

# Stable performance in the first quarter

Nordic Paper interim report Q1 2025

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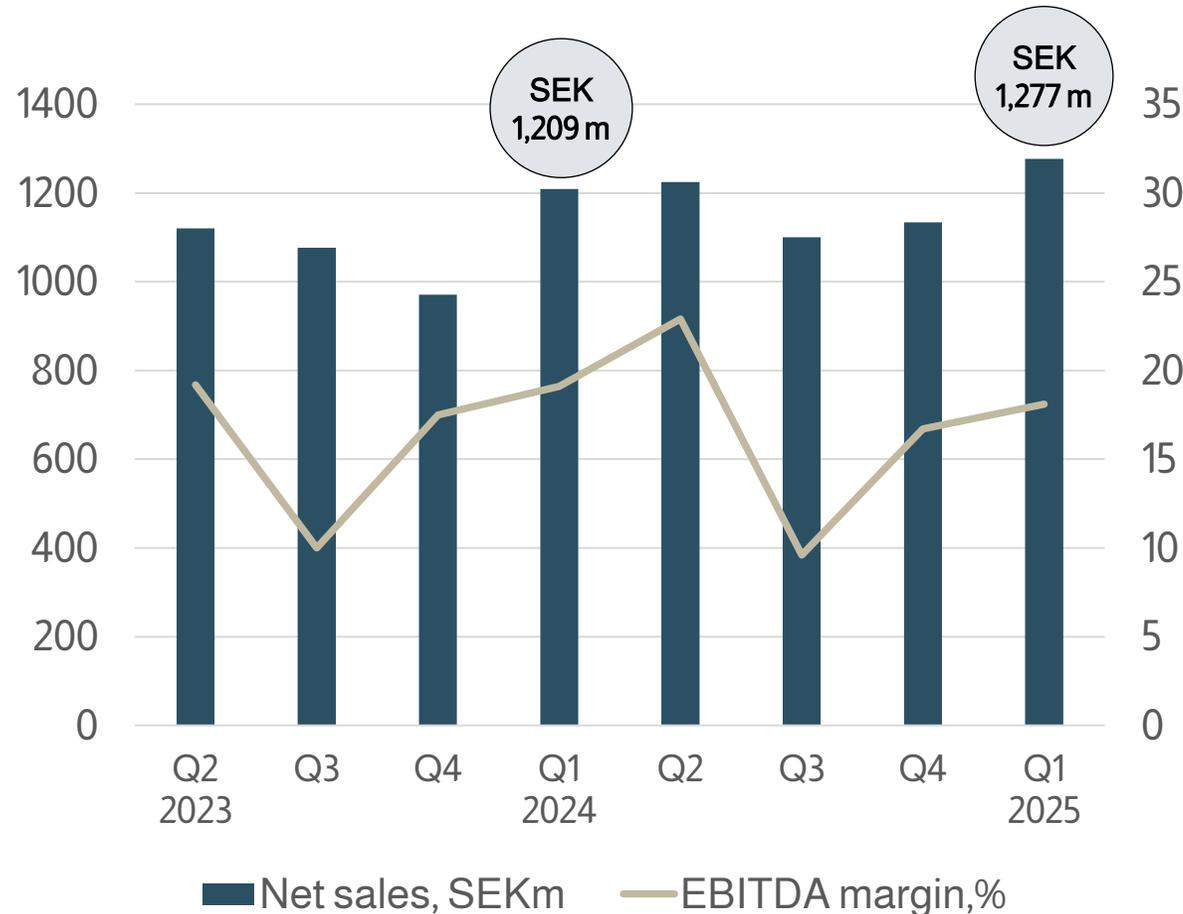
**NORDICPAPER** 

# 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.

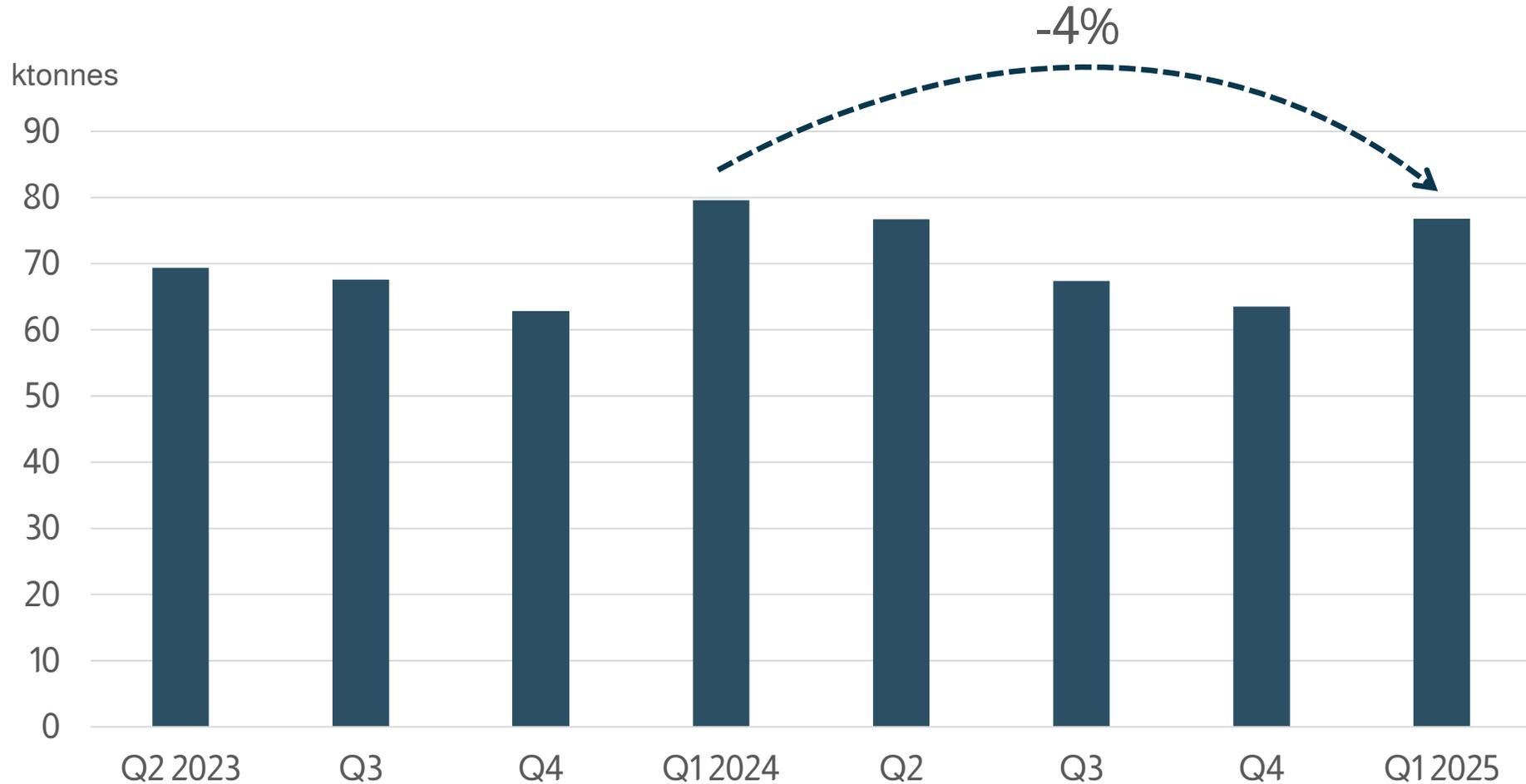


# Net sales increased 6% while EBITDA remained unchanged



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

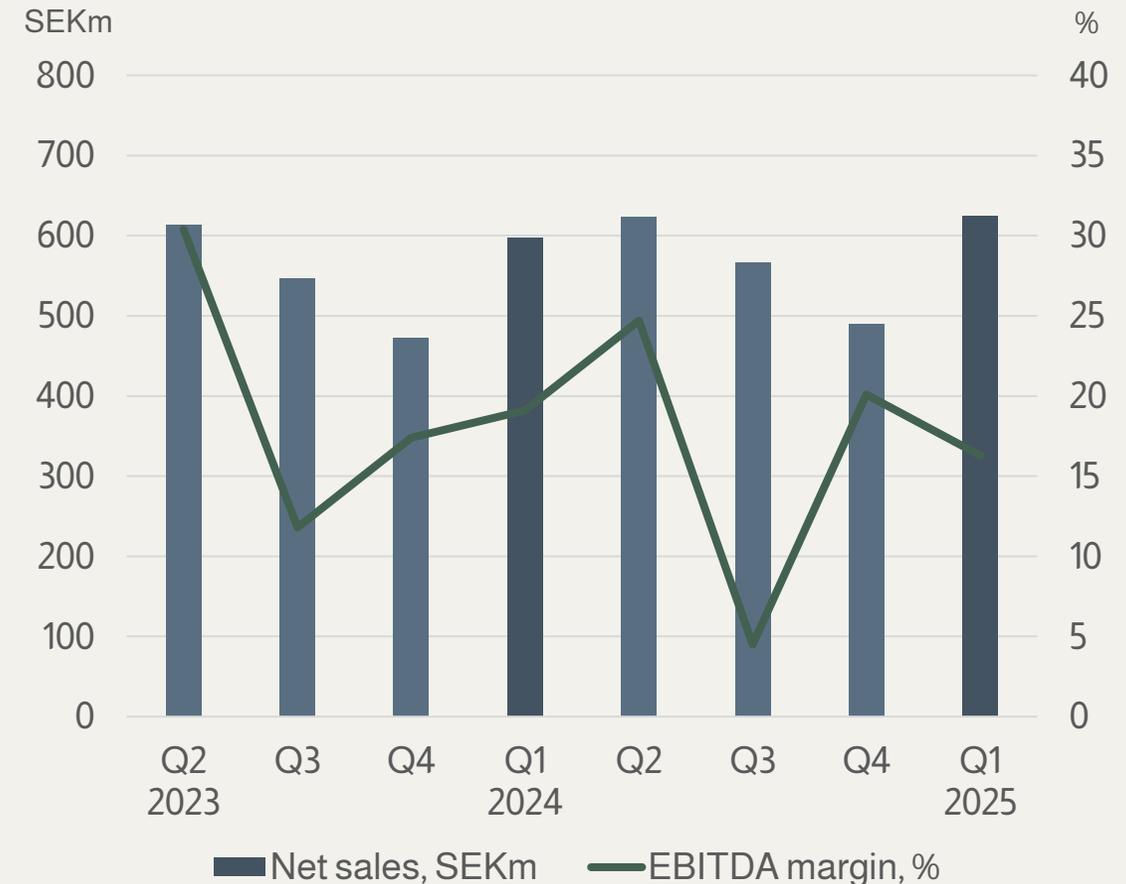
# Decrease in sales volumes from all-time-high of Q1 2024



# 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

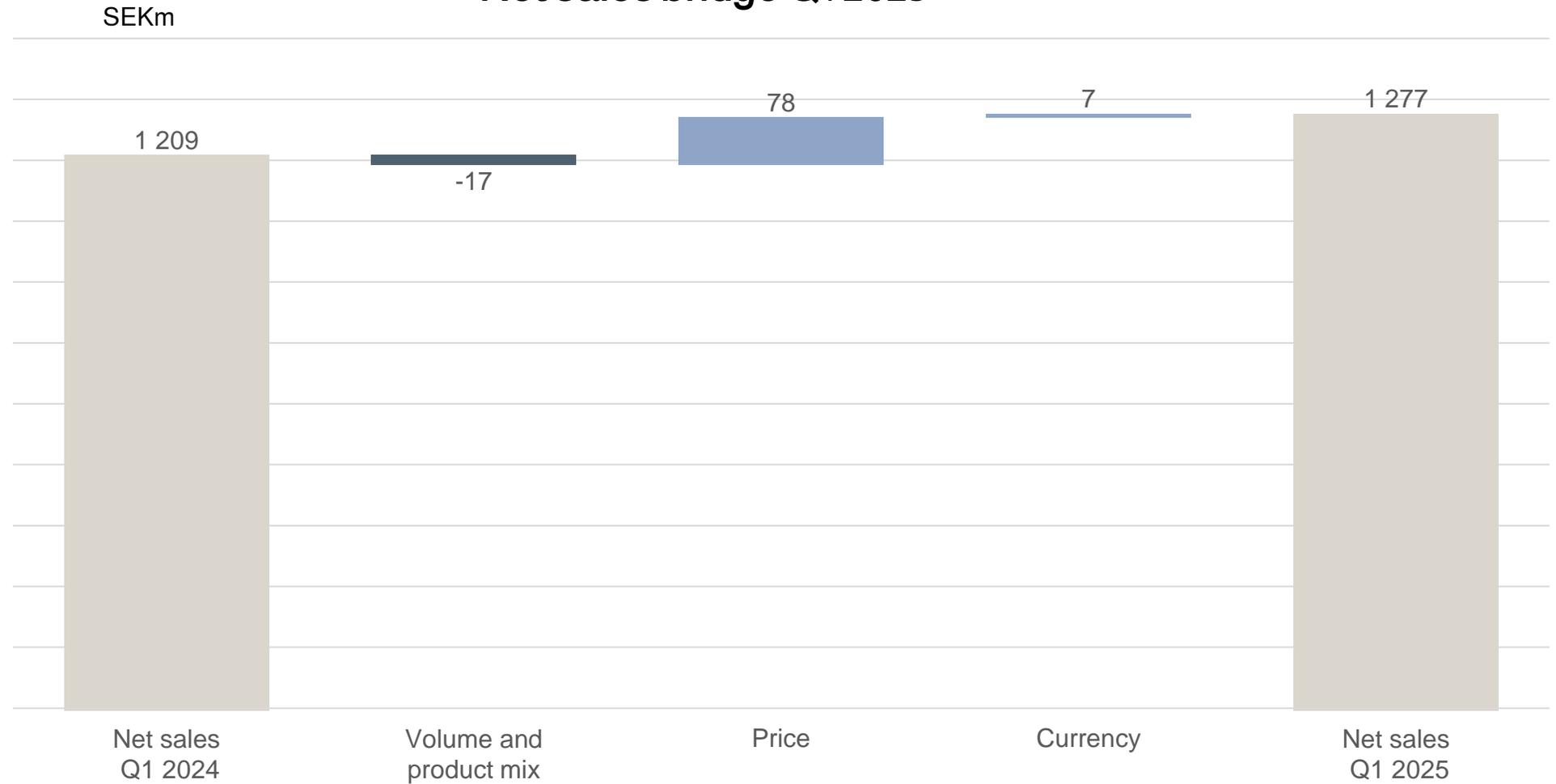
- ✓ Net sales increased by 7% to SEK 669m, a new quarterly record.
- ✓ Sales prices 7% up compared to Q1 2024 and sales volumes unchanged.
- ✓ In total slight negative impact on EBITDA from raw material prices compared to Q1 2024.
- ✓ EBITDA increased to SEK 146m and EBITDA margin was 21.9%, both new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

**Natural Greaseproof net sales and EBITDA margin**

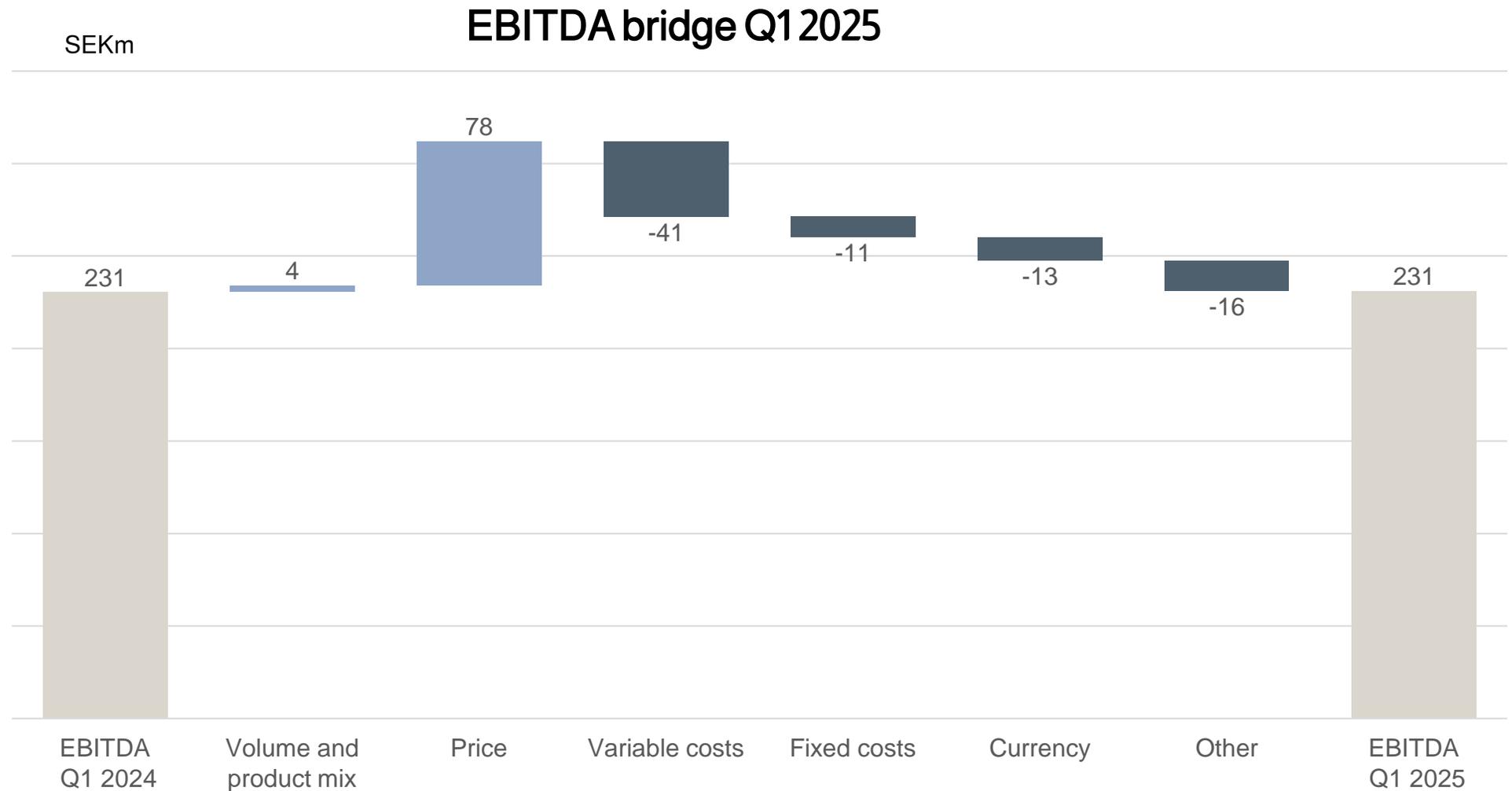


# Strong price performance drives higher net sales

## Net sales bridge Q1 2025



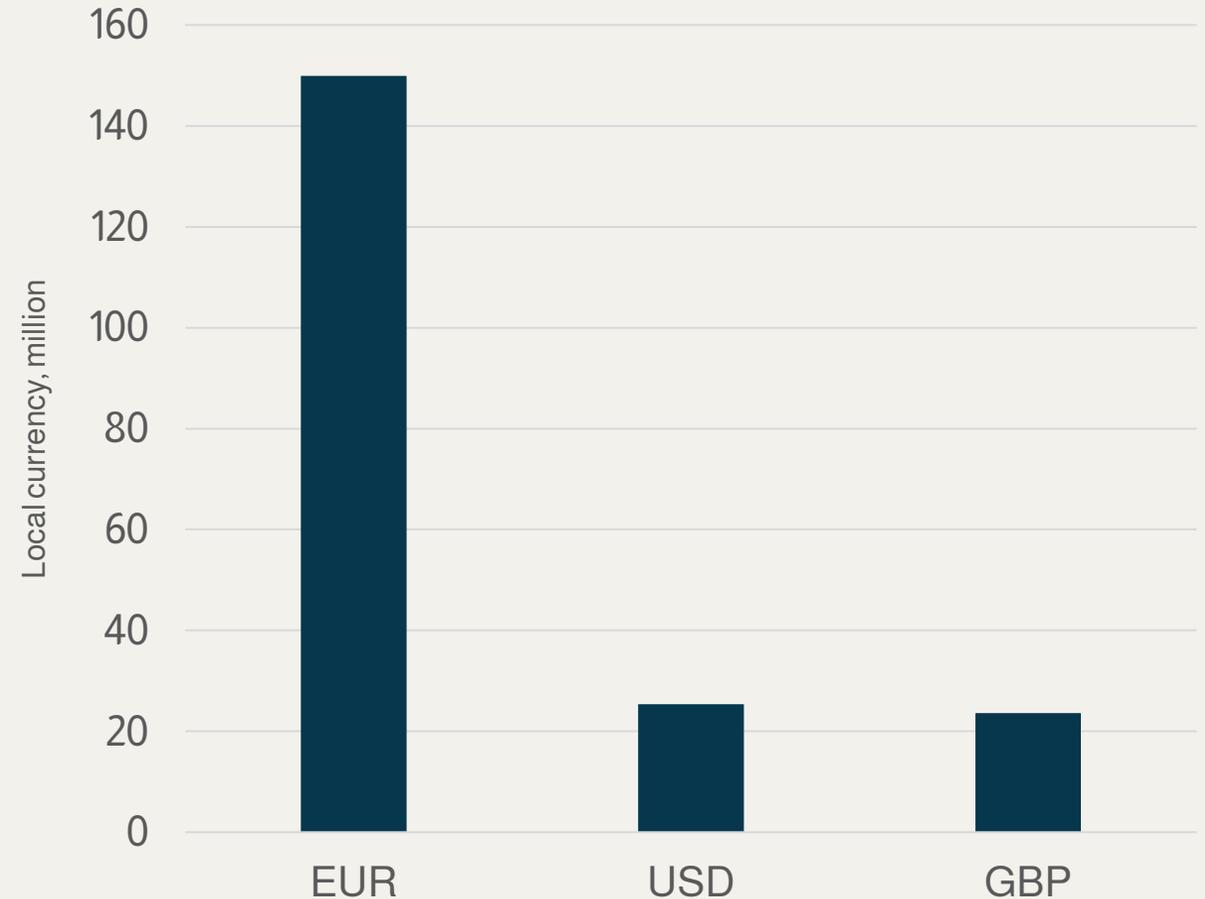
# Higher sales prices mitigate higher costs and currency effects



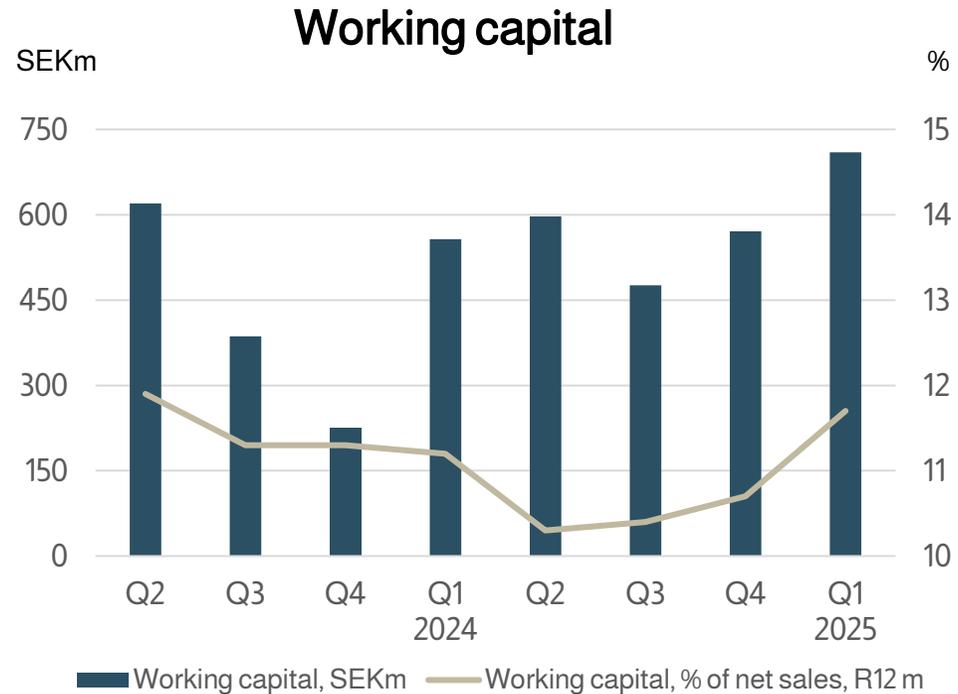
# Nordic Paper has low net exposure to USD

- 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

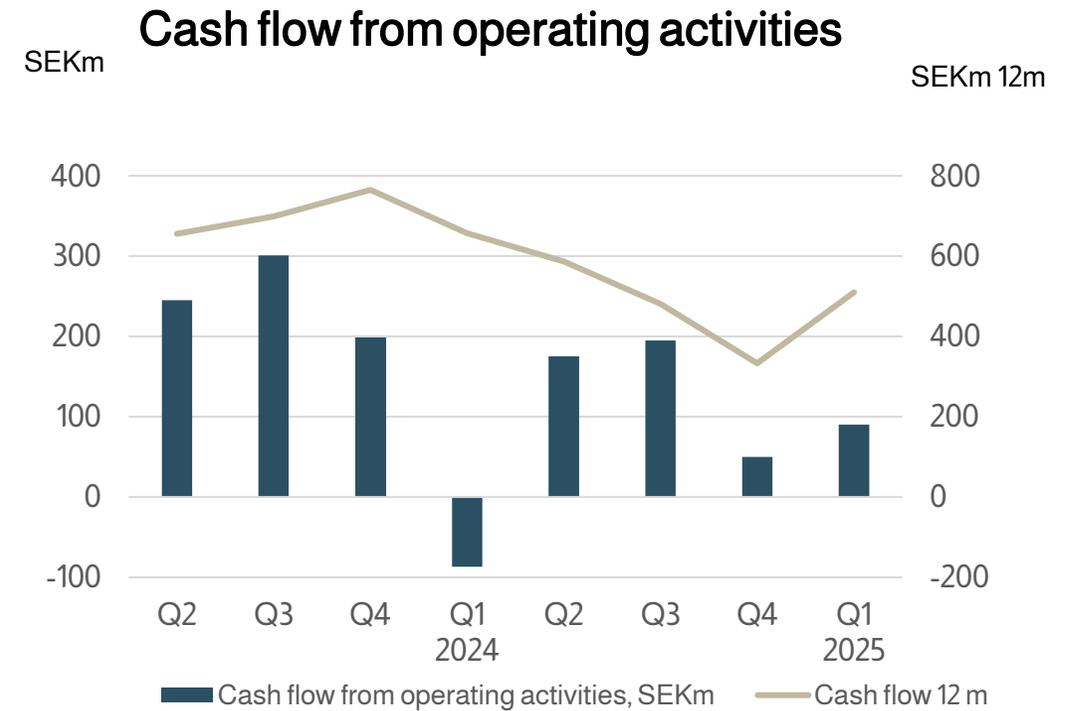
Net exposure by main currency, rolling 12 month backwards, April 2024-March 2025



# Strong net sales in the quarter increase working capital



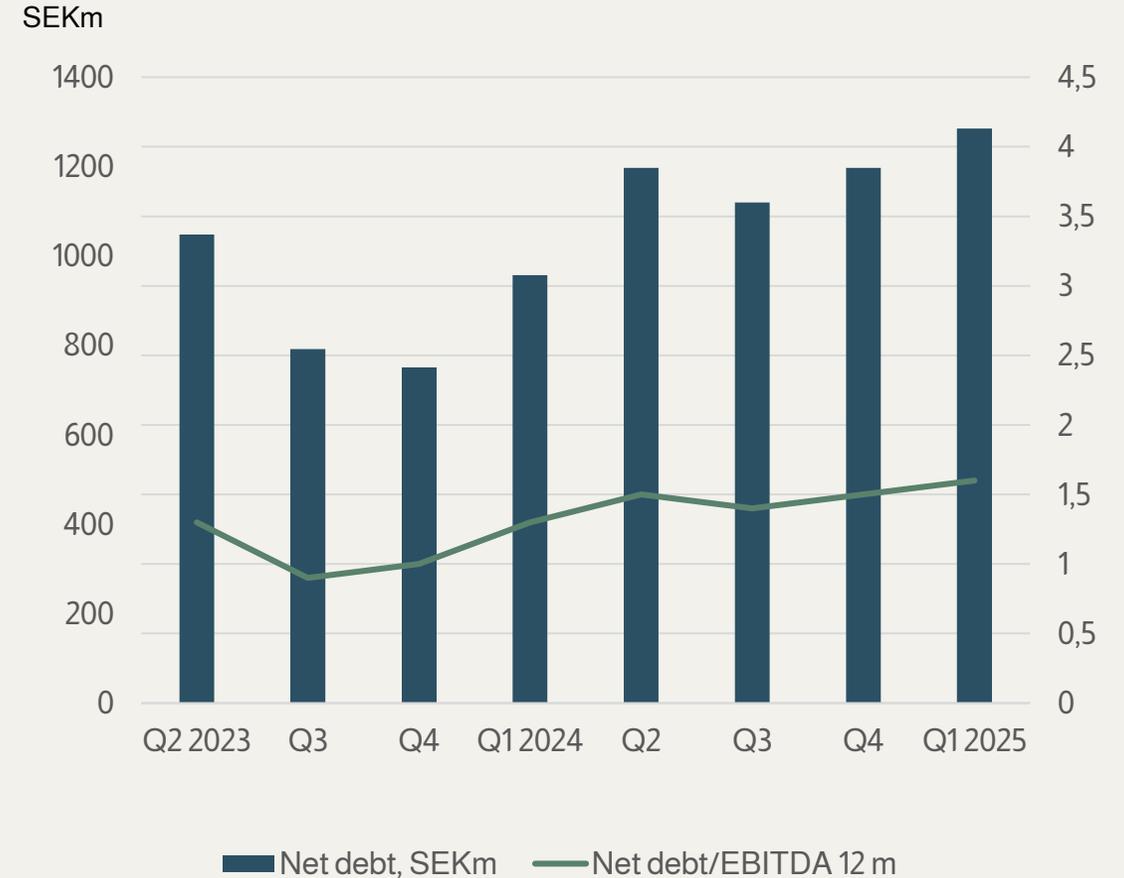
- An increase of working capital from Q4 to Q1 is normal due to the higher sales in Q1 compared to Q4.



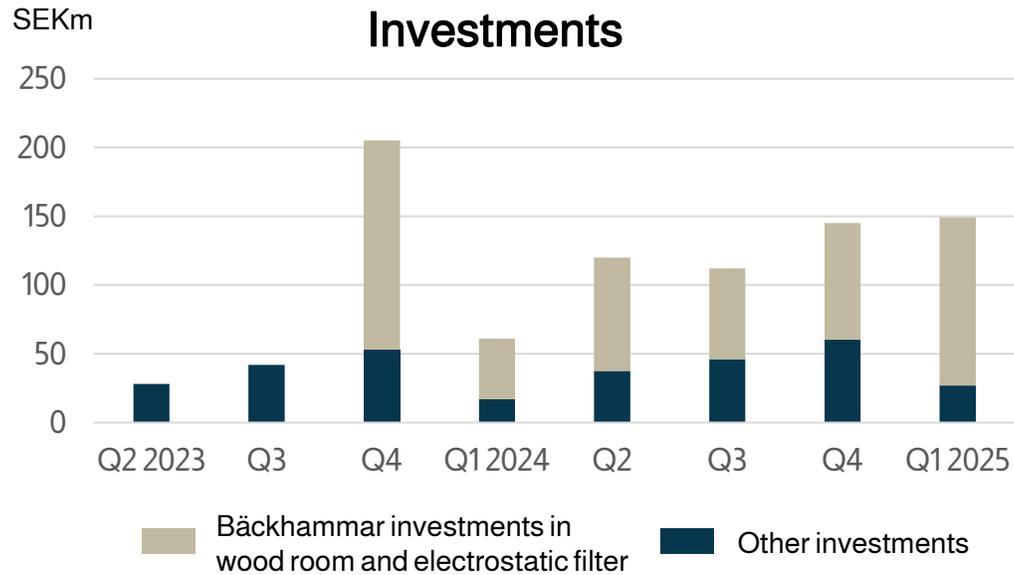
- Cash flow from operating activities amounted to SEK 90m (-87m).

# Stable financial position

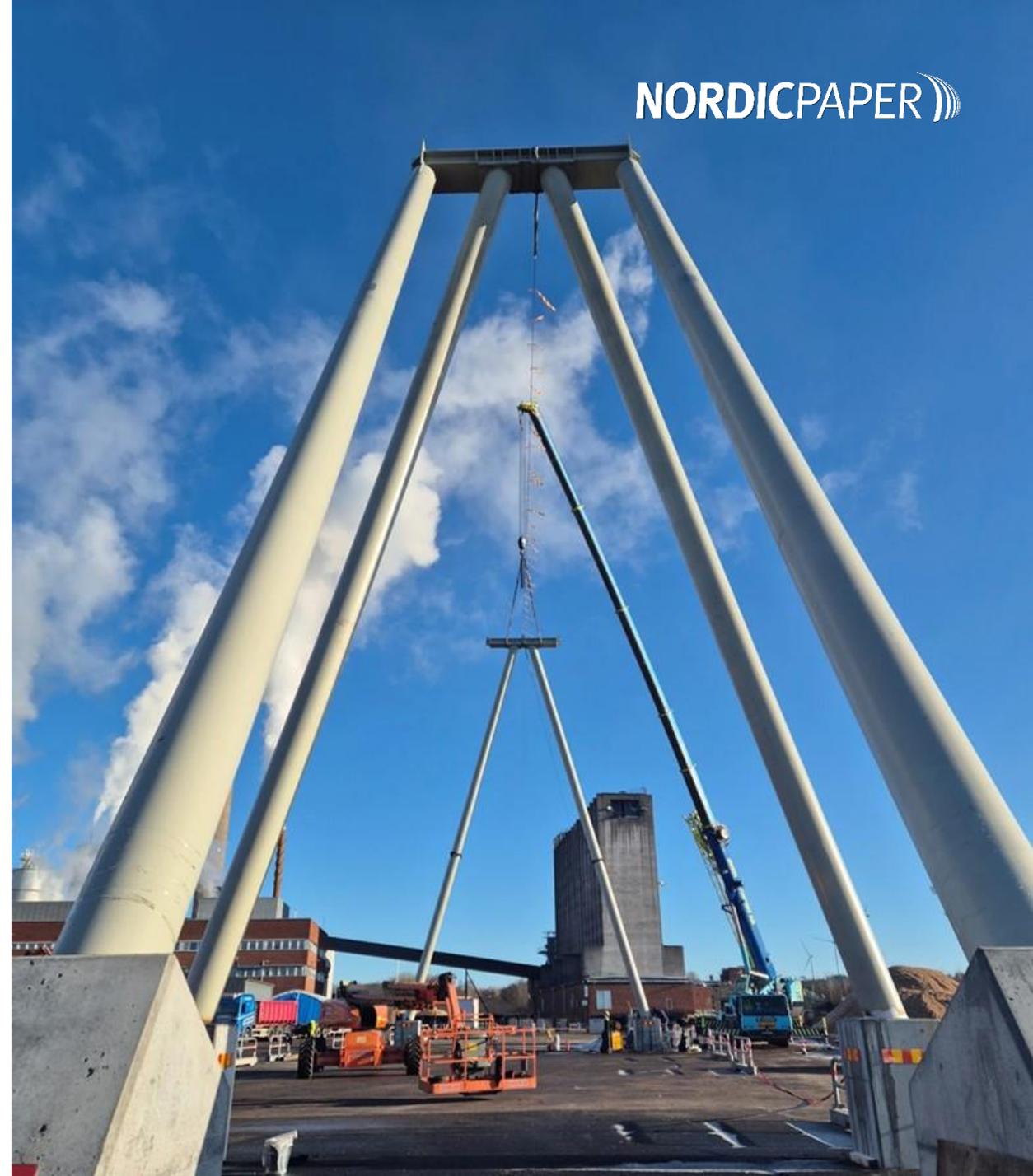
- ✓ Net debt increased to SEK 1,285m (957m) impacted by investments in Bäckhammar.
- ✓ Net debt/EBITDA 1.6 (1.3)



# 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).
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