

## Press release

Sundsvall, October 27, 2023

### Interim report Q3 2023

#### January–September 2023 compared with January–September 2022

- Net sales decreased to SEK 13,697m (15,921). The decline was mainly related to lower selling prices, which was partly offset by positive exchange rate effects and higher delivery volumes.
- EBITDA amounted to SEK 5,172m (8,213). The change was mainly attributable to lower selling prices. A strong result in the Forest segment and good growth in the Renewable Energy segment had a positive impact on earnings. EBITDA margin was 37.8% (51.6).
- Operating profit declined to SEK 3,738m (7,052).
- Operating cash flow was SEK 3,040m (4,958).
- Earnings per share was SEK 4.02 (7.85).

#### July–September 2023 compared with July–September 2022

- Net sales amounted to SEK 4,302m (5,007). The change was mainly attributable to lower selling prices, which were offset by higher delivery volumes.
- EBITDA declined to SEK 1,417m (2,484) and EBITDA margin was 32.9% (49.6). Lower selling prices were offset by effective cost control due to the high rate of self-sufficiency in primarily wood raw material but also energy and logistics.

#### July–September 2023 compared with April–June 2023

- Net sales decreased to SEK 4,302m (4,582). The decline was mainly attributable to lower selling prices for pulp and solid-wood products.
- EBITDA amounted to SEK 1,417m (1,700). The change was mainly attributable to lower selling prices for pulp and solid-wood products. EBITDA margin was 32.9% (37.1).

## KEY FIGURES

SEKm	Quarter					Jan-Sep		
	2023:3	2022:3	%	2023:2	%	2023	2022	%
Net sales	4,302	5,007	-14	4,582	-6	13,697	15,921	-14
EBITDA	1,417	2,484	-43	1,700	-17	5,172	8,213	-37
<i>EBITDA margin, %</i>	32.9	49.6		37.1		37.8	51.6	
Operating profit	913	2,094	-56	1,229	-26	3,738	7,052	-47
Net Profit	663	1,666	-60	916	-28	2,792	5,606	-50
<i>Earnings per share SEK</i>	0.96	2.35		1.32		4.02	7.85	
Operating cash flow	1,189	1,873		648		3,040	4,958	
Net Debt / EBITDA (LTM)	1.4x	0.8x		1.3x		1.4x	0.8x	

## SUMMARY OF THE THIRD QUARTER OF 2023

Due to the high rate of self-sufficiency in wood raw material, energy, and logistics, SCA generated good profitability and strong operating cash flow during the quarter, despite lower selling prices and higher costs for wood raw material. The new paper machine in Obbola and the new CTMP facility at the Ortviken site contributed to higher delivery volumes.

The supply of wood raw material to SCA's industries was stable during the quarter. The price of pulpwood continued to rise while the price of sawlogs was stable compared with the preceding quarter.

Selling prices for solid-wood products decreased compared with the preceding quarter due to lower demand in most customer segments and regions.

Demand in the Pulp segment was weak for both northern bleached softwood kraft pulp (NBSK) and chemi-thermomechanical pulp (CTMP), which resulted in lower selling prices in all regions.

Low demand for packaging material contributed to continued weak demand for kraftliner and selling prices were in line with the preceding quarter.

The wind power business continued to grow in the Renewable Energy segment. At the end of the third quarter of 2023, 743 wind turbines were operating on SCA's land with an combined annual production capacity of 8.3 TWh. After the end of the quarter, a decision was taken to invest in a wind power project located on SCA's land in Bräcke Municipality with construction scheduled to start at the end of the year. The investment will ensure profitable growth in the wind power business and SCA's future self-sufficiency in electricity. Lower energy prices had a negative impact on earnings compared with the preceding quarter.

## INVITATION TO PRESS CONFERENCE ON INTERIM REPORT FOR THE THIRD QUARTER OF 2023

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 by the CFO, Andreas Ewertz.

Time: Friday, October 27, 2023 at 10:00 a.m.

The press conference will be webcast live at [www.sca.com](http://www.sca.com). It is also possible to participate by telephone by calling:

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Specify "SCA Q3"

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### Please note:

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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 27, 2023 at 8:00 a.m. CEST. The report has not been reviewed by the company's auditors.

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