Press release, Malmö, 4 November 2025

HEXPOL AB (PUBL) sets 2030 financial targets and strategic priorities to accelerate growth and value creation

Today, HEXPOL will host a Capital Markets Day in Stockholm, presenting an updated strategy and new long term financial and operational metrics designed to drive the next phase of growth and value creation. During the day, the leadership team will present the strategy and financial targets as well as providing insights and examples that support the journey ahead.

New financial targets 2026-2030:

- >10% EPS CAGR
- Net Debt/EBITDA ratio below 2.5
- Dividend policy of 40–60%

Operational metrics supporting these ambitions are a compounded annual growth rate of revenues of above 10% including M&A and an EBIT margin of 14–16% 2026-2030. Updated Sustainability targets will be launched in the first quarter of 2026.

"Our financial targets are designed to support our strategy to enter our next phase of growth while maintaining strong margins and cash flow. By combining organic initiatives with a more active M&A agenda, particularly in Thermoplastics, and continuing our focus on operational excellence, we aim to deliver sustained, profitable growth through 2030. We see an opportunity to use our strong balance sheet and cash flow to do the same journey within the large Thermoplastics market as we have done within the relatively smaller Rubber Compounding market", says Klas Dahlberg, President and CEO of HEXPOL.

Strategic priorities to 2030

- **Increase activities to grow organically**: target profitable segments with structural growth, broaden the customer base through increased sales capacity, strengthen R&D to enhance product innovation and sustainability leadership, and pursue captive conversion.

- **Raise the M&A agenda**, especially within Thermoplastics, with a focused and well defined approach: protect and strengthen market leading positions in Rubber Compounding in Europe and the Americas (selective); build a broader Thermoplastic portfolio and expand geographically (high-growth); and opportunistically pursue opportunities within Engineered Products — particularly Wheels. HEXPOL are also exploring options to expand in India, China, and Southeast Asia.

- **Continue to drive operational excellence**: review and optimize the manufacturing footprint, advance production technology with AI and automation, and shift the portfolio toward more profitable segments.

As of January 1, 2026, HEXPOL will change the segments reporting by separating Thermoplastics from the Compounding segment. This means HEXPOL will report three segments going forward, Rubber Compounding, Thermoplastic Compounding and Engineered Products. Detailed proforma financials for 2025 according to these segments will be available in the quarterly report for the first quarter, 2026.

HEXPOL is a market leader in advanced polymer solutions and operates 52 units across the Americas, Europe, and Asia with approximately 5,000 employees, and is listed on Nasdaq Stockholm, Large Cap. The company has a long history of profitable growth, underpinned by a proven business model and strong customer relationships. HEXPOL's ambition is to maintain market-leading positions, supported by local ownership and a strong culture.

With a global presence and a commitment to sustainability and innovation, the company is focused on delivering growth and value creation through 2030 and beyond.

For further information, please contact:

Klas Dahlberg
President and CEO
+46 (0) 40 25 46 60
klas.dahlberg@hexpol.com

Peter Rosén
Deputy CEO and CFO
+46 (0) 40 25 46 60
peter.rosen@hexpol.com

HEXPOL is a world-leading polymers group with strong global positions in advanced polymer compounds (Compounding), gaskets for plate heat exchangers (Gaskets and Seals), and wheels made of polymer materials for truck and castor wheel applications (Wheels). Customers are primarily system suppliers to the global automotive and engineering industry, building and construction industry and within sectors as transportation, energy, consumer and cable industry and manufacturers of medical equipment, plate heat exchangers and forklifts. The Group is organized in two business areas, HEXPOL Compounding and HEXPOL Engineered Products. The HEXPOL Group's sales in 2024 amounted to 20,437 MSEK and the Group has approximately 5,000 employees in fourteen countries. Further information is available at www.hexpol.com.

This information is such that HEXPOL AB (publ) is obliged to publish in accordance with the EU market abuse regulation.
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