



Financial results

Q1 2025



ARCTIC PAPER

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**THIS PRESENTATION
CONTAINS FINANCIAL
RESULTS FOR Q1 2025.**

Agenda

1 Paper

2 Pulp

3 Packaging

4 Energy

5 Financial performance

6 Focus

SUMMARY Q1 2025

Arctic Paper Group Q1 2025 vs. Q1 2024


Net sales
(PLN mn)

822.8
(Q1 2025)  **965.4**
(Q1 2024)

EBITDA
(PLN mn)

22.9
(Q1 2025)  **112.0**
(Q1 2024)

Net debt/EBITDA*

0.69x  **- 0.77x**
(EOP Q1 2025) (EOP Q1 2024)

- last 12 months



PAPER

MARKET DATA

Fine paper average market prices

MAR 2025 COMPARED TO DEC 2024

UWF average price change **-2,2%**

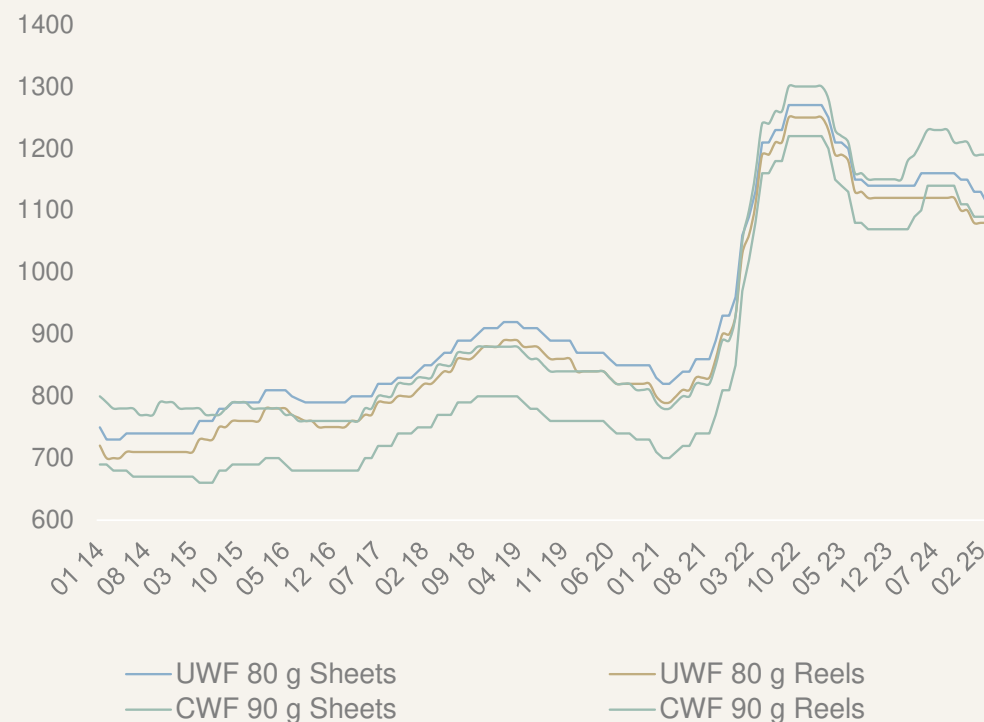
CWF average price change **-1,8%**

MAR 2025 COMPARED TO MAR 2024

UWF average price change **-2,4%**

CWF average price change **-0,5%**

GRAPHIC FINE PAPER PRICES – GERMAN MARKET



Source: Arctic Paper based on RISI data.

OPERATING DATA

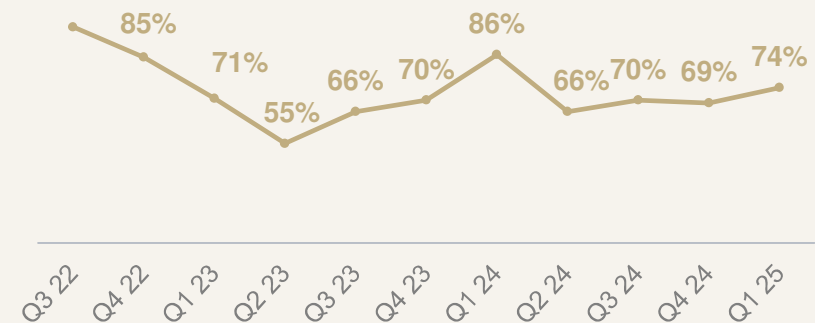
Average Q1 2025 use of production capacity: **74%**

5% HIGHER THAN Q4 2024

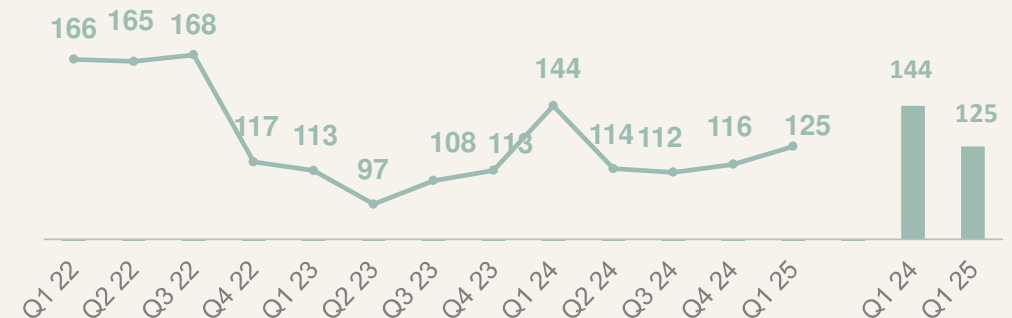
Q1 2025 total sales volume: **125k tons**

7,5% HIGHER THAN IN Q4 2024

PRODUCTION CAPACITY FOR ARCTIC PAPER MILLS



PAPER SALES VOLUME



OPERATING DATA

Total revenue Q1 2025 (**PLN 579mn**)

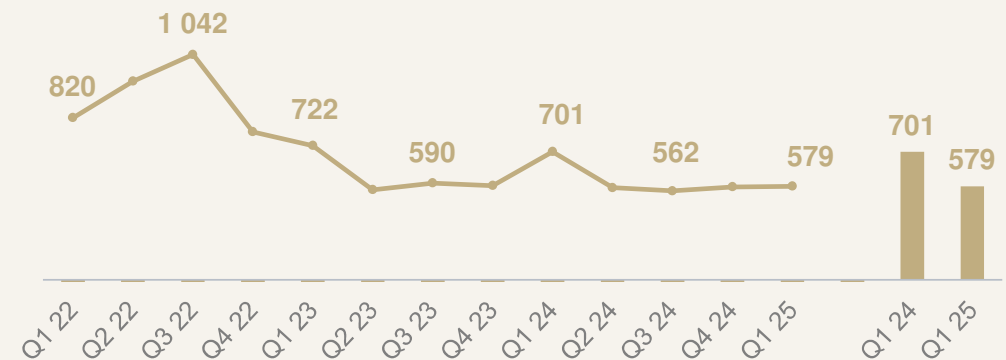
INCREASED BY 0,4% COMPARED TO Q4 2024

Average price Q1 2025 (**PLN 4.65k**)

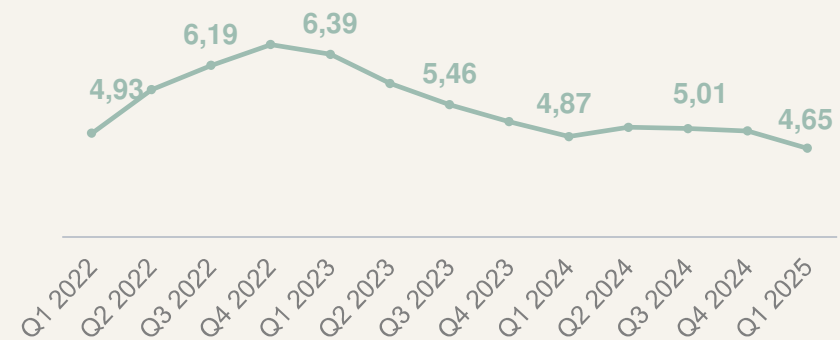
DECREASED BY 4,5% COMPARED TO AVERAGE IN Q1 2024

* 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



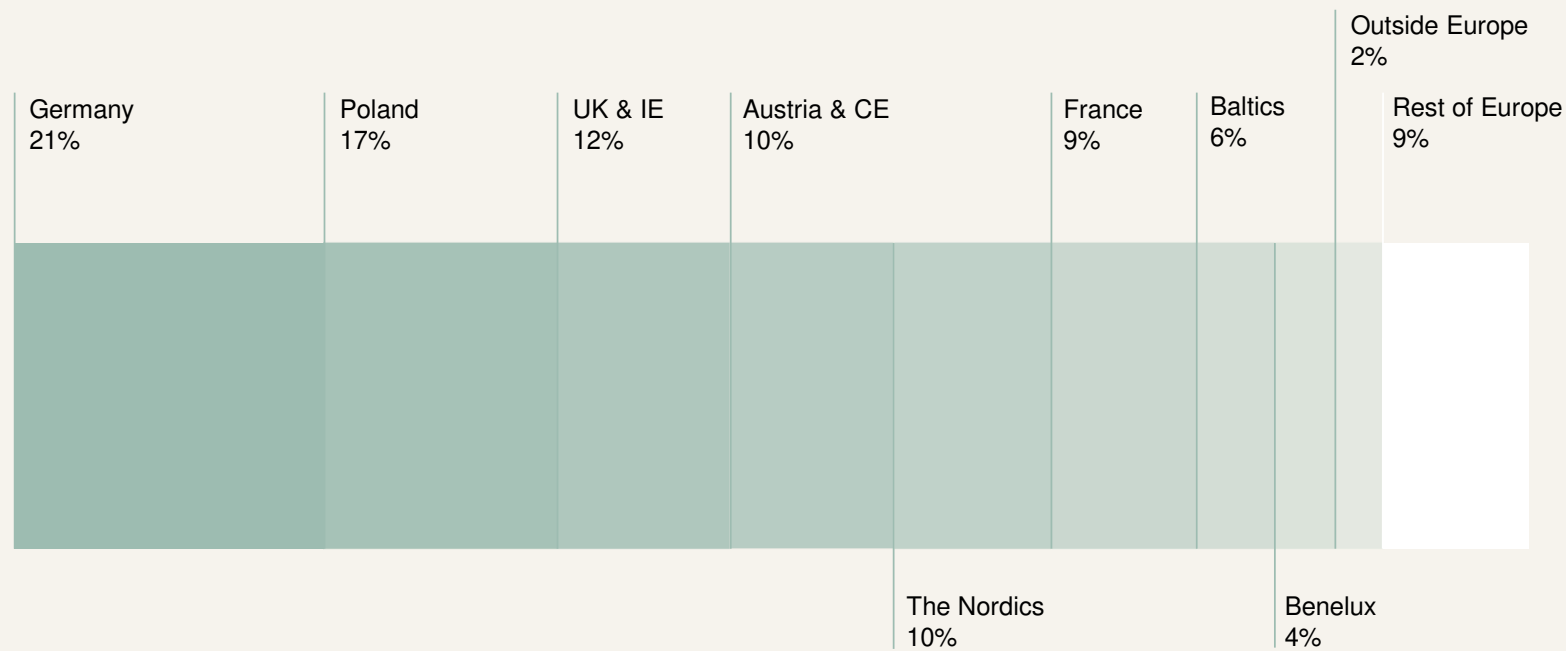
MUNKEN

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.



PULP

MARKET DATA

Pulp – European pulp prices

AVERAGE PRICE Q1 2025 COMPARED TO Q1 2024

NBSK (long fiber): **13% higher**

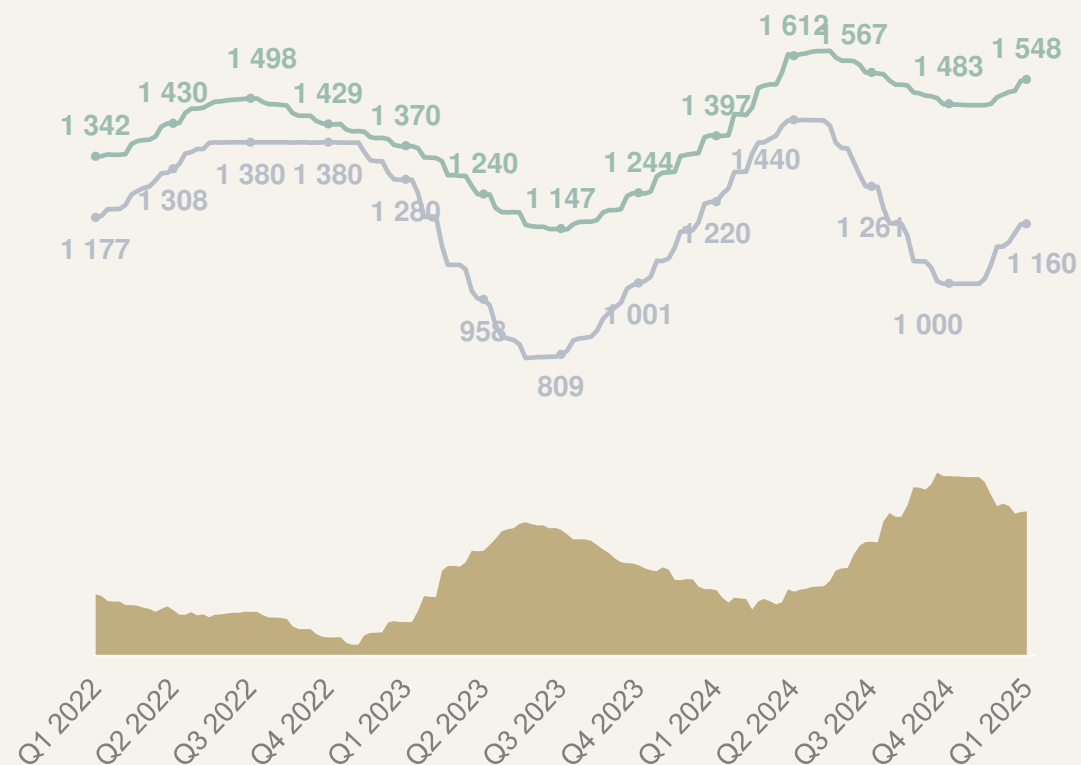
BHKP (short fiber): **5% lower**

AVERAGE PRICE Q1 2025 COMPARED TO Q4 2024

NBSK (long fiber): **1,4% lower**

BHKP (short fiber): **3,3% lower**

PULP PIX INDEXES EUROPE (USD PER TONNE)

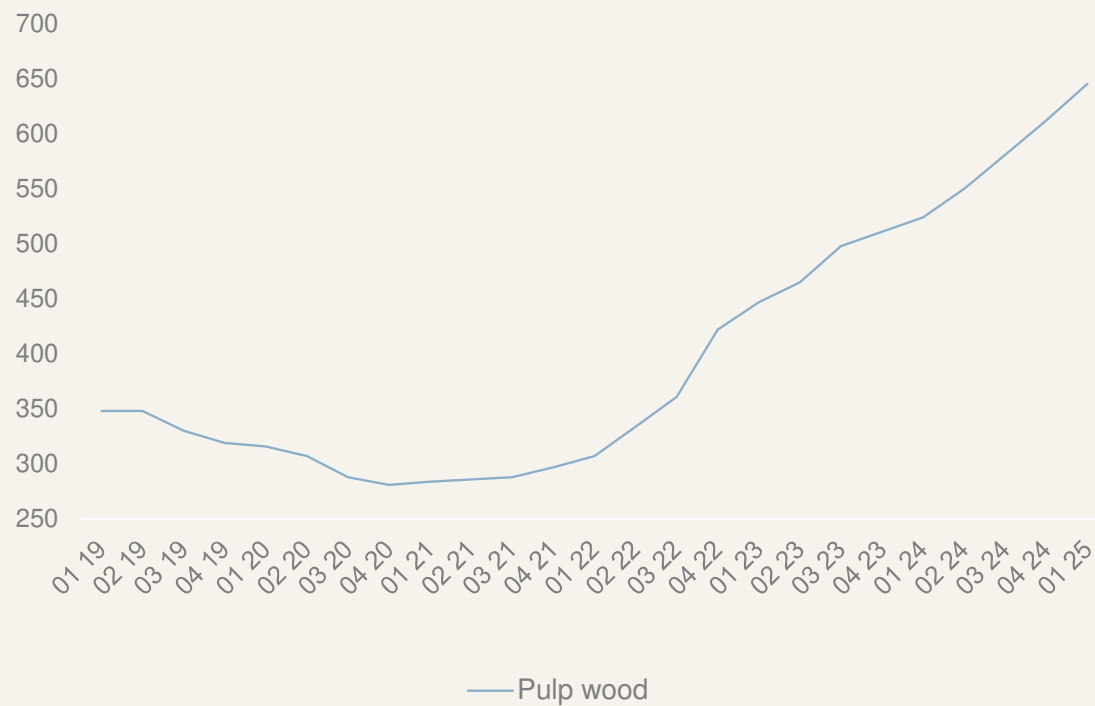


Source: Arctic Paper based on Foex data

MARKET DATA

Pulp wood price development

Volume-weighted average prices (SEK/m³ ub*) for delivered timber in Sweden



* SEK per cubic meters solid volume under bark

Source: Skogsstyrelsen

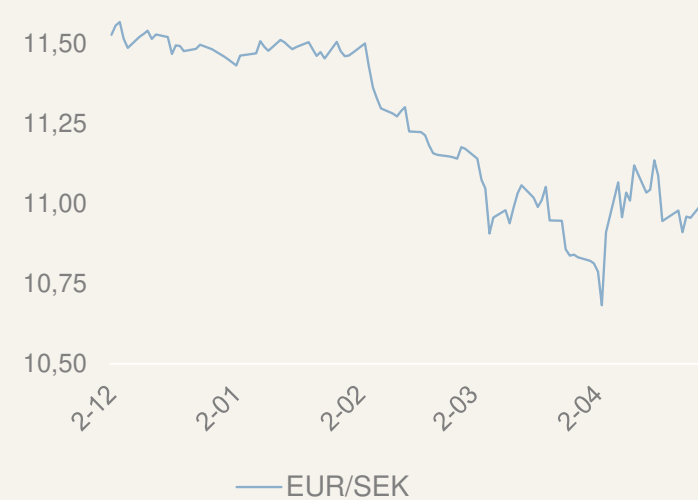
CURRIENCIES DEVELOPMENT

USD/SEK, EUR/SEK

USD/SEK – development



EUR/SEK – development



OPERATING DATA

Pulp production & deliveries

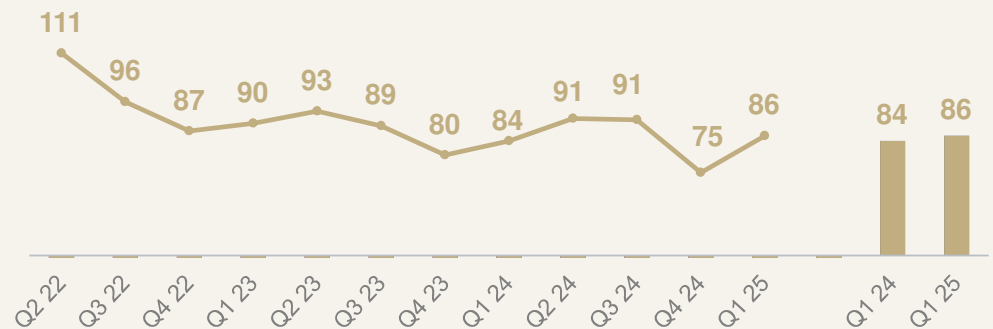
Q1 2025 total production: **86k tons**

15% HIGHER THAN IN Q4 2024
2% HIGHER THAN IN Q1 2024

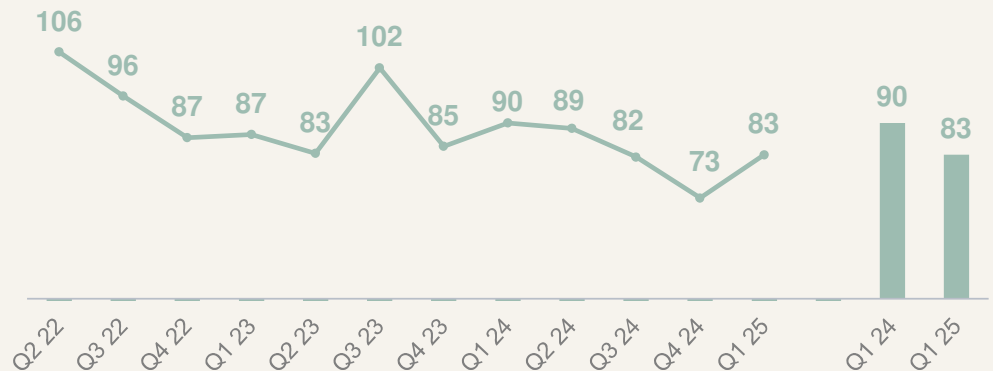
Q1 2025 total deliveries: **83k tons**

14% HIGHER THAN IN Q4 2024
8% LOWER THAN IN Q1 2024

PULP PRODUCTION (1,000 TONNE)



PULP DELIVERIES (1,000 TONNE)



OPERATING DATA

Revenue and prices

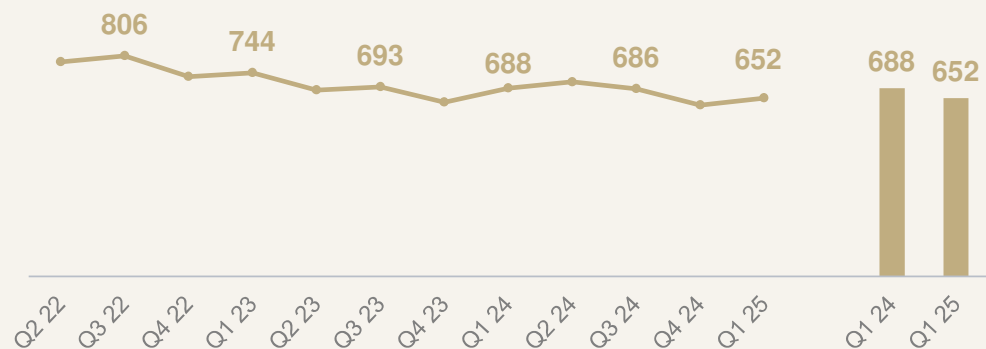
Total revenue Q1 2025 (**SEK 652mn**)

INCREASED BY 4% COMPARED TO Q4 2024

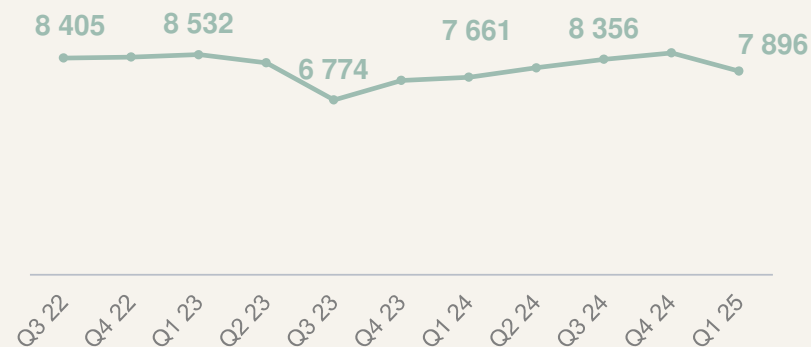
Average price in Q1 2025 (**SEK 7.9k per tonne**)

DECREASED BY 8% COMPARED TO Q4 2024

PULP SALES REVENUE (SEK mn)

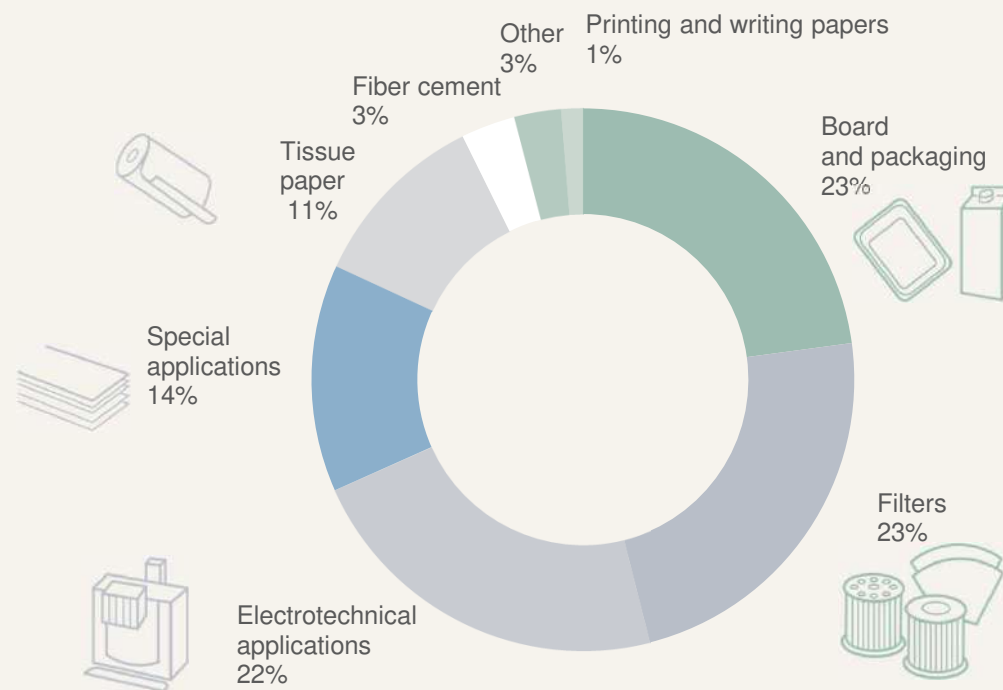


PULP SALES REVENUE PER TONNE (SEK)



PULP – REPLACEMENT MATERIAL FOR PLASTIC

Pulp Sales (Rottneros) by application 2024



The image shows five white paper shopping bags with wire handles, arranged in a row. In front of them is a white paper box. The scene is set on a light-colored surface against a light background. The word "PACKAGING" is overlaid in the center in a bold, black, sans-serif font.

PACKAGING

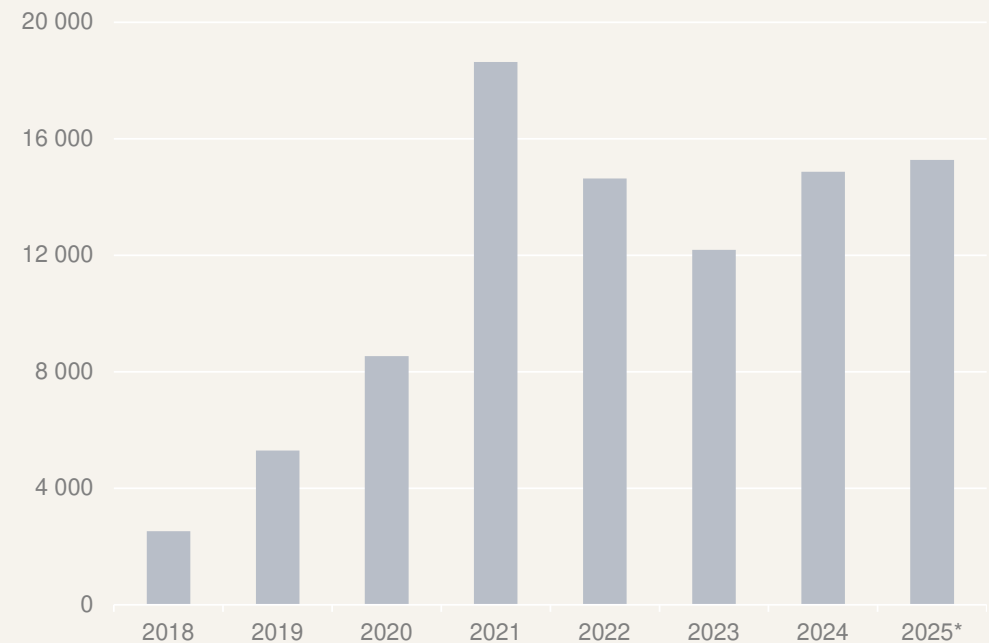
DEVELOPMENT

STABLE SALES OF PACKAGING PAPERS

Munken Kraft
Uncoated packaging paper

G-Flexmatt
Coated packaging paper

PACKAGING PAPER SALES DEVELOPMENT (t)



* rolling 12 months

A large solar panel array is shown from a low angle, extending from the bottom left towards the right. The panels are dark blue with a grid of white lines. The background is a clear, light blue sky. The word "POWER" is centered in the middle of the image in a large, black, sans-serif font.

POWER

ENERGY SEGMENT - ONGOING PROJECTS

- PV installation 9,6 MW PV (Kostrzyn) will be 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
- Preparation for installation electric boiler 20 MW (Kostrzyn) – utilisation of surplus cheap energy in Polish grid - to reduce energy cost for paper production process

Group will have over 30 MW of PV installed capacity by the summer of 2025

PV 9 MW KOSTRZYN – MAY 2025





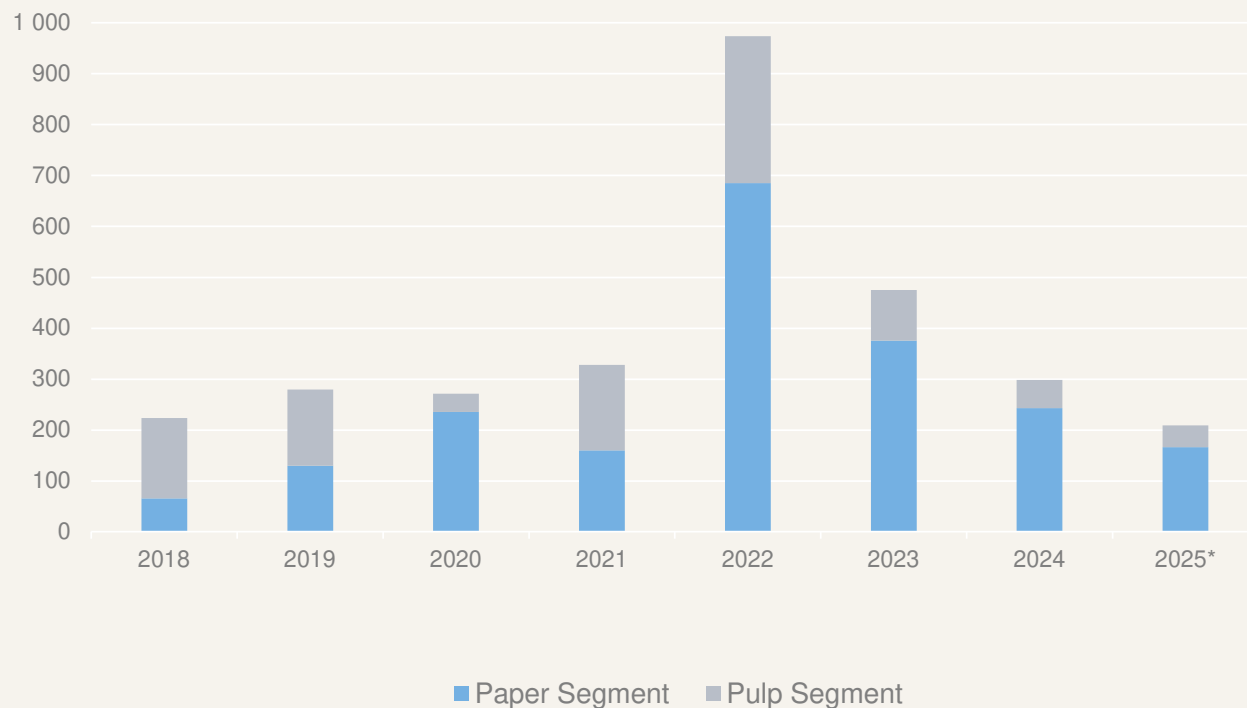
FINANCIAL PERFORMANCE

EBITDA EVOLUTION 2018 – 2025 (PLN mn)

Effective hedging of both segments – to stabilize financial results in medium & long term perspective

Q1 2025 EBITDA PLN 22.9mn

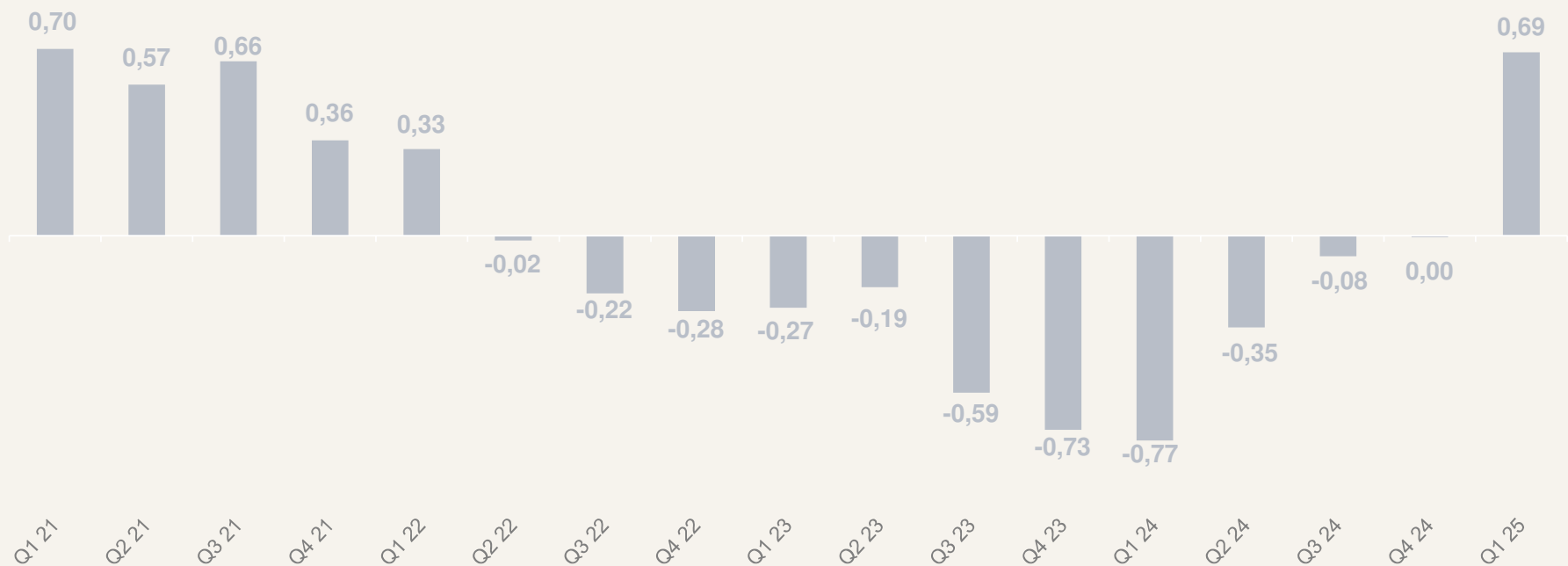
PLN 16mn HIGHER THAN Q4 2024
PLN 89mn LOWER THAN Q1 2024



* rolling 12 months

NET DEBT/EBITDA 2021 – 2025

Strong financial position



* rolling 12 months

Distribution of profit of 2024

- On May 15th, 2025, the Management Board of Arctic Paper decided to change the originally announced recommendation regarding the distribution of profit of 2024. The Management Board recommends to the General Meeting of Shareholders not to pay a dividend and to allocate the entire profit of 2024 to the Company's reserve capital.
- The basis for the decision is, in particular, the weaker financial results achieved in both main paper and pulp production segments of the Arctic Paper Group in the first months of 2025.
- In addition this decision was influenced by the fact that the prices of wood used for pulp production in Scandinavia remain at a very high level and the rapid strengthening of the Swedish krona exchange rate against the euro, and in particular against the US dollar, as well as the lack of predictability of the economic situation intensified by the introduction of global trade tariffs.

SHARING OUR STORY WITH YOU

HEDGED AGAINST
VOLATILITY
OF PROFITABILITY
& HIGH FLUCTUATION
OF ENERGY

GROWTH
IN PACKAGING

INCREASING SHARE
OF RENEWABLE AND
FOSSIL-FREE ENERGY

PREDICTABLE CAPEX
AIMED AT CONTINUED
IMPROVEMENTS

OWNER
OF BRANDS VALUED
BY CUSTOMERS

ESTABLISHED
POSITION ON THE
MARKET WITH
A HIGH ENTRY
BARRIER

STABLE
OWNERSHIP
STRUCTURE

SUSTAINABLE
PRODUCTION
PROCESSES

4P For Future Arctic

Paper



Packaging



Pulp



Power

