

Metsä Group
Financial Statements Bulletin 1 January–31 December 2025



Metsä Group's comparable operating result in January–December 2025 was EUR -85 million

January–December 2025 (1–12/2024)

- Sales were EUR 5,833 million (5,747).
- Operating result was EUR -271 million (186). The comparable operating result was EUR -85 million (203).
- Result before taxes was EUR -335 million (131). The comparable result before taxes was EUR -147 million (148).
- The comparable return on capital employed was -0.9% (2.9).
- Net cash flow from operations was EUR 537 million (11).

October–December 2025 (10–12/2024)

- Sales were EUR 1,325 million (1,474).
- Operating result was EUR -208 million (29). The comparable operating result was EUR -57 million (33).
- Result before taxes was EUR -227 million (13). The comparable result before taxes was EUR -74 million (16).
- The comparable return on capital employed was -2.9% (2.0).
- Net cash flow from operations was EUR 320 million (176).

Events during the fourth quarter of 2025

- Demand for market pulp remained muted in both Europe and China. Production at the Joutseno pulp mill was halted during June–December.
- Average sales prices of Metsä Group's softwood market pulp decreased by 1% in Europe and 3% in China, compared with the previous quarter.
- Metsä Group's paperboard delivery volume decreased from the previous quarter. The average paperboard price decreased slightly. Production was curtailed due to the market situation and to release working capital.
- The comparable operating result for October–December included insurance compensations totalling EUR 40 million for the Kemi bioproduct mill damages.
- As part of the cost savings and profit improvement programme, Metsä Group conducted change negotiations concerning all employees, resulting in the termination of nearly 800 permanent positions. Related to the negotiations, the Group recognised a total of EUR 44 million in one-time expenses as an item affecting the comparability of the operating result for October–December 2025.
- Metsä Group completed the 60-million-euro renewal project of a paperboard mill in Simpele in Finland.

- Metsä Group began production in the expanded and renewed Mariestad tissue paper mill in Sweden.
- The renewal project for Metsä Group's enterprise resource planning (ERP) system has been suspended for the time being. Related to the project, the Group recognised a total of EUR 96 million in one-time expenses as an item affecting the comparability of the operating result for October–December 2025.
- Metsä Board signed an agreement regarding a revolving credit facility of EUR 250 million, with a margin tied to the long-term climate and energy efficiency targets. The facility replaced the undrawn EUR 200 million revolving credit facility due to expire in January 2027.

Cost savings and profit improvement programme

In July 2025, Metsä Group announced a EUR 300 million cost savings and profit improvement programme with the goal of improving profitability and efficiency, as well as ensuring competitiveness. Two thirds of the programme's target result is expected to be realised in 2026. The cost savings are expected to be materialized in full in 2027. The savings are largely related to procurement and end product logistics, as well as efficiency improvements in the wood supply chain. These areas account for more than half the planned savings. Slightly less than half the savings will come from reductions of fixed costs.

During the second half of the year, Metsä Group conducted change negotiations concerning all business areas and Group functions. As a result of the change negotiations, around 790 permanent positions were terminated. All change negotiations have concluded, and the most significant reductions were in Finland and Sweden.

Metsä Group has offered its employees comprehensive support for adapting to the situation.

Cost provisions related to the cost savings and profit improvement programme were recognised as items affecting comparability in the last quarter result.

Events after the review period

On 26 January 2026, Metsä Board made an agreement regarding the purchase of the Winschoten Sheeting and Distribution Hub in the Netherlands, owned by Konvertia Group. It is planned that the sale will be closed in February 2026. The parties have agreed not to publish the sale price.

In January, Jussi Noponen was appointed EVP, Metsä Wood and a member of the Metsä Group Executive Management Team from 1 March 2026 onwards.

Metsäliitto Cooperative and Itochu Corporation completed a transaction on 4 February 2026, in which Metsäliitto acquired a 5.1% stake in Metsä Fibre Oy. As a result of the transaction, Metsäliitto's ownership in Metsä Fibre is 55.2%, and Itochu holds 19.9% of the share capital. The share of Metsä Board Corporation remained at 24.9%.

Proposal of the Board of Directors on the use of the surplus on the balance sheet

Metsäliitto Cooperative's Board of Directors has decided to propose that for 2025, interest of 5.0% (5.5 for 2024) be paid on the participation share capital invested by members, and that interest of 4.5% (5.0) be paid on Metsä1 additional shares, 1.0% (2.0) on additional capital A, and 0.75% (1.0) on additional capital B. The Board of Directors also proposes that a surplus reimbursement of EUR 0.30 per cubic metre of industrial roundwood received from a member over the last four concluded financial periods be distributed. The reimbursement of surplus will be primarily paid as Metsä1 additional shares, but in money for the part corresponding to the tax withheld for each member. If the right to the shares has been transferred to another person in accordance with the rules of the cooperative, the interest will be paid to the person who is registered as the owner on the record date, 31 March 2026. The proposed payment date is 11 May 2026. If a member entitled to a surplus reimbursement terminates their membership of the cooperative before the date of payment, this share of the surplus reimbursement will not be distributed. In total, the proposed profit distribution would be approximately EUR 88 million (93), of which the surplus reimbursement based on wood trade would be approximately 17%.

President and CEO Jussi Vanhanen:

Metsä Group's sales for 2025 increased by 1.5% compared to the previous year due to higher pulp and sawn timber volumes. The lower delivery volumes for paperboard and the poor performance of the wood product distribution business had a negative impact on sales.

The Group's comparable operating result was a loss of EUR 85 million, largely due to the lower sales prices and higher fixed costs. Ensuring cost competitiveness therefore became a key focus for the second half of the year. In July, we announced we were seeking annual savings of EUR 300 million in stages from 2026 onwards. As part of the cost savings and profit improvement programme, we initiated change negotiations, resulting in the termination of around 790 permanent positions.

However, most of the cost savings will come from variable costs. Hundreds of our employees are working with these projects every day. We are making good progress in reaching the target. Based on the current outlook, two thirds of the planned savings will be realised in our result for 2026. Our result for 2026 will also be supported by lower wood prices, as they began to decrease in the summer of 2025. The prices will also be realised in the result in stages as the felling sites purchased before the summer of 2025 are harvested.

The highlight of 2025 was a very strong operational cash flow of over half a billion euros. This is a result of matters such as the systematic storage and working capital optimisations in the second half of the year. The Group's investments similarly amounted to slightly more than half a billion euros, so our financing position remained stable. In 2026, our investments will decrease significantly, as the only notable new investment of the Äänekoski Kerto® LVL mill will start up.

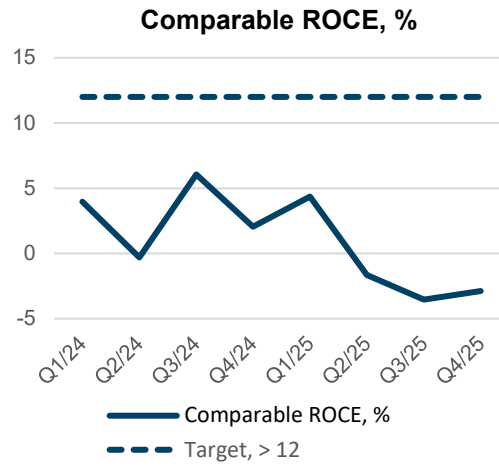
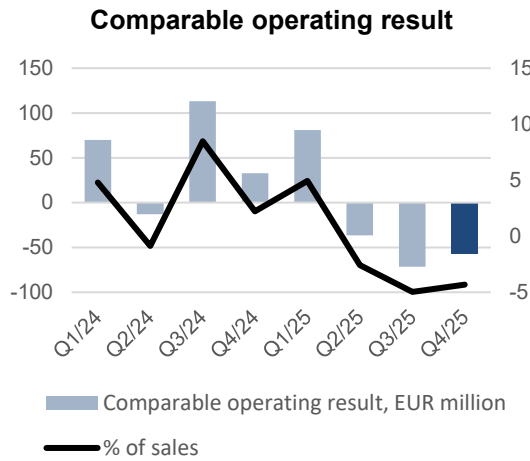
Another important milestone I wish to highlight is the development of our occupational safety. Our years of systematic work are bearing fruit, as in 2025, we reached an all-time low accident frequency of 4.0 accidents per million hours worked. I wish to thank all our employees for always keeping occupational safety as a core pillar of our work. Of course, this work will also continue this year.

What will 2026 bring? The year began with yet another escalation of the geopolitical situation, as well as new tariff threats. We need to be prepared for more dramatic news in the future. This will inevitably be reflected in the consumers' outlook of the future. It is vitally important that we always adjust our cost levels to match the price levels that the global markets allow.

At the strategic level, we are ready to focus more than ever on business operations with profitable growth opportunities in the future.

Key figures

	2025 1–12	2024 1–12	2025 10–12	2024 10–12
Sales, EUR million	5,832.9	5,747.2	1,324.7	1,474.5
EBITDA, EUR million	342.4	654.1	28.4	162.0
Comparable, EUR million	365.2	648.8	60.6	151.3
% of sales	6.3	11.3	4.6	10.3
Operating result, EUR million	-271.3	186.4	-208.3	29.2
Comparable, EUR million	-84.6	203.0	-57.4	32.7
% of sales	-1.5	3.5	-4.3	2.2
Result before income tax, EUR million	-334.9	131.3	-226.6	12.6
Comparable, EUR million	-146.7	147.6	-74.2	16.2
Result for the period, EUR million	-281.3	108.5	-189.8	10.5
Return on capital employed, %	-3.4	2.7	-10.9	1.9
Comparable, %	-0.9	2.9	-2.9	2.0
Return on equity, %	-5.2	1.9	-14.0	0.8
Comparable, %	-2.4	2.1	-5.0	1.0
Equity ratio, %	56.8	56.2	56.8	56.2
Net gearing ratio, %	24.2	22.2	24.2	22.2
Interest-bearing net liabilities, EUR million	1,288.4	1,235.7	1,288.4	1,235.7
Total investments, EUR million	620.8	603.3	221.6	181.0
Net cash flow from operations, EUR million	536.5	10.9	320.4	175.7
Personnel at the end of the period	8,767	9,581	8,767	9,581



Sales and Operating result

1–12/2025, EUR million	Pulp and Sawn timber industry	Paperboard Industry	Tissue and Greaseproof papers	Wood Products Industry	Wood Supply and Forest services
Sales	2,578.1	1,775.7	1,135.4	469.0	2,465.4
Other operating income	105.3	48.1	22.4	8.3	6.8
Operating expenses	-2,523.9	-1,827.6	-1,052.3	-472.5	-2,432.5
Depreciation and impairment losses	-302.5	-165.6	-87.3	-42.7	-6.2
Operating result	-143.1	-169.5	18.2	-38.0	33.4
Items affecting comparability	22.1	89.4	53.9	25.7	0.6
Comparable operating result	-121.0	-80.2	72.1	-12.3	34.0
% of sales	-4.7	-4.5	6.3	-2.6	1.4

Financial Statements Bulletin 1 January – 31 December 2025

Sales and result

Metsä Group's sales in January–December 2025 were EUR 5,832.9 million (1–12/2024: 5,747.2).

The comparable operating result was EUR -84.6 million (203.0), or -1.5% (3.5) of sales. The decrease in the operating result is explained by factors such as market-based production curtailments and cost increases. Particularly the increased prices of wood raw material and the lower average price of market pulp had a negative impact on the result. The US tariffs weakened the competitiveness of products in the US, and negatively affected the delivery volumes of folding boxboard in particular. In the comparison year, the comparable operating result was weakened by political strikes in Finland and the gas explosion at the Kemi bioproduct mill.

After hedging, exchange rate fluctuations had a positive impact of approximately EUR 9 million on the operating result of the review period compared with the previous year.

Items affecting the comparability of the operating result in January–December totalled EUR -186.7 million (-16.6). Of the most significant items, EUR -96.4 million is related to impairments of the enterprise resource planning (ERP) system renewal project, EUR -32.0 million to investment pre-planning project write-downs and efficiency improvements related to the Tissue Paper and Greaseproof Paper business, EUR -27.3 million to impairments of assets at the Tako paperboard mill, EUR -22.0 million to impairments of assets damaged by the gas explosion at the Kemi bioproduct mill, and EUR -2.7 million to other impairments. Furthermore, the comparability of the operating results was affected by the Group-wide cost savings and profit improvement programme by EUR -44.2 million, the discontinuation of the operations of Kumpuniemen Voima Oy by EUR -4.3 million, the discontinuation of the Suolahti plywood mills by EUR -1.2 million, insurance compensation received for the property damage caused by the gas explosion at the Kemi bioproduct mill by EUR 39.7 million, and gains from the sales of subsidiary shares by EUR 2.9 million.

Metsä Group's operating result (IFRS) was EUR -271.3 million (186.4). The share of the results of associated companies and joint ventures was EUR -0.7 million (-0.6), financial income was EUR 14.3 million (27.5), exchange rate differences in financing were EUR -1.5 million (-2.5), and financial expenses totalled EUR 75.7 million (79.6).

The result before taxes was EUR -334.9 million (131.3), and taxes including changes in deferred tax liabilities totalled EUR -53.6 million (22.7). The Group's effective tax rate was 16.0% (17.3). The result for the review period was EUR -281.3 million (108.5).

The return on capital employed was -3.4% (2.7), while the return on equity was -5.2% (1.9). The comparable

return on capital employed was -0.9% (2.9), and the comparable return on equity was -2.4% (2.1).

Balance sheet and financing

Metsä Group's liquidity has remained strong. Total liquidity at the end of December was EUR 1,479.0 million (31 December 2024: 1,641.6). This consisted of EUR 779.0 million (991.6) in liquid assets and investments, and EUR 700.0 million (650.0) in off-balance sheet committed credit facility agreements.

The Group's liquidity reserve is complemented by uncommitted commercial paper programmes and credit facilities amounting to EUR 360.0 million (31 December 2024: 330.0), and by undrawn pension premium (TyEL) funds amounting to EUR 54.1 million (31 December 2024: 435.3). The significant difference in TyEL funds compared with the previous year is due to a change that entered into force on 1 January 2026, limiting the maximum amount of premium loans to EUR 10 million for each employer.

Net cash flow from operations was EUR 536.5 million (10.9). A total of EUR 314.0 million in working capital was released (496.3 tied up). Working capital was negatively affected by the decrease of inventories by EUR 241.2 million, the decrease in trade and other receivables by EUR 38.8 million, and the increase in trade payables and other liabilities by EUR 33.9 million.

The Group's equity ratio at the end of December was 56.8%, and its net gearing ratio was 24.2% (31 December 2024: 56.2 and 22.2). Net interest-bearing liabilities were EUR 1,288.4 million (31 December 2024: 1,235.7).

At the end of June, the equity ratio of the parent company Metsäliitto Cooperative was 86.4%, and the net gearing ratio was -14.8% (31 December 2024: 86.6 and -16.8).

In May 2025, Metsä Board issued a new green bond of EUR 200 million. The bond will mature in 2031 and has an annual coupon rate of 3.875%.

In January–December, Metsäliitto Cooperative's members' capital increased by a total of EUR 59.5 million (89.8). The value of participation shares increased by EUR 5.2 million (6.8), and that of Metsä1 additional shares by EUR 132.4 million (182.0). The value of additional shares A declined by EUR -57.7 million (-87.6). The value of additional shares B changed by EUR -20.4 million (-11.4).

Personnel

In January–December, Metsä Group had an average of 9,533 employees (9,706). Personnel expenses totalled EUR 765.0 million (712.1). At the end of December, the Group employed 8,767 people (31 December 2024: 9,581), of whom 5,094 (5,677) were based in Finland, and 3,674 (3,904) in other countries. The parent company Metsäliitto Cooperative employed 2,180 people at the end of December (31 December 2024: 2,404).

Cost savings and profit improvement programme

In July 2025, Metsä Group announced a EUR 300 million cost savings and profit improvement programme with the goal of improving profitability and efficiency, as well as ensuring competitiveness. Two thirds of the programme's target is expected to be realised in 2026. The cost savings are expected to be achieved in full in 2027. The savings are largely related to procurement and end product logistics, as well as efficiency improvements in the wood supply chain. These areas account for more than half the planned savings. Slightly less than half the savings will come from reductions of fixed costs.

During the second half of the year, Metsä Group conducted change negotiations concerning all business areas and head office functions. As a result of the change negotiations, around 790 permanent positions were terminated. All change negotiations have concluded, and the most significant reductions were in Finland and Sweden.

Metsä Group has offered its employees comprehensive support for adapting to the situation.

Cost provisions related to the cost savings and profit improvement programme were recognised as items affecting comparability in the last quarter result.

Changes in Metsä Group's management

Jussi Vanhanen assumed his post as CEO of Metsäliitto Cooperative on 1 May 2025, and President and CEO of Metsä Group on 1 July 2025. Ilkka Härmälä continued in special duties within the company until his retirement on 23 October 2025.

Metsä Group renewed its Executive Management Team as of 1 July 2025. The new Executive Management Team members are Jaakko Anttila, who was appointed the Group's Chief Operating Officer (COO), Wilhelm Wolff, who was appointed EVP, Strategy and Investments, Tomi Salo, who was appointed EVP, Stakeholder Engagement, Pertti Hietaniemi, continuing as EVP, HR, and Miika Arola, continuing as Group General Counsel. Other members of the Executive Team include Vesa-Pekka Takala, Group CFO and Deputy

Managing Director of Metsäliitto Cooperative, Ismo Nousiainen, CEO of Metsä Fibre, Juha Jumppanen, EVP, Metsä Forest, Sari Pajari-Sederholm, CEO of Metsä Tissue, Esa Kaikkonen, CEO of Metsä Board, and Juha Pilli-Sihvola, interim EVP, Metsä Wood.

Jussi Noponen will start as EVP, Metsä Wood and as a member of the Executive Management Team on 1 March 2026.

Members

At the end of December, Metsäliitto Cooperative had 87,798 members (31 December 2024: 91,367). During January–December, 2,405 new members joined the Cooperative, and 5,974 members cancelled their memberships. At the end of December, the forest area owned by the members totalled 5,401 million hectares (31 December 2024: 5.500).

Investments

Metsä Group's total investments in January–December were EUR 620.8 million (603.3), of which investments in owned property, plant and equipment were EUR 595.7 million (566.3), and investments in leased property, plant and equipment were EUR 25.0 million (36.4).

In November, Metsä Group began production at the expanded and renewed Mariestad tissue paper mill in Sweden. The investment of EUR 370 million will double the mill's capacity to 145,000 tonnes and strengthen the availability of Lambi, Serla and Katrin products in Scandinavia.

The renewal of the Simpele folding boxboard machine was completed in October. This will significantly improve product quality and performance, as well as increase the mill's annual production capacity by 10,000 tonnes. After the introduction of new technology, fossil-free energy accounted for 98% of the mill's energy consumption. The investment of around EUR 60 million in total will be spread out over 2024–2026.

The investment programme for the tissue paper production at the Mänttä mill continued. The programme includes an investment in a new production line for hand towels, which it is intended to commission in the first half of 2026. Business Finland has granted the investment programme's clean transition projects with conditional investment support of at most EUR 19 million.

Metsä Group has been building a demo plant for a new lignin product in connection with the Äänekoski bioproduct mill together with Andritz. The plant entered the commissioning phase at the turn of the year. The demo plant's daily capacity will be two tonnes of the new lignin product.

Metsä Group is building a new Kerto LVL mill in Äänekoski. The value of the investment is EUR 300 million. The mill's annual production capacity is approximately 160,000 cubic metres, which represents a 50% increase in the company's total Kerto LVL capacity. The mill's construction and equipment installation have proceeded as planned. Test runs on the first production line were initiated in early October, and the first commercial deliveries from the plant were conducted towards the end of the year. The goal is to launch full-scale test runs next spring.

The prefeasibility studies for the renewal of the drying machine of the Husum pulp mill and the development of the Kyro pulp mill's barrier paperboard have been suspended. Work on changing the Husum paperboard mill's production line BM2 to enable the production of food packaging papers will not be continued for the time being.

In early 2025, Metsä Group's development project for the Kuura textile fibre entered a comprehensive pre-engineering phase, which will continue in 2026. A decision was made to focus the pre-engineering of the first possible commercial Kuura mill in Kemi in Finland.

The pre-engineering project for Metsä Group's Muoto mill was completed in 2025, and the project is now seeking to launch the commercial phase. The most important requirement for the commercial production of Muoto packaging is the development of viable business concept for the product. In 2025, the uncoated and laminated Muoto packaging products were launched in cooperation with Amcor. Muoto packaging can be used for takeaway packages, berry containers and trays, for example.

The Rauma pulp mill successfully conducted pilot testing of carbon capture from the mill's flue gas over a period of six months with the technology supplier Andritz. Based on the pilot testing experiences, Metsä Group is investigating the technical and financial potential of a larger-scale demo plant for carbon capture. The capacity of the demo plant could be 30,000 to 100,000 tonnes of carbon dioxide. No decision on the project or the demo plant's location has been made.

Metsä Group has previously announced it is planning an investment in a tissue paper mill in Goole in the UK. Pre-engineering for the project has been completed around the turn of the year, and the company is currently assessing various implementation options for its growth strategy.

The renewal project for Metsä Group's enterprise resource planning (ERP) system has been suspended for the time being. Related to the project, the Group recognised a total of EUR 96.4 million in depreciations as an item affecting the comparability of the operating result of October–December 2025. Before its suspension, the ERP project launched solutions for Finance and Controlling, Wood Supply and the Wood Products Industry. The continuation of the project will be evaluated later. The goal is to ensure the project's business benefits and cost-effective implementation.

Some Metsä Group companies are party to legal proceedings concerning disputes about the responsibilities and liabilities arising from the supply agreements of the Group's most significant investment projects. These investment projects also involve unresolved disputes that may lead to the commencement of new arbitration or legal proceedings.

Key sustainability figures

	2025 1–12	2024 1–12	2025 10–12	2024 10–12	2024 1–12
Total recordable incident frequency TRIF ¹⁾	4.0	5.2	3.5	4.3	5.2
Women in leadership positions ²⁾ , %	30	28	30	28	28
Share of certified wood ³⁾ , %	92	93	93	93	93
Share of fossil free energy of total energy consumption ⁴⁾ , %	94	91	-	-	91
Direct fossil-based CO ₂ emissions, tonnes (Scope 1)	331,198	446,391	72,368	104,342	446,391
Indirect fossil-based CO ₂ emissions ⁵⁾ , tonnes (Scope 2)	227,844	323,607	-	-	323,607
Energy efficiency improvement ⁶⁾ , index	102	102	-	-	102
Reduction in process water use, %	-14	-11	-11	-8.2	-11

1) Total amount of incidents / per million hours worked, own employees.

2) The scope of the metric has been updated starting from 2025. A requirement level has been defined for leadership tasks included in the metric, covering demanding leadership and expert roles. These include all CEO, SVP, and VP roles, as well as a few demanding roles at a lower level. At the same time, the target level of the metric has been raised to 35 percent.

3) The target level of the metric has been raised to 100% starting from 2025.

4) Reported annually.

5) Market-based, reported annually.

6) Reported every six months.

Some numbers have been corrected from what was previously reported in the annual report.

Safety at work and equality

Metsä Group aims to avoid accidents at work completely. All the company's production units comply with the ISO 45001 management system and common occupational health and safety standards. Safety at work is improved through proactive safety work, training and investments, for example. In 2025, a common performance-based sustainability target was set for all salaried employees. Metsä Group's TRIF is used as the metric.

We advance diversity, equity and inclusion with the Metsä for all vision, and measure our progress through the respective targets. One of the targets is to increase the proportion of women in management positions to at least 35%.

Share of certified wood

Metsä Group aims to ensure that 100% of the wood it uses is certified. All the countries from which wood is procured have issued legislation requiring forests to be renewed after regeneration felling. Metsä Group procures wood mainly from Finland, Sweden and the Baltic countries. Metsä Group has targets for promoting forest biodiversity and the sustainable use of forests in accordance with the principles of regenerative forestry.

Greenhouse gas emissions and energy and water use

Metsä Group aims to phase out fossil-based energy use by the end of 2030. To achieve this goal, the Group has investment plans at several production units.

Metsä Group published its climate transition plan in early 2025. The plan contains the 2030 targets for reducing Scope 1, Scope 2 and Scope 3 emissions, and the key measures for achieving the targets. It also includes Metsä Group's other targets linked to climate change mitigation and adaptation, which are related to forest management, resource-efficient production and carbon storage.

Metsä Group aims to reduce process water use by 35% per produced tonne from the 2018 level. Metsä Group's actions to reduce process water use include investments in processes and wastewater treatment, as well as developing processes so that they use less water. The actions improve water recycling and reduce water withdrawal from waterbodies.

Events related to sustainability in the fourth quarter of 2025

- Metsä Group's paperboard business retained its position on the A list of the CDP's climate change, water security and forest assessments. This is the company's tenth year on the A list for climate and water security, and the fourth year on the A list for forests.
- Metsä Group began full-scale production at the expanded and renewed Mariestad tissue paper mill in Sweden. The new paper machine technology improves energy efficiency and significantly reduces water consumption, while enabling lower carbon dioxide emissions per tonne produced.

Risks and uncertainties

Although purchasing power has moderately improved in Europe, consumer confidence remains poor, and concerns about employment are increasing. If the situation is prolonged, it may decrease the demand for Metsä Group's products and weaken profitability.

The unpredictability of the geopolitical situation has an impact on Metsä Group's business, as the Group's production focuses on Northern Europe, but around a third of sales are exported to markets outside Europe.

An imbalance in market demand and supply could weaken the demand for and pricing of Metsä Group's products. A steep increase in competitors' capacity and increased imports or competition for market shares may negatively affect Metsä Group's profitability. In addition, a decrease in deliveries to the US may increase supply on the European market.

The weakening of international trade policy and challenges in world trade could weaken demand for Metsä Group's products and undermine profitability. The continuation of Russia's war of aggression is increasing geopolitical tensions and slowing down economic development. Prolonged or spreading conflicts may disrupt supply chains, increase the price of raw materials and weaken their availability.

The US tariffs have weakened the competitiveness of Metsä Group's products in the USA. Possible additional tariffs and policy changes by the administration may increase economic uncertainty, weaken world trade and increase the volatility of the financial market.

Metsä Group operates in the global market and is therefore susceptible to fluctuations in exchange rates, particularly in relation to the US dollar, the Swedish krona and the British pound. Fluctuations in exchange rates may have significant impacts on the Group's operating result.

Metsä Group is more than self-sufficient in pulp. The global pulp market's structural changes, increased competition and increased capacity may weaken demand and price trends. The prolonged poor economic growth in China and the development of the country's own pulp production may affect demand for pulp and sawn timber in China in particular.

Metsä Group regularly assesses its balance sheet items based on expected cash flow. If there are significant or long-term changes to market conditions, they may affect the valuations of the balance sheet items and result in the need for impairments.

Efficiency programmes and development projects always involve risks such as excess costs, which may weaken the profitability of business operations. The Group has an ongoing change programme with the goal of adjusting the cost structure and making business operations more efficient.

There are risks related to expanding business operations and launching new products to the market, including the uncertainty of sales success and the challenges of ramping up production. If Metsä Group fails to meet the demand for FSC certified raw material as customers prefer FSC certification over PEFC, it may weaken competitiveness and curtail sales. In addition, regulation related to the acceptability and taxation of different packaging materials may negatively affect product demand.

The end of Russian wood imports and the increased use of pulpwood for energy purposes have significantly pushed up prices in the Baltic Sea region. Although prices have decreased, the cost level remains high. An increase in wood demand or the weakening of availability could again raise prices, which would weaken profitability and endanger the continuity of production.

Price fluctuations or availability issues related to energy and chemicals, as well as disruptions in transport chains or the availability of transport capacity, may weaken profitability and delivery reliability.

Most of Metsä Group's production units are in Finland. Labour disputes in the forest industry or logistics chain may have a negative impact on production volumes and customer deliveries, and weaken the company's competitiveness and profitability.

Serious accidents, cyberattacks, and malware threatening the continuity of production or other operations may cause significant financial and customer losses. There may be uncertainties involved with material damage and consequential loss, as well as the scope, availability and pricing of insurance compensation.

Climate risks mainly concern forests and the use of energy and water. Climate change may increase extreme weather phenomena such as storms, floods and droughts, causing production outages at mills or limiting the availability of wood raw material.

A weaker cash position or slower payment behaviour of customers may weaken the company's cash flow and increase the risk of credit losses. The impact of Russian sanctions and countersanctions, as well as the risks caused by the crisis resulting from the war of aggression, affect areas such as the costs and availability of production inputs, energy infrastructure and cybersecurity.

The future-oriented statements in this financial statements bulletin are based on current plans and estimates, and involve risks and uncertainties that may cause the results to differ from those expressed in the statements. The risks related to Metsä Group's business are explained in more detail in Metsä Group's Annual Review. A more detailed discussion of climate and other sustainability-related risks can be found in the sustainability statement in the annual review.

Near-term outlook

Geopolitical tension and uncertainty about global economic development have reduced consumer confidence, leading to weaker demand for pulp end products. Demand for softwood pulp has also been affected by the increased share of hardwood pulp in end products. These factors weaken the demand for softwood market pulp.

The cautious purchasing behaviour of consumers has a general impact on demand for packaging and weakens the predictability of paperboard sales. In Europe, over-capacity is adding to market pressure. In North America, the demand for folding boxboard is impacted by tariffs. The outlook for coated white kraftliner is better due to the limited possibilities for its replacement.

Demand for tissue paper products is expected to remain stable, and the long-term growth remains moderate. The market situation of greaseproof papers involves uncertainty due to increased Chinese competition, especially in the European market.

In much of Europe, the outlook for construction remains muted, and this continues to be reflected in muted demand for spruce plywood in particular. However, the demand for sawn timber is expected to increase due to seasonal demand in the second quarter of the year. The demand for Kerto LVL products is expected to develop moderately favourably in all main markets in the early year. In the US, this development is mainly due to new customers.

Demand for birch plywood is expected to remain stable.

In the UK, demand for sawn timber upgrading is expected to be muted over the next few months in the DIY and merchant customer segments.

Demand for wood will particularly concern felling sites planned for summer harvesting and crown wood in terms of energy wood. Demand for forest management services is expected to remain strong. Due to the decreased market prices of wood, mill prices are expected to be significantly lower in 2026 than in the previous year.

Estimate of the most significant annual maintenance and investment shutdowns

Q1/2026	-
Q2/2026	several Finnish mills
Q3/2026	Husum mills, Rauma pulp mill, Äänekoski bioproduct mill
Q4/2026	Kemi mills

Proposal of the Board of Directors on the use of the surplus on the balance sheet

Metsäliitto Cooperative's Board of Directors has decided to propose to the Representative Council convening on 29 April 2026 that for 2025, interest of 5.0% (5.5 for 2024) be paid on the participation share capital invested by members, and that interest of 4.5% (5.0) be paid on Metsä1 additional shares, 1.0% (2.0) on additional capital A, and 0.75% (1.0) on additional capital B. The Board of Directors also proposes that a surplus reimbursement of EUR 0.30 per cubic metre of industrial roundwood received from a member over the last four concluded financial periods be distributed. The reimbursement of surplus will be primarily paid as Metsä1 additional shares, but in money for the part corresponding to the tax withheld for each member. If the right to the shares has been transferred to another person in accordance with the rules of the cooperative, the interest will be paid to the person who is registered as the owner on the record date, 31 March 2026. The proposed payment date is 11 May 2026. If a member entitled to a surplus reimbursement terminates their membership of the cooperative before the date of payment, this share of the surplus reimbursement will not be distributed. In total, the proposed profit distribution would be approximately EUR 88 million (93), of which the surplus reimbursement based on wood trade would be approximately 17%.

Espoo, 5 February 2026

BOARD OF DIRECTORS

Further information:

Vesa-Pekka Takala, EVP, CFO, Metsä Group, tel. +358 10 465 4260

Kaisu Vaalto, Media Relations, Metsä Group, tel. +358 40 777 8922

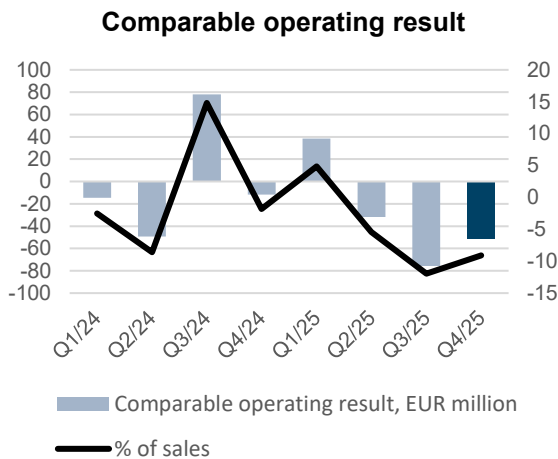
Metsä Group will publish the following financial reports in 2026:

Financial Statements Bulletin for 2025	5 February 2026
Interim Report for January–March 2026	29 April 2026
Half-Year Financial Report for January–June 2026	6 August 2026
Interim Report for January–September 2026	29 October 2026

Business areas

Pulp and Sawn Timber Industry

	2025	2024	2025	2024
Pulp and Sawn Timber Industry	1–12	1–12	10–12	10–12
Sales, EUR million	2,578.1	2,328.3	568.5	642.5
EBITDA, EUR million	159.4	252.8	16.4	65.2
Comparable EBITDA, EUR million	129.6	248.6	16.7	55.5
Operating result, EUR million	-143.1	5.8	-81.9	-2.0
Comparable operating result, EUR million	-121.0	2.2	-51.7	-11.6
% of sales	-4.7	0.1	-9.1	-1.8
Comparable ROCE, %	-3.8	0.2	-6.8	-1.3
Total investments, EUR million	164.9	111.7	83.8	30.3
Personnel at end of period	1,381	1,490	1,381	1,490
Pulp deliveries, 1,000 t	2,893	2,484	677	726
Sawn timber deliveries, 1,000 m ³	1,395	1,194	342	257



Sales of the Pulp and Sawn Timber Industry, i.e. Metsä Fibre, in January–December totalled EUR 2,578.1 million (1–12/2024: 2,328.3), and the comparable operating result was EUR -121.0 million (2.2).

Metsä Fibre's sales in October–December were EUR 568.5 million (10–12/2024: 642.5), and the comparable operating result was EUR -51.7 million (-11.6).

Sales increased due to higher pulp and sawn timber delivery volumes, but the operating result decreased compared with January–December 2024 due to lower invoiced pulp prices and higher wood raw material costs. The sales and operating result of the 2024 comparison year were affected by political strikes in Finland and the gas explosion at the Kemi bioproduct mill's evaporation plant.

The sales in 2025 was affected by the production curtailment shutdown at the Joutseno pulp mill, which was performed due to the poor market situation, and the five-week repair shutdown of the evaporation plant at the Kemi bioproduct mill. The comparable operating result includes an insurance compensation of around EUR 32 million (65.0) for the gas explosion at the Kemi

bioproduct mill's evaporation plant and the repair shutdown of the recovery boiler.

The sales volume of pulp in 2025 was 2,893,000 tonnes (2,484,000). The pulp sales volume was positively affected by increased production at the Kemi bioproduct mill, as well as the increase in market share. In 2025, the average sales prices of Metsä Group's softwood market pulps increased by 2% in Europe, decreased by 6% in China and increased by 4% in the United States compared with the previous year.

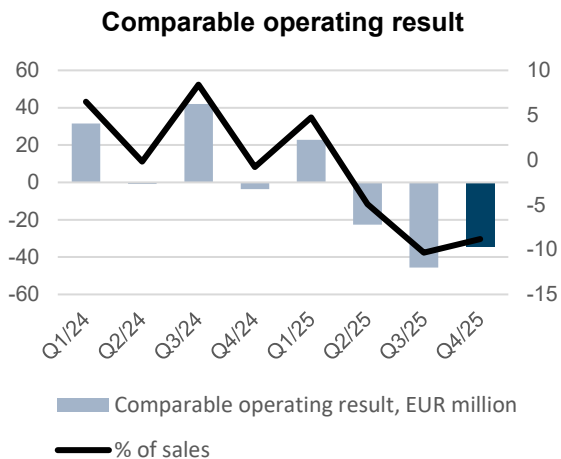
Global bleached market pulp deliveries increased in 2025. The growth was based on hardwood pulp, while softwood pulp deliveries remained at the same level as in 2024. Delivery volumes for both pulp grades to China increased, but delivery volumes to Europe and North America decreased. Uncertainties related to global economic development, trade policy tensions and poor consumer confidence curtailed growth in the consumption of market pulp. The growth in the consumption of softwood pulp was curtailed by the partial replacement of softwood pulp with hardwood pulp in various final consumption sectors, and the decrease of printing and writing paper production in Europe and North America.

In 2025, sawn timber sales volumes were 1,398,000 m³ (1,194,000). During 2025, average market prices for Metsä Group's sawn timber were 8% higher than in the previous year.

Throughout the year, demand for sawn timber remained at a lower level than average in all the main markets. In Europe, demand for industrial end products of sawn timber decreased due to the weak construction cycle and poor consumer confidence. In China, demand for end products has been low in both the wood products industry and the export-driven furniture industry. The market balance of spruce sawn timber was slightly better than that of pine. Average sales prices of Metsä Group's pine sawn timber increased by 7% from the previous year, and the prices of spruce sawn timber increased by 9%.

Paperboard Industry

Paperboard Industry	2025 1–12	2024 1–12	2025 10–12	2024 10–12
Sales, EUR million	1,775.7	1,938.6	393.5	446.0
EBITDA, EUR million	-3.9	175.9	-37.4	26.5
Comparable EBITDA, EUR million	29.6	175.0	-9.4	24.6
Operating result, EUR million	-169.5	62.3	-99.2	-1.7
Comparable operating result, EUR million	-80.2	69.0	-34.7	-3.6
% of sales	-4.5	3.6	-8.8	-0.8
Comparable ROCE, %	-3.1	3.2	-5.6	-0.3
Total investments, EUR million	139.5	175.4	75.8	55.0
Personnel at end of period	1,939	2,290	1,939	2,290
Folding boxboard deliveries, 1,000 t	890	992	187	222
White kraftliner deliveries, 1,000 t	474	480	118	120
Market pulp deliveries, 1,000 t	368	400	87	87



Sales of the Paperboard Industry, i.e. Metsä Board, in January–December were EUR 1,775.7 million (1–12/2024: 1,938.6). The comparable operating result was EUR -80.2 million (69.0).

Metsä Board's sales in October–December were EUR 393.5 million (10–12/2024: 446.0), and the comparable operating result was EUR -34.7 million (-3.6).

The comparable operating result for the financial period was weakened by the lower average price of market pulp, Metsä Fibre's reduced share of the result, lower folding boxboard delivery volume and market-based

production curtailment. The comparable operating result includes insurance compensation of around EUR 14 million (30.5) for the gas explosion at Metsä Fibre's Kemi bioproduct mill and the repair shutdown of the recovery boiler. The amount includes the effect of Metsä Fibre's share of the result.

Total paperboard deliveries in January–December amounted to 1,364,000 tonnes (1,472,000), and market pulp deliveries amounted to 368,000 tonnes (400,000).

Exchange rate fluctuations, including hedges, had a positive impact of around EUR 6 million on the operating result compared with the previous year.

Chemicals costs decreased in the review period, but wood and logistics costs increased. The service and maintenance costs of mills increased compared with the comparison period, while other fixed costs decreased.

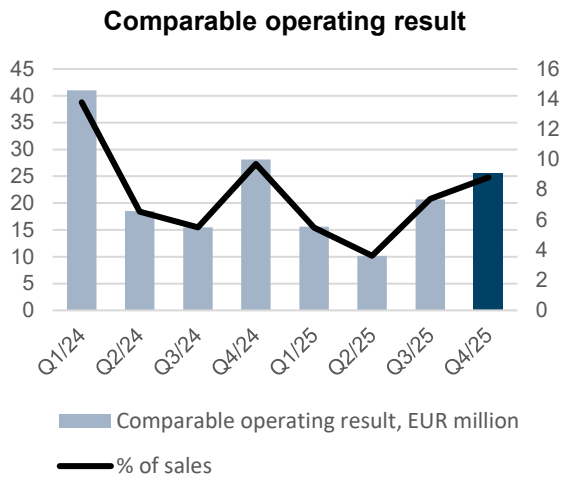
Unused emissions allowances were sold for approximately EUR 10 million (35).

The associated company Metsä Fibre's share of Metsä Board's comparable operating result in January–December was EUR -33.0 million (-10.2).

Earnings per share were EUR -0.44 (0.07), and comparable earnings per share were EUR -0.24 (0.09).

Tissue and greaseproof papers

	2025	2024	2025	2024
	1–12	1–12	10–12	10–12
Tissue and greaseproof papers				
Sales, EUR million	1,135.4	1,152.9	290.9	290.3
EBITDA, EUR million	105.5	148.6	34.8	39.9
Comparable EBITDA, EUR million	121.6	148.1	40.1	39.9
Operating result, EUR million	18.2	101.6	-16.4	28.2
Comparable operating result, EUR million	72.1	103.2	25.6	28.2
% of sales	6.3	9.0	8.8	9.7
Comparable ROCE, %	8.4	13.2	11.3	14.1
Total investments, EUR million	216.3	208.5	96.6	83.7
Personnel at end of period	2,398	2,487	2,398	2,487
Tissue paper deliveries, 1,000 t	460	458	121	114



Sales of Tissue and Greaseproof Papers, i.e. Metsä Tissue, in January–December totalled EUR 1,135.4 million (1–12/2024: 1,152.9). The comparable operating result was EUR 72.1 million (103.2).

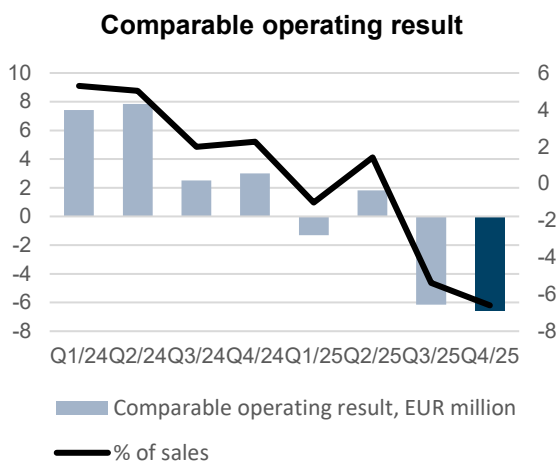
Metsä Tissue's sales in October–December were EUR 290.9 million (10–12/2024: 290.3), and the comparable operating result was EUR 25.6 million (28.2).

The decrease in sales for 2025 was largely due to the lower sales volumes of greaseproof paper. Sales of tissue papers increased slightly from the previous year. In the fourth quarter, sales volumes of tissue paper increased by 7% compared with the same period in the previous year.

The operating result was lower than in the previous year due to decreased sales, higher fixed costs and depreciations. The operating result for the fourth quarter was also somewhat lower than in the previous year due to higher fixed costs and depreciations.

Wood Products Industry

	2025	2024	2025	2024
Wood Products Industry	1–12	1–12	10–12	10–12
Sales, EUR million	469.0	553.9	100.2	132.0
EBITDA, EUR million	4.8	43.8	-3.7	9.4
Comparable EBITDA, EUR million	10.0	42.8	-1.0	8.5
Operating result, EUR million	-38.0	7.8	-26.8	-10.2
Comparable operating result, EUR million	-12.3	20.8	-6.6	3.0
% of sales	-2.6	3.8	-6.6	2.3
Comparable ROCE, %	-2.2	5.4	-4.8	3.2
Total investments, EUR million	145.2	147.2	67.7	55.9
Personnel at end of period	1603	1,650	1603	1,650
Engineered wood product deliveries, 1,000 m ³	394	407	90	103



Sales of the Wood Products Industry, i.e. Metsä Wood, in January–December were EUR 469.0 million (1–12/2024: 553.9), and the comparable operating result was EUR -12.3 million (20.8).

Metsä Wood's sales in October–December were EUR 100.2 million (10–12/2024: 132.0), and the comparable operating result was EUR -6.6 million (3.0).

In 2025, Metsä Wood's sales declined by 15% year-on-year. Sales of engineered wood products decreased by

5%, and the sales in euros of the UK business decreased by 33%. Delivery volumes decreased in birch and spruce plywood products, and in the UK business. Delivery volumes of Kerto LVL products increased. Sales prices of engineered wood products decreased slightly year-on-year.

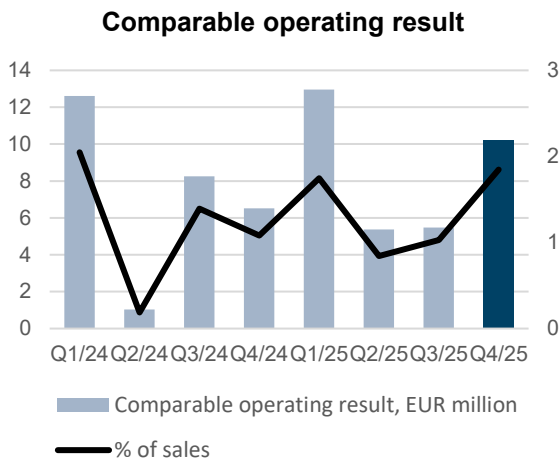
Profitability decreased from the previous year due to low demand for engineered wood products and the deployment of the ERP system. Furthermore, higher log wood and logistics costs had a negative impact on profitability. General construction activity remained weak in Europe, which continued to be reflected in weak demand for spruce plywood especially. As a result, the production of engineered wood products had to be curtailed. As expected, the operational efficiency of the spruce plywood mill has also suffered from the gradual winding down of the Suolahti mills in Finland. Production at the Suolahti birch plywood mill was discontinued in March 2025, and spruce plywood will be discontinued in the summer of 2026.

The operating result of the UK upgrading business decreased notably from the comparison period due to changes in the customer portfolio and the ERP system's deployment. Challenges in the ERP system led to customer losses and compensation, and to higher logistics costs.

Business areas

Wood Supply and Forest Services

	2025	2024	2025	2024
Wood Supply and Forest Services	1–12	1–12	10–12	10–12
Sales, EUR million	2,465.4	2,360.1	553.7	602.8
EBITDA, EUR million	39.6	37.0	8.3	8.3
Comparable EBITDA, EUR million	40.3	35.6	11.7	8.3
Operating result, EUR million	33.4	32.5	6.8	6.5
Comparable operating result, EUR million	34.0	28.4	10.2	6.5
% of sales	1.4	1.2	1.8	1.1
Comparable ROCE, %	15.3	13.0	20.2	10.2
Total investments, EUR million	5.3	3.3	0.6	0.2
Personnel at end of period	590	671	590	671
Wood deliveries, 1,000 m ³	29,642	29,757	6,772	7,246



Sales of Wood Supply and Forest Services, i.e. Metsä Forest, in January–December totalled EUR 2,465.4 million (1–12/2024: 2,360.1), and the comparable operating result was EUR 34.0 million (28.4).

Metsä Forest's sales in October–December were EUR 553.7 million (10–12/2024: 602.8), and the comparable operating result was EUR 10.2 million (6.5).

Sales in 2025 increased from the previous year, mainly because of higher wood prices in the early year. The comparable operating result significantly outperformed the same period in the previous year, in particular due to cost savings and better sales margins.

In Finnish private forests, wood trade was brisk in the first half but slowed after the summer season. Prices of wood were at a record high in the second quarter but took a downwards turn during the third quarter. From a long-term perspective, wood prices remain at a high level, especially for log wood. Harvesting conditions were normal in 2025, except for the challenges caused by the mild winter in southern Finland at the beginning and end of the year.

In the summer of 2025, the Baltic pulpwood market was characterised by oversupply, and the roadside price level of overbark pulpwood fell below the prices in Finland in the second half of the year. Swedish demand for pulpwood also weakened in the second half of the year, with price levels falling.

Metsä Group's wood purchases met the mills' needs in 2025. Metsä Group bought all grades of wood across Finland through standing and delivery sales. Purchases of energy wood focused on crown wood. The majority of wood in Finland was purchased from members of Metsäliitto Cooperative. The Metsä Group Plus management model, which emphasises forest biodiversity, remained widely popular among owner-members and was used in around 30% of the agreed wood trade volume.

In 2025, Metsä Group delivered a total of 29.6 million cubic metres (29.8) of wood. Approximately 90% of this went to the industrial sector in Finland. Sales of forest management services increased by around 11% in the first half of the year, achieving a new record high. Customer feedback from forest owners was also at an all-time high in 2025.

Metsä Group launched a new digital nature value map service for its owner-members, allowing owner-members to see which parts of their forests were likely to represent the highest nature value.

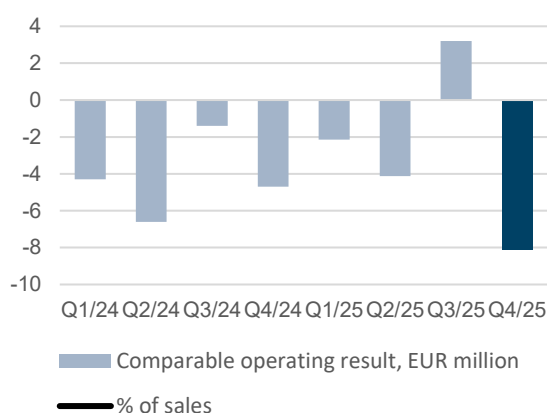
Metsä Group announced it would establish its own PEFC certification group in 2026, allowing Metsäliitto Cooperative's bonus members and contract customers to include their forests in the group.

In 2025, Metsä Group burned a total of 90 groups of retention trees and performed controlled burns on ten sites. These measures promoted the living conditions of species dependent on recently burned environments.

Other operations

	2025	2024	2025	2024
	1–12	1–12	10–12	10–12
Other operations				
Sales, EUR million	75.6	77.8	18.0	17.9
EBITDA, EUR million	-2.6	-4.5	-4.1	-2.0
Comparable EBITDA, EUR million	-1.1	-4.5	-5.6	-2.0
Operating result, EUR million	-12.6	-17.1	-6.6	-4.7
Comparable operating result, EUR million	-11.1	-17.1	-8.1	-4.7
Total investments, EUR million	52.8	62.0	7.9	18.4
Personnel at end of period	856	992	856	992

Comparable operating result



Sales of other operations in January–December were EUR 75.6 million (1–12/2024: 77.8), and the comparable operating result was EUR -11.1 million (-17.1).

Sales of other operations in October–December were EUR 18.0 million (10–12/2024: 17.9), and the comparable operating result was EUR -8.1 million (-4.7).

Other operations include the Metsä Group head office functions, Metsäliitto Cooperative's holding operations, Metsä Group Treasury Oy, Metsä Spring Oy and MI Demo Oy.

Reconciliation of items affecting comparability

Reconciliation by segment

EUR million	2025 1–12	2024 1–12	2025 10–12	2024 10–12
Operating result (IFRS)	-271.3	186.4	-208.3	29.2
Depreciation and impairment charges	613.7	467.7	236.7	132.8
EBITDA	342.4	654.1	28.4	162.0
Items affecting comparability:				
Pulp and Sawn Timber Industry	-29.7	-4.3	0.3	-9.8
Paperboard Industry	33.5	-0.9	27.9	-1.9
Tissue and Greaseproof Papers	16.1	-0.5	5.3	
Wood Products Industry	5.2	-1.1	2.7	-0.9
Wood Supply and Forest Services	0.6	-1.5	3.5	
Other operations and eliminations	-2.9	2.8	-7.5	1.9
Total	22.8	-5.3	32.2	-10.7
Comparable EBITDA	365.2	648.8	60.6	151.3
Depreciation and impairment charges	-613.7	-467.7	-236.7	-132.8
Items affecting comparability:				
Depreciations and reversals	163.9	21.9	118.7	14.2
Pulp and Sawn Timber Industry	51.8	0.7	30.0	0.1
Paperboard Industry	55.9	7.6	36.6	
Tissue and Greaseproof Papers	37.8	2.1	36.7	
Wood Products Industry	20.5	14.1	17.5	14.1
Wood Supply and Forest Services		-2.6		0.1
Other operations and eliminations	-2.0		-2.0	
Comparable Operating result	-84.6	203.0	-57.4	32.7
Share of results from associated companies	-0.7	-0.6	-0.3	0.7
Financial costs, net	-62.9	-54.6	-18.0	-17.3
Items affecting comparability				
Pulp and Sawn Timber Industry		-0.2		
Other operations and eliminations	1.5		1.5	
Comparable Result before income tax	-146.7	147.6	-74.2	16.2
Income tax	53.6	-22.7	36.8	-2.0
Items affecting comparability:				
Pulp and Sawn Timber Industry	-4.5	-1.7	-6.0	1.9
Paperboard Industry	-17.1	-1.5	-11.8	
Tissue and Greaseproof Papers	-12.1	-0.6	-8.3	
Wood Products Industry	-5.2	-2.2	-4.1	-2.2
Wood Supply and Forest Services	-0.7	0.4	-0.7	
Other operations and eliminations	0.1	-0.3	0.7	
Comparable Result for the period	-132.5	118.9	-67.5	13.8

Reconciliation by expense or income

	2025	2024	2025	2024
EUR million	1–12	1–12	10–12	10–12
Operating result (IFRS)	-271.3	186.4	-208.3	29.2
Depreciation and impairment charges	613.7	467.7	236.7	132.8
EBITDA	342.4	654.1	28.4	162.0
Items affecting comparability:				
Other operating income	-42.6	-31.4	-9.6	-18.1
Change in inventories	9.2	3.5	1.9	2.0
Employee costs	41.9	3.0	31.4	2.2
Other operating expenses	14.3	19.5	8.5	3.2
Total	22.8	-5.3	32.2	-10.7
Comparable EBITDA	365.2	648.8	60.6	151.3
Depreciation and impairment charges	-613.7	-467.7	-236.7	-132.8
Items affecting comparability:				
Depreciations and reversals	163.9	21.9	118.7	14.2
Comparable Operating result	-84.6	203.0	-57.4	32.7
Share of results from associated companies	-0.7	-0.6	-0.3	0.7
Financial costs, net	-62.9	-54.6	-18.0	-17.3
Items affecting comparability	1.5	-0.2	1.5	
Comparable Result before income tax	-146.7	147.6	-74.2	16.2
Income tax	53.6	-22.7	36.8	-2.0
Items affecting comparability	-39.4	-6.0	-30.1	-0.3
Comparable Result for the period	-132.5	118.9	-67.5	13.8

Items with a “+” sign = expenses affecting comparability

Items affecting the comparability of Metsä Group's net result for the January–December 2025 period totalled EUR -148.8 million. Of the most significant items, EUR -77.1 million is related to impairments of the enterprise resource planning (ERP) system renewal project, EUR -23.8 million to investment pre-planning project write-downs and efficiency improvements related to the Tissue Paper and Greaseproof Paper business, EUR -21.8 million to impairments of assets at the Tako paperboard mill, EUR -17.6 million to impairments of assets damaged by the gas explosion at the Kemi bioproduct mill, EUR -35.7 million to the Group-wide cost savings and profitability improvement programme,

Items with a “-” sign = income affecting comparability

EUR -3.4 million to the discontinuation of Kumpuniemen Voima Oy's operations, EUR 31.8 million to the insurance compensation received related to the gas explosion at the Kemi bioproduct mill, and EUR 2.9 million to the capital gain from the sales of subsidiary shares.

Items affecting the comparability of Metsä Group's net result for the January–December 2024 period totalled EUR -10.3 million.

Quarterly data

EUR million	2025 10–12	2025 7–9	2025 4–6	2025 1–3	2024 10–12	2024 7–9	2024 4–6	2024 1–3
Sales								
Pulp and Sawn Timber Industry	568.5	633.0	587.8	788.7	642.5	526.7	574.6	584.5
Paperboard Industry	393.5	441.2	460.1	480.8	446.0	499.0	509.8	483.7
Tissue and Greaseproof Papers	290.9	279.6	281.0	283.9	290.3	281.3	283.6	297.7
Wood Products Industry	100.2	114.4	127.3	127.2	132.0	126.0	155.8	140.1
Wood Supply and Forest Services	553.7	533.2	636.2	742.2	602.8	592.3	549.4	615.6
Other operations	18.0	14.3	16.7	26.6	17.9	15.4	17.3	27.1
Internal sales	-600.2	-576.1	-682.6	-807.3	-657.1	-705.1	-611.0	-691.2
Sales	1,324.7	1,439.6	1,426.5	1,642.1	1,474.5	1,335.7	1,479.5	1,457.5
Operating result								
Pulp and Sawn Timber Industry	-81.9	-67.7	-31.9	38.5	-2.0	76.5	-49.5	-19.3
Paperboard Industry	-99.2	-44.8	-21.7	-3.8	-1.7	41.7	-0.7	23.0
Tissue and Greaseproof Papers	-16.4	20.7	-1.7	15.6	28.2	16.4	16.0	41.1
Wood Products Industry	-26.8	-7.4	1.8	-5.6	-10.2	2.5	8.0	7.4
Wood Supply and Forest Services	6.8	5.3	7.2	14.2	6.5	8.3	5.1	12.6
Other operations	-6.6	0.3	-4.1	-2.1	-4.7	-1.4	-6.6	-4.3
Eliminations	15.9	24.9	4.8	-5.4	13.0	-32.8	16.0	-2.8
Operating result	-208.3	-68.6	-45.8	51.4	29.2	111.2	-11.6	57.7
% of sales	-15.7	-4.8	-3.2	3.1	2.0	8.3	-0.8	4.0
Share of results from associated companies and joint ventures	-0.3	-0.7	-0.5	0.7	0.7	-0.3	-1.0	0.0
Exchange gains and losses	-0.2	-0.1	-0.5	-0.7	-1.3	0.5	0.8	-2.5
Net financial items	-17.8	-15.0	-14.6	-14.0	-16.0	-11.8	-14.2	-10
Result before income tax	-226.6	-84.4	-61.3	37.4	12.6	99.6	-26.1	45.2
Income tax	36.8	14.3	12.4	-9.9	-2	-22.1	6.2	-4.8
Result for the period	-189.8	-70.2	-48.9	27.6	10.5	77.5	-19.9	40.4
Comparable operating result								
Pulp and Sawn Timber Industry	-51.7	-75.7	-31.9	38.3	-11.6	78.0	-49.4	-14.7
Paperboard Industry	-34.7	-45.6	-22.7	22.8	-3.6	41.9	-0.8	31.5
Tissue and Greaseproof Papers	25.6	20.7	10.2	15.6	28.2	15.5	18.5	41.1
Wood Products Industry	-6.6	-6.2	1.8	-1.3	3.0	2.5	7.8	7.4
Wood Supply and Forest Services	10.2	5.5	5.4	13.0	6.5	8.3	1.0	12.6
Other operations and elimi-	-0.3	29.8	0.7	-7.5	10.3	-33.0	10.0	-7.9
Comparable operating result	-57.4	-71.5	-36.6	80.9	32.7	113.2	-12.9	69.9
% of sales	-4.3	-5.0	-2.6	4.9	2.2	8.5	-0.9	4.8

Calculation of key figures

Operating result	=	Result before taxes, financial income and expenses, exchange gains and losses, and share of results from associated companies and joint ventures, presented in the IFRS income statement
EBITDA	=	Operating result before depreciation, amortisation and impairment charges
Return on equity (%) ROE (%)	=	(Result before taxes – income taxes) per (Members' funds (average))
Return on capital employed (%) ROCE	=	(Result before tax +/- net exchange gains/losses) per (Balance total - non-interest-bearing liabilities (average))
Equity ratio (%)	=	(Members' funds) per (Balance sheet total – advance payments received)
Net gearing ratio (%)	=	(Interest-bearing net liabilities) per (Members' funds)
Interest-bearing net liabilities	=	Interest-bearing liabilities – cash and cash equivalents and interest-bearing receivables
Total investments	=	Investments in owned and leased property, plant and equipment, and acquired businesses

Comparable key figures

According to the guidelines of the European Securities and Markets Authority (ESMA), alternative performance measures are key figures concerning historical or future financial performance, financial standing or cash flows that are not determined by the financial reporting framework applied by the company. Metsä Group's financial reporting framework consists of the IFRS standards in the form in which they were adopted by the EU in line with Regulation (EC) No. 1606/2002. Performance measures presented in this report qualify as alternative performance measures under the ESMA guidelines.

Metsä Group sees the presentation of alternative performance measures as providing users of financial statements with an improved view of the company's financial performance and position, including the efficiency of its capital utilisation, operational profitability and debt servicing capabilities.

Extraordinary and material items not included in ordinary business operations have been eliminated in the comparable operating result. Reconciliation of operating result under IFRS and comparable operating result, as well as EBITDA and comparative EBITDA, is presented in this report. Comparable return on capital employed

has been calculated using the same adjustments as the comparable operating result, and it has been further adjusted with financial items affecting comparability when applicable. Metsä Group considers the key figures derived in this manner to improve the comparability between reporting periods.

None of these key figures with items affecting comparability eliminated is a key figure used in IFRS reporting, and they cannot be compared with other companies' key figures identified with the same names. Items affecting comparability include material gains and losses on disposals of assets, impairment and impairment reversals in accordance with IAS 36 "Impairment of Assets", corporate divestments and acquisitions, adjustment measures and other restructuring measures and their adjustments, costs arising from extensive and unforeseeable interruptions in production and the compensation received for them, as well as items arising from legal proceedings. In Metsä Group's view, the comparable key figures better reflect the company's underlying operational performance by eliminating the result effect of items and transactions outside the normal course of business.

Consolidated statement of income

EUR million	Note	2025 1–12	2024 1–12	Change	2025 10–12	2024 10–12
Sales	2,3	5,832.9	5,747.2	85.7	1,324.7	1,474.5
Change in stocks of finished goods and work in progress		-121.5	152.7	-274.2	-71.4	-59.8
Other operating income		162.2	226.3	-64.1	90.6	92.6
Material and services		-4,286.9	-4,295.0	8.0	-981.6	-1,033.9
Employee costs		-765.0	-712.1	-53.0	-206.0	-176.5
Depreciation and impairment losses		-613.7	-467.7	-146.0	-236.7	-132.8
Other operating expenses		-479.1	-465.0	-14.2	-128.0	-134.9
Operating result	2	-271.3	186.4	-457.7	-208.3	29.2
Share of results of associated companies and joint ventures		-0.7	-0.6	-0.1	-0.3	0.7
Exchange gains and losses		-1.5	-2.5	1.0	-0.2	-1.3
Net financial items		-61.4	-52.1	-9.3	-17.8	-16.0
Result before income tax		-334.9	131.3	-466.2	-226.6	12.6
Income tax	4	53.6	-22.7	76.3	36.8	-2.0
Result for the period		-281.3	108.5	-389.9	-189.8	10.5

Consolidated statement of comprehensive income

Other comprehensive income

Items that will not be reclassified to profit and loss

Items relating to adjustments of defined benefit plans	3.0	-3.1	6.1	-0.2	-2.7
Fair value of financial assets through other comprehensive income	-38.6	-39.2	0.6	-13.4	2.3
Income tax relating to items that will not be reclassified	8.0	7.8	0.2	3.2	-0.5
Total	-27.6	-34.5	6.9	-10.4	-0.9

Items that may be reclassified subsequently to profit and loss

Cash flow hedges	48.5	-103.4	151.9	-40.3	-80.7
Currency translation differences	60.3	-26.6	86.9	27.8	-10.3
Share of other comprehensive income items of the associated company	0.0	0.0	0.0	0.0	0.0
Income tax relating to items that may be reclassified	-9.7	20.7	-30.4	8.1	16.1
Total	99.1	-109.3	208.4	-4.4	-74.9

Other comprehensive income, net of tax

Total comprehensive income for the period	-209.8	-35.3	-174.5	-204.6	-65.2
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Result for the period attributable to:

Members of parent company	-158.2	94.6	-252.7	-122.7	9.9
Non-controlling interests	-123.1	14.0	-137.1	-67.1	0.6
Total	-281.3	108.5	-389.9	-189.8	10.5

Total comprehensive income attributable to:

Members of parent company	-116.6	13.2	-129.8	-129.3	-33.8
Non-controlling interests	-93.2	-48.4	-44.7	-75.3	-31.5
Total	-209.8	-35.3	-174.5	-204.6	-65.2

Consolidated balance sheet

EUR million	Note	2025 31.12.	2024 31.12.
ASSETS			
Non-current assets			
Goodwill		421.9	415.6
Other intangible assets		319.3	375.4
Tangible assets	5	5,567.3	5,450.0
Biological assets		3.2	3.1
Investments in associated companies and joint ventures		4.7	4.1
Other investments	9	198.1	237.3
Other non-current assets	9	45.6	48.1
Deferred tax receivables		36.8	34.7
		6,596.8	6,568.4
Current assets			
Inventories		1,260.1	1,513.6
Accounts receivables and other receivables		770.2	828.9
Cash and cash equivalents	9	779.0	991.6
		2,809.3	3,334.2
Total assets		9,406.2	9,902.5
Members' funds			
Members' capital		1,640.4	1,552.3
Translation differences		-23.4	-59.6
Fair value and other reserves		712.4	709.7
Retained earnings		1,847.6	2,095.9
Members' funds		4,177.0	4,298.2
Non-controlling interests		1,156.1	1,260.7
		5,333.2	5,559.0
Non-current liabilities			
Deferred tax liabilities		304.8	364.5
Post-employment benefit obligations		55.9	54.7
Provisions	6	17.9	16.3
Borrowings	9	1,462.1	1,608.0
Other non-current liabilities		7.6	8.9
		1,848.4	2,052.4
Current liabilities			
Provisions	6	4.1	0.4
Current borrowings	9	615.4	631.1
Accounts payable and other liabilities		1,605.1	1,659.6
		2,224.6	2,291.2
Total liabilities		4,073.0	4,343.5
Total members' funds and liabilities		9,406.2	9,902.5

Consolidated statement of changes in shareholders' equity

Equity attributable to members of parent company

EUR Million	Mem- bers' funds	Transla- tion dif- ferences	Fair value and other re- serves	Retained earnings	Total	Non-control- ling interests	Total
Members' funds 1 Jan 2024	1,452.9	-45.9	773.3	2,101.8	4,282.0	1,361.2	5,643.2
Result for the period				94.6	94.6	14.0	108.5
Other comprehensive income, after tax		-13.6	-64.0	-3.8	-81.4	-62.4	-143.8
Total comprehensive income		-13.6	-64.0	90.8	13.2	-48.4	-35.3
Transactions with owners:							
Dividends paid				-70.7	-70.7	-52.5	-123.2
Reimbursement of surplus	13.7			-15.7	-2.0		-2.0
Change in members' capital	85.7		0.4	-10.0	76.2		76.2
Share based payments				0.1	0.1	0.0	0.1
Sold shares from non-controlling interests, which did not change the controlling right				-0.5	-0.5	0.5	0.0
Members' funds 31 Dec 2024	1,552.3	-59.6	709.7	2,095.9	4,298.2	1,260.7	5,559.0

Equity attributable to members of parent company

EUR Million	Mem- bers' funds	Transla- tion dif- ferences	Fair value and other re- serves	Retained earnings	Total	Non-control- ling interests	Total
Members' funds 1 Jan 2025	1,552.3	-59.6	709.7	2,095.9	4,298.2	1,260.7	5,559.0
Result for the period				-158.2	-158.2	-123.1	-281.3
Other comprehensive income, after tax		36.1	2.4	3.0	41.6	30.0	71.5
Total comprehensive income		36.1	2.4	-155.2	-116.6	-93.2	-209.8
Transactions with owners:							
Dividends paid				-65.6	-65.6	-12.0	-77.6
Reimbursement of surplus	14.1			-16.0	-1.9		-1.9
Change in members' capital	74.0		0.4	-11.6	62.8		62.8
Other changes in equity			0.0		0.0		0.0
Share based payments				0.4	0.4	0.3	0.7
Acquired shares from non-controlling interests, which did not change the controlling right				0.0	0.0		0.0
Sold shares from non-controlling interests, which did not change the controlling right				-0.2	-0.2	0.2	0.0
Members' funds 31 Dec 2025	1,640.4	-23.4	712.4	1,847.6	4,177.0	1,156.1	5,333.2

Condensed consolidated cash flow statement

EUR million	Note	2025 31.12.	2024 31.12.
Result for the period	8	-281.3	108.5
Total adjustments	8	584.7	488.3
Change in working capital		314.0	-496.3
Cash flow from operations		617.3	100.5
Net financial items		-70.0	-40.0
Income taxes paid		-10.8	-49.7
Net cash flow from operating activities		536.5	10.9
Acquisitions		-0.8	-1.7
Investments in tangible and intangible assets		-563.3	-566.0
Disposals and other items	8	21.2	73.7
Net cash flow from financing activities		-543.0	-494.0
Change in members' funds		34.1	66.6
Change in non-controlling interest		0.0	0.0
Change in long-term loans and other financial items		-160.0	19.3
Dividends paid		-89.3	-137.9
Net cash flow from financing activities		-215.2	-52.1
Change in cash and cash equivalents		-221.7	-535.2
Cash and cash equivalents at beginning of period		991.6	1,511.6
Translation difference		-0.4	0.3
Change in cash and cash equivalents		-221.7	-535.2
Value adjustments of investment funds included in cash and		9.4	15.1
Cash and cash equivalents at end of period		779.0	991.6

NOTES TO THE FINANCIAL STATEMENTS BULLETIN

Note 1 – Background and accounting policies

Metsäliitto Cooperative and its subsidiaries comprise a group ("Metsä Group" or "Group") in which operations are organised into five business segments: Pulp and Sawn Timber Industry; Paperboard Industry; Tissue and Greaseproof Papers; Wood Products Industry; and Wood Supply and Forest Services. The Group's parent company is Metsäliitto Cooperative. The parent company is domiciled in Helsinki and the registered address is Revontulenpuisto 2, 02100 Espoo, Finland.

This financial statements bulletin has been prepared in accordance with IAS 34, *Interim Financial Reporting*, and it should be read in conjunction with the 2024 IFRS financial statements. The effects of foreign exchange rates on the operating profit for the review period compared with the comparison period have been calculated based on the review period's estimated net currency flow, accounting for the realised impact of hedges. The figures in the financial statements of bulletin are based on the audited figures from the 2024 financial statements.

The same accounting principles have been applied as in the 2024 IFRS financial statements, with the following exception:

- Depreciation of machinery and equipment during the financial year has been further specified be-

tween the quarters where applicable to correspond with the allocation of the use of the economic benefit of the asset.

The amendments to standards applied in the 2025 financial period will not have a material impact on the consolidated financial statements.

All amounts are presented in millions of euros unless otherwise stated.

This financial statements bulletin was authorised for issue by the Board of Directors of Metsäliitto Cooperative on 5 February 2026.

Key estimates and judgements

The preparation of financial statements requires the use of the management's estimates, assumptions and judgement-based decisions that affect the amount of assets and liabilities, the presentation of contingent assets and liabilities in the financial statements, and the amount of income and expenses. Even though such estimates and assumptions are based on the management's best knowledge at the time they were made, it is possible that the actual values differ from those used in the financial statements. In terms of the financial statements, the key areas that involve the management's estimates and judgement-based decisions are presented in the following notes.

Management judgement based decisions

Note	Nature of management's judgement-based decisions
Intangible assets, property, plant and equipment and leases	Valuation model applied in impairment tests
Other investments / Financial instruments measured at fair value	Accounting principle and valuation model applied to the shares of Pohjolan Voima Oyj

Estimates and assumptions

Note	Nature of estimates and assumptions
Intangible assets, property, plant and equipment and leases	Estimates of key factors affecting cash flows in the valuation
Property, plant and equipment and leases	Estimates of the useful lives of property, plant and equipment
Other investments / Fair value measurement	Estimates of key factors affecting cash flows in the valuation of Pohjolan Voima Oyj
Inventories	Estimates of the sales prices of products measured at net realisable value, the costs of completion and the costs necessary for making the sale
Income taxes	Estimates of the date and amount of tax liabilities arising in tax audits and deferred tax assets recognised for losses

Note 2 – Segment information

Metsä Group's operating segments comprise the Group's business areas. The business areas produce different products and services, and they are managed as separate units. The operating segments are reported uniformly with internal reporting submitted to the chief operational decision-maker.

The President and CEO has been appointed the chief operational decision-maker in charge of allocating resources to the operating segments and evaluating their performance.

The same accounting policies are applied in segment reporting as for the Group as a whole. Transactions between segments are based on market prices.

Sales by segment

	1-12/2025	1-12/2025	1-12/2025	1-12/2024	1-12/2024	1-12/2024
EUR million	External	Internal	Total	External	Internal	Total
Pulp and Sawn Timber Industry	2,038.5	539.5	2,578.1	1,707.7	620.6	2,328.3
Paperboard Industry	1,665.1	110.5	1,775.7	1,818.9	119.6	1,938.6
Tissue and Greaseproof Papers	1,135.3	0.0	1,135.4	1,152.1	0.8	1,152.9
Wood Products Industry	445.6	23.5	469.0	530.6	23.3	553.9
Wood Supply and Forest Services	518.8	1,946.6	2,465.4	509.7	1,850.5	2,360.1
Other operations	29.5	46.1	75.6	28.2	49.6	77.8
Elimination of internal sales		-2,666.2	-2,666.2		-2,664.4	-2,664.4
Total sales	5,832.9	0.0	5,832.9	5,747.2	0.0	5,747.2

Operating result by segment

	2025	2024
EUR million	1-12	1-12
Pulp and Sawn Timber Industry	-143.1	5.8
Paperboard Industry	-169.5	62.3
Tissue and Greaseproof Papers	18.2	101.6
Wood Products Industry	-38.0	7.8
Wood Supply and Forest Services	33.4	32.5
Other operations	-12.6	-17.1
Eliminations	40.2	-6.5
Operating result total	-271.3	186.4
Share of results from associated companies and joint ventures	-0.7	-0.6
Financial costs, net	-62.9	-54.6
Income taxes	53.6	-22.7
Result for the period	-281.3	108.5

Assets and liabilities by segment

Assets	2025	2024
EUR million	31.12.2025	31.12.2024
Pulp and Sawn Timber Industry	3,849.2	4,063.2
Paperboard Industry	2,607.1	2,796.5
Tissue and Greaseproof Paper Industry	1,249.6	1,103.7
Wood Products Services	630.2	526.9
Wood Supply and Forest Services	460.6	585.8
Other operations	415.8	463.3
Eliminations	-553.0	-577.3
Unallocated assets	525.8	940.4
Total	9,185.4	9,902.5

Assets = intangible and tangible assets, investments in associated companies and joint ventures, inventories, accounts receivables and other non-interest-bearing receivables (excl. interest and tax items).

Liabilities	2025	2024
EUR million	31.12.2025	31.12.2024
Pulp and Sawn Timber Industry	784.8	833.2
Paperboard Industry	503.1	431.0
Tissue and Greaseproof Paper Industry	356.4	331.9
Wood products services	119.8	114.5
Wood supply and forest services	328.5	340.7
Other operations	121.2	219.1
Eliminations	-553.0	-577.3
Unallocated liabilities	2,368.8	2,650.4
Total	4,029.5	4,343.5

Liabilities = accounts payable, advance payments and other non-interest-bearing liabilities (excl. interest and tax items).

Note 3 - Geographical distribution of sales

	2025	2024
EUR million	1–12	1–12
EMEA	3,956.3	4,052.2
APAC	1,127.3	975.0
Americas	749.3	720.0
Total	5,832.9	5,747.2

Note 4 - Income tax

	2025	2024
EUR million	1–12	1–12
Taxes for the period	-11.7	-25.9
Taxes for previous periods	-0.5	0.0
Change in deferred taxes	65.8	3.2
Total	53.6	-22.7

Note 5 – Changes in property, plant and equipment

	2025	2024
EUR million	1–12	1–12
Book value at beginning of period	5,450.0	5,410.0
Acquired businesses		0.7
Investments to owned property, plant and equipment	536.7	491.6
Investments to leased property, plant and equipment	25.0	36.4
Decreases	-5.2	-17.0
Depreciation, amortization and impairment losses	-489.8	-443.0
Translation difference and other changes	50.6	-28.7
Carrying value at end of the period	5,567.3	5,450.0

In January–December 2025, depreciations, amortisations and impairments include an impairment of EUR -22.0 million of the assets damaged in the Kemi bi-product mill's gas explosion, an impairment of EUR -18.2 million related to the closure of the Tako paper-board mill, an impairment of EUR -7.2 million related to the efficiency improvements of Metsä Tissue's operations in Germany and Finland, and an impairment of EUR -3.0 million related to the discontinuation of Kumpuniemen Voima Oy's operations.

In January–December 2024, depreciations, amortisations and impairments include an impairment of EUR -13.9 million for the closure of the Suolahti plywood mills, an impairment of EUR -3.3 million for the closure of the Merikarvia sawmill, where sawing operations ended on 8 April 2024, and an impairment of EUR -2.1 million related to the Future Mill programme. Depreciations, amortisations and impairments in January–December 2024 also include EUR +5.2 million in impairment reversals related to the sale of the Group's Russian subsidiaries on 13 May 2024.

Note 6 - Provisions

EUR million	Restructuring	Environ. obligations	Other Provisions	Total
1 Jan 2025	5.1	9.3	2.3	16.7
Translation differences		0.0	0.0	0.0
Additions	14.1	0.0	3.8	17.9
Utilised during the year	-8.0	0.0	-0.9	-9.0
Unused amounts reversed	-2.2	-1.0	-0.4	-3.7
31 Dec 2025	9.0	8.3	4.7	22.0
Long term provisions	7.5	8.3	2.1	17.9
Short term provisions	1.6		2.6	4.1
Total	9.0	8.3	4.7	22.0

Of the increases in restructuring provisions, EUR 1.5 million is related to the closure of the Tako board mill, EUR 9.6 million to the efficiency improvements of Metsä Tissue's operations in Germany, EUR 1.2 million to the discontinuation of operations at the Suolahti plywood mills, and EUR 1.3 million to the discontinuation of Kumpuniemen Voima Oy's operations. Of the increases in other provisions, EUR 2.5 million is related to energy

taxes in Sweden, and EUR 1.0 million to Metsä Tissue's efficiency improvement programme in Germany. Of the reversals of provisions not utilised, EUR -2.1 million is related to the efficiency improvements of Metsä Tissue's operations in Germany.

It is expected that the environmental provisions and other provisions will be released for the most part by 2030.

Note 7 - Related party transactions

The Group's related parties include its associated companies and joint ventures. Related parties also include the members of the Board of Directors and Executive Management Team as well as their close family members and companies under their sole or joint control are considered related parties.

Transactions with associated companies and joint ventures

EUR million	2025 1-12	2024 1-12
Sales	11.1	12.2
Purchases	-28.3	-30.4
Non-current receivables	9.5	6.3
Accounts receivables and other receivables	1.4	3.7
Accounts payables and other liabilities	4.1	3.0

Metsä's Conservation Foundation is a separate legal unit that was established on 16 June 2025. Metsä's Conservation Foundation is a separate legal unit that was established on 16 June, 2025. Metsä's Conservation Foundation will supplement Metsä Group's services, with which the forest owner can strengthen the biodiversity of their forests. In June 2025, Metsäliitto Cooperative paid a core capital of EUR 1 million to the Metsä Conservation Foundation.

Note 8 – Notes to the consolidated cash flow statement

EUR million	2025 1-12	2024 1-12
Taxes	-53.6	22.7
Depreciation and impairment charges	613.7	467.7
Biological assets	0.0	-0.5
Share of results from associated companies	0.7	0.6
Gains and losses on sale of non-current financial assets	-47.7	-56.5
Financial costs, net	62.9	54.6

Pension liabilities and provisions	7.6	-1.9
Other adjustments	1.0	1.5
Total	584.7	488.3

Disposals and other items

In January–December 2025, disposals and other items include a capital gain of EUR 6.7 million from the sale of shares in Metsä Forest Latvia SIA, the Latvian wood supply business. In addition, disposals and other items include sales of tangible and intangible assets of EUR 17.8 million, and other items of EUR -3.3 million. The most significant sales related to property, plant and equipment were the sales of emissions allowances, totalling EUR 14.9 million.

In January–December 2024, disposals and other items include the sale of shares in the Group's Russian subsidiaries and the sale of the wood supply business in Estonia, totalling EUR 20.7 million. In addition, disposals and other items include sales of tangible and intangible assets of EUR 56.7 million and other items of EUR -3.7 million. The most significant sales of fixed assets consisted of the sale of emission allowances for EUR 41.1 million and real estate in Widnes, UK, for EUR 11.7 million.

Note 9 – Financial instruments

Classification of financial assets and liabilities and fair values

Financial assets 31 December 2025

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Other non-current investments	4.1	194.0		198.1
Other non-current financial assets	0.0		13.2	13.2
Trade receivable and other receivables	4.2		622.2	626.3
Cash and cash equivalent	421.4		357.6	779.0
Derivative financial instruments	6.2	35.7		41.9
Total carrying amount	435.9	229.6	993.1	1,658.6
Total fair value	435.9	229.6	993.1	1,658.6

Financial liabilities 31 December 2025

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Non-current interest-bearing financial liabilities			1,462.1	1,462.1
Other non-current financial liabilities			2.7	2.7
Current interest-bearing financial liabilities			615.4	615.4
Trade payable and other financial liabilities			1,285.1	1,285.1
Derivative financial instruments	2.3	12.0		14.3
Total carrying amount	2.3	12.0	3,365.2	3,379.5
Total fair value	2.3	12.0	3,372.5	3,386.8

Financial assets 31 December 2024

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Other non-current investments	4.8	232.5		237.3
Other non-current financial assets			11.9	11.9
Trade receivable and other receivables	4.1		667.0	671.1
Cash and cash equivalent	477.7		514.0	991.6
Derivative financial instruments	3.2	50.3		53.5
Total carrying amount	489.7	282.9	1,192.9	1,965.5
Total fair value	489.7	282.9	1,192.9	1,965.5

Financial liabilities 31 December 2024

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Non-current interest-bearing financial liabilities			1,608.0	1,608.0
Other non-current financial liabilities			2.3	2.3
Current interest-bearing financial liabilities			631.1	631.1
Trade payable and other financial liabilities			1,255.1	1,255.1
Derivative financial instruments	6.6	73.6		80.1
Total carrying amount	6.6	73.6	3,496.6	3,576.7
Total fair value	6.6	73.6	3,518.0	3,598.2

Trade receivables and other receivables do not include VAT receivables and accrued income.

Trade payables and other financial liabilities do not include advance payments, VAT liabilities and accrued expenses.

In Metsä Group, all interest-bearing financial liabilities are measured at amortised cost based on the effective

interest method. Fair values are based on the present cash flow value of each liability or asset calculated at market rate. The discount rates applied are between 1.0 and 6.0% (1.0–6.0). The fair values of trade receivables and other receivables and trade payables and other liabilities do not materially deviate from their carrying amounts on the balance sheet.

Fair value hierarchy of financial assets and liabilities as of 31 December 2025

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Other non-current investments			198.1	198.1
Financial assets at fair value, current	276.9	144.5	4.2	425.5
Derivative financial assets		41.9		41.9
Financial liabilities measured at fair value				
Derivative financial liabilities	1.9	12.4		14.3
Financial assets not measured at fair value				
Cash and cash equivalent		357.6		357.6
Financial liabilities not measured at fair value				
Non-current interest-bearing financial liabilities		1,467.3		1,467.3
Current interest-bearing financial liabilities		617.4		617.4

Fair value hierarchy of financial assets and liabilities as of 31 December 2024

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Other non-current investments			237.3	237.3
Financial assets at fair value, current	350.0	127.7	4.1	481.8
Derivative financial assets	3.8	49.8		53.5
Financial liabilities measured at fair value				
Derivative financial liabilities	0.2	79.9		80.1
Financial assets not measured at fair value				
Cash and cash equivalent		514.0		514.0
Financial liabilities not measured at fair value				
Non-current interest-bearing financial liabilities		1,627.2		1,627.2
Current interest-bearing financial liabilities		633.4		633.4

Financial assets measured at fair value based on level 3

	2025	2024
EUR million	1–12	1–12
Opening balance	241.4	275.3
Gains and losses in income statement	0.1	0.0
Gains and losses in other comprehensive income	-38.6	-38.4
Acquisitions		0.5
Settlements	0.0	-0.1
Transfers to level 3	-0.7	4.1
Closing balance	202.3	241.4

Financial assets and liabilities measured at fair value are classified according to IFRS 7 (Financial Instruments: Disclosures).

Level 1:

Fair value is based on quoted prices in active markets.

Level 2:

Fair value is based on inputs observable for the asset either directly or indirectly.

Level 3:

Fair value is based on company estimates, not on market data.

The fair values of natural gas and fuel oil derivatives are measured based on publicly quoted market prices (Level 1). The fair values of currency forwards and options are determined based on market prices on the closing date of the reporting period. The fair values of interest rate swaps are measured applying a method based on the current value of future cash flows, supported by exchange rates, market interest rates on the closing date of the reporting period and other market inputs (Level 2). The fair value of financial instruments not traded in an active market is determined using various measurement methods. Discretion is used in choosing the methods and making assumptions based

primarily on the market conditions prevailing at the closing date of the reporting period (Level 3).

The accounting policies applied in preparing the financial statements include a more detailed description of the recognition and measurement principles applied.

The most significant asset at fair value not traded on an active market is the investment in Pohjolan Voima Oyj shares classified as a financial asset at fair value through other comprehensive income. The value of these shares is measured as the current value of discounted cash flows.

The average weighted capital cost applied in the calculation was 6.48% on 31 December 2025 (31 December 2024: 5.51). The acquisition cost of the Pohjolan Voima Oyj shares on 31 December 2025 is EUR 33.4 million (33.4), and their fair value is EUR 194.0 million (232.5).

It is expected that the carrying amount of other long-term investments on 31 December 2025 will change by EUR -7.2 million (-9.3), and by EUR 7.5 million (9.8) should the rate used for discounting the cash flows change by 0.5 percentage points from the rate estimated by the management. It is expected that the carrying amount of other long-term investments will change by EUR 56.3 million (64.7) should the energy prices applied in the fair value calculation differ by 10% from the price estimated by management.

Derivatives 31 December 2025

EUR million	Nominal value	Derivative assets	Derivative liabilities	Fair value net	Fair value through profit and loss	Fair value through other comprehensive income
Interest rate swaps	476.5	23.4	1.3	22.1	-1.3	23.4
Interest rate derivatives	476.5	23.4	1.3	22.1	-1.3	23.4
Currency forward contracts	2,184.7	18.1	11.0	7.1	3.6	3.5
Currency forward contracts	103.1	0.3	0.1	0.2		0.2
Currency derivatives	2,287.8	18.4	11.1	7.3	3.6	3.7
Oil derivatives	12.8		1.6	-1.6		-1.6
Natural gas derivatives	3.0		0.3	-0.3		-0.3
Commodity derivatives	15.8		1.9	-1.9		-1.9
Derivatives total	2,780.1	41.9	14.3	27.6	2.3	25.3

Derivatives 31 December 2024

EUR million	Nominal value	Derivative assets	Derivative liabilities	Fair value net	Fair value through profit and loss	Fair value through other comprehensive income
Interest rate swaps	514.8	29.8		29.8		29.8
Interest rate derivatives	514.8	29.8		29.8		29.8
Currency forward contracts	3,344.5	19.9	71.8	-51.9	-3.4	-48.5
Currency forward contracts	993.2	0.1	8.1	-8.1		-8.1
Currency derivatives	4,337.8	20.0	79.9	-60.0	-3.4	-56.6
Oil derivatives	16.8	0.8	0.2	0.7		0.7
Natural gas derivatives	11.1	2.9		2.9		2.9
Commodity derivatives	28.0	3.8	0.2	3.6		3.6
Derivatives total	4,880.6	53.5	80.1	-26.6	-3.4	-23.2

Note 10 - Commitments and guarantees

EUR million	31.12.2025	31.12.2024
Liabilities secured by collateral	6.0	6.7
Floating charges	0.5	0.4
Chattels mortgages	0.0	0.2
Total pledges and mortgages	0.5	0.7
Leases not yet commenced to which the Group is committed	32.1	32.1
Other commitments on own behalf	8.1	2.6
Commitments on behalf of associated companies and joint ventures		0.0
Total	40.7	35.4

Commitments include pledges, floating charges, real estate mortgages, chattels mortgage and guarantee liabilities.

Commitments related to the acquisition of intangible assets and tangible fixed assets

EUR million	31.12.2025	31.12.2024
Payments due in following 12 months	61.3	198.8
Payments due later	8.4	38.0
Total	69.8	236.8