BEWi ASA

Presentation of Q3 2020 results

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11 November 2020

Cautionary note regarding forward-looking statements

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BEWi ASA

1 Company overview and strategy

Provider of packaging, components & insulation solutions

BEWi ASA

- Diversified across business segments, regions, end markets and customers
- Proven buy-and-build strategy, continued focus on growth, both organic & M&A
- Frontrunner in innovation and sustainability

Operating through three core segments

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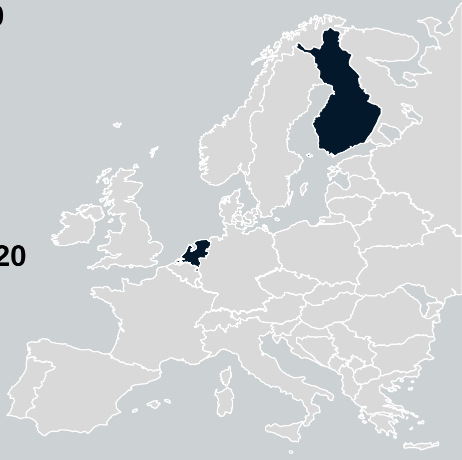
RAW

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

Net sales YTD 2020
EUR 140.8 million

Adj. EBITDA YTD 2020
EUR 7.3 million

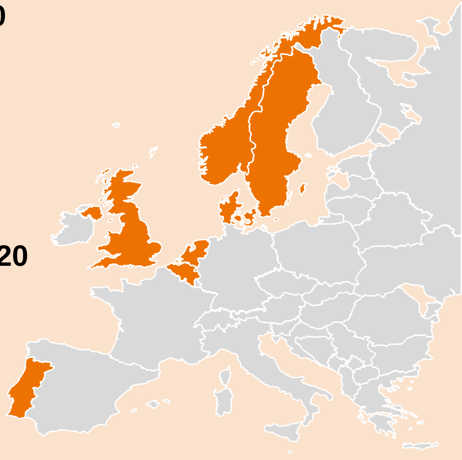


Packaging & Components

Manufacturing standard and customised packaging solutions for many industrial sectors

Net sales YTD 2020
EUR 125.3 million

Adj. EBITDA YTD 2020
EUR 25.4 million

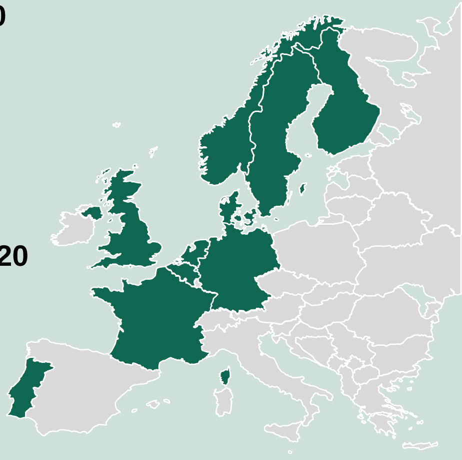


Insulation

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

Net sales YTD 2020
EUR 108.0 million

Adj. EBITDA YTD 2020
EUR 19.0 million



A wide selection of products

Automotive components

Components: Bike helmets

Food packaging

Insulation: Roof systems

Protecting people and goods for a better everyday

A wide selection of products

Components: Lifebuoy

Components: Child seats and bike helmets

Protecting people and goods for a better everyday

BEWi in key figures

BEWi ASA

EURm	EURm	EURm
429.9	**51.8**	**31.4**
net sales[1]	*adj. EBITDA[1]*	*adj. EBITA[1]*

#	kt	#
38	**200**	**~1,400**
plants	*annual EPS production capacity*	*FTEs employed*

kt	SEKm	#
20	**100**	**8**
run-rate recycling capacity	*invested in recycling*	*recycling plants*

%	#	#
45	**19**	**4**
M&A CAGR[2]	*M&As since 2014*	*Circular M&A-deals*

Note: (1) Financials for 2019 (2) Revenue growth between 2012 and 2019.

40 years of M&A and successful integration

BEWi ASA

1980
BEWi is founded by the Bekken family, focusing on packaging and building insulation

2014
Merger between BEWi and StyroChem into BEWi Group

2014
Acquisition of packaging operations from DS Smith DK and SE

2016
Investment in extruding technology in Porvoo, Finland

2017
Acquisition of Finnish XPS producer M-Plast and the Swedish packaging operations of Por-Pac

2018
BEWi acquires Synbra and creates a leading European integrated EPS producer

2019
Launching EPS recycling initiative, Use-ReUse

2019
Launch and successful trial of the worlds first 100% recycled EPS

2020
Establishes recycling company in Portugal, expanding recycling capabilities to Southern Europe

2020
Acquisition of Dutch recycling company, Poredo

2020
Acquisition of recycling assets and establishment of Circular Denmark

BEWi Synbra GROUP

BEWi Synbra CIRCULAR

2018
BEWiSynbra acquires fish box business from Frøya Invest and automotive business from KMC Family

2018
Launch of BEWiSynbra Circular, setting increased focus on recycling and re-collection of EPS

2019
Acquires recycling companies, Eco Fill and Eurec, to strengthen recycling capabilities

2019
Entering the French market by acquiring 6 facilities as well as stake in Isossol in France

2020
Acquisition of insulation facility in Norrköping

2020
Entering the UK market by acquiring minority stake in Jablite Group

2020
Acquisition of BEWi Drift Holding reinforcing position within food packaging and insulation

1973
IP Brabant (Synbra origin) starts EPS polymerisation - capacity of 5kt of beads/year

1999
Acquisition of Styropack (DK and UK)

2011
Strategic alliance with Sulzer and Corbion to develop BioFoam production

2016
Production of 65kt of beads/year

2011-2015

2016-2018

2018-

Vertical integration → **European expansion** → **European expansion focused on integrating recycle capacity**

BEWi's M&A strategy takes various forms…

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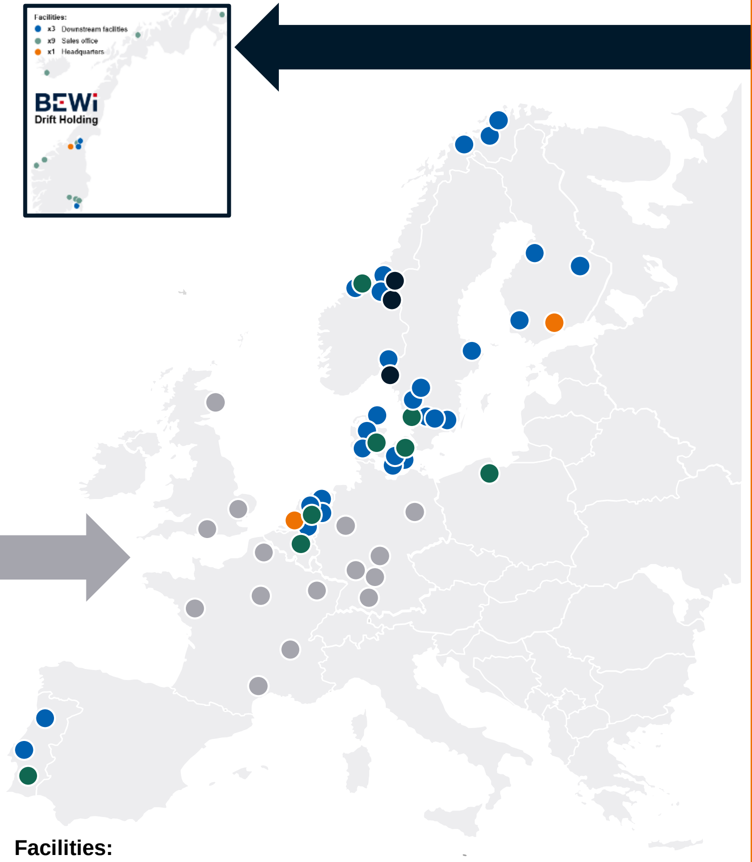
Minority interests
establishing new footholds

1. Exposure to the three largest economies in Europe
2. Increased operational gearing and integration[2]
3. Potential for future M&A

EUR million	YTD 2020 Financials		
Entity	Hirsch Gruppe	isossol	BEWi ASA
% owned	34%	34%	34%
Revenue	67.5	48.3	115.8
EBITDA	8.3	4.5	12.8
Proportionate revenue	23.0	16.4	39.4
Proportionate EBITDA	2.8	1.5	4.3
Book value	2.2	5.2	7.4

BEWi acquired 49% of UK asset, Jablite, in June 2020

Established European presence
through several acquisitions

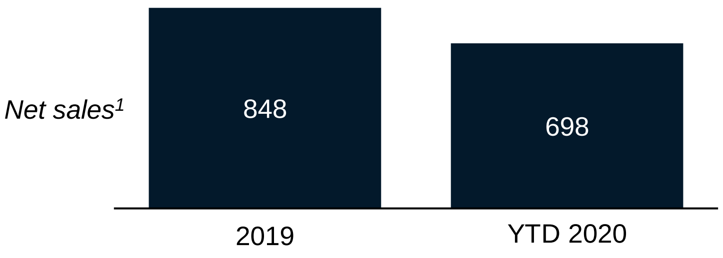


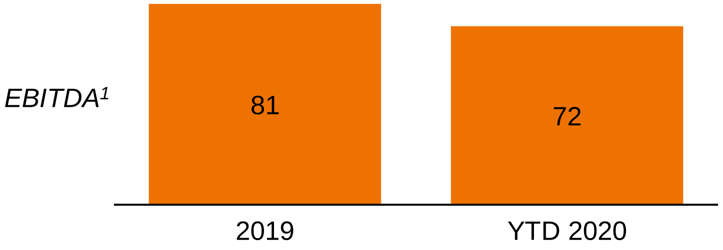
Facilities:
x2 RAW **x8** Circular facilities **x3** BDH downstream facilities
x25 Downstream facilities **x13** Jointly owned downstream facilities

BDH rationale
cementing existing presence

1. Increased market share in Norway
2. Complementary portfolio
3. Synergy potential

Key financials BDH in NOK million:





Note: (1) Financials for 2019 and YTD 2020 based on unaudited pro forma consolidation of BEWi Drift Holding AS's group companies adjusted for effects of implementing IFRS 16.
(2) Integration ensures demand for current RAW volume

Annual recycling target of 60,000 tons to secure full circularity

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2018	Current	2021

BEWi Circular:
BEWi launches Circular in October 2018 with a vision to achieve climate neutrality by recycling 60kt of EPS annually

BEWi Synbra CIRCULAR

- ✓ Circular considered a strategic driver across all segments
- ✓ Circular positioned to capitalise on growing environmental concern
- ✓ Circular expected to return profits within 2021
- ✓ Circular intended to forestall legislation and taxes

8 recycling facilities:

2x

First producer of 100% recycled EPS

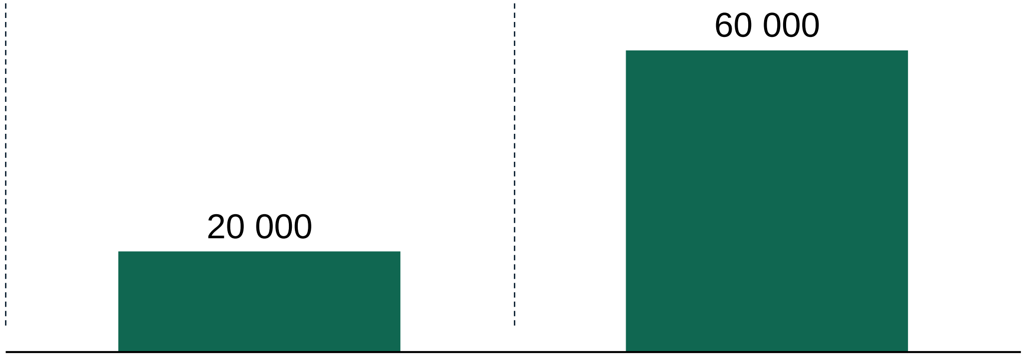
100%

Use-ReUse initiative established

SEK ~100m invested in recycling initiatives and acquisitions

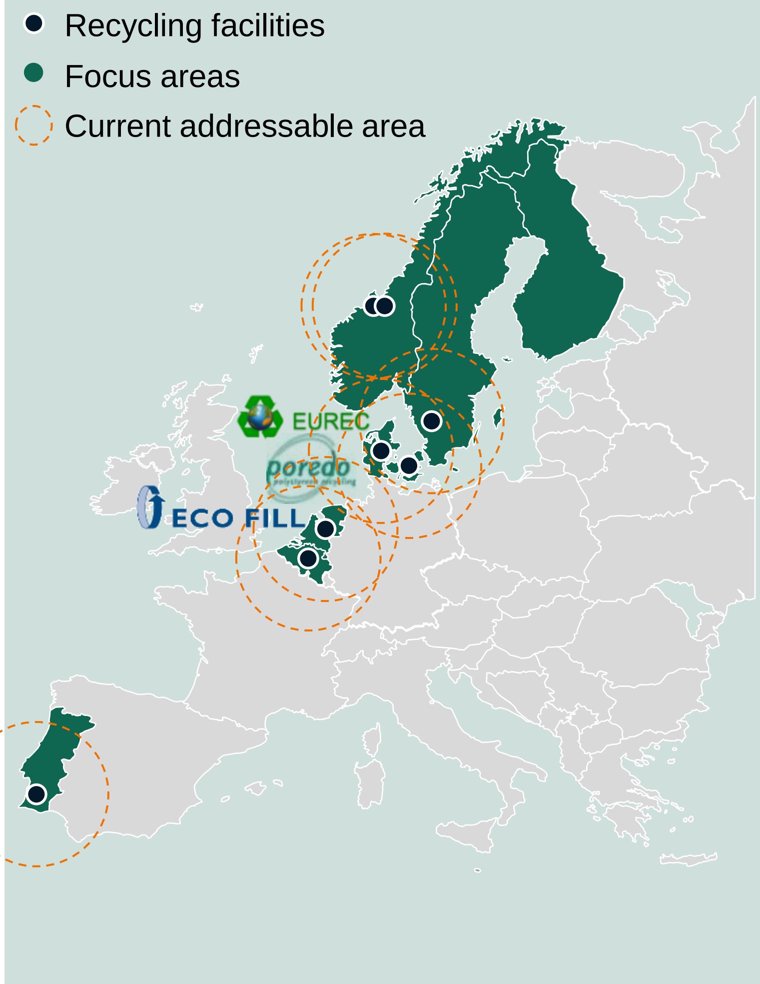
Initiatives to reach target recycle rate:

1. Circular M&A
2. Greenfield innovation
3. Leverage first mover advantage



Annual EPS recycling volume (tonnes)

BEWi's recycling footprint



2 Third quarter 2020 highlights

Third quarter 2020 highlights

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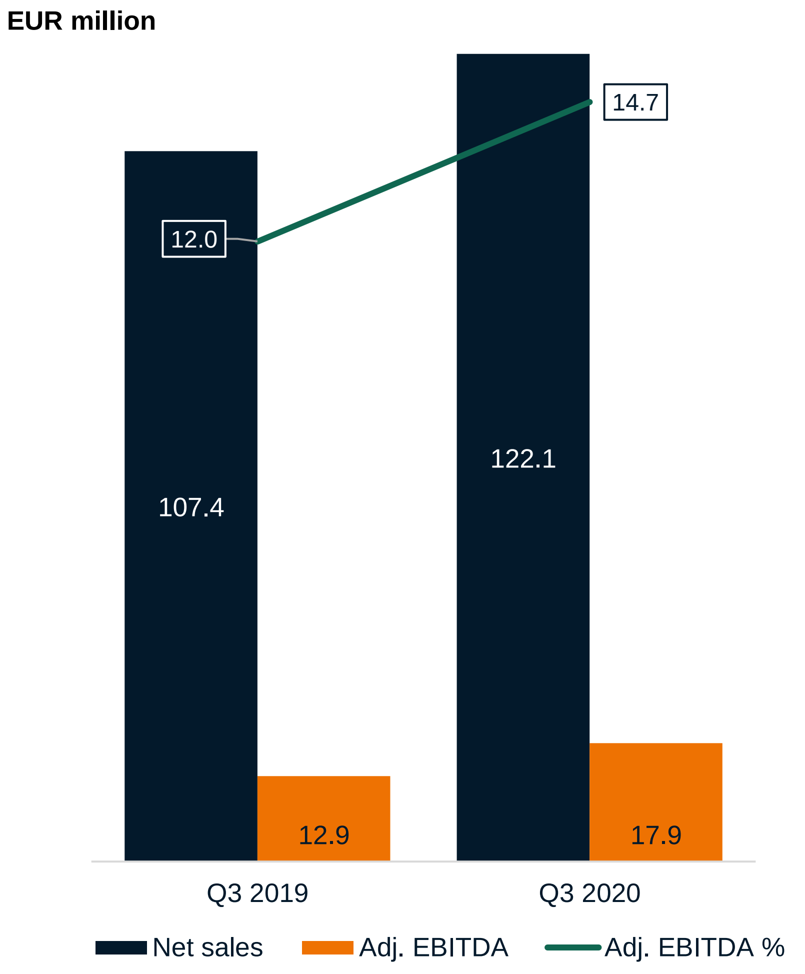
Third quarter of 2020

- Sales growth of 13.7% from Q319, mainly driven by acquisitions
- Solid earnings improvement, all segments contributing positively
- Acquisition BDH completed, integration on track
- Divested real estate in Denmark for ~SEK 100 million
- Shares admitted to Merkur Market in Oslo

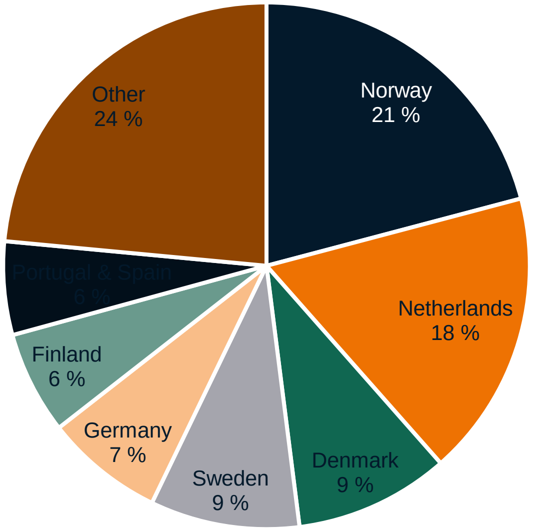
Subsequent events

- LOI to divest properties in the Netherlands for ~NOK 300 million
- Commenced recycling facility in Portugal
- Strategically important appointment of Director of Sustainabiltiy
- Board approval to apply for listing at Oslo Børs or Axess

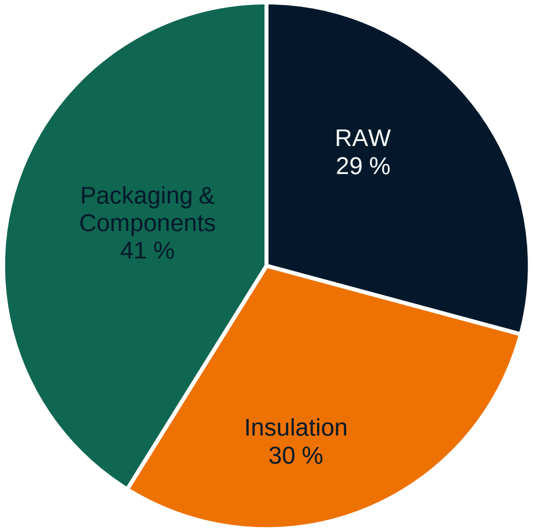


Diversified business model proven resilient

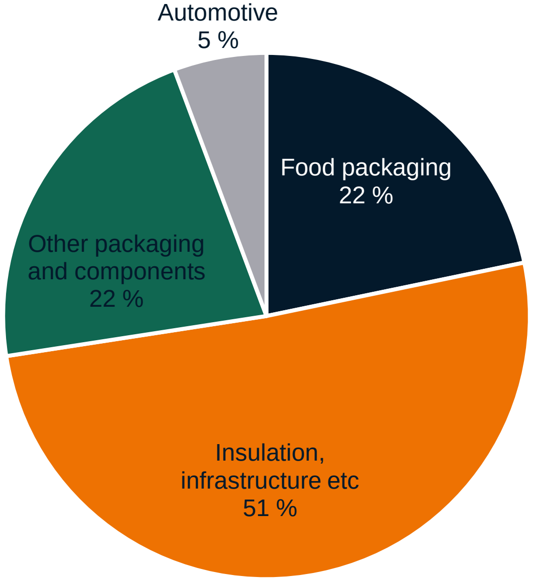
Net sales Q3 2020



Diversified across countries



Diversified across segments



Diversified across end-markets[1]

- Level of impact from Covid-19 pandemic varies across regions, segments, industries and customers
- Low raw material prices affect revenues of RAW negatively, while positively impacting earnings in Insulation and P&C
- Following acquisition of BDH, Norway currently largest market

Note: (1) Based on Management estimates

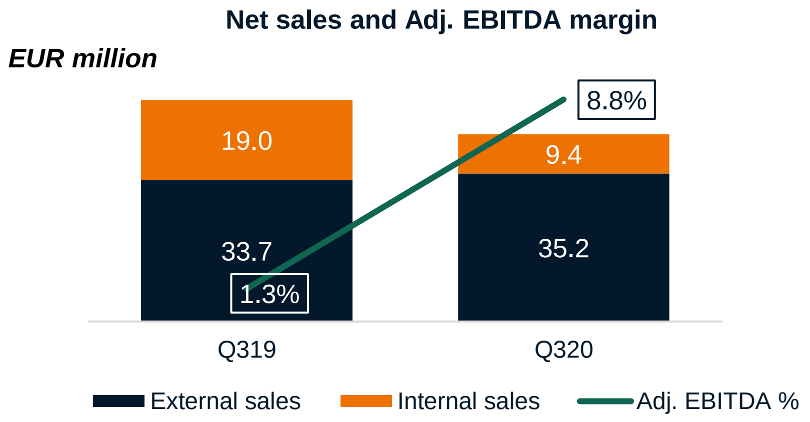
RAW: Stable volumes and improved earnings

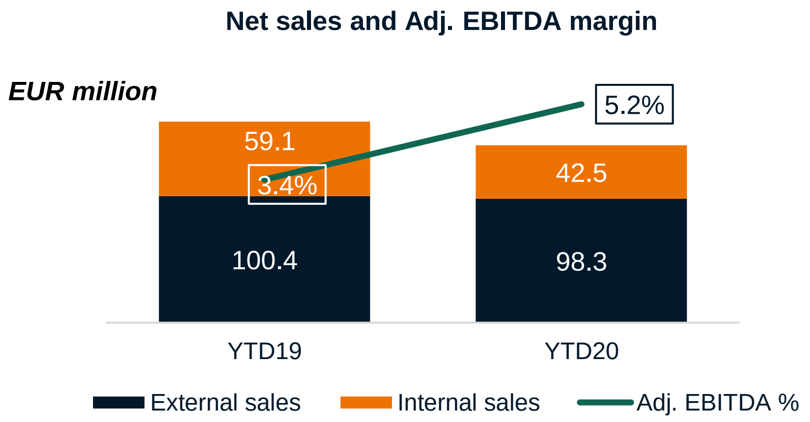
Third quarter 2020

- Net sales of EUR 44.6 million, down by 15.3% due to lower raw material prices
  - Volumes in line with Q319, more sold externally, incl. increased sales to associated companies
- Adj. EBITDA of EUR 3.9 million, a margin of 8.8%
  - Raw material prices still relatively low, although ~20% increase since Q220, impacting GAP and gross margin positively
  - Volatility in raw material prices impacts EBITDA directly, explained by lag between changes in raw material price and sales price adjustments
- Extruder production line stabilising, incl. 100% recycled raw materials
  - Contributing positively to EBITDA development

First nine months of 2020

- Net sales of EUR 140.8 million, down by 11.8%
  - Volumes up ~10% explained by improved production efficiency and positive sales development to associated companies and external customers
- Adj. EBITDA increase to EUR 7.3 million, a margin of 5.2%
  - Positive volume development and improved GAP





P&C: Stable earnings, various market developments

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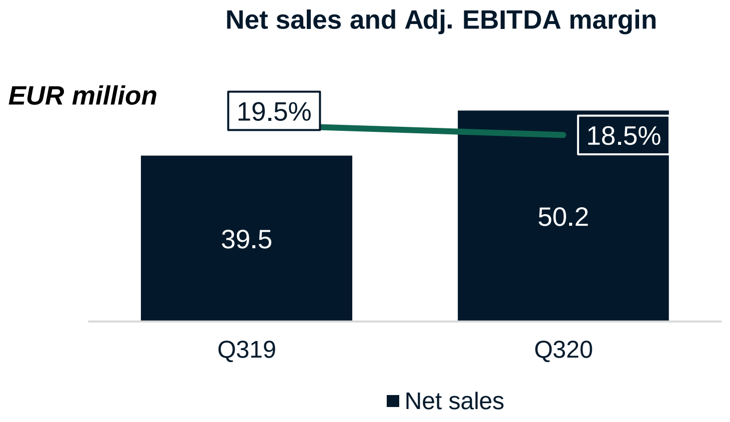
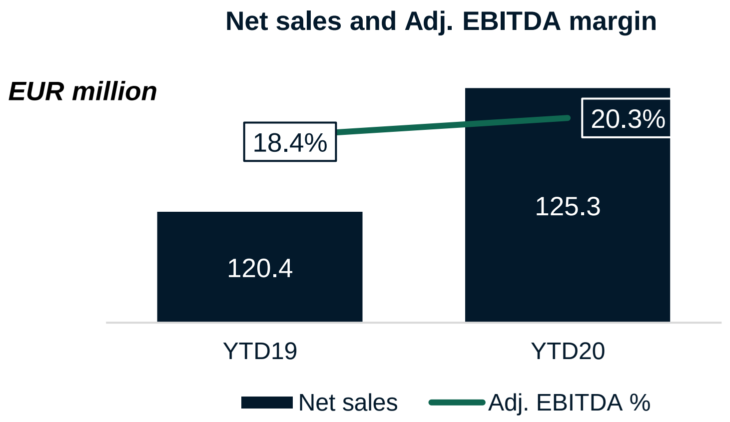
Third quarter 2020

- Net sales of EUR 50.2 million, 27.1% growth driven by acquisitions and a 5% increase in volumes
  - Higher volumes in all regions except Norway, where volumes were flat (excl. acquisitions)
  - Some sales were recovered volumes from Q2
- Adj. EBITDA of EUR 9.3 million, a margin of 18.5%
  - 14% earnings improvement (excl. acquisitions) from volume increase, positive development in Sweden and good cost control
  - Integration of BDH progressing and synergies realised
- Entered into long-term agreement for delivery of fish boxes to SalMar's new plant at Senja in northern Norway, and commenced construction of own new facility nearby

First nine months of 2020

- Net sales of EUR 125.3 million, 4.1% growth
  - Slightly higher volumes than 2019: good volumes in Q3 offset negative volume development in first half of the year
- Adj. EBITDA increase to EUR 25.4 million, a margin of 20.3%
  - ~12% improvement (excl. acquisitions) from volume increase, product mix, positive contribution from Sweden and cost control





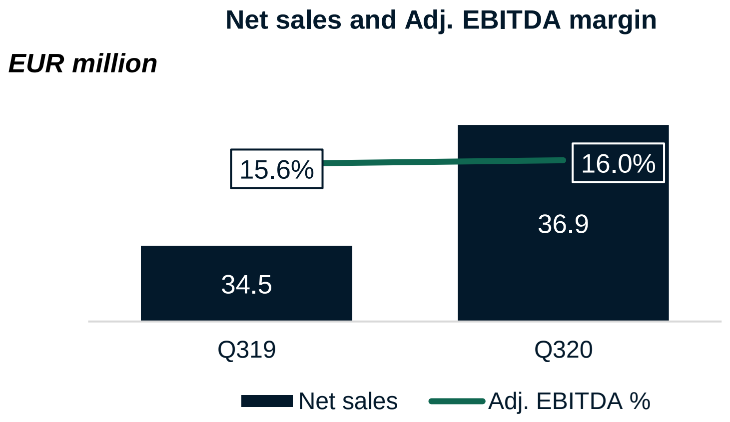
Insulation: Volumes stable in Nordics, lower in Benelux

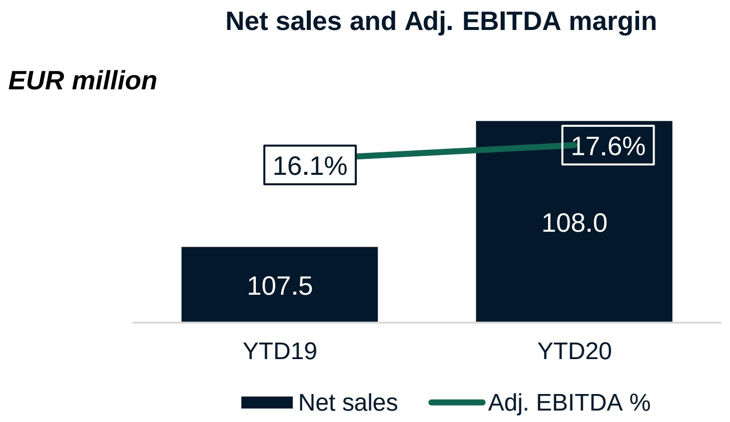
Third quarter 2020

- Net sales of EUR 36.9 million, 7.3% growth explained by acquisitions
  - Volumes stable in the Nordics, lower in Benelux
  - Noted a positive development in Benelux towards the end of the quarter
- Adj. EBITDA of EUR 5.9 million, a margin of 16.0%
  - Less favourable product mix fully compensated by lower raw material prices and good cost control
  - Integration of XPS production site in Norrköping, Sweden on track

First nine months of 2020

- Net sales of EUR 108.0 million, 0.5% growth
  - Nordic volumes stable during the year, slowdown in Benelux
- Adj. EBITDA of EUR 19.0 million, a margin of 17.6%
  - Favourable raw material prices, good cost control, positive development in Sweden





BDH's product portfolio strengthens position in Norway

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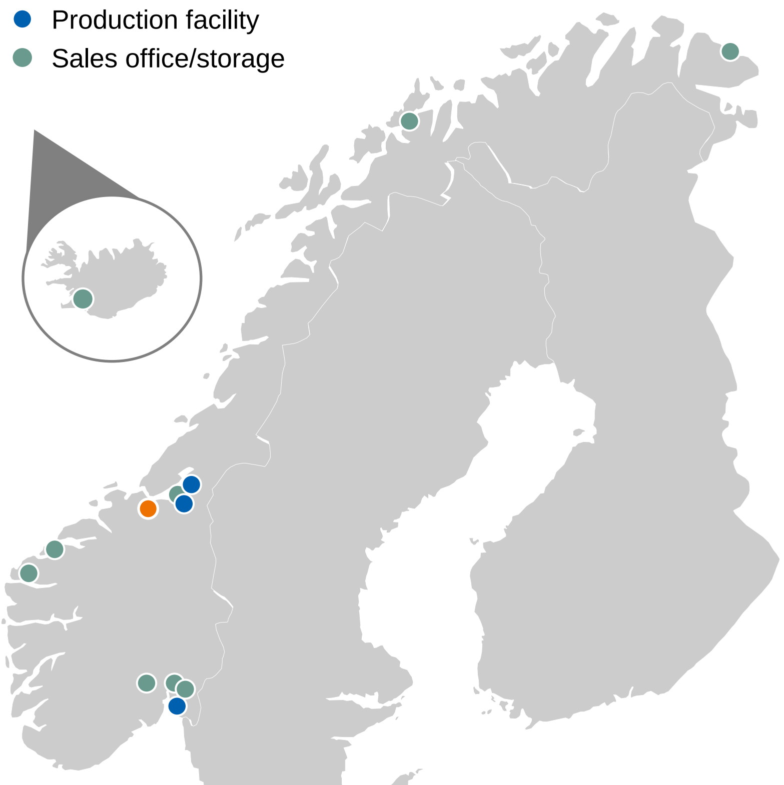
BDH in brief

- Leading turnkey supplier of packaging in Norway
- Frontrunner in the transformation to a circular economy
- Operations will mainly be part of Packaging & Components segment

- 3 production facilities in Levanger, Stjørdal and Fredrikstad, Norway
- Sales offices in Båtsfjord, Tromsø, Trondheim, Ålesund, Spydeberg, Hokksund and Iceland

- Net sales of NOK 848 million and EBITDA of NOK 81 million in 2019[1]
- ~100 FTEs

Overview of BDH operations



Rationale:

Strengthening position as a major provider of packaging and insulation solutions

Note: (1) Based on unaudited pro forma consolidation of BEWi Drift Holding AS's group companies adjusted for effects of implementing IFRS 16.

BDH compromise four main brands

Company	norplasta	biobe	Tommen Gram	Nordic Emballasje
Established	1947	1947	1919	1998
Locations	Production and sales office in Stjørdal	Production and sales office in Fredrikstad	Sales offices in Trondheim (HQ), Tromsø, Askim and Levanger. Production in Levanger	Sales offices in Hokksund (HQ), Ålesund, Båtsfjord, Tromsø. Måløy and Hafnafjordur
Employees	~20 employees	~30 employees	~40 employees	~20 employees
Main products	Thermoplastic Thermoset plastic	Thermoplastic Thermoset plastic	Vapor barriers Laminate film Plastic packaging materials	Plastic packaging materials Fibre packaging Nordic bags and cool seals
End-market presence	Food packaging Industrials Construction Other	Industrials Construction	Food packaging Construction Other	Food packaging Other
Selected key accounts	TINE, SAS, Nortura, REMA 1000, bring	BANE NOR, PANDROL, GE POWER, SCANCERCO	SALMAR, Lofoten, SYNNØVE, SOLVINGE, PELAGIA	ERVIK Havfiske Holding, LERØY, NOREBO

BDH: Targeting annual synergies of EUR 2.3-4.5m

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Identified synergy drivers and action plan		Target annual synergies (SEK)	One-off costs
Procurement and IT	Capitalize on existing expertise and structure/processes within BEWi… …and harmonizing of applications landscape, infrastructure and hardware	1-2% of BDH COGS cost base 10-15% of BDH IT cost base 0.6-1.2m	EUR 0.05m
Operations and organisation	Cost reductions, and potentially further reductions in administrative functions	Cost reduction Optimization and efficiency 1.2-2.6m[1]	EUR 0.7-1.0m
Sales	Nordic expansion for BDH solutions, improved sales channels and internal sales	0.5-0.7m	EUR 0.1.0-0.2m
Total		2.3-4.5m	EUR 0.8-1.3m

EBITDA impact

Note: (1) 50% cost reduction in 2021 and thereafter a gradually development

Divestment of real estate releasing capital for growth

- Divestments support long-term strategy for growth and expansion of circular activities
  - Release cash/ capital
  - Increase financial flexibility

- Divestment of certain real estate properties in Denmark for ~SEK 100 million

- Announced intention to divest properties in the Netherlands of ~NOK 300 million in October
  - Letter of Intent with real estate company KMC Properties

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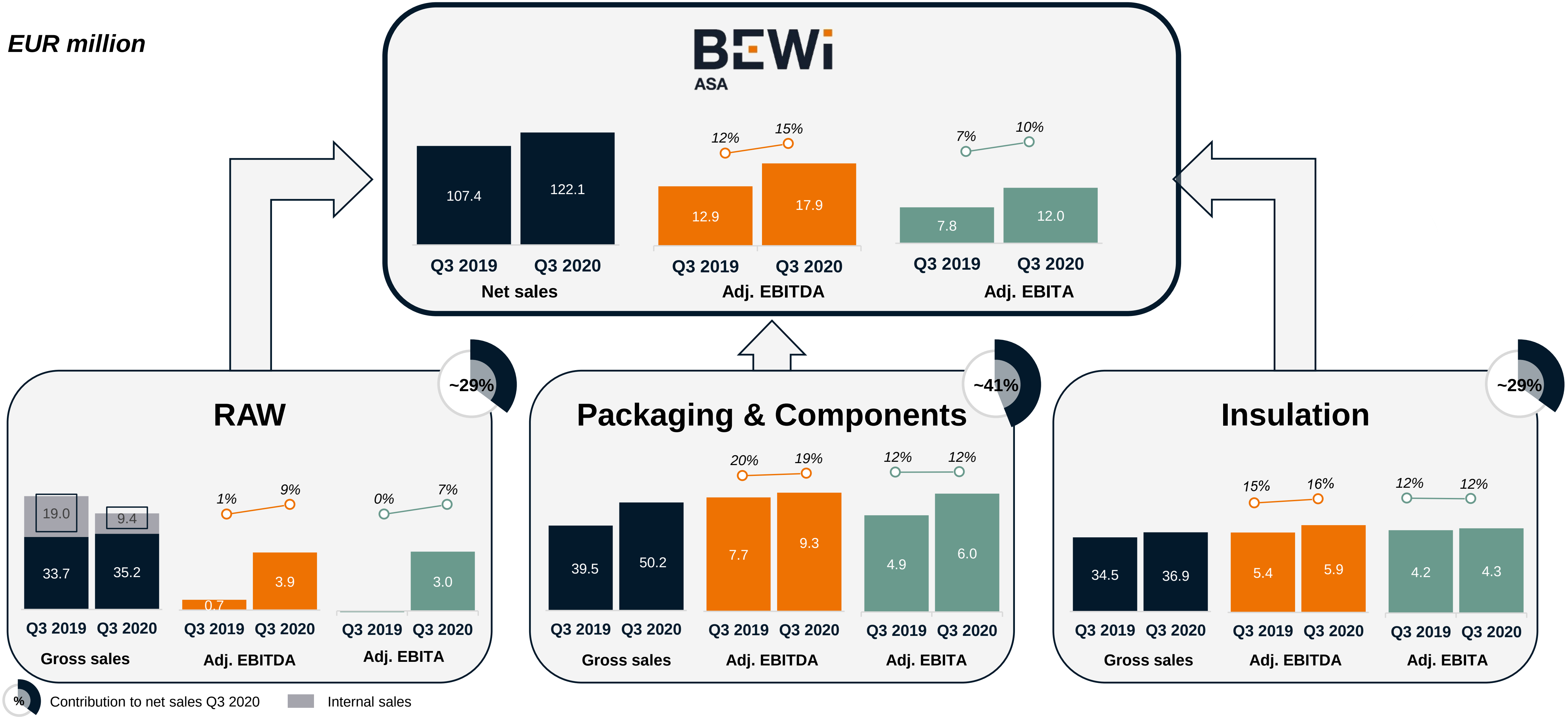
3 Financials

Financials - Overview of BEWi

EUR million



Financials – Consolidated P&L

Amounts in EUR million	Q3 2020	Q3 2020	YTD 2020	YTD 2019	2019
Net Sales	122.1	107.4	332.3	325.9	429.9
Other operating income	-	0.2	0.0	0.7	0.9
Total operating income	**122.1**	**107.5**	**332.3**	**326.7**	**430.8**
Raw materials and consumables	-44.7	-50.9	-134.9	-147.5	-198.1
Goods for resale	-14.0	-3,0	-18.7	-11.5	-13.8
Other external costs	-24.8	-22,0	-72.2	-68.2	-90.7
Personnel cost	-22.2	-19.6	-62.3	-60.9	-80.9
Depreciation/ amortisation/ impairment	-7.5	-6.7	-21.5	-20.2	-27.6
Share of income from associated comp.	0.1	0.3	4.5	0.7	0.6
Capital gain from sale of assets	1.6	-	1.7	-	-
Operating income (EBIT)	**10.6**	**5.6**	**29.0**	**19.2**	**20.3**
Net financial items	-2.7	-2.5	-7.8	-7.9	-11,0
Income tax expense	-2,2	-0.5	-4.6	-2.9	-3.7
Profit for the period	**5.7**	**2.7**	**16.5**	**8.4**	**5.6**

Third quarter 2020

- Net sales EUR 122.1 million, 13.7% growth
  - Growth driven by acquisitions
  - Some Q3 volumes regarded as recovery from slow Q2
- Operating costs
  - Lower raw material prices than Q319 impact sales
  - Increase of goods for resale related to the acquisition of BDH, partly trading operation
  - Other external cost, personnel cost and Depreciation has increased due to acquisitions
  - FTE end of Sept 2020 approx. 1,440 (1,250)
- Capital gain from sales of assets related to divestment of real estate
- Operating income (EBIT) EUR 10.6 million
  - Items affecting comparability of EUR 0.1 million compared to EUR -0.5 million in 2019
- Net financial items amounted EUR -2.7 million
- Tax rate 27.2 %

Financials – Capital structure

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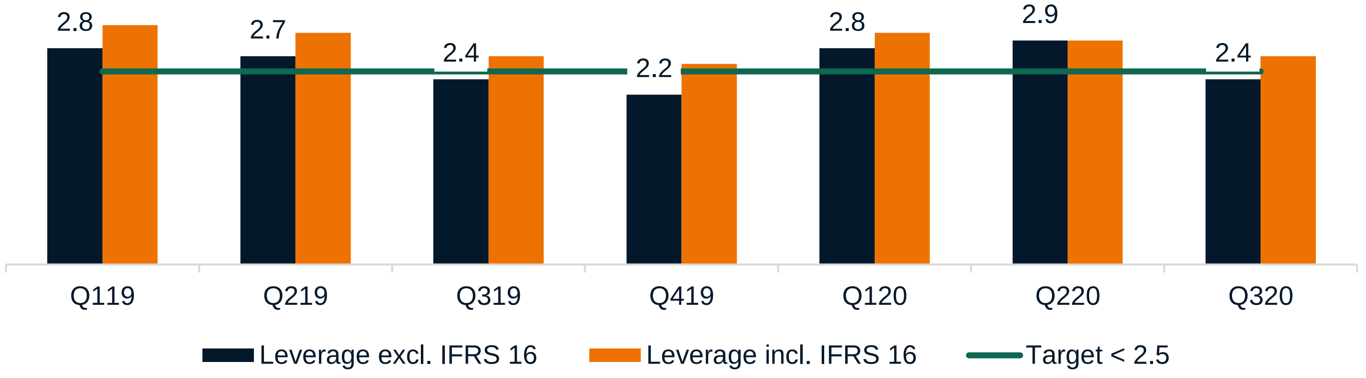
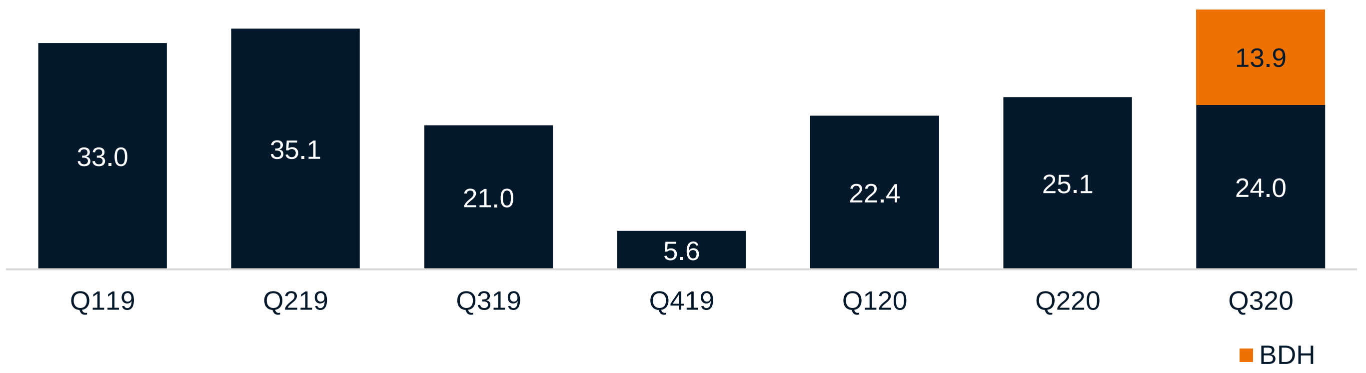
EUR million

Leverage: Net debt/ EBITDA ratio*



EUR million

Working capital



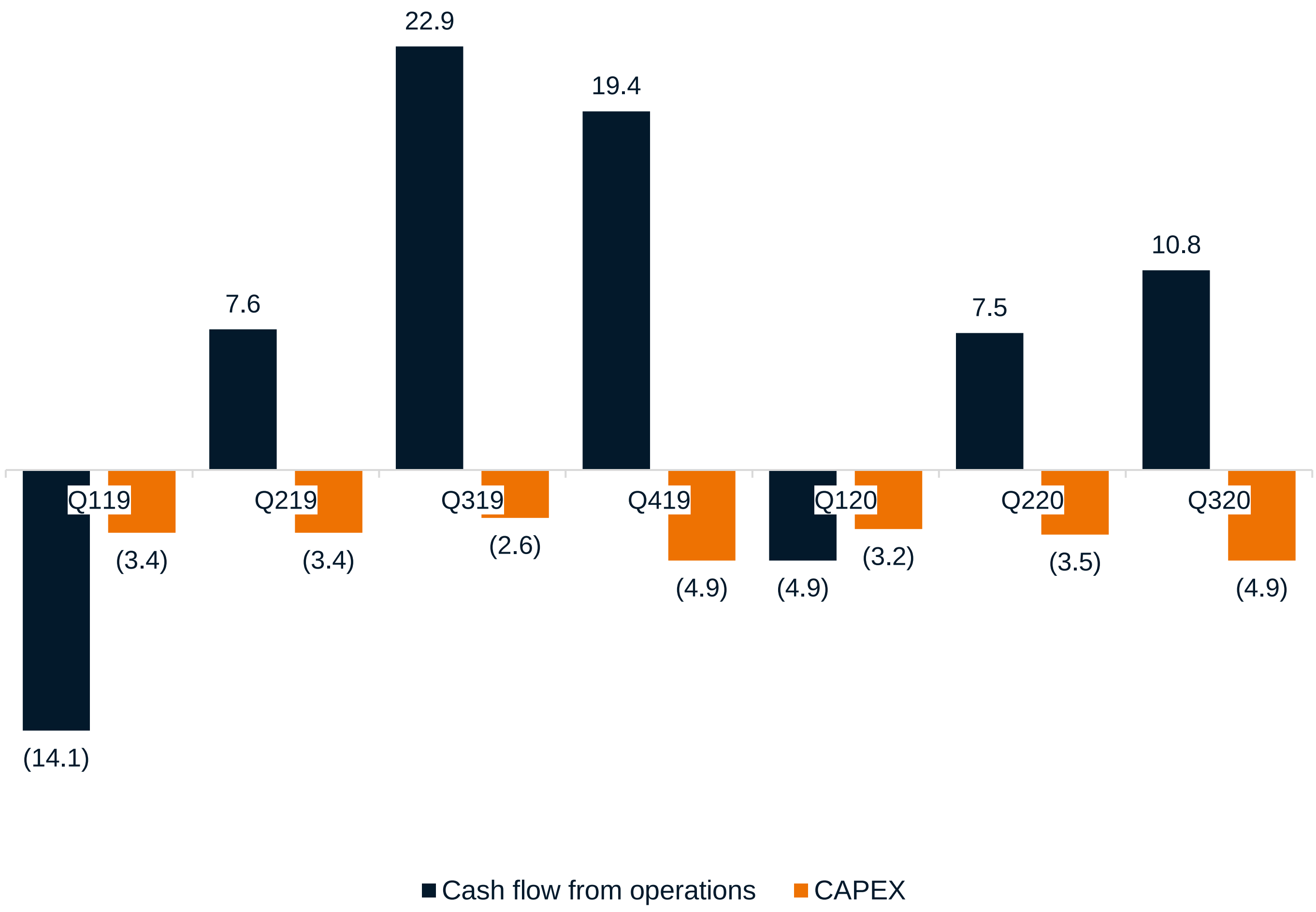
- Net debt EUR 184.6 million at 30 September 2020
  - EUR 130.0 million excluding IFRS 16
- Acquisitions** during 2020 impact net debt negatively
- Unutilised credit facility of SEK 200 million
- Decreasing leverage due improved earnings
- Increase in working capital due to acquisitions and higher volumes in Q3

EUR million	30.09.20	30.09.19	31.12.19
Cash and Cash equivalents	29.4	21.6	56.3
Non-current liabilities	140.9	77.1	140.2
Current liabilities	18.4	53.2	17.5
Debt related to IFRS 16	54.6	33.7	32.9
Net debt in total	**184.6**	**142.5**	**134.4**

**EBITDA ratio: adjusted EBITDA rolling 12-months pro-forma acquired entities. Change in accounting principle from 1 January 2019 (IFRS 16), increasing leverage 0.3-0.4.
** France, Ravago (Norrköping), Poredo, Hirsch France, Jablite

Financials – Cash flow

EUR million



- Operating cash flow of EUR 10.8 million
  - Lower than Q319 due do less cash release from WC
- CAPEX of EUR 4.9 million in Q320
  - EUR 1.4 million related to Greenfields (Senja and Circular Portugal)
  - EUR 1.5 million related to expansion

Key financial targets

Target	Objective	Q320	Comments
Revenue growth	>10%	13.7%	• Mix of organic, incl. Greenfields and M&A growth • 45% CAGR between 2012 and 2019, largely driven by acquisitions • Significant changes in raw material prices may impact the ability to achieve the target
EBITDA Margin *(normalised)*	10-15%	14.7%	• Underlying EBITDA target of 10-15% • Significant changes in raw material prices may impact the ability to achieve the target
NIBD / EBITDA *(LTM excl. IFRS 16)*	<2.5x	2.4	• Leverage NIBD / EBITDA below 2.5x, assuming normalised working capital levels • Targeting flexibility to pursue M&A opportunities and maintenance of the dividend capacity
Capex	EUR 13-15m	4.9[1]	• Normalised capex levels of EUR 12.5-15.0 million, where replacement capex and expansion capex typically account for 2/3 and 1/3, respectively • In addition, the Group will invest in Greenfield projects
Dividend payout policy	30-50%		• Target dividend payout ratio of 30-50% of underlying net profit • Annual distribution

Note 1) Includes ~EUR 1.4 million related to Greenfields

4 Summary and outlook

Summary and outlook

- Solid operational performance and resilient business model
- Earnings improvement from all segments
- Continued growth through M&A initiatives, Greenfield projects and expansion of existing business
- Remain committed to reaching annual recycling target of 60,000 tonnes, securing full circularity

Continued focus on growth, building a fully circular packaging, components and insulation provider, offering customers complementary and innovative solutions

Key investment highlights

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1. Attractive markets growing on the back of global megatrends
2. Integrated, flexible and circular value chain ensuring sustainable profitability
3. Earnings resilience from diversified revenue base
4. Successful M&A compounder with quality prospects in sight
5. Timely focus on sustainability with significant investments into collection and recycling
6. Experienced organisation leading the way towards a circular economy

THANK YOU

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