



PRESS RELEASE

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Arctic Paper S.A., Q3 2025:

Strengthening competitiveness in a tough market

- Q3 consolidated sales revenue amounted to PLN 796.2mn (EUR¹ 187.8mn).
- EBITDA in Q3 was PLN 38.9mn (EUR¹ 9.2mn).
- EBIT in Q3 was PLN 4.5mn (EUR¹ 1.1mn) and net profit PLN -1.2mn (EUR¹ -0.3mn).
- Cost reduction and efficiency program implemented; will generate PLN 45-50mn savings 2026.
- Net debt/EBITDA ratio was 1.54 (-0.08).
- After the period; successful refinancing of the Group at similar conditions.

“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.”

Michał Jarczyński, CEO (see letter from the CEO on page 2)

Selected financial results – Arctic Paper Group and Arctic Paper (paper segment)

PLN (million)	Q3 2025	Q3 2024	Change	Q1-Q3 2025	Q1-Q3 2024
Sales revenue, Arctic Paper Group	796.2	819.3	-23.1	2 452.4	2 623.9
Sales revenue, Arctic Paper (paper segment)	576.2	562.4	13.8	1 706.5	1 837.3
EBITDA, Arctic Paper Group	38.9	77.3	-38.4	61.8	259.8
EBITDA Arctic Paper (paper segment)	38.5	46.3	-7.8	77.0	196.9
EBIT, Arctic Paper Group	4.5	47.5	-43.0	-93.8	173.0
EBIT Arctic Paper (paper segment)	15.9	25.2	-9.3	11.9	138.7
Net profit, Arctic Paper Group	-1.2	36.6	-37.8	-100.0	142.3
Net profit, Arctic Paper (paper segment)	11.7	24.2	-12.6	-7.1	133.3
Net profit per share ²	PLN 0,03	PLN 0,44	PLN -0,41	PLN -0,82	PLN 1,89
Net debt	155.2	-27.5	182.8	155.2	-27.5

Arctic Paper Group consists of Arctic Paper S.A. (parent company), Arctic Paper mills (paper segment) and pulp producer Rottneros AB, in which Arctic Paper S.A. holds a 55 percent stake.

¹Arctic Paper S.A. reports in PLN. In the English press release, the amounts above were converted to EUR at the average rates for the quarter respectively. The complete quarterly report is available at www.arcticpaper.com

² Net profit per share: net profit for the paper segment plus 55% of the net profit for Rottneros divided by the number of shares.

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"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."

Michał Jarczyński, CEO of Arctic Paper S.A.

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.

Michał Jarczyński, CEO of Arctic Paper S.A.

Arctic Paper Group is a European company and a leading producer of high-quality graphical fine paper, bio-based packaging solutions, high-quality wood pulp, and energy, increasingly of non-fossil origin. The company is present with its own sales offices in Europe. Arctic Paper S.A. is listed on the Warsaw Stock Exchange and NASDAQ in Stockholm. The Group is the main owner of the listed Swedish pulp producer Rottneros AB. For more information visit, arcticpapergroup.com