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# Carnegie Nordic Forest Seminar 2025

2025-09-18

Ivar Vatne, President & CEO

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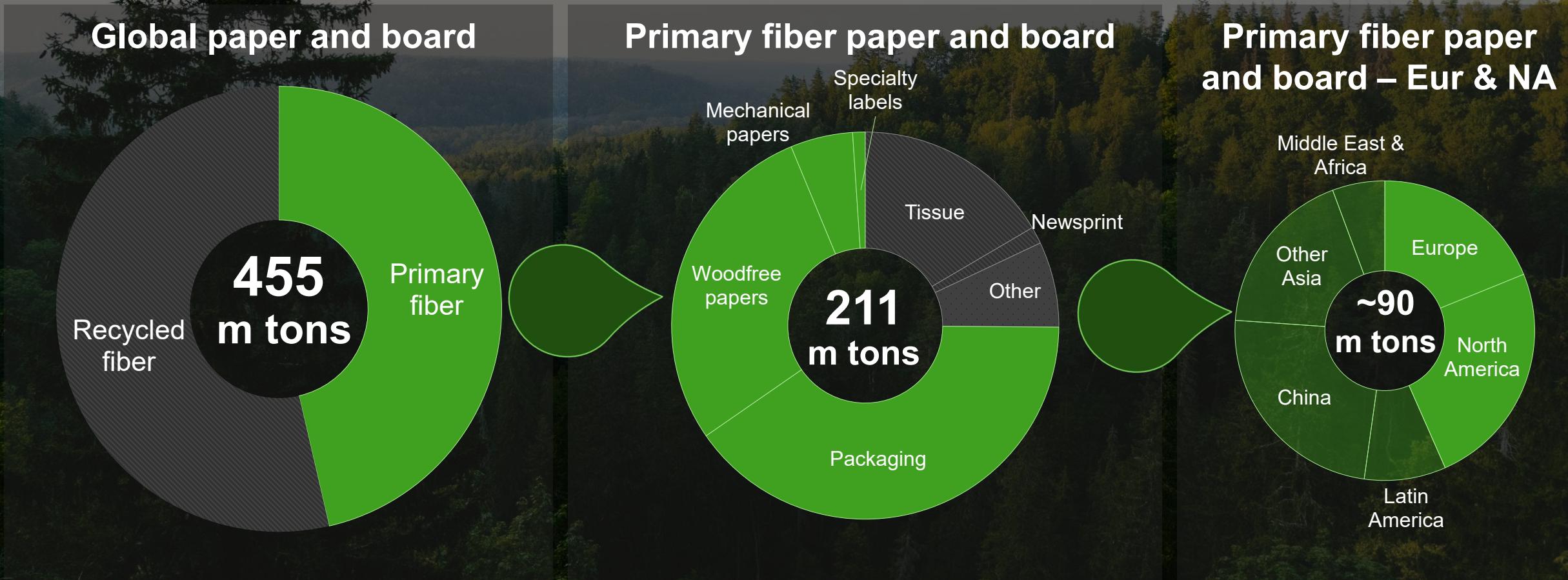
# Leader in high performance paper and packaging materials

Serving customers in 100+ countries and on six continents

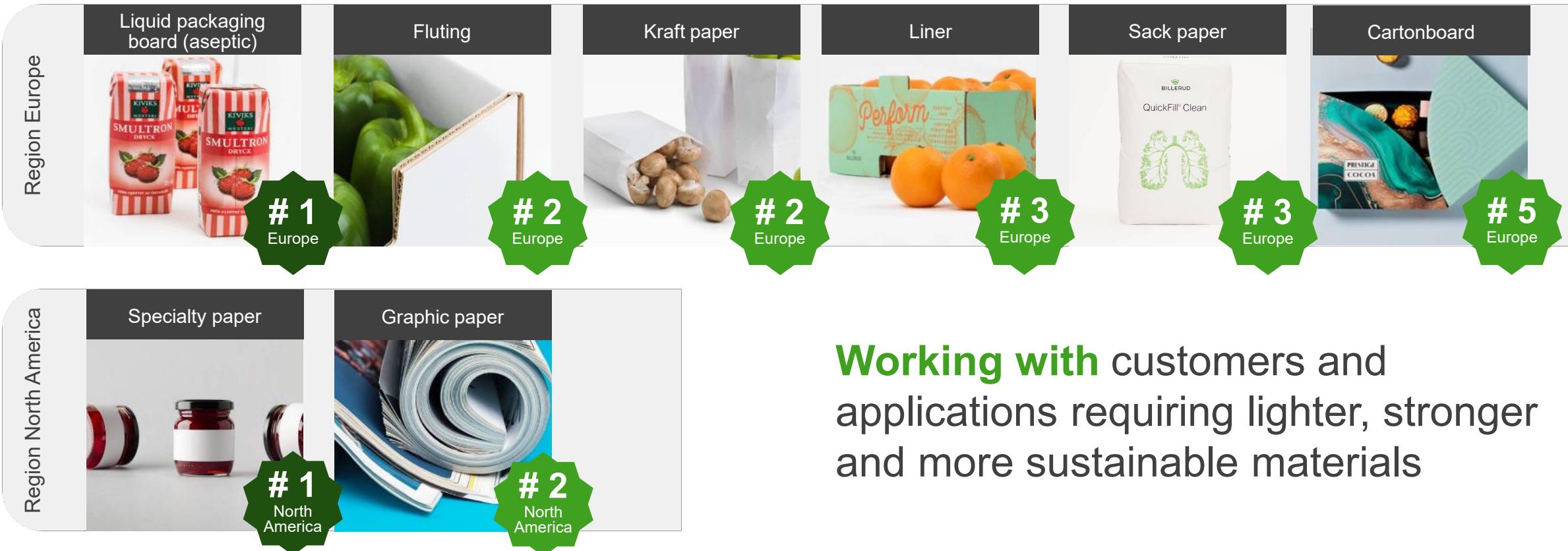
Industry know-how and production expertise to develop and produce outstanding material quality



We are a primary fiber producer and operate in ~20% of the global paper and board universe



# Strong positions in core markets due to our superior product performance and manufacturing expertise



**Working with** customers and applications requiring lighter, stronger and more sustainable materials



Changing conditions



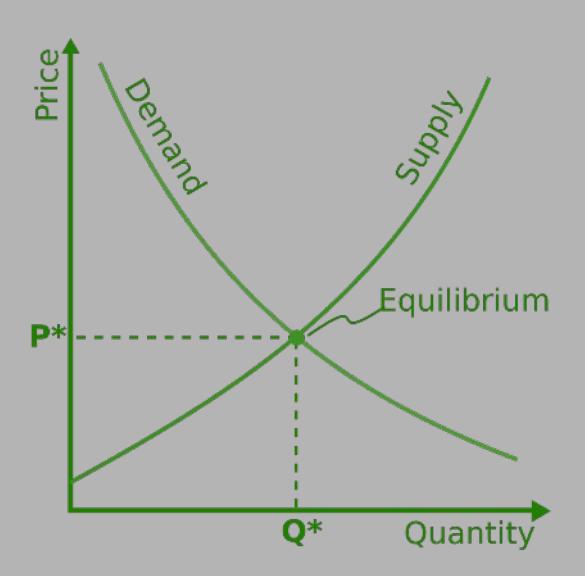
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# The operating environment has changed – in Europe in particular

Muted  
consumer  
demand



Overcapacity  
concerns in some  
segments



Fiber situation in  
Nordics is under  
pressure



New EU  
legislations



A photograph of a narrow, paved road winding through a dense forest. The scene is shrouded in a thick, golden-yellow mist that hangs low, obscuring the road ahead. Sunlight filters through the canopy of tall, mature trees, casting bright, dappled light onto the road surface and the surrounding foliage. The overall atmosphere is mysterious and forward-looking.

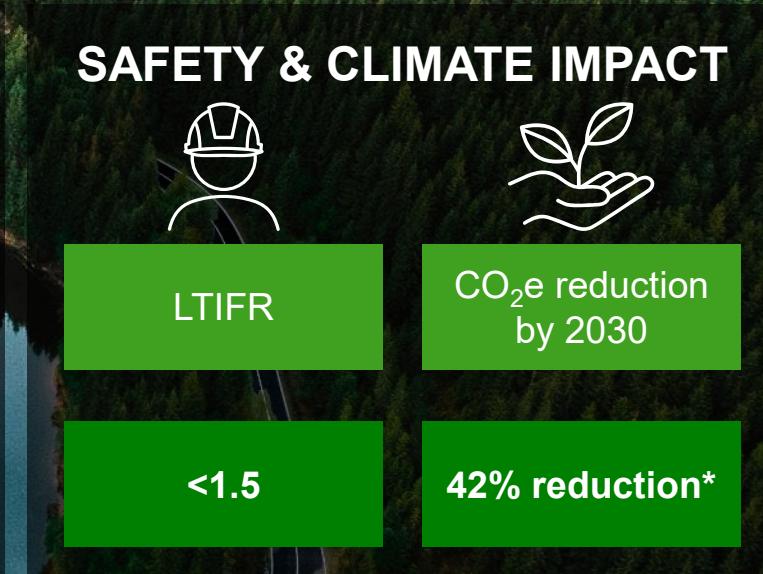
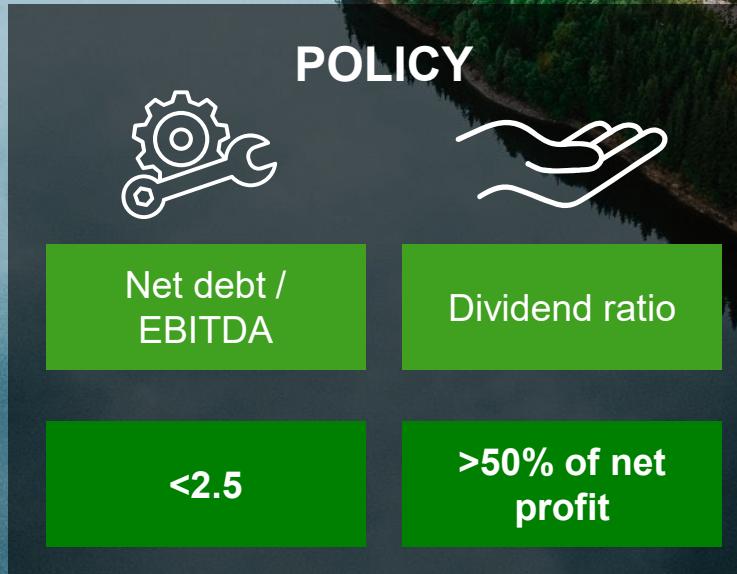
# Our Way Forward

# Billerud's strategy – Our Way Forward

- **Safety first:** We choose to be safe every day
- **Our purpose guides us:** *We make high performance packaging materials for a low carbon society*
- **We lean on our values:** “We care for each other” and “We do what we say”



# Financial goals with focus on profitability and asset efficiency



# Cost and service leading domestic supplier of graphic and label paper

**SEK 12.4 bn**

Net sales<sup>1</sup>



Split by product category<sup>1</sup>

- Graphic paper, 68%
- Label paper, 19%
- Market pulp, 13%

**20%**

EBITDA margin<sup>1</sup>



**Wisconsin Rapids, WI**

**320 ktons**

Sheeting capacity per year



**Escanaba, MI**

**660 ktons**

Capacity per year



**Quinnesec, MI**

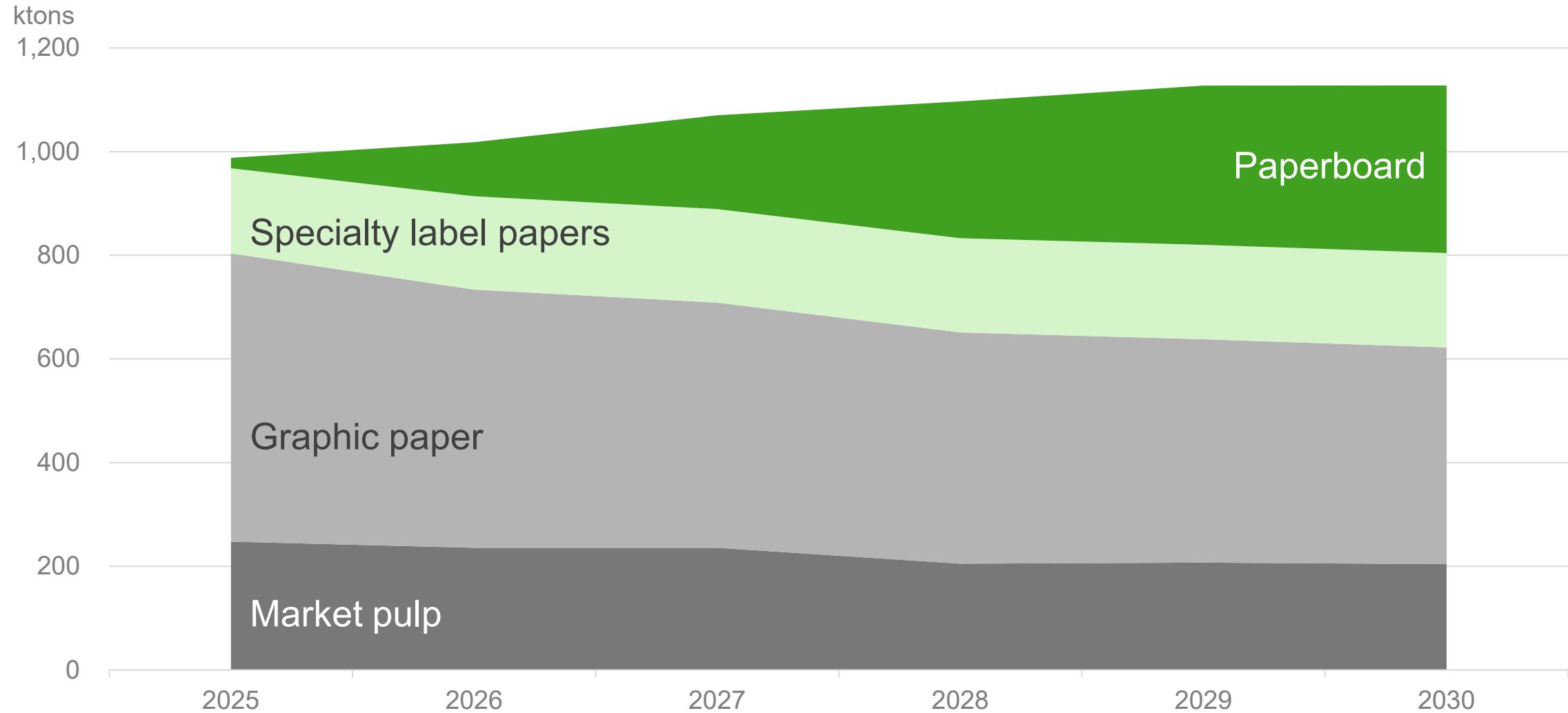
**430 ktons**

Paper capacity per year

**210 ktons**

Market pulp capacity per year

# We are evolving towards packaging materials while remaining committed to paper





# Evolution program is exceeding expectations

1,000 tons of bleached liner (Tribute®) and low-grammage cartonboard (Voyager®) sold to customers

~50 ongoing product trials with existing and new customers – bigger than expected commercial interest

Evolution investment program progressing as per plan

# World leading producer of premium packaging material made of fresh fibers in six integrated mills

**SEK 28.0 bn**

Net sales<sup>1</sup>



## Net sales by product category<sup>1</sup>

- Liquid packaging board, 34%
- Containerboard, 20%
- Kraft & specialty paper, 14%
- Sack paper, 13%
- Cartonboard, 10%
- Market pulp, %

**12%**

EBITDA margin<sup>1</sup>



**Frövi/Rockhammar, SE**

**500 ktons**

Capacity per year



**Gruvön, SE**

**870 ktons**

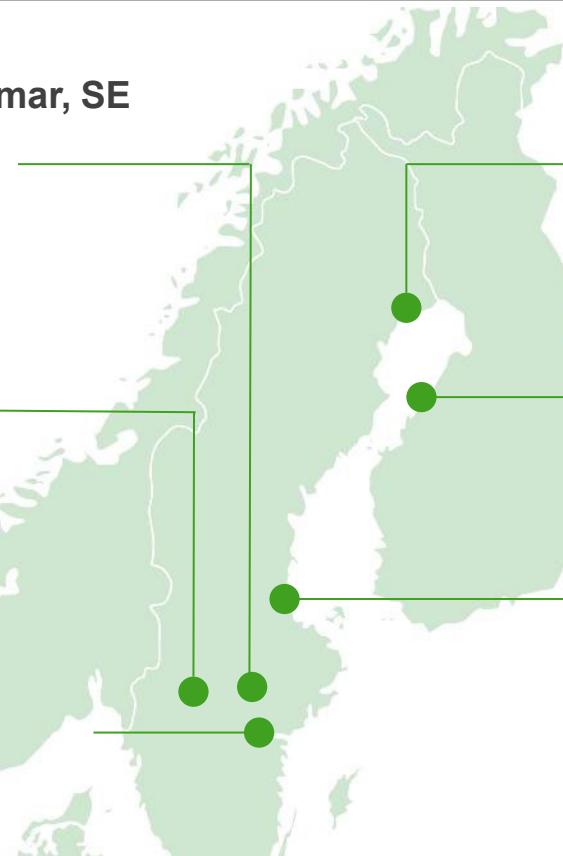
Capacity per year



**Skärblacka, SE**

**460 ktons**

Capacity per year



**Karlsborg, SE**

**335 ktons**

Capacity per year



**Pietarsaari, FI**

**200 ktons**

Capacity per year



**Gävle, SE**

**755 ktons**

Capacity per year

# Nordic pulp wood prices are starting to come down from all time high levels

Billerud Pulpwood cost index (Q1'20 = 100)

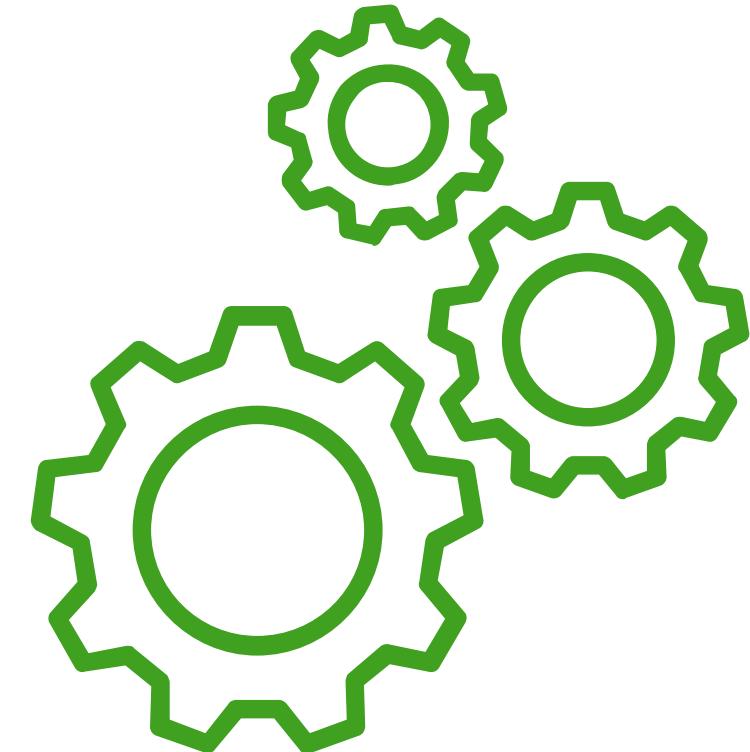


# Cost saving program being introduced to improve profitability and competitiveness

Annualized savings of SEK 800m with full effect at the end of 2026, with noticeable impact from Q1'26

Cost measures in Region Europe and Group functions. Involves the potential reduction of up to 650 positions

Restructuring costs of SEK 350m in Q3 2025



Innovation



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# Billerud CrownBoard

– a complete cartonboard portfolio,  
tailor-made for your needs

# We are adapting to demand with the launch of two new products in our cartonboard portfolio



**CrownBoard Craft®**  
– tailor-made for  
durable beauty



**CrownBoard Carry**  
– tailor-made to  
carry the weight



**CrownBoard Light**  
– tailor-made for  
the cold and wet

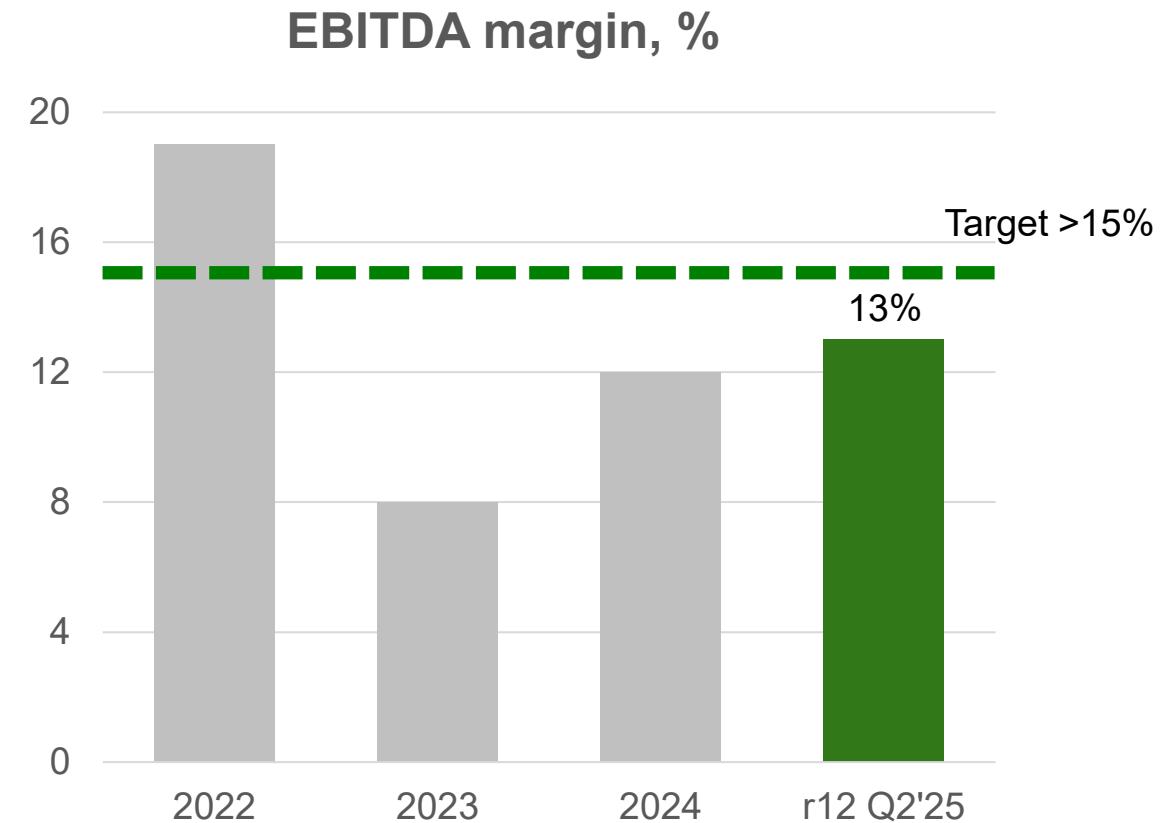


**CrownBoard Prestige®**  
– tailor-made to  
attract attention

**Q2 2025**

# Continued outstanding performance in the US while navigating weakening market in Europe

- Flat currency-neutral net sales development
- EBITDA margin of 22% in North America, highest since Q4'22
- Challenging earnings in Europe due to weakening demand
- Excellent cash conversion
- Evolution program in North America exceeding expectations



**Q2 2025**

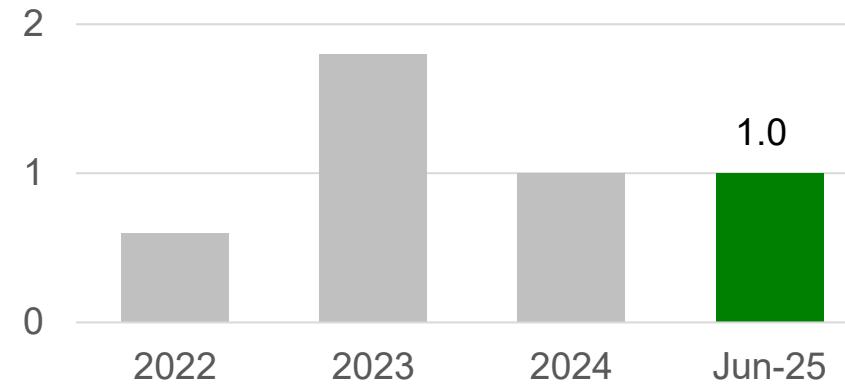
# Excellent cash generation, strong financial position and moderate investment level

- | Cash flow from operating activities more than doubled vs year ago
- | Leverage maintained at low level  
1.1x adj EBITDA after dividend payout
- | Capex guidance for 2025 reduced to SEK 3.1 bn

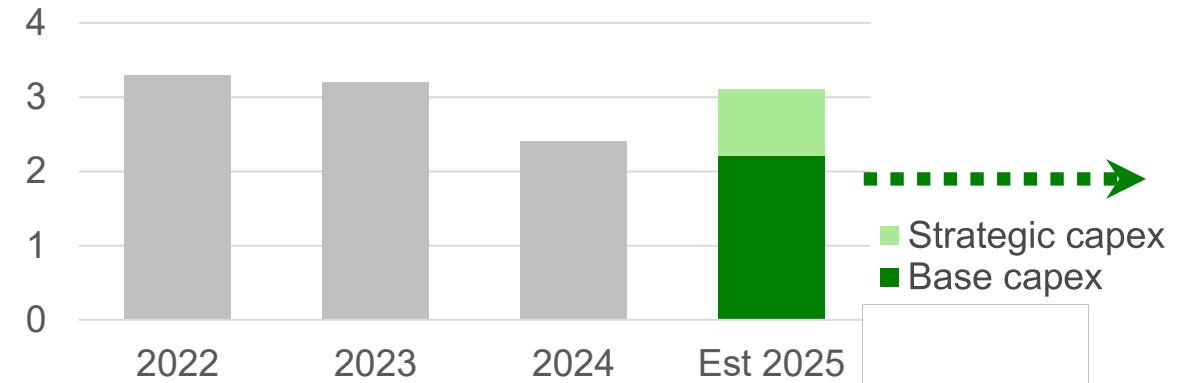
**CAPEX of SEK 3.1 bn in 2025**

Strategic capex: SEK 0.9 bn  
Base capex: SEK 2.2 bn

**Net debt / EBITDA, ratio**



**CAPEX, SEK billion**



# Outlook for Q3 2025



Continued solid conditions in Region North America



Weak conditions in Region Europe



Stable input costs





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