



ARCTIC PAPER

PRESS RELEASE

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Arctic Paper S.A. presents strategic initiatives and financial target

The Management Board of Arctic Paper has of February 22nd adopted a long term financial target of EBIT 10 percent. The Management Board has also adopted a new strategy for its paper business – A Future in Paper - Strategic Agenda 2022 – showing the way to a growing and more profitable business.

"Our mission is to offer a variety of superior, reliable and eco-friendly paper products and services which turn highly creative ideas into distinctive experiences and cater for the latest printing technologies. The new strategy is built on the ambition to reach a sustainably higher profitability, with a set target of EBIT 10 percent at the latest 2022", comments Per Skoglund, CEO of Arctic Paper.

The new general business strategy consists of six strategic initiatives:

1. Growth by focusing on selected profitable segments and markets, among them speciality & premium products, Eastern Europe and new markets.
2. New innovative products and grades developed in close collaboration with customers.
3. Building stronger brands for premium and other segments, leading to higher revenue per ton paper.
4. Optimization of all processes with the aim to reduce costs.
5. Nurturing a performance culture among all employees built on clear targets and continuous measurement.
6. A sustainable business built on recyclable products and renewable materials.

Implementation of the strategy has already begun, which means that different entities and functions are working with action plans based on the six strategic initiatives.

"We believe in the future of paper and see great opportunities to grow more profitable by focusing on selected segments and new geographic markets, working with customer-driven innovation and continuing to build strong brands, all supported by a strong corporate culture, lean processes and a sustainable approach to everything we do", Per Skoglund summarizes.

Further information for the media provided by:

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ARCTIC PAPER S.A. is one of the leading manufacturers of high-quality graphical fine paper in Europe. The company produces coated and uncoated wood-free paper for demanding clients such as printers, book publishers, newspaper publishers, advertising agencies, paper distributors and packaging producers. The product portfolio includes well-known brands such as Amber, Arctic, G-Print and Munken.

The products are produced at Arctic Paper S.A.'s three paper mills:

- Arctic Paper Munkedals, Sweden
- Arctic Paper Grycksbo, Sweden
- Arctic Paper Kostrzyn, Poland

The total production capacity of the company is over 700,000 tonnes of paper per year.

Arctic Paper Kostrzyn has a production capacity of 285,000 tonnes per year and produces uncoated wood-free paper for the printing of brochures, forms, books and envelopes.

Arctic Paper Grycksbo has a production capacity of 260,000 tonnes per year and produces coated paper used for magazines, direct mail, books, posters and maps.

Arctic Paper Munkedals has a production capacity of 160,000 tonnes per year and produces mainly uncoated wood-free paper for book, design and advertising purposes.

Arctic Paper S.A. is the main shareholder, owning 51% of Rottneros AB (two pulp-producing mills) with a total production capacity of approximately 400,000 tonnes pulp per year. The pulp mill in Vallvik, Sweden, which has a production capacity of 240,000 tonnes per year, produces two types of long-fibre sulphate-pulp. The pulp mill in Rottneros, which has a production capacity of 160,000 tonnes per year, mainly produces two kinds of mechanical pulp: ground-wood pulp and CTMP.

An important and unique part of Arctic Paper is the sales offices, which market and manage the delivery of the company's products. Arctic Paper S.A. currently has 14 sales offices throughout Europe, which provide access to all European markets.

The company has about 1,250 employees, excluding Rottneros AB, and its' headquarters are in Poland.

The largest shareholder of Arctic Paper S.A. is the Swedish company Nemus Holding AB. Arctic Paper S.A. has been listed on the Warsaw Stock Exchange since October 2009, and additionally since December 2012 on the NASDAQ in Stockholm.

More information to be found at arcticpaper.com