



Metsä Board's Annual General Meeting 2025

CEO's review

Mika Joukio
CEO

Metsä Board Corporate Management Team



Mika Joukio
CEO

Chair of CMT since 2014
At Metsä Group since 1990



Henri Sederholm
CFO

Member of CMT since 2021
At Metsä Group since 2003



Markku Leskelä
SVP, Development

Member of CMT since 2021
At Metsä Group since 1993



Jussi Noponen
SVP, Sales
and Supply Chain

Member of CMT since 2016
At Metsä Group since 2000



Harri Pihlajaniemi
SVP, Production and
Technology

Member of CMT since 2017
At Metsä Group in 2001–2004
and since 2017



Camilla Wikström
SVP, HR

Member of CMT since 2019
At Metsä Group since 2001

Strategy and business operations today

Our strategy highlights solutions that promote circular economy

STRATEGY

We grow in fibre-based packaging materials and renew our industrial operations

OUR STRATEGIC PROGRAMMES

- Premium supplier
- Effective innovation
- Safe and efficient operations and organic growth
- Leader in sustainability
- Motivated people

MEGATRENDS

Population growth Urbanisation Biodiversity loss Climate change Digitalisation



PURPOSE:

Advancing the bioeconomy and circular economy by sustainably and efficiently processing northern wood into first-class products.

VISION:

Preferred supplier of innovative and sustainable fibre-based packaging solutions, creating value for customers globally.

We focus on customers, who most benefit the high quality and performance of our products

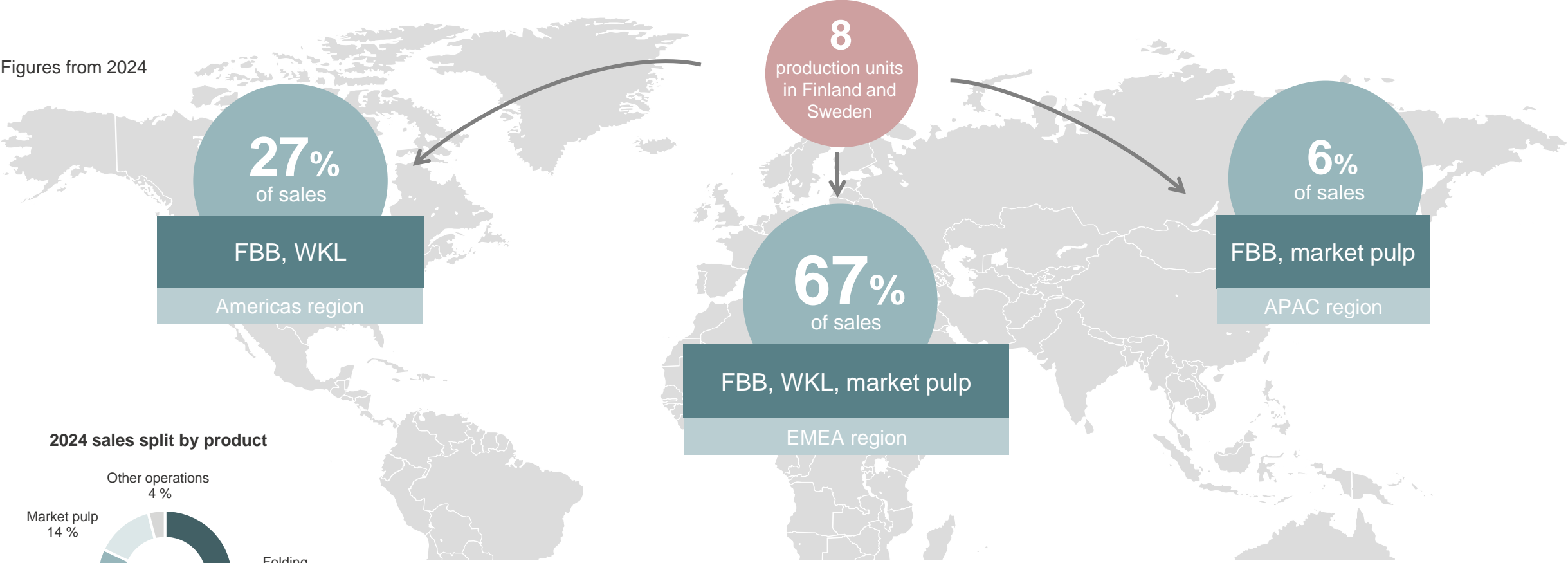


*) excluding Tako capacity

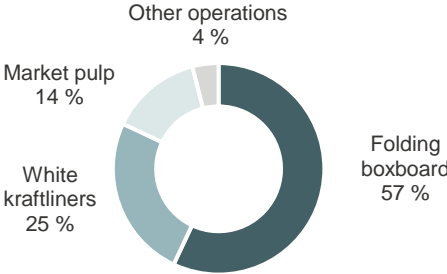
Source: Metsä Board's own estimate

Our production is close to the main raw material, northern wood, but we deliver globally

Figures from 2024



2024 sales split by product



Paperboard capacity 2,065,000 tonnes/year	Pulp ad BCTMP capacity 1,660,000 tonnes/year	Ownership in Metsä Fibre 24.9 %
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Year 2024 and investments

Challenges continued in 2024

- Paperboard deliveries increased (+7%), average sales prices decreased (-10%)
- Production increased from 2023, operating rates of the mills are still below capacity
- Inflation slowed down, cost level remained high
- Several events beyond our control weakened the profitability
- Result share from Metsä Fibre was negative
- Despite the heavy investments in recent years, our financial situation remained solid



Sales

1,939
EUR million

(2023: EUR 1,942m)



Paperboard deliveries

1,472,000
tonnes

(2023: 1,373,000t)

Comparable operating result

69

EUR million
(2023: EUR 122m)

IB net debt /
comparable EBITDA

2.0

(2023: 0.7)

Paperboard production

1,528,000
tonnes

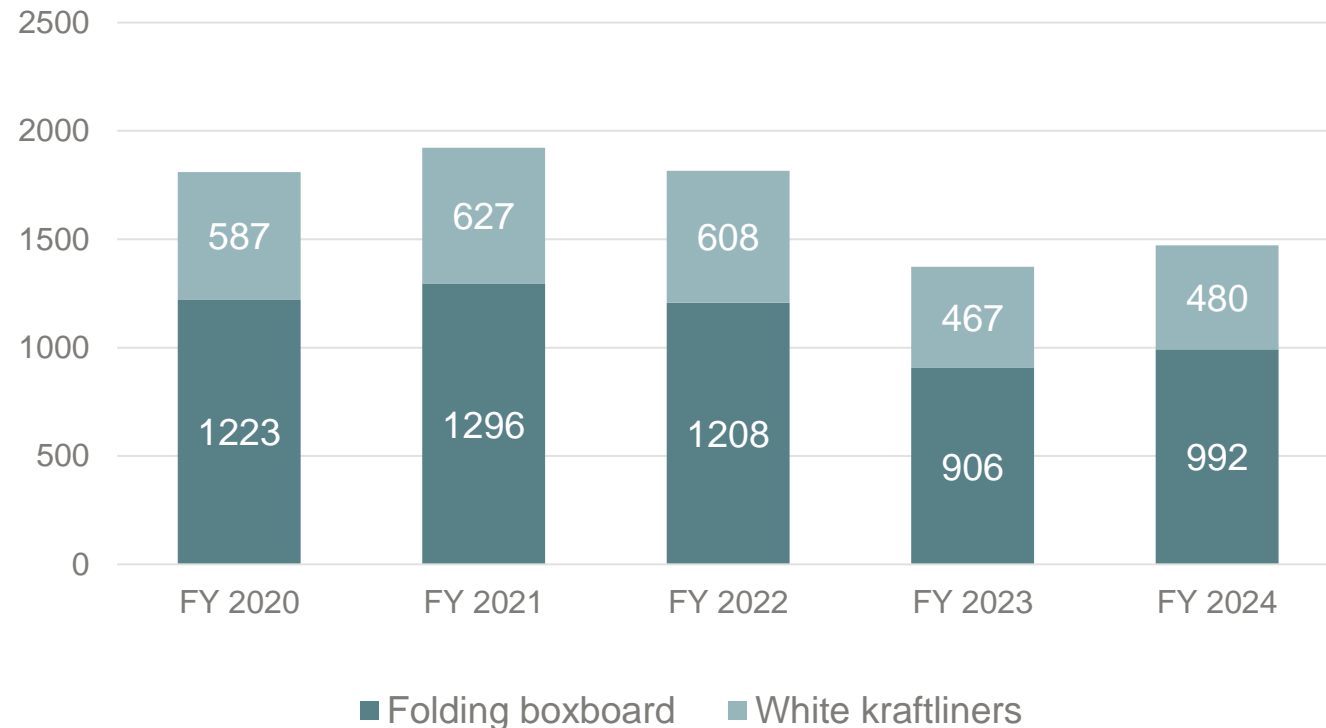
(2023: 1,309,000t)



Low consumer demand and increased competition reflected in delivery volumes

Metsä Board's paperboard deliveries

1,000 tonnes

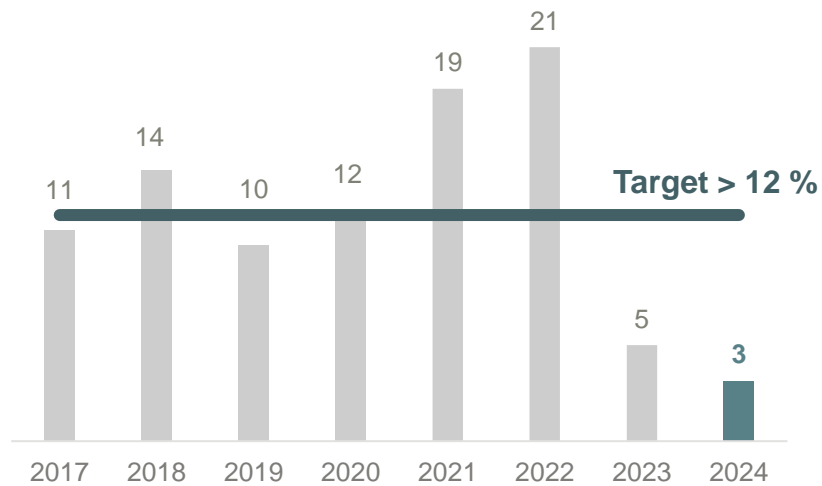


- 2024 started positively, but activity slowed down towards end of the year
- Paperboard delivery volumes were still below capacity
- Consumers are still cautious in their purchasing decisions
- Rapidly growing folding boxboard capacity in Asia has significantly increased imports to EMEA and South America

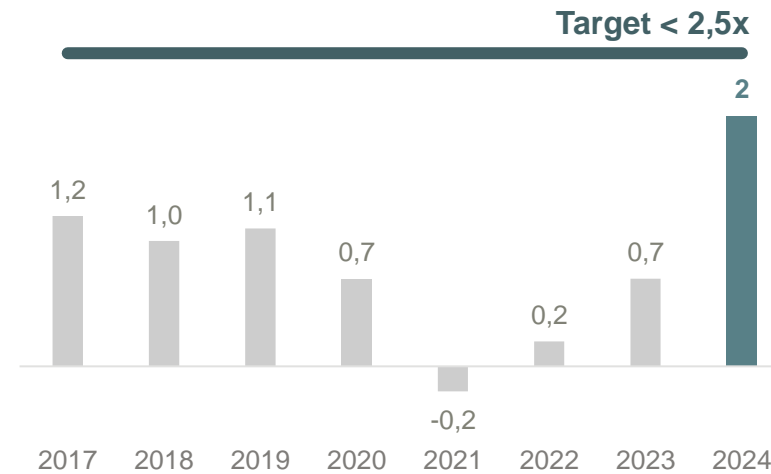
Profitability was below long-term target level, financial position remains good

Metsä Board's financial targets

Comparable ROCE, %



IB net debt / comparable EBITDA



Sustainability highlights in 2024

- Three 'A'-level recognitions from CDP in the areas of climate, forests and water
- Significant improvement in total recordable incident frequency, TRIF: 3.4 (2023: 6.1)
- Several verified life cycle assessments of the impact of Metsä Board's paperboards on reducing the carbon footprint of packaging
- Transition towards fossil-free production continued: Renewed turbine in Kyro and paperboard machine modernization* in Simpele



*) investment ongoing



Our customers are committed to improving sustainability

Metsä Board's **Excellence Center** in Äänekoski is engaged in close development cooperation with customers, accelerating innovations in sustainable packaging solutions

Several brand owners and retailers have set a target of

100%

renewable, compostable or reusable packaging

Increasing the use of renewable packaging materials

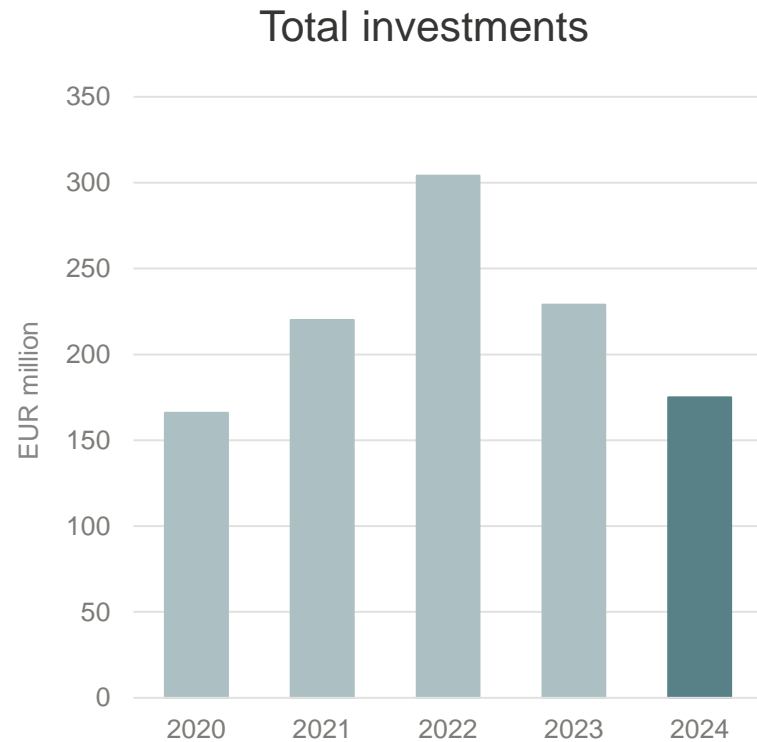
Reducing material use

Sustainable supply chain

Reducing the carbon footprint of products



We have invested over EUR 1 billion during past five years



- In 2024 total investments were EUR 175 million, of which roughly
 - 70% in growth and development and
 - 30% in maintenance
- Estimated investments in 2025 are EUR 100-150 million
- With investments in recent years, we have improved our energy self-sufficiency, promoted fossil-free production, and increased paperboard capacity

Ongoing and planned investments will further improve the competitiveness of the mills and products ...



Simpele board mill

- Renewal of paperboard machine¹⁾, **ongoing**
- Renewals in paperboard finishing area and mechanical pulp production, a new power plant



Kyro board mill

- Improving the performance of barrier boards and expanding end-use areas
- **in pre-engineering**



Husum pulp mill

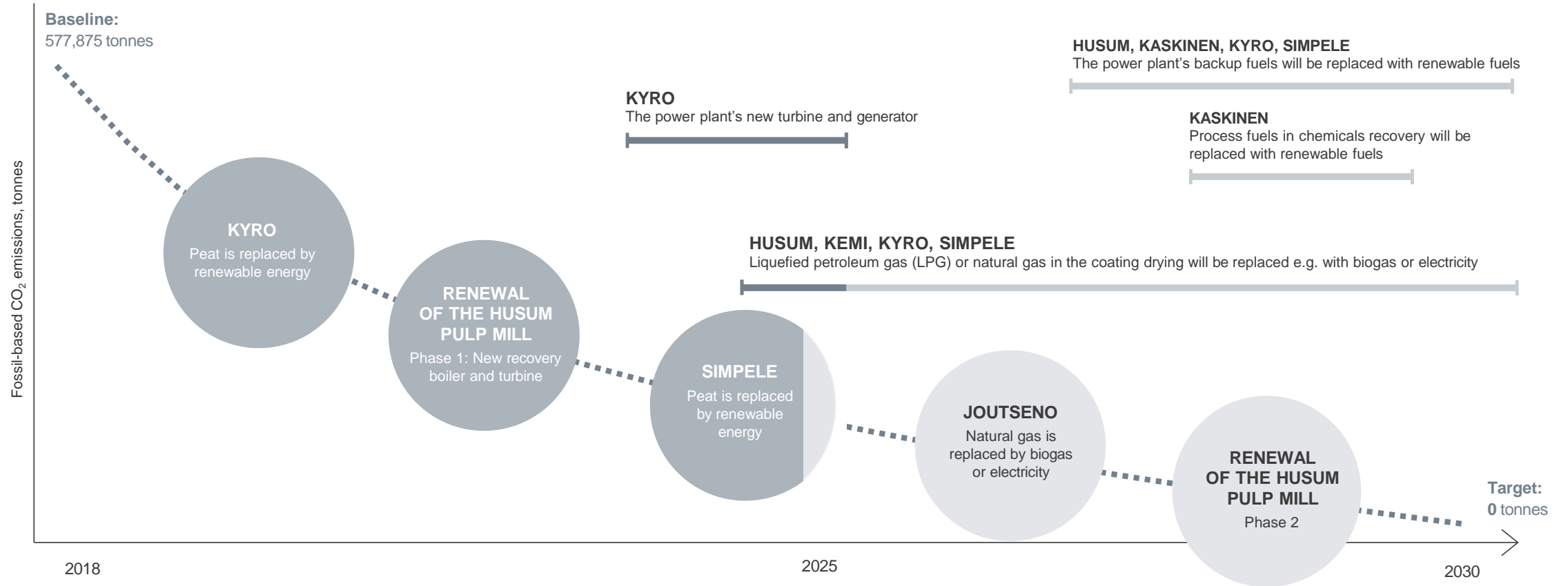
- New pulp drying machine
- **in pre-engineering**



Husum board mill

- Production conversion of BM2 from white kraftliner to foodservice and greaseproof papers
- **in pre-engineering**

... and accelerate transition to fossil-free production by 2030



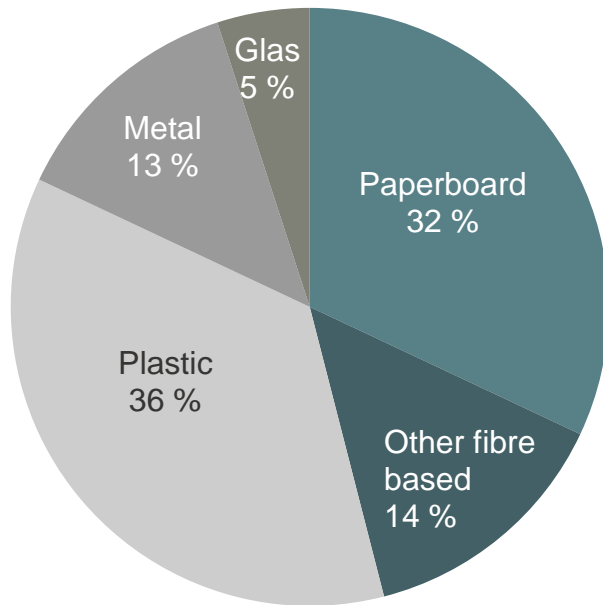
Market situation and ensuring the competitiveness

Need for packaging is growing ...

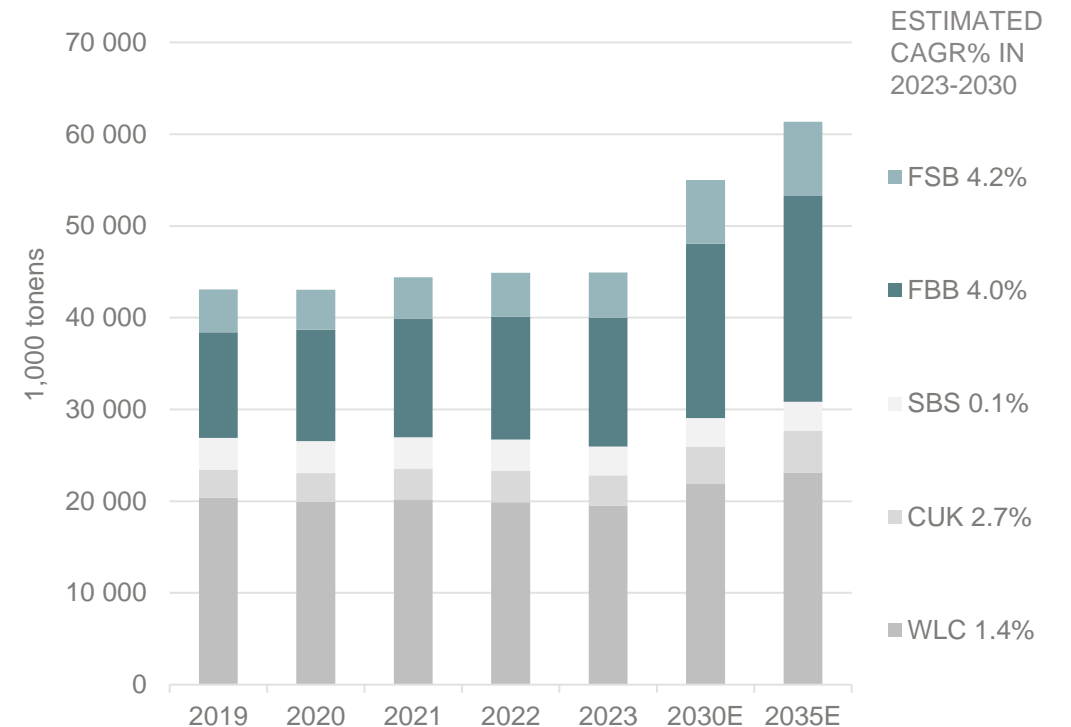
The **value of global packaging market** is USD 1,175 billion and annual growth rate is ~4% (2023-2028)

The growth rate of paperboard is slightly faster

Growth opportunities particularly in plastic replacement

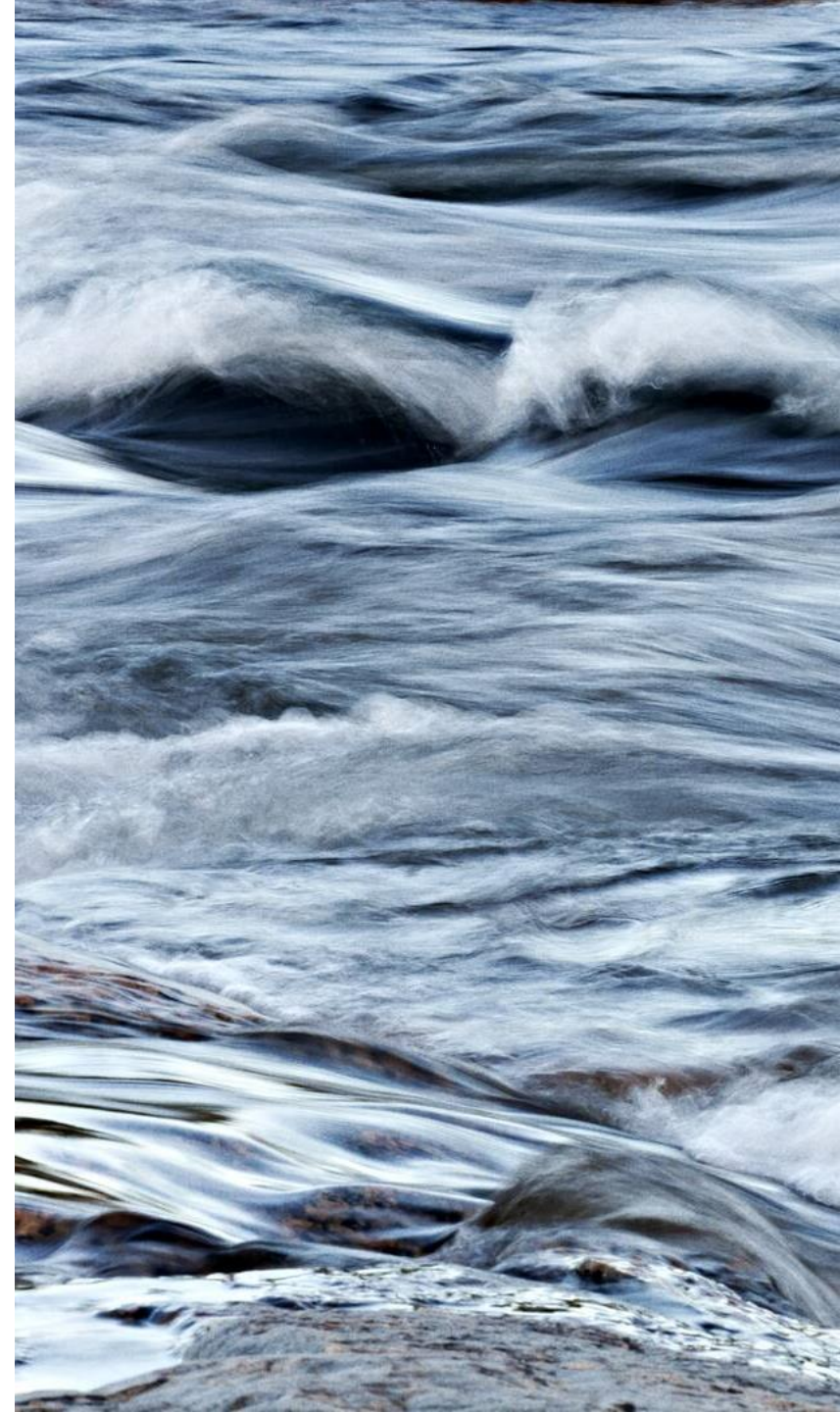


In folding cartons, the growth is fastest in folding boxboards (FBB) and foodservice boards (FSB)



... but market situation remains challenging

- Growing paperboard capacity in Asia, and the resulting increased imports mainly to Turkey, the Middle East and South America are impacting the market balance in Europe
- Cost level will remain high
- Geopolitical tensions create general uncertainty
- Potential US import tariffs



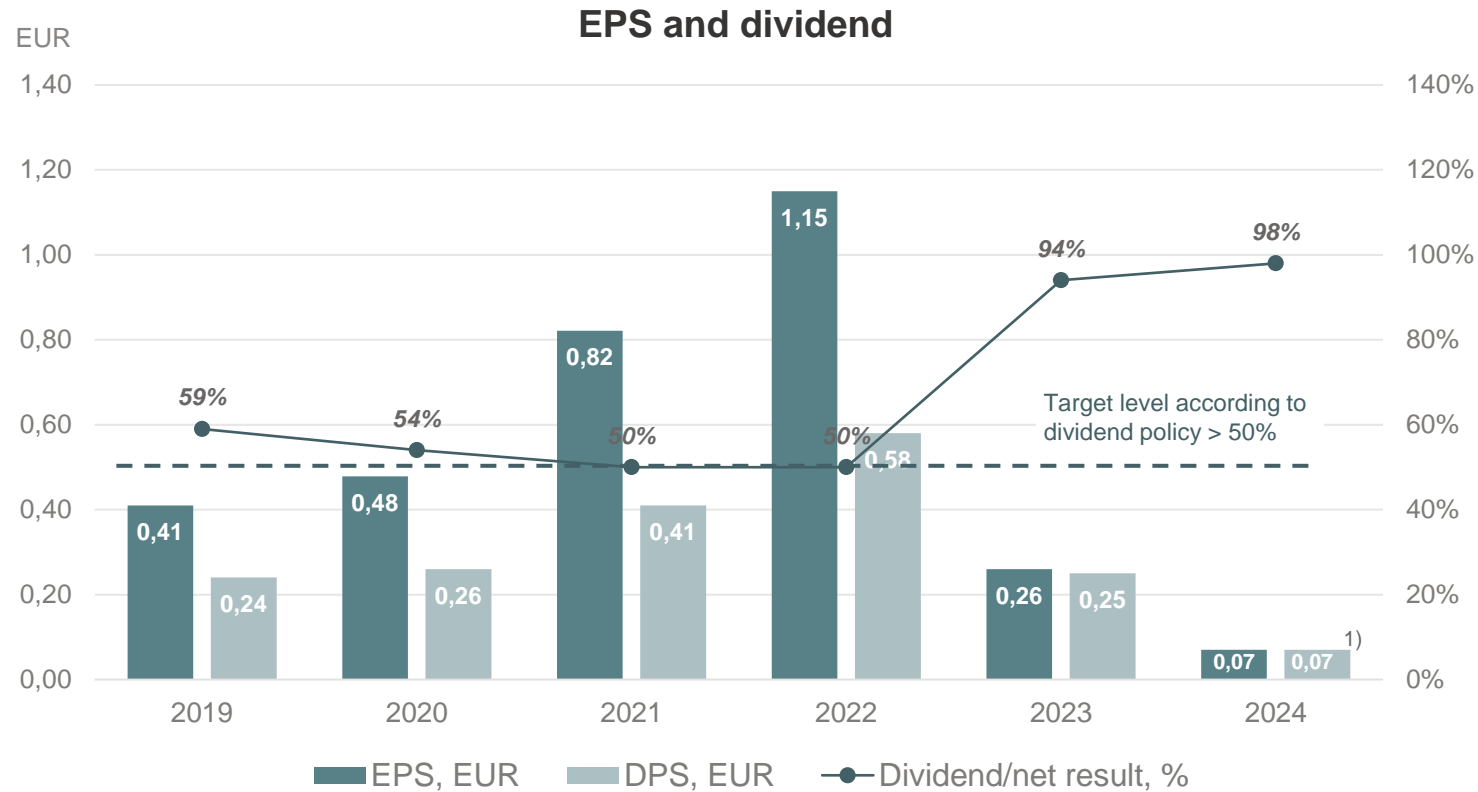
Ensuring profitability and competitiveness is the most important

- Metsä Board focuses on customers that most benefit from
 - high quality paperboards,
 - ambitious sustainability targets, and
 - first-class customer service.
- Fully utilizing investments
- High fibre and energy self-sufficiency
- Production adjustment measures and temporary layoffs will continue in 2025 if demand remains weak
- Closing Tako board mill and streamlining Kyro board mill



Dividend and summary

Board proposes a dividend of EUR 0.07 from 2024, representing 98% of net result



Proposed dividend from 2024:

Dividend/share EUR 0.07, total EUR 25 million

Roughly 98% of 2024 net result

Dividend payment 31 March 2025

Summary

- Year 2024 weaker than expected
- Market situation remained challenging
- Ensuring profitability and competitiveness are top priorities
- Long term growth drivers are still valid





Metsä

**Growth, with
a future**