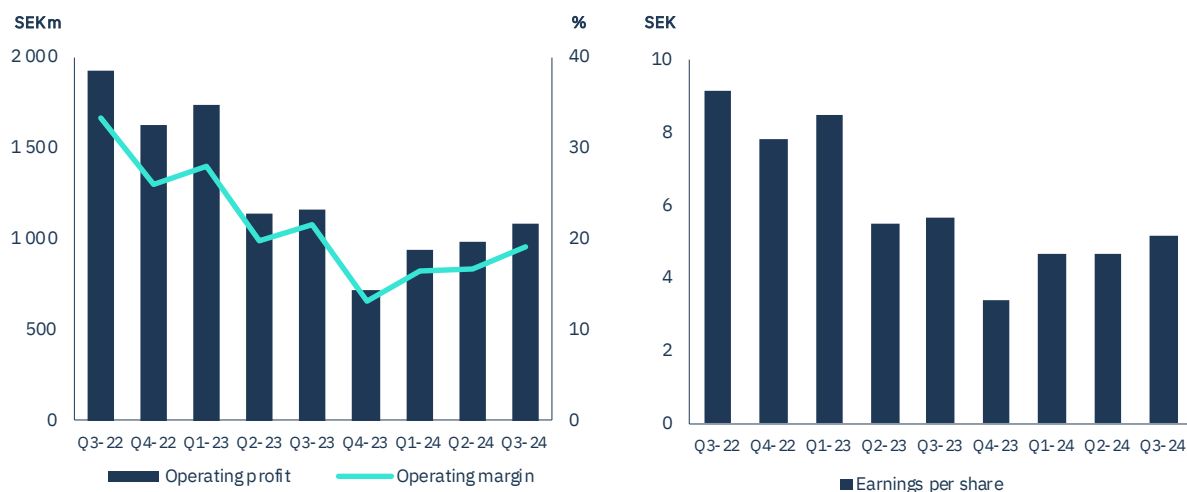


HOLMEN

Holmen's Interim Report January-September 2024

SEKm	Quarter			Jan-Sep		Full year
	3-24	2-24	3-23	2024	2023	2023
Net sales	5 632	5 894	5 418	17 246	17 395	22 795
EBITDA	1 431	1 319	1 505	4 050	5 055	6 114
Operating profit	1 078	983	1 166	3 005	4 041	4 755
Profit after tax	816	744	898	2 304	3 159	3 697
Earnings per share, SEK	5.1	4.7	5.6	14.5	19.6	23.0
Operating margin, %	19	17	22	17	23	21
Book value, forest assets	57 112	56 744	52 638	57 112	52 638	56 348
Cash flow before investments and change in working capital	927	1 024	1 172	3 063	4 761	5 311
Net financial debt	3 543	3 255	2 616	3 543	2 616	1 869
Debt/equity ratio, %	6	6	5	6	5	3

- Operating profit for January-September 2024 amounted to SEK 3 005 million (January-September 2023: 4 041). The decrease in operating profit is due to lower paper prices and the positive impact of income from the sale of surplus electricity the previous year.
- Compared with the second quarter, operating profit for the third quarter increased by SEK 95 million to SEK 1 078 million. Earnings were positively impacted by higher volumes and seasonally lower costs in Board and Paper, but were negatively affected by lower selling prices in Wood Products and Renewable Energy. The operating margin was 19 per cent (17).
- Profit after tax for January-September amounted to SEK 2 304 million (3 159), which corresponds to earnings per share of SEK 14.5 (19.6).
- In the third quarter, own shares were bought back for SEK 442 million, equal to 0.6 per cent of outstanding shares.



CEO comments

The interest rate cuts now being widely implemented have not yet boosted consumption or new construction. Despite challenging market conditions and a shortage of forest raw material, we have further advanced our positions in board and paper, which contributed to a strong result for the third quarter, of SEK 1 078 million.

In recent years, the forest raw material supply has been unable to keep up with growing demand from the forest industry and the energy sector. Wood prices increased further in the third quarter, but operating profit from Forest, at SEK 482 million, was largely unchanged due to seasonally lower harvesting. Wood prices have risen by more than 50 per cent in the last three years, increasing the return on forest assets. At the same time, it is becoming increasingly clear that forests have an important role to play in the transition to a fossil-free world.

Electricity prices in the Nordics decreased in the third quarter and were at a twenty-year low in central and northern Sweden, partly as a result of restrictions on capacity for transmissions from Sweden to countries with higher electricity prices. Low electricity prices, together with the continued build-up of reservoir levels, meant that revenues did not fully cover depreciation and the operating loss from Renewable Energy was SEK -12 million. We are continuing to manage hydro power production so that it is produced when it is most needed, and offering services aimed at stabilising the electricity grid. We are also focusing on the development of permits for new wind power, targeting projects with good wind conditions and a low cost of connection to the electricity grid.

The wood products market is still marked by the weakness of the construction sector, while supply is limited by global raw material shortages. Prices decreased slightly in the third quarter, which, combined with increased costs for logs, led to a break-even result for Wood Products. There is great interest in building with wood because of its positive climate footprint, and with our well-invested sawmills and increased processing capacity we will be well positioned when the construction sector turns around.

The market for consumer paperboard has improved after last year's destocking, but consumption in Europe is still lower than it has been historically. As for paper, consumption has so far developed in line with the previous year, but with a slightly downwards trend. Thanks to increased deliveries, better productivity and seasonally lower costs, operating profit from Board and Paper increased to SEK 653 million. Our focus on niches in which fresh fibre comes into its own has worked well. The fourth quarter rebuild of a paper machine to enable it to also produce packaging paper is another step in this direction.

With our large forest holdings as a foundation, we grow houses while also harnessing the energy that blows over the treetops and flows in the rivers. We then make renewable packaging, magazines and books from the residual forestry products. This business model contributes to the transition towards a sustainable society and allows our customers to reduce their fossil carbon footprints already today while maintaining their competitiveness.

Key figures Q3 2024

Operating profit, SEKm

1 078

Operating margin, %

19

Debt/equity ratio, %

6

Forest

Holmen carries out active and sustainable forestry on over 1 million hectares of its own productive forest land. The annual harvest from own forest normally amounts to 2.8 million m³sub.

SEKm	Quarter			Jan-Sep		Full year
	3-24	2-24	3-23	2024	2023	2023
Net sales	2 198	2 491	1 880	6 922	6 058	7 996
Of which from own forest	432	566	452	1 452	1 346	1 768
Operating costs	-2 017	-2 150	-1 603	-6 104	-5 245	-6 958
Change in biological assets	320	168	140	662	379	562
EBITDA	501	509	417	1 480	1 192	1 600
Depreciation and amortisation according to plan	-19	-19	-20	-56	-53	-77
Operating profit	482	490	397	1 424	1 139	1 523
Investments (incl. reforestation)	92	52	92	182	169	222
Book value, forest assets	57 112	56 744	52 638	57 112	52 638	56 348
EBITDA margin*, %	35	59	51	53	56	57
Operating margin*, %	34	57	50	51	55	55
Deliveries, own forest, '000 m ³ sub	561	776	676	1 967	2 084	2 702

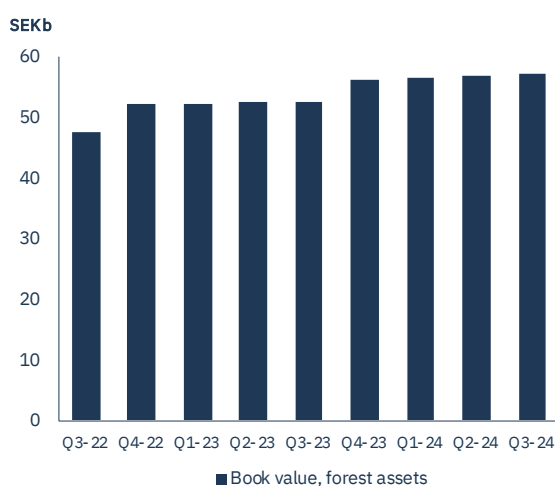
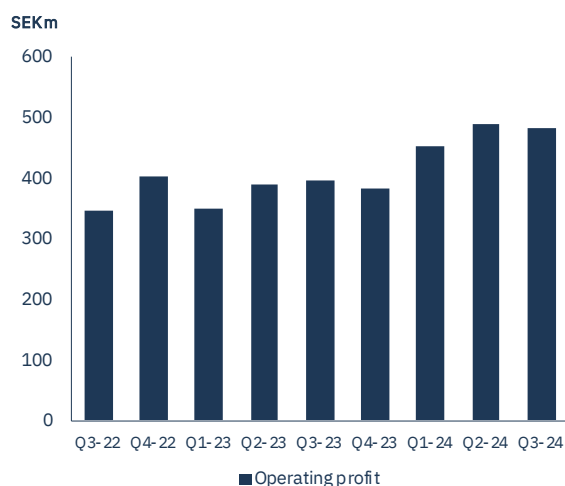
*Own forest before change in biological assets.

Competition in the wood market remained high. Prices further increased in the third quarter and are now 15 per cent higher than they were a year ago.

The harvest from Holmen's forests totalled 1 967 km³ (2 084), which is slightly lower than the long-term harvest plan. In the third quarter, the log harvest decreased seasonally.

Operating profit for January-September was SEK 1 424 million (1 139). The improvement in earnings is due to price increases for logs and pulpwood.

Operating profit in the third quarter was in line with the second quarter, at SEK 482 million. The effect of increasing wood prices was offset by seasonally lower log harvests.



Renewable Energy

In a normal year Holmen delivers 1.8 TWh of renewable hydro and wind power.

	Quarter			Jan-Sep	Full year	
SEKm	3-24	2-24	3-23	2024	2023	2023
Net sales	63	159	159	525	758	1 070
Operating costs	-48	-72	-63	-188	-191	-263
EBITDA	15	87	95	337	567	807
Depreciation and amortisation according to plan	-27	-28	-27	-82	-82	-110
Operating profit	-12	59	68	255	485	697
Investments	203	68	9	400	32	59
Capital employed	4 470	4 177	4 210	4 470	4 210	4 283
EBITDA margin, %	24	55	60	64	75	75
Operating margin, %	-19	37	43	49	64	65
Return on capital employed, %				8	15	16
Deliveries hydro and wind power, GWh	365	357	317	1 197	1 167	1 658

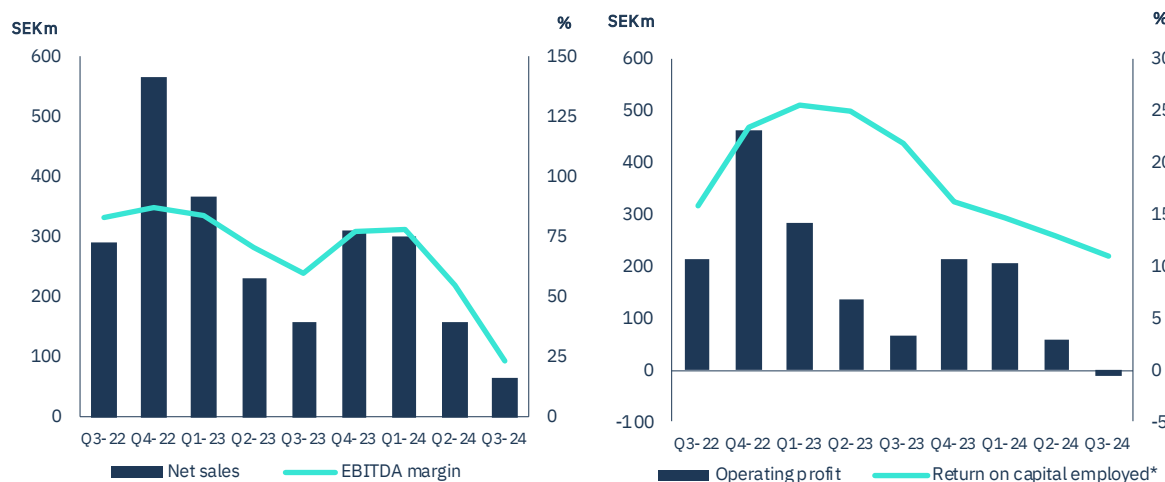
Electricity prices decreased to low levels in the third quarter, averaging SEK 130/MWh (Q2: 310) in northern Sweden. In January-September, the electricity price in northern Sweden was SEK 330/MWh (January-September 2023: 440), which is lower than it has been historically.

Holmen's deliveries of hydro and wind power amounted to 1 197 GWh (1 167) in January-September, which was a little over 10 per cent lower than in a normal year. Hydro power production was curtailed in the third quarter to build up the reservoirs.

Operating profit for January-September amounted to SEK 255 million (485). The decrease in earnings is mainly due to a 25 per cent lower electricity price in northern Sweden, and lower revenue from guarantees of origin and support services also had a negative impact.

Compared with the second quarter, operating profit for the third quarter decreased by SEK 71 million to SEK -12 million. The decrease in earnings is due to low electricity prices.

In March, the rebuild of Junsterforsen Power Station began. The station was scheduled to be operational by the end of the year, but due to disruptions affecting an equipment supplier, start-up will be delayed until later in 2025. The power station produces 130 GWh in a normal year.



*Twelve-month rolling average.

Wood Products

Holmen delivers wood products for joinery and construction purposes. Production takes place at five sawmills adjacent to own forest with an annual production of 1.5 million cubic metres.

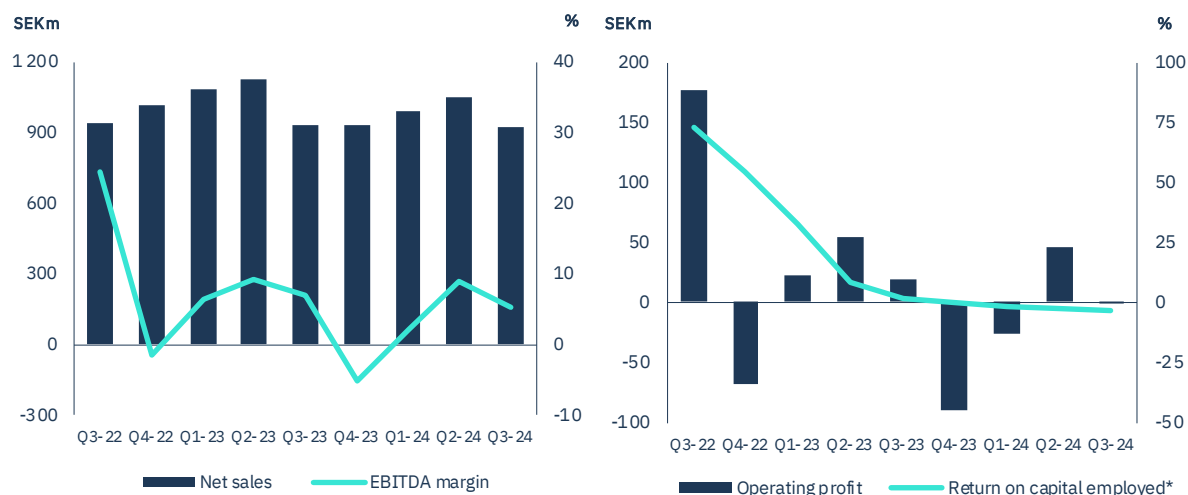
SEKm	Quarter	Quarter	Quarter	Jan-Sep	Full year	Full year
	3-24	2-24	3-23	2024	2023	2023
Net sales	921	1 053	929	2 964	3 140	4 075
Operating costs	-873	-960	-863	-2 799	-2 902	-3 885
EBITDA	48	93	66	164	238	190
Depreciation and amortisation according to plan	-49	-46	-47	-144	-143	-184
Operating profit	0	47	19	20	96	6
Investments	90	77	50	268	223	391
Capital employed	2 398	2 397	2 167	2 398	2 167	2 139
EBITDA margin, %	5	9	7	6	8	5
Operating margin, %	0	4	2	1	3	0
Return on capital employed, %				1	6	0
Deliveries, '000 m ³	325	342	353	1 023	1 139	1 498

Demand for wood products was still low in the third quarter and prices decreased slightly.

Holmen curtailed production due to the weak market and deliveries for January-September decreased to 1 023 (1 139) km³. Third quarter deliveries were 5 per cent lower than in the second quarter.

Operating profit for January-September amounted to SEK 20 million (96). The decrease in earnings was due to lower deliveries. Log costs increased, but this was offset by higher selling prices and increased revenue from sales of wood chips and biofuel.

Compared with the second quarter, operating profit for the third quarter decreased by SEK 47 million to SEK 0 million, as a result of lower selling prices and higher costs for logs.



*Twelve-month rolling average.

Board and Paper

Holmen produces premium paperboard and innovative paper products from fresh fibre from sustainably managed forests. Annual production normally amounts to 1.5 million tonnes at a total of four production facilities in Sweden and the UK.

SEKm	Quarter	Quarter	Quarter	Jan-Sep	Full year	Full year
	3-24	2-24	3-23	2024	2023	2023
Net sales	3 980	3 894	3 749	11 529	11 494	14 965
Operating costs	-3 077	-3 221	-2 788	-9 329	-8 310	-11 278
EBITDA	903	673	961	2 200	3 184	3 687
Depreciation and amortisation according to plan	-250	-235	-237	-739	-714	-957
Operating profit	653	438	724	1 461	2 470	2 730
Investments	158	190	230	566	668	1 011
Capital employed	8 246	8 149	8 332	8 246	8 332	7 625
EBITDA margin, %	23	17	26	19	28	25
Operating margin, %	16	11	19	13	21	18
Return on capital employed, %				24	41	34
Deliveries, '000 tonnes	370	361	346	1 083	1 007	1 343

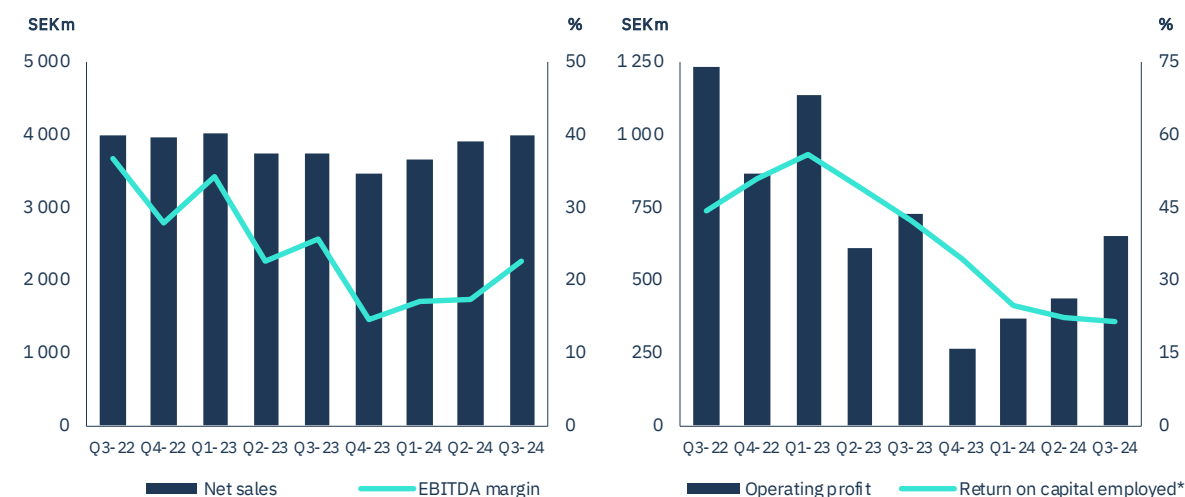
Demand for consumer paperboard was lower than normal in Europe in the third quarter, but better than it was a year ago. As for paper, demand was in line with the same period of last year. Prices were stable.

Holmen's deliveries of board and paper increased in January-September to 1 083 ktonnes (1 007). Third quarter deliveries increased by 2 per cent compared with the second quarter.

Operating profit for January-September amounted to SEK 1 461 million (2 470). The decrease in profit is due to lower paper prices and the positive impact of income from the sale of surplus electricity the previous year. Wood costs increased, but this was offset by higher sales volumes, more efficient production and higher revenue from support services.

Compared with the second quarter, operating profit for the third quarter increased by SEK 215 million to SEK 653 million, as a result of more efficient production, higher deliveries and seasonally low personnel and maintenance costs.

Due to an ongoing investment project to develop the book paper offering and increase packaging paper production, there will be a one-month production shutdown for a paper machine at Braviken Paper Mill in the fourth quarter. The annual maintenance shutdown at Iggesund Mill will also take place in the fourth quarter. The two shutdowns are expected to have a total impact on earnings of SEK -250 million.



*Excl. items affecting comparability and twelve-month rolling average.

Cash flow, financing and net financial items

Cash flow from operating activities before changes in working capital totalled SEK 3 063 million (4 761) in January-September. Working capital increased, which had a SEK -837 million (-284) impact on cash flow. Cash flow from investing activities amounted to SEK -1 386 million (-1 059).

A dividend of SEK 1 831 million (2 592) was paid in January-September and SEK 465 million (1 119) were paid for buying back own shares.

In January-September, the Group's net financial debt increased by SEK 1 674 million to SEK 3 543 million. Net debt was 6 per cent of equity.

At 30 September, the Group's long-term borrowing amounted to SEK 2 500 million and its short-term borrowing totalled SEK 1 900 million. Cash and cash equivalents totalled SEK 1 113 million. The agreed credit facility amounts to SEK 4 000 million and is available until 2027. The credit facility is unused. In the third quarter, SEK 1 000 million bond issues were carried out, maturing in 2029.

Standard & Poor's long-term credit rating for Holmen is BBB+ with a stable outlook.

Net financial items for January-September amounted to SEK -48 million (-37).

Tax

Recognised tax for January-September amounted to SEK -654 million (-844). Recognised tax as a proportion of profit before tax was 22 per cent (21).

Equity

In January-September, the Group's equity decreased by SEK 207 million to SEK 56 717 million. Profit for the period amounted to SEK 2 304 million (3 159) and other comprehensive income amounted to SEK -226 million (-3 361), which mainly relates to changes in the fair value of electricity and currency hedges. A dividend of SEK 1 831 million (2 592) was paid and SEK 465 million (1 119) were paid for buying back own shares.

Hedging of exchange rates

The Group hedges parts of its future estimated net flows in foreign currencies. The operating profit for January-September includes a loss from currency hedging of SEK -236 million (-421). For EUR/SEK, more than 2 years of expected net flows are hedged at an average exchange rate of 11.35. For other currencies, 4-5 months of flows are hedged.

Hedging of electricity prices

Electricity consumption at the Group's paper mills amounts to 3 TWh per year. To reduce the impact of changing electricity prices on profit, consumption is partly hedged. For the last quarter of 2024, just over 90 per cent is hedged. For 2025, price hedges are in place covering 85 per cent of consumption, 45 per cent is hedged for 2026 and 10 per cent for 2027. The Group delivers 1.8 TWh of hydro and wind power in a normal year. Hydro and wind power are not hedged.

Personnel

The average number of employees (FTE) in the Group was 3 508 (3 559).

Share buy-backs

Holmen's Board of Directors decided on 15 August 2024 to buy back up to 3 million class B own shares. In the third quarter, a total of 1 064 163 shares were bought back for SEK 442 million, equal to an average price of SEK 416 per share. The buy-backs amount to 0.6 per cent of the total number of shares. The company already owned 2.1 per cent of its own shares, meaning that at 30 September 2024 Holmen held 2.7 per cent of the total number of shares.

Stockholm, 24 October 2024

Holmen AB (publ)

Henrik Sjölund

President and CEO

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Auditor's report

Introduction

We have reviewed the interim report for Holmen AB (publ) as per 30 September 2024 and the nine-month reporting period ending on that date. The Board of Directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 24 October 2024

PricewaterhouseCoopers AB

Magnus Svensson Henryson
Authorised Public Accountant
Auditor in Charge

Group

	Quarter			Jan-Sep	Full year	
Condensed income statement, SEKm	3-24	2-24	3-23	2024	2023	2023
Net sales	5 632	5 894	5 418	17 246	17 395	22 795
Other operating income	516	472	548	1 393	1 474	1 996
Change in inventories	94	117	-22	361	121	-79
Raw materials and consumables	-3 220	-3 224	-2 806	-9 688	-8 363	-11 162
Personnel costs	-799	-920	-753	-2 559	-2 473	-3 312
Other operating costs	-1 113	-1 187	-1 021	-3 368	-3 486	-4 691
Change in value of biological assets	320	168	140	662	379	562
Profit from investments in associates	1	0	0	3	9	6
Depreciation and amortisation according to plan	-353	-336	-339	-1 045	-1 014	-1 360
Operating profit	1 078	983	1 166	3 005	4 041	4 755
Finance income	7	8	8	31	34	49
Finance costs	-30	-26	-26	-78	-72	-98
Profit before tax	1 055	965	1 148	2 958	4 003	4 705
Tax	-239	-221	-250	-654	-844	-1 008
Profit for the period	816	744	898	2 304	3 159	3 697
Earnings per share, SEK						
Basic	5.1	4.7	5.6	14.5	19.6	23.0
Diluted	5.1	4.7	5.6	14.5	19.6	23.0
Operating margin, %	19	17	22	17	23	21
Return on capital employed, %				7	10	8
Return on equity, %				5	8	7

	Quarter			Jan-Sep	Full year	
Condensed statement of comprehensive income, SEKm	3-24	2-24	3-23	2024	2023	2023
Profit for the period	816	744	898	2 304	3 159	3 697
Other comprehensive income						
Revaluation of forest land	-	-	-	-	-	3 493
Revaluation of defined benefit pension plans	-1	-3	-3	-7	-10	-6
Tax attributable to items that will not be reclassified to profit for the period	0	1	1	1	2	-718
Items that will not be reclassified to profit for the period	-1	-2	-2	-6	-8	2 769
Cash flow hedging	218	401	-883	-342	-4 308	-3 549
Translation difference on foreign operation	17	-18	-61	118	147	55
Hedging of currency risk in foreign operation	-15	11	40	-84	-99	-42
Tax attributable to items that will be reclassified to profit for the period	-42	-85	173	88	908	740
Items that will be reclassified to profit for the period	179	309	-730	-221	-3 352	-2 795
Total other comprehensive income after tax	178	306	-733	-226	-3 361	-27
Total comprehensive income	994	1 050	166	2 078	-201	3 671

	Jan-Sep	
Condensed change in equity in summary, SEKm	2024	2023
Opening equity	56 923	56 950
Profit for the period	2 304	3 159
Other comprehensive income	-226	-3 361
Total comprehensive income	2 078	-201
Share saving program	12	10
Buy-back of own shares	-465	-1 119
Dividend	-1 831	-2 592
Closing equity	56 717	53 048

Group

	2024	2024	2023
Condensed balance sheet, SEKm	30 Sep	30 Jun	31 Dec
Non-current assets			
Forest assets			
Biological assets	31 324	30 949	30 555
Forest land	25 789	25 795	25 793
Intangible non-current assets	501	505	513
Property, plant and equipment	10 780	10 650	10 330
Right-of-use assets	234	253	244
Investments in associates	1 690	1 688	1 686
Other shares and participating interests	5	5	5
Non-current financial receivables	30	52	61
Deferred tax assets	3	3	3
Total non-current assets	70 357	69 901	69 190
Current assets			
Inventories	5 366	5 448	4 837
Trade receivables	3 287	3 311	2 696
Current tax receivable	27	44	114
Other operating receivables	1 092	1 032	1 630
Current financial receivables	17	61	50
Cash and cash equivalents	1 113	373	1 202
Total current assets	10 901	10 270	10 529
Total assets	81 258	80 171	79 719
Equity	56 717	56 161	56 923
Non-current liabilities			
Non-current financial liabilities	2 508	2 102	1 902
Non-current liabilities relating to right-of-use assets	141	153	160
Pension obligations	12	11	9
Non-current provisions	396	410	418
Deferred tax liabilities	14 056	13 909	13 858
Total non-current liabilities	17 113	16 585	16 347
Current liabilities			
Current financial liabilities	1 940	1 369	1 021
Current liabilities relating to right-of-use assets	101	108	91
Trade payables	3 589	3 856	3 394
Current tax liability	99	124	105
Current provisions	70	65	31
Other operating liabilities	1 629	1 904	1 808
Total current liabilities	7 429	7 425	6 449
Total liabilities	24 541	24 010	22 796
Total equity and liabilities	81 258	80 171	79 719
Debt/equity ratio, %	6	6	3
Equity/assets ratio, %	70	70	71
Capital employed	60 260	59 417	58 793
Net financial debt	3 543	3 255	1 869

Group

Condensed cash flow statement, SEKm	3-24	Quarter 2-24	3-23	Jan-Sep 2024	2023	Full year 2023
Operating activities						
Profit before tax	1 055	965	1 148	2 958	4 003	4 705
Adjustments for non-cash items						
Depreciation and amortisation according to plan	353	336	339	1 045	1 014	1 360
Change in value of biological assets	-320	-168	-140	-662	-379	-562
Other*	-18	30	-26	19	-22	-31
Paid income taxes	-143	-138	-148	-296	144	-160
Cash flow from operating activities before changes in working capital	927	1 024	1 172	3 063	4 761	5 311
Cash flow from changes in working capital						
Change in inventories	89	-373	-52	-513	-330	11
Change in trade receivables and other operating receivables	-50	-35	-292	-513	573	899
Change in trade payables and other operating liabilities	-255	427	-353	189	-527	-417
Cash flow from operating activities	711	1 043	475	2 226	4 477	5 805
Investing activities						
Acquisition of non-current assets	-545	-393	-382	-1 426	-1 105	-1 706
Disposal of non-current assets	37	2	42	40	46	53
Cash flow from investing activities	-508	-392	-340	-1 386	-1 059	-1 653
Financing activities						
Amortization of liabilities associated with to right-of-use assets	-32	-31	-30	-96	-82	-114
Change in financial liabilities and current financial receivables	1 012	460	-64	1 462	-647	-1 064
Buy-back of own shares	-442	-22	-365	-465	-1 119	-1 119
Dividends paid to the shareholders of the parent company	-	-1 831	-	-1 831	-2 592	-2 592
Cash flow from financing activities	537	-1 424	-459	-930	-4 440	-4 888
Cash flow for the period	739	-773	-324	-90	-1 022	-736
Opening cash and cash equivalents	373	1 147	1 245	1 202	1 935	1 935
Exchange difference in cash and cash equivalents	0	-1	-4	1	4	3
Closing cash and cash equivalents	1 113	373	917	1 113	917	1 202

Change in net financial debt, SEKm	3-24	Quarter 2-24	3-23	Jan-Sep 2024	2023	Full year 2023
Opening net financial debt	-3 255	-2 034	-2 621	-1 869	-2 145	-2 145
Cash flow from operating activities	711	1 043	475	2 226	4 477	5 805
Cash flow from investing activities	-508	-392	-340	-1 386	-1 059	-1 653
Buy-back of own shares	-442	-22	-152	-465	-1 119	-1 119
Dividend paid	-	-1 831	-	-1 831	-2 592	-2 592
Liabilities arising from new right-of-use agreements	-14	-19	-13	-88	-75	-117
Revaluations of defined benefit pension plans	0	-2	-2	-6	-9	-6
Foreign exchange effects and changes in fair value	-34	2	38	-124	-94	-43
Closing net financial debt	-3 543	-3 255	-2 616	-3 543	-2 616	-1 869

*The adjustments consist primarily of changes in provisions, profit from investments in associates, currency effects, revaluations of financial instruments and capital gains/losses on the sale of non-current assets.

Parent company

		Quarter		Jan-Sep		Full year
Condensed income statement, SEKm	3-24	2-24	3-23	2024	2023	2023
Operating income	5 378	5 593	5 175	16 300	16 370	21 571
Operating costs	-4 995	-5 211	-4 562	-15 214	-14 062	-19 152
Operating profit	383	381	613	1 086	2 307	2 419
Net financial items	3	87	72	5	230	359
Profit after net financial items	386	468	685	1 090	2 537	2 778
Appropriations	123	123	152	395	113	190
Profit before tax	509	592	837	1 485	2 650	2 968
Tax	-103	-123	-167	-312	-476	-547
Profit for the period	406	468	670	1 173	2 175	2 421

		Quarter		Jan-Sep		Full year
Condensed statement of comprehensive income, SEKm	3-24	2-24	3-23	2024	2023	2023
Profit for the period	406	468	670	1 173	2 175	2 421
Other comprehensive income						
Cash flow hedging	219	402	-884	-343	-4 191	-3 429
Tax attributable to other comprehensive income	-45	-83	182	71	863	706
Items that will be reclassified to profit for the period	174	319	-702	-272	-3 328	-2 723
Total comprehensive income	580	787	-32	901	-1 153	-302

	2024	2024	2023
Condensed balance sheet, SEKm	30 Sep	30 Jun	31 Dec
Non-current assets	19 148	19 253	18 810
Current assets	9 055	8 380	8 901
Total assets	28 203	27 633	27 711
Restricted equity	5 915	5 915	5 915
Non-restricted equity	6 150	6 009	7 533
Untaxed reserves	4 965	4 813	4 484
Provisions	1 264	1 248	1 308
Liabilities	9 908	9 649	8 471
Total equity and liabilities	28 203	27 633	27 711

Sales to Group companies accounted for SEK 284 million (251) of operating income for January-September.

Appropriations include net Group contributions totalling SEK 876 million (542).

The parent company's investments in property, plant and equipment and intangible assets totalled SEK 39 million (45).

Notes

1. Accounting policies

This report was prepared in accordance with IAS 34, Interim Financial Reporting. Information in accordance with IAS 34.16A can be found in the financial statements and their accompanying notes, as well as in other parts of the interim report. The consolidated accounts are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act. The parent company's accounts are prepared in accordance with RFR 2 Accounting for Legal Entities and the Swedish Annual Accounts Act. New or revised IFRS and interpretative statements from IFRIC have not had any material effect on the earnings or position of the Group or the parent company. Since the first quarter of 2024, Board and Paper has been reported on as a new business area. Comparison periods have therefore been restated. The figures in tables are rounded off.

2. Forest assets

The Group's forest assets are recognised at fair value based on the transaction prices for forest properties in those areas where the Group has forest land. Forest assets are usually valued at year-end. The total value of the forest assets is allocated across growing trees and forest land. The value of the growing trees, which is recognised in accordance with IAS 41 biological assets, is determined by calculating the present value of expected cash flows and is updated regularly during the year. Changes in value are recognised in the income statement. The value of forest land is recognised in accordance with IAS 16 and is updated when the annual value of the forest assets is calculated, and when there are acquisitions or disposals. Changes in the value of forest land are recognised in other comprehensive income.

The value of the biological assets at 30 September was SEK 31 324 million (31 Dec. 2023: 30 555). The change in value of biological assets, calculated as the net sum of the change as a result of harvesting and the unrealised change in fair value, totalled SEK 662 million (379) for the period January-September and is recognised in the Group's operating profit. The book value of forest land at 30 September was SEK 25 789 million (31 Dec. 2023: 25 793).

3. External net sales by market

	Forest	Renewable Energy	Wood Products	Board and Paper	Group
Jan-Sep 2024					
Scandinavia	2 233	520	1 131	557	4 441
Rest of Europe	0	-	1 033	8 647	9 680
Asia	-	-	168	1 353	1 521
Rest of the world	-	-	631	972	1 603
Total Net sales	2 233	520	2 963	11 529	17 246

	Forest	Renewable Energy	Wood Products	Board and Paper	Group
Jan-Sep 2023					
Scandinavia	2 008	753	1 203	649	4 613
Rest of Europe	1	-	1 069	8 769	9 838
Asia	-	-	238	1 454	1 692
Rest of the world	-	-	631	622	1 253
Total Net sales	2 009	753	3 140	11 494	17 395

4. Composition of share capital

Share structure	Votes	No. of shares	No. of votes	Quotient value	SEKm
A share	10	45 246 468	452 464 680	26	1 180
B share	1	117 265 856	117 265 856	26	3 058
Total number of shares		162 512 324	569 730 536		4 238
Holding of own B shares bought back		-4 404 132	-4 404 132		
Total number of shares issued		158 108 192	565 326 404		

5. Financial instruments

SEKm	Book value		Fair value	
	2024	2023	2024	2023
	30 Sep	31 Dec	30 Sep	31 Dec
Assets at fair value	400	941	400	941
Assets at acquisition cost	4 427	3 926	4 427	3 926
Liabilities at fair value	394	561	394	561
Liabilities at acquisition cost	8 016	6 314	8 016	6 314

Holmen measures financial instruments at fair value or cost in the balance sheet depending on their classification. In addition to items of net financial debt, excluding pension obligations and liabilities related to right-of-use assets, financial instruments include trade receivables and trade payables. Financial instruments measured at fair value in the balance sheet belong to measurement level 2 pursuant to IFRS 13 and mostly consist of electricity price, currency and interest rate hedging derivatives. Their net fair value at 30 September was SEK 6 million, which is SEK 374 million lower than at year-end, mainly due to the change in the fair value of the electricity and currency derivatives.

6. Alternative performance measures

Holmen uses performance measures to supplement measures defined by IFRS or directly in the income statement and balance sheet in order to clarify the company's financial position and performance.

Earnings measures

Operating profit is the principal measure of earnings that is used to monitor financial performance. This includes all income and costs except for financial items and tax. Depreciation/amortisation of non-current assets is also included. EBITDA (earnings before interest, taxes, depreciation and amortisation) is used as a supplementary measure. To clarify how these earnings measures are affected by matters outside normal business operations, such as impairment losses, closures, major restructuring measures and breakdowns, as well as changes to assumptions in the valuation of biological assets, the term 'items affecting comparability' is used. The aim is also to increase comparability between different periods. The effects of maintenance and rebuilding shutdowns are not treated as items affecting comparability. There are no items affecting comparability in the operating profit/loss for January-September 2024 and the comparison periods. A description of the items that are recognised as affecting comparability in previous periods is provided on page 112 of Holmen's annual report for 2023.

SEKm	Quarter			Jan-Sep		Full year
	3-24	2-24	3-23	2024	2023	2023
EBITDA	1 431	1 319	1 505	4 050	5 055	6 114
Depreciation and amortisation according to plan	-353	-336	-339	-1 045	-1 014	-1 360
Operating profit excl. items affecting comparability	1 078	983	1 166	3 005	4 041	4 755
Items affecting comparability	-	-	-	-	-	-
Operating profit	1 078	983	1 166	3 005	4 041	4 755

Measure of margin, return and indebtedness

Operating profit, excluding items affecting comparability, as a proportion of sales is known as the operating margin. EBITDA as a proportion of sales is known as the EBITDA margin. The performance measure of return on capital employed is used to measure operating profit, excluding items affecting comparability, as a proportion of capital employed. Capital employed is calculated as fixed assets plus working capital less the net sum of deferred tax liabilities and deferred tax assets. This corresponds to equity plus net financial debt. Average capital employed is calculated based on quarterly data.

SEKm	2024	2024	2023
	30 Sep	30 Jun	31 Dec
Fixed assets*	70 324	69 846	69 126
Working capital**	3 989	3 477	3 522
Deferred tax assets	3	3	3
Deferred tax liabilities	-14 056	-13 909	-13 858
Capital employed	60 260	59 417	58 793

*Forest assets, non-current intangible assets, property, plant and equipment, right-of-use assets, investments in associates and other shares and participations.

**Inventories, trade receivables, current tax receivable, other current operating receivables, trade payables, current tax liability, non-current provisions, current provisions and other operating liabilities.

The debt/equity ratio is calculated as net financial debt divided by equity. The equity/assets ratio is calculated as equity divided by total assets. Net financial debt consists of the following components:

	2024	2024	2023
SEKm	30 Sep	30 Jun	31 Dec
Non-current financial liabilities	2 508	2 102	1 902
Non-current liabilities relating to right-of-use assets	141	153	160
Current financial liabilities	1 940	1 369	1 021
Current liabilities relating to right-of-use assets	101	108	91
Pension obligations	12	11	9
Non-current financial receivables	-30	-52	-61
Current financial receivables	-17	-61	-50
Cash and cash equivalents	-1 113	-373	-1 202
Net financial debt	3 543	3 255	1 869

7. Transaction with related parties

There were no transactions between Holmen and related parties that had a significant effect on the company's financial position and performance.

8. Material risks and uncertainties

The Group's and the parent company's material risks and uncertainties relate primarily to changes in demand and the prices of its products, the cost of key input goods, and changes in exchange rates. For a more detailed description of the material risks and uncertainties, see Holmen's annual report for 2023, pages 49–53, and Note 27.

Group

	2024			2023				Jan-Sep		Full year
Quarterly figures, SEKm	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2024	2023	2023
Income statement										
Net sales	5 632	5 894	5 720	5 400	5 418	5 754	6 223	17 246	17 395	22 795
Operating costs	-4 522	-4 743	-4 596	-4 521	-4 053	-4 391	-4 284	-13 861	-12 728	-17 249
Change in value of biological assets	320	168	174	183	140	106	133	662	379	562
Profit from associates and joint ventures	1	0	2	-3	0	1	8	3	9	6
EBITDA	1 431	1 319	1 300	1 059	1 505	1 471	2 080	4 050	5 055	6 114
Depreciation and amortisation according to plan	-353	-336	-356	-345	-339	-332	-343	-1 045	-1 014	-1 360
Operating profit	1 078	983	944	714	1 166	1 138	1 737	3 005	4 041	4 755
Net financial items	-23	-18	-6	-12	-18	-10	-10	-48	-37	-49
Profit before tax	1 055	965	938	702	1 148	1 129	1 727	2 958	4 003	4 705
Tax	-239	-221	-194	-164	-250	-239	-356	-654	-844	-1 008
Profit for the period	816	744	744	538	898	890	1 371	2 304	3 159	3 697
Earnings per share, SEK	5.1	4.7	4.7	3.4	5.6	5.5	8.5	14.5	19.6	23.0
Net sales										
Forest	2 198	2 491	2 233	1 939	1 880	2 073	2 105	6 922	6 058	7 996
Renewable Energy	63	159	302	312	159	231	368	525	758	1 070
Wood Products	921	1 053	989	935	929	1 124	1 087	2 964	3 140	4 075
Board and Paper	3 980	3 894	3 655	3 471	3 749	3 740	4 005	11 529	11 494	14 965
Elimination of intra-group net sales	-1 531	-1 704	-1 459	-1 257	-1 298	-1 413	-1 342	-4 694	-4 054	-5 311
Group	5 632	5 894	5 720	5 400	5 418	5 754	6 223	17 246	17 395	22 795
EBITDA by business area										
Forest	501	509	470	408	417	402	373	1 480	1 192	1 600
Renewable Energy	15	87	235	241	95	163	309	337	567	807
Wood Products	48	93	23	-48	66	102	70	164	238	190
Board and Paper	903	673	624	503	961	848	1 374	2 200	3 184	3 687
Group-wide	-36	-44	-51	-44	-34	-44	-47	-131	-126	-170
Group	1 431	1 319	1 300	1 059	1 505	1 471	2 080	4 050	5 055	6 114
Operating profit/loss by business area										
Forest	482	490	452	384	397	390	351	1 424	1 139	1 523
Renewable Energy	-12	59	208	213	68	135	282	255	485	697
Wood Products	0	47	-26	-89	19	55	23	20	96	6
Board and Paper	653	438	370	260	724	611	1 135	1 461	2 470	2 730
Group-wide	-44	-51	-59	-54	-41	-52	-54	-155	-148	-202
Group	1 078	983	944	714	1 166	1 138	1 737	3 005	4 041	4 755
Operating margin, %										
Wood Products	0	4	-3	-10	2	5	2	1	3	0
Board and Paper	16	11	10	7	19	16	28	13	21	18
Group	19	17	17	13	22	20	28	17	23	21
Return on capital employed, %										
Industry (Wood Products, Board and Paper)	25	18	14	7	29	26	47	19	34	27
Group	7	7	6	5	8	8	12	7	10	8
Return on equity, %										
Group	6	5	5	4	7	7	10	5	8	7
Deliveries										
Own forest, '000 m³sub	561	776	631	618	676	788	620	1 967	2 084	2 702
Hydro- and windpower, GWh	365	357	475	491	317	334	517	1 197	1 167	1 658
Wood products, '000 m³	325	342	356	359	353	388	397	1 023	1 139	1 498
Board and paper, '000 tonnes	370	361	352	337	346	323	338	1 083	1 007	1 343

Group

Full year review, SEKm	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Income statement										
Net sales	22 795	23 952	19 479	16 327	16 959	16 055	16 133	15 513	16 014	15 994
Operating costs	-17 249	-15 865	-14 622	-13 250	-13 961	-12 984	-13 379	-12 626	-13 348	-13 270
Change in value of biological assets	562	509	464	579	487	425	415	315	267	282
Profit from associates and JV	6	10	0	-6	0	-9	-12	-22	7	-7
EBITDA*	6 114	8 607	5 321	3 651	3 486	3 488	3 157	3 179	2 940	2 999
Depreciation and amortisation according to plan	-1 360	-1 345	-1 261	-1 172	-1 141	-1 012	-991	-1 018	-1 240	-1 265
Operating profit excl. items affecting comparability	4 755	7 262	4 061	2 479	2 345	2 476	2 166	2 162	1 700	1 734
Items affecting comparability	-	266	-330	-	8 770	-94	-	-232	-931	-450
Operating profit	4 755	7 527	3 731	2 479	11 115	2 382	2 166	1 930	769	1 284
Net financial items	-49	-87	-39	-42	-34	-25	-53	-71	-90	-147
Profit before tax	4 705	7 441	3 691	2 437	11 081	2 356	2 113	1 859	679	1 137
Tax	-1 008	-1 567	-688	-458	-2 351	-89	-445	-436	-120	-230
Profit for the year	3 697	5 874	3 004	1 979	8 731	2 268	1 668	1 424	559	907
Earnings per share, SEK	23.0	36.3	18.5	12.2	52.6	13.5	9.9	8.5	3.4	5.4
EBITDA by business area*										
Forest	1 600	1 488	1 573	1 422	1 217	1 216	1 099	1 030	935	845
Renewable Energy	807	1 112	375	242	362	205	159	143	198	233
Wood Products	190	1 441	1 857	309	159	337	165	80	86	160
Board and Paper	3 687	4 713	1 679	1 820	1 887	1 861	1 884	2 051	1 860	1 887
Group-wide	-170	-148	-163	-143	-140	-132	-149	-124	-138	-126
Group	6 114	8 607	5 321	3 651	3 486	3 488	3 157	3 179	2 940	2 999
Operating profit by business area*										
Forest	1 523	1 401	1 495	1 367	1 172	1 185	1 069	1 001	905	817
Renewable Energy	697	1 006	347	215	336	181	135	120	176	212
Wood Products	6	1 237	1 668	185	62	246	80	-3	9	37
Board and Paper	2 730	3 796	743	886	944	1 018	1 053	1 192	772	815
Group-wide	-202	-178	-193	-174	-168	-154	-170	-148	-163	-146
Group	4 755	7 262	4 061	2 479	2 345	2 476	2 166	2 162	1 700	1 734
Deliveries										
Own forest, '000 m ³ sub	2 702	2 813	2 833	2 841	2 699	2 816	2 883	2 945	3 132	3 207
Hydro- and windpower, GWh	1 658	1 639	1 230	1 352	1 109	1 145	1 169	1 080	1 441	1 113
Wood products, '000 m ³	1 498	1 435	1 373	1 052	879	828	852	776	730	725
Board and paper, '000 tonnes	1 343	1 498	1 573	1 426	1 534	1 561	1 643	1 630	1 824	1 798
Balance sheet										
Forest assets	56 348	52 151	47 080	43 202	41 345	18 701	17 971	17 595	17 340	17 032
Other non-current assets	12 781	12 477	12 251	11 784	10 781	10 586	10 780	11 106	12 184	13 189
Current assets	9 277	14 758	7 956	6 878	6 264	6 845	5 710	5 852	5 607	5 964
Financial receivables	1 313	2 050	814	679	950	781	430	338	325	249
Total assets	79 719	81 436	68 101	62 543	59 340	36 912	34 891	34 891	35 456	36 434
Equity	56 923	56 950	46 992	42 516	40 111	23 453	22 035	21 243	20 853	20 969
Deferred tax liability	13 858	13 490	11 610	10 570	10 299	5 839	5 650	5 613	5 508	5 480
Financial liabilities and interest-bearing provisions	3 182	4 195	4 915	4 860	4 733	3 587	3 366	4 283	5 124	6 156
Operating liabilities	5 755	6 801	4 584	4 597	4 196	4 033	3 840	3 752	3 971	3 829
Total equity and liabilities	79 719	81 436	68 101	62 543	59 340	36 912	34 891	34 891	35 456	36 434
Cash flow										
Operating activities	5 805	5 484	3 229	2 457	2 884	2 286	2 509	1 961	2 526	2 176
Investing activities**	-1 653	-1 352	-1 332	-1 924	-1 050	-1 005	-644	-123	-824	-815
Cash flow after investments	4 153	4 132	1 897	533	1 834	1 281	1 865	1 838	1 702	1 361
Key ratios										
Return on capital employed, industry, %***	27	52	26	12	12	15	13	13	6	7
Return on equity, %	7	11	7	5	35	10	8	7	3	4
Debt/equity ratio, %	3	4	9	10	9	12	13	19	23	28
Ordinary dividend, SEK	8.5	8	7.5	7.25	3.5	6.75	6.5	6	5.5	5
Extra dividend, SEK	3	8	4	3.5	-	-	-	-	-	-
Share buy-backs	1 119	-	-	-	1 430	-	-	-	-	-
Average number of employees	3 546	3 466	3 474	2 974	2 915	2 955	2 976	2 989	3 315	3 359

*Excl. items affecting comparability.

**Net after disposals and before changes in non-current financial receivables.

***Wood Products, Board and Paper excl. items affecting comparability.

Holmen in brief

Holmen's extensive forest holdings are the foundation of our business. Using our own production facilities, the growing trees are refined into everything from wood for climate-smart building to renewable packaging, magazines and books, while at the same time we generate hydro and wind power on our own land. A business that not only creates value for shareholders and customers, but also contributes to a better climate and thriving rural communities.

Press and analyst conference

On the publication of the interim report, a webcast press and analyst conference will be held at 09.30 CEST on Thursday 24th of October. Holmen President and CEO Henrik Sjölund, together with Executive Vice President and CFO Anders Jernhall, will present and comment on the report. The presentation will be held in English.

The press and analyst conference will be webcast and may be followed via:
www.holmen.com/reports

You may also participate in the conference by telephone, by calling no later than 09.25 CEST on:

Within Sweden:	+46 8 505 100 31
From the rest of Europe:	+44 207 107 06 13
From the US:	+1 631 570 56 13

Financial reporting

31 January 2025	Year-end report 2024
8 May 2025	Interim report January-March 2025
14 August 2025	Interim report January-June 2025
23 October 2025	Interim report January-September 2025

This is information that Holmen AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 07.30 CEST on Thursday, 24 October 2024.

This is a translation of the Swedish interim report of Holmen Aktiebolag (publ.). In the event of inconsistency between the English and the Swedish versions, the Swedish version shall prevail.