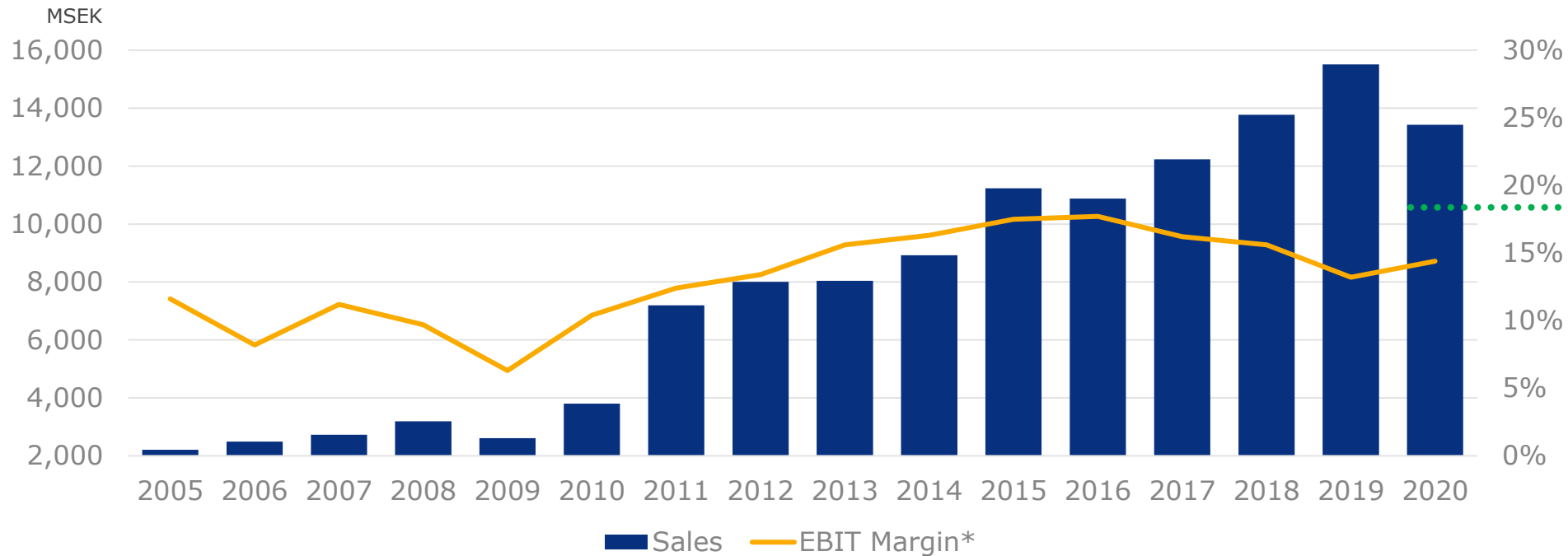
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Georg Brunstam  
President & CEO



# Fast Growing With Strong Margins

## STRONG SALES & EBIT MARGIN\*



**Best Quarter Ever,  
Q4 with 18.3%  
EBIT margin\*.**  
The margin H2  
was ~18%.

\* Adjusted EBIT margin

# Fast Growing With Strong Margins

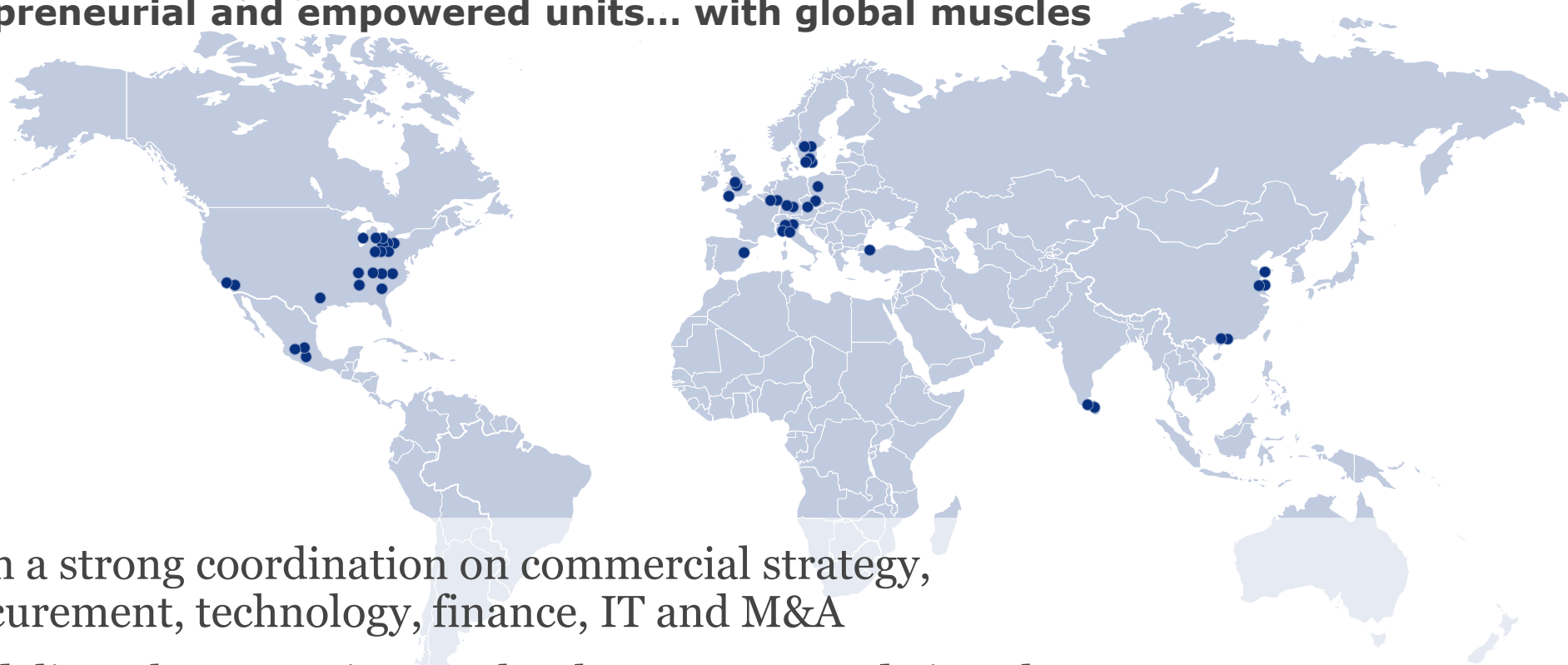
Well-positioned with demanding customers in growth markets

## STRONG BUSINESS MODEL



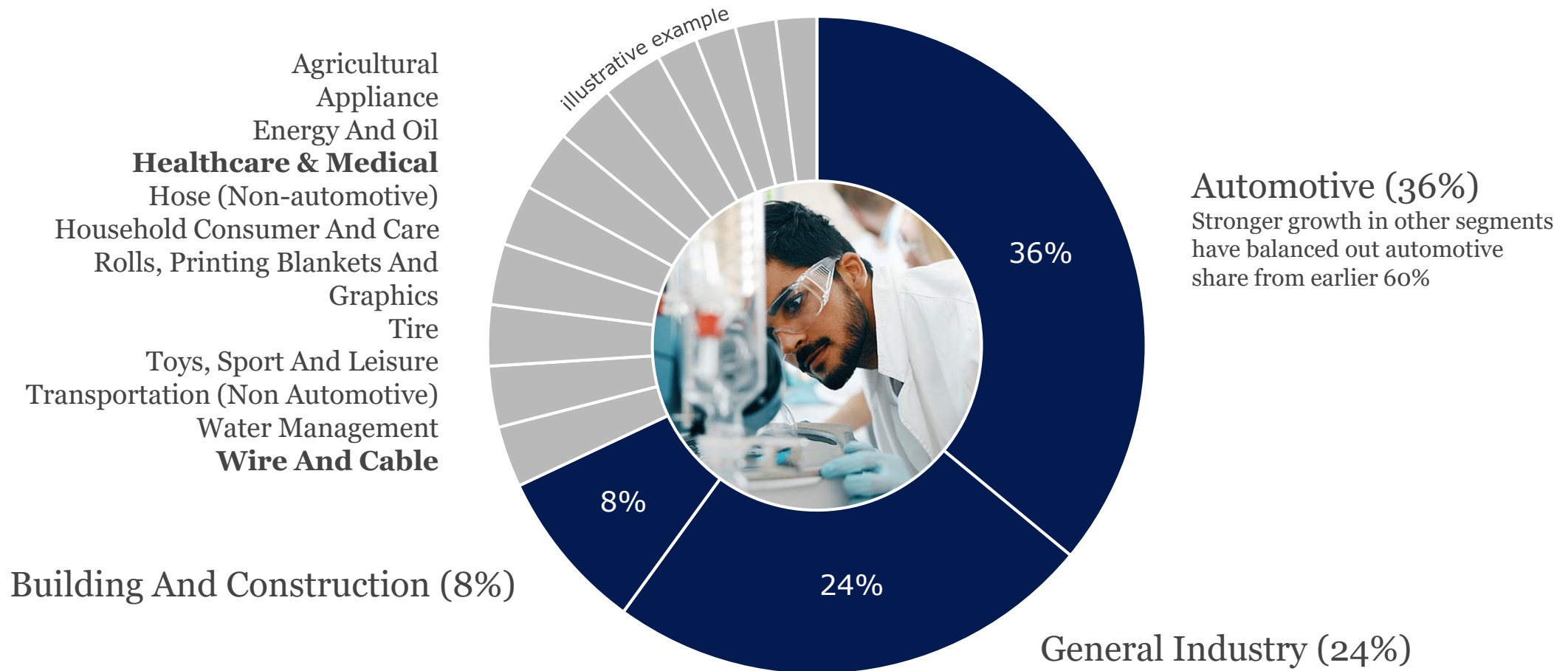
# Decentralized And Strongly Coordinated

Entrepreneurial and empowered units... with global muscles

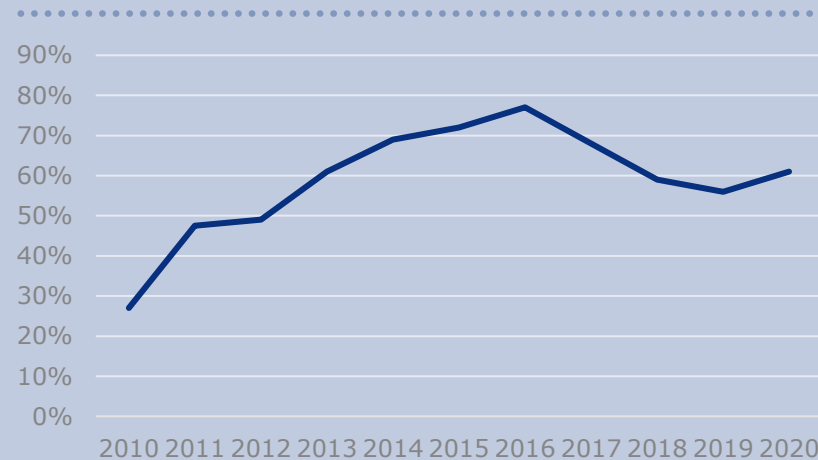


- With a strong coordination on commercial strategy, procurement, technology, finance, IT and M&A
- Guidelines, best practices, technology centers and virtual teams optimize business performance

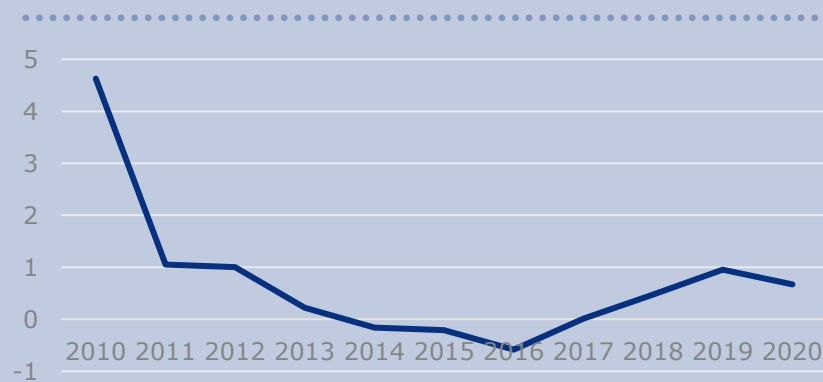
# A Well-Positioned Company For Growth In Growing End-User Segments



### Equity/Asset Ratio



### Net Debt/EBITDA Ratio



## Strong Balance Sheet

**Strong financial position supports further profitable growth including acquisitions**

- Equity Asset Ratio well above target of 30%
- Low Net Debt/EBITDA Ratio despite acquisitions
- Strong balance sheet enables both organic growth and active M&A

# A Well-Positioned Company Creating Further Growth Opportunities Including M&A

Strong customer and customer development focus creates market share opportunities

	<b>MARKET:</b>	<b>HEXPOL POSITION:</b>	<b>GROWTH OPPORTUNITIES:</b>
<b>Rubber Compounding</b>	<ul style="list-style-type: none"> <li>• Global market growth</li> <li>• Recovery in Automotive, B&amp;C and General Industry</li> </ul>	<ul style="list-style-type: none"> <li>• Leading position in Europe and Americas</li> <li>• Profitable niche position in China</li> </ul>	<ul style="list-style-type: none"> <li>• Market share, new and existing customers</li> <li>• New applications</li> <li>• Fragmented market, giving many acquisition possibilities</li> </ul>
<b>High Performance Compounding</b>	Global Market with structural growth	<ul style="list-style-type: none"> <li>• Good European position in silicone compounding</li> <li>• Developing position in US and UK</li> </ul>	<ul style="list-style-type: none"> <li>• Market share, new and existing customers</li> <li>• New applications</li> <li>• Geographical expansion</li> <li>• Attractive acquisition possibilities</li> </ul>
<b>Thermoplastic Compounding</b>	Major global market with structural growth	<ul style="list-style-type: none"> <li>• Good position in US (reinforced PP)</li> <li>• Weak position in Europe</li> <li>• No position in Asia</li> </ul>	<ul style="list-style-type: none"> <li>• Market share, new and existing customers</li> <li>• New applications</li> <li>• Major acquisition possibilities</li> </ul>
<b>TPE Compounding</b>	Global market with structural growth	<ul style="list-style-type: none"> <li>• Good European position</li> <li>• Americas weak position</li> <li>• Asia weak but improving</li> </ul>	<ul style="list-style-type: none"> <li>• Market share, new and existing customers</li> <li>• New applications</li> <li>• Geographical expansion</li> <li>• Attractive acquisition possibilities (few sellers)</li> </ul>
<b>Wheels</b>	Global market with structural growth driven by e commerce / material handling	Good global position	<ul style="list-style-type: none"> <li>• Market share, new and existing customers</li> <li>• New applications</li> <li>• Market consolidation, acquisition possibilities</li> </ul>
<b>Gaskets &amp; Seals</b>	Global market with growth, driven by environmental requirements	<ul style="list-style-type: none"> <li>• Leading position in Europe and Asia (PHE)</li> <li>• Developing position in US</li> </ul>	<ul style="list-style-type: none"> <li>• Geographical expansion</li> </ul>

# Driving Sustainability – Ambitious Targets

We will further  
reduce the  
carbon footprint  
of our energy use

- 75% reduction of CO2 emissions by 2025.
- Increase the purchase of fossil-free energy.
- Increase the energy-efficiency.
- Reduce the use of fossil fuels.
- Continue with installation of photovoltaics.

We will further  
develop our  
portfolio of  
"green products"

- Increase the use of bio-based and recycled raw materials.
- Strategic and close collaboration with key suppliers on materials, processes and reporting.
- Implementation of circular materials into selected products.
- Provide information about the carbon footprint of our products.





# Thank You



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