

Q4
2021



YEAR-END REPORT
JAN-DEC 2021

Very strong year-end performance

EBIT increased
by 153 MSEK

Strong cash position
and balance sheet

Proposed dividend
of 0,60 SEK



ROTTNEROS

PURE POSSIBILITIES

Very strong performance in the end of the year

Q4 2021 COMPARED WITH (Q4 2020)

- **NET TURNOVER** increased by 22 percent to 598 (490) MSEK. Higher sales prices denominated in SEK were offset by lower sales volumes.
- **THE LIST PRICE** of NBSK pulp in Europe was 53 percent higher in USD and 57 percent higher in SEK compared with the fourth quarter of 2020. The USD strengthened against the SEK by 3 percent during the same period.
- **PRODUCED VOLUME** amounted to 91,4 (95,3) thousand tonnes. Production for the full year decreased by 4 percent year-on-year to 395,3 (412,6) thousand tonnes.
- **SOLD VOLUME** amounted to 95,5 (106,5) thousand tonnes. Demand remained strong in Europe, but sales were negatively impacted by lower production. Sales for the full year totalled 403.2 (416.5) thousand tonnes.
- **EBIT** (operating profit/loss) for the fourth quarter of 2021 was 58 (-95) MSEK. The stronger USD and good market prices were the main reasons for the positive performance. EBIT for the full year was 267 (-42) MSEK.
- **NET INCOME** for the fourth quarter of 2021 was 49 (-77) MSEK. Earnings per share for the quarter were 0,32 (-0,50) SEK and 1,30 (-0,33) SEK for the full year.
- **THE BALANCE SHEET** remains strong. The equity/assets ratio was 64 (58) percent and available liquidity totalled 443 (512) MSEK. Net cash amounted to 16 MSEK.
- **DIVIDEND** The strong performance allows for an ordinary dividend of 0,40 SEK and an extra dividend of 0,20 SEK, thus the Board proposes a total dividend of 0,60 SEK per share.

THE QUARTER AND YEAR IN FIGURES

	Oct-Dec 2021	Oct-Dec 2020	Change	Jan-Dec 2021	Jan-Dec 2020	Change
Net turnover, MSEK	598	490	108	2 303	2 093	210
EBITDA, MSEK	88	-65	153	385	77	308
EBIT, MSEK	58	-95	153	267	-42	309
Profit after financial items, MSEK	57	-99	156	246	-61	307
Net income, MSEK	49	-77	126	198	-50	248
Earnings per share, SEK	0,32	-0,50	0,82	1,30	-0,33	1,63
Cash flow from operating activities, MSEK	93	5	88	288	85	203
Return on capital employed (rolling 12 months), %				18,5	-3,0	21,5
Production, thousand tonnes	91,4	95,3	-3,9	395,3	412,6	-17,3
Deliveries, thousand tonnes	95,5	106,5	-11,0	403,2	416,5	-13,3



Lennart Eberleh
President and CEO

Comments from the CEO

The continued robust pulp market meant that we were able to show a strong performance for both the fourth quarter and the full year, even though both production and deliveries decreased compared with the previous year. Our long-term efforts to continuously improve the factors we can influence will continue unabated in 2022.

Net turnover grew by 22 percent and EBIT improved by 153 MSEK during the quarter, despite a decrease in both production and deliveries of 4 percent and 10 percent, respectively. The higher prices were the main explanation. Production in Vallvik was negatively impacted by some temporary disruptions and the mill's annual maintenance shutdown, which took place in part in October. At Rottneros Mill, high electricity prices continued to affect production.

We have taken additional important steps in our long-term effort to continuously improve efficiency by strengthening our production organisation both structurally and in terms of skills. We created and filled the new executive position of Chief Operating Officer for both pulp mills, with a clear focus on ensuring that production should be optimally run and developed over the long term. We also strengthened the level of expertise through external recruitment of some key personnel.

THE PULP MARKET HAS LEVELLED OFF, STILL STRONG

Our main market, the European pulp market, continues to be strong, although the list price for NBSK is down slightly, to USD 1 260 in December, compared with the peak of USD 1 340 in October. Meanwhile, demand for one of our most important products, unbleached sulphate pulp (UKP), continues to be very strong.

Our niches have performed well, with growing demand over the course of the year. We saw significant growth in packaging and UKP. As a result, tissue paper and printing and writing paper accounted for a smaller share of sales. Customers appreciate both our high level of service and the high quality of our pulp.

CONTINUED STRONG BALANCE SHEET

Like income, cash flow from operating activities was very strong in Q4, at 93 MSEK. With our strong balance sheet and substantial liquidity, we continue to be well-prepared if any negative changes should occur in our world. The equity ratio is robust and stood at 64 percent at year-end, up six percentage points from the beginning of the year. Consolidated cash and cash equivalents, together with unutilised credits, also remained at a reassuring level, at 443 MSEK. Interest-bearing net cash was 16 MSEK.

PREPARATIONS ARE IN FULL SWING FOR THE PACKAGING INITIATIVE IN POLAND

We are working hard to prepare for Packaging's large-scale venture in Poland, where we signed a letter of intent with Arctic Paper for a joint venture in October. We are currently working on more detailed technical studies and preparations for financing. We expect to make a final decision in the first half of the year. The facility will add significant capacity to meet the huge demand in the market.

ELECTRICITY MARKET PROBLEMATIC

The electricity market continues to pose problems for the electricity-intensive operations at Rottneros Mill. Our electricity hedges are highly effective at neutralising the impact on earnings, but the periodically very high spot price at which we buy for production meant that we had to curtail production. In total, just over 7 000 tonnes were affected during the quarter, corresponding to a production loss of around 17 percent of the mill's production. During the autumn, we initiated an analysis of the potential to take a more long-term and structural approach to reduce our exposure to volatile electricity prices, in addition to electricity price hedging. In short, we always have to achieve maximum cost efficiency and an optimal structure to create long-term profitability.

The pandemic had only a limited impact on our business in the fourth quarter. However, at the time of writing, we are fully focused on protecting our operations from the impact of the infection as much as possible. This is undeniably a challenge, given the extent of the outbreak in the society.

In conclusion, we continue to be successful in our ongoing efforts to improve the factors we can influence, regardless of external conditions. Rottneros' positive performance over the past five years is clear confirmation of this achievement. I would therefore like to thank my colleagues once again for their efforts to grow our business. I would also like to express our appreciation to our customers, suppliers and the Board for their excellent cooperation during the year.

The pulp market

The coronavirus pandemic continued to impact the market in Q4. The quarter began relatively calmly as several countries had achieved high vaccination coverage and lower infection rates, but the emergence of the new omicron variant towards the end of the year raised concerns once again and tougher restrictions were imposed. When the increase in inflation started up in the autumn, analysts expected the trend to be transitory, but were surprised analysts by its strength. Inflation in the US reached 7 % in December, the highest level in 40 years. Inflation in Europe also accelerated in the wake of high energy, freight and food prices, reaching 5 % in December. The US Federal Reserve is expected to start raising interest rates in Q1 2022 to curb inflation, while the European consensus continues to support a wait-and-see approach.

Although the price of the global container index fell by 10 % towards the end of the year from its peak in October, strained logistics networks still pose challenges worldwide. Under these circumstances, pulp pricing set in on a regional context. As a result, a tight market balance has been maintained in Europe, where short fibre pulp in particular is still trading at a large premium compared with in China. Similarly, we can see strong regional demand in India.

Despite the relative scarcity of market pulp, the list price for NBSK in Europe fell from its peak of USD 1 340 to USD 1 260 during the quarter. The fall in prices came to an end in January, however, and the forecast points once again to a tighter market due to production disruptions at pulp mills and the industrial strike in Finland.

During the quarter, the Chinese paper industry recovered somewhat, although the lack of export opportunities continued to hamper the market. Supply-side factors such as flooding in Canada, COVID-19 border crossing closures and the threat of a strike in Finland pushed the forward-looking price of commodities on the Shanghai commodity exchange steadily higher during the quarter. After a dip at the beginning of the quarter, import prices increased again, and by the end of the year import prices were around USD 800

for NBSK and USD 550 for BCTMP. The price of unbleached pulp in China remained relatively stable throughout the year, ending up at USD 760, which reflects a strong and stable market. The Chinese price is a net price, while prices in Europe are quoted including discounts.

For the first eleven months of 2021, global demand for market pulp was down -3,3 % compared with 2020; broken down into short-fibre pulp -4,4 % and long-fibre bleached pulp -4,1 %. The trend for unbleached pulp continues to be strong (+22.9 %), driven by the shortage of raw material for production of packaging, but also continued good growth in niche applications.

Tissue paper deliveries are lower than last year's level, but the comparison is flawed as demand was high during the pandemic in 2020. For the first ten months, tissue production is down -2,2 % compared with last year's level. Tissue paper is the largest end-use area for market pulp, with more than 40 % of the market, but it is of less significance for Rottneros.

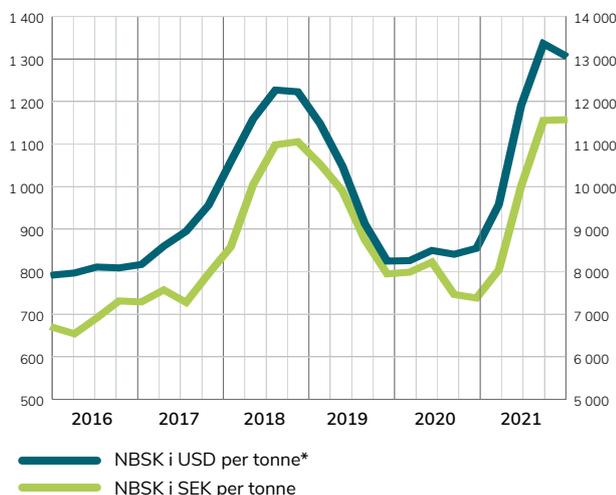
Printing and writing paper shipments continued to recover compared with 2020. The increase for the first ten months set in of the year was +5,8 %, but a comparison with 2019 clearly shows the structural long-term decline in the area. Despite price increases for end products, higher costs for energy, chemicals and freight have squeezed margins for manufacturers. Printing and writing paper remains one of the major uses for Rottneros pulp, but the relative share is decreasing annually.

In November, manufacturers' global stocks of long-fibre pulp were 44 days and of short-fibre pulp 45 days, a decrease of 2 days for long-fibre and 3 days for short-fibre pulp compared with August. Historically, these levels are considered to be modestly above the normal range for long-fibre pulp and within the normal range for short-fibre pulp.

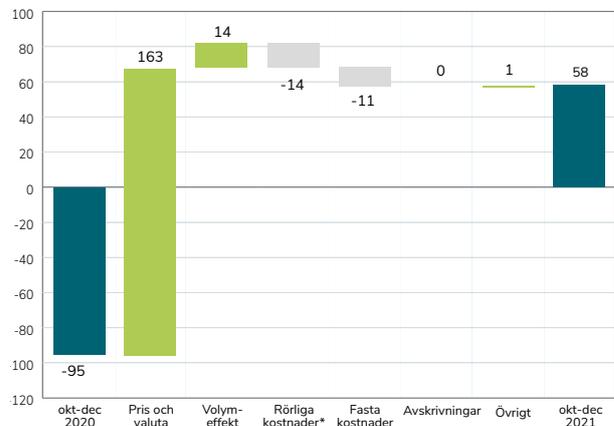
Sales and results, Q4

Turnover in the fourth quarter of 2021 amounted to 598 (490) MSEK, an increase of 22 %. Turnover was impacted positively by higher sales prices and increased sales of products other than pulp 50 (29) MSEK. The list price of NBSK to Europe fell during the quarter from USD 1 340 to

NBSK QUARTERLY GROSS PRICES 2016-2021



DIFFERENCE IN EBIT Q4 2021 COMPARED WITH Q4 2020 (MSEK)



* Variable costs are excluding costs that are related to higher or lower production and delivery volumes. Instead, such costs are included in the "volume effect", together with the volume increase/decrease in net turnover.

USD 1 260, but remained at a high level. Compared with the fourth quarter of 2020, the list price was 53 % higher denominated in USD and 57 % higher when translated to SEK. Lower volumes impacted turnover negatively, while product mix contributed positively to the result. Pulp price hedging gave a negative outcome of -9 (6) MSEK.

The supply of pulp wood was good during the quarter. Despite the slowdown in the sawmill industry, the supply of chips and pulp wood for pulp producers is good. Rottneros' import share was at a slightly lower level than normal.

The spot price for electricity has been at a very high level, characterised by strong volatility. The high electricity prices have led to production curtailments at Rottneros Mill. The system price for the quarter was 0,98 SEK per kWh compared with only 0,14 SEK per kWh for the same period in 2020. Rottneros' consumption takes place primarily in electricity area SE3, where the price was 1,10 (0,26) SEK per kWh. Rottneros has price hedges for most of its electricity consumption. Realised gain on electricity price hedges was 55 (-6) MSEK. Compared with the fourth quarter of 2020, the cost of electricity was SEK 20 million lower due to the electricity price hedges. Overall, variable costs (based on cost per tonne) reduced income by -14 MSEK due to increased costs for wood, chemicals and oil.

Fixed costs for the quarter were 11 MSEK higher than the fourth quarter of 2020, partly due to planned maintenance projects. Scheduled depreciation had a negative impact on income of 30 (30) MSEK.

EBIT for the fourth quarter of 2021 was 58 (-95) MSEK. Vallvik Mill's annual maintenance shutdown was held in part during the quarter, while the 2020 shutdown occurred in its entirety during the fourth quarter. The maintenance shutdown affects income with higher fixed costs than other quarters and a loss of revenue linked to lower production. Good pulp prices, a stronger USD and realised electricity price hedges contribute positively, while higher fixed costs had a negative impact.

Fourth quarter 2021 compared to fourth quarter 2020	Oct-Dec 2021	Oct-Dec 2020	Change %
NBSK, USD	1 307	855	53
SEK/USD	8,85	8,63	3
NBSK, SEK	11 573	7 382	57
Net turnover MSEK	598	490	22
EBIT, MSEK	58	-96	153 MSEK

PRODUCTION, TONNES	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Sulphate pulp	50 600	49 200	222 400	232 700
Groundwood pulp	14 800	17 400	64 000	72 700
CTMP	26 000	28 700	108 900	107 200
TOTAL	91 400	95 300	395 300	412 600

DELIVERIES, TONNES	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Sulphate pulp	52 100	57 500	223 400	236 800
Groundwood pulp	20 000	19 400	69 000	71 700
CTMP	23 400	29 600	110 800	108 000
TOTAL	95 500	106 500	403 200	416 500

Production and deliveries

Production volume for the fourth quarter of 2021 was 91 400 (95 300) tonnes, a decline of 4 % compared with the corresponding quarter last year. Production in the quarter was negatively affected by some unplanned shutdowns at both mills and about 7 000 tonnes that Rottneros Mill had to curtail due to high electricity prices.

Production for the full year decreased by 4 % to 395 300 (412 600) tonnes. The causes for the year's negative production trend have been identified and are being continuously addressed. During the last quarter reorganisation and skills reinforcements were made to further develop productivity improvements.

Lower production in the fourth quarter led to a 10 % decrease in customer deliveries to 95 500 (106 500) tonnes. For the full year, deliveries decreased by 3 % to 403 200 (416 500) tonnes.

MAINTENANCE SHUTDOWNS AND SEASONAL VARIATIONS

In 2021 the annual maintenance shutdown at Rottneros Mill was held during the third quarter. Last year it was held in Q2. At Vallvik Mill, the maintenance shutdown was held during both the third and fourth quarters, while in previous years the shutdown took place during the fourth quarter in its entirety.

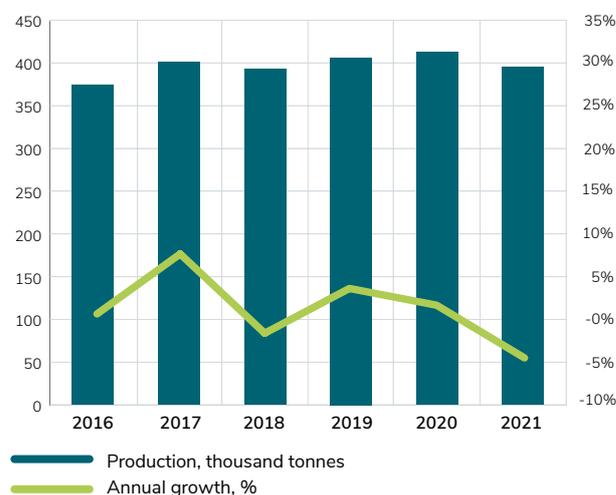
The direct costs relating to maintenance shutdowns are recognised in the period during which the shutdown takes place. The maintenance shutdown also involves a certain loss of production, which affects turnover and income for the quarter in which the shutdown takes place.

	Maintenance shutdown period		Estimated cost of shutdown
	2021	2020	2021 (MSEK)
Rottneros Mill	Q3	Q2	15
Vallvik Mill	Q3/Q4	Q4	61

The estimated cost of the shutdown includes both direct costs and the indirect effect of loss of production.

Otherwise, the Rottneros Group is not affected by seasonal variations to any appreciable extent.

ANNUAL VOLUMES AND ANNUAL GROWTH



Turnover and income, January–December

Turnover for January–December amounted to 2 303 (2 093) MSEK, a 10 % increase. The list price of NBSK market pulp rose by 42 % during the period, while the USD weakened against the SEK by 7 %. Higher prices compensated for a 3 % drop in delivery volumes to 403 200 (416 500) tonnes. Turnover was positively impacted by sales of products other than pulp, 165 (121) MSEK. The realised loss for pulp price hedges was -17 (22) MSEK.

The trend for variable costs was favourable during the year, positively influenced by lower raw material prices and a lower cost of electricity. The cost of fuel rose and higher chemical prices began to have an impact towards the end of the year. Taken together, variable costs (based on cost per tonne) improved earnings by 63 MSEK compared with 2020.

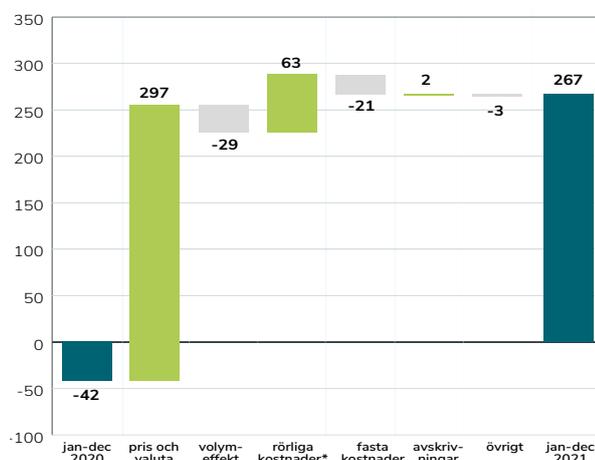
It has been a turbulent year in the electricity market with high prices in general and even higher prices in electricity area 3 than the system price. The average price of electricity on the Nord Pool electricity exchange (area SE3) was 0,67 (0,22) SEK per kWh, while that the system price was 0,43 (0,11) SEK per kWh. Rottneros' electricity price hedges protected the Group against the high spot prices and generated a positive outcome of 113 (-30) MSEK for January to December 2021. The total cost of electricity, including electricity hedges, was 35 MSEK lower in 2021 than in 2020.

Revaluation of the finished goods inventory impacted results by -1 (-21) MSEK

Jan-Dec 2021 compared with Jan-Dec 2020

	Jan-Dec 2021	Jan-Dec 2020	Change, %
NBSK, USD	1 198	843	42
SEK/USD	8,58	9,20	-7
NBSK, SEK	10 280	7 760	32
Net turnover, MSEK	2 303	2 093	10
EBIT, MSEK	267	-42	309 MSEK

DIFFERENCES IN EBIT JAN-DEC 2021 COMPARED WITH JAN-DEC 2020 (MSEK)



* Variable costs are excluding costs that are related to higher or lower production and delivery volumes. Instead, such costs are included in the "volume effect", together with the volume increase/decrease in net turnover.

Fixed costs increased by 21 MSEK compared with the previous year, mainly related to higher personnel costs.

OTHER INCOME STATEMENT ITEMS

Net financial expenses totalled 21 (19) MSEK for January–December and mainly relate to the 400 MSEK bond that Rottneros issued in August 2017 and which was redeemed in Q3 2021.

The Group's result after financial items increased to 246 (-61) MSEK. Income tax expense for the year was -48 (11) MSEK. Net income increased to 198 (-50) MSEK and earnings per share to 1,30 (-0,33) SEK.

Return on capital employed totalled 18,5 (-3,0) %. Return on equity after tax was 14,0 (-3,8) %.

Rottneros Packaging

In October 2021, Arctic Paper and Rottneros signed a Letter of Intent regarding a 50/50 joint venture in Poland with the aim of building a moulded fibre tray factory. The start-up of the new factory is planned for the end of 2023. The total investment for the joint venture is expected to amount to 12-15 MEUR, with a production capacity of 60-80 million packages, which is four times more than the factory in Sunne.

Rottneros, as coordinator and the only Swedish industrial partner, has participated in Pulpaktion, an innovation project within the framework of EU Horizon 2020. In September, the project was completed after five years. The purpose was to develop a completely renewable bio-based packaging solution at a competitive price in order to contribute to sustainable development in the packaging industry. In this project, Rottneros worked with companies and institutes throughout Europe to pursue development and test materials on a scale that would not have been possible independently. In addition, contacts were made that can benefit future development. The end result confirmed that the objectives of the project had been achieved and the favourable economic, technical and functional potential of the packaging was verified. It was evaluated by two brand owners in the food industry, who responded favourable and approved the results.

EBIT, ROLLING 12 MONTHS



— EBIT, rolling 12 months, MSEK
— Return on capital employed, rolling 12 months, %

Investments

Group investments in fixed assets during January–December 2021 amounted to 125 MSEK, including 125 (116) MSEK in property, plant and equipment. Much of this year's investment has focused on sustainability. Vallvik Mill invested 33 MSEK in reducing emissions to water. This is related to the mill's renewed environmental permit, which allows for production of 255 000 tonnes per year. Rottneros Bruk invested 40 MSEK in the biofuel boiler to increase availability and reduce the need for fossil fuels in the pulp drying process. The development of Rottneros Packaging has included investments in a laminating machine and quality control.

In addition, investments have been made in the work environment, along with reinvestments to maintain the technical standard, elimination of bottlenecks to improve efficiency and increase productivity, as well as environmental improvements.

The annual level of investments in existing operations is expected to be around 100 MSEK moving forward, with most investments taking place in connection with the mill's annual maintenance shutdowns.

Cash flow

Cash flow from operating activities for January–December 2021 amounted to 288 (85) MSEK, strongly impacted by higher pulp prices on the world market and a stronger USD exchange rate in relation to the SEK. Cash flow after investments for the year was 165 (-43) MSEK.

Net cash flow for the period was -169 (-46) MSEK, and includes a dividend of 68 MSEK and refinancing of 266 MSEK.

Parent Company

Profit after financial items for January–December 2021 in the Parent Company amounted to 118 (40) MSEK.

Changes in management

Peter Sävelin was appointed to the newly created position of Chief Operating Officer (COO) on 1 November 2021, with responsibility for both mills in Rottneros.

Average number of employees

The average number of employees was 316 (318).

Financial position

In July 2021, Rottneros AB entered into a new loan agreement including a loan of 150 MSEK and revolving credit facilities of up to 100 MSEK. The loan agreement matures in two years with an option for extension. In addition, Rottneros has an unused credit facility of 182 MSEK.

Rottneros used the new loan to refinance an unsecured bond loan of 400 MSEK. The entire bond loan was redeemed prematurely in July 2021. The financial costs in 2021 include early redemption fees and the cost of the new loans. The new financing solution reduces current financial costs by approximately 14 MSEK per year.

The Group's cash and cash equivalents amounted to 161 MSEK at the end of 2021, compared with 330 MSEK at the end of 2020. Interest-bearing liabilities were 145 MSEK at the end of the year. Interest-bearing net cash was 16 MSEK, compared with net debt of 81 MSEK at the end of 2020. Total granted and unutilized credits amounted to 282 MSEK at the end of 2021.

The equity/assets ratio as of 31 December 2021 was 64 (58) %. Equity per share amounted to 9,99 (8,53) SEK at year-end.

LONG-TERM TARGETS AND FOLLOW-UP DECEMBER 2021

FINANCIAL TARGETS		Long-term target	Outcome 2021
Dividend to net income		30-50 %	48 % ¹
Average growth of produced pulp tons		3 % / year	-4 %
Share of alternative revenue sources in net turnover		Min 10 % year 2023	7 %
Equity/assets ratio		Min 50 %	64 %

SOCIAL TARGETS		Long-term target	Outcome 2021
Safety, accidents with sick leave		Annual improvement of LTIFR	-2
Proportion of female employees		Min 30 % year 2025	18 %

ENVIRONMENTAL TARGETS		Long-term target	Outcome 2021
Fossil emissions according to GHG scope 1		Fossil-free production year 2030	-8 %
Fossil emissions according to GHG scope 2		Fossil-free production year 2030	+7 %
Emissions of COD kg/ton of pulp		Annual improvement	-0,3

1) Based on net results for the years 2019 och 2020.

Risk management

Operationally, the Company uses a number of measures and strategies – for example, 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 results are linked to exchange rates and the price of pulp, timber and electricity.

IMPACT OF THE CORONA PANDEMIC

The corona pandemic and the subsequent economic slow-down impacted the market in 2020. The market recovered in 2021, with high demand and rising prices. The Group’s production has not been affected by the pandemic.

CURRENCY EXPOSURE, USD AND EUR

Although Rottneros issues invoices in different currencies, the underlying currency for the pulp price is predominantly USD. The underlying exposure to USD is thus high. The direct inflow of USD corresponds with about 50 % of the inflow and of EUR about 33 %. However, the impact of exchange rate fluctuations on indirect exposure is delayed, as the normal duration of a customer contract is between one and three months.

The average USD exchange rate for January–December 2021 was 7 % lower compared with 2020.

PULP PRICE

The price of pulp (NBSK) is set in USD, while production costs are largely incurred in SEK. As of 31 December 2021, the Group held pulp price hedges of 12 000 tonnes with a maturity between January and December 2022 at an average price of 9 721 SEK per tonne. The fair value of these unrealized price hedges was -8 MSEK as of 31 December 2021.

ELECTRICITY

All external electricity for the mills, about 300 GWh annually, is purchased directly via the Nord Pool electricity exchange. At the end of 2021, electricity prices were hedged as shown in the following table. The table shows the hedged proportion of forecasted consumption and the average hedged price in SEK/kWh. The fair value of these unrealized electricity hedges was 149 MSEK as of 31 December 2021.

ELECTRICITY HEDGES PER 31 DECEMBER 2021:

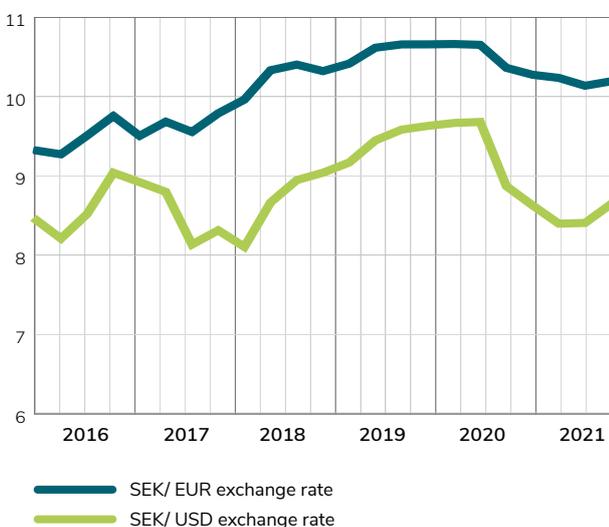
Year	Proportion hedged	SEK/kWh
2022	91 %	32,7
2023	100 %	31,1
2024	86 %	32,4
2025	57 %	31,9

56% of the hedged volume is against the system price and 44% against electricity area SE3

The high level of hedging protects Rottneros’ future electricity costs against sharp price fluctuations. Because of the large imbalance between electricity price areas a certain percentage of the contracts are hedged in area SE3. The average price level for electricity at Nord Pool (area SE3) during January–December 2021 was 0,67 (0,22) SEK per kWh.

See pages 61–67 of the Annual Report for 2020 for further information on risks.

EXCHANGE RATE TREND 2016–2021



PRICE TREND FOR ROTTNEROS SHARES AND STOCKHOLM STOCK EXCHANGE, 2016–2021





Share information

NUMBER OF SHARES AND TREASURY SHARES

The number of shares in Rottneros totals 153 393 890. Rottneros' holding of treasury shares amounts to 821 965 shares. No change in treasury shares occurred in 2021.

SHARE PRICE DEVELOPMENT JANUARY-DECEMBER 2021

At the end of 2021, the share price was 10,42 (8,15 at the end of 2020) SEK. The average price for January-December was 9,77 (9,10) SEK.

TRANSACTIONS WITH RELATED PARTIES

During January-December 2021, Rottneros sold pulp to the related party Arctic Paper S.A. Group amounting to 76 (73) MSEK. Outstanding operating receivables from Arctic Paper as of 31 December 2021 totalled 5 (9) MSEK. The transactions took place on market terms.

LARGEST SHAREHOLDERS ON 31 DECEMBER 2021

Shareholders	Number of shares (= votes)	Per cent of capital
Arctic Paper S.A.	78 230 883	51,0
PROAD AB	11 565 500	7,5
UBS Switzerland AG, W8IMY	6 059 434	4,0
Caceis Bank, Switzerland Branch, W8IMY	3 176 170	2,1
Försäkringsaktiebolaget Avanza Pension	3 135 412	2,0
CBNY-DFA-INT SML CAP V	1 334 092	0,9
KBC BANK NV, W-8IMY	1 209 420	0,8
Caceis Bank Spain SAU, W8IMY	1 155 113	0,8
Handelsbanken Fonder	957 706	0,6
Pension, Futur	782 662	0,5
TOTAL For 10 largest owners - by size of holding	107 606 392	70,2
Other shareholders	44 965 533	29,3
Rottneros AB (treasury shares from buy-back)	821 965	0,5
TOTAL	153 393 890	100,0

2022 Annual General Meeting

The 2022 Annual General Meeting will be held on Wednesday, 28 April 2022 in Söderhamn.

Shareholders who wish to have matters addressed at the 2022 AGM must send such proposals to the Chairman of the Board by e-mail to rottneros@setterwalls.se or mail: Rottneros AB (publ) c/o Setterwalls Advokatbyrå AB, Box 11235, 404 25 Göteborg

Proposals must be received by 9 March 2022 to be included in the notice to attend the 2022 Annual General Meeting.

Key events after the close of the financial year

No significant events occurred after the balance sheet date that affected the Group's financial position and results of operations.

Forthcoming financial information

22 March 2022	Annual Report 2021
28 April 2022	Interim Report January – March
28 April 2022	Annual General Meeting in Söderhamn
22 July 2022	Interim Report January – June
27 October 2022	Interim Report January–September

For more information, please visit Rottneros' website, rottneros.com

The Board of Directors and the Chief Executive Officer certify that the half-year report gives a true and fair summary of the development of the Group's operations, financial position and results of operations and describes significant risks and uncertainties faced by the company and the companies included in the Group.

Vallvik, 4 February 2022

Per Lundeen
Chairman of the Board

Marie S. Arwidson
Board Member

Ulf Carlson
Board Member

Roger Mattsson
Board Member

Conny Mossberg
Board Member

Jerry Sohlberg
Employee Representative

Mika Palmu
Employee Representative

Lennart Eberleh
President and CEO

This information is information that Rottneros AB is obliged to publish under the EU Market Abuse Regulation and the Securities Market Act. The information was submitted via the contact person below for publication on 4 February 2022 at 8 a.m. CET. This report has been drawn up in both a Swedish and an English version. The Swedish version shall prevail in the event of differences between the two reports.

For further information, please contact:

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CONSOLIDATED INCOME STATEMENT

AMOUNTS IN MSEK	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Net turnover	598	490	2 303	2 093
Change in inventories, finished goods	-8	-57	-29	-31
Other operating income	8	2	29	14
OPERATING INCOME, TOTAL	598	435	2 303	2 076
Raw materials and consumables	-275	-266	-1 125	-1 200
Other external expenses	-158	-151	-509	-513
Employee benefit expenses	-77	-68	-284	-267
Other operating expenses	0	-15	0	-19
EBITDA (operating profit before depreciation, amortisation and impairment)	88	-65	385	77
Depreciation/amortisation and impairment	-30	-30	-118	-119
EBIT (operating profit)	58	-95	267	-42
Financial income	0	0	1	0
Financial expenses	-1	-4	-22	-19
TOTAL FINANCIAL ITEMS	-1	-4	-21	-19
PROFIT AFTER FINANCIAL ITEMS	57	-99	246	-61
Tax on profit/loss for the period	-8	22	-48	11
NET INCOME	49	-77	198	-50
Average number of shares (thousand) ¹	152 572	152 572	152 572	152 572
EARNINGS PER SHARE (SEK) ¹	0,32	-0,50	1,30	-0,33

¹ No share-based programmes exist that result in dilution.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

AMOUNTS IN MSEK	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
NET TURNOVER	49	-77	198	-50
OTHER COMPREHENSIVE INCOME				
Items that have been or may be transferred to profit or loss for the period				
Changes in fair value of cash flow hedges	71	53	121	-36
Income tax effect on changes in fair value	-15	-11	-25	8
Translation differences	0	-1	0	-1
TOTAL OTHER COMPREHENSIVE INCOME	56	41	96	-29
COMPREHENSIVE INCOME FOR THE PERIOD ²	105	-36	294	-79

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

CONSOLIDATED BALANCE SHEET, SUMMARY

AMOUNTS IN MSEK	31 Dec 2021	31 Dec 2020
Intangible non-current assets	25	30
Property, plant and equipment	1 213	1 203
Financial assets	101	52
TOTAL NON-CURRENT ASSETS	1 339	1 285
Inventories	327	355
Current receivables	555	287
Cash and cash equivalents	161	330
TOTAL CURRENT ASSETS	1 043	972
TOTAL ASSETS	2 382	2 257
SHAREHOLDERS' EQUITY	1 527	1 301
Interest-bearing liabilities	145	411
Deferred tax liabilities	153	105
Other non-interest-bearing liabilities	54	45
TOTAL LONG-TERM LIABILITIES	352	561
Interest-bearing liabilities	-	-
Non-interest-bearing liabilities	503	395
TOTAL CURRENT LIABILITIES	503	395
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	2 382	2 257

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, SUMMARY

AMOUNTS IN MSEK	Share capital	Other contributed capital	Other reserves		Translation difference	Retained earnings, incl. profit for the year	Total
			Treasury shares	Hedging reserve			
Opening balance as of 1 January 2020	153	730	-69	46	-8	528	1 380
Net income Jan-Dec						-50	-50
Other comprehensive income Jan-Dec				-29	-		-29
Total comprehensive income, Jan-Dec				-29	-	-50	-79
Closing balance 31 December 2020	153	730	-69	17	-8	478	1 301
Net income Jan-Dec						198	198
Other comprehensive income, Jan-Dec				96	0		96
Total comprehensive income for Jan-Dec				96	0	198	294
Dividend to shareholders Jan-Dec						-68	-68
Closing balance 31 December 2021	153	730	-69	113	-8	608	1 527

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

AMOUNTS IN MSEK	Jan-Dec 2021	Jan-Dec 2020
EBIT	267	-42
Adjustment for items not included in the cash flow	1	-
Depreciation/amortisation and impairment	117	118
EBIT adjusted for non-cash flow affecting items	385	76
Received/paid financial items	-21	-19
Received/paid tax	-42	2
Cash flow from operating activities before changes in working capital	322	59
Change in working capital	-34	26
Cash flow from operating activities	288	85
Investments in fixed assets	-125	-131
Sale of fixed assets	2	3
Change in current loan receivables	-	-
Cash flow from investing activities	-123	-128
Raised long-term loans	150	-
Repayment of long-term loans	-416	-3
Dividend paid	-68	-
Cash flow from financing activities	-334	-3
PERIOD'S NET CASH FLOW	-169	-46
Cash and cash equivalents at the beginning of the period	330	376
Net cash flow for the period	-169	-46
Cash and cash equivalents at the end of the period	161	330

CHANGES IN INTEREST-BEARING LIABILITIES

AMOUNTS IN MSEK	Jan-Dec 2021	Jan-Dec 2020
Interest-bearing liabilities in the balance sheet at the beginning of the period	411	411
Changes that are included in cash flow from financing activities		
Raised long-term loans from banks	150	-
Repayment of long-term loans from banks	-416	-3
Total	-266	-3
Other changes		
Through acquisitions	-	3
Accrual of direct costs in connection with the issue of bond loans that are accrued over the loan period.	-	-
Interest-bearing liabilities in the balance sheet at the end of the period	145	411

PARENT COMPANY INCOME STATEMENT

AMOUNTS IN MSEK	Jan-Dec 2021	Jan-Dec 2020
Net turnover	8	8
Other operating income	19	16
OPERATING INCOME, TOTAL	27	24
Results from hedging activities	-17	-7
Other expenses	-19	-17
Employee benefit expenses	-31	-24
EBITDA (operating loss before depreciation, amortisation and impairment)	-40	-24
Depreciation/amortisation and impairment	-4	-4
EBIT (operating loss)	-44	-28
Profit from participations in Group companies	162	87
Financial income	21	0
Financial expenses	-21	-19
TOTAL FINANCIAL ITEMS	162	68
LOSS/ PROFIT AFTER FINANCIAL ITEMS	118	40
Tax on loss/ profit for the period	-25	-11
NET INCOME	93	29

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

AMOUNTS IN MSEK	Jan-Dec 2021	Jan-Dec 2020
NET TURNOVER	93	29
Other comprehensive income	-	-
TOTAL OTHER COMPREHENSIVE INCOME	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	93	29

PARENT COMPANY BALANCE SHEET, SUMMARY

AMOUNTS IN MSEK	31 Dec 2021	31 Dec 2020
Intangible non-current assets	4	8
Equipment	0	0
Financial assets ¹	844	652
TOTAL NON-CURRENT ASSETS	848	660
Current receivables ²	278	470
Cash and cash equivalents	143	317
TOTAL CURRENT ASSETS	421	787
TOTAL ASSETS	1 269	1 447
SHAREHOLDERS' EQUITY	833	809
Long-term liabilities – Interest-bearing	133	398
Long-term liabilities – Non-interest-bearing	54	45
TOTAL LONG-TERM LIABILITIES	187	443
Non-interest-bearing current liabilities ³	249	195
TOTAL CURRENT LIABILITIES	249	195
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1 269	1 447

¹ Includes claims against subsidiaries of 466 (283) MSEK.

² Includes claims against subsidiaries of 236 (469) MSEK.

³ Includes claims against subsidiaries of 224 (158) MSEK.

Supplementary Disclosures and Notes, 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 Recommendation RFR 1 'Supplementary Accounting Rules for Groups' together with 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 vast majority of Rottneros revenues is derived from the sales of pulp. Control is passed at a point in time, which coincides with the actual delivery of the goods. Revenue is recognised at fair value of the consideration received or receivable. Turnover in the income statement consists of revenues from the sale of goods and invoiced freight, net of returns, discounts, pulp price hedges and VAT.

FINANCIAL INSTRUMENTS

The valuation is based on directly observable price quotations on the balance sheet date that are classified at level 2 in the fair value hierarchy described in IFRS 13.

The full fair value of a derivative instrument that constitutes a hedging instrument is classified as a non-current asset or non-current liability if the remaining maturity of the hedged item exceeds twelve months, and as a current asset or current liability if the remaining maturity of the hedged item is less than twelve months. The maximum exposure for credit risk on the reporting date is the fair value of the derivative instruments recognised as assets in the balance sheet.

In July 2021, Rottneros AB entered into a loan agreement including a loan of 150 MSEK and revolving credit facilities of up to 100 MSEK. The loan agreement matures in two years with an option for extension. At the same time, the company repaid an unsecured bond loan of 400 MSEK, which was issued in August 2017. The loan had a maturity of 5 years and was repaid early.

The nature of other financial assets and liabilities is in all essential respects the same as on 31 December 2020. The carrying amounts are deemed to be equal to actual values, which was also the case at the end of 2020, since the effect of discounting is not of material significance. Accounts receivables 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.

NET SALES BY GEOGRAPHIC MARKET:

Amount in MSEK	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Sweden	113	110	467	468
Other Nordic countries	84	55	234	211
Germany	99	67	351	289
Italy	90	65	317	318
The rest of Europe	73	26	219	227
North America	48	49	219	210
Asia	90	118	495	370
The rest of the world	0	0	1	0
NET TURNOVER TOTAL	598	490	2 303	2 093

ROTTNEROS' NET TURNOVER CONSISTS OF THE FOLLOWING:

Amount in MSEK	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Sales of pulp	557	455	2 155	1 950
Results from pulp price hedging	-9	6	-17	22
Sales of by-products and other	13	7	47	41
Sales of pulp wood	37	22	118	80
NET TURNOVER TOTAL	598	490	2 303	2 093

DISTRIBUTION TURNOVER MASS BY AREA OF USE

Amount in MSEK	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Board and packaging	124	105	551	472
Writing- and Printing paper	96	79	368	387
Filter	104	98	463	381
Electrotechnical applikations	91	70	315	265
Tissue	30	45	122	217
Special paper	102	58	306	227
Others	10	0	30	1
NET TURNOVER TOTAL	557	455	2 155	1 950

FAIR VALUE FOR DERIVATIVES ON 31 DECEMBER 2021

Hedging	Hedged volume	Maturity	Heging level	Fair value (MSEK)
Pulp, forward sell	12 000 ton	Jan-Dec 2022	9 721 SEK/ton	-8
Electricity, forward buy	1 025 640 MWh	2022-2025	0,32 SEK/kWh	149
Total fair value				141

FAIR VALUE FOR DERIVATIVES ON 31 DECEMBER 2020

Hedging	Hedged volume	Maturity	Heging level	Fair value (MSEK)
Pulp, forward sell	6 000 ton	Jan-June 2021	8 870 SEK/ton	8
Electricity, forward buy	1 200 600 MWh	2021-2025	0,308 SEK/kWh	13
Total fair value				21

GROUP PERFORMANCE IN SUMMARY

	2021	2020	2019	2018	2017
Income statement, MSEK					
Net turnover	2 303	2 093	2 376	2 260	1 912
EBITDA	385	77	374	394	247
Depreciation/amortisation and impairment	-118	-119	-106	-99	-91
EBIT	267	-42	268	295	156
Financial items (net financial items)	-21	-19	-21	-19	-9
Profit/loss after financial items	246	-61	247	276	147
Net income	198	-50	194	221	114
Cash flow statement, MSEK					
Cash flow from operating activities	288	85	462	223	222
Investments in non-current assets	-123	-128	-109	-255	-237
Cash flow after investments	165	-43	353	-32	-15
Cash used in/provided by financing activities	-334	-3	-214	-56	325
Net cash flow	-169	-46	138	-88	310
Balance sheet items, MSEK					
Non-current assets	1 339	1 285	1 280	1 290	1 078
Inventories	327	355	375	389	279
Current receivables	555	287	342	484	324
Cash and cash equivalents	161	330	376	238	326
Net debt (+) / net cash (-)	-16	81	35	157	68
Equity	1 527	1 301	1 380	1 460	1 207
Long-term interest-bearing liabilities	145	411	411	395	394
Long-term non-interest-bearing liabilities	207	150	176	137	52
Current interest-bearing liabilities	-	-	-	-	-
Current non-interest-bearing liabilities	503	395	406	409	354
Capital employed	1 511	1 382	1 415	1 617	1 275
Total equity and liabilities	2 382	2 257	2 373	2 401	2 007
Key ratios					
EBITDA-margin, %	16,7	3,7	15,7	17,4	12,9
EBIT-margin, %	11,6	-2,0	11,3	13,1	8,2
Return on shareholders' equity (rolling 12 months), %	14,0	-3,8	13,7	16,6	9,7
Return on capital employed (rolling 12 months), %	18,5	-3,0	17,7	20,4	12,9
Equity ratio,%	64	58	58	61	60
Debt / equity ratio,%	-1	6	3	11	6
Others					
Average no. of employees	316	318	303	303	301
Pulp production, 1,000 tonne	395,3	412,6	406,0	393,6	401,2
Pulp deliveries, 1,000 tonne	403,2	416,5	408,3	382,5	395,9
List price of NBSK pulp, USD per tonne ¹	1 198	843	984	1 167	882
SEK/USD ²	8,58	9,21	9,46	8,69	8,54
List price of NBSK pulp, SEK per tonne	10 280	7 765	9 304	10 144	7 530

¹ Source: Market listing of gross prices once a week. Average for each period.

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

QUARTERLY DATA, GROUP

	2021				2020				2019			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Income statement, MSEK												
Net turnover	598	570	593	542	490	508	510	585	546	617	582	630
EBITDA	88	130	127	40	-65	31	31	80	-5	81	131	167
Depreciation/amortisation and impairment	-30	-29	-30	-29	-30	-28	-29	-32	-25	-27	-28	-26
EBIT	58	101	97	11	-95	3	2	48	-30	54	103	141
Financial items (net financial items)	-1	-11	-4	-4	-4	-5	-5	-5	-7	-5	-5	-5
Profit/loss after financial items	57	90	93	7	-99	-2	-3	43	-37	49	98	136
Tax on profit/loss for the period	-8	-19	-19	-2	22	0	0	-11	8	-10	-21	-28
Net income	49	71	74	5	-77	-2	-3	32	-29	39	77	108
Per share												
Earnings per share SEK	0,32	0,47	0,48	0,03	-0,51	-0,01	-0,02	0,21	-0,19	0,25	0,51	0,71
Other												
Pulp, production 1 000 tonne	91,4	92,2	109,2	102,5	95,3	110,2	97,7	109,4	100,4	100,3	107,7	97,6
Pulp, deliveries 1 000 tonne	95,5	92,5	103,2	112,0	106,5	106,9	93,1	110,0	103,2	110,8	95,2	99,1
List price of NBSK pulp SEK per tonne	11 573	11 557	10 012	8 044	7 382	7 465	8 226	7 988	7 950	8 753	9 900	10 527

SHARE DATA ¹

		Jan-Dec 2021	2020	2019	2018	2017	2016
Shares outstanding, opening ²	Quantity	152 572	152 572	152 572	152 572	152 572	152 572
Shares outstanding, closing ²	Quantity	152 572	152 572	152 572	152 572	152 572	152 572
Average number of shares outstanding ²	Quantity	152 572	152 572	152 572	152 572	152 572	152 572
Treasury shares ²	Quantity	822	822	822	822	822	822
Earnings per share	SEK	1,28	-0,33	1,27	1,45	0,75	0,84
Cash flow after investments/share ³	SEK	1,07	-0,30	2,30	-0,21	-0,10	-0,60
Equity per share	SEK	9,99	8,53	9,05	9,57	7,91	7,54
Dividend ⁴							
Ordinary dividend	SEK	0,40	-	-	0,40	0,30	0,30
Extra dividend	SEK	0,20	0,45	-	1,00	0,07	0,10
Total	SEK	0,60	0,45	-	1,40	0,37	0,40
Dividend/equity per share	%	6,0	4,5	-	14,6	4,7	5,3
Share price at end of period	SEK	10,42	8,15	11,40	8,24	7,15	8,05
Market price/equity/share	times	1,0	1,0	1,3	0,9	0,9	1,1
P/E ratio per share	times	8,1	-24,7	9,0	5,7	9,5	9,6

¹ None of the key ratios are affected by any dilution effect.

² The number of shares is in thousands and excluding Rottneros' treasury shares.

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

⁴ For 2021, the proposed dividend is stated.

Alternative performance measures

Alternative performance measures (APM) are financial measures that are not defined in IFRS and are presented outside the financial statements. Rottneros uses the following APMs: Cash flow after investments, Net debt/net 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 statements as a complement to other key performance indi-

cators to assess the Rottneros Group's financial position and profitability. Rottneros also uses the key indicators P/E ratio and Direct yield, which the Company believes are relevant for investors and other readers. APMs can be defined in different ways by other companies and therefore may not be comparable with similar measures used by other companies.

Definitions of IFRS key ratios and Alternative performance measures

EBITDA

Earnings before depreciation/amortisation and impairment, financial items and income taxes (operating profit before depreciation, amortisation and impairment).

EBIT

Earnings before financial items and income taxes (operating profit).

EBIT MARGIN

EBIT as a percentage of net turnover.

PROFIT MARGIN

Profit after financial items as a percentage of net turnover.

SHAREHOLDERS' EQUITY PER SHARE

Shareholders' equity divided by number of shares.

CASH FLOW AFTER INVESTMENTS

Cash flow from operating activities less investments in non-current assets.

NET DEBT/NET CASH

Interest-bearing liabilities minus cash and cash equivalents.

CAPITAL EMPLOYED

Shareholders' equity plus interest-bearing liabilities minus cash and cash equivalents.

RETURN ON CAPITAL EMPLOYED

(ROLLING 12 MONTHS)

EBIT for the past 12 months, as a percentage of average capital employed (average of capital employed at the beginning of the period and at the end of the period).

RETURN ON SHAREHOLDERS' EQUITY (ROLLING 12 MONTHS)

Net income for the past 12 months, as a percentage of average shareholders' equity (average of shareholders' equity at the beginning of the period and at the end of the period).

EQUITY/ASSETS RATIO

Equity as a percentage of the sum of shareholders' equity and liabilities.

DEBT/EQUITY RATIO

Net debt/cash as a percentage of shareholders' equity.

LIQUIDITY

Cash, available balances with banks and corresponding institutions and short-term and liquid investments that can easily be converted into a known amount.

AVAILABLE LIQUIDITY

Cash and cash equivalents and available loans from banks and similar institutions.

P/E RATIO

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

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.

Every care has been taken to ensure the accuracy of the information in this report, but Rottneros cannot accept any liability for any possible loss or damage as a consequence of using information in this report. The report was originally written in Swedish and translated into English.



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