



Orders received increased, but Net sales and Comparable EBITA remained steady in 2024

Financial Statements Review 2024

February 13, 2025

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Agenda

Financial Statements Review 2024

- 1 2024 in brief
- 2 Development of the segments and the business lines
- 3 Financial development
- 4 Dividend proposal, guidance and short-term market outlook



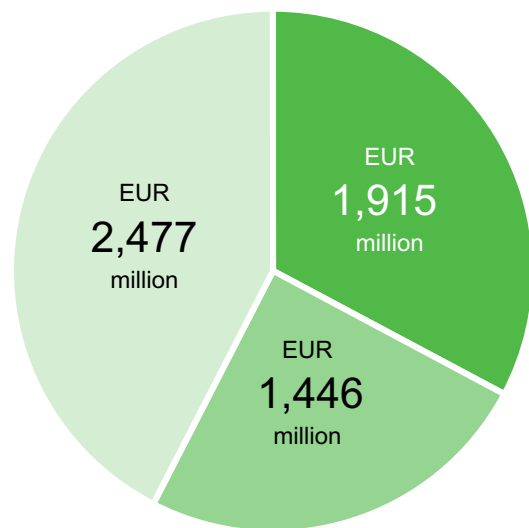
2024 in brief

2024 in brief

- Orders received increased to EUR 5.8 billion
- Order backlog amounted close to EUR 4.5 billion
- Net sales remained at the previous year's level and amounted close to EUR 5.4 billion
- Comparable EBITA remained at the previous year's level and amounted to EUR 609 million and margin was 11.4%
- Cash flow provided from operating activities amounted to EUR 554 million
- Comparable ROCE was 12.7%
- Work to renew Valmet's strategy initiated during Q4/24

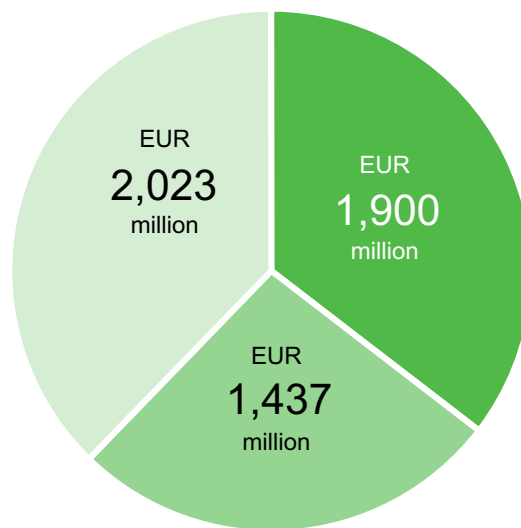
Valmet in 2024

Orders received



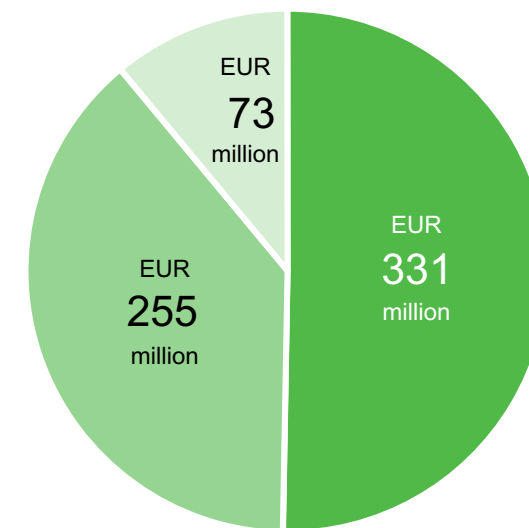
- Services
- Automation
- Process Technologies

Net sales



- Services
- Automation
- Process Technologies

Comparable EBITA (excl. Other)

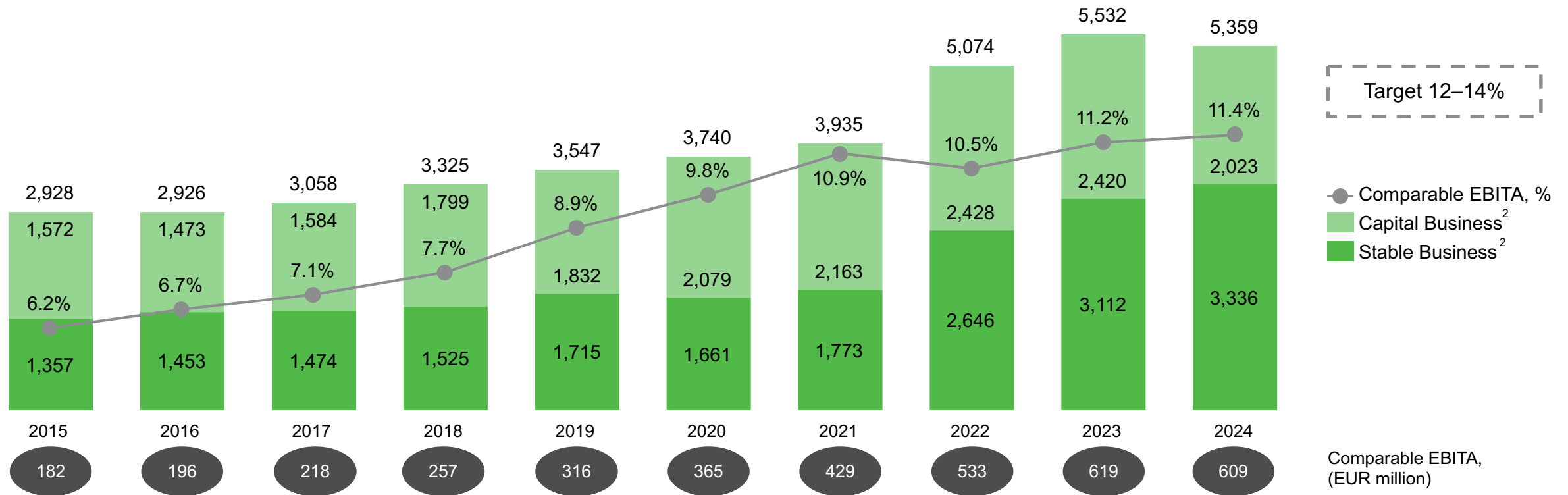


- Services
- Automation
- Process Technologies

Orders received EUR 5,837 million	Net sales EUR 5,359 million	Comparable EBITA EUR 609 million	Comparable EBITA margin 11.4%	Order backlog EUR 4,452 million	Employees 19,310
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Comparable EBITA margin development

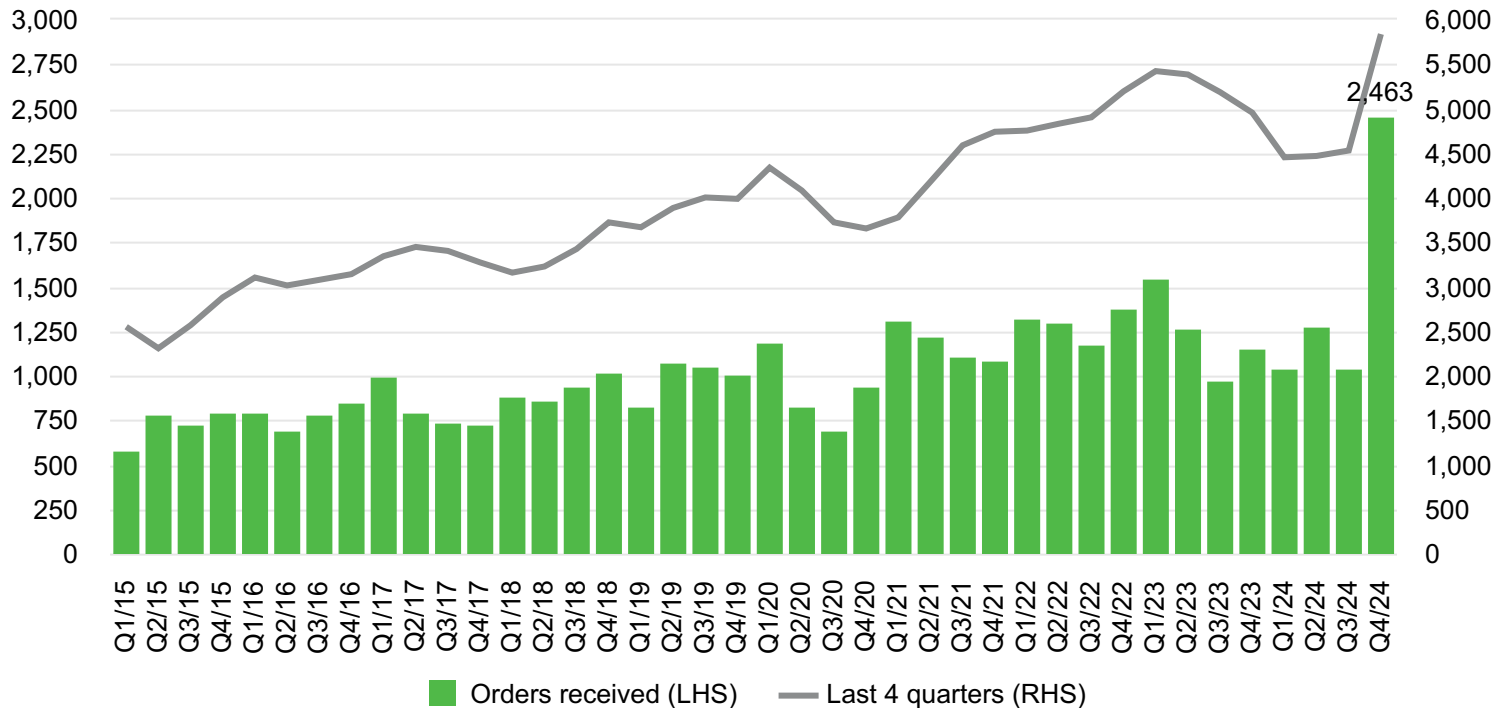
Net sales and Comparable EBITA (EUR million and %)¹



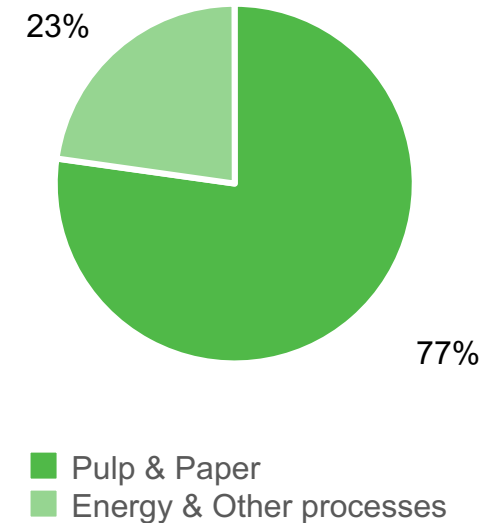
1. Valmet implemented IFRS 15 – Revenue from Contracts with Customers as of January 1, 2018 by applying full retrospective method. 2015–2020 figures have not been restated to reflect Valmet's current reporting structure. Thus, figures presented are not fully comparable.
 2. Services and Automation segments are called Stable Business and the Process Technologies segment Capital Business.

Orders received increased to EUR 5.8 billion in 2024

Orders received (EUR million)



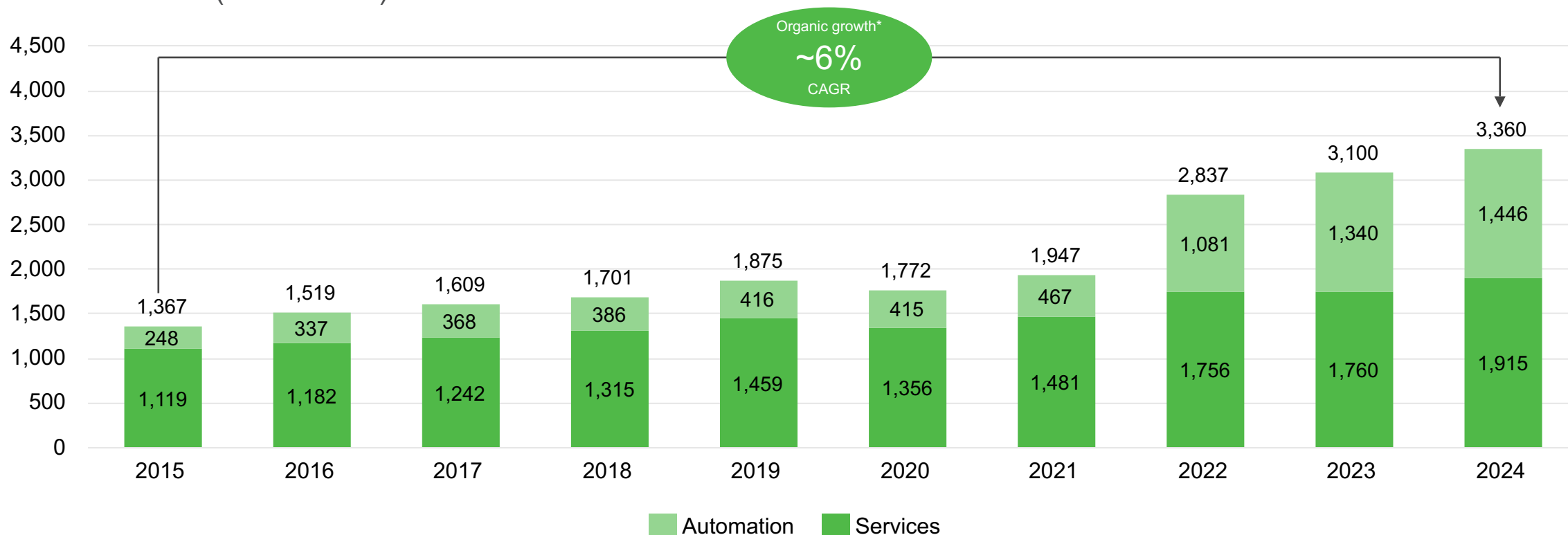
Orders received in 2024 by industry



- Orders received included a landmark order for a complete pulp mill with full-scope automation and flow control solutions to Brazil from Arauco, valued at over EUR 1 billion
- Orders received increased in South America, North America and Asia-Pacific and decreased in China and EMEA in 2024 compared with 2023

Stable business orders received totaled close to EUR 3.4 billion in 2024

Orders received (EUR million) in stable business



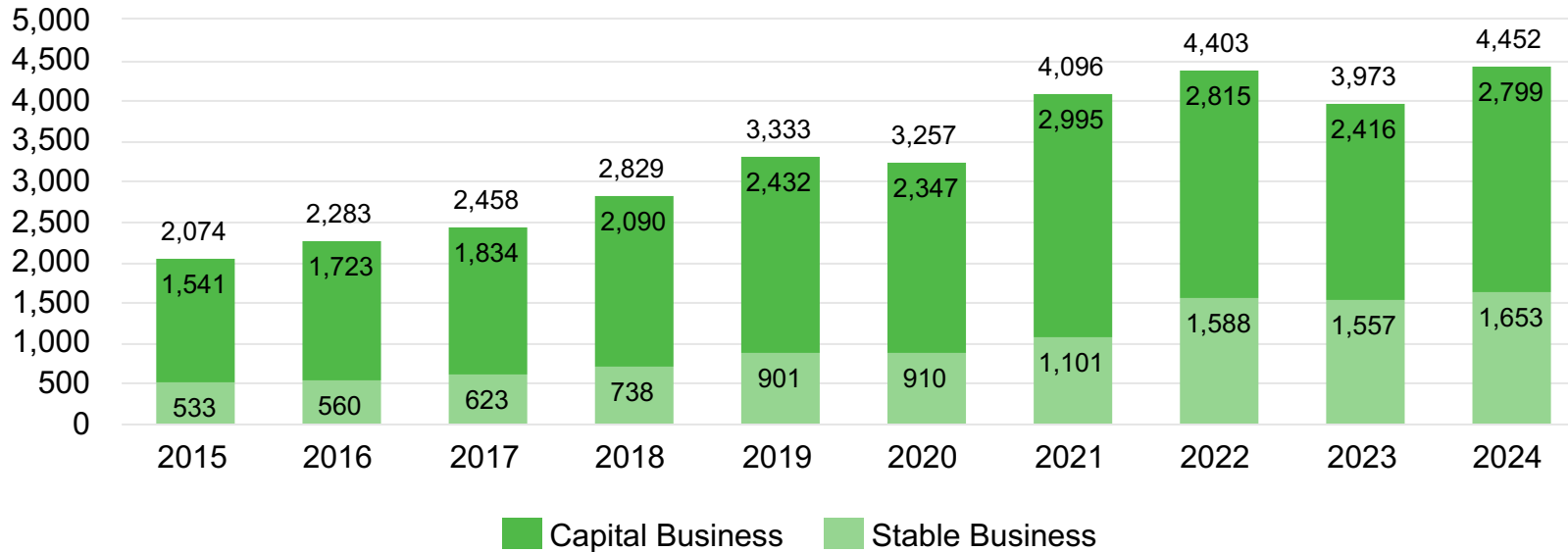
- Orders received in stable business were EUR 261 million higher in 2024 compared with 2023
- Stable business represented 58% of Valmet's orders received in 2024 (47% in 2015)

2015–2020 figures have not been restated and include internal orders received for the Automation Systems business line.

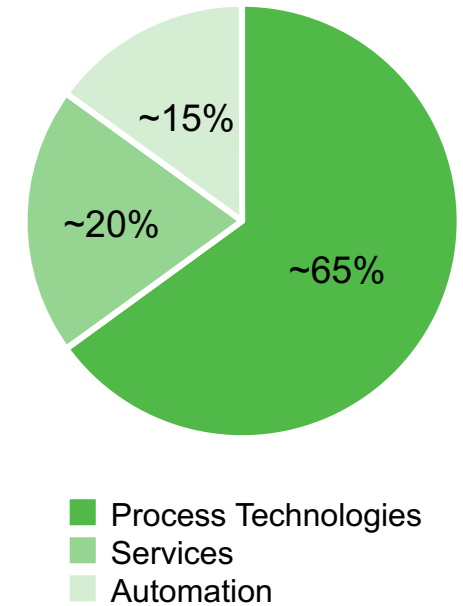
*Adjusted for acquisitions and foreign exchange rates (in calculating organic growth, 2024 orders received in euro translated by applying 2015 average exchange rates). Indicative only.

Order backlog amounted close to EUR 4.5 billion at the end of 2024


Order backlog (EUR million)



Structure of order backlog by segment



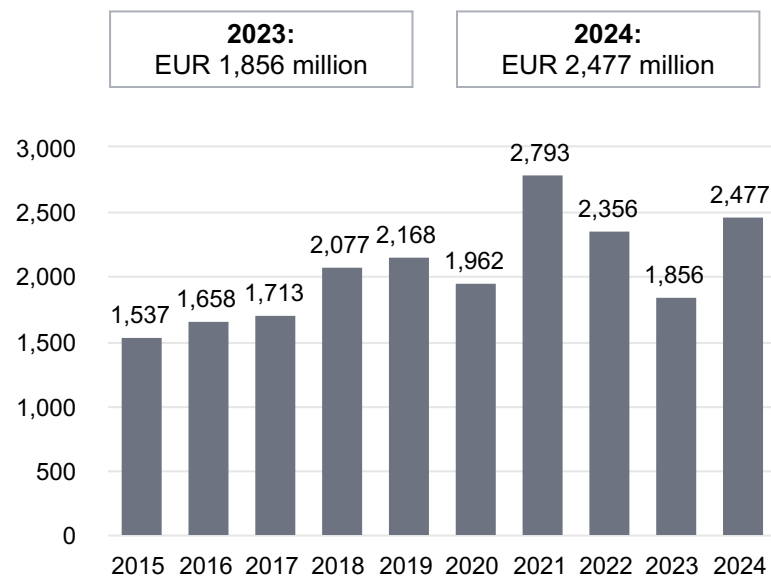
- Order backlog was EUR 479 million higher than at the end of 2023
- Approximately EUR 3.1 billion of the order backlog is currently expected to be realized as net sales in 2025 (at the end of 2023, approximately EUR 3.3 billion during 2024)
- Approximately EUR 1.7 billion of the order backlog relates to stable business



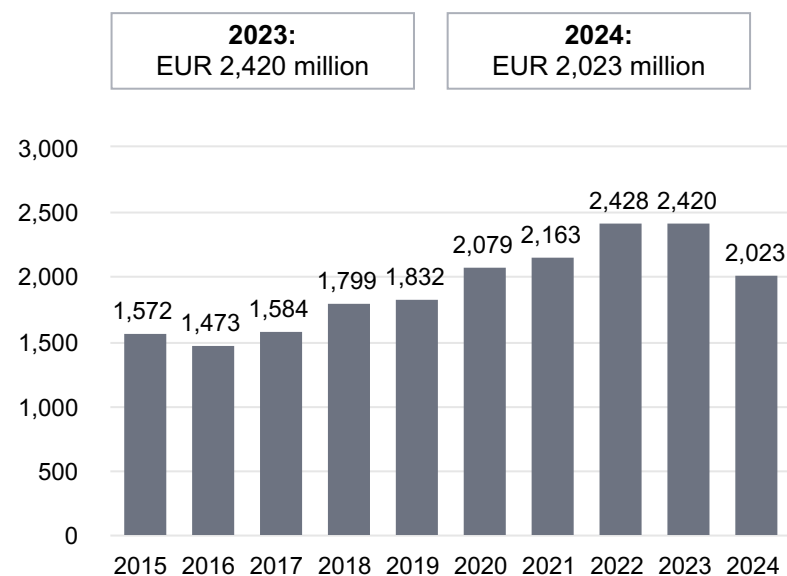
Development of the segments and the business lines

Process Technologies: Orders received increased close to EUR 2.5 billion in 2024

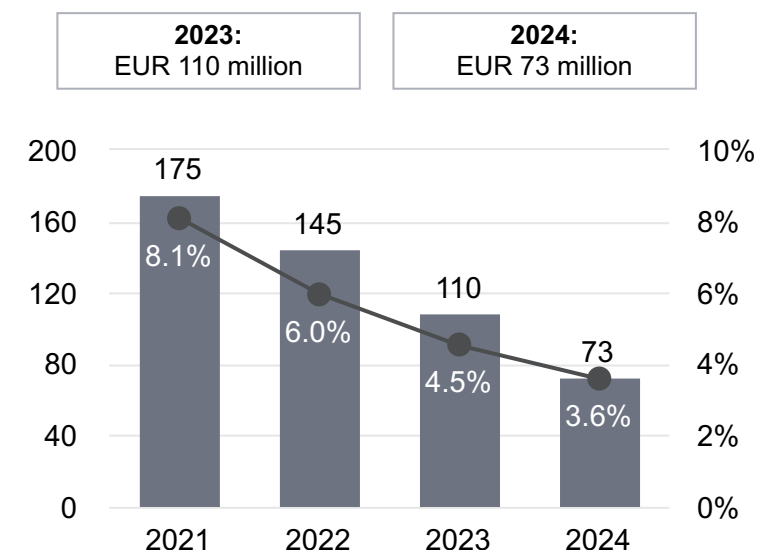
Orders received (EUR million)



Net sales (EUR million)



Comparable EBITA (EUR million and % of net sales)



- Orders received increased compared with 2023
 - Orders received increased in Pulp and Energy, while orders received decreased in Paper compared with 2023
- Net sales decreased compared with 2023
- Comparable EBITA decreased compared with 2023. Comparable EBITA was impacted by lower net sales.



Valmet to supply a complete pulp mill to Arauco in Brazil

Project overview

- Customer: Arauco
- Location: Inocência, Mato Grosso do Sul, Brazil
- Project: World's largest single-phase pulp mill
- Capacity: 3.5 million tonnes per year
- Start-up: Second half of 2027
- Order Value: Over EUR 1 billion

Valmet's scope and targets

- Complete pulp mill delivery
- Full-scope automation and flow control solutions with latest Valmet DNAe automation system
- Engineering, procurement, construction, and commissioning
- Proven technology
- High energy and water efficiency
- Low emissions
- High automation level
- Competitive operating costs

Strategic impact

- A significant milestone showcasing Valmet's sustainable technologies
- Services and automation potential after the start-up
- Contribution to sustainable energy supply with excess bioelectricity generation
- Employment impact in Brazil, Finland, Sweden, Denmark, India, and China
- Strengthened presence and competence in the Brazilian market

Pulp and Energy business line in 2024

Orders received

EUR 1,581 million

Net sales

EUR 870 million

Employees

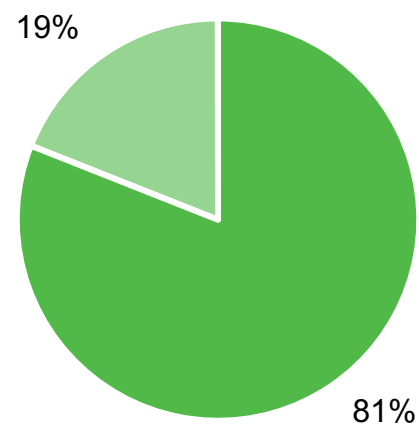
1,953

Market position

#1 Pulp

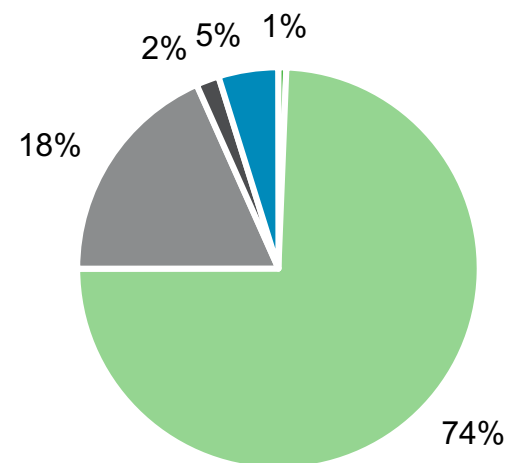
#1–3 Energy

Orders received by industry



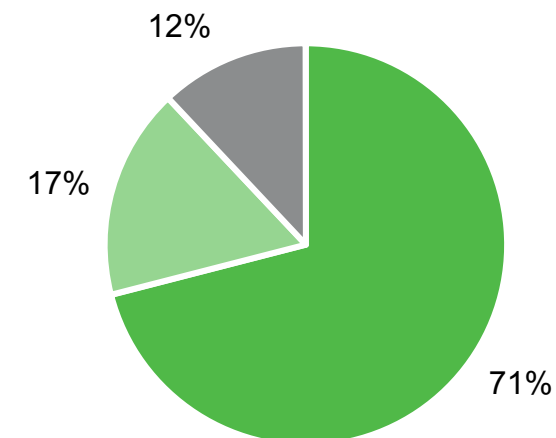
■ Pulp
■ Energy

Orders received by area



■ North America
■ South America
■ EMEA
■ China
■ Asia-Pacific

Orders received by scope



■ Complete mills
■ Rebuilds
■ Single islands and products

Paper business line in 2024

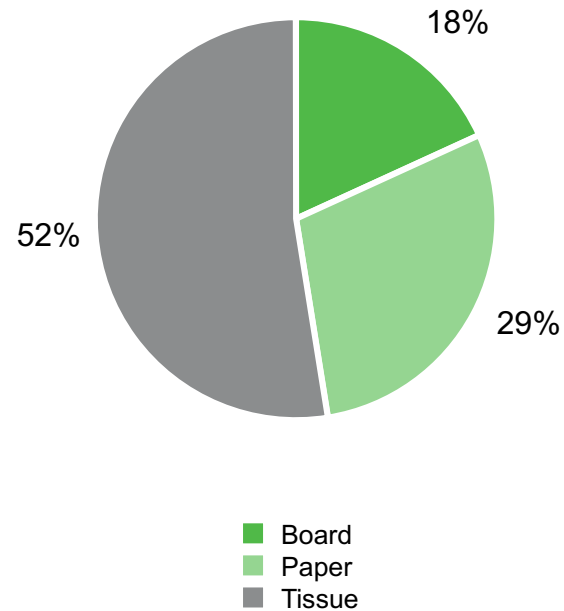
Orders received
EUR 897 million

Net sales
EUR 1,152 million

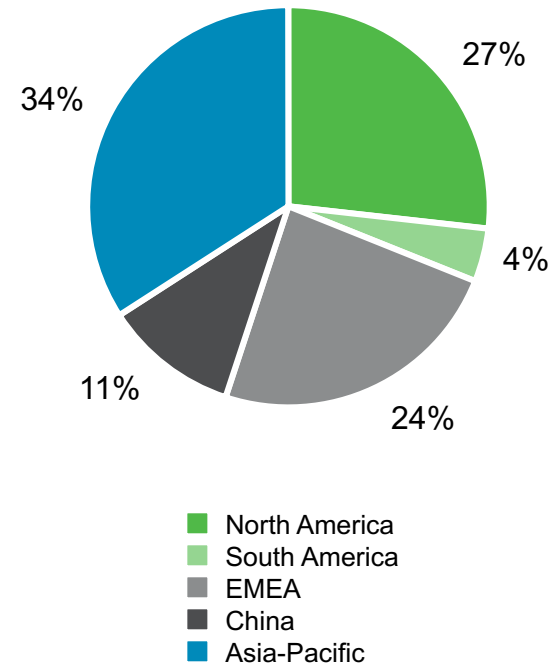
Employees
4,402

Market position
#1 Tissue
#1-2 Board and paper

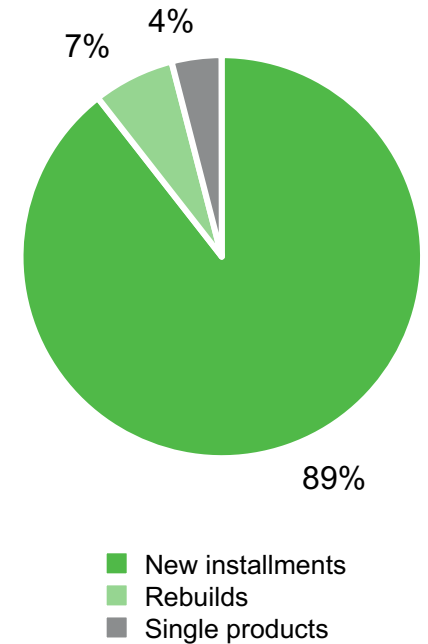
Orders received by paper grade



Orders received by area

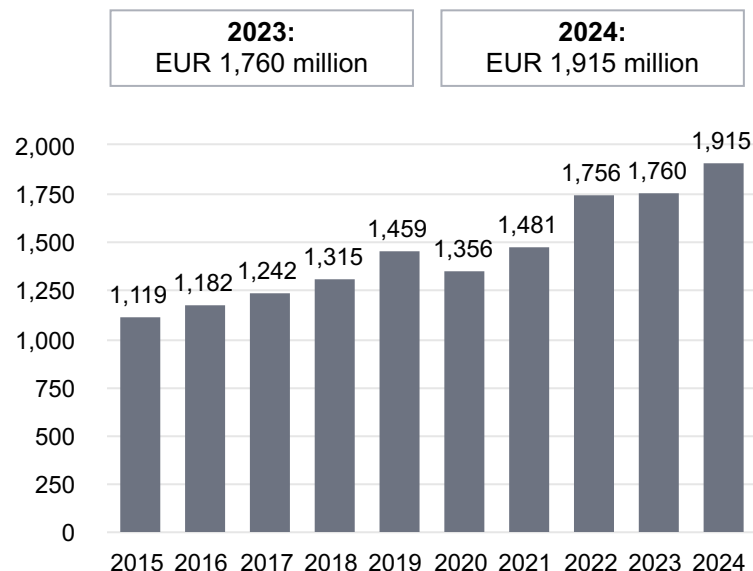


Orders received by scope

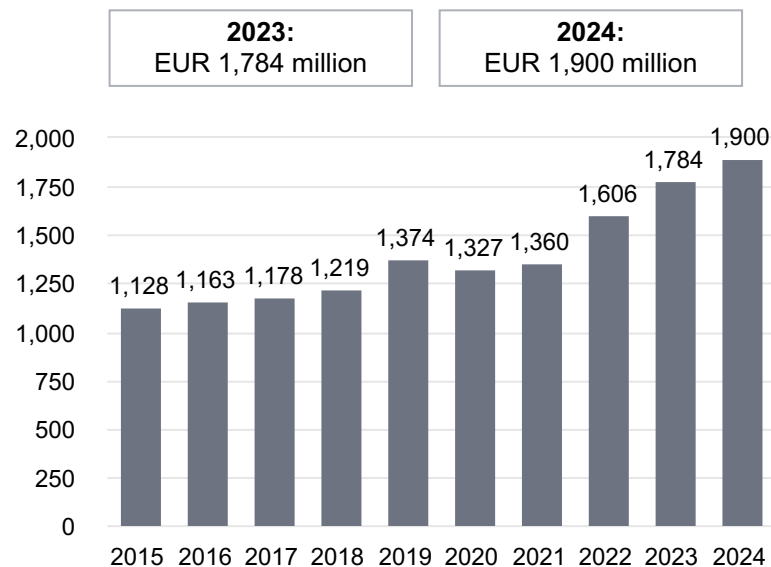


Services: Orders received increased to EUR 1.9 billion in 2024

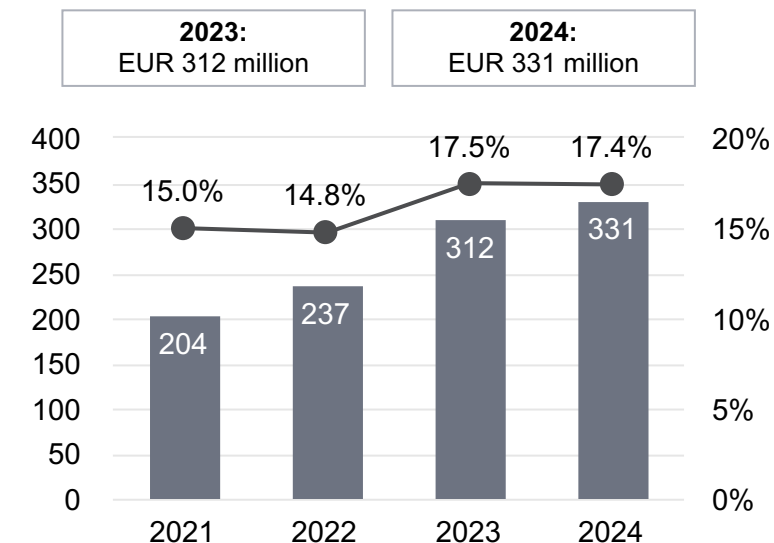
Orders received (EUR million)



Net sales (EUR million)



Comparable EBITA (EUR million and % of net sales)



- Orders received increased compared with 2023
 - Orders received increased in North America, South America, EMEA and Asia-Pacific and remained at the previous year's level in China
 - Excluding Tissue Converting, orders received increased in Fabrics, remained at the previous year's level in Rolls, Performance Parts and Board, Paper and Tissue Solutions and decreased in Pulp and Energy Solutions
 - Orders received of Tissue Converting amounted to EUR 143 million
- Net sales increased compared with 2023
- Comparable EBITA increased compared with 2023. Comparable EBITA increased mainly due to integration of Tissue Converting.



Services segment in 2024

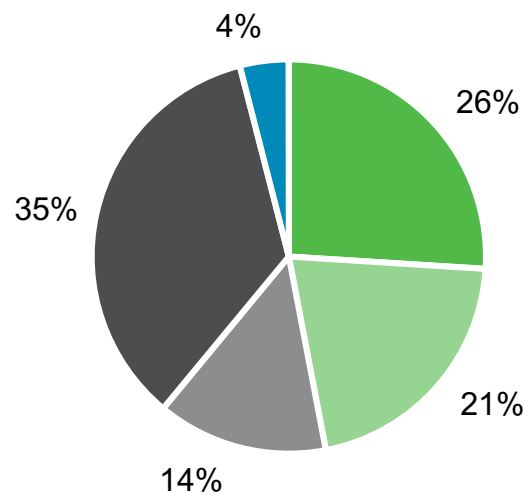
Orders received
EUR 1,915 million

Net sales
EUR 1,900 million

Employees
6,714

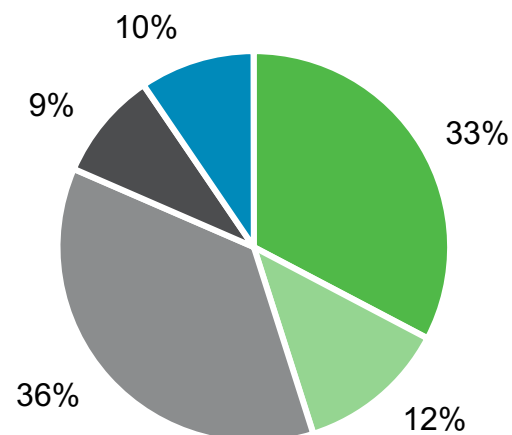
Market position
#1–2 Services

Orders received by customer segment



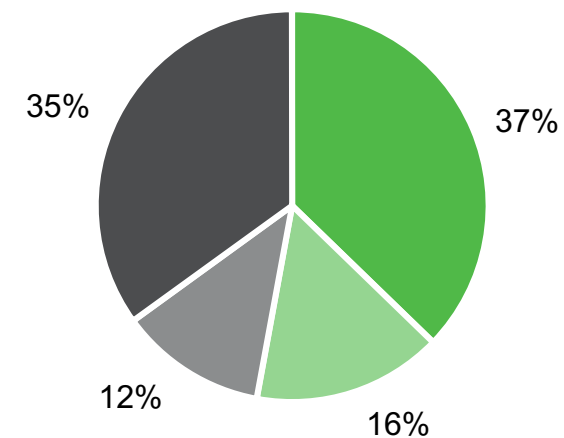
- Board
- Paper
- Tissue
- Pulp
- Energy

Orders received by area



- North America
- South America
- EMEA
- China
- Asia-Pacific

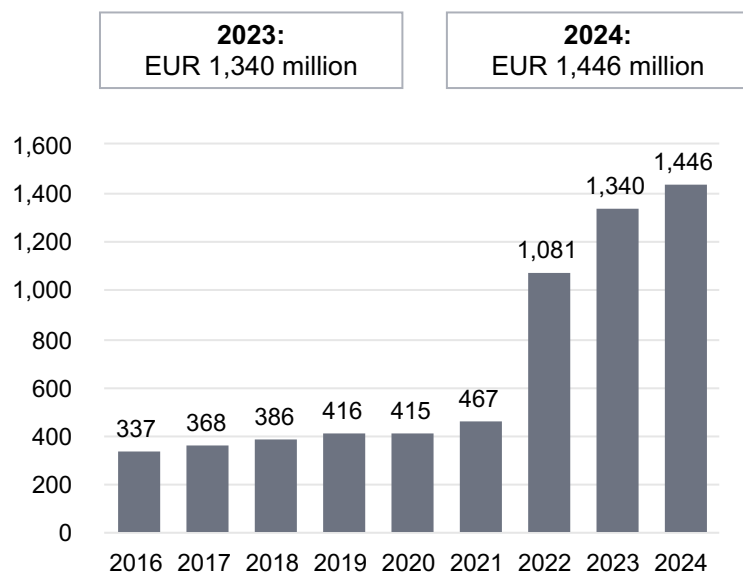
Orders received by business



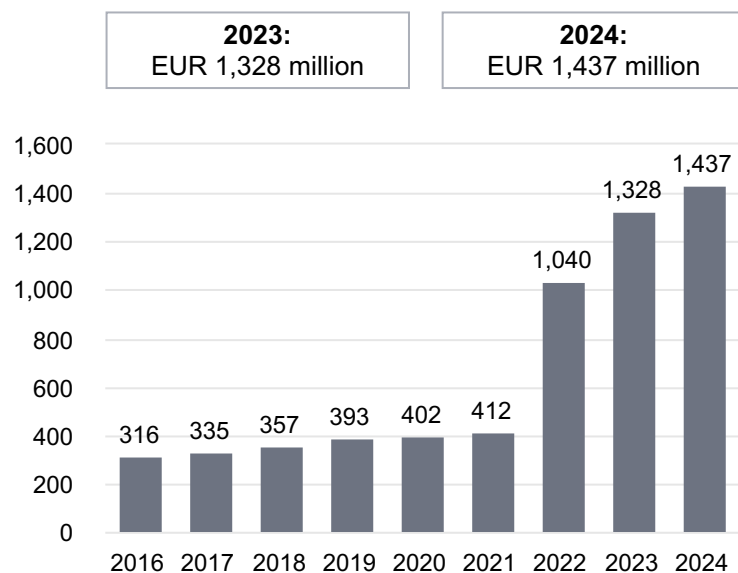
- Performance parts
- Rolls
- Fabrics
- Mill improvement projects and field services

Automation: Orders received increased to EUR 1.4 billion in 2024

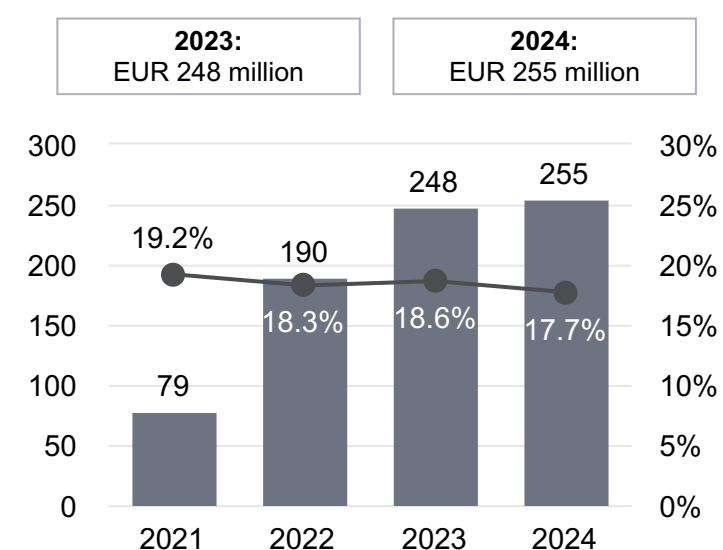
Orders received (EUR million)



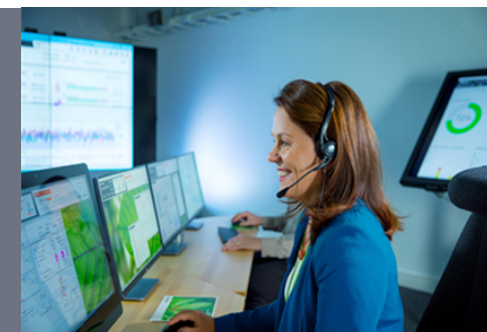
Net sales (EUR million)



Comparable EBITA (EUR million and % of net sales)



- Orders received increased compared with 2023
 - Orders received increased in Automation Systems, and remained at the previous year's level in Flow Control compared with 2023
 - 60 percent of Automation's orders received came from outside pulp and paper industry in 2024 (55% in 2023)
- Net sales increased compared with 2023
- Comparable EBITA remained at the previous year's level compared with 2023



Flow Control business line in 2024

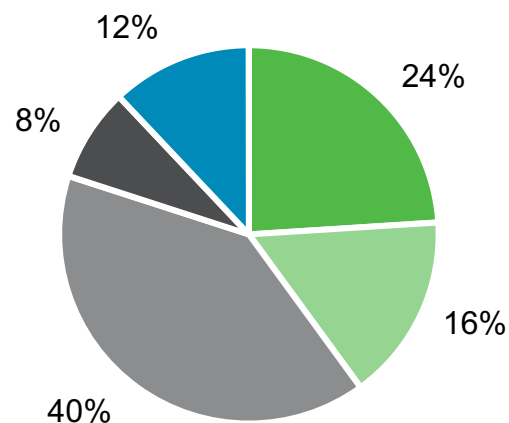
Orders received
EUR 763 million

Net sales
EUR 791 million

Employees
2,883

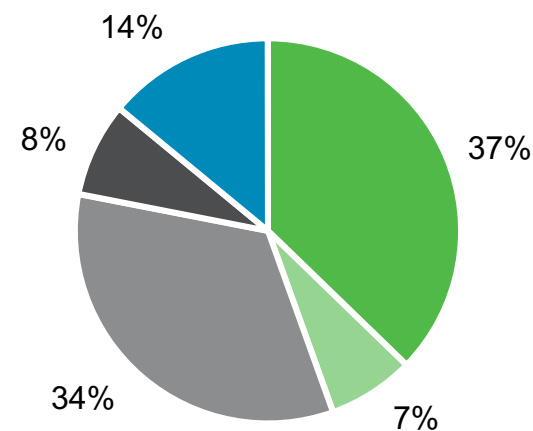
Market position
#1 Pulp and Paper
#1–2 Industrial Gases
Top 10 Refining and
Chemicals

Orders received by customer industry



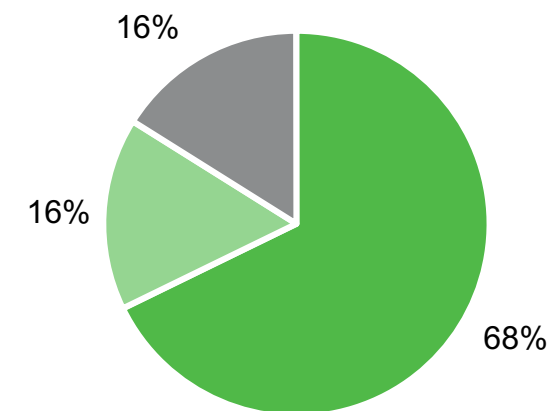
- Pulp and Paper
- Renewable energy & Gases
- Refining & Chemicals
- Metals & Mining
- Other industries

Orders received by area



- North America
- South America
- EMEA
- China
- Asia-Pacific

Orders received by business



- MRO & Services
- Valve controls & actuators
- Projects

Automation Systems business line in 2024

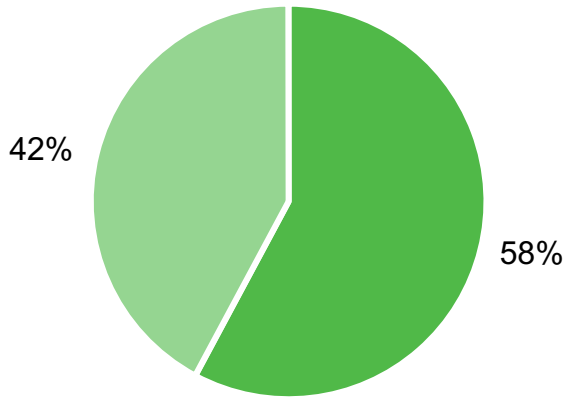
Orders received
EUR 683 million

Net sales
EUR 646 million

Employees
2,565

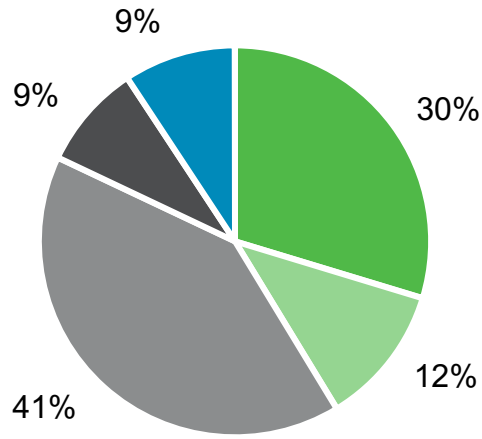
Market position
#1–2 Pulp and Paper
#2–4 Energy and Process

Orders received by industry



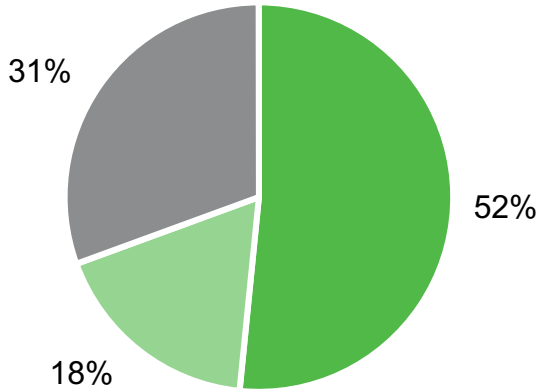
■ Pulp and Paper
■ Energy and Process

Orders received by area



■ North America
■ South America
■ EMEA
■ China
■ Asia-Pacific

Orders received by product



■ Distributed Control Systems and Industrial Applications
■ Quality Management Systems
■ Analyzers and measurements (incl. API*)

New installments and competitor replacements 50%

Service 50%

Mercer International selects Valmet DNAe for their digitalization journey

- Mercer International has selected Valmet DNAe Distributed Control System (DCS) for its ongoing pulp mill renewal in Canada
- The system enables efficient operations through
 - better data utilization with built-in cybersecurity
 - improved collaboration and benchmarking globally
 - intuitive user experience with efficient workflows
- The agreement strengthens Valmet's position as a leading automation partner in the pulp & paper industry





Financial development

Q4/2024 in brief

- Orders received increased to close to EUR 2.5 billion
- Net sales remained at the previous year's level and amounted to EUR 1.5 billion
- Comparable EBITA increased to EUR 192 million and margin was 12.6%
- Cash flow provided by operating activities amounted to EUR 178 million
- Gearing was 39%

Key figures

EUR million	Q4/2024	Q4/2023	Change	2024	2023	Change
Orders received	2,463	1,155	>100%	5,837	4,955	18%
Order backlog ¹	4,452	3,973	12%	4,452	3,973	12%
Net sales	1,528	1,499	2%	5,359	5,532	-3%
Comparable EBITA	192	183	5%	609	619	-2%
% of net sales	12.6%	12.2%	0.4 pp	11.4%	11.2%	0.2 pp
EBITA	173	172	0%	557	605	-8%
Operating profit (EBIT)	150	148	1%	449	507	-11%
% of net sales	9.8%	9.9%	-0.1 pp	8.4%	9.2%	-0.8 pp
Adjusted earnings per share, EUR ²	0.60	0.65	-8%	1.93	2.28	-15%
Earnings per share, EUR	0.53	0.56	-4%	1.52	1.94	-22%
Comparable ROCE ³				12.7%	14.5%	-1.8 pp
Cash flow provided by operating activities	178	123	44%	554	352	57%
Net debt to EBITDA ratio				1.55	1.46	
Gearing ¹				39%	40%	-0.5 pp

Items affecting comparability: EUR -19 million in Q4/2024 (EUR -10 million in Q4/2023) and EUR -53 million in 2024 (EUR -14 million in 2023).

1) At the end of period

2) Adjusted earnings per share excludes the impact of fair value adjustments arising from business combinations, net of tax

3) Comparable return on capital employed (ROCE) before taxes

Process Technologies segment key figures

Q4 2024 in brief

EUR million	Q4/2024	Q4/2023	Change
Orders received	1,541	432	>100%
Net sales	537	615	-13%
Comparable EBITA	15	25	-40%
% of net sales	2.8%	4.1%	-1.3 pp

- Orders received increased to EUR 1,541 million
 - Orders received included the order for a complete pulp mill to Brazil
 - Orders received of Tissue Converting, which was integrated into Valmet in the beginning of November 2023, amounted to EUR 56 million (EUR 40 million)
 - Changes in FX rates decreased orders received by approximately EUR 49 million
- Net sales decreased to EUR 537 million
 - Tissue Converting's net sales amounted to EUR 56 million (EUR 50 million)
- Comparable EBITA decreased to EUR 15 million and the margin was 2.8%
 - Comparable EBITA was impacted by lower net sales



Services segment key figures

Q4 2024 in brief

EUR million	Q4/2024	Q4/2023	Change
Orders received	479	404	19%
Net sales	567	508	12%
Comparable EBITA	112	91	24%
% of net sales	19.8%	17.9%	2.0 pp

- Orders received increased to EUR 479 million
 - Orders received from Tissue Converting, amounted to EUR 33 million (EUR 21 million)
 - Changes in FX rates decreased orders received by approximately EUR 4 million
- Net sales increased to EUR 567 million
 - Tissue Converting's net sales amounted to EUR 37 million (EUR 26 million)
 - Changes in FX rates decreased net sales by approximately EUR 5 million
- Comparable EBITA increased to EUR 112 million and margin increased to 19.8%
 - Net sales increase had a positive impact on the Comparable EBITA

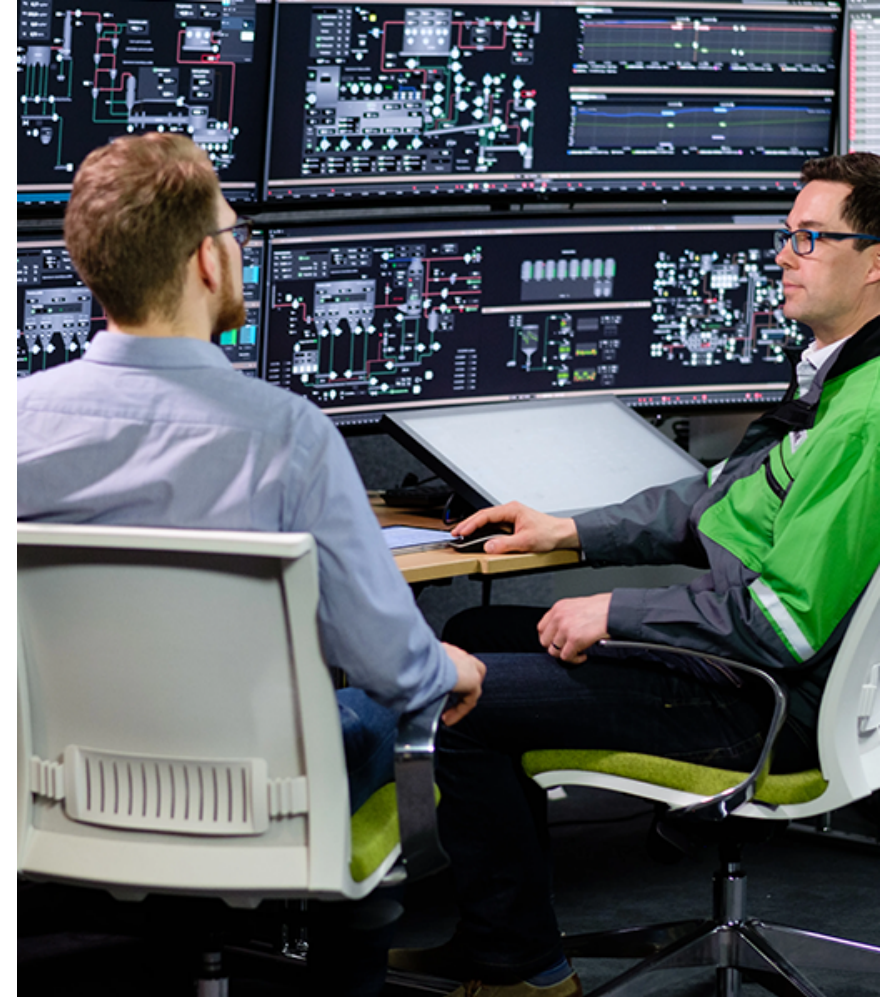


Automation segment key figures

Q4 2024 in brief

EUR million	Q4/2024	Q4/2023	Change
Orders received	443	319	39%
Net sales	424	375	13%
Comparable EBITA	81	79	2%
% of net sales	19.1%	21.1%	-2.0 pp

- Orders received increased to EUR 443 million
 - Orders received included an order for a complete pulp mill with full-scope automation to Brazil
 - Orders received from the acquired business Analyzer Products and Integration amounted to EUR 43 million
 - Changes in FX rates decreased orders received by approximately EUR 2 million
- Net sales increased to EUR 424 million
 - Net sales from the acquired business Analyzer Products and Integration amounted to EUR 49 million
 - Changes in FX rates did not have a material impact on net sales
- Comparable EBITA remained at previous year's level and amounted to EUR 81 million and the margin decreased to 19.1%
 - Comparable EBITA margin decreased from the high margin in comparison quarter, partly due to integration of Analyzer Products and Integration



Segment key figures

Orders received, EUR million	Q4/2024	Q4/2023	Change	2024	2023	Change
Services	479	404	19%	1,915	1,760	9%
Automation	443	319	39%	1,446	1,340	8%
Process Technologies	1,541	432	>100%	2,477	1,856	33%
Total	2,463	1,155	>100%	5,837	4,955	18%

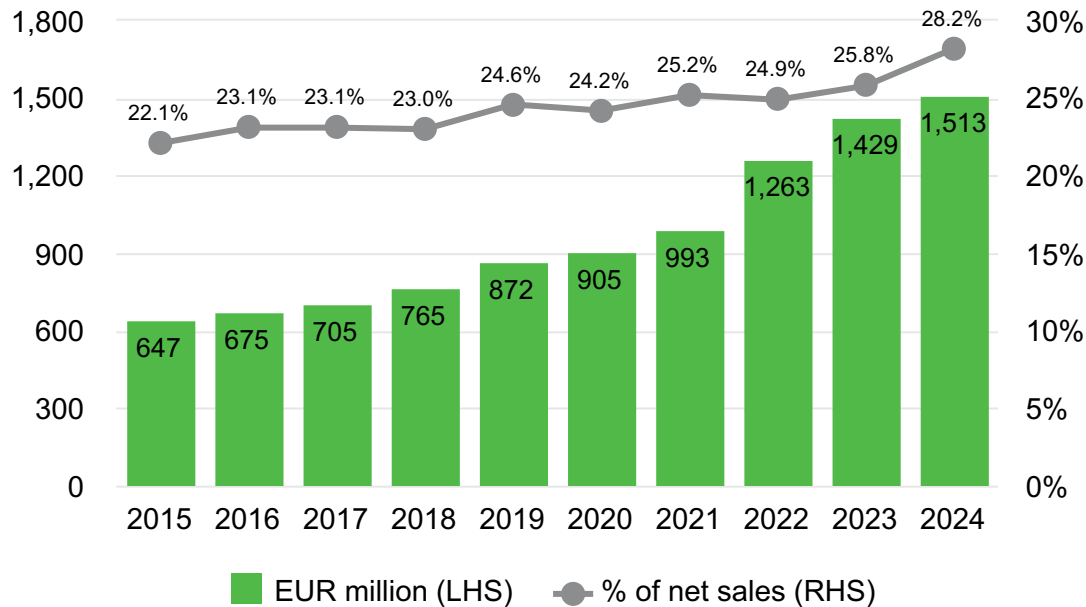
Net sales, EUR million	Q4/2024	Q4/2023	Change	2024	2023	Change
Services	567	508	12%	1,900	1,784	7%
Automation	424	375	13%	1,437	1,328	8%
Process Technologies	537	615	-13%	2,023	2,420	-16%
Total	1,528	1,499	2%	5,359	5,532	-3%

Comparable EBITA, EUR million	Q4/2024	Q4/2023	Change	2024	2023	Change
Services	112	91	24%	331	312	6%
Automation	81	79	2%	255	248	3%
Process Technologies	15	25	-40%	73	110	-34%
Other	-17	-13	31%	-49	-50	-2%
Total	192	183	5%	609	619	-2%

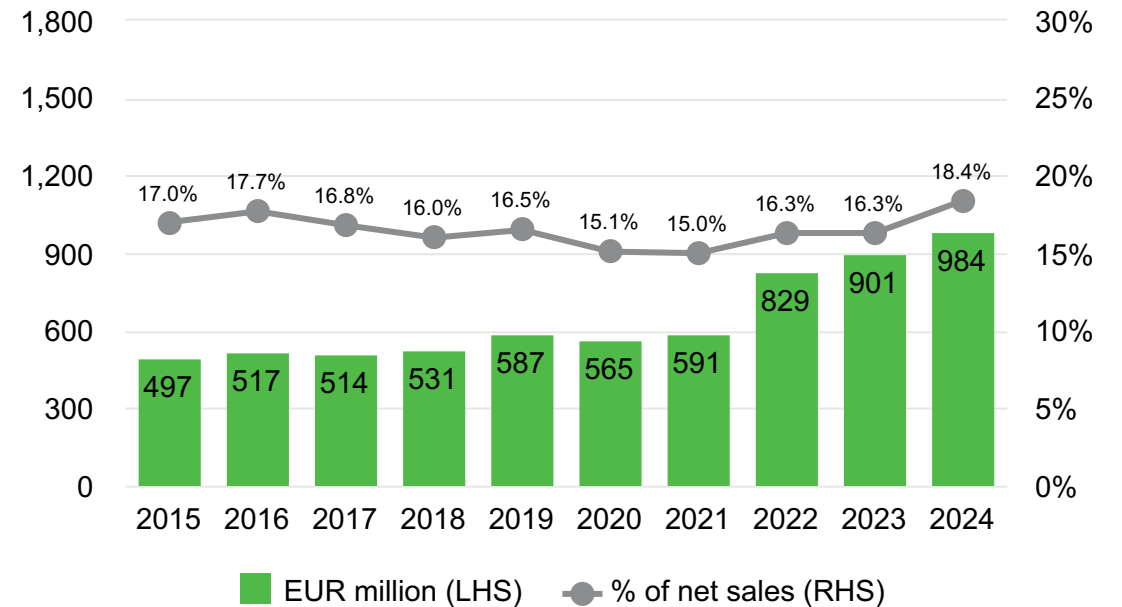
Comparable EBITA margin, % of net sales	Q4/2024	Q4/2023	Change	2024	2023	Change
Services	19.8%	17.9%	2.0 pp	17.4%	17.5%	-0.1 pp
Automation	19.1%	21.1%	-2.0 pp	17.7%	18.6%	-0.9 pp
Process Technologies	2.8%	4.1%	-1.3 pp	3.6%	4.5%	-0.9 pp
Total	12.6%	12.2%	0.4 pp	11.4%	11.2%	0.2 pp

Comparable gross profit and SG&A expenses development

Comparable gross profit
(EUR million and % of net sales)



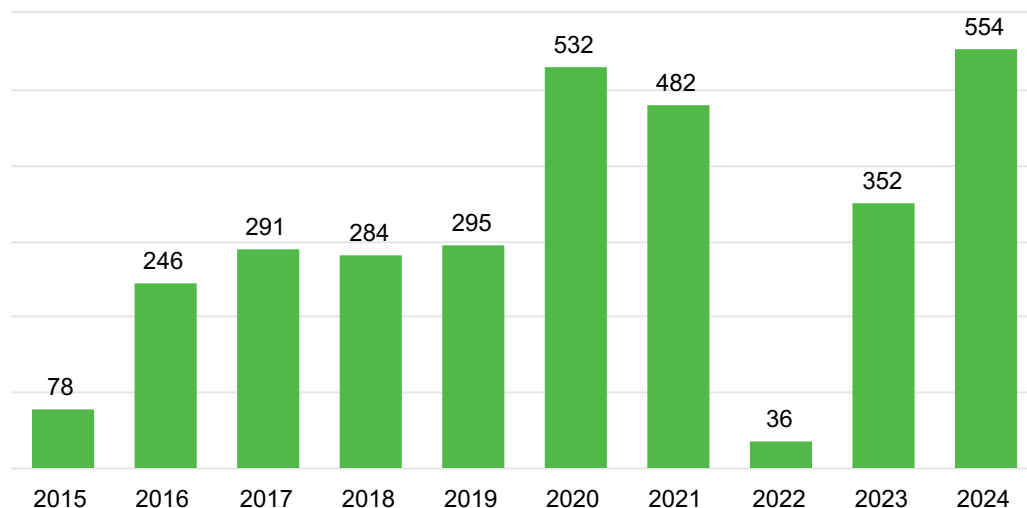
Comparable SG&A expenses
(EUR million and % of net sales)



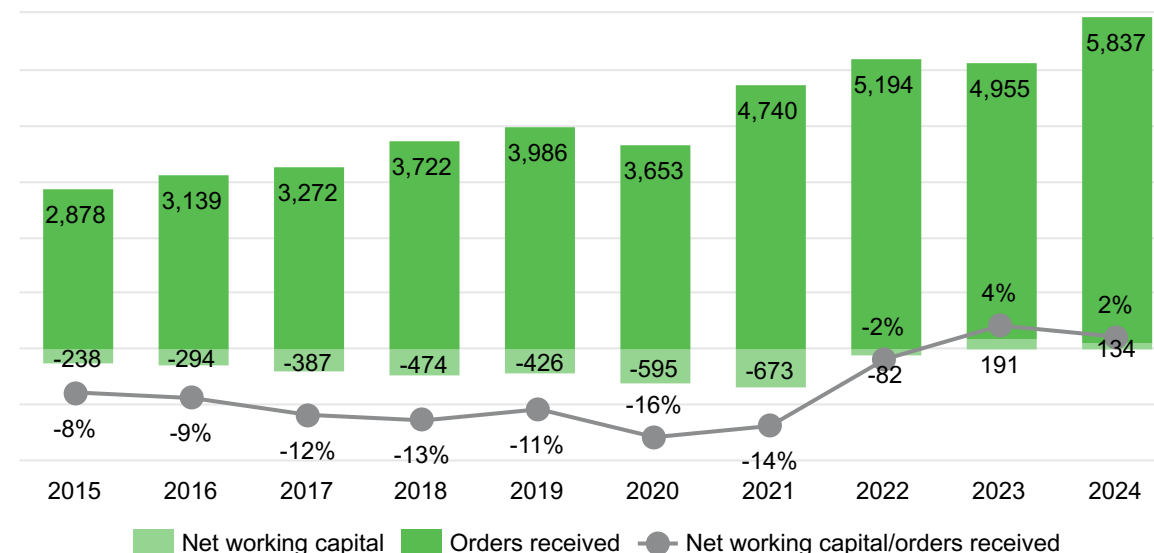
- Comparable gross profit was 28.0% of net sales in Q4/2024 (26.4% in Q4/2023)
 - Stable business represented 65% of net sales (59% in Q4/2023)
- Comparable SG&A expenses remained at the previous year's level in Q4/2024 compared with Q4/2023
 - Comparable SG&A expenses were 16.1% of net sales in Q4/2024 (16.1% in Q4/2023)

Cash flow provided by operating activities and Net working capital

Cash flow provided by operating activities (EUR million)



Net working capital and orders received (EUR million)



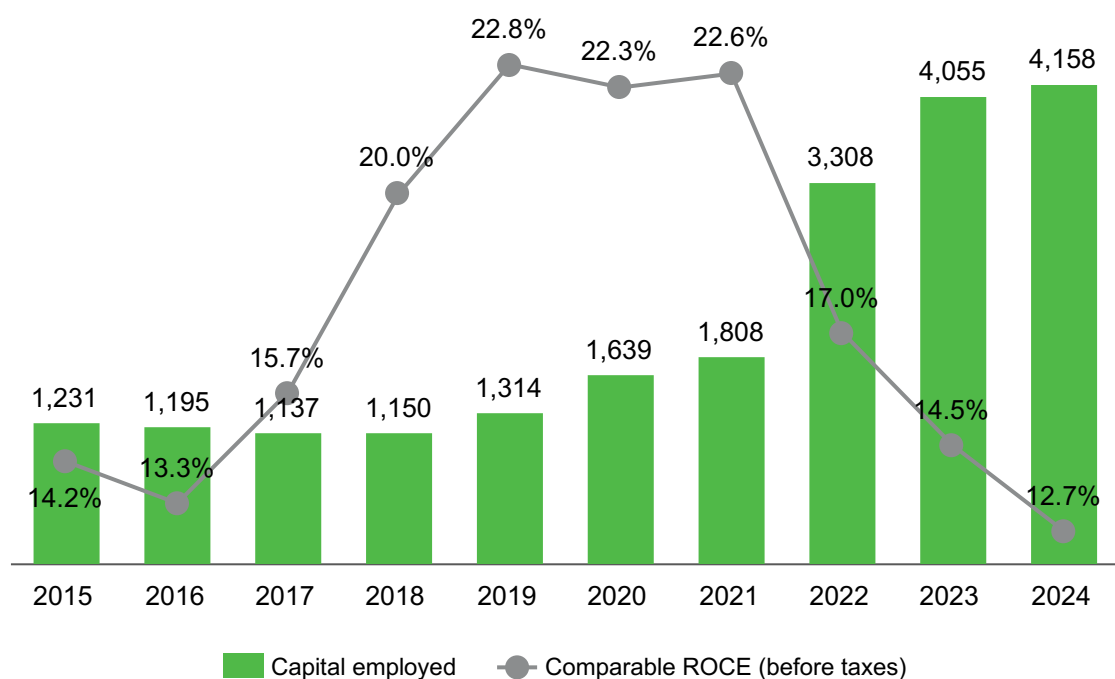
- Cash flow provided by operating activities amounted to EUR 554 million in 2024
- CAPEX¹ amounted to EUR -107 million (EUR -125 million) in 2024
- Net working capital amounted to EUR 134 million (EUR 191 million), which equals 2% (4%) of last 12 months orders received
 - Compared to year 2021, Valmet's net working capital has increased mainly in capital business and due to integration of Flow Control and Tissue Converting into Valmet
 - Today, Valmet's orders received contain more stable business, which typically ties up more net working capital than capital business

Valmet implemented IFRS 16 – Leases as of January 1, 2019 by applying the simplified transition method and therefore 2018 figures are not restated.

1) Excluding business combinations and right-of-use assets.

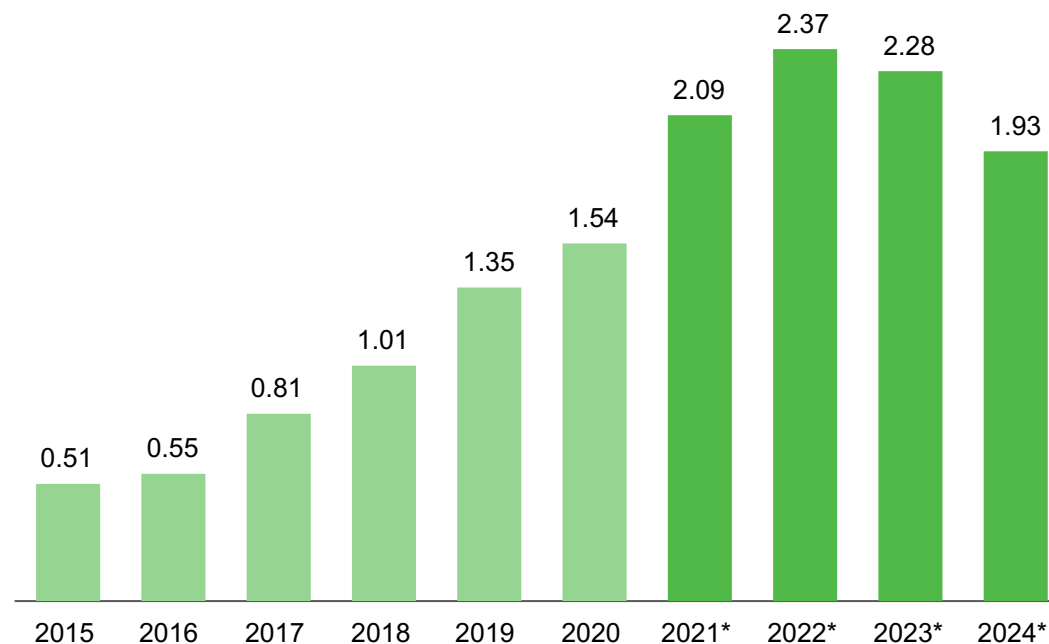
Capital employed, Comparable ROCE and EPS

Capital employed (EUR million) and Comparable return on capital employed (ROCE), before taxes (%)



- The acquisitions of Analyzer Products and Integration in 2024 and Tissue Converting in 2023 and the integration of Flow Control into Valmet in 2022 have increased capital employed

Earnings per share (EPS) and Adjusted EPS, EUR



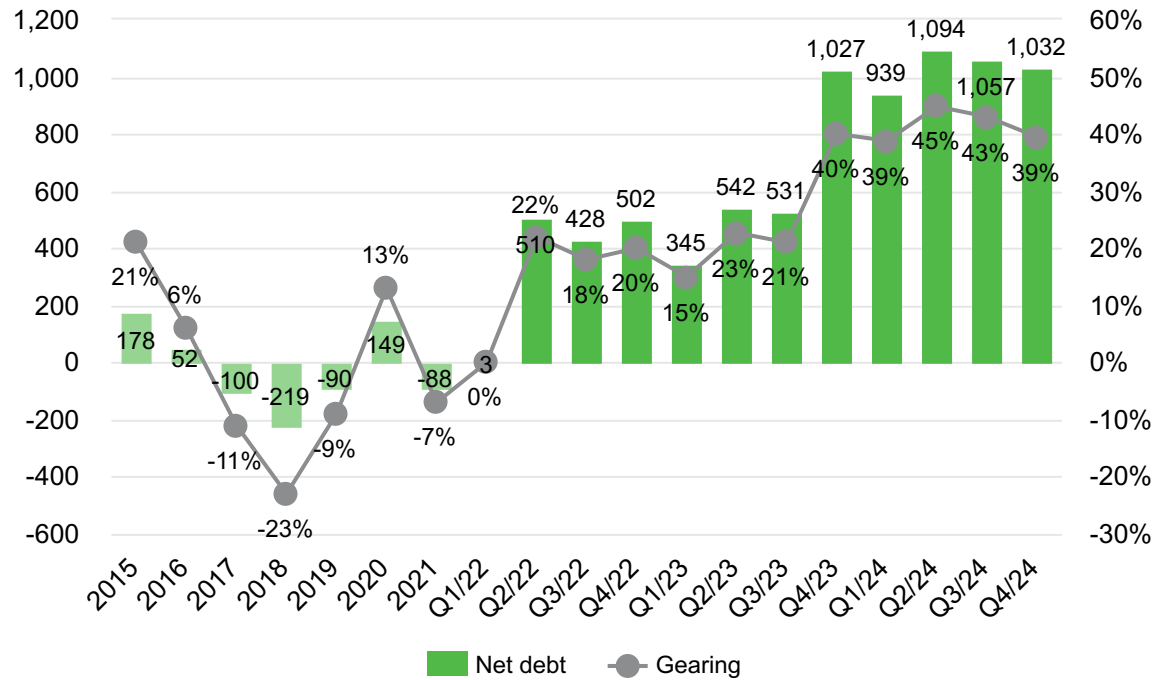
- Adjusted EPS decreased compared with 2023 mainly due to lower operating profit and higher net financial expenses

Valmet implemented IFRS 16 – Leases as of January 1, 2019 by applying the simplified transition method, and IFRS 15 – Revenue from Contracts with Customers as of January 1, 2018 by applying full retrospective method. Thus, figures presented are not fully comparable.

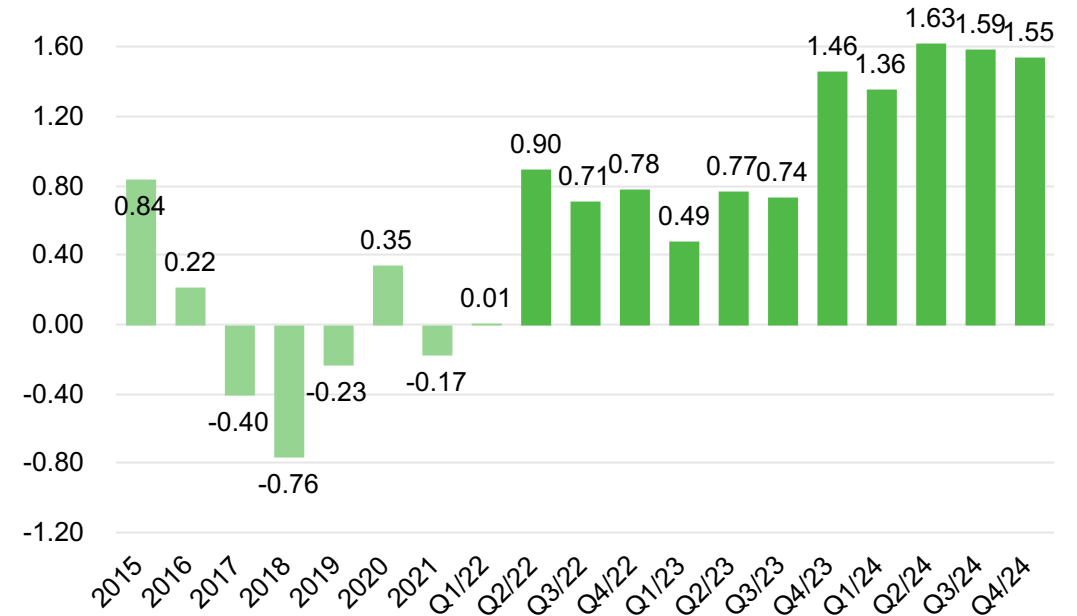
*Adjusted EPS. Adjusted earnings per share is an alternative performance measure that excludes the impact of fair value adjustments arising from business combinations, net of tax.

Net debt remained at the previous quarter's level

Net debt (EUR million) and gearing (%)



Net debt to EBITDA* ratio



- Net debt remained at the previous quarter's level and gearing decreased to 39% compared with Q3/2024
- Net debt to EBITDA* ratio remained at the previous quarter's level compared with Q3/2024
- The average interest rate of Valmet's total debt was 4.0% at the end of 2024
- Net financial expenses amounted to EUR 65 million in 2024 (EUR 34 million in 2023)

Valmet implemented IFRS 16 – Leases as of January 1, 2019 by applying the simplified transition method and therefore 2018 figures are not restated.

*Last twelve months (LTM) EBITDA



Dividend proposal, guidance and short-term market outlook

Dividend proposal

Dividend policy

- Dividend payout at least 50% of net profit

Board of Directors' proposal to the Annual General Meeting

- EUR 1.35 dividend per share, which represents 89% payout ratio
- The dividend shall be paid in two installments

Guidance and short-term market outlook

Guidance for 2025

Guidance



Valmet estimates that net sales in 2025 will remain at the previous year's level in comparison with 2024 (EUR 5,359 million) and Comparable EBITA in 2025 will remain at the previous year's level in comparison with 2024 (EUR 609 million).

Short-term market outlook

Process Technologies

Valmet estimates that the customer activity will remain stable. It is typical that customers' large investment decisions can have a major impact on the market activity.

Services

Valmet estimates that the customer activity is gradually improving, but the capacity utilization rates and profitability levels of customers cause uncertainty to the short-term market outlook.

Automation

Valmet estimates that the customer activity will remain stable.

The short-term market outlook is given for January–June 2025 compared with October–December 2024. It is Valmet's estimate of the customer activity and should not be interpreted as guidance for Valmet's orders received.

Q&A

Annual General Meeting

March 26, 2025

www.valmet.com/investors

Interim Review, January– March 2025

April 23, 2025

www.valmet.com/investors

Capital Markets Day

June 5, 2025

www.valmet.com/investors

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