

2024

FIRST QUARTER

Quarterly report

Presentation

Press release



Norske Skog

INTRODUCTION

Norske Skog is a producer of packaging paper and publication paper across five mills in Europe and Australasia. Packaging paper includes testliner and fluting and publication paper includes newsprint and magazine paper. The annual production capacity of packaging paper will be 0.8 million tonnes during 2026 and the annual publication paper production capacity is 1.6 million tonnes. Packaging paper and publication paper are sold through sales offices and agents.

In addition to the traditional publication paper business and the new packaging paper business, Norske Skog aims to further diversify its operations and continue its transformation into a diversified wood fibre processing company.

Norske Skog has approximately 2 100 employees and the parent company, Norske Skog ASA, a public limited liability company, is incorporated in Norway and has its head office at Skøyen in Oslo. The company is listed on Oslo Stock Exchange with the ticker NSKOG.

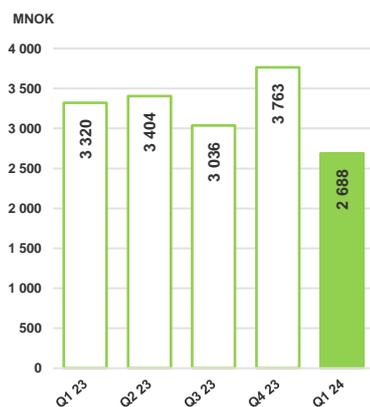
KEY FIGURES

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
INCOME STATEMENT					
Total operating income	2 688	3 763	3 320	2 688	3 320
EBITDA*	76	760	675	76	675
Operating earnings	-177	629	85	-177	85
Profit/loss before income taxes	-382	586	-148	-382	-148
Profit/loss for the period	-328	482	-181	-328	-181
Earnings per share (NOK)**	-3.86	5.65	-1.91	-3.86	-1.91
CASH FLOW					
Net cash flow from operating activities	-69	973	430	-69	430
Net cash flow from operating activities per share (NOK)**	-0.82	11.39	4.56	-0.82	4.56
Net cash flow from investing activities	-377	-677	-367	-377	-367
OPERATING MARGIN AND PROFITABILITY (%)					
EBITDA margin*	2.8	20.2	20.3	2.8	20.3
Return on capital employed (annualised)*	-10.9	-1.7	5.6	-10.9	5.6

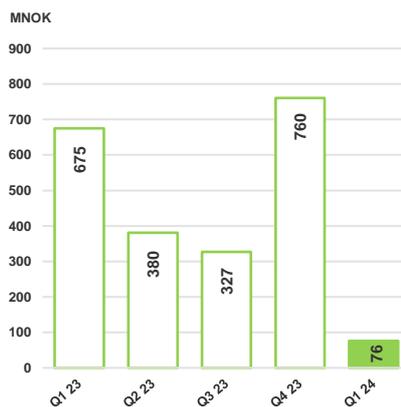
* As defined in Alternative Performance Measures

** Fourth quarter 2023 and first quarter 2024 adjusted for purchase of treasury shares in the period pursuant to which the number of shares was decreased from 94 264 705 to 84 838 235

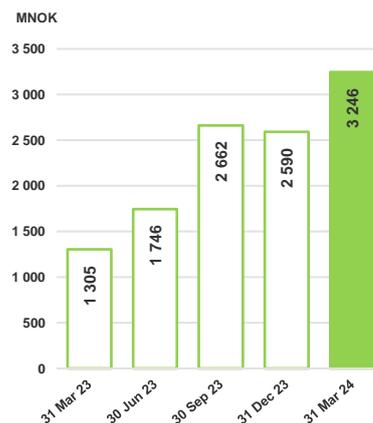
TOTAL OPERATING INCOME



EBITDA



NET INTEREST-BEARING DEBT



NOK MILLION	31 MAR 2024	31 DEC 2023	31 MAR 2023
BALANCE SHEET			
Non-current assets	9 633	9 068	7 498
Current assets	5 011	5 687	7 003
Total assets	14 644	14 755	14 502
Equity	6 004	6 161	6 045
Net interest-bearing debt	3 246	2 590	1 305

REPORT OF THE BOARD OF DIRECTORS FOR THE FIRST QUARTER OF 2024

- Earnings negatively impacted by deconsolidation of Norske Skog Tasman and lower CO2 prices
 - Quarterly EBITDA of NOK 76 million impacted negatively by NOK 46 million from Norske Skog Tasman deconsolidation
 - Negative NOK 32 million revaluation of surplus balance of CO2 allowances due to price decline
- Positive development in containerboard and publication paper markets, but closures still required
 - Price increases for containerboard implemented in March, further increases are necessary
 - Stabilising demand for publication paper and market for longer contracts returning
- Continued growth in containerboard, Norske Skog Golbey PM1 on track for start-up in second half of 2024
 - Norske Skog Bruck PM3 delivering 38 thousand tonnes of containerboard in the quarter, expect around 85% utilisation of design capacity by second half of 2024
 - Start-up of Norske Skog Golbey PM1 will increase Norske Skog's total production capacity with more than 30%
- Maintaining a strong cash position as debt repayments increase
 - Equity ratio of 41% and interest coverage ratio of 11.9x
 - Repurchased EUR 34.4 million of outstanding bonds after the quarter

PROFIT/LOSS FOR THE PERIOD

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Operating revenue	2 551	2 854	3 171	2 551	3 171
Other operating income	137	909	149	137	149
Total operating income	2 688	3 763	3 320	2 688	3 320
Distribution cost	-297	-293	-246	-297	-246
Cost of materials	-1 547	-1 822	-1 635	-1 547	-1 635
Fixed cost	-769	-888	-765	-769	-765
EBITDA	76	760	675	76	675

Lower operating revenue in the quarter compared to the previous quarter mainly driven by lower delivery volumes and lower sales price, as well as reduced recognition of insurance. Publication paper prices were slightly lower in the quarter. Production of packaging paper increased as ramp-up continued as planned, packaging paper prices were similar to the previous quarter, but increased towards the end of the quarter.

Cost of materials per tonne decreased in the quarter, mainly driven by lower energy cost, and some allocation of fixed cost to inventory. In the quarter, energy costs were lower mainly due to long-term contracts, whereas recycled paper prices remained low and pulpwood prices continued to increase.

Fixed costs (including employee benefit expenses) decreased compared to the previous quarter both on absolute and per tonne basis.

EBITDA decreased quarter-over-quarter, mainly driven by reduced recognition of business interruption insurance at Norske Skog Saugbrugs of NOK 625 million, deconsolidation of Norske Skog Tasman of NOK 46 million, negative NOK 32 million from revaluation of surplus CO2 allowances, and lower delivery volumes and sales prices.

NORSKE SKOG QUARTERLY REPORT – FIRST QUARTER 2024 (UNAUDITED)

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Restructuring expenses	-13	-9	-1	-13	-1
Depreciation	-125	-130	-115	-125	-115
Impairments	0	-88	0	0	0
Derivatives and other fair value adjustments	-115	97	-474	-115	-474
Operating earnings	-177	629	85	-177	85

Depreciation of NOK 125 million is a slight decrease compared with the previous quarter. Restructuring cost of NOK 13 million is higher than the previous quarter and relates mainly to organisational changes.

The fair value of energy contracts in Norway decreased compared to the previous quarter due to differences between future market prices for electricity and contract electricity prices.

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Share of profit in associated companies and joint ventures	-5	-5	-3	-5	-3
Financial items	-200	-38	-230	-200	-230
Income taxes	54	-104	-32	54	-32
Profit/loss for the period	-328	482	-181	-328	-181

Share of profit in associated companies and joint ventures was negative by NOK 5 million, similar to the previous quarter and reflects the result from Circa Group.

exchange contracts. Net interest expenses were similar to the previous quarter.

Financial items were negative by NOK 200 million in the first quarter, mainly due to currency changes on euro denominated debt and foreign

The income tax in the quarter relates mainly to deferred tax assets recognised for the operations in Norway.

DIVERSIFICATION BEYOND PUBLICATION PAPER

Norske Skog continues to ramp-up production in the packaging paper market following the successful start-up of Norske Skog Bruck PM3. Delivered volumes of recycled containerboard increased during the first quarter. Norske Skog Golbey in France is converting PM1 for production of packaging paper and will start production in the second half of 2024. When full capacity is reached at both Norske Skog Bruck PM3 and Norske Skog Golbey PM1, Norske Skog will have a production capacity of 0.8 million tonnes of recycled containerboard.

Commercial development of CEBINA and CEBICO continues together with partners.

Norske Skog holds an approximately 26% ownership stake in Circa Group AS, listed under the ticker code CIRCA at Euronext Growth Oslo.

The group continuously works to develop several other bio product and energy related growth projects, both on a stand-alone basis and in partnerships.

SEGMENT INFORMATION

PUBLICATION PAPER EUROPE

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Total operating income	2 058	3 028	2 864	2 058	2 864
EBITDA	166	723	763	166	763
EBITDA margin (%)	8.1	23.9	26.6	8.1	26.6
Return on capital employed (%) (annualised)	-8.4	-1.3	15.8	-8.4	15.8
Production (1 000 tonnes)	272	255	277	272	277
Deliveries (1 000 tonnes)	262	270	245	262	245
Production / capacity (%)	85	83	77	85	77

The segment consists of Norske Skog's European operations in the publication paper market with industrial sites in Norway, France, and Austria. Annual production capacity is currently approximately 1.3 million tonnes.

Operating income decreased from the previous quarter mainly as the previous quarter recognised NOK 625 million in insurance for business interruption. In addition, negative revaluation of NOK 32 million from CO2 allowances, as well as lower delivery volumes and slightly lower prices.

Distribution costs increased slightly from the previous quarter on an absolute basis and on a per tonne basis. Cost of materials decreased on an absolute basis and on a per tonne basis, mainly due to lower energy costs. The quarter saw lower contract electricity prices, but higher pulpwood costs in Norway, and lower natural gas costs in Europe. Recovered paper was largely unchanged to the previous quarter.

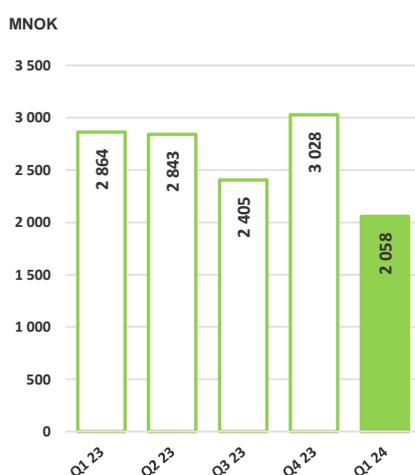
Employee benefit expenses decreased on an absolute level and on a per tonne basis. Other operating expenses decreased significantly, mainly due to lower costs at Norske Skog Saugbrugs.

EBITDA decreased compared to the previous quarter mainly due to recognition of business interruption insurance in the previous quarter, and revaluation of surplus CO2 allowances.

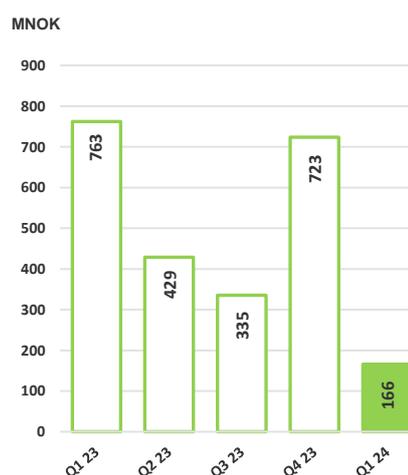
Demand for standard newsprint in Europe decreased by 3% as of February 2024 compared to the same period last year. Magazine paper demand decreased by 2%, with super calendared paper decreasing 3% and lightweight coated paper decreasing 1%. (Source: Eurograph).

Capacity utilisation was 85% in the period, a slight increase compared with the previous quarter, but below operating target of 90% due to unplanned stops.

EUROPE
TOTAL OPERATING INCOME



EUROPE
EBITDA



PUBLICATION PAPER AUSTRALASIA

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Total operating income	438	568	434	438	434
EBITDA	-74	80	-23	-74	-23
EBITDA margin (%)	-17.0	14.2	-5.2	-17.0	-5.2
Return on capital employed (%) (annualised)	-67.5	54.8	-20.0	-67.5	-20.0
Production (1 000 tonnes)	59	61	55	59	55
Deliveries (1 000 tonnes)	59	63	56	59	56
Production / capacity (%)	89	92	83	89	83

The segment consists of Norske Skog Boyer's publication paper operations in Australasia, the only domestic publication paper producer in the region. The annual production capacity is approximately 0.3 million tonnes.

Operating income decreased compared to the previous quarter, as the previous quarter recognised a gain from the sale of the Tasman industrial site, as well as lower deliveries. Prices were slightly lower in the quarter.

Distribution costs were lower compared to the previous quarter on an absolute level and on a per tonne basis, mainly due to lower freight rates and change in distribution mix. Cost of materials were lower on an absolute basis, and slightly higher on a per tonne basis. Employee benefit expenses were higher on an absolute basis and on a per tonne

basis. Other operating expenses were significantly higher on an absolute and a per tonne basis due to deconsolidation of Norske Skog Tasman with a negative impact of NOK 46 million.

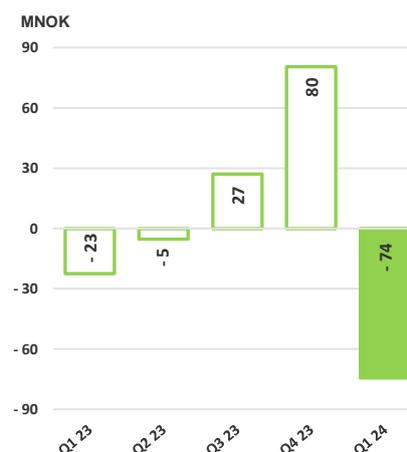
EBITDA was lower compared to the previous quarter, mainly due to gain on sale of the Tasman industrial site in the previous quarter, and negative impact from deconsolidation of Norske Skog Tasman in the quarter.

According to PPPC, demand for newsprint and coated mechanical decreased by 44% and 12%, respectively, through February 2024 compared to the same period last year. Capacity utilisation was 89% in the period, a decrease compared to the previous quarter of 92%.

AUSTRALASIA
TOTAL OPERATING INCOME



AUSTRALASIA
EBITDA



PACKAGING PAPER

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Total operating income	177	135	24	177	24
EBITDA	-7	-38	-38	-7	-38
EBITDA margin (%)	-3.7	-27.8	-158.1	-3.7	-158.1
Return on capital employed (%) (annualised)	-2.2	-18.2	-70.7	-2.2	-70.7
Production (1 000 tonnes)	40	28	0	40	0
Deliveries (1 000 tonnes)	38	29	0	38	0
Production / capacity (%)	86	72	0	86	0

The segment consists of Norske Skog's packaging paper operations in Europe. Norske Skog Bruck PM3 started producing in the first quarter of 2023 and the production is following the ramp-up curve with higher production and increased deliveries compared to previous quarter.

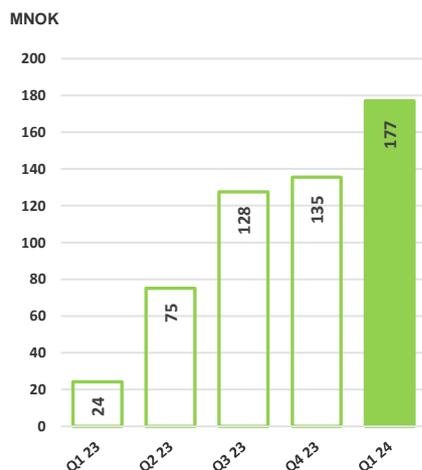
Delivered volumes is expected to increase gradually during the coming quarters as ramp-up continues. When full capacity is reached, Norske Skog Bruck will have a production capacity of 0.2 million tonnes of recycled containerboard.

Norske Skog Golbey in France is currently converting PM1 for production of packaging paper and will start production in the second half of 2024, with production commissioning expected to start during the third quarter of 2024. When full capacity is reached Norske Skog Golbey will have a production capacity of 0.6 million tonnes of recycled containerboard. For Norske Skog Golbey, the remaining gross capex is approximately EUR 85 million to be paid until the third quarter of 2025, and the remaining energy certificates and grants is approximately EUR 53 million to be received until the first quarter of 2027.

The machines are expected to operate at 60-70% utilisation in the first year of operation and reach full utilisation during the third year of production. Once at full utilisation, the machines are expected to generate annual EBITDA of EUR 70-80 million, based on historical prices and margins seen in the market.

EBITDA in the period was slightly negative due to fixed cost being slightly higher than the contribution margin. Expect positive EBITDA from Norske Skog Bruck PM3 during the second quarter of 2024.

PACKAGING PAPER TOTAL OPERATING INCOME



PACKAGING PAPER EBITDA



OTHER ACTIVITIES

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Total operating income	158	152	61	158	61
EBITDA	-9	-6	-27	-9	-27

Operating income in other activities mainly consist of sourcing solutions and non-paper related operations.

Other activities include unallocated headquarter costs. The unallocated headquarter costs are estimated to be EBITDA negative by approximately NOK 40 million annually but are not uniformly distributed throughout the quarters of the year.

CASH FLOW

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
EBITDA	76	760	675	76	675
Change in working capital	-71	399	-188	-71	-188
Restructuring payments	-13	-11	-2	-13	-2
Gain and losses from divestments	46	-58	2	46	2
Insurance compensation from property damage	-52	-55	0	-52	0
Net financial items	-51	-48	-35	-51	-35
Taxes paid	-2	-4	-16	-2	-16
Other items	-2	-11	-7	-2	-7
Net cash flow from operating activities	-69	973	430	-69	430
Purchases of property, plant and equipment and intangible assets	-338	-800	-570	-338	-570
-whereof maintenance capex	-32	-124	-63	-32	-63

Net cash flow from operating activities was negative NOK 69 million in the first quarter.

The operating cash flow was negatively impacted by an increase in working capital of NOK 71 million.

Restructuring payments in the quarter are mainly related to settlement of restructuring costs due to organisational changes.

Net financial items in the first quarter relate mainly to interest payments.

Maintenance capex of NOK 32 million relate to ordinary maintenance in the quarter, a decrease from the previous quarter as the fourth quarter generally has higher maintenance capex.

Remaining purchases of property, plant and equipment and intangible assets mainly relate to investments in the packaging paper projects at Norske Skog Golbey, the TMP capacity expansion project at Norske Skog Skogn, and ongoing work at Norske Skog Saugbrugs.

BALANCE SHEET

NOK MILLION	31 MAR 2024	31 DEC 2023	31 MAR 2023
Non-current assets	9 633	9 068	7 498
Cash and cash equivalents	1 915	2 463	2 894
Inventories, trade and other receivables and other current assets	3 096	3 223	4 109
Total assets	14 644	14 755	14 502
Equity	6 004	6 161	6 045
Non-current liabilities	5 757	5 680	5 058
Current liabilities	2 883	2 914	3 399
Net interest-bearing debt	3 246	2 590	1 305

Total assets decreased in the first quarter, mainly due to a decrease in cash and cash equivalents, partly offset by an increase in property, plant, and equipment.

The decrease in cash and cash equivalents is due to capex related to the PM1 conversion at Norske Skog Golbey PM1, expansion of TMP capacity at Norske Skog Skogn, and repayment of debt.

Non-current liabilities were largely unchanged from the previous quarter, but a slight increase in interest-bearing non-current debt. Current liabilities were largely unchanged from the previous quarter.

Local debt to finance the packaging paper projects at Norske Skog Bruck and Norske Skog Golbey had an outstanding amount of approximately EUR 244 million at quarter end, compared to EUR 250 million at previous quarter end.

Net interest-bearing debt increased from NOK 2 590 million to NOK 3 246 million in the quarter, mainly due to capex related to the conversion at Norske Skog Golbey PM1, expansion of TMP capacity at Norske Skog Skogn, and weaker NOK influencing EUR-denominated debts.

OUTLOOK

The development in the global economy is of vital importance for consumer spending, and this impacts the publication paper and packaging industry, and thus Norske Skog's operations and results. Demand for Norske Skog's products have started to improve during the first quarter of 2024 and is expected to improve through 2024.

The raw material and energy markets, which are important for both publication paper and packaging paper production, are expected to remain uncertain, although prices have come down closer to historical levels. Cost of recycled paper has come closer to trend prices, but the quality and availability has deteriorated. This trend is expected to persist for the remainder of 2024. Pulpwood prices is expected to remain at higher levels for 2024.

The level of input costs and demand for paper will continue to influence paper sales prices in Europe. Both publication and packaging markets are characterised by excess capacity and capacity reductions are required to balance the markets. Utilisation is expected to remain weak until capacity is reduced. Norske Skog's European operations are cost-competitive, and the group will continue to temporarily adjust production to customer demand.

Production of recycled containerboard in Norske Skog Bruck is expected to increase in line with plan over the coming quarters. However, expect negative EBITDA from the Packaging Paper segment in 2024 due to fixed costs from Norske Skog Golbey PM1 following start-up of production in the second half of 2024.

Norske Skog Saugbrugs PM6 will remain out of the SC market for entire 2024. Potential investments into expansion projects at Saugbrugs will release additional insurance compensation of NOK 615 million. Production from PM5 is progressing well and expected to continue.

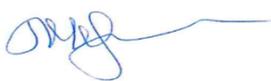
In Australasia, price increases were implemented towards the end of 2023 and is expected to have a positive impact in coming periods, but reduced demand in the region may increase exposure through higher export volumes.

Norske Skog will continue to develop its industrial sites, among others within bio products and renewable energy, both on a stand-alone basis and in partnerships.

SKØYEN, 18 APRIL 2024
THE BOARD OF DIRECTORS OF NORSKE SKOG ASA



Arvid Grundekjøn
Chair



Trine-Marie Hagen
Board member



Terje Sagbakken
Board member



Christoffer Bull
Board member



Tone Wille
Board member



Geir Drangslund
CEO

INTERIM FINANCIAL STATEMENTS, FIRST QUARTER OF 2024

CONDENSED CONSOLIDATED INCOME STATEMENT

NOK MILLION	NOTE	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Operating revenue		2 551	2 854	3 171	2 551	3 171
Other operating income	9	137	909	149	137	149
Total operating income	4	2 688	3 763	3 320	2 688	3 320
Distribution costs		-297	-293	-246	-297	-246
Cost of materials		-1 547	-1 822	-1 635	-1 547	-1 635
Employee benefit expenses		-505	-526	-502	-505	-502
Other operating expenses		-264	-363	-263	-264	-263
Restructuring expenses		-13	-9	-1	-13	-1
Depreciation	5	-125	-130	-115	-125	-115
Impairments	5	0	-88	0	0	0
Derivatives and other fair value adjustments	6	-115	97	-474	-115	-474
Operating earnings		-177	629	85	-177	85
Share of profit in associated companies and joint ventures	7	-5	-5	-3	-5	-3
Financial items	8	-200	-38	-230	-200	-230
Profit/loss before income taxes		-382	586	-148	-382	-148
Income taxes		54	-104	-32	54	-32
Profit/loss for the period		-328	482	-181	-328	-181
Basic earnings per share (NOK)		-3.86	5.65	-1.91	-3.86	-1.91
Diluted earnings per share (NOK)		-3.86	5.65	-1.91	-3.86	-1.91

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Profit/loss for the period	-328	482	-181	-328	-181
Items that may be reclassified subsequently to profit or loss					
Currency translation differences	178	-10	312	178	312
Tax expense on translation differences	0	0	0	0	0
Reclassified translation differences upon divestment of foreign operations	-7	1	5	-7	5
Total	171	-9	316	171	316
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of post-employment benefit obligations	0	-8	0	0	0
Tax effect on remeasurements of employment benefit obligations	0	1	0	0	0
Total	0	-6	0	0	0
Other comprehensive income for the period	171	-16	316	171	316
Total comprehensive income for the period	-156	467	135	-156	136

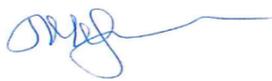
CONDENSED CONSOLIDATED BALANCE SHEET

NOK MILLION	NOTE	31 MAR 2024	31 DEC 2023	31 MAR 2023
Deferred tax asset		262	206	186
Intangible assets	5	11	12	13
Property, plant and equipment	5	9 106	8 567	6 618
Investments in associated companies and joint ventures	7	75	80	97
Other non-current assets	6	178	203	584
Total non-current assets		9 633	9 068	7 498
Inventories		1 472	1 360	1 786
Trade and other receivables		1 565	1 635	1 886
Other current assets	6	59	229	437
Cash and cash equivalents		1 915	2 463	2 894
Total current assets		5 011	5 687	7 003
Total assets		14 644	14 755	14 502
Paid-in equity	10	8 860	8 860	8 898
Retained earnings		-2 856	-2 700	-2 854
Total equity		6 004	6 161	6 045
Employee benefit obligations		301	294	297
Deferred tax liability		215	202	229
Interest-bearing non-current liabilities	8	4 622	4 536	3 866
Other non-current liabilities	6	620	647	665
Total non-current liabilities		5 757	5 680	5 058
Trade and other payables		2 229	2 256	2 161
Tax payable		12	11	453
Interest-bearing current liabilities	8	540	517	333
Other current liabilities	6	101	130	452
Total current liabilities		2 883	2 914	3 399
Total liabilities		8 640	8 594	8 457
Total equity and liabilities		14 644	14 755	14 502

SKØYEN, 18 APRIL 2024
THE BOARD OF DIRECTORS OF NORSKE SKOG ASA



Arvid Grundekjøn
Chair



Trine-Marie Hagen
Board member



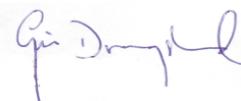
Terje Sagbakken
Board member



Christoffer Bull
Board member



Tone Wille
Board member



Geir Drangslund
CEO

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Cash generated from operations	2 716	3 438	3 369	2 716	3 369
Cash used in operations	-2 733	-2 414	-2 888	-2 733	-2 888
Cash flow from currency hedges and financial items	-13	-11	-13	-13	-13
Interest payments received	21	26	19	21	19
Interest payments made	-59	-64	-41	-59	-41
Taxes paid	-2	-4	-16	-2	-16
Net cash flow from operating activities ¹⁾	-69	973	430	-69	430
Purchases of property, plant and equipment and intangible assets	-338	-800	-570	-338	-570
Sales of property, plant and equipment and intangible assets	0	63	2	0	2
Proceeds from property damage insurance	52	55	0	52	0
Dividend proceeds from joint venture	0	5	200	0	200
Purchase of shares in companies and other financial payments	0	0	0	0	0
Sales of shares in companies and other financial instruments	-91	0	0	-91	0
Net cash flow from investing activities	-377	-677	-367	-377	-367
New loans raised	0	464	185	0	185
Repayments of loans	-118	-115	-49	-118	-49
Dividends paid	0	-57	0	0	0
Purchase treasury shares	0	-138	0	0	0
Net cash flow from financing activities	-118	155	136	-118	136
Foreign currency effects on cash and cash equivalents	17	-22	45	17	45
Total change in cash and cash equivalents	-548	427	244	-548	244
Cash and cash equivalents at start of period	2 463	2 036	2 650	2 463	2 650
Cash and cash equivalents at end of period	1 915	2 463	2 894	1 915	2 894
^{1) Reconciliation of net cash flow from operating activities}					
Profit/loss before income taxes	-382	586	-148	-382	-148
Change in working capital	-71	399	-188	-71	-188
Change in restructuring provisions	0	-1	0	0	0
Depreciation and impairments	125	219	115	125	115
Derivatives and other fair value adjustments	115	-97	474	115	474
Gain and losses from divestment of business activities and PPE	46	-58	2	46	2
Insurance compensation from property damage	-52	-55	0	-52	0
Net financial items without cash effect	154	-5	198	154	198
Taxes paid	-2	-4	-16	-2	-16
Change in pension obligations and other employee benefits	-8	-4	-6	-8	-6
Adjustment for other items	5	-8	0	5	0
Net cash flow from operating activities	-69	973	430	-69	430

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN GROUP EQUITY

NOK MILLION	PAID-IN EQUITY	OTHER PAID-IN EQUITY	RETAINED EARNINGS	TOTAL EQUITY
Equity 1 January 2023	6 649	2 249	-2 989	5 909
Profit/loss for the period	0	0	-181	-181
Other comprehensive income for the period	0	0	316	316
Equity 31 March 2023	6 649	2 249	-2 854	6 045
Treasury shares	-26	0	-260	-286
Profit/loss for the period	0	0	179	179
Other comprehensive income for the period	0	0	-58	-58
Equity 30 September 2023	6 623	2 249	-2 992	5 880
Treasury shares	-12	0	-117	-129
Profit/loss for the period	0	0	482	482
Other comprehensive income for the period	0	0	-16	-16
Dividends paid	0	0	-57	-57
Equity 31 December 2023	6 611	2 249	-2 700	6 161
Profit/loss for the period	0	0	-328	-328
Other comprehensive income for the period	0	0	171	171
Equity 31 March 2024	6 611	2 249	-2 856	6 004

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Norske Skog ASA (“the company”) and its subsidiaries (“the group” or “Norske Skog”) produce, distribute and sell publication paper and packaging paper. This includes newsprint, magazine paper and recycled containerboard.

All amounts in the interim financial statements are presented in NOK million unless otherwise stated. Due to rounding, there may be differences in the summation of columns and rows.

The table below shows the applied average (un-weighted monthly) foreign exchange rates per quarter and the closing exchange rate at month ends for the most important currencies for the group.

	Q1 2024	Q4 2023	31 MAR 2024	31 DEC 2023	31 MAR 2023
AUD	6.91	7.05	7.04	6.91	7.00
EUR	11.42	11.65	11.68	11.24	11.39
GBP	13.33	13.44	13.62	12.93	12.96
NZD	6.44	6.53	6.47	6.42	6.55
USD	10.51	10.84	10.80	10.17	10.48

2. ACCOUNTING POLICIES

The interim financial statements of Norske Skog have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements do not include all information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for 2023. The interim financial statements are unaudited.

The accounting policies applied in the preparation of the interim financial statements are consistent with those applied in the preparation of the consolidated financial statements for the year ended

31 December 2023, except for the adaptation of amended standards and new interpretations, which are mandatory from 1 January 2024. These changes are described in the consolidated financial statements for 2023.

The group has not early adopted any standard, interpretation or amendment that has been issued but is not yet mandatory.

3. ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

Preparation of interim financial statements in accordance with IFRS implies use of estimates, which are based on judgements and assumptions that affect the application of accounting principles and the reported amounts of assets, liabilities, revenues and expenses. Actual amounts might differ from such estimates.

Recoverable amount of intangible assets and property, plant and equipment

Property, plant and equipment are tested for possible impairment charges whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. A prolonged decrease in prices or demand beyond the historical level could be an indicator of impairment and an impairment test will be prepared. The recoverable amount is the higher of an asset's fair value less sales costs or its value in use. Value in use is the present value of the future cash flows expected to be derived from a cash-generating unit. The key drivers of profitability in the industry and thus asset values for Norske Skog are product prices relative to production costs.

Accounting treatment of physical energy contracts and other financial instruments

Norske Skog's portfolio of commodity contracts consist mainly of physical contracts that are settled through physical delivery. Embedded derivatives in commodity contracts are measured at fair value and embedded derivatives that are not traded in an active market, are assessed through valuation techniques. The fair value of embedded derivatives in physical contracts vary depending on changes in currency and price indexes.

Commodity contracts that fail to meet the “own-use exemption” criteria in IFRS 9 *Financial instruments* – recognition and measurement are recognised in the balance sheet and valued at fair value.

The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date. See Note 22 in the consolidated financial statements for 2023 for more information regarding the calculation of fair value of derivatives.

See Note 3 in the consolidated financial statements for 2023 for a more thorough description of important accounting estimates and assumptions impacting the preparation of financial statements.

4. OPERATING SEGMENTS

The activities of the Norske Skog group are separated into three operating segments, Publication Paper Europe, Publication Paper Australasia and Packaging Paper which is in line with how the group is managed internally. Norske Skog's chief operating decision maker is corporate management, who distribute resources and assess performance of the group's operating segments. Norske Skog has an integrated strategy across the three segments to maximise profits. The optimisation is carried out through coordinated sales and operational planning. The regional planning, in combination with structured sales and operational processes, ensures maximisation of profit.

Publication paper includes newsprint and magazine paper. Newsprint includes standard newsprint and improved newsprint used in newspapers, inserts, catalogues etc. Magazine paper includes the paper qualities supercalendered (SC) and lightweight coated (LWC). Magazine paper is used in magazines, catalogues, and advertising materials.

Publication Paper Europe segment encompasses production and sale of newsprint and magazine paper in Europe. All the four European

industrial sites and the regional sales organisation are included in the operating segment publication paper Europe.

Publication Paper Australasia encompasses production and sale of newsprint and magazine paper in Australasia. Norske Skog Boyer, the only producer of newsprint and magazine grade in the region, and the regional sales organisation is included in the operating segment publication paper Australasia.

Packaging Paper has been established as a new reporting segment from 2023. The segment includes Norske Skog's production of recycled containerboard, mainly the grades testliner 3 and fluting. Testliner 3 and fluting are used by corrugators as outer and inner layers of packaging material. In 2023, the segment only comprised one machine, PM3, at Norske Skog Bruck. From the second half of 2024, Norske Skog Golbey PM1 will also be included in the segment. Production is expected to reach full capacity in the period 2025 to 2026.

Activities in the group that do not fall into the operating segments are presented under other activities. This includes corporate functions, sourcing solutions and other holding company activities.

Q1 2024	PUBLICATION PAPER EUROPE	PUBLICATION PAPER AUSTRALASIA	PACKAGING PAPER	OTHER ACTIVITIES	ELIMINATIONS	NORSKE SKOG GROUP
Operating revenue	1 956	437	141	158	-141	2 551
Other operating income	102	1	36	0	-2	137
Total operating income	2 058	438	177	158	-143	2 688
Distribution costs	-213	-61	-23	0	0	-297
Cost of materials	-1 148	-284	-105	-122	113	-1 547
Employee benefit expenses	-357	-82	-40	-28	2	-505
Other operating expenses	-174	-85	-15	-17	28	-264
EBITDA	166	-74	-7	-9	0	76
Restructuring expenses	-6	-3	0	-3	0	-13
Depreciation	-87	-8	-29	-2	0	-125
Derivatives and other fair value adjustments	-115	0	0	0	0	-115
Operating earnings	-42	-86	-35	-14	0	-177
Share of operating revenue from external parties (%)	100	100	100	21		100

Q4 2023	PUBLICATION PAPER EUROPE	PUBLICATION PAPER AUSTRALASIA	PACKAGING PAPER	OTHER ACTIVITIES	ELIMINATIONS	NORSKE SKOG GROUP
Operating revenue	2 216	497	109	149	-119	2 854
Other operating income	811	71	26	2	-1	909
Total operating income	3 028	568	135	152	-119	3 763
Distribution costs	-209	-66	-18	0	0	-293
Cost of materials	-1 398	-304	-96	-110	86	-1 822
Employee benefit expenses	-378	-79	-41	-28	1	-526
Other operating expenses	-319	-39	-18	-19	32	-363
EBITDA	723	80	-38	-6	0	760
Restructuring expenses	-3	-5	0	-2	0	-9
Depreciation	-83	-12	-33	-3	0	-130
Impairments	-30	-62	3	0	0	-88
Derivatives and other fair value adjustments	97	0	0	0	0	97
Operating earnings	704	2	-67	-10	0	629
Share of operating revenue from external parties (%)	100	100	99	23		100

NORSKE SKOG QUARTERLY REPORT – FIRST QUARTER 2024 (UNAUDITED)

Q1 2023	PUBLICATION PAPER EUROPE	PUBLICATION PAPER AUSTRALASIA	PACKAGING PAPER	OTHER ACTIVITIES	ELIMINATIONS	NORSKE SKOG GROUP
Operating revenue	2 735	436	0	61	-61	3 171
Other operating income	129	-3	24	0	-2	149
Total operating income	2 864	434	24	61	-63	3 320
Distribution costs	-186	-59	0	0	0	-246
Cost of materials	-1 355	-266	-11	-25	22	-1 635
Employee benefit expenses	-345	-82	-35	-41	2	-502
Other operating expenses	-215	-49	-17	-22	39	-263
EBITDA	763	-23	-38	-27	0	675
Restructuring expenses	0	-1	0	0	0	-1
Depreciation	-93	-11	-8	-2	0	-115
Derivatives and other fair value adjustments	-474	0	0	0	0	-474
Operating earnings	195	-35	-46	-29	0	85
Share of operating revenue from external parties (%)	100	100	0	3		100

SEGMENT OTHER ACTIVITIES	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
OTHER OPERATING REVENUE					
Corporate functions	25	28	33	25	33
Sourcing solutions	134	123	28	134	28
Total	158	152	61	158	61
EBITDA					
Corporate functions	-12	-6	-29	-12	-29
Sourcing solutions	3	0	2	3	2
Total	-9	-6	-27	-9	-27

5. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

JAN-MAR 2024	PROPERTY, PLANT AND EQUIPMENT	RIGHT-OF-USE ASSETS	TOTAL PROPERTY PLANT AND EQUIPMENT	INTANGIBLE ASSETS
Carrying value at start of period	8 483	84	8 567	12
Additions*	338	32	371	0
Depreciation	-113	-11	-124	-1
Disposals	0	0	0	0
Currency translation differences	291	3	293	0
Carrying value at end of period	8 999	107	9 106	11

*The difference between additions and the line Purchases of property, plant and equipment and intangible assets in the condensed consolidated statement of cash flows is due to right-of-use assets, accruals for payments and other additions with no cash impact.

PER OPERATING SEGMENTS

31 MAR 2024	TOTAL PROPERTY PLANT AND EQUIPMENT	INTANGIBLE ASSETS
Publication paper Europe	6 348	3
Publication paper Australasia	190	1
Packaging paper	2 553	2
Other activities	16	6
Total	9 106	11

6. ENERGY CONTRACTS, DERIVATIVES AND FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE

31 MAR 2024	ASSETS		LIABILITIES	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Energy contracts and embedded derivatives in energy contracts (level 3)	19	0	13	265
Other derivatives and financial instruments carried at fair value (level 2)	10	0	5	0
Total	29	0	18	265

Norske Skog's portfolio of commodity contracts consists mainly of physical energy contracts some of which contain embedded derivatives related to currency. Certain of the energy contracts are measured at fair value. The fair value of commodity contracts is especially sensitive to future changes in energy prices in the region they cover.

The contract prices for energy in Norway are sensitive to change in publication paper prices and pulpwood prices. Externally forecasted price increases/decreases for paper increases/decreases the cost of energy. Contract prices vs market prices for energy have developed in opposite directions in the relevant energy areas in Norway, while a weaker NOK has impacted embedded derivatives negatively. There has been a net negative change in the fair value of the contracts and embedded derivatives in the quarter of NOK -115 million.

Changes in the value of energy contracts, commodity contracts and embedded derivatives in contracts are presented in the income statement line Derivatives and other fair value adjustments. A sensitivity analysis of the impact on profit after tax of fluctuations in energy prices, currency and price indices is given in Note 5 in the consolidated financial statements for 2023.

Financial derivative contracts are accounted for at fair value and changes in contracts are presented in the income statement under financial items. A sensitivity analysis of the impact on profit after tax of fluctuations in currency is given in Note 5 in the consolidated financial statements for 2023.

The valuation techniques used are described in Note 22 in the consolidated financial statement for 2023.

7. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES

Investments in associated companies and joint ventures are accounted for in accordance with the equity method. The carrying value is NOK 75 million on 31 March 2024.

Norske Skog holds a 50% share of Porsnes Utvikling AS, an equal ownership joint venture between Ringstad Næringsutvikling AS and Norske Skog Saugbrugs AS. On 31 March 2024 this has a carrying value of NOK 7 million.

On 31 March 2024 Norske Skog holds a 26% share of Circa Group AS, with a carrying value of NOK 60 million. Loss is included in the quarter with NOK 5 million. Circa Group AS is listed on Euronext Growth. Due to later reporting dates than Norske Skog, the share of results from Circa Group is included with three months lag.

8. FINANCIAL ITEMS AND DEBT REPAYMENTS

FINANCIAL ITEMS

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Net interest expenses	-40	-39	-25	-40	-25
Currency gains/losses*	-140	41	-189	-140	-189
Other financial items	-20	-40	-16	-20	-16
Total financial items	-200	-38	-230	-200	-230

*Currency gains/losses on trade receivables and trade payables are reported as operating revenue and cost of materials respectively.

FINANCING

Norske Skog has credit facility agreements in an aggregate amount of EUR 265 million to finance its investment in the conversion projects to recycled containerboard. EUR 193 million is for the project at Norske Skog Golbey and EUR 72 million for the project at Norske Skog Bruck. The borrowing entities are Norske Skog Bruck GmbH and Norske Skog Golbey SAS, and the facilities are fully guaranteed by Norske32 Skog ASA.

The facilities are drawn as capital expenditures are incurred, and repayment is scheduled to commence approximately upon completion of each respective project with average maturity towards the end of 2030. As of 31 March 2024, the outstanding amount was EUR 244 million.

Norske Skog has a EUR 150 million senior secured bond. The bond matures in March 2026 and has an interest rate of EURIBOR (zero floor) +5.5% with quarterly interest payments. As of 31 March 2024, the outstanding amount under the EUR 150 million senior secured bond, net of bought back bonds, was EUR 136 million. Following the quarter, Norske Skog repurchased EUR 34.4 million through voluntary early redemption.

Norske Skog has an EUR 31 million Revolving Credit Facility with a tenor of five years. As of 31 March 2024, the revolving credit facility was undrawn.

The EUR 54 million credit facility for the waste-to-energy plant in Norske Skog Bruck commenced repayments in the fourth quarter of 2022. As of 31 March 2024, the outstanding amount was EUR 41 million. The final maturity date is in 2028.

The remaining financing arrangements for the group includes leasing, factoring, and other credit facilities on mill level.

The financing covenants applicable to Norske Skog on a consolidated basis are (i) freely available and unrestricted cash and cash equivalents of minimum NOK 100 million, (ii) EBITDA* to net interest costs of minimum 2.0:1, and (iii) book equity to total assets of minimum 25% and (iv) minimum LTM EBITDA* of NOK 400 million. In addition, there are various company specific financial covenants applicable to the subsidiaries acting as borrowers under the respective credit facilities.

*The EBITDA used in the financial covenants' calculations may differ from the EBITDA shown in the financial reporting due to adjustment requirements in the financing agreements.

BONDS

EUR MILLION	MATURITY	CURRENCY	INTEREST RATE	NOMINAL VALUE	AMOUNT OUTSTANDING 31 MAR 2024
NSKOG02	March 2026	EUR	EURIBOR +5.5%	150	136

DEBT REPAYMENT SCHEDULE*

NOK MILLION	2024	2025	2026	2027	2028-
Bonds	0	0	1 590	0	0
Debt to credit institutions	392	681	545	544	1 310
Total	392	681	2 134	544	1 310

*Not including items relating to leases.

Total debt listed in the repayment schedule differs from the carrying value in the balance sheet. This is due to the amortized cost principle.

Financed amounts from securitisation arrangements is classified as interest-bearing current liabilities. This amounts to NOK 101 million in debt repayment in the first quarter of 2024. The financed amount represents a group of individual loans, which are settled individually at maturity of the trade receivable.

New loans are initiated on a consecutive basis based on new trade receivables included under the securitization agreement. The liability is in its nature current, and Norske Skog does not have an unconditional right to defer settlement beyond twelve months. The liabilities are liabilities that are settled through its normal operating cycle. The corresponding trade receivable is derecognised when the customer pays it.

9. NORSKE SKOG SAUGBRUGS ROCKSLIDE

On 27 April 2023 Norske Skog Saugbrugs was impacted by a rockslide that destroyed parts of the building and damaged machinery and equipment related to PM6. The damages to the building and infrastructure were extensive and PM6 has been stopped from the time of the impact.

Work has continued to secure the site from further rockslide and rebuild the damaged building and infrastructure.

Norske Skog Saugbrugs is covered for both property damage and business interruption as part of its group insurance program.

Property damage was mainly related to assets that were largely depreciated to low values. A write down of NOK 10 million related to destroyed assets was recognised in 2023.

On 2 November 2023 Norske Skog announced that it has agreed a settlement with the insurers in relation to both business interruption and property damage.

In relation to business interruption for the coverage period of 18 months from the date of the incident an amount of NOK 850 million was agreed. This has been recognised in full in 2023 of which NOK 625 million was recognised in the fourth quarter 2023. NOK 635 million of the insurance

settlement proceeds was received in 2023 while the remaining NOK 215 million was received in the first quarter of 2024.

The property damage to building structures and cost of reinstatement of these as well as costs to secure rock formations will be covered by Norske Skog Saugbrugs, but fully reimbursed by the insurers. In first quarter NOK 39 million has been recognized and capitalized as property plant and equipment.

In addition, a settlement of NOK 1 billion was agreed for investments in production equipment. Of this NOK 385 million has been paid in 2023, while the remaining amount of NOK 615 million will be paid as investment costs accrue and contingent of the amount of NOK 385 million being invested at Norske Skog Saugbrugs. In the income statement, the settlement for investments in production equipment has been recognised with NOK 77 million in 2023 and NOK 13 million in the first quarter of 2024. Of the remaining amount to be recognised, NOK 295 million would be recognised in other operating income related to identification of an expansion project at Norske Skog Saugbrugs. In addition, NOK 615 million would be recognised as investment costs accrue.

10. PRINCIPAL SHAREHOLDERS

	NUMBER OF SHARES	OWNERSHIP %
BYGGMA ASA	17 430 431	18.49
NORSKE SKOG ASA	9 426 470	10.00
UBS Europe SE	5 835 000	6.19
DRANGSLAND KAPITAL AS	5 316 148	5.64
INTERTRADE SHIPPING AS	2 775 000	2.94
VERDIPAPIRFONDET HOLBERG NORGE	2 100 000	2.23
VERDIPAPIRFONDET FONDSFINANS NORGE	1 726 999	1.83
VOLDSTAD EIENDOM AS	1 700 000	1.80
VERDIPAPIRFONDET NORDEA NORGE VERD	1 519 422	1.61
VERDIPAPIRFONDET NORDEA AVKASTNING	1 315 665	1.40
CACEIS Investor Services Bank S.A.	1 134 617	1.20
State Street Bank and Trust Comp	922 507	0.98
VERDIPAPIRFONDET NORDEA NORGE PLUS	750 978	0.80
Nordnet Bank AB	735 026	0.78
Pershing Securities Limited	694 285	0.74
J.P. Morgan SE	655 889	0.70
J.P. Morgan SE	654 394	0.69
Saxo Bank A/S	608 694	0.65
INAK 3 AS	520 000	0.55
PENSJONSORDNINGEN	465 400	0.49
Other shareholders	37 977 780	40.29
Total	94 264 705	100.00

The data is extracted from VPS 18 April 2024. Whilst every reasonable effort is made to verify all data, VPS cannot guarantee the accuracy of the analysis.

11. THE NORSKE SKOG SHARE

	31 MAR 2024	31 DEC 2023	31 MAR 2023
Share price (NOK)	33.54	41.40	57.70
Book value of equity per share (NOK)	70.77	72.62	64.13

On 31 March 2024 Norske Skog ASA holds 9 426 470 of its own shares. These shares were in the General Assembly on 11 April 2024 resolved cancelled by capital reduction.

12. RELATED PARTIES

Investor AS and subsidiaries Drangslund Kapital AS and Byggma ASA are related parties to Norske Skog through the ownership in Norske Skog ASA and the CEO Geir Drangslund being the ultimate owner for these companies.

There have not been any transactions with related parties in 2024.

13. EVENTS AFTER THE BALANCE SHEET DATE

There have been no events after the balance sheet date with significant impact on the interim financial statements for the first quarter of 2024.

14. HISTORICAL FIGURES

INCOME STATEMENT	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Total operating income	2 688	3 763	3 036	3 404	3 320
Variable costs*	-1 844	-2 115	-1 881	-2 237	-1 880
Fixed costs*	-769	-888	-828	-787	-765
EBITDA	76	760	327	380	675
Restructuring expenses	-13	-9	-18	-10	-1
Depreciation	-125	-130	-141	-128	-115
Impairments	0	-88	0	0	0
Derivatives and other fair value adjustment	-115	97	-131	-96	-474
Operating earnings	-177	629	36	146	85
Share of profit in associated companies and joint ventures	-5	-5	-3	-4	-3
Financial items	-200	-38	79	-101	-230
Profit/loss before income taxes	-382	586	112	41	-148
Income taxes	54	-104	22	5	-32
Profit/loss for the period	-328	482	134	45	-181

* As defined in Alternative Performance Measures

SEGMENT INFORMATION	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Publication paper Europe					
Total operating income	2 058	3 028	2 405	2 843	2 864
EBITDA	166	723	335	429	763
Deliveries (1 000 tonnes)	262	270	258	267	245
Publication paper Australasia					
Total operating income	438	568	476	489	434
EBITDA	-74	80	27	-5	-23
Deliveries (1 000 tonnes)	59	63	60	63	56
Packaging paper					
Total operating income	177	135	128	75	24
EBITDA	-7	-38	-31	-40	-38
Deliveries (1 000 tonnes)	38	29	26	10	-
Other activities					
Total operating income	158	152	133	89	61
EBITDA	-9	-6	-5	-2	-27

BALANCE SHEET	31 MAR 2024	31 DEC 2023	30 SEP 2023	30 JUN 2023	31 MAR 2023
Total non-current assets	9 633	9 068	8 790	8 691	7 498
Inventories	1 472	1 360	1 521	1 635	1 786
Trade and other receivables	1 565	1 635	1 433	1 419	1 886
Cash and cash equivalents	1 915	2 463	2 036	2 673	2 894
Other current assets	59	229	120	271	437
Total current assets	5 011	5 687	5 109	5 998	7 003
Total assets	14 644	14 755	13 898	14 689	14 502
Total equity	6 004	6 161	5 880	6 208	6 045
Total non-current liabilities	5 757	5 680	5 607	5 378	5 058
Trade and other payables	2 229	2 256	1 804	2 498	2 161
Other current liabilities	653	658	607	606	1 238
Total current liabilities	2 883	2 914	2 411	3 104	3 399
Total liabilities	8 640	8 594	8 018	8 481	8 457
Total equity and liabilities	14 644	14 755	13 898	14 689	14 502

NORSKE SKOG QUARTERLY REPORT – FIRST QUARTER 2024 (UNAUDITED)

CASH FLOW	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Reconciliation of net cash flow from operating activities					
EBITDA	76	760	327	380	675
Change in working capital	-71	399	-153	541	-188
Payments made relating to restructuring activities	-13	-11	-13	-29	-2
Gain and losses from divestment	46	-58	-1	-1	2
Insurance compensation from property damage	-52	-55	-67	0	0
Cash flow from net financial items	-51	-48	-19	-36	-35
Taxes paid	-2	-4	-25	-553	-16
Other	-2	-11	124	50	-7
Net cash flow from operating activities	-69	973	173	353	430
Purchases of property, plant and equipment and intangible assets	-338	-800	-1 018	-697	-570
Proceeds from property damage insurance	52	55	67	0	0
Net divestments	-91	68	2	1	202
Net cash flow from investing activities	-377	-677	-949	-695	-367
Net cash flow from financing activities	-118	155	154	104	136
Foreign currency effects on cash and cash equivalents	17	-22	-15	17	45
Total change in cash and cash equivalents	-548	427	-637	-221	244

ALTERNATIVE PERFORMANCE MEASURES

The European Securities and Markets Authority's (ESMA) has defined guidelines for alternative performance measures (APM). An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specific in the applicable financial reporting framework (IFRS). The company uses EBITDA, EBITDA margin and return on capital employed (annualized) to measure operating performance on group level. It is the company's view that the APMs provides the investors relevant and specific operating figures which may enhance their understanding of the performance.

EBITDA, EBITDA margin, variable costs, fixed costs, return on capital employed and net interest-bearing debt are defined by the company below.

EBITDA: Operating earnings for the period, before restructuring expenses, depreciation and amortization and impairment charges, derivatives and other fair value adjustments, determined on an entity, combined or consolidated basis. EBITDA is used for providing consisting information of operating performance and cash generating which is relative to other companies and frequently used by other stakeholders.

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Operating earnings	-177	629	85	-177	85
Restructuring expenses	13	9	1	13	1
Depreciation	125	130	115	125	115
Impairments	0	88	0	0	0
Derivatives and other fair value adjustments	115	-97	474	115	474
EBITDA	76	760	675	76	675

EBITDA margin: EBITDA/total operating income. EBITDA margin assist in providing a more comprehensive analysis of operating performance relative to other companies.

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
EBITDA	76	760	675	76	675
Total operating income	2 688	3 763	3 320	2 688	3 320
EBITDA margin	2.8 %	20.2 %	20.3 %	2.8 %	20.3 %

Variable costs: Distribution costs + cost of materials

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Distribution costs	297	293	246	297	246
Cost of materials	1 547	1 822	1 635	1 547	1 635
Variable costs	1 844	2 115	1 880	1 844	1 880

Fixed costs: Employee benefit expenses + other operating expenses.

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
Employee benefit expenses	505	526	502	505	502
Other operating expenses	264	363	263	264	263
Fixed costs	769	888	765	769	765

NORSKE SKOG QUARTERLY REPORT – FIRST QUARTER 2024 (UNAUDITED)

Return on capital employed (annualised): (Annualised EBITDA – Annualised Capital expenditure)/Capital employed (average).

NOK MILLION	Q1 2024	Q4 2023	Q1 2023	YTD 2024	YTD 2023
EBITDA	76	760	675	76	675
Capital expenditure	338	800	570	338	570
Average capital employed	9 621	9 231	7 585	9 621	7 585
Return on capital employed (annualised)	-10.9 %	-1.7 %	5.6 %	-10.9 %	5.6 %

NOK MILLION	31 MAR 2024	31 DEC 2023	31 MAR 2023
Intangible assets	11	12	13
Property, plant and equipment	9 106	8 567	6 618
Inventory	1 472	1 360	1 786
Trade and other receivables	1 565	1 635	1 886
Trade and other payables	-2 229	-2 256	-2 161
Capital employed	9 925	9 317	8 142

Net interest-bearing debt: Net interest-bearing debt consist of bond issued and other interest-bearing liabilities (current and non-current) reduced by cash and cash equivalent.

NOK MILLION	31 MAR 2024	31 DEC 2023	31 MAR 2023
Interest-bearing non-current liabilities	4 622	4 536	3 866
Interest-bearing current liabilities	540	517	333
Cash and cash equivalents	-1 915	-2 463	-2 894
Net interest-bearing debt	3 246	2 590	1 305

Capital expenditure (Capex): Purchases of property, plant and equipment and intangible assets.

Maintenance capex: Capex required to maintain the group's current business.



Norske Skog

Q1 2024 presentation

19 April 2024

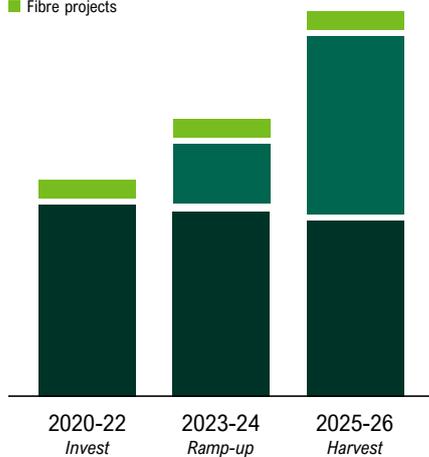
*We create
green value*

Norske Skog

Fibre processing industry

Strategic transition

- Publication paper
- Packaging paper
- Fibre projects



- **Publication paper**
 - Capacity: 1 590kt
- **Packaging paper**
 - Capacity: 760kt (2025-26)
- Net debt NOK 3.2bn
- Remaining net expansion capex NOK 0.4bn
- Cash NOK 1.9bn and liquidity NOK 2.3bn
- 2023 CDP Climate Change Score "A-"

Five high quality industrial sites

Eleven paper machines with supporting infrastructure for energy, fibre, and water



Quarter highlights

First quarter 2024

Earnings negatively impacted by deconsolidation of Tasman and lower CO2 prices

- Quarterly EBITDA of NOK 76m impacted negatively by NOK 46m from Tasman deconsolidation
- Negative NOK 32m revaluation of surplus balance of CO2 allowances due to price decline

Positive development in containerboard and publication paper markets, but closures still required

- Price increases for containerboard implemented in March, further increases are necessary
- Stabilising demand for publication paper and market for longer contracts returning

Continued growth in containerboard, Golbey PM1 on track for start-up in H2 2024

- Bruck PM3 delivering 38kt of containerboard in the quarter, expect around 85% utilisation of design capacity by H2 2024
- Start-up of Golbey PM1 will increase Norske Skog's total production capacity with more than 30%

Maintaining a strong cash position as debt repayments increase

- Equity ratio of 41% and interest coverage ratio of 11.9x
- Repurchased EUR 34.4m of outstanding bonds after the quarter

3

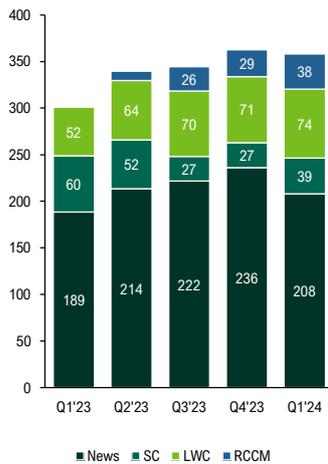


Key figures

First quarter 2024

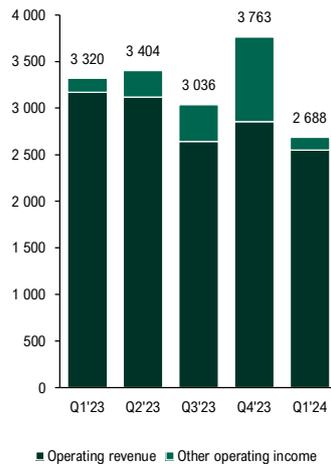
Deliveries volume

Thousand tonnes



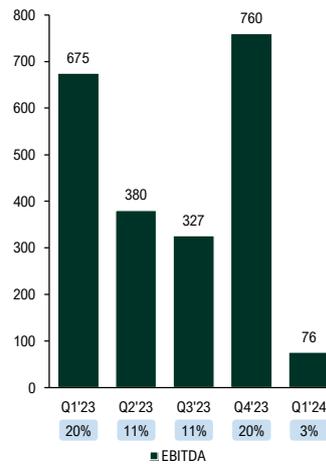
Total operating income

NOKm



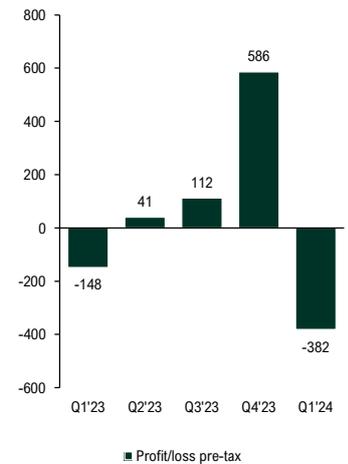
EBITDA

NOKm (and margin)



Pre-tax profit

NOKm



4

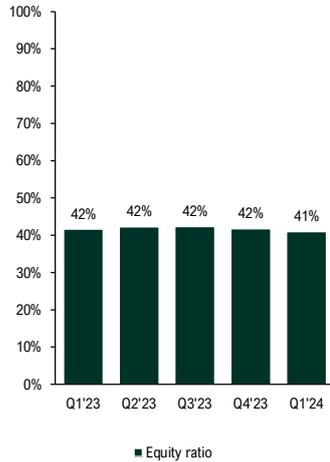


Financial position

First quarter 2024

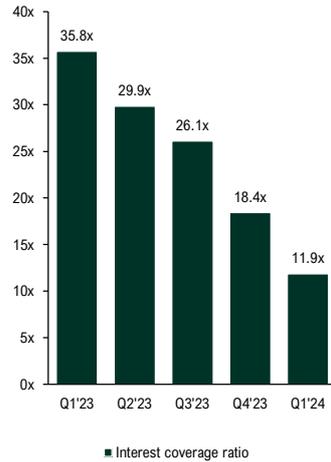
Equity ratio

Book equity to total assets
group covenant of min. 25%



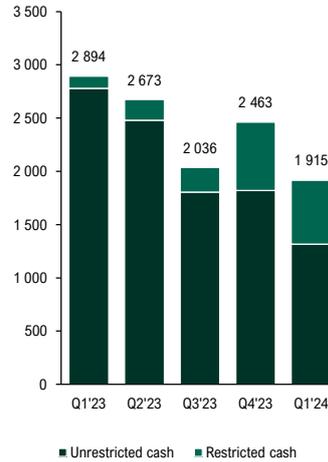
Interest coverage ratio

EBITDA to net cash interest cost
group covenant of min. 2.0x



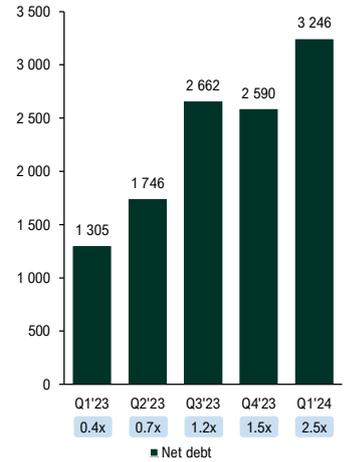
Cash

NOKm
group covenant of min. NOK 100m unrestricted



Net debt

NOKm (and leverage ratio)
no group maintenance covenant



5

Note: Figures according to definitions in loan agreements

Segment financials

Results driven by CO2 price and Tasman deconsolidation

NOK million	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Publication Paper Europe					
Deliveries, kt	245	267	258	270	262
Total operating inc.	2 864	2 843	2 405	3 028	2 058
EBITDA	763	429	335	723	166
EBITDA margin	27%	15%	14%	24%	8%
Publication Paper Australasia					
Deliveries, kt	56	63	60	63	59
Total operating inc.	434	489	476	568	438
EBITDA	-23	-5	27	80	-74
EBITDA margin	-5%	-1%	6%	14%	-17%
Packaging Paper					
Deliveries, kt	0	10	26	29	38
Total operating inc.	24	75	128	135	177
EBITDA	-38	-40	-31	-38	-7
EBITDA margin	-158%	-54%	-24%	-28%	-4%
Other					
Total operating inc.	61	89	133	152	158
EBITDA	-27	-2	-5	-6	-9

6

Q1 2024

Publication Paper Europe

- EBITDA margin of 8% negatively impacted by NOK 32m from decline in CO2 prices
- Lower newsprint deliveries due to unplanned stops
- Average prices 3% down from previous quarter
- Following the quarter, Norwegian CO2 compensation for 2023 received and around 100k allowances sold

Publication Paper Australasia

- EBITDA negatively impacted by deconsolidation of Norske Skog Tasman with NOK 46m
- Underlying EBITDA negative due to larger share of lower priced export deliveries

Packaging Paper

- Continued growth in containerboard deliveries, expect positive EBITDA from Bruck PM3 in Q2 2024
- Average price in the quarter equal to previous quarter as price increases implemented throughout March offset price reductions in January and February, higher prices reflected from beginning of Q2 2024



Containerboard ramp-up

Continued increase in delivery volumes



7

Golbey PM1

- Containerboard production start-up in H2 2024
- Final piping and electrical work being completed and expect production commissioning start in Q3 2024
- Remaining gross capex of NOK 1.0bn to be paid until Q3 2025, and NOK 0.6bn of energy certificates and grants to be received until Q1 2027. Thus, remaining net capex of NOK 0.4bn

Bruck PM3

- Continued growth in production and deliveries, expect around 85% utilisation end of 2024 in line with plan
- Excellent product quality and customer feedback
- Continue to improve production efficiency as utilisation and process optimisation increases



Update on Saugbrugs

Ongoing process to determine future opportunities for Saugbrugs PM6



8

Insurance coverage Q1 2024

- Business interruption insurance: No recognition in the quarter, but received cash payment of NOK 215m
- Property damage insurance: Recognised NOK 52m in other operating income and NOK 2m in other operating expenses. Cash payment of NOK 88m received

Remaining insurance coverage

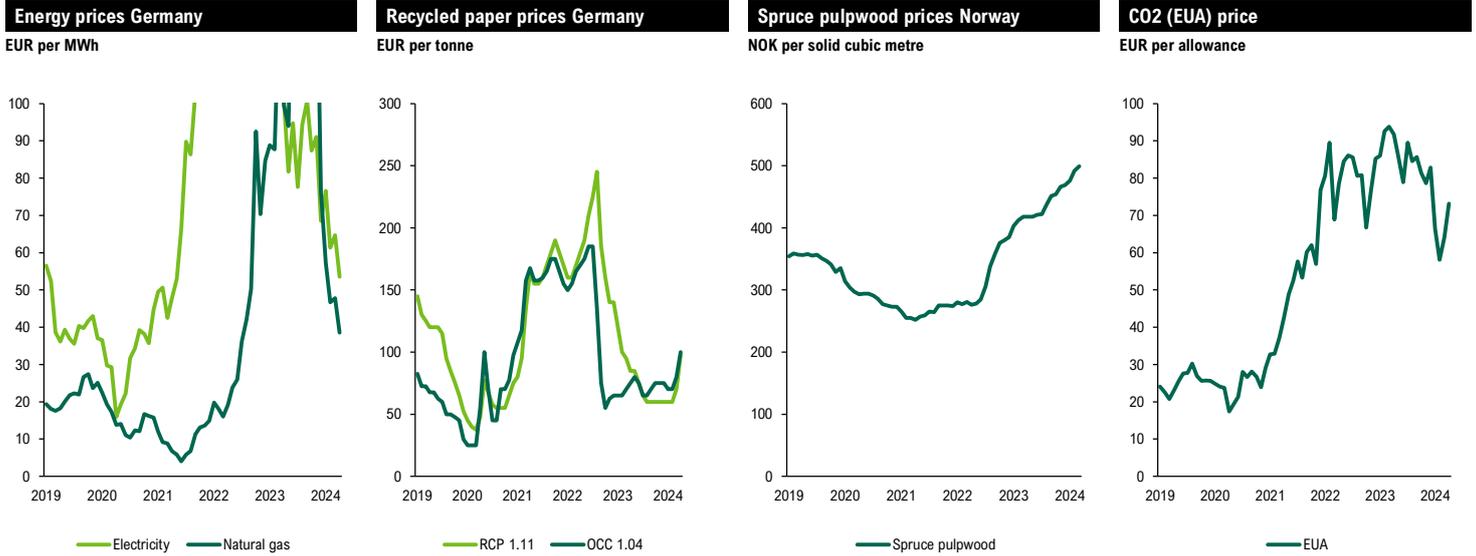
- Property damage insurance: Expect to recognise similar amounts over next three quarters as in Q1 2024. Additional NOK 295m expected to be recognised in other operating income following identification of potential expansion project at Saugbrugs
- NOK 615m to be received and recognised in the event of project investments and as investment costs accrue

Delivery of SC magazine paper from PM4 and PM5 developing positively



Raw materials

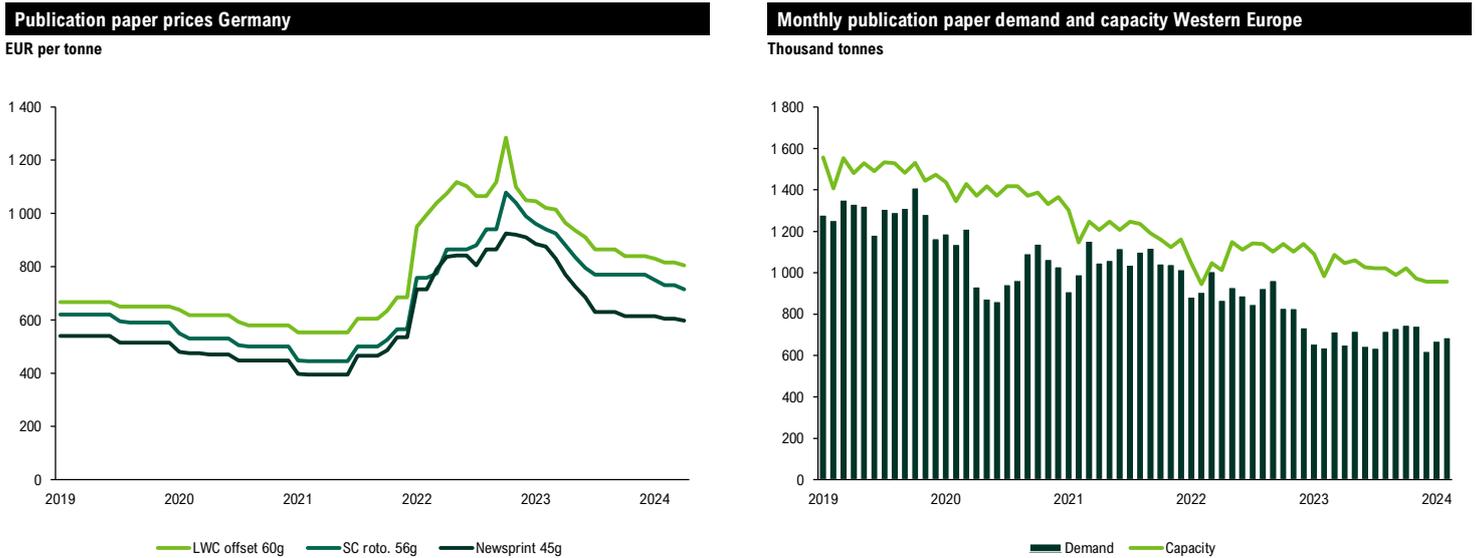
Spruce pulpwood prices at elevated levels and EUA price significantly down



9 Source: Nordpool, Trading Economics, RISI, Miljødirektoratet

Publication paper market

Publication paper prices remain at low levels as demand stabilises

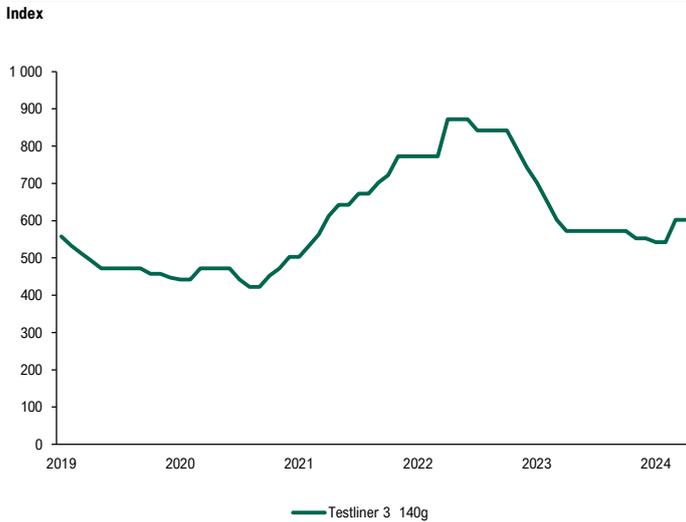


10 Source: RISI, PPPC

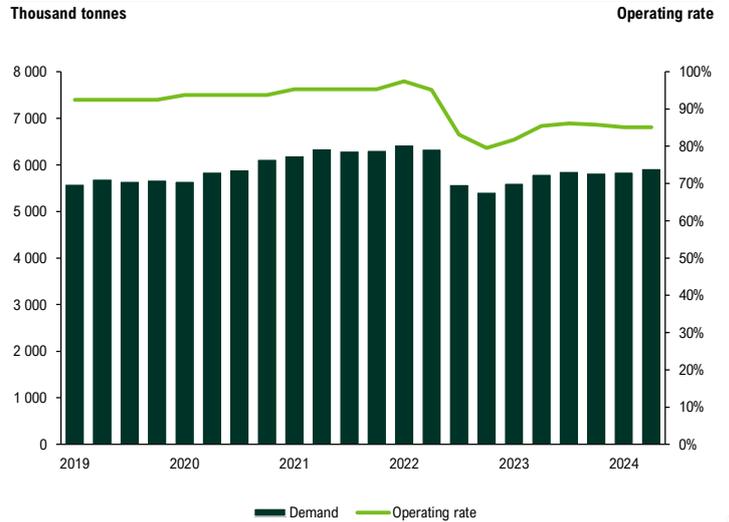
Packaging paper market

Price increases implemented as demand growth returns

Recycled containerboard index Germany



Quarterly recycled containerboard demand and operating rate Western Europe



11 Source: RISI, PPPC

Outlook

Concluding remarks

- Energy costs stabilising, but pulpwood costs remain high and recycled paper availability is challenging
- Publication paper prices remain at low levels as industry continues to see low utilisation
- Price increases for containerboard implemented, but further increases are required
- Expect negative EBITDA from packaging paper segment in 2024 due to Golbey PM1 start-up in H2 2024
- Significant focus on reducing production cost and working capital to maintain competitive position
- Maintaining a strong liquidity position as investments near completion and debt repayments increase

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This presentation contains statements regarding the future in connection with Norske Skog's growth initiatives, profit figures, outlook, strategies and objectives. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual profits and developments deviating substantially from what has been expressed or implied in such statements.

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green value*

Press release

Stable markets

Norske Skog's EBITDA in the first quarter of 2024 was NOK 76 million, a decrease from NOK 760 million in the fourth quarter of 2023. The fourth quarter EBITDA was significantly influenced by business interruption insurance of NOK 625 million at Norske Skog Saugbrugs. The first quarter EBITDA was negatively impacted by deconsolidation of Norske Skog Tasman of NOK 46 million and lower European CO2-allowance prices of NOK 32 million. Demand for publication paper is stabilising, but further capacity closures are still required. Containerboard demand is increasing but still experiences excess capacity.

"We are very satisfied with the demand for our publication paper products in the first quarter. We have invested close to EUR 500 million into containerboard and energy projects over the past three years, and we still maintain a very strong balance sheet and cash position. We are highly satisfied with the production ramp-up at Bruck. The feedback from our customers on product quality is positive, and this is promising for our plan to deliver a total of 760 000 tonnes of packaging paper from Bruck and Golbey into the market in the coming years. Along with the Saugbrugs management team, we have continued to identify future opportunities for Saugbrugs industrial site, and we hope to announce further details during the second quarter," says Geir Drangslund, CEO of Norske Skog.

Cash flow from operations was NOK -69 million in the quarter compared to NOK 973 million in the previous quarter. The first quarter cash flow was influenced by low earnings, seasonal increase in working capital, and restructuring expenses. Operating earnings in the first quarter of 2024 were NOK -177 million compared to operating earnings in the fourth quarter of 2023 of NOK 629 million. The operating earnings in the quarter were negatively affected by non-cash changes in fair value of energy contracts in Norway amounting to NOK 115 million.

Loss before taxes in the quarter was NOK 382 million compared to profit before taxes of NOK 586 million in the previous quarter. The net loss was among other things also negatively affected by non-cash currency exchange changes related to interest-bearing debt. Net interest-bearing debt increased from NOK 2 590 to 3 246 million at the end of the quarter due to a weaker NOK and continued capital expenditures. The equity ratio was 41%.

Operations

Total annual publication paper production capacity for the group is 1.6 million, with 1.3 million tonnes in Europe and 0.3 million tonnes in Australia. Norske Skog Bruck (PM3) started production of recycled containerboard paper in first quarter of 2023, and Norske Skog Golbey (PM1) plans to start in the second half of 2024. Norske Skog will after the ramp-up of Norske Skog Bruck and Norske Skog Golbey have an annual capacity of 760 000 tonnes of packaging paper production.

According to Euro Graph, demand for standard newsprint in Europe decreased by 3% through February 2024 compared to the same period last year. SC magazine demand decreased by around 3%. LWC paper demand decreased by around 1% through February 2024 compared to the same period last year. According to PPPC trade statistics for Australia, demand for newsprint and coated mechanical decreased by 44% and 12%, respectively, through February 2024 compared to the same period last year.

"Despite declining markets and reduced machine capacities, we are very pleased to have achieved an increased market share with higher sales volumes in the first quarter of 2024 compared to the same quarter last year," says Geir Drangslund, CEO of Norske Skog.

Norske Skog ASA

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Publication paper

Operating income decreased from the previous quarter mainly due to the recognition of business interruption at Norske Skog Saugbrugs in the fourth quarter. Somewhat lower publication paper sales volumes and sales prices, deconsolidation of Norske Skog Tasman and lower European CO2-allowance prices impacted earnings negatively. Despite positive demand sentiment in the publication paper market, there is still a market imbalance for publication paper.

Variable costs per tonne decreased in the quarter, both in absolute terms and per tonne for cost of materials caused by lower energy costs but was somewhat offset by higher pulpwood cost in Norway. Distribution costs increased slightly in the quarter. Fixed costs both in absolute terms and per tonne decreased significantly due to lower costs related to the rockslide clean-up at Norske Skog Saugbrugs. Group capacity utilisation was 86% in the quarter, 85% in Europe and 89% in Australasia. Norske Skog Saugbrugs PM6 is excluded from the calculation from 27 April 2023. The European utilisation was impacted by some downtime at one newsprint machine at Norske Skog Skogn in the period.

Packaging paper

The packaging paper machine at Bruck is operating according to the ramp-up plan. The containerboard production will reach full capacity utilisation in the third year of production. Due to the current market environment the operating income for the first quarter was lower than the mill gate cash costs.

“We are dedicated to deliver high containerboard production performance and quality products from both Bruck and Golbey, from the second half of 2024,” says Geir Drangslund, CEO of Norske Skog.

Key figures, first quarter of 2024

NOK million (unless otherwise stated)	Q1 2024	Q4 2023	Q1 2023
Income statement			
Total operating income	2 688	3 763	3 320
EBITDA	76	760	675
Operating earnings	-177	629	85
Profit before tax	-382	586	-148
EBITDA margin %	2.8	20.2	20.3
Capacity utilisation publication paper %	86	85	78
Cash flow			
Net cash flow from operating activities	-69	973	430
Net cash flow from investing activities	-377	-677	-367
Balance			
Total assets	31.03.24 14 644	31.12.23 14 755	31.03.23 14 502
Equity	6 004	6 161	6 045
Equity %	41	42	42

Status projects

Norske Skog Golbey conversion projects

At Norske Skog Golbey, the conversion of the newsprint paper machine (PM1) into recycled containerboard paper production is progressing towards start-up in the second half of 2024. Norske Skog Golbey will eventually add 550 000 tonnes of new low-emission packaging paper capacity after ramp-up completion in 2026, which will be fully based on recycled fibre. Golbey PM1 will utilise renewable energy generated from the biomass plant under construction at the Golbey industrial site (Green Valley Energie).

Norske Skog Skogn new TMP-line

Norske Skog Skogn will in the second quarter of 2024 complete the construction of a net NOK 180 million new thermo-mechanical pulp (TMP) line, which substitutes recovered paper with fresh fibre. The project proceeds according to budget and timeline. The new TMP line will reduce variable costs, in addition to reducing NOx emissions, fossil CO2-emissions and waste sent to landfill. As of the first quarter, approximately NOK 157 million had been invested in the TMP-line.

Norske Skog Saugbrugs rockslide

The rockslide at Norske Skog Saugbrugs on 27 April 2023 caused material damage to building structures, machinery, and equipment relating to paper machine PM6, which will remain idled for the rest of 2024. Norske Skog has signed an insurance settlement worth up to NOK 2.4 billion to cover business interruption, site restoration, and machinery and equipment investments. Norske Skog is currently identifying future opportunities for the Norske Skog Saugbrugs industrial site.

Outlook

The development in the global economy is of vital importance for consumer spending, and this impacts the publication paper and packaging industry, and thus Norske Skog's operations and results. Demand for Norske Skog's products have started to improve during the first quarter of 2024 and is expected to improve through 2024.

The raw material and energy markets, which are important for both publication paper and packaging paper production, are expected to remain uncertain, although prices have come down closer to historical levels. Cost of recycled paper has come closer to trend prices, but the quality and availability has deteriorated. This trend is expected to persist for the remainder of 2024. Pulpwood prices is expected to remain at higher levels for 2024.

The level of input costs and demand for paper will continue to influence paper sales prices in Europe. Both publication and packaging markets are characterised by excess capacity and capacity reductions are required to balance the markets. Utilisation is expected to remain weak until capacity is reduced. Norske Skog's European operations are cost-competitive, and the group will continue to temporarily adjust production to customer demand. Production of recycled containerboard in Norske Skog Bruck is expected to increase in line with plan over the coming quarters. However, expect negative EBITDA from the Packaging Paper segment in 2024 due to fixed costs from Norske Skog Golbey PM1 following start-up of production in the second half of 2024.

Norske Skog Saugbrugs PM6 will remain out of the SC market for entire 2024. Potential investments into expansion projects at Saugbrugs will release additional insurance compensation of NOK 615 million. Production from PM5 is progressing well and expected to continue.

In Australasia, price increases were implemented towards the end of 2023 and is expected to have a positive impact in coming periods, but reduced demand in the region may increase exposure through higher export volumes. Norske Skog will continue to develop its industrial sites, among others within bio products and renewable energy, both on a stand-alone basis and in partnerships.

About Norske Skog

Norske Skog is a leading producer of publication paper with strong market positions and customer relations in Europe and Australasia. The Norske Skog Group operates four mills in Europe, which produce publication paper, recycled packaging paper, energy and bioproducts. In addition, the Group operates one paper mill in Australia. Norske Skog aims to further diversify its operations and continue its transformation into a growing and high-margin business through a range of promising energy and bio product development projects. The Group has approximately 2 100 employees, is headquartered in Norway and listed on the Oslo Stock Exchange under the ticker NSKOG.

Presentation and quarterly material

The company will not hold a live presentation but will arrange a webinar today at 08:30 CEST for pre-registered participants. The quarterly recording, the presentation, the financial statements and the press releases are available

on www.norskeskog.com and published on www.newsweb.no under the ticker NSKOG. If you want to receive future Norske Skog press releases, please subscribe through the website of the Oslo Stock Exchange www.newsweb.no.

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Pressemelding

Stabile markeder

Norske Skogs EBITDA i første kvartal 2024 var NOK 76 millioner, en reduksjon fra NOK 760 millioner i fjerde kvartal 2023. EBITDA i fjerde kvartal ble vesentlig påvirket av driftssavbruddsforsikring på NOK 625 millioner ved Norske Skog Saugbrugs. EBITDA i første kvartal ble negativt påvirket av dekonsolideringen av Norske Skog Tasman på NOK 46 millioner og lavere europeisk CO2-kvotepriis på NOK 32 millioner. Etterspørselen etter publikasjonspapir er stabilisert, men ytterligere kapasitetsstengninger vil fortsatt være nødvendige. Etterspørselen etter emballasjepapir øker, men preges fortsatt av overskuddskapasitet.

"Vi er svært tilfredse med etterspørselen etter våre publikasjonspapir produkter i første kvartal. Vi har investert nærmere EUR 500 millioner i emballasje- og energiprojekter de siste tre årene, samtidig som vi fortsatt har en svært solid balanse og likviditetssituasjon. Vi er svært tilfredse med produksjonsøkningen på Bruck. Tilbakemeldingene fra våre kunder om produktkvalitet er positive, og dette er lovende for vår plan om å levere totalt 760 000 tonn emballasjepapir fra Bruck og Golbey til markedet i de kommende årene. Sammen med lederteamet på Saugbrugs har vi fortsatt å identifisere fremtidige muligheter for industrianlegget ved Saugbrugs, og vi håper å kunne gjøre ytterligere detaljer i løpet av andre kvartal," sier Geir Drangland, konsernsjef i Norske Skog.

Kontantstrømmen fra driften var NOK -69 millioner i kvartalet sammenlignet med 973 millioner i forrige kvartal. Kontantstrømmen i første kvartal var påvirket av lav inntjening, sesongmessig økning i arbeidskapitalen og restruktureringskostnader. Driftsresultatet i første kvartal 2024 var NOK -177 millioner sammenlignet med driftsresultatet i fjerde kvartal 2023 på NOK 629 millioner. Kvartalet ble negativt påvirket av endringer, uten kontanteffekter, i verdsettelsen av energikontrakter i Norge på NOK 115 millioner.

I kvartalet var resultat før skatt NOK -382 millioner sammenlignet med NOK 586 millioner i forrige kvartal. Nettoresultatet ble blant annet negativt påvirket av valutaendringer uten kontanteffekt knyttet til rentebærende gjeld. Netto rentebærende gjeld økte fra NOK 2 590 til 3 246 millioner ved utgangen av kvartalet. Egenkapitalandelen var på 41%.

Drift

Samlet årlig produksjonskapasitet for publikasjonspapir for konsernet er 1,6 millioner tonn, med 1,3 millioner tonn i Europa og 0,3 millioner tonn i Australia. Norske Skog Bruck (PM3) startet produksjon av resirkulert emballasjepapir i slutten av første kvartal av 2023, mens Norske Skog Golbey (PM1) vil starte i løpet av andre halvår 2024. Etter igangskjøringsperioden av Norske Skog Bruck og Norske Skog Golbey, vil Norske Skog ha en årlig kapasitet på 760 000 tonn av emballasjepapir.

Ifølge Euro Graph falt etterspørselen etter standard avisepapir i Europa med 3% til og med februar sammenlignet med samme periode ifjor. Etterspørselen etter magasinpapir fra henholdsvis SC og LWC falt med rundt 3% og rundt 1% til og med februar sammenlignet med samme periode ifjor. I følge PPPCs australske handelsstatistikk falt etterspørselen etter avisepapir og LWC med henholdsvis 44 og 12% til og med februar 2024 sammenlignet med samme periode i fjor.

«Tross fallende markeder og lavere maskinkapasiteter, er vi svært fornøyde med å ha oppnådd økte markedsandeler med et høyere salgsvolum i første kvartal 2024 sammenlignet med samme kvartal i fjor," sier Geir Drangland, konsernsjef i Norske Skog.

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Publikasjonspapir

Driftsinntektene gikk ned fra forrige kvartal hovedsakelig på grunn av bokføring av forsikringsoppgjøret knyttet til driftsavbrudd ved Norske Skog Saugbrugs i fjerde kvartal. Noe lavere salgsvolum og salgspriser for publikasjonspapir, dekonsolidering av Norske Skog Tasman og lavere europeiske CO2-kvotepriiser påvirket resultatet negativt. Til tross for positiv etterspørsel i markedet for publikasjonspapir, er det fortsatt en ubalanse i markedet for publikasjonspapir.

Variable kostnader per tonn gikk ned i kvartalet, både i absolutte termer og per tonn for materialkostnader som følge av lavere energikostnader, men dette ble noe motvirket av høyere virkeskostnader i Norge. Distribusjonskostnadene økte noe i kvartalet. De faste kostnadene både i absolutte termer og per tonn gikk betydelig ned på grunn av lavere kostnader knyttet til opprydding etter steinraset ved Norske Skog Saugbrugs.

Kapasitetsutnyttelsen for konsernet var 86% i kvartalet, henholdsvis 85% i Europa og 89% i Australasia. Saugbrugs PM6 er ikke medregnet i kapasitetstallene etter 27. april 2024. Kapasitetsutnyttelsen i Europa ble påvirket av noe nedetid ved én av avisapirmaskinene ved Norske Skog Skogn i perioden.

Emballasjepapir

Papiremballasjemaskinen på Bruck produserer i tråd med opptrappingsplanen. Produksjonen av emballasjepapir vil nå full kapasitetsutnyttelse i løpet av det tredje produksjonsåret. Som følge av markedssituasjonen, var driftsinntektene for første kvartal lavere enn de totale produksjonskostnadene.

"Vi er dedikerte på å oppnå effektiv emballasjeproduksjon og levere kvalitetsprodukter fra både Bruck og Golbey fra andre halvdel av 2024," sier Geir Drangland, konsernsjef i Norske Skog.

Nøkkeltall, første kvartal 2024

NOK millioner (om ikke annet er oppgitt)	Q1 2024	Q4 2023	Q1 2023
Resultatregnskap			
Totale inntekter	2 688	3 763	3 320
EBITDA	76	760	675
Driftsresultat	-177	629	85
Resultat før skatt	-382	586	-148
EBITDA margin %	2.8	20.2	20.3
Kapasitetsutnyttelse publikasjonspapir %	86	85	78
Kontantstrøm			
Netto kontantstrøm fra operasjonelle aktiviteter	-69	973	430
Netto kontantstrøm fra investeringsaktiviteter	-377	-677	-367
Balanse	31.03.24	31.12.23	31.03.23
Totale eiendeler	14 644	14 755	14 502
Egenkapital	6 004	6 161	6 045
Egenkapital %	41	42	42

Status prosjekter

Norske Skog Golbey konverteringsprosjekter

Ved Norske Skog Golbey gjennomføres ombyggingen av avisapirmaskinen (PM1) til produksjon av resirkulert emballasjepapir mot oppstart i andre halvår av 2024. Norske Skog Golbey vil med tiden tilføre 550 000 tonn lavutslipps emballasjepapirkapasitet etter opptrappingsfasen i 2026. Produksjonen av emballasjepapir vil være fullt ut basert på resirkulert fiber. Golbey PM1 vil bruke fornybar energi generert fra biomasseanlegget, som er under utbygging på industriområdet til Golbey (Green Valley Energie).

Norske Skog Skogn nye TMP-linje

Norske Skog Skogn vil i andre kvartal 2024 fullføre byggingen av en ny termomekanisk tremasse (TMP)-linje til netto NOK 180 millioner, som vil erstatte returpapir med fersk fiber. Prosjektet utvikler seg i henhold til budsjett og

tidsplan. Den nye TMP-linjen vil redusere variable kostnader, i tillegg til å redusere NOx-utslipp, fossilt CO2-utslipp og avfall som sendes til deponi. Ved utgangen av første kvartal var det investert om lag NOK 157 millioner i TMP-linjen.

Steinras ved Norske Skog Saugbrugs

Steinraset ved Norske Skog Saugbrugs den 27. april 2024 forårsaket vesentlige skader på bygningskonstruksjoner, kraner, maskiner og utstyr knyttet til papirmaskin PM6, som vil forbli ute av produksjon resten av 2024. Norske Skog Saugbrugs har avtalt et forsikringsoppgjør på inntil NOK 2,4 milliarder som dekker driftsavbrudd og tingskader. Norske Skog identifiserer for øyeblikket fremtidige muligheter for det industrielle anlegget til Norske Skog Saugbrugs.

Utsikter

Utviklingen i den globale økonomien er av vital betydning for forbruket, og vil påvirke treforedlingsindustrien, og dermed Norske Skogs virksomheter og resultater. Etterspørselen etter Norske Skogs produkter har begynt å bli bedre gjennom første kvartal av 2024, og forventes å forbedre seg ytterligere i 2024.

Råvare- og energimarkedene, som er viktige for både publikasjons- og emballasjepapir, forventes å forbli usikre selv om prisene har kommet nærmere historiske nivåer. Kostnadene for resirkulert papir har kommet nærmere trendpriser, men både kvaliteten og tilgjengeligheten har blitt forverret. Denne trenden forventes å vedvare gjennom hele 2024. Massevirkeprisene forventes å holde seg på høyere nivåer i 2024.

Utvikling av innsatskostnader og etterspørsel etter papir vil fortsatt påvirke papirsalgspisene i Europa. Både publikasjons- og emballasjepapirmarkedet er preget av overskuddskapasitet, og kapasitetsstenginger i industrien er nødvendig for å bedre markedsbalansen. Kapasitetsutnyttelsen forventes å forbli svak i den kommende perioden ettersom ytterligere stenginger er nødvendig. Norske Skogs europeiske virksomheter er konkurransedyktige på kostnader. Konsernet vil midlertidig tilpasse produksjonen etter kundenes etterspørsel.

Produksjonen av resirkulert containerboard i Norske Skog Bruck forventes å øke i tråd med planene i de neste kvartalene. Imidlertid forventes negativ EBITDA fra emballasjepapirsegmentet i 2024 på grunn av faste kostnader knyttet til produksjonsoppstart av Norske Skog Golbey PM1 i andre halvdel av 2024.

Norske Skog Saugbrugs PM6 vil forbli utenfor SC-markedet i hele 2024. Potensielle investeringer i utvidelsesprosjekter ved Norske Skog Saugbrugs vil frigjøre en ytterligere forsikringskompensasjon på NOK 615 millioner. Produksjonen ved Norske Skog Saugbrugs PM5 utvikler seg tilfredsstillende og vil fortsette.

I Australasia ble det gjennomført prisøkninger på slutten av 2023, som forventes å ha positiv resultat effekt fremover, men redusert etterspørsel i regionen kan påvirke eksportvolumer. Norske Skog vil fortsette å utvikle de industrielle anleggene, blant annet innen bioprodukter og fornybar energi, både på egenhånd og i partnerskap med andre.

Om Norske Skog

Norske Skog er en ledende produsent av publikasjonspapir med sterke markedsposisjoner og kundeforhold i Europa og Australasia. Norske Skog-konsernet driver fire fabrikker i Europa som produserer trykkpapir, resirkulert emballasjepapir, energi og bioprodukter. I tillegg driver konsernet en papirfabrikk i Australia. Norske Skog tar sikte på å diversifisere virksomheten ytterligere og fortsette omstillingen til en voksende og høy-margins virksomhet gjennom en rekke spennende energi- og bioproduktprosjekter. Konsernet har cirka 2 100 ansatte, hovedkontor i Norge og er notert på Oslo Børs under tickeren NSKOG.

Presentasjon og kvartalsmaterieill

Selskapet vil ikke holde en live presentasjon, men vil arrangere et webinar idag klokken 08:30 for forhåndsregistrerte deltakere. Liveopptak, presentasjon, kvartalsregnskapet og pressemeldinger er tilgjengelig på www.norskeskog.com og publisert på www.newsweb.no under tickeren NSKOG. Hvis du ønsker å motta Norske Skogs pressemeldinger på publiseringstidspunktet, kan du abonnere på dette gjennom www.newsweb.no.

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