

Interim Report

Quarter 2, 2025



Organic growth and sequentially higher margin in a weak economy

Quarter 2, 2025

- Net sales decreased 6.6% to SEK 34,185m (36,617).
Excl. currency translation effects, net sales increased SEK 699m.
- Organic sales growth amounted to 1.9%, of which volume accounted for 0.2% and price/mix 1.7%
- EBITA decreased 12% to SEK 4,628m (5,237)
- EBITA excl. IAC decreased 13% to SEK 4,693m (5,398). Excl. currency translation effects, EBITA excl. IAC decreased 4%, corresponding to SEK 211m.
- EBITA margin excl. IAC amounted to 13.7% (14.7)
- ROCE amounted to 16.7% (17.9) and ROCE excl. IAC to 16.9% (18.5)
- Profit for the period, total operations, amounted to SEK 3,053m (3,333)
- Earnings per share, total operations, amounted to SEK 4.39 (4.72)
- A new SEK 3bn share buyback program was launched on April 24, 2025
- Ulrika Kolsrud assumed her role as new President and CEO on June 1, 2025



1.9%

Organic sales growth

13.7%

EBITA margin excl. IAC

Financial overview, continuing operations

	2025:2	2024:2	%	2506	2406	%
Net sales, SEKm	34,185	36,617	-7	69,161	71,467	-3
Organic sales growth, %	1.9	-0.9		2.0	-2.5	
EBITA, SEKm	4,628	5,237	-12	9,346	9,760	-4
EBITA margin, %	13.5	14.3		13.5	13.7	
EBITA excl. IAC, SEKm	4,693	5,398	-13	9,399	10,278	-9
EBITA margin excl. IAC, %	13.7	14.7		13.6	14.4	
Profit for the period, SEKm	3,053	3,334	-8	6,136	5,811	6
Earnings per share, SEK	4.39	4.72	-7	8.82	8.23	7
Earnings per share*, SEK	4.71	5.13	-8	9.37	9.46	-1
ROCE, %	16.7	17.9		16.7	15.3	
ROCE excl. IAC, %	16.9	18.5		17.0	17.4	
Operating cash flow, SEKm	1,540	3,239	-52	5,305	7,492	-29

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

Financial overview, total operations

	2025:2	2024:2	%	2506	2406	%
Profit for the period, SEKm	3,053	3,333	-8	6,136	14,826	-59
Earnings per share, SEK	4.39	4.72	-7	8.82	20.93	-58
Net debt/EBITDA excl. IAC				1.33	1.26	

CEO's comments

For the second quarter, we achieved a positive organic sales growth and earnings of SEK 4.7 bn. The quarter was dominated by a weak economy and an uncertain external environment, yielding limited volume growth. Our stable performance despite challenging market conditions demonstrates the strength of Essity's broad portfolio of essential solutions for better hygiene and health.

Organic growth in a weak economy

In Consumer Goods, Incontinence Products Retail and Feminine Care reported strong growth, while the Baby Care market remained challenging with low birth rates and intense competition. Reduced activity in the hotel and restaurant sector resulted in lower demand in Professional Hygiene and, in the healthcare sector, weaker conditions in certain markets negatively affected sales for Incontinence Products Health Care. Despite these challenges, we delivered yet another quarter of positive organic sales growth.

Continued sequential improvement in margins

The company's gross margin improved, both compared to the second quarter of 2024 and sequentially, as higher sales prices offset increased costs of goods sold, including trade tariffs. However, the limited volume growth resulted in lower cost coverage, thereby negatively impacting earnings. In addition, both net sales and earnings were negatively impacted by currency translation effects. Overall, we delivered stable earnings of SEK 4.7bn and the EBITA margin excl. IAC continued to improve sequentially. We are continuing to accelerate profitable volume growth through marketing

campaigns, intensive customer engagement activities and a clear focus on the value segment. In parallel, we will need to reduce the company's cost level and enhance efficiency in all parts of the business.

Investments for the future

Our solutions are necessary regardless of the economic situation and we are working continuously to strengthen our offering across the low-cost – value – premium spectrum to meet the different needs and financial situations of customers and consumers. One example is the upgrades carried out in Consumer Tissue, Cushelle Simply Soft and Lotus Comfort, which were launched last quarter to reinforce the value segment and attract price-sensitive consumers. Aligned with our strategy, we are implementing several initiatives to grow in our most profitable categories in attractive markets. We are seeing good effects of several growth initiatives, for example in JOBST Lymphology, Cutimed Advanced Wound Care, TENA Men, Tork PeakServe and Tork Skin Care.

Increased focus on customers and consumers

This is my first interim report as President and CEO. I see significant potential in the company, and it is with great enthusiasm that I take on the task of accelerating Essity's profitable growth together with all fantastic employees. Since assuming my role, I have focused on broadening my view of the company by seeking external perspectives and spending time out in the organization. It is inspiring to meet so many committed and knowledgeable colleagues and I never cease to be impressed by the strong culture here at Essity. By further strengthening our customer and consumer focus, we



"I see significant potential in the company and it is with great enthusiasm that I take on the task of accelerating Essity's profitable growth together with all fantastic employees."

will continue to develop and increase our competitiveness in order to grow and gain market share. We currently touch the lives of 1 billion people every day in 150 countries, meaning that 7 billion people have yet to discover our products. We strive to reach more people with our leading hygiene and health solutions, improving the quality of life of those we reach while creating long-term shareholder value.

Ulrika Kolsrud

President and CEO

Group

Net sales

Net sales decreased 6.6% in the second quarter of 2025 compared with the corresponding period a year ago and amounted to SEK 34,185m (36,617). Excluding currency translation effects, net sales increased SEK 699m.

Organic sales growth increased 1.9%, mainly driven by higher sales prices. Volumes were higher in Consumer Goods and stable in Health & Medical. However, volumes were lower in Professional Hygiene, mainly due to lower demand in the hotel and restaurant sector. The product mix was somewhat negative, mainly due to growth of retailer brands in Baby Care and Consumer Tissue. Higher sales of premium products in Professional Hygiene continued to have a positive effect on the mix.

Growth was positive in Europe. In Latin America growth was strong, with high growth in Consumer Goods and Professional Hygiene. Growth was negative in North America.

Change in net sales

%	2025:2 vs 2024:2
Total	-6.6
Volume	0.2
Price/Mix	1.7
Organic growth	1.9
Acquisitions	0.0
Divestments	0.0
Currency translation	-8.5

Operating profit

The gross margin increased 0.5 percentage points to 33.3% (32.8). The gross margin excl. IAC increased 0.2 percentage points to 33.4% (33.2). Higher sales prices and volumes had a positive impact on earnings. The costs of goods sold increased, mainly due to higher raw material and distribution costs, including trade tariffs. Energy costs were lower. Cost savings amounted to approximately SEK 112m.

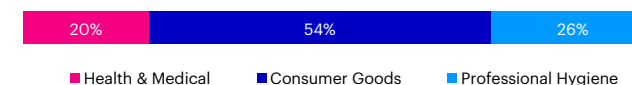
EBITA declined 12% to SEK 4,628m (5,237) and EBITA excl. IAC decreased 13% to SEK 4,693m (5,398). Excluding currency translation effects, EBITA excl. IAC decreased 4%, corresponding to SEK 211m. The EBITA margin excl. IAC declined to 13.7% (14.7). Sales and administration costs increased to 19.6% (18.6), of which marketing costs accounted for 5.2% (5.4).

IAC amounted to SEK -66m (-162), mainly attributable to restructuring.

Change in EBITA excl. IAC

	SEKm
EBITA excl. IAC 2024:2	5,398
Volume	101
Price/Mix	828
Cost of goods sold	-679
Sales & Admin	-394
Currency translation	-495
Other	-66
EBITA excl. IAC 2025:2	4,693

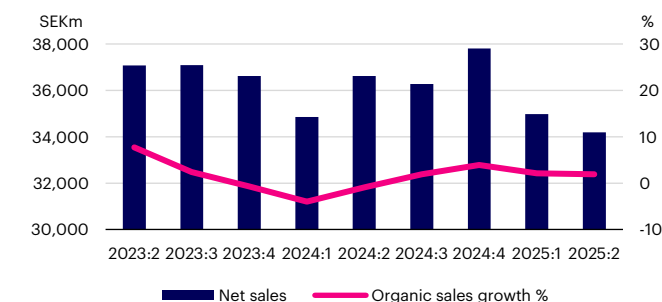
Net sales 2506 by business area



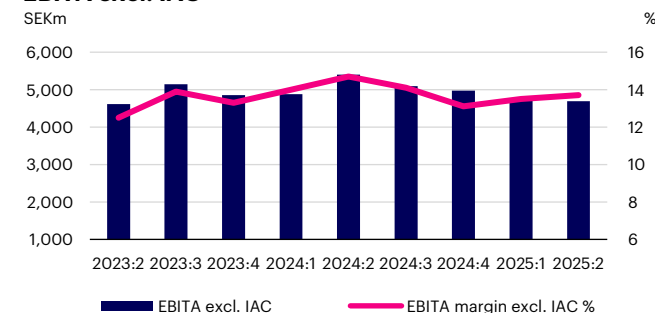
Net sales 2506 by region



Net sales



EBITA excl. IAC



Financial items

Financial items decreased to SEK -333m (-478) mainly on account of lower average net debt.

Tax

The tax expense was SEK 1,014m (1,166), corresponding to a tax rate of 24.9% (25.9). The tax expense excl. IAC was SEK 1,030m (1,211), corresponding to a tax rate of 24.9% (26.0).

Profit for the period

Profit for the period, total operations, amounted to SEK 3,053m (3,333). Profit for the period, continuing operations, was SEK 3,053m (3,334).

Cash flow

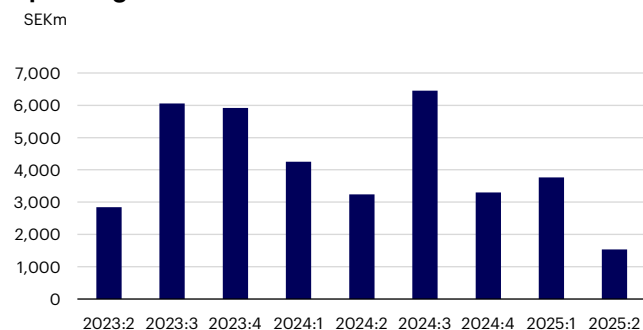
Operating cash flow amounted to SEK 1,540m (3,239) and was negatively affected by a lower cash flow surplus, primarily attributable to a stronger Swedish krona, as well as timing effects within working capital. Net cash flow totaled SEK -6,528m (1,073). Dividends amounted to SEK -5,711m (0) during the quarter. The dividend for 2023 was disbursed during the first quarter of 2024. During the quarter, Essity bought back 2,509,728 own Class B shares for a total amount of SEK 682m.

Operating cash flow statement

SEKm	2025:2	2024:2	2506	2406
Operating cash surplus	6,351	7,032	12,727	13,626
Change in inventories	-746	-497	-1,614	-1,054
Change in operating receivables	-994	-421	-693	-727
Change in operating liabilities	-897	-661	-1,362	-89
Investments in non-current assets, net	-1,648	-1,748	-2,781	-3,157
Restructuring costs, etc.	-228	-276	-508	-877
Investments in operating assets through leases	-298	-190	-464	-230
Operating cash flow	1,540	3,239	5,305	7,492
Financial items	-333	-478	-706	-1,085
Income taxes paid	-1,365	-1,587	-2,587	-2,600
Other	27	33	27	34
Cash flow from current operations	-131	1,207	2,039	3,841
Acquisitions of Group companies and other operations	—	—	—	-17
Divestments of Group companies and other operations	—	—	—	23,908
Cash flow before transactions with shareholders	-131	1,207	2,039	27,732
Dividend	-5,711 ¹⁾	—	-5,711	-5,443
Dividend to non-controlling interests	-4	—	-4	-1
Repurchase of own shares	-682	-134	-1,458	-134
Net cash flow, continuing operations	-6,528	1,073	-5,134	22,154
Net cash flow, discontinued operations	—	—	—	-467
Net cash flow, total operations	-6,528	1,073	-5,134	21,687

¹⁾ Dividend of SEK 5,711m resolved by the Annual General Meeting on March 27, 2025. Payment April 3, 2025.

Operating cash flow



Financial position

Net debt increased SEK 3,408m compared with December 31, 2024, and amounted to SEK 34,177m. The Group's interest-bearing gross debt amounted to SEK 37,203m at the end of the quarter. The average maturity period was 3.7 years.

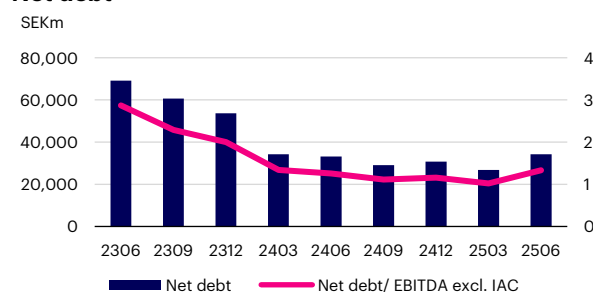
Compared with December 31, 2024, working capital increased to SEK 2,529m. Working capital amounted to 10% (8) of net sales.

Equity attributable to owners of the Parent company decreased SEK 7,516m compared with December 31, 2024. Profit for the period attributable to owners of the Parent company increased the equity of owners of the Parent company by SEK 6,107m. Net translation effects reduced equity by SEK 6,166m. The decrease is mainly attributable to a stronger Swedish krona. The dividend of SEK 5,711m and the buyback of own shares of SEK 1,458m reduced equity attributable to owners of the Parent company. The Group's total equity decreased SEK 7,534m during the quarter.

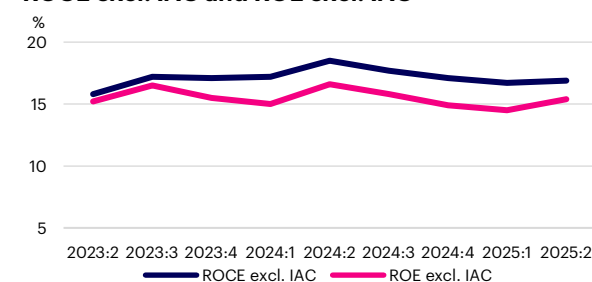
Share buyback program

During the April 24–June 30, 2025, period, Essity bought back 2,509,728 own Class B shares for a total amount of SEK 682m. The share buyback is part of the SEK 3bn buyback program announced by Essity on April 23, 2025. The buyback program will extend from April 24, 2025, until the 2026 Annual General Meeting at the latest. As of June 30, 2025, Essity's holdings of own shares corresponded to 0.48% of the total number of outstanding shares. The repurchased shares are expected to be canceled. The share buyback is financed using cash flow from current operations after the ordinary dividend with the ambition to continue with share buybacks over time as a recurring part of Essity's capital allocation.

Net debt



ROCE excl. IAC and ROE excl. IAC



Financial position

	2506	2406	2412
Working capital, SEKm	13,275	11,537	10,746
Capital employed, SEKm	115,384	117,076	119,510
Net debt, SEKm	34,177	33,214	30,769
Debt/equity ratio	0.42	0.40	0.35
Debt payment capacity, %	52	53	59
Net debt/EBITDA	1.36	1.35	1.19
Net debt/EBITDA excl. IAC	1.33	1.26	1.16

Return

%	2025:2	2024:2	2506	2406
ROCE	16.7	17.9	16.7	15.3
ROCE excl. IAC	16.9	18.5	17.0	17.4
ROE	15.2	16.1	14.8	23.8
ROE excl. IAC	15.4	16.6	15.2	15.9

Change in net debt

SEKm	2506	2406	2412
Net debt at the beginning of the period	-30,769	-53,703	-53,703
Net cash flow	-5,134	21,687	25,168
Remeasurements to equity	411	860	96
Investments in non-operating assets through leases	-151	-311	-581
Translation differences	1,466	-1,747	-1,749
Net debt at the end of the period	-34,177	-33,214	-30,769

Health & Medical

- **Stable organic sales**
- **Lower volumes for Incontinence Products Health Care**
- **Higher volumes for Medical Solutions with strong growth in wound care**

Net sales

Net sales increased organically 0.1%. Volumes were slightly higher while sales prices and the product mix were unchanged.

In Europe and North America, the organic sales were stable.

In Incontinence Products Health Care, volumes were lower, negatively affected by weaker conditions in the healthcare sector in certain markets, while sales prices and the product mix were unchanged.

Organic growth in Medical Solutions was mainly driven by higher volumes. Sales prices were slightly higher and the product mix was stable. Growth in wound care was high, and also compression therapy noted good sales development.

EBITA excl. IAC

EBITA and the EBITA margin excl. IAC decreased. The cost of goods sold was higher, mainly driven by increased costs for raw materials and trade tariffs. Sales and administration costs increased. Currency translation effects had a negative impact on earnings of SEK 102m compared with the corresponding period a year ago.



TENA offers an expanded range of bariatric sizes specially designed to meet the needs of larger and taller people. Offering a flexible fit, the products ensure maximum comfort and dignity.

Change in net sales

%	2025:2 vs 2024:2
Total	-6.8
Volume	0.1
Price/Mix	0.0
Organic growth	0.1
Acquisitions	0.0
Divestments	0.0
Currency translation	-6.9

Organic sales growth

%	2025:2 vs 2024:2	% of net sales
Incontinence Products Health Care	-1.4	58
Medical Solutions	2.0	42

Financial overview

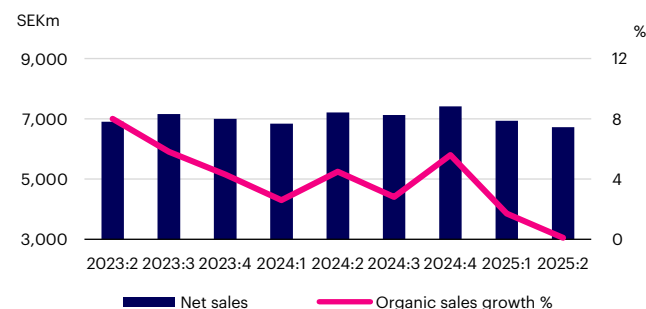
	2025:2	2024:2	%
Net sales, SEKm	6,723	7,213	-7
Organic sales growth, %	0.1	4.5	
Gross profit margin excl. IAC, %	43.7	45.5	
EBITA excl. IAC, SEKm	1,159	1,472	-21
EBITA margin excl. IAC, %	17.2	20.4	
ROCE excl. IAC, %	14.1	17.2	
Operating cash flow, SEKm	398	879	-55

Net sales 2506 by region

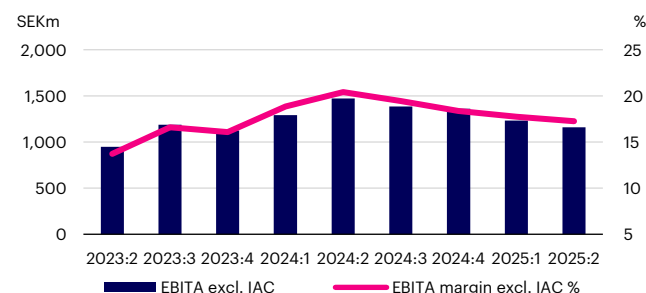


■ Europe ■ North America ■ Latin America ■ Other

Net sales



EBITA excl. IAC



Consumer Goods

- Organic sales growth and higher margin
- Strong growth in Incontinence Products Retail and Feminine Care
- Continued challenging market for Baby Care
- Higher volumes and prices for Consumer Tissue

Net sales

Net sales increased organically 3.2%, driven by higher volumes and sales prices. The product mix was negative, mainly on account of growth in retailer brands in Baby Care and Consumer Tissue.

Growth was positive in Europe and high in Latin America.

Incontinence Products Retail and Feminine Care reported strong organic growth driven by higher volumes and prices. Sales in Baby Care decreased, mainly due to lower volumes. The Baby Care market in Europe remained challenging during the quarter with low birth rates and intense competition. Growth in Consumer Tissue was good due to both higher volumes and sales prices.

EBITA excl. IAC

EBITA excl. IAC decreased mainly due to currency translation effects (SEK -282m). The EBITA margin excl. IAC was higher. Higher volumes and sales prices had a positive impact on earnings. Costs of goods sold were slightly higher mainly due to increased raw material costs, while energy costs were lower. Sales and administration costs increased.



The new Lotus Just1 SansTube is our best toilet paper. It is so strong that one sheet can be enough, and it is now more sustainable as it is coreless and features paper packaging. More toilet paper, less waste.

Change in net sales

%	2025:2 vs 2024:2
Total	-6.3
Volume	1.7
Price/Mix	1.5
Organic growth	3.2
Acquisitions	0.0
Divestments	-0.1
Currency translation	-9.4

Organic sales growth

%	2025:2 vs 2024:2	% of net sales
Incontinence Products Retail	7.5	15
Feminine Care	6.5	18
Baby Care	-7.4	9
Consumer Tissue	2.9	58

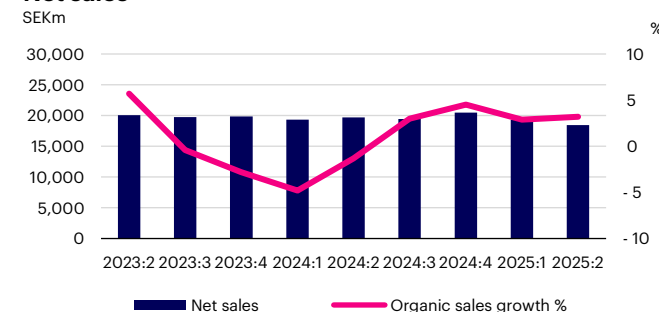
Financial overview

	2025:2	2024:2	%
Net sales, SEKm	18,434	19,672	-6
Organic sales growth, %	3.2	-1.3	
Gross profit margin excl. IAC, %	30.5	29.0	
EBITA excl. IAC, SEKm	2,368	2,434	-3
EBITA margin excl. IAC, %	12.8	12.4	
ROCE excl. IAC, %	17.9	17.9	
Operating cash flow, SEKm	1,160	1,442	-20

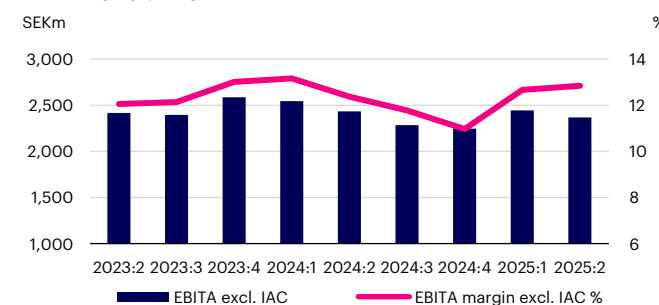
Net sales 2506 by region



Net sales



EBITA excl. IAC



Professional Hygiene

- Higher sales prices
- Lower volumes
- Strong growth in premium products

Net sales

Net sales increased organically 0.6%, primarily driven by higher sales prices. The product mix also remained favorable with an increased share of premium products. Volumes were lower, negatively affected by reduced demand in the hotel and restaurant sector.

Growth was positive in Europe and high in Latin America. In North America, growth was negative.

EBITA excl. IAC

EBITA and the EBITA margin excl. IAC decreased. The cost of goods sold was higher, mainly due to increased costs for raw materials and trade tariffs. Lower volumes had a negative impact on earnings, while higher sales prices combined with the favorable mix trend had a positive impact on earnings. Sales and administration costs increased. Currency translation effects had a negative impact on earnings of SEK 132m compared with the corresponding period a year ago.



The new Tork Matic® Sensor Dispenser is a reliable and globally competitive automatic hand towel roll dispenser. It features a user-friendly and modern design while being efficient and significantly reducing maintenance time for end customers. One set of batteries lasts up to six years, setting a new industry standard.

Change in net sales

%	2025:2 vs 2024:2
Total	-7.5
Volume	-2.5
Price/Mix	3.1
Organic growth	0.6
Acquisitions	0.0
Divestments	0.0
Currency translation	-8.1

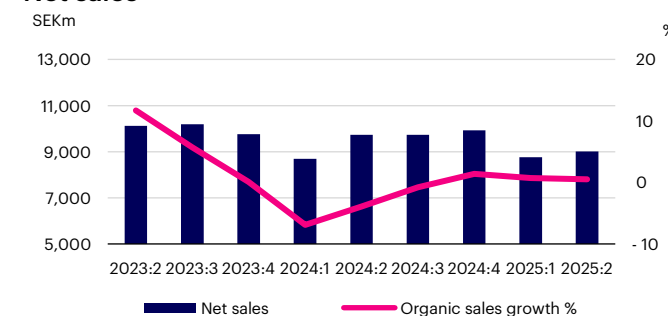
Financial overview

	2025:2	2024:2	%
Net sales, SEKm	9,003	9,729	-7
Organic sales growth, %	0.6	-3.9	
Gross profit margin excl. IAC, %	31.7	32.5	
EBITA excl. IAC, SEKm	1,525	1,868	-18
EBITA margin excl. IAC, %	16.9	19.2	
ROCE excl. IAC, %	23.8	28.9	
Operating cash flow, SEKm	490	1,538	-68

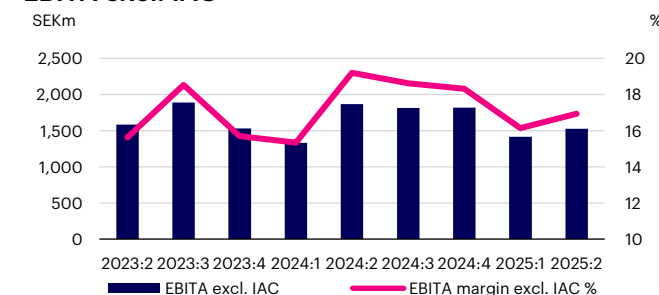
Net sales 2506 by region



Net sales



EBITA excl. IAC



First half-year 2025

Net sales

Net sales decreased 3.2% in the first half of 2025 compared with the corresponding period in the preceding year and amounted to SEK 69,161m (71,467).

Sales increased organically 2.0%. All business areas reported positive organic growth. Volumes for the Group were stable, with higher volumes in Consumer Goods and Health & Medical. However, volumes were lower in Professional Hygiene, mainly due to lower demand in the hotel and restaurant sector. Higher prices in all business areas had a positive impact on growth. The mix was stable for the Group.

Operating profit

The gross margin increased 0.5 percentage points to 33.0% (32.5). The gross margin excl. IAC amounted to 33.1% (33.2). Earnings were positively impacted by higher sales prices. The costs of goods sold increased, mainly due to higher raw material and distribution costs, including trade tariffs. Energy costs were lower. The cost savings amounted to approximately SEK 193m.

EBITA declined 4% to SEK 9,346m (9,760) and EBITA excl. IAC decreased 9% to SEK 9,399m (10,278). Excluding currency translation effects, EBITA excl. IAC decreased 3%. The EBITA margin excl. IAC amounted to 13.6% (14.4). Sales, general and administration costs increased to 19.5% (18.9), of which marketing costs accounted for 5.2% (5.4).

IAC amounted to SEK -34m (-588), mainly attributable to restructuring.

Group	2506	2406	%
Net sales, SEKm	69,161	71,467	-3
Organic sales growth, %	2.0	-2.5	
Gross profit margin excl. IAC, %	33.1	33.2	
EBITA excl. IAC, SEKm	9,399	10,278	-9
EBITA margin excl. IAC, %	13.6	14.4	
ROCE excl. IAC, %	17.0	17.4	
Operating cash flow, SEKm	5,305	7,492	-29

Financial items

Financial items decreased to SEK -706m (-1,085) on account of lower average net debt. Higher interest rates had a negative impact on net interest items.

Tax

The tax expense was SEK 2,039m (2,216), corresponding to a tax rate of 24.9% (27.6). The tax expense excl. IAC was SEK 2,046m (2,355), corresponding to a tax rate of 24.9% (27.3). The tax rate was negatively affected by non-recurring items.

Profit for the period

Profit for the period, total operations, amounted to SEK 6,136m (14,826). Profit for the period, continuing operations, was SEK 6,136m (5,811).

Health & Medical	2506	2406	%
Net sales, SEKm	13,659	14,055	-3
Organic sales growth, %	0.8	3.6	
Gross profit margin excl. IAC, %	44.1	45.4	
EBITA excl. IAC, SEKm	2,390	2,762	-13
EBITA margin excl. IAC, %	17.5	19.7	
ROCE excl. IAC, %	15.3	14.7	
Operating cash flow, SEKm	1,630	2,209	-26

Consumer Goods	2506	2406	%
Net sales, SEKm	37,719	39,010	-3
Organic sales growth, %	3.0	-3.1	
Gross profit margin excl. IAC, %	30.0	29.7	
EBITA excl. IAC, SEKm	4,811	4,979	-3
EBITA margin excl. IAC, %	12.8	12.8	
ROCE excl. IAC, %	17.4	18.3	
Operating cash flow, SEKm	2,817	3,773	-25

Professional Hygiene	2506	2406	%
Net sales, SEKm	17,760	18,415	-4
Organic sales growth, %	0.7	-5.3	
Gross profit margin excl. IAC, %	31.4	31.3	
EBITA excl. IAC, SEKm	2,938	3,200	-8
EBITA margin excl. IAC, %	16.5	17.4	
ROCE excl. IAC, %	25.7	25.5	
Operating cash flow, SEKm	1,544	2,318	-33

Other Group information

Sustainability

Sustainability is integrated into Essity's strategy and is a priority, with ambitious Group targets in several areas. The outcome for three of the targets is presented below. More information on these and other targets can be found in Essity's Annual Report.

Health and safety: 2025 Target: -75% vs 2019

Reduction in total recordable incident rate

2021	2022	2023	2024	6M 2025
-45%	-39%	-58%	-66%	-59%

Total recordable incidents (TRI) include lost time accidents (LTA), restricted work cases (RWC) and medical treatment cases (MTC)

Science-based emissions targets: 2030 Target: -35% vs 2016

Reduction in absolute greenhouse gas emissions, Scope 1 and 2

2021	2022	2023	2024	6M 2025*
-16%	-17%	-27%	-27%	-27%

*Outcome for last 12 months

Sustainable innovations: Target: >50% annually

Percentage leading to social and/or environmental improvements

2021	2022	2023	2024	6M 2025
59%	72%	85%	87%	80%

For the sixth consecutive year, Essity has been recognized on the global non-profit environmental organization CDP's 2024 Supplier Engagement Leaderboard list for its efforts in involving suppliers in climate change initiatives.

Events during the quarter

Essity decides on a new share buyback program of SEK 3bn

On April 23, 2025, Essity announced that the company's Board of Directors has resolved to utilize the authorization granted by the Annual General Meeting on March 27, 2025, and initiated a new program to buy back Class B shares in Essity for SEK 3bn. The program began on April 24, 2025 and extends until the 2026 Annual General Meeting at the latest. The share repurchase is financed using cash flow from current operations after the ordinary dividend with the ambition to continue with share buybacks over time as a recurring part of Essity's capital allocation. The share buyback program is managed by BofA Securities Europe SA, which decides on the date for repurchasing independently from and outside of Essity's influence. Repurchasing takes place on Nasdaq Stockholm in accordance with the stock exchange's issuer regulations and is implemented in accordance with the EU Market Abuse Regulation (MAR) and the European Commission's Delegated Regulation 2016/1052 (Safe Harbour Regulation).

Changes in number of shares and votes in Essity

In accordance with the resolution at the Annual General Meeting on March 27, 2025, Essity announced on April

30, 2025 that the company had canceled 9,288,000 of its own shares of series B that the company previously repurchased.

Ulrika Kolsrud new President and CEO of Essity

On May 9, 2025, Essity announced that the Board of Directors had appointed Ulrika Kolsrud as President and CEO. Ulrika Kolsrud assumed her role on June 1, 2025. She most recently held the position as President of Essity's business unit Health & Medical. She succeeds Magnus Groth, who earlier this year informed the Board that he will leave his position during the year.

Essity is a global, leading hygiene and health company.

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

More information at essity.com and follow Essity on social media.



Board of Directors' assurance

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

Stockholm, July 17, 2025

Essity Aktiebolag (publ)

Maria Carell
Board member

Annemarie Gardshol
Board member

Jan Gurander
Chairman of the Board

Ulrika Kolsrud
President
and CEO

Alexander Lacik
Board member

Sofia Lafqvist
Board member,
employee representative

Susanna Lind
Board member,
employee representative

Torbjörn Lööf
Board member

Katarina Martinson
Board member

Bert Nordberg
Board member

Örjan Svensson
Board member,
employee representative

Barbara Milian
Thoralfsson
Board member

Karl Åberg
Board member

Review report

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

Introduction

We have reviewed the condensed interim report for Essity Aktiebolag (publ) as at June 30, 2025 and for the six-month period then ended. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

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

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

Conclusion

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

Stockholm, July 17, 2025

Ernst & Young AB

Erik Sandström
Authorized Public Accountant

Financial statements

Condensed consolidated income statement

SEKm	2025:2	2024:2	%	2506	2406	%
Net sales	34,185	36,617	-7	69,161	71,467	-3
Cost of goods sold	-22,784	-24,467		-46,286	-47,750	
Items affecting comparability (IAC) - cost of goods sold	-12	-147		-22	-513	
Gross profit	11,389	12,003	-5	22,853	23,204	-2
Gross profit excl. IAC	11,401	12,150	-6	22,875	23,717	-4
Sales, general and administration	-6,708	-6,808		-13,476	-13,497	
Items affecting comparability (IAC) - sales, general and administration	-53	-14		-31	-5	
Share of profits of associates and joint ventures ¹⁾	—	56		—	58	
Operating profit before amortization of acquisition-related intangible assets (EBITA)	4,628	5,237	-12	9,346	9,760	-4
Operating profit before amortization of acquisition-related intangible assets (EBITA) excl. IAC	4,693	5,398	-13	9,399	10,278	-9
Amortization of acquisition-related intangible assets	-241	-258		-497	-578	
Items affecting comparability (IAC) - acquisition-related intangible assets	-1	-1		19	-70	
Operating profit	4,386	4,978	-12	8,868	9,112	-3
Operating profit excl. IAC	4,452	5,140	-13	8,902	9,700	-8
Share of profits of associates and joint ventures ¹⁾	14	—		13	—	
Financial items	-333	-478		-706	-1,085	
Profit before tax	4,067	4,500	-10	8,175	8,027	2
Profit before tax excl. IAC	4,133	4,662	-11	8,209	8,615	-5
Income taxes	-1,014	-1,166		-2,039	-2,216	
Profit for the period, continuing operations	3,053	3,334	-8	6,136	5,811	6
Profit for the period excl. IAC, continuing operations	3,103	3,451	-10	6,163	6,260	-2
Profit for the period, discontinued operations	—	-1		—	9,015	
Profit for the period, total operations	3,053	3,333	-8	6,136	14,826	-59
Items affecting comparability (IAC) before tax	-66	-162		-34	-588	
Items affecting comparability (IAC) after tax	-50	-117		-27	-449	
Tax on amortization of acquisition-related intangible assets	71	90		146	163	

¹⁾ Until 2024, the share of results of associates and joint ventures was recognized in operating profit. From 2025 onwards, these results will be recognized below operating profit.

SEKm	2025:2	2024:2	2506	2406
Earnings attributable to:				
Owners of the Parent company				
Profit for the period, continuing operations	3,038	3,318	6,107	5,781
Profit for the period, discontinued operations	—	-1	—	8,919
Profit for the period, total operations	3,038	3,317	6,107	14,700
Non-controlling interests				
Profit for the period, continuing operations	15	16	29	30
Profit for the period, discontinued operations	—	—	—	96
Profit for the period, total operations	15	16	29	126
Earnings per share				
-owners of the Parent company				
Earnings per share before and after dilution effects, continuing operations, SEK	4.39	4.72	8.82	8.23
Earnings per share before and after dilution effects, discontinued operations, SEK	—	0.00	—	12.70
Earnings per share before and after dilution effects, total operations, SEK	4.39	4.72	8.82	20.93
Average numbers of shares before and after dilution effects, million	691.5	702.3	692.4	702.3

Consolidated statement of comprehensive income

SEKm	2025:2	2024:2	%	2506	2406	%
Profit for the period, continuing operations	3,053	3,334	-8	6,136	5,811	6
Profit for the period, discontinued operations	—	-1		—	9,015	
Profit for the period, total operations	3,053	3,333	-8	6,136	14,826	-59
Other comprehensive income for the period						
Items that will not be reclassified to the income statement						
Actuarial gains/losses on defined benefit pension plans	-737	-62		411	859	
Fair value through other comprehensive income	1	—		0	1	
Income tax attributable to components in other comprehensive income	169	2		-115	-235	
Total, continuing operations	-567	-60		296	625	
Total operations	-567	-60		296	625	

SEKm	2025:2	2024:2	2506	2406
Items that have been or may be reclassified subsequently to the income statement				
Cash flow hedges:				
Result from remeasurement of derivatives recognized in equity	-324	172	-484	-245
Transferred to profit or loss for the period	90	571	74	1,163
Translation differences in foreign operations	-467	-1,990	-7,547	3,945
Gains/losses from hedges of net investments in foreign operations	439	-28	1,381	-1,069
Income tax attributable to components in other comprehensive income	-25	-201	-200	-36
Total, continuing operations	-287	-1,476	-6,776	3,758
Total, discontinued operations	—	—	—	-557
Total operations	-287	-1,476	-6,776	3,201
Other comprehensive income for the period, net of tax	-854	-1,536	-6,480	3,826
Of which, continuing operations	-854	-1,536	-6,480	4,383
Of which, discontinued operations	—	—	—	-557
Total comprehensive income for the period	2,199	1,797	-344	18,652
Of which, continuing operations	2,199	1,798	-344	10,194
Of which, discontinued operations	—	-1	—	8,458
Total comprehensive income attributable to:				
Owners of the Parent company	2,197	1,803	-330	18,133
Non-controlling interests	2	-6	-14	519

Consolidated balance sheet

SEKm	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
ASSETS			
Non-current assets			
Goodwill	37,914	40,841	41,137
Intangible assets	19,204	21,393	20,734
Property, plant and equipment	45,847	46,596	48,304
Right-of-use assets	3,930	4,040	4,088
Investments in associates and joint ventures	325	329	351
Shares and participations	8	8	8
Surplus in funded pension plans	2,688	3,798	2,475
Non-current financial assets	229	122	128
Deferred tax assets	2,274	2,394	2,326
Other non-current assets	727	778	824
Total non-current assets	113,146	120,299	120,375
Current Assets			
Inventories	19,258	19,110	18,914
Trade receivables	23,137	23,554	23,538
Current tax assets	1,407	1,281	1,673
Other current receivables	3,730	3,797	4,480
Current financial assets	2,777	3,830	5,342
Non-current assets held for sale	32	—	—
Cash and cash equivalents	3,927	10,442	10,962
Total current assets	54,268	62,014	64,909
Total assets	167,414	182,313	185,284

SEKm	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
EQUITY AND LIABILITIES			
Equity			
Owners of the Parent company			
Share capital	2,350	2,350	2,350
Reserves	6,495	12,250	13,224
Retained earnings including profit/loss for the period	71,953	68,809	72,740
Equity attributable to owner of the Parent company	80,798	83,409	88,314
Non-controlling interests	409	453	427
Total equity	81,207	83,862	88,741
Non-current liabilities			
Non-current financial liabilities	38,953	40,078	40,674
Provisions for pensions	2,457	2,457	2,578
Deferred tax liabilities	6,487	7,200	6,978
Other non-current provisions	413	465	507
Other non-current liabilities	513	939	516
Total non-current liabilities	48,823	51,139	51,253
Current liabilities			
Current financial liabilities	2,388	8,871	6,424
Trade payables	15,751	16,552	17,098
Current tax liabilities	1,137	2,028	1,442
Current provisions	900	1,058	1,377
Other current liabilities	17,208	18,803	18,949
Total current liabilities	37,384	47,312	45,290
Total equity and liabilities	167,414	182,313	185,284

Consolidated statement of change in equity

SEKm	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
Equity attributable to owners of the Parent company			
Value, beginning of the period	88,314	70,846	70,846
Total comprehensive income for the period	-330	18,133	24,719
Dividend	-5,711	-5,443	-5,443
Repurchase of own shares	-1,458	-134	-2,224
Acquisition of non-controlling interests	—	—	-8
Transferred to cost of hedged investments	5	24	31
Revaluation effect upon acquisition of non-controlling interests	-22	-17	393
Value, end of period	80,798	83,409	88,314
Non-controlling interests			
Value, beginning of period	427	8,559	8,559
Total comprehensive income for the period	-14	519	558
Dividend	-4	-1	-23
Divestment of non-controlling interests	—	-8,624	-8,624
Acquisition of non-controlling interests	—	—	-43
Value, end of period	409	453	427
Total equity, value end of period	81,207	83,862	88,741

Consolidated cash flow statement

SEKm	2506	2406
Operating activities		
Operating profit	8,868	9,112
Adjustments for non-cash items ¹⁾	3,845	4,180
Operating profit excluding non-cash items	12,713	13,292
Interest paid	-1,242	-1,427
Interest received	170	274
Other financial items	-30	-139
Capitalized expenditures to fulfill contracts with customers	-236	-224
Change in liabilities relating to restructuring programs, etc.	-231	-285
Income taxes paid	-2,587	-2,600
Cash flow from operating activities before changes in working capital	8,557	8,891
Cash flow from changes in working capital		
Change in inventories	-1,614	-1,054
Change in operating receivables	-693	-727
Change in operating liabilities	-1,362	-89
Cash flow from operating activities, continuing operations	4,888	7,021
Cash flow from operating activities, discontinued operations	—	-368
Cash flow from operating activities, total operations	4,888	6,653
Investing activities		
Acquisitions of Group companies and other operations	—	-17
Divestments of Group companies and other operations	—	17,980
Investments in intangible assets and property, plant and equipment	-2,866	-3,162
Paid interest capitalized in intangible assets and property, plant and equipment	-8	-24
Sale of property, plant and equipment	93	29
Purchase and sale of financial assets with short maturities	2,938	107
Cash flow from investing activities, continuing operations	157	14,913
Cash flow from investing activities, discontinued operations	—	-87
Cash flow from investing activities, total operations	157	14,826

SEKm	2506	2406
Financing activities		
Proceeds from borrowings	855	175
Repayment of borrowings ²⁾	-4,262	-9,325
Payment of lease liabilities ²⁾	-540	-528
Change in borrowings with short maturities, etc.	-724	-2,814
Dividend	-5,711	-5,443
Dividend to non-controlling interests	-4	-1
Repurchase of own shares	-1,458	-134
Cash flow from financing activities, continuing operations	-11,844	-18,070
Cash flow from financing activities, discontinued operations	—	-12
Cash flow from financing activities, total operations	-11,844	-18,082
Cash flow for the period, continuing operations	-6,799	3,864
Cash flow for the period, discontinued operations	—	-467
Cash flow for the period, total operations	-6,799	3,397
Cash and cash equivalents at the beginning of the period	10,962	6,927
Translation differences in cash and cash equivalents	-236	118
Cash and cash equivalents at the end of the period	3,927	10,442

¹⁾ Adjustments for non-cash items

SEKm	2506	2406
Depreciation/amortization and impairment of non-current assets	3,498	3,868
Depreciation of capitalized selling expenses	230	235
Gain/loss on sale of assets	-10	6
Non-cash items relating to restructuring program	38	149
Other	89	-78
Total	3,845	4,180

²⁾ From the fourth quarter of 2024, payments of lease liabilities are presented separately in the cash flow statement. The comparative figures have been restated.

Consolidated cash flow statement, cont.

SEKm	2506	2406
Reconciliation with consolidated operating cash flow statement		
Cash flow for the period, continuing operations	-6,799	3,864
Proceeds from borrowings	-855	-175
Repayment of borrowings ¹⁾	4,262	9,325
Payment of lease liabilities ¹⁾	540	528
Change in borrowings with short maturities, etc.	724	2,814
Purchase and sale of financial assets with short maturities	-2,938	-107
Net debt in acquired and divested operations	—	5,928
Investments in operating assets through leases	-464	-230
Accrued interest, etc.	397	207
Other	-1	0
Net cash flow according to consolidated operating cash flow statement	-5,134	22,154

¹⁾From the fourth quarter of 2024, payments of lease liabilities are presented separately in the cash flow statement. The comparative figures have been restated.

Condensed financial statements, Parent company

Condensed Parent company income statement

SEKm	2506	2406
Administrative expenses	-479	-671
Other operating income	73	32
Operating loss	-406	-639
Financial items	-1,305	12,404
Profit/loss before tax	-1,711	11,765
Income taxes	37	158
Profit/loss for the period	-1,674	11,923

Parent company statement of comprehensive income

SEKm	2506	2406
Profit/loss for the period	-1,674	11,923
Other comprehensive income for the period	—	—
Total comprehensive income for the period	-1,674	11,923

Condensed Parent company balance sheet

SEKm	Jun 30, 2025	Dec 31, 2024
Assets		
Intangible assets	0	0
Property, plant and equipment	11	12
Financial non-current assets	177,147	177,152
Total non-current assets	177,158	177,164
Total current assets	988	770
Total assets	178,146	177,934
Equity, provisions and liabilities		
Equity		
Restricted equity	2,350	2,350
Non-restricted equity	73,171	82,013
Total equity	75,521	84,363
Untaxed reserves	827	827
Provisions	783	818
Non-current liabilities	36,695	37,877
Current liabilities	64,320	54,049
Total equity, provisions and liabilities	178,146	177,934

Notes

Note 1 Accounting principles

This interim report has been prepared in accordance with IAS 34 and recommendation RFR 1 of the Swedish Corporate Reporting Board and RFR 2 for the Parent company. On January 1, 2025, the International Accounting Standards Board (IASB®) published amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability, that entered into force following approval by the EU. Essity Aktiebolag (publ) applies this amendment, which has not had any material impact on the Group's or the Parent company's financial statements.

In other respects, the accounting principles and calculation methods applied correspond to those described in Essity's 2024 Annual Report.

Note 2 Risks and uncertainties

Processes for risk management

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

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

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

Essity's risk exposure and risk management are described on pages 41–46 and 59–60 in the 2024 Annual Report. No significant changes have taken place that have affected the reported risks.

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

The introduction or escalation of trade disputes, such as the imposition of significantly higher tariffs by the US administration on imports from certain trading partners, and any subsequent retaliation by such trading partners, may have an impact on tariffs or other barriers imposed on importers of goods between territories. This could directly or indirectly affect the Group's financial position and operating results, by increasing the prices of its products, weakening consumer purchasing power or otherwise causing economic instability in the affected countries.

Note 3 Financial assets and liabilities

Measurement principles and classifications of financial instruments, as described in Essity's 2024 Annual Report, Note E1, were applied consistently throughout the reporting period. Financial liabilities are measured at amortized cost provided they are not part of a fair value hedge when they are recognized at fair value through profit or loss. The fair value of trade receivables, other current and non-current receivables, cash and cash equivalents, trade payables and other current and non-current liabilities is estimated to be equal to their carrying amount.

SEKm	Carrying amount		Fair value		Measurement level ¹⁾
	Jun 30, 2025	Jun 30, 2025	Dec 31, 2024	Dec 31, 2024	
Assets					
Derivatives	1,423	1,423	1,102	1,102	2
Non-current financial assets	106	106	109	109	1
Total assets	1,529	1,529	1,211	1,211	
Liabilities					
Derivatives	2,432	2,432	3,304	3,304	2
Current financial liabilities ²⁾	922	922	4,572	4,572	2
Non-current financial liabilities ²⁾	34,147	33,541	34,962	34,176	2
Total liabilities	37,501	36,895	42,838	42,052	

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

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

Note 4 The share

Number of shares

	2025:2	2024:2	2506	2406
Number of shares, end of period	693,054,489	702,342,489	693,054,489	702,342,489
Of which class A shares	58,973,654	60,969,986	58,973,654	60,969,986
Of which class B shares	634,080,835	641,372,503	634,080,835	641,372,503
Number of Class B shares held by Essity, end of period	3,292,228	486,000	3,292,228	486,000
Number of outstanding shares before and after dilution, end of period	689,762,261	701,856,489	689,762,261	701,856,489
Average number of Class B shares held by Essity, end of period	1,887,441	44,505	5,414,921	22,253
Average number of shares before and after dilution	691,473,246	702,297,984	692,411,856	702,320,236

At the Annual General Meeting on March 27, 2025, a resolution was passed to cancel the company's own shares, which was carried out in the second quarter. Following the cancellation of 9,288,000 Class B shares, Essity has a total of 693,054,489 outstanding shares.

Note 5 Acquisitions and divestments

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

Statement of profit for the period, discontinued operations

SEKm	2506	2406
Profit for the period, Vinda	—	217
Other profit for the period, Vinda	—	8 798 ¹⁾
Profit for the period, discontinued operations	—	9,015
¹⁾ Of which:		
Profit from divestment	—	8,366
Reclassification of realized translation differences after tax	—	748
Transaction cost	—	-227
Impairment of Essity owned intangible asset related to Vinda after tax	—	-89

Income statement, discontinued operations

SEKm	2506	2406
Net sales	—	4,533
Operating expenses	—	-4,261
Operating profit	—	272
Financial items	—	-27
Profit before tax	—	245
Income taxes	—	-28
Profit for the period, discontinued operations	—	217

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

SEKm	2506	2406
Profit for the period, discontinued operations attributable to:		
Owners of the Parent company	—	8,919
Non-controlling interests	—	96
Earnings per share, discontinued operations - Owners of the Parent company		
Earnings per share, discontinued operations before and after dilution effects, SEK	—	12.70
Average numbers of shares before and after dilution, million	—	702.3

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

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

This interim report refers to a number of performance measures not defined in IFRS. These performance measures are used to help investors, management and other stakeholders to analyze the company's operations. These non-IFRS performance measures may differ from similarly titled measures among other companies. Essity's Annual Report 2024, pages 124–128, describes the various non-IFRS performance measures that are used as a complement to the financial information presented in accordance with IFRS. Abbreviations are used in the report for the performance and return measures below.

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

Capital employed

SEKm	2506	2406	2412
Total assets	167,414	182,313	185,284
-Financial assets	-9,621	-18,192	-18,907
-Non-current non-interest bearing liabilities	-7,413	-8,604	-8,001
-Current non-interest bearing liabilities	-34,996	-38,441	-38,866
Capital employed	115,384	117,076	119,510

Working capital

SEKm	2506	2406	2412
Inventories	19,258	19,110	18,914
Trade receivables	23,137	23,554	23,538
Other current receivables	3,730	3,797	4,480
Trade payables	-15,751	-16,552	-17,098
Other current liabilities	-17,208	-18,803	-18,949
Other	109	431	-139
Working capital	13,275	11,537	10,746

Note 6 cont.

Net debt

SEKm	2506	2406	2412
Surplus in funded pension plans	2,688	3,798	2,475
Non-current financial assets	229	122	128
Current financial assets	2,777	3,830	5,342
Cash and cash equivalents	3,927	10,442	10,962
Financial assets	9,621	18,192	18,907
Non-current financial liabilities	38,953	40,078	40,674
Provisions for pensions	2,457	2,457	2,578
Current financial liabilities	2,388	8,871	6,424
Financial liabilities	43,798	51,406	49,676
Net debt	34,177	33,214	30,769

EBITA

SEKm	2025:2	2024:2	2506	2406
Operating profit	4,386	4,978	8,868	9,112
-Amortization of acquisition-related intangible assets	241	258	497	578
-Items affecting comparability (IAC) - impairment of acquisition related intangible assets	1	1	-19	70
Operating profit before amortization and impairment of acquisition-related intangible assets (EBITA)	4,628	5,237	9,346	9,760
EBITA margin (%)	13.5	14.3	13.5	13.7
-Items affecting comparability (IAC) - cost of goods sold	12	147	22	513
-Items affecting comparability (IAC) - sales, general and administration	53	14	31	5
EBITA excl. IAC	4,693	5,398	9,399	10,278
EBITA margin excl. IAC (%)	13.7	14.7	13.6	14.4

EBITDA

SEKm	2025:2	2024:2	2506	2406
Operating profit	4,386	4,978	8,868	9,112
-Amortization of acquisition-related intangible assets	241	258	497	578
-Depreciation/amortization	1,222	1,244	2,449	2,463
-Depreciation right-of-use asset	275	272	557	539
-Impairment	7	2	10	2
-Items affecting comparability (IAC) - impairment net	5	12	4	216
-Items affecting comparability (IAC) - impairment of acquisition-related intangible assets	1	1	-19	70
EBITDA	6,137	6,767	12,366	12,980
-Items affecting comparability (IAC) excluding depreciation/amortization and impairment	60	149	49	302
EBITDA excl. IAC	6,197	6,916	12,415	13,282

Organic growth

SEKm	2025:2	2024:2	2506	2406
Organic sales growth	710	-345	1,453	-1,806
Acquisitions	—	—	—	—
Divestments	-11	-605	-21	-1,298
Exchange rate effect ¹⁾	-3,131	490	-3,738	1,141
Recognized change	-2,432	-460	-2,306	-1,963

¹⁾ Consists solely of currency translation effects

Note 7 Segment reporting

The tables below show parts of the income statement broken down by operating segment: Health & Medical, Consumer Goods and Professional Hygiene.

SEKm					2025:2
	Health & Medical	Consumer Goods	Professional Hygiene	Other operations	Total Group
Net sales	6,723	18,434	9,003	25	34,185
Cost of goods sold	-3,784	-12,820	-6,147	-33	-22,784
Sales, general and administration	-1,780	-3,246	-1,331	-351	-6,708
Share of results of associates and joint ventures	—	—	—	—	—
Operating profit/loss before amortization of acquisition-related intangible assets (EBITA) excl. IAC	1,159	2,368	1,525	-359	4,693
Amortization of acquisition-related intangible assets	-181	-54	-6	—	-241
Operating profit/loss excl. IAC	978	2,314	1,519	-359	4,452
Items affecting comparability (IAC)	-17	-6	-11	-32	-66
Operating profit/loss	961	2,308	1,508	-391	4,386
Share of results of associates and joint ventures					14
Financial items					-333
Tax expense for the period					-1,014
Profit for the period, continuing operations					3,053

SEKm					2024:2
	Health & Medical	Consumer Goods	Professional Hygiene	Other operations	Total Group
Net sales	7,213	19,672	9,729	3	36,617
Cost of goods sold	-3,932	-13,962	-6,564	-9	-24,467
Sales, general and administration	-1,809	-3,329	-1,300	-370	-6,808
Share of results of associates and joint ventures	—	53	3	—	56
Operating profit/loss before amortization of acquisition-related intangible assets (EBITA) excl. IAC	1,472	2,434	1,868	-376	5,398
Amortization of acquisition-related intangible assets	-188	-64	-6	—	-258
Operating profit/loss excl. IAC	1,284	2,370	1,862	-376	5,140
Items affecting comparability (IAC)	-6	-130	-28	2	-162
Operating profit/loss	1,278	2,240	1,834	-374	4,978
Share of results of associates and joint ventures					—
Financial items					-478
Tax expense for the period					-1,166
Profit for the period, continuing operations					3,334

Note 7 cont.

SEKm					2506
	Health & Medical	Consumer Goods	Professional Hygiene	Other operations	Total Group
Net sales	13,659	37,719	17,760	23	69,161
Cost of goods sold	-7,640	-26,409	-12,186	-51	-46,286
Sales, general and administration	-3,629	-6,499	-2,636	-712	-13,476
Share of results of associates and joint ventures	—	—	—	—	—
Operating profit/loss before amortization of acquisition-related intangible assets (EBITA) excl. IAC	2,390	4,811	2,938	-740	9,399
Amortization of acquisition-related intangible assets	-374	-112	-11	—	-497
Operating profit/loss excl. IAC	2,016	4,699	2,927	-740	8,902
Items affecting comparability (IAC)	13	6	-21	—	-34
Operating profit/loss	2,029	4,705	2,906	-772	8,868
Share of results of associates and joint ventures					13
Financial items					-706
Tax expense for the period					-2,039
Profit for the period, continuing operations					6,136

SEKm					2406
	Health & Medical	Consumer Goods	Professional Hygiene	Other operations	Total Group
Net sales	14,055	39,010	18,415	-13	71,467
Cost of goods sold	-7,678	-27,427	-12,654	9	-47,750
Sales, general and administration	-3,615	-6,658	-2,565	-659	-13,497
Share of results of associates and joint ventures	—	54	4	—	58
Operating profit/loss before amortization of acquisition-related intangible assets (EBITA) excl. IAC	2,762	4,979	3,200	-663	10,278
Amortization of acquisition-related intangible assets	-443	-124	-11	—	-578
Operating profit/loss excl. IAC	2,319	4,855	3,189	-663	9,700
Items affecting comparability (IAC)	-52	-395	-144	3	-588
Operating profit/loss	2,267	4,460	3,045	-660	9,112
Share of results of associates and joint ventures					—
Financial items					-1,085
Tax expense for the period					-2,216
Profit for the period, continuing operations					5,811

Group information by quarter

[illegible]

Information by business area

Net sales

SEKm	2025:2	2025:1	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2
Health & Medical	6,723	6,936	7,417	7,127	7,213	6,842	7,001	7,158	6,905
Consumer Goods	18,434	19,285	20,472	19,410	19,672	19,338	19,870	19,729	20,056
Professional Hygiene	9,003	8,757	9,923	9,729	9,729	8,686	9,752	10,184	10,123
Other	25	-2	-7	8	3	-16	2	21	-6
Group	34,185	34,976	37,805	36,274	36,617	34,850	36,625	37,092	37,078

Organic sales growth

%	2025:2	2025:1	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2
Health & Medical	0.1	1.7	5.6	2.8	4.5	2.6	4.3	5.8	8.0
Consumer Goods	3.2	2.9	4.5	3.0	-1.3	-4.8	-2.8	-0.4	5.7
Professional Hygiene	0.6	0.7	1.4	-0.8	-3.9	-6.9	0.1	5.7	11.7
Group	1.9	2.1	3.9	1.9	-0.9	-4.0	-0.7	2.4	7.7

EBITA excl. IAC

SEKm	2025:2	2025:1	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2
Health & Medical	1,159	1,231	1,361	1,386	1,472	1,290	1,125	1,188	947
Consumer Goods	2,368	2,443	2,245	2,285	2,434	2,545	2,585	2,395	2,417
Professional Hygiene	1,525	1,413	1,817	1,812	1,868	1,332	1,531	1,887	1,582
Other	-359	-381	-454	-386	-376	-287	-388	-323	-329
Group	4,693	4,706	4,969	5,097	5,398	4,880	4,853	5,147	4,617

EBITA margin excl. IAC

%	2025:2	2025:1	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2
Health & Medical	17.2	17.7	18.3	19.4	20.4	18.9	16.1	16.6	13.7
Consumer Goods	12.8	12.7	11.0	11.8	12.4	13.2	13.0	12.1	12.1
Professional Hygiene	16.9	16.1	18.3	18.6	19.2	15.3	15.7	18.5	15.6
Group	13.7	13.5	13.1	14.1	14.7	14.0	13.3	13.9	12.5

Capital employed

SEKm	2025:2	2025:1	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2
Health & Medical	33,352	32,366	34,566	33,112	34,245	34,153	32,762	34,956	36,532
Consumer Goods	53,847	52,093	55,293	52,560	54,342	54,612	52,009	54,676	56,725
Professional Hygiene	25,850	25,494	25,998	24,501	25,976	25,663	24,021	25,765	28,225
Other	2,335	-3,475 ¹⁾	3,653	2,784	2,513	2,011	1,958	1,531	1,335
Group	115,384	106,478	119,510	112,957	117,076	116,439	110,750	116,928	122,817

¹⁾ Of this amount, SEK 5,711m represents a liability relating to the dividend for Essity's shareholders paid on April 3, 2025 as decided at the Annual General Meeting on March 27, 2025.

ROCE excl. IAC

%	2025:2	2025:1	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2
Health & Medical	14.1	14.7	16.1	16.5	17.2	15.4	13.3	13.3	10.7
Consumer Goods	17.9	18.2	16.7	17.1	17.9	19.1	19.4	17.2	17.6
Professional Hygiene	23.8	22.0	28.8	28.7	28.9	21.4	24.6	28.0	22.7
Group	16.9	16.7	17.1	17.7	18.5	17.2	17.1	17.2	15.8

Operating cash flow

SEKm	2025:2	2025:1	2024:4	2024:3	2024:2	2024:1	2023:4	2023:3	2023:2
Health & Medical	398	1,232	976	1,674	879	1,330	1,411	1,676	323
Consumer Goods	1,160	1,657	1,114	2,793	1,442	2,331	2,506	2,235	1,732
Professional Hygiene	490	1,054	1,678	2,153	1,538	780	2,227	2,370	1,782
Other	-508	-178	-471	-167	-620	-188	-230	-227	-990
Group	1,540	3,765	3,297	6,453	3,239	4,253	5,914	6,054	2,847

