



Norske Skog

Listing on Oslo Stock Exchange

18 October 2019

Introduction



Robust capital structure – return to Oslo Stock Exchange



High dividend and growth in new areas



Strong cash flow



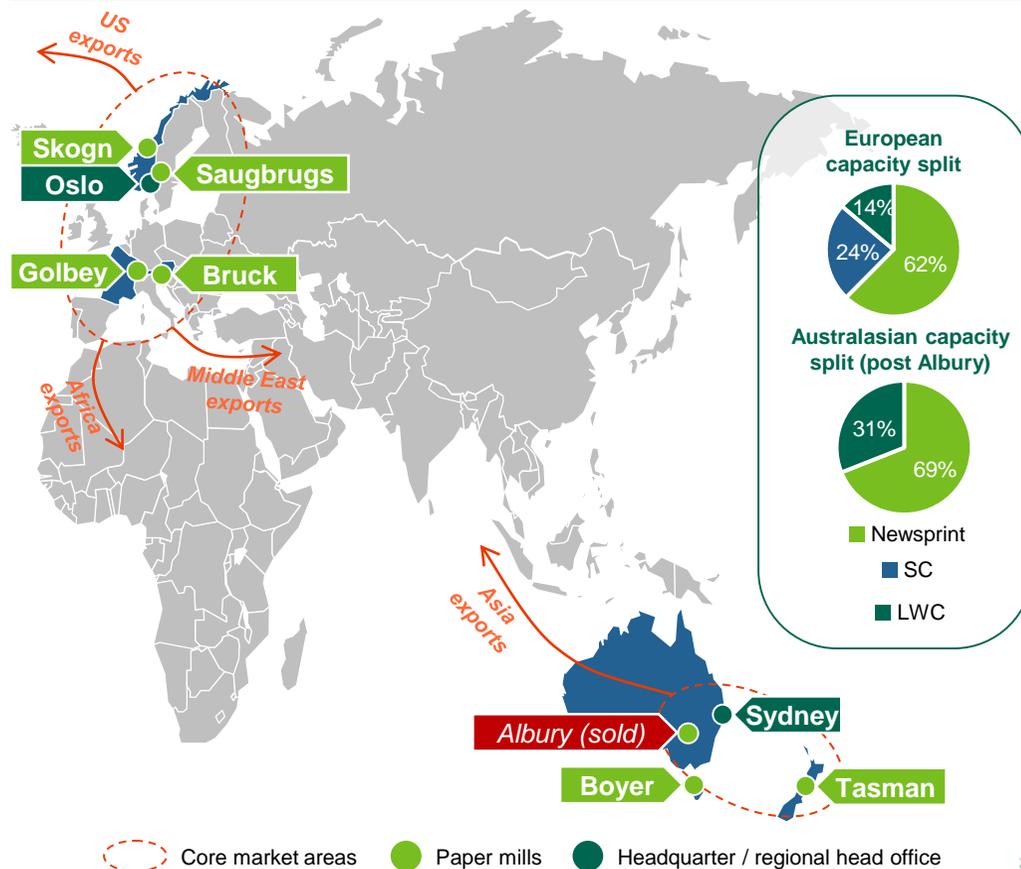
Environmentally friendly

Norske Skog – Successful initial public offering

Introduction to Norske Skog

- The Offering attracted strong interest from Norwegian and international investors
- Overweight of Norwegian investors that purchased shares in the Offering
- The Offering was multiple times over-subscribed
- Following completion of the Offering, the Company will have more than 1,200 shareholders
- The IPO consisted of the sale of 30,000,000 shares sold by Oceanwood in a base deal and 4,500,000 shares over-allotted (15% of the base deal). Oceanwood will retain a 63.6% ownership post IPO falling to 58.2% on a full exercise of the over-allotment option
- Market capitalisation of NOK 3.1bn with a listing price of NOK 38 per share and 82.5m shares outstanding. Enterprise value of approximately NOK 4.1 billion on Q2.

Production capacity located in proximity to core markets

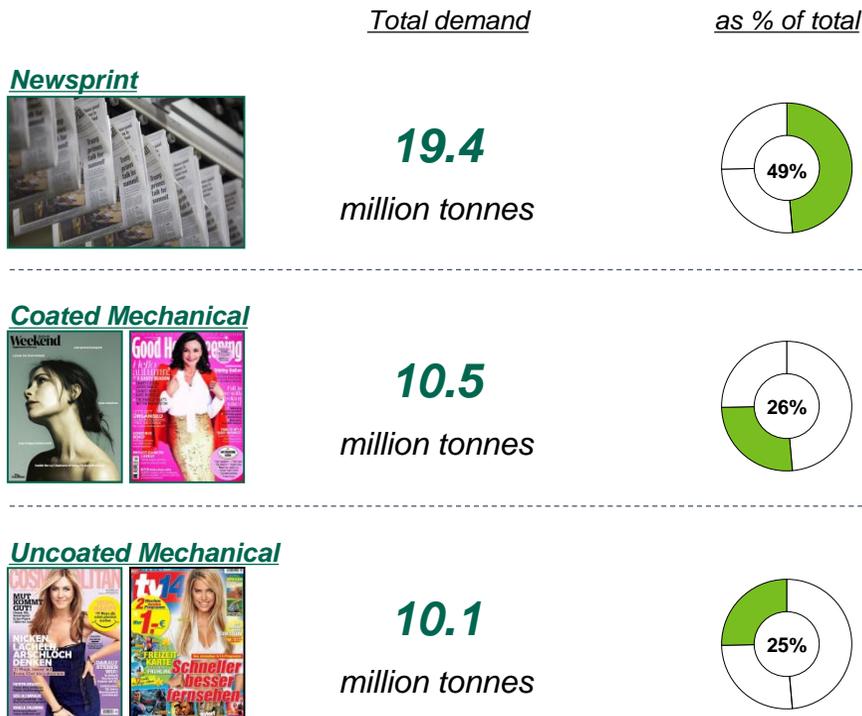


Publication paper is a ~40m tonne industry supported by substantial global demand for newspapers and magazines

Three main products within publication paper production

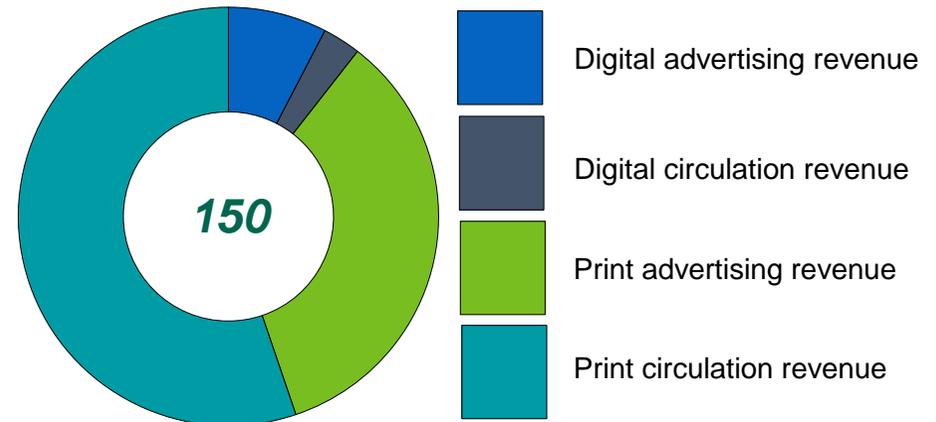
Breakdown of 2018 demand by product categories

Global publication paper demand in 2018



Print remains the main newspaper revenue source globally

Breakdown of global newspaper revenue in 2017 (USD billion)



Print accounts for ~90% of global newspaper revenues, representing a substantial market for producers of publication paper. In Norway over 70% of newspaper revenues derived from print in 2018

New revenue streams introduced and being carefully explored with strong capital discipline

Acquired in 2015, capacity increase investment in 2019



In process to double wood pellets capacity to 85,000 tonnes in New Zealand



Investments in 2016-17, during restructuring process



Opened biogas plant in Saugbrugs (2016) and Golbey (2017) using bio-waste from paper production



Investment decision taken June 2019



Waste-to-energy facility planned at Bruck paper mill



Limited personnel and resource requirement coupled with sponsorship and partnership agreements provide very low R&D cost. Larger financial commitment following potential investment decision



Cyrene¹, a bio chemical alternative to existing petrochemical solvents



Nanofibrils used in paper, composites, paint and other chemicals



High-strength, low-weight construction boards with no glue or chemicals



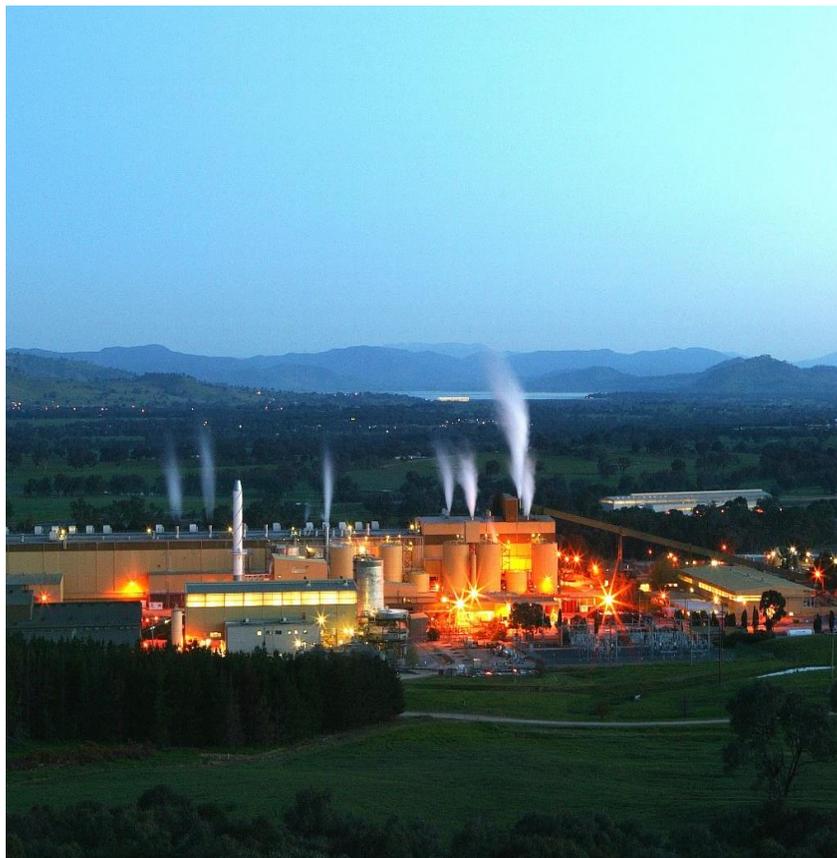
Bio energy projects

Bio chemical products

Fibre products

Ability to identify and execute value enhancing transactions

Optimising asset portfolio with sale of the Albury mill (Australasia)



Value enhancing transaction that strengthen underlying operations, balance sheet and financial capabilities. Increased robustness for attractive dividends in the years to come

Asset portfolio with attractive conversion potential

Summary



EBITDA of NOK 1,375 million – Q2'19 LTM



Pro forma (post Albury) net interest bearing debt NOK 0,25 billion



Net profit first six months NOK 1,184 million

