



Financial results

Q2 2025



ARCTIC PAPER

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**THIS PRESENTATION
CONTAINS FINANCIAL
RESULTS FOR Q2 2025.**

Agenda

1 Paper

2 Pulp

3 Packaging

4 Energy

5 Financial performance

6 Focus

SUMMARY H1 2025

Arctic Paper Group H1 2025 vs. H1 2024

Net sales
(PLN mn)

1 656.2
(H1 2025)  **1 804.6**
(H1 2024)

EBITDA
(PLN mn)

22.9
(H1 2025)  **182.4**
(H1 2024)

Net debt/EBITDA*

1.18x
(EOP H1 2025)  **- 0.30x**
(EOP H1 2024)

- last 12 months

SUMMARY Q2 2025

Arctic Paper Group Q2 2025 vs. Q2 2024

Net sales
(PLN mn)

833.5
(Q2 2025)  **839.2**
(Q2 2024)

EBITDA
(PLN mn)

0.01
(Q2 2025)  **70.4**
(Q2 2024)

Net debt/EBITDA*

1.18x
(EOP H1 2025)  **- 0.30x**
(EOP H1 2024)

- last 12 months

H1 SUMMARY

- Low demand for pulp & paper products
- The pulp segment affected by unfavourable SEK/USD exchange rates, high raw material costs
- Lower market price for pulp & paper
- Market & supply chains affected by global uncertainty & tariff turbulences
- Q2 net results affected by write-off on Rottneros assets of 53 PLN mn
- Successful share issue and cost reduction to restore pulp segment competitiveness



PULP

MARKET DATA

Pulp – European pulp prices

AVERAGE PRICE Q2 2025 COMPARED TO Q2 2024

NBSK (long fiber): **5% higher**

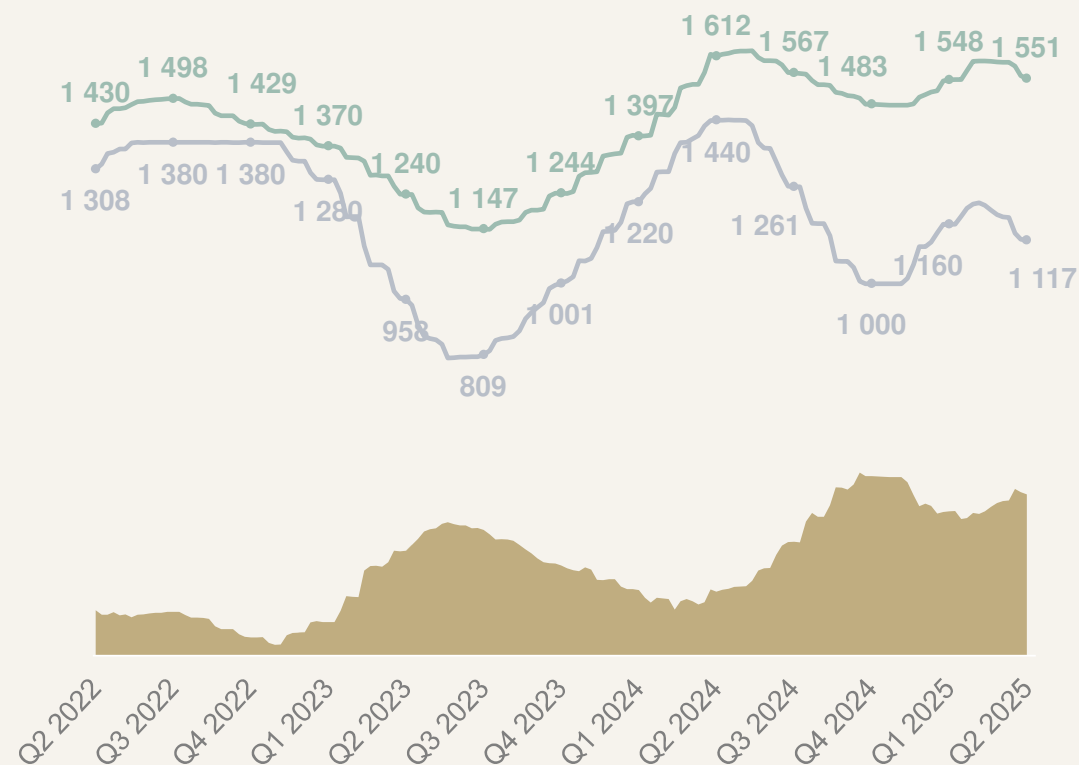
BHKP (short fiber): **13% lower**

AVERAGE PRICE Q2 2025 COMPARED TO Q1 2025

NBSK (long fiber): **5,3% higher**

BHKP (short fiber): **10,6% higher**

PULP PIX INDEXES EUROPE (USD PER TONNE)

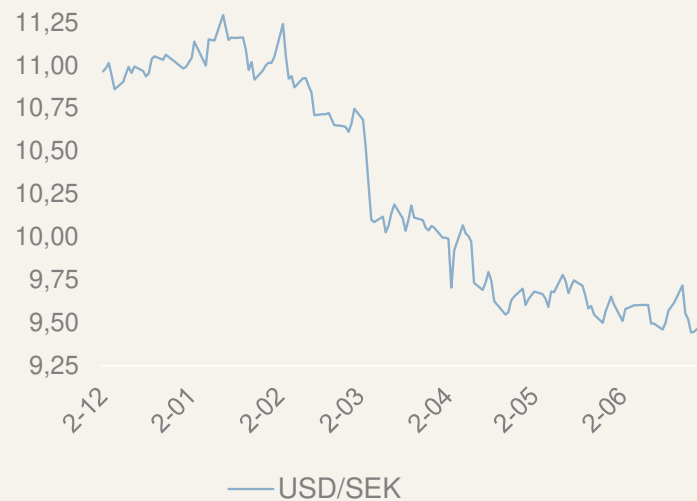


Source: Arctic Paper based on Foex data

CURRIENCIES DEVELOPMENT

USD/SEK, EUR/SEK

USD/SEK – development



EUR/SEK – development



OPERATING DATA

Pulp production & deliveries

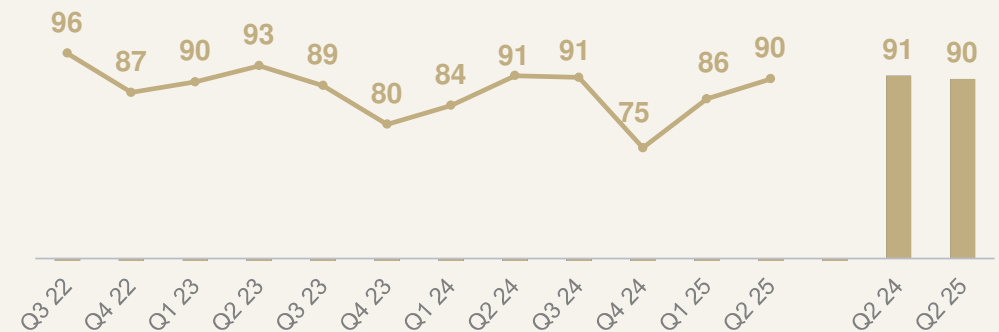
Q2 2025 total production: **90k tons**

5% HIGHER THAN IN Q1 2025
1% LOWER THAN IN Q2 2024

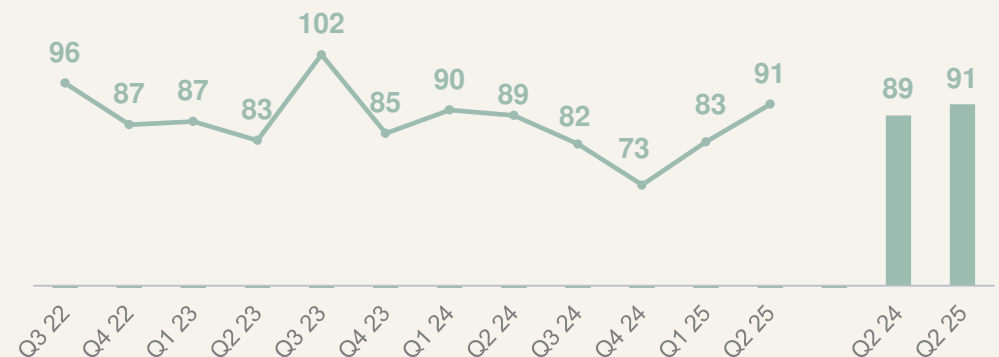
Q2 2025 total deliveries: **91k tons**

10% HIGHER THAN IN Q1 2025
3% HIGHER THAN IN Q2 2024

PULP PRODUCTION (1,000 TONNE)



PULP DELIVERIES (1,000 TONNE)



OPERATING DATA

Revenue and prices

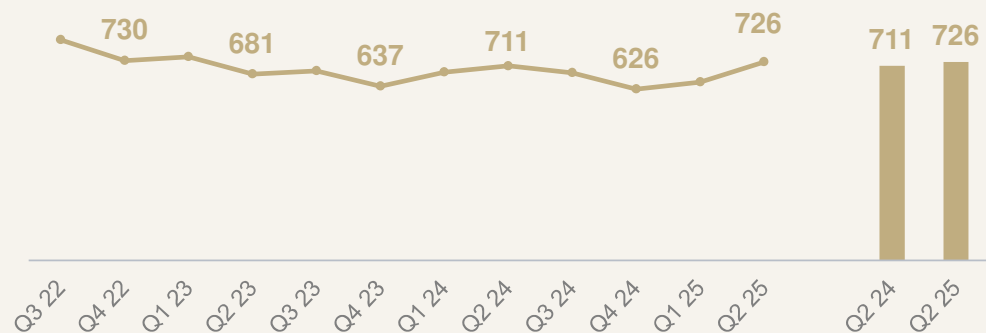
Total revenue Q2 2025 (**SEK 726mn**)

INCREASED BY 11% COMPARED TO Q1 2025

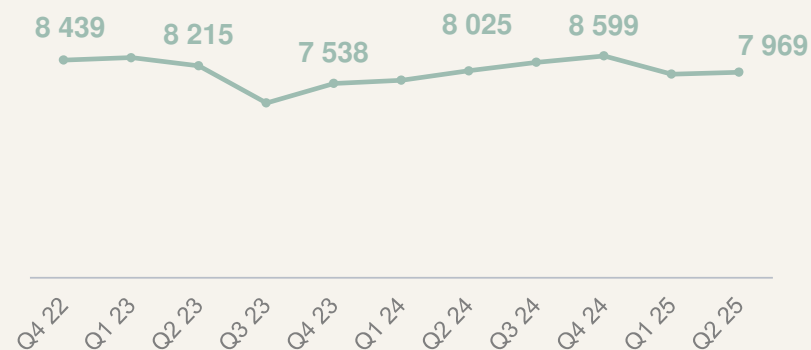
Average price in Q2 2025 (**SEK 8.0k per tonne**)

INCREASED BY 1% COMPARED TO Q1 2025

PULP SALES REVENUE (SEK mn)

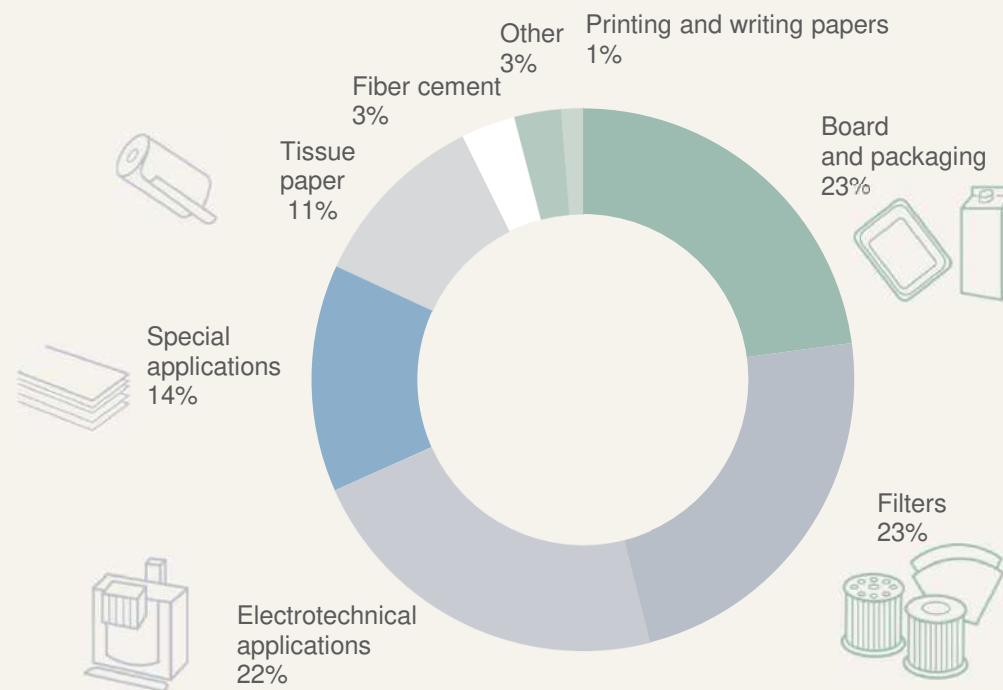


PULP SALES REVENUE PER TONNE (SEK)



PULP – REPLACEMENT MATERIAL FOR PLASTIC

Pulp Sales (Rottneros) by application 2024





PAPER

MARKET DATA

Fine paper average market prices

JUN 2025 COMPARED TO MAR 2025

UWF average price change **-0,7%**

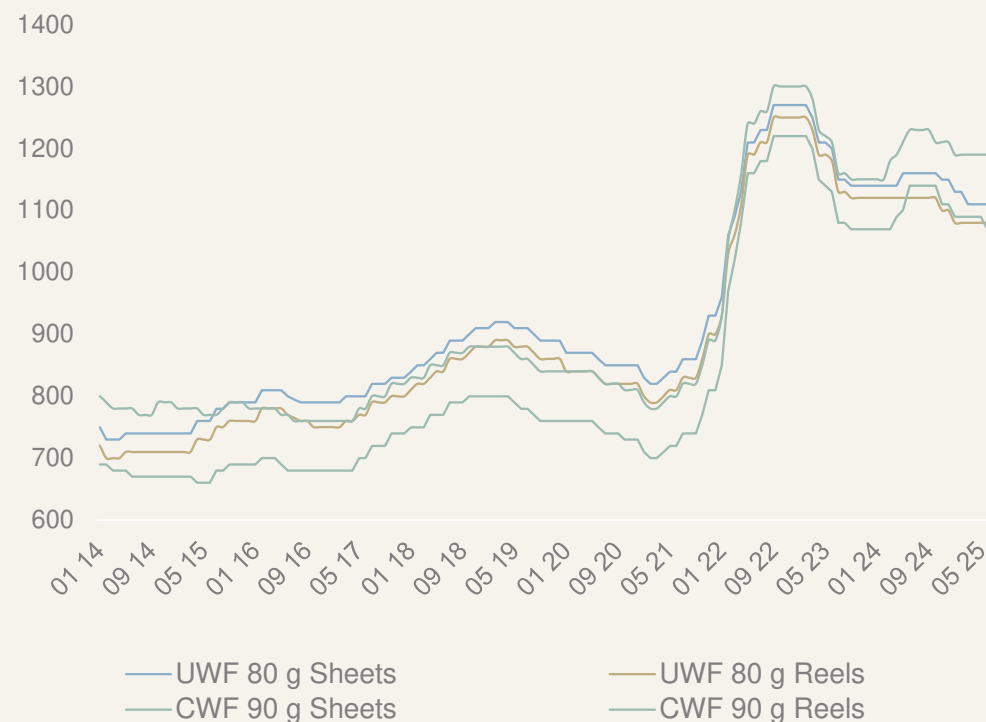
CWF average price change **-0,9%**

JUN 2025 COMPARED TO JUN 2024

UWF average price change **-3,9%**

CWF average price change **-3,0%**

GRAPHIC FINE PAPER PRICES – GERMAN MARKET



Source: Arctic Paper based on RISI data.

OPERATING DATA

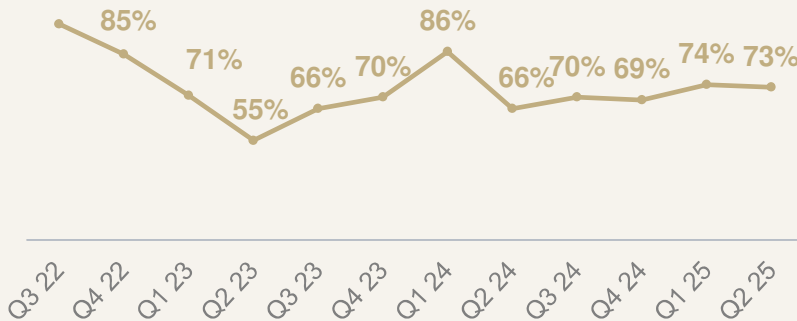
Average Q2 2025 use of production capacity: **73%**

1% LOWER THAN Q1 2025

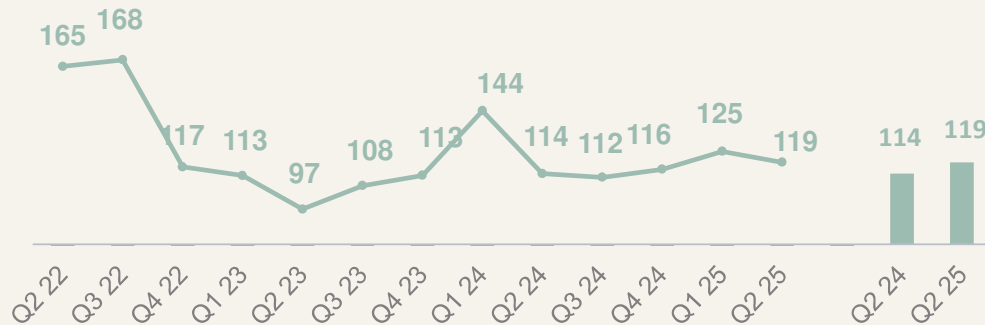
Q2 2025 total sales volume: **119k tons**

4,2% LOWER THAN IN Q1 2025

PRODUCTION CAPACITY FOR ARCTIC PAPER MILLS



PAPER SALES VOLUME



OPERATING DATA

Total revenue Q2 2025 (**PLN 552mn**)

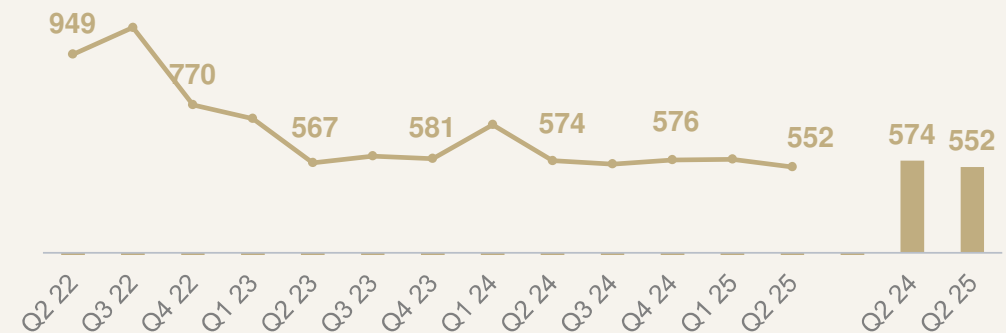
DEREASED BY 4,7% COMPARED TO Q1 2025

Average price Q2 2025 (**PLN 4.62k**)

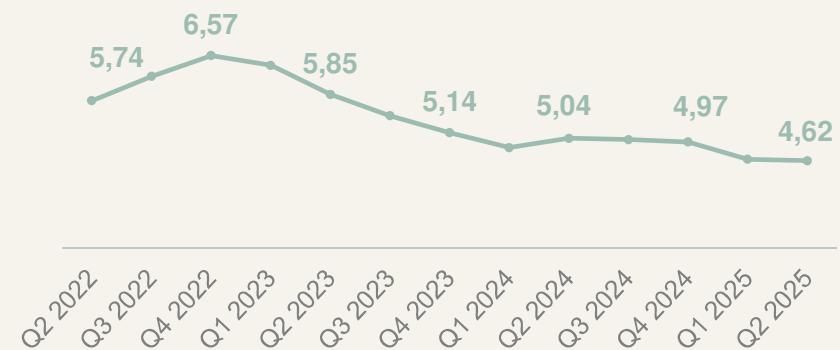
DECREASED BY 0,6% COMPARED TO AVERAGE IN Q1 2025

* price chart includes impact of fx fluctuations,
product mix and market mix

PAPER SALES REVENUE (PLN mn)



PAPER SALES REVENUE PER TONNE (PLN k)*



PRODUCTS

AMBER

ADVANCED OFFSET
PRODUCTION
IN HEART OF EUROPE



MOST COMPLETE MATT
COATED PAPER ASSORTMENT



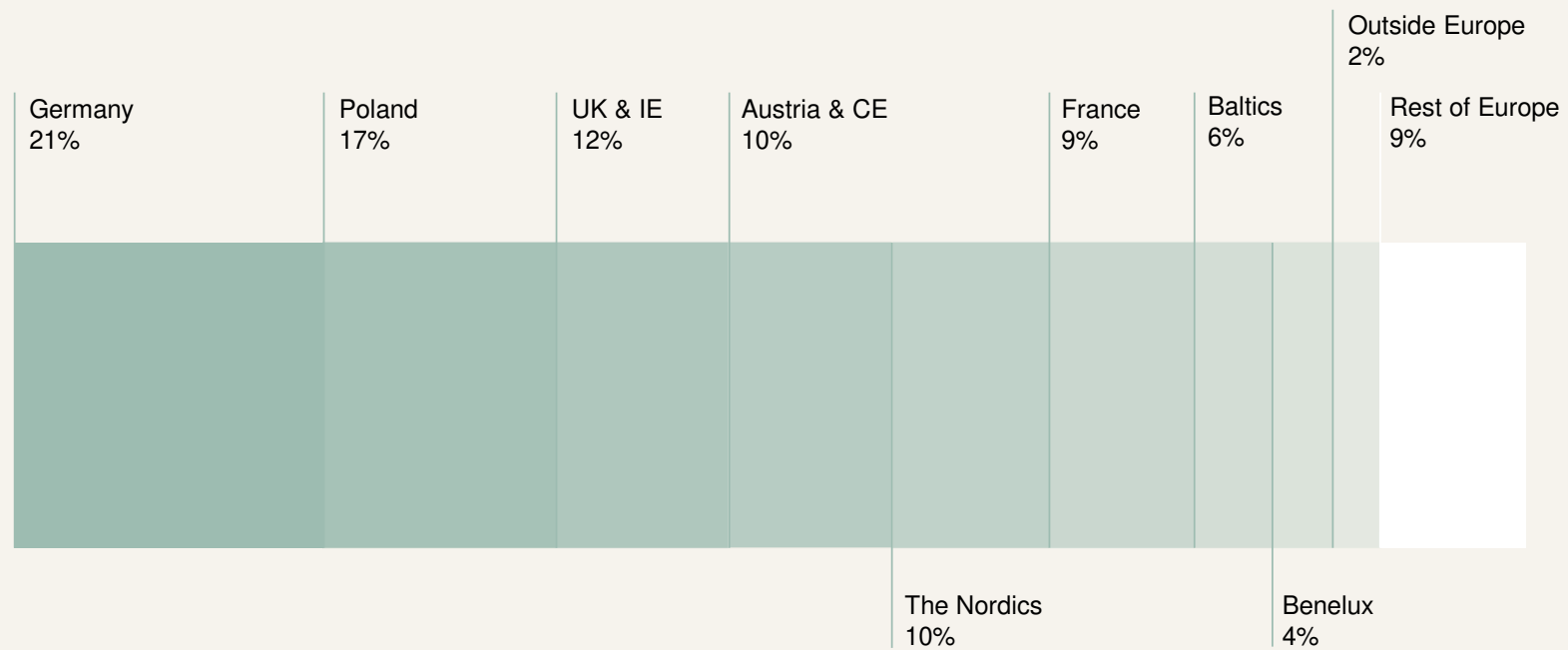
MUNKEN

BIGGEST UNCOATED
DESIGN BRAND

- Top 3 brands in revenue share
- No 1 in European High Quality Bookpaper Sales
- No 1 in European Design Paper Sales

PRODUCTS

Geographical split of sales



CLIENT STRUCTURE

Market segments/products portfolio/target groups

BUYING CUSTOMERS

Printing Houses

Clients who purchase the Group's paper products directly.

Merchants

Direct customers who purchase, stock and distribute the Group's paper for resale to other users.

Publishers

Direct and indirect customers, who uses the Group's paper products for use in their publication activities, i.e., Random House, Bonniers, Hachette, Holtzbrinck, etc.



NON-BUYING CUSTOMERS

Brand Owners

Predominantly indirect customers, who use our products, i.e., Deutsche Bank, Karl Lagerfeld, Kenzo, L'Oreal, Louis Vuitton, Nike, Mercedes Benz, etc.

Creatives

Predominantly indirect customers but are of significant importance in requiring and recommending our products to end users.

A photograph of five white paper shopping bags with handles, arranged in a row. In front of the bags is a white paper box. The scene is set against a light background with soft shadows.

PACKAGING

DEVELOPMENT

STABLE SALES OF PACKAGING PAPERS

Munken Kraft

Uncoated packaging paper

G-Flexmatt

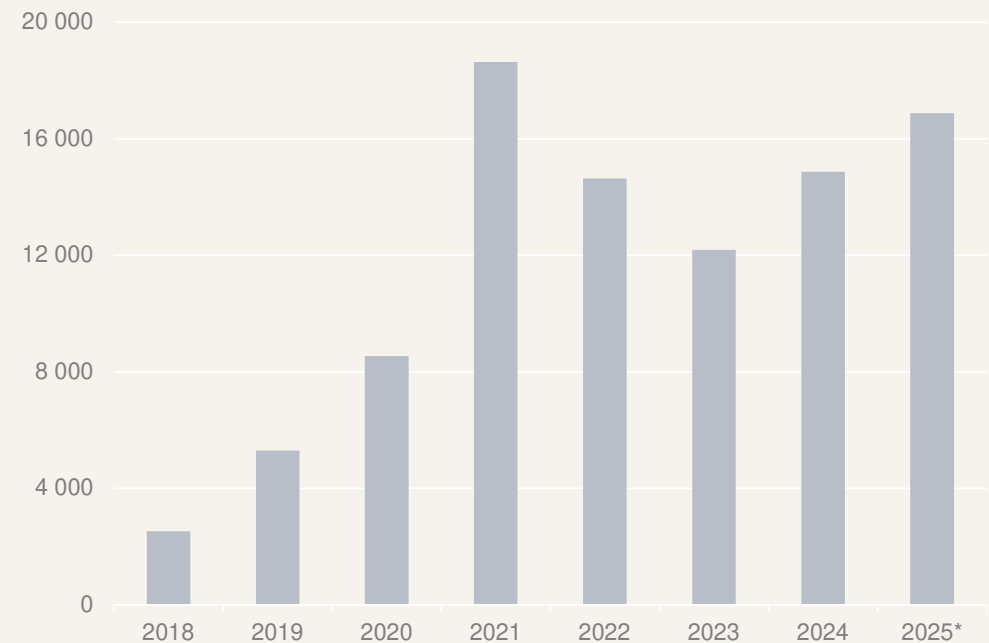
Coated packaging paper

The moulded fibre tray

production in Kostrzyn is now operational after a period of trimming

* rolling 12 months

PACKAGING PAPER SALES DEVELOPMENT (t)





POWER

PV 9 MW KOSTRZYN – January 2025

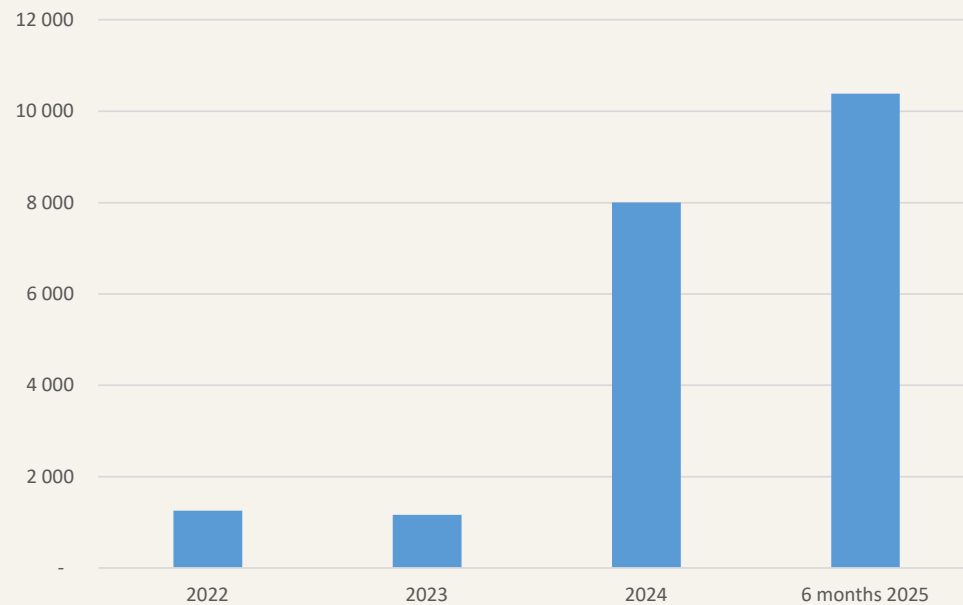


PV 9 MW KOSTRZYN – completed June 2025



PV KOSTRZYN – Energy generation 2022- H1 2025 (MWh)

further reducing energy costs for the mill and increasing the share of renewable energy



ENERGY SEGMENT - ONGOING PROJECTS

- PV installation 9,6 MW PV (Kostrzyn) completed in June 2025
- Modernisation of biomass boiler (Grycksbo) according to the plan – start up November 2025 - to reduce energy cost for paper production process
- Wood pellet production line with capacity 50 kt/y (Grycksbo) according to the plan – start up November 2025 - new business line

Group has over 30 MW of PV installed capacity.

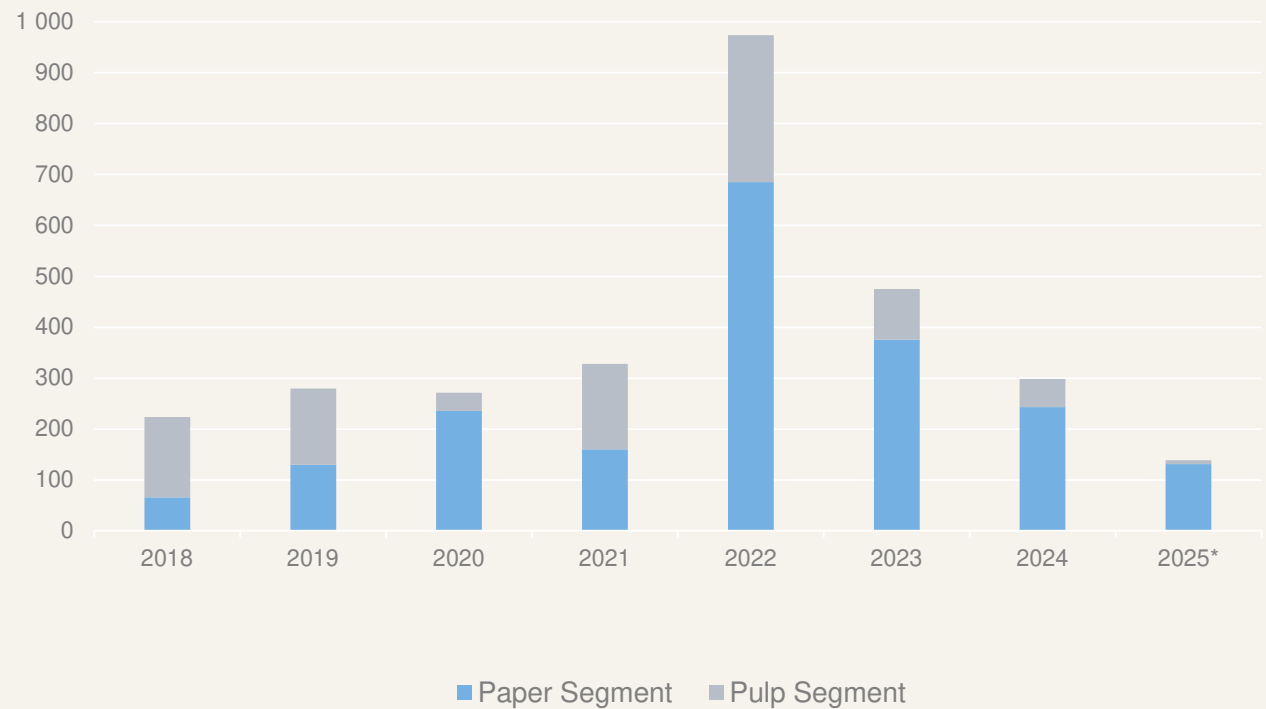


FINANCIAL PERFORMANCE

EBITDA EVOLUTION 2018 – 2025 (PLN mn)

Q2 2025 EBITDA PLN 0.01mn

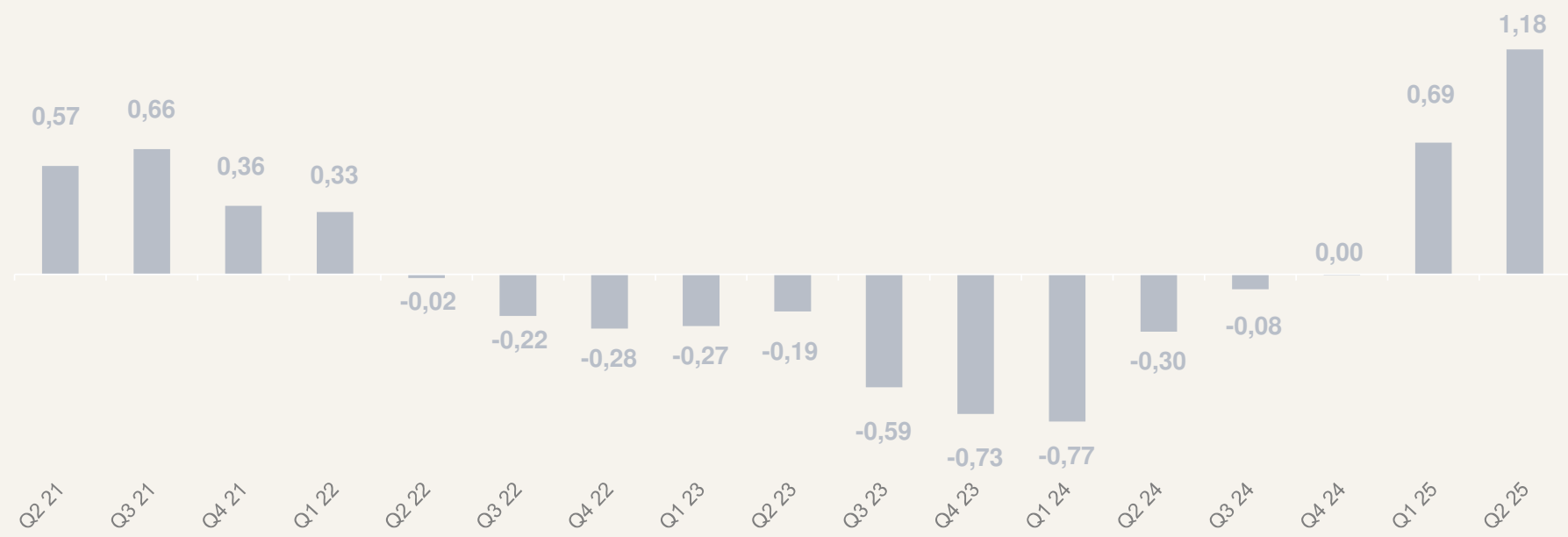
PLN 23mn LOWER THAN Q1 2025
PLN 70mn LOWER THAN Q2 2024



* rolling 12 months

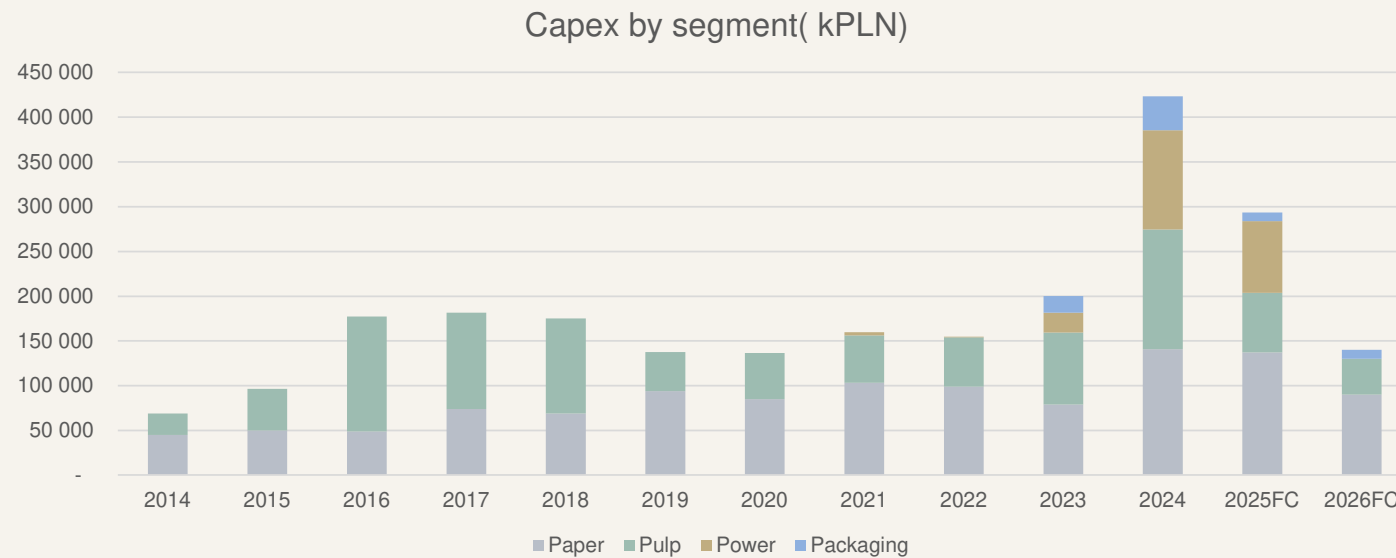
NET DEBT/EBITDA 2021 – 2025

Strong financial position



* rolling 12 months

CAPEX 2014 - 2026



FOCUS

- We have developed and are implementing a cost reduction and efficiency improvement program across the pulp, paper and energy segments
- Efficiency improvement plan will generate annual savings of PLN 45–50 million starting in 2026
- Working capital optimization will improve cash flow by PLN 35 million
- Revenues from new business areas (packaging and pellets) are expected to increase EBITDA by approximately PLN 20 million
- Reduction of capex expenditures for 2026 & 2027

4P For Future Arctic

Paper



Packaging



Pulp



Power

