

Press release

Sundsvall, April 29, 2022

Interim Report Q1 2022

January–March 2022 compared with January–March 2021

- Net sales amounted to SEK 5,015m (4,172). The increase was mainly attributable to higher selling prices in all product areas.
- EBITDA improved 92% to SEK 2,608m (1,359). The increase was mainly attributable to higher selling prices in all product areas. Strong control of the value chain, with a high degree of self-sufficiency in wood, energy and logistics, enabled good cost control and thereby a significant increase in EBITDA margin to 52.0% (32.6).
- Operating profit increased to SEK 2,223m (1,046)
- Operating cash flow strengthened to SEK 1,143m (475)
- Earnings per share was SEK 2.51 (1.14)

January–March 2022 compared with October–December 2021

- Net sales amounted to SEK 5,015m (4,763). The increase was mainly attributable to higher delivery volumes, which were offset by slightly lower selling prices.
- EBITDA amounted to SEK 2,608m (2,806). The decrease is mainly related to slightly lower selling prices, which were offset by good production levels. EBITDA margin was 52.0% (58.9).

KEY FIGURES

SEKm	Quarter				
	2022:1	2021:1	%	2021:4	%
Net sales	5,015	4,172	20	4,763	5
EBITDA	2,608	1,359	92	2,806	-7
<i>EBITDA margin (%)</i>	<i>52.0</i>	<i>32.6</i>		<i>58.9</i>	
Operating profit	2,223	1,046	113	2,408	-8
Net Profit	1,760	802	119	1,995	-12
<i>Earnings per share SEK</i>	<i>2.51</i>	<i>1.14</i>		<i>2.84</i>	
Operating cash flow	1,143	475		1,763	
Net Debt / EBITDA (LTM)	1.0x	1.5x		0.9x	

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.

2021 the forest products company SCA had approximately 4,000 employees and sales amounted to approximately SEK 18.8 bn. SCA was founded in 1929 and has its headquarters in Sundsvall, Sweden. For more information, visit

www.sca.com

Svenska Cellulosa Aktiebolaget SCA
Skepparplatsen 1
SE-851 88 Sundsvall
Tel: +46 60 19 30 00

www.sca.com

SUMMARY OF THE FIRST QUARTER OF 2022

SCA operations have a well integrated value chain in a focused geographical area. As Europe's largest private forest owner, SCA sources roughly half of its raw material supply from its own forest. Most of the purchased raw material is from local forest owners in close proximity to the company's industries. SCA is self-sufficient in renewable energy and the impact of high energy prices is therefore limited. With its own logistics company, which includes own ships, SCA has unique control over the logistics from the forest to the end customer.

Earnings for the first quarter of 2022 improved significantly compared with the same quarter last year. However, earnings were slightly weaker compared with the preceding quarter, mainly due to a higher revaluation of biological assets in the preceding period. Supply in the end markets was limited and demand was healthy in all product areas while SCA's production was at a good level. Inflation on input goods and logistics was high but the strong control over SCA's own value chain and a high degree of self-sufficiency in wood, energy and logistics helped to offset most of the cost increases.

The supply of wood raw material to SCA's industries was stable during the quarter. The price of timber increased while the price of pulpwood was relatively stable compared with the preceding quarter.

Lower seasonal demand for solid-wood products resulted in normalized inventory levels and lower market prices compared with the preceding quarter.

Delivery volumes in the Pulp segment were impacted by low opening inventory levels following a planned maintenance stop that took place at the end of last year. Production and demand remained at good levels. The CTMP (chemi-thermomechanical pulp) expansion project at the Ortviken site is progressing on time and on budget.

Demand for kraftliner was strong during the period, driven by a sustained high level of global demand for packaging. Average selling prices increased compared with the preceding quarter. The kraftliner expansion project at Obbola is progressing on time and on budget.

Russia's invasion affects above all the people of Ukraine, but also economies, markets and production levels around the world. However, SCA has no operations or direct exposure in the form of purchasing or sales in Russia, Ukraine or Belarus.



INVITATION TO A PRESS CONFERENCE ON THE INTERIM REPORT FOR FIRST QUARTER OF 2022

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

Time: Friday, April 29, 2022 at 10:00 a.m.

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

Sweden: +46 (0)8 566 426 51
UK: +44 (0)3333 000 804
US: +1 631 913 1422

Specify the conference ID: 10918682#.

Sundsvall, April 29, 2022

SVENSKA CELLULOSA AKTIEBOLAGET SCA (publ)

Ulf Larsson
President and CEO

For further information, please contact

Toby Lawton, CFO, +46 (0)60 19 31 09

Josefine Bonnevier, Investor Relations Director, +46 (0)60 19 33 90

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 April 29, 2022 at 08:00 a.m. CEST. The report has not been reviewed by the company's auditors.

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

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