



Interim Report Presentation Q2 2024

July 26, 2024



A large, modern greenhouse with a curved metal frame and glass panels. The interior is filled with rows of young, vibrant green pine trees, likely spruce or fir seedlings, growing in a nursery. The perspective is from a low angle, looking down the length of the greenhouse, with the trees in the foreground in sharp focus and the structure receding into the distance.

Ulf Larsson, CEO

Summary Q2 2024

Stronger market for fiber-based products, driving sequential price increases

Higher harvesting of own forest but increasing wood raw material costs

Sales increased 15% vs Q2 2023

- Price/mix +7%, volume +5%, currency +3%

EBITDA increased 11% vs Q2 2023

- + Higher prices
- + Positive currency effects



SCA's performance Q2 2024

EBITDA (SEKm)

1,888

EBITDA margin

35.7%

EBIT margin

25.7%

Industrial ROCE ¹

4%

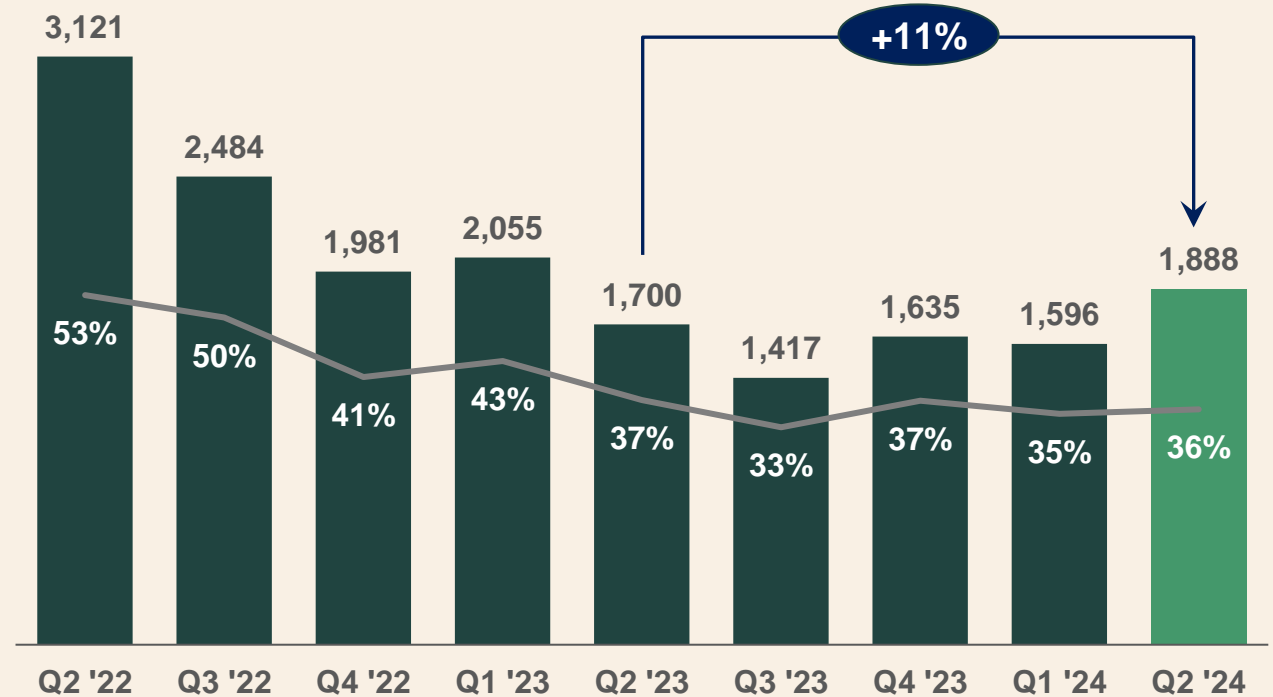
Net debt/EBITDA

1.8x

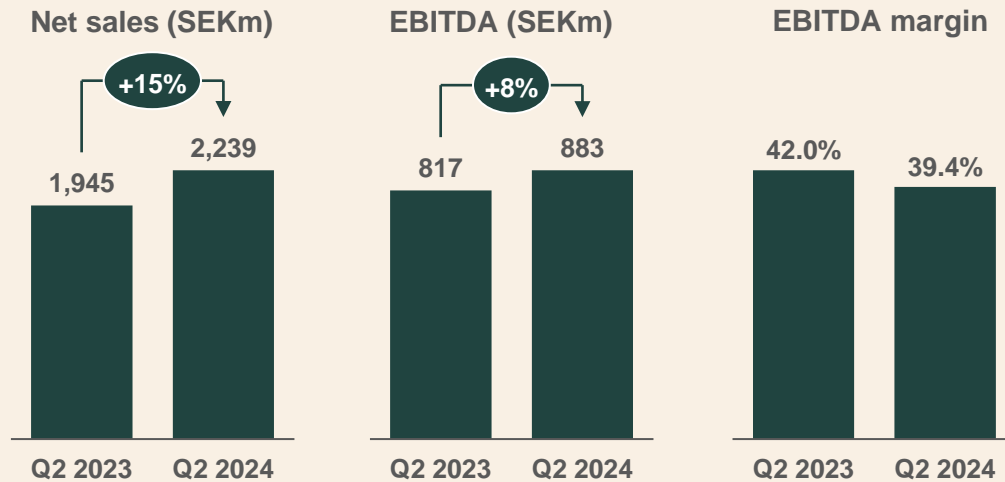
Net debt/Equity

11.4%

EBITDA (SEKm) and EBITDA margin



Forest Q2 2024 vs. Q2 2023



Increased harvesting own forest

Stable wood supply to industries

Continued price increase for wood raw material

Sales up 15%

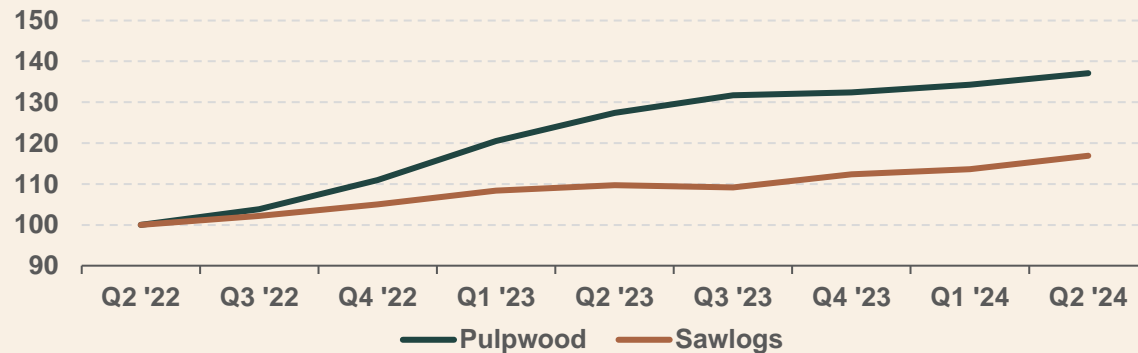
- + Higher prices
- + Higher delivery volumes

EBITDA up 8%

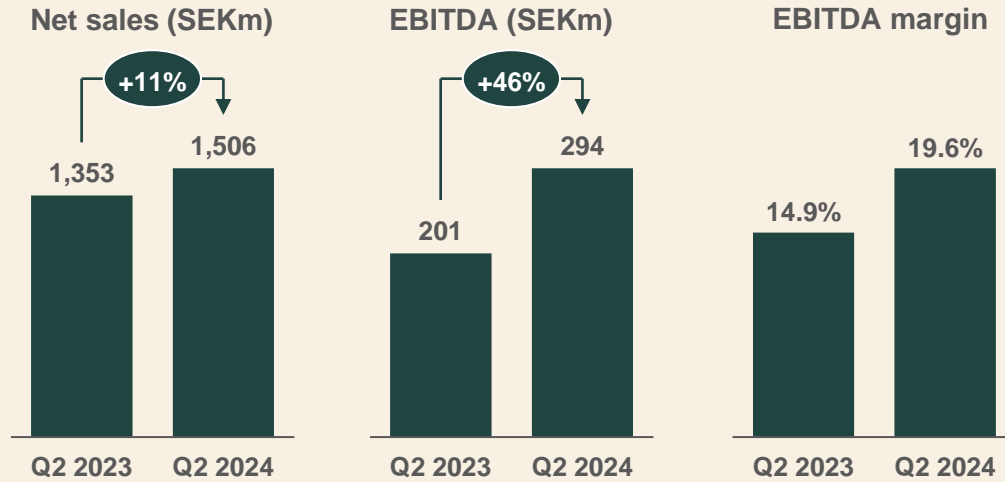
- + Higher prices
- + Higher harvesting own forest

Applied market price on forest assets kept stable due to few transactions

Price development – Pulpwood and Sawlogs



Wood Q2 2024 vs. Q2 2023



Increasing prices

Higher costs for sawlogs

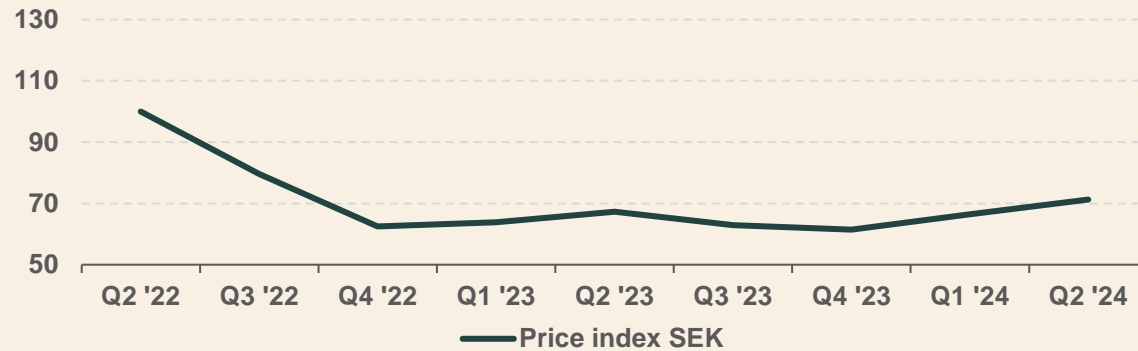
Sales up 11%

- + Higher prices
- + Higher volumes

EBITDA up 46%

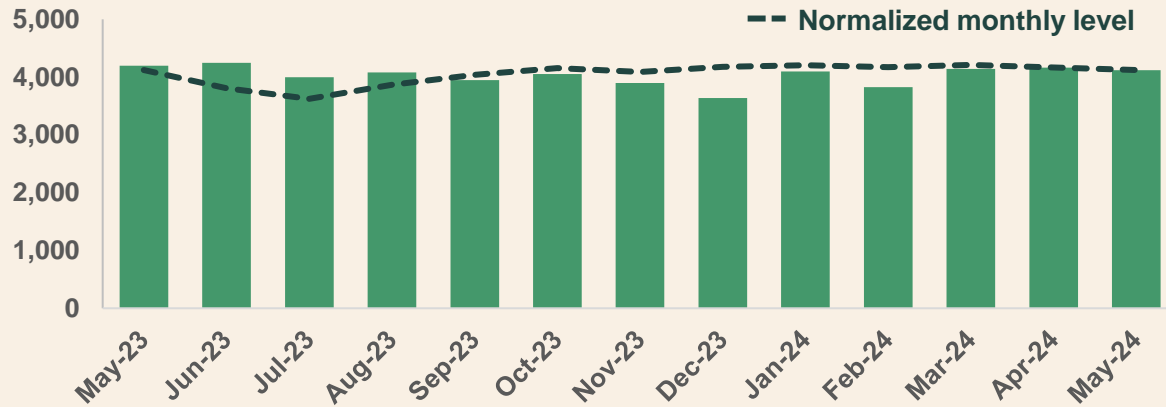
- + Higher prices
- + Higher volumes
- Higher sawlog costs

Price development – Solid Wood Products

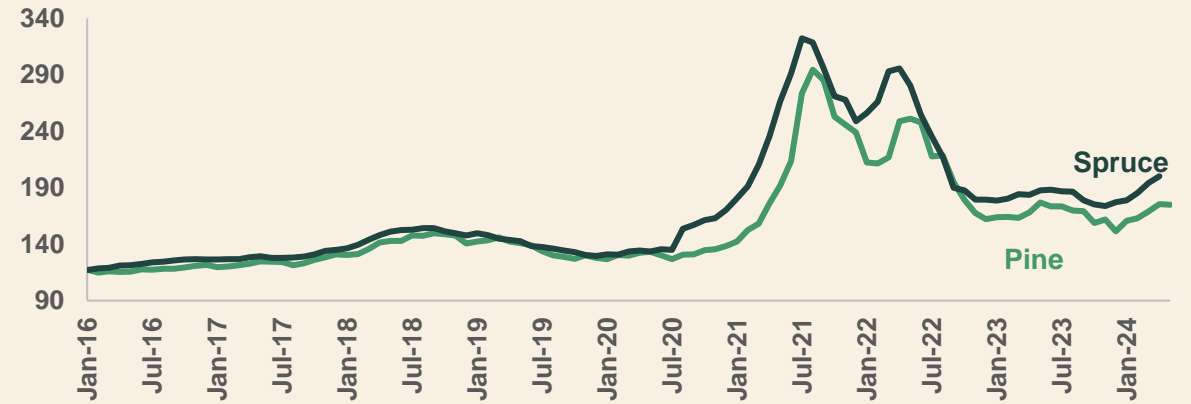


Wood market development

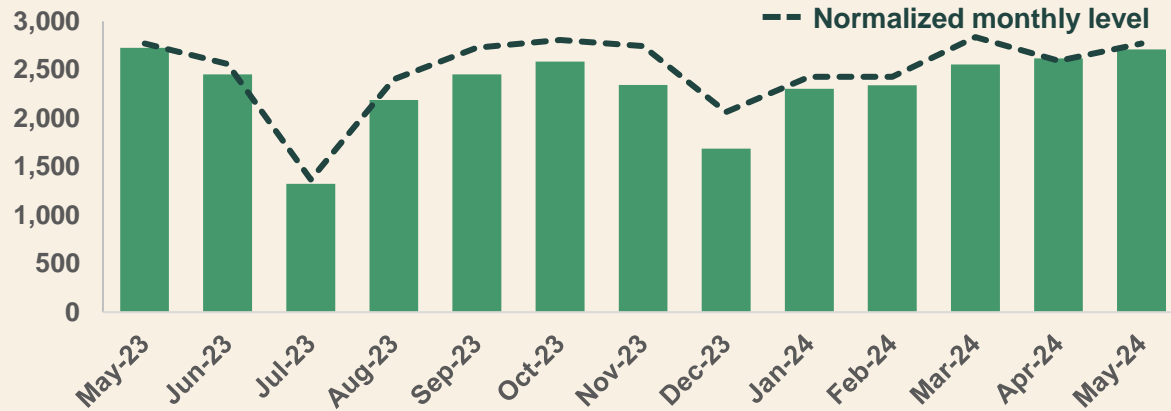
Stock of sawn pine and spruce wood, Sweden and Finland (k m³)



Price development sawn pine and spruce, Sweden (index)

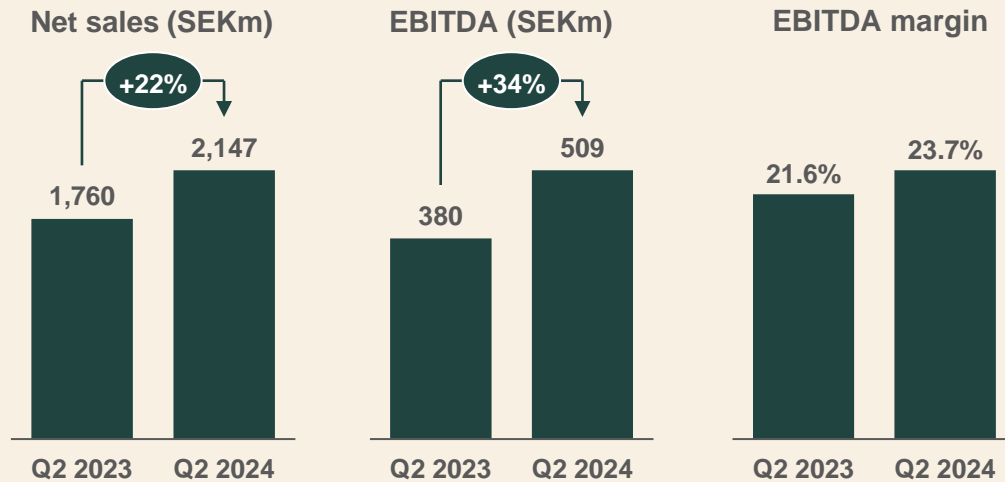


Production of sawn pine and spruce wood, Sweden and Finland (k m³)



- Higher prices in Q2
- Low production levels in Sweden and Finland since autumn 2023, but normalized during Q2
- Seasonal stronger demand driven by the repair and remodeling sector
- Normal stock levels

Pulp Q2 2024 vs. Q2 2023



Continued positive price trend in Q2

Sales up 22%

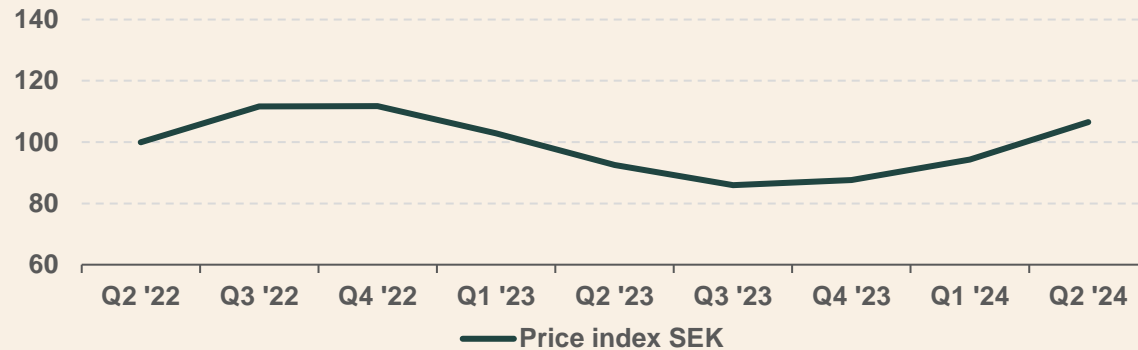
- + Higher prices
- + Higher volumes

EBITDA up 34%

- + Higher prices
- Higher raw material costs

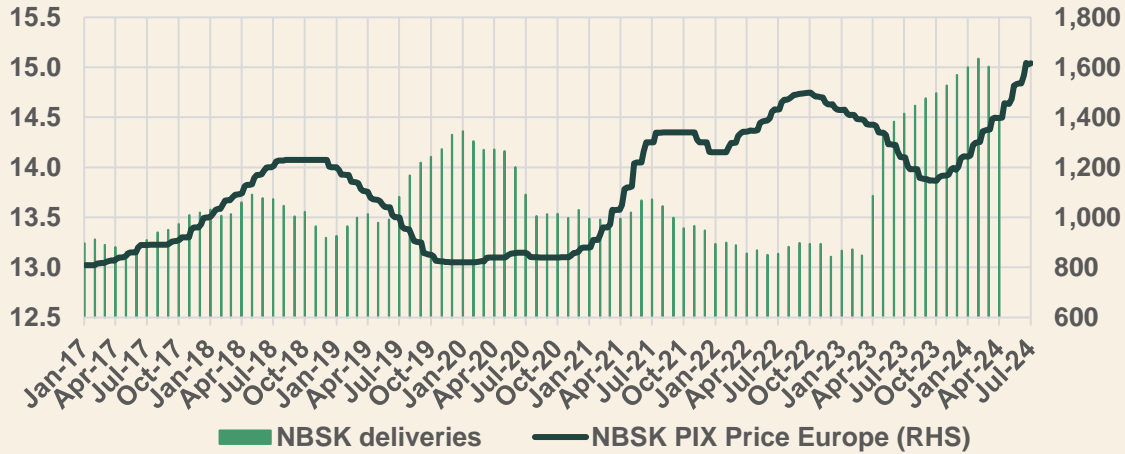
Unplanned production stop impacts volumes and result in Q2 and Q3 2024

Price development – NBSK

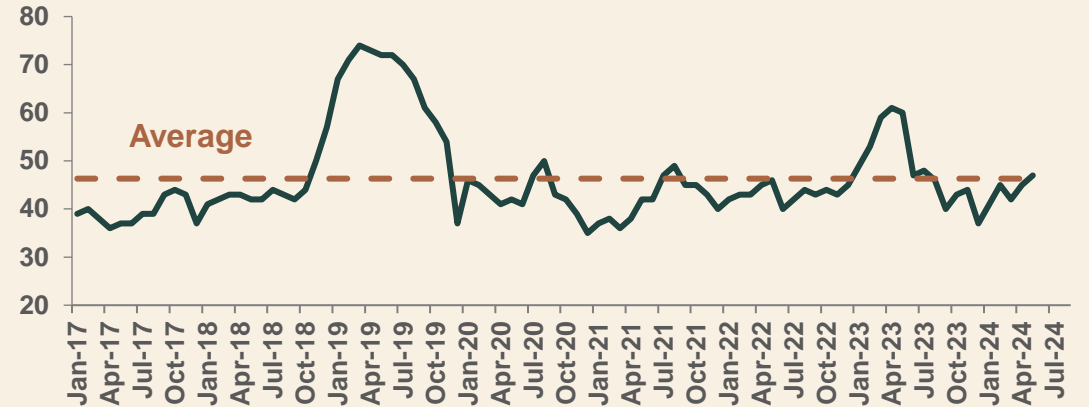


Pulp market development

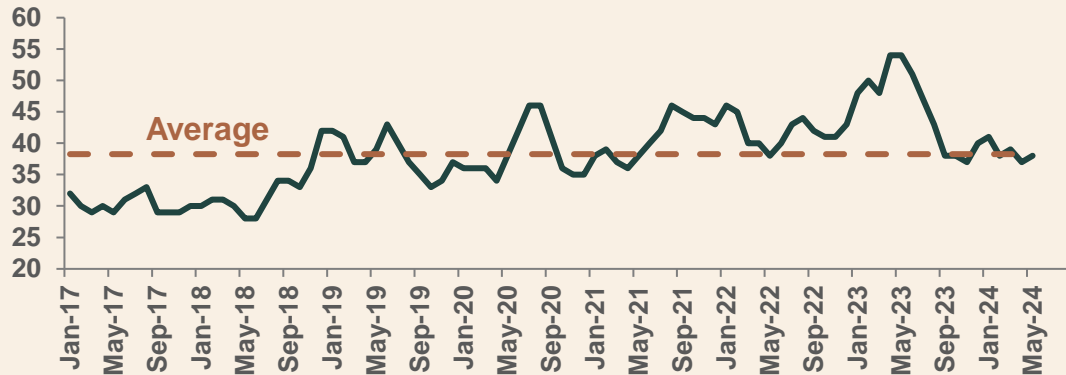
NBSK pulp price (USD/t) vs deliveries (Mt)



Hardwood pulp inventories (days of supply)

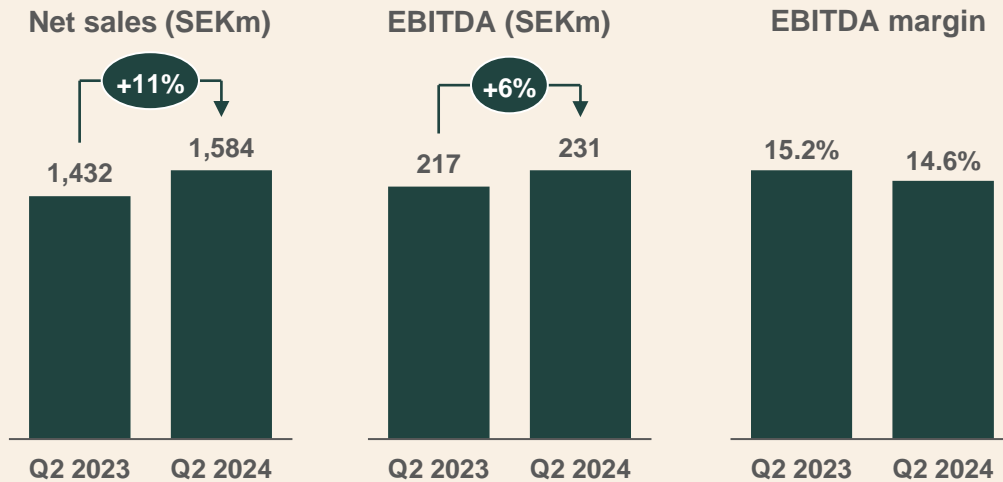


Softwood pulp inventories (days of supply)



- Continued positive price trend in Q2
- Reduced supply
- Stocks on normal levels

Containerboard Q2 2024 vs. Q2 2023



Increasing prices

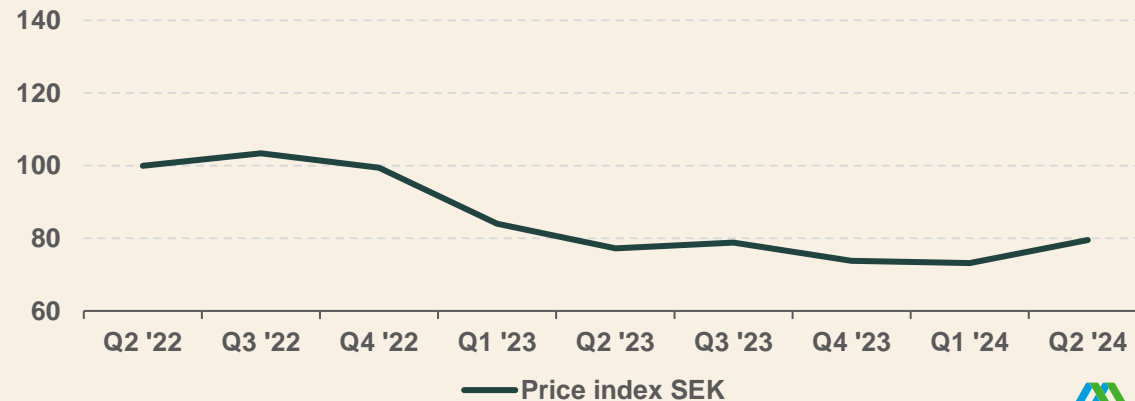
Sales up 11%

- + Higher prices
- + Higher volumes
- + Positive currency effects

EBITDA up 6%

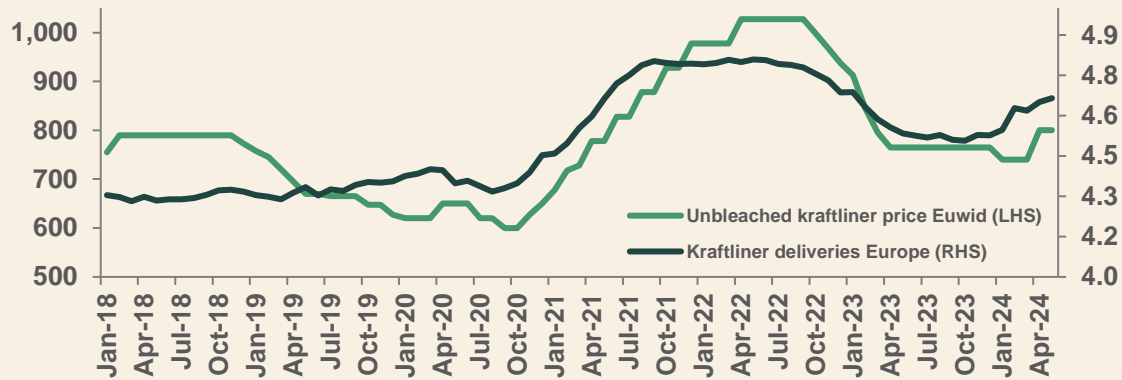
- + Positive currency effects
- Higher raw material costs

Price development – Kraftliner



Containerboard market development

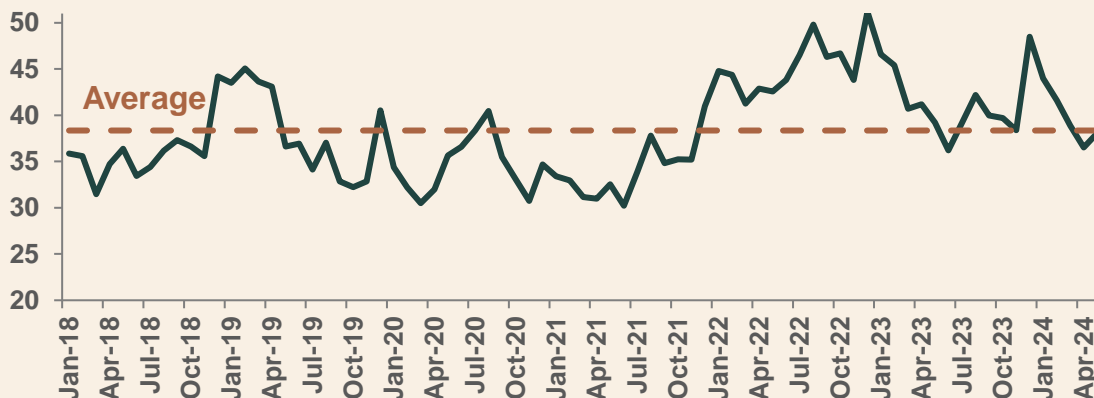
Price (EUR/t) vs Kraftliner deliveries (Mt)



European Box demand (index)



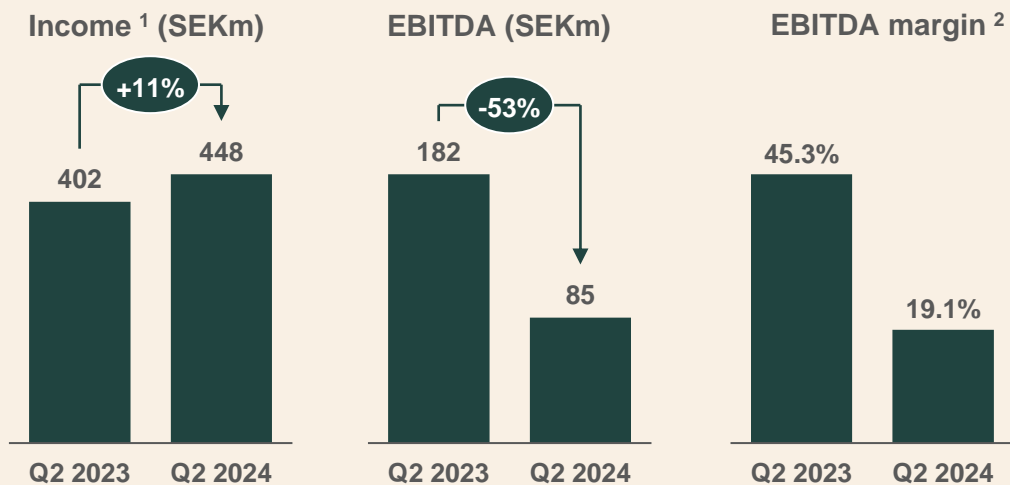
Kraftliner inventories (days of supply)



- Increasing box demand, back on trend
- Increasing demand and higher OCC prices driving containerboard prices
- Kraftliner stocks on average to low level

Figures excluding Russia.
Source: Euwid, Numera, Cepi.

Renewable energy Q2 2024 vs. Q2 2023



Negative market development in Europe for liquid biofuels also affecting tall oil prices

Higher prices for solid biofuels offset by higher costs for sawdust

Lower electricity prices

Income up 11%

- + Higher prices solid biofuels

EBITDA down 53%

- Higher raw material costs
- Lower prices tall oil

1. Income comprises net sales and other operating income.
2. EBITDA as share of income.

A scenic view of a rural farm. In the foreground, a field of wildflowers in shades of yellow, purple, and white is in bloom. A rustic wooden fence made of logs runs across the middle ground. In the background, there are several red barns and a wooden log cabin. The sky is blue with some clouds, and a forested hillside is visible in the distance.

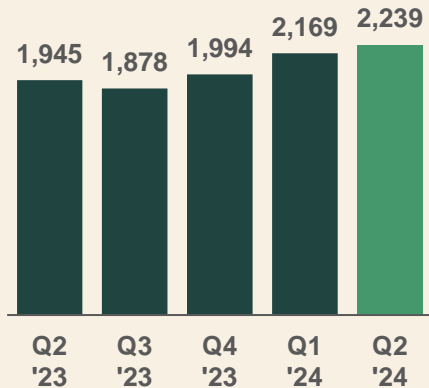
Andreas Ewertz, CFO

Income statement

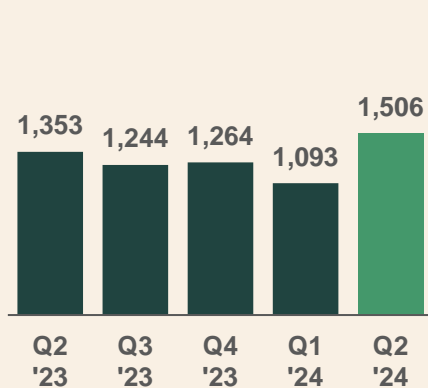
SEKm	Quarter		
	Q2 2024	Q2 2023	Change
Net sales	5,291	4,582	15%
EBITDA	1,888	1,700	11%
<i>EBITDA margin</i>	35.7%	37.1%	-1.4 p.p.
Depreciation and impairment	-527	-471	12%
EBIT	1,361	1,229	11%
<i>EBIT margin</i>	25.7%	26.8%	-1.1 p.p.
Financial items	-144	-103	
Profit before tax	1,217	1,126	8%
Tax	-257	-210	
Profit for the period	960	916	5%
Earnings per share, SEK	1.37	1.32	

Development per segment and quarter

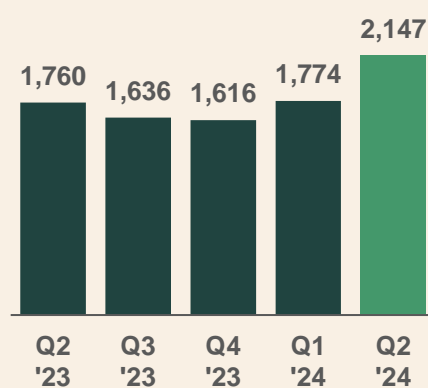
Forest
Net Sales (SEKm)



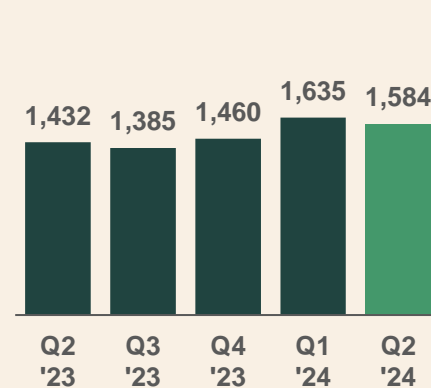
Wood



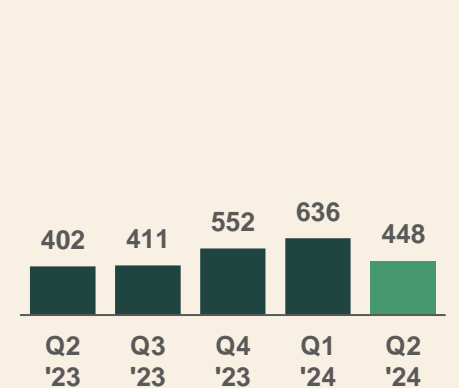
Pulp



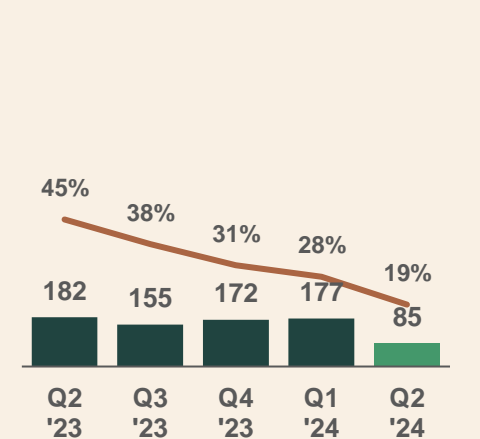
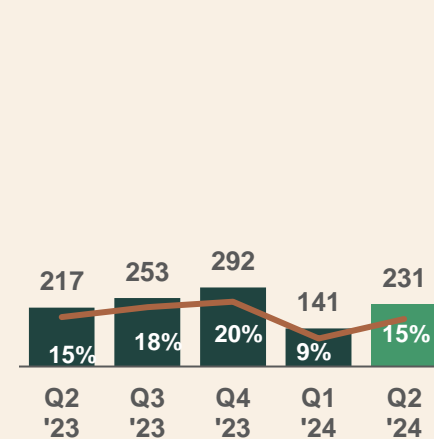
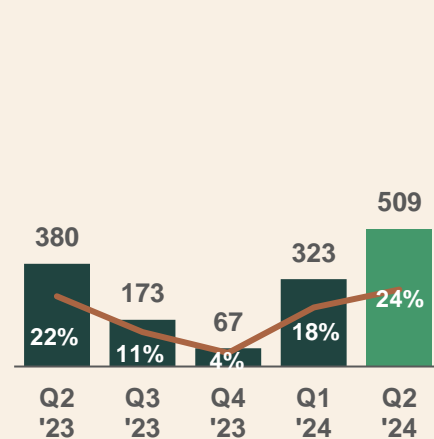
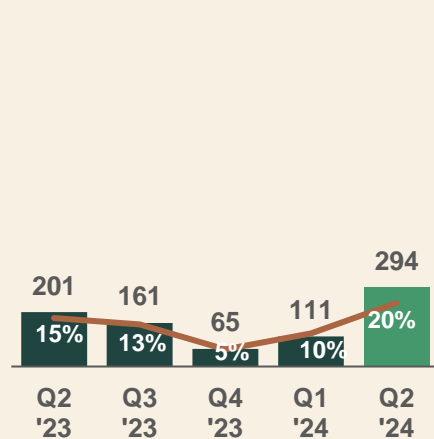
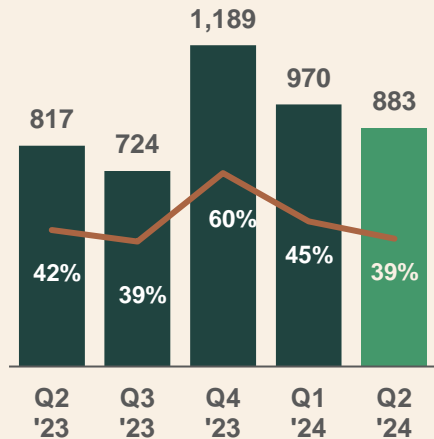
Containerboard



Renewable Energy

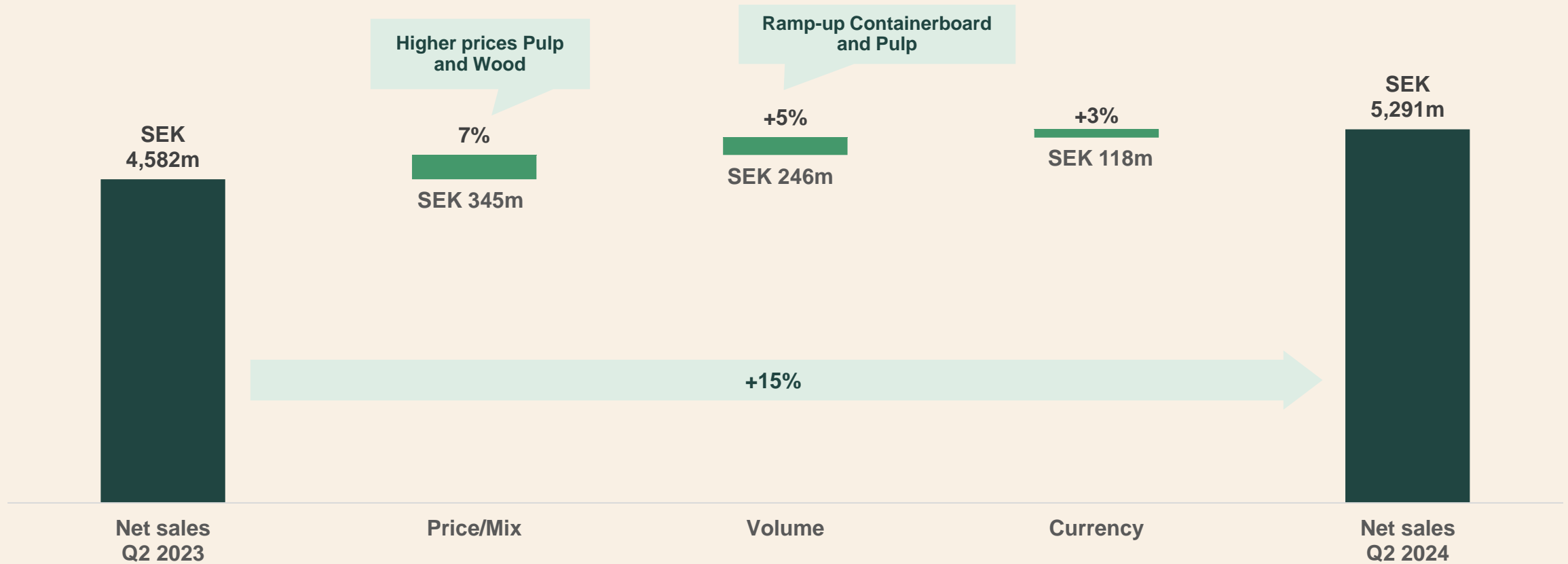


EBITDA (SEKm) and EBITDA margin

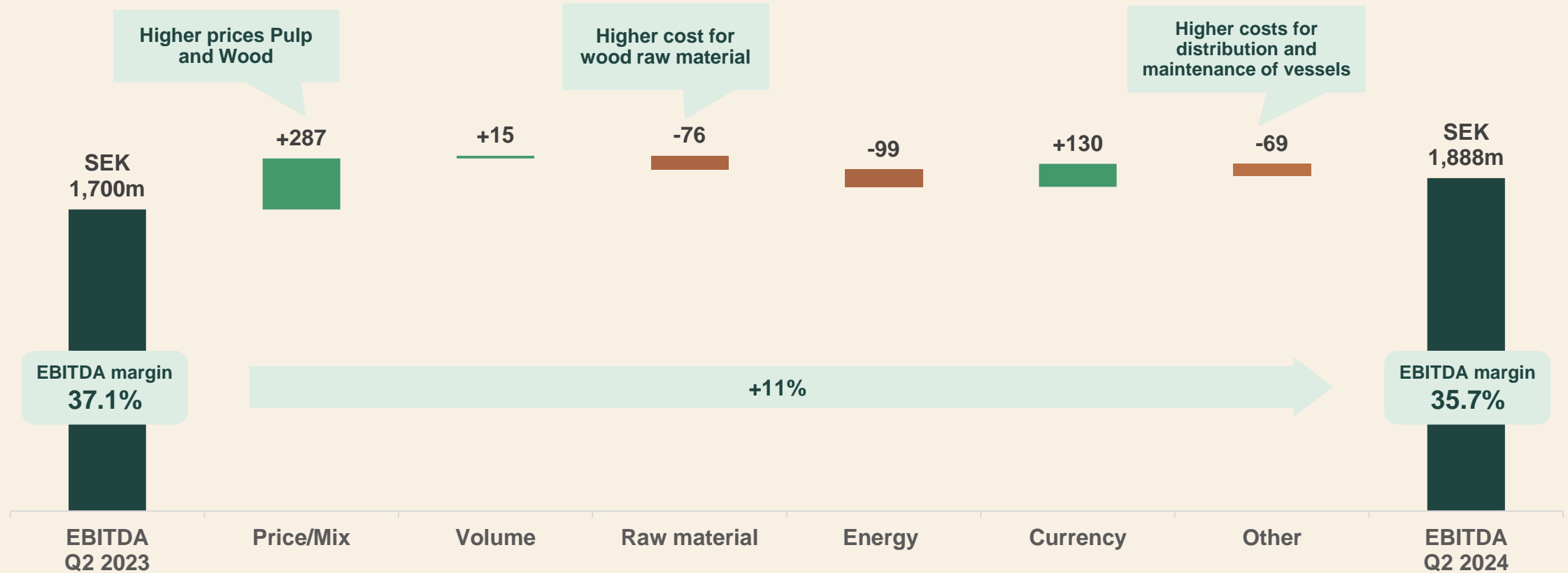


Note: Renewable Energy includes both net sales and other operating income.

Net sales Q2 2024 vs. Q2 2023



EBITDA Q2 2024 vs. Q2 2023



Cash flow

SEKm	Quarter		Jan - June	
	Q2 2024	Q2 2023	2024	2023
EBITDA	1,888	1,700	3,484	3,755
Revaluation of biological assets and other non cash flow items	-437	-491	-984	-949
Operating cash surplus	1,451	1,209	2,500	2,806
Change in working capital	-634	1	-730	-149
Current capital expenditures	-265	-350	-249	-629
Other operating cash flow	-26	-212	-318	-177
Operating cash flow	526	648	1,203	1,851
Strategic capital expenditures	-171	-403	-347	-938

Balance sheet

SEKm	Jun 30, 2024	Dec 31, 2023
Forest assets	108,074	107,481
Working capital	5,053	4,321
Deferred tax relating to forest assets	-21,382	-21,277
Other capital employed	24,005	24,525
Total capital employed	115,750	115,050
Net debt	11,828	10,766
<i>Net debt/EBITDA</i>	1.8x	1.6x
Equity	103,921	104,284
<i>Net debt/Equity</i>	11%	10%

Summary

Ulf Larsson, CEO

Summary Q2 2024

Stronger market for fiber-based products, driving sequential price increases

Higher harvesting of own forest but increasing wood raw material costs

Sales increased 15% vs Q2 2023

- Price/mix +7%, volume +5%, currency +3%

EBITDA increased 11% vs Q2 2023

- + Higher prices
- + Positive currency effects



Q&A





Europe's largest private forest owner

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