

Interim Report

Quarter 2, 2024



Strong earnings and good underlying growth

Quarter 2, 2024

- Net sales decreased 1.2% to SEK 36,617m (37,078)
- Organic growth amounted to -0.9%, of which volume accounted for 0.4% and price/mix -1.3%. Excluding restructuring and exited contracts, volumes increased 2.9%.
- EBITA increased 27% to SEK 5,237m (4,131)
- EBITA excl. IAC increased 17% to SEK 5,398m (4,617) and the EBITA margin excl. IAC increased 2.2 percentage points to 14.7% (12.5)
- ROCE increased to 17.9% (14.2), and ROCE excl. IAC increased 2.7 percentage points to 18.5% (15.8).
- Operating cash flow increased 14% to SEK 3,239m (2,847)
- Profit for the period, total operations, amounted to SEK 3,333m (2,551)
- Earnings per share, continuing operations, increased to SEK 4.72 (3.46). Earnings per share, total operations, increased to SEK 4.72 (3.53).
- Pursuant to the authorization granted by the Annual General Meeting, the Board of Directors has decided to buy back own Class B shares for SEK 3bn commencing on June 17, 2024
- New financial targets with raised level of ambition presented: Annual organic sales growth >3% and EBITA margin excl. IAC >15%

-0.9% 14.7%

Organic growth

EBITA margin excl. IAC

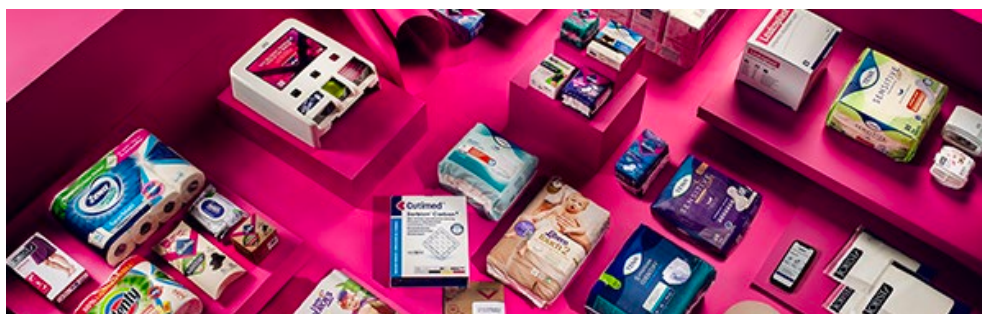
Financial overview, continuing operations

	2024:2	2023:2	%	2406	2306	%
Net sales, SEKm	36,617	37,078	-1	71,467	73,430	-3
Organic growth, %	-0.9	7.7		-2.5	11.6	
EBITA, SEKm	5,237	4,131	27	9,760	8,499	15
EBITA margin, %	14.3	11.1		13.7	11.6	
EBITA excl. IAC, SEKm	5,398	4,617	17	10,278	8,898	16
EBITA margin excl. IAC, %	14.7	12.5		14.4	12.1	
Profit for the period, SEKm	3,334	2,445	36	5,811	5,096	14
Earnings per share, SEK	4.72	3.46	37	8.23	7.21	14
Earnings per share*, SEK	5.13	4.26	20	9.46	8.19	16
ROCE, %	17.9	14.2		15.3	12.9	
ROCE excl. IAC, %	18.5	15.8		17.4	13.6	
Operating cash flow, SEKm	3,239	2,847	14	7,492	5,717	31

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

Financial overview, total operations

	2024:2	2023:2	%	2406	2306	%
Profit for the period, SEKm	3,333	2,551	31	14,826	5,254	182
Earnings per share, SEK	4.72	3.53	34	20.93	7.32	186
Net debt/EBITDA excl. IAC				1.26	2.87	



CEO's comments

Essity is in better shape than ever, reporting strong second-quarter earnings with good underlying growth and its highest operating profit (EBITA) to date. All business areas achieved higher EBITA margins compared with the preceding year. We presented new ambitious financial targets during the quarter, and initiated a share buyback program.

Higher volumes

All categories reported higher volumes, excluding the restructuring in Professional Hygiene, and in several categories we outperformed the market in terms of growth. The quarter shows the results of our greater emphasis on profitable volume growth based on attractive product offerings, increased investments in sales and marketing, and cost savings.

Higher margin

All business areas reported a higher EBITA margin. We maintained strong price discipline, and there was hence a further widening of the gap between our sales prices and costs. The product mix also developed positively, particularly in Professional Hygiene where sales of premium products increased. Cost savings remained high in the quarter, with contributions from the entire value chain.

New financial targets and share buyback program

The new financial targets we presented during the quarter raised our level of ambition even further. Our aim is to grow organically by more than 3% per year and have a margin of above 15%. We have also initiated a share buyback program financed by the strong cash flow generated by operations. The ambition is to continue the share buybacks as a recurring part of Essity's capital allocation.

“Another strong quarter in which all business areas contributed to profitable growth and to a continued healthy cash flow.”

In summary

We put another strong quarter behind us in which all business areas contributed to profitable growth and to a continued healthy cash flow. Favorable long-term market trends combined with Essity's successful innovations, strong brands and efficiency efforts provide us with a platform to continue to increase the company's value creation going forward.

Magnus Groth
President and CEO



Group

Net sales

Net sales decreased 1.2% in the second quarter of 2024 compared with the corresponding period a year ago and amounted to SEK 36,617m (37,078).

Volume growth was good. All categories in Consumer Goods and Health & Medical reported higher volumes and the underlying volume growth in Professional Hygiene was positive. Excluding restructuring in Professional Hygiene and exited contracts with insufficient profitability in Incontinence Products Health Care, volume growth was 2.9%. Professional Hygiene and Health & Medical contributed to a positive mix for the Group. Sales prices were lower, mainly related to price reductions in Consumer Tissue in 2023.

Organic growth in emerging markets, which accounted for 26% of net sales, was positive.

Operating profit

The gross margin increased by 4.6 percentage points to 32.8% (28.2). Gross margin excl. IAC increased 4.0

percentage points to 33.2% (29.2). The higher margin was primarily related to good price discipline combined with lower costs of goods sold. The cost savings amounted to approximately SEK 400m. Higher volumes also made a positive contribution. Lower sales prices and salary inflation had a negative impact.

EBITA increased 27% to SEK 5,237m (4,131). Excl. IAC, EBITA increased 17% to SEK 5,398m (4,617) and the EBITA margin amounted to 14.7% (12.5). The improvement was mainly the result of the increased gross margin, while investments in sales and marketing were higher in order to drive growth. In addition, salary inflation increased costs. Marketing cost as a percent of net sales increased 0.7 percentage points to 5.4%.

IAC amounted to SEK -162m (-519) mainly attributable to restructuring measures.

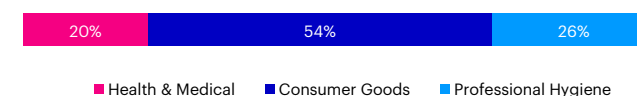
Change in net sales

%	2024:2 vs 2023:2
Total	-1.2
Volume	0.4
Price/Mix	-1.3
Organic growth	-0.9
Acquisitions	0.0
Divestments	-1.6
Currency	1.3

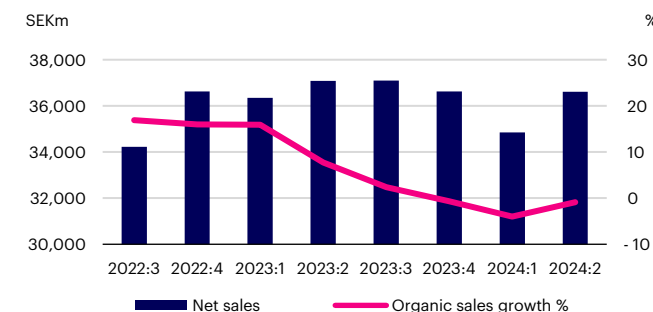
Change in EBITA excl. IAC

	SEKm
EBITA excl. IAC 2023:2	4,617
Volume	106
Price/Mix	-442
Cost of goods sold	1,677
Sales & Admin	-417
Currency	79
Other	-222
EBITA excl. IAC 2024:2	5,398

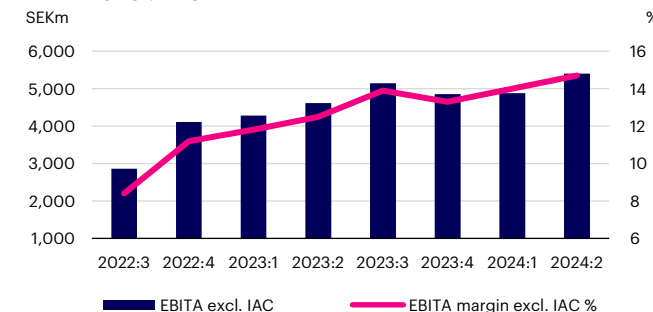
Net sales 2406 by business area



Net sales



EBITA excl. IAC



Financial items

Financial items decreased to SEK -478m (-588) on account of lower average net debt. Higher interest rates had a negative impact on net interest items.

Tax

The tax expense was SEK 1,166m (786), corresponding to a tax rate of 25.9% (24.3). The tax expense excl. IAC was SEK 1,211m (942), corresponding to a tax rate of 26.0% (25.1).

Profit for the period

Profit for the period, total operations, amounted to SEK 3,333m (2,551). Profit for the period, continuing operations, was SEK 3,334m (2,445).

Cash flow

Operating cash flow amounted to SEK 3,239m (2,847). The increase compared with the corresponding period a year ago was mainly related to a higher operating cash surplus.

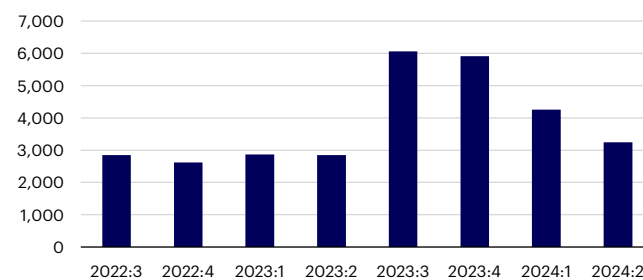
Dividends amounted to SEK 0m (-5,092). The dividend for 2023 was disbursed during the first quarter of 2024. Net cash flow for continuing operations was SEK 1,073m (-3,822), and for discontinued operations SEK 0m (-1,105).

Operating cash flow statement

SEKm	2024:2	2023:2	2406	2306
Operating cash surplus	7,032	6,278	13,626	12,240
Change in inventories	-497	1,142	-1,054	331
Change in operating receivables	-421	-833	-727	-1,183
Change in operating liabilities	-661	-1,836	-89	-2,181
Investments in non-current assets, net	-1,748	-1,500	-3,157	-2,727
Restructuring costs, etc.	-276	-377	-877	-539
Investments in operating assets through leases	-190	-27	-230	-224
Operating cash flow	3,239	2,847	7,492	5,717
Financial items	-478	-588	-1,085	-1,213
Income taxes paid	-1,587	-973	-2,600	-1,636
Other	33	-16	34	-40
Cash flow from current operations	1,207	1,270	3,841	2,828
Acquisitions of Group companies and other operations	0	0	-17	-16
Divestments of Group companies and other operations	0	0	23,908	0
Cash flow before transactions with shareholders	1,207	1,270	27,732	2,812
Dividend	0	-5,092	-5,443	-5,092
Dividend to non-controlling interests	0	0	-1	-2
Repurchase of own shares	-134	0	-134	0
Net cash flow, continuing operations	1,073	-3,822	22,154	-2,282
Net cash flow, discontinued operations	0	-1,105	-467	-1,814
Net cash flow, total operations	1,073	-4,927	21,687	-4,096

Operating cash flow

SEKm



Financial position

Net debt decreased by SEK 20,489m compared with December 31, 2023 and amounted to SEK 33,214m. During the first half of 2024, net cash flow reduced net debt by SEK 21,687m. Net cash flow included compensation received for the divestment of Vinda of SEK 19,360m.

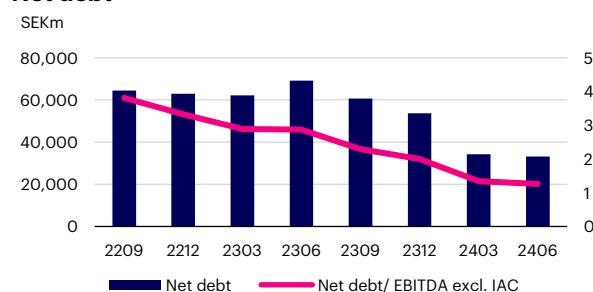
Compared with December 31, 2023, working capital increased to SEK 11,537m, mainly due to higher inventory levels and trade receivables. Higher trade payables reduced working capital. Working capital amounted to 8% (10) of net sales.

Equity attributable to owners of the Parent company increased SEK 12,563m 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 18,133m, mainly related to the divestment of Vinda. The dividend of SEK 5,443m reduced equity attributable to owners of the Parent company. The Group's total equity increased SEK 4,457m during the first half-year.

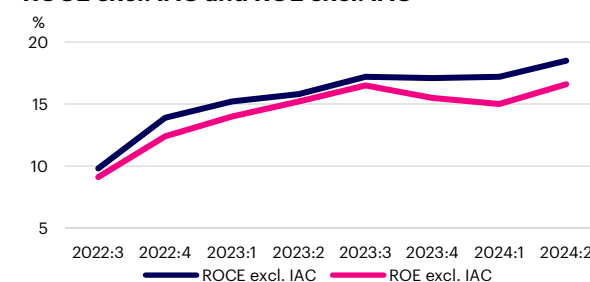
Share buyback

During the June 17–June 30, 2024 period, Essity repurchased 486,000 own Class B shares for a total amount of SEK 134m. The share buyback is part of the SEK 3bn buyback program announced by Essity on June 17, 2024. The buyback program will extend from June 17, 2024 until the 2025 Annual General Meeting. As of June 30, 2024, Essity's holdings of treasury shares correspond to 0.07% of the total number of shares outstanding. The repurchased shares are expected to be canceled. The share repurchase will be 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.

Net debt



ROCE excl. IAC and ROE excl. IAC



Financial position

	2406	2306	2312
Working capital, SEKm	11,537	14,671	8,771
Capital employed, SEKm	117,076	122,817	110,750
Net debt, SEKm	33,214	69,124	53,703
Debt/equity ratio	0.40	0.86	0.68
Debt payment capacity, %	53	27	34
Net debt/EBITDA	1.35	2.93	2.16
Net debt/EBITDA excl. IAC	1.26	2.87	2.00

Return

%	2024:2	2023:2	2406	2306
ROCE	17.9	14.2	15.3	12.9
ROCE excl. IAC	18.5	15.8	17.4	13.6
ROE	16.1	13.3	23.8	11.7
ROE excl. IAC	16.6	15.2	15.9	12.6

Change in net debt

SEKm	2406	2306	2312
Net debt at the beginning of the period	-53,703	-62,869	-62,869
Net cash flow	21,687	-4,096	8,464
Remeasurements to equity	860	1,119	1,339
Investments in non-operating assets through leases	-311	-166	-491
Translation differences	-1,747	-3,112	-146
Net debt at the end of the period	-33,214	-69,124	-53,703

Health & Medical

- High volume growth
- Sharp improvement in EBITA and margin, excl. IAC
- Strong cash flow

Net sales

Net sales increased organically by 4.5%. Volume growth was high in both Medical Solutions and Incontinence Products Health Care. Excluding the effect of the earlier decision to exit contracts with insufficient profitability, volumes increased for Health & Medical by 4.4%. Prices also developed positively and the product mix was favorable.

The organic growth was mainly attributable to Europe. Latin America and Asia also reported high organic growth.

EBITA excl. IAC

EBITA and EBITA margin excl. IAC increased sharply, mainly as a result of higher volumes, a positive mix, price increases, lower costs for raw materials and cost savings. Investments in sales to drive growth increased costs.

Currency translation effects had a positive impact on earnings of SEK 25m compared with the corresponding period a year ago.



New TENA ProSkin Pants with FeelDry Advanced™ absorbs twice as fast and keeps skin drier longer.

Change in net sales

%	2024:2 vs 2023:2
Total	4.5
Volume	3.2
Price/Mix	1.3
Organic growth	4.5
Acquisitions	0.0
Divestments	-0.9
Currency	0.9

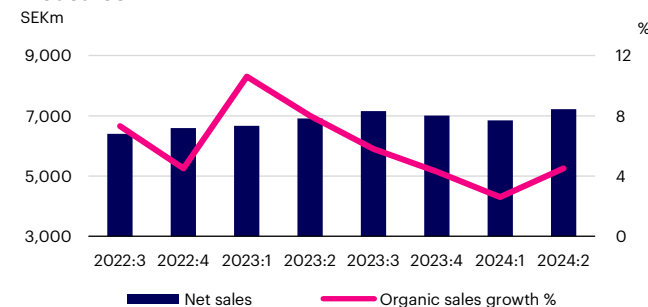
Organic sales growth

%	2024:2 vs 2023:2	% of net sales
Incontinence Products Health Care	3.8	58
Medical Solutions	5.5	42

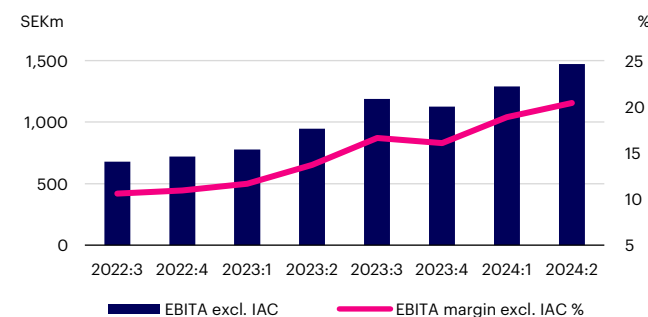
Financial overview

	2024:2	2023:2	%
Net sales, SEKm	7,213	6,905	4
Organic sales growth, %	4.5	8.0	
Gross profit margin excl. IAC, %	45.5	39.0	
EBITA excl. IAC, SEKm	1,472	947	55
EBITA margin excl. IAC, %	20.4	13.7	
ROCE excl. IAC, %	17.2	10.7	
Operating cash flow, SEKm	879	323	172

Net sales



EBITA excl. IAC



Consumer Goods

- Higher volumes in all categories
- Strong growth in Incontinence Products Retail
- Higher EBITA and margin, excl. IAC

Net sales

Net sales decreased organically by 1.3%, primarily as a result of lower prices in Consumer Tissue. Volumes increased for all categories and in particular for Incontinence Products Retail.

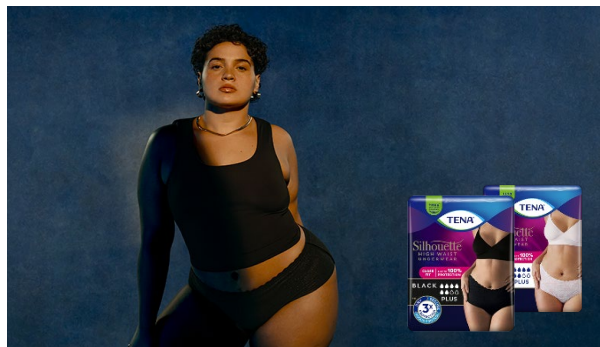
In Europe, organic growth declined, which was mainly related to Consumer Tissue. Conversely, Feminine Care and Incontinence Products Retail reported high organic growth, driven by volume. Growth was also positive for Baby Care.

In Latin America, Incontinence Products Retail in particular continued to demonstrate favorable growth.

EBITA excl. IAC

EBITA and EBITA margin excl. IAC increased mainly due to lower costs for raw materials and energy but also with contributions from higher volumes, a positive mix and cost savings. Lower prices had a negative earnings effect. Investments in sales and marketing to drive growth increased costs.

Currency translation effects had a positive impact on earnings of SEK 48m compared with the corresponding period a year ago.



New TENA Silhouette Pants offers an improved body-close fit, comfort and more discreet design.

Change in net sales

%	2024:2 vs 2023:2
Total	-1.9
Volume	3.2
Price/Mix	-4.5
Organic growth	-1.3
Acquisitions	0.0
Divestments	-2.2
Currency	1.6

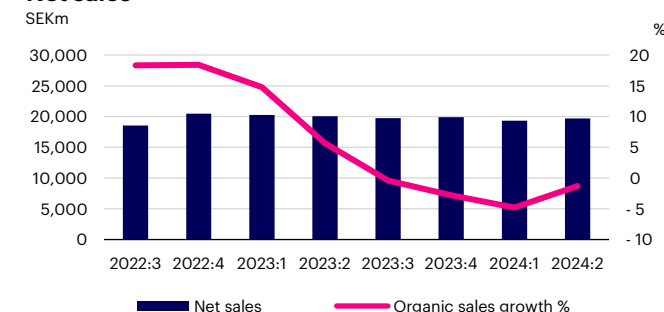
Organic sales growth

%	2024:2 vs 2023:2	% of net sales
Incontinence Products Retail	9.7	15
Feminine Care	1.2	18
Baby Care	0.5	9
Consumer Tissue	-4.7	58

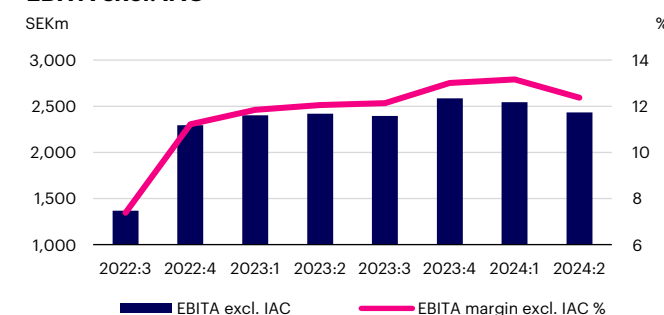
Financial overview

	2024:2	2023:2	%
Net sales, SEKm	19,672	20,056	-2
Organic sales growth, %	-1.3	5.7	
Gross profit margin excl. IAC, %	29.0	26.3	
EBITA excl. IAC, SEKm	2,434	2,417	1
EBITA margin excl. IAC, %	12.4	12.1	
ROCE excl. IAC, %	17.9	17.6	
Operating cash flow, SEKm	1,442	1,732	-17

Net sales



EBITA excl. IAC



Professional Hygiene

- Volume growth of 1.4% excl. restructuring
- Strong growth in Latin America
- Higher EBITA and margin, excl. IAC

Net sales

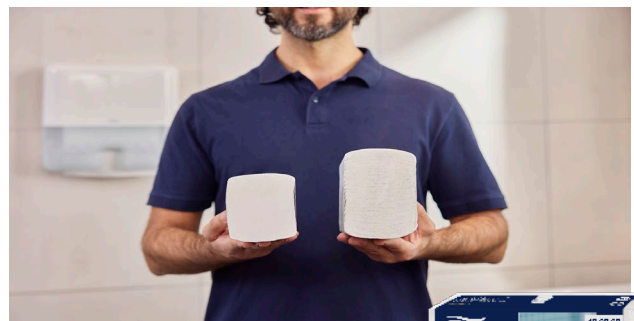
Net sales decreased organically by 3.9%, primarily as a result of lower volumes due to restructuring in North America and Europe. Excluding the effect of this, volume growth was 1.4%, with high growth in premium products, which also supported a strongly positive mix development. Sales prices were stable.

Growth was high in Latin America, driven by higher volumes and higher sales prices.

EBITA excl. IAC

EBITA and EBITA margin excl. IAC increased, driven by the strong mix development combined with lower costs for raw materials and energy, as well as cost savings. Investments in sales to drive growth increased costs.

Currency translation effects had a positive impact on earnings of SEK 5m compared with the corresponding period a year ago.



Tork continues to build on its unique compression technology for paper hand towels with a new range of compressed multifold hand towels. The compressed paper hand towels double the capacity of a small dispenser and save space in both transportation and storage.

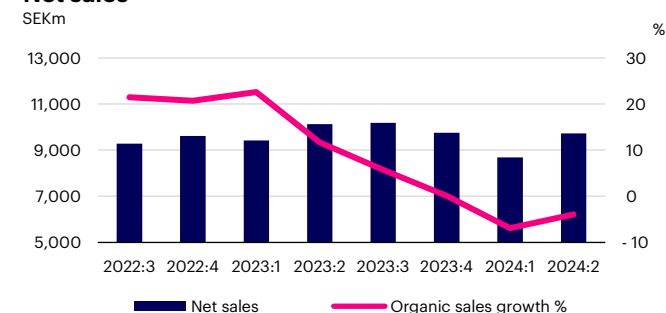
Change in net sales

%	2024:2 vs 2023:2
Total	-3.9
Volume	-6.9
Price/Mix	3.0
Organic growth	-3.9
Acquisitions	0.0
Divestments	-1.1
Currency	1.1

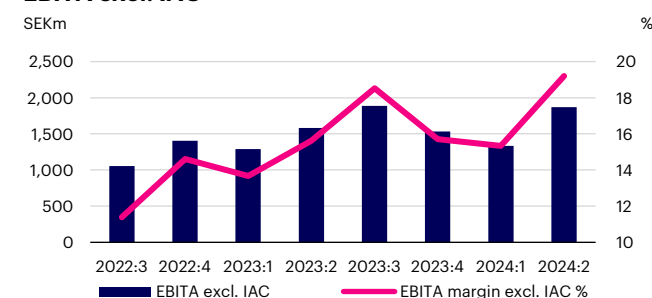
Financial overview

	2024:2	2023:2	%
Net sales, SEKm	9,729	10,123	-4
Organic sales growth, %	-3.9	11.7	
Gross profit margin excl. IAC, %	32.5	28.1	
EBITA excl. IAC, SEKm	1,868	1,582	18
EBITA margin excl. IAC, %	19.2	15.6	
ROCE excl. IAC, %	28.9	22.7	
Operating cash flow, SEKm	1,538	1,782	-14

Net sales



EBITA excl. IAC



Other Group information

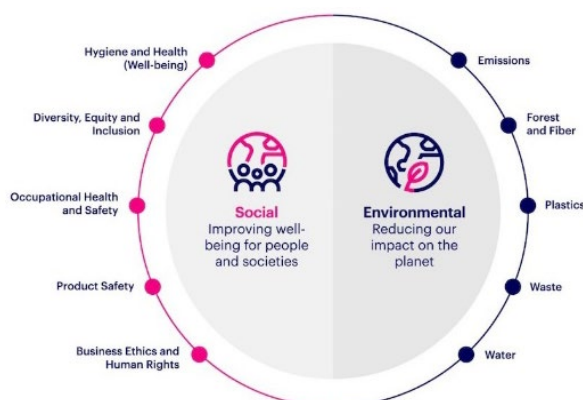
Sustainability

Sustainability is integrated into Essity's strategy and is a priority for long-term profitable growth.

Priority sustainability areas

As one of the world's leading hygiene and health companies, Essity has an impact on the surrounding world and thus also an obligation to contribute to overcoming global challenges. Essity is committed to reducing its environmental impact by improving circularity, reducing carbon emissions and preserving healthy ecosystems. In parallel, the company contributes to a healthier and more inclusive society. The priority areas for social and environmental sustainability are summarized in Essity's Sustainability Playing Field. It is in these areas that Essity can have the greatest impact and where it has targets, plans and initiatives in place.

Sustainability Playing Field



Events during the quarter

Essity presents new financial targets

On June 17, Essity presented new financial targets based on the company's portfolio following the divestment of the subsidiary Vinda.

- Annual organic sales growth >3%
- EBITA margin excluding IAC >15%

The new targets are an increase in ambition with an emphasis on profitable growth and are based on the company's robust platform with leading positions in growing and attractive markets.

Essity decides to buy back shares for SEK 3bn

On June 17, Essity's Board of Directors resolved to utilize the authorization granted by the Annual General Meeting on March 21, 2024, and initiate a program to buy back Class B shares in Essity for SEK 3bn, but not exceeding 10% of the total number of shares outstanding. The buyback program began on June 17, 2024, and extends until the 2025 Annual General Meeting. 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.

The share buyback program is managed by Danske Bank, which decides on the date for repurchasing independently from and outside of Essity's influence. Repurchasing takes place on Nasdaq Stockholm in accordance with the stock exchange's issuer regulations and is implemented in accordance with the EU Market Abuse Regulation (MAR) and the European Commission's

Delegated Regulation 2016/1052 (Safe Harbour Regulation).

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 2023, Essity had net sales of approximately SEK 147bn (EUR 13bn) and employed 36,000 people. The company's headquarters is in Stockholm, Sweden and Essity is listed on Nasdaq Stockholm.

For more information, visit [essity.com](https://www.essity.com) and follow Essity on social media.



First half-year 2024

Net sales

Net sales decreased 2.7% in the first half-year of 2024 compared with the corresponding period in the preceding year and amounted to SEK 71,467m (73,430).

Sales decreased organically by 2.5%. Volume were somewhat lower, due to restructuring in Professional Hygiene and exited contracts with insufficient profitability in Incontinence Products Health Care. Excluding these, volumes increased 1.8%. Volumes were higher in Consumer Goods and Health & Medical. Sales prices were lower, mainly in Consumer Tissue. Health & Medical reported higher sales prices. The mix was positive for the Group.

Operating profit

The gross margin increased by 4.2 percentage points to 32.5% (28.3). The gross margin excl. IAC increased 4.4 percentage points to 33.2% (28.8). The higher margin was primarily related to good price discipline combined with lower costs of goods sold. The savings amounted to approximately SEK 830m. Lower sales prices and salary inflation had a negative impact.

EBITA increased 15% to SEK 9,760m (8,499). Excl. IAC, EBITA increased 16% to SEK 10,278m (8,898) and the EBITA margin amounted to 14.4% (12.1). The improvement was mainly the result of the increased gross margin, while investments in sales and marketing were higher in order to drive growth. In addition, salary inflation increased costs. Marketing cost as a percent of net sales increased 0.7 percentage points to 5.4% (4.7). IAC amounted to SEK -588m (-432) mainly attributable to restructuring measures.

Group	2406	2306	%
Net sales, SEKm	71,467	73,430	-3
Organic sales growth, %	-2.5	11.6	
Gross profit margin excl. IAC, %	33.2	28.8	
EBITA excl. IAC, SEKm	10,278	8,898	16
EBITA margin excl. IAC, %	14.4	12.1	
ROCE excl. IAC, %	17.4	13.6	
Operating cash flow, SEKm	7,492	5,717	

Financial items

Financial items decreased to SEK -1,085m (-1,213) on account of lower average net debt. Higher interest rates had a negative impact on net interest items.

Tax

The tax expense was SEK 2,216m (1,595), corresponding to a tax rate of 27.6% (23.8). The tax expense excl. IAC was SEK 2,355m (1,745), corresponding to a tax rate of 27.3% (24.5). The tax rate was negatively affected by non-recurring items.

Profit for the period

Profit for the period, total operations, amounted to SEK 14,826m (5,254). 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 5,811m (5,096).

Health & Medical	2406	2306	%
Net sales, SEKm	14,055	13,570	4
Organic sales growth, %	3.6	9.3	
Gross profit margin excl. IAC, %	45.4	38.4	
EBITA excl. IAC, SEKm	2,762	1,724	60
EBITA margin excl. IAC, %	19.7	12.7	
ROCE excl. IAC, %	14.7	8.9	
Operating cash flow, SEKm	2,209	593	

Consumer Goods	2406	2306	%
Net sales, SEKm	39,010	40,313	-3
Organic sales growth, %	-3.1	10.1	
Gross profit margin excl. IAC, %	29.7	26.3	
EBITA excl. IAC, SEKm	4,979	4,817	3
EBITA margin excl. IAC, %	12.8	11.9	
ROCE excl. IAC, %	18.3	15.8	
Operating cash flow, SEKm	3,773	3,492	

Professional Hygiene	2406	2306	%
Net sales, SEKm	18,415	19,545	-6
Organic sales growth, %	-5.3	16.7	
Gross profit margin excl. IAC, %	31.3	27.3	
EBITA excl. IAC, SEKm	3,200	2,870	11
EBITA margin excl. IAC, %	17.4	14.7	
ROCE excl. IAC, %	25.5	18.7	
Operating cash flow, SEKm	2,318	2,733	

Board of Directors' assurance

The Board of Directors and President certify that the interim report gives a true and fair view of the Parent Company's and Group's operations, financial position and results of operations, and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, July 18, 2024

Essity Aktiebolag (publ)

Ewa Björling
Board member

Maria Carell
Board member

Annemarie Gardshol
Board member

Magnus Groth
President
and CEO
Board member

Jan Gurander
Chairman of the Board

Sofia Lafqvist
Board member,
employee representative

Susanna Lind
Board member,
employee representative

Torbjörn Lööf
Board member

Bert Nordberg
Board member

Örjan Svensson
Board member,
employee representative

Barbara Milian
Thoralfsson
Board member

Karl Åberg
Board member

Review report

Essity Aktiebolag (publ), corporate identity number 556325-5511

Introduction

We have reviewed the condensed interim information for Essity Aktiebolag (publ) as at June 30, 2024 and for the six-month period then ended. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, July 18, 2024

Ernst & Young AB

Erik Sandström
Authorized Public Accountant

Financial statements

Condensed consolidated income statement

SEKm	2024:2	2023:2	%	2406	2306	%
Net sales	36,617	37,078	-1	71,467	73,430	-3
Cost of goods sold	-24,467	-26,269		-47,750	-52,300	
Items affecting comparability (IAC) - cost of goods sold	-147	-355		-513	-317	
Gross profit	12,003	10,454	15	23,204	20,813	11
Gross profit excl. IAC	12,150	10,809	12	23,717	21,130	12
Sales, general and administration	-6,808	-6,200		-13,497	-12,242	
Items affecting comparability (IAC) - sales, general and administration	-14	-131		-5	-82	
Share of profits of associates and joint ventures	56	8		58	10	
Operating profit before amortization of acquisition-related intangible assets (EBITA)	5,237	4,131	27	9,760	8,499	15
Operating profit before amortization of acquisition-related intangible assets (EBITA) excl. IAC	5,398	4,617	17	10,278	8,898	16
Amortization of acquisition-related intangible assets	-258	-279		-578	-562	
Items affecting comparability (IAC) - acquisition-related intangible assets	-1	-33		-70	-33	
Operating profit	4,978	3,819	30	9,112	7,904	15
Operating profit excl. IAC	5,140	4,338	18	9,700	8,336	16
Financial items	-478	-588		-1,085	-1,213	
Profit before tax	4,500	3,231	39	8,027	6,691	20
Profit before tax excl. IAC	4,662	3,750	24	8,615	7,123	21
Income taxes	-1,166	-786		-2,216	-1,595	
Profit for the period, continuing operations	3,334	2,445	36	5,811	5,096	14
Profit for the period, discontinued operations	-1	106		9,015	158	
Profit for the period, total operations	3,333	2,551	31	14,826	5,254	182
Profit for the period excl. IAC, continuing operations	3,451	2,809	23	6,260	5,379	16
Items affecting comparability (IAC) before tax	-162	-519		-588	-432	
Items affecting comparability (IAC) after tax	-117	-364		-449	-283	
Tax on amortization of acquisition-related intangible assets	90	77		163	156	

SEKm	2024:2	2023:2	2406	2306
Earnings attributable to:				
Owners of the Parent company				
Profit for the period, continuing operations	3,318	2,427	5,781	5,062
Profit for the period, discontinued operations	-1	52	8,919	80
Profit for the period, total operations	3,317	2,479	14,700	5,142
Non-controlling interests				
Profit for the period, continuing operations	16	18	30	34
Profit for the period, discontinued operations	0	54	96	78
Profit for the period, total operations	16	72	126	112
Earnings per share				
-owners of the Parent company				
Earnings per share before and after dilution effects, continuing operations, SEK	4.72	3.46	8.23	7.21
Earnings per share before and after dilution effects, discontinued operations, SEK	0.00	0.07	12.70	0.11
Earnings per share before and after dilution effects, total operations, SEK	4.72	3.53	20.93	7.32
Average numbers of shares before and after dilution effects, million	702.3	702.3	702.3	702.3

Consolidated statement of comprehensive income

SEKm	2024:2	2023:2	%	2406	2306	%	SEKm	2024:2	2023:2	2406	2306
Profit for the period, continuing operations	3,334	2,445	36	5,811	5,096	14	Items that have been or may be reclassified subsequently to the income statement				
Profit for the period, discontinued operations	-1	106		9,015	158		Cash flow hedges:				
Profit for the period, total operations	3,333	2,551	31	14,826	5,254	182	Result from remeasurement of derivatives recognized in equity	172	-696	-245	-2,823
Other comprehensive income for the period							Transferred to profit or loss for the period	571	643	1,163	431
Items that will not be reclassified to the income statement							Translation differences in foreign operations	-1,990	4,406	3,945	5,083
Actuarial gains/losses on defined benefit pension plans	-62	651		859	1,117		Gains/losses from hedges of net investments in foreign operations	-28	-720	-1,069	-551
Fair value through other comprehensive income	0	1		1	2		Income tax attributable to components in other comprehensive income	-201	161	-36	755
Income tax attributable to components in other comprehensive income	2	-152		-235	-272		Total, continuing operations	-1,476	3,794	3,758	2,895
Total, continuing operations	-60	500		625	847		Total, discontinued operations	0	-185	-557	-117
Total, total operations	-60	500		625	847		Total, total operations	-1,476	3,609	3,201	2,778
							Other comprehensive income for the period, net of tax	-1,536	4,109	3,826	3,625
							Of which, continuing operations	-1,536	4,294	4,383	3,742
							Of which, discontinued operations	0	-185	-557	-117
							Total comprehensive income for the period	1,797	6,660	18,652	8,879
							Of which, continuing operations	1,798	6,739	10,194	8,838
							Of which, discontinued operations	-1	-79	8,458	41
							Total comprehensive income attributable to:				
							Owners of the Parent company	1,803	6,674	18,133	8,799
							Non-controlling interests	-6	-14	519	80

Consolidated balance sheet

SEKm	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
ASSETS			
Non-current assets			
Goodwill	40,841	47,005	39,337
Other intangible assets	21,393	26,202	21,345
Property, plant and equipment	46,596	60,538	44,909
Right-of-use assets	4,040	5,516	3,934
Investments in associates and joint ventures	329	302	294
Shares and participations	8	6	6
Surplus in funded pension plans	3,798	2,845	3,072
Non-current financial assets	122	140	117
Deferred tax assets	2,394	3,032	2,343
Other non-current assets	778	952	745
Total non-current assets	120,299	146,538	116,102
Current Assets			
Inventories	19,110	28,027	17,546
Trade receivables	23,554	28,444	21,920
Current tax assets	1,281	1,064	1,289
Other current receivables	3,797	5,152	3,391
Current financial assets	3,830	5,865	5,259
Cash and cash equivalents	10,442	6,513	5,159
Total current assets	62,014	75,065	54,564
Total assets, continuing operations	182,313	221,603	170,666
Assets held for sale	0	0	32,327
Total assets, total operations	182,313	221,603	202,993

SEKm	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
EQUITY AND LIABILITIES			
Equity			
Owners of the Parent company			
Share capital	2,350	2,350	2,350
Reserves	12,250	14,299	9,421
Retained earnings including profit/loss for the period	68,809	54,370	59,075
Equity attributable to owner of the Parent company	83,409	71,019	70,846
Non-controlling interests	453	9,057	8,559*
Total equity	83,862	80,076	79,405
Non-current liabilities			
Non-current financial liabilities	40,078	56,054	45,336
Provisions for pensions	2,457	2,517	2,587
Deferred tax liabilities	7,200	8,570	6,935
Other non-current provisions	465	374	466
Other non-current liabilities	939	1,336	1,073
Total non-current liabilities	51,139	68,851	56,397
Current liabilities			
Current financial liabilities	8,871	25,916	15,648
Trade payables	16,552	21,760	15,119
Current tax liabilities	2,028	1,593	2,165
Current provisions	1,058	953	1,408
Other current liabilities	18,803	22,454	19,143
Total current liabilities	47,312	72,676	53,483
Total liabilities, continuing operations	98,451	141,527	109,880
Liabilities directly attributable to assets held for sale	0	0	13,708
Total equity and liabilities, total operations	182,313	221,603	202,993

*Of which, attributable to discontinued operations

8,145

Consolidated statement of change in equity

SEKm	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
Equity attributable to owners of the Parent company			
Value, January 1	70,846	67,346	67,346
Total comprehensive income for the period	18,133	8,799	8,617
Dividend	-5,443	-5,092	-5,092
Repurchase of own shares	-134	0	0
Acquisition of non-controlling interests	0	1	1
Transferred to cost of hedged investments	24	13	52
Revaluation effect upon acquisition of non-controlling interests	-17	-48	-78
Value, end of period	83,409	71,019	70,846
Non-controlling interests			
Value, January 1	8,559	9,218	9,218
Total comprehensive income for the period	519	80	-340
Dividend	-1	-241	-319
Divestment of non-controlling interests	-8,624	0	0
Value, end of period	453	9,057	8,559
Total equity, value end of period	83,862	80,076	79,405

Consolidated cash flow statement

SEKm	2406	2306
Operating activities		
Operating profit	9,112	7,904
Adjustments for non-cash items ¹⁾	4,180	4,195
Operating profit excluding non-cash items	13,292	12,099
Interest paid	-1,427	-721
Interest received	274	144
Other financial items	-139	-655
Capitalized expenditures to fulfill contracts with customers	-224	-237
Change in liabilities relating to restructuring programs, etc.	-285	-200
Paid tax	-2,600	-1,636
Cash flow from operating activities before changes in working capital	8,891	8,794
Cash flow from changes in working capital		
Change in inventories	-1,054	331
Change in operating receivables	-727	-1,183
Change in operating liabilities	-89	-2,181
Cash flow from operating activities, continuing operations	7,021	5,761
Cash flow from operating activities, discontinued operations	-368	-952
Cash flow from operating activities, total operations	6,653	4,809
Investing activities		
Acquisitions of Group companies and other operations	-17	-12
Divestments of Group companies and other operations, see note 5	17,980	0
Investments in intangible assets and property, plant and equipment	-3,162	-2,741
Paid interest capitalized in intangible assets and property, plant and equipment	-24	-3
Sale of property, plant and equipment	29	17
Purchase and sale of financial assets with short maturities	107	-565
Cash flow from investing activities, continuing operations	14,913	-3,304
Cash flow from investing activities, discontinued operations	-87	-564
Cash flow from investing activities, total operations	14,826	-3,868

SEKm	2406	2306
Financing activities		
Proceeds from borrowings ²⁾	175	11,292
Repayment of borrowings ²⁾	-9,853	-11,681
Change in borrowings with short maturities, etc. ²⁾	-2,814	4,157
Dividend	-5,443	-5,092
Dividend to non-controlling interests	-1	-2
Repurchase of own shares	-134	0
Cash flow from financing activities, continuing operations	-18,070	-1,326
Cash flow from financing activities, discontinued operations	-12	2,654
Cash flow from financing activities, total operations	-18,082	1,328
Cash flow for the period, continuing operations	3,864	1,131
Cash flow for the period, discontinued operations	-467	1,138
Cash flow for the period, total operations	3,397	2,269
Cash and cash equivalents at the beginning of the period	6,927	4,288
Translation differences in cash and cash equivalents	118	-44
Cash and cash equivalents at the end of the period, total operations	10,442	6,513

¹⁾Adjustments for non-cash items

SEKm	2406	2306
Depreciation/amortization and impairment of non-current assets	3,868	3,687
Depreciation of capitalized selling expenses	235	245
Gain/loss on sale of assets	6	6
Non-cash items relating to efficiency program	149	216
Other	-78	41
Total	4,180	4,195

²⁾ From the second quarter of 2024, borrowings with short maturities, etc. are presented separately in the cash flow statement. The comparative figures have been restated.

Consolidated cash flow statement, cont.

SEKm	2406	2306
Reconciliation with consolidated operating cash flow statement		
Cash flow for the period, continuing operations	3,864	1,131
Proceeds from borrowings ¹⁾	-175	-11,292
Repayment of borrowings ¹⁾	9,853	11,681
Change in borrowings with short maturities, etc. ¹⁾	2,814	-4,157
Purchase and sale of financial assets with short maturities	-107	565
Net debt in acquired and divested operations	5,928	-4
Investments in operating assets through leases	-230	-224
Accrued interest	207	19
Other	0	-1
Net cash flow according to consolidated operating cash flow statement	22,154	-2,282

¹⁾From the second quarter of 2024, borrowings with short maturities, etc. 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	2406	2306
Administrative expenses	-671	-432
Other operating income	32	25
Operating loss	-639	-407
Financial items	12,404	1,341
Profit/loss before tax	11,765	934
Income taxes	158	71
Profit/loss for the period	11,923	1,005

Parent company statement of comprehensive income

SEKm	2406	2306
Profit/loss for the period	11,923	1,005
Other comprehensive income for the period	0	0
Total comprehensive income for the period	11,923	1,005

Condensed Parent company balance sheet

SEKm	Jun 30, 2024	Dec 31, 2023
Assets		
Intangible assets	0	0
Property, plant and equipment	13	10
Financial non-current assets	176,851	176,774
Total non-current assets	176,864	176,784
Total current assets	385	2,178
Total assets	177,249	178,962
Equity, provisions and liabilities		
Equity		
Restricted equity	2,350	2,350
Non-restricted equity	77,876	71,530
Total equity	80,226	73,880
Untaxed reserves	828	828
Provisions	877	880
Non-current liabilities	37,598	42,901
Current liabilities	57,720	60,473
Total equity, provisions and liabilities	177,249	178,962

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

SEKm	Carrying amount in the balance sheet		Carrying amount in the balance sheet		Measurement level ¹⁾
	Fair value	Fair value	Fair value	Fair value	
	Jun 30, 2024	Jun 30, 2024	Dec 31, 2023	Dec 31, 2023	
Assets					
Derivatives	602	602	1,989	1,989	2
Non-current financial assets	102	102	98	98	1
Total assets	704	704	2,087	2,087	
Liabilities					
Derivatives	5,084	5,084	6,788	6,788	2
Current financial liabilities ²⁾	6,745	6,745	12,676	12,676	2
Non-current financial liabilities ²⁾	33,616	32,755	39,061	38,429	2
Total liabilities	45,445	44,584	58,525	57,893	

¹⁾ No financial instruments have been classified to level 3.

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

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.

Note 4 Share

Number of shares

	2024:2	2023:2	2406	2306
Number of shares, end of period	702,342,489	702,342,489	702,342,489	702,342,489
Of which class A-shares	60,969,986	61,158,914	60,969,986	61,158,914
Of which class B-shares	641,372,503	641,183,575	641,372,503	641,183,575
Number of Class B shares held by Essity, end of period	486,000	0	486,000	0
Number of outstanding shares before and after dilution, end of period	701,856,489	702,342,489	701,856,489	702,342,489
Average number of Class B shares held by Essity, end of period	44,505	0	22,253	0
Average number of shares before and after dilution	702,297,984	702,342,489	702,320,236	702,342,489

During the second quarter, 57 Class A shares were converted to Class B shares at the request of shareholders. 486,000 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	2406	2306
Profit for the period, Vinda	217	158
Other profit for the period, Vinda	8,798 ¹⁾	0
Profit for the period, discontinued operations	9,015	158
¹⁾ 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	2406	2306
Net sales	4,533	13,425
Operating expenses	-4,261	-13,268
Operating profit	272	157
Financial items	-27	-74
Profit before tax	245	83
Income taxes	-28	75
Profit for the period, discontinued operations	217	158

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

SEKm	2406	2306
Profit for the period, discontinued operations attributable to:		
Owners of the Parent company	8,919	80
Non-controlling interests	96	78
Earnings per share, discontinued operations - Owners of the parent company		
Earnings per share, discontinued operations before and after dilution effects, SEK	12.70	0.11
Average numbers of shares before and after dilution, million	702.3	702.3

Balance sheet, discontinued operations

SEKm	Dec 31, 2023
ASSETS	
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
Total assets held for sale	32,327
LIABILITIES	
Financial liabilities	5,508
Operating liabilities	7,283
Deferred tax liabilities	917
Total liabilities directly attributable to assets held for sale	13,708

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

SEKm	Jun 30, 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 ¹⁾	8,366
Compensation received	19,360
Less:	
Cash and cash equivalents in divested companies	-1,380
Impact on the Group's cash and cash equivalents, divestments of Group's companies and other operations	17,980
Add:	
Divested net debt excluding cash and cash equivalents	5,928
Divestment of Group companies and other operations during the period, including net debt transferred	23,908

¹⁾ Excluding realized translation difference SEK 775m in divested company that is 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 from 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, amortization and impairment of property, plant and equipment and intangible assets (EBITDA) excl. IAC	Adjusted operating profit before depreciation/amortization of property, plant and equipment and intangible assets (EBITDA)
Operating profit before amortization and impairment 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**

SEKm	2406	2306	2312
Total assets	182,313	221,603	202,993
-Total assets, discontinued operations	0	0	-32,327
-Financial assets	-18,192	-15,363	-13,607
-Non-current non-interest bearing liabilities	-8,604	-10,280	-8,474
-Current non-interest bearing liabilities	-38,441	-46,760	-37,835
Capital employed	117,076	149,200	110,750
Capital employed, continuing operations	117,076	122,817	110,750

Working capital

SEKm	2406	2306	2312
Inventories	19,110	28,027	17,546
Trade receivables	23,554	28,444	21,920
Other current receivables	3,797	5,152	3,391
Trade payables	-16,552	-21,760	-15,119
Other current liabilities	-18,803	-22,454	-19,143
Other	431	715	176
Working capital	11,537	18,124	8,771
Working capital, continuing operations	11,537	14,671	8,771

Net debt

SEKm	2406	2306	2312
Surplus in funded pension plans	3,798	2,845	3,072
Non-current financial assets	122	140	117
Current financial assets	3,830	5,865	5,259
Cash and cash equivalents	10,442	6,513	5,159
Financial assets	18,192	15,363	13,607
Non-current financial liabilities	40,078	56,054	45,336
Provisions for pensions	2,457	2,517	2,587
Current financial liabilities	8,871	25,916	15,648
Financial liabilities	51,406	84,487	63,571
Net debt, continuing operations	33,214	62,908	49,964
Net debt, discontinued operations	0	6,216	3,739
Net debt, total operations	33,214	69,124	53,703

EBITA

SEKm	2024:2	2023:2	2406	2306
Operating profit	4,978	3,819	9,112	7,904
-Amortization of acquisition-related intangible assets	258	279	578	562
-Items affecting comparability (IAC) - impairment of acquisition related intangible assets	1	33	70	33
Operating profit before amortization and impairment of acquisition-related intangible assets (EBITA)	5,237	4,131	9,760	8,499
EBITA margin (%)	14.3	11.1	13.7	11.6
-Items affecting comparability (IAC) - cost of goods sold	147	355	513	317
-Items affecting comparability (IAC) - sales, general and administration	14	131	5	82
EBITA excl. IAC	5,398	4,617	10,278	8,898
EBITA margin excl. IAC (%)	14.7	12.5	14.4	12.1

EBITDA

SEKm	2024:2	2023:2	2406	2306
Operating profit	4,978	3,819	9,112	7,904
-Amortization of acquisition-related intangible assets	258	279	578	562
-Depreciation/amortization	1,244	1,261	2,463	2,481
-Depreciation right-of-use asset	272	262	539	518
-Impairment	2	1	2	37
-Items affecting comparability (IAC) - impairment net	12	120	216	57
-Items affecting comparability (IAC) - impairment of acquisition-related intangible assets	1	33	70	33
EBITDA	6,767	5,775	12,980	11,592
-Items affecting comparability (IAC) excluding depreciation/amortization and impairment	149	366	302	342
EBITDA excl. IAC	6,916	6,141	13,282	11,934

Organic growth

SEKm	2024:2	2023:2	2406	2306
Organic sales growth	-345	2,434	-1,806	7,031
Acquisitions	0	513	0	933
Divestments	-605	0	-1,298	0
Exchange rate effect ¹⁾	490	2,576	1,141	5,002
Recognized change	-460	5,523	-1,963	12,966

¹⁾ Consists solely of currency translation effects

Information by business area

Net sales

SEKm	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4	2022:3
Health & Medical	7,213	6,842	7,001	7,158	6,905	6,665	6,589	6,404
Consumer Goods	19,672	19,338	19,870	19,729	20,056	20,257	20,454	18,537
Professional Hygiene	9,729	8,686	9,752	10,184	10,123	9,422	9,617	9,279
Other	3	-16	2	21	-6	8	-31	6
Total	36,617	34,850	36,625	37,092	37,078	36,352	36,629	34,226

Organic sales growth

%	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4	2022:3
Health & Medical	4.5	2.6	4.3	5.8	8.0	10.6	4.5	7.3
Consumer Goods	-1.3	-4.8	-2.8	-0.4	5.7	14.8	18.4	18.3
Professional Hygiene	-3.9	-6.9	0.1	5.7	11.7	22.6	20.7	21.5
Total	-0.9	-4.0	-0.7	2.4	7.7	15.9	16.0	16.9

EBITA excl. IAC

SEKm	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4	2022:3
Health & Medical	1,472	1,290	1,125	1,188	947	777	719	678
Consumer Goods	2,434	2,545	2,585	2,395	2,417	2,400	2,293	1,368
Professional Hygiene	1,868	1,332	1,531	1,887	1,582	1,288	1,405	1,057
Other	-376	-287	-388	-323	-329	-184	-305	-240
Total	5,398	4,880	4,853	5,147	4,617	4,281	4,112	2,863

EBITA margin excl. IAC

%	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4	2022:3
Health & Medical	20.4	18.9	16.1	16.6	13.7	11.7	10.9	10.6
Consumer Goods	12.4	13.2	13.0	12.1	12.1	11.8	11.2	7.4
Professional Hygiene	19.2	15.3	15.7	18.5	15.6	13.7	14.6	11.4
Total	14.7	14.0	13.3	13.9	12.5	11.8	11.2	8.4

Capital employed

SEKm	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4	2022:3
Health & Medical	34,245	34,153	32,762	34,956	36,532	34,472	34,062	35,076
Consumer Goods	54,342	54,612	52,009	54,676	56,725	52,926	52,667	57,161
Professional Hygiene	25,976	25,663	24,021	25,765	28,225	27,500	27,741	30,596
Other	2,513	2,011	1,958	1,531	1,335	-4,633	323	-303
Total	117,076	116,439	110,750	116,928	122,817	110,265	114,793	122,530

ROCE excl. IAC

%	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4	2022:3
Health & Medical	17.2	15.4	13.3	13.3	10.7	9.1	8.3	7.8
Consumer Goods	17.9	19.1	19.4	17.2	17.6	18.2	16.7	10.3
Professional Hygiene	28.9	21.4	24.6	28.0	22.7	18.6	19.3	14.2
Total	18.5	17.2	17.1	17.2	15.8	15.2	13.9	9.8

Operating cash flow

SEKm	2024:2	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4	2022:3
Health & Medical	879	1,330	1,411	1,676	323	270	818	887
Consumer Goods	1,442	2,331	2,506	2,235	1,732	1,760	1,043	877
Professional Hygiene	1,538	780	2,227	2,370	1,782	951	1,344	1,207
Other	-620	-188	-230	-227	-990	-111	-584	-122
Total	3,239	4,253	5,914	6,054	2,847	2,870	2,621	2,849

Invitation to presentation

President and CEO Magnus Groth and Executive Vice President and CFO Fredrik Rystedt will present the interim report at a live webcast and teleconference at 09:00 CET on July 18, 2024.

Link to the live presentation, which can also be viewed afterwards:
<https://essity.videosync.fi/2024-07-18-q2>

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".

The presentation will also be broadcast live on [LinkedIn](#).

For additional information, please contact:

Fredrik Rystedt, Executive Vice President and CFO, Tel: +46 (0) 8 788 51 31
Sandra Åberg, Vice President Investor Relations, Tel: +46 (0) 70 564 96 89
Per Lorentz, Vice President Corporate Communications, Tel: +46 (0) 73 313 30 55

Calendar 2024–2025

Interim Report, Quarter 3 2024
Capital Markets Day
Year-end Report 2024
Annual Report 2024

October 24, 2024
December 3, 2024
January 23, 2025
March 2025

