



Interim Report Presentation Q1 2022

April 29, 2022





Ulf Larsson, CEO



Summary Q1 2022

Russian invasion of Ukraine

- No operations or direct exposure from sales or purchasing

High degree of self sufficiency

- Cost inflation offset by control of value chain

EBITDA increased 92% vs Q1 2021

- + Higher prices on solid wood, pulp and kraftliner

Sales increased 20% vs Q1 2021

- Price/mix 30%, volume -2%, currency 1%
- Exit publication paper -9%

Expansion projects on time and on budget



SCA's performance Q1 2022

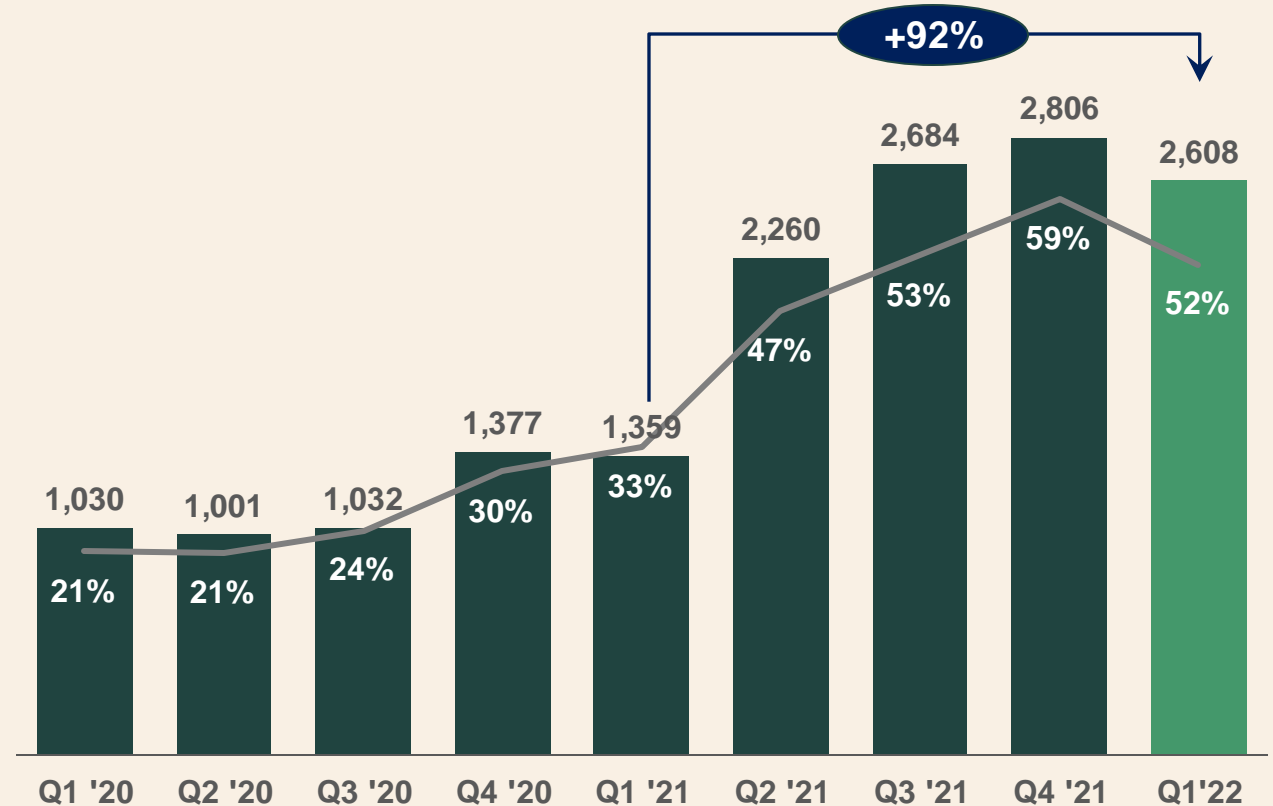
EBITDA (SEKm)

2,608

Industrial ROCE ¹

40%

EBITDA (SEKm) and EBITDA margin



EBITDA margin

52%

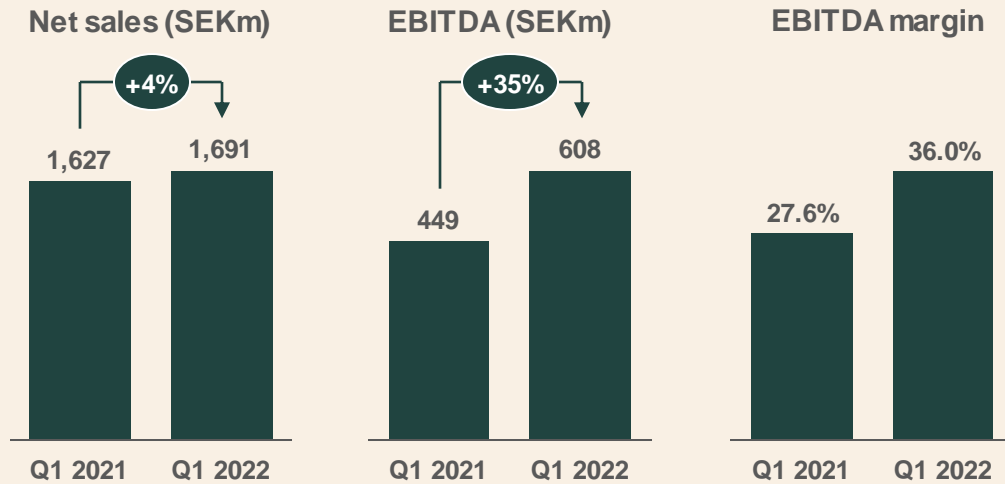
Net debt/EBITDA

1.0x

1. LTM

Note: EBITDA excluding effects from changed accounting method for valuation of forest assets in Q4 2019 and effect of one-off items related to discontinuation of publication paper in Q3 2020 and Q4 2020.

Forest Q1 2022 vs. Q1 2021



Stable wood supply to industries

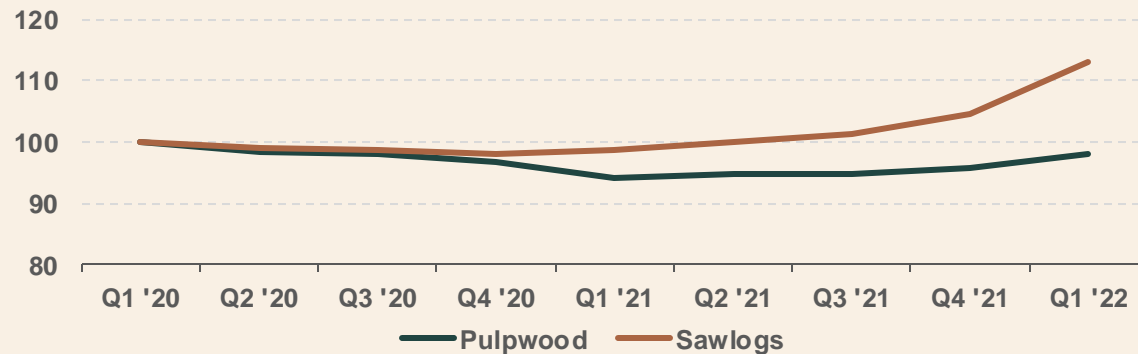
Sales up 4%

- + Higher sawlog price

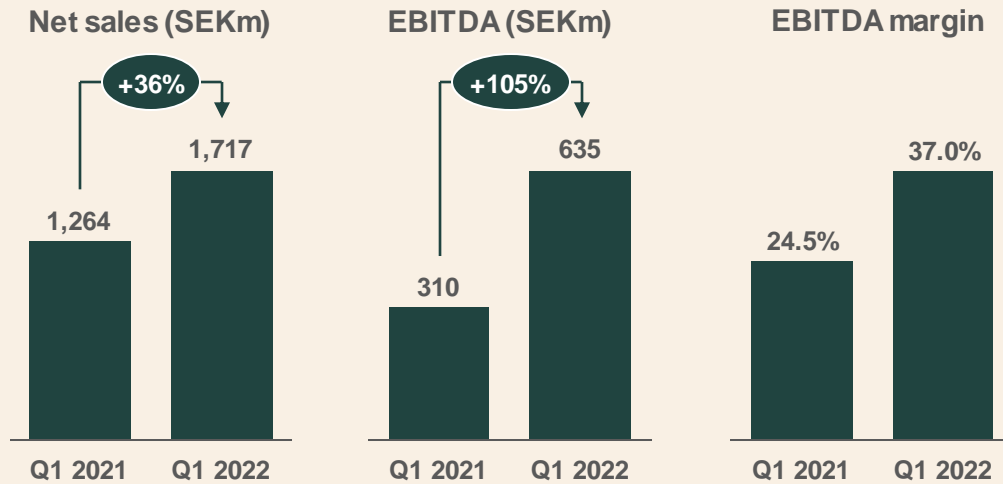
EBITDA up 35%

- + Higher revaluation biological assets
- + Higher sawlog price

Price development – Pulpwood and Sawlogs



Wood Q1 2022 vs. Q1 2021



Generally strong market with reduced supply

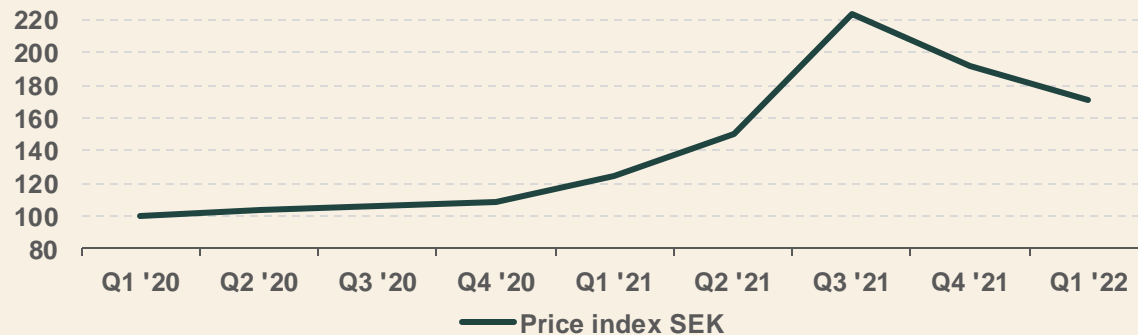
Sales up 36%

- + Higher prices
- + Higher volumes

EBITDA up 105%

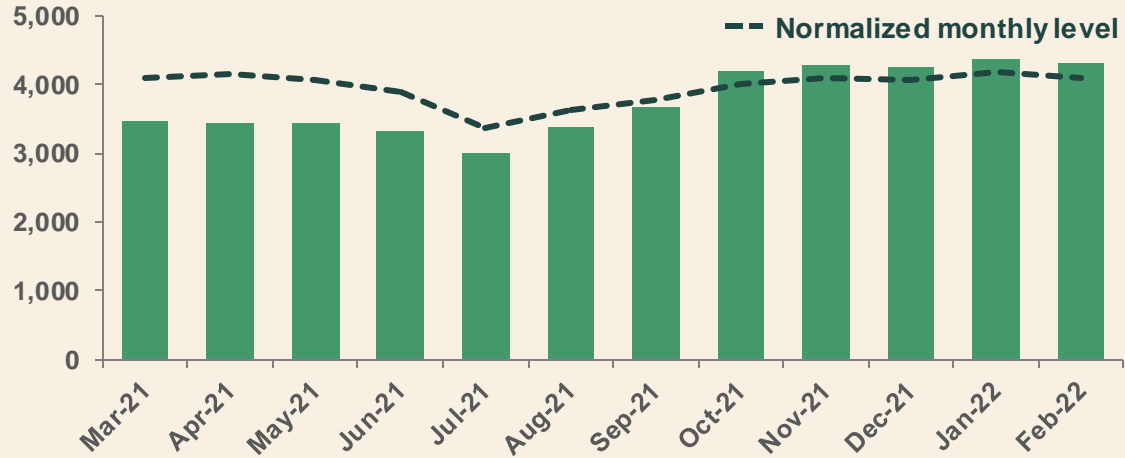
- + Higher prices
- Higher wood raw material cost

Price development – Solid Wood Products

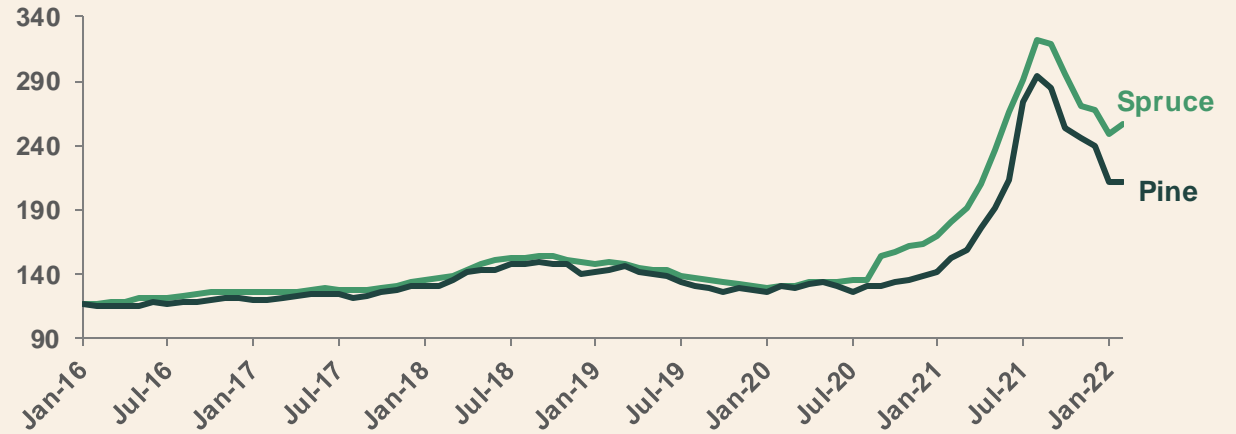


Wood market development

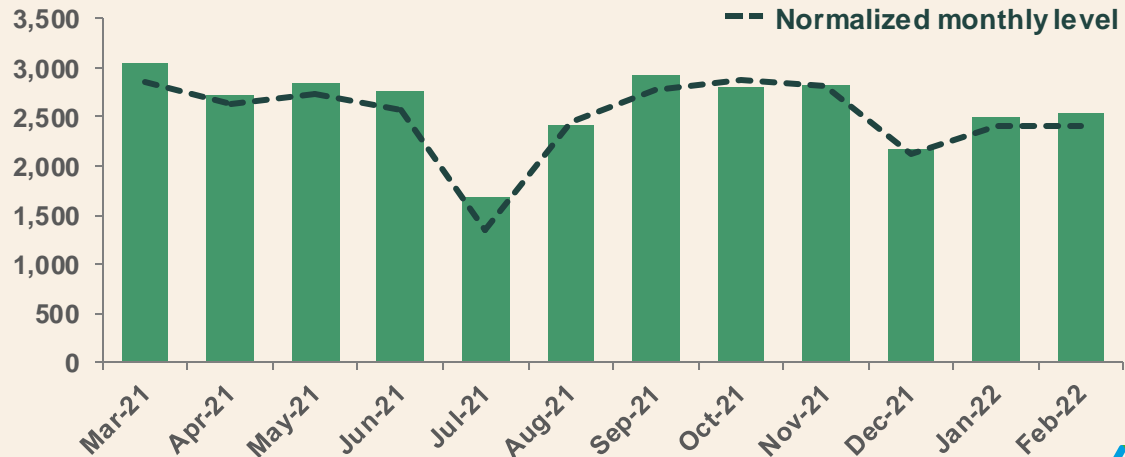
Stock of sawn pine and spruce wood, Sweden and Finland (k m³)



Price development sawn pine and spruce, Sweden (index)



Production of sawn pine and spruce wood, Sweden and Finland (k m³)



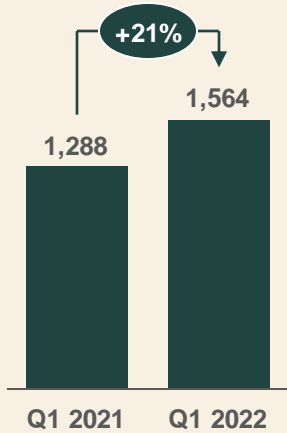
Seasonally lower demand in Q1

- Supply impacted by Russian invasion of Ukraine
- Scandinavian stock levels and production on normalized levels

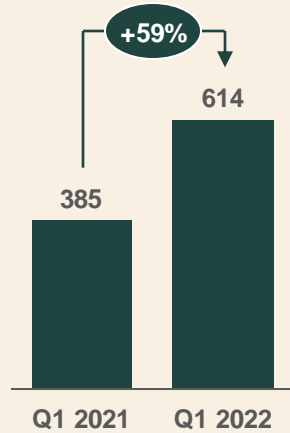
Note: Normalized monthly level 2017-2022.

Pulp Q1 2022 vs. Q1 2021

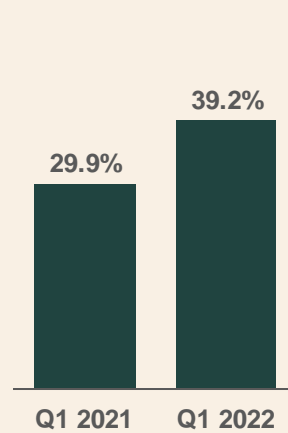
Net sales (SEKm)



EBITDA (SEKm)



EBITDA margin



Sales up 21%

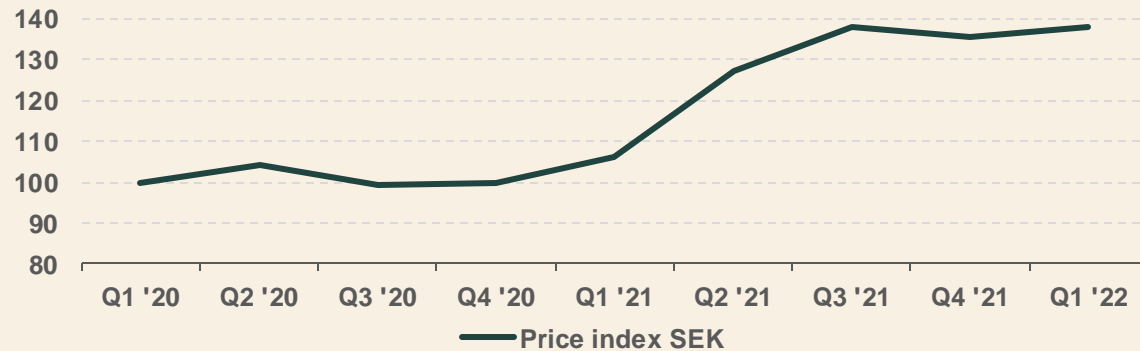
- + Higher prices
- + Positive currency effects
- Lower deliveries

EBITDA up 59%

- + Higher prices
- + Better yield

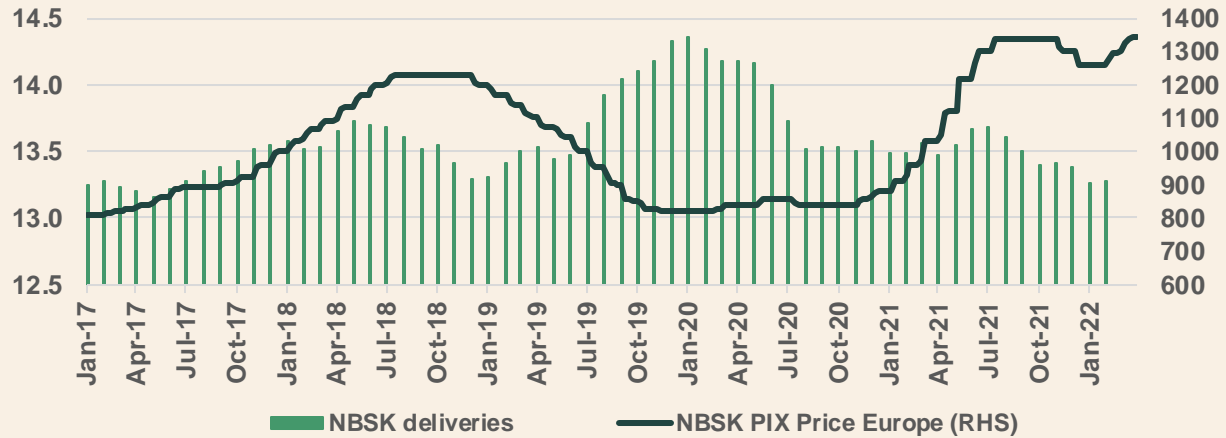
CTMP project at Ortviken on time and on budget

Price development – NBSK Pulp

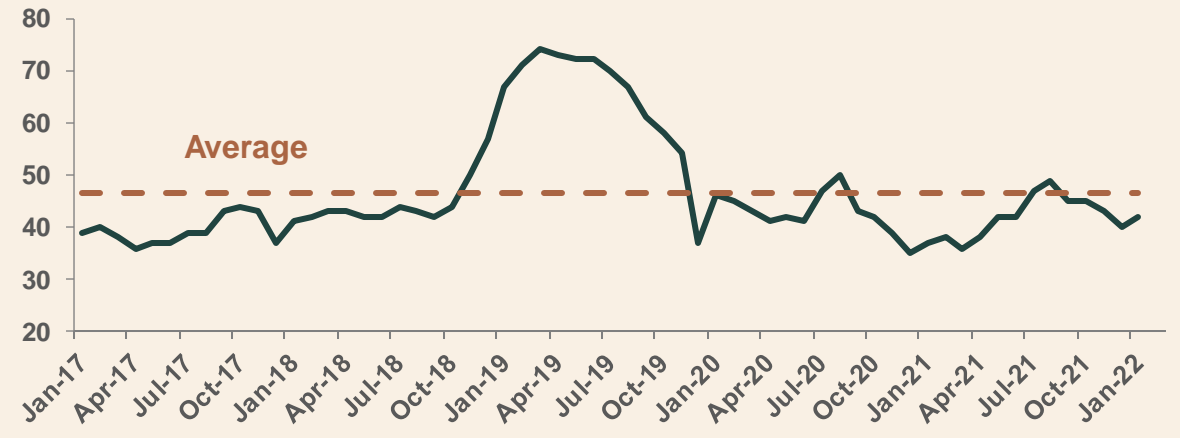


Pulp market development

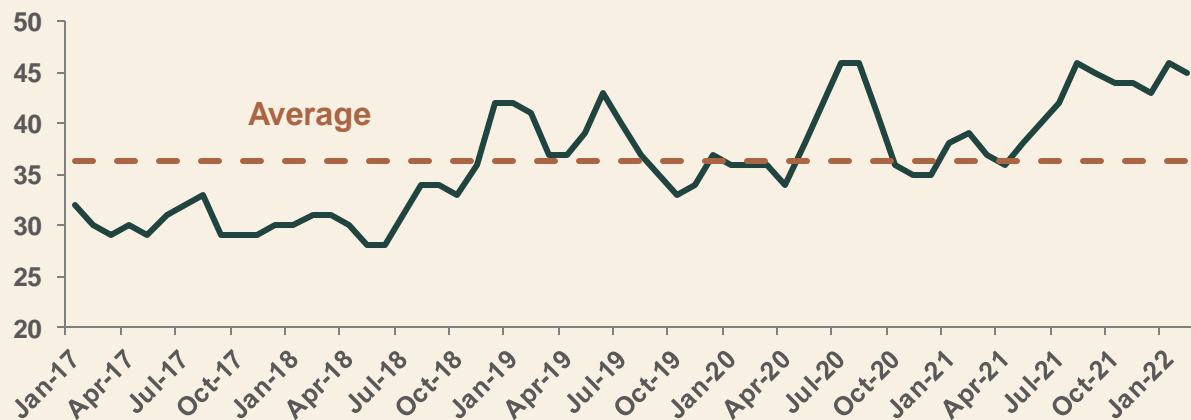
NBSK pulp price (USD/t) vs deliveries (Mt)



Hardwood pulp inventories (days of supply)



Softwood pulp inventories (days of supply)

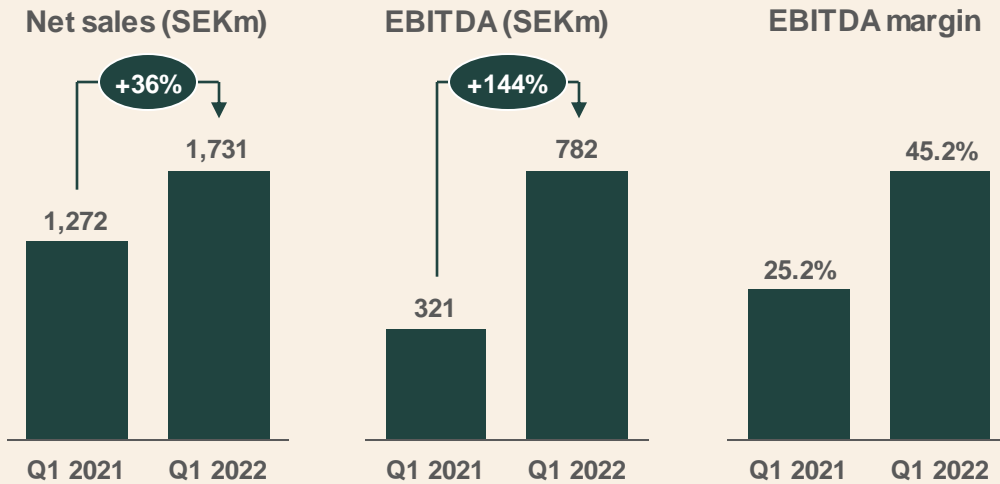


- Supply and inventory level impacted by global logistic challenges
- Similar price levels in Europe, US and China
- Tight spot market

Source: PIX, PPPC.



Containerboard Q1 2022 vs. Q1 2021



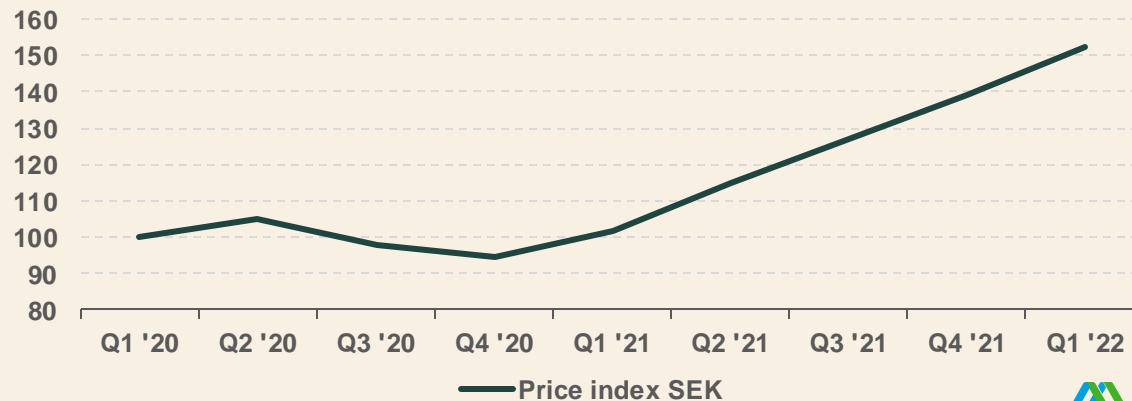
Sales up 36%

- + Higher prices
- Lower deliveries

EBITDA up 144%

- + Higher prices
- Higher costs for raw material
- Lower deliveries

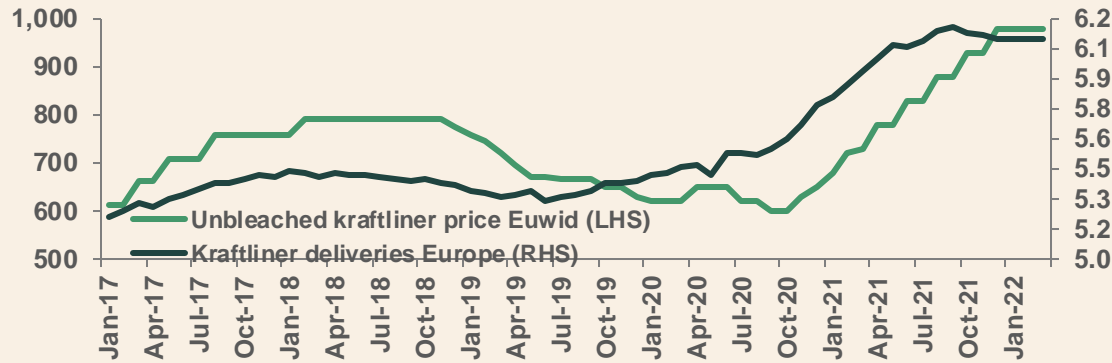
Price development – Kraftliner



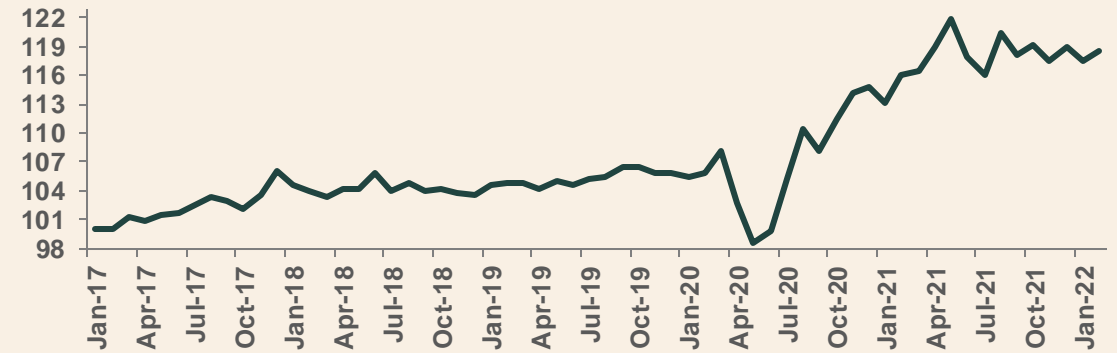
Obbola expansion on time and on budget

Containerboard market development

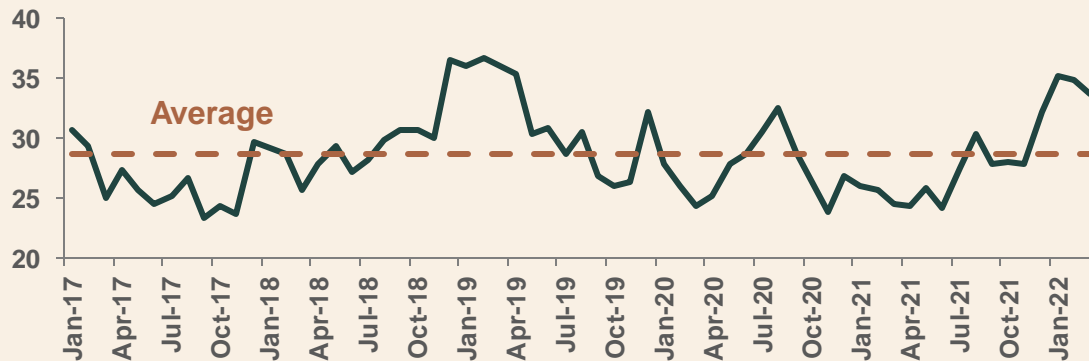
Price (EUR/t) vs Kraftliner deliveries (Mt)



European Box demand (index)



Kraftliner inventories (days of supply)



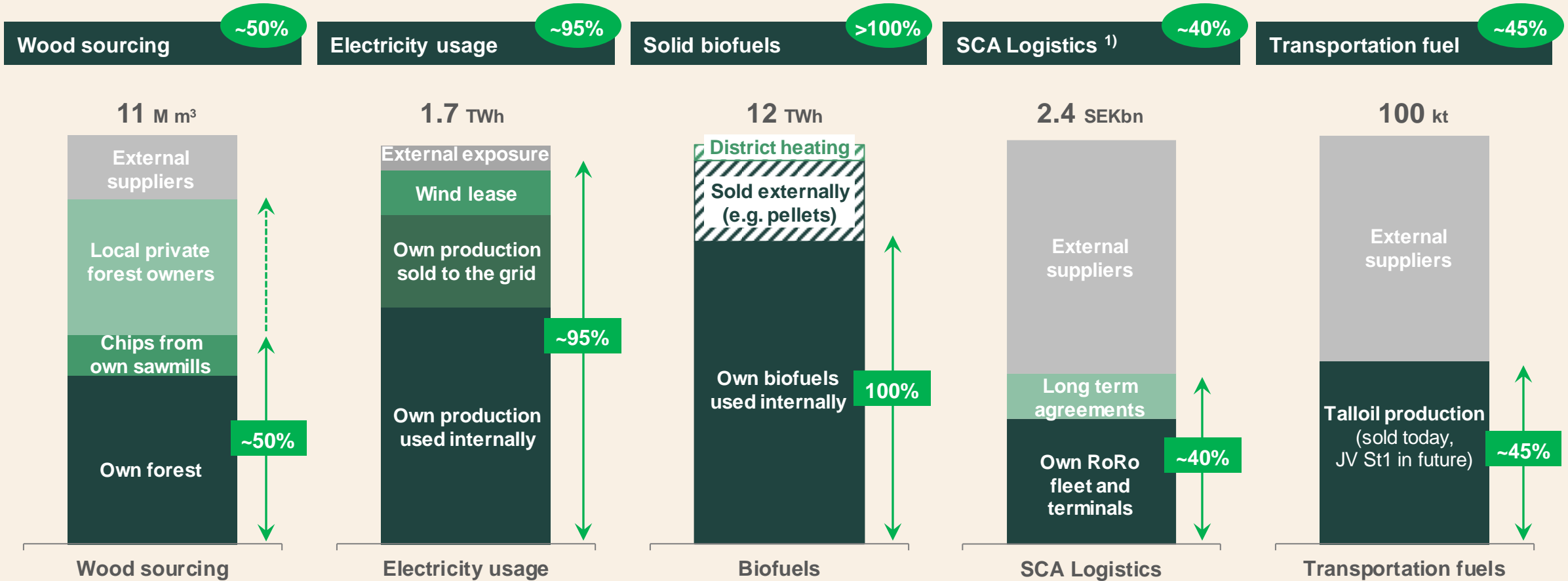
Solid demand and stable prices

- European supply impacted by Russian invasion of Ukraine
- High level of European deliveries
- Prices stable in Q1
- Year over year box demand growth above trend

Toby Lawton, CFO



Integrated value chain with high self sufficiency



1) SCA Logistics sales excluding purchase of OCC and chemicals.



x% Self sufficiency

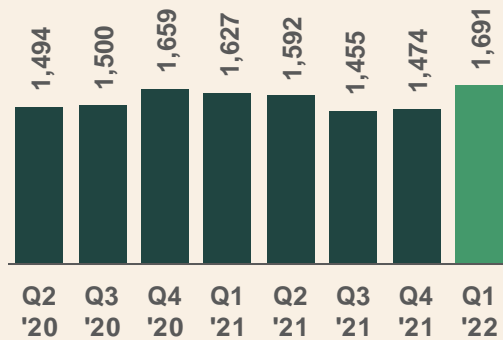
Income statement

SEKm	Quarter		
	Q1 2022	Q1 2021	Change
Net sales	5,015	4,172	20%
EBITDA	2,608	1,359	92%
<i>EBITDA margin</i>	52.0%	32.6%	19.4 p.p.
EBIT	2,223	1,046	113%
<i>EBIT margin</i>	44.3%	25.1%	19.2 p.p.
Financial items	-15	-28	
Profit before tax	2,208	1,018	117%
Tax	-448	-216	
Profit for the period	1,760	802	119%
Earnings per share, SEK	2.51	1.14	

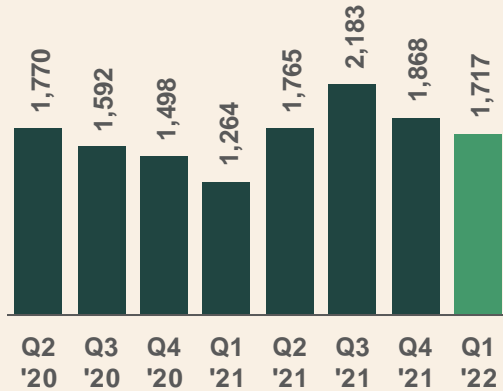
Contribution by segment and quarter

Forest

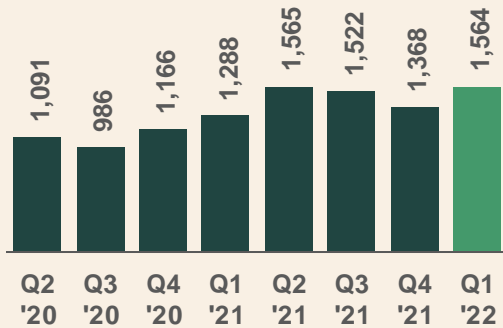
Net sales (SEKm)



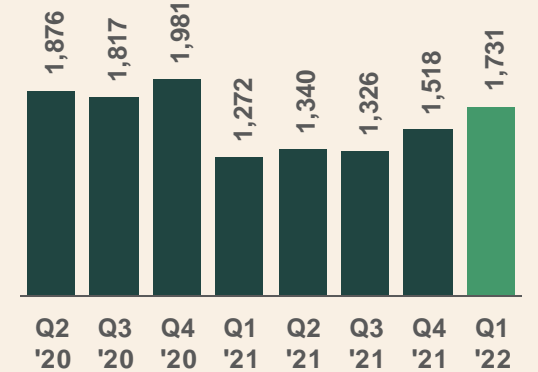
Wood



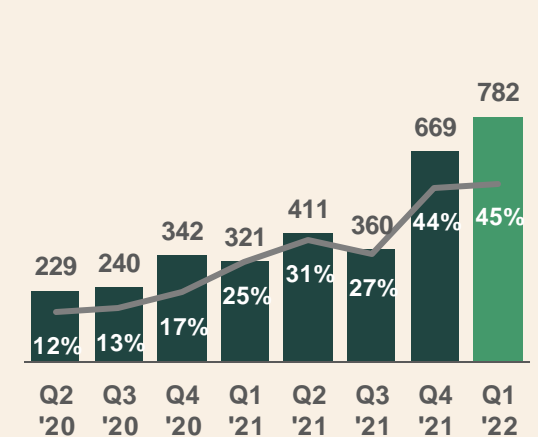
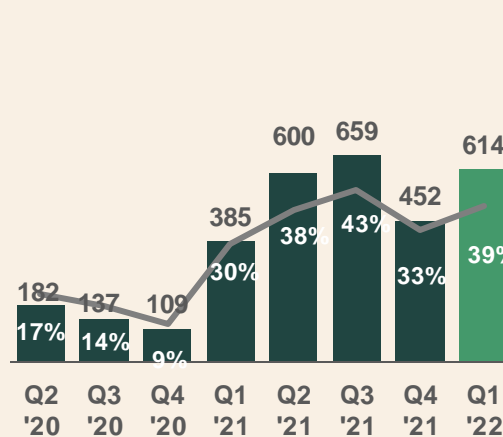
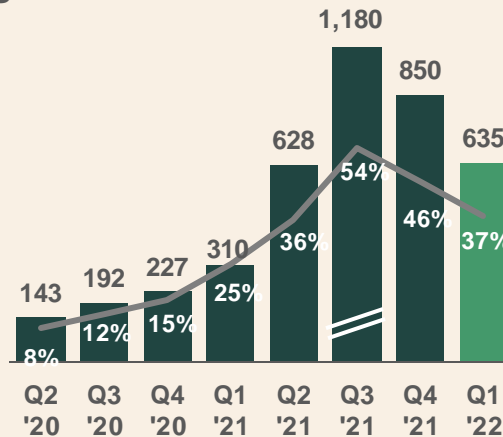
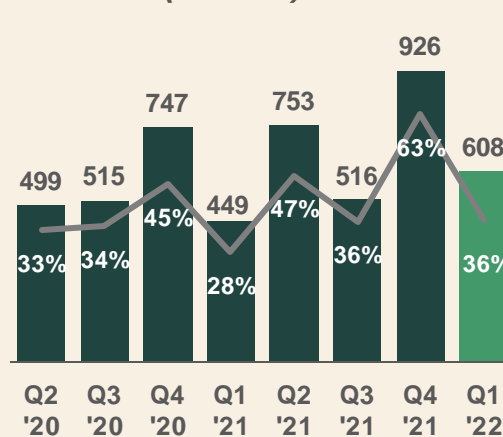
Pulp



Containerboard/Paper¹

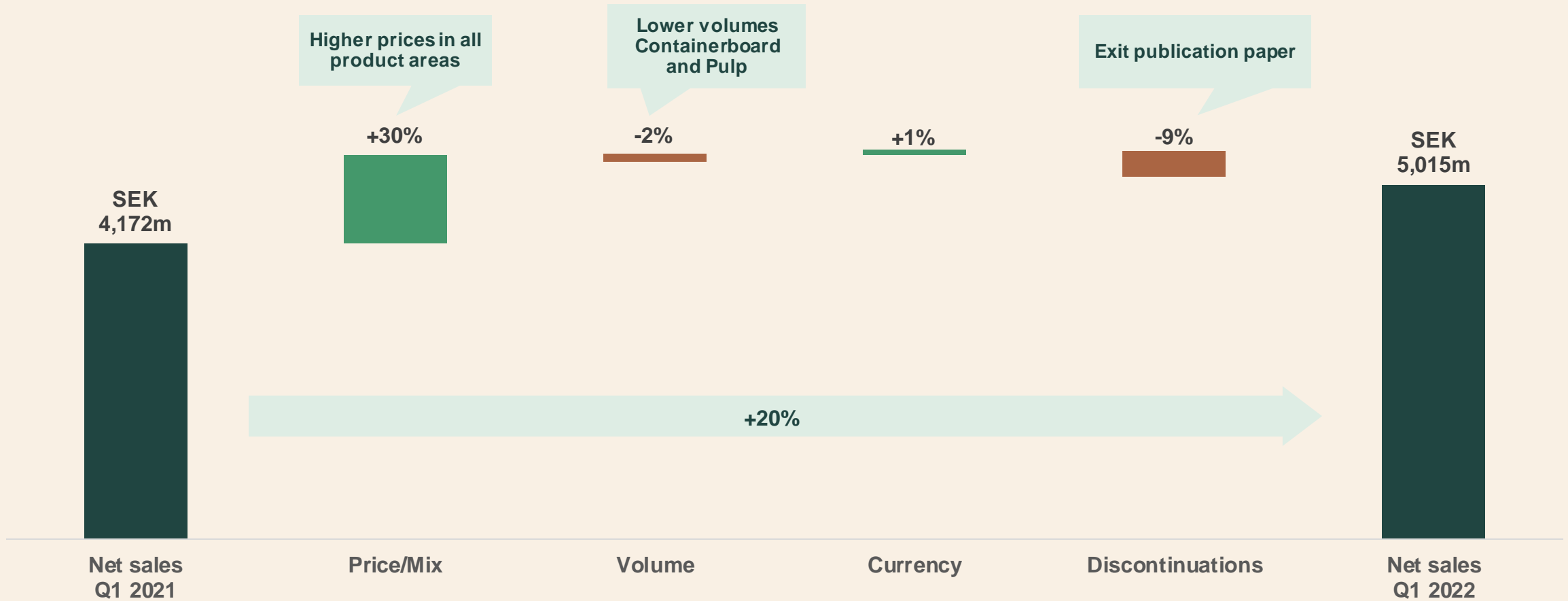


EBITDA (SEKm) and EBITDA margin

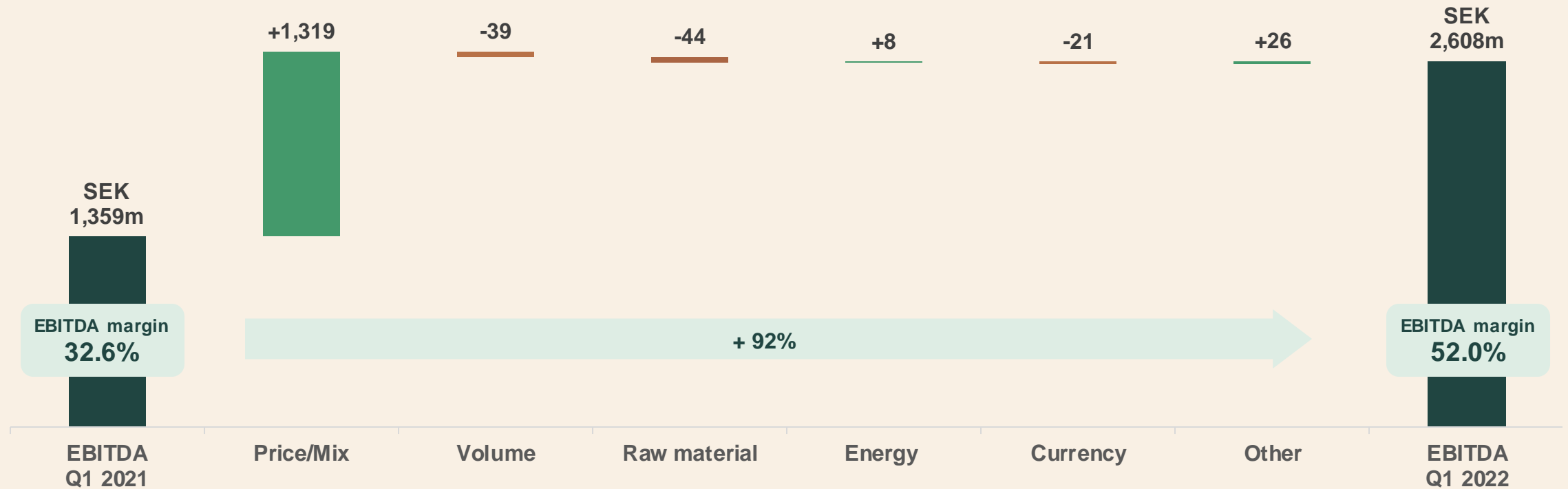


1. Segment Paper changed name to Containerboard from 1st of January 2021.
Publication Paper included in figures up to and including Q4 2020.

Net sales Q1 2022 vs. Q1 2021



EBITDA Q1 2022 vs. Q1 2021



Cash flow

SEKm	Quarter	
	Q1 2022	Q1 2021
EBITDA	2,608	1,359
Revaluation of biological assets and other non cash flow items	-491	-320
Operating cash surplus	2,117	1,039
Change in working capital	-624	-290
Restructuring costs	-27	-123
Current capital expenditures	-248	-209
Other operating cash flow	-75	58
Operating cash flow	1,143	475
Strategic capital expenditures	-597	-511

Balance sheet

SEKm	Mar 31, 2022	Dec 31, 2021
Forest assets	85,021	84,497
Working capital	3,536	2,823
Deferred tax relating to forest assets	-16,996	-16,905
Other capital employed	21,267	20,392
Total capital employed	92,828	90,807
Net debt	10,181	7,752
<i>Net debt/EBITDA</i>	1.0x	0.9x
Equity	82,647	83,055
<i>Net debt/Equity</i>	12%	9%

Summary

Ulf Larsson, CEO

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Q&A





Europe's largest private forest owner

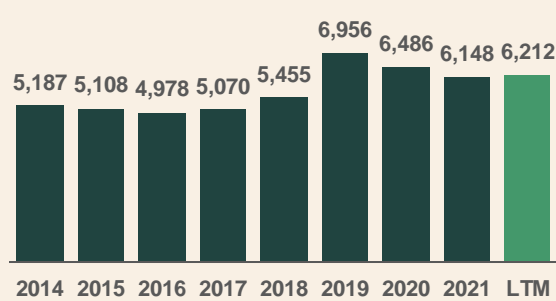
This presentation may contain forward-looking statements. Such statements are based on our current expectations and are subject to certain risks and uncertainties that could negatively affect our business. Please read SCA's most recent annual report for a better understanding of these risks and uncertainties.

Appendix

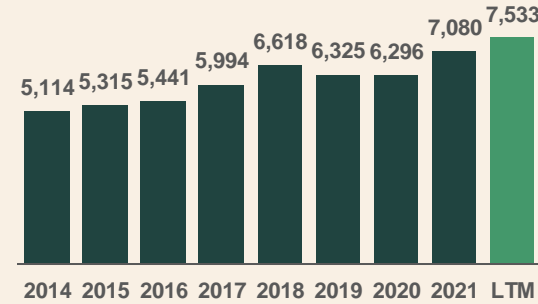
Contribution by segment

Forest

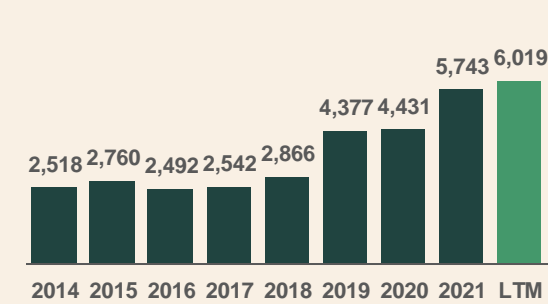
Net sales (SEKm)



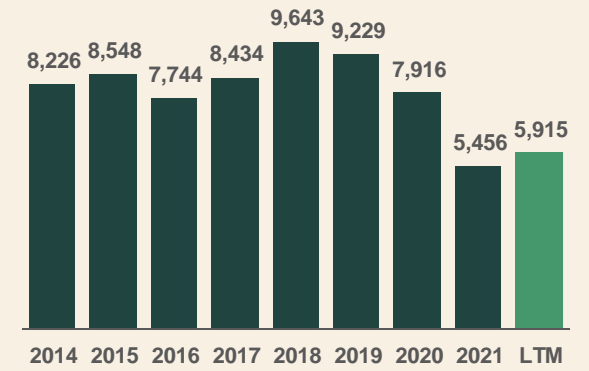
Wood



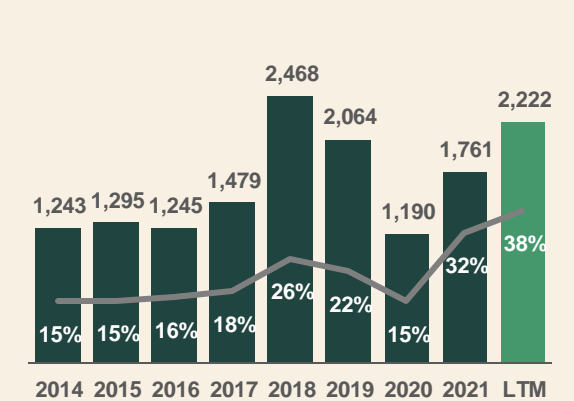
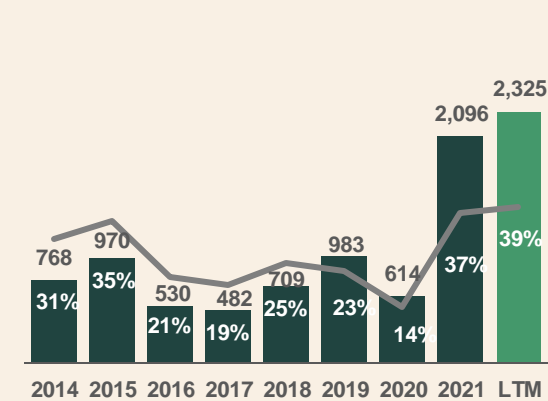
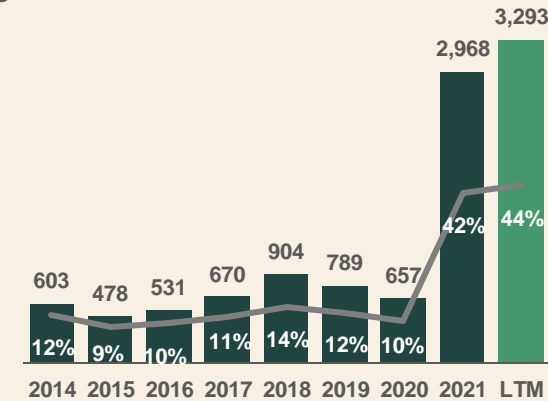
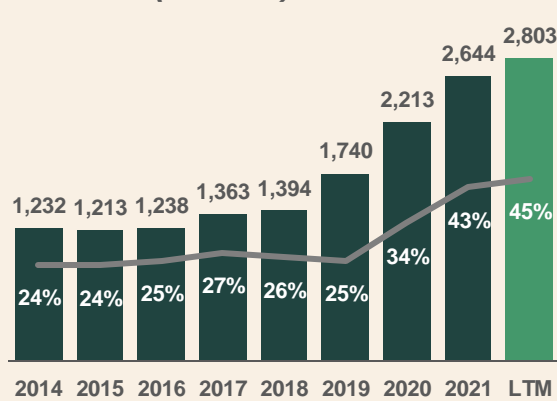
Pulp



Containerboard/Paper¹



EBITDA (SEKm) and EBITDA margin



Note: 2014 and 2015 EBITDA refer to adjusted figures. 2016 and forward refer to unadjusted figures.

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