



ARCTIC PAPER

## **Current report number 14/2020**

Dated: September 25th 2020

### **Subject: New technologies in Arctic Paper Kostrzyn S.A. co-financed by the National Center for Research and Development**

General legal basis:

*Art. 17 sec. 1 of MAR – inside information*

Content:

The Management Board of Arctic Paper S.A. ("Company", "Issuer") informs that it has received an information about the signing by the subsidiary Arctic Paper Kostrzyn S.A. ("Subsidiary") of the agreement ("Agreement") with the National Center for Research and Development ("NCBiR") for co-financing the project entitled "Development and implementation of a technology for the production of high-barrier biodegradable packaging paper" as part of the Intelligent Development Operational Program 2014-2020 ("Project").

The total net value of the project is PLN 20,224,638.37, with the maximum grant amount of PLN 8,343,568.42. The Subsidiary will cover the remaining expenses related to the project with own funds.

The aim of the project is to develop and implement a technology for the production of a new product, which will be high-barrier biodegradable packaging paper. Product innovation will introduce to the segment of packaging papers products characterized by high barrier properties and biodegradable, combined with maintaining the properties of high-quality printing, which will allow the extension of the range of products to include packaging papers with special properties and improve achieved margins.

The cost eligibility period for the Project starts on September 1<sup>st</sup>, 2020 and ends on May 31<sup>st</sup>, 2023.

The subsidiary undertook to ensure the sustainability of the effects of the Project financed with structural funds for a period of 5 years from the date of completion of the Project (project duration). The subsidiary is obliged to achieve the assumed objectives and indicators of the Project, specified in the application for co-financing, as well as to implement the full material scope of the Project and implement the results of industrial research and development works within 3 years from the end of the Project, in accordance with the application for co-financing. The terms of the Agreement do not differ from commonly used terms in this type of agreements.



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Specific legal basis:

Art. 17 sec. 1 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.