Q4 report 2023

1 February 2024

Lennart Eberleh

President and CEO

Monica Pasanen

CFO

ROTTNEROS

HIGHLIGHTS

+

Production rose by 3 percent to 351,700 tonnes in 2023

121 MSEK

Net profit 2023

Focus on efficiency and cost control to offset cost inflation

Proposed dividend 0.50 SEK per share

ROTTNEROS' INVESTMENT CASE

GREEN TRANSITION
Sustainable products

LONG-TERM PROFITABILITY
Broader revenue base
Increased volumes

ROBUST BALANCE SHEET
Responsible capital allocation

STABLE SHAREHOLDER RETURN
Total shareholder return
2023: 11%

STRONG MARKET POSITION IN SELECTED NICHES

ROTTNEROS

Market

Signs of stabilisation, however uncertain

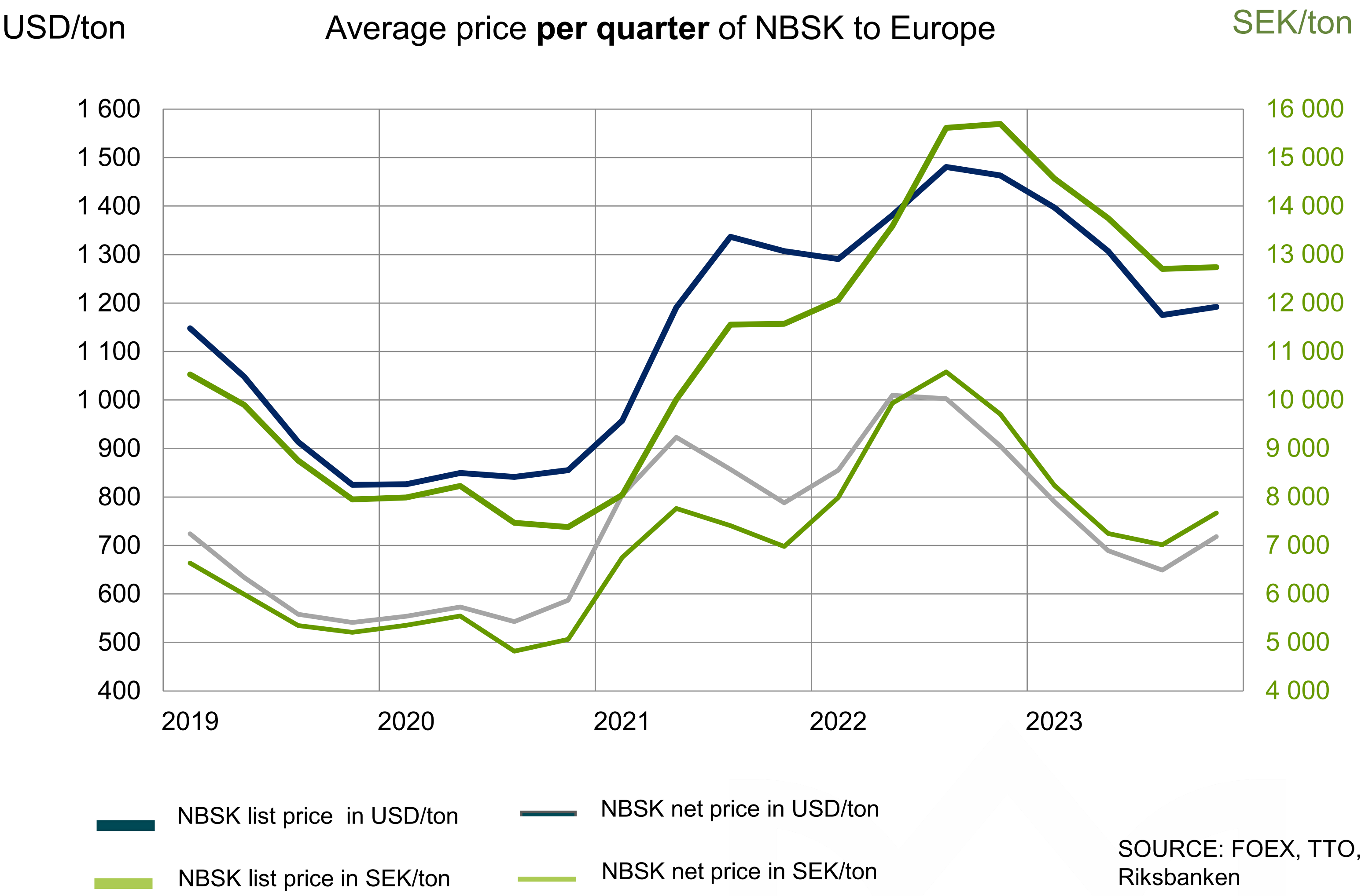
PULP MARKET

A cyclical market

Prices rebounding

Demand stable

Favourable USDSEK



SOURCE: FOEX, TTO, Riksbanken

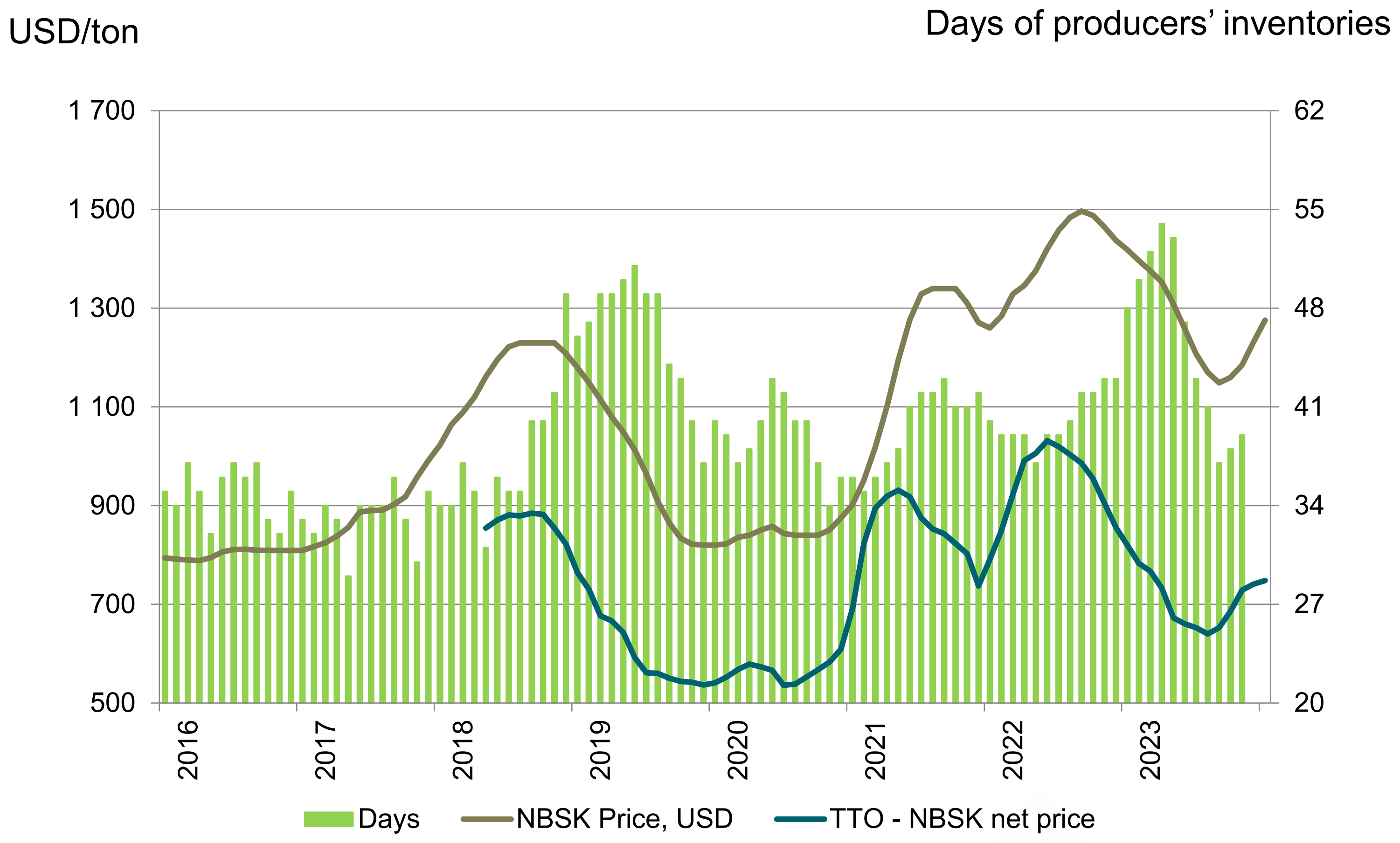
SUPPLY AND DEMAND

Producers' inventories and price

Producer stocks balanced

Destocking in value chain

Supply chain impacted by conflict in the Red Sea



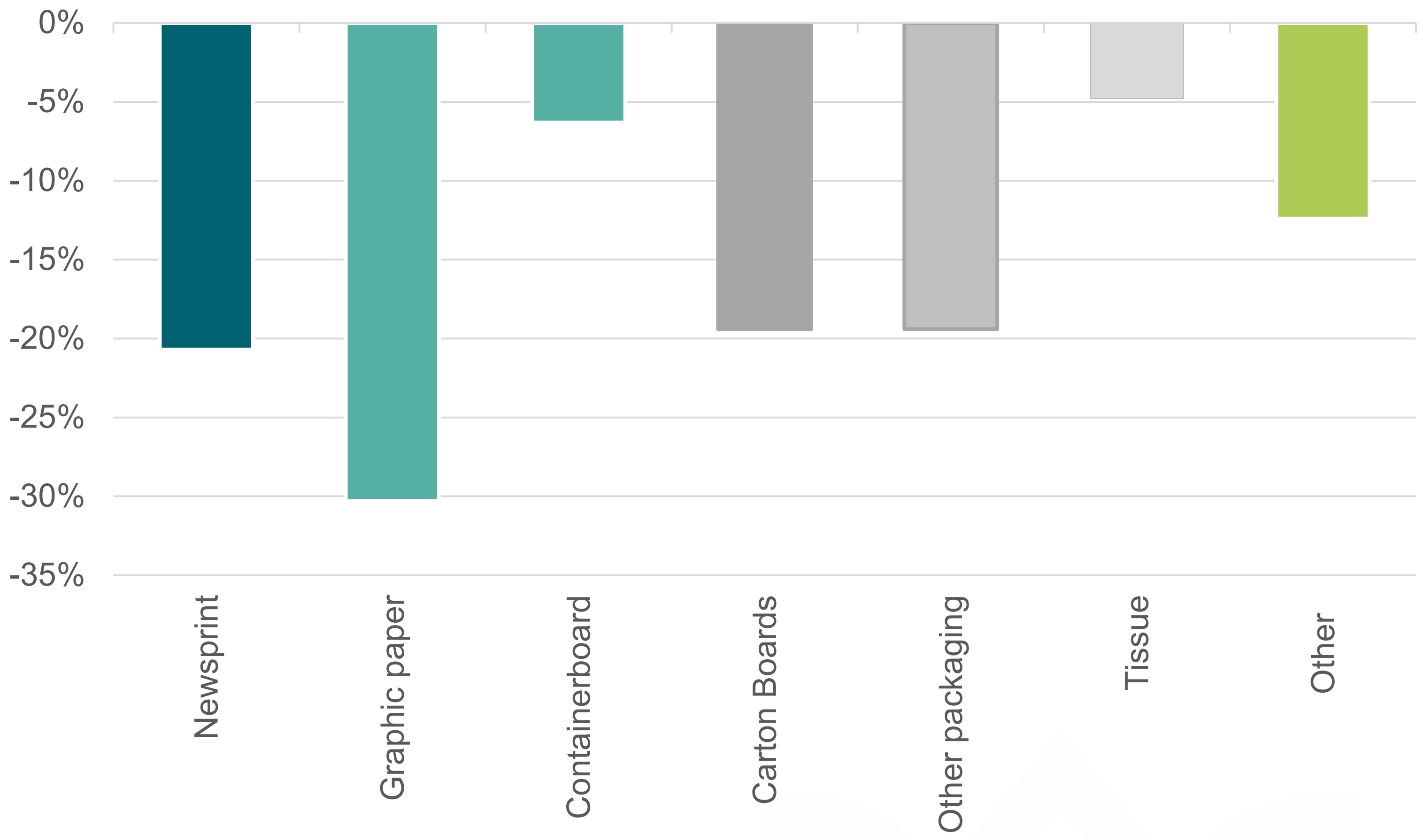
SOURCE: FOEX, TTO, PPPC W-100

PRODUCTION EUROPE JAN-SEP 2023 (JAN-SEP 2022)

Decrease -16 %

Europe is Rottneros' main market

Rottneros has exited printing and writing papers

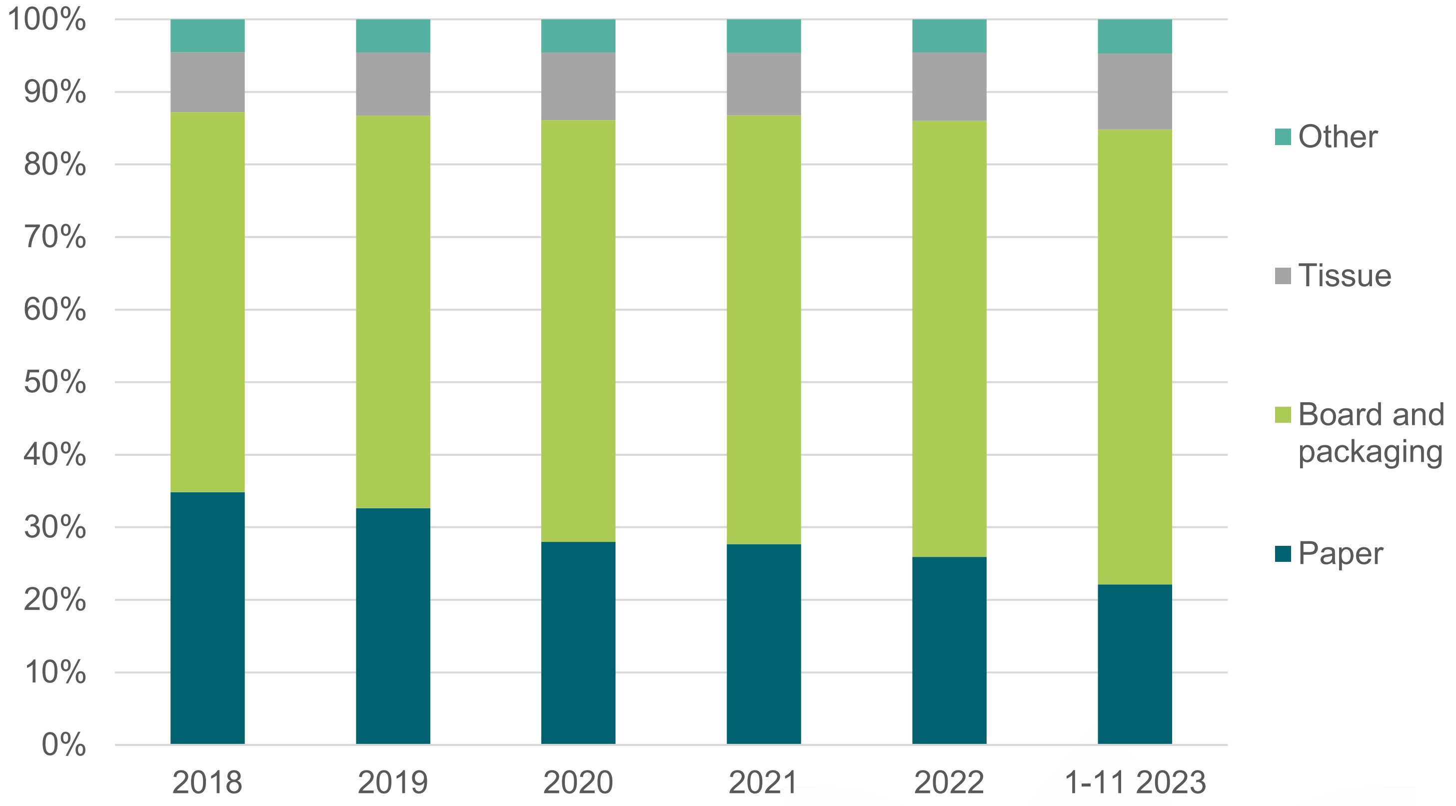


SOURCE: CEPI

PRODUCTION EUROPE
2018 – NOV 2023

Production decreasing by 14% in Europe

Share of board and packaging growing in importance



Total annual volume 2023 approx. 70 mio tonnes

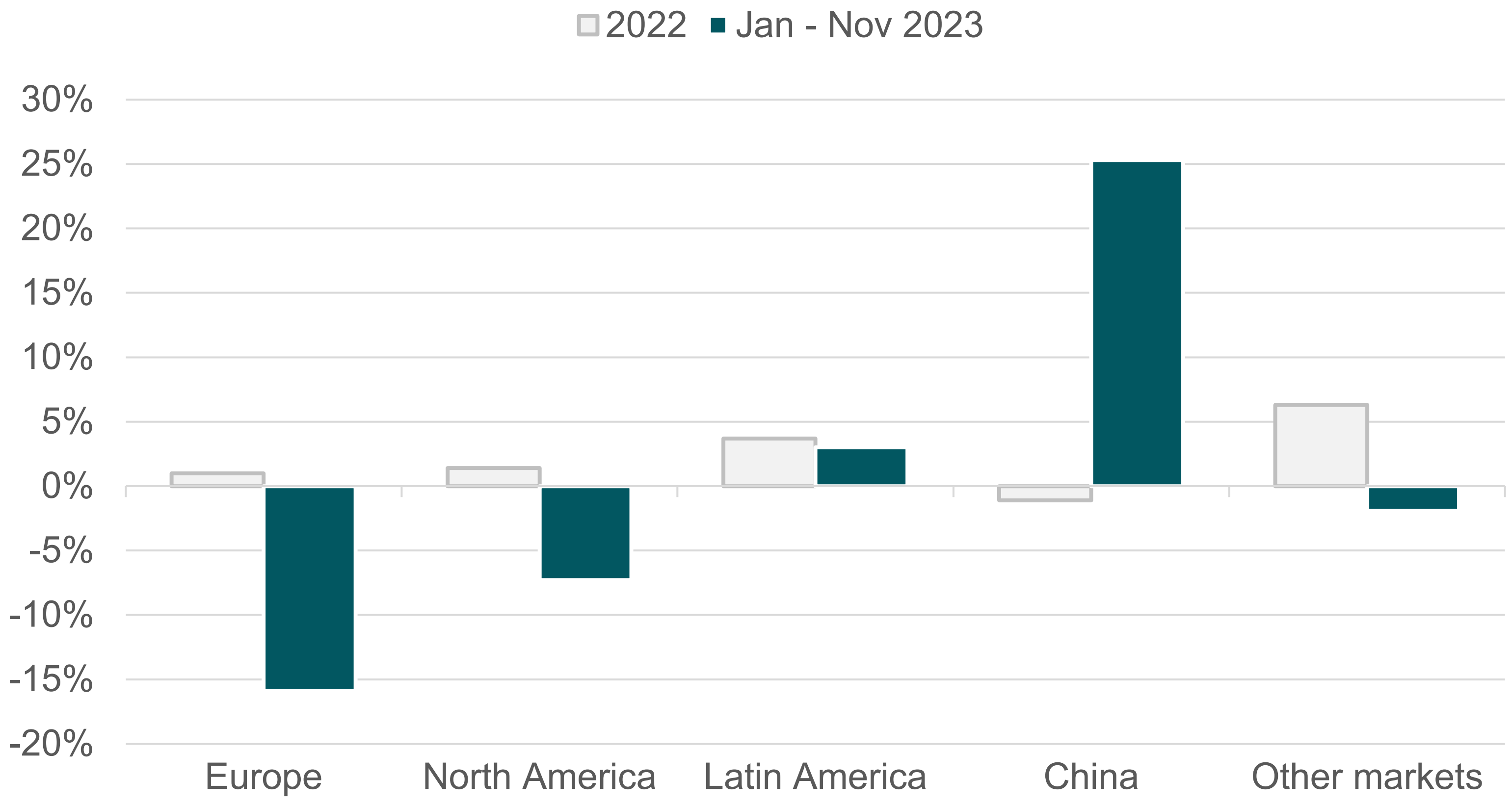
SOURCE: CEPI

DELIVERIES OF CHEMICAL MARKET PULP

Change 2022 and Jan – Nov 2023

Demand has increased by 3.5%

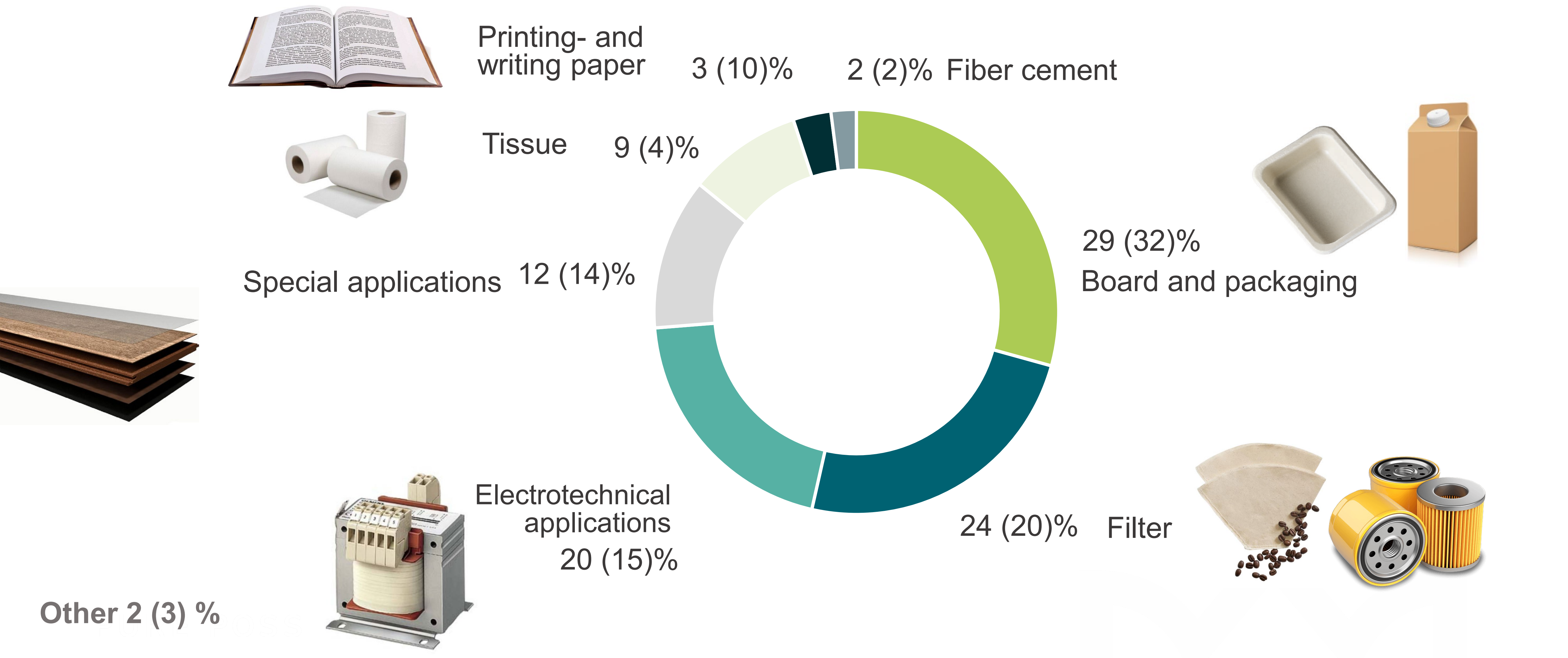
China accounts for more than 40% of the pulp market



SOURCE: PPPC

ROTTNEROS’ SALES PER APPLICATION

Sales of pulp 2023 (2022)



ROTTNEROS

Financials

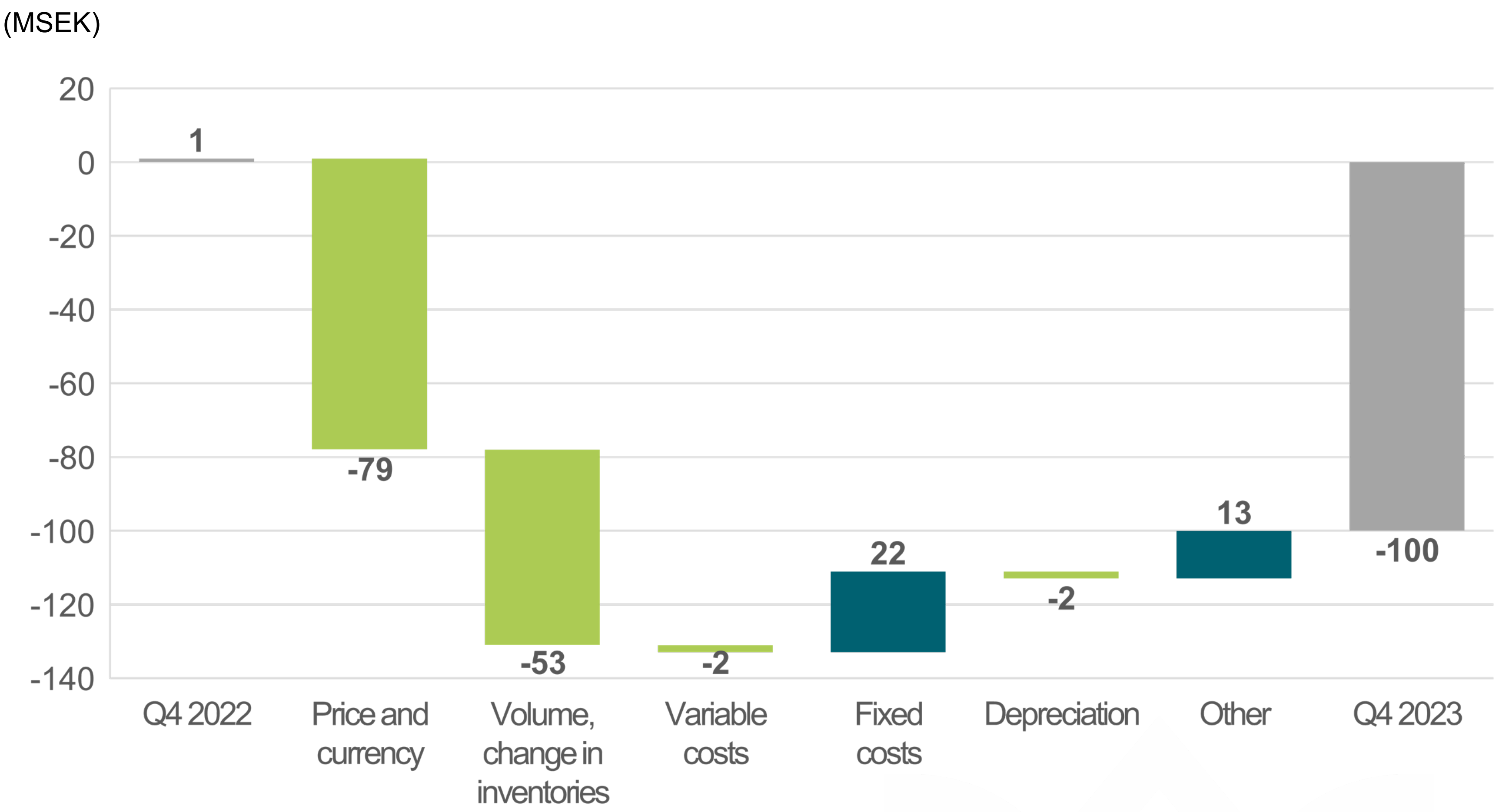
Challenging quarter
Strong balance sheet

EBIT Q4 2023 VS. Q4 2022

Lower sales prices

High wood cost

Focus on fixed costs

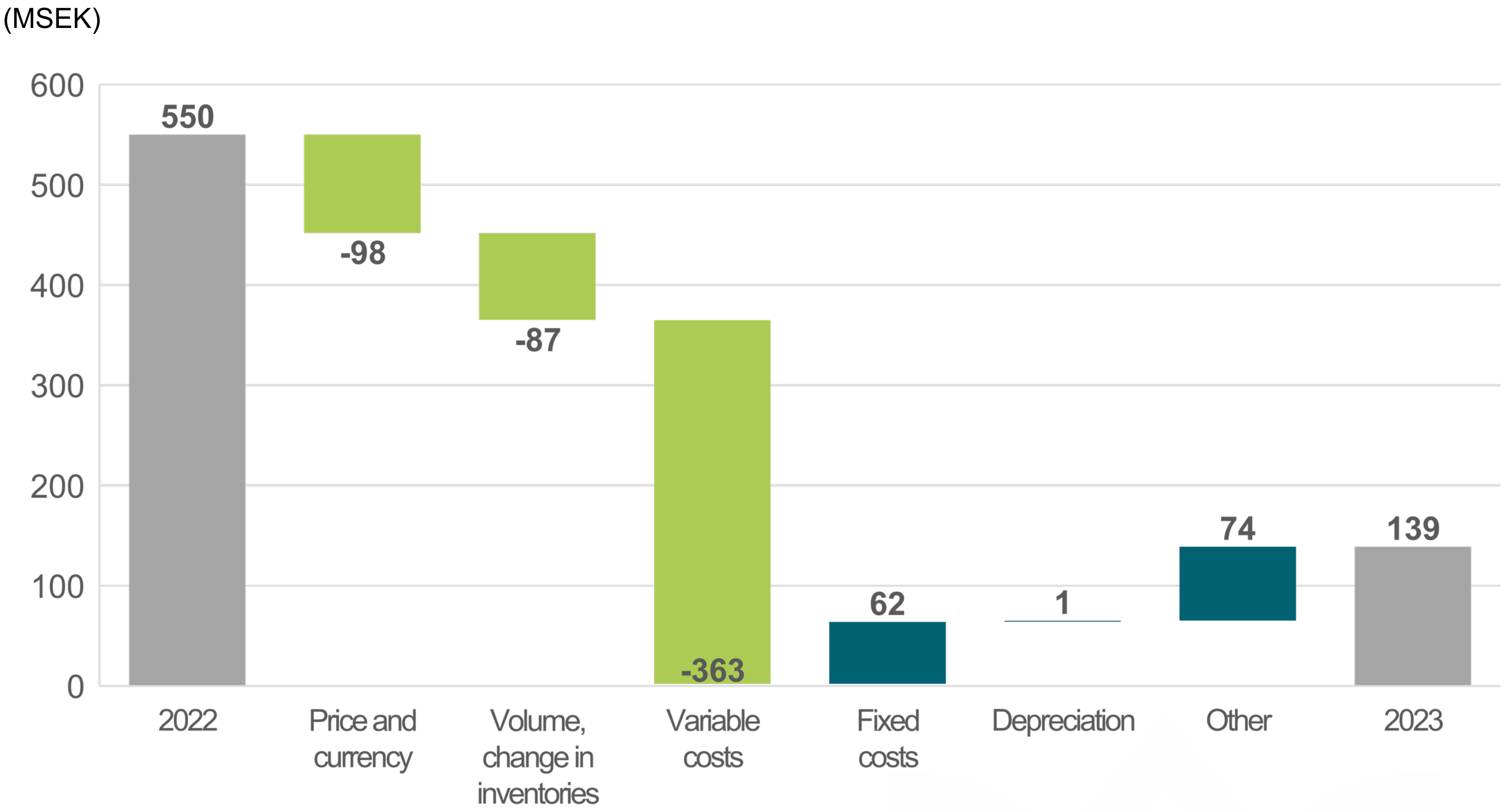


EBIT 2023 VS. 2022

Turnover for comparable units increased by 3%

Lower prices in USD, partly offset by currency

Cost of wood high, availability good

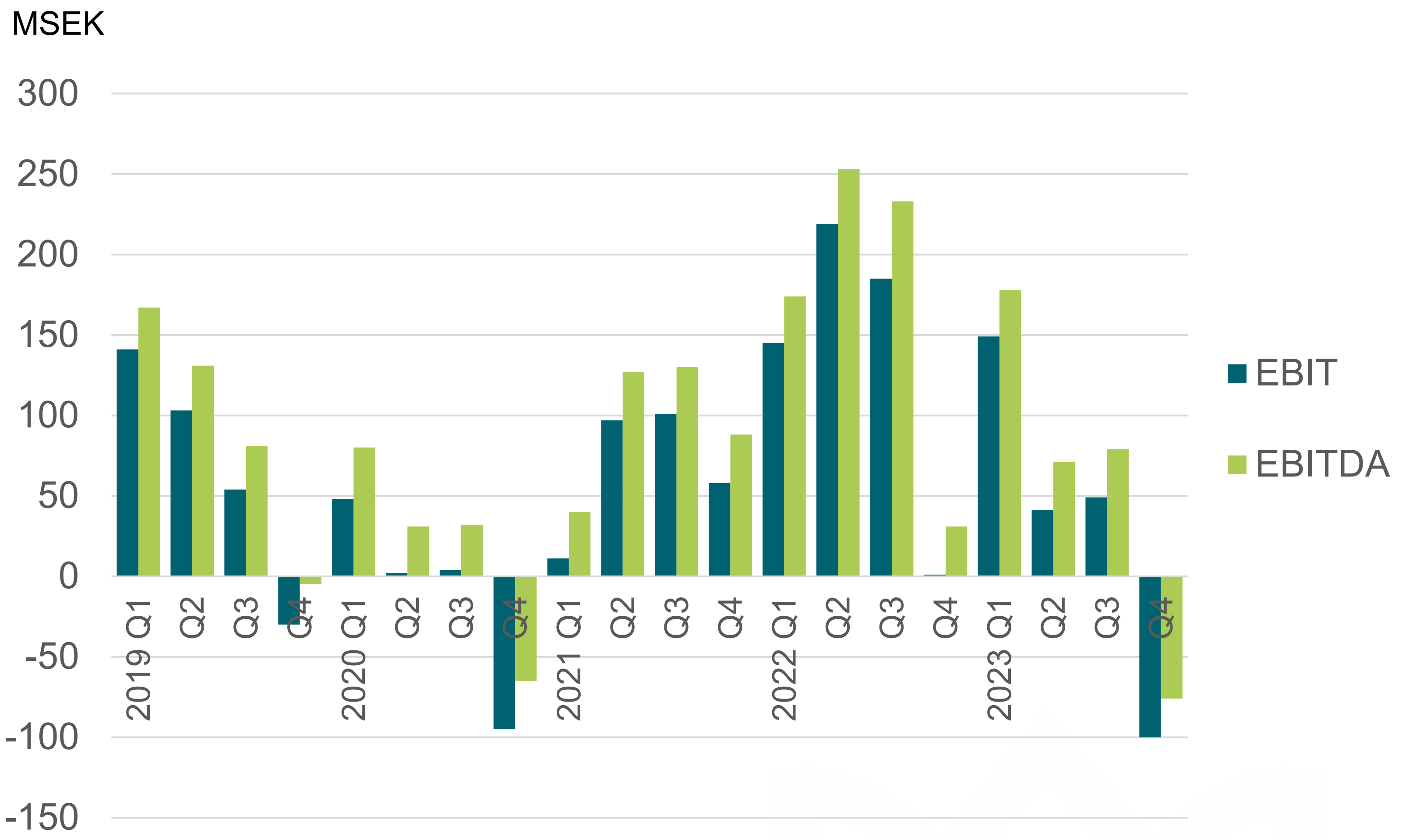


PROFIT DEVELOPMENT

Disappointing quarter

EBIT-margin 5%

FY 2023



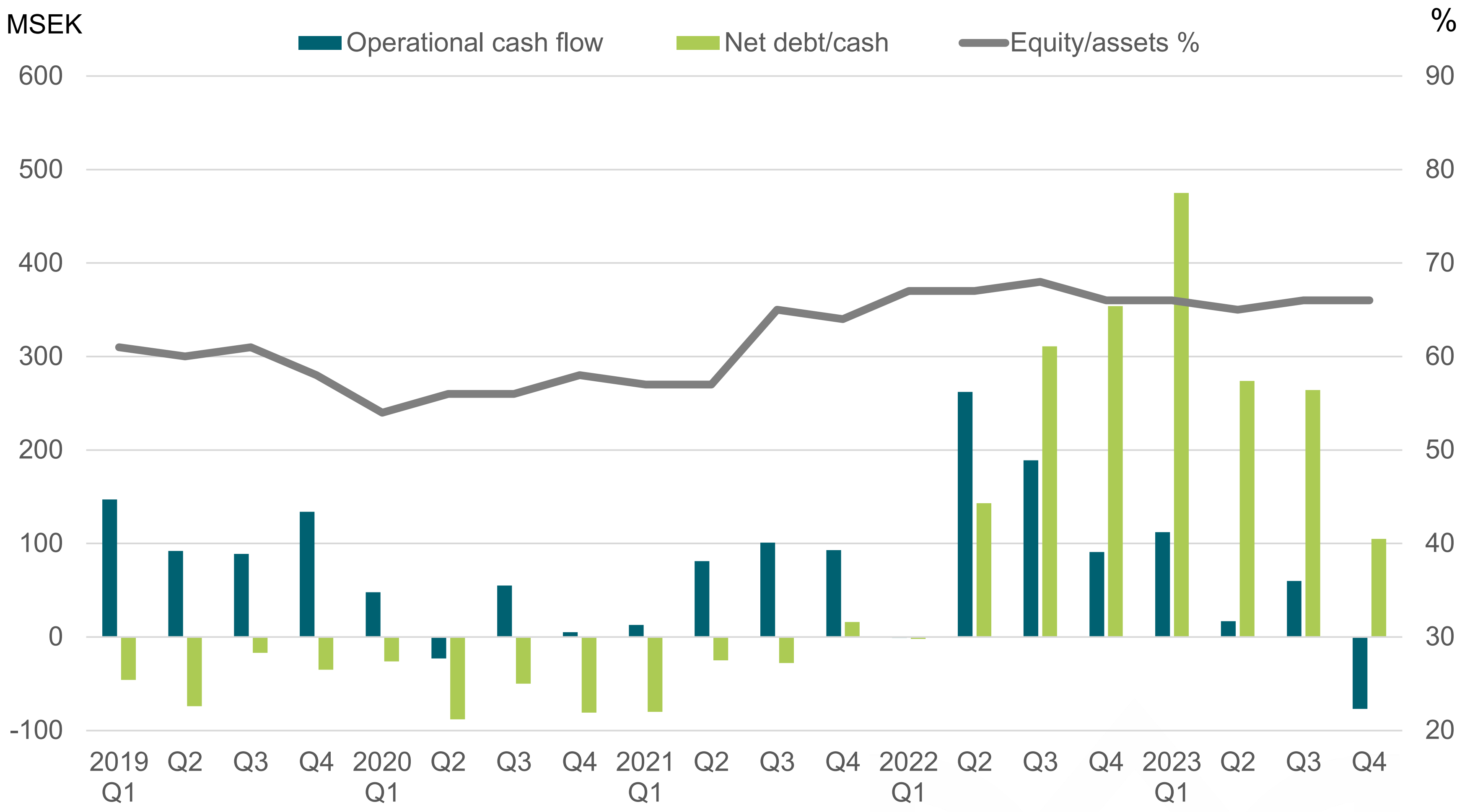
EFFICIENT AND SOLID BALANCE SHEET

Available liquidity 528 MSEK

Net cash of 105 MSEK

Equity/assets 66%

Proposed dividend 0,50 SEK per share



The way ahead

TRENDS FAVOURING PULP

TISSUE	E-COMMERCE	RENEWABLE ENERGY	SUSTAINABILITY

INNOVATION AND DEVELOPMENT

Rottneros Packaging

JV Poland

Blue Ocean Closures

SUMMARY

Strong balance sheet

Positive FY result

Q4 impacted by stop in Vallvik

Questions and answers

Lennart Eberleh
President and CEO

Monica Pasanen
CFO