

Press release

Sundsvall, October 29, 2021

Interim Report Q3 2021

January-September 2021 compared with January-September 2020

- Net sales amounted to SEK 14,059m (13,818). The increase was primarily attributable to higher selling prices in all product areas. The discontinued publication paper operations (see page 5) and the divestment of Wood Supply UK (see page 7) had a negative impact on sales. Excluding these effects, net sales increased by 26%.
- EBITDA increased 106% to SEK 6,303m (3,063¹). The increase was mainly attributable to higher selling prices in all product areas and a stable, low cost level. EBITDA margin increased with 23 percentage points (of which 8 resulted from the discontinuation of publication paper operations and the divestment of Wood Supply UK) and was 44.8% (22.1¹).
- Operating profit increased to SEK 5,226m (1,853¹)
- Operating cash flow amounted to SEK 3,453m (1,731)
- Earnings per share increased to SEK 5.85 (2.02¹)

July-September 2021 compared with July-September 2020

- Net sales amounted to SEK 5,077m (4,338). The increase was mainly attributable to higher selling prices, which was offset by the discontinuation of publication paper operations and the divestment of Wood Supply UK.
- EBITDA amounted to SEK 2,684m (1,032¹) and EBITDA margin increased to 52.9% (23.8¹).

July-September 2021 compared with April-June 2021

- Net sales increased by 6% to SEK 5,077m (4,810). The change was mainly attributable to higher selling prices, which was offset by lower delivery volumes.
- EBITDA amounted to SEK 2,684m (2,260) and EBITDA margin increased to 52.9% (47.0)

SUMMARY OF THE THIRD QUARTER OF 2021

Earnings for the third quarter of 2021 improved compared with the preceding quarter and the year-earlier quarter, despite significant planned maintenance stops carried out during the period. Higher selling prices in all product areas had a positive impact on earnings.

The supply of wood to SCA's industries was stable during the quarter. The price of pulpwood remained stable compared with the preceding period while the price of timber increased slightly in northern Sweden due to high demand.

Demand has been strong for solid-wood products for some time in most geographies, which has resulted in low inventory levels across the value chain and in turn led to a significant increase in market prices compared with the preceding quarter.

Delivery volumes in the Pulp segment decreased compared with the preceding quarter, due primarily to inventory build-up prior to the planned maintenance stop that began at the end of the period. Selling prices increased mainly due to continued healthy demand in Europe.

The core of SCA's business is the growing forest, Europe's largest private forest holding. Around this unique resource, we have built a well-developed value chain based on renewable raw material from our own and others' forests. We offer packaging paper, pulp, wood products, renewable energy, services for forest owners and efficient transport solutions. 2020 the forest products company SCA had approximately 4,000 employees and sales amounted to approximately SEK 18.4 bn. SCA was founded in 1929 and has its headquarters in Sundsvall, Sweden. For more information, visit www.sca.com

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Demand for kraftliner was strong during the quarter, driven by higher global demand for packaging. Market prices increased compared with the preceding quarter. Two planned maintenance stops took place during the period, which limited production and delivery volumes slightly. The expansion project at Obbola is progressing in line with schedule and budget. A successful start-up of the upgraded fiber line and recovery boiler took place during the period.

INVITATION TO PRESS CONFERENCE ON INTERIM REPORT FOR THE 3rd QUARTER OF 2021

Members of the media and analysts are hereby invited to attend a press conference which will be held at 10:00 CET at Kreugersalen, Tändstickspalatset, Västra Trädgårdsgatan 15 in Stockholm, Sweden, where this interim report will be presented by the President and CEO, Ulf Larsson, and CFO, Toby Lawton.

Time: Friday, October 29, 2021 at 10:00 a.m. CET

The press conference will be webcast live at www.sca.com. It is also possible to participate by telephone by calling:

Sweden: +46 (0)8 5069 2180
UK: +44 (0)2071 928000
US: +1 631 510 7495

Specify "SCA" or the conference ID: 9462418.

Sundsvall, October 29, 2021

SVENSKA CELLULOSA AKTIEBOLAGET SCA (publ)

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Please note:

This is information that SCA is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. This report has been prepared in both Swedish and English versions. In case of variations in the content between the two versions, the Swedish version shall govern. The information was submitted for publication, through the agency of the contact person set out below, on October 29, 2021 at 08:00 a.m. CET.

Anders Edholm, Senior Vice President, Communications, +46 (0)60 19 32 12

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