

Metsä Board
Interim report 1.1.–31.3.2025



Metsä Board's comparable operating result in 2025 January–March was EUR 23 million

January–March 2025 (compared to 1–3/2024)

- Sales were EUR 480.8 million (483.7).
- The comparable operating result was EUR 22.8 million (31.5), or 4.7% (6.5) of sales. Operating result was EUR -3.8 million (23.0).
- Comparable earnings per share were EUR 0.04 (0.06), and earnings per share were EUR -0.02 (0.04).
- Comparable return on capital employed was 3.9% (5.7).
- Net cash flow from operations was EUR -27.9 million (-7.9).

Events in January–March 2025

- The delivery volumes of Metsä Board's fresh fibre paperboards increased from the previous quarter. Average paperboard prices remained at roughly the same level as in 2024.
- Demand for long-fibre market pulp was stable in Europe and North America. In China, demand was at a good level at the beginning of the year but weakened during March.
- To improve the company's profitability and competitiveness, Metsä Board decided to close the Tako board mill and improve the operational efficiency of the Kyro board mill. These measures will lead to a total reduction of 208 jobs.
- In cooperation with Metsä Tissue, the company launched a pre-engineering project to investigate the conversion of the BM2 production line in Husum from white kraftliner to foodservice packaging papers and siliconised greaseproof papers.
- CDP recognised Metsä Board with a triple A score for leadership on climate change, deforestation and water security.
- Metsä Board's Annual General Meeting held on 20 March 2025 supported all the proposals made by the Board of Directors. The AGM resolved that a dividend of EUR 0.07 per share be paid to shareholders for the 2024 financial year.
- On 31 March 2025, Metsä Board announced that its Board of Directors had appointed Esa Kaikkonen as the company's new CEO as of 7 April 2025. Mika Joukio will continue with Metsä

Board until the beginning of October and support Kaikkonen during the transition period.

US import tariffs

On 2 April 2025, the United States announced its plans to impose import tariffs on nearly all countries. The tariff rate on products produced in the EU, and thus on Metsä Board's paperboards, was to be 10% from 5 April 2025, and 20% from 9 April 2025. On April 10 2025, the implementation of the latter increase was announced to be postponed by 90 days. Metsä Board is negotiating with its customers in the US about the impact of tariffs on the paperboard prices.

In the US, Metsä Board has an established market position and a customer base that appreciates the high performance of the company's paperboards and the company's diverse services. Metsä Board is the largest importer of folding boxboard and coated white kraftliner in the US, and no fully equivalent products are produced in the country.

In 2024, Metsä Board delivered 182,000 tonnes of folding boxboard and 183,000 tonnes of coated white kraftliner to the US, which corresponded to around a quarter of overall paperboard deliveries. The company's 2024 sales in the US totalled approximately EUR 430 million, or 22% of overall sales.

Result guidance for April–June 2025

Metsä Board's comparable operating result in April–June 2025 is expected to be weaker than in January–March 2025 (Q1/2025: EUR 22.8 million).

Metsä Board's CEO Esa Kaikkonen:

"I started as Metsä Board's CEO on 7 April. The forest industry and Metsä Group are very familiar to me, as I've held various duties at Metsä Group over the last 27 years.

I wish to thank my predecessor **Mika Joukio**, who served as Metsä Board's CEO since 2014. Mika's profound knowledge of the paperboard market and his ability to build long-lasting customer relationships have played a key role in Metsä Board's development and transition from a paper company to one of the world's leading paperboard producers.

Uncertainty in global trade policy is at a record high due to the decisions made by the US President, and the operating environment is expected to remain unstable in the near future. In addition, the difficult market

situation has weighed on Metsä Board's profitability for quite a while, and we are far from our long-term targets. However, I recognise several strengths at Metsä Board. Our leading position in premium fresh fibre paperboards, our know-how in the paperboard business, our long-term customer relationships, and our solid financial position offer us a good foundation for business development and shareholder value growth.

In January–March 2025, our sales amounted to EUR 481 million, and our comparable operating result was EUR 23 million (Q1/2024: 484; 32). As expected, paperboard delivery volumes picked up from the previous quarter, and delivery volumes increased despite the improvement, demand is at a low level compared with pre-pandemic times. The geopolitical situation is reflected in consumer behaviour, and consumption is moderate.

Market pulp deliveries increased from the previous quarter, improving our associated company Metsä Fibre's share of the result. Meanwhile, cash flow from operations was weak, amounting to EUR -28 million (Q1/2024: -8). This was due to weak profitability, as well as the increase in working capital.

We aim to compensate the costs from US import tariffs with equivalent price increases. We enjoy a strong market position in the US in both folding boxboard and coated kraftliners, and no fully equivalent products are produced in the country. Our customers appreciate the high quality of our products, as well as our reliable deliveries, and services that support sales. However, we must prepare for potential sales losses due to price

increases. It will be especially difficult to forecast the development of our paperboard sales and the related financial impacts in the next few months.

In the review period, we made a decision on the Tako board mill's final closure and the improvement of the Kyro board mill's operational efficiency. These measures will reduce a total of 208 jobs. Obviously, these decisions are difficult, but they are nevertheless necessary to improve the company's profitability and competitiveness. We will do everything in our power to help those who are made redundant find employment at Metsä Group or elsewhere. These measures are expected to improve annual comparable EBITDA by approximately EUR 30 million, starting mainly from the fourth quarter. The production of Tako products has been moved to other mills.

At the beginning of the year, we again received valuable recognition from CDP, which awarded Metsä Board a triple A score for leadership on climate change, deforestation and water security. We are continuing our consistent sustainability efforts, thus helping our customers achieve their sustainability targets.

I am committed to developing Metsä Board's business. Despite the very volatile and uncertain business environment, I feel confident about the future. I see various opportunities for Metsä Board and believe that our leading position will help us improve our competitiveness and profitability in the globally growing paperboard market."

Key figures

	2025	2024	2024	2024
	Q1	Q1	Q4	Q1–Q4
Sales, EUR million	480.8	483.7	446.0	1,938.6
EBITDA, EUR million	43.8	57.0	26.5	175.9
comparable, EUR million	51.1	57.8	24.6	175.0
EBITDA, % of sales	9.1	11.8	5.9	9.1
comparable, % of sales	10.6	12.0	5.5	9.0
Operating result, EUR million	-3.8	23.0	-1.7	62.3
comparable, EUR million	22.8	31.5	-3.6	69.0
Operating result, % of sales	-0.8	4.8	-0.4	3.2
comparable, % of sales	4.7	6.5	-0.8	3.6
Result before taxes, EUR million	-7.3	20.1	-5.6	51.4
comparable, EUR million	19.3	28.6	-7.5	58.2
Result for the period, EUR million	-4.9	14.8	-2.4	39.4
comparable, EUR million	16.4	21.7	-4.4	44.6
Earnings per share, EUR	-0.02	0.04	-0.02	0.07
comparable, EUR	0.04	0.06	-0.03	0.09
Return on equity, %	-1.0	3.0	-0.5	2.0
comparable, %	3.4	4.4	-0.9	2.3
Return on capital employed, %	-0.4	4.3	0.0	2.9
comparable, %	3.9	5.7	-0.3	3.2
Equity ratio 1), %	63	64	64	64
Net gearing 1), %	21	9	18	18
Interest-bearing net liabilities/comparable EBITDA, 12 months rolling	2.4	1.1	2.0	2.0
Shareholders' equity per share 1), EUR	5.00	4.93	4.91	4.91
Interest-bearing net liabilities 1), EUR million	401.6	176.2	344.9	344.9
Total investment, EUR million	16.1	23.9	55.0	175.4
Net cash flow from operations, EUR million	-27.9	-7.9	49.7	37.8
Personnel 1)	2,290	2,263	2,290	2,290

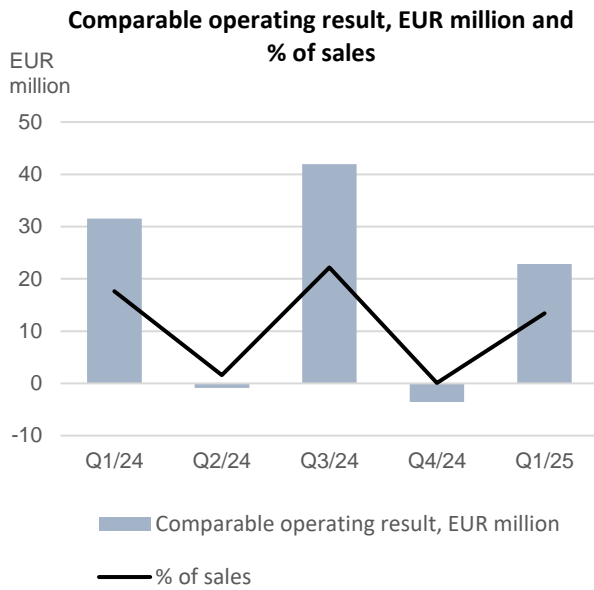
1) at the end of the period

Delivery and production volumes

	2025	2024	2024	2024	2024	2024
1,000 tonnes	Q1	Q4	Q3	Q2	Q1	Q1–Q4
Delivery volumes						
Folding boxboard	248	222	268	260	242	992
White kraftliner	119	120	120	117	123	480
Metsä Board's market pulp 1)	100	87	82	117	115	400
Metsä Fibre's market pulp 2)	221	181	116	151	171	618
Production volumes						
Folding boxboard	291	233	269	262	279	1,044
White kraftliner	139	123	145	95	121	484
Metsä Board's pulp 1)	317	259	246	300	318	1,123
Metsä Fibre's pulp 2)	214	157	188	130	177	652

1) Includes chemical pulp and high-yield pulp (BCTMP)

2) Equal to Metsä Board's 24.9% holding in Metsä Fibre



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Sales and result

January–March 2025 (compared to 1–3/2024)

Metsä Board's sales were EUR 480.8 million (483.7). Folding boxboard accounted for 59% (56) of sales, while 25% (25) of sales came from white kraftliner, 13% (14) from market pulp, and 4% (4) from other operations.

The comparable operating result was EUR 22.8 million (31.5), and the operating result was EUR -3.8 million (23.0). Items affecting comparability totalled EUR -26.6 million, mainly comprised of an item related to the impairment of the Tako mill's assets.

Total paperboard deliveries were 367,000 (364,000) tonnes, of which 67% was delivered to the EMEA region, 30% to the Americas, and 3% to the APAC region. Metsä Board's deliveries of market pulp were 100,000 (115,000) tonnes, of which 83% was delivered to the EMEA region, and 17% to the APAC region.

In January–March, paperboard and market pulp sales developed in roughly the same way as in the comparison period. The average sales prices of paperboards remained stable. The political strikes in Finland negatively affected profitability in the comparison period.

Exchange rate fluctuations, including hedges, had a positive impact of approximately EUR 2 million on the result.

Energy and chemicals costs decreased, while wood and logistics costs increased clearly year-over-year. Personnel costs increased slightly.

Unused emissions allowances were sold for a total of approximately EUR 5 million (5).

The associated company Metsä Fibre's share of Metsä Board's comparable operating result in January–March was EUR 5.5 million (-5.5). The average prices of Metsä Fibre's market pulp improved, and delivery volumes increased. The sawn timber business also developed positively. The result was weakened by higher wood costs.

Financial income and expenses totalled EUR -3.5 million (-2.9), including foreign exchange rate differences from trade receivables, trade payables, financial items and the valuation of currency hedging instruments, totalling EUR -0.7 million (-2.1).

The result before taxes was EUR -7.3 million (20.1). The comparable result before taxes was EUR 19.3 million (28.6). Income taxes amounted to EUR 2.5 million (-5.4).

Earnings per share were EUR -0.02 (0.04). The return on equity was -1.0% (3.0), and the comparable return on equity was 3.4% (4.4). The return on capital employed was -0.4% (4.3), and the comparable return on capital employed was 3.9% (5.7).

Operating result in January–March 2025 in brief (compared to 10–12/2024)

The comparable operating result in January–March was EUR 22.8 million (-3.6).

The operating result improved due to higher paperboard delivery volumes. Wood and chemicals costs remained stable, while energy and logistics costs decreased slightly. There were fewer planned annual maintenance shutdowns at the mills than in the previous quarter. Unused emissions allowances were sold for a total of approximately EUR 5 million (10).

Metsä Fibre's share of Metsä Board's comparable operating result in January–March was EUR 5.5 million (-3.1). Metsä Fibre's result improved thanks to the higher delivery volumes of market pulp. The sawn timber business also developed positively. A long repair shutdown took place at the Kemi bioproduct mill in the last quarter of 2024.

Closure of Tako board mill

On 10 March 2025, Metsä Board announced its decision to permanently close the Tako board mill and improve the operational efficiency of the Kyro board mill

in order to improve the company's profitability and cost competitiveness. Following the change negotiations conducted in the first quarter, the measures will lead to the reduction of 208 jobs.

The January–March 2025 result includes a one-off item of approximately EUR -27 million affecting comparability, which is mainly related to the impairment of the Tako mill's assets. The one-off cash impact is approximately EUR -1 million.

Production at the Tako board mill is planned to end by the end of June 2025 at the latest. The mill's closure will not affect customer deliveries, as Metsä Board's total annual folding boxboard production capacity is sufficient to meet current demand.

The above measures are expected to improve Metsä Board's annual comparable EBITDA by approximately EUR 30 million, starting mainly from the fourth quarter of 2025.

Market development

The table below summarizes the market situation for significant paperboard grades for Metsä Board in Europe and the USA, as well as the development of PIX market prices for pulp in Europe and China. The changes in market prices have been calculated from the average prices of the review period. Sources: Fastmarkets FOEX, Fastmarkets RISI, Pro Carton, CEPI Containerboard.

	Q1/25 vs Q1/24	Q1/25 vs Q4/24
Paperboard deliveries, Cepi members		
Folding boxboard, Europe	increased significantly	increased significantly
White kraftliner, Europe	stable	increased significantly
Market prices of paperboards in local currencies		
Folding boxboard, Europe	increased	stable
White kraftliner, Europe	increased significantly	decreased
Solid bleached board, USA	decreased	stable
Food service board, USA	stable	stable

-1% < stable < +1%, increased (decreased): +1...+3% (-1%...-3%), increased significantly (decreased significantly): > +3% (< -3%)

Market prices of pulp, PIX, USD

Long-fibre pulp, Europe, %	13	-1
Short-fibre pulp, Europe, %	-5	-2
Long-fibre pulp, China, %	7	3
Short-fibre pulp, China, %	-13	4

Business operations and their development

Metsä Board produces recyclable premium fresh fibre paperboards and is Europe's largest producer of folding boxboard and white kraftliners. The company's folding boxboard is mainly used to package consumer products

such as food and pharmaceuticals, while its white kraftliners are mainly used for various packaging needs in the retail sector. Metsä Board's main market areas are Europe and North America.

The company also produces chemical pulp and bleached high-yield pulp (BCTMP), which are used in its own paperboard production, with some sold as

market pulp. Metsä Board owns 24.9% of its associated company Metsä Fibre, globally leading producer of long-fibre market pulp.

In 2024, Metsä Board's total paperboard capacity was around 2.3 million tonnes, and its pulp and BCTMP capacity was 1.7 million tonnes.

The company covers its energy consumption with its own production and supplementary purchases from the market. Most of the electricity consumption is covered by the company's own production and by electricity purchased from Pohjolan Voima and Metsä Fibre. Metsä Board has a 2.6% holding in Pohjolan Voima, from which it purchases electricity at cost price.

Paperboard sales

Metsä Board's paperboard deliveries in January–March totalled 367,000 tonnes (Q1/2024: 364,000).

Folding boxboard deliveries were 248,000 tonnes (242,000), of which 71% (74) was delivered to the EMEA region, 25% (22) to the Americas, and 4% (4) to the APAC region. Deliveries of white kraftliners were 119,000 tonnes (123,000), of which 59% (52) was delivered to the EMEA region, 41% (47) to the Americas, and 0% (1) to the APAC region.

In the first quarter, paperboard sales developed in similar way as in the comparison period. Demand picked up from the last quarter in 2024, and total paperboard delivery volumes increased. However, the rate of increase was moderate. Consumers' purchasing behaviour remains cautious, and consumption focuses more on services than on products. Consumption is also affected by general economic and political uncertainty.

The balance of the folding boxboard market has been impacted by the strong growth in Asian paperboard capacity and the resulting increase in paperboard imports, especially to the EMEA region and South America. Paperboard capacity is also expected to increase in Europe during the next few years.

In the first quarter, the average prices of Metsä Board's folding boxboard and white kraftliners remained at approximately the same level as in 2024 on average.

Market pulp sales

Metsä Board's market pulp deliveries totalled 100,000 tonnes (115,000) in January–March, with the EMEA region accounting for 83%, and the APAC region for 17%.

The associated company Metsä Fibre's total pulp deliveries amounted to 886,000 tonnes (686,000). Metsä Fibre's annual pulp deliveries are split roughly 50/50 on average between APAC and EMEA.

The demand situation for market pulp remained stable in Europe in the first quarter. In China, demand was at a good level at the beginning of the year but weakened

during March. In China, demand for BCTMP has remained weak for nearly a year.

In Europe and China, the market price of softwood pulp (PIX) increased year-over-year. The market prices of hardwood pulp decreased.

Paperboard, pulp and BCTMP production

The production volume of folding boxboard and white kraftliner totalled 430,000 tonnes (400,000) in the review period, while the combined production volume of pulp and BCTMP amounted to 317,000 tonnes (318,000).

There were hardly any planned annual maintenance shutdowns at the mills in January–March, which increased production volumes.

In the comparison period, the political strikes in Finland (11 March–8 April 2024) curtailed paperboard and BCTMP production. The company estimates that the production losses caused by the strikes totalled around 50,000 tonnes of paperboard and 30,000 tonnes of BCTMP.

Cash flow from operations

Net cash flow from operations in January–March 2025 was EUR -27.9 million (Q1/2024: -7.9). The growth in production and sales volumes increased working capital by EUR 61.6 million (an increase of 70.3). The working capital increased due to higher production and sales volumes. Dividends received from the associated company Metsä Fibre for the financial year 2024 were EUR 0 (Dividends from 2023, paid in Q1/2024: EUR 9.8 million).

Balance sheet and financing

Metsä Board's equity ratio at the end of the review period was 63% (31 December 2024: 64) and the net gearing ratio was 21% (18). The ratio of interest-bearing net liabilities to comparable EBITDA in the previous 12 months was 2.4 (2.0).

Interest-bearing liabilities totalled EUR 573.0 million (31 December 2024: 527.4). Non-euro-denominated loans accounted for 1.5 % of loans, and floating-rate loans for 45.6 %, the rest being fixed-rate loans. The average interest rate on liabilities was 2.6 % (2.7), and the average maturity of non-current liabilities was 1.9 years (2.2). The interest rate maturity of loans was 15.6 months (19.8).

Interest-bearing net liabilities totalled EUR 401.6 million (31 December 2024: 344.9).

The available liquidity was EUR 371.4 million (31 December 2024: 382.6), consisting of the following items: liquid assets and investments of EUR 171.4 million and a syndicated credit facility (revolving credit

facility) of EUR 200.0 million. Of the liquid assets, EUR 169.4 million consisted of short-term deposits with Metsä Group Treasury, and EUR 1.9 million consisted of cash funds and investments. In addition to items reported as liquidity, the liquidity reserve is complemented by Metsä Group's internal short-term credit facility of EUR 150 million and a EUR 200 million commercial paper programme, of which EUR 30 million was issued at the end of the review period.

The fair value of other non-current investments was EUR 201.1 million (31 December 2024: 219.7). The change in value was related to the change in the fair value of Pohjolan Voima Oyj's shares.

An average of 8.6 months of the net foreign currency exposure was hedged, including the hedging of the balance sheet position of trade receivables and trade payables.

Metsä Board has investment grade credit ratings from S&P Global and Moody's Investor Service. Metsä Board's rating by S&P Global is BBB-, with a stable outlook. The company's rating by Moody's is Baa2, with a stable outlook.

Investments

In January–March 2025, investments totalled EUR 16.1 million (1–3/2024: 23.9), with growth and development investments accounting for some 61%, and maintenance investments for some 39%. Of total investments, the company's own property, plant and equipment amounted to EUR 15.6 million (21.4), and leased property, plant and equipment to EUR 0.5 million (2.6).

Metsä Board Group companies are parties to legal proceedings concerning disputes related to obligations and liabilities under delivery contracts for major investment projects. In addition, these investment projects involve outstanding disputes, which may also lead to the initiation of new arbitration or litigation.

Renewal of the Simpele paperboard mill

Metsä Board is renewing the folding boxboard machine at its Simpele mill to improve the quality of folding boxboard, increase production efficiency and enable the replacement of fossil fuels in paperboard production. The renewal will also increase the mill's annual production capacity by around 10,000 tonnes. The value of the investment is approximately EUR 60 million, divided across 2024–2026. The investment is expected to be completed in the second half of 2025.

ERP investment

As part of Metsä Group, Metsä Board is modernising its ERP system. The investment will gradually improve Metsä Group's operational efficiency and ability to create new data-driven functions in areas such as business management and customer support. Metsä Wood, Metsä Group's wood products industry, successfully deployed the system in early 2025. Metsä Board's share of the total value of the ERP investment has increased from the previous lower level of EUR 80 million to at least EUR 120 million. The system's deployment is expected to be completed by the end of 2027.

Planned investments

Metsä Board is planning development investments at its current mills to further improve the competitiveness of its mills and products and support its target of fossil-free production by 2030. The final estimates of the projects' investment costs will be specified after any investment decisions. Metsä Board will regularly report on the progress of the investments in interim reports and in separate releases if required.

In cooperation with Metsä Tissue, the company has launched a pre-engineering project in Husum to explore the conversion of the BM2 production line to produce food packaging and greaseproof papers instead of white kraftliner.

At the Husum pulp mill, pre-engineering is underway for the drying machine's renewal.

At the Kyro board mill, a pre-engineering project has been launched to improve the performance of barrier boards and expand end-use areas.

The following phases of the investment programme aimed at modernising the Simpele paperboard mill involve renewals in mechanical pulp production and paperboard finishing, as well as a new power plant.

Personnel

At the end of March 2025, the number of personnel was 2,290 (31/03/2024: 2,263), of whom 1,270 (1,263) were based in Finland. In January–March, Metsä Board employed 2,280 people on average (Q1/2024: 2,256). Personnel expenses in January–March totalled EUR 53.1 million (50.0).

In the first quarter, Metsä Board conducted change negotiations to improve the company's profitability and cost competitiveness. The negotiations resulted in the decision to close the Tako board mill and improve the operational efficiency of the Kyro board mill. These measures will lead to a total reduction of 208 jobs. Some of those laid off will be re-employed within Metsä Group.

Metsä Board is preparing for potential production adjustments and temporary layoffs in 2025. Change negotiations have been conducted at all paperboard and BCTMP mills in Finland, which will allow layoffs of up to 90 days across several periods during 2025.

Shares and trading

Metsä Board has two series of shares. Each series A share entitles its holder to twenty (20) votes at a General Meeting of Shareholders, and each series B share entitles the holder to one (1) vote. All shares carry the same right to receive a dividend. Metsä Board's shares are listed on the Nasdaq Helsinki.

At the end of March 2025, closing price of Metsä Board's B share on the Nasdaq Helsinki was EUR 3.45. The share's highest and lowest prices were EUR 4.83 and EUR 3.45, respectively. Correspondingly, the closing price of the A share was EUR 5.26; the share's highest and lowest prices were EUR 7.38 and EUR 5.26, respectively.

In January–March, the average daily trading volumes of the B and A shares on the Nasdaq Helsinki were around 502,300 shares and around 2,800 shares respectively. The total trading volume of the B share was EUR 130 million, and the total trading volume of the A share was EUR 1 million.

At the end of March 2025, the market value of all Metsä Board shares was EUR 1.3 billion, of which the market value of the B shares and the A shares accounted for EUR 1.1 billion and EUR 0.2 billion respectively.

Metsä Board's major shareholder Metsäliitto Cooperative holds approximately 52% of Metsä Board's shares and approximately 69% of votes. As Metsä Board is an entity controlled by Metsäliitto Cooperative, Metsäliitto Cooperative's ownership also includes the 341,706 own shares held by Metsä Board.

International and nominee-registered investors held approximately 8% of all shares. (Source: Euroland)

Sustainability

Metsä Board's role is to provide markets with premium recyclable fresh fibre paperboards as resource-efficiently as possible, help reduce the use of fossil-based materials and reduce the carbon footprint of packaging. Metsä Board monitors and reports quarterly on its most material sustainability topics and related key figures. A more comprehensive Sustainability statement is published annually as part of the Report of the Board of Directors. The Sustainability statement is prepared in accordance with the Accounting Act and the European Sustainability Reporting Standards (ESRS), and with the Article 8 of Taxonomy Regulation.

Key sustainability figures

	2025 Q1	2024 Q1	2024 Q1–Q4	Target 2030
Total recordable incident frequency TRIF ¹⁾	5.6	2.2	3.4	0
Women in leadership roles ²⁾ , %	25	23	25	>35
Share of certified wood fibre ³⁾ , %	94	92	92	100
Share of fossil free energy of total energy consumption ³⁾ , %	-	-	89	100
Direct fossil-based CO ₂ emissions, tonnes (Scope 1)	50,712	48,782	169,429	0
Indirect fossil-based CO ₂ emissions ⁴⁾ , tonnes (Scope 2)	-	-	82,279	0
Energy efficiency improvement ⁵⁾ , %	-0.3	-3.3	+0.9	+10
Reduction in process water use ⁵⁾ , %	-12	-1.3	-11	-35

1) Per million hours worked.

2) The metric covers demanding leadership and expert roles, including CEO, SVP, and VP roles, as well as certain other demanding roles.

3) Reported annually.

4) Market-based, reported annually.

5) Change from the base year of 2018, per tonne produced, rolling 12 months.

The following figures have been revised from the previously reported figures: Energy efficiency and process water use 1–3, 2024. The Kemi unbleached pulp production line, which was transferred from Metsä Fibre to Metsä Board in 2024, has not yet been included in the energy efficiency calculations.

Main events in the review period

Metsä Board, together with Metsä Group, updated its 2030 sustainability targets. The update included changes to existing targets and new targets, including those targeting logistics emissions, personnel diversity and occupational safety.

Metsä Board again achieved an A-list position in CDP's climate change, water security and forest assessments. This is the company's ninth year on the climate and water security A-list, and its third time on the forests A-list.

Occupational safety and diversity

Metsä Board aims for zero occupational accidents. All Metsä Board production units comply with the ISO 45001 management system and common occupational safety standards. Occupational safety is developed through proactive safety work, training and investments, for example.

Diversity, equality and inclusion are promoted through the *Metsä for all* vision and measured with the set targets. One of the targets is to increase the share of

women in leadership roles to at least 35% (from 2025, previously at least 30%).

Share of certified wood fibre

Metsä Board's target is that 100% (from 2025, previously at least 90%) of the wood fibre it uses is certified. All the wood used by Metsä Board comes from Northern European forests. All the countries from which wood is procured impose a statutory obligation to renew forests after regeneration felling. Metsä Group, which is responsible for Metsä Board's wood supply, has targets to promote the biodiversity of forest nature and the sustainable use of forests in accordance with the principles of regenerative forestry.

Greenhouse gas emissions

Metsä Board's goal is to phase out the use of fossil-based energy altogether by 2030, at which point the company's direct and indirect fossil-based carbon dioxide emissions (Scope 1 and 2) will drop to zero. To achieve this, the company has a plan, which includes production unit-specific measures and investments. The vast majority of the company's greenhouse gas emissions come from the energy generation required to produce pulp, BCTMP and paperboard. Metsä Board's

reduction targets for greenhouse gas emissions have been approved by the Science Based Targets initiative and they meet the strictest requirements of the Paris Agreement, which aim to limit global warming to 1.5°C degrees.

Metsä Board is preparing to set a total emissions reduction target (Scope 1, 2 and 3) in accordance with the Paris Agreement no later than 2027.

R&D and innovation

One of the focus areas in Metsä Board's R&D work is to further reduce the weight of paperboards without compromising other properties and to develop barrier solutions.

In addition to the fossil-free energy used in production, the resource efficiency and lightness of paperboard plays an important role in reducing the carbon footprint. Metsä Board's goal is that in the future, the consumption of wood, energy and water per produced tonne of paperboard will be lower compared to current production.

Another focus area for product development is the development of bio-based barrier coatings, especially for food packaging. Metsä Board has a biobarrier programme ongoing, which starting point is that the solutions and polymers developed for paperboards will be based on fossil-free raw materials by 2030.

In addition to these, several investments have improved production efficiency and product quality.

Changes in the Corporate Management Team

On 31 March 2025, Metsä Board announced it had appointed Esa Kaikkonen, Metsä Group's EVP, Strategy (LL.M, trained on the bench), as the company's new CEO from 7 April 2025. Mika Joukio will continue with Metsä Board until the beginning of October 2025, supporting Kaikkonen during the transition. Joukio has served as Metsä Board's CEO since 2014.

Resolutions of Annual General Meeting and issue authorisations

The Annual General Meeting (AGM) of Metsä Board Corporation was held on 20 March 2025. It supported all the proposals made by the Board of Directors.

The AGM resolved that a dividend of EUR 0.07 per share will be distributed. The dividend was paid on 31 March 2025.

The AGM resolved to keep the annual remuneration of the members of the Board of Directors unchanged so

that the Chair will be paid EUR 99,000, the Vice Chair EUR 85,000 and ordinary members EUR 67,000 per year. The Annual General Meeting resolved that half of the annual remuneration will be paid in cash and half in the company's Series B shares. The transfer of shares is restricted for a two-year period as of their payment. The AGM also decided that the TyEL-contribution will be paid from the annual fee. The meeting fee was decided at 1,000 euros, and the monthly fee for the chair of the audit committee was decided at 900 euros.

The AGM confirmed the number of members of the Board of Directors as ten (10) and elected the following persons as members of the Board of Directors: Leena Craelius, M.Sc. (Economics), Raija-Leena Hankonen-Nybom M.Sc. (Economics), Erja Hyrsky M.Sc. (Economics), Ilkka Hämälä M.Sc. (Technology), Mari Kiviniemi M.Soc.Sc. (Economics), Jussi Linnaranta, M.Sc. (Agriculture and Forestry), Jukka Moisio M.Sc. (Economics), Mikko Mäkimattila, M.Sc. (Agriculture and Forestry), Jussi Vanhanen LL.M (Law) and Juha Vanhainen, M.Sc. (Technology) and. The term of office of the members of the Board of Directors expires at the end of the next AGM.

At its organising meeting the Board of Directors elected Ilkka Hämälä as its Chair and Jussi Linnaranta as its Vice Chair. The Board of Directors further resolved to organise into committees as follows: Raija-Leena Hankonen-Nybom was elected as Chair of the Audit Committee with Leena Craelius, Erja Hyrsky, Mari Kiviniemi and Juha Vanhainen as members while Ilkka Hämälä was elected as Chair of the Nomination and HR Committee with Jussi Linnaranta, Jukka Moisio, Mikko Mäkimattila and Jussi Vanhanen as members.

The AGM elected audit firm KPMG Oy Ab as the company's auditor and Sustainability Auditor. KPMG Oy Ab has informed the company that Kirsi Jantunen, Authorized Public Accountant and authorized sustainability auditor (KRT), will act as the auditor with principal responsibility.

The AGM resolved to authorise the Board of Directors to decide on the issuance of shares, the transfer of treasury shares and the issuance of special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act. The authorisation applies to Series B shares. By virtue of the authorisation the Board of Directors may issue new shares or transfer treasury shares up to a maximum of 35,000,000 shares, including shares that may be issued by virtue of special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act. The number of shares corresponds to approximately 10% of all shares in the company.

The AGM resolved to authorise the Board of Directors to decide on the repurchase of the company's own Series B shares. The number of own shares to be repurchased under the authorisation shall not exceed

1,000,000 Series B shares, which corresponds to approximately 0.3% of all shares in the company.

Further information about the AGM can be found on the company's website at www.metsagroup.com/AGM2025.

Near-term risks and uncertainties

There are uncertainties about global economic development and growth. Especially in the euro area, despite the recovery, economic growth remains weak. Slowing inflation and decreasing interest rates have boosted consumers' purchasing power to some extent, but consumers are still cautious in their purchase decisions, and consumption focuses on services. Moreover, people's uncertainty about job stability has increased. If prolonged, the situation may further reduce the demand for Metsä Board's products and negatively affect the company's profitability. Prolonged weak economic growth and consumer demand in China may negatively affect the demand for Metsä Board's, and especially its associated company Metsä Fibre's, products on the Chinese market.

An imbalance in demand and supply on the paperboard or pulp market could influence the demand for and pricing of Metsä Board's products. The steep increase in paperboard capacity in Asia has increased paperboard imports especially to Turkey, the Middle East and South America. In Europe, paperboard capacity is expected to increase in the next few years, and if supply growth outpaces demand growth, this may also cause an imbalance in other market areas significant to Metsä Board. In addition, a sudden decrease in paperboard deliveries to the US may increase supply on the European market.

Negative developments in trade policy or global trade could directly or indirectly affect demand for Metsä Board's products and the company's profitability. US import tariffs may weaken the competitiveness of Metsä Board's products in the US, leading to sales losses and negatively affecting the company's profitability. Russia's war in Ukraine and conflicts in the Middle East are maintaining global geopolitical tensions. The prolongation or escalation of war and conflicts may have a negative impact on world trade, supply chains and raw material prices.

The growth of the paperboard business and the introduction of new products to the markets depend on the success of sales. Increasing sales on a global scale also involves cost and exchange rate risks. In addition, the acceptability and taxation of various packaging materials involve regulatory risks.

The discontinuation of wood imports from Russia and the increased energy use of pulpwood have tightened the pulpwood market situation in the Baltic region and led to a steep increase in pulpwood price. A persistently high price level may have a negative impact on the

profitability of Metsä Board and its associated company Metsä Fibre. Regulation may also steer forest use and influence the availability of wood in the future.

Significant or unforeseen fluctuation in the prices of other important production inputs such as energy and chemicals, and problems related to their availability, could erode profitability, threaten business continuity or jeopardise the implementation of development investments. Disruptions in global transport chains, a decrease in the availability of transport capacity or an increase in market prices could have a negative impact on the company's profitability.

Most of Metsä Board's production is in Finland. Finland has a history of labour disputes in both the forest industry and the logistics chain of forest industry products. These may have a negative impact on production volumes and customer deliveries and weaken the company's competitiveness and profitability.

The continuity of the mills' production and the company's other operations could be affected by serious accidents, cyberattacks and malware, for example. If such interruptions continue for a long time, the resulting financial losses may be substantial and result in the permanent loss of customers. The amount and costs of property damage and business interruption, as well as the approval of related compensation, may involve uncertainties. The availability and pricing of property damage and business interruption insurance may also involve risks.

Business is also being developed by modernising production technology, running efficiency programmes and conducting product development. If the costs of development projects and investments are significantly exceeded, their completion is delayed, or their productive or commercial objectives are not met, this could negatively affect the company's profitability.

Climate risks mainly concern forests and the use of energy and water. Climate change may increase extreme weather phenomena such as storms, floods and droughts, causing interruptions in the mills' production, or limit the availability of wood raw material.

The weaker cash position or slower payments of Metsä Board's customers may have an impact on the company's cash flow and lead to credit losses.

Changes in the market price of pulp have a significant impact on Metsä Board's profitability. A 10% decrease (increase) in the price of market pulp would have a negative (positive) impact of approximately EUR 50 million on the company's annual operating result.

The US dollar strengthening by 10% against the euro would have a positive impact of approximately EUR 80 million on Metsä Board's annual operating result. Correspondingly, the Swedish krona strengthening by 10% would have a negative impact of approximately

EUR 45 million. The British pound strengthening by 10% would have a positive impact of approximately EUR 10 million. The impact of weakened exchange rates would be the opposite. The sensitivities do not include the impact of hedging.

The forward-looking estimates and statements in this interim report are based on current plans and estimates. For this reason, they contain risks and other uncertainties that may cause the results to differ from the statements concerning them.

Further information about long-term risks and risk management is available [in the 2024 Report of the Board of Directors and on pages 16–18 of Metsä Board's Annual Review](#).

Near-term outlook

Consumers' cautious purchase behaviour and the supply of fresh fibre paperboard outpacing demand, especially in the EMEA region, increase uncertainty in the development of paperboard sales. The import tariffs imposed by the US have a direct and indirect impact on sales development and the paperboard market in general, weakening predictability in the near future.

In April–June, Metsä Board's total paperboard deliveries are expected to remain largely the same as in January–March (Q1/2025: 367,000 tonnes).

Metsä Board's variable costs, excluding pulp costs, are expected to remain at the previous quarter's level.

More annual maintenance shutdowns have been planned for the mills in April–June than in January–March, when hardly any annual maintenance shutdowns took place. In addition, there are more market-based production curtailments than in January–March.

A repair shutdown will begin in late May at the evaporation plant of the associated company Metsä Fibre's Kemi bioproduct mill. During this, the units that were damaged in the gas explosion and later repaired will be replaced with new units to ensure their usability and original life cycle. The repair shutdown, which will also affect Metsä Board's kraftliner production, is expected to last approximately one month. During the repair work, kraftliner can be produced with special arrangements at a lower than normal production level. Metsä Board expects the repair shutdown to have a negative impact of approximately EUR 10 million on the operating result, including Metsä Fibre's share of the impact. The claim settlement process related to the gas explosion, initiated in 2024, will be continued with the insurance company after the final repairs of the evaporation plant have been completed.

In April–June 2025, exchange rate fluctuations, including the impact of hedges, will have a neutral impact on the operating result compared to January–

March 2025 and a negative impact compared to April–June 2024.

The demand situation for long-fibre market pulp is slightly better in Europe than in China, where demand has been weak in March–April. A slight seasonal pickup is expected in sawn timber demand.

Result guidance for April–June 2025

Metsä Board's comparable operating result in April–June 2025 is expected to be weaker than in January–March 2025 (1–3/2025: EUR 22.8 million).

Annual maintenance shutdowns in 2025

The main annual maintenance shutdowns expected in 2025. Changes to plans are possible.

Main annual maintenance shutdowns

Q1/2025	-
Q2/2025	Kemi integrated mill, repair shutdown for the new evaporation plant units at Metsä Fibre's Kemi bioproduct mill, expected duration: approximately one month
Q3/2025	Husum integrated mill, investment shutdown for the Simpele paperboard production line
Q4/2025	-

METSÄ BOARD CORPORATION

Espoo, 29 April 2025

BOARD OF DIRECTORS

Further information:

Henri Sederholm, CFO, tel. +358 10 465 4913
Katri Sundström, VP, Investor Relations, tel. +358 10 462 0101

A webcast and a conference call for analysts and investors will be held on 29 April 2025 at 3:00 p.m.

EEST. CEO Esa Kaikkonen and CFO **Henri Sederholm** will present the results. The webcast and conference call can be followed online on the company's website at <https://metsaboard.events.inderes.com/q1-2025>.

Participation in the conference call requires registration through the following link: <https://events.inderes.com/metsaboard/q1-2025/dial-in>. After the registration, the participant will be provided with a phone number, a User ID and a Conference ID to

access the conference. By participating in the conference call, the participant agrees that personal information such as name and company name can be collected.

The webcast presentation and conference call will be recorded and archived on the company's website, where it can be viewed afterwards at:
<https://www.metsagroup.com/metsaboard/investors/reports-and-presentations/webcasts-and-conference-calls/>.

Financial reporting in 2025

Financial Statements Bulletin for the year 2024: 6 February 2025

Interim Report for January–March 2025: 29 April 2025

Half-Year Financial Report January–June 2025: 31 July 2025

Interim Report for January–September 2025: 23 October 2025

Calculation of key ratios

Operating result	=	Result before income tax, financial income and expenses, exchange gains and losses, and share of results from associated companies and joint ventures
EBITDA	=	Operating result before depreciation, amortisation and impairment losses
Return on equity (%)	=	(Result before income tax – income taxes) per (Shareholder's equity (average))
Return on capital employed (%)	=	(Result before income taxes + net exchange differences and other financial expenses) per (Balance total – non-interest bearing liabilities (average))
Equity ratio (%)	=	(Shareholder's equity) per (Balance total – advance payments received)
Net gearing ratio (%)	=	(Interest-bearing net liabilities) per (Shareholder's equity)
Interest-bearing net liabilities	=	Interest-bearing liabilities – cash and cash equivalents and interest-bearing receivables
Total investments	=	Investments in owned and leased fixed assets and investments in business combinations
Earnings per share	=	(Profit attributable to shareholders of parent company) per (Adjusted number of shares (average))
Shareholders' equity per share	=	(Equity attributable to shareholders of parent company) per (Adjusted number of shares at the end of the period)
Adjusted average share price	=	(Total traded volume per share (EUR)) per (Average adjusted number of shares traded during the financial year)
Market capitalisation	=	(Number of shares) x (market price at the end of period)

Comparable key ratios

According to the guidelines of the European Securities and Markets Authority (ESMA), alternative performance measures are key figures concerning historical or future financial performance, financial standing, or cash flows that are not determined by the financial reporting framework applied by the company. Metsä Board's financial reporting framework consists of the IFRS standards in the form in which they were adopted by the EU in line with Regulation (EC) No. 1606/2002. With the exception of earnings per share, which have been defined in standard IAS 33 (Earnings per Share), the key figures presented in this financial report meet the ESMA's criteria for alternative performance measures.

Metsä Board believes that the presentation of alternative performance measures provides users of financial statements with a better understanding of the company's financial performance and standing, including its use of equity, operational profitability and ability to service debt.

The reconciliation of the comparable key figures is presented in this financial report. Metsä Board considers

that the key figures derived in this manner improve the comparability of reporting periods.

None of these key figures with items affecting comparability eliminated is a key figure used in IFRS reporting, and they cannot be compared to other companies' key figures identified by the same names. Items affecting comparability include material gains and losses on disposals of assets, impairment and impairment reversals in accordance with IAS 36 "Impairment of Assets", corporate divestments and acquisitions, adjustment measures and other restructuring measures and their adjustments, costs arising from extensive and unforeseeable interruptions in production, and the compensation received for them as well as items arising from legal proceedings.

Metsä Board considers comparable key figures to better reflect its operational performance, as they eliminate the effect on the result of items and business transactions arising outside normal business operations.

Unaudited condensed consolidated statement of profit and loss

EUR million	Note	2025 Q1	2024 Q1	2024 Q1–Q4
Sales	2, 6	480.8	483.7	1,938.6
Change in stocks of finished goods and work in progress		45.9	54.9	22.9
Other operating income	2, 6	10.6	9.8	77.8
Material and services	6	-405.5	-396.8	-1,491.7
Employee costs		-53.1	-50.0	-201.6
Share of result of associated company	6	5.6	-6.4	-8.8
Depreciation, amortisation and impairment losses		-47.6	-33.9	-113.6
Other operating expenses		-40.4	-38.3	-161.3
Operating result	2	-3.8	23.0	62.3
Share of results of associated companies and joint ventures		0.0	0.0	0.0
Net exchange gains and losses		-0.7	-2.1	-2.8
Net financial items	2, 6	-2.9	-0.8	-8.1
Result before income tax		-7.3	20.1	51.4
Income taxes	3	2.5	-5.4	-12.0
Result for the period		-4.9	14.8	39.4

Consolidated statement of comprehensive income

EUR million	Note	2025 Q1	2024 Q1	2024 Q1–Q4
Items that will not be reclassified to profit or loss				
Actuarial gains/losses on defined pension plans		0.2	0.0	-0.9
Financial assets valued at fair value through other comprehensive income	8	-18.6	-39.4	-35.4
Income tax relating to items that will not be reclassified		3.7	7.9	7.4
Total		-14.7	-31.6	-28.9
Items that may be reclassified to profit or loss				
Cash flow hedges		41.0	-20.7	-39.1
Translation differences		47.6	-27.6	-21.7
Share of other comprehensive income of associated company		9.7	-2.8	-13.8
Income tax relating to components of other comprehensive income		-8.2	4.1	7.8
Total		90.2	-46.9	-66.8
Other comprehensive income, net of tax		75.5	-78.4	-95.7
Total comprehensive income for the period		70.6	-63.7	-56.2
Result for the period attributable to				
Shareholders of parent company		-7.0	13.1	25.3
Non-controlling interests		2.1	1.7	14.1
Total		-4.9	14.8	39.4
Total comprehensive income for the period attributable to				
Shareholders of parent company		59.2	-59.5	-65.4
Non-controlling interests		11.4	-4.2	9.1
Total		70.6	-63.7	-56.2
Earnings per share for result attributable to shareholders of parent company (EUR/share)		-0.02	0.04	0.07

Unaudited condensed balance sheet

EUR million	Note	31 Mar 2025	31 Mar 2024	31 Dec 2024
ASSETS				
Non-current assets				
Goodwill		12.2	12.2	12.2
Other intangible assets		36.1	10.4	35.0
Tangible assets	4	1,256.6	1,197.4	1,248.4
Investments in associated companies and joint ventures		532.8	531.0	517.5
Other investments	8	201.1	215.0	219.7
Other non-current assets	6, 8	4.5	5.5	4.4
Deferred tax receivables	2	7.1	7.9	5.2
		2,050.4	1,979.4	2,042.4
Current assets				
Inventories		526.9	438.4	472.6
Trade receivables and other receivables	6, 8	337.1	304.6	296.5
Cash and cash equivalents	6, 8	171.3	265.3	182.6
		1,035.3	1,008.3	951.7
Total assets		3,085.7	2,987.6	2,994.1
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Equity attributable to shareholders of parent company		1,777.1	1,747.8	1,743.0
Non-controlling interests		176.2	151.4	164.7
Total equity		1,953.3	1,899.3	1,907.7
Non-current liabilities				
Deferred tax liabilities		128.7	124.4	123.2
Post-employment benefit obligations	2	8.0	7.4	8.1
Provisions	5	1.7	1.7	1.7
Borrowings	8	411.8	421.7	411.9
Other non-current liabilities	8	5.0	8.0	5.6
		555.3	563.3	550.6
Current liabilities				
Provisions	5	1.5	0.3	
Current borrowings	6, 8	161.1	19.8	115.5
Trade payables and other liabilities	6, 8	414.6	504.9	420.3
		577.2	525.1	535.8
Total liabilities		1,132.4	1,088.4	1,086.4
Total shareholders' equity and liabilities		3,085.7	2,987.6	2,994.1

Unaudited consolidated statement of changes in shareholders' equity

EUR million	Share capital	Trans- lation diffe- rences	Fair value and other reserves	Reserve for invested unrestricted equity	Own shares	Retained earnings	Total	Non- controlling interests	Equity total
Shareholders' equity 1 January 2024	557.9	-66.0	209.1	208.9	-5.5	992.6	1,897.0	155.6	2,052.6
Comprehensive income for the period									
Result for the period						13.1	13.1	1.7	14.8
Other comprehensive income net of tax total		-21.7	-50.8			0.0	-72.6	-5.8	-78.4
Comprehensive income total		-21.7	-50.8			13.1	-59.5	-4.2	-63.7
Related party transactions									
Dividend						-88.8	-88.8		-88.8
Disposal of own shares					1.8	-1.8			
Share based payments						-0.9	-0.9		-0.9
Shareholders' equity 31 March 2024	557.9	-87.7	158.2	208.9	-3.7	914.3	1,747.8	151.4	1,899.3

EUR million	Share capital	Trans- lation diffe- rences	Fair value and other reserves	Reserve for invested unrestricted equity	Own shares	Retained earnings	Total	Non- controlling interests	Equity total
Shareholders' equity 1 January 2025	557.9	-82.7	137.4	208.9	-3.7	925.2	1,742.9	164.7	1,907.7
Comprehensive income for the period									
Result for the period						-7.0	-7.0	2.1	-4.9
Other comprehensive income net of tax total		38.3	27.7			0.1	66.1	9.3	75.5
Comprehensive income total		38.3	27.7			-6.8	59.2	11.4	70.6
Related party transactions									
Dividend						-24.9	-24.9		-24.9
Disposal of own shares					1.0	-1.0			
Share based payments						-0.1	-0.1		-0.1
Shareholders' equity 31 March 2025	557.9	-44.4	165.1	208.9	-2.8	892.4	1,777.1	176.2	1,953.3

Unaudited condensed consolidated cash flow statement

EUR million	Note	2025 Q1	2024 Q1	2024 Q1–Q4
Result for the period		-4.9	14.8	39.4
Total adjustments	7	39.5	44.3	113.0
Change in working capital		-61.6	-70.3	-96.3
Net financial items	7	-5.6	11.8	-1.2
Income taxes paid		4.7	-8.5	-17.2
Net cash flow from operations		-27.9	-7.9	37.8
Investments in intangible and tangible assets		-15.5	-21.7	-164.0
Disposals and other items	6, 7	8.4	4.8	34.1
Net cash flow from investing		-7.0	-16.8	-129.9
Changes in non-current loans and in other financial items	6	41.7	0.3	73.9
Paid dividend	7	-24.9		-88.8
Net cash flow from financing		16.8	0.3	-14.8
Changes in cash and cash equivalents		-18.1	-24.4	-107.0
Cash and cash equivalents at beginning of period	6	182.6	291.6	291.6
Translation difference in cash and cash equivalents		6.9	-1.8	-2.1
Changes in cash and cash equivalents		-18.1	-24.4	-107.0
Cash and cash equivalents at end of period	6	171.3	265.3	182.6

Appendices to unaudited report

Note 1 - Background and basis of preparation

Metsä Board Corporation and its subsidiaries comprise a forest industry group whose main product areas are fresh fibre cartonboards and linerboards. Metsä Board Corporation, the parent company, is domiciled in Helsinki and the company's registered address is Revontulenpuisto 2, 02100 Espoo, Finland. Metsä Board's ultimate parent company is Metsäliitto Cooperative.

This financial report has been prepared in accordance with IAS 34, Interim Financial Reporting, and it should be read in conjunction with the 2024 IFRS financial statements. The effects of foreign exchange changes on the review period operating result vis-à-vis the comparison period result have been calculated based on estimated review period net cash flows in relevant currencies and taking the realised effects of foreign exchange hedges into account.

The same accounting policies have been applied as in the 2024 IFRS financial statements with the following exception:

Depreciation of machinery and equipment during the financial year has been adjusted between the quarters when applicable to correspond with the distribution of the economic benefit of the asset between quarters.

The standard changes applied in the 2025 financial year will not have a significant impact on the group's financial statements.

All amounts in the financial report are presented in millions of euros, unless otherwise stated.

This financial report was authorised for issue by the Board of Directors of Metsä Board on 29 April 2025.

Note 2 - Segment information

The Corporate Management Team is the chief operational decision maker monitoring business operations performance based on the operating segments. Metsä

Board's business operations consist solely of the folding boxboard, fresh fibre linerboard and market pulp businesses. Metsä Board reports on its financial performance in one reporting segment.

Geographical distribution of sales

EUR million	2025 Q1	2024 Q1	2024 Q1–Q4
EMEA	328.1	325.8	1,300.0
Americas	129.6	130.1	528.9
APAC	23.1	27.9	109.6
Total	480.8	483.7	1,938.6

Reconciliation of comparable figures

EUR million	2025 Q1	2024 Q1	2024 Q1–Q4
Operating result	-3.8	23.0	62.3
Depreciation, amortisation and impairment losses	47.6	33.9	113.6
EBITDA	43.8	57.0	175.9
Items affecting comparability:			
Write down of inventory	5.9		
Employee benefits	0.5		
Share of results of associated companies	0.0	0.8	-1.4
Other operating expenses	1.0		0.5
Total	7.3	0.8	-0.9
EBITDA, comparable	51.1	57.8	175.0
Depreciation, amortisation and impairment losses	-47.6	-33.9	-113.6
Items affecting comparability:			
Impairment charges and reversals of impairments	19.3	7.6	7.6
Operating result, comparable	22.8	31.5	69.0
Share of results of associated companies and joint ventures	0.0	0.0	0.0
Net financial items	-3.5	-2.9	-10.8
Items affecting comparability:			
Financial items		0.0	0.0
Result before income tax, comparable	19.3	28.6	58.2
Income taxes	2.5	-5.4	-12.0
Income taxes related to items affecting comparability	-5.3	-1.5	-1.5
Result for the period, comparable	16.4	21.7	44.6

Additional information about the reconciliation

“+” sign items = expense affecting comparability

“-” sign items = income affecting comparability

Items affecting operating result comparability in 2025 totalled EUR -26.6 million, mainly comprised of an item related to the impairment of the Tako mill’s assets.

Items affecting operating result comparability in 2024 totalled EUR -6.7 million. They comprised a write-down of EUR -7.6 million for the prefeasibility study of the Kaskinen folding boxboard mill, EUR -0.5 million for the sale of the discontinued sales company in Russia and EUR 1.4 million for items related to the business of the associated company Metsä Fibre.

Note 3 - Income taxes

EUR million	2025 Q1	2024 Q1	2024 Q1–Q4
Taxes for the current period	-1.0	-3.2	-4.6
Taxes for the prior periods	-0.3	0.0	-0.2
Change in deferred taxes	3.8	-2.2	-7.3
Total income taxes	2.5	-5.4	-12.0

Note 4 – Changes in property, plant and equipment

EUR million	2025 Q1	2024 Q1	2024 Q1–Q4
Carrying value at beginning of period	1,248.4	1,230.4	1,230.4
Investments in owned property, plant and equipment	14.0	19.4	136.0
Investments in leased property, plant and equipment	0.5	2.6	11.6
Decreases	-1.4	-0.4	-1.0
Depreciation, amortisation and impairment losses	-47.1	-25.9	-104.2
Translation difference	42.2	-28.7	-24.4
Carrying value at end of the period	1,256.6	1,197.4	1,248.4

Note 5 - Provisions

EUR million	Restructuring	Environmental obligations	Other provisions	Total
1 January 2025		1.7	0.0	1.7
Translation differences			0.0	0.0
Additions	1.5			1.5
31 Mar 2025	1.5	1.7	0.0	3.2
Non-current		1.7	0.0	1.7
Current	1.5			1.5
Total	1.5	1.7	0.0	3.2

Non-current provisions are expected to be utilised within five years

Note 6 - Related party transactions

Related parties include Metsä Board's ultimate parent company Finnish Metsäliitto Cooperative, other subsidiaries of Metsäliitto, associated companies and joint ventures. The members of the Board of Directors and Metsä Group's Executive Management Team and Metsä Board's Corporate Management Team as well as their close family members are also included in related parties.

Metsä Board enters into a significant number of transactions with related parties for the purchases of inventories, sale of goods, corporate services and financial transactions. Arm's-length pricing has been followed in product and service transactions undertaken and interest rates set between Metsä Board and the related parties.

Transactions with parent and sister companies

EUR million	2025 Q1	2024 Q1	2024 Q1–Q4
Sales	30.8	32.6	119.6
Other operating income	1.7	1.8	5.8
Purchases	-225.7	-210.1	-822.7
Share of result from associated company	5.6	-6.4	-8.8
Dividend income		0.0	0.0
Interest income	1.0	2.5	8.4
Interest expenses	-0.5	-0.1	-1.2
Investments			42.1
Trade receivables and other receivables	62.9	42.3	27.3
Cash and cash equivalents	169.4	234.5	179.2
Trade payables and other liabilities	202.5	154.8	191.5

Metsä Fibre's net result is included in the "Share of result from associated company" operating result line item, and transactions with Metsä Fibre are included in transactions with sister companies.

Metsä Fibre paid a dividend of EUR 0.0 million to Metsä Board in the review period (9.8).

Cash and cash equivalents include interest-bearing receivables comparable to cash funds and available from Metsä Group's internal bank Metsä Group Treasury Oy.

Transactions with associated companies and joint ventures

EUR million	2025 Q1	2024 Q1	2024 Q1–Q4
Sales	0.3	0.3	0.7
Trade receivables and other receivables	0.2	0.2	0.1

Note 7 - Notes to the consolidated cash flow statement**Adjustments**

EUR million	2025 Q1	2024 Q1	2024 Q1–Q4
Taxes	-2.5	5.4	12.0
Depreciation, amortisation and impairment charges	47.6	33.9	113.6
Share of result from associated companies and joint ventures	-5.5	6.4	8.8
Gains and losses on sale of fixed assets	-5.1	-3.6	-33.1
Finance costs, net	3.5	2.9	10.8
Pension liabilities and provisions	1.3	-1.1	-0.6
Other adjustments	0.2	0.4	1.5
Total	39.5	44.3	113.0

Net financial items

Net financial items in the consolidated cash flow statement include a dividend of EUR 0.0 million paid by Metsä Fibre (9.8).

Disposals and other items

Disposals and other items reported in 2025 were EUR 8.4 million in total. They consisted of proceeds amounting to EUR 5.0 million from emission right sales and other items amounting to EUR 3.4 million.

Disposals and other items reported in 2024 were EUR 34.1 million in total. They consisted of proceeds amounting to EUR 35.0 million from emission right sales and other items amounting to EUR -0.9 million.

Paid dividend

The paid dividend in 2025 included dividends paid by the parent company of EUR -24.9 million. The paid

dividend in 2024 included dividends paid by the parent company of EUR -88.8 million

Note 8 - Financial instruments

Classification of financial assets and liabilities and their fair values

Financial assets 31 March 2025

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Other non-current investments	1.4	199.7		201.1
Other non-current financial assets			0.7	0.7
Trade receivables and other receivables			258.3	258.3
Cash and cash equivalents			171.3	171.3
Derivative financial instruments	2.1	32.8		34.9
Total carrying amount	3.5	232.5	430.4	666.4
Total fair value	3.5	232.5	430.4	666.4

Financial liabilities 31 March 2025

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Non-current interest-bearing financial liabilities			411.8	411.8
Current interest-bearing financial liabilities			161.1	161.1
Trade payables and other financial liabilities			327.7	327.7
Derivative financial instruments	1.0	10.4		11.4
Total carrying amount	1.0	10.4	900.6	912.0
Total fair value	1.0	10.4	899.0	910.4

Classification of financial assets and liabilities and their fair values

Financial assets 31 March 2024

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Other non-current investments	1.4	213.6		215.0
Other non-current financial assets			0.1	0.1
Trade receivables and other receivables			251.0	251.0
Cash and cash equivalents			265.3	265.3
Derivative financial instruments	0.2	12.2		12.3
Total carrying amount	1.5	225.8	516.4	743.7
Total fair value	1.5	225.8	516.4	743.7

Financial liabilities 31 March 2024

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Non-current interest-bearing financial liabilities			421.7	421.7
Current interest-bearing financial liabilities			19.8	19.8
Trade payables and other financial liabilities			424.3	424.3
Derivative financial instruments	0.9	12.3		13.3
Total carrying amount	0.9	12.3	865.9	879.1
Total fair value	0.9	12.3	854.9	868.1

Trade receivables and other receivables do not include VAT receivables and prepayments and accrued income.

Trade payable and other financial liabilities do not include advance payments, VAT payables and accruals and deferred income.

In Metsä Board, all interest-bearing liabilities are valued in the balance sheet at amortised cost based on the effective interest method.

Fair values in the table are based on the present value of the cash flow of each liability or assets calculated by market rate. The discount rates applied are between 1.8 and 3.7 % (2.0 and 4.2). The fair values of trade receivables and other receivables and trade payables and other financial liabilities do not materially deviate from their carrying amounts in the balance sheet.

Other non-current investments at fair value based on Level 3

EUR million	2025	2024	2024
	Q1	Q1	Q1–Q4
Carrying value at beginning of period	219.7	254.4	254.4
Total gains and losses in other comprehensive income	-18.6	-39.4	-34.6
Purchases			0.0
Disposals			-0.1
Carrying value at end of the period	201.1	215.0	219.7

Financial assets and liabilities measured at fair value have been categorised in accordance with IFRS 7 Financial Instruments: Disclosures.

Level 1

Fair value is based on quoted prices in active markets.

Level 2

Fair value is determined using valuation techniques that use market information.

Level 3

Fair value is not based on observable market data, but on the company's own assumptions.

The fair values of natural gas and fuel oil derivatives are determined using public price quotations in an active market (Level 1).

The fair values of currency forwards and options as well as interest rate swaps are determined using the present value of expected payments supported by market interest rates and other market data of the closing date on the reporting period (Level 2).

For financial instruments not traded on an active market, the fair value is determined by valuation techniques. Judgement is used when choosing the different techniques and making assumptions, which

are mainly based on the circumstances prevailing in the markets on each closing date of the reporting period (Level 3).

The valuation and measurement principles are described in more detail in the Annual Report.

The most significant asset at fair value not traded on an active market is the investment in Pohjolan Voima Oyj shares classified as a financial asset at fair value through other comprehensive income. The value of investment is determined based on the present value of discounted cash flows.

The WACC used in Pohjolan Voima Oyj share valuation was 5.97% (31 December 2024: 5.51). The acquisition cost of shares in Pohjolan Voima Oyj is EUR 28.2 million (28.2) and fair value EUR 199.7 million (218.3).

The carrying value of other investments is expected to change by EUR -7.1 million (-8.1) and EUR 7.4 million (8.5) should the rate used for discounting the cash flows change by 0.5 percentage points from the rate estimated by management. The carrying value of other investments is expected to change by EUR 51.6 million (55.6) should the energy prices used in calculating the fair value differ by 10% from the prices estimated by management.

Fair value hierarchy of financial assets and liabilities as of 31 March 2025

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Other non-current investments			201.1	201.1
Derivative financial assets	1.6	33.3		34.9
Financial liabilities measured at fair value				
Derivative financial liabilities	0.7	10.7		11.4
Financial assets not measured at fair value				
Cash and cash equivalent		171.3		171.3
Financial liabilities not measured at fair value				
Non-current interest-bearing financial liabilities		410.5		410.5
Current interest-bearing financial liabilities		160.9		160.9

Fair value hierarchy of financial assets and liabilities as of 31 March 2024

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Other non-current investments			215.0	215.0
Derivative financial assets	2.0	10.4		12.3
Financial liabilities measured at fair value				
Derivative financial liabilities	3.6	9.7		13.3
Financial assets not measured at fair value				
Cash and cash equivalent		265.3		265.3
Financial liabilities not measured at fair value				
Non-current interest-bearing financial liabilities		411.4		411.4
Current interest-bearing financial liabilities		19.2		19.2

Derivatives 31 March 2025

EUR million	Nominal value	Fair value			Fair value	
		Derivative assets	Derivative liabilities	Fair value net	Fair value through profit and loss	Fair value through other comprehensive income
Interest rate swaps	50.0	0.0		0.0		0.0
Interest rate derivatives	50.0	0.0		0.0		0.0
Currency forward contracts	1,433.8	31.5	10.0	21.5	0.7	20.8
Currency option contracts	499.8	1.8	0.8	1.0		1.0
Currency derivatives	1,933.6	33.3	10.7	22.5	0.7	21.8
Oil derivatives	19.6	0.6	0.6	0.0		0.0
Natural gas derivatives	4.3	1.1	0.1	1.0	0.4	0.6
Commodity derivatives	23.9	1.6	0.7	1.0	0.4	0.6
Derivatives total	2,007.5	34.9	11.4	23.5	1.1	22.4

Derivatives 31 March 2024

EUR million	Nominal value	Fair value			Fair value	
		Derivative assets	Derivative liabilities	Fair value net	Fair value through profit and loss	Fair value through other comprehensive income
Interest rate swaps	50.0	1.4		1.4		1.4
Interest rate derivatives	50.0	1.4		1.4		1.4
Currency forward contracts	1,172.8	7.4	8.3	-0.9	-0.7	-0.2
Currency option contracts	497.3	1.6	1.4	0.2		0.2
Currency derivatives	1,670.1	9.0	9.7	-0.7	-0.7	0.0
Oil derivatives	21.5	2.0	0.0	2.0		2.0
Natural gas derivatives	10.9		3.6	-3.6		-3.6
Commodity derivatives	32.3	2.0	3.6	-1.6		-1.6
Derivatives total	1,752.4	12.3	13.3	-0.9	-0.7	-0.2

Note 9 - Commitments and guarantees

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Guarantees and counter-indemnities	0.7	0.5	0.7
Total	0.7	0.5	0.7

Purchase commitments related to intangible assets and property, plant and equipment

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Payments due in following 12 months	0.9	66.7	1.4
Payments due later	0.4	0.7	0.4
Total	1.3	67.3	1.8