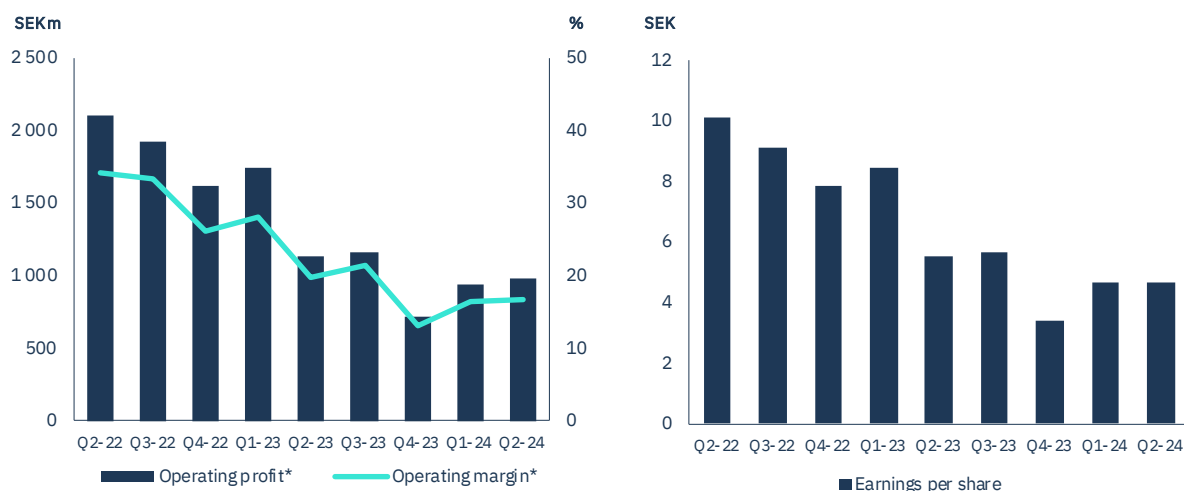


HOLMEN

Holmen's Interim Report January-June 2024

SEKm	Quarter			Jan-Jun		Full year
	2-24	1-24	2-23	2024	2023	2023
Net sales	5 894	5 720	5 754	11 613	11 977	22 795
EBITDA	1 319	1 300	1 471	2 619	3 550	6 114
Operating profit	983	944	1 138	1 927	2 875	4 755
Profit after tax	744	744	890	1 487	2 261	3 697
Earnings per share, SEK	4.7	4.7	5.5	9.3	14.0	23.0
Operating margin, %	17	17	20	17	24	21
Book value, forest assets	56 744	56 532	52 459	56 744	52 459	56 348
Cash flow before investments and change in working capital	1 024	1 112	1 289	2 136	3 588	5 311
Net financial debt	3 255	2 034	2 621	3 255	2 621	1 869
Debt/equity ratio, %	6	4	5	6	5	3

- Operating profit for January-June 2024 amounted to SEK 1 927 million (January-June 2023: 2 875). 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 first quarter, operating profit for the second quarter increased by SEK 39 million to SEK 983 million. The operating margin was 17 per cent (17).
- Profit after tax for January-June amounted to SEK 1 487 million (2 261), which corresponds to earnings per share of SEK 9.3 (14.0).
- A total of SEK 1 831 million of ordinary and extra dividends was paid in the second quarter.
- The Board of Directors has decided to initiate the repurchase of up to 3 million shares.



*Excl. items affecting comparability.

CEO comments

The second quarter was characterised by cautious consumers and low activity in the construction sector, while competition for wood raw material remained high. Thanks to our integrated business model based on our forest holdings, we were able to maintain a good profit level of SEK 983 million. Our financial position remains strong, with a net debt to equity ratio of 6 per cent.

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. In the second quarter, prices continued to increase and profit from Forest grew to SEK 490 million. Wood prices have increased by 50 per cent since 2021, increasing the return on forest assets, while forests are playing an ever more prominent role in the transition to a fossil-free world.

After a cold winter with high electricity prices, the price in Sweden decreased to relatively low levels in the second quarter. Due to the lower electricity prices and that we built up the levels in our reservoirs, profit from Renewable Energy decreased to SEK 59 million. The price premium for our renewable electricity production has reached 30 per cent this year, thanks to its ability to regulate production and help stabilise the grid.

Demand for wood products remained weak, but picked up seasonally in the spring, and prices increased as a result of global raw material shortages. The higher prices meant that the profit from Wood Products improved to SEK 47 million even though costs for logs increased. With efficient sawmills and an increased processing capacity, we will be in a good position when house construction picks up.

The market for consumer paperboard continued to recover after the sharp drop in demand last year. The paper market was stable. Thanks to higher paperboard deliveries and a better product mix, profit from Board and Paper increased to SEK 438 million despite growing wood costs. Given our strong market positions in selected niches, and our well-invested production facilities, we see good opportunities to create ample added value.

Holmen has developed well by creating added value from the forest and land we own, and our business model is now focused on four distinct business lines, i.e. forestry, hydro and wind power, woodworking industry and process industry operations. 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. With a strong financial position we are well equipped for the transition to a fossil-free world.

Key figures Q2 2024

Operating profit, SEKm

983

Operating margin, %

17

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.

	Quarter			Jan-Jun	Full year	
SEKm	2-24	1-24	2-23	2024	2023	2023
Net sales	2 491	2 233	2 073	4 725	4 178	7 996
Of which from own forest	566	455	510	1 021	894	1 768
Operating costs	-2 150	-1 937	-1 777	-4 087	-3 642	-6 958
Change in biological assets	168	174	106	342	239	562
EBITDA	509	470	402	979	775	1 600
Depreciation and amortisation according to plan	-19	-18	-11	-37	-33	-77
Operating profit	490	452	390	942	742	1 523
Investments (incl. reforestation)	52	38	49	90	77	222
Book value, forest assets	56 744	56 532	52 459	56 744	52 459	56 348
EBITDA margin*, %	59	62	58	60	59	57
Operating margin*, %	57	61	56	59	57	55
Deliveries, own forest, '000 m ³ sub	776	631	788	1 406	1 408	2 702

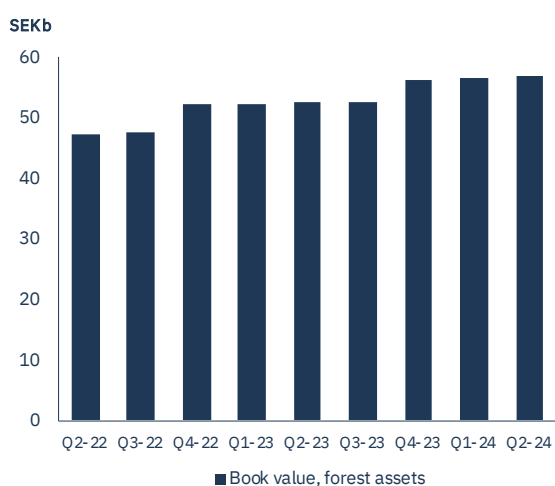
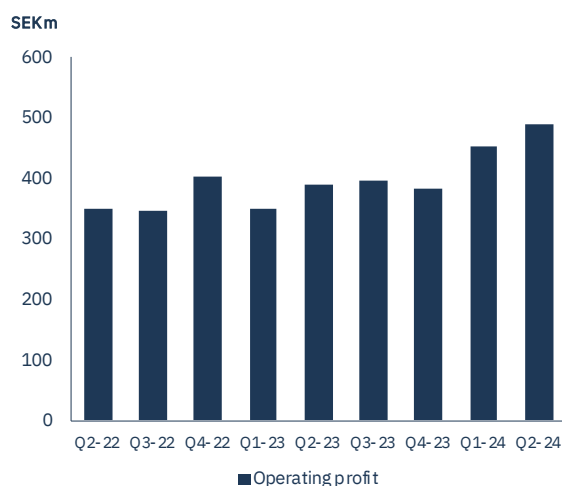
*Own forest before change in biological assets.

Competition on the wood market remained strong and prices increased further in the second quarter. Prices have increased by 50 per cent since 2021.

The harvest from Holmen's forests totalled 1 406 km³ (1 408), which is in line with the long-term harvest plan. In the second quarter, the log harvest increased seasonally.

Operating profit for January-June amounted to SEK 942 million (742). The improvement in earnings can be attributed to higher wood prices.

Compared with the first quarter, operating profit for the second quarter increased by SEK 38 million to SEK 490 million, as a result of a seasonally higher log harvest.



Renewable Energy

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

SEKm	Quarter			Jan-Jun		Full year
	2-24	1-24	2-23	2024	2023	2023
Net sales	159	302	231	461	599	1 070
Operating costs	-72	-67	-68	-139	-128	-263
EBITDA	87	235	163	322	471	807
Depreciation and amortisation according to plan	-28	-28	-27	-55	-55	-110
Operating profit	59	208	135	267	417	697
Investments	68	129	13	197	22	59
Capital employed	4 177	4 309	4 201	4 177	4 201	4 283
EBITDA margin, %	55	78	70	70	79	75
Operating margin, %	37	69	59	58	70	65
Return on capital employed, %				13	19	16
Deliveries hydro and wind power, GWh	357	475	334	832	851	1 658

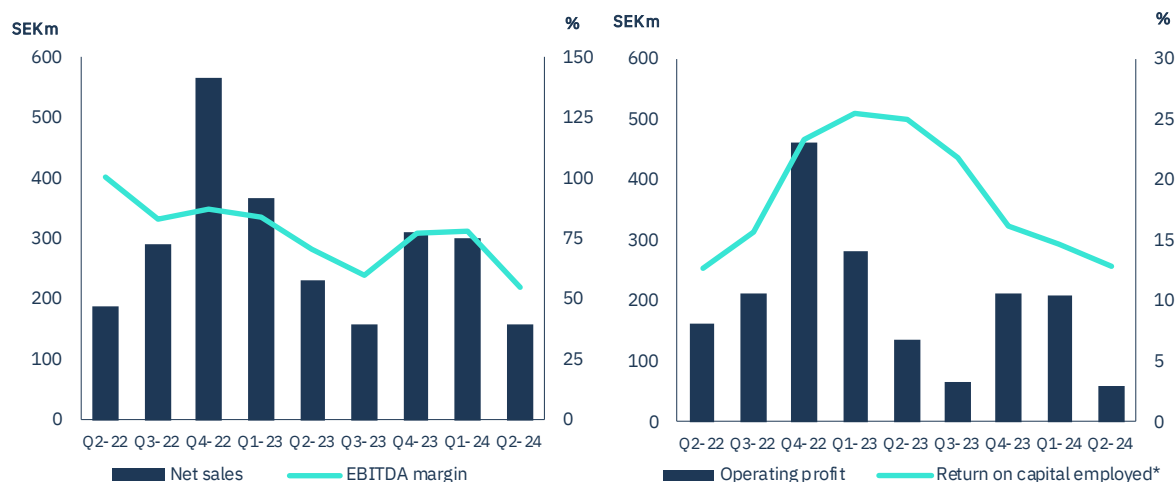
After a cold winter with high electricity prices in Sweden, prices decreased in the second quarter, amounting in northern Sweden to SEK 310/MWh (Q1: 550). For January-June, the electricity price in northern Sweden was SEK 430/MWh (2023: 540).

Holmen's deliveries of hydro and wind power amounted to 832 GWh (851) in the first half of the year, which was 14 per cent lower than in a normal year. In the second quarter, deliveries decreased due to seasonally lower hydro power production.

Operating profit for January-June amounted to SEK 267 million (417). The decrease in profit is due to lower electricity prices and lower wind power production. The selling price, including revenue from support services and guarantees of origin, was 30 per cent higher than the average market price in northern Sweden during the period.

Compared with the first quarter, operating profit for the second quarter decreased by SEK 149 million to SEK 59 million as a result of lower electricity prices, seasonally lower hydro power production and a shutdown for a rebuild of Junsterforsen Power Station.

March saw the start of the rebuild of Junsterforsen Power Station, which should carry on for the rest of the year and lead to a production loss of 90 GWh.



*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			Jan-Jun	Full year	
	2-24	1-24	2-23	2024	2023	2023
Net sales	1 053	989	1 124	2 042	2 211	4 075
Operating costs	-960	-966	-1 022	-1 926	-2 039	-3 885
EBITDA	93	23	102	116	172	190
Depreciation and amortisation according to plan	-46	-49	-48	-95	-95	-184
Operating profit	47	-26	55	20	77	6
Investments	77	100	99	177	173	391
Capital employed	2 397	2 276	2 218	2 397	2 218	2 139
EBITDA margin, %	9	2	9	6	8	5
Operating margin, %	4	-3	5	1	3	0
Return on capital employed, %				2	7	0
Deliveries, '000 m ³	342	356	388	698	786	1 498

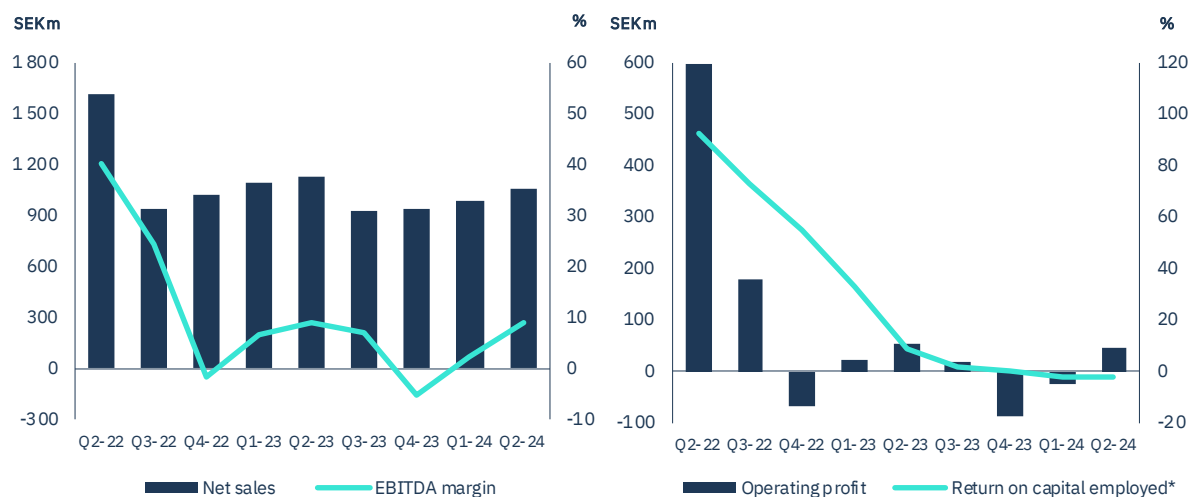
Demand for wood products remained weak but increased seasonally in the spring. Prices increased in the second quarter due to supply shortages.

Holmen curtailed production due to the weak market and deliveries for the first half of the year decreased to 698 km³ (786). Second quarter deliveries were 4 per cent lower than in the first quarter.

Operating profit for January-June amounted to SEK 20 million (77). The decrease in profit is due to lower deliveries. Costs for logs increased, but this was offset by higher selling prices and increased revenue from wood chips and biofuel.

Compared with the first quarter, operating profit for the second quarter increased by SEK 73 million to SEK 47 million as a result of higher selling prices. Costs for logs slightly increased.

The final phase of the upgrading of Iggesund Sawmill will be completed in the third quarter when the planing mill is installed.



*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			Jan-Jun		Full year
	2-24	1-24	2-23	2024	2023	2023
Net sales	3 894	3 655	3 740	7 549	7 745	14 965
Operating costs	-3 221	-3 031	-2 891	-6 252	-5 522	-11 278
EBITDA	673	624	848	1 297	2 223	3 687
Depreciation and amortisation according to plan	-235	-253	-238	-489	-477	-957
Operating profit	438	370	611	808	1 746	2 730
Investments	190	218	237	408	438	1 011
Capital employed	8 149	8 153	7 961	8 149	7 961	7 625
EBITDA margin, %	17	17	23	17	29	25
Operating margin, %	11	10	16	11	23	18
Return on capital employed, %				20	44	34
Deliveries, '000 tonnes	361	352	323	713	661	1 343

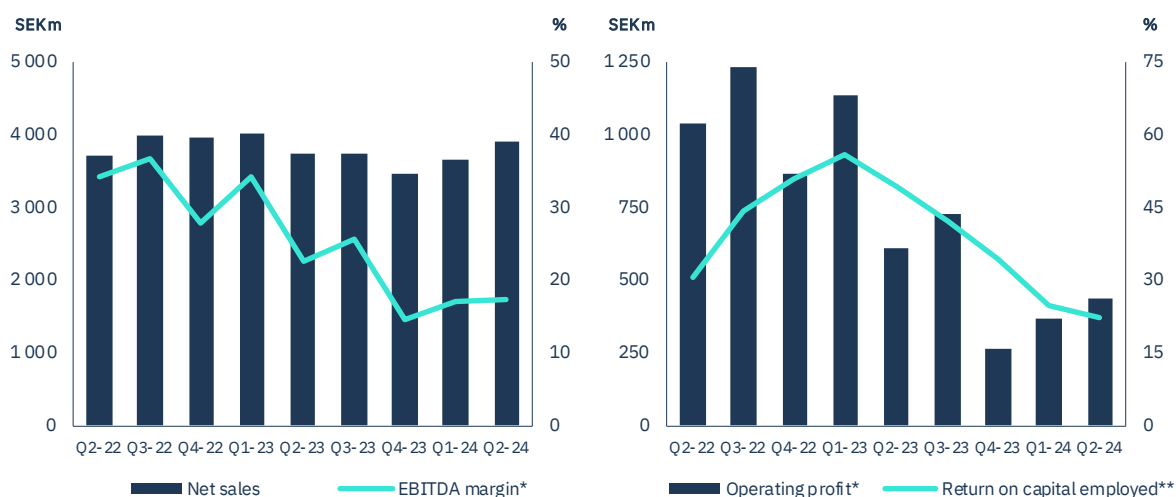
Demand for consumer paperboard increased in Europe in the second quarter but was unchanged for paper. Prices remained stable during the quarter.

Holmen's deliveries of paperboard and paper increased during the first half of the year to 713 ktonnes (661). In the second quarter, deliveries increased by 3 per cent compared with the first quarter due to increased paperboard volumes.

Operating profit for January-June amounted to SEK 808 million (1 746). The decrease in profit is mainly due to lower paper prices and the positive impact of income from the sale of surplus electricity the previous year. The cost of wood increased, but this was offset by higher sales volumes, more efficient production and increased revenue from support services.

Compared with the first quarter, operating profit for the second quarter increased by SEK 68 million to SEK 438 million. The higher profit is due to increased paperboard volumes and a better product mix, partly offset by increasing wood 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 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. **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 2 136 million (3 588) in January-June. Working capital increased, which had a SEK -621 million (414) impact on cash flow. Cash flow from investing activities amounted to SEK -878 million (-719).

A dividend of SEK 1 831 million (2 592) was paid in the second quarter.

The Group's net financial debt increased in January-June by SEK 1 386 million to SEK 3 255 million. Net debt was 6 per cent of equity.

At 30 June, the Group's long-term borrowings amounted to SEK 2 100 million and its short-term borrowings to SEK 1 300 million. Cash and cash equivalents totalled SEK 373 million. The agreed credit facility amounts to SEK 4 000 million and is available until 2027. The credit facility is unused. In the second quarter, a SEK 500 million bond issue was carried out, maturing in 2028.

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

Net financial items for January-June amounted to SEK -25 million (-20).

Tax

Recognised tax for January-June amounted to SEK -415 million (-595). Recognised tax as a proportion of profit before tax was 22 per cent (21).

Equity

In January-June, the Group's equity decreased by SEK 762 million to SEK 56 161 million. Profit for the period amounted to SEK 1 487 million (2 261) and other comprehensive income amounted to SEK -404 million (-2 628), which mainly relates to changes in the market value of electricity and currency hedges. A dividend of SEK 1 831 million was paid during the period. SEK 22 million of shares were repurchased in connection with a new share savings programme.

Hedging of exchange rates

The Group hedges parts of its future estimated net flows in foreign currencies. Operating profit for January-June includes a result from currency hedges of SEK -193 million (-293). For EUR/SEK, more than 2 years of expected net flows are hedged at an average exchange rate of 11.25. For other currencies, 4-8 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 second half of 2024, 90 per cent is hedged. For 2025, price hedges are in place covering 85 per cent, 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 3 455 (3 503).

Repurchase of shares

The Board of Directors of Holmen has decided to exercise its authorisation from the Annual General Meeting 2024 to buy back own shares. Repurchases may take place from 16 August 2024 until the next annual general meeting and include a maximum of 3 million shares of class B. Since before, Holmen holds 3 339 969 of its own shares in treasury, corresponding to 2 percent of the total number of shares.

The Board of Directors and the Chief Executive Officer hereby confirm that this interim report provides a true and fair view of the parent company's and Group's operations, position and performance, and describes material risks and uncertainties which affects the parent company and Group companies.

Stockholm, 15 August 2024
Holmen AB (publ)

Fredrik Lundberg
Chairman

Lars Josefsson
Board member

Alice Kempe
Board member

Louise Lindh
Board member

Ulf Lundahl
Board member

Fredrik Persson
Board member

Henriette Zeuchner
Board member

Carina Åkerström
Board member

Henrik Sjölund
Board member and
Chief Executive Officer

Ari Aula
Board member,
employee representative

John Nyberg
Board member,
employee representative

Tommy Åsenbrygg
Board member,
employee representative

The report has not been reviewed by the company's auditors.

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Group

	Quarter			Jan-Jun	Full year	
Condensed income statement, SEKm	2-24	1-24	2-23	2024	2023	2023
Net sales	5 894	5 720	5 754	11 613	11 977	22 795
Other operating income	472	406	439	877	925	1 996
Change in inventories	117	150	60	268	143	-79
Raw materials and consumables	-3 224	-3 244	-2 734	-6 468	-5 557	-11 162
Personnel costs	-920	-840	-894	-1 760	-1 720	-3 312
Other operating costs	-1 187	-1 068	-1 261	-2 255	-2 466	-4 691
Change in value of biological assets	168	174	106	342	239	562
Profit from investments in associates	0	2	1	2	9	6
Depreciation and amortisation according to plan	-336	-356	-332	-692	-675	-1 360
Operating profit	983	944	1 138	1 927	2 875	4 755
Finance income	8	16	10	24	26	49
Finance costs	-26	-23	-19	-48	-46	-98
Profit before tax	965	938	1 129	1 902	2 855	4 705
Tax	-221	-194	-239	-415	-595	-1 008
Profit for the period	744	744	890	1 487	2 261	3 697
Earnings per share, SEK						
Basic	4.7	4.7	5.5	9.3	14.0	23.0
Diluted	4.7	4.7	5.5	9.3	14.0	23.0
Operating margin, %	17	17	20	17	24	21
Return on capital employed, %				7	10	8
Return on equity, %				5	8	7

	Quarter			Jan-Jun	Full year	
Condensed statement of comprehensive income, SEKm	2-24	1-24	2-23	2024	2023	2023
Profit for the period	744	744	890	1 487	2 261	3 697
Other comprehensive income						
Revaluation of forest land	-	-	-	-	-	3 493
Revaluation of defined benefit pension plans	-3	-3	-18	-6	-8	-6
Tax attributable to items that will not be reclassified to profit for the period	1	1	4	1	2	-718
Items that will not be reclassified to profit for the period	-2	-3	-14	-5	-6	2 769
Cash flow hedging	401	-961	-636	-560	-3 425	-3 549
Translation difference on foreign operation	-18	118	161	100	209	55
Hedging of currency risk in foreign operation	11	-79	-107	-69	-140	-42
Tax attributable to items that will be reclassified to profit for the period	-85	214	153	130	734	740
Items that will be reclassified to profit for the period	309	-708	-429	-399	-2 622	-2 795
Total other comprehensive income after tax	306	-711	-444	-404	-2 628	-27
Total comprehensive income	1 050	33	446	1 083	-367	3 671

	Jan-Jun	
Condensed change in equity in summary, SEKm	2024	2023
Opening equity	56 923	56 950
Profit for the period	1 487	2 261
Other comprehensive income	-404	-2 628
Total comprehensive income	1 083	-367
Share saving program	8	7
Buy-back of own shares	-22	-967
Dividend	-1 831	-2 592
Closing equity	56 161	53 030

Group

	2024	2024	2023
Condensed balance sheet, SEKm	30 Jun	31 Mar	31 Dec
Non-current assets			
Forest assets			
Biological assets	30 949	30 738	30 555
Forest land	25 795	25 795	25 793
Intangible non-current assets	505	509	513
Property, plant and equipment	10 650	10 526	10 330
Right-of-use assets	253	265	244
Investments in associates	1 688	1 688	1 686
Other shares and participating interests	5	5	5
Non-current financial receivables	52	62	61
Deferred tax assets	3	3	3
Total non-current assets	69 901	69 591	69 190
Current assets			
Inventories	5 448	5 102	4 837
Trade receivables	3 311	3 241	2 696
Current tax receivable	44	50	114
Other operating receivables	1 032	997	1 630
Current financial receivables	61	7	50
Cash and cash equivalents	373	1 147	1 202
Total current assets	10 270	10 544	10 529
Total assets	80 171	80 135	79 719
Equity	56 161	56 960	56 923
Non-current liabilities			
Non-current financial liabilities	2 102	1 602	1 902
Non-current liabilities relating to right-of-use assets	153	158	160
Pension obligations	11	11	9
Non-current provisions	410	411	418
Deferred tax liabilities	13 909	13 752	13 858
Total non-current liabilities	16 585	15 934	16 347
Current liabilities			
Current financial liabilities	1 369	1 365	1 021
Current liabilities relating to right-of-use assets	108	114	91
Trade payables	3 856	3 387	3 394
Current tax liability	124	120	105
Current provisions	65	36	31
Other operating liabilities	1 904	2 219	1 808
Total current liabilities	7 425	7 241	6 449
Total liabilities	24 010	23 175	22 796
Total equity and liabilities	80 171	80 135	79 719
Debt/equity ratio, %	6	4	3
Equity/assets ratio, %	70	71	71
Capital employed	59 417	58 994	58 793
Net financial debt	3 255	2 034	1 869

Group

Condensed cash flow statement, SEKm	2-24	Quarter 1-24	2-23	Jan-Jun 2024	2023	Full year 2023
Operating activities						
Profit before tax	965	938	1 129	1 902	2 855	4 705
Adjustments for non-cash items						
Depreciation and amortisation according to plan	336	356	332	692	675	1 360
Change in value of biological assets	-168	-174	-106	-342	-239	-562
Other*	30	7	9	37	4	-31
Paid income taxes	-138	-15	-75	-153	292	-160
Cash flow from operating activities before changes in working capital	1 024	1 112	1 289	2 136	3 588	5 311
Cash flow from changes in working capital						
Change in inventories	-373	-228	-217	-601	-278	11
Change in trade receivables and other operating receivables	-35	-428	415	-463	865	899
Change in trade payables and other operating liabilities	427	17	366	443	-174	-417
Cash flow from operating activities	1 043	472	1 853	1 515	4 002	5 805
Investing activities						
Acquisition of non-current assets	-393	-487	-404	-881	-723	-1 706
Disposal of non-current assets	2	1	3	3	4	53
Cash flow from investing activities	-392	-486	-400	-878	-719	-1 653
Financing activities						
Amortization of liabilities associated with to right-of-use assets	-31	-33	-21	-64	-53	-114
Change in financial liabilities and current financial receivables	460	-9	-63	450	-583	-1 064
Buy-back of own shares	-22	-	-754	-22	-754	-1 119
Dividends paid to the shareholders of the parent company	-1 831	-	-2 592	-1 831	-2 592	-2 592
Cash flow from financing activities	-1 424	-43	-3 430	-1 467	-3 981	-4 888
Cash flow for the period	-773	-57	-1 977	-829	-698	-736
Opening cash and cash equivalents	1 147	1 202	3 214	1 202	1 935	1 935
Exchange difference in cash and cash equivalents	-1	2	7	1	8	3
Closing cash and cash equivalents	373	1 147	1 245	373	1 245	1 202

Change in net financial debt, SEKm	2-24	Quarter 1-24	2-23	Jan-Jun 2024	2023	Full year 2023
Opening net financial debt	-2 034	-1 869	-376	-1 869	-2 145	-2 145
Cash flow from operating activities	1 043	472	1 853	1 515	4 002	5 805
Cash flow from investing activities (excl. financial receivables and acquisition)	-392	-486	-400	-878	-719	-1 653
Buy-back of own shares	-22	-	-967	-22	-967	-1 119
Dividend paid	-1 831	-	-2 592	-1 831	-2 592	-2 592
Liabilities arising from new right-of-use agreements	-19	-55	-28	-74	-62	-117
Revaluations of defined benefit pension plans	-2	-3	-15	-5	-6	-6
Foreign exchange effects and changes in fair value	2	-93	-95	-91	-132	-43
Closing net financial debt	-3 255	-2 034	-2 621	-3 255	-2 621	-1 869

*The adjustments consist primarily of change in provisions, interests in earnings of associated companies, currency effects and revaluations of financial instruments as well as capital gains/losses on sale of fixed assets.

Parent company

		Quarter		Jan-Jun		Full year
Condensed income statement, SEKm	2-24	1-24	2-23	2024	2023	2023
Operating income	5 593	5 329	5 496	10 922	11 195	21 571
Operating costs	-5 211	-5 008	-4 721	-10 220	-9 500	-19 152
Operating profit	381	321	775	702	1 695	2 419
Net financial items	87	-85	195	2	158	359
Profit after net financial items	468	236	970	704	1 853	2 778
Appropriations	123	149	150	272	-39	190
Profit before tax	592	385	1 120	976	1 814	2 968
Tax	-123	-85	-166	-209	-309	-547
Profit for the period	468	299	954	767	1 504	2 421

		Quarter		Jan-Jun		Full year
Condensed statement of comprehensive income, SEKm	2-24	1-24	2-23	2024	2023	2023
Profit for the period	468	299	954	767	1 504	2 421
Other comprehensive income						
Cash flow hedging	402	-963	-635	-561	-3 307	-3 429
Tax attributable to other comprehensive income	-83	198	131	116	681	706
Items that will be reclassified to profit for the period	319	-765	-504	-446	-2 625	-2 723
Total comprehensive income	787	-465	450	322	-1 121	-302

	2024	2024	2023
Condensed balance sheet, SEKm	30 Jun	31 Mar	31 Dec
Non-current assets	19 253	19 022	18 810
Current assets	8 380	8 826	8 901
Total assets	27 633	27 848	27 711
Restricted equity	5 915	5 915	5 915
Non-restricted equity	6 009	7 071	7 533
Untaxed reserves	4 813	4 615	4 484
Provisions	1 248	1 142	1 308
Liabilities	9 649	9 104	8 471
Total equity and liabilities	27 633	27 848	27 711

Sales to Group companies accounted for SEK 219 million (194) of operating income in January-June.

Appropriations include net Group contributions totalling SEK 600 million (252).

The parent company's investments in property, plant and equipment and intangible assets totalled SEK 26 million (20).

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 June was SEK 30 949 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 342 million (239) for the period January-June and is recognised in the Group's operating profit. The book value of forest land at 30 June was SEK 25 795 million (31 Dec. 2023: 25 793).

3. External net sales by market

	Forest	Renewable Energy	Wood Products	Board and Paper	Group
Jan-Jun 2024					
Scandinavia	1 562	460	792	378	3 193
Rest of Europe	0	-	722	5 737	6 458
Asia	-	-	106	868	974
Rest of the world	-	-	422	566	988
Total Net sales	1 563	460	2 042	7 549	11 613

	Forest	Renewable Energy	Wood Products	Board and Paper	Group
Jan-Jun 2023					
Scandinavia	1 425	596	872	440	3 332
Rest of Europe	1	-	769	5 929	6 699
Asia	-	-	175	986	1 161
Rest of the world	-	-	395	390	785
Total Net sales	1 426	596	2 211	7 745	11 977

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		-3 339 969	-3 339 969		
Total number of shares issued		159 172 355	566 390 567		

5. Financial instruments

SEKm	Book value		Fair value	
	2024	2023	2024	2023
	30 Jun	31 Dec	30 Jun	31 Dec
Assets at fair value	418	941	418	941
Assets at acquisition cost	3 758	3 926	3 758	3 926
Liabilities at fair value	644	561	644	561
Liabilities at acquisition cost	7 318	6 314	7 318	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 June was SEK -226 million, which is SEK 606 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 the first half of 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-Jun		Full year
	2-24	1-24	2-23	2024	2023	2023
EBITDA	1 319	1 300	1 471	2 619	3 550	6 114
Depreciation and amortisation according to plan	-336	-356	-332	-692	-675	-1 360
Operating profit excl. items affecting comparability	983	944	1 138	1 927	2 875	4 755
Items affecting comparability	-	-	-	-	-	-
Operating profit	983	944	1 138	1 927	2 875	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 Jun	31 Mar	31 Dec
Fixed assets*	69 846	69 526	69 126
Working capital**	3 477	3 217	3 522
Deferred tax assets	3	3	3
Deferred tax liabilities	-13 909	-13 752	-13 858
Capital employed	59 417	58 994	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 Jun	31 Mar	31 Dec
Non-current financial liabilities	2 102	1 602	1 902
Non-current liabilities relating to right-of-use assets	153	158	160
Current financial liabilities	1 369	1 365	1 021
Current liabilities relating to right-of-use assets	108	114	91
Pension obligations	11	11	9
Non-current financial receivables	-52	-62	-61
Current financial receivables	-61	-567	-50
Cash and cash equivalents	-373	-587	-1 202
Net financial debt	3 255	2 034	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-Jun		Full year
Quarterly figures, SEKm	Q2	Q1	Q4	Q3	Q2	Q1	2024	2023	2023
Income statement									
Net sales	5 894	5 720	5 400	5 418	5 754	6 223	11 613	11 977	22 795
Operating costs	-4 743	-4 596	-4 521	-4 053	-4 391	-4 284	-9 339	-8 675	-17 249
Change in value of biological assets	168	174	183	140	106	133	342	239	562
Profit from associates and joint ventures	0	2	-3	0	1	8	2	9	6
EBITDA	1 319	1 300	1 059	1 505	1 471	2 080	2 619	3 550	6 114
Depreciation and amortisation according to plan	-336	-356	-345	-339	-332	-343	-692	-675	-1 360
Operating profit	983	944	714	1 166	1 138	1 737	1 927	2 875	4 755
Net financial items	-18	-6	-12	-18	-10	-10	-25	-20	-49
Profit before tax	965	938	702	1 148	1 129	1 727	1 902	2 855	4 705
Tax	-221	-194	-164	-250	-239	-356	-415	-595	-1 008
Profit for the period	744	744	538	898	890	1 371	1 487	2 261	3 697
Earnings per share, SEK	4.7	4.7	3.4	5.6	5.5	8.5	9.3	14.0	23.0
Net sales									
Forest	2 491	2 233	1 939	1 880	2 073	2 105	4 725	4 178	7 996
Renewable Energy	159	302	312	159	231	368	461	599	1 070
Wood Products	1 053	989	935	929	1 124	1 087	2 042	2 211	4 075
Board and Paper	3 894	3 655	3 471	3 749	3 740	4 005	7 549	7 745	14 965
Elimination of intra-group net sales	-1 704	-1 459	-1 257	-1 298	-1 413	-1 342	-3 163	-2 756	-5 311
Group	5 894	5 720	5 400	5 418	5 754	6 223	11 613	11 977	22 795
EBITDA by business area									
Forest	509	470	408	417	402	373	979	775	1 600
Renewable Energy	87	235	241	95	163	309	322	471	807
Wood Products	93	23	-48	66	102	70	116	172	190
Board and Paper	673	624	503	961	848	1 374	1 297	2 223	3 687
Group-wide	-44	-51	-44	-34	-44	-47	-95	-92	-170
Group	1 319	1 300	1 059	1 505	1 471	2 080	2 619	3 550	6 114
Operating profit/loss by business area									
Forest	490	452	384	397	390	351	942	742	1 523
Renewable Energy	59	208	213	68	135	282	267	417	697
Wood Products	47	-26	-89	19	55	23	20	77	6
Board and Paper	438	370	260	724	611	1 135	808	1 746	2 730
Group-wide	-51	-59	-54	-41	-52	-54	-111	-107	-202
Group	983	944	714	1 166	1 138	1 737	1 927	2 875	4 755
Operating margin, %									
Wood Products	4	-3	-10	2	5	2	1	3	0
Board and Paper	11	10	7	19	16	28	11	23	18
Group	17	17	13	22	20	28	17	24	21
Return on capital employed, %									
Industry (Wood Products, Board and Paper)	18	14	7	29	26	47	16	36	27
Group	7	6	5	8	8	12	7	10	8
Return on equity, %									
Group	5	5	4	7	7	10	5	8	7
Deliveries									
Own forest, '000 m³sub	776	631	618	676	788	620	1 406	1 408	2 702
Hydro- and windpower, GWh	357	475	491	317	334	517	832	851	1 658
Wood products, '000 m³	342	356	359	353	388	397	698	786	1 498
Board and paper, '000 tonnes	361	352	337	346	323	338	713	661	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 09.00 CEST on Thursday 15th of August. 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 08.55 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 report

24 October 2024	Interim report January-September 2024
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 and the Swedish Securities Market Act (2007:528). The information was submitted for publication, through the agency of the contact person set out above, at 08.00 CEST on Thursday, 15 August 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.