Today’s presenters

JOHAN MENCKEL
CEO
Since: 2012
Gränges since: 2004

OSKAR HELLSTRÖM
CFO
Since: 2011
Increased operating profit and strong cash flow supported by improved market conditions

- Sequentially improved market conditions in all regions
- Continued focus on mitigating actions
- Increased sales volume and operating profit
  - Sales volume increased by 1%
  - Adjusted operating profit SEK 203 million
- Continued strong cash generation
  - Adjusted cash flow before financing SEK 380 million
- Establishment of Gränges Powder Metallurgy
Light vehicle production decreased by 3% while HVAC production increased by 16% in the third quarter.

End market production growth (YoY)

<table>
<thead>
<tr>
<th>Region</th>
<th>Q3 2020</th>
<th>Q4 2020</th>
<th>Full year 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>-3%</td>
<td>-3%</td>
<td>-18%</td>
</tr>
<tr>
<td>Asia</td>
<td>-1%</td>
<td>-4%</td>
<td>-14%</td>
</tr>
<tr>
<td>Europe</td>
<td>-8%</td>
<td>-1%</td>
<td>-23%</td>
</tr>
<tr>
<td>Americas</td>
<td>-3%</td>
<td>+1%</td>
<td>-22%</td>
</tr>
<tr>
<td>Americas</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Source: Automotive light vehicle production - IHS Automotive, October 2020
HVAC unit shipments - AHRI, October 2020
Strong development of HVAC & Other sales balanced the decline for Automotive sales in the third quarter.

Gränges sales volume (ktonnes)

<table>
<thead>
<tr>
<th>Asia</th>
<th>Europe</th>
<th>Americas</th>
<th>Gränges Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>17.7 Q3</td>
<td>14.1 Q3</td>
<td>54.0 Q3</td>
<td>85.8 Q3</td>
</tr>
<tr>
<td>15.1 Q2</td>
<td>8.6 Q2</td>
<td>47.1 Q2</td>
<td>70.8 Q2</td>
</tr>
<tr>
<td>16.8 Q3</td>
<td>10.3 Q3</td>
<td>59.6 Q3</td>
<td>86.7 Q3</td>
</tr>
</tbody>
</table>

- Decreased sales volume due to COVID-19
- Recovery in China
- Inventory reductions at several customers

- Decreased sales volume due to COVID-19
- Increased market activity at the end of the quarter

- Long and warm season impacted HVAC sales
- Decreased automotive sales due to COVID-19
- Inventory reductions at several customers

- Automotive sales decreased by 14%
- HVAC & Other sales increased by 15%
As of October all facilities are back to normal operations

Status of current operations and expansion initiatives

**Americas**
- Huntingdon and Newport operating as normal
- Salisbury restarted in September
- Newport upgrade resumed

**Europe**
- Finspång back to normal operation in October
- Finspång site logistics improvement partly resumed

**Asia**
- Shanghai operating as normal
Successful ramp-up of new capacity in Newport contributed to the best quarter so far in Americas

- Newport is producing high quality light gauge foil for speciality packaging applications
- Strong demand development due to changes in consumer behaviour following COVID-19
- Third quarter sales volume 2.7 ktonnes
- Annual production capacity after completion of upgrade 20 ktonnes
- Upgrade project resumed in September with target completion in first quarter 2021
Gränges Powder Metallurgy will focus on advanced aluminium powder for additive manufacturing

- Gränges Powder Metallurgy established in October 2020 through the acquisition of Getek and Dispal®
- Focus on two primary product areas:
  - Powder for additive manufacturing
  - Spray forming technology
- Expected market growth of +25% p.a.¹
- Production sites in Saint-Avold, France and Velbert, Germany

¹ AMPOWER report, 2020
The acquisition of Aluminium Konin is expected to be completed in the fourth quarter

- Final EU commission approval obtained in September
- New structure for payment agreed with the seller where about 10% or SEK 200 million of the EV will be a non cash issue
- The rights issue intended to follow the completion of the transaction will be reduced with the non cash issue amount
Key strategic rationales for Aluminium Konin acquisition

1. Additional capabilities and capacity for solutions for future vehicles
   Gränges will get capacity for growth and additional production capabilities to broaden the offer of solutions for future vehicles

2. New attractive niche markets
   Gränges will get a more diversified business portfolio and further strengthen the platform for future growth

3. Stronger market presence in Europe
   Gränges will get a stronger presence in Europe and can leverage the European organization to realize synergies
The acquisition of Aluminium Konin is an important next step on Gränges’ growth path

(1) EBITDA adjusted for items affecting comparability
Sequential sales volume growth allowed for margin recovery in the third quarter

Sales volume and adjusted operating profit per tonne

- Automotive sales volume
- Automotive adj. operating profit per tonne
- HVAC & Other sales volume
- HVAC & Other adj. operating profit per tonne

<table>
<thead>
<tr>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>45.0</td>
<td>46.2</td>
<td>46.6</td>
<td>40.6</td>
<td>45.2</td>
<td>38.8</td>
<td>39.1</td>
</tr>
<tr>
<td>38.2</td>
<td>51.7</td>
<td>27.3</td>
<td>43.4</td>
<td>34.9</td>
<td>51.8</td>
<td></td>
</tr>
</tbody>
</table>
## Financial overview – third quarter 2020

<table>
<thead>
<tr>
<th></th>
<th>SEK million</th>
<th>Q3</th>
<th>January - September</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2019</td>
<td>Change</td>
</tr>
<tr>
<td>Sales volume (ktonnes)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net sales</td>
<td>2,575</td>
<td>2,998</td>
<td>-14.1%</td>
</tr>
<tr>
<td>Adjusted operating profit¹</td>
<td>203</td>
<td>190</td>
<td>7.1%</td>
</tr>
<tr>
<td>Adjusted operating margin (%)</td>
<td>7.9</td>
<td>6.3</td>
<td>1.6 ppt</td>
</tr>
<tr>
<td>Adjusted operating profit per tonne (kSEK)</td>
<td>2.3</td>
<td>2.2</td>
<td>0.1</td>
</tr>
<tr>
<td>Operating profit</td>
<td>177</td>
<td>190</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>124</td>
<td>198</td>
<td>-37.6%</td>
</tr>
<tr>
<td>Earnings per share² (SEK)</td>
<td>1.64</td>
<td>2.62</td>
<td>-0.99</td>
</tr>
<tr>
<td>Adj. cash flow before financing activities³</td>
<td>380</td>
<td>442</td>
<td>-14.0%</td>
</tr>
<tr>
<td>Return on capital employed, R12 (%)</td>
<td>7.7</td>
<td>12.8</td>
<td>-5.1 ppt</td>
</tr>
<tr>
<td>Net debt / adjusted EBITDA, R12</td>
<td>2.5</td>
<td>2.7</td>
<td></td>
</tr>
</tbody>
</table>

(1) Adjusted for items affecting comparability
(2) Diluted
(3) Adjusted for expansion investments and acquisitions
Significant reduction in net debt driven by strong cash flow from operations

Note: Net debt including pension and leasing liabilities. As per 30 September 2020, total pension and leasing liabilities amounted to SEK 614 million.
Outlook - fourth quarter 2020

○ The uncertainty around the COVID-19 pandemic makes reliable forecasting very difficult

○ IHS estimates a continued recovery of the global light vehicle production in the fourth quarter

○ Gränges currently expects an organic year over year sales volume increase by low single digits
  – Stable development for Automotive materials on global level
  – Mid single digit increase for HVAC & Other materials in Americas

Source: IHS Automotive, October 2020
Summary - third quarter 2020

- Sequentially improved market conditions
- Continued focus on mitigating actions
- Increased sales volume and operating profit
- Continued strong cash generation
- Establishment of Gränges Powder Metallurgy
- Closing of Aluminium Konin acquisition expected in fourth quarter
Q&A

Johan Menckel, CEO
Oskar Hellström, CFO