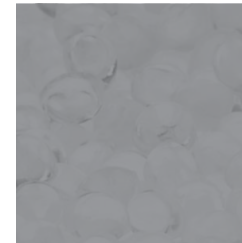




Company Presentation

May 2023



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- 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.
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- 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

1,400 products

Sophisticated
manufacturing processes

Tailor Made solutions

Over **950** customers

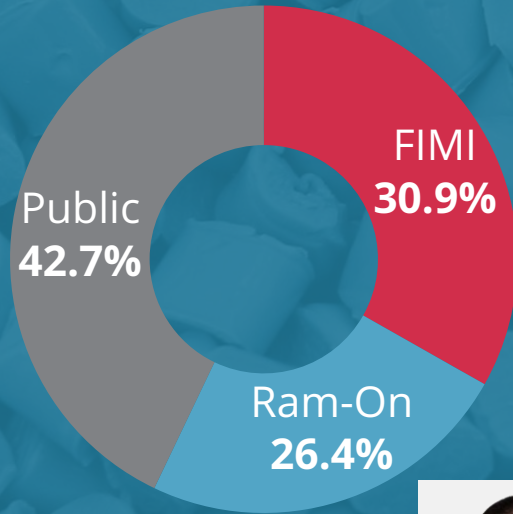
Financial Data (ILS in millions)

	Q1.2023	Q1.2022
Revenues	271	277
Net Income	20	28
EBITDA	35	44



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
2 year



Ziv Herling
Bondyram Manager
and VP Global Sales
22 years



Eliyahu Katan
Bondyram TL Manager
8 Years



Gabriela Marziparo
Polytron Manager
12 Years

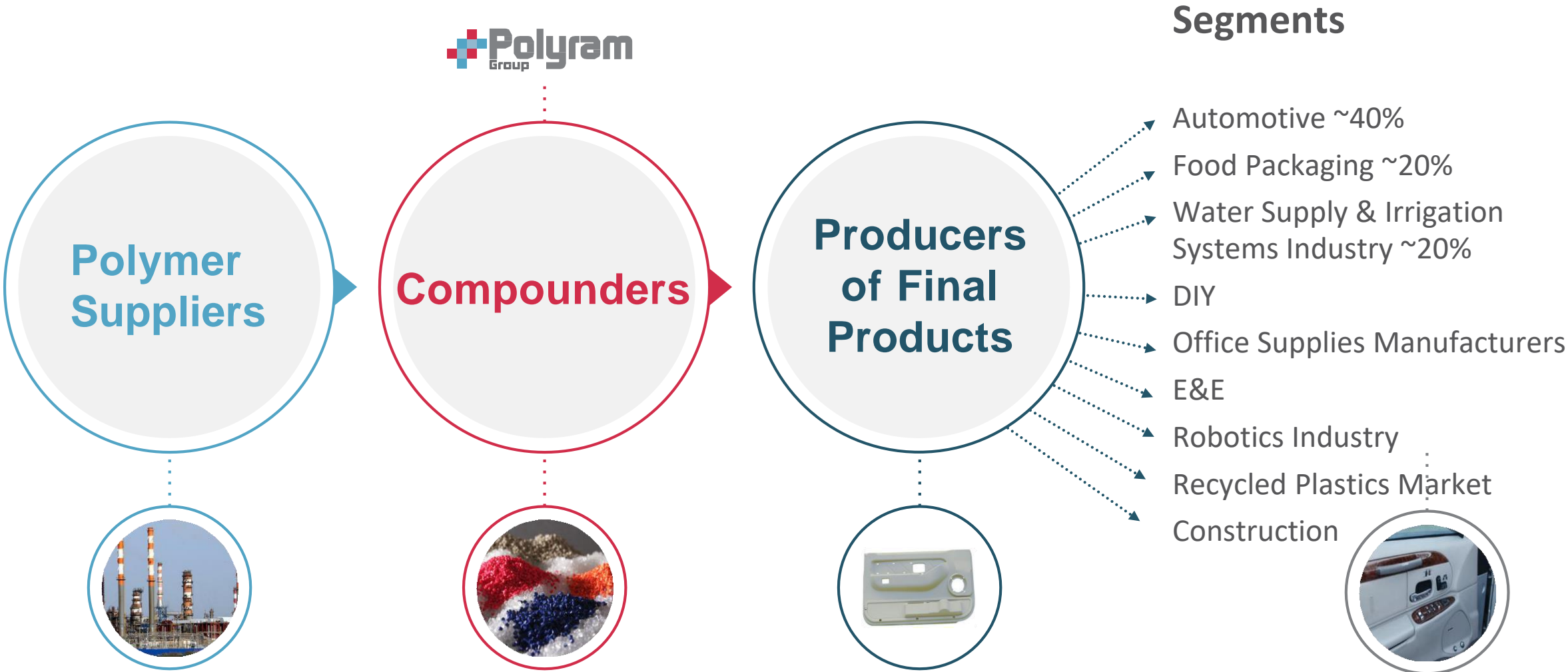


Ofir Kayam
EP Export Manager
8 Years



Yaara Avrahami
Quality Manager
22 Years

The Plastic Industry - Value Chain



CEO Highlights

The company presented a strong cash flow from operating activities.

The company declared a dividend in the amount of NIS 10 million.

A significant improvement from the four quarter.

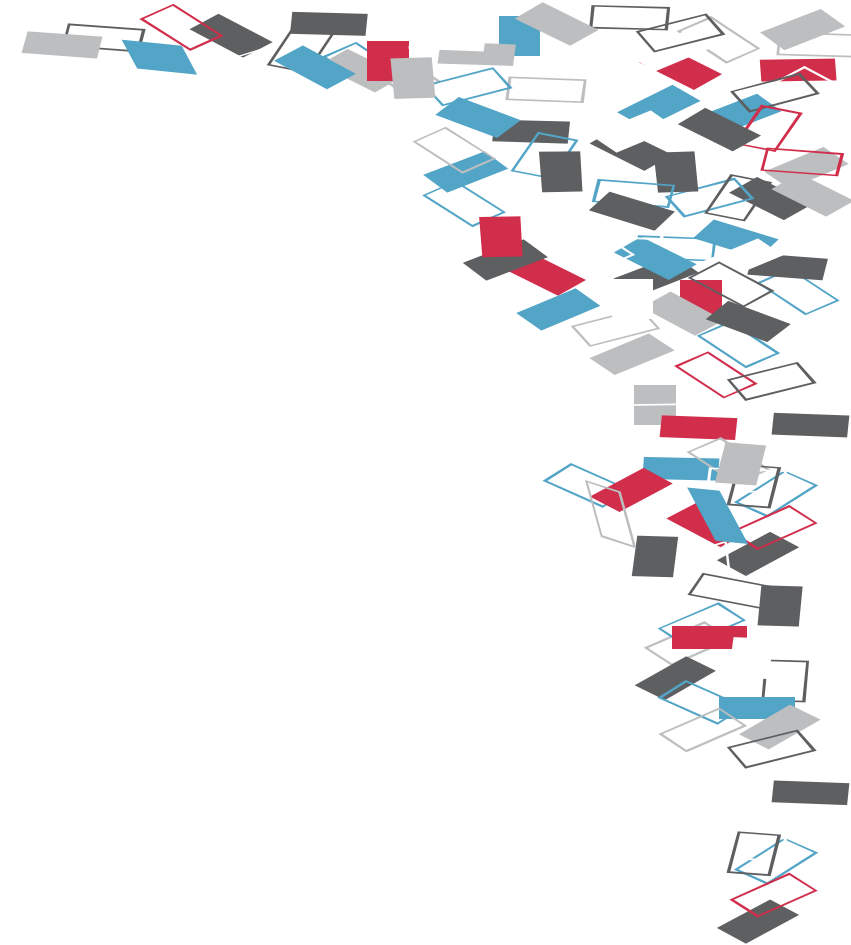
Winning two major projects in the automotive industry in the field of Polytron SOP in the fourth quarter of 2023. Sales volume of approximately NIS 50 million per year.

The company will purchase a large production line in the field of Polytron for its US factory.

A significant decrease in the Company's inventory levels.

A significant decrease in Company's debt.

The slowdown in the local market continues.



Growth engines of Polyram

Recycling, innovation, and sustainability are the core values of the firm. The company develops sophisticated recycled raw materials to lead the industry in the coming years through its recycling plants in UK, Germany, and Israel.

Polyram has established its presence in the American market by producing thermoplastic compound products in the USA and building a distribution system.

The company aims to develop synergies in the German market, the most industrialized country in Europe, by distributing Polyram products to MCT customers.

Expanding the market for elastomer products, particularly thermoplastic rubber produced at MCT, throughout Europe using its subsidiaries and the local market.

Intending to penetrate the field of electric vehicles and charging stations by developing advanced materials for new applications.



Polyram's field of material recycling is regarded as one of the company's primary growth engines

Development and marketing of recycled materials

Polyram UK specializes in recycled materials.

Entering to recycling market through the acquisition of MCT-

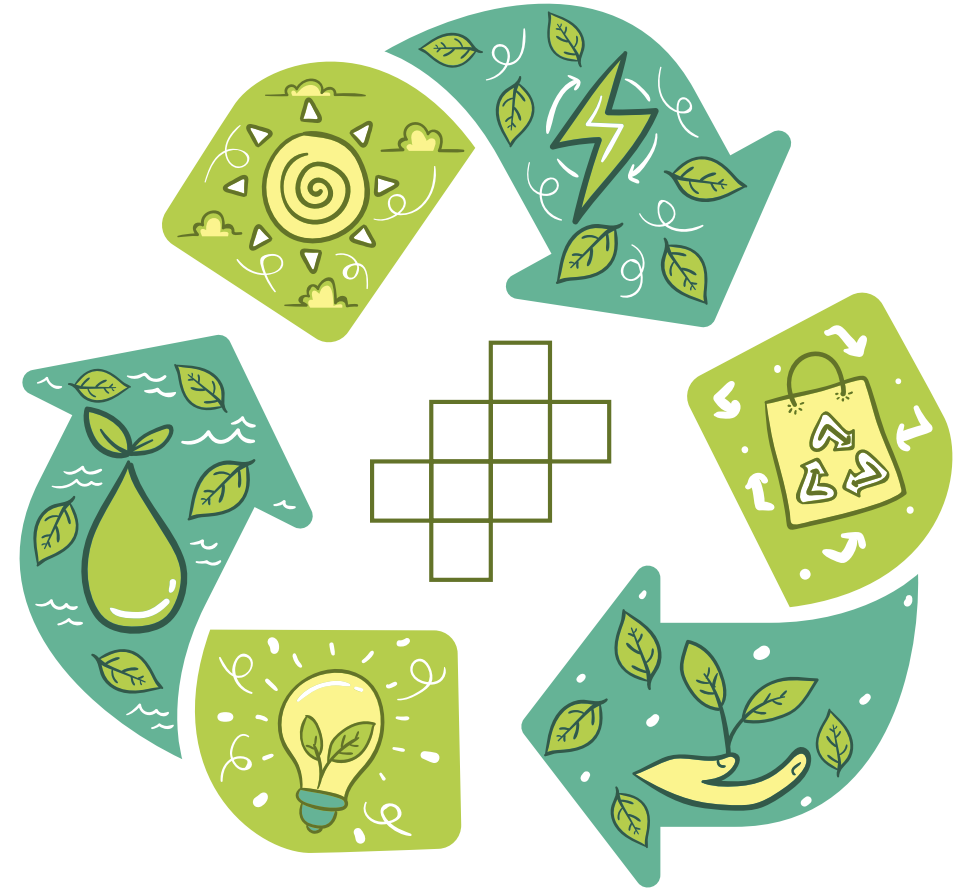
Polyram MCT **produces** two major products **with recycled materials**: (1) Polyolefins with minerals and glass fibers (2) Thermoplastic rubber (elastomers).

Dedicated production lines-to meet the increasing demand in the field of recycling, dedicated production lines have been established at a factory in UK and a factory in Israel.

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.

Progress in the ESG indicators, environment, Social and Corporate Governance, while building and managing an environmental policy.



Global Footprint

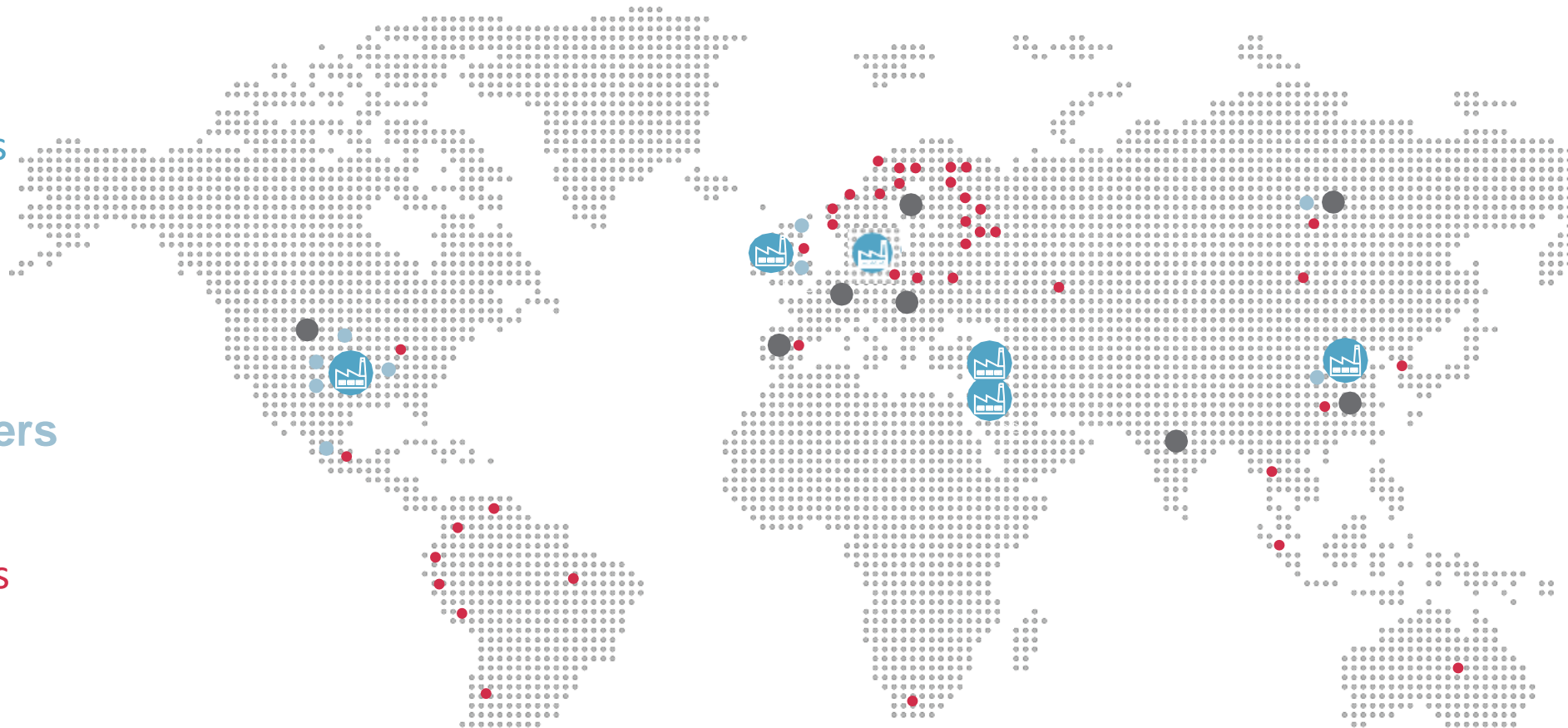


 **6** Production sites

 **10** Subsidiaries

 **9** Logistic centers

 **40+** Distributors



Headquarters and Plant - Israel



Israel – Afula Plant



China Plant



U.S.A Plant

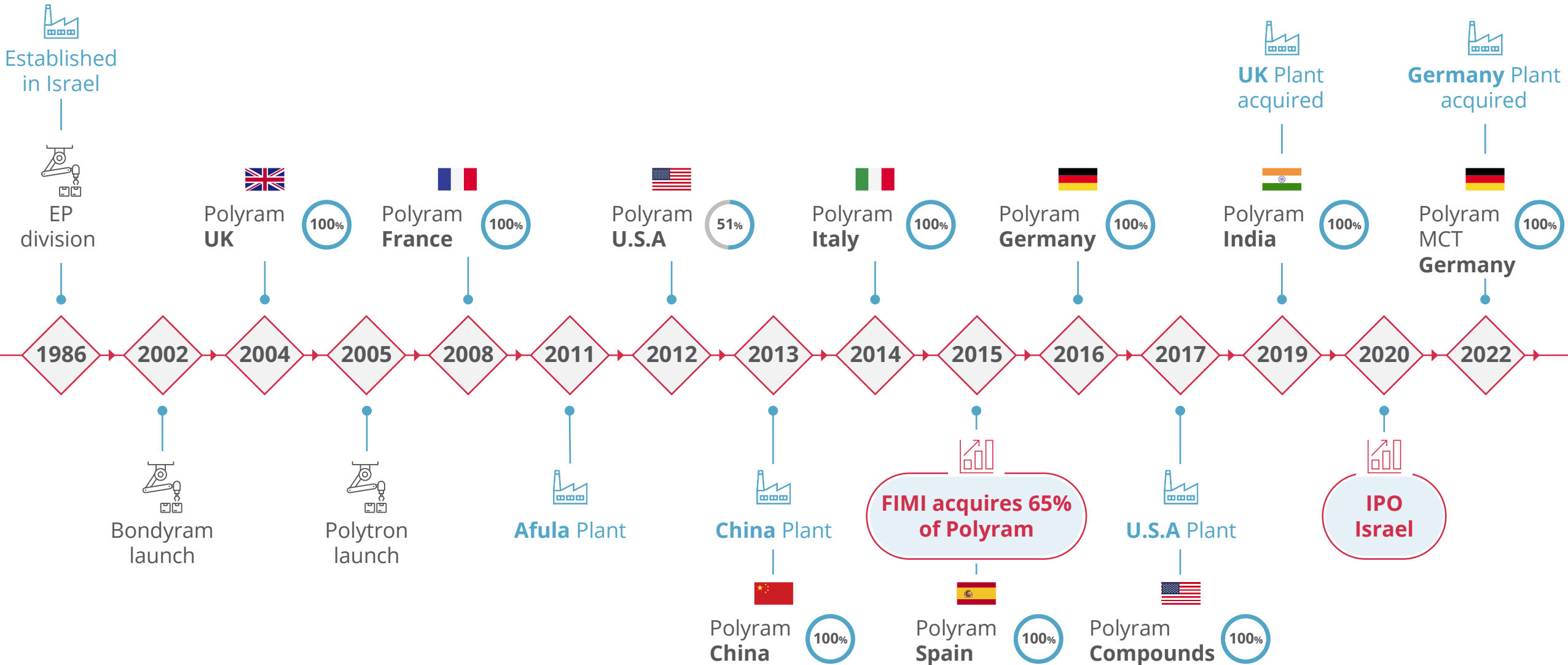


UK Plant

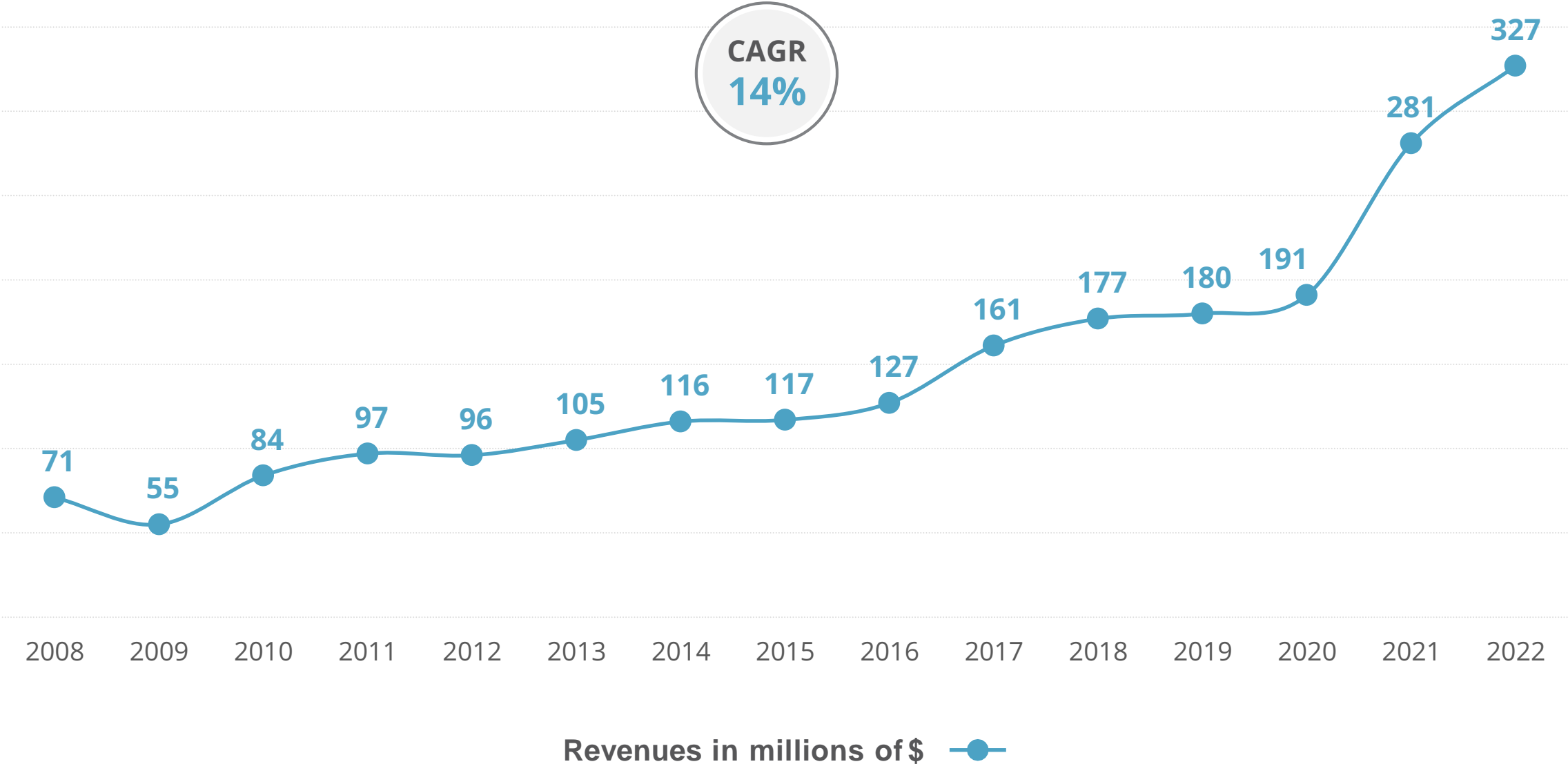


Germany Plant

Polyram - Milestones

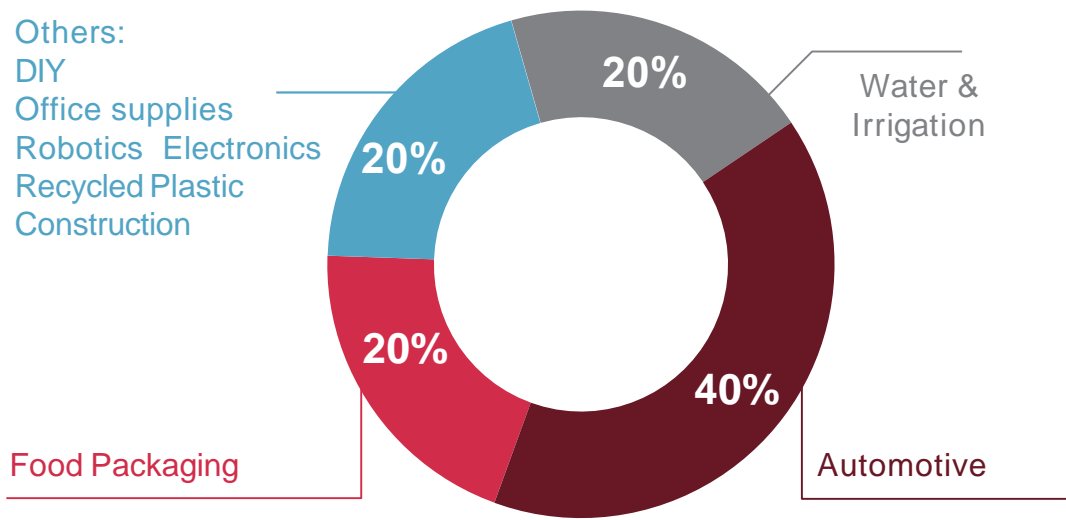


Strong and Consistent Growth

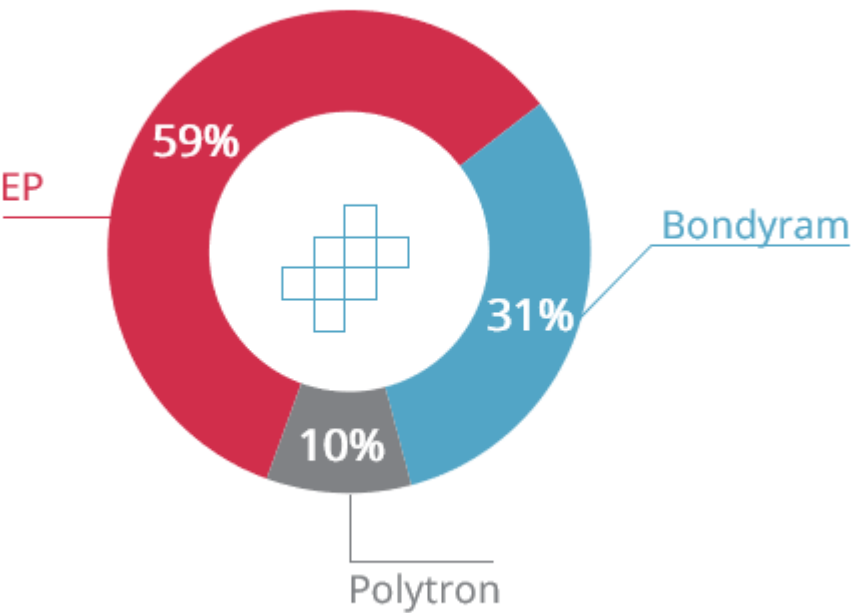


Diversification and risk reduction

End Markets

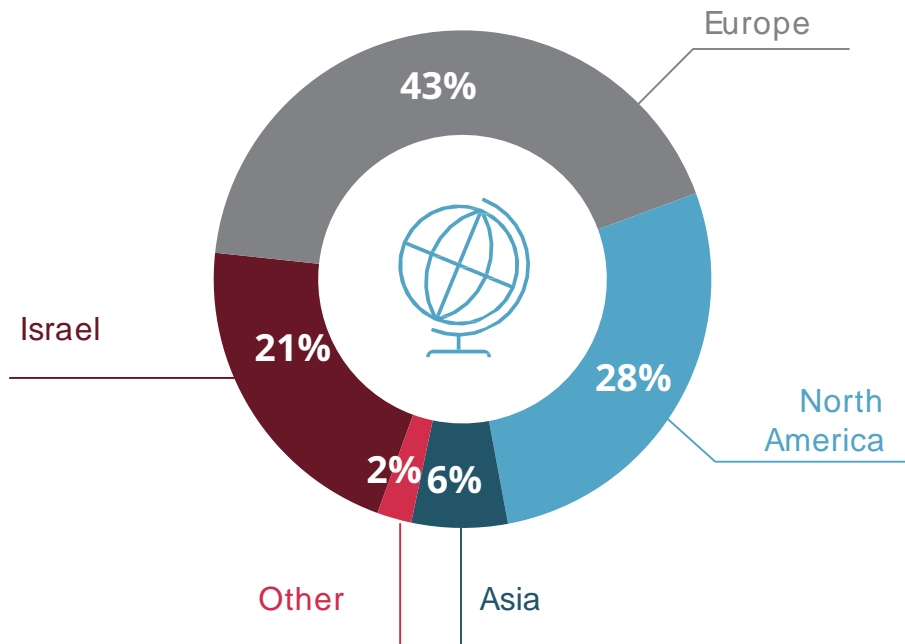


Product Lines

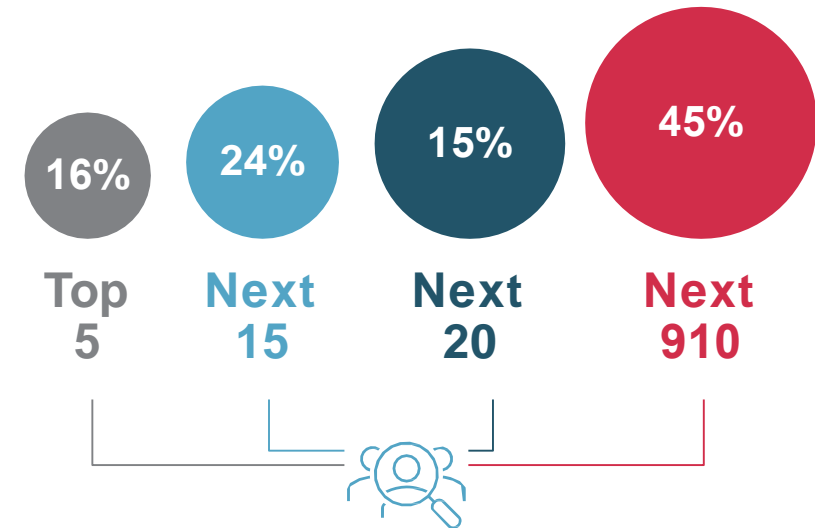


Diversification and risk reduction

Geographic Diversification



Customer Diversification



Biggest customer < **5%** of total revenue

20 of the Biggest customers = only **40%** of total revenue

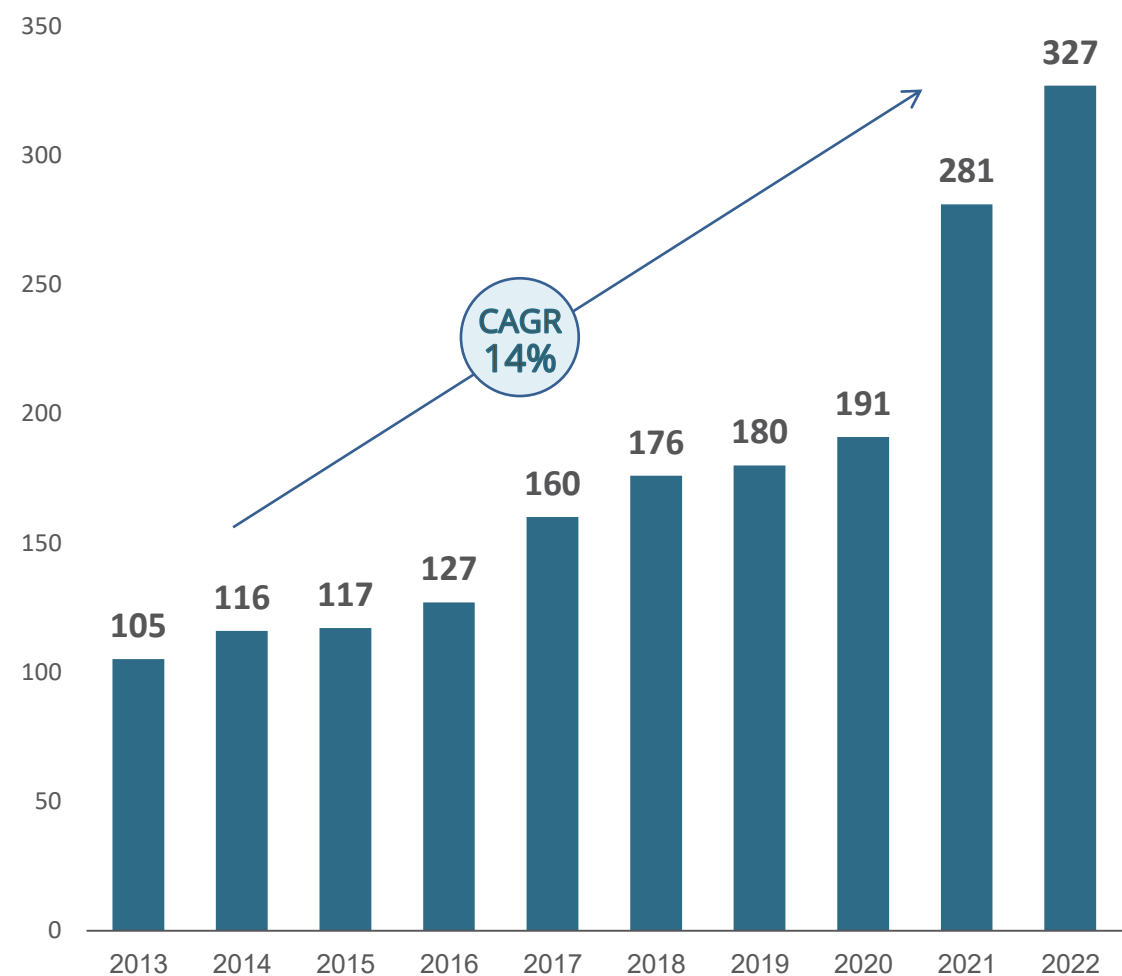
Direct sales to end producers > **90%**

98% > Of the company's customers are covered by full credit insurance

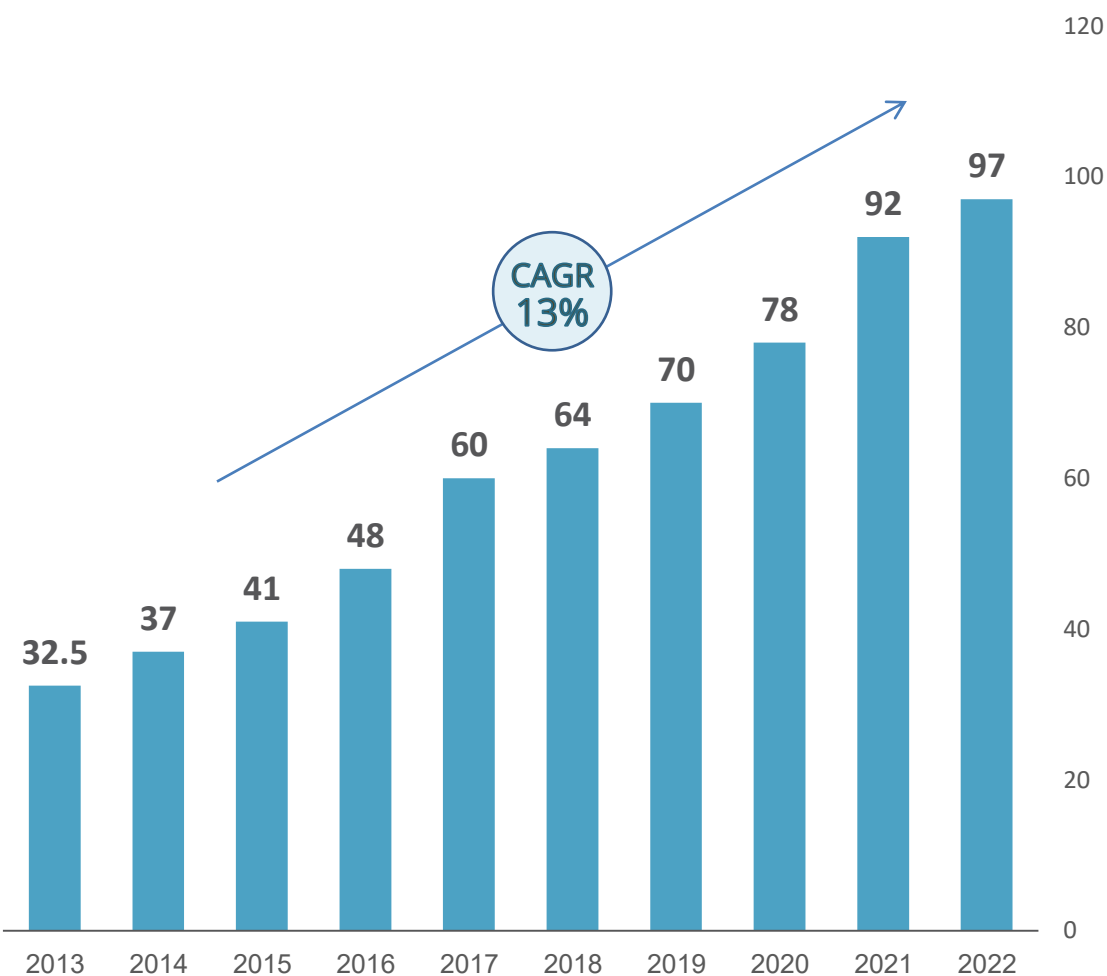
Sales - USD (M) & Tons



Turnover



Tons



Product Lines



 **Bondyram**®

 **EP** Engineering
Plastics

 **Polytron**®

Maximum annual production capacity ~***137,850 Tons**

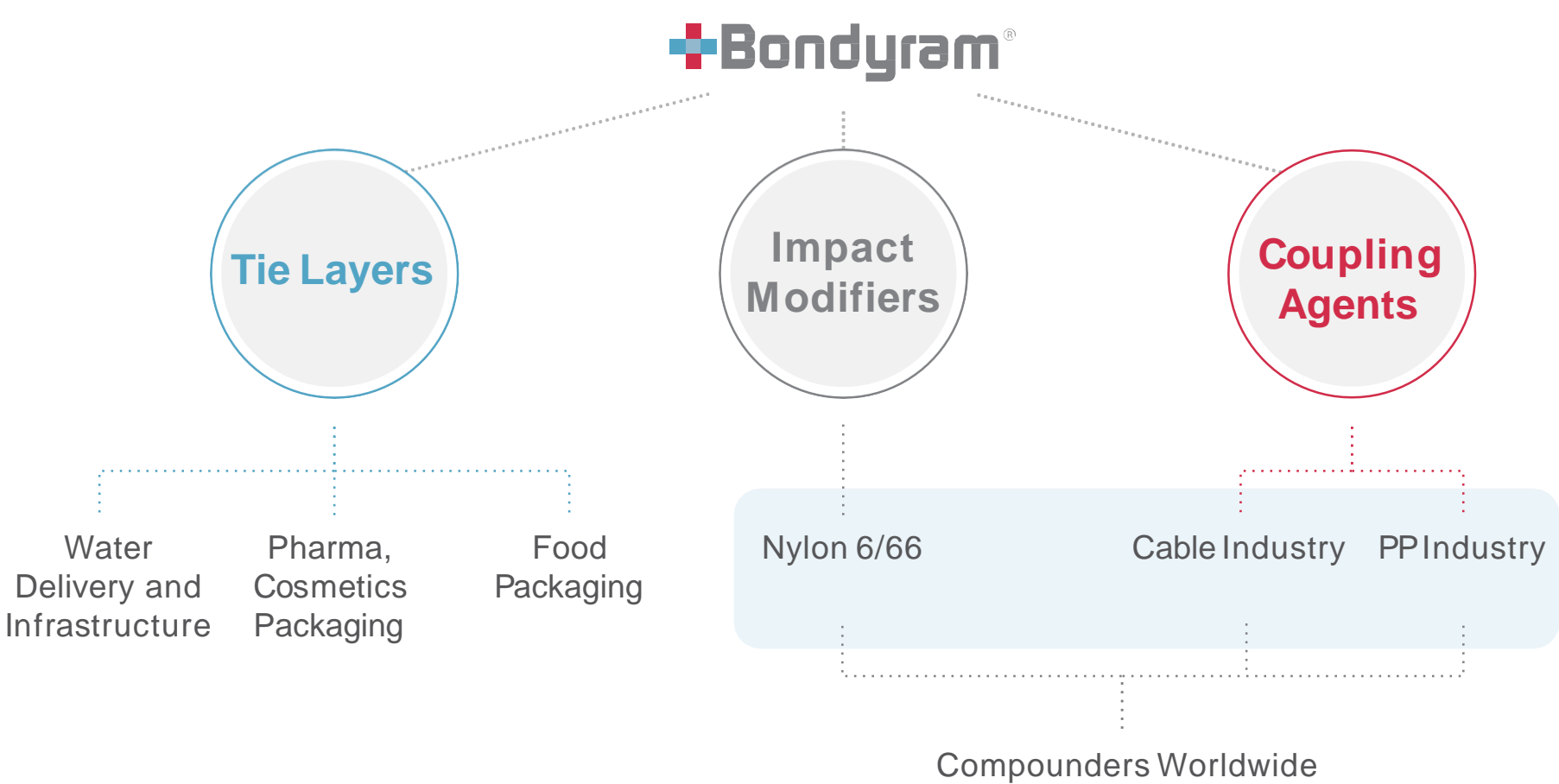
Current available capacity for growth ~**70%**

In order to meet the anticipated demand in the upcoming years,
there was a significant investment during **2021-2022**
to increase production capacity and operational efficiency.

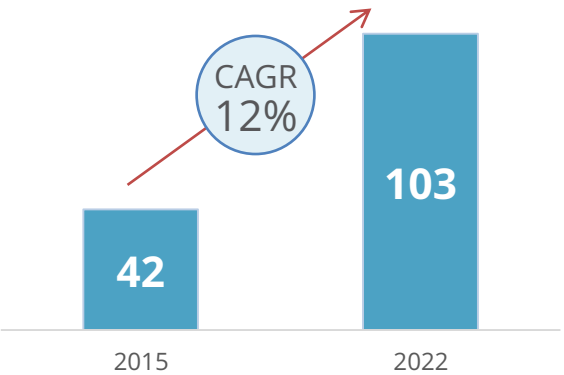
By the first half of **2023**, **two more production lines will be operational,**
resulting in an **increase of approximately 7,000 tons of production**
capacity.

The company will invest in a large production line in the field of Polytron for
its US factory,
in order to provide demands in the new project.





Bondyram Revenues
\$ in millions(2015-2022)



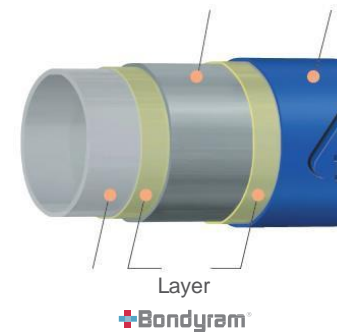
Tie Layers

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



Products and Applications

Construction



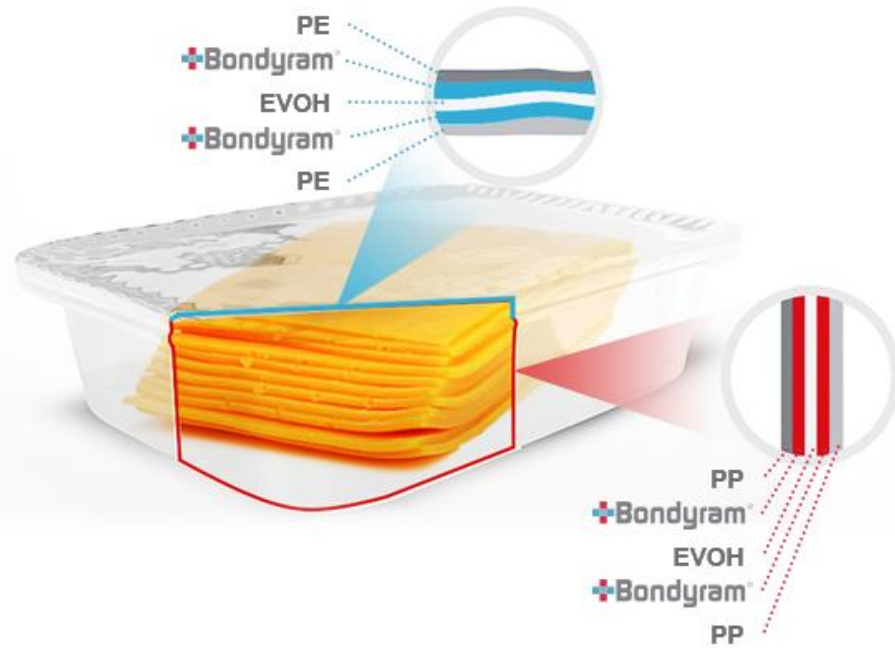
Pharma and Cosmetics Packaging



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

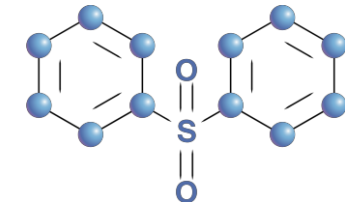
General plastic and wood products



Cables



Compounders
(such as Polyram)



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

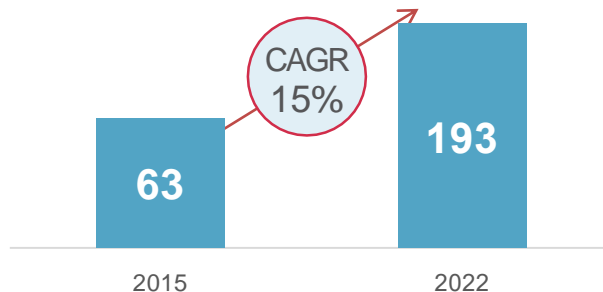


Solutions

- **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) \$ 2015-2022



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

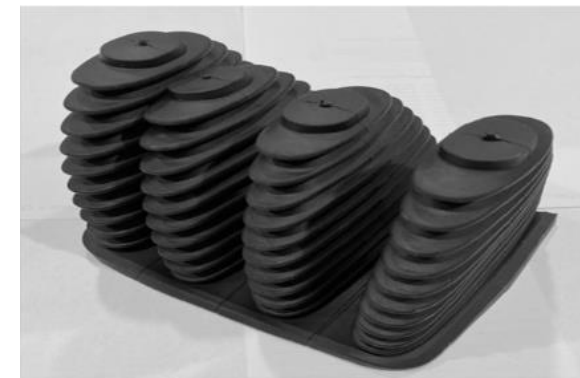
- **Production and distribution in Europe**- allows obtaining large projects of polyolefins and Bulk supplies.
- **Penetration into the German market** by the company's distribution system with Polyram's products.
- **Penetration into the thermoplastic rubber market** through the European subsidiaries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



Center console



Springs for an adjustable bed

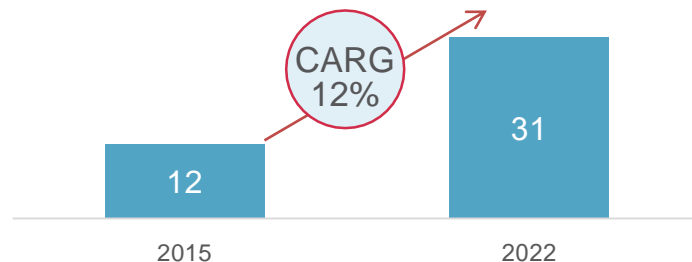


Gear cover

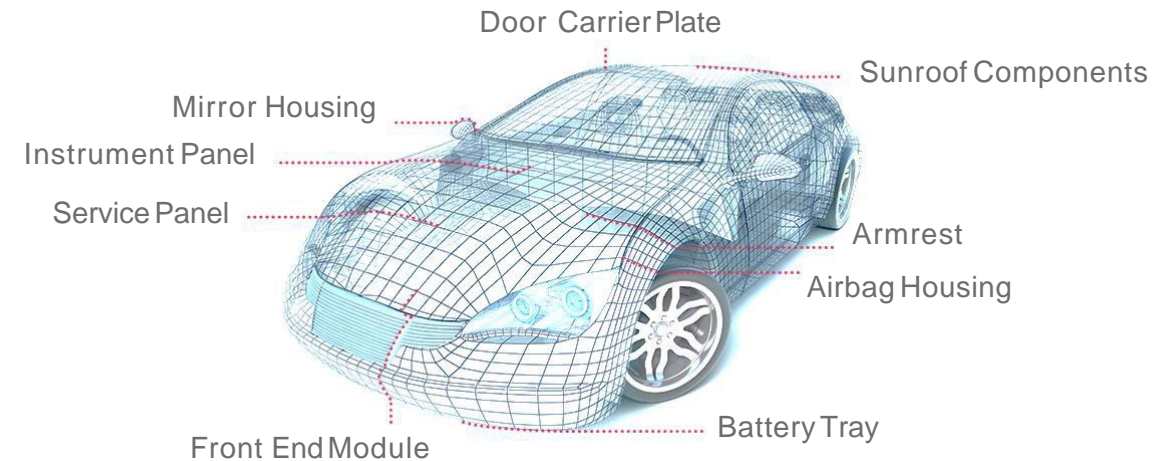
- Polyram is recognized as **one of the 10 largest suppliers** of long fiber solutions to the global automotive industry
- Polytron products mainly serve the Automotive Industry
- **Unique qualities** of Polytron based products allow the replacement of metal components with light-weight plastic based 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.
- Q4/2023- Establishing a **Third production** line in the US.
- **Winning two major projects** in the USA.

Polytron revenues

(\$ in millions) 2015-2022



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





Financial Statements

P&L M-ILS



	2020	2021	2022	2022				2023
				Q1	Q2	Q3	Q4	Q1
EP	378	511	651	169	183	159	140	160
Bondyram	206	306	349	83	106	88	72	85
Polytron	71	90	104	25	29	24	26	26
Sales turnover	655	907	1,104	277	318	271	238	271
Gross profit	140	201	201	52	61	50	38	45
<i>Gross profit margin</i>	21.3%	21.1%	18.2%	18.6%	19.1%	18.5%	16.0%	16.6%
R&D expenses	3	3	3	1	1	1	1	1
S&M expenses	35	40	46	9	11	11	14	13
G&A expenses	13	19	21	5	5	4	6	6
Other expenses (income), net	3	-	3	3	-	-	-	-
Operating profit	86	139	129	34	44	34	18	25
<i>Operating profit margin (w/o other expenses)</i>	13.1%	15.4%	11.9%	13.1%	13.7%	12.5%	7.4%	9.2%
Financing expenses, net	11	21	11	-	1	10	1	1
Income taxes	12	18	13	6	7	-2	2	4
Net profit	63	100	104	28	36	26	14	20
<i>Net profit margin</i>	9.6%	11.0%	9.4%	10.1%	11.3%	9.6%	5.8%	7.4%
EBITDA	113	166	166	44	52	42	28	35
<i>EBITDA margin</i>	17.3%	18.3%	15.0%	15.7%	16.4%	15.7%	11.6%	12.7%
CAPEX	11	21	*33	* 4	9	6	14	5

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

	Q1.2022	Q1.2023
Total current assets	652	605
Total non-current assets	*491	522
Total assets	1,143	1,127
Total current liabilities	389	338
Total non-current liabilities	*213	185
Capital attributed to the owner of the parent company	532	592
Capital attributed to minority interest	9	12
Total liabilities and capital	1,143	1,127

From the beginning of 2021, **142 M-ILS dividends** were distributed

Net liabilities to EBITDA
1.69X

Current ratio
1.79

(*) Restatement for Business Combinations that was handled temporarily in previous periods

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



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



Strength and economic resilience



Thank You