

Q4

2021

Year-end report January – December 2021

QUARTERLY RESULTS OCTOBER - DECEMBER

- Net sales increased by 21% to SEK 810m (670).
- EBITDA was SEK 124m (144) corresponding to an EBITDA margin of 15.4% (21.4).
- Operating profit amounted to SEK 61m (113), corresponding to an operating margin of 7.5% (16.8%). Excluding write-down of SEK 32m in relation to the closure of the pulp production in Säffle, adjusted operating profit was SEK 93m (113) corresponding to an adjusted operating margin of 11.4% (16.8).
- Net result for the period amounted to SEK 45m (75) and earnings per share was SEK 0.67 (1.13).
- Cash flow from operating activities was SEK 75m (17).
- Return on operating profit was 15.9% (26.9).
- Sales volume increased by 8% to 69 ktonnes (64).
- On 31 December 2021 the Canadian specialty paper producer Glassine Canada Inc was acquired for a preliminary purchase price on a cash and debt free basis of SEK 644m. The acquisition strengthens the position of the group in the North American market for greaseproof papers.
- The Board of Directors proposes a dividend of SEK 2.00 per share, corresponding a total amount of SEK 134m.

KEY FIGURES

SEKm	2021 Q4	2020 Q4	Δ, %	2021 Full year	2020 Full year	Δ, %
Net sales	810	670	21	3,083	2,903	6
EBITDA	124	144	-13	358	458	-22
Adjusted EBITDA ¹	124	144	-13	434	458	-5
EBITDA-margin, %	15.4	21.4		11.6	15.8	
Adjusted EBITDA-margin, % ¹	15.4	21.4		14.1	15.8	
Operating profit	61	113	-46	208	348	-40
Adjusted operating profit ^{1,2}	93	113	-18	316	348	-9
Operating margin, %	7.5	16.8		6.8	12.0	
Adjusted operating margin, % ^{1,2}	11.4	16.8		10.3	12.0	
Profit for the period	45	75	-41	144	258	-44
Earnings per share, SEK	0.67	1.13		2.15	3.85	
Cash flow from operating activities	75	17	331	408	352	16
Return on operating capital 12m, %	15.9	26.9		15.9	26.9	
Net debt/EBITDA 12 m, ratio ³	3.7	1.6		3.7	1.6	
Sales volume, ktonnes	69	64	8	281	267	5

¹ Full year 2021 adjusted for the SEK 76m provision that was made in Q2 2021 for remediation of buildings and land in Säffle

² Q4 2021 and full year 2021 adjusted for the SEK 32m write-down of the pulp production in Säffle that was made in Q4 2021

³ Net debt adjusted for the acquisition of Glassine Canada amounts to SEK 674m and corresponds to a net debt excluding the acquisition of Glassine Canada Inc/EBITDA 12 m ratio of 1.9

CEO COMMENTS



VERY STRONG SALES VOLUMES

I'm very glad to see that the last quarter of the year was a quarter of strong sales volumes following a strong sales volume performance also from previous quarters of the year. Our efforts to eliminate bottlenecks in the production and the work with continuous improvements over the whole chain from order to delivery are showing results. We are particularly happy to see that we through good preparation and through cooperation with our suppliers have minimized the impact on delivery of our specialty paper products from the seasonal low availability of transportation capacity over Christmas and New Year holidays.

The market situation continues to be strong over all geographies and, as a consequence, we have been able to implement price increases also for the fourth quarter, primarily within Kraft Paper. High sales volumes and increased product prices result in a net sales that increased by 21% compared to the fourth quarter of 2020, something we are proud of, which of course is also the case for the 29.0% EBITDA margin in the quarter for Kraft Paper segment.

CONTINUED STRONG NEGATIVE IMPACT FROM HIGH COSTS FOR ENERGY AND PULP IN NATURAL GREASEPROOF

During the quarter, our business within Natural Greaseproof continued to be negatively impacted by high costs for energy and pulp. Even though we have been working with product price increases since the first quarter, it has not compensated for the cost increases. During the fourth quarter, the historical high European price levels for market pulp started to decrease, but the levels are still very high. The already high costs for electricity and natural gas increased to new record levels in the spot markets during the quarter. Nordic Paper has a considerable part of the electricity consumption under price hedging contracts, but the large magnitude of the spot price movements result in a significant negative impact on our result despite our hedging arrangements. To increase profitability, further price increases are needed and we work intensively with this, not the least against the fact that we will experience further cost increases during the beginning of 2022, primarily for oversea freights.

WE DELIVER ON OUR STRATEGY – ACQUISITION IN NORTH AMERICA AND INCREASED CAPACITY IN SÄFFLE

It was with pleasure that we during the last day of 2021 completed the acquisition of the Canadian specialty paper producer Glassine Canada Inc. With the addition to Nordic Paper, we strengthen our existing business in North America, the largest greaseproof paper market in the world, which expects to positively contribute to our targets for growth and profitability. We now work with welcoming our new colleagues and in the best of ways combining our two business for continuing to grow with our customers in the interesting North American market.

During December, we initiated the last activities of the restructuring of the Säffle production plant that was decided earlier during the year. The pulp production at the plant was permanently closed and the last steps of a SEK 70m investment was started. The investment targets a more efficient handling of external pulp to the plant. The project has been carried out in a good way in cooperation with our suppliers and despite the challenges associated with the global shortage of components, the first external pulp could be fed to the new handling system around New Year. With the measures taken, the production capacity for greaseproof papers in Säffle increases by 10% on an annual basis, primarily as continuous production all year round is possible. The environmental performance of the plant will be significantly improved as the consumption of fossil fuels will be reduced to less than half and the emissions to water of oxygen demanding substances will decrease.

RECORD FOR SALES VOLUME FOR FULL YEAR 2021

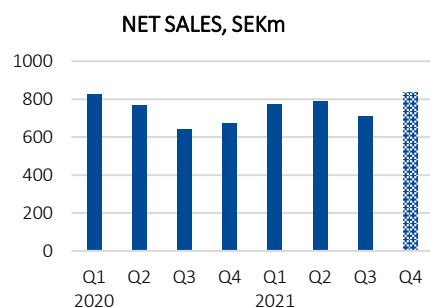
As we now sum up 2021 and include the strong sales volume of the fourth quarter, we note that we have a new annual record for sales volume. The new record of 281,000 tonnes paper and pulp is 3% above the old record from 2019 and 5% above the level from 2020.

The future is difficult to predict, but at Nordic Paper, we look forward to continue to deliver sustainable high quality specialty paper products to our customers around the world, now also from our new base in North America.

Anita Sjölander, CEO

GROUP PERFORMANCE

OCTOBER – DECEMBER

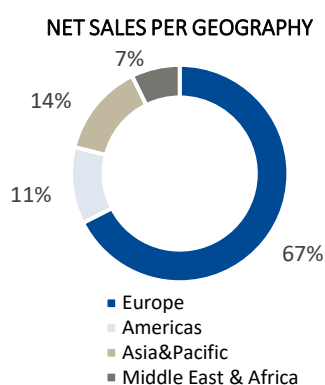


MARKET AND SALES

The demand for Nordic Paper products continued to be good during the fourth quarter within Kraft Paper as well as Natural Greaseproof segments. The sales prices for the products were higher compared to the same quarter 2020 and compared to the third quarter 2021.

Net sales during the fourth quarter increased by 21% to SEK 810m (670). Sales volume and product mix contributed positively to net sales by 10% compared with the same period last year and the higher product prices had a positive impact of 11% on net sales.

The net sales development was positive for all geographies compared to the same quarter last year. The sales development to Europe showed the largest positive increase in absolute terms while Middle East and Africa had the highest growth rate in percentage terms.



CHANGE IN NET SALES

Q4 2020, SEKm		670
Sales volume and product mix		10%
Selling price		11%
Currency		0%
Q4 2021, SEKm		810

RESULTS

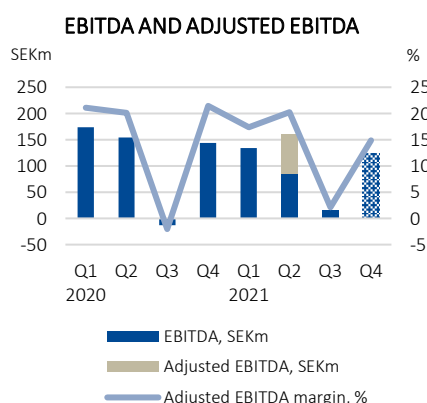
EBITDA amounted to SEK 124m (144) for the fourth quarter. The negative impact on results from increased costs for pulp and energy was somewhat larger than the positive impact from product price and sales volume compared to the same quarter last year. Prices for wood were somewhat lower compared to the same quarter last year with a positive impact on EBITDA. The negative currency impact on EBITDA was SEK 14m compared to the same quarter last year. Transaction related costs in relation to the acquisition of Glassine Canada Inc. of SEK 5m impact the results of the fourth quarter. EBITDA marginal was 15.4%, a decrease from 21.4% in the same period last year.

During the fourth quarter a write-down of SEK 32m was made in relation to the pulp production line in Säffle that was closed in the quarter. Excluding this write-down adjusted operating profit was SEK 93m (113) corresponding to an adjusted operating margin of 11.4% (16.8).

Net profit for the period was SEK 45m (75).

FINANCIAL NET AND TAX

Net financial items for the fourth quarter were SEK -8m (-19) of which interest net was SEK -7m (-5) and otherwise explained by negative exchange rate differences on cash. Tac cost for the fourth quarter amounted to SEK 8m (19), corresponding to a tax rate of 14.5%.



The production shutdown in Bäckhammar during Q3 2020 also impacted results in Q4 2020.

JANUARY – DECEMBER

MARKET AND SALES

Net sales for the year increased by 6% to SEK 3,083m (2,903). Higher sales volume gave the largest contribution to the increased net sales but also somewhat higher selling prices impacted positively. Currency development gave a negative effect on net sales compared to last year.

CHANGE IN NET SALES

Jan-Dec 2020, SEKm	2,903
Sales volume and product mix	7%
Selling price	2%
Currency	-3%
Jan-Dec 2021, SEKm	3,083

RESULTS

In connection to the decision to discontinue pulp production in Säffle ¹, a SEK 76m provision was made in the second quarter covering future remediation of buildings and land. The cash flow effect of this remediation work is expected to impact gradually over the coming 5-7 years. Excluding this provision, adjusted EBITDA was SEK 434m (458²). The adjusted EBITDA margin was 14.1% (15.8).

The negative currency effect on EBITDA of the year was SEK 63m compared to last year. Higher costs for energy and pulp impacted EBITDA negatively while increased sales volumes and higher selling prices impacted positively compared to last year.

During the fourth quarter a write-down of SEK 32m was made in relation to the pulp production line in Säffle that was closed in the quarter. Excluding this write-down adjusted operating profit was SEK 316m (348) corresponding to an adjusted EBITDA margin of 10.3% (12.0).

Net profit amounted to SEK 144m (258).

FINANCIAL NET AND TAX

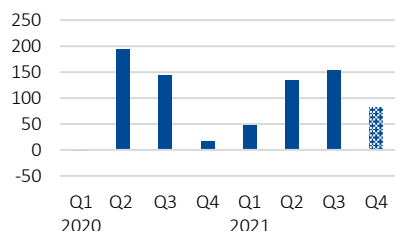
Net financial items for the year were SEK -27m (-20) out of which interest net was SEK -26m (-9). Tax cost for the year was SEK 37m (70), corresponding to a tax rate of 20.6% (21.3).

¹ See "Restructuring of the Säffle plant", page 12

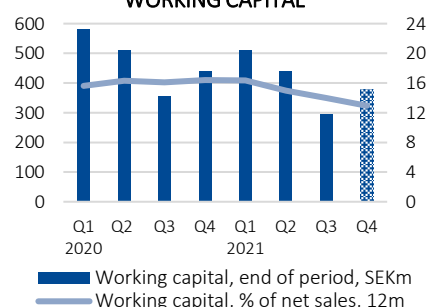
²* 2020 included costs related to the IPO of SEK 24m

CASH FLOW AND FINANCIAL POSITION

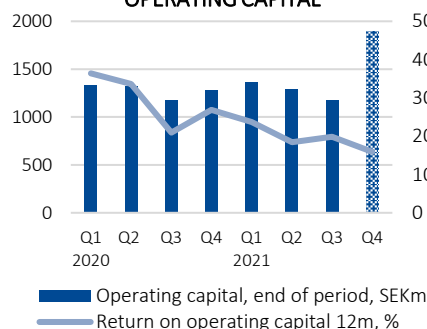
CASH FLOW FROM OPERATING ACTIVITIES, SEKm



WORKING CAPITAL



OPERATING CAPITAL



CASH FLOW AND WORKING CAPITAL

Cash flow from operating activities amounted to SEK 75m (17) for the fourth quarter. Net working capital as of 31 December 2021 was SEK 378m (439) and 13.1% (16.4) as percentage of net sales for the last 12 month period. The business of the acquired Glassine Canada Inc. increased working capital by SEK 43m per 31 December 2021.

INVESTMENTS AND OPERATING CAPITAL

In connection to the acquisition of Glassine Canada Inc. a preliminary purchase price of SEK 670m was paid on 31 December 2021. This preliminary purchase price also included compensation for the net cash position amounting to SEK 26m of the acquired company at the acquisition date. Net cash effect was SEK 644m. Investments in the operating activities during the quarter were SEK 86m (32). Included in the investments for the quarter is a large part of the SEK 70m investment for a more efficient handling of external pulp at the production plant in Säffle.

Operating capital as of 31 December 2021 was SEK 1,891m (1,278) of which SEK 719m (644) were tangible fixed assets and SEK 981m (344) were intangible assets. The acquisition of Glassine Canada Inc increased the tangible fixed assets by SEK 30m and the intangible assets by SEK 662m. Return on operating capital for the last 12 month period was 15.9% (26.9). The provision for remediation related to buildings and land in Säffle of SEK 76m that was made in the second quarter and the write-down of SEK 32m for the pulp production line in Säffle made in the fourth quarter impact return on operating capital with 8.3 percentage points.

FINANCING

In connection to the acquisition of Glassine Canada Inc., SEK 400m of existing credit facilities were used. Per 31 December 2021, net debt of the Group increased to SEK 1,317m (718). Interest bearing debt amounted to SEK 1,678m (1,134). Of the interest bearing debt, SEK 24m are attributable to IFRS 16 leasing liabilities. Cash and cash equivalents were SEK 360m (415). In addition, the company has available unutilized credit facilities of SEK 400m (800), whereof an overdraft facility of SEK 200m. The equity ratio was 18.0% (25.3) and the net debt/EBITDA 12m ratio was 3.7 (1.6).

HEDGING OF EXCHANGE RATES

The Group hedges future estimated net flows in foreign currencies. Typically, 50-75% of the estimated net flows are hedged for the coming 6 months period and 25-50% for the subsequent 7-12 month period. The net exposure to USD increased somewhat with the acquisition of Glassine Canada Inc per 31 December 2021. The hedging of this increased exposure is now being reviewed. EBITDA for the fourth quarter includes an earnings effect from currency hedges of SEK 0m (11). For the coming 12 months the hedges are as follows:

Currency	Average rate of derivatives	FX rate, 31 Dec	Total FX, m	Total, SEKm	Fair value net, SEKm	FX hedge as % of estimated net exposure, 1-6 months	FX hedge as % of estimated net exposure, 7-12 months
EUR	10.21	10.23	90	919	-4	62%	42%
USD	8.39	9.04	5	38	-3	45%	0%
GBP	11.87	12.18	12	147	-4	69%	43%
				1,104	-11		

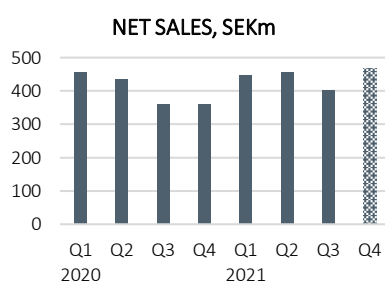
SEGMENT KRAFT PAPER

Segment Kraft Paper produces unbleached sack paper, MG paper and different kind of specialty paper of high quality for industrial usage. Examples of applications for the MG and sack paper are sacks and bags for food and construction materials, and masking and protection paper for different applications. The specialty papers can be used as components in production of laminates, in stainless steel production, and in electrical transformers. The mills in Bäckhammar and Åmotfors belongs to this segment. The segment also sells a certain amount of pulp.

MSEK	2021 Q4	2020 Q4	Δ, %	2021 Full year	2020 Full year	Δ, %
Net sales	469	361	30	1,772	1,613	10
EBITDA	136	80	69	392	266	47
EBITDA margin, %	29.0	22.3		22.2	16.5	
Operating profit	120	67	80	340	214	59
Operating margin, %	25.6	18.5		19.3	13.3	
Sales volumes ¹ , ktonnes	54	50	8	221	210	5

¹ Include sales volumes internally within the Group

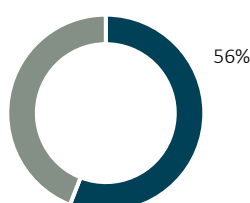
OCTOBER – DECEMBER



MARKET AND SALES

The demand for Nordic Paper kraft papers continued to be strong during the fourth quarter and price increases could be implemented also this quarter. The price increases implemented during the year have led to prices in local currency being 17% higher compared to the same quarter last year.

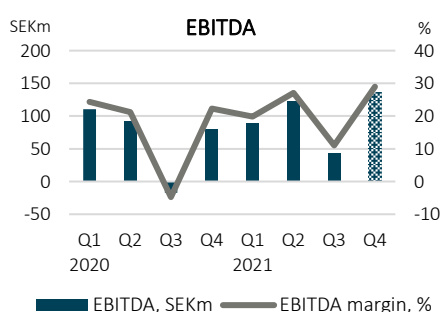
SHARE OF GROUP'S NET SALES Q4 2021



Net sales during the fourth quarter increased by 30% compared to the same quarter last year to SEK 469m (361). Sales volume and product mix impacted net sales positively by 13% compared to the same quarter last year. The largest net sales increase in absolute terms has been in Europe, the single largest market for the segment. The net sales to Asia, Middle East and Africa have also increased while sales to North America decreased compared to the same quarter last year.

CHANGES IN NET SALES

Q4 2020, SEKm		361
Sales volume and product mix		13%
Selling price		17%
Currency		0%
Q4 2021, SEKm		469



RESULTS

EBITDA increased to SEK 136m (80) mainly driven by increased sales prices. Increased sales volume impacted the results positively while increased costs mainly for energy impacted negatively. EBITDA margin increased to 29.0% (22.3). Operating profit amounted to SEK 120m (67) and operating margin was 25.6% (18.5).

The production shutdown in Bäckhammar during Q3 2020 also impacted results in Q4 2020.

JANUARY - DECEMBER

Net sales increased during the year by 10% to SEK 1,772m (1,613) compared to last year. The increase is mainly explained by a strong volume development. Excluding negative currency effects, the net sales increased by 13%.

CHANGE IN NET SALES

Jan-Dec 2020, SEKm	1,613
Sales volume and product mix	9%
Selling price	4%
Currency	-3%
Jan-Dec 2021, SEKm	1,772

EBITDA increased to SEK 392m (266) and EBITDA margin was 22.2% (16.5). Operating profit was SEK 340m (214) and the operating margin was 19.3% (13.3).

SEGMENT NATURAL GREASEPROOF

Segment Natural Greaseproof produces premium, natural greaseproof paper for the food industry. Greaseproof paper is used in the preparation, production, packaging and storage of food, for instance in baking cups, baking papers, food containers for ready meals, and barrier papers for wrapping meat, butter and other fatty foods. The mills in Greåker, Säffle and the per 31 December 2021 acquired mill in Québec belong to this segment.

SEKm	2021	2020	Δ, %	2021	2020	Δ, %
	Q4	Q4		Full year	Full year	
Net sales	369	318	16	1,377	1,327	4
Adjusted EBITDA ¹	-2	62	-	42	205	-80
Adj. EBITDA-margin, % ¹	-0.4	19.5	-	3.0	15.4	-
Adj. operating profit ^{1,2}	-13	47	-	-4	164	-
Adj. operating margin, % ^{1,2}	-3.5	14.9	-	-0.3	12.4	-
Sales volume, ktonnes	19	16	15	73	67	9

¹ Full year 2021 adjusted for the SEK 76m provision that was made in Q2 2021 for remediation of buildings and land in Säffle

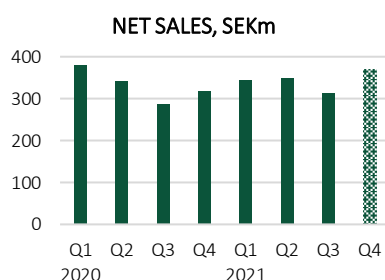
² Q4 2021 and full year 2021 adjusted for the SEK 32m write-down of the pulp production in Säffle that was made in Q4 2021

OCTOBER – DECEMBER

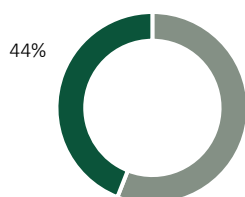
MARKET AND SALES

The demand for Nordic Paper greaseproof papers continued to be good during the quarter. Sales volume increased by 15% compared to the same quarter last year.

Net sales for the fourth quarter increased by 16% to SEK 369m (318) primarily driven by the increase in sales volume. Prices in local currency were 3% higher than in the same quarter last year and currency development impacted net sales positively by 1%. The sales development was positive for all geographies. In absolute terms, the increase was largest for Europe.



SHARE OF GROUP'S NET SALES Q4 2021



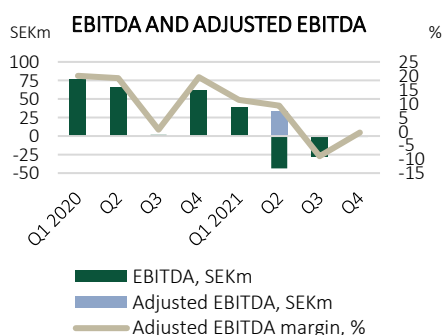
CHANGE IN NET SALES

Q4 2020, SEKm		318
Sales volume and product mix		12%
Selling price		3%
Currency		1%
Q4 2021, SEKm		369

RESULTS

EBITDA for the fourth quarter amounted to SEK -2m (62) corresponding to an EBITDA margin of -0.4% (19.5). The historical high prices for market pulp had a strongly negative impact on EBITDA compared to the same period last year. The market pulp prices started to decrease during the quarter, but the average prices for the quarter are despite this decrease at a level of about 50% higher than in the same quarter last year. Also the historically high prices for electricity and natural gas impacted strongly negative compared to the same period last year.

During the fourth quarter a write-down of SEK 32m was made in relation to the pulp production line in Säffle that was closed in the quarter. Excluding this write-down, adjusted operating profit was SEK -13m (47) corresponding to an adjusted operating margin of -3.5% (14.9).



JANUARY - DECEMBER

Net sales during the year amounted to SEK 1,377m (1,327), an increase by 4% compared to last year. A positive volume development was counteracted by negative effects from currency and price. Excluding currency effects, the net sales increased by 8%.

CHANGE IN NET SALES

Jan-Dec 2020, SEKm	1,327
Sales volume and product mix	9%
Selling price	-1%
Currency	-4%
Jan-Dec 2021, SEKm	1,377

In connection to the decision to discontinue pulp production in Säffle, a SEK 76m provision was made in the second quarter covering future remediation of buildings and land. The cash flow effect of this remediation work is expected to impact gradually over the coming 5-7 years. Excluding this provision, adjusted EBITDA was SEK 42m (205). Adjusted EBITDA margin was 3.0% (15.4).

During the fourth quarter a write-down of SEK 32m was made in relation to the pulp production line in Säffle that was closed in the quarter. Excluding this write-down adjusted operating profit was SEK -4m (164) corresponding to an adjusted operating margin of -0.3% (12.4).

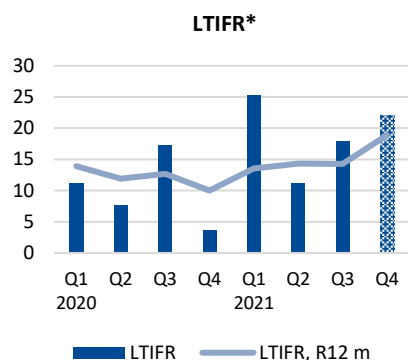
SUSTAINABILITY

Nordic Paper strives to integrate sustainability as a natural part of the daily work. The company has chosen three focus areas for its sustainability work:

- Sustainable work environment
- Sustainable business behaviour
- Responsible production

Reporting related to these focus areas are included in the interim reports.

SUSTAINABLE WORK ENVIRONMENT



The overall target is to secure a healthy and safe work environment for the employees as well as for contractors, hired staff and other visitors. The current Nordic Paper target for the number of LTI's, lost time incidents, is to be below 9 per million working hours.

During the fourth quarter, there were 6 incidents followed by sick leave which is an increase from 5 incidents in the third quarter. The number of incidents corresponds to a LTIFR* during the quarter of 22.1 and 18.9 for the last 12 month period. Both of these figures are above the target of the company.

During the first quarter, a plan to intensify the preventive and structured work on occupational health and safety was established according to which the company is now working.

* Lost Time Incident Frequency Rate, incidents with sick leave per 1 million working hours. Calculated as number of incidents with sick leave divided by actual working hours for the company's own employees.

SUSTAINABLE BUSINESS BEHAVIOUR

During the quarter, the work has continued at good pace in the supply chain to implement the Nordic Paper code of conduct for suppliers and at the end of the quarter, 96% of all suppliers with written agreements and suppliers having an annual contract volume of greater than SEK 1m or with more than 24 orders per year have accepted the Nordic Paper code of conduct for suppliers in written or present a code of conduct of their own corresponding to Nordic Paper's. The outcome at year end is above the target of the company and it is an increase from the outcome of 83% at the end of the third quarter.

RESPONSIBLE PRODUCTION

The restructuring of the production plant in Säffle was to a large extent implemented during the fourth quarter and the sulphite pulp production was discontinued and replaced by externally sourced market pulp. Even though the sulphite pulp production primarily was based on bioenergy, it required certain amounts of fossil fuels. The consumption of fossil fuels has been reduced over the years, but at the time of closing of the pulp line, there was a remaining requirement for some 2,000 tonnes of fossil fuel oil per year. As a consequence of the restructuring of the plant, this consumption is entirely avoided and the greenhouse gas emissions in scope 1 and 2 for the plant will be reduced to less than half. The impact on Nordic Paper's greenhouse gas emissions in scope 1 and 2 is a reduction of about 8%. As the suppliers of external market pulp have more energy efficient production processes than the closed production line in Säffle, the net impact over scope 1-3 is positive.

OTHER

SEASONAL EFFECTS

Nordic Paper is to a certain extent impacted by seasonal variation during the financial year, primarily due to planned production stops. The production plants of the company in Åmotfors and Greåker both have production stops during 3 to 4 weeks during the summer vacations in the third quarter. During these stops much of the annual maintenance work is carried out. Also the production plant in Säffle had this way of operating until 2021 but for 2022 the Säffle production plant has changed to production also during the summer weeks and will instead have a shorter maintenance stop during the third quarter of less than two weeks. The production plant in Bäckhammar operates continuously and has an annual maintenance stop, most often in the third quarter. The Bäckhammar annual maintenance stop is typically less than two weeks. The acquired business within Glassine Canada operates continuously at the paper production plant in Québec with an annual maintenance stop during the third quarter of about a week.

During maintenance stops as well as during summer vacation stops, the production is standing still and the operating profit is impacted negatively by lower contribution and by somewhat lower sales volumes. At the plants having production stops during summer vacations, the third quarter is impacted by lower personnel costs.

	Direct costs for maintenance at planned maintenance stops, SEKm						Carried out, quarter		
	Kraft Paper			Natural Greaseproof			2022	2021	2020
	Estimated 2022	Actual 2021	Actual 2020	Estimated 2022	Actual 2021	Actual 2020			
Bäckhammar	65	64	60				3	3	3/4
Åmotfors	8	6	8				3	3	3
Säffle				12	23	23	3	3	3
Greåker				6	4	4	3	3	3
Québec				3-4	-	-	3	-	-

Net sales in December are normally somewhat negatively affected as a consequence of low availability of transportation in connection to Christmas and New Year holidays. The effect can be an increased inventory levels at year-end and a postponing of sales to the first quarter the following year. Nordic Paper works actively with developing its way of working to minimize these effects through planning and preparatory work together with suppliers of transportation services. The result of this work was that these effects were not detected in the fourth quarter 2021.

RESTRUCTURING OF THE SÄFFLE PLANT

Nordic Paper decided during the second quarter to discontinue the production of pulp at the Säffle plant during the fourth quarter 2021 and to replace it with external purchased pulp. A decision was also made regarding an investment of SEK 70m aiming among other things to increase efficiency in the handling of external pulp. The measures lead to an increase of about 10% of the annual production capacity of greaseproof papers at the Säffle plant.

Nordic Paper estimates that the fixed costs, excluding depreciation, of the plant would be reduced by approximately SEK 30-40m on an annual basis. The staffing at the plant will be reduced by about 20 positions.

As a consequence of the decision, a provision of SEK 76m was made to cover future remediation of buildings and land. The cash flow effect of this remediation work is expected to impact gradually over the coming 5-7 years.

At the closure of the existing pulp line in the fourth quarter of 2021, a write-down of SEK 32m was made.

ACQUISITION OF GLASSINE CANADA INC.

On 31 December 2021 Nordic Paper acquired the Canadian specialty paper producer Glassine Canada Inc. The balance sheet of the acquired company is included in the Group's balance sheet per 31 December while the sales and profit of the acquired company will be included in the income statement from 1 January 2022.

The acquired company had the below (un-audited) net sales and results for the full year January – December 2021:

Glassine Canada Inc. SEKm	2021 Full year
Net sales	265
EBITDA	60
EBITDA margin, %	22.5
Operating profit	56
Operating margin, %	21.0

The preliminary purchase price on a cash and debt free basis amounted to SEK 654m on the acquisition date. Included in the preliminary purchase price was an estimation of the value of the net cash of the acquired company. After the acquisition date, the valuation of this net cash position has been adjusted to SEK 26m and the preliminary purchase price to SEK 644m. Transferred compensation amounts to SEK 670m. Final purchase price will be determined during the first half of 2022.

Effects from acquisitions, SEKm

Preliminary disclosed values on identified net assets	Book value	Fair value adjustment	Fair value
Trademark	-	31	31
Customer relations	0	218	219
Buildings and land	10	-	10
Machinery and plant	19	-	19
Deferred tax assets	0	8	8
Total non-recurrent assets	30	258	287
Inventories	20	-	20
Accounts receivable	35	-	35
Income tax receivables	5	-	5
Cash and cash equivalents	58	-	58
Total current assets	117	-	117
Total assets	147	258	405
Provisions for pension	-	-31	-31
Deferred tax liabilities	-4	-66	-70
Total non-current liabilities	-4	-97	-102
Accounts payables and other current liabilities	-16	-	-16
Total current liabilities	-16	-	-16
Net identified assets and liabilities	127	160	287
Goodwill		382	382
Transferred compensation			670

Depreciation of intangible assets will be made in relation to customer relations. These will be depreciated linear over the useful life of the items of 10 years.

RISKS AND RISK MANAGEMENT

COVID-19 has until today not had any effect on Nordic Paper's production capabilities and no material effect on Nordic Paper's financial condition. Nordic Paper experiences that the pandemic has a negative impact on demand where lockdown is implemented or has been implemented and has experienced a shift in the demand, i.e. from the professional food service sector to the consumer driven retail sector. Nordic Paper experiences that the demand from the professional food sector is recovering. Continued measures taken to combat the pandemic's spread, may though have an impact that proves to be materially adverse to Nordic Paper's financial condition and results of operations.

In addition, Nordic Paper is exposed to other strategic, operational, financial, legal and regulatory risks that may significantly affect the company. Awareness of risks and mitigation of risks is a part of the daily activities and is continuously reviewed by the management and reported to the Board. These risks include, inter alia, the following:

- Nordic Paper operates in competitive markets and is subject to competition regarding both the pricing and quality of its products, whereby it could fail to compete successfully.
- Macroeconomic factors and trends in various markets, such as food and industrial, could lead to variations in demand and pricing of Nordic Paper's products.
- Cost of input goods and services used by Nordic Paper for production vary over time and could adversely affect Nordic Paper's operations.
- If long term relationships with agents and customers face difficulties or if such relationships deteriorate it could have an impact on Nordic Paper's business and operating results.
- Damages to production equipment and other disruptions in production could lead to temporary cessation of one or several of Nordic Paper's production units.
- Nordic Paper is dependent on IT systems for its ongoing operations and disruptions or errors in critical systems could lead to disruptions in production and important business processes.
- An inefficient implementation of strategic plans, erroneous investment decisions, failure in establishing commitment for adopted strategies and risks relating to acquisitions and integration could adversely affect Nordic Paper's operations.
- Nordic Paper is exposed to currency risks due to transactions performed in currencies other than SEK and due to foreign subsidiaries in the Group.
- Nordic Paper's operations are exposed to environmental risks and must comply with various environmental regulations.
- Nordic Paper's operations are exposed to risks related to sanctions, corruption and competition.
- Nordic Paper's operations are exposed to health and safety risks and must comply with various work-related health and safety regulations.

A more comprehensive description of the risks is provided in Nordic Paper's Annual report 2020 available on www.nordic-paper.com.

TRANSACTIONS WITH RELATED PARTIES

During the quarter, Nordic Paper purchased energy to an amount of SEK 25m (7) and sold services and consumables to Åmotfors Energi AB to an amount of SEK 4m (1). The transactions were conducted on market conditions.

LONG TERM INCENTIVE PROGRAMME FOR SENIOR EXECUTIVES

During the fourth quarter, the Board of Directors decided not to implement the long term incentive programme that was resolved at the Nordic Paper annual general meeting on 20 May 2021 in the form of warrants for senior executives which encompass the CEO and the other members of the management team.

SHAREHOLDERS

Nordic Paper had 3,751 shareholders as of 31 December 2021.

Shareholders 31 December 2021	Votes and capital(%)
Sutriv Holding AB	48.2%
Swedbank Robur Fonder	9.4%
AMF - Försäkring och Fonder	9.4%
Handelsbanken fonder	5.3%
Ålandsbanken	3.7%
UBS Switzerland AG	3.1%
CBNY – Norges Bank	2.1%
Ålandsbanken ABP (Finland)	1.5%
BNY Mellon SA	1.3%
SEB AB	1.0%
Other	14.2%
Total	100.0%

DIVIDEND

For the fiscal year 2021, the Board of Directors proposes a dividend of SEK 2.00 per share, to be paid in one instalment. The proposal entails a total share dividend of SEK 134m. At the determination of the proposed dividend, the SEK 108m significant items affecting comparability in the year have been taken into account and the proposal is thereby in line with the dividend policy of the company. The record day for the proposed dividend is 23 May. The final day for trading in Nordic Paper's shares including the right to a dividend is 19 May.

28 January 2022

Nordic Paper Holding AB (publ)

Anita Sjölander

CEO

The report has not been reviewed by the company's auditors.

The English report is only for translation purposes. The Swedish report is the valid report.

This is information that Nordic Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out in the press release for this report, at 7.30am CET on 28 January 2022.

Group

CONDENSED INCOME STATEMENT

SEKm	2021 Q4	2020 Q4	2021 Full year	2020 Full year
Net sales*	810	670	3,083	2,903
Other operating income	11	22	45	39
Change in inventories	46	38	-11	-17
Raw materials, energy and consumables	-427	-301	-1,431	-1,210
Other external costs	-178	-159	-801	-757
Personnel costs	-137	-120	-519	-479
Depreciation and amortisation	-64	-31	-150	-110
Other operating costs	-1	-7	-7	-21
Operating profit	61	113	208	348
Financial income	0	0	1	5
Financial costs	-8	-19	-28	-25
	-8	-19	-27	-20
Profit before tax	52	94	182	328
Tax	-8	-19	-37	-70
Profit for the period	45	75	144	258
Profit attributable to:				
Owners of the parent company	45	75	144	258
Non-controlling interests	-	-	-	-
Net profit for the period	45	75	144	258
Earnings per share, SEK	0.67	1.13	2.15	3.85

*Net sales consist in entirety of sales of goods.

CONDENSED COMPREHENSIVE INCOME

SEKm	2021 Q4	2020 Q4	2021 Full year	2020 Full year
Profit for the period	45	75	144	258
<i>Items that will be reclassified to profit or loss</i>				
Change in fair value of cash flow hedges	-8	15	-37	16
Exchange differences on translation of foreign operations	4	6	12	-15
Tax attributable to items that have been or may be reclassified to profit or loss	2	-3	8	-3
Other comprehensive income for the period	-2	18	-18	-2
Comprehensive income for the period	43	93	126	256
Comprehensive income attributable to:				
Parent company's shareholders	43	93	126	256

CONDENSED BALANCE SHEET

SEKm	2021 31 Dec	2020 31 Dec
Trade mark	31	-
Customer relations	219	-
Goodwill	726	343
Other intangible assets	6	1
Buildings and land	55	55
Machinery and plant	466	484
Equipment, tools, fixtures and fittings	4	4
Right of use assets	23	18
Construction in progress	176	83
Deferred tax assets	18	9
Total non-current assets	1,724	997
Inventories	472	445
Accounts receivables	546	365
Income tax receivables	7	-
Other operating receivables	114	68
Derivatives	1	34
Prepaid expenses and accrued revenue	28	24
Cash and cash equivalents	360	415
Total current assets	1,528	1,351
Total assets	3,252	2,349
Share capital	19	19
Reserves	-33	-15
Retained earnings including profit of the year	598	590
Total equity	584	594
Liabilities to credit institutions	1,350	950
Lease liabilities	14	9
Provisions for pension	31	-
Deferred tax liabilities	206	158
Other liabilities and provisions	97	18
Total non-current liabilities	1,698	1,135
Factoring credit-line	273	165
Liabilities to parent	-	-
Accounts payables	382	218
Liabilities to associated companies	14	3
Income tax liability	-	5
Lease liabilities	10	10
Derivatives	15	-
Other liabilities	14	12
Accrued expenses and deferred income	263	207
Total current liabilities	970	620
Total equity and liabilities	3,252	2,349

CONDENSED STATEMENT OF CHANGES IN EQUITY

SEKm	2021 31 Dec	2020 31 Dec
Opening balance	594	1,288
Comprehensive income for the period	144	258
Other comprehensive income for the period	-18	-2
Transactions with owners of the parent		
Dividend	-134	-950
Closing balance	586	594
Equity attributable to:		
Owners of the parent company	586	594

CONDENSED CASH FLOW

SEKm	2021 Q4	2020 Q4	2021 Full year	2020 Full year
Operating activities				
Operating profit	61	113	208	348
Interest income	0	0	0	0
Interest cost	-7	-5	-26	-9
Adjustments for non-cash items	78	12	256	87
Paid income tax	40	-10	-14	-110
Cash flow from operating activities before changes in working capital	171	110	425	316
Cash flow from changes in working capital				
Changes in inventories	-52	-35	-19	15
Change in operating receivables	-138	11	-230	26
Change in operating liabilities	93	-69	233	-5
Cash flow from operating activities	75	17	408	352
Investing activities				
Acquisitions of tangible assets	-86	-32	-180	-102
Acquisition value subsidiary	-644	-	-644	-
Cash flow from investing activities	-731	-32	-824	-102
Financing activities				
Net change in factoring credit line	27	-12	108	-19
Group contribution paid out	-	-	-	-41
Amortisation of lease liabilities	-3	-3	-13	-10
New loan	400	950	400	950
Dividend paid out	-	-950	-134	-950
Cash flow from financing activities	424	-15	361	-70
Cash flow for the period	-231	-29	-55	179
Opening cash and cash equivalents	590	458	415	247
Currency translation in cash and cash equivalents	1	-14	0	-11
Closing cash and cash equivalents	360	415	360	415
Adjustments for non-cash items				
Depreciations	64	31	150	110
Currency translation effects	-6	15	-5	12
Derivatives, changes in fair value	8	-25	21	-24
Provision for remediation of buildings and land in Säffle	-	-	76	-
Others	12	-8	14	-11
Total	78	12	256	87

Accounting policies and other information

NOTE 1 ACCOUNTING POLICIES

The interim report is prepared in accordance to IAS 34 Interim Financial Reporting as well as applicable parts of the Annual Accounts Act. The interim report for the parent company is prepared in accordance to the Annual Accounts Act (1995:1554) and Swedish Financial Reporting Board RFR 2 Accounting rules for legal entities. As of 1 January 2021, the parent company utilizes the RFR 2 exception related to accounting of derivatives, the “simplification method”. The time period January-December 2020 used for comparison have been recalculated for the parent company in this report. The accounting principles applied when preparing the interim report are the same for all periods and corresponds to the accounting principles and conditions presented in Note 2 in the Annual report 2020.

All amounts are stated in SEK million (SEK m) unless otherwise stated. Rounding differences of SEK +/- 1m may occur in the sums of amounts. If an underlying amount adds up to SEK 0 million after rounding, the amount will be stated as 0. Amounts in parentheses refer to the corresponding period last year.

Information according to IAS 34.16A is in addition to in the financial reports and its related notes also presented in other parts of the interim report.

NOTE 2 QUARTERLY DATA PER SEGMENT

NET SALES

SEKm	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Segment Kraft Paper	455	436	361	361	448	455	401	469
Segment Natural Greaseproof	381	342	286	318	345	349	314	369
Eliminations	-9	-12	-8	-9	-20	-14	-4	-28
Total Group	827	767	639	670	772	790	711	810

EBITDA

SEKm	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Segment Kraft Paper	111	93	-17	80	89	123	44	136
Segment Natural Greaseproof	76	66	2	62	39	-44	-28	-2
Parent company and not distributed items	-59	43	-10	20	-27	3	-4	-23
Eliminations etc	46	-48	13	-19	34	2	2	13
EBITDA total Group	174	153	-13	144	134	84	15	124
Depreciation and amortisation	-26	-26	-27	-31	-28	-29	-29	-64
Operating profit	148	127	-40	113	106	55	-14	61
Financial income	10	0	2	0	5	-4	2	-1
Financial costs	-1	-10	-2	-19	-7	-7	-7	-7
Profit before tax	157	117	-41	94	104	44	-18	52

EBITDA MARGIN

%	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Segment Kraft Paper	24.3	21.2	-4.8	22.3	19.9	27.1	11.0	29.0
Segment Natural Greaseproof	20.0	19.2	0.6	19.5	11.3	-12.5	-8.9	-0.4
Group	21.1	20.1	-2.0	21.4	17.4	10.7	2.1	15.4

OPERATING PROFIT

SEKm	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Segment Kraft Paper	98	80	-31	67	77	111	32	120
Segment Natural Greaseproof	67	57	-7	47	28	-55	-40	-45
Parent company and not distributed items	-59	43	-10	20	-27	3	-4	-23
Eliminations etc	42	-52	8	-22	28	-3	-3	9
Total Group	148	128	-40	113	106	55	-14	61

OPERATING MARGIN

%	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Segment Kraft Paper	21.6	18.3	-8.6	18.5	17.2	24.8	8.0	25.6
Segment Natural Greaseproof	17.5	16.5	-2.4	14.9	8.1	-15.8	-12.6	-12.2
Group	17.9	16.7	-6.3	16.8	13.8	7.0	-1.9	7.5

SALES VOLUMES

ktonnes	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Segment Kraft Paper	57	55	48	50	60	58	48	54
Segment Natural Greaseproof	19	17	15	16	19	19	16	19
Eliminations	-2	-3	-2	-2	-4	-3	-2	-4
Total Group	73	69	61	64	75	74	62	69

NOTE 3 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

SEKm	2021 31 Dec		2020 31 Dec	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets: accrued acquisition value				
Accounts receivables	546	546	365	365
Other receivables	114	114	68	68
Cash at bank and on hand	360	360	415	415
Total	1,021	1,021	848	848
Financial liabilities: accrued acquisition value				
Factoring credit line	273	273	165	165
Lease liabilities	24	24	18	18
Liabilities to associated companies	14	14	3	3
Liabilities to owner company	-	-	-	-
Account payables	382	382	218	218
Non-current liabilities to credit institutions	1,350	1,350	950	950
Other liabilities	310	310	219	219
Total	2,351	2,351	1,573	1,573
Derivatives used for hedging				
Current assets				
Cash flow hedges	1	1	34	34
Current liabilities				
Cash flow hedges	12	12	0	0

CALCULATION OF FAIR VALUE

Nordic Paper Group has derivatives that are valued at fair value according to level 2 in the fair-value hierarchy. Other financial instruments have short duration and fair value is assessed to be equivalent to disclosed value. For further information, please see note 21 in the Annual report 2020.

NOTE 4 OTHER PROVISIONS

Other provisions of SEK 97m relate to assessed future remediation costs for buildings and land. The provision breakdown includes SEK 76m costs for future tearing down buildings and restoring of land related to the pulp mill in Säffle while the remaining are costs associated with remediation of a landfill site. For the costs related to the pulp mill, the cost has been assessed by a third party. The cash flow effect related to the pulp mill is estimated to occur gradually during the coming 5-7 years.

Key figures

SEKm	2021 Q4	2020 Q4	2021 Full year	2020 Full year
Net sales growth, %	21	-9	6	-10
EBITDA margin, %	15.4	21.4	11.6	15.8
Adjusted EBITDA-margin, % ¹	15.4	21.4	14.1	15.8
Operating margin, %	7.5	16.8	6.8	12.0
Adjusted operating margin, % ^{1, 2}	11.4	16.8	10.3	12.0
Cash flow from operating activities	75	17	408	352
Cash conversion, %	67.5	77.9		
Return on operating capital, 12m, %	15.9	26.9		
Return on equity, 12m, %	24.6	22.3		
Working capital	378	439		
Operating capital	1,891	1,278		
Interest-bearing debts	1,678	1,134		
Net debt /equity, %	225.3	120.9		
Net debt/EBITDA 12m, ratio	3.7	1.6		
Equity ratio, %	18.0	25.3		
Working capital % of net sales, 12m	13.1	16.4		
Investments	86	32	180	102
Sales volumes, ktonnes	69	64	281	267
Number of employees at end of period	688	632		
Number of shares, end of period	66,908,800	66,908,800		
Earnings per share, SEK	0.67	1.13	2.15	3.85

¹ Full year 2021 adjusted for the SEK 76m provision that was made in Q2 2021 for remediation of buildings and land in Säffle

² Q4 2021 and full year 2021 adjusted for the SEK 32m write-down of the pulp production in Säffle that was made in Q4 2021

ALTERNATIVE PERFORMANCE MEASURES

References are made in the financial reports to a number of financial performance measures which are not defined according to IFRS. These key figures provide complementary information and are used to help investors as well as group management analyse the company's operations. Since not all companies calculate financial performance measures in the same manner, these are not always comparable with measures used by other companies.

EBITDA SEKm	2021 Q4	2020 Q4	2021 Full year	2020 Full year
Operating result	61	113	208	348
Depreciation, amortisation and impairment	64	31	150	110
EBITDA, SEKm	124	144	358	458
Significant items affecting comparability	-	-	76	-
Adjusted EBITDA, SEKm	124	144	434	458
EBITDA MARGIN SEKm	2021 Q4	2020 Q4	2021 Full year	2020 Full year
EBITDA	124	144	358	458
Net sales	810	670	3,083	2,903
EBITDA margin, %	15.4	21.4	11.6	15.8
Significant items affecting comparability	-	-	76	-
Adjusted EBITDA margin, %	15.4	21.4	14.1	15.8
OPERATING MARGIN SEKm	2021 Q4	2020 Q4	2021 Full year	2020 Full year
Operating profit	61	113	208	348
Net sales	810	670	3,083	2,903
Operating margin, %	7.2	16.8	6.8	12.0
Significant items affecting comparability	32	-	108	-
Adjusted operating margin, %	11.4	16.8	10.3	12.0
CASH CONVERSION SEKm	2021 Q4	2020 Q4	2021 Full year	2020 Full year
EBITDA 12m	358	458		
Change in working capital	64	1		
Investments, 12 m *	-180	-102		
Total	242	357		
EBITDA, 12 m	358	458		
Cash conversion %, 12 m	67.5	77.9		
WORKING CAPITAL SEKm	2021 Q4	2020 Q4	2021 Full year	2020 Full year
Inventories	472	445		
Accounts receivables	546	365		
Other operating receivables excl derivatives	149	92		
Accounts payables	-382	-218		
Other operating liabilities excl derivatives	-406	-245		
Net working capital	378	439		
Net working capital, 12 m	402	476		
Net sales, 12 m	3,083	2,903		
Working capital, % of net sales, 12 m	13.1	16.4		

* The acquisition of Glassine Canada Inc is not included

OPERATING CAPITAL	2021	2020
SEKm	Q4	Q4
Net working capital	378	439
Intangible assets	981	344
Tangible assets	719	644
Deferred tax receivables/liabilities	-187	-149
Operating capital	1,891	1,278
Operating profit, 12m	208	348
Operating capital, 12m	1,308	1,295
Return on operating capital, % 12m	15.9	26.9
NET DEBT	2021	2020
SEKm	Q4	Q4
Liabilities to credit institute	1,350	950
Lease liabilities, long term	14	9
Provisions for pension	31	-
Factoring credit line	273	165
Liabilities to owner company	-	-
Lease liabilities, short term	10	10
Interest-bearing debt	1,678	1,134
Cash and cash equivalents	360	415
Net debt/net cash (+/-)	1,317	718
EBITDA, 12m	358	458
Net debt/EBITDA 12m, ratio	3.7	1.6
Net debt excluding the acquisition of Glassine Canada	674	718
Net debt excluding the acquisition of Glassine Canada/EBITDA 12 m, ratio	1.9	1.6
NET DEBT/EQUITY	2021	2020
SEKm	Q4	Q4
Net debt/net cash (+/-)	1,317	718
Equity	585	594
Net debt/Equity ratio	225.3	120.9
EQUITY RATIO	2021	2020
SEKm	Q4	Q4
Equity	585	594
Total assets	3,252	2,349
Net debt/Equity, %	18.0	25.3
RETURN ON EQUITY	2021	2020
SEKm	Q4	Q4
Equity	585	594
Equity, 12m	587	1,156
Profit after tax, 12m	144	258
Return on equity 12m, %	24.6	22.3

Definitions

Non-IFRS measures	Description	Reason for use
Sales volume	Sales of paper and pulp from segment or the group, disclosed in ktonnes	Shows if a business is expanding or contracting.
EBITDA	EBITDA (earnings before financial income and costs, taxes, depreciation and amortisation) is the operating profit plus depreciation, impairment and amortisation.	A measurement that eliminates the effects of non-cash expenses and shows how much cash the business can generate.
Significant items affecting comparability	Significant items affecting comparability can include effects of larger restructuring of production plants, write-downs, revaluations, specific effects of litigations or of strategic decisions of a non-recurring nature. Significant items affecting comparability are not a part of the underlying operative activity.	Increases understanding for the development over time of the operative activities.
Adjusted EBITDA	EBITDA adjusted for significant items affecting comparability.	Increases comparability of EBITDA between different periods in time and increases understanding of the operative development over time.
EBITDA margin	EBITDA as a percentage of net sales.	Shows how much cash the business can generate in relation to revenue.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net sales.	Increases comparability of EBITDA margin between different periods in time.
Operating profit	Result before financial income, cost and tax.	Shows the result in the company's operational business.
Adjusted operating profit	Operating profit adjusted for significant items affecting comparability.	Increases comparability of operating profit between different periods in time and increases understanding of the operative development over time.
Operating margin	Operating profit as a percentage of net sales.	Shows operating profit in relation to net sales and is a measurement of the profitability in the company's operational business
Adjusted operating margin	Operating margin adjusted for significant items affecting comparability.	Increases comparability of operating margin between different periods in time.
Cash flow from operating activities	Cash flow before acquisitions of intangible and tangible assets, amortisation of loans, new loans, group contribution and dividend to the owners.	Indicates the amount of cash company brings in from its ongoing, regular business activities.
Cash conversion*	The sum of EBITDA less change in net working capital minus investments, divided by EBITDA, disclosed as a percentage.	Cash conversion shows how efficient a company are in generating cash flow in relation to EBITDA.
Investments	Cash flow effects from acquisition of tangible and intangible assets.	Shows the acquisition of tangible and intangible assets, acquired to maintain and develop the business.
Net working capital	Total of inventories, trade receivables, trade payables, other operating assets and liabilities, excluding derivatives, and other liabilities and provisions (not interest-bearing).	Shows the net of current assets and current liabilities utilised in operations.
Change in net working capital	Net working capital for the reported period less the net working capital for the earlier period.	Shows the development of the net working capital
Net working capital as a percentage of net sales*	Net working capital divided with net sales	Indicates a company's effectiveness in using its working capital.
Operating capital	Net working capital added with intangible and tangible assets and deferred tax receivables and liabilities.	Shows the capital utilised to run the operations.
Return on operating capital*	Operating profit as a percentage of operating capital	Shows how efficiently the company generates profits from the capital utilised in the operations.
Return on equity*	Net profit for the period as a percentage of average equity.	Shows the return that is generated on the shareholders' capital that is invested in the company.
Interest-bearing debts	Interest-bearing liabilities, short term and long term plus interest-bearing provisions	Shows the total amount of the financing of the company.
Net debt	Interest-bearing liabilities, minus cash and cash equivalents	A measurement of the company's financial position. Shows how much cash would remain if all debts were paid off.
Net debt/EBITDA ratio*	Net debt in relation to EBITDA.	A measure of financial risk and is an indication of repayment capacity.
Net debt/Equity ratio	Net debt divided by equity, disclosed as a percentage	Shows the relation between externally financed capital and equity.
Equity ratio	Equity divided with total assets, disclosed as a percentage.	Shows the part of the assets that is financed by equity

*Calculated based on the last 12 months value, calculated as an average of 12 months. The 12M value has not been adjusted for the effect of the transition to IFRS 16 as of January 1, 2019. The 12 months value provides comparison that reflect both current and seasonal variations, which improves the ability to make comparisons over time.

Parent company

CONDENSED INCOME STATEMENT

	2021	2020	2021	2020
SEKm	Q4	Q4	Full year	Full year
Net sales	13	1	49	34
Other operating income	0	2	18	3
Other external costs	-19	-14	-57	-69
Personnel costs	-5	-2	-15	-8
Other operating costs	-12	-	-46	-
Operating profit	-23	-13	-51	-40
Profit/Loss from participations in associated companies	-	66	106	66
Financial income and similar items	0	16	0	34
Financial costs and similar items	-8	-4	-12	-6
Profit after net financial items	-31	65	42	56
Appropriations	221	252	221	252
Profit before tax	190	317	263	308
Tax	-38	-54	-41	-52
Profit for the period and summarised comprehensive income	151	263	222	256

CONDENSED BALANCE SHEET

	2021	2020
SEKm	31 Dec	31 Dec
Shares in group companies	1 165	896
Receivables from group companies	401	-
Deferred tax	3	0
Total non-current assets	1 568	896
Receivables from group companies	242	199
Income tax receivables	1	4
Derivatives	-	-
Other receivables	-	2
Prepaid expenses and accrued revenue	11	15
Cash and cash equivalents	479	621
Total current assets	733	841
Total assets	2 302	1 737
Share capital	19	19
Retained earnings	272	116
Result for the period	222	256
Total equity	513	391
Untaxed reserves	399	387
Liabilities to credit institutions	1 350	950
Total non-current liabilities	1 350	950
Accounts payables	13	7
Liabilities to group companies	2	-
Derivatives	15	-
Other liabilities	0	-
Accrued expenses and prepaid revenue	10	2
Total current liabilities	40	9
Total equity and liabilities	2 302	1 737

CONFERENCE CALL

On the publication of the report, a telephone conference will be held Friday 28 January at 11:00 CET. Anita Sjölander, CEO, together with Niclas Eriksson, CFO, will present and comment on the report. The presentation will be held in English. The press and analyst conference will be audiocasted and may be followed via www.nordic-paper.com. You may also participate in the conference by telephone on

Sweden	08-506 921 85
United States	19177200178
United Kingdom	08444933857
International dial-in number	+44 (0) 203 0095710

PIN code 1828709#

FINANCIAL CALENDAR

Annual report 2021 – 25 April 2022

Interim report Q1 2022 – 28 April 2022

Interim report Q2 2022 – 20 July 2022

Interim report Q3 2022 – 28 October 2022

Annual General Meeting

The Annual General Meeting will be held 19 May 2022 in Karlstad.

For further information, please contact:

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NORDIC PAPER IN BRIEF

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