

# The natural leader in specialty paper

Nordic Paper interim report Q1 2022

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# A strong start of the year!

- ✓ Strong market situation continues
- ✓ Price increases improved EBITDA margin to 22.6%
- ✓ Net sales on new record level, 36% up compared to Q1 2021
- ✓ Acquired Canadian business contributing from 1 January

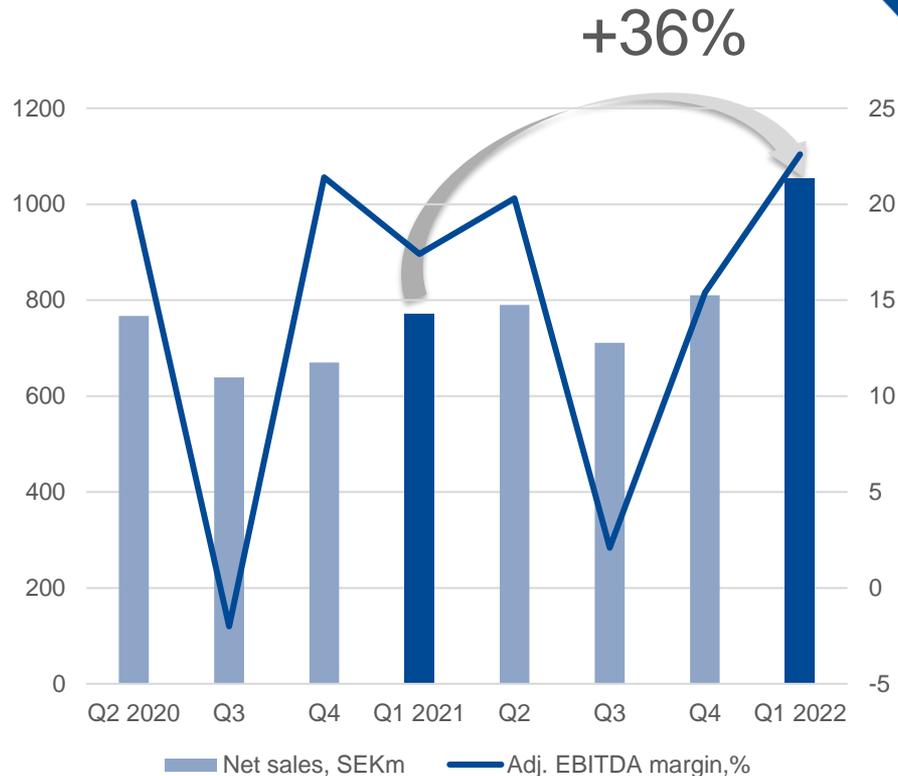


# New quarterly record for net sales and EBITDA

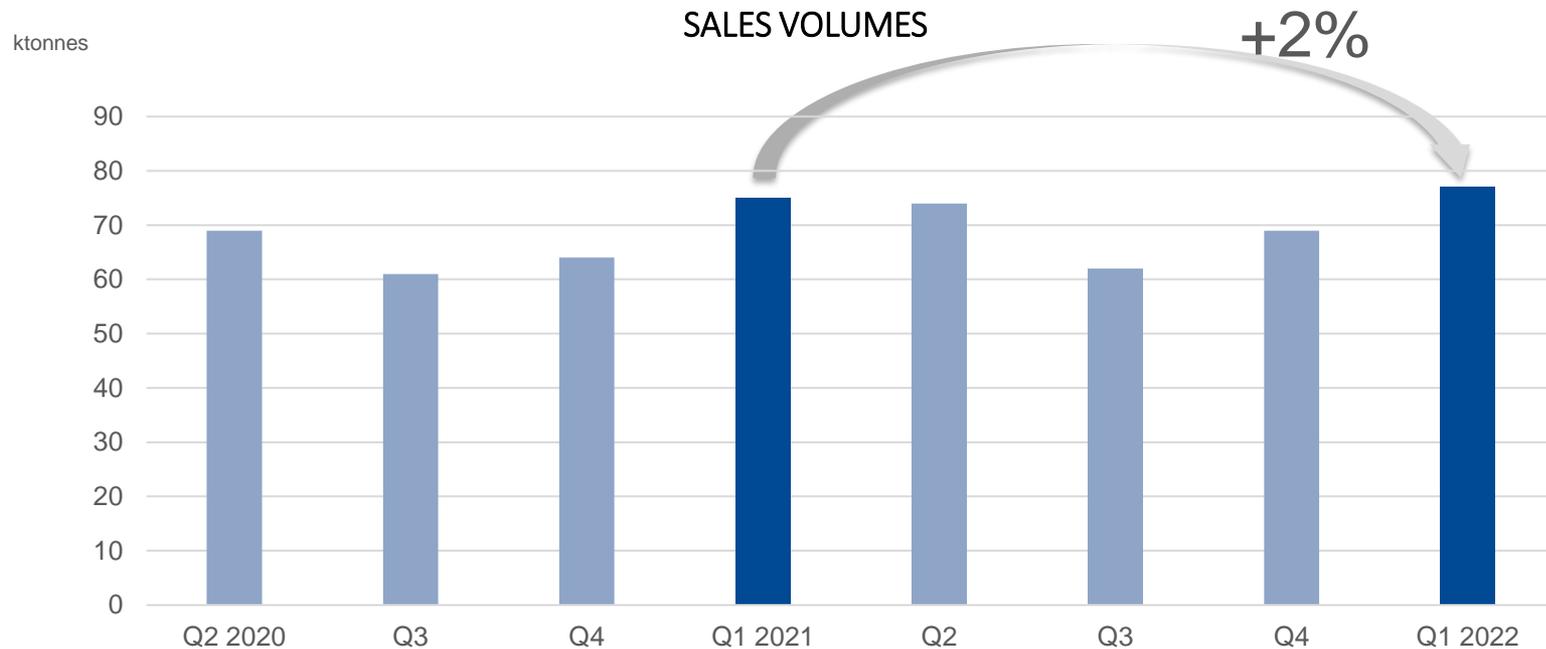
**Net sales**  
SEK 1,052m

**EBITDA**  
SEK 237m

**EBITDA**  
margin  
22.6%

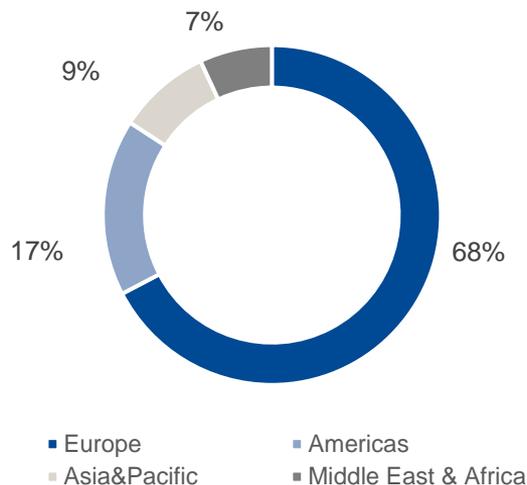


# New quarterly record for sales volume



# North America increases to 17% of net sales

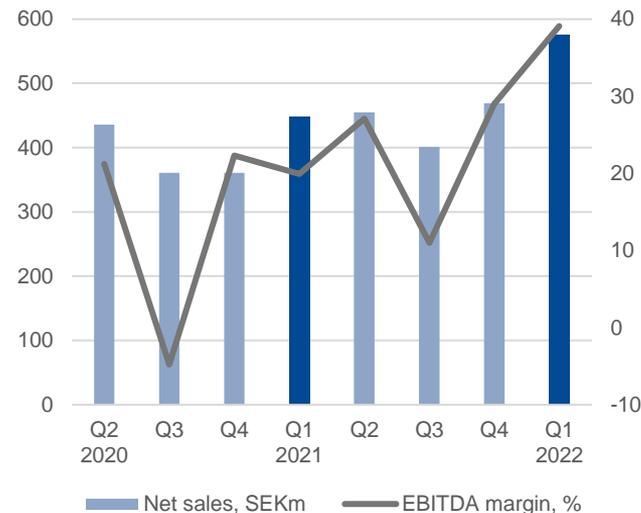
NET SALES PER GEOGRAPHY



- Canadian acquisition adds SEK 73m net sales in North America in the quarter.
- Active redirection of oversea volumes to strong European markets.
- Less than 2% of net sales in 2021 was to Russia. These volumes have been successfully redirected to other markets.

## Kraft Paper - from strong to stronger

- ✓ Continued strong demand
- ✓ Product prices increased by 26% compared to Q1 2021
- ✓ EBITDA margin in the quarter was 39,1% compared to 27,9% on R12m.
- ✓ Limited impact from cost inflation



## Margin recovery in Natural Greaseproof

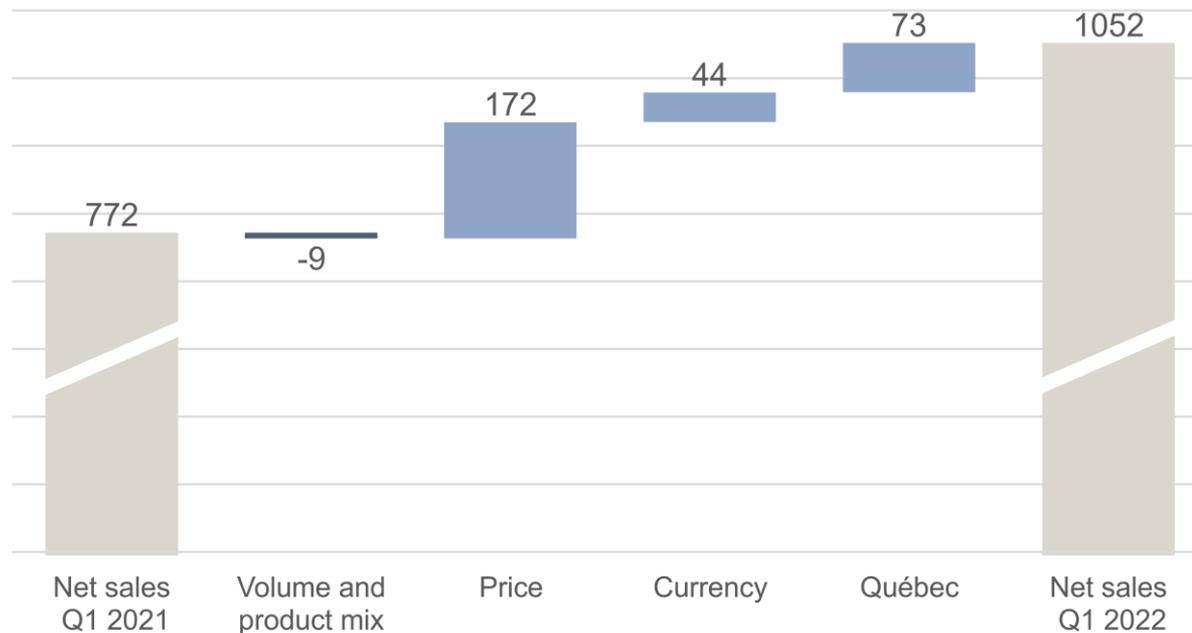
- ✓ Continued strong demand
- ✓ Canadian acquisition adding to net sales and to EBITDA margin
- ✓ Price increases implemented that more than compensate for cost inflation in the quarter
- ✓ Cost for pulp and energy still on high levels.



# Net sales bridge Q1 2022

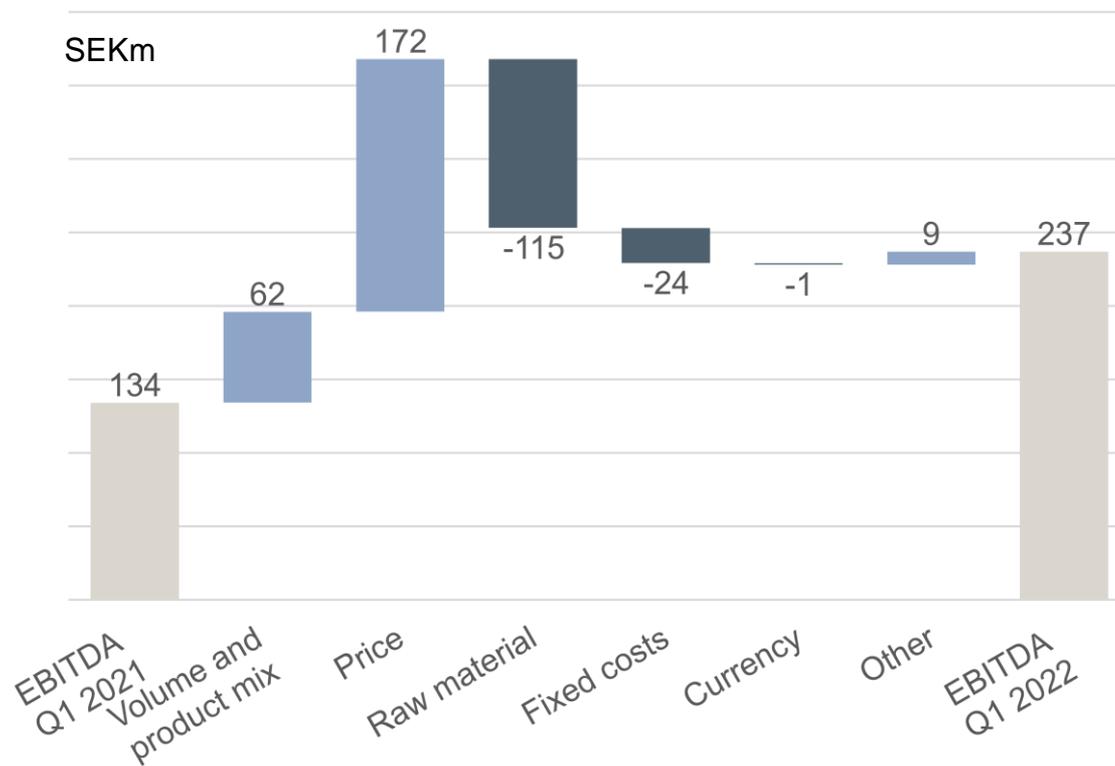
Canadian acquisition, Québec, separately disclosed in chart below

SEKm

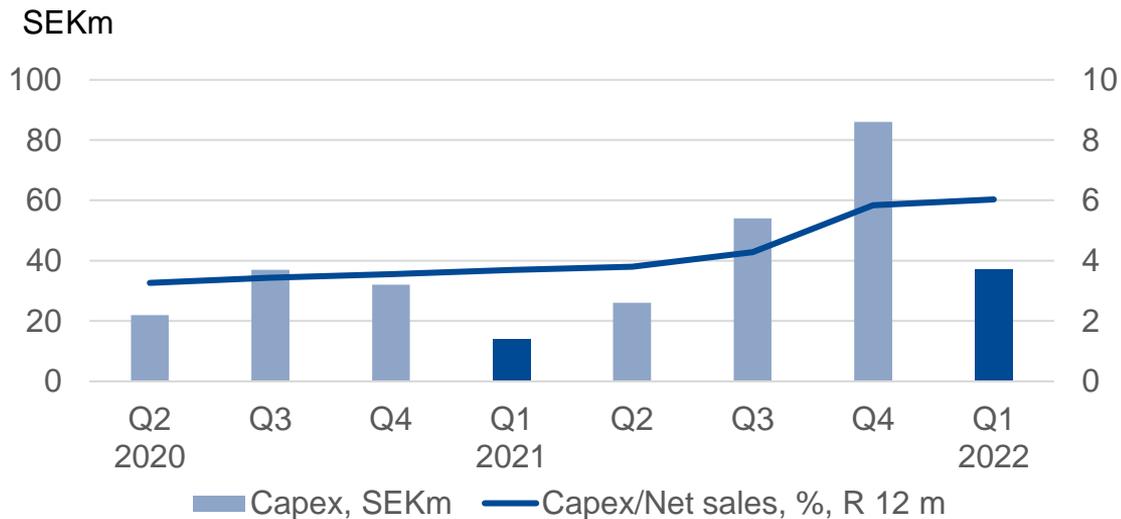


# EBITDA bridge Q1 2022

Canadian acquisition, Québec, included in volume and product mix, raw material and fixed cost

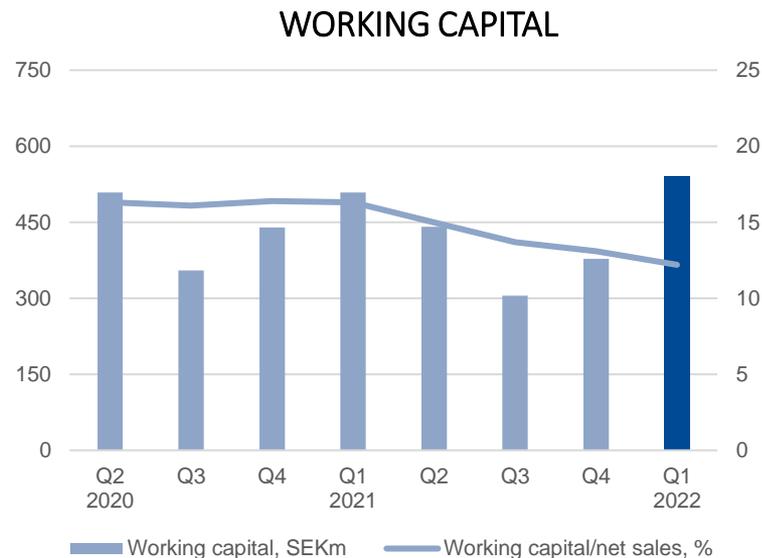
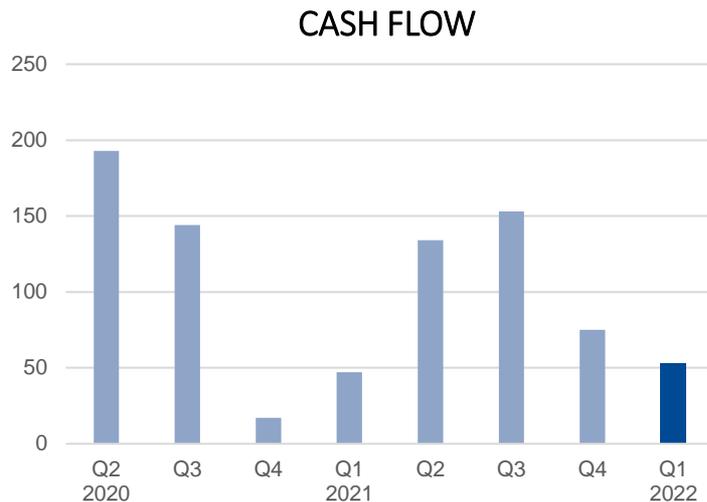


# Capex



- Investments SEK 37m in the quarter out of which SEK 12m relates to Säffle restructuring
- Capex/net sales = 3.5% in Q1

# Cash flow and working capital



- Q1 cash flow of SEK 53m and working capital SEK 542m
- Impact from increased accounts receivables, decrease of accounts payables and of change in inventory

# Financial position

- ✓ Net debt SEK 1,305m
- ✓ Net debt/EBITDA 2.8, target <2.5
  - ✓ Decrease from 3.7 since 31 Dec 2021 due to increased EBITDA and addition of Canadian business for one quarter



# Progress on strategic initiatives

## Investments to meet increased demand

### **Säffle restructuring**

- Increase of annual paper production capacity by 10% starting from Q2
- Finalization Q1 2022, some remaining cash flow effects

### **Future Bäckhammar expansion**

- Production permit application progressing and new permit expected earliest in beginning of 2023
- Pre projects continuing 2022



# Increased sustainability reporting for 2021



- ✓ Annual and sustainability report 2021 published
- ✓ Increased sustainability data reporting
- ✓ Emissions of greenhouse gases in scope 1, 2 and 3
- ✓ Read it on [www.nordic-paper.com](http://www.nordic-paper.com)

# Outlook

## Q2 2022

- ✓ Continuation of strong market conditions with no signs of weakening demand
- ✓ Further product price increases
- ✓ Some cost inflation

# Q&A