



Financial results

Q2 2024



ARCTIC PAPER

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**THIS PRESENTATION
CONTAINS FINANCIAL
RESULTS FOR Q2 2024.**

Agenda

1 Paper

2 Pulp

3 Packaging

4 Energy

5 Financial performance

6 Focus

SUMMARY Q2 2024

Arctic Paper Group Q2 2024 vs. Q2 2023

Net sales
(PLN mn)

839.2 / 836.2
(Q2 2024) / (Q2 2023)

EBITDA*
(PLN mn)

78.4 / 68.9
(Q2 2024) / (Q2 2023)

Operating CF
(PLN mn)

+4.1 / 99.5
(Q2 2024) / (Q2 2023)

ROCE**

14.5% / 27.9%
(Q2 2024) / (Q2 2023)

Paper/Pulp EBITDA*
(PLN mn)

49/29 / 48/21
(Q2 2024) / (Q2 2023)

Net debt/EBITDA**

-0.35x / - 0.19x
(EOP Q2 2024) / (EOP Q2 2023)

Paper sales
volume

114k t / 97k t
(Q2 2024) / (Q2 2023)

Pulp sales
volume

89k t / 90k t
(Q2 2024) / (Q2 2023)

* EBITDA adjusted with one-off events

** last 12 months

SUMMARY H1 2024

Arctic Paper Group H1 2024 vs. H1 2023

Net sales
(PLN mn)

1 804.6 / 1 868.5
(H1 2024) / (H1 2023)

EBITDA*
(PLN mn)

190.4 / 254.5
(H1 2024) / (H1 2023)

Operating CF
(PLN mn)

82.2 / 144.7
(H1 2024) / (H1 2023)

ROCE**

14.5% / 27.9%
(H1 2024) / (H1 2023)

Paper/Pulp EBITDA*
(PLN mn)

158/32 / 161/93
(H1 2024) / (H1 2023)

Net debt/EBITDA**

-0.35x / - 0.19x
(EOP H1 2024) / (EOP H1 2023)

Paper sales
volume

258k t / 210k t
(H1 2024) / (H1 2023)

Pulp sales
volume

178k t / 170k t
(H1 2024) / (H1 2023)

* EBITDA adjusted with one-off events

** last 12 months



PAPER

MARKET DATA

Fine paper average market prices

JUN 2024 COMPARED TO MAR 2024

UWF average price change **0,8%**

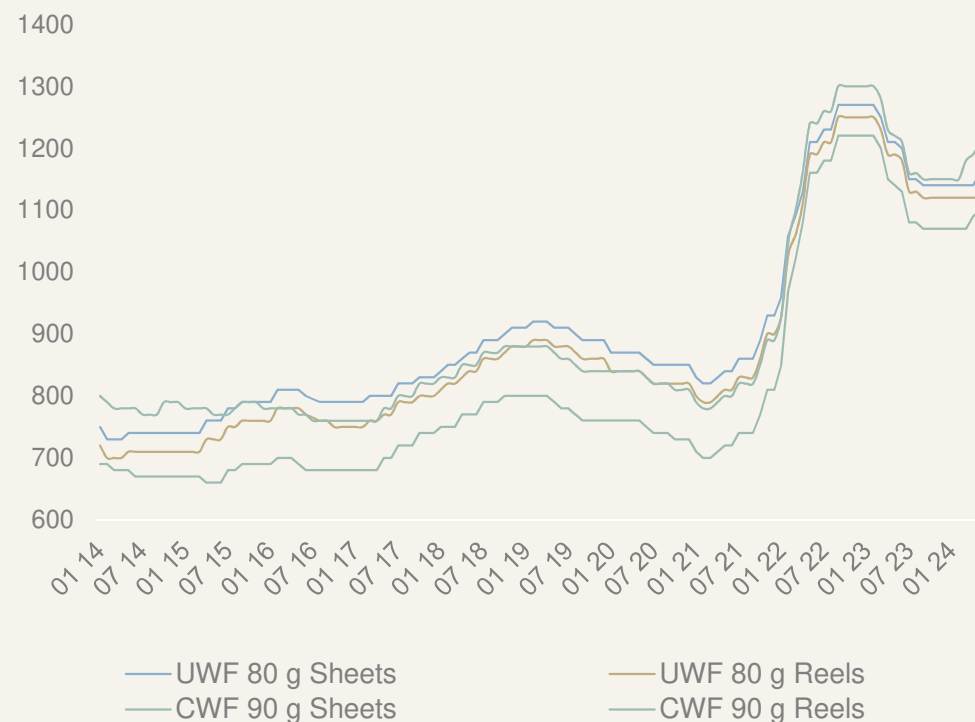
CWF average price change **1,6%**

JUN 2024 COMPARED TO JUN 2023

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

CWF average price change - **2,7%**

GRAPHIC FINE PAPER PRICES – GERMAN MARKET



Source: Arctic Paper based on RISI data.

OPERATING DATA

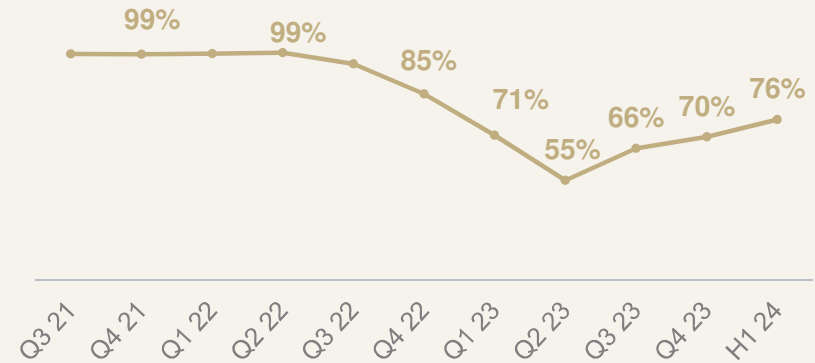
Average H1 2024 use of production capacity: **76%**

21% HIGHER THAN IN H1 2023

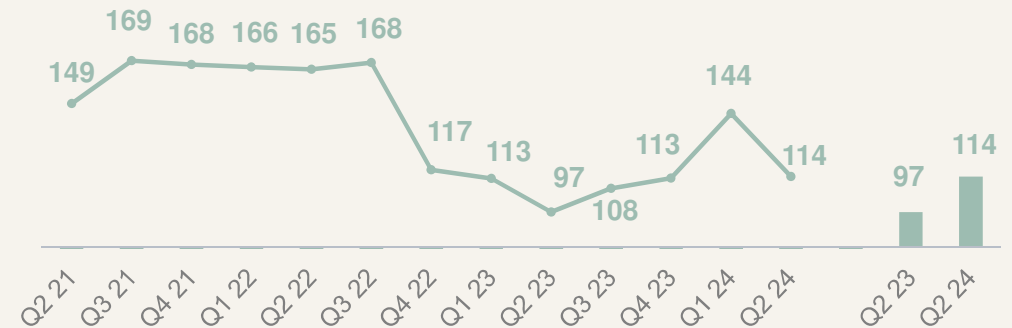
H1 2024 total sales volume: **258k tons**

23% HIGHER THAN IN H1 2023

PRODUCTION CAPACITY FOR ARCTIC PAPER MILLS



PAPER SALES VOLUME



OPERATING DATA

Total revenue Q2 2024 (PLN 574mn)

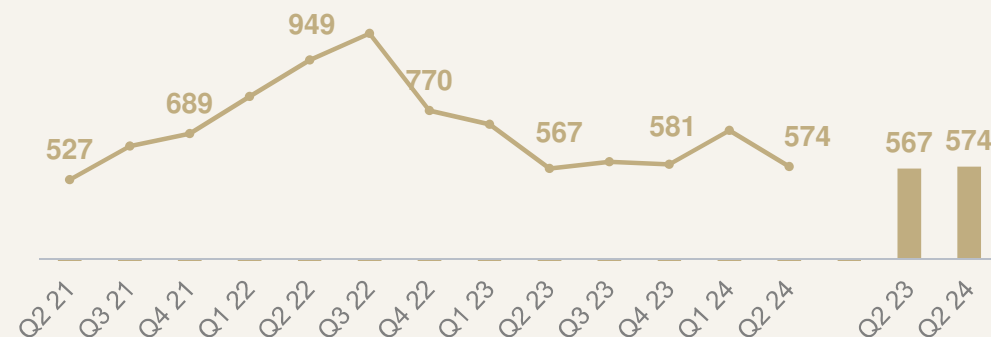
INCREASED BY 1% COMPARED TO Q2 2023

Average price Q2 2024 (PLN 5.04k)

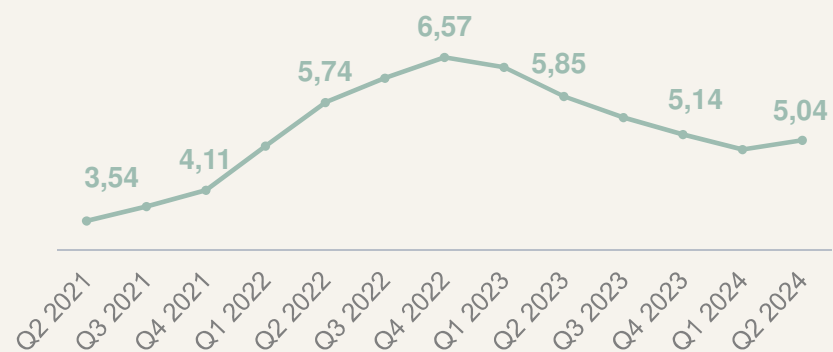
INCREASED BY 4% COMPARED TO AVERAGE IN Q1 2024

* price chart includes impact of fx fluctuations, product mix and market mix

PAPER SALES REVENUE (PLN mn)



PAPER SALES REVENUE PER TONNE (PLN k)*



PRODUCTS

AMBER

ADVANCED OFFSET
PRODUCTION
IN HEART OF EUROPE



MOST COMPLETE MATT
COATED PAPER ASSORTMENT



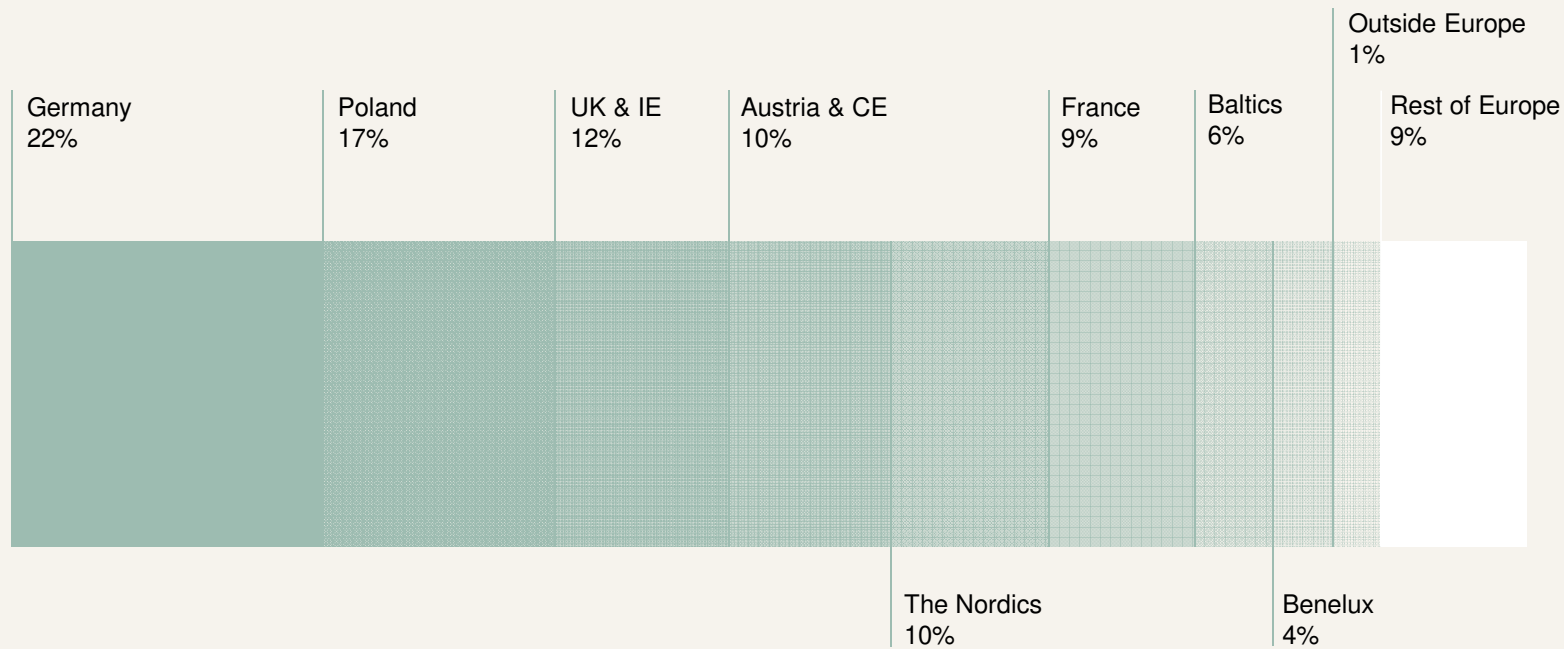
MUNKEN

BIGGEST UNCOATED
DESIGN BRAND

- Top 3 brands in revenue share
- No 1 in European High Quality Bookpaper Sales
- No 1 in European Design Paper Sales

PRODUCTS

Geographical split of sales





PULP

MARKET DATA

Pulp – European pulp prices

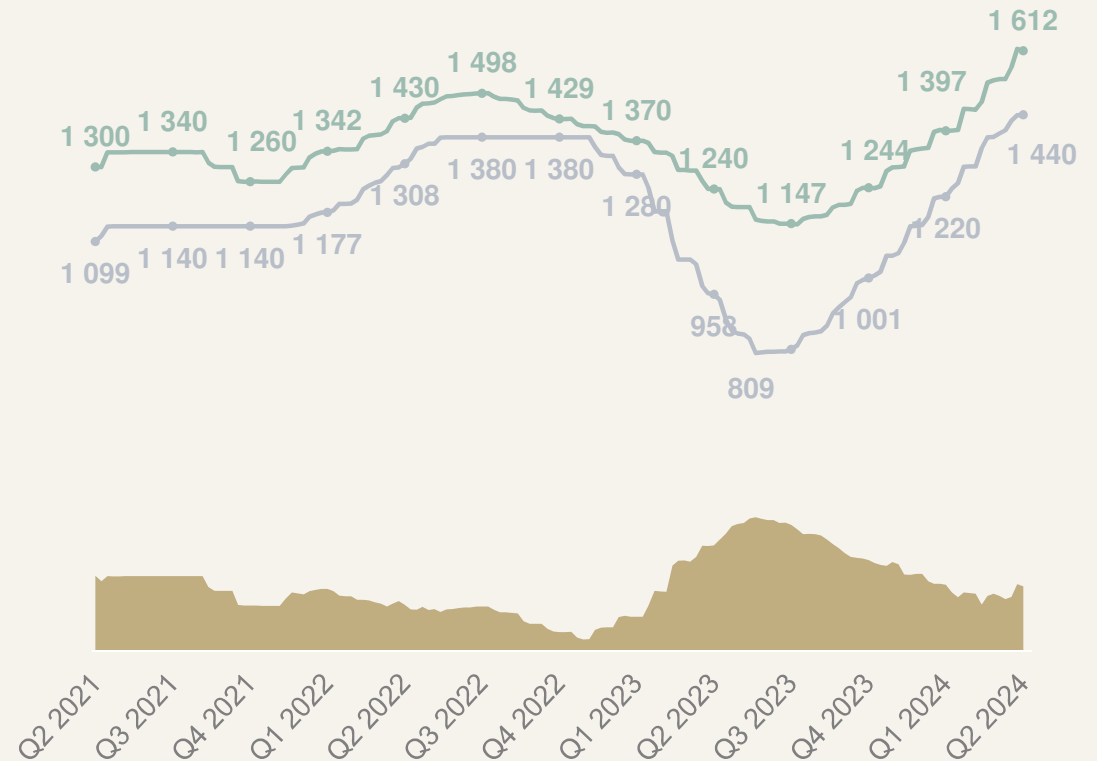
AVERAGE PRICE Q2 2024 COMPARED TO Q2 2023

NBSK (long fiber): **15% higher**
 BHKP (short fiber): **23% higher**

AVERAGE PRICE Q2 2024 COMPARED TO Q1 2024

NBSK (long fiber): **13% higher**
 BHKP (short fiber): **21% higher**

PULP PIX INDEXES EUROPE (USD PER TONNE)



Source: Arctic Paper based on Foex data

OPERATING DATA

Pulp production & deliveries

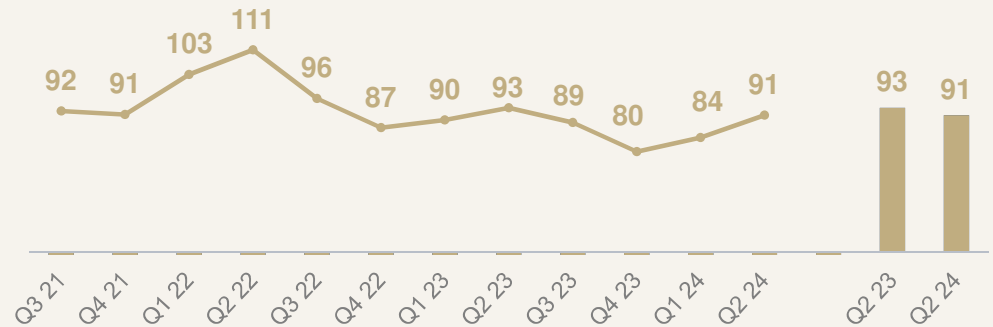
Q2 2024 total production: **91k tons**

8% HIGHER THAN IN Q1 2024
2% LOWER THAN IN Q2 2023

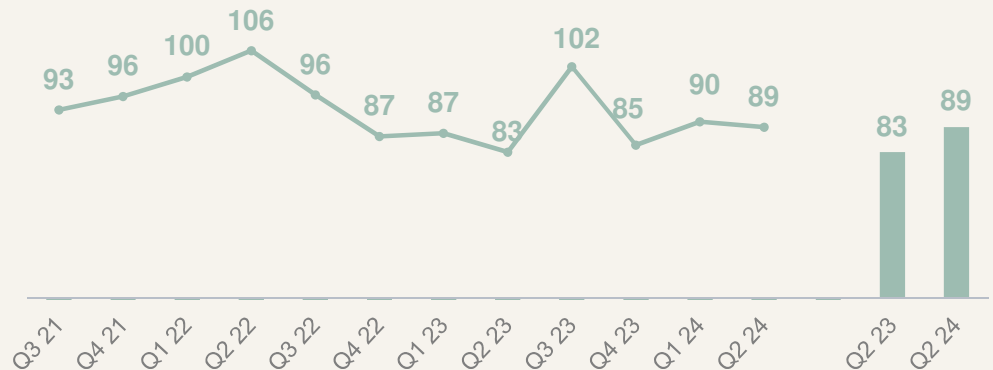
Q2 2024 total deliveries: **89k tons**

1% LOWER THAN IN Q1 2024
7% HIGHER THAN IN Q2 2023

PULP PRODUCTION (1,000 TONNE)



PULP DELIVERIES (1,000 TONNE)



OPERATING DATA

Revenue and prices

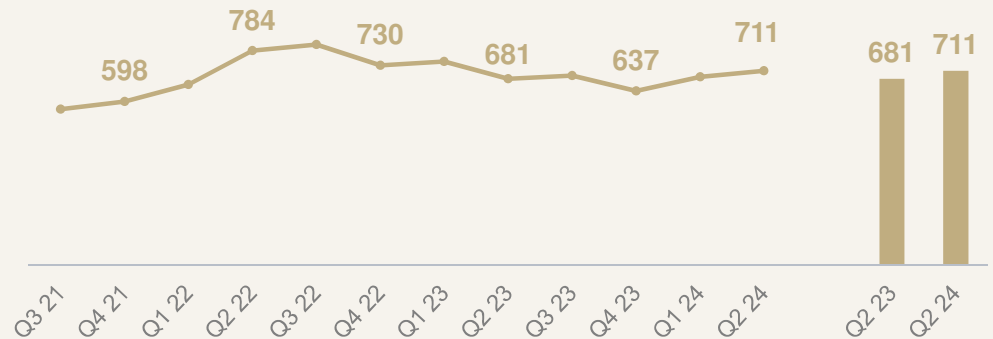
Total revenue Q2 2024 (**SEK 711mn**)

INCREASED BY 3% COMPARED TO Q1 2024

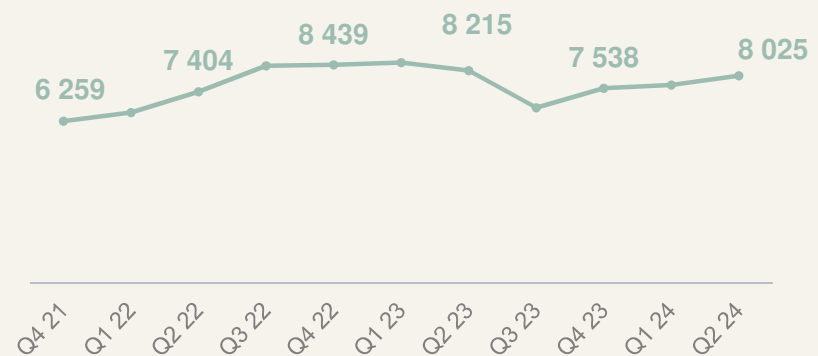
Average price in Q2 2024 (**SEK 8.0k per tonne**)

INCREASED BY 5% COMPARED TO Q1 2024

PULP SALES REVENUE (SEK mn)

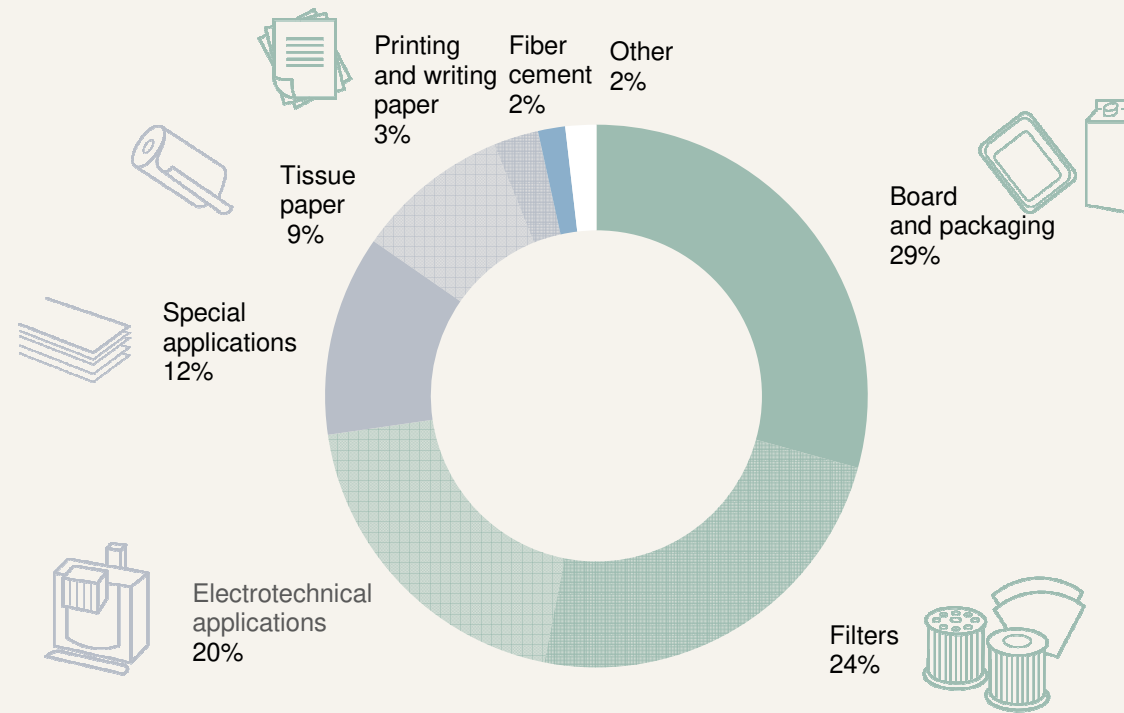


PULP SALES REVENUE PER TONNE (SEK)



PULP – REPLACEMENT MATERIAL FOR PLASTIC

Pulp Sales (Rottneros) by application 2023





PACKAGING

DEVELOPMENT

PACKAGING PAPERS:

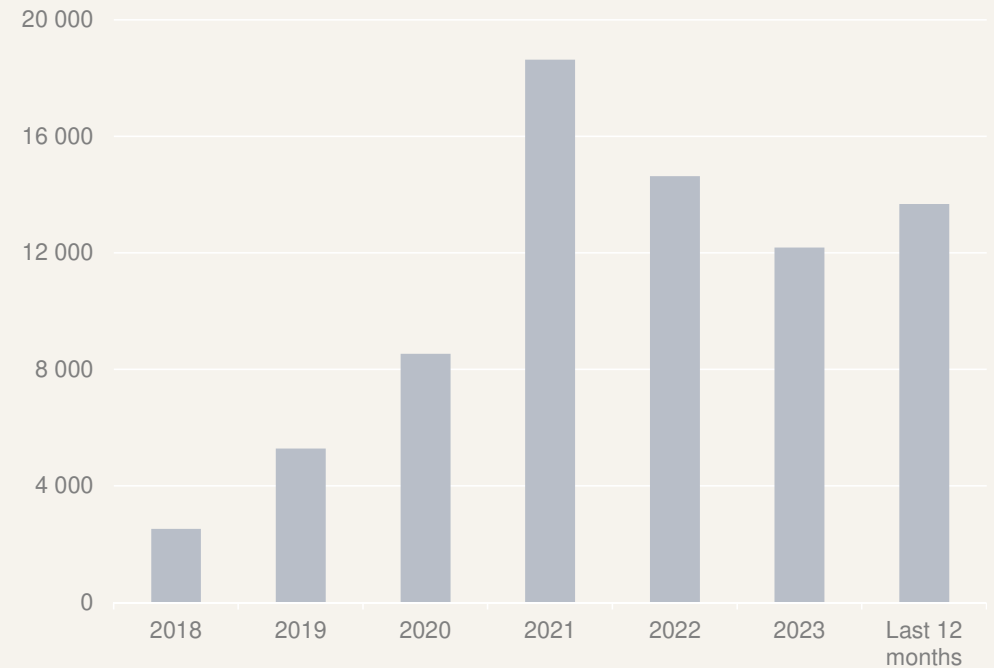
Munken Kraft

Uncoated packaging paper

G-Flexmatt

Coated packaging paper

PACKAGING PAPER SALES DEVELOPMENT (t)





POWER

ARCTIC PAPER GROUP ONGOING POWER PROJECTS

- PV projects
- Biomass boiler
- Wood pellet production line
- Energy storage systems
- Providing system serviced to national grid TSO



KOSTRZYN SOLAR FARM

17 MW expansion of PV-farm completed in June



Next phase - another 9 MW in Q1 2025



A photograph of a paper mill's machinery, showing large rollers and a brush-like component. A large, semi-transparent grey diagonal shape is overlaid on the right side of the image. The text 'FINANCIAL PERFORMANCE' is centered over the image in a bold, black, sans-serif font.

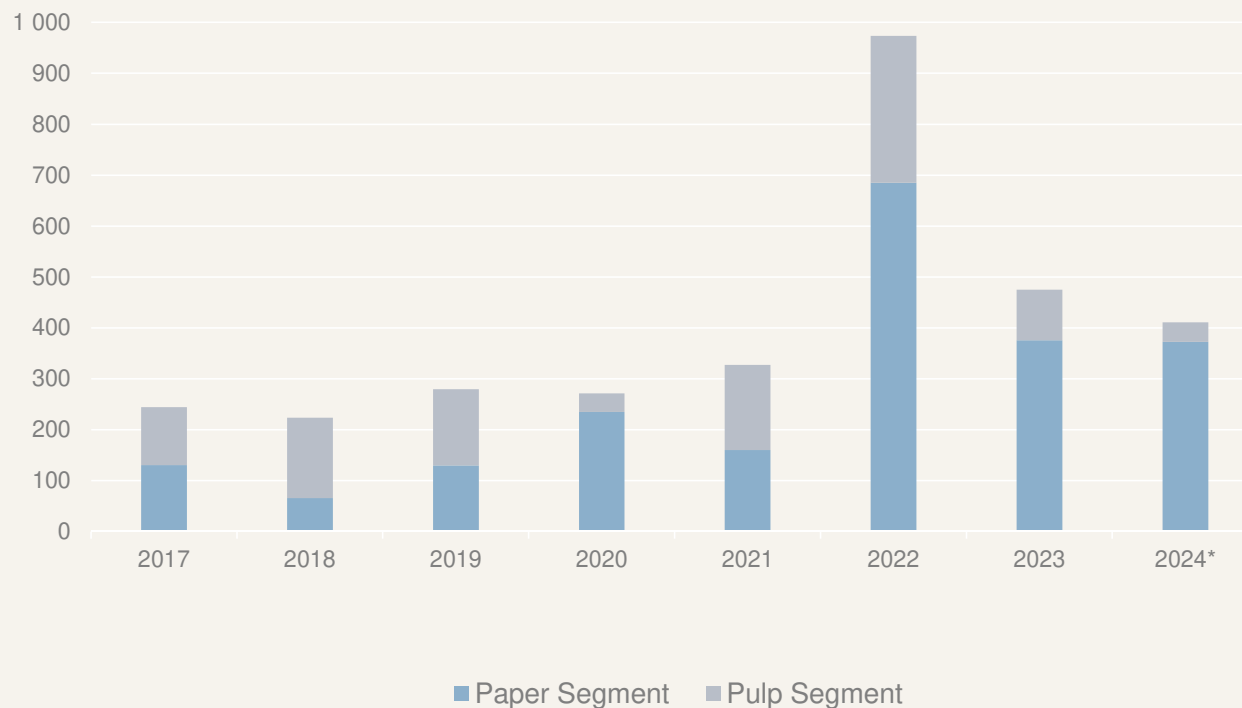
FINANCIAL PERFORMANCE

EBITDA EVOLUTION 2017 – 2024 (PLN mn)

Effective hedging of both segments – to stabilize financial results

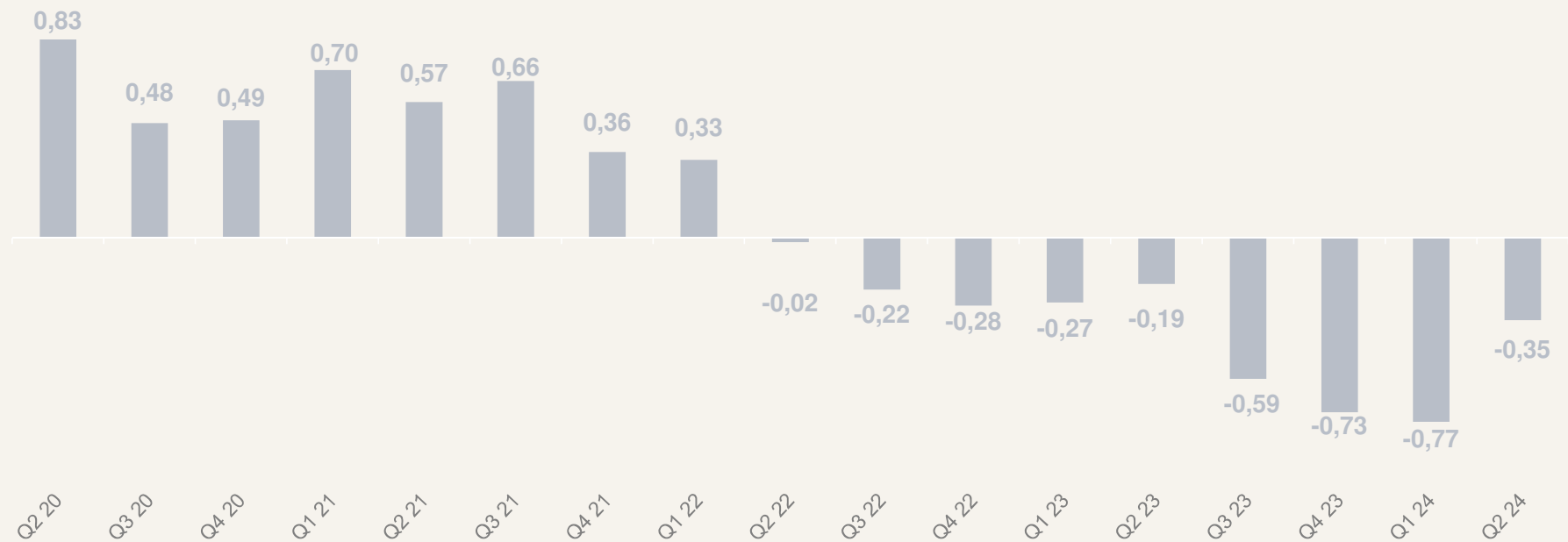
Q2 2024 adjusted EBITDA PLN **78.4mn**

PLN 34mn LOWER THAN Q1 2024
PLN 9mn HIGHER THAN Q2 2023



* rolling 12 months

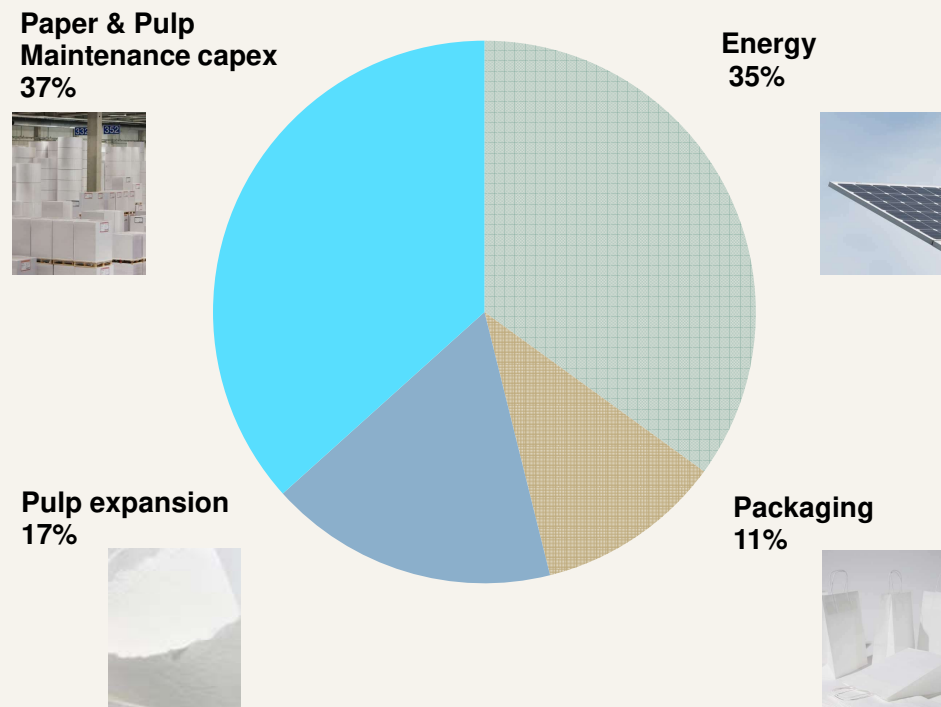
NET DEBT/EBITDA 2020 – 2024



* rolling 12 months

Capex structure by segment

Arctic Paper Group H1 2024



SHARING OUR STORY WITH YOU

HEDGED AGAINST
VOLATILITY
OF PROFITABILITY
& HIGH FLUCTUATION
OF ENERGY

GROWTH
IN PACKAGING

INCREASING SHARE
OF RENEWABLE AND
FOSSIL-FREE ENERGY

PREDICTABLE CAPEX
AIMED AT CONTINUED
IMPROVEMENTS

OWNER
OF BRANDS VALUED
BY CUSTOMERS

ESTABLISHED
POSITION ON THE
MARKET WITH
A HIGH ENTRY
BARRIER

STABLE
OWNERSHIP
STRUCTURE

SUSTAINABLE
PRODUCTION
PROCESSES

4P For Future Arctic

Paper



Packaging



Pulp



Power



Thank you



ARCTIC PAPER