

# The natural leader in specialty paper

**Nordic Paper interim report Q2 2022**

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## Another quarter on record levels

- ✓ Strong market situation continues
- ✓ Net sales and EBITDA on new all time high
- ✓ Cost inflation in Q2 mitigated by price increases
- ✓ Sales volumes higher than production volumes



# Net sales and EBITDA on new record levels

**Net sales**  
SEK 1,144m

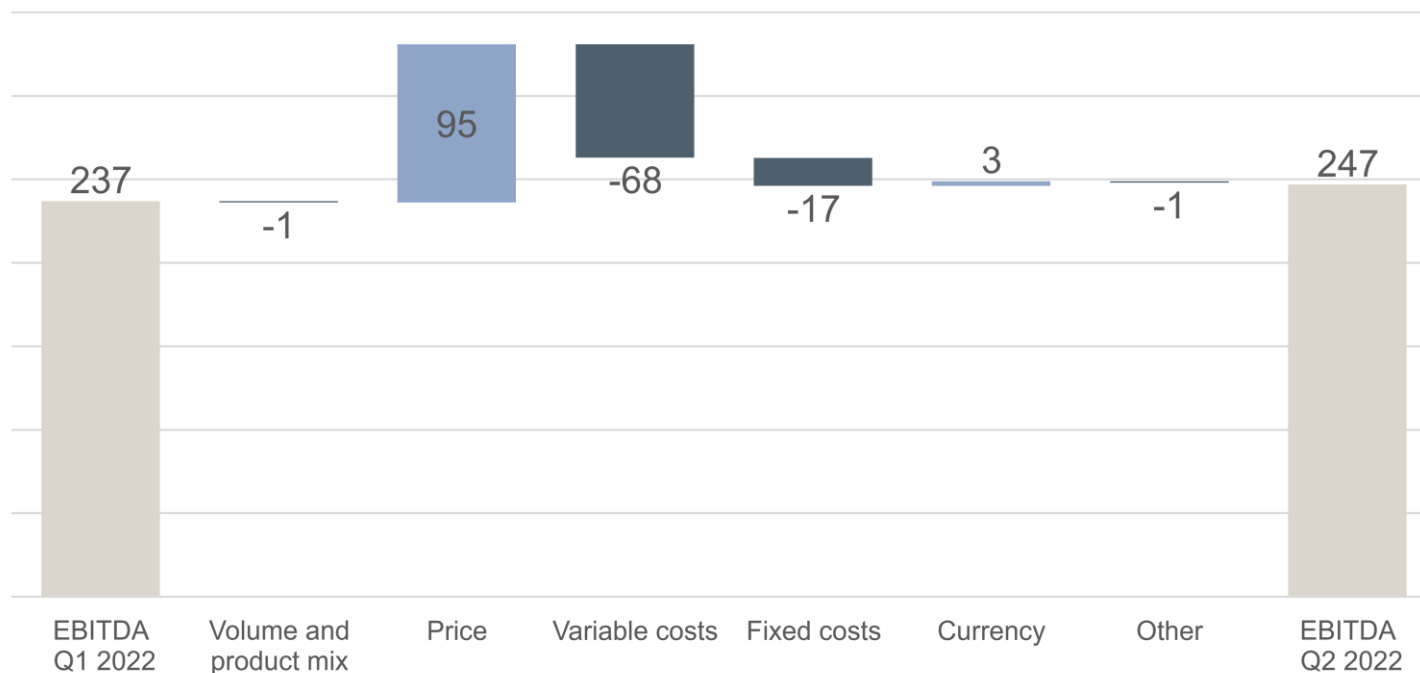
**EBITDA**  
SEK 247m

**EBITDA**  
margin  
21.6%

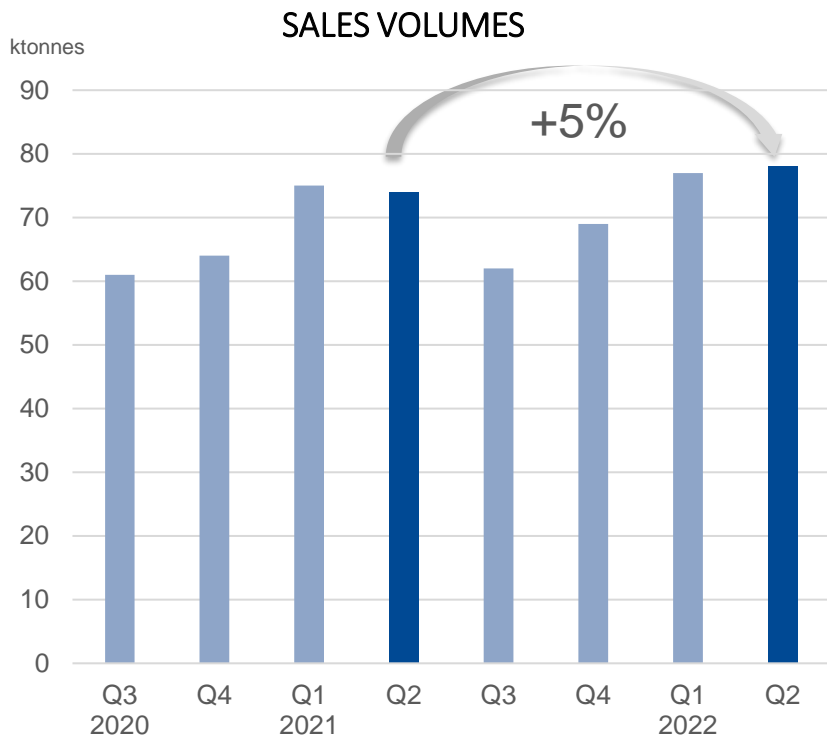


# Cost inflation in Q2 mitigated by price increases

SEKm

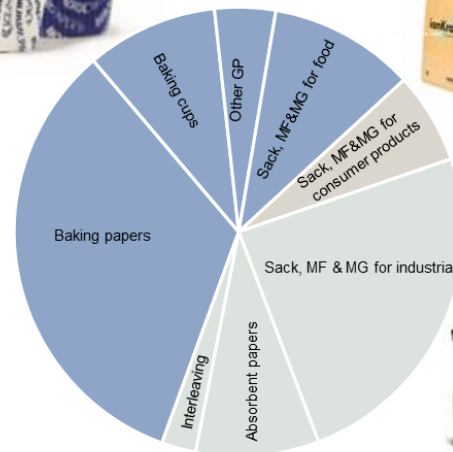


# New quarterly record for sales volume



## 58% OF NORDIC PAPER BUSINESS IN FOOD SECTOR

Food sector 58%



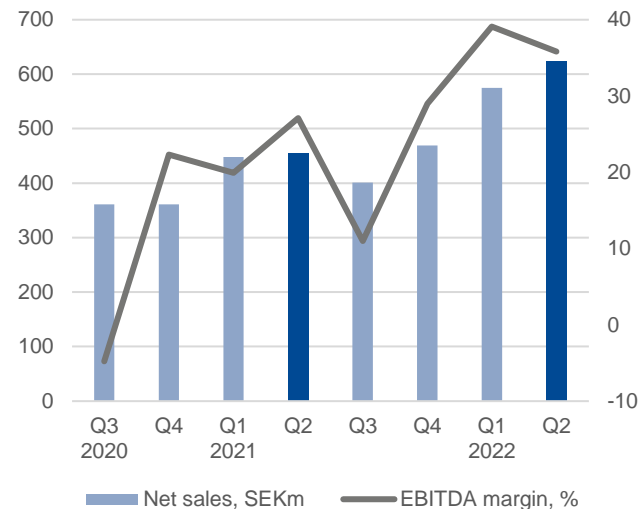
Consumer products 6%



Industrial sector 36%

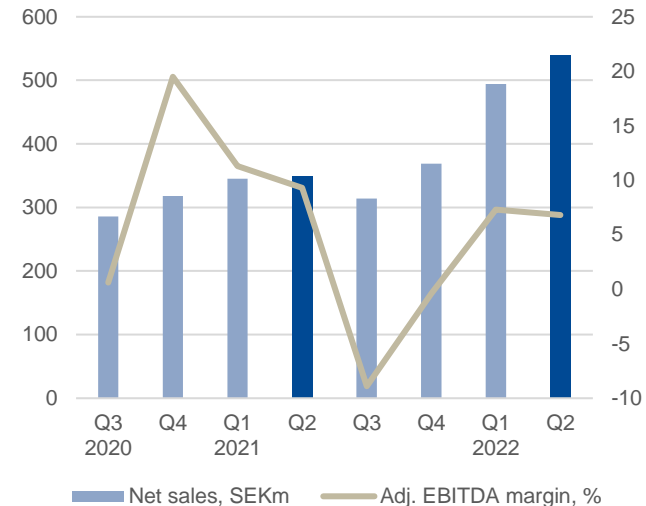
## Kraft Paper – profitability remains high

- ✓ Continued strong demand
- ✓ Product prices increased by 30% compared to Q2 2021
- ✓ EBITDA margin in the quarter was 35,8% compared to 30,4% on R12m



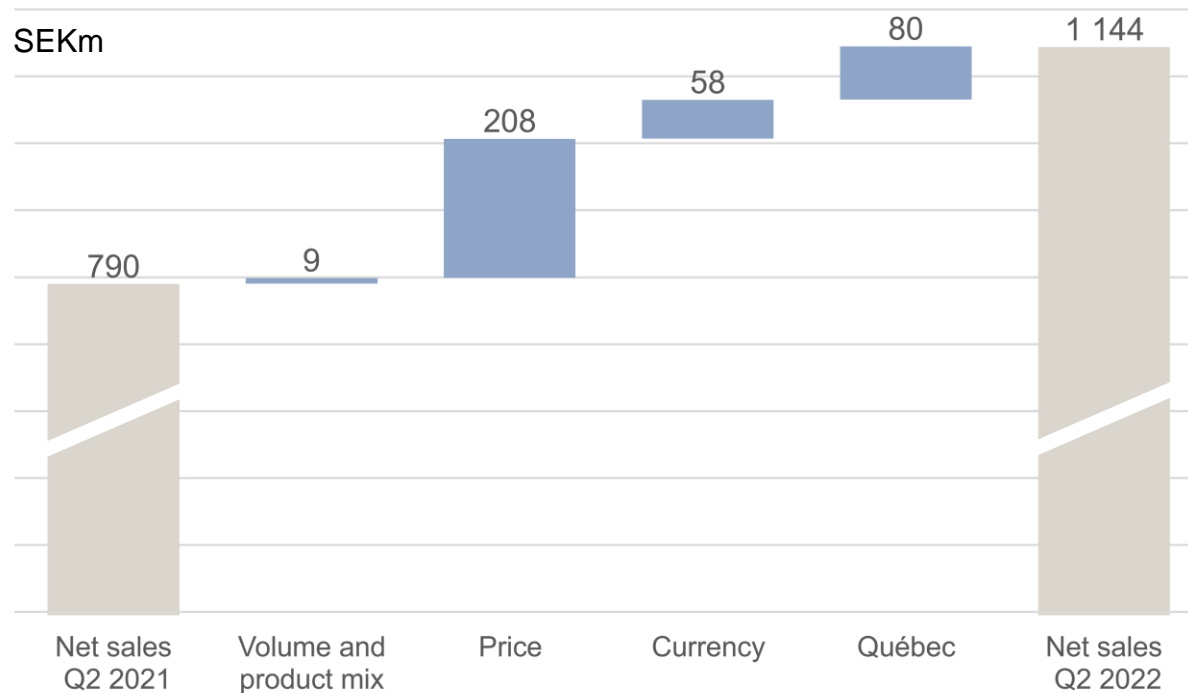
## Natural Greaseproof – product price increases continue

- ✓ Continued strong demand
- ✓ Canadian acquisition adding to net sales and to EBITDA margin
- ✓ Cost inflation mitigated by product price increases
- ✓ Cost for pulp and energy on high levels



# Net sales bridge Q2 2022

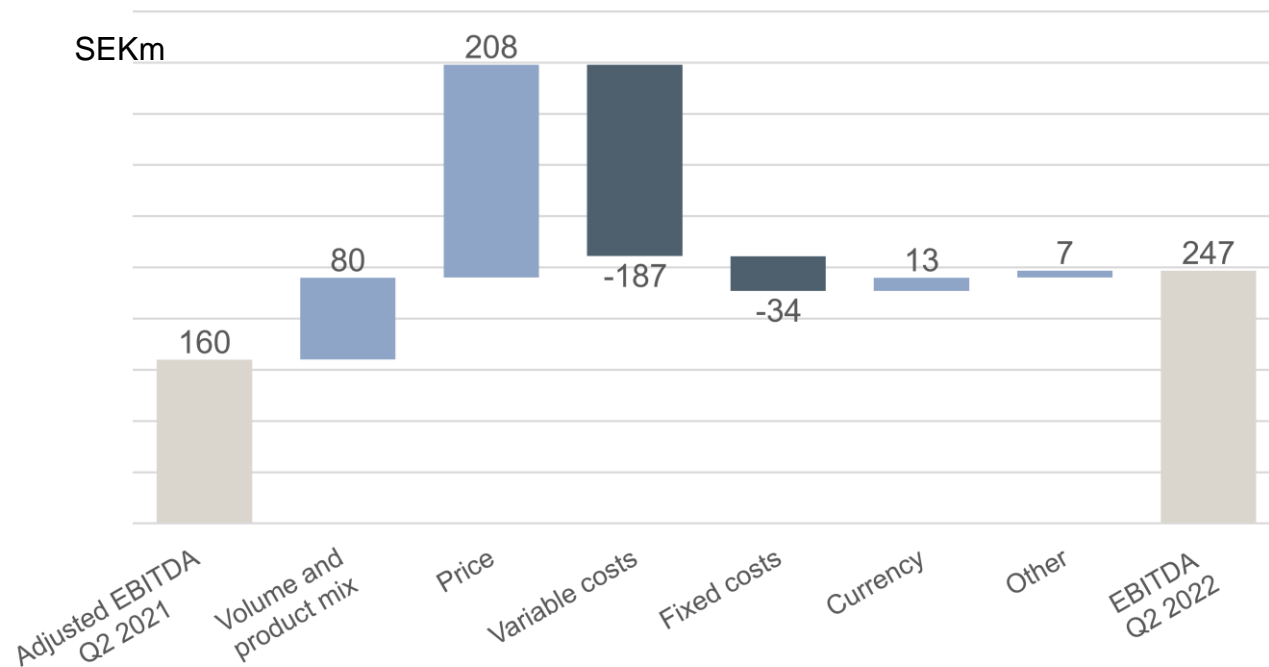
Canadian acquisition, Québec, separately disclosed in chart below





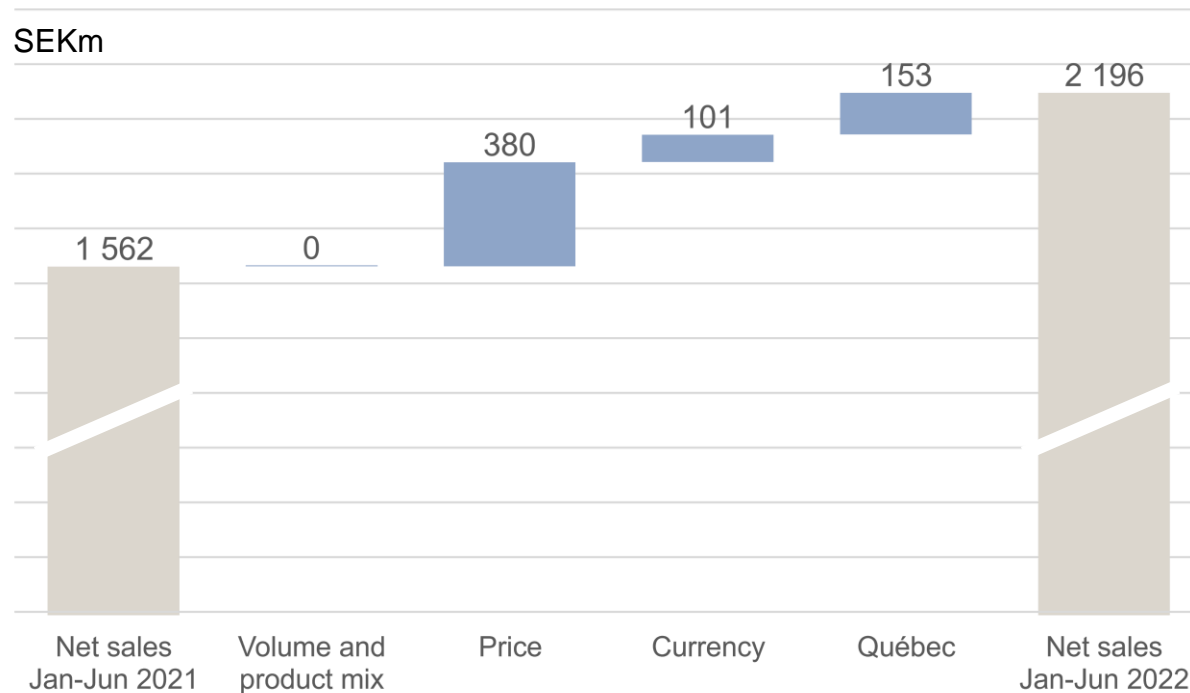
# EBITDA bridge Q2 2022

Canadian acquisition, Québec, included in volume and product mix, variable costs and fixed costs



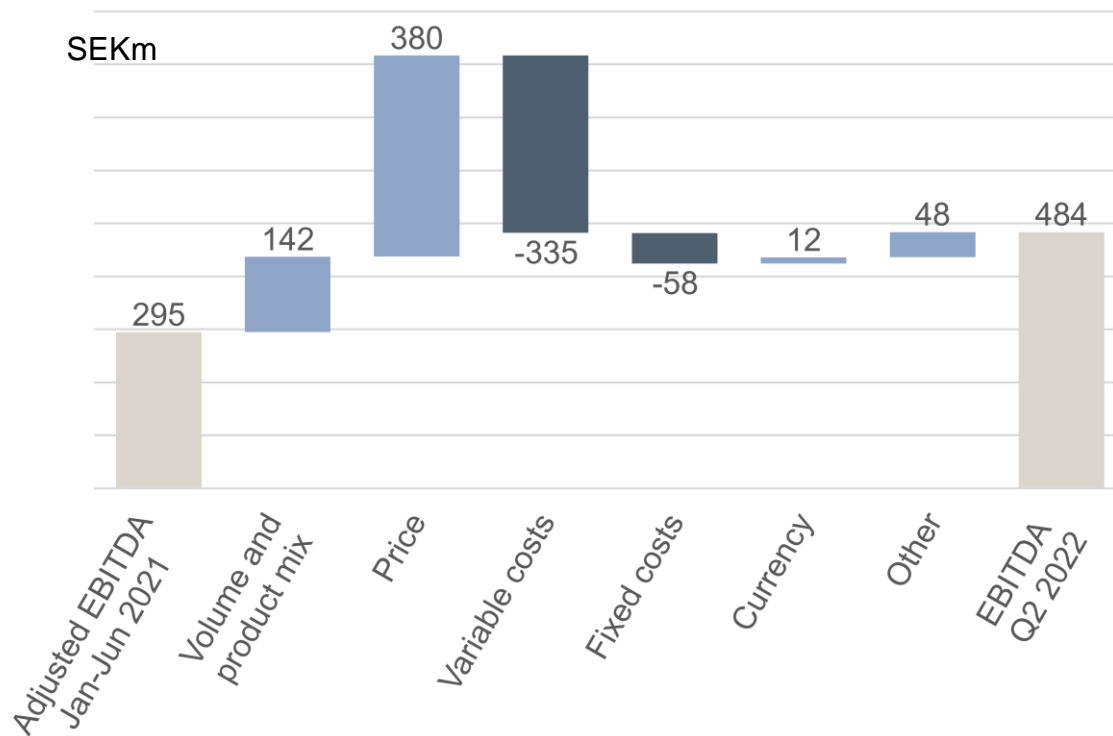
# Net sales bridge Jan-Jun 2022

Canadian acquisition, Québec, separately disclosed in chart below

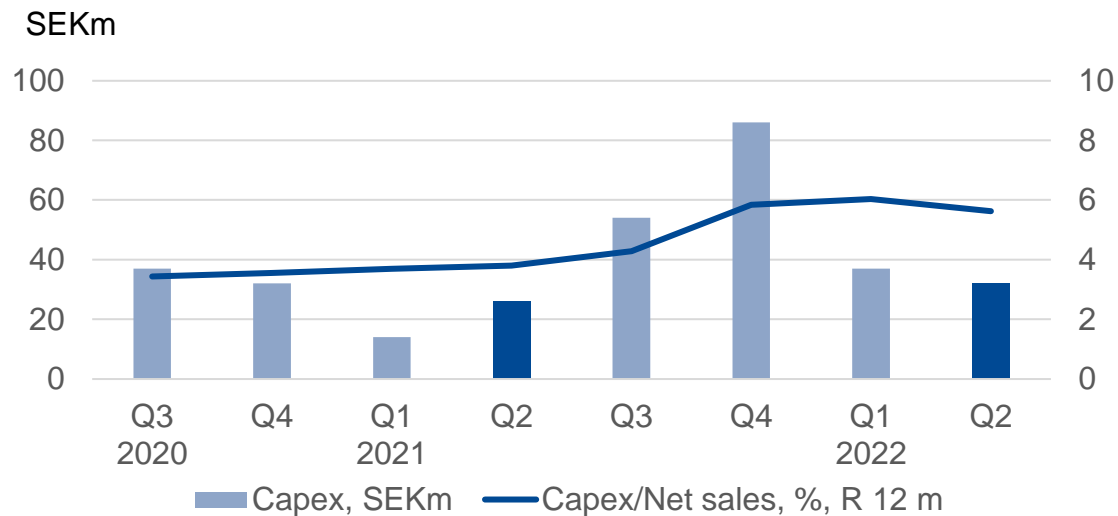


# EBITDA bridge Jan-Jun 2022

Canadian acquisition, Québec, included in volume and product mix, variable costs and fixed costs



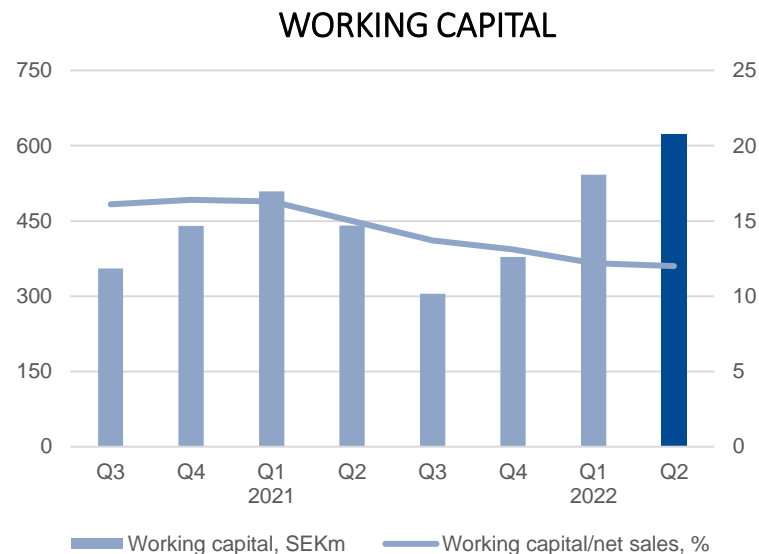
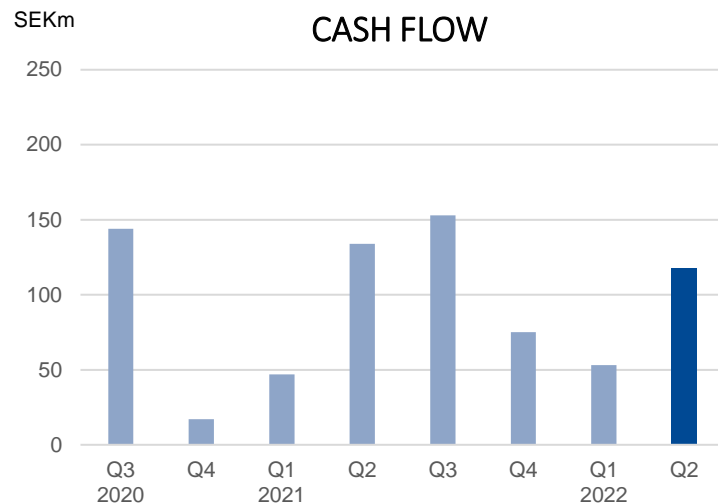
# Capex



- Investments SEK 32m in the quarter
- Capex/net sales = 2.8% in Q2



# Cash flow and working capital



- Cash flow of SEK 118m and working capital SEK 623m
- Q2 sales volumes higher than production – decreasing finished goods inventory volume

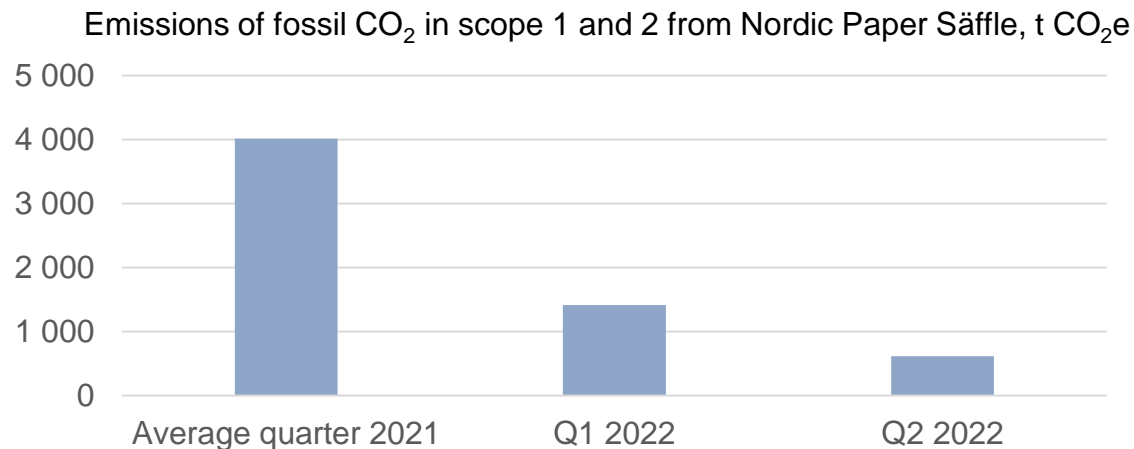
# Financial position

- ✓ Net debt SEK 1,349m
- ✓ Net debt/EBITDA 2.2, target <2.5
  - ✓ Decrease from 3.7 since 31 Dec 2021 due to increased EBITDA and addition of Canadian business for two quarters



## 70% reduction in climate impact from Säffle mill vs 2021

- ✓ The 2021 restructuring of Säffle plant has led to a reduction in fossil CO<sub>2</sub> emissions (scope 1 and 2) of about 3,000 t each quarter or more than 70% compared to average 2021





# Outlook

## Q3 2022

- ✓ Continuation of strong market conditions
- ✓ Further product price increases
- ✓ Increasing prices for wood and pulp
- ✓ Seasonal effects from maintenance stops in Q3 at all production units:
  - ✓ Direct costs in relation to the maintenance work carried out estimated at SEK 95m (97)
  - ✓ Lower production volumes





# Q&A