

Interim report January–March 2023

## Challenging quarter with soft demand and all-time high input costs

### Key highlights Q1

- Organic\* and currency-neutral sales growth of 6%
- Market-related downtime in several mills due to customers' destocking and expectations of weaker market conditions
- Prices increased for liquid board and speciality paper, were stable for graphic paper and cartonboard, and decreased for other product categories
- All-time high input costs

### Quarterly data Q1

- Net sales increased by 55% to SEK 11,495 million (7,397), whereof Billerud North America accounted for SEK 3,311 million (–)
- Adjusted EBITDA\*\* was SEK 1,484 million (1,664), whereof Billerud North America accounted for SEK 628 million (–)
- The adjusted EBITDA margin was 13% (22)
- Operating profit was SEK 806 million (1,189)
- Net profit was SEK 639 million (884)
- Earnings per share amounted to SEK 2.57 (4.27)

### Outlook for Q2

- Continued weak market conditions due to destocking at customers and slower demand
- Lower volumes on the back of production adjustments and mill stoppages
- Most input cost inflation expected to ease
- Expectations of increased price pressure
- The impact of temporarily idling the Escanaba mill is estimated to SEK 100-150 million (EBITDA)

### Key figures\*\*

SEKm	Q1 2023	Q1 2022	Change	Q4 -22 2022	Change
Net sales	11,495	7,397	55%	11,971	-4%
Adjusted EBITDA	1,484	1,664	-11%	2,092	-29%
Operating profit	806	1,189	-32%	1,353	-40%
Adjusted operating profit	806	1,189	-32%	1,405	-43%
Net profit	639	884	-28%	940	-32%
Adjusted EBITDA margin, %	13	22		17	
Adjusted operating profit margin, %	7	16		12	
Adjusted ROCE, %	16	11		18	
Cash flow from operating activities	-339	754		1,692	
Interest-bearing net debt/adjusted EBITDA	0.7	2.3		0.6	

\* Excluding the acquisition of Verso in 2022.

\*\* 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 13-15.

## Comments by the CEO

Since the beginning of March, there has been a blastomycosis infection outbreak that has impacted the Escanaba mill and we are all deeply saddened that a person who worked as a contractor at the mill has died from the disease. Since first notified by the local public health department, we are cooperating with all available health resources and have taken their recommended actions. On 13 April we proactively decided to temporarily idle the Escanaba mill for up to three weeks as a precaution and to perform additional cleaning of the facilities. Our top priority is the health and safety of our employees and contractors.

The first quarter organic and currency-neutral net sales grew by 6% compared to the corresponding period last year, mainly because of higher sales prices. Our sales volumes were negatively impacted by customers' destocking due to an inventory-build in the downstream value chain, as well as lower demand for some product categories.

The Group's first quarter result and EBITDA margin was dampened by temporary elevated costs for raw materials in combination with the challenging market conditions with slower demand. The regions Europe and North America continued to show different margin profiles mainly due to historically high wood prices in Europe.

From the start of 2023 we have implemented price increases in our liquid packaging board, which in the first quarter could not offset the increasing wood costs. The market conditions for our other product categories have been challenging during the first months of 2023. We have adjusted by taking market-related production downtime in several mills. In the first quarter, prices increased for speciality paper and were resilient for graphic paper, while market prices for kraft liner, sack paper and pulp have decreased in recent months.

For the second quarter, we expect the challenging market conditions to continue. The destocking will continue in the second quarter, but we expect the destocking cycle to end in the second half of the year. There is a downside risk to prices and sales mix. On the cost side, we anticipate that the inflation will start to ease in the second quarter. Chemical prices are on the way down, following the drop in energy prices, and from May we have new logistics contracts with better price terms.

To protect our profitability, we are working with price and mix management and are adjusting our production accordingly. We have imposed a strict cost control throughout the organisation. We have also started to execute on our three-year efficiency enhancement programme, that was launched in January and which encompasses a number of initiatives across Commercial, Operations and Procurement & Wood Supply functions in our European operations. The results from this programme are promising, and in the first quarter it delivered a positive effect of SEK 95 million.

In parallel with overcoming short-term challenges, we continue to execute on our strategic growth agenda. The pre-feasibility study about the conversion of at least one paper



machine in Escanaba to a board machine is in its final stage, and the size, phasing and expected returns of the investment will be announced in due course.

As part of the project in Escanaba, we plan to drastically reduce the mill's fossil CO<sub>2</sub> emissions. We have set ourselves the ambition to deliver clean energy and make the Escanaba mill sustainable for the future. The State of Michigan has approved a sizable investment support for the mill transformation, to be paid pro rata subsequently to our investments provided that certain project milestones and conditions are fulfilled. On top of this, we are in the process of applying for federal investment support, within the framework of President Biden's Clean Energy Plan, for this business transformation.

The current challenging market situation is temporary. We have a brighter view of market conditions and our financial performance for the second half of the year.

Christoph Michalski  
*President and CEO*

# First quarter

## Sales and results

Net sales for the first quarter grew by 55% to SEK 11,495 million (7,397). Net sales excluding currency effects increased by 51%, mainly due to the acquisition of Verso, which was completed on 31 March 2022. Billerud North America (former Verso) had net sales of SEK 3,311 million and sales volumes of 235 ktonnes. The total sales volume for the Group in the first quarter was 943 ktonnes (714), negatively impacted by a softer demand and inventory adjustments by customers. The organic\* and currency-neutral net sales growth for the Group was 6%.

Adjusted EBITDA amounted to SEK 1,484 million (1,664), whereof Billerud North America contributed an EBITDA of SEK 628 million. The EBITDA margin declined to 13% (22) due to elevated costs for raw materials, mainly in Europe, and a more challenging market situation with reduced demand, only partially offset by higher sales prices.

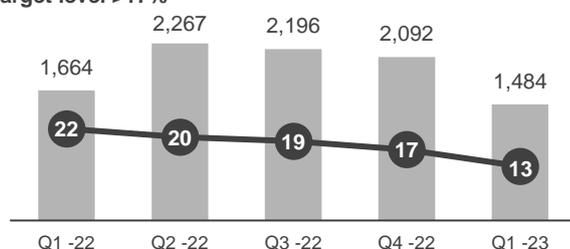
No items classified as affecting comparability impacted the result in the first quarter (–).

## Market development and outlook

In the first quarter of 2023, the market conditions were more challenging for all product categories except for liquid packaging board. Slower demand due to customers' inventory adjustments and expectations of economic uncertainty led to lower sales volumes. Prices increased for liquid packaging board and speciality paper and were maintained for graphic paper and cartonboard. Prices for all other products decreased.

For the second quarter 2023, market conditions are expected to remain weak due to continued destocking among customers and a softer demand. Lower sales volumes are expected on the back of production adjustments to current market demand, maintenance stops at Gruvön and Skärblacka and a temporary idling of the Escanaba mill. Price pressure is expected on all product categories except for liquid packaging board, where we expect unchanged prices. In terms of input prices, we see inflation starting to come down in some categories.

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



\* Excluding the acquisition of Verso in 2022.

## Events in the quarter

In the beginning of the year, Billerud started a three-year efficiency enhancement programme focusing on profitability improvements and with activities that span across functions predominantly in the European operations. See more information on page 8.

Market-related production downtime was taken at several mills during the first quarter to meet the weaker market demand. We continuously evaluate the timing of investments to protect cash flow and will reduce the capital expenditures in 2023 by SEK 200 million. Restrictions for recruitments, internal business trips, conferences and training have also been introduced.

On 27 January, Billerud announced that the Michigan State legislatures had passed legislation to grant Billerud investment support of up to USD 200 million in funding to support the company's investment plans to transform the Escanaba mill to paperboard production. Shortly thereafter, Michigan's Governor signed the legislation, approving the Michigan Economic Development Corporation's appropriation of the funds. The investment support will be relative to the company's actual investments and subject to execution of the necessary agreements between the Michigan Strategic Fund and Billerud U.S. Production Holdings LLC.

In March, Robert A. Kreizenbeck left his employment as President North America and Kevin Kuznicki was appointed new President North America & General Counsel North America. Kevin Kuznicki was previously, since 2022, Deputy President & General Counsel North America and a member of the Group Management Team.

## Events after the end of the quarter

On 13 April, Billerud proactively decided to temporarily idle the Escanaba mill for up to three weeks as a precautionary measure to perform additional cleaning of the facilities and further protect the health and safety of its employees and contractors due to a blastomycosis infection outbreak that has impacted the mill since the beginning of March. On 21 April, 104 cases (confirmed and probable) of blastomycosis had been identified. Unfortunately, there has been one death associated with blastomycosis infection. During the temporary shutdown of the Escanaba mill, additional cleaning will be performed. The financial impact is estimated to SEK 100-150 million.

In the convening notice to the 2023 Annual General Meeting, published on 19 April, the nomination committee's proposal that Regi Aalstad be elected as a new Board member was stated. Bengt Hammar and Andrea Gisle Joosen are not available for re-election. The current Board members Florian Heiserer, Magnus Nicolin, Victoria Van Camp, Jan Svensson and Jan Åström are proposed for re-election. Jan Svensson is proposed to be re-elected as Board Chairman.

# Paper product area

## Key figures

SEKm	Quarter			Full year
	Q1 -23	Q1 -22	Q4 -22	2022
Net sales	6,002	2,219	6,710	21,509
of which graphic paper	2,337	-	2,975	8,632
of which kraft and speciality paper	1,545	877	1,634	5,580
of which sack paper	856	827	1,007	3,858
of which pulp	1,254	504	1,079	3,394
Net operating expenses	-4,747	-1,517	-4,811	-16,184
<b>EBITDA</b>	<b>1,255</b>	<b>702</b>	<b>1,899</b>	<b>5,325</b>
EBITDA margin, %	21%	32%	28%	25%
Operating profit/loss	936	583	1,578	4,290
Operating margin, %	16%	26%	24%	20%
Sales volumes, ktonnes	459	219	482	1,704

## Sales and results

Net sales for the first quarter increased to SEK 6,002 million (2,219). Net sales excluding currency effects grew by 162%, mainly due to the acquisition of Verso on 31 March 2022. Billerud North America had sales volumes of 235 ktonnes and net sales of SEK 3,311 million in the first quarter of 2023. The organic\* and currency neutral net sales growth was 13%, driven by higher sales prices. Sales volumes in both regions were negatively affected by a softer demand and inventory reductions by customers.

EBITDA increased to SEK 1,255 million (702), corresponding to an EBITDA margin of 21% (32). The increase was a consequence of the acquisition of Billerud North America, which contributed an EBITDA of SEK 628 million in the quarter. EBITDA excluding Billerud North America deteriorated due to higher input costs, which could not be offset by higher prices.

Capacity was adjusted to current market conditions in several mills, which in the first quarter implied 78 ktonnes lower production volumes.

The idling of the Escanaba mill for up to three weeks to protect the health and safety of Billerud's employees and contractors due to a blastomycosis fungal infection outbreak, that was decided on April 13, is assessed to have a negative impact of SEK 100-150 million on the second quarter result.

The comparison with the first quarter 2022 is affected by the acquisition of Verso on 31 March 2022.

\* Excluding the acquisition of Verso in 2022.

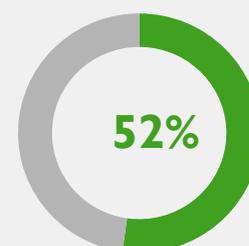
## Market development

During the first quarter of 2023, the market conditions for Billerud's paper categories were more challenging, driven by customers' destocking activities as well as expectations of economic uncertainty. Prices increased for speciality paper and were maintained for graphic paper during the first quarter. Prices for the other paper categories decreased. Market prices for pulp also decreased.

### About Paper product area

The Paper product area includes graphic paper, kraft and speciality paper, sack paper and market pulp. The mills at Skärblacka, Karlsborg, Pietarsaari, Escanaba, Quinnesec and the converting facility at Wisconsin Rapids belong to this product area.

Share of Group's net sales  
Q1 2023



EBITDA, SEKm and EBITDA margin, %



# Board product area

## Key figures

SEKm	Quarter			Full year
	Q1 -23	Q1 -22	Q4 -22	2022
Net sales	4,775	4,375	4,564	17,912
of which liquid packaging board	2,479	2,218	2,224	8,591
of which containerboard	1,424	1,296	1,447	5,480
of which cartonboard	812	775	807	3,509
Net operating expenses	-4,354	-3,328	-4,272	-14,650
<b>EBITDA</b>	<b>421</b>	<b>1,047</b>	<b>292</b>	<b>3,262</b>
EBITDA margin, %	9%	24%	6%	18%
Operating profit/loss	97	725	-32	1,973
Operating margin, %	2%	17%	-1%	11%
Sales volumes, ktonnes	484	495	457	1,889

## Sales and results

Net sales for the first quarter increased by 9% to SEK 4,775 million (4,375). Net sales excluding currency effects grew by 5%, driven by higher prices. Sales volumes declined, negatively affected by a softer demand and inventory reductions by some customers.

EBITDA declined to SEK 421 million (1,047), corresponding to an EBITDA margin of 9% (24). The result decline was primarily due to higher input costs, but there was also a negative change of product mix with lower share of coated products, and more sales of products held in stock which negatively impacted fixed cost coverage.

Capacity was adjusted to current market conditions in several mills, which in the first quarter implied 39 ktonnes lower production volumes.

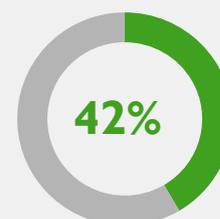
## Market development

During the first quarter of 2023, the market conditions were more challenging due to slower demand and inventory adjustments by customers. Exception being liquid packaging board, where market conditions were stable. Price improvements were implemented for liquid packaging board, while prices for cartonboard were maintained and prices for containerboard products declined.

### About Board product area

The Board product area includes liquid packaging board, cartonboard and containerboard, which are mainly used to packaging products for liquid food, consumer products and fragile industrial products and food. The mills at Gävle, Gruvön and Frövi/Rockhammar belong to this product area.

Share of Group's net sales  
Q1 2023



EBITDA, SEKm and EBITDA margin, %



## Solutions and Other

### Sales and results

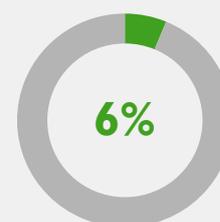
Net sales for the first quarter amounted to SEK 718 million (803). The decline was the result of negative effects from currency hedging and accounts receivables revaluation and lower sales in Managed Packaging.

EBITDA in the first quarter of 2023 amounted to SEK -192 million (-85). The negative change was mainly due to negative effects from currency hedging and accounts receivables revaluation but also due to higher costs for Group projects.

### Key figures (including currency hedging etc)

SEKm	Quarter			Full year
	Q1 -23	Q1 -22	Q4 -22	2022
Net sales	718	803	697	3,169
<i>of which Managed Packaging</i>	137	188	170	770
Net operating expenses	-910	-888	-848	-3,589
<b>EBITDA</b>	<b>-192</b>	<b>-85</b>	<b>-151</b>	<b>-420</b>
Operating profit	-226	-119	-193	-576

Share of Group's net sales  
Q1 2023



## Cash flow and financial position

Operating cash flow after investments in tangible and intangible assets amounted to SEK -1,107 million (198) for the first quarter of 2023. Cash flow from operating activities in the first quarter was negatively affected by the decreased profit before tax, increased tax payments and a negative change in working capital.

### Condensed cash flow statement

SEKm	Quarter	
	Q1 -23	Q1 -22
Profit before tax	726	1,145
Adjustments for non-cash items	548	372
Tax paid	-281	-29
Cash flow from changes in working capital	-1,332	-734
<b>Cash flow from operating activities</b>	<b>-339</b>	<b>754</b>
Investments in tangible and intangible assets	-768	-556
<b>Operating cash flow after investments in tangible and intangible assets</b>	<b>-1,107</b>	<b>198</b>

## Financing

On 31 March 2023, the interest-bearing debt amounted to SEK 6,460 million (10,706). Interest-bearing debt increased by SEK 1,437 million during the first quarter 2023. Under the MTN program, SEK 1,800 million in bond loans were repaid and new bond loans of SEK 2,500 million were issued during the quarter. The Group repaid commercial papers of SEK 330 million and issued new commercial papers of SEK 1,125 million during the first quarter.

## Debt portfolio and maturity profile on 31 March 2023

Loan	Limit, SEKm	Maturity, years			Total utilised
		0-1	1-2	2-	
Syndicated credit facilities	5,500				-
Term loans		500	500	251	1,251
Bond loans within MTN program	7,000			2,500	2,500
Other bond loans		600		1,000	1,600
Commercial paper	4,000	1,109			1,109
<b>Group total</b>		<b>2,209</b>	<b>500</b>	<b>3,751</b>	<b>6,460</b>

The interest-bearing net debt on 31 March 2023 amounted to SEK 5,757 million (10,770).

The net interest-bearing debt in relation to EBITDA (and adjusted EBITDA) at the end of the period was 0.7 (2.4).

## Investments and capital employed

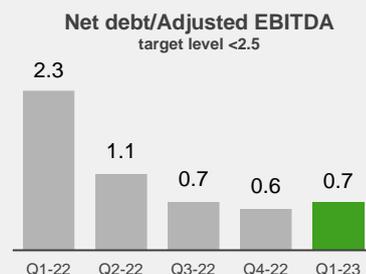
Investments in tangible and intangible assets amounted to SEK 768 million (556) for the first quarter 2023. The increase was mainly related to investments in North America post the acquisition of Verso 31 March 2022.

The investment in a new recovery boiler at the Frövi mill will improve environmental performance and provide opportunities for enhanced efficiency. The project is proceeding in line with budget and schedule. The new recovery boiler is planned to be in operation by the end of 2023. The investment is estimated to total SEK 2.6 billion. The capital expenditures for the recovery boiler were around SEK 0.4 billion in 2021 and around SEK 1.1 billion in 2022. For 2023, capital expenditures for this project are estimated to around SEK 0.9 billion.

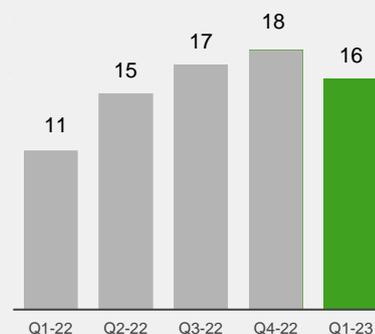
Total investment in tangible and intangible assets during 2023 are estimated to amount to around SEK 2.9 billion, of which around SEK 2.4 billion is attributable to Europe and around SEK 0.5 billion to North America.

Capital employed on 31 March 2023 amounted to SEK 34,885 million (32,219). Return on capital employed (ROCE) for the last twelve months amounted to 16% (10). Adjusted ROCE was also 16% (11).

Return on equity was 16% (10) for the last twelve-months period.



## Adjusted return on capital employed, %



## Other information

### Efficiency enhancement programme 2023

In the beginning of 2023, Billerud launched a three-year efficiency enhancement programme, focusing on profitability improvements and with activities that span across functions predominantly in the European operations. The target for the programme is an EBITDA uplift of SEK 1.5 billion by the end of 2025 run-rate. For 2023, the programme is estimated to have a positive EBITDA impact of SEK 400 million. In the first quarter of 2023, the positive effect of the efficiency-enhancement programme was around SEK 95 million.

### Currency hedging

Currency hedging had a net sales impact of SEK -84 million (-58) in the first quarter. Outstanding forward exchange contracts on 31 March 2023 had a market value of SEK -161 million, of which SEK -52 million is the portion of the contracts matched by trade receivables that affected earnings in the first quarter. Accordingly, other contracts had a market value of SEK -109 million.

### Hedged portion of forecast currency flows

Currency	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Total 15 months
EUR Share*	78%	83%	81%	79%	77%	80%
Rate	10.64	10.69	10.82	11.07	11.30	10.88
USD Share*	80%	77%	79%	77%	73%	79%
Rate	9.51	10.06	10.53	10.48	10.22	10.14
GBP Share*	19%					4%
Rate	12.78					12.78
<b>Market value of currency contracts**</b>	<b>-82</b>	<b>-53</b>	<b>-20</b>	<b>-5</b>	<b>-1</b>	<b>-161</b>

\* Share of net flow.

\*\* On 31 March 2023.

### Taxes

The tax cost for the first quarter 2023 amounted to SEK 87 million (261), equal to approximately 12% (23) of profit before tax. The low tax rate is related to US tax credits, for which a deferred tax asset has been recognized.

### Parent company

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

Operating profit/loss for the first quarter 2023 was SEK -210 million (-95). 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 -84 million (-58) for the first quarter 2023.

The average number of employees on 31 March 2023 was 156 (141).

Cash and bank balances, and short-term investments amounted to SEK 1,417 million (239).

### Holding of treasury shares

The holding of treasury shares was unchanged during the first quarter of 2023. On 31 March 2023, the number of own shares was 1,261,891, corresponding to about 0.5% of the total amount of shares. The total amount of shares was 249,611,422 and the number of shares in the market was 248,349,531.

### Annual General Meeting and proposed dividend

The 2023 Annual General Meeting will be held at 7A Posthuset, Vasagatan 28 in Stockholm on 24 May at 15:00 CEST. The convening notice of the AGM with information on how and when to provide notification of participation is available on Billerud's website, under the headings About us, Corporate Governance, General Meetings, AGM 2023.

The Board of Directors proposes for the fiscal year 2022 an ordinary dividend of SEK 5.50 per share (4.30) and an extraordinary dividend of SEK 2.00 per share (-). The proposal entails a total share dividend of approximately SEK 1,863 million, corresponding to around 41% of the net profit. The last day for trading in Billerud's shares including the right to receive payment of dividend is 24 May 2023. The dividend is estimated to be paid out to the shareholders on 31 May.

### 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 fibre-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 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, 26 April 2023

Billerud AB (publ)

Christoph Michalski  
President and CEO



# Group

## Condensed income statement

SEKm	Quarter			Full year
	Q1 -23	Q4 -22	Q1 -22	2022
Net sales	11,495	11,971	7,397	42,590
Other operating income	66	221	59	440
Change in inventories	24	474	14	724
Raw materials and consumables	-6,127	-6,218	-3,296	-20,280
Other external costs	-2,384	-2,790	-1,546	-9,569
Employee benefits expense	-1,593	-1,582	-969	-5,719
Depreciation, amortization and impairment of non-current assets	-678	-687	-475	-2,480
Profit/Loss from participations in associated companies	3	-36	5	-19
<b>Operating profit/loss</b>	<b>806</b>	<b>1,353</b>	<b>1,189</b>	<b>5,687</b>
Financial net	-80	-172	-44	186
<b>Profit/Loss before tax</b>	<b>726</b>	<b>1,181</b>	<b>1,145</b>	<b>5,873</b>
Taxes	-87	-241	-261	-1,283
<b>Profit/Loss from continuing operations</b>	<b>639</b>	<b>940</b>	<b>884</b>	<b>4,590</b>
<b>Profit/Loss attributable to:</b>				
Owners of the parent company	639	940	884	4,590
Non-controlling interests	-	-	-	-
<b>Net profit/loss for the period</b>	<b>639</b>	<b>940</b>	<b>884</b>	<b>4,590</b>
<b>Earnings per share, SEK</b>	<b>2.57</b>	<b>3.79</b>	<b>4.27</b>	<b>20.13</b>
<b>Diluted earnings per share, SEK</b>	<b>2.57</b>	<b>3.78</b>	<b>4.27</b>	<b>20.09</b>

## Condensed statement of comprehensive income

SEKm	Quarter			Full year
	Q1 -23	Q4 -22	Q1 -22	2022
<b>Net profit/loss for the period</b>	<b>639</b>	<b>940</b>	<b>884</b>	<b>4,590</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Actuarial gains or losses on defined benefit pension plans	-43	49	58	470
Change in fair value of shareholding in Other holdings	-	-	-	-6
Tax attributable to items not to be reclassified to profit or loss	11	-14	-12	-111
<b>Total items never reclassified to profit or loss</b>	<b>-32</b>	<b>35</b>	<b>46</b>	<b>353</b>
<b>Items that have been or may be reclassified subsequently to profit or loss</b>				
Differences arising from the translation of foreign operations' accounts	-46	-364	2	774
Change in fair value of cash flow hedges	-876	-1,506	578	1,166
Tax attributable to items that have been or may be reclassified subsequently to profit or loss	180	311	-103	-222
<b>Total items that have been or may be reclassified subsequently to profit or loss</b>	<b>-742</b>	<b>-1,559</b>	<b>477</b>	<b>1,718</b>
<b>Total comprehensive income for the period</b>	<b>-135</b>	<b>-584</b>	<b>1,407</b>	<b>6,661</b>
<b>Attributable to:</b>				
Owners of the parent company	-135	-584	1,407	6,661
Non-controlling interests	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-135</b>	<b>-584</b>	<b>1,407</b>	<b>6,661</b>



## Condensed balance sheet

SEKm	31 Mar 2023	31 Mar 2022	31 Dec 2022
Intangible assets	2,242	2,182	2,246
Tangible assets, including Right of use assets	29,713	28,133	29,648
Other non-current assets	2,113	2,472	2,231
<b>Total non-current assets</b>	<b>34,068</b>	<b>32,787</b>	<b>34,125</b>
Inventories	7,523	5,555	7,305
Accounts receivable	5,001	4,305	5,006
Other current assets	2,405	2,275	2,933
Cash and cash equivalents	2,318	1,971	2,046
<b>Total current assets</b>	<b>17,247</b>	<b>14,106</b>	<b>17,290</b>
<b>Total assets</b>	<b>51,315</b>	<b>46,893</b>	<b>51,415</b>
Equity attributable to owners of the parent company	29,128	21,449	29,254
Non-controlling interests	-	-	-
<b>Total equity</b>	<b>29,128</b>	<b>21,449</b>	<b>29,254</b>
Interest-bearing liabilities	4,251	5,314	2,796
Lease liabilities	210	230	234
Provisions for pensions	1,242	1,659	1,196
Other liabilities and provisions	480	500	492
Deferred tax liabilities	4,274	4,262	4,452
<b>Total non-current liabilities</b>	<b>10,457</b>	<b>11,965</b>	<b>9,170</b>
Interest-bearing liabilities	2,209	5,392	2,227
Lease liabilities	170	162	177
Accounts payables	5,637	4,251	6,702
Other liabilities and provisions	3,714	3,674	3,885
<b>Total current liabilities</b>	<b>11,730</b>	<b>13,479</b>	<b>12,991</b>
<b>Total equity and liabilities</b>	<b>51,315</b>	<b>46,893</b>	<b>51,415</b>

## Condensed statement of changes in equity

SEKm	Quarter		Full year
	Q1 -23	Q1 -22	2022
Opening balance	29,254	20,041	20,041
Comprehensive income for the period	-135	1,407	6,661
Rights issue *	-	-	3,435
Share-based payment to be settled in equity instruments	9	5	22
Hedging result transferred to acquisition cost in fixed assets	-	-4	-15
Dividend to owners of the parent company	-	-	-890
<b>Closing balance</b>	<b>29,128</b>	<b>21,449</b>	<b>29,254</b>
<b>Equity attributable to:</b>			
Owners of the parent company	29,128	21,449	29,254
Non-controlling interests	-	-	-
<b>Closing balance</b>	<b>29,128</b>	<b>21,449</b>	<b>29,254</b>

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



## Condensed cash flow statement

SEKm	Quarter			Full year
	Q1 -23	Q4 -22	Q1 -22	2022
<b>Operating activities</b>				
Profit before tax	726	1,181	1,145	5,873
Adjustments for non-cash items*	548	1,499	372	2,488
Tax paid	-281	-344	-29	-453
Cash flow from changes in working capital	-1,332	-644	-734	-1,079
<b>Cash flow from operating activities</b>	<b>-339</b>	<b>1,692</b>	<b>754</b>	<b>6,829</b>
<b>Investing activities</b>				
Investments in tangible and intangible assets	-768	-990	-556	-3,330
Disposal of property, plant and equipment	-	2	-	32
Business combinations **	-	-	-6,026	-6,128
Acquisition of financial assets/contribution associated companies	-17	-	-8	-15
Dividend from associated companies	-	-	-	12
Disposal/repayment of financial assets/other holdings	-	-	-	10
Change in interest-bearing receivables	10	-	-	3
<b>Cash flow from investing activities</b>	<b>-775</b>	<b>-988</b>	<b>-6,590</b>	<b>-9,416</b>
<b>Financing activities</b>				
Change in interest-bearing liabilities	1,383	-2,265	4,223	-1,637
Rights issue	-	-	-	3,419
Dividend	-	-	-	-890
<b>Cash flow from financing activities</b>	<b>1,383</b>	<b>-2,265</b>	<b>4,223</b>	<b>892</b>
<b>Total cash flow for the period</b>	<b>269</b>	<b>-1,561</b>	<b>-1,613</b>	<b>-1,695</b>
Cash and cash equivalents at start of period	2,046	3,922	3,558	3,558
Translation differences in cash and cash equivalents	3	-315	26	183
<b>Cash and cash equivalents at the end of the period</b>	<b>2,318</b>	<b>2,046</b>	<b>1,971</b>	<b>2,046</b>

### \*Reconciliation of non-cash items

SEKm	Quarter			Full year
	Q1 -23	Q4 -22	Q1 -22	2022
Depreciation, amortisation and impairment of assets	679	688	475	2,480
Financial items	19	582	-1	114
Disposal of non-current assets	3	22	-	22
Pensions and other provisions	-13	-86	12	-100
Electricity certificates and emission rights	-146	253	-114	-69
Share of profit/loss in associates/impairment of investments	-3	36	-5	19
Share based payments	9	4	5	22
<b>Total non-cash items</b>	<b>548</b>	<b>1,499</b>	<b>372</b>	<b>2,488</b>

\*\* 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

	Fair value hedging instruments	Fair value through other comprehensive income	Amortised costs	Total carrying amount	Fair value
Valuation classification	Level 2	Level 3			
<b>Group 31 March 2023</b>					
Other shares and participations		54		54	54
Long-term receivables *	245		66	311	311
Accounts receivable			5,001	5,001	5,001
Other receivables *	488		472	960	960
Cash and cash equivalents			2,318	2,318	2,318
<b>Total</b>	<b>733</b>	<b>54</b>	<b>7,857</b>	<b>8,644</b>	<b>8,644</b>
Non-current interest-bearing liabilities			4,461	4,461	4,440
Current interest-bearing liabilities			2,379	2,379	2,379
Accounts payables			5,637	5,637	5,637
Other liabilities	195		335	530	530
<b>Total</b>	<b>195</b>	<b>-</b>	<b>12,812</b>	<b>13,007</b>	<b>12,986</b>

	Fair value hedging instruments	Fair value through other comprehensive income	Amortised costs	Total carrying amount	Fair value
Valuation classification	Level 2	Level 3			
<b>Group 31 December 2022</b>					
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
<b>Total</b>	<b>1,657</b>	<b>54</b>	<b>7,872</b>	<b>9,583</b>	<b>9,583</b>
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
<b>Total</b>	<b>259</b>	<b>-</b>	<b>12,569</b>	<b>12,828</b>	<b>12,834</b>

\*Fair value hedging instruments related to electricity represent a value of SEK 235 million (SEK 456 million on Dec 31 2022) classified as Long term receivables and SEK 423 million (SEK 1,126 million on Dec 31 2022) classified as Other receivables.

## Note 3: 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 product areas/segments can be found on pages 4-6,

information regarding financing on page 7 and seasonal effects on page 16, and events after the end of the quarter on page 3.



## Key figures

Key figures	Quarter		Full year
	Q1 -23	Q1 -22	2022
<b>Margins</b>			
EBITDA margin, %	13	22	19
Adjusted EBITDA margin, %	13	22	19
Operating margin, %	7	16	13
Adjusted operating margin, %	7	16	13
<b>Return (rolling 12 months)</b>			
Return on capital employed, % (ROCE)	16	10	18
Adjusted Return on capital employed, % (adj ROCE)	16	11	18
Return on equity, %	16	10	18
<b>Capital structure at end of period</b>			
Capital employed, SEKm	34,885	32,219	33,834
Working capital, SEKm	5,943	4,557	5,140
Equity attributable to owners of the parent company, SEKm	29,128	21,449	29,254
Interest-bearing net debt, SEKm	5,757	10,770	4,581
Net debt/equity ratio	0.20	0.50	0.16
Interest-bearing net debt / EBITDA	0.7	2.4	0.6
Interest-bearing net debt / Adjusted EBITDA	0.7	2.3	0.6
<b>Key figures per share</b>			
Earnings per share, SEK	2.57	4.27	20.13
Adjusted earnings per share, SEK	2.57	4.27	20.36
Dividend (for the financial year) per share, SEK	-	-	7.50*
<b>Other key figures</b>			
Working capital as percentage of net sales, %	12	11	11
Investments in tangible and intangible assets, SEKm	768	556	3,330
Average number of employees	6,059	4,267	5,525

\*The Board of Directors proposes an ordinary dividend of SEK 5.50 per share and an extraordinary dividend of SEK 2.00 per share.

## Reconciliation of alternative performance measures

Items affecting comparability*, SEKm	Quarter			Full year
	Q1 -23	Q4 -22	Q1 -22	2022
Revaluation of biological assets in associated companies (Profit from participations in associated companies)	-	52	-	52
<b>Items affecting comparability</b>	<b>-</b>	<b>52</b>	<b>-</b>	<b>52</b>
<b>EBITDA, SEKm and EBITDA margin, %</b>				
Operating profit	806	1,353	1,189	5,687
Depreciation, amortizations and impairment of non-current assets	678	687	475	2,480
<b>EBITDA, SEKm</b>	<b>1,484</b>	<b>2,040</b>	<b>1,664</b>	<b>8,167</b>
Net sales	11,495	11,971	7,397	42,590
<b>EBITDA margin, %</b>	<b>13</b>	<b>17</b>	<b>22</b>	<b>19</b>
<b>Adjusted EBITDA, SEKm and adjusted EBITDA margin, %</b>				
EBITDA	1,484	2,040	1,664	8,167
Items affecting comparability*	-	52	-	52
<b>Adjusted EBITDA, SEKm</b>	<b>1,484</b>	<b>2,092</b>	<b>1,664</b>	<b>8,219</b>
Net sales	11,495	11,971	7,397	42,590
<b>Adjusted EBITDA margin, %</b>	<b>13</b>	<b>17</b>	<b>22</b>	<b>19</b>
<b>Operating margin, %</b>				
Operating profit	806	1,353	1,189	5,687
Net sales	11,495	11,971	7,397	42,590
<b>Operating margin, %</b>	<b>7</b>	<b>11</b>	<b>16</b>	<b>13</b>
<b>Adjusted operating profit, SEKm and adjusted operating margin, %</b>				
Operating profit	806	1,353	1,189	5,687
Items affecting comparability*	-	52	-	52
<b>Adjusted operating profit, SEKm</b>	<b>806</b>	<b>1,405</b>	<b>1,189</b>	<b>5,739</b>
Net sales	11,495	11,971	7,397	42,590
<b>Adjusted operating margin, %</b>	<b>7</b>	<b>12</b>	<b>16</b>	<b>13</b>
<b>Return on capital employed, %</b>				
Operating profit over 12 months***	5,303	5,687	2,650	5,687
Average capital employed over 12 months**	33,897	31,722	25,974	31,722
<b>Return on capital employed, %</b>	<b>16</b>	<b>18</b>	<b>10</b>	<b>18</b>
<b>Adjusted return on capital employed, %</b>				
Adjusted operating profit over 12 months***	5,355	5,739	2,827	5,739
Average capital employed over 12 months**	33,897	31,722	25,974	31,722
<b>Adjusted return on capital employed, %</b>	<b>16</b>	<b>18</b>	<b>11</b>	<b>18</b>
<b>Return on equity, %</b>				
Net profit attributed to owners of the parent company over 12 months ***	4,345	4,590	1,992	4,590
Average shareholders' equity attributed to owners of the parent company **	27,338	25,520	19,989	25,520
<b>Return on equity, %</b>	<b>16</b>	<b>18</b>	<b>10</b>	<b>18</b>
<b>Net debt/equity ratio</b>				
Interest-bearing net debt	5,757	4,581	10,770	4,581
Total equity	29,128	29,254	21,449	29,254
<b>Net debt/equity ratio</b>	<b>0.20</b>	<b>0.16</b>	<b>0.50</b>	<b>0.16</b>

## Reconciliation of alternative performance measures (cont.)

	Quarter			Full year
	Q1 -23	Q4 -22	Q1 -22	2022
<b>Interest-bearing net debt / EBITDA, multiple</b>				
Interest-bearing net debt	5,757	4,581	10,770	4,581
EBITDA over 12 months***	7,987	8,167	4,563	8,167
<b>Interest-bearing net debt / EBITDA, multiple</b>	<b>0.7</b>	<b>0.6</b>	<b>2.4</b>	<b>0.6</b>
<b>Interest-bearing net debt / Adjusted EBITDA, multiple</b>				
Interest-bearing net debt	5,757	4,581	10,770	4,581
Adjusted EBITDA over 12 months***	8,039	8,219	4,740	8,219
<b>Interest-bearing net debt / Adjusted EBITDA, multiple</b>	<b>0.7</b>	<b>0.6</b>	<b>2.3</b>	<b>0.6</b>
<b>Adjusted earnings per share, SEK</b>				
Profit attributed to owners of the parent company, SEKm	639	940	884	4,590
Items affecting comparability, attributed to owners of the parent company, SEKm *	-	52	-	52
Adj profit attributed to owners of the parent company, SEKm	639	992	884	4,642
Weighted number of outstanding shares, thousands	248,350	248,350	206,871	228,014
<b>Adjusted earnings per share, SEK</b>	<b>2.57</b>	<b>4.00</b>	<b>4.27</b>	<b>20.36</b>
<b>Working capital as percentage of net sales, %</b>				
Average working capital for the period	5,541	5,587	3,287	4,568
Annualized net sales	45,980	47,882	29,586	42,590
<b>Working capital as percentage of net sales, %</b>	<b>12</b>	<b>12</b>	<b>11</b>	<b>11</b>

\* 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 Mar 2023	31 Mar 2022	31 Dec 2022
<b>Capital employed, SEKm</b>			
Total assets	51,315	46,893	51,415
Accounts payables	-5,637	-4,251	-6,702
Other liabilities and provisions	-4,194	-4,175	-4,378
Deferred tax liabilities	-4,274	-4,262	-4,452
Non-current receivables (interest-bearing)	-7	-15	-3
Cash and Cash equivalents	-2,318	-1,971	-2,046
<b>Capital employed</b>	<b>34,885</b>	<b>32,219</b>	<b>33,834</b>

	31 Mar 2023	31 Mar 2022	31 Dec 2022
<b>Working capital, SEKm</b>			
Inventories	7,523	5,555	7,305
Accounts receivables	5,001	4,305	5,006
Other current receivables	2,405	2,275	2,934
Accounts payables	-5,637	-4,251	-6,702
Other current liabilities and provisions	-3,714	-3,674	-3,885
Reduction of current provisions	99	140	99
Reduction of tax liabilities/receivables	266	207	383
<b>Working capital</b>	<b>5,943</b>	<b>4,557</b>	<b>5,140</b>

	31 Mar 2023	31 Mar 2022	31 Dec 2022
<b>Interest-bearing net debt, SEKm</b>			
Provisions for pensions	1,242	1,659	1,196
Interest bearing non-current liabilities	4,251	5,314	2,796
Non-current lease liabilities	210	230	234
Interest bearing current liabilities	2,209	5,392	2,227
Current lease liabilities	170	161	177
Non-current receivables (interest-bearing)	-7	-15	-3
Cash and Cash equivalents	-2,318	-1,971	-2,046
<b>Interest-bearing net debt</b>	<b>5,757</b>	<b>10,770</b>	<b>4,581</b>



## 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 the profitability level for the products subject to 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.

No planned maintenance shutdowns were carried out in the first quarter of 2023.

### Estimated average earnings impact from maintenance shutdowns

Production units	Estimated average earnings impact	Estimated breakdown of earnings impact		Planned dates of maintenance shutdown		
	SEKm	Board	Paper	2023	2022	2021
Gävle	~ 165	~ 94%	~ 6%	Q3	Q3	Q3
Gruvön	~ 200	~ 97%	~ 3%	Q2	Q1-Q2	Q2
Frövi	~ 115	100%	0%	Q4	Q4	Q4
Skärblacka	~ 130	~ 12%	~ 88%	Q2	Q2	Q4
Karlsborg	~ 90	0%	100%	Q3	Q3	Q3
Pietarsaari	~ 15	0%	100%	-	Q2	-
Rockhammar	~ 15	100%	0%	Q4	Q4	Q3
Escanaba	~ 180	0%	100%	Q4	Q3	-
Quinnesec	~ 400	0%	100%	-	Q3	-

## Key Figures – Definitions and purpose

<b>Adjusted key figures</b>	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.
<b>EBITDA</b>	Operating profit before depreciation, amortization and impairment. EBITDA is a central measure of operating performance, to assess the performance over time.
<b>EBITDA margin, %</b>	EBITDA as a percentage of net sales. The measure is used in review as well as for benchmarking with peer companies.
<b>Adjusted EBITDA</b>	Operating profit before depreciation, amortization and impairment adjusted for items affecting comparability. Adjusted EBITDA is relevant for assessing performance excluding items affecting comparability.
<b>Adjusted EBITDA margin, %</b>	Adjusted EBITDA as a percentage of net sales. The measure is used for assessing profitability excluding items affecting comparability.
<b>Operating margin, %</b>	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.
<b>Adjusted operating profit</b>	Operating profit adjusted for items affecting comparability. The measure is used for assessing performance excluding items affecting comparability.
<b>Adjusted operating margin, %</b>	Adjusted operating profit as a percentage of net sales. The measure is used for assessing performance excluding items affecting comparability.
<b>Return on capital employed (ROCE)</b>	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.
<b>Adjusted Return on capital employed (ROCE)</b>	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.
<b>Return on equity, %</b>	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.
<b>Capital employed</b>	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.
<b>Working capital</b>	Inventories, accounts receivables and other current receivables 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.
<b>Interest-bearing net debt</b>	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.
<b>Net debt/equity ratio</b>	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.
<b>Interest-bearing net debt/EBITDA</b>	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.

<b>Interest-bearing net debt/adjusted EBITDA</b>	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.
<b>Earnings per share</b>	Profit attributable to owners of the parent, divided by the average number of outstanding ordinary shares in the market.
<b>Adjusted earnings per share</b>	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.
<b>Working capital as percentage of net sales</b>	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.
<b>Operating cash flow after investments in tangible and intangible assets</b>	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.

## Parent company

### Condensed income statement

SEKm	Quarter		Full year
	Q1 -23	Q1 -22	2022
Operating income*	10	82	302
Operating expenses	-220	-177	-648
<b>Operating profit/loss</b>	<b>-210</b>	<b>-95</b>	<b>-346</b>
Financial income and expenses	-63	-37	433
<b>Profit/Loss after financial income and expenses</b>	<b>-273</b>	<b>-132</b>	<b>87</b>
Appropriations	-	-	3,468
<b>Profit/loss before tax</b>	<b>-273</b>	<b>-132</b>	<b>3,555</b>
Taxes	58	27	-733
<b>Net profit/loss for the period</b>	<b>-215</b>	<b>-105</b>	<b>2,822</b>

\* Including currency hedging etc.

### Condensed balance sheet

SEKm	31 Mar 2023	31 Mar 2022	31 Dec 2022
Non-current assets	16,049	17,980	16,058
Current assets	17,063	14,400	16,887
<b>Total assets</b>	<b>33,112</b>	<b>32,380</b>	<b>32,945</b>
Shareholders' equity	12,493	7,209	12,699
Untaxed reserves	2,070	1,341	2,070
Provisions	288	260	269
Liabilities	18,261	23,570	17,907
<b>Total equity and liabilities</b>	<b>33,112</b>	<b>32,380</b>	<b>32,945</b>



## Quarterly data

The Group's business is organized on the basis of the functional areas Procurement & Wood Supply, Operations and Commercial and is governed by two product areas Board and Paper.

Solutions and Other includes Procurement & Wood Supply, Scandifibre Logistics AB, Managed Packaging, 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 product area's profit/loss.

### Quarterly net sales per product area and for the Group

SEKm	2023		2022			2021		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Paper product area	6,002	6,710	6,486	6,094	2,219	2,138	2,047	2,039
Board product area	4,775	4,564	4,563	4,410	4,375	3,762	3,663	3,642
Solutions & Other	797	844	755	852	815	757	725	772
Currency hedging, etc.	-79	-147	10	52	-12	31	59	51
<b>Total Group</b>	<b>11,495</b>	<b>11,971</b>	<b>11,814</b>	<b>11,408</b>	<b>7,397</b>	<b>6,688</b>	<b>6,494</b>	<b>6,504</b>

### Quarterly EBITDA per product area and for the Group

SEKm	2023		2022			2021		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Paper product area	1,255	1,899	1,373	1,351	702	346	414	365
Board product area	421	292	915	1,008	1,047	809	678	556
Solutions & Other	-113	14	-102	-144	-73	-288	-34	-89
Currency hedging, etc.	-79	-165	10	52	-12	31	59	51
<b>Total Group</b>	<b>1,484</b>	<b>2,040</b>	<b>2,196</b>	<b>2,267</b>	<b>1,664</b>	<b>898</b>	<b>1,117</b>	<b>883</b>

### Quarterly EBITDA margin per product area and for the Group

%	2023		2022			2021		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Paper product area	21	28	21	22	32	16	20	18
Board product area	9	6	20	23	24	22	19	15
<b>Group</b>	<b>13</b>	<b>17</b>	<b>19</b>	<b>20</b>	<b>22</b>	<b>13</b>	<b>17</b>	<b>14</b>

### Adjusted quarterly EBITDA, excluding maintenance shutdowns, per product area and for the Group

SEKm	2023		2022			2021		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Paper product area	1,255	1,899	2,080	1,505	702	485	525	381
Board product area	421	461	1,101	1,199	1,127	954	859	744
Solutions & Other	-113	66	-102	-144	-73	-111	-34	-89
Currency hedging, etc.	-79	-165	10	52	-12	31	59	51
<b>Total Group</b>	<b>1,484</b>	<b>2,261</b>	<b>3,089</b>	<b>2,612</b>	<b>1,744</b>	<b>1,359</b>	<b>1,409</b>	<b>1,087</b>
Maintenance shutdowns	-	-169	-893	-345	-80	-284	-292	-204
Items affecting comparability	-	-52	-	-	-	-177	-	-
<b>EBITDA</b>	<b>1,484</b>	<b>2,040</b>	<b>2,196</b>	<b>2,267</b>	<b>1,664</b>	<b>898</b>	<b>1,117</b>	<b>883</b>



## Adjusted quarterly EBITDA margin, excluding maintenance shutdowns, per product area and for the Group

%	2023		2022			2021		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Paper product area	21	28	32	25	32	23	26	19
Board product area	9	10	24	27	26	25	23	20
<b>Total Group</b>	<b>13</b>	<b>19</b>	<b>26</b>	<b>23</b>	<b>24</b>	<b>20</b>	<b>22</b>	<b>17</b>

## Quarterly operating profit/loss, per product area and for the group

SEKm	2023		2022			2021		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Paper product area	935	1,578	1,074	1,055	583	224	293	244
Board product area	97	-32	593	687	725	486	354	231
Solutions & Other	-147	-28	-141	-185	-107	-323	-67	-122
Currency hedging, etc.	-79	-165	10	52	-12	31	59	51
<b>Total Group</b>	<b>806</b>	<b>1,353</b>	<b>1,536</b>	<b>1,609</b>	<b>1,189</b>	<b>418</b>	<b>639</b>	<b>404</b>

## Quarterly operating margin per product area and for the group

%	2023		2022			2021		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Paper product area	16	24	17	17	26	10	14	12
Board product area	2	-1	13	16	17	13	10	6
<b>Total Group</b>	<b>7</b>	<b>11</b>	<b>13</b>	<b>14</b>	<b>16</b>	<b>6</b>	<b>10</b>	<b>6</b>

## Quarterly sales volumes per product area

ktonnes	2023		2022			2021		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Paper product area	459	482	480	523	219	231	229	245
Board product area	484	457	465	472	495	456	466	474
<b>Total Group</b>	<b>943</b>	<b>940</b>	<b>945</b>	<b>995</b>	<b>714</b>	<b>687</b>	<b>695</b>	<b>719</b>

## Financial calendar

Annual General Meeting – 24 May 2023

Q2 2023 report – 20 July 2023

Q3 2023 report – 25 October 2023

## Presentation

Billerud's interim report for January-March 2023 will be presented on Wednesday 26 April at 9:00 CEST in a webcasted telephone conference that can be followed on:

<https://edge.media-server.com/mmc/p/evxxqnrw>

To participate via telephone, and thereby be able to ask questions, please use any of the following telephone numbers and ask the operator to be connected to Billerud's Q1 presentation:

From Sweden: +46 8 505 100 30

From UK: +44 1 212 818 004

From US: +1 718 705 8796

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

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# BILLERUD

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