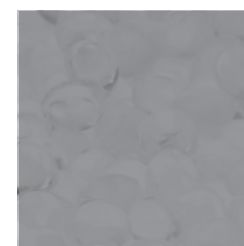




Company Presentation

November 2022



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- This presentation was prepared by Polyram Plastic Industries Ltd. (hereinafter: the "Company" and/or "Polyram") as a general presentation about the Company and is not intended to replace the need to review Polyram's full reports to the Securities Authority and the Tel Aviv Stock Exchange. Including, inter alia, Polyram's periodic reports including the Polyram's periodic report for 2021, second quarter 2022 and immediate reports (hereinafter: "Polyram's Reports") prior to making a decision regarding investment in Polyram's securities.
- The information contained in the presentation does not constitute advice, recommendation, or opinion regarding investment and does not constitute an offer to invest and/or purchase securities of Polyram (and in particular does not constitute an "offer to the public" or "sale to the public" of any kind) and does not replace the independent examination and personal advice according to the unique needs of each investor. Such an offer shall be made only in accordance with the provisions of the law, after obtaining the necessary permits from the Securities Authority and the stock exchange.
- This presentation includes a summary of the issues described in the context in which they are discussed and not the full information available to Polyram in relation to these issues and does not include the full results and financial information of Polyram and the notes to them, and/or Polyram's business plans and/or Polyram's risk factors.
- The presentation includes data on international markets, including growth volumes, penetration rates, sales, statistics, etc. It should be emphasized that this data is based on public data and Polyram's assessments and does not constitute any facts and/or representations.
- This presentation may include forward-looking information as defined in the Securities Law, 1968 (hereinafter: "forward-looking information"), including forecasts, and subjective assessments by Polyram's management as of the date of publication of the presentation, which although Polyram believes are reasonable, which are inherently uncertain, estimates and information regarding future events.
- The forward-looking information is solely aimed at the date to which it relates and is uncertain, unpredictable, and affected by factors beyond the control of Polyram, each of which, or a combination thereof and the realization of which risk factors characterize Polyram's activities, may materially impair results. The activities of Polyram cause the actual results to be materially different from the forward-looking information.
- Except as an undertaking to disclose information as required by the securities laws applicable to Polyram. Polyram does not undertake to update or change any information contained in this presentation in order to reflect events and/or circumstances that will apply after the date of its preparation. It is clarified that Polyram's plans and strategy included in this presentation are correct as of the date of their publication and may and will change in accordance with the decisions of the Company's Board of Directors from time to time.
- Polyram's assessments regarding Polyram's objectives are based, inter alia, on Polyram's assessments regarding trends in the Company's business in particular and trends in the market in which Polyram operates in general, as well as Polyram's management assessments regarding potential and market trends in Israel and international markets as of this report. These assessments may not materialize and/or materialize significantly differently from Polyram's assessments, inter alia, as a result of factors external to Polyram and which are not under control, including, inter alia, changes in the economic situation in Israel and abroad.
- To the extent that there is a conflict between what is stated in this presentation and what is stated in the Company's reports required by law, what is stated in the Company's reports will prevail.

Polyram – Overview



Polyram is a global solution provider, manufacturer and marketer of advanced functional raw materials for the plastic industry worldwide



Three operating divisions:

- **Bondyram**
- **Engineering Plastics (EP)**
- **Polytron**

Established in
1986

Trades on the
TASE Market Value
(November 2022)
ILS 1.2 billion

1,300 products

Sophisticated
manufacturing processes

Tailor Made solutions

Over **800** customers

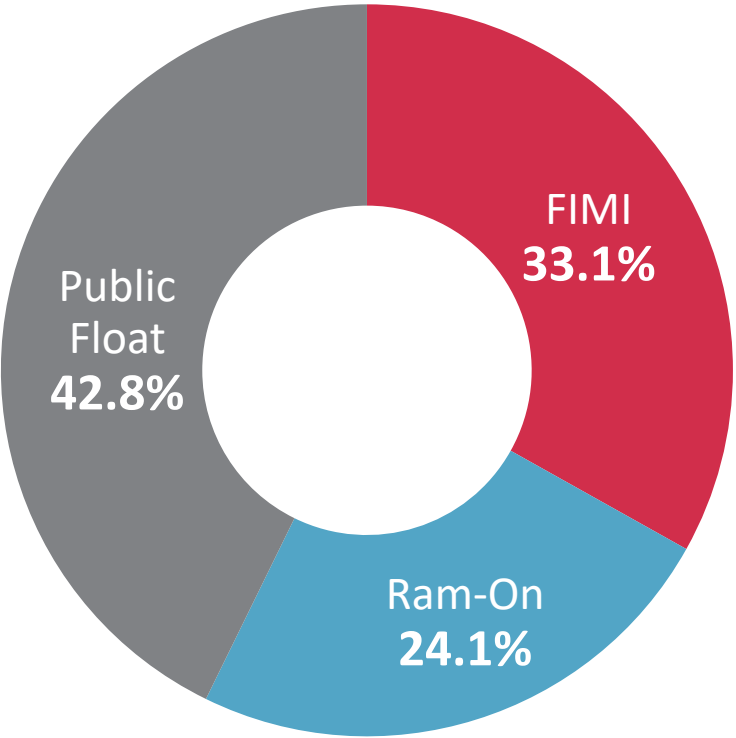
Financial Data (ILS in millions)

	1-9.2021	1-9.2022
Revenues	679	866
Net Income	86	90
EBITDA	135	138

Traded on
TA-90
and TA-125 Index
Since February 2022

Shareholding

Holding Company Structure as of November 15, 2022



Management



Solid, Loyal and Experienced Management Team



Ishay Davidi
Chairman of the Board
Founder and CEO of the FIMI Fund



Yuval Peleg | CEO
32 years in the company
CEO since 2015



Netanel Guez
CFO
6 years



Dror Zur
CPO
36 years



Idan Rephaeli
COO
4 years



Amit Koren
Local Market Manager
1 year



Ziv Herling
Bondyram Manager and VP Global Sales
21 years



Eliyahu Katan
Bondyram TL Manager
8 Years



Gabriela Marziparo
Polytron Manager
11 Years

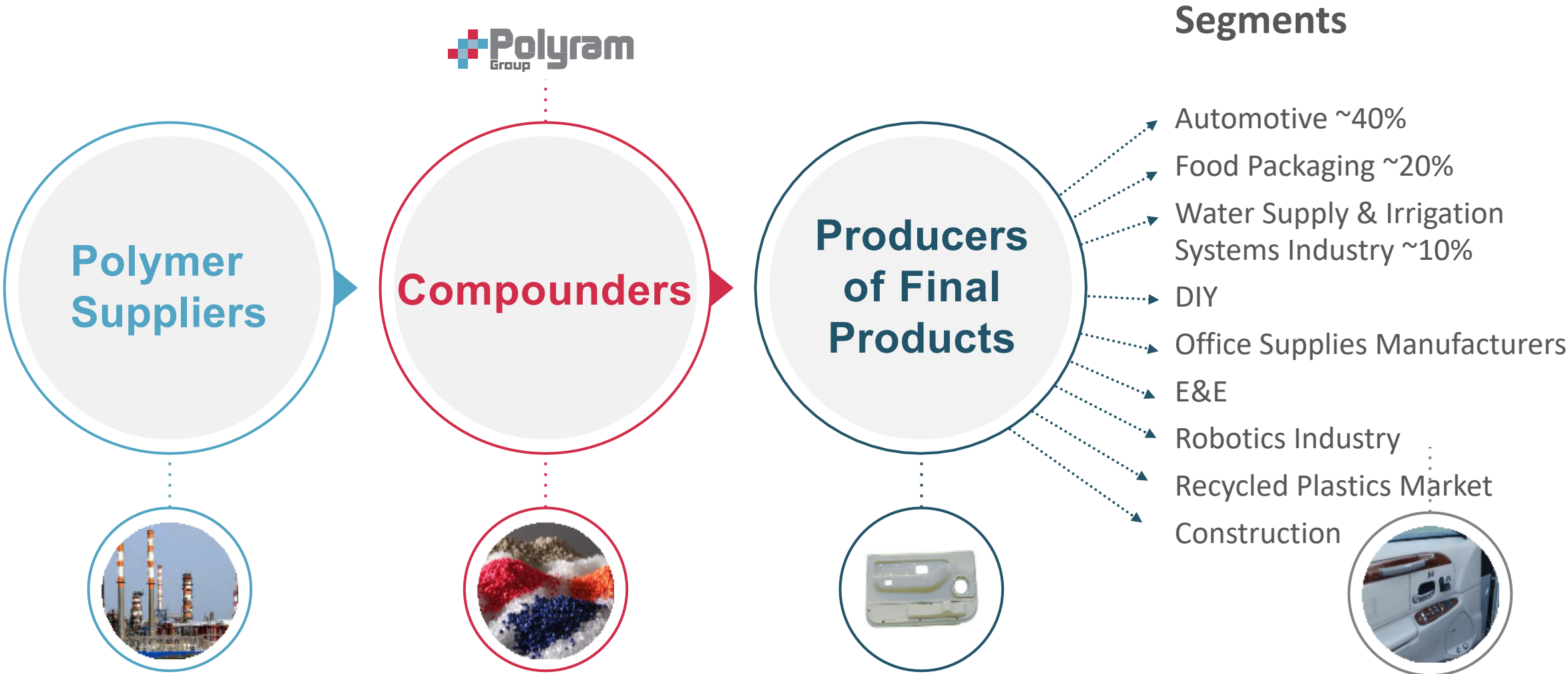


Ofir Kayam
EP Export Manager
8 Years



Yaara Avrahami
Quality Manager
22 Years

The Plastic Industry - Value Chain



Recycling

The global waste and recycling market is expected to show rapid growth over the next few years, from improved technology, new legislation and demand for much more recycled content. According to this growing trend, we will also increase our activity in this area.

We have Establish a new production line in Israel during the third quarter of 2022 to recycle Polyram's and our customers products in Israel's local market.

Establish an additional production line in UK. Polyram UK specializes in recycling EP materials (~50% of UK's turnover).

Entering to recycling market through the acquisition of MCT- Polyram MCT produces two major products with recycled materials: (1) Polyolefins with minerals and glass fibers (2) Thermoplastic rubber (elastomers).

Entering into new projects in the automotive industry- In a bid to improve the sustainability of their operations, more automotive manufacturers are making use of recycled material in vehicle interiors.



Global Footprint

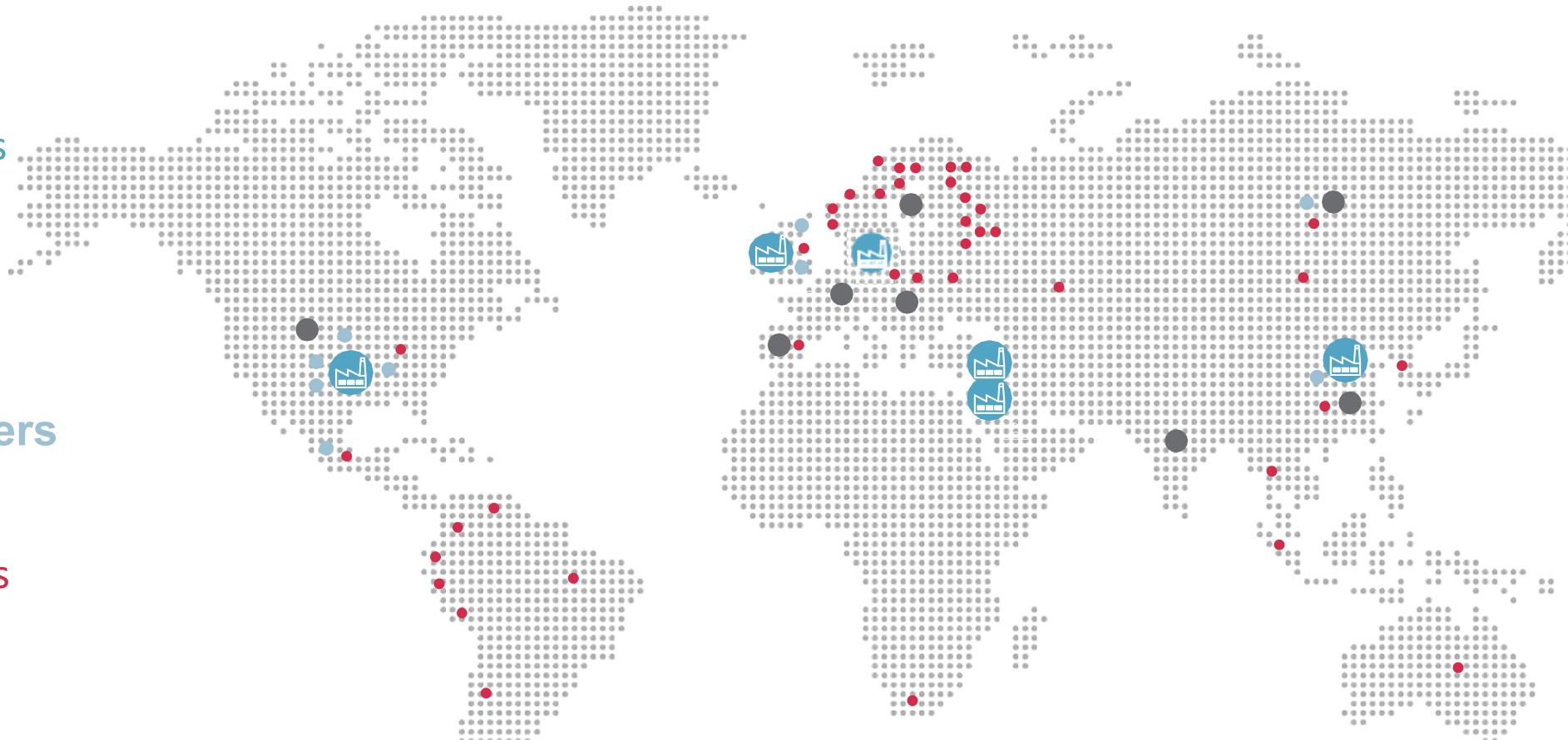


 **6** Production sites

 **10** Subsidiaries

 **9** Logistic centers

 **40+** Distributors



Headquarters and Plant - Israel



Israel – Afula Plant



China Plant



U.S.A Plant

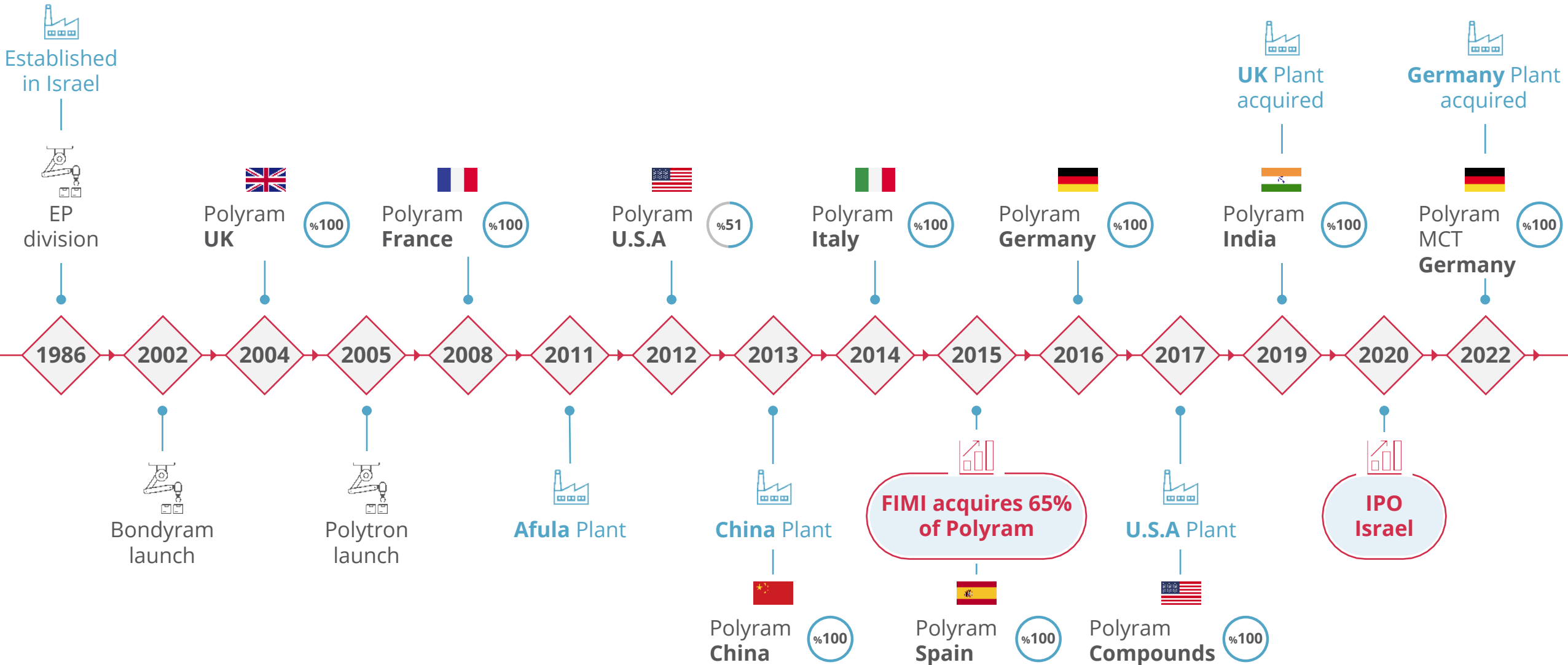


UK Plant

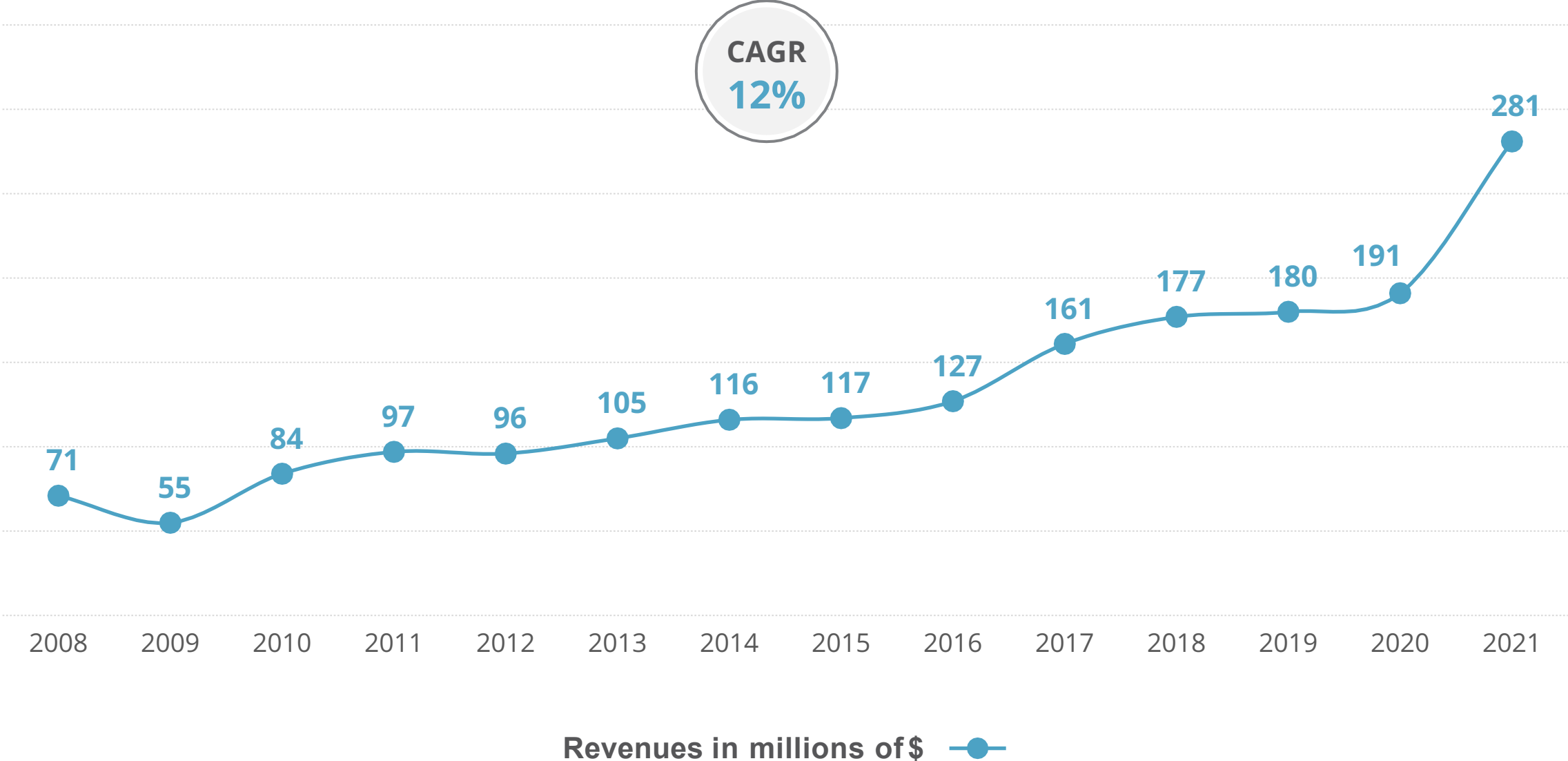


Germany Plant

Polyram - Milestones

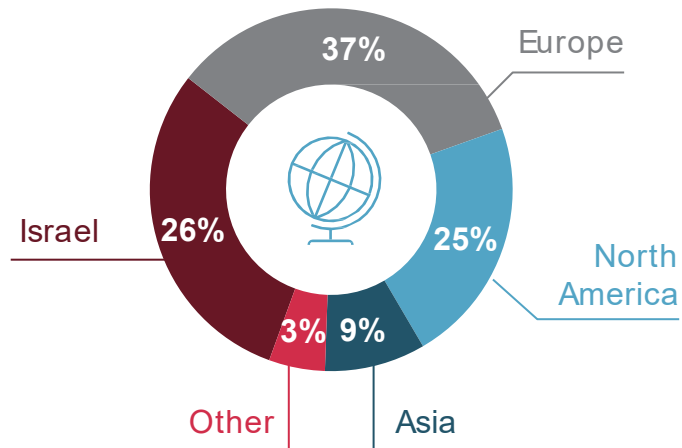


Strong and Consistent Growth

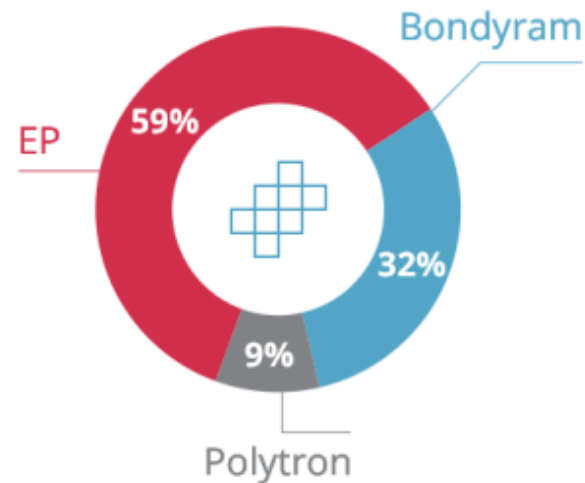


Diversification

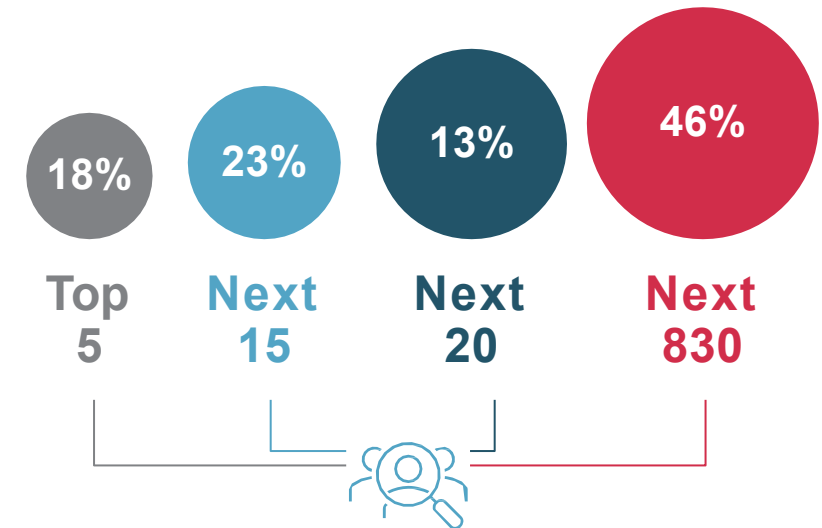
Geographic Diversification



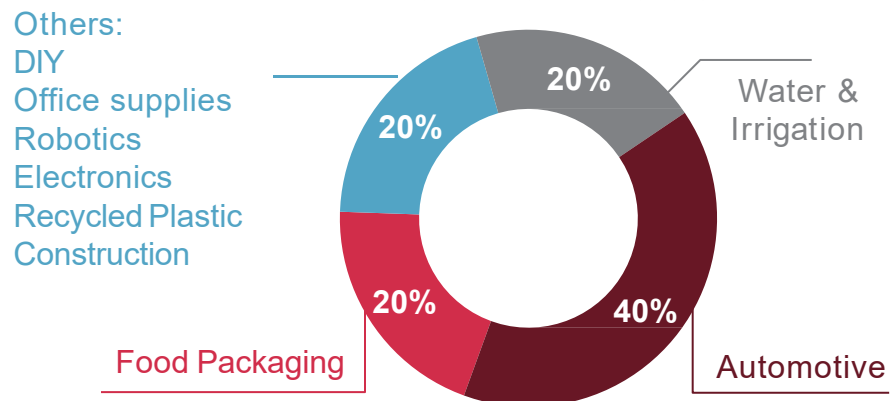
Product Lines



Customer Diversification



End Markets



Biggest customer < **6%** of total revenue

20 of the Biggest customers = only **41%** of total revenue

Direct sales to end producers > **87%**

95% > Of the company's customers are covered by full credit insurance

Product Lines



 **Bondyram**[®]

 **EP** Engineering
Plastics

 **Polytron**[®]

Maximum annual production capacity ~126,000* **Tons**

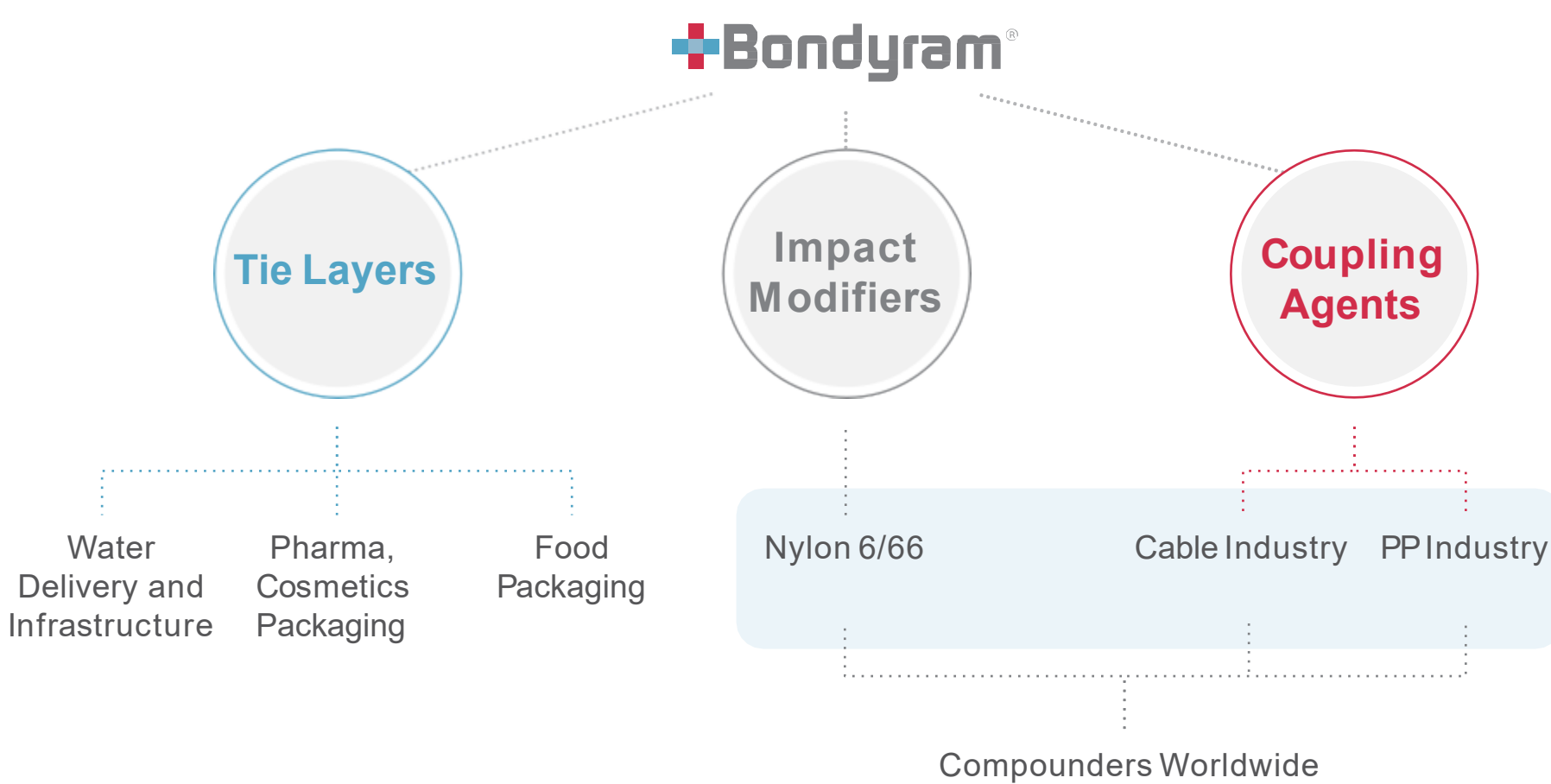
Current available capacity for growth ~**79%**

Significant investment in **10 new production lines** during **2020**

Establishing of 7 new production lines ~Growth of **20k Tons** during **2021-2022**

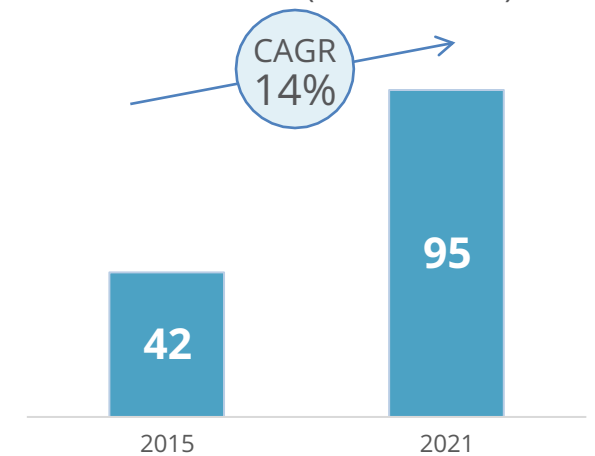
Investment in **2 new production lines** ~Growth of **7k Tons** during first half of **2023**

*Including 24,000T MCT



Bondyram Revenues

\$ in millions(2015-2021)

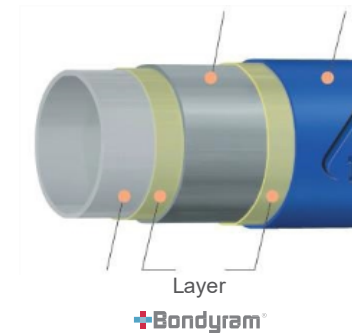


Tie Layers

Tie Layers are used in extrusion-based products. It enables integration of several layers with different functionalities.

Products and Applications

Construction



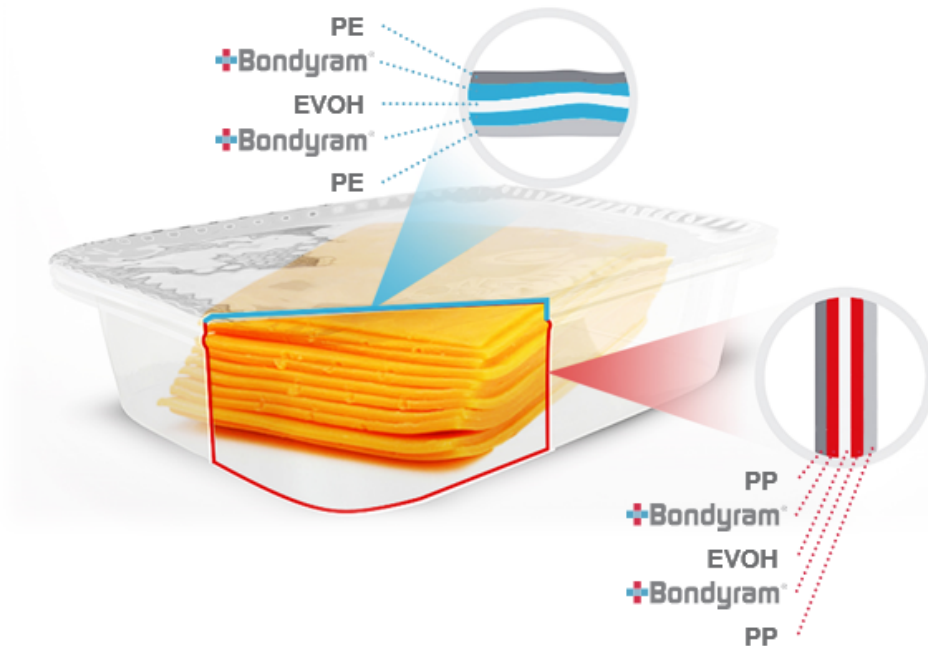
Pharma and Cosmetics Packaging



Chemicals Packaging



Food Packaging



Tie Layer – one of our Key Growth Engine



Polyram established a new production plant in the US (Greenfield),
dedicated to Tie Layers to serve the North American market

Successful penetration to major customers in the US
Food packaging industry

Developing new market segments such as the transportation of liquids for
infrastructure and construction activities

Increasing sales activities in Asia (China, India, and Southeast Asia)

5 large key suppliers supply 80% of the total global market of Tie Layers

The total global market is estimated at ~\$1.3 billion and still growing



- **Coupling Agents** – solutions to couple between different polymers and glass-fibers
- **Impact Modifiers** – provide compounds with special functionalities

Products and Applications

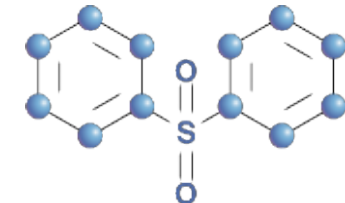
General plastic and wood products



Cables



Compounders
(such as Polyram)



Key Growth Engines



Coupling Agents and Impact Modifiers

Polyram is a **global leader** in these product lines

Establishing a plant in the US to provide solutions to the **local market**

New products and applications- A new Product Line for the US market is in final stages of development

Total global market is estimated at ~\$500 million and still growing

After five year development process, Polyram launched an **innovative Impact Modifier** in the US market

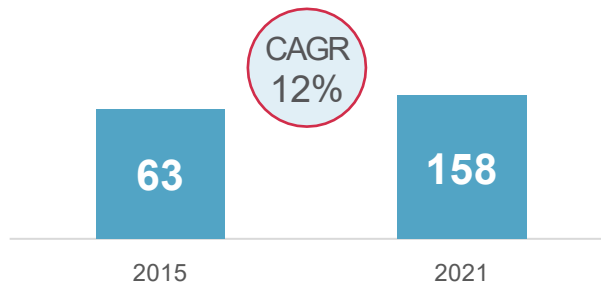


Solutions

- **Polyram develops tailor-made solutions** and raw materials for plastic-based applications
- We provide customers with **special functional** raw materials with **unique characteristics** such as fire resistance, flexibility, UV resistance, and more
- Q1/2023 - Establishment of the first **EP production line in the US**
- Establishment of **2 production lines in the UK** in order to produce prime products for the European market and increase production capacity
- 2022 – **Additional 3 new production lines** in Israel.
- **Entering the world of recycling engineering materials** at the Israeli site, in order to provide solutions to our customers locally and worldwide
- Purchase/Acquisition of MCT plant in **Germany-entering the world of thermoplastic rubber**

EP revenues

(in millions) \$ 2015-2021



Products and Applications

Automotive



Irrigation



Other



Key Growth Engines

Geographic expansion – New geographical markets, fast-growing markets such as South East Asia, and traditional markets such as Germany, North America, and more

Add-on acquisitions of small/medium size compounders in Europe and North America (family-owned, active players, etc.)

Penetration into the plastic recycling market through the UK subsidiary production site

Development of innovative products - advanced materials with unique properties

Global supplier for the European and American markets

Entering the German market and the thermoplastic rubber sector through the acquisition of MCT and its distribution in Europe and Israel through Polyram's subsidiaries and distributors

The total global market is estimated at ~\$3 billion and growing



Polyram MCT

Belongs to Engineering Plastics Product Line and includes 2 sectors:

- Polyolefins with minerals and glass fibers
- Thermoplastic rubber (elastomer)

The acquisition of MCT is in correlation with Polyram's strategy for expansion in the European market and production in Europe

- **Production and distribution in Europe**- allows obtaining large projects of polyolefins and Bulk supplies.
- **Penetration into the German market** by the company's distribution system with Polyram's products.
- **Penetration into the thermoplastic rubber market** through the European subsidiaries and Polyram Israel.
- Potential expedition of the production line.
- Acquisition based on EBITDA ratio X6

Financial results

3-9/2022	K-EUR
16,169	Sales
1,193	Operating profit*
1,130	Profit before tax*
1,693	EBITDA

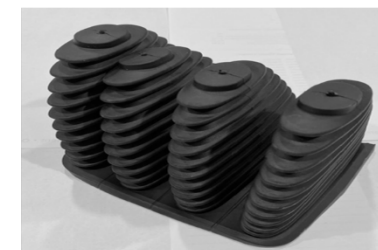
*Adjusted



Center console



Springs for an adjustable bed

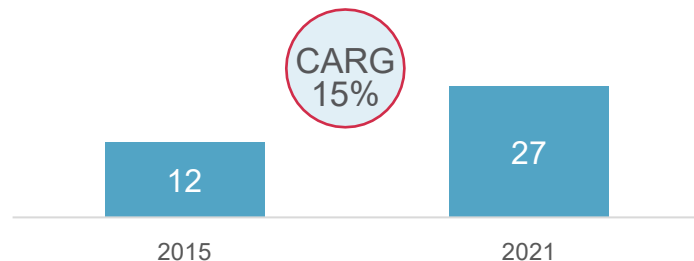


Gear cover

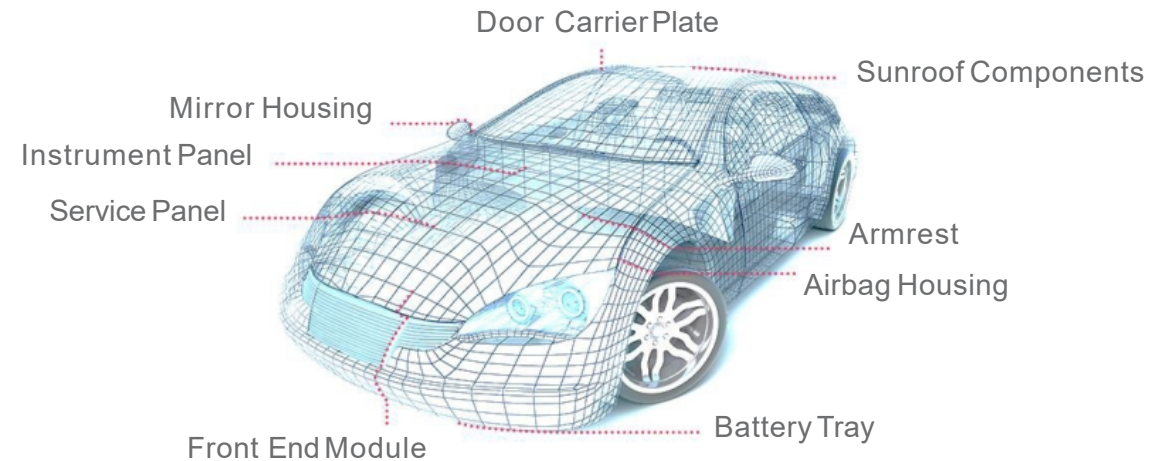
- Polyram is recognized as **one of the 10 largest suppliers** of long fiber solutions to the global automotive industry
- Polytron products mainly serve the Automotive Industry
- **Unique qualities** of Polytron based products allow the replacement of metal components with light-weight plastic based solutions
- Key customers of the Polytron products include large OEMs such as VW, BMW, and DAIMLER.
- Polyram has **production sites in 3 continents** (North America, Israel and China)
- **Providing solutions** for improving mechanical properties to end products in the automotive industry.
- Entering the electricity cabinets market in the US.
- Q1/2022 - Establishing a **second production** line in the US

Polytron revenues

(\$ in millions) 2015-2020



Each new car contains 4-6 kg of long-fiber products



Key Growth Engines



Geographic expansion - further **penetration to the US market** leveraging newly established plant in the US

Growth with the natural expansion of our large customer base

Innovation – development of new long-fiber-based solutions to the automotive industry

Leverage the weight reduction trend in the automotive industry

Maintaining the status of Polyram, as a **leading supplier to the automotive industry**, with global distribution channels on **three continents**

Polyram **obtains OEMs and Tier 1 certifications** which are a **major barrier** to market development

Polyram is one of the **top ten suppliers in the global market**

The total global market is estimated at ~\$650 millions and growing



SUMMARY



Technological leadership, customer loyalty and high quality products



Industry and geographical distribution (a variety of industries such as: irrigation and water supply, packaging and food, vehicles and automotive, using worldwide production and distribution channels)



Significant growth engines in the TL and adhesives divisions, the automotive industry and the plant in the US



Significant growth potential in all product divisions



Strength and economic resilience



Entering the recycling engineering materials world, in the Israeli and UK sites



Dividend and cash flow policy in correlation with the company's growth



Powerful platform for mergers and acquisitions



Traded on TA-90 and TA-125 Index Since February 2022



Financial Statements

P&L M-ILS



2019	2020	2021	2021				2022			1-9.21	1-9.22	
			Q1	Q2	Q3	Q4	Q1	Q2	Q3			
356	378	511	120	136	126	129	169	183	159	382	511	EP
198	206	306	73	83	71	79	83	106	88	227	276	Bondyram
84	71	90	22	25	23	20	25	29	24	70	79	Polytron
638	655	907	215	244	220	228	277	318	271	679	866	Sales turnover
117	140	201	50	61	49	41	52	61	50	160	162	Gross profit
18.3%	21.3%	21.1%	23.3%	24.8%	22.4%	17.9%	18.6%	19.1%	18.5%	23.5%	18.8%	Gross profit margin
3	3	3	1	1	1	1	1	1	1	2	2	R&D expenses
35	35	40	10	10	9	11	9	11	11	29	32	S&M expenses
13	13	19	5	4	3	6	5	5	4	13	14	G&A expenses
-3	3	-	-	-	-	-	3	-	-		3	Other expenses (income), net
69	86	139	34	46	36	23	34	44	34	116	111	Operating profit
10.8%	13.1%	15.4%	15.8%	18.8%	16.3%	10.4%	13.1%	13.7%	12.5%	17.0%	13.1%	Operating profit margin (w/o other expenses)
21	11	21	2	4	5	10	-	1	10	11	10	Financing expenses, net
7	12	18	6	7	5	-	6	7	-2	18	11	Income taxes
41	63	100	26	35	26	13	28	36	26	87	90	Net profit
6.4%	9.6%	11.0%	12.1%	14.1%	11.8%	5.9%	10.1%	11.3%	9.6%	12.7%	10.4%	Net profit margin
87	113	166	40	52	43	31	44	52	42	135	138	EBITDA
13.7%	17.3%	18.3%	18.6%	21.4%	19.3%	13.5%	15.7%	16.4%	15.7%	19.9%	16.0%	EBITDA margin
26	11	21	4	1	6	10	* 4	9	6	11	* 19	CAPEX

* In addition to the MCT acquisition of 89M-ILS.

	30.9.2021	30.9.2022
Total current assets	539	693
Total non-current assets	389	498
Total assets	928	1,191
Total current liabilities	378	410
Total non-current liabilities	122	193
Capital attributed to the owner of the parent company	418	577
Capital attributed to minority interest	10	11
Total liabilities and capital	928	1,191

From the beginning of **120 M-ILS** 2021, were **dividends** distributed

Net liabilities to EBITDA
1.84X

Current ratio
1.69



Thank You