

INTERIM REPORT
JAN-MAR 2023

Q1

Stable results in uncertain times

EBIT first quarter 2023 149 MSEK

Declining prices but still at good level

First quarter with a new production structure



ROTTNEROS



Stable results in uncertain times

Q1 2023 COMPARED TO (Q1 2022)

NET SALES increased by 13 percent to 744 (660) MSEK despite the fact that sales of groundwood pulp were limited to remaining inventory from production that ceased in December 2022. Higher sales prices and sustained volume of other products were positive contributing factors.

THE LIST PRICE for NBSK pulp was 8 percent higher in USD and 21 percent higher in SEK compared to the first quarter of 2022. USD strengthened against the SEK by 12 percent during the same period.

VOLUME PRODUCED excluding groundwood pulp amounted to 89.6 (86.3) thousand tonnes, an increase of 4 percent.

VOLUME SOLD of sulphate pulp and CTMP amounted to 82.6 (83.1) thousand tonnes. Volume of groundwood pulp amounted to 4.6 (16.9) thousand tonnes.

EBIT (operating profit/loss) for the first quarter of 2023 was 149 (145) MSEK. Higher variable costs were offset by high sales prices and a better product mix.

NET PROFITS for the first quarter 2023 totalled 118 (114) MSEK. Earnings per share for the quarter totalled 0.77 (0.75) SEK.

THE BALANCE SHEET remains strong. The equity/assets ratio was 66 (67) percent and available liquidity amounted to 860 (416) MSEK. Net cash amounted to 475 MSEK.

THE QUARTER IN FIGURES

	Jan-Mar 2023	Jan-Mar 2022	Change	rolling 12 months	Jan-Dec 2022
Net turnover, MSEK	744	660	84	3,064	2,980
EBITDA, MSEK	178	174	4	695	691
EBIT (operating profit/loss), MSEK	149	145	4	554	550
Profit/loss after financial items, MSEK	148	144	4	718	714
Net profit, MSEK	118	114	4	569	565
Earnings per share, SEK	0.77	0.75	0.02	3.73	3.70
Cash flow from operating activities, MSEK	104	-1	105	654	541
Return on capital employed (rolling 12 months), percent	32.3	23.7		32.3	32.2
Production*, thousand tonnes	89.6	86.3	3.3	344.0	340.9
Deliveries*, thousand tonnes	82.6	83.1	-0.5	332.4	332.9

*Excluding groundwood pulp

Statement by the CEO

Lennart Eberleh



We are reporting a strong start to 2023 in terms of both profits and production. Pulp prices were still at a historical high, which was a key factor behind the stable results. However, prices are declining. The Group's focus on niche areas with stable and increasing demand, together with our solid finances, makes us well equipped to face the challenges of an uncertain environment. We are maintaining focus on continuous improvements in the areas we can influence.

Net turnover increased by 13 percent during the quarter to 744 MSEK. EBIT amounted to 149 MSEK. Excluding groundwood pulp, production increased by 4 percent, driven by a clear increase in sulphate pulp, while deliveries were largely stable. Production followed plan, with the exception of some minor production limitations in Rottneros Mill resulting from high electricity prices in January. During the quarter, the still historically high pulp prices and a strong USD continued to benefit our margins.

THE FIRST QUARTER WITH A NEW PRODUCTION STRUCTURE

This was the group's first quarter without any groundwood pulp production after the closure of the groundwood line in December. In retrospect, the timing of the closure was advantageous, given the declining demand for graphic papers, the main application of groundwood pulp.

Signs of falling cost inflation were seen during the quarter. Peak chemical prices seem to have passed. Some of them have evened out and others have started to come down. The supply of wood raw material was stable for both sawmill chips and roundwood, but prices remained high. During the quarter, we therefore activated wood imports from the Baltic region in order to balance the domestic wood supply and counteract increasing competition for the raw material in Sweden.

PULP PRICES STILL AT HISTORICALLY GOOD LEVELS BUT DECLINING

The balance on the pulp market during the quarter remained favourable for buyers, primarily because of the global economic downturn and the resulting gradual weakening of demand. Inventory levels on the market are generally high. Compared to the beginning of the year, the list price for NBSK thus fell by 60 USD to 1,370 USD at the end of March, a relatively modest decline in view of the apparent economic slowdown.

Demand is slowing most notably in Europe, but also in North America. At the same time, China is not forging ahead to the extent expected after the reopening of the economy. Demand within several of Rottneros' niche areas

remains solid. This concerns not only filters and electrotechnical applications, where we deliver clear added value to our customers, but also tissue paper.

SUBSTANTIAL FINANCIAL BUFFERS

We continue to maintain a high level of readiness for the challenges posed by the current global economic situation. Our solid balance sheet gives us an adequate financial buffer. The equity/assets ratio at end of the quarter was 66 percent, our liquid assets amounted to 578 MSEK and available liquidity amounted to a total of 860 MSEK. Net cash amounted to a robust 475 MSEK.

PACKAGING PROJECT IN POLAND GOING AS PLANNED

During the quarter the 50/50 joint venture company with Arcitc Paper was formally established in Poland. The company will build and operate a factory for the production of moulded fibre trays on a large industrial scale. The project is on schedule. Production capacity is expected to reach some 80 million packagings per year, significantly more compared to our plant in Sunne. This gives us a strong starting point in the rapidly growing long-term market for climate-smart food packaging.

LAYOFFS AT VALLVIK MILL IN APRIL

In April 24 employees at Vallvik Mill were given notice of redundancy. Against the background of cost inflation, falling pulp prices and a potentially weaker dollar, it is necessary to review staffing levels to ensure long-term profitability. It was a tough message to give our staff. Our focus is to carry out the layoffs as respectfully and considerately as possible.

INVESTMENTS

In April, the board decided to invest in expanded CTMP capacity as well as renewable energy production and storage in Rottneros Mill. This is a milestone in the continued development of the group.

I would like to take this opportunity to thank all Rottneros employees who work every day to further develop the business, as well as our customers, suppliers, owners and the Board of Directors for their positive cooperation.

The pulp market

Uncertainty persists in the global economy. Inflation is trending down, though from a high level, and interest rates are still going up. Going forward, the central banks will also be focusing on controlling inflation through interest rate hikes. At the same time, the interest rate hikes have created problems for a number of niche banks, which have proved to be vulnerable, in turn resulting in a reduction in lending. The mission of the central banks is thus to manage the balancing act between stemming inflation and maintaining financial stability. Global inflation is forecast at 7.0% for 2023 and a return to pre-Covid levels is not anticipated until 2025, at which point interest rates may also come down. Despite some degree of relief in inflation and an improvement in logistics flows, the IMF's GDP growth forecast has been revised downwards to 2.8% for 2023.

The market for market pulp slowed down sharply in December and the economic downturn continued into the first quarter of 2023. Inventory levels of finished products such as paper and board gradually increased in the fourth quarter to high levels, as production rates were high though demand began lagging. As a consequence, several paper manufacturers took market-related stops and are working their way through their stocks of finished goods. This in turn has led to a decrease in demand for market pulp and an increase in stocks.

The paper market in Europe was very weak in the first quarter. The weakest segments were corrugated material, graphic paper (-27% in January), specialty paper, as well as consumer board. However, tissue paper and some of Rottneros' niche markets have remained unaffected by the general trend.

Hopes of a rapid rebound in China after the lifting of Covid restrictions have not yet materialised. Though exports of paper and board from China increased in 2022, domestic consumption has not recovered. This follows the same pattern as in Europe after the lifting of restrictions, where consumption is shifting from goods to services, thus less packaging material is required. Increasing exports of paper and board from China to the rest of Asia have negatively affected competition and pricing outside China, exerting pressure on prices. Manufacturer stocks of raw materials are considered low, and purchases are currently made only for immediate conversion.

The list price for NBSK in Europe dropped from 1,430 USD to 1,370 USD during the first quarter, while net prices dropped from 855 USD to 770 USD. Similarly, net prices for NBSK in China dropped from 885 USD to 830 USD. Net prices for BCTMP on various Asian markets converged in the first quarter. The price in China fell from 640 USD to 600 USD, while the drop on some other markets was significantly greater, up to 300 USD. Average net prices for NBSK and BCTMP have fallen less than short-fibre pulp, which in the first quarter saw its net prices fall by around 150 USD. Extensive additional capacity in short-fibre pulp and fibre shortages and pro-

duction disruptions in long-fibre pulp meant that the two grades were differently impacted over the period in terms of pricing and the balance between supply and demand.

Deliveries of tissue paper on the most important markets (excl. China) in January showed an uptick of 1.7 percent compared with 2022. Tissue paper is not a large market for Rottneros, but with more than 40 percent of the market, it is the largest end-use area for market pulp.

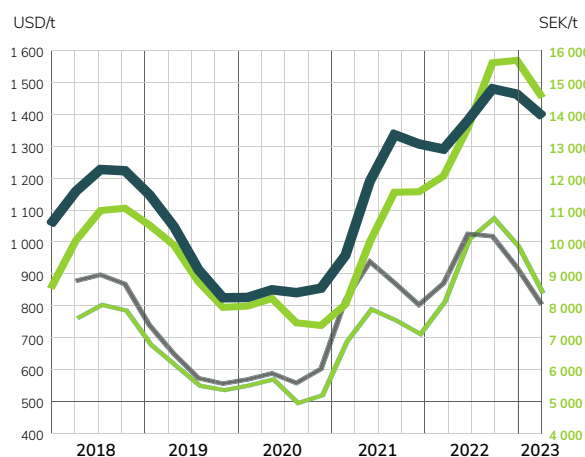
Deliveries of printing and writing papers continued on a very weak trend that started in the second half of 2022. In January, deliveries fell by 17 percent on the most important markets (excluding China) compared to 2022. Printing and writing papers is a segment that Rottneros left in 2022, but is the second largest use of market pulp globally.

Until February 2023, global demand for market pulp was down by 3.0% compared to 2022, split between short-fibre pulp -4.9% and long-fibre pulp +0.8%. Demand for unbleached kraft pulp (UKP) has fallen by -7.6 percent after a very strong 2022.

Global inventories of long-fibre pulp among manufacturers in February were 47 days and 52 days of short-fibre pulp, an increase of 5 days for long-fibre and 9 days for short-fibre pulp compared to October 2022. Stock levels of both grades point to an oversupplied market. Pulp that was tied up in the logistics chain last year has been released, resulting in shorter lead times. Demand for market pulp is expected to remain weak until stocks of finished products further down the supply chain are corrected.

NBSK PRICES 2018–2023, QUARTERLY

PIX Europe USD per tonnes* TTO Europe USD per tonnes**
PIX Europe SEK per tonnes TTO Europe SEK per tonnes



* Average gross prices per quarter on NBSK in Europe.

** Average net prices per quarter on NBSK in Europe.

Sales and result, Q1

Turnover during the first quarter of 2023 amounted to 744 (660) MSEK, an increase of 13 percent. Turnover was positively affected by higher sales prices, a favourable currency exchange rate and an advantageous product mix. Compared to the first quarter 2022, the list price for NBSK increased by 8 percent in USD and 21 percent in SEK. Pulp price hedges yielded a negative outcome of -6 (-11) MSEK.

Sales volume was lower as a result of the closure of the groundwood line. The sales volume of sulphate pulp and CTMP was also slightly lower than the previous year. Sales of products other than pulp increased to 75 (56) MSEK, primarily as a result of higher prices for by-products.

Variable costs have gradually increased over the past year. The cost, based on SEK per tonnes produced, increased by approximately 150 MSEK for the first quarter of 2023 compared to the same period in 2022. The increase applies to all inputs except electricity. The availability of wood chips from the sawmill industry has been at a normal level, while competition for roundwood has increased. Import of wood from the Baltic countries has been at a higher level than usual.

The price of electricity has remained at a high level, but lower than in 2022. The high electricity prices led to planned lower production at Rottneros Mill in January. The spot price for the quarter was 0.95 SEK per kWh compared to 1.15 SEK per kWh in the prior year. Rottneros' consumption takes place primarily in electricity area SE3, where the price was 0.85 (1.04) SEK per kWh. Rottneros hedges most of its electricity consumption. Realised profit on electricity hedging was 29 (52) MSEK.

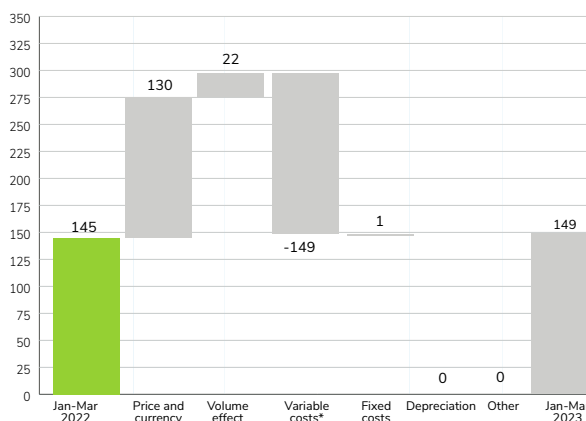
Fixed costs were on par with the first quarter of 2022. The inflationary impact was offset by a lower cost level in Rottneros Mill following the closure of the groundwood line. The full effect of the organisational change in Rottneros Mill is expected to take effect towards the end of the year. No major maintenance work was carried out during the quarter.

Profit was affected by depreciations according to plan of 29 (29) MSEK.

EBIT for the first quarter 2023 was 149 (145) MSEK. High pulp prices and a stronger USD contributed positively, while higher variable costs had a negative effect.

First quarter 2023 compared with first quarter 2022	Jan-Mar 2023	Jan-Mar 2022	Change, %
NBSK, USD	1,397	1,291	8
SEK/USD	10.43	9.35	12
NBSK, SEK	14,568	12,063	21
Net turnover, MSEK	744	660	13
EBIT, MSEK	149	145	3

DIFFERENCE IN EBIT FIRST QUARTER 2023 COMPARED WITH FIRST QUARTER 2022 (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.

Production and deliveries

Production in the first quarter of 2023 was at a good level. The volume was 89,600 tonnes compared to 86,300 tonnes in prior year, when groundwood pulp is excluded. This is an increase of 4 percent thanks to higher production of sulphate pulp in the Vallvik Mill. At the same time, the production of CTMP early in the period was adjusted to the high electricity prices.

Customer deliveries of sulphate pulp and CTMP decreased by 1% to 82,600 (83,100) tonnes in the first quarter. Sales volumes were affected by the weak market condition. Most of the remaining stock of groundwood pulp was delivered during the quarter, 4,600 tonnes.

PRODUCTION, TONNES	Jan-Mar 2023	Jan-Mar 2022	Rolling 12 months	Jan-Dec 2022
Sulphate pulp	60,700	56,500	229,700	225,500
CTMP	28,900	29,800	114,500	115,400
TOTAL	89,600	86,300	344,200	340,900
Groundwood pulp	0	16,900	39,300	56,200

DELIVERIES, TONNES	Jan-Mar 2023	Jan-Mar 2022	Rolling 12 months	Jan-Dec 2022
Sulphate pulp	54,700	54,500	219,900	219,700
CTMP	27,900	28,600	112,500	113,200
TOTAL	82,600	83,100	332,400	332,900
Groundwood pulp	4,600	16,900	43,200	55,500

MAINTENANCE SHUTDOWN AND SEASONAL VARIATIONS

In 2023, the annual maintenance shutdown is planned to take place at Rottneros Mill in the third quarter and at Vallvik Mill in the 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 impact on earnings
	2023	2022	MSEK
Rottneros Mill	Q3	Q3	15-20
Vallvik Mill	Q4	Q4	60-70

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.

OTHER INCOME STATEMENT ITEMS

Financial items (net) amounted to -1 (-1) MSEK for the year. In addition to interest income and expenses, this item also includes change in valuation on financial derivatives.

With the closure of the groundwood line, there are electricity price hedges for 2023 and 2024 that exceed future cash flows and have thus been classified as financial derivatives. The majority of the value of the hedges is locked through sales of matching electricity price hedges. The change in value of the contracts that are not locked is recorded under financial items.

The group's profit after financial items increased to 148 (144) MSEK.

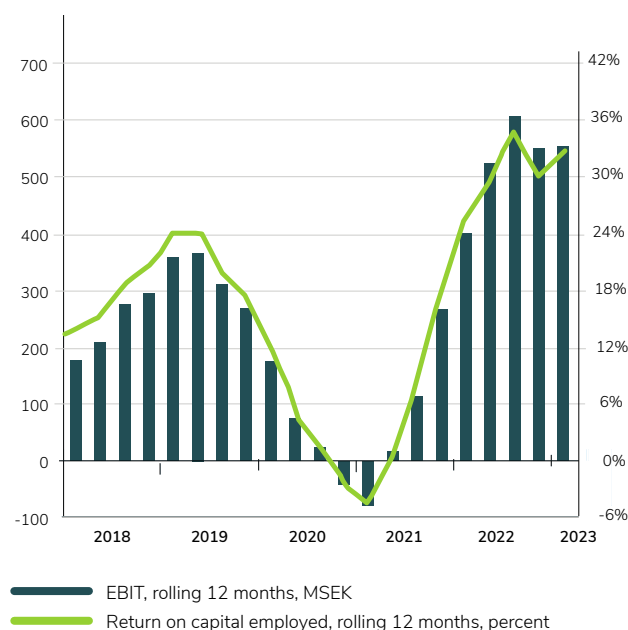
Income tax expenses for the period were -30 (-30) MSEK.

Net profit amounted to 118 (114) MSEK and earnings per share to 0.77 (0.75) SEK.

Return on capital employed, measured over a rolling 12-month period, was 32.3 (23.7) percent.

Return on equity over a rolling 12-month period amounted to 26.0 (17.6) percent.

EBIT, ROLLING 12 MONTHS



Investments

The group's investments in fixed assets during the first quarter of 2023 amounted to 21 (18) MSEK and primarily relate to maintenance investments in order to maintain the technical standard that has been achieved thanks to the major investments made in recent years. Investments include measures to improve quality and availability along with investments in security and safety. Rottneros Packaging is focusing on developing and optimising the plant for the production of moulded fibre trays.

In addition to approximately 100 MSEK in maintenance investments for the year, an investment will also be made in a new tall oil plant at Vallvik Mill. The investment is estimated to amount to 93 MSEK and runs over 2023 and 2024.

A tall oil plant is part of the chemical recovery process in a sulphate pulp mill, where the separated soap is further processed into tall oil. Tall oil is a valuable product that can replace fossil oils in fuels and in other products.

Rottneros Packaging

During the quarter the next steps for the agreed joint venture project in Packaging in Poland were taken by formally establishing the 50/50-owned company together with Arctic Paper. The aim of the company is to build and run the factory for the production of moulded fibre trays on a large industrial scale. The project is on schedule.

Investment in the factory is expected to total the equivalent of around 230 MSEK. Production capacity is expected to reach some 80 million packagings per year, which is significantly more compared to the plant in Sunne. The company expects to achieve a turnover of around 140 MSEK when the factory runs at full capacity. Production will focus on, among other things, high-barrier packaging with extended shelf life for food, but also on packaging with simpler functional requirements. The trays are excellent for frozen or chilled food as the packaging can withstand high temperatures when heated in a microwave or conventional oven. The raw material is pulp from Rottneros Mill.

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 runs until July 2024.

At the end of the quarter, the group's liquid funds amounted to SEK 578 million, of which 100 MSEK is deposited at fixed interest until July 2023. At the end of 2022, liquid funds amounted to 465 MSEK. Interest-bearing liabilities were 103 MSEK at end of the quarter. Net cash was 475 MSEK, compared to 354 MSEK at the end of 2022. Total granted and unutilised credits

amounted to 282 MSEK.

The equity/assets ratio as of 31 March 2023 amounted to 66 (67) percent. Equity per share amounted to 14.34 (11.21) SEK at end of the quarter.

Cash flow

Cash flow from operating activities for the first quarter of 2023 amounted to 104 (-1) MSEK. Cash flow after investments in fixed assets was 83 (-19) MSEK.

Cash flow from financial derivatives, 38 MSEK, relates to realised electricity price hedges classified as financial instruments.

Net cash flow for the period was 113 (-27) MSEK.

Parent Company

The parent company's profit after financial items for the first quarter of 2023 amounted to 30 (-19) MSEK.

The electricity price hedges classified as financial derivatives and realised during the quarter are reported as financial income in the parent company and amounted to 38 MSEK. The outcome does not affect the group's results for the period.

Changes in management

No changes in management took place during the quarter.

Average number of employees

The average number of employees was 306 (320).

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, wood 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 is equivalent to about 60 percent of the inflow and EUR about 30 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-March 2023 was 12 percent higher compared to the same period in 2022.

PULP PRICE

The pulp price (NBSK) is set in USD, while production costs are mainly in SEK. As of the end of March 2023, the group held pulp price hedges for 13,500 tonnes with maturity between April and December 2023 at an average price of 13,302 SEK per tonnes. The actual value of these unrealised price reductions was 12 MSEK as of 31 March 2023.

ELECTRICITY

All external electricity for the mills, just over 220 GWh annually, is bought directly through Nord Pool power exchange. At the end of March 2023, 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 price hedges was 213 MSEK as of 31 March 2023. The amount excludes the volume that exceeds the electricity requirement and where the value has been hedged by the sale of matching instruments. These hedges are classified as financial instruments.

Electricity price hedges as of 31 March 2023

Year	Proportion hedged	SEK/kWh
2023	100 percent	0.349
2024	100 percent	0.345
2025	80 percent	0.352
2026	12 percent	0.556
2027	12 percent	0.547
2028	12 percent	0.599

56 percent of the hedged volume is against the spot price and 44 percent 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 in Nord Pool (electricity area SE3) over January - March 2023 amounted to 0.85 (1.04) SEK per kWh.

For more information about risks, see the annual report for 2022, pages 65-71.

LONG-TERM TARGETS AND TARGET ACHIEVEMENT MARCH 2023

FINANCIAL TARGETS	Target	Outcome March 2023
Distribution of net profit	30-50%	Annual follow-up
Average growth, produced tonnes pulp	3%/year	+4%
Share of revenue, non-pulp	Min. 10% 2023	10%
Equity/assets ratio	More than 50%	66%

SOCIAL AIMS	Target	Outcome March 2023
Safety, accidents with sick leave	Annual improvement of LTIFR*	9.4 (outcome 2022: 7.4)
Proportion of female employees	Min. 30% 2025	18%

ENVIRONMENTAL TARGETS	Target	Outcome
Fossil free production according to GHG Scope 1	Fossil free production year 2030	Annual follow-up
Fossil free production according to GHG Scope 2	Fossil free production year 2030	Annual follow-up
Emissions of COD per tonnes pulp	Annual improvement	Annual follow-up

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

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 2023.

THE SHARE'S PRICE MOVEMENT JAN-MAR 2023

At the end of the first quarter of 2023, the share price was 16.30 SEK (12.22 at the end of 2022). The average price during the period was 15.73 SEK (versus 13.40 for 2022).

TRANSACTIONS WITH RELATED PARTIES

During January - March 2023, Rottneros sold pulp to the related Arctic Paper S.A.-group in the amount of 7 (0) MSEK. Operating receivables outstanding at Arctic Paper as of 31 March 2023 amounted to 3 (0) MSK. Transactions have taken place at market terms.

MAIN SHAREHOLDERS AS OF 31 MARCH 2023

Shareholders	Number of shares (= votes)	% 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	4,000,000	2.6
Avanza Pension	2,762,755	1.8
SEB AB, Luxembourg Branch, W8IMY	2,278,400	1.5
CBNY-DFA-INT SML CAP V	1,522,717	1.0
Caceis Bank Spain SAU, W8IMY	1,155,113	0.8
BNY Mellon SA/NA (Former BNY), W8IMY	895,935	0.6
SEB Investment Management	832,565	0.5
Total 10 largest shareholders by holdings	109,798,965	71.6
Other shareholders	42,772,960	27.9
Rottneros AB (treasury shares from buy-back)	821,965	0.5
TOTAL	153,393,890	100.0

SHARE PRICE AND STOCKHOLM STOCK EXCHANGE PRICE MOVEMENT 2019-2023



Annual general meeting 2023

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

Significant events after the balance sheet date

On 12 April 2023, Rottneros announced that it will give notice to 24 people at Vallvik Mill. This measure was taken to counteract rising costs, falling pulp prices and a long-term weaker dollar.

The board has decided to invest 180 MSEK to significantly increase the production of CTMP at Rottneros Mill from today's 125 to approximately 165 thousand tonnes. The additional volume is primarily intended for the growing market segments board and packaging as well as tissue paper. The investment cost per tonne is low and strengthens the long-term competitiveness of the mill.

The board has also decided to invest a total of 86 MSEK related to renewable energy at Rottneros Mill. The investments include a solar power park and a battery storage and are part of the long-term reduction of exposure to the electricity market.

The start-up of the above investments is planned for 2024. With the decision, Rottneros has started negotiations on external financing of the investments in addition to existing long-term loans.

Forthcoming financial information

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, 26 April 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 26 April 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	Jan-Mar 2023	Jan-Mar 2022	Rolling 12 months	Full-year 2022
Net turnover	744	660	3,064	2,980
Changes in finished goods stock	54	19	123	88
Other operating income	16	5	55	44
TOTAL OPERATING INCOME	814	684	3,242	3,112
Raw materials and consumables	-437	-317	-1,535	-1,415
Other external costs	-126	-123	-652	-649
Personnel costs	-72	-70	-359	-357
Other operating expenses	-1	0	-1	0
EBITDA (Operating profit/loss before depreciation and write-downs)	178	174	695	691
Depreciation and write-downs	-29	-29	-141	-141
EBIT (Operating profit/loss)	149	145	554	550
Financial income	3	0	172	169
Financial expenses	-4	-1	-8	-5
TOTAL FINANCIAL ITEMS	-1	-1	164	164
PROFIT/LOSS AFTER FINANCIAL ITEMS	148	144	718	714
Tax on profit for the period	-30	-30	-149	-149
NET PROFIT	118	114	569	565
Average number of shares outstanding (thousand) ¹	152,572	152,572	152,572	152,572
EARNINGS PER SHARE (SEK) ¹	0.77	0.75	3.73	3.70

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

THE GROUP'S REPORT ON COMPREHENSIVE INCOME

AMOUNTS IN MSEK	Jan-Mar 2023	Jan-Mar 2022	Rolling 12 months	Full-year 2022
NET PROFIT	118	114	569	565
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	-234	87	-2	319
Income tax attributable to changes in value	48	-18	0	-66
Translation differences	0	0	0	0
TOTAL OTHER COMPREHENSIVE INCOME	-186	69	-2	253
COMPREHENSIVE INCOME FOR THE PERIOD ²	-68	183	567	818

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

CONSOLIDATED BALANCE SHEET, SUMMARY

AMOUNTS IN MSEK	31 Mar 2023	31 Mar 2022	31 Dec 2022
Intangible assets	21	24	21
Tangible assets	1,178	1,203	1,190
Financial assets	207	183	290
TOTAL FIXED ASSETS	1,406	1,410	1,501
Inventories	524	364	436
Current receivables	815	647	1,020
Cash and cash equivalents	578	134	465
TOTAL CURRENT ASSETS	1,917	1,145	1,921
TOTAL ASSETS	3,323	2,555	3,422
EQUITY	2,188	1,710	2,256
Interest-bearing liabilities	103	136	111
Deferred tax liability	220	170	268
Other non-interest-bearing liabilities	59	54	57
TOTAL LONG-TERM LIABILITIES	382	360	436
Interest-bearing liabilities	-	-	-
Non-interest-bearing liabilities	753	485	730
TOTAL CURRENT LIABILITIES	753	485	730
TOTAL EQUITY AND LIABILITIES	3,323	2,555	3,422

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 2022	153	730	-69	113	-8	608	1,527
Net profit Jan-Mar						114	114
Other comprehensive income Jan-Mar				69	-		69
Comprehensive income Jan-Mar				69	-	114	183
Closing balance as of 31 March 2022	153	730	-69	182	-8	722	1,710
Net profit Apr-Dec						451	451
Other comprehensive income Apr-Dec				184	2		186
Comprehensive income Apr-Dec				184	2	451	637
Dividends to shareholders Apr-Dec						-91	-91
Closing balance as of 31 December 2022	153	730	-69	366	-6	1,082	2,256
Net profit Jan-Mar						117	117
Other comprehensive income Jan-Mar				-186	1		-185
Comprehensive income Jan-Mar				-186	1	117	-68
Closing balance as of 31 March 2023	153	730	-69	180	-5	1,199	2,188

CONSOLIDATED CASH FLOW STATEMENT

AMOUNTS IN MSEK	Jan-Mar 2023	Jan-Mar 2022	Rolling 12 months	Full-year 2022
EBIT	149	145	554	550
Adjustment for items not included in the cash flow	-	-	-	-
Depreciation and write-downs	29	29	140	140
EBIT adjusted for items not affecting cash flow	178	174	694	690
Financial items received/paid	1	-1	0	-2
Received/paid tax	-15	-15	-32	-32
Cash flow from operating activities before changes in working capital	164	158	662	656
Change in working capital	-60	-159	-8	-115
Cash flow from operating activities	104	-1	654	541
Investments in fixed assets	-21	-18	-123	-112
Sale of fixed assets	-	-	-	-
Change in financial derivatives	38	-	38	-
Cash flow from investing activities	17	-18	-85	-112
Long-term borrowings	-	-	-	-
Repayment of long-term loans	-8	-8	-34	-34
Dividend paid	-	-	-91	-91
Cash flow from financing activities	-8	-8	-125	-125
NET CASH FLOW FOR THE PERIOD	113	-27	444	304
Cash and cash equivalents at the beginning of the period	465	161	134	161
Net cash flow for the period	113	-27	444	304
Cash and cash equivalents at the end of the period	578	134	578	465

CHANGES IN INTEREST-BEARING LIABILITIES

AMOUNTS IN MSEK	Jan-Mar 2023	Jan-Mar 2022	Rolling 12 months	Full-year 2022
Interest-bearing liabilities in the balance sheet at the beginning of the period	111	145	136	145
Changes that are included in the cash flow from the financing activities				
Long-term borrowings from banks	-	-	-	-
Repayment of long-term borrowings from banks	-8	-9	-33	-34
Total	-8	-9	-33	-34
Other changes				
Via acquisition	-	-	-	-
Interest-bearing liabilities in the balance sheet at the end of the period	103	136	103	111

THE PARENT COMPANY'S INCOME STATEMENT

AMOUNTS IN MSEK	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
NET TURNOVER	5	2	8
Other operating income	2	4	16
TOTAL OPERATING INCOME	7	6	24
Result from hedging activities	-6	-11	-58
Other external costs	-7	-8	-36
Personnel costs	-9	-9	-42
EBITDA(OPERATING PROFIT/LOSS BEFORE DEPRECIATION AND WRITE-DOWNS)	-15	-22	-112
Depreciation and write-downs	0	-1	-3
EBIT (operating profit/loss)	-15	-23	-115
Profit from participations in group companies	0	0	534
Financial income	47	5	24
Financial expenses	-2	-1	-4
TOTAL FINANCIAL ITEMS	45	4	554
PROFIT/LOSS AFTER FINANCIAL ITEMS	30	-19	439
Tax on profit for the period	-6	0	-92
NET PROFIT	24	-19	347

THE PARENT COMPANY'S REPORT OF COMPREHENSIVE INCOME

AMOUNTS IN MSEK	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
NET PROFIT	24	-19	347
Other comprehensive income	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	24	-19	347

THE PARENT COMPANY'S BALANCE SHEET IN SUMMARY

AMOUNTS IN MSEK	31 Mar 2023	31 Mar 2022	31 Dec 2022
Intangible assets	0	3	0
Tangible assets	1	0	1
Financial assets ¹	664	820	664
TOTAL FIXED ASSETS	665	823	665
Current receivables ²	598	269	637
Cash and cash equivalents	533	122	428
TOTAL CURRENT ASSETS	1,131	391	1,065
TOTAL ASSETS	1,796	1,214	1,730
EQUITY	1,118	814	1,088
Interest-bearing long-term liabilities	94	125	102
Non-interest-bearing long-term liabilities	57	54	57
TOTAL LONG-TERM LIABILITIES	151	179	159
Non-interest-bearing current liabilities ³	527	221	483
TOTAL CURRENT LIABILITIES	527	221	483
TOTAL EQUITY AND LIABILITIES	1,796	1,214	1,730

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

² Includes receivables to subsidiaries of 568 (580) MSEK.

³ Includes liabilities to subsidiaries of 443 (388) 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 forward purchases for electricity that exceed estimated consumption for the years 2023 and 2024. In accordance with IFRS 9, the part of the forward purchase that is not matched by future cash flows is classified as financial items. Changes are recognised in net financial income and amounted to -2 MSEK for the period January-March 2023.

Financial derivatives are comprised of a purchase position of 12 MW. To eliminate the risk in the financial derivatives, a sales position of 10 MW has been taken, hedging 154 of the total 165 MSEK recognised as financial income in 2022. The cash flow from the financial derivatives amounted to 38 MSEK in the first quarter of 2023.

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 2022. The carrying amounts are deemed to be equal to actual values, which was also the case at the end of 2022, 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	Jan-Mar 2023	Jan-Mar 2022	Rolling 12 months	Full-year 2022
Sale of pulp	675	615	2,822	2,762
Profit/loss from pulp price hedges	-6	-11	-53	-58
Sale of byproducts and others	34	18	112	96
Sale of wood	41	38	183	180
TOTAL NET TURNOVER	744	660	3,064	2,980

NET TURNOVER BY GEOGRAPHICAL MARKET

Amounts in MSEK	Jan-Mar 2023	Jan-Mar 2022	Rolling 12 months	Full-year 2022
Sweden	153	140	693	680
Other Nordic countries	79	51	302	274
Germany	117	106	468	457
Italy	53	94	350	391
Rest of Europe	99	73	297	271
North America	62	59	247	244
Asia	180	137	706	663
Rest of the world	1	0	1	0
TOTAL NET TURNOVER	744	660	3,064	2,980

DISTRIBUTION TURNOVER PULP BY AREA OF USE

Amounts in MSEK	Jan-Mar 2023	Jan-Mar 2022	Rolling 12 months	Full-year 2022
Cardboard and packaging	198	199	879	880
Printing and writing papers	41	69	238	266
Filters	172	129	585	542
Electrotechnical applications	122	82	450	410
Tissue paper	42	24	132	114
Specialty paper	79	92	386	399
Fibre cement	8	0	73	65
Other	13	20	79	86
TOTAL NET TURNOVER	675	615	2,822	2,762

ACTUAL VALUE FOR DERIVATIVE INSTRUMENTS AS OF 31 MARCH 2023

Hedging	Hedged volume	Maturity	Hedging level	Actual value (MSEK)
Pulp, forward sell	13,500 tonnes	Apr 2023 -Dec 2023	13,302 SEK/tonnes	12
Electricity, forward purchase, cashflow hedging	665,112 MWh	2023-2028	0.374 SEK/kWh	213
Electricity, forward purchase, financial	83,220 MWh	2023-2024		124
Total actual value				349

ACTUAL VALUE FOR DERIVATIVE INSTRUMENTS AS OF 31 DECEMBER 2022

Hedging	Hedged volume	Maturity	Hedging level	Actual value (MSEK)
Pulp, forward sell	12,000 tonnes	Jan 2023 -Dec 2023	13,638 SEK/tonnes	6
Electricity, forward purchase, cashflow hedging	640,200 MWh	2023-2025	0.345 SEK/kWh	454
Electricity, forward purchase, financial	105,120 MWh	2023-2024		165
Total actual value				625

THE GROUP'S DEVELOPMENT IN SUMMARY

	Jan-Mar 2023	Jan-Mar 2022	Rolling 12 months	2022	2021	2020	2019
Income statement, MSEK							
Net turnover	744	660	3,064	2,980	2,303	2,093	2,376
EBITDA	178	174	695	691	385	77	374
Depreciation and write-downs	-29	-29	-141	-141	-118	-119	-106
EBIT	149	145	554	550	267	-42	268
Financial items (net financial income/expense)	-1	-1	164	164	-21	-19	-21
Profit/loss after financial items	148	144	718	714	246	-61	247
Net profit	118	114	569	565	198	-50	194
Cash flow statement, MSEK							
Cash flow from operating activities	112	-1	654	541	288	85	462
Investments in fixed assets	9	-18	-85	-112	-123	-128	-109
Cash flow after investments in fixed assets	121	-19	569	429	165	-43	353
Cash flow from financing activities	-8	-8	-125	-125	-334	-3	-214
Net cash flow	113	-27	444	304	-169	-46	138
Balance sheet items, MSEK							
Fixed assets	1,417	1,410	1,417	1,501	1,339	1,285	1,280
Inventories	524	364	524	436	327	355	375
Current receivables	815	647	815	1,020	555	287	342
Cash and cash equivalents	578	134	578	465	161	330	376
Net liability (+) / net cash (-)	-475	2	-475	-354	-16	81	35
Equity	2,188	1,710	2,188	2,256	1,527	1,301	1,380
Long-term interest-bearing liabilities	103	136	103	111	145	411	411
Long-term non-interest-bearing liabilities	279	224	279	325	207	150	176
Current interest-bearing liabilities	-	-	-	-	-	-	-
Current non-interest-bearing liabilities	764	485	764	730	503	395	406
Capital employed	1,713	1,712	1,713	1,902	1,511	1,382	1,415
Total equity and liabilities	3,334	2,555	3,334	3,422	2,382	2,257	2,373
Key ratios							
EBITDA-margin, percent	23.9	26.4	20.7	23.2	16.7	3.7	15.7
EBITDA-margin, percentage	20.0	22.0	16.5	18.5	11.6	-2.0	11.3
Profit margin, percentage	19.9	21.8	23.4	24.0	10.7	-2.9	10.4
Return on equity (rolling 12 months), percentage	26.0	17.6	26.0	29.9	14.0	-3.7	13.7
Return on capital employed (rolling 12 months), percent	32.3	23.7	32.3	32.2	18.5	-3.0	17.7
Equity/assets ratio, percentage	66	67	66	66	64	58	58
Debt/equity ratio, percent	-22	0	-22	-16	-1	6	3
Other							
Average number of employees	306	320	318	319	316	318	303
Production pulp, thousand tonnes*	89,6	103,2	383,5	397,1	395,3	412,6	406,0
Deliveries pulp, thousand tonnes*	87,2	100,0	375,6	388,4	403,2	416,5	408,3
Pulp price list price NBSK, USD per tonnes ¹	1,397	1,162	1,430	1,404	1,198	843	984
SEK/USD ²	10,43	8,49	10,38	10,12	8,58	9,21	9,46
Pulp price list price NBSK, SEK per tonnes	14,568	9,861	14,865	14,213	10,280	7,765	9,304

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

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

*The volume includes groundwood pulp.

QUARTERLY DATA GROUP

	2023	2022				2021				2020			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Income statement, MSEK													
Net turnover	744	730	806	784	660	598	570	593	542	490	508	510	585
EBITDA	178	31	233	254	174	88	130	127	40	-65	31	31	80
Depreciation and write-downs	-29	-30	-49	-34	-29	-30	-29	-30	-29	-30	-28	-29	-32
EBIT	149	1	185	220	145	58	101	97	11	-95	3	2	48
Financial items (net financial income/expense)	-1	10	156	-1	-1	-1	-11	-4	-4	-4	-5	-5	-5
Profit/loss after financial items	148	11	341	219	144	57	90	93	7	-99	-2	-3	43
Tax on profit for the period	-30	-2	-71	-46	-30	-8	-19	-19	-2	22	0	0	-11
Net profit	118	9	270	172	114	49	71	74	5	-77	-2	-3	32

Per share													
Earnings per share, SEK	0.77	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*	89.6	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*	87.2	86.5	95.9	106.0	100.0	95.5	92.5	103.2	112.0	106.5	106.9	93.1	110.0
Pulp price list price NBSK, SEK per tonnes	14,568	15,693	15,613	13,589	12,063	11,573	11,557	10,012	8,044	7,382	7,465	8,226	7,988

*The volume includes groundwood pulp.

SHARE DATA ¹

		Jan-Mar 2023	Jan-Mar 2022	Rolling 12 months	2022	2021	2020	2019
Shares outstanding at the start of the period ²	Number	152,572	152,572	152,572	152,571	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	152,572	152,572
Average number of shares outstanding ²	Number	152,572	152,572	152,572	152,572	152,572	152,572	152,572
Repurchased treasury shares ²	Number	822	822	822	822	822	822	822
Earnings per share	SEK	0.77	0.75	1.32	3.70	1.30	-0.33	1.27
Cash flow after investments/share ³	SEK	0.54	-0.12	1.73	2.80	1.07	-0.30	2.30
Equity/share	SEK	14.34	11.21	14.34	9.99	9.99	8.53	9.05
Dividend ⁴								
Ordinary dividend	SEK				0.40		-	0.40
Extra dividend	SEK				0.20	0.45	-	1.00
Total	SEK				0.60	0.45	-	1.40
Dividend/equity/share	%				6.0	4.5	-	15.5
Share price at the end of the period	SEK	16.30	11.18	16.30	12.22	10.42	8	11.40
Share price/equity/share	times	1.1	1.0	1.1	1.2	1.0	1.0	1.3
P/E-ratio/share	times	21.2	9.4	12.3	3.3	8.0	-24.7	9.0

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 or-

der to assess the 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 that is sold on the market and transported to the customer. About one third of global pulp production consists of market pulp. The remaining two thirds are produced by integrated paper and cardboard mills or consumed internally within a group.
BCTMP	Bleached Chemi-Thermo-Mechanical Pulp: bleached mechanical pulp where the pulp wood is impregnated with chemicals. Stronger than TMP. The term is commonly used in North America and Asia (see CTMP).
BEK	Bleached Eucalyptus Kraft Pulp
COD	Chemical Oxygen Demand, chemical measuring method for oxygen-consuming substances.
CTMP	Chemi-Thermo-Mechanical Pulp: a further development of TMP, mechanical pulp where the pulp wood 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 that is bleached with chloride dioxide, not chloride.
GHG Scope 1	Carbon dioxide emissions from fossil fuels when manufacturing with company-owned and controlled resources.
GHG Scope 2	Carbon dioxide emissions from the generation of purchased energy, from a utility provider.
High yield pulp	Groundwood pulp, TMP and CTMP/BCTMP.
CHEMICAL PULP	Paper pulp produced by boiling pulp wood 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.
Short fibre pulp	Pulp for which the pulp wood consists of hardwood which has shorter cellulose fibres than conifer wood.
LTIFR	Lost Time Injury Frequency Rate indicates the number of accidents with sick leave per million hours worked.
Long fibre pulp	Pulp for which the pulp wood consists of conifer wood which has longer cellulose fibres than hardwood.
Mechanical pulp	Pulp that is produced using a mechanical process for fibre separation and processing. Has higher bulk, stiffness and opacity than chemical pulp. Variants of mechanical pulp are groundwood pulp, TMP and CTMP/BCTMP.
NBSK	Bleached Softwood Kraft Pulp The leading indicator of world market prices.
Groundwood pulp (SGP)	Mechanical pulp based on roundwood as pulp wood.
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

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.



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 Org.no: 556013-5872