

Stable performance in the first quarter

Nordic Paper interim report Q1 2025

Anita Sjölander, CEO

Niclas Eriksson, CFO

Henrik Essén, Head of IR

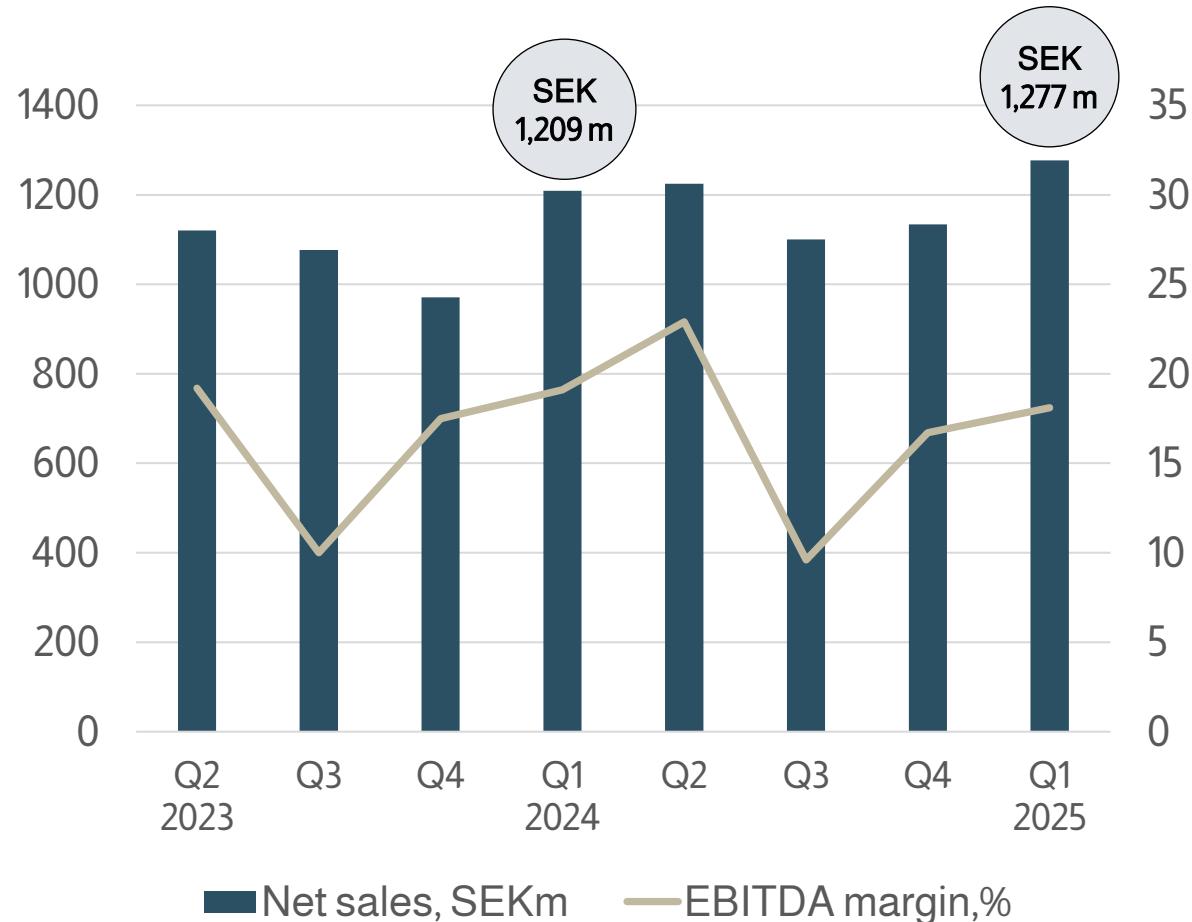
NORDICPAPER 

Stable performance in the first quarter

- Overall healthy demand
- Net sales increased 6% to SEK 1,277m (1,209m).
- Sales prices 6% higher than Q1 2024.
- EBITDA at SEK 231m (231m) and margin of 18.1% (19.1%).
- Strong performance in Natural Greaseproof, again with new records for net sales, EBITDA and EBITDA margin.
- Despite higher sales prices in Kraft Paper EBITDA decreased due to lower sales volumes compared to all-time-high levels of Q1 2024.
- The Board of Directors proposes no dividend to AGM but considers opportunity for extraordinary dividend later on in 2025.

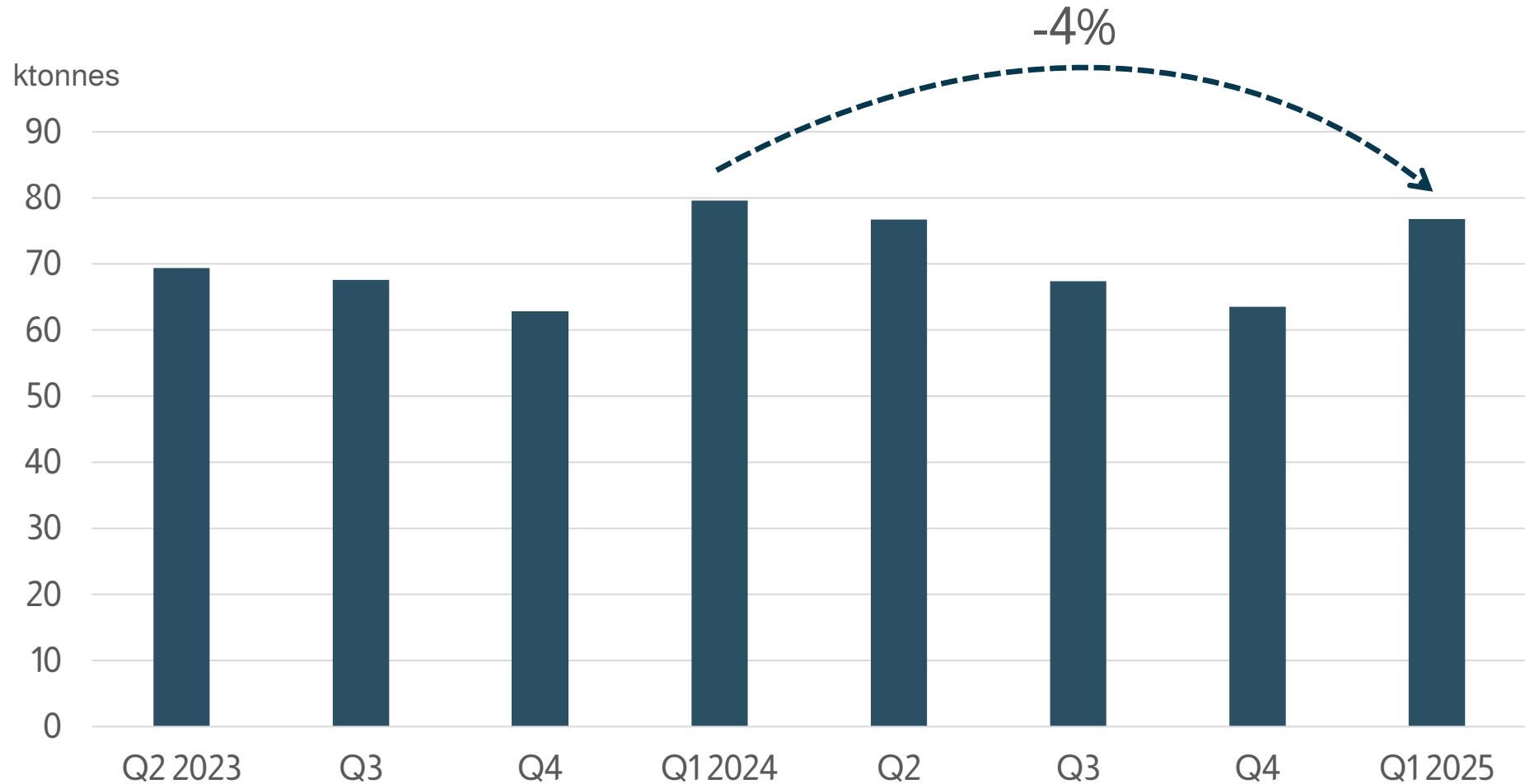


Net sales increased 6% while EBITDA remained unchanged



- ✓ Net sales SEK 1,277m (+6%)
- ✓ EBITDA SEK 231m (0%)
- ✓ EBITDA margin 18.1% (-1.0 p.p.)

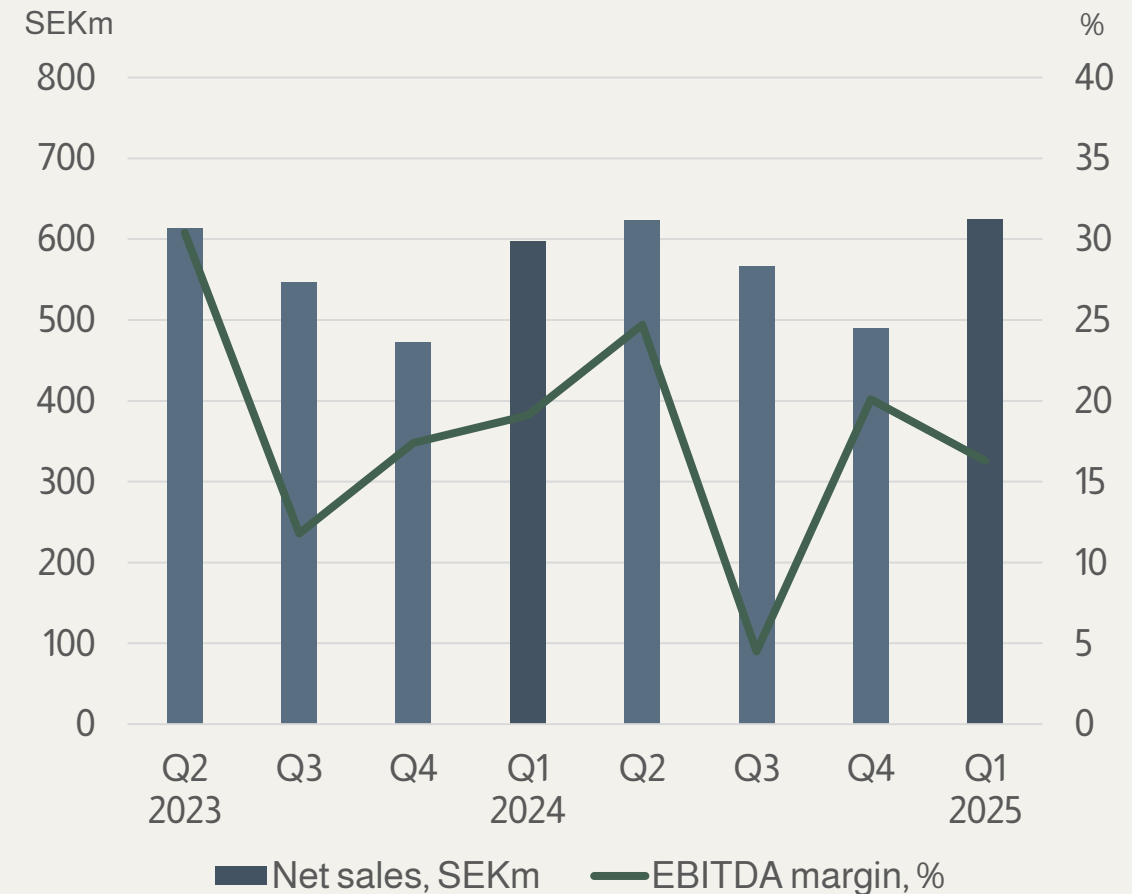
Decrease in sales volumes from all-time-high of Q1 2024



Kraft Paper - Increased net sales but lower EBITDA

- ✓ Net sales SEK 625m, an increase by 5% compared to Q1 2024.
- ✓ Sales volumes decreased 5% from the all-time-high level of Q1 2024.
- ✓ Sales prices 6% higher compared to Q1 2024.
- ✓ Slightly higher cost for input goods, primarily from pulpwood.
- ✓ EBITDA at SEK 102m corresponding to a margin of 16.3%.

Kraft Paper net sales and EBITDA margin



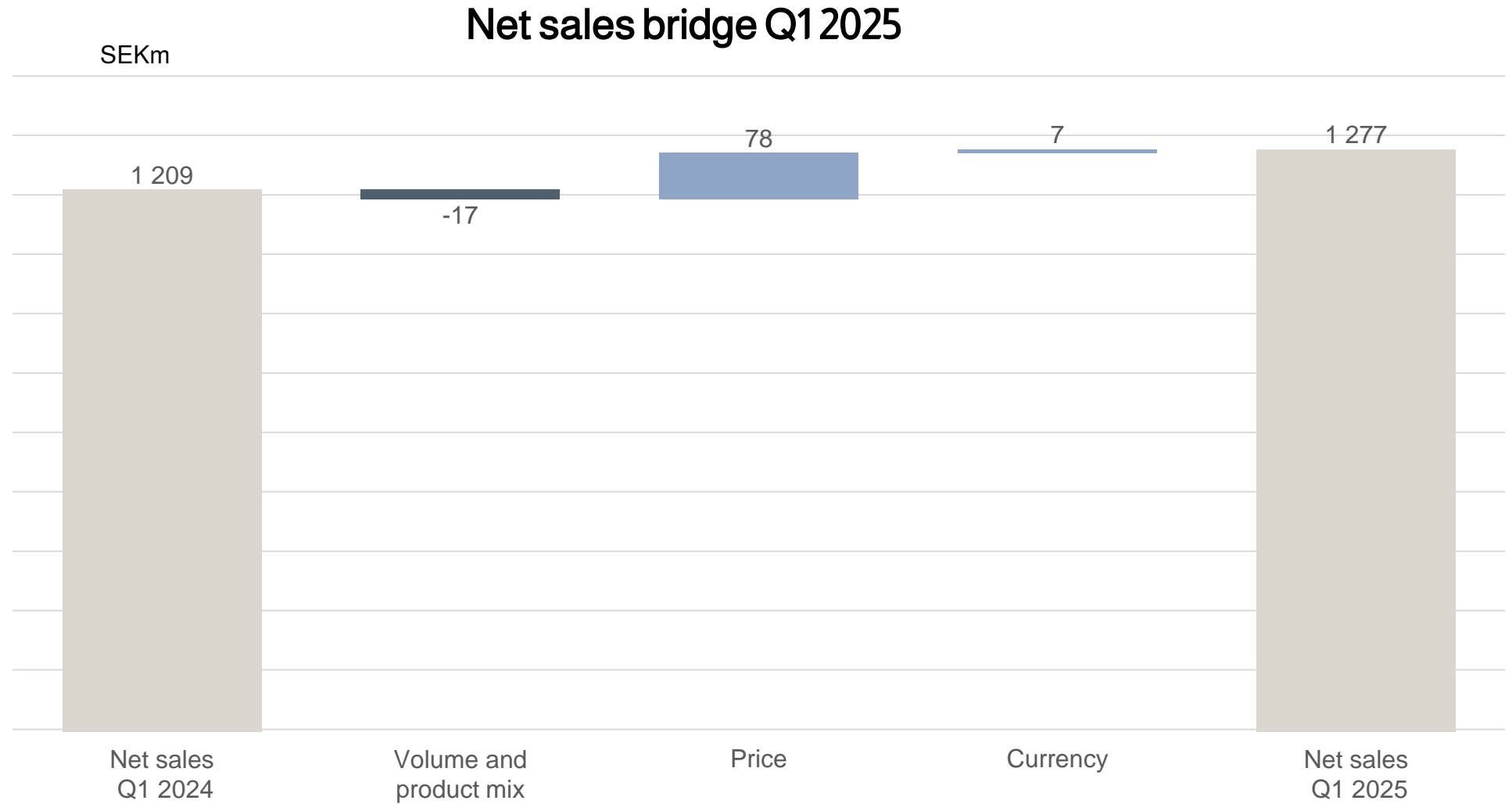
Natural Greaseproof excels

- ✓ Net sales increased by 7% to SEK 669m, a new quarterly record.
- ✓ Sales prices 7% up compared to Q1 2024 and sales volumes unchanged.
- ✓ In total slight negative impact on EBITDA from raw material prices compared to Q1 2024.
- ✓ EBITDA increased to SEK 146m and EBITDA margin was 21.9%, both new quarterly records.

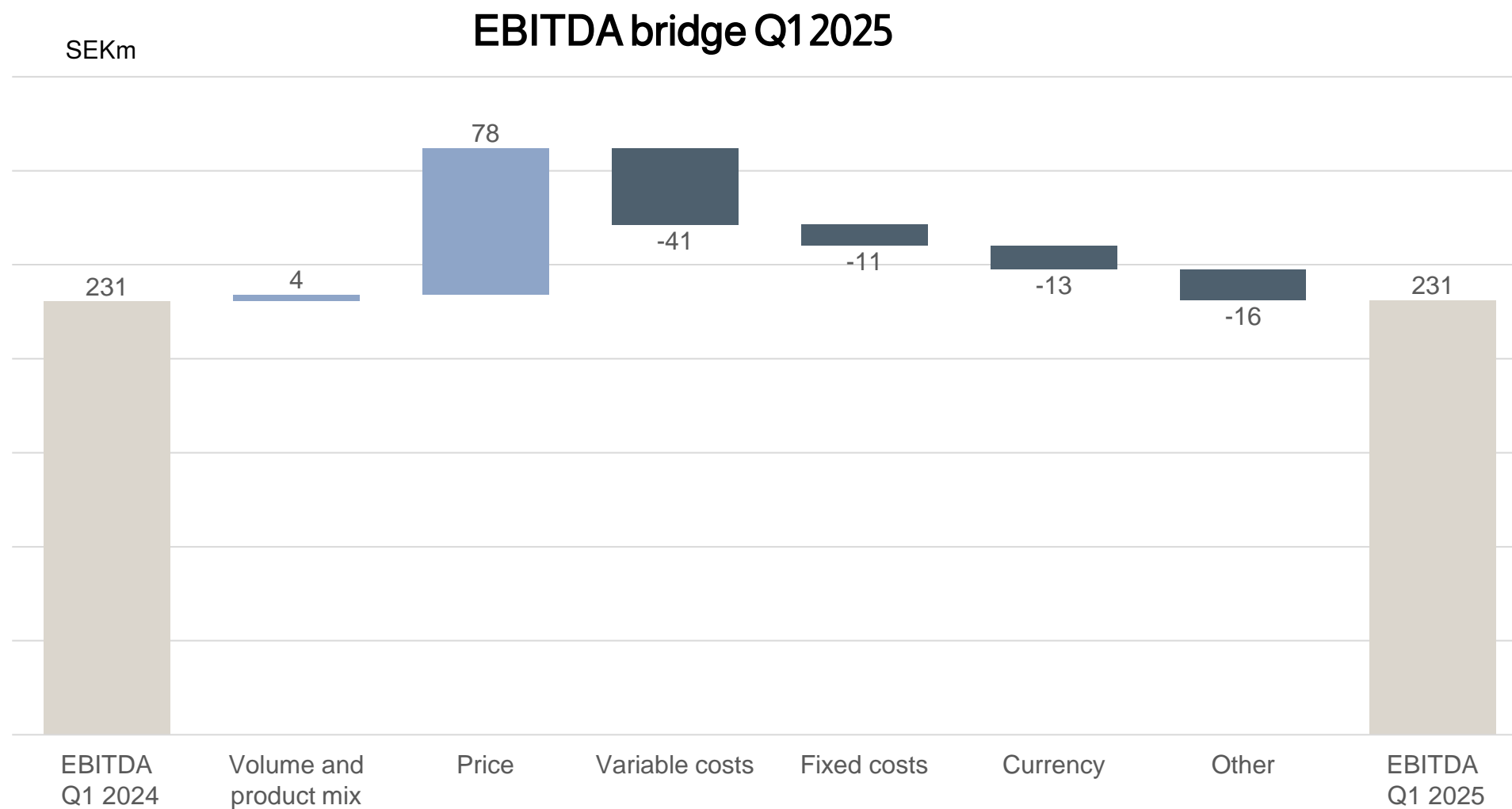
Natural Greaseproof net sales and EBITDA margin



Strong price performance drives higher net sales



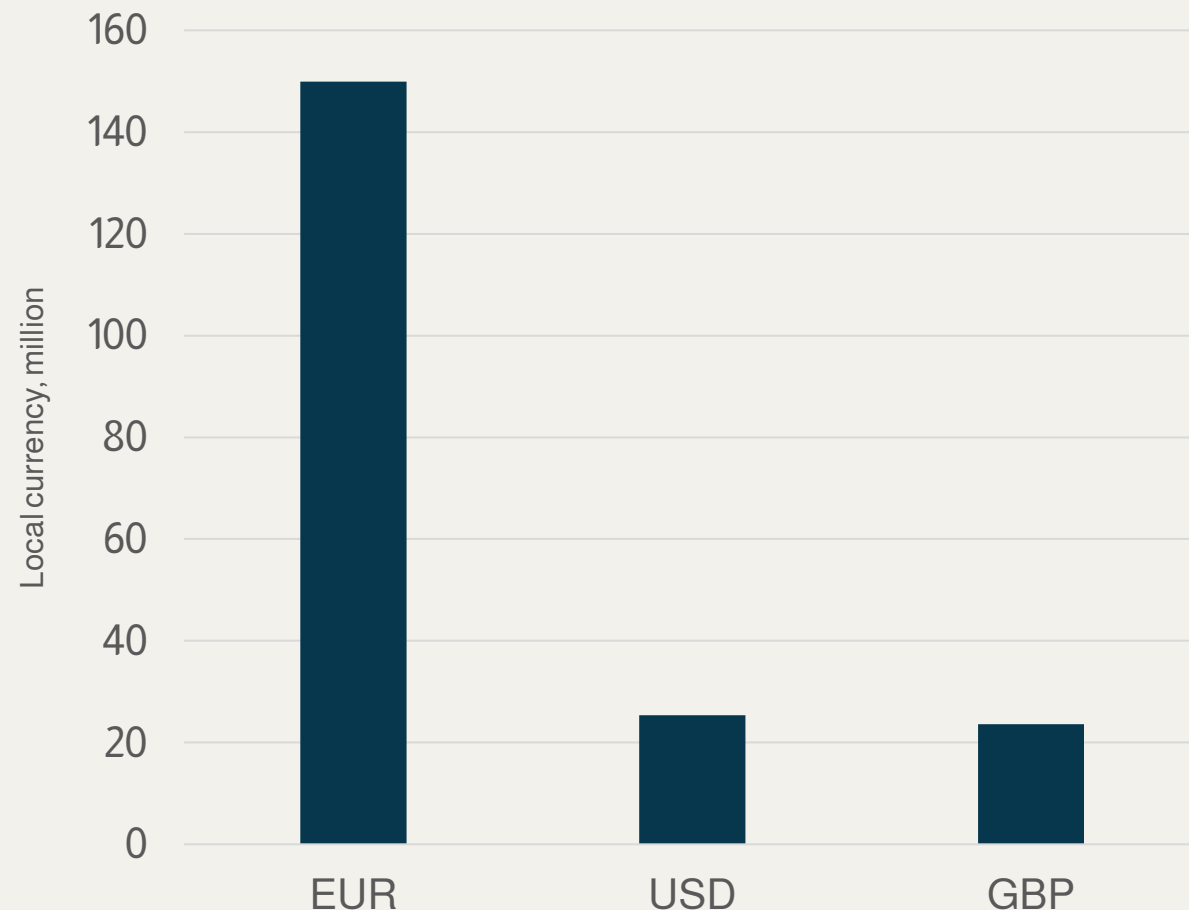
Higher sales prices mitigate higher costs and currency effects



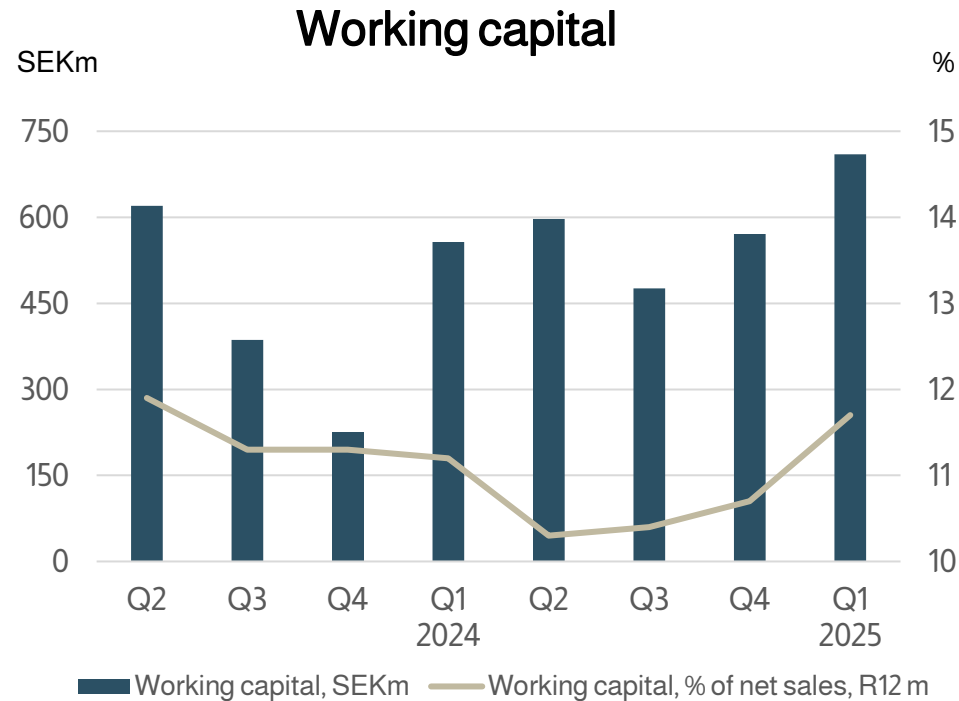
Nordic Paper has low net exposure to USD

- Main currency exposure in EUR/SEK.
- Term loan converted to EUR during the first quarter reduces EUR exposure.
- Purchasing in USD mitigates exposure from net sales in USD.
- Hedging for future net flows where exposure is material
 - 50-75% for the coming 6 month period
 - 25-50% for the subsequent 7-12 months

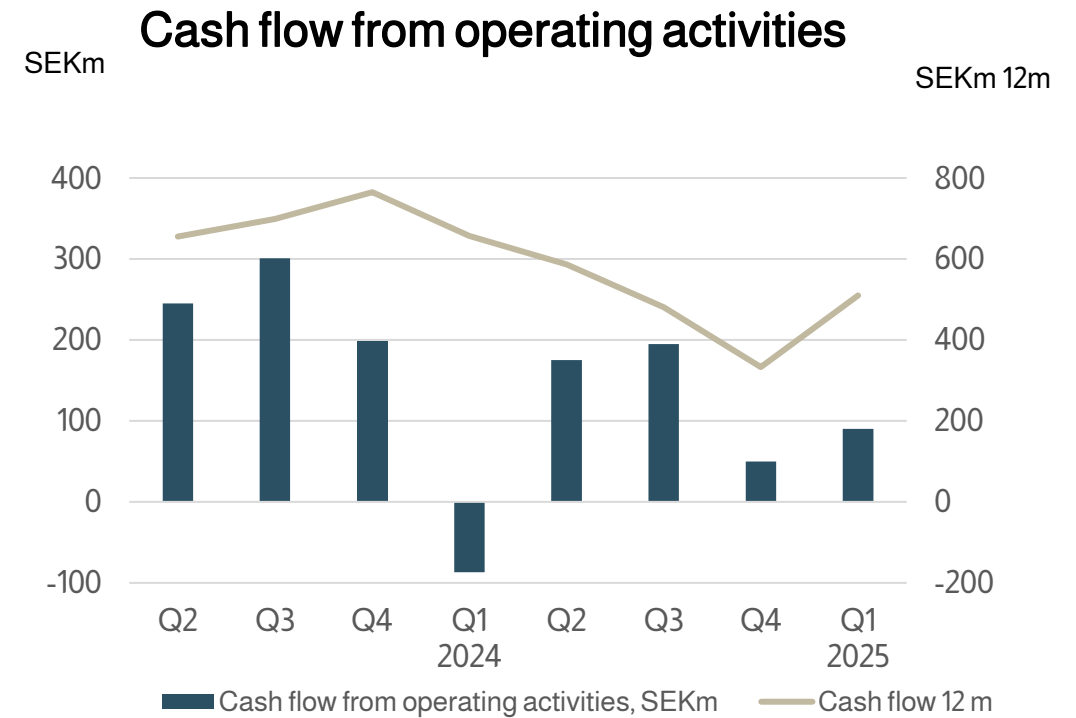
Net exposure by main currency, rolling 12 month backwards, April 2024-March 2025



Strong net sales in the quarter increase working capital



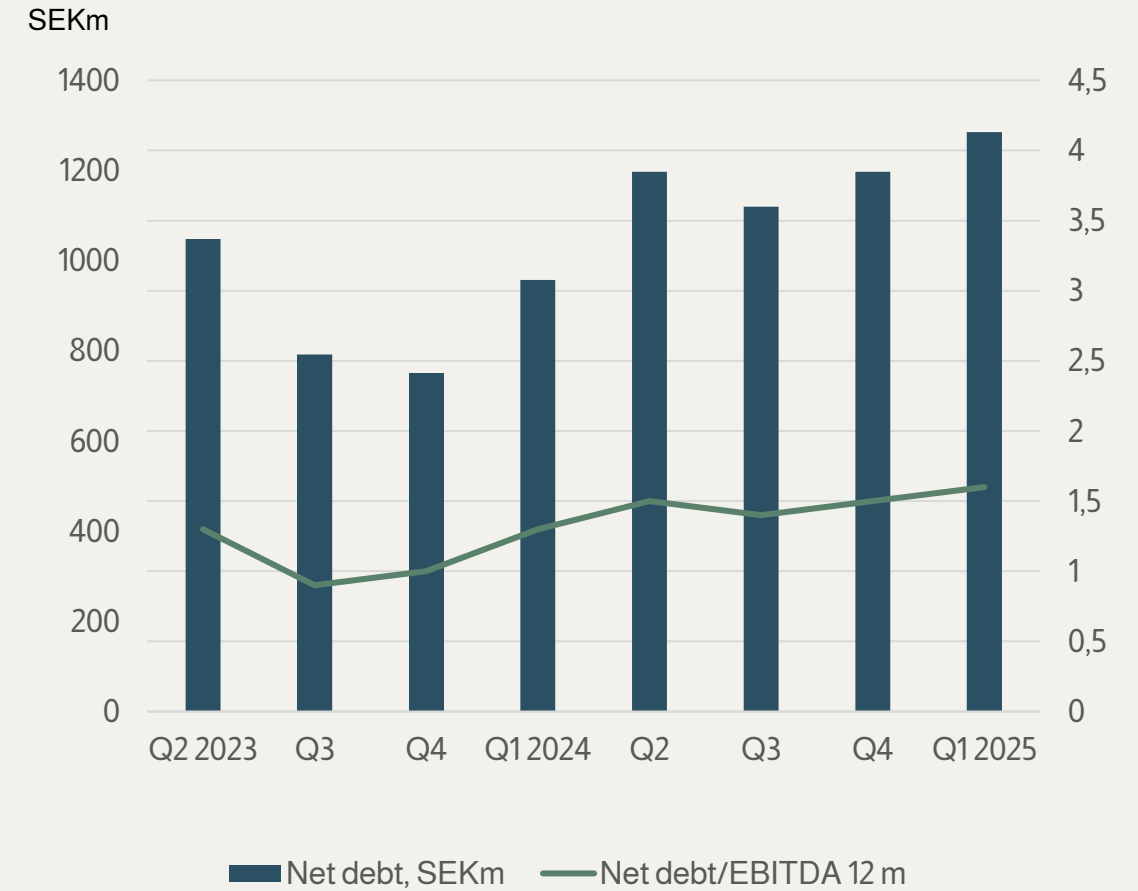
- An increase of working capital from Q4 to Q1 is normal due to the higher sales in Q1 compared to Q4.



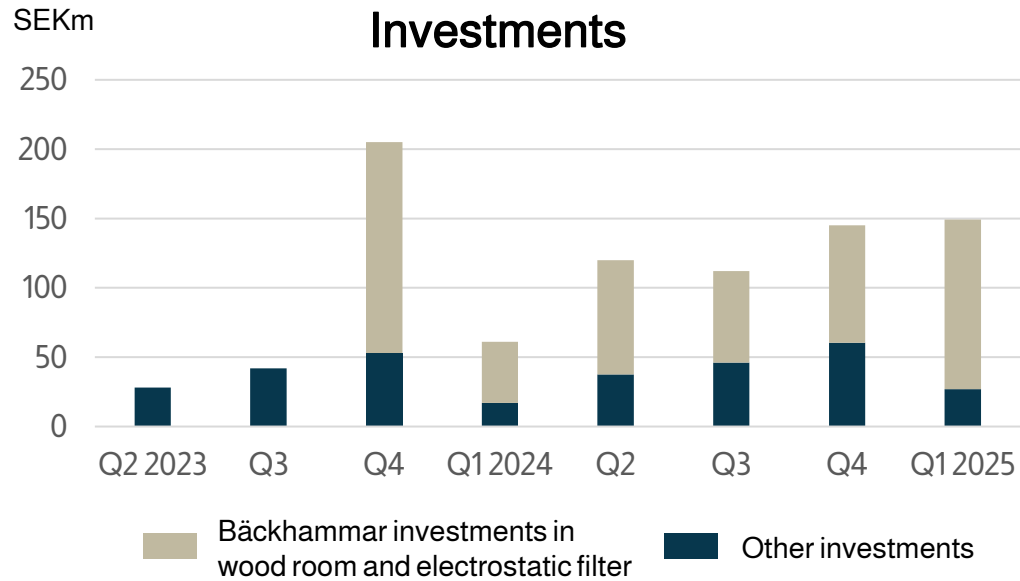
- Cash flow from operating activities amounted to SEK 90m (-87m).

Stable financial position

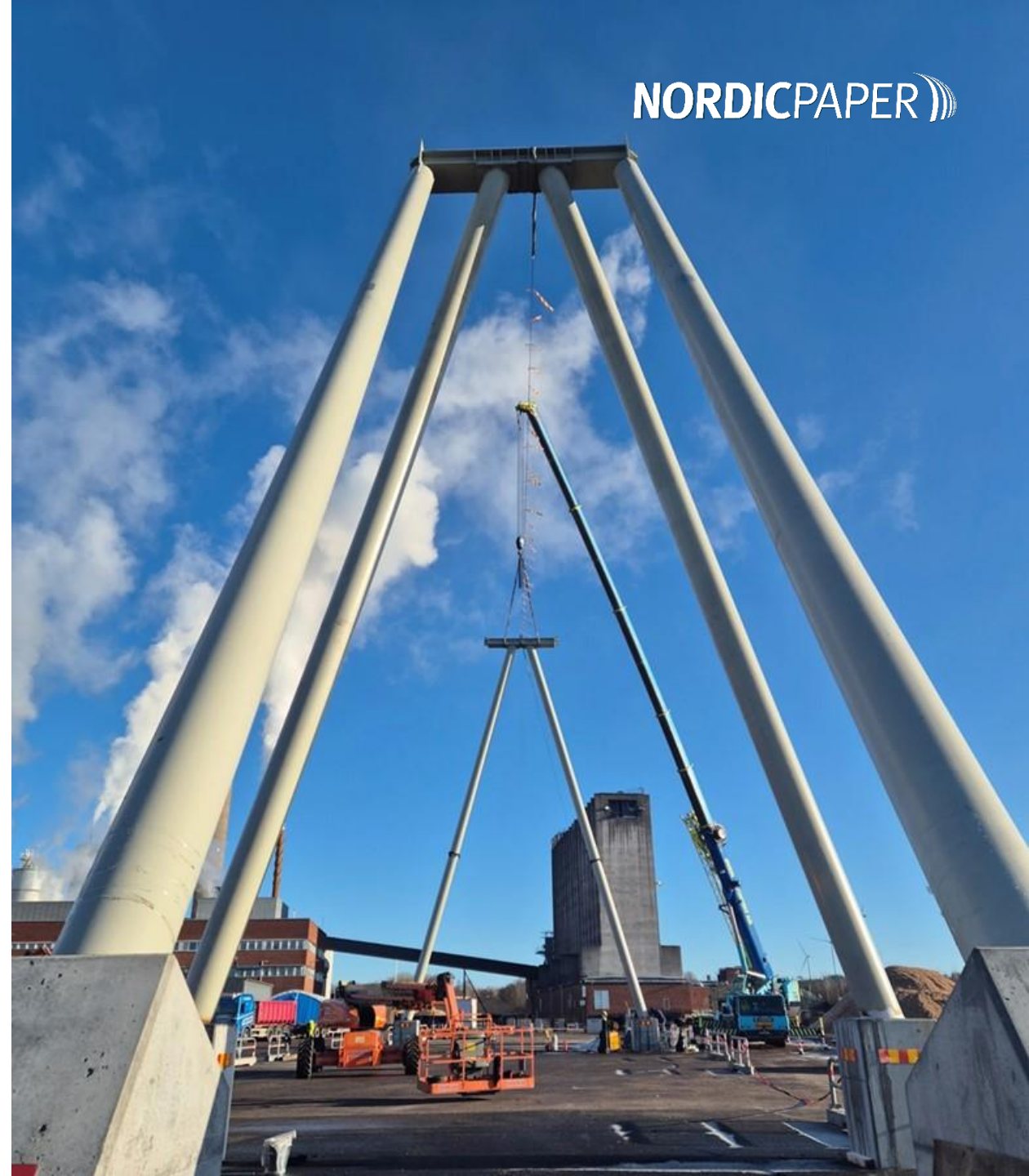
- ✓ Net debt increased to SEK 1,285m (957m) impacted by investments in Bäckhammar.
- ✓ Net debt/EBITDA 1.6 (1.3)



Ongoing Bäckhammar investments proceeding according to plan



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



Decision on up to SEK 450 m environmental investments at Bäckhammar

- Bäckhammar sources water from lake Vänern through a pipe and returns it through Visman stream.
- Investments include a pipe for purified effluent water back to the lake.
- Bäckhammar will disconnect from Visman, supporting its return to natural condition.
- The investments are conditioned in the new production permit and unlock possibility to increase production output.
- The investments will be carried out 2025-2027.



Visman stream close to Bäckhammar plant

Outlook

The company assesses that

- demand for Nordic Paper products in Q2 will remain healthy.
- product prices will increase slightly in Kraft Paper and remain unchanged in Natural Greaseproof.
- raw material prices will in total be stable.



Q&A

Summary

- Overall demand remained healthy in the quarter and net sales increased by 6% to SEK 1,277m (1,209m).
- Sales prices 6% higher than Q1 2024.
- EBITDA at SEK 231m (231m), corresponding to a margin of 18.1% (19.1%).

The company assesses that

- demand for Nordic Paper products in Q2 will remain healthy.
- product prices will increase slightly in Kraft Paper and remain unchanged in Natural Greaseproof.

