

Year-end report January–December 2023

Strong cash flow and efficiency gains ends a 2023 heavily impacted by market headwind

Key highlights

- Weak volumes in North America and negative price and mix impact in both regions
- Sequentially lower input costs, mainly related to pulpwood in Europe
- Another strong delivery of our efficiency enhancement program
- Excellent cash delivery through working capital focus
- Negative profit impact from revaluation of biological assets in the associated company BSÖ
- The Board of Directors proposes a dividend of SEK 2.00 per share (7.50)

Quarterly data Q4

- Net sales decreased by 20% to SEK 9,566 million (11,971)
- Adjusted EBITDA* SEK 774 million (2,092)
- Adjusted EBITDA margin 8% (17)
- Operating loss SEK 191 million (profit: 1,353) including items affecting comparability of SEK -244 million (-52)
- Net loss SEK 330 million (profit: 940)
- Earnings per share SEK -1.33 (3.79)

Outlook for Q1

- Market conditions expected to slightly improve from weak levels
- Improved price positions in liquid packaging board more than offset price pressure in other categories
- Increased total input costs
- Positive impact from efficiency enhancement program

Key figures*

SEKm	Q4 2023	Q4 2022	Change	Jan-Dec 2023	Jan-Dec 2022	Change
Net sales	9,566	11,971	-20%	41,224	42,590	-3%
Adjusted EBITDA	774	2,092	-63%	3,613	8,219	-56%
Operating profit	-191	1,353	-114%	534	5,687	-91%
Adjusted operating profit	53	1,405	-96%	833	5,739	-85%
Net profit	-330	940	-135%	484	4,590	-89%
Adjusted EBITDA margin, %	8	17		9	19	
Adjusted operating profit margin, %	1	12		2	13	
Adjusted ROCE, %	2	18		2	18	
Cash flow from operating activities	2,216	1,692		3,290	6,829	
Interest-bearing net debt/adjusted EBITDA	1.6	0.6		1.6	0.6	

* For key figures and a reconciliation of alternative performance measures including adjusted EBITDA, adjusted operating profit, adjusted EBITDA margin, adjusted operating profit margin, adjusted ROCE and interest-bearing net debt/adjusted EBITDA, see pages 15-17.

Comments by the CEO

2023 has been an extremely challenging year. Early in the year, we faced unusually high inventory levels throughout the value chain. The whole industry has needed to be patient and wait for the destocking to phase out. In that sense, the fourth quarter was no exception, and broadly in line with our expectations. Sales volumes came in somewhat softer due to customers protecting their working capital before year-end, and logistical challenges. The good news is, going into 2024, we see clear indications that customers' inventories are returning to normalized levels.

The organic and currency-neutral net sales in the fourth quarter declined by 21% compared to the same period last year. Our input costs continued to decrease sequentially, mainly attributed to lower wood costs in Europe. However, low sales volumes in North America as well as deteriorated prices and unfavorable category mix in both regions led to an adjusted EBITDA margin of 8%, a performance we are not satisfied with.

We have maintained a strong focus on items we can influence in an unfavorable market environment. In this context, I'm proud of the results we have delivered throughout 2023. Our three-year efficiency enhancement program has excellent momentum, and we overdelivered on the 2023 target. I am also pleased with the outstanding cash flow conversion for the year of 99%, mainly driven by successful reduction of inventory levels. This enabled us to finish the year with a continued strong balance sheet. The Board proposes a dividend for 2023 of SEK 2.00 per share, 65% of the adjusted net profit.

For the first quarter of 2024, market conditions are expected to slightly improve from weak levels for most of our product categories. We will stay proactive in terms of price management as total input costs are expected to increase. For liquid packaging board, we have secured improved price positions for significant volumes, which will more than offset price pressure in other categories.

Going into 2024, we have three main priorities: 1) Proceed with the preparations for our strategic investment projects 2) Implement a selective strategy upgrade for Region Europe and 3) Continue to deliver EBITDA uplifts from our efficiency enhancement program.

We remain convinced about the opportunities to convert some of our paper assets to board production in the US, but the transformation must deliver strong shareholder value. We continue to tune the project scope and phasing in close dialogues with suppliers. Meanwhile, we are strengthening our market position for paperboard in North America through export from Europe. Our plans to start BCTMP (bleached chemi-thermomechanical pulp) production together with Viken Skog in Norway is also proceeding. We have completed the feasibility study and submitted the application for the necessary environmental permit.



We must be agile as Region Europe is facing a new reality of structurally higher input prices. Our clear aim is to improve profitability and maintain positive cash generation across all production units. We are determined to make bold moves to secure cost competitive fiber sourcing by entering new partnerships, applying technical improvements to reduce the consumption, and increasing our field wood purchasing. We also see substantial efficiency potential in the way we work and operate across our high-quality mills.

We have several sizable building blocks for 2024 within our efficiency enhancement program. For example, we will rearrange and optimize our outbound logistics structure in Europe. The process to reduce our workforce by 350 positions is ongoing and will provide structural savings already this year. The efficiency enhancement program is in total expected to deliver an additional EBITDA uplift of SEK 700 million by the end of 2024.

For 2024, we remain optimistic that volumes will start to recover. Customer destocking is mainly over, which should give us a clear boost. However, consumption in certain categories will likely be negatively impacted by increased geopolitical and macroeconomic uncertainties. We remain focused on the items and areas we can control and will execute plans to realize efficiencies. We are also excited about the strategic investment opportunities that will be decisive for Billerud's future direction.

Ivar Vatne
President and CEO

Fourth quarter

Sales and results

Net sales for the fourth quarter declined by 20% to SEK 9,566 million (11,971). The organic* and currency-neutral net sales declined by 21% due to lower sales volumes in Region North America and negative price and mix changes in both regions. The Group's total sales volumes were 872 ktons (940), negatively impacted by the weak demand, resulting in curtailments of production in mainly North America, as well as by logistical challenges.

Adjusted EBITDA amounted to SEK 774 million (2,092), corresponding to an adjusted EBITDA margin of 8% (17). The lower result was due to deteriorated prices, lower sales volumes and negative mix changes. Reduced costs for chemicals, logistics and energy as well as delivery from the efficiency enhancement program had a positive impact.

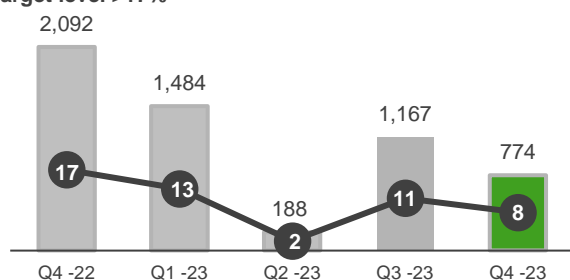
Items classified as affecting comparability totaled SEK -244 million (-52) and included restructuring costs related to personnel reductions of SEK 80 million and the negative result of revaluation of biological assets in the associated company BSÖ Holding AB Group of SEK 164 million.

Market development and outlook

In the fourth quarter, market conditions remained weak for all products except for liquid packaging board, where conditions were stable on a normalized level. Billerud assesses that the customers' destocking was largely completed by the end of the period. Prices decreased for sack, kraft and specialty paper, containerboard and cartonboard, and were largely maintained for graphic paper. Prices for market pulp increased.

For the first quarter 2024, market conditions are expected to slightly improve from weak levels. Volumes are expected to increase sequentially. Improved price positions in liquid packaging board are likely to more than offset price pressure in other categories. Higher input costs are expected, mainly driven by energy and logistics.

Adjusted EBITDA, SEKm and adjusted EBITDA margin, %
Target level >17%



* Excluding the divestment of Managed Packaging on 31 August 2023.

Events in the quarter

The sale of Billerud's ownership in the joint venture (JV) Paboco and related intellectual property to the JV partner Alpha was completed on October 9. The transaction resulted in a cash flow effect of SEK 81 million in the fourth quarter.

On October 25, it was announced that additional cost-reduction measures that involve staff reductions will be implemented to improve Billerud's efficiency, profitability and competitiveness. The number of positions will be reduced by up to 350 throughout the organization. These measures are expected to generate annual structural savings of SEK 300 million with majority of the run-rate savings in 2024. Restructuring costs related to these measures of SEK 80 million were recorded as an item affecting comparability in the fourth quarter.

The Board of Directors appointed Ivar Vatne as President and CEO of Billerud on 1 December. Ivar Vatne had been acting President and CEO since July 2023 and entered the permanent position with immediate effect. Ivar Vatne started as CFO in Billerud in May 2019 and was appointed Deputy CEO in October 2022. He has a professional background from senior positions in Arla, Fiskars and P&G.

On December 20, it was announced that Andrei Krés had been appointed as CFO of Billerud. Andrei Krés had been acting CFO since August 2023 and assumed the permanent role immediately. Andrei Krés joined Billerud in 2011 and has held several positions including Head of Group Treasury and Vice President of Group Finance.

Billerud Viken AS, the 50/50 joint venture formed by Billerud and Viken Skog AS to explore the possibilities to establish BCTMP production in Follum, Norway, received a positive response on its application for investment support from Enova, the Norwegian state company that works to promote projects that contribute to Norway meeting its climate commitments and transition to a low-emission society. Enova has granted Billerud Viken AS investment support of MNOK 87 for a sub-project with the main goal to be able to fast reduce electric power consumption and move it in time when needed, by means of innovative solutions with great flexibility.

Billerud's sustainability work was recognized as the company kept its position in the Dow Jones Sustainability Index. Billerud was among the top 10% in the industry according to Standard & Poor's 2023 Global Corporate Sustainability Assessment.

Events after the quarter

From January 1, 2024, Billerud changed the name of the operating segment "Solutions & Other" to "Other" as a consequence of the divestment of Managed Packaging and other packaging solutions businesses during 2023.

Region Europe

Key figures

SEKm	Quarter		Full year	
	Q4 -23	Q4 -22	2023	2022
Net sales	6,388	7,270	27,114	27,962
of which liquid packaging board	2,260	2,224	9,396	8,591
of which containerboard	1,304	1,447	5,347	5,480
of which kraft and specialty paper	889	1,095	3,841	3,811
of which sack paper	620	1,007	2,912	3,858
of which cartonboard	596	807	2,793	3,509
of which pulp	635	588	2,553	2,335
Net operating expenses	-5,688	-6,214	-24,361	-21,792
EBITDA	700	1,056	2,753	6,170
EBITDA margin, %	11%	15%	10%	22%
Operating profit/loss	216	611	925	4,402
Operating margin, %	3%	8%	3%	16%
Sales volumes, ktonnes	668	667	2,697	2,757

Sales and results

Net sales for the fourth quarter declined by 12% to SEK 6,388 million (7,270). Net sales excluding currency effects declined by 16% because of negative price and mix changes. Volumes were almost unchanged compared to last year.

EBITDA amounted to SEK 700 million (1,056), corresponding to an EBITDA margin of 11% (15). The deteriorated result was due to lower sales and higher operating costs, partly offset by positive impact from the efficiency enhancement program and currency effects.

Scheduled maintenance shutdown was carried out in Frövi and Rockhammar and had a negative earnings impact of around SEK 187 million (169).

Market-related curtailments of production were limited in the fourth quarter.

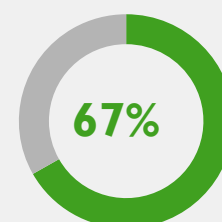
Market development

During the fourth quarter of 2023, the market conditions in Region Europe remained stable on a weak level for all products. Exception being liquid packaging board, where conditions were stable on a normalized level. Prices decreased for sack and kraft paper, containerboard and cartonboard, were stable for liquid packaging board and increased for market pulp. Input costs decreased compared to the previous quarter.

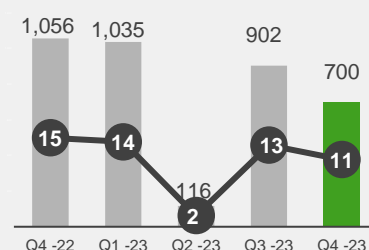
About Region Europe

Region Europe includes the board and paper products made of virgin fibre that are manufactured at the mills Gruvön, Gävle, Frövi/Rockhammar, Skärblacka and Karlsborg in Sweden and Pietarsaari in Finland. In these mills, Billerud produces liquid packaging board, kraft paper, containerboard, cartonboard, sack paper and market pulp. These materials are sold in Europe and the rest of the world. Total production capacity is around 3.1 million tons per year.

Share of Group's net sales
Q4 2023



EBITDA, SEKm and EBITDA margin, %

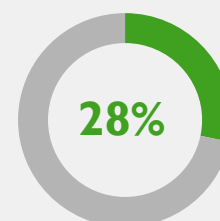


Region North America

Key figures

SEKm	Quarter		Full year	
	Q4 -23	Q4 -22	2023	2022
Net sales	2,706	4,004	11,511	11,459
of which graphic paper	1,943	2,975	8,342	8,632
of which specialty paper	424	539	1,605	1,769
of which pulp	339	491	1,564	1,059
Net operating expenses	-2,400	-2,869	-9,893	-9,042
EBITDA	306	1,135	1,618	2,417
EBITDA margin, %	11%	28%	14%	21%
Operating profit/loss	97	935	808	1,861
Operating margin, %	4%	23%	7%	16%
Sales volumes, ktonnes	204	273	839	837

Share of Group's net sales
Q4 2023



Sales and results

Net sales for the fourth quarter declined by 32% to SEK 2,706 million (4,004). Net sales excluding currency effects declined by 33%, mainly due to lower sales volumes due to weak demand and a negative mix change with a higher share of pulp sales.

EBITDA declined to SEK 306 million (1,135), corresponding to an EBITDA margin of 11% (28). The deteriorated result was mainly due to the lower sales and only partly offset by lower operating costs.

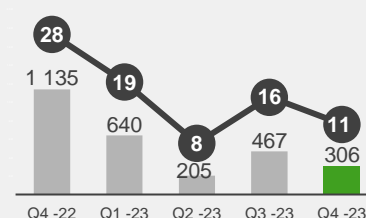
The comparison with the fourth quarter last year is affected by the changed scheduled maintenance. Scheduled maintenance at Escanaba was carried out in the fourth quarter of 2023 and had a negative result impact of SEK 69 million (-).

Capacity was adjusted to current market conditions, resulting in curtailment of production volumes of around 130 ktons.

Market development

During the fourth quarter of 2023, the market conditions for Billerud's products in Region North America remained stable on a weak level for all products. Customer's inventory reductions were largely completed at the end of the period. Prices for graphic paper were largely maintained, while prices for specialty paper decreased. Prices for market pulp increased. Input costs decreased compared to the previous quarter.

EBITDA, SEKm and EBITDA margin, %



About Region North America

Region North America includes the products made of virgin fibre manufactured at the Escanaba and Quinnesec mills in Michigan, US and the operations at the sheeting facility Wisconsin Rapids in Wisconsin, US. Billerud produces graphic and specialty paper as well as market pulp in this region and sells these materials primarily in the North American market. Total annual production capacity is around 1.1 million tons of paper and 200 thousand tons of pulp.

Solutions and Other

Sales and results

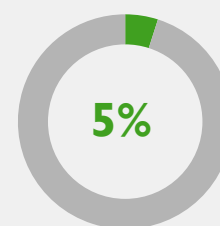
Net sales for the fourth quarter declined by 32% to SEK 472 million (697). The sales decline was mainly due to the divestment of Managed Packaging on 31 August 2023. In the fourth quarter 2022, Managed Packaging had net sales of SEK 170 million. The sales decline was also due to lower sales within wood sourcing operations.

EBITDA amounted to SEK -476 million (-151). The negative change was mainly due to items affecting comparability totaling SEK -244 million, including restructuring costs related to personnel reductions of SEK 80 million and the negative result of revaluation of biological assets in the associated company BSÖ Holding AB Group of SEK 164 million. Items affecting comparability in the fourth quarter 2022 of SEK -52 million was related to the result of a revaluation of biological assets in BSÖ Holding AB Group. The lower result was also due the divestment of Managed Packaging and higher costs relating to Group projects.

Key figures (including currency hedging etc)

SEKm	Quarter		Full year	
	Q4 -23	Q4 -22	2023	2022
Net sales	472	697	2,599	3,169
of which Managed Packaging	-	170	420	770
Net operating expenses	-948	-848	-3,656	-3,589
EBITDA	-476	-151	-1,057	-420
Operating profit	-504	-193	-1,199	-576

Share of Group's net sales
Q4 2023



January – December, consolidated

Sales and results

Net sales for 2023 decreased by 3% to SEK 41,224 million (42,590). The comparison with 2022 is affected by the acquisition of Verso on 31 March 2022 and the divestment of Managed Packaging on 31 August 2023. Region North America (formerly Verso) had net sales of SEK 3,311 million in the first quarter of 2023 (-). Managed Packaging, had net sales of SEK 233 million during 1 September-31 December 2022.

Net sales excluding currency effects, the acquisition of Verso and the divestment of Managed Packaging declined by 7% in 2023, mainly because of lower volumes and negative mix and price changes. Total sales volumes were 3,536 kt (3,594).

Adjusted EBITDA decreased to SEK 3,613 million (8,219), corresponding to an adjusted EBITDA margin of 9% (19). The lower result was due to higher raw materials costs and lower net sales, only partially offset by positive impact from the efficiency enhancement program and reduced negative impact of scheduled maintenance. The net of received and consumed emission rights had a positive impact of SEK 575 million (525).

Items classified as affecting comparability amounted to SEK -299 million (-52) and were reported in Solutions and Other.

Net profit amounted to SEK 484 million (4,590).

Earnings per share amounted to SEK 1.95 (20.13). Adjusted earnings per share amounted to SEK 3.06 (20.36).

Cash flow and financial position

Operating cash flow after investments in tangible and intangible assets amounted to SEK 1,243 million (702) for the fourth quarter of 2023. The improved cash flow from operating activities was mainly due positive changes in working capital, which more than offset lower profit before tax.

Condensed cash flow statement

SEKm	Quarter		Full year	
	Q4 -23	Q4 -22	2023	2022
Profit before tax	-355	1,181	185	5,873
Adjustments for non-cash items	1,473	1,498	2,963	2,488
Tax paid	-113	-344	-561	-453
Cash flow from changes in working capital	1,211	-643	703	-1,079
Cash flow from operating activities	2,216	1,692	3,290	6,829
Investments in tangible and intangible assets	-973	-990	-3,177	-3,330
Operating cash flow after investments in tangible and intangible assets	1,243	702	113	3,499

Financing

On 31 December 2023, the interest-bearing debt amounted to SEK 7,232 million (5,023). Interest-bearing debt decreased by SEK 207 million during the fourth quarter of 2023. The Group repaid commercial papers of SEK 1,406 million including interest and issued new commercial papers of SEK 689 million during the fourth quarter.

In November 2023, a loan agreement totalling SEK 1,300 million was signed with the European Investment Bank, of which SEK 500 million had been utilised at year-end.

Debt portfolio and maturity profile on 31 December 2023

Loan	Limit, SEKm	Maturity, years			Total utilised
		0-1	1-2	2-	
Syndicated credit facilities	5,500				-
Term loans		499	499	697	1,695
Bond loans within MTN program	7,000			2,500	2,500
Other bond loans		600	1,000		1,600
Commercial paper	4,000	1,437			1,437
Group total		2,536	1,499	3,197	7,232
Future interest payments		294	194	291	779

The interest-bearing net debt on 31 December 2023 amounted to SEK 5,729 million (4,581).

The net interest-bearing debt in relation to EBITDA at the end of the period was 1.8 (0.6). The net interest-bearing debt in relation to adjusted EBITDA was 1.6 (0.6)

Investments and capital employed

Investments in tangible and intangible assets amounted to SEK 3,177 million (3,330) for 2023. The decrease was due to reduced capital expenditures and lower investments in the new recovery boiler in Frövi.

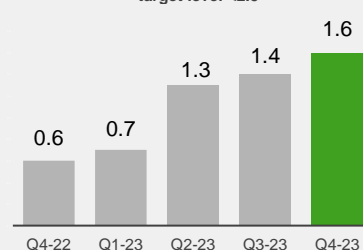
The project to build and install a new recovery boiler at Frövi was completed during 2023. The capital expenditures have been in line with the budgeted amount of SEK 2.6 billion. The investments were SEK 0.4 billion in 2021, SEK 1.1 billion in 2022 and SEK 1.0 billion in 2023. During 2024, an additional SEK 0.1 billion is expected for the new recovery boiler.

For 2024, the investments in tangible and intangible assets are expected to amount to approximately SEK 2.3 billion, whereof SEK 1.6 billion is attributable to Region Europe and SEK 0.7 billion to Region North America.

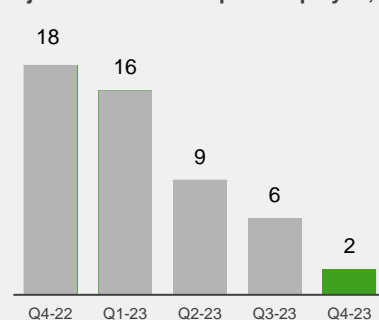
Total annual depreciations in 2024 are expected to amount to around SEK 2.9 billion.

Capital employed on 31 December 2023 amounted to SEK 32,872 million (33,834). Return on capital employed (ROCE) for the last twelve months amounted to 2% (18). Adjusted ROCE was also 2% (18). Return on equity was 2% (18) for the last twelve-months period.

Net debt/Adjusted EBITDA
target level <2.5



Adjusted return on capital employed, %



Other information

Efficiency enhancement program

In the beginning of 2023, Billerud launched a three-year efficiency enhancement program focusing on profitability improvements and with activities spanning across functions predominantly in Region Europe. The announced target for the program was an EBITDA uplift of SEK 1.5 billion by the end of 2025 run-rate. In June 2023, Billerud announced that it was accelerating the 2023 delivery of the efficiency enhancement program. The ambition for the 2023 program delivery was raised from the initial SEK 400 million to SEK 600 million.

From October 25, additional cost-reduction measures that involve personnel reductions throughout the organization are being implemented as part of this program. The number of positions will be reduced by up to 350 in both regions and Group functions. These measures are expected to generate annual structural savings of SEK 300 million, with majority of the run-rate savings in 2024. Restructuring costs related to the personnel reductions of SEK 80 million were recorded in the fourth quarter as an item affecting comparability.

During 2023, the efficiency enhancement program delivered an EBITDA-uplift of SEK 615 million. The target for the year was thus achieved. The positive impact from the program in the fourth quarter was SEK 215 million.

The target for the 2024 program delivery is an additional SEK 700 million compared with 2023, whereof around SEK 175 million is expected to impact the 2024 first quarter compared with the first quarter 2023.

Currency hedging

Currency hedging had a net sales impact of SEK 30 million (-91) in the fourth quarter and SEK -263 million (-398) for the year 2023 compared with no currency hedging.

Outstanding forward exchange contracts on 31 December 2023 had a market value of SEK 232 million, of which SEK 21 million is the portion of the contracts matched by trade receivables that affected earnings in the fourth quarter. Accordingly, other contracts had a market value of SEK 211 million.

Hedged portion of forecast currency flows

Currency	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Total 15 months
EUR Share*	83%	80%	80%	79%	35%	77%
Rate	11.03	11.34	11.69	11.69	11.15	11.44
USD Share*	81%	81%	79%	76%	51%	76%
Rate	10.51	10.54	10.57	10.77	10.01	10.55
GBP Share*	71%	24%	0%	24%	0%	24%
Rate	13.73	13.74	-	13.62	-	13.71
Market value of currency contracts**	32	47	67	83	3	232

* Share of net flow.

** On 31 December 2023.

Taxes

The tax for 2023 amounted to SEK -299 million (revenue) (1,283) (cost), equal to approximately -162% (21) of profit before tax. The low tax rate is related to US tax credits for prior years, for which a deferred tax asset was revaluated and recognized.

Changed financial reporting segments

Billerud implemented changed financial reporting segments in line with how the business performance is reviewed and governed from 1 April 2023. The comparable figures have been restated according to the new reporting structure for prior periods. The quarterly figures from the first quarter 2022 for the new financial reporting segments with regards to net sales, EBITDA, operating profit and sales volumes are presented on pages 21-22.

Parent company

The parent company Billerud AB (publ) includes head office and support functions.

Operating profit/loss for 2023 was SEK -738 million (-346). The operating result includes the effects of hedging contracts and revaluations of trade receivables.

The parent company hedges both its own and the Group's net currency flows. The parent company's result includes the results of these hedging measures. These effects were SEK -263 million (-398) for 2023.

The average number of employees on 31 December 2023 was 164 (140). The increase is mainly due centralization of the customer service organization to the parent company.

Cash and bank balances, and short-term investments amounted to SEK 1,213 million (903).

Holding of treasury shares

In the second quarter of 2023, Billerud transferred 202,322 shares under the long-term incentive program resolved by the 2020 Annual General Meeting. The amount of treasury shares amounted to 1,261,891 on 31 March 2023, and on 30 June 2023, the amount was 1,059,569. Billerud's holding of treasury shares was unchanged during the second half of the year. On 31 December 2023, the total number of shares in Billerud was 249,611,422 and the number of shares on the market was 248,551,853.

Annual General Meeting

The 2024 Annual General Meeting will be held in Stockholm on Tuesday May 21, 2024. A notice convening the Annual General Meeting with further information on how and when to provide notification of participation will be published on Billerud's website, in Svenska Dagbladet and in Post och Inrikes Tidningar in advance of the meeting.



Proposed dividend

For the 2023 fiscal year, the Board of Directors proposes a dividend of SEK 2.00 per share (7.50). The proposal entails a total share dividend of around SEK 497 million, corresponding to around 103% of the net profit and 65% of adjusted earnings per share. The proposed record day is May 23, 2024.

Risks and uncertainties

Billerud's products are generally dependent on the business cycle, in terms of both price development and potential sales volumes. The Group is exposed to currency fluctuations, since most revenues are invoiced in foreign currency, while a large part of operating expenses is in SEK. A more detailed description of risks and a sensitivity analysis, with estimated profit impact of changed sales volumes and price changes affecting operating costs, is provided on pages 67–71 in the 2022 Annual and Sustainability Report.

Billerud is affected by the war in Ukraine by its effects on the economic development and price developments for wood, energy, chemicals, and fuel. Billerud complies with applicable sanctions and regulations and suspended all sales to Russia during 2022.

The regulatory landscape for fiber-based packaging and conditions to operate in this industry is changing. EU has put forward a series of legislative proposals to accomplish the EU Green Deal, which will affect the market in the EU. Billerud is closely following the development.

Related-party transactions

No transactions took place between Billerud and related parties that significantly affected the Group's position and earnings.

Solna, January 25, 2024

Billerud AB (publ)

Ivar Vatne

President and CEO

Group

Condensed income statement

SEKm	Quarter		Full year	
	Q4 -23	Q4 -22	2023	2022
Net sales	9,566	11,971	41,224	42,590
Other operating income	94	221	308	440
Change in inventories	-156	474	-898	724
Raw materials and consumables	-5,021	-6,218	-21,461	-20,280
Other external costs	-2,164	-2,790	-9,313	-9,569
Employee benefits expense	-1,621	-1,582	-6,350	-5,719
Depreciation, amortization and impairment of non-current assets	-721	-687	-2,780	-2,480
Change in value of biological assets	-2	-	-2	-
Profit/Loss from participations and impairment in associated companies	-166	-36	-194	-19
Operating profit/loss	-191	1,353	534	5,687
Financial net	-164	-172	-349	186
Profit/Loss before tax	-355	1,181	185	5,873
Taxes	25	-241	299	-1,283
Profit/Loss from continuing operations	-330	940	484	4,590
Profit/Loss attributable to:				
Owners of the parent company	-330	940	484	4,590
Non-controlling interests	-	-	-	-
Net profit/loss for the period	-330	940	484	4,590
Earnings per share, SEK	-1.33	3.79	1.95	20.13
Diluted earnings per share, SEK	-1.33	3.78	1.95	20.09

Condensed statement of comprehensive income

SEKm	Quarter		Full year	
	Q4 -23	Q4 -22	2023	2022
Net profit/loss for the period	-330	940	484	4,590
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Revaluation of forest land	2	-	2	-
Actuarial gains or losses on defined benefit pension plans	-89	49	346	470
Change in fair value of shareholding in Other holdings	-2	-	5	-6
Tax attributable to items not to be reclassified to profit or loss	17	-14	-94	-111
Total items that will not be reclassified to profit or loss	-72	35	259	353
Items that have been or may be reclassified subsequently to profit or loss				
Differences arising from the translation of foreign operations' accounts	-740	-364	-359	774
Change in fair value of cash flow hedges	435	-1,506	-1,037	1,166
Tax attributable to items that have been or may be reclassified subsequently to profit or loss	-86	311	221	-222
Total items that have been or may be reclassified subsequently to profit or loss	-391	-1,559	-1,175	1,718
Total comprehensive income for the period	-793	-584	-432	6,661
Attributable to:				
Owners of the parent company	-793	-584	-432	6,661
Non-controlling interests	-	-	-	-
Total comprehensive income for the period	-793	-584	-432	6,661



Condensed balance sheet

SEKm	31 Dec	31 Dec
	2023	2022
Intangible assets	2,227	2,246
Tangible assets, including Right of use assets	29,933	29,648
Other non-current assets	1,747	2,231
Total non-current assets	33,907	34,125
Intangible assets	111	130
Inventories	6,137	7,305
Accounts receivable	3,804	5,006
Other current assets	1,663	2,803
Cash and cash equivalents	2,304	2,046
Total current assets	14,019	17,290
Total assets	47,926	51,415
Equity attributable to owners of the parent company	26,945	29,254
Non-controlling interests	-	-
Total equity	26,945	29,254
Interest-bearing liabilities	4,696	2,796
Lease liabilities	178	234
Provisions for pensions	653	1,196
Other liabilities and provisions	524	492
Deferred tax liabilities	3,965	4,452
Total non-current liabilities	10,016	9,170
Interest-bearing liabilities	2,536	2,227
Lease liabilities	168	177
Accounts payables	5,352	6,702
Other liabilities and provisions	2,909	3,885
Total current liabilities	10,965	12,991
Total equity and liabilities	47,926	51,415

Condensed statement of changes in equity

SEKm	Full year	
	2023	2023
Opening balance	29,254	20,041
Comprehensive income for the period	-432	6,661
Rights issue *	-	3,435
Share-based payment to be settled in equity instruments	23	22
Hedging result transferred to acquisition cost in fixed assets	-36	-15
Dividend to owners of the parent company	-1,864	-890
Closing balance equity	26,945	29,254
Equity attributable to:		
Owners of the parent company	26,945	29,254
Non-controlling interests	-	-
Closing balance equity	26,945	29,254

*Reduced by costs of SEK 63 million, net of tax.

Condensed cash flow statement

SEKm	Quarter			Full year	
	Q4 -23	Q3 -23	Q4 -22	2023	2022
Operating activities					
Profit before tax	-355	372	1,181	185	5,873
Adjustments for non-cash items*	1,473	347	1,498	2,963	2,488
Tax paid	-113	2	-344	-561	-453
Cash flow from changes in working capital	1,211	361	-643	703	-1,079
Cash flow from operating activities	2,216	1,082	1,692	3,290	6,829
Investing activities					
Investments in tangible and intangible assets	-973	-638	-990	-3,177	-3,330
Disposal of property, plant and equipment	6	2	2	9	32
Business combinations **	-	-	-	-	-6,128
Sale of subsidiaries, Note 3	-	-80	-	-80	-
Acquisition of financial assets/contribution associated companies	-10	-17	-	-43	-15
Dividend from associated companies	-	-	-	17	12
Disposal/repayment of financial assets/other holdings and associated companies	81	48	-	129	10
Change in interest-bearing receivables	1	9	-	19	3
Cash flow from investing activities	-895	-676	-988	-3,126	-9,416
Financing activities					
Change in interest-bearing liabilities	-241	-353	-2,265	2,018	-1,637
Rights issue	-	-	-	-	3,419
Dividend	-	-	-	-1,864	-890
Cash flow from financing activities	-241	-353	-2,265	154	892
Total cash flow for the period	1,080	53	-1,561	318	-1,695
Cash and cash equivalents at start of period	1,363	1,286	3,922	2,046	3,558
Translation differences in cash and cash equivalents	-139	24	-315	-60	183
Cash and cash equivalents at the end of the period	2,304	1,363	2,046	2,304	2,046

*Reconciliation of non-cash items

SEKm	Quarter			Full year	
	Q4 -23	Q3 -23	Q4 -22	2023	2022
Depreciation, amortization and impairment of assets	721	697	687	2,780	2,480
Financial items	90	6	582	196	114
Disposal of non-current assets	3	-21	22	-14	22
Pensions and other provisions	38	-247	-85	-233	-100
Unrealized result from emission rights	449	-129	252	17	-69
Share of profit/loss in associates/impairment of investments	166	42	36	194	19
Share based payments	6	-1	4	23	22
Total non-cash items	1,473	347	1,498	2,963	2,488

** Business combination refers to the acquisition of Verso Corporation, in 2022.

Notes

Note 1: Accounting policies

The interim report for the Group is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The accounting policies applied in this interim report are the same as those used in the most recent

annual report for 2022, see pages 76-82 and page 162-163 for definitions of key figures. The interim report for the parent company is prepared in accordance with the Swedish Annual Accounts Act.

Note 2: Financial assets and liabilities

<i>Valuation classification</i>	Fair value hedging instruments <i>Level 2</i>	Fair value through other comprehensive income <i>Level 3</i>	Amortised costs	Total carrying amount	Fair value
Group 31 December 2023					
Other shares and participations		11		11	11
Long-term receivables *	1		130	131	131
Accounts receivable			3,804	3,804	3,804
Other receivables *	463		616	1,079	1,079
Cash and cash equivalents			2,304	2,304	2,304
Total	464	11	6,854	7,329	7,329
Non-current interest-bearing liabilities			4,874	4,874	4,954
Current interest-bearing liabilities			2,705	2,705	2,705
Accounts payables			5,352	5,352	5,352
Other liabilities*	50		436	486	486
Total	50	-	13,367	13,417	13,497

<i>Valuation classification</i>	Fair value hedging instruments <i>Level 2</i>	Fair value through other comprehensive income <i>Level 3</i>	Amortised costs	Total carrying amount	Fair value
Group 31 December 2022					
Other shares and participations		54		54	54
Long-term receivables *	464		77	541	541
Accounts receivable			5,006	5,006	5,006
Other receivables *	1,193		743	1,936	1,936
Cash and cash equivalents			2,046	2,046	2,046
Total	1,657	54	7,872	9,583	9,583
Non-current interest-bearing liabilities			3,029	3,029	3,029
Current interest-bearing liabilities			2,403	2,403	2,409
Accounts payables			6,702	6,702	6,702
Other liabilities*	259		435	694	694
Total	259	-	12,569	12,828	12,834

*Fair value hedging instruments related to electricity represent a value of SEK 0 million (SEK 456 million on Dec 31 2022) classified as Long term receivables and SEK 218 million (SEK 1,126 million on Dec 31 2022) classified as Other receivables. SEK 30 million (SEK 0 million on Dec 31 2022) are classified as Long-term liability.

Note 3: Divestment of subsidiaries

On 31 August 2023, Billerud divested Managed Packaging to Mimir Group. The divestment resulted in a total capital gain of SEK 23 million. The total capital gain includes a positive effect of accumulated exchange rate differences of SEK 9 million.

SEKm Group	August 31, 2023
Divested assets and liabilities	
Other non-current assets	17
Current assets	158
Total Assets	175
Non-current liabilities	1
Current liabilities	126
Total liabilities	127
Selling price	
Consideration	83
Selling costs	-21
Deferred selling price	-80
Cash in the divested business	-62
Effect on cash and cash equivalents	-80
Capital result	
Consideration, less selling costs	62
Assets sold	-175
Liabilities sold	127
Capital result	14
Translation differences from foreign operation classified to profit or loss	9
Total capital result	23

Note 4: Other disclosures

Other disclosures in accordance with IAS 34.16A can be found on the pages prior to the income statement and the statement of comprehensive income. Information regarding

significant events after the quarter can be found on page 3, regions can be found on pages 4-6, financing on page 7 and seasonal effects on page 18.

Key figures

Key figures	Full year	
	2023	2022
Margins		
EBITDA margin, %	8	19
Adjusted EBITDA margin, %	9	19
Operating margin, %	1	13
Adjusted operating margin, %	2	13
Return (rolling 12 months)		
Return on capital employed, % (ROCE)	2	18
Adjusted Return on capital employed, % (adj ROCE)	2	18
Return on equity, %	2	18
Capital structure at end of period		
Capital employed, SEKm	32,872	33,834
Working capital, SEKm	3,684	5,140
Equity attributable to owners of the parent company, SEKm	26,945	29,254
Interest-bearing net debt, SEKm	5,927	4,581
Net debt/equity ratio	0.22	0.16
Interest-bearing net debt / EBITDA over 12 months	1.8	0.6
Interest-bearing net debt / Adjusted EBITDA over 12 months	1.6	0.6
Key figures per share		
Earnings per share, SEK	1.95	20.13
Adjusted earnings per share, SEK	3.06	20.36
Dividend (for the financial year) per share, SEK	2.00*	7.50
Other key figures		
Working capital as percentage of net sales, %	12	11
Investments in tangible and intangible assets, SEKm	3,177	3,330
Average number of employees	6,134	5,525

*Board of Directors' proposal.



Reconciliation of alternative performance measures

Items affecting comparability*, SEKm	Quarter			Full year	
	Q4 -23	Q3 -23	Q4 -22	2023	2022
Impairment of shares in associated company (Profit/loss from participations and impairment in associated companies)	-	52	-	52	-
Total capital result from divestment of Managed Packaging (Other operating income)	-	-23	-	-23	-
Restructuring cost (Employee benefits expense)	80	26	-	106	-
Revaluation of biological assets in associated companies (Profit from participations in associated companies)	164	-	52	164	52
Items affecting comparability	244	55	52	299	52
EBITDA, SEKm and EBITDA margin, %					
Operating profit	-191	415	1,353	534	5,687
Depreciation, amortizations and impairment of non-current assets	721	697	687	2,780	2,480
EBITDA, SEKm	530	1,112	2,040	3,314	8,167
Net sales	9,566	10,210	11,971	41,224	42,590
EBITDA margin, %	6	11	17	8	19
Adjusted EBITDA, SEKm and adjusted EBITDA margin, %					
EBITDA	530	1,112	2,040	3,314	8,167
Items affecting comparability*	244	55	52	299	52
Adjusted EBITDA, SEKm	774	1,167	2,092	3,613	8,219
Net sales	9,566	10,210	11,971	41,224	42,590
Adjusted EBITDA margin, %	8	11	17	9	19
Operating margin, %					
Operating profit	-191	415	1,353	534	5,687
Net sales	9,566	10,210	11,971	41,224	42,590
Operating margin, %	-2	4	11	1	13
Adjusted operating profit, SEKm and adjusted operating margin, %					
Operating profit	-191	415	1,353	534	5,687
Items affecting comparability*	244	55	52	299	52
Adjusted operating profit, SEKm	53	470	1,405	833	5,739
Net sales	9,566	10,210	11,971	41,224	42,590
Adjusted operating margin, %	1	5	12	2	13
Return on capital employed, %					
Operating profit over 12 months***	534	2,077	5,687	534	5,687
Average capital employed over 12 months**	34,287	34,700	31,722	34,287	31,722
Return on capital employed, %	2	6	18	2	18
Adjusted return on capital employed, %					
Adjusted operating profit over 12 months***	833	2,184	5,739	833	5,739
Average capital employed over 12 months**	34,287	34,700	31,722	34,287	31,722
Adjusted return on capital employed, %	2	6	18	2	18
Return on equity, %					
Net profit attributed to owners of the parent company over 12 months ***	484	1,755	4,590	484	4,590
Average shareholders' equity attributed to owners of the parent company **	28,053	28,633	25,520	28,053	25,520
Return on equity, %	2	6	18	2	18
Net debt/equity ratio					
Interest-bearing net debt	5,927	6,937	4,581	5,927	4,581
Total equity	26,945	27,750	29,254	26,945	29,254
Net debt/equity ratio	0.22	0.25	0.16	0.22	0.16

Reconciliation of alternative performance measures (cont.)

	Quarter			Full year	
	Q4 -23	Q3 -23	Q4 -22	2023	2022
Interest-bearing net debt / EBITDA, multiple					
Interest-bearing net debt	5,927	6,937	4,581	5,927	4,581
EBITDA over 12 months***	3,314	4,824	8,167	3,314	8,167
Interest-bearing net debt / EBITDA, multiple	1.8	1.4	0.6	1.8	0.6
Interest-bearing net debt / Adjusted EBITDA, multiple					
Interest-bearing net debt	5,927	6,937	4,581	5,927	4,581
Adjusted EBITDA over 12 months***	3,613	4,931	8,219	3,613	8,219
Interest-bearing net debt / Adjusted EBITDA, multiple	1.6	1.4	0.6	1.6	0.6
Adjusted earnings per share, SEK					
Profit attributed to owners of the parent company, SEKm	-330	656	940	484	4,590
Items affecting comparability, attributed to owners of the parent company, SEKm *	227	50	52	277	52
Adj profit attributed to owners of the parent company, SEKm	-103	706	992	761	4,642
Weighted number of outstanding shares, thousands	248,552	248,552	248,350	248,488	228,014
Adjusted earnings per share, SEK	-0.41	2.84	4.00	3.06	20.36
Working capital as percentage of net sales, %					
Average working capital for the period	4,391	5,316	5,587	5,080	4,568
Annualized net sales	38,265	40,840	47,882	41,224	42,590
Working capital as percentage of net sales, %	11	13	12	12	11

* Revenue = -, Cost = +

** Average for the five latest quarters.

***12 months is calculated by adding accumulated amounts for the current year plus full previous year, minus prior year's accumulated amounts for periods exceeding 12 months from the balance sheet date.

	31 Dec 2023	31 Dec 2022
Capital employed, SEKm		
Total assets	47,926	51,415
Accounts payables	-5,352	-6,702
Other liabilities and provisions	-3,433	-4,378
Deferred tax liabilities	-3,965	-4,452
Non-current receivables (interest-bearing)	-	-3
Cash and Cash equivalents	-2,304	-2,046
Capital employed	32,872	33,834
Working capital, SEKm		
Inventories	6,137	7,305
Accounts receivables	3,804	5,006
Other current receivables and current intangible assets	1,774	2,934
Accounts payables	-5,352	-6,702
Other current liabilities and provisions	-2,909	-3,885
Reduction of current provisions	110	99
Reduction of tax liabilities/receivables	120	383
Working capital	3,684	5,140
Interest-bearing net debt, SEKm		
Provisions for pensions	653	1,196
Interest bearing non-current liabilities	4,696	2,796
Non-current lease liabilities	178	234
Interest bearing current liabilities	2,536	2,227
Current lease liabilities	168	177
Non-current receivables (interest-bearing)	-	-3
Cash and Cash equivalents	-2,304	-2,046
Interest-bearing net debt	5,927	4,581

Seasonal effects

Billerud's business is subject to seasonal fluctuations to a relatively limited extent. Periodical maintenance shutdowns have the largest impact, as they involve each unit stopping production for around one week. The loss of production results in somewhat lower deliveries over an extended period before, during and after the shutdown. It should also be noted that the Group usually has a somewhat higher cost level in the fourth quarter than in previous quarters.

Planned maintenance shutdowns

In addition to ongoing maintenance during production, Billerud's production units normally also require more extensive maintenance at some time during the year. Maintenance requires the production of pulp, paper and board to stop. The main financial impact from a maintenance shutdown comprises of volume losses arising from the shutdown and increase in fixed costs, mainly maintenance and overtime costs, as well as a certain portion of variable costs including higher consumption of electricity and wood

when production is restarted. The effects of shutdowns on earnings vary depending on volume losses, extent of the measures carried out, their nature and the actual length of the shutdown. The estimated earnings impact of a maintenance shutdown is an indicative impact of a normal shutdown performed in average market conditions compared with a quarter during which no periodic maintenance shutdown takes place.

The estimated earnings impact of a maintenance shutdown is calculated as the sum of the fixed costs for the maintenance, increased variable costs associated with the shutdown and lower fixed cost coverage from reduced capacity utilization during the stops.

Planned maintenance shutdowns were carried out in Frövi, Rockhammar and Escanaba during the fourth quarter and the total result impact was around SEK 256 million.

Estimated average earnings impact from planned maintenance shutdowns

Production units	Estimated average earnings impact	Estimated breakdown of earnings impact		Planned dates of maintenance shutdown		
		SEKm	Region Europe	Region North America	2024	2023
Gävle	~ 170	100%	0%	Q3	Q3	Q3
Gruvön	~ 140	100%	0%	Q2	Q2	Q1-Q2
Frövi	~ 80	100%	0%	Q4	Q4	Q4
Skärblacka	~ 130	100%	0%	Q2	Q2	Q2
Karlsborg	~ 90	100%	0%	Q3	Q3	Q3
Pietarsaari	~ 20	100%	0%	Q2	-	Q2
Rockhammar	~ 10	100%	0%	Q4	Q4	Q4
Escanaba	~ 110	0%	100%	Q3-Q4	Q3-Q4	Q3
Quinnesec	~ 135	0%	100%	Q2	-	Q3

Key Figures – Definitions and purpose

Adjusted key figures	Adjusted key figures on EBITDA, Operating profit, Return on capital employed and Earnings per share provide a better understanding of the underlying business performance and enhance comparability from period to period, when the effect of items affecting comparability are adjusted for. Items affecting comparability can include additional project costs for major projects, major restructuring/write downs /revaluations, litigations, specific impact due to strategic decisions, and significant earnings effects from acquisition and disposals.
EBITDA	Operating profit before depreciation, amortization and impairment. EBITDA is a central measure of operating performance, to assess the performance over time.
EBITDA margin, %	EBITDA as a percentage of net sales. The measure is used in review as well as for benchmarking with peer companies.
Adjusted EBITDA	Operating profit before depreciation, amortization and impairment adjusted for items affecting comparability. Adjusted EBITDA is relevant for assessing performance excluding items affecting comparability.
Adjusted EBITDA margin, %	Adjusted EBITDA as a percentage of net sales. The measure is used for assessing profitability excluding items affecting comparability.
Operating margin, %	Operating profit as a percentage of net sales. Operating margin shows the percentage of revenue remaining as operating profit after deducting operating expenses. The measure is used for performance monitoring as well as for benchmarking with peer companies.
Adjusted operating profit	Operating profit adjusted for items affecting comparability. The measure is used for assessing performance excluding items affecting comparability.
Adjusted operating margin, %	Adjusted operating profit as a percentage of net sales. The measure is used for assessing performance excluding items affecting comparability.
Return on capital employed (ROCE)	Operating profit calculated over 12 months as a percentage of average capital employed calculated per quarter for the last 5 quarters. 12 months is calculated by adding accumulated amounts for the current year plus full previous year, minus prior year's accumulated amounts for periods exceeding 12 months from the balance sheet date. The return on capital employed is a measure that shows how effectively total net operating assets are used in order to generate return in the operating business. The measure takes capital invested in the operating activities into account and is used for business performance monitoring and benchmarking with peer companies.
Adjusted Return on capital employed (ROCE)	Adjusted operating profit calculated over 12 months as a percentage of average capital employed calculated per quarter for the last 5 quarters. 12 months is calculated by adding accumulated amounts for the current year plus full previous year, minus prior year's accumulated amounts for periods exceeding 12 months from the balance sheet date. The measure is used for assessing the return on net operating assets excluding items affecting comparability.
Return on equity, %	Profit calculated over 12 months, attributable to owners of the parent company, as a percentage of average shareholders' equity calculated per quarter, attributable to owners of the parent company. 12 months is calculated by adding accumulated amounts for the current year plus full previous year, minus prior year's accumulated amounts for periods exceeding 12 months from the balance sheet date. The measure represents total profitability compared to the equity invested by the parent company's shareholders.
Capital employed	Total assets less accounts payables, other liabilities and provisions, deferred tax liabilities, non-current receivables (interest-bearing) and cash and cash equivalents. Capital employed is used to quantify the net total assets used in the operating business, and is used as a component in measuring operating profitability.
Working capital	Inventories, accounts receivables, other current receivables and current intangible assets (emission rights) less accounts payables and other current liabilities. The measure shows the amount of current net assets that is tied up in the business. Together with non-current assets, working capital constitutes the operating capital employed to generate operating returns.
Interest-bearing net debt	The sum of provisions for pensions, interest-bearing liabilities and leasing liabilities less non-current receivables from associates (interest-bearing) and cash and cash equivalents. The measure is used to quantify the debt financing, taken the amount of financial assets into account. The measure is used as a component in measuring financial risk.
Net debt/equity ratio	Interest-bearing net debt divided by equity. The ratio shows the mix between interest-bearing net debt and equity financing. A higher ratio means higher financial leverage and may have positive effects on return on equity but imply a higher financial risk.
Interest-bearing net debt/EBITDA	Interest bearing net debt at the end of the period divided by EBITDA for the last 12 months. 12 months is calculated by adding accumulated amounts for the current year plus full previous year, minus prior year's accumulated amounts for periods exceeding 12 months from the balance sheet date. The measure shows the size of the interest-bearing net debt compared to the repayment capacity. A higher (lower) ratio indicates a higher (lower) risk.

Interest-bearing net debt/adjusted EBITDA	Interest bearing net debt at the end of the period divided by adjusted EBITDA for the last 12 months. 12 months is calculated by adding accumulated amounts for the current year plus full previous year, minus prior year's accumulated amounts for periods exceeding 12 months from the balance sheet date. The measure is used for assessing the repayment capacity excluding items affecting comparability.
Earnings per share	Profit attributable to owners of the parent, divided by the average number of outstanding ordinary shares in the market.
Adjusted earnings per share	Profit attributable to owners of the parent adjusted for items affecting comparability after tax, divided by the average number of outstanding ordinary shares in the market. The measure is used for assessing earnings per share excluding items affecting comparability.
Working capital as percentage of net sales	Average working capital is calculated by using the average of all quarterly periods during the interim period from the beginning of the financial year, divided by annualized net sales. Annual net sales are calculated by dividing the net sales for the most recent interim period from the beginning of the financial year by the number of months in this interim period and multiplying by twelve. Working capital in relation to net sales shows how effectively the working capital is used. A lower percentage means less capital is tied up to generate a given amount of revenue, and an increased ability to internally finance growth and return to shareholders.
Operating cash flow after investments in tangible and intangible assets	Cash flow from the operating activities, including investments in tangible and intangible assets. The measure shows cash flow generated in the operating business, which provides the amount of cash flows available to repay debt, acquire and invest in other businesses and pay dividends to the shareholders.
Cash conversation	Cash flow from operating activities divided by EBITDA. This measure is used for assessing the generation of cash of the operating profit before depreciation, amortization and impairment.

Parent company

Condensed income statement

SEKm	Quarter		Full year	
	Q4 -23	Q4 -22	2023	2022
Operating income*	-49	-29	58	302
Operating expenses	-144	-68	-796	-648
Operating profit/loss	-193	-97	-738	-346
Financial income and expenses	-143	-80	-206	433
Profit/Loss after financial income and expenses	-336	-177	-944	87
Appropriations	776	3,468	776	3,468
Profit/loss before tax	440	3,291	-168	3,555
Taxes	-162	-685	-11	-733
Net profit/loss for the period	278	2,606	-179	2,822

* Including currency hedging etc.

Condensed balance sheet

SEKm	31 Dec 2023	31 Dec 2022
Non-current assets	16,125	16,058
Current assets	16,775	16,887
Total assets	32,900	32,945
Shareholders' equity	10,679	12,699
Untaxed reserves	1,300	2,070
Provisions	307	269
Liabilities	20,614	17,907
Total equity and liabilities	32,900	32,945

Quarterly data

Billrud's packaging material business is governed in two operating segments based on the region in which the products are manufactured: Region Europe and Region North America.

Solutions and Other includes Procurement & Wood Supply, Scandifibre Logistics AB, Managed Packaging, Consolidated Waterpower company, rental operations, dormant companies, idle assets, income from the sale of businesses, items affecting comparability and costs due to increased

investments in the production structure. Other also includes Group-wide functions, Group eliminations (including IFRS 16) and profit/loss from participation in associated companies. Currency hedging etc. includes results from hedging of the Group's net currency flows and revaluation of accounts receivables and payments from customers. The part of the currency exposure that relates to changes in exchange rates for invoicing is included in the regions' profit/loss.

Quarterly net sales per region and for the Group

SEKm	2023				2022				Full year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022
Region Europe	6,388	6,765	6,495	7,466	7,270	7,332	6,766	6,594	27,114	27,962
Region North America	2,706	2,839	2,655	3,311	4,004	3,717	3,738	-	11,511	11,459
Solutions & Other	586	738	827	797	844	755	852	815	2,948	3,266
Currency hedging, etc.	-114	-132	-24	-79	-147	10	52	-12	-349	-97
Total Group	9,566	10,210	9,953	11,495	11,971	11,814	11,408	7,397	41,224	42,590

Quarterly EBITDA per region and for the Group

SEKm	2023				2022				Full year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022
Region Europe	700	902	116	1,035	1,056	1,766	1,599	1,749	2,753	6,170
Region North America	306	467	205	640	1,135	522	760	-	1,618	2,417
Solutions & Other	-362	-125	-108	-113	14	-102	-144	-73	-708	-305
Currency hedging, etc.	-114	-132	-25	-78	-165	10	52	-12	-349	-115
Total Group	530	1,112	188	1,484	2,040	2,196	2,267	1,664	3,314	8,167

Quarterly EBITDA margin per region and for the Group

%	2023				2022				Full year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022
Region Europe	11	13	2	14	15	24	24	27	10	22
Region North America	11	16	8	19	28	14	20	-	14	21
Group	6	11	2	13	17	19	20	22	8	19

Adjusted quarterly EBITDA, excluding planned maintenance shutdowns, per region and for the Group

SEKm	2023				2022				Full year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022
Region Europe	887	1,195	519	1,035	1,225	2,097	1,944	1,829	3,636	7,095
Region North America	375	550	205	640	1,135	1,084	760	-	1,770	2,979
Solutions & Other	-118	-70	-108	-113	66	-102	-144	-73	-409	-253
Currency hedging, etc.	-114	-132	-25	-78	-165	10	52	-12	-349	-115
Total Group	1,030	1,543	591	1,484	2,261	3,089	2,612	1,744	4,648	9,706
Maintenance shutdowns	-256	-376	-403	-	-169	-893	-345	-80	-1,035	-1,487
Items affecting comparability	-244	-55	-	-	-52	-	-	-	-299	-52
EBITDA	530	1,112	188	1,484	2,040	2,196	2,267	1,664	3,314	8,167

Adjusted quarterly EBITDA margin, excluding planned maintenance shutdowns, per region and for the Group

%	2023				2022				Full year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022
Region Europe	14	18	8	14	17	29	29	28	13	25
Region North America	14	19	8	19	28	29	20	-	15	26
Total Group	11	15	6	13	19	26	23	24	11	23

Quarterly operating profit/loss, per region and for the group

SEKm	2023				2022				Full year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022
Region Europe	216	452	-332	589	611	1,325	1,158	1,308	925	4,402
Region North America	97	262	6	443	935	342	584	-	808	1,861
Solutions & Other	-390	-167	-146	-147	-28	-141	-185	-107	-850	-461
Currency hedging, etc.	-114	-132	-24	-79	-165	10	52	-12	-349	-115
Total Group	-191	415	-496	806	1,353	1,536	1,609	1,189	534	5,687

Quarterly operating margin per region and for the group

%	2023				2022				Full year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022
Region Europe	3	7	-5	8	8	18	17	20	3	16
Region North America	4	9	0	13	23	9	16	-	7	16
Total Group	-2	4	-5	7	11	13	14	16	1	13

Quarterly sales volumes per region

ktonnes	2023				2022				Full year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2023	2022
Region Europe	668	683	638	708	667	688	688	714	2,697	2,757
Region North America	204	207	193	235	273	257	307	-	839	837
Total Group	872	890	831	943	940	945	995	714	3,536	3,594

Financial calendar

Q1 2024 report – 24 April 2024

Q2 2024 report – 19 July 2024

Q3 2024 report – 24 October 2024

Presentation

The 2023 year-end report will be presented on Thursday 25 January at 9:00 CET in a webcasted telephone conference that can be followed on: <https://edge.media-server.com/mmc/p/62a9bzwg>

To participate via telephone, and thereby be able to ask questions, please register here to receive dial-in details: <https://register.vevent.com/register/BI073f5425bfc4404f9ce1a0405fed3570>

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The report has not been reviewed by the company's auditors. The English version is a translation of the Swedish original.

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BILLERUD

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