

## Interim report January – March 2023

### QUARTERLY RESULTS JANUARY – MARCH

- Net sales increased by 24% to SEK 1,305 (1,052) m. Excluding currency effects, the increase in net sales amounted to 17%.
- EBITDA increased to SEK 282 (237) m, corresponding to an EBITDA margin of 21.6% (22.6%).
- Operating profit amounted to SEK 244 (202) m, corresponding to an operating margin of 18.7% (19.2%).
- Net profit for the period was SEK 173 (162) m and earnings per share amounted to SEK 2.59 (2.42).
- Cash flow from operating activities was SEK 21 (53) m.
- Return on operating capital 12 m was 33.9% (20.5%).
- The net debt/EBITDA 12 m ratio was 1.1 (2.8).
- The sales volume amounted to 73.5 (76.9) ktonnes.
- During the quarter the Land and Environment Court in Vänersborg granted a permit to expand production at Nordic Paper's plant in Bäckhammar. The permit granted has been appealed by a private individual and therefore has not gained legal force.
- The weaker market situation has during April led to selling price decreases of 7-8% in local currency compared to the historically high average selling prices in the first quarter. The company assesses that the pressure for price reductions will remain during the second quarter.

### KEY FIGURES

SEK m	2023 Q1	2022 Q1	Δ, %	R12	2022 Full year
Net sales	1,305	1,052	24	4,693	4,440
EBITDA	282	237	19	866	821
EBITDA margin, %	21.6	22.6		18.5	18.5
Operating profit	244	202	21	718	676
Operating margin, %	18.7	19.2		15.3	15.2
Net profit for the period <sup>1</sup>	173	162	7	578	566
Earnings per share, SEK <sup>1,2</sup>	2.59	2.42		8.64	8.46
Cash flow from operating activities	21	53	-61	528	560
Return on operating capital, 12 m, %	33.9	20.5		33.9	32.5
Net debt/EBITDA, 12 m, multiple	1.1	2.8		1.1	1.2
Sales volume, ktonnes	73.5	76.9	-4	281.1	284.5

<sup>1</sup> Net profit R12 and for full-year 2022 includes a capital gain in net financial items of SEK 42 million from the sale in Q4 2022 of the minority shareholding in Åmotfors Energi AB

<sup>2</sup> Before and after dilution

## CEO'S COMMENTS



### STRONG PERFORMANCE IN WEAKER MARKETS

Nordic Paper delivers a very strong result for the first quarter. EBITDA increased to a new record of SEK 282 million, which is 19% higher than in the first quarter last year. Net sales also reached a new record level this quarter following a 24% increase to SEK 1,305 million driven mainly by higher selling prices.

The EBITDA margin in the quarter continued to be strong at 21.6%. For the past 12-month period the margin was 18.5%, which was just below our target of an EBITDA margin in the medium term of 20% on a full-year basis. The Kraft Paper segment reported an EBITDA margin of 37.6%, just over five percentage points better than the segment's margin for the past 12-month period. Strong results indeed!

### WEAK DEMAND RESULTED IN DECREASING SELLING PRICES

Market demand within both the company's segments was considerably weaker than in the previous year. This was most clear in European and Asian markets. The strength of our business model – with a customer base that is stable over time and long relationships – proves its worth in situations such as this, as for many of our customers we are their first choice of supplier for the volumes available. However, some customers postponed their orders during the quarter in order to use up their own paper stocks instead. We therefore decided to decrease production and thereby sales volumes to some extent during the quarter. Despite this, sales volumes increased compared with the fourth quarter of 2022 but decreased by 4% when compared with the first quarter of 2022, when deliveries were very strong.

Our product prices reached all-time high in January 2023 and have decreased somewhat thereafter. By choosing to reduce the sales volume we succeeded in limiting the downward movement of product prices.

### DECREASE IN SELLING PRICES DURING THE SECOND QUARTER

The weaker market situation has during April led to selling price decreases of 7-8% in local currency compared to the historically high average selling prices in the first quarter. The company assesses that the pressure for price reductions will remain during the second quarter.

### NATURAL GREASEPROOF BENEFITS FROM FALLING PULP PRICES AND LOWER ELECTRICITY PRICES

As a net purchaser of market pulp, in 2022 Nordic Paper has been negatively impacted by historically high prices on the pulp market. Pulp prices started to fall at the end of last year and this continued during the quarter, which is beneficial for the Natural Greaseproof segment where paper production is largely based on externally purchased pulp. Electricity prices have also been at a low level during the quarter when compared with both the first and the fourth quarters of 2022. These lower costs contributed to the Natural Greaseproof segment increasing its EBITDA margin compared with the first quarter last year. The fact that the segment's EBITDA margin decreased somewhat from the level in the fourth quarter is largely due to mix effects and lower production output.

### SUBSTANTIAL DECREASE IN CARBON FOOTPRINT DURING THE QUARTER

Nordic Paper's goal is a 50% decrease in both direct and indirect fossil greenhouse gas emissions by 2030 from a base year of 2020. It is therefore very encouraging to see our efforts having an effect. In the first quarter we succeeded in decreasing total emissions by a full 8.9% compared with the same quarter last year, which is a step along the way to reaching our long-term goal.

### NEW PRODUCTION PERMIT GRANTED FOR BÄCKHAMMAR

During the quarter we were finally granted a new production permit that puts us in a position to develop our plant in Bäckhammar. The permit has been appealed by a private individual and therefore has not gained legal force. We are now waiting for the legal process to be completed before presenting proposal to the Board of Directors for investments to develop the plant.

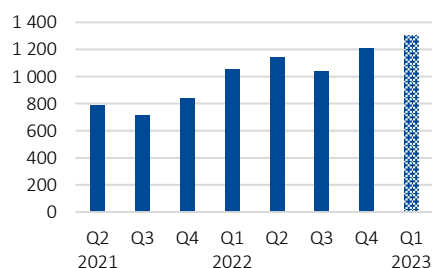
Finally, we are very pleased to see that the number of shareholders continues to grow at a fast pace. During the first quarter of the year the number of shareholders almost doubled to 9,500. We are looking forward to the opportunity to meet our owners at this year's Annual General Meeting, which will be held at Värmlands Museum in Karlstad on 24 May. Warm welcome!

Anita Sjölander, CEO

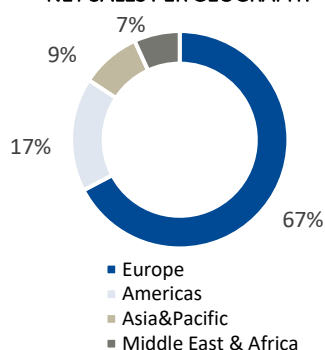
## GROUP PERFORMANCE

### JANUARY – MARCH

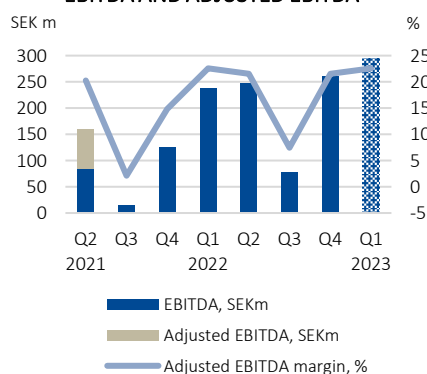
NET SALES, SEKm



NET SALES PER GEOGRAPHY



EBITDA AND ADJUSTED EBITDA



#### MARKET AND SALES

In the first quarter of the year demand for Nordic Paper's products was weak within both Kraft Paper and Natural Greaseproof segments. This was seen most clearly in Europe and in Asia. As a result of the weak demand, from the middle of the quarter the company's selling prices began to reduce from the historically high levels that had applied until then.

Although the selling prices began to fall in the quarter, they were 22% higher than for the same period last year. This was the main reason for the 24% increase in net sales compared with the same period last year, reaching a level of SEK 1,305 (1,052) million. Currency effects impacted net sales positively by 7%. Sales volume and product mix impacted net sales negatively by 5% compared with the same period last year after the company decided during the quarter to reduce the sales volume somewhat due to the weak demand.

Net sales increased in all geographies. In absolute terms the increase in Europe was greater than the increase in all other geographies combined.

#### CHANGE IN NET SALES

Q1 2022, SEK m	1,052
Sales volume	-4%
Product mix	-1%
Selling price	22%
Currency	7%
Q1 2023, SEK m	1,305

#### RESULTS

EBITDA amounted to SEK 282 (237) million for the first quarter, which is an increase of 19% compared with the same quarter last year.

The impact on EBITDA of higher selling prices was considerably greater than the negative effects of higher costs, particularly for wood, pulp and chemicals. Costs for energy have been unchanged since the first quarter of 2022 after electricity prices on the spot market fell while prices for other energy increased. Foreign currency had a positive effect on EBITDA of SEK 32 million compared with the same quarter last year.

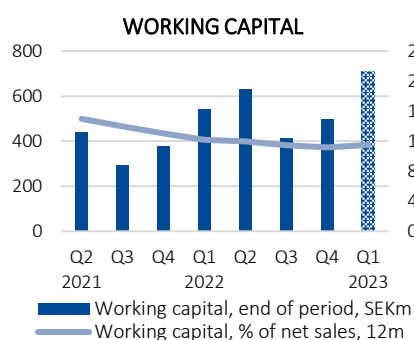
The EBITDA margin was 21.6% (22.6%).

Operating profit amounted to SEK 244 (202) million, corresponding to an operating margin of 18.7% (19.2%). Net profit for the period was SEK 173 (162) million.

#### NET FINANCIAL ITEMS AND TAX

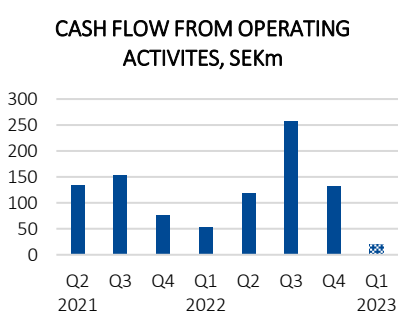
Net financial items for the first quarter amounted to SEK -24 (1) million, consisting of net interest of SEK -15 (-8) million as well as exchange rate differences on cash and cash equivalents. Tax expense for the first quarter amounted to SEK 47 (41) million, corresponding to a tax rate of 21.3% (20.3%).

## CASH FLOW AND FINANCIAL POSITION



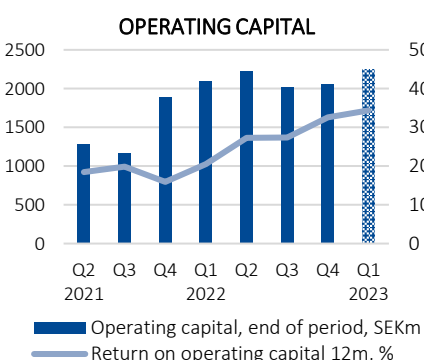
### WORKING CAPITAL AND CASH FLOW

Working capital as of 31 March 2023 was SEK 698 (542) million, corresponding to 11.5% (12.2%) of net sales for the last 12-month period. Working capital has increased mainly due to the significant increases in selling prices and prices of inputs compared with the same period last year, resulting in an increase in the value of accounts receivable and inventories. Cash flow from operating activities amounted to SEK 21 (53) million for the first quarter of the year. The lower cash flow compared with the same quarter last year is due mainly to income taxes paid and to a significant decrease in accounts payable.



### INVESTMENTS AND OPERATING CAPITAL

Investments during the quarter amounted to SEK 23 (37) million. Operating capital as of 31 March was SEK 2,232 (2,098) million, of which SEK 758 (738) million consisted of property, plant and equipment. Intangible assets amounted to SEK 983 (1,008) million and consisted mainly of goodwill amounting to SEK 737 (745) million and customer relationships of SEK 207 (223) million. The return on operating capital for the past 12-month period was 33.9% (20.5%).



### FINANCING

As of 31 March the Group's net debt amounted to SEK 966 (1,305) million. Interest-bearing liabilities amounted to SEK 1,274 (1,689) million, of which SEK 29 (20) million was attributable to IFRS 16 lease liabilities. Cash and cash equivalents were SEK 308 (384) million. In addition, the company has access to undrawn credit facilities of SEK 800 (400) million, including an overdraft facility of SEK 200 million. The equity ratio was 32.7% (22.2%) and the net debt/EBITDA 12 m ratio was 1.1 (2.8).

### HEDGING OF EXCHANGE RATES

The Group hedges future net flows in foreign currencies where the exposure is material. Typically, 50–75% of the net flows are hedged for the coming six-month period and 25–50% for the subsequent 7–12 months. EBITDA for the first quarter includes an earnings effect from realised currency hedges of SEK –25 (–15) million. For the coming 12-month period the hedges are as follows:

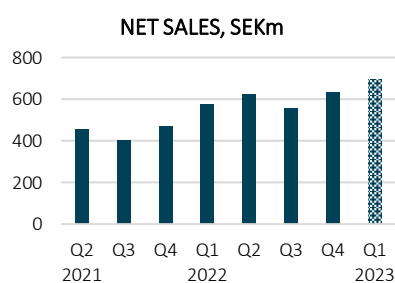
Currency	Average rate for FX hedges	FX rate, 31 Mar	Local currency total, m	Total, SEK m	Fair value, net, SEK m	FX hedge as % of estimated net exposure, 1–6 months	FX hedge as % of estimated net exposure, 7–12 months
EUR	10.92	11.28	101	1,103	-36	70%	40%
USD	10.26	10.35	5	55	0	60%	48%
GBP	12.32	12.81	12	148	-5	63%	42%
				1,307	-41		

## KRAFT PAPER SEGMENT

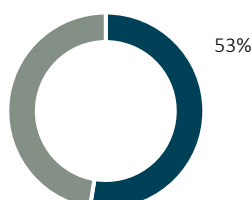
The Kraft Paper segment produces unbleached sack paper, MG paper and various kinds of high-quality speciality paper for industrial use. Examples of applications for MG and sack paper are sacks and bags for food and construction materials, and masking and protection paper for various applications. The speciality papers are used in the manufacture of products such as laminates, in stainless steel production and in electrical transformers. The paper mills in Bäckhammar and Åmotfors belong to this segment. The segment also sells a certain amount of pulp.

SEK m	2023 Q1	2022 Q1	Δ, %	R 12 m	2022 Full year
Net sales	695	575	21	2,507	2,388
EBITDA	261	225	16	804	768
EBITDA margin, %	37.6	39.1		32.1	32.2
Operating profit	246	212	16	746	712
Operating margin, %	35.4	36.8		29.8	29.8
Sales volume <sup>1</sup> , ktonnes	54.6	58.3	-6	209.6	213.3

<sup>1</sup>Includes intra-group deliveries



**SHARE OF GROUP'S NET SALES  
Q1 2023**



## JANUARY – MARCH

### MARKET AND SALES

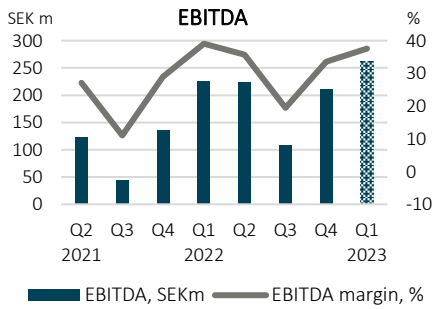
Demand for kraft paper in the first quarter of the year was weak and some of the company's customers deferred their orders during the quarter in order to use up their existing paper stocks instead. In this weak market, selling prices have fallen somewhat from the historically high levels at the start of the quarter. Price increases in 2022 still mean that the selling prices in local currency for the first quarter were 22% higher than in the same quarter last year.

Net sales increased by 21% year on year to SEK 695 (575) million, largely driven by the higher selling prices. Sales volume and product mix had a negative impact on net sales of 7%, mostly because of a 6% decrease in sales volumes compared with the first quarter of 2022, which was a strong quarter for deliveries. During the quarter Nordic Paper chose to decrease its sales volumes to some extent because of the weak market. Currency effects had a positive impact on net sales of 6%.

In absolute terms the biggest increase in sales was in Europe, the segment's largest individual market. Sales for all geographic markets also increased compared with the same quarter last year.

### CHANGE IN NET SALES

<b>Q1 2022, SEK m</b>	<b>575</b>
Sales volume	-6%
Product mix	-1%
Selling price	22%
Currency	6%
<b>Q1 2023, SEK m</b>	<b>695</b>



**RESULTS**

EBITDA increased by 16% to SEK 261 (225) million, very much driven by higher selling prices. On the cost side, pulpwood prices have increased compared to the same quarter last year. Costs for chemicals, such as those used for pulp production in Bäckhammar, also increased. Volume impacted EBITDA negatively compared to the same quarter last year.

EBITDA margin decreased to 37.6% (39.1 %) primarily due to that the increase in variable costs, mainly for pulpwood, in percentage terms, was somewhat larger than the increase in net sales. In addition, sales volume were lower compared to the same quarter last year.

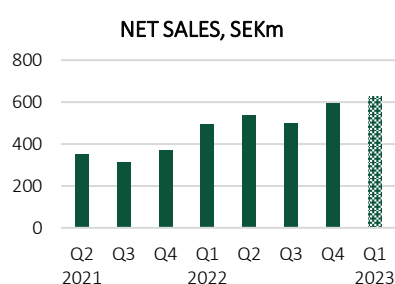
Operating profit increased to SEK 246 (212) million and the operating margin was 35.4% (36.8%).



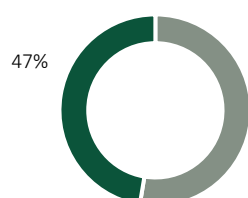
## NATURAL GREASEPROOF SEGMENT

The Natural Greaseproof segment produces premium natural greaseproof paper for the food industry. Greaseproof paper is used in the preparation, production, packaging and storage of food, for instance in baking cups, baking papers, food containers for ready meals, and barrier papers for wrapping meat, butter and other fatty foods. The paper mills in Greåker, Säffle and Québec belong to this segment.

SEK m	2023	2022	Δ, %	R 12 m	2022
	Q1	Q1			Full year
Net sales	626	494	27	2,256	2,124
EBITDA	63	36	74	152	126
EBITDA margin, %	10.0	7.3		6.8	5,9
Operating profit	43	18	139	77	52
Operating margin, %	6.9	3.7		3.4	2.5
Sales volume, ktonnes	21.6	21.9	-1	83.7	84.0



**SHARE OF GROUP'S NET SALES Q1 2023**



## JANUARY – MARCH

### MARKET AND SALES

Demand for greaseproof paper was weak during the quarter, particularly in the European market. Demand from the North American market was somewhat stronger than in other geographies, benefitting the company's operations in Québec which focus entirely on sales to North America. Selling prices were historically high in the beginning of the quarter, but have thereafter started to decrease somewhat. Prices for electricity have been lower during the quarter compared to last quarter as well as compared to the same quarter last year. This has led to a decrease in the energy surcharges that Nordic Paper introduced to its selling prices in the segment. Net sales in the first quarter increased by 27% to SEK 626 (494) million. Prices in local currency were 21% higher than in the same quarter last year and currency impacted net sales positively by 7%. Sales volume and product mix impacted net sales negatively by 1% compared to the same quarter last year. Net sales developed positively for all geographies.

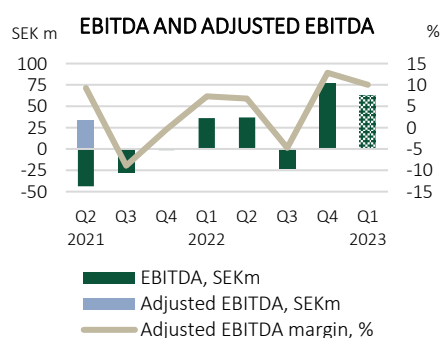
### CHANGE IN NET SALES

<b>Q1 2022, SEK m</b>	<b>494</b>
Sales volume	-1%
Product mix	0%
Selling price	21%
Currency	7%
<b>Q1 2023, SEK m</b>	<b>626</b>

### RESULTS

EBITDA for the first quarter amounted to SEK 63 (36) million, corresponding to an EBITDA margin of 10.0% (7.3%). Product price increases implemented since the first quarter last year have been greater than the cost increases, which were most apparent for pulp. Costs for energy are unchanged, as electricity prices on the spot market have fallen while prices for other types of energy have increased. Product mix is having a negative impact on EBITDA compared with the same quarter last year due to effects of a weaker market.

Operating profit amounted to SEK 43 (18) million, corresponding to an operating margin of 6.9% (3.7%).



## SUSTAINABILITY

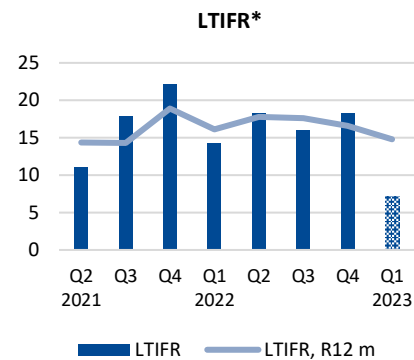
Nordic Paper strives to integrate sustainability as a natural part of its daily work. Based on a materiality analysis performed, the company has selected three focus areas for its efforts:

- Sustainable work environment
- Reduce climate impact
- Products that support sustainability

### SUSTAINABLE WORK ENVIRONMENT

The overall goal is to ensure that a healthy and safe workplace is provided for the company’s employees as well as for contractors, temporary personnel and visitors. The vision is to have no injuries within Nordic Paper’s operations. For the short term, an interim target has been set to reduce the Lost Time Injury Frequency Rate (LTIFR) to below 9 per million hours worked.

During the first quarter there were two lost time incidents compared to five in the fourth quarter. The number of incidents corresponds to an LTIFR of 7.1 for the quarter and 14.8 for the last 12-month period. The company is working according to a plan to boost systematic health and safety efforts, as a result of which additional resources have been allocated to drive this work within the company.



\*Lost Time Injury Frequency Rate: accidents resulting in sickness absence per 1 million hours worked. Calculated as the number of accidents involving sick leave divided by actual hours worked by the company’s own employees.

### REDUCED CLIMATE IMPACT

During the quarter Nordic Paper reinforced its internal efforts to manage and analyse climate data, so that with effect from this quarter total emissions from all the company’s operations can be reported quarterly, i.e. including indirect emissions related to goods and services purchased by the company (Scope 3).

The company’s fossil greenhouse gas emissions amounted to 35,000 tonnes in the quarter, which is a reduction of 8.9% compared with the same quarter last year. The reduction is due to decreased impact from purchased goods and services, partly due to somewhat lower consumption of certain goods and services with a greater climate impact and partly because the specific impact from the goods and services that the company consumes has been able to be reduced. Of the total 35,000 tonnes of emissions, 10% were direct emissions from Nordic Paper’s operations (Scope 1), 51% were indirect emissions from purchased energy (Scope 2) and the remaining 39% were other indirect emissions from purchased goods and services (Scope 3).

### PRODUCTS THAT SUPPORT SUSTAINABILITY

When Nordic Paper’s products are used, the company’s sustainability performance becomes part of the performance of the end-product. As regards climate, the company has noticed an increasing flow of enquiries from customers who now also include climate data when participating in procurement processes. Good climate performance is thus a competitive advantage. Over the past year Nordic Paper has conducted a review of available climate data from all kraft paper actors in Europe. The study concludes that the climate performance of the company’s biggest production unit, Bäckhammar, is highly competitive in that Bäckhammar’s Scope 1 and 2 climate impact per tonne of paper produced is around a tenth that of the volume-weighted average unbleached kraft paper on the European market.



## OTHER

### SEASONAL EFFECTS

Nordic Paper is to a certain extent impacted by seasonal variation during the financial year, primarily due to planned production shutdowns. The company's plants in Åmotfors and Greåker both have summer holiday shutdowns lasting three to four weeks which fall in the third quarter. Much of the annual maintenance work at the plants is also carried out during these shutdowns. The production plant in Säffle also operated this way until 2021, but as from 2022 the Säffle plant has changed to continuing production during the summer weeks and having a shorter maintenance shutdown lasting less than two weeks in the course of the third quarter. The production plants in Bäckhammar operate all year round and therefore have an annual maintenance shutdown which generally falls in the third quarter. The Bäckhammar maintenance shutdown is typically less than two weeks. The business in Québec also operates all year round, with an annual maintenance shutdown in the third quarter of about a week.

During shutdowns, whether for maintenance or for summer holidays, production comes to a standstill and operating profit is negatively impacted by direct maintenance costs as well as lower contribution margins and somewhat lower sales volumes. At the plants which shut down production for the summer holidays the third quarter is also impacted by lower personnel costs.

SEK m	Direct costs of maintenance during planned maintenance shutdowns in Q3		
	Estimated 2023	Actual 2022	Actual 2021
Kraft Paper	Up to 80	75	70
Natural Greaseproof	Up to 25	21	27
<b>Total</b>	<b>Up to 105</b>	<b>96</b>	<b>97</b>

Net sales in December can be somewhat negatively affected as a consequence of low availability of transportation in connection with the Christmas and New Year holidays. This can result in increased inventory levels at year-end and net sales being postponed to the first quarter of the following year. Nordic Paper works actively to develop its way of working to minimise these effects through planning and preparatory work together with suppliers of transportation services, with the result that this seasonal variation did not arise in the fourth quarter 2022.

## RISKS AND RISK MANAGEMENT

Russia's war against Ukraine continues. Prior to the invasion Nordic Paper's commercial relations with both Russia and Ukraine were limited, and consequently the war's direct impact on the company has not been financially significant. Indirectly Nordic Paper is impacted by, for example, the ban that the EU has imposed on imports of Russian unbleached kraft paper, which strengthens demand for Nordic Paper's products, and by increased competition for wood in the Baltic region as Russian exports of pulpwood to Finland have been stopped. Nordic Paper could be impacted by further indirect effects of the geopolitical situation following Russia's invasion of Ukraine, by the sanctions imposed on Russian interests and by the effects of the sanctions on the global economy.

In 2022 prices on the spot market for electricity increased substantially, which had a negative impact on the company's results. Nordic Paper partly generates its own electricity from a turbine in Bäckhammar, and the share of electricity consumption purchased externally is largely procured under fixed-price contracts. The company's hedging strategy means that around 70% of electricity requirements in the near future are purchased under contracts in which prices are fully or partly fixed, after which the proportion gradually declines to zero over five years. In the second half of 2022 the company introduced energy surcharges on its product prices in the Natural Greaseproof segment to compensate for the cost increases.

Nordic Paper is also exposed to other strategic, operational, financial, legal and regulatory risks that could significantly affect the company. Risk management is a normal part of business operations and is regularly reviewed by Group management and reported to the Board. These material risks include the following:

- Nordic Paper operates in markets that compete on both pricing and product quality, and the company could fail to compete effectively.
- Macroeconomic factors and trends in various markets, such as for food and industrial goods, could lead to variations in the demand for and pricing of Nordic Paper's products.
- The cost of other input goods and services used by Nordic Paper in production varies over time and could adversely affect Nordic Paper's operations. Besides energy, the company's main variable cost items are wood, pulp and chemicals.
- If customers or agents were to run into difficulties or if relationships with customers or agents were to deteriorate, this could have an impact on Nordic Paper's business and operating results.
- Damage to production equipment and other disruptions in production could lead to temporary stoppages at one or more of Nordic Paper's production plants.
- Nordic Paper is dependent on IT systems for its ongoing operations and interruptions or errors in critical systems could disrupt production and important business processes.
- Failure to effectively implement strategic plans, erroneous investment decisions, failure to establish commitment to adopted strategies, and risks relating to acquisitions and the integration of acquired operations could adversely affect Nordic Paper's business.
- Nordic Paper is exposed to currency risks through transactions in currencies other than SEK and through the foreign subsidiaries in the Group.
- Nordic Paper's operations are exposed to environmental risks and must comply with various environmental regulations.
- Nordic Paper's operations are exposed to risks related to regulations on sanctions, corruption and competition.
- Nordic Paper's operations are exposed to health and safety risks and must comply with various work-related health and safety regulations.

A more comprehensive description of the risks is provided in Nordic Paper's Annual Report 2022, which is available at [www.nordic-paper.com](http://www.nordic-paper.com)

## TRANSACTIONS WITH RELATED PARTIES

There were no transactions with related parties during the quarter.

## SHAREHOLDERS

Nordic Paper had 9,500 shareholders as of 31 March 2023.

Shareholders 31 March 2023	Votes and capital (%)
Sutriv Holding AB	48.2%
Swedbank Robur Fonder	6.7%
AMF Försäkring & Fonder	6.6%
Third Swedish National Pension Fund (AP3)	3.0%
CBNY – Norges Bank	2.9%
Handelsbanken Fonder	2.7%
BNY Mellon SA	1.8%
Avanza Pension	1.8%
SEB Life International Insurance	1.4%
Ålandsbanken ABP (Finland)	1.4%
Other	23.6%
Total	100.0%

## DIVIDEND

For the 2022 financial year the Board is proposing a dividend of SEK 4.65 per share, to be distributed on one occasion. The proposal results in a total dividend of SEK 311 million, corresponding to 55% of the profit for 2022. The record date for the proposed dividend is 26 May. The last day for trading in Nordic Paper's shares with rights to the proposed dividend is 24 May.

28 April 2023

Nordic Paper Holding AB (publ)

Anita Sjölander

CEO

*The English report is only for translation purposes. The Swedish report is the valid report.*

*The report has not been reviewed by the company's auditors.*

*This is information that Nordic Paper Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out in the press release for this report, at 7.30am CEST on 28 April 2023.*

# Group

## CONDENSED INCOME STATEMENT

	2023	2022	2022
SEKm	Q1	Q1	Full year
Net sales <sup>1</sup>	1,305	1,052	4,440
Other operating income	9	6	41
Raw materials, energy and consumables	-623	-499	-2,139
Change in inventories of work-in-progress and finished goods	1	38	87
Other external costs	-244	-200	-954
Personnel costs	-138	-144	-588
Other operating expenses	-28	-15	-66
<b>EBITDA</b>	<b>282</b>	<b>237</b>	<b>821</b>
Depreciation and amortisation	-38	-35	-145
<b>Operating profit</b>	<b>244</b>	<b>202</b>	<b>676</b>
Divestment of associated companies	-	-	42
Financial income	2	11	41
Financial expense	-26	-11	-50
	-24	0	33
<b>Profit before tax</b>	<b>220</b>	<b>203</b>	<b>709</b>
Tax	-47	-41	-143
<b>Net profit for the period</b>	<b>173</b>	<b>162</b>	<b>566</b>
Profit attributable to:			
Parent company shareholders	173	162	566
Non-controlling interests	-	-	-
<b>Net profit for the period</b>	<b>173</b>	<b>162</b>	<b>566</b>
Earnings per share, SEK <sup>2</sup>	2.59	2.42	8.46

<sup>1</sup>Net sales consist entirely of sales of goods

<sup>2</sup> Before and after dilution

## CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	2023	2022	2022
SEKm	Q1	Q1	Full year
<b>Net profit for the period</b>	<b>173</b>	<b>162</b>	<b>566</b>
<i>Items that will be reclassified to profit or loss</i>			
Changes in the fair value of cash flow hedges	1	-1	-26
Exchange differences on translation of foreign operations	-6	16	28
Change in provisions for pension	-	-	15
Exchange differences on translation of provisions for pension of foreign companies	-	-	6
Tax attributable to items that will be reclassified to profit or loss	0	0	0
<b>Other comprehensive income for the period</b>	<b>-5</b>	<b>16</b>	<b>24</b>
<b>Comprehensive income for the period</b>	<b>168</b>	<b>177</b>	<b>590</b>
<b>Comprehensive income for the period attributable to:</b>			
Parent company shareholders	168	177	590

## CONDENSED BALANCE SHEET

SEKm	2023 31 Mar	2022 31 Mar	2022 31 Dec
Trademark	34	32	34
Customer relations	207	223	214
Goodwill	737	745	740
Other intangible assets	6	8	7
Buildings and land	36	47	40
Machinery and plant	558	485	544
Equipment, tools and installations	7	8	7
Construction in progress	128	177	151
Right-of-use assets	29	21	32
Deferred tax assets	17	19	18
Long term receivables	10	-	10
<b>Total non-current assets</b>	<b>1,769</b>	<b>1,765</b>	<b>1,796</b>
Inventories	635	535	625
Accounts receivable	802	630	769
Income tax receivables	-	2	-
Other operating receivables	103	84	85
Derivatives	1	3	2
Prepaid expenses and accrued revenue	31	25	24
Cash and cash equivalents	308	384	325
<b>Total current assets</b>	<b>1,879</b>	<b>1,664</b>	<b>1,830</b>
<b>Total assets</b>	<b>3,648</b>	<b>3,429</b>	<b>3,626</b>
Share capital	19	19	19
Reserves	-30	-16	-23
Retained earnings including profit for the year	1,221	760	1,045
<b>Total equity</b>	<b>1,210</b>	<b>762</b>	<b>1,041</b>
Liabilities to credit institutions	950	1,350	950
Lease liabilities	18	12	20
Provisions for pension	16	33	16
Deferred tax liabilities	225	209	228
Derivatives	24	18	25
Other liabilities and provisions	101	98	101
<b>Total non-current liabilities</b>	<b>1,334</b>	<b>1,720</b>	<b>1,341</b>
Factoring credit line	279	286	284
Accounts payables	318	317	419
Liabilities to associated companies	-	10	-
Income tax liability	16	8	43
Lease liabilities	11	8	11
Derivatives	42	16	45
Other liabilities	13	15	17
Accrued expenses and deferred income	424	287	426
<b>Total current liabilities</b>	<b>1,103</b>	<b>946</b>	<b>1,245</b>
<b>Total equity and liabilities</b>	<b>3,648</b>	<b>3,429</b>	<b>3,626</b>

## CONDENSED STATEMENT OF CHANGES IN EQUITY

SEKm	2023 31 Mar	2022 31 Mar	2022 31 Dec
<b>Equity, opening balance</b>	<b>1,041</b>	<b>584</b>	<b>584</b>
Net profit for the period	173	162	566
Issue of warrants	-	-	1
Other comprehensive income for the period	-5	16	24
<b>Transactions with owners of the parent:</b>			
Dividend	-	-	-134
<b>Equity, closing balance</b>	<b>1,210</b>	<b>762</b>	<b>1,041</b>
<b>Equity attributable to:</b>			
Parent company shareholders	1,210	762	1,041

## CONDENSED CASH FLOW STATEMENT

SEKm	2023 Q1	2022 Q1	2022 Full year
<b>Operating activities</b>			
Operating profit	244	202	676
Interest received	2	0	0
Interest paid	-13	-8	-40
Adjustments, cash flow	42	64	188
Paid income tax	-77	-29	-73
<b>Cash flow from operating activities before changes in working capital</b>	<b>198</b>	<b>229</b>	<b>750</b>
<b>Cash flow from changes in working capital</b>			
Change in inventories	-20	-57	-148
Change in accounts receivable	-33	-83	-220
Change in current receivables	-26	34	32
Change in accounts payable	-94	-72	32
Change in current liabilities	-4	1	113
<b>Cash flow from operating activities</b>	<b>21</b>	<b>53</b>	<b>560</b>
<b>Investing activities</b>			
Acquisition of tangible assets	-23	-37	-145
Acquisition of subsidiaries	-	-	21
Divestment of associated companies	-	-	42
Change in financial assets	-	-	-10
<b>Cash flow from investing activities</b>	<b>-23</b>	<b>-37</b>	<b>-92</b>
<b>Financing activities</b>			
Change in non-current liabilities to credit institutions	-	-	-400
Repayment of lease liabilities	-3	-3	-11
Net change in factoring credit line	-4	13	11
Dividend paid	-	-	-134
<b>Cash flow from financing activities</b>	<b>-7</b>	<b>11</b>	<b>-534</b>
<b>Cash flow for the period</b>	<b>-9</b>	<b>26</b>	<b>-66</b>
Cash and cash equivalents at beginning of period	325	360	360
Exchange rate difference in cash and cash equivalents	-8	-3	30
<b>Cash and cash equivalents at end of period</b>	<b>308</b>	<b>384</b>	<b>325</b>
<b>Adjustments for non-cash items</b>			
Depreciation and amortisation	38	35	145
Changes in exchange rates	18	0	-28
Change in fair value of derivatives	-1	16	35
Other	-13	12	35
<b>Total</b>	<b>42</b>	<b>64</b>	<b>188</b>



# Accounting policies and other information

## NOTE 1 ACCOUNTING POLICIES

The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and with applicable parts of the Swedish Annual Accounts Act. The parent company has prepared its interim report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities. The accounting policies applied when preparing the interim report are the same for all periods and accord with the accounting policies presented in Note 2 in the Annual Report 2022.

All amounts are stated in SEK million (SEKm) unless otherwise stated. Rounding differences of SEK +/- 1m may occur in the totals of amounts. In cases where an underlying amount is SEK 0m after rounding, the amount is stated as 0. Amounts in parentheses refer to the corresponding period in the previous year.

Information according to IAS 34.16A is also presented in other parts of the interim report, as well as in the financial statements and related notes.

In accordance with a proposal from the Board of Directors, the Annual General Meeting on 19 May 2022 approved the issue of a maximum of 600,000 warrants as part of a long-term incentive programme for senior executives. The incentive programme is reported in accordance with IFRS 2 and IAS 19.

The Group applies IFRS 15 for the accounting of revenue which means that revenue is being accounted for when the control for the goods is being transferred to the customer. Compliance is being secured through analysis of the applied terms of delivery. Volumes that at the end of an accounting period cannot be accounted for as revenue, will be transferred to the next accounting period and will remain in finished goods inventory.

## NOTE 2 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

SEKm	2023		2022		2022	
	31 Mar		31 Mar		31 Dec	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets measured at amortised cost</b>						
Accounts receivable	802	802	630	630	769	769
Other receivables	103	103	84	84	85	85
Cash and cash equivalents	308	308	384	384	325	325
<b>Total</b>	<b>1,212</b>	<b>1,212</b>	<b>1,098</b>	<b>1,098</b>	<b>1,179</b>	<b>1,179</b>
<b>Financial liabilities measured at amortised cost</b>						
Factoring liabilities	279	279	286	286	284	284
Lease liabilities	29	29	20	20	31	31
Liabilities to associated companies	-	-	10	10	-	-
Accounts payable	318	318	317	317	419	419
Non-current liabilities to credit institutions	950	950	1 350	1 350	950	950
Other liabilities	437	437	335	335	443	443
<b>Total</b>	<b>2,013</b>	<b>2,013</b>	<b>2,318</b>	<b>2,318</b>	<b>2,127</b>	<b>2,127</b>
<b>Derivatives used for hedging</b>						
<b>Current assets</b>						
Cash flow hedges	1	1	3	3	2	2
<b>Current liabilities</b>						
Cash flow hedges	42	42	16	16	45	45
<b>Other derivatives</b>						
<b>Non-current liabilities</b>						
Cash flow hedges	24	24	18	18	25	25

### CALCULATION OF FAIR VALUE

The Group has derivatives that are measured at fair value according to level 2 of the fair value hierarchy. Other financial instruments have short maturities and for these, fair value is equivalent to the carrying amount. For further information please see note 23 in the Annual Report 2022.

### NOTE 3 OTHER PROVISIONS

Other provisions of SEK 101m relate to assessed future remediation costs for buildings and land. The provision breakdown includes SEK 76m for future demolition of buildings and remediation of land related to the discontinuation of pulp production in Säffle, while the remaining amount is associated with remediation of a landfill site in Bäckhammar.

## NOTE 4 LONG-TERM INCENTIVE PROGRAMME

In accordance with a proposal from the Board of Directors, the Annual General Meeting on 19 May 2022 approved the issue of a maximum of 600,000 warrants as part of a long-term incentive programme for senior executives of the Nordic Paper Group. The rationale for the incentive programme is to create opportunities to motivate and retain senior executives within the Nordic Paper Group. During last year, the incentive programme has been implemented according to the decision of the Annual General Meeting. After the implementation, the number of outstanding warrants amounts to 584,000.

The warrants were offered at market price. Each warrant entitled the holder to subscribe for one new share in the company. The exercise price was 120% of the volume-weighted average price of the company's share during the period of 10 trading days falling immediately prior to the offer to subscribe for the warrants, but no less than the quota value of the share. The final price of the warrants was SEK 1.55. The value of the warrants has been calculated according to the Black-Scholes model.

The company is partly subsidising the participants' acquisitions of warrants. The subsidy is paid out at the end of the programme. The subsidy to the participants is equal to 50% of the participants' investment net after tax. The total cost of the subsidy, based on a warrant value of SEK 1.55 and an estimated marginal tax rate of 55%, amounts to SEK 1.3m including social security contributions. With some exceptions, in order to be eligible for the subsidy the participant must be employed by the company at the time of payment of the bonus, must remain employed until the warrants can be exercised and must not have transferred their warrants prior to this.

Based on the number of shares in Nordic Paper as at the date of the annual general meeting, the maximum dilution effect of the warrant programme will be approximately 0.89%. The company has no previous incentive programmes outstanding.

## Key figures

SEKm	2023	2022	2022
	Q1	Q1	Full year
Net sales growth, %	24	36	44
EBITDA margin, %	21.6	22.6	18.5
Operating margin, %	18.7	19.2	15.2
Cash flow from operating activities	21	53	560
Cash conversion, %	66.9	48.8	70.5
Return on operating capital, 12 m, %	33.9	20.5	32.5
Return on equity, 12 m, %	62.0	37.1	69.5
Working capital	698	542	497
Operating capital	2,232	2,098	2,065
Interest-bearing liabilities	1,274	1,689	1,281
Net debt/equity ratio, %	79.9	171.2	91.8
Net debt/EBITDA, 12 m, multiple	1.1	2.8	1.2
Equity/assets ratio, %	32.7	22.2	28.7
Working capital, % of net sales, 12 m	11.5	12.2	11.2
Investments	23	37	145
Sales volume, ktonnes	73.5	76.9	284.5
Number of employees at end of period	687	675	672
Number of shares, end of period	66,908,800	66,908,800	66,908,800
Earnings per share, SEK <sup>1</sup>	2.59	2.42	8.46

<sup>1</sup> Before and after dilution

## ALTERNATIVE PERFORMANCE MEASURES

Reference is made in the financial report to a number of financial performance measures that are not defined according to IFRS or the Swedish Annual Accounts Act. These performance measures provide supplementary information and are used to help investors as well as group management to analyse the company's operations. Since not all companies calculate financial performance measures in the same way, these are not always comparable with measures used by other companies.

<b>EBITDA</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
<b>SEKm</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
Operating profit	244	202	676
Depreciation/amortisation	38	35	145
<b>EBITDA, SEKm</b>	<b>282</b>	<b>237</b>	<b>821</b>
<b>EBITDA MARGIN</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
<b>SEKm</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
EBITDA	282	237	821
Net sales	1,305	1,052	4,440
<b>EBITDA margin, %</b>	<b>21.6</b>	<b>22.6</b>	<b>18.5</b>
<b>OPERATING MARGIN</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
<b>SEKm</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
Operating profit	244	202	676
Net sales	1,305	1,052	4,440
<b>Operating margin, %</b>	<b>18.7</b>	<b>19.2</b>	<b>15.2</b>
<b>CASH CONVERSION</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
<b>SEKm</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
EBITDA, 12 m	866	461	821
Change in working capital	-156	-33	-97
Investments, 12 m	-130	-203	-145
<b>Total</b>	<b>579</b>	<b>225</b>	<b>579</b>
EBITDA, 12 m	866	461	821
<b>Cash conversion %, 12 m</b>	<b>66.9</b>	<b>48.8</b>	<b>70.5</b>
<b>WORKING CAPITAL</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
<b>SEKm</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
Inventories	635	535	625
Accounts receivable	802	630	769
Other operating receivables excl. derivatives	134	111	109
Accounts payable	-318	-317	-419
Other operating liabilities excl. derivatives	-554	-418	-587
<b>Working capital</b>	<b>698</b>	<b>542</b>	<b>497</b>
Working capital, 12 m	540	410	496
Net sales, 12 m	4,693	3,363	4,440
<b>Working capital, % of net sales, 12 m</b>	<b>11.5</b>	<b>12.2</b>	<b>11.2</b>

<b>OPERATING CAPITAL</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
<b>SEKm</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
Working capital	698	542	497
Intangible assets	983	1 008	995
Property, plant and equipment	758	738	773
Deferred tax assets/liabilities	-208	-190	-211
<b>Operating capital</b>	<b>2,232</b>	<b>2,098</b>	<b>2,055</b>
Operating profit, 12 m	718	304	676
Operating capital, 12 m	2,119	1,480	2,074
<b>Return on operating capital, %, 12 m</b>	<b>33.9</b>	<b>20.5</b>	<b>32.5</b>
<b>NET DEBT</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
<b>SEKm</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
Non-current liabilities to credit institutions	950	1,350	950
Lease liabilities, non-current	18	12	20
Provisions for employee benefits	16	33	16
Factoring credit line	279	286	284
Lease liabilities, current	11	8	11
<b>Interest-bearing liabilities</b>	<b>1,274</b>	<b>1,689</b>	<b>1,281</b>
Cash and cash equivalents	308	384	325
<b>Net debt/net cash (+/-)</b>	<b>966</b>	<b>1,305</b>	<b>956</b>
EBITDA, 12 m	866	461	821
<b>Net debt/EBITDA, 12 m, multiple</b>	<b>1.1</b>	<b>2.8</b>	<b>1.2</b>
<b>NET DEBT/EQUITY RATIO</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
<b>SEKm</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
Net debt/net cash (+/-)	966	1,305	956
Equity	1,210	762	1,041
<b>Net debt/equity ratio, %</b>	<b>79.9</b>	<b>171.2</b>	<b>91.8</b>
<b>EQUITY/ASSETS RATIO</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
<b>SEKm</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
Equity	1,210	762	1,041
Total assets	3,648	3,429	3,626
<b>Equity/assets ratio, %</b>	<b>32.7</b>	<b>22.2</b>	<b>28.7</b>
<b>RETURN ON EQUITY</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
<b>SEKm</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
Net profit for the period, 12 m	578	762	566
Equity	1,210	607	1,041
Equity, 12 m	932	225	814
<b>Return on equity, 12 m, %</b>	<b>62.0</b>	<b>37.1</b>	<b>69.5</b>



# Definitions

Non-IFRS performance measures	Description	Reasons for use
Sales volume	Sales of paper and pulp by the segment and the Group respectively, expressed in ktonnes.	Shows if the business is expanding or contracting.
EBITDA	EBITDA (earnings before interest, taxes, depreciation and amortisation) consists of operating profit plus depreciation, amortisation and impairment losses.	A measure that eliminates costs that do not affect cash flow and indicates the ability of a business to generate cash flow.
Significant items affecting comparability	Significant items affecting comparability may include effects of substantial restructuring of production plants, impairment losses, revaluation, specific effects of disputes or strategic decisions of a non-recurring nature. Significant items affecting comparability are not part of the underlying operating activities.	Provides a better understanding of the development of operating activities over time.
Adjusted EBITDA	EBITDA adjusted for significant items affecting comparability.	Increases comparability of EBITDA between different periods and provides a better understanding of the development of operating activities over time.
EBITDA margin	EBITDA as a percentage of net sales.	Shows how much cash the business can generate in relation to revenue.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net sales.	Increases comparability of the EBITDA margin between different periods.
Operating profit	Profit before financial income, financial expense and tax.	Shows the result of the company's operating activities.
Adjusted operating profit	Operating profit adjusted for significant items affecting comparability.	Increases comparability of operating profit between different periods and provides a better understanding of the development of operating activities over time.
Operating margin	Operating profit as a percentage of net sales.	Shows operating profit in relation to net sales and is a measure of the profitability of the company's operating activities.
Adjusted operating margin	Adjusted operating profit as a percentage of net sales.	Increases comparability of the operating margin between different periods.
Cash flow from operating activities	Cash flow before acquisitions of intangible non-current assets and property, plant and equipment and financial non-current assets, and before loan repayments, Group contributions and dividends to shareholders.	Indicates how much liquidity an entity generates through its operating activities.
Cash conversion*	Total EBITDA minus change in working capital minus investments, divided by EBITDA, expressed as a percentage.	Cash conversion shows how effective an entity is at generating cash flow in relation to EBITDA.
Investments	The effect of acquisitions of property, plant and equipment and intangible non-current assets on cash flow.	Shows the amount of property, plant and equipment and intangible assets acquired to maintain and develop operations.
Working capital	Total inventories, accounts receivable, other operating assets and operating liabilities, excluding derivatives, and other provisions (non-interest-bearing).	Shows the net of current assets and current liabilities used in operating activities.
Change in working capital	Working capital for the current period minus working capital for the previous period.	Shows development of the company's working capital.
Working capital as a percentage of net sales*	Working capital divided by net sales.	Indicates how effectively the company is using working capital.
Operating capital	Working capital plus intangible non-current assets and property, plant and equipment, deferred tax assets and tax liabilities.	Shows the total capital used in operating activities.
Return on operating capital*	Operating profit as a percentage of operating capital.	Shows the company's performance in generating profit from the capital used in operating activities.
Return on equity*	Profit for the period as a percentage of equity.	Shows the return generated on equity invested in the business.
Interest-bearing liabilities	Interest-bearing liabilities, current and non-current, plus interest-bearing provisions.	Shows the extent of the company's financing in the form of interest-bearing liabilities.
Net debt	Interest-bearing liabilities less cash and cash equivalents.	A measure of the company's financial position. Shows how much liquidity would remain if all liabilities were to be settled.
Net debt/EBITDA ratio*	Net debt in relation to EBITDA, expressed as a multiple.	A measure of financial risk and an indication of repayment capacity.
Net debt/equity ratio	Net debt divided by equity, expressed as a percentage.	Shows the relationship between externally financed capital and equity.
Equity/assets ratio	Equity divided by total assets, expressed as a percentage.	Shows what proportion of the assets are financed through equity.

\*Calculated on the basis of the last 12-month period, as an average of 12 months. The 12-month figure enables comparisons that reflect both current and seasonal variations, which improves the ability to make comparisons over time.

## Quarterly data by segment

NET SALES								
	2021			2022				2023
SEKm	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Kraft Paper segment	455	401	469	575	624	557	631	695
Natural Greaseproof segment	349	314	369	494	539	497	594	626
Eliminations	-14	-4	-28	-17	-19	-17	-19	-15
<b>Total Group</b>	<b>790</b>	<b>711</b>	<b>810</b>	<b>1,052</b>	<b>1,144</b>	<b>1,037</b>	<b>1,206</b>	<b>1,305</b>

EBITDA								
	2021			2022				2023
SEKm	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Kraft Paper segment	123	44	136	225	223	109	212	261
Natural Greaseproof segment	-44	-28	-2	36	37	-23	76	63
Parent company and undistributed items	3	-4	-23	-29	-40	-11	-31	-42
Eliminations etc.	2	2	13	6	27	3	3	1
<b>EBITDA Group</b>	<b>84</b>	<b>15</b>	<b>124</b>	<b>237</b>	<b>247</b>	<b>77</b>	<b>260</b>	<b>282</b>
Depreciation and amortisation	-29	-29	-64	-35	-36	-37	-37	-38
<b>Operating profit</b>	<b>55</b>	<b>-14</b>	<b>61</b>	<b>202</b>	<b>211</b>	<b>40</b>	<b>223</b>	<b>244</b>
Divestment associated companies	-	-	-	-	-	-	42	-
Financial income	0	2	0	11	8	24	0	2
Financial expense	-11	-7	-8	-11	-13	-13	-16	-26
<b>Profit before tax</b>	<b>44</b>	<b>-18</b>	<b>52</b>	<b>203</b>	<b>206</b>	<b>51</b>	<b>249</b>	<b>220</b>

EBITDA MARGIN								
	2021			2022				2023
%	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Kraft Paper segment	27.1	11.0	29.0	39.1	35.8	19.5	33.5	37.6
Natural Greaseproof segment	-12.5	-8.9	-0.4	7.3	6.8	-4.7	12.8	10.0
<b>Group</b>	<b>10.7</b>	<b>2.1</b>	<b>15.4</b>	<b>22.6</b>	<b>21.6</b>	<b>7.4</b>	<b>21.5</b>	<b>21.6</b>

OPERATING PROFIT								
	2021			2022				2023
SEKm	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Kraft Paper segment	111	32	120	212	209	94	197	246
Natural Greaseproof segment	-55	-40	-45	18	18	-42	58	43
Parent company and undistributed items	3	-4	-23	-29	-40	-11	-31	-42
Eliminations etc.	-3	-3	9	2	23	-1	-1	-3
<b>Total Group</b>	<b>55</b>	<b>-14</b>	<b>61</b>	<b>202</b>	<b>211</b>	<b>40</b>	<b>223</b>	<b>244</b>

OPERATING MARGIN								
	2021			2022				2023
%	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Kraft Paper segment	24.8	8.0	25.6	36.8	33.5	16.9	31.3	35.4
Natural Greaseproof segment	-15.8	-12.6	-12.2	3.7	3.4	-8.5	9.7	6.9
<b>Group</b>	<b>7.0</b>	<b>-1.9</b>	<b>7.5</b>	<b>19.2</b>	<b>18.4</b>	<b>3.9</b>	<b>18.5</b>	<b>18.7</b>

SALES VOLUMES								
	2021			2022				2023
Ktonnes	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Kraft Paper segment	58.4	48.0	54.1	58.3	58.5	46.1	50.4	54.6
Natural Greaseproof segment	18.9	16.4	18.7	21.9	22.4	18.7	21.0	21.6
Eliminations	-3.3	-2.4	-3.6	-3.3	-3.4	-2.9	-3.3	-2.7
<b>Total Group</b>	<b>74.1</b>	<b>62.0</b>	<b>69.3</b>	<b>76.9</b>	<b>77.6</b>	<b>61.9</b>	<b>68.2</b>	<b>73.5</b>

# Parent company

## CONDENSED INCOME STATEMENT

SEKm	2023	2022	2022
	Q1	Q1	Full year
Net sales	16	11	57
Other operating income	0	0	0
Other external costs	-31	-13	-66
Personnel costs	-4	-8	-13
Other operating expenses	-23	-19	-90
<b>Operating profit</b>	<b>-42</b>	<b>-29</b>	<b>-111</b>
Profit from participations in Group companies	-	-	19
Financial income and similar items	4	13	21
Financial expense and similar items	-31	-9	-43
<b>Profit after financial items</b>	<b>-69</b>	<b>-25</b>	<b>-114</b>
Appropriations	-	-	610
<b>Profit before tax</b>	<b>-69</b>	<b>-25</b>	<b>496</b>
Tax	13	8	-100
<b>Net profit for the period</b>	<b>-56</b>	<b>-17</b>	<b>396</b>

## CONDENSED BALANCE SHEET

SEKm	2023	2022	2022
	31 Mar	31 Mar	31 Dec
Shares in Group companies	1,165	1,165	1,165
Receivables from Group companies	345	421	345
Deferred tax assets	9	4	10
<b>Total non-current assets</b>	<b>1,519</b>	<b>1,589</b>	<b>1,519</b>
Receivables from Group companies	803	236	720
Current tax assets	31	21	-
Prepaid expenses and accrued income	0	0	11
Cash and bank balances	-	457	109
<b>Total current assets</b>	<b>834</b>	<b>714</b>	<b>840</b>
<b>Total assets</b>	<b>2,353</b>	<b>2,302</b>	<b>2,360</b>
Share capital	19	19	19
Retained earnings	757	494	361
Net profit for the period	-56	-17	396
<b>Total equity</b>	<b>720</b>	<b>496</b>	<b>776</b>
<b>Untaxed reserves</b>	<b>508</b>	<b>398</b>	<b>508</b>
Non-current liabilities to credit institutions	950	1,350	950
Derivatives	24	-	25
<b>Total non-current liabilities</b>	<b>974</b>	<b>1,350</b>	<b>975</b>
Liabilities to credit institutions	20	-	-
Liabilities to Group companies	66	-	1
Accounts payable	1	1	2
Derivatives	42	34	45
Other liabilities	2	0	1
Income tax liability	-	-	48
Accrued expenses and deferred income	20	23	5
<b>Total current liabilities</b>	<b>152</b>	<b>58</b>	<b>101</b>
<b>Total equity and liabilities</b>	<b>2,353</b>	<b>2,302</b>	<b>2,360</b>

## CONFERENCE CALL

On the publication of the interim report a telephone conference will be held on Friday 28 April at 11.00 CEST. CEO Anita Sjölander and CFO Niclas Eriksson will present and comment on the report. The presentation will be in English. The press and analyst conference will be streamed and the webcast can be accessed at [www.nordic-paper.com](http://www.nordic-paper.com). It is also possible to participate in the conference by telephone.

- Link to watch webcast: <https://fronto.vancastvideo.com/event/ocrcWLqr/3776/?lang=3172>
- Link to register to participate by telephone: <https://services.choruscall.it/DiamondPassRegistration/register?confirmationNumber=1576930&linkSecurityString=2171934da>

## FINANCIAL CALENDAR

Interim Report Q2 2023 – 20 July 2023

Interim Report Q3 2023 – 31 October 2023

Year-end report 2023 – 30 January 2024

### Annual General Meeting

The Annual General Meeting will be held in Karlstad on 24 May 2023.

### For further information, please contact:

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## NORDIC PAPER IN BRIEF

Nordic Paper is a leading speciality paper producer based in Scandinavia. We have been manufacturing top-quality kraft papers and natural greaseproof papers since the 19th century. Our products are based on renewable raw material from local forests. From our five paper mills, four in Scandinavia and one in Canada, we supply customers in about 80 countries. In 2022 Nordic Paper had revenue of approximately SEK 4,400m and around 670 employees. The company is listed on Nasdaq Stockholm. [www.nordic-paper.com](http://www.nordic-paper.com)