

Stable performance at a high level

Nordic Paper interim report Q3 2024

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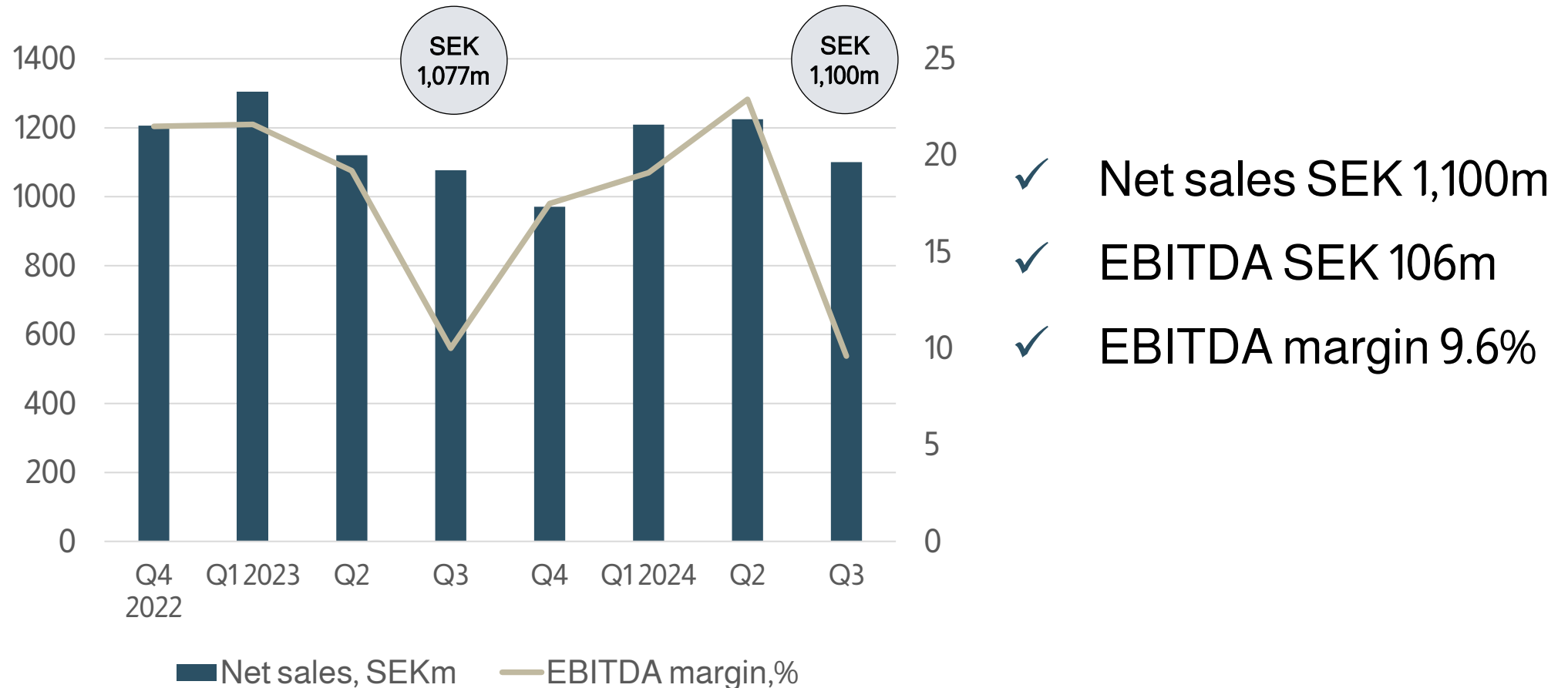
NORDICPAPER 

Stable performance at a high level

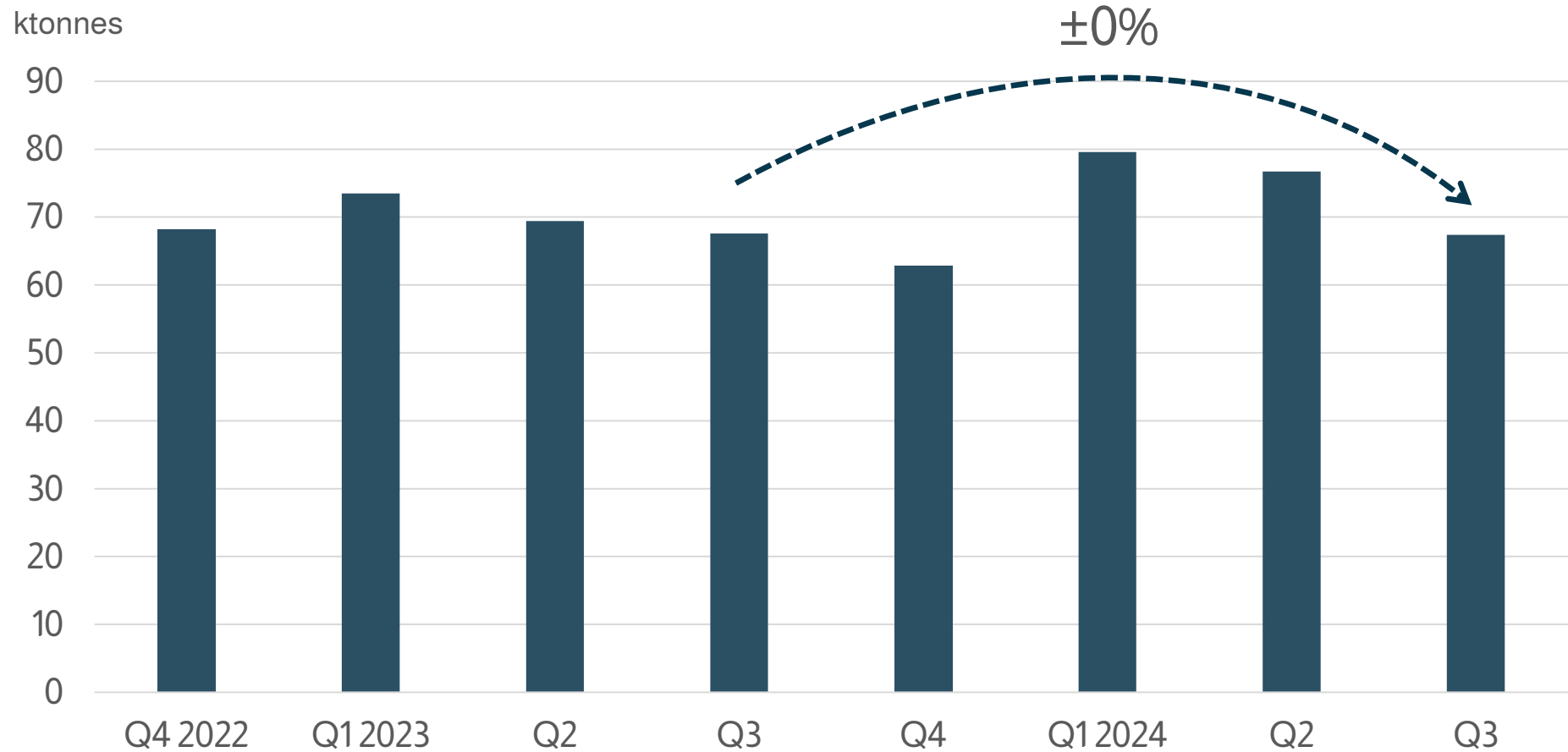
- Market demand was healthy in the quarter.
- Net sales up 2% to SEK 1,100m (1,077m), highest ever for a third quarter. Excluding currency effects, the increase was 4%.
- Sales prices increased in the quarter to a level 3% higher than Q3 2023.
- EBITDA at SEK 106m (108m), corresponding to a margin of 9.6% (10.0%).
- Net debt/EBITDA at 1.4 (0.9).



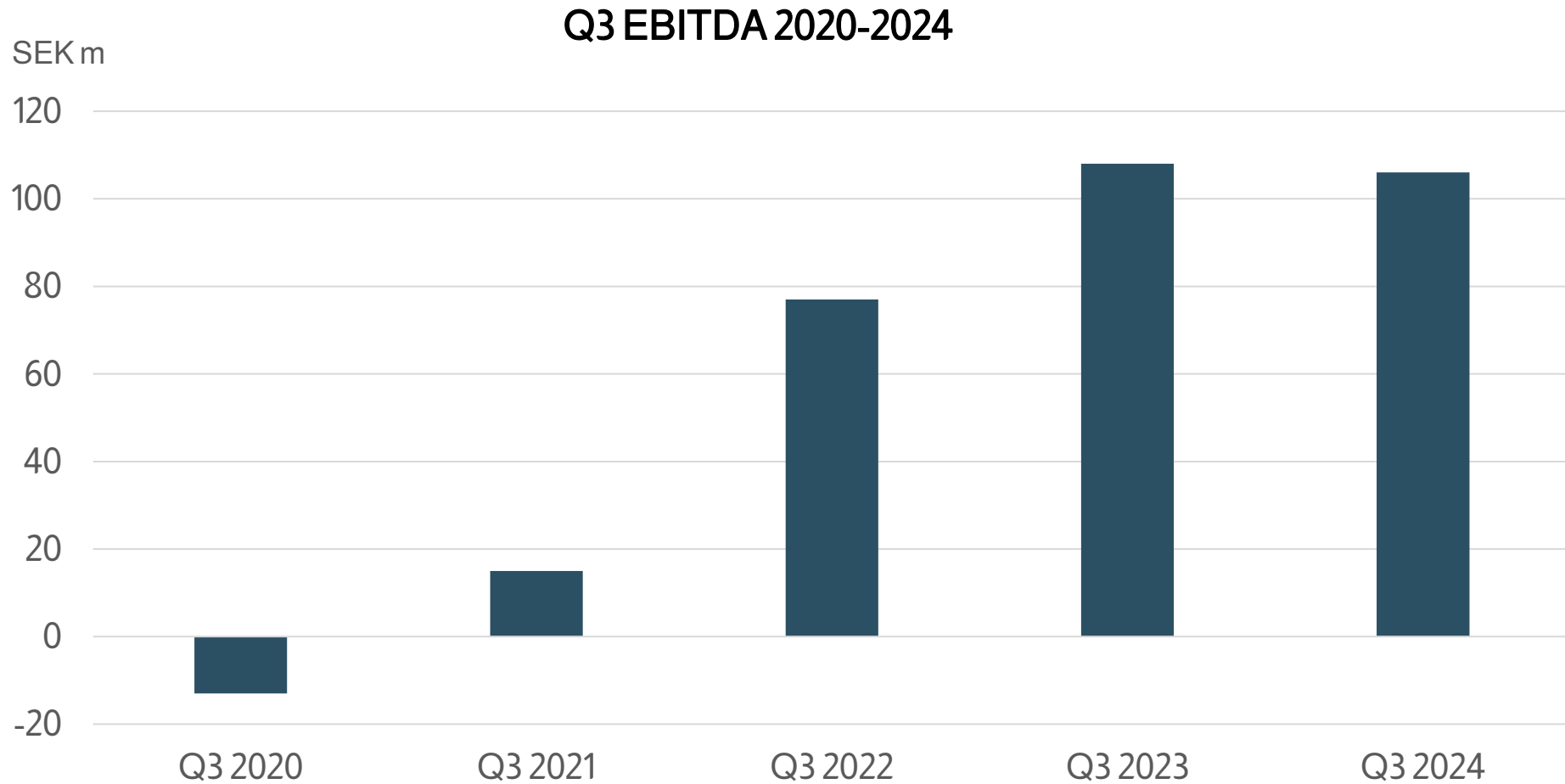
Net sales and EBITDA on same levels as in Q3 2023



Same sales volumes as Q3 2023



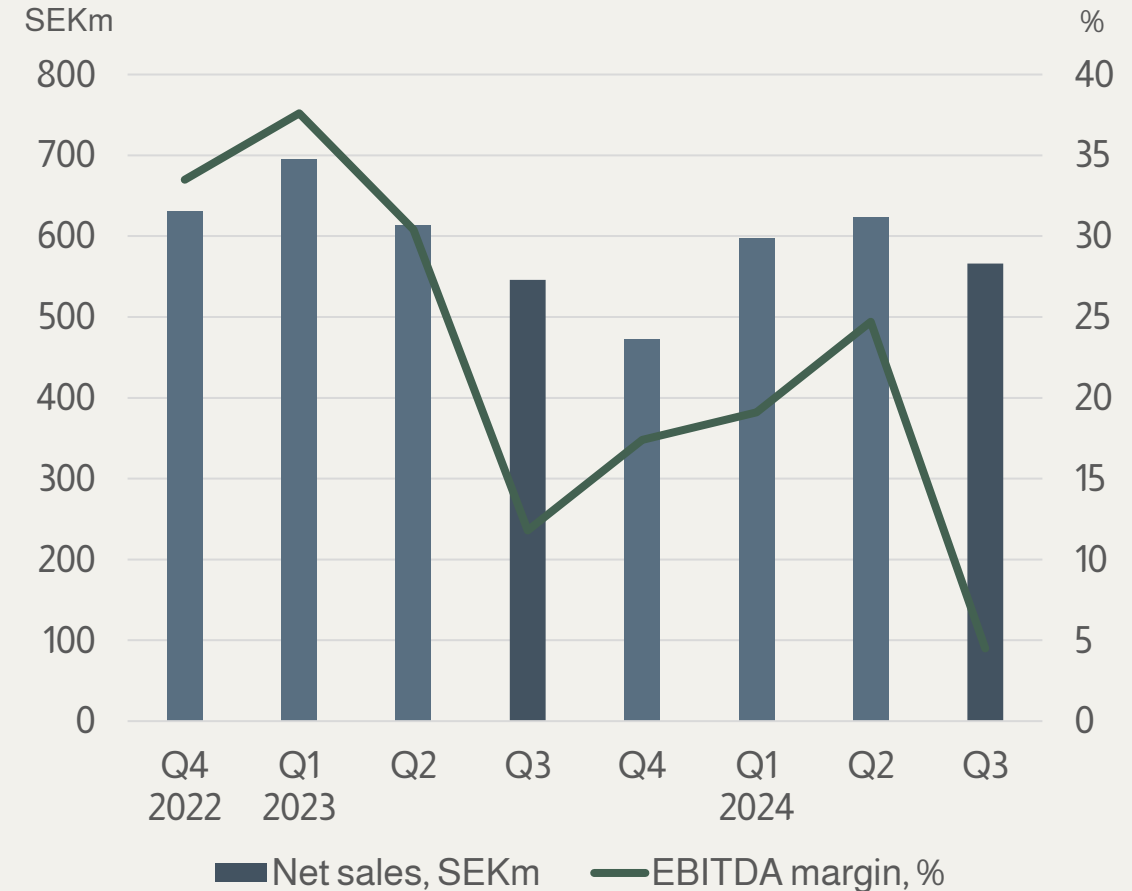
Q3 EBITDA performance significantly increased over last years



Kraft Paper impacted by high cost for maintenance stop

- ✓ Net sales SEK 566m, an increase by 4% compared to Q3 2023.
- ✓ Increased sales prices compensated in full for slightly higher raw material prices.
- ✓ Costs related to maintenance stop in Bäckhammar higher than last year.
- ✓ EBITDA at SEK 26m corresponding to a margin of 4.5%.

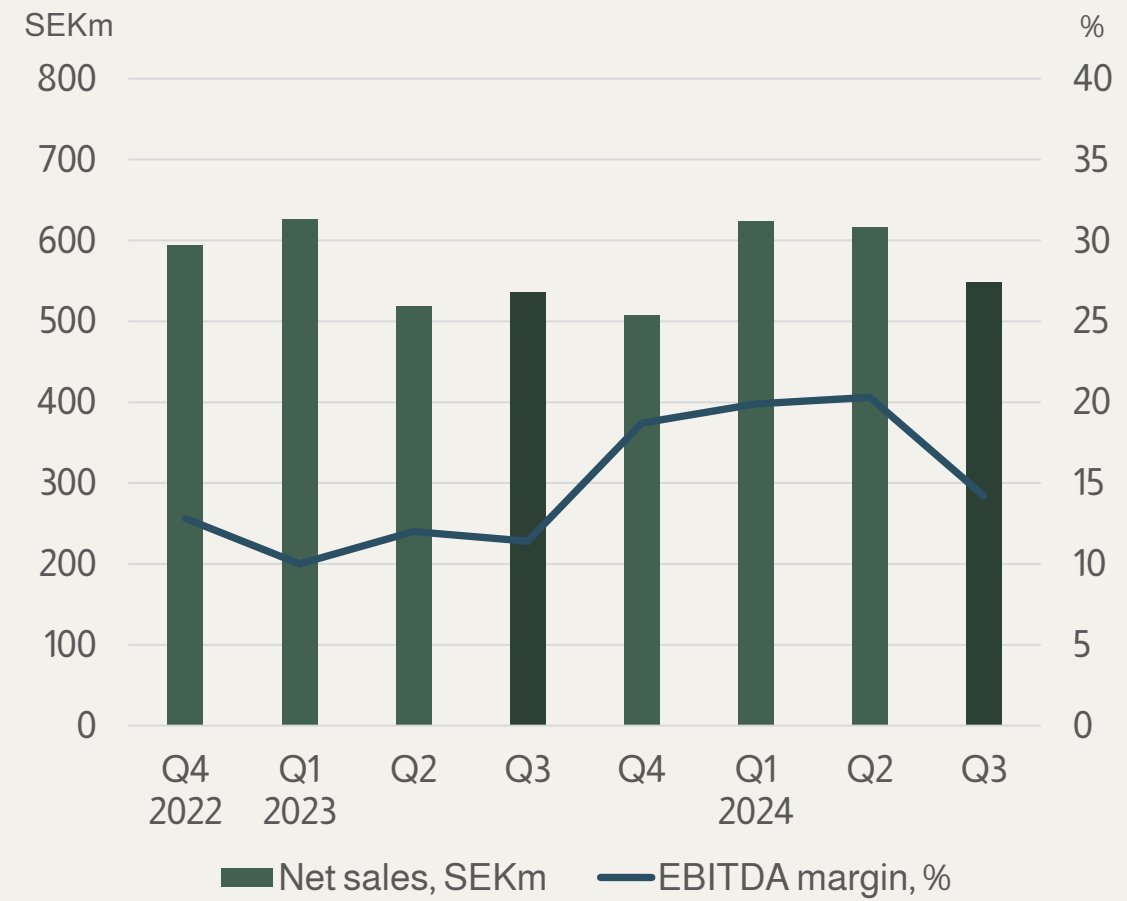
Kraft Paper net sales and EBITDA



Strong performance in Natural Greaseproof

- ✓ Net sales increased by 2% to SEK 548m.
- ✓ Sales prices 3% up compared to Q3 2023 and sales volumes increased by 4%.
- ✓ In total unchanged raw material prices compared to Q3 2023.
- ✓ EBITDA increased to SEK 78m and EBITDA margin at 14.2%.

Natural Greaseproof net sales and EBITDA



Nordic Paper business in Japan

- Very long relationships with customers - converting greaseproof papers into cooking paper and baking cups.
- High quality demands, visual appearance equally important as greaseproof and strength properties.
- End customers request for PFAS-free food contact paper increasingly important also in Japan.

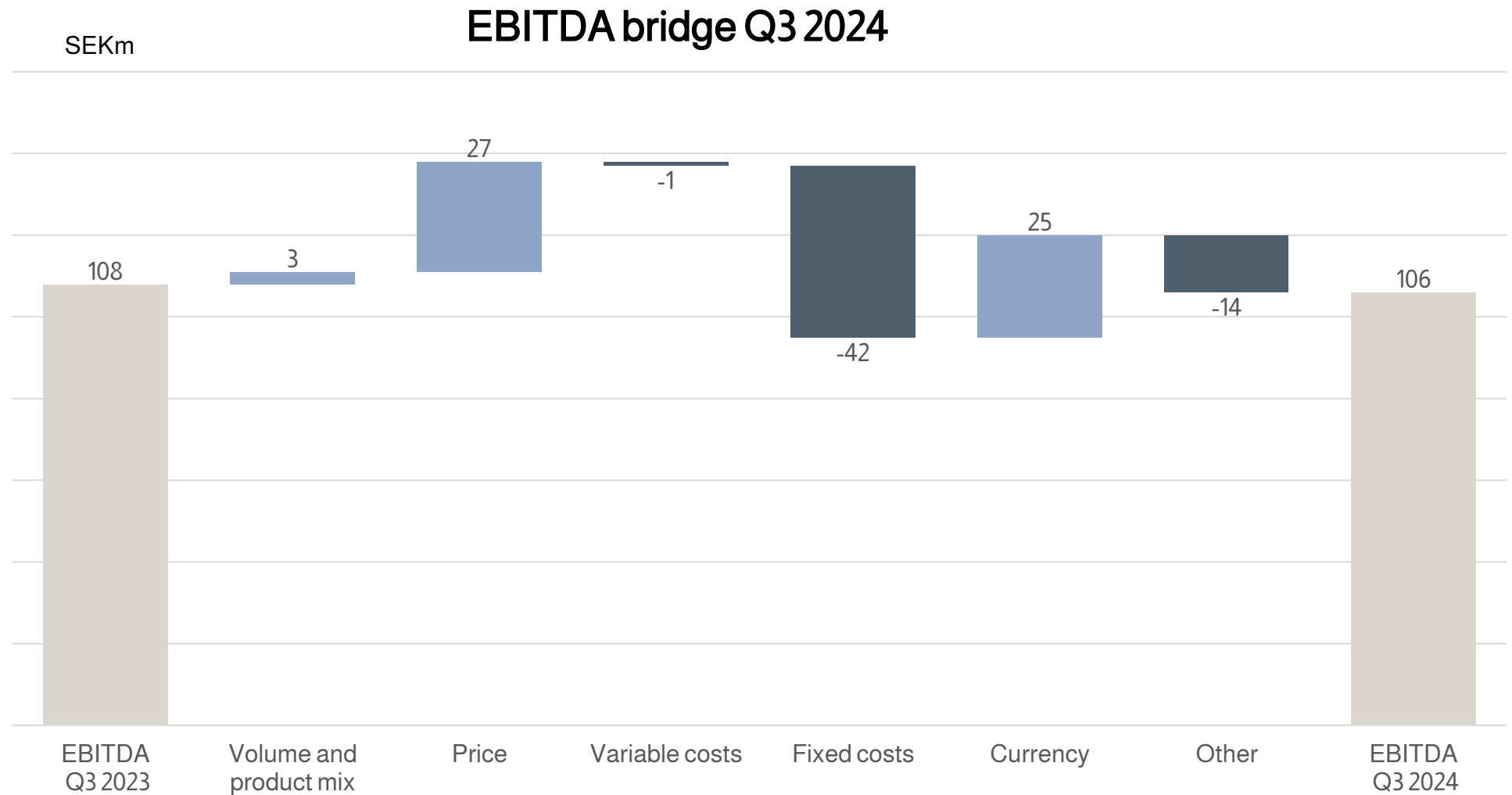


Q3 - Stable development for net sales

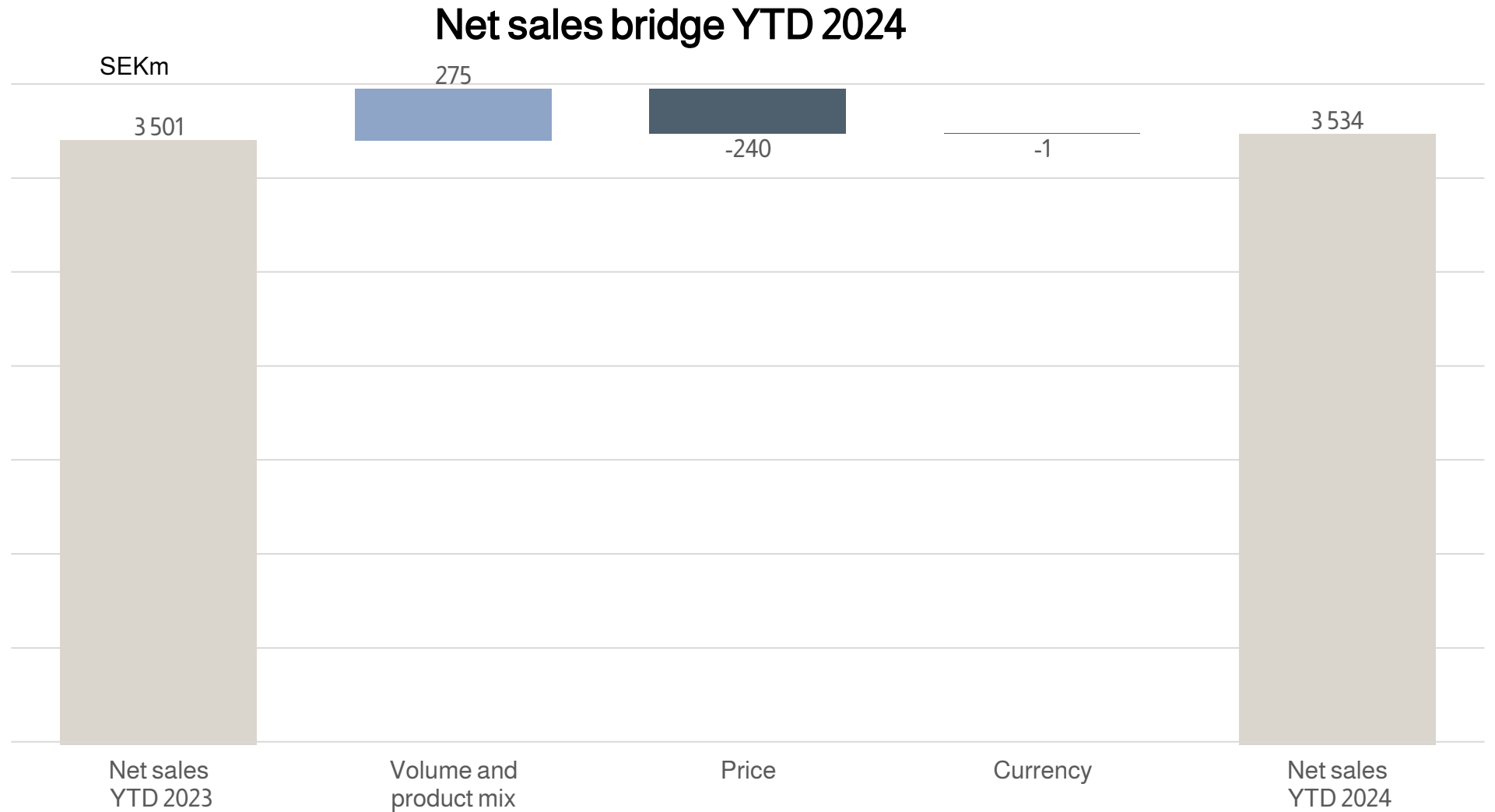
Net sales bridge Q3 2024



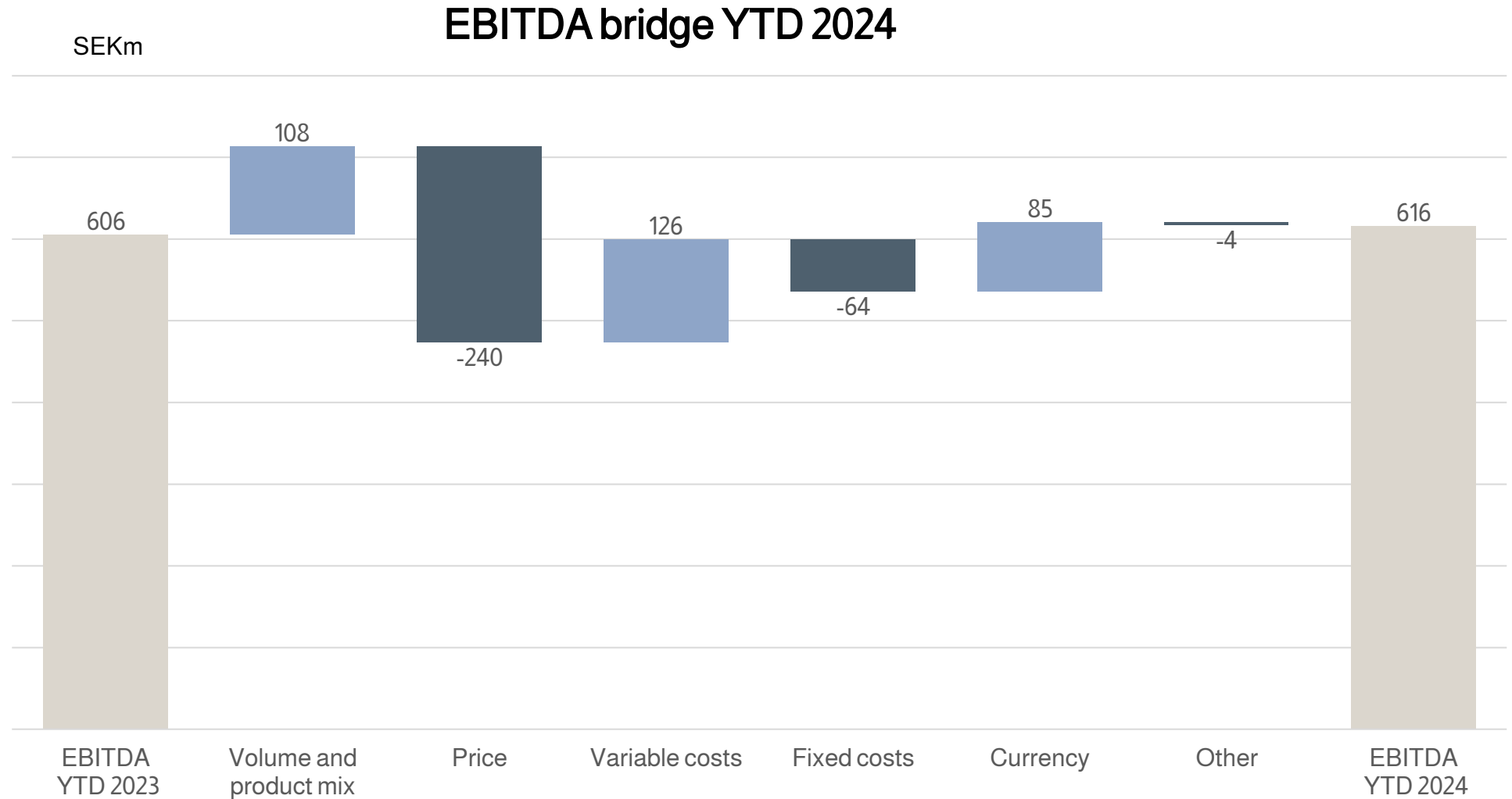
Q3 - Higher product prices and currency effects offset higher costs



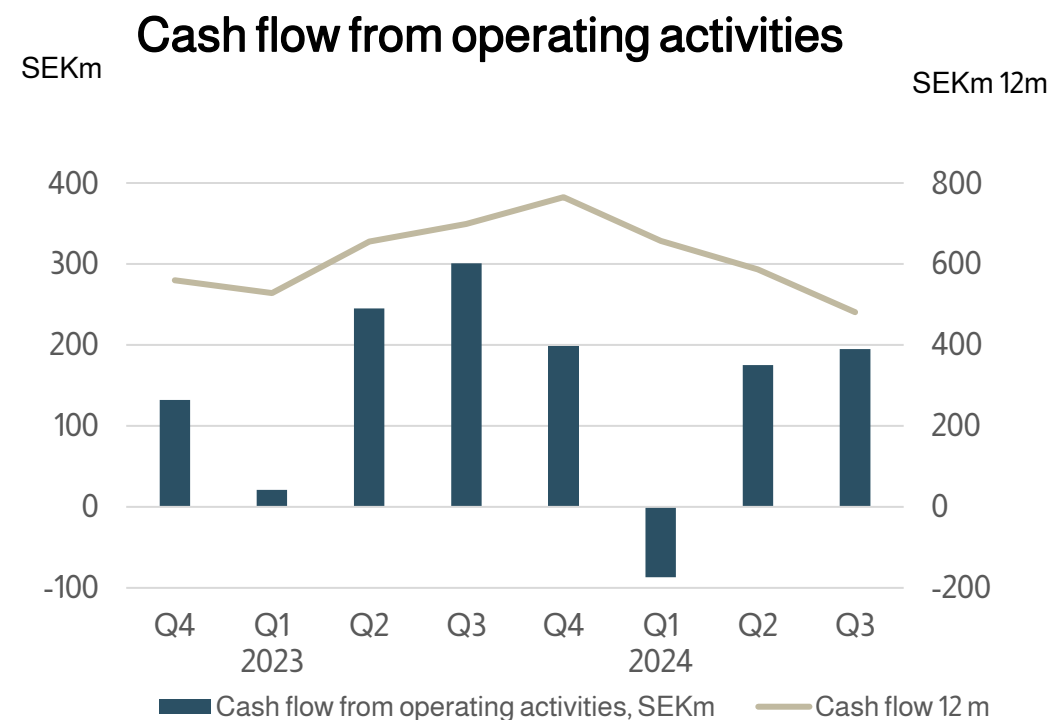
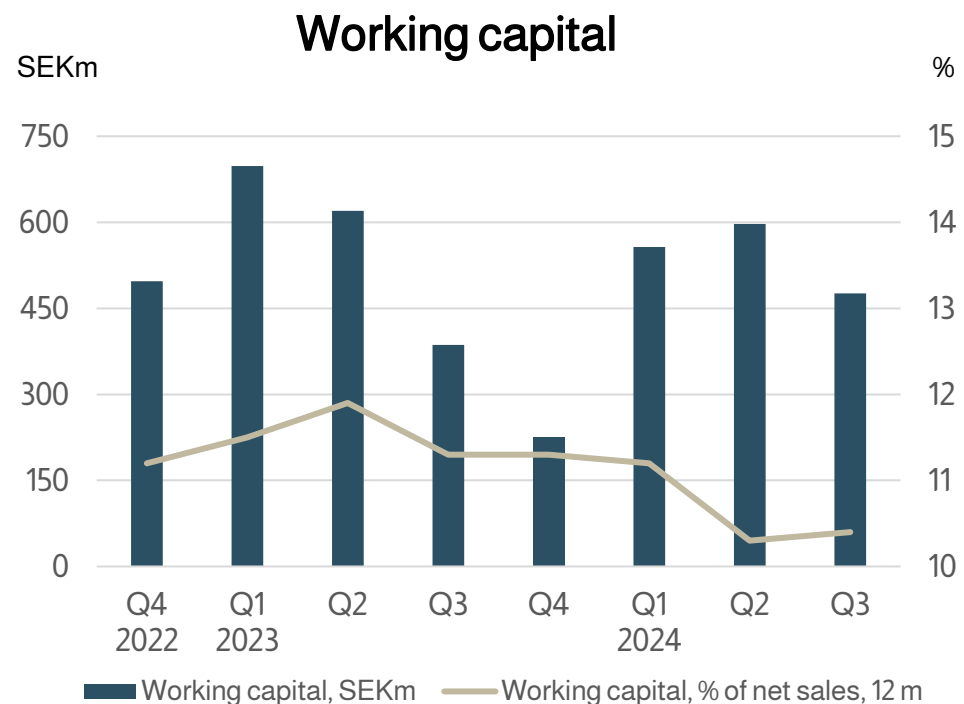
YTD - Higher volumes offset lower product prices



YTD - Higher volumes and lower variable costs offset lower prices



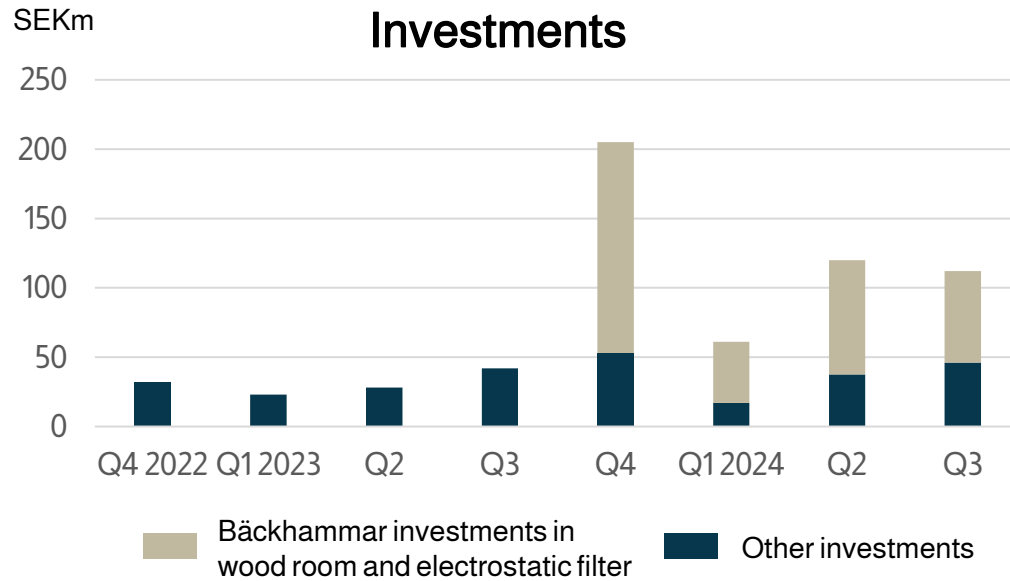
Normal development in working capital



- Working capital amounted to SEK 476m (386m). In Q3 we normally reduce inventory of finished goods and decrease of working capital

- Cash flow from operating activities of SEK 195m (301m).

Bäckhammar investment proceeding according to plan

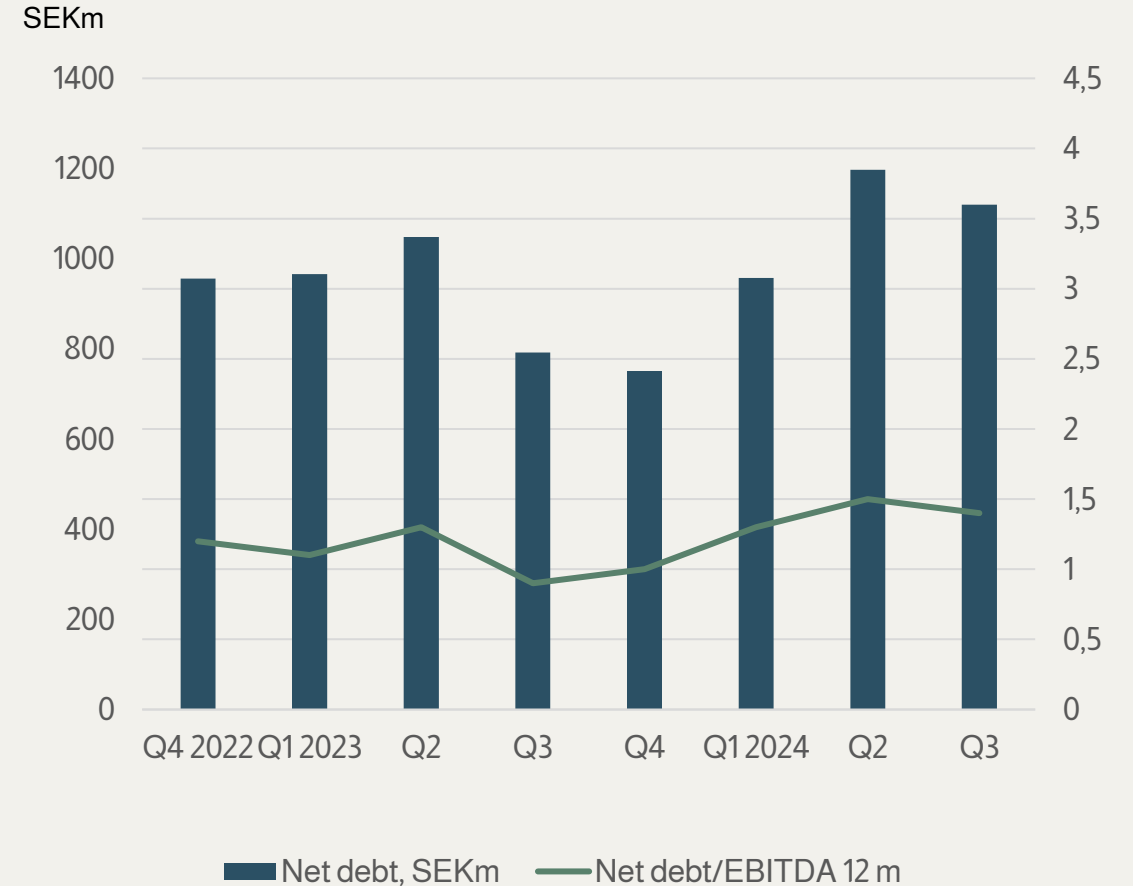


- The ongoing Bäckhammar investments are expected to add SEK 100m to EBITDA with full effect from 2026.



Strong financial position

- ✓ Net debt increased to SEK 1,120m (792m) impacted by investments in Bäckhammar.
- ✓ Net debt/EBITDA 1.4 (0.9), target <2.5



Outlook

The company assesses that

- demand for Nordic Paper products will weaken somewhat in Q4, primarily in Kraft Paper, while average product prices for the group in Q4 will remain unchanged compared to Q3.
- pulpwood prices will continue to increase and market pulp prices to decrease. The net effect of these price movements assessed to be marginal.
- sales volumes in Q4 in Kraft Paper will be negatively impacted by a slow start-up after maintenance stop in Bäckhammar in Q3.



Q&A

Summary

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- EBITDA at SEK 106m (108m).

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