

ARCTIC PAPER CAPITAL GROUP

Consolidated financial statements for Q3 2025

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Introduction

Information on the report

This Consolidated Quarterly Report for Q3 2025 was prepared in accordance with the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and on conditions under which information required by legal regulations of a third country may be recognised as equivalent (Journal of Laws of 2018, item 757) and a part of the interim abbreviated consolidated financial statements in accordance with International Accounting Standard No. 34.

The Abbreviated Consolidated Financial Statements do not comprise all information and disclosures required in the Annual Consolidated Financial Statements which are subject to mandatory audit and therefore they should be read in conjunction with the Consolidated Financial Statements of the Group for the year ended 31 December 2024.

Certain selected information contained in this report comes from the Arctic Paper Group management accounting system and statistics systems.

This Consolidated Quarterly Report presents data in PLN, and all figures, unless otherwise indicated, are given in thousand PLN.

Definitions and abbreviations

Unless the context requires otherwise, the following definitions and abbreviations are used in the whole document:

Arctic Paper, Company, Issuer, Parent Company, AP	Arctic Paper Spółka Akcyjna with its registered office in Kostrzyn nad Odrą, Poland
Capital Group, Group, Arctic Paper Group, AP Group	Capital Group comprised of Arctic Paper Spółka Akcyjna and its subsidiaries as well as joint ventures
Paper Mills	Arctic Paper Kostrzyn, Arctic Paper Munkedals, Arctic Paper Grycksbo
Sales Offices	Arctic Paper Papierhandels GmbH with its registered office in Vienna (Austria)
	Arctic Paper Benelux SA with its registered office in Oud-Haverlee (Belgium)
	Arctic Paper Danmark A/S with its registered office in Greve (Denmark)
	Arctic Paper France SA with its registered office in Paris (France)
	Arctic Paper Deutschland GmbH with its registered office in Hamburg, (Germany)
	Arctic Paper Italia Srl with its registered office in Milan (Italy)
	Arctic Paper Baltic States SIA with its registered office in Riga (Latvia)
	Arctic Paper Norge AS with its registered office in Oslo (Norway)
	Arctic Paper Polska Sp. z o.o. with its registered office in Warsaw (Poland)

	Arctic Paper España SL with its registered office in Barcelona (Spain)
	Arctic Paper Finance AB with its registered office in Munkedal (Sweden)
	Arctic Paper Schweiz AG with its registered office in Derendingen (Switzerland)
	Arctic Paper UK Ltd with its registered office in London (UK)
Rottneros Group, Rottneros AB Group	Rottneros AB with its registered office in Söderhamn, Sweden; Rottneros Bruk AB with its registered office in Rottneros, Sweden; Utansjö Bruk AB with its registered office in Söderhamn, Sweden; Vallviks Bruk AB with its registered office in Vallvik, Sweden; Rottneros Packaging AB with its registered office in Sunne, Sweden; SIA Rottneros Baltic with its registered office in Kuldīga, Latvia; Nykvist Skogs AB with its registered office in Gräsmark, Sweden
Pulp Mills	Rottneros Bruk AB with its registered office in Rottneros, Sweden; Vallviks Bruk AB with its registered office in Vallvik, Sweden
Thomas Onstad	The Issuer's core shareholder, holding directly and indirectly over 50% of shares in Arctic Paper S.A.; a member of the Issuer's Supervisory Board
NBSK	Northern Bleached Softwood Kraft
BHKP	Bleached Hardwood Kraft Pulp

Definitions of selected financial concepts and indicators

Sales profit margin	Ratio of gross profit/(loss) on sales to sales revenue from continuing operations
EBIT	Profit on continuing operating activity (Earnings Before Interest and Taxes)
EBIT profitability, operating profitability, operating profit margin	Ratio of operating profit/(loss) to sales revenue from continuing operations
EBITDA	Operating profit from continuing operations plus depreciation and amortisation and impairment allowances (Earnings Before Interest, Taxes, Depreciation and Amortisation)
EBITDA profitability, EBITDA margin	Ratio of operating profit plus depreciation and amortisation and impairment allowances to sales income from continuing operations
Gross profit margin	Ratio of gross profit/(loss) to sales revenue from continuing operations
Sales profitability ratio, net profit margin	Ratio of net profit/(loss) to sales revenue
Return on equity, ROE	Ratio of net profit/(loss) to equity income
Return on assets, ROA	Ratio of net profit/(loss) to total assets

EPS	Earnings Per Share, ratio of net profit to the weighted average number of shares
BVPS	Book Value Per Share, Ratio of book value of equity to the number of shares
Debt-to-equity ratio	Ratio of total liabilities to equity
Equity to non-current assets ratio	Ratio of equity to non-current assets
Interest-bearing debt-to-equity ratio	Ratio of interest-bearing debt and other financial liabilities to equity
Net debt-to-EBITDA ratio	Ratio of interest-bearing debt minus cash to EBITDA from continuing operations
EBITDA-to-interest coverage ratio	Ratio of EBITDA to interest expense from continuing operations
Current ratio	Ratio of current assets to current liabilities
Quick ratio	Ratio of current assets minus inventory and short-term prepayments and deferred income to current liabilities
Cash solvency ratio	Ratio of total cash and cash equivalents to current liabilities
DSI	Days Sales of Inventory, ratio of inventory to cost of sales multiplied by the number of days in the period
DSO	Days Sales Outstanding, ratio of trade receivables to sales income from continuing operations multiplied by the number of days in the period
DPO	Days Payable Outstanding, Ratio of trade payables to cost of sales from continuing operations multiplied by the number of days in the period
Operating cycle	DSI + DSO
Cash conversion cycle	Operating cycle – DPO

Forward looking statements

The information contained in this report which does not relate to historical facts relates to forward looking statements. Such statements may, in particular, concern the Group's strategy, business development, market projections, planned investment outlays, and future revenue. Such statements may be identified by the use of expressions pertaining to the future such as, e.g., "believe", "think", "expect", "may", "will", "should", "is expected", "is assumed", and any negations and grammatical forms of these expressions or similar terms. The statements contained in this report concerning matters which are not historical facts should be treated only as projections subject to risk and uncertainty. Forward-looking statements are inevitably based on certain estimates and assumptions which, although our management finds them rational, are naturally subject to known and unknown risks and uncertainties and other factors that could cause the actual results to differ materially from the historical results or the projections. For this reason, we cannot assure that any of the events provided for in the forward-looking statements will occur or, if they occur, about their impact on the Group's operating activity or financial situation. When evaluating the information presented in this report, one should not rely on such forward-looking statements, which are stated only as at the date they are expressed. Unless legal regulations contain detailed requirements in this respect, the Group shall not be obliged to update or verify those forward-looking statements in order to provide for new developments or circumstances. Furthermore, the Group is not obliged to verify or to confirm the analysts' expectations or estimates, except for those required by law.

Additional information to the report

for Q3 2025

Management Board's Report from operations of the Arctic Paper Capital Group and of Arctic Paper S.A.

General information

The Arctic Paper Group is a paper and pulp producer. We offer voluminous book paper and a wide range of products in this segment, as well as high-grade graphic paper. The Group produces numerous types of uncoated and coated wood-free paper as well as wood-containing uncoated paper for printing houses, paper distributors, book and magazine publishing houses and the advertising industry. In connection with acquisition of the Rottneros Group in December 2012, the Group's assortment was expanded with the production of pulp. As at 30 September 2025, the Arctic Paper Group employed approximately 1,500 people in its Paper Mills, companies involved in sale of paper and in pulp producing companies, procurement office and a company producing food packaging. Our three Paper Mills are located in Poland and Sweden, and have total production capacity of over 695,000 tonnes of paper per year. Our two Pulp Mills located in Sweden have aggregated production capacities of over 400,000 tonnes of pulp annually. As at 30 September 2025, the Group had 13 Sales Offices ensuring access to all European markets, including Central and Eastern Europe. Our consolidated sales revenue in Q3 2025 amounted to PLN 796,224 thousand.

Arctic Paper S.A. is a holding company set up in April 2008. The Parent Company is entered in the register of entrepreneurs of the National Court Register maintained by the District Court in Zielona Góra, 8th Commercial Division of the National Court Register, under KRS number 0000306944. The Parent Company holds statistical number REGON 080262255. The Company has a foreign branch in Göteborg, Sweden.

The principal business of the Arctic Paper Group is production and sales of paper and pulp. Additional activities of the Group, partly subordinated to the production of paper and pulp, include power generation and transmission, heat generation and distribution, packaging production, logistics services and the distribution of paper and pulp.

The Arctic Paper Group's product range includes uncoated and coated wood-free paper, uncoated wood-free paper, sulphate pulp and mechanical fibre pulp.

A detailed description of the Group's business, production plants, business and products can be found in the consolidated annual report for 2024.

Capital Group structure

The Arctic Paper Capital Group comprises Arctic Paper S.A., as the Parent Company, and its subsidiaries, as well as joint ventures. Since 23 October 2009, Arctic Paper S.A. has been listed on the primary market of the Warsaw Stock Exchange and since 20 December 2012 in the NASDAQ stock exchange in Stockholm. The Group operates through its Paper mills and Pulp mills with its subsidiary producing packaging, a company of forest owners as well as Sales Offices and Procurement Offices.

Details on the organisation of the Arctic Paper S.A. Capital Group along with identification of the consolidated entities are specified in note 2 in the abbreviated consolidated financial statements, further below in this quarterly report.

Changes in the capital structure of the Arctic Paper Group

On 22 July 2025, the Management Board became aware of the results of the issue of new shares in Rottneros, including the allocation to the Company of 10,000,000 new shares in the subsidiary Rottneros (8.7% total shares issued) in addition to the shares under pre-emptive rights, as part of a subscription for new shares without pre-emptive rights. Prior to the aforementioned transaction, Arctic Paper S.A. held 78,230,883 Rottneros shares, representing 51.27% of the share capital and 51.27% of the total number of Rottneros votes. Following the above transaction and the exercise in full of its pre-

emptive rights associated with its existing Rottneros shares, the Company holds a total of 146,904,045 Rottneros shares, representing 55.02% of the share capital and 55.02% of the total number of Rottneros votes. By issuing 114,428,943 new Shares, Rottneros' share capital increased by SEK 114,428,943, from SEK 153,393,890 to SEK 267,822,833. After the issue, the total number of shares and votes in Rottneros is 267,822,833 shares.

Shareholding structure – shareholders holding at least 5% of the total number of votes in the Company

as at 06.11.2025

Shareholder	Number of shares	Share in the share capital [%]	Number of votes	Share in the total number of votes [%]
Thomas Onstad	47 298 548	68,26%	47 298 548	68,26%
- indirectly via	41 974 890	60,58%	41 974 890	60,58%
Nemus Holding AB	41 374 890	59,71%	41 374 890	59,71%
other entity	600 000	0,87%	600 000	0,87%
- directly	5 323 658	7,68%	5 323 658	7,68%
Other	21 989 235	31,74%	21 989 235	31,74%
Total	69 287 783	100,00%	69 287 783	100,00%
Treasury shares	-	0,00%	-	0,00%
Total	69 287 783	100,00%	69 287 783	100,00%

The table above shows the shareholders holding directly or indirectly at least 5% of the total number of votes at the Company's General Meeting. To the Company's knowledge, the status has not changed since the date of publication of the interim report, i.e. August 12, 2025.

Shares in Arctic Paper S.A. or entitlements to them held by the Company's managing and supervising persons

Managing and supervising persons	Number of shares or rights to shares as at 06.11.2025	Number of shares or rights to shares as at 30.09.2025	Number of shares or rights to shares as at 12.08.2025	Change
Management Board				
Michał Jarczyński	5 572	5 572	5 572	-
Katarzyna Wojtkowiak	-	-	-	-
Fabian Langenskiöld	900	900	900	-
Supervisory Board				
Per Lundeen	34 760	34 760	34 760	-
Thomas Onstad*	5 323 658	5 323 658	5 323 658	-
Roger Mattsson	-	-	-	-
Zofia Dzik	-	-	-	-
Anna Jakubowski	-	-	-	-

*the statement includes only shares held directly

The shareholdings of the Company's managing and supervising persons have changed since the publication of the interim report on 12 August 2025. To the Company's knowledge, the shareholdings of the Company's managing and supervising persons have not changed since the date of publication of the interim report, i.e. August 12, 2025.

Summary of the consolidated financial results

Selected items of the consolidated statement of profit and loss

PLN '000	Q3 2025	Q2 2025	Q3 2024	YTD 2025	YTD 2024	Change % Q3 2025/ Q2 2025	Change % Q3 2025/ Q3 2024	Change % YTD 2025/ YTD 2024
Continuing operations								
Sales revenue	796 224	833 455	819 282	2 452 449	2 623 866	(4,5)	(2,8)	(6,5)
of which:								
Sales of paper	576 148	551 507	562 372	1 706 437	1 837 286	4,5	2,4	(7,1)
Sales of pulp	220 076	281 949	256 909	746 012	786 580	(21,9)	(14,3)	(5,2)
Profit on sales	108 781	82 774	159 460	305 940	518 239	31,4	(31,8)	(41,0)
EBIT	4 490	(88 497)	47 530	(93 831)	173 013	(105,1)	(90,6)	(154,2)
EBITDA	38 918	5	77 346	61 778	259 765	714 228,0	(49,7)	(76,2)
Net profit/(loss)	(1 167)	(75 025)	36 609	(100 012)	142 330	(98,4)	(103,2)	(170,3)
% of sales revenue	(0,15)	(0,15)	(9,00)	4,47	(4,08)	5,42	8,9 p.p.	(4,6) p.p.
Net profit/(loss) for the reporting period attributable to the shareholders of the Parent Company	2 084	(45 423)	30 781	(56 761)	131 196	(104,6)	(93,2)	(143,3)

Comments of the President of the Management Board Michał Jarczyński on the results of Q3 2025

The third quarter of 2025 was characterized by the same challenging market conditions that affected the earlier periods of the year. Arctic Paper's consolidated revenues decreased marginally to PLN 796.2 million (819.3 million) while EBITDA declined to PLN 38.9 million (77.3) with the corresponding EBITDA margin of 4.9 percent (9.4). The cost reduction and efficiency program initiated in the second quarter of 2025 is now being implemented, aimed at annual saving of PLN 45–50 million and cash flow improvements of PLN 35 million. The main financial effects are expected to materialize during next year. The Group's financial position remains solid, reflected in a net debt/EBITDA ratio of 1.54. The successful completion of a planned refinancing on similar terms after the period further underlines our strength.

For the paper segment, market conditions remained largely unchanged, with weak demand across all subsegments amid continued economic stagnation in Europe. At the same time, trade policy shifts in the U.S. and increased subsidized imports from China have intensified price pressure and competition. Leveraging our strength and resilience, we've turned market challenges into opportunity through agile pricing and smart cost actions – driving continued growth and proving Arctic Paper is a stable and reliable paper supplier that is here to stay. The volumes sold increased to 129 000 tons (112 000) while revenues per ton decreased to 4.46 kPLN (5.46). Our revenue increased to PLN 576.2 million (562.4) with an EBITDA of PLN 38.5 million (46.3) which is significantly better than last quarter. After the period, we have decided to invest EUR 1.5 million in a new electrical boiler to save energy costs and reducing emissions at the mill in Kostrzyn.

For the pulp segment, the third quarter proved challenging, with continued weak market conditions weighing on Rottneros results, as they did across the European pulp industry. Net sales declined by 16 percent to SEK 574 million (686), reflecting lower CTMP volumes, softer prices in local currency, and a stronger Swedish krona. EBITDA amounted to SEK –21 million (70), mainly driven by lower prices and volumes as well as currency effects. While wood prices remain at an unsatisfactorily high level and continue to pressure margins, we are now seeing increased supply and declining input prices. The cost-

adjustment measures we initiated are largely completed and are already strengthening our competitiveness. Going forward, our primary focus is on capital efficiency.

In the energy segment, the boiler upgrade and wood pellet production investment in Grycksbo is on schedule for completion before year-end. The project will lower energy costs and create an additional revenue stream for the mill.

The packaging segment continued to develop stably. The moulded fibre tray production in Kostrzyn is now operational.

We do not expect a recovery in Europe this year but remain confident that the measures we are taking will support long-term competitiveness and stronger margins for the Group. In the near term, we maintain a disciplined focus on cost efficiency, financial strength, and customer value to ensure sustainable returns. Like a lightweight fighter, we rely on agility, precision, and speed – able to adapt quickly to changing conditions and respond strategically rather than through sheer size. This flexibility enables us to seize opportunities even in a volatile environment.

Revenue

The decrease in paper and pulp sales revenue in the three quarters of 2025 compared to the three quarters of 2024 is primarily due to a decrease in paper sales prices and, to a lesser extent, a decrease in pulp sales prices. In addition, there was a decrease in volume sales of both paper and pulp. For the same reasons, there was a decrease in revenue from paper and pulp sales in Q3 2025 compared to Q3 2024.

Profit on sales, EBIT, EBITDA, net profit

The decrease in profit on sales, EBIT, EBITDA and net profit for the three quarters of 2025 compared to the three quarters of 2024 is due to the decrease in revenue from paper and pulp sales and the significant increase in the cost of pulp used in paper production. The analogous situation is in Q3 2025 compared to Q3 2024. In addition, the decrease in EBIT in Q2 2025 is due to the impairment allowance of assets in Rottneros.

Profitability analysis

PLN '000	Q3 2025	Q2 2025	Q3 2024	YTD 2025	YTD 2024	Change % Q3 2025/ Q2 2025	Change % Q3 2025/ Q3 2024	Change % YTD 2025/ YTD 2024
Profit/(loss) on sales	108 781	82 774	159 460	305 940	518 239	31,4	(31,8)	(41,0)
% of sales revenue	13,66	9,93	19,46	12,47	19,75	3,7 p.p.	(9,5) p.p.	(7,3) p.p.
EBITDA	38 918	5	77 346	61 778	259 765	714 228,0	(49,7)	(76,2)
% of sales revenue	4,89	0,00	9,44	2,52	9,90	4,9 p.p.	(9,4) p.p.	(7,4) p.p.
EBIT	4 490	(88 497)	47 530	(93 831)	173 013	(105,1)	(90,6)	(154,2)
% of sales revenue	0,56	(10,62)	5,80	(3,83)	6,59	11,2 p.p.	(5,2) p.p.	(10,4) p.p.
Net profit/(loss)	(1 167)	(75 025)	36 609	(100 012)	142 330	(98,4)	(103,2)	(170,3)
% of sales revenue	(0,15)	(9,00)	4,47	(4,08)	5,42	8,9 p.p.	(4,6) p.p.	(9,5) p.p.
Return on equity / ROE (%)	(0,1)	(4,42)	2,1	(5,7)	8,0	4,4 p.p.	(2,1) p.p.	(13,6) p.p.
Return on assets / ROA (%)	(0,0)	(2,70)	1,3	(3,6)	5,2	2,7 p.p.	(1,4) p.p.	(8,8) p.p.

Lower return on equity and return on assets ratios were due primarily to the lower net profit generated in the three quarters of 2025 versus the equivalent period last year.

Selected items of the consolidated statement of financial position

PLN '000	30.09.2025	31.12.2024	30.09.2024	Change 30.09.2025 -31.12.2024	Change 30.09.2025 -30.09.2024
Non-current assets	1 602 662	1 492 327	1 427 970	110 334	174 691
Current assets	1 183 603	1 264 634	1 295 476	(81 031)	(111 873)
Total assets	2 786 265	2 756 963	2 723 447	29 303	62 818
Equity	1 769 274	1 768 722	1 782 776	551	(13 502)
Current liabilities	667 730	612 680	674 762	55 049	(7 032)
Non-current liabilities	349 261	375 560	265 913	(26 299)	83 348
Total equity and liabilities	2 786 265	2 756 963	2 723 447	29 303	62 818

Non-current assets

The increase in the value of non-current assets at the end of September 2025 compared to the previous year-end is mainly due to the higher value of property, plant and equipment and intangible assets. The increase in property, plant and equipment and non-material assets is mainly due to new investments in the Group (in particular: the pellet factory in Gryksbo and the tray factory).

Current assets

The decrease in current assets at the end of September 2025 compared to the end of the previous year is mainly due to the decrease in cash and cash equivalents.

Equity

The slight increase in the value of equity at the end of September 2025 compared to the end of the previous year is mainly due to an increase in the valuation of subsidiaries for which the functional currency is other than PLN, recognised in other comprehensive income and the positive valuation of financial instruments treated as hedges of future cash flows.

Current liabilities

The increase in the value of current liabilities at the end of September 2025 compared to the end of the previous year is mainly due to an increase in revolving credit and current account debt, mainly with companies in the Rottneros group.

Non-current liabilities

The decrease in non-current liabilities at the end of September 2025 compared to the end of the previous year is mainly due to a decrease in loans due to their reclassification to the current portion.

Debt analysis

	Q3 2025	Q2 2025	Q3 2024	Change % Q3 2025/ Q2 2025	Change % Q3 2025/ Q3 2024
Debt-to-equity ratio (%)	57,5	64,9	52,8	(6,5) p.p.	4,7 p.p.
Equity to non-current assets ratio (%)	110,4	109,7	124,8	(0,4) p.p.	(14,5) p.p.
Interest-bearing debt-to-equity ratio (%)	17,2	23,5	12,7	(6,3) p.p.	4,4 p.p.
Net debt to EBITDA ratio for the last 12 months (x)	1,5x	1,2x	(0,1)x	0,4	1,6
EBITDA to interest expense ratio for the last 12 months (x)	7,4x	13,0x	57,2x	(5,5)	(49,8)

The increase in the debt-to-equity ratio in Q3 2025 compared to the same period of the previous year is due to an increase in short-term debt.

The decrease in the non-current assets to equity ratio in Q3 2025 to the same period of the previous year is due to an increase in property, plant and equipment and intangible assets.

The decrease in the ratio of interest expense to EBITDA for the 12 months ended 30 September 2025 to the 12 months ended 30 September 2024 is a result of the decrease in 12-month EBITDA.

Liquidity analysis

	Q3 2025	Q2 2025	Q3 2024	Change % Q3 2025/ Q2 2025	Change % Q3 2025/ Q3 2024
Current ratio	1,8x	1,7x	1,9x	0,1	(0,1)
Quick ratio	1,0x	1,0x	1,1x	0,0	(0,1)
Cash solvency ratio	0,2x	0,3x	0,4x	(0,1)	(0,2)
DSI (days)	63,5	59,3	69,8	4,2	(6,3)
DSO (days)	52,1	49,2	52,4	2,9	(0,3)
DPO (days)	57,3	52,1	61,1	5,2	(3,8)
Operating cycle (days)	115,6	108,5	122,2	7,1	(6,6)
Cash conversion cycle (days)	58,3	56,4	61,1	1,9	(2,8)

The shortening of the cash conversion cycle in Q3 2025 to the same period of the previous year is the result of a reduction in inventory turnover and accounts payable days.

The prolongation of the cash conversion cycle in Q3 2025 compared to the previous quarter of this year was due to an increase in inventory turnover and payables in days.

Selected items of the consolidated statement of cash flows

<i>PLN '000</i>	Q3 2025	Q2 2025	Q3 2024	YTD 2025	YTD 2024	Change % Q3 2025/ Q2 2025	Change % Q3 2025/ Q3 2024	Change % YTD 2025/ YTD 2024
Cash flows from operating activities	26 417	8 360	(3 144)	24 970	79 060	216%	-940%	-68%
Cash flows from investing activities	(65 498)	(83 577)	(107 001)	(223 015)	(283 063)	-22%	-39%	-21%
Cash flows from financing activities	(46 521)	31 506	57 426	57 108	(35 883)	-248%	-181%	-259%
Total cash flows	(85 601)	(43 712)	(53 019)	(140 937)	(239 886)	-53%	-1160%	-349%

Cash flows from operating activities

The positive cash flow from operations in Q3 2025 is primarily the result of a reduction in inventories and an increase in accounts payable, grants and deferred income.

Cash flows from investing activities

The negative cash flows from investing activities in both Q3 2025 and for the three quarters of 2025 is mainly the result of expenditure on the purchase of tangible assets.

Cash flows from financing activities

The negative cash flow from financing activities in Q3 2025 is mainly the result of the repayment of loan instalments and other financial liabilities.

The positive cash flow from financing activities for the three quarters of 2025 is primarily the result of an increase in debt under the revolving overdraft facility.

Summary of the separate financial results

Selected items of the separate statement of profit and loss

<i>PLN '000</i>	Q3 2025	Q2 2025	Q3 2024	YTD 2025	YTD 2024	Change % Q3 2025/ Q2 2025	Change % Q3 2025/ Q3 2024	Change % YTD2025/ YTD2024
Sales revenue	5 955	45 790	5 338	58 868	118 703	(86,99)	11,56	(89,88)
Profit on sales	3 195	42 619	2 803	50 012	110 756	(92,50)	13,99	(93,61)
EBIT	(1 268)	36 741	(2 393)	34 486	94 429	(103,45)	(47,01)	(63,48)
EBITDA	(1 177)	36 852	(2 282)	34 796	94 742	(103,19)	(48,42)	(103,38)
Gross profit/(loss)	(1 662)	34 294	(512)	34 049	96 378	(104,85)	224,61	(104,88)
Net profit/(loss)	(1 662)	33 672	398	34 049	99 429	(104,94)	(517,59)	(104,88)

Revenue, profit on sales, costs of sales

The main reason for the increase in revenue and profit in Q3 2025 compared to Q3 2024 was higher revenue from the sale of services to Group companies, including interest income from loans granted and dividend income for the period. Lower revenues at the end of the third quarter of 2025 compared to the same period of 2024 are mainly due to lower dividend revenues.

EBIT and EBITDA

The lower EBIT and EBITDA loss in Q3 2025, compared to the equivalent period in 2024, was the result of higher revenue, which consisted of sales of services provided to Group companies, including interest income on loans granted and dividends for the period.

Gross profit/(loss) and net profit/(loss)

The financial result in Q3 2025, compared to the equivalent period in 2024, was due to lower financial income and higher financial expenses.

Selected items of the separate statement of financial position

PLN '000	30.09.2025	31.12.2024	30.09.2024	Change 30.09.2025 -31.12.2024	Change 30.09.2025 -30.09.2024
Non-current assets	1 203 251	1 130 202	1 002 951	73 049	200 300
Current assets	54 909	211 256	166 570	(156 347)	(111 661)
Total assets	1 258 160	1 341 458	1 169 521	(83 298)	88 639
Equity	997 644	964 703	866 949	32 941	130 695
Current liabilities	225 326	335 192	262 887	(109 866)	(37 561)
Non-current liabilities	35 190	41 563	39 688	(6 373)	(4 498)
Total equity and liabilities	1 258 160	1 341 458	1 169 521	(83 299)	88 639

Non-current assets

The increase in the value of fixed assets at the end of the third quarter of 2025 compared to the same period of 2024 is mainly due to the increase in the value of shares and stocks related to the investment in Rottneros AB, as well as the higher value of other financial assets (long-term intra-group loans).

Current assets

The decrease in current assets at the end of Q3 2025 was due to lower cash balances compared to Q3 2024.

Equity

At the end of September 2025, the value of equity increased mainly due to the profit generated in 2025

Current liabilities

The decrease in current liabilities in Q3 2025 is due to a decrease in the company's cash-pooling liabilities compared to the equivalent period in 2024.

Non-current liabilities

The decrease in the value of long-term liabilities at the end of September 2025 compared to the end of the previous year is mainly due to the decrease in the value of loans due to their reclassification to the short-term part.

Selected items of the separate statement of cash flows

<i>PLN '000</i>	Q3 2025	Q2 2025	Q3 2024	YTD 2025	YTD 2024	Change % Q3 2025/ Q2 2025	Change % Q3 2025/ Q3 2024	Change % YTD 2025/ YTD 2024
Cash flows from operating activities	(27 411)	(52 950)	(41 242)	(124 729)	(51 897)	-48%	-34%	140%
Cash flows from investing activities	(69 201)	(2 400)	177	(71 601)	(531)	2783%	-39242%	13396%
Cash flows from financing activities	19 684	14 026	(74)	32 921	(84 487)	40%	-26708%	-139%
Total cash flows	(76 928)	(41 324)	(41 139)	(163 409)	(136 914)	2775%	-65983%	13397%

The negative cash flows from operating activities at the end of the third quarter of the current year was mainly due to the change in cash-pooling liabilities compared to the same period in 2024.

In the three quarters of 2025, flows from investing activities amounted to PLN -71,601 thousand. The negative flows were related to the share capital surcharge in the subsidiary Arctic Power sp. z o.o. and the purchase of shares in Rottneros.

At the end of Q3 2025, the company recorded positive cash flows from financing activities, resulting mainly from the utilisation of overdraft limits and the receipt of further tranches of the investment loan related to the pellet plant project at Arctic Paper Grycksbo.

Significant information and factors affecting the Arctic Paper Group's performance and assessment of its financial position

Information on market trends

Supplies of fine paper

In Q3 2025, the Arctic Paper Group reported an 8.2% increase in order levels compared to Q2 2025, while order levels increased by 15.1% compared to the same period of the previous year.

In the first three quarters of 2025, the Arctic Paper Group recorded a 0.8% y/y increase in order levels compared to the same period last year.

Source of data: Arctic Paper analysis

Paper prices

At the end of Q3 2025, uncoated woodfree (UWF) paper prices in Europe were down 7% compared to prices at the end of September 2024, while for coated woodfree (CWF) paper the decrease was 6.9%.

At the end of September 2025, the average prices declared by producers for selected types of paper and markets: Germany, France, Spain, Italy, United Kingdom – for both uncoated wood-free paper (UWF) and coated wood-free paper (CWF) were lower than at the end of June 2025 by 3.1% and 3.5% respectively.

Arctic Paper's invoiced prices in EUR of comparable products in the uncoated wood-free paper (UWF) segment decreased by an average of 2.9% from the end of June 2025 to the end of September 2025. In the wood-free coated papers (CWF) segment, average invoiced prices decreased by 4.2% in the equivalent period. At the end of Q3 2025, Arctic Paper's invoiced prices for uncoated wood-free (UWF) paper decreased by 11.5% compared to prices at the end of September 2024, while for coated wood-free (CWF) paper they recorded a decrease of 11%.

Source: For market data – RISI, price changes for selected markets in Germany, France, Spain, Italy and the UK in local currencies for graphic papers similar to the product portfolio of the Arctic Paper Group. The prices are quoted without considering specific rebates for individual customers and they include neither any additions nor price reductions in relation to the publicly available price lists. The estimated prices for each month reflect orders placed in the month while the deliveries may take place in the future. Because of that, RISI price estimates for a particular month do not reflect the actual prices at which deliveries are performed but only express ordering prices. For Arctic Paper products, the average invoiced sales prices for all served markets in EUR.

Pulp prices

At the end of Q3 2025, the pulp prices reached the level of: NBSK – USD 1.496/tonne and BHKP – USD 1.000/tonne.

The average NBSK price in Q3 2025 was lower by 6% compared to the equivalent period of the previous year while for BHKP the average price was lower by 24.9%. Compared to Q2 2025, the average pulp price in the third quarter of this year decreased for NBSK by 4.6% and for BHKP by 12.3%.

Pulp costs are characterised by high volatility. The prices of the raw materials had major impact on the Group's profitability in the period.

The average cost of pulp used in paper production calculated for the Arctic Paper Group expressed in PLN in Q3 2025 decreased by 6.6% compared to Q2 2025. The average cost of pulp used in paper production in Q3 2025, compared to the same period last year, decreased by 25.6%.

The share of pulp costs in overall selling costs after 9 months of the current year was 48% versus about 53% in the equivalent period in 2024.

The Arctic Paper Group uses the pulp in the production process according to the following structure: BHKP 76%, NBSK 17% and other 7%.

Data source: www.foex.fi Arctic Paper analysis

Currency exchange rates

At the end of Q3 2025, the EUR/PLN rate amounted to 4.2692 and was by 0.2% lower than at the end of Q3 2024. The mean EUR/PLN exchange rate in Q3 2025 amounted to 4.2588 and was by 0.6% lower than in the equivalent period of 2024.

The EUR/SEK exchange rate amounted to 11.0658 at the end of Q3 2025 (decrease by 2% versus the end of Q3 2024). For that currency pair, the average exchange rate in Q3 2025 was by 2.9% lower than in the same period of 2024. The somewhat appreciating SEK versus EUR has been adversely impacting the revenue invoiced in EUR in the factories in Sweden (AP Munkedals and AP Grycksbo).

The USD/PLN exchange rate as at the end of Q3 2025 amounted to 3.6315. In Q3 2025 the mean USD/PLN exchange rate was 3.6449 versus 3.9010 in the equivalent period of the previous year which was a decrease by 6.6%. It was also 3% lower than in Q2 2025. The change has adversely affected the costs incurred in USD by AP Kostrzyn, in particular the costs of pulp.

The USD/SEK exchange rate as at the end of Q3 2025 amounted to 9.4129. In Q3 2025, the mean exchange rate amounted to 9.5158 compared to 10.4284 in the equivalent period of the previous year which was a depreciation of the exchange rate by 8.8%. In Q3 2025, the average USD/SEK exchange rate decreased by 1.5% compared to Q2 2025. The change in the exchange rate compared to the corresponding quarter of 2024, as well as to the quarter prior to the current year, had a favourable impact on the costs realised in USD by AP Munkedals and AP Grycksbo, in particular pulp costs.

The EUR/USD exchange rate at the end of September this year was 1.1756, compared to 1.1204 (+4.9%) at the end of September 2024. The average rate in Q3 2025 was 1.1685, compared with 1.0984 in the equivalent period last year and 1.1338 in Q2 2025. This represents a strengthening of the EUR against the USD compared to Q3 2024 by 6.4% and compared to Q2 2025 by 3.1%.

The strengthening of the PLN against the EUR has adversely affected the Group's financial profit, mainly due to decreased sales revenue generated in EUR and translated into PLN. The strengthening PLN against USD in turn had a positive impact on the Group's financial performance, as it resulted in lower purchase costs for the main raw material at the Kostrzyn mill. The strengthening SEK against EUR adversely affected revenue generated in EUR at the APM and APG factories.

Factors which have an impact on the financial results in the perspective of the next quarter

The material factors that have an impact on the financial results over the next quarter, include:

- Shaping demand for high-grade papers in Europe at a time of a tense geopolitical situation, high pulp prices, and an economic slowdown in Germany. Over the recent years there has been a major decrease of demand for fine paper in Europe (level of executed orders). Further negative developments in the market may adversely affect order levels to our Paper Mills. The accelerated digitalisation of legacy print products may have the additional effect of reducing demand for high-quality graphic papers and therefore negatively impact the Group's financial performance.
- Price changes of fine paper. In particular, the possibility to maintain the prices of Arctic Paper products in local currencies in view of the declining supply/demand in Europe and in the context exchange rates fluctuations, will have a material influence on the financial results. Paper prices will play a particularly important role for the Kostrzyn Mill, which is particularly strongly, and negatively, affected by falling sales volumes and prices due to the changes in the market.
- Price fluctuations of raw materials, including pulp for Paper Mills and electricity for all operational entities. In particular, financial results of Paper Mills may be negatively influenced by increasing pulp prices, particularly BHKP. On the other hand, dropping NBSK pulp prices may negatively affect the financial results of Pulp Mills. Fluctuations of electricity prices in Sweden may also have a material impact on the results generated by the Group. In the future, such market

changes may translate into changes of sales profitability in Paper Mills of AP Munkedals and AP Grycksbo as well as in Pulp Mills of Rottneros and Vallvik.

- Changes in currency rates, in particular, the appreciation of PLN and SEK in relation to EUR and GBP, the appreciation of PLN in relation to SEK, and the depreciation of PLN and SEK in relation to USD, may have an adverse effect on the financial results. Whereby our pulp mills will benefit from the appreciation of the USD against the SEK.

Risk factors

In Q3 2025, there were no material changes to the risk factors. Those were presented in detail in the annual report for 2024.

Key factors affecting the performance results

The Group's operating activity has been and will continue to be historically influenced by the following key factors:

- macroeconomic and other economic factors,
- demand growth for products based on natural fibres,
- reduced demand for certain paper types,
- fluctuations of paper prices,
- pulp price fluctuations for Paper Mills, timber for Pulp Mills and energy prices,
- FX rates fluctuation.

Macroeconomic and other economic factors

We believe that a number of macro-economic and other economic factors have a material impact on the demand for high-quality paper, and they may also influence the demand for the Group's products and the Group's operating results. Those factors include:

- GDP growth,
- net income – as a metric of income and affluence of the population,
- production capacity – the surplus of supply in the high quality paper segment over demand and decreasing sales margins on paper,
- paper consumption,
- technology development.

Demand growth for products based on natural fibres

The trend observed in developed societies concerning a reduction of man's adverse impact on the environment, in particular reduction of use of disposable, plastic packaging that may not be recycled, offers new opportunities for the development of the pulp & paper sector. In many companies, work has been under way to develop new methods of packaging and production of packaging with natural materials, including pulp, so that it can be recycled. Arctic Paper is also involved in such research. In the near future, the product segment is expected to increase its percentage share in the volumes and revenue of the Arctic Paper Group.

Reduced demand for certain paper types

Development of new technologies, in particular in the areas of information and communication, results in decreasing demand for certain paper types – in particular, this affects newsprint and to a lesser extent – graphic papers. However, despite the increasing popularity of e-books, the volume of book paper produced and sold by Arctic Paper has been stable in the recent years, less sensitive to changing market conditions. Nevertheless, in its strategy Arctic Paper has set a direction of activity so that within several years, the segment of non-graphic papers (that is technical or packaging paper) accounts for 1/5 of its consolidated revenue.

Paper prices

Paper prices undergo cyclic changes and fluctuations, they depend on global changes in demand and overall macroeconomic and other economic factors such as indicated above. Prices of paper are also influenced by a number of factors related to the supply, primarily changes in production capacities at the worldwide and European level.

Costs of raw materials, energy and transportation

The main elements of the Group's operating expenses include raw materials, energy and transportation. The costs of raw materials include mainly the costs of pulp for Paper Mills, timber for Pulp Mills and chemical agents used for paper and pulp production. Our energy costs historically include mostly the costs of electricity, gas and rights to CO2 emissions. The costs of transportation include the costs of transportation services provided to the Group mainly by external entities.

Taking into account the share of those costs in total operating expenses of the Group and the limited possibility of controlling these costs by the Group Companies, their fluctuations may have a major impact on the Group's profitability.

A part of pulp supplies to our Paper Mills is made from our own Pulp Mills. The remaining part of the pulp produced at the Pulp Mills is sold to external customers.

Currency rate fluctuations

The Group's operating results are significantly influenced by currency rate fluctuations. In particular, the Group's revenue and costs are expressed in different foreign currencies and are not matched, therefore, the appreciation of the currencies in which we incur costs towards the currencies in which we generate revenue, will have an adverse effect on the Group's results. Our products are primarily sold to euro zone countries, Scandinavia, Poland and the UK, thus our revenue are largely denominated in EUR, GBP, SEK and PLN while revenue from the pulp mills are primarily denominated in USD. The Group's operating expenses are primarily expressed in USD (pulp costs for Paper Mills), EUR (costs related to pulp for Paper Mills, energy, transportation, chemicals), PLN (the majority of other costs incurred by the Paper Mill in Kostrzyn nad Odrą) and SEK (the majority of other costs incurred by the Munkedal and Grycksbo Paper Mills as well as the Rottneros and Vallvik Pulp Mills).

Exchange rates also have an important impact on results reported in our financial statements because of changes in exchange rates of the currencies in which we generate revenue and incur costs, and the currency in which we report our financial results (PLN).

Unusual events and factors. Impact of changes in Arctic Paper Group's structure on the financial result

Results of the Issuer's subsidiary's share issue

On 22 July 2025, the Management Board became aware of the results of the issue of new shares in Rottneros, including the allocation to the Company of 10,000,000 new shares in the subsidiary Rottneros (8.7% of total shares issued) in addition to the shares under pre-emptive rights, as part of a subscription for new shares without pre-emptive rights. Prior to the aforementioned transaction, Arctic Paper S.A. held 78,230,883 Rottneros shares, representing 51.27% of the share capital and 51.27% of the total number of Rottneros votes. Following the above transaction and the exercise in full of its pre-emptive rights associated with its existing Rottneros shares, the Company holds a total of 146,904,045 Rottneros shares, representing 55.02% of the share capital and 55.02% of the total number of Rottneros votes. By issuing 114,428,943 new Shares, Rottneros' share capital increased by SEK 114,428,943, from SEK 153,393,890 to SEK 267,822,833. After the issue, the total number of shares and votes in Rottneros is 267,822,833 shares.

Granting compensation to the Issuer's subsidiary based on the Act on the compensation system for energy-intensive sectors and subsectors

On 29 October 2025, the Management Board received information about granting the subsidiary Arctic Paper Kostrzyn S.A. public aid for the transfer of the costs of purchasing emission allowances to the prices of electricity used to produce products in energy-intensive sectors or subsectors for year 2024 in the total amount of PLN 39.5 million. The Issuer estimates that the amount of the granted Compensation will have a significant impact on the results achieved by Arctic Paper Kostrzyn S.A. in the fourth quarter of 2025.

Conclusion of material agreement related to the refinancing process by Arctic Paper S.A.

On 31st of October 2025 the Company entered into a term and revolving facilities agreement (the "**Facilities Agreement**"), which was concluded between the Company as borrower and guarantor, the Company's subsidiaries Arctic Paper Kostrzyn S.A., Arctic Paper Munkedals AB, and Arctic Paper Grycksbo AB, as guarantors (the "**Guarantors**") and a consortium of banks composed of: BNP Paribas Bank Polska S.A. (the "**Security Agent**"), Santander Bank Polska S.A. and Bank Polska Kasa Opieki S.A. (jointly: the "**Lenders**"), under which the Lenders granted the Company an investment term facility for a total amount of EUR 20,000,000 (twenty million euros) and a revolving facility for a total amount of EUR 60,000,000 (sixty million euros) (the "**Facilities**").

The Facilities Agreement was concluded due to the upcoming repayment date of the current term facility agreement concluded on April 2, 2021, which falls on the day five years after its conclusion.

Pursuant to the Facilities Agreement, the Lenders made the following Facilities available to the Company:

- a) An investment term facility for a total amount of EUR 20,000,000 (twenty million euros) (the "**Investment Facility**") and
- b) a revolving facility for a total amount of EUR 60,000,000 (sixty million euros) (the "**Revolving Facility**").

Subject to the relevant terms of the Facilities Agreement, the Investment Facility was made available, among other things, for the purpose of (i) refinancing the term investment facility taken out for the implementation of the project of building a biomass drying and pellet production installation (the "**Project**"), granted under the term and revolving facilities agreement, the conclusion of which was announced by the Company in report No. 12/2021 dated April 2, 2021, and the amendment of which, through the receipt of a term investment facility for the implementation of the Project, was announced by the Company in report No. 19/2023 dated November 8, 2023, and (ii) further financing of the implementation of the Project.

Subject to the applicable terms of the Facilities Agreement, amounts raised under the Revolving Facility may be used, among other things, (i) to refinance the revolving facility granted under the term and revolving facility agreement, the conclusion of which was announced by the Company in report No. 12/2021 dated April 2, 2021, and report No. 19/2023 dated November 8, 2023, and (ii) for general corporate purposes and to cover the working capital of the Company and some of its subsidiaries (including the granting of intra-group loans in any form).

The disbursement of funds under the Facilities Agreement will be subject to the Company and the Guarantors meeting the standard conditions precedent specified in the Facilities Agreement.

The remaining term loan facility granted to the Company under the term and revolving facility agreement, the conclusion of which was announced by the Company in report No. 12/2021 of April 2, 2021 and report No. 19/2023 of November 8, 2023, will be repaid from the Company's own funds before financing is made available under the Facilities Agreement.

Pursuant to the terms of the Facilities Agreement, the interest rate on the Facilities is variable, determined based on the EURIBOR base rate and an agreed margin for the Investment Facility and the Revolving Facility.

Pursuant to the Facilities Agreement, the respective Facilities will be repaid on the following dates:

- (i) in the case of the Investment Facility – on the date falling five years after the date of the Facilities Agreement; and
- (ii) in the case of the Revolving Facility – on the date falling three years after the date of the Facilities Agreement, with the option to extend it for two additional one-year periods or one two-year period (provided that the agreed extension conditions are met).

The Investment Facility is repayable according to the following terms: 67.5 percent of the disbursed amount of the Investment Facility is repayable in equal semi-annual installments starting in May 2026, and the remaining amount of the Investment Facility is repayable on its final repayment date.

The Revolving Facility is repayable on its final repayment date

To secure the claims of the Lenders under the Facilities Agreement and other related finance documents, the Company and the Guarantors will establish, amongst others, the following security interests: registered pledge and financial pledge over shares in Arctic Paper Kostrzyn S.A., pledges over shares in companies incorporated under Swedish law, i.e. Arctic Paper Munkedals AB and Arctic Paper Grycksbo AB, statements on submission to enforcement by the Company and Arctic Paper Kostrzyn S.A., registered pledges and financial pledges over bank accounts of the Company and Arctic Paper Kostrzyn S.A., pledges over bank accounts of Arctic Paper Munkedals AB and Arctic Paper Grycksbo AB, mortgages established on real properties of the Company and Arctic Paper Kostrzyn S.A., registered pledge over assets of Arctic Paper Kostrzyn S.A. and security assignment agreements to secure rights under property insurance policies.

Supplementary information

The Management Board position on the possibility to achieve the projected financial results published earlier

The Management Board of Arctic Paper S.A. has not published the projected financial results for 2025.

Composition of the supervisory and management bodies at Arctic Paper S.A.

As at 30 September 2025, the Company's Supervisory Board was composed of:

- Per Lundeen – Chairman of the Supervisory Board appointed on 14 September 2016;
- Roger Mattsson – Deputy Chairman of the Supervisory Board appointed on 16 September 2014;
- Thomas Onstad – Member of the Supervisory Board appointed on 22 October 2008;
- Zofia Dzik – Member of the Supervisory Board appointed on 22 June 2021;
- Anna Jakubowski – Member of the Supervisory Board appointed on 22 June 2021.

Until the date hereof, there were no changes to the composition of the Supervisory Board of the Parent Company.

As at 30 September 2025, the Parent Company's Management Board was composed of:

- Michał Jarczyński – President of the Management Board appointed on 10 December 2018, with effect from 1 February 2019;
- Katarzyna Wojtkowiak – Member of the Management Board appointed on 29 May 2023;
- Fabian Langenskiöld – Member of the Management Board appointed on 14 August 2023.

Until the date hereof, there were no changes to the composition of the Management Board of the Parent Company.

Information on sureties and guarantees granted in three quarters of 2025

During the period covered by this report, the Company and the Group did not issue any new sureties or guarantees.

Information on court and arbitration proceedings and proceedings pending before public administrative authorities

In the period covered by this report, Arctic Paper S.A. and its subsidiaries were not a party to any material proceedings pending before a court, a competent authority for arbitration proceedings or a public administration authority.

Information on transactions with related parties executed on non-market terms and conditions

During the period under report, Arctic Paper S.A. and its subsidiaries did not execute any material transactions with related parties on non-market terms and conditions.

Signatures of the Members of the Management Board

Position	First and last name	Date	Signature
President of the Management Board CEO	Michał Jarczyński	06 November 2025	signed with a qualified electronic signature
Member of the Management Board Chief Financial Officer	Katarzyna Wojtkowiak	06 November 2025	signed with a qualified electronic signature
Member of the Management Board Vice-President for Sales and Marketing	Fabian Langenskiöld	06 November 2025	signed with a qualified electronic signature

Interim abbreviated financial statements

for the period of nine months
ended on 30 September 2025

Interim abbreviated consolidated financial statements

Interim abbreviated consolidated statement of profit and loss

	3-month period ended on 30 September 2025 (unaudited)	9-month period ended on 30 September 2025 (unaudited)	3-month period ended on 30 September 2024 (unaudited)	9-month period ended on 30 September 2024 (unaudited)
Continuing operations				
Revenue from sales of products	796 224	2 452 449	819 282	2 623 866
Sales revenue	796 224	2 452 449	819 282	2 623 866
Costs of sales	(687 443)	(2 146 509)	(659 822)	(2 105 627)
Profit/(loss) on sales	108 781	305 940	159 460	518 239
Selling and distribution costs	(86 145)	(261 687)	(90 357)	(269 736)
Administrative expenses	(26 707)	(98 935)	(26 107)	(86 110)
Other operating income	8 764	20 145	63 752	8 764
Other operating expenses	(11 584)	(102 901)	(4 229)	(38 600)
Operating profit/(loss)	4 490	(93 831)	47 530	173 013
Finance income	226	3 033	(3 683)	8 724
Finance costs	(11 809)	(32 927)	(2 558)	(10 107)
Gross profit/(loss)	(7 093)	(123 725)	41 290	171 630
Income tax	5 926	23 713	(4 681)	(29 300)
Net profit/(loss)	(1 167)	(100 012)	36 609	142 330
Attributable to:				
The shareholders of the Parent Company	2 084	(56 761)	30 781	131 196
Non-controlling shareholders	(3 251)	(43 251)	5 828	11 134
	(1 167)	(100 012)	36 609	142 330
Earnings per share:				
– basic earnings from the profit/(loss) attributable to the shareholders of the Parent Company	0,03	(0,82)	0,44	1,89
– diluted earnings from the profit attributable to the shareholders of the Parent Company	0,03	(0,82)	0,44	1,89

Interim abbreviated consolidated statement of comprehensive income

	3-month period ended on 30 September 2025 (unaudited)	9-month period ended on 30 September 2025 (unaudited)	3-month period ended on 30 September 2024 (unaudited)	9-month period ended on 30 September 2024 (unaudited)
Profit for the reporting period	(1 167)	(100 012)	36 609	142 330
Other comprehensive income				
<i>Items to be reclassified to profit/(loss) in future reporting periods:</i>				
FX differences on translation of foreign operations	9 488	37 310	10 760	(25 003)
Measurement of financial instruments	17 521	13 995	(12 617)	(62 244)
Deferred tax on the measurement of financial instruments	(3 080)	(2 699)	(2 950)	7 209
<i>Items that were reclassified to profit/(loss) during the reporting period:</i>				
Measurement of financial instruments	219	2 166	3 255	2 855
Deferred tax on the measurement of financial instruments	331	-	(670)	(588)
Other net comprehensive income	24 478	50 772	(2 223)	(77 771)
Total comprehensive income for the period	23 311	(49 240)	34 386	64 560
Total comprehensive income attributable to:				
The shareholders of the Parent Company	17 671	(21 133)	28 110	76 972
Non-controlling shareholders	5 641	(28 107)	6 276	(12 413)

Interim abbreviated consolidated statement of financial position

	As at 30 September 2025 (unaudited)	As at 30 June 2025 (after review)	As at 31 December 2024 (audited)	As at 30 September 2024 (unaudited)
ASSETS				
Non-current assets				
Property plant and equipment	1 476 888	1 423 405	1 419 069	1 342 752
Investment properties	-	-	-	1 751
Intangible assets	68 848	73 050	38 202	45 415
Goodwill	8 102	8 001	7 835	7 957
Interest in joint ventures	4 795	4 796	5 162	5 123
Other financial assets	16 091	14 678	15 547	23 575
Other non-financial assets	232	232	162	163
Deferred tax assets	27 338	6 449	6 453	1 562
	1 602 662	1 530 937	1 492 328	1 427 970
Current assets				
Inventories	484 869	494 277	495 044	511 867
Trade and other receivables	461 119	456 081	428 773	476 777
Corporate income tax receivables	35 597	30 053	16 158	23 780
Other non-financial assets	42 608	35 068	33 318	21 950
Other financial assets	11 092	1 297	3 760	6 638
Cash and cash equivalents	148 319	233 606	287 583	254 463
	1 183 603	1 250 382	1 264 634	1 295 476
TOTAL ASSETS	2 786 265	2 781 318	2 756 962	2 723 447

	As at 30 September 2025 (unaudited)	As at 30 June 2025 (after review)	As at 31 December 2024 (audited)	As at 30 September 2024 (unaudited)
EQUITY AND LIABILITIES				
Equity				
Share capital	69 288	69 288	69 288	69 288
Supplementary capital	625 733	625 733	625 733	625 733
Other reserves	346 365	334 511	138 750	148 252
FX differences on translation	(119 092)	(122 828)	(144 397)	(132 341)
Retained earnings/Accumulated losses	511 867	509 782	765 920	742 016
	1 434 160	1 416 487	1 455 294	1 452 947
Non-controlling interests	335 112	279 680	313 429	329 828
Total equity	1 769 274	1 696 167	1 768 722	1 782 776
Non-current liabilities				
Interest-bearing loans	166 446	169 385	179 108	84 453
Provisions	12 455	12 011	13 365	5 102
Employee liabilities	20 432	20 388	20 432	19 637
Other financial liabilities	37 353	46 804	45 740	39 880
Deferred tax liability	107 391	92 148	110 319	109 761
Grants and deferred income	5 185	5 610	6 596	7 080
	349 261	346 346	375 560	265 913
Current liabilities				
Interest-bearing loans	92 949	173 722	52 647	95 606
Provisions	617	3 504	365	298
Other financial liabilities	6 819	7 880	8 716	6 999
Trade and other payables	437 315	434 238	427 154	447 744
Employee liabilities	95 224	106 219	96 743	91 330
Income tax liability	531	362	17 928	24 932
Grants and deferred income	34 275	12 880	9 127	7 853
	667 730	738 804	612 680	674 762
TOTAL LIABILITIES	1 016 990	1 085 150	988 240	940 673
TOTAL EQUITY AND LIABILITIES	2 786 265	2 781 318	2 756 962	2 723 447

Interim abbreviated consolidated statement of cash flows

	3-month period ended on 30 September 2025 (unaudited)	9-month period ended on 30 September 2025 (unaudited)	3-month period ended on 30 September 2024 (unaudited)	9-month period ended on 30 September 2024 (unaudited)
Cash flows from operating activities				
Gross profit/(loss)	(7 093)	(123 725)	41 290	171 630
Adjustments for:				
Depreciation/amortisation	34 357	102 115	29 816	86 751
Impairment	70	53 494	-	-
FX gains/(loss)	3 876	6 208	3 711	(3 882)
Interest, net	2 897	10 655	(2 238)	4 294
Profit/(loss) from investing activities	390	1 496	1 743	3 787
(Increase) / decrease in receivables and other non-financial assets	(9 570)	(28 090)	(16 785)	(71 235)
(Increase) / decrease in inventories	14 327	23 432	(6 471)	(78 335)
Increase (decrease) of liabilities except loans, borrowings, bonds and other financial liabilities	(21 304)	(5 250)	20 195	(21 304)
Change in provisions	472	567	183	(767)
Change in non-financial assets	2 798	(3 924)	(9 003)	-
Income tax paid	(11 237)	(53 475)	(11 959)	(50 731)
Movement in pension provisions and employee liability	(10 397)	(12 149)	(4 177)	(10 397)
Change in grants and deferred income	20 873	23 529	(2 256)	(1 715)
Co-generation certificates and CO2 emission rights	-	-	(834)	11 693
Change in settlement of realised forward contracts that meet hedge accounting rules	(8 466)	(3 217)	1 450	1 450
Other	121	(113)	(89)	3
Net cash flows from operating activities	26 417	24 970	(3 144)	79 060
Cash flows from investing activities				
Disposal of property, plant and equipment and intangible assets	-	126	(381)	418
Purchase of property, plant and equipment and intangible assets	(65 498)	(223 141)	(106 987)	(286 874)
Inflows from forward contracts not meeting hedge accounting rules	-	-	367	3 392
Net cash flows from investing activities	(65 498)	(223 015)	(107 001)	(283 063)
Cash flows from financing activities				
Change to overdraft facilities	16 596	136 919	34 253	53 213
Repayment of leasing liabilities	(829)	(4 507)	(2 763)	(6 971)
Inflows/repayment of other financial liabilities	-	-	5	4
Proceeds/repayment of other financial liabilities	21 518	37 816	32 029	33 546
Inflows under loans	(124 400)	(152 450)	(4 209)	(27 609)
Repayment of loans	-	-	-	(69 288)
Dividend disbursed to shareholders of AP SA	-	-	(952)	(14 932)
Dividend paid to non-controlling shareholders	(1 063)	(2 327)	(938)	(3 846)
Share issue	41 658	41 658	-	-
Net cash flows from financing activities	(46 521)	57 108	57 426	(35 883)
Increase/(decrease) in cash and cash equivalents	(85 601)	(140 937)	(53 019)	(239 886)
Net FX differences	313	1 673	(490)	(6 100)
Cash and cash equivalents at the beginning of the period	233 606	287 583	307 672	500 449
Cash and cash equivalents at the end of the period	148 319	148 319	254 463	254 463

Interim abbreviated consolidated statement of changes in equity

Attributable to the shareholders of the Parent Company								
	Share capital	Supplementary capital	FX differences on translation of foreign operations	Other reserves	Retained earnings (Accumulated losses)	Total	Equity attributable to non-controlling shareholders	Total equity
As at 1 January 2025	69 288	625 733	(144 397)	138 749	765 920	1 455 293	313 428	1 768 721
Net profit/(loss) for the period	-	-	-	-	(56 761)	(56 761)	(43 251)	(100 012)
Other net comprehensive income for the period	-	-	25 304	10 324	-	35 628	15 144	50 772
Total comprehensive income for the period	-	-	25 304	10 324	(56 761)	(21 133)	(28 107)	(49 240)
Profit distribution /Dividend to AP SA shareholders	-	-	-	-	-	-	49 791	49 791
Dividend distribution to non-controlling entities	-	-	-	-	-	-	-	-
Financial profit distribution	-	-	-	197 292	(197 292)	-	-	-
As at 30 September 2025 (unaudited)	69 288	625 733	(119 092)	346 365	511 867	1 434 160	335 112	1 769 272

Attributable to the shareholders of the Parent Company								
	Share capital	Supplementary capital	FX differences on translation of foreign operations	Other reserves	Retained earnings (Accumulated losses)	Total	Equity attributable to non-controlling shareholders	Total equity
As at 1 January 2024	69 288	443 805	(107 339)	175 639	862 036	1 443 427	358 081	1 801 508
Net profit/(loss) for the period	-	-	-	-	131 196	131 196	11 134	142 330
Other net comprehensive income for the period	-	-	(25 003)	(27 387)	-	(52 390)	(25 409)	(77 799)
Total comprehensive income for the period	-	-	(25 003)	(27 387)	131 196	78 809	(14 275)	64 535
Profit distribution /Dividend to AP SA shareholders	-	-	-	-	(69 288)	(69 288)	-	(69 288)
Dividend distribution to non-controlling entities	-	-	-	-	-	-	(13 980)	(13 980)
Financial profit distribution	-	181 928	-	-	(181 928)	-	-	-
As at 30 September 2024 (unaudited)	69 288	625 733	(132 342)	148 252	742 016	1 452 947	329 828	1 782 775

Interim abbreviated separate financial statements

Interim abbreviated separate profit and loss statement

	3-month period ended on 30 September 2025 (unaudited)	9-month period ended on 30 September 2025 (unaudited)	3-month period ended on 30 September 2024 (unaudited)	9-month period ended on 30 September 2024 (unaudited)
Continuing operations				
Revenue from sales of services	3 851	11 335	4 231	10 964
Interest income on loans	639	2 290	607	1 642
Dividend income	1 465	45 243	500	106 097
Sales revenue	5 955	58 868	5 338	118 703
Interest expense to related parties and costs of sales of logistics services	(2 760)	(8 856)	(2 535)	(7 947)
Profit/(loss) on sales	3 195	50 012	2 803	110 756
Administrative expenses	(4 514)	(15 103)	(5 167)	(16 265)
Impairment allowances to assets	-	(424)	-	-
Other operating income	74	110	137	150
Other operating expenses	(23)	(109)	(166)	(212)
Operating profit/(loss)	(1 268)	34 486	(2 393)	94 429
Finance income	2 227	5 416	2 644	6 282
Finance costs	(2 621)	(5 853)	(763)	(4 333)
Gross profit/(loss)	(1 662)	34 049	(512)	96 378
Income tax	-	-	910	3 051
Net profit/(loss) for the financial year	(1 662)	34 049	398	99 429
Earnings per share:				
– basic earnings from the profit/(loss) for the period (in PLN)	(0,02)	0,49	0,01	1,44
– basic earnings from the profit/(loss) from continuing operations for the period (in PLN)	(0,02)	0,49	0,01	1,44

Interim abbreviated separate statement of comprehensive income

	3-month period ended on 30 September 2025 (unaudited)	9-month period ended on 30 September 2025 (unaudited)	3-month period ended on 30 September 2024 (unaudited)	9-month period ended on 30 September 2024 (unaudited)
Net profit/(loss) for the reporting period	(1 662)	34 049	398	99 429
<i>Items to be reclassified to profit/(loss) in future reporting periods:</i>				
Measurement of financial instruments	212	(1 007)	747	(1 636)
Deferred tax on the measurement of financial instruments	(40)	191	-	169
FX differences on translation of foreign operations	111	(293)	(4)	300
Other net comprehensive income	282	(1 108)	744	(1 167)
Total comprehensive income	(1 380)	32 941	1 142	98 262

Interim abbreviated separate statement of financial position

	As at 30 September 2025 (unaudited)	As at 30 June 2025 (after review)	As at 31 December 2024	As at 30 September 2024 (unaudited)
ASSETS				
Non-current assets				
Property plant and equipment	1 054	952	1 174	1 283
Intangible assets	1 319	1 319	1 319	1 321
Shares in subsidiaries and joint ventures	1 142 283	1 073 152	1 070 752	960 977
Other financial assets	52 856	48 509	51 218	38 087
Deferred tax	5 739	5 739	5 739	1 283
	1 203 251	1 129 671	1 130 202	1 002 951
Current assets				
Trade and other receivables	21 412	18 718	17 606	15 222
Income tax receivables	1 119	1 101	6 118	6 174
Other financial assets	2 763	2 409	197	8 831
Other non-financial assets	13 381	13 800	10 349	10 056
Cash and cash equivalents	16 234	92 699	176 985	126 287
	54 909	128 728	211 256	166 570
TOTAL ASSETS	1 258 160	1 258 399	1 341 458	1 169 521
EQUITY AND LIABILITIES				
Equity				
Share capital	69 288	69 288	69 288	69 288
Supplementary capital	625 736	823 028	625 736	625 736
Other reserves	333 064	135 944	136 588	136 831
FX differences on translation	2 279	2 389	2 571	2 438
Retained earnings/Accumulated losses	(32 723)	(31 061)	130 520	32 657
Total equity	997 644	999 588	964 703	866 949
Non-current liabilities				
Interest-bearing loans, borrowings and bonds	32 420	28 222	38 602	37 287
Deferred tax liability	2 770	2 810	2 961	2 401
	35 190	31 032	41 563	39 688
Current liabilities				
Interest-bearing loans, borrowings and bonds	200 881	194 989	304 269	237 662
Trade payables	21 024	19 681	17 829	20 789
Other financial liabilities	-	-	17	26
Other current liabilities	297	10 523	9 274	1 923
Employee liabilities	3 124	2 586	3 803	2 487
	225 326	227 779	335 192	262 887
TOTAL LIABILITIES	260 516	258 811	376 755	302 575
TOTAL EQUITY AND LIABILITIES	1 258 160	1 258 399	1 341 458	1 169 521

Interim abbreviated separate statement of cash flows

	3-month period ended on 30 September 2025 (unaudited)	9-month period ended on 30 September 2025 (unaudited)	3-month period ended on 30 September 2024 (unaudited)	9-month period ended on 30 September 2024 (unaudited)
Cash flows from operating activities				
Gross profit/(loss)	(1 662)	34 049	(512)	96 378
Adjustments for:				
Depreciation/amortisation	91	310	111	313
FX gains/(loss)	(284)	(2 994)	(319)	663
Net interest and dividends	1 342	2 140	110	630
Profit/(loss) from investing activities	(123)	(123)	(30)	(30)
Increase / decrease in receivables and other non-financial assets	(2 275)	(6 838)	99	(1 427)
Change in liabilities excluding loans and borrowings and other financial liabilities	(8 345)	(6 460)	(507)	1 816
Income tax	(18)	4 999	(1 045)	(2 493)
Change to liabilities due to cash-pooling	(10 918)	(144 374)	(40 054)	(140 996)
Increase / decrease of loans granted to subsidiaries	(4 912)	(5 211)	1 166	(5 963)
Interest received on loans granted and cash-pooling	687	2 384	272	1 097
Interest paid under cash-pooling	(719)	(2 450)	(533)	(1 884)
Other	(275)	(161)	-	-
Net cash flows from operating activities	(27 411)	(124 729)	(41 241)	(51 897)
Cash flows from investing activities				
Disposal of property, plant and equipment and intangible assets	123	123	177	177
Purchase of property, plant and equipment and intangible assets	(193)	(193)	-	(708)
Increase of interests in subsidiaries	(69 131)	(71 531)	-	-
Net cash flows from investing activities	(69 201)	(71 601)	177	(531)
Cash flows from financing activities				
Repayment of leasing liabilities	-	(17)	(17)	(31)
Repayment of borrowing liabilities	-	(14 321)	-	(14 347)
Change in working capital loans	16 468	39 484	-	-
Loans received	4 323	10 150	-	-
Interest paid	(1 107)	(2 375)	(57)	(821)
Dividend paid	-	-	-	(69 288)
Net cash flows from financing activities	19 684	32 921	(74)	(84 487)
Cash and cash equivalents at the beginning of the period	92 699	176 985	167 309	264 150
Change in cash and cash equivalents	(76 928)	(163 409)	(41 139)	(136 914)
Net FX differences	463	2 658	117	(946)
Cash and cash equivalents at the end of the period	16 234	16 234	126 287	126 287

Interim abbreviated separate statement of changes in equity

Attributable to the shareholders of the Parent Company						
	Share capital	Supplementary capital	FX differences on translation of foreign operations	Other reserves	Retained earnings (Accumulated losses)	Total equity
As at 01 January 2025	69 288	625 736	2 571	136 588	130 520	964 703
Net profit for the period	-	-	-		34 049	34 049
Other net comprehensive income for the period	-	-	(293)	(815)	-	(1 108)
Total comprehensive income for the period	-	-	(293)	(815)	34 049	32 941
Financial profit distribution	-		-	197 292	(197 292)	-
Dividend distribution	-		-			-
As at 30 September 2025 (unaudited)	69 288	625 736	2 279	333 064	(32 723)	997 644

Attributable to the shareholders of the Parent Company						
	Share capital	Supplementary capital	FX differences on translation of foreign operations	Other reserves	Retained earnings (Accumulated losses)	Total equity
As at 01 January 2024	69 288	443 808	2 138	138 298	184 444	837 975
Net profit for the period	-	-	-	-	99 429	99 429
Other net comprehensive income for the period	-	-	300	(1 467)	-	(1 167)
Total comprehensive income for the period	-	-	300	(1 467)	99 429	98 262
Financial profit distribution	-	181 928	-	-	(181 928)	-
Dividend distribution	-	-	-	-	(69 288)	(69 288)
As at 30 September 2024 (unaudited)	69 288	625 736	2 438	136 831	32 657	866 949

Additional explanatory notes

1. General information

The Arctic Paper Group is a paper and pulp producer. We offer voluminous book paper and a wide range of products in this segment, as well as high-grade graphic paper. The Group produces numerous types of uncoated and coated wood-free paper as well as wood-containing uncoated paper for printing houses, paper distributors, book and magazine publishing houses and the advertising industry. The Arctic Paper Group employs around 1,500 people in its paper mills, paper sales and pulp companies, purchasing office and food packaging company. Our Paper Mills are located in Poland and in Sweden. Pulp Mills are located in Sweden. The Group had 13 Sales Offices providing access to all European markets, including Central and Eastern Europe. Our consolidated sales revenue for the period of 9 months of 2025 amounted to PLN 2,452 million.

Arctic Paper S.A. is a holding company set up in April 2008. As a result of capital restructuring carried out in 2008, the Paper Mills Arctic Paper Kostrzyn (Poland) and Arctic Paper Munkedals (Sweden), Distribution Companies and Sales Offices have become the properties of Arctic Paper S.A. Previously they were owned by Trebruk AB (formerly Arctic Paper AB), the parent company of Arctic Paper S.A. In addition, under the expansion, the Group acquired the Paper Mill Arctic Paper Mochenwangen (Germany) in November 2008 and the Paper Mill Grycksbo (Sweden) in March 2010. In 2012, the Group acquired shares in Rottneros AB, a NASDAQ-listed company in Stockholm with interests in two pulp mills (Sweden). In 2020, the Group took control of Nykvist Skogs AB, a company of private forest owners in Sweden.

The Parent Company is entered in the register of entrepreneurs of the National Court Register maintained by the District Court in Zielona Góra, 8th Commercial Division of the National Court Register, under KRS number 0000306944. The Parent Company holds statistical number REGON 080262255. The company's registered office is located in Poland, in Kostrzyn nad Odrą (ul. Fabryczna 1). The Company has a foreign branch in Göteborg, Sweden.

The interim abbreviated consolidated financial statements of the Group for 9 months of 2025 cover:

- interim abbreviated consolidated statement of profit and loss, statement of comprehensive income and a statement of cash flows for the periods of three and nine months ended on 30 September 2025 and contain comparable data for the same periods ended on 30 September 2024;
- interim abbreviated statement of changes in equity for the period of nine months ended on 30 September 2025 and comparative data for the same period ended on 30 September 2024;
- interim abbreviated consolidated statement of financial condition as of 30 September 2025 and comparative data as of 30 June 2025, 31 December 2024 and 30 September 2024.

1.1. Group Profile

The principal business of the Arctic Paper Group is the production of paper and pulp.

The Group's additional business, subordinate to paper and pulp production, covers:

- Generation of electricity,
- Transmission of electricity,
- Electricity distribution,
- Heat production,
- Heat distribution,
- Logistics services,
- Paper and pulp distribution.

1.2. Shareholding structure

Nemus Holding AB, a company under Swedish law (a company owned indirectly by Mr Thomas Onstad), is the majority shareholder of Arctic Paper S.A., holding (as at 30 September 2025) 41,374,890 shares of our Company, which constitutes 59.71% of its share capital and corresponds to 59.71% of the total number of votes at General Meetings. Thus, Nemus Holding AB is the Parent Company of the Issuer.

Additionally, Mr Thomas Onstad, an indirect shareholder of Nemus Holding AB, holds directly 5,323,658 shares representing 7.68% of the total number of shares in the Company, and via another entity – 600,000 shares accounting for 0.87% of the total number of shares of the Issuer. Mr Thomas Onstad's total direct and indirect holding in the capital of Arctic Paper S.A. as at 30 September 2025 was 68.26% and has not changed until the date hereof.

The ultimate parent company of the Group that prepares the consolidated financial statements is Nemus Holding AB. The top owner of the Group is Mr. Thomas Onstad.

2. Composition of the Group

The Group is composed of Arctic Paper S.A. and the following subsidiaries:

Unit	Registered office	Group Profile	Group's interest in the equity of the subsidiaries as at			
			06 November 2025	30 September 2025	08 August 2025	31 December 2024
Arctic Paper Kostrzyn S.A.	Poland, Fabryczna 1, 66-470 Kostrzyn nad Odrą	Paper production	100%	100%	100%	100%
Arctic Paper Munkedals AB	Sweden, SE 455 81 Munkedal	Paper production	100%	100%	100%	100%
Arctic Paper Mochenwangen GmbH	Germany, Am Sandtorkai 72, D-20457 Hamburg	Non-operating company, previously paper production	99,74%	99,74%	99,74%	99,74%
Arctic Paper Grycksbo AB	Sweden, Box 1, SE 790 20 Grycksbo	Paper production	100%	100%	100%	100%
Arctic Paper UK Limited	United Kingdom, 8 St Thomas Street SE1 9RR London	Trading company	100%	100%	100%	100%
Arctic Paper Baltic States SIA	Latvia, K. Vardemara iela 33-20, Riga LV-1010	Trading company	100%	100%	100%	100%
Arctic Paper Deutschland GmbH	Germany, Am Sandtorkai 72, D-20457 Hamburg	Trading company	100%	100%	100%	100%
Arctic Paper Benelux S.A.	Belgium, Interleuvenlaan 62, bus 14 3001 Heverlee	Trading company	100%	100%	100%	100%
Arctic Paper Schweiz AG	Switzerland, Gutenbergstrasse 1, CH-4552 Derendingen	Trading company	100%	100%	100%	100%
Arctic Paper Italia srl	Italy, Via Chiaravalle 7, 20-122 Milano	Trading company	100%	100%	100%	100%
Arctic Paper Danmark A/S	Denmark, Korskindelund 6 DK-2670 Greve	Trading company	100%	100%	100%	100%
Arctic Paper France SAS	France, 30 rue du Chateau des Rentiers, 75013 Paris	Trading company	100%	100%	100%	100%
Arctic Paper Espana SL	Spain, Avenida Diagonal 472-474, 9-1 Barcelona	Trading company	100%	100%	100%	100%
Arctic Paper Papierhandels GmbH	Austria, Hainborgerstrasse 34A, A-1030 Wien	Trading company	100%	100%	100%	100%

Unit	Registered office	Group Profile	Group's interest in the equity of the subsidiaries as at			
			06 November 2025	30 September 2025	12 August 2025	31 December 2024
Arctic Paper Polska Sp. z o.o.	Poland, Okrężna 9, 02-916 Warszawa	Trading company	100%	100%	100%	100%
Arctic Paper Norge AS	Norway, Eikenga 11-15, NO-0579 Oslo	Trading company	100%	100%	100%	100%
Arctic Paper Sverige AB	Sweden, SE 455 81 Munkedal	Trading company	100%	100%	100%	100%
Arctic Power Sp.z o.o. (formerly Arctic Paper East Sp. z o.o.)	Poland, Fabryczna 1, 66-470 Kostrzyn nad Odrą	Production of energy	100%	100%	100%	100%
Arctic Paper Investment GmbH *	Germany, Am Sandtorkai 72, D-20457 Hamburg	Activities of holding companies	100%	100%	100%	100%
Arctic Paper Finance AB	Sweden, Box 383, 401 26 Göteborg	Activities of holding companies	100%	100%	100%	100%
Arctic Paper Verwaltungs GmbH *	Germany, Am Sandtorkai 72, D-20457 Hamburg	Activities of holding companies	NA***	100%	100%	100%
Arctic Paper Immobilienverwaltung GmbH&Co. KG*	Germany, Am Sandtorkai 72, D-20457 Hamburg	Activities of holding companies	NA***	94,90%	94,90%	94,90%
Arctic Paper Investment AB **	Sweden, Box 383, 401 26 Göteborg	Activities of holding companies	100%	100%	100%	100%
EC Kostrzyn Sp. z o.o.	Poland, ul. Fabryczna 1, 66-470 Kostrzyn nad Odrą	Rental of properties and machines and equipment	NA***	100%	100%	100%
Munkedals Kraft AB	Sweden, 455 81 Munkedal	Production of hydropower	100%	100%	100%	100%
Kostrzyn Packaging Spółka z o.o.	Poland, ul. Fabryczna 1, 66-470 Kostrzyn nad Odrą	Production of packaging	77,51%	77,51%	77,51%	75,65%
Rottneros AB	Sweden, Söderhamn	Activities of holding companies	55,02%	55,02%	55,02%	51,27%
Rottneros Bruk AB	Sweden, Rottneros	Pulp production	55,02%	55,02%	55,02%	51,27%
Utansjö Bruk AB	Sweden, Söderhamn	Non-operating company	55,02%	55,02%	55,02%	51,27%
Vallviks Bruk AB	Sweden, Vallvik	Pulp production	55,02%	55,02%	55,02%	51,27%
Nykvist Skogs AB	Sweden, Gräsmark	Company grouping forest owners	55,02%	55,02%	55,02%	51,27%
Rottneros Packaging AB	Sweden, Sunne	Production of food packaging	55,02%	55,02%	55,02%	51,27%
SIA Rottneros Baltic	Latvia, Ventspils	Procurement bureau	55,02%	55,02%	55,02%	51,27%
Project Frost APM AB***	Sweden, SE 455 81 Munkedal	Energy storage	100%	100%	100%	100%
Project Frost APG AB***	Sweden, SE 455 81 Munkedal	Energy storage	100%	100%	100%	100%

* – companies established for the purpose of the acquisition of Arctic Paper Mochenwangen GmbH

** – the company established for the purpose of the acquisition of Grycksbo Paper Holding AB

***- companies liquidated due to the simplification of the group structure

As at 30 September 2025, and as well as on the day hereof, the percentage of voting rights held by the Group in its subsidiaries corresponded to the percentage held in the share capital of those entities. All subsidiaries within the Group are consolidated under the full method from the day of obtaining control by the Group and cease to be consolidated from the day the control has been transferred out of the Group.

3. Management and supervisory bodies

3.1. Management Board of the Parent Company

As at 30 September 2025, the Parent Company's Management Board was composed of:

- Michał Jarczyński – President of the Management Board appointed on 10 December 2018, with effect from 1 February 2019;
- Katarzyna Wojtkowiak – Member of the Management Board appointed on 29 May 2023;
- Fabian Langenskiöld – Member of the Management Board appointed on 14 August 2023.

Until the date hereof, there were no other changes to the composition of the Management Board of the Parent Company.

3.2. Supervisory Board of the Parent Company

As at 30 September 2025, the Parent Company's Supervisory Board was composed of:

- Per Lundeen – Chair of the Supervisory Board appointed on 22 September 2016 (appointed to the Supervisory Board on 14 September 2016);
- Roger Mattsson – Deputy Chair of the Supervisory Board appointed on 22 September 2016 (appointed as a Member of the Supervisory Board on 14 September 2014);
- Thomas Onstad – Member of the Supervisory Board appointed on 22 October 2008;
- Zofia Dzik – Member of the Supervisory Board appointed on 22 June 2021;
- Anna Jakubowski – Member of the Supervisory Board appointed on 22 June 2021.

Until the date hereof, there were no changes to the composition of the Supervisory Board of the Parent Company.

3.3. Audit Committee of the Parent Company

As at 30 September 2025, the Parent Company's Audit Committee was composed of:

- Anna Jakubowski – Chair of the Audit Committee appointed on 22 June 2021 (appointed as Member of the Audit Committee on 5 August 2021);
- Zofia Dzik – Member of the Audit Committee appointed on 22 June 2021 (appointed as Member of the Audit Committee on 5 August 2021);
- Roger Mattsson – Audit Committee Member appointed on 14 September 2014 (appointed as Audit Committee Member on 23 June 2016).

Until the date hereof, there were no changes in the composition of the Audit Committee of the Parent Company.

4. Approval of the financial statements

These interim abbreviated consolidated financial statements were approved for publication by the Management Board on 06 November 2025.

5. Basis of preparation of the interim abbreviated consolidated financial statements

These interim abbreviated consolidated financial statements were prepared in accordance with the requirements of International Accounting Standard No. 34 and the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and on conditions under which information required by legal regulations of a third country may be recognised as equivalent (Journal of Laws of 2018, item 757).

These interim abbreviated consolidated financial statements have been presented in Polish zloty ("PLN") and all values are rounded to the nearest thousand (PLN '000) except as stated otherwise.

These interim abbreviated consolidated financial statements have been prepared based on the assumption that the Group will continue as a going concern in the foreseeable future.

The interim abbreviated consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended on 31 December 2024.

In connection with the term and revolving credit facility agreements signed on 2 April 2021, the Group has committed to meeting certain financial ratios, which are calculated at the end of each quarter. As of 30 September 2025, the Group has met the financial ratios required by the above-mentioned loan agreement with the consortium of financing banks (Santander Bank S.A, Bank BNP Paribas S.A. and Pekao SA).

6. Significant accounting principles (policies)

The accounting principles (policies) applied to prepare the interim abbreviated consolidated financial statements are compliant with those applied to the annual consolidated financial statements of the Group for the year ended on 31 December 2024, except for those presented below.

a) Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates"

In August 2023 the Board published amendments to IAS 21 "The Effects of Changes in FX Rates". The changes introduced are intended to make it easier for entities to determine whether a currency is convertible into another currency and to estimate the immediate FX rate when a currency is not convertible. In addition, the amendments to the standard require additional disclosures in the case of non-convertibility on how the alternative exchange rate was determined.

6.1. Published standards and interpretations not yet in force and not previously applied by the Group

In these interim consolidated financial statements, the Group has not decided to early apply the following published standards, interpretations or amendments to existing standards before their effective date:

a) Changes in the classification and measurement of financial instruments – Amendments to IFRS 9 and IFRS 7.

In May 2024, the IASB published amendments to IFRS 9 and IFRS 7 to:

1. clarify the recognition and derecognition dates for certain financial assets and liabilities, with an exemption for certain financial liabilities settled through electronic funds transfer;
2. clarify and add further guidance on assessing whether a financial asset meets the SPPI criteria;
3. add new disclosures for certain instruments whose contractual terms may alter cash flows; and
4. update disclosures on equity instruments measured at fair value through other comprehensive income (FVOCI).

The published amendments are effective for financial statements for periods beginning on or after 1 January 2026.

b) Annual Improvements to IFRSs

“Annual Improvements to IFRS” introduces changes to the standards: IFRS 1 “First-time Adoption of International Financial Reporting Standards”, IFRS 7 “Financial Instruments: Disclosures”, IFRS 9 “Financial Instruments”, IFRS 10 “Consolidated Financial Statements” and IAS 7 “Statement of Cash Flows”.

The amendments provide clarifications and clarify the standards' guidance on recognition and measurement.

The published amendments are effective for financial statements for periods beginning on or after 1 January 2026.

c) Contracts relating to electricity dependent on natural factors: Amendments to IFRS 9 and IFRS 7

In December 2024, the Council published the amendments to help companies better recognise the financial effects of contracts relating to natural dependent electricity, which are often in the form of power purchase agreements (PPAs). The current guidance may not fully capture the impact of these contracts on the company's performance. To enable companies to better reflect these contracts in their financial statements, the Board has amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: disclosures. These changes include:

1. clarifying the application of the “own use” criterion;
2. allowing hedge accounting where these contracts are used as hedging instruments;
3. adding new disclosures to enable stakeholders to understand the impact of these contracts on financial performance and cash flows.

The published amendments are effective for financial statements for periods beginning on or after 1 January 2026.

d) IFRS 18 “Presentation and Disclosures in Financial Statements”

In April 2024, the Council published the new standard IFRS 18 “Presentation and Disclosures in Financial Statements”. The standard is intended to replace IAS 1 – Presentation of Financial Statements and will be effective from 1 January 2027. The changes to the superseded standard mainly concern three issues: the statement of profit or loss, required disclosures about performance measures and issues related to the aggregation and disaggregation of information contained in financial statements.

The published standard will be effective for financial statements for periods beginning on or after 1 January 2027. At the date of these consolidated financial statements, these amendments have not yet been approved by the European Union.

e) IFRS 19 “Subsidiaries Without Public Accountability: Disclosure of Information”

In May 2024, the Board issued a new accounting standard, IFRS 19, which can be adopted by certain subsidiaries applying IFRS accounting standards to improve the effectiveness of disclosures in their financial statements. The new standard introduces simplified and limited disclosure requirements. As a result, the qualifying subsidiary applies the requirements of other IFRS accounting standards with the exception of the disclosure requirements and instead applies the limited disclosure requirements of IFRS 19.

Eligible subsidiaries are entities that are not subject to so-called public accountability as defined in the new standard. In addition, IFRS 19 requires the ultimate or intermediate parent of the entity to prepare publicly available consolidated financial statements in accordance with IFRS Accounting Standards.

Eligible entities may choose to apply the guidance of the new IFRS 19 for financial statements prepared for periods beginning on or after 1 January 2027.

At the date of these consolidated financial statements, these amendments have not yet been approved by the European Union.

f) IFRS 14 “Regulatory accruals”

This standard allows entities that prepare their financial statements in accordance with IFRS for the first time (on or after 1 January 2016) to recognise amounts arising from price-regulated activities in accordance with existing accounting policies. To improve comparability, with entities that already apply IFRS and do not report such amounts, under published IFRS 14, amounts arising from regulated price activities should be presented as a separate line item in both the statement of financial position and the statement of profit and loss and statement of other comprehensive income.

By a decision of the European Union, IFRS 14 will not be endorsed.

g) Amendments to IFRS 10 and IAS 28 on the sale or contribution of assets between an investor and its associates or joint ventures

The amendments resolve the current inconsistency between IFRS 10 and IAS 28. The accounting treatment depends on whether the non-monetary assets sold or contributed to the associate or joint venture constitute a "business".

Where non-monetary assets constitute a "business", the investor shows a full profit or loss on the transaction. If, on the other hand, the assets do not meet the definition of a business, the investor only recognises a gain or loss to the extent of the portion representing the interests of other investors.

The amendments were published on 11 September 2014. At the date of these consolidated financial statements, approval of this amendment is deferred by the European Union.

As at the date of approval of these financial statements for publication, the Management Board does not expect the introduction of the other standards and interpretations to have a material impact on the Company's accounting policies.

The Group has not opted for early application of any standard, interpretation or amendment that has been published but is not yet effective under European Union legislation.

6.1. Foreign currency translation

Transactions denominated in currencies other than the functional currency of the entity are translated into the presentation currency at the FX rate prevailing on the transaction date.

On the balance sheet date, monetary assets and liabilities expressed in currencies other than the functional currency of the entity are translated into the functional currency using the mean FX rate prevailing for the presentation currency as at the end of the reporting period. FX differences from translation are recognised under finance income or finance costs or are capitalised as cost of assets, as defined in the accounting policies. Non-monetary assets and liabilities measured at historical cost and denominated in currencies other than the functional currency are presented at the historical FX rate prevailing on the transaction date. Non-monetary assets and liabilities measured at fair value and denominated in currencies other than the functional currency are translated into PLN at the FX rate prevailing on the date of the fair value measurement.

The functional currencies of the foreign subsidiaries are EUR, SEK, DKK, NOK, GBP and CHF. As on the balance sheet date, the assets and liabilities of those subsidiaries are translated into the presentation currency of the Group (PLN) at the rate of exchange prevailing on the balance sheet date and their statements of profit and loss are translated using the average weighted exchange rates for the relevant reporting period. The FX differences on translation are recognised in other total comprehensive income and cumulated in a separate equity item. On disposal of a foreign operation, the cumulative amount of the deferred exchange differences recognised in equity and relating to that particular foreign operation shall be reclassified to profit or loss.

Exchange differences on loans treated in compliance with IAS 21 as investments in subsidiaries are recognised in the interim abbreviated consolidated financial statements in other total comprehensive income.

The following exchange rates were used for book valuation purposes:

	As at 30 September 2025	As at 30 September 2024
USD	3,6315	3,8193
EUR	4,2692	4,2791
SEK	0,3858	0,3789
DKK	0,5719	0,5739
NOK	0,3635	0,3637
GBP	4,8830	5,1241
CHF	4,5616	4,5279

Mean FX rates for the reporting periods are as follows:

	01.01 – 30.09.2025	01.01 – 30.09.2024
USD	3,7967	3,9619
EUR	4,2408	4,3063
SEK	0,3821	0,3775
DKK	0,5683	0,5773
NOK	0,3622	0,3719
GBP	4,9860	5,0584
CHF	4,5154	4,4972

7. Seasonality

The Group's activities are not of seasonal nature. Therefore, the results presented by the Group do not change significantly during the year.

8. Information on business segments

Operational segments cover continuing activities. The Group's principal activity is the manufacture of paper and pulp.

The paper production business includes the financial results of three paper mills, among others:

- Arctic Paper Kostrzyn S.A. (Poland) – produces high-quality uncoated graph paper under the Amber brand;
- Arctic Paper Munkedals AB (Sweden) – produces high quality uncoated graphic paper under the Munken brand;
- Arctic Paper Grycksbo (Sweden) – production of coated wood-free paper under the brands of G-Print and Arctic.

The pulp business is presented as the "Pulp" segment and includes, among other things, two pulp plants:

- the Pulp Mill in Rottneros (Sweden) produces mainly two types of mechanical pulp: groundwood and chemi-thermo mechanical pulp (CTMP), production level of about 160,000 tonnes annually;
- the Pulp Mill in Vallvik (Sweden) produces two types of long-fibre sulphate pulp: fully bleached sulphate pulp and unbleached sulphate pulp. The most of Vallvik Pulp Mill production is known as NBSK pulp. Production level of about 240,000 tonnes annually.

The Group identifies the following business segments:

- Paper – this segment includes uncoated and coated papers. Uncoated paper – paper for printing or other graphic purposes, including wood-free and wood-containing paper. Uncoated wood-free paper may be produced from various types of pulp, with different filler content, and can undergo various finishing processes, such as surface sizing and calendering. Two main categories of this type of paper are graphic paper (used for example for printing books and catalogues) and office papers (for instance, photocopy paper); however, the Group currently does not produce office paper. Uncoated wood paper from mechanical pulp intended for printing or other graphic purposes. This type of paper is used for printing magazines with the use of rotogravure or offset printing techniques. The Group's products in this segment are usually used for printing paperbacks, Coated paper – coated wood-free paper for printing or other graphic purposes, one-side or two-side coated with mixtures containing mineral pigments, such as china clay, calcium carbonate, etc. The coating process can involve different methods, both on-line and off-line, and can be supplemented by super-calendering to ensure a smooth surface. Coating improves the printing quality of photographs and illustrations.
- Pulp – fully bleached sulphate pulp and unbleached sulphate pulp which is used mainly for the production of printing and writing papers, cardboard, toilet paper and white packaging paper as well as chemi-thermo mechanical pulp (CTMP), which is mainly used in the production of printing and writing paper.

The exclusions include the exclusions of turnover and settlements between segments and the results of operations of Arctic Paper S.A. and Arctic Paper Finance AB.

The split of operating segments into the uncoated, coated paper segments and pulp is due to the following factors:

- Demand for products and their supply as well as the prices of products sold in the market are affected by operational factors characteristic for each segment, such as e.g. the production capacity level in the specific paper and pulp segment,
- The key operating parameters such as inflow of orders or the level of production costs are determined by the factors that are similar for each paper and pulp segment,
- The products manufactured at the Paper Mills operated by the Group may (with certain restrictions) be allocated to production in other entities within the same paper segment, which to a certain extent distorts the financial results generated by each Paper Mill,
- The results of the Arctic Paper Group are under the pressure of global market trends with respect to the prices of paper and pulp, and to a lesser extent are subject to the specific conditions of production entities.

Every month, on the basis of internal reports received from companies (apart from companies of the Rottneros Group), the results in each operating segment are analysed by the management of the Group. The financial results of companies in the Rottneros Groups are analysed on the basis of quarterly financial results published on the websites of Rottneros AB.

The operating results are measured primarily on the basis of EBITDA calculated by adding depreciation/amortisation and impairment allowances to property plant and equipment and intangible assets to operating profit/(loss), in each case in compliance with EU IFRS. In accordance with EU IFRS, EBITDA is not a metric of operating profit/(loss), operational results or liquidity. EBITDA is a metric that the Management Board uses to manage the operations.

Transactions between segments are concluded at arms' length like between unrelated parties.

The table below presents data concerning revenue and profit as well as certain assets and liabilities under continuing operations, split by segments of the Group for the period of 9 months ended on 30 September 2025 and as at 30 September 2025.

9-month period ended on 30 September 2025 and on 30 September 2025

	Paper	Pulp	Total	Exclusions	Total continuing operations
Revenue					
Sales to external customers	1 706 437	746 012	2 452 449	-	2 452 449
Sales between segments	-	-	-	-	-
Total segment revenue	1 706 437	746 012	2 452 449	-	2 452 449
Result of the segment					
EBITDA	87 033	(19 460)	67 573	(5 795)	61 778
Depreciation/amortisation	(64 327)	(37 478)	(101 805)	(310)	(102 115)
Impairment of non-financial non-current assets		(53 494)	(53 494)	-	(53 494)
Operating profit/(loss)	22 706	(110 432)	(87 725)	(6 105)	(93 831)
Interest income	2 991	275	3 266	(797)	2 469
Interest expense	(4 514)	(8 584)	(13 098)	2 084	(11 014)
FX gains and other finance income	-	559	559	-	559
FX losses and other finance costs	(186 851)	(74)	(186 925)	165 017	(21 908)
Gross profit	(165 667)	(118 257)	(283 924)	160 199	(123 725)
Assets of the segment	1 866 518	1 061 354	2 927 873	(174 108)	2 753 765
Liabilities of the segment	739 740	367 307	1 107 048	(197 448)	909 599
Capital expenditures	(184 322)	(38 626)	(222 948)	(193)	(223 141)
Interest in joint ventures	5 162	-	5 162	-	5 162

- Revenue from inter-segment transactions is eliminated on consolidation.
- The results of the segments do not cover financial income (PLN 3,028 thousand, of which PLN 2,469 thousand is interest income) and financial expenses (PLN 32,922 thousand of which PLN 11,014 thousand is interest expense), depreciation/amortisation (PLN 102,115 thousand), impairment of non-financial non-current assets, reversal (PLN 53,494 thousand) and income tax liability (PLN -23,713 thousand).
- Segment assets do not include deferred tax (PLN 27,338 thousand), as this item is managed at Group level and interests in joint ventures (PLN 5,162 thousand). Segment liabilities do not include deferred tax (PLN 531 thousand), as this item is managed at Group level.

The table below presents data concerning revenue and profit as well as certain assets and liabilities split by segments of the Group for the period of 3 months ended on 30 September 2025 and as at 30 September 2025.

3-month period ended on 30 September 2025 and on 30 September 2025

	Paper	Pulp	Total	Exclusions	Total continuing operations
Revenue					
Sales to external customers	576 148	220 076	796 224	-	796 224
Sales between segments	-	(865)	(865)		-
Total segment revenue	576 148	220 076	796 224		796 224
Result of the segment	-	-	-	-	
EBITDA	40 605	(3 561)	37 044	1 874	38 918
	-	-	-	-	-
Depreciation/amortisation	(22 123)	(12 143)	(34 266)	(91)	(34 357)
Operating profit/(loss)	18 482	(15 774)	2 708	1 783	4 491
Interest income	785	108	893	(667)	226
Interest expense	(1 244)	(2 663)	(3 907)	442	(3 465)
FX losses and other finance costs	(4 057)	(0)	(4 081)	(4 262)	(8 343)
Gross profit	13 967	(18 353)	(4 387)	(2 705)	(7 091)
Assets of the segment	1 866 518	1 061 354	2 927 873	(174 108)	2 753 765
Liabilities of the segment	739 740	367 307	1 107 048	(197 448)	909 599
Capital expenditures	(184 322)	(38 626)	(222 948)	(193)	(223 141)
Interest in joint ventures	5 162	-	5 162	-	5 162

- Revenue from inter-segment transactions is eliminated on consolidation.
- The results of the segments do not cover finance income (PLN -226 thousand of which PLN 226 thousand is interest income) and finance costs (PLN 11,809 thousand of which PLN 3,465 thousand is interest expense), depreciation/amortisation (PLN 34,357 thousand), and income tax liability (PLN 5,926 thousand).
- Segment assets do not include deferred tax (PLN 27,338 thousand), as this item is managed at Group level and interests in joint ventures (PLN 5,162 thousand). Segment liabilities do not include deferred tax (PLN 531 thousand), as this item is managed at Group level.

The table below presents data concerning revenue and profit as well as certain assets and liabilities split by segments of the Group for the period of 9 months ended on 30 September 2024 and as at 31 December 2024.

9-month period ended on 30 September 2024 and on 30 September 2024

	Paper	Pulp	Total	Exclusions	Total continuing operations
Revenue					
Sales to external customers	1 837 286	786 580	2 623 866	-	2 623 866
Sales between segments	-	830	830	(830)	-
Total segment revenue	1 837 286	787 410	2 624 696	(830)	2 623 866
Result of the segment					
EBITDA	207 542	62 919	270 461	(10 697)	259 765
Depreciation/amortisation	(57 890)	(28 549)	(86 438)	(313)	(86 751)
Operating profit/(loss)	149 653	34 370	184 023	(11 010)	173 013
Interest income	2 204	700	2 904	2 185	5 090
Interest expense	(3 784)	(2 853)	(6 637)	1 654	(4 983)
FX gains and other finance income	-	1 045	1 045	-	1 045
FX losses and other finance costs	(168 238)	(2 961)	(171 199)	168 286	(2 912)
Gross profit	(20 165)	30 679	10 514	161 116	171 630
Assets of the segment	1 804 678	1 068 253	2 872 930	(155 842)	2 717 089
Liabilities of the segment	705 365	359 290	1 064 655	(233 742)	830 913
Capital expenditures	(96 893)	(82 286)	(179 180)	(707)	(179 887)
Interest in joint ventures	4 795	-	4 795	-	4 795

- Revenue from inter-segment transactions is eliminated on consolidation.
- The results of the segments do not cover finance income (PLN 8,724 thousand of which PLN 5,090 thousand is interest income) and finance costs (PLN 10,107 thousand of which PLN 4,983 thousand is interest expense), depreciation/amortisation (PLN 86,751 thousand), and income tax liability (PLN -25,614 thousand).
- Segment assets do not include deferred tax (PLN 1,562 thousand), as this item is managed at Group level and interests in joint ventures (PLN 4,795 thousand). Segment liabilities do not include deferred tax (PLN 109,761 thousand), as this item is managed at Group level.

— The table below presents data concerning revenue and profit as well as certain assets and liabilities split by segments of the Group for the period of 3 months ended on 30 September 2024 and as at 30 September 2024.

3-month period ended on 30 September 2024 and on 30 September 2024

	Paper	Pulp	Total	Exclusions	Total continuing operations
Revenue					
Sales to external customers	562 372	256 909	819 282	-	819 282
Sales between segments	-	-	-	-	-
Total segment revenue	562 372	256 079	818 282	-	819 282
Result of the segment	-	-	-	-	
EBITDA	49 096	31 054	80 150	(2 805)	77 346
Depreciation/amortisation	(20 968)	(8 736)	(29 705)	(111)	(29 816)
Operating profit/(loss)	19 763	22 318	50 446	(3 293)	46 411
Interest income	591	(58)	532	1 453	1 985
Interest expense	(1 227)	1 318	91	613	704
FX gains and other finance income	-	-	-	-	-
FX losses and other finance costs	118	(5 022)	(2 843)	(1 063)	(8 928)
Gross profit	27 243	15 973	43 581	(2 290)	40 549
Assets of the segment	1 804 678	1 068 253	2 872 930	(155 842)	2 717 089
Liabilities of the segment	705 365	359 290	1 064 655	(233 742)	830 913
Capital expenditures	(96 893)	(82 286)	(179 180)	(707)	(179 887)
Interest in joint ventures	4 795	-	4 795	-	4 795

- Revenue from inter-segment transactions is eliminated on consolidation.
- The results of the segments do not cover finance income (PLN -3,683 thousand of which PLN 1,985 thousand is interest income) and finance costs (PLN 18,647 thousand of which PLN 704 thousand is interest expense), depreciation/amortisation (PLN 29,816 thousand), and income tax liability (PLN 3,602 thousand).
- Segment assets do not include deferred tax (PLN 1,562 thousand), as this item is managed at Group level and interests in joint ventures (PLN 4,795 thousand). Segment liabilities do not include deferred tax (PLN 109,761 thousand), as this item is managed at Group level.

9. Dividends proposed for payment and paid

9.1. Dividends proposed for payment and paid by Arctic Paper S.A.

Dividend is paid based on the net profit disclosed in the separate annual financial statements of Arctic Paper S.A. after covering losses carried forward from last years.

In accordance with provisions of the Code of Commercial Partnerships and Companies, the parent company is obliged to establish supplementary capital to cover potential losses. At least 8% of the profit for the financial year disclosed in the separate financial statements of the Company should be transferred to the category of capital until the capital has reached the amount of at least one third of the share capital of the Parent Company. The use of supplementary capital and reserve funds is determined by the General Meeting; however, a part of supplementary capital equal to one third of the share capital can be used solely to cover the losses disclosed in the separate financial statements of the parent company and cannot be distributed to other purposes. As on the date hereof, the Company had no preferred shares.

The possibility of disbursement of potential dividend by the Company to its shareholders depends on the level of payments received from its subsidiaries. Risks relating to the Company's ability to pay dividends are described in the Risk Factors section of the annual report for 2024.

In connection with the term and revolving loan agreements signed on 2 April 2021, the Company's ability to pay dividends is subject to the Group meeting certain financial ratios in the period prior to payment (as that term is defined in the term and revolving credit facility agreement) and there being no event of default (as that term is defined in the term and revolving loan agreement).

In 2024, the Company paid a dividend for 2023 in the total amount of PLN 69,287,783.00, i.e. PLN 1.00 gross per share

On 15 May 2025, the Management Board announced that, following the publication of the financial results for Q1 2025 of the Company and its subsidiary Rottneros AB, it had decided to amend its original recommendation regarding the distribution of profit for 2024, which it had announced in current report No. 04/2025 of 18 February 2025. The Issuer's Management Board decided to recommend to the Ordinary General Meeting to allocate the Company's net profit for 2024 in the amount of PLN 197,291,617.02 in its entirety to the Company's other reserves.

On 11 June 2025, the Company's General Meeting, after reviewing the Management Board's proposal on profit distribution, decided to allocate the Company's entire net profit for the financial year 2024, amounting to PLN 197,291,617 to the Company's other reserves.

10. Earnings/(loss) per share

Earnings/(loss) per share are established by dividing the net profit/(loss) for the reporting period attributable to the Company's ordinary shareholders by the weighted average number of ordinary shares outstanding in the reporting period.

Information regarding profit/(loss) and the number of shares which constituted the basis to calculate earnings/(loss) per share and diluted earnings/(loss) per share on continuing operations and overall operations is presented below:

	3-month period ended on 30 September 2025 (unaudited)	9-month period ended on 30 September 2025 (unaudited)	3-month period ended on 30 September 2024 (unaudited)	9-month period ended on 30 September 2024 (unaudited)
Net profit/(loss) from continuing operations attributable to the shareholders of the Parent Company	2 084	(56 761)	30 781	131 196
Net profit/(loss) attributable to the shareholders of the Parent Company	2 084	(56 761)	30 781	131 196
Number of ordinary shares – A series	50 000	50 000	50 000	50 000
Number of ordinary shares – B series	44 253 500	44 253 500	44 253 500	44 253 500
Number of ordinary shares – C series	8 100 000	8 100 000	8 100 000	8 100 000
Number of ordinary shares – E series	3 000 000	3 000 000	3 000 000	3 000 000
Number of ordinary shares – F series	13 884 283	13 884 283	13 884 283	13 884 283
Total number of shares	69 287 783	69 287 783	69 287 783	69 287 783
Weighted average number of shares	69 287 783	69 287 783	69 287 783	69 287 783
Diluted weighted average number of ordinary shares	69 287 783	69 287 783	69 287 783	69 287 783
Profit/(loss) per share (in PLN)				
– basic earnings from the profit/(loss) for the period attributable to the shareholders of the Parent Company	0,03	(0,82)	0,44	1,89
Diluted profit/(loss) per share (in PLN)				
– from the profit/(loss) for the period attributable to the shareholders of the Parent Company	0,03	(0,82)	0,44	1,89

11. Interest-bearing bank loans and borrowings

In the period covered by this report, the Group increased its debt under the investment loan in the amount of PLN 20,621 thousand and under the revolving loan in the amount of PLN 17,195 thousand. The Group also made a partial repayment of the term loan in the amount of PLN 14,347 thousand resulting from the loan agreement concluded on 2 April 2021 with a syndicate of banks and made a partial repayment of the loan from Nordea Bank for PLN 17,808 thousand. Danske Bank for PLN 39,794 thousand (net).

The other changes to loans and borrowings as at 30 September 2025, compared to 31 December 2024 result mainly from balance sheet evaluation and payment of interest accrued as at 31 December 2024 and paid in the first 9 months of 2025.

Conclusion of material agreement related to the refinancing process by Arctic Paper S.A.

On 31st of October 2025 the Company entered into a term and revolving facilities agreement (the "Facilities Agreement"), which was concluded between the Company as borrower and guarantor, the Company's subsidiaries Arctic Paper Kostrzyn S.A., Arctic Paper Munkedals AB, and Arctic Paper Grycksbo AB, as guarantors (the "Guarantors") and a consortium of banks composed of: BNP Paribas Bank Polska S.A. (the "Security Agent"), Santander Bank Polska S.A. and Bank Polska Kasa Opieki S.A. (jointly: the "Lenders"), under which the Lenders granted the Company an investment term facility for a total amount of

EUR 20,000,000 (twenty million euros) and a revolving facility for a total amount of EUR 60,000,000 (sixty million euros) (the "Facilities").

The Facilities Agreement was concluded due to the upcoming repayment date of the current term facility agreement concluded on April 2, 2021, which falls on the day five years after its conclusion.

Pursuant to the Facilities Agreement, the Lenders made the following Facilities available to the Company:

- a) An investment term facility for a total amount of EUR 20,000,000 (twenty million euros) (the "Investment Facility") and
- b) a revolving facility for a total amount of EUR 60,000,000 (sixty million euros) (the "Revolving Facility").

Subject to the relevant terms of the Facilities Agreement, the Investment Facility was made available, among other things, for the purpose of (i) refinancing the term investment facility taken out for the implementation of the project of building a biomass drying and pellet production installation (the "Project"), granted under the term and revolving facilities agreement, the conclusion of which was announced by the Company in report No. 12/2021 dated April 2, 2021, and the amendment of which, through the receipt of a term investment facility for the implementation of the Project, was announced by the Company in report No. 19/2023 dated November 8, 2023, and (ii) further financing of the implementation of the Project.

Subject to the applicable terms of the Facilities Agreement, amounts raised under the Revolving Facility may be used, among other things, (i) to refinance the revolving facility granted under the term and revolving facility agreement, the conclusion of which was announced by the Company in report No. 12/2021 dated April 2, 2021, and report No. 19/2023 dated November 8, 2023, and (ii) for general corporate purposes and to cover the working capital of the Company and some of its subsidiaries (including the granting of intra-group loans in any form).

The disbursement of funds under the Facilities Agreement will be subject to the Company and the Guarantors meeting the standard conditions precedent specified in the Facilities Agreement.

The remaining term loan facility granted to the Company under the term and revolving facility agreement, the conclusion of which was announced by the Company in report No. 12/2021 of April 2, 2021 and report No. 19/2023 of November 8, 2023, will be repaid from the Company's own funds before financing is made available under the Facilities Agreement.

Pursuant to the terms of the Facilities Agreement, the interest rate on the Facilities is variable, determined based on the EURIBOR base rate and an agreed margin for the Investment Facility and the Revolving Facility.

Pursuant to the Facilities Agreement, the respective Facilities will be repaid on the following dates:

- (i) in the case of the Investment Facility – on the date falling five years after the date of the Facilities Agreement; and
- (ii) in the case of the Revolving Facility – on the date falling three years after the date of the Facilities Agreement, with the option to extend it for two additional one-year periods or one two-year period (provided that the agreed extension conditions are met).

The Investment Facility is repayable according to the following terms: 67.5 percent of the disbursed amount of the Investment Facility is repayable in equal semi-annual installments starting in May 2026, and the remaining amount of the Investment Facility is repayable on its final repayment date.

The Revolving Facility is repayable on its final repayment date

To secure the claims of the Lenders under the Facilities Agreement and other related finance documents, the Company and the Guarantors will establish, amongst others, the following security interests: registered pledge and financial pledge over shares in Arctic Paper Kostrzyn S.A., pledges over shares in companies incorporated under Swedish law, i.e. Arctic Paper Munkedals AB and Arctic Paper Grycksbo AB, statements on submission to enforcement by the Company and Arctic Paper Kostrzyn S.A., registered pledges and financial pledges over bank accounts of the Company and Arctic Paper Kostrzyn S.A., pledges over bank accounts of Arctic Paper Munkedals AB and Arctic Paper Grycksbo AB, mortgages established on real properties of the Company and Arctic Paper Kostrzyn S.A., registered pledge over assets of Arctic Paper Kostrzyn S.A. and security assignment agreements to secure rights under property insurance policies.

12. Share capital

There were no changes in share capital as at 30 September 2025 compared to 31 December 2024.

13. Financial instruments

The Group uses the following financial instruments: cash on hand and in bank accounts, term deposits, loans, receivables, payables, leasing contracts and interest SWAP contracts, forward contracts for the sale of pulp and forward contracts for the purchase of electricity.

At 30 September 2025, the Company held the following financial instruments: cash on hand and in bank accounts, loans, receivables, payables, including leases, and interest SWAP and also forward power purchase contracts.

14. Contingent liabilities and contingent assets

As at 30 September 2025, the Capital Group reported:

- a contingent liability of Arctic Paper Munkedals AB related to a surety for the obligations of Kalltorp Kraft HB in the amount of SEK 772 thousand (PLN 298 thousand);
- a bank guarantee in favour of Skatteverket Ludvika for SEK 135 thousand (PLN 52 thousand);

15. Legal claims

Arctic Paper S.A. and its subsidiaries are not a party to any legal cases filed in court against them.

16. Material events after the end of the reporting period

After 30 September 2025, until the date hereof there were no other material events requiring disclosure in this report with the exception of those events that were disclosed in this report in paragraphs above.

Granting compensation to the Issuer's subsidiary based on the Act on the compensation system for energy-intensive sectors and subsectors

On 29 October 2025, the Management Board received information about granting the subsidiary Arctic Paper Kostrzyn S.A. public aid for the transfer of the costs of purchasing emission allowances to the prices of electricity used to produce products in energy-intensive sectors or subsectors for year 2024 in the total amount of PLN 39.5 million. The Issuer estimates that the amount of the granted Compensation will have a significant impact on the results achieved by Arctic Paper Kostrzyn S.A. in the fourth quarter of 2025.

Signatures of the Members of the Management Board

Position	First and last name	Date	Signature
President of the Management Board CEO	Michał Jarczyński	06 November 2025	signed with a qualified electronic signature
Member of the Management Board Chief Financial Officer	Katarzyna Wojtkowiak	06 November 2025	signed with a qualified electronic signature
Member of the Management Board Vice-President for Sales and Marketing	Fabian Langenskiöld	06 November 2025	signed with a qualified electronic signature

Head Office**Arctic Paper S.A.**

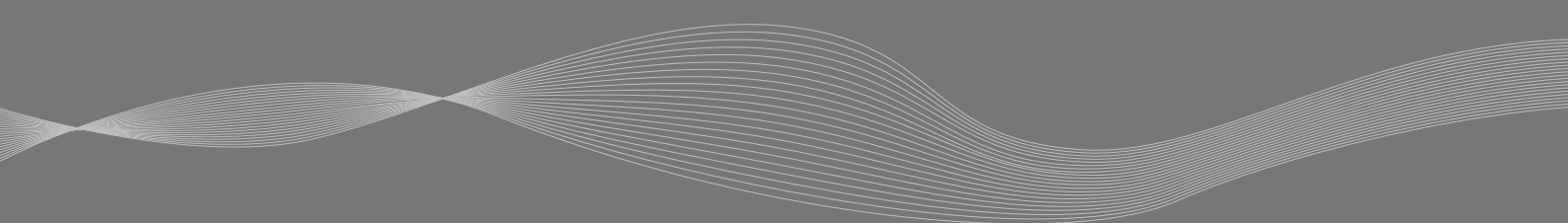
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