Press Release

Kostrzyn nad Odra / Gothenburg, November 5th 2026

Arctic Paper S.A., Q3 2026:

Further cost reductions to support profitability

- Q3 consolidated sales revenue amounted to PLN 736.6mn (EUR[1] 168.7mn).
- EBITDA in Q3 was PLN 9.7mn (EUR[1] 2.2mn).
- EBIT in Q3 was PLN -28.9mn (EUR[1] -6.6mn) and net profit PLN -21.8mn (EUR[1] -5.0mn).
- Net debt/EBITDA ratio for the paper segment was 0.92 (0,36).
- Initiative to further reduce costs by PLN 18 million annually from 2027–2028.
- After the period; Arctic Paper Kostrzyn was granted PLN 34.3 million in public aid to compensate for 2025 energy costs, with impact in Q4 2026.

"Although paper segment revenue and earnings were lower than in the corresponding quarter last year, both improved compared with the previous quarter, supported by our efficiency and cost-reduction programme."
Michal Jarczyński, CEO (see letter from the CEO on page 2)

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

PLN (million)	Q3 2026	Q3 2025	Change	Q1-Q3 2026	Q1-Q3 2025
Sales revenue, Arctic Paper Group	736.6	796.2	-59.7	2 301.4	2 452.5
Sales revenue, Arctic Paper (paper seg.)	521.8	576.2	-54.4	1 609.2	1 706.5
EBITDA, Arctic Paper Group	9.7	38.9	-29.2	20.8	61.8
EBITDA Arctic Paper (paper segment)	10.1	38.4	-28.3	24.1	76.9
EBIT, Arctic Paper Group	-28.9	4.5	-33.4	-94.8	-93.8
EBIT Arctic Paper (paper segment)	-14.2	15.8	-30.0	-48.0	11.8
Net profit, Arctic Paper Group	-21.8	-1.2	-20.6	-92.2	-100.0
Net profit, Arctic Paper (paper segment)	-16.1	11.6	-27.6	-57.1	-7.1
Net profit per share[2]	PLN -0.27	PLN 0.03	PLN -0.30	PLN -1.07	PLN -0,82
Net debt/EBITDA (paper segment)	0.92	0.36	0.56	0.92	0.36

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.

[1]Arctic 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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"Our strategic initiatives in sustainable energy solutions continue to provide results: the modernised boiler in Grycksbo has delivered greater-than-expected energy cost savings, while pellet sales are gaining momentum."
Michal Jarczyński, CEO of Arctic Paper S.A.

For Arctic Paper, market conditions remained severe in Q3 2026. Demand in the European market continued to be subdued, with fierce competition, while the conflict in the Middle East drove higher input and logistics costs. On the positive side, currency effects and cost savings resulted in a more favourable result for the pulp segment. On Group level, consolidated revenues amounted to PLN 736,6 million (796,2). Group EBITDA decreased to PLN 9,7 million (38,9) with an EBITDA margin of 1.3 percent (4.9).

Persistent price competition made it difficult to fully offset rising raw material costs, putting pressure on paper segment margins. For the third quarter, paper segment revenues amounted to PLN 521,8 million (576,2) with an EBITDA of PLN 10,1 million (38,4), representing an EBITDA margin of 1.9 percent (6.7). Volumes fell while income per ton rose slightly. Although revenue and earnings were lower than in the corresponding quarter last year, both improved compared with the previous quarter, supported by our efficiency and cost-reduction programme. Our newly established sales office in the US is performing well, and sales in the US and Mexico are growing, supporting our ambition for North America to account for 5–10 percent of total paper sales within the next few years.

In response to continued weak performance in the paper segment, we have stepped up our cost-reduction efforts by launching a new savings programme that will reduce the workforce in our operations. The programme is expected to generate annual cost savings of PLN 18 million, with effects materialising in 2027–2028, while the associated costs will be recognised in 2026-2027. Capital expenditure will continue to be significantly reduced, with focus on completing ongoing projects.

For the pulp segment, Rottneros, turnover amounted to SEK 570 million (574), with slightly higher delivery volumes but a different mix. Pulp market prices remained largely stable. Variable costs decreased by SEK 51 million, mainly due to lower pulpwood prices, while higher energy prices partly offset these savings. Ongoing efforts to improve efficiency and production availability have been effective and will remain a key priority.

Our strategic initiatives in sustainable energy solutions continue to provide results: the modernised boiler in Grycksbo has delivered greater-than-expected energy cost savings and pellet sales are gaining momentum, while the electric boiler project in Kostrzyn is progressing as planned for completion next year. Packaging continued to deliver stable volumes during the third quarter of 2026.

Although the timing of a market recovery remains difficult to predict, Arctic Paper is well positioned to manage the current market environment. A solid financial position in combination with continued focus on operational performance, lower fixed costs and targeted investments support the Group's long-term development. These efforts are intended to improve competitiveness, support margins and enable the Group to take advantage of better market conditions when they arise.

Michal 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 and in the US. 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