



Valmet – unique offering to support a growing market

Roadshow presentation  
February 2025

# Agenda

## Valmet roadshow presentation

- 1 Valmet in brief
- 2 Investment highlights
- 3 Financial targets and acquisitions
- 4 Q4/2024 and 2024 financials, guidance and short-term market outlook



# Valmet in brief

# Valmet's offering is unique and the widest in the market

## Board and tissue

- Board, paper and tissue production lines
- Tissue converting
- Rebuilds
- Machine sections

## Pulp

- Wood and pulp handling
- Fiber processing
- Recovery

## Energy

- Heat and power generation
- Air emission control
- Pyrolysis solutions

## Services

- Spare parts and components
- Production consumables
- Maintenance and shutdown services
- Process support and optimization
- Outsourcing services

## Process Technologies

Customer

## Automation Systems

- Distributed Control Systems (DCS)
- Quality Management Systems (QMS)
- Analyzers and measurements
- Industrial Internet solutions

## Flow Control

- Valves
- Valve controllers
- Valve automation

Services

Automation



# We have strong market positions

## Process technologies



### Board and Tissue

Market position

**#1-2**

Market share

Board	Tissue
<b>50-60%</b>	<b>~35%</b>



### Pulp and Energy

Market position

Pulp	Energy
<b>#1</b>	<b>#1-3</b>

Market share

Pulp	Energy
<b>~70%</b>	<b>~25%</b>

## Services



Market position

**#1-2**

Market share

**~21%**

## Automation



### Flow Control

Market position

Pulp and paper	Industrial gases
<b>#1-2</b>	<b>#1-2</b>

Refining & Chemicals  
**Top 10**



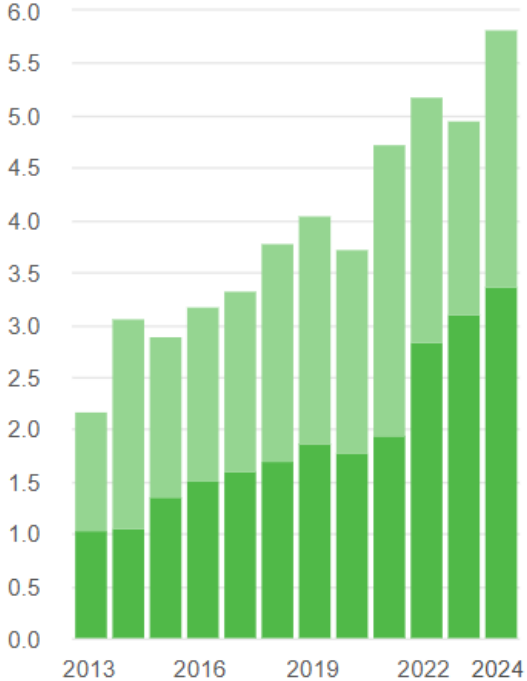
### Automation Systems

Market position

Pulp and paper	Energy and process
<b>#1-2</b>	<b>#2-4</b>

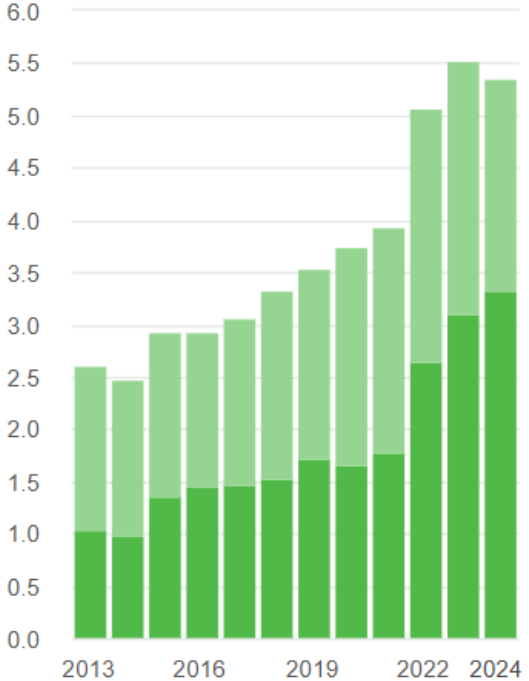
# Valmet's development since 2013

Orders received  
(EUR billion)



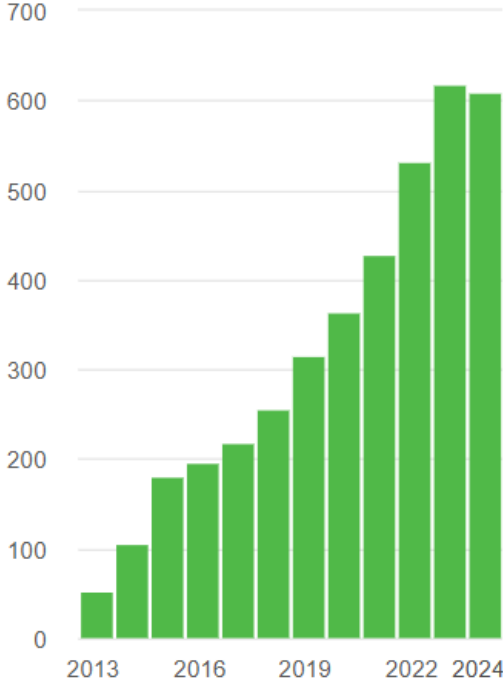
Process Technologies segment  
Services and Automation segments

Net sales  
(EUR billion)



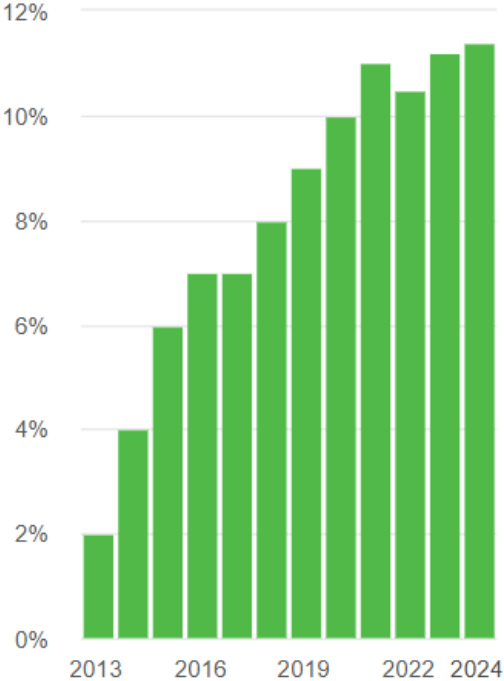
Process Technologies segment  
Services and Automation segments

Comparable EBITA  
(EUR million)



Comparable EBITA

Comparable EBITA margin  
(%)



Comparable EBITA margin

2013 figures on carve-out basis.  
2013–2020 figures have not been restated to reflect the new segment reporting structure which Valmet implemented as of January 1, 2022.



# Valmet's key figures

2024

**Orders received**  
EUR 5,837 million

**Net sales**  
EUR 5,359 million

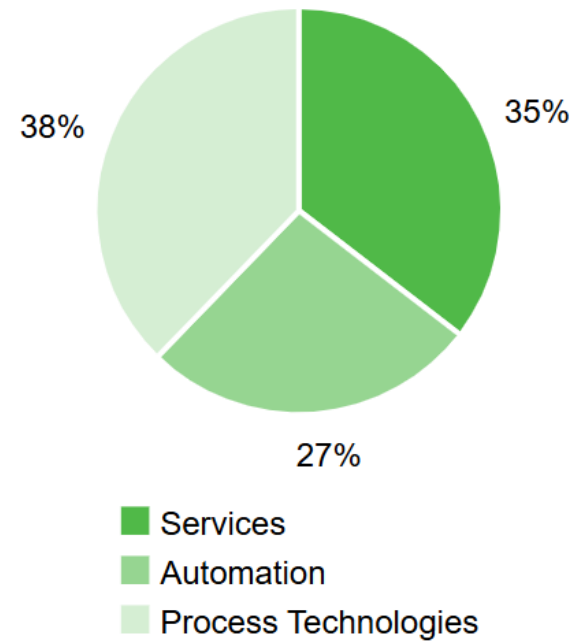
**Comparable EBITA**  
EUR 609 million

**Comparable EBITA margin**  
11.4%

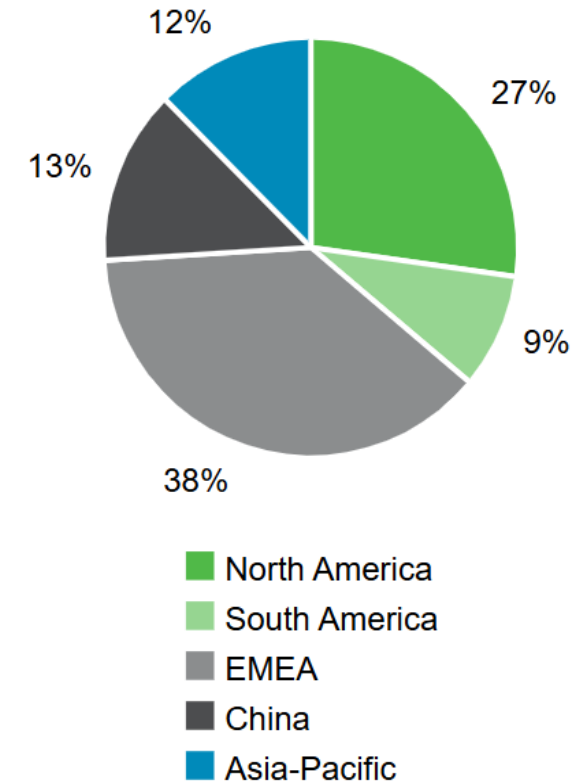
**Order backlog**  
EUR 4,452 million

**Employees**  
19,310

Net sales by segment



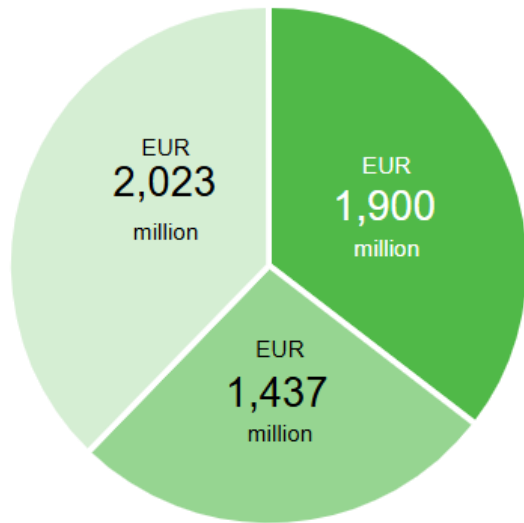
Net sales by area



# Valmet has three strong segments

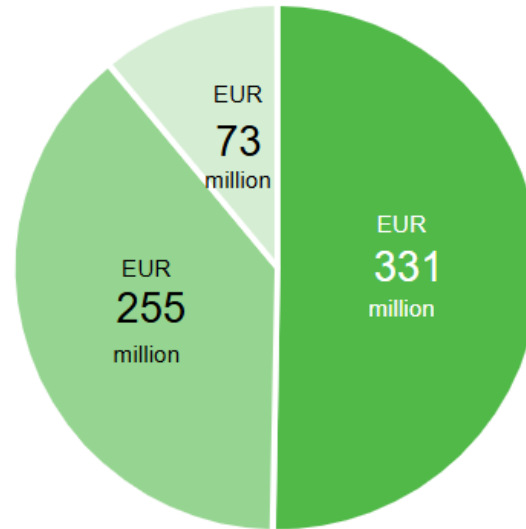
2024 figures

### Net sales



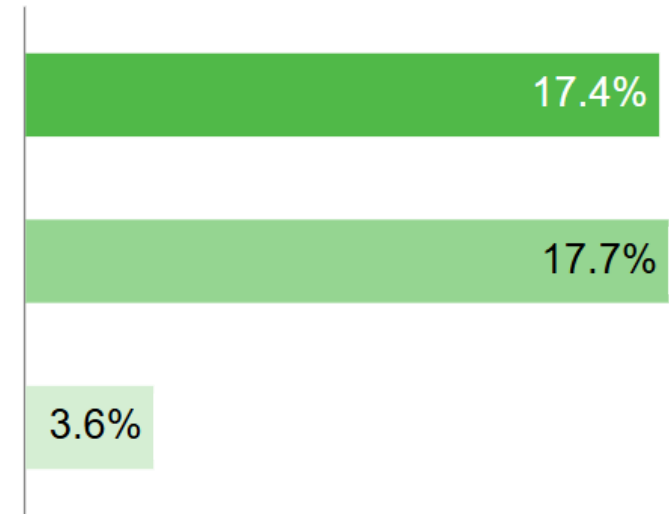
- Services
- Automation
- Process Technologies

### Comparable EBITA (excl. Other)



- Services
- Automation
- Process Technologies

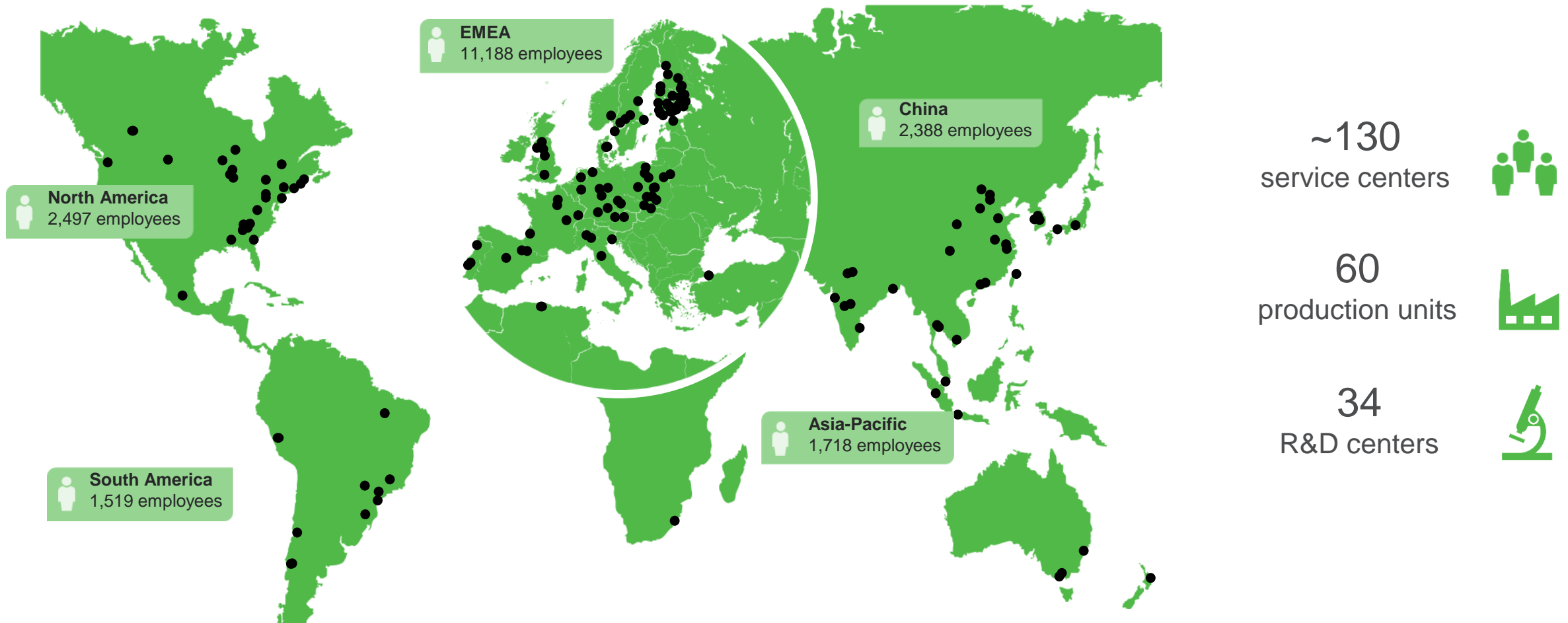
### Comparable EBITA margin (excl. Other)



- Services
- Automation
- Process Technologies



# Global presence creating a good platform for growth in Services and Automation



# Valmet's R&D is aiming to address global megatrends

## R&D focus areas

- Promotion of renewable materials
- Raw material, water and energy efficiency
- Emission reductions
- Circularity
- Productivity and environmental improvements with digitalization

**34**

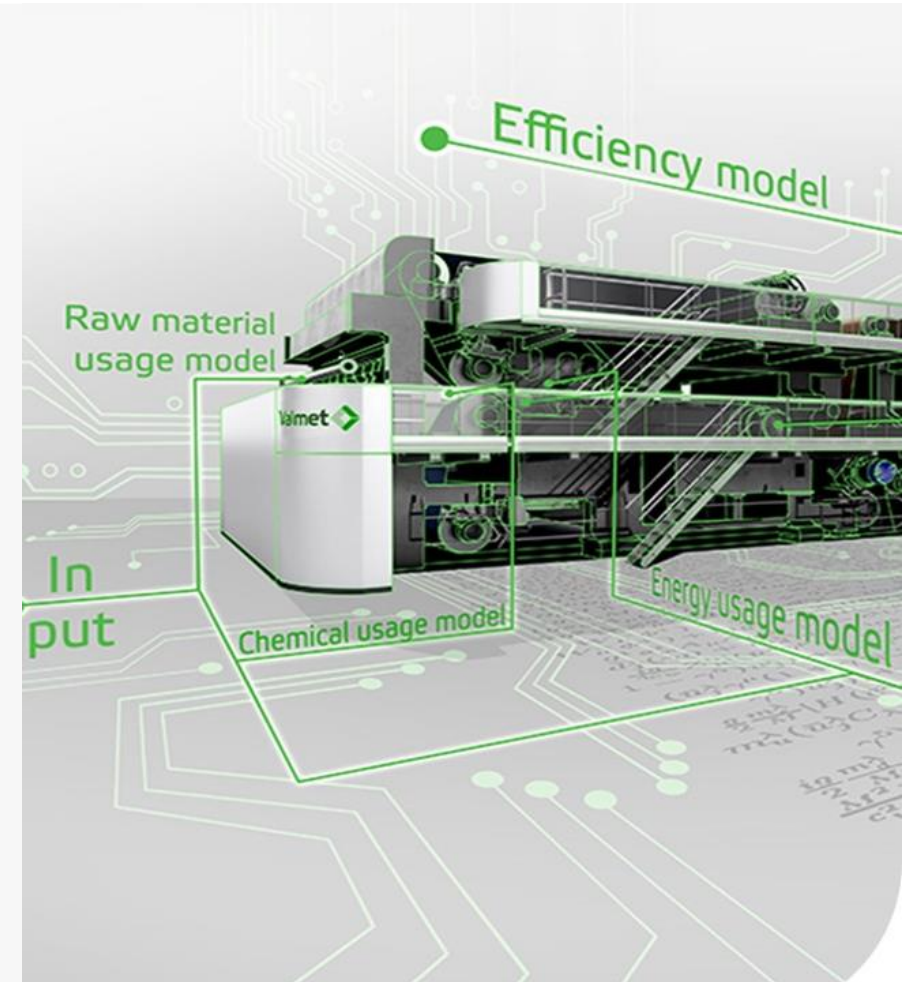
research and  
development centers



EUR **123** million  
R&D spending  
in 2024



**~1,500**  
protected  
inventions



# Acknowledged leader in sustainability

360° approach to sustainability across value chain

## Good sustainability ratings

- In Dow Jones Sustainability Index for the tenth consecutive year
- AAA rating in the MSCI ESG Ratings assessment 2024
- A rating in CDP's climate program ranking 2024



Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA



# Valmet's Climate Program has progressed well

The target to enable carbon neutral production for pulp and paper industry customers achieved seven years ahead of schedule

## Targets by 2030 for the entire value chain

### SUPPLY CHAIN

**- 20%**

CO<sub>2</sub> emission reduction<sup>1</sup>

- First, 30 most relevant suppliers in terms of CO<sub>2</sub> emissions were engaged to the program
- Today already ~90 suppliers engaged
- All key and main suppliers of physical goods, around 150 suppliers, will be engaged by the end of 2024.

<sup>1</sup>) Baseline 2019

### OWN OPERATIONS

**- 80%**

CO<sub>2</sub> emission reduction<sup>1</sup>

- Emissions from fuels, heating, and electricity in Valmet's offices and production units have decreased by 41 percent
- During 2023, all electricity in Finland and Sweden, representing 60 percent of Valmet's total consumption, was purchased as carbon neutral

### USE PHASE OF VALMET'S TECHNOLOGIES

**- 20%**

Further reduced energy use of Valmet's current technologies

- Continuous R&D work to further enhance energy efficiency of existing technology offering

**100%**

Carbon neutral production process for pulp and paper industry customers

- We have reached this target seven years ahead of schedule



# Investment highlights

# Valmet's investment highlights

- 1 Unique offering to support a growing market
- 2 Process Technologies segment benefiting from the growing demand for bio-based products and energy
- 3 EUR 3.4 billion recurring and steadily growing stable business
- 4 Services segment's demand driven by large and growing global installed base
- 5 Automation segment with high growth and profitability
- 6 Future growth possibilities from new sustainable innovations

# Unique offering to support a growing market

## Unique offering

Competitive advantage from the widest offering in the market



## Strong market drivers

### Process Technologies

- E-commerce and global trade
- Renewable materials replacing plastic packaging
- Conversions from paper to board
- Energy transition and CO<sub>2</sub> neutral energy production
- Energy supply security
- Tightening air emissions legislation and stricter directives

### Services

- Large and aging global installed base
- Customers' CO<sub>2</sub> reduction targets
- Energy and resource efficiency
- Productivity and end-product quality
- Digitalization, remote services and industrial internet

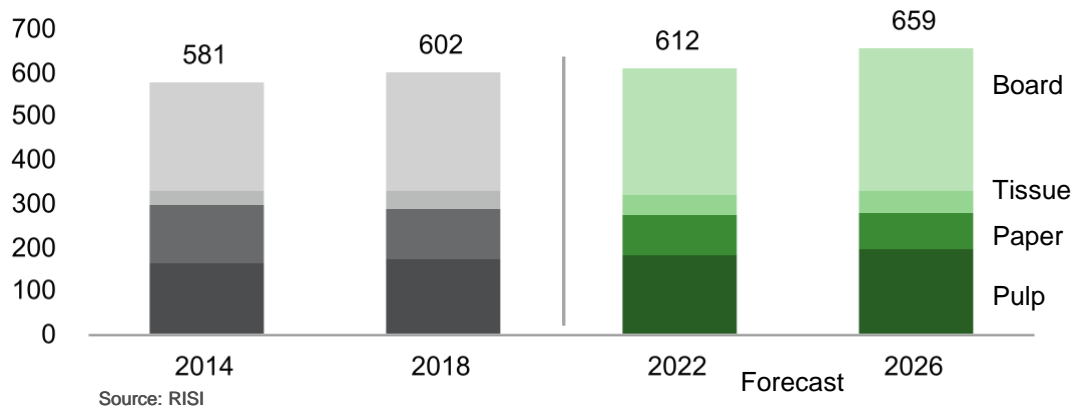
### Automation

- Automation and digitalization are global megatrends
- Aging machines and installed automation systems
- Demand for raw material savings, process efficiencies and sustainability
- Customers' demands on safety, reliability and emissions

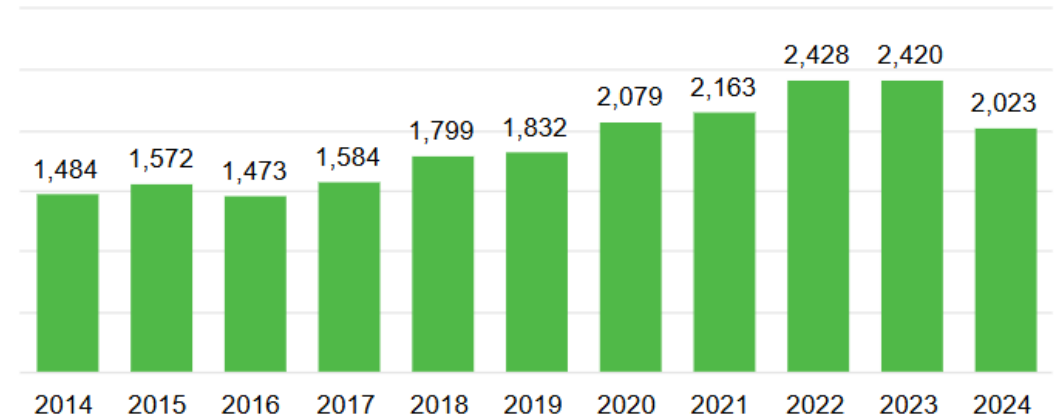
# Process Technologies segment benefiting from the growing demand for bio-based products and energy

- New pulp and paper capacity is needed as demand for bio-based products continues to grow
- Energy transition creates a growing market for Valmet's energy offering
- Large old and inefficient installed base generates a significant replacement market for Valmet
- Strong business model with large prepayments and low capacity costs
- Comparable EBITA margin 3.6% (2024)

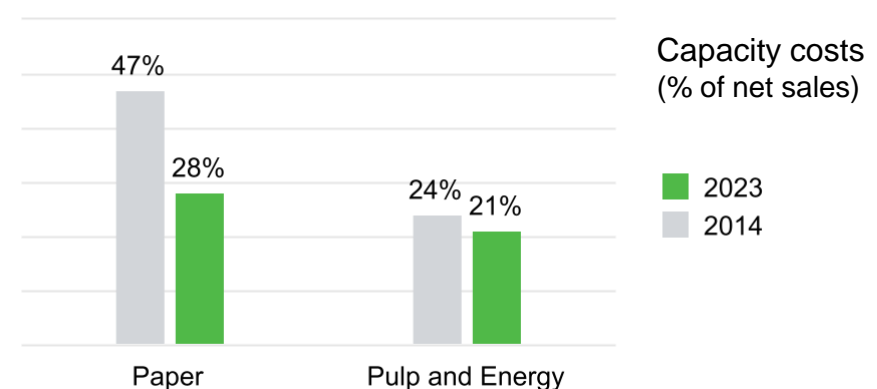
## Demand for pulp and paper continues to grow (Global demand, Mton)



## Net sales (EUR million)



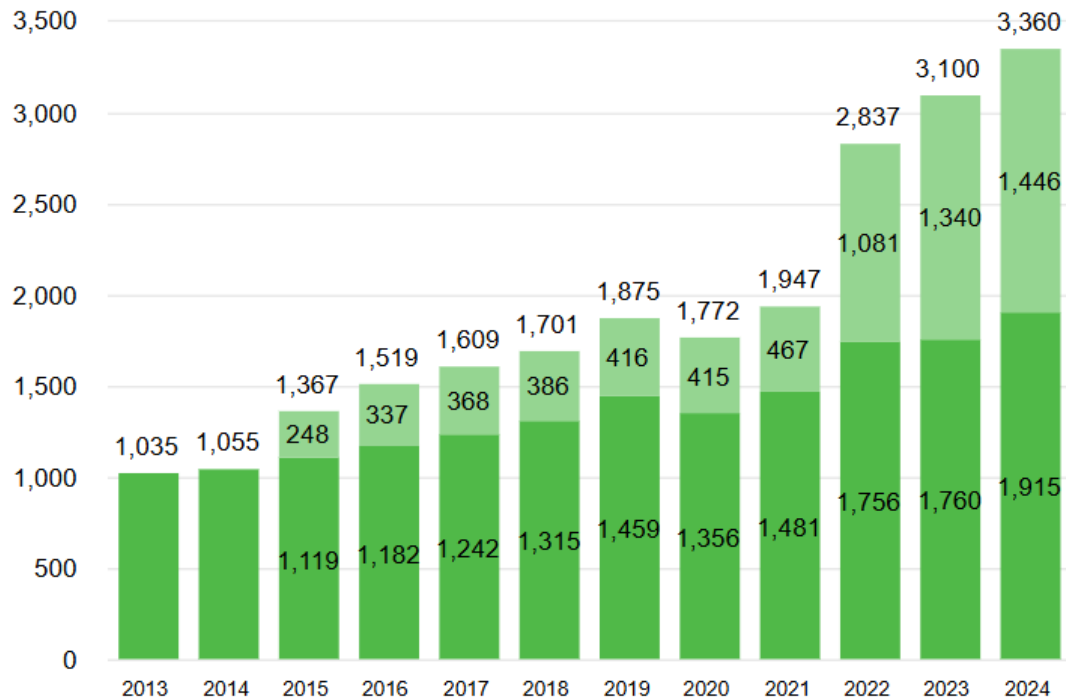
## Valmet's operational efficiency has increased





# EUR 3.4 billion recurring and steadily growing stable business

Orders received  
(EUR million)



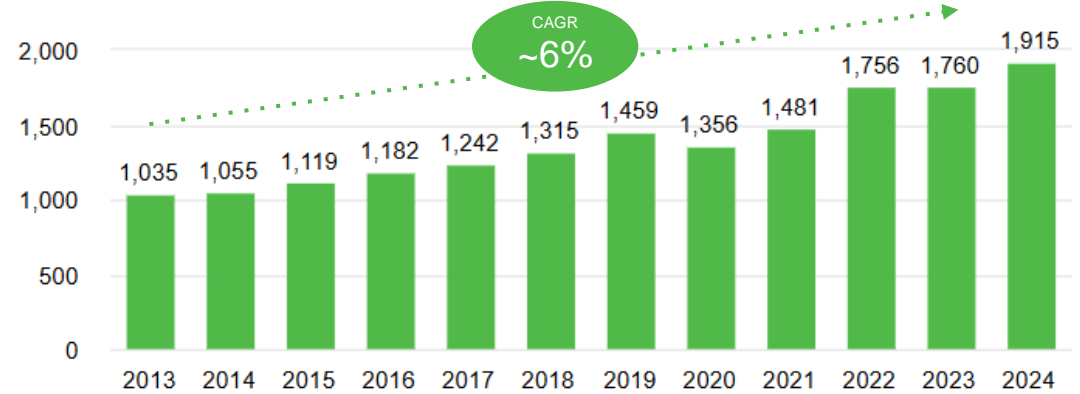
Figures in dark green for Valmet Services segment, light green for Valmet Automation segment.  
2013-2020 figures have not been restated.

- Valmet's stable business has grown steadily since 2014
- Future growth possibilities are supported by favorable megatrends
- Stable business provides resilience to business cycles and makes Valmet's order intake less cyclical

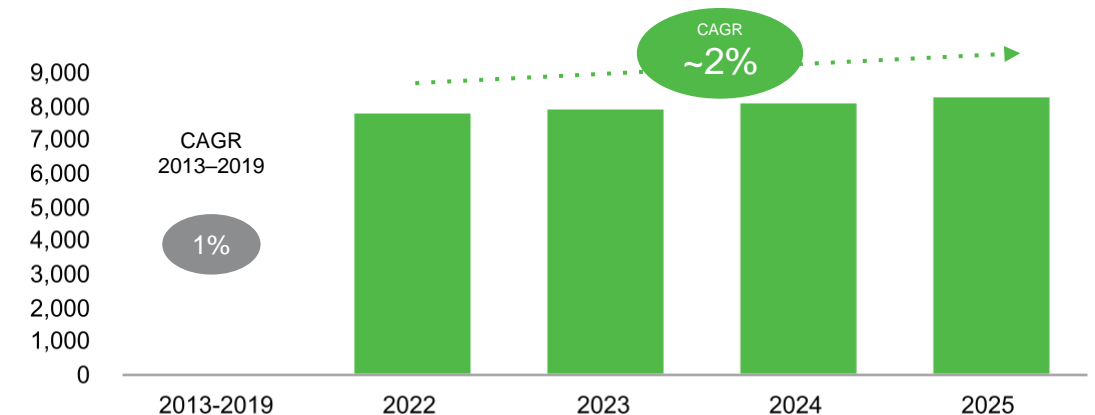
# Services segment's demand driven by large and growing global installed base

- Valmet's Services is a growing and recurring business
- Demand driven by large and growing global installed base
- Roughly EUR 8 billion addressable market estimated to grow 2% annually
- Target to continue to grow over two times the market growth
- Competitive advantage from the widest offering in the market
- Strong presence in all market areas covering all key customer corporations
- Solid track record for growth
- Comparable EBITA margin 17.4% (2024)

Orders received (EUR million)



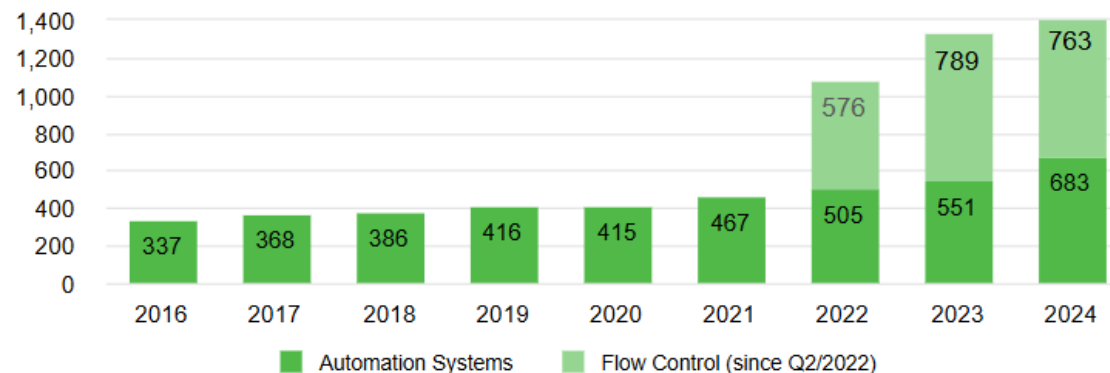
Service market development and estimate (EUR million)



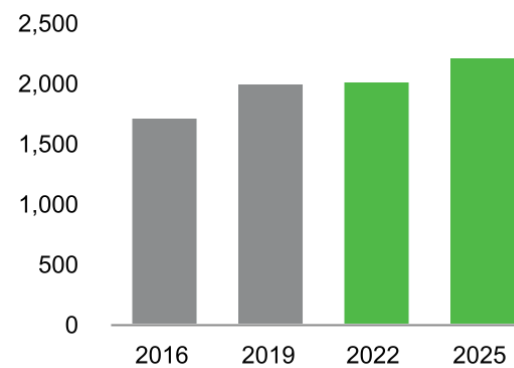
# Automation segment with high growth and profitability

- Valmet's Automation is a growing and recurring business
- Large addressable target market estimated to grow ~3% annually
- Target to continue to grow over two times the market growth
- Sustainability, digitalization and targets for operational efficiency drive the market for Automation Systems
- Flow control market for critical valves and valve automation has barriers of entry enabling solid profitability for leading players
- Opportunities to grow outside the core pulp and paper industry organically and through M&A
- Comparable EBITA margin 17.7% (2024)

Orders received (EUR million)

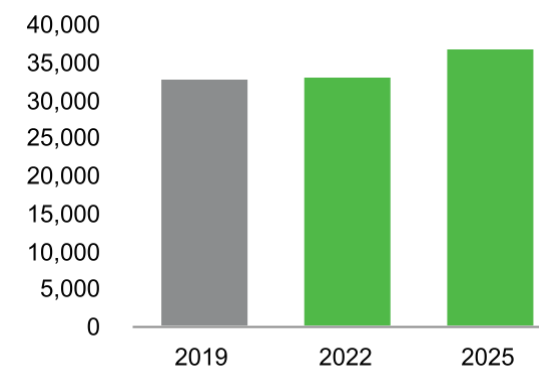


Automation Systems target market (EUR million)



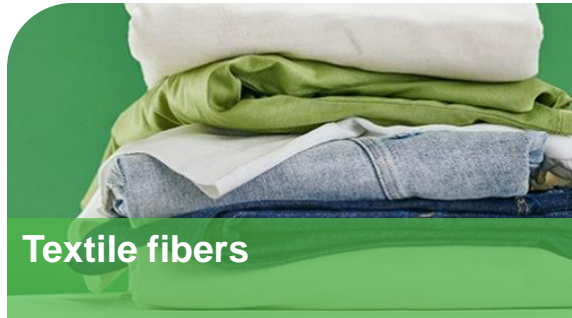
Source: ARC 2021-2026 material

Flow Control market (EUR million)

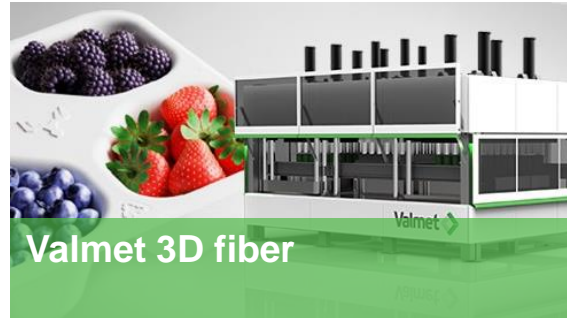


Source: Frost & Sullivan

# Future growth possibilities from new sustainable innovations



- Technology to produce viscose pulp from recycled clothes and other textiles
- Technology for cellulose based textile fiber production



- Next generation of molded fiber
- More efficient production process compared to current solutions
- Produces ready-made 3D packages directly from wet pulp
- High-quality end product could replace plastics in various packaging solutions



- Lignin usage to replace fossil-based carbon in batteries
- Pyrolysis for biochemicals and biofuels production to replace fossil-based fuels



- Solid position to grow in green hydrogen in Flow Control
- Renewal of Automation Systems platform creates opportunities for further growth
- Growth opportunities in energy and process industries in Automation

# Building Valmet on positive megatrends and strategy of renewal and continuous development

Demand for bio-based products and energy continues to grow	New growth opportunities	Steadily growing stable business	Strategy
<ul style="list-style-type: none"><li>• The large pulp and paper market is growing and supported by favorable megatrends and sustainability</li><li>• Energy transition creates a growing market for Valmet's energy offering</li><li>• Valmet has strong market positions and opportunities to increase market share</li></ul>	<ul style="list-style-type: none"><li>• Future growth possibilities from new sustainable innovations</li><li>• Growth opportunities in energy and process industries in Automation</li></ul>	<ul style="list-style-type: none"><li>• EUR 3.4 billion stable business with high margin</li><li>• Stable business has high margins and resilience to market cycles</li><li>• Large and aging installed base generates a significant market</li></ul>	<ul style="list-style-type: none"><li>• Strong track record of successful acquisitions and possibility to continue to invest in selected acquisitions</li><li>• Strategy based on building the future systematically with renewal and continuous improvement</li></ul>



# Financial targets and acquisitions

# Financial targets

## Growth

Net sales for Services and Automation segments to grow over two times the market growth

Net sales for Process Technologies segment to exceed market growth

## Profitability

Comparable EBITA:  
12–14%

## ROCE

Comparable return on capital employed (ROCE) before taxes<sup>1</sup> at least 15%

## Dividend policy

Dividend payout at least 50% of net profit

<sup>1</sup>: Comparable ROCE before taxes = (profit before taxes + interests and other financial expenses +/- items affecting comparability) / (balance sheet total - non-interest-bearing liabilities (average for the period))

# Concrete actions to reach Comparable EBITA target of 12–14% through must-wins

## Customer

- Grow stable business over two times the market growth
- Maintain and improve market share in Process Technologies
- Improve price and sales management

## Technology

- Leverage strong R&D for new product innovations
- Continue to bring advanced technology to the market
- Improve product cost competitiveness

## Processes

- Ensure good project operations to reach a positive margin deviation in projects
- Improve supply chain operations to harvest cost savings
- Manage quality throughout the supply chain to minimize quality costs

## People

- Increase procurement, production and engineering capabilities in cost-competitive countries
- Utilize global training portfolio to strengthen Must-Win execution

Targeting to increase Comparable EBITA margin in all three segments



# Improvement in Comparable EBITA is the biggest driver for ROCE

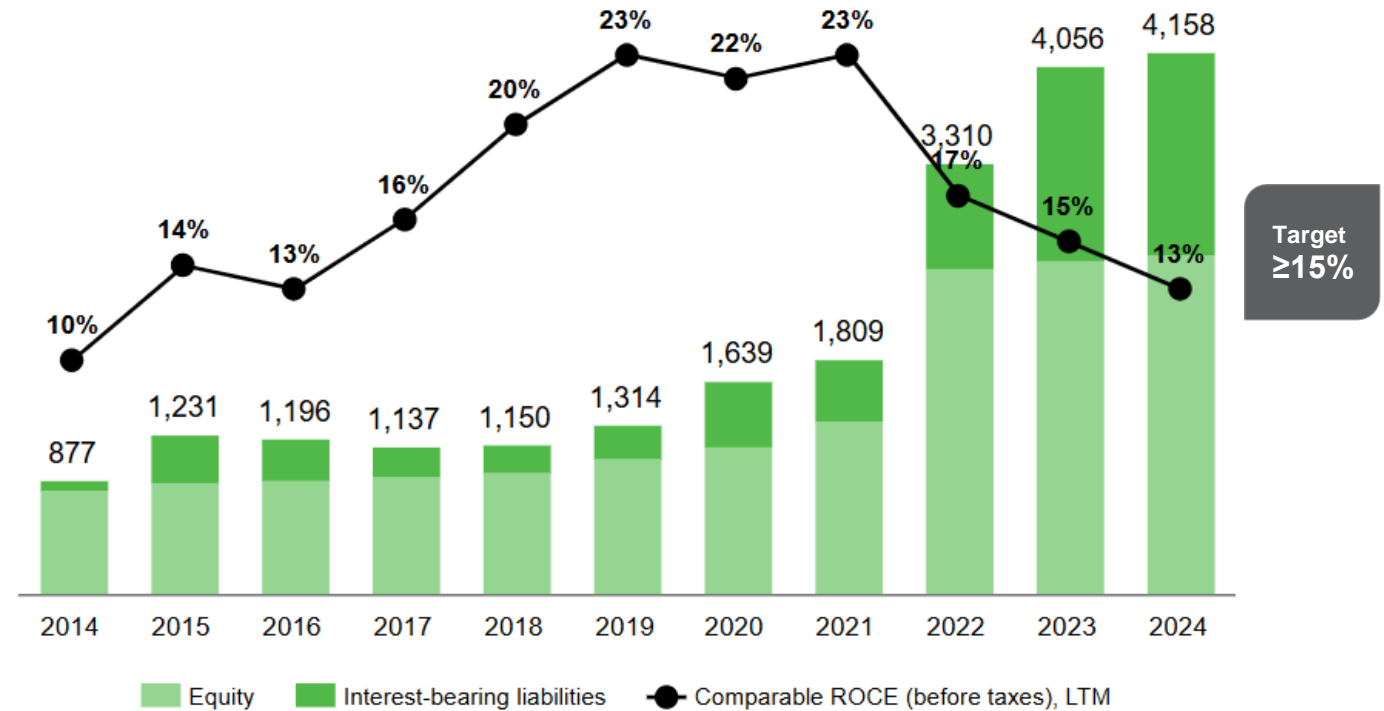
## Main drivers for ROCE:

- Improvement in Comparable EBITA is the biggest driver for ROCE
- Capital employed increased in 2022 due to the Neles merger

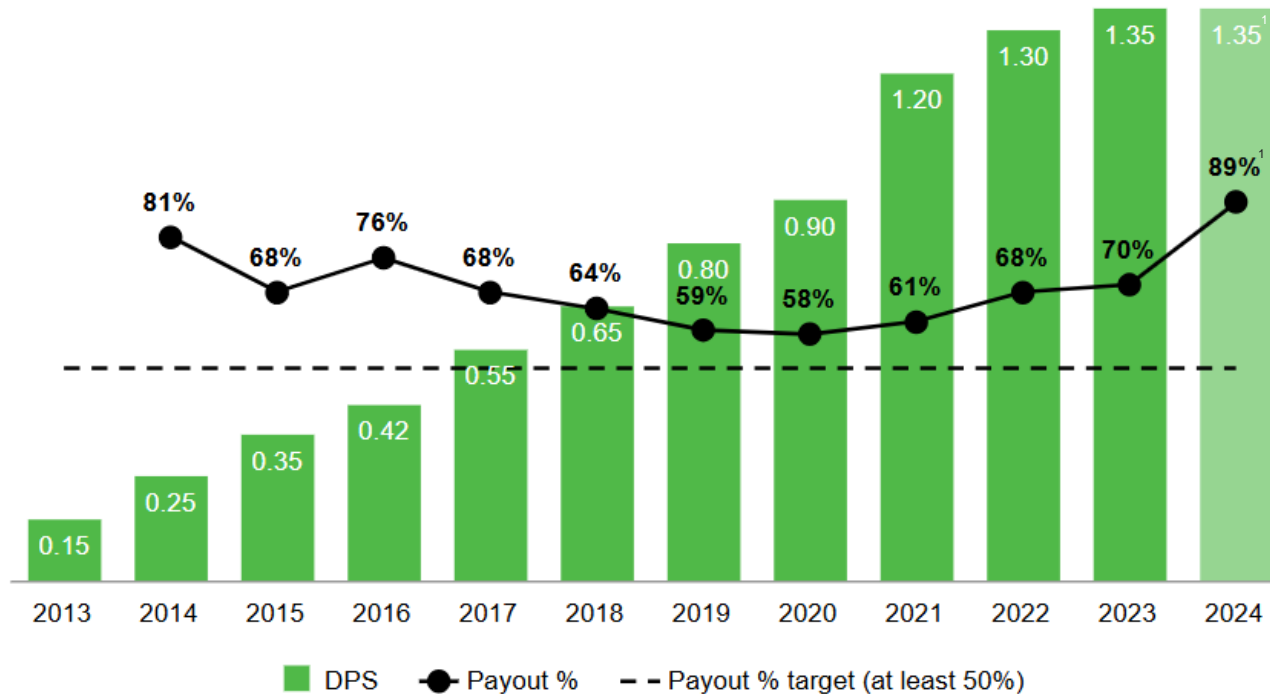
## Track record

Capital employed (EUR million)

Comparable ROCE (% , before taxes)



# Valmet has paid attractive dividend



- Payout target at least 50% of net profit
- Target has been exceeded every year
- Constant dividend growth

Total payout (EUR)  
in dividends since  
2013 (incl. 2023)

**1.3bn**

1: Board of Director's proposal to the Annual General Meeting

# Opportunities to strengthen Services, Automation and Process Technologies segments through acquisitions

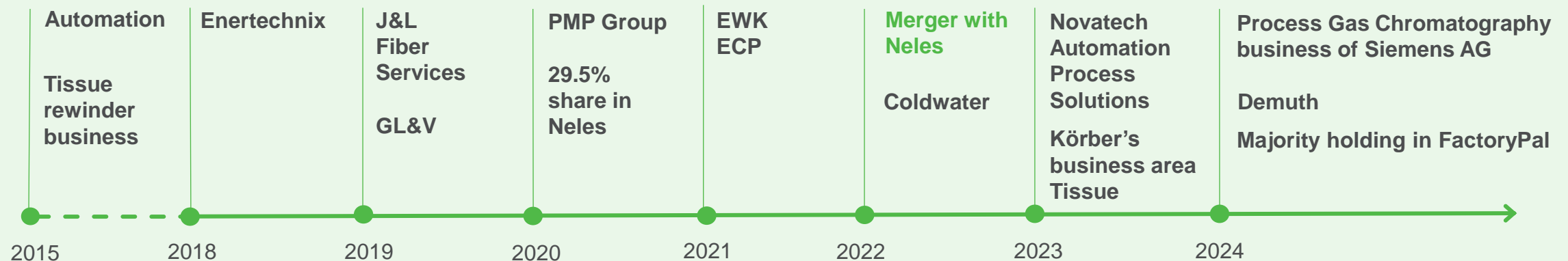
## Strong track record of successful acquisitions

- 14 acquisitions made since becoming an independent company in 2014
- Total investment in acquisitions and in the merger with Neles about EUR 2.5 billion

## Acquisition strategy

- Opportunities to strengthen Services, Automation and Process Technologies segments
- Selective acquisitions with a clear industrial logic and synergies
- Targeting to support Valmet in reaching financial targets
- Approximately 50 cases evaluated annually

## Track record of successful acquisitions





# Q4/2024 and 2024 financials, guidance and short-term market outlook

# Key figures

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

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 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, LTM (last twelve months)

4. Last twelve months (LTM) EBITDA

# 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	343	>100%	2,477	1,856	33%
Total	2,463	1,155	>100%	5,837	4,955	18%

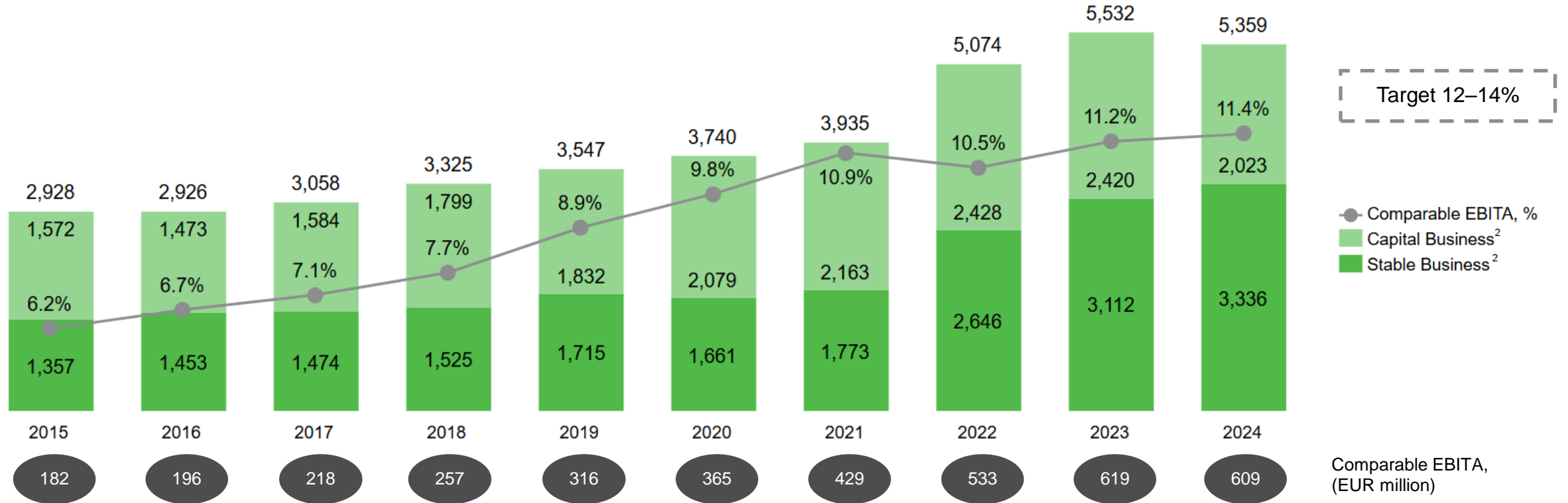
Net sales, EUR million	Q4/2024	Q4/2023	Change	2024	2023	Change
Services	567	508	12%	1,900	1,784	7%
Automation	424	375	13%	1,437	1,328	8%
Process Technologies	537	615	-13%	2,023	2,420	-16%
Total	1,528	1,499	2%	5,359	5,532	-3%

Comparable EBITA, EUR million	Q4/2024	Q4/2023	Change	2024	2023	Change
Services	112	91	0%	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%	0.9 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 EBITA margin development

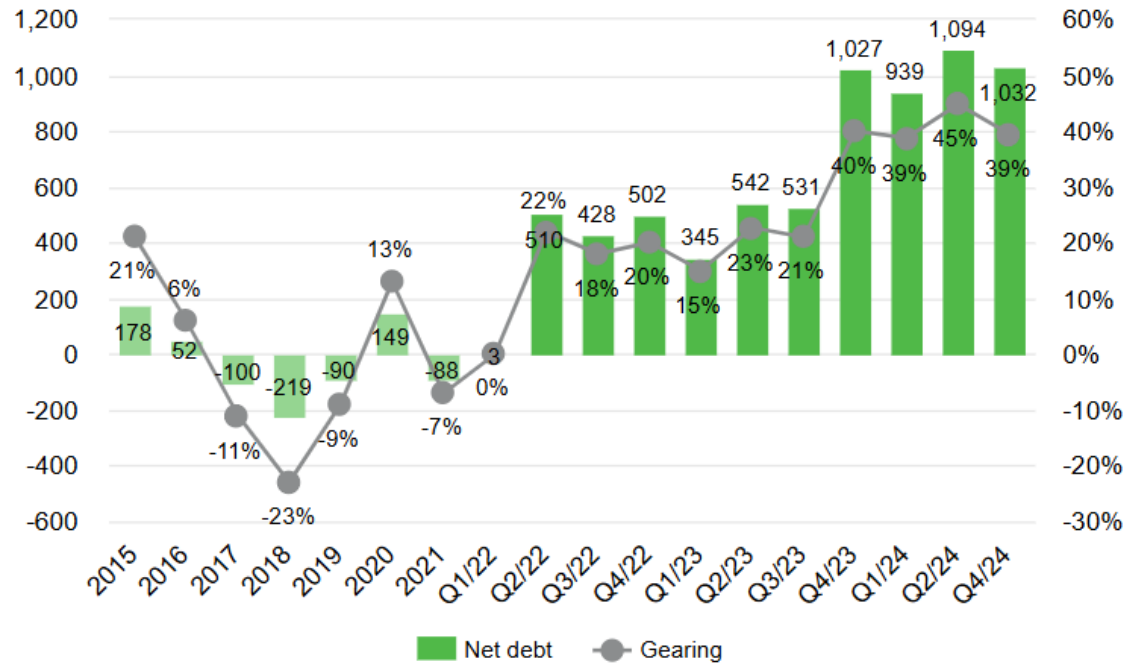
Net sales and Comparable EBITA (EUR million and %)¹



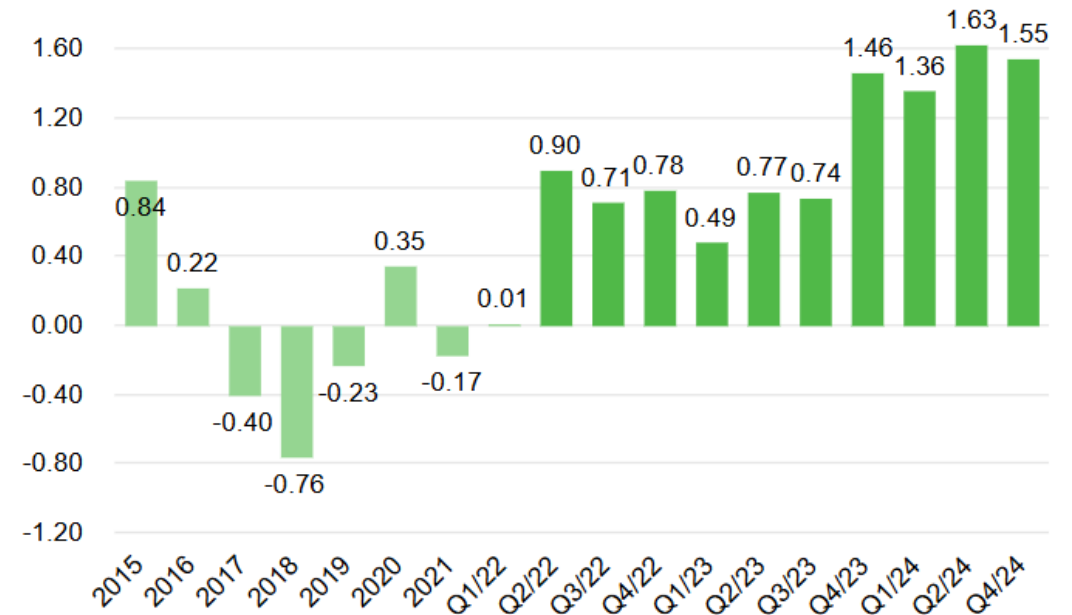
- Valmet implemented IFRS 15 – Revenue from Contracts with Customers as of January 1, 2018 by applying full retrospective method. 2015–2020 figures have not been restated to reflect Valmet's current reporting structure. Thus, figures presented are not fully comparable.
- Services and Automation segments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

# 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 amounted to 39%
- Net debt to EBITDA\* ratio increased compared with Q4/2023
- 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

## 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 (Published on February 13, 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 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.

# Valmet's investment highlights

- 1 Unique offering to support a growing market
- 2 Process Technologies segment benefiting from the growing demand for bio-based products and energy
- 3 EUR 3.4 billion recurring and steadily growing stable business
- 4 Services segment's demand driven by large and growing global installed base
- 5 Automation segment with high growth and profitability
- 6 Future growth possibilities from new sustainable innovations

# Important notice

It should be noted that certain statements herein which are not historical facts, including, without limitation, those regarding expectations for general economic development and the market situation, expectations for growth, profitability and investment willingness, expectations for company development, growth and profitability and the realization of synergy benefits and cost savings, and statements preceded by “anticipates”, “believes”, “estimates”, “expects”, “foresees” or similar expressions, are forward-looking statements. Since these statements are based on current decisions and plans, estimates and projections, they involve risks and uncertainties which may cause the actual results to materially differ from the results currently expressed. Such factors include, but are not limited to:

- 1) general economic conditions, including fluctuations in exchange rates and interest levels which influence the operating environment and profitability of customers of the company or economic growth in the company’s principal geographic markets.
- 2) industry conditions, intensity of competition situation, especially potential introduction of significant technological solutions developed by competitors, financial condition of the customers and the competitors of the company,
- 3) the company’s own operating factors, such as the success of production, product development and project management and the efficiencies therein including continuous development and improvement
- 4) the success of pending and future acquisitions and restructuring.



# Appendix

1 Financials

2 Growth and profitability improvement

3 Shareholders and share price development

4 Offering

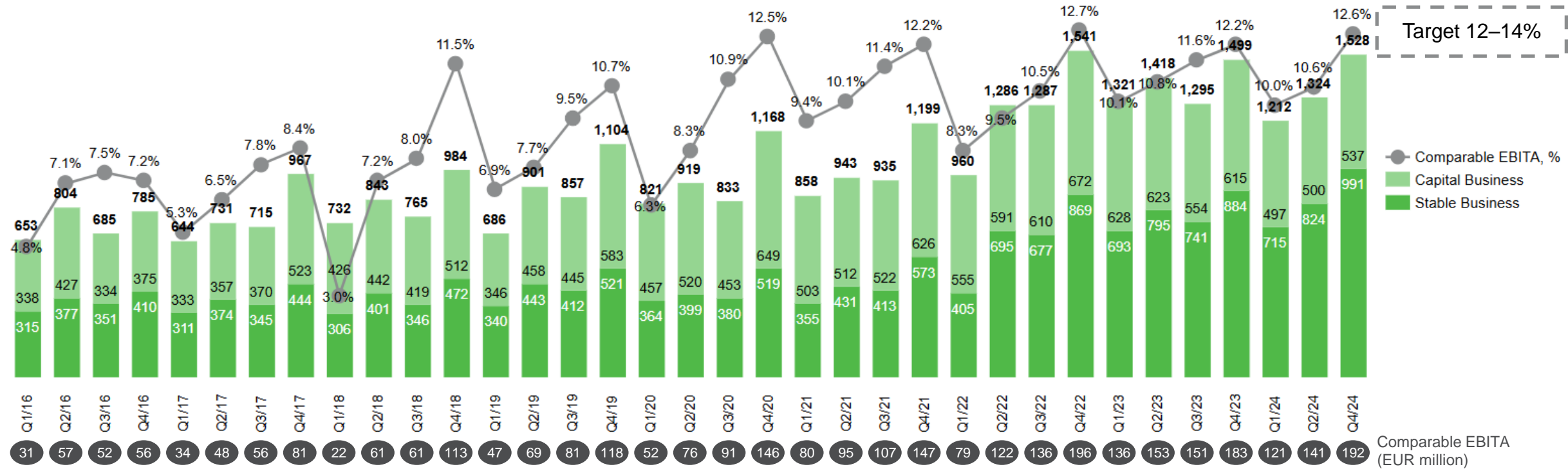
5 Management and remuneration



Appendix  
**Financials**

# Quarterly Comparable EBITA margin development

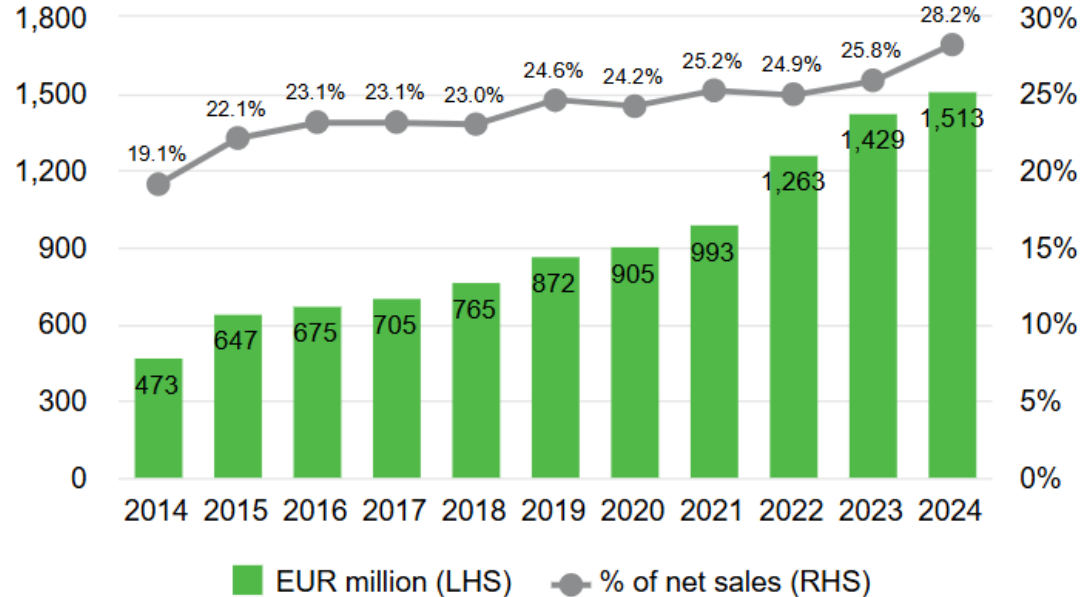
Net sales and Comparable EBITA (EUR million and %)



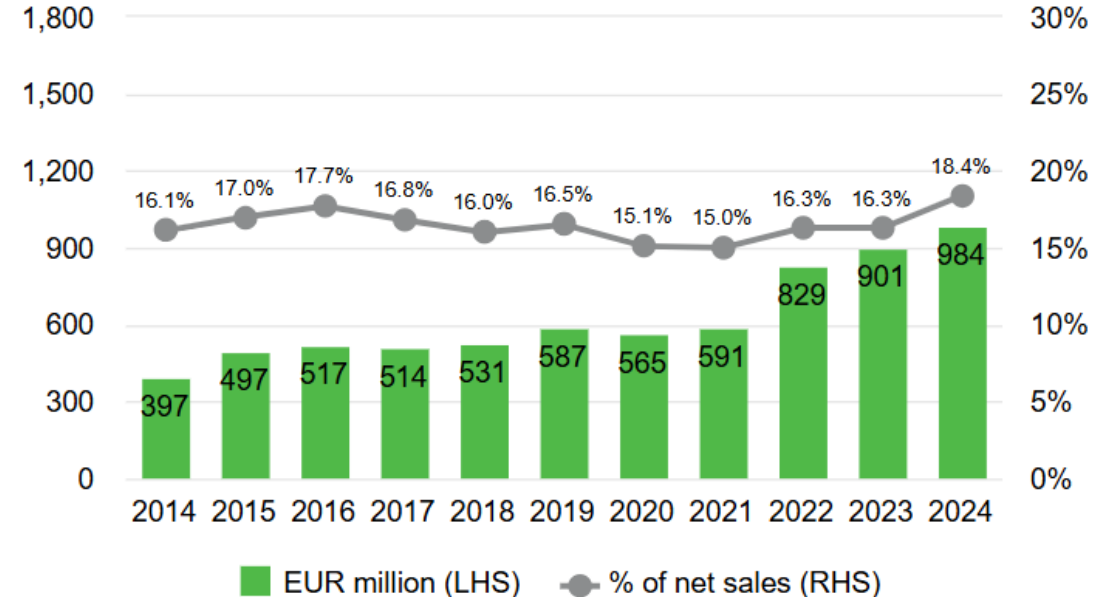


# Comparable gross profit and SG&A expenses development

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



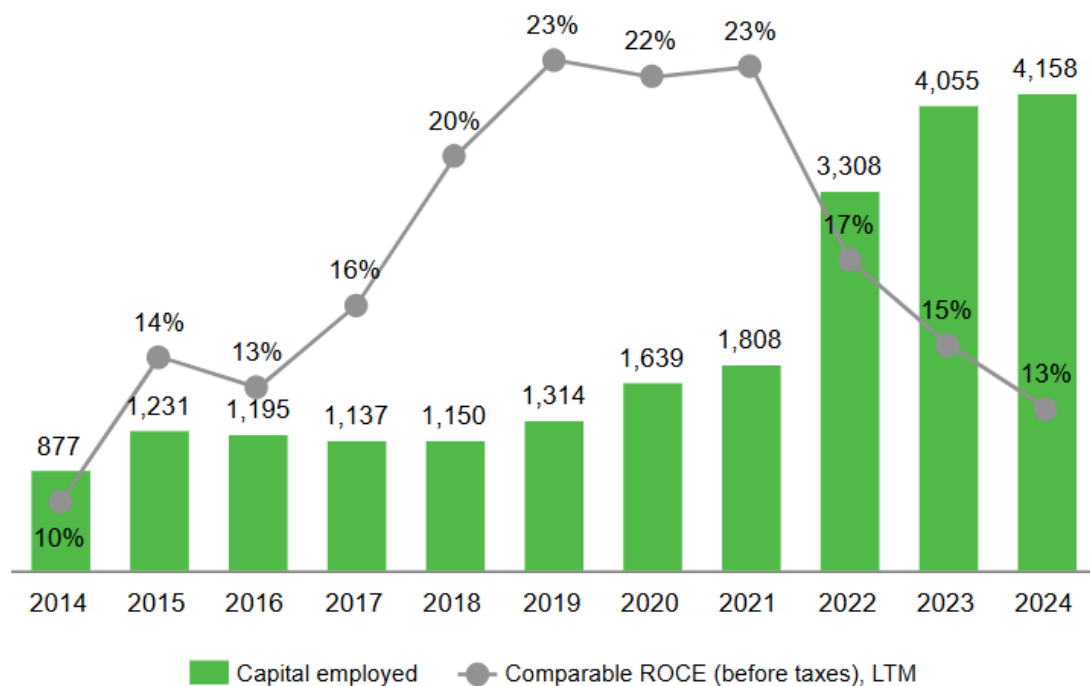
Comparable SG&A expenses  
(EUR million and % of net sales)



- Comparable gross profit was 28% of net sales in Q4/2024 (26% in Q4/2023)
  - Stable business represented 65% of net sales (59% in Q4/2023)
- Comparable SG&A expenses were EUR 5 million higher in Q4/2024 compared with Q4/2023
  - Comparable SG&A expenses were 16% of net sales in Q4/2024 (16% in Q4/2023)

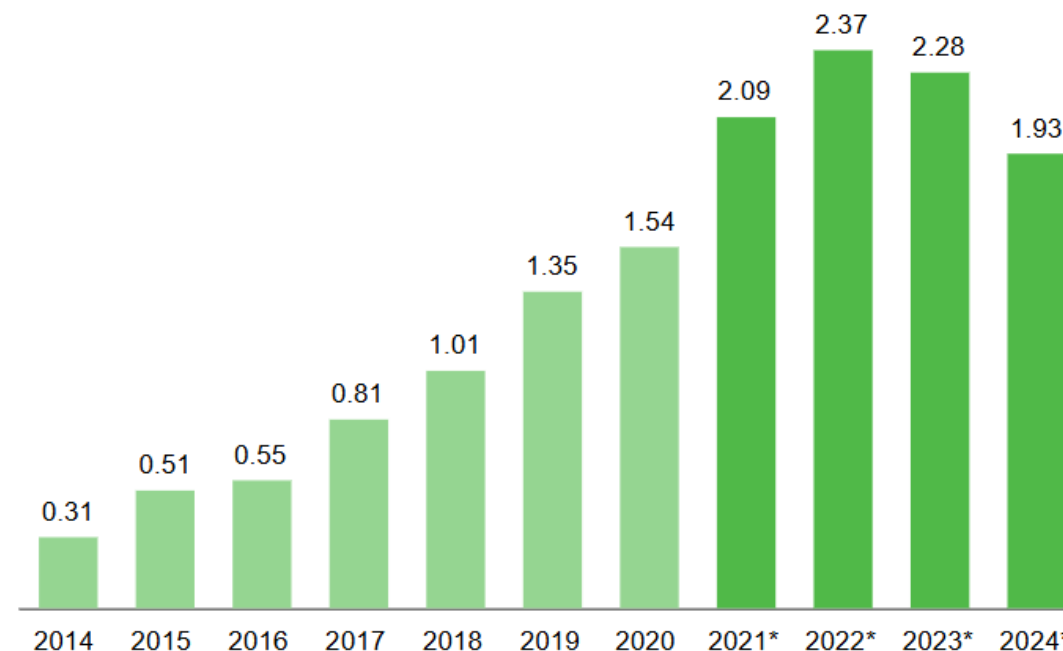
# Capital employed, Comparable ROCE and EPS

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



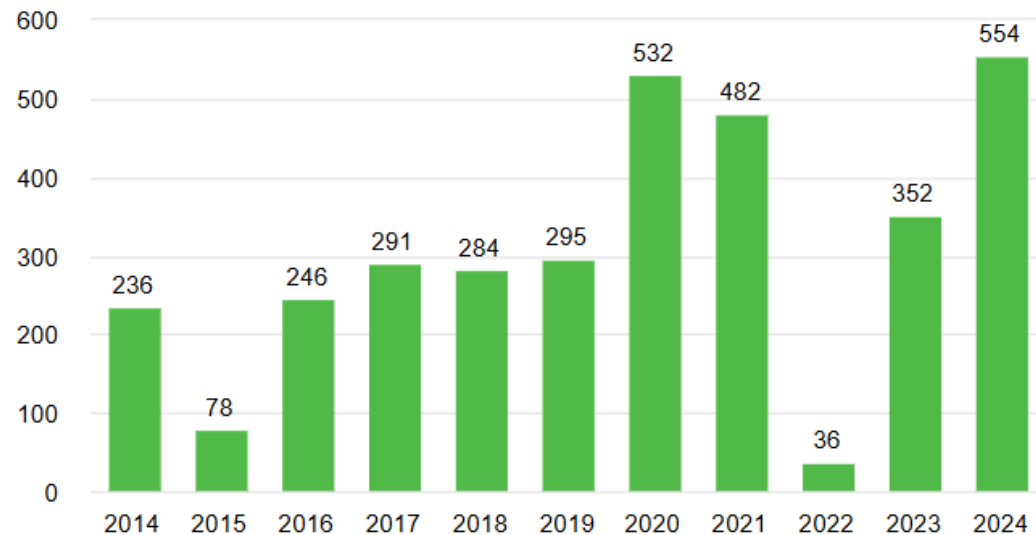
- 2024 Adjusted EPS decreased compared with 2023 mainly due to lower operating profit and higher net financial expenses

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. LTM = Last twelve months.

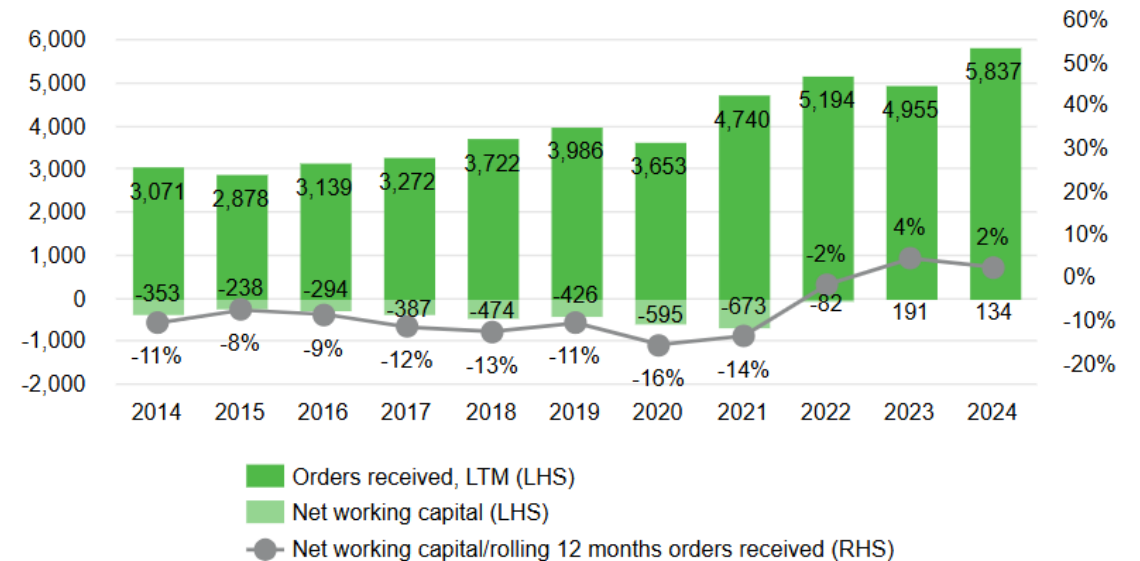
\*Adjusted EPS. Adjusted earnings per share is an alternative performance measure that excludes the impact of fair value adjustments arising from business combinations, net of tax.

# Cash flow provided by operating activities and net working capital

Cash flow provided by operating activities (EUR million)



Net working capital<sup>1</sup> and orders received (EUR million)



- Cash flow provided by operating activities amounted to EUR 554 in 2024 and EUR 178 million in Q4/2024
- CAPEX<sup>1</sup> amounted to EUR 107 in 2024 and EUR 30 million in Q4/2024
- Net working capital amounted to EUR 134 million, which equals 2% 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 business mix contains more stable business, which typically ties up more net working capital than capital business
- Change in net working capital<sup>2</sup> amounted to EUR 43 million in 2024 and EUR 15 million in Q4/2024

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

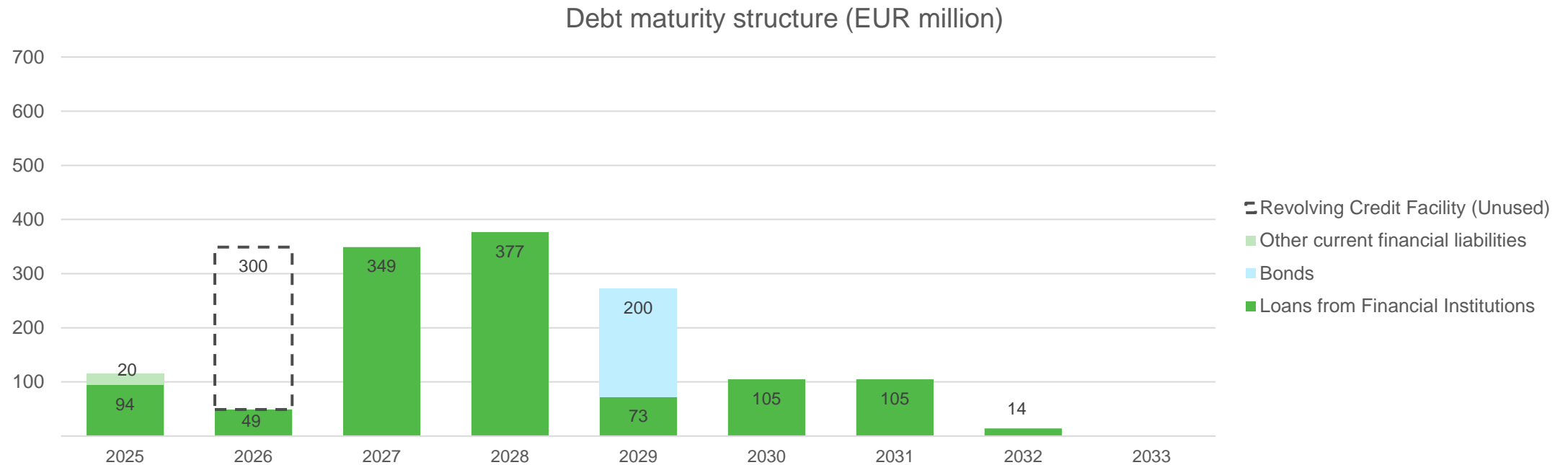
1. Excluding business combinations and right-of-use assets.

2. Change in net working capital in the consolidated statement of cash flows.

# Debt maturity structure

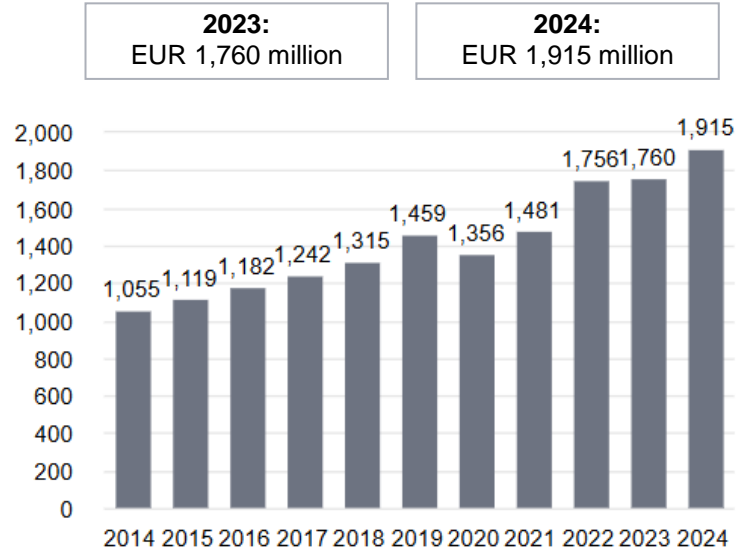
As at December 31, 2024, EUR million (excluding lease liabilities)

Annual repayments

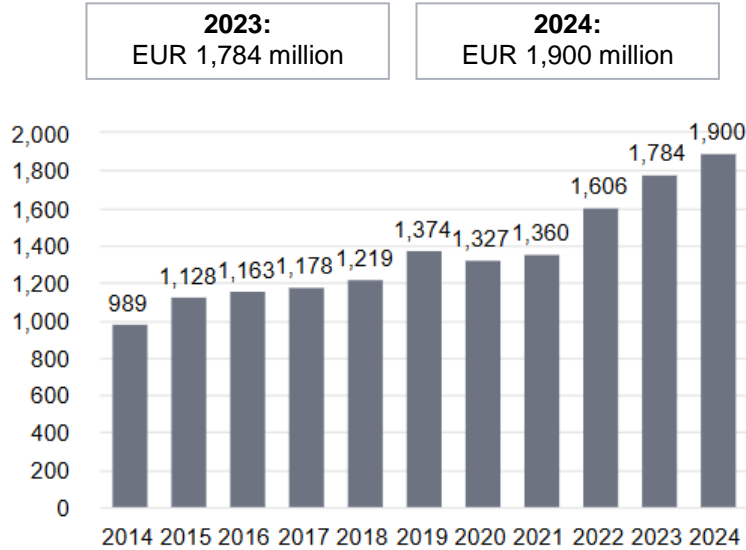


# Services: Orders received increased to EUR 1.9 billion in 2024

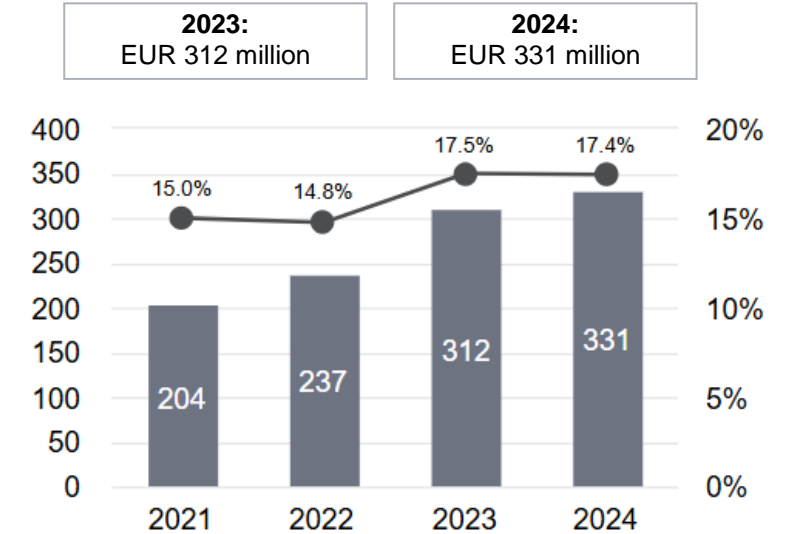
Orders received (EUR million)



Net sales (EUR million)



Comparable EBITA (EUR million and % of net sales)

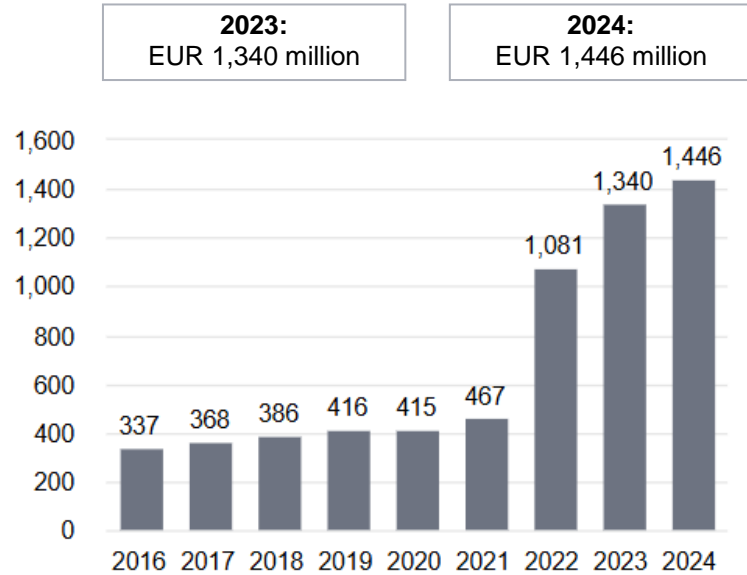


- Orders received increased compared with 2023
  - Orders received increased in North America, South America, EMEA and Asia-Pacific and remained at the previous year's level in China
  - Excluding Tissue Converting, orders received increased in Fabrics, remained at the previous year's level in Rolls, 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 due to integration of Tissue Converting

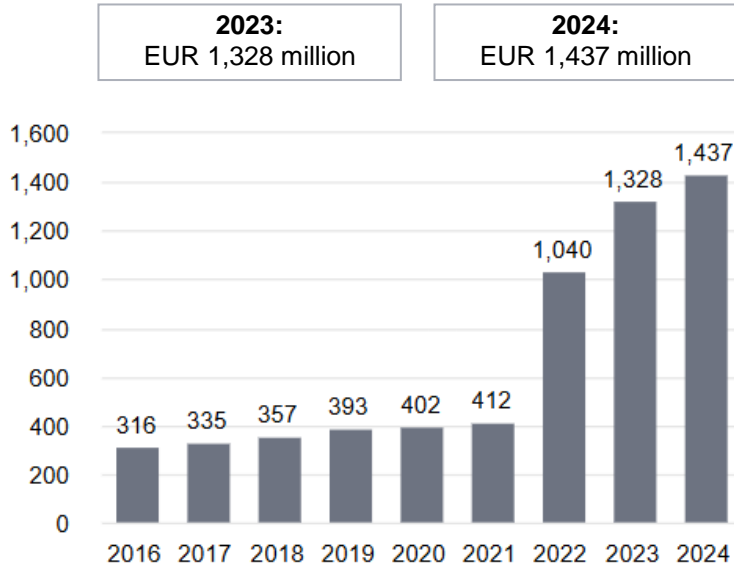


# Automation: Orders received increased to EUR 1.4 billion in 2024

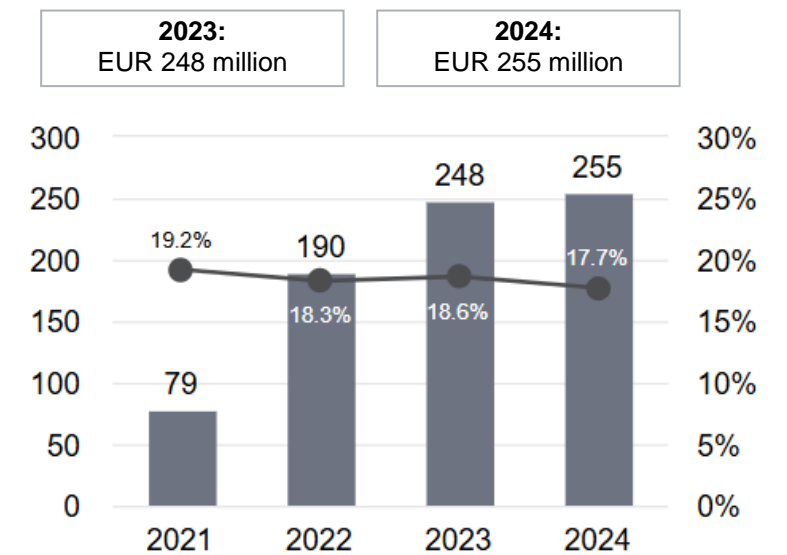
Orders received (EUR million)



Net sales (EUR million)



Comparable EBITA (EUR million and % of net sales)



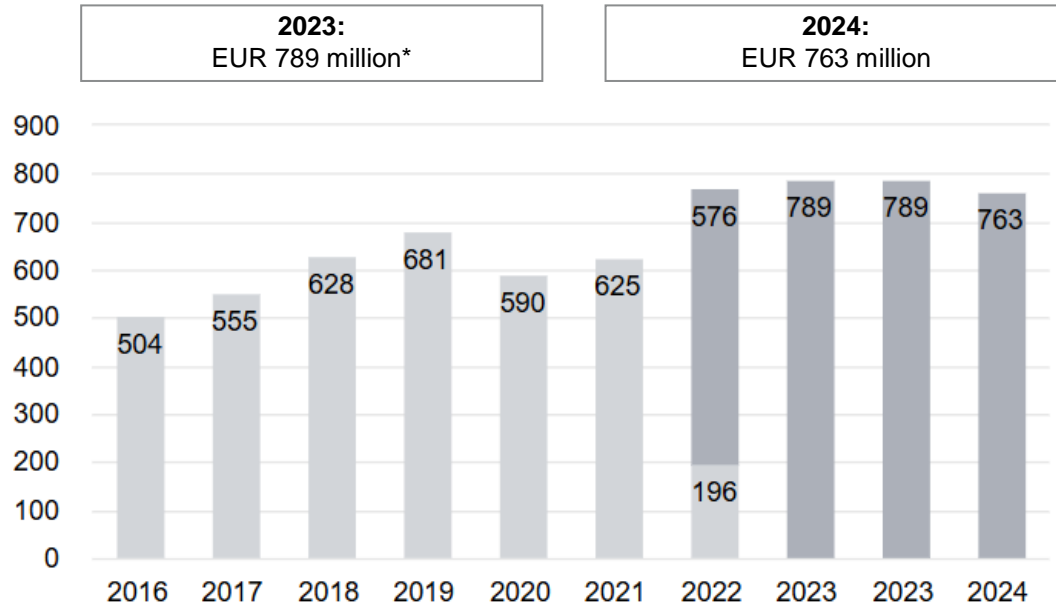
- Orders received increased compared with 2023
- Net sales increased compared with 2023
- Comparable EBITA remained at the previous year's level compared with 2023



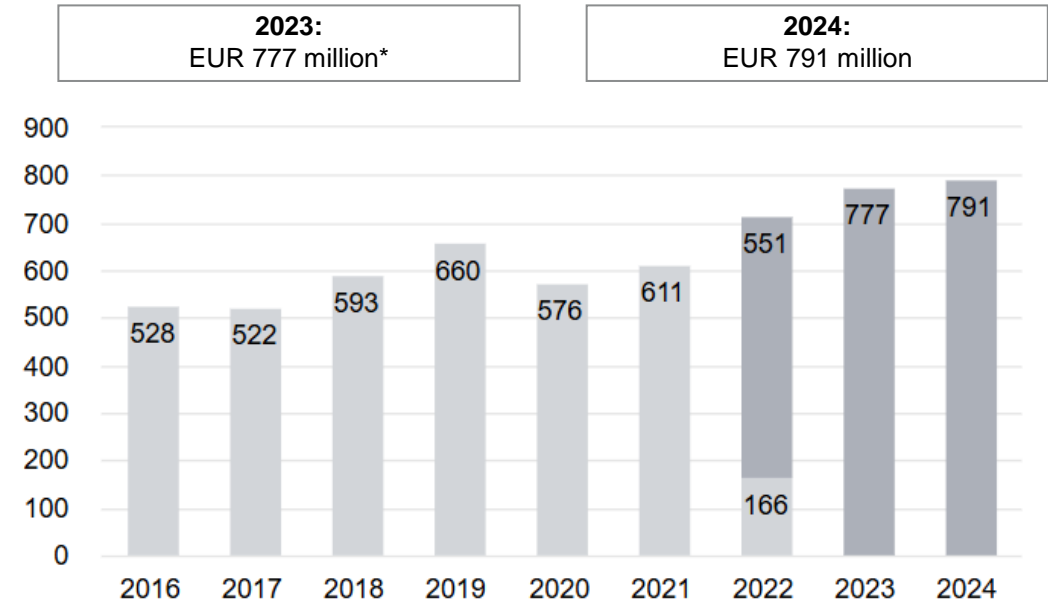
2016-2020 figures have not been restated and include internal orders received and net sales. Automation segment includes Automation Systems and starting from Q2/2022 also Flow Control

# Flow Control: Orders received amounted to EUR 763 million in 2024

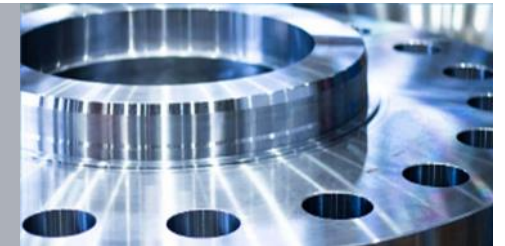
Orders received (EUR million)\*



Net sales (EUR million)\*



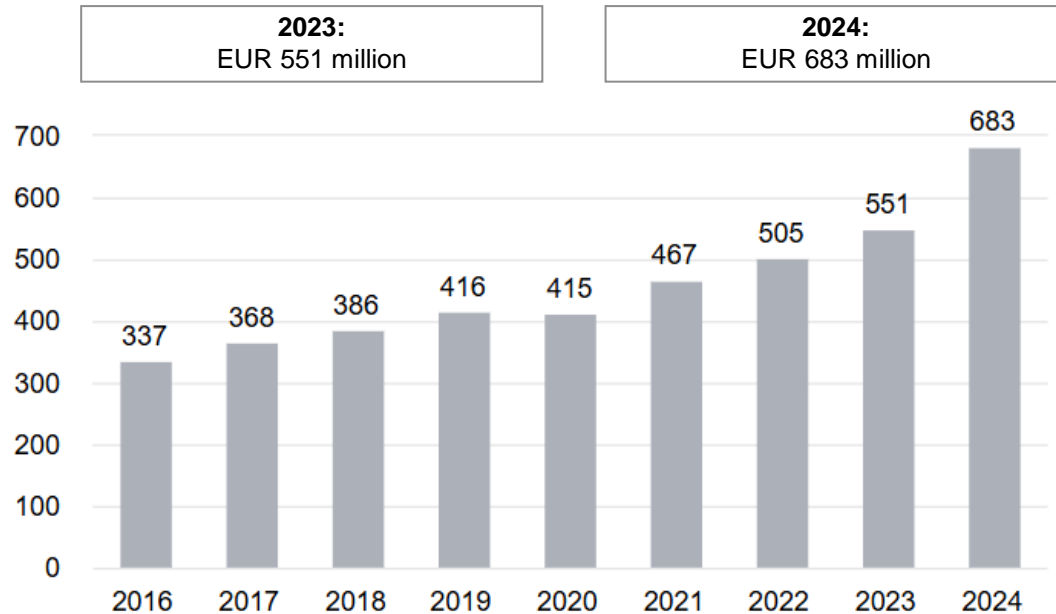
- Orders received remained at previous year's level and amounted to EUR 763 million in 2024
- Net sales remained at previous year's level and amounted to EUR 791 million in 2024



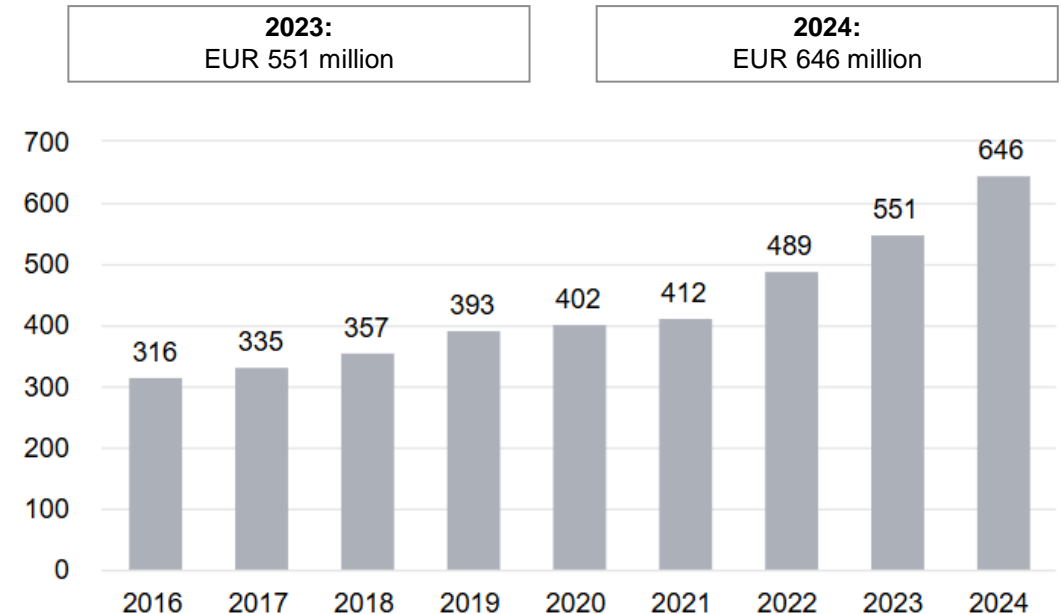
\* 2016–2017 financials based on carve-out numbers; 2018–2019 financials based on Metso's "Continuing operations" as in 2019 annual report; Q1/2020–Q1/2022 financials as reported in Neles' Q1/2022 interim review.

# Automation Systems: Orders received increased to EUR 683 million in 2024

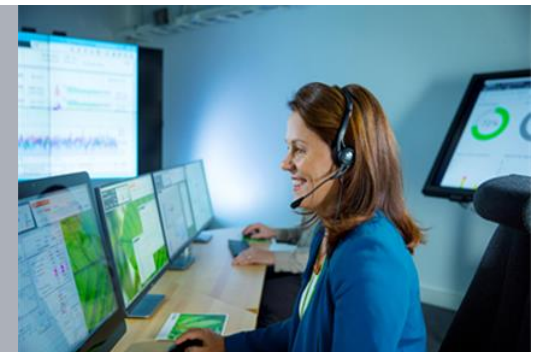
Orders received (EUR million)



Net sales (EUR million)



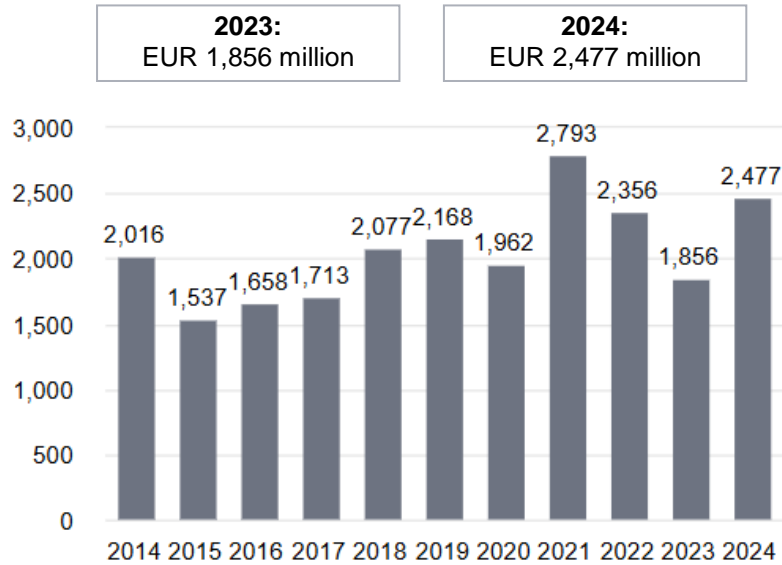
- Orders received increased compared with 2023
  - Orders received increased in South America, North America, Asia-Pacific and China and remained at the previous year's level in EMEA
  - Orders received increased in Energy and Process and remained at the previous year's level in Pulp and Paper
- Net sales increased compared with 2023



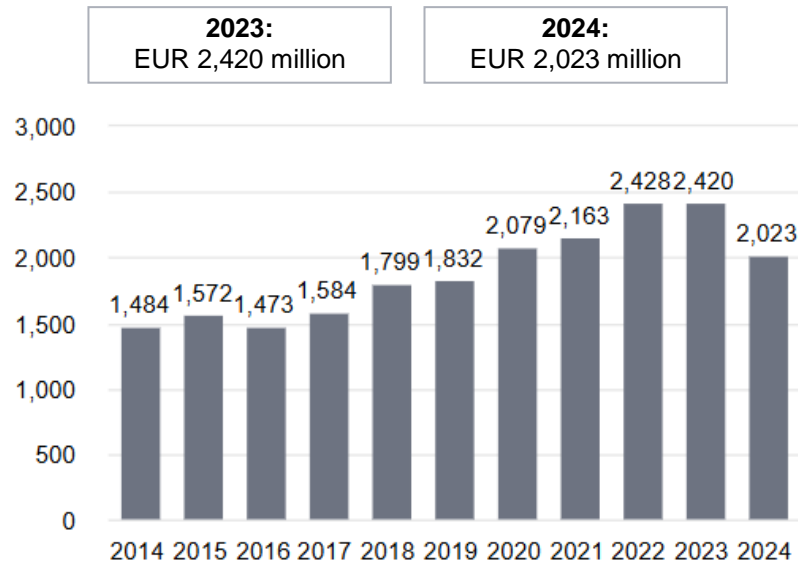


# Process Technologies: Orders received increased to EUR 2.5 billion in 2024

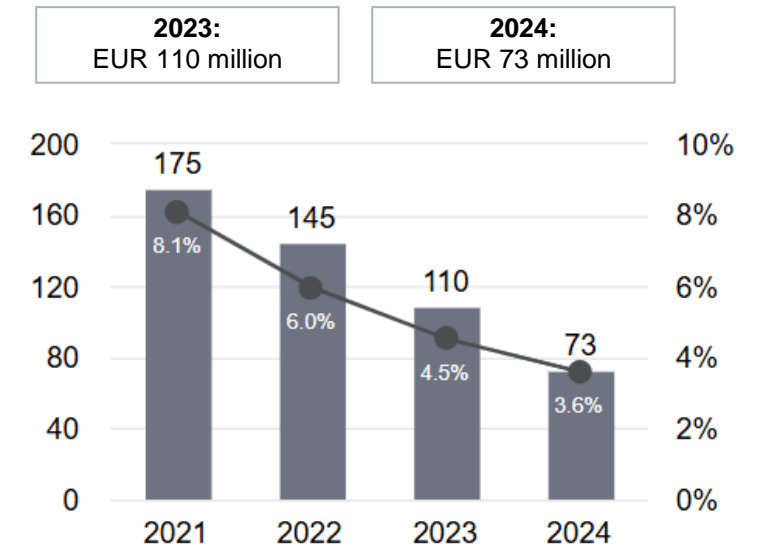
Orders received (EUR million)



Net sales (EUR million)



Comparable EBITA (EUR million and % of net sales)

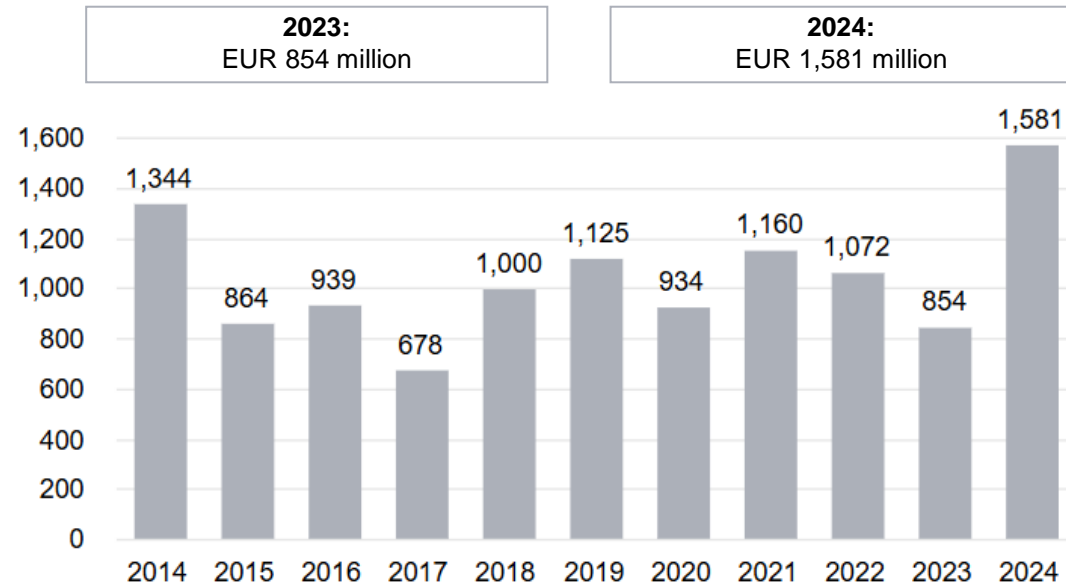


- Orders received increased compared with 2023
- Net sales decreased compared with 2023
- Comparable EBITA decreased compared with 2023

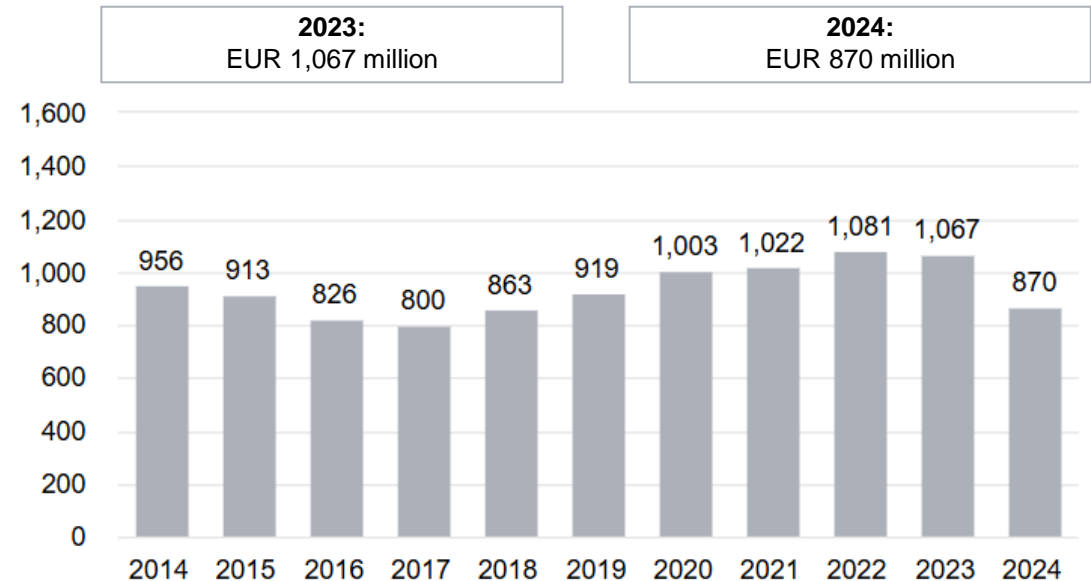


# Pulp and Energy business line: Orders received increased to EUR 1,581 million in 2024

Orders received (EUR million)



Net sales (EUR million)

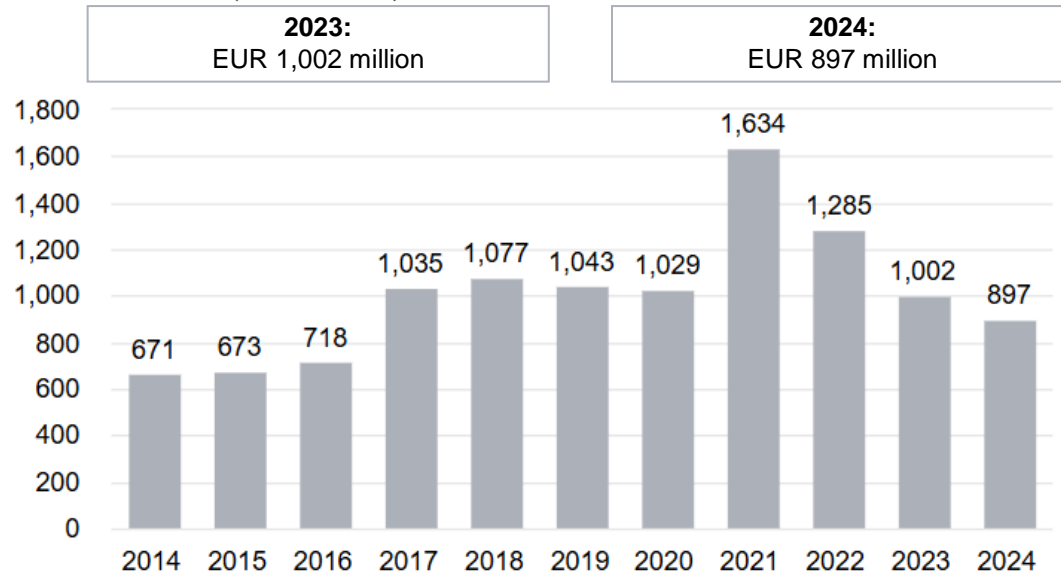


- Orders received increased compared with 2023
  - Orders received increased in South America and decreased in North America, Asia-Pacific, China and EMEA
  - Orders received increased in Pulp and decreased in Energy
- Net sales decreased compared with 2023

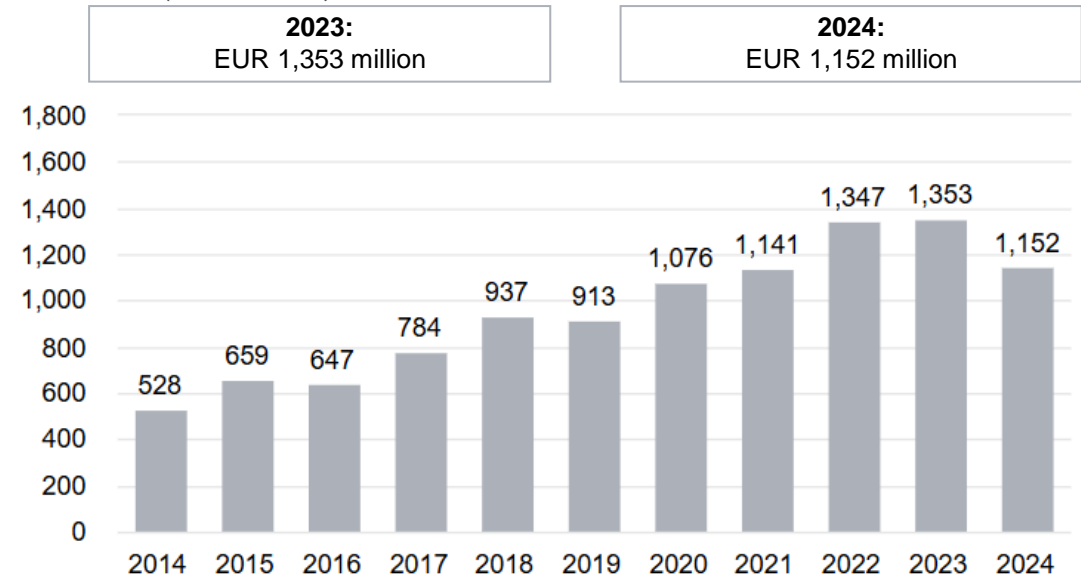


# Paper business line: Orders received decreased to EUR 897 million in 2024

Orders received (EUR million)



Net sales (EUR million)

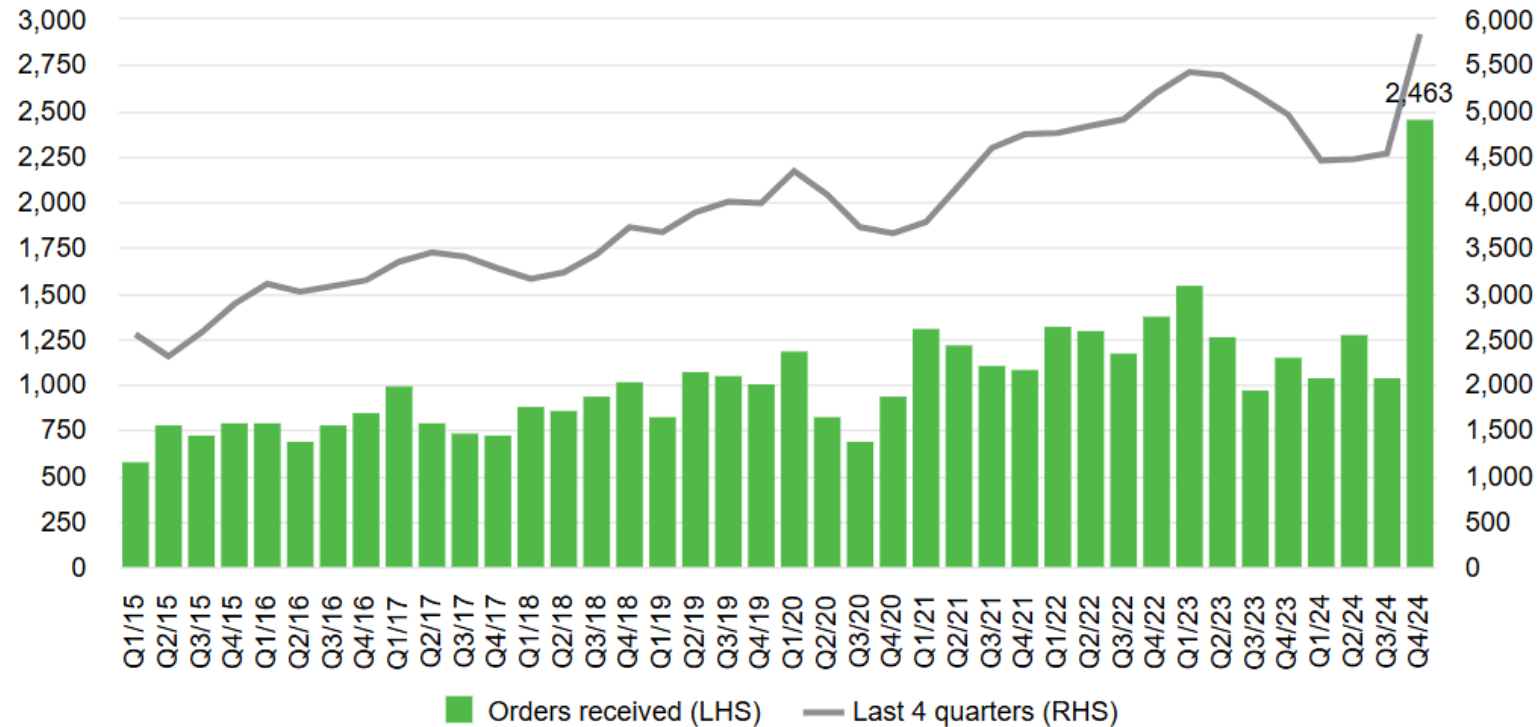


- Orders received decreased compared with 2023
  - Orders received increased in Asia-Pacific, remained at the previous year's level in EMEA and decreased in China, South America and North America
  - Orders received increased in Tissue and Stock preparation and Recycled fiber and decreased in Small and Medium size Machines and Board and Paper
  - Orders received of Tissue Converting amounted to EUR 174 million
- Net sales decreased compared with 2023

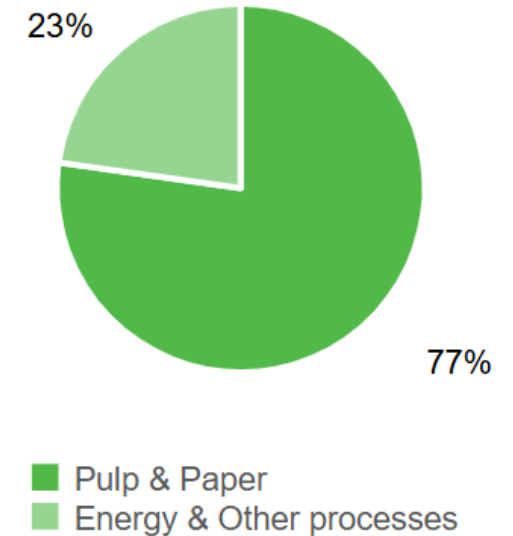


# Orders received increased to EUR 5.8 billion in 2024

Orders received (EUR million)



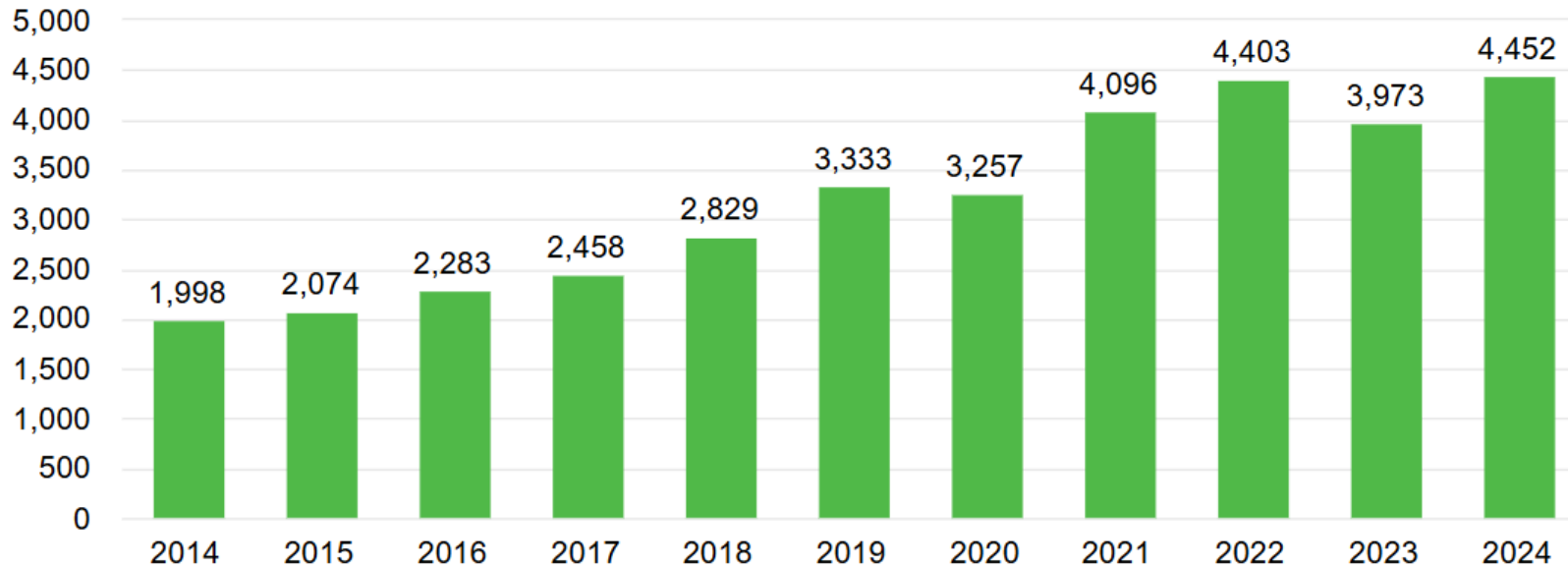
Orders received in 2024 by industry



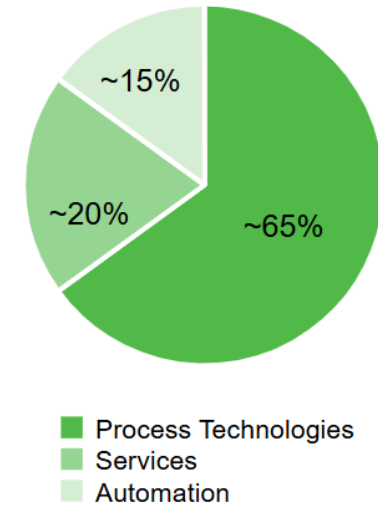
- Orders received included a landmark order for a complete pulp mill with full-scope automation and flow control solutions to Brazil from Arauco, valued at over EUR 1 billion
- Orders received increased in South America, North America and Asia-Pacific and decreased in China and EMEA in 2024 compared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

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

Order backlog (EUR million)



Structure of order backlog by segment



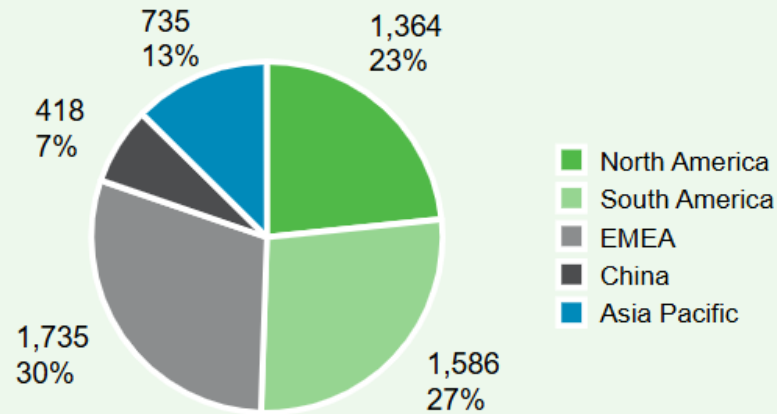
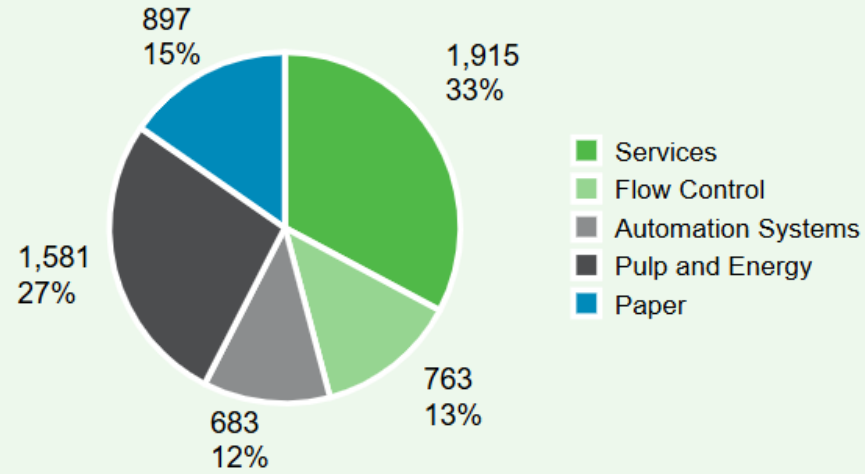
- Order backlog was EUR 479 million higher than at the end of 2023
- Approximately EUR 3.1 billion of the order backlog is currently expected to be realized as net sales during 2025 (at the end of 2023, EUR 3.3 billion during 2024)
- Approximately 35% of the order backlog relates to stable business (~40% at the end of 2023)

# Selected announced orders booked in 2024

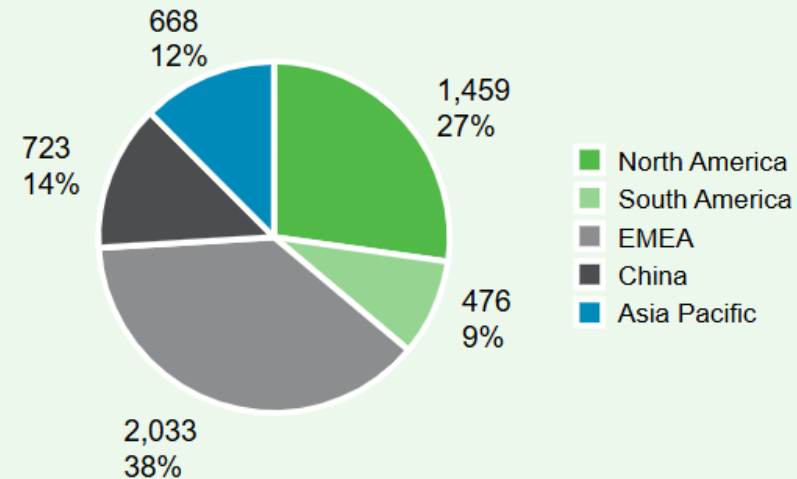
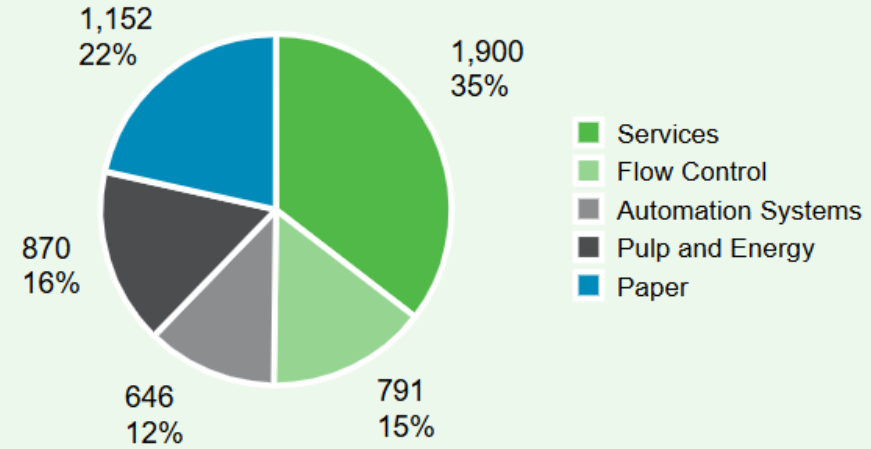
Booked quarter	Date	Description	Business line	Country	Value
Q1	Mar 19	Advantage DCT 200 tissue production line to Crown Paper Mill	Paper	Saudi Arabia	Not disclosed
Q1	Apr 16	Boiler rebuild to E.ON's power station	Pulp and Energy	United Kingdom	Not disclosed
Q1	May 2	Fiberline upgrade to the Lecta Zaragoza mill in Spain	Pulp and Energy	Spain	Not disclosed
Q1	May 29	Multiple agreements with Papierfabrik Palm	Services	Germany	Not disclosed
Q1	June 19	Converting lines to Metsä Tissue	Paper	Sweden	Not disclosed
Q2	June 10	A pellet-fired heating plant to Göteborg Energi AB	Pulp and Energy	Sweden	Not disclosed
Q2	June 25	A tissue machine to Andhra Paper	Paper	India	Not disclosed
Q2	June 26	A papermaking line and a paper machine rebuild to a customer in Asia-Pacific	Paper	Asia-Pacific	Not disclosed, but the papermaking line is typically worth between EUR 90 million and EUR 120 million, and the rebuild between EUR 20 million and EUR 40 million.
Q2	July 9	Advantage DCT 200 tissue production line to Velvet CARE Paper Mill	Paper	Poland	Not disclosed
Q3	Aug 13	A recovery boiler and an ash crystallization plant for a mill modernization project to Klabin	Pulp and Energy	Brazil	Not disclosed, typically above EUR 100 million
Q3	Oct 3	An OptiConcept M board making line to Anhui Linping Circular Development in China	Paper	China	Not disclosed, but such a board making line is typically worth between EUR 40 million and EUR 60 million.
Q3	Oct 23	An automation system Valmet DNAe to the BIR AS biogas plant in Norway	Automation Systems	Norway	
Q4	Sep 25	A complete pulp mill with full-scope automation and flow control solutions to Arauco in Brazil	Pulp and Energy	Brazil	Over EUR 1 billion.
Q4	Nov 12	A complete papermaking line to one of its major customers in Asia-Pacific	Paper	Asia-Pacific	Not disclosed, but such a papermaking line is typically worth between EUR 90 million and EUR 120 million.
Q4	Jan 16 (25')	An dvantage ThruAir Drying tissue machine to Irving Consumer Products in Macon, Georgia, USA	Paper	USA	Not disclosed
Q4	Jan 22 (25')	Modernization of a heating plant for ŠKO-ENERGO, s.r.o. in the Czech Republic	Pulp and Energy	Czech Republic	Not disclosed

# Orders received and net sales split in 2024

**Orders received** (EUR million and % of total)



**Net sales** (EUR million and % of total)



# Services segment in 2024

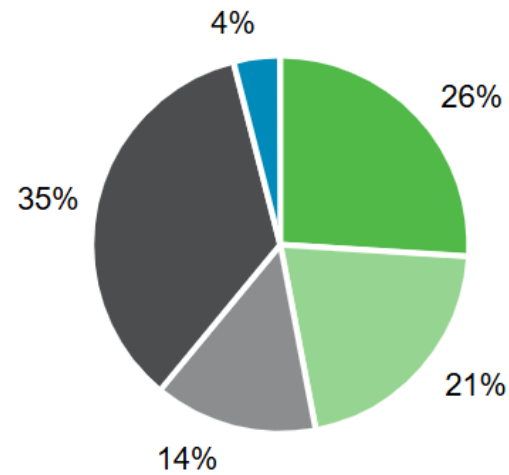
**Orders received**  
EUR 1,915 million

**Net sales**  
EUR 1,900 million

**Employees**  
6,714

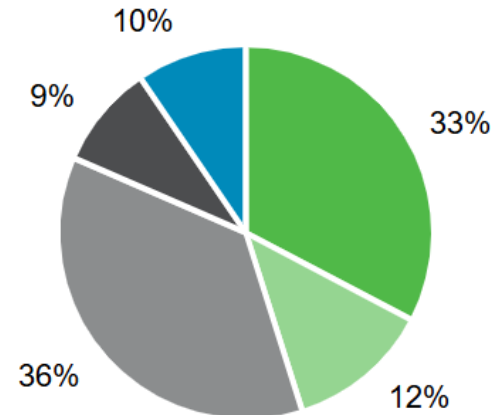
**Market position**  
#1–2 Services

Orders received by customer segment



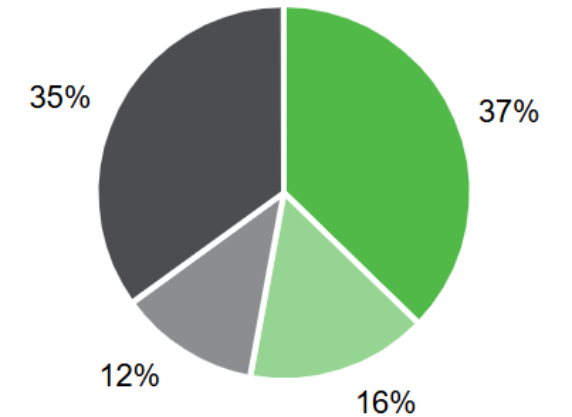
- Board
- Paper
- Tissue
- Pulp
- Energy

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



# Flow Control business line in 2024

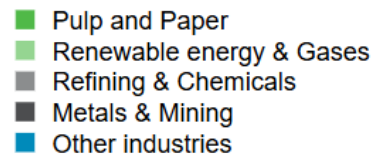
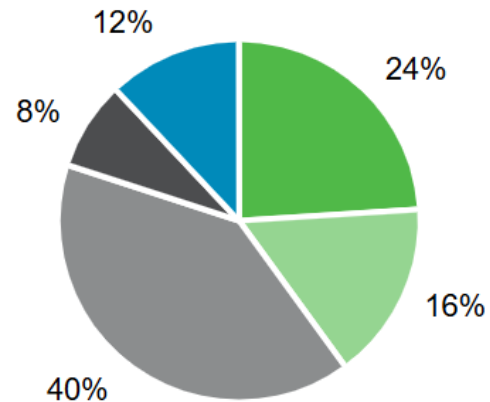
**Orders received**  
EUR 763 million

**Net sales**  
EUR 791 million

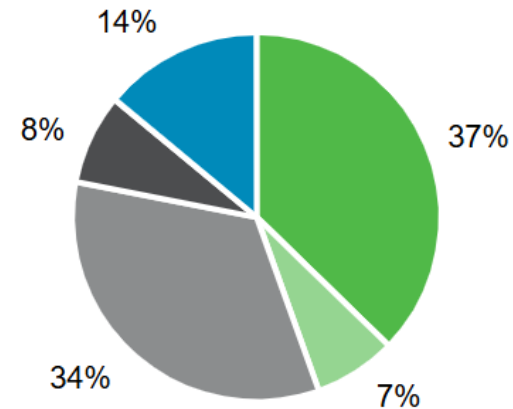
**Employees**  
2,883

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

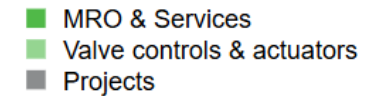
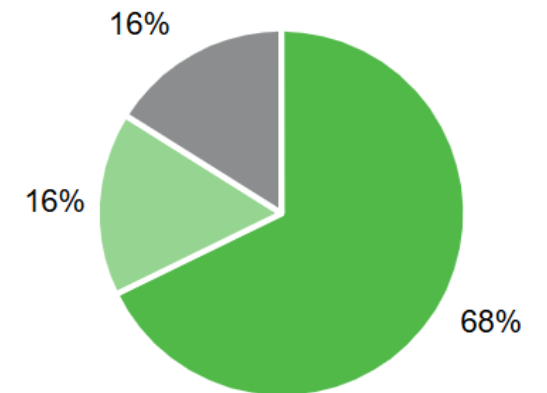
Orders received by customer industry



Orders received by area



Orders received by business



# Automation Systems business line in 2024

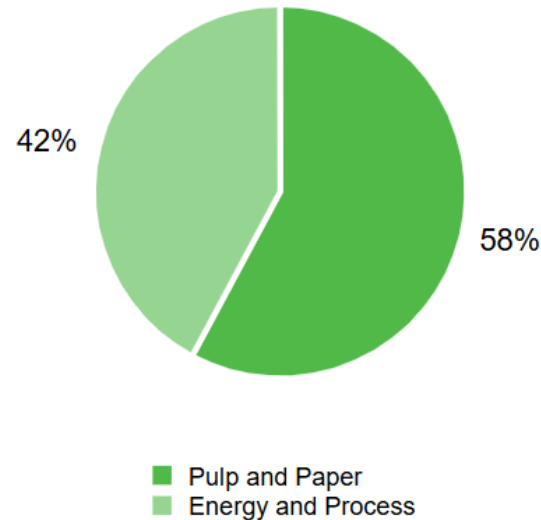
**Orders received**  
EUR 683 million

**Net sales**  
EUR 646 million

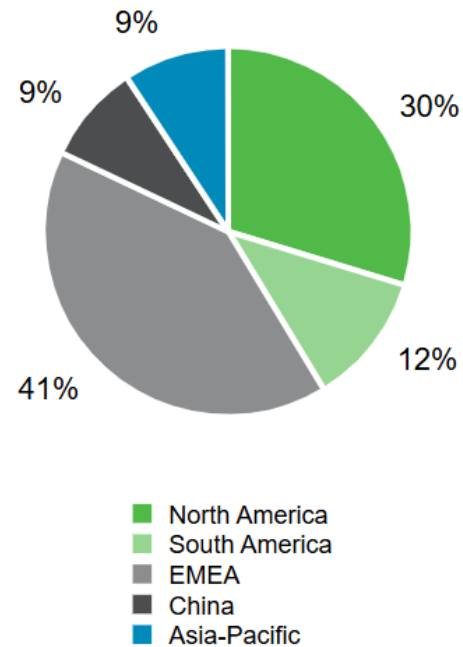
**Employees**  
2,565

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

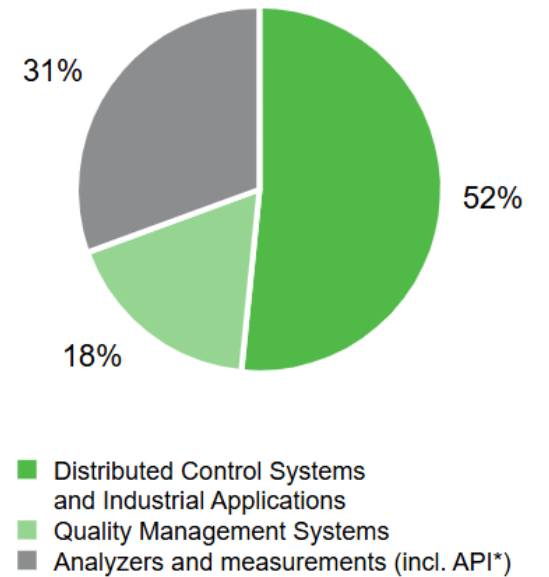
Orders received by industry



Orders received by area



Orders received by product



New installments and competitor replacements 50%

Service 50%

# Pulp and Energy business line in 2024

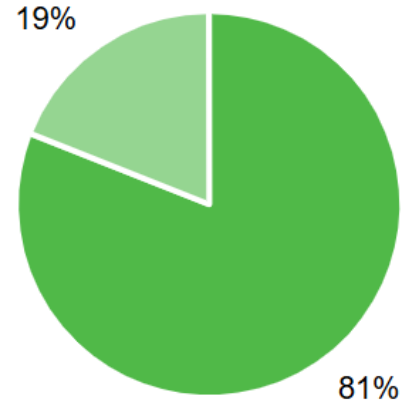
**Orders received**  
EUR 1,581 million

**Net sales**  
EUR 870 million

**Employees**  
1,953

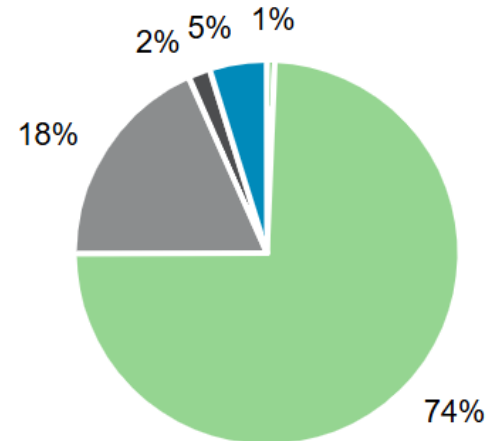
**Market position**  
#1 Pulp  
#1–3 Energy

Orders received by industry



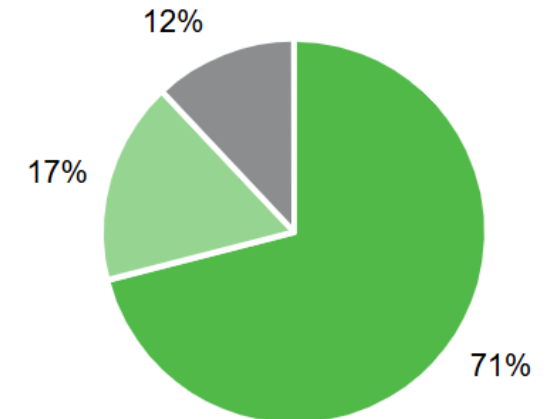
■ Pulp  
■ Energy

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

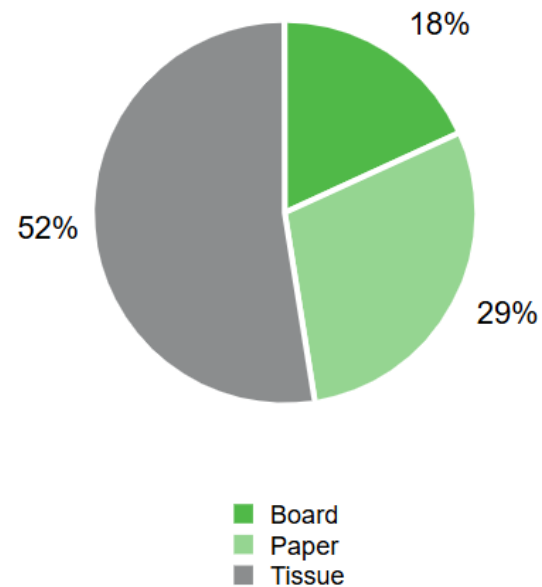
**Orders received**  
EUR 897 million

**Net sales**  
EUR 1,152 million

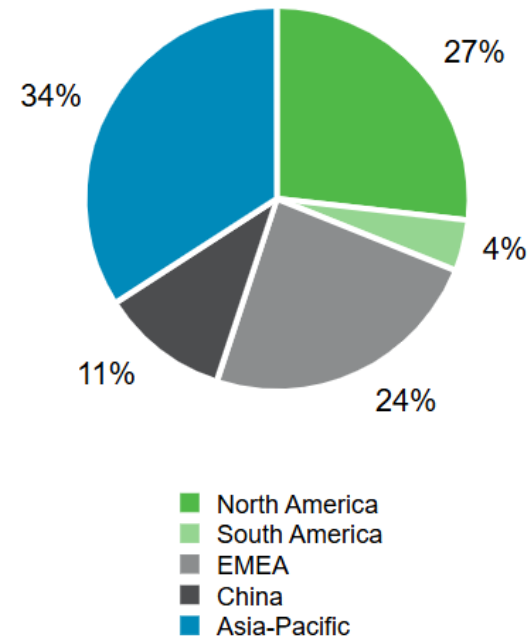
**Employees**  
4,402

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

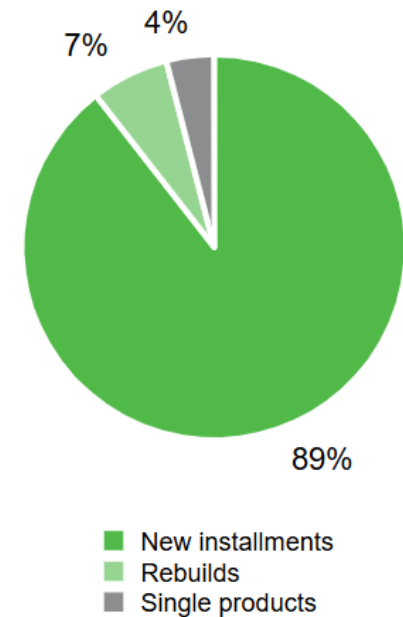
Orders received by paper grade



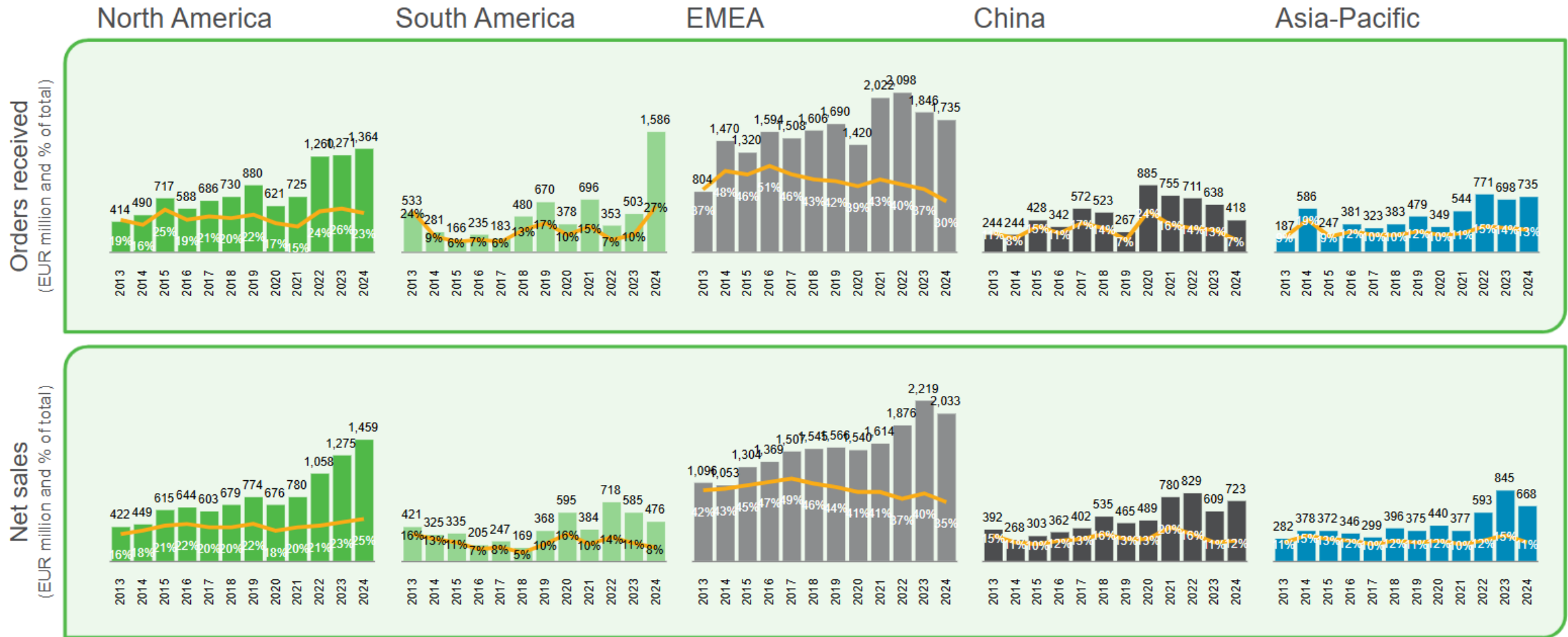
Orders received by area



Orders received by scope

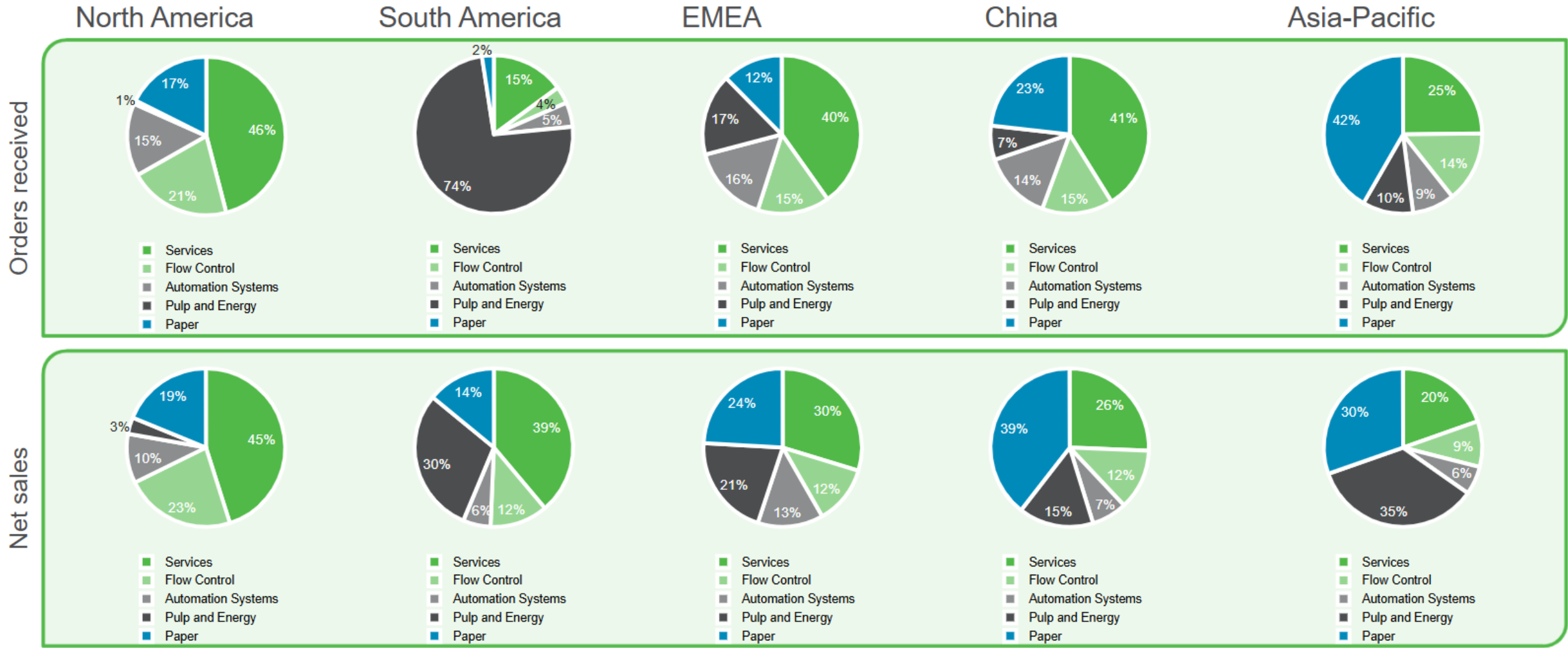


# Areas: Orders received and net sales development



2013 figures on a carve-out basis.

# Areas: Business line split in 2024



Figures have not been restated.

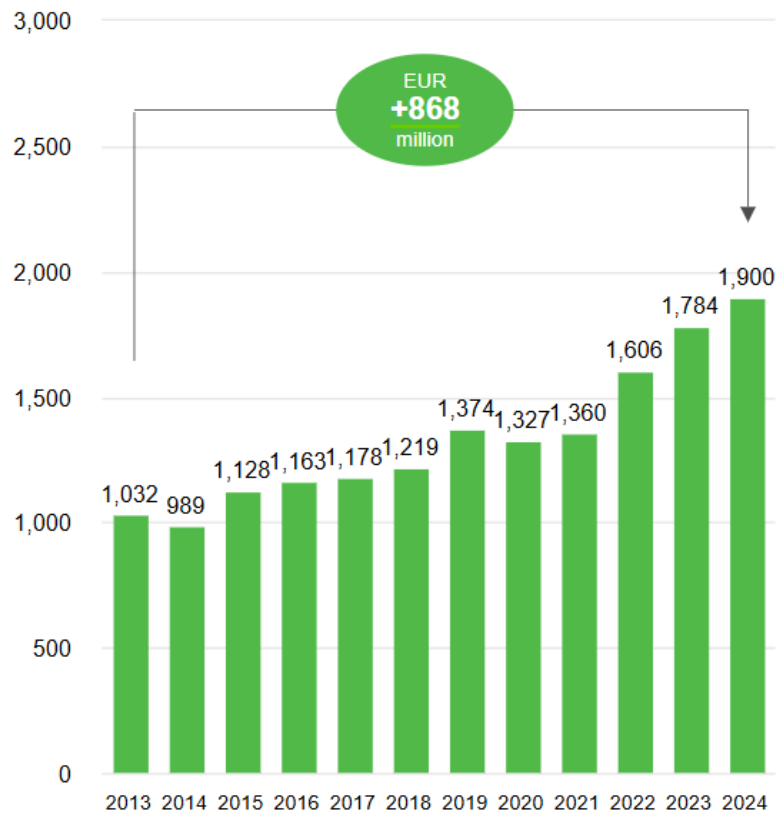


Appendix  
**Growth and profitability improvement**

# Strong track record of net sales growth in all segments

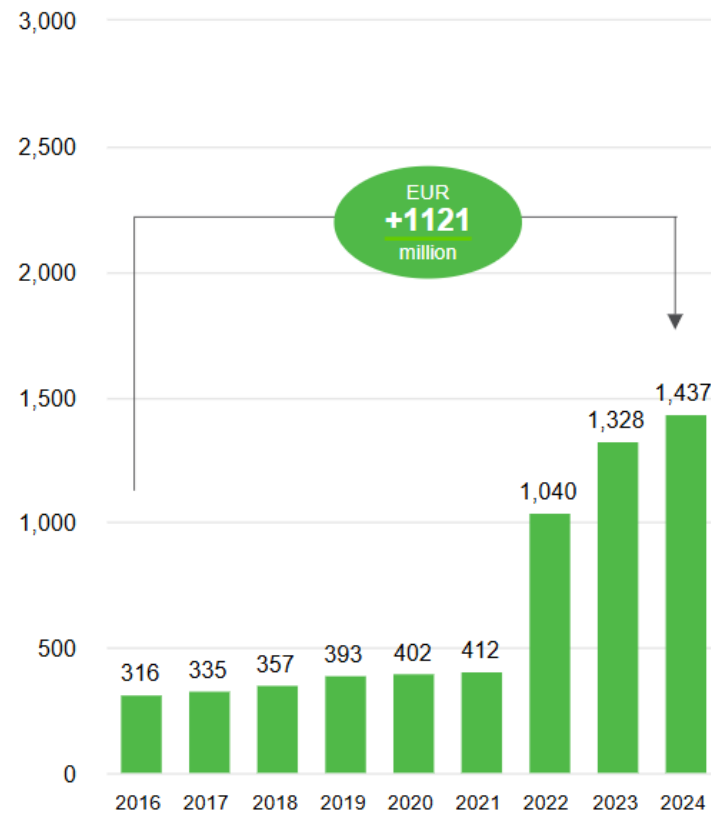
## Services

Net sales (EUR million)



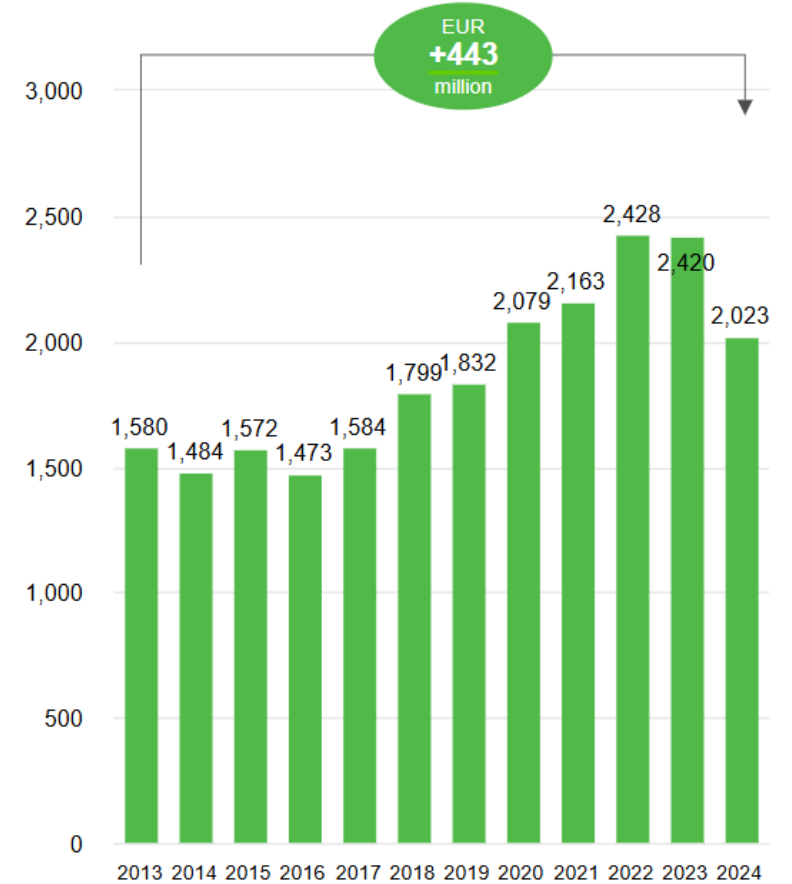
## Automation

Net sales (EUR million)



## Process Technologies

Net sales (EUR million)





# Unique offering to support a growing market

## Unique offering

Competitive advantage from the widest offering in the market



## Strong market drivers

### Process Technologies

- E-commerce and global trade
- Renewable materials replacing plastic packaging
- Conversions from paper to board
- Energy transition and CO<sub>2</sub> neutral energy production
- Energy supply security
- Tightening air emissions legislation and stricter directives

### Services

- Large and aging global installed base
- Customers' CO<sub>2</sub> reduction targets
- Energy and resource efficiency
- Productivity and end-product quality
- Digitalization, remote services and industrial internet

### Automation

- Automation and digitalization are global megatrends
- Aging machines and installed automation systems
- Demand for raw material savings, process efficiencies and sustainability
- Customers' demands on safety, reliability and emissions

# Building Valmet on positive megatrends and strategy of renewal and continuous development

Demand for bio-based products and energy continues to grow	New growth opportunities	Steadily growing stable business	Strategy
	<ul style="list-style-type: none"><li>• Future growth possibilities from new sustainable innovations</li><li>• Growth opportunities in energy and process industries in Automation</li></ul>	<ul style="list-style-type: none"><li>• EUR 3.4 billion stable business with high margin</li><li>• Stable business has high margins and resilience to market cycles</li><li>• Large and aging installed base generates a significant market</li></ul>	<ul style="list-style-type: none"><li>• Strong track record of successful acquisitions and possibility to continue to invest in selected acquisitions</li><li>• Strategy based on building the future systematically with renewal and continuous improvement</li></ul>

# Concrete actions to reach Comparable EBITA target of 12–14% through must-wins

## Customer

- Grow stable business over two times the market growth
- Maintain and improve market share in Process Technologies
- Improve price and sales management

## Technology

- Leverage strong R&D for new product innovations
- Continue to bring advanced technology to the market
- Improve product cost competitiveness

## Processes

- Ensure good project operations to reach a positive margin deviation in projects
- Improve supply chain operations to harvest cost savings
- Manage quality throughout the supply chain to minimize quality costs

## People

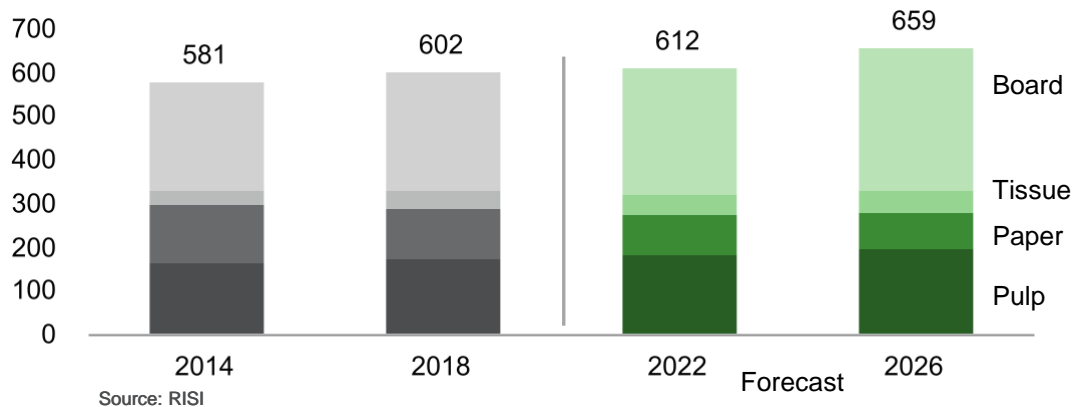
- Increase procurement, production and engineering capabilities in cost-competitive countries
- Utilize global training portfolio to strengthen Must-Win execution

Targeting to increase Comparable EBITA margin in all three segments

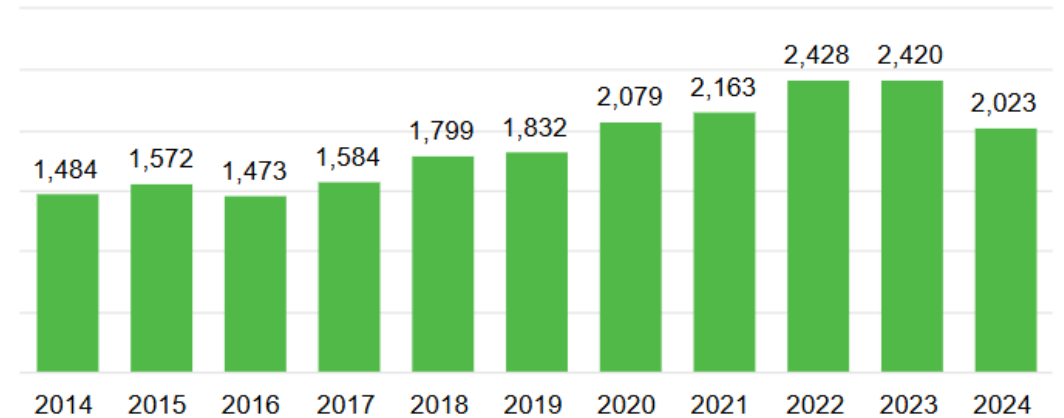
# Process Technologies segment benefiting from the growing demand for bio-based products and energy

- New pulp and paper capacity is needed as demand for bio-based products continues to grow
- Energy transition creates a growing market for Valmet's energy offering
- Large old and inefficient installed base generates a significant replacement market for Valmet
- Strong business model with large prepayments and low capacity costs
- Comparable EBITA margin 3.6% (2024)

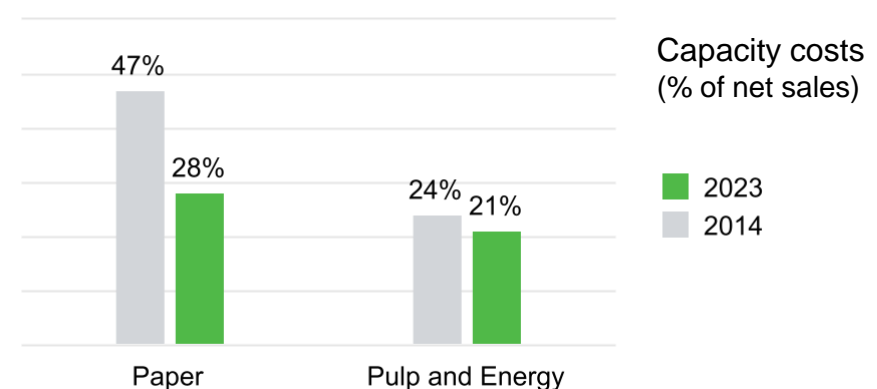
## Demand for pulp and paper continues to grow (Global demand, Mton)



## Net sales (EUR million)



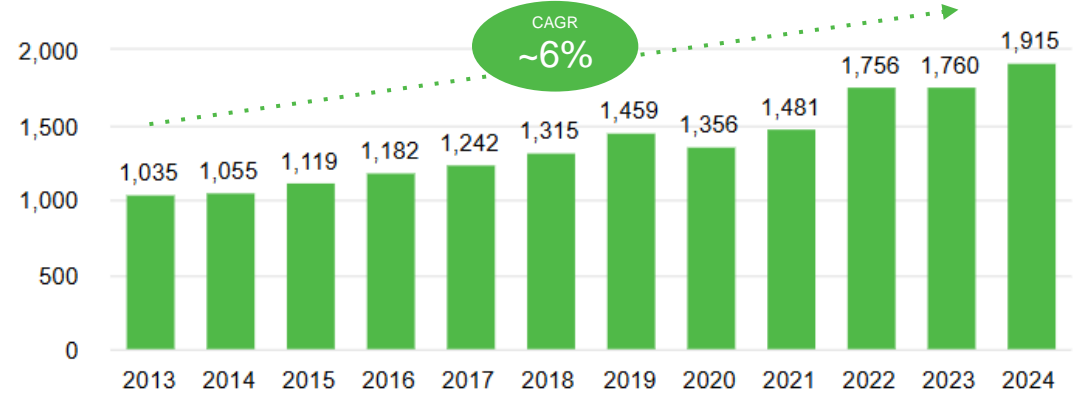
## Valmet's operational efficiency has increased



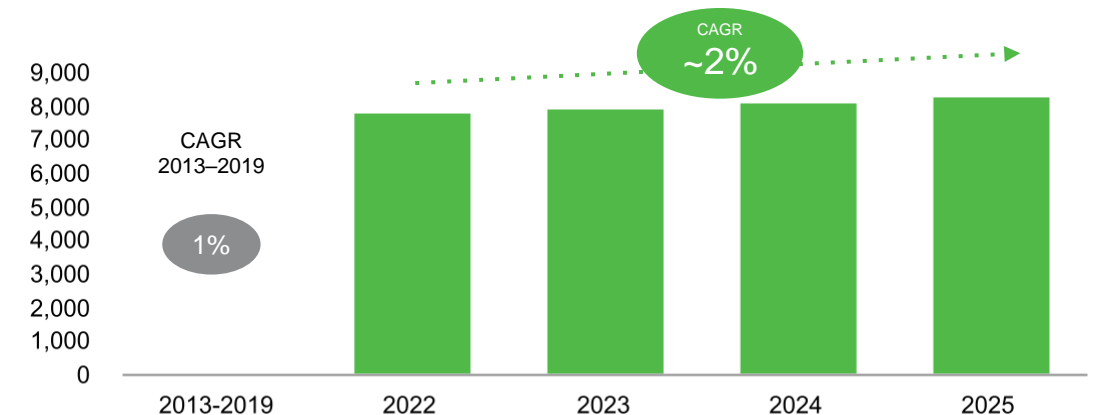
# Services segment's demand driven by large and growing global installed base

- Valmet's Services is a growing and recurring business
- Demand driven by large and growing global installed base
- Roughly EUR 8 billion addressable market estimated to grow 2% annually
- Target to continue to grow over two times the market growth
- Competitive advantage from the widest offering in the market
- Strong presence in all market areas covering all key customer corporations
- Solid track record for growth
- Comparable EBITA margin 17.4% (2024)

Orders received (EUR million)



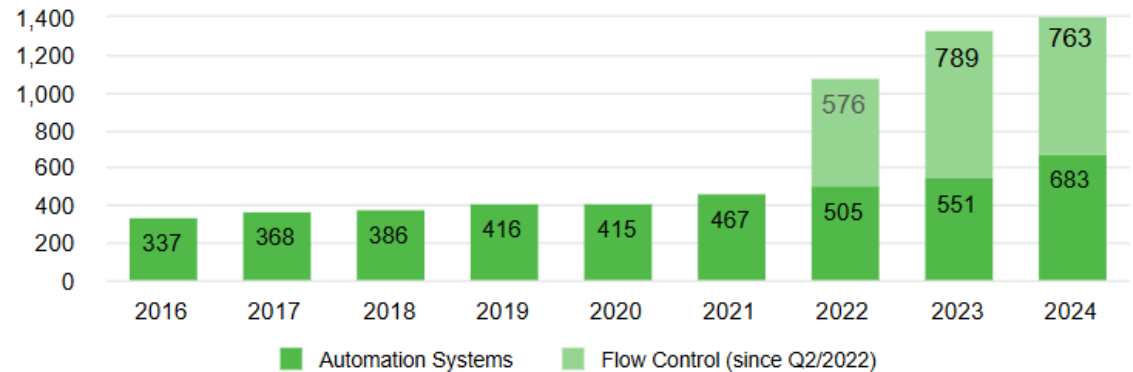
Service market development and estimate (EUR million)



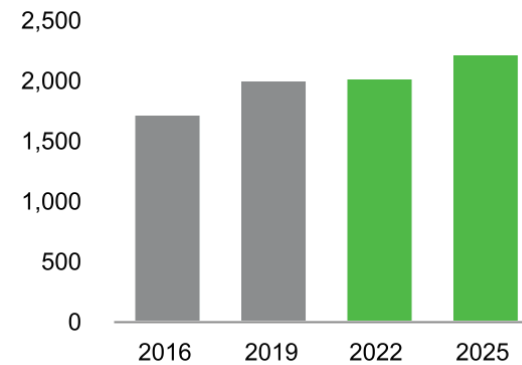
# Automation segment with high growth and profitability

- Valmet's Automation is a growing and recurring business
- Large addressable target market estimated to grow ~3% annually
- Target to continue to grow over two times the market growth
- Sustainability, digitalization and targets for operational efficiency drive the market for Automation Systems
- Flow control market for critical valves and valve automation has barriers of entry enabling solid profitability for leading players
- Opportunities to grow outside the core pulp and paper industry organically and through M&A
- Comparable EBITA margin 17.7% (2024)

Orders received (EUR million)

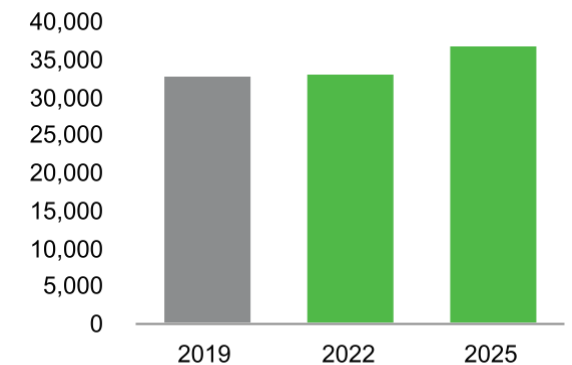


Automation Systems target market (EUR million)



Source: ARC 2021-2026 material

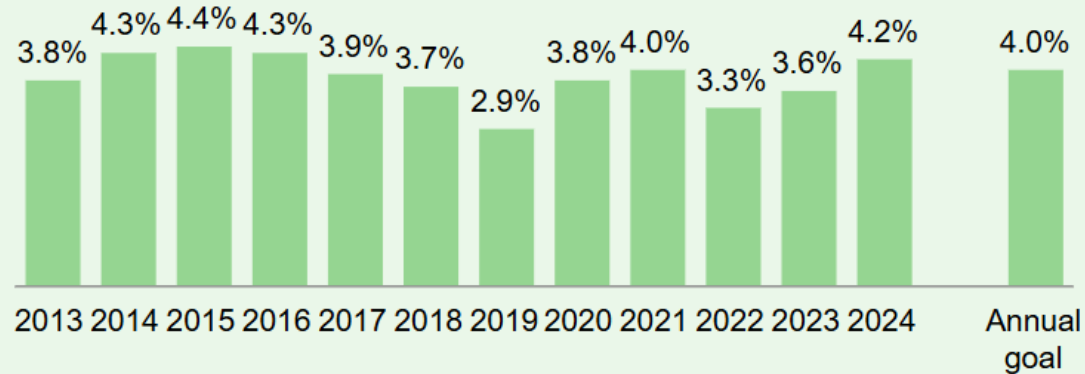
Flow Control market (EUR million)



Source: Frost & Sullivan

# Procurement and quality cost development

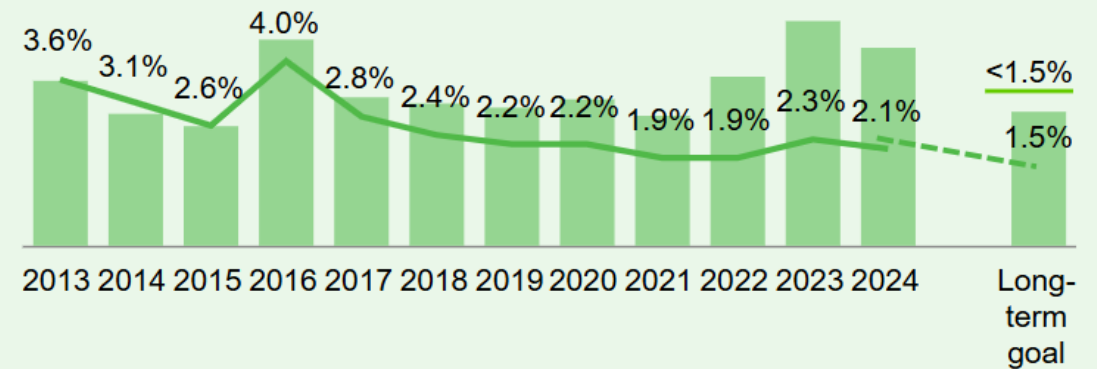
## Implemented procurement savings of annual direct spend



### Targeting >4% of procurement savings annually

- Increasing local and cost-competitive country purchases
- Increasing design-to-cost (DTC) to create new sources for savings
- More supplier involvement through supplier relationship management
- Continuing sustainable supply chain implementation

## Quality costs (% of net sales)

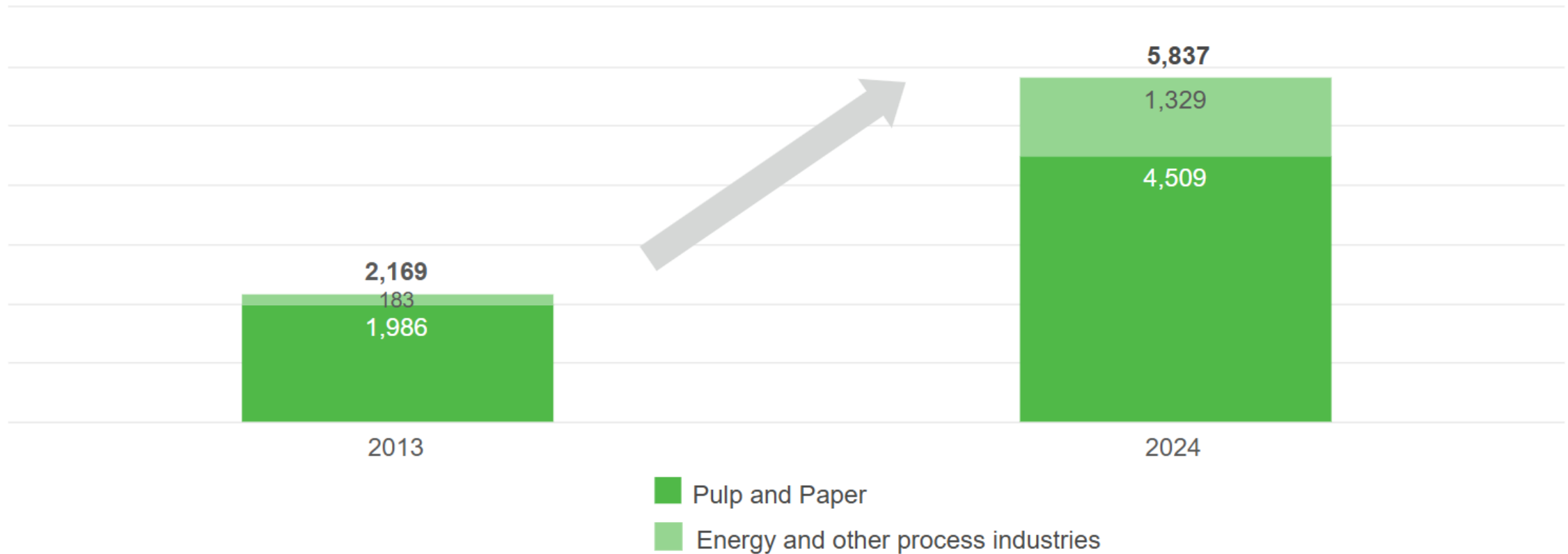


### Long-term quality costs goal <1.5% of net sales

- Focus remains on:
  - Project deliveries and risk mitigation
  - Supplier quality by implementing Valmet minimum Quality and HSE requirements for suppliers
  - Change management, especially in engineering phase
  - Sales compliance to reduce specification errors

# Valmet's development to a more stable company with more diversified industry exposure

Orders received (EUR million)





# Opportunities to strengthen Services, Automation and Process Technologies segments through acquisitions

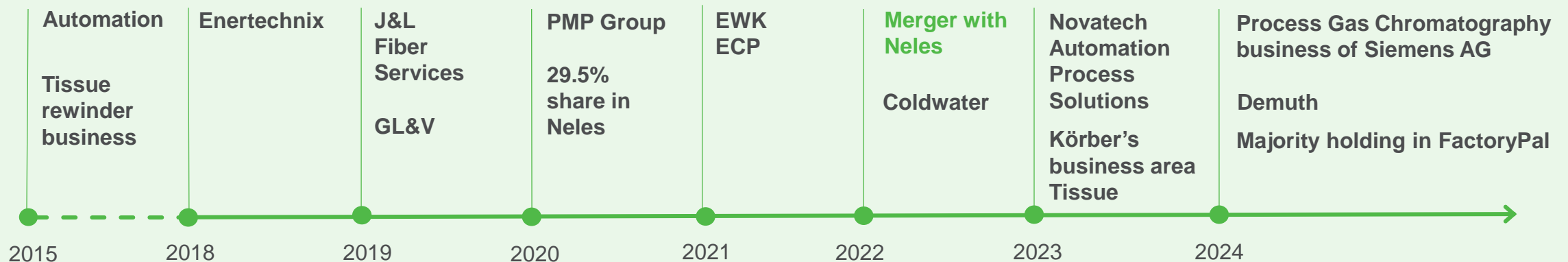
## Strong track record of successful acquisitions

- 14 acquisitions made since becoming an independent company in 2014
- Total investment in acquisitions and in the merger with Neles about EUR 2.5 billion

## Acquisition strategy

- Opportunities to strengthen Services, Automation and Process Technologies segments
- Selective acquisitions with a clear industrial logic and synergies
- Targeting to support Valmet in reaching financial targets
- Approximately 50 cases evaluated annually

## Track record of successful acquisitions



# Acquisitions in 2023 and 2024

## NovaTech Automation's Process Solutions business

- The acquisition strengthens Valmet's Automation segment with a reliable batch distributed control system (DCS)
- Net sales amounted to approximately USD 18 million in 2022 and the business operates in the United States and the Benelux countries
- Completed on January 3, 2023

## Tissue Converting business from Körber

- Tissue Converting strengthens Valmet's Process Technologies and Services segments
- In 2023, net sales of the business amounted to EUR 296 million, of which EUR 76 million was booked to Valmet
- The business employs around 1,170 employees in Italy, Brazil, the U.S., China and Japan
- Completed on November 2, 2023

## Process Gas Chromatography business of Siemens

- Process Gas Chromatography business strengthens Valmet's Automation segment and process automation offering
- In 2022, net sales of the business amounted to approximately EUR 120 million and pro-forma adjusted EBITDA margin was approximately 10%
- The business employs around 300 people, and its main locations are in the USA, Germany, and Singapore
- Completed on April 2, 2024

## Demuth

- Demuth strengthens Valmet's wood handling technology offering and services presence in South America
- Net sales of Demuth have been around EUR 20–30 million annually and the company employs around 300–400 people
- Completed on August 1, 2024

# Merger of Valmet and Neles created a leading company with a unique offering for process industries globally

- Merger of Valmet and Neles was registered and the combination of Valmet's and Neles' business operations completed on April 1, 2022
- Valmet acquired 29.5% of Neles shares in 2020 for EUR 456 million, average price per share was EUR 10.27
- Merger consideration to Neles' shareholders was approximately 34.7 million Valmet shares, amounting to EUR 978 million
- The total cost of Neles' shares acquired by Valmet amounted to EUR 1,434 million
- Valmet's share price at the end of March 31, 2022, was EUR 28.21
- Valmet's number of shares increased to approximately 184.5 million
- Neles' extra distribution before the merger to Neles shareholders was EUR 2.00 per share
- Starting from Q2/2022, Neles is part of Valmet's Automation segment and forms the fifth business line to Valmet, called Flow Control

# Acquisition of Körber's Business Area Tissue

## Acquisition in brief

- On July 7, 2023, Valmet entered into an agreement to acquire Körber Group's Business Area Tissue. The transaction was closed on November 2, 2023
- The enterprise value is approximately EUR 380 million<sup>1</sup>
- The acquired business will operate integrated in Valmet's Paper business line as business unit Tissue Converting
- In Valmet's reporting, the process technology part of the business will be consolidated to Paper business line and the services part to the Services business line

## Körber Group's Business Area Tissue in brief

- Process technologies as well as related services and automation for converting the jumbo reels of tissue paper into final tissue products for consumers and the Away from Home segment
- The broadest offering in the tissue converting industry
- In 2022, net sales amounted to EUR ~305 million and adj. EBITDA margin ~12%
- A strong and growing services business, which accounted for 36% of total net sales in 2022
- HQ in Italy and ~1,170 employees in Italy, Brazil, China, Japan and the U.S.

## Strategic rationale of the acquisition

- Creating the markets' widest technology, automation and services offering for the growing tissue industry
- Strengthen both Process Technologies and Services segments
- The combination of Valmet's legacy tissue offering and the acquired tissue converting is complementary and good strategic fit
- The combination forms a strong basis to create new business opportunities and serve our customers even better
- Valmet estimates that the acquisition will bring sales, service and cost synergies worth of EUR 8 million by the end of 2026

1) On a cash and debt free basis subject to ordinary post-closing adjustments



# Acquisition of the Process Gas Chromatography business of Siemens

## Acquisition in brief

- Valmet entered into an agreement on July 14, 2023, to acquire the Process Gas Chromatography business of Siemens AG
- The enterprise value is EUR 102.5 million<sup>1</sup>
- The acquisition was completed on April 2, 2024
- The acquired business is integrated into Valmet's Automation Systems business line as a business unit called Analyzer Products and Integration

## Siemens Process Gas Chromatography business in brief


- Gas Chromatographs are used to measure the chemical composition in gases and evaporable liquids in all stages of production
- Market leader in process gas chromatography
- The Maxum brand is widely known in process industries and used extensively by world's leading industrial customers
- In 2022, net sales of the acquired business amounted to approximately EUR 120 million and pro-forma adjusted EBITDA margin was approximately 10%

## Strategic rationale of the acquisition

- The acquired offering complements Valmet's existing automation offering, industry reach and expertise
- The acquisition strengthens Valmet's Automation segment and process automation offering
- The acquisition strengthens Automation Systems business footprint in North America, Asia-Pacific, and Europe



1) On a cash and debt free basis subject to ordinary post-closing adjustments



Appendix  
**Shareholders and share price  
development**

# Largest shareholders on December 31, 2024

Based on indicative data collected by Modular Finance

#	Shareholder name	Number of shares	% of shares and votes
1	Oras Invest Oy	19,200,000	10.40%
2	Solidium Oy	18,640,665	10.10%
3	Swedbank Robur Fonder	9,277,291	5.03%
4	Varma Mutual Pension Insurance Company	8,786,744	4.76%
5	Ilmarinen Mutual Pension Insurance Company	7,235,818	3.92%
6	Vanguard	6,572,263	3.56%
7	BlackRock	3,841,843	2.08%
8	Dimensional Fund Advisors	3,769,225	2.04%
9	Capital Group	3,624,563	1.96%
10	Elo Mutual Pension Insurance Company	2,772,000	1.50%
	<i>10 largest shareholders, total</i>	83,720,412	45.35%
	<i>Other shareholders</i>	100,444,935	54.65%
	<b>Total</b>	<b>184,165,347</b>	<b>100.00%</b>

## Five latest flagging notifications

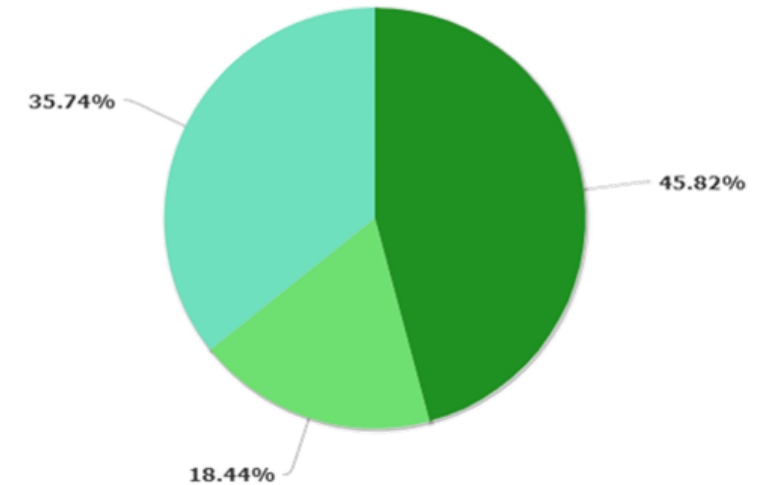
Date of transaction	Shareholder	Number of shares	% of shares and votes
Dec 3, 2024	Swedbank Robur Fonder AB	9,277,291	5.03%
Oct 21, 2024	Swedbank Robur Fonder AB	9,188,266	4.98%
Aug 9, 2024	The Goldman Sachs Group, Inc.	9,129,906	4.95%
Aug 7, 2024	The Goldman Sachs Group, Inc.	9,255,256	5.02%
Mar 8, 2024	Swedbank Robur Fonder AB	9,393,316	5.09%



# Shareholder structure on December 31, 2024

Based on Euroclear data. The classification of sectors determined by Statistics Finland.

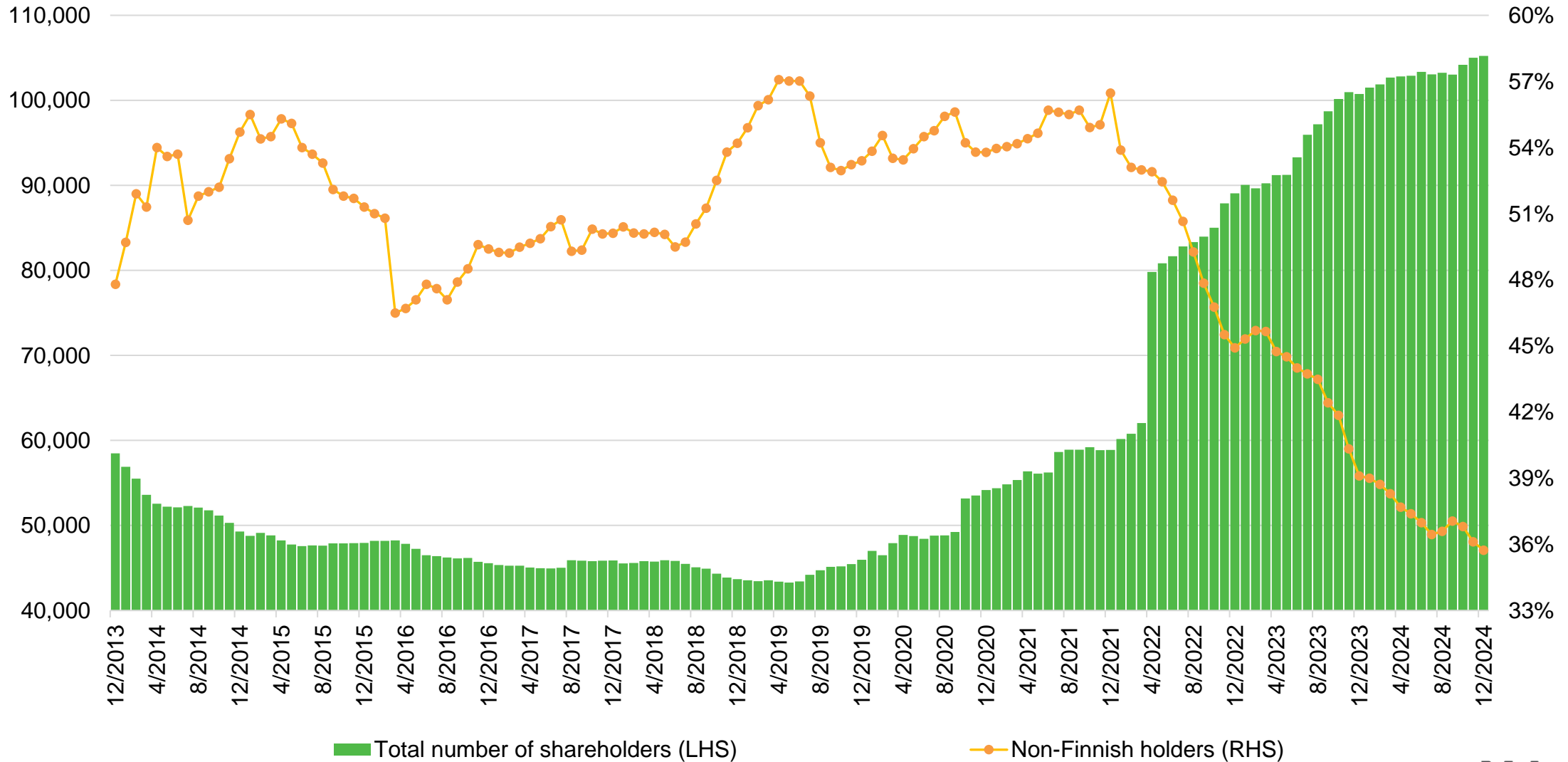
Sector	Shareholders		Shares		Change from previous month	
	Number	%	Number	%	+/-	%
<span style="color: #008000;">■</span> Finnish institutions, companies and foundations	4,931	4.69	84,552,751	45.82	+749,156	+0.89
<span style="color: #00FF00;">■</span> Finnish private investors	99,784	94.84	34,024,699	18.44	-43,705	-0.13
<span style="color: #00FFFF;">■</span> Nominee registered and non-Finnish holders	502	0.48	65,941,586	35.74	-705,451	-1.06
Total	105,217	100.00	184,519,036	100.00		
In the joint book-entry account	0		10,569		0	
Number of shares issued	105,217		184,529,605			



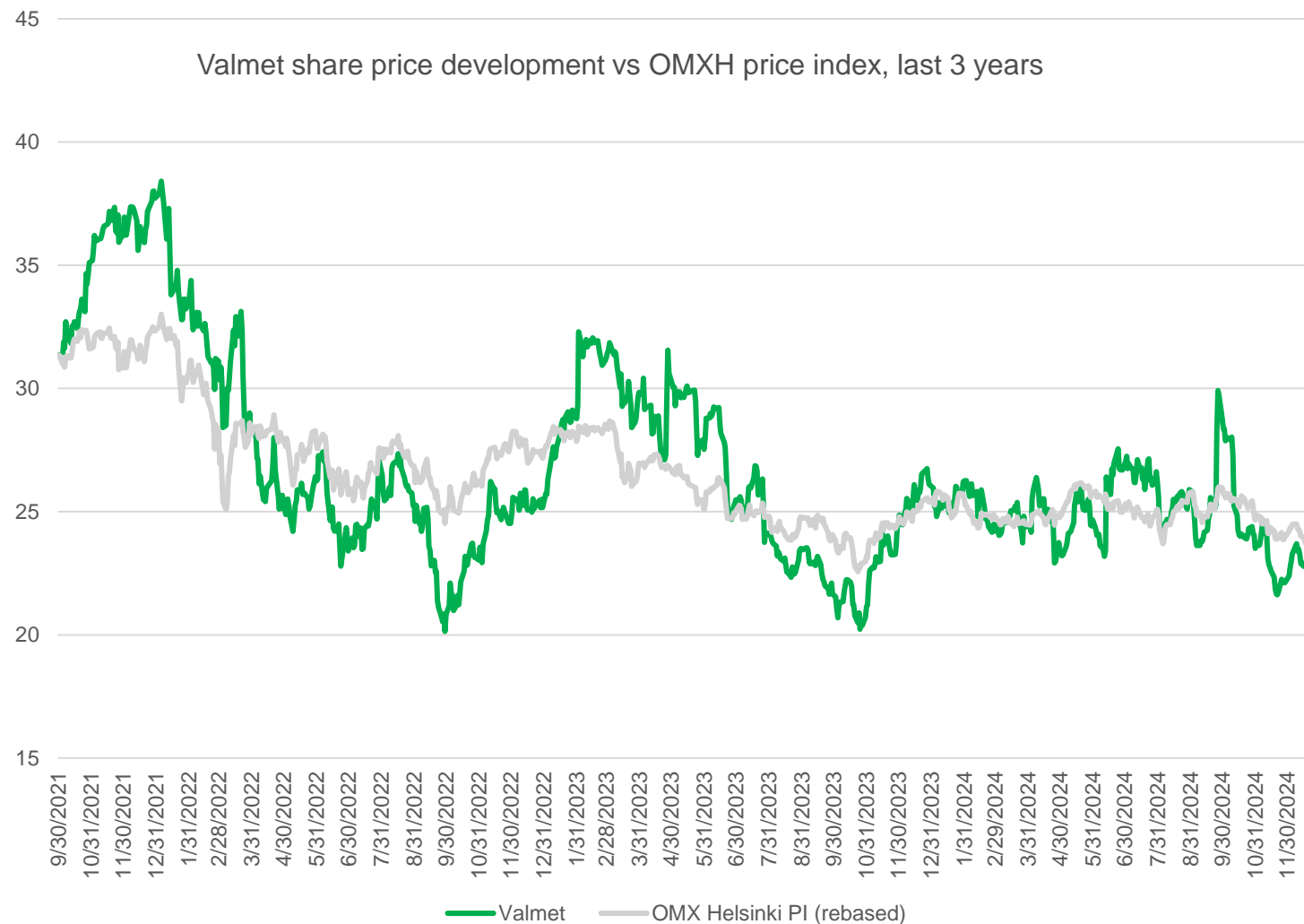


# Share of non-Finnish holders and number of shareholders

At the end of December 2024, Valmet had 105,217 shareholders of which 35.7% were held by investors outside Finland



# Valmet share price development



Share price during 2024	Valmet	OMX Helsinki
December 31, 2023	26.11	10,098
December 31, 2024	23.33	9,475
High	30.11	10,445
Low	21.37	9,193
Market cap (EUR million)	4,305	

	Volume 2024	% of outstanding
Total	108,778,549	59.1 %
Median	369,940	0.2 %
Average	433,381	0.2 %
Average, EUR	8,796,157	
Max	2,775,697	1.5 %
Min	99,162	0.1 %
No. of shares outstanding	184,165,347	

Source: FactSet, Nasdaq



Appendix  
**Offering**

# Mission statement refined to reflect the changes in our business portfolio and customer base

## Mission

We create sustainable results by converting renewable resources and making industrial processes reliable and efficient

## Strategy

Valmet develops and supplies competitive and reliable process technologies, services and automation to the pulp, paper and energy industries.

Our automation business covers a wide base of global process industries.

We are committed to moving our customers' performance forward with our unique offering and way to serve.

## Continuous improvement and renewal

### Must-Wins

- Customer excellence
- Leader in technology and innovation
- Excellence in processes
- Winning team

### Business accelerators

## Vision

To become the global champion in serving our customers and in moving the industries forward

## Our Values



### Customers

We move our customers' performance forward



### Renewal

We promote new ideas to create the future



### Excellence

We improve every day to deliver results



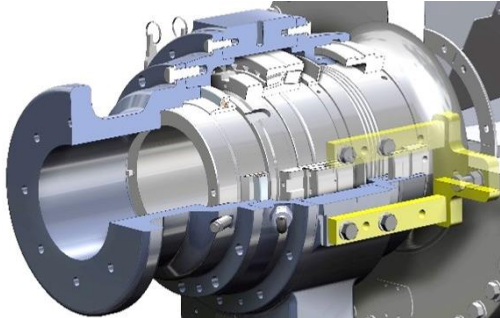
### People

We work together to make a difference

## Megatrends

- Climate change and resource efficient world
- Digitalization and new technologies
- Urban, responsible and globally connected people

# Services: Strong market position with market's widest offering



## Performance Parts

- Spare parts
- Consumables

- High-quality spare parts, upgraded parts and retrofits
- Process consumables with process knowledge



## Fabrics

- Paper machine clothing
- Filter fabrics

- Application expertise with high-quality clothing
- Various filtration applications and reliable deliveries
- High market share in projects



## Rolls and workshop services

- Rolls
- Roll covers
- Roll maintenance
- Workshop services

- Wide geographical workshop coverage
- New competitive products



## Board, Paper and Tissue Solutions

- Improvement projects
- Field services
- Lifecycle agreements
- Outsourcing

- Large and growing Valmet installed base
- Process and project execution knowhow
- Strong Field services network
- Strong references



## Pulp and Energy Solutions

- Improvement projects
- Field services
- Lifecycle agreements
- Outsourcing

- Large and growing Valmet installed base
- Process and project execution knowhow
- Strong Field services network
- Strong references

Offering

Competitive advantages

# Services: Unified way to serve aims at excellent customer experience



## We aim to understand customer strategy and needs

- Understanding customer strategy and need through Corporate account management and Mill Teams
- Mill team: Mill Sales Manager and product experts appointed for the mill
- Mill Team having annual targets to grow Valmet's market share at the customer
- One point of contact to customers



## Sales actions planned based on customer needs

- Aligning customer targets with Valmet's sales and service actions through annual sales planning
- Over 10,000 actions each year



## Continuous collaboration through lifecycle approach

- Right combination of services for every stage in the lifecycle
- Delivery by products, agreements, projects



## High customer satisfaction

- Customer satisfaction measured with Net Promoter Score (NPS)
- NPS target 70%
- Detractor comments leading to fast corrective actions

# Automation Systems: High technology and competitive offering



## Distributed Control Systems (DCS)

- Highly integrated, renewing Valmet DNA Automation System for process control, monitoring and applications for different industries
- Automation services and Industrial internet solutions



## Quality Management Systems (QMS)

- Valmet IQ Quality control system for pulp and paper
- Quality management applications to optimize resource usage and quality
- Automation services and Industrial internet solutions



## Analyzers and Measurements

- For measuring and optimizing different variables in industrial processes
- Automation services and Industrial internet solutions

Offering

Competitive advantages

- Integrated, industrial internet ready automation platform with wide application offering for focus industries
- User experience focused web-based user interface with secure access
- Future-proof technology - lifetime compatibility

- World's widest offering in quality management for board and paper
- Integrated to automation platform
- Quality optimization across the value chain all the way from fibers to finished product (e.g., carton board boxes)

- World's widest and most trusted offering for pulp and paper
- Measurements to adjacent markets like wastewater
- Unique combination of advanced process controls and optimization: a solid base of data for mill-wide optimization

# Automation Systems: Customers investing in improving their operations

Real-time & predictive control and optimization

**5. Optimization Applications**  
Optimized production of the entire mill, plant or fleet



secure connection to cloud

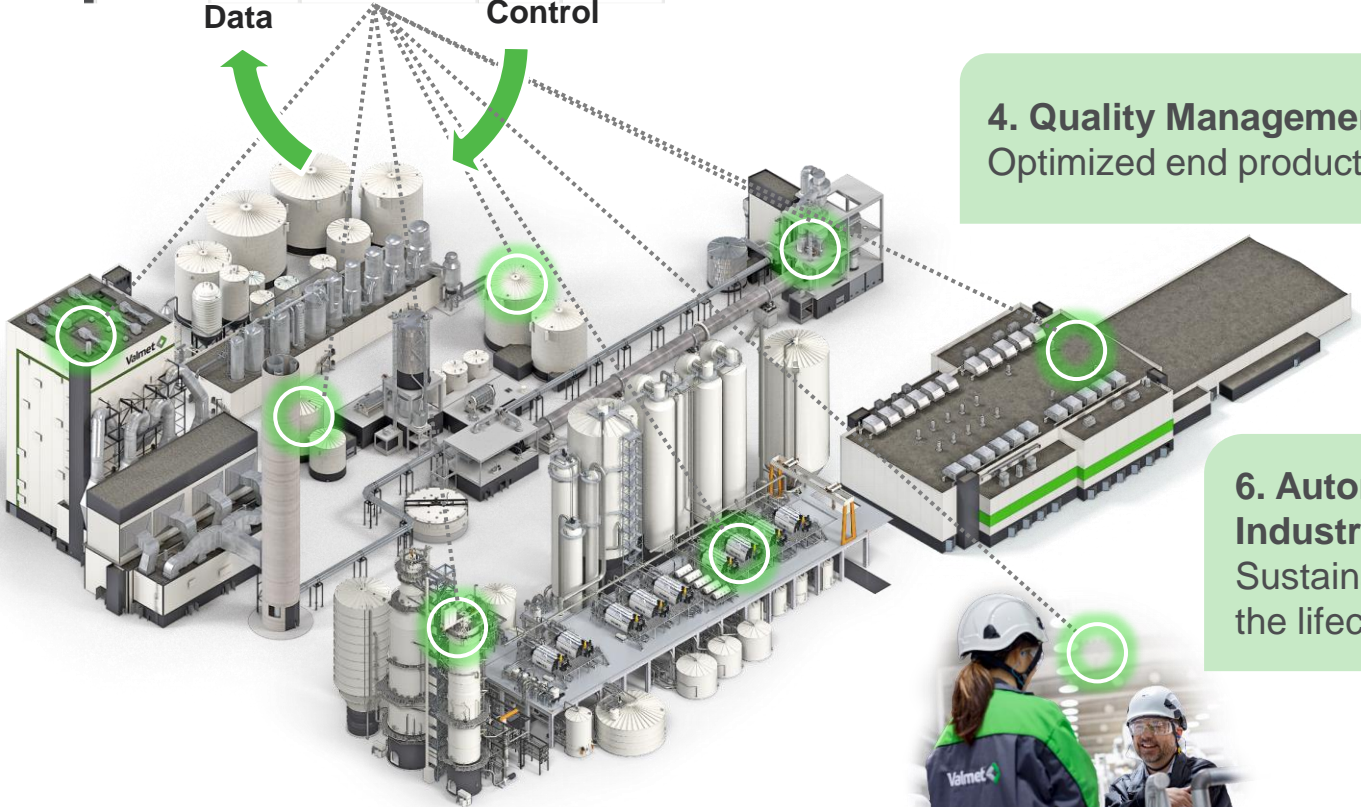
**1. Distributed Control Systems**  
Reliable process control

**3. Analyzers & Measurements, Valves**  
Process data for control and optimization

**4. Quality Management Systems**  
Optimized end product quality

**2. Intelligent Process Equipment**  
Diagnostics data for control and optimization

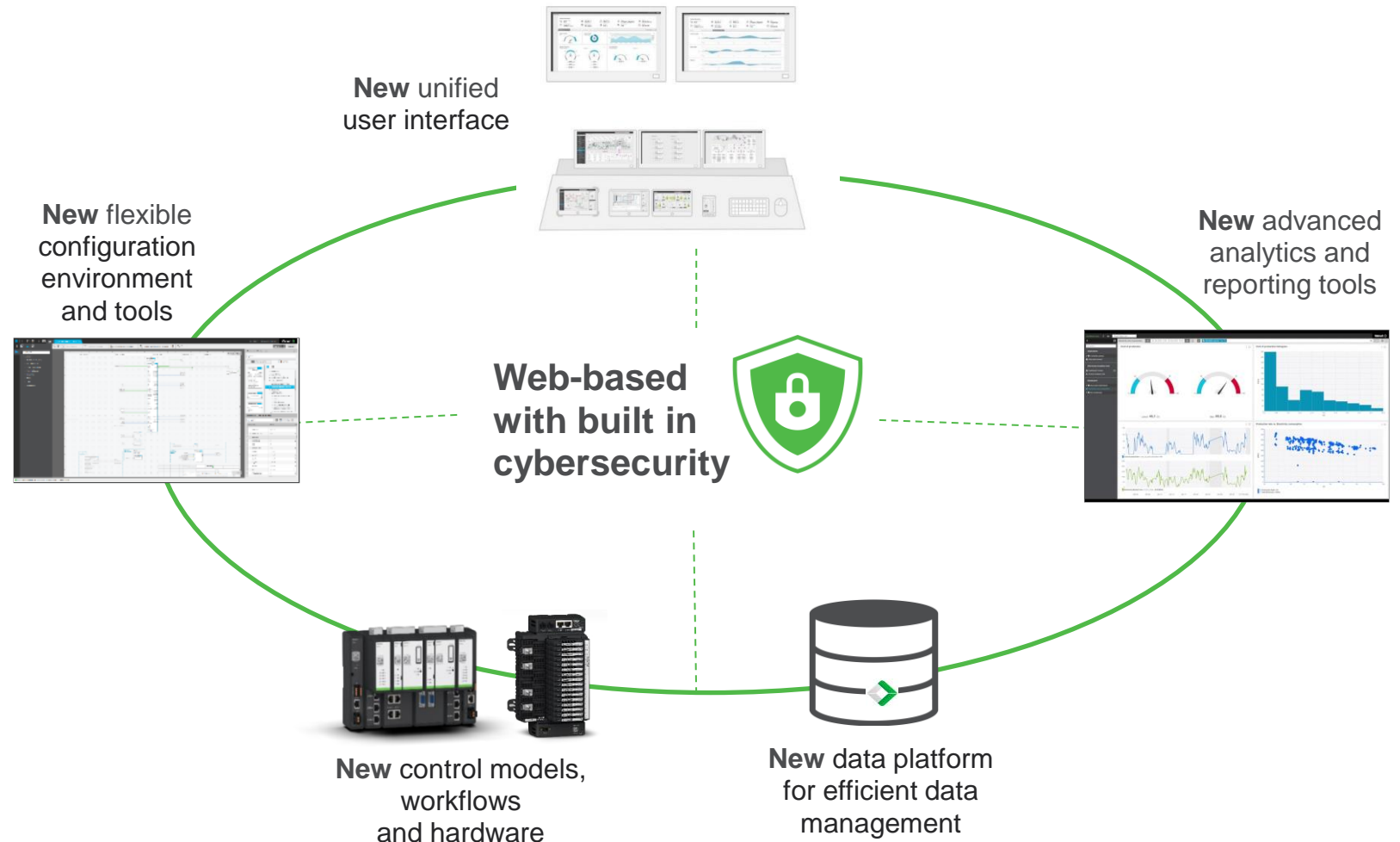
**6. Automation Services and Industrial Internet Solutions**  
Sustainable performance over the lifecycle





# Valmet DNAe – the future-proof Distributed Control System (DCS)

- On April 9, 2024, Valmet launched its new DCS system, Valmet DNAe
- Represents a major milestone in process automation and increases the competitiveness of Valmet's DCS offering
- Fully web-based platform with industry-leading user experience and cybersecurity
- Helps customers improve efficiency, productivity, sustainability and safety of their operations
- Provides a solid platform for moving towards more digitalized, autonomous operations
- In 2023, orders received of Valmet's DCS amounted to roughly EUR 314 million



Major step in Valmet's strategy for growing automation business further to a wide base of process industries globally

Supports Valmet's financial target of growing over two times the market growth in the Automation segment

# Leading pulp and energy technology offering



## Pulp

### Complete mills and lines

- Complete chemical pulp mills from wood handling to bales
- Mechanical pulping lines (BCTMP, CTMP)
- Plant-wide project execution and management

### Single islands and products

- Chemical pulp mill islands
- Defibrators for fiberboard production
- Prehydrolysis BioTrac systems
- LignoBoost plants
- Textile recycling technology

## Energy

### Boilers and power plants

- Fluidized bed boilers – using biomass, waste and residues
- Biomass gasifiers
- Modular power plants
- Emission control systems (SOx, NOx and dust removal)

### Rebuilds and conversions

- Boiler fuel conversions from fossil to biomass
- Boiler production capacity upgrades
- Emission reduction projects

Offering

Competitive advantages

- Mill-wide offering with automation and services
- Optimized production, energy efficiency and environmental performance
- Local presence through Area organization

- Leading technology e.g. G3 Cooking with strong market success
- Leading mechanical pulping (CTMP) solutions
- Strong position in new products
- Excellent energy and environmental performance

- Strong expertise in biomass-based power and heat
- Excellent fuel flexibility with fluidized bed technology
- Large reference base
- Local presence through Area organization and partners

- Technical knowledge of the process including fuel handling, combustion and emission control
- Various complementing technologies
- Large reference base

# Unmatched scope in Board, Paper and Tissue



Board

Stock preparation and recycled fiber lines

Capacity and quality improvements

e.g., headboxes, press rebuilds, surface treatment, winders, refiners

Paper

Paper, board and tissue machinery

Focus on productivity improvement

Automation Systems

Flow Control

Services for optimized overall performance

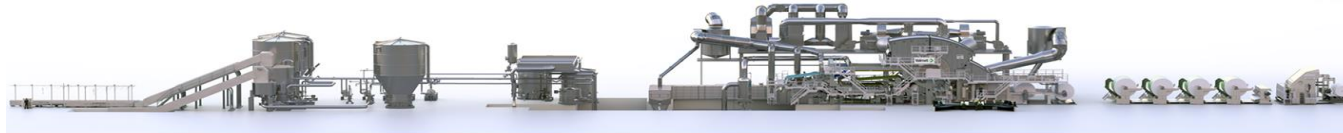
Energy efficiency and productivity

e.g., headboxes, ViscoNip presses, rewinders, refiners

Tissue

# Valmet Tissue Converting: Creating the market's widest offering for tissue industry

Technologies, services and automation for the entire tissue value chain – from fiber to a finished end product



Stock preparation

Tissue machine

Tissue rewinder



Converting line



- With Tissue Converting, Valmet now has the market's widest portfolio of process technologies, services and automation solutions for the entire tissue value chain
- The leading tissue making and converting technologies combined with Valmet Industrial Internet will enable significant productivity as well as end-product quality improvements for tissue customers

# Driving rebuilds towards resource-efficient board production

Energy consumption<sup>1</sup>  
**-18%**

2012–2022:  
from 1,150 to 950 kWh/t

Fiber savings<sup>1</sup>  
**-10%**

2012–2022:  
from 100 to 90 g/m<sup>2</sup>

Optimized performance  
with Industrial Internet  
solutions

Bio-packaging  
with new coating solutions

**OptiFlo with Aqua headbox**  
Solution for multilayering with single headbox

**OptiFormer Hybrid with Sleeve roll**  
Solution for capacity and strength improvement

**OptiPress Center with Metal belt**  
Towards increased dry content and decreased draw

**Steel cylinder**  
Solution for higher drying efficiency

**OptiSizer HardSizer with Hard Nip**  
Solution for improved strength

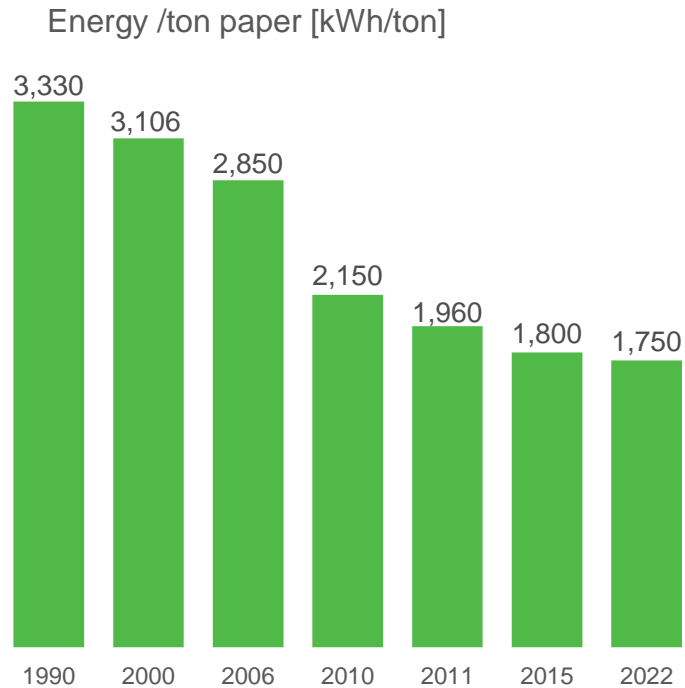
**OptiCalender Metal Belt**  
Better surface quality and higher bulk

**Aqua Cooling**  
Improved bulk

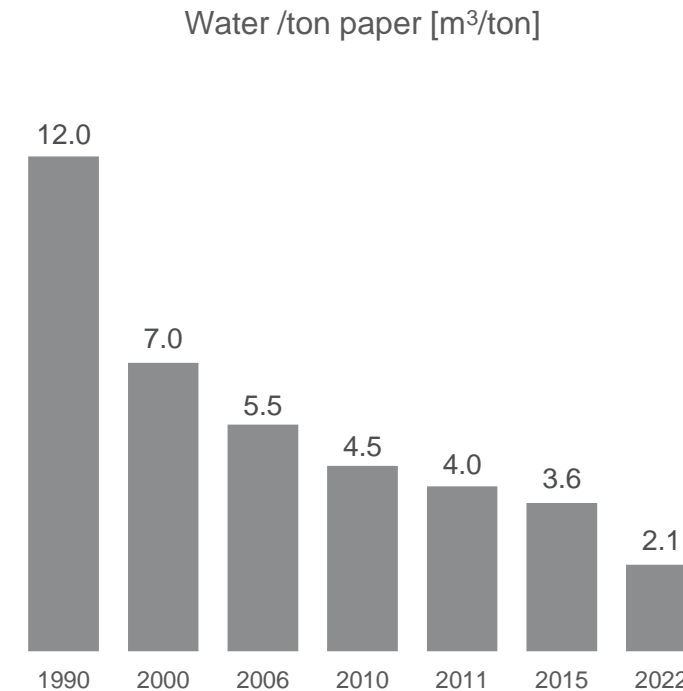


# Driving development of resource-efficient tissue production

## 47% less energy<sup>1</sup>



## 80% less water<sup>1</sup>



## Less fiber consumption<sup>2</sup>



<sup>1</sup> DCT type of mill, same production and basis weight

<sup>2</sup> Achieving the same main tissue specific paper properties



Appendix  
Management and remuneration

# Board of Directors



**Mikael Mäkinen**  
(b. 1956)  
Chair of the Board  
Finnish citizen

- M.Sc. (Eng.)
- Other positions of trust:
  - Chair of the Board of AkerArctic Technology Inc. and Corvus Energy
  - Board member in SSAB AB and Finnlines Oyj
- Share ownership: 11,906
- Independent of company: Yes
- Independent of owners: Yes



**Jaakko Eskola**  
(b. 1958)  
Vice Chair of the Board  
Finnish citizen

- M.Sc. (Eng.)
- Other positions of trust:
  - Chair of the Board of Kalmar Oyj, Varma Mutual Pension Insurance Company, Technology Industries of Finland, Oy HIFK-Hockey Ab
- Share ownership: 4,870
- Independent of company: Yes
- Independent of owners: Yes



**Anu Hämäläinen**  
(b. 1965)  
Board member  
Finnish citizen

- M.Sc. (Econ.)
- EVP, CFO at Kesko Corporation
- Other positions of trust:
  - Deputy Board member of Kesko Pension Fund, Board Member of K-Tilipalvelu Oy
- Share ownership: 4,196
- Independent of company: Yes
- Independent of owners: Yes



**Pekka Kempainen**  
(b. 1954)  
Board member  
Finnish citizen

- Lic.Sc. (Tech.)
- Other positions of trust:
  - Board member in Bittium Oyj and Junttan Oy
- Share ownership: 6,535
- Independent of company: Yes
- Independent of owners: Yes



**Per Lindberg**  
(b. 1959)  
Board member  
Swedish citizen

- M.Sc. (Eng.), PhD (Industrial Management)
- Senior Advisor at Peymar Holding AB
- Other positions of trust:
  - Chair of the BoD of Permascand AB and Nordic Brass Gusum AB
  - Board member in Boliden AB, Vattenfall AB
- Share ownership: 3,591
- Independent of company: Yes
- Independent of owners: Yes



**Annareetta Lumme-Timonen**  
(b. 1967)  
Board member  
Finnish citizen

- M.Sc. (Tech.), D.Sc. (Tech.)
- Investment Director at Solidium Oy
- Other positions of trust:
  - Board member of Anora Group Plc
- Share ownership: 1,582
- Independent of company: Yes
- Independent of owners: No



**Monika Maurer**  
(b. 1956)  
Board member  
German citizen

- Diploma in Physics and Chemistry
- Diploma in Pedagogy
- Other positions of trust:
  - Vice Chair of the Board of Nokia Shanghai Bell, Co. Ltd and Board member of Atos SE
- Share ownership: 6,535
- Independent of company: Yes
- Independent of owners: Yes

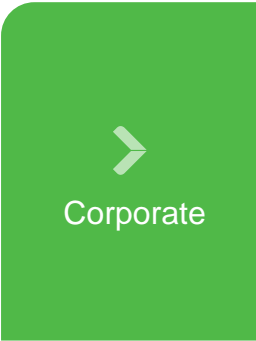


**Annika Paasikivi**  
(b. 1975)  
Board member  
Finnish citizen

- B.A., M.Sc. (Global Politics)
- President & CEO of Oras Invest Oy
- Other positions of trust:
  - Vice Chair of the Board of Kemira Oyj, Board member of Georg Fischer Ltd and Varova Oy
- Share ownership: 1,449
- Independent of company: Yes
- Independent of owners: No



# Executive Team



**Thomas Hinnerskov**  
President and CEO  
Share ownership: 0\*



**Katri Hokkanen**  
CFO  
Share ownership: 9,295



**Janne Pynnönen**  
SVP, Operational Development  
Share ownership: 1,087



**Anu Pires**  
SVP, Human Resources  
Share ownership: 0



**Olli Hänninen**  
SVP, Strategy  
Share ownership: 1,400



**Aki Niemi**  
Business Line President, Services  
Share ownership: 44,783



**Emilia Torttila-Miettinen**  
Business Line President,  
Automation Systems  
Share ownership: 2,884



**Simo Säaskilahti**  
Business Line President,  
Flow Control  
Share ownership: 6,855



**Sami Riekkola**  
Business Line President,  
Pulp and Energy  
Share ownership: 23,187



**Petri Rasinmäki**  
Business Line President, Paper  
Share ownership: 2,929



**Celso Tacla**  
Area President,  
South America  
Share ownership: 78,512



**Tero Kokko**  
Area President,  
EMEA  
Share ownership: 4,104



**Xiangdong Zhu**  
Area President,  
China  
Share ownership: 38,079



**Petri Paukkunen**  
Area President,  
Asia Pacific  
Share ownership: 15,986

\* Thomas Hinnerskov has an allocation of 61,037 shares in restricted share pool. A precondition for the payment of the share reward based on the restricted pool is that the employment relationship of Thomas Hinnerskov with Valmet continues until the payment date of the reward, which is in March 2027. Shares in long-term incentive plan PSP (Performance Share Plan) 2024-2026 have also been allocated to Thomas Hinnerskov in 2024, with rewards from these plans will be paid to participants in spring 2027.

Executive Team's ownership on December 31, 2024, totaled 311,441 shares, which equals to 0.17% of outstanding shares.

# Remuneration of the Executive Team

- The remuneration of the Executive Team members comprises
  - fixed base salary (incl. monthly salary and taxable benefits<sup>1</sup>)
  - short-term and long-term incentives, and
  - a supplementary pension plan
- Additional pension benefit in the form of a defined contribution pension plan equaling 15–20% of base salary depending on role
- Notice period is six months for both parties. If the company terminates the agreement, there is an additional severance pay equaling six times the last total monthly salary

<sup>1</sup>) Such as a company car and a phone allowance, according to the local legislation and market practice.

# Current Performance Share Plans and Deferred Share Plans

	LTI plan 2022–2024		LTI plan 2023–2025		LTI plan 2024–2026		LTI plan 2025-2027
Plan name	PSP and DSP	PSP	PSP and DSP	PSP	DSP	PSP	PSP
Performance period	2022 (1y)	2022–2024 (3y)	2023 (1y)	2023–2025 (3y)	2024	2024, 2024–2026	2025-2027
Incentive based on	<ul style="list-style-type: none"> <li>• Comparable EBITA margin (50%)</li> <li>• Orders received growth in the stable business (50%)</li> </ul>	ESG Index, targets linked to implementing Valmet's Climate Program and Sustainability Agenda	<ul style="list-style-type: none"> <li>• Comparable EBITA margin (50%)</li> <li>• Orders received growth in the stable business (50%)</li> </ul>	Development of a valuation multiple of Valmet's share in comparison to peer group	Comparable EBITA as a percentage of net sales, and orders received growth of the stable business	<ul style="list-style-type: none"> <li>• Comparable EBITA as a percentage of net sales, and orders received growth of the stable business</li> <li>• Development of a valuation multiple of Valmet's share in comparison to peer group</li> </ul>	<ul style="list-style-type: none"> <li>• Comparable EBITA, organic orders received growth (%) of the stable business, and ESG index</li> </ul>
Reward payment	In spring 2023	In spring 2025	In spring 2024	In spring 2026	In spring 2025	In spring 2027	In spring 2028
Restriction period	Until spring 2025		Until spring 2026		Until spring 2027		
Participants in PSP	14	11	15	13		16	~220
Participants in DSP	121		128		192		
Total gross number of shares earned	Approximately 180,000	Approximately 29,000	Approximately 154,000 shares	Approximately 47,000 shares	As at September 30, 2024, a total of approximately 362,000 shares were allotted to participants.	As at September 30, 2024, a total of approximately 259,000 shares were allotted to participants.	The reward to be paid will correspond to a maximum total of approximately 653,000 shares.

