

Stable performance in softening markets

Nordic Paper interim report Q2 2025

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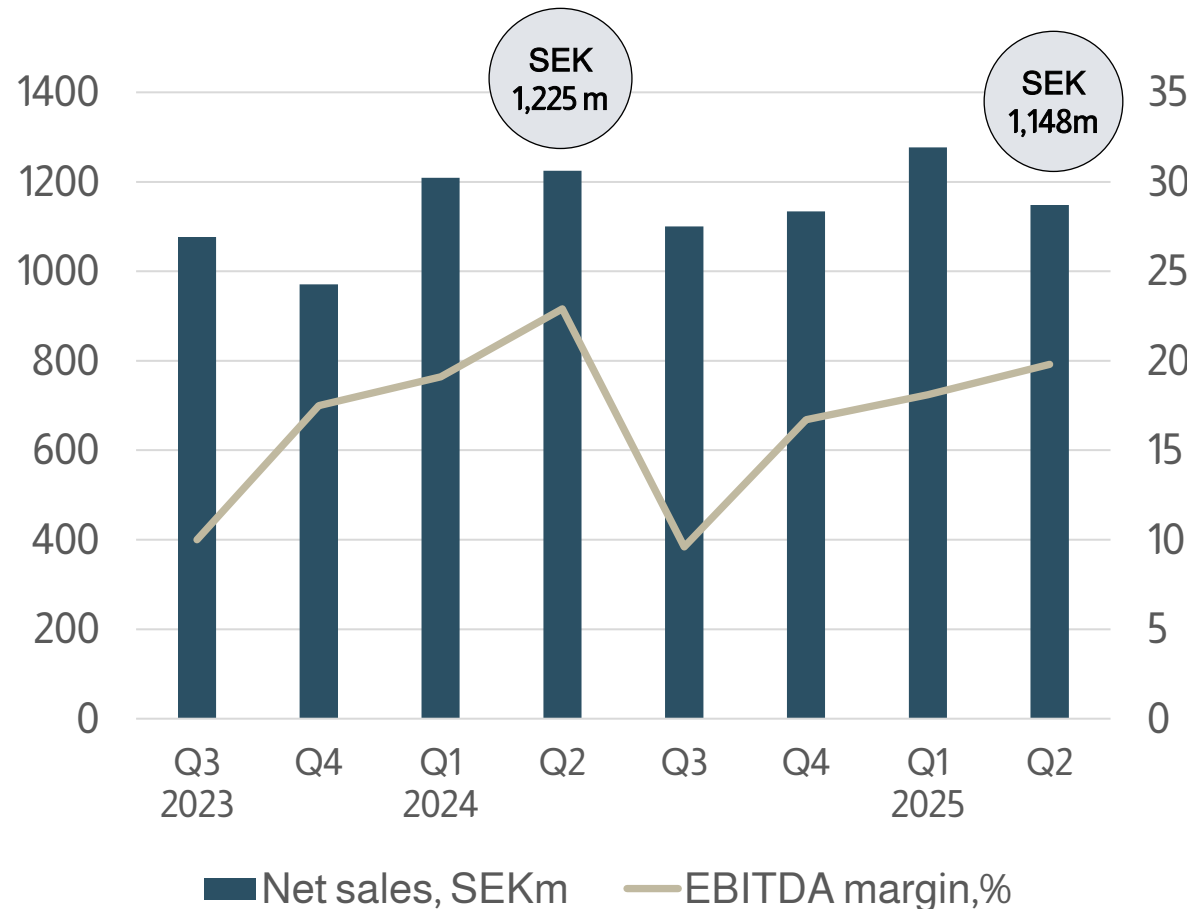
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Stable performance in softening markets

- Demand softened from healthy levels in the beginning of the year
- Net sales decreased 6% to SEK 1,148m (1,225m). Excluding negative currency effects, net sales decreased by 1%.
- Sales prices 3% higher than Q2 2024.
- EBITDA at SEK 228m (280m), almost equally split between Natural Greaseproof and Kraft Paper. EBITDA margin was 19.8% (22.9%).
- Long term financing agreement entered into in the form of a EUR 275 m term loan and a EUR 65 m RCF.
- Dividend of 12.00 SEK/share approved by the EGM.

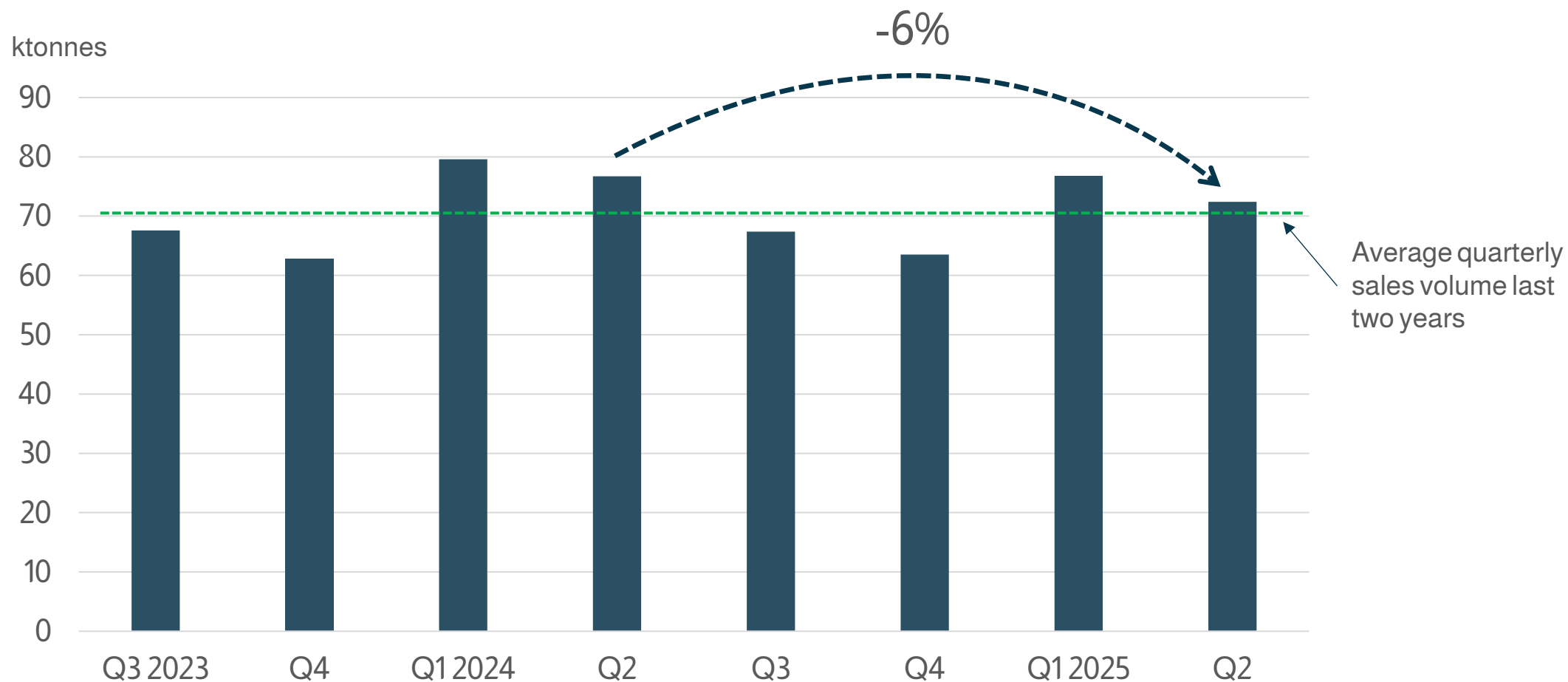


EBITDA margin close to 20% despite decrease in net sales



- ✓ Net sales SEK 1,148m (-6%)
- ✓ EBITDA SEK 228m (-19%)
- ✓ EBITDA margin 19.8% (-3.1 p.p.)

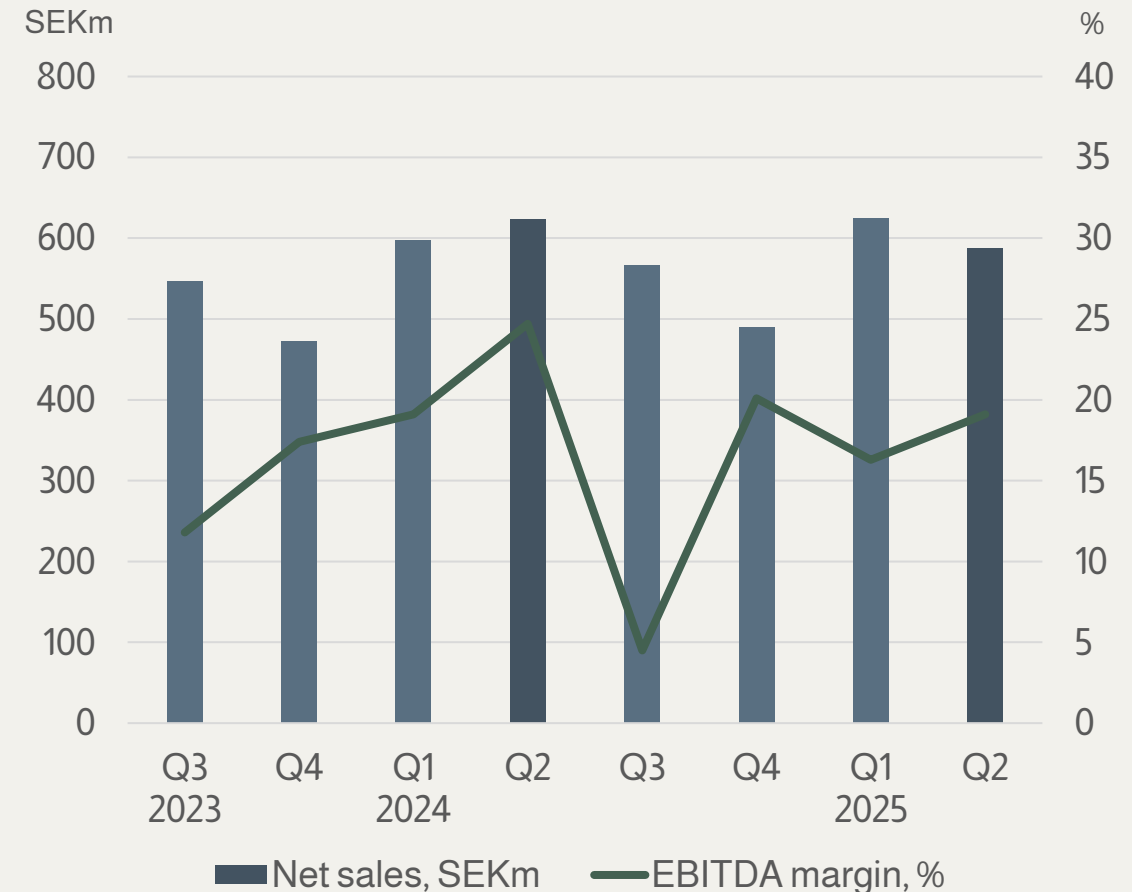
Sales volumes above quarterly average in softening markets



Kraft Paper – impacted by lower volume and currency

- ✓ Net sales SEK 588m, a decrease by 6% compared to Q2 2024. Excluding negative currency effects, the decrease was 2%.
- ✓ Sales volumes decreased 6% from Q2 2024
- ✓ Sales prices increased 3% and compensated for negative impact from higher cost for input goods compared to Q2 2024.
- ✓ Input costs stable compared to previous quarter.
- ✓ EBITDA at SEK 112m corresponding to a margin of 19.1%.

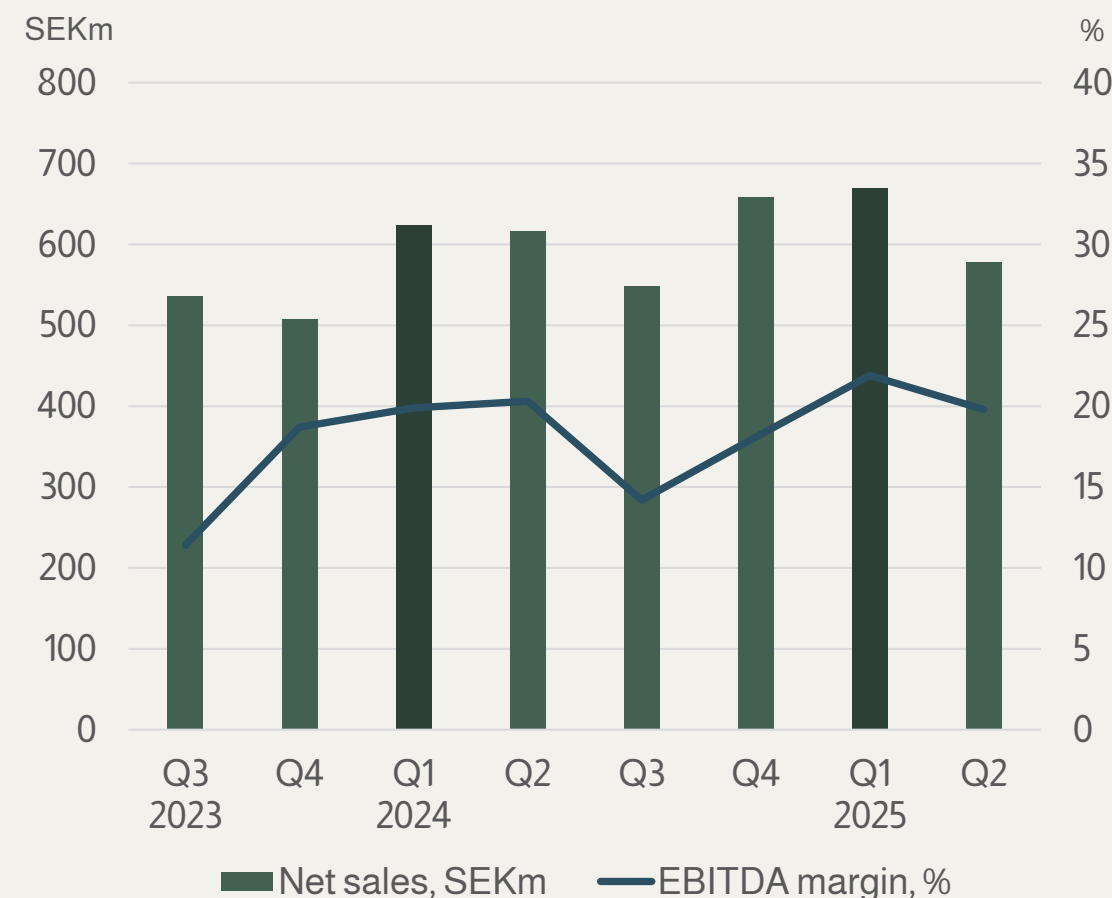
Kraft Paper net sales and EBITDA margin



Natural Greaseproof - high EBITDA margin despite currency and volume headwind

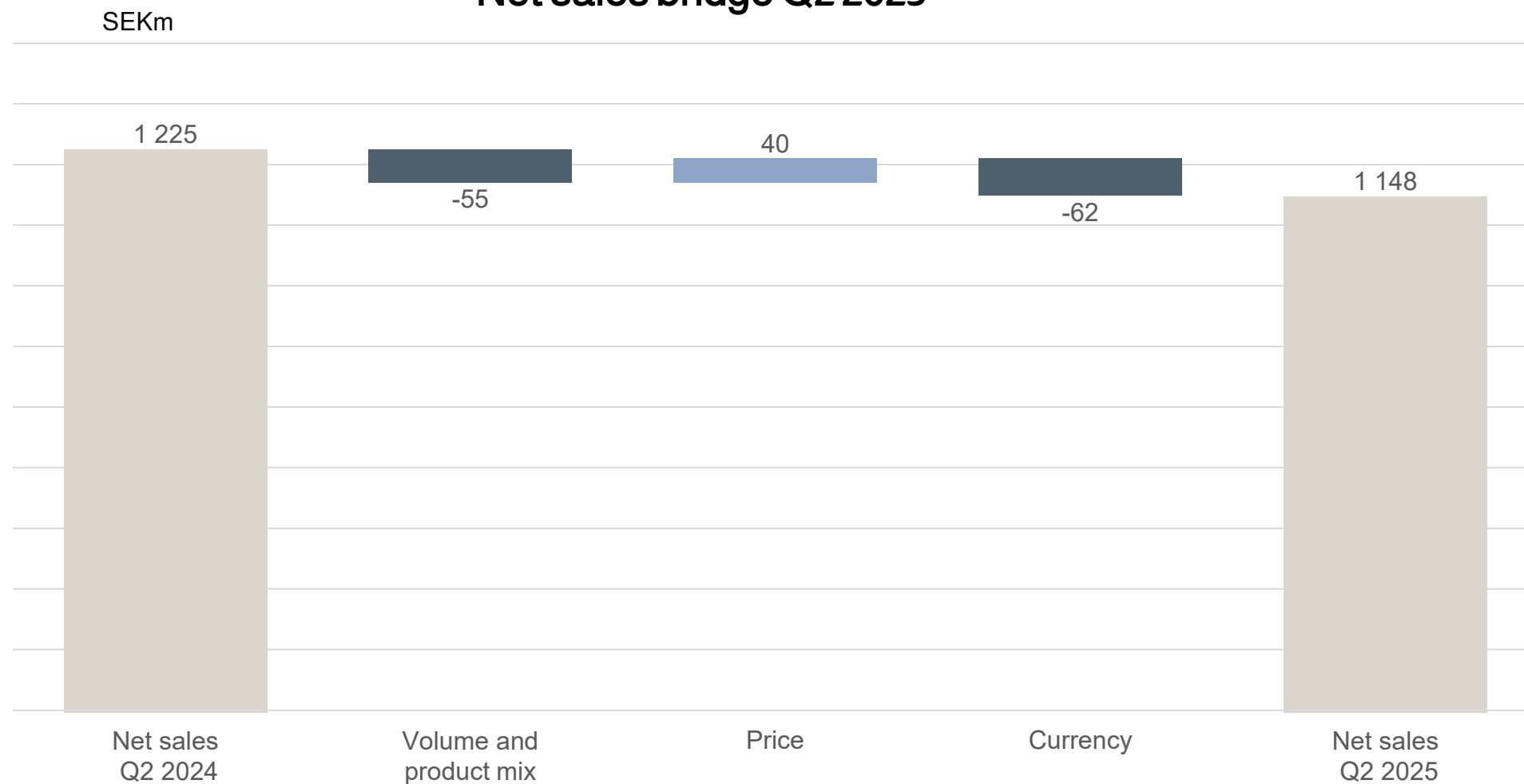
- ✓ Net sales decreased by 6% to SEK 578m. Excluding negative currency effects, net sales were unchanged.
- ✓ Sales volumes decreased by 4%.
- ✓ Sales prices 4% up compared to Q2 2024 while raw material prices in total were stable compared to Q2 2024.
- ✓ EBITDA amounted to SEK 115m and EBITDA margin was 19.8%.

Natural Greaseproof net sales and EBITDA margin

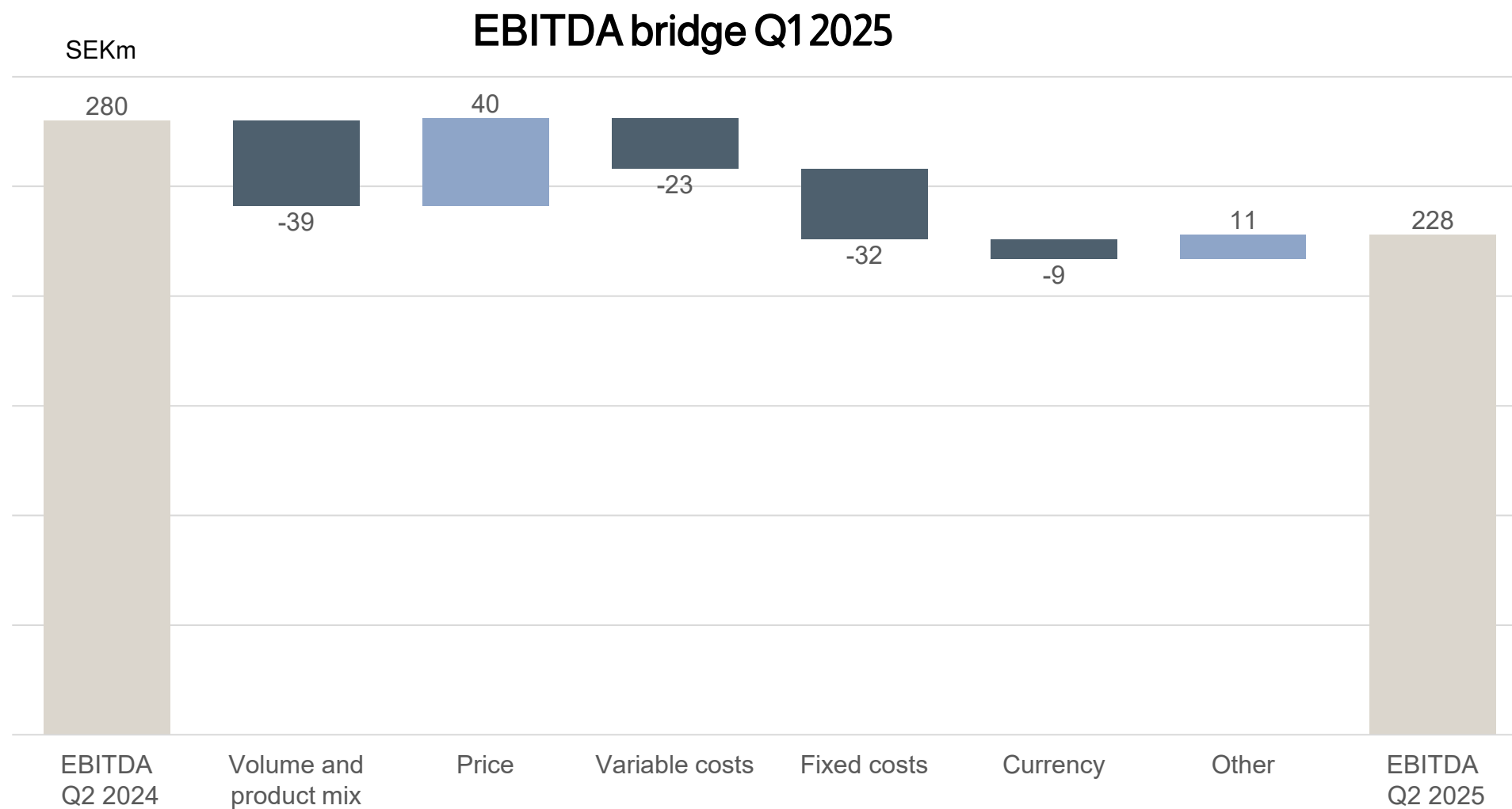


Higher prices but net sales decreased due to negative impact from volume and currency

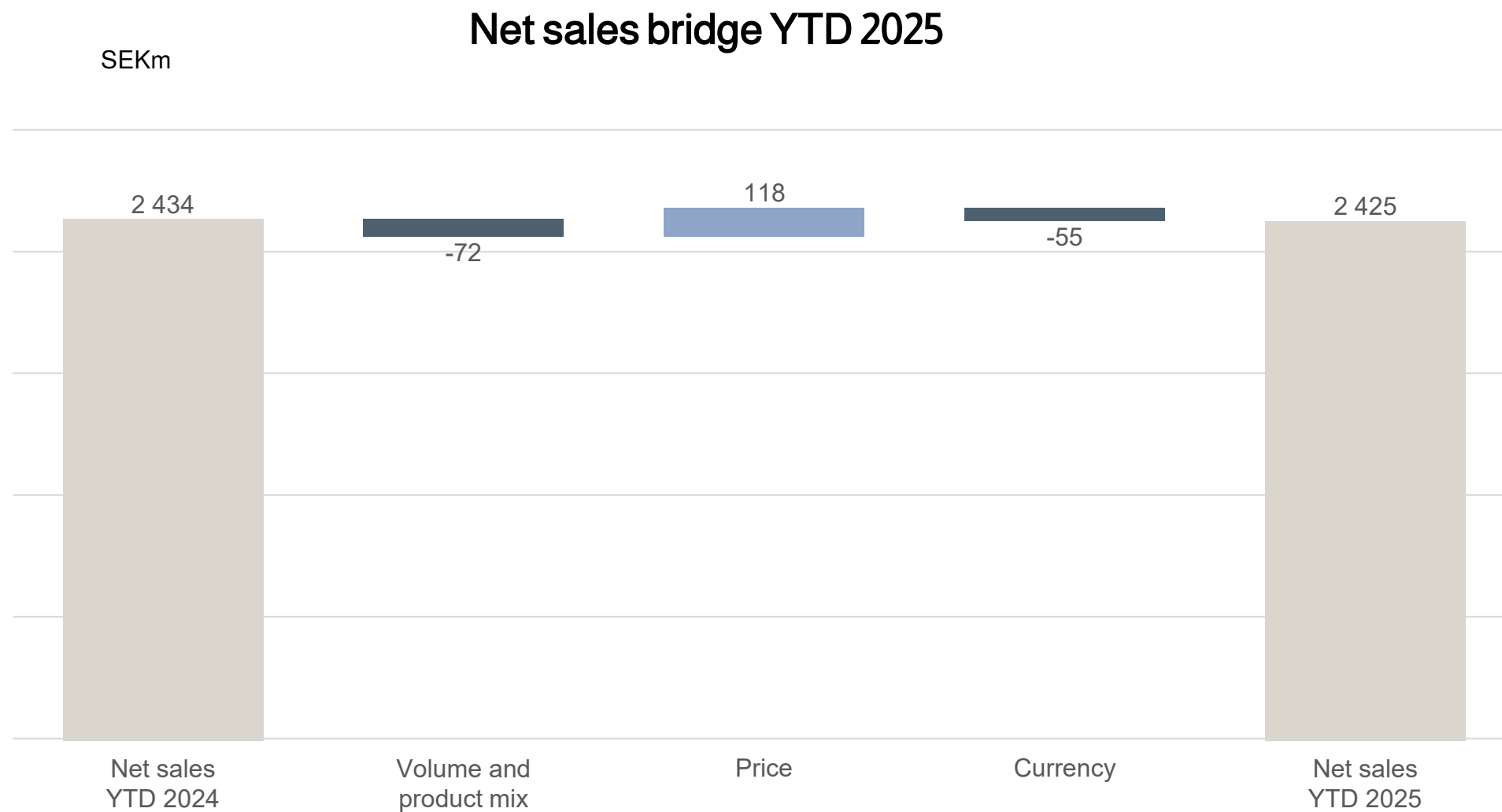
Net sales bridge Q2 2025



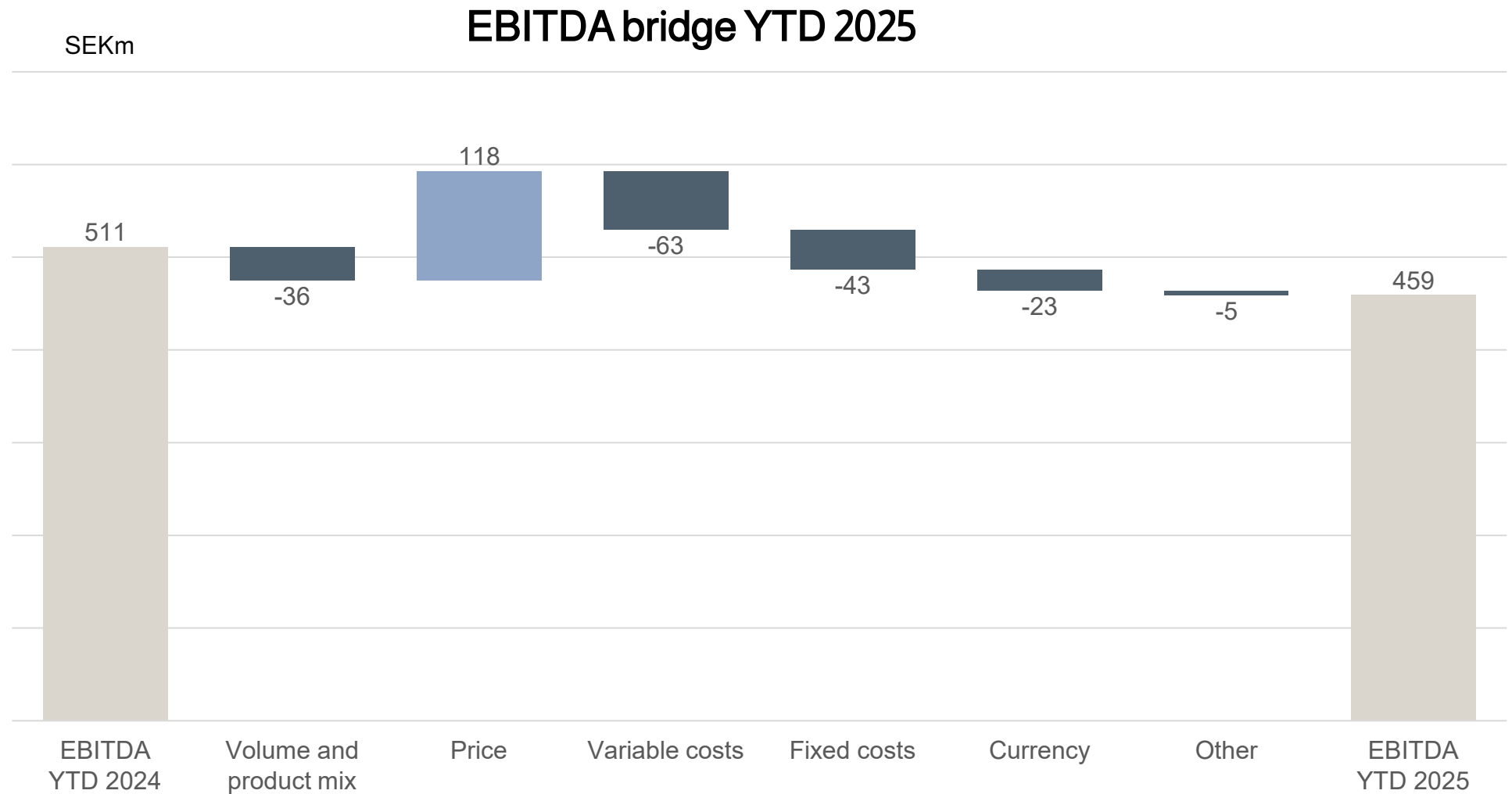
Lower volumes compared to the very strong Q2 24



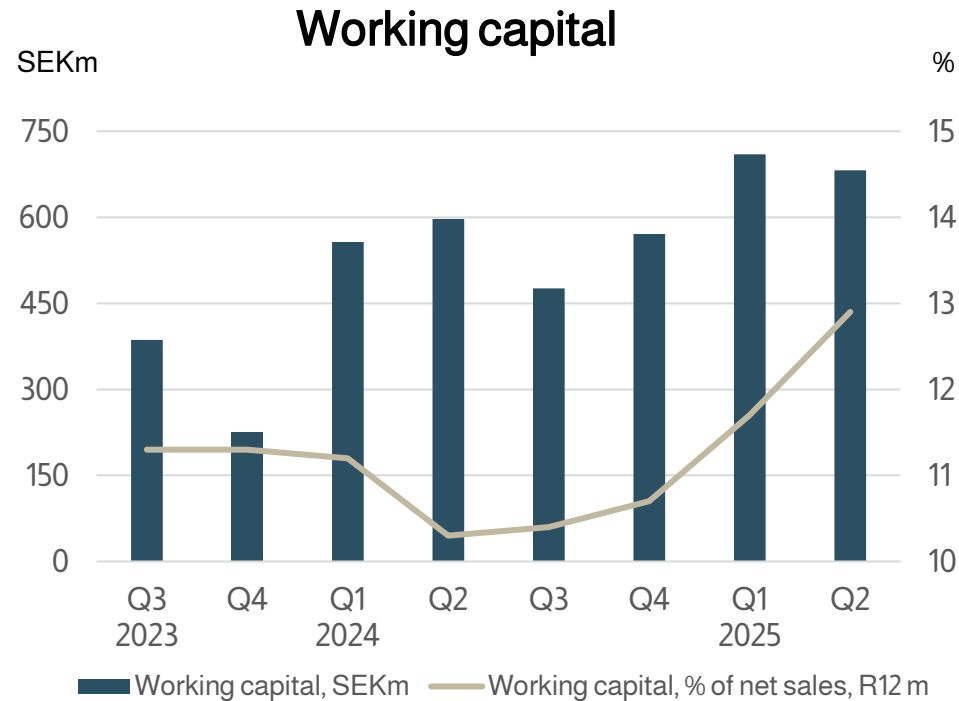
Strong price performance offsets lower volume and weaker currencies



Price increases compensated for higher costs



Working capital reduced from Q1 25 despite higher inventories and tax effects



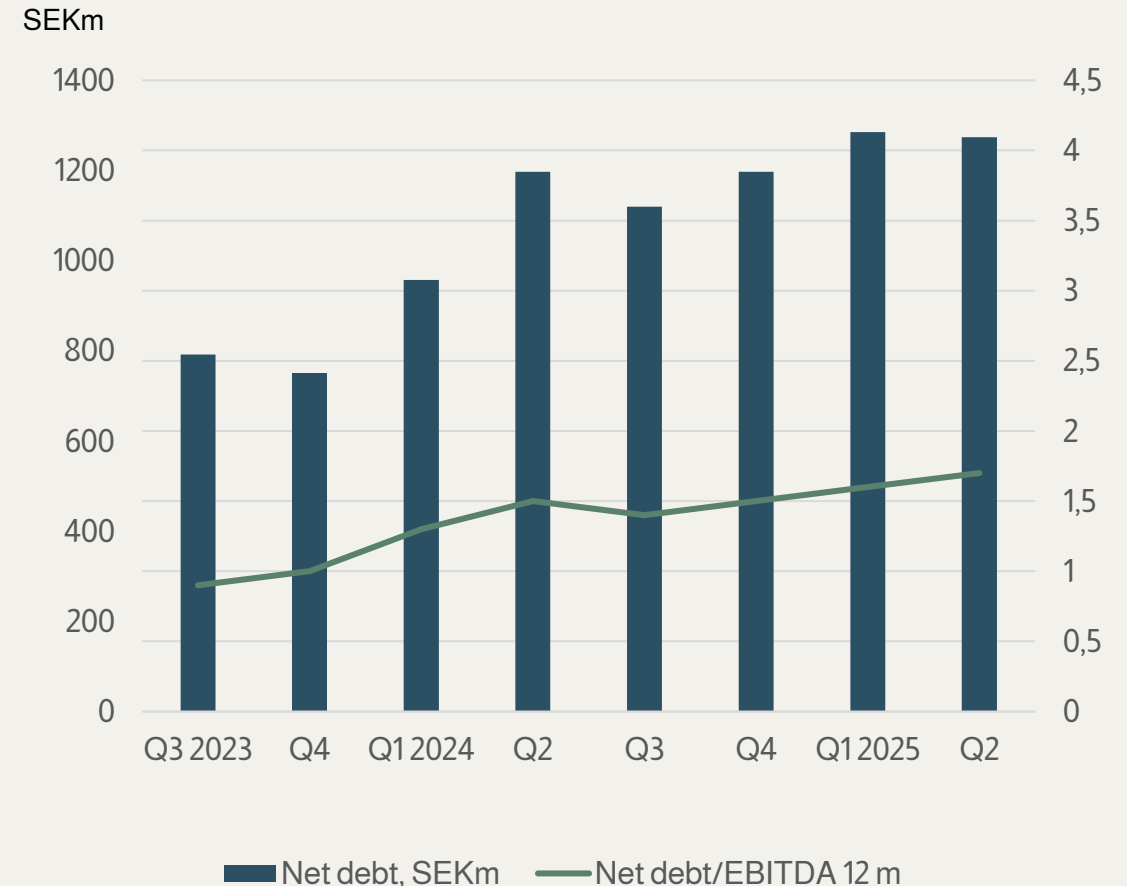
- Working capital decreased from Q1 2025 despite paid taxes and increased inventories of finished goods.



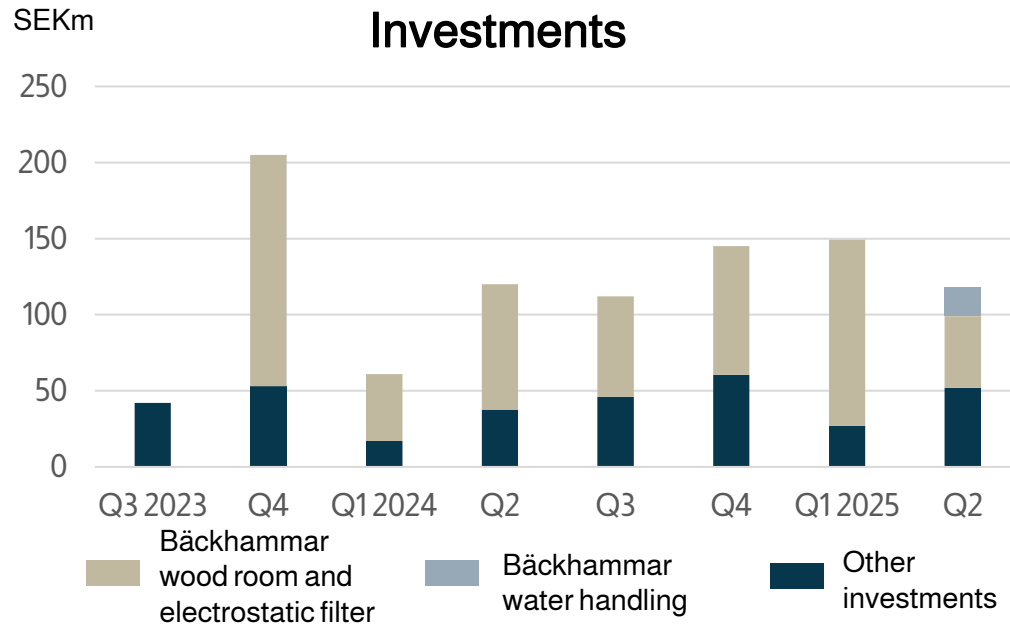
- Cash flow from operating activities amounted to SEK 179m (175m).

Dividend of SEK 12 per share to be paid out in Q3

- ✓ Net debt increased to SEK 1,274m (1,197m) impacted by investments in Bäckhammar.
- ✓ Net debt/EBITDA 1.7 (1.5)
- ✓ Long term financing entered into in the form of a EUR 275 m term loan and a EUR 65 m revolving credit facility.
- ✓ Dividend of SEK 12 per share, SEK 803m in total, to be paid out in Q3.

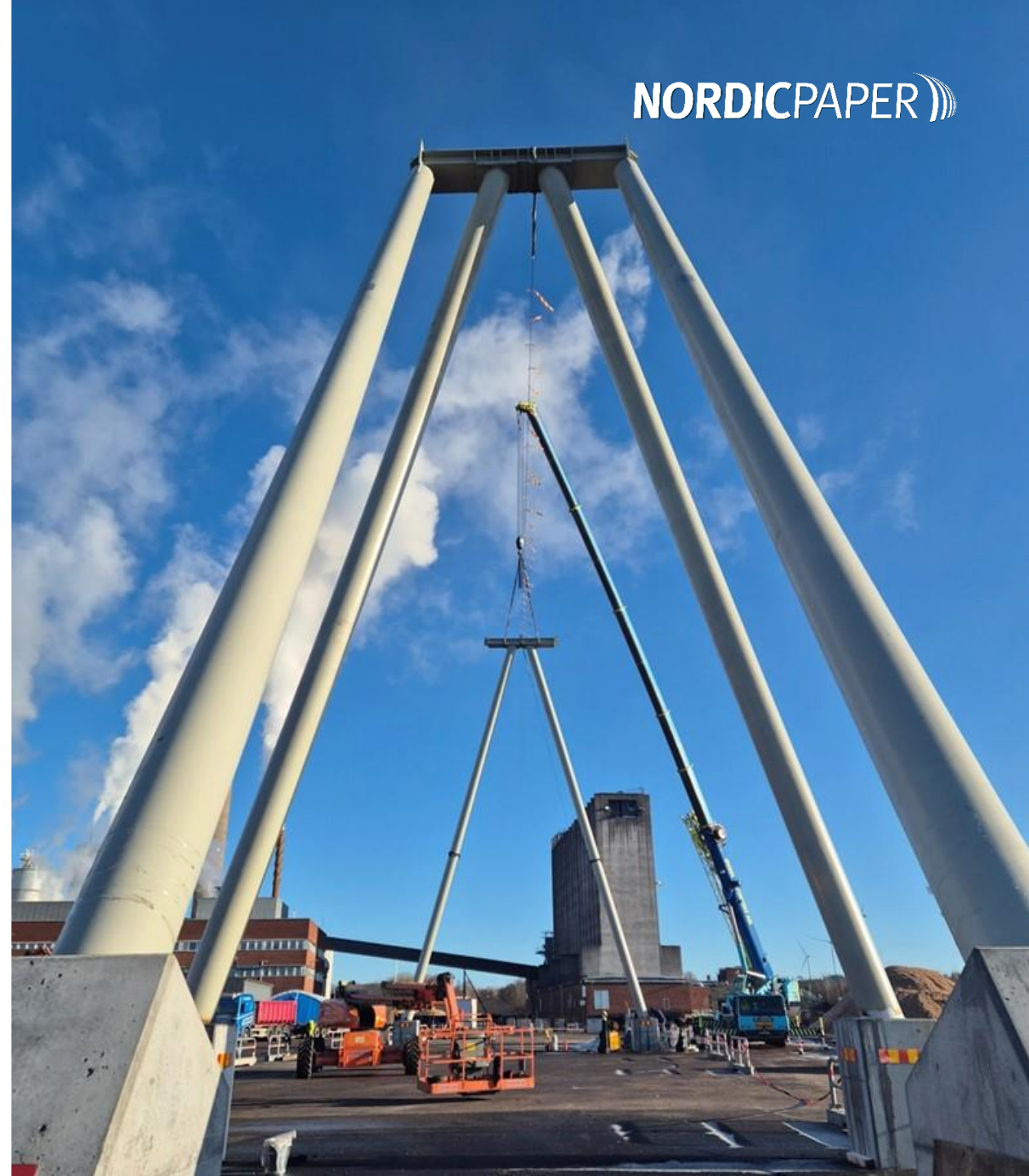


Ongoing Bäckhammar investments proceeding according to plan



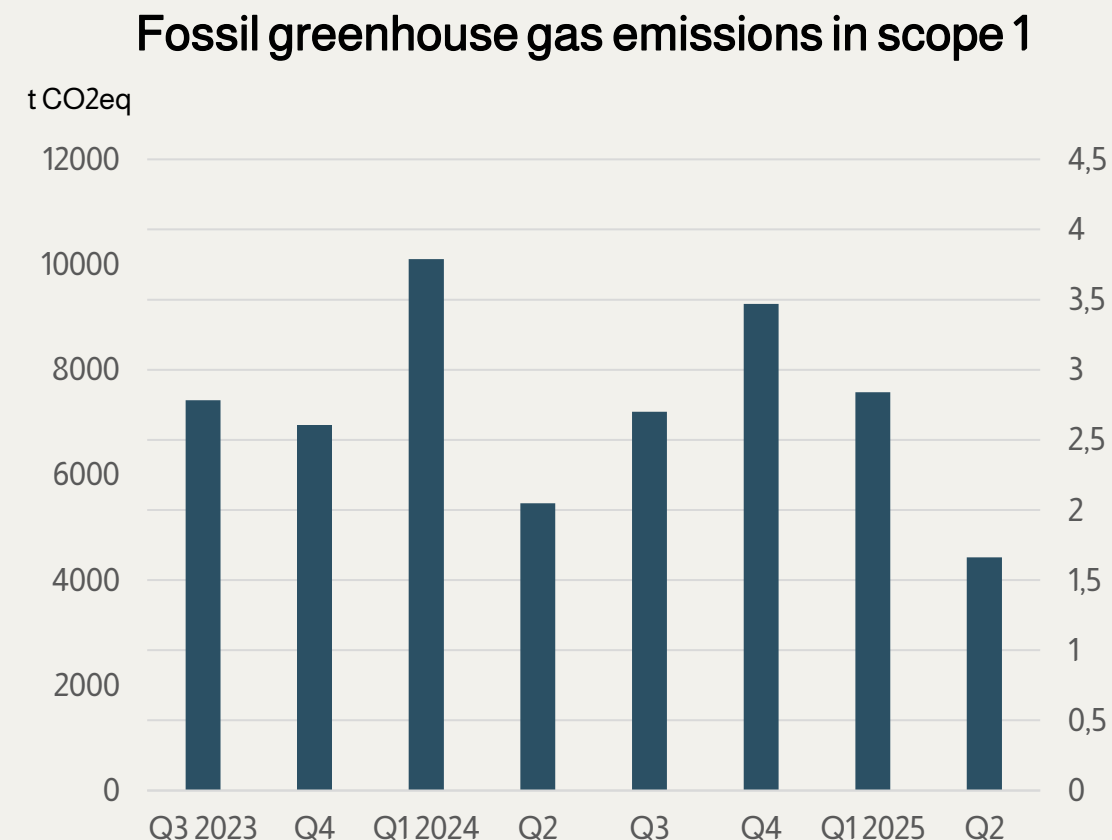
- The ongoing Bäckhammar investments are expected to add SEK 100m to EBITDA with full effect from 2026.

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Excellent climate performance in the quarter

- ✓ Fossil emissions of greenhouse gases within scope 1 amounted in the quarter to about 4,000 t CO₂eq, a decrease by 1,000 t from Q2 2024 and more than 40% reduction compared to Q1 2025.
- ✓ The performance is due to a low consumption of fossil fuel in Bäckhammar and Greåker.



Outlook

The company assesses that

- demand for Nordic Paper products in Q3 will continue to be weak.
- there will be some sales price pressure in both segments.
- prices for pulp and pulpwood will decrease compared to Q2.
- there will be normal seasonal effects from maintenance stops in Q3 at all Nordic Paper production plants.



Q&A

Summary

- Demand softened from healthy levels in the beginning of the year
- Net sales decreased 6% to SEK 1,148m (1,225m). Excluding negative currency effects, net sales decreased by 1%.
- EBITDA at SEK 228m (280m).

The company assesses that

- demand for Nordic Paper products in Q3 will continue to be weak and there will be some sales price pressure.
- there will be normal seasonal effects from maintenance stops in Q3 at all Nordic Paper production plants.

