



BILLERUD

Jefferies 2025 Paper & Packaging Summit

3rd March 2025

Ivar Vatne, CEO & Andrei Krés, CFO



Leader in high performance paper and packaging materials

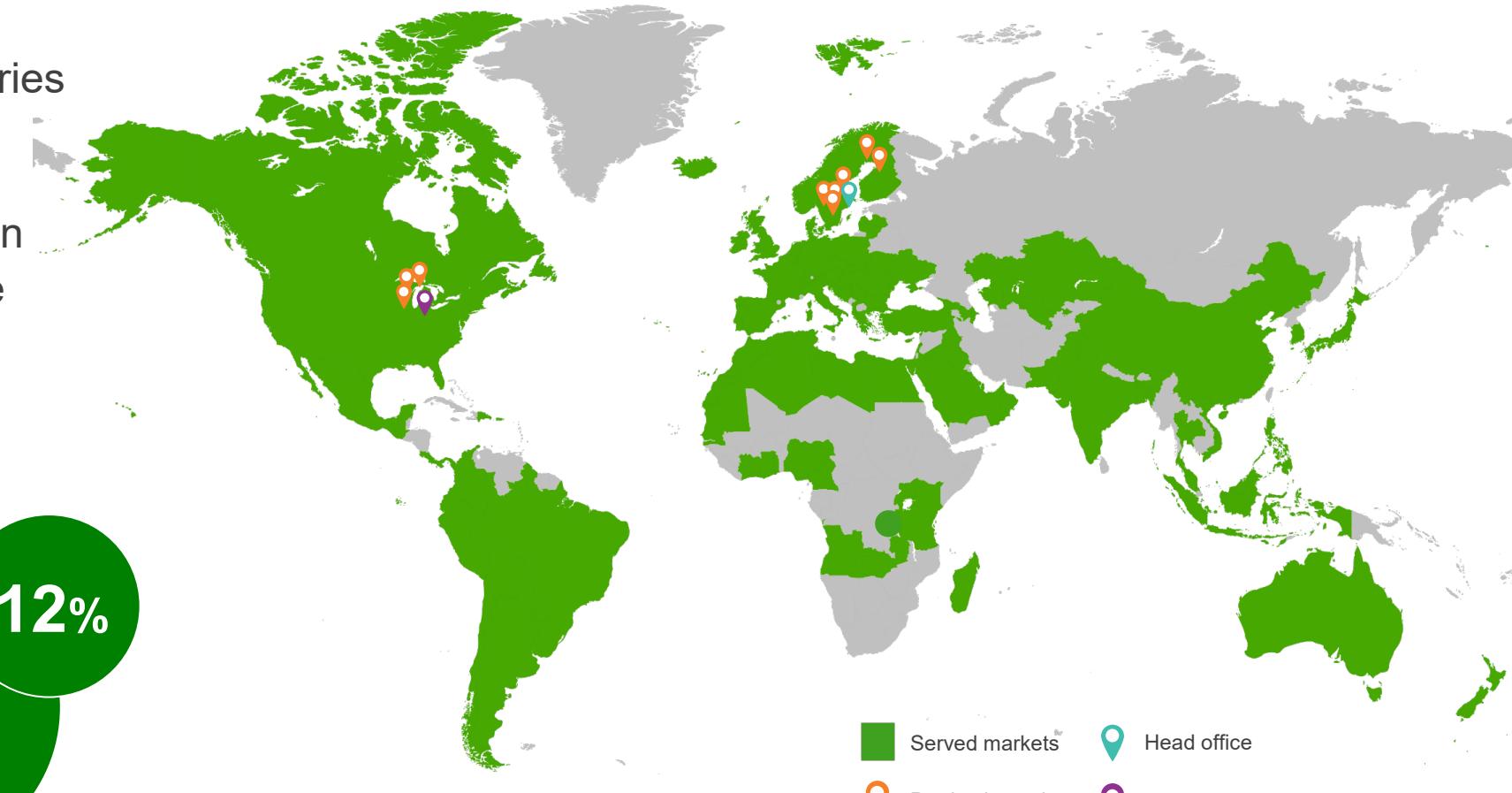
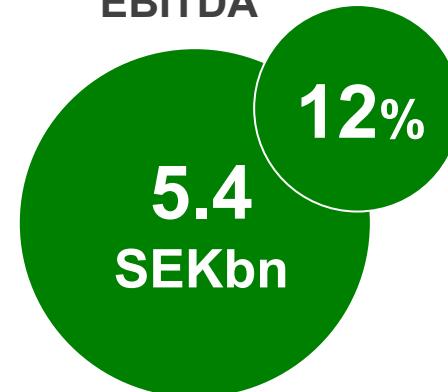
Serving customers in 100+ countries on six continents

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

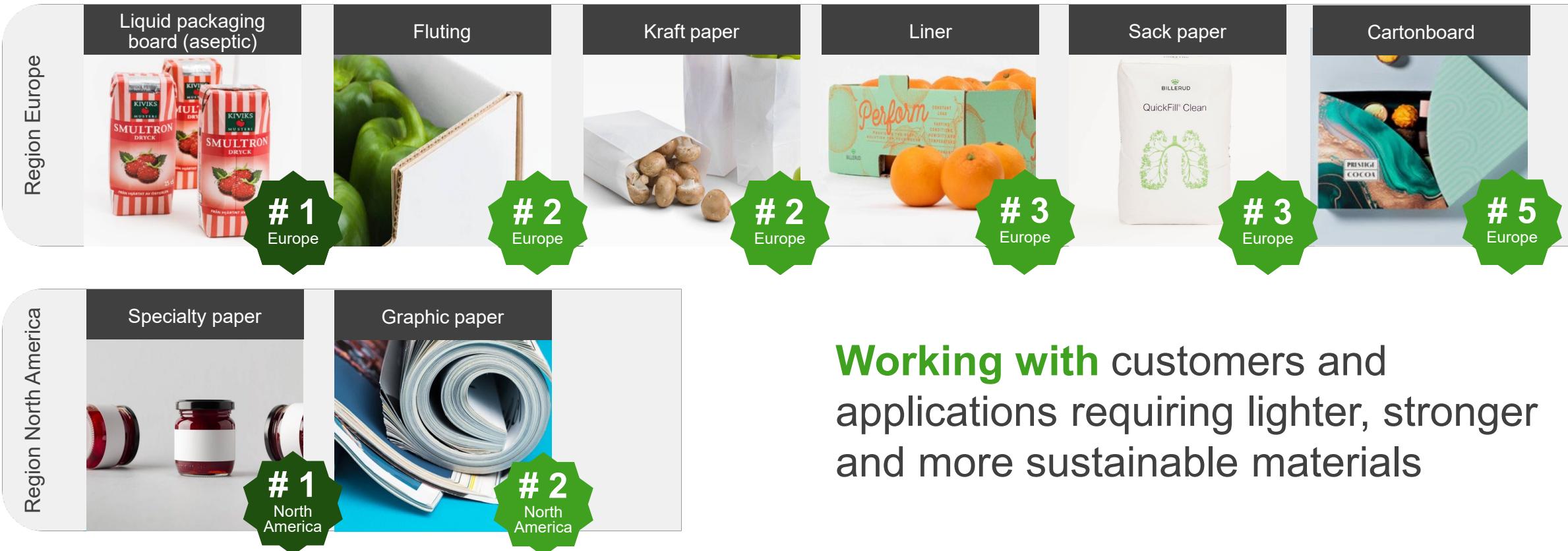
Net sales



EBITDA

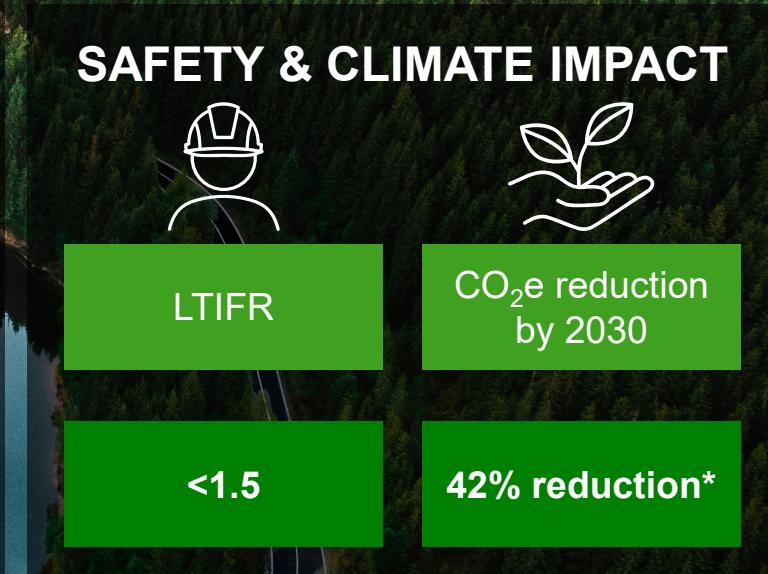
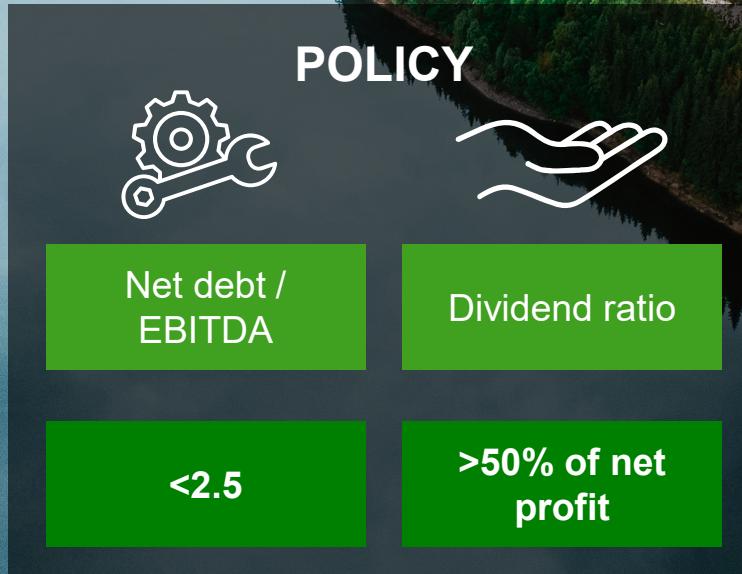


Strong positions in core markets due to our superior product performance and manufacturing expertise



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

Financial goals with focus on profitability and asset efficiency



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”



A leading domestic supplier with attractive location and cost position

SEK 12.1 bn

Net sales¹



Split by product category¹

- Graphic paper, 69%
- Specialty paper, 18%
- Market pulp, 13%

18%

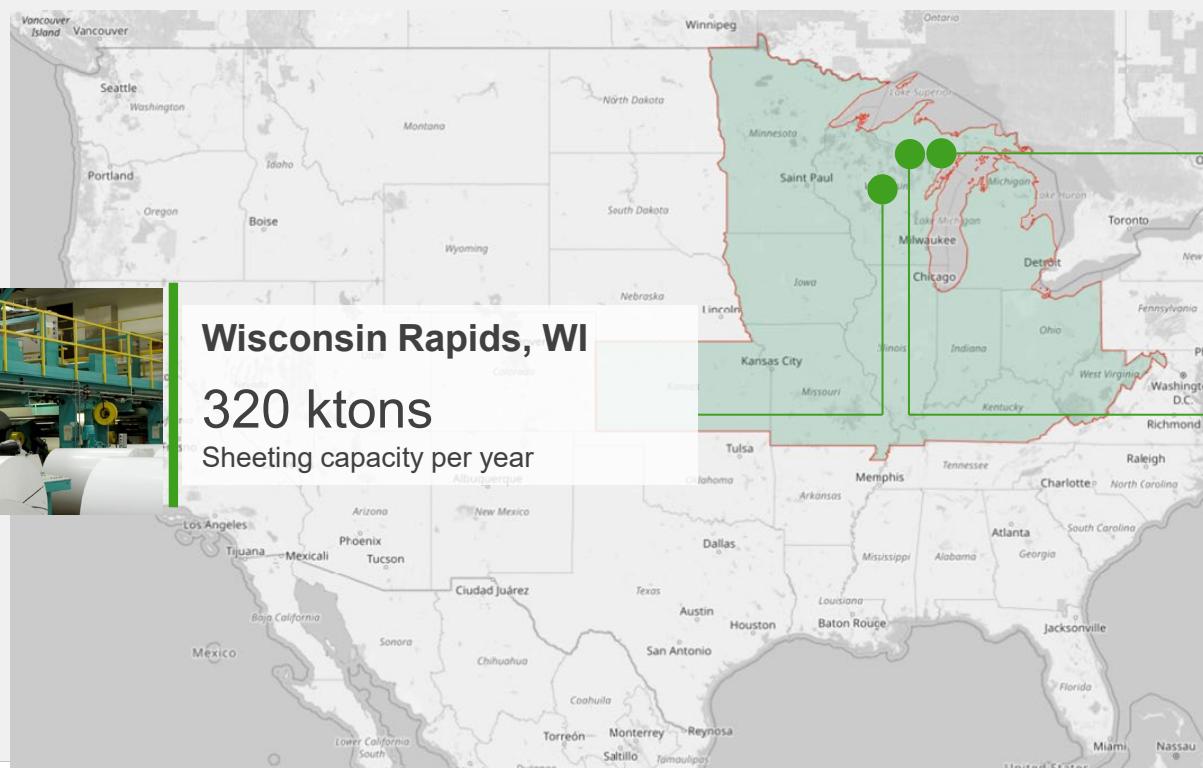
EBITDA margin¹



Wisconsin Rapids, WI

320 ktons

Sheeting capacity per year

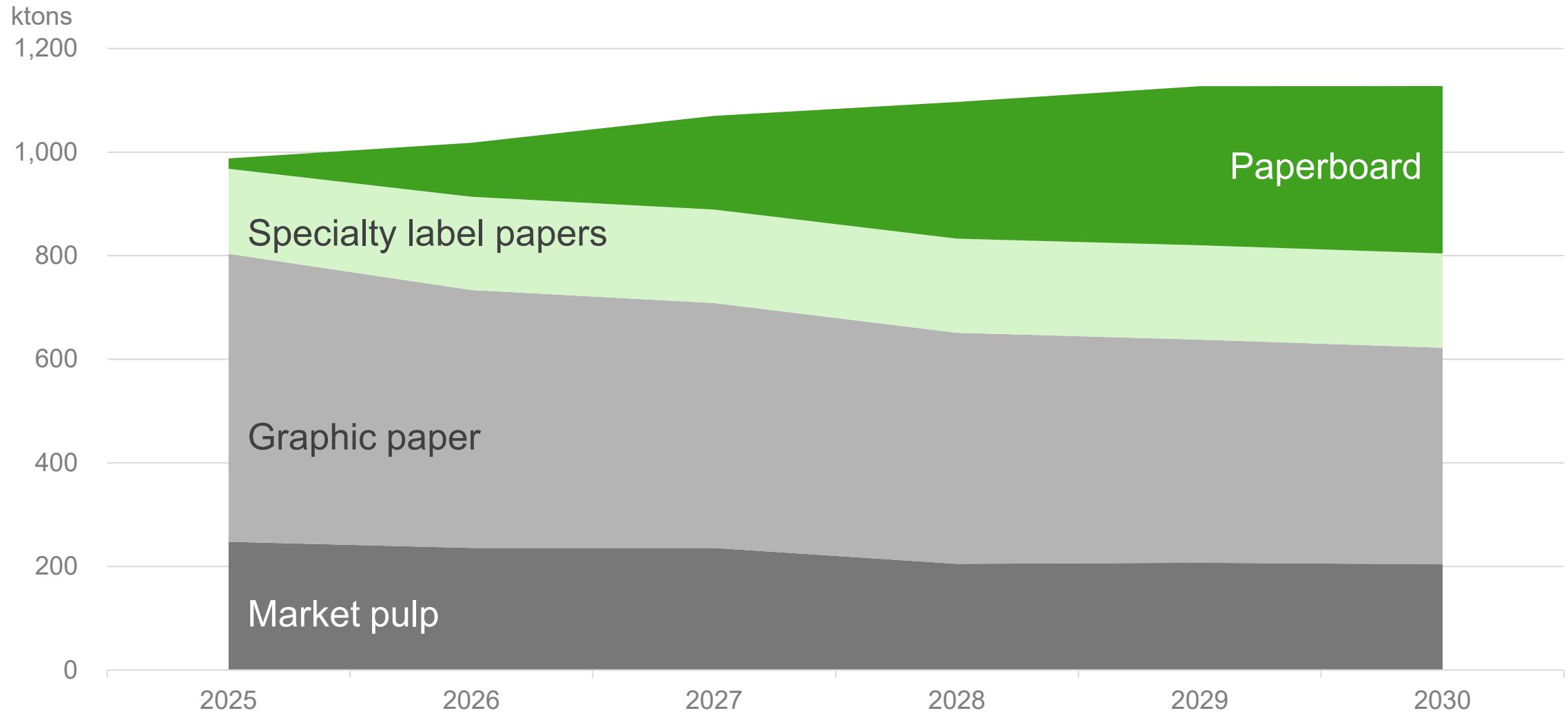


Escanaba, MI
660 ktons
Capacity per year



Quinnesec, MI
430 ktons
Paper capacity per year
210 ktons
Market pulp capacity per year

Increasing capacity utilization by expanding into paperboard



Our capability, unique geography and industry structure give us the right to win in North America



Commitment to
graphic and
specialty papers

Evolve towards
packaging
materials with
modest capex

Optimize capacity
utilization and
strengthen
profitability

Region North America
EBITDA >18% over
a business cycle

World leading producer of premium board and paper made of fresh fibers in six integrated mills

SEK 28.3 bn

Net sales¹



Net sales by product category¹

- Liquid packaging board, 36%
- Containerboard, 19%
- Kraft & specialty paper, 14%
- Sack paper, 12%
- Cartonboard, 10%
- Market pulp, 5%

12%

EBITDA margin¹



Frövi/Rockhammar, SE

500 ktons

Capacity per year



Gruvön, SE

870 ktons

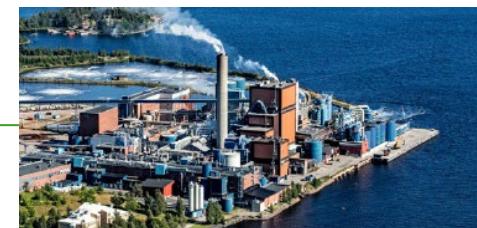
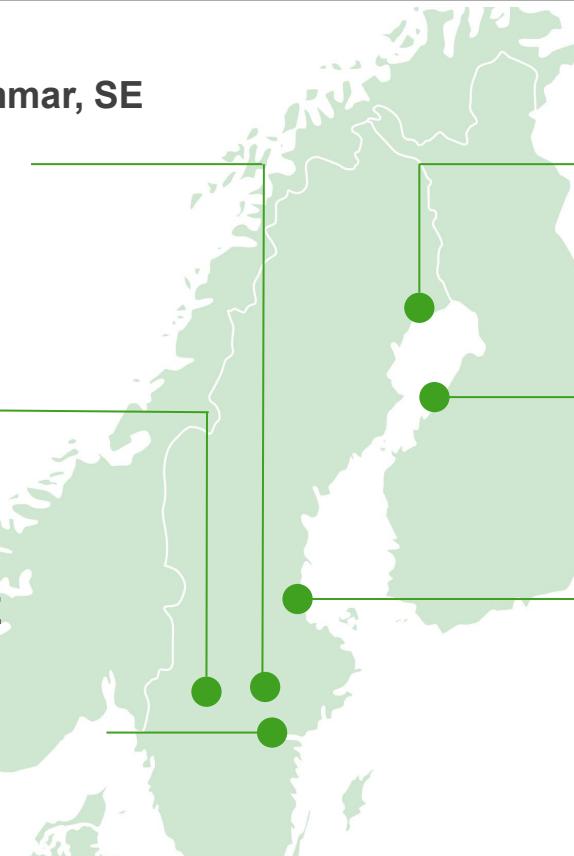
Capacity per year



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

We have clarified roles for each product category

Focused category positions 		Liquid packaging board	Maintain strong position
		Cartonboard and coated liner	Accelerate growth
		SC fluting	Drive value in selected applications
		MG paper	Drive value with focus on medical/hygiene
		Sack paper	Optimize target applications
Key for maximizing the business over the cycle 		Uncoated liner	
		Other kraft and specialty applications	

To strengthen our performance we will focus on four selective levers

01

Secure cost competitive access to fiber in the Nordics

02

Step change in mill operating efficiency

03

Fuel momentum from efficiency enhancement program

04

Be the preferred choice for our customers

Region Europe
EBITDA >15% over a business cycle

Robust fourth quarter concluded a year of improved results and launch of new strategy

Net sales growth of 20%, supported by both regions
Continued excellent profit delivery in North America
Improved profitability in Europe
Cash conversion of 95%
Further strengthened financial position – interest-bearing net debt / EBITDA 1.0x

SEKm	Q4-24	Change vs Q3-24	Change vs Q4-23
Net sales	11,468	+6%	+20%
Adjusted EBITDA	1,443	-7%	+86%
<i>% of net sales</i>	13%	-1 ppt	+5 ppt
Operating profit – EBIT	1,091	-5%	n/a
<i>% of net sales</i>	10%	+2 ppt	+12 ppt
Operating cash flow before capex	1,719	+292%	-22%
EPS (SEK)	3.24	+43%	n/a

Strong cash conversion in the quarter

Further reduced leverage

- Working capital increase due to sales growth
- Leverage reduced further to 1.0x EBITDA
- Capex of SEK 2.4 bn slightly below guidance, spill-over into 2025
- Board of Directors proposes a dividend of SEK 3.5/share, amounting to SEK 870 m

SEKm	Q4-24	Q4-23	2024	2023
Profit before tax	1,030	-355	2,248	185
Adjustments for non-cash items	582	1,473	2,343	2,963
Tax paid	-80	-113	-428	-561
Cash flow from changes in working capital	187	1,211	-1,133	703
Cash flow from operating activities	1,719	2,216	3,030	3,290
Investments in tangible and intangible assets	-613	-973	-2,437	-3,177
Operating cash flow after investments in tangible and intangible assets	1,106	1,243	593	113

CAPEX of SEK 3.5 bn in 2025

Strategic capex: SEK 1.3 bn
Base capex: SEK 2.2 bn

SEKm	Q4-24	Q4-23
Net debt	5,347	5,927
Net debt / adjusted EBITDA	1.0	1.6
Adjusted ROCE %	7%	2%

Better-than-expected market conditions during Q4

Somewhat improved market sentiment in Q1'25

Sales split, % ¹	Food & Drink	Printing & Publishing Papers	Consumer & Luxury	Industrial
LPB (10.1bn)	100%			
Cartonboard (2.7bn)	25%		75%	
Containerboard (5.5bn)	80%		10%	10%
Kraft & Specialty Paper (5.1bn) ²	50%		30%	10%
Sack Paper (3.2bn)	15%			85%
Graphical Paper (8.4bn)		100%		
Share of Group Net Sales ³	~40%	~20%	~10%	~10%
Billerud Market status Q4'24	Normal/soft	Normal	Weak	Normal
Billerud Market trend outlook	Improving	Stable	Stable	Improving

1) 2024 Net Sales in bn SEK. 2) Excluding medical paper. 3) Total Group Net Sales include Currency hedging and Solutions & Other, not allocated to end-use segments

Outlook for Q1 2025



Solid market conditions for Region North America



Normal conditions for Region Europe except for cartonboard and coated liner that will remain weak



Pricing continues to offset input cost increase



Temporarily lower sales volumes in Region Europe





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