

Rottneros AB

# Year-end report Jan-Dec 2025

-190 MSEK

EBITDA Q4 2025



Uncertain market



Annual maintenance  
shutdown



Cost focus



# Continued weak market and weaker USD resulted in negative result

## Q4 2025 compared with (Q4 2024)

**NET TURNOVER** dropped by 6 percent to 587 (626) MSEK. Higher sales volumes were offset by lower market prices and a stronger SEK.

**NET PRICE** in USD was, depending on segment, 4–8 percent lower than in the fourth quarter of 2024. A stronger SEK exchange rate led to 16–19 percent lower prices when denominated in SEK. Compared with the third quarter of 2025, market prices in USD remained largely unchanged while prices denominated in SEK were approximately 2 percent lower.

**VOLUME PRODUCED** amounted to 82,500 (74,800) tonnes. Production of sulphate pulp was robust but, as in previous years, was

impacted by the annual maintenance shutdown at Vallvik Mill. Prevailing weak market conditions continued to constrain CTMP production.

**SOLD VOLUME** totalled 84,900 (72,800) tonnes. Demand for sulphate pulp within Rottneros' prioritised niches has been good and sales rose by 8 percent. CTMP sales rose by 38 percent, partly as a result of a shift from the third to the fourth quarter. For the full year, sales of sulphate pulp increased by 6 percent, while CTMP declined by 10 percent.

**EBITDA** was -190 (10) MSEK, affected by lower sales prices and a stronger SEK, which also contributed to a write-down of finished goods

inventory by 35 MSEK. Lower variable and fixed costs had a positive impact. As in previous years, the annual maintenance shutdown at Vallvik had a negative impact on the fourth quarter. In the fourth quarter of 2024, emission allowances were sold for 76 MSEK. No emission allowances were sold in the fourth quarter of 2025.

**NET INCOME** for the quarter totalled -175 (27) MSEK.

**BALANCE SHEET:** The equity/assets ratio was 60 (59) percent and available liquidity amounted to 190 (385) MSEK. Net debt totalled 339 (392) MSEK.

**CASH FLOW** from operating activities amounted to 15 (104) MSEK for the year. Investments amounted to 166 (450) MSEK.

**FINANCING:** In the fourth quarter of 2025, Rottneros breached a profitability covenant in the loan agreement. Long-term receivables have therefore been classified as current and available liquidity excludes 150 MSEK in the RCF facility.

**DIVIDEND:** The Board of Directors proposes that no dividend be distributed for 2025.

# 587 MSEK

Net turnover declined by 6 percent despite higher sales volumes.

# -190 MSEK

EBITDA for the fourth quarter was affected by a weak market, weaker USD and maintenance shut down.

# 60 %

The equity/assets ratio was 60 percent and available liquidity totalled 339 MSEK.

# +6 %

Annual production at Vallvik Mill increased to 233,000 tonnes, setting a new record.

|   | Oct-Dec 2025 | Oct-Dec 2024 | Change | Jul-Sep 2025 | Change Q4-Q3/25 | Jan-Dec 2025 | Jan-Dec 2024 | Change |
|---|--------------|--------------|--------|--------------|-----------------|--------------|--------------|--------|
| Net turnover                                      | 587          | 626          | -39    | 574          | 13              | 2,539        | 2,710        | -171   |
| EBITDA, MSEK                                      | -190         | 10           | -200   | -21          | -168            | -253         | 179          | -432   |
| EBIT, MSEK  | -228         | -28          | -200   | -58          | -170            | -540         | 47           | -587   |
| Profit/loss after financial items, MSEK           | -233         | -35          | -198   | -65          | -168            | -565         | 27           | -592   |
| Net income, MSEK                                  | -186         | -27          | -158   | -52          | -133            | -452         | 20           | -473   |
| Earnings per share, SEK                           | -0.86        | -0.15        | -0.71  | -0.26        | -0.60           | -2.10        | 0.11         | -2.21  |
| Cash-flow from current operations, MSEK           | -1           | 14           | -15    | 18           | -19             | -71          | 15           | -86    |
| Return on capital employed (rolling 12 months), % | -            | -            | -      | -            | -               | -27.3        | 2.4          | -29.8  |
| Production, thousand tonnes                       | 82.5         | 74.8         | 7.7    | 72.9         | 9.6             | 331.4        | 340.7        | -9.3   |
| Deliveries, thousand tonnes                       | 84.9         | 72.8         | 12.1   | 76.3         | 8.6             | 334.9        | 333.2        | 1.7    |



### Comments by the CEO

## Weak earnings development, focus on factors we control ourselves

The financial development in the fourth quarter was characterized by very weak earnings. The tough pulp market meant lower prices in USD, while a weaker USD amplified the price and margin decline in SEK. However, we delivered in line with our targets or better for the factors we can influence, mainly cost efficiency and high availability in production. The price of wood raw material continues to fall after the trend break during the autumn. At the same time the pulp prices are rising after the turn of the year. These are important pieces of the puzzle for the industry's long-term profitability.

EBITA for the quarter amounted to -190 MSEK, lower prices in USD together with a stronger SEK were the main reasons for the very weak result, but also wood prices. The valuation of finished goods inventory was negatively impacted by lower pulp prices and weighed on earnings by approximately -35 MSEK. In addition, the annual maintenance shutdown at Vallvik Mill impacted earnings by approximately 70–80 MSEK, in line with previous years and in line with the normal seasonal pattern. Demand in our niches for long-fiber chemical pulp continues to develop steadily, which confirms our competitive advantages.

The cost savings we initiated in the spring are now fully implemented. All other things equal, they entail a reduction of the fixed cost base by approximately 45 MSEK on an annual basis. This is more than our goal of 35–40 MSEK, a clear acknowledgement of the organization's great commitment to Rottneros.

### Focus on reduced working capital yields results

Efforts to reduce working capital were intensified. At year-end, working capital amounted to 375 MSEK, a decrease of 154 MSEK compared with end of September. The ambition is to reduce working capital further going forward. Rottneros' financial position shall be characterised by a strong equity ratio that

**“The cost savings program is implemented and reduces fixed cost by approximately 45 MSEK.”**

## Comments by the CEO

587 MSEK

Net turnover

-190 MSEK

EBITDA

190 MSEK

Available liquidity

**“Efforts to reduce working capital were intense. During the quarter working capital decreased by 154 MSEK.”**

provides good resilience in bad times. At the end of the year, the equity/assets ratio was 60 percent, which is above the long-term target of at least 50 percent. Available liquidity amounted to a total of 190 MSEK.

### Clear focus on the factors we can influence

We continue to have a strong focus on the factors we can influence ourselves and consistently deliver at a high level when it comes to them. Production at Vallvik Mill increased by 9 percent during the quarter, which meant a new annual record for the full year. In 2025, the volume increased by 6 percent to 233,000 tonnes.

In Rottneros Mill, production continued to be limited by adjustments necessary in the weak market situation for mechanical pulp. We continue to prioritise markets in Europe with better profitability. The investments for increased capacity are delivering according to plan with a high production rate when the mill is allowed to run at full capacity. Through investments made, the mill is now one of the most efficient production facilities in

its segment. Several different investments in new products to address new markets and applications in mechanical pulp are also being carried out.

### Safety work yields results

The number of accidents involving sick leave decreased further in 2025. There were two of them, compared to three for 2024 and five in 2023. The investments we have made to train the staff and in equipment for a number of years are thus paying off. Considering that employee safety is of course always at the top of our agenda, it is extremely gratifying that our efforts are yielding results. The daily work for the safety of personnel continues with a zero vision as the overall objective.

### Stable demand for chemical pulp in our niches

The weak market development continued in the fourth quarter, with a sideways development for prices overall. For our main quality, chemical long-fibre pulp, they continued to be under pressure despite production restrictions in the market. Net prices for NBSK pulp in Europe fell during the quarter from 710 USD to 690 USD. At the same time, the net price of CTMP in USD was stable. However, price increases have been announced for long-fibre in Europe in the first quarter of 2026. Inventory levels remain above average. At the same time, demand in our niches is stable and many customers continue to increase their volumes.

### Market balance for wood raw material favourable, further price declines in the cards

Wood prices remained at an unsatisfactorily high level and had a negative impact on the comparison with the previous year's fourth quarter. However, the market balance has swung in our favour over the past six months. An increased supply, which

was also affected by the storm Johannes at the end of December, combined with reduced demand, means that the price trend turned downwards in mid 2025 and everything indicates that it will continue to decline in the first half of 2026 as well. The storm has a major impact on the supply of wood in the area around Vallvik, equivalent to about one year's felling. Based on the now announced reductions, the price decline is in the order of 20 percent from the peak in the first half of 2025. The price development affects our earnings with a delay of about one quarter.

### Packaging's and Arctic Paper's factory in Poland produce on a commercial scale

Our project for large-scale production of moulded fibre trays in Poland together with Arctic Paper continued to scale up and production has reached commercial scale. As before, there is a great deal of interest in our sustainable food packaging.

In conclusion, I would like to thank all colleagues for your whole-hearted commitment in this challenging situation. I would also like to thank the Board of Directors, our owners and our customers and suppliers for a very good collaboration.

Lennart Eberleh  
President and CEO

## Market overview – Pulp market

# Uncertain market in an unstable global environment

### Market situation

The global economy remains under pressure from a generally weakened sentiment driven by war, geopolitical conflicts and heightened trade tensions, all of which dampen both investment appetite and consumption. In the US, the Federal Reserve has lowered interest rates, but financial markets remain tight, while the labour market is losing momentum with extensive job cuts and fewer new hires. Households face continued strain from higher long-term interest rates and declining real incomes.

The weaker dollar has stimulated demand in certain regions, particularly China, which partly explains the increased pulp purchases – although underlying challenges persist. China's economy continues to be marked by weak domestic demand, falling property prices and persistent industrial overcapacity, while strong exports to other regions mitigate some of the pressure.

Overall, the global climate of uncertainty – including political tensions, trade disputes and security risks – continues to weigh on growth prospects and keeps sentiment subdued.

### Market for market pulp

Market activity in China was comparatively strong during the fourth quarter, while demand remained subdued in Europe and the US. Hardwood pulp showed a stronger market performance than softwood pulp during 2025. Some price increases for hardwood pulp were implemented in the fourth quarter. Softwood pulp continued to experience downward pressure despite limited

production in the market. An NBSK pulp mill in Canada announced plans to close. Softwood pulp prices in Europe are set to rise in the first quarter of 2026. Inventory levels for hardwood pulp declined slightly, while remaining somewhat above average for softwood pulp.

Net prices for NBSK pulp in Europe decreased during the quarter from 710 USD to 690 USD, but rose in China from 670 USD to 680 USD. Net prices for BCTMP held steady at around 430 USD. Notably, prices for both CTMP and NBSK began to rise on the spot market in China towards the end of the year, but this has not yet been reflected in the published indices.

Pulp deliveries to China increased by 8.4 percent up to November compared with the same period in 2024, an effect of inventory replenishment following a period of low prices. The Chinese market is characterised by significant overcapacity in paper and cartonboard, which is increasingly being integrated with integrated pulp production – a development supported by low fiber prices.

### Market developments for paper and board

Paper and board production in Europe decreased by 2.4 percent through September compared with 2024. All segments, including tissue, have declined. The declines were significant in graphic paper (-8 percent) and board (-5 percent).

Production of tissue – the largest end-use for market pulp globally, accounting for over 40 percent of the market – decreased by 0.8 percent through October

2025 compared with the previous year (excluding China). Although tissue is not yet a major segment for Rottneros its share of CTMP is growing. For printing and writing papers, deliveries decreased by 7.2 percent through October in the main markets outside China. However, it remains the second-largest application for market pulp globally.

### Demand and inventories

Global demand for market pulp increased by 3.6 percent through November 2025 compared with the same period in 2024. Hardwood pulp increased by 5.7 percent, while softwood pulp decreased by 0.4 percent. Demand for unbleached pulp (UKP) increased by 5.9 percent, while demand for CTMP was 3.1 percent below the previous year's level. Excluding volumes from Phoenix Resource International's new CTMP mill in Indonesia, which is effectively integrated with Chinese cartonboard mills, the actual market for market CTMP declined by 14 percent up to November.

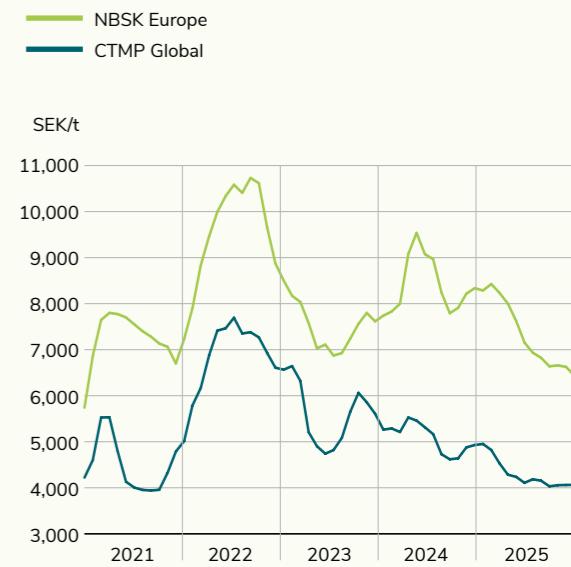
Producers' global inventories in November indicated a divided market:

- Softwood pulp: 46 days (39 days the previous year, above a balanced level)
- Hardwood pulp: 43 days (41 days, in good balance)
- CTMP: 33 days (46, at a low level, measured per December)

### Rottneros' niche markets

Demand in Rottneros' niche markets, excluding cartonboard, has remained stable during 2025.

### PULP PRICES\* 2021–2025



\* Net prices in USD published by TTO converted to SEK

## Performance October – December

# Maintenance shutdown and low selling prices

**-6 %**

Lower turnover

Net turnover amounted to 587 (626) MSEK, a decrease of 6 percent. Pulp sales volume rose by 17 percent, while net turnover was negatively impacted by lower prices, a stronger SEK and a changed product mix compared with the fourth quarter of 2024.

**-8 %**

Lower fixed costs

Compared with the same quarter of 2024, market prices fell by 19 percent for sulphate pulp and 16 percent for CTMP when denominated in SEK, mainly due to the stronger SEK. Lower selling prices and exchange rates had a negative impact on earnings of -131 MSEK.

Sales of products other than pulp totalled 70 (81) MSEK, corresponding to 12 percent of turnover.

Variable costs, measured per tonne, decreased by 9 MSEK. Wood prices were higher than in the same quarter of 2024, whereas costs for chemicals and fuel declined. Prices are showing a downward trend for the coming quarter. The storm Johannes, which struck forests within Vallvik Mill's delivery area, is expected to affect supply in 2026. Increased supply could mean downward pressure on prices.

Electricity prices remained high during the quarter. The system price for electricity was 0.56 (0.36) SEK per kWh. Rottneros' consumption takes place primarily in electricity area SE3, where the price was 0.61 (0.49) SEK per kWh. Rottneros hedges most of its electricity consumption. The realised outcome for electricity price hedges was 10 (4) MSEK. The net cost of the Group's electricity consumption was 0.28 (0.37) SEK per kWh during the quarter.

Fixed costs decreased by 16 MSEK. The Group's cost saving programme had a significant effect during the quarter. It is expected to lower the cost base by about 45 MSEK annually, compared with the previously announced target of 35–40 MSEK.

As in 2024, Vallvik Mill carried out its annual maintenance shutdown during the fourth quarter. The shutdown impacts earnings by approximately 70–80 MSEK compared with a quarter without a shutdown. Rottneros Mill conducted its maintenance shutdown in the third quarter of 2025, whereas it took place in the fourth quarter in 2024.

The change in other items was -113 MSEK. During the quarter, Rottneros sold emission allowances for 0 (76) MSEK. Lower selling prices in SEK led to a 37 MSEK higher impairment of finished goods inventory compared with the fourth quarter of 2024.

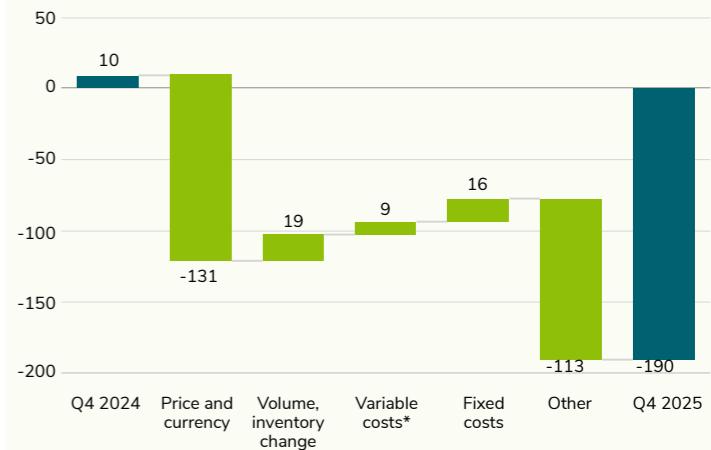
EBITDA for the quarter amounted to -190 (10) MSEK. Depreciation and amortisation amounted to SEK 39 (38) MSEK. EBIT was SEK -228 (-28) MSEK.

## QUARTERLY COMPARISON

|                      | Oct-Dec 2025 | Oct-Dec 2024 | Change % | Jul-Sep 2025 | Change % |
|----------------------|--------------|--------------|----------|--------------|----------|
| NBSK Europe, SEK/t * | 6,575        | 8,154        | -19      | 6,798        | -3       |
| CTMP Global, SEK/t * | 4,060        | 4,815        | -16      | 4,123        | -2       |
| USD/SEK              | 9.42         | 10.76        | -12      | 9.52         | -1       |
| Net turnover, MSEK   | 587          | 626          | -6       | 574          | 2        |
| EBITDA, MSEK         | -190         | 10           | n.a.     | -21          | n.a.     |

\* TTO's published net prices in USD converted to SEK

## DIFFERENCE IN EBITDA FOURTH QUARTER 2025 COMPARED WITH THE SAME PERIOD 2024 (MSEK)



\* Variable costs are based on cost per tonne of pulp sold.

## Production and deliveries

# Annual record for Vallvik Mill

Vallvik Mill, which produces sulphate pulp, continues to maintain good production. Production for the year rose by 6 percent to 233,000 (218,800) tonnes, setting a new annual record for the mill.

Rottneros Mill has limited production due to a weak market for CTMP. Annual production decreased by 19 percent to 98,400 (121,900) tonnes. The investments made in expanded capacity have delivered good results, with higher efficiency and quality.

Demand in Rottneros' niches for sulphate pulp was strong. Deliveries in the fourth quarter totalled 55,600 (51,500) tonnes, slightly exceeding production. Deliveries of

CTMP totalled 29,300 (21,300) tonnes, an increase compared with both the same quarter of 2024 and the third quarter of 2025.

### Maintenance shutdowns and seasonal variations

In 2025, the annual maintenance shutdown was held at Rottneros Mill in the third quarter and at Vallvik Mill at the beginning of the fourth quarter. In 2024, the maintenance shutdown for both mills took place in the fourth quarter.

The direct costs relating to maintenance shutdowns are recognised in the period during which the shutdown takes place, in accordance with generally accepted accounting practice. The maintenance shutdown also involves a certain loss of production, which affects turnover and income for the quarter in which the shutdown takes place. The estimated cost of the shutdown includes both direct costs and the indirect effect of loss of production. It represents an assessment of the impact of a normal annual maintenance shutdown on income in relation to a quarter without any maintenance shutdown.

Otherwise, the Rottneros Group is not affected by seasonal variations to any appreciable extent.

## PRODUCTION AND DELIVERIES

| Production, tonnes | Oct-Dec 2025  | Oct-Dec 2024  | Jul-Sep 2025  | Jan-Dec 2025   | Jan-Dec 2024   |
|--------------------|---------------|---------------|---------------|----------------|----------------|
| Sulphate pulp      | 53,700        | 49,300        | 57,500        | 233,000        | 218,800        |
| CTMP               | 28,800        | 25,500        | 15,400        | 98,400         | 121,900        |
| <b>TOTAL</b>       | <b>82,500</b> | <b>74,800</b> | <b>72,900</b> | <b>331,400</b> | <b>340,700</b> |
| Deliveries, tonnes | Oct-Dec 2025  | Oct-Dec 2024  | Jul-Sep 2025  | Jan-Dec 2025   | Jan-Dec 2024   |
| Sulphate pulp      | 55,600        | 51,500        | 58,300        | 229,900        | 216,700        |
| CTMP               | 29,300        | 21,300        | 18,000        | 105,000        | 116,500        |
| <b>TOTAL</b>       | <b>84,900</b> | <b>72,800</b> | <b>76,300</b> | <b>334,900</b> | <b>333,200</b> |

## MAINTENANCE SHUTDOWN, 2025

### VALLVIK MILL

Estimated impact on income:  
70–80 MSEK

### ROTTNEROS MILL

Estimated impact on income:  
10–20 MSEK

## TIMING OF MAINTENANCE SHUTDOWN

|                | 2025 | 2024 |
|----------------|------|------|
| VALLVIK MILL   | Q4   | Q4   |
| ROTTNEROS MILL | Q3   | Q4   |



## Performance January – December

# Low margins impact financial performance

**-6 %**

Lower turnover

**-7 %**

Weaker USD/SEK

Net turnover amounted to 2,539 (2,710) MSEK, a decrease of 6 percent. Sales volume increased by 1 percent, while selling prices were significantly lower and the SEK strengthened.

The price of sulphate pulp in SEK was 13 percent lower than in 2024. The price of CTMP was 16 percent lower. The combined effect of lower selling prices and a stronger SEK reduced earnings by -258 MSEK.

Sales of products other than pulp amounted to 322 (344) MSEK, corresponding to 13 percent of turnover.

Variable costs rose by 38 MSEK based on costs per ton. The cost of pulp wood was higher, while the cost of other input goods declined. The pulp wood supply remained favourable during the period, and prices are now trending clearly downwards.

The system price for electricity was 0.44 (0.41) SEK per kWh for the full year. Rottneros' consumption takes place primarily in electricity area SE3, where the price has been 0.51 (0.41) SEK per kWh. Rottneros hedges most of its electricity consumption. The realised outcome for electricity price hedges was 18 (10) MSEK. The net cost of the Group's electricity consumption was 0.31 (0.34) SEK per kWh during the period.

Fixed costs increased by 9 MSEK for the full year but showed a downward trend for the latter part of the year. The Group has implemented a savings programme that is expected to lower the cost base by about 45 MSEK annually, compared with the previously announced 35–40 MSEK.

Other items reduced earnings by 133 MSEK. During the year, Rottneros sold emission allowances for 25 (87) MSEK. Lower selling prices in SEK led to a 43 MSEK higher impairment of finished goods inventory compared with 2024. Revenue from by-products decreased due to lower prices, which are often linked to energy prices.

EBITDA for the year amounted to -253 (179) MSEK.

Depreciation and amortisation for the period was 288 (133) MSEK. In addition to scheduled depreciation of 148 (120) MSEK, non-current assets were impaired by 140 (13) MSEK in accordance with accounting policies.

EBIT for the year was -540 MSEK.

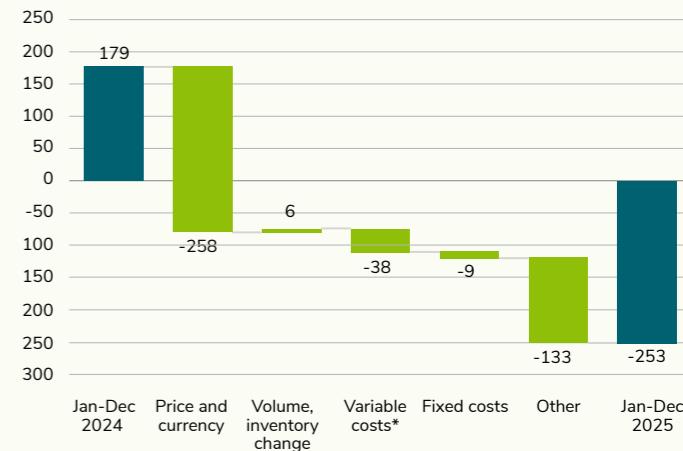
## JANUARY – DECEMBER 2025

|                      | Jan-Dec 2025 | Jan-Dec 2024 | Change % |
|----------------------|--------------|--------------|----------|
| NBSK Europe, SEK/t * | 7,320        | 8,393        | -13      |
| CTMP Global, SEK/t * | 4,294        | 5,085        | -16      |
| USD/SEK              | 9.82         | 10.56        | -7       |
| Net turnover, MSEK   | 2,539        | 2,710        | -6       |
| EBITDA, MSEK         | -242         | 179          | n.a.     |

\* TTO's published net prices in USD converted to SEK

## DIFFERENCE IN EBITDA

### JANUARY – DECEMBER 2025 COMPARED WITH THE SAME PERIOD IN 2024 (MSEK)



\* Variable costs are based on cost per tonne of pulp sold.

# Other items

## Financial items in the income statement

Net financial items amounted to -25 (-20) MSEK, of which 0 (-8) MSEK is revaluation of financial derivatives.

## Financing

In December 2024, Rottneros refinanced the existing long-term loan agreements. The facilities comprise long-term loans totalling 400 MSEK with 69 MSEK in annual repayments, and revolving credit facilities of up to 150 MSEK. The loan agreement has a term of three years with a one-year extension option. In addition, Rottneros has overdraft facilities amounting to 225 MSEK.

As before, the financing agreement includes a sustainability link whereby the interest terms are linked to some of the environmental and work environment criteria in the Group's long-term targets. The link is part of Rottneros' continuous focus on sustainable development.

In July 2025, the loan agreement was updated to include, among other things, a liquidity covenant and a profitability target that replace the original debt-to-equity covenant through 30 September 2026. At the end of 2025, Rottneros did not meet the profitability target and was therefore granted a waiver for the fourth quarter of 2025. The waiver limits how the company can draw on the 150 MSEK revolving credit facility, and thus this

amount has not been included in available liquidity. At the same time, the non-current portion of the loan was reclassified as current.

Rottneros assesses that profitability will not recover to such an extent that the company will meet the temporary covenants in the coming quarters. Against this background, the company is engaging in a constructive and positive dialogue with its lenders with the aim of strengthening the financial position and securing the Group's long-term operations.

The Group's cash and cash equivalents totalled 67 (19) MSEK at the end of the year. Interest-bearing liabilities totalled 407 (412) MSEK, and net debt 339 (393) MSEK. Total granted but unused credit facilities amounted to 123 (252) MSEK.

The equity/assets ratio amounted to 60 (59) percent as of 31 December 2025. Equity per share amounted to 5.78 (6.33) SEK.

## Rights issue

In July 2025, a rights issue of 300 MSEK was completed.

## Cash flow

Cash flow from operating activities amounted to -275 (149) MSEK. Tax payments of 9 (35) MSEK are included in this item. Cash flow after investments in non-current assets was -237 (-435) MSEK.

Cash flow from financing activities was 286 (244) MSEK.

Net cash flow for the period was 48 (-177) MSEK.

## Investments

The Group's investments in property, plant and equipment amounted to 166 (437) MSEK and relate to investments to maintain the technical standard of the facilities and to improve environmental performance.

Investments for 2026 are estimated to be below 100 MSEK.

## Parent Company

Profit/loss after financial items amounted to -7 (28) MSEK.

The result includes remeasurement of electricity price derivatives recognised as other operating expenses. This revaluation relates to derivative contracts with negative values that are measured at the lower of cost or market. The valuation does not affect the Group's profit or loss.

During the period, a reduction of capital in Utansjö Bruk AB has resulted in a dividend of approximately 31 MSEK. The item does not affect the Group's profit or loss.

# Risk management

Operationally, the Company uses a number of measures and strategies – for example, focusing on niches and various specific customer segments – aimed at reducing the Group's dependency on market pulp list prices and at moderating fluctuations in profitability over a business cycle. The factors that have the greatest impact on the Group's results are linked to exchange rates and the price of pulp, timber and electricity.

## Currency exposure, USD and EUR

Although Rottneros issues invoices in different currencies, the underlying currency for the pulp price is predominantly USD. The underlying exposure to USD is thus high. The direct inflow of USD corresponds with about 60 percent of the inflow and of EUR about 25 percent. However, the impact of exchange rate fluctuations on indirect exposure is delayed, as the normal duration of a customer contract is between one and three months.

The average USD/SEK exchange rate during 2025 was 9.82, compared with 10.56 in 2024.

The Group has hedged USD/SEK with a "Risk Reversal," where the sale of USD takes place within an interval. At the end of the year, 22 MUSD was hedged with monthly maturities until November 2026 within the range of 9.20–10.93 SEK/USD.

## Pulp price

The price of pulp (NBSK) is set in USD, while production costs are largely incurred in SEK. At the end of 2025, the Group had pulp price hedges for 12,000 tonnes with monthly maturities during 2026. The fair value of the unrealised price hedges was 0 MSEK as at 31 December 2025.

## Electricity

All external electricity for the mills, approximately 200 GWh per year at full capacity utilisation, is purchased directly through the Nord Pool electricity exchange.

At the end of 2025, electricity prices were hedged as shown in the following table. The table shows the hedged proportion of forecasted consumption and the average hedged price in SEK per kWh. The hedged share includes the PPA, which is described in more detail below. The fair value of the unrealised electricity price hedges was 41 MSEK as at 31 December, 2025.

The high level of hedging protects Rottneros against sharp price fluctuations. Because of the imbalance between electricity price areas a certain percentage of the contracts are hedged in relation to area SE3. The average price level for electricity at Nord Pool (area SE3) in 2025 was 0.51 (0.41) SEK per kWh.

Rottneros has a long-term electricity agreement in the form of a Power Purchase Agreement (PPA) including guarantees of origin (GO). The agreement covers just over 30 GWh/year of clean wind energy with settlement against a fixed price in SE3. The agreement runs for an 8.5-year period starting in 2025.

See pages 51–58 of the Annual Report for 2024 for further information on risks.

## ELECTRICITY HEDGES AS AT 31 DECEMBER 2025

| Year | Proportion hedged, % | SEK/kWh |
|------|----------------------|---------|
| 2026 | 80                   | 0.49    |
| 2027 | 48                   | 0.50    |
| 2028 | 40                   | 0.53    |
| 2029 | 11                   | 0.47    |
| 2030 | 11                   | 0.47    |

58 percent of the hedged volume is against the system price and 42 percent against electricity area SE3.

# The share and shareholders

## Rights issue

Rottneros carried out a new share issue with preferential rights for existing shareholders in 2025. As a result of the rights issue, Rottneros raised approximately 300 MSEK before transaction costs. The subscription price per share was SEK 2.65 and the number of shares increased by 114,428,943.

## Number of shares and treasury shares

The number of shares in Rottneros amounts to 267,822,833. Rottneros' holdings of treasury shares amount to 821,965 shares. No change in treasury shares occurred in 2025.

## Share price performance

As a result of the issue, historical share prices have been adjusted to reflect the dilution effect. At the end of 2025, the share price was 2.90 (7.66 at the end of 2024) SEK. The average rate was 3.61 (9.48) SEK.

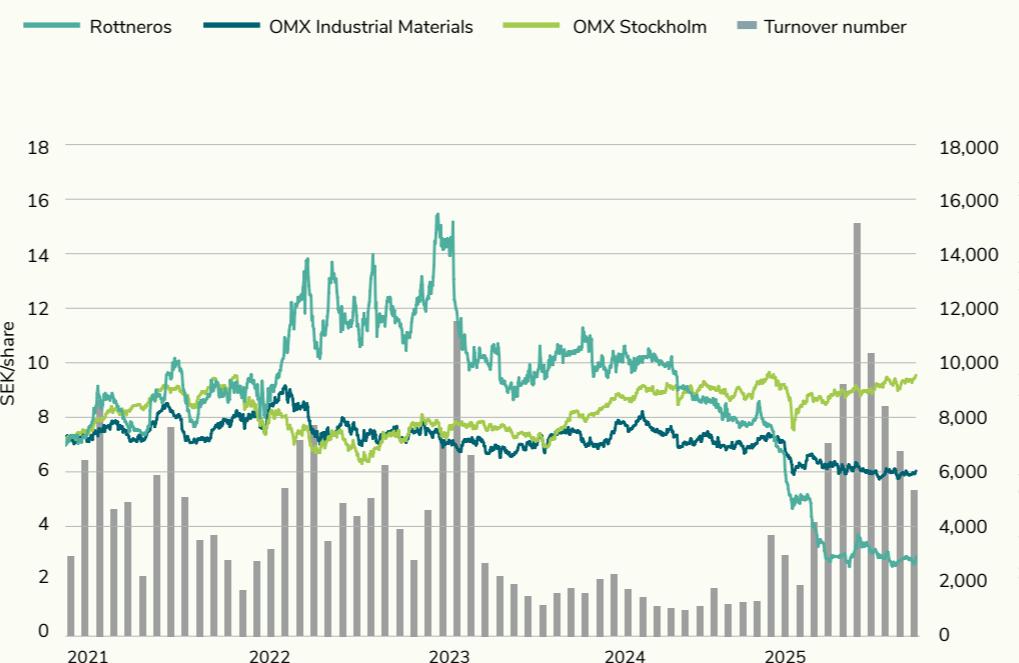
## Annual General Meeting 2026

Rottneros' AGM 2026 will be held on 27 May 2026 in Karlstad.

## Forthcoming financial information

|                 |                                       |
|-----------------|---------------------------------------|
| 21 April 2026   | Annual Report 2025                    |
| 7 May 2026      | Interim report January–March 2026     |
| 27 May 2026     | 2026 Annual General Meeting           |
| 6 August 2026   | Interim report January–June 2026      |
| 30 October 2026 | Interim report January–September 2026 |

## SHARE PRICE 2021 TO 2025



## LARGEST SHAREHOLDERS ON 31 DECEMBER 2025

| Shareholders  | Number of shares (=votes) | Percent of capital |
|---|---------------------------|--------------------|
| Arctic Paper S.A.   | 146,904,045               | 54,9               |
| PROAD AB  | 20,498,185                | 7,7                |
| UBS Switzerland AG, W8IMY                                 | 6,313,276                 | 2,4                |
| Caceis Bank, Switzerland Branch, W8IMY                    | 5,900,000                 | 2,2                |
| Försäkringsaktiebolaget Avanza Pension                    | 4,817,305                 | 1,8                |
| Dimensional Fund Advisors                                 | 3,947,542                 | 1,5                |
| Caceis Bank Spain SAU, W8IMY                              | 2,888,288                 | 1,1                |
| Borell Joakim   | 1,583,821                 | 0,6                |
| SEB Investment Management                                 | 1,552,947                 | 0,6                |
| KBC BANK NV, W-8IMY                                       | 1,205,947                 | 0,5                |
| <b>Total for ten largest owners – in terms of holding</b> | <b>195,611,356</b>        | <b>73,0</b>        |
| Other shareholders  | 71,389,512                | 26,7               |
| Rottneros AB (treasury shares from buy-back)              | 821,965                   | 0,3                |
| <b>TOTAL</b>  | <b>267,822,833</b>        | <b>100,0</b>       |

# Long-term targets 2030 and target achievement

Rottneros' vision is "Always make a difference". This has been translated into long-term targets for financial, social and climate-related sustainability. Follow-up is primarily carried out on an annual basis, but also quarterly.

| TARGET  | TARGET   | OUTCOME 2025   |
|---|--|--|
| <strong>FINANCIAL TARGETS</strong>                        |  |  |
| Distribution of net income                                | 30–50 percent  | No dividend for 2025   |
| Equity/assets ratio                                       | Over 50 percent  | 60 percent (outcome 2025: 59 percent)  |
| Pulp production by 2030                                   | 415,000 tonnes or +2.5 percent per year                                | 331,400 tonnes, -3 percent compared with 2024  |
| <strong>SOCIAL TARGETS</strong>                           |  |  |
| Safety, accidents with sick leave                         | LTIFR * lower than industry average                                    | 4.6 (outcome 2024: 6.3, industry average 2024: 7.1)  |
| Social work environment                                   | OSA ** higher than industry average                                    | 74 (industry average 72)   |
| <strong>ENVIRONMENTAL TARGETS:</strong>                   |  | <strong>Outcomes are recognised on a full-year basis for fossil emissions and increased circularity</strong> |
| Fossil CO <sub>2</sub> emissions according to GHG scope 1 | Fossil-free production 2030  | 5,731 tonnes in 2025 (outcome 2024: 9,770 tonnes)  |
| Fossil CO <sub>2</sub> emissions according to GHG scope 2 | Fossil-free production 2030  | 42,689 tonnes in 2025 (outcome 2024: 110,448 tonnes)   |
| Increased circularity                                     | Reduce biogenic carbon emissions by 30 percent 2030 compared with 2022 | 19 percent emission reduction in 2025 compared with 2022   |
| Self-sufficiency rate for electricity                     | Above 50 percent year 2030   | 45 percent 2025 (outcome 2024: 36 percent)   |

\* LTIFR – Lost Time Injury Frequency Rate: Number of accidents with sick leave per 1 million hours worked, measured over a rolling 12-month period.

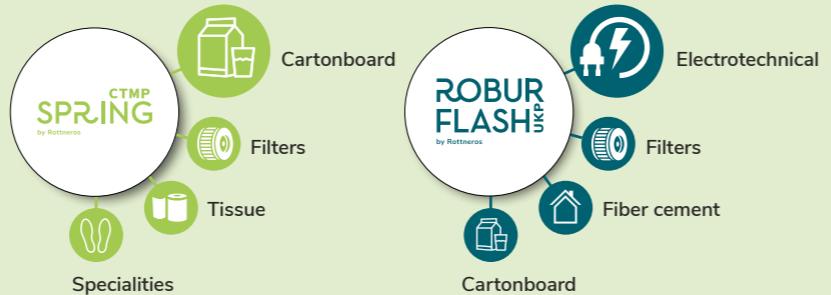
\*\* OSA – Organisational and social work environment has replaced the previous target "proportion of women". OSA is broader and describes the target of creating an inclusive and engaging culture. This is a fundamental for increasing the proportion of female employees, among other things.

# Offering and development areas

## Rottneros' range of products

Rottneros manufactures and sells high-quality pulp to niche markets within packaging, filters and electrotechnical applications, with customers in Europe, Asia and North America. The Group offers both chemical pulp (also called sulphate pulp and NBSK) and mechanical pulp (CTMP). We are also investing in climate-smart molded packaging through Rottneros Packaging. With a focus on innovation, the environment and employees, we develop sustainable products for the future.

### CHEMICAL AND MECHANICAL PULP



### MOLDED PACKAGING



## Joint venture

**Rottneros Packaging's investment in Poland**  
As part of its development strategy, the Group has formed a jointly owned company in Packaging in Poland together with Arctic Paper.

The purpose of the company is to build and operate a factory for the production of molded fiber trays on a large industrial scale.

The first phase of the investment project includes two forming lines with ancillary equipment. Production is being scaled up step by step and customer qualifications are ongoing to reach full commercial scale.

### Blue Ocean Closures

Rottneros became a stakeholder of Blue Ocean Closures in December 2023. Blue Ocean

Closures is developing a unique dry forming technology to produce fiber-based closures for consumer packaging on a large scale. The aim is to replace current plastic solutions in a global market. The innovative technology and material has the potential for many more high-volume and high-impact applications, effectively reducing plastic pollution and carbon dioxide emissions.



# Declaration

The Board of Directors and the CEO certify that the quarterly report gives a true and fair summary of the Group's and parent company's operations, financial position and results and describes significant risks and uncertainties faced by the company and the companies included in the Group.

Vallvik on 19 February 2026

**Per Lundeen**  
Chairman of the Board

**Michał Jarczynski**  
Board member

**Roger Mattsson**  
Board member

**Conny Mossberg**  
Board member

**Julia Onstad**  
Board member

**Johanna Svanberg**  
Board member

**Magnus Wikström**  
Board member

**Mika Palmu**  
Employee representative

**Jerry Sohlberg**  
Employee representative

**Lennart Eberleh**  
President and CEO

This information is information that Rottneros AB is obliged to publish under the EU Market Abuse Regulation and the Securities Market Act.

The report has not been subject to review by the company's auditors.

The information was submitted for publication, through the agency of the contact person set out below, at 7:30 am on 19 February 2026. A Swedish and an English version of this report have been prepared. The Swedish version shall prevail in the event of differences between the two reports.

For further information, please contact:  
Lennart Eberleh, President and CEO

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## CONSOLIDATED INCOME STATEMENT

| AMOUNTS IN MSEK   | Oct-Dec 2025 | Oct-Dec 2024 | Jan-Dec 2025 | Jan-Dec 2024 |
|---|--------------|--------------|--------------|--------------|
| <b>NET TURNOVER</b>   | <b>587</b>   | <b>626</b>   | <b>2,539</b> | <b>2,710</b> |
| Change in finished goods inventories  | -43          | 6            | -14          | 58           |
| Other operating income  | 4            | 103          | 36           | 133          |
| <b>Operating income, total</b>  | <b>548</b>   | <b>735</b>   | <b>2,561</b> | <b>2,901</b> |
| Raw materials and consumables   | -462         | -415         | -1,875       | -1,795       |
| Other external costs  | -197         | -217         | -589         | -621         |
| Employee benefit expenses   | -78          | -82          | -317         | -294         |
| Other operating expenses  | 0            | -10          | -32          | -12          |
| <b>EBITDA (operating profit/loss before depreciation/amortisation and impairment)</b> | <b>-190</b>  | <b>10</b>    | <b>-253</b>  | <b>179</b>   |
| Depreciation/amortisation and impairment losses                                       | -39          | -38          | -288         | -133         |
| <b>EBIT (operating profit/loss)</b>   | <b>-228</b>  | <b>-28</b>   | <b>-540</b>  | <b>47</b>    |
| Financial income  | 1            | 1            | 3            | 4            |
| Financial expenses  | -6           | -8           | -29          | -24          |
| <b>Total financial items</b>  | <b>-5</b>    | <b>-7</b>    | <b>-25</b>   | <b>-20</b>   |
| <b>PROFIT/LOSS AFTER FINANCIAL ITEMS</b>  | <b>-233</b>  | <b>-35</b>   | <b>-565</b>  | <b>27</b>    |
| Tax on income for the period  | 48           | 7            | 113          | -7           |
| <b>NET INCOME *</b>   | <b>-186</b>  | <b>-27</b>   | <b>-452</b>  | <b>20</b>    |

|   |         |         |         |         |
|---|---------|---------|---------|---------|
| Number of shares outstanding (thousands)                | 267,001 | 267,001 | 267,001 | 267,001 |
| Number of shares outstanding after dilution (thousands) | 267,001 | 267,001 | 267,001 | 267,001 |
| Earnings per share (SEK)**                              | -0.86   | -0.10   | -2.10   | 0.08    |
| Earnings per share, diluted (SEK)                       | -0.86   | -0.10   | -2.10   | 0.08    |

\* The entire net income is attributable to the shareholders of the parent company.

\*\* The key performance indicator has been adjusted for the effect of the rights issue in accordance with IAS 33.

## STATEMENT OF COMPREHENSIVE INCOME

| AMOUNTS IN MSEK   | Oct-Dec 2025 | Oct-Dec 2024 | Jan-Dec 2025 | Jan-Dec 2024 |
|---|--------------|--------------|--------------|--------------|
| <b>NET INCOME</b>   | <b>-186</b>  | <b>-27</b>   | <b>-452</b>  | <b>20</b>    |
| <b>OTHER COMPREHENSIVE INCOME</b>   |              |              |              |              |
| Items that have been or may be transferred to profit or loss for the period |              |              |              |              |
| Changes in value of cash flow hedges  | -17          | -36          | 6            | -140         |
| Income tax effect on changes in value                                       | 4            | 8            | -1           | 29           |
| Translation differences   | 0            | 0            | -1           | 0            |
| <b>TOTAL OTHER COMPREHENSIVE INCOME</b>                                     | <b>-13</b>   | <b>-28</b>   | <b>4</b>     | <b>-111</b>  |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD <sup>2</sup></b>               | <b>-199</b>  | <b>-55</b>   | <b>-448</b>  | <b>-91</b>   |

<sup>2</sup>The entire comprehensive income is attributable to the parent company's shareholders.

## CONSOLIDATED BALANCE SHEET, SUMMARY

| AMOUNTS IN MSEK                                   | 31 Dec 2025  | 31 Dec 2024  |
|---|--------------|--------------|
| Intangible assets                                 | 22           | 21           |
| Property, plant and equipment                     | 1,457        | 1,579        |
| Financial assets                                  | 88           | 98           |
| <b>Total non-current assets</b>                   | <b>1,567</b> | <b>1,698</b> |
|   |              |              |
| Inventories                                       | 476          | 590          |
| Current receivables                               | 448          | 538          |
| Cash and cash equivalents                         | 67           | 19           |
| <b>Total current assets</b>                       | <b>991</b>   | <b>1,148</b> |
| <b>TOTAL ASSETS</b>                               | <b>2,558</b> | <b>2,846</b> |
|   |              |              |
| <b>Shareholders' equity</b>                       | <b>1,533</b> | <b>1,691</b> |
| Long-term liabilities                             |              |              |
| Interest-bearing liabilities                      | 7            | 341          |
| Deferred tax liability                            | 11           | 123          |
| Other non-interest-bearing liabilities            | 58           | 74           |
| <b>Total long-term liabilities</b>                | <b>77</b>    | <b>537</b>   |
|   |              |              |
| Current liabilities                               |              |              |
| Interest-bearing liabilities                      | 399          | 71           |
| Non-interest-bearing liabilities                  | 544          | 547          |
| <b>Total current liabilities</b>                  | <b>943</b>   | <b>619</b>   |
| <b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b> | <b>2,558</b> | <b>2,846</b> |
|   |              |              |
| <b>Shareholders' equity per share *</b>           | <b>5.74</b>  | <b>9.47</b>  |

\* The key performance indicator has been adjusted for the effect of the rights issue in accordance with IAS 33.

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, SUMMARY

| AMOUNTS IN MSEK                            | Share capital | Other injected capital | Repurchased treasury shares | Other reserves | Retained earnings, incl. profit/loss for the year | Total shareholders' equity |
|--|---------------|------------------------|-----------------------------|----------------|---|----------------------------|
| <b>Opening balance, 1 January 2024</b>     | <b>153</b>    | <b>730</b>             | <b>-69</b>                  | <b>60</b>      | <b>-6</b>   | <b>990</b>                 |
| Net income Jan–Dec                         |               |                        |                             |                | 20  | 20                         |
| Other comprehensive income Jan–Dec         |               |                        |                             | -111           | 0   | -111                       |
| <b>Total comprehensive income, Jan–Dec</b> |               |                        |                             | <b>-111</b>    | <b>0</b>  | <b>20</b>                  |
| Dividends to shareholders, Jan–Dec         |               |                        |                             |                |   | -76                        |
| <b>Closing balance, 31 December, 2024</b>  | <b>153</b>    | <b>730</b>             | <b>-69</b>                  | <b>-51</b>     | <b>-6</b>   | <b>934</b>                 |
|  |               |                        |                             |                |   |                            |
| Net income Jan–Dec                         |               |                        |                             |                |   | -452                       |
| Other comprehensive income Jan–Dec         |               |                        |                             | 5              | -1  | 4                          |
| <b>Total comprehensive income Jan–Dec</b>  |               |                        |                             | <b>5</b>       | <b>-1</b>   | <b>-452</b>                |
| Reversal                                   |               |                        | -31                         |                |   | 31                         |
| New issue                                  | 115           | 175                    |                             |                |   | 290                        |
| <b>Closing balance, 31 December 2025</b>   | <b>268</b>    | <b>874</b>             | <b>-69</b>                  | <b>-46</b>     | <b>-7</b>   | <b>513</b>                 |

## CONSOLIDATED STATEMENT OF CASH FLOWS

| AMOUNTS IN MSEK  | Jan-Dec 2025 | Jan-Dec 2024 |
|--|--------------|--------------|
| <b>EBIT</b>  | <b>-540</b>  | <b>47</b>    |
| Adjustment for items not included in cash flow                               | 11           | 15           |
| Depreciation/amortisation and impairment losses                              | 287          | 133          |
| <b>EBIT adjusted for items not affecting cash flow</b>                       | <b>-242</b>  | <b>195</b>   |
| Received/paid financial items  | -25          | -11          |
| Received/paid taxes  | -9           | -35          |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>-275</b>  | <b>149</b>   |
| Change in working capital  | 204          | -134         |
| <b>Cash flow from operating activities</b>                                   | <b>-71</b>   | <b>15</b>    |
| Investments in property, plant and equipment and intangible assets           | -166         | -450         |
| Investments in financial assets  | -            | 0            |
| Sale of non-current assets   | 0            | 1            |
| Change in current financial investments                                      | 0            | 12           |
| <b>Cash flow from investing activities</b>                                   | <b>-166</b>  | <b>-436</b>  |
| Borrowings, long-term loans  | 0            | 409          |
| Amortisation, long-term bank loans   | -106         | -91          |
| Change in credit facilities  | 100          | 2            |
| Dividend paid  | 0            | -76          |
| New issue  | 291          | -            |
| <b>Cash flow from financing activities</b>                                   | <b>286</b>   | <b>244</b>   |
| <b>NET CASH FLOW FOR THE PERIOD</b>  | <b>48</b>    | <b>-177</b>  |
| Cash and cash equivalents at start of period                                 | 19           | 196          |
| Net cash flow for the period   | 48           | -177         |
| Exchange rate difference in cash and cash equivalents                        | 0            | 0            |
| Closing cash and cash equivalents  | 67           | 19           |

## CHANGES IN INTEREST-BEARING LIABILITIES

| AMOUNTS IN MSEK   | Jan-Dec 2025 | Jan-Dec 2024 |
|---|--------------|--------------|
| <b>Interest-bearing liabilities on the balance sheet at the beginning of the period</b> | <b>412</b>   | <b>91</b>    |
| Changes included in cash flow from financing activities                                 |              |              |
| Long-term loans taken out from banks  | 0            | 409          |
| Change in bank overdraft facilities   | 100          | 3            |
| Amortisation of long-term loans taken out from banks                                    | -105         | -91          |
| <b>Interest-bearing liabilities on the balance sheet at the end of the period</b>       | <b>407</b>   | <b>412</b>   |

## PARENT COMPANY INCOME STATEMENT

| AMOUNTS IN MSEK   | Jan-Dec 2025 | Jan-Dec 2024 |
|---|--------------|--------------|
| <b>NET TURNOVER</b>   | <b>32</b>    | <b>23</b>    |
| Other operating income  | 1            | 1            |
| <b>Operating income, total</b>  | <b>33</b>    | <b>24</b>    |
| Pulp price hedges   | 0            | -30          |
| Other external costs  | -29          | -38          |
| Employee benefit expenses   | -38          | -40          |
| Other operating expenses  | 0            | -19          |
| <b>EBITDA (operating profit/loss before depreciation/amortisation and impairment)</b> | <b>-34</b>   | <b>-103</b>  |
| Depreciation/amortisation and impairment losses                                       | -1           | -1           |
| <b>EBIT (operating profit/loss)</b>   | <b>-34</b>   | <b>-104</b>  |
| Profit from participations in Group companies   | 31           | 108          |
| Financial income  | 22           | 35           |
| Financial expenses  | -26          | -12          |
| <b>Total financial items</b>  | <b>27</b>    | <b>132</b>   |
| <b>PROFIT/LOSS AFTER FINANCIAL ITEMS</b>  | <b>-7</b>    | <b>28</b>    |
| Tax on income for the period  | -1           | -7           |
| <b>NET INCOME</b>   | <b>-8</b>    | <b>21</b>    |

## PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

| AMOUNTS IN MSEK                                  | Jan-Dec 2025 | Jan-Dec 2024 |
|--|--------------|--------------|
| <b>NET INCOME</b>                                | <b>-8</b>    | <b>21</b>    |
| Other comprehensive income                       |              | -            |
| <b>TOTAL OTHER COMPREHENSIVE INCOME</b>          | <b>0</b>     | <b>-</b>     |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b> | <b>-8</b>    | <b>21</b>    |

## BALANCE SHEET – PARENT COMPANY

| AMOUNTS IN MSEK                                   | 31 Dec 2025  | 31 Dec 2024  |
|---|--------------|--------------|
| Intangible assets                                 | 1            | 0            |
| Property, plant and equipment                     | 2            | 2            |
| Financial assets <sup>1</sup>                     | 1,308        | 708          |
| <b>Total non-current assets</b>                   | <b>1,311</b> | <b>710</b>   |
| Current receivables <sup>2</sup>                  | 559          | 1,154        |
| Cash and cash equivalents                         | 10           | 2            |
| <b>Total current assets</b>                       | <b>568</b>   | <b>1,156</b> |
| <b>TOTAL ASSETS</b>                               | <b>1,879</b> | <b>1,867</b> |
| <br>Shareholders' equity                          | <br>1,307    | <br>1,025    |
| Long-term liabilities                             |              |              |
| Interest-bearing                                  | 0            | 331          |
| Non-interest-bearing                              | 11           | 20           |
| <b>Total long-term liabilities</b>                | <b>11</b>    | <b>351</b>   |
| Current liabilities                               |              |              |
| Interest-bearing                                  | 297          | 69           |
| Non-interest-bearing <sup>3</sup>                 | 264          | 422          |
| <b>Total current liabilities</b>                  | <b>560</b>   | <b>491</b>   |
| <b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b> | <b>1,879</b> | <b>1,867</b> |

<sup>1</sup> Includes receivables of 663 (283) MSEK from subsidiaries.<sup>2</sup> Includes receivables from subsidiaries of 550 (1,139) MSEK.<sup>3</sup> Includes liabilities to subsidiaries of 250 (269) MSEK.

# Supplementary disclosures, notes in summary and other information

## ACCOUNTING POLICIES

This report has been prepared in accordance with IAS 34 'Interim Financial Reporting', which complies with Swedish law through the application of the Swedish Financial Reporting Board's Recommendation RFR 1 'Supplementary Accounting Rules for Groups' together with RFR 2 'Accounting for Legal Entities', in respect of the parent company.

The accounting policies, definitions of key ratios and calculation methods are the same as those used in the last annual report.

All amounts in this report are in MSEK, unless stated otherwise. Rounding-off differences may occur.

## Net turnover

The majority of Rottneros revenue flows derives from sales of pulp. Control is passed at a point in time, which coincides with the actual delivery of the goods. Revenue is recognised at fair value of the consideration received or receivable. Turnover in the income statement consists of revenues from the sale of goods and invoiced freight, net of returns, discounts, pulp price hedges and VAT.

## FINANCIAL INSTRUMENTS

The valuation is based on directly observable price quotations on the balance sheet date that are classified at level 2 in the fair value hierarchy described in IFRS 13.

The full fair value of a derivative instrument that constitutes a hedging instrument is classified as a non-current asset or non-current liability if the remaining maturity of the hedged item exceeds twelve months, and as a current asset or current liability if the remaining maturity of the hedged item is less than twelve months. The maximum exposure for credit risk on the reporting date is the fair value of the derivative instruments recognised as assets in the balance sheet.

In December 2024, a refinancing was carried out comprising bank loans totalling 400 MSEK and revolving credit facilities of up to 150 MSEK. The maturity of the loans is three years with an option to extend for an additional year. As before, the financing agreement includes a sustainability link whereby the interest terms are linked to some of the environmental and work environment criteria in the Group's long-term targets.

In July 2025, the loan agreement was updated to include, among other things, a liquidity covenant and a profitability target that replace the original debt-to-equity covenant through 30 September 2026. At the end of 2025, Rottneros did not meet the profitability target and therefore obtained a waiver for the fourth quarter of 2025. The waiver limits how the company can draw on the 150 MSEK revolving credit facility, and thus this amount has not been included in available liquidity. At the same time, the non-current portion of the loan was reclassified as current.

Rottneros assesses that profitability will not recover to such an extent that the company will meet the temporary covenants in the coming quarters. Against this background, the company is engaging in a constructive and positive dialogue with its lenders with the aim of strengthening the financial position and securing the Group's long-term operations.

The nature of other financial assets and liabilities is in all essential respects the same as on 31 December 2024. The carrying amounts are deemed to be equal to actual values, which was also the case at the end of 2024, since the effect of discounting is not of material significance.

Accounts receivables are covered by credit insurance, which reimburses most of any bad debt losses. The Company has long-term relationships with its customers and credit losses have historically been low.

## AVERAGE NUMBER OF EMPLOYEES

The average number of employees was 278 (285).

## RELATED PARTY TRANSACTIONS

During 2025, Rottneros had sales to the related party Arctic Paper S.A. group amounting to 40 (11) MSEK. Outstanding operating receivables from Arctic Paper amounted to 7 (0) MSEK at 31 December 2025. The transactions took place at market terms.

## SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

To strengthen the company's financial position and ensure the Group's long-term operations, Rottneros has an ongoing dialogue with its lenders.

## CHANGES IN GROUP MANAGEMENT

Rottneros' President and CEO Lennart Eberleh will leave his position on 20 February 2026. On the same day, Magnus Wikström will take over as acting President and CEO.

Fredrik Werner assumed the position as CEO of Rottneros Packaging on 1 January 2025.

## ROTTNEROS' NET TURNOVER

| AMOUNTS IN MSEK                 | Oct-Dec 2025 | Oct-Dec 2024 | Jan-Dec 2025 | Jan-Dec 2024 | Rolling 12 months | Full year 2024 |
|---------------------------------|--------------|--------------|--------------|--------------|-------------------|----------------|
| Sales of pulp                   | 517          | 553          | 2,217        | 2,395        | 2,217             | 2,395          |
| Results from pulp price hedging | 0            | -9           | 0            | -30          | 0                 | -30            |
| Sales of by-products and other  | 19           | 27           | 95           | 129          | 95                | 129            |
| Sales of wood                   | 51           | 55           | 227          | 216          | 227               | 216            |
| <b>TOTAL NET TURNOVER</b>       | <b>587</b>   | <b>626</b>   | <b>2,539</b> | <b>2,710</b> | <b>2,539</b>      | <b>2,710</b>   |

## NET TURNOVER BY GEOGRAPHIC MARKET

| AMOUNTS IN MSEK           | Oct-Dec 2025 | Oct-Dec 2024 | Jan-Dec 2025 | Jan-Dec 2024 | Rolling 12 months | Full year 2024 |
|---------------------------|--------------|--------------|--------------|--------------|-------------------|----------------|
| Sweden                    | 123          | 139          | 595          | 630          | 595               | 630            |
| Other Nordic countries    | 60           | 112          | 281          | 338          | 281               | 338            |
| Germany                   | 79           | 90           | 304          | 363          | 304               | 363            |
| Italy                     | 30           | 21           | 142          | 108          | 142               | 108            |
| Rest of Europe            | 81           | 100          | 358          | 474          | 358               | 474            |
| US                        | 44           | 54           | 207          | 235          | 207               | 235            |
| China                     | 67           | 25           | 277          | 123          | 277               | 123            |
| India                     | 73           | 33           | 188          | 207          | 188               | 207            |
| Rest of world             | 29           | 52           | 189          | 232          | 189               | 232            |
| <b>TOTAL NET TURNOVER</b> | <b>587</b>   | <b>626</b>   | <b>2,539</b> | <b>2,710</b> | <b>2,539</b>      | <b>2,710</b>   |

## BREAKDOWN OF PULP TURNOVER BY USE

| AMOUNTS IN MSEK               | Oct-Dec 2025 | Oct-Dec 2024 | Jan-Dec 2025 | Jan-Dec 2024 | Rolling 12 months | Full year 2024 |
|-------------------------------|--------------|--------------|--------------|--------------|-------------------|----------------|
| Cartonboard and packaging     | 90           | 86           | 370          | 534          | 370               | 534            |
| Printing and writing papers   | 30           | 10           | 104          | 31           | 104               | 31             |
| Filters                       | 121          | 131          | 565          | 560          | 565               | 560            |
| Electrotechnical applications | 131          | 149          | 516          | 537          | 516               | 537            |
| Tissue                        | 66           | 47           | 255          | 261          | 255               | 261            |
| Special applications          | 56           | 96           | 273          | 327          | 273               | 327            |
| Fiber cement                  | 7            | 22           | 62           | 78           | 62                | 78             |
| Other                         | 16           | 12           | 72           | 67           | 72                | 67             |
| <b>TOTAL PULP TURNOVER</b>    | <b>517</b>   | <b>553</b>   | <b>2,217</b> | <b>2,395</b> | <b>2,217</b>      | <b>2,395</b>   |

## FAIR VALUE FOR DERIVATIVES AS OF 31 DECEMBER 2025

| Hedging  | Hedged volume | Maturity          | Hedging level      | Fair value (MSEK) |
|--|---------------|-------------------|--------------------|-------------------|
| Pulp, futures sold                             | 12,000 tonnes | 2026              | 15,037             | 0                 |
| Currency, forward sell/buy (corridor)          | 22 MUSD       | 2026 Jan–2026 Nov | 9.20–10.93 SEK/USD | 0                 |
| Electricity, forward purchase, cash flow hedge | 504,207 MWh   | 2026–2033         | 505 SEK per MWh    | -58               |
| Electricity, forward, financial                | –             | –                 | –                  | –                 |
| <b>TOTAL FAIR VALUE</b>                        |               |                   |                    | <b>-58</b>        |

## FAIR VALUE FOR DERIVATIVES AS OF 31 DECEMBER 2024

| Hedging  | Hedged volume | Maturity            | Hedging level      | Fair value (MSEK) |
|--|---------------|---------------------|--------------------|-------------------|
| Pulp, futures sold                             | –             | –                   | –                  | –                 |
| Currency, forward sell/buy (corridor)          | 31 MUSD       | Jan 2025–March 2026 | 9.94–11.05 SEK/USD | 0                 |
| Electricity, forward purchase, cash flow hedge | 714,011 MWh   | 2025–2033           | 0.496 SEK per kWh  | -64               |
| Electricity, forward, financial                | –             | –                   | –                  | –                 |
| <b>TOTAL FAIR VALUE</b>                        |               |                     |                    | <b>-64</b>        |

## GROUP PERFORMANCE IN SUMMARY

|   | 2025         | 2024         | 2023         | 2022         | 2021         |  | 2025  | 2024  | 2023  | 2022  | 2021  |
|---|--------------|--------------|--------------|--------------|--------------|--|-------|-------|-------|-------|-------|
| <b>Income statement, MSEK</b>                     |              |              |              |              |              |  |       |       |       |       |       |
| Net turnover                                      | 2,539        | 2,710        | 2,755        | 2,980        | 2,303        | EBITDA margin, %   | -9.9  | 6.6   | 9.1   | 23.2  | 16.7  |
| EBITDA  | -253         | 179          | 252          | 691          | 385          | EBIT margin, %   | -21.3 | 1.8   | 5.0   | 18.5  | 11.6  |
| Depreciation/amortisation and impairment losses   | -288         | -133         | -113         | -141         | -118         | Profit margin, %   | -22.3 | 1.0   | 5.6   | 24.0  | 10.7  |
| EBIT  | -540         | 47           | 139          | 550          | 267          | Return on equity (rolling 12 months), %  | -28.1 | 1.1   | 5.9   | 29.9  | 14.0  |
| Financial items (net financial items)             | -25          | -20          | 14           | 164          | -21          | Return on capital employed (rolling 12 months), %                                      | -27.3 | 2.4   | 7.6   | 32.2  | 18.5  |
| <b>Profit/loss after financial items</b>          | <b>-565</b>  | <b>28</b>    | <b>153</b>   | <b>714</b>   | <b>246</b>   | Equity/assets ratio, %   | 60    | 59    | 66    | 66    | 64    |
| <b>Net income</b>                                 | <b>-452</b>  | <b>20</b>    | <b>121</b>   | <b>565</b>   | <b>198</b>   | Debt/equity ratio, %   | 22    | 23    | -6    | -16   | -1    |
| <b>Statement of cash flow, MSEK</b>               |              |              |              |              |              |  |       |       |       |       |       |
| Cash flow from operating activities               | -71          | 15           | 104          | 541          | 288          | Average number of employees  | 278   | 285   | 293   | 319   | 316   |
| Cash flow from investing activities               | -166         | -436         | -140         | -112         | -123         | Pulp production, 1,000 tonnes  | 331   | 341   | 351.7 | 397.1 | 395.3 |
| Cash flow after investments in non-current assets | -237         | -421         | -36          | 429          | 165          | Pulp deliveries, 1,000 tonnes  | 335   | 333   | 356.9 | 388.4 | 403.2 |
| Cash flow from financing activities               | 286          | 244          | -233         | -125         | -334         | SEK/USD <sup>1</sup>   | 9.82  | 10.56 | 10.61 | 10.12 | 8.58  |
| <b>Net cash flow</b>                              | <b>48</b>    | <b>-177</b>  | <b>-269</b>  | <b>304</b>   | <b>-169</b>  | Pulp price NBSK Europe net, USD per tonne <sup>2</sup>                                 | 761   | 794   | 712   | 943   | 843   |
| <b>Balance sheet items, MSEK</b>                  |              |              |              |              |              |  |       |       |       |       |       |
| Non-current assets                                | 1,567        | 1,698        | 1,470        | 1,501        | 1,339        | Pulp price NBSK Europe net, SEK per tonne  | 7,585 | 8,393 | 7,536 | 9,552 | 7,222 |
| Inventories                                       | 467          | 590          | 493          | 436          | 327          | Pulp price CTMP Global net, USD per tonne <sup>2</sup>                                 | 439   | 481   | 531   | 675   | 523   |
| Current receivables                               | 448          | 538          | 658          | 1,020        | 555          | Pulp price CTMP Global net, SEK per tonne  | 4,372 | 5,085 | 5,622 | 6,829 | 4,480 |
| Cash and cash equivalents                         | 67           | 19           | 196          | 465          | 161          | <sup>1</sup> Source: Riksbanken's daily listings. Average for each period.             |       |       |       |       |       |
| Net debt (+) / net cash (-)                       | 339          | 393          | -105         | -354         | -16          | <sup>2</sup> Source: TTO's listing of net price once a month. Average for each period. |       |       |       |       |       |
| Shareholders' equity                              | 1,533        | 1,691        | 1,858        | 2,256        | 1,527        |  |       |       |       |       |       |
| Non-current interest-bearing liabilities          | 7            | 341          | 59           | 111          | 145          |  |       |       |       |       |       |
| Non-current non-interest bearing liabilities      | 69           | 196          | 223          | 325          | 207          |  |       |       |       |       |       |
| Current interest-bearing liabilities              | 399          | 71           | 32           | –            | –            |  |       |       |       |       |       |
| Current non-interest bearing liabilities          | 549          | 547          | 645          | 730          | 503          |  |       |       |       |       |       |
| Capital employed                                  | 1,872        | 2,083        | 1,753        | 1,902        | 1,511        |  |       |       |       |       |       |
| <b>Total shareholders' equity and liabilities</b> | <b>2,558</b> | <b>2,846</b> | <b>2,817</b> | <b>3,422</b> | <b>2,382</b> |  |       |       |       |       |       |

## QUARTERLY DATA GROUP

|  | 2025        |            |             |            | 2024       |           |           |           | 2023       |           |           |            | 2022     |            |            |            |
|--|-------------|------------|-------------|------------|------------|-----------|-----------|-----------|------------|-----------|-----------|------------|----------|------------|------------|------------|
|  | Q4          | Q3         | Q2          | Q1         | Q4         | Q3        | Q2        | Q1        | Q4         | Q3        | Q2        | Q1         | Q4       | Q3         | Q2         | Q1         |
| <b>Income statement, MSEK</b>  |             |            |             |            |            |           |           |           |            |           |           |            |          |            |            |            |
| Net turnover   | 587         | 574        | 726         | 652        | 626        | 686       | 711       | 688       | 637        | 693       | 681       | 744        | 730      | 806        | 784        | 660        |
| EBITDA   | -190        | -21        | -15         | -27        | 10         | 70        | 65        | 35        | -76        | 79        | 71        | 178        | 31       | 233        | 254        | 174        |
| Depreciation/amortisation and impairment losses  | -39         | -37        | -177        | -35        | -38        | -30       | -35       | -30       | -24        | -30       | -30       | -29        | -30      | -49        | -34        | -29        |
| EBIT   | -228        | -58        | -191        | -62        | -28        | 40        | 30        | 5         | -100       | 49        | 41        | 149        | 1        | 185        | 220        | 145        |
| Financial items (net financial items)  | -5          | -7         | -7          | -7         | -7         | -4        | 0         | -8        | 19         | -7        | 3         | -1         | 10       | 156        | -1         | -1         |
| Profit/loss after financial items  | -233        | -65        | -198        | -69        | -35        | 35        | 30        | -3        | -81        | 42        | 44        | 148        | 11       | 341        | 219        | 144        |
| Tax on income for the period   | 48          | 13         | 40          | 13         | 7          | -8        | -8        | 1         | 17         | -9        | -10       | -30        | -2       | -71        | -46        | -30        |
| <b>Net income</b>  | <b>-186</b> | <b>-52</b> | <b>-158</b> | <b>-56</b> | <b>-27</b> | <b>28</b> | <b>22</b> | <b>-2</b> | <b>-64</b> | <b>33</b> | <b>34</b> | <b>118</b> | <b>9</b> | <b>270</b> | <b>172</b> | <b>114</b> |
| <b>Per share</b>   |             |            |             |            |            |           |           |           |            |           |           |            |          |            |            |            |
| Earnings per share, SEK*   | -0.86       | -0.26      | -0.89       | -0.32      | -0.15      | 0.15      | 0.13      | -0.02     | -0.36      | 0.19      | 0.19      | 0.66       | 0.05     | 1.51       | 0.97       | 0.64       |
| * The key figure has been adjusted for the effect of the rights issue in accordance with IAS 33. |             |            |             |            |            |           |           |           |            |           |           |            |          |            |            |            |
| <b>Other</b>   |             |            |             |            |            |           |           |           |            |           |           |            |          |            |            |            |
| Pulp production, 1,000 tonnes  | 82          | 73         | 90          | 86         | 75         | 91        | 91        | 84        | 80         | 89        | 93        | 90         | 87       | 96         | 111        | 103        |
| Pulp deliveries, 1,000 tonnes  | 85          | 76         | 91          | 83         | 73         | 82        | 89        | 90        | 85         | 102       | 83        | 87         | 87       | 96         | 106        | 100        |
| TTO pulp price net NBSK to Europe, SEK per tonne   | 6,575       | 6,848      | 7,593       | 8,315      | 8,154      | 8,333     | 9,230     | 7,855     | 7,659      | 7,012     | 7,238     | 8,236      | 9,714    | 10,574     | 9,930      | 7,988      |
| TTO net CTMP pulp price globally, SEK per tonne  | 4,066       | 4,143      | 4,209       | 4,780      | 4,815      | 4,837     | 5,434     | 5,254     | 5,842      | 5,184     | 4,950     | 6,510      | 6,935    | 7,475      | 7,251      | 5,656      |

SHARE DATA<sup>1</sup>

|  |        | 2025    | 2024    | 2023    | 2022    | 2021    |
|--|--------|---------|---------|---------|---------|---------|
| Shares outstanding at the beginning of the period <sup>2</sup> | Number | 152,572 | 152,572 | 152,572 | 152,572 | 152,572 |
| Shares outstanding at the end of the period <sup>2</sup>       | Number | 267,823 | 152,572 | 152,572 | 152,572 | 152,572 |
| Buy-back of treasury shares <sup>2</sup>                       | Number | 822     | 822     | 822     | 822     | 822     |
| Earnings per share   | SEK    | -2.10   | 0.11    | 0.68    | 3.16    | 1.09    |
| Cash flow after investments/share <sup>3</sup>                 | SEK    | -1.10   | -2.44   | -1.10   | 2.39    | 0.91    |
| Equity per share   | SEK    | 5.74    | 9.47    | 10.41   | 12.63   | 8.54    |
| Dividend <sup>4</sup>  |        |         |         |         |         |         |
| Ordinary dividend  | SEK    | –       | 0.43    | 0.43    | 0.34    | –       |
| Extra dividend   | SEK    | –       | –       | 0.77    | 0.17    | 0.38    |
| Total  | SEK    |         | 0.43    | 1.20    | 0.51    | 0.38    |
| Share price at end of period <sup>5</sup>                      | SEK    | 2.90    | 7.66    | 10.41   | 10.45   | 8.91    |
| Direct yield <sup>6</sup>                                      | %      | –       | 4.1     | 11.5    | 5.8     | 5.5     |
| Total return <sup>6</sup>                                      | %      | -62.1   | -22.3   | 11.1    | 23.0    | 33.4    |
| Market price/equity/share                                      | times  | 0.5     | 0.8     | 1.0     | 0.8     | 1.0     |
| P/E ratio per share  | times  | -1.4    | 68.9    | 15.4    | 3.3     | 8.1     |

<sup>1</sup> Earnings per share have been restated to reflect the impact of the rights issue in accordance with IAS 33. Other per-share key performance indicators have also been restated to reflect the impact of the rights issue. The adjustment factor for share-related key performance indicators has been calculated at 1.17.

<sup>2</sup> Number of shares in thousands, excluding Rottneros' treasury shares.

<sup>3</sup> Cash flow from operating activities less investments in non-current assets, divided by the average number of outstanding shares, adjusted for the rights issue.

<sup>4</sup> Refers to dividends paid during each respective year, adjusted for the rights issue.

<sup>5</sup> As a result of the rights issue, historical share prices have been adjusted to reflect the dilution effect.

<sup>6</sup> Return in relation to the share price at the beginning of the period, adjusted for the rights issue.

# Alternative key performance indicators

Alternative ratios are financial measures that are not defined in IFRS and are presented outside the financial statements. Rottneros uses the alternative performance indicators Cash flow after investments, Net debt/net cash, Capital employed, Return on capital employed, Return on equity, Equity/assets ratio and Debt/equity ratio. The Company believes that these key ratios are useful for readers of the financial statements as a complement to other key performance indicators to assess the Rottneros Group's financial position and profitability.

Rottneros also uses the key indicators P/E ratio, Earnings per share and Operating profit/loss per share, which the Company believes are relevant for investors and other readers. Alternative key ratios can be defined in different ways by other companies and therefore may not be comparable with similar measures used by other companies.

## DEFINITIONS FOR IFRS AND ALTERNATIVE KEY PERFORMANCE INDICATORS

### EBITDA

Earnings before interest, taxes, depreciation, and amortisation (Operating profit before depreciation/amortisation and impairment losses).

### EBIT

Earnings before interest and taxes (operating profit).

### EBIT margin

EBIT as a percentage of net turnover.

### Profit margin

Profit/loss after financial items as a percentage of net turnover.

### Shareholders' equity per share \*

Shareholders' equity divided by number of shares.

### Cash flow after investments

Cash flow from operating activities less investments in non-current assets.

### Net debt/net cash

Interest-bearing liabilities less cash and cash equivalents.

### Capital employed

Shareholders' equity plus interest-bearing liabilities less cash and cash equivalents.

### Return on capital employed (rolling 12 months)

EBIT for the last 12 months, as a percentage of average capital employed (average of capital employed at the beginning and at the end of the period).

### Return on equity (rolling 12 months)

Net income for the last 12 months, as a percentage of average equity (average of equity at the beginning of the period and at the end of the period).

### Equity/assets ratio

Equity as a percentage of the sum of shareholders' equity and liabilities.

### Liquidity

Cash in hand, deposits with banks and similar institutions and short-term and liquid investments readily convertible into a known amount.

### Available liquidity

Cash and cash equivalents and available credit from banks and equivalent institutions.

### Debt/equity ratio

Net debt/cash as a percentage of shareholders' equity.

### P/E ratio\*

Share price at the end of the period in relation to earnings per share after tax (rolling 12 months).

### Operating profit/loss per share \*

Profit before financial items and income taxes divided by the average number of shares outstanding.

\* Share-related key performance indicators have been adjusted to reflect the impact of the 2025 rights issue.

# Glossary

## Market pulp

A term in Swedish used synonymously with market pulp.

## BCTMP

Bleached Chemi-Thermo-Mechanical Pulp: bleached CTMP. The term is common in North America and Asia (see CTMP).

## BEK

Bleached Eucalyptus Kraft pulp.

## COD

Chemical Oxygen Demand, chemical method for measuring oxygen-demanding substances.

## CTMP

Chemi-Thermo-Mechanical Pulp, mechanical pulp where the raw material is heated and impregnated with chemicals before being refined. The term is used in Europe for both bleached and unbleached pulp.

## ECF

Elemental Chlorine Free. Sulphate pulp bleached using chlorine dioxide, not chlorine.

## GHG Scope 1

Carbon dioxide emissions from fossil fuels during production in own operations.

## GHG Scope 2

Carbon dioxide emissions from electricity and other energy purchased for operations.

## Chemical pulp

Pulp produced by boiling pulp wood with chemicals. The pulp can be bleached to a higher brightness and a higher strength than mechanical pulp. Chemical pulp is usually sulphate pulp, but can also be sulphite pulp.

## Hardwood pulp

Pulp where the raw material is hardwood, which has shorter cellulose fiber than softwood.

## LTIFR

Lost Time Injury Frequency Rate indicates the number of accidents with sick leave per million hours worked.

## Softwood pulp

Pulp where the raw material is softwood, which has longer cellulose fiber than hardwood.

## Market pulp

Pulp sold on the market and transported to the customer. Market pulp accounts for about one third of pulp production worldwide. The remaining two thirds are produced at integrated paper and board mills, or used internally within a group.

## Mechanical pulp

Pulp produced using a mechanical process for fiber separation and processing. Has a higher level of bulk, stiffness and opacity than chemical pulp. Groundwood pulp, TMP and CTMP/BCTMP are types of mechanical pulp.

## NBSK

Northern Bleached Softwood Kraft Pulp: bleached softwood sulphate pulp. The leading indicator of world market prices.

## OSA

Organisational and social work environment.

## PIX

Index provided by Fastmarkets for list price of paper pulp.

## TTO

Index for market prices of pulp provided by Trade Tree Online.

## UKP

Unbleached Kraft Pulp, unbleached sulphate pulp.

Rottneros is an independent producer of market pulp. The Group consists of the parent company Rottneros AB, listed on Nasdaq Stockholm, with the subsidiaries Rottneros Bruk AB and Vallviks Bruk AB, active in the production and sale of market pulp. The Group also includes Rottneros Packaging AB, which manufactures fiber trays, the raw material procurement company SIA Rottneros Baltic in Latvia and the forestry company Nykvist Skogs AB. The Group has approximately 285 employees and had sales of approximately 2.5 BSEK.



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