

Södra's interim report

1 January – 31 March 2024

- » Net sales amounted to SEK 7,613 million (8,002).
- » Operating profit before depreciation, amortisation and impairment amounted to SEK 943 million (1,418).
- » Operating profit totalled SEK 568 million (1,085).
- » The operating margin was 7 percent (14).
- » Cash flow after investments was SEK 1,327 million (323).

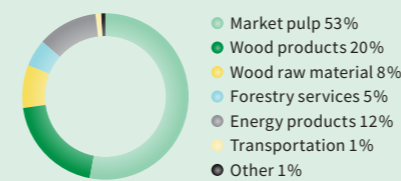
Key indicators	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Net sales, SEK million	7,613	8,002	28,896
Operating profit before depreciation, amortisation and impairment, SEK million	943	1,418	3,677
Operating profit, SEK million	568	1,085	2,226
EBITDA margin	12%	18%	13%
Operating margin	7%	14%	8%
Return on capital employed	9%	19%	9%
Equity ratio	63%	68%	64%
Cash flow after investments, SEK million	1,327	323	79
No. of members	51,990	51,642	51,774
Affiliated forest area, million hectares	2.81	2.80	2.81
Average no. of employees ¹⁾	3,231	3,333	3,251
Positive climate effect ²⁾ , Mt CO ₂ e	—	—	11.4
Lost time accidents (LTA) ³⁾ , no.	8	13	38
Lost time accident rate (LTAR) ⁴⁾	6	10	7

¹⁾ New definition from 2024: comprises actual hours worked divided by scheduled hours for a full-time employee. The comparative figures for full-year 2023 have been restated.
²⁾ CO₂e=carbon dioxide equivalents. This key indicator is not calculated quarterly.
³⁾ LTA (lost time accident): occupational injury with absence.
⁴⁾ LTAR (lost time accident rate): number of occupational injuries with absence per million hours worked.

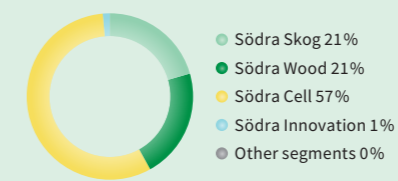
This is a translation of the interim report. This translation does not replace the original report. In the event of any lack of clarity or disparity between this translation and the interim report, the interim report will always take precedence.

The quarter in figures

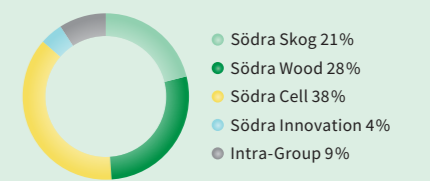
Some of our most important figures and key indicators for the first quarter of 2024.



Net sales per revenue category.



Sales per business area. SEK 7,613 million in total, excluding internal deliveries.



Average no. of employees per business area, 3,231 employees in total.

A few highlights from the past quarter to show how we are increasing member value and strengthening the Södra brand, always with our mission in focus – to refine and renew the value of family forestry.

The quarter in brief



Battery-electric woodchip truck deployed in daily transportation

Södra is investing in a battery-electric long-haul truck in its daily logistics chain for transporting woodchips. The use of self-produced, fossil-free electricity to charge the woodchip truck will reduce the environmental footprint of this transportation. The electric woodchip truck is supplied by Scania and represents a milestone in Södra's long-term goal of transitioning to fossil-free transportation.

"The project will teach us a great deal, while contributing to Södra's overall goal of net zero emissions by 2040. I am convinced that the test will also generate valuable insights that the entire industry can benefit from in the future," said Henrik Brodin, Project Manager A Fossil-Free Södra.



Major investment in green electricity generation at Mörrum

A decision has been made to invest in a new condensing turbine in the pulp mill at Mörrum, which will increase Blekinge's electricity generation by

20 percent. The investment, which will be several hundred million Swedish krona, is part of a process to strengthen the competitiveness of the mills, to offer products with a low carbon footprint, maintain the positive energy balance and to continue supplying surplus green electricity.

"Our mission is to generate maximum value from every wood fibre that family forestry delivers to our mills. This investment will increase our energy efficiency so that we can generate more electricity in the order of what hydropower currently generates across the whole of Blekinge. In the long term, it will give us the right conditions to continue developing our mills," said Stefan Sandberg, Mill Manager, Södra Cell Mörrum.

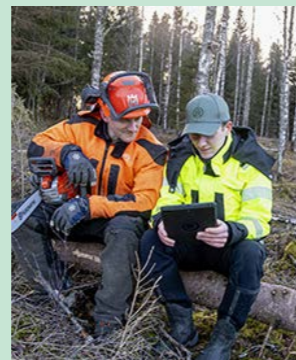
The new turbine is scheduled for deployment by mid-2026.



Changed industrial structure to further strengthen competitiveness

To maintain a strong market position and develop an even more competitive industrial structure over time, the consolidation of Södra's sawn timber operations began at the beginning of the year. The aim is to achieve economies of scale by relocating production volumes to Södra Wood's larger production units.

The change means that the units in Åtvidaberg and Ramkvilla will be closed down. The unit in Klevshult will become a processing unit and further developed towards planing, while the sawmill operations will be discontinued. Parts of Södra's unit in Torsås will be closed down and the remainder put up for sale.



Continued favourable demand for forest raw material from family forestry

Favourable demand for forest raw material from family forestry continued in the first quarter of 2024. To meet market needs and strengthen the profitability of forest estates, Södra made two price adjustments. On 18 January, the basic price for spruce logs and pine logs was raised by

SEK 100 per m³ and the basic price for small-diameter timber and sawlogs by SEK 80. On 28 February, the basic price for forest residues, i.e. branches and treetops, was raised by SEK 30 per m³.



Södra among the top 10 in women engineers

In a survey carried out by Karriärförbundet, Södra was voted the seventh-best employer by women engineers who are new or about to enter the workforce.

"We are delighted that women engineers consider us an attractive employer and want to help shape the future with us. We believe this is an effect of having many highly competent and prominent women engineers at Södra, that we have an inclusive culture for all of our employees, and that we have applied a long-term approach with programmes such as Introduce a Girl to Engineering Day," said Isabella Wärvik, HR Director.

New building at Värö focused on safety and business opportunities

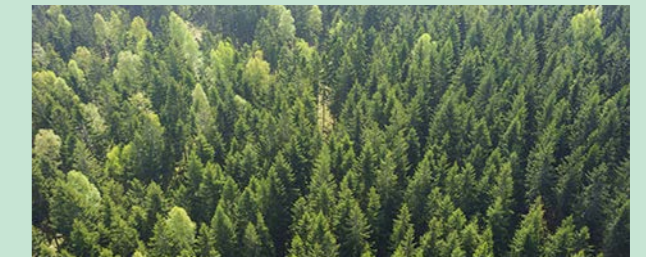
To improve safety and create better conditions for showcasing the business operations, the construction of a new building made from CLT, featuring offices, a canteen, locker rooms and reception areas, will start at Södra's combined facilities in Värö in 2024.

"All production units at Värö have been expanded in recent years in order to strengthen competitiveness and ensure that we still have a leading offer for our customers, and thereby increase the profitability of forest estates. The new building will give us better conditions for securing future business and competence. The building will also be a showcase for family forestry and Södra's business operations," said Lotta Lyrå, President and CEO of Södra.



Local annual meetings

In March, Södra's 36 forestry districts held their local annual meetings with important elections of delegates to district councils and the Annual General Meeting. Local annual meetings are an important part of the Södra cooperative and provide an opportunity for members to find out what's happening at Södra and meet representatives from the Board and Group Senior Management, local field workers, elected representatives and other forest owners.



Research Foundation distributed record amount

SEK 12.5 million to various research projects is a record when it comes to funding from the Södra Foundation for Research, Development and Education. In February, a total of nine different projects shared a record amount of funding. Those who received grants include process development in evaporation and cooking for the pulp industry, and high-value sales of birch, which is an important issue for family forestry. In the field of forestry, research is mainly associated with various forest pests and the use of remote sensing to facilitate forest management.



Continued investment in BraSatt

Södra will continue to invest in development of the BraSatt planting machine. The first phase of the project ended last autumn and a decision has now been made to continue the project for another two years. The goal is that the machine will then be ready for pre-production.

BraSatt represents an investment in new advanced technology to achieve better seedling survival and more gentle scarification, and to minimise the risk of a labour shortage. The aim is that the proposed machine will follow an overall route, find an accessible path through the terrain, select good planting spots, feed the seedlings through the system, scarify the soil and then plant successfully.



We are continuing to build competitiveness based on family forestry

Lotta Lyrå
President & CEO

The forest, and interest in it, is growing as more and more people become aware of its significance and its ability to provide valuable solutions to the greatest challenges of our time. In Södra, with more than 50,000 family forest owners and 3,200 employees, there has been a sense of commitment and responsibility for forests for decades. Forests have been managed and contributed raw materials that are processed into essential products for generations.

Family forest owners in Södra own and manage 2.8 million hectares of forest across Götaland, or about 10 percent of the productive forest land in Sweden. Through decades of strategic investments, we have built a strong industrial structure with high innovativeness and products for a global market. The right skills are essential for the fulfilment of our mission. We now have many employees who have dedicated a lot of years to Södra – the average employee tenure is now more than ten years. We are also considered an attractive employer by young talents who are bringing new skills to Södra. Overall, that gives us a solid foundation and fantastic conditions to continue refining and renewing the value of family forestry.

Result in line with expectations

Given the market conditions and business environment, the first quarter of the year was stable for Södra and in line with our expectations. Operating profit totalled SEK 568 million and sales amounted to SEK 7,613 million. Return on capital employed was 9 percent, and the equity ratio was 63 percent. On a full-year basis, the company's continued focus on *World-class Efficiency* generated improvements and efficiency gains of SEK 282 million during the quarter and a total of SEK 1,143 million since the start, which contributed to the result.

The market trend for our core products, pulp and sawn, was in line with our expectations at the end of 2023. The quarter was positive for the pulp business. We noted an upward trend with an increasingly positive shift in supply and demand, while the sawn timber market remained impacted by weak construction activity. We expect that this trend will continue in the near term, but also be impacted by uncertainty. Construction activity also affected the market conditions for CLT, which have remained challenging, but where the ramping up of our new facility is proceeding as planned. When residential construction rebounds, our product will offer the lowest carbon impact on the market. Demand for solid biofuels was favourable and balanced in our region, with high prices year-on-year.

New situation in the raw material market

As we entered 2024, we were aware of the new situation in the raw material market, which we expect to be long-term. Historically,

Södra has primarily dealt with a surplus supply of forest raw material from members. This has now shifted to a shortage of raw material in the wood market. Higher raw material prices and intense competition for forest raw material is positive for family forestry and during the quarter, Södra introduced price adjustments to meet demand. At the same time, we can see how the new raw material market is bringing both challenges and opportunities for our business. We need to think in new ways and provide members with new solutions. That is why we are developing both our forestry organisation and our business models for wood purchasing. In both cases, the focus lies on relationship building and on being in step with – or one step ahead of – the times.

Maximum value from every wood fibre

The growing interest in, and need for, forest products and services is presenting opportunities for those who succeed in using the whole tree wisely. By doing more with less, and maximising the value of every wood fibre and process, forests can last a long way. This is Södra's area of expertise. One of the keys to this process is a future-proofed industrial structure that is continuously innovating, investing and creating a leading offer for customers and consumers. For Södra, this doesn't mean that we have to be the biggest, but that we are always striving to be best at what we do. The decision to change the industrial structure for Södra Wood, as well as the investment in a new condensing turbine at Mörrum, are two examples of how we are continuously strengthening our position and long-term competitiveness. Looking ahead, we see good opportunities for growing the business and taking market positions in energy and biochemicals. Lignin is one of the exciting products that we believe in.

Södra has been playing a key role in the development of forest estates in southern Sweden for more than 80 years. By being a driving market player that promotes the interests of forest owners and develops industry in line with the times, we have continuously secured markets and profitability for forest estates. Accordingly, the cooperative has also contributed to the Swedish economy, helped to improve nature conservation and provided millions of people all over the world with access to everyday products from family forestry. On that basis, we are strengthening the continued competitiveness of family forestry.

The period in brief

Operating profit for the first quarter totalled SEK 568 million, compared with SEK 1,085 million in the year-earlier period. Sales declined 5 percent to SEK 7,613 million (8,002). Return on capital employed was 9 percent (19) and the equity ratio declined to 63 percent (68).

Market conditions

Global economic growth has remained subdued. Compared with the eurozone, the US economy has continued to grow. A positive trend has been noted in the eurozone however, where the economy has shown signs of growth. While rising geopolitical tensions have increased trade barriers and changed trading flows, the economic impact has been relatively limited to date. Inflation is deemed to have peaked, but recent inflation statistics have been difficult to interpret. General price levels for food and goods have picked up among producers and wholesalers, which could offset a further reduction in inflation.

The Manufacturing Purchasing Managers' Index (PMI) continued to move towards growth in most countries and regions. However, consumer confidence remained lower than usual in both the eurozone and the US. Despite continued pessimism and restraint among Swedish exporters, purchasing manager surveys show slightly improved optimism.

In January and February, inflation figures did not live up to the Federal Reserve's (Fed) expectations. Service prices once again rose rapidly due to a sharp increase in demand. It was not surprising therefore that the Fed left interest rates unchanged for the fifth consecutive time. The view that inflation is falling at an increasingly slower rate has been strengthened. Both the European Central Bank (ECB) and the Riksbank left interest rates unchanged in March. ECB members expressed concern about

higher wage growth and therefore pushed back expectations of an interest rate cut before summer. The Swedish Consumer Price Index (CPI) fell more than expected in February and the Riksbank's forecasts indicate that inflation is now approaching the target.

In Sweden, consumer expectations of their own economy have improved, despite being low from an historical perspective. High interest rates and prices have continued to burden households and dampen consumption. So far this year, employment has continued to fall and unemployment has risen. According to the NIER's Economic Tendency Survey, however, businesses are once again planning to employ.

During the quarter, the average price of the SEK strengthened against the USD, EUR and GBP, compared with the preceding quarter. Year-on-year, the SEK was stronger against the USD on average, but weaker against the EUR and GBP.

Wood supply

During the quarter, demand was strong for both saw logs and pulpwood. The supply of final harvesting and thinning was in line with the year-on-year period. For the various energy ranges such as fuel wood and forest chips, demand was favourable during the quarter. During the quarter, forest production was lower year-on-year with reference to challenges related to load-bearing capacity combined with low standing timber inventories.

Sawn timber

During the quarter, the sawn timber market was characterised by relatively weak demand from our European customers, but due to even lower supplies and low stocks in the supply chain, the market equilibrium was balanced. Demand was higher from non-European markets, except for China, where the market become more cautious during the quarter. Due to the balanced market equilibrium, prices rose gradually during the quarter and continued to rise in the second quarter.

The Swedish building materials trade is affected by the weak construction activity in Sweden and even weather-wise, the winter has been longer than normal and had a seasonal effect on sales. However, stocks are low in the building materials trade and Easter sales were slightly better year-on-year. New prices have been negotiated for the second quarter, and prices are rising for both impregnated and spruce. During the quarter, activity for industrial customers, particularly the packaging sector, was better than the building materials trade and prices gradually increased.

Pulp market

Demand for paper pulp continued to strengthen, particularly in Europe, despite the fact that the global economy can still be

considered relatively weak. Due to attacks on ships in the Red Sea, container ships have been rerouted around southern Africa to avoid the Suez Canal which, in combination with the logistics strike in Finland, has reduced the supply of pulp at global level. This has led to a strong market equilibrium for paper pulp worldwide, as well as rising prices.

This market does not have the same cyclical profile as the construction industry for sawn timber, despite a prolonged period of weak global growth with low levels of consumption.

Net sales

During the quarter, consolidated net sales amounted to SEK 7,613 million (8,002), down 5 percent, mainly due to lower price levels for our core products.

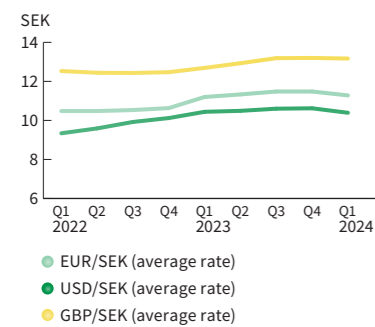
Result

Operating profit for the quarter totalled SEK 568 million (1,085), representing an operating margin of 7 percent (14). The result was primarily due to stronger demand for pulp in the EU, in particular, with rising prices in USD. Wood prices are holding back the profit effect, while prices for chemicals and energy are also lower. Profit before tax was SEK 602 million (1,107). Tax expense for the period was SEK 64 million (98).

BUSINESS AREAS

SEK million	Net sales			Operating profit		
	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Södra Skog	1,586	1,632	6,260	-15	-22	367
Södra Wood	1,621	1,660	6,083	-34	-34	-175
Södra Cell	4,301	4,610	16,142	780	1,210	2,631
Södra Innovation	105	100	411	-69	-70	-227
Other	-	-	-	-94	1	-370
Group	7,613	8,002	28,896	568	1,085	2,226

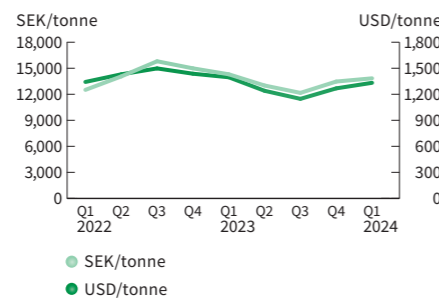
Foreign exchange rates



The diagram shows the annual average exchange rate.

Source: ECB

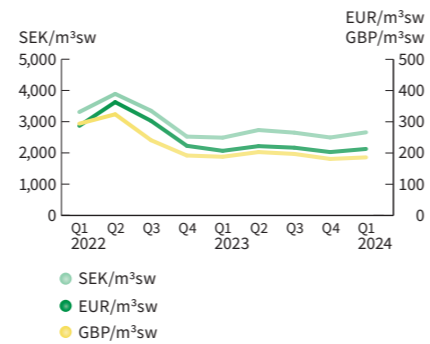
Delivery prices for bleached softwood sulphate pulp



The price of bleached softwood sulphate pulp in USD rose during the quarter. The diagram shows the average prices for softwood sulphate pulp delivered to European customers.

Source: FOEX PIX and Södra

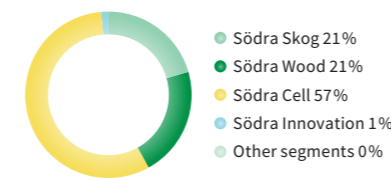
Delivery prices for sawn timber



The diagram shows delivery prices for sawn timber in the most important currencies.

Source: Södra

Sales per business area



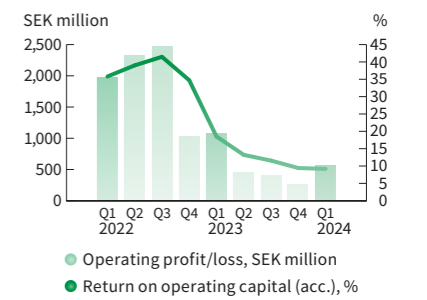
SEK 7,613 million in total, excluding internal deliveries.

Net sales and operating margin



Net sales, SEK million
Operating margin, %

Operating profit/loss and return on capital employed



Operating profit/loss, SEK million
Return on operating capital (acc.), %

Södra's financial target is a minimum long-term return of 10 percent on capital employed.

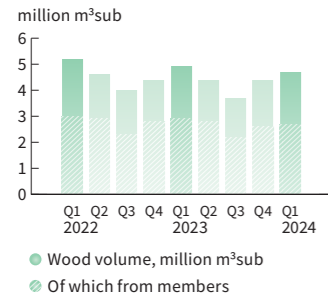
Business areas

Södra Skog

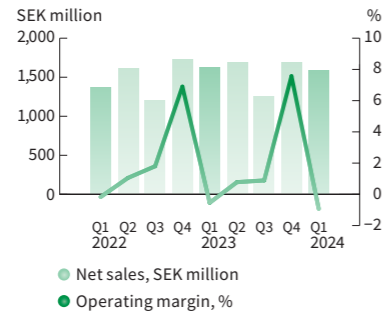
Södra Skog's operating loss for the quarter totalled SEK 15 million (loss: 22). Sales for the quarter amounted to SEK 1,586 million (1,632), an effect of lower volumes that were offset by price increases for saw logs, pulpwood and energy products. Demand for saw logs and pulpwood was very strong during the quarter, but problems

with ground thawing and road closures challenged deliveries initially. The earnings trend during the quarter was mainly due to lower volumes. The total delivery volume for the quarter was 4.7 million m³sub (4.9).

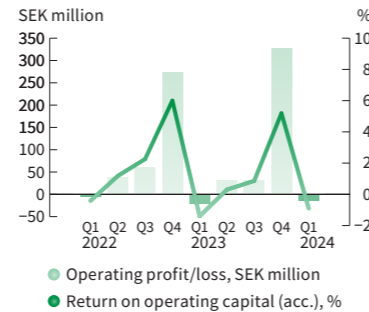
Wood volume



Net sales and operating margin



Operating profit/loss and return on operating capital

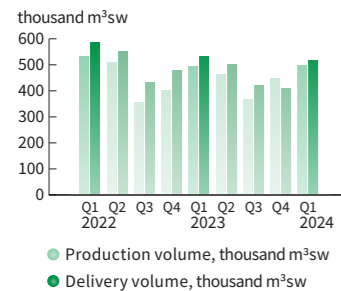


Södra Wood

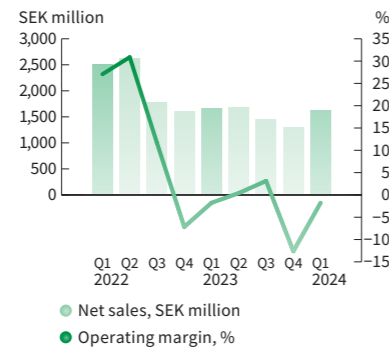
Södra Wood's operating loss for the quarter totalled SEK 34 million (loss: 34). Sales for the quarter amounted to SEK 1,621 million (1,660), an effect of relatively weak demand, but prices gradually rose during the quarter. The production volume for the quarter was 498 thousand m³sw, up 6 thousand m³sw compared with the

year-earlier period. Outbound deliveries for the quarter were 515 thousand m³sw, down 16 thousand m³sw compared with the year-earlier period. The earnings trend during the quarter was mainly due to a lower supply of saw logs and relatively weak demand.

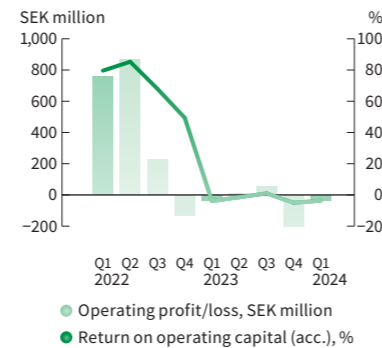
Production and delivery volume, sawn timber



Net sales and operating margin



Operating profit/loss and return on operating capital



Södra Cell

Södra Cell's operating profit for the quarter totalled SEK 780 million (1,210). Sales for the quarter amounted to SEK 4,301 million (4,610), where the year-on-year difference was mainly due to lower pulp prices and a stronger SEK against the USD. The production volume during the quarter was 501 ktonnes (471), comprising 425 ktonnes (421) of softwood sulphate pulp, 32 ktonnes (19) of hardwood sulphate pulp and 43 ktonnes of dissolving pulp (31). Outbound deliveries of pulp for the quarter were 511 ktonnes, up 48 ktonnes compared with the year-earlier period. Outbound

deliveries of liquid bioproducts for the quarter amounted to 15 ktonnes, up 4 ktonnes higher compared with the year-earlier period. The weaker earnings trend during the quarter was primarily due to lower pulp prices and higher costs for wood.

During the quarter, electricity generated by the pulp mills, wind turbines and hydropower plants was 495 GWh. Excess electricity amounted to 154 GWh. The excess represented about 31 percent of the generated volume and was sold on the open market.

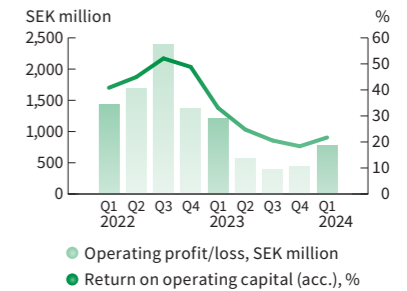
Production and delivery volume, pulp



Net sales and operating margin



Operating profit/loss and return on operating capital



Södra Innovation

Södra Innovation's operating loss for the quarter totalled SEK 69 million (loss: 70). Sales for the quarter amounted to SEK 105 million (100), an effect of improved production capacity in the CLT facility.

The earnings trend during the quarter was mainly attributable to higher costs, which were offset by improved production capacity. Ongoing innovation initiatives are progressing as planned.

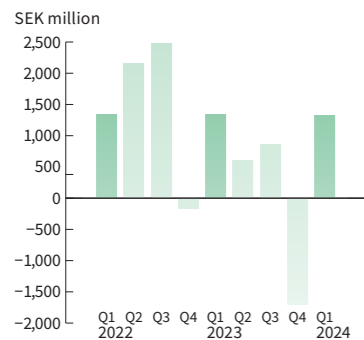
Net financial items

Net financial items for the quarter amounted to SEK 34 million (22).

Cash flow

Cash flow before investments for the quarter was SEK 1,631 million (763). Cash flow after investments was SEK 1,327 million (323). At the end of the quarter, cash and cash equivalents and current investments amounted to SEK 10,281 million (9,723 at 31 December 2023).

Cash flow after investments



During the quarter, cash flow after investments was SEK 1,327 million. The improvement in cash flow in the first quarter compared with the fourth quarter of 2023 is mainly due to a strengthening of working capital but also to early payment of trade creditors in conjunction with the change of system at year-end.

Financial position

At 31 March 2024, equity amounted to SEK 26,884 million (26,083 at 31 December 2023), of which paid-up and issued contributed capital accounted for SEK 6,172 million (6,145 at 31 December 2023). Total assets amounted to SEK 42,554 million (40,494 at 31 December 2023). At 31 March 2024, the equity ratio was 63 percent (64 at 31 December 2023).

Södra's borrowing comprised loans of SEK 7,456 million (8,322 at 31 December 2023) from members and a loan of SEK 333 million (333 at 31 December 2023) from the Nordic Investment Bank that matures in April 2026. Södra has a credit agreement in the form of a club agreement, enabling Södra to borrow up to SEK 3,000 million until December 2028. The debt/equity ratio was -0.1 times (0.0 at 31 December 2023).

Investments, acquisitions and divestments

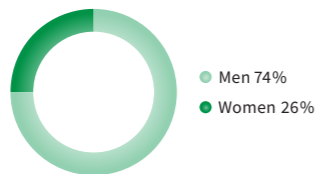
Investments for the quarter totalled SEK 309 million (455), of which SEK 194 million (237) pertained to Södra Cell, SEK 65 million (83) to Södra Wood, SEK 29 million (97) to Södra Skog and SEK 19 million (37) to Södra Innovation. The investments were mainly focused on productivity and the environment.

Events after the close of the period

No significant events occurred after the balance-sheet date.

Employees

The average number of employees was 3,231 (3,251 for full-year 2023), of whom 26 percent were women (25).



Future outlook

While the rate of inflation has fallen recently, the first quarter showed that inflation has levelled off. The outlook remains uncertain and the assessment is still that falling inflation will also enable the first interest rate cuts. This should have a positive effect on economic growth, but from a low level. Electricity prices were lower in the first quarter and more stable than in recent years, but it is difficult to estimate the long-term effect on prices.

Pulp prices continued to rise due to higher demand and, to some extent, lower supply. This was primarily driven by higher demand in Europe. There is a tendency that this will continue, although the pace is uncertain. For sawn timber, uncertainty around demand and price trends is higher. In the short term, demand is affected by the slowdown in residential construction, but a more balanced market is expected now that supply has also decreased. Prices have now risen slightly in several markets.

Full-year 2024 is expected to be a more challenging year with demand uncertainty, and a stronger SEK that will, however, be offset by higher prices for pulp in USD. The long-term outlook for Södra's core products is considered favourable. Global economic growth will bolster the underlying demand for sustainable forest-based products. Tightened emissions-reduction targets are also driving the transition towards a more sustainable bioeconomy.

Sustainability

Sustainability permeates Södra's Group-wide strategy. Key areas are people and culture at the centre, and sustainable use of the forest and earth's resources.

People and culture at the centre

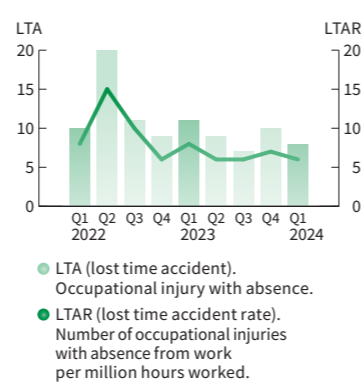
Health and safety is a top priority and Södra works continuously and systematically to realise its zero accident vision. The target is a lost time accident rate (LTAR) of 6 or less in 2024, and 2 or less by 2032. In the first quarter of 2024, the number of lost time accidents (LTA) was 8 (13) and the LTAR was 6 (10).

During the first quarter, efforts to increase the focus on health commenced, where knowledge of mental, physical and social health and awareness of the benefits that Södra offers to its employees will be strengthened.

The investigation into the fatal accident at Södra's Orrefors workplace in 2022 was concluded at the beginning of the year. Södra accepted the corporate fine that was recommended by the prosecutor and upheld by the District Court.

Södra is working to break down traditional cultural barriers by increasing diversity, equality and inclusion in several ways. The target is that 50 percent of newly appointed managers are women by 2025.

Occupational injuries



In the first quarter, a programme leader was appointed for the strategic area of diversity, equality and inclusion. At the end of last year, a zero point survey was conducted to gain insight into how Södra's employees experience efforts in this area. The response rate was 60 percent and according to the survey, 96 percent believe that their immediate manager takes responsibility for issues related to diversity, equality and inclusion. 5 percent feel there are restrictive norms governing different forms of expression in relation to lifestyle, interests, clothing, appearance, religion or opinions, while 12 percent say the workplace is not free from exclusive jargon, such as condescending jokes and comments. In connection with International Women's Day, an internal focus week on gender equality was held. Female role models in various places across the organisation were celebrated by their colleagues, and two online meetings were held to discuss gender equality in Södra. To encourage more women to take up a career in engineering, Södra held an Introduce a Girl to Engineering Day (IGEday) for the seventh consecutive year. Girls and non-binary young people aged 13-19 were given an insight into the daily life of an engineer by meeting inspiring women who are now working as engineers. In a survey carried out by Karriärföretagen, Södra was voted the seventh-best employer by women engineers who are new or about to enter the workforce.

Sustainable use of the forest and earth's resources

Sustainable forestry involves increasing the rate of forest growth responsibly, using forests in line with their long-term production capacity, and preserving and promoting the environmental, cultural and social values of forests.

Södra's target is that the annual rate of forest growth on its members' estates shall be 20 percent higher in 2050 compared with the base year of 2015. Key measures for achieving this target include effective and active forest management, nutrient recycling, forest tree breeding and damage reduction.

Södra is investing in a new and advanced method for improving seedling survival, which will create conditions for higher profitability for family forestry and contribute to more sustainable forestry. In the first quarter of the year, a decision was made to continue investing in the BraSatt planting machine for autonomous scarification and planting. In the next stage, the goal is to continue developing the various components and to actively seek partner organisations for the continued development of the machine. Södra is also participating in the joint Autoplant project together with ten other members of the forest industry. New collaborations were initiated with the Mistra Digital Forest research programme in the field of automation, with links to low-impact harvesting and forest regeneration.

Södra works to preserve and protect biodiversity – a process under continuous development. The aim is that Södra will pursue a richer biodiversity for future generations. In Götaland, nature-conservation measures are important for the preservation and promotion of biodiversity. Södra's target for nature-conservation measures is an area corresponding to 3,000 hectares per year until 2025. Södra did not achieve the 2023 target for number of hectares with completed nature-conservation measures. To increase the number of hectares, a more focused process was

initiated during the quarter that includes the whole chain from contracting the work to the resources for carrying out the work, and ensuring the quality of the work.

Södra's target is to increase the positive climate effect to 13.5 million tonnes of CO₂e by 2032. The climate effect originates in the forest, a result of members' long-term commitment to responsible forest management. Carbon sequestration in forests, reduced greenhouse gas (GHG) emissions and products with a low climate impact and are key factors for a positive climate effect. By continuing to offer products with a low climate impact that can replace products with a higher climate impact, Södra is helping to reduce fossil GHG emissions. The substitution effect should be considered a potential for reduced emissions, with the reduction taking place in other sectors.

Södra's short-term targets for reduced GHG emissions have been validated by the Science Based Targets initiative (SBTi). The targets involve halving GHG emissions by 2030, compared with the base year of 2020. For emissions from processing of sold products, the target is an engagement strategy whereby customers corresponding to 70 percent of the emissions will have set their own science-based targets by 2027. In the first quarter, Scope 1 and 2 emissions were 18 ktonnes CO₂e (22).

In the first quarter, Södra decided to invest in a battery-electric long-haul truck in its daily logistics chain for transporting woodchips, including building the infrastructure. The use of self-produced, fossil-free electricity to charge the woodchip truck will reduce the environmental footprint of this transportation. The electric woodchip truck represents a milestone in Södra's long-term goal of transitioning to fossil-free transportation.

The condensing turbine will optimise the energy yield from the process by generating more electricity from the same amount of raw material.

Carbon dioxide equivalents (CO₂e) is a standard unit for measuring greenhouse gas emissions. Each type of greenhouse gas has a different global warming effect. When emissions are reported as CO₂e, all greenhouse gases are included as if they were carbon dioxide. Scope 1 refers to direct GHG emissions that occur from sources that are financially controlled by Södra. Scope 2 refers to indirect emissions associated with the purchase of energy. Scope 3 refers to other indirect emissions. The greenhouse gases in Scope 1, 2 and 3 are fossil carbon dioxide, methane, nitrous oxide and refrigerants.

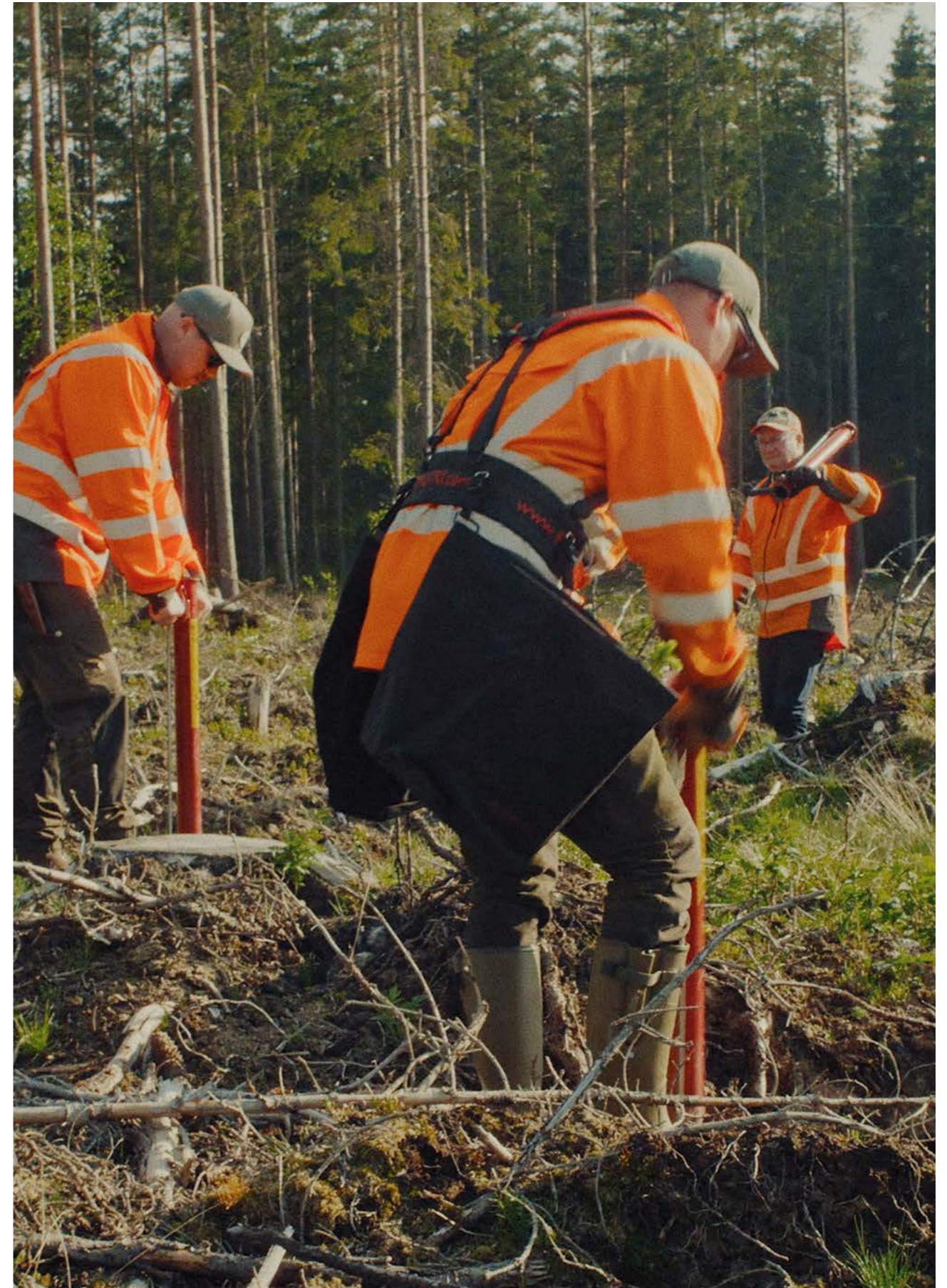
On behalf of the Board of Directors

Växjö, 23 April 2024

Lotta Lyrå
President and CEO

Assurance report

This interim report has not been audited.



Condensed consolidated statement of comprehensive income

SEK million	2024 Jan–Mar	2023 Jan–Mar	2023 Jan–Dec
Net sales	7,613	8,002	28,896
Other revenue	142	31	598
Operating expenses	-6,812	-6,615	-25,817
Depreciation, amortisation and impairment	-375	-333	-1,451
Operating profit	568	1,085	2,226
Net financial items	34	22	46
Profit before tax	602	1,107	2,272
Income tax	-64	-98	-151
Profit for the period	538	1,009	2,121
Other comprehensive income			
Items that will not be reclassified to profit or loss	—	—	-114
Items that will be reclassified to profit or loss	236	87	-96
Other comprehensive income for the period	236	87	-210
Total comprehensive income for the period	774	1,096	1,911
Profit attributable to			
Owners of the Parent	538	1,009	2,121
Profit for the period	538	1,009	2,121
Comprehensive income attributable to			
Owners of the Parent	774	1,096	1,911
Comprehensive income for the period	774	1,096	1,911

Condensed consolidated statement of financial position

SEK million	31 March 2024	31 March 2023	31 Dec 2023
ASSETS			
Intangible assets	69	68	68
Property, plant and equipment	16,542	16,539	16,503
Biological assets	4,735	4,008	4,650
Shares and participations in associates	335	328	339
Surplus in funded pension plans	150	222	138
Financial investments	40	142	39
Other non-current receivables	53	45	53
Deferred tax assets	10	16	4
Total non-current assets	21,934	21,368	21,794
Inventories	3,784	3,931	3,965
Tax assets	819	600	668
Operating receivables	5,736	5,483	4,344
Current investments	5,733	5,220	6,361
Cash and cash equivalents	4,548	5,166	3,362
Total current assets	20,620	20,400	18,700
TOTAL ASSETS	42,554	41,768	40,494
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent	26,884	28,199	26,083
Total equity	26,884	28,199	26,083
Non-current interest-bearing financial liabilities	730	895	1,131
Non-current interest-bearing operating liabilities	112	131	125
Provisions for pensions	26	10	25
Non-current provisions	538	529	540
Deferred tax liabilities	1,927	2,006	1,922
Other non-current operating liabilities	20	29	13
Total non-current liabilities	3,353	3,600	3,756
Current interest-bearing financial liabilities	7,059	5,265	7,524
Current interest-bearing operating liabilities	92	71	98
Income tax liabilities	33	227	22
Other current operating liabilities	5,133	4,406	3,011
Total current liabilities	12,317	9,969	10,655
Total liabilities	15,670	13,569	14,411
TOTAL EQUITY AND LIABILITIES	42,554	41,768	40,494

Condensed consolidated statement of changes in equity

SEK million	Total equity
Opening balance, 1 January 2024	26,083
Comprehensive income for the year	774
Contributed capital, paid-up by members	26
Contributed capital, paid-out to members	0
Closing balance, 31 March 2024	26,884
Opening balance, 1 January 2023	27,065
Comprehensive income for the year	1,096
Contributed capital, paid-up by members	38
Contributed capital, paid-out to members	0
Dividends to members	—
Closing balance, 31 March 2023	28,199

Condensed consolidated statement of cash flows

SEK million	2024 Jan–Mar	2023 Jan–Mar	2023 Jan–Dec
Profit before tax	602	1,107	2,272
Adjustment for non-cash items and change in provisions	295	71	886
Income tax paid	-204	-667	-1,024
Cash flow from operating activities before change in working capital	693	511	2,134
Change in inventories (decrease +/increase -)	212	180	210
Change in operating receivables (decrease +/increase -)	-1,878	-159	890
Change in operating liabilities (increase +/decrease -)	2,604	231	-1,344
Cash flow from operating activities	1,631	763	1,890
Cash flow from investing activities	-304	-440	-1,811
Cash flow after investing activities	1,327	323	79
Change in contributed capital	26	38	139
Dividends paid	—	—	-3,032
Change in loans from members	-865	-736	1,892
Change in loans	0	—	-133
Dividends received	—	—	25
Change in current investments with maturity > 90 days	657	532	-594
Cash flow from financing activities	-182	-166	-1,703
CASH FLOW FOR THE PERIOD	1,145	157	-1,624
Cash and cash equivalents at beginning of period	3,362	5,004	5,004
Exchange gains/losses on cash and cash equivalents	41	5	-18
Cash and cash equivalents at end of period	4,548	5,166	3,362

Parent Company

Result and financial position

Net sales for the quarter amounted to SEK 6,994 million (7,296) and operating profit decreased to SEK 496 million (1,015).

The sales trend for the quarter was mainly due to lower price levels for our core products.

Operating profit for the quarter was mainly due to stronger demand for pulp, primarily in the EU, with rising prices in USD. Wood prices are holding back the profit effect, while prices for

chemicals and energy are also lower. Net financial items for the quarter amounted to SEK 23 million (18). Profit after net financial items for the quarter amounted to SEK 519 million (1,033).

Members

The number of members was 51,990 (51,774 at 31 December 2023). The affiliated forest area increased by approximately 9,000 hectares to 2.81 million hectares (2.81 at 31 December 2023).

Parent Company income statement, condensed

SEK million	2024 Jan–Mar	2023 Jan–Mar	2023 Jan–Dec
Net sales	6,994	7,296	26,584
Other revenue	137	67	199
Operating expenses	-6,294	-6,044	-23,900
Depreciation, amortisation and impairment	-341	-304	-1,318
Operating profit	496	1,015	1,565
Net financial items	23	18	185
Profit after financial items	519	1,033	1,750
Appropriations	—	—	799
Profit before tax	519	1,033	2,549
Income tax	-78	101	-133
Profit for the period	441	1,134	2,416

Parent Company balance sheet, condensed

SEK million	31 March 2024	31 March 2023	31 Dec 2023
ASSETS			
Intangible assets	1	1	1
Property, plant and equipment	14,464	14,203	14,518
Shares and participations in Group companies	4,485	4,480	4,485
Shares and participations in associates	99	99	99
Surplus in funded pension plans	11	11	11
Other non-current investments	31	31	31
Other non-current receivables	53	45	53
Deferred tax assets	42	36	42
Total non-current assets	19,186	18,906	19,240
Inventories	3,215	3,440	3,418
Current interest-bearing receivables from Group companies	279	234	258
Deferred tax assets	785	—	643
Current receivables	6,568	5,704	4,268
Current financial investments	8,166	8,436	7,277
Cash and bank balances	1,845	1,699	2,196
Total current assets	20,858	19,513	18,060
TOTAL ASSETS	40,044	38,419	37,300
EQUITY AND LIABILITIES			
Restricted equity	7,585	7,246	7,558
Non-restricted equity	9,538	11,058	9,096
Total equity	17,123	18,304	16,655
Untaxed reserves	7,637	8,347	7,637
Provisions	549	540	551
Non-current interest-bearing liabilities from Group companies	8	8	7
Non-current interest-bearing liabilities	730	895	1,131
Total non-current liabilities	738	903	1,138
Current interest-bearing liabilities from Group companies	932	875	810
Current interest-bearing liabilities	7,059	5,265	7,524
Current operating liabilities and provisions	6,006	4,185	2,985
Total current liabilities	13,997	10,325	11,319
TOTAL EQUITY AND LIABILITIES	40,044	38,419	37,300

Notes

Note 1 | Accounting policies

Södra applies International Financial Reporting Standards (IFRS), as adopted by the EU. This interim report for the Group was prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies Recommendation RFR 2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board, and the Swedish Annual Accounts Act.

The accounting policies applied are consistent with those presented in the 2023 Annual Report, except for new standards and revisions of standards and interpretations applicable to annual periods beginning on or after 1 January 2024 and that have not already been applied in the preparation of the 2023 Annual Report.

A number of new or revised standards and interpretations are not yet effective, and have not been applied in advance in the preparation of these financial statements. No early adoption of updates or amendments that take effect after the 2024 financial year has been planned, and none of these are expected to have any material impact on the consolidated financial statements.

On 1 January 2024, Sweden introduced a new law on top-up tax law for companies in multinational groups to ensure they are taxed

at a minimum effective tax rate of 15 per cent in any jurisdiction in which the group has a subsidiary or branch. The law is based on an EU directive which, in turn, is based on a global treaty between over 130 countries in the OECD/G20 Inclusive Framework (IF). In the first quarter, Södra recognised an effective tax expense in all jurisdictions in which it operates that exceeds the threshold for top-up tax.

The rules for economic associations were applied for the calculation of current tax. These mean that the dividend proposal for the financial year (which will be paid out in the following year) is tax deductible in the current year and has been treated as a deduction in the calculation of current tax. The deduction has affected the tax expense recognised in profit or loss for the year.

As of the first quarter of 2024, only external net sales per segment will be presented, while the operating margin per segment is estimated on the basis of total sales.

All figures in the report have been rounded off to the nearest million, unless otherwise stated. As a result, some percentages and figures in the report may not correspond with the total shown, and may also differ from previously published information.

Note 2 | Risk and uncertainties

No additional material risks have been identified since the 2023 Annual Report. For a description of risks and uncertainties, refer to Södra's 2023 Annual Report under 'Risks and risk management' on pages 50–51. An overall description of a selection of such risk areas, and the key measures for control and management, are presented below.

Södra operates in a global market and is impacted by general economic trends and currency fluctuations, as well as more industry and company-specific factors. The most significant risk areas for Södra's ability to achieve the Group's set targets and the management of each risk area are presented below.

Södra applies a systematic approach to risk management with the aim of protecting the Group from damage, uncertainty and lost opportunities.

Efforts to identify, assess and manage risks are an integral and key component of Södra's business management. Strategic risks are assessed and managed by the Board, Group Senior Management, the Strategy function and the business planning process. Södra Finance Centre is responsible for managing financial risk, based on a Financial Policy established by the Board. Operational risks are controlled and managed by the President, management team and employees, in accordance with central policies and guidelines.

Note 3 | Related parties

There were no transactions between Södra and related parties with any significant effect on the company's financial position or result. The nature and scope of transactions with related parties are consistent with those that existed in 2023.

Note 4 | Revenue

The following table shows Södra's net sales per revenue category:

SEK million	January–March									
	Södra Skog		Södra Wood		Södra Cell		Södra Innovation		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Wood raw material	638	743	—	—	—	—	—	—	638	743
Wood products	—	—	1,440	1,508	—	—	65	43	1,505	1,551
Pulp	—	—	—	—	4,041	4,212	—	—	4,041	4,212
Energy products	417	295	178	147	260	398	38	57	893	897
Forestry services	408	445	—	—	—	—	—	—	408	445
Transportation	72	144	—	—	—	—	—	—	72	144
Other	51	5	3	5	—	—	2	—	56	10
Net sales, goods and services	1,586	1,632	1,621	1,660	4,301	4,610	105	100	7,613	8,002

Note 5 | Financial instruments

Financial assets and liabilities are substantially the same as in the most recently published annual report.

Group, SEK million	31 March 2024		31 December 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial investments	40	40	39	39
Operating receivables	4,700	4,700	3,327	3,327
Current investments	5,733	5,733	6,361	6,361
Cash and cash equivalents	4,548	4,548	3,362	3,362
Total assets, financial instruments	15,021	15,021	13,089	13,089
Other assets, non-financial instruments	27,533		27,405	
Total assets	42,554		40,494	
Non-current liabilities	862	944	1,270	1,395
Current interest-bearing liabilities	7,151	7,367	7,622	7,868
Current operating liabilities	3,325	3,325	1,604	1,604
Total liabilities, financial instruments	11,338	11,636	10,496	10,867
Other liabilities, non-financial instruments	4,332		3,915	
Total liabilities	15,670		14,411	

The following tables present information about how fair value is determined for the financial instruments that are measured at fair value in the statement of financial position. Fair value measurements are categorised into a three-level hierarchy:

Level 1: Based on prices quoted in active markets for identical instruments.

Level 2: Based on direct or indirect observable market data not included in level 1.

Level 3: Based on inputs that are unobservable in the market.

Group, 31 March 2024					Group, 31 December 2023				
SEK million	Level 1	Level 2	Level 3	Total	SEK million	Level 1	Level 2	Level 3	Total
Assets	5,733	—	40	5,773	Assets	6,361	—	40	6,401
Liabilities	—	—	8	8	Liabilities	—	—	25	25

The fair value of financial instruments is measured on the basis of quoted market prices at the balance-sheet date. Derivatives are measured on the basis of published price quotations in an active market. For unquoted shares where a reliable market value cannot be

determined, the carrying amount is used as an indicator of fair value. The fair value of debt instruments is measured using techniques such as discounting expected future cash flows at quoted market interest rates for each duration.

Note 6 | Standing timber

At 31 March 2024, the estimated fair value of Södra's standing timber was SEK 4,735 million (4,650 at year-end). The change in the balance sheet amounted to SEK 85 million (32), which mainly relates to exchange-rate effects but also to acquisitions of standing timber in the Baltics.

Note 7 | Scheduled maintenance shutdowns

At Södra Cell, in addition to routine maintenance during normal operations, there are also planned maintenance shutdowns to perform more extensive maintenance, whereby pulp production is stopped.

The earnings impact of the maintenance shutdowns varies, depending on the extent and nature of the maintenance measures

and the duration of the shutdowns. The cost comprises loss of revenue from production losses, and the direct costs of the maintenance.

There were no scheduled maintenance shutdowns in the first quarter. In the first quarter of 2023, costs for scheduled maintenance shutdowns amounted to SEK 70 million.



Quarterly data and segment information

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
NET SALES, SEK MILLION			
Södra Skog	1,586	1,632	6,260
Södra Wood	1,621	1,660	6,083
Södra Cell	4,301	4,610	16,142
Södra Innovation	105	100	411
Group	7,613	8,002	28,896
OPERATING PROFIT/LOSS BEFORE DEPRECIATION, AMORTISATION AND IMPAIRMENT, SEK MILLION			
Södra Skog	7	-4	446
Södra Wood	20	17	78
Södra Cell	1,056	1,470	3,693
Södra Innovation	-48	-69	-182
Other	-92	3	-358
Eliminations	-	1	-
Group	943	1,418	3,677
OPERATING PROFIT/LOSS, SEK MILLION			
Södra Skog	-15	-22	367
Södra Wood	-34	-34	-175
Södra Cell	780	1,210	2,631
Södra Innovation	-69	-70	-227
Other	-94	1	-370
Eliminations	-	-	-
Group	568	1,085	2,226
OPERATING MARGIN			
Södra Skog	neg.	neg.	2%
Södra Wood	neg.	neg.	neg.
Södra Cell	18%	26%	16%
Södra Innovation	neg.	neg.	neg.
Group	7%	14%	8%
OPERATING ASSETS, SEK MILLION			
Södra Skog	9,325	8,281	8,961
Södra Wood	4,504	4,251	4,158
Södra Cell	15,747	15,946	15,088
Södra Innovation	1,345	1,255	1,452
Other	827	1,138	980
Financial assets	10,806	10,897	9,855
Total consolidated assets	42,554	41,768	40,494

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
AVERAGE OPERATING CAPITAL, SEK MILLION			
Södra Skog	7,022	6,216	7,075
Södra Wood	3,748	3,476	3,509
Södra Cell	14,381	14,618	14,344
Södra Innovation	1,204	1,134	1,169
Other	82	111	119
Group, average capital employed	24,759	23,457	24,089
RETURN ON OPERATING CAPITAL			
Södra Skog	neg.	neg.	5%
Södra Wood	neg.	neg.	neg.
Södra Cell	22%	33%	18%
Södra Innovation	neg.	neg.	neg.
Consolidated return on capital employed	9%	19%	9%
CASH FLOW AFTER INVESTMENTS, SEK MILLION			
Södra Skog	1,459	571	-942
Södra Wood	-262	-129	-329
Södra Cell	512	843	2,780
Södra Innovation	-58	-119	-292
Other	-324	-843	-1,138
Group	1,327	323	79
INVESTMENTS, SEK MILLION			
Södra Skog	29	97	608
Södra Wood	65	83	351
Södra Cell	194	237	886
Södra Innovation	19	37	146
Other	2	1	16
Group	309	455	2,007
AVERAGE NUMBER OF EMPLOYEES			
Södra Skog	690	674	702
Södra Wood	892	943	876
Södra Cell	1,213	1,274	1,239
Södra Innovation	142	143	148
Other	294	299	286
Group	3,231	3,333	3,251

Alternative performance measures

NET SALES, CHANGE

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Opening net sales	8,002	8,165	33,367
Closing net sales	7,613	8,002	28,896
Change	-5%	-2%	-13%

Shows Södra's growth.

OPERATING PROFIT BEFORE DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES SEK MILLION

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Operating profit	568	1,085	2,226
Depreciation, amortisation and impairment of assets	375	333	1,451
Operating profit before- depreciation, amortisation and impairment	943	1,418	3,677

A complement to operating profit/loss, which shows the items on the income statement that affect cash flow.

OPERATING PROFIT BEFORE DEPRECIATION, AMORTISATION AND IMPAIRMENT MARGIN

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Operating profit before- depreciation, amortisation and impairment	943	1,418	3,677
Net sales	7,613	8,002	28,896
EBITDA margin	12%	18%	13%

The EBITDA margin shows the percentage of surplus on each SEK earned less operating costs, but before depreciation, amortisation and impairment. This measure gives an overall view of the cash flow generated. The measure is used to produce an overall trend analysis of Södra's performance, and for comparison with other companies.

OPERATING PROFIT/LOSS, SEK MILLION

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Net sales	7,613	8,002	28,896
Other revenue and profit from shares in associates	142	31	598
Operating expenses	-6,812	-6,615	-25,817
Depreciation, amortisation and impairment	-375	-333	-1,451
Operating profit	568	1,085	2,226

Operating profit shows the surplus on sales less operating costs, including depreciation, amortisation and impairment. This is an essential measure for producing a trend analysis of Södra's performance, and for comparison with other companies.

OPERATING MARGIN

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Operating profit	568	1,085	2,226
Net sales	7,613	8,002	28,896
Operating margin	7%	14%	8%

The operating margin is a measurement of the proportion of surplus on each sales SEK less operating costs, including depreciation, amortisation and impairment. This surplus is used to cover interest expense and tax, and to generate an acceptable profit. The measure is used to produce an overall trend analysis of Södra's performance, and for comparison with other companies.

Södra manages its operations by analysing key indicators. Some of these financial key indicators are defined or specified in applicable regulations for financial information, or by other applicable laws. All others are referred to as alternative performance measures. Södra uses the following alternative performance measures and believes they provide valuable complementary information for analysing Södra's performance.

The effect of assets held for sale is presented in the Consolidated statement of comprehensive income and Consolidated statement of financial position. The effect of assets held for sale is not included in the Consolidated statement of cash flows nor is it taken into account in calculated key indicators, which is not directly apparent from the income statement and balance sheet presented, since Södra uses these factors to manage all of its operations. Comparative figures for prior years have not been restated for the above-mentioned effect (from 2021 and earlier), but are reconcilable with historical reports.

NET DEBT, SEK MILLION

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Interest-bearing provisions	—	—	—
Interest-bearing liabilities	7,993	6,362	8,878
Financial receivables	0	0	0
Current investments and cash and cash equivalents	-10,281	-10,386	-9,723
Net debt	-2,288	-4,024	-845

Shows Södra's financial strength.

DEBT/EQUITY RATIO, TIMES

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Net debt	-2,288	-4,024	-845
Equity	26,884	28,199	26,083
Debt/equity ratio	-0.1	-0.1	0.0

The debt/equity ratio is used to measure Södra's financial strength and, in combination with the equity ratio, is the measurement most frequently used by management to monitor the Group's financial leverage.

CAPITAL EMPLOYED, SEK MILLION

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Assets	42,554	41,768	40,494
Surplus in funded pension plans	-150	-222	-138
Financial assets	-10,321	-10,528	-9,762
Provisions*	-538	-529	-540
Income tax*	-1,960	-2,233	-1,944
Non-interest-bearing operating liabilities	-5,153	-4,435	-3,024
Capital employed	24,432	23,821	25,086
Average	24,759	23,457	24,089

* Not considered in the calculation of Operating capital.

Capital employed shows the capital used by Södra and is a component of Return on capital employed.

RETURN ON CAPITAL EMPLOYED

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Average capital employed	24,759	23,457	24,089
Operating profit	568	1,085	2,226
12-month operating profit	2,272	4,340	2,226
Return	9%	19%	9%

Return on capital employed is a measure of the interest that Södra pays on capital tied up in operations.

EQUITY RATIO

	2024 Jan-Mar	2023 Jan-Mar	2023 Jan-Dec
Equity	26,884	28,199	26,083
Assets	42,554	41,768	40,494
Equity ratio	63%	68%	64%

An established and key measure of Södra's financial strength. Shows the proportion of total assets financed by equity. The measure indicates the ability to pay long-term liabilities, since any future losses will be deducted from equity.

DEFINITIONS

Operating profit before depreciation, amortisation and impairment, SEK million

Operating profit/loss excluding depreciation, amortisation and impairment of property, plant and equipment and intangible assets.

EBITDA margin, %

Operating profit/loss excluding depreciation, amortisation and impairment of property, plant and equipment and intangible assets expressed as a percentage of net sales.

Operating profit/loss, SEK million

Net sales and other revenue less operating costs including depreciation, amortisation and impairment.

Operating margin, %

Operating profit/loss expressed as a percentage of net sales.

Net debt, SEK million

Interest-bearing liabilities less interest-bearing assets and cash and cash equivalents.

Debt/equity ratio, times

Net debt in relation to equity.

Capital employed, SEK million

Assets excluding surplus in funded pension plans, interest-bearing assets, provisions and liabilities.

Return on capital employed, %

Full-year operating profit/loss expressed as a percentage of average capital employed.

Equity ratio, %

Equity expressed as a percentage of assets.

Financial statements

- » The interim report for April–June will be published on 25 July 2024 at 11 a.m.
- » The Annual General Meeting will be held on 28 May 2024.
- » Interim reports can be downloaded from sodra.com/financials

This is Södra

Södra was founded in 1938 on the idea that we are stronger together. Södra is now the largest forest-owner association in Sweden, with more than 50,000 family forest owners as members. Together, the members of Södra own a world-leading industry that processes forest raw material into renewable products such as pulp, timber, building systems, liquid bioproducts and energy. **Rooted in the forest, we grow the future.**

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