

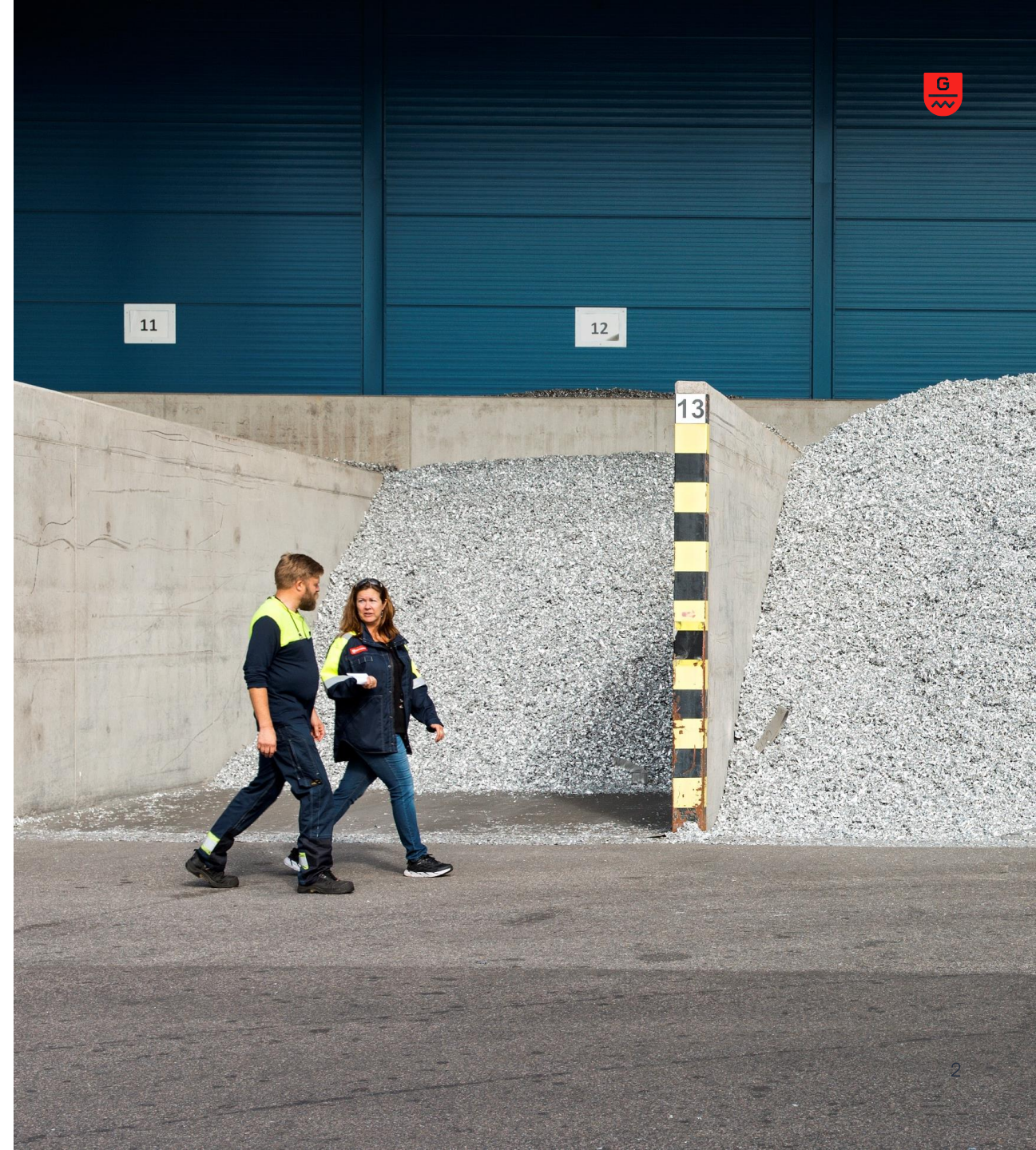
Q3

Interim Report 2023

Strong profitability
and record cash flow

Strong profitability and record cash flow

- Stable sales volume of 115 ktonnes (120) in hesitant market
- Stable Automotive demand, but HVAC destocking and return to normal seasonality
- Price and productivity improvements more than offset cost increases
- Adjusted operating profit up 40% to SEK 439 million (319)
- Continued good sustainability performance
- Profitability and excellent cash flow significantly strengthened balance sheet
- Navigate plan continued to deliver



Stable volumes in hesitant market



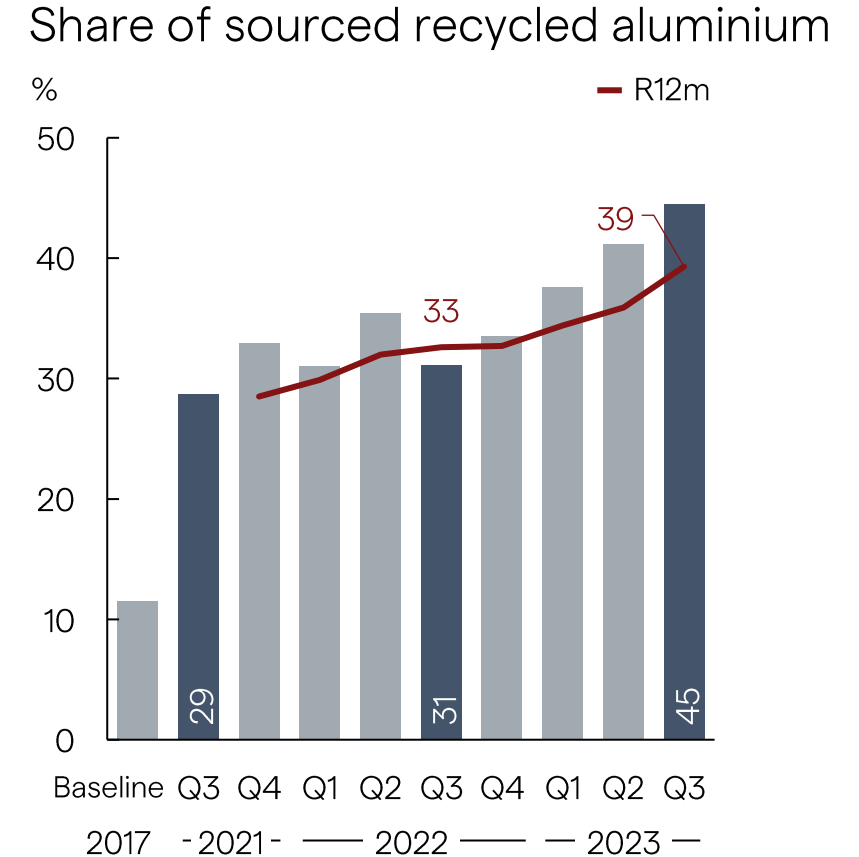
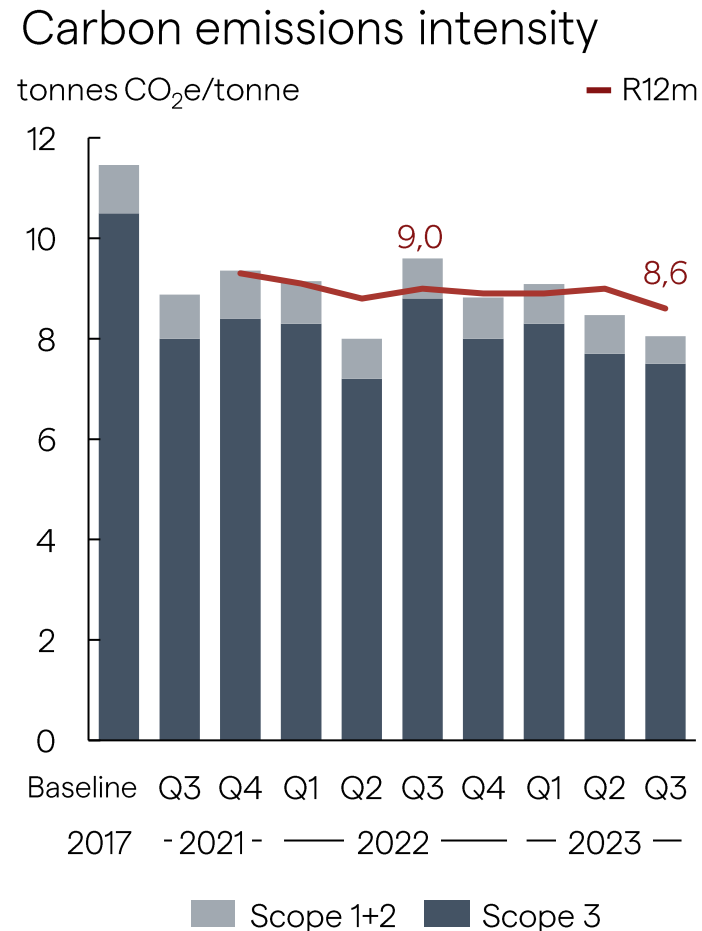
Q3 2023 sales volume growth by business area and end-customer market

	Gränges Americas		Gränges Eurasia		Gränges Group	
Automotive	↗	+5%	→	-2%	→	-1%
HVAC	↘	-22%	-	-	↘	-22%
Specialty packaging	↗	9%	↘	-35%	→	0%
Other niches	↘	-21%	↗	33%	↗	8%
Total	↘	-10%	→	2%	↘	-4%

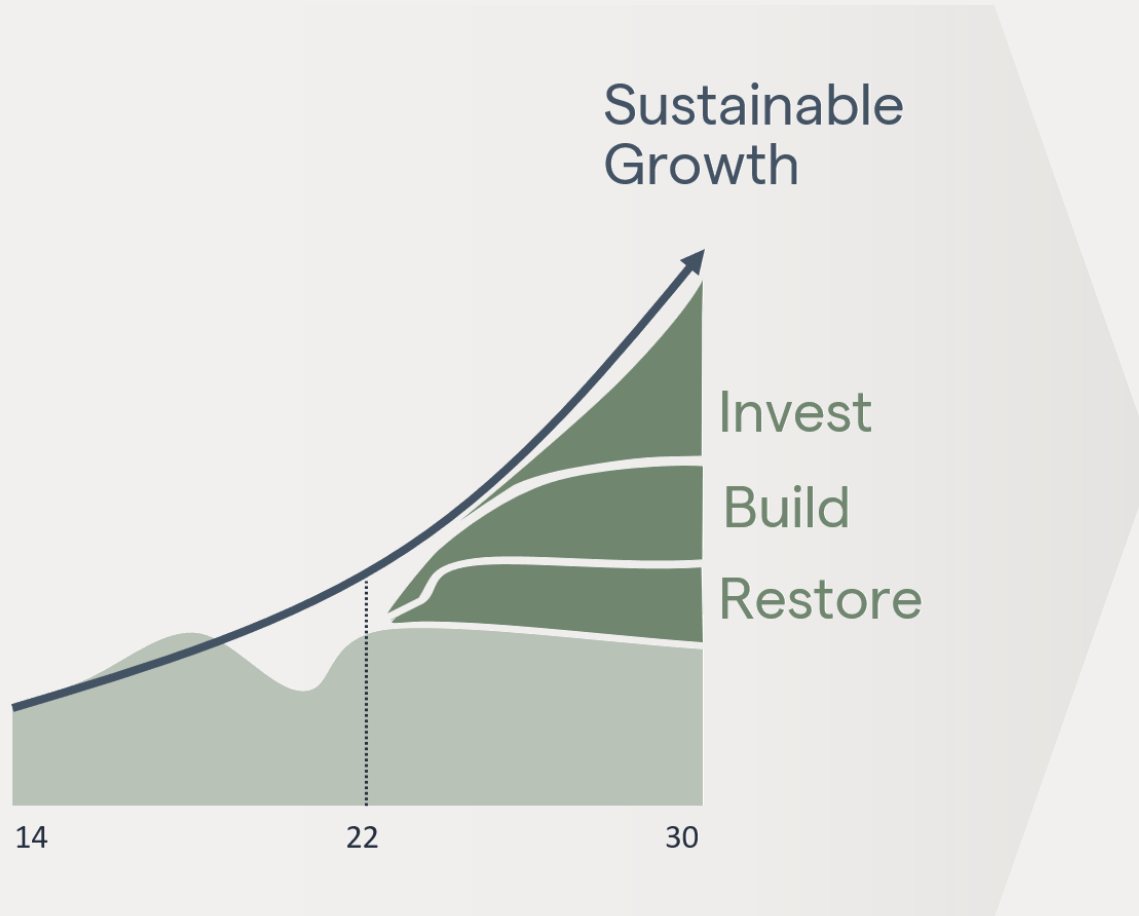
Continued good sustainability performance



- All-time-high recycling volumes and share driven by strong focus at all locations
- Record-low emissions driven by increased share of renewable electricity and recycling
- Phase-out of Russia-produced primary aluminium completed
- Dual ASI certifications in Gränges Konin important milestone – all sites certified



Our Navigate plan sets high ambitions for the long term



- World's best aluminium technology company
- 15% ROCE
- 10% operating profit growth
- Continue toward 2040 climate neutrality

New strategy delivering



Low Carbon Enabler, Path to Green
 — 第十二届 Granges 技术研讨会
 The 12th Granges Technical Symposium

2023年9月19-21日
 Sept 19th-21st, 2023
 中国·苏州
 Suzhou, CH

材料生产环节的排放 VS. 新车销售后使用阶段的排放

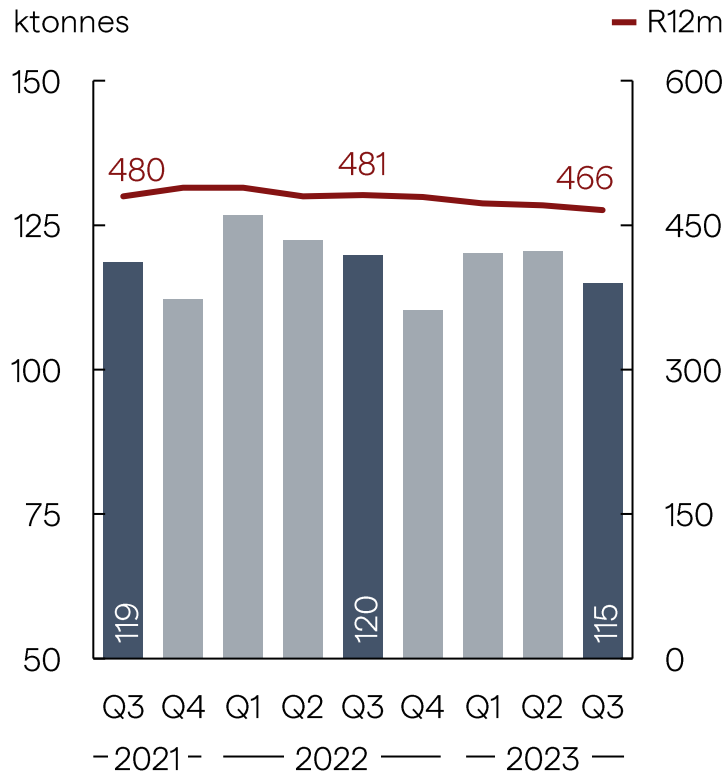
维修保养	移动电源解决方案	燃油内燃机车	传统电池电动车	绿色能源电动车
		2.8 kgCO ₂ /L	480 gCO ₂ /kWh	20 gCO ₂ /kWh
范围 2	预期时间范围	-2020-2025	-2025-2040	-2040+
可再生电力	使用阶段	80%	55%	15%
	电气化			
	轻量化			
	能源强度			
	材料生产	-20%	-45%	-85%

当绿色能源成为主导能源时，减碳重点将放在材料生产上

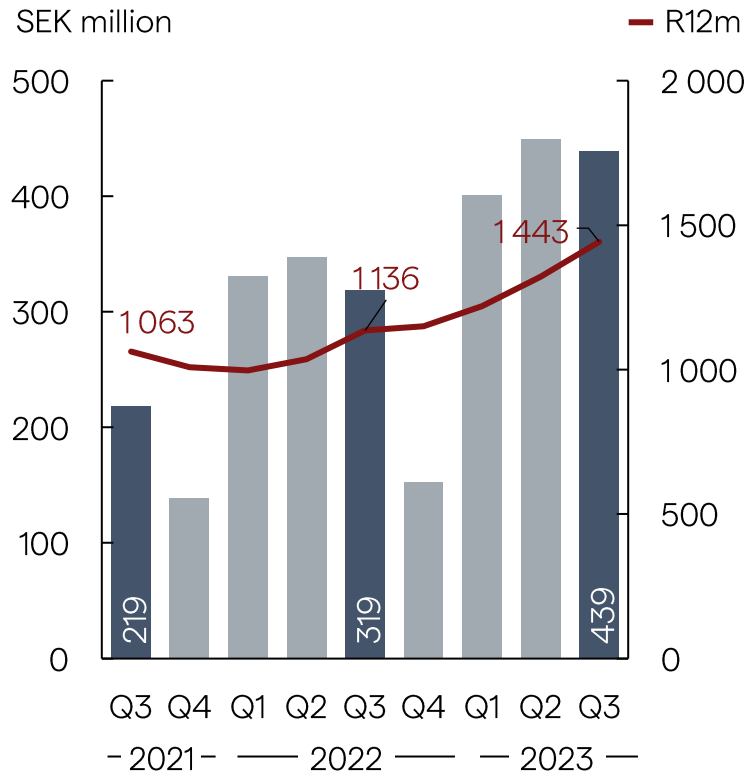
Continued operating profit and margin improvement in the third quarter



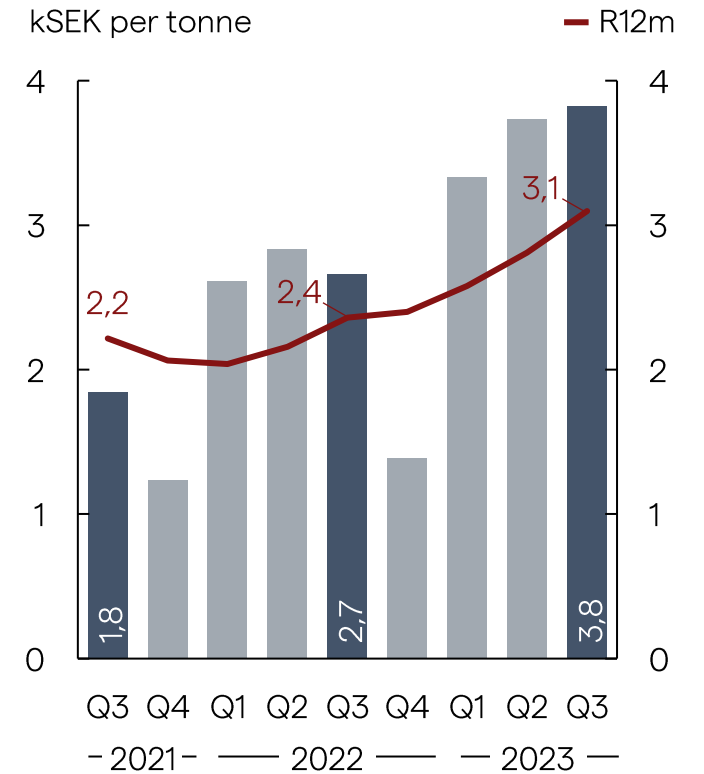
Sales volume



Adjusted operating profit



Adjusted operating margin



Financial overview third quarter 2023



SEK million	Q3			January–September		
	2023	2022	Δ	2023	2022	Δ
Sales volume, ktonnes	114.9	119.8	-4.1%	355.5	369.0	-3.7%
Net sales	5,575	6,172	-9.7%	17,551	19,126	-8.2%
Adjusted operating profit ¹	439	319	38%	1,290	997	29%
Adjusted operating profit per tonne, kSEK	3.8	2.7	1.2	3.6	2.7	0.9
Operating profit	479	243	98%	1,330	983	35%
Profit for the period	332	135	146%	902	649	39%
Earnings per share ² , SEK	3.12	1.27	1.85	8.47	6.10	2.37
Adj. cash flow before financing activities ³	1,067	441	142%	2,133	-60	n/a
Return on capital employed, R12, %				11.2	9.6	1.7 ppt
Financial net debt / adjusted EBITDA, R12				1.3	2.2	-0.9

1. Adjusted for items affecting comparability

2. Diluted

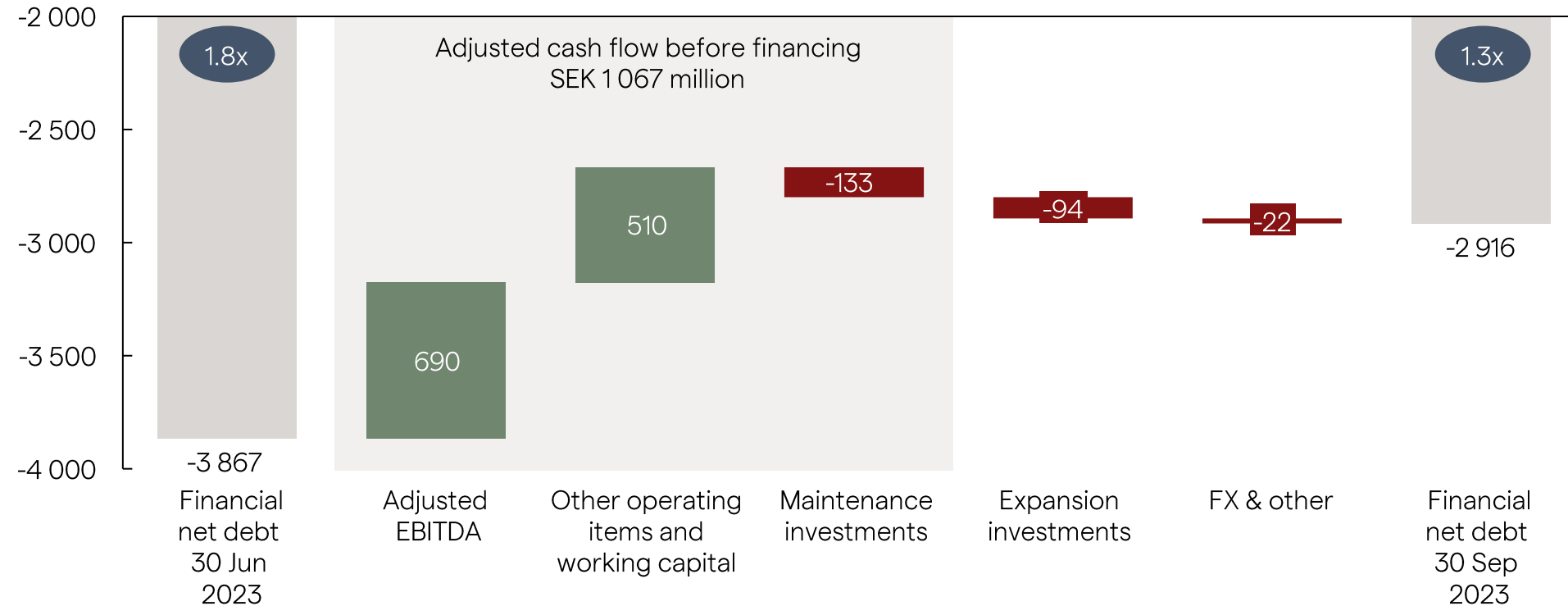
3. Adjusted for expansion investments and acquisitions

Strong cash flow and improved leverage in the third quarter



Change in financial net debt

SEK million



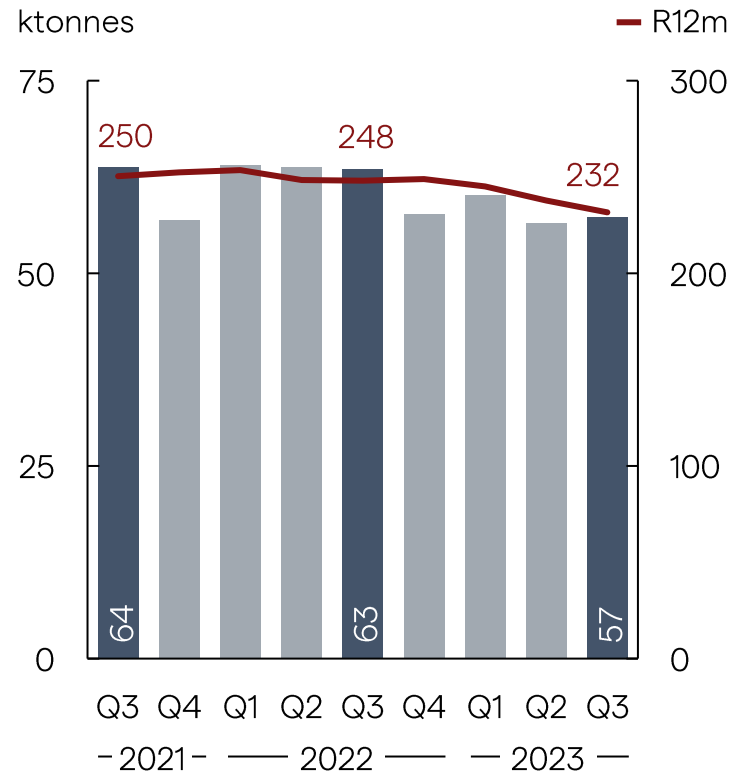
● Financial net debt over adjusted R12 EBITDA

Gränges Americas third quarter 2023

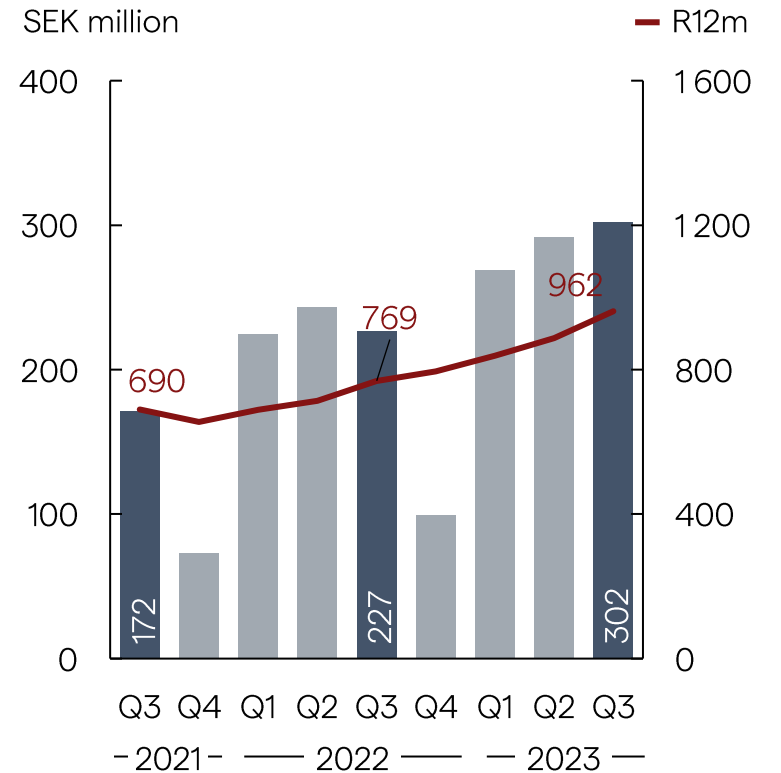


- Stable demand within Automotive
- Destocking and return to normal HVAC seasonality
- Sales volume decreased by 10% vs last year
- Price and productivity improvements more than offset cost increases
- Positive operating profit impact from new recycling and casting center

Sales volume



Adjusted operating profit

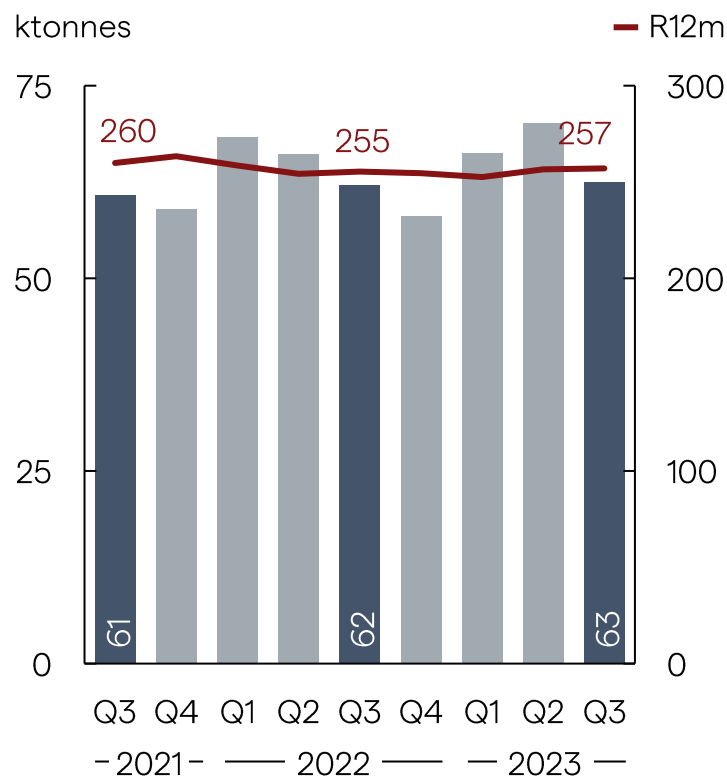


Gränges Eurasia third quarter 2023

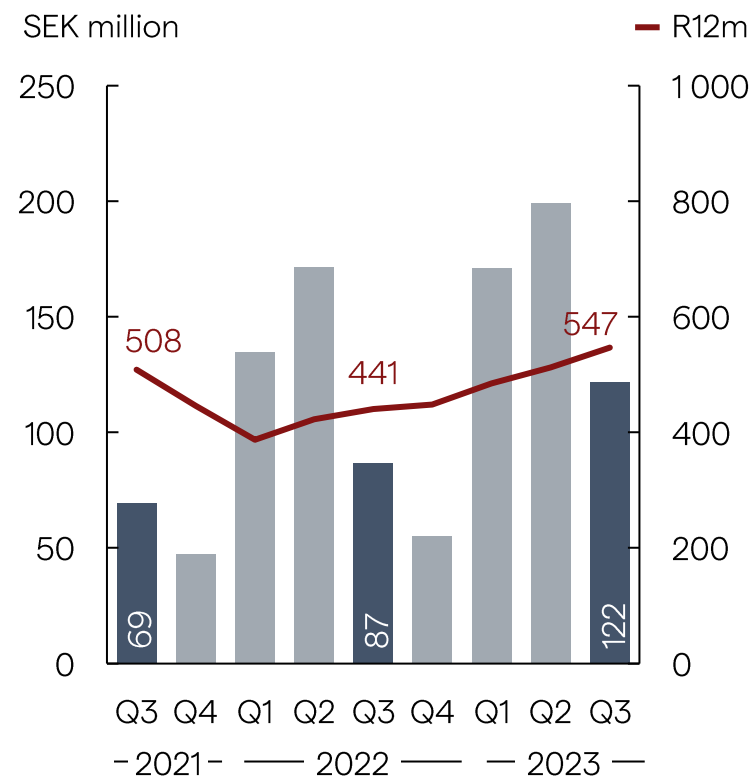


- Stable demand within Automotive but high comparables in Asia
- Gradual normalization of downstream inventory in Europe
- Sales volume increased by 1% vs last year¹
 - Europe +3%
 - Asia -3%
- Positive operating profit impact from productivity improvements and reduced inflationary pressure

Sales volume



Adjusted operating profit



1. Refers to total sales volume, external sales volume growth was 2% in the third quarter.

Fourth-quarter outlook

- Market demand is weaker than last year, and remains hard to predict, especially concerning downstream inventory reduction
- Fourth-quarter maintenance stops will be longer than usual
- Sales volume in the fourth quarter is expected to be roughly in line with the same quarter last year
- Ambition to increase market share and protect margins remains unchanged



Summary

- Strong quarter
 - Financially, despite hesitant market
 - Improved profit and profitability
 - Excellent cash flow and strengthened balance sheet
 - Sustainability performance
 - Operational performance
- Systematic work on Navigate plan for sustainable growth paying off
- Outlook uncertain but ambition unchanged



Questions & Answers



GRÄNGES