

FIRST QUARTER

Earnings Presentation
27 April 2023

Operating profit on record level and strong cash flow in the first quarter

- Marked volume recovery to 120 ktonnes (127), despite lower demand than in strong Q1 2022

- Good progress on Navigate plan for sustainable growth

- Reduced working capital drove strong cash flow and improved leverage






- Price, productivity and new business offset cost and volume challenges





- Best-ever adjusted operating profit of SEK 401 million (331)








Sequential sales volume recovery but year-over-year decline despite strong automotive

Q1 2023 sales volume growth by business area and end-customer market

Gränges Americas	
HVAC	 -13%
Speciality packaging	 -2%
Other niches	 -3%
Automotive	 +5%
Total	 -6%

Gränges Eurasia	
Automotive	 +17%
Other niches	 -36%
Speciality packaging	 -15%
HVAC	-
Total	 -4%

Gränges Group	
Automotive	 +14%
HVAC	 -13%
Other niches	 -26%
Speciality packaging	 -5%
Total	 -5%

Strategic partnership in sustainable aluminium



- Joint venture with Shandong Innovation Group to build recycling and casting operation in Yunnan¹
- Secured access to low-carbon primary aluminium and renewable energy
- Will drive dramatic reduction of carbon footprint by 2025...
- ...and enable us to meet demand for sustainable aluminium solutions

1. The completion of the joint venture is subject to customary regulatory approvals. Volume production expected in 2024.

Continued investments to meet growing demand for battery components worldwide

- Sales started in 2022 in Asia
- Strong interest from battery makers, car makers, and tier 1 suppliers for several product categories
- Expansion into battery cathode foil category progressing as planned:
 - Launch in 2022 in Asia, 2023 in Europe and 2024 in Americas
 - New investment announced during first quarter will double capacity in Europe from 2025



Successful ramp-up of new recycling and casting centre in Huntingdon

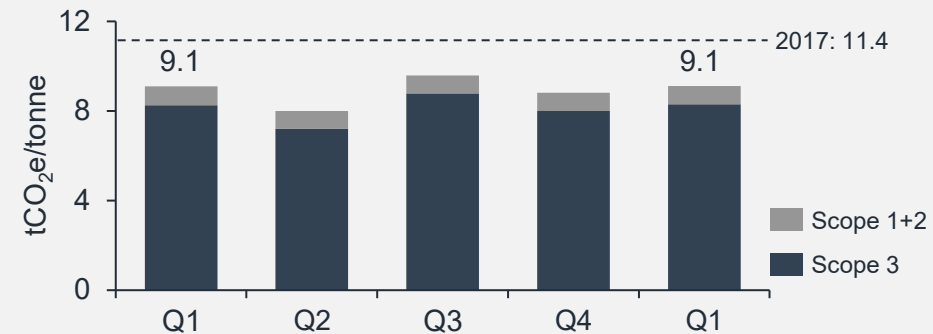


- New recycling and casting centre in Huntingdon inaugurated in February
- Successful ramp-up during first quarter
- Positive impact on earnings, cash flow and carbon footprint increasing in second quarter
- Second new recycling and casting centre to be completed in 2024, fully powered by renewable energy

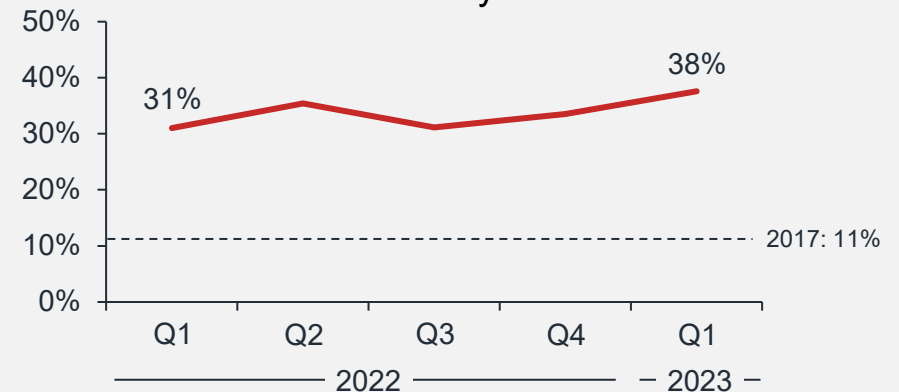
Continued good sustainability performance

- All-time-high recycling volume and share through successful circularity initiatives
- Renewable electricity supply in Asia led to record-low scope 1+2 emissions
- Scope 3 emissions negatively affected by phase-out of low-carbon Russian material
- Strategic partnership in Asia and new recycling centre in Americas important step toward 2024 climate neutrality

Carbon emissions intensity¹



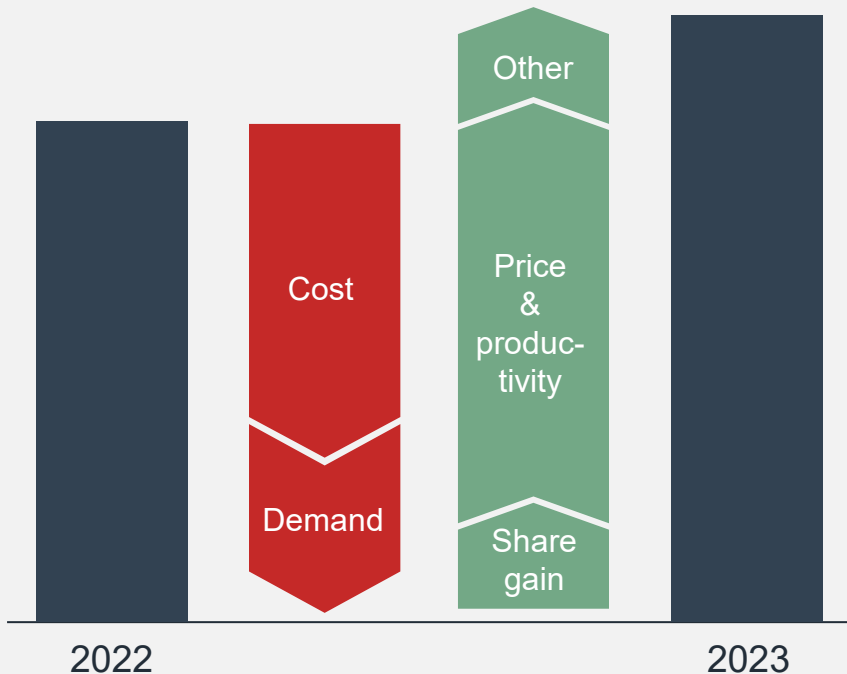
Share of sourced recycled aluminium



1. Gränges follows the Greenhouse Gas Protocol Standards to calculate its climate impact (cradle-to-gate). Scope 1+2 covers direct emissions from own operations and indirect emissions from purchased energy. Scope 3 covers indirect emissions from sourced metal inputs.

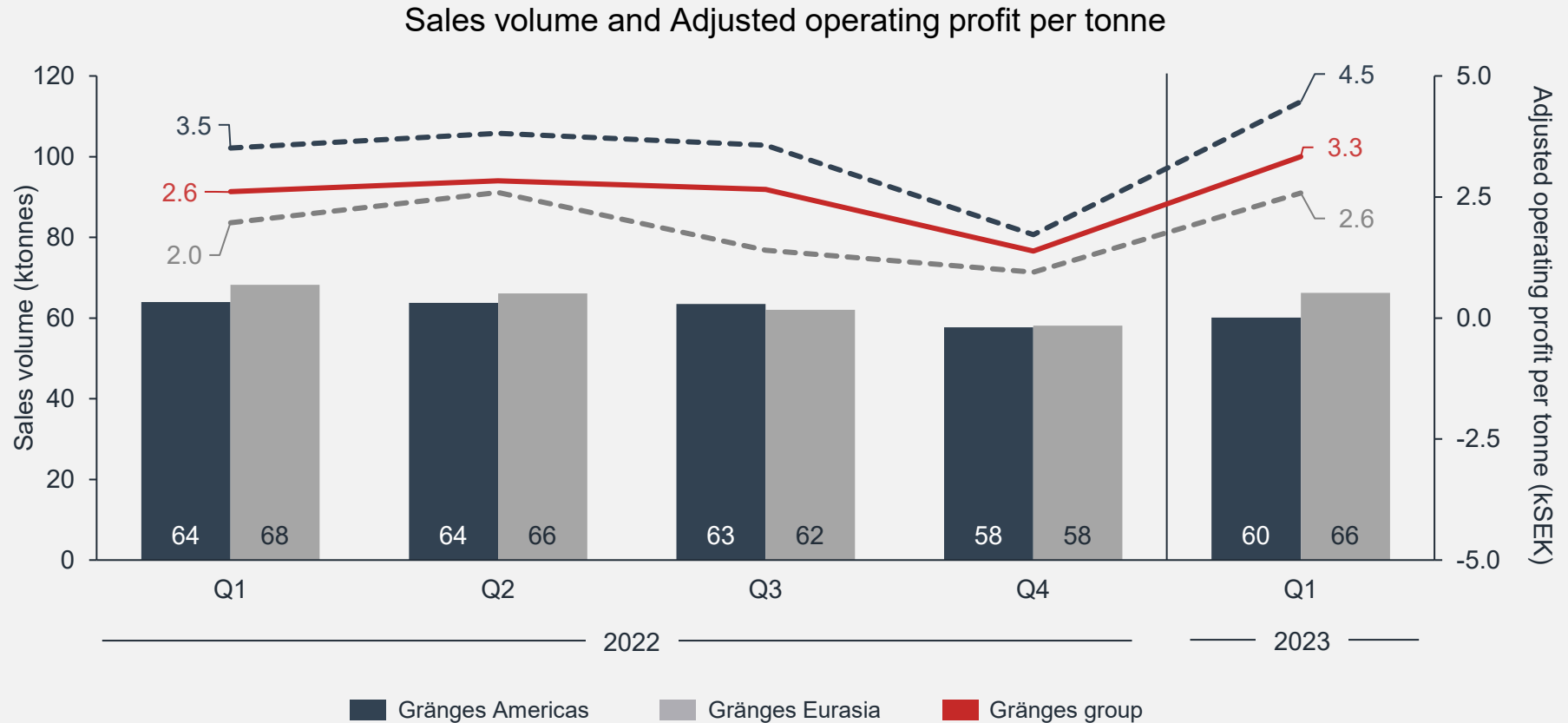
Flexibility successfully mitigated external volatility

First quarter operating profit



- Part of our Navigate plan is to reduce earnings volatility with increased flexibility
- In the first quarter
 - Lower demand partly offset by new business
 - Cost increases more than offset by productivity, price increases
- As a result, we reached our best-ever adjusted operating profit despite significantly weaker demand

Continued year-on-year margin improvement in the first quarter



Financial overview – first quarter 2023

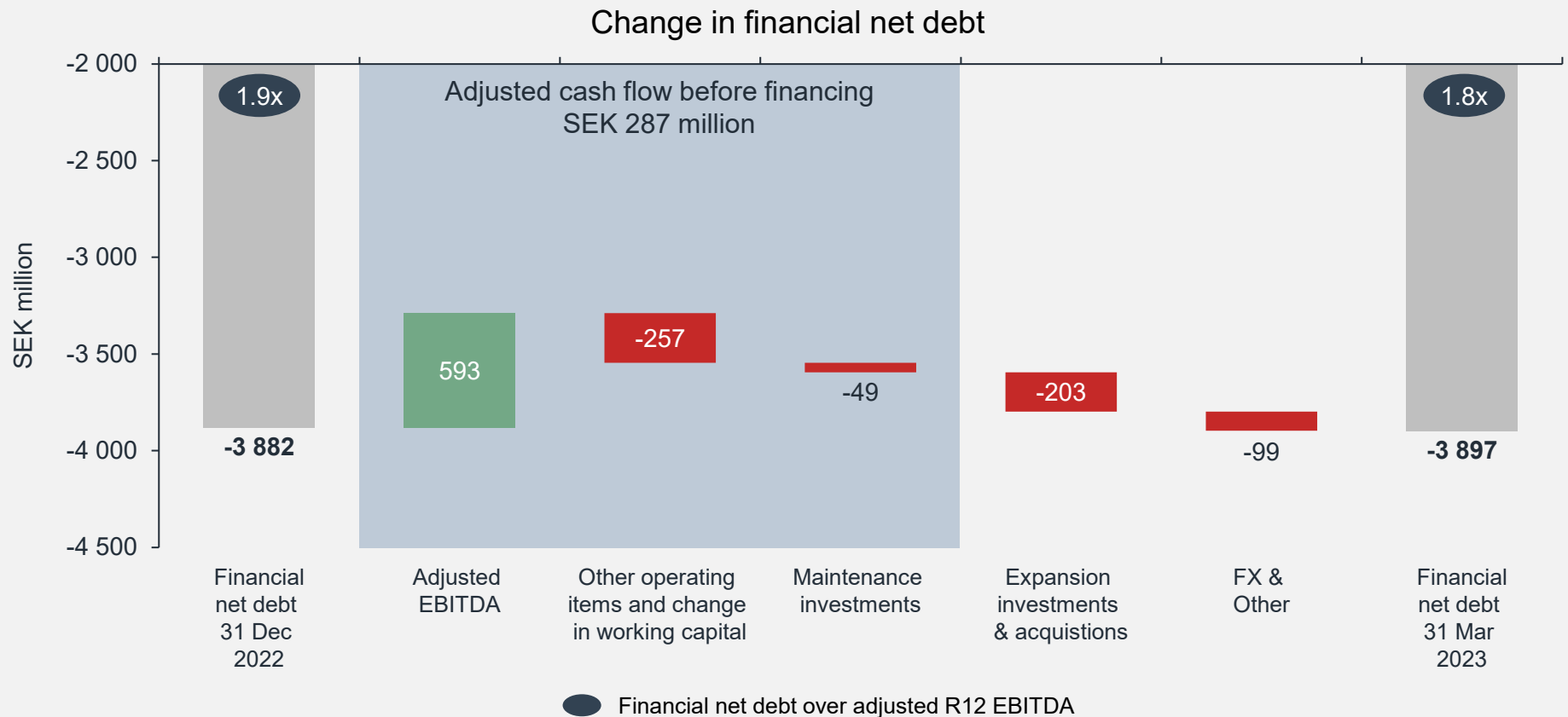
SEK million	Q1			12 months rolling		
	2023	2022	Change	Mar 2023	Dec 2022	Change
Sales volume (ktonnes)	120.2	126.7	-5.2%	472.7	479.3	-1.4%
Net sales	5,968	6,080	-1.8%	24,380	24,492	-1.2%
Adjusted operating profit ¹	401	331	21%	1,220	1,150	6.1%
Adjusted operating profit per tonne (kSEK)	3.3	2.6	0.7	2.6	2.4	0.2
Operating profit	401	331	21%	1,206	1,136	6.2%
Profit for the period	254	240	5.7%	714	700	2%
Earnings per share ² (SEK)	2.38	2.25	0.13	6.71	6.58	0.13
Adj. cash flow before financing activities ³	287	-1,224	n/a	2,129	618	245%
Return on capital employed, R12 (%)				9.6	9.4	0.2 ppt
Financial net debt / adjusted EBITDA, R12				1.8	1.9	-0.1

1. Adjusted for items affecting comparability

2. Diluted

3. Adjusted for expansion investments and acquisitions

Strong cash flow and improved leverage in the first quarter

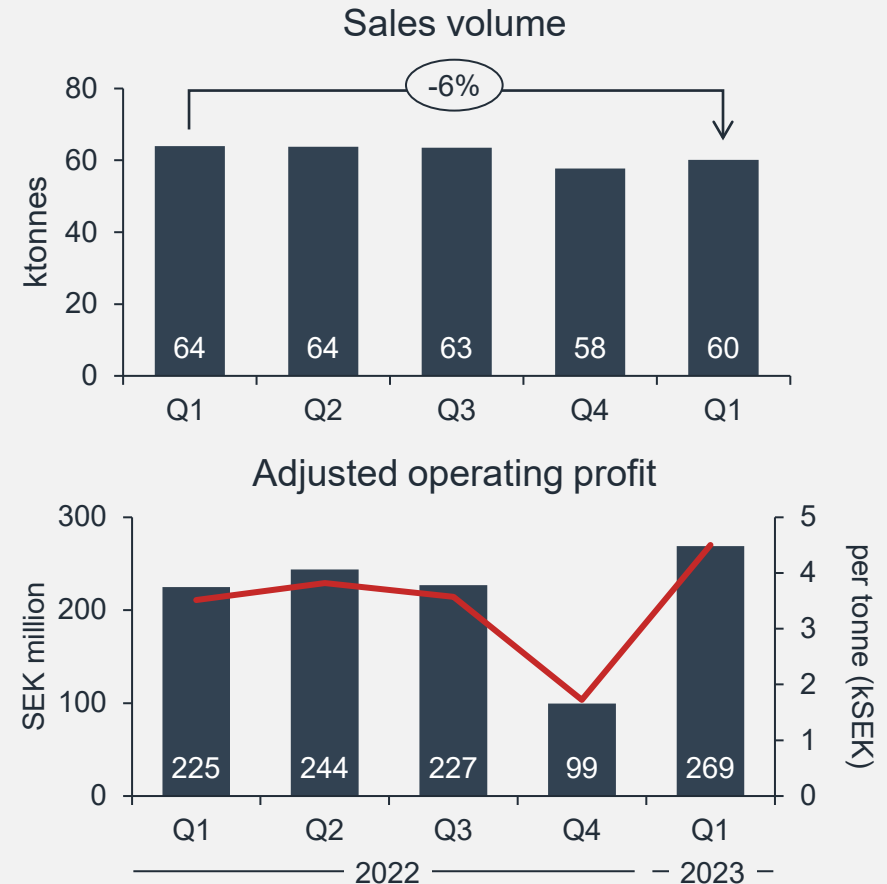


Gränges Americas – first quarter 2023

- Lower demand in most end-customer markets except in Automotive, partially offset by new business

- Improved operating profit and margin
 - Productivity and price increases fully compensated for higher costs
 - FX effects of SEK 25 million

- Successful ramp-up of new recycling and casting centre in Huntingdon
 - Further positive earnings impact expected in the second quarter

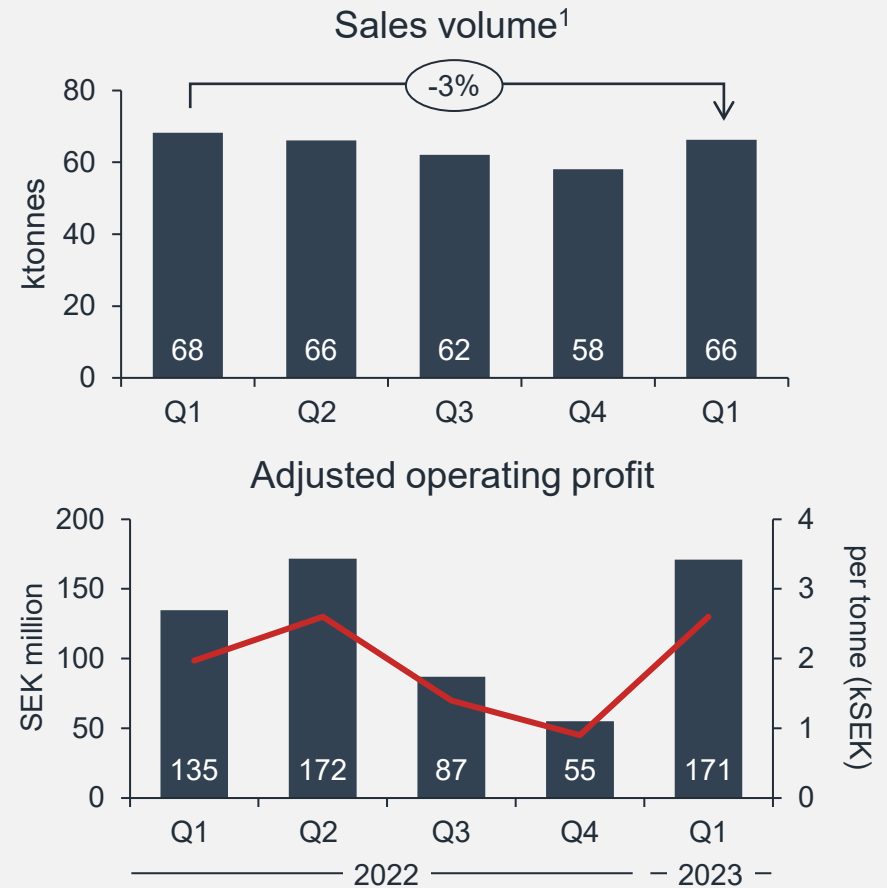


Gränges Eurasia – first quarter 2023

- Asia sales volume increased by 15%
 - Post-covid recovery and backlog

- Europe sales volume decreased by -11%
 - High downstream inventory levels remain

- Improved operating profit and margin
 - Energy cost compensation in Poland of SEK 32 million
 - FX effects of SEK 39 million



1. Refers to total sales volume. External sales volume growth was -4% in the first quarter.

Outlook – second quarter 2023

- Market uncertainty remains high in all regions
 - Continued good momentum in Automotive
 - Soft demand in other markets
- Second-quarter sales volume expected to be flat or slightly down year-on-year
- Ambition to continue to offset year-on-year cost increases with productivity and price increases
- Positive contribution expected from new recycling and casting centre in Huntingdon



Summary



Q&A

Jörgen Rosengren, CEO
Oskar Hellström, CFO



GRÄNGES