

# Report for quarter 4 and full-year 2024



# Strong growth in fourth quarter ended a successful 2024

## Quarter 4, 2024

- Net sales increased 3.2% to SEK 37,805m (36,625)
- Organic growth amounted to 3.9%, of which volume accounted for 1.7% and price/mix 2.2%. Excluding restructuring, organic growth increased 4.9%.
- EBITA decreased 1% to SEK 4,585m (4,611)
- EBITA excl. IAC increased 2% to SEK 4,969m (4,853)
- EBITA margin excl. IAC decreased 0.2 percentage points to 13.1% (13.3)
- ROCE decreased to 15.8% (16.2) and ROCE excl. IAC amounted to 17.1% (17.1)
- Profit for the period, total operations, amounted to SEK 2,893m (2,891)
- Earnings per share, continuing operations, increased to SEK 4.13 (4.04). Earnings per share, total operations, increased to SEK 4.13 (4.02).

## Full-year 2024

- Net sales decreased 1.1% to SEK 145,546m (147,147)
- Organic growth amounted to 0.2%, of which volume accounted for 0.5% and price/mix -0.3%. Excluding restructuring, organic growth increased 1.8%.
- EBITA increased 17% to SEK 19,475m (16,607)
- EBITA excl. IAC increased 8% to SEK 20,344m (18,898)
- EBITA margin excl. IAC increased 1.2 percentage points to 14.0% (12.8)
- ROCE increased to 16.9% (14.4) and ROCE excl. IAC increased to 17.6% (16.4)
- Profit for the period, total operations, amounted to SEK 21,048m (9,796)
- Earnings per share, continuing operations, increased to SEK 17.09 (13.44). Earnings per share, total operations, increased to SEK 29.83 (13.60).
- The Board of Directors proposes an increase in the dividend of 6.5% to SEK 8.25 (7.75) per share.
- President and CEO Magnus Groth will leave Essity during 2025

# 3.9%

Organic growth, quarter 4, 2024

# 13.1%

EBITA margin excl. IAC, quarter 4, 2024

## Financial overview, continuing operations

	2024:4	2023:4	%	2412	2312	%
Net sales, SEKm	37,805	36,625	3	145,546	147,147	-1
Organic sales growth, %	3.9	-0.7		0.2	5.8	
EBITA, SEKm	4,585	4,611	-1	19,475	16,607	17
EBITA margin, %	12.1	12.6		13.4	11.3	
EBITA excl. IAC, SEKm	4,969	4,853	2	20,344	18,898	8
EBITA margin excl. IAC, %	13.1	13.3		14.0	12.8	
Profit for the period, SEKm	2,893	2,858	1	12,033	9,517	26
Earnings per share, SEK	4.13	4.04	2	17.09	13.44	27
Earnings per share*, SEK	4.85	4.54	7	19.29	17.56	10
ROCE, %	15.8	16.2		16.9	14.4	
ROCE excl. IAC, %	17.1	17.1		17.6	16.4	
Operating cash flow, SEKm	3,297	5,914	-44	17,242	17,685	-3

\*Earnings per share excl. IAC and amortization of acquisition-related intangible assets

## Financial overview, total operations

	2024:4	2023:4	%	2412	2312	%
Profit for the period, SEKm	2,893	2,891	0	21,048	9,796	115
Earnings per share, SEK	4.13	4.02	3	29.83	13.60	119
Net debt/EBITDA excl. IAC				1.16	2.00	

# CEO's comments

Essity is in better shape than ever and our focus on accelerated profitable growth is yielding results. For full-year 2024, sales amounted to SEK 146bn and profit reached its highest level ever at SEK 20.3bn.

## Strong growth and crucial innovation

Sales increased in all of Essity's business areas in the fourth quarter. High organic growth was noted in our most profitable categories: Incontinence Products, in both healthcare and the retail trade, Medical Solutions, Feminine Care and, excluding restructuring, Professional Hygiene. Despite continued global economic challenges, our focus on accelerated profitable growth has yielded results. People are prioritizing hygiene and health and choosing the product offerings that can best improve their everyday lives, making relevant innovation crucial. Our launches of, for example, TENA Proskin Pants, incontinence products for better absorption and skin health, and improved Cutimed Sorbion wound dressings are examples of innovations that have contributed to our favorable performance. The latest major innovation is Tork Optiserve Coreless, a new toilet paper system that complements our big seller Tork PeakServe in Professional Hygiene.

## Higher profit

Profit (EBITA excl. IAC) for the quarter was higher than in the year-earlier period. Higher volumes and sales prices, and a favorable product mix, had a positive impact. However, the EBITA margin excl. IAC was lower, mainly on account of higher costs in Consumer Goods and the Consumer Tissue category. The rapid and sharp

strengthening of the USD increased costs, which has not yet been fully offset. Health & Medical and Professional Hygiene reported significantly higher margins. Our efficiency programs continued to generate high cost savings.

## Successful 2024

2024 was a successful year. We achieved sales of SEK 146bn and our highest-ever profit of SEK 20.3bn, corresponding to a margin of 14%. We improved the portfolio mix through the divestment of Vinda and by prioritizing growth in categories that yield a high return. Our continuous efforts to improve efficiency have resulted in cost savings of SEK 1.5bn. We also presented new financial targets during the year, raising the level of ambition for growth and profitability, and launched a share buyback program financed by the strong cash flow from operations. The aim is to continue buying back shares as a recurring part of Essity's capital allocation. The Board of Directors proposes an increase in the dividend of 6.5% to SEK 8.25 per share.

## Leaving as CEO

After 14 years with the company and ten years as President and CEO, I have decided to leave Essity during 2025. Essity is today a global leading hygiene and health company with strong brands and market positions, fantastic employees and recognized sustainability work, reflected in profitable growth. I look forward to continuing to develop Essity with full speed together with my colleagues until my successor is in place.

## Magnus Groth

President and CEO





# Group

## Net sales

Net sales increased 3.2% in the fourth quarter of 2024 compared with the corresponding period a year ago and amounted to SEK 37,805m (36,625).

Organic sales growth increased by 3.9%. Excluding restructuring in Professional Hygiene, growth for the Group increased 4.9%.

Volume growth was good. All categories in Consumer Goods and Health & Medical reported higher volumes. Sales prices were higher in all business areas. Professional Hygiene and Health & Medical contributed to a positive mix for the Group.

Emerging markets accounted for 25% of net sales.

## Change in net sales

%	2024:4 vs 2023:4
<b>Total</b>	<b>3.2</b>
Volume	1.7
Price/Mix	2.2
<b>Organic growth</b>	<b>3.9</b>
Acquisitions	0.0
Divestments	0.0
Currency translation	-0.7

## Operating profit

The gross margin decreased 0.2 percentage points to 31.7% (31.9). The gross margin excl. IAC decreased 0.1 percentage points to 31.9% (32.0). The cost of goods sold increased. The cost increase was mainly attributable to higher raw material costs in Consumer Tissue. The rapid and sharp strengthening of the USD increased costs. The cost savings amounted to approximately SEK 430m. Profit was positively impacted by higher volumes and sales prices in addition to a favorable mix. Salary inflation had a negative impact.

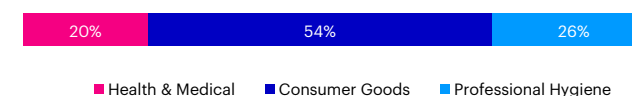
EBITA decreased 1% to SEK 4,585m (4,611) and EBITA excl. IAC increased 2% to SEK 4,969m (4,853). The EBITA margin excl. IAC declined to 13.1% (13.3). The decrease was primarily the result of the lower gross margin.

## Change in EBITA excl. IAC

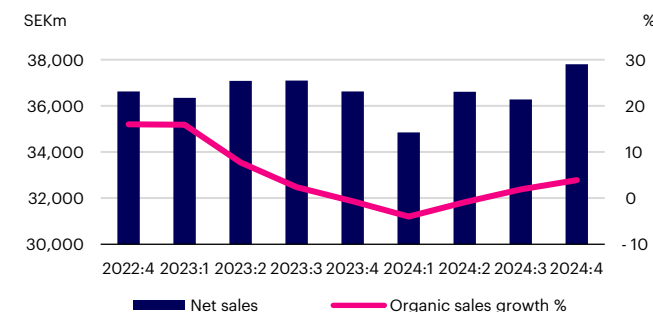
	SEKm
<b>EBITA excl. IAC 2023:4</b>	<b>4,853</b>
Volume	379
Price/Mix	801
Cost of goods sold	-759
Sales & Admin	-333
Currency translation	1
Other	27
<b>EBITA excl. IAC 2024:4</b>	<b>4,969</b>

Sales, general and administration costs increased but were unchanged as a percentage of net sales at 18.8% (18.8), of which marketing costs accounted for 4.7% (4.7). IAC amounted to SEK -384m (-242) mainly attributable to restructuring.

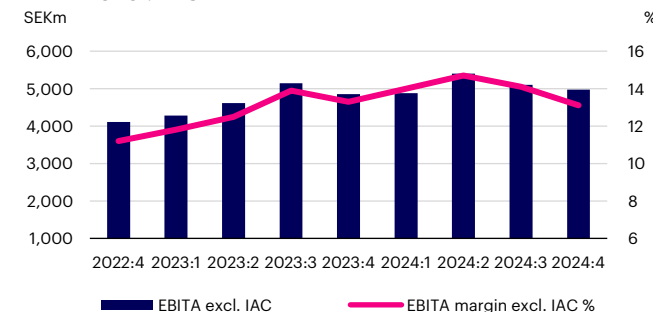
## Net sales 2412 by business area



## Net sales



## EBITA excl. IAC



## Financial items

Financial items decreased to SEK -416m (-499) mainly on account of lower average net debt.

## Tax

The tax expense was SEK 1,006m (984), corresponding to a tax rate of 25.8% (25.6). The tax expense excl. IAC was SEK 1,073m (1,060), corresponding to a tax rate of 25.1% (25.9).

## Profit for the period

Profit for the period, total operations, amounted to SEK 2,893m (2,891). Profit for the period, continuing operations, amounted to SEK 2,893m (2,858).

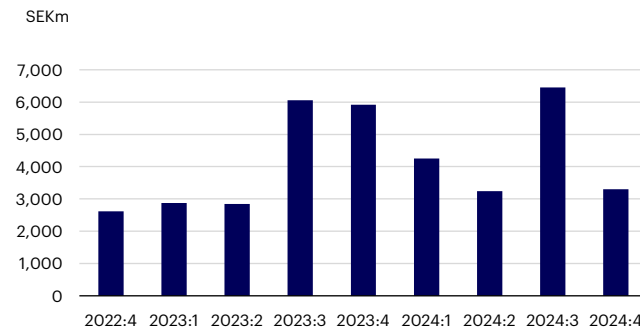
## Cash flow

Operating cash flow amounted to SEK 3,297m (5,914). Net cash flow for continuing operations was SEK -394m (3,764), and for discontinued operations SEK 0m (1,368). Cash flow was negatively impacted by timing effects in working capital and tax payments. During the quarter, Essity bought back 3,348,000 own Class B shares for a total amount of SEK 1,016m as part of the SEK 3bn buyback program, which extends from June 17, 2024, until the 2025 Annual General Meeting.

## Operating cash flow statement

SEKm	2024:4	2023:4	2412	2312
Operating cash surplus	6,638	6,505	26,998	25,569
Change in inventories	384	1,355	-946	2,505
Change in operating receivables	-1,000	131	-2,218	-19
Change in operating liabilities	593	1,091	2,756	-1,401
Investments in non-current assets, net	-2,610	-2,258	-7,332	-6,819
Restructuring costs, etc.	-470	-634	-1,456	-1,542
Investments in operating assets through leases	-238	-276	-560	-608
<b>Operating cash flow</b>	<b>3,297</b>	<b>5,914</b>	<b>17,242</b>	<b>17,685</b>
Financial items	-416	-499	-1,931	-2,356
Income taxes paid	-2,187	-1,456	-5,860	-3,615
Other	1	-36	34	-89
<b>Cash flow from current operations</b>	<b>695</b>	<b>3,923</b>	<b>9,485</b>	<b>11,625</b>
Acquisitions of Group companies and other operations	-51	-166	-68	-182
Divestments of Group companies and other operations	0	7	23,908	1,249
<b>Cash flow before transactions with shareholders</b>	<b>644</b>	<b>3,764</b>	<b>33,325</b>	<b>12,692</b>
Dividend	0	0	-5,443	-5,092
Dividend to non-controlling interests	-22	0	-23	-2
Repurchase of own shares	-1,016	0	-2,224	0
<b>Net cash flow, continuing operations</b>	<b>-394</b>	<b>3,764</b>	<b>25,635</b>	<b>7,598</b>
Net cash flow, discontinued operations	0	1,368	-467	866
<b>Net cash flow, total operations</b>	<b>-394</b>	<b>5,132</b>	<b>25,168</b>	<b>8,464</b>

## Operating cash flow



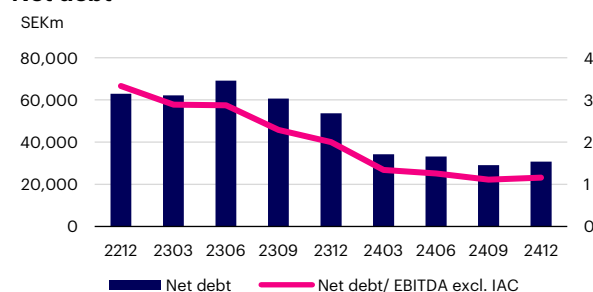
## Financial position

Net debt decreased by SEK 22,934m compared with December 31, 2023, and amounted to SEK 30,769m, primarily driven by the divestment of Vinda, which contributed SEK 19,360m, and strong operating cash flow. The Group's interest-bearing gross debt amounted to SEK 42,749m (56,846) at year-end. The average maturity period was 3.8 (3.5) years.

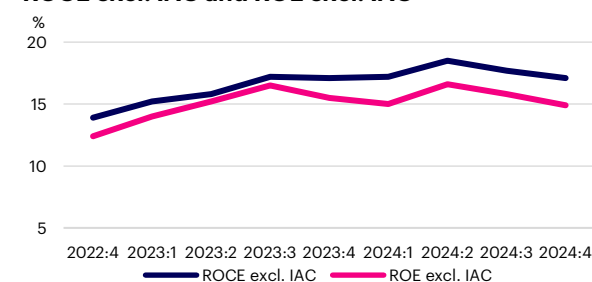
Compared with December 31, 2023, working capital increased to SEK 10,746m, mainly due to higher inventory levels and trade receivables. Higher trade payables reduced working capital. Working capital amounted to 7% (6) of net sales.

Equity attributable to owners of the Parent company increased SEK 17,468m compared with December 31, 2023. Profit for the period attributable to owners of the Parent company increased the equity of owners of the Parent company by SEK 20,888m, mainly related to the divestment of Vinda. The dividend of SEK 5,443m and the buyback of own shares of SEK 2,224m reduced equity attributable to owners of the Parent company. The Group's total equity increased SEK 9,336m during the year.

## Net debt



## ROCE excl. IAC and ROE excl. IAC



## Financial position

	2412	2312
Working capital, SEKm	10,746	8,771
Capital employed, SEKm	119,510	110,750
Net debt, SEKm	30,769	53,703
Debt/equity ratio	0.35	0.68
Debt payment capacity, %	59	34
Net debt/EBITDA	1.19	2.16
Net debt/EBITDA excl. IAC	1.16	2.00

## Return

%	2024:4	2023:4	2412	2312
ROCE	15.8	16.2	16.9	14.4
ROCE excl. IAC	17.1	17.1	17.6	16.4
ROE	13.4	14.4	25.2	12.5
ROE excl. IAC	14.9	15.5	15.5	15.3

## Change in net debt

SEKm	2412	2312
<b>Net debt at the beginning of the period</b>	<b>-53,703</b>	<b>-62,869</b>
Net cash flow	25,168	8,464
Remeasurements to equity	96	1,339
Investments in non-operating assets through leases	-581	-491
Translation differences	-1,749	-146
<b>Net debt at the end of the period</b>	<b>-30,769</b>	<b>-53,703</b>

# Health & Medical

- High volume growth
- Increased sales prices and positive product mix
- Higher EBITA and margin, excl. IAC

## Net sales

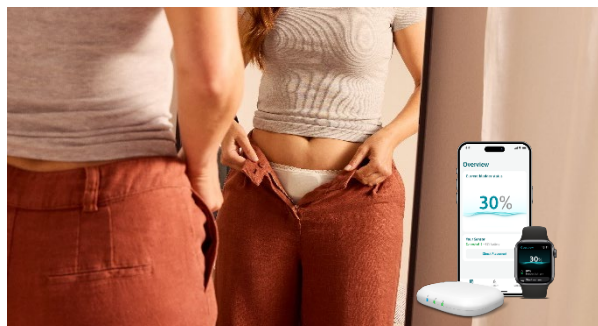
Net sales increased organically by 5.6% during the fourth quarter. Volume growth was high, prices developed positively and the product mix was favorable.

Organic growth in Incontinence Products Health Care was mainly driven by higher volumes. The product mix was favorable, which was mainly related to the continued increase in sales of TENA Pants, and sales prices were stable.

Organic growth in Medical Solutions was mainly driven by significantly higher volumes. Sales prices increased and the product mix was stable. Wound care and compression therapy reported high growth.

## EBITA excl. IAC

EBITA and the EBITA margin excl. IAC increased during the fourth quarter, mainly driven by higher volumes and sales prices, in addition to cost savings. In total, the cost of goods sold was lower. Investments in sales, to drive growth, increased costs. Currency translation effects had a positive impact on earnings of SEK 19m compared with the corresponding period a year ago.



TENA SmartCare Bladder Sensor is a discreet, wearable ultrasound device that continuously monitors bladder fullness to help prevent leakages. The bladder sensor notifies the user when it is time to go to the toilet, which is a revolutionary solution and unique in the European market.

## Change in net sales

%	2024:4 vs 2023:4
<b>Total</b>	<b>5.9</b>
Volume	4.9
Price/Mix	0.7

<b>Organic growth</b>	<b>5.6</b>
Acquisitions	0.0
Divestments	0.0
Currency translation	0.3

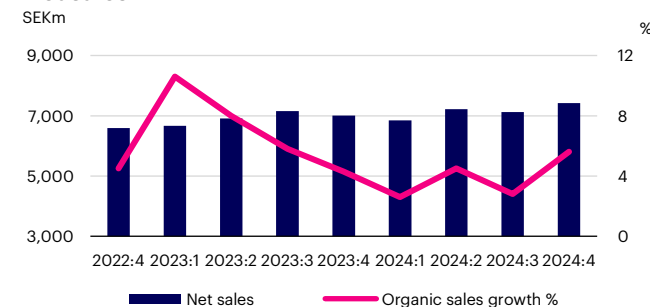
## Organic sales growth

%	2024:4 vs 2023:4	% of net sales
Incontinence Products Health Care	4.4	58
Medical Solutions	7.2	42

## Financial overview

	2024:4	2023:4	%
Net sales, SEKm	7,417	7,001	6
Organic sales growth, %	5.6	4.3	
Gross profit margin excl. IAC, %	44.1	42.3	
EBITA excl. IAC, SEKm	1,361	1,125	21
EBITA margin excl. IAC, %	18.3	16.1	
ROCE excl. IAC, %	16.1	13.3	
Operating cash flow, SEKm	976	1,411	-31

## Net sales



## EBITA excl. IAC



# Consumer Goods

- High volume growth with contributions from all categories
- Higher sales prices in Consumer Tissue
- Cost increase, mainly driven by USD appreciation

## Net sales

Net sales in the fourth quarter increased organically by 4.5%, primarily driven by higher volumes in all categories. Incontinence Products Retail and Feminine Care reported high organic growth, primarily driven by higher volumes. In Baby Care, prices were lower and the mix was negatively affected by higher sales of retailer brands. In Consumer Tissue, volumes increased and sales prices were higher.

## EBITA excl. IAC

EBITA and the EBITA margin excl. IAC declined during the fourth quarter, mainly due to the higher cost of goods sold. The cost increase was mainly attributable to higher raw material costs in Consumer Tissue. The rapid and sharp strengthening of the USD increased costs. Investments in sales and marketing to support growth also increased costs. Higher volumes and sales prices, cost savings and lower energy costs contributed positively to earnings. In total, the cost of goods sold was higher. Currency translation effects had a negative impact on earnings of SEK 109m compared with the corresponding period a year ago.



Zewa Deluxe toilet paper has a lower carbon footprint by optimizing the fiber content and using more recycled plastic in its packaging. The paper is also softer and more delicate to the skin.

## Change in net sales

%	2024:4 vs 2023:4
<b>Total</b>	<b>3.0</b>
Volume	4.3
Price/Mix	0.2
<b>Organic growth</b>	<b>4.5</b>
Acquisitions	0.0
Divestments	0.0
Currency translation	-1.5

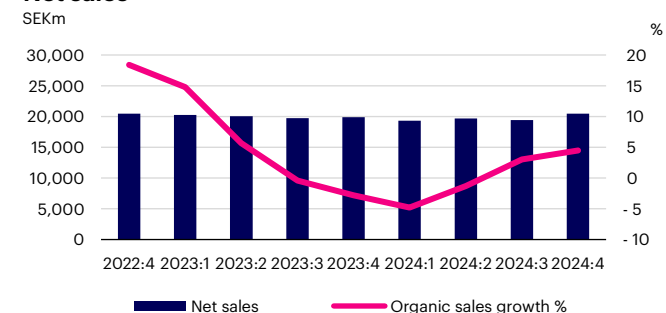
## Organic sales growth

%	2024:4 vs 2023:4	% of net sales
Incontinence Products Retail	11.2	15
Feminine Care	3.4	17
Baby Care	-1.6	9
Consumer Tissue	4.3	59

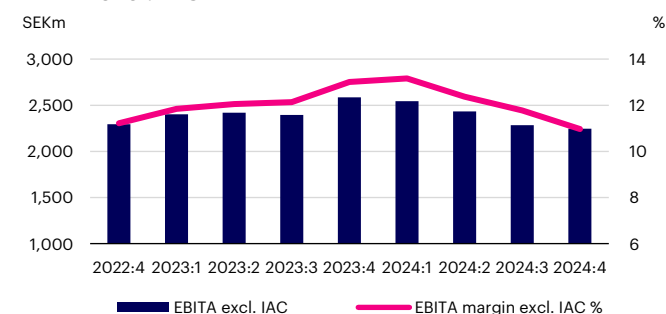
## Financial overview

	2024:4	2023:4	%
Net sales, SEKm	20,472	19,870	3
Organic sales growth, %	4.5	-2.8	
Gross profit margin excl. IAC, %	27.5	29.3	
EBITA excl. IAC, SEKm	2,245	2,585	-13
EBITA margin excl. IAC, %	11.0	13.0	
ROCE excl. IAC, %	16.7	19.4	
Operating cash flow, SEKm	1,114	2,506	-56

## Net sales



## EBITA excl. IAC





# Professional Hygiene

- Strong growth in premium products
- Higher EBITA and margin, excl. IAC

## Net sales

Net sales increased organically by 1.4% during the fourth quarter, despite lower volumes due to restructuring in North America and Europe. Excluding the effect of this, growth was 5.1%. Sales prices were higher and the product mix was positive as a result of a higher share of premium products. Price was partially positively impacted from the release of customer discounts.

## EBITA excl. IAC

EBITA and the EBITA margin excl. IAC increased during the fourth quarter. Higher sales prices combined with the favorable mix trend had a positive impact on earnings. The cost of goods sold was higher, mainly due to higher raw material costs. Lower volumes had a negative earnings effect. Currency translation effects had a positive impact on earnings of SEK 79m compared with the corresponding period a year ago.



The Tork OptiServe® Coreless toilet paper system saves time, is sustainable and ensures a better user experience.

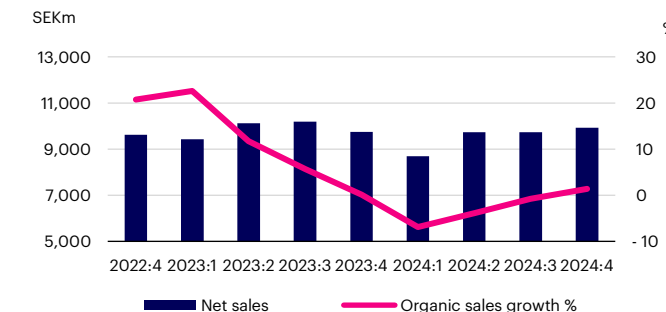
## Change in net sales

%	2024:4 vs 2023:4
<b>Total</b>	<b>1.8</b>
Volume	-6.0
Price/Mix	7.4
<b>Organic growth</b>	<b>1.4</b>
Acquisitions	0.0
Divestments	0.0
Currency translation	0.4

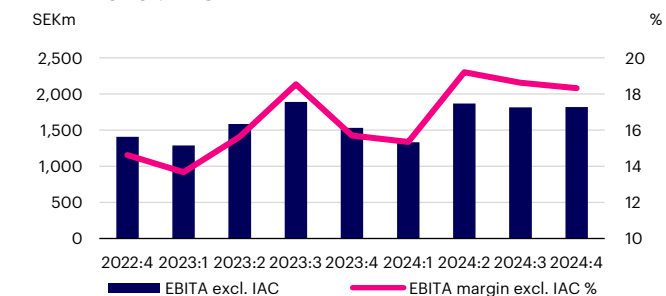
## Financial overview

	2024:4	2023:4	%
Net sales, SEKm	9,923	9,752	2
Organic sales growth, %	1.4	0.1	
Gross profit margin excl. IAC, %	32.2	30.5	
EBITA excl. IAC, SEKm	1,817	1,531	19
EBITA margin excl. IAC, %	18.3	15.7	
ROCE excl. IAC, %	28.8	24.6	
Operating cash flow, SEKm	1,678	2,227	-25

## Net sales



## EBITA excl. IAC



# Other Group information

## Sustainability

Sustainability is integrated into Essity's strategy and is a priority, with ambitious Group targets in several areas. The outcome for three of the targets is presented below. The outcome for all of the targets is reported in the company's Annual Report.

## Health and safety

All of Essity's production facilities are conducting purposeful and systematic work with safety issues. Essity's workplace safety target is to achieve a reduction in the total recordable incident rate (TRI-R) of 75% by 2025 compared with 2019. Total recordable incidents (TRI) include lost time accidents (LTA), restricted work cases (RWC) and medical treatment cases (MTC). The TRI-R (TRI / million working hours) for 2024 was 2.6, a decrease of 66% compared with 2019.

## Science Based Targets

Essity's long-term target is to achieve net-zero emissions in the entire value chain by 2050. The company's short-term target for Scopes 1 and 2 (the company's energy consumption and purchased electricity) is to achieve a reduction of 35% by 2030 compared with 2016. The outcome for 2024 was -27% for Scopes 1 and 2 compared with 2016.

For Scope 3 (including purchased goods and services, transportation, production waste, packaging and end-of-life treatment of sold products), Essity has also undertaken to reduce greenhouse gas emissions by 35% by 2030 compared with 2016. The outcome for Scope 3 is reported with a delay of one year and will be presented in conjunction with the Annual Report for 2024. Essity's climate targets for 2030 and 2050 are

aligned with the Science Based Targets initiative (SBTi) and were validated in 2024.

## Gender distribution at management levels

Essity's target is that gender distribution at all management levels (Executive Management Team, senior management, middle management) is to be within the interval 40/60%, where the majority group based on gender is to constitute no more than 60%. The target is reported at an aggregate outcome level for the three management levels and the outcome for 2024 was 34/66%.

### Gender distribution at management levels 2024

Share/number of women on the Board elected by the Annual General Meeting	44%/4 (9)
Share/number of women on the Board elected by trade unions	67%/2 (3)
Share/number of women in the Executive Management Team	31%/4 (13)
Share/number of women in senior management	35%/38 (109)
Share/number of women in middle management	34%/237 (688)

In 2024, Essity was recognized as a Diversity Leader by the UK business daily Financial Times for the fourth consecutive year.

Moreover, Essity was once again recognized as one of the world's 100 most sustainable companies by Corporate Knights. The Global 100 list represents the top 1% of companies in the world in terms of sustainability performance.

## Water Target

During the quarter, Essity set a target to reduce freshwater intake by 25% at eight tissue sites in water-stressed regions by 2032, compared to a 2022 baseline.

## Events during the quarter

### Essity hosted its Capital Markets Day – Accelerating Profitable Growth

On December 3, 2024, Essity hosted its Capital Markets Day at the company's production facility for hygiene products in Valls, Spain. Essity presented its strategy for accelerating profitable growth and the roadmap for achieving the company's financial targets, which were announced on June 17, 2024. Presentations and recorded material from parts of the day are available on Essity's website.

### Essity has received a demand for early repayment of bonds

On October 17, 2024, Essity announced that the company had received a demand for early payment from a few bondholders regarding bonds maturing in 2029, 2030 and 2031.

On December 16, 2024, Essity announced that the company had received information that a minority of investors, in some of its Luxembourg-listed bond series, have initiated proceedings in English court. The investors' holdings represent a small portion of the outstanding bonds. Essity considers the demand to be unfounded.

## Events after the quarter

### President and CEO Magnus Groth will leave Essity during 2025

On January 22, 2025, Essity announced that President and CEO Magnus Groth will leave Essity during 2025. Magnus Groth has a notice period of one year. He will continue as President and CEO of Essity until a successor is appointed.

# Full-year 2024

## Net sales

Net sales in 2024 decreased by 1.1% to SEK 145,546m (147,147).

Sales increased organically by 0.2% (+1.8% excluding restructuring and exited contracts), of which volume accounted for 0.5% and price/mix -0.3%. Consumer Goods and Health & Medical reported higher volumes and the underlying volume growth in Professional Hygiene was positive. The mix developed favorably for the Group. Sales prices were lower in Consumer Goods, primarily related to Consumer Tissue. Health & Medical and Professional Hygiene reported higher sales prices.

Exchange rate effects decreased net sales by 0.4%. Divestments reduced net sales by 0.9% and included the divestment of the Russian operations.

## Operating profit

The gross margin increased 3.1 percentage points to 32.4% (29.3). The gross margin excl. IAC increased 2.4 percentage points to 32.7% (30.3). The higher margin was primarily related to increased volumes, a positive mix and good price discipline combined with lower cost of goods sold. Cost savings amounted to approximately SEK 1.5bn. Lower sales prices and salary inflation had a negative impact.

EBITA increased 17% to SEK 19,475m (16,607). Excl. IAC, EBITA increased 8% (9% excl. currency translation effects) to SEK 20,344m (18,898) and the margin amounted to 14.0% (12.8). The improvement was mainly the result of the increased gross margin, while investments in sales and marketing were higher to drive

Group	2412	2312	%
Net sales, SEKm	145,546	147,147	-1
Organic sales growth, %	0.2	5.8	
Gross profit margin excl. IAC, %	32.7	30.3	
EBITA excl. IAC, SEKm	20,344	18,898	8
EBITA margin excl. IAC, %	14.0	12.8	
ROCE excl. IAC, %	17.6	16.4	
Operating cash flow, SEKm	17,242	17,685	-3

growth. In addition, salary inflation increased costs. Sales, general and administration costs amounted to 18.8% (17.4), of which marketing costs accounted for 5.2% (4.7). IAC amounted to SEK -939m (-2,641) mainly attributable to restructuring measures.

Currency translation effects had a negative impact on earnings of SEK 166m.

## Financial items

Financial items decreased to SEK -1,931m (-2,356) mainly on account of lower average net debt.

## Tax

The tax expense was SEK 4,331m (3,275), corresponding to a tax rate of 26.5% (25.6). The tax expense excl. IAC was SEK 4,525m (3,799), corresponding to a tax rate of 26.2% (24.6). The tax rate was negatively affected by non-recurring items.

Health & Medical	2412	2312	%
Net sales, SEKm	28,599	27,729	3
Organic sales growth, %	3.9	7.0	
Gross profit margin excl. IAC, %	44.9	40.3	
EBITA excl. IAC, SEKm	5,509	4,037	36
EBITA margin excl. IAC, %	19.3	14.6	
ROCE excl. IAC, %	16.3	11.7	
Operating cash flow, SEKm	4,859	3,680	32

Consumer Goods	2412	2312	%
Net sales, SEKm	78,892	79,912	-1
Organic sales growth, %	0.3	3.7	
Gross profit margin excl. IAC, %	28.8	27.5	
EBITA excl. IAC, SEKm	9,509	9,797	-3
EBITA margin excl. IAC, %	12.1	12.3	
ROCE excl. IAC, %	17.7	18.2	
Operating cash flow, SEKm	7,680	8,233	-7

Professional Hygiene	2412	2312	%
Net sales, SEKm	38,067	39,481	-4
Organic sales growth, %	-2.5	9.1	
Gross profit margin excl. IAC, %	31.7	28.8	
EBITA excl. IAC, SEKm	6,829	6,288	9
EBITA margin excl. IAC, %	17.9	15.9	
ROCE excl. IAC, %	27.1	23.6	
Operating cash flow, SEKm	6,149	7,330	-16

## Profit for the period

Profit for the period, total operations, amounted to SEK 21,048m (9,796). Earnings were impacted positively by the capital gain of approximately SEK 9bn from the divestment of the holding in Vinda. Profit for the period, continuing operations, was SEK 12,033m (9,517).

## Cash flow

Operating cash flow amounted to SEK 17,242m (17,685). Net cash flow for continuing operations was SEK 25,635m (7,598), and for discontinued operations was SEK -467m (866).

## Share buyback

During 2024, Essity repurchased 7,398,000 own Class B shares for a total amount of SEK 2,224m. The share buyback is part of the SEK 3bn buyback program initiated on June 17, 2024, and that will extend until the 2025 Annual General Meeting. As of December 31, 2024, Essity's holdings of treasury shares correspond to 1.1% of the total number of shares outstanding. The repurchased shares are expected to be canceled. The share repurchase is financed using cash flow from current operations after the ordinary dividend with the ambition to continue with share buybacks over time as a recurring part of Essity's capital allocation.

## Dividend

The Board of Directors proposes an increase in the dividend of 6.5% to SEK 8.25 (7.75) per share. Based on number of outstanding shares as of December 31, 2024, the dividend corresponds to a total amount of SEK 5,733m (5,443). March 31, 2025 is proposed as the record date for the right to receive dividends, and the dividend is expected to be paid on April 3, 2025.

Stockholm, January 23, 2025  
Essity Aktiebolag (publ)  
Magnus Groth  
President and CEO

## Net sales 2024 by category

<b>Health &amp; Medical</b>	<b>20%</b>
of which	
Incontinence Products Health Care	12%
Medical Solutions	8%
<b>Consumer Goods</b>	<b>54%</b>
of which	
Incontinence Products Retail	8%
Feminine Care	9%
Baby Care	5%
Consumer Tissue	32%
<b>Professional Hygiene</b>	<b>26%</b>

## Net sales 2024 by region

Europe	60%
North America	17%
Latin America	17%
Asia	2%
Other	4%

## Essity is a global, leading hygiene and health company.

Every day, our products, solutions and services are used by a billion people around the world. Our purpose is to break barriers to well-being for the benefit of consumers, patients, caregivers, customers and society. Sales are conducted in approximately 150 countries under the leading global brands TENA and Tork, and other strong brands such as Actimove, Cutimed, JOBST, Knix, Leukoplast, Libero, Libresse, Lotus, Modibodi, Nosotras, Saba, Tempo, TOM Organic and Zewa. In 2024, Essity had net sales of approximately SEK 146bn (EUR 13bn) and employed 36,000 people. The company's headquarters is in Stockholm, Sweden and Essity is listed on Nasdaq Stockholm.

More information at [essity.com](https://www.essity.com) and follow Essity on social media.



NB: This information is such information that Essity Aktiebolag (publ) is obligated to make public pursuant to the EU Market Abuse Regulation. This report has been prepared in both Swedish and English versions. In case of variations in the content between the two versions, the Swedish version shall govern. The information was submitted for publication, through the agency of Karl Stoltz, Media Relations Director, at 07:00 CET on January 23, 2025.

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



# Financial statements

## Condensed consolidated income statement

SEKm	2024:4	2023:4	%	2412	2312	%
Net sales	37,805	36,625	3	145,546	147,147	-1
Cost of goods sold	-25,731	-24,905		-97,929	-102,627	
Items affecting comparability (IAC) - cost of goods sold	-106	-45		-483	-1,349	
<b>Gross profit</b>	<b>11,968</b>	<b>11,675</b>	<b>3</b>	<b>47,134</b>	<b>43,171</b>	<b>9</b>
<b>Gross profit excl. IAC</b>	<b>12,074</b>	<b>11,720</b>	<b>3</b>	<b>47,617</b>	<b>44,520</b>	<b>7</b>
Sales, general and administration	-7,119	-6,874		-27,351	-25,661	
Items affecting comparability (IAC) - sales, general and administration	-278	-197		-386	-942	
Share of profits of associates and joint ventures	14	7		78	39	
<b>Operating profit before amortization of acquisition-related intangible assets (EBITA)</b>	<b>4,585</b>	<b>4,611</b>	<b>-1</b>	<b>19,475</b>	<b>16,607</b>	<b>17</b>
<b>Operating profit before amortization of acquisition-related intangible assets (EBITA) excl. IAC</b>	<b>4,969</b>	<b>4,853</b>	<b>2</b>	<b>20,344</b>	<b>18,898</b>	<b>8</b>
Amortization of acquisition-related intangible assets	-270	-270		-1,110	-1,109	
Items affecting comparability (IAC) - acquisition-related intangible assets	0	0		-70	-350	
<b>Operating profit</b>	<b>4,315</b>	<b>4,341</b>	<b>-1</b>	<b>18,295</b>	<b>15,148</b>	<b>21</b>
<b>Operating profit excl. IAC</b>	<b>4,699</b>	<b>4,583</b>	<b>3</b>	<b>19,234</b>	<b>17,789</b>	<b>8</b>
Financial items	-416	-499		-1,931	-2,356	
<b>Profit before tax</b>	<b>3,899</b>	<b>3,842</b>	<b>1</b>	<b>16,364</b>	<b>12,792</b>	<b>28</b>
<b>Profit before tax excl. IAC</b>	<b>4,283</b>	<b>4,084</b>	<b>5</b>	<b>17,303</b>	<b>15,433</b>	<b>12</b>
Income taxes	-1,006	-984		-4,331	-3,275	
<b>Profit for the period, continuing operations</b>	<b>2,893</b>	<b>2,858</b>	<b>1</b>	<b>12,033</b>	<b>9,517</b>	<b>26</b>
Profit for the period, discontinued operations	0	33		9,015	279	
<b>Profit for the period, total operations</b>	<b>2,893</b>	<b>2,891</b>	<b>0</b>	<b>21,048</b>	<b>9,796</b>	<b>115</b>
<b>Profit for the period excl. IAC, continuing operations</b>	<b>3,210</b>	<b>3,024</b>	<b>6</b>	<b>12,778</b>	<b>11,634</b>	<b>10</b>
Items affecting comparability (IAC) before tax	-384	-242		-939	-2,641	
Items affecting comparability (IAC) after tax	-317	-166		-745	-2,117	
Tax on amortization of acquisition-related intangible assets	80	81		316	330	

SEKm	2024:4	2023:4	2412	2312
<b>Earnings attributable to:</b>				
<b>Owners of the Parent company</b>				
Profit for the period, continuing operations	2,874	2,836	11,969	9,440
Profit for the period, discontinued operations	0	-10	8,919	114
<b>Profit for the period, total operations</b>	<b>2,874</b>	<b>2,826</b>	<b>20,888</b>	<b>9,554</b>
<b>Non-controlling interests</b>				
Profit for the period, continuing operations	19	22	64	77
Profit for the period, discontinued operations	0	43	96	165
<b>Profit for the period, total operations</b>	<b>19</b>	<b>65</b>	<b>160</b>	<b>242</b>
<b>Earnings per share</b>				
<b>-owners of the Parent company</b>				
Earnings per share before and after dilution effects, continuing operations, SEK	4.13	4.04	17.09	13.44
Earnings per share before and after dilution effects, discontinued operations, SEK	0.00	-0.02	12.74	0.16
Earnings per share before and after dilution effects, total operations, SEK	4.13	4.02	29.83	13.60
Average numbers of shares before and after dilution effects, million	696.5	702.3	700.3	702.3

## Consolidated statement of comprehensive income

SEKm	2024:4	2023:4	%	2412	2312	%	SEKm	2024:4	2023:4	2412	2312
Profit for the period, continuing operations	2,893	2,858	1	12,033	9,517	26	<b>Items that have been or may be reclassified subsequently to the income statement</b>				
Profit for the period, discontinued operations	0	33		9,015	279		Cash flow hedges:				
<b>Profit for the period, total operations</b>	<b>2,893</b>	<b>2,891</b>	<b>0</b>	<b>21,048</b>	<b>9,796</b>	<b>115</b>	Result from remeasurement of derivatives recognized in equity	346	-932	-3	-4,360
<b>Other comprehensive income for the period</b>							Transferred to profit or loss for the period	214	520	1,740	1,681
<b>Items that will not be reclassified to the income statement</b>							Translation differences in foreign operations	3,904	-4,709	4,623	-270
Actuarial gains/losses on defined benefit pension plans	-706	191		92	1,334		Gains/losses from hedges of net investments in foreign operations	-911	899	-1,488	572
Fair value through other comprehensive income	0	5		4	5		Income tax attributable to components in other comprehensive income	63	-76	-146	612
Income tax attributable to components in other comprehensive income	192	132		-36	-161		<b>Total, continuing operations</b>	<b>3,616</b>	<b>-4,298</b>	<b>4,726</b>	<b>-1,765</b>
<b>Total, continuing operations</b>	<b>-514</b>	<b>328</b>		<b>60</b>	<b>1,178</b>		Total, discontinued operations	0	-640	-557	-932
<b>Total, total operations</b>	<b>-514</b>	<b>328</b>		<b>60</b>	<b>1,178</b>		<b>Total, total operations</b>	<b>3,616</b>	<b>-4,938</b>	<b>4,169</b>	<b>-2,697</b>
							<b>Other comprehensive income for the period, net of tax</b>	<b>3,102</b>	<b>-4,610</b>	<b>4,229</b>	<b>-1,519</b>
							Of which, continuing operations	3,102	-3,970	4,786	-587
							Of which, discontinued operations	0	-640	-557	-932
							<b>Total comprehensive income for the period</b>	<b>5,995</b>	<b>-1,719</b>	<b>25,277</b>	<b>8,277</b>
							Of which, continuing operations	5,995	-1,112	16,819	8,930
							Of which, discontinued operations	0	-607	8,458	-653
							<b>Total comprehensive income attributable to:</b>				
							Owners of the Parent company	5,956	-1,342	24,719	8,617
							Non-controlling interests	39	-377	558	-340

## Consolidated balance sheet

SEKm	Dec 31, 2024	Dec 31, 2023	SEKm	Dec 31, 2024	Dec 31, 2023
<b>ASSETS</b>			<b>EQUITY AND LIABILITIES</b>		
<b>Non-current assets</b>			<b>Equity</b>		
Goodwill	41,137	39,337	Owners of the Parent company		
Intangible assets	20,734	21,345	Share capital	2,350	2,350
Property, plant and equipment	48,304	44,909	Reserves	13,216	9,421
Right-of-use assets	4,088	3,934	Retained earnings including profit/loss for the period	72,748	59,075
Investments in associates and joint ventures	351	294	<b>Equity attributable to owner of the Parent company</b>	<b>88,314</b>	<b>70,846</b>
Shares and participations	8	6	Non-controlling interests	427	8,559*
Surplus in funded pension plans	2,475	3,072	<b>Total equity</b>	<b>88,741</b>	<b>79,405</b>
Non-current financial assets	128	117	<b>Non-current liabilities</b>		
Deferred tax assets	2,326	2,343	Non-current financial liabilities	40,674	45,336
Other non-current assets	824	745	Provisions for pensions	2,578	2,587
<b>Total non-current assets</b>	<b>120,375</b>	<b>116,102</b>	Deferred tax liabilities	6,978	6,935
<b>Current Assets</b>			Other non-current provisions	507	466
Inventories	18,914	17,546	Other non-current liabilities	516	1,073
Trade receivables	23,538	21,920	<b>Total non-current liabilities</b>	<b>51,253</b>	<b>56,397</b>
Current tax assets	1,673	1,289	<b>Current liabilities</b>		
Other current receivables	4,480	3,391	Current financial liabilities	6,424	15,648
Current financial assets	5,342	5,259	Trade payables	17,098	15,119
Cash and cash equivalents	10,962	5,159	Current tax liabilities	1,442	2,165
<b>Total current assets</b>	<b>64,909</b>	<b>54,564</b>	Current provisions	1,377	1,408
<b>Total assets, continuing operations</b>	<b>185,284</b>	<b>170,666</b>	Other current liabilities	18,949	19,143
Assets held for sale	0	32,327	<b>Total current liabilities</b>	<b>45,290</b>	<b>53,483</b>
<b>Total assets, total operations</b>	<b>185,284</b>	<b>202,993</b>	<b>Total liabilities, continuing operations</b>	<b>96,543</b>	<b>109,880</b>
			Liabilities directly attributable to assets held for sale	0	13,708
			<b>Total equity and liabilities, total operations</b>	<b>185,284</b>	<b>202,993</b>

\* Of which, attributable to discontinued operations

8,145

## Consolidated statement of change in equity

SEKm	Dec 31, 2024	Dec 31, 2023
<b>Equity attributable to owners of the Parent company</b>		
Value, beginning of the period	70,846	67,346
Total comprehensive income for the period	24,719	8,617
Dividend	-5,443	-5,092
Repurchase of own shares	-2,224	0
Acquisition of non-controlling interests	-8	1
Transferred to cost of hedged investments	31	52
Revaluation effect upon acquisition of non-controlling interests	393	-78
<b>Value, end of period</b>	<b>88,314</b>	<b>70,846</b>
<b>Non-controlling interests</b>		
Value, beginning of period	8,559	9,218
Total comprehensive income for the period	558	-340
Dividend	-23	-319
Divestment of non-controlling interests	-8,624	0
Acquisition of non-controlling interests	-43	0
<b>Value, end of period</b>	<b>427</b>	<b>8,559</b>
<b>Total equity, value end of period</b>	<b>88,741</b>	<b>79,405</b>



## Consolidated cash flow statement

SEKm	2412	2312
<b>Operating activities</b>		
<b>Operating profit</b>	<b>18,295</b>	<b>15,148</b>
Adjustments for non-cash items <sup>1)</sup>	8,019	9,459
<b>Operating profit excluding non-cash items</b>	<b>26,314</b>	<b>24,607</b>
Interest paid	-2,473	-2,421
Interest received	569	410
Other financial items	-235	-320
Capitalized expenditures to fulfill contracts with customers	-467	-466
Change in liabilities relating to restructuring programs, etc.	-271	-203
Paid tax	-5,860	-3,615
<b>Cash flow from operating activities before changes in working capital</b>	<b>17,577</b>	<b>17,992</b>
<b>Cash flow from changes in working capital</b>		
Change in inventories	-946	2,505
Change in operating receivables	-2,218	-19
Change in operating liabilities	2,756	-1,401
<b>Cash flow from operating activities, continuing operations</b>	<b>17,169</b>	<b>19,077</b>
Cash flow from operating activities, discontinued operations	-368	2,491
<b>Cash flow from operating activities, total operations</b>	<b>16,801</b>	<b>21,568</b>
<b>Investing activities</b>		
Acquisitions of Group companies and other operations	-17	-178
Divestments of Group companies and other operations, see note 5	17,980	1,234
Investments in intangible assets and property, plant and equipment	-7,396	-6,850
Paid interest capitalized in intangible assets and property, plant and equipment	-39	-40
Sale of property, plant and equipment	103	71
Purchase and sale of financial assets with short maturities	-1,137	-48
<b>Cash flow from investing activities, continuing operations</b>	<b>9,494</b>	<b>-5,811</b>
Cash flow from investing activities, discontinued operations	-87	-1,298
<b>Cash flow from investing activities, total operations</b>	<b>9,407</b>	<b>-7,109</b>

SEKm	2412	2312
<b>Financing activities</b>		
Acquisition of non-controlling interests	-51	0
Proceeds from borrowings <sup>2)</sup>	1,397	21,163
Repayment of borrowings <sup>2)</sup>	-15,004	-26,509
Payment of lease liabilities <sup>2)</sup>	-1,069	-998
Change in borrowings with short maturities, etc. <sup>2)</sup>	93	-1,226
Dividend	-5,443	-5,092
Dividend to non-controlling interests	-23	-2
Repurchase of own shares	-2,224	0
<b>Cash flow from financing activities, continuing operations</b>	<b>-22,324</b>	<b>-12,664</b>
Cash flow from financing activities, discontinued operations	-12	1,113
<b>Cash flow from financing activities, total operations</b>	<b>-22,336</b>	<b>-11,551</b>
<b>Cash flow for the period, continuing operations</b>	<b>4,339</b>	<b>602</b>
<b>Cash flow for the period, discontinued operations</b>	<b>-467</b>	<b>2,306</b>
<b>Cash flow for the period, total operations</b>	<b>3,872</b>	<b>2,908</b>
Cash and cash equivalents at the beginning of the period	6,927	4,288
Translation differences in cash and cash equivalents	163	-269
<b>Cash and cash equivalents at the end of the period, total operations</b>	<b>10,962</b>	<b>6,927</b>
<b><sup>1)</sup>Adjustments for non-cash items</b>		
<b>SEKm</b>	<b>2412</b>	<b>2312</b>
Depreciation/amortization and impairment of non-current assets	7,505	7,998
Depreciation of capitalized selling expenses	474	490
Gain/loss on sale of assets	-30	36
Gain/loss on divestment and liquidation	0	524
Non-cash items relating to efficiency program	185	393
Other	-115	18
<b>Total</b>	<b>8,019</b>	<b>9,459</b>

<sup>2)</sup> From the second quarter of 2024, borrowings with short maturities, etc. are presented separately in the cash flow statement. From the fourth quarter of 2024, payments of lease liabilities are presented separately in the cash flow statement. The comparative figures have been restated.

**Consolidated cash flow statement, cont.**

<b>SEKm</b>	<b>2412</b>	<b>2312</b>
<b>Reconciliation with consolidated operating cash flow statement</b>		
Cash flow for the period, continuing operations	4,339	602
Proceeds from borrowings <sup>1)</sup>	-1,397	-21,163
Repayment of borrowings <sup>1)</sup>	15,004	26,509
Payment of lease liabilities <sup>1)</sup>	1,069	998
Change in borrowings with short maturities, etc. <sup>1)</sup>	-93	1,226
Purchase and sale of financial assets with short maturities	1,137	48
Net debt in acquired and divested operations	5,928	11
Investments in operating assets through leases	-560	-608
Accrued interest	208	-25
<b>Net cash flow according to consolidated operating cash flow statement</b>	<b>25,635</b>	<b>7,598</b>

<sup>1)</sup>From the second quarter of 2024, borrowings with short maturities, etc. are presented separately in the cash flow statement. From the fourth quarter of 2024, payments of lease liabilities are presented separately in the cash flow statement. The comparative figures have been restated.

# Condensed financial statements, Parent company

## Condensed Parent company income statement

SEKm	2412	2312
Administrative expenses	-1,090	-1,048
Other operating income	688	382
<b>Operating loss</b>	<b>-402</b>	<b>-666</b>
Financial items	18,644	2,487
<b>Profit/loss before tax</b>	<b>18,242</b>	<b>1,821</b>
Appropriations and income taxes	-91	-1,445
<b>Profit/loss for the period</b>	<b>18,151</b>	<b>376</b>

## Parent company statement of comprehensive income

SEKm	2412	2312
Profit/loss for the period	18,151	376
Other comprehensive income for the period	0	0
<b>Total comprehensive income for the period</b>	<b>18,151</b>	<b>376</b>

## Condensed Parent company balance sheet

SEKm	Dec 31, 2024	Dec 31, 2023
<b>Assets</b>		
Intangible assets	0	0
Property, plant and equipment	12	10
Financial non-current assets	177,152	176,774
<b>Total non-current assets</b>	<b>177,164</b>	<b>176,784</b>
Total current assets	770	2,178
<b>Total assets</b>	<b>177,934</b>	<b>178,962</b>
<b>Equity, provisions and liabilities</b>		
<b>Equity</b>		
Restricted equity	2,350	2,350
Non-restricted equity	82,013	71,530
<b>Total equity</b>	<b>84,363</b>	<b>73,880</b>
Untaxed reserves	827	828
Provisions	818	880
Non-current liabilities	37,877	42,901
Current liabilities	54,049	60,473
<b>Total equity, provisions and liabilities</b>	<b>177,934</b>	<b>178,962</b>

# Notes

## Note 1 Accounting principles

This interim report has been prepared in accordance with IAS 34 and recommendation RFR 1 of the Swedish Financial Reporting Board (RFR) and RFR 2 for the Parent company. A few amended accounting standards published by the IASB® entered into force on January 1, 2024, following approval by the EU. Essity Aktiebolag (publ) applies these amendments, which have not had any material impact on the Group's or the Parent company's financial statements.

The Group is subject to the OECD Pillar II model rules that came into effect on January 1, 2024. According to the legislation, the Parent company is to pay a top-up tax on the profits of its subsidiaries that are taxed at an effective tax rate that is less than 15%. Based on the Safe Harbour tests and further analysis, Essity does not see the need for any material current or future top-up tax payments.

In other respects, the accounting principles and calculation methods applied correspond to those described in Essity's 2023 Annual Report.

## Note 2 Risks and uncertainties

### Processes for risk management

Essity's Board determines the Group's strategic direction based on recommendations from the Executive Management Team. Responsibility for the long-term, overall management of strategic risks corresponds to the company's delegation structure, from the Board of Directors to the CEO and from the CEO to the Business Unit Presidents. This means that most operational risks are managed by Essity's business units at the local level, but they are centrally coordinated when considered necessary. The tools used for coordination consist primarily of the business units' regular reporting and the annual strategy process, which includes risks and risk management.

Essity's financial risk management is centralized, as is its internal bank for financial transactions conducted by Group companies and the management of the Group's energy risks. Financial risks are managed in accordance with the Group's Finance Policy, which is adopted by Essity's Board and, together with Essity's Energy Risk Policy, provides a management framework. Risks are continuously compiled and monitored to

ensure compliance with these guidelines. Essity has also centralized other risk management.

Essity has a staff function for internal audit, which monitors compliance with the Group's policies.

Essity's risk exposure and risk management are described on pages 40–48 in the 2023 Annual Report and in the sections under environmental information and social information on pages 61–89. No significant changes have taken place that have affected the reported risks.

Risks in conjunction with company acquisitions are analyzed in the due diligence processes that Essity carries out prior to all acquisitions. In cases where acquisitions have been carried out that may affect the assessment of Essity's risk exposure, these are described under the heading "Events during the quarter" in the interim or year-end reports.



### Note 3 Financial assets and liabilities

Measurement principles and classifications of financial instruments, as described in Essity's 2023 Annual Report, Note E1, were applied consistently throughout the reporting period. Financial liabilities are measured at amortized cost provided they are not part of a fair value hedge when they are recognized at fair value through profit or loss. The fair value of trade receivables, other current and non-current receivables, cash and cash equivalents, trade payables and other current and non-current liabilities is estimated to be equal to their carrying amount.

SEKm	Carrying amount in the balance sheet		Carrying amount in the balance sheet		Measurement level <sup>1)</sup>
	Dec 31, 2024	Fair value Dec 31, 2024	Dec 31, 2023	Fair value Dec 31, 2023	
Assets					
Derivatives	1,102	1,102	1,989	1,989	2
Non-current financial assets	109	109	98	98	1
<b>Total assets</b>	<b>1,211</b>	<b>1,211</b>	<b>2,087</b>	<b>2,087</b>	
Liabilities					
Derivatives	3,304	3,304	6,788	6,788	2
Current financial liabilities <sup>2)</sup>	4,572	4,572	12,676	12,676	2
Non-current financial liabilities <sup>2)</sup>	34,962	34,176	39,061	38,429	2
<b>Total liabilities</b>	<b>42,838</b>	<b>42,052</b>	<b>58,525</b>	<b>57,893</b>	

<sup>1)</sup> No financial instruments have been classified to level 3.

<sup>2)</sup> The measurement level refers to liabilities measured at fair value in a hedging relationship.

### Note 4 The share Number of shares

	2024:4	2023:4	2412	2312
<b>Number of shares, end of period</b>	<b>702,342,489</b>	<b>702,342,489</b>	<b>702,342,489</b>	<b>702,342,489</b>
Of which class A-shares	59,973,654	60,977,881	59,973,654	60,977,881
Of which class B-shares	642,368,835	641,364,608	642,368,835	641,364,608
Number of Class B-shares held by Essity, end of period	7,398,000	0	7,398,000	0
Number of outstanding shares before and after dilution, end of period	694,944,489	702,342,489	694,944,489	702,342,489
Average number of Class B-shares held by Essity, end of period	5,853,717	0	2,065,131	0
Average number of shares before and after dilution	696,488,772	702,342,489	700,277,358	702,342,489

During the fourth quarter, 439,332 Class A-shares were converted to Class B-shares at the request of shareholders. 3,348,000 Class B-shares were repurchased during the quarter.

### Note 5 Acquisitions and divestments

On March 21, 2024, Essity completed the divestment of its holding of 51.59% of shares in the Asian hygiene company Vinda International Holdings Limited (Vinda). The sales proceeds amounted to approximately HKD 14.6bn (SEK 19,360m).

### Statement of profit for the period, discontinued operations

SEKm	2412	2312
Profit for the period, Vinda	217	279
Other profit for the period, Vinda	8,798 <sup>1)</sup>	0
<b>Profit for the period, discontinued operations</b>	<b>9,015</b>	<b>279</b>
<sup>1)</sup> Of which:		
Profit from divestment	8,366	
Reclassification of realized translation differences after tax	748	
Transaction cost	-227	
Impairment of Essity owned intangible asset related to Vinda after tax	-89	

### Income statement, discontinued operations

SEKm	2412	2312
Net sales	4,533	26,770
Operating expenses	-4,261	-26,318
<b>Operating profit</b>	<b>272</b>	<b>452</b>
Financial items	-27	-157
<b>Profit before tax</b>	<b>245</b>	<b>295</b>
Income taxes	-28	-16
<b>Profit for the period, discontinued operations</b>	<b>217</b>	<b>279</b>

**Note 5 cont.****Income statement, discontinued operations, cont.**

SEKm	2412	2312
<b>Profit for the period, discontinued operations attributable to:</b>		
Owners of the Parent company	8,919	114
Non-controlling interests	96	165
<b>Earnings per share, discontinued operations - Owners of the Parent company</b>		
Earnings per share, discontinued operations before and after dilution effects, SEK	12.74	0.16
Average numbers of shares before and after dilution, million	700.3	702.3

**Balance sheet, discontinued operations**

SEKm	Dec 31, 2023
<b>ASSETS</b>	
Intangible assets	7,080
Property, plant and equipment	14,300
Financial assets excl. cash and cash equivalents	1
Operating assets	9,178
Cash and cash equivalents	1,768
<b>Total assets held for sale</b>	<b>32,327</b>
<b>LIABILITIES</b>	
Financial liabilities	5,508
Operating liabilities	7,283
Deferred tax liabilities	917
<b>Total liabilities directly attributable to assets held for sale</b>	<b>13,708</b>

**Assets and liabilities included in divestments of Group companies and other operations**

SEKm	Dec 31, 2024
Intangible assets	7,404
Property, plant and equipment	14,724
Other non-current assets	1,090
Operating assets	8,901
Cash and cash equivalents	1,380
Provisions and other non-current liabilities	-1,107
Net debt excluding cash and cash equivalents	-5,928
Operating liabilities	-6,846
Non-controlling interests	-8,624
Profit from divestment <sup>1)</sup>	8,366
<b>Compensation received</b>	<b>19,360</b>
Less:	
Cash and cash equivalents in divested companies	-1,380
<b>Impact on the Group's cash and cash equivalents, divestments of Group companies and other operations</b>	<b>17,980</b>
Add:	
Divested net debt excluding cash and cash equivalents	5,928
<b>Divestment of Group companies and other operations during the period, including net debt transferred</b>	<b>23,908</b>

<sup>1)</sup> Excluding realized translation differences of SEK 775m in divested company that are reclassified to the income statement. The profit from the divestment is included as a part of the profit for the period, discontinued operations in the income statement.

## Note 6 Use of non-International Financial Reporting Standards (IFRS®) performance measures

Guidelines for Alternative Performance Measures (APMs) for companies with securities listed on a regulated market in the EU have been issued by ESMA (European Securities and Markets Authority). These guidelines are to be applied for APMs not supported under IFRS.

This interim report refers to a number of performance measures not defined in IFRS. These performance measures are used to help investors, management and other stakeholders to analyze the company's operations. These non-IFRS performance measures may differ from similarly titled measures among other companies. Essity's Annual Report 2023, pages 116–120, describes the various non-IFRS performance measures that are used as a complement to the financial information presented in accordance with IFRS. Abbreviations are used in the report for the performance and return measures below.

From the first quarter of 2024, Essity resolved to replace the term "Adjusted" when referring to non-IFRS performance measures and instead use "excl. IAC".

Abbreviation	Complete expression
EBITA	Operating profit before amortization of acquisition-related intangible assets
EBITDA	Operating profit before depreciation and amortization of property, plant and equipment and intangible assets
IAC	Items affecting comparability
ROCE	Return on capital employed
ROE	Return on equity

New terms for non-IFRS performance measure (used since the interim report for the first quarter of 2024)	Previous term for non-IFRS performance measure
Return on capital employed, ROCE excl. IAC	Adjusted return on capital employed, ROCE
Return on equity excl. IAC	Adjusted return on equity
Debt payment capacity excl. IAC	Adjusted debt payment capacity
Net debt/EBITDA excl. IAC	Net debt/Adjusted EBITDA
Gross profit excl. IAC	Adjusted gross profit
Operating profit before depreciation and amortization of property, plant and equipment and intangible assets (EBITDA) excl. IAC	Adjusted operating profit before depreciation, amortization and impairment of property, plant and equipment and intangible assets (EBITDA)
Operating profit before amortization of acquisition-related intangible assets (EBITA) excl. IAC	Adjusted operating profit before amortization of acquisition-related intangible assets (EBITA)
Gross margin excl. IAC	Adjusted gross margin
EBITA margin excl. IAC	Adjusted EBITA margin
Operating margin excl. IAC	Adjusted operating margin
Operating profit excl. IAC	Adjusted operating profit
Profit before tax excl. IAC	Adjusted profit before tax
Taxes excl. IAC	Adjusted tax
Profit for the period excl. IAC	Adjusted profit for the period
Earnings per share excl. IAC	Adjusted earnings per share
Cash earnings excl. IAC	Adjusted cash earnings

**Note 6 cont.****Capital employed**

<b>SEKm</b>	<b>2412</b>	<b>2312</b>
Total assets	185,284	202,993
-Total assets, discontinued operations	0	-32,327
-Financial assets	-18,907	-13,607
-Non-current non-interest bearing liabilities	-8,001	-8,474
-Current non-interest bearing liabilities	-38,866	-37,835
<b>Capital employed</b>	<b>119,510</b>	<b>110,750</b>
Capital employed, continuing operations	119,510	110,750

**Working capital**

<b>SEKm</b>	<b>2412</b>	<b>2312</b>
Inventories	18,914	17,546
Trade receivables	23,538	21,920
Other current receivables	4,480	3,391
Trade payables	-17,098	-15,119
Other current liabilities	-18,949	-19,143
Other	-139	176
<b>Working capital</b>	<b>10,746</b>	<b>8,771</b>
Working capital, continuing operations	10,746	8,771

**Net debt**

<b>SEKm</b>	<b>2412</b>	<b>2312</b>
Surplus in funded pension plans	2,475	3,072
Non-current financial assets	128	117
Current financial assets	5,342	5,259
Cash and cash equivalents	10,962	5,159
<b>Financial assets</b>	<b>18,907</b>	<b>13,607</b>
Non-current financial liabilities	40,674	45,336
Provisions for pensions	2,578	2,587
Current financial liabilities	6,424	15,648
<b>Financial liabilities</b>	<b>49,676</b>	<b>63,571</b>
Net debt, continuing operations	30,769	49,964
Net debt, discontinued operations	0	3,739
<b>Net debt, total operations</b>	<b>30,769</b>	<b>53,703</b>

**EBITA**

SEKm	2024:4	2023:4	2412	2312
Operating profit	4,315	4,341	18,295	15,148
-Amortization of acquisition-related intangible assets	270	270	1,110	1,109
-Items affecting comparability (IAC) - impairment of acquisition related intangible assets	0	0	70	350
<b>Operating profit before amortization of acquisition-related intangible assets (EBITA)</b>	<b>4,585</b>	<b>4,611</b>	<b>19,475</b>	<b>16,607</b>
EBITA margin (%)	12.1	12.6	13.4	11.3
-Items affecting comparability (IAC) - cost of goods sold	106	45	483	1,349
-Items affecting comparability (IAC) - sales, general and administration	278	197	386	942
<b>EBITA excl. IAC</b>	<b>4,969</b>	<b>4,853</b>	<b>20,344</b>	<b>18,898</b>
EBITA margin excl. IAC (%)	13.1	13.3	14.0	12.8

**EBITDA**

SEKm	2024:4	2023:4	2412	2312
Operating profit	4,315	4,341	18,295	15,148
-Amortization of acquisition-related intangible assets	270	270	1,110	1,109
-Depreciation/amortization	1,316	1,254	5,028	5,000
-Depreciation right-of-use asset	277	269	1,089	1,061
-Impairment	30	17	56	65
-Items affecting comparability (IAC) - impairment net	-66	-144	152	413
-Items affecting comparability (IAC) - impairment of acquisition-related intangible assets	0	0	70	350
<b>EBITDA</b>	<b>6,142</b>	<b>6,007</b>	<b>25,800</b>	<b>23,146</b>
-Items affecting comparability (IAC) excluding depreciation/amortization and impairment	450	386	717	1,878
<b>EBITDA excl. IAC</b>	<b>6,592</b>	<b>6,393</b>	<b>26,517</b>	<b>25,024</b>

**Organic growth**

SEKm	2024:4	2023:4	2412	2312
Organic sales growth	1,421	-259	319	7,608
Acquisitions	0	20	0	1,248
Divestments	-7	-907	-1,325	-1,692
Exchange rate effect <sup>1)</sup>	-234	1,142	-595	8,664
<b>Recognized change</b>	<b>1,180</b>	<b>-4</b>	<b>-1,601</b>	<b>15,828</b>

<sup>1)</sup> Consists solely of currency translation effects





## Information by business area

### Net sales

SEKm	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4
Health & Medical	7,417	7,127	7,213	6,842	7,001	7,158	6,905	6,665	6,589
Consumer Goods	20,472	19,410	19,672	19,338	19,870	19,729	20,056	20,257	20,454
Professional Hygiene	9,923	9,729	9,729	8,686	9,752	10,184	10,123	9,422	9,617
Other	-7	8	3	-16	2	21	-6	8	-31
<b>Total</b>	<b>37,805</b>	<b>36,274</b>	<b>36,617</b>	<b>34,850</b>	<b>36,625</b>	<b>37,092</b>	<b>37,078</b>	<b>36,352</b>	<b>36,629</b>

### Capital employed

SEKm	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4
Health & Medical	34,566	33,112	34,245	34,153	32,762	34,956	36,532	34,472	34,062
Consumer Goods	55,293	52,560	54,342	54,612	52,009	54,676	56,725	52,926	52,667
Professional Hygiene	25,998	24,501	25,976	25,663	24,021	25,765	28,225	27,500	27,741
Other	3,653	2,784	2,513	2,011	1,958	1,531	1,335	-4,633	323
<b>Total</b>	<b>119,510</b>	<b>112,957</b>	<b>117,076</b>	<b>116,439</b>	<b>110,750</b>	<b>116,928</b>	<b>122,817</b>	<b>110,265</b>	<b>114,793</b>

### Organic sales growth

%	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4
Health & Medical	5.6	2.8	4.5	2.6	4.3	5.8	8.0	10.6	4.5
Consumer Goods	4.5	3.0	-1.3	-4.8	-2.8	-0.4	5.7	14.8	18.4
Professional Hygiene	1.4	-0.8	-3.9	-6.9	0.1	5.7	11.7	22.6	20.7
<b>Total</b>	<b>3.9</b>	<b>1.9</b>	<b>-0.9</b>	<b>-4.0</b>	<b>-0.7</b>	<b>2.4</b>	<b>7.7</b>	<b>15.9</b>	<b>16.0</b>

### ROCE excl. IAC

%	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4
Health & Medical	16.1	16.5	17.2	15.4	13.3	13.3	10.7	9.1	8.3
Consumer Goods	16.7	17.1	17.9	19.1	19.4	17.2	17.6	18.2	16.7
Professional Hygiene	28.8	28.7	28.9	21.4	24.6	28.0	22.7	18.6	19.3
<b>Total</b>	<b>17.1</b>	<b>17.7</b>	<b>18.5</b>	<b>17.2</b>	<b>17.1</b>	<b>17.2</b>	<b>15.8</b>	<b>15.2</b>	<b>13.9</b>

### EBITA excl. IAC

SEKm	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4
Health & Medical	1,361	1,386	1,472	1,290	1,125	1,188	947	777	719
Consumer Goods	2,245	2,285	2,434	2,545	2,585	2,395	2,417	2,400	2,293
Professional Hygiene	1,817	1,812	1,868	1,332	1,531	1,887	1,582	1,288	1,405
Other	-454	-386	-376	-287	-388	-323	-329	-184	-305
<b>Total</b>	<b>4,969</b>	<b>5,097</b>	<b>5,398</b>	<b>4,880</b>	<b>4,853</b>	<b>5,147</b>	<b>4,617</b>	<b>4,281</b>	<b>4,112</b>

### Operating cash flow

SEKm	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4
Health & Medical	976	1,674	879	1,330	1,411	1,676	323	270	818
Consumer Goods	1,114	2,793	1,442	2,331	2,506	2,235	1,732	1,760	1,043
Professional Hygiene	1,678	2,153	1,538	780	2,227	2,370	1,782	951	1,344
Other	-471	-167	-620	-188	-230	-227	-990	-111	-584
<b>Total</b>	<b>3,297</b>	<b>6,453</b>	<b>3,239</b>	<b>4,253</b>	<b>5,914</b>	<b>6,054</b>	<b>2,847</b>	<b>2,870</b>	<b>2,621</b>

### EBITA margin excl. IAC

%	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4
Health & Medical	18.3	19.4	20.4	18.9	16.1	16.6	13.7	11.7	10.9
Consumer Goods	11.0	11.8	12.4	13.2	13.0	12.1	12.1	11.8	11.2
Professional Hygiene	18.3	18.6	19.2	15.3	15.7	18.5	15.6	13.7	14.6
<b>Total</b>	<b>13.1</b>	<b>14.1</b>	<b>14.7</b>	<b>14.0</b>	<b>13.3</b>	<b>13.9</b>	<b>12.5</b>	<b>11.8</b>	<b>11.2</b>

# Invitation to presentation

President and CEO Magnus Groth and Executive Vice President and CFO Fredrik Rystedt will present the report for the fourth quarter and full-year 2024 at a live webcast and teleconference at 09:00 CET on January 23, 2025.

Link to the live presentation, which can also be viewed afterwards:

<https://essity.videosync.fi/2025-01-23>

Contact information for conference call with the possibility to ask questions:

UK: +44 (0) 33 0551 02 00

USA: +1 786 697 35 01

SWE: +46 (0) 8 505 204 24

Please call in well in advance of the start of the presentation. Indicate: "Essity".

## For additional information, please contact:

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## Calendar 2025

Annual Report 2024

Annual General Meeting 2025

Interim report, Quarter 1 2025

Interim report, Quarter 2 2025

Interim report, Quarter 3 2025

Week beginning March 3, 2025

March 27, 2025

April 24, 2025

July 17, 2025

October 23, 2025

