Results for the first quarter of 2021

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21 May 2021

BEWI

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This presentation, prepared by BEWI ASA (the "Company"), may contain statements about future events and expectations that are forward-looking statements. Any statement in this presentation that is not a statement of historical fact including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations is a forward-looking statement that involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. Although management believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements.

The Company assumes no obligations to update the forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements. This presentation contains alternative performance measures, or non-IFRS financial measures. Definitions and calculations are presented in our quarterly report.

First quarter of 2021

Highlights

Delivering significant growth

Strong markets and positive contribution from growth initiatives

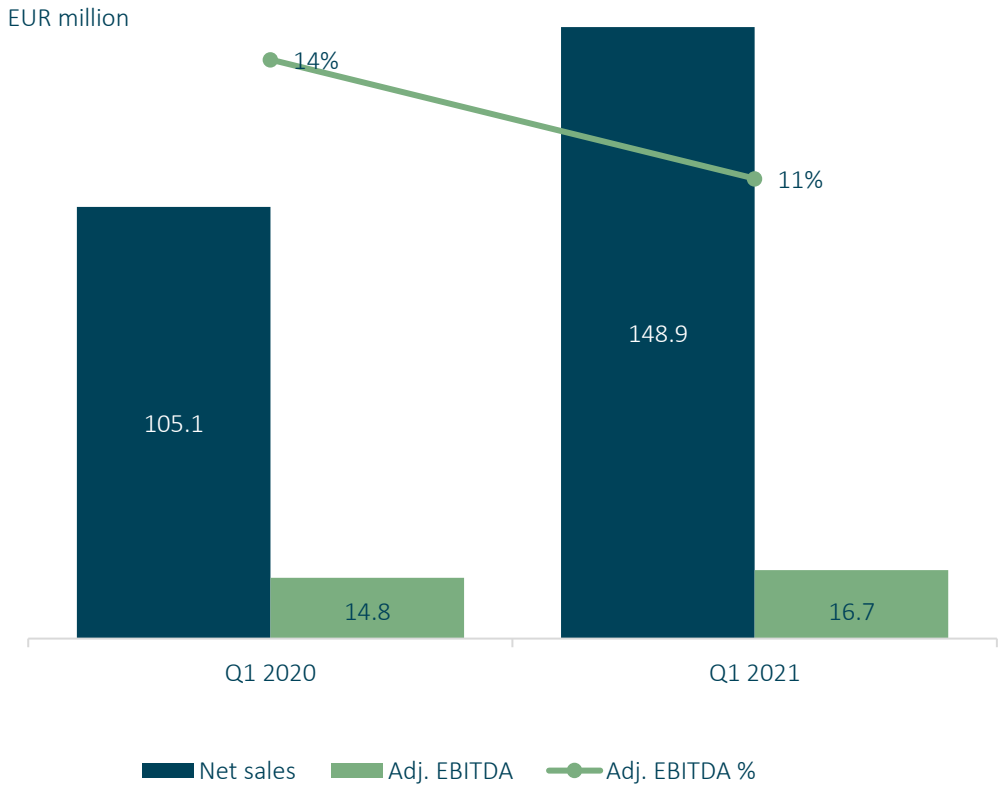
- Higher volumes in all segments
  - Strong underlying demand
  - Well-performing operations and trusted customer relations
  - Positive contribution from acquired companies
- Ramped-up recycling volumes in Portugal, full commercialisation expected in Q2
- Launched new packaging facility @ Jøsnøya, Norway
- Acquired Danish paper packaging company Honeycomb
- Agreement to acquire market leader for EPP components to automotive industry IZOBLOK

Financial highlights

Improved volumes in all segments and most regions

- Net sales up by 42%, to EUR 148.9 million
  - 19% organic growth from improved volumes and increased sales prices for segment RAW
- Adj. EBITDA of EUR 16.7 million

- Historically sharp increase in Styrene price
  - Positively affecting revenue and EBITDA for RAW
  - Sales price adjustments in downstream segments lag about one quarter
  - Integrated business model a competitive advantage

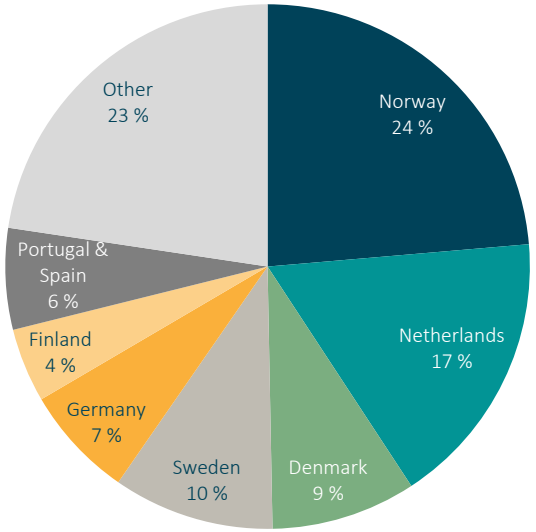


Proven integrated business model

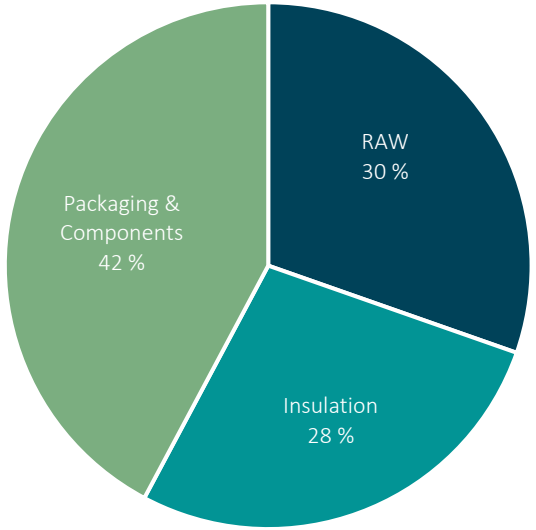
A competitive advantage in challenging times

First quarter 2021 financials

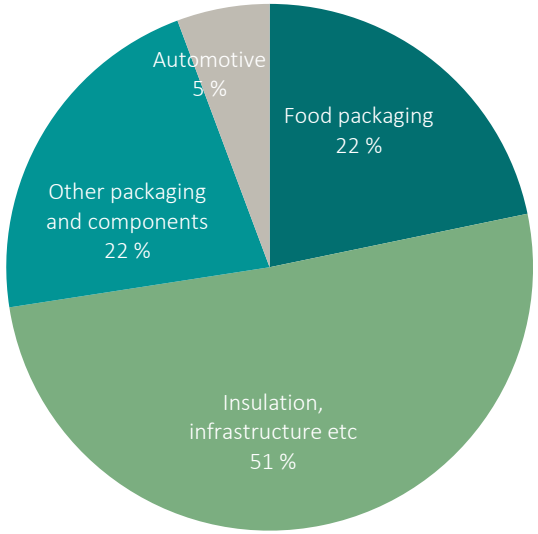
Diversified across countries



Diversified across segments



Diversified across end-markets [1)]



Note: (1) Based on Management estimates

Continued focus on growth

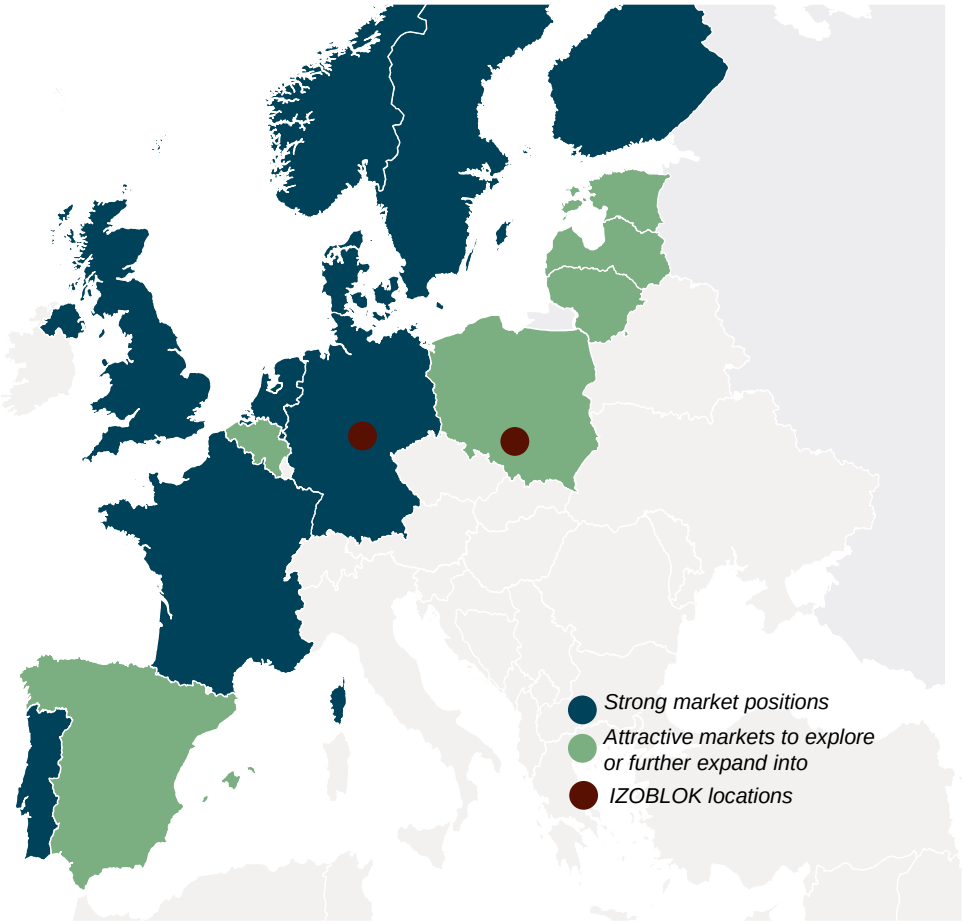
A strong financial platform and pipeline of opportunities

Organic initiatives

- Integration of acquired companies, incl. cross-sales, synergies, optimising operations
- Greenfield projects, incl. new production lines
- Expansion of existing facilities

Strong pipeline of M&A opportunities

- Strengthen market positions
- Broaden product offering, in particular within complementary materials
- Geographic expansion
- Be the leading recycling consolidator



Ongoing organic growth initiatives

Selected greenfield projects securing growth

- Establishing state-of-the art packaging hub @ Jøsnøya
- Fish box facility under construction @ Senja
  - Long-term agreement with SalMar for delivery to new processing plant InnovaNor
  - Expect to commence operations in Q3 2021
- Recycling facility in Portugal handling mass-volumes
  - Ramped-up production in Q1, capacity of ~10,000 tonnes
  - Commercialisation expected in Q2
- Insulation centre @ Norrköping
  - Invested in modern extrusion technology, enabling increased use of recycling materials, as well as improved production and efficiency

Agreement to acquire majority stake of IZOBLOK

Strengthened market position for automotive EPP components

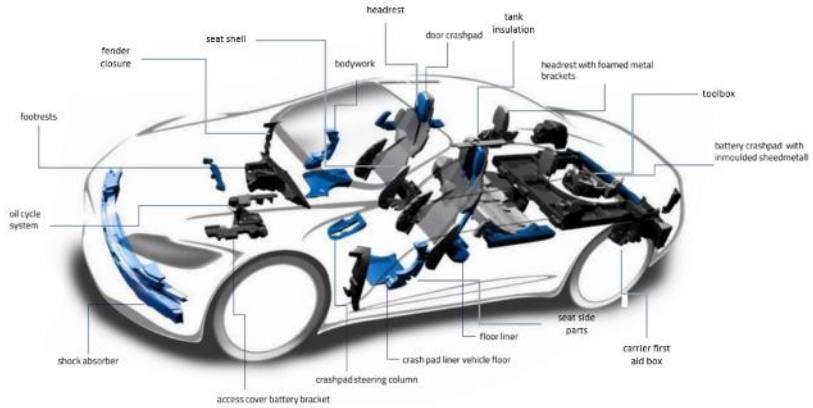
- Confirming strategy to consolidate in a growth market
- Expect growth in use of EPP components
- Great synergy potential related to BEWI's EPP business
  - Sourcing of raw materials
  - EPP production capacity
  - Sales synergies/ vertical integration
- Acquire 54.21% of shares/ 65.66% voting rights
  - Purchase price EUR 16.5 million, EUR 13.5 in cash
- Expect to complete transaction in Q2 2021

IZOBLOK at a glance

Leading provider of EPP components to the automotive industry in Europe

- Listed on Warsaw Stock Exchange, GPW Main Market
- Estimated market share of 21% for EPP components to the automotive industry in Europe
- Strategic geographic location in Poland with developed infrastructure, ensuring access to clients across Europe
- HQ and 3 facilities in Chorzow, Poland and 1 facility in Ohrdruf, Germany
- ~ 460 employees
- Experienced management team
  - Founder and CEO Przemyslaw Skryzdlak will continue to head the automotive business

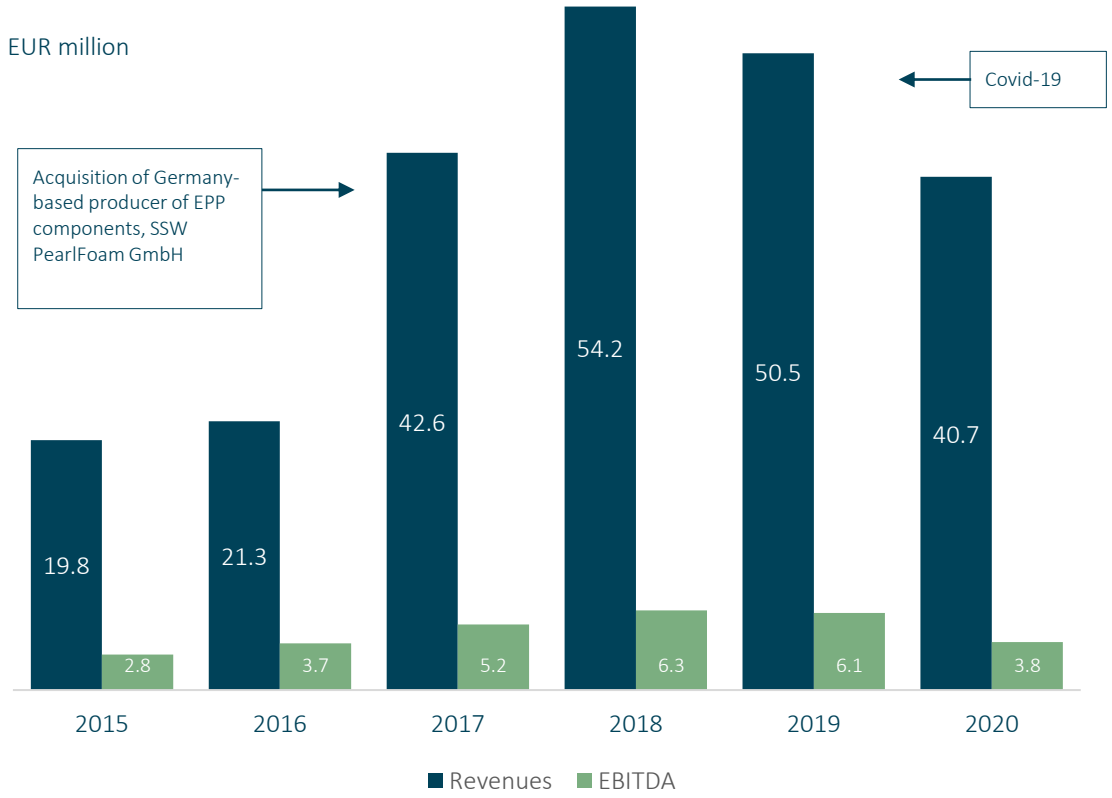
SELECTED PRODUCT RANGE



SELECTED BLUE-CHIP CUSTOMERS

Financial development IZOBLOK

Automotive industry significantly impacted by Covid-19



IZOBLOK financials

(full financial year from 1 May to 30 April)

- Pre-Covid revenue level of EUR 51 million and EBITDA of EUR 6 million
- Automotive industry significantly negatively impacted by Covid-19
- Signs of improvement in results the last two quarters
- Recently agreed to supply components to Tesla for EUR 16.4 million over 5 years, through industry giant Autoneum

European automotive industry

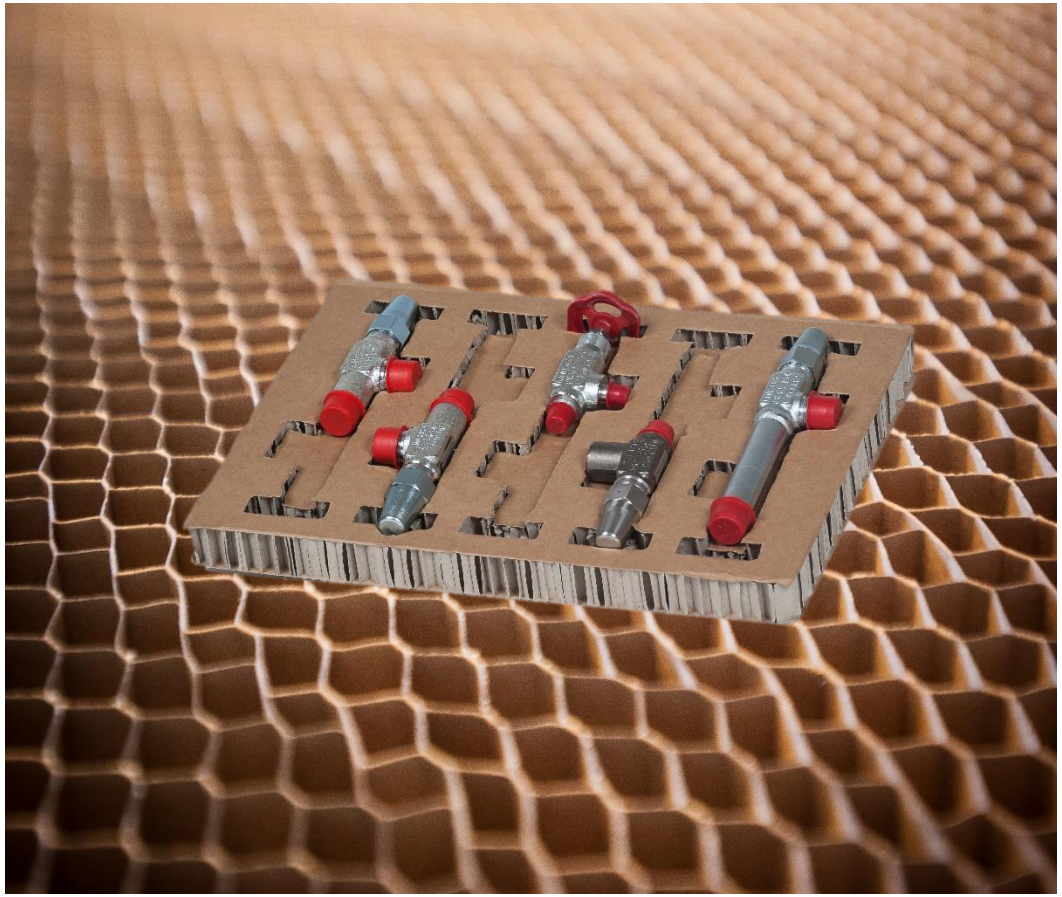
- European light vehicle production expected to grow by 20% in 2021 YoY
- Signs of improvement in global auto sales, close to the pre-corona level

Source: SB1m/Macrobond, LMC Automotive "European Light Vehicle Production Forecast, December 2020"

Acquisition of Danish company Honeycomb Cellpack

Strengthening business model by broadening product portfolio with complementary materials

- Broadening product offering within protective paper packaging
- In line with strategy to provide existing and new customers with complementary/ alternative solutions to EPS
- Honeycomb provides sustainable protective packaging solutions from fibre – 100% recyclable and biodegradable
- Several close and long-lasting relations with reputable blue-chip customers in the Nordics
- Experienced management will continue to lead the business
- Revenues of close to DKK 30 million in 2020
- Acquired 51%, has an option to acquire the remaining 49%



Acquisition of minority of recycling company Inoplast

Continuously consolidating and strengthening recycling capacity

- Acquired 34% of Czech recycling company Inoplast
- Proven technology and versatile machinery allowing for recycling of various plastic waste
- Specialist in recycling of EPS
- Adding 5,000 to 6,000 tonnes to recycling capacity
- Facility approx. 35 km from Prague in the city of Slaný

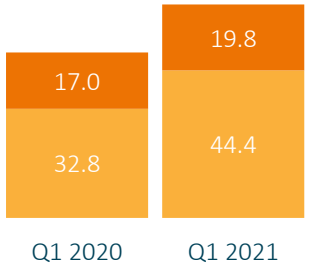
First quarter of 2021

Financials

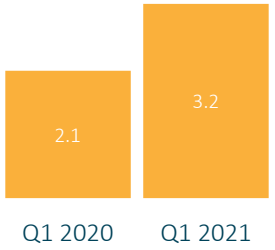
Financial overview

EUR million

RAW

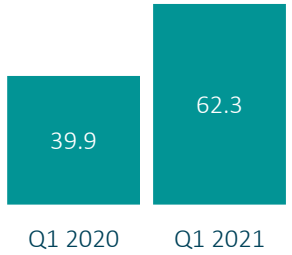


Gross sales

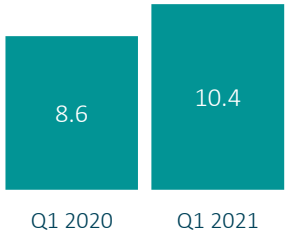


Adj. EBITDA

Packaging & Components

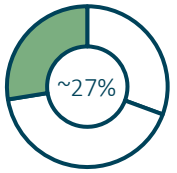


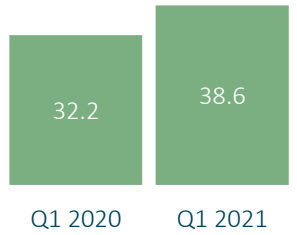
Gross sales



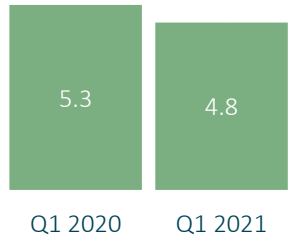
Adj. EBITDA

Insulation



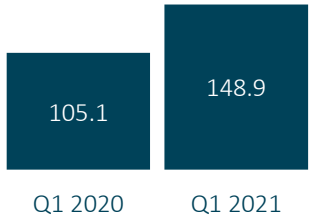


Gross sales

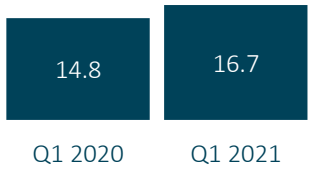


Adj. EBITDA

BEWI ASA



Net sales



Adj. EBITDA

Contribution to net sales Q1 2021

Internal sales

RAW

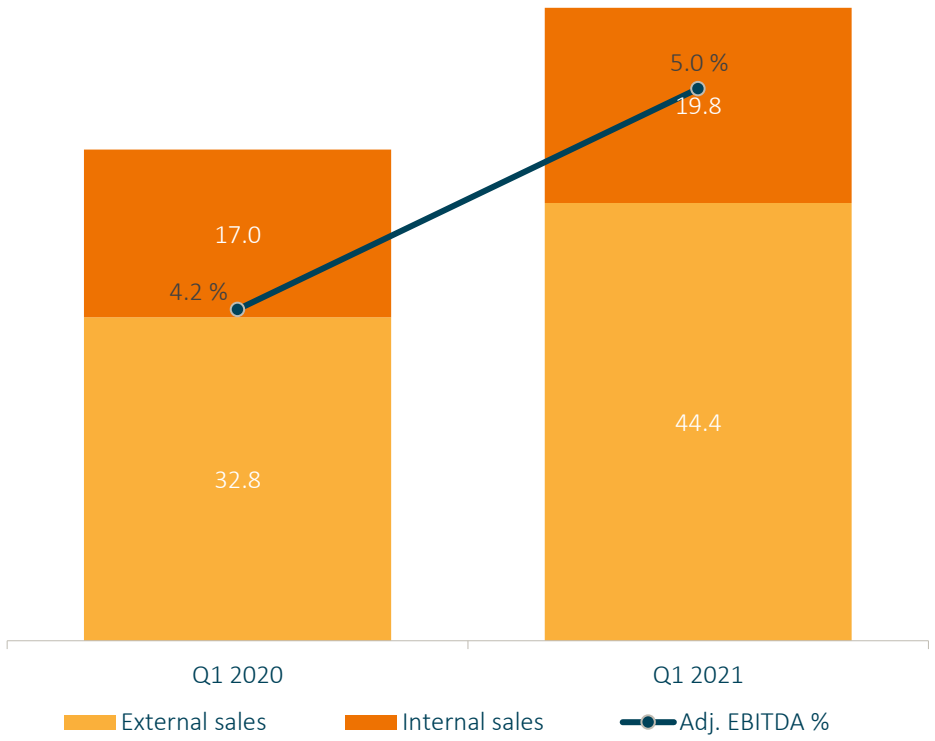
Improved volumes and EBITDA following strong market

First quarter of 2021

- Net sales of EUR 64.2 million (49.8), up 29.0%
  - Increased volumes and raw material prices
  - Positive volume development primarily relates to external sales
- Adj. EBITDA of EUR 3.2 million (2.1), a margin of 5.0%
  - Stable production and strengthened demand
  - Styrene gross margin, GAP, higher than normal range

Net sales and Adj. EBITDA margin

EUR million

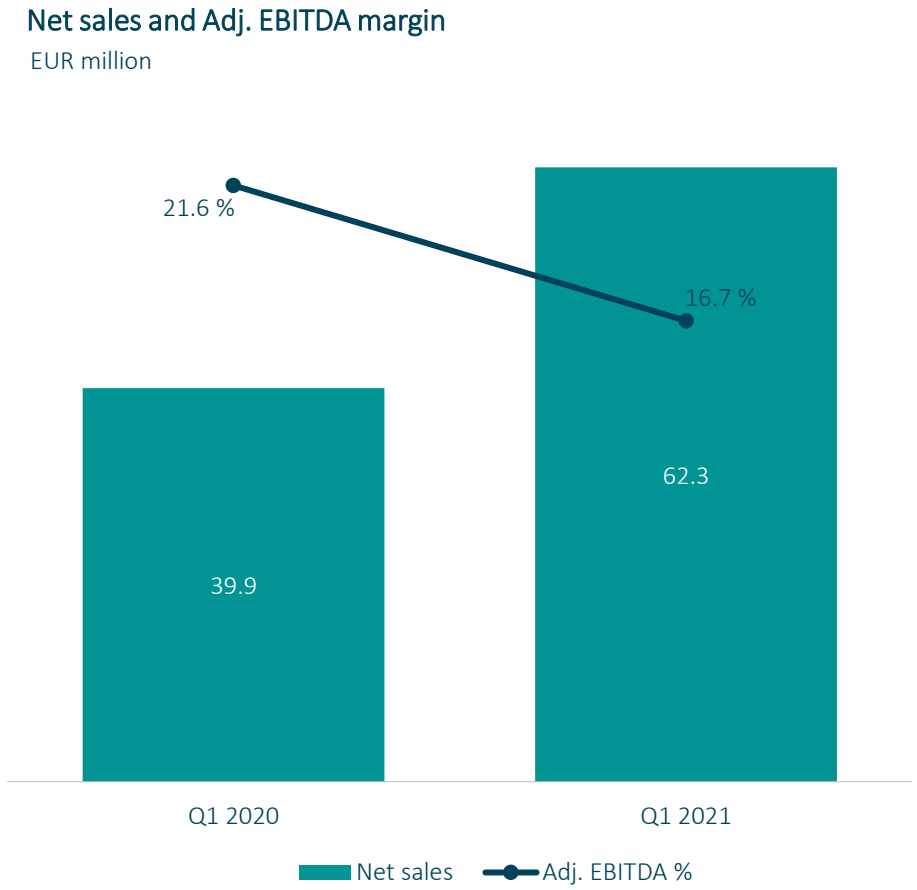


Packaging & Components

Stable end markets with volume increases in most regions

First quarter of 2021

- Net sales of EUR 62.3 million (39.9), up 56.0%
  - 11.6% organic growth from higher volumes in all regions except the Netherlands
  - BDH, acquired in Aug 2020 contribute by EUR 17.7 million
- Adj. EBITDA of EUR 10.5 million (8.6), a margin of 16.7%
  - Increase relates to acquired companies
  - More trading activities in BDH result in some margin dilution
  - Increase in cost of raw material, negatively affecting margins, since price adjustments towards customers lag about one quarter

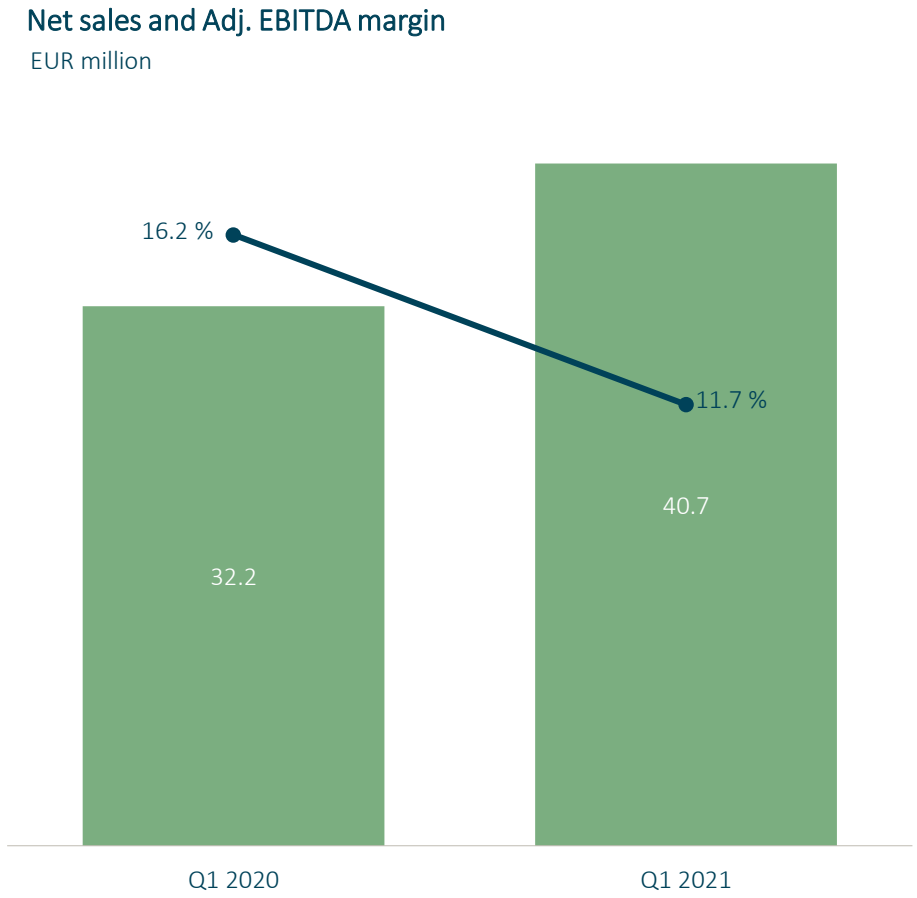


Insulation

Improving volumes in all regions, including Benelux

First quarter of 2021

- Net sales of EUR 40.7 million (32.2), up 26.5%
  - 7.9% organic growth mainly from volume increase
  - Improved volumes in Benelux a positive market shift since the decline throughout 2020
- Adj. EBITDA of EUR 4.8 million (5.3), a margin of 11.7%
  - Excl. acquisitions, EBITDA decreased by 20.5%
  - Increase in cost of raw material, negatively affecting margins, since price adjustments towards customers lag about one quarter
  - Some delay in production start-up in Norrköping, leading to extra cost to installations and inefficiency



Financials

Consolidated P&L

Amounts in EUR million	Q1 2021	Q1 2020	2020
Net Sales	148.9	105,1	462.6
Other operating income	0.0	0,1	0.0
Total operating income	**148.9**	**105.1**	**462.6**
Raw materials and consumables	-60.0	-46.3	-181.1
Goods for resale	-18.4	-2.3	-35.3
Other external costs	-29.4	-23.3	-99.4
Personnel cost	-25.9	-20.1	-88.1
Depreciation/ amortisation/ impairment	-8.7	-7.2	-30.4
- attributable to operations	*-4.1*	*-3.3*	*-15.0*
- attributable to IFRS 16	*-2.4*	*-2.0*	*-7.3*
- attributable to fair value adjustments in business combinations	*-2.2*	*-1.9*	*-8.1*
Share of income from associated comp.	0.3	0.6	4.9
Capital gain from sale of assets	0.0	-	6.3
Operating income (EBIT)	**6.8**	**6.5**	**39.5**
Net financial items	-6.4	-2.7	-7.2
Income tax expense	-1.4	-1.5	-2.3
Profit for the period	**-1.0**	**2.3**	**30.0**

First quarter of 2020

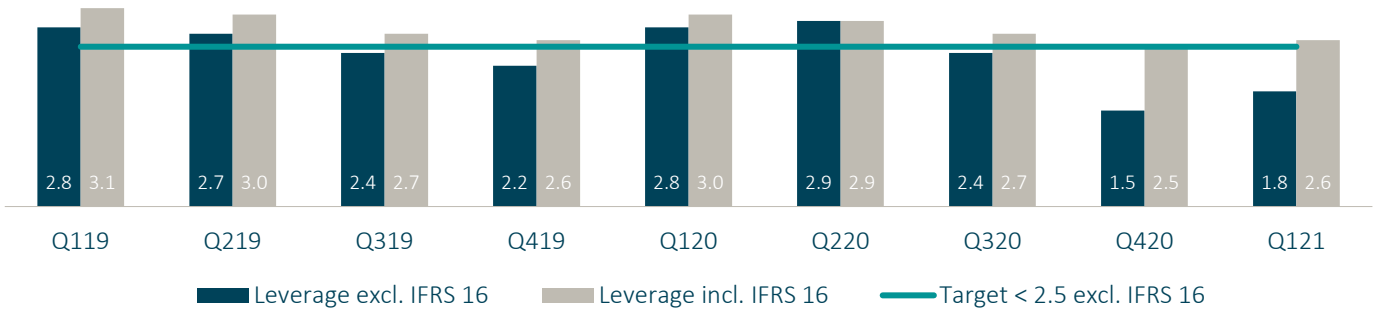
- Net sales up by 42%, 19% excl. acquisitions
- Increased operating costs
  - Raw materials and goods for resale as percentage of sales increased due to higher cost of raw material, since sales prices in downstream are adjusted retroactive
  - Goods for resale increased in general due to the acquisition of BDH in Aug 2020, which have a large portion of trading activities
- Increased FTE due to acquisitions
  - 1,486 end of March 2021, up from 1,438 end of 2020 and 1,277 end of March 2020
- Depreciation increased following acquisitions and divestments of real estates
- Contribution from associated companies lower mainly due to higher cost of raw material
- Net financial items EUR -6.4 million
  - Includes EUR 3.7 million negative fair value revaluation of shares
- Effective tax rate 28.5% adj. for revaluation of shares and non-deductible transaction costs
- Profit for the period impacted by a negative fair value revaluation of shares, EUR 3.7 million

Financials

Capital structure

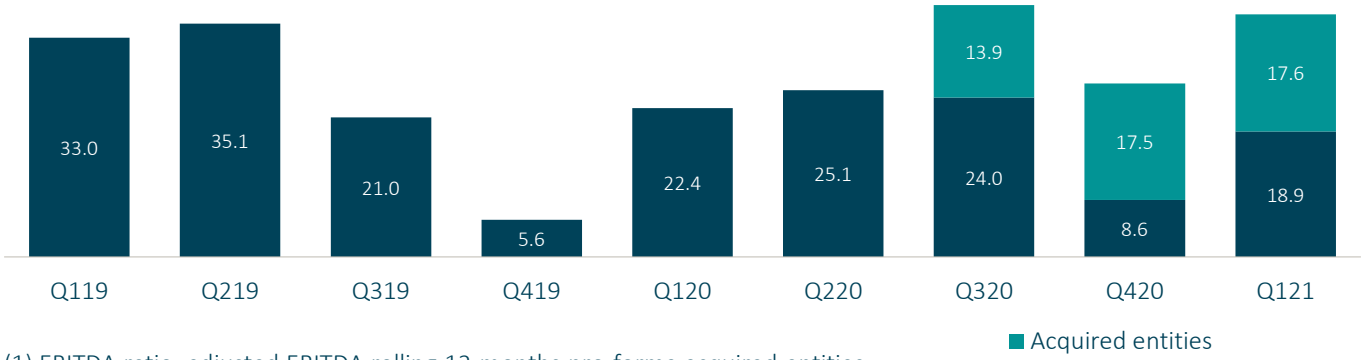
Leverage: Net debt/ EBITDA ratio(1)

EUR million



Working capital

EUR million



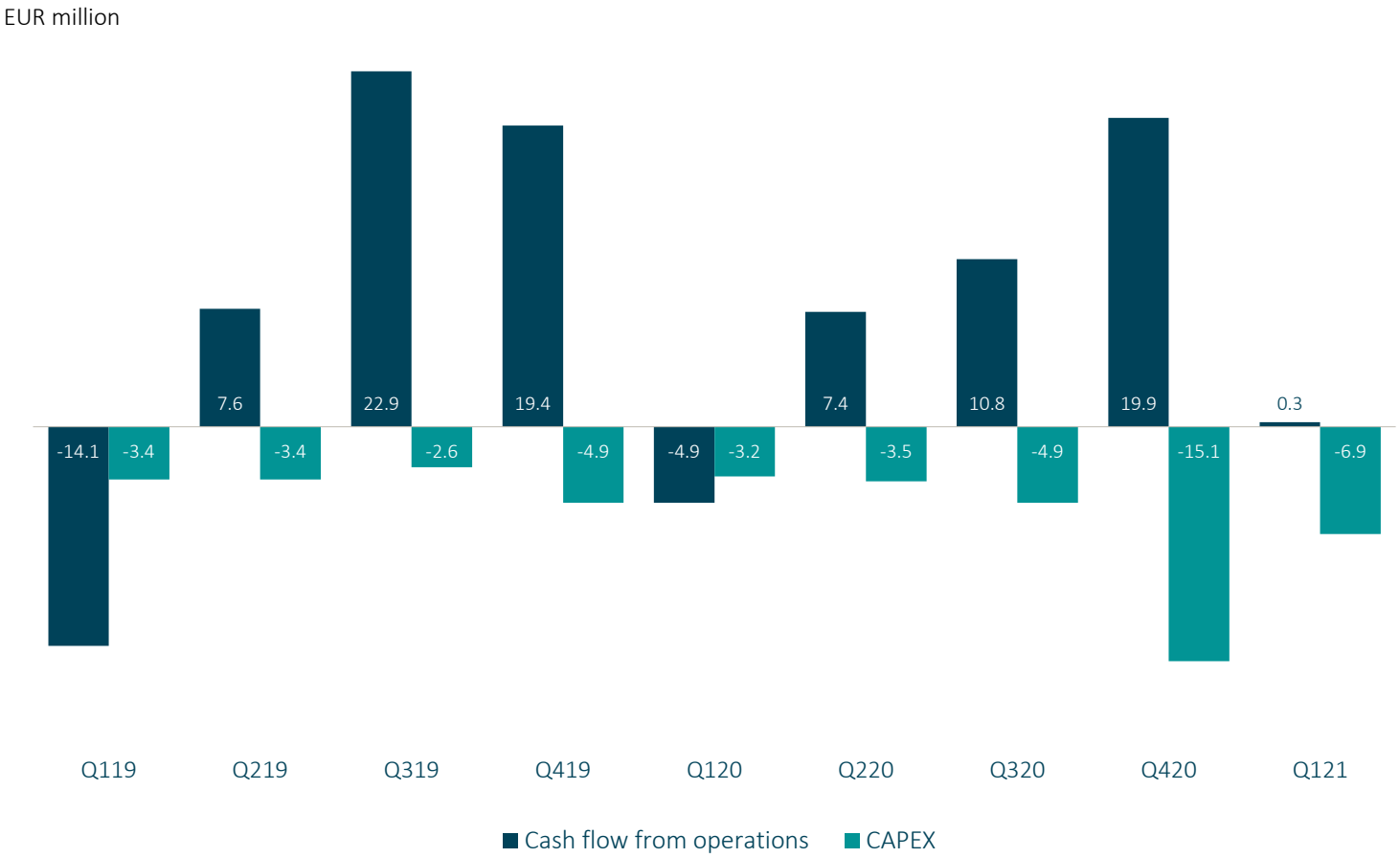
(1) EBITDA ratio: adjusted EBITDA rolling 12-months pro-forma acquired entities
Change in accounting principle from 1 January 2019 (IFRS 16)

- Net debt EUR 178.6 million on 31 March 2021
  - EUR 100.6 million excluding IFRS 16
- Positive cash flow from operations Q1, acquisitions and CAPEX increase net debt compared to year-end
- Unutilized credit facility of approx. EUR 25 million
- Leverage in line with year-end, improved compared to Q1 2020 due to improving earnings
- Private placement of NOK 200 million in Q2
  - Primarily financing acquisition of IZOBLOK
  - Strengthening financial position with ~NOK 55 million

EUR million	**31.03.21**	31.12.20	31.03.20
Cash and Cash equivalents	53.5	51.4	**47.5**
Non-current liabilities	140.6	140.7	**139.8**
Current liabilities	13.5	2.4	**32.1**
Debt related to IFRS 16	78.0	78.5	**30.4**
Net debt in total	**178.6**	**170.2**	**155.0**
- excl. IFRS	*100.6*	*124.5*	***91.8***

Financials

Cash flow and CAPEX



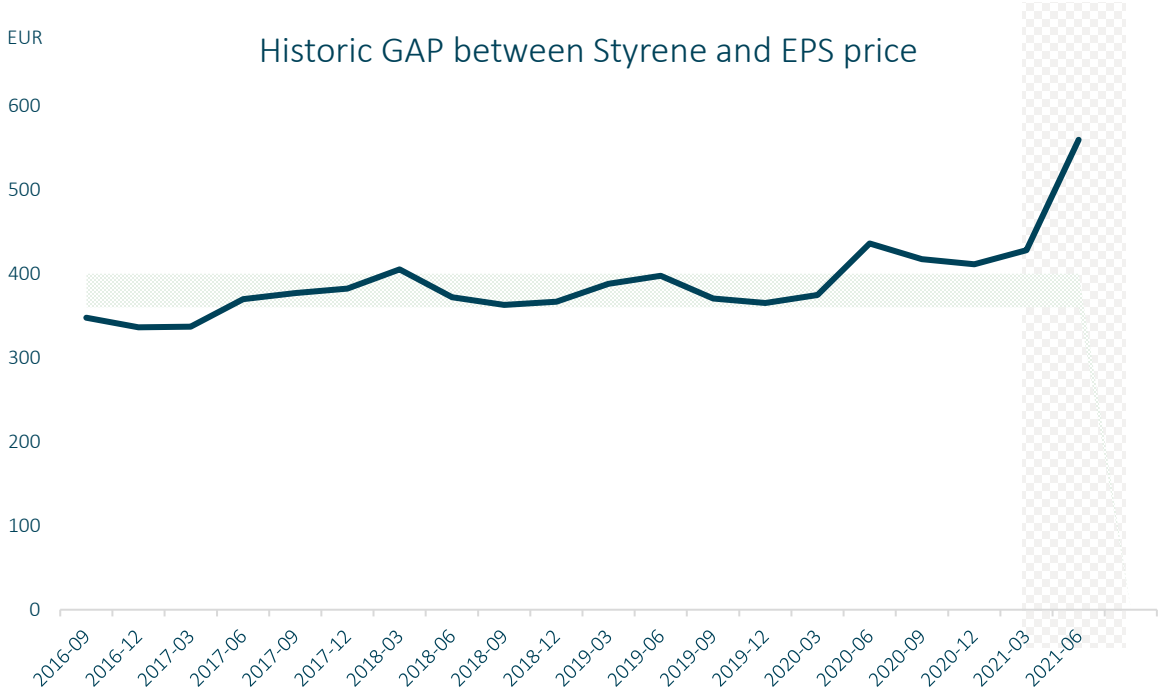
- Operating cash flow of EUR 0.3 million
  - Increase in working capital of EUR 9.5 million, following normal seasonality
- Cash flow for investments EUR 7.2 million in Q121
  - CAPEX of EUR 6.9 million, EUR 3.3 related to greenfield projects
- Ongoing investment programmes
  - Fish box facility @ Senja, Norway, under long-term supply agreement with customer SalMar
  - Recycling facility in Portugal
  - Technology investments in Stjørdal, Norway, for production of moulded components under a customer agreement
  - Machinery and technology at Norrköping, Sweden
  - ICT/ ERP investments

First quarter of 2021

Summary and outlook

Raw material market development

Higher Styrene price and shortage of EPS raw material, combined with strong demand



Source: IHS Markit

- Sharp increase in Styrene price in Q1, prices continued upwards in Q2
- Lower supply of EPS raw material combined with strong demand, result in price increase for EPS
- Market analysts(1) forecast an average of ~40% higher EPS contract prices for Q2 than Q1 2021
- Historically, normal GAP, i.e. difference between Styrene price and EPS price, has been in the range of EUR 360-400
- GAP expected to be ~25-30% above normal range in Q2, which will have a direct impact on margins for segment RAW

- BEWI outperforms the market due to
  - Integrated business model
  - Proven delivery capacity
  - Solid and long-term customer relations
  - Robust dual-source procurement strategy
  - Index-regulated customer agreements

(1) IHS Markit forecast

Outlook

Volume development remains solid into second quarter

- Experience strong demand in Q2, except for a slowdown for sale of fish boxes in Norway
- Raw material prices have continued to increase in April and May
- Shortage of EPS raw materials remains, prices expected(1) to increase ~40% in Q2 vs Q1
- GAP expected at 25-30% above normal range positively impacting margins for RAW
- Continuing increase in cost of raw material, challenge margins for downstream in Q2
  - P&C also exposed to lower volumes of fish boxes and margin dilution from integration of BDH
- Board propose to AGM to pay a dividend of NOK 0.42 per share for 2020

(1) IHS Markit forecast

Well positioned for further growth

- Solid operational performance
- A proven business model and delivery capacity
- Strong underlying demand
- Robust financial position
- Continued growth in line with strategic priorities

BEWI

for a better everyday

Next event

Second quarter 2021

25 August 2021

BEWI in brief

International provider of packaging, components and insulation solutions

Strategically integrated through the value chain

- Diversified across segments, regions and end-markets
- Resillient business model

European footprint

- 52 facilities, including 8 for recycling and 14 through minority interests
- ~1,400 employees, listed at Oslo Børs

Strategic priorities

- Innovation, searching for more sustainable materials and solutions
- A circular economy
- Profitable growth, through organic initiatives and M&A opportunities

BEWI in key figures

463 EURm
net sales [1)]

65 EURm
adj. EBITDA [1)]

41 EURm
adj. EBITA [1)]

38
facilities [3)]

200 kt
annual EPS production capacity

~1,400
FTEs employed

20 kt
run-rate recycling capacity

10 EURm
invested in recycling

8
recycling plants

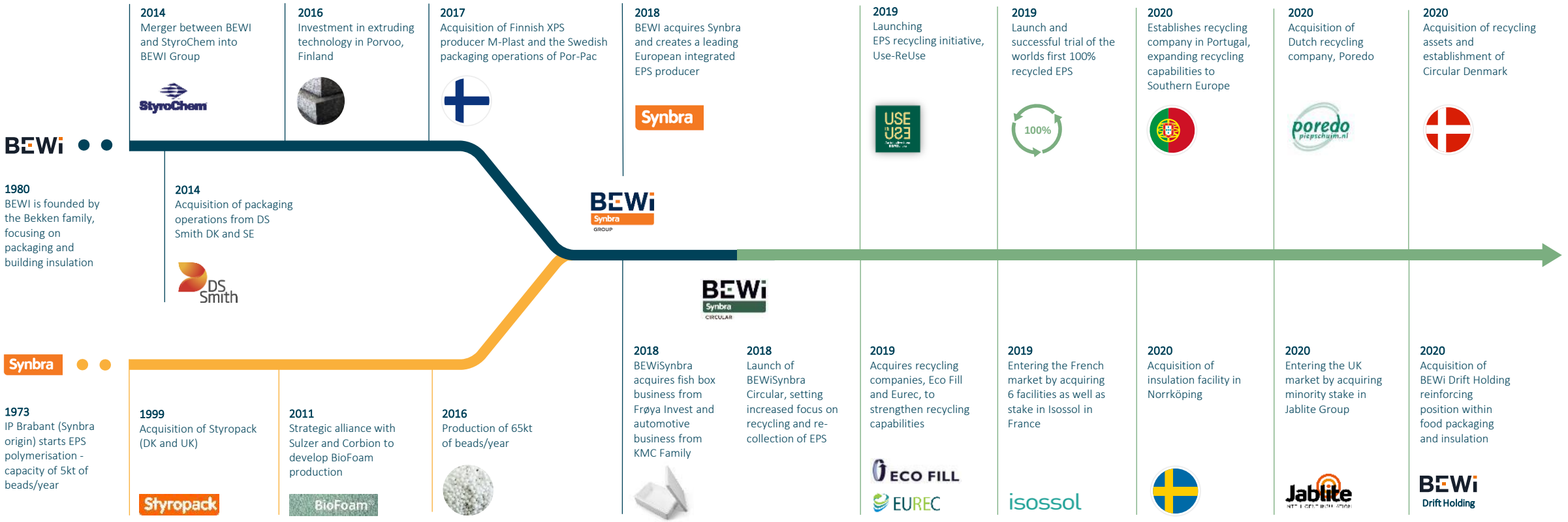
45%
M&A CAGR [2)]

19
M&As since 2014

4
Circular M&A-deals

Note: 1) Financials for 2020 2) Revenue growth between 2012 and 2019 3) excluding facilities held through minorities

40 years of M&A and successful integration



2011-2015: Vertical integration | **2016-2018**: European expansion | **2018-** : European expansion focused on integrating recycle capacity

Operating through three core segments

RAW

Production of white and grey EPS and BioFoam, which is further developed into end market products

Net sales 2020
EUR 191.2 million

Adj. EBITDA 2020
EUR 9.4 million

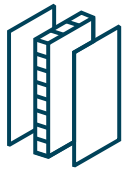
Packaging & Components

Manufacturing standard and customised packaging solutions for many industrial sectors

Net sales 2020
EUR 179.9 million

Adj. EBITDA 2020
EUR 34.1 million

Insulation



Manufacturing of an extensive range of insulation products for the construction and infrastructure sectors

Net sales 2020
EUR 146.6 million

Adj. EBITDA 2020
EUR 26.5 million