Interim report

January–March 2024

StoraEnso

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President and CEO Hans Sohlström:

"In a continuous weak market, I am encouraged by Stora Enso's sequential financial performance improvement."

Profit improvement and capital release

Fixed costs savings target raised to EUR 120 million from the initial EUR 80 million, effective 2025. Additional sourcing, operational, and commercial profit improvement actions proceeding well. Operating working capital released: EUR 551 million year-on-year.

Recognition for green financing

Stora Enso was awarded "Green bond of the year - corporate-EMEA" by news and analysis provider Environmental Finance. The bonds are used for refinancing forest assets and financing fiber-based packaging investments.

Advancing positive impacts on biodiversity

Stora Enso's partnership with the International Union for Conservation of Nature (IUCN) focuses on developing a framework to measure and disclose net positive biodiversity impacts.

Cover photo: World of Volvo, Gothenburg, Sweden, inaugurated in April 2024
Photographer: Rasmus Hjortshøj

Continuous efforts to improve profits, competitiveness, and cash flow

Quarterly financial highlights

- Sales decreased by 20% to EUR 2,164 (2,721) million.
- Adjusted EBIT decreased to EUR 156 (234) million.
- Adjusted EBIT margin decreased to 7.2% (8.6%).
- Operating result (IFRS) was EUR 148 (258) million.
- Earnings per share (EPS) were EUR 0.11 (0.24) and EPS excl. fair valuations (FV) was EUR 0.09 (0.23).
- The value of the forest assets increased to EUR 8.6 (8.3) billion, equivalent to EUR 10.94 per share.
- Cash flow from operations amounted to EUR 269 (254) million. Cash flow after investing activities was EUR -104 (1) million.
- Net debt increased by EUR 601 million to EUR 3,518 (2,917) million, mainly due to the board investment at the Oulu site.
- The net debt to adjusted EBITDA (LTM[1]) ratio was 4.0 (1.3). The target to keep the ratio below 2.0 remains.
- Adjusted ROCE excluding the Forest division (LTM[1]) decreased to 0.0% (16.5%), the target being above 13%.

Key highlights

- The profit improvement programme, initiated in the first quarter, has progressed well and the annual profit improvement target has been increased to EUR 120 million, from the initial EUR 80 million, driven by additional fixed cost reductions. The programme does not include site closures and may result in the reduction of approximately 1,000 employees.
- Operating working capital decreased by EUR 551 million year-on-year, driven by our continued focus to improve working capital efficiency.
- The consumer board investment at the Oulu site in Finland is progressing on schedule. Production is expected to start in the first half of 2025, with full capacity estimated to be reached during 2027.
- The plan to divest the Beihai site in China is proceeding according to plan. The site is classified as assets held for sale from the end of 2023 onwards.
- A dividend of EUR 0.10 per share for the full year 2023 was paid on 4 April 2024. The AGM has authorised the Board of Directors to decide on payment of an additional dividend up to EUR 0.20 per share, valid until 31 December 2024.
- Stora Enso was awarded "Green bond of the year - corporate–EMEA" by Environmental Finance in April.

Guidance

Stora Enso's full year 2024 adjusted EBIT is expected to be higher than for the full year 2023, EUR 342 million.

Sales	Adjusted EBIT margin	Adjusted ROCE excl. the Forest division (LTM)
EUR 2,164 million (Q1/2023: 2,721)	7.2% (Q1/2023: 8.6%)	0.0% (Q1/2023: 16.5%)
Net debt to adjusted EBITDA (LTM)	**EPS (basic)**	**Cash flow from operations**
4.0 (Q1/2023: 1.3)	EUR 0.11 (Q1/2023: 0.24)	EUR 269 million (Q1/2023: 254)

LTM = Last 12 months

Outlook

Market outlook:
Stora Enso anticipates a gradual recovery in market conditions in 2024, with increased demand for consumer board, higher pulp demand and prices. However, profits are expected to be adversely impacted in the second quarter, mainly due to the sequentially higher maintenance costs in the quarter, higher wood costs, and the recent political strikes in Finland. Market uncertainties such as a continued high inflationary environment, strikes, demand and price development, and other external disruptions which may impact the Group's profits, are expected to persist towards the end of the year.

Packaging Materials:
The Packaging Materials market has stabilised and orderbooks have improved, though the weak macroeconomy, including sluggish retail markets, is still slowing the recovery. Demand for consumer board is stable to positive, especially in liquid packaging board. Demand is expected to continue to recover in kraftliner and testliner, and announced price increases in the containerboard market are filtering through. For recycled board, demand has improved but underlying demand remains weak.

Packaging Solutions:
The Packaging Solutions division expects a stronger sequential demand in the second quarter due to seasonal effects. However, heavy overcapacity in the market, mainly in Eastern Europe, will continue to pose challenges, together with increasing containerboard prices.

Biomaterials:
The European demand is expected to slightly increase due to the ongoing Red Sea Crisis, which benefits board and paper producers in Europe. However, new capacities could impact the market later in the year.

Wood Products:
The Wood Products division continues to face challenges due to low demand, prices, volumes, and high wood costs. A seasonal demand improvement is expected in the classic sawn market during the second quarter of this year. The construction sector is still not improving.

Forest:
The Forest division expects a gradual rise in wood demand as markets in the second quarter remain tight in Finland, Sweden, and the Baltics. Wood prices are estimated to rise throughout the rest of 2024 in both Finland and Sweden.

Long-term growth opportunities:
Despite current challenges, Stora Enso sees long-term growth opportunities in sustainable packaging, wood construction, and innovative biomaterials. Regulations and sustainability megatrends support these developments.

Market demand development by division quarter-on-quarter, Q1/2024 to Q2/2024

Packaging Materials	• Demand for consumer board and containerboard is expected to be slightly stronger. • Value chain destocking has ended.
Packaging Solutions	• Demand for corrugated packaging in Europe is expected to be stronger mainly due to the seasonality of fruit and vegetable markets.
Biomaterials	• Demand for pulp in Europe is expected to be slightly stronger. • Stable demand is expected for fluff pulp. • Demand for softwood pulp in China is expected to be slightly stronger and demand for hardwood pulp in China is expected to be stable.
Wood Products	• Demand for sawn wood is expected to be significantly stronger due to seasonal effects. • Weak demand is expected to continue for building solutions from the construction segment.
Forest	• Demand for pulpwood in Sweden is expected to be slightly stronger and demand for sawlogs significantly stronger. • Demand for pulpwood and sawlogs in Finland is expected to be significantly stronger and demand for pulpwood for energy use is expected to be stronger due to seasonality.

Key figures

EUR million	Q1/24	Q1/23	Change % Q1/24–Q1/23	Q4/23	Change % Q1/24–Q4/23	2023
Sales	2,164	2,721	-20.5%	2,174	-0.4%	9,396
Adjusted EBITDA	298	399	-25.3%	212	40.3%	989
Adjusted EBITDA margin	13.8%	14.7%		9.8%		10.5%
Adjusted EBIT	156	234	-33.1%	51	209.7%	342
Adjusted EBIT margin	7.2%	8.6%		2.3%		3.6%
Operating result (IFRS)	148	258	-42.4%	-326	145.5%	-322
Result before tax (IFRS)	101	228	-55.6%	-378	126.8%	-495
Net result for the period (IFRS)	84	185	-54.5%	-325	125.9%	-431
Cash flow from operations	269	254	5.9%	323	-16.6%	954
Cash flow after investing activities	-104	1	n/m	-9	n/m	-40
Capital expenditure	226	229	-1.3%	422	-46.4%	1,125
Capital expenditure excluding investments in biological assets	210	214	-1.6%	401	-47.5%	1,054
Depreciation and impairment charges excl. IAC	118	136	-13.5%	133	-11.8%	534
Net debt	3,518	2,917	20.6%	3,167	11.1%	3,167
Forest assets[1]	8,626	8,269	4.3%	8,731	-1.2%	8,731
Adjusted return on capital employed (ROCE), LTM[2]	1.9%	11.5%		2.4%		2.4%
Adjusted ROCE excl. Forest division, LTM[2]	0.0%	16.5%		1.0%		1.0%
Earnings per share (EPS) excl. FV, EUR	0.09	0.23	-60.6%	-0.64	114.2%	-0.73
EPS (basic), EUR	0.11	0.24	-55.2%	-0.36	129.6%	-0.45
Return on equity (ROE), LTM[2]	-4.8%	12.2%		-3.8%		-3.8%
Net debt/equity ratio	0.33	0.25		0.29		0.29
Net debt to LTM[2] adjusted EBITDA ratio	4.0	1.3		3.2		3.2
Equity per share, EUR	13.66	14.82	-7.8%	13.93	-2.0%	13.93
Average number of employees (FTE)	19,412	21,144	-8.2%	20,047	-3.2%	20,822

[1] Total forest assets value, including leased land, assets held for sale and Stora Enso's share of Tornator.
[2] LTM = Last 12 months. The calculation method explained in the section Alternative performance measures.

IAC = Items affecting comparability, FV = Fair valuations and non-operational items

Adjusted key figures, items affecting comparability and other non-IFRS measures: Stora Enso's non-IFRS measures, and the calculation and definitions of the key figures are presented in the section Alternative performance measures.

From 1 January 2024 onwards, a slight change in terminology is applied with regards to certain key alternative performance measures. More information in the section Changes in Alternative performance measures.

Production and external deliveries

	Q1/24	Q1/23	Change % Q1/24–Q1/23	Q4/23	Change % Q1/24–Q4/23	2023
Consumer board deliveries, 1,000 tonnes	679	707	-4.0%	634	7.2%	2,691
Consumer board production, 1,000 tonnes	702	716	-1.9%	560	25.4%	2,593
Containerboard deliveries, 1,000 tonnes	317	319	-0.4%	257	23.2%	1,236
Containerboard production, 1,000 tonnes	379	411	-7.7%	394	-3.8%	1,592
Corrugated packaging European deliveries, million m^2	280	285	-1.8%	279	0.3%	1,167
Corrugated packaging European production, million m^2	283	290	-2.2%	258	9.8%	1,094
Market pulp deliveries, 1,000 tonnes	386	564	-31.7%	550	-29.8%	2,220
Wood products deliveries, 1,000 m^3	879	1,044	-15.8%	957	-8.2%	3,897
Wood deliveries, 1,000 m^3	3,494	3,779	-7.5%	3,435	1.7%	13,667
Paper deliveries, 1,000 tonnes	158	266	-40.8%	173	-9.0%	761
Paper production, 1,000 tonnes	151	258	-41.3%	170	-10.7%	752

Total planned maintenance impact

Expected and historical impact as lost value of sales and planned maintenance costs

EUR million	Q2/2024[1]	Q1/2024[2]	Q4/2023	Q3/2023	Q2/2023	Q1/2023
Total maintenance impact	118	83	123	110	146	119

[1] The estimated numbers may be impacted by unforeseen additional costs and/or volume loss in connection with the planned maintenance stops and the restart of operations.
[2] The estimate for Q1/2024 was EUR 73 million.

CEO comment

In a continuous weak market, I am encouraged by Stora Enso's sequential financial performance improvement.

However, our year-on-year sales decreased by 20% to 2,164 million euro. Adjusted EBIT decreased to 156 million euro from 234 million in the same period last year, and the adjusted EBIT margin decreased to 7.2% from 8.6%. The political strikes in Finland had an adverse impact of approximately 25 million euro on our results. But we estimate the impact on our second quarter results to be lower. Net debt increased by 601 million euro to 3,518 million euro, due to the board investment at the Oulu site. We will continue our capital expenditure at 1.0 to 1.1 billion euro this year as this investment proceeds according to schedule, aiming to be back towards the average levels of 600 to 800 million euro per year from 2025.

The dividend of 0.10 euro per share was paid in April 2024. And the AGM authorised the Board of Directors to decide on a second dividend payment of up to 0.20 euro per share, no later than the fourth quarter this year.

A strong balance sheet is crucial for the future. Our net debt to adjusted EBITDA ratio was 4.0 in the first quarter. We recognise that this is higher than our target of remaining below 2.0 and are taking steps to manage our debt levels effectively and bring our ratio back in line with our target. Despite facing weak market conditions and making strategic investments, we were able to improve our cash flow by reducing our operating working capital. In fact, we were able to reduce it by 551 million euro compared to the previous year. We aim to release capital through working capital management and divestments to further reduce debt and increase liquidity, which remains strong.

Last year's poor performance emphasised the need for efficiency, decisiveness, and focus on essentials. We therefore launched a profit improvement programme this year, designed to strengthen our long-term competitiveness and financial sustainability. I am pleased to share that the programme is progressing well, and we have raised the potential improvement to 120 million euro annual adjusted EBIT from the initial target of 80 million euro. While we remain committed to our employees, the programme may result in the reduction of approximately 1,000 employees. Laying off people is a last resort, but it is necessary to improve our financial performance.

We have moved to a new, decentralised operating model and performance-driven organisation across the Group. We are building a culture centred around ambitious goal setting, agility, analytics, and accountability. This is linked to our expectations as an employer, and to the benefit of our customers and owners. Our commercial and operational excellence will benefit from a leaner approach where the responsibility for results is divided between divisions and business units to improve decision-making.

Our actions also focus on improving profitability through more efficient sourcing, production, and sales; freeing up capital, including working capital; strategy and execution; and ensuring we have the right people in the right jobs. The acquisition of De Jong Packaging Group and ongoing investment at our Oulu site support the Group's long-term strategy to build market share in renewable and circular packaging solutions that matter most to our customers.

Looking ahead, we anticipate a gradual recovery in 2024, with increased demand and higher prices for board and pulp. However, we anticipate adverse profit impacts in the second quarter due to higher maintenance costs and strikes in Finland. Cost inflation pressure has started to come down in general, but wood cost increases, especially on the Finnish market, continue to challenge profitability also this year. Ongoing market uncertainties, such as high inflation, demand and price development, and external disruptions, may persist throughout the year and could affect our profits.

While we face short-term challenges, we remain confident in our ability to focus on long-term growth opportunities in sustainable packaging, wood construction and innovative biomaterials.

Finally, I am pleased to report that we are on track and committed to meet our full year 2024 adjusted EBIT guidance to be higher than the full year 2023 adjusted EBIT of 342 million euro. And we are confident that our actions will build a more profitable, competitive, and valuable Stora Enso.

Thank you for your continued support and collaboration.

Sincerely,
Hans Sohlström
President and CEO

Events and product update

Profit improvement programme proceeding well

In February, Stora Enso launched a profit improvement programme targeting annualised adjusted EBIT improvement of EUR 80 million. The programme has progressed well and the target has been raised to EUR 120 million, driven by additional fixed cost reductions. The programme may lead to a potential reduction of approximately 1,000 employees. No production site closures are planned as part of this programme. The reductions will reflect division sizes and are in response to the ongoing weak and uncertain market environment. The majority of the reductions are expected to occur in H1 2024. The majority of savings will materialise in 2025.

Events after the quarter

No significant events after the quarter to date.

First quarter 2024 results (compared with Q1/2023)

Sales	Adjusted EBIT margin	Earnings per share
MEUR 2,164 (Q1/2023: 2,721)	**7.2%** (Q1/2023: 8.6%)	**EUR 0.11** (Q1/2023: 0.24)

Group sales decreased by 20%, or EUR 557 million, to EUR 2,164 (2,721) million. Sales declined due to lower sales prices in all divisions, except Forest, capacity closures, and the political strikes in Finland.

Low demand and the strikes decreased deliveries for continuing operations in all other divisions, except Biomaterials and Packaging Materials. Lower maintenance activity and higher containerboard deliveries were more than offset by the negative impact of structural changes. These changes related to the paper site divestments at Hylte in Sweden, and Maxau in Germany, and the closures of the De Hoop board unit in the Netherlands, the Sunila pulp production site in Finland and the Näpi sawmill in Estonia.

Group adjusted EBIT decreased to EUR 156 (234) million, and the adjusted EBIT margin decreased to 7.2% (8.6%). The negative impact from the Finnish political strikes of approximately 25 MEUR was more than offset by positive one-off compensations of energy production costs related to CO_2 emissions in Packaging Materials. Lower sales prices in all divisions except for Forest decreased profitability by EUR 243 million. Higher volumes for continuing operations, especially in containerboard, increased profitability by EUR 40 million, supported by lower maintenance activity. Apart from fiber costs, mainly wood, many variable cost categories continued to decline and improved adjusted EBIT by EUR 85 million. Fixed costs decreased by EUR 46 million, due to a lower maintenance activity and cost saving actions. Net foreign exchange rates had a negative EUR 1 million impact on adjusted EBIT. The impact from the structural changes, depreciations, associated companies and other was a negative EUR 5 million on adjusted EBIT.

Fair valuations and non-operational items (FV) had a positive net impact on the operating result of EUR 11 (11) million.

Items affecting comparability (IAC) had a negative impact of EUR 20 (positive 12) million on the operating result. The main IAC items are related to restructurings in various divisions. More details of the items affecting comparability and fair valuation items are included in the sections for each division and in the section Items affecting comparability (IAC), fair valuations and non-operational items (FV).

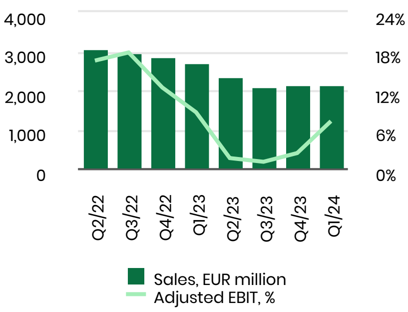
Operating result (IFRS) was EUR 148 (258) million.

Net financial expenses of EUR 47 million were EUR 18 million higher than a year ago. Net interest expenses of EUR 31 million increased by EUR 6 million. Other net financial expenses increased to EUR 9 (2) million. The net foreign exchange impact in respect of cash equivalents, interest-bearing assets and liabilities, and related foreign-currency hedges amounted to a loss of EUR 7 (loss of EUR 2) million.

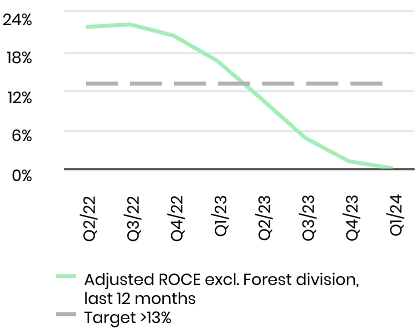
Earnings per share decreased to EUR 0.11 (0.24), and earnings per share excluding fair valuations were EUR 0.09 (0.23).

The adjusted return on capital employed LTM (ROCE) was 1.9% (11.5%). Adjusted ROCE excluding the Forest division LTM was 0.0% (16.5%).

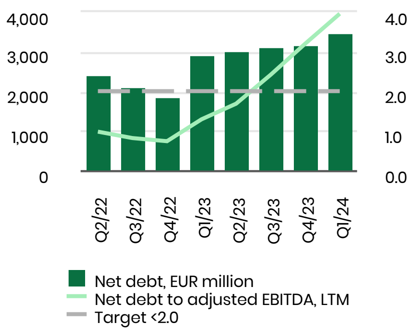
Sales and adjusted EBIT margin



Adjusted ROCE excl. Forest (LTM)



Net debt to adjusted EBITDA (LTM)



LTM = Last 12 months, the calculation method is explained in the section Alternative performance measures.

Breakdown of change in sales

Sales Q1/2023, EUR million	2,721
Price and mix	-9 %
Currency	0 %
Volume	-1 %
Other sales[1]	-1 %
Total before structural changes	**-11%**
Structural changes[2]	-9 %
Total	**-20%**
Sales Q1/2024, EUR million	**2,164**

[1] Energy, paper for recycling (PfR), by-products etc.
[2] Asset closures, major investments, divestments and acquisitions

Breakdown of change in capital employed

Capital employed 31 March 2023, EUR million	14,573
Capital expenditure excl. investments in biological assets less depreciation	537
Investments in biological assets less depletion of capitalised silviculture costs	-3
Impairments and reversal of impairments	-751
Fair valuation of forest assets	246
Unlisted securities (mainly PVO)	-223
Associated companies	104
Net liabilities in defined benefit plans	-14
Operating working capital and other interest-free items, net	-377
Emission rights	-74
Net tax liabilities	209
Acquisition of subsidiaries	77
Disposal of subsidiaries	-9
Translation difference	-120
Other changes	17
Capital employed 31 March 2024	**14,190**

First quarter 2024 results (compared with Q4/2023)

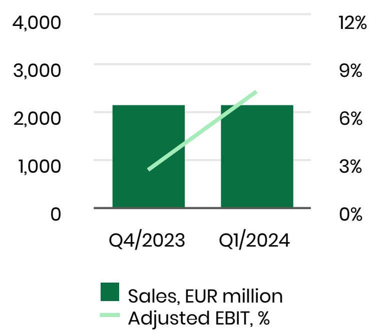
Group sales remained flat at EUR 2,164 (2,174) million, negatively impacted by the political strike in Finland. Lower sales prices, apart from pulp, were more than offset by higher board deliveries, as customer destocking has ended.

Adjusted EBIT increased to EUR 156 (51) million and the margin improved to 7.2% (2.3%). The negative impact of the political strikes in Finland of approximately EUR 25 million was more than offset by lower depreciation and positive one-off compensation of energy production costs related to CO_2 emissions in Packaging Materials. Lower sales prices decreased adjusted EBIT by EUR 13 million. Variable costs decreased by EUR 48 million as most input costs continued to support profitability.

Volumes had a positive EUR 58 million impact, mainly due to Packaging Materials. Fixed costs were EUR 58 million lower supported by lower maintenance activity and cost saving actions. Net foreign exchange rates had a negative EUR 6 million impact on adjusted EBIT. The impact from structural changes, depreciations, associated companies and other was a negative EUR 40 million.

Operating result (IFRS) was EUR 148 (-326) million. More details of the items affecting comparability (IAC) and fair valuations (FV) are included in the sections for each division.

Sales and adjusted EBIT margin



Packaging Materials

- Consumer board demand improved as destocking ended
- Containerboard demand gradually improved with cost-driven price increases announced across the industry
- The political strikes in Finland led to production curtailments and delayed shipments during March and early April

Adjusted ROOC (LTM)

-1.1%

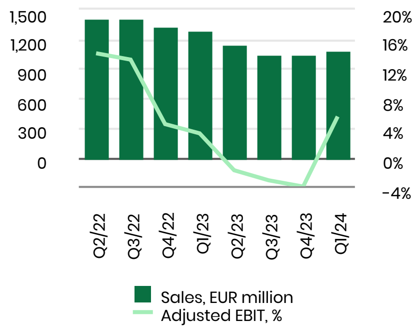
(Target: >20%)

Planned maintenance shutdowns

	2023	2024
Q1	–	–
Q2	Beihai, Ostrołęka, Langerbrugge	Beihai, Langerbrugge
Q3	Anjalankoski, Heinola, Ostrołęka, Oulu, Varkaus, Ingerois	Oulu, Varkaus, Heinola
Q4	Fors, Imatra, Skoghall	Anjalankoski, Fors, Imatra, Ostrołęka, Skoghall

- Sales decreased by 15%, or EUR 200 million, to EUR 1,100 million, mainly due to production unit/line closures during 2023, lower board and paper prices, and delayed shipments due to the political strike in Finland.
- Adjusted EBIT increased to EUR 60 million. Approximately 50% of the adjusted EBIT is attributed to positive one-off compensations of energy production costs related to CO_2 emissions.
- Variable costs declined, except for wood costs, which continued increasing.
- Adjusted ROOC (LTM) was -1.1% (13.5%), below the long-term target of >20%.

Sales and adjusted EBIT margin



EUR million	Q1/24	Q1/23	Change % Q1/24–Q1/23	Q4/23	Change % Q1/24–Q4/23	2023
Sales	1,100	1,300	-15.4%	1,045	5.2%	4,557
Adjusted EBITDA	126	128	-1.5%	35	257.7%	267
Adjusted EBITDA margin	11.5%	9.9%		3.4%		5.9%
Adjusted EBIT	60	41	46.0%	-43	240.4%	-57
Adjusted EBIT margin	5.5%	3.2%		-4.1%		-1.3%
Fair valuations and non-operational items[1]	-1	0	n/m	12	-107.7%	12
Items affecting comparability (IAC)[1]	-4	-21	79.2%	-474	99.1%	-597
Operating result (IFRS)	55	21	164.2%	-504	110.9%	-642
Adjusted EBIT, LTM	-38	488	-107.9%	-57	32.9%	-57
Operating capital, LTM average	3,566	3,604	-1.1%	3,580	-0.4%	3,580
Adjusted ROOC, LTM	-1.1%	13.5%		-1.6%		-1.6%
Cash flow from operations	160	-5	n/m	155	3.2%	370
Cash flow after investing activities	-129	-157	18.1%	-59	-118.1%	-235
Board and paper deliveries, 1,000 tonnes	1,225	1,286	-4.7%	1,176	4.2%	4,963
Board and paper production, 1,000 tonnes	1,233	1,290	-4.5%	1,124	9.7%	4,843

[1]The IAC for Q1/24 included EUR -4 million restructuring costs, and the IAC for Q1/23 included restructuring costs related to Anjala mill of EUR -19 million and other costs of EUR -2 million. The fair valuations for Q1/24 included non-operational fair valuation changes of biological assets of EUR -1 (0) million.
LTM = Last 12 months

Market development during Q1/2024

Product	Market	Demand Q1/24 compared with Q1/23	Demand Q1/24 compared with Q4/23	Price Q1/24 compared with Q1/23	Price Q1/24 compared with Q4/23
Consumer board	Europe	Stronger	Significantly stronger	Lower	Slightly lower
Kraftliner	Global	Significantly stronger	Significantly stronger	Significantly lower	Stable
Testliner	Europe	Stronger	Stronger	Significantly lower	Lower
Paper	Europe	Slightly stronger	Stable	Significantly lower	Slightly lower

Source: Fastmarket RISI, Fastmarket FOEX, CEPI, Numera Analytics, Stora Enso. Consumer board prices include FBB only.

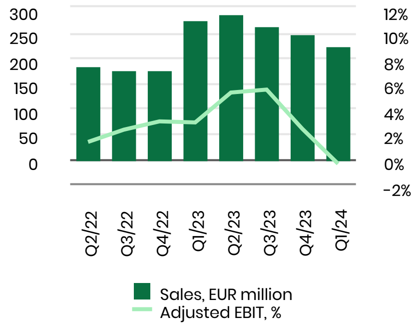
Packaging Solutions

- Weak market conditions and price pressure continued
- Low season in most segments, but stabilised demand at a low level across most markets and segments
- Significant overcapacity in the market continued to weigh on performance

Adjusted ROOC (LTM)	Sales YoY	Adjusted EBIT margin
3.3% (Target: >15%)	**-19%**	**-0.5%** (Q1/2023: 2.8%)

- Sales decreased by 19% or EUR 52 million to EUR 224 million, driven by lower price levels which followed the lower containerboard prices.
- Adjusted EBIT decreased by EUR 9 million to EUR -1 million, mainly impacted by high pressure on prices and margins.
- Adjusted ROOC (LTM) was 3.3%, below the long-term target of >15%.

Sales and adjusted EBIT margin



EUR million	Q1/24	Q1/23	Change % Q1/24–Q1/23	Q4/23	Change % Q1/24–Q4/23	2023
Sales	224	276	-18.9%	247	-9.5%	1,077
Adjusted EBITDA	18	24	-23.1%	25	-26.1%	111
Adjusted EBITDA margin	8.2%	8.6%		10.0%		10.3%
Adjusted EBIT	-1	8	-113.0%	6	-117.7%	43
Adjusted EBIT margin	-0.5%	2.8%		2.3%		4.0%
Items affecting comparability (IAC)[1]	-3	-20	86.7%	-1	n/m	-26
Operating result (IFRS)	-4	-12	70.0%	5	-170.7%	17
Adjusted EBIT, LTM	34	19	77.1%	43	-20.5%	43
Operating capital, LTM average	1,039	368	182.4%	874	18.9%	874
Adjusted ROOC, LTM	3.3%	5.2%		4.9%		4.9%
Cash flow from operations	7	19	-65.2%	47	-86.0%	145
Cash flow after investing activities	-6	-7	9.6%	26	-122.8%	62
Corrugated packaging European deliveries, million m^2	283	288	-1.7%	278	1.6%	1,178
Corrugated packaging European production, million m^2	283	290	-2.2%	258	9.8%	1,094

[1] The IAC for Q1/24 included EUR -3 million restructuring costs and the IAC for Q1/23 included EUR -15 million costs related to acquisition of De Jong Packaging Group and EUR -5 million restructuring costs.
LTM = Last 12 months
The comparative figures for corrugated packaging European deliveries have been adjusted.

Market development during Q1/2024

Product	Market	Demand Q1/24 compared with Q1/23	Demand Q1/24 compared with Q4/23	Price Q1/24 compared with Q1/23	Price Q1/24 compared with Q4/23
Corrugated packaging	Europe	Stable	Stable	Significantly lower	Stable

Source: Fastmarket RISI

Biomaterials

- Overall demand stable with solid demand for fluff pulp
- Prices improved sequentially in all pulp grades and markets
- Both global and European inventories remain below 5-year average

Adjusted ROOC (LTM)

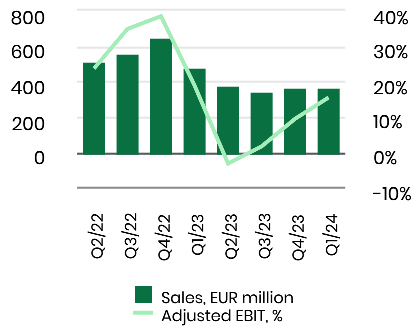
3.3%
(Target: >15%)

Planned maintenance shutdowns

	2023	2024
Q1	Veracel	–
Q2	Montes del Plata, Skutskär	Montes del Plata, Skutskär
Q3	–	Enocell, Veracel
Q4	Enocell	–

- Sales decreased by 23%, or EUR 114 million to EUR 374 million. Sales prices were significantly lower, as were deliveries, due to the closure of the Sunila pulp mill.
- Adjusted EBIT decreased to EUR 57 million, mainly due to lower sales prices, partly offset by actions to reduce fixed costs. The political strikes in Finland had a slight negative effect.
- Adjusted ROOC (LTM) was 3.3%, below the long-term target of >15%.

Sales and adjusted EBIT margin



EUR million	Q1/24	Q1/23	Change % Q1/24–Q1/23	Q4/23	Change % Q1/24–Q4/23	2023
Sales	374	488	-23.3%	375	0.0%	1,587
Adjusted EBITDA	90	125	-28.2%	70	29.2%	256
Adjusted EBITDA margin	24.0%	25.7%		18.6%		16.1%
Adjusted EBIT	57	91	-37.3%	35	65.1%	118
Adjusted EBIT margin	15.3%	18.7%		9.3%		7.4%
Fair valuations and non-operational items[1]	1	-1	223.7%	24	-94.3%	25
Items affecting comparability (IAC)[1]	-1	0	-100.0%	-105	99.3%	-224
Operating result (IFRS)	58	90	-35.8%	-46	225.1%	-81
Adjusted EBIT, LTM	84	661	-87.3%	118	-28.9%	118
Operating capital, LTM average	2,573	2,755	-6.6%	2,625	-2.0%	2,625
Adjusted ROOC, LTM	3.3%	24.0%		4.5%		4.5%
Cash flow from operations	130	192	-32.3%	71	83.3%	431
Cash flow after investing activities	87	140	-38.0%	26	234.5%	234
Pulp deliveries, 1,000 tonnes	536	580	-7.7%	567	-5.5%	2,277

[1] The IAC for Q1/24 included EUR -1 million restructuring costs. The fair valuations for Q1/24 included non-operational fair valuation changes of biological assets of EUR 1 (-1) million.
LTM = Last 12 months

Market development during Q1/2024

Product	Market	Demand Q1/24 compared with Q1/23	Demand Q1/24 compared with Q4/23	Price Q1/24 compared with Q1/23	Price Q1/24 compared with Q4/23
Softwood pulp	Europe	Weaker	Slightly stronger	Significantly lower	Slightly higher
Hardwood pulp	Europe	Slightly stronger	Slightly stronger	Significantly lower	Significantly higher
Hardwood pulp	China	Significantly stronger	Stable	Significantly lower	Significantly higher

Source: PPPC, Fastmarket FOEX, Fastmarket RISI, Stora Enso

Wood Products

- Weaker overall demand with margins remaining at low levels
- Implemented costs saving actions mitigated the impact of the weak demand
- Low building permitting and project activity led to sustained low demand for Cross Laminated Timber (CLT) and Laminated Veneer Lumber (LVL)

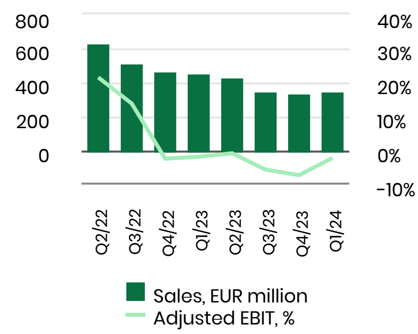
Adjusted ROOC (LTM)
-9.3%
(Target: >20%)

Sales YoY
-23%

Adjusted EBIT margin
-2.6%
(Q1/2023: -2.3%)

- Sales decreased by 23%, or EUR 105 million, to EUR 349 million, mainly impacted by lower sales prices and volumes, especially for sawn wood.
- Adjusted EBIT increased by EUR 1 million to EUR -9 million, improved by lower fixed and material costs.
- Cost mitigation actions and production curtailments were taken to adjust to prevailing market conditions.
- Adjusted ROOC (LTM) was below the long-term target of >20% at -9.3% (24.9%).

Sales and adjusted EBIT margin



EUR million	Q1/24	Q1/23	Change % Q1/24–Q1/23	Q4/23	Change % Q1/24–Q4/23	2023
Sales	349	454	-23.1%	341	2.4%	1,580
Adjusted EBITDA	1	2	-10.8%	-15	109.2%	-17
Adjusted EBITDA margin	0.4%	0.3%		-4.4%		-1.0%
Adjusted EBIT	-9	-11	12.6%	-27	65.1%	-64
Adjusted EBIT margin	-2.6%	-2.3%		-7.8%		-4.1%
Items affecting comparability (IAC)	0	0	-100.0%	-13	97.8%	-22
Operating result (IFRS)	-10	-11	9.9%	-40	75.9%	-86
Adjusted EBIT, LTM	-63	180	-134.9%	-64	2.1%	-64
Operating capital, LTM average	673	723	-6.9%	687	-2.1%	687
Adjusted ROOC, LTM	-9.3%	24.9%		-9.3%		-9.3%
Cash flow from operations	-30	3	n/m	15	-294.5%	43
Cash flow after investing activities	-47	-8	n/m	-1	n/m	3
Wood products deliveries, 1,000 m^3	848	1,001	-15.3%	915	-7.3%	3,727

LTM = Last 12 months

Market development during Q1/2024

Product	Market	Demand Q1/24 compared with Q1/23	Demand Q1/24 compared with Q4/23	Price Q1/24 compared with Q1/23	Price Q1/24 compared with Q4/23
Wood products	Europe	Significantly weaker	Significantly stronger	Lower	Higher
Wood products	Overseas	Significantly weaker	Significantly weaker	Lower	Higher

Source: Stora Enso

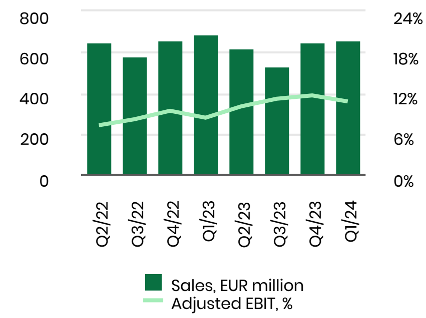
Forest

- Strong quarterly result driven by increased prices, strong wood demand and good harvesting conditions
- Wood prices increased compared to the same period 2023, but remained at the same level quarter-on-quarter
- The political strikes in Finland reduced wood consumption, but the wood market remained active in increasing standing stock
- The wood market in the Baltics and Nordics remained tight

Adjusted ROCE (LTM)	Sales YoY	Total value of forest assets
4.6% (Target: >3.5%)	**-4%**	**EUR 8.6 billion** (Q1/2023: EUR 8.3 billion)

- Sales decreased by 4%, or EUR 28 million, to EUR 659 million. The effect of higher wood prices was more than offset by lower volumes.
- Adjusted EBIT of EUR 70 million reflects strong operational performance in the Group's forest assets.
- Adjusted ROCE (LTM), at 4.6% (3.8%), was above the 3.5% long-term target.

Sales and adjusted EBIT margin



EUR million	Q1/24	Q1/23	Change % Q1/24–Q1/23	Q4/23	Change % Q1/24–Q4/23	2023
Sales[1]	659	687	-4.0%	650	1.4%	2,490
Adjusted EBITDA	80	68	18.7%	90	-10.6%	305
Adjusted EBITDA margin	12.2%	9.9%		13.9%		12.2%
Adjusted EBIT	70	57	23.7%	75	-6.4%	253
Adjusted EBIT margin	10.7%	8.3%		11.6%		10.2%
Fair valuations and non-operational items[2]	-6	-9	35.8%	221	-102.7%	206
Items affecting comparability (IAC)[2]	-2	-3	40.7%	4	-150.9%	2
Operating result (IFRS)[3]	63	44	40.8%	300	-79.1%	461
Adjusted EBIT, LTM	267	212	25.7%	253	5.3%	253
Capital employed, LTM average	5,782	5,562	4.0%	5,740	0.7%	5,740
Adjusted ROCE, LTM	4.6%	3.8%		4.4%		4.4%
Cash flow from operations	18	20	-11.6%	54	-67.3%	70
Cash flow after investing activities	8	9	-16.7%	40	-80.9%	19
Wood deliveries, 1,000 m^3	8,270	9,227	-10.4%	7,848	5.4%	32,401
Operational fair value change of biological assets	35	29	17.9%	34	1.8%	120

[1] In Q1/24, internal wood sales to Stora Enso divisions represented 58% of net sales, external sales to other forest companies represented 42%.

[2] The IAC for Q1/24 included EUR -2 million restructuring costs. The IAC for Q1/23 included updates in environmental provisions of EUR -3 million. The fair valuations for Q1/24 included non-operational items of associated companies of EUR -6 (-5) million. The fair valuations for Q1/23 additionally included a EUR -5 million impact from adjustments for differences between the fair value and acquisition cost of forest assets upon disposal.

[3] Includes the full fair value change of the Nordic biological assets (standing trees)

LTM = Last 12 months

Market development during Q1/2024

Product	Market	Demand Q1/24 compared with Q1/23	Demand Q1/24 compared with Q4/23	Price Q1/24 compared with Q1/23	Price Q1/24 compared with Q4/23
Pulp wood, Finland	Europe	Significantly weaker	Slightly weaker	Significantly higher	Stable
Sawlogs, Finland	Europe	Weaker	Slightly weaker	Slightly higher	Slightly lower
Pulpwood, Sweden	Europe	Significantly weaker	Significantly stronger	Significantly higher	Stable
Sawlogs, Sweden	Europe	Significantly weaker	Significantly stronger	Significantly higher	Higher

Source: Stora Enso

Segment Other

The segment Other includes the reporting of the emerging businesses (including Formed Fiber and Selfly Store), as well as Stora Enso's shareholding in the energy company Pohjolan Voima (PVO), and the Group's shared services and administration.

EUR million	Q1/24	Q1/23	Change % Q1/24–Q1/23	Q4/23	Change % Q1/24–Q4/23	2023
Sales	57	364	-84.4%	207	-72.7%	964
Adjusted EBITDA	-9	31	-129.0%	2	n/m	18
Adjusted EBITDA margin	-15.9%	8.6%		1.1%		1.9%
Adjusted EBIT	-11	27	-142.6%	-1	n/m	1
Adjusted EBIT margin	-19.9%	7.3%		-0.7%		0.1%
Fair valuations and non-operational items[1]	17	21	-20.7%	-28	159.8%	-13
Items affecting comparability (IAC)[1]	-10	56	-117.2%	-16	40.7%	-28
Operating result (IFRS)	-4	104	-103.8%	-46	91.3%	-41
Cash flow from operations	-15	25	-157.9%	-20	24.9%	-105
Cash flow after investing activities	-17	23	-170.8%	-40	59.0%	-123

[1]The IAC for Q1/24 included EUR -9 million restructuring costs and EUR -1 million other costs. The IAC in Q1/23 included EUR 22 million related to the restructuring of Kvarnsveden and EUR 5 million to restructuring of Veitsiluoto, EUR -29 million related to disposal of Nymolla site and EUR 49 million to disposal of Maxau site, and EUR 9 million related to environmental provision reversals. The fair valuations for Q1/24 included non-cash income and expenses related to CO_2 emission rights and liabilities of EUR 17 (21) million.

- Sales decreased by EUR 308 million to EUR 57 million. The main impacts were the divestments of three paper production units, lower internal invoicing due to the new decentralised operating model, and lower energy sales following lower market prices.
- Adjusted EBIT decreased to EUR -11 million, mainly due to lower margins for electricity sales and the divestments of the paper assets.
- The divisions are charged for electricity at market prices. Through its 15.7% shareholding in the Finnish energy company Pohjolan Voima (PVO), Stora Enso is entitled to receive, at cost, 8.9% of the electricity produced by the Olkiluoto nuclear reactors, and 20.6% of the electricity from the hydropower plants.

Capital structure Q1/2024 (compared with Q4/2023)

EUR million	31 Mar 2024	31 Dec 2023	31 Mar 2023
Fixed assets[1]	14,169	14,206	14,503
Associated companies	923	926	820
Operating working capital, net[2]	556	488	949
Non-current interest-free items, net	-224	-252	-211
Operating capital total	**15,425**	**15,368**	**16,061**
Net tax liabilities	-1,234	-1,312	-1,488
Capital employed[3]	**14,190**	**14,056**	**14,573**
Equity attributable to owners of the Parent	10,771	10,985	11,688
Non-controlling interests	-98	-97	-31
Net debt	3,518	3,167	2,917
Financing total[3]	**14,190**	**14,056**	**14,573**

[1] Fixed assets include goodwill, other intangible assets, property, plant and equipment, right-of-use assets, forest assets, emission rights, and unlisted securities.
[2] Operating working capital, net includes inventories, trade receivables, trade payables and all other short-term operating receivables, payables, accruals, and provisions.
[3] Including assets held for sale and related liabilities.

Net debt increased by EUR 351 million to EUR 3,518 (3,167) million during the first quarter. The ratio of net debt to the last 12 months' adjusted EBITDA was at 4.0 (3.2). The net debt/equity ratio on 31 March 2024 increased to 0.33 (0.29). The average interest expense rate on borrowings at the reporting date was 4.2% (4.0%). Cash and cash equivalents net of overdrafts decreased by EUR 368 million to EUR 2,096 million.

Stora Enso had in total EUR 800 million committed undrawn credit facilities as per 31 March 2024. Additionally, the Company has access to EUR 1,100 million statutory pension premium loans in Finland.

Year-on-year, operating working capital (net) decreased by EUR 393 million.

Operating working capital, i.e. Inventories, trade receivables and trade payables, decreased by EUR 551 million year-on-year. Other operating working capital increased by EUR 158 million year-on-year.

Valuation of forest assets

The value of total forest assets, including leased land, Stora Enso's share of Tornator's forest assets and assets held for sale in China, decreased sequentially by EUR 106 million to EUR 8,626 (8,731) million. The decrease is mainly an effect of foreign exchange rate impact.

Credit ratings

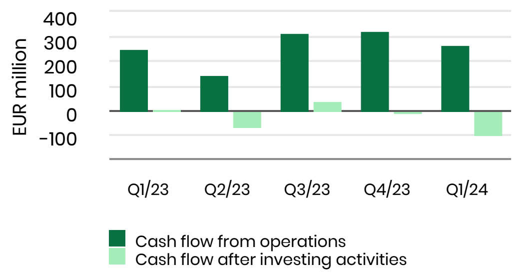
Rating agency	Long/short-term rating	Valid from
Fitch Ratings	BBB- (stable)	4 August 2023
Moody's	Baa3 (stable) / P-3	17 November 2023

Cash flow Q1/2024 (compared with Q4/2023)

Cash flow (non-IFRS)

EUR million	Q1/24	Q1/23	Change % Q1/24–Q1/23	Q4/23	Change % Q1/24–Q4/23	2023
Adjusted EBITDA	298	399	-25.3 %	212	40.3 %	989
IAC on adjusted EBITDA	-19	32	-159.6 %	-6	-224.1 %	-126
Other adjustments	-20	-57	64.5 %	-91	77.8 %	-210
Change in working capital	10	-120	108.7 %	207	-95.0 %	300
Cash flow from operations	**269**	**254**	**5.9%**	**323**	**-16.6%**	**954**
Cash spent on fixed and biological assets	-373	-253	-47.3 %	-328	-13.7 %	-989
Acquisitions of associated companies	0	0	0.0 %	-3	100.0 %	-5
Cash flow after investing activities	**-104**	**1**	**n/m**	**-9**	**n/m**	**-40**

Cash flow after investing activities was EUR -104 (-9) million. Working capital decreased by EUR 10 million, mainly due to lower trade receivables partly offset by higher inventories. Cash spent on fixed and biological assets was EUR 373 million. Payments related to the previously announced provisions amounted to EUR 23 million. Cash flow from operations was strong despite lower adjusted EBITDA, EUR 269 (323) million, mainly due to working capital reduction.



Capital expenditure Q1/2024 (compared with Q1/2023)

Additions to fixed and biological assets totalled EUR 226 (229) million, of which EUR 210 (214) million were fixed assets and EUR 16 (15) million biological assets.

Depreciations and impairment charges excluding IACs totalled EUR 118 (136) million. Additions in fixed and biological assets had a cash outflow impact of EUR 373 (253) million.

Capital expenditure by division

EUR million	Q1/24		Investment to be finalised
Packaging Materials	176	Oulu consumer board investment in Finland Board machine 8 capacity increase at Skoghall in Sweden	2025 2024
Packaging Solutions	8	De Lier site expansion in the Netherlands	2024
Biomaterials	30	Skutskär fluff pulp, winder and roll handling Enocell unbleached kraft pulp (UKP)	2025 2024
Wood Products	5		n/a
Forest	5		n/a
Other	2		n/a
Total	**226**		

Capital expenditure and depreciation forecast 2024

EUR million	Forecast 2024
Capital expenditure	1,030–1,130
Depreciation and depletion of capitalised silviculture costs	500-600

Stora Enso's capital expenditure forecast includes approximately EUR 75 million for the Group's forest assets.

The depletion of capitalised silviculture costs is forecast to be EUR 70–80 million.

Key sustainability targets and performance

Stora Enso contributes to the circular bioeconomy transition in the three areas in which it has the biggest impact and opportunities: climate change, circularity, and biodiversity. The foundation for these is the conduct of everyday business in a responsible manner.

- Advancing positive biodiversity impacts through a science-based framework, leveraging technology and data. New partnership with the International Union for Conservation of Nature (IUCN) provides insights for validation and development.
- Achieved leadership level in CDP's Climate Change, Forest, and Water Security assessments, earning recognition for environmental transparency and performance.
- Awarded "Green bond of the year - corporate EMEA" by news and analysis provider Environmental Finance.

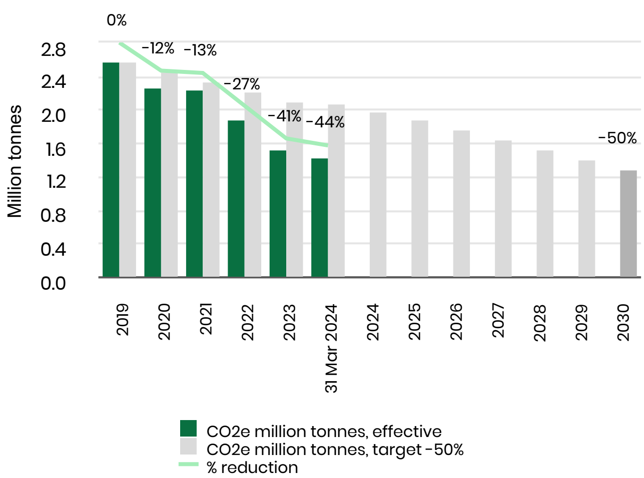
Climate change

Stora Enso's science-based target for 2030 is to reduce absolute Scope 1 and 2 greenhouse gas (CO_2e) emissions by 50% from the 2019 baseline, in line with the 1.5-degree scenario. Furthermore, the Group is committed to reducing Scope 3 emissions by 50% from the 2019 baseline by 2030.

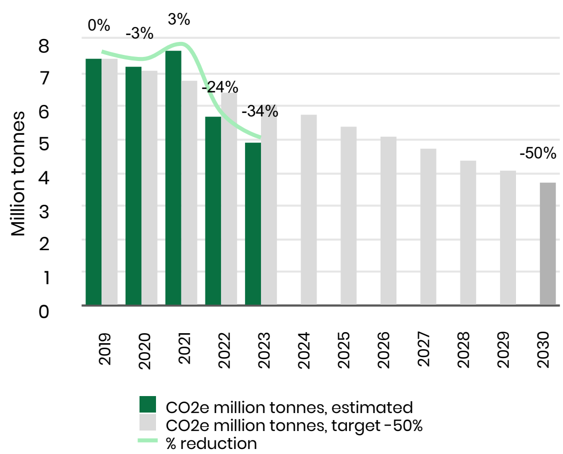
By the end of the Q1/2024, the Scope 1 and 2 CO_2e emissions were 1.44 million tonnes or 44% less than in the base year. Compared with Q1/2023 (1.78 million tonnes or 31% less), the decrease in emissions was mainly a consequence of lower production volumes, as well as site and production line closures. The Group continues to further reduce emissions by improving energy efficiency, replacing fossil fuels with renewables, and increasing the share of non-fossil electricity.

In 2023, Stora Enso's estimated Scope 3 CO_2e emissions were 4.95 million tonnes or 34% less than in the base year (2022: 5.69 million tonnes or 24% less). The decrease in emissions was mainly a result of lower production volumes as well as site and production line closures. Stora Enso continues to further improve its Scope 3 performance by enhancing efficiency and lowering carbon intensity in the value chain, collaborating with raw material suppliers, logistics suppliers, and customers.

Direct and indirect CO_2e emissions (Scope 1+2, rolling four quarters)[1]



CO_2e emissions along the value chain (Scope 3)[1]

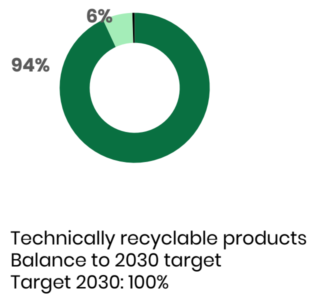


[1] Calculated as rolling four quarters. For more on definitions, see *Calculation of key sustainability figures*.

Circularity

Stora Enso's target is to reach 100% recyclable products by 2030. By the end of 2023, 94% (2022: 94%) of the Group's products were technically recyclable. Stora Enso aims to ensure the recyclability of products through an increased focus on circularity in innovation processes and collaborates actively with customers and partners to set up infrastructure to improve the actual recycling of products.

Share of technically recyclable products[1, 2]



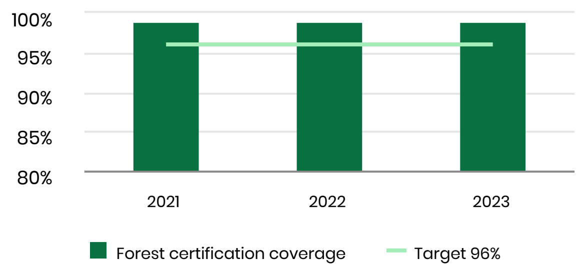
[1] As of 31 December 2023
[2] For definitions, see *Calculation of key sustainability figures*.

Biodiversity

Stora Enso is committed to achieving a net-positive impact on biodiversity in its own forests and plantations by 2050 through active biodiversity management. The Group steers its biodiversity actions through a Biodiversity Leadership Programme to improve biodiversity at species, habitat and landscape levels. Progress is monitored with science-based impact indicators reported on the Group's website.

Biodiversity is an integral part of forest certifications including protection of valuable ecosystems. Stora Enso's target is to maintain a forest certification coverage level of at least 96% for the Group's own and leased forest lands. The forest certification coverage has remained stable and amounted to 99% in 2023 (2022: 99%).

Biodiversity: forest certification coverage[1]



[1] For definitions, see *Calculation of key sustainability figures*.

Responsible business practices

Stora Enso reports on the sustainability indicators below on a quarterly basis. For full annual overview of Stora Enso's sustainability targets and 2023 performance, see storaenso.com.

Key performance indicators (KPIs)	31 Mar 2024	31 Dec 2023	31 Mar 2023	Target
Occupational safety: TRI rate, year-to-date	5.4	4.7	5.2	4.6 by the end of 2024
Gender balance: % of female managers among all managers	25%	24%	24%	25% by the end of 2024
Water: total water withdrawal per saleable tonne (m^3/tonne)[2]	62	61	59	Decreasing trend from 2016 baseline (60m^3/tonne)
Water: process water discharges per saleable tonne, (m^3/tonne)[1,2]	34	35	34	17% reduction by 2030 from 2019 baseline (36m^3/tonne)
Sustainable sourcing: % of supplier spend covered by the Supplier Code of Conduct (SCoC)[1]	96%	95%	96%	95% or above

[1] Excluding Business Unit Western Europe in Packaging Solutions. [2] Comparative figures restated due to structural changes. For definitions, see *Calculation of key sustainability figures*.

At the end of Q1/2024, the Group's TRI rate was 5.4. Additionally, Stora Enso tracks proactive safety reporting using a leading indicator known as the 'Safety Engagement Rate' to continuously enhance safety culture and performance.

Stora Enso promotes a diverse and inclusive working environment throughout the organisation to enhance performance, collaboration, and innovation. At the end of Q1/2024, the share of female managers was 25%, in line with the target set for end of 2024.. Similarly, the share of female representation among all employees was 25%, and 30% within the Group Leadership Team.

Lower production volumes have an adverse impact on water performance per saleable tonne due to the need to maintain a steady water flow at the water treatment plants. While water is relatively abundant at the Group's production sites, water stress may still impact operations locally and through wider supply chains. Stora Enso uses the WRI Aqueduct Water Risk Atlas to assess water-related risks, with six production units situated in regions with High Baseline Water Stress. Approximately 96% of water is recycled back into the environment while only 4% is consumed in production processes.

Stora Enso continuously works to maintain a high coverage rate for the Supplier Code of Conduct, outlining common requirements for all suppliers. During the first quarter, the coverage rate remained on target level.

ESG ratings and recognitions

ESG rating	Stora Enso score / best possible score	Rating compared to peers
CDP	Climate A-/A Forest A/A Water A-/A	Among the highest ranked in the industry
FTSE Russell	4.4/5	Among the highest ranked in the industry
ISS Corporate Rating	B/A+	Among the highest ranked in the industry
ISS QualityScore	Governance 7/1* Social 1/1* Environment 2/1*	Above the industry average
MSCI	AAA/AAA	Among the highest ranked in the industry
Sustainalytics	14.4/0**	Among the highest ranked in the industry
VigeoEiris	71/100	Among the highest ranked in the industry

*1 to 10 (1 indicating the best possible score) **0 to 100 (0 indicating the lowest risk)

Short-term risks

Risk is characterised by both threats and opportunities, which may affect future performance and the financial results of Stora Enso, reputation, as well as its ability to meet certain social and environmental objectives.

The geopolitical unrest could have an adverse impact on the Group. Retaliatory measures, conflict-related risks to people, operations, trade credit, cyber security, supply, and demand, could also affect the Group negatively.

The risk of a prolonged global economic downturn and recession, continued high inflation, as well as sudden interest rate increases, currency fluctuations, trade union and political strike actions, and logistical chain disruptions could all adversely affect the Group's profits, cash flow and financial position, as well as access to material, flow of goods and transport.

The challenging and rapidly changing macroeconomic and geopolitical disruption may increase cost, add complexity and lower short-term visibility. A slow market recovery might further impact market demand, prices, profit margin and volumes of the Group's products. New capacity and volume entering the market might distort demand, volumes, inventories and pricing, with the risk of a deepening margin squeeze. Moreover, forced capacity cuts might further impact on profitability.

There is a risk of continued high inflationary environment with high interest rates along with increased price volatility for raw materials such as wood, chemicals, other components and energy in Europe. The continued tight wood market could cause increased costs, limit harvesting and cause disruptions such as delays and/or lack of wood supply to the Group's production sites. Regulatory or similar initiatives might challenge the Group's strategy, growth and operations.

Other risks and uncertainties include, but are not limited to; general industry conditions, unanticipated expenditures related to the cost of compliance with existing and new environmental and other governmental regulations, and related to actual or potential litigation; material process disruption at Stora Enso's manufacturing facilities with operational or environmental impacts; risks inherent in conducting business through joint ventures; and other factors.

Stora Enso has been granted various investment subsidies and compensations, and has given certain investment commitments in several countries e.g., Finland, China and Sweden. If commitments to planning conditions are not met, local officials may pursue administrative measures to reclaim some of the formerly granted investment subsidies or to impose penalties on Stora Enso, the outcome of such a process could result in adverse financial impact on Stora Enso.

A more detailed risk description is included in Stora Enso's Annual Report 2023, available at storaenso.com/annualreport.

Sensitivity analysis

Energy sensitivity analysis: the direct effect of a 10% change in electricity and fossil fuel market prices would have an impact of approximately EUR 6 million on adjusted EBIT for the next 12 months.

Wood sensitivity analysis: the direct effect of a 10% change in wood prices would have an impact of approximately EUR 212 million on adjusted EBIT for the next 12 months.

Pulp sensitivity analysis: the direct effect of a 10% change in pulp market prices would have an impact of approximately EUR 135 million on adjusted EBIT for the next 12 months.

Chemical and filler sensitivity analysis: the direct effect of a 10% change in chemical and filler prices would have an impact of approximately EUR 40 million on adjusted EBIT for the next 12 months.

Foreign exchange rates transaction risk sensitivity analysis for the next twelve months: the direct effect on adjusted EBIT of a 10% strengthening in the value of the US dollar, Swedish krona and British pound would be approximately positive EUR 91 million, negative EUR 8 million and positive EUR 11 million annual impact, respectively. Weakening of the currencies would have the opposite impact. These numbers are net of hedges and assuming no changes occur other than a single currency exchange rate movement in an exposure currency.

The Group's consolidated income statement on adjusted EBIT level is exposed to a foreign-currency translation risk worth approximately EUR 179 million expense exposure in Brazilian real (BRL) and approximately EUR 67 million income exposure in Chinese Renminbi (CNY). These exposures arise from the foreign subsidiaries and joint operations located in Brazil and China, respectively. For these exposures a 10% strengthening in the value of a foreign currency would have a negative EUR 18 million and a positive EUR 7 million impact on adjusted EBIT, respectively.

Legal proceedings

Contingent liabilities

Stora Enso has undertaken significant restructuring actions in recent years which have included the divestment of companies, sale of assets and mill closures. These transactions include a risk of possible environmental or other obligations the existence of which would be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A provision has been recognised for obligations for which the related amount can be estimated reliably and for which the related future cost is considered to be at least probable.

Stora Enso is party to legal proceedings that arise in the ordinary course of business and which primarily involve claims arising out of commercial law. The management does not consider that liabilities related to such proceedings before insurance recoveries, if any, are likely to be material to the Group's financial condition or results of operations.

Veracel

On 11 July 2008, Stora Enso announced that a federal judge in Brazil had issued a decision claiming that the permits issued by the State of Bahia for the operations of Stora Enso's joint operations company Veracel were not valid. The judge also ordered Veracel to take certain actions, including reforestation with native trees on part of Veracel's plantations and a possible fine of, at the time of the decision, BRL 20 (EUR 4) million. Veracel disputes the decision and has filed an appeal against it. Veracel operates in full compliance with all Brazilian laws and has obtained all the necessary environmental and operating licences for its industrial and forestry activities from the relevant authorities. In November 2008, a Federal Court suspended the effects of the decision. No provisions have been recorded in Veracel's or Stora Enso's accounts for the reforestation or the possible fine.

Changes in Group management

Tuomas Hallenberg was appointed Executive Vice President of the Forest division and a member of the Group Leadership Team. He will join Stora Enso during the fourth quarter of 2024 and report to President and CEO of Stora Enso, Hans Sohlström. In this role, Hallenberg will succeed Per Lyrvall who will retire at the end of the first quarter 2025.

Resolutions by the Annual General Meeting

Stora Enso Oyj's Annual General Meeting was held on 20 March 2024 in Helsinki, Finland. The AGM adopted the accounts for 2023, adopted the remuneration report for 2023 through an advisory resolution and granted the Company's Board of Directors and Chief Executive Officer discharge from liability for the period.

The AGM resolved, in accordance with the proposal by the Board of Directors, that the Company shall distribute a dividend of EUR 0.10 per share for the year 2023. The dividend was paid on 4 April 2024. In addition, the AGM resolved that the Board of Directors is authorised to decide at its discretion on the payment of an additional dividend up to a maximum of EUR 0.20 per share. The authorisation is valid until 31 December 2024.

The AGM resolved, in accordance with the proposal by the Shareholders' Nomination Board, that the Board of Directors shall have eight (8) members. The AGM further resolved to re-elect the current members of the Board of Directors – Håkan Buskhe, Elisabeth Fleuriot, Helena Hedblom, Astrid Hermann, Kari Jordan, Christiane Kuehne, and Richard Nilsson – as members of the Board of Directors until the end of the following

AGM and to elect Reima Rytsölä as a new member of the Board of Directors for the same term of office. The AGM resolved to elect Kari Jordan as Chair of the Board of Directors and Håkan Buskhe as Vice Chair of the Board of Directors.

The AGM resolved, in accordance with the proposal by the Shareholders' Nomination Board, that the annual remuneration for the Board of Directors be paid as follows:

Chair	EUR 215,270 (2023: 209,000)
Vice Chair	EUR 121,540 (2023: 118,000)
Members	EUR 83,430 (2023: 81,000)

The AGM also resolved that the annual remuneration for the members of the Board of Directors be paid in Company shares and cash so that 40% is paid in Stora Enso R shares.

The AGM resolved the annual remuneration for the Board committees in accordance with the proposal by the Shareholders' Nomination Board.

The AGM resolved to elect PricewaterhouseCoopers Oy as auditor until the end of the Company's next AGM. PricewaterhouseCoopers Oy has notified the Company that Samuli Perälä, APA, will act as the principally responsible auditor.
PricewaterhouseCoopers Oy will also act as the sustainability reporting assurance provider of the Company until the end of the Company's next AGM.

Resolutions by the organising meeting of the Board of Directors

Richard Nilsson (Chair), Elisabeth Fleuriot and Astrid Hermann were elected members of the Financial and Audit Committee.

Kari Jordan (Chair), Håkan Buskhe and Reima Rytsölä were elected members of the People and Culture Committee.Christiane Kuehne (Chair), Helena Hedblom and Richard Nilsson were elected members of the Sustainability and Ethics Committee.

More information about the AGM in 2024 is available in the release Stora Enso's Annual General Meeting and decisions by the Board of Directors.

This report has been prepared in English and Finnish. If there are any variations in the content between the versions, the English version shall govern. This report is unaudited.

Helsinki, 25 April 2024
Stora Enso Oyj
Board of Directors

Financials

Basis of Preparation

This unaudited interim financial report has been prepared in accordance with the accounting policies set out in International Accounting Standard 34 on Interim Financial Reporting and in the Group's Financial Report for 2023 with the exception of new and amended standards applied to the annual periods beginning on 1 January 2024 and changes in accounting principles described below.

All figures in this Interim Report have been rounded to the nearest million, unless otherwise stated. Therefore, percentages and figures in this report may not add up precisely to the totals presented and may vary from previously published financial information.

Acquisition of Group companies

In March 2024 Stora Enso's 50% owned joint operation MdP (Montes del Plata, Uruguay) completed transaction to acquire forest assets and related forestry business in Uruguay. Stora Enso's share of the transaction includes approximately 16.3 thousand hectares of land, of which about 9.8 thousand hectares are productive land. The acquired units are fully owned and reported in Biomaterials division.

The acquired forest land and operations are located in different regions in Uruguay. The acquired operations mainly include forestry plantations to supply wood for pulp production.

Stora Enso's share of the preliminary cash purchase consideration was EUR 76 million and the final purchase price is subject to customary purchase price adjustments. The related transaction costs were not considered to be significant.

The fair values of the identifiable assets and liabilities as of the acquisition date consisted mainly of forest assets (Stora Enso's share EUR 73 million). The amount of goodwill and other items were not significant.

The fair values of the acquired assets, liabilities and goodwill as at acquisition date have been determined on a provisional basis pending finalisation of the post-combination review of the fair values. If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition or any other adjustment items are identified, the above amounts are adjusted accordingly and the accounting for the acquisition will be adjusted.

The acquisition is not considered to have significant impact on Stora Enso Group's sales or net profit.

Assets held for sale

As announced in December 2022, Stora Enso has initiated a sales process for divesting its consumer board production site and forestry operations in Guangxi, China.

Assets are classified as held for sale, if their carrying amounts will be recovered mainly through a sale transaction rather than through continuing use. The assets must be available for immediate sale in their present condition subject only to terms that are usual and customary for the sale of such assets. In addition, the sale must be highly probable and expected to be completed within one year after the date of classification.

These assets and related liabilities are presented separately in the consolidated statement of financial position and are measured at the lower of the carrying amount and fair value less costs to sell. Comparative information is not restated. Assets classified as held for sale are not depreciated.

In accordance with the progress in the ongoing divestment process, the Guangxi operations have been classified as held for sale since Q4/2023. Assets held for sale include mainly fixed assets, forest assets, inventories and operating receivables, whereas related liabilities consist mainly of non-current and current interest bearing liabilities and operating liabilities.

The following new and amended standards are applied to the annual periods beginning on 1 January 2024

- Amended standards and interpretations did not have material effect on the Group.

Future standard changes endorsed by the EU but not yet effective in 2024

- No future standard changes endorsed by the EU which would have material effect on the Group.

Condensed consolidated income statement

EUR million	Q1/24	Q1/23	Q4/23	2023
Sales	2,164	2,721	2,174	9,396
Other operating income	114	147	81	378
Change in inventories of finished goods and WIP	16	22	-83	-209
Materials and services	-1,413	-1,739	-1,431	-6,133
Freight and sales commissions	-203	-259	-198	-883
Personnel expenses	-302	-328	-319	-1,275
Other operating expenses	-130	-161	-104	-638
Share of results of associated companies	12	11	82	136
Change in net value of biological assets	8	0	204	209
Depreciation, amortisation and impairment charges	-118	-156	-733	-1,303
Operating result	**148**	**258**	**-326**	**-322**
Net financial items	-47	-29	-52	-173
Result before tax	**101**	**228**	**-378**	**-495**
Income tax	-17	-43	53	64
Net result for the period	**84**	**185**	**-325**	**-431**
Attributable to				
Owners of the Parent	85	189	-287	-357
Non-controlling interests	-1	-4	-38	-74
Net result for the period	**84**	**185**	**-325**	**-431**
Earnings per share				
Basic earnings per share, EUR	0.11	0.24	-0.36	-0.45
Diluted earnings per share, EUR	0.11	0.24	-0.36	-0.45

Consolidated statement of comprehensive income

EUR million	Q1/24	Q1/23	Q4/23	2023
Net result for the period	**84**	**185**	**-325**	**-431**
Other comprehensive income (OCI)				
Items that will not be reclassified to profit and loss				
Equity instruments at fair value through OCI	-59	-469	171	-645
Actuarial gains and losses on defined benefit plans	20	3	-72	-52
Revaluation of forest land	0	0	-67	-49
Share of OCI of associated companies	0	0	-24	-23
Income tax relating to items that will not be reclassified	-4	-8	28	22
	-43	**-474**	**36**	**-748**
Items that may be reclassified subsequently to profit and loss				
Cumulative translation adjustment (CTA)	-139	-66	134	56
Net investment hedges and loans	-3	-1	2	-15
Cash flow hedges and cost of hedging	-38	-9	41	-1
Share of OCI of Non-controlling Interests (NCI)	-1	0	2	5
Income tax relating to items that may be reclassified	9	1	-10	-1
	-172	**-75**	**170**	**44**
Total comprehensive income	**-131**	**-364**	**-120**	**-1,135**
Attributable to				
Owners of the parent	-129	-360	-84	-1,066
Non-controlling interests	-1	-4	-36	-69
Total comprehensive income	**-131**	**-364**	**-120**	**-1,135**

CTA = Cumulative translation adjustment
OCI = Other comprehensive income

Condensed consolidated statement of financial position

EUR million		31 Mar 2024	31 Dec 2023	31 Mar 2023
Assets				
Goodwill	O	505	505	557
Other intangible assets	O	290	283	327
Property, plant and equipment	O	4,630	4,544	5,054
Right-of-use assets	O	314	323	569
		5,739	**5,656**	**6,507**
Forest assets	O	6,800	6,921	6,775
Biological assets	O	4,551	4,652	4,492
Forest land	O	2,249	2,269	2,282
Emission rights	O	171	108	239
Investments in associated companies	O	923	926	820
Listed securities	I	10	9	6
Unlisted securities	O	749	810	972
Non-current interest-bearing receivables	I	76	76	112
Deferred tax assets	T	142	134	67
Other non-current assets	O	57	58	36
Non-current assets		**14,667**	**14,699**	**15,533**
Inventories	O	1,478	1,466	1,903
Tax receivables	T	30	31	32
Operating receivables	O	1,139	1,191	1,463
Interest-bearing receivables	I	40	64	68
Cash and cash equivalents	I	2,099	2,464	1,257
Current assets		**4,786**	**5,216**	**4,723**
Assets held for sale		**852**	**839**	**33**
Total assets		**20,305**	**20,754**	**20,288**
Equity and liabilities				
Owners of the Parent		10,771	10,985	11,688
Non-controlling Interests		-98	-97	-31
Total equity		**10,673**	**10,889**	**11,656**
Post-employment benefit obligations	O	192	217	153
Provisions	O	79	83	83
Deferred tax liabilities	T	1,379	1,433	1,499
Non-current interest-bearing liabilities	I	4,310	4,446	2,864
Non-current operating liabilities	O	10	11	11
Non-current liabilities		**5,970**	**6,190**	**4,611**
Current portion of non-current debt	I	248	286	917
Interest-bearing liabilities	I	623	476	559
Bank overdrafts	I	3	0	19
Provisions	O	72	85	34
Operating liabilities	O	2,025	2,112	2,389
Tax liabilities	T	28	45	84
Current liabilities		**2,999**	**3,004**	**4,001**
Liabilities related to assets held for sale		**663**	**671**	**20**
Total liabilities		**9,632**	**9,865**	**8,632**
Total equity and liabilities		**20,305**	**20,754**	**20,288**

Items designated with “O” comprise Operating Capital
Items designated with “I” comprise Net debt
Items designated with “T” comprise Net Tax Liabilities

Condensed consolidated statement of cash flows

EUR million	Q1/24	Q1/23
Cash flow from operating activities		
Operating result	148	258
Adjustments for non-cash items	110	116
Change in net working capital	10	-120
Cash flow from operations	**269**	**254**
Net financial items paid	-23	-24
Income taxes paid, net	-41	-40
Net cash provided by operating activities	**206**	**190**
Cash flow from investing activities		
Acquisition of subsidiary shares and business operations, net of acquired cash	-74	-585
Acquisitions of unlisted securities	0	-1
Cash flow on disposal of subsidiary shares and business operations, net of disposed cash	0	236
Cash flow on disposal of forest and intangible assets and property, plant and equipment	1	35
Capital expenditure	-373	-253
Proceeds from/payment of non-current receivables, net	-1	-24
Net cash used in investing activities	**-447**	**-593**
Cash flow from financing activities		
Proceeds from issue of new long-term debt	0	210
Repayment of long-term debt and lease liabilities	-153	-167
Change in short-term interest-bearing liabilities	30	78
Dividends paid	0	-399
Purchase of own shares[1]	-3	-6
Net cash provided by financing activities	**-127**	**-284**
Net change in cash and cash equivalents	**-368**	**-687**
Translation adjustment	0	7
Net cash and cash equivalents at the beginning of period	2,464	1,917
Net cash and cash equivalents at period end	**2,096**	**1,238**
Cash and cash equivalents at period end	**2,099**	**1,257**
Bank overdrafts at period end	**-3**	**-19**
Net cash and cash equivalents at period end	**2,096**	**1,238**

[1] Own shares purchased for the Group's share award programme. The Group did not hold any of its own shares on 31 March 2024.

Statement of changes in equity

EUR million	Share capital	Share premium and reserve fund	Invested non-restricted equity fund	Treasury shares	Fair value reserve: Equity instruments through OCI	Fair value reserve: Cash flow hedges	Fair value reserve: Revaluation reserve	OCI of associated companies	CTA and net investment hedges and loans	Retained earnings	Attributable to owners of the parent	Non-controlling interests	Total
Balance at 1 January 2023	**1,342**	**77**	**633**	**–**	**1,298**	**39**	**1,579**	**87**	**-415**	**7,893**	**12,532**	**-30**	**12,502**
Net result for the period	–	–	–	–	–	–	–	–	–	189	189	-4	185
OCI before tax	–	–	–	–	-469	-9	0	–	-67	3	-543	0	-542
Income tax relating to OCI	–	–	–	–	–	2	0	–	-1	-9	-7	–	-7
Total comprehensive income	**–**	**–**	**–**	**–**	**-468**	**-7**	**0**	**–**	**-68**	**183**	**-360**	**-4**	**-364**
Dividend	–	–	–	–	–	–	–	–	–	-473	-473	–	-473
Acquisitions and disposals	–	–	–	–	–	–	–	–	–	–	–	2	2
Purchase of treasury shares	–	–	–	-6	–	–	–	–	–	–	-6	–	-6
Share-based payments	–	–	–	6	–	–	–	–	–	-11	-5	–	-5
Balance at 31 March 2023	**1,342**	**77**	**633**	**–**	**830**	**32**	**1,578**	**87**	**-484**	**7,592**	**11,688**	**-31**	**11,656**
Net result for the period	–	–	–	–	–	–	–	–	–	-547	-547	-70	-616
OCI before tax	–	–	–	–	-176	8	-49	-23	108	-55	-187	4	-183
Income tax relating to OCI	–	–	–	–	-1	-2	10	–	1	21	29	–	29
Total Comprehensive Income	**–**	**–**	**–**	**–**	**-177**	**6**	**-39**	**-23**	**109**	**-581**	**-705**	**-65**	**-771**
Dividend	–	–	–	–	–	–	–	–	–	–	–	–	–
Acquisitions and disposals	–	–	–	–	–	–	–	–	–	–	–	0	–
Purchase of treasury shares	–	–	–	–	–	–	–	–	–	–	–	–	–
Share-based payments	–	–	–	–	–	–	–	–	–	3	3	–	3
Balance at 31 December 2023	**1,342**	**77**	**633**	**–**	**653**	**38**	**1,540**	**63**	**-375**	**7,015**	**10,985**	**-97**	**10,889**
Net result for the period	–	–	–	–	–	–	–	–	–	85	85	-1	84
OCI before tax	–	–	–	–	-59	-38	–	–	-142	20	-219	-1	-220
Income tax relating to OCI	–	–	–	–	0	8	–	–	1	-4	5	–	5
Total comprehensive income	**–**	**–**	**–**	**–**	**-59**	**-30**	**–**	**–**	**-141**	**101**	**-129**	-1	**-131**
Dividend	–	–	–	–	–	–	–	–	–	-79	-79	–	-79
Acquisitions and disposals	–	–	–	–	–	–	–	–	–	–	–	–	–
Purchase of treasury shares	–	–	–	-3	–	–	–	–	–	–	-3	–	-3
Share-based payments	–	–	–	3	–	–	–	–	–	-6	-3	–	-3
Balance at 31 March 2024	**1,342**	**77**	**633**	**–**	**593**	**8**	**1,540**	**63**	**-516**	**7,031**	**10,771**	**-98**	**10,673**

CTA = Cumulative Translation Adjustment OCI = Other Comprehensive Income NCI = Non-controlling Interests

Goodwill, other intangible assets, property, plant and equipment, right-of-use assets and forest assets

EUR million	Q1/24	Q1/23	2023
Carrying value at 1 January	**12,577**	**12,489**	**12,489**
Additions in tangible and intangible assets	207	137	946
Additions in right-of-use assets	3	77	108
Additions in biological assets	16	15	71
Depletion of capitalised silviculture costs	-18	-22	-81
Acquisition of subsidiaries	75	862	859
Disposals and classification as held for sale[1]	5	-6	-727
Depreciation and impairment	-118	-156	-1,303
Fair valuation of forest assets	27	21	241
Translation difference and other	-234	-136	-27
Statement of Financial Position Total	**12,539**	**13,282**	**12,577**

[1] Including company disposals.

Borrowings

EUR million	31 Mar 2024	31 Mar 2023	31 Dec 2023
Bond loans	3,436	2,446	3,601
Loans from credit institutions	793	802	794
Lease liabilities	325	528	334
Long-term derivative financial liabilities	2	1	1
Other non-current liabilities	2	5	2
Non-current interest-bearing liabilities including current portion	**4,558**	**3,781**	**4,733**
Short-term borrowings	536	485	418
Interest payable	69	37	52
Short-term derivative financial liabilities	18	37	6
Bank overdrafts	3	19	0
Total Interest-bearing Liabilities	**5,184**	**4,359**	**5,209**

EUR million	Q1/24	Q1/23	2023
Carrying value at 1 January	**5,209**	**3,972**	**3,972**
Additions in long-term debt, companies acquired	0	133	131
Proceeds of new long-term debt	0	210	2,006
Repayment of long-term debt	-140	-156	-619
Additions in lease liabilities, companies acquired	0	99	99
Additions in lease liabilities	3	77	109
Repayment of lease liabilities and interest	-17	-17	-87
Change in short-term borrowings	104	63	177
Change in interest payable	21	7	40
Change in derivative financial liabilities	12	-12	-41
Disposals and classification as held for sale	12	1	-575
Other	5	15	26
Translation differences	-24	-32	-29
Total Interest-bearing Liabilities	**5,184**	**4,359**	**5,209**

Commitments and contingencies

EUR million	31 Mar 2024	31 Dec 2023	31 Mar 2023
On Own Behalf			
Guarantees	18	18	18
Other commitments	4	6	4
On Behalf of associated companies			
Guarantees	4	5	5
On Behalf of Others			
Guarantees	16	16	6
Other commitments	0	0	36
Total	**42**	**44**	**68**
Guarantees	37	38	28
Other commitments	4	6	40
Total	**42**	**44**	**68**

The Group announced its intention in December 2022 to divest its consumer board production and forest operations sites in Beihai, China. As previously disclosed, Stora Enso has been granted investment subsidies and has given certain investment commitments in China. There is a risk that the majority owned local Chinese company may be subject to a claim based on alleged costs resulting from certain uncompleted investment commitments. Given the specific mitigating circumstances surrounding the investment case as a whole, Stora Enso does not consider it to be probable that this situation would result in an outflow of economic benefits that would be material to the Group. The Company continues to monitor the situation as the divestment process proceeds.

Capital commitments

EUR million	31 Mar 2024	31 Dec 2023	31 Mar 2023
Total	**556**	**683**	**751**

The Group's direct capital expenditure contracts include the Group's share of direct capital expenditure contracts in joint operations.

Key exchange rates for the euro

One Euro is	Closing Rate		Average Rate (Year-to-date)	
	31 Mar 2024	31 Dec 2023	31 Mar 2024	31 Dec 2023
SEK	11.5250	11.0960	11.2796	11.4728
USD	1.0811	1.1050	1.0857	1.0816
GBP	0.8551	0.8691	0.8562	0.8699

Fair Values of Financial Instruments

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques, for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly;
- Level 3: techniques which use inputs that have a significant effect on the recorded fair values that are not based on observable market data.

The valuation techniques are described in more detail in the Group's Financial Report. The instruments carried at fair value in the following tables are measured at fair value on a recurring basis.

Carrying amounts of financial assets and liabilities by measurement and fair value categories: 31 March 2024

EUR million	Amortised cost	Fair value through OCI	Fair value through income statement	Total carrying amount	Fair value	Fair value hierarchy		
						Level 1	Level 2	Level 3
Financial assets								
Listed securities	–	10	–	10	10	10	–	–
Unlisted securities	–	734	15	749	749	–	–	749
Non-current interest-bearing receivables	62	15	–	76	76	–	15	–
Derivative assets	–	15	–	15	15	–	15	–
Loan receivables	62	–	–	62	62	–	–	–
Trade and other operating receivables	758	35	–	792	792	–	35	–
Current interest-bearing receivables	22	12	6	40	40	–	18	–
Derivative assets	–	12	6	18	18	–	18	–
Other short-term receivables	22	–	–	22	22	–	–	–
Cash and cash equivalents	2,099	–	–	2,099	2,099	–	–	–
Total	**2,940**	**805**	**21**	**3,766**	**3,766**	**10**	**67**	**749**

EUR million	Amortised cost	Fair value through OCI	Fair value through income statement	Total carrying amount	Fair value	Fair value hierarchy		
						Level 1	Level 2	Level 3
Financial liabilities								
Non-current interest-bearing liabilities	4,308	2	–	4,310	4,821	–	2	–
Derivative liabilities	–	2	–	2	2	–	2	–
Non-current debt	4,308	–	–	4,308	4,819	–	–	–
Current portion of non-current debt	248	–	–	248	248	–	–	–
Current interest-bearing liabilities	605	16	2	623	623	–	18	–
Derivative liabilities	–	16	2	18	18	–	18	–
Current debt	605	–	–	605	605	–	–	–
Trade and other operating payables	1,662	–	–	1,662	1,662	–	–	–
Bank overdrafts	3	–	–	3	3	–	–	–
Total	**6,826**	**17**	**2**	**6,846**	**7,357**	**–**	**20**	**–**

In accordance with IFRS, derivatives are classified as fair value through income statement. In the above tables for financial assets and liabilities the cash flow hedge accounted derivatives are however presented as fair value through OCI, in line with how they are booked for the effective portion.

Carrying amounts of financial assets and liabilities by measurement and fair value categories: 31 December 2023

EUR million	Amortised cost	Fair value through OCI	Fair value through income statement	Total carrying amount	Fair value	Fair value hierarchy		
						Level 1	Level 2	Level 3
Financial assets								
Listed securities	–	9	–	9	9	9	–	–
Unlisted securities	–	794	15	810	810	–	–	810
Non-current interest-bearing receivables	62	14	–	76	76	–	15	–
Derivative assets	–	14	–	15	15	–	15	–
Loan receivables	62	–	–	62	62	–	–	–
Trade and other operating receivables	835	30	–	865	865	–	30	–
Current interest-bearing receivables	21	39	4	64	64	–	43	–
Derivative assets	–	39	4	43	43	–	43	–
Other short-term receivables	21	–	–	21	21	–	–	–
Cash and cash equivalents	2,464	–	–	2,464	2,464	–	–	–
Total	**3,382**	**887**	**19**	**4,288**	**4,288**	**9**	**87**	**810**

EUR million	Amortised cost	Fair value through OCI	Fair value through income statement	Total carrying amount	Fair value	Fair value hierarchy		
						Level 1	Level 2	Level 3
Financial liabilities								
Non-current interest-bearing liabilities	4,445	1	–	4,446	5,071	–	1	–
Derivative liabilities	–	1	–	1	1	–	1	–
Non-current debt	4,445	–	–	4,445	5,069	–	–	–
Current portion of non-current debt	286	–	–	286	286	–	–	–
Current interest-bearing liabilities	469	4	2	476	476	–	6	–
Derivative liabilities	–	4	2	6	6	–	6	–
Current debt	469	–	–	469	469	–	–	–
Trade and other operating payables	1,806	–	–	1,806	1,806	–	–	–
Bank overdrafts	–	–	–	–	–	–	–	–
Total	**7,006**	**6**	**2**	**7,014**	**7,639**	**–**	**8**	**–**

In accordance with IFRS, derivatives are classified as fair value through income statement. In the above tables for financial assets and liabilities the cash flow hedge accounted derivatives are however presented as fair value through OCI, in line with how they are booked for the effective portion.

Reconciliation of level 3 fair value measurement of financial assets and liabilities: 31 March 2024

EUR million	Q1/24	2023	Q1/23
Financial assets			
Opening balance at 1 January	**810**	**1,437**	**1,437**
Gains/losses recognised in income statement	-1	0	0
Gains/losses recognised in other comprehensive income	-60	-646	-466
Additions	0	18	1
Closing balance	**749**	**810**	**972**

The Group did not have level 3 financial liabilities as at 31 March 2024.

Level 3 Financial Assets

At period end, Level 3 financial assets included EUR 718 million of Pohjolan Voima Oy (PVO) shares for which the valuation method is described in more detail in the Annual Report. The valuation decreased by EUR 60 million versus December 2023, mainly due to lower electricity market prices. The valuation is most sensitive to changes in electricity prices and discount rates. The discount rate of 6.70% used in the valuation model is determined using the weighted average cost of capital method. A +/- 5% change in the electricity price used in the DCF would change the valuation by EUR +85 million and -85 million, respectively. A +/- percentage point change in the discount rate would change the valuation by EUR -140 million and +186 million, respectively.

Stora Enso shares

During the first quarter of 2024, the conversions of 144,087 A shares into R shares were recorded in the Finnish trade register.

On 31 March 2024, Stora Enso had 176,086,829 A shares and 612,533,158 R shares in issue. The company did not hold its own shares. The total number of Stora Enso shares in issue was 788,619,987 and the total number votes at least 237,340,144.

On 15 April 2024, the conversion of 107,215 A shares into R shares was recorded in the Finnish trade register.

Trading volume

	Helsinki		Stockholm	
	A share	R share	A share	R share
January	73,585	38,489,451	56,376	4,931,459
February	81,323	39,091,234	63,137	4,807,662
March	150,456	35,814,114	85,055	5,057,671
Total	**305,364**	**113,394,799**	**204,568**	**14,796,792**

Closing price

	Helsinki, EUR		Stockholm, SEK	
	A share	R share	A share	R share
January	11.70	11.82	132.60	132.70
February	11.75	11.68	128.60	130.60
March	12.95	12.89	147.60	148.30

Number of shares

Million	Q1/24	Q1/23	Q4/23	2023
At period end	788.6	788.6	788.6	788.6
Average	788.6	788.6	788.6	788.6
Average, diluted	789.7	789.8	789.9	789.7

Sales

Sales by segment – total

EUR million	Q1/24	2023	Q4/23	Q3/23	Q2/23	Q1/23
Packaging Materials	1,100	4,557	1,045	1,057	1,155	1,300
Packaging Solutions	224	1,077	247	266	288	276
Biomaterials	374	1,587	375	345	379	488
Wood Products	349	1,580	341	349	436	454
Forest	659	2,490	650	534	620	687
Other	57	964	207	179	213	364
Inter-segment sales	-599	-2,859	-691	-603	-717	-848
Total	**2,164**	**9,396**	**2,174**	**2,127**	**2,374**	**2,721**

Sales by segment – external

EUR million	Q1/24	2023	Q4/23	Q3/23	Q2/23	Q1/23
Packaging Materials	1,033	4,362	1,006	1,012	1,103	1,242
Packaging Solutions	221	1,066	244	264	285	273
Biomaterials	298	1,363	322	297	321	423
Wood Products	315	1,453	313	322	400	416
Forest	278	989	266	218	246	258
Other	20	162	22	14	18	108
Total	**2,164**	**9,396**	**2,174**	**2,127**	**2,374**	**2,721**

Disaggregation of revenue

EUR million	Q1/24	2023	Q4/23	Q3/23	Q2/23	Q1/23
Product sales	2,154	9,317	2,153	2,109	2,348	2,707
Service sales	10	79	21	18	25	15
Total	**2,164**	**9,396**	**2,174**	**2,127**	**2,374**	**2,721**

Alternative performance measures

Definitions and purpose for alternative performance measures can be found at the end of this section.

Changes in alternative performance measures

From 1 January 2024 onwards, a slight change in terminology is applied with regards to certain key alternative performance measures as detailed in the table below:

Name until 31 Dec 2023	New name from 1 Jan 2024
Operational EBIT	Adjusted EBIT
Operational EBIT margin	Adjusted EBIT margin
Operational EBITDA	Adjusted EBITDA
Operational EBITDA margin	Adjusted EBITDA margin
Net debt to LTM operational EBITDA	Net debt to LTM adjusted EBITDA
Operational return on capital employed (op. ROCE)	Adjusted Return on capital employed (Adj. ROCE)
Operational ROCE excl. Forest division	Adjusted ROCE excl. Forest division
Operational return on operating capital (op. ROOC)	Adjusted Return on operating capital (Adj. ROOC)

In addition, the Company specifies that in order for the qualifying cases to be considered as items affecting comparability, a materiality threshold will be applied of at least EUR 4 million for Packaging Materials, EUR 2 million for Biomaterials, and EUR 1 million for the rest of the divisions including the segment Other. No restatements were prepared for the alternative performance measures as this change will not have a significant impact on the comparative figures.

Reconciliation of operating result

EUR million	Q1/24	Q1/23	Change % Q1/24–Q1/23	Q4/23	Change % Q1/24–Q4/23	2023
Adjusted EBITDA	298	399	-25.3 %	212	40.3 %	989
Depreciation and silviculture costs of associated companies	-1	-2	32.9 %	-4	65.7 %	-11
Silviculture costs[1]	-22	-27	16.4 %	-24	8.7 %	-102
Depreciation and impairment excl. IAC	-118	-136	13.5 %	-133	11.8 %	-534
Adjusted EBIT	**156**	**234**	**-33.1%**	**51**	**209.7%**	**342**
Fair valuations and non-operational items	11	11	1.7 %	229	-95.0 %	231
Items affecting comparability (IAC)	-20	12	-259.4 %	-605	96.8 %	-895
Operating result (IFRS)	**148**	**258**	**-42.4%**	**-326**	**145.5%**	**-322**

[1] Including damages to forests

Adjusted EBIT by segment

EUR million	Q1/24	2023	Q4/23	Q3/23	Q2/23	Q1/23
Packaging Materials	60	-57	-43	-34	-22	41
Packaging Solutions	-1	43	6	14	15	8
Biomaterials	57	118	35	5	-13	91
Wood Products	-9	-64	-27	-21	-6	-11
Forest	70	253	75	59	62	57
Other	-11	1	-1	-15	-9	27
Inter-segment eliminations	-10	49	5	13	9	21
Adjusted EBIT	**156**	**342**	**51**	**21**	**37**	**234**
Fair valuations and non-operational items	11	231	229	5	-14	11
Items affecting comparability	-20	-895	-605	-26	-276	12
Operating result (IFRS)	**148**	**-322**	**-326**	**-1**	**-253**	**258**
Net financial items	-47	-173	-52	-40	-51	-29
Result before Tax	**101**	**-495**	**-378**	**-41**	**-304**	**228**
Income tax expense	-17	64	53	7	47	-43
Net result	**84**	**-431**	**-325**	**-34**	**-257**	**185**

Items affecting comparability (IAC), fair valuations and non-operational items (FV)

Items affecting comparability in Q1/2024

EUR million	Q1/24
Restructuring - Packaging Materials	-2
Restructuring - Packaging Solutions	-3
Restructuring - Biomaterials	-1
Restructuring - Forest	-2
Restructuring - Group functions and segment Other	-9
Other items	-2
Total	**-20**

Items affecting comparability in Q1/2023

EUR million	Q1/23
Disposal of Nymölla	-29
Disposal of Maxau	49
Acquisition of De Jong Packaging Group	-16
Restructuring (2021 announced) - Kvarnsveden	22
Restructuring (2021 announced) - Veitsiluoto	5
Restructuring - Anjala	-19
Restructuring - Packaging Solutions	-5
Updates in environmental provisions (mainly closed Finnish sites)	6
Other items	0
Total	**13**

Fair valuations and non-operational items

EUR million	Q1/24	Q1/23
Non-operational fair valuation changes of biological assets, Packaging Materials	-1	0
Non-operational fair valuation changes of biological assets, Biomaterials	1	-1
Non-cash income and expenses related to CO_2 emission rights and liabilities, Other	17	21
Non-operational items of associated companies, Forest	-6	-5
Adjustments for differences between fair value and acquisition cost of forest assets upon disposal, Forest	0	-5
Total	**11**	**11**

Items affecting comparability (IAC) by segment

EUR million	Q1/24	2023	Q4/23	Q3/23	Q2/23	Q1/23
Packaging Materials	-4	-597	-474	-4	-98	-21
Packaging Solutions	-3	-26	-1	0	-5	-20
Biomaterials	-1	-224	-105	-17	-101	0
Wood Products	0	-22	-13	-1	-8	0
Forest	-2	2	4	3	-2	-3
Other	-10	-28	-16	-6	-61	56
IAC on operating result	**-20**	**-895**	**-605**	**-26**	**-276**	**12**
Tax on IAC	4	100	53	6	43	-3
IAC on net result	**-16**	**-795**	**-552**	**-20**	**-233**	**10**

Fair valuations and non-operational items by segment

EUR million	Q1/24	2023	Q4/23	Q3/23	Q2/23	Q1/23
Packaging Materials	-1	12	12	0	0	0
Packaging Solutions	0	0	0	0	0	0
Biomaterials	1	25	24	-3	5	-1
Wood Products	0	0	0	0	0	0
Forest	-6	206	221	-5	0	-9
Other	17	-13	-28	12	-19	21
FV on operating result	**11**	**231**	**229**	**5**	**-14**	**11**
Tax on FV	-1	-25	-24	-1	4	-3
FV on net result	**11**	**206**	**205**	**3**	**-10**	**8**

Operating result by segment

EUR million	Q1/24	2023	Q4/23	Q3/23	Q2/23	Q1/23
Packaging Materials	55	-642	-504	-38	-120	21
Packaging Solutions	-4	17	5	14	10	-12
Biomaterials	58	-81	-46	-15	-109	90
Wood Products	-10	-86	-40	-22	-14	-11
Forest	63	461	300	57	60	44
Other	-4	-41	-46	-10	-89	104
Inter-segment eliminations	-10	49	5	13	9	21
Operating result (IFRS)	**148**	**-322**	**-326**	**-1**	**-253**	**258**
Net financial items	-47	-173	-52	-40	-51	-29
Result before tax	**101**	**-495**	**-378**	**-41**	**-304**	**228**
Income tax expense	-17	64	53	7	47	-43
Net result	**84**	**-431**	**-325**	**-34**	**-257**	**185**

Calculation of adjusted return on capital employed (ROCE) and return on equity (ROE) based on the last 12 months

EUR million	Q1/24	Q1/23	Q4/23
Adjusted EBIT, LTM	265	1,622	342
Capital employed, LTM average	14,197	14,114	14,230
Adjusted ROCE, LTM	**1.9%**	**11.5%**	**2.4%**
Adjusted EBIT excl. Forest division, LTM	-2	1,410	89
Capital employed excl. Forest division, LTM average	8,415	8,552	8,490
Adjusted ROCE excl. Forest division, LTM	**0.0%**	**16.5%**	**1.0%**
Net result for the period, LTM	-532	1,435	-431
Total equity, LTM average	11,047	11,730	11,413
Return on equity (ROE), LTM	**-4.8%**	**12.2%**	**-3.8%**
Net debt	3,518	2,917	3,167
Adjusted EBITDA, LTM	888	2,266	989
Net debt to LTM adjusted EBITDA ratio	**4.0**	**1.3**	**3.2**

LTM = Last 12 months.

Calculation of EPS excl. FV

EUR million	Q1/24	Q1/23	Q4/23	2023
Earnings per share (EPS) excl. FV EUR				
Net profit for the period attributable to owners of the Parent	85	189	-287	-357
FV on net profit for the period attributable to owners of the Parent	14	8	217	218
Net profit for the period attributable to owners of the parent excl. FV	**71**	**181**	**-504**	**-575**
Average number of shares	789	789	789	789
Earnings per share (EPS) excl. FV EUR	0.09	0.23	-0.64	-0.73

Calculation of net debt

EUR million	31 Mar 2024	31 Dec 2023	31 Mar 2023
Listed securities	10	9	6
Non-current interest-bearing receivables	76	76	112
Interest-bearing receivables	40	64	68
Cash and cash equivalents	2,099	2,464	1,257
Interest-bearing assets	**2,225**	**2,613**	**1,443**
Non-current interest-bearing liabilities	4,310	4,446	2,864
Current portion of non-current debt	248	286	917
Interest-bearing liabilities	623	476	559
Bank overdrafts	3	0	19
Interest-bearing liabilities held-for-sale	558	571	1
Interest-bearing liabilities	**5,743**	**5,780**	**4,359**
Net debt	**3,518**	**3,167**	**2,917**

Definitions and calculation of alternative performance measures

According to the European Securities and Markets Authority (ESMA) Guidelines, an alternative performance measure is understood as a financial measure of historical or future financial performance, financial position, or cash flows, not defined under IFRS. Used together with the IFRS measures, alternative performance measures provide meaningful supplemental information to the management, investors, analysts and other parties with regards to the financial development of the business operations.

Alternative performance measure	Definition	Purpose
Operating result (IFRS)	Net result for the period excluding income tax and net financial items (finance costs).	Used in combination with below measures to determine the profitability of the Group.
Adjusted EBIT	Operating result (IFRS) excluding items affecting comparability (IAC) and fair valuations and non-operational items (FV) of the line-by-line consolidated entities and Stora Enso's share of operating result excluding IAC and FV of its associated companies.	The Group's key non-IFRS performance metric, which is used to evaluate the performance of operating segments and, in combination with below ratios, to steer allocation of resources to them.
Adjusted EBITDA	Operating result (IFRS) excluding silviculture costs and damage to forests, fixed asset depreciation and impairment, IACs and FV. The definition includes the respective items of subsidiaries, joint arrangements and associated companies.	Used by management to analyse the business and, from time-to-time, for short term and long-term target setting.
Adjusted return on capital employed (ROCE), LTM[3] (%)	Adjusted EBIT[3] / Capital employed[1] x 100	Used for long-term Group financial targets setting.
Adjusted return on operating capital (ROOC), LTM[3] (%)	Adjusted EBIT[3] / Operating capital[1] x 100	Used for long-term divisional financial targets setting.
Return on equity, ROE, LTM[3] (%)	Net result for the period / Total equity[1] x 100	A measure of the profitability in relation to equity.
Net debt	Interest-bearing liabilities – interest-bearing assets, marked with "I" in the statement of financial position.	Used for long-term Group financial targets setting.
Net debt/equity ratio	Net debt / Equity[2]	Used for long-term Group financial targets setting.
Net debt/last 12 months' adjusted EBITDA ratio	Net debt / LTM adjusted EBITDA	Used for long-term Group financial targets setting.
Earnings per share (EPS) excluding FV	Net result for the period excluding fair valuations and non-operational items after tax divided by the weighted average number of shares	Stora Enso's dividend policy is to distribute 50% of earnings per share (EPS) excluding fair valuation over the cycle.
Operating capital and capital employed	Operating capital is comprised of items marked with "O" in the statement of financial position. Capital employed = Operating capital – Net tax liabilities. Net tax liabilities are marked with "T" in the statement of financial position.	Used for long-term Group financial targets setting.

Alternative performance measure	Definition	Purpose
Items affecting comparability (IAC)	The most common IAC are significant capital gains and losses, impairments or impairment reversals, disposal gains and losses relating to Group companies, provisions for planned restructurings, environmental provisions, changes in depreciation due to restructuring and penalties. In order for qualifying cases to be considered as items affecting comparability, a materiality threshold will be applied of at least EUR 4 million for Packaging Materials, EUR 2 million for Biomaterials, and EUR 1 million for the rest of the divisions including segment Other.	Represent certain significant items, identified by the management, considered not indicative of the operating business performance due to their nature and/or frequency.
Fair valuations and non-operational items (FV)	Fair valuations and non-operational items include non-cash income and expenses related to CO_2 emission rights and liabilities, non-operational fair valuation changes of biological assets, adjustments for differences between fair value and acquisition cost of forest assets upon disposal and the Group's share of income tax and net financial items of associated companies. Non-operational fair value changes of biological assets reflect changes made to valuation assumptions and parameters. The adjustments for differences between fair value and acquisition cost of forest assets upon disposal are a result of the fact that the cumulative non-operational fair valuation changes of disposed forest assets were included in previous periods in IFRS operating result (biological assets) and other comprehensive income (forest land) and are included in adjusted EBIT only at the disposal date (for non-strategic forest assets disposals).	Represent adjustments for certain items considered by the management less relevant for understanding operating business performance. These adjustments result in differences in the recognition and measurement principles applicable under IFRS.
Operational fair value change of biological assets	Operational fair value changes of biological assets contain all other fair value changes (see above about non-operational fair value changes of biological assets), mainly due to inflation and differences in actual harvesting levels compared to the harvesting plan.	The long-term value change of the growing forests is an important component of the forestry business profitability.
Cash flow from operations (non-IFRS) and cash flow after investing activities (non-IFRS)	Cash flow from operations (non-IFRS) is equal to net cash provided by operating activities (IFRS) before cash flows related to financial items and income taxes. Cash flow after investing activities (non-IFRS) is equal to cash flow from operations (non-IFRS) minus cash spent on intangible assets, property, plant and equipment, and biological assets and acquisitions of associated companies.	These are measures of cash generation, working capital efficiency and capital expenditure outflows.
Capital expenditure	Capital expenditure on fixed assets includes investments in and acquisitions of tangible and intangible assets as well as internally generated assets and capitalised borrowing costs, net of any related subsidies. Capital expenditure on leased assets includes new capitalised leasing contracts. Capital expenditure on biological assets consists of acquisitions of biological assets and capitalisation of costs directly linked to growing trees in plantation forests. The cash flow impact of capital expenditure is presented in cash flow from investing activities, excluding lease capex, where the cash flow impact is based on paid lease liabilities and presented in cash flow from financing and operating activities.	A measure of the operating business investments capitalised as tangible and intangibles assets.
Fixed costs	Maintenance, personnel and other administration type of costs, excluding IAC and FV.	A measure of the costs that are less variable in nature.

[1]Average for the last five quarter ends [2]Attributable to the owners of the Parent [3]Last 12 months prior to the end of reporting period

Definitions and calculation of key sustainability figures

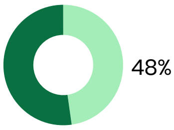
GHG emissions, Scope 1 + 2	Direct absolute CO_2e emissions from production (Scope 1) and indirect absolute CO_2e emissions related to purchased electricity and heat (Scope 2). Excluding joint operations. Reported as rolling 12 months. Calculated in accordance with the Greenhouse Gas Protocol of the World Resource Institute (WRI).
GHG emissions, Scope 3	Absolute CO_2e emissions from other sources along the value chain of all production units are estimated based on the most recent methodology. Joint operations included as suppliers. Currently, material emission categories for Scope 3 emissions are updated annually. Accounting based on guidelines provided by the Greenhouse Gas Protocol and the World Business Council for Sustainable Development (WBCSD).
Forest certification coverage	The proportion of land in wood production and harvesting owned or leased by Stora Enso that is covered by forest certification schemes. Reporting on total land area and its forest certification coverage aligned with financial reporting on forests assets.
Share of technically recyclable products	The proportion of technically recyclable products based on production volumes as tonnes. Technical recyclability is defined by international standards and tests when available, and in the absence of these, by Stora Enso's tests that prove recyclability. The reporting scope includes Stora Enso's packaging, pulp, paper and solid wood products as well as biochemical by-products.
TRI (Total recordable incidents) rate	Number of incidents per one million hours worked. Including joint operations.
Gender balance: % of female managers among all managers	The share of female managers is calculated as the headcount of all permanent managers with at least one direct report. The manager must be permanent, but the subordinates can be temporary or permanent. Reported as rolling 12 months. Excluding joint operations.
Total water withdrawal per saleable tonne	Reported as rolling 12 months. Excluding joint operations. Total water withdrawal includes process water and cooling and non-contact water intakes by board, pulp, and paper production sites as cubic metres (m^3).
Process water discharges per saleable tonne	Reported as rolling 12 months. Excluding joint operations and Business Unit Western Europe in Packaging Solutions. Process water discharges include the discharges of board, pulp, and paper production sites as cubic metres (m^3).
Supplier Code of Conduct (SCoC) coverage	The share of supplier spend (rolling 12 months) covered by the Supplier Code of Conduct (SCoC). Excludes joint operations, intellectual property rights, leasing fees, financial trading, government fees such as customs, and wood purchases from private individual forest owners. Excluding Business Unit Western Europe in Packaging Solutions.

Divisions

Packaging Materials

Leading the development of circular packaging, providing premium packaging materials based on virgin and recycled fiber.

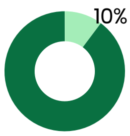
Share of Group external sales



Packaging Solutions

Developing and selling premium fiber-based packaging products and services.

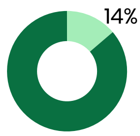
Share of Group external sales



Biomaterials

Meeting the growing demand for bio-based solutions to replace fossil-based and hazardous materials.

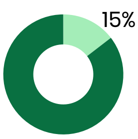
Share of Group external sales



Wood Products

One of the largest sawn wood producers in Europe and a global leading provider of renewable wood-based solutions.

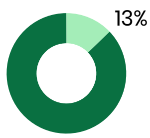
Share of Group external sales



Forest

Creating value through sustainable forest management, competitive wood supply and innovation.

Share of Group external sales



Information about Stora Enso's production capacities is available in the Annual Report 2023.

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Stora Enso's January–June 2024 results will be published on

24 July 2024

Part of the global bioeconomy, Stora Enso is a leading provider of renewable products in packaging, biomaterials, and wooden construction, and one of the largest private forest owners in the world. We create value with our low-carbon and recyclable fiber-based products, through which we support our customers in meeting the demand for renewable sustainable products. Stora Enso has approximately 20,000 employees and our sales in 2023 were EUR 9.4 billion. Stora Enso shares are listed on Nasdaq Helsinki Oy (STEAV, STERV) and Nasdaq Stockholm AB (STE A, STE R). In addition, the shares are traded on OTC Markets (OTCQX) in the USA as ADRs and ordinary shares (SEOAY, SEOFF, SEOJF). **storaenso.com/investors**

It should be noted that Stora Enso and its business are exposed to various risks and uncertainties and certain statements herein which are not historical facts, including, without limitation those regarding expectations for market growth and developments; expectations for growth and profitability; and statements preceded by “believes”, “expects”, “anticipates”, “foresees”, or similar expressions, are forward-looking statements. Since these statements are based on current plans, estimates and projections, they involve risks and uncertainties, which may cause actual results to materially differ from those expressed in such forward-looking statements. Such factors include, but are not limited to: (1) operating factors such as continued success of manufacturing activities and the achievement of efficiencies therein, continued success of product development, acceptance of new products or services by the Group’s targeted customers, success of the existing and future collaboration arrangements, changes in business strategy or development plans or targets, changes in the degree of protection created by the Group’s patents and other intellectual property rights, the availability of capital on acceptable terms; (2) industry conditions, such as strength of product demand, intensity of competition, prevailing and future global market prices for the Group’s products and the pricing pressures thereto, price fluctuations in raw materials, financial condition of the customers and the competitors of the Group, the potential introduction of competing products and technologies by competitors; and (3) general economic conditions, such as rates of economic growth in the Group’s principal geographic markets or fluctuations in exchange and interest rates. All statements are based on management’s best assumptions and beliefs in light of the information currently available to it and Stora Enso assumes no obligation to publicly update or revise any forward-looking statement except to the extent legally required.