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Årsredovisning

Munksjö Paper Holding AB *559353-7284*

Styrelsen för Munksjö Paper Holding AB får härmed lämna sin redogörelse för bolagets utveckling under räkenskapsåret 2024-01-01 - 2024-12-31.

Om inte annat särskilt anges, redovisas alla belopp i hela euro (eur).

INNEHÅLLSFÖRTECKNING SIDA

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Fastställelseintyg

Undertecknad styrelseledamot i Munksjö Paper Holding AB intygar att resultaträkningen och balansräkningen i årsredovisingen har fastställts på årsstämman den 23 juni 2025.

Årsstämman beslutade att godkänna styrelsens förslag till hur förlusten ska disponeras.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överrens med originalen.

Stockholm 20250623

Sebastian Burmeister

20250905049969

FÖRVALTNINGSBERÄTTELSE

VERKSAMHETEN

Verksamhet

Företaget äger samtliga aktier i Munksjö Paper AB, 559368-7444, som den 1 oktober 2022 förvärvade Ahlström-Munksjö´s Dekor verksamhet där Munksjö är en ledande aktör globalt. Munksjö var de första på den internationella marknaden med inriktining enbart mot dekorpapper.
Dekorverksamheten har varit verksam under Munksjös varumärke under mer än 25 år. Varumärket är välkänt för sin enastående kvalitét och förstaklassiga service inom industrin.

Väsentliga händelser under räenskapsåret

Under räkenskapsåret tillsköt bolagets ägare totalt 20 miljoner euro i eget kapital, via nyemission, i förhållande till ägarandelarna. Dessa medel investerades i dotterbolaget Munksjö Paper AB.

Företaget har euro som redovisningsvaluta.

FLERÅRSÖVERSIKT

Beloppen i flerårsöversikten är angivna i tusental euro om inte annat anges.

	2401-2412	**2301-2312**	**2112-2212**
Resultat efter finansiella poster	-2148	-705	-228
Soliditet %	93	93	93
Balansomslutning	169 686	149 706	139 942

FÖRÄNDRINGAR I EGET KAPITAL

	Aktiekapital	**Överkurs-fond**	**Balanserat resultat**	**Årets resultat**	**Totalt**
Belopp vid årets ingång	8 666	32 497 834	107 272 091	-205 140	**139 573 451**
Balanseras i ny räkning			-205 140	205 140	**0**
Nyemission	4333	19995667			**20 000 000**
Årets resultat				-1 663 023	**-1 663 023**
Belopp vid årets utgång	**12 999**	**52 493 501**	**107 066 951**	**-1 663 023**	**157 910 428**

RESULTATDISPOSITION

Medel att disponera:	
Fri överkursfond	52 493 501
Balanserat resultat	107 066 951
Årets resultat	-1 663 023
Summa	*157 897 429*
Förslag till disposition:	
Balanseras i ny räkning	157 897 429
Summa	*157 897 429*

Bolagets resultat och ställning framgår av efterföljande resultat- och balansräkning med noter.

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RESULTATRÄKNING

1

		2024-01-01 2024-12-31	2023-01-01 2023-12-31
Rörelseintäkter, lagerförändring m.m.			
Övriga rörelseintäkter		30	1 136
Summa rörelseintäkter, lagerförändringar m.m.		**30**	**1 136**
Rörelsekostnader			
Övriga externa kostnader		-22 769	-98 357
Övriga rörelsekostnader		-96	-410
Summa rörelsekostnader		**-22 865**	**-98 767**
Rörelseresultat		***-22 835***	***-97 631***
Finansiella poster			
Övriga ränteintäkter och liknande resultatposter		20 976	17 491
Räntekostnader och liknande resultatposter	2	-2 146 023	-625 000
Summa finansiella poster		**-2 125 047**	**-607 509**
Resultat efter finansiella poster		***-2 147 882***	***-705 140***
Bokslutsdispositioner	3		
Erhållna koncernbidrag		0	500 000
Summa bokslutsdispositioner		**0**	**500 000**
Resultat före skatt		***-2 147 882***	***-205 140***
Skatter			
Skatt på årets resultat		484 859	***0***
Årets resultat		***-1 663 023***	***-205 140***

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BALANSRÄKNING 1

		2024-12-31	2023-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Finansiella anläggningstillgångar			
Andelar i koncernföretag	4	169 006 500	149 006 500
Uppskjuten skattefordran		*484 859*	
Summa finansiella anläggningstillgångar		*169 491 359*	*149 006 500*
Summa anläggningstillgångar		**169 491 359**	**149 006 500**
Omsättningstillgångar			
Kassa och bank			
Kassa och bank		194 406	699 181
Summa kassa och bank		*194 406*	*699 181*
Summa omsättningstillgångar		**194 406**	**699 181**
SUMMA TILLGÅNGAR		**169 685 765**	**149 705 681**

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		2024-12-31	2023-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital (12 999 aktier)		12 999	8 666
Summa bundet eget kapital		*12 999*	*8 666*
Fritt eget kapital			
Fri överkursfond		52 493 501	32 497 834
Balanserat resultat		107 066 951	107 272 091
Årets resultat		-1 663 023	-205 140
Summa fritt eget kapital		*157 897 429*	*139 564 785*
Summa eget kapital		**157 910 429**	**139 573 451**
Långfristiga skulder			
Skulder till koncernföretag	5	10 000 000	10 000 000
Summa långfristiga skulder		**10 000 000**	**10 000 000**
Kortfristiga skulder			
Leverantörsskulder		0	144
Övriga skulder		6 500	6 500
Upplupna kostnader och förutbetalda intäkter		1 768 836	125 586
Summa kortfristiga skulder		**1 775 336**	**132 230**
SUMMA EGET KAPITAL OCH SKULDER		**169 685 765**	**149 705 681**

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NOTER

Not 1 ALLMÄNNA UPPLYSNINGAR

Redovisnings- och värderingsprinciper

Årsredovisningen har upprättats enligt årsredovisningslagen och BFNAR 2012:1, Årsredovisning och koncernredovisning (K3).

Andelar i dotterföretag
Andelar i dotterföretag redovisas till anskaffningsvärde. I anskaffningsvärdet igår förutom inköpspriset även avgifter som är direkt hänförliga till förvärvet.

Finansiella tillgångar och skulder
Företagets finansiella instrument värderas utifrån anskaffningsvärdet enligt kapitel 11 i BFNAR 2012:1.

Fordringar och skulder i utländsk valuta
Fordringar och skulder i utländsk valuta har värderats till balansdagens kurs.

Kursvinster och kursförluster på monetära poster redovisas i resultaträkningen de år de uppkommer. Kursdifferenser som uppkommer på rörelsefordringar och rörelseskulder redovisas i rörelseresultatet och kursdifferenser på finansiella fordringar och skulder redovisas bland finansiella poster.

Koncernbidrag och aktieägartillskott
Koncernbidrag som erhållits/lämnats redovisas som en bokslutsdisposition i resultaträkningen.
Det erhållna/lämnade koncernbidraget har påverkat företagets aktuella skatt.
Aktieägartillskott som lämnats utan att emittera aktier eller andra egetkapitalinstrument erhållits i utbyte redovisas i balansräkningen som en ökning av andelens redovisade värde.
Aktieägartillskott som erhållits utan att emittera aktier eller andra egenkapitalinstrument lämnats i utbyte redovisas direkt i eget kapital.

Skatt

Skatt på årets resultat i resultaträkningen består av aktuell skatt och uppskjuten skatt. Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats. Uppskjuten skatt är inkomstskatt för skattepliktiga resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser.

Uppskjuten skateskuld redovisas för alla skattepliktiga temporära skillnader, dock särredovisas inte uppskjten skatt hänförlig till obeskattade reserver eftersom obeskattade reserver redovisas som en egen post i balansräkningen. Uppskjuten skattefordran redovisas för avdragsgilla temporära skillnader och för möjligheten att i framtiden använda skattemässiga underskottsavdrag. Värderingen baseras på hur det redovisade värdet för motsvarande tillgång eller skuld förväntas återvinnas respektive regleras. Beloppen baseras på de skattesatser och skatteregler som är beslutade per balansdagen och har inte nuvärdesberäknats.
Uppskjutna skattefordringar har värderats till högst det belopp som sannorlikt kommer att återvinnas baserat på innevarande och framtida skattepliktiga resultat. Värderingen omprövas varje balansdag.

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Not 2 Räntekostnader, ränteintäkter och likande resultatposter	**2024-12-31**	**2023-12-31**
Ränteintäkter från kreditinstitut	20 610	16 998
Övriga intäkter	366	493
Räntekostnader till koncernföretag	-501 369	-625 000
Övriga financiella kostnader till koncernföretag	-1 643 836	0
Övriga financiella kostnader	-818	
Summa	-2 125 047	-607 509

Not 3 Bokslutsdispositioner	**2024-12-31**	**2023-12-31**
Koncernbidrag		
Erhållna koncernbidrag	0	500 000
Summa erhållna och lämnade koncernbidrag	*0*	*500 000*
Summa bokslutsdispositioner	*0*	*500 000*

Not 4 Andelar i dotterföretag	**2024-12-31**	**2023-12-31**
Munksjö Paper AB	169 006 500	149 006 500
	169 006 500	**149 006 500**

Not 5 Skulder till koncernföretag	**2024-12-31**	**2023-12-31**
Samtliga lån förfaller inom fem år.		
Långfristiga skulder	10 000 000	10 000 000
	10 000 000	**10 000 000**

Not 6 Koncernuppgifter

Företaget ägs till 60% av Ahlstrom Capital B.V, till 25% av Ahlstrom OY samt 15% av Nidoco AB.
Företaget som utgör holdingbolag för en koncern med dotterföretag enligt not 2, upprättar med hänvisning till ÅRL 7kap 2§, ej koncernredovisning då företagetn omfattas av en koncernredovisning som upprättas av A. Ahlstrom Oy.

Not 7 Ställda säkerheter	**2024-12-31**	**2023-12-31**
Aktier i dotterföretag	169 006 500	149 006 500

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UNDERSKRIFTER

Stockholm med datum som framgår av vår elektroniska underskrift

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Petra Hedman

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Visa Virintie
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Visa-Veikko Valtteri Virintie

Vår revisionsberättelse har lämnats den dag som framgår av vår elektroniska underskrift

KPMG AB

Signed by:
54976EA528DC4B3...
Olle Nilsson

Huvudansvarig revisor

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Revisionsberättelse

Till bolagsstämman i Munksjö Paper Holding AB, org. nr 559353-7284

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Munksjö Paper Holding AB för år 2024.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Munksjö Paper Holding ABs finansiella ställning per den 31 december 2024 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Munksjö Paper Holding AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen ansvarar även för den interna kontroll som den bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen för bedömningen av bolagets förmåga att fortsätta verksamheten. Den upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Penneo dokumentnyckel: 5TSGM-UCVNM-5L2UT-2QBMK-PV9OV-EK2RU

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens förvaltning för Munksjö Paper Holding AB för år 2024 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter ansvarsfrihet för räkenskapsåret.

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Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Munksjö Paper Holding AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Jönköping det datum som framgår av vår elektroniska signatur

KPMG AB

Olle Nilsson
Auktoriserad revisor

Penneo dokumentnyckel: 5TSGM-UCVNM-5L2UT-2QBMK-PV9OV-EK2RU

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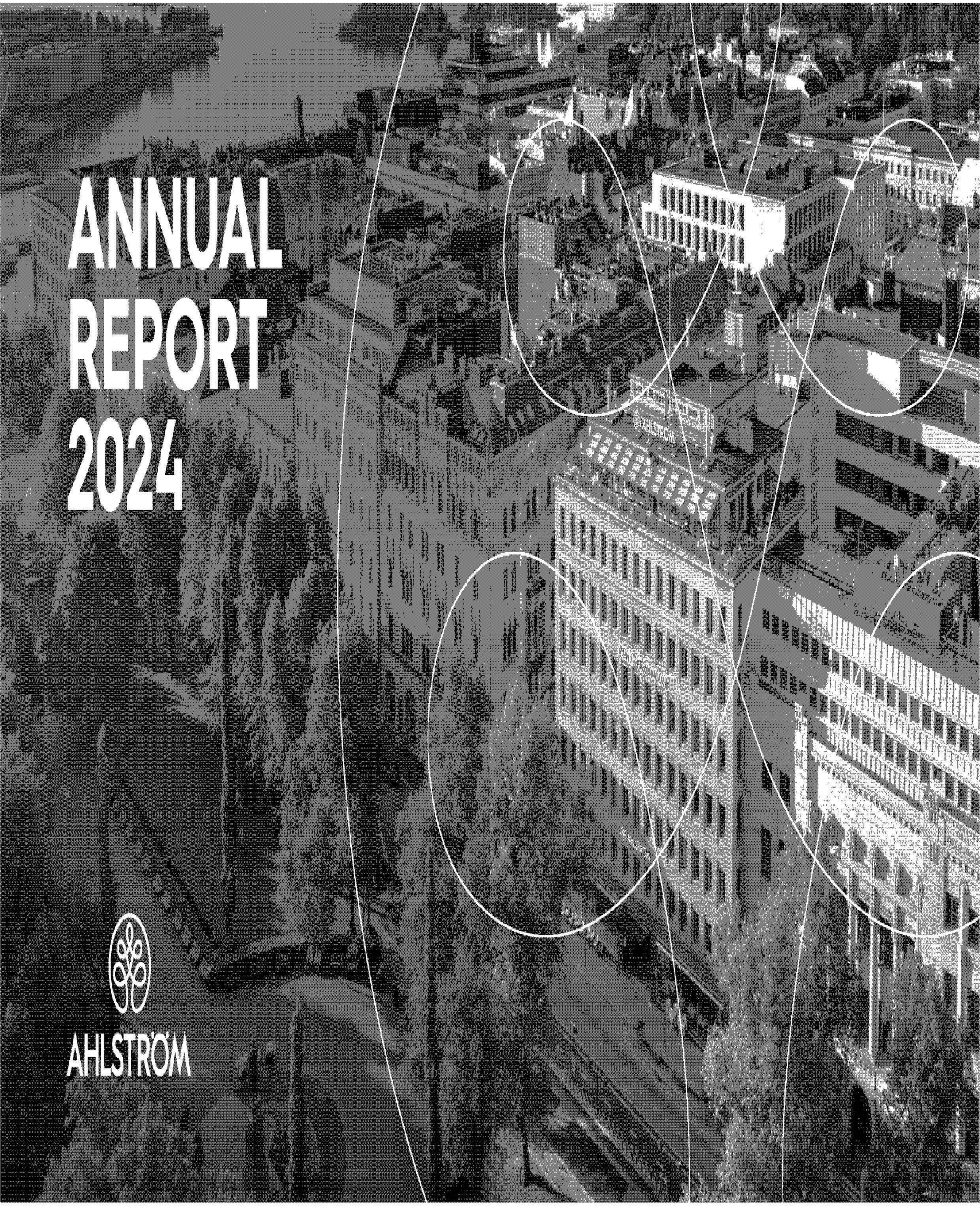
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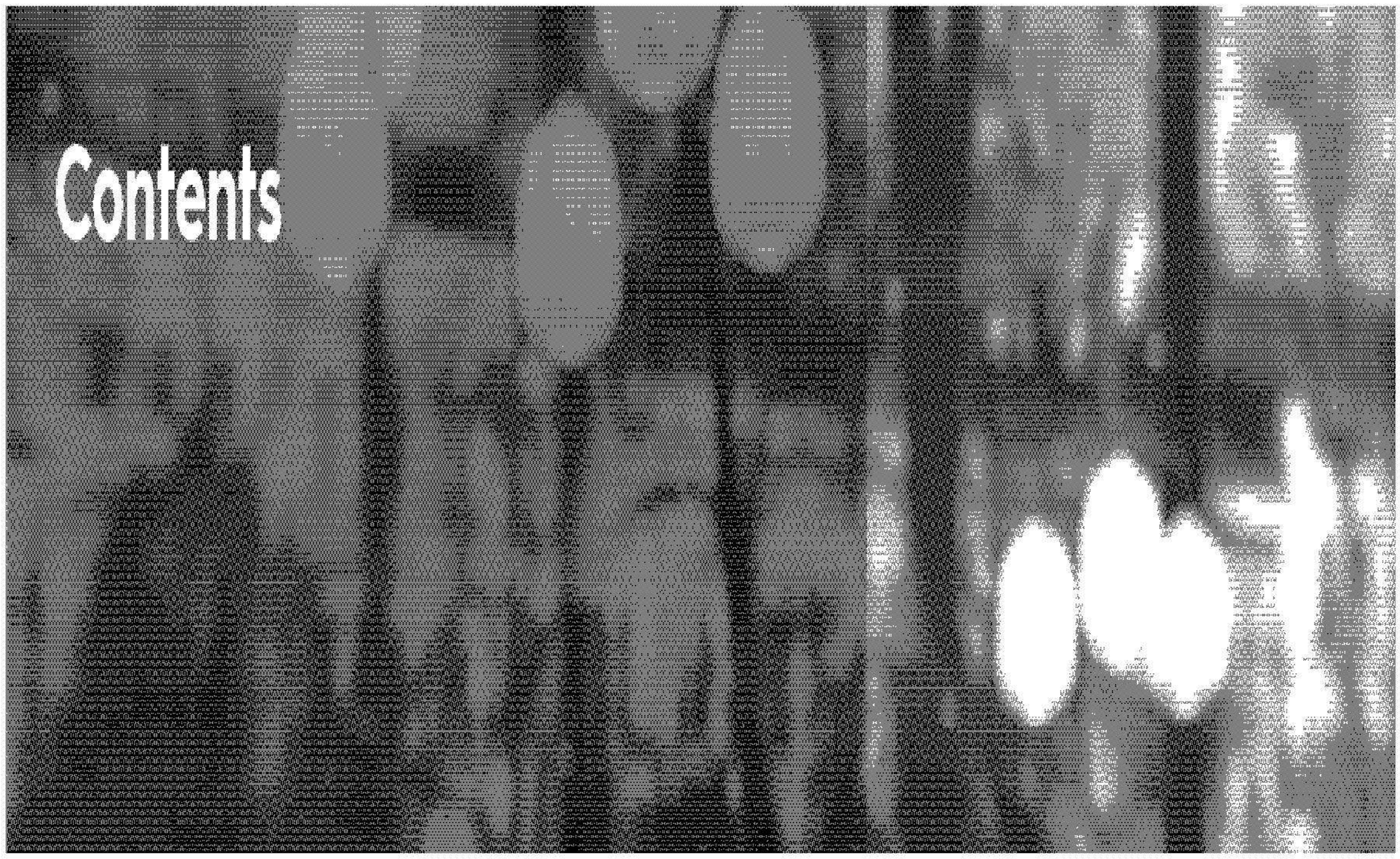
Year 2024
Ahlström strategy
Forest & Fiber
Environmental Technology
Other industrial investments
Real estate and Forestry
Sustainability and heritage
Corporate governance
Financial report 2024



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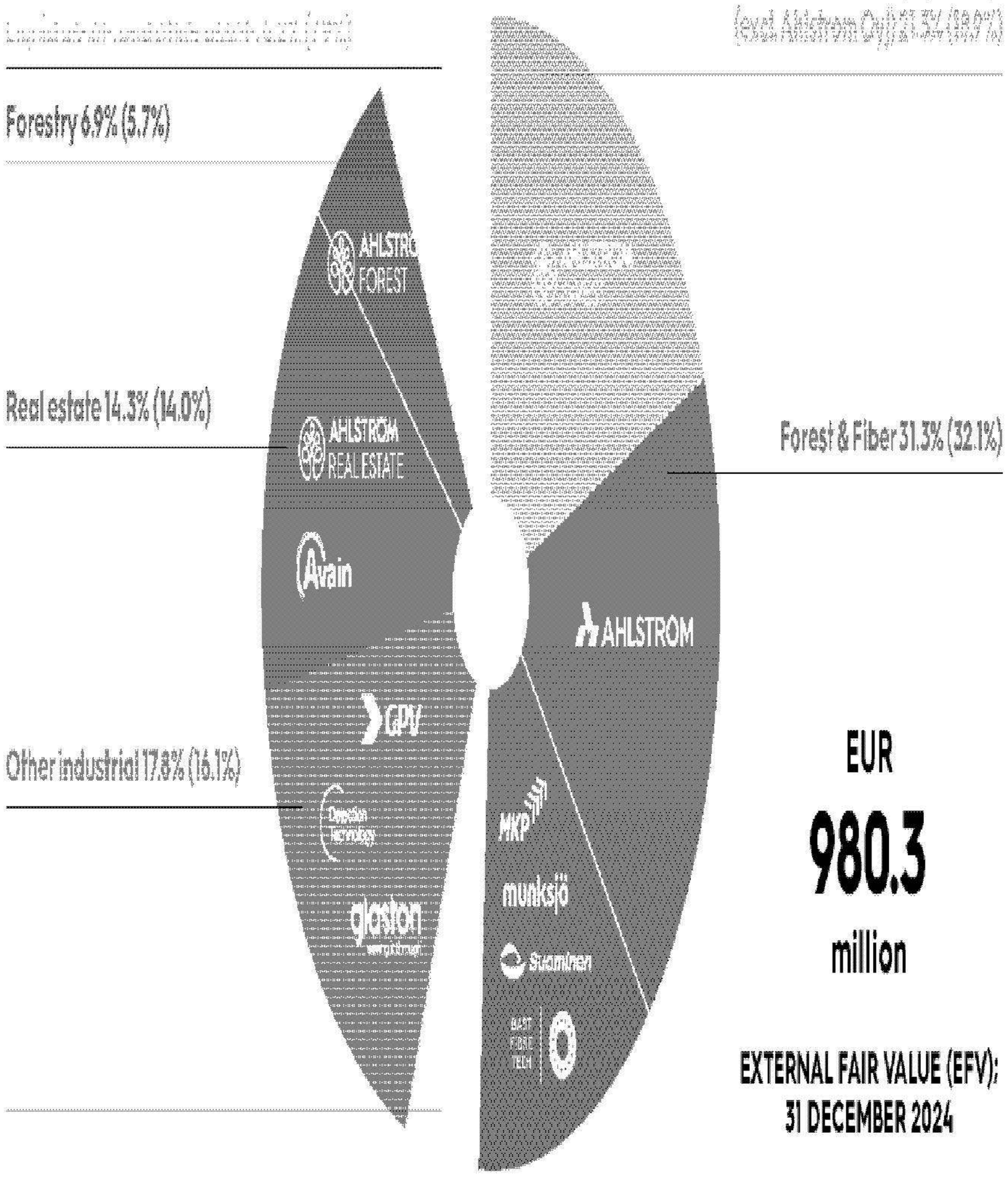
~5.5 billion EUR
revenue of portfolio companies, total

30
operating countries

~18,200
employees in portfolio companies

THE SCOPE OF OUR PORTFOLIO COMPANIES



Building on a legacy of more than 170 years, we are a long-term industrial owner, developing leading global specialist positions in the *Forest & Fiber and Environmental Technology sectors*. Ahlström integrates synergistic businesses to create a handful of world-leading specialist platforms in these sectors. In the platform companies, we have a lead or majority owner role. The current majority and minority ownership includes Ahlström Invest B.V. (including a significant ownership in Ahlstrom Oyj), Munksjö Paper AB, Suominen Corporation, Metsäkonepalvelu Oy, Bast Fibre Technologies Inc, M&J Recycling A/S, Detection Technology Plc, Glaston Corporation, and GPV Group A/S. We also invest in real estate and forestry to de-risk the Ahlström family assets, manage liquidity, and generate stable cash flow. The real estate and forest holdings are managed by A. Ahlström's fully owned subsidiary, A. Ahlström Real Estate Ltd.

The global footprint of our portfolio companies

A. Ahlström and its portfolio companies have altogether approximately 18,200 employees and operations in 30 countries.

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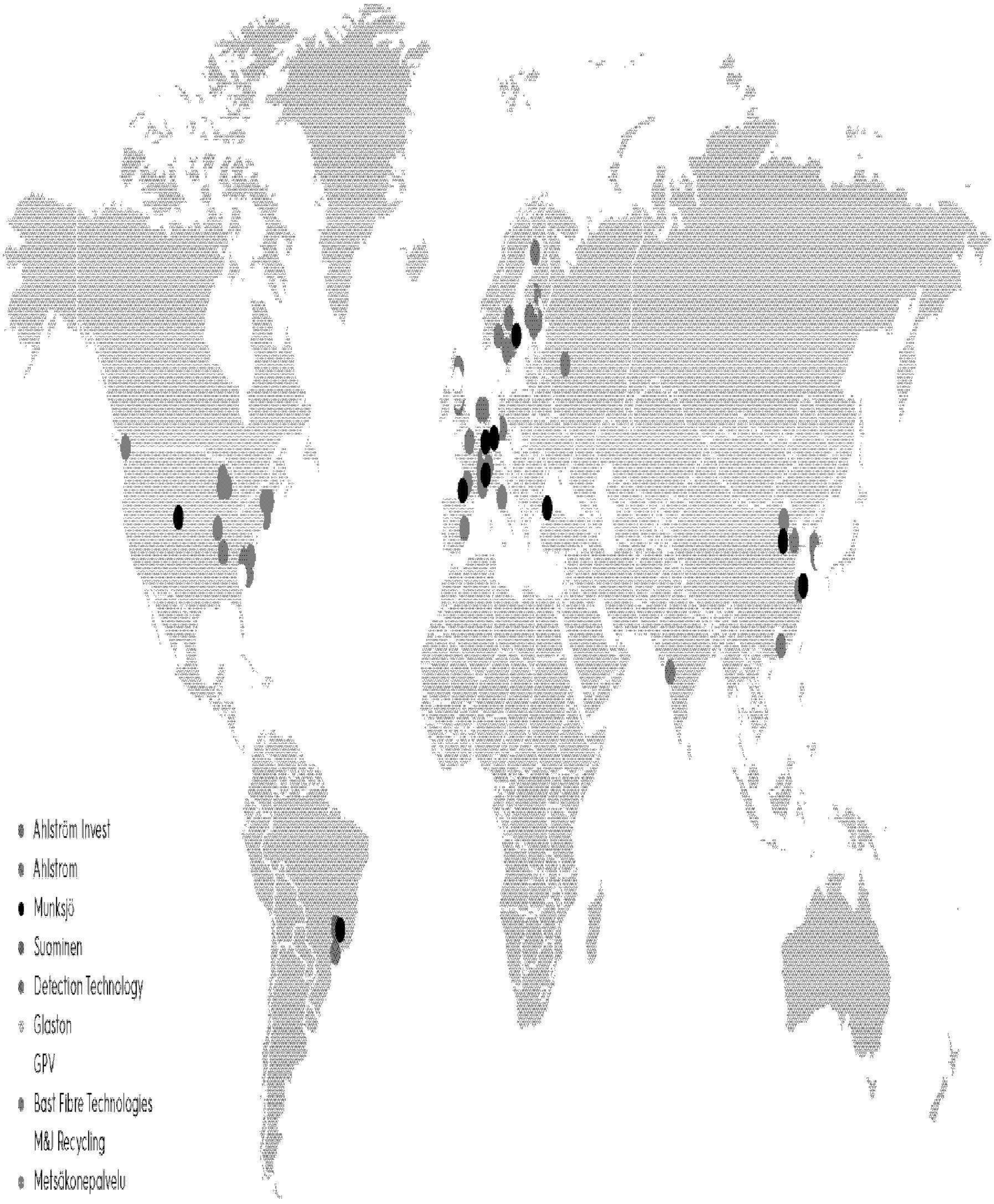

The dots represent both factories and sales offices.

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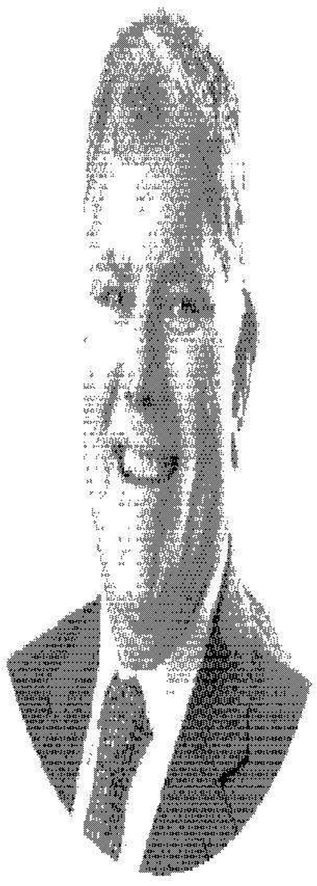

The world—and our group of companies—are experiencing a period of profound transformation. Global events increasingly resemble the cycles of revolution we have seen throughout history. In many ways, it is fair to call this moment a revolution. Years of stagnation in the West have left voters restless, demanding change and seeking strong leaders. The early weeks of President Trump's second term exemplify this shift, offering a glimpse of what lies ahead.

Change and revolution always come with risks, but they also create opportunities. Businesses that are well-managed, clear in their purpose, and focused on the future are well-positioned to thrive in these shifting conditions.

Ahlström has undergone one of its most significant transformations in nearly a century. With a legacy spanning nearly 175 years, primarily in the forest, fiber, and adjacent environmental technology industries, it was a natural decision to refocus and further develop our unique expertise in these areas.

The 2021 take-private of Ahlstrom-Munksjö Oyj has been a resounding success. By sharpening our business focus and prioritizing commercial and operational excellence, we have achieved strong results—doubling EBITDA in Ahlstrom Oyj's core business. Working intensely with Bain Capital has been hugely beneficial not only for Ahlstrom Oyj, but we should apply the lessons from our partnership with Bain to all areas of our business.

As A. Ahlström Oy enters the third year of our most recent strategic revision, we acknowledge the challenges we have faced across various business areas. However, as our initiatives take effect and the strong headwinds we have encountered begin to fade—eventually turning into tailwinds—we are prepared to capitalize on the wave of change lifting our industry.

The demand for sustainable business models remains strong. Plastics and pollution continue to strain our planet, making it imperative that we stay committed to environmental responsibility. This is not the time to step back from our efforts—it is the time to push forward.

The urgency of sustainability will only grow as global demographics shift. Think about Africa as an example. Africa is the only continent experiencing significant population growth, and current trends indicate that by the end of this century, it might even rival Asia as the most populous region on Earth. This shift presents both new challenges and new business opportunities.

Meanwhile, as much of the Western world turns inward, China is poised to benefit most from economic growth in this, what is often considered as Europe's backyard. Family-owned companies—those that measure success in decades rather than quarters—have a unique opportunity to play a responsible role in this development, ensuring that growth is both sustainable and impactful. Meaningful social and humanitarian progress is only possible when accompanied by economic advancement.

It is my hope that, as a business and family, we will continue to lead in sustainability—not just by meeting legal requirements, but by taking bold steps to build more durable and responsible business models. Our goal should not only be success in the present but the creation of a stronger, more sustainable future for generations to come.

Peter Seligson
Chair of the Board

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CEO's review

Strategy implementation journey began

At the beginning of 2024, we clarified and communicated the new Ahlström strategy and targets. Furthermore, we crystallised what the Ahlström Way means by redefining our approach to value creation and collaboration with our portfolio companies. Our strategic core is built around industrial companies in the Forest & Fiber and Environmental Technology sectors. The core is supported by diversification in Financial Assets, Real Estate, and Forestry. For several of our portfolio companies, 2024 was a challenging year. As demand remained at a low level in many sectors, the companies focused on cost efficiency and cash flow while building up long-term competitiveness. As we enter 2025, our industrial companies are more fit and better positioned to take their share of the growth when the market environment turns.

2024 in brief

The market environment for the Forest & Fiber sector was challenging as demand remained at a low level in several sectors and the performance of our portfolio companies was mixed. At Ahlstrom Oyj, the net sales were at last year's level, but profitability improved significantly as the transformation actions delivered results – both EBITDA in terms of euros as well as EBITDA margin reached record levels. The work to make the company ready for the next phase continues and accelerating growth is a priority. Munksjö was able to keep profitability at a last year's level despite a drop in net sales and continued tough competition. Munksjö's cash flow developed positively. Both Suominen and Bast Fibre Technologies had a challenging year. Internal operational issues impacted Suominen's performance, whereas Bast Fibre Technologies struggled to increase revenue

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Strategy in action

During 2024, we focused on hands-on strategy execution. As a crucial part of our strategy implementation, each Ahlström team defined their own Winning Concept:

- Industrial ownerships: the Winning Concept includes a focus on sectors where we have industry insights, credibility, and networks; more hands-on ownership driving commercial and operational excellence; and a stronger team with increased capabilities and clock speed. The team was strengthened with two strategic hires during 2024.

- Real estate: the Winning Concept is based on active asset management, selected real estate development projects, and a sharp focus on high-quality assets and tenants only in the largest Finnish cities. In 2024, we achieved an increase in our occupancy rates compared to a decrease in the benchmark.

- Forestry: the Winning Concept is based on delivery sales, where we manage the operations from the forest to the customer, resulting in clearly higher profitability compared to standing sales. In 2024, over 90% of our forest revenue came from delivery sales.

In sum, in all asset classes we aim for superior returns through active ownership and unique value-add that our brand, capabilities, and the network can bring. Where we cannot add unique value is considered non-core and we can exit when the time and value are right.

In addition to the asset classes, support teams as well as Ahlström's Noormarkku Works service and maintenance teams defined their Winning Concepts and ambitious targets. Naturally, we still have a lot to do and can significantly improve, but we are inspired by the challenge.

A. Ahlström was recognised as one of the Most Inspiring Workplaces in Finland. The recognition is awarded annually to companies that have received exceptionally good results from the employee experience survey, conducted by Eezy Flow. I believe that our inspiring work environment is born not only from a good atmosphere, but also from the opportunity to do things worth striving for and truly develop as a professional.

Sustainability plays an integral part in our strategy. In 2024, we continued our ESG efforts, including preparations for the CSRD reporting, updates to our ESG Management System Maturity model, and CSRD Double Materiality Assessments. Further details are available in the Sustainability section of this report on the page 49.

To bring our strategy to life, we introduced a training module "Fundamentals and Future of Forest and Fiber", that is especially designed for Ahlström employees, shareholders, and family members. The objective is to provide an in-depth exploration of forest and fiber, find inspiration in the subject, and support our strategy, thus continuing the long legacy of the Ahlström family business.

In January 2025, we hosted the annual Ahlström Network Day, bringing together over 100 guests from our network companies' boards and management. At the event, I outlined an ambitious goal for each of our portfolio companies: to double the equity value within the next five years. Achieving this very ambitious target is not rocket science but will require good strategies, commercial and operational excellence, and decisive actions.

Finally, I would like to acknowledge the good work done by our employees throughout 2024 and thank the shareholders and the Board for the trust and support. The year 2026 will mark the 175th anniversary for the Ahlström family in business. The jubilee preparations have started, and I look forward to continuing to execute the strategy together to make sure we keep creating sustainable value also for generations to come.

Jyrki Vainionpää
President and CEO

Year 2024

A. Ahlström in brief

Ahlström is a global industrial investment company with a long history and a strong legacy. We are a family business with a long-term perspective and a passion for building companies that last. We invest in industrial companies, real estate, and forestry, and we are dedicated to creating sustainable value for our shareholders, employees, and society.

Ahlström's roots go back to 1851, when Antti Ahlström founded a sawmill in Varpaisjärvi, Finland. Today, we are headquartered in Helsinki and have a global footprint with operations in Europe, North America, and Asia. Our portfolio companies employ approximately 10,000 people and serve customers in more than 100 countries.

We are organized into four business areas: Forest & Fiber, Environmental Technology, Other industrial investments, and Real estate and Forestry. Our shares are listed on Nasdaq Helsinki under the ticker AHLSTV.

Global footprint

Ahlström's portfolio companies operate in Europe, North America, and Asia. Our largest presence is in Finland, Sweden, France, Germany, the United States, and China. We employ approximately 10,000 people and serve customers in more than 100 countries.

Letter from the Chair

Dear shareholders,

2024 was a year of progress for Ahlström. We made meaningful steps in executing our strategy, strengthened our portfolio, and delivered solid results in a challenging market environment. I am proud of what our teams have achieved and grateful for the trust you have placed in us.

Our strategy is clear: we invest in industrial companies, real estate, and forestry, and we aim to create sustainable value over the long term. We are patient owners, but we are also active ones. We work closely with the boards and management teams of our portfolio companies to drive performance and growth.

The Board has been actively engaged in overseeing the strategy execution. We have met regularly with management and have had in-depth discussions on each of our business areas. We have also spent time on governance, risk management, and succession planning.

I would like to thank my fellow Board members for their dedication and contribution. I would also like to thank our CEO and the entire Ahlström team for their hard work and commitment.

Looking ahead, we see both opportunities and challenges. The macroeconomic environment remains uncertain, but we are well positioned to navigate it. We have a strong balance sheet, a diversified portfolio, and a clear strategy. We are confident that we can continue to create value for our shareholders.

Antti Ahlström
Chair of the Board

CEO's review

2024 was a year of execution. We made progress on all of our strategic priorities and delivered solid results. Our portfolio companies performed well, and we continued to invest in growth and development.

Forest & Fiber had a strong year. Demand for our products was good, and we benefited from higher prices. We completed the acquisition of a new pulp mill in Sweden, which will be integrated into our operations in 2025. We also made progress on our sustainability initiatives, including reducing our carbon footprint and increasing the use of renewable energy.

Environmental Technology had a challenging year. Demand for our products was weak, and we had to adjust our capacity accordingly. We took restructuring measures to improve the profitability of the business. We also made progress on developing new products and technologies.

Other industrial investments had a good year. Our portfolio companies performed well, and we made a number of investments to support their growth. We also made progress on improving the governance and management of these companies.

Real estate and Forestry had a solid year. We continued to develop our real estate portfolio and made progress on our forestry operations. We also made progress on our sustainability initiatives, including increasing the biodiversity of our forests.

Sustainability and heritage is an important part of our strategy. We published our first sustainability report in 2024, which covers our performance on environmental, social, and governance issues. We also made progress on our heritage initiatives, including preserving the history of the Ahlström family and the company.

Corporate governance is the foundation of our business. We have a strong governance framework, which includes a clear division of responsibilities between the Board and management. We also have a code of conduct, which sets out our values and principles.

Financial report 2024 includes the financial statements of A. Ahlström Oy and the consolidated financial statements of the Ahlström group. The financial statements have been prepared in accordance with the Finnish Accounting Act and the Finnish Accounting Standards.

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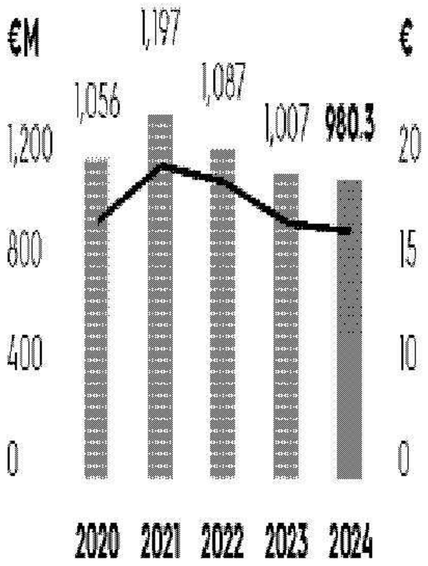
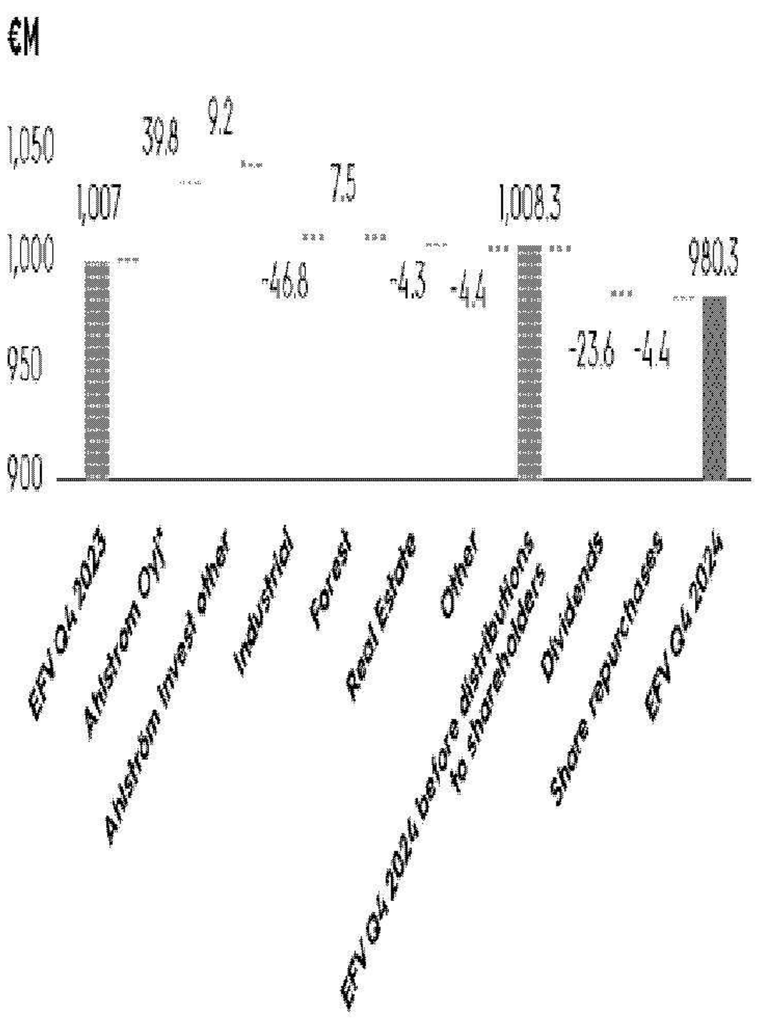
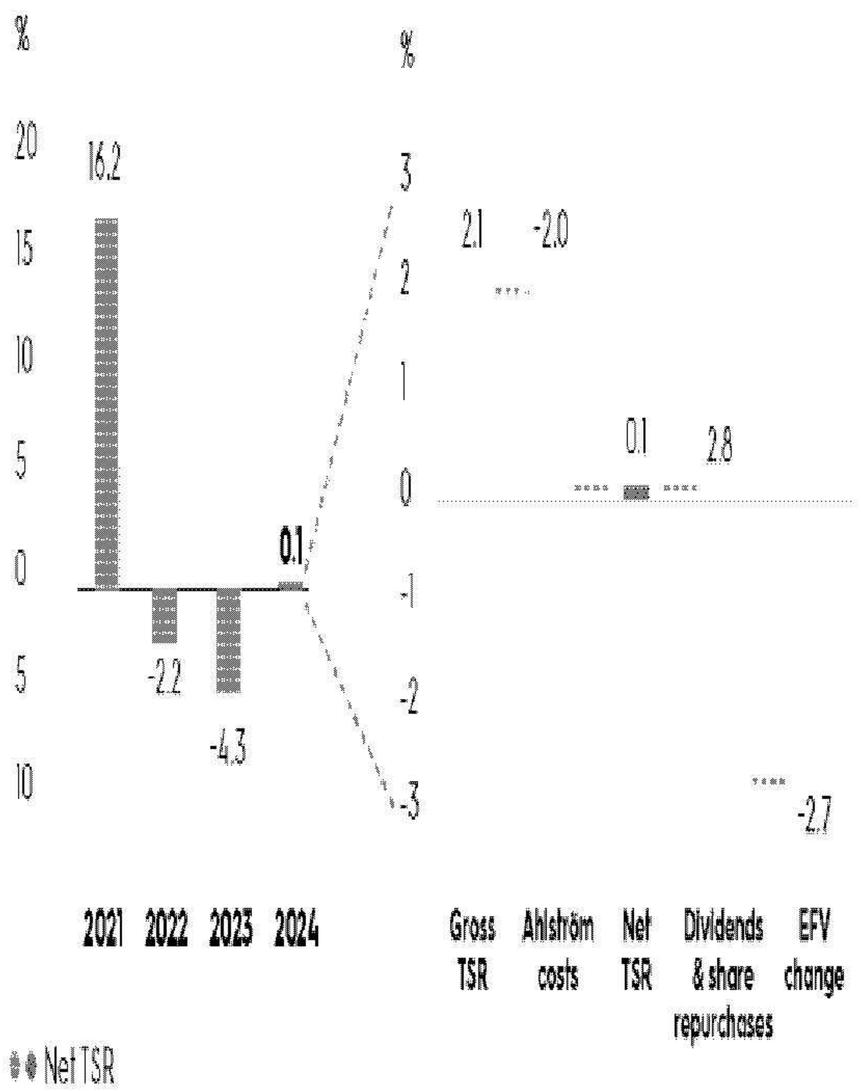
In 2024, the development of the External Fair Value (EFV), adjusted for dividends and share repurchases, was +0.1% totalling 980.3 mEUR. The valuations of companies operating in the Forest & Fiber and Environmental Technology sectors were impacted by lower demand, while at Ahlström Invest, the value development of both Ahlstrom Oyj and the investment portfolio were positive.

EXTERNAL FAIR VALUE (EFV) AND EFV PER SHARE





NET TOTAL SHAREHOLDER RETURN (TSR)



** EFV

*Ahlstrom Oyj common + preferred equity return (EFV change and distributions)

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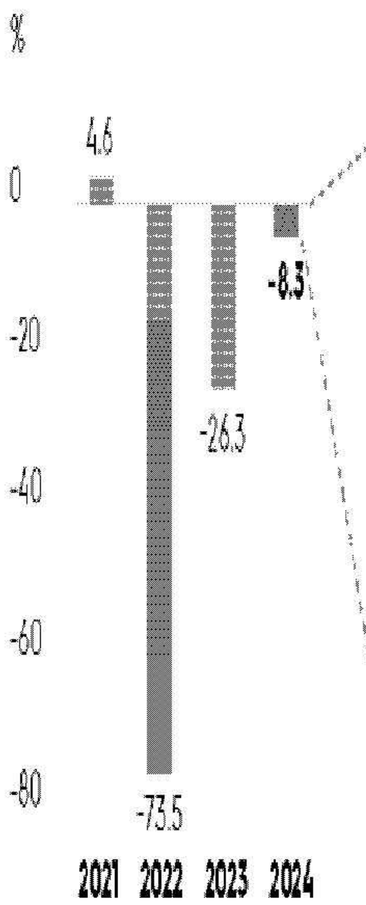
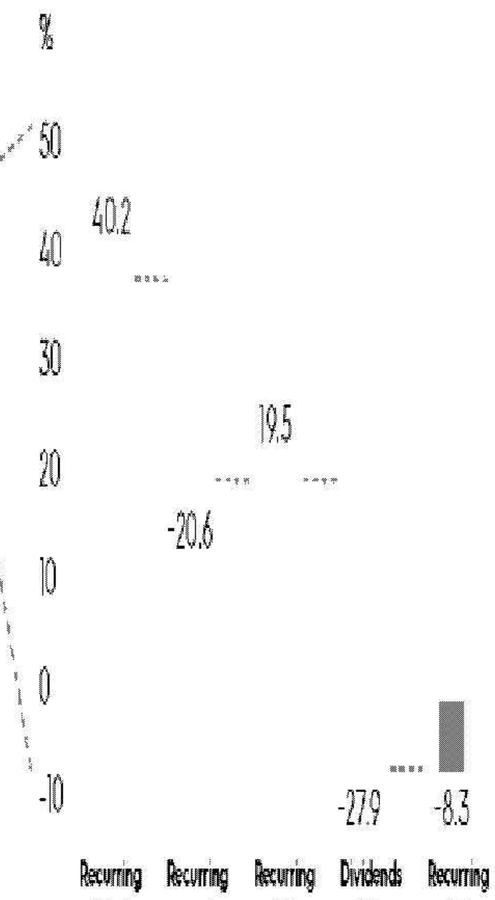
RECURRING CASH FLOW

Recurring cash flow development



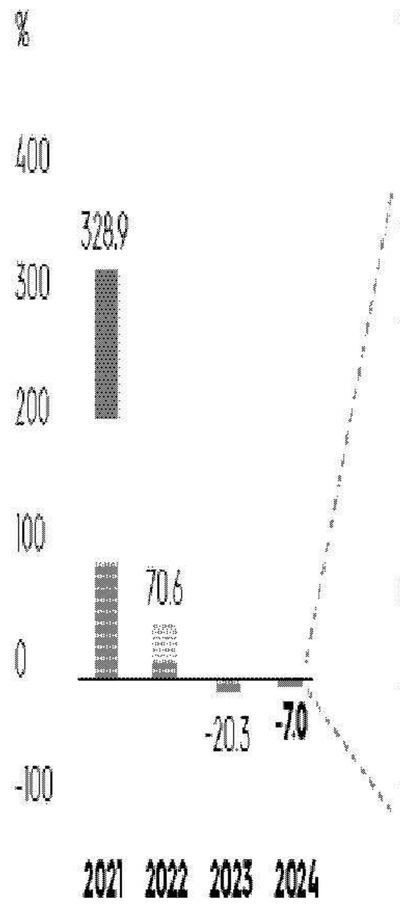
Recurring cash flow breakdown 2024



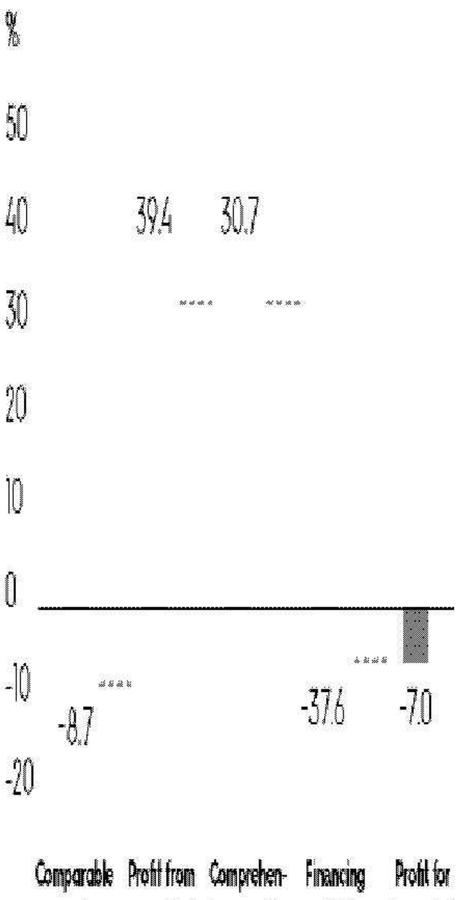
- Recurring Cash Flow
- Share repurchases mainly related to the creation of A. Ahlström Corporation

PROFIT FOR THE PERIOD

Profit for the period development



Profit breakdown 2024



- Profit for the period

Impact from share exchange of Ahlström-Munksjö

- Divestment of Destia
- Divestment of Enics

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External Fair Value (EFV)

Net Total Shareholder Return (TSR)

Recurring cash flow and total cash flow

Profit for the period

	2024	2023
EFV total	**980.3**	**1,007.3**
EFV per share	**16.67**	**17.04**
Gross Total Shareholder Return (TSR) %	2.1	-2.2
- A. Ahlström costs %	-2.0	-2.1
Net Total Shareholder Return (TSR) %*	**0.1**	**-4.3**
Distributions to shareholders %	2.8	-3.0
EFV change %	-2.7	-7.3
Sources of funds	40.2	29.7
- Uses of funds	-48.5	-56
Recurring cash flow	**-8.3**	**-26.3**
Divestments and exit proceeds	2.1	3.4
New investments	-26.5	-80.4
Financing items, taxes and other changes	10.6	78.0
Total cash flow	-22.2	-25.3
Comparable operating profit margin	-8.7	3.0
Profit from associated companies	39.4	12.0
Comprehensive operating profit	30.7	15.0
Financing costs, tax and other	-37.6	-35.3
Profit for the period	**-7.0**	**-20.3**

* Net Total Shareholder Return = Adjusted EFV change

In 2024, the **Gross Total Shareholder Return (TSR)** from the portfolio was 2.1%, impacted by the strong performance of Ahlström Invest. The valuations of Munksjö and M&J were decreased because of low demand. Distributions to shareholders were 2.8% of the EFV, and the total change in the EFV was -2.7%.

The deficit of the **Recurring cash flow** was reduced by increased cash in-flows from the real estate business and industrial companies during the year.

New investments were made into the Forest & Fiber sector assets, forest acquisitions, and real estate development project EriCa Green Chemistry Park in Espoo.

Profit for the period was negative, as lower demand impacted the turnover and the profitability of several companies. The negative change in real estate valuations also negatively impacted the profit.

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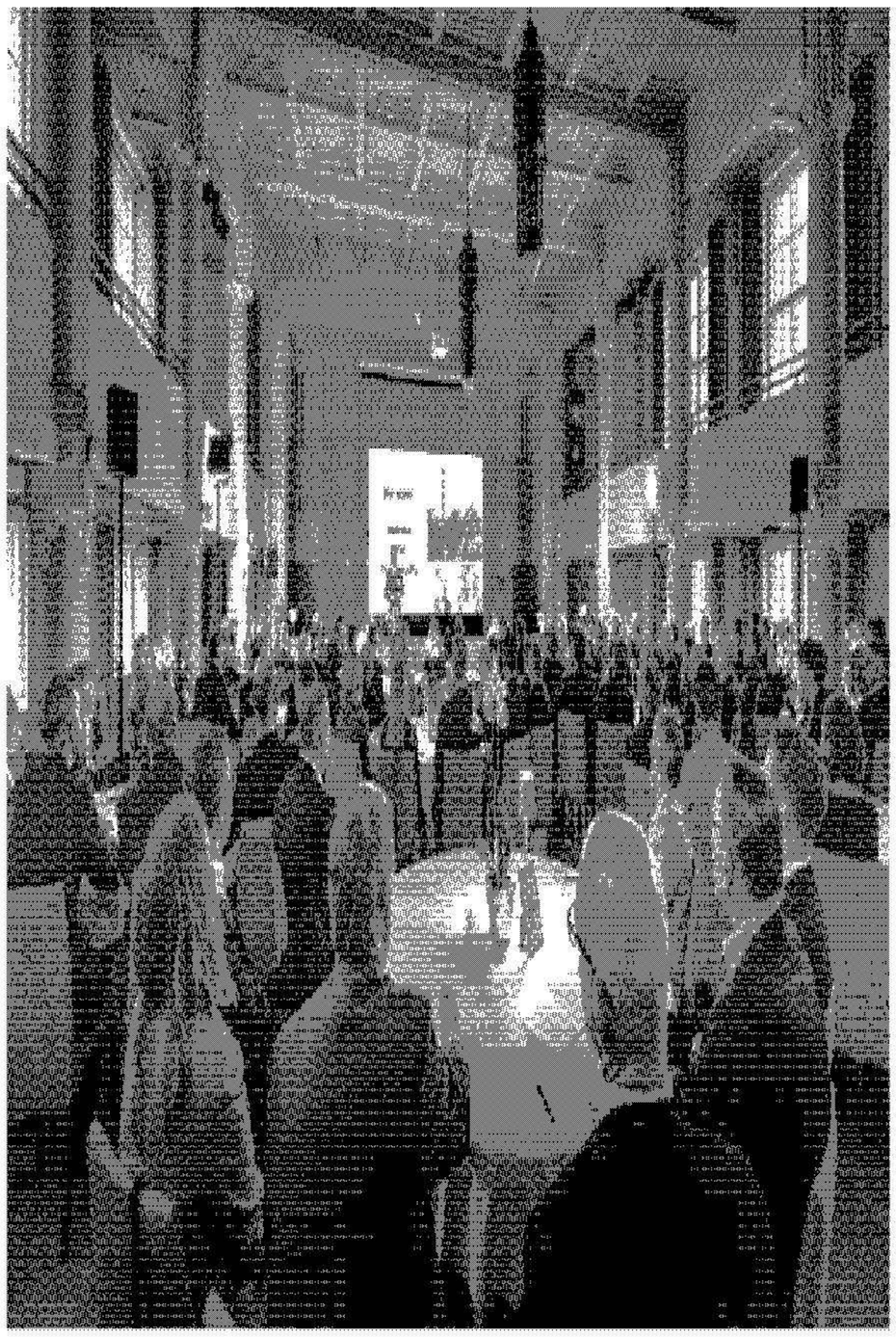
We strongly believe in collaboration, and one of our key strengths is undoubtedly the Ahlström Network. The Ahlström Network consists of boards and top management of our current and former portfolio companies, as well as other key stakeholders. The purpose of this group is to exchange ideas, learn, and explore new business opportunities together. The network members have the potential to contribute significantly and make a meaningful impact.



Ahlström Network Day 2025

We annually organise the Ahlström Network Day event, which this year gathered over 100 participants at Förssitalo in Helsinki. The main theme of the day centred on China, featuring presentations about the Chinese market and how to be competitive in and outside of China, given the increasing Chinese competition.

The event began with welcome words and a company update from our President and CEO, Jyrki Vainionpää. He concluded his remarks by challenging each portfolio company to double their equity value within the next five years - an ambitious yet achievable goal that requires sound strategies, commercial and operational excellence, and decisive actions.

The event continued with Dominic Barton, Chair of Rio Tinto and Leapfrog Investments and former ambassador of Canada to China, sharing his insights on the Chinese market and competition.

Max J. Zenglein, Chief Economist at MERICS, continued with a presentation on China - EU relations. Subsequently, Kaisa Hietala, board member in Smurfit Westrock, Exxon Mobil and Rio Tinto, discussed the China from board's perspective.

To conclude the event, CEOs from two of our portfolio companies presented real-life case studies. Manfred Bracher, CEO of Munksjö, provided insights on the impact of Chinese competition and overcapacity on home markets in Europe and the Americas. Hannu Martola, President and CEO of Detection Technology, discussed the strategies needed to remain competitive in the Chinese price war.

The top three key takeaways from the day were:

- The importance of understanding not only the Chinese market but also its culture, mindset, history, and heritage.
- Western companies should be aware of not only China's exceptional manufacturing excellence and speed but also China's strength in innovation.
- Only operationally excellent and well-managed Western companies have a possibility to survive. Great strategies are required to prosper and not just survive.

Other events

In addition to our annual Network Day, we organise topical events for our network whenever a specific theme emerges. As long-term owners, driving sustainable progress and understanding the global landscape are essential for us. In May, we organised a training session in collaboration with Castrén & Snellman for the Ahlström Network's board members on the new Corporate Sustainability Reporting Directive (CSRD) and its implications from boards' perspective. In November, we were pleased to have Risto E.J. Penttilä, CEO of Nordic West Office, hosting a webinar for our network. The session explored global political dynamics and scenarios influenced by the US election results.

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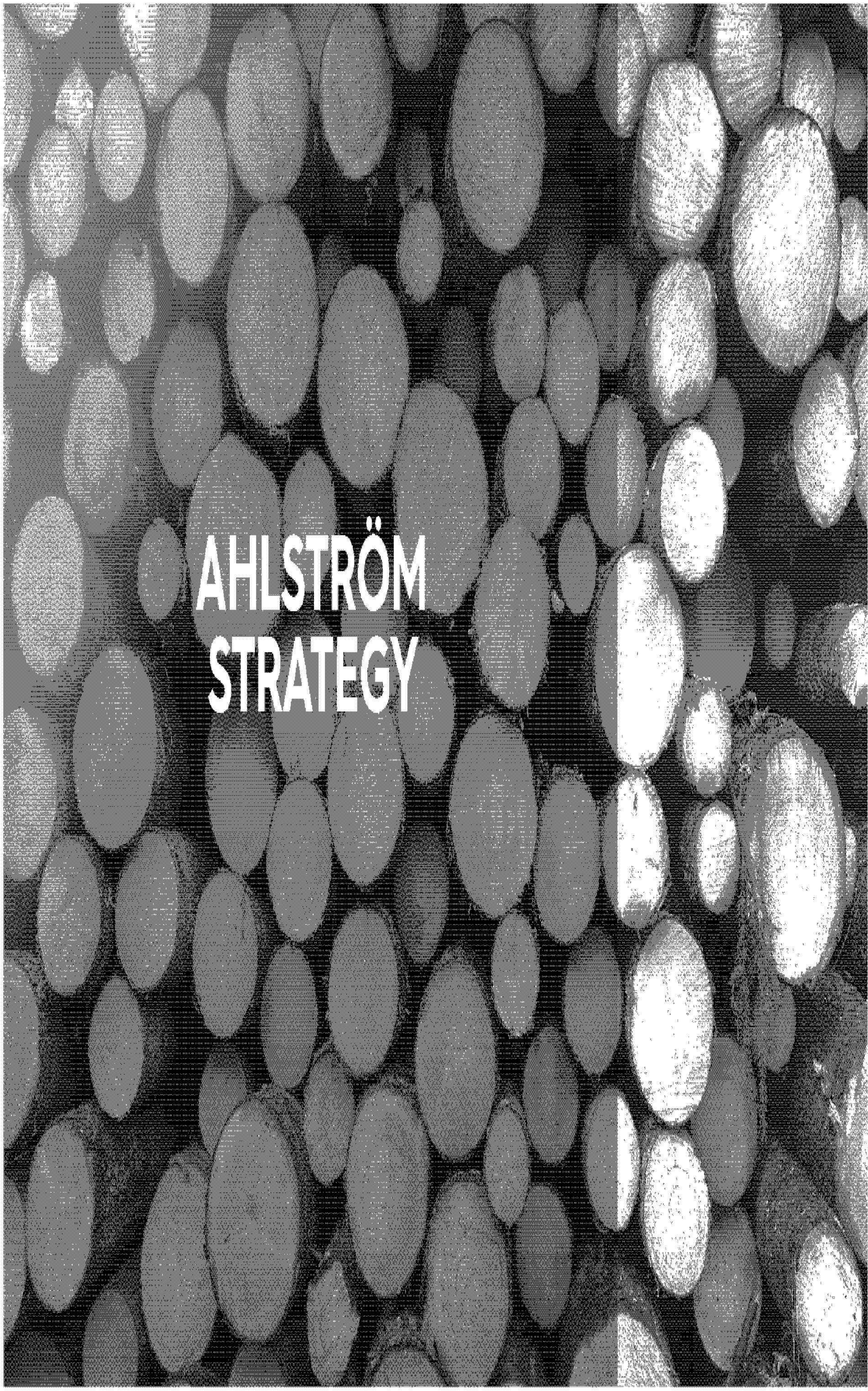

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Who are we?

MISSION

A better world for future generations through sustainable value creation

VALUES

- Ambition
- Responsibility

FOUNDATION

- Family legacy and tradition
- Long-term flexible ownership
- Reputable owner and established brand
- Long industry expertise and vast network
- Committed and thriving people

Where are we active and how?

Strategic core

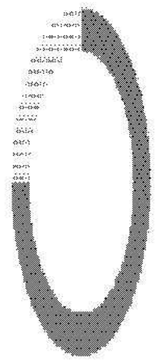
Industrial ownership in Forest & Fiber (F&F)	• Active long-term owner with lead or majority stake • Growth through a selection of platform companies • Leverage industry expertise, brand and network for sustainable value creation
Industrial ownership Environmental Technology (EnTech)	
Nurturing growth minority businesses	• Pipeline and capability building within F&F, EnTech, and Sustainable Agriculture

Diversification

Financial assets	• Manage liquidity and diversify with financial assets
Real estate	• Predictable cash flow • Flexibility as a long-term player, experience, network, and a trustworthy brand • Partnerships if appropriate
Forestry	

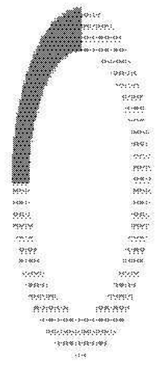
What do we aim for?

EFV 75-80%



- Sustainable value creation with shared value approach
- Capability to build leading global specialist positions in F&F and EnTech

EFV 20-25%



- Sufficient diversification
- Strong Net Total Shareholder Return (TSR)
- Strong cash generation and dividends

AHLSTRÖM

Sustainable value creation through active long-term ownership

Year 2024

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Ahlström strategy

Strategic Core and Diversification

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Sustainability and heritage

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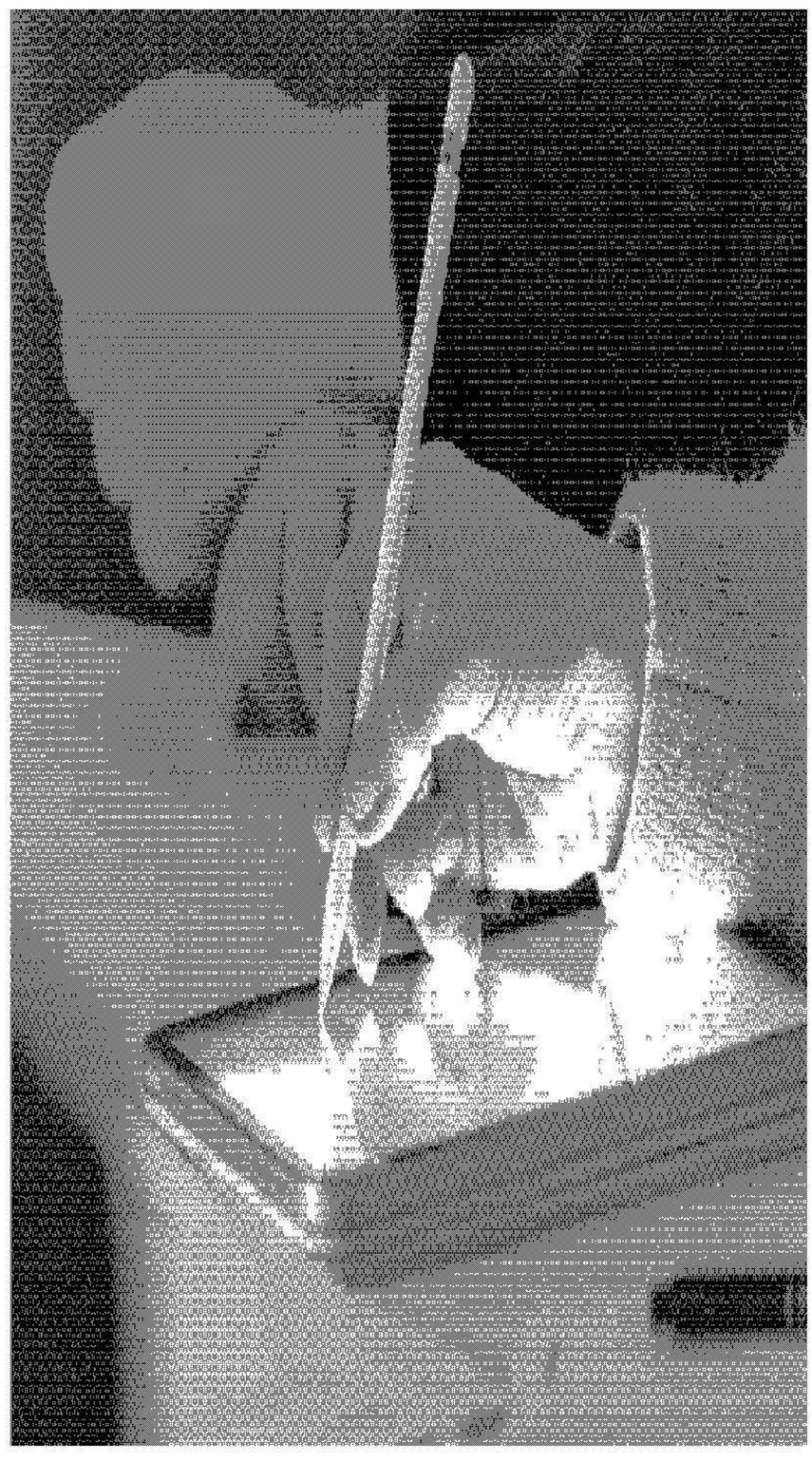
Ahlström is a long-term industrial owner, developing leading global specialist positions in the *Forest & Fiber* and *Environmental Technology* sectors. Our goal is to create a better world for future generations through sustainable value creation. We are guided by our fundamental values of Ambition and Responsibility, set by our founders, Eva and Antti Ahlström, seven generations ago. Combined with a forward-looking business mindset, these values help us succeed as markets and societies evolve.

While building profitable businesses, we support actions that mitigate climate change, protect biodiversity, and increase circularity and social sustainability. From our beginnings in the Finnish forests to future-driven innovative solutions, we have always been motivated to identify business opportunities, drive sustainable progress, and improve people's everyday lives.

We develop platform companies in the Forest & Fiber and Environmental Technology sectors.



We are like no other company

Rather than being just owners, we are builders with an entrepreneurial mindset and an ability to make bold decisions to acquire, merge, and divest businesses. We combine the best of Ahlström's industrial heritage with the team and capabilities built during the last two decades. Our unique way of working, the Ahlström Way, brings together the best practices from well-run private equity, industrial, and family companies.

Ahlström strategy has two pillars

Cornerstones of the Ahlström Way are Strategic Core and Diversification. The Strategic Core aims to build leading global specialist positions in the Forest & Fiber and Environmental Technology sectors while the Diversification de-risks Ahlström family assets, manages liquidity, and generates stable cash flow by investing in financial assets, real estate, and forestry.

AHLSTRÖM

Strategic Core

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We are long-term owners with a strategic core built around industrial companies in the Forest & Fiber as well as Environmental Technology sectors. We integrate synergistic businesses into a handful of world-leading specialist platforms in these sectors and develop a selection of these platforms by being active owners and leveraging our industry knowledge.

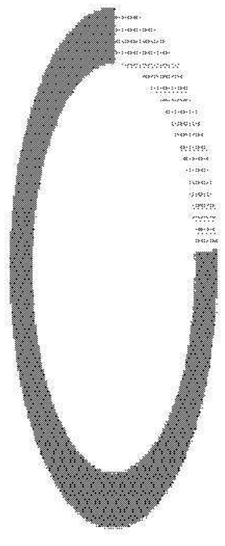
Our flexible ownership model, international mindset, vast network, long history, and reputable brand provide us with unique opportunities to accomplish this.

In addition to the platform companies where we aim for leading or a majority ownership, we selectively make minority investments with the right partners to build learnings, capabilities, and pipeline, and to nurture towards potential control stakes.

In our current portfolio, the core includes the following companies: Ahlstrom, Munksjö, Metsäkonepalvelu, Bast Fibre Technologies, Suominen, and M&J Recycling.

In the target state, the Strategic Core would form 75-80% of Ahlström's total assets.

Target state



- Strategic Core 75-80% of Ahlström's total assets
- Diversification 20-25%

PRIORITIES IN INDUSTRIAL COMPANIES

Current portfolio - Better performance through excellence and more hands-on ownership

- Better value creation plans leading to operational and commercial excellence
- Improved target setting, reporting, and transparency down to operational level
- More hands-on approach in majority owned companies

Future portfolio - Steer more decisively to the Strategic Core

- Creating platforms around current core holdings with add-on M&A
- Building pipeline to create future platforms
- Reducing non-core and non-performing holdings

Team - Strengthen industry insights, right toolkit, and increase clock speed

- Developing deep industry insight in the Ahlström team in the Forest & Fiber and Environmental Technology sectors
- Improved capability to support improvement in portfolio companies
- Leveraging more and building the Ahlström network

AHLSTRÖM

Diversification

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With diversification, we de-risk Ahlström family assets, manage liquidity, and generate stable cash flow by investing in financial assets, real estate, and forestry. Our competitive advantage in real estate and forestry stems from our flexibility as a long-term player, our experience, network, and an established and trustworthy brand.

In real estate, we actively develop, own, and manage certified high-quality assets only in the largest Finnish cities, and aim for long lease agreements with established tenants.

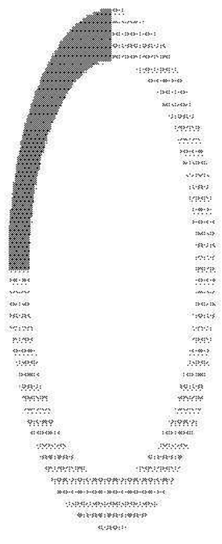
We actively and efficiently manage our forests to achieve best-in-class profitability and predictable cash flow while ensuring long-term vitality and biodiversity.

We also own and develop the culturally and historically significant Noormarkku Works, which is one of the largest, most impressive, and well-kept old industrial areas in Finland. The real estate and forest holdings are managed by our fully owned subsidiary, A. Ahlström Real Estate Ltd.

In financial assets, we have professional asset management practices, and our team invests in sectors and asset classes that have limited or no correlation with the Strategic Core sectors' risks and cycles.

In the target state, the Diversification would form 20-25% of Ahlström's total assets.

Target state



- Diversification 20-25% of Ahlström's total assets
- Strategic Core 75-80%

PRIORITIES AND CAPABILITIES

Real Estate

- Active asset management with a focus on high-quality assets and tenants in Finland's largest cities. Ability to adapt to real estate market cycles and execute transactions at optimal times, leveraging attractive financing terms.

Forestry

- Efficient forest management with a focus on delivery sales where we manage the operations from the forest to the customer, resulting in clearly higher profitability compared to standing sales.

Financial Assets

- Well-diversified market exposure in equity & bonds with high liquidity and low cost.

AHLSTRÖM

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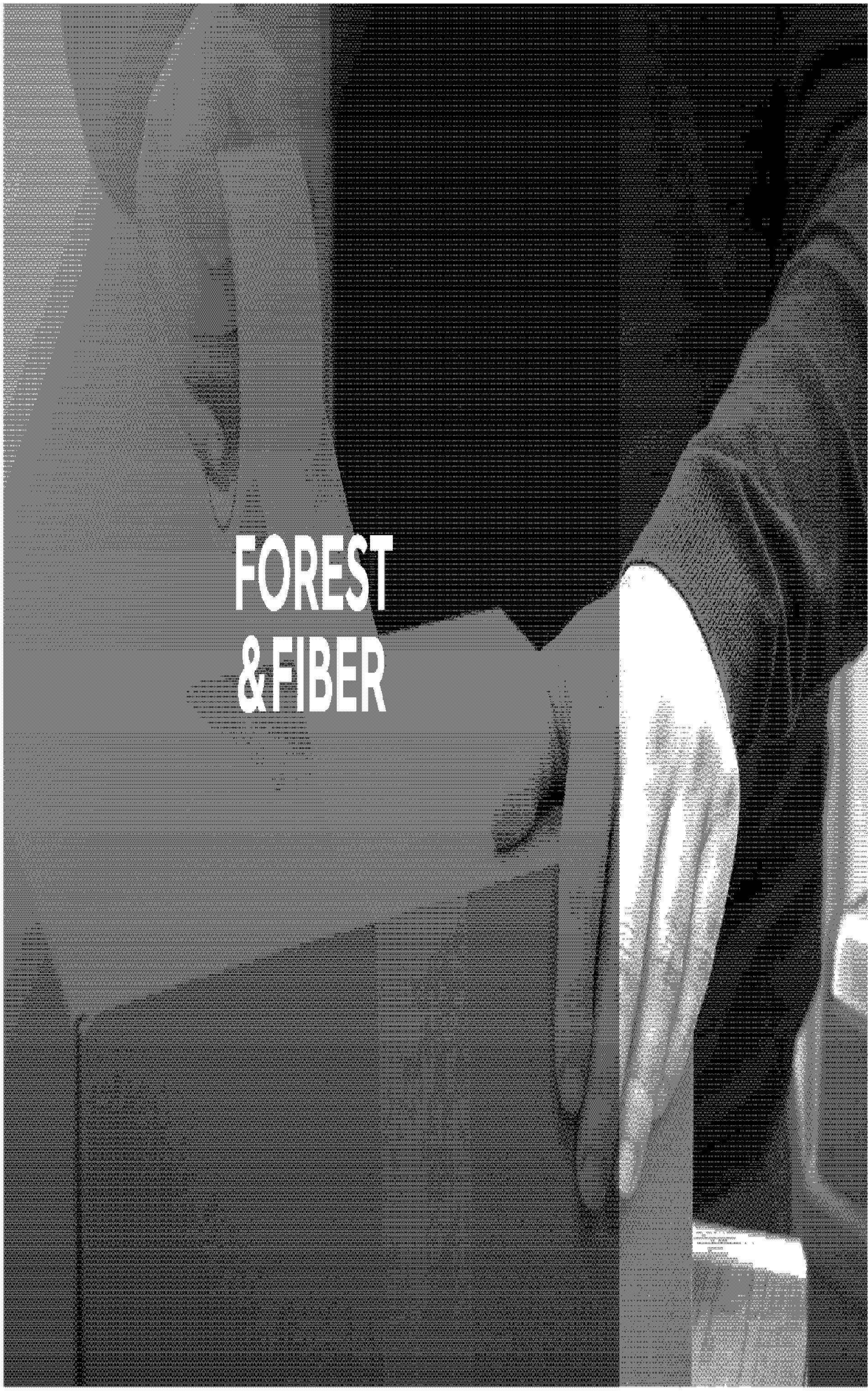

AHLSTROM

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Business overview

- Ahlström Invest B.V. is a family investment company that actively manages its holding in Ahlstrom Oyj and invests with a strong sustainable focus in the public and private markets.
- The investment portfolio consists of Strategic Core focused on the Forest & Fiber and Environmental Technology sectors and Asset Management that provides cost-efficient diversification.

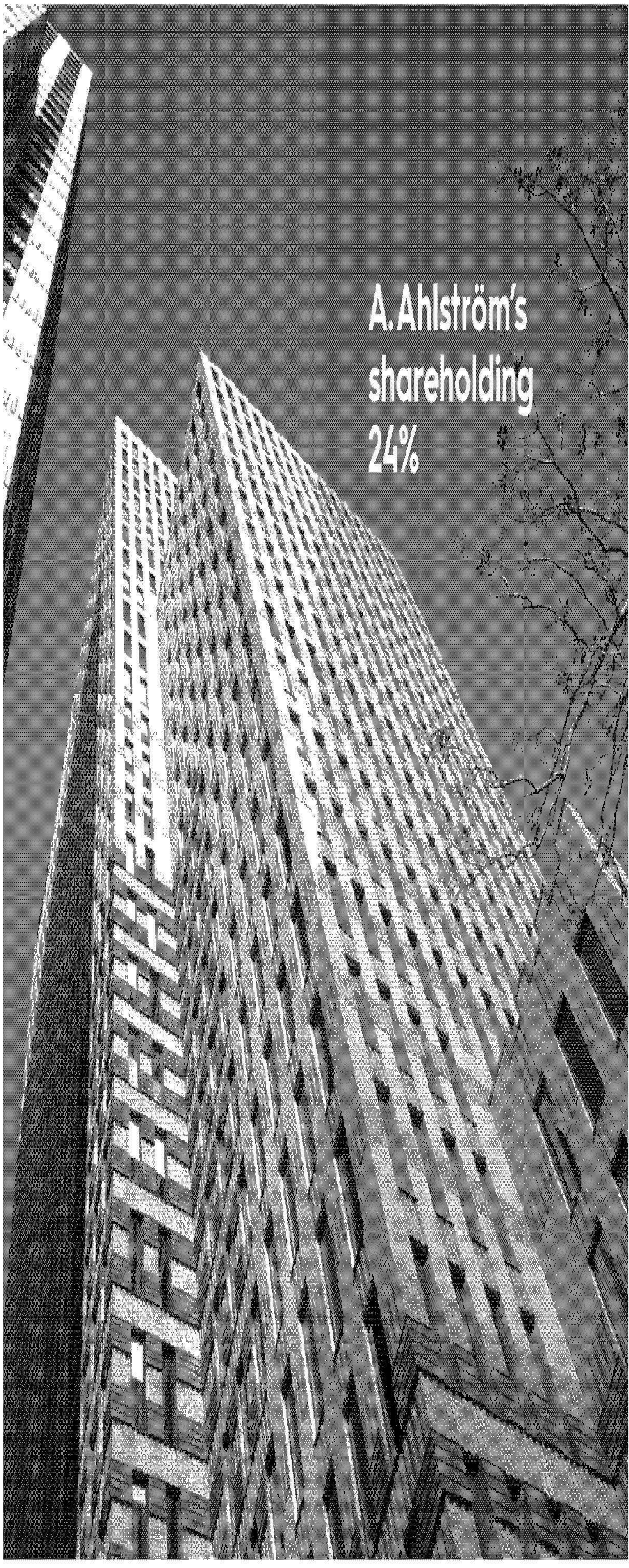
Ahlström Invest top priorities

- Initiatives to enhance strategic focus, strengthen core investment principles, and refine operational playbook.
- Systematic deployment of funds while balancing risks and focusing on increased distribution capability.

www.ahlstrominvest.com

TOTAL PORTFOLIO

Ahlstrom Oyj	955 MEUR
Common equity	663 MEUR
Preferred equity	293 MEUR
Investment portfolio	494 MEUR
Asset Management Portfolio	222 MEUR
Strategic Core Portfolio	272 MEUR



AHLSTRÖM

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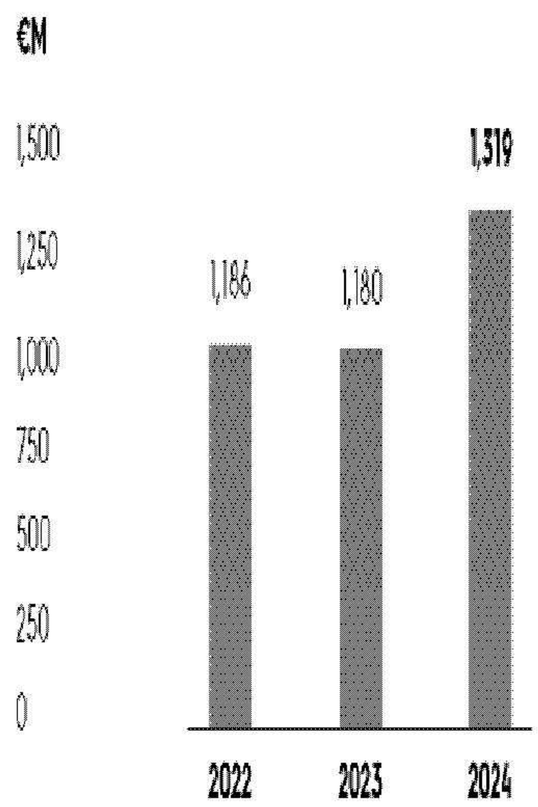
- At the end of December, Ahlström Invest's total asset value amounted to 1,449 mEUR, of which 955 mEUR is attributable to Ahlstrom Oyj and 494 mEUR to the investment portfolio, including cash. The investment portfolio benefited from strong equity markets during 2024, as well as benign bond markets.

- The External Fair Value (EFV) per share grew from 21.29 EUR to 23.96 EUR during the year, a performance of 15.3%, including the distribution of the quarterly dividends totalling 0.58 EUR for the year. The total return on investment portfolio was 51.4 mEUR or 11.6%. The common equity position in Ahlstrom Oyj appreciated from 535 mEUR to 663 mEUR, an increase of 128 mEUR or 23.9%.

- In the Strategic Core portfolio, the strategic goals were redefined including the Asset Allocation strategy. This included a pruning of the legacy portfolio and some changes within the Forest & Fiber theme, focusing on fewer names and larger allocations.

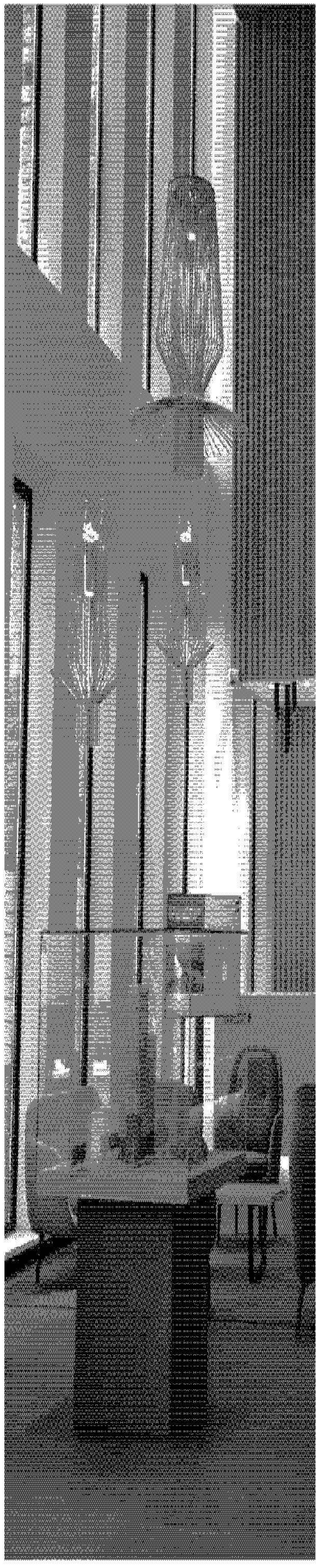
- Andreas Ahlström started as the new CEO in August. Eloy Lindeijer assumed the position as Chair, Walter Ahlstrom started as a new Supervisory Board member in May 2024, and Jyrki Vainionpää as a member in October.

EXTERNAL FAIR VALUE (EFV)



Total return	2022	2023	2024
Ahlstrom*	23%	3%	19%
Investment Portfolio	-10%	2%	12%
Distribution to A Ahlström	10	10	10

*) Common and preferred equity



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www.ahlstrom.com

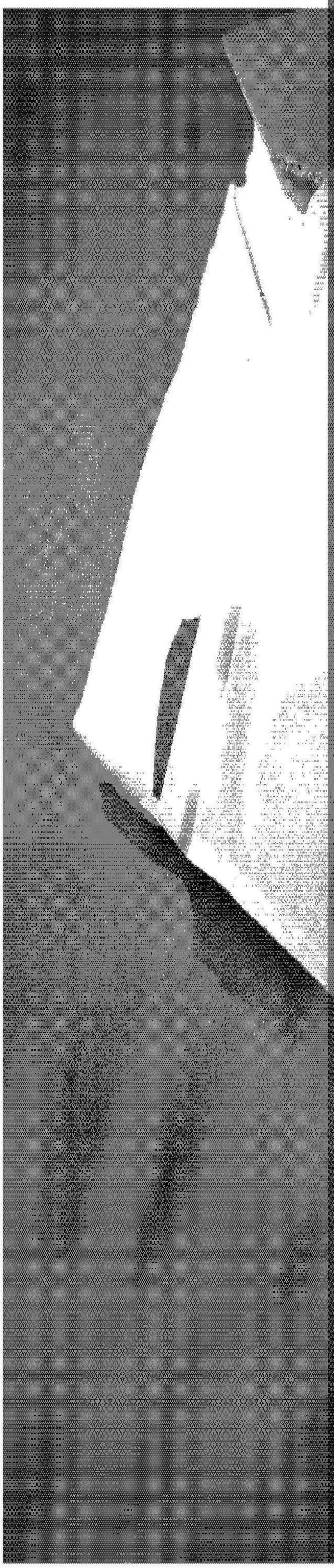
AHLSTROM

Business overview

- A global leader in fiber-based specialty materials supplying innovative and sustainable solutions.
- Speciality products for Filtration and Life Sciences, Food & Consumer Packaging, Building Materials and Technical Materials by adding advanced technology to fibers.
- 37 plants in 13 countries, 6,000 customers in over 100 countries.

Ahlström top priorities

- Strong value creation with significant cash distribution.
- Aim to maintain long-term ownership in the company when Bain Capital exits.
- Support the management together with Bain Capital to achieve: 1) industry-leading EBITDA margins and cash conversion; 2) #1-2 positions in selected global niche segments; and 3) superior product portfolio, commercial, operational, and procurement excellence.



Forest & Fiber

EMPLOYEES IN 2024

6,800

FOUNDED IN

1851

AHLSTRÖM INVEST OWNERSHIP, %
31 DECEMBER 2024

- Ahlström Invest 37%
- Viknum 8%
- Bain Capital 55%

AHLSTROM

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- The transformation, driven by successful commercial and operational excellence initiatives, continued to yield positive results and further improved the margin on variable cost per ton.

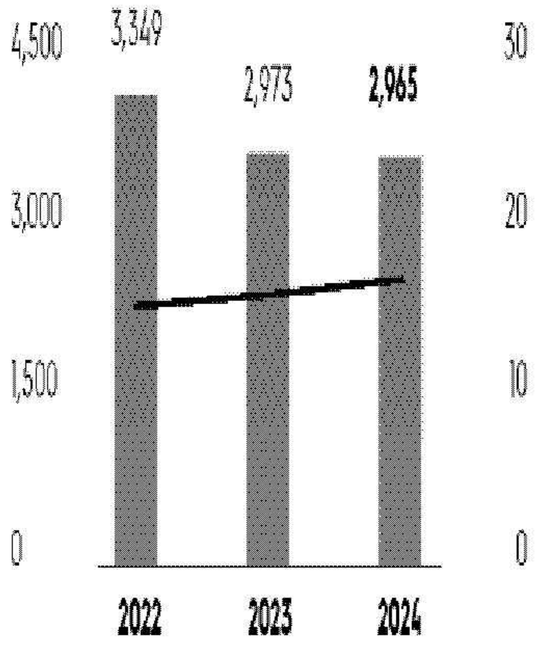
- Sales volumes grew 3% on a comparable basis (excluding divestments) compared to previous year. Higher average sales prices offset slightly lower deliveries.

- Margins significantly improved and reached sustained record-high levels driven by operational efficiency, pricing, and sales mix (shift of balance towards specialty products).

- Transformation of the business portfolio took significant steps towards specialty materials focus with the divestment of Aspa pulp business, the Bousbecque closure, centralization of paper production in Saint-Séverin, and the expansion in life sciences with the acquisition of EnteroAlsop.

- Climate targets were approved and validated by Science Based Targets initiative (SBTi) and the company received a Platinum Medal in the EcoVadis sustainability assessment, ranking in the top 1% of companies evaluated.

REVENUE & COMPARABLE EBITDA



€M	2022	2023	2024
Comp. EBITDA	440	420	451
Comp. EBITDA-%	13%	14%	15%
Net profit	-100	-80	-123
Net debt	1,930	2,040	2,111
Free cash flow*	196	-73	41
ESG mgmt maturity	5.0	5.0	6.5
GHG emissions**	1,684	1,464	1,446
GHG / Sales**	0.49	0.46	0.49

*) Cash flow from operating activities - Cash flow from investing activities. **) Scope 1 and 2 emissions ($ktCO_2e$). GHG / Sales = $ktCO_2e$/mEUR

munksjö

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Business overview

- Produces décor paper for surface upgrading of wood-based panels for the furniture and construction industries.
- Has the widest product portfolio in the industry and is the clear market leader in the differentiated product segments of pre-impregnated paper and solid (dark/intense) colours.
- Six production sites in Brazil, China, France, Germany, and Spain.

Ahlström top priorities

- Support the management in executing "Strategy 2028" to improve core competitiveness and performance.
- Support the management in further developing operations across the plant network.
- Secure financing and financial flexibility to execute required investment programs.

www.munksjo.com

AHLSTROM

Forest & Fiber

EMPLOYEES IN 2024

1,200

IN A. AHLSTRÖM'S OWNERSHIP SINCE

2013

OWNERSHIP, % 31 DECEMBER 2024

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munksjö

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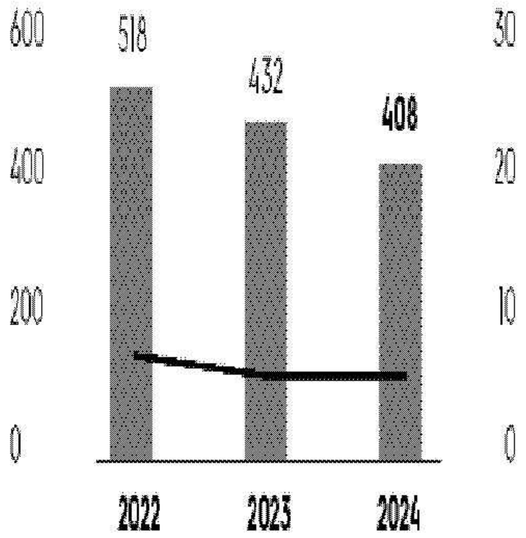
- Demand in the décor paper market remained challenging, especially in the second half of the year. Sales volumes grew 1% compared to 2023, but were clearly below the annual plan.
- Margins remained at a roughly similar level as in 2023, balancing between positive effects from improvement efforts and tight price competition in the market.
- The competitive situation improved in Europe with an unfortunate flooding incident at one key competitor in Poland and the shutdown of a small paper mill in Germany. Munksjö got an additional upside as the EU set tariffs against Chinese decór imports in early 2025.
- The Expandecor investment program in Brazil progressed well and roughly in line with the planned schedule.

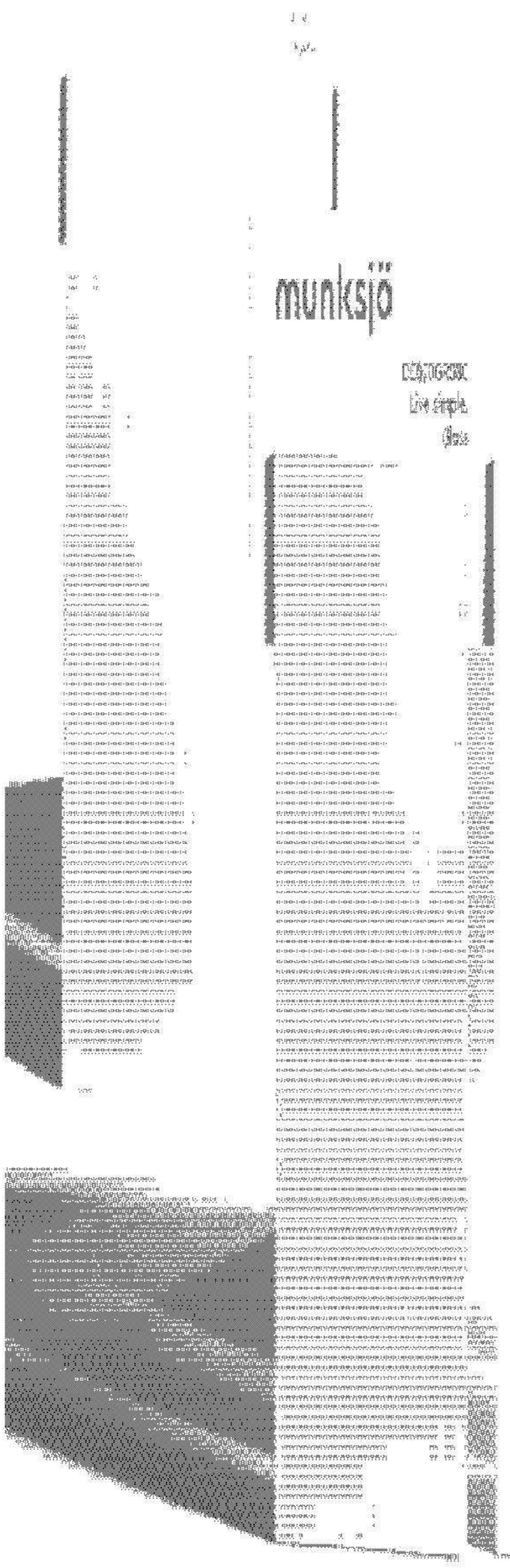
REVENUE & ADJUSTED EBITDA



€M	2022	2023	2024
Adj. EBITDA	38	26	26
Adj. EBITDA-%	7%	6%	6%
Net profit	-	-21	-57
Net debt	165	146	150
Free cash flow*	-	9	-22
Ahlström dividend	0	0	0
ESG mgmt maturity	2.5	2.5	3.5
GHG emissions**	165	162	173
GHG / Sales**	0.31	0.34	0.42

*) Cash flow from operating activities - Cash flow from investing activities. **) Scope 1 and 2 emissions ($ktCO_2e$). GHG / Sales = $ktCO_2e$/mEUR.

Note: 2023 restated to exclude Chinese operations that were listed as an asset held for sale in December 2024. Comparable financials for 2022 not available.



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Suominen

Business overview

- Manufactures nonwovens as roll goods for wipes and other applications. Vision is to be the frontrunner for nonwovens innovation and sustainability.

- Seven production plants in Brazil, Finland, Italy, Spain, and the USA.

Ahlström top priorities

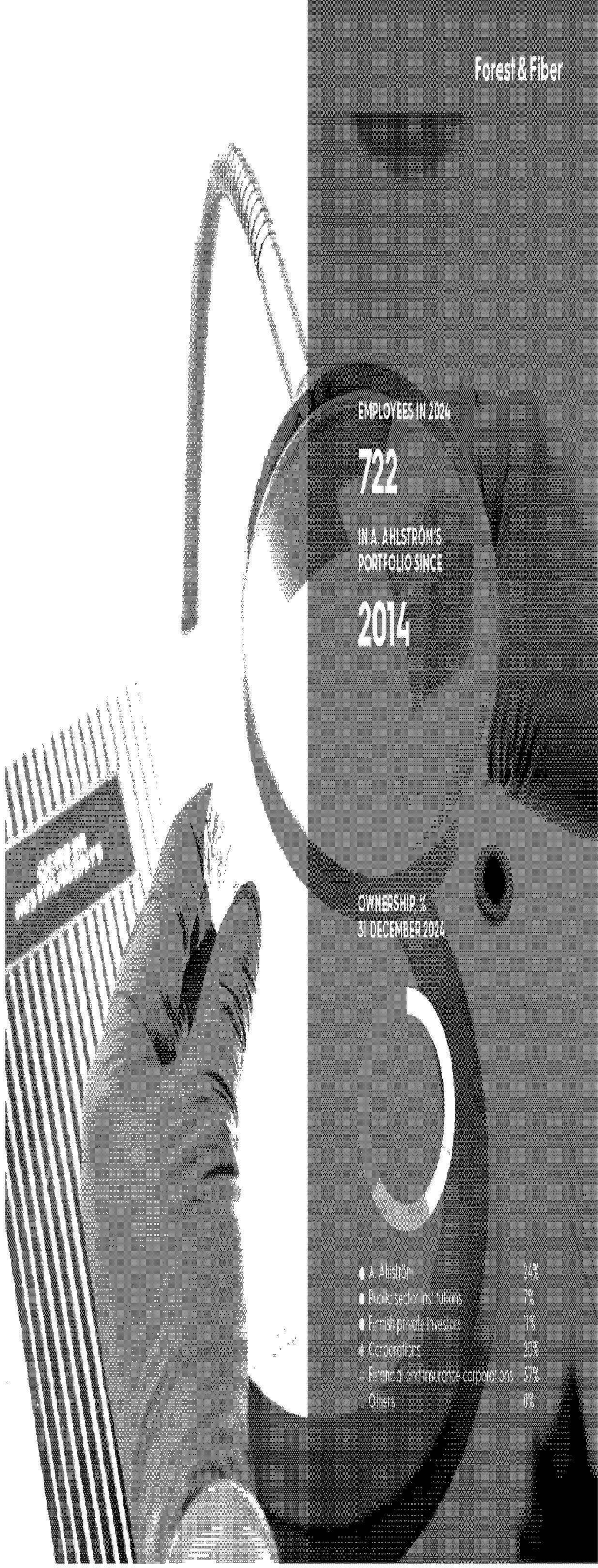
- Demand high sense of urgency with regards to profitability, growth, and value creation.

- Ensure the decided investments are successfully implemented.

- Help facilitate discussion around potential strategic market opportunities and future growth.

- Facilitate a discussion among A. Ahlström companies to benefit from sharing of best practices.

www.suominen.fi



AHLSTROM

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Year 2024

- In the first half of the year, Suominen's profitability improved, driven by commercial excellence and stable operational performance. However, in Q3, operational issues led to unplanned production downtime and additional expenses impacting EBITDA negatively by approximately 3.0 mEUR.

- In Q4, increased competition from low-cost countries affected sales volumes negatively mainly in Europe. However, sales prices and mix improved.

- All in all, net sales increased by 2.5% compared to the previous year, driven by higher sales volumes offset by lower sales prices resulting from lower raw material prices compared to the full year 2023.

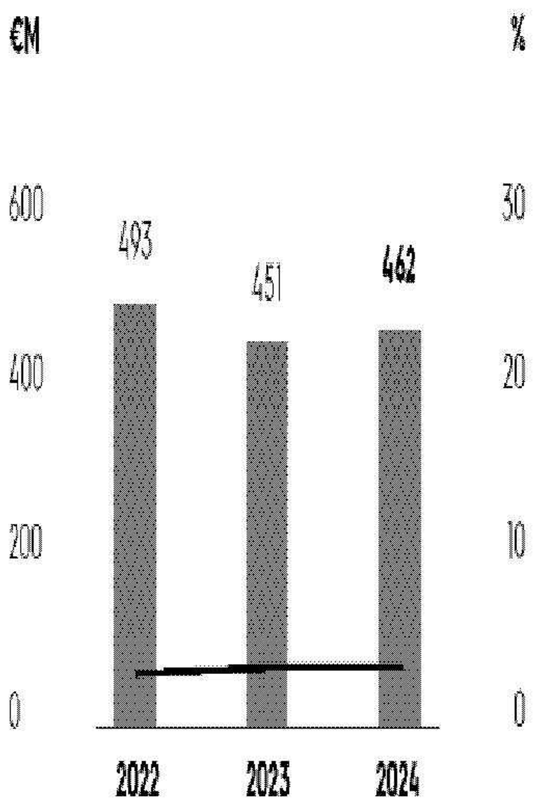
- Cash flow from operations was 3.9 mEUR in 2024 compared to 30.7 mEUR in 2023 driven by net working capital increase mainly due to more cash being tied up to inventory.

- The company is executing two large investments in Bethune and Alicante that are progressing as planned and will be completed in 2025.

- The share of sales from new products launched during the past three years was 34% in 2024. The company was awarded EcoVadis gold level rating, which places Suominen in the top 1% of companies in the industry of manufacturing other textiles and in the top 5% of all companies in all industries rated by EcoVadis.

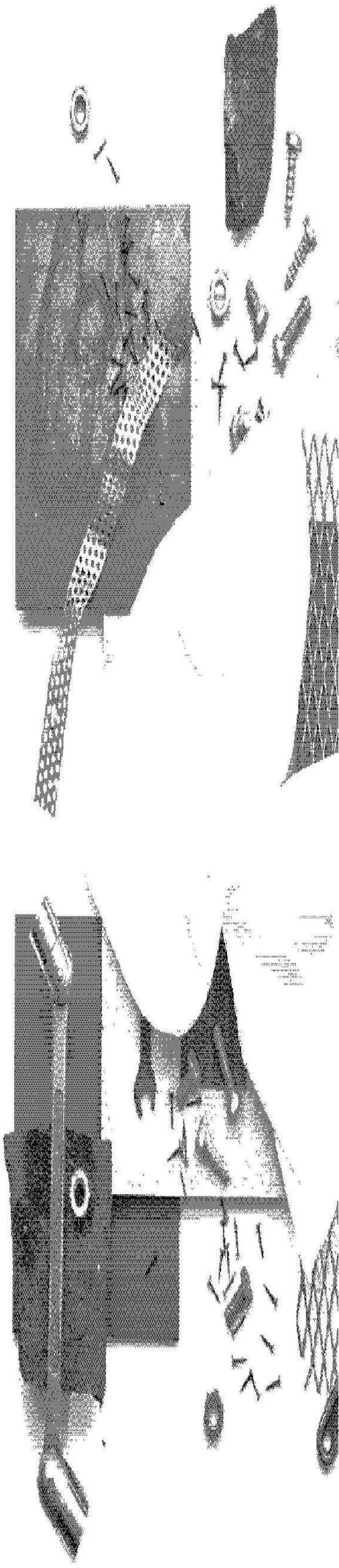
Year 2024

REVENUE & COMPARABLE EBITDA



€M	2022	2023	2024
Adj. EBITDA	15	16	17
Adj. EBITDA-%	3%	4%	4%
Net profit	-14	-13	-5
Net debt	55	44	61
Free cash flow*	4	20	-11
Ahlström dividend	1	1	0
ESG mgmt maturity	5.0	5.0	6.0
GHG emissions**	93	96	95
GHG / Sales**	0.19	0.22	0.21

*) Cash flow from operating activities - Cash flow from investing activities. **) Scope 1 and 2 emissions ($ktCO_2e$), GHG / Sales = $ktCO_2e/mEUR$



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MKP

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Business overview

- Metsäkonepalvelu's (MKP) largest harvesting services platform in Finland and strategic foothold in the Swedish market.
- Main customers: Nordic forest companies, large private forest owners, and public sector.
- The headquarters is located in Hämeenlinna, Finland. MKP operates in Southern and Central Finland, and in the area around Eksjö in Sweden.

Ahlström top priorities

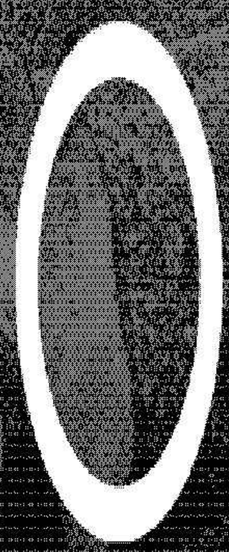
- Continue profitable growth.
- Support management in strengthening the organisation and developing the operating model, processes, and governance to increase competitiveness and enable growth.
- Support Swedish operations' performance improvement.

www.mkpd.fi

EMPLOYEES IN 2024
192

IN A. AHLSTRÖM'S PORTFOLIO SINCE
2023

OWNERSHIP, %
31 DECEMBER 2024



- A. Ahlström 88%
- Others 12%

AHLSTRÖM

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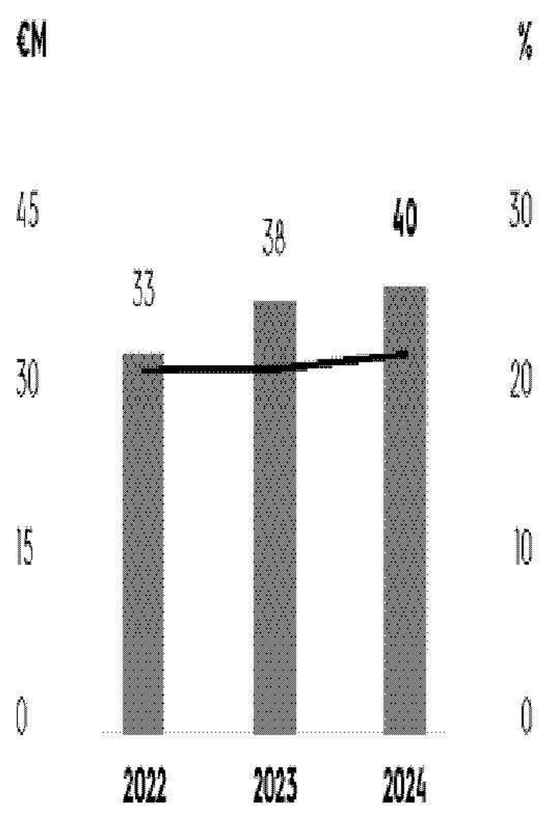
AHLSTRÖM

Forest & Fiber

- Metsäkonepalvelu had another year of solid performance as, despite the challenging market, strong Finnish operations balanced weakness in Sweden.
- Swedish market suffers from tight wood supply, and some contracts were loss-making due to operational inefficiencies caused by lower harvesting volumes. Profitability started to improve towards the year-end thanks to new machines, price increases, and better operational efficiency.
- The 5-year value creation plan was finalised and approved.
- MKP's sustainable harvesting practices are a strong foundation for driving further the sustainability agenda and progress as part of A. Ahlström Group.

REVENUE & COMPARABLE EBITDA



€M	2022	2023	2024
Comp. EBITDA*	7	8	9
Comp. EBITDA-%	21%	21%	22%
Net profit	2	3	3
Net debt	6	5	9
Ahlström dividend	-	3	1
GHG emissions**	-	-	12
GHG / Sales**	-	-	0.29

*) Excluding sale of fixed assets

Calendar years presented, Metsäkonepalvelu's fiscal year previously ran from October to September

**) Scope 1 and 2 emissions (kTCO2e). GHG / Sales = kTCO2e/mEUR

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Business overview

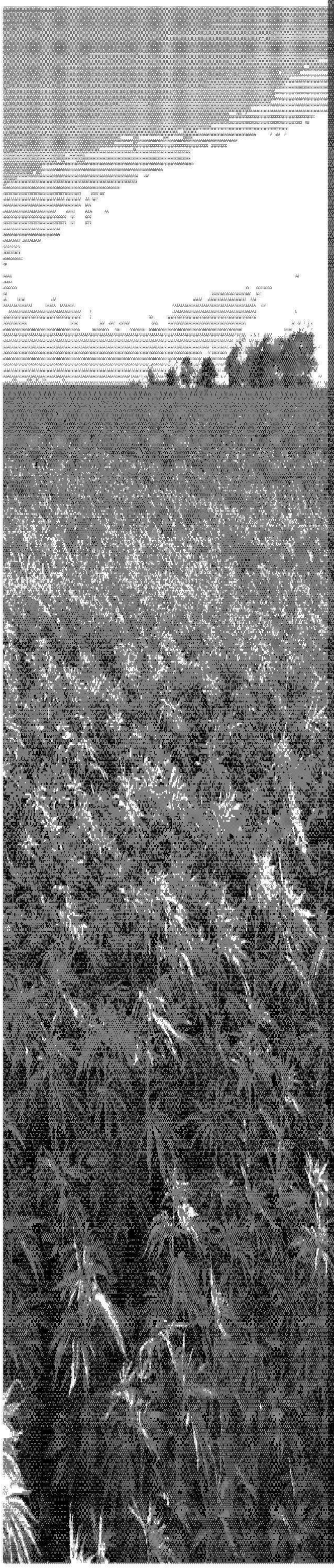
- Manufacturer of 100% plant-based, intact natural fibers with technical and performance requirements for a wide variety of nonwoven applications.
- Transforms raw fibers from cotton, hemp, and flax plants.
- Operations in Germany, Canada, and the USA.

Ahlström top priorities

- Ensure sufficient liquidity and strength of balance sheet for the ramp-up of the Bast (hemp) fiber business.
- Closely follow the development of sales, both Bast fiber and cotton, and overall profitability to reach the first positive cash flow and then scale up bast fiber and market cotton.
- Lend operational and network support to help the drive towards profitable growth based on revised focus on non-woven hemp products.

www.bastfibretech.com

AHLSTROM



Forest & Fiber

EMPLOYEES IN 2024

68

IN A. AHLSTRÖM'S PORTFOLIO SINCE

2022

OWNERSHIP % 31 DECEMBER 2024

A. Ahlström 24%

Others 76%

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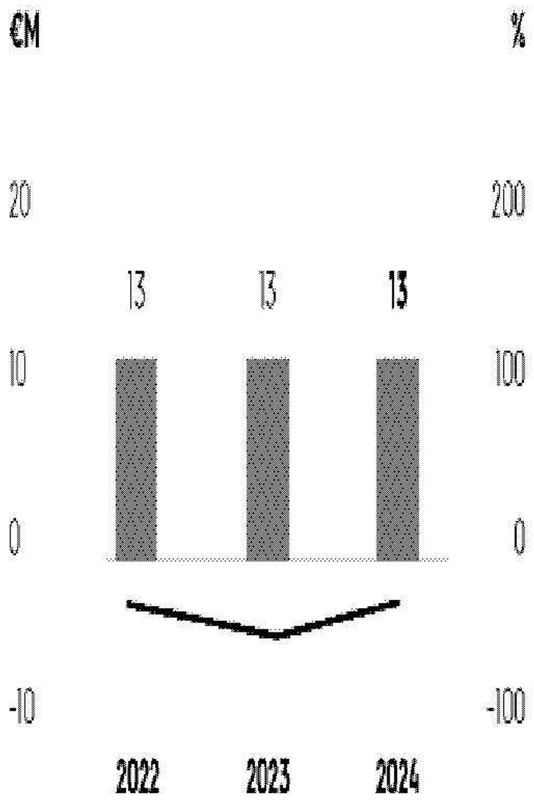
Year 2024

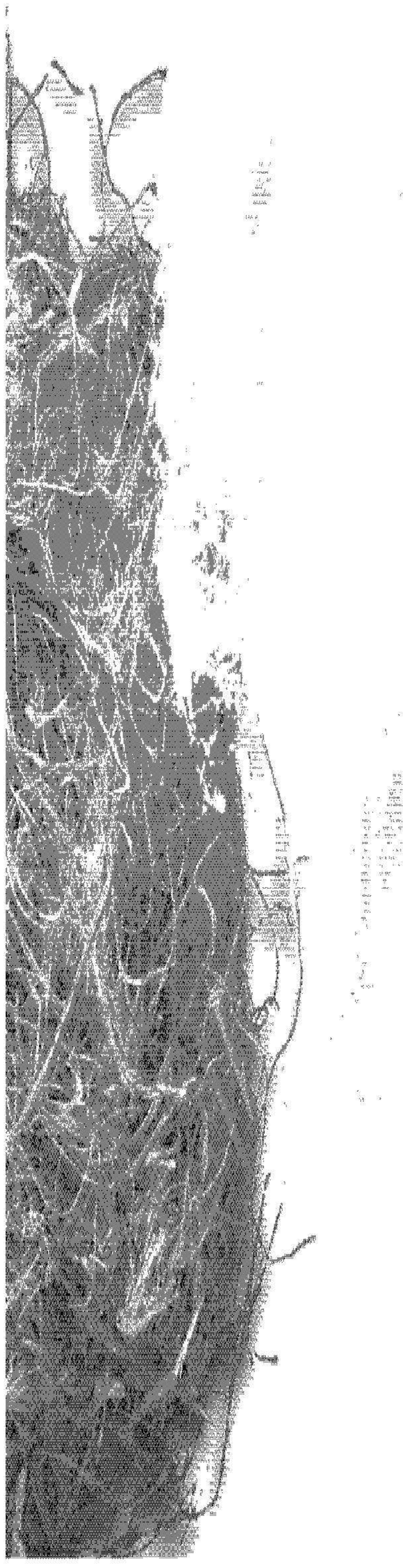
- Challenging year driven by a key cotton customer pulling out volumes in the first half of 2024, but then winning them back in the second half.
- A significant reduction in fixed costs was achieved. Progress in selling bast fiber, with the limited capacity available for that product now effectively fulfilled pending new investments. Transitioning from a cotton fiber supplier to a hemp fiber supplier. Most revenues currently from the low-margin cotton business.
- An asset-backed loan has been in place since July 2024.
- Additional financing process is ongoing, structured into a small first round in Q1 2025 for existing investors, and larger second round in the second half of 2025 for new investors.
- The focus for BFT is now on cost control and securing additional financing, in addition to executing the planned investments resulting in increased sales volumes if the first equity round succeeds.

REVENUE & EBITDA



€M	2022	2023	2024
EBITDA	-5	-5	-3
EBITDA-%	-36%	-39%	-21%
Net debt	2	8	13
Ahlström dividend	0	0	0

ESG data unavailable



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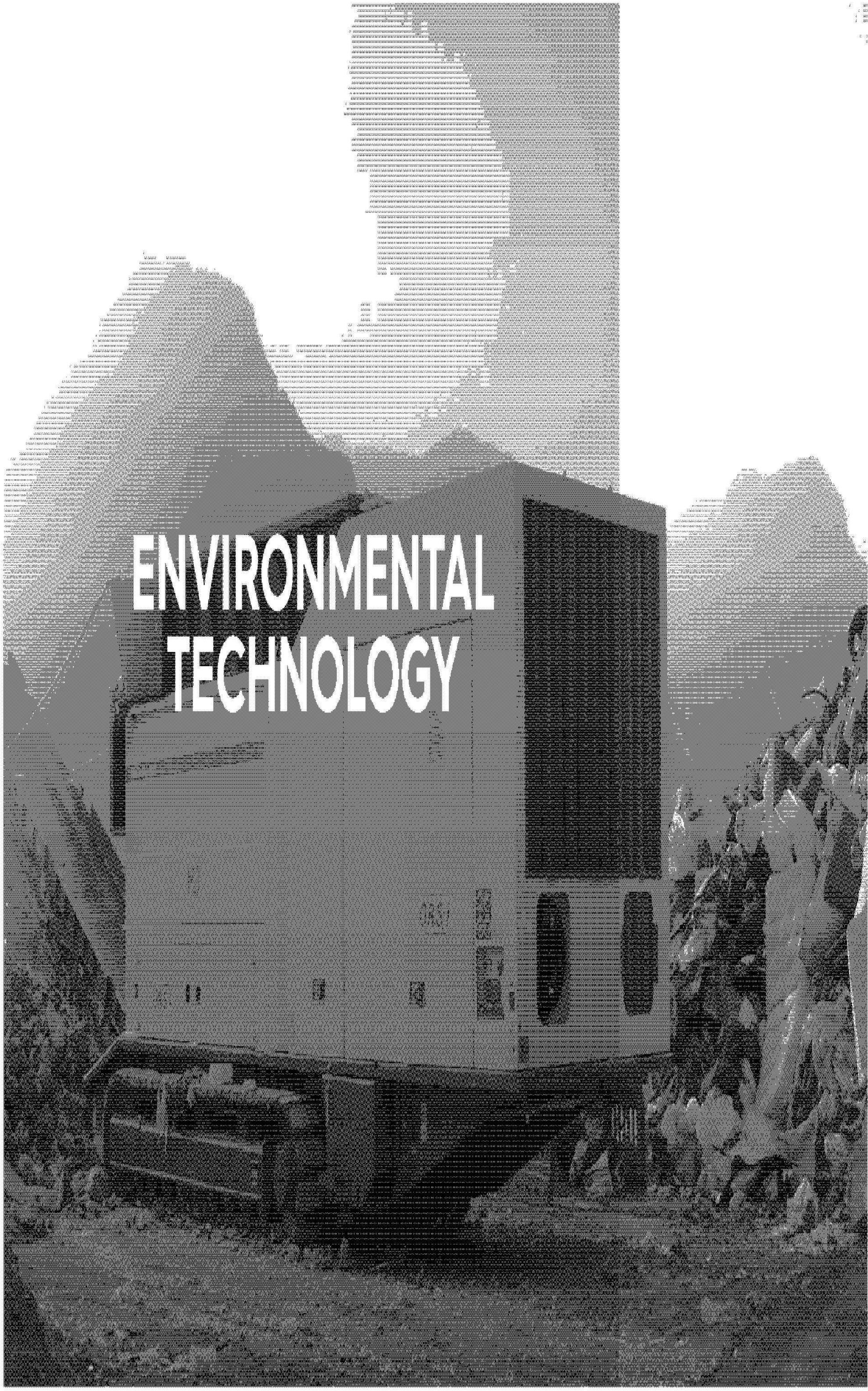

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Business overview

- Designs and manufactures industrial waste shredders.
- Offers pre- and fine-shredders for size reduction of solid waste, as well as aftermarket services.
- Has offices in seven countries: Denmark, Germany, UK , India, South Korea, Thailand, and the USA.

Ahlström top priorities

- Support the new CEO to strengthen the operational platform to secure profitability and enable future volume growth.
- Ensure full focus on turnaround actions:
  1) Boosting sales activity and reversing the trend in order intake;
  2) Cost-reduction actions for key products and spare parts.
- Support the management to explore M&A opportunities.

www.mjrecycling.com

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M&J RECYCLING

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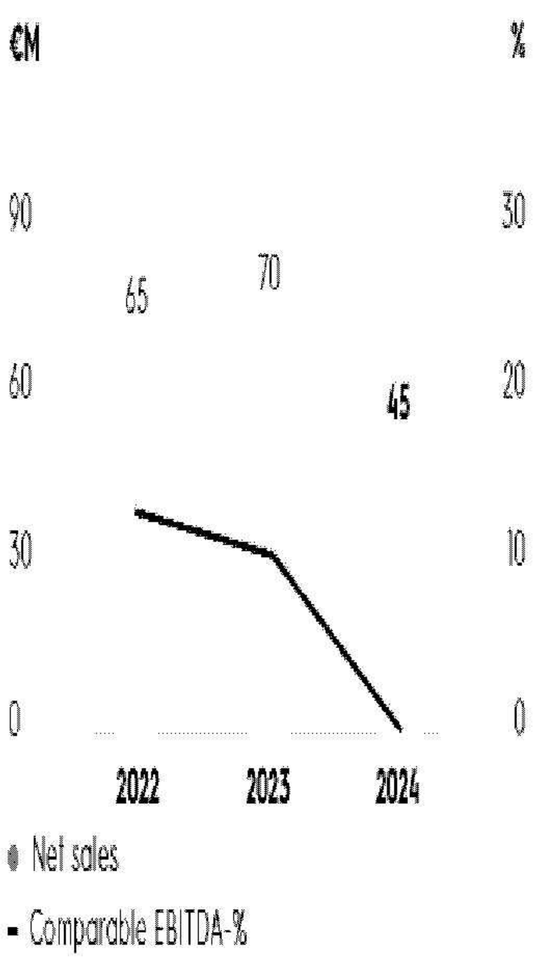
Year 2024

- The company had a challenging year. Both sales and EBITDA declined, driven by low demand, especially for new equipment, that started already in the end of 2023. Orders received showed an increase towards the end of the year and the closing orderbook for the new equipment was double compared to the previous year.

- A wide range of actions to improve the cost-efficiency of operations and cost competitiveness of products were implemented during the year.

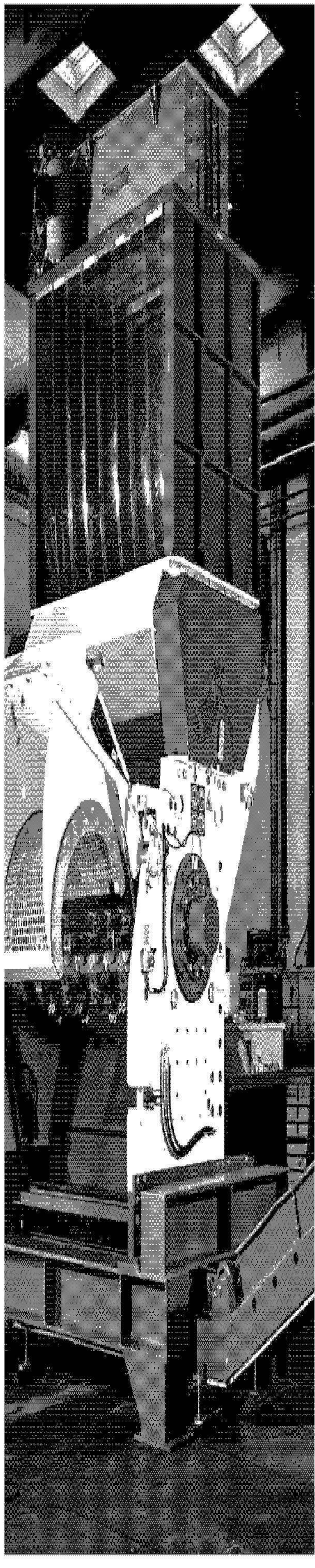
- Several new recruitments were made to key positions in the organization. New CEO René Normann Christensen and COO Karsten Holk started during Q2.

REVENUE & COMPARABLE EBITDA



€M	2022	2023	2024
Comp. EBITDA	9	7	0
Comp. EBITDA-%	14%	10%	0%
Net profit	3	1	-4
Net debt	20	18	17
Free cash flow*	-6	-1	5
Ahlström dividend	0	2	0
ESG mgmt maturity	2.5	2.5	2.5
GHG emissions**	-	-	0.8
GHG / Sales**	-	-	0.02

* Cash flow from operating activities - Cash flow from investing activities. ** Scope 1 and 2 emissions ($ktCO_2e$). GHG / Sales = $ktCO_2e$/mEUR



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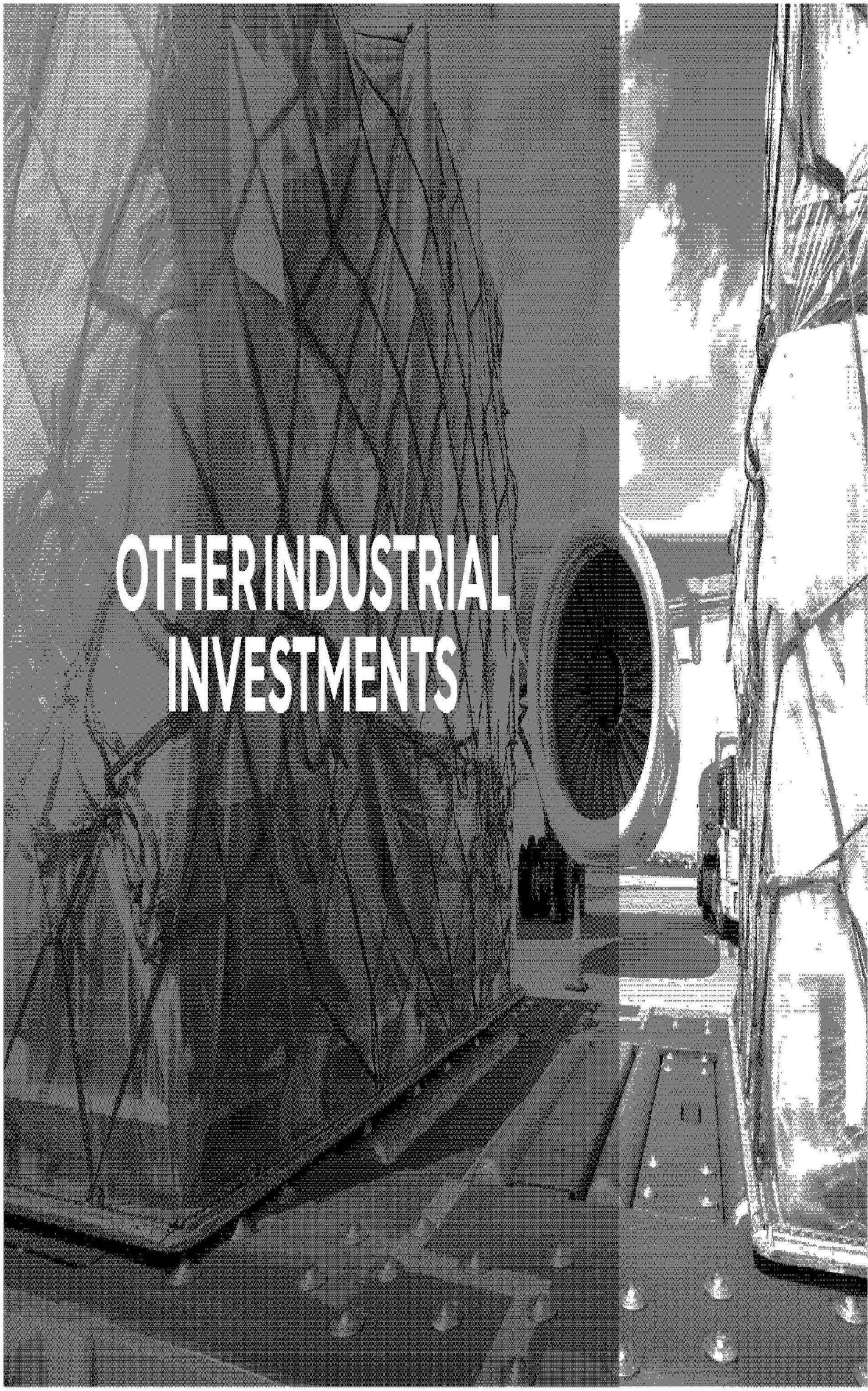

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Detection Technology

Business overview

- Global provider of X-ray detector solutions for medical, security, and industrial applications.
- Solutions range from sensor components to optimised detector subsystems with ASICs, electronics, mechanics, software, and algorithms.
- Operations in China, Finland, France, and the USA.

Ahlström top priorities

- Support in driving the business towards set targets, including cost and capital efficiencies in addition to the growth ambition.
- Ensure the optimisation of manufacturing capacity and a global presence to serve the customer base.
- Continuation of investments into new products and technologies through innovation.

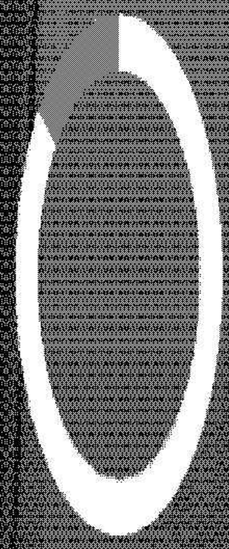
www.deetee.com

Other industrial investments

EMPLOYEES IN 2024
487

IN A. AHLSTRÖM'S PORTFOLIO SINCE
2017

OWNERSHIP, %
31 DECEMBER 2024



A. Ahlström	36%
Finnish investors	30%
Foreign holders (nominee registered)	14%

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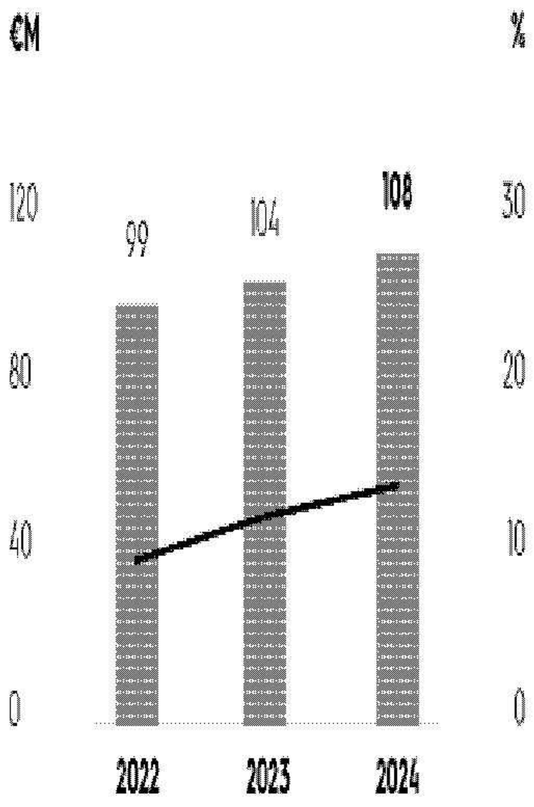
Detection Technology

Year 2024

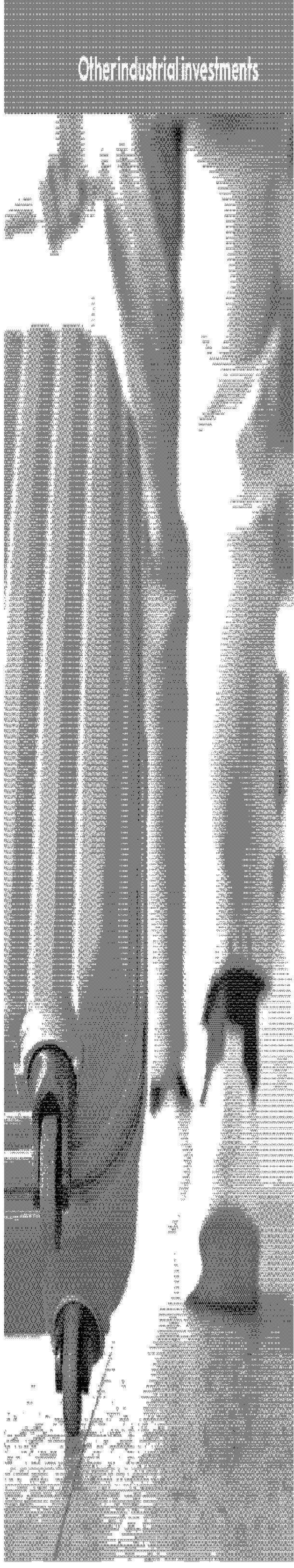
- The operating environment remained challenging for the Medical Business Unit, with net sales declining by 13% due to the anticorruption campaign in China. Industrial and Security Business units developed well and grew by 18% from the previous year.
- Although growth was moderate, profitability improved exceptionally, indicating successfully enhanced efficiency and improved sales mix.
- Cash flow improved notably due to the profitability uplift and net working capital management, which enabled early loan repayment and a doubling of the dividend compared to last year.
- Strong pace in product development continued with the introduction of a highly integrated CT detector system and the launch of 60 new flat panel detectors for global sales.
- Additionally, strategic investments to support future growth continue as a newly established service and production site in the Greater Delphi area will begin deliveries in the summer of 2025, and the EU origin production will expand with the opening of the Oulu facility.

REVENUE & COMPARABLE EBITDA



€M	2022	2023	2024
Comp. EBITA	6	10	15
Comp. EBITA-%	6%	9%	14%
Net profit	5	6	11
Net debt	-21	-13	-28
Free cash flow*	-2	-5	18
Ahlström dividend	1	1	3
ESG mgmt maturity	4.0	4.5	5.0
GHG emissions**	1.7	1.5	1.5
GHG / Sales**	0.02	0.02	0.01

* Cash flow from operating activities - Cash flow from investing activities. ** Scope 1 and 2 emissions ($ktCO_2e$). GHG / Sales = $ktCO_2e$/mEUR



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glaston
seeing it through

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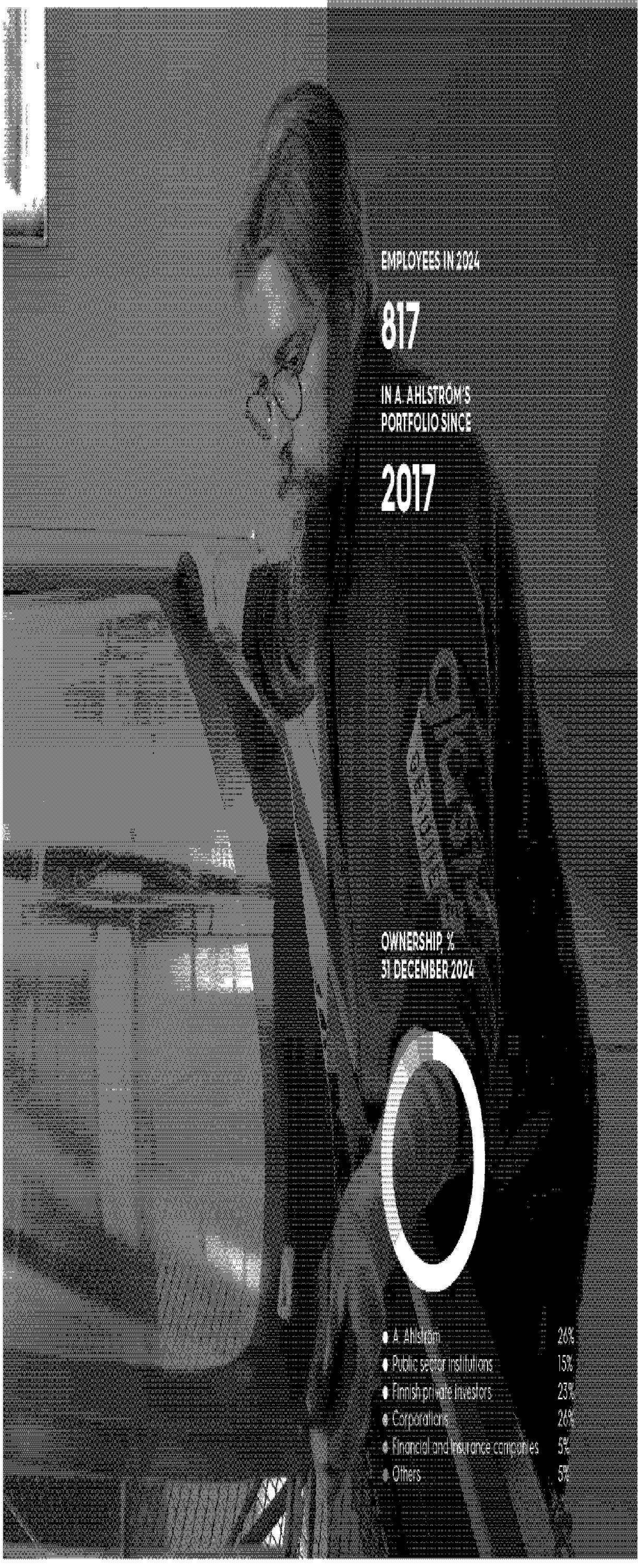
Business overview

- Glass processing industry's technology leader supplying equipment, services, and solutions to the architectural, mobility, display, and solar industries.
- Also supports the development of new technologies integrating intelligence to glass.
- Operates globally with manufacturing, services, and sales offices in nine countries.

Ahlström top priorities

- Drive continued focus on strategy execution:
  1) Harvesting the expected efficiencies and other benefits from the new organisational structure
  2) Continuing investments in automation and digitalisation
  3) Fully leveraging the new Chinese operational set-up to gain share in the Mobility business.
- Initiatives to reduce emissions in line with SBTi commitments.

www.glaston.net



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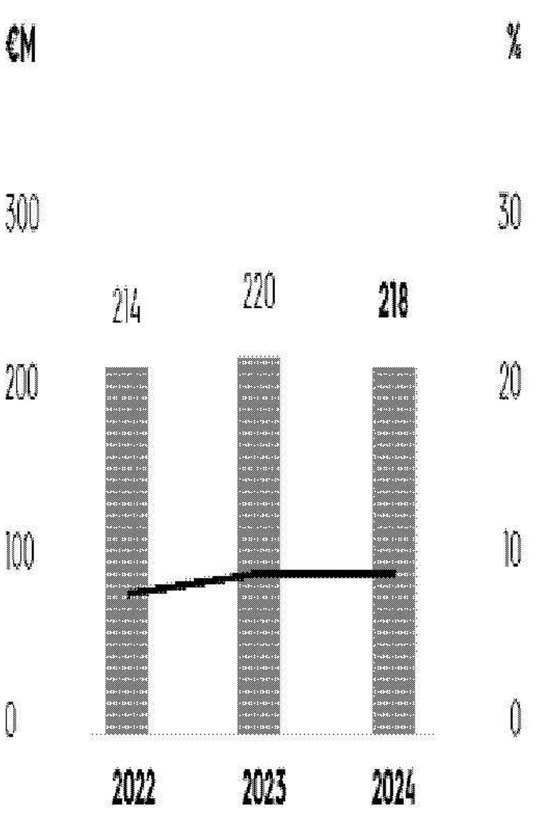
seeing it through

Year 2024

- Full-year profitability improved, supported by structural cost saving actions taken earlier in the year.
- Cash flow was weaker than in the comparison period due to increase in net working capital.
- The relocation of all pre-processing equipment production from Switzerland to China is progressing as planned and is estimated to be completed during the summer period of 2025.
- Organisational restructuring and leadership changes were made with new functions 1) Market Areas; 2) Solutions & Operations; 3) Service & Supply Development aiming at accelerating growth and profitability through a stronger focus on customer experience.
- In February 2025, CEO Toni Laaksonen resigned. The search for the new CEO is ongoing.

Year 2024

REVENUE & COMPARABLE EBITDA



€M	2022	2023	2024
Comparable EBITDA	18	19	20
Comparable EBITDA-%	8%	9%	9%
Net profit	3	5	2
Net debt	13	11	20
Free cash flow*	5	9	-3
Ahlström dividend	1	1	1
ESG mgmt maturity	4.0	4.5	6.0
GHG emissions**	1.5	1.2	1.5
GHG / Sales**	0.07	0.01	0.01

*) Cash flow from operating activities - Cash flow from investing activities. **) Scope 1 and 2 emissions ($ktCO_2e$), GHG / Sales = $ktCO_2e$/mEUR

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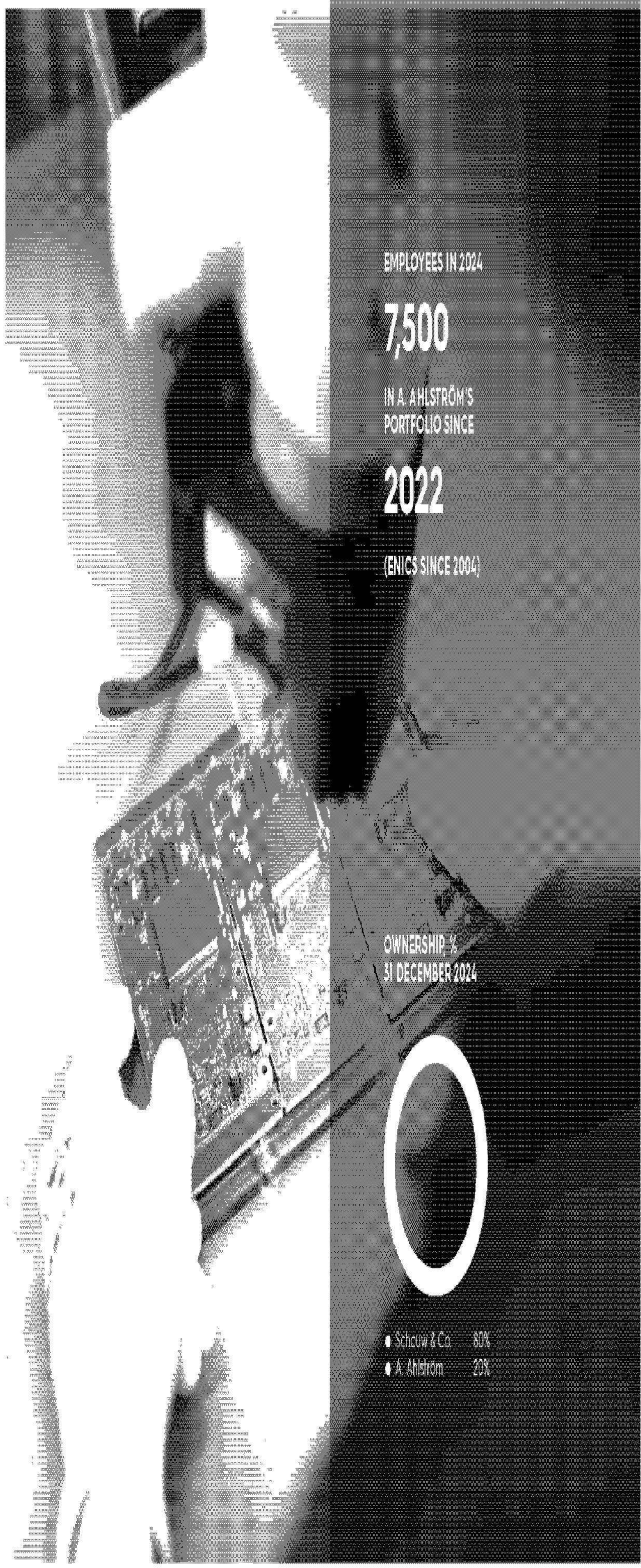
Business overview

- 2nd largest European headquartered Electronics Manufacturing Services (EMS) company.
- Founded in 1961, and formed in 2022 through the merger of Enics and GPV.
- Focus on industrial electronics, box-build mechatronics, and turnkey products.
- Production sites in 12 countries.

Ahlström top priorities

- Focus on cash flow and consistent dividend flow.
- Active sales pipeline and footprint development for business growth. Synergy realisation and profit improvement.
- Preparation for A. Ahlström's exit.

www.gpv-group.com



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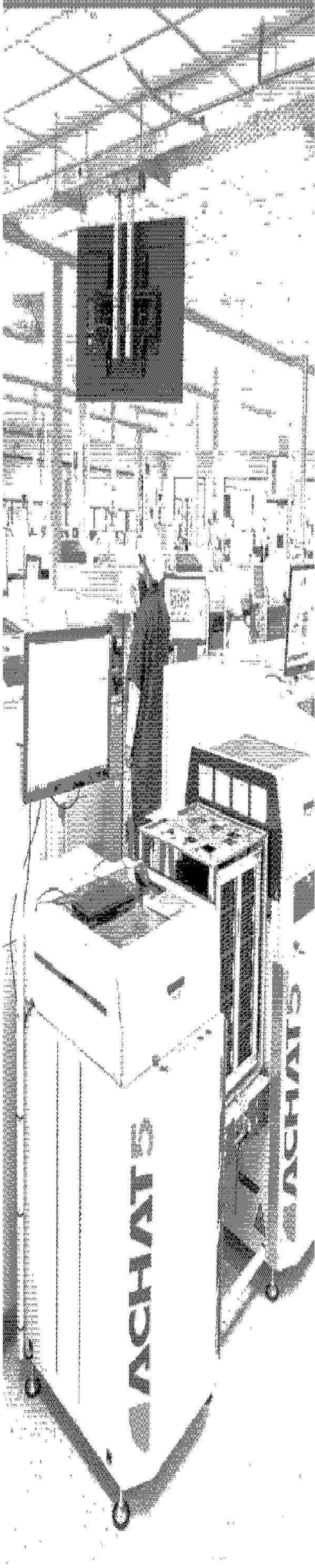
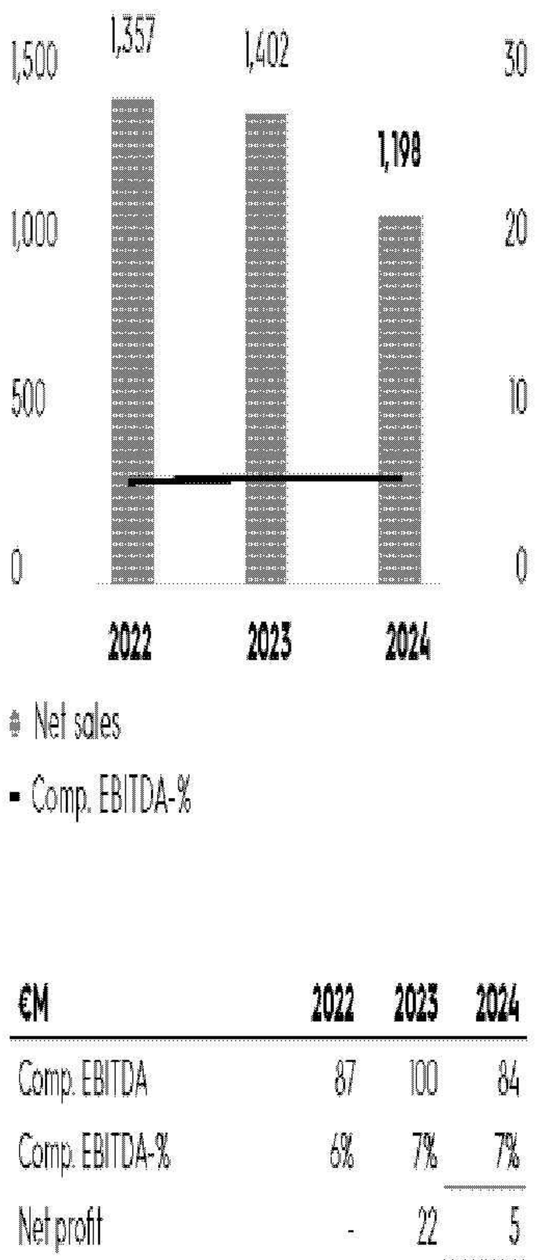


Year 2024

- The year was marked by re-balancing and destocking across the main customer segments, leading to soft activity and decrease in revenue and EBITDA.
- Increase in net working capital efficiency, mainly through inventory reduction, resulted in good operative cash flow. Reduction in factoring arrangements impacted cash flow negatively.
- Several strategic steps regarding the manufacturing footprint were implemented during the year. Factories in Malaysia and Austria were divested and expansion of the factory in Thailand was completed. In addition, the organisation was adjusted to increase operational efficiency and protect earnings.
- As part of the updated strategy created after the merger with Enics, GPV launched a major project in 2024 to implement a common ERP system across the company.

REVENUE & COMPARABLE EBITDA



€M	2022	2023	2024
Comp. EBITDA	87	100	84
Comp. EBITDA-%	6%	7%	7%
Net profit	-	22	5
Net debt	305	309	319
Free cash flow*	-	16	19
Ahlström dividend	0	1	0
GHG emissions**	25	26	16

2022: Pro-forma. Certain figures not available due to merger.
Figures converted to EUR at average annual exchange rates
*) Cash flow from operating activities - Cash flow from investing activities
**) Scope 1 and 2 emissions (kTCO2e)

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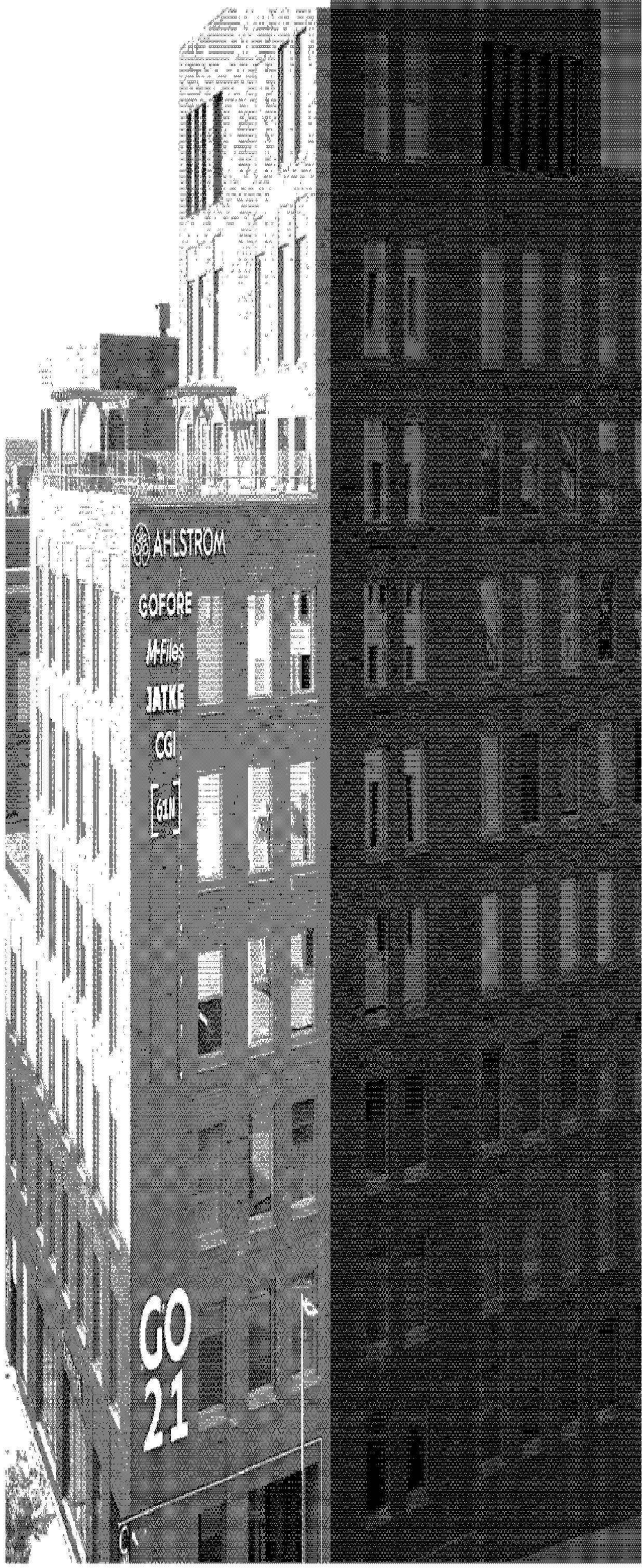
Business overview

- Focus on actively managed premium properties in the Helsinki area, Tampere, and Turku.
- The property at Eteläesplanadi 14 in central Helsinki is the flagship of A. Ahlström's real estate portfolio.
- Real estate provides diversification and steady cash flows for the Ahlström family assets.

Ahlström top priorities

- Stable predictable cash flow and active asset management in all properties.
- Completion and leasing activities in EnCa Green Chemistry Park in Espoo.
- Future development plans in Uudenmaankatu 24 property in Helsinki.
- Construction of Avain office in Pasila, Helsinki.



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Year 2024

- The performance of A. Ahlström's real estate business was solid in 2024, and especially cash flow was strong due to high occupancy rates.

- Construction work of Kemira's R&D hub EriCa Green Chemistry Park in Espoo proceeded as expected and the topping-out ceremony was organised in September. The occupancy rate reached 80% in 2024, and the building is expected to be completed by September 2025. Crazy Town was selected as operator for office and shared laboratory spaces.

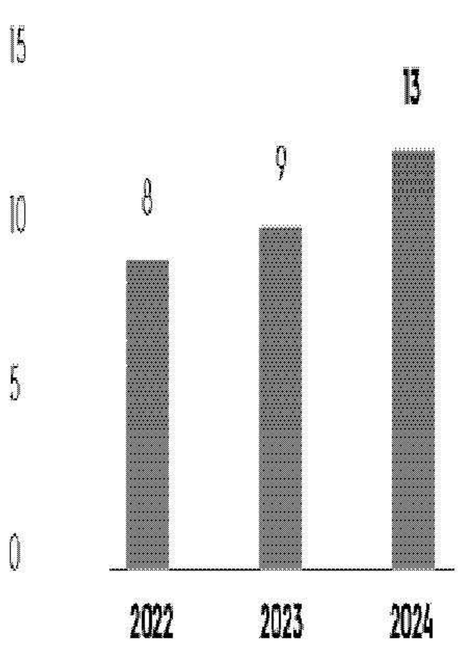
- Ahlström's flagship property Eteläesplanadi 14 in Helsinki continued to be fully let. A new retailer tenant, La Matta, opened in the Kasarmikatu premises. Minne Garden & Lounge, operated by Sunborn Events, was renovated and the operations reassumed in September.

- All tenants have moved into the GO21 office building in Tampere and all the office premises were fully let. Gofore's office premises won first place in Rakli's Workplace Awards, and Tavara-asema building was awarded the Cultural Deed of the Year 2023 by the City of Tampere.

- A new investment opportunity emerged for office development in Pasila with Avain Yhtiöt as tenant was identified. The office building is expected to be completed by the end of 2026.

- The annual tenant satisfaction survey was conducted. The overall satisfaction score among the tenants was 4.13/5.0.

REVENUE



€M	2022	2023	2024
Comprehensive operating profit	15	9	14
Debt	57	96	99
ESG mgmt maturity	2.0	2.5	3.0
GHG emissions*	-	0.1	0.1

*) Scope 1 and 2 emissions (ktCO2e)

AHLSTRÖM

Avain
ASUNNOT

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Business overview

- Specialises in the production, development, and construction of housing and housing services.
- Aims at building and maintaining a functional, safe, and environmentally friendly living environment and developing the overall quality of housing and construction.
- Builds approximately 1,000 apartments a year in the Helsinki metropolitan area, Tampere, and Turku.

Ahlström top priorities

- Support the company in risk management and financing issues.
- Active board work bringing insights from the real estate market. Support the management with liquidity monitoring.
- Possibly larger joint-development projects combining residential and commercial premises.

www.avainasunnot.fi/en/

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Year 2024

- Residential market remained challenging due to oversupply in the rental market. Development margin impacted positively to the result. Valuations in the existing portfolio decreased slightly. Yields stabilized during 2024, and a lot of interesting opportunities were identified.

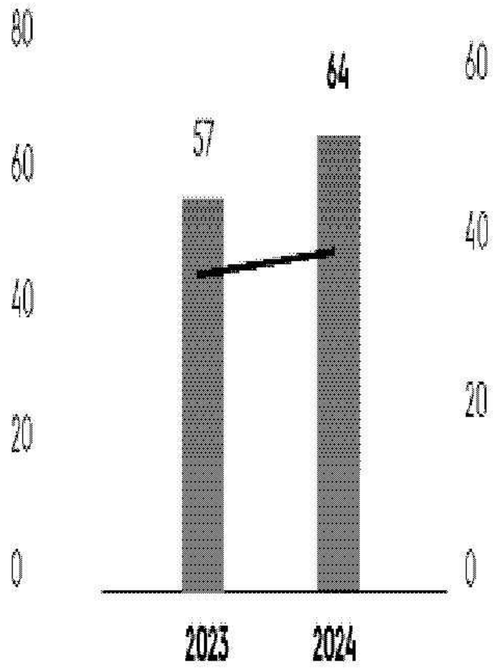
- Avain Yhtiöt was divided into two operative companies and from the beginning of the year, the buildings with right-of-occupancy tenants were operated by a new company.

- Vacancy rate was high in the beginning of 2024 due to large supply in the market, but the situation improved, and the occupancy rate increased towards the end of the year, being over 97% by the year-end.

- New projects were financed through the Housing Finance and Development Centre of Finland (ARA). Over 200 mEUR of ARA-guaranteed loans were secured in 2024.

- The company has several construction projects ongoing in Pasila, Helsinki. It also initiated a new building project in Pasila to build three 13–16 story tower buildings for residential use and one office complex, which was acquired by A. Ahlström Real Estate. The construction work began in early 2025 and is estimated to be completed by the end of 2026.

REVENUE & EBIT



€M	2022	2023	2024
Comp EBIT*	-	21	26
Comp EBIT-%	-	37%	40%
Net profit	-	9	27
Ahlström dividend	1	1	1

2023 figures restated as the ASO business (Asumisoikeus) was separated from Avain at the end of 2023.
* Excluding fair value changes

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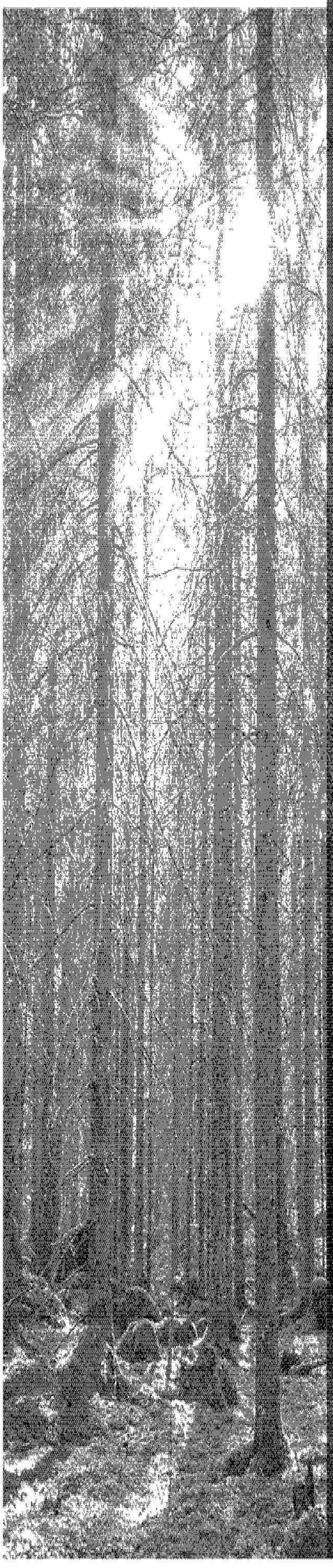
Business overview

- One of Finland's largest private forest owners, with some 36,000 ha of forestry land.
- Mainly located in Satakunta in Western Finland, and in Central and Eastern Finland.
- Forests provide diversification and generate steady cash flows.
- All forests have the PEFC certification (Programme for the Endorsement of Forest Certification).

Ahlström top priorities

- Securing new orders and meeting tight customer delivery expectations.
- Defending the price level despite log demand being weaker.
- Loggings according to a long-term plan.
- Monitoring forest insect damages and safeguarding biodiversity.
- Looking for new opportunities to increase forest in core areas and divest in remote non-core areas.



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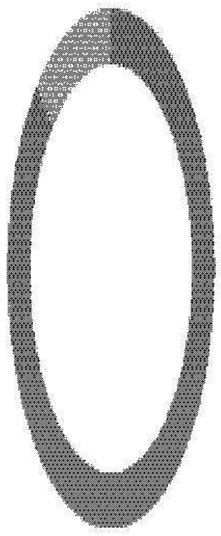
- Forestry business generated a record profit supported by strong wood prices. Demand for wood remained strong throughout the year. Sales prices increased during the first half of the year and levelled out in the third quarter.
- Cash flow and profitability for the year exceeded expectations.
- Delivery sales totalled 150,000 m³ and standing sales 17,000 m³.
- 740 hectares of new forests were acquired or swapped in 2024.
- The growth of tree trunks reached 200,000 m³ in 2024, which means that the annual growth exceeds the number of logged trees by 18,000 m³, which is in line with the strategy.
- The forest protection areas were increased by approximately 50 hectares in 2024, partially designated as entirely protected and partially as restricted-use areas.
- The total carbon impact of Ahlström's forests grew by 4.5% to approximately 4.6 tCO₂/ha/year*. Around 400,000 new seedlings were planted, which was nearly the same amount compared to the previous year.

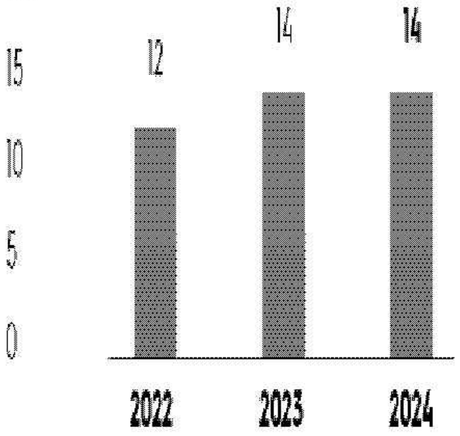
*Productive forest land after annual harvest removals, including net sinks to tree biomass and forest soil.

INDUSTRIAL WOOD LOGGING IN TOTAL, 2024



- Delivery sales 150,000 m³
- Standing sales 17,000 m³

REVENUE



€M	2022	2023	2024
Comprehensive operating profit	7	8	9
Debt	58	84	91
ESG mgmt maturity	2.0	2.5	3.0
Carbon impact*	4.5	4.4	4.6

* (tCO₂/ha/y)

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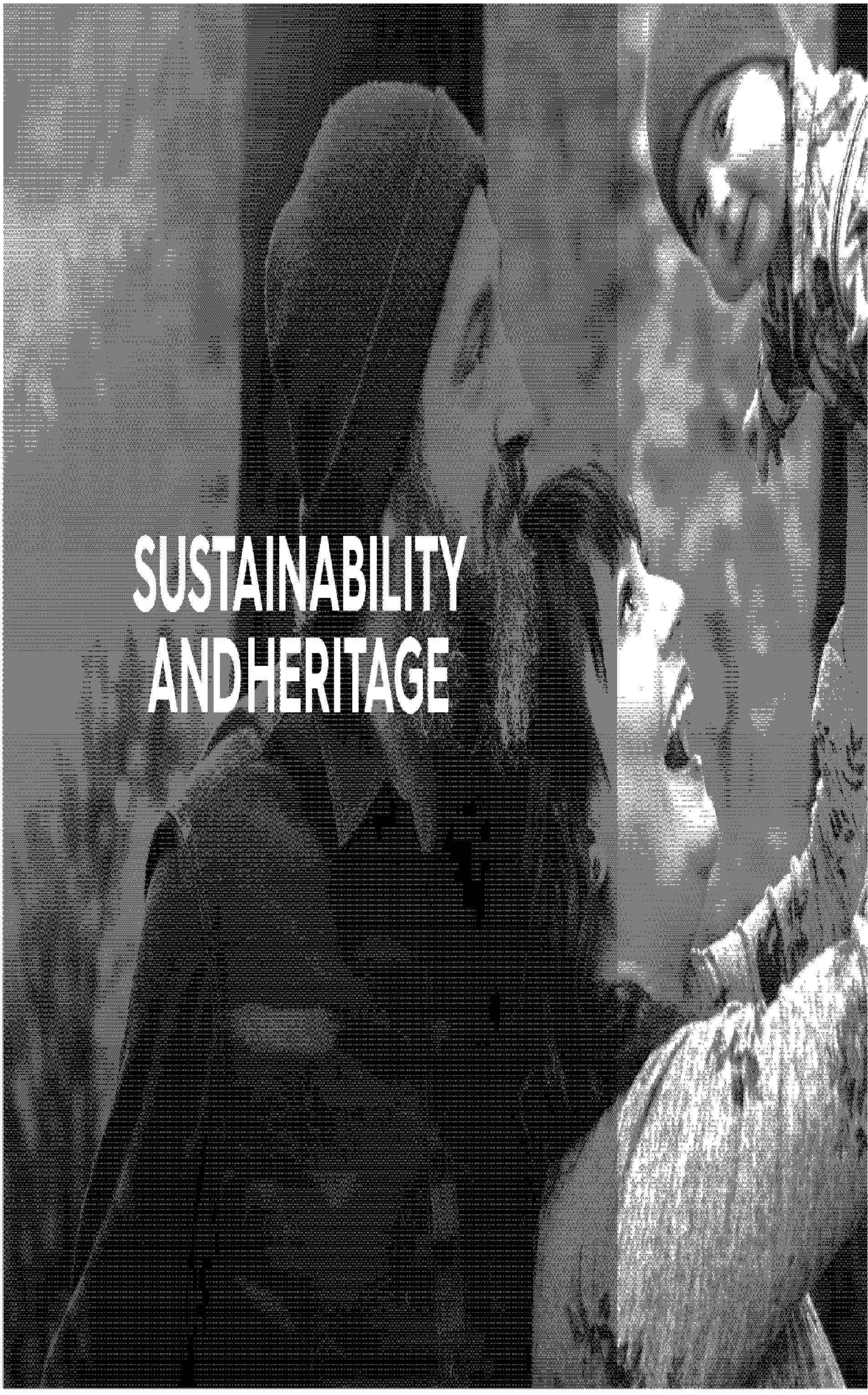

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Sustainability – a prerequisite for long-term value creation

At Ahlström, we believe that sustainability is a prerequisite for creating long-term value. We are committed to promoting responsible business practices in our companies and conducting sustainable asset management of our real estate and forest investments. We are guided by our fundamental values of Ambition and Responsibility, set by our founders, Eva and Antti Ahlström, seven generations ago. Combined with a forward-looking business mindset, these values help us succeed as markets and societies evolve. Our goal is to create a better world for future generations through sustainable value creation.

The Ahlström Sustainability Policy is defining the framework for our sustainability work. The Policy is reviewed and updated annually and approved by the Board. The ethical standards and business practices are found in our Code of Conduct and Anti-Bribery and Corruption Policy.

We have been participants of the UN Global Compact (UNGC) since 2018 and we report annually on the progress towards implementing the ten principles of the UNGC. We are an active participant in the Ahlström Collective Impact initiative, which brings together the Ahlström network companies, Ahlström foundations, and UNICEF Finland (more on page 55). We are also members of the Finnish organisation for sustainable business practices (FIBS).

Driving sustainable progress through active ownership

Our primary influence in the companies we own is carried out through the board work. We also have an active dialogue with the management of each company about the development of their ESG work, targets, and action plans for the future. We believe in making an impact through developing the companies we own, improving the ESG impact of their operations, and making a positive impact through product innovations. The biggest impact on the environment is for many of our companies through the value chain and can be improved by the choice of raw materials used and the design of the end products. ESG needs to be integrated in the decisions in the whole life cycle of the products.

ESG targets for our companies are integrated into the value creation plans developed for each company. ESG impact, risks, and opportunities are also assessed in the due diligence process when looking at new investments.

Measuring the progress

In the business development work of the companies we own, we follow the material ESG topics for A. Ahlström and also the material industry-specific ESG topics for the minority investments. We have Key Performance Indicators (KPIs) for the material topics to track the development and follow-up targets set in our companies. We also track the development of the KPIs set by the companies themselves. With the help of our ESG Management System Maturity model, we monitor how well our companies have integrated ESG into their operations and strategy (more on page 53).

Preparing for Corporate Sustainability Reporting Directive

In 2024, A. Ahlström Group and the portfolio companies have been preparing for the Corporate Sustainability Reporting Directive, CSRD. Glaston and Suominen published their reports aligned with CSRD in March-April 2025. A. Ahlström Group (including Munksjö, M&J Recycling, A. Ahlström Real Estate, and Metsäkonepalvelu), Ahlstrom, and Detection Technology have been preparing for the new reporting directive and are in the second wave to publish the Sustainability reports aligned with CSRD.

During 2024, the preparations for the CSRD reporting have involved employees from different functions both at A. Ahlström and the portfolio companies. We have updated our policies, implemented a new reporting system, and held upskilling session both with the Boards and project group members. During the first half of 2025, we will update the double materiality assessment, and we are preparing a sustainability report according to the new directive.

UN Global Compact

A. Ahlström Corporation is committed to UN Global Compact and its ten principles with respect to human rights, labour, environment and anti-corruption. We report annually on the progress towards implementing the ten principles at A. Ahlström and the companies in our Group i.e. Munksjö, M&J Recycling, A. Ahlström Real Estate, and Metsäkonepalvelu. A. Ahlström Corporation is also committed to the UN Sustainable Development Goals.

Material topics for A. Ahlström Group based on the Double Materiality Assessment in 2024

- Climate change
- Water
- Biodiversity
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Business conduct

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Environment

We are committed to mitigate climate change and protect biodiversity

As an investor, we acknowledge our role in accelerating the green transition, the circular economy, and the protection of biodiversity. Ahlström strives its portfolio companies to commit to mitigate their climate and environmental negative impacts and increase their positive impacts across the value chain. We believe that promoting sustainable use of natural resources and minimising water consumption and air pollution by investing in leading technologies, is key for our portfolio companies to maximise their performance in a sustainable way. In 2024, the double materiality assessments identified Climate as a material topic in all our portfolio companies. Some of our companies have also a positive impact on Climate as their products can improve the energy efficiency in the downstream value chain. The Forest & Fiber companies also identified Pollution, Water, Biodiversity, and Circular economy as material topics.

Expectations towards Industrial companies

We expect our portfolio companies to align with the Paris Agreement's aim of limiting global temperature rise to 1.5 degrees above pre-industrial level. Additionally, we encourage both the majority and minority-owned companies, when relevant, to align with the Science Based Targets initiative (SBTi).

We also expect our portfolio companies to continuously enhance sustainability of their product offering and improve the negative environmental impact of their operations and resource inflow and outflow.

Expectations towards Real estate and Forestry

As a forest owner and a real estate developer, we protect biodiversity when managing our assets. We are committed to sustainable forestry practices and actively engage in voluntary forest certification schemes (FSC, PEFC). Healthy and growing forests serve as carbon sinks and are more resilient to natural disruptions.

The focus of our real estate management is on energy efficiency and ensuring a high-quality and resilient built environment. As an investor in real estate project, the negative impact on the environment in the construction phase should be minimised.

Emissions decreased on average (Scope 1 & 2)

-3% ↓

Total carbon sink increased

+4% ↑

2024 Key highlights

- Direct and indirect GHG emissions (Scope 1 and 2) decreased in most of our companies
- GHG emissions in the value chain (Scope 3) have been assessed in most of the companies
- Ahlstrom's and Glaston's climate targets were validated by the Science Based Targets initiative (SBTi)
- Ahlstrom achieved a leadership score A- in CDP climate disclosure
- Ahlstrom and Suominen had a strong focus on improving the environmental impact of their products and solutions
- In the Forest & Fiber companies, water intake, water discharge, and total waste generated didn't improve as well as the climate indicators (Scope 1, 2, and 3)

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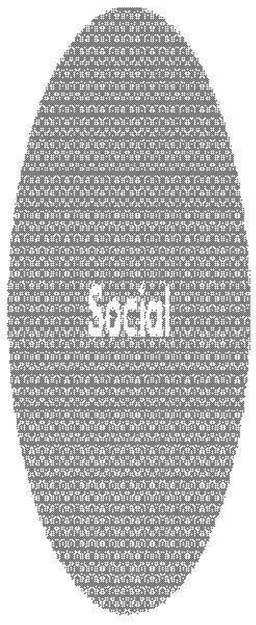

Respect, safety, and equal opportunities for all employees

We respect internationally recognised human and labour rights and commit to operating in a manner consistent with internationally proclaimed human rights principles, including the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the Ten Principles of the United Nations Global Compact, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.
We strive to act with due care to identify, mitigate, remediate, and monitor actual or potential human rights impacts in our business operations, investments, and supply chains. In 2024, the double materiality assessments identified Own workforce and Workers in the value chain as material topics in most of our portfolio companies.

A safe and respectful working environment

In the manufacturing industry as well as in real estate and forestry business safety and well-being of employees are key focus areas. We expect our portfolio companies to foster a preventive safety culture which includes actions like safety walks and the detection of near-term misses.

Building long-term successful companies requires people with different backgrounds, experiences, and perspectives. We believe diverse teams characterised by inclusion stimulate innovation, drive decision-making, and attract top talent. As an owner, we encourage and expect our portfolio companies to invest in competence development and promote diversity, inclusion, and belonging.

Responsibility of the value chain

Our portfolio companies should strive to identify and manage impacts on value chain workers in relation to working conditions, equal treatment and opportunities and other work-related rights such as risks of child labour or forced labour. All our portfolio companies need to have a Supplier Code of Conduct in place, and their suppliers need to act in accordance with the Supplier Code of Conduct.

Ahlström and our portfolio companies are committed to maintaining whistleblowing channels that enable internal and external stakeholders to anonymously report suspected violations of law or other breaches of internal policies or guidelines.

Accident frequency decreased in	Employee turnover decreased in
100%* ↓	86%* ↓

* of our portfolio companies

2024 Key highlights

- Employee satisfaction and engagement improved in Ahlstrom, Glaston, Suominen, Detection Technology, A. Ahlström, and A. Ahlström Real Estate
- Employee turnover decreased in most of the companies, but there are still big regional differences
- Safety is a focus area in all companies and the Accident Frequency Rate decreased in all companies
- Through the Ahlström Collective Impact initiative, we focus on child-related factors to advance child rights both in our own operations and in the value chain (see more on page 55)
- In the annual discussions with the portfolio companies we have encouraged them to conduct human rights due diligence assessments
- A human rights saliency assessment is being done in the A. Ahlström Group companies (Munksjö, M&J Recycling, Metsäkonepalvelu, and A. Ahlström Real Estate) during spring 2025. A Human rights due diligence policy and framework will be created

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Governance

Responsible business conduct is our foundation

Ahlström and our portfolio companies are committed to complying with all applicable legal and regulatory obligations in all operating countries. We do not tolerate bribery or corruption in any form and assume long-term accountabilities for all ethical standards. These standards and business practices can be found in the Code of Conduct and the Anti-bribery and Corruption Policy. We enhance a culture of continuous improvement and learning as well as alignment with best practices. As an owner, we want to ensure that sustainability is incorporated into the development of our portfolio companies, and we encourage all our portfolio companies to include material sustainability-related performance in their incentive schemes. In 2024, the double materiality assessments identified Business conduct as a material topic in all our portfolio companies.

Responsible business practices in our companies

Business ethics and governance constitute the foundation for our ownership model. We strive to comply with laws, rules, and ethical principles. Our sustainability guidelines define the expectations applicable to all our portfolio companies to conduct their operations in a responsible manner. The responsibility for ensuring responsible business conduct lies with the management of each portfolio company.

To ensure responsible business practices, the portfolio companies need to have a Code of Conduct and a Supplier Code of Conduct in place. These should be implemented through the training of employees and engagement of suppliers. A whistleblowing channel should also be available for both internal and external parties to report any violations.

Sustainability integrated in the operations

As an owner, we expect sustainability to be integrated into the business strategy and operations of all portfolio companies. With our ESG Management System Maturity model, we assess how well the portfolio companies have succeeded in integrating sustainability into their business.

The extensive work needed to comply with the new CSRD regulation is closely linked with the steps our companies need to take in order to improve within the ESG Management System Maturity model. When also the smaller, less mature portfolio companies manage to integrate the impacts, risks, and opportunities assessed during the CSRD process into risk management and business planning, the ESG topics will be part of both short-term decision-making and longer-term strategy discussions.

ESG management maturity on average

4.1 ↑

Whistle-blowing channel in

100%* ↑

* of our portfolio companies

2024 Key highlights

- ESG management system maturity improved in all our portfolio companies during 2024 (more on page 53)
- Ahlstrom was awarded the Platinum Medal in the EcoVadis sustainability assessment, ranking the company among the top one percent of companies evaluated over the past 12 months. Suominen was awarded the Gold medal and Glaston the Silver medal
- All the companies have Code of Conducts in place and most of them also had trainings of their employees during 2024
- All the companies have Supplier Code of Conducts in place and the suppliers have committed to them; some of the portfolio companies also did supplier audits during 2024
- All the companies have Whistleblowing systems in place for internal stakeholders and in most of the companies the whistleblowing system is also in place for external stakeholders. In the A. Ahlström Group companies, the whistleblowing channel will be added also to the external webpages during 2025

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Our tool to assess how the companies proceed in their sustainable business journey

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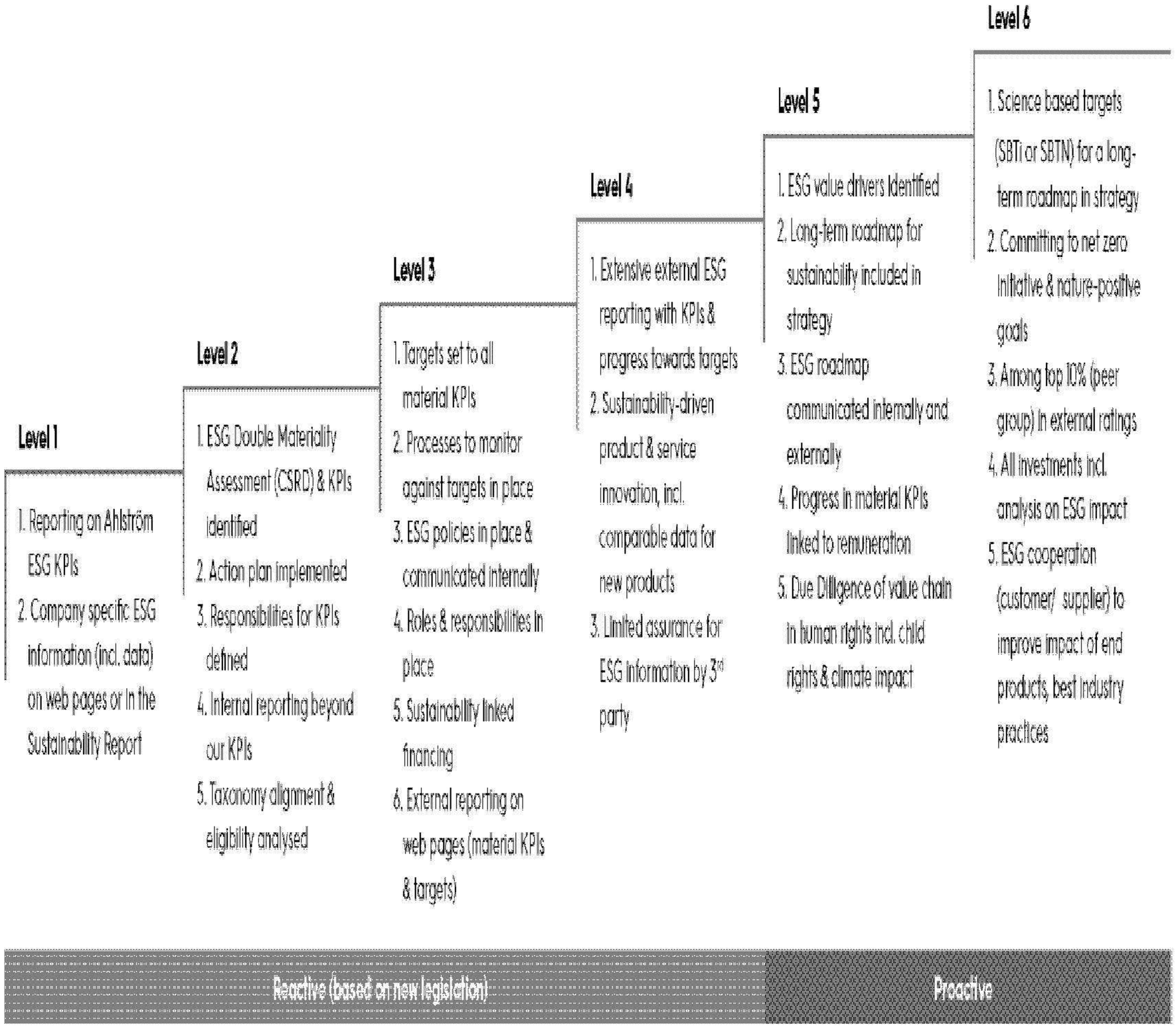
We use our own model called, ESG Management System Maturity, to assess and monitor how well our companies have integrated ESG into their operations and strategy. The companies provide a self-assessment, which covers the pre-defined, material processes in each of the six levels of ESG Management System Maturity (see picture). The sixth level was created in 2024 for the most mature companies, including proactive initiatives well beyond compliance. The ESG Management System Maturity is reviewed in our annual sustainability discussions between A. Ahlström management and the portfolio company management. In these meetings, company's progress in sustainability work, action plans, and target levels are discussed. Our target is that each portfolio company should reach at least level 5 out of 6.

The extensive work required to meet the new Corporate Sustainability Reporting Directive's (CSRD) criterion is linked to levels 2 and 3 in our ESG Management System Maturity model. Once a verified report is published, the company will reach level 4. On levels 5 and 6, we have more ambitious initiatives and targets for the more mature companies both on environmental and social topics.

In the self-assessments conducted at the end of 2024, all companies showed some progress from the year before, but some of the companies publishing the first CSRD report in 2026 or later still have a lot to do to move to level 4.

Ahlstrom, Glaston, and Suominen have already reached level 6, while Detection Technology is at level 5. The non-listed companies Munksjö, M&J, and A. Ahlström Real Estate are still on both sides of level 3, but we are expecting a lot of progress during 2025. Our sustainability work with Metsäkonepalvelu has started, and they have a lot of good practices in place, but we need to document the processes and set up the KPIs, targets, and actions to better follow up on the sustainability work.



The Upright net impact model is used as a second opinion in sustainability analysis

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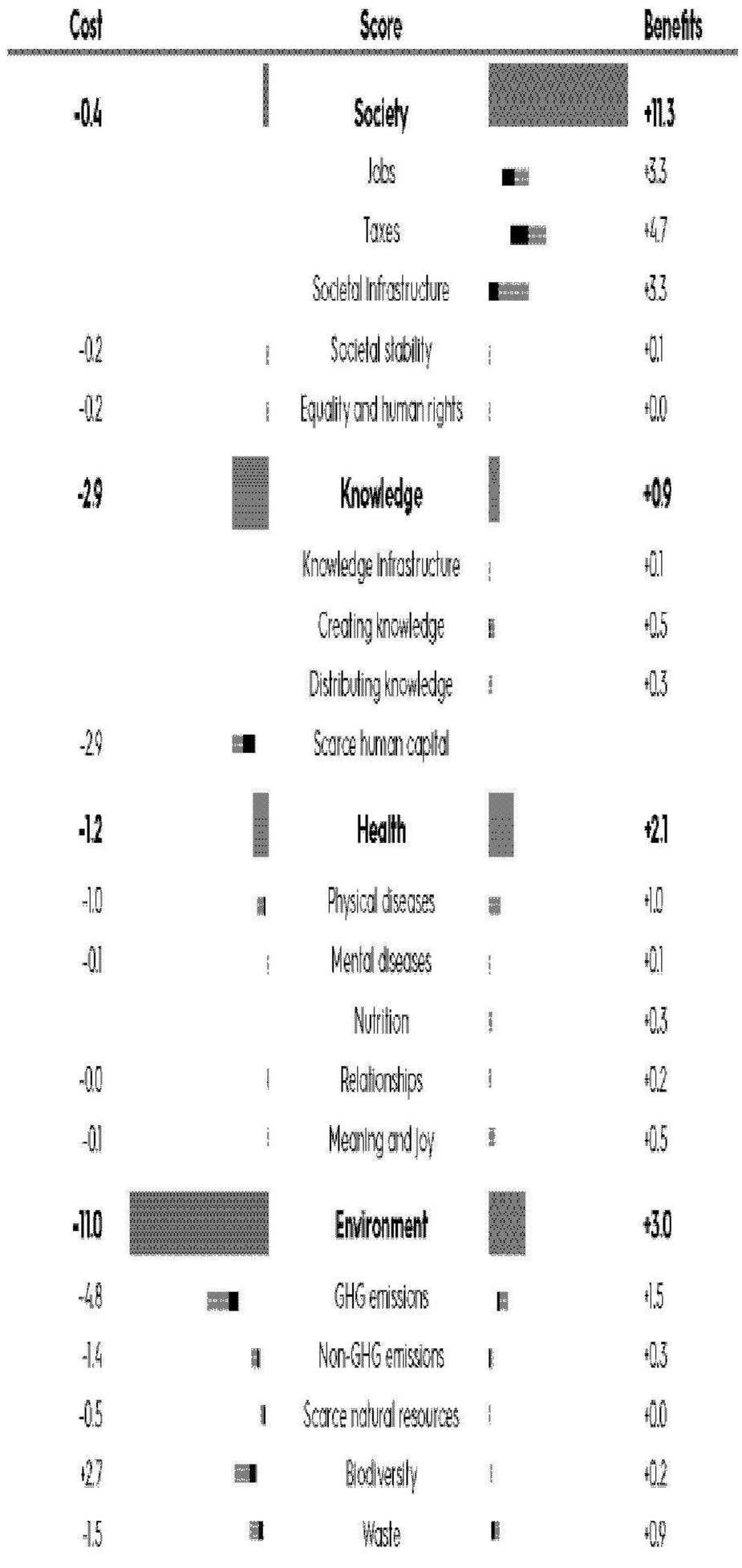
The Upright net impact model helps to understand and quantify the sum of the companies' positive and negative impacts on society, knowledge, health, and the environment. The framework consists of four impact dimensions divided into 19 sub-categories (see table on the right). At A. Ahlström, we utilise the Upright model as one way to assess the net impact of our portfolio companies, and we have also taken Upright's analysis as a second opinion to the double materiality assessment (DMA) in the CSRD reporting.

The Upright net impact model is based on open-access scientific publications and databases. The data is comparable across companies and impact categories. The net impact model produces quantitative estimates of the costs and benefits related to each product and service of a company in each impact category. The whole value chain is considered in the estimates.

We have used the Upright model since 2022 to get an outside-in-analysis of the value chain in which our portfolio companies operate. In addition, the model has been utilised as one viewpoint when assessing new investment opportunities. According to the latest updates, the net impact ratio of our portfolio companies varies between +58% and -87%, and the combined net impact of our portfolio is +10%. The impact is calculated from both our listed and non-listed industrial investments as well as the real estate and forest assets.

Our portfolio companies and the value chains they are in create the most significant positive value in society through the impact categories taxes, societal infrastructure, and jobs. The main contributors are A. Ahlström Real Estate and Ahlstrom. In the Environmental dimension, we have a positive impact on climate, biodiversity, and waste through our portfolio companies' product portfolios. The positive impact on climate and biodiversity is driven by the forestry business, Metsäkonepalvelu, and Ahlstrom. Our portfolio companies, mainly Detection Technology, Ahlstrom, and Suominen, have a positive impact on Health through their product portfolio. All our industrial businesses have a negative impact on the environment through emissions, waste, and biodiversity. In this model, the use of scarce human capital is also a negative impact.



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AHLSTRÖM COLLECTIVE IMPACT FOR unicef

Ahlström Collective Impact (ACI), launched in 2020, is a unique collaboration model that combines A. Ahlström Network companies, foundations, shareholders, and employees in partnership with UNICEF Finland.

Currently, ACI consists of A. Ahlström, Ahlström Invest, Ahlstrom, Detection Technology, Destia, Glaston, Suominen, Avain Yhtiöt, M&J Recycling, the Eva Ahlström Foundation, and the Walter Ahlström Foundation.

ACI's joint investment is aimed toward UNICEF's global education program, which supports the United Nations' Sustainable Development Goal for quality education (SDG number 4). The program promotes the learning, growth, and development of life skills for millions of children. Education plays a key role in reducing inequality and poverty and strengthening social stability. UNICEF works for education so that every child has the skills and abilities to succeed in the world.

ACI has invested in children's education worldwide since 2020, and last year, the joint investment was close to EUR 800,000 in UNICEF's global education program. A. Ahlström's investment was EUR 200,000. The sum was allocated to UNICEF Global Education Fund. The total ACI donation could have fully covered the UNICEF Global Education Fund allocation to Sri Lanka in 2023. With this, UNICEF launched a teacher training program with the Ministry of Education to equip educators with the skills to address students' psychological needs.

ACI's aim is to empower change through action. UNICEF Finland helps the ACI network through the concept of child-lens investing (CLI), an approach which urges companies to consider child-related factors to advance positive outcomes for children and minimise harm. UNICEF has arranged training for the ACI members about children's rights issues in business. Through the Ahlström Collective Impact Ambassador program, employees and shareholders within the Ahlström Network can contribute to selected United Nations Sustainable Development Goals by driving and implementing relevant ACI-related initiatives and events locally. Today we have 50 Ambassadors from 11 countries in the program.

www.ahlstromcollectiveimpact.com

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Sustainable travel destination with a unique history

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Ahlström's Noormarkku Works is one the most attractive and historically significant destinations in the Satakunta region of Western Finland. It holds substantial architectural and cultural value and plays a noted role in the history of Finnish industry. In Noormarkku, visitors can enjoy culture, first-class food, and a unique milieu. Additionally, they can find accommodation in the area and organise various events, from company meetings to family celebrations.

The year 2024 was an exceptionally good year for Noormarkku Works with record-high sales and numerous major events organised in the area. Noormarkku Works attracted both domestic and international guests. Customer satisfaction remained excellent, as evidenced by reviews on Booking.com and feedback from the smiley feedback device. The unique environment, personalized service, and excellent food received particular praise.

Noormarkku Works offers visitors interesting exhibitions and guided tours in the area. The permanent Ahlström Voyage exhibition in the Old Iron Smithy provides an intriguing look at the history and present of the Ahlström companies, the Ahlström family, and the Works over more than 170 years. In 2024, a new summer café was opened in the Old Iron Smithy, and a rotating themed exhibition showcased a 100-year history of the Noormarkku Club House.

Sustainability is a core value and an integral part of the area's operations. Noormarkku Works complies with Visit Finland's Sustainable Travel Finland (STF) responsibility programme and has a Green Key certificate. Noormarkku Works is almost self-sufficient in terms of energy. The area utilises its own wood chip heating plant and a hydroelectric power plant, and solar panels have also been installed. Locality is a key value at Noormarkku Works. The area's restaurants use a significant amount of locally produced food, supporting local producers and their work. Additionally, free guided tours are offered, including tours for school groups.

One of the most notable buildings in the area is Villa Mairea, designed by the renowned Finnish architect Alvar Aalto in 1937-1938 and finished in 1939. Since 2022, a proposal to add a series of 13 Aalto-designed buildings, including Villa Mairea, to the UNESCO World Heritage List has been under preparation. The nomination was submitted in February 2025, with a decision expected in 2026.

The year 2026 will mark the 175th anniversary of the Ahlström family in business. Jubilee preparations at Noormarkku Works have begun, and the heritage site looks forward to serving its visitors for generations to come.

www.ahlstrominruukki.fi

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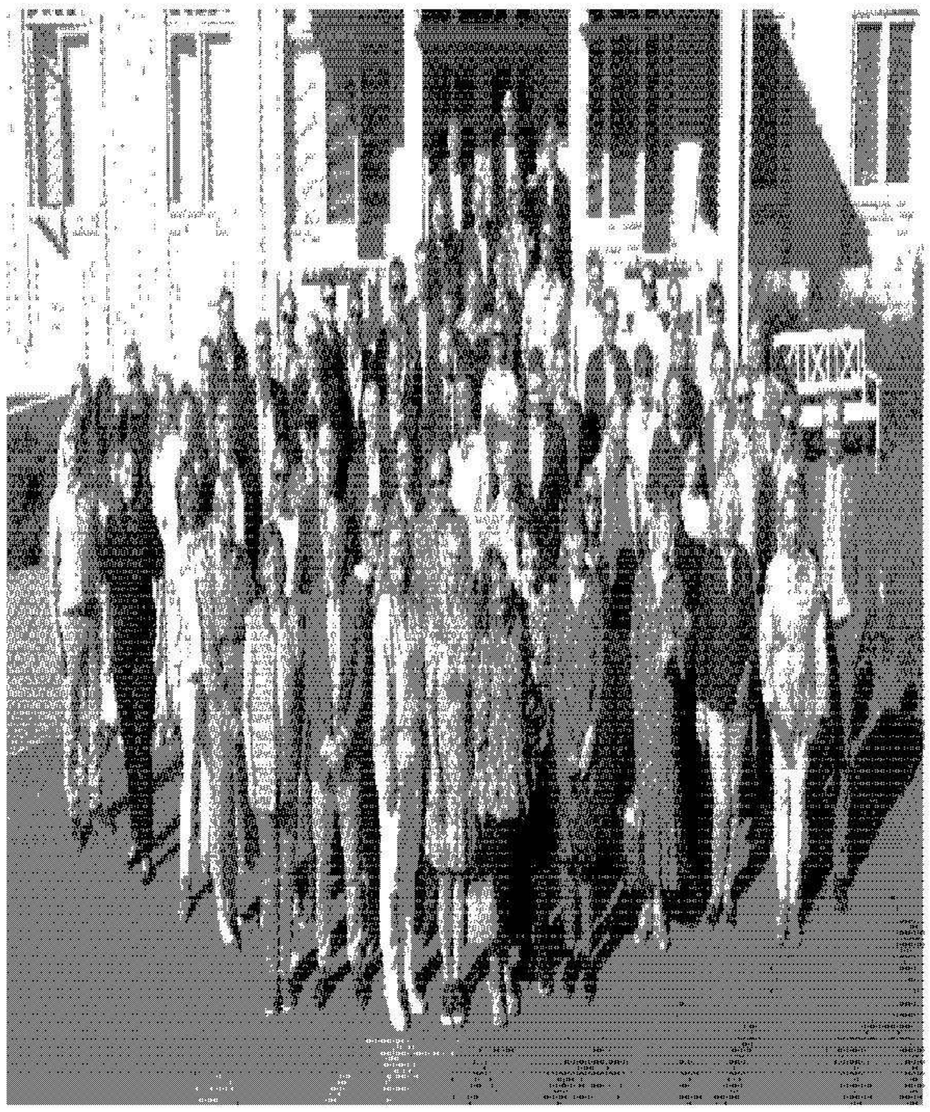

As A. Ahlström continues to evolve, Family Functions mission remains clear: to grow the intellectual and social capital of the Ahlström family and its sphere. In 2024, we deepened this commitment with initiatives that honour our history and the future.

Strengthening family cohesion and long-term ownership

By nurturing connections among family members, strengthening synergies with the business side, and ensuring long-term commitment to shared ownership, we continue to uphold Ahlström's legacy as a multi-generational family company. This year's focus has been on empowering the next generation, nurturing the connection among the growing family, and strengthening our family communication.

By continuing the observer program, offering internships, and organising events specific for different NextGen groups, we strive to empower the next generation to take an active role in the company's operations and encourage them to be part of shaping the family's future. These initiatives also provide a platform for NextGen to share their views on operations and future developments.

As the family grows, both social and business events provide opportunities to foster open conversations, reinforce shared traditions and values, and help build and nurture relationships. Events like Investor Day help create a sense of continuity and belonging and strengthen the connection to the family and its long-term vision.

Another focus has been on strengthening our communication and information by upholding and continuously evolving the family communication platform. A well-maintained and evolving Family Intra ensures that all members stay informed about key decisions, initiatives, and developments. This fosters trust, transparency, and a sense of inclusion while also strengthening family unity and culture.

Preservation of the Ahlström family brand and culture

Central to our operations is the custodianship of the Ahlström family brand and culture, along with preserving the family history. This ensures that the values, reputation, and legacy built over generations are preserved and respected.

Preserving both the family brand and history is about honouring the past, nurturing the present, and shaping the future. This endeavour ensures that our family's legacy and values continue to flourish. During the year, Ahlström in Society was launched to serve as an umbrella for the different foundations and initiatives in the Ahlström sphere. This platform not only keeps our stakeholders informed about non-business-related activities, but also shares historical stories about our legacy, emphasizing the significance of preserving our heritage. By connecting with our roots, family history provides us with a profound sense of identity and belonging.

New initiatives in 2024

Forest & Fiber Development Program

Our new Forest & Fiber Development Program, designed for employees, shareholders, and family members, offers a deep dive into one of our most strategic industries. This initiative aims to provide in-depth knowledge of our strategic core sector, Forest & Fiber, through both theoretical and practical learning. Our goal is to inspire participants to explore these topics further, positioning us as thought leaders and global specialists, and supporting our vision of creating a better world for future generations.

A new Ahlström book

The Supervisory Board approved a new project to chronicle the Ahlström family business from the 1930s to the 1980s. This new book will provide an authentic and unfiltered look into the transition from Walter Ahlström's autocratic leadership to a collaborative era known as "the cousins' era."

Expected to launch in fall 2026, the book will be published in Finnish, with Swedish and English translations, as well as an audiobook. A family-wide material collection initiative has invited contributions to ensure the story is as rich and complete as possible.

170 years of industrial traditions

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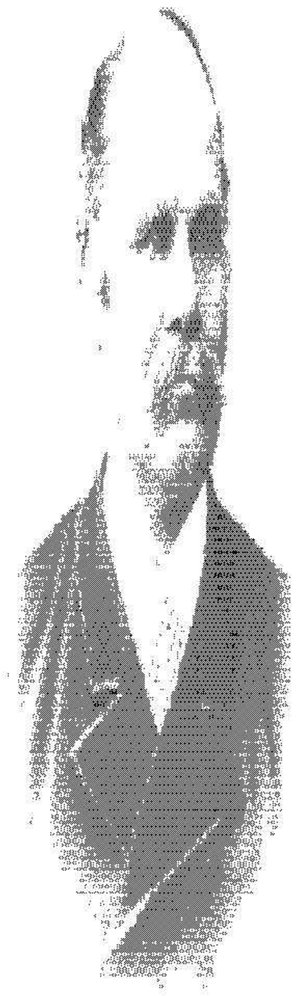

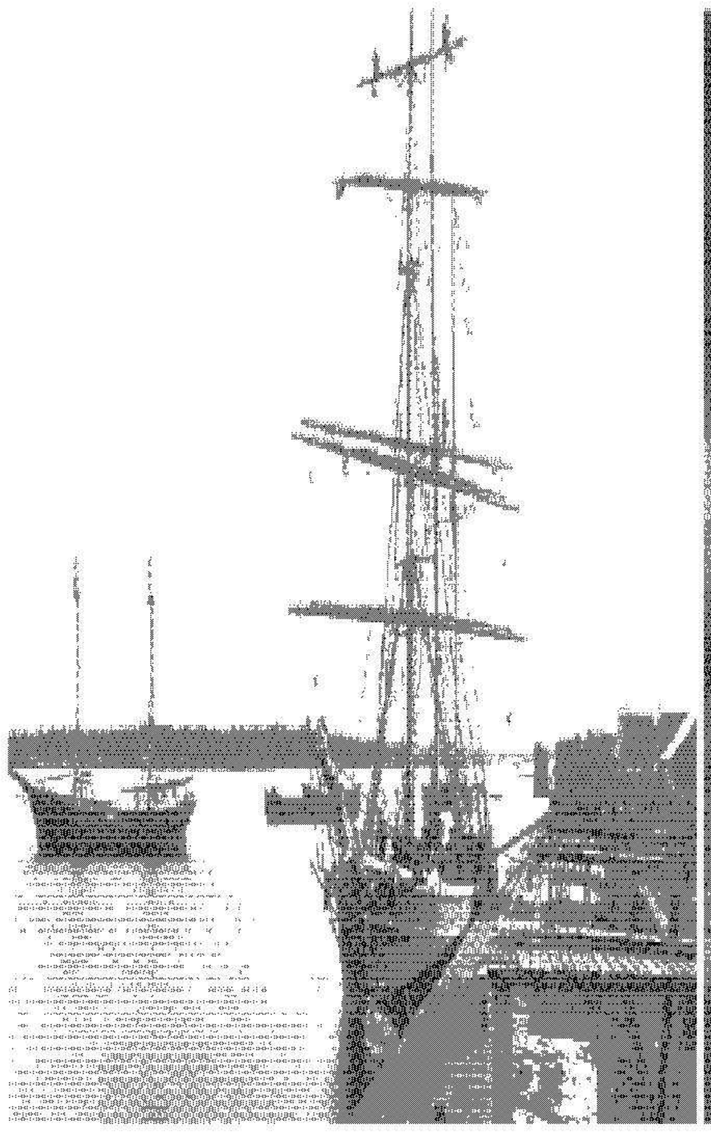

1851
Antti Ahlström (1827-1896) starts businesses in the fields of shipping and sawn goods.

1896
Eva Ahlström (1848-1920) becomes one of Finland's first female industrialists.

1908
A. Ahlström Osakeyhtiö is established. It later becomes the biggest industrial company in Finland.

1942
Antti Ahlström Perilliset was founded.

1963
A. Ahlström Osakeyhtiö makes an investment in an Italian paper mill, Cartiere Giacomo Bosso S.p.A. A. Ahlström Osakeyhtiö is one of the first companies in Finland to expand their business abroad.

2001
A. Ahlström Osakeyhtiö was divided into Ahlstrom Corporation, Ahlström Capital Oy, and A. Ahlström Osakeyhtiö.

2023
Antti Ahlström Perilliset merged into Ahlström Capital Oy to form A. Ahlström Corporation.

1870
Antti Ahlström acquires the Noormarkku works, which later becomes his home and the centre of the company's businesses. During the late 1800s, Ahlström also acquires Kauttua, Leineperi and Strömfors works.

1907
A papermill is established in Kauttua, marking the start of the paper industry in the area.

1937
A. Ahlström Oy constructs the 'Industrial Palace' business and **office building on Eteläesplanadi 14,** Helsinki. The building is designed by architecture firm Jung & Jung.

1968–
Internationalisation continues as A. Ahlström Osakeyhtiö acquires companies during 1968–2000 in Canada, Germany, USA, France, Sweden, and Brazil. New companies are also established in Sweden and South Korea.

2014
A. Ahlström Osakeyhtiö was merged into Ahlström Capital.

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A. Ahlström

Active value creation in the 21st century

Ahlström Capital was established in 2001, when A. Ahlström Osakeyhtiö was divided into Ahlstrom Corporation, Ahlström Capital Oy, and A. Ahlström Osakeyhtiö. Ahlström Capital's portfolio consisted of Ahltronix (which later became Enics) and ÅR Carton (later ÅR Packaging). In March 2023, Ahlström Capital merged with Antti Ahlström Perilliset to form A. Ahlström Corporation.

At the end of 2024, A. Ahlström's ownership includes Ahlström Invest B.V. (including a significant ownership in Ahlstrom Oyj), Munksjö Paper AB, Suominen Corporation, Metsäkonepalvelu Oy, Bast Fibre Technologies Inc, M&J Recycling A/S, Detection Technology Plc, Glaston Corporation, and GPV Group A/S.

Ahlström Capital

2001
Investment in Vacon.

2003
Investment in Nordkalk.

2005
Acquisition of Wessen.
Investment in Salmisaari real estate.

2007
Investment in Elbi.

2010
Establishment of the cleantech fund.

2014
Investments in Suominen and Outokumpu.
Acquisition of Destia.
Holdings in Ahlstrom and Munksjö as well as real estate and forest assets were added to our portfolio.
Investment in Kasarmikatu 21 real estate.

2017
Investments in Detection Technology and Glaston.
Merger of Ahlstrom and Munksjö.

2018
Investment in Hankasuontie real estate.

2020
Ahlstrom-Munksjö take private project started.
Investment in real estate in Äbyntie, Vantaa.

2021
Ahlstrom-Munksjö's delisting completed.
Investment in M&J Recycling.
Investment in Avain Yhtiöt.
Investment in Green Chemistry Park, Espoo.
Investment in real estate in Tampere.

2022
Acquisition of the majority of Munksjö.
Merger between Enics and GPV.
Investment in Bast Fibre Technologies.

2023
Antti Ahlström Perilliset merged into Ahlström Capital to form A. Ahlström Corporation.
Acquisition of the majority of Metsäkonepalvelu Oy.

A. Ahlström

2007
Salmisaari real estate is sold.

2008
Wessen is sold.

2010
Nordkalk is sold.

2013
Elbi is sold.

2014
Vacon is sold.

2015
Outokumpu is sold.

2016
ÅR Packaging is sold.

2017
Kasarmikatu 21 real estate is sold.

2021
Divestment of Destia.

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As an investment company, A. Ahlström corporation's key risks are related to its ability to create long-term shareholder value growth with steady returns. In addition, as a family-owned company, A. Ahlström fosters the trust and reputation generated over decades through good corporate governance principles and processes in all its portfolio companies.

A diversified portfolio, consisting of industrial investments, forests, real estate holdings and liquid funds, reduces the overall risks, and is a key component of the company's risk management. In the strategy that was formulated in 2023, the strategic core investments in the Forest & Fiber and Environmental Technology sectors are balanced with diversification investments in real estate, forest and financial assets.

Through risk management the company oversees and facilitates the assessment of risks related to investment and business environment, operations, assets and financial liquidity to limit unnecessary or excessive risks. Risk assessment is conducted continuously in the day-to-day business of the company. The Board of Directors is the governing body that oversees A. Ahlström's risk management. The Audit Committee assists the board in ensuring that the company has appropriate systems of risk management and internal control.

Annually, a more comprehensive risk assessment is performed to form the company's risk profile according to the impact on shareholder value and cash flow. Risks that threaten the company's strategic objectives, compliance and sustainability are evaluated. Based on the evaluation, actions for risk management and mitigation are identified and implemented. With regards to its portfolio companies, A. Ahlström participates in, promotes, and monitors risk management practices in each company mainly through board work.

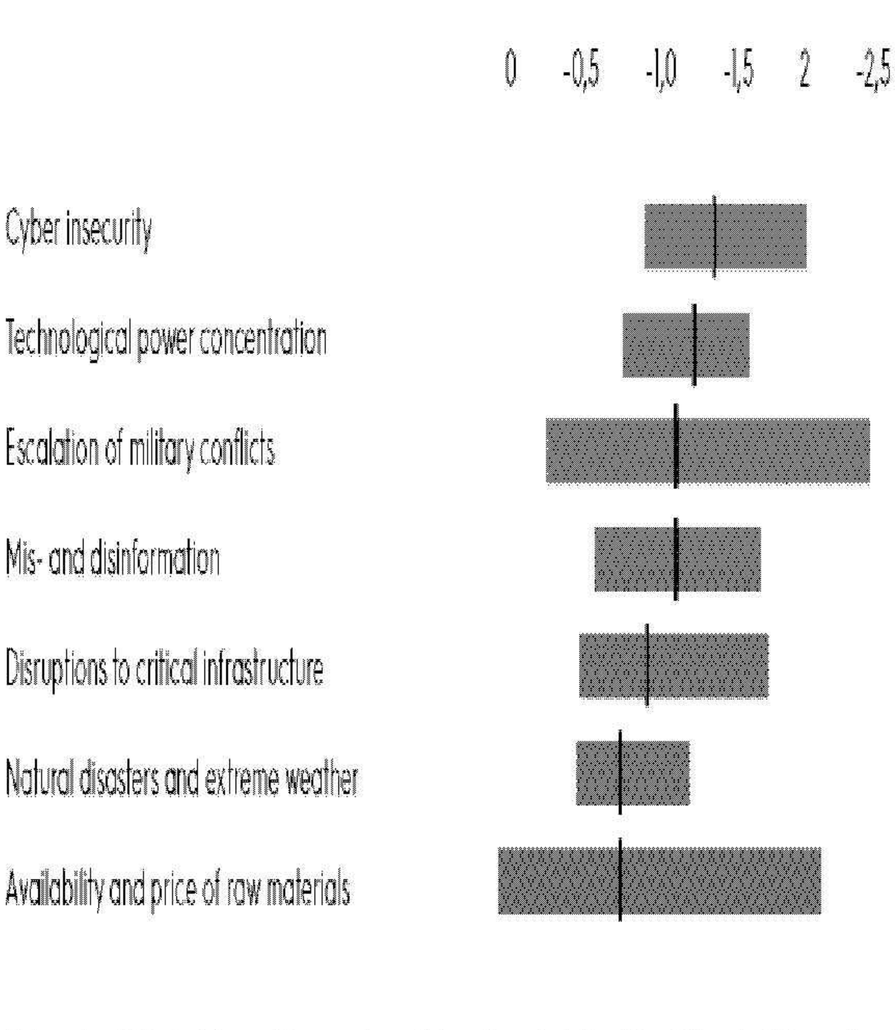
Risk environment

Most significant risks affecting the company in 2024 were relating to macroeconomic and geopolitical uncertainties characterized by rising geopolitical tensions and significant policy shifts in key markets.

The macroeconomic uncertainties are reflected mainly through commercial and financial risks. Increased financing costs have had an effect on the portfolio companies directly, and indirectly through lower market demand. To secure the availability of financing, A. Ahlström has had a long-term hedge to cap the interest rate since 2021.

The geopolitical uncertainties remained at high level mainly due to the continued Russian invasion of Ukraine and a wave of elections in geopolitically significant markets during 2024. The adverse development of the war in Ukraine and the rapid changes in global business environment due to geoeconomic measures by the leading powers may have a material impact on A. Ahlström's and the portfolio companies' performance and ability to deliver on the strategies.

A comprehensive risk assessment was made to identify and evaluate the development of the existing and emerging risks in a set of global scenarios presenting possible futures for global development. Top risks to impact the execution of company's strategy were:



Risk scale: 0 Neutral impact to execute , -1 Minor threat, -2 Significant threat, -3 Large threat

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A. Ahlström Corporation ("Company or A. Ahlström") is a private limited liability company registered in Finland. The Company's governance is based on the Articles of Association, the Finnish Companies Act and the principles set out in the Finnish Corporate Governance Code. In addition, the Company follows internal rules and policies such as the Governance Manual, the Code of Conduct and ESG principles defined in the Sustainability Policy. The Company's shares are registered in the Finnish book-entry system maintained by Euroclear Finland Ltd.

A. Ahlström is the parent company of the Group that creates value for its shareholders through its subsidiaries, mainly Ahlstrom Capital B.V. and A. Ahlström Real Estate Ltd and affiliated companies by being a long-term owner and stakeholder in the defined business fields. A. Ahlström also handles the financial and non-financial reporting of the Group and provides advisory services to its Group and associated companies. The Group's structure is presented in the Financial statements on note 2.1.

General Meeting of Shareholders

The highest decision-making body of A. Ahlström is the General Meeting. The Annual General Meeting decides on the composition of the Board of Directors, the Supervisory Board and the Supervisory Board Nomination Committee. In addition, the Annual General Meeting decides on the Chair and Vice Chair of the Board of Directors and Supervisory Board. The Annual General Meeting also decides on the fees payable to the Board and Supervisory Board members, the Board's committees, and the Nomination Committees of the Board of Directors and the Supervisory Board as well as the auditors. In addition, the General Meeting has exclusive authority over certain matters such as amending the Articles of Association, adopting the financial statements, deciding on the distribution of profits, deciding on releasing the Board and President and CEO from liability and electing auditors.

In 2024, the Annual General Meeting was held on May 17th in Noormarkku.

Board of Directors

According to the Articles of Association, the Board of Directors consists of a minimum of six (6) and a maximum of nine (9) ordinary members. The members are elected at the Annual General Meeting for a term ending at the closing of the Annual General Meeting following their election.

The duties and responsibilities of the Board of Directors are based on the Finnish Limited Liability Companies Act and other applicable legislation, as well as on the Articles of Association and the Governance Manual adopted by the Board of Directors. The main duty of the Board of Directors is to ensure and supervise that the management and Company's operations are properly organised. The Board of Directors is responsible for ensuring that the supervision of the Company's accounting, reporting and ownership of assets is duly arranged. In addition, the Board of Directors decides among others on the strategy of the Company, adopts the Group level strategy as well as decides on the allocation of funds to different business fields. The Board of Directors adopts the business plan and budget and decides on the Group's governance and organizational structure.

The Board of Directors can decide on establishing committees for preparing matters for which the Board of Directors is responsible. In 2024, the Board of Directors had an Audit Committee and a Compensation Committee.

The members of the Board of Directors have a right and an obligation to actively promote the interests of the shareholders and of the company. A member of the Board of Directors does not represent any individual shareholder or group of shareholders, and the member should be independent in relation to competitors and significant contracting parties. The Board of Directors represents the Company.

Audit Committee

The Audit Committee assists the Board of Directors in ensuring that A. Ahlström's accounting and financial management are appropriately supervised and that the Company has appropriate systems in place for risk management and internal control. The Audit Committee oversees the principles used for determining fair value of businesses and that valuations are performed according to the principles and at appropriate intervals. The Audit Committee also oversees the non-financial reporting, for example the CSRD and other sustainability related reporting.

Compensation Committee

The Compensation Committee prepares and evaluates matters and gives advice to the Board of Directors in relation to the remuneration of the CEO and other senior executives, share-based plans and incentive plans, succession planning and retention of

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employees, remuneration policy principles and remuneration competitiveness within companies relevant to the Company.

Supervisory Board

According to the Articles of Association the Supervisory Board consists of a minimum of eight (8) and a maximum of twelve (12) ordinary members. The Supervisory Board shall supervise the Company's administration of which the Board of Directors and CEO are responsible and submit a statement regarding the annual accounts and the auditors' report to the Annual General Meeting. In addition, the Supervisory Board may issue statements and recommendations on its own initiative or on the initiative of the Board of Directors on matters that are of long-lasting and/or fundamental importance to the company, including owners' vision regarding the company's financial and social capital.

A member of the Supervisory Board shall have knowledge about, interest in and time for the affairs of the company and the family, dedicate the time and care required for the successful performance of the task as well as actively pursue and promote the interests of all shareholders, and does not in this capacity represent any individual shareholder or group of shareholders.

Nomination Committees

The Company has two Nomination Committees, the Board of Directors Nomination Committee and the Supervisory Board Nomination Committee.

The members of the Board of Directors Nomination Committee are elected annually by the Supervisory Board by 1 September for a term of office ending on 30 August the following year. The Board of Directors Nomination Committee shall consist of a minimum of five (5) members. The Board of Directors Nomination Committee shall prepare and propose the composition of the Board of Directors to the General Meeting and prepare and propose the remuneration of Board of Directors and its committees.

The Supervisory Board Nomination Committee is elected by the Annual General Meeting for a term of office expiring upon the closing of the next Annual General Meeting following their election. The Supervisory Board Nomination Committee consists of a minimum of five (5) members. The Supervisory Board shall prepare and propose the composition of the Supervisory Board to the General Meeting and prepare and propose the remuneration of the persons elected.

President and CEO

A. Ahlström's President and CEO is appointed by the Board of Directors. The President and CEO organises and manages the Company's and the Group's operations and is responsible for operational administration in compliance with the instructions and decisions of the Board of Directors. The President and CEO supervises, manages and develops the businesses in line with the agreed strategy and allocation.

Personnel and management

At year-end 2024, the company had sixteen employees. They assist the President and CEO, actively monitor, and develop the company's operations and businesses in accordance with the objectives set as well as handle financial and non-financial reporting.

The management also assists the President and CEO in preparing matters to be considered and decided by the Board of Directors.

Salaries and remunerations

The Annual General Meeting decides on the remuneration of the Supervisory Board and the Board of Directors. In accordance with the resolution of the Annual General Meeting of 2024, the Chair of the Board receives an annual remuneration of EUR 125,000, Vice-Chair EUR 52,500 and each member of the Board EUR 42,500. The Chair of the Supervisory Board receives an annual remuneration of EUR 60,000, Vice-Chair EUR 36,000 and each member of the Supervisory Board EUR 24,000.

In addition, all members of the Board of Directors and Supervisory Board residing outside of Finland receive an attendance fee of EUR 1,500 per meeting (not applicable to remote meetings), members residing in Finland a fee of EUR 750 if the meeting is held outside the Helsinki metropolitan areas and EUR 1,500 if the meeting is held abroad.

The Chair of the Audit Committee receives an annual remuneration of EUR 15,000 and other members of the Audit Committee EUR 7,500. The Chair of Compensation Committee receives an annual remuneration of EUR 10,000 and other members of Compensation Committee EUR 5,000.

The Chairs of the Nomination Committees receive a meeting fee EUR 1,000 per meeting, however, up to a total maximum of EUR 8,000 annually and each member of the Committees receives a meeting fee of EUR 500 per meeting, however, up to a total maximum of EUR 4,000 annually.

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The Board of Directors decides on the President and CEO's salary and benefits and confirms the salaries, incentives, and benefits of other members of the senior management. Selected members of the management are entitled to an additional pension scheme. The Company's employees are entitled to incentives according to the Company's incentive policy. Incentives are based on the Company's value development, financial performance and specific individual goals.

Audit

The auditors supply the Company's shareholders with the statutory auditor's report as part of the annual financial statements. They also report on their observations to the Company's Board of Directors.

The Annual General Meeting of 2024 elected KPMG Oy Ab as the company's auditor, with Kim Järvi, Authorised Public Accountant, as the auditor in charge. The Group's auditing fees in 2024 were EUR 558 thousand (551). In addition, the auditor was paid EUR 57 thousand (22) for services not related to the audit.

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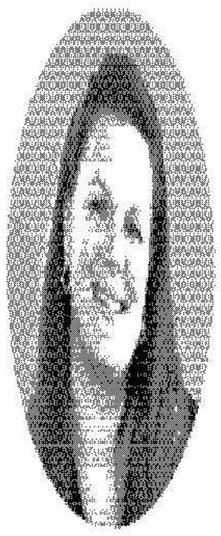
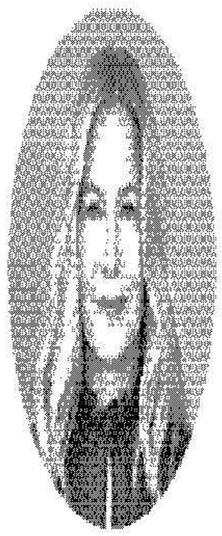


Marion Björkstén

b. 1971, M.Sc. (Econ)
Chair of the Supervisory Board,
12 April 2023-

Current Position
Partner, BB Designs (Oy Studio L&B Ab)

Key positions of trust
Board member, Detection Technology Plc

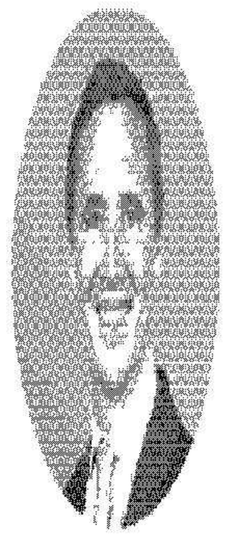


Sara Öhrvall

b. 1971, M.Sc. (Econ.)
Vice Chair of the Supervisory Board,
17 May 2024-

Current Position
Senior Advisor

Key positions of trust
Chair of the Board, SSE Ventures
Board Director, Axfood AB
Board Director, Bonnier Books
Board Director, Investor AB
Board Director, SNS
Practitioner In Residence,
Stockholm School of Economics

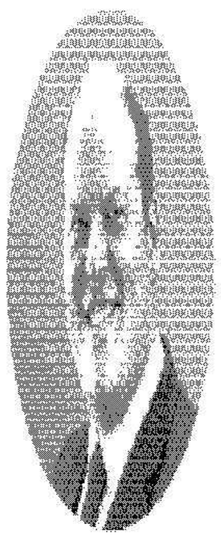


Axel Ahlström

b. 1988, M.Sc. (Econ.), M.Sc. (Eng.)
Member of the Supervisory Board,
12 April 2023-

Current Position
Partner & Co-founder, Kvanted Ventures

Key positions of trust
Board member, Munksjö

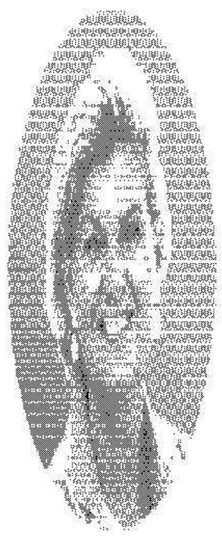


Walter Ahlström

b. 1986, M.Sc. (Econ.)
Member of the Supervisory Board,
12 April 2023-

Current Position
CEO, Titanium Oyj

Key positions of trust
Member of the Supervisory Board,
Ahlström Invest B.V.

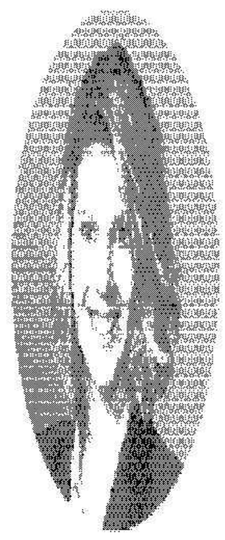


Maria Ahlström-Bondestam

b. 1962, Bachelor of Science in Nursing
Member of the Supervisory Board,
12 April 2023-

Current Position
Co-Founder & Honorary Chair,
Eva Ahlström Foundation

Key positions of trust
Inaugural Chair and member of the UNICEF
International Council



Vera Bäckström

b. 1976, M.Sc. (Genetics), Executive MBA
(Finance & International)
Member of the Supervisory Board,
12 April 2023-

Current Position
Managing Director, Industrial Clients,
Accenture

Key positions of trust
Board member, Directors' Institute Finland

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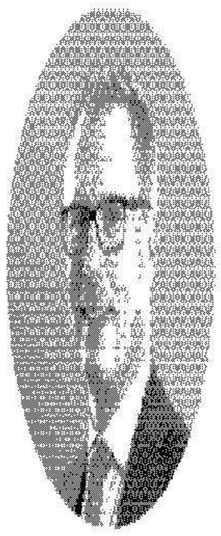
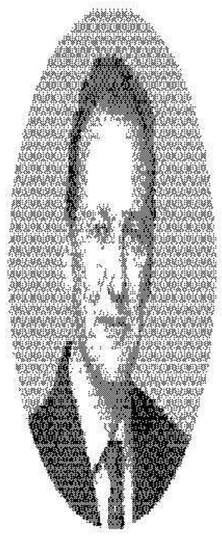


Mats Danielsson

b. 1969, M.Sc. (Econ)
Member of the Supervisory Board,
12 April 2023-
Member of the Board Nomination Committee,
1 September 2023-

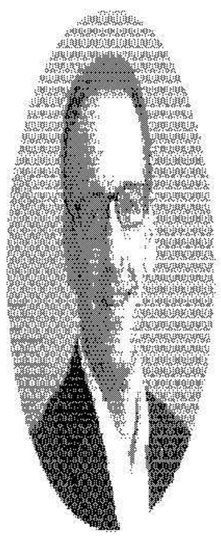
Current Position
Chief Financial Officer, Oriola Corporation



Johannes Gullichsen

b. 1964, B.Sc. (Engineering), MBA (Finance)
Member of the Supervisory Board, 12 April 2023-
Chair of the Board Nomination Committee,
1 September 2023-

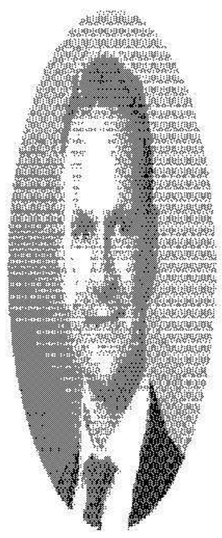
Other key positions of trust
Chair of the Nomination Committee, Ahlström Invest B.V.
Chair, Gullichsen Maatalousyhtymä
Member of two working groups (Influence & Listed companies), at Finnish Family Firms Association



Eduard Paulig

b. 1962, M. Pol. Sc. (Economics)
Member of the Supervisory Board,
12 April 2023-
Member of the Supervisory Board Nomination Committee, 17 May 2024-

Current Position
Executive Chairman of the Board,
Oy The English Tearoom Ab



Niclas Rosenlew

b. 1972, M.Sc. (Finance)
Member of the Supervisory Board,
12 April 2023-

Current Position
Chief Financial Officer, Stora Enso Oyj

Key positions of trust
Chair of the Board, NORDAQ Water Filter Systems AB
Head of Investment Committee,
PINC (Paulig Incubator)
Board member, Fifax Abp
Board member, Stiftelsen för Svenska Teatern
Board member, Stiftelsen Grankulla Samskola

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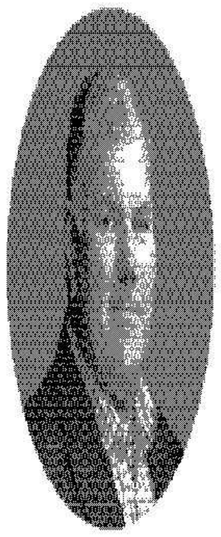
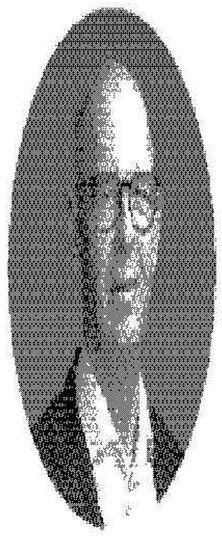


Peter Seligson

b. 1964, Lic. oec. (HSG)
Chair of the Board, 25 November 2022-

Current position
Chair of the Board, A. Ahlström Oy
Head of group strategy of Ahlstrom Capital B.V.

Key positions of trust
Chair of the Board, Baltiska Handels AB
Chair of the Board, Finnforel Oy
Board member, Ahlstrom Oyj

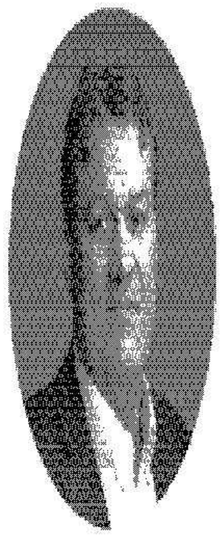


Klaus Cawén

b. 1957, Master of Laws (LL.M)
Vice Chair of the Board, 17 May 2024-
Board member, 25 November 2022-
Member of the Audit Committee,
25 November 2022-

Current position
Executive Advisor, KONE Corporation

Key positions of trust
Vice Chair of the Board, Metso Corporation
Vice Chair of the Board, Sanoma Oyj
Board member, China Office of Finnish Industries Oy
Board member, Toshiba Elevator & Building Systems Corporation
Senior Advisor, DevCo Partners Oy

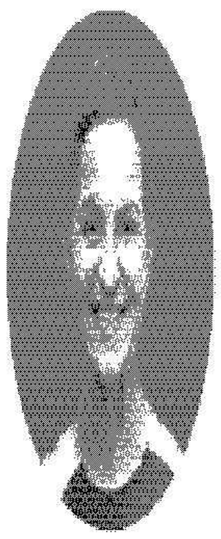


Marcus Ahlström

b. 1982, M.Sc. (Econ.)
Board member, 25 November 2022-
Chair of the Audit Committee,
25 November 2022-

Current position
CEO, SAG Flowmedik Oy

Key positions of trust
Board member, Destia Oy

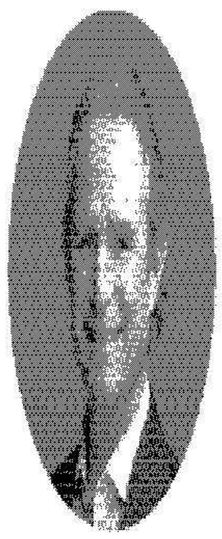


Hannele Arvonen

b. 1966 , M.Sc. (Business Administration),
M.Sc. (Forest Products Marketing),
BA (International Relations, German, Russian)
Board member, 12 April 2023-
Member of the Audit Committee, 17 May 2024-
Member of the Compensation Committee,
12 April 2023 - 17 May 2024

Current position
Executive Director, SIVIPar AB

Key positions of trust
Chair of the Board, Silvestica Green Forest AB
Board member, Nordic Waterproofing AB
Board member, Plantvation AB
Board member, Svensk Husproduktion AB
Board member, Södra Skogsägarna

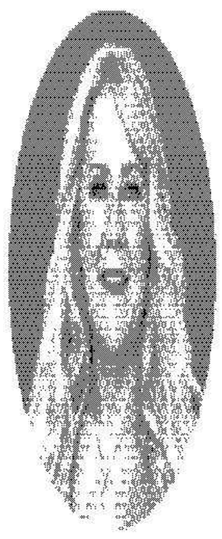


Sebastian Bondestam

b. 1962, M.Sc. Printing Technology
Board member, 25 November 2022-
Member of the Compensation Committee,
25 November 2022-

Current position
Head of Business Unit Infra and member of the Executive Committee, GF Piping Systems

Key positions of trust
Deputy Chair of the Board, Glastion Corporation



Katja Keitaanniemi

b. 1973, Lic.Sc. (Forest Products & Industrial Management)
M.Sc. (Paper Technology & Pulp Technology)
Board member, 17 May 2024-

Current position
CEO, OP Corporate Bank Plc

Key positions of trust
Board member, China Office of Finnish Industries
Board member, Maanpuolustuksen kannatussäätiö
Board member, Pohjola Insurance Ltd

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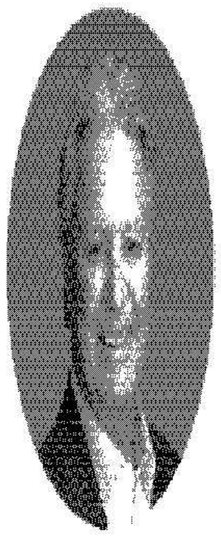
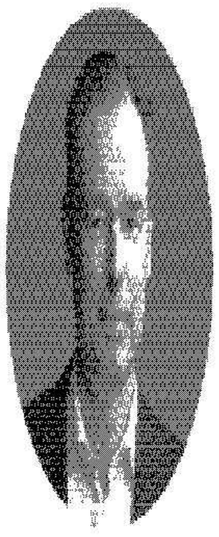


Casper von Koskull

b. 1960, M.Sc. (Econ.)
Board member, 12 April 2021-
Member of the Compensation Committee, 12 April 2021-

Current position
Board professional

Key positions of trust
Chair of the Board, European Business Leaders Convention
Chair of the Board, Oy Karl Fazer Ab
Board Member, Citigroup Inc.
Board member, Montrose Associates
Board Member, Stena Ab



Fredrik Persson

b. 1968, M. Sc. (Econ.)
Board member, 7 April 2016-
Member of the Audit Committee, 15 April 2020-

Current position
President, BusinessEurope

Key positions of trust
Chair of the Board, Ellevio AB
Chair of the Board, JM AB
Board member, Holmen AB
Board member, Hufvudstaden AB
Board member, ICA Gruppen AB
Board member, AB Industrivärden
Board member, Interogo Holding AG

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Jyrki Vainionpää
President and CEO

Maija Joutsenkoski
Investment Director

Juuso Jääskeläinen
Investment Director

Anne Karell
Director, Head of Family Functions

Akseli Komu
Investment Associate

Pasi Koota
Chief Financial Officer

Carla Kruse
Specialist, Administration

Laura Meyer
Manager, Family Functions

Miia Mäkinen
Communications Specialist

Elina Salminen
Executive Assistant to President and CEO

Camilla Sågbom
Director, Sustainability and Communications

Tero Telaranta
Director, Industrial Investments
Senior Advisor
(1.4.2025 onward)

Ville Vastamäki
Treasury Manager

Visa Virintie
Investment Manager

Sandra Wickström
General Counsel

Tom Bakker
Investment Analyst, Ahlstrom Capital B.V.

Sebastian Burmeister
Director, Finance and Investments, Ahlstrom Capital B.V.

Anja van Maarsen
Legal Counsel, Ahlstrom Capital B.V.

Albert van der Zee
General Manager, Ahlstrom Capital B.V

A. Ahlström employees working at the Helsinki office

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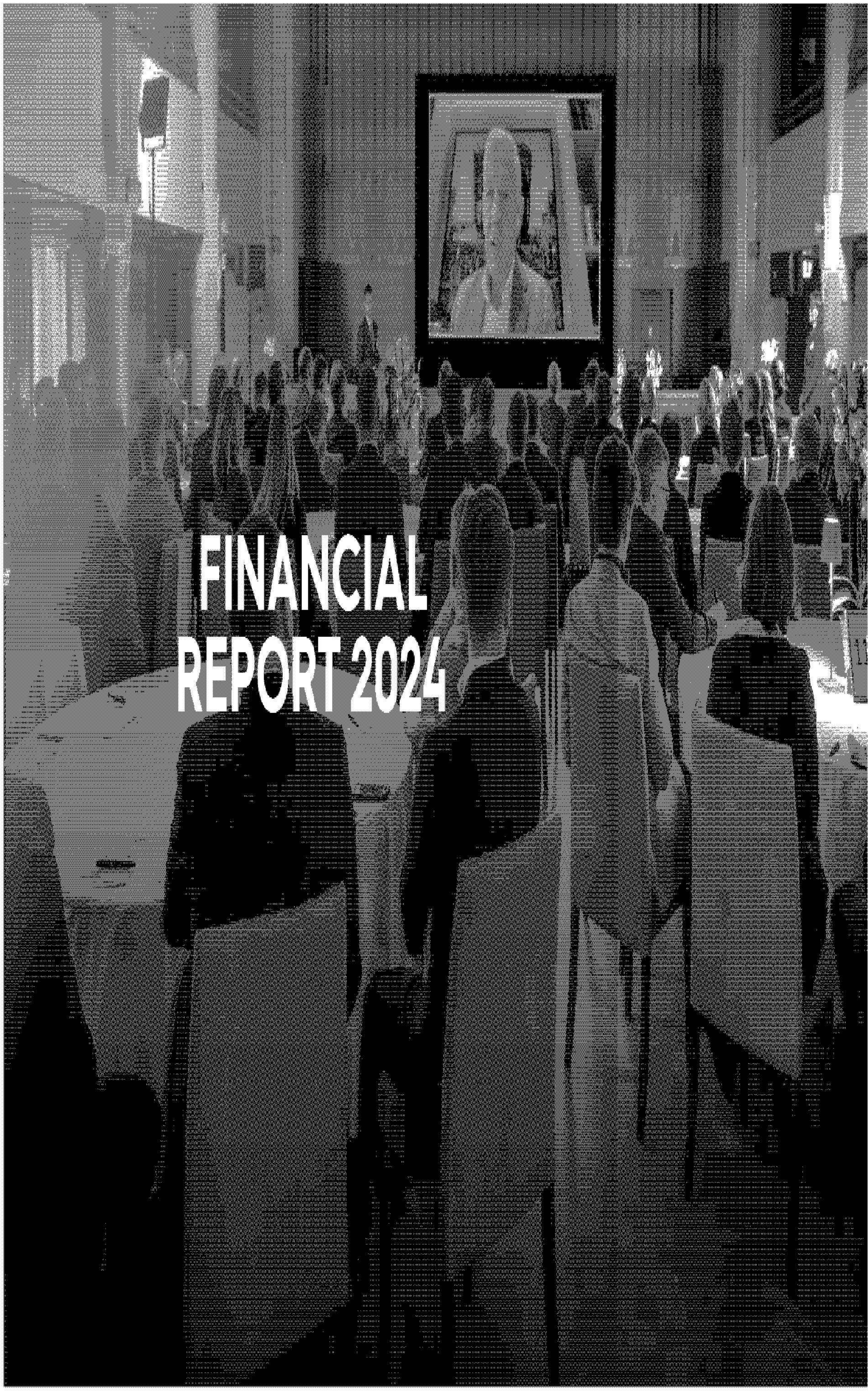

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A. Ahlström Corporation is a long-term industrial owner developing leading global specialist positions in the Forest & Fiber and Environmental Technology sectors. A. Ahlström Corporation also owns real estate and forest assets as well as Ahlström Invest and therethrough indirectly a minority stake in Ahlstrom Oyj and liquid investments. The company's mission is to create a better world for future generations through sustainable value creation.

The company's strategic core is built around industrial companies in the Forest & Fiber and Environmental Technology sectors. In the strategic core sectors A. Ahlström group integrates synergistic businesses into world-leading specialist platforms. By investing in financial assets, real estate, and forest. A. Ahlström group balances the risk and the return of the Ahlström family assets, manages liquidity, and generates stable cash flow.

Operating environment in 2024

Year 2024 was a challenging year for several of A. Ahlström's portfolio companies. As demand remained at low levels in several sectors, the companies continued to focus on cost efficiency and cash flow in the short term, while building up competitiveness in the long term.

In Ahlstrom the net sales were at last year's level, but profitability improved significantly as the improvement actions delivered results. Work continues to make the company ready for the next phase. Munksjö was able to maintain profitability at last year's level despite a drop in net sales. In addition, cash flow developed positively. Both Suominen and BFT had a challenging year. Operational issues impacted Suominen's performance and BFT struggled to increase revenue from higher added value products. The first year of Metsäkonepalvelu in A. Ahlström's ownership was solid and the company is geared for growth.

In M&J Recycling the year was challenging as volumes for capital equipment dropped in several key markets. Orders started to pick up towards the end of the year. Also, in Glaston both the orders received, and net sales declined, but profitability improved. Detection Technology returned to the targeted profitability level in the second half of the year and strong cash flow supported in doubling the dividend. In GPV demand was soft, but the company was able to maintain profitability and cash flow performance was strong.

In real estate the occupancy rates increased, supporting good cash returns. The construction of EriCa Green Chemistry Park progressed on schedule and will be completed in the fall of 2025. Avain Yhtiöt secured plots in the capital area for new development financed through the Housing Finance and Development Centre of Finland (ARA). Forest business had a record year in profit as demand for wood was at high level. Harvesting followed the long-term forest plan where less than annual growth is harvested to grow the biomass volume in our forests.

Financial result

The consolidated revenue of the A. Ahlström group in 2024 was EUR 556.5 million (568.3). The negative change compared to 2023 resulted from lower demand witnessed through the year in Munksjö and M&J Recycling. Metsäkonepalvelu Oy was acquired in December 2023 and revenue was consolidated to the Group from the beginning of 2024. Of the Group's revenue, Munksjö accounted for EUR 441.4 million (472.5), M&J Recycling accounted for EUR 44.7 million (69.5), Metsäkonepalvelu accounted for EUR 39.6 million, the real estate business for EUR 12.7 million (9.5), the forest business for EUR 14.2 million (13.3) and other businesses for EUR 3.9 million (3.4).

A. Ahlström group's share of the results of its associates and joint ventures was EUR 39.4 million (12.0). This consists of shares in the results of Ahlström Invest, Suominen, Detection Technology, Glaston, Avain Yhtiöt, Åbyntien Kiinteistöt Ky, Åbyntie GP Oy, Kiinteistö Oy Espoon Erica, GPV and Bast Fibre Technologies. The return from Ahlström Invest in 2024 was significantly higher than in 2023 due to favorable value development of Ahlstrom and the investment portfolio.

The comprehensive operating profit of the Group amounted to EUR 30.7 million (15.0). Items affecting comparability totaled EUR -30.8 million (-20.0), consisting of changes in the fair value of forest and real estate assets, sales gains, impairment in Munksjö and restructuring costs. The reported operating profit (EBIT) was EUR -0.2 million (-5.0). The return on invested capital was 1.2 per cent (0.3).

Financial income was EUR 21.4 million (9.5). Financial expenses totaled EUR 30.1 million (31.1). The increase in financial income in 2024 is due the valuation of the convertible loan receivable form Ahlström Invest at fair value. A. Ahlström group's profit was EUR -7.0 million (-20.3) and profit attributable to the equity holders of the parent company was EUR 23.0 million (-10.9).

The key performance indicators of A. Ahlström Corporation

EFV (External Fair Value)

The development of the external fair value of the company is one of the most relevant long-term performance indicators. EFV is defined as the aggregate market value of

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the company's assets after deducting its liabilities. When valuing its unlisted holdings, A. Ahlström Corporation evaluates the companies' financial forecasts and follows generally accepted valuation practices, such as the IPEV guidelines. In the assessment of real estate investments, the recommendations of the European Public Real Estate Association (EPRA) are used. Forest holdings are valued in accordance with International Financial Reporting Standards (IFRS). For listed companies, valuation is based on share prices. The company aims to achieve an average annual increase in external fair value of 10-13 per cent overtime.

At year-end 2024, the total external fair value of A. Ahlström Corporation's portfolio was EUR 980.3 million (1,007.3). The value change in 2024 was EUR -27.0 million (-79.8). At the end of 2024, the external fair value of one A. Ahlström Corporation share was EUR 16.67 (17.04).

At the end of the year, Ahlström Invest accounted for 44.5 per cent (38.4) of A. Ahlström Corporation's total external fair value. The Forest & Fiber sector, excluding Ahlstrom common and preferred equity, represented 8.1 per cent (12.5), the Environmental Technology sector 4.1 per cent (5.3), other industrial 17.8 per cent (16.1), real estate 14.3 per cent (14.0), forests 6.9 per cent (5.7) and liquid and other assets including undrawn funds 4.2 per cent (7.9) of the EFV.

Recurring cash flow

The recurring cash flows of A. Ahlström group and A. Ahlström Corporation's activities are indicators of the business performance of the portfolio and the capability for further investments and future dividend distribution to its owners.

In 2024, the total recurring cash sources amounted to EUR 40.2 million (29.7), driven by diverse contributions such as a EUR 10.3 million (9.7) from Ahlström Invest, EUR 8.8 million (8.8) from forest ownership and EUR 10.3 million (7.9) from real estate ownership. The total uses of cash were EUR 48.5 million (56.0), including EUR 23.8 million (28.5) for dividends paid to shareholders, EUR 4.1 million (4.5) for share repurchases and EUR 11.8 million (12.1) for operational costs. The net recurring cash flow for the year was a negative EUR 8.3 million (-26.3).

Based on the Annual General Meeting's decision, A. Ahlström Corporation paid a dividend of EUR 0.40 per share (0.48), totalling EUR 23,778,760.80. The dividend yield was 2.4 per cent (2.8) of the external fair value. In addition, EUR 4.1 million (4.5) was spent on a share repurchase program. A. Ahlstrom Corporation repurchased 299,434 of its own shares during 2024. The purchases were made at a discount from the current fair value of the company's shares.

Financial position and financing

A. Ahlström Corporation's financial position remained stable throughout the year. At the end of the year, the consolidated shareholders' equity was EUR 1,055.8 million (1,066.2). The equity ratio at the end of the year was 61.6 per cent (63.8) and the EFV adjusted net gearing stood at 36.7 per cent (32.2). The company's return on equity (ROE) was 2.2 per cent (-0.9). At the end of December 2024, the interest-bearing liabilities amounted to EUR 431.4 million (412.1) and liquid assets to EUR 71.8 million (88.1). A. Ahlström group's net debt in 2024 was EUR 359.6 million (324).

A. Ahlström Corporation has to a limited extent issued a first demand guarantee as security for certain subsidiaries' credit facilities.

A. Ahlström Corporation has a EUR 200.0 million syndicated secured financing facility, of which a term loan of EUR 100.0 million is in use and an overdraft facility of EUR 13.0 million has been reserved for use. In 2024, a EUR 10.0 million loan was drawn from the facility. The financing agreement is valid until February 2026. There is a group level financial covenant on the facility, which restricts indebtedness to 60 per cent. There are two group level financial covenants on the facility. The first covenant limits the Group's indebtedness to not exceeding 60 per cent. Another covenant limits the loan to a maximum of 95 per cent of the Security Value, which is the total market value of the Security Properties. In addition, A. Ahlström Corporation and A. Ahlström Real Estate Ltd have a joint junior term loan of EUR 38.0 million. The covenants are the same as secured syndicated financing mentioned above.

A. Ahlström Corporation has entered into an interest rate hedge to safeguard long-term financing costs. The nominal value of the hedge is EUR 134.1 million (100.0).

At the end of 2024, the loan to value was 30.3 per cent (27.8).

Changes in shareholder's ownership

A. Ahlström group carried out corporate restructurings with minority shareholders during 2024. In December 2024 Ahlström Acquisition Company acquired 3.5 per cent of Metsäkonepalvelu Oy shares with EUR 1.1 million from a minority shareholder based on agreed option structure. Transaction increased A. Ahlström group shareholding to 88.4 per cent. Munksjö Unterkochen GmbH acquired 40 per cent of its subsidiary shares with EUR 2.9 million from minority shareholders. Transaction increased A. Ahlström group shareholding to 60 per cent.

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Ownerships

Ahlström Invest B.V.
(24.0% shareholding)

Ahlström Invest is a family investment company. Ahlström Invest had a share repurchase program in December 2024 which affected the Ahlstrom Capital B.V.'s shareholding to change from 23.8 per cent to 24.0 per cent.

At the end of 2024, Ahlström Invest's portfolio totaled EUR 1,348.9 million (1,195.9), of which the main items were Ahlstrom corporation with EUR 955.4 million euros (827.5) and the investment portfolio with EUR 493.7 million (442.3). The valuation of Ahlstrom Oyj's common equity increased from EUR 534.9 million to EUR 662.7 million. The value of other investments increased during 2024 by EUR 51.4 million to EUR 493.7 million at the end of 2024.

In 2024, A. Ahlström Corporation's ownership in Ahlström Invest was worth EUR 387.2 million (320.6) and its share of the result EUR 45.8 million (8.0).

Forest & Fiber sector

Munksjö Paper AB
(60.0% shareholding)

A. Ahlström Corporation is the largest owner in the Munksjö Group with a 60.0 per cent shareholding. Ahlstrom Oyj remained as the company's minority owner with a shareholding of approximately 25.0 per cent, and the Swedish investment company Nidoco AB with a holding of approximately 15.0 per cent.

Munksjö Paper AB has an internationally leading position and a broad product portfolio in the decor paper business. The Decor business has been part of the Munksjö brand for over 25 years, and the brand is known for its excellent quality and service throughout the decor paper industry. Decor papers are mainly used in wood-based laminate furniture, floor coverings and other interior decoration and construction applications. The key market areas are Europe, North and South America, China and selected export markets. Production facilities are in Germany (Unterkochen and Dettingen), Spain (Tolosa), France (Arches), Brazil (Caieiras) and China (Xingtai). Munksjö Group has announced that it will sell its subsidiary in China. A.Ahlström group has classified the Chinese company as assets held for sale effective from December 31, 2024.

The revenue in the Munksjö Group was EUR 441.4 million (472.5) and the comparable operating profit was EUR 0.4 million (0.4). Munksjö Group's result was -58.7 million euros (-21.5), and the company's minority shareholding affected the result by EUR -30.0 million (-9.4). The Group has approximately 1,100 employees (1,200).

Metsäkonepalvelu Oy
(88.4% shareholding)

A. Ahlström Corporation is the largest owner of Metsäkonepalvelu, which is the largest provider of timber harvesting services in Finland and also holds a strategic foothold in the Swedish market. Metsäkonepalvelu Group specialises in mechanical timber harvesting services and is a clear market leader in the highly fragmented Nordic markets. Its clientele includes major Nordic Forest companies, private large forest owners, and the public sector. The company's headquarters is in Hämeenlinna, Finland, and its operational area spans Southern and Central Finland, as well as the Eksjö area in Sweden.

Metsäkonepalvelu's minority shareholders are Viisikertaa Ab 10 per cent, roQab Oy 1.05 per cent and Teemu Tolppa 0.54 per cent.

The revenue in the Metsäkonepalvelu Group was EUR 40.9 million and the comparable operating profit was EUR 4.8 million. Metsäkonepalvelu Group's result was 3.4 million euros. The Group has approximately148 employees (137). The company was consolidated into the A. Ahlström group from December 19, 2023. The impact of the 2023 result on A. Ahlström group was EUR -0.01 million due to financial arrangement items.

Suominen
(24.3% shareholding)

Suominen is listed on NASDAQ OMX Helsinki. The market cap of Suominen amounted to EUR 131.6 million (164.4) at year-end 2024.

Suominen's revenue increased by 2.5 per cent from the comparison period to EUR 462.3 million (450.9). The increase in revenue was driven by higher volumes, offset by lower sales prices resulting from lower raw material prices. Currencies impacted revenue negatively by EUR 1.8 million.

Comparable EBITDA was EUR 17.0 million (15.8). EBITDA was EUR 17.2 million (11.2). The main contributor to the improvement was higher sales margins driven by the actions Suominen took in commercial excellence. Currencies impacted EBITDA negatively by EUR 0.8 million. Comparable operating profit amounted to EUR -1.4 million (-2.8). Operating profit amounted to EUR -1.3 million (-7.5). Items affecting comparability of EBITDA and operating profit were EUR 0.2 million (-4.8), related to the closure of Mozzate plant as well as to the restructuring program initiated in May. The profit for the period was EUR -5.3 million (-12.8).

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In 2024, A. Ahlström Corporation's share of Suominen's result was EUR -1.3 million (-3.1).

Bast Fibre Technologies Inc (BFT) (23.3% shareholding)

At the end of 2024, A. Ahlström Corporation holds a 23.3 per cent minority shareholding in Bast Fibre Technologies.

BFT manufactures 100 per cent plant-based natural fibers, which, due to their technical properties and performance, are suitable for many nonwoven products. BFT uses advanced technology in fiber processing to convert raw cotton, hemp and flax fiber into material that meets the exact requirements of the nonwoven industry.

In 2024, Bast Fibre Technology had revenue of USD 14.0 million (13.5) and made an operating loss USD 11.3 million (11.3). The net income and comprehensive loss for the year was USD -7.5 million (-11.3).

The associated company's impact on the result of the A. Ahlström Corporation was EUR -15.9 million (-2.8) including an impairment of EUR -14.6 million in the value of the associated company.

Environmental Technology sector

M&J Recycling (100.0% shareholding)

M&J Recycling is specialised in the design and manufacture of industrial waste shredders to reduce the size of waste materials. The company also offers lifecycle maintenance services and spare parts. The production facility is located in Denmark and the sales offices in various countries serve a comprehensive global network of partners in the recycling industry.

In 2024, M&J's revenue was EUR 44.7 million (69.5). The comprehensive operating profit was EUR -2.5 million (5.0) and operating profit (EBIT) amounted to EUR -3.7 million (3.1). The profit for the period was EUR -3.9 million (1.9).

Other Industrial

GPV Group A/S (20.0% shareholding)

A. Ahlström Corporation has a 20.0 per cent minority shareholding in GPV and the Danish industrial conglomerate Schouw & Co holds 80.0 per cent. GPV Group is engaged in electronic manufacturing services, mechatronics, high precision mechanics and cable harnesses.

Total revenue in 2024 amounted to DKK 8,930.7 million (10,449.8). Operating profit (EBIT) amounted to DKK 309.3 million (430.0). Profit for the year was DKK 32.4 million (165.0).

The associated company's impact on the result of the A. Ahlström Corporation was EUR 0.9 million (4.4).

Detection Technology (36.0% shareholding)

Detection Technology is listed on NASDAQ OMX First North. The market cap of Detection Technology amounted to EUR 224 million (201) at year-end.

The company's total revenue for 2024 increased by 3.6 per cent to EUR 107.5 million (103.8). The operating profit amounted to EUR 14.9 million (8.8), or 13.9 per cent (8.8) of the revenue. Profit for the 2024 financial year was EUR 11.1 million (5.5).

In 2024, A. Ahlström Corporation's share of the result of Detection Technology was EUR 3.8 million (0.9).

Glaston (26.4% shareholding)

Glaston is listed on NASDAQ OMX Helsinki. The company's market value amounted to EUR 65.7 million (61.9) at year-end.

In 2024, Glaston's revenue totaled EUR 217.9 million (219.7). Glaston's comparable EBITA amounted to EUR 15.3 million (14.9). The company's operating result (EBIT) was EUR 5.8 million (8.1). Profit for the 2024 financial year was EUR 2.5 million (5.0).

In 2024, A. Ahlström Corporation's share of the result of Glaston was EUR 0.7 million (1.3).

Diversification assets

Real estate

A. Ahlström group's real estate portfolio consists of the Eteläesplanadi 14 property, as well as office, light industrial, logistics and commercial properties in growth centres. In 2024 the real estate business development projects continued in line with a strategy focusing on quality and active asset management. Additionally, ongoing construction projects progressed, and the maintenance and development of the Noormarkku heritage area continued in accordance with the company's values.

The construction of the EriCa project has progressed on schedule and will be completed in the fall of 2025. Active development of other projects has continued. The property on Sopenkorvenkatu in Lahti was sold to a private investor.

The comprehensive operating profit of the real estate business was EUR 13.7 million (8.9) in 2024. The reported operating profit (EBIT) was EUR 4.6 million (-1.0). Items affecting comparability consisted mainly of changes in the fair values of real estate assets. The share of the results of joint ventures and associated companies was EUR 5.4 million (3.2).

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Forest

The forest business is responsible for the management and logging of the company's forests. A. Ahlström group Forest assets are mainly located in Western Finland in the Satakunta region, and in Central and Eastern Finland. A. Ahlström Corporation has around 36,000 hectares of forest holdings.

In 2024 A. Ahlström Real Estate Ltd purchased 740 hectares of forest and sold 197 hectares of land areas. The prices of pulpwood and energy wood remained at a good level. Although the price of log timber decreased slightly, it remained at a good level throughout the year.

During the year 2024, A. Ahlström Real Estate Ltd delivered a total of 182,300 m³ (185,000) of wood, of which the share of delivery sales was 93 per cent (87). In 2024, the comprehensive operating profit of the forest business totaled EUR 8.7 million (8.2). The reported operating profit (EBIT) was EUR 14.9 million (11.0). Items affecting comparability, totalling EUR 6.3 million (2.7), consisted mainly of an increase in the fair value of forest assets.

Risk management

A. Ahlström Corporation's key risks are related to its ability to create long-term shareholder value growth with steady returns. A diversified and balanced portfolio, consisting of forests, real estate holdings and industrial investments, reduces the overall risks, and is a key component of the company's risk management. As a family-owned company, A. Ahlström Corporation fosters the trust and reputation generated over the decades through good corporate governance principles and processes in all its portfolio companies.

The Board of Directors is the governing body that oversees A. Ahlström Corporation's risk management. The Audit Committee assists the board in ensuring that the company has appropriate systems of risk management and internal control.

A. Ahlström Corporation assesses the company's risk position annually. The company's risk profile is assessed according to risk impact, likelihood, and the current risk management level. In addition, the changes of risk profiles in different identified scenarios are evaluated. Risks that threaten the company's strategic objectives, compliance and sustainability targets are evaluated, and the financial impact of recognised risks is assessed. Based on the evaluation, key actions for risk management and mitigation are identified.

With regards to its portfolio companies, A. Ahlström Corporation participates in, promotes and monitors internal risk management practices in each company through board work. A. Ahlström Corporation gathers information on risks related to portfolio companies and forms a view of their systemic risks.

Research and development

A. Ahlström Corporation's industrial companies have product development and other R&D functions of their own, but there is no such function at the A. Ahlström group level.

Sustainability

A. Ahlström Corporation is committed to the ten principles of the United Nations Global Compact with respect to human rights, labour, the environment and anti-corruption. A report on the company's progress towards implementing the ten principles of the UN Global Compact is published annually on A. Ahlström's website.

The framework for A. Ahlström Corporation's sustainability work is defined in the Sustainability Policy. A. Ahlström believes that sustainability is a prerequisite for creating long-term value. A. Ahlström is committed to promoting sustainable business practices in our portfolio companies and to conducting sustainable asset management of our real estate and forest investments. As an investor, A. Ahlström acknowledges its role to accelerate the green transition, the circular economy and protection of biodiversity. A. Ahlström respects internationally recognized human and labour rights and commits to operating in a manner consistent with internationally proclaimed human rights principles. A. Ahlström expects also the portfolio companies to invest in competence development, promote diversity and inclusion, and to ensure nondiscrimination as well as a safe and healthy work environment.

A. Ahlström Corporation has set up indicators for measuring the development of ESG in the portfolio companies. In 2024, in the annual sustainability reviews with the management of each portfolio company, the development of the ESG KPIs, the targets and the action plans were discussed. Most of the portfolio companies made good progress in the ESG management maturity system, a KPI set up to measure the development and integration of the sustainability work in the companies.

In 2024, A. Ahlström Corporation prepared for the requirements of the upcoming Corporate Sustainability Reporting Directive (CSRD). A. Ahlström will report on its sustainability matters complying with CSRD from financial year 2025 onwards. During 2024 A. Ahlström and its subsidiaries conducted the first double materiality assessments to determine the relevant sustainability topics for the Group. Engaging stakeholders played the key role in

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this process. A. Ahlström also implemented a reporting system for sustainability data consolidation and collection from its own and subsidiaries' operations.

A. Ahlström Corporation in collaboration with Ahlström network companies, foundations, shareholders and employees act together with UNICEF Finland to promote. 2021 established Ahlström Collective Impact (ACI) initiative. ACI made an investment of close to EUR 800,000 in UNICEF's Global Education Program in 2024. UNICEF's global education program provides support for millions of children who need to continue to learn, grow, and develop the skills necessary to thrive in life.

Personnel, administration and auditors

A. Ahlström group had an average of 1,525 employees (1,423) during the financial year. Wages, salaries and fees paid amounted to EUR 109.0 million (101.7). At the end of the year, the parent company's personnel numbered 16 (14).

In 2024, the members of the Board of Directors of A. Ahlström Corporation were Peter Seligson (Chair), Klaus Cawén (Vice Chair since May 17), Kari Kauniskangas (member and Vice Chair until May 17), Casper von Koskull, Katja Keitaanniemi (since May 17), Nelli Paasikivi-Ahlström (until May 17), Fredrik Persson, Marcus Ahlström, Sebastian Bondestam, and Hannele Arvonen. In 2024, the Board convened eleven times.

The auditor was the audit firm KPMG Oy Ab, with Kim Järvi, Authorised Public Accountant, as the auditor in charge.

The governance model of A. Ahlström Corporation also includes a Supervisory Board. The members of the Supervisory Board were: Marion Björkstén (Chair), Sara Öhrvall (member and Vice Chair since May 17), Axel Ahlström, Walter Ahlström, Maria Ahlström-Bondestam, Philip Aminoff (until May 17), Vera Backström, Mats Danielsson, Johannes Gullichsen (Vice Chair until May 17), Eduard Paulig, and Niclas Rosenlew. In 2024, the Supervisory Board convened eight times.

The Board of Directors of A. Ahlström Corporation had two committees, an Audit Committee and a Compensation Committee. The members of the Audit Committee were Marcus Ahlström (Chair), Hannele Arvonen, Nelli Paasikivi-Ahlström (until May 17), Fredrik Persson, and Klaus Cawén. The members of the Compensation Committee were Casper von Koskull (Chair), Sebastian Bondestam, Katja Keitaanniemi, and Peter Seligson. The Audit Committee convened five times and the Compensation Committee two times during 2024.

The composition of the Supervisory Board Nomination Committee was as of Carl Ahlström (Chair), Robin Ahlström, Christina Dahlblom, Susanne Ehrnrooth, and Eduard Paulig. The term of office ends upon the closing of the next Annual General Meeting following their election.

The composition of the Board of Directors Nomination Committee was Johannes Gullichsen (Chair), Mats Danielsson, Kaisa Hietala, Nina Kopola, and Andreas Tallberg. The term of office ends upon the closing of the next Annual General Meeting.

Share repurchase program

On December 31, 2024, A. Ahlström Corporation held 299,424 treasury shares (0.5 per cent) following the share repurchase program. The repurchased shares will be invalidated during the first quarter of 2025 based on the Board of Directors' decision in December 2024.

The Annual General Meeting held on May 17, 2024, resolved to authorize the Board of Directors to decide on the repurchase of a maximum of 400,000 shares. The purchase price is the external fair value of the share at the end of September 2024 with a 12 per cent discount. The authorization is valid until the end of the next Annual General Meeting. The Board of Directors resolved to commence the repurchase program in November 2024 and purchase a maximum of 300,000 shares. The share repurchase program was oversubscribed, and thus 300,000 shares were committed to be acquired for a total value of 4,506,000 EUR.

Shareholders

At the end of 2024, A. Ahlström Corporation had 269 (264) shareholders. No shareholder holds more than 5 per cent of the shares and votes.

Events after the reporting period

A. Ahlström Real Estate Ltd has committed to a new office building project together with a minority shareholder. The building will be located in Pasila, Helsinki and the construction starts in 2025.

Expectations for 2025

The company expects the global market uncertainties to increase, driven by rapid changes in geopolitics impacting global trade. In selected sectors and markets the increases in duties for Chinese imports to Europe will improve the competitiveness of supply from European sources. Interest rates have decreased notably already during the second half of 2024 and the trend is expected to continue in 2025, which will support

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increased activity in capital goods demand and in the real estate sector. The demand and prices for timber are expected to stay at the current level.

Proposal for the distribution of profits

According to A. Ahlström Corporation's dividend policy, the company's target is to pay a steady dividend that increases over time. The Board of Directors proposes that a dividend of EUR 0.40 per share be paid for 2024 in two instalments. The first dividend payment (EUR 0.20 per share) will take place in May 2025 and the second (EUR 0.20 per share) in September 2025.

The Annual General Meeting 2025 will be held on Friday, May 16, 2025 in Noormarkku.

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MEUR	2024	2023	2022	2021[1]	2020[1]
Revenue	556.5	568.3	198.5	31.0	521.5
Comparable operating profit	-8.7	3.0	0.4	-1.6	13.5
Comprehensive operating profit	30.7	15.0	27.7	59.8	38.0
Operating profit (EBIT)	-0.2	-5.0	17.7	199.3	51.3
Profit from continuing operations	-7.0	-20.3	15.2	211.6	35.5
Profit from discontinued operations	0.0	0.0	55.4	117.3	15.5
Profit for the period	-7.0	-20.3	70.6	328.9	51.1

MEUR	31.12.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020
External Fair Value, EFV, EUR million	980.3	1 007.3	1 087.1	1 197.2	1 056.1
Equity ratio	61.6%	63.8%	66.2%	70.5%	59.0%
Net gearing	32.8%	28.6%	20.1%	-3.1%	17.1%
Net gearing, EFV adjusted	36.7%	32.2%	21.9%	-2.8%	12.6%
Return on Capital Employed (ROCE)	1.2%	0.3%	7.5%	33.1%	7.5%
Return on Equity (ROE)	2.2%	-0.9%	7.1%	34.3%	6.7%
Loan-to-value ratio, LTV	30.3%	27.8%	22.3%	12.8%	17.5%
Net debt(+)/Net cash (-), EUR million	359.6	324.0	239.3	-33.8	132.7
Equity per share, EUR[2]	17.95	18.04	18.87	17.70	12.48
External Fair Value per share, EUR[2]	16.67	17.04	18.44	19.24	16.95
Earnings per share, EUR[3]	0.42	-0.18	1.20	5.29	0.82
Dividend per share, EUR[2,3]	0.40	0.40	0.48	0.52	0.48

[1] Restated due to discontinued operations.

[2] 2024 figure is based on proposal by the Board. In addition, it is proposed that a dividend will be paid in two instalments; the first payment of EUR 0,20 per share in May and the second payment of EUR 0,20 per share in September.

[3] The number of shares decreased in December 2020-2024 through share repurchase. Comparative figures have not been restated due to these changes.

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Equity ratio

$$\frac{\text{Total equity}}{\text{Total assets - Advances received}} \times 100$$

Net gearing

$$\frac{\text{Interest bearing liabilities - Cash and cash equivalents}}{\text{Total equity}} \times 100$$

Net gearing, EFV adjusted

$$\frac{\text{Interest bearing liabilities - Cash and cash equivalents}}{\text{External Fair Value}} \times 100$$

Return on Capital Employed

$$\frac{\text{Operating profit + Interest and other financial income}}{\text{Total assets - Non-interest bearing liabilities, on average for fiscal year}} \times 100$$

Return on Equity

$$\frac{\text{Profit for the period}}{\text{Total equity (annual average)}} \times 100$$

Loan-to-value ratio

$$\frac{\text{Loans from financial institutions}}{\text{External Fair Value (adjusted)}} \times 100$$

Net debt

Interest bearing liabilities - Cash and cash equivalents

Equity per share

$$\frac{\text{Equity attributable to equity shareholders of the parent company}}{\text{Number of shares at the end of fiscal year}} \times 100$$

Equity per share

$$\frac{\text{Equity attributable to equity shareholders of the parent company}}{\text{Number of shares at the end of fiscal year}} \times 100$$

External Fair Value per share

$$\frac{\text{External Fair Value}}{\text{Number of shares at the end of fiscal year}} \times 100$$

Earnings per share

$$\frac{\text{Profit for the period attributable to equity holders of the parent company}}{\text{Weighted average number of shares during the fiscal year}} \times 100$$

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MEUR	Note	2024	2023
Revenue	3.1	556.5	568.3
Other operating income	3.2	7.2	9.4
Materials and services	3.3	-354.0	-379.5
Depreciation, amortisation and impairment	4.1, 4.3, 4.4	-70.5	-30.1
Employee benefits	3.7	-109.0	-101.7
Other operating expenses	3.4	-69.6	-83.4
Share in results of associated companies and joint ventures	2.4	39.4	12.0
Operating profit		**-0.2**	**-5.0**
Financial income	3.6	21.4	9.5
Financial expenses	3.6	-30.1	-31.1
Profit before tax		**-8.8**	**-26.6**
Income taxes	7.1	1.8	6.3
Profit for the period		**-7.0**	**-20.3**
Profit for the period attributable to:			
Equity holders of the parent company		23.0	-10.9
Non-controlling interests		-30.0	-9.4
		-7.0	**-20.3**

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MEUR	Note	2024	2023
Profit for the period		**-7.0**	**-20.3**
Other comprehensive income			
Items that will not be reclassified subsequently to statement of income			
Remeasurement of defined benefit plans	3.8	0.0	0.0
Related tax	3.8	0.0	0.0
Share of other comprehensive income of associates	2.4	-0.2	0.0
		-0.3	-0.1
Items that may be reclassified subsequently to statement of income			
Exchange differences on translation of foreign operations		-9.0	3.2
Hedges - net change in fair value	6.3	-1.6	-7.1
Share of other comprehensive income of associates	2.4	0.8	-4.7
Reclassification of OCI of associate	2.4		0.1
		-9.8	-8.5
Other comprehensive income for the period, net of tax	6.2	**-10.0**	**-8.6**
Total comprehensive income for the period, net of tax		**-17.0**	**-28.9**
Total comprehensive income attributable to:			
Equity holders of the parent company		16.0	-20.5
Non-controlling interests		-33.0	-8.4
		-17.0	**-28.9**

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MEUR	Note	December 31, 2024	December 31, 2023
Assets			
Non-current assets			
Goodwill	4.1, 4.2	34.7	34.7
Intangible assets	4.1	63.9	86.7
Property, plant and equipment	4.3	229.0	239.4
Investment properties	4.5	184.7	192.9
Biological assets	4.6	186.2	176.9
Investments in associates and joint ventures	2.4	653.2	619.1
Non-current financial assets	6.4	22.6	131.5
Deferred tax assets	7.2	20.3	16.4
		1,394.7	**1,497.5**
Current assets			
Inventories	5.1	85.5	89.2
Trade and other receivables	3.1, 5.2	195.6	97.8
Current tax receivable		3.0	2.9
Other current financial assets	5.3	4.8	0.0
Cash and cash equivalents	5.3	67.0	88.1
		355.9	**278.0**
Assets held for sale	2.3	25.6	0.0
Total assets		**1,776.2**	**1,775.5**

MEUR	Note	December 31, 2024	December 31, 2023
Equity and liabilities			
Equity attributable to equity holders of the parent	6.2		
Share capital		39.0	39.0
Share premium		12.8	12.8
Reserve for invested non-restricted equity		111.5	111.5
Treasury shares		-4.6	-5.2
Reserves		9.0	12.6
Foreign currency translation reserve		-0.1	2.5
Retained earnings		888.2	893.2
		1,055.8	**1,066.3**
Non-controlling interests		38.5	66.0
Total equity		**1,094.3**	**1,132.3**
Non-current liabilities			
Interest-bearing loans and borrowings	6.4	388.7	381.0
Net employee defined benefit liabilities	3.8	9.1	9.7
Provisions	5.4	9.2	2.5
Deferred tax liabilities	7.2	67.0	73.4
Other liabilities	6.4	8.2	7.4
		482.3	**474.0**
Current liabilities			
Interest-bearing loans and borrowings	6.4	42.7	31.0
Trade and other payables	5.5	139.4	132.5
Provisions	5.4	4.5	3.0
Current tax liability		0.6	2.6
		187.1	**169.2**
		669.4	**643.2**
Liabilities of a disposal group held for sale	2.3	12.5	
Total liabilities		**681.9**	**643.2**
Total equity and liabilities		**1,776.2**	**1,775.5**

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		Equity attributable to owners of the parent company											
MEUR	Note	Share capital	Share premium	Reserve for invested non-restricted equity	Treasury shares	Fair value reserve	Hedging reserve	Legal reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Equity January 1, 2024		**39.0**	**12.8**	**111.5**	**-5.2**	**0.2**	**12.5**	**0.0**	**2.5**	**893.1**	**1,066.2**	**66.0**	**1,132.3**
Profit for the period										23.0	**23.0**	-29.5	**-6.4**
Other comprehensive income	2.1, 6.2					-0.2	-3.4		-2.6	-0.4	**-6.5**	-3.5	**-10.0**
Total comprehensive income						**-0.2**	**-3.4**		**-2.6**	**22.7**	**16.5**	**-33.0**	**-16.5**
Transactions with owners and non-controlling interests													
Issue of share capital	6.2		0.0								**0.0**	8.0	**8.0**
Acquisition of treasury shares	6.2				-4.6						**-4.6**		**-4.6**
Invalidation of treasury shares	6.2				5.2					-5.2	**0.0**		**0.0**
Dividends paid										-23.7	**-23.7**	-0.4	**-24.1**
Reclassifications	6.2										**0.0**		**0.0**
Share of direct equity entries in associates and joint ventures	6.2									0.6	**0.6**		**0.6**
Other changes	6.2	0.0	0.0							0.6	**0.6**	0.5	**1.1**
Change in non-controlling interests											**0.0**	**-2.6**	**-2.6**
Total transactions with owners and non-controlling interests		**0.0**	**0.0**	**0.0**	**0.7**	**0.0**	**0.0**	**0.0**	**0.0**	**-27.7**	**-27.0**	**5.5**	**-21.5**
Equity December 31, 2024		**39.0**	**12.8**	**111.5**	**-4.6**	**0.0**	**9.1**	**0.0**	**-0.1**	**888.1**	**1,055.8**	**38.5**	**1,094.3**
Equity January 1, 2023		**38.8**	**12.8**	**104.3**	**-53.0**	**0.0**	**18.1**	**0.0**	**3.0**	**988.2**	**1,112.2**	**7.2**	**1,183.7**
Profit for the period										-10.9	**-10.9**	-10	**-20.6**
Other comprehensive income	2.1, 6.2					0.1	-9.5		-0.5	0.0	**-9.9**	1	**-8.6**
Total comprehensive income						**0.1**	**-9.5**		**-0.5**	**-10.8**	**-20.8**	**-8.4**	**-29.2**
Transactions with owners and non-controlling interests													
Issue of share capital	6.2			7.2							**7.2**	4.0	**11.2**
Acquisition of treasury shares	6.2				-4.5						**-4.5**		**-4.5**
Invalidation of treasury shares	6.2				52.3					-52.3	**0.0**		**0.0**
Dividends paid										-28.6	**-28.6**	-0.4	**-28.9**
Reclassifications	6.2	0.0	0.0				3.9			-3.9	**0.0**	-1.4	**-1.4**
Share of direct equity entries in associates and joint ventures	6.2									-0.1	**-0.1**		**-0.1**
Other changes	6.2	0.2	0.0							0.6	**0.8**	0.6	**1.5**
Change in non-controlling interests													
Total transactions with owners and non-controlling interests		**0.2**	**0.0**	**7.2**	**47.8**	**0.0**	**3.9**	**0.0**	**0.0**	**-84.3**	**-25.2**	**2.9**	**-22.3**
Equity December 31, 2023		**39.0**	**12.8**	**111.5**	**-5.2**	**0.2**	**12.5**	**0.0**	**2.5**	**893.1**	**1,066.2**	**66.0**	**1,132.3**

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MEUR	Note	2024	2023
Operating activities			
Profit for the period		-7.0	-20.3
Adjustments to reconcile profit to net cash flows			
Depreciation, amortisation and impairment		70.5	30.1
Gains and losses on disposal of intangible and tangible assets and other non-current assets		-1.0	-0.8
Share in results of associated companies and joint ventures		-39.4	-12.0
Unrealised foreign exchange gains and losses		1.2	-0.5
Change in fair value of investment properties and biological assets	4.5, 4.6	8.0	12.8
Other non-cash items	3.2	-5.4	-5.2
Financial income and expenses	3.6	8.0	22.2
Income taxes	7.1	-1.8	-6.3
Other adjustments		-14.6	-1.0
Change in working capital			
Change in inventories		3.7	33.3
Change in trade and other receivables		23.1	28.8
Change in trade and other payables		4.4	-27.2
Change in provisions		7.1	-2.3
Interest paid		-20.4	-21.1
Dividends received		7.7	12.3
Interest received		8.4	7.1
Other financing items		-1.4	-13.3
Income taxes paid		-10.8	-1.4
Net cash flows from operating activities		**40.4**	**35.1**

MEUR	Note	2024	2023
Investing activities			
Acquisition of subsidiaries, net of cash acquired	2.2	0.0	-29.6
Disposal of subsidiaries, net of cash disposed of	2.3	0.0	0.0
Investment in associated companies and joint ventures	2.4	-4.4	-13.1
Proceeds from associated companies		0.0	4.9
Purchase of financial investments		-0.1	-1.0
Proceeds from financial investments		4.0	0.0
Investments in tangible and intangible assets	4.1, 4.3	-57.5	-45.3
Disposal of tangible and intangible assets		8.2	0.5
Loans granted		-1.0	0.0
Repayment of loan receivables	6.4	0.0	0.0
Net cash flows from investing activities		**-58.8**	**-84.6**
Financing activities			
Proceeds received from share issues	7.3	0.0	7.4
Loan withdrawals, non-current	6.4	32.8	69.2
Loan repayments, non-current	6.4	-3.3	-1.0
Loan withdrawals, current	6.4	1.2	1.9
Loan repayments, current	6.4	-3.2	-17.3
Purchase of treasury shares		-4.6	-4.5
Capital investment by non-controlling interests		5.4	4.0
Acquisition of non-controlling interests		0.0	0.0
Payment of lease liabilities	4.4	-2.0	-1.8
Dividends paid	6.2	-24.4	-28.5
Net cash flows from financing activities		**2.0**	**29.2**
Net change in cash and cash equivalents		**-16.3**	**-20.3**
Cash and cash equivalents on January 1		88.1	108.3
Net foreign exchange difference		0.0	0.0
Cash and cash equivalents on December 31		**71.8**	**88.1**

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1.1 Corporate information

A. Ahlström Corporation is a family-owned industrial owner, founded in 2001, with core investments in the global space of forest and fiber technologies. The company creates long-term shareholder value by active business development also in the domains of environmental technologies, real estate and financial investments. Companies consolidated as subsidiaries and referred to as portfolio companies, operate as independent subgroups. A. Ahlström Corporation is an active and responsible owner who develops the portfolio companies to create long-term shareholder value (see Note 6.1). A. Ahlström Corporation is domiciled in Helsinki (Finland). The registered address is Eteläesplanadi 14, 00130 Helsinki.

The consolidated financial statements of A. Ahlström Corporation (parent company) and its subsidiaries, associates and joint ventures (collectively, A. Ahlström group) for the year ended December 31, 2024 were authorised for issue in accordance with a resolution of the Board of Directors on April 10, 2025. Under the Finnish Limited Liability Companies Act, shareholders may approve or reject the financial statements at the General Meeting held following their publication. The General Meeting may also take the decision to amend the financial statements.

The consolidated financial statements are available at www.ahlstrom.com and at the parent company's head office at Eteläesplanadi 14, 00130 Helsinki.

Information on the Group's structure is provided in Note 2.1.

1.2 Basis of preparation

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) by applying IAS and IFRS standards effective on December 31, 2024 and their SIC and IFRIC interpretations. International Financial Reporting Standards refer to the standards, and their interpretations, approved for application in the EU in accordance with the procedures stipulated in the EU's regulation (EC) No. 1606/2002 and embodied in Finnish accounting legislation and the statutes enacted under it. The notes to the consolidated financial statements also comply with the Finnish accounting and corporate legislation.

The consolidated financial statements have been prepared on a historical cost basis, except for the following items that have been measured at fair value: investment properties, biological assets, derivative financial instruments, financial assets and liabilities recognised at fair value through profit or loss and contingent considerations related to acquisitions. The Group's consolidated financial statements are prepared in euro (EUR), which is also the parent company's functional currency. All amounts are presented in millions of euros (MEUR), except when otherwise indicated.

The notes to the consolidated financial statements are grouped into sections according to the topic. The general basis of preparation of the consolidated financial statements is described as part of this section. The accounting principles that are closely related to a specific note are presented as part of that note.

Current versus non-current classification

In the consolidated financial statements, assets and liabilities are classified applying the current/non-current distinction. Generally, an asset is classified as current when the asset is expected to be realised within twelve months after the reporting period. Other assets are classified as non-current.

A liability is classified generally as current when it matures for repayment within twelve months after the reporting period or when the group does not have a right to defer settlement of the liability exists for at least twelve months after the reporting period. Other liabilities are classified as non-current.

The fair values of derivative financial instruments not included in hedge accounting are presented as current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Translation of foreign currency items

Functional currency and presentation currency

Items included in the Group companies' financial statements are measured in the currency of the economic environment in which the company principally operates (functional currency). The consolidated financial statements are presented in euros, which is the functional and presentation currency of A. Ahlström Corporation.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rate that was valid on the date of the transaction. Foreign currency receivables and liabilities are translated into the functional currency using the exchange rate that was valid on the balance sheet date.

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Exchange rate gains and losses arising from foreign currency transactions and the translation of monetary receivables and liabilities are generally recognised through profit or loss. They are recognised in equity if the items are included in a net investment made in a foreign unit. Exchange rate gains and losses related to normal business operations are presented in the relevant items above the operating profit in the income statement. Exchange rate gains and losses related to financial items are presented in financial expenses in the income statement.

Group companies

The income statements of Group companies whose functional currency is different from the presentation currency are translated into euros using the average exchange rate for the period. Their balance sheets are translated using the exchange rate that was valid on the balance sheet. All exchange rate differences arising from the translation of the result and the balance sheet are recognised in other comprehensive income.

Exchange rate differences arising from net investments made in foreign units are recognised in other comprehensive income when preparing the consolidated financial statements. When a foreign operation is disposal, the related exchange rate differences are transferred to gains or losses on sale.

1.3 Significant accounting judgements, estimates and assumptions

The preparation of the A. Ahlström group's consolidated financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the A. Ahlström group's accounting policies, the management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described further in these financial statements. A. Ahlström group bases its assumptions and estimates on information available when the consolidated financial statements are prepared. Existing circumstances and assumptions about future developments, however, may later change due to market changes or circumstances arising beyond the control of the A. Ahlström group. Such changes in estimates and assumptions are accounted for in the financial year in which they occur.

The areas, where judgements, assumptions, and estimates are most significant to A. Ahlström group and which may affect the financial statements if changed, are presented below and described in accompanying notes:

Note		Key estimates and decisions based on judgement
3.8	Pension plans	The cost of defined pension plans and the present value of the pension obligation
7.1 and 7.2	Current taxes and deferred taxes	Recognition of income taxes and recognition of deferred tax assets from tax losses
4.1	Intangible assets	Impairment testing
4.2	Goodwill	Impairment testing
4.5	Investment properties	Investment properties valuation
4.6	Biological assets	Biological assets valuation
4.4	Leases	Determining the discount rate for the lease liability
2.4	Investments in associated companies and joint ventures	Impairment testing, judgements and estimates of the control and significant influence
6.4	Financial assets and liabilities	Valuation of financial assets and liabilities at fair value

Segment information

a) External Fair Value (EFV) of the share

The primary objective of the A. Ahlström group's capital management is to maximise the shareholder value, meaning the External Fair Value of the share. The External Fair Value (EFV) of the share represents the expected market value of the asset in question that would be received in an orderly transaction between market participants, subtracting assumed transaction costs and other related liabilities. In effect, this means that the EFV of A. Ahlström Corporation's share is the sum of the EFVs of the underlying net assets within A. Ahlström group. In order to determine the EFV of A. Ahlström Corporation's share, the EFV of the underlying assets is appraised at each reporting date. See capital management in Note 6.1 for more information.

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b) Loan-to-value ratio (LTV)

The Loan-to-value ratio (LTV) measures the relationship between indebtedness and the fair value of the assets, to which loans and other liability adjustments, such as deferred tax liabilities, non-controlling interest and other relevant adjustments that have been applied to the EFV, have been returned. LTV ratio is appraised at each reporting date. The LTV ratio is also used as a financial covenant between A. Ahlström group and financial institutions.

c) Comparable Operating Profit

Comparable operating profit is the reported operating profit (EBIT) excluding the share of results from associated companies and adjusted for the impact of non-operational items that are considered to affect comparability between reporting periods. These adjustments consist of, among others, gains and losses on disposal, changes in fair value of investment properties and biological assets, provisions and reversal of provisions related to disposal and restructuring costs.

d) Comprehensive operating profit - COP

Comprehensive operating profit is the reported operating profit (EBIT) adjusted for the impact of non-operational items that are considered to affect comparability between reporting periods. It includes both Comparable operating profit and also A. Ahlström Corporation's share of associated companies' and joint ventures' profit for the period.

e) Total return

Total return represents the change in the External Fair Value (EFV) of the asset and its income to A. Ahlström. In industrial assets and associated Real Estate companies, the income is the dividend or capital return received. In Real Estate and Forest assets, the income is the Net Operating Income (NOI) generated. If new investments are made into the asset during the period, it is deducted from the income.

1.4 New and amended IFRS standards

New and amended standards or interpretations of financial statement presentation and annual improvements to IFRS standards that come into effect on or after January 1, 2024 are evaluated in A. Ahlström group. These standards and interpretations are adopted if they are applicable to the group. IFRS 18 standard (effective for financial periods starting on or after 1.1.2027) is expected to impact the presentation of the group's financial statement. Other new and amended standards or interpretations have no impact on the consolidated financial statements.

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2.1 Group structure

Information about subsidiaries, associated companies, and joint ventures

The consolidated financial statements include:

Subsidiaries	Country of incorporation	Activities	% equity interest 2024	% equity interest 2023
A. Ahlström Kiinteistöt Oy	Finland	Real Estate	100	100
Keskinäinen Kiinteistöosakeyhtiö Uudenmaankatu 24	Finland	Real Estate	100	100
HH Holding Oy	Finland	Holding	100	100
Kiinteistö Oy Hankasuontie 11A	Finland	Real Estate	100	100
A. Ahlström Asunnot Oy	Finland	Real Estate	100	100
Rakennus Oy Kivipalatsi	Finland	Real Estate	100	100
Kiinteistö Oy Lahden Kulmala	Finland	Real Estate	100	100
Ratapihankatu Holding Oy	Finland	Holding	100	100
Kiinteistö Oy Tampereen Ratapihankatu 21	Finland	Real Estate	100	100
Kiinteistö Oy Tampereen Ratapihankatu 33	Finland	Real Estate	100	100
Kiinteistö Oy Tampereen Vellamonkatu 2	Finland	Real Estate	100	100
Eura Solar Oy	Finland	Holding	100	100
Ahlström Konsernipalvelut Oy	Finland	Holding	100	100
AC Cleantech Management Oy	Finland	Holding	100	100
AC Cleantech Growth Fund I Holding AB	Sweden	Holding	100	100
Ahlstrom Capital B.V.	Netherlands	Holding	100	100
AC Invest Nine B.V.	Netherlands	Holding	100	100
M&J Management Holding ApS	Denmark	Holding	85.7	74
M&J Recycling Group ApS	Denmark	(Recycling) Holding	97.35	97.35
M&J Denmark A/S	Denmark	Production and sales	97.35	97.35
M&J Germany GmbH	Germany	Production and sales	97.35	97.35
M&J Technology Environmental Equipment (Shanghai) Co., Ltd	China	Production and sales	97.35	97.35
M&J USA Inc.	United States	Production and sales	97.35	97.35
M&J Denmark Properties A/S	Denmark	Production and sales	97.35	97.35
Munksjö Paper ManCo AB	Sweden	Holding	100	-
Munksjö Paper Holding AB	Sweden	(Decor) Holding	60	60
Munksjö Paper AB	Sweden	Holding	60	60
Munksjö Germany Holding GmbH	Germany	Holding	60	60
Munksjö Unterkochen GmbH	Germany	Production and sales	60	60
Kraftwerksgesellschaft Unterkochen GmbH	Germany	Production and sales	60	36
Munksjö Dettingen GmbH	Germany	Production and sales	60	60
Hebei Minglian New Materials Technology Co., Ltd	China	Production and sales	36	36
Munksjo Spain Holding, S.L.U	Spain	Holding	60	60
Munksjo Tolosa S.A.U.	Spain	Production and sales	60	60
Munksjö Caieiras Ltda	Brazil	Production and sales	60	60
Munksjö Arches SAS	France	Production and sales	60	60
Munksjo USA Inc.	United States	Production and sales	60	60
DutchCo Alpha Holding B.V.	Netherlands	Holding	100	100
AC Bucharest Real Estate Holding B.V.	Netherlands	Holding	100	100
BDY Invest S.R.L.	Romania	Real Estate	100	100
Ahlström Acquisition Company Oy	Finland	Holding	100	100
Metsäkonepalvelu Oy*	Finland	Production and sales	88.4	84.88
MKP Sverige AB*	Sweden	Production and sales	88.4	84.88

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			% equity interest	
Associated companies	**Country**	**Activities**	**2024**	**2023**
Detection Technology Plc	Finland	Production and sales	36.0	36.0
Glaston Corporation	Finland	Production and sales	26.4	26.4
Suominen Corporation	Finland	Production and sales	24.3	24.0
Ahlström Invest B.V.	Netherlands	Holding	24.0	23.8
Avain Yhtiöt Oy	Finland	Holding	30.2	30.2
Avain Asumisoikeus Holding Oy	Finland	Holding	30.2	30.2
GPV Group A/S	Denmark	Production and sales	20.0	20.0
Bast Fibre Technologies	Canada	Production and sales	23.3	24.4
Joint ventures				
Åbyntie Gp Oy	Finland	Holding	50.0	50
Åbyntien Kiinteistöt Ky	Finland	Holding	50.0	50
Kiinteistö Oy Espoon Erica	Finland	Real Estate	40.5	40.5
Divestments, liquidations, mergers				
AC Cleantech Growth Fund I Ky	Finland	Holding	Liquidated	
Kasarmi Real Estate Holding B.V.	Netherlands	Holding	Liquidated	
DutchCo Epsilon Holding B.V.	Netherlands	Holding	Liquidated	

* Metsäkonepalvelu has been fully consolidated into the A. Ahlström group. A. Ahlström Corporation has an option to acquire minority shares, which has been recorded as a liability.

A. Ahlström group includes subsidiaries in which there are non-controlling interests. A material non-controlling interest of 40% (40) is in Munksjö Paper Holding AB and its subsidiaries.

Munksjö offers decor papers which are primarily used as the decorative surface material. Key markets are Europe, North and South America, China and selected export markets. Munksjö Group has around 1,100 employees.

The following are Munksjö Group's figures for the reporting period. There were no acquisitions which impacted the equity attributable to A. Ahlström Corporation's equity holders during the reporting period.

	Munksjö group	
MEUR	**2024**	**2023**
NCI percentage	40%	40%
Non-current assets	249.5	274.5
Current assets	182.5	198.6
Non-current liabilities	-231.9	219.5
Current liabilities	-137.7	-129.2
Net assets	**62.4**	**124.4**
Net assets attributable on NCI	**25.0**	**49.8**
Revenue	441.4	472.5
Profit	-58.7	-21.5
OCI	-8.8	3.3
Total comprehensive income	**-67.5**	**-18.2**
Profit allocated to NCI	-23.5	-8.6
OCI allocated to NCI	-3.5	1.3
Cash flows from operating activities	14.3	29.1
Cash flows from investment activities	-38.1	-21.0
Cash flows financing activities	31.9	-6.0
Net increase/decrease in cash ans cash equivalents	**8.1**	**2.1**

Munksjö's subgroup has a non-controlling interest of 40% in the Chinese subsidiary on December 31, 2024. During the financial year Munksjö acquired the entire NCI on 40 per cent from its German subsidiary Kraftwerksgesellschaft Unterkochen GmbH for EUR 2.6 million. The share of the profit for the financial year allocated to Munksjö's NCI was EUR 10.9 million and of the net assets EUR 13.8 million. Munksjö paid a dividend EUR 0.3 million to its NCI during the financial year.

Accounting policies

Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries as per December 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The control is usually formed when an entity holds 50% or more of the voting rights. Specifically, the Group controls an investee if and only if the Group has:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

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The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated statement of income and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the control is lost, the possible remaining ownership share is measured at fair value and the resulting gain or loss is recognized in the statement of income.

2.2 Acquisitions

In December 2024 Ahlström Acquisition Company Oy acquired 3.5 per cent of Metsäkonepalvelu Oy shares with EUR 1.08 million from a minority shareholder based on agreed option structure. Transaction increased A. Ahlström group shareholding to 88.4 per cent.

During 2024 Munksjö Unterkochen GmbH acquired 40 per cent of Kraftwerksgesellschaft Unterkochen GmbH shares with EUR 2.9 million from minority shareholders. Transaction increased A. Ahlström group shareholding to 60%.

Investments in associated companies and in real estate joint ventures in 2024 are presented in Note 24.

In 2023 Ahlström completed the following transactions:

On December 19, 2023, A. Ahlström Corporation acquired 84.88% shareholding of Metsäkonepalvelu Oy. The acquisition is a good addition to A. Ahlström Corporation's strategic core sector built around forest and fiber companies. Metsäkonepalvelu is the largest harvesting services platform in Finland and also has a strategic foothold in the Swedish market.

The total consideration of the acquisition was EUR 32.05 million. 25.7 MEUR was paid in cash. 6.35 MEUR have been presented as liability.

Assets acquired and liabilities assumed in 2023

The fair values of the identifiable assets and liabilities at the date of acquisition were:

FAIR VALUE RECOGNISED ON ACQUISITION

MEUR	Metsäkonepalvelu Group
Assets	
Other intangible assets	10.1
Property, plant and equipment	28.2
Investment properties	0.0
Biological assets	0.4
Investments in associates	0.0
Non-current financial assets	0.0
Deferred tax assets	0.0
Inventories	0.1
Trade and other receivables	5.2
Tax receivable, income tax	0.0
Cash and cash equivalents	3.5
	47.6
Liabilities	
Interest-bearing loans and borrowings	9.7
Net employee defined benefit liabilities	0.0
Provisions	0.0
Deferred tax liabilities	4.0
Other liabilities	0.0
Trade and other payables	6.9
Current tax liability	0.3
	20.9
Total identifiable net assets at fair value	**26.7**
Non-controlling interest measured at fair value	6.4
Goodwill arising on acquisition	5.4
Purchased equity	26.7
Purchase consideration transferred	**38.4**

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Accounting policies

Business combinations are accounted for using the acquisition method. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. The cost of an acquisition is the aggregate of the consideration transferred at the fair value of the acquisition date and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and valuation in accordance with the contractual terms, economic circumstances and pertinent conditions as per the acquisition date. If the business combination is achieved in stages, the previously held equity interest is remeasured at the fair value of its acquisition date and any resulting gain or loss is recognised in the statement of income.

Any contingent consideration (additional purchase price) related to the combination of businesses is measured at fair value on the date of acquisition. It is classified either as a liability or equity. Contingent consideration classified as a liability is measured at fair value on the reporting date, and the resulting loss or gain is recognised in income statement. Contingent consideration classified as equity is not remeasured.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed.

Significant accounting judgements, estimates and assumptions

In business combinations certain estimates and assumptions are needed to measure all acquired assets and liabilities at their fair values at the acquisition date. Generally, the valuation is conducted based on expected future cash flows of the acquired assets and liabilities during their useful lives. For significant acquisitions, the measurement is carried out with assistance from independent external assessor.

ASSETS AND LIABILITIES OF SUBSIDIARY HELD FOR SALE

MEUR	December 31, 2024
Non-current assets	25.4
Inventories	6.8
Other receivables	9.0
Cash and cash equivalents	5.9
Assets held for sale	47.1
Write-down of assets	-21.5
Net for assets held for sale	**25.6**
Financial liabilities	-7.9
Trade payables and other liabilities	-4.6
Liabilities directly attributable to assets held for sale	-12.5
Net assets	**13.1**

The write-down of assets is recognised in the statement of income as depreciation, amortisation and impairment.

Accounting policies

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Classification as held for sale requires that the following criteria are met: the sale is highly probable, the asset is available for immediate sale in its present condition subject to usual and customary terms, the management is committed to the sale and the sale is expected to be completed within one year from the date of classification.

Such assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held for sale distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

2.3 Assets and liabilities held for sale

Munksjö Germany Holding GmbH, a company of the Munksjö subgroup of the A. Ahlström group, has announced that it will sell its subsidiary Hebei Minglian New Materials Technology Co., Ltd in China. A. Ahlström group has classified the Chinese company as assets held for sale effective from December 31, 2024. The deal is expected to be finalized by the end of December 2025.

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2.4 Investments in associated companies and joint ventures

Industrial investments

Ahlström Invest

At the end of December 2024, the group had a 24.0% interest in Ahlström Invest. Ahlström Invest is a family investment company. It actively manages its holding in Ahlstrom and invests with a strong sustainable focus in public and private markets.

Suominen

At the end of December 2024, the group had a 24.3% interest in Suominen Oyj. Suominen is a globally leading supplier in nonwovens industry. The company manufactures nonwovens as roll goods for wipes and for hygiene products and medical applications. Suominen's shares are listed on Nasdaq Helsinki Ltd.

Detection Technology

At the end of December 2024, the group had a 36.0% interest in Detection Technology. Detection Technology is a global provider of X-ray imaging subsystems, components and services for medical, security and industrial applications. Detection Technology's shares are listed on Nasdaq First North Growth Market Finland marketplace.

Glaston

At the end of December 2024, the group had a 26.4% interest in Glaston. Glaston is a frontrunner in glass industry technologies and services, responding globally to the glass processing needs of the architectural, solar, display, and automotive industries. The company also supports the development of emerging technologies integrating intelligence to glass. Glaston's shares are listed on Nasdaq Helsinki Ltd.

GPV

At the end of December 2024, the group had a 20.0% interest in GPV. GPV is the second largest electronics manufacturing services provider in Europe. The company has a strong focus on industrial electronics, box-build mechatronics products, and turnkey products.

Bast Fibre Technologies

At the end of December 2024, the group had a 23.3% interest in Bast Fibre Technologies. The company is a manufacturer of 100% plant-based, intact natural fibers with the technical and performance requirements for a wide variety of nonwoven applications.

Real estate investments

Avain Yhtiöt

At the end of December 2024, the group had a 30.2% interest in Avain Yhtiöt. Avain Yhtiöt is a Finnish group specializing in building and owning apartments. The company owns more than 10,000 apartments.

Åbyntien Kiinteistöt

At the end of December 2024, the group had a 50.0% interest in Åbyntien Kiinteistöt together with Alternative investment fund Terrieri Kiinteistöt Ky, managed by S-Bank.

Kiinteistö Oy Espoon Erica

At the end of December 2024, the group had a 40.5% interest in Kiinteistö Oy Espoon Erica. It is a joint venture real estate investment together with Aktia Life Insurance and Church Pension Fund. The anchor tenant in a new building in Finnoo Espoo, will be Kemira Oyj. The group's total investment commitment is EUR 37.0 million. The contruction project of Erica will be completed in the fall of 2025. In 2024, A. Ahlström Real Estate Ltd provided management services to the company, EUR 0.2 million (0.2).

CHANGES IN INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

MEUR	2024	2023
January 1	619.1	620.0
Translation difference	0.9	-0.6
Share of profit/loss	38.5	12.6
Share of other comprehensive income items	0.6	-4.7
Share of direct adjustments to equity	0.6	-0.1
Dividends and return of equity	-14.1	-16.6
Additions	4.4	13.1
Disposals		-14.3
Impairment	3.2	-4.6
December 31	**653.2**	**619.1**

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Summarised financial information (100%) for significant associates

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME	Ahlström Invest*		Suominen		Detection Technology		Glaston		GPV		Bast Fibre Technologies		Avain Yhtiöt*		Åbyntien Kiinteistöt	
MEUR	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenue	0.6	0.8	462.3	450.9	107.5	103.8	217.9	219.7	1,197.5	1,402.6	13.0	12.5	65.0	126.5	3.5	3.4
Operating profit/loss	-5.2	-3.2	-1.3	-7.5	14.9	8.8	5.8	8.1	41.5	57.8	-6.0	-11.3	34.0	33.1	2.5	2.3
Profit/loss for the period	190.8	33.3	-5.3	-12.8	11.1	5.5	2.5	5.0	4.3	22.1	-6.9	-10.9	16.9	10.2	1.2	0.9
Other comprehensive income																
Items that will not be reclassified to statement of income							-0.9	-0.1								
Items that may be reclassified subsequently to statement of income				2.6			0.3	-0.2				0.0	-1.8	-8.4		
Total comprehensive income for the period		**33.3**		**-10.3**	**11.1**	**5.5**	**1.8**	**4.9**	**4.3**	**22.1**	**-6.9**	**-10.8**	**15.1**	**1.8**		

SUMMARISED STATEMENT OF FINANCIAL POSITION	Ahlström Invest*		Suominen		Detection Technology		Glaston		GPV		Bast Fibre Technologies		Avain Yhtiöt*		Åbyntien Kiinteistöt	
MEUR	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Current assets	499.0	450.2	157.9	168.5	84.5	77.8	77.7	88.3	659.2	693.7	8.8	9.0	29.6	26.0	1.1	1.2
Non-current assets	955.4	838.8	152.5	148.0	15.7	16.7	108.8	108.2	337.4	326.8	17.7	17.8	747.2	684.6	34.4	34.3
Current liabilities	15.8	3.1	125.1	122.3	17.6	17.3	81.8	92.2	599.7	643.8	4.7	9.1	53.3	39.9	0.3	0.6
Non-current liabilities	90.0	90.0	67.7	69.3	0.2	4.4	37.9	35.0	65.1	52.8	21.7	12.1	536.4	505.6	22.6	22.6
Equity	**1,348.6**	**1,195.9**	**117.6**	**124.9**	**82.4**	**72.8**	**66.8**	**69.3**	**331.7**	**323.9**	**0.2**	**5.6**	**187.1**	**165.2**	**12.6**	**12.3**

INVESTMENTS IN ASSOCIATES	Ahlström Invest*		Suominen		Detection Technology		Glaston		GPV		Bast Fibre Technologies		Avain Yhtiöt*		Åbyntien Kiinteistöt	
MEUR	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Group's share of the profit/loss for the period	40.9	8.0	-1.5	-3.1	2.4	0.9	0.7	1.3	0.8	4.4	-1.1	-2.7	0.2	3.4	0.2	-0.1
Group's share of the other comprehensive income			-0.6	-0.6	0.2	-0.9	-0.1	0.0	0.0	0.0	0.5	-0.6				
Carrying amount of the investment	317.7	282.5	42.4	45.6	94.8	93.5	30.7	31.3	78.0	78.3	15.3	15.4	51.8	54.1	8.6	8.8
Fair value of the investment	436.2	387.2	32.2	39.8	80.8	72.3	17.4	16.5	76.8	73.0	0.9	12.9	38.0	34.8	8.5	8.7
Interest held	24.0%	23.8%	24.3%	24.0%	36.0%	36.0%	26.4%	26.4%	20.0%	20.0%	23.3%	24.4%	30.2%	30.2%	50.0%	50.0%
Dividend received	5.7	7.4	1.4	1.4	1.2	1.1	1.1	0.0	1.1	0.0	0.0	0.0	1.1	1.0	0.4	0.4

* Preliminary figures 2024

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Accounting policies

Associated companies are companies in which the Group has significant influence (20-50% of the voting rights as a rule) but not control. Significant influence is the right to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A. Ahlström's strategy for investments in listed companies is to have leading direct interest in the company and always have its representative or representatives participate in the board of directors, nomination committee, and actively exercise any other shareholder rights to maximise the value of the investment and it is generally a prerequisite for entering into any investment for A. Ahlström. Through this involvement, A. Ahlström views that in certain occasions it holds significant influence over the listed companies.

In joint arrangements two or more parties exercise joint control. This is the contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activities require unanimous consent of the parties' distribution control.

A joint arrangement is a joint venture or a joint operation. A joint venture is an arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. In joint operation the parties have rights and obligations related to assets and liabilities of the arrangement. The group has joint ventures in Real estate business.

The Group's investments in its associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of the net assets of the associate or joint venture as of the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of income reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of results of an associate and a joint venture is shown in the statement of income within operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as those of the Group. Associated and joint venture companies in general report to the Group according to IFRS accounting principles. Detection Technology and real estate joint ventures report according to Finnish Accounting Standards and Ahlström Invest reports according to Dutch GAAP. If and when necessary, the adjustments are made at the group level when preparing the Group's financial reports. A. Ahlström group's share of profit of Avain Yhtiöt is calculated after non-controlling interest is extracted. The non-controlling interest relates to companies with right-of-residence apartments that are under special legislation.

At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group tests the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss as 'share of profit of an associate and a joint venture' in the statement of income.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount and the fair value of the retained investment and proceeds from disposal is recognised in the statement of income.

Significant accounting judgements, estimates and assumptions

The management makes judgements and estimates of the control and significant influence it holds in associated companies and joint ventures. In acquisitions certain estimates and assumptions are needed to measure all acquired assets and liabilities at their fair values at acquisition date. The valuation is generally based on future cash flows expected from those assets and liabilities during their useful lives. For significant acquisitions, the measurement is carried out with assistance from independent external assessor.

The management judgement is required when testing the carrying amounts for participations in associated companies and joint arrangements for impairment.

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3.1 Revenue from contracts with customers

Revenue recognition

A. Ahlström group generates revenue primarily from the sales of Decor and Recycling business. Other sources of revenue include mainly forestry, forestry service, and real estate income.

DISTRIBUTION OF REVENUE BY BUSINESS

MEUR	2024	2023
Decor	441.4	472.5
Recycling	44.7	69.5
Forestry	14.2	13.3
Forestry services	39.6	
Real estate	12.7	9.5
Others	3.9	3.4
	556.5	**568.3**

DISTRIBUTION OF REVENUE BY GEOGRAPHICAL AREA BASED ON THE COUNTRY OF LOCATION OF CUSTOMERS

2024

MEUR	Decor	Recycling	Forestry	Forestry services	Real Estate	Others	Total
Finland	0.8	0.6	14.2	32.1	12.7	2.5	62.9
Other Europe	248.5	31.4		7.5			287.3
Rest of the world	192.1	12.7				1.4	206.3
	441.4	**44.7**	**14.2**	**39.6**	**12.7**	**3.9**	**556.5**

2023

MEUR	Decor	Recycling	Forestry	Forestry services	Real Estate	Others	Total
Finland	0.8		13.3		9.5	2.6	26.3
Other Europe	250.9	38.4				-0.1	289.2
Rest of the world	220.8	31.1				1	252.8
	472.5	**69.5**	**13.3**		**9.5**	**3.4**	**568.3**

Timing of the revenue recognition

A. Ahlström group recognises the revenue from projects and from sale of goods and services based on timing of the transfer of the control at point in time.

2024

MEUR	Decor	Recycling	Forestry	Forestry services	Real Estate	Others	Total
At a point in time	441.4	44.7	14.2	39.6	12.4	4.2	556.5

2023

MEUR	Decor	Recycling	Forestry	Forestry services	Real Estate	Others	Total
At a point in time	472.5	69.5	13.3		9.5	3.4	568.3

TRANSACTION PRICE ALLOCATED TO THE REMAINING OBLIGATION

MEUR	2024	2023
Within one year	0.7	1.8
More than one year		0.0
	0.7	**1.8**

CONTRACT BALANCES

MEUR	2024	2023
Contract assets	0.7	1.8
Contract liabilities	-1.2	-0.6
	-0.5	1.1

The change in receivables and payables based on customer contracts is due to the invoicing of ongoing projects and the usual project periods. Contract assets mainly consist of services already performed at the time of the Group's financial statements but not invoiced. Contract assets are transferred to receivables when they have been invoiced. Contract liabilities consist of advance payments received from customers.

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Accounting policies

A. Ahlström group otherwise recognises revenue in accordance with five-step model provided in IFRS 15 Revenue from Contracts with Customers except for lease income, to which IFRS 16 applies. Revenue is recognized in the amount that is expected to be received from the customers in exchange for transferring the product or service net of VAT, discounts and rebates. Revenue is recognised when control over the service or product is transferred to the customers.

Goods and services sold by Recycling business are recognised at a point in time. Revenue is recognised when the risk for the goods is transferred to the customer according to Incoterms. Service sales, which include installation, service and maintenance agreements and extended warranties regarding sold products, are recognised in the income statement at a point in time over the term of the agreement. Net revenue is recognised exclusive of duties and less discounts related to the sale. Warranty commitments include liabilities for improvement of work within the warranty period of 1 year. The provision for liabilities is measured and recognised on the basis of experience with warranty work. When it is likely that the total costs will exceed the total income on the contract work in progress, a provision is made for the total loss that is anticipated for the contract. The provision is recognised as a cost under production costs.

Decar business recognises revenue when (or as) a performance obligation is satisfied, i.e., when 'control' of the good or service underlying the performance obligation is transferred to the customer. Goods are delivered to customers and each good represents a distinct performance obligation. Revenue is recognized at a point in time when control of goods has been transferred to the customer based on Incoterms. Warranty provisions may be recognized at the time of the sale based on the estimated future costs that will be incurred to fulfil the warranty obligations. These estimates are based on historical warranty claim data, industry standards, and other relevant factors. The provision may be adjusted over time as additional information becomes available and as actual warranty costs are incurred. The transaction price may include variable consideration components, including volume and cash discounts and refunds. Revenue from these sales is recognised based on prices agreed between the parties, net of the estimated discounts and refunds. Accumulated experience is used and provided for the discounts and customer refunds, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

Goods and services sold by Forest businesses are recognised at a point in time. Revenue from Forest business consist of log sales, forest harvesting and improvement services. In the sales of log, revenue is recognized when the risk has transferred from the seller to the customer in connection with the measurement of the wood sold. In the forest harvesting and improvement, revenue is recognised when the service has been provided to the customer. Other revenue is recognised at point in time and is mainly revenue from services.

The Investment properties leases, in which A. Ahlström is a lessor, are classified under operating leases, since A. Ahlström retains a significant share of risks and rewards of ownership. Rental income from operating leases is spread evenly over the lease term.

3.2 Other operating income

MEUR	2024	2023
Gain on sale of investments	0.0	0.6
Gain on sale of other tangible and intangible assets	1.0	0.2
Change in fair value of investment properties	0.4	3.1
Change in fair value of biological assets	5.5	5.2
Other	0.3	0.4
	7.2	**9.4**

3.3 Materials and services

MEUR	2024	2023
Purchases during the period	-331.3	-351.3
External services	-25.8	-18.5
Change in raw material inventories	-1.7	3.0
Change in inventories of finished goods and work in progress	4.8	-12.8
	-354.0	**-379.5**

3.4 Other operating expenses

MEUR	2024	2023
IT-expenses	-1.7	-1.5
External services	-4.7	-7.2
Non-statutory employee benefits	-0.5	-0.2
Rental expenses	-0.4	-0.3
Change in fair value of investment properties	-8.4	-15.8
Other expense items	-53.8	-58.4
	-69.6	**-83.4**

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Other expense items mainly consist of travelling costs, maintenance and repair costs of real estate and variable other expenses as energy and leased manpower.

Research and development costs recognised in the Statement of Income amount to EUR -1.9 million in 2024 (-2.4). The research and development costs relate to personnel and other costs. Capitalised development expenditures during the reporting period amount to EUR 0.4 million in 2024 (0.4).

AUDITOR'S FEE

MEUR	2024	2023
Audit fee	-0.6	-0.6
Audit related services		0.0
Tax consultancy	0.0	0.0
Other services	0.0	0.0
	-0.6	**-0.6**

3.5 Government grants

There were no government grants received in the reporting period 2024 (0.0).

Accounting policies

Government or other grants are recognised as income on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate. Investment grants related to acquisitions of property, plant and equipment and intangible assets are deducted from the cost of the asset in question in the statement of financial position and recognised as income on a systematic basis over the useful life of the asset in the form of reduced depreciation expense.

3.6 Financial income and expenses

FINANCIAL INCOME

MEUR	2024	2023
Interest income	6.0	6.7
Dividends	0.0	0.0
Foreign exchange gain	1.7	0.3
Gain on assets at fair value through profit or loss	13.7	0.4
Change in fair value, derivatives	0.0	1.8
Other financial income	0.0	0.4
	21.4	**9.5**

FINANCIAL EXPENSES

MEUR	2024	2023
Interest expenses from financial liabilities	-20.8	-22.4
Interest expenses on leases	-0.4	-0.3
Impairment on investments	3.3	-5.5
Other financial expenses	-5.9	-1.4
Change on assets at fair value through profit and loss	-4.4	-0.1
Foreign exchange loss	-1.9	-1.4
	-30.1	**-31.1**

Net gain and loss on financial instruments at fair value through profit or loss relates to derivatives that did not qualify for hedge accounting. The increase in financial income in 2024 is due the valuation of the convertible loan receivable from Ahlström Invest at fair value.

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Accounting policies

Interest income from interest bearing financial assets at amortised cost is recorded using the effective interest rate (EIR). Interest income is included in financial income in the statement of income. Dividend income is recognised when the Group's right to receive the payment is established, generally when shareholders approve the dividend.

Interest expenses on financial liabilities at amortized cost includes interest expenses on interest-bearing loans and interest rate swaps.

Exchange rate differences related to financial assets and financial liabilities are reported as financial items in the statement of income.

3.7 Employee benefits and number of employees

EMPLOYEE BENEFITS

MEUR	2024	2023
Wages and salaries and other remunerations	-104.1	-96.5
Pension costs	-3.0	-2.5
Other wage-related costs	-2.0	-2.7
	-109.0	**-101.7**
CEO's salaries	-0.4	-1.2
of which variable compensation		-0.3
Remunerations to Board members and Supervisory Board	-0.9	-1.0

Salaries and other benefits for CEO and remunerations to Board members refer to the parent company only. Selected members of the management are also entitled to additional pension scheme.

AVERAGE NUMBER OF PERSONNEL

	2024	2023
Salaried	548	576
Blue-collar	977	847
	1,525	**1,423**

LTI program in A. Ahlström Corporation

The Board of Directors of A. Ahlström Corporation (the "Company") has since 2015 implemented a long-term incentive program for the company's management that is paid in cash. The purpose of the program is to align the objectives of shareholders and management to increase the company's value over the long term, commit the management to the company's long-term business objectives, and ensure a competitive and benchmark-sustainable level of remuneration for the management.

The company's long-term incentive program consists of annually commencing synthetic option plans. Each plan comprises of a vesting period of three consecutive calendar years. At end of the financial year, the company had two ongoing plans: 2023–2025 and 2024–2026. The reward, if any, is paid in two equal instalments the year following the end of each plan. The plan that ended at the end of 2024 did not generate a payout.

The board has decided on the performance criteria for the system, the individuals included in it, and the size of the rewards for each earning period separately. The main performance criteria approved for all three earning periods are based on the development of the external fair value (EFV) of A. Ahlström Corporation's share, and in addition, for some participants, on the total return of industrial or real estate investments. The maximum amount of rewards in the incentive system varies between 100–166% of the participant's annual salary.

The impact of the long-term incentive programs on the personnel expenses of the A. Ahlström group was adjusted in 2024 by 0.1 million euros (-0.5), and the related liabilities at the end of 2024 were 0.1 million euros (0.2).

In 2023, a share-based incentive program was established for the chair of the board of A. Ahlström Corporation. The program has three successive plans commencing annually. The second plan was launched in 2024. The main performance criteria is the development of the external fair value (EFV) of A. Ahlström Corporation's shares and, in addition, the development of the company's cash flow, the value growth of selected industrial investments, and the development of an operational metric. The maximum amount of the reward is 22.6% of the annual salary.

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3.8 Pension benefit plans

NET EMPLOYEE DEFINED BENEFIT LIABILITY

MEUR	2024	2023
Finland	0.6	0.6
Germany	7.4	7.8
France	1.1	1.2
	9.1	**9.7**

CHANGES IN THE DEFINED BENEFIT OBLIGATION AND FAIR VALUE OF THE PLAN ASSETS

MEUR	2024	2023
January 1	9.7	10.2
Cost charged to statement of income		
Service cost of current period	0.1	0.1
Net interest expense	0.3	0.3
Service cost of past periods	0.0	-0.2
Plan settlement		0.1
Remeasurement gains/losses in other comprehensive income		
Actuarial gains/losses	0.1	0.0
Benefits paid	-1.1	-0.3
Exchange difference		-0.7
December 31	**9.1**	**9.7**

The expected benefit payments for the following financial year are EUR 0.8 million (0.7). The main actuarial assumptions relate to discount rate and future salary increases. In the Group the weighted average discount rate used is 3.10% (3.66) and weighted average increase in future salaries is 2.51% (2.36).

Accounting policies

Most of the pension benefit plans in the group are defined contribution plans (DCP) by nature. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

A. Ahlström group operates defined benefit pension plans in some European countries, which requires contributions to be made to a separately administered fund. Under defined benefit plans (DBP), a liability recognised in the statement of financial position equals the net of the present value of the defined benefit obligation less the fair value of the plan assets at the closing of the annual accounts. Actuarial gains and losses are recognised in the consolidated statement of comprehensive income as remeasurement items when they occur. Remeasurement recorded in the other comprehensive income is not recycled. Past service cost is recognised in the statement of income in the period of plan amendment. A. Ahlström group presents service cost, past-service cost, gains and losses on curtailments and settlements and net interest expense or income as employee benefit expense.

Independent actuaries calculate the defined benefit obligation by applying the Projected Unit Credit Method (PUCM).

Past service costs are recognised in profit or loss on the earlier of:

- the date of the plan amendment or curtailment; and
- the date that the group recognises restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The group recognises the following changes in the net defined benefit obligation in the statement of income:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
-net interest expense or income.

Significant accounting judgements, estimates and assumptions

The cost of defined benefit pension plans and the present value of the pension obligation are determined using independent external actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, changes in health care costs, inflation, future salary increases, retirement rates, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

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4.1 Goodwill and other intangible assets

2024 MEUR	Goodwill	Intangible rights	Development costs	Other intangible assets	Advances paid	Total
Acquisition cost						
January 1	34.7	24.6	3.2	77.8	0.1	140.3
Additions	0.0		0.4	1.2	4.5	6.1
Disposals		-0.9	0.0			-0.9
Revaluation		0.1				0.1
Business combinations						0.0
Reclassification		0.1		0.0	-0.1	0.0
Reclassification to HFS assets				-1.6		-1.6
Exchange differences	0.0		0.0	-0.4	0.0	-0.4
December 31	34.7	23.8	3.6	77.0	4.5	143.6
Accumulated amortisation and impairment						
January 1	0.0	-1.7	-1.0	-16.3		-18.9
Amortisation for the year	0.0	-0.8	-0.7	-5.6		-7.0
Impairment				-19.2		-19.2
Exchange differences				0.2		0.2
December 31		-2.5	-1.6	-40.8		-44.9
Net book value						
December 31, 2024	**34.7**	**21.3**	**2.0**	**36.2**	**4.5**	**98.6**

2023 MEUR	Goodwill	Intangible rights	Development costs	Other intangible assets	Advances paid	Total
Acquisition cost						
January 1	29.4	23.7	2.7	79.8	0.2	135.8
Additions		0.0	0.4	0.1		0.5
Disposals						
Revaluation		0.8				0.8
Business combinations	5.3			-2.1		3.2
Reclassification				0.1	-0.1	-0.1
Reclassification to HFS assets	-0.1			0.1		0.0
Exchange differences	34.7	24.6	3.2	77.8	0.1	140.3
December 31	34.7	23.8	3.6	77.0	4.5	143.6
Accumulated amortisation and impairment						
January 1		-0.9	-0.6	-5.6		-7.0
Amortisation for the year		-0.8	-0.4	-8.3		-9.5
Impairment				-2.4		-2.4
Exchange differences	0.0					0.0
December 31	0.0	-1.7	-1.0	-16.3	0.0	-18.9
Net book value						
December 31, 2023	**34.7**	**22.9**	**2.2**	**61.5**	**0.1**	**121.5**

The companies in the Munksjö group have not performed according to budget and business plan. During the financial year, indications of impairment of intangible assets were observed. Following impairment testing, a write-down of EUR 19.2 million was made to technology assets and customer relationships.

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Accounting policies

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either definite or indefinite. Intangible assets with definite lives are amortised on a straight-line basis over the useful economic life (3-5 years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a definite useful life are reviewed at least annually.

Other intangible assets, e.g. customer relationships, acquired in business combinations are recorded at fair value at the acquisition date. These intangible assets have a definite useful life and are carried at cost less accumulated straight-line amortisation over the expected life of the intangible asset.

A gain or loss arising from the sale of intangible assets is recognised in other operating income or other operating expenses in the statement of income.

Intangible assets with indefinite useful lives are not amortised and are tested for impairment at least annually and whenever there is an indication that the intangible asset may be impaired, either individually or at the cash-generating unit level.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset if the requirements for recognition as an asset are met.

Following the initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. It is amortised over the period of expected future benefit.

Significant accounting judgements, estimates and assumptions

The management estimates of the useful lives of assets and recoverable amounts have a significant impact on the balance sheet values of intangible assets, and different assumptions may have a material impact on reported amounts.

Impairment of intangible assets is regularly assessed. If there are indications of impairment, the amount recoverable from the asset is estimated, which requires assumptions about future cash flows as well as other valuation parameters.

Indications of changes in economic impact times are reviewed annually and updated if any changes are noted. If an asset is subject to impairment, its useful life is also reviewed.

4.2 Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to A. Ahlström group companies Metsäkonepalvelu, M&J Recycling and Munksjö regarded as cash-generating units (CGUs). There is no goodwill allocated to Munksjö.

The acquisition of Metsäkonepalvelu affected the amount of goodwill during 2023. The transaction was completed in December.

CARRYING AMOUNT OF GOODWILL ALLOCATED TO EACH OF THE CGUS

MEUR	2024	2023
Metsäkonepalvelu	5.3	5.3
M&J Recycling	29.4	29.4
	34.7	**34.7**

The annual impairment tests are based on valuation reports prepared by external independent assessors. In 2024, the impairment test was conducted regarding the goodwill allocated to M&J by an external independent assessor in Q3/2024 and internally by A. Ahlström Corporation in Q4/2024.

A. Ahlström group has owned Metsäkonepalvelu for a year and there are no indications of impairment. The acquisition of Metsäkonepalvelu was completed in December 2023 and the amount of goodwill was measured at cost in initial recognition. The purchase price and the amount of goodwill generated were determined based on the assessment of the investment target, which included a comprehensive due diligence process supported by external valuers. The amount of goodwill generated was also assessed post-acquisition when allocating the purchase costs. Metsäkonepalvelu's performance in 2024 was according to the budget and the business plan and for these reasons goodwill testing was performed on December 2024 with valuation performed by A. Ahlström Corporation using with similar LTM and NTM multiples that were used at the originally transaction.

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Key assumptions used in multiples calculations

The impairment test of Metsäkonepalvelu Oy's goodwill used the 2024 actual and 2025 budgeted EBIT with similar LTM and NTM multiples that were used at the transaction. Based on the impairment test, there was no need for a write-down.

Key assumptions used in value in use calculations

The calculation of value in use in M&J is sensitive to discount rates and growth rates used to extrapolate cash flows beyond the forecast period.

The discount rate used was 11.6% (12.3). The discount rate is derived based on the weighted average cost of capital (WACC), which is based on the Capital Pricing Model and the after-tax cost of debt.

The growth rate used was 1.7% (2.1), which is aligned with the latest Euro area 5-year inflation forecast.

Sensitivity to changes in assumptions

In connection with impairment testing, the Group has analysed the sensitivity of the test results to changes in key assumptions. The test results are most sensitive to changes in EBITDA forecasts and discount rates. The management estimates that there are no somewhat probable changes in the discount rate, or the return level would cause the book value of the goodwill tested to exceed the recoverable amounts in tested Metsäkonepalvelu Oy.

The management estimates that in M&J discount rate is sensitive for changes. If discount rate increases by 3.8 percentage points it could be possible that the accounting value of the M&J's goodwill exceeds the recoverable amounts.

Accounting policies

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group's cash-generating units (CGU) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in this circumstance is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Significant accounting judgements, estimates and assumptions

Impairment testing at Group level is based on external valuation reports. Key assumptions used in value in use calculations are that they are sensitive to discount rates and growth rates used to extrapolate cash flows beyond the forecast period. In addition, customary valuation methods such as peer group valuation are used to support valuation of companies. Discount rates represent the current market assessment of the risks specific to each cash-generating unit taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Industrial-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. WACC rates are derived by external valuers as part of the valuation processes.

Growth rate estimates are based on perceived long-term economic growth prospects, based on Eurostat's recorded historic average growth rates of the advanced economies, which are roughly 2 per cent per annum. A. Ahlström portfolio companies are expected to grow organically, generally in tandem with the economy.

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4.3 Property, plant and equipment

2024

MEUR	Land and water areas	Buildings and constructions	Buildings, right-of-use	Machinery and equipment	Machinery and equipment, right-of-use	Other tangible assets	Advances paid and construction in progress	Total
Cost								
January 1	28.4	55.0	4.9	159.1	5.1	5.6	13.6	271.7
Additions		0.3	0.8	12.6	0.5	0.0	35.4	49.6
Additions, internal reorganisation			0.2					0.2
Disposals		-0.1		-7.8				-7.9
Revaluation				-0.7				-0.7
Reclassifications		1.0		4.7		-0.3	-6.3	-0.9
Reclassifications to HFS assets	0.0	-10.2		-13.3		0.0	-0.2	-23.6
Exchange differences	-0.4	-0.7		-3.4	-0.1	0.0	-3.8	-8.5
December 31	27.9	45.3	5.9	151.3	5.4	5.4	38.7	279.9
Accumulated depreciation and impairment								
January 1		-9.5	-0.6	-18.5	-1.7	-1.9		-32.3
Depreciation for the year		-3.2	-1.0	-17.0	-1.1	-0.4		-22.8
Disposals				4.1				4.1
December 31		-12.8	-1.6	-31.3	-2.9	-2.3		-50.9
Net book value December 31	**27.9**	**32.6**	**4.3**	**119.9**	**2.6**	**3.0**	**38.7**	**229.0**

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2023

MEUR	Land and water areas	Buildings and constructions	Buildings, right-of-use	Machinery and equipment	Machinery and equipment, right-of-use	Other tangible assets	Advances paid and construction in progress	Total
Cost								
January 1	28.2	51.9	4.7	120.5	3.9	4.5	13.9	227.4
Additions		0.1	0.1	2.4	0.9	0.8	12.2	16.4
Disposals				-1.1	-0.1		0.0	-1.3
Business combinations		0.6		26.8	0.4	0.1		28.0
Reclassifications		2.9	0.1	10.2		0.3	-12.8	0.8
Exchange differences	0.2	-0.5		0.3	0.1		0.3	0.3
December 31	28.4	55.0	4.9	159.1	5.1	5.6	13.6	271.7
Accumulated depreciation and impairment								
January 1		-6.4	0.2	-5.9	-0.8	-1.3		-14.1
Depreciation for the year		-3.1	-0.9	-12.1	-1.0	-0.6		-17.7
Impairment				-0.4				-0.4
Disposals				0.4				0.4
Reclassifications				-0.5	0.1			-0.4
December 31		-9.5	-0.6	-18.5	-1.7	-1.9		-32.4
Net book value December 31	**28.4**	**45.5**	**4.3**	**140.6**	**3.4**	**3.7**	**13.6**	**239.4**

On December 31, 2024, the Group had no contractual commitments (EUR 9.3 million on 2023). The Group had no (0.0) unrecognised IFRS 16 leasing commitments for future periods. The Group had capitalized borrowing costs EUR 3.2 million (0.0) in property, plant and equipment on 2024.

Accounting policies

Property, plant, and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant, and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. All other repair and maintenance costs are recognised in the statement of income as incurred. Grants received are reported as a reduction of costs. The property, plant, and equipment of acquired subsidiaries are measured at their fair value at the acquisition date. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Buildings 25–50 years
- Heavy machinery 10–20 years
- Other machinery 3–10 years

Land is not depreciated, as its useful life is considered as infinite. The estimated useful lives and the residual values are reviewed at least at the end of each financial year, and if they differ significantly from previous estimates, depreciation periods are adjusted accordingly.

A gain or loss arising from the sale of property, plant and equipment is recognised in other operating income or other operating expenses in the statement of income.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to finalise for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

4.4 Leases

A. Ahlström group as a lessee

The A. Ahlström group has recognised land areas, office and other premises and machinery as right-of-use assets based on its leasing contracts. A leased land area that is part of a property classified as an investment property, is recognised at fair value and presented in note 4.5. The discount rates used in measuring the liability in the Group range from 1.2% to 11.8% (1.2% to 5.8% in 2023). Right-of-use assets are presented in asset groups in note 4.3. At the end of December 2024 the Group had no (0.0) unrecognised IFRS 16 leasing commitments for future periods.

RIGHT-OF-USE ASSETS*

MEUR	2024	2023
Opening Balance	**11.4**	**11.7**
Additions	1.8	1.3
Disposals	0.0	-0.1
Acquisition through business combination	0.0	0.4
Depreciation	-2.1	-1.9
Change in fair value	-0.1	-0.1
Exchange differences	-0.1	0.1
Closing Balance	**10.8**	**11.4**

*Including leasing contract classified to investment property

LEASE LIABILITIES

MEUR	2024	2023
Non-current lease liabilities	9.1	9.6
Current lease liabilities	2.1	2.1
	11.2	**11.7**

IFRS 16 has an impact on profit and loss through depreciations, material and services, other operating expenses, and financial expenses. Assets which are classified as investment property are not depreciated but the change in fair value is recognised in other operating expenses. Short-term and low-value leases are recognised in other operating expenses. The total expenses of right-of-use assets and other leases in the statement of income is EUR -3.2 million (-2.7). Total cash outflow from leasing contracts is EUR 3.0 million (2.8).

A. Ahlström group as a lessor

The Group's lease income is presented in revenue in Note 3.1. The lease income arises from investment properties and minor part from other properties. The lease income arises mainly from long-term and established lease agreements.

The maturity analysis of the Group's lease receivable presents undiscounted lease payments. Additional revenue-based rents are not included in the figures.

MATURITY ANALYSIS OF LEASE RECEIVABLE

MEUR	2024
< 1 year	12.9
1-2 years	8.6
2-3 years	6.6
3-4 years	3.9
4-5 years	3.2
Over 5 years	9.8
	45.1

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Group as a lessee

The asset is recognised as right-of-use asset and lease liability in the statement of financial position, when the Group is a lessee. It is assessed if the contract conveys the right to control the use of an identified asset for a certain period of time in exchange for consideration. When the conditions are met the right-of-use asset is measured at cost and the lease liability at the present value of future lease payments. The Group companies discount the present value by using the incremental borrowing rate, in case the internal discount rate for the lease contract cannot be determined.

On subsequent periods the right-of-use asset is measured at cost and depreciated for the leasing period. Lease liabilities are amortised during the leasing period and the interest is calculated for the outstanding amount by using the discount rate. Interest is recognised as financial expense. Some of A. Ahlström group's leasing contracts are classified to investment property and are reported according to IAS 40 Investment property. Investment properties are not depreciated but amount equal to depreciation of right-of-use asset is recognised as change in fair value through profit and loss. Leasing contracts that are short-term (under twelve months) or with low-value assets are not recognised as right-of-use assets but as rental expenses in profit or loss.

Group as a lessor

A. Ahlström group leases the investment properties and some other properties it owns. All the relevant risks and rewards essential to underlying assets remain in A. Ahlström group and these leasing contracts are classified as operating leases. Assets are recognised in the statement of financial position as investment property or as property, plant and equipment by their nature.

Significant accounting judgements, estimates and assumptions

The value of lease liability as well as discount rate used in measurement are among other things affected by the leased asset, leasing period, location, and currency.

4.5 Investment properties

A. Ahlström group's investment properties consist of land areas and buildings that are held to earn rentals or capital appreciation or both. Properties that are used in production or supply of goods or services or for administrative purposes are accounted for as property, plant and equipment. For more information, see Note 4.3. A. Ahlström group has chosen a fair value model to measure investment properties. Further information on the A. Ahlström group's fair value measurement in Note 6.5.

The property at Eteläesplanadi 14 is included in the investment properties. A small part of this property is used as A. Ahlström Corporation's premises. The management has deemed such own use to be minimal, and therefore the entire property has been recognised as an investment property and measured at fair value.

On December 31, 2024, the fair values of the investment properties are mostly based on valuations performed by an accredited external independent valuer covering the total value of built investment properties. The rest of the investment properties consists of forest land and other land areas. The fair value measurement for all of the investments properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The construction of the EriCa project has progressed on schedule and will be completed in the fall of 2025. Active development of other projects has continued. The property on Sopenkorvenkatu in Lahti was sold to a private investor.

A leased land area that is part of a property classified as an investment property, is recognised according to IAS 40. The value of leased land area is calculated based on IFRS 16. For more information see Note 4.4.

Forest land is valued as a part of Forest assets by an external independent valuer. More information about the valuation principles in Note 4.6.

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PROFIT ARISING FROM INVESTMENT PROPERTIES CARRIED OUT AT FAIR VALUE

MEUR	December 31, 2024	December 31, 2023
Rental income derived from investment properties	12.7	9.3
Direct operating expenses generating rental income	-4.0	-3.4
	8.7	**5.9**

SPECIFICATION BY USE OF THE INVESTMENT PROPERTIES

The Group's built investment properties are located in Helsinki metropolitan area, Tampere and selectively other growth centres. The core investments are office properties with a long investment horizon. In addition, the Group invests selectively in other property types.

2024

MEUR	Office and retail properties	Factory and logistics properties	Forest land	Unbuilt land and other properties	Total
January 1	163.0	19.0	6.2	4.8	192.9
Additions	1.4	0.2	0.4	0.0	1.9
Disposals	0.0	-1.9	-0.1	-0.1	-2.0
Change in fair value	-7.6	-1.1	0.7	0.0	-8.1
December 31	**156.7**	**16.2**	**7.1**	**4.7**	**184.7**

2023

MEUR	Office and retail properties	Factory and logistics properties	Forest land	Unbuilt land and other properties	Total
January 1	146.2	20.1	8.7	4.9	179.8
Additions	25.5	0.2	0.3	0.0	26.0
Disposals				-0.1	-0.1
Change in fair value	-8.7	-1.3	-2.8		-12.8
December 31	**163.0**	**19.0**	**6.2**	**4.8**	**192.9**

Sensitivity analysis

A sensitivity analysis for the value of investment properties was made to find out the uncertainties in future development. The lease agreements are examined by change in yield rate and market rents. The sensitivity analysis is based on valuations performed by an external assessor and it covers the built investment properties.

MEUR	2024	2023
Yield -2,0 percentage point	269.3	294.9
Yield +2,0 percentage point	122.3	127.3
Stable yield and rents	169.0	178.2
Rents +20,0 percentage point	204.8	216.0
Rents -20,0 percentage point	133.3	140.3

Accounting policies

Investment properties are measured at their fair value which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect.

A major temporary difference arises between the fair value and taxable value of investment properties. In such a case, taxes are calculated on the difference between the property's fair value and residual tax value of the underlying asset.

The investment property that is under construction is measured at cost. As the construction work has been completed such investment property is measured at fair value.

Fair values of the built investment properties are determined based on an annual evaluation performed by independent authorised assessor. The fair value of forest land is based on discounted future cash flows of bare forest land from regeneration to final cutting. Discount rate used for forest land is the same as used in valuation of biological assets. The fair value of other land areas is based on the external reference information when possible.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of income in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant, and equipment up to the date of change in use.

Significant accounting judgements, estimates and assumptions

Majority of fair values are determined based on an annual evaluation performed by independent authorised assessor. Estimates and assumptions are also needed from management to measure e.g. yield requirements, market rents, and maintenance costs.

4.6 Biological assets

The Group's biological assets consist of current growing stock value. Its forest assets are approximately 36 thousand hectares. The total volume of growing stock in the company's forests is 5.8 million m^3 (5.7). In 2024, the harvested industrial wood quantity was approximately 167,000 m^3 (170,000). The harvested energy wood quantity was 15,000 m^3 (15,000). In 2024, Group has purchased round 740 hectares (603) of forest. Total effect in forest assets was EUR 4.7 million (3.9).

In 2024 the main reasons for the increase in asset value are the decrease in the discount rate, the increase in average timber price, the growth of the forest standing stock and the increase in the productive forest land area. The decrease in the discount rate, the increase in timber prices, and the increase in the productive forest area had a positive impact on the land value. The timber prices assumed in the cash flow model were estimated with the use of the 5-year regional averages during 2019-2024.

The growth of forests has increased based on good and sustainable forestry. In the forest land valuation method, the value of the terminal logging is discounted to the present value of the forest land. The fair value measurement for all of the biological assets has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The discount rate used for 2024 valuation is 4.6% (4.7) real weighted-average-cost-of-capital (WACC). The study of the used discount rate was made by an external valuer in 2024. The WACC incorporates the capital structure of the forest owning company as well as the cost of different financing types. The cashflows are calculated without inflation and the discount rate used is pre-tax real WACC.

Changes in fair value are recognized in the income statement as part of other operating income and expenses. Further information on A. Ahlström group's fair value measurements is provided in note 6.5.

The land of forest areas is reported as investment property (Note 4.5). The value of forest land was EUR 7.1 million in 2024 (6.2). The total value of growing stock and forest land was EUR 193.3 million in 2024 (183.1).

THE CHANGE IN THE VALUE OF THE GROWING FORESTS

2024

MEUR	Biological assets	Forest land*	Forest total
January 1	176.9	6.2	183.1
Additions	4.3	0.4	4.7
Disposals	-0.6	-0.1	-0.6
Change due to harvesting	-9.2		-9.2
Change due annual growth	7.7		7.7
Change in fair value	7.1	0.7	7.7
December 31	**186.2**	**7.1**	**193.3**

2023

MEUR	Biological assets	Forest land*	Forest total
January 1	168.5	8.7	177.2
Additions	3.2	0.3	3.5
Acquisition through business combination	0.4		0.4
Disposals	-0.3	-0.1	-0.4
Change due to harvesting	-8.3		-8.3
Change due annual growth	7.5		7.5
Change in fair value	6.0	-2.8	3.2
December 31	**176.9**	**6.2**	**183.1**

*Forest land reported as investment property, see Note 4.5.

A substantial part of group's forest assets has been utilised as collaterals for the credit facilities and reported as real estate mortgages in commitments (Note 6.6).

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Sensitivity analysis

A sensitivity analysis for the value of growing stock was made to find out the uncertainties in future development. The analysis shows that changes in timber prices and discount rates have a major effect on the value of forest assets. Changes in operational costs have a minor effect.

2024	Discount rate		
MEUR	3.6%	4.6%	5.6%
Timber prices -10%	203.8	165.8	138.4
Timber prices +10%	253.8	206.7	172.6
Stable prices and costs	228.8	186.2	155.5
Costs -10%	230.8	188.0	157.0
Costs +10%	226.8	184.5	154.0

2023	Discount rate		
MEUR	3.7%	4.7%	5.7%
Timber prices -10%	191.5	156.1	130.5
Timber prices +10%	238.8	195.0	163.2
Stable prices and costs	215.1	175.5	146.8
Costs -10%	217.1	177.2	148.3
Costs +10%	213.1	173.8	145.3

Accounting policies

Biological assets are measured at their fair value less costs to sell. A. Ahlström groups biological assets consist of growing stock of forest assets. The value of forest land is reported in investment properties and measured at fair value. Gains or losses arising from changes in the fair values of biological assets are included in the statement of income in the period in which they arise, including the corresponding tax effect.

There are no existing active markets for forest assets as extensive as A. Ahlström group's holdings. Therefore, the valuation is made by using the discounted future cash flows method modelled by an external appraiser. The cash flows are based on A. Ahlström group's forest management and harvesting plan that include forestry costs and harvesting incomes of current growing stock until final cutting. The regeneration costs are included in forest land value, which is presented as investment property. Discount rate used is weighted average cost of capital separately calculated for forest assets. The discount rate is assessed annually. The cash flows are calculated on a pre-tax basis without inflation.

Significant accounting judgements, estimates and assumptions

The valuation model requires key input data such as A. Ahlström group's current stand register, forest management and harvesting plan, discount rate, and estimation of future costs, wood prices and growth potential. The most significant estimates are related to future harvesting plans, changes in pulpwood and timber prices, and discount rate used. The growth of forest affects harvesting plans. The key factors affecting the growth and yield includes site quality, tree species, maturity of forest and density and volume of forests, which is dependent on past forest management activities. The national Finnish growth model is used in A. Ahlström group's forest valuation.

5.1 Inventories

MEUR	2024	2023
Raw materials	30.0	33.7
Work in progress	3.9	2.1
Finished goods	51.7	53.2
Advance payments for inventories	0.0	0.1
	85.5	**89.2**

Inventories are valued at the lower of cost and net realisable value. In 2024, EUR 7.0 million (5.5) impairment for inventories has been recognised in the consolidated statement of income.

Accounting policies

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:
- raw materials: purchase cost on a first in, first out basis or weighted-average cost method basis; and
- finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

5.2 Current trade and other receivables

MEUR	2024	2023
Trade receivables	53.2	77.5
Trade receivables from associates	0.2	0.0
Contract assets	0.7	1.8
Other receivables	13.3	8.5
Loan receivables	120.2	0.2
Accrued receivables	7.4	9.2
Accrued receivables from associates	0.6	0.6
	195.5	**97.8**

Trade receivables are non-interest-bearing and generally payments terms of 30 to 90 days. Group companies asses their credit risk independently according their business and credit policy. Part of the receivables are covered with a credit insurance when considered necessary. Some receivables are sold on a non-recourse basis. Those receivables that are sold on a non-recourse basis, affect no credit losses to Group. Those receivables are derecognised from the balance sheet when the receivables are sold, because the risk and return have been transferred to the counterparty. There is no significant risk concentration in receivables. Expected credit losses are assessed independently by group companies.

Ahlstrom Capital B.V. has a convertible loan receivable of EUR 119.9 million from its associated company Ahlström Invest B.V. The loan receivable was classified as current on December 31, 2024.

Individually impaired trade receivables

A. Ahlström group does not have credit loss expectations based on customer contracts.

MEUR	2024	2023
January 1	0.8	0.3
Addition of provisions for expected losses	0.5	0.8
Realised losses	-0.5	-0.3
Unused amounts reversed		
Other changes	0.0	0.0
December 31	**0.7**	**0.8**

Ageing analysis of trade receivables and contract assets

EXPECTED CREDIT LOSSES BY AGEING CLASSES

	Trade receivables		Expected credit losses		Percentage of expected credit losses	
MEUR	2024	2023	2024	2023	2024	2023
Neither past due nor impaired	46.8	62.9	0.0			
Past due but not impaired						
< 30 days	5.9	11.5	0.0	0.0	0%	0%
30-60 days	0.4	2.6	0.0	0.0	0%	0%
61-90 days	0.4	0.8	0.0	0.2	1%	2%
> 90 days	0.5	1.5	0.7	0.6	58%	28%
	54.0	**79.2**	**0.7**	**0.8**		

5.3 Cash and cash equivalents

MEUR	2024	2023
Cash in hand and at bank	67.0	88.1
Other short-term cash investments	4.8	0.0
	71.8	**88.1**

Accounting policies

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and current deposits with a maturity of three months or less. The corresponding items are considered in the consolidated statement of cash flows as cash and cash equivalents.

5.4 Provisions

2024

MEUR	Warranty provision	Restructuring provision	Environmental provisions	Other provisions	Total
January 1	**1.1**	**2.3**	**1.4**	**0.7**	**5.5**
Exchange differences				-0.1	-0.1
Arising during the year	1.8			1.0	2.7
Utilised	-1.4			0.0	-1.5
Unused amounts reversed	-0.7				-0.7
Other change				7.7	7.7
December 31	**0.7**	**2.3**	**1.4**	**9.3**	**13.7**
Non-current	**0.0**		**1.4**	**7.8**	**9.2**
Current	**0.7**	**2.3**	**0.0**	**1.5**	**4.5**

2023

MEUR	Warranty provision	Restructuring provision	Environmental provisions	Other provisions	Total
January 1	**0.8**		**1.4**	**2.2**	**4.4**
Exchange differences	0.3			-0.3	0.0
Arising during the year	0.9	2.3		0.2	3.4
Utilised	-0.4			-1.4	-1.9
Unused amounts reversed	-0.4				-0.4
Other change					
December 31	**1.1**	**2.3**	**1.4**	**0.7**	**5.5**
Non-current	**0.0**		**1.4**	**1.1**	**2.5**
Current	**1.1**	**2.3**	**0.0**	**-0.3**	**3.0**

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Warranty, restructuring, environmental and other provisions

Warranty provisions have been booked to cover any obligations during the warranty period of contractual agreements. They are based on experiences from previous years. Restructuring provision relates to cost for personnel affected and notified by structural changes in the Group. The Group has an environmental provision recorded for cleaning costs of a contaminated land area. Other provisions include mainly provision for disputes and some other provisions. Munksjö's subsidiary in Germany has been a tax audit, in resulting a provision of EUR 7.9 million being recorded in the financial statement on December 31, 2024.

5.5 Trade and other payables

MEUR	2024	2023
Trade payables	96.4	88.1
Contract liabilities	1.2	0.6
Other payables	16.4	14.6
Accrued liabilities	25.5	29.3
	139.4	**132.5**

Accounting policies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of income net of any reimbursement.

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Restructuring provisions are recognised only when the recognition criteria for provisions are fulfilled. The Group has a constructive obligation when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and an appropriate timeline. Furthermore, the employees affected have been notified of the plan's main features.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a financial cost.

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6.1 Capital management

For the purpose of the group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent.

The primary objective of the group's capital management is to maximise the shareholder value, meaning the External Fair Value of the share. The External Fair Value (EFV) of the share represents the expected market value of the asset in question that would be received in an orderly transaction between market participants, subtracting assumed transaction costs and other related liabilities. In effect, this means that the EFV of A. Ahlström's share is the sum of the EFVs of the underlying assets within A. Ahlström group less the relevant liabilities. In order to determine the EFV of A. Ahlström's share, the EFV of the underlying assets is appraised at each measurement date.

Listed securities are measured at the market rate. Regarding investments in non-listed shares, A. Ahlström's valuation policies comply with the IPEV guidelines (International Private Equity and Venture Capital Valuation Guidelines), according to which external fair value is a price at which the ownership of an investment could be transferred between market parties on the reporting date. Regarding the investments in real estate, A. Ahlström's valuation policies comply with the EPRA guidelines (European Public Real Estate Association). International Financial Reporting Standards (IFRS) are applied to valuing forest and other holdings.

In order to achieve this overall objective, the group's capital management, amongst other things, aims at ensuring that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. To manage the financial risk, the financing of subsidiaries and sub-groups are, to the extent possible, financed as ring-fenced entities without recourse on other entities. There are financial covenants on certain outstanding loans. The levels are generally agreed in advance with sufficient headroom to the plans combined with pre-agreed remedy mechanisms. These are closely monitored. Breach of these covenants would in some cases limit the companies' ability to finance their operations or permit the creditor to call loans and borrowings.

Total amount of loans including covenant conditions were EUR 395.3 million on December 31, 2024. Depending on the company, covenants may have included equity ratio, loan-to-value ratio, net debt-to-EBITDA ratio, interest coverage ratio and/or liquidity covenant. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period. The financial loans of M&J Recycling group were classified as current liability in the financial statements because the loans were paid off in February 2025 to fulfil lenders covenant requirements. New financing was arranged internally by A. Ahlström group. The group expects to meet the covenants in its financing agreement during the financial year 2025 at all measurement dates.

The group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group primarily adjusts its financing needs by increasing or decreasing external debt by maintaining sufficient financing reserves at all times, but may additionally adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The dividend policy is a stable and over time increasing dividend.

MEUR	2024	2023
Non-current interest-bearing loans and borrowings (Note 6.4)	388.7	381.0
Current interest-bearing loans and borrowings (Note 6.4)	42.7	31.0
Less: cash and short-term deposits (Note 5.3)	-71.8	-88.1
Net cash (-)/ net debt (+)	**359.6**	**324.0**
External Fair Value	980.3	1,007.3
Shareholders equity (incl. non-controlling interest)	1,094.6	1,132.3
EFV adjusted net gearing	36.7%	32.2%
Net gearing (IFRS / Book value based)	32.9%	28.6%

6.2 Share capital and reserves

2024

MEUR	Share capital	Share premium	Reserve for invested non-restricted equity	Treasury shares	Legal reserve	Total
January 1	**39.0**	**12.8**	**111.5**	**-5.2**	**0.0**	**158.0**
Share issue	0.0	0.0				0.0
Acquisition of treasury shares				-4.6		-4.6
Invalidation of treasury shares				5.2		5.2
Reclassifications	0.0	0.0			0.0	0.0
December 31	**39.0**	**12.8**	**111.5**	**-4.6**	**0.0**	**158.7**

2023

MEUR	Share capital	Share premium	Reserve for invested non-restricted equity	Treasury shares	Legal reserve	Total
January 1	**38.8**	**12.8**	**104.3**	**-53.0**	**0.0**	**102.9**
Share issue	0.2		7.2			7.4
Acquisition of treasury shares				-4.5		-4.5
Invalidation of treasury shares				52.3		52.3
Reclassifications	0.0	0.0				0.0
December 31	**39.0**	**12.8**	**111.5**	**-5.2**	**0.0**	**158.0**

A. Ahlström Corporation's registered share capital is 38,996,470 euros. The number of shares registered in the company's trade register on December 31, 2024, was 58,822,468 shares. The company entitles one series of shares. Each share entitles one vote at the General Meeting and all the shares have equal rights to dividend or other distribution of company assets.

On December 31, 2023, A. Ahlström Corporation owned 300,000 (0.5%) of its own share repurchase program. The repurchased shares were invalidated in January 2024 based on the Board of Directors' decision in December 2023. On December 31, 2024, A. Ahlström held 299,434 treasury shares (0.5%) following the share repurchase program. The repurchased shares will be invalidated during the first quarter of 2025 based on the Board of Directors' decision in December 2024.

Antti Ahlström Perilliset Oy was merged into A. Ahlström Corporation on March 1, 2023. In merger A. Ahlström Corporation's number of shares increased by 468,931 and share capital by 225,000 euros. The rest of the capital increasement was booked to invested non-restricted equity fund.

The Annual General Meeting held on May 17, 2024, resolved to authorize the Board of Directors to decide on the repurchase of a maximum of 400,000 shares. The purchase price is the external fair value of the share at the end of September 2024 with a 12% discount. The authorisation is valid until the end of the next Annual General Meeting. The Board of Directors resolved to commence the repurchase of 300,000 shares in November.

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Other Comprehensive Income, net of tax

THE DISAGGREGATION OF CHANGES OF OCI BY EACH TYPE OF RESERVE IN EQUITY

2024

MEUR	Fair value reserve	Hedging reserve	Translation reserve	Retained earnings	Non-controlling interests	Total OCI
Exchange differences on translation of foreign operations			-5.5		-3.5	-9.0
Hedges - net change in fair value		-1.6				-1.6
Remeasurement of defined benefit plans				0.0		0.0
Share of other comprehensive income of associates	-0.2	-1.8	2.8	-0.2		0.6
Changes of OCI	**-0.2**	**-3.4**	**-2.7**	**-0.3**	**-3.5**	**-10.0**

2023

MEUR	Fair value reserve	Hedging reserve	Translation reserve	Retained earnings	Non-controlling interests	Total OCI
Exchange differences on translation of foreign operations			1.9		1.3	3.2
Hedges - net change in fair value		-7.1				-7.1
Remeasurement of defined benefit plans						
Share of other comprehensive income of associates	0.1	-2.5	-2.4	0.0	0.0	-4.7
Changes of OCI	**0.1**	**-9.5**	**-0.5**	**0.0**	**1.3**	**-8.6**

Accounting policies

The total shareholders' equity consists of share capital, share premium, reserve for invested non-restricted equity, treasury shares, legal reserve, fair value reserve, hedging reserve, foreign currency translation reserve and retained earnings. The share premium account includes the value of shares in excess of the accounting par value of the shares. Treasury shares consist of the repurchased own shares. Legal reserves consist of amounts created from retained earnings due to specific legislation in certain countries. Fair value reserve includes changes in the fair values of financial assets in investments recognised through OCI. Hedging reserve include changes in the fair values of derivative financial instruments used to hedge operational cash flows. Foreign currency translation reserve includes the differences resulting from the translation of foreign subsidiaries.

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THE MATURITY PROFILE OF THE GROUP'S FINANCIAL LIABILITIES BASED ON CONTRACTUAL UNDISCOUNTED PAYMENTS

2024

MEUR	< 1 year	2-3 years	4-5 years	> 5 years	Total
Interest-bearing loans and borrowings	65.1	367.9	13.4	45.3	491.7
Lease liabilities	2.2	3.5	2.6	3.1	11.4
Other financial liabilities	46.8	0.1		5.6	52.5
Trade payables	96.3	0.0			96.3
Interest rate swaps, hedge accounting	-2.9	-2.7	-2.8	-6.3	-14.6
	207.6	**368.8**	**13.2**	**47.7**	**637.3**

2023

MEUR	< 1 year	2-3 years	4-5 years	> 5 years	Total
Interest-bearing loans and borrowings	62.8	312.7	23.7	53.2	452.4
Lease liabilities	2.2	2.4	2.2	1.6	8.4
Other financial liabilities	43.0	0.0			43.0
Trade payables	88.1				88.1
Interest rate swaps, hedge accounting	-3.0	-2.9	-2.9	-6.7	-15.5
	193.0	**312.3**	**22.9**	**48.1**	**576.3**

DERIVATIVES DESIGNATED AS HEDGING INSTRUMENTS

2024	Fair values		Nominal amounts	
MEUR	2024	2023	2024	2023
Assets				
Interest rate swaps	14.6	17.8	134.1	100.0

In 2024, hedge accounted interest rate derivatives designed as cash flow hedges, which do not fulfil effectiveness requirements had impact of EUR 0.3 million (1.4) in the statement of comprehensive income.

At the time of a new investment or refinancing, non-current loans relating to the investments may be hedged over the planned investment period. Interest rate derivatives or fixed interest rates are used to hedge against interest rate changes.

A. Ahlström group does not have derivatives not designated as hedging instruments.

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Accounting policies

Derivative financial instruments and hedge accounting

Any derivative financial instruments are initially recognised at fair value at the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The gains or losses arising from changes in the fair value of derivatives are recognised in the statement of income, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of income when the hedge item affects profit or loss.

Hedge accounting refers to the method of accounting, which aims to assign one or several hedging instruments so that their fair value or cash flows offset completely or partly the changes in fair value or cash flows of the hedged item. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

In cash flow hedges the critical terms in hedged item and hedging instruments are the same and hedge ratio is 1:1. When a hedging arrangement is entered into, the relationship between the hedged item and the hedging instrument, as well as the objectives of the Group's risk management are documented. The effectiveness of the hedge relationship is tested regularly, and the possible ineffective portion is recognised in the income statement in financial income or expenses.

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6.3 Financial risk management

A. Ahlström Corporation is a family owned a strategic industrial owner, which invests primarily in listed and non-listed industrial companies, as well as in commercial real estate and forest assets. Non-listed industrial companies Munksjö Paper, M&J Recycling and Metsäkonepalvelu referred to as portfolio companies, operate as independent operational subgroups. Holding companies manage investments in listed companies, real estates, and forest assets. Note 2.1 group information shows the list of all group companies and their main activities.

The group is exposed through its operations to different types of financial risks. The overall objective of financial risk management is to minimize the unfavourable effects of financial market fluctuations. Financial and capital market risks are managed through diversification and hedging.

The group's treasury policy defines the way of managing the group's finance related issues and risks related to it. Treasury policy sets the guidelines for all group companies. Each portfolio company has its own treasury policy that focuses more detailed in company's own business specific issues. The portfolio companies are responsible for managing operational risks, following the guidelines set at group level.

Financing risk

The group has a solid financial position which is secured by sufficient committed credit lines to support its business and investment activities. To maintain this position, A. Ahlström strives to uphold a good reputation among market participants. This objective includes management of the group companies' financial structure and financing negotiations, in order to maintain a healthy statement of income conditions throughout the group. The ability to cover financing costs is monitored across the group and supported by the avoidance of excess indebtedness and leverage. A. Ahlström group has diverse and strong financing sources and is not dependent on any single financing source or instrument.

The portfolio companies are responsible for maintaining their ring-fenced financing supporting their operations according to their own treasury policy. A. Ahlström participates actively on the strategic level of financing related to its subsidiaries. The portfolio companies independently make sure that they have adequate credit limits for operational and cash management purposes. A. Ahlström Corporation together with Holding companies hold adequate amount of credit limits for cash management purposes and to seize investment opportunities.

A. Ahlström Corporation and its Holding companies have utilized certain real estate, forest, and shares as collateral for financing facilities. Utilization of listed shares contains the risk of margin calls depending on the development of the share values in question. A. Ahlström Corporation as a parent company monitors the share and collateral value developments related to these financing facilities closely. Diversity in the Group's assets reduces the risk of insufficient collateral for financing facilities.

The portfolio companies have a possibility to utilize a variety of real estates and shares as collateral for their own generally ring-fenced financing arrangements.

Market risk

Currency risk

A. Ahlström group has a relatively limited exposure to exchange rate risks, as most of its businesses operate with the euro. The majority of the Group's revenue is in euros. In the portfolio companies there is some exposure to other major currencies such as the US dollar, the Chinese renminbi, the Swedish krona, the Brazilian real, and the Danish krone, which may result limited fluctuations in the euro value of any such cash flows.

The portfolio companies are responsible for managing operational currency risk, following the guidelines set at group level. The portfolio companies utilize hedging against currency risks. Hedging is made individually in portfolio companies considering each company's own net position in different currencies. Since currency forward hedging is used in portfolio companies the impact of changing currency rates is reduced also on a group level.

In Real Estate operations group's exposure to currency risk is minimal. Forest assets are situated in Finland and operational currency is euro.

Interest rate risk

To manage the Group's interest rate risk, leverage across the Group is kept at a moderate level and policy is to utilize hedging against interest rate risk. Speculative trading for profit without underlying exposure is not allowed. The portfolio companies are responsible for managing interest rate risk independently and reporting to the group. The portfolio companies must ensure that the hedging decisions are in line with the group's net financing position.

Some refinancing arrangements have been settled in the Group and interest rate hedging is

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used against interest rate changes according to treasury policies. A. Ahlström Corporation has agreed an interest rate hedging for nominal amount EUR 134.1 million to secure cost of long-term financing. About EUR 330 million of the group's loans are exposed to interest rate fluctuations.

Based on the interest rate sensitivity analysis, one percentage point increase in the interest rate would have reduced net interest expenses by 5.1 million (2.9) euros. The sensitivity of the result is affected by liabilities with variable interest rates and interest rate swaps. The calculation is based on the balance sheet values at the time of closing the financial statements, and changes in capital during the financial period have not been taken into account.

Credit risk

The risk of credit losses due to third parties' inability to service their liabilities towards the group is not a significant risk at the group level, due to the relatively small amount of receivables from others. A. Ahlström Corporation is responsible for managing credit risk of the financial instruments and transactions on a group level. The main principle is that the financial institution's credit rating is to be checked and approved before entering into an agreement or transaction. A. Ahlström maintains a counterparty list and separate rules and principles are in force when investing excess liquidity. At year end it was mainly deposited at European reputable banks that are relationship banks to A. Ahlström group or their short-term liquidity fund solutions.

In portfolio companies the receivables risk can be considerable, with significant variations in the amount and age structure of receivables between companies. The portfolio companies manage credit risk by their credit policies and their ways vary depending on the type of the business. E.g. limitations for the outstanding credits and terms are used, credit insurances have been applied and prepayments and collaterals are asked when needed. Analysing the new and existing business relationships and investigating the creditworthiness regularly are common to real estate, forest as well as portfolio companies' businesses.

Liquidity risk

Liquidity risk materializes if a group company ceases to have cash or has insufficient credit limits and borrowing facilities to meet its contractual obligations. The group's liquidity risk is managed by the maintenance of several potential financing facilities, backed by the group's assets, and supplemented by a considerable amount of assets that have good value as security (e.g. listed shares). The group maintains sufficient liquidity resources and borrowing facilities in order to secure the availability of liquidity needs arising from new investment opportunities for the group.

At the end of the year existing facilities in A. Ahlström Corporation and in its Holding companies and in real estate companies included credit facilities (RCF, committed credit facilities and overdrafts) amounting to EUR 279.1 million (279.1) of which EUR 101.3 million (110) was unutilized. A. Ahlström Corporation and A. Ahlström Real Estate Ltd have a committed long-term syndicated secured financing facility up to EUR 200.0 million. The facility is secured by mortgage on the real estate at Eteläesplanadi 14 owned by A. Ahlström Corporation and material part of the forest assets held by A. Ahlström Real Estate Ltd. There are two group level financial covenants on the facility. First one restricts the indebtedness calculated as gross interest-bearing debt in the Group compared to gross fair value of assets (loan to value) of the Group not to exceed 60 per cent. Another covenant restricts the loan to Security Value (the aggregate market value of the Security Properties) not to exceed 95 per cent. There have been no breaches in the financial covenant in the current period. In addition, A. Ahlström Corporation and A. Ahlström Real Estate Ltd have a junior term loan facility EUR 38.0 million. The facility is secured by second priority mortgage on the real estate at Eteläesplanadi 14 owned by A. Ahlström Corporation and material part of the forest assets held by A. Ahlström Real Estate Ltd. The covenants are the same as secured syndicated financing mentioned above.

The portfolio companies are responsible for monitoring their own liquidity position and cash flows. They maintain financing facilities that may be utilized if needed. At the end of the year existing facilities in the portfolio companies included committed credit facilities (RCF, committed credit facilities and overdrafts) amounting to EUR 279.8 million (279.8) of which EUR 56.6 million (65.0) was unutilized.

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6.4 Financial assets and liabilities

December 31, 2024 MEUR	At amortised cost	At fair value through profit and loss	At fair value through OCI	Total carrying amount
Non-current financial assets				
Other shares and securities	0.2	2.4		2.6
Interest-bearing loan receivables from external	1.0			1.0
Other receivables	5.9			5.9
Derivatives			13.1	13.1
Current financial assets				
Trade and other receivables	75.4			75.4
Interest-bearing loan receivables and financial assets associates	0.2	119.9		120.1
Non-interest-bearing loan receivables and financial assets associates	0.1			0.1
Other current financial assets	4.8			4.8
Cash and cash equivalents	67.0	0.0		67.0
	154.4	**122.4**	**13.1**	**289.9**
Non-current financial liabilities				
Interest-bearing loans and borrowings				
Loans from financial institutions	345.4	34.0		379.4
Lease liabilities	9.1			9.1
Other financial liabilities	8.4			8.4
Current financial liabilities				
Interest-bearing loans and borrowings				
Loans from financial institutions	24.7			24.7
Lease liabilities	2.1			2.1
Other liabilities	15.9			15.9
Trade and other payables	139.4			139.4
	545.0	**34.0**		**579.0**

December 31, 2023 MEUR	At amortised cost	At fair value through profit and loss	At fair value through OCI	Total carrying amount
Non-current financial assets				
Other shares and securities	0.1	6.2		6.3
Interest-bearing loan receivables from associates		106.3		106.3
Other receivables	3.5			3.5
Derivatives			15.5	15.5
Current financial assets				
Trade and other receivables	97.6			97.6
Interest-bearing loan receivables and financial assets	0.2			0.2
Other current financial assets				
Cash and cash equivalents	88.1			88.1
	189.5	**112.5**	**15.5**	**317.4**
Non-current financial liabilities				
Interest-bearing loans and borrowings				
Loans from financial institutions	369.0			369.0
Lease liabilities	9.6			9.6
Derivatives				
Other financial liabilities	9.9			9.9
Current financial liabilities				
Interest-bearing loans and borrowings				
Loans from financial institutions	20.7			20.7
Lease liabilities	2.1			2.1
Other liabilities	8.3			8.3
Trade and other payables	132.5			132.5
	552.0			**552.0**

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CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

2024

			Non-cashflow effect					
MEUR	January 1	Cash flows	Changes in foreign exchange rates	Acquisition and disposal of subsidiaries	Reclassification	New leases	Terminations of leasing contracts	December 31
Non-current interest-bearing loans	369.0	29.7			-19.4			379.4
Current interest-bearing loans	29.0	-1.9			13.6			40.6
Lease liabilities	11.7	-2.0			1.2	0.3		11.2
	409.6	**25.8**			**-4.5**	**0.3**		**431.2**

2023

			Non-cashflow effect					
MEUR	January 1	Cash flows	Changes in foreign exchange rates	Acquisition and disposal of subsidiaries	Reclassification	New leases	Terminations of leasing contracts	December 31
Non-current interest-bearing loans	300.1	68.1			0.8			369.0
Current interest-bearing loans	34.7	-15.5			9.7			29.0
Lease liabilities	11.9	-1.8			1.3	0.3		11.7
	346.7	**50.8**			**11.8**	**0.3**		**409.6**

Accounting policies

Financial assets

Financial assets are classified, at initial recognition, as financial assets at amortised cost, at fair value through other comprehensive income or at fair value through profit or loss. Financial assets are classified according to the group's business model and contractual cash flows. All financial assets are recognised initially at fair value except the trade receivables and contract assets if they do not contain a significant financing component. If financial assets are not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are included in the initial carrying amount.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the group commits to purchase or sell the asset.

Financial assets at amortised cost

Financial assets are recognised at amortised cost if the objective is to hold the asset until maturity to collect contractual cash flows. The cash flows are solely payments of principal amount and interest on the principal amount outstanding. After initial measurement, such assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment if any. The amortised cost is calculated by taking into account any discount or premium and fees or costs. The losses arising from impairment are recognised in the statement of income as financial costs in case of loan receivables and as cost of sales or other operating expenses in case of trade receivables.

Measurement at amortised cost generally applies to trade and other receivables and loan receivables. Trade receivables are recognised at their anticipated realisable value, which is the original invoiced amount less an estimated valuation allowance for impairment. Trade receivables may be sold to other lending institutions. les may be sold to other lending institutions.

Financial assets at fair value through other comprehensive income

Financial assets that are held within business model whose objective is both to sell and to hold until maturity and whose cash flows are solely contractual cash flows are measured at fair value through other comprehensive income. Revaluation changes are recognised in fair value reserve. Interest income, impairments, exchange gains and losses as well as final sales gains and losses of these assets are recognised in the statement of income.

In case trade receivables are either sold to financing institutions or held to collect the cash flows, they are measured at fair value through other comprehensive income.

An equity instrument which is qualified as a strategic investment according to group's business model, may be classified irrevocably to be measured at fair value through other comprehensive income. Only the dividends will be recognised in profit or loss. Revaluation changes are recognised in other comprehensive income in fair value reserve and will never be derecognised in profit or loss even if instrument is impaired or sold.

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Financial assets at fair value through profit or loss

Other equity instruments are measured at fair value through profit and loss. These assets are not held to collect contractual cash flows. Quoted shares, unquoted shares and other equity instruments are recognised at their fair value. Under limited conditions the acquisition cost may be the best estimate of fair value for unquoted shares and other equity instruments. The fair value changes are presented in the statement of income as negative or positive net changes of fair value in financial items.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:
-the rights to receive cash flows from the asset have expired; or
- the group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

Impairments

The group assesses at each reporting date, the expected credit losses for assets measured at amortised cost and assets measured at fair value through other comprehensive income. These are recognised as an allowance of the expected credit losses. If the credit risk has not increased significantly the group assesses the allowance to the amount equal to expected credit losses for twelve months. If the credit risk related to specific financial asset has increased significantly after initial recognition, the allowance is recognised in amount equal to expected credit losses for lifetime. The group assesses the expected credit losses of trade receivables and contract assets by asset groups and loan receivables individually.

Financial liabilities

The group's financial liabilities are classified as at amortised cost or at fair value through profit and loss. Financial liabilities include trade and other payables and loans and borrowings including bank overdrafts. Derivatives designated as hedging instruments are classified as at fair value through other comprehensive income.

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities recognised at fair value through the statement of income

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships.

Gains or losses on liabilities held for trading are recognised in the statement of income as well as realised and unrealised gains and losses arising from changes in fair value of derivatives.

Financial liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss using the EIR method when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs. The EIR amortisation is included in financial costs in the statement of income.

Financial guarantee contracts issued by the group are contracts that require a payment to be made to compensate the holder for a loss it incurs because the specified debtor fails to make a payment when due under the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognising the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of income.

Significant accounting judgements, estimates and assumptions

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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6.5 Fair values and fair value measurement

2024		Fair Value			
MEUR	Carrying amount	Level 1	Level 2	Level 3	Total
Assets measured at fair value					
Investment properties	184.7			184.7	184.7
Biological assets	186.2			186.2	186.2
Other shares and securities	2.6			2.6	2.6
Derivate financial assets, hedge accounting	13.1		13.1		13.1
Other current financial assets	4.8	4.8			4.8
Loan receivables at fair value	119.9			119.9	119.9
Assets for which fair values are disclosed					
Loan receivables at amortised cost	1.8			1.8	1.8
	513.2	**4.8**	**13.1**	**495.3**	**513.2**
Liabilities for which fair values are disclosed					
Floating rate borrowings	405.2			405.2	405.2
Fixed rate borrowings	0.1			0.1	0.1
Other interest-bearing	14.7			14.7	14.7
Other liabilities	0.2			0.2	0.2
	420.2			**420.2**	**420.2**

2023		Fair Value		
MEUR	Carrying amount	Level 1	Level 2	Level 3	Total
Assets measured at fair value					
Investment properties	192.9			192.9	192.9
Biological assets	176.9			176.9	176.9
Other shares and securities	6.3		0.0	6.3	6.3
Derivatives not designated as hedges	15.5		15.5		15.5
Loan receivables at fair value	106.3			106.3	106.3
Assets for which fair values are disclosed					
Loan receivables at amortised cost	0.8			0.8	0.8
	498.7		**15.5**	**483.1**	**498.7**
Liabilities for which fair values are disclosed					
Floating rate borrowings	397.3			397.3	397.3
Fixed rate borrowings	0.7			0.7	0.7
Other liabilities	2.5			2.5	2.5
	400.4			**400.4**	**400.4**

RECONCILIATION OF LEVEL 3 FAIR VALUES OF OTHER SHARES AND SECURITIES

MEUR	2024	2023
January 1	**6.3**	**6.3**
Disposals	-4.0	0.0
Additions	0.2	1.0
Impairment	0.1	-1.0
Reclassification	0.0	0.0
December 31	**2.6**	**6.3**

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Accounting policies

The group measures financial instruments, such as derivatives and non-financial assets such as investment properties, at their fair value at each reporting date.

Fair value is the price that would be received when selling an asset or paid when transferring a liability in an orderly transaction between market participants at the measurement date. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure the fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether shifts have occurred between levels in the hierarchy by reassessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

6.6 Commitments and contingencies

Capital commitments

The group has contracts regarding new real estate development projects. Committed investments amounted to approximately EUR 10.9 million (13.9) at the end of December 2024.

Derivative contracts

The group has interest rate hedging for principal amount EUR 134.1 million to secure cost of long-term financing.

COMMITMENTS AND CONTINGENCIES ON OWN BEHALF

MEUR	2024	2023
Secured loans		
Loans from financial institutions and others	419.9	421.1
Pledged assets		
Real estate mortgages	445.9	446.4
Pledged shares	396.3	332.4
Guarantees		

Pledges are used as collaterals for certain credit facilities. A substantial part of group's investment properties (note 4.5) and forest assets (note 4.6) have been utilised as collaterals for these credit facilities and reported as real estate mortgages in commitments.

A. Ahlström group has a contingent VAT liability on real estate investments EUR 12.4 million (14.3) on December 31, 2024.

Commitments on behalf of others

A. Ahlström group has guarantees given on behalf of others EUR 0.1 million (0.1) on December 31, 2024.

Accounting policies

Contingent liabilities are present obligations that have arisen from past events, such as rental agreements commencing in the future, possible defaults of deliveries in the ordinary course of business for which the group has guarantee commitments and sales of accounts receivable under factoring agreements.

Contingent liabilities are not recognised in the statement of financial position because it is not probable that an outflow of recourses embodying economic benefits will be required to settle the obligations. However, since it cannot be precluded that an outflow of resources embodying economic benefits can be required to settle the obligations, the group discloses the possible contingencies separately.

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7.1 Income tax

THE MAJOR COMPONENTS OF INCOME TAX EXPENSE

MEUR	2024	2023
Consolidated statement of income		
Current income tax		
Current tax expense	-8.5	-1.0
Taxes from previous years		-0.1
Deferred tax		
Change in deferred taxes	10.3	7.4
Income tax expense reported in the statement of income	**1.8**	**6.3**
Consolidated statement of other comprehensive income		
Deferred tax related to items recognised in OCI during the year		
Related to changes in cash flow hedges	0.4	1.8
Income tax charged to other comprehensive income	**0.4**	**1.8**

RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY FINLAND'S DOMESTIC TAX RATE

MEUR	2024	2023
Profit before tax	-8.8	-26.6
Profit from discontinued operations before tax		
Tax calculated using Finnish tax rates (20%, 2023: 20%)	1.8	5.3
Difference between Finnish and foreign tax rates	0.6	4.2
Share in results of associated companies	7.9	3.3
Non-taxable income	4.1	-2.5
Taxable income not included in the profit	-0.1	-0.1
Non-deductible expenses	-1.5	-0.8
Recognition of previously non-deducted expenses	-0.5	-0.6
Utilisation of previously unrecognised tax losses	0.1	1.0
Loss for the period, for which no deferred tax asset is recognised	-0.4	-1.3
Previous years' loss for which deferred tax assets was recognised/de-recognised	0.4	-1.0
Adjustments of previous years current income tax	0.0	-0.1
Other	-10.6	-1.2
Effective income tax 20.4% (23.6%)	**1.8**	**6.3**
Total income tax for the period	**1.8**	**6.3**

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7.2 Deferred tax assets and liabilities

CHANGE IN DEFERRED TAX ASSETS

2024

MEUR	January 1	Recognised in the statement of income	In other comprehensive income	Recorded directly into equity	Business arrangements	Translation difference	Other movements	December 31
Unused tax losses	4.7	1.6				-0.7		5.7
Pension benefits	1.3	-0.1		0.0		0.0		1.1
Provisions	0.2	0.4					0.6	1.2
Inventories internal margin	0.3	-0.1				0.0		0.2
Investment properties	0.8	0.0						0.8
Leases		0.4					0.0	0.4
Other	9.1	3.1				-0.3	-0.6	11.3
Tax assets before set-off	**16.4**	**5.3**		**0.0**		**-1.0**	**0.0**	**20.7**
Set-off of tax*								-0.4
Net tax assets								**20.3**

*Deferred tax assets concerning IFRS-16 leases are reported on net basis.

2023

MEUR	January 1	Recognised in the statement of income	In other comprehensive income	Recorded directly into equity	Business arrangements	Translation difference	Other movements	December 31
Unused tax losses	2.5	2.2				0.1		4.7
Pension benefits	3.2	-2.2					0.3	1.3
Provisions							0.2	0.2
Inventories internal margin	0.2	0.1				0.0		0.3
Investment properties	0.4	0.5						0.8
Other	5.2	2.8				0.0	1.2	9.1
	11.3	**3.4**				**0.1**	**1.7**	**16.4**

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7.2 Deferred tax assets and liabilities

CHANGE IN DEFERRED TAX LIABILITIES

2024

MEUR	January 1	Recognised in the statement of income	In other comprehensive income	Recorded directly into equity	Business arrangements	Translation difference	Other movements	December 31
Intangible assets and property, plant and equipment	39.1	-6.0			-0.1	-0.5	-10.9	22.0
Investment properties	12.6	-0.9						11.7
Biological assets	24.6	0.0				1.1		25.7
Derivatives	3.1	-0.1	-0.4					2.6
Leases		0.4					0.0	0.4
Other	-6.0	0.2				0.0	10.8	5.0
Tax liabilities before set-off	**73.4**	**-6.4**	**-0.4**		**-0.1**	**0.6**	**-0.1**	**67.4**
Set-off of tax*								-0.4
Net tax liabilities								**67.0**

*Deferred tax liabilities concerning IFRS-16 leases are reported on net basis.

2023

MEUR	January 1	Recognised in the statement of income	In other comprehensive income	Recorded directly into equity	Business arrangements	Translation difference	Other movements	December 31
Intangible assets and property, plant and equipment	51.2	3.4			3.9	0.2	-19.6	39.1
Investment properties	13.4	-0.8						12.6
Biological assets	24.1	0.5			0.1			24.6
Derivatives	4.5	-1.4						3.1
Other	-6.3	0.4			0.1	-0.2		-6.0
	86.9	**2.1**			**4.0**	**0.0**	**-19.6**	**73.4**

Reflected in the statement of financial position	December 31, 2024	December 31, 2023
Deferred tax assets	20.3	16.2
Deferred tax liabilities	67.0	73.4
Deferred tax assets/liabilities, net	**-46.7**	**-57.2**

On December 31, 2024, the Group had tax loss carry forwards of EUR 44.5 million (40.8) in total of which EUR 17.4 million (18.1) has no expiration period. Regarding losses amounting to EUR 8.8 million (30.9) no deferred tax asset was recognised due to the uncertainty of utilisation of these tax losses carry forwards.

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Taxes

Taxes shown in the consolidated statement of income include income taxes to be paid on the basis of local tax legislations, tax adjustments from previous years as well as the effect of the annual change in the deferred tax liability and deferred tax assets.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in other comprehensive income. Each reporting date the Group evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax assets and liabilities are calculated on temporary differences arising between the tax basis and the book value of assets and liabilities using the liability method. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The main temporary differences arise from unused tax losses, intangible assets, property, plant and equipment, biological assets, investment properties, provisions, defined benefit pension plans, inter-company inventory margin and fair valuation of derivative financial instruments. A deferred tax asset is recognised to the extent that it is probable that it can be utilised.

Deferred tax is not recognised for non-deductible goodwill on initial recognition. Also it is not recognised for an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Significant accounting judgements, estimates and assumptions

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

7.3 Related party transactions

Related parties comprise the parent company, subsidiaries, the associated companies, and joint ventures. Related parties also include the Board of Directors, Supervisory Board, CEO and committees, their family members, and entities controlled directly or indirectly by them.

The relationships between the parent company and its subsidiaries are presented in Note 2.1.

The transactions with associated companies are listed in a separate Note 2.4 and 5.2. Loan transactions with associated companies are presented in Note 6.4.

Salaries for CEO and remunerations to Board of Directors, Supervisory board and committee members are specified in Note 3.7.

BUSINESS TRANSACTIONS WITH THE ASSOCIATED COMPANIES AND ENTITY WITH SIGNIFICANT INFLUENCE OVER THE GROUP

MEUR	2024	2023
Sales to the entity with significant influence over the group		0.2

REMUNERATION OF KEY MANAGEMENT PERSONNEL (CEO, BOARD OF DIRECTORS AND SUPERVISORY BOARD)

MEUR	2023	2023
Wages and other short-term employee benefits	-1.3	-1.7
Post-employment benefits	-0.1	-0.1
	-1.4	**-1.8**

The amounts disclosed in the table are those recognised as an expense during the reporting period.

7.4 Events after the reporting period

A. Ahlström Real Estate Ltd has committed to a new office building project together with a minority shareholder. The building will be located in Pasila, Helsinki and the construction starts in 2025.

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Statement of Income, Parent Company (FAS)

TEUR	Note	2024	2023
Revenue	2	6,920	5,945
Other operating income	3	51	3
Raw materials and services		-111	-119
Employee benefits	4	-4,234	-3,608
Depreciation, amortisation and impairment	9	-1,406	-1,302
Other operating expenses	6	-4,605	-5,412
Operating profit / loss		**-3,386**	**-4,494**
Financial income	7	4,668	11,081
Impairments	7	491	2,186
Financial expenses	7	-6,636	-3,855
Profit before appropriations and tax		**-4,862**	**4,918**
Appropriations	8		
Change in depreciation difference		198	66
Group contributions		4,097	1,886
Income taxes			
Profit for the period		**-567**	**6,870**

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Statement of Financial Position, Parent company (FAS)

TEUR	Note	December 31, 2024	December 31, 2023
Assets			
Non-current assets			
Intangible assets	9		
Intangible rights		255	197
		255	**197**
Tangible assets	9		
Land and water areas		26,254	26,254
Buildings and constructions		23,542	23,916
Machinery and equipment		1,678	1,761
Other tangible assets		70	70
Advances paid and construction in progress		0	5
		51,544	**52,006**
Investments	10		
Investments in Group companies		482,793	498,203
Other investments		62	63
		482,856	**498,265**
Total non-current assets		**534,655**	**550,468**

TEUR	Note	December 31, 2024	December 31, 2023
Current assets			
Long-term receivables			
Accrued receivables		236	3,073
		236	**3,073**
Short-term receivables			
Trade receivables		16	16
Receivables from Group companies	15	16,700	7,957
Other receivables		3	13
Accrued receivables	11	4,602	4,778
		21,320	**12,764**
Cash and cash equivalents		1,238	6,690
Total current assets		**22,795**	**22,527**
Total assets		**557,450**	**572,995**

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TEUR	Note	December 31, 2024	December 31, 2023
Equity and liabilities			
Equity	12		
Share capital		38,996	38,996
Share premium		12,774	12,774
Reserve for invested non-restricted equity		111,517	111,517
Retained earnings		307,931	329,274
Profit for the period		-567	6,870
Total equity		**470,652**	**499,432**
Appropriations			
Depreciation difference		1,610	1,809
		1,610	**1,809**
Liabilities			
Long-term liabilities			
Loans from financial institutions	16	70,000	60,000
Accrued liabilities	14	101	56
		70,101	**60,056**
Short-term liabilities			
Trade payables		622	346
Liabilities to Group companies	15	12,770	9,690
Other liabilities		202	49
Accrued liabilities	14	1,493	1,613
		15,087	**11,697**
Total liabilities		**85,188**	**71,753**
Total equity and liabilities		**557,450**	**572,995**

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Statement of Cash Flows, Parent Company (FAS)

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TEUR	2024	2023
Operating activities		
Profit/loss for the period	-567	6,870
Adjustments to reconcile profit to net cash flows		
Depreciation, amortisation and impairment	1,406	1,302
Financial income and expenses	1,476	-9,412
Other adjustments	-4,295	-1,950
Cash flow from operating activities before change in net working capital	-1,980	-3,189
Change in working capital		
Change in short-term receivables	208	62
Change in short-term non-interest-bearing debts	332	-639
Net cash flow from operating activities before financing items and taxes	-1,440	-3,767
Interest received and other financing items	4,402	2,965
Interest paid and other financing items	-3,512	-3,346
Net cash flow from operating activities	**-549**	**-4,148**

TEUR	2024	2023
Investing activities		
Capital expenditure		
Other investments	15,900	-27,000
Disposal of tangible and intangible assets	-1,003	-1,212
Net cash flows from / used in investing activities	**14,897**	**-28,212**
Financing activities		
Change in long-term debt	10,000	40,000
Change in short-term debt	3,059	-21,711
Dividends paid	-23,649	-28,523
Group contribution	1,886	4,220
Purchase of treasury shares	-4,565	-5,908
Addition / deduction of cash equivalents, cash pool	-6,531	-3,071
Net cash flows from / used in financing activities	**-19,800**	**-14,993**
Net change in cash and cash equivalents	**-5,452**	**-47,353**
Other adjustment		8,806
Cash and cash equivalents on January 1	6,690	45,236
Cash and cash equivalents on December 31	**1,238**	**6,690**

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1. Accounting principles

The financial statements of the parent company A. Ahlström Corporation have been prepared in accordance with the Finnish Accounting act and other regulations in force in Finland. They comply with the European Union directives on financial statements and good accounting practices.

The financial statements are presented in euro and are prepared under the historic cost convention.

Revenue recognition

Income from the sale of goods and services is recognised as revenue when the goods are delivered or the services rendered. Net sales are shown net of indirect taxes and discounts. Translation differences attributable to sales are reported as part of net sales.

Items denominated in foreign currency

In the financial statements, receivables and liabilities denominated in foreign currency are translated into euros at the functional currency spot rate of exchange ruling at the one day prior to the reporting date. Translation differences in receivables and liabilities are recognised in profit or loss. Exchange differences attributable to sales are reported as part of net sales. Exchange differences arising from translation of accounts payable are shown as adjustment items under purchase expenses (annual costs or capitalisations).

Exchange differences arising from translation of financial items are shown as financial income or financial expenses.

Investments

Investments that are intended to generate income for more than one accounting period are recognised in non-current assets at the lower of cost or market.

Securities included in the financial assets are stated at the lower of cost or market.

Non-current assets

Non-current assets are disclosed at original cost in the balance sheet, less accumulated depreciation and amortisation.

Depreciation and amortisation is calculated from the original cost or revaluated amounts of non-current assets using the straight-line method over the useful lives of assets.

The estimated useful lives are as follows:

- Buildings	25–40 years
- Heavy machinery	10–20 years
- Other machinery and equipment	3–10 years
- Intangible assets	3–5 years

Land and water areas are not depreciated.

Leasing

Payments of operating leases and financial leases are recognised as rental expenses. Leased assets are not shown on the balance sheet as fixed assets, and future lease payments are not shown as liabilities. The notes to the financial statements show the liabilities arising from currently valid leases.

Taxes

Income taxes consist of taxes paid and payable on taxable income for the most recent and previous accounting periods in accordance with local tax laws, plus deferred taxes.

2. Net sales

DISTRIBUTION OF REVENUE BY COUNTRY

TEUR	2024	2023
Finland	5,337	5,151
Netherlands	1,582	794
	6,920	**5,945**

DISTRIBUTION OF REVENUE BY BUSINESS

TEUR	2024	2023
Real estate	5,113	4,961
Others	1,806	984
	6,920	**5,945**

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3. Other operating income

TEUR	2024	2023
Other	51	3
	51	**3**

4. Personnel costs

TEUR	2024	2023
Wages and salaries and other remunerations	3,540	2,969
Pension costs	609	564
Other wage-related costs	85	75
	4,234	**3,608**
CEO's salaries	408	1,173
of which bonuses		334
Remunerations to Board members	605	699
Remunerations to Supervisory Board members	294	258

5. Average number of personnel

	2024	2023
Salaried	16	14

6. Other operating expenses

TEUR	2024	2023
Real estate expenses	1,797	1,976
External services	1,643	2,252
Other expense items	1,165	1,185
	4,605	**5,412**

7. Financial income and expenses

FINANCIAL INCOME

TEUR	2024	2023
Interest and financial income from Group companies	673	237
Interest and financial income from others	3,995	10,844
	4,668	**11,081**

FINANCIAL EXPENSES

TEUR	2024	2023
Impairment on investments from Group companies	-491	-2,186
Interest and financing expenses to Group companies	384	364
Interest and financial expenses to others		
Interest expenses	3,109	1,190
Other financial expenses	3,143	2,301
	6,145	**1,669**
Total financial income and expenses	**-1,476**	**9,412**

8. Appropriations

TEUR	2024	2023
Change in depreciation difference	198	66
Group contribution, received	4,097	1,886
	4,295	**1,952**

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9. Intangible and tangible assets, appreciations, depreciations and write-offs

2024 TEUR	Intangible rights	Land and water areas	Buildings and constructions	Machinery and equipment	Other tangible assets	Advances paid and construction in progress
Acquisition cost						
January 1	203	26,254	41,425	4,143	70	5
Additions	65			0		944
Disposals			-6			
Reclassification			782	167		-949
December 31	268	26,254	42,201	4,309	70	0
Accumulated depreciation and impairment						
January 1	6		17,509	2,382		
Amortisation for the year	6		1,150	250		
December 31	13		18,659	2,632		
Net book value December 31	**255**	**26,254**	**23,542**	**1,678**	**70**	**0**

2023 TEUR	Intangible rights	Land and water areas	Buildings and constructions	Machinery and equipment	Other tangible assets	Advances paid and construction in progress
Acquisition cost						
January 1	203	26,254	40,543	3,729	70	4
Additions				85		1,214
Disposals			-1			
Reclassification			883	329		-1,212
December 31	203	26,254	41,425	4,143	70	5
Accumulated depreciation and impairment						
January 1	6		16,415	2,174		
Amortisation for the year			1,094	208		
December 31	6		17,509	2,382		
Net book value December 31	**197**	**26,254**	**23,916**	**1,761**	**70**	**5**

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10. Long-term investments

2024 TEUR	Investments in Group companies	Other shares
January 1	498,203	63
Additions	1,100	
Disposals	-17,000	0
Impairments	491	
December 31	**482,793**	**62**

2023 TEUR	Investments in Group companies	Other shares
January 1	469,017	65
Additions	27,000	
Disposals		-3
Impairments	2,186	
December 31	**498,203**	**63**

11. Accrued receivables

TEUR	2024	2023
Long-term		
Other	236	3,073
Short-term		
Accrued interest income	1,421	1,589
Periodisation of costs	344	353
Other	2,836	2,836
	4,838	**7,851**

12. Equity

TEUR	2024	2023
Restricted equity		
Equity on January 1	38,996	38,771
Increase of shareholders' equity	0	225
Equity on December 31	**38,996**	**38,996**
Share premium on January 1	12,774	12,774
Capital in excess of par value on December 31	**12,774**	**12,774**
Restricted equity, total	**51,771**	**51,771**
Unrestricted equity		
Reserve for invested non-restricted equity	111,517	111,517
Retained earnings (loss) on January 1	336,145	362,331
Distribution of profits	-23,649	-28,523
Acquisition of treasury shares	-4,565	-4,534
Profit from previous financial years on December 31	**307,931**	**329,274**
Profit for the period	**-567**	**6,870**
Unrestricted equity, total	**418,881**	**447,662**
Equity, total	**470,652**	**499,433**

13. Share capital

TEUR	Number of shares	EUR
Shares January 1	59,421,902	38,771,470
Issue of shares	0	
Invalidation of shares	-300,000	
Shares December 31	**59,121,902**	**38,996,470**

1 vote / share, with redemption clause

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The Annual General Meeting of A. Ahlström Corporation resolved to authorize the Board of Directors to decide on the repurchase of a maximum of 400,000 shares. The purchase price is the external fair value of the share at the end of September with a 12% discount. The authorisation is valid until the end of the next Annual General Meeting. The Board of Directors resolved to commence the share repurchase program during November and purchase a maximum of 300,000 shares. The company repurchased 299,434 shares (0,5%). The repurchased shares were invalidated during the first quarter of 2025 based on the board of directors' decision in December 2024.

14. Accrued liabilities

TEUR	2024	2023
Long-term		
Personnel costs	101	56
Short-term		
Personnel costs	805	756
Periodisation of costs	484	857
Others	203	
	1,594	**1,668**

15. Receivables from and liabilities to Group companies

RECEIVABLES FROM GROUP COMPANIES

TEUR	2024	2023
Other receivable	12,603	6,071
Accrued receivables	4,097	1,886
	16,700	**7,957**

LIABILITIES TO GROUP COMPANIES

TEUR	2024	2023
Other short-term liabilities	12,749	9,690
Other short-term liabilities	21	
	12,770	**9,690**

16. Collaterals

TEUR	2024	2023
For own liabilities		
Credit facilities	200,000	200,000
of which in use	60,000	50,000
Other long-term facilities	10,000	10,000
Pledged assets	140,000	140,000

A. Ahlström Corporation and A. Ahlström Real Estate Ltd have a joint syndicated long-term secured financing Facility of EUR 200.0 million, of which EUR 98.2 million was unused at the end of the year. The financing agreement will expire during 2026. In addition, A. Ahlström Corporation and A. Ahlström Real Estate Ltd have a joint financing agreement of EUR 38.0 million. A. Ahlström Corporation's share of the contract is EUR 10.0 million. The joint financing agreement will expire during 2032.

The facility is secured by mortgage on the real estate at Eteläesplanadi 14 owned by A. Ahlström Corporation and material part of the forest assets held by A. Ahlström Real Estate Ltd. There are two group level financial covenants on the facility. First onerestricts the indebtedness calculated as gross interest-bearing debt in the Group compared to gross fair value of assets (loan to value) of the Group not to exceed 60%. Another covenant restricts the loan to Security Value (the aggregate market value of the Security Properties) not to exceed 95%. There have been no breaches in the financial covenant in the current period.

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17. Contingent liabilities

TEUR	2024	2023
Leasing and rental commitments		
Current portion	14	20
Non-current portion	50	51
	65	**71**

Commitments on behalf of Group companies

A. Ahlström Corporation has provided guarantees for the credit facilities of certain subsidiaries.

TEUR	2024	2023
Contingent liabilities for Real Estate investment's VAT	498	590

Derivatives

TEUR	2024	2023
Interest rate derivatives		
Fair value	14,618	17,845
Nominal value	134,125	100,000

A. Ahlström Corporation has agreed on an interest rate hedge for EUR 134.1 million to secure the costs of long-term financing. The interest rate hedge had an effect of EUR 3.8 million (10.1) in financial income and EUR 2.8 million in financial expenses (1.9).

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Auditor's report

This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.

To the Annual General Meeting of A.Ahlström Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of A. Ahlström Corporation (business identity code 1670034-3) for the year ended 31 December, 2024. The financial statements comprise the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from frauds higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Reporting Requirements

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Helsinki, 10 April 2025
KPMG OY AB

Kim Järvi
Authorised Public Accountant, KHT

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Proposal for the Distribution of Profits

According to the parent company's balance sheet as at 31 December 2024, the total distributable funds are:

	EUR
Reserve for invested non-restricted equity	111,516,893.88
Retained earnings	307,931,035.57
Profit for the period	-566,804.22
Total distributable funds	418,881,125.23

The Board of Directors proposes that a dividend of EUR 0.40 per share be paid on the 58,822,468 shares and the remainder retained. The total proposed dividend for 2024 is EUR 23,528,987.20. The dividend is proposed to be paid in two instalments; the first payment of EUR 0.20 per share in May 2025 and the second payment of EUR 0.20 per share in September 2025.

Helsinki, April 10, 2025

Peter Seligson
Chairman of the Board

Klaus Cawén Casper von Koskull

Katja Keitaanniemi Sebastian Bondestam Fredrik Persson

Marcus Ahlström Hannele Arvonen

Jyrki Vainionpää
President and CEO

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Shares and share capital

A. Ahlström's registered share capital on December 31, 2024 was EUR 38,996,470. The Company has one series of shares. Each share entitles the holder to one vote in the general meeting of shareholders. The Articles of Association include a redemption clause as defined in Chapter 3, section 7 of the Limited Liability Companies Act.

Shareholdings

At the end of 2024, A. Ahlström had 269 shareholders. More information on shareholders is presented in the Report of the Board of Directors.

Shareholdings of the Board of Directors

On December 31, 2024 members of the Board of Directors held 1,297,075 shares in A. Ahlström Corporation, which represents 2.19 per cent of the shares and voting rights. The Supervisory Board held 1,880,757 shares in A. Ahlström Corporation, which represents 3.18 per cent of the shares and voting rights.

Shareholders by group on December 31, 2024

	Number of Shares	Percentage of capital stock
Companies	67,900	0.1%
Financial and insurance institutions	261,208	0.4%
Households	47,067,836	79.7%
Non-profit organisations	555,020	0.9%
Foreign owners	11,106,900	18.8%
Total	**59,058,864**	**100.0%**

Distribution of shareholdings on December 31, 2024

TEUR	Number of shareholders	Percentage of shareholders	Number of shares and votes	Percentage of shares and votes	Average number of shares held
1-10,000	47	17.5%	9,134	0.0%	194
10,000-50,000	15	5.6%	42,123	0.1%	2,808
50,000-100,000	104	38.7%	3,818,905	6.5%	36,720
100,000-500,000	64	23.8%	16,102,315	27.3%	251,599
500,000-	39	14.5%	39,086,387	66.2%	1,002,215
Total	**269**	**100.0%**	**59,058,864**	**100.0%**	**219,550**

On December 31, 2024 the number of issued shares was 59,121,902, of which 63,038 shares were on the waiting list and 1,000 shares were repurchased and waiting to be invalidated.

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Information for shareholders

Annual general meeting

The Annual General Meeting 2025 is to be held on Friday, 16 May 2025 at 5 p.m. in Noormarkku, Finland.

Financial information

A. Ahlström's Annual Report 2024 is available on the company's website at ahlstrom.com. In 2025, the company will inform the shareholders about the development of its performance on a quarterly basis.