

# STENA METALL



# COMMENTS AFTER THE SECOND QUARTER

- Stena Metall Group reported an accumulated EBITDA of SEK 1,477 million (SEK 1,374 million) and an accumulated EBT of SEK 669 million (SEK 555 million).
- Business area Recycling showed strong and improved earnings in comparison to the same period last year, driven by improved performance in Hazardous Waste, Paper and Non-ferrous metals scrap segments.
- Business area Oil continues to navigate volatile market conditions in a good way and remains the leading supplier of marine fuels in Scandinavia.
- Business area Confidential continues to contribute to the Group's overall result and demand is growing for the services provided by the company.
- Business area Steel operates in a highly competitive market, thus affecting earnings. Focus lies on strategic initiatives to enhance financial performance.

KEY RATIOS	Second quarter 2024/2025	Second quarter 2023/2024	First six months 2024/2025	First six months 2023/2024	Full year 2023/2024
Net sales	9,790	9,964	20,217	21,126	41,620
EBITDA	691	459	1,477	1,374	2,946
EBITDA margin	7.1%	4.6%	7.3%	6.5%	7.1%
Operating profit	368	140	829	743	1,691
Equity/assets ratio	48.3%	47.4%	48.3%	47.4%	47.5%
Net debt	2,273	1,827	2,273	1,827	2,364
Cash flow after investments	364	397	17	1,096	1,189
Average number of employees			4,381	4,418	4,407

The key ratios are defined on page 12.

The report is prepared in millions of Swedish kronor (SEK million) unless indicated otherwise.



# CHIEF EXECUTIVE OFFICER'S COMMENT

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As we reflect on the second quarter and first half of the financial year, Stena Metall has demonstrated resilience and strong performance despite a turbulent and unpredictable trade- and geopolitical landscape. Once again, a proof that Stena Metall's customer focused business model is valid and functioning.

The winter months typically bring lower in-bound volumes, this quarter also coupled with reduced industrial activities in key sectors. Despite these head winds, the financial performance has remained robust, surpassing last year's results. While we have seen a decline in certain intake volumes due to slower activity in construction, infrastructure, and automotive sectors, the profitability has been bolstered by strong performance in other waste streams.

Stena Metall continues to focus on the customers as well as optimizing the material handling processes and



Gothenburg, April 2025

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Kristofer Sundsgård

developing future treatment solutions. With this approach we will remain flexible and, in a position, to expand and adapt to changing market conditions.

Stena Metall's EBITDA for the first six months ended at SEK 1,477 million (SEK 1,374 million) and EBT at SEK 669 million (SEK 555 million).

## BUSINESS AREA COMMENTS

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### Recycling

The second quarter of the financial year covers winter months and is affected by seasonal patterns and variances, typically resulting in lower inbound volumes. The current market conditions, with lower industrial activity in the main sectors where Stena Recycling operates, have reduced the availability of scrap material. Despite these factors, Stena Recycling's financial performance remains strong and stable, even surpassing last year's financial outcome.

One product area where Stena Recycling has experienced lower intake volumes is ferrous scrap. This decline is primarily due to reduced industrial activity rather than a loss of market share, as the lower volumes originate from the existing customer base. The decrease is particularly linked to weaker activity in the construction, infrastructure, and automotive sectors. The improvement in profitability has been driven by strong performance in other areas, such as Hazardous Waste

and Other Industrial Waste. Additionally, the product areas of Paper and Non-ferrous metal scrap outperformed the financial results in the second quarter compared to the same period last year.

As part of preparing for future market needs, Stena Recycling continues to invest in Research & Development to optimize current material handling processes and develop future material treatment solutions. Investments also include new machinery and equipment at various sites, as well as strategic expansion areas for the Group. During the second quarter, the focus has been on completed investments now entering the ramp-up phase, such as the Aluminium Center at the Stena Nordic Recycling Center in Halmstad, Sweden, plastic treatment in Lanna, Sweden, and cable granulation in Trzebień, Poland.

Stena Recycling ended the second quarter with an accumulated EBITDA of 1,076 MSEK (966 MSEK).



## BUSINESS AREA COMMENTS, CONT.

### Aluminium

The transition to electric vehicles and investments in modern infrastructure have increased the need for both primary and secondary aluminium. Aluminium prices have risen due to higher production costs and supply chain disruptions. Tariffs and sanctions, particularly from the U.S. and EU, have also contributed to price increases. However, the competition for raw materials continues to create an imbalance between scrap prices and ingot prices. This situation is especially challenging for standard-alloy products. Smelters across Europe are facing difficulties in securing sufficient orders. This is worsened by the downturn in the automotive industry, particularly in Germany, which affects the European market conditions. Stena Aluminium has maintained its volumes and focus on productivity and flexibility improvements. In the second quarter, new partnerships were developed to enhance operational planning and contribute to steadier and more efficient production in the future.

Stena Aluminium ended the second quarter with an accumulated EBITDA of SEK -23 million (SEK -3 million).

### Oil

The market experienced less volatility during the second quarter compared to the first quarter of the financial year, and Stena Oil maintained satisfactory levels in response to current market conditions. Despite less volatile prices, the ongoing geopolitical factors continue to contribute to uncertainties. New regulations have been introduced, such as the EU's Emissions Trading System (ETS) and FuelEU Maritime, which will enforce the use of low greenhouse gas emission fuels.

In Scandinavia, Stena Oil remains the leading supplier of marine fuels, showing a slight reduction in delivered

volumes to the market compared to last year. The business expansion for Stena Oil proceeds according to plan. The terminal in Frederikshavn, Denmark, plays an important role in this setup, and operations are running efficiently. Stena Oil has also increased deliveries of biofuel to customers and secured several tenders for deliveries later in 2025 that will continue to increase biofuel sales, although on a relatively low share of the volume. This has been facilitated by the multipurpose tanker added to the fleet during the first quarter, which is capable of meeting potential future methanol and biofuel demands.

Stena Oil ended the second quarter with an accumulated EBITDA of SEK 129 million (SEK 140 million).

### Steel

The market in which Stena Stål operates is highly competitive. Stena Stål's order intake from customers in the construction industry is still lower than historical averages. However, there are positive signs in the market, with growing interest in production-related products and some stabilization in certain market segments.

Stena Stål remains focused on advancing strategic initiatives to enhance financial performance. This includes strengthening collaboration with customers to secure new contracts, optimizing the supply chain, and reducing costs to maintain healthy profit margins throughout the business. The new production line, which was put into operation in Q1, is already contributing significantly to improving delivery performance and processing capabilities, with positive feedback from both new and established customers.

Stena Stål ended the second quarter with an accumulated EBITDA of SEK -39 million (SEK 7 million).

## **BUSINESS AREA COMMENTS, CONT.**

### **Confidential**

Stena Metall's newest business area, Confidential, specializes in providing secure destruction and deletion services for companies managing sensitive information. Currently, it serves over 10,000 clients across five markets: Sweden, Norway, Denmark, Poland, and Finland. The demand for information security services continue to grow, and Stena Confidential is expanding its operations accordingly. With engagement in several projects aimed at improving security, traceability and the handling of electronical storage medias (ESM), Stena Confidential is enhancing its business for both existing and new customers.

During the second quarter, sales continued to improve. Ongoing projects have made significant developments in the structure and organization for Stena Confidential. The organization of key functions across all countries, alongside the establishment of essential common support functions, is ongoing and progressing well.

Stena Confidential ended the second quarter with an accumulated EBITDA of SEK 25 million.

### **Finance**

The U.S. economy proved stronger than other economies during 2024 (U.S. GDP +2,4% vs Eurozone 0,7%). In the first half of the second quarter, U.S. bond yields rose, reflecting robust data and upbeat predictions for 2025 but also rising inflation expectations. In the second half of the quarter, rates reversed as rising fears that an escalation of the launched trade wars will have a negative impact on global growth. The price of gold climbed remarkably higher as a result of significant geopolitical and macroeconomic uncertainties.

Stena Metall Finans ended the second quarter with an accumulated EBITDA of SEK 158 million (SEK -8 million).

*Note: Figures in parentheses refer to the same period the previous year.*

## EBITDA

SEK million	Second quarter 2024/2025	Second quarter 2023/2024	First six months 2024/2025	First six months 2023/2024	Full year 2023/2024
Recycling	468	351	1,076	966	2,049
Aluminium	-18	-12	-23	-3	-33
Oil	59	69	129	140	302
Steel	-19	-9	-39	7	-31
Confidential	10	-	25	-	-
Finance	125	-64	158	-8	85
Other	66	124	151	272	574
<b>TOTAL</b>	<b>691</b>	<b>459</b>	<b>1,477</b>	<b>1,374</b>	<b>2,946</b>



# INCOME STATEMENT

SEK million	Second quarter 2024/2025	Second quarter 2023/2024	First six months 2024/2025	First six months 2023/2024	Full year 2023/2024
Net sales	9,790	9,964	20,217	21,126	41,620
Cost of goods sold	-9,094	-9,358	-18,603	-19,554	-38,373
<b>GROSS PROFIT</b>	<b>696</b>	<b>606</b>	<b>1 614</b>	<b>1 572</b>	<b>3 247</b>
Sales expenses	-137	-150	-298	-303	-589
Administrative expenses	-377	-369	-774	-749	-1,503
Other operating income & expenses	186	53	287	223	536
<b>OPERATING PROFIT</b>	<b>368</b>	<b>140</b>	<b>829</b>	<b>743</b>	<b>1,691</b>
Income from investments in associated companies	3	-	3	-	8
Interest net	-75	-79	-160	-171	-347
Other financial income & expenses	-5	-3	-3	-17	-18
<b>PROFIT BEFORE TAX</b>	<b>291</b>	<b>58</b>	<b>669</b>	<b>555</b>	<b>1,334</b>
Taxes	-50	-43	-123	-149	-292
<b>PROFIT FOR THE PERIOD</b>	<b>241</b>	<b>15</b>	<b>546</b>	<b>406</b>	<b>1,042</b>
Other comprehensive income	-41	-21	-336	-64	-307
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>200</b>	<b>-6</b>	<b>210</b>	<b>342</b>	<b>735</b>
Total comprehensive income for the period is attributable to:					
Parent Company's shareholders	200	-6	210	342	734
Non-controlling interests	-	-	-	-	1
<b>Total comprehensive income</b>	<b>200</b>	<b>-6</b>	<b>210</b>	<b>342</b>	<b>735</b>

# BALANCE SHEET

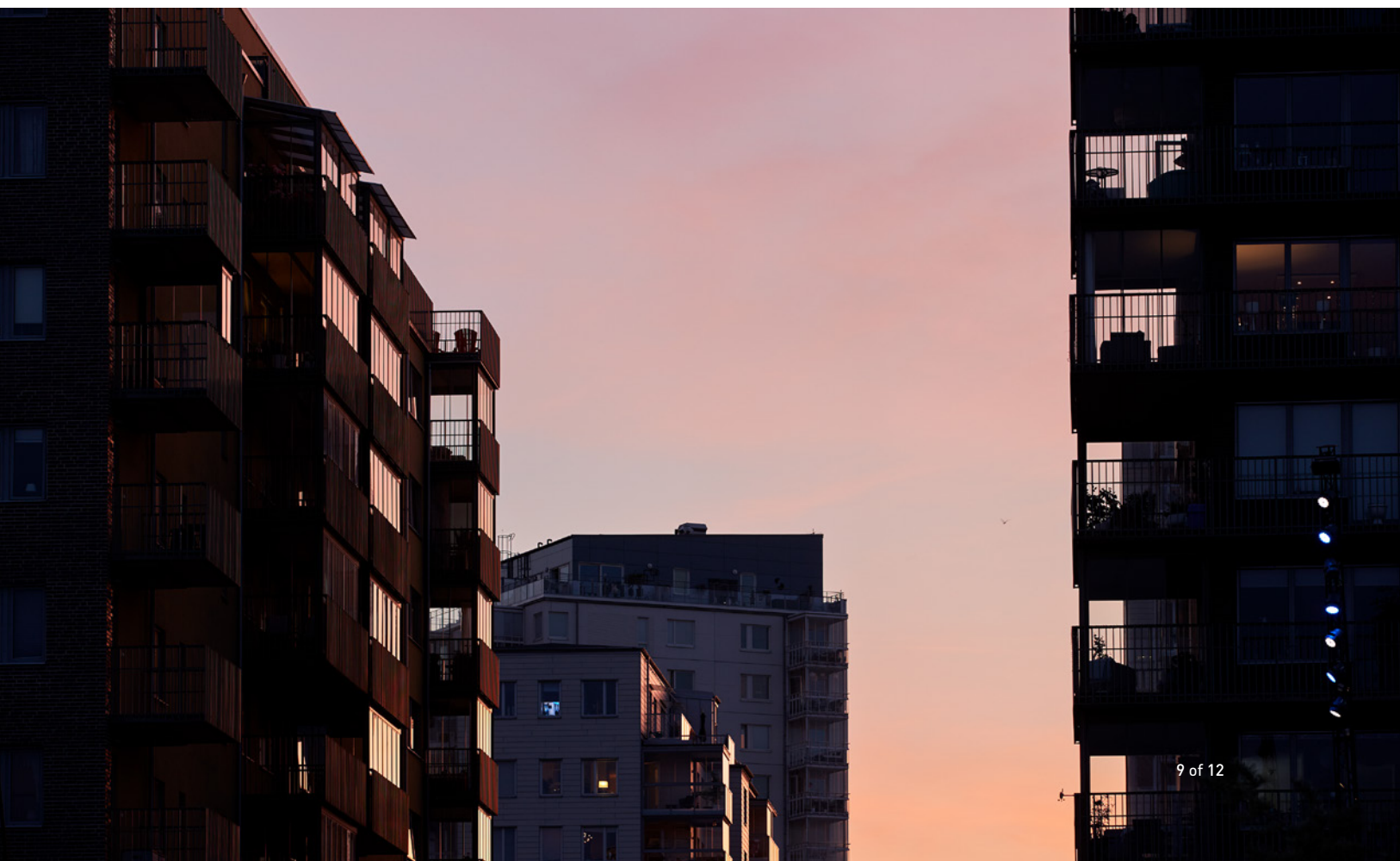
SEK million	2025-02-28	2024-02-29	2024-08-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	1,801	1,662	1,739
Tangible fixed assets	9,086	8,722	9,308
Financial fixed assets	1,979	2,284	2,277
<b>TOTAL FIXED ASSETS</b>	<b>12,866</b>	<b>12,668</b>	<b>13,324</b>
<b>Current assets</b>			
Inventories	2,486	2,610	2,685
<b>Short-term receivables</b>			
Accounts receivable	4,088	3,692	3,498
Other receivables	2,221	2,264	2,391
<b>TOTAL SHORT-TERM RECEIVABLES</b>	<b>6,309</b>	<b>5,956</b>	<b>5,889</b>
<b>Short-term securities</b>	1,358	1,107	922
Cash and cash equivalents	389	547	849
<b>TOTAL CURRENT ASSETS</b>	<b>10,542</b>	<b>10,220</b>	<b>10,345</b>
<b>TOTAL ASSETS</b>	<b>23,408</b>	<b>22,888</b>	<b>23,669</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>	<b>11,301</b>	<b>10,839</b>	<b>11,232</b>
<b>Long-term liabilities</b>			
Provisions	1,358	1,273	1,358
Interest-bearing long-term liabilities*	4,169	4,298	4,264
Other long-term liabilities	10	10	10
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>5,537</b>	<b>5,581</b>	<b>5,632</b>
<b>Current liabilities</b>			
Interest-bearing short-term liabilities*	1,314	1,093	1,564
Accounts payable	2,215	2,100	2,495
Other liabilities	3,041	3,275	2,746
<b>TOTAL CURRENT LIABILITIES</b>	<b>6,570</b>	<b>6,468</b>	<b>6,805</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>23,408</b>	<b>22,888</b>	<b>23,669</b>
*Whereof long- and short-term lease liabilities	999	986	1,124



# STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

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SEK million	First six months 2024/2025	First six months 2023/2024	Full year 2023/2024
Opening balance, September 1	11,232	10,607	10,607
Net profit for the period	546	406	1,042
Other comprehensive income	-336	-64	-307
Dividend	-140	-110	-110
Change in non-controlling interests	-1	0	0
<b>CLOSING BALANCE</b>	<b>11,301</b>	<b>10,839</b>	<b>11,232</b>



# STATEMENT OF CASH FLOWS

SEK million	Second quarter 2024/2025	Second quarter 2023/2024	First six months 2024/2025	First six months 2023/2024	Full year 2023/2024
<b>Operating activities</b>					
Profit before tax	291	58	669	555	1,334
Reversal of amortization/depreciation fixed assets	323	319	648	631	1,255
Adjustments for other non-cash items	25	122	-92	305	189
Taxes paid	27	-88	-132	-200	-256
Changes in working capital	-114	396	-206	152	-12
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>552</b>	<b>807</b>	<b>887</b>	<b>1,443</b>	<b>2,510</b>
<b>Investing activities</b>					
Acquisition and sale of subsidiaries/business units	0	0	-2	-86	-119
Acquisition of intangible fixed assets	-54	-76	-114	-149	-259
Acquisition of tangible fixed assets	-217	-395	-447	-708	-1,600
Acquisition and sale of securities	-27	54	-408	604	793
Other changes from investing activities	110	7	101	-8	-136
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-188</b>	<b>-410</b>	<b>-870</b>	<b>-347</b>	<b>-1,321</b>
<b>CASH FLOW AFTER INVESTMENTS</b>	<b>364</b>	<b>397</b>	<b>17</b>	<b>1,096</b>	<b>1,189</b>
<b>Financing activities</b>					
Changes in loans from credit institutions	-143	-623	-340	-739	-533
Share dividend	-140	-110	-140	-110	-110
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-283</b>	<b>-733</b>	<b>-480</b>	<b>-849</b>	<b>-643</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>81</b>	<b>-336</b>	<b>-463</b>	<b>247</b>	<b>546</b>
Cash and cash equivalents beginning of period	308	884	849	305	305
Translation difference in cash and cash equivalents	0	-1	3	-5	-2
<b>CASH AND CASH EQUIVALENTS END OF PERIOD</b>	<b>389</b>	<b>547</b>	<b>389</b>	<b>547</b>	<b>849</b>

# NOTES TO THE FINANCIAL STATEMENTS

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## **Note 1 Basis of preparation**

This quarterly report has been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group's annual consolidated financial statements as of August 31, 2024.

The accounting policies applied are consistent with what is set out in the 2023/2024 annual accounts except for the estimation of income tax. Income tax expense in the quarterly report is recognized based on management's

estimate of the weighted average effective annual income tax rate expected for the full financial year.

These interim financial statements were authorized for issue by the Company's board of directors on April 25, 2025.

The report has not been reviewed by the company's auditors.

## BOARD OF DIRECTOR'S ASSURANCE

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The Board and the CEO assures that this unaudited Quarterly Report provides a true and fair view of the Group's operations, financial position, and performance, and describes the material risks and uncertainties faced by the Group.

Gothenburg, April 25, 2025  
Stena Metall AB

Anders Jansson  
*Chairman of the Board*

Kristofer Sundsgård  
*President and CEO*

Dan Sten Olsson

William Olsson

Marie Eriksson

Joakim Rosengren

Mårten Hulterström

Lena Olving

Anna Hallberg

Christopher Norbye

Fabrice Angelini  
*Employee Representative*

# DEFINITIONS

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<b>Net sales</b>	Fair value of what has been or will be received for goods and services sold in the Group's operations
<b>EBITDA</b>	Profit before financial income and expenses, taxes, depreciation and amortization
<b>EBITDA margin</b>	EBITDA expressed as a percentage of net sales
<b>Operating profit</b>	Profit before financial income and expenses and taxes (EBIT)
<b>Equity/assets ratio</b>	Shareholders' equity expressed as a percentage of total assets
<b>Net debt</b>	Interest-bearing liabilities including provision for pensions minus cash and cash equivalents, short-term and long-term securities
<b>Average number of employees</b>	The Group's paid hours in relation to the normal number of working hours for the period



## CONTACT

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