

Press release

27 October 2021

Nordic Paper postpones potential investment decision for Bäckhammar

The Board of Directors of Nordic Paper has today decided to postpone a potential investment decision regarding the initial phase of an expansion of the production unit in Bäckhammar until a production permit for the entire expansion has been obtained and the conditions linked to this permit are known. The current estimation by the company is that a new production permit may be obtained earliest in the beginning of 2023.

Since 2020, Nordic Paper is investigating an expansion of the production at the unit in Bäckhammar. The expansion plan consists of three parts, a new wood room for increased flexibility in the raw material procurement, investments to improve environmental performance and investments to increase production output of pulp and paper. During the last months, the company has carried out intensive work in a pre-project for the first part of the investment plan, the investment in a new wood room. The finding of the pre-project is that this part of the investment plan does not reach the previously estimated level of profitability but is dependent on increased production volumes. This means that before it is possible to make an investment decision, a new production permit has to be in place and the conditions included in a new production permit need to be known.

During the third quarter 2020, the company handed in its application regarding a new production permit for expanded production at Bäckhammar to the Land and Environment court. After handing in the application, the company has been asked to provide additional technical material to a larger extent than expected. Nordic Paper now estimates that a new production permit may be obtained earliest in the beginning of 2023.

For further information, please contact:

Henrik Essén, Head of IR and Strategy
Tel: +46 73 057 38 01
E-mail: henrik.essen@nordic-paper.com

Marie Stenquist, Head of Communication
Tel: +46 72 518 97 73
E-mail: marie.stenquist@nordic-paper.com

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Nordic Paper is a Scandinavian specialty paper producer, manufacturing top-quality paper since the 19th century. We are a leading supplier of kraft and natural greaseproof paper. Our products are based on renewable raw material from local forests. From our four Scandinavian mills we supply customers in more than 70 countries. Nordic Paper had in 2020 net sales of SEK 2,900m, about 630 employees and is listed on Nasdaq Stockholm. www.nordic-paper.com