

YEAR-END REPORT
JAN – DEC 2022

Q4

Net profit for the year,
565 MSEK

Large cash position and
robust balance sheet

Turbine failure burdens
the result in Q4

Record-strong year



ROTTNEROS



Record-breaking year, turbine failure burdens Q4

Q4 2022 COMPARED TO (Q4 2021)

NET TURNOVER increased by 22 percent to 730 (598) MSEK. Higher sales prices in SEK and increased sales of products other than pulp contributed positively, but a lower sales volume of pulp had a restraining effect on turnover.

THE LIST PRICE for NBSK pulp was 12 percent higher in USD and 36 percent higher in SEK compared to the fourth quarter of 2021. USD strengthened against the SEK by 21 percent during the same period.

PRODUCED VOLUME amounted to 87.2 (91.4) thousand tonnes, affected by the annual maintenance shutdown in Vallvik Mill and the fact that the groundwood line was closed in December. For the whole year, production increased slightly to 397.1 (395.3) thousand tonnes.

SOLD VOLUME amounted to 86.5 (95.5) thousand tonnes. The decline was due primarily to lower sales of groundwood pulp. The demand for NBSK and CTMP fell towards the end of the quarter.

EBIT (operating profit/loss) for the fourth quarter was 1 (58) MSEK. Price, currency and product mix contributed positively, while a turbine failure and higher costs had a restraining effect on the result with approximately 60 MSEK. EBIT for the whole year 2022 was 550 (267) MSEK, which is a new record for the group. The closure of the groundwood line burdened the year's result with 70 MSEK.

NET PROFIT for the fourth quarter was 9 (49) MSEK and for the whole year 565 (198) MSEK. Earnings per share for the quarter were 0.06 (0.32) SEK and earnings per share for the whole year were 3.70 (1.30) SEK.

THE BALANCE SHEET continues to be strong. The equity/assets ratio was 66 (64) percent and available liquidity amounted to 747 (443) MSEK. Net cash amounted to 354 MSEK.

DIVIDEND Based on the strong result and a solid balance sheet, the board proposes an increase in the ordinary dividend to 0.50 (0.40) SEK and an extra dividend of 0.90 (0.20) SEK, a total of 1.40 SEK/share.

THE QUARTER AND THE YEAR IN NUMBERS

	Oct-Dec 2022	Oct-Dec 2021	Change	Jan-Dec 2022	Jan-Dec 2021	Change
Net turnover, MSEK	730	598	132	2,980	2,303	677
EBITDA, MSEK	31	88	-57	691	385	306
EBIT (operating profit/loss), MSEK	1	58	-57	550	267	283
Profit/loss after financial items, MSEK	11	57	-46	714	246	468
Net profit, MSEK	9	49	-40	565	198	367
Earnings per share, SEK	0.06	0.32		3.70	1.30	2.40
Cash flow from operating activities, MSEK	91	93	-2	541	288	253
Return on capital employed (rolling 12 months), %				32,2	18,5	
Production, thousand tonnes	87.2	91.4	-4.2	397.1	395,3	1.8
Deliveries, thousand tonnes	86.5	95.5	-9.0	388.4	403,2	-14.8

► On the cover: Anders Adolfsson, Head of technology at Rottneros Mill.

Statement by the CEO

Lennart Eberleh



The favourable pulp market and a strong USD mean that we can sum up the whole year 2022 as both an eventful one and a year with profits at record levels, despite the turbulent environment. Profitability during the fourth quarter, however, was weighed down by several temporary factors and increasing cost inflation on our input goods, while the economic slowdown affected demand negatively. The systematic and targeted work for additional efficiency improvements will thus be given even higher priority going forward. Our robust balance sheet gives us significant financial resilience.

Net turnover increased by 22 percent during Q4 to 730 MSEK. EBIT amounted to 1 MSEK, mainly affected by lower deliveries, significant price increases on our input goods, higher maintenance efforts than normally related to the electric turbine in Vallvik, and certain additional costs in connection with the closure of the groundwood line. For the whole year, the group registered a new record with a good margin for both the turnover and EBIT-earnings, 2,980 MSEK and 550 MSEK, respectively. In addition, the net financial income increased with the value of the electricity futures that were not matched by future cash flows, as the groundwood line was being closed. The effect was +165 MSEK and means that the profit after financial items amounted to a full 714 MSEK.

EVENTFUL LAST QUARTER OF 2022

During the quarter, the high pulp prices continued and a strong USD affected our margins while production and deliveries were restrained by lower volumes mainly in Rottneros Mill, as the groundwood line was shut down according to schedule during December. Production in Vallvik was hampered by certain minor unplanned stoppages. The comparison to last year was also somewhat negatively affected by the timing of the maintenance shutdown, which now took place entirely during Q4. CTMP-production continued to develop well as a result of our continuous and structured measures to increase availability. It increased 5 percent during the quarter and 6 percent during the whole year, despite recurring production constraints related to high electricity costs.

THE STRATEGIC WORK ON REDUCING EXPOSURE TO THE ELECTRICITY MARKET CONTINUES

To date, our strategy of hedging our electricity prices with electricity futures has been very successful and by and large compensated for the higher market prices. Our hedging rate is now at a high level until and including 2025. At the same time, the strategic work on diversifying the energy supply by supplementing with very long-term purchasing agreements for fossil free energy and self-produced green electricity continues. The aim is to gradually reduce exposure to the volatile and uncertain electricity market. Investments in even higher energy efficiency in our mills may also become relevant. During the quarter, clear signs of a general increase in cost

inflation on our input goods were noticed, mainly for chemicals and pulp wood. Our focus on efficiency improvements thus increased even further in order to counteract the higher costs.

OUR SAFETY WORK IS PAYING OFF

Employees' health is a pivotal issue in our day-to-day operations. It is very satisfying that this persistent work is showing results. During 2022, the number of incidents requiring sick leave dropped to 4 compared to 7 the previous year. During the fourth quarter the number was zero.

THE MARKET IS ABOUT TO SLOW DOWN

The balance in the pulp market shifted during the quarter in favour of buyers as a result of the slowdown in the global economy leading to weaker demand. The list price for NBSK thus dropped by about 70 USD compared to the end of Q3, to just under 1,430 USD at the end of December.

EQUIPPED TO FACE POSSIBLE CHALLENGES 2023

Our robust balance sheet continues to form an important buffer ahead of possible challenges that may arise as a result of the economic trend. The equity ratio at year-end was 66 percent, our liquid assets were 465 MSEK and available liquidity amounted to a total of 747 MSEK. Net cash after deduction for interest-bearing liabilities was also reassuring, 354 MSEK. The uncertain macro-prospects ahead of 2023 mean that we have a high level of preparedness to face possible future challenges.

PACKAGING IS GOING ACCORDING TO PLAN

During the year, Packaging continued with technology and product validation of the production line for thermoformed trays that Rottneros has developed. At the same time, the project for scaled-up production in Poland is progressing together with Arctic Paper. The new factory is expected to start at the end of 2023.

To conclude, I would also like to say how proud I am to be part of Rottneros' team and at the same time express my gratitude to all those colleagues who with their wholehearted commitment contributed to our record-profit during 2022. I would also like to thank our customers, suppliers, owners and the board for the good cooperation.

The pulp market

The war in Ukraine, the rollback of the monetary easing after the pandemic, inflation and poorer outlooks are beginning to affect the global economy. Inflation increased gradually during 2022 and led to central banks across the world increasing key interest rates. Inflation is showing signs of slowing down, in the USA it peaked during the summer of 2022 and in the Eurozone inflation dropped in December. Even if inflation is expected to gradually slow down during 2023, it is still at a high level. The prospects for the global BNP-development in 2023 have been revised downward by the World Bank to 1.7 percent, while the growth markets have also been adjusted downward to, in this context, low 3.4 percent. The risk of a global recession is real.

The market for market pulp slowed down during the fourth quarter as the demand for paper and cardboard dropped and paper manufacturers were forced to limit production. After very strong demand during the first six months, supply and demand for pulp continued to match up well and global pulp stocks were by and large unchanged in the fourth quarter.

The paper market in Europe, which experienced a strong economic cycle since summer 2021, came under strong pressure in the fourth quarter with declining demand and increasing costs, not least for energy. The segments most affected are paper for corrugated cardboard, graphic paper (-20 percent in November compared to 2021) and specialty papers (such as decor paper). Consumer board and certain special applications such as electrotechnical applications have shown resistance. Europe is the most important market for Rottneros' pulp.

The market in China continued to be weak during the fourth quarter. Domestic demand in particular was weak as a result of the covid-shutdowns and the general economic situation. At the same time, paper exports have increased by 3 million tonnes year-on-year, which in turn increases competition and affects manufacturers in the rest of Asia negatively. With

covid-shutdowns having been lifted, more and more believe that domestic demand in China will recover during 2023.

The list price for NBSK in Europe dropped from 1,500 USD to 1,430 USD during the fourth quarter, while net prices (spot-prices) dropped from 986 USD to 855 USD. Likewise, net prices for NBSK in China dropped from 940 USD to 885 USD during the same period. Net prices for BCTMP in Asia continued to show a wide range with no change in high prices in certain markets, around 900 USD, while the price in China was at 640 USD at year-end.

Deliveries of tissue paper in the most important markets (excluding China) up to September show an increase of 2 percent compared to 2021, while deliveries of printing and writing papers dropped by 6 percent. Tissue paper and printing and writing papers are not priority markets for Rottneros, but they are the main areas of use for market pulp. Tissue paper makes up more than 40 percent of the market, while printing and writing papers is the next-largest area of use for market pulp globally.

Sales and result, Q4

Turnover during Q4 2022 amounted to 730 (598) MSEK, an increase by 22 percent. Turnover was positively affected by higher sales prices and a favourable currency exchange rate. Lower sales volumes, in part as a result of the shutdown of the groundwood line, had a negative effect. Sales of products other than pulp increased to 69 (50) MSEK. Compared to the fourth quarter 2021, the list price for NBSK increased by 12 percent in USD and 36 percent in SEK. Pulp price hedges yielded a negative outcome of -15 (-9) MSEK.

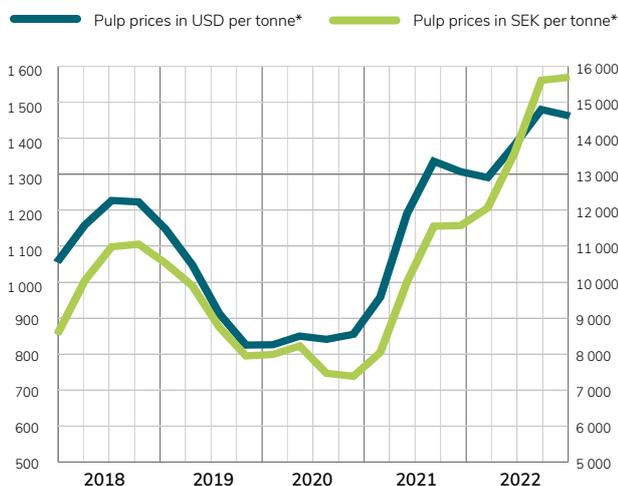
Variable costs were affected by the increasing inflation and the costs for chemicals increased significantly during the quarter. The availability of chips from the sawmill industry dropped, while the availability of pulpwood remained at a normal level.

The electricity price has been at a very high level. The higher electricity prices have led to restrictions on production in Rottneros Mill. The spot price for the quarter was 1.48 SEK per kWh compared to 0.98 SEK per kWh 2021. Rottneros' consumption takes place primarily in electricity area SE3, where the price was 1.60 (1.10) SEK per kWh. A breakdown of the turbine in Vallvik Mill resulted in significant purchases also in electricity area SE2, where the price was 1.27 (0.46) SEK per kWh. Rottneros hedges most of its electricity consumption. Realised return on electricity hedging was 86 (55) MSEK.

In total, variable costs (based on cost per tonne) affected the result negatively by -100 MSEK compared to the fourth quarter of 2021.

Fixed costs were 62 MSEK higher than in the fourth quarter 2021. Maintenance costs have been high during the period, both as a result of scheduled maintenance work but unforeseen events have also contributed, such as increased costs for shutting down the groundwood line. One-off costs for streamlining the operations also affect the quarter. Personnel costs increased as a result of a gratuity for all employees and a provision for profit-sharing and bonus, among other things.

NBSK GROSS PRICES 2018–2022, QUARTERLY



* Average gross prices per quarter of conifer sulphate pulp in Europe.

Profit was affected by depreciations according to plan of 30 (30) MSEK.

EBIT for the fourth quarter 2022 was 1 (58) MSEK. Vallvik Mill's annual maintenance shutdown took place during the quarter and affects the results with higher fixed costs than other quarters and a shortfall in revenue related to lower production. The turbine in Vallvik Mill breaking down resulted in higher maintenance costs, increased purchases of electricity and a lower production rate and negatively affected the result by approximately 50 MSEK. High pulp prices and a stronger USD contributed positively, while higher variable and fixed costs had a negative effect.

Fourth quarter 2022 compared with fourth quarter 2021	Oct-Dec 2022	Oct-Dec 2021	Change, %
NBSK, USD	1,463	1,307	12
SEK/USD	10.72	8.85	21
NBSK, SEK	15,693	11,573	36
Net turnover, MSEK	730	598	22
EBIT, MSEK	1	58	-98

Production and deliveries

The production volume for Q4 2022 was 87,200 (91,400) tonnes, a drop of 5 percent compared to the same quarter in the previous year. Vallvik Mill had its annual maintenance shutdown during the quarter while the year before it began already in September. The breakdown of the turbine in Vallvik Mill limited the speed of production during parts of the quarter. Production has also been negatively affected by higher electricity prices as Rottneros Mill has limited production by 4,600 tonnes during the quarter. Because of the shutdown of the groundwood line in December, there was not full production of groundwood pulp during the entire quarter.

For the whole year, production increased to 397,100 (395,300) tonnes. Production of sulphate pulp was higher

than the year before, but was restrained by unscheduled stoppages and limited operating speed when the turbine was out of operation. Production of CTMP reached a new annual record. The investments made in increased capacity together with the continuous work to increase availability have yielded results.

Customer deliveries during the fourth quarter dropped by 9 percent to 86,500 (95,500) tonnes. Demand dropped significantly towards the end of the year. The shutdown of the groundwood line also meant a drop in deliveries of groundwood pulp. For the whole year, deliveries dropped by 4 percent to 388,400 (403,200) tonnes. The remaining stock of groundwood pulp will be delivered to customers during 2023.

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
PRODUCTION, TONNES				
Sulphate pulp	47,100	50,600	225,500	222,400
Groundwood pulp	12,700	14,800	56,200	64,000
CTMP	27,400	26,000	115,400	108,900
TOTAL	87,200	91,400	397,100	395,300

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
DELIVERIES, TONNES				
Sulphate pulp	52,300	52,100	219,700	223,400
Groundwood pulp	11,900	20,000	55,500	69,000
CTMP	22,300	23,400	113,200	110,800
TOTAL	86,500	95,500	388,400	403,200

MAINTENANCE SHUTDOWN AND SEASONAL VARIATIONS

During 2022, the annual maintenance shutdown at Rottneros Mill was held in the third quarter and at Vallvik Mill during the fourth quarter. In 2021, the stoppage in Vallvik Mill was shared between the third and fourth quarter.

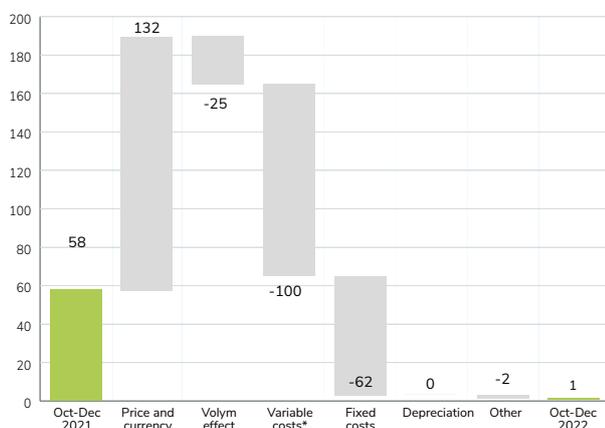
The direct costs for the maintenance shutdown are recorded in accordance with generally accepted accounting principles during the period when the stoppages are held. The maintenance shutdown also means a certain drop in production, which affects turnover and the result for the quarter in which the stoppage is held.

	Time for maintenance shutdown		Estimated shutdown cost
	2022	2021	2022 (MSEK)
Rottneros Mill	Q3	Q3	15
Vallvik Mill	Q4	Q3/Q4	61

The estimated cost of the stoppage includes both direct costs and the indirect effect of the loss in production. It represents an estimate of the effect of a maintenance shutdown in a normal year on the result, in relation to a quarter without maintenance shutdown.

Otherwise, the Rottneros Group is not notably affected by seasonal variations.

DIFFERENCE IN EBIT FOURTH QUARTER 2022 COMPARED WITH FOURTH QUARTER 2021 (MSEK)



* Variable costs exclude costs attributable to increased or decreased production and delivery volumes. Such costs are instead included in "volume effect" together with increase/decrease in volume of net turnover.

Sales and result, January - December

Turnover for January-December amounted to 2,980 (2,303) MSEK, an increase of 29 percent and a new record for Rottneros. The list price for the market pulp NBSK increased during the period by 17 percent, at the same time the USD strengthened against the SEK by 18 percent. The higher prices and a better product mix compensated for a drop in delivery volumes by 4 percent to 388,400 (403,200) tonnes. Turnover was affected positively by increased sales of products other than market pulp, 276 (165) MSEK (see page 16). The realised loss for pulp price hedges was -58 (-17) MSEK.

Inflation and higher shipping costs have led to an increase in variable costs. The largest item is wood, for which the cost has increased in step with inflation. For chemicals and fuels, the cost increase has been significantly higher than inflation.

Purchase of electricity was somewhat higher in 2022 than 2021. The shutdown of the turbine in Vallvik Mill lead to more purchases of electricity instead of self-generated. At the same time, limited production in Rottneros Mill contributed to lower consumption. The electricity price was at a high level during the year, but the high hedging rate provided good protection. The average electricity price for electricity area SE3 was 1.38 (0.67) SEK per kWh and the spot price was 1.45 (0.63) SEK per kWh. The electricity price hedges yielded a positive outcome of 300 (113) MSEK for the year. The total cost for electricity, including electricity price hedges, was 16 MSEK higher in 2022 than 2021.

Altogether, the variable costs (based on cost per tonne) had a negative effect on the result by approximately 255 MSEK compared to 2021.

Fixed costs increased by 159 MSEK compared to the previous year. The cost for the shutdown of the groundwood line in Rottneros Mill amounted to about 70 MSEK including write-

down of fixed assets and stocks. Maintenance costs were high as a result of both scheduled maintenance and unforeseen events. Personnel costs comprise, apart from shutdown costs, payments of gratuities to staff and provisions for profit-sharing and bonus. One-off costs for streamlining the operations also affected fixed costs.

Jan-Dec 2022 compared with Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2021	Change, %
NBSK, USD	1,404	1,198	17
SEK/USD	10.12	8.58	18
NBSK, SEK	14,213	10,280	38
Net turnover, MSEK	2,980	2,303	29
EBIT, MSEK	550	267	106

OTHER INCOME STATEMENT ITEMS

Financial items (net) amounted to 164 (-21) MSEK for the year. As a result of the shutdown of the groundwood line, there are electricity futures that exceed future cash flows. The value of these electricity futures during the third and fourth quarter was 164 MSEK and has been reported in its entirety as financial income for the year. The majority of the value of the electricity futures was locked in the fourth quarter through sales of matching futures. Financial items also consist of interest earnings of 3 MSEK and interest on long-term loans of 5 MSEK.

The group's profit after financial items increased to 714 (246) MSEK.

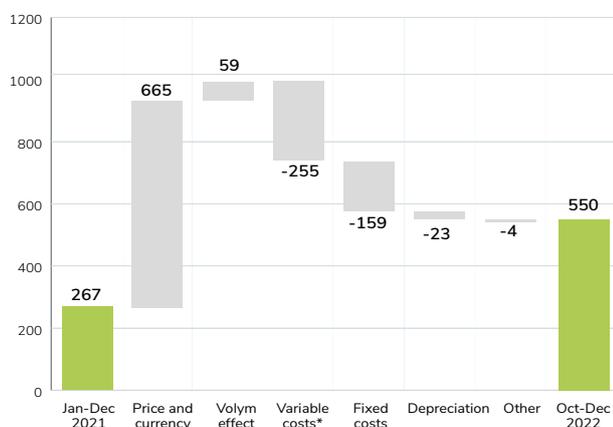
Income tax expenses for the year were -149 (-48) MSEK.

Net profit increased to 565 (198) MSEK and earnings per share to 3.70 (1.30) SEK.

The return on capital employed amounted to 32.2 (18.5) percent.

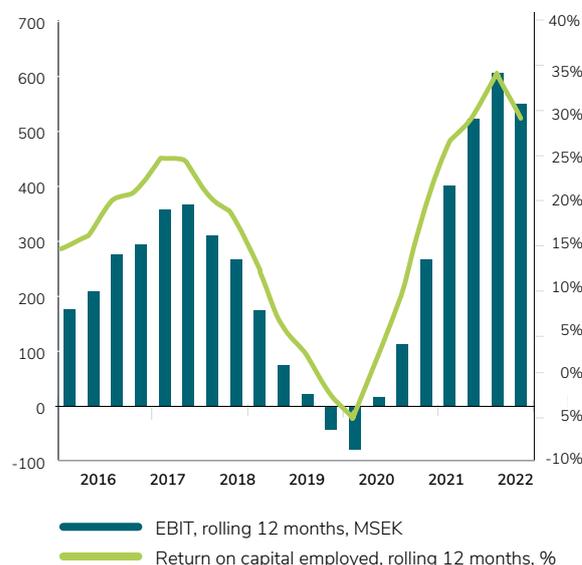
The return on equity amounted to 29.9 (14.0) percent.

DIFFERENCE IN EBIT JANUARY-DECEMBER 2022 COMPARED WITH JANUARY-DECEMBER 2021 (MSEK)



* Variable costs exclude costs attributable to increased or decreased production and delivery volumes. Such costs are instead included in "volume effect" together with increase/decrease in volume of net turnover.

EBIT, ROLLING 12 MONTHS



Investments

The group's investments in fixed assets during January-December 2022 amounted to 112 (125) MSEK and primarily relate to reinvestments in order to maintain the technical standard that has been achieved thanks to the major investments made in recent years. These investments include stability, availability and operational reliability in both mills and last year's investment in the environment also continues during this year. Other areas of focus for investment at both mills include safety and the working environment. In Rottneros Packaging, investments have been made to increase the flow in production and further increase the quality of the moulded fibre trays.

Rottneros Packaging

Rottneros Packaging focuses on high-quality food packaging with properties that meet extremely high demands. Such properties mainly concern purity, barrier properties to achieve long shelf-life, surface quality and traceability. The moulded packaging trays that Rottneros produces have a renewable raw material content of 80-95 percent.

In February 2022, the boards of Rottneros and Arctic Paper decided to jointly invest 15 MEUR in a factory for moulded fibre trays at Arctic Paper's in Polish Kostrzyn, as part of the previously announced 50/50-owned joint venture. Commissioning of the new factory is expected to occur at the end of 2023. Production capacity is estimated at 60-80 million packages annually, which can be compared with Rottneros Packaging's plant in Sunne, where the capacity is currently 15-20 million packages.

Financial position

In July 2021, Rottneros AB entered into a new loan agreement comprising a loan of 150 MSEK with 32 MSEK in annual amortisation, as well as revolving credits of up to 100 MSEK. After utilising the extension option, the loan agreement matures in July 2024.

The group's liquid funds amounted to 465 MSEK at year-end 2022, compared to 161 MSEK at year-end 2021. Interest-bearing liabilities were 111 MSEK at year-end. Net cash was 354 MSEK, compared to 16 MSEK at year-end 2021. Total granted and unutilised credits amounted to 282 MSEK at year-end 2022.

The equity/assets ratio as of 31 December 2022 amounted to 66 (64) percent. Equity per share amounted to 14.8 (9.99) SEK at year-end.

Cash flow

Cash flow from operating activities for January-December amounted to 541 (288) MSEK. Cash flow after investments in fixed assets was 429 (165) MSEK.

Net cash flow for the period was 304 (-169) MSEK. During the year, shareholders were paid a dividend of 91 MSEK.

Parent Company

The parent company's profit after financial items for January-December 2022 amounted to 439 (118) MSEK.

Changes in management

No changes in management took place during the quarter.

Average number of employees

The average number of employees was 319 (316).

LONG-TERM TARGETS AND TARGET ACHIEVEMENT 2022

FINANCIAL TARGETS		Target	Outcome 2022
Distribution of net profit		30-50 %	46
Average growth, produced tonnes pulp		3 % / year	+ 0.5 %
Share of revenue, non-pulp		Min 10 % year 2023	9 %
Equity/assets ratio		Over 50 %	66 %

SOCIAL TARGETS		Target	Outcome 2022
Safety, accidents with sick leave		Annual improvement of LTIFR*	7.4 (outcome 2021: 13.0)
Proportion of female employees		Min 30 % year 2025	19 %

ENVIRONMENTAL TARGETS		Target	Outcome 2022
Fossil free production according to GHG Scope 1		Fossil free production year 2030	- 24 % **
Fossil free production according to GHG Scope 2		Fossil free production year 2030	+ 4 % **
Emissions of COD per tonne pulp		Annual improvement	+ 5 %

* LTIFR - Lost Time Injury Frequency Rate: Number of accidents with sick leave per 1 million hours worked, measured over rolling 12 months.

** Change in emissions of fossil CO2 compared to 2021

Risk management

Operationally, the company uses several measures and strategies, such as focusing on niches and various specific customer segments aimed at reducing the group's dependency on market pulp list prices and at moderating fluctuations in profitability over a business cycle. The factors that have the greatest impact on the group's performance are linked to exchange rates, as well as pulp, timber and electricity prices.

IMPACT OF THE WAR IN UKRAINE

The impact of the war in Ukraine on the group is indirect and is most evident in rising prices for input goods. The group's production has not been affected by the war.

CURRENCY EXPOSURE USD AND EUR

Although Rottneros issues invoices in different currencies, the underlying currency for the pulp price is predominantly the USD. The underlying exposure to the USD is thus high. The direct inflow of USD makes up about 57 percent of the inflow and EUR about 33 percent. However, the impact of exchange rate fluctuations on indirect exposure is delayed, as the normal duration of a customer contract is between 1-3 months.

The average USD-rate during January-December 2022 was 21 percent higher compared to 2021.

PULP PRICE

The pulp price (NBSK) is set in USD while production costs are mainly in SEK. As of last December 2022, the group held pulp price hedges for 12,000 tonnes with maturity between January and December 2023 at an average price of 13,638 SEK per tonne. The actual value of these unrealised price hedges was 6 MSEK as of 31 December 2022.

ELECTRICITY

All external electricity for the mills, approx. ca 300 GWh annually, is bought directly through Nord Pool power exchange. After shutting down the groundwood line, electricity consumption is estimated to drop to just over 220 GWh in 2023 to then gradually increase with the planned investment in increased production of CTMP.

At the end of 2022, there were electricity price hedges as per the following table. The table shows the hedged proportion of estimated total consumption and the hedged average price in SEK/kWh. The actual value of these unrealised electricity futures was 631 MSEK as of 31 December 2022. Of this value, 465 MSEK refers to cash flow hedges and 165 MSEK are classified as financial derivatives and have been reported as financial income for the year. To eliminate the risk in the financial derivatives, a sell position has been taken that hedges 154 MSEK of the total 165 MSEK reported as financial income in 2022

Electricity price hedges as of 31 December 2022

Year	Proportion hedged	SEK/kWh
2023	100%	0.346
2024	100%	0.342
2025	70%	0.347

55 % of the hedged volume is against the system price and 45 % against electricity area SE3

The high hedging rate protects Rottneros' future electricity costs against strong price fluctuations. Because of a greater imbalance between electricity price areas, a certain proportion of the contracts are hedged against electricity area SE3. The average price level for electricity at Nord Pool (electricity area SE3) during January - December 2022 amounted to 1.38 (0.67) SEK per kWh.

For more information about risks, see the annual report for 2021, pages 63-69.

Information about shares

NUMBER OF SHARES AND TREASURY SHARES

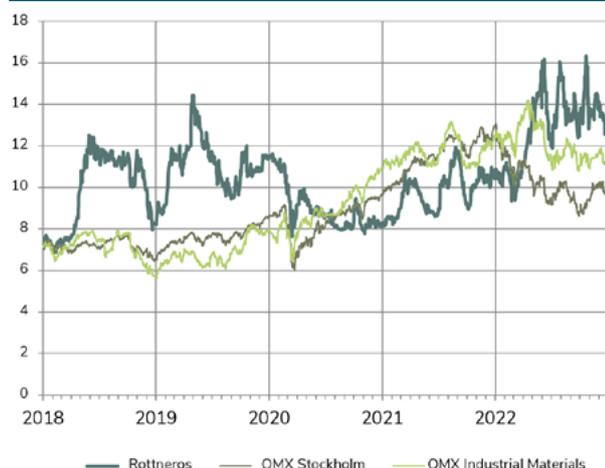
The number of shares in Rottneros amounts to 153,393,890. Rottneros' holdings of treasury shares amount to 821,965 shares. No change in own holdings occurred in 2022.

THE SHARE'S PRICE MOVEMENT

JANUARY-DECEMBER 2022

At the end of 2022, the share price was 12.22 SEK (10.42 at the end of 2021). The average price January-December was 13.40 (9.85) SEK.

SHARE PRICE AND STOCKHOLM STOCK EXCHANGE PRICE MOVEMENT 2018-2022



TRANSACTIONS WITH RELATED PARTIES

During January - December 2022, Rottneros sold pulp to related Arctic Paper S.A.-group amounting to 0 (76) MSEK. Operating receivables outstanding at Arctic Paper as of 31 December 2022 amounted to 0 (5) MSEK. Transactions have taken place at market terms.

MAIN SHAREHOLDERS AS OF 31 DECEMBER 2022

Shareholders	Number of shares (= votes)	Percent of capital
Arctic Paper S.A.	78,230,883	51.0
PROAD AB	11,565,500	7.5
UBS Switzerland AG, W8IMY	6,555,097	4.3
Caceis Bank, Switzerland Branch, W8IMY	3,900,000	2.5
Avanza Pension	2,505,499	1.6
SEB AB, Luxembourg Branch, W8IMY	2,278,400	1.5
CBNY-DFA-INT SML CAP V	1,514,066	1.0
Caceis Bank Spain SAU, W8IMY	1,155,113	0.8
BNY Mellon SA/NA (Former BNY), W8IMY	970,448	0.6
SEB Investment Management	832,565	0.5
Total 10 largest shareholders by holdings	109,507,571	71.4
Other shareholders	43,064,354	28.1
Rottneros AB (treasury shares from buy-back)	821,965	0.5
TOTAL	153,393,890	100.0

Annual general meeting 2023

The annual general meeting 2023 will be held in Sunne on Thursday 27 April 2023

Shareholders who wish to have matters taken up for discussion at the annual general meeting shall submit such proposals to the chairperson of the board by e-mail to: rottneros@setterwalls.se

or by letter to:

Rottneros AB (publ),

c/o Setterwalls Advokatbyrå AB,

Box 11235, 404 25 Gothenburg.

Proposals must be received no later than 9 March 2023 in order to be included in the notice for the annual general meeting 2023.

Significant events after the balance sheet date

There are no significant events after the end of the accounting period that affect the group's financial position and performance.

Forthcoming financial information

21 March 2023	Annual report 2022
26 April 2023	Interim report January-March 2023
27 April 2023	General meeting in Sunne
21 July 2023	Interim report January-July 2023
27 October 2023	Interim report January-September 2023

For more information, please see Rottneros' homepage, rottneros.com

The board and managing director assure that the interim report provides a true and fair view of the parent company's and group's operations, financial position and performance and describes significant risks and uncertainties which the company and the companies that are part of the group are facing.

Vallvik, 2 February 2023

Per Lundeen

Chairman of the board

Marie S. Arwidson

Board member

Conny Mossberg

Board member

Roger Mattsson

Board member

Julia Onstad

Board member

Johanna Svanberg

Board member

Jerry Sohlberg

Employee representative

Mika Palmu

Employee representative

Lennart Eberleh

CEO and President

This information is information that Rottneros AB is obligated to publish under the EU Market Abuse Regulation and the Securities Market Act. This information was submitted for publication, through the agency of the contact person set out below, on 2 February 2023 at 8:00 a.m. This report has been prepared in both a Swedish and an English version. The Swedish version shall prevail in the event of differences between the two.

For further information, please contact:

Lennart Eberleh, CEO and President Rottneros AB, 0270-622 65
Rottneros AB (publ), Corp. ID number 556013-5872, Box 144, 826 23 Söderhamn, tel. 0270-622 00
www.rottneros.com, info@rottneros.com

THE GROUP'S INCOME STATEMENT

AMOUNTS IN MSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net turnover	730	598	2,980	2,303
Changes in finished goods stock	27	-8	88	-29
Other operating income	-12	8	44	29
TOTAL OPERATING INCOME	745	598	3,112	2,303
Raw materials and consumables	-406	-275	-1,415	-1,125
Other external costs	-223	-158	-649	-509
Personnel costs	-85	-77	-357	-284
Other operating expenses	0	0	0	0
EBITDA (Operating profit/loss before depreciation and write-downs)	31	88	691	385
Depreciation and write-downs	-30	-30	-141	-118
EBIT (Operating profit/loss)	1	58	550	267
Financial income	12	0	169	1
Financial expenses	-2	-1	-5	-22
TOTAL FINANCIAL ITEMS	10	-1	164	-21
PROFIT/LOSS AFTER FINANCIAL ITEMS	11	57	714	246
Tax on profit for the period	-2	-8	-149	-48
NET PROFIT	9	49	565	198
Average number of shares outstanding (thousand) ¹	152,572	152,572	152,572	152,572
EARNINGS PER SHARE (SEK) ¹	0.06	0.32	3.70	1.30

¹ No share-related programs exist that can yield a dilutive effect.

THE GROUP'S REPORT ON COMPREHENSIVE INCOME

AMOUNTS IN MSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
NET PROFIT	9	49	565	198
OTHER COMPREHENSIVE INCOME				
Items that have been or may be transferred to the profit/loss for the period				
Changes in value of cash flow hedges	-293	71	319	121
Income tax attributable to changes in value	60	-15	-66	-25
Translation differences	0	0	0	0
TOTAL OTHER COMPREHENSIVE INCOME	-233	56	253	96
COMPREHENSIVE INCOME FOR THE PERIOD ²	-224	105	818	294

² The entire comprehensive income is attributable to the parent company's shareholders.

CONSOLIDATED BALANCE SHEET, SUMMARY

AMOUNTS IN MSEK	31 Dec 2022	31 Dec 2021
Intangible assets	21	25
Tangible assets	1,190	1,213
Financial assets	290	101
TOTAL FIXED ASSETS	1,501	1,339
Inventories	436	327
Current receivables	1,020	555
Cash and cash equivalents	465	161
TOTAL CURRENT ASSETS	1,921	1,043
TOTAL ASSETS	3,422	2,382
EQUITY	2,256	1,527
Interest-bearing liabilities	111	145
Deferred tax liability	268	153
Other non-interest-bearing liabilities	57	54
TOTAL LONG-TERM LIABILITIES	434	352
Interest-bearing liabilities	-	-
Non-interest-bearing liabilities	730	503
TOTAL CURRENT LIABILITIES	730	503
TOTAL EQUITY AND LIABILITIES	3,422	2,382

CHANGES IN THE GROUP'S EQUITY IN SUMMARY

AMOUNTS IN MSEK	Share-capital	Other contributed capital	Repurchased treasury shares	Other reserves		Profit brought forward incl. profit/loss for the year	Total equity
				Hedging-reserve	Translation-difference		
Opening balance as of 1 January 2021	153	730	-69	17	-8	478	1,301
Net profit Jan-Dec						198	198
Other comprehensive income Jan-Dec				96	-		96
Comprehensive income Jan-Dec				96	-	198	294
Dividend to shareholders						-68	-68
Closing balance as of 31 December 2021	153	730	-69	113	-8	608	1,527
Net profit Jan-Dec						565	565
Other comprehensive income Jan-Dec				253	2		255
Comprehensive income Jan-Dec				253	2	565	820
Dividends to shareholders Jan-Dec						-91	-91
Closing balance as of 31 December 2022	153	730	-69	366	-6	1,082	2,256

CONSOLIDATED CASH FLOW STATEMENT

AMOUNTS IN MSEK	Jan-Dec 2022	Jan-Dec 2021
EBIT	550	267
Adjustment for items not included in the cash flow	-	1
Depreciation and write-downs	140	117
EBIT adjusted for items not affecting cash flow	690	385
Financial items received/paid	-2	-21
Received/paid tax	-32	-42
Cash flow from operating activities before changes in working capital	656	322
Change in working capital	-115	-34
Cash flow from operating activities	541	288
Investments in fixed assets	-112	-125
Sale of fixed assets	-	2
Change in current loan receivables	-	-
Cash flow from investing activities	-112	-123
Long-term borrowings	-	150
Repayment of long-term loans	-34	-416
Dividend paid	-91	-68
Cash flow from financing activities	-125	-334
NET CASH FLOW FOR THE PERIOD	304	-169
Cash and cash equivalents at the beginning of the period	161	330
Net cash flow for the period	304	-169
Cash and cash equivalents at the end of the period	465	161

CHANGES IN INTEREST-BEARING LIABILITIES

AMOUNTS IN MSEK	Jan-Dec 2022	Jan-Dec 2021
Interest-bearing liabilities in the balance sheet at the beginning of the period	145	411
Changes that are included in the cash flow from the financing activities		
Long-term borrowings from banks	-	150
Repayment of long-term borrowings from banks	-34	-416
Total	-34	-266
Other changes		
Via acquisition	-	-
Interest-bearing liabilities in the balance sheet at the end of the period	111	145

THE PARENT COMPANY'S INCOME STATEMENT

AMOUNTS IN MSEK	Jan-Dec 2022	Jan-Dec 2021
NET TURNOVER	8	8
Other operating income	16	19
TOTAL OPERATING INCOME	24	27
Result from hedging activities	-58	-17
Other external costs	-36	-19
Personnel costs	-42	-31
EBITDA(OPERATING PROFIT/LOSS BEFORE DEPRECIATION AND WRITE-DOWNS)	-112	-40
Depreciation and write-downs	-3	-4
EBIT (operating profit/loss)	-115	-44
Profit from participations in group companies	534	162
Financial income	24	21
Financial expenses	-4	-21
TOTAL FINANCIAL ITEMS	554	162
PROFIT/LOSS AFTER FINANCIAL ITEMS	439	118
Tax on profit for the period	-92	-25
NET PROFIT	347	93

THE PARENT COMPANY'S REPORT OF COMPREHENSIVE INCOME

AMOUNTS IN MSEK	Jan-Dec 2022	Jan-Dec 2021
NET PROFIT	347	93
Other comprehensive income	-	-
TOTAL OTHER COMPREHENSIVE INCOME	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	347	93

THE PARENT COMPANY'S BALANCE SHEET IN SUMMARY

AMOUNTS IN MSEK	31 Dec 2022	31 Dec 2021
Intangible assets	0	4
Tangible assets	1	0
Financial assets ¹	664	844
TOTAL FIXED ASSETS	665	848
Current receivables ²	637	278
Cash and cash equivalents	428	143
TOTAL CURRENT ASSETS	1,065	421
TOTAL ASSETS	1,730	1,269
EQUITY	1,088	833
Interest-bearing long-term liabilities	102	133
Non-interest-bearing long-term liabilities	57	54
TOTAL LONG-TERM LIABILITIES	159	187
Non-interest-bearing current liabilities ³	483	249
TOTAL CURRENT LIABILITIES	483	249
TOTAL EQUITY AND LIABILITIES	1,730	1,269

¹ Includes receivables from subsidiaries of 283 (283) MSEK.

² Includes receivables to subsidiaries of 589 (289) MSEK.

³ Includes liabilities to subsidiaries of 388 (169) MSEK.

Supplementary disclosures and notes in summary

ACCOUNTING POLICIES

This report has been prepared in accordance with IAS 34, Interim Financial Reporting, which complies with Swedish law through the application of the Swedish Financial Reporting Board's RFR 1, Supplementary Accounting Rules for Groups and RFR 2, Accounting for Legal Entities, in respect of the parent company.

The accounting policies, definitions of key ratios and calculation methods are the same as those used in the last annual report.

All amounts in this report are in MSEK, unless stated otherwise. Rounding-off differences may occur.

Net turnover

The lion's share of Rottneros' revenues is derived from the sale of pulp. Control is transferred at a point in time, which coincides with the actual delivery of the goods. Revenue is recognised at fair value of what has been or will be received. Turnover in the income statement consists of revenues from the sale of goods and invoiced freight, and is recorded net after of returns, discounts, pulp price hedges and VAT.

FINANCIAL INSTRUMENTS

The valuation is based on directly observable price quotations as of the balance sheet date which are classified at level 2 in the actual value hierarchy according to IFRS 13.

The entire fair value of a derivative instrument that constitutes a hedging instrument is classified as a fixed asset or long-term liability if the remaining term of the hedged item is more than 12 months, and as a current asset or current liability if the remaining term of the hedged item is less than 12 months. The maximum exposure to credit risk on the balance sheet date is the fair value of the derivative instruments recognised as assets in the balance sheet.

With the decision on 16 August 2022 to close the groundwood pulp line at Rottneros Mill, the group has electricity futures that exceed estimated consumption for the years 2023 and 2024. In accordance with IFRS 9, the part of the electricity futures that is not matched by future cash flows is classified as financial items. In connection with the decision to close the groundwood line, 152 MSEK was transferred from the hedging reserve in equity to the net financial income. Changes in the value of the part that is not matched by future cash flows are recognised after this date in net financial income and amounted to 12 MSEK for the period 16 August to 31 December 2022.

The financial derivatives consist of a purchase position of 12 MW. To eliminate the risk in the financial derivatives, a sales position of 10 MW has been taken which secured 154 MSEK of the total of 165 MSEK reported as financial income in 2022.

In July 2021, Rottneros AB entered into a loan agreement comprising a loan of 150 MSEK as well as revolving credits of up to 100 MSEK. The loan agreement has a term of two years with an option for extension. In July 2022, the loan agreement was extended to expire in July 2024.

The nature of other financial assets and liabilities is in all essential respects the same as on 31 December 2021. The carrying amounts are deemed to be equal to actual values, which was also the case at the end of 2021, since the effect of discounting is not of material significance. Accounts receivable are covered by credit insurance which reimburses most of any bad debt losses. The company has long-term relationships with its customers and credit losses have historically been low.

ROTTNEROS' NET TURNOVER CONSISTS OF THE FOLLOWING ITEMS:

Amounts in MSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Sale of pulp	676	557	2,762	2,155
Profit/loss from pulp price hedges	-15	-9	-58	-17
Sale of byproducts and others	25	13	96	47
Sale of wood	44	37	180	118
TOTAL NET TURNOVER	730	598	2,980	2,303

NET TURNOVER BY GEOGRAPHICAL MARKET:

Amounts in MSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Sweden	225	113	680	467
Other Nordic countries	79	84	274	234
Germany	108	99	457	351
Italy	107	90	391	317
Rest of Europe	20	73	271	219
North America	43	48	244	219
Asia	148	90	663	495
Rest of the world	0	0	0	1
TOTAL NET TURNOVER	730	598	2,980	2,303

DISTRIBUTION TURNOVER PULP BY AREA OF USE

Amounts in MSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Cardboard and packaging	189	124	880	551
Printing and writing papers	70	96	266	368
Filters	120	104	542	463
Electrotechnical applications	120	91	410	315
Tissue paper	27	30	114	122
Specialty paper	110	102	399	306
Fibre cement	16	0	65	0
Other	24	10	86	30
TOTAL NET TURNOVER	676	557	2,762	2,155

FAIR VALUE FOR DERIVATES (MSEK) 31 DECEMBER 2022

Hedging	Hedged volume	Maturity	Hedged level	Fair value (MSEK)
Pulp price, forward sell	12 000 ton	2023	13 638 SEK/ton	6
El, termin, term purchase - cash flow hedging	640 200 MWh	2023-2025	0.345 SEK/kWh	454
Electricity, forward purchase - financial derivate	105 120 MWh	2023-2024	15.718 SEK/kWh	165
Total fair value				625

FAIR VALUE FOR DERIVATES (MSEK) 31 DECEMBER 2021

Hedging	Hedged volume	Maturity	Hedged level	Fair value (MSEK)
Pulp price, forward sell	12 000 ton	Jan-Dec 2022	9 721 SEK/ton	-8
Electricity price, forward buy	1 025 640 MWh	2022-2025	0.32 SEK/kWh	149
Total fair value				141

THE GROUP'S DEVELOPMENT IN SUMMARY

	Jan-Dec 2022	2021	2020	2019	2018	2017	2016
Income statement, MSEK							
Net turnover	2,980	2,303	2,093	2,376	2,260	1,912	1,730
EBITDA	691	385	77	374	394	247	221
Depreciation and write-downs	-141	-118	-119	-106	-99	-91	-51
EBIT	550	267	-42	268	295	156	170
Financial items (net financial income/expense)	164	-21	-19	-21	-19	-9	-7
Profit/loss after financial items	714	246	-61	247	276	147	163
Net profit	565	198	-50	194	221	114	128
Cash flow statement, MSEK							
Cash flow from operating activities	541	288	85	462	223	222	187
Investments in fixed assets	-112	-123	-128	-109	-255	-237	-278
Cash flow after investments in fixed assets	429	165	-43	353	-32	-15	-91
Cash flow from financing activities	-125	-334	-3	-214	-56	325	-62
Net cash flow	304	-169	-46	138	-88	310	-153
Balance sheet items, MSEK							
Fixed assets	1,501	1,339	1,285	1,280	1,290	1,078	905
Inventories	436	327	355	375	389	279	278
Current receivables	1,020	555	287	342	484	324	290
Cash and cash equivalents	465	161	330	376	238	326	16
Net liability (+) / net cash (-)	-354	-16	81	35	157	68	-2
Equity	2,256	1,527	1,301	1,380	1,460	1,207	1,151
Long-term interest-bearing liabilities	111	145	411	411	395	394	-
Long-term non-interest-bearing liabilities	325	207	150	176	137	52	14
Current interest-bearing liabilities	-	-	-	-	-	-	14
Current non-interest-bearing liabilities	730	503	395	406	409	354	310
Capital employed	1,902	1,511	1,382	1,415	1,617	1,275	1,149
Total equity and liabilities	3,422	2,382	2,257	2,373	2,401	2,007	1,489
Key ratios							
EBITDA-margin, %	23.2	16.7	3.7	15.7	17.4	12.9	12.8
EBIT-margin, %	18.5	11.6	-2.0	11.3	13.1	8.2	9.8
Profit margin, %	24.0	10.7	-2.9	10.4	12.2	7.7	9.4
Return on equity (rolling 12 months), %	29.9	14.0	-3.8	13.7	16.6	9.7	11.6
Return on capital employed (rolling 12 months), %	32.2	18.5	-3.0	17.7	20.4	12.9	16.7
Equity/assets ratio, %	66	64	58	58	61	60	77
Debt/equity ratio, %	-16	-1	6	3	11	6	0
Other							
Average number of employees	319	316	318	303	303	301	282
Production pulp, thousand tonnes	397.1	395.3	412.6	406.0	393.6	401.2	374.1
Deliveries pulp, thousand tonnes	388.4	403.2	416.5	408.3	382.5	395.9	374.1
Pulp price list price NBSK, USD per tonne ¹	1,404	1,198	843	984	1,167	882	802
SEK/USD ²	10.12	8.58	9.21	9.46	8.69	8.54	8.56
Pulp price list price NBSK, SEK per tonne	14,213	10,280	7,765	9,304	10,144	7,530	6,867

¹ Source: Market quotation gross price once a week. Average for each period.

² Source: Riksbanken's daily quotations. Average for each period.

QUARTERLY DATA GROUP

	2022				2021				2020			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Income statement, MSEK												
Net turnover	730	806	784	660	598	570	593	542	490	508	510	585
EBITDA	31	233	254	174	88	130	127	40	-65	31	31	80
Depreciation and write-downs	-30	-49	-34	-29	-30	-29	-30	-29	-30	-28	-29	-32
EBIT	1	185	220	145	58	101	97	11	-95	3	2	48
Financial items (net financial income/expense)	10	156	-1	-1	-1	-11	-4	-4	-4	-5	-5	-5
Profit/loss after financial items	11	341	219	144	57	90	93	7	-99	-2	-3	43
Tax on profit for the period	-2	-71	-46	-30	-8	-19	-19	-2	22	0	0	-11
Net profit	9	270	172	114	49	71	74	5	-77	-2	-3	32
Per share												
Earnings per share, SEK	0.06	1.77	1.13	0.75	0.32	0.47	0.48	0.03	-0.51	-0.01	-0.02	0.21
Other												
Production pulp, thousand tonnes	87.2	96.2	110.5	103.2	91.4	92.2	109.2	102.5	95.3	110.2	97.7	109.4
Deliveries pulp, thousand tonnes	86.5	95.9	106.0	100.0	95.5	92.5	103.2	112	106.5	106.9	93.1	110.0
Pulp price list price NBSK, SEK per tonne	15,693	15,613	13,589	12,063	11,573	11,557	10,012	8,044	7,382	7,465	8,226	7,988

SHARE DATA ¹

		2022	2021	2020	2019	2018
Shares outstanding at the start of the period ²	Number	152,572	152,572	152,572	152,572	152,572
Shares outstanding at the end of the period ²	Number	152,572	152,572	152,572	152,572	152,572
Average number of shares outstanding ²	Number	152,572	152,572	152,572	152,572	152,572
Repurchased treasury shares ²	Number	822	822	822	822	822
Earnings per share	SEK	3.70	1.28	-0.33	1.27	1.45
Cash flow after investments/share ³	SEK	2.80	1.07	-0.30	2.30	-0.21
Equity/share	SEK	14.78	9.99	8.53	9.05	9.57
Dividend ⁴						
Ordinary dividend	SEK	0.40	-	-	0.40	0.30
Extra dividend	SEK	0.20	0.45	-	1.00	0.07
Total	SEK	0.60	0.45	-	1.40	0.37
Dividend/equity/share	%	4.1	4.5	-	15.5	3.9
Share price at the end of the period	SEK	12.22	10.42	8	11.40	8.24
Share price/equity/share	times	0.8	1.0	1.0	1.3	0.9
P/E-ratio/share	times	3.3	8.1	-24.7	9.0	5.7

¹ There are no key ratios affected by any dilutive effect.

² The number of shares is stated in thousands, excluding Rottneros' holdings of treasury shares.

³ Cash flow from the operating activities less investments in fixed assets, divided by the average number of shares outstanding.

⁴ Refers to dividends paid during the respective year

Alternative key ratios

Alternative key ratios are financial measures that are not defined in IFRS and that are presented outside of the financial reports. Rottneros uses the alternative key ratios Cash flow after investments, Net liability/cash, Capital employed, Return on capital employed, Return on equity, Equity/assets ratio and Debt/equity ratio. The company believes that these key ratios are useful for readers of the financial reports as a supplement to other key ratios in order to assess Rottneros

Group's financial position and profitability. Furthermore, Rottneros uses the alternative key ratios P/E-ratio, Earnings per share and Operating profit/loss per share, which the company deems as relevant for investors and other readers. Alternative key ratios can be defined differently by other companies and are thus not always comparable with similar measures that are used by other companies.

Definitions for IFRS- and alternative key ratios

EBITDA

Profit/loss before depreciation and write-downs, financial items and income taxes (operating profit/loss before depreciation and write-downs).

EBIT

Profit/loss before financial items and income taxes (operating profit/loss)

EBIT-MARGIN

EBIT in percent of net turnover.

PROFIT MARGIN

Profit/loss after financial items in percent of net turnover.

EQUITY PER SHARE

Equity divided by the number of shares.

CASH FLOW AFTER INVESTMENTS

Cash flow from the operating activities less investments in fixed assets.

NET LIABILITY/NET CASH

Interest-bearing liabilities less cash and cash equivalents.

CAPITAL EMPLOYED

Equity plus interest-bearing liabilities less cash and cash equivalents.

RETURN ON EQUITY (ROLLING 12 MONTHS)

The net profit for the last 12 months, in percent of average equity (average of equity at the start of the period and at the end of the period).

EQUITY/ASSETS RATIO

Equity in percent of total equity and liabilities.

LIQUIDITY

Cash funds, balances available with the banks and equivalent institutes and short-term as well as liquid investments that can be easily converted into a known amount.

AVAILABLE LIQUIDITY

Liquid funds and available credits with banks and equivalent institutes.

DEBT/EQUITY RATIO

Net liability/cash in percent of equity.

P/E-RATIO

Share price at the end of the period in relation to earnings per share (rolling 12 months).

OPERATING PROFIT/LOSS PER SHARE

Profit/loss before financial items and income taxes divided by the average number of shares outstanding.

The information in the report has been put together and checked with the utmost care, but Rottneros cannot assume any responsibility for any loss or damage as a result of using the information in the report.

GLOSSARY

Market pulp	Pulp sold on the market and transported to the customer. Market pulp accounts for about one third of pulp production worldwide. The remaining two thirds are produced at integrated paper and board mills, or used internally within a group.
BCTMP	Bleached Chemi-Thermo-Mechanical Pulp: bleached mechanical pulp where the raw material is impregnated with chemicals. Stronger than TMP. The term is common in North America and Asia (see CTMP).
BEK	Bleached Eucalyptus Kraft pulp.
Chemical pulp	Pulp produced by boiling wood raw material with chemicals. The pulp can be bleached to a higher brightness and a higher strength than mechanical pulp. Chemical pulp is usually sulphate pulp, but can also be sulphite pulp.
COD	Chemical Oxygen Demand, chemical measurement method for oxygen-consuming substances.
CTMP	Chemi-Thermo-Mechanical Pulp. Development of TMP, where the mechanical pulp is impregnated with chemicals. Stronger than TMP. The term is used in Europe for both bleached and unbleached pulp.
ECF	Elemental Chlorine Free. Sulphate pulp bleached using chlorine dioxide, not chlorine.
GHG Scope 1	Carbon dioxide emissions from fossil fuels during production in-house.
GHG Scope 2	Carbon dioxide emissions from electricity and other energy purchased for the business.
Groundwood pulp (SGP)	Mechanical pulp based on roundwood as a raw material.
High-yield pulp	Groundwood pulp, TMP and CTMP/BCTMP.
Long-fibre pulp	Pulp where the raw material is softwood, which has longer cellulose fibre than hardwood.
LTIFR	Lost Time Injury Frequency Rate indicates the number of accidents with sick leave per million hours worked.
Mechanical pulp	Pulp produced using a mechanical process for fibre separation and processing. Has a higher level of bulk, stiffness and opacity than chemical pulp. Groundwood pulp, TMP and CTMP/BCTMP are types of mechanical pulp.
NBSK	Northern Bleached Softwood Kraft: bleached long-fibre sulphate pulp. The leading indicator of world market prices.
Short-fibre pulp	Pulp where the raw material is hardwood, which has shorter cellulose fibre than softwood.
TMP	Thermo-Mechanical Pulp: mechanical pulp produced using a technique in which the chips are preheated with steam, but without chemicals.
UKP	Unbleached Kraft Pulp, unbleached sulphate pulp.

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ROTTNEROS

Rottneros AB (publ)
Box 144, SE-826 23 Söderhamn, Sweden
visiting address: Vallviks Bruk, SE-826 79 Vallvik, Sweden
+46 (0)270 620 00 info@rottneros.com rottneros.com Orgnr: 556013-5872