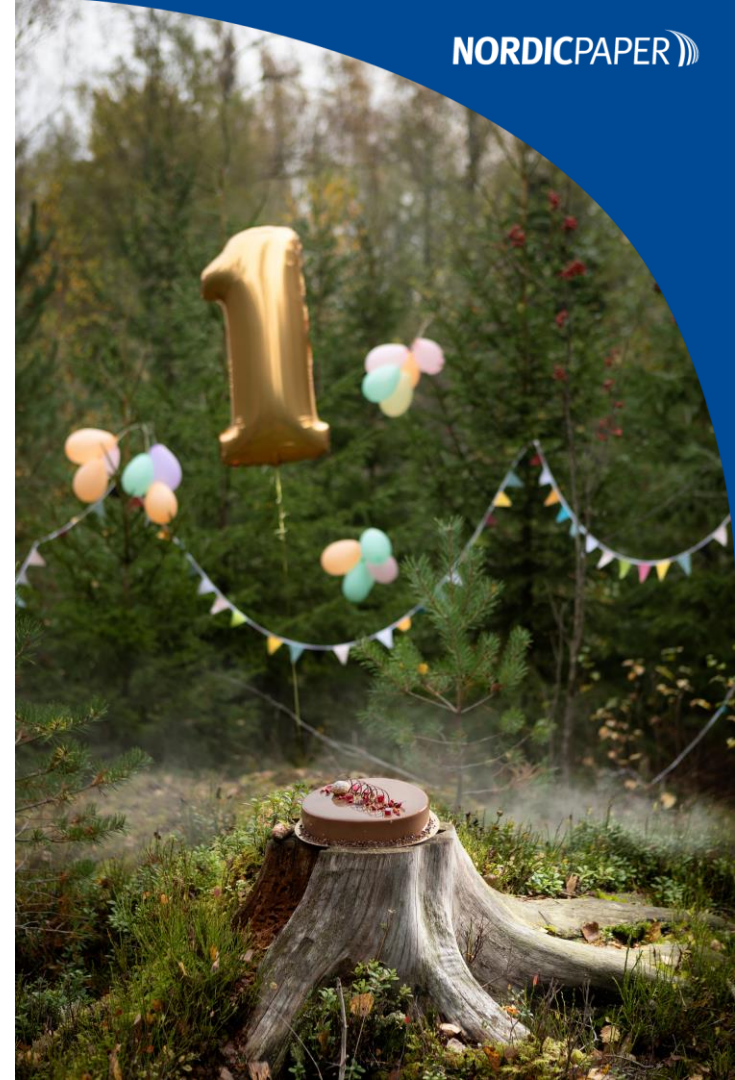


The natural leader in specialty paper

Nordic Paper interim report
Q3 2021

Anita Sjölander, CEO
Niclas Eriksson, CFO



Key highlights Q3 2021

- ✓ Strong market situation continues
- ✓ Production shutdowns carried out according to plan, at a negative operating profit impact of SEK 123m
- ✓ Product prices increasing all over our portfolio
- ✓ High costs for pulp and energy impact Natural Greaseproof negatively

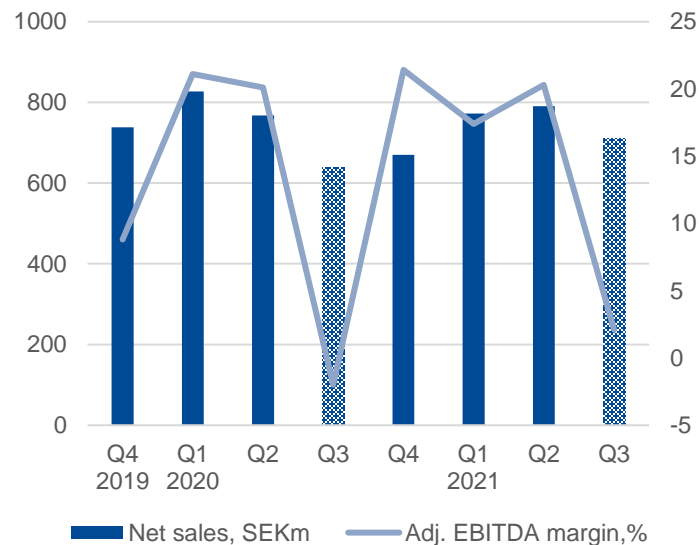
- ✓ Investment decision for first phase of Bäckhammar expansion postponed until production permit is obtained

Increase in net sales and EBITDA vs Q3 2020

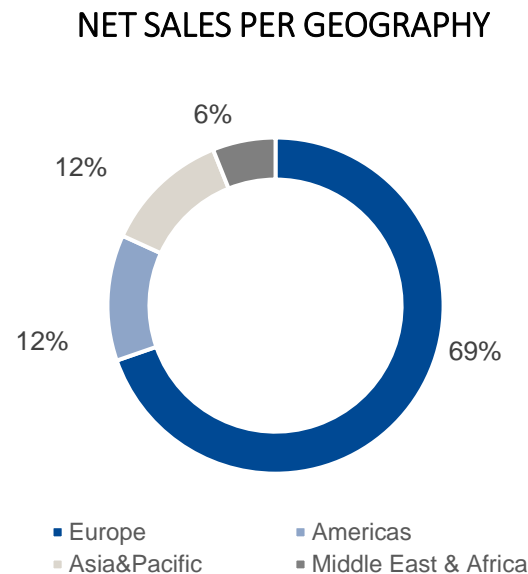
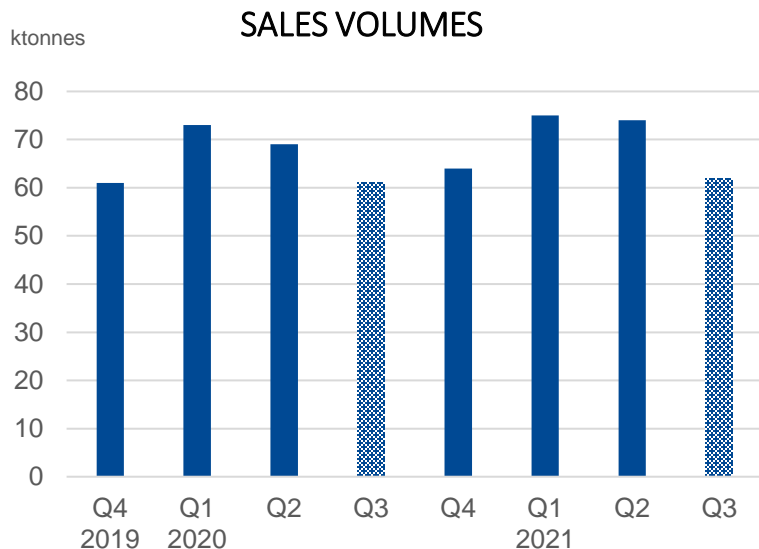
Net sales
SEK 711m
+11%

EBITDA
SEK
15m

EBITDA
margin
2.1%

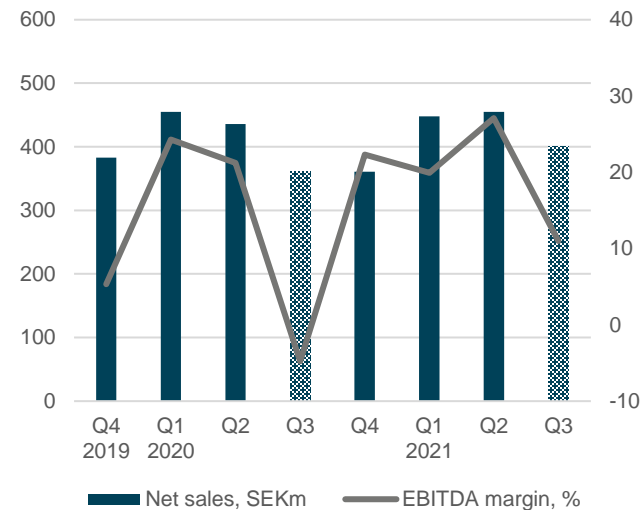


Stable sales volume vs Q3 2020, increased sales to Europe



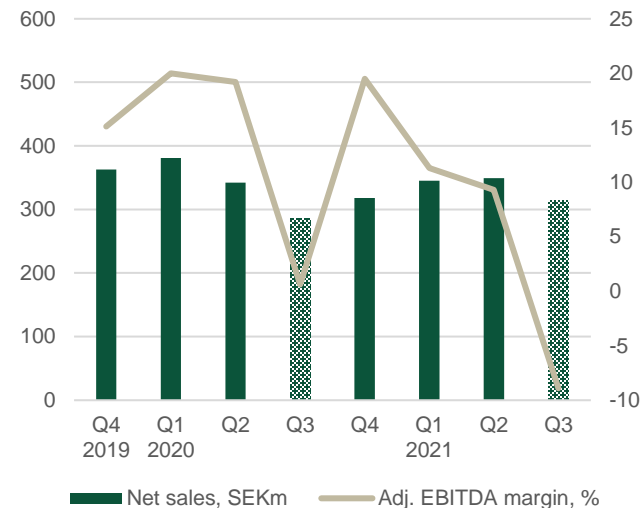
Kraft Paper

- ✓ Continued strong demand
- ✓ Production shutdown according to plan. Negative operating profit impact of SEK 88m.
- ✓ Product prices increasing
- ✓ Stable input costs



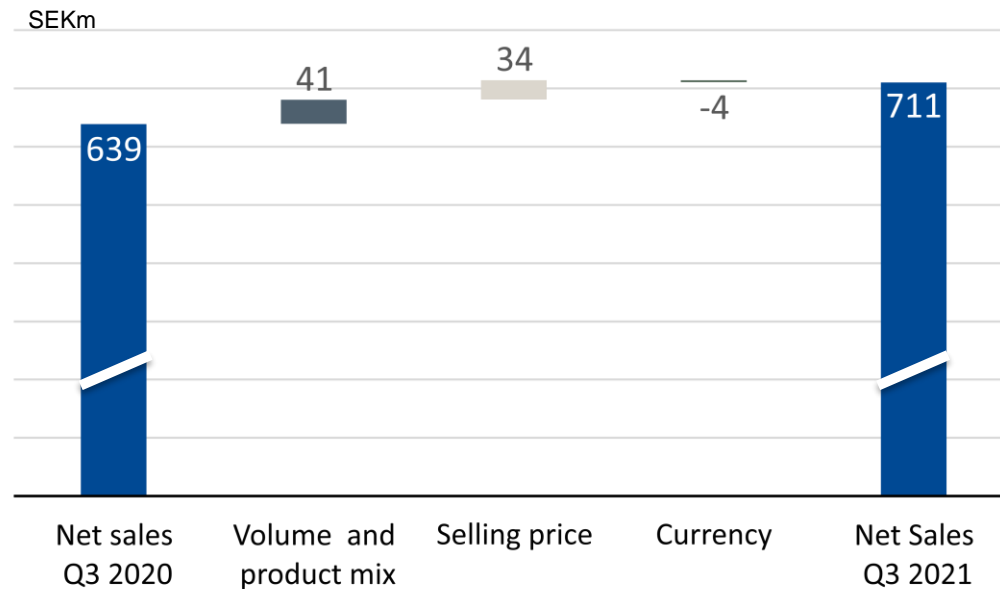
Natural Greaseproof

- ✓ Continued strong demand
- ✓ Production shutdown according to plan. Negative operating profit impact of SEK 35m.
- ✓ High cost for pulp and energy
- ✓ Price increases implemented but not enough to compensate for increased cost.

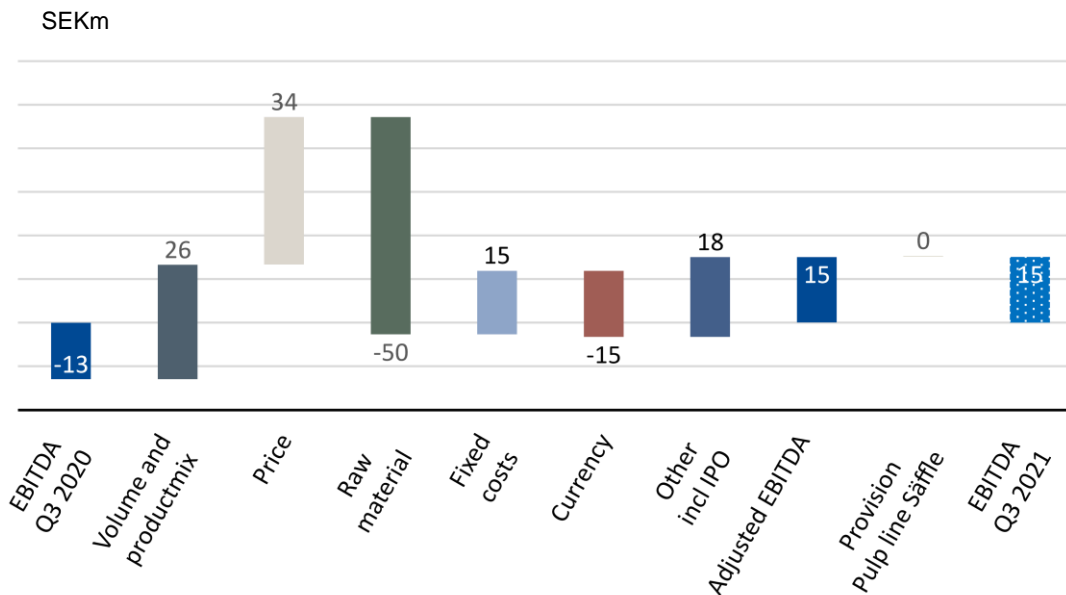




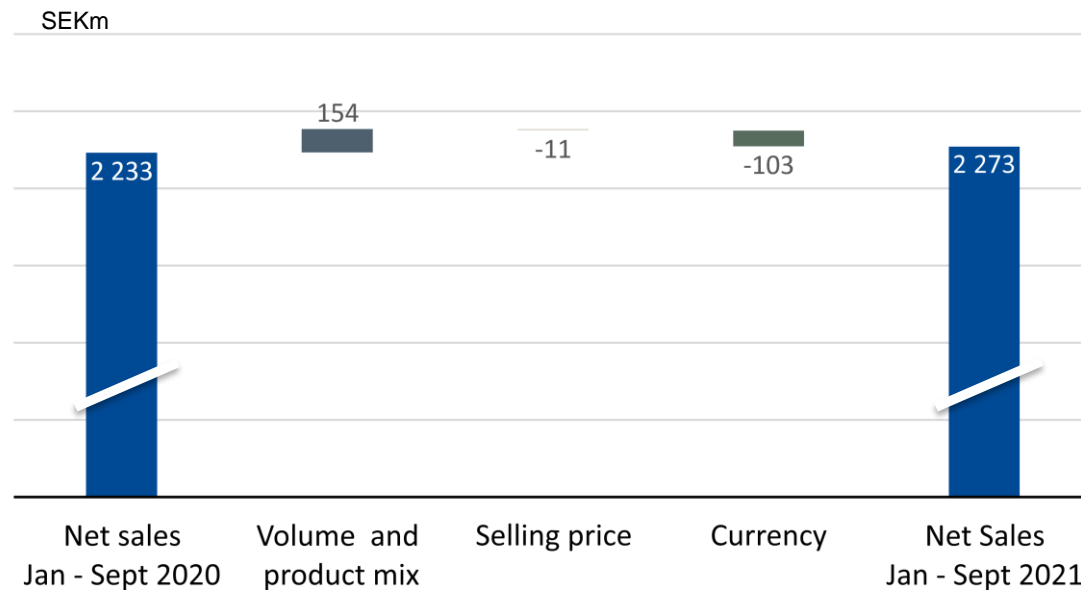
Net sales bridge Q3 2021



EBITDA bridge Q3 2021

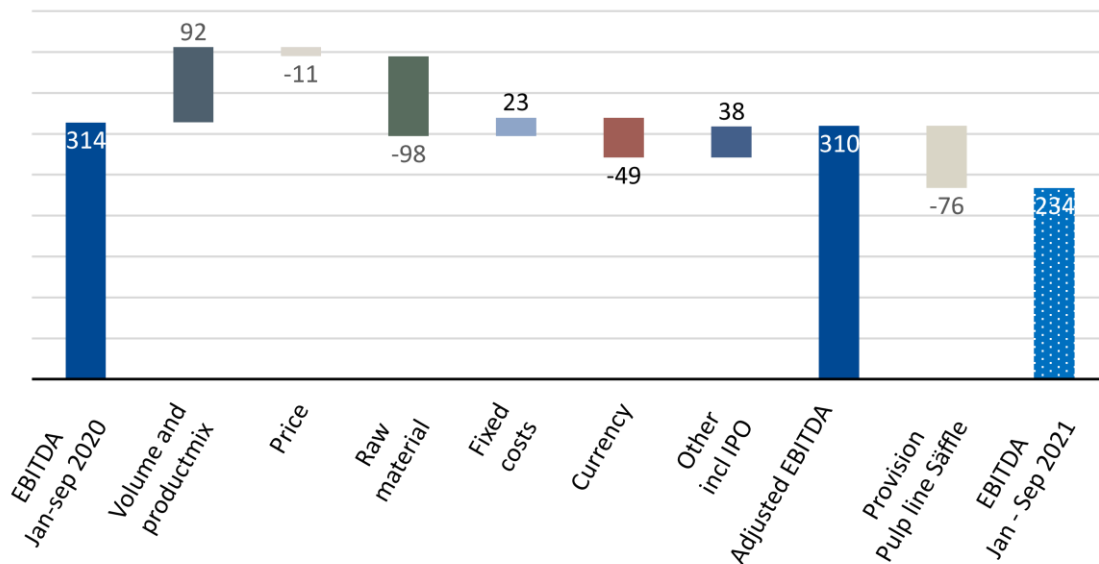


Net sales bridge Jan-Sept 2021



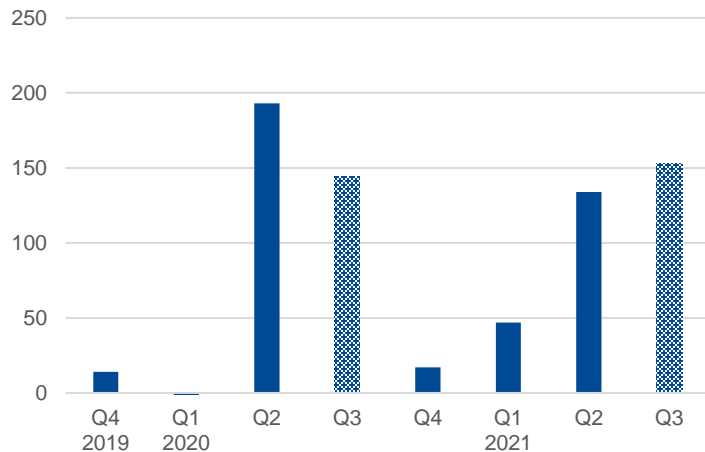
EBITDA bridge Jan-Sept 2021

SEKm



Cash flow and working capital

CASH FLOW



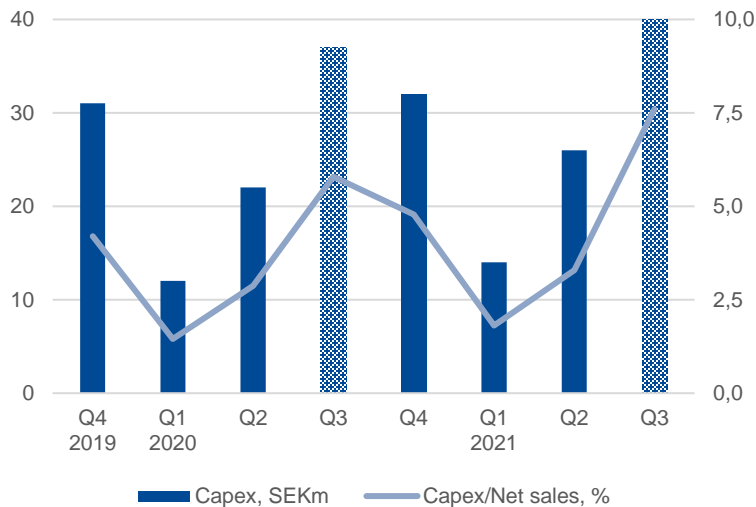
WORKING CAPITAL



Working capital, SEKm Working capital/net sales, %

Capex and financial position

CAPEX



FINANCING

- ✓ Net debt MSEK 630
- ✓ Cash MSEK 590
- ✓ Net debt/EBITDA 1.7, target <2.5
- ✓ Available unutilised credit facilities MSEK 800
- ✓ Finance agreement prolonged to 2024

Progress of strategic initiatives

Säffle restructuring

- ✓ Running according to plan
- ✓ Paper capacity increase +10%

Bäckhammar expansion

- ✓ Profitability of the first part of the expansion plan, investment in a new wood room, does not reach previously estimated levels on its own
- ✓ Decision is possible only when production permit for the entire expansion is obtained
- ✓ Our estimate is that a new production permit could be in place earliest in beginning of 2023.



Summary

- ✓ Strong market situation continues
- ✓ Production shutdowns carried out according to plan, at a negative operating profit impact of SEK 123m
- ✓ Product prices increasing all over our portfolio
- ✓ High costs for pulp and energy impact Natural Greaseproof negatively
- ✓ Investment decision for first phase of Bäckhammar expansion postponed until production permit is obtained



Outlook

Q4 2021

- ✓ Continued realization of agreed product price increases
- ✓ Largest part of the SEK 70m strategic investment in Säffle to be carried out during the quarter
- ✓ SEK 30m write-down of existing pulp line in Säffle

Full-year 2021

- ✓ Financial net approx. SEK 25m
- ✓ Tax rate average approx. 21%

Q&A