



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



MARKET DATA

Fine paper average market prices

JUN 2024 COMPARED TO MAR 2024

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

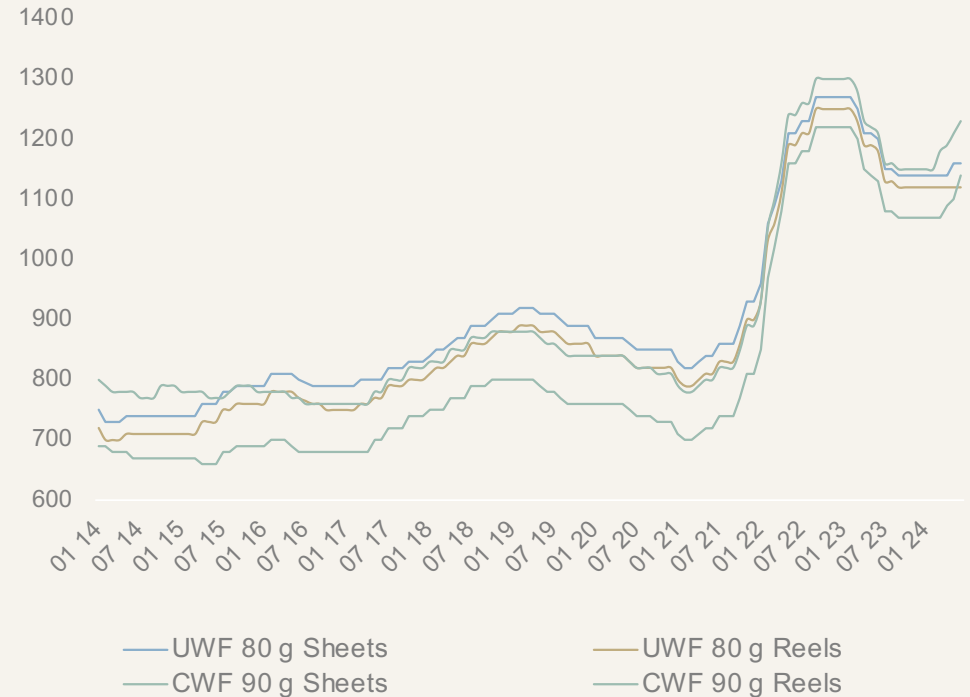
CWF average price change **1,6%**

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

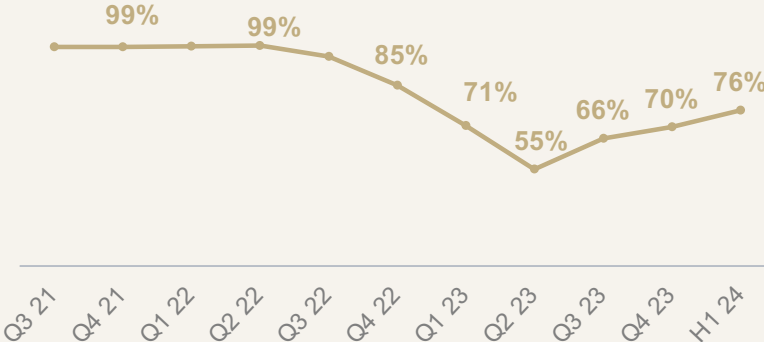
Average H1 2024 use of production capacity: **76%**

21% HIGHER THAN IN H1 2023

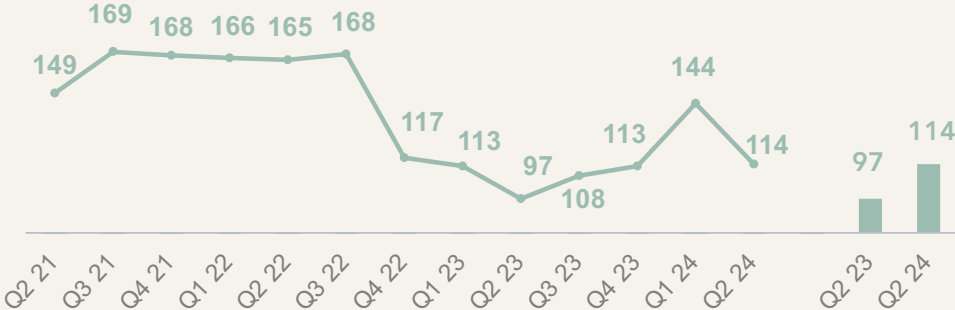
H1 2024 total sales volume: **258k tons**

23% HIGHER THAN IN H1 2023

PRODUCTION CAPACITY FOR ARCTIC PAPER MILLS



PAPER SALES VOLUME



OPERATING DATA

Total revenue Q2 2024 (PLN 574mn)

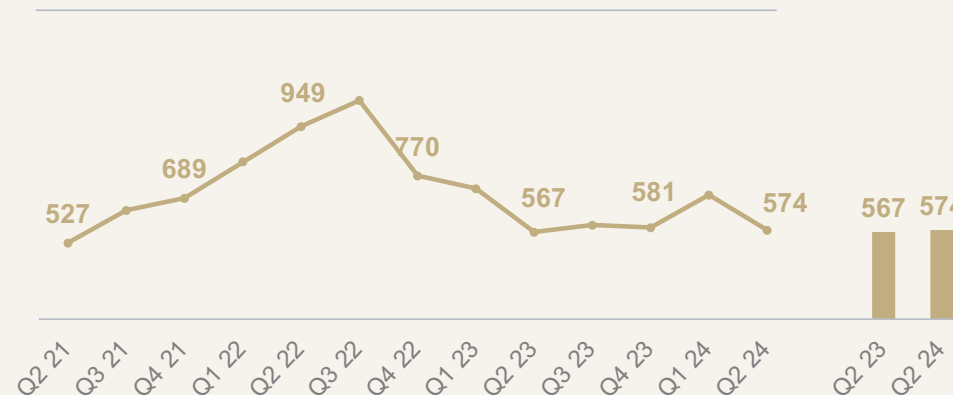
INCREASED BY 1% COMPARED TO Q2 2023

Average price Q2 2024 (PLN 5.04k)

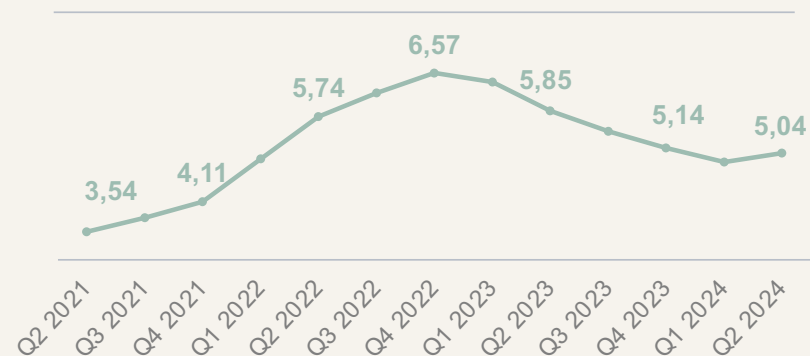
INCREASED BY 4% COMPARED TO AVERAGE IN Q1 2024

* 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



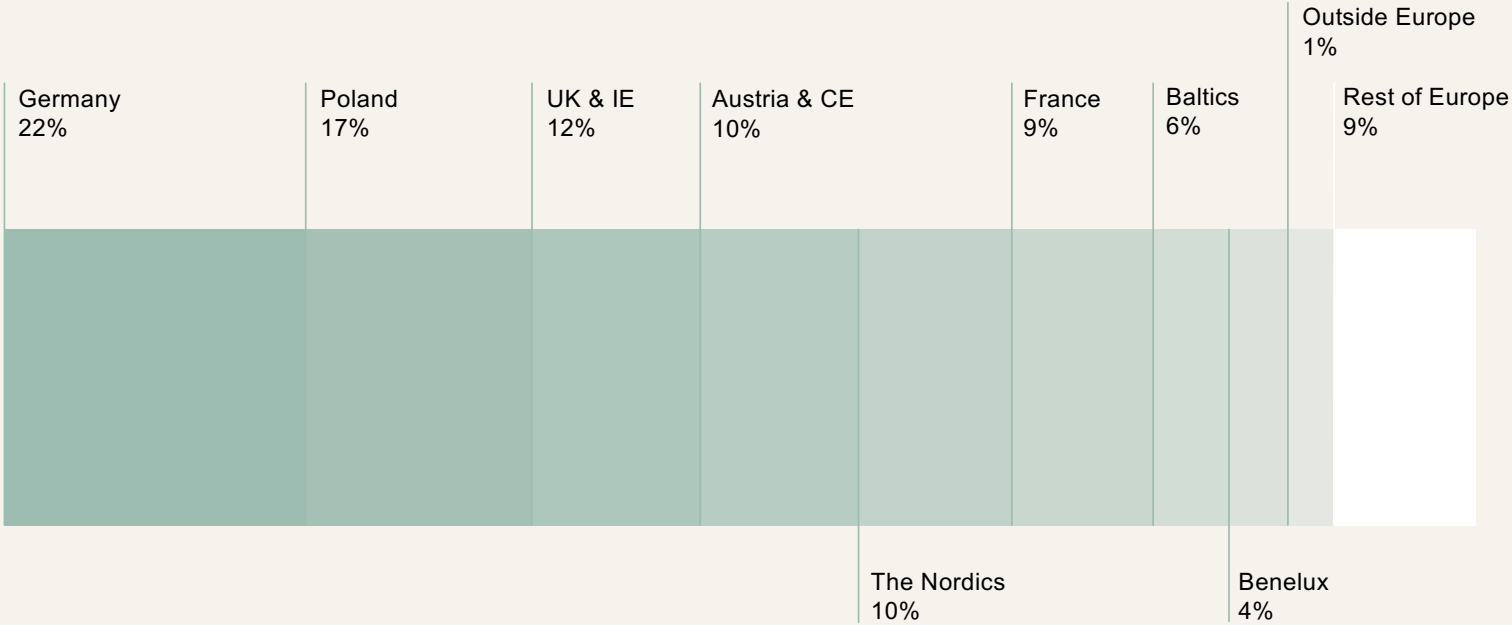
MUNKEN

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



CLIENT STRUCTURE

Market segments/products portfolio/target groups

BUYING CUSTOMERS

Printing Houses

Clients who purchase the Group's paper products directly.

Merchants

Direct customers who purchase, stock and distribute the Group's paper for resale to other users.

Publishers

Direct and indirect customers, who uses the Group's paper products for use in their publication activities, i.e., Random House, Bonniers, Hachette, Holtzbrinck, etc.



NON-BUYING CUSTOMERS

Brand Owners

Predominantly indirect customers, who use our products, i.e., Deutsche Bank, Karl Lagerfeld, Kenzo, L'Oreal, Louis Vuitton, Nike, Mercedes Benz, etc.

Creatives

Predominantly indirect customers but are of significant importance in requiring and recommending our products to end users.

PULP

Q2 rapport 2024

24 juli 2024



ROTTNEROS

Lennart Eberleh
VD och koncernchef



Monica Pasanen
CFO





PACKAGING

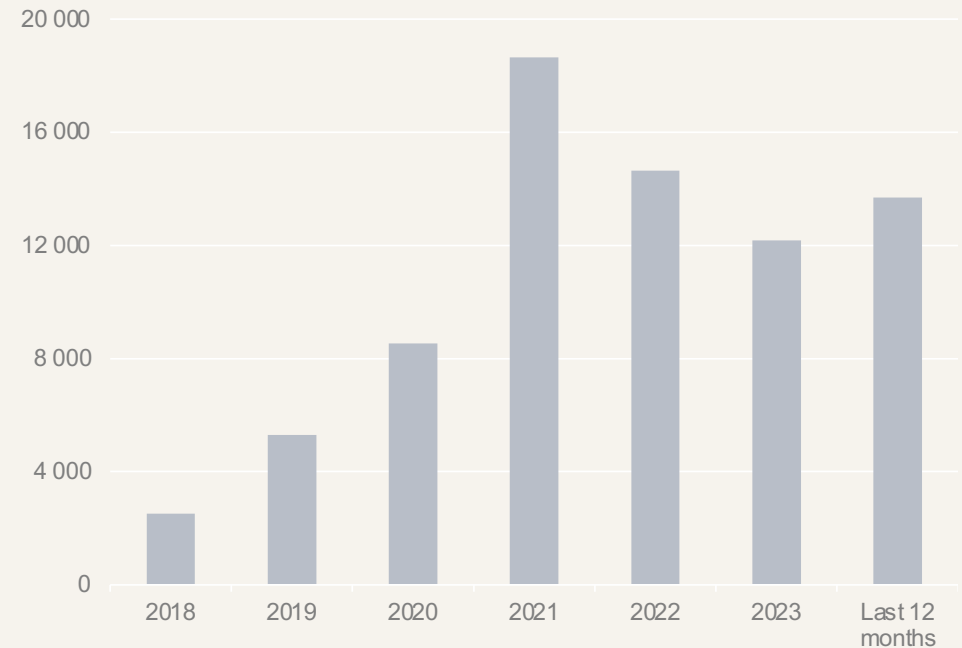
DEVELOPMENT

PACKAGING PAPERS:

Munken Kraft
Uncoated packaging paper

G-Flexmatt
Coated packaging paper

PACKAGING PAPER SALES DEVELOPMENT (t)





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 belts. A large, semi-transparent grey diagonal shape is overlaid on the right side of the image. The text 'FINANCIAL PERFORMANCE' is centered in the middle of the image.

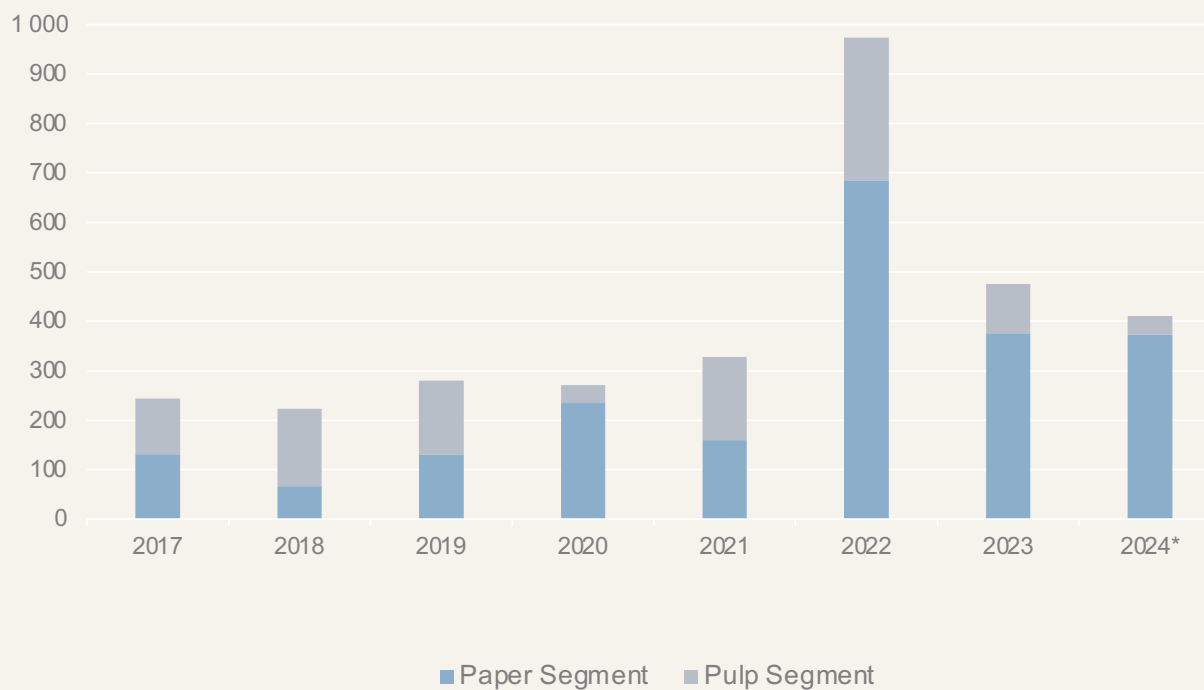
FINANCIAL PERFORMANCE

EBITDA EVOLUTION 2017 – 2024 (PLN mn)

Effective hedging of both segments – to stabilize financial results

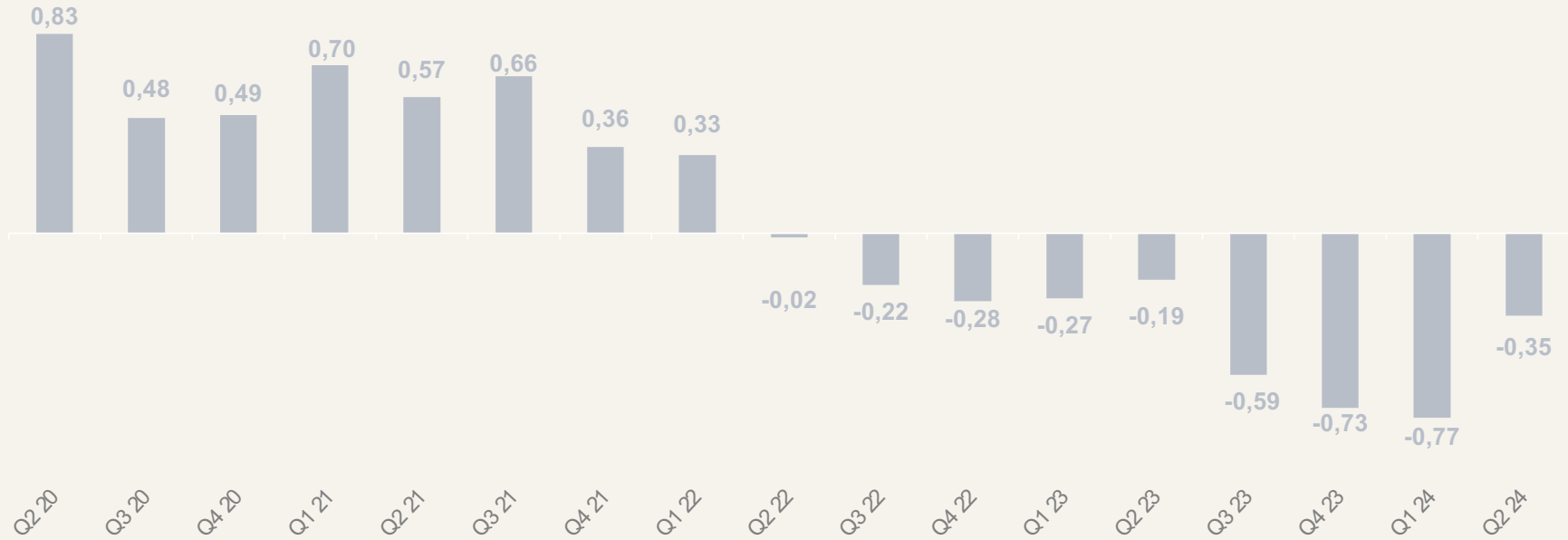
Q2 2024 adjusted EBITDA PLN 78.4mn

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



* rolling 12 months

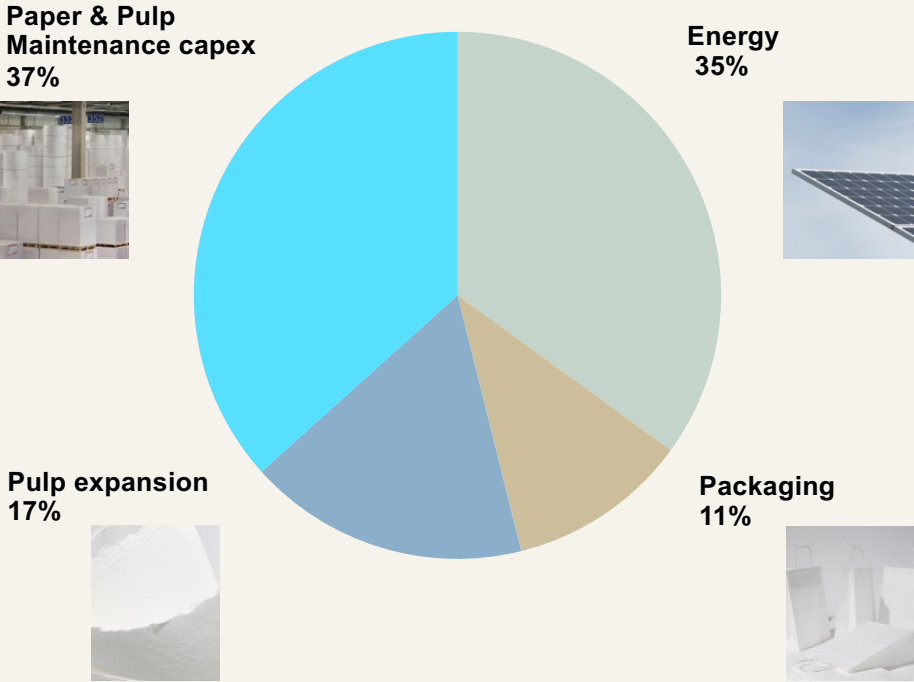
NET DEBT/EBITDA 2020 – 2024



* 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



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