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2025
Report
First Half



THE NAVIGATOR COMPANY

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PERFORMANCE IN FIRST HALF 2025

The first half of 2025 was again overshadowed by intense geopolitical volatility, with the escalation of the conflicts in the Middle East and Ukraine and the persistent threat of higher customs tariffs from the US administration. These factors contributed to an economic slowdown in the main markets where Navigator operates.

Looking specifically at the Pulp and Paper sector, the first half divided into two distinct phases. The start of the year brought expectations of higher pulp prices, driven by certain restrictions on supply and an upturn in business. However, from April onwards, the growing uncertainty caused by stronger protectionist measures and the normalisation of supply caused prices in China to tumble, with knock-on effects in Europe. The benchmark index for Printing and Writing Paper in Europe proved less volatile and remained at historically high levels, albeit down on the same period in 2024. The Packaging and Tissue segments have continued to perform well, with prices up on the same period last year, reflecting both resilience and opportunities for growth in these areas, despite the difficult economic situation in Europe, as demand for consumer goods went into decline.

In this context, Navigator again demonstrated its ability to adapt to changing circumstances, preserving its operational resilience and its unique competitive position in Europe. The company continues to display the capacity to respond to market dynamics, through its focus on creating value, protecting its margins and continuous investment in diversification, consolidating its foundations for sustainable growth.

Analysis First Half 2025 vs. First Half 2024

- Turnover totalled € 1,019 million (down 4% on H1 2024); EBITDA stood at € 216 million (down 28% on H1 2024), with an EBITDA margin of 21.2% (down 6.8pp on H1 2024); strong performance in Tissue and Packaging paper prices cushioned the impact of lower benchmark prices for Pulp and Paper, without wholly offsetting this effect. In addition to the downward adjustment in prices, increased costs for energy, chemicals and logistics (UWF) also chipped away at results for the period;
- Net income totalled € 85 million (down 46% on H1 2024);
- Net debt stood at € 676 million at 30 June (excluding the effect of IFRS 16), up by € 58 million on December, despite an interim dividend payout of € 100 million in the first quarter and the high level of capex over the period. The Net Debt/EBITDA ratio stood at 1.46x;
- Navigator continues to be a world leader with its sustainability practices, and was again included in Sustainalytics' list of "2025 ESG Top-Rated Companies";
- Top score of "A" in CDP Climate Change and CDP Forests. This international recognition has bolstered its commitment to responsible management of climate and deforestation risks. Of the more than 22,000 companies assessed by CDP in 2024, only 2% are included in the 'A List' for achieving the highest rating in at least one of the questionnaires;
- In the field of safety, the first half also saw Navigator achieve its best ever frequency rate (for accidents at work leading to sick leave), underlining its commitment to Occupational Health and Safety, through the '**Mission Zero**' strategy and ongoing work in prevention, training and consolidating a safety culture.



Analysis 2nd Quarter (vs. Q1 2025 and vs. Q2 2024)

- The sales volume for UWF and Packaging paper stood at 318 thousand tons (down 2% on Q1 and down 1% on Q2 2024);
- The sales volume for pulp was 69 thousand tons (down 31% on Q1 and down 3% on Q2 2024), limited by a sharp downturn in market prices in Q2 2025, combined with tough criteria for selecting business opportunities;
- The volume of Tissue sales stood at 58 thousand tons (down 5% on Q1 and up 4% on Q2 2024). YoY growth was due in part to integration of Navigator Tissue UK, which joined the group in May 2024;
- In the Energy segment, the renewable cogeneration plant in Aveiro and one of the turbogenerators in Figueira da Foz switched to generating power for self-consumption, as a result of discontinuation of the special pricing system;
- Business was brisk in the Packaging segment, with growth in the sales: turnover was up by 8%, due essentially to development of new product ranges in flexible packaging, enabling Navigator to diversify its business and continue to grow its client and market base. In particular, growing penetration in low basis weight sectors has confirmed the strong appetite for Eucalyptus globulus fibre in these segments and resulted in 9% growth in the area of paper sold (vs. 5% growth in sales volume, when measured in tons);
- Given the deep uncertainty surrounding US tariffs, the company decided, in early April, to take the preventive measure of building up stocks in this market, trimming potential sales in the quarter by approximately € 10 million.



LEADING INDICATORS

Million euros	H1 2025	H1 2024	Change ⁽⁸⁾ H1 25/ H1 24
Total Sales	1019,0	1065,5	-4,4%
EBITDA ⁽¹⁾	216,3	298,8	-27,6%
Operating Profits (EBIT)	137,3	225,6	-39,1%
Financial Results	-14,0	-10,5	-3,5
Net Earnings	85,2	158,8	-46,3%
Cash Flow	164,2	232,0	- 67,8
Free Cash Flow ⁽²⁾	41,6	-24,6	66,2
Capex	93,6	93,0	0,6
Net Debt ⁽³⁾	675,7	664,5	11,3
EBITDA/Sales	21,2%	28,0%	-6,8 pp
ROS	13,5%	21,2%	-7,7 pp
ROCE ⁽⁴⁾	13,7%	23,7%	-10,0 pp
ROE ⁽⁵⁾	12,6%	24,0%	-11,4 pp
Equity Ratio	41,5%	42,9%	-1,4 pp
Net Debt/EBITDA ⁽⁶⁾⁽⁷⁾	1,46	1,21	0,24

Million euros	Q2 2025	Q1 2025	Change ⁽⁸⁾ Q2 25/Q1 25	Q2 2024	Change ⁽⁸⁾ Q2 25/Q2 24
Total sales	489,8	529,3	-7,5%	529,1	-7,4%
EBITDA ⁽¹⁾	100,8	115,6	-12,8%	165,2	-39,0%
Operating profits	64,5	72,9	-11,5%	127,6	-49,5%
Financial results	-6,9	-7,1	0,2	-1,6	-5,2
Net earnings	36,9	48,3	-23,5%	94,8	-61,0%
Cash flow	73,2	91,0	- 17,8	132,4	- 59,1
Free Cash Flow ⁽²⁾	-15,4	57,0	- 72,4	-70,8	55,4
Capex	57,2	36,4	20,9	52,3	4,9
Net Debt ⁽³⁾	675,7	660,3	15,4	664,5	11,3
EBITDA/Sales (%)	20,6%	21,8%	-1,3 pp	31,2%	-10,6 pp
ROS	13,2%	13,8%	-0,6 pp	24,1%	-10,9 pp
ROCE ⁽⁴⁾	12,9%	14,4%	-1,6 pp	26,8%	-14,0 pp
ROE ⁽⁵⁾	10,9%	14,0%	-3,1 pp	28,6%	-17,7 pp
Equity ratio	41,5%	42,8%	-1,2 pp	42,9%	-1,4 pp
Net Debt/EBITDA ⁽⁶⁾⁽⁷⁾	1,46	1,25	0,21	1,21	0,24

1. Operating profits + depreciation + provisions

2. Variation in net debt + dividends + purchase of own shares | Q2 2024 includes impact of acquisition of Accrol (payment of € 153 million for the shares and consolidation of additional debt)

3. Interest-bearing liabilities - liquid assets (not including effect of IFRS 16)

4. ROCE = Annualised operating income / Average Capital invested $(N + (N-1))/2$

5. ROE = Annualised net income / Average Shareholders' Funds last -1 months

6. (Interest-bearing liabilities - liquid assets) / EBITDA corresponding to last 12 months

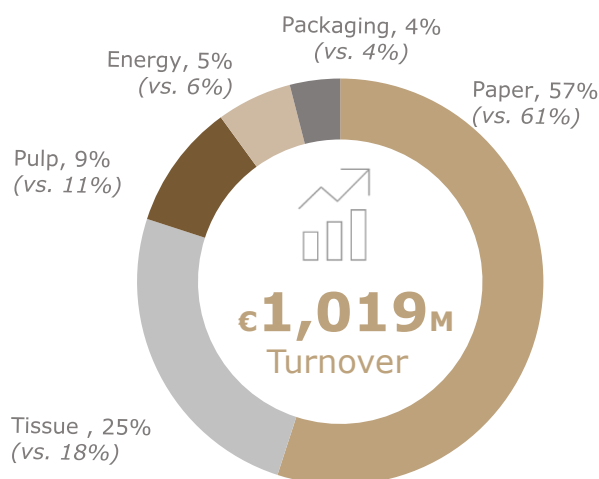
7. Impact of IFRS 16: Net Debt / EBITDA of 1.69; Net Debt / EBITDA (H1 2024) of 1.43

8. Variation in figures not rounded up/down

Note: Navigator Tissue UK's business was integrated into the group in Q2 2024



ANALYSIS OF RESULTS



(1st Half 2025 vs. 1st Half 2024)

The success of the diversification strategy (with the new Tissue and Packaging segments accounting already for close to 30% of turnover), supported by commercial initiatives geared to growth in new markets, has secured consistent and stable turnover, despite a macroeconomic and geopolitical situation dominated by deep uncertainty, slack global demand and trade tensions which have severely affected the performance of industrial operators in the sector.

The Printing and Writing papers industry

Apparent global demand for Printing and Writing paper, YTD May, was down by 2.4%, with UWF again the most resilient grade, with a decline of 1.7%, in contrast to coated papers (Coated Woodfree – CWF) for which demand dropped by 4.3%. Demand for paper produced from mechanical pulp (coated and uncoated) dropped by 2.5%.

In Europe, apparent demand for UWF was down by 8.6% YTD June, as deliveries and imports shrank across the continent. Intra-European deliveries dropped by 7% and imports fell by 19%, in relation to the same period last year (YTD May), confirming an abrupt slowdown in effective demand in the region.

In the United States, the drop in consumption was more moderate up to May (down 2.1%), in a region which remains a net importer of significant quantities in order to satisfy domestic demand. This heavy dependency on imports, which will worsen with the implementation of customs tariffs, will most likely keep prices high, with a tendency to rise further, even in situations where consumption drops; still higher levels are anticipated for 2026.

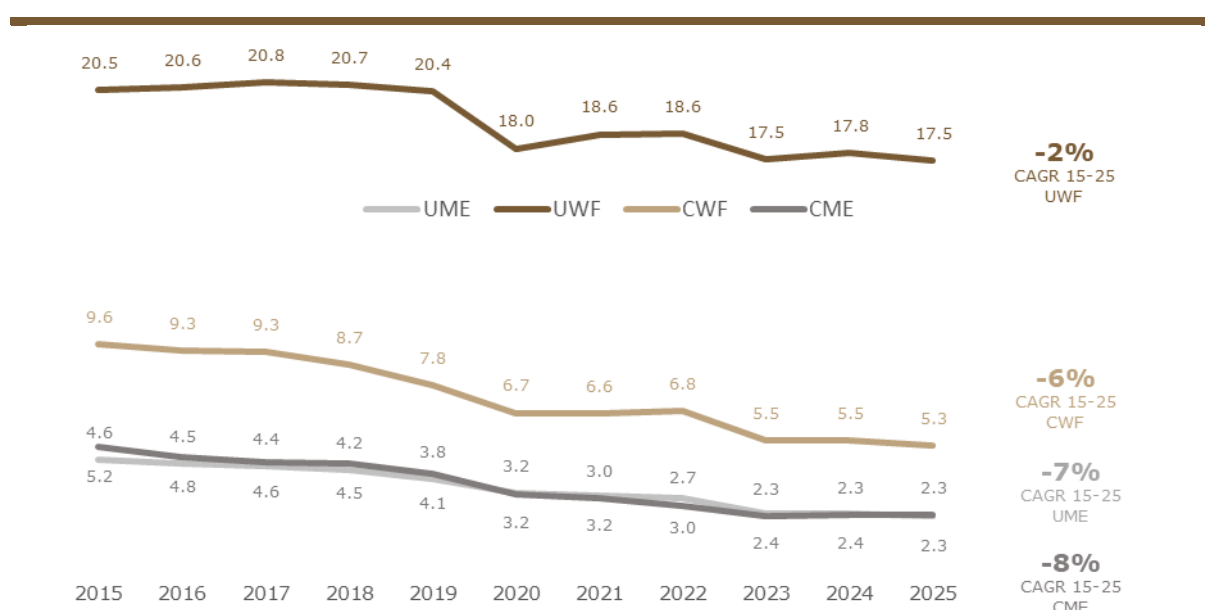
On the supply side, recent closures have removed annual UWF capacity of approximately 430 thousand tons from Europe, equivalent to 7% of its rated capacity. In the US, the closure was announced of a unit with annual production capacity of 350 thousand tons of UWF, representing 8% of the country's capacity.

Navigator's operating rate stood at 87% in the first half (up 2 pp on the same period last year), whilst for the industry as a whole operating rates deteriorated, averaging 83% for the period (down 2 pp from the first half of 2024).



Significantly, the volume of new orders increased by 10% at Navigator in the first half of 2025, in contrast to an industry-wide decline of 2%. This positive performance was also recorded in Navigator's European markets, where the company recorded growth of 4%, contrasting with an average decline across the industry of 4%. This enabled Navigator to boost its share of orders YoY by 3 percentage points worldwide to 27% and by 2 percentage points in the European market, to 20%.

Global Demand for Printing and Writing Papers (in million tons)



Source: PPPC, May (2015 - 2025) | * 2025 YtD May

The benchmark index for Office paper prices in Europe, PIX A4 B-copy, stood at an average of 1,035 €/t in the first half, down by 6% on the same period last year, but 23% above the pre-pandemic average (845 €/t in the period 2015-2021).

Navigator's paper price dipped 14€/t in relation to the first quarter, including a negative foreign exchange impact of 20€/t, due mostly to the weakness of the dollar, the currency in which Navigator trades in more than 100 countries around the world. In Europe, despite the context of a drop in the PIX A4 B-copy index, Navigator's average price remained stable, sustained by the preservation of substantial **price premiums** on mill brands, whose reputation and market penetration enables the company to position its prices at a higher level.

Navigator's sales of UWF and Packaging paper totalled 642 thousand tons in the first half, down 5% on the same period in 2024, and in value the same sales fell by 11% YoY. In early April, given the deep uncertainty surrounding tariffs, the company took the strategic decision of preventively building up stocks in the US, trimming potential sales in the quarter by approximately € 10 million, with the aim of achieving higher margins in the future.



Pulp Market

In the Pulp market, the first half divided into two distinct phases. The year started with prospect of rising prices, which materialised throughout the first quarter, due to certain constraints on supply and an upturn in business, but, from April onwards, the uncertainty created by increasingly protectionist measures (in particular the announcement of global tariffs by the new US administration on 2 April) and the normalisation of supply caused prices in China to tumble, with knock-on effects in Europe.

The benchmark index for hardwood pulp - PIX BHKP in dollars, in Europe - ended the first half at an average price of 1,125 USD/t, down by 10% on the same period last year. The first half saw prices rally strongly in the first quarter, especially in Europe. This positive tendency continued through to the start of the second quarter, when prices started to adjust downwards once again. The sharpest drop was observed in China, where prices took a dive of 16% between April and June, with the effects felt also in Europe.

Nonetheless, global demand for hardwood pulp grew by 5% YoY (YTD May), reflecting a positive dynamic in the market. This performance was driven mainly by China, where demand jumped 11%, and, on a smaller scale, by the Rest of World (up 3%). In contrast, markets in Europe and the US recorded drops in demand of 3% and 8% respectively.

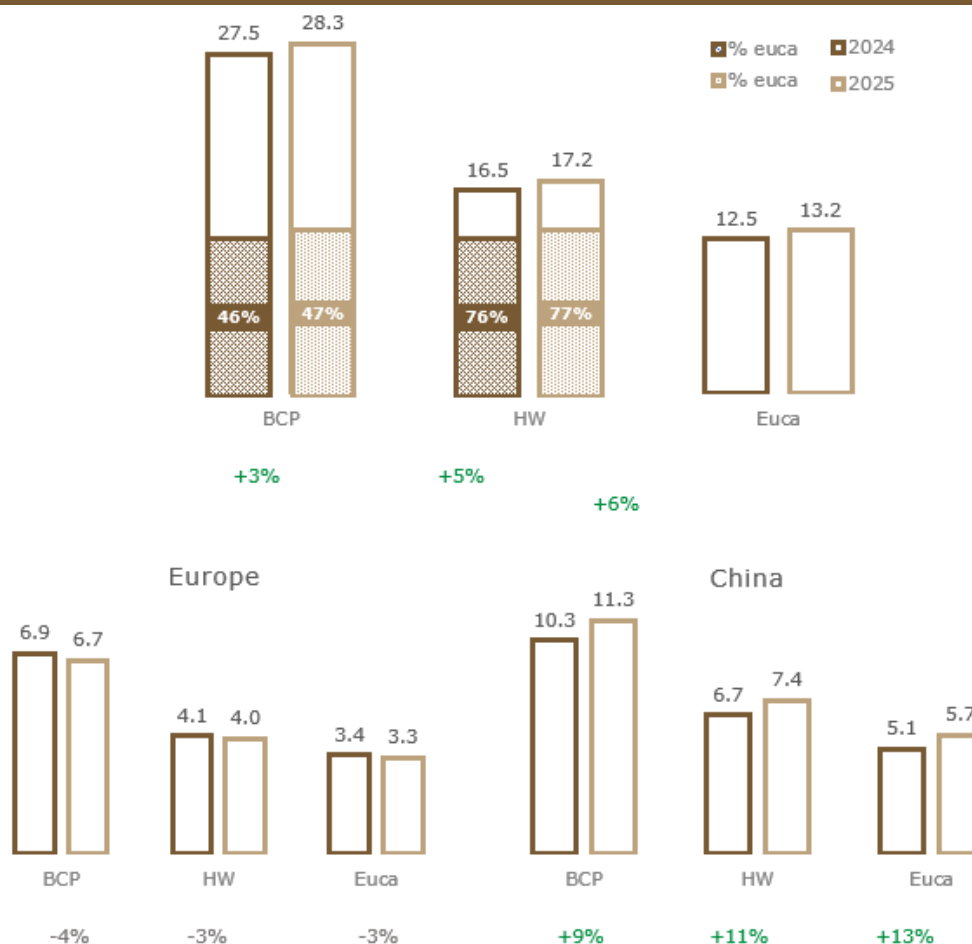
Demand for eucalyptus pulp (EUCA) was the top global performer, with growth of more than 6% YTD May, with China up by 13% and Europe shrinking by 3% (in comparison with the same period in the previous year). This performance has consistently boosted EUCA's share in the hardwood bleached chemical pulp segment.

On the supply side, although the ramping up of new capacity in 2024 exerted a degree of pressure on the operating rate, rising consumption and maintenance shutdowns in the first half contributed significantly to sustaining the operating rates of hardwood producers.

China is expected to continue to play a central role in the global dynamics of the pulp market, not just because of the growing importance of its own domestic consumption, but also because of the plans for new capacity. Between 2022 and 2024, it is estimated that BHKP production capacity in the country was increased by around 3.7 Mt, with another 2.4 Mt planned for 2025 - a significant expansion, which has so far relied largely on local wood. However, there are serious questions about the future sustainability of this source of supply. This development has the potential to disrupt global markets, putting pressure on prices and changing trade flows. Even so, it is expected that international wood, although more expensive, will remain the main source of supply for the Chinese industry, and will experience equally significant growth in the next few years.



Global Demand for Pulp (million tons)



Source: PPPC, May (2025 vs. 2024)

In Europe, stock levels remained relatively stable. In China, although stocks at ports have been building up since January, analysis of paper production suggests that this growth is proportional to the expansion in industrial operations, and not an anomalous accumulation. The ratio of stocks to days of production has held relatively steady in recent months, pointing to a balance between supply and demand.

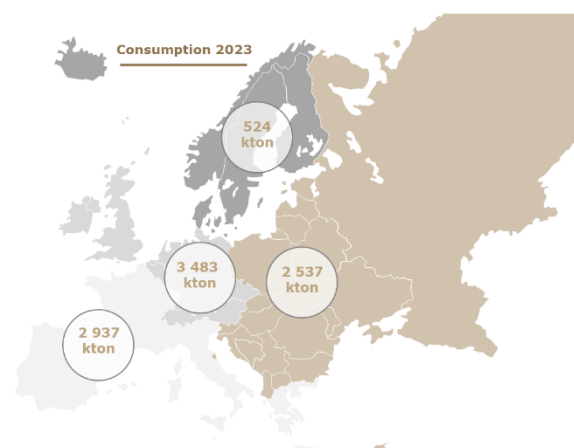
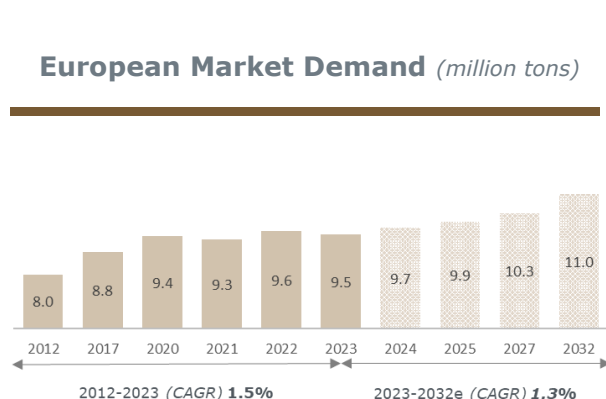
Navigator's pulp sales totalled 168 thousand tons, down 7% on the same period in 2024. The value of sales fell by 22% YoY, as a result of the drop in prices.

As demand cooled in Europe in the second quarter, the sales volume in these markets was affected. The sharp drop in prices observed in the global market also put the brakes on sales, as it required strict standards to be applied in selecting business opportunities, limiting the volumes sold.



Growth and strong performance in Tissue business

After significant growth of 6.3% in 2024, European demand for Tissue edged down YoY by just 0.3% (YTD April). This slight drop is explained by a sharp reduction in Eastern Europe (down 1.4%), whilst demand in Western Europe held steady. This performance reflects the current challenging state of the economy in Europe, with a downturn in demand for consumer goods. It also contrasts with the dynamism experienced in 2024, when demand was driven by restocking and rising household spending power.



Source: RISI "Outlook World Tissue – Fastmarkets - 2023"

Navigator's Tissue sales (finished products and reels) totalled 119 thousand tons in the first half, up by 27% on the same period in 2024. The value of sales grew by 35% YoY.

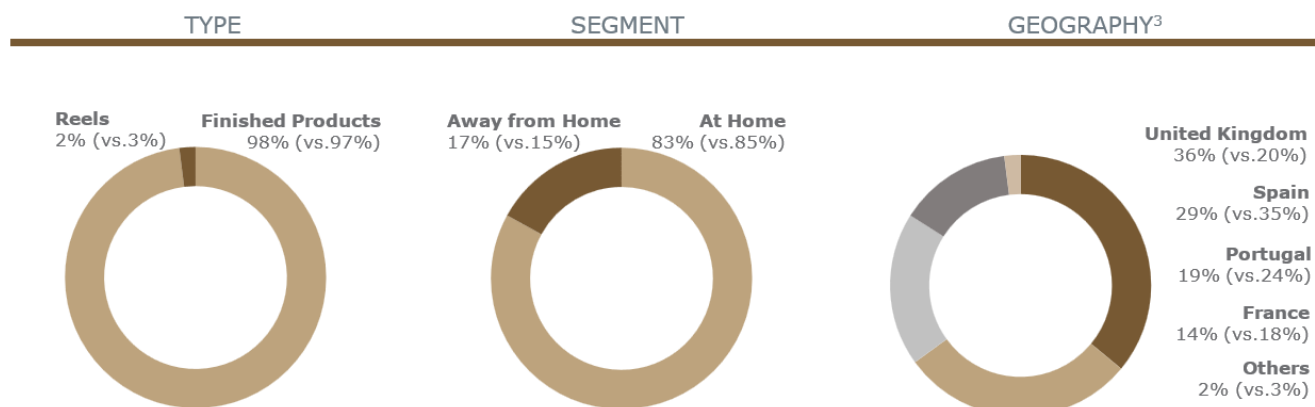
The YoY figures were boosted by the integration of Navigator Tissue UK, in May 2024, which, as well as extending the product range and contributing to growth in sales, expanded the customer base and generated gains by unlocking synergies. It has also permitted cross-selling, which has further strengthened commercial relations with clients.

International sales in Tissue business accounted for 81% of the sales volume in the reporting period (vs. 54% in 2022, prior to integration of Tissue Ejea and Tissue UK). The English market took the largest share, with 36% of sales, followed by Spain, with 29%, and France, which accounted for 14% of sales. In the last two years, acquisitions of new units in Spain and the United Kingdom have enabled us to balance our geographical mix, offering greater resilience for Navigator's Tissue business. On the other hand, finished products represented 98% of total sales, and reels just 2%. In terms of client segment stratification, At Home or Consumer (retail) business has grown in importance, currently accounting for around 83% of sales, whilst the Away from Home segment (wholesalers - Horeca channel and offices) accounts for the remaining 17%.

In the first half of 2025, mill brands grew by 20% year-on-year, accounting for 19% of total sales, based on a diversified customer base and innovative products.



Tissue Sales H1 2025 ^{1 2} (vs. H1 2024)



¹ Tons ² May to June 2024 and H1 2025 includes Tissue UK ³Finished product and reels

Packaging - From Fossil to Forest – investment in sustainability, innovation and transformation

The global market for kraft papers (Machine Glazed and Machine Finished) grew by approximately 9%, with a strong overall dynamic.

In this segment, Navigator's sales were up YoY by 8% in the first half, thanks to a 4% rise in price and a 5% increase in volume, despite growth in the area of paper sold of 9%, due to increased penetration in low basis weight segments. Navigator has been developing and investing in the gKRAFT™ sustainable packaging segment, which offers alternatives to fossil-based plastics, supporting the transition to renewable, low carbon products.

To this end, the final decision was taken in the first half to invest in conversion of the PM3 paper machine, at the integrated pulp and paper mill in Setúbal, reassigning it to production of low basis weight flexible packaging papers. This capex project will take a machine ranked in the 3rd quartile for competitiveness in production of UWF paper and reinvent it as a machine for producing flexible packaging, ranked among the leaders of the 1st quartile for competitiveness in this market.

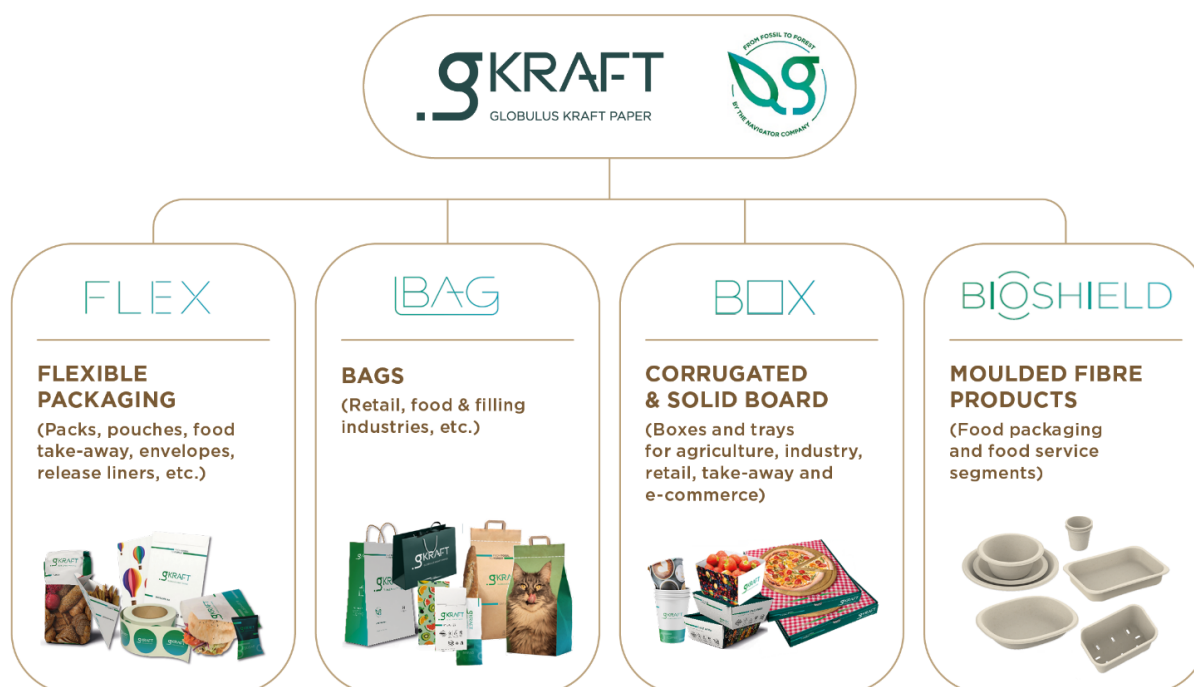
The PM3 machine takes advantage of Navigator's vertical integration and the cost efficiency of Eucalyptus globulus fibre for producing distinctive top quality kraft papers, with a structural advantage in costs. These papers have established a reputation for softness and low permeability, having already been tested by clients, in particular in the food sector and release liners for feminine hygiene, bolstering our position in segments which can be expected to grow.

This capex project will enable Navigator to respond flexibly and efficiently to growing demands from the flexible packaging market, with rates of growth estimated at between 2.5% and 3% up to 2035. The market has responded enthusiastically to Navigator's distinctive solutions, as demonstrated by growth in the gKRAFT™ brand and the strong performance of gKRAFT™ low basis weight for flexible packaging solutions.

As a result of this conversion, Navigator will move up to 4th place in the European league table of low basis weight flexible packaging producers, strategically consolidating its presence in a segment where demand is surging.



Navigator has based its offering of Packaging papers on three **gKraft™** macro-segments: **BAG, FLEX and BOX**, aimed respectively at the markets for Bags (retail, consumer and industrial bags), Flexible Packaging (serving a variety of industries: agri-food, restaurants, pharmaceutical and hygiene products...), and Boxes (corrugated cardboard boxes for value-added products, including cardboards for producing paper cups and food trays). In these products the innovative introduction of the properties of eucalyptus fibre has been crucial in securing broad acceptance and recognition in the market.



As part of the diversification of Packaging business, progress has continued as planned on the project for integrated production of eucalyptus-based Moulded Cellulose components, designed to substitute single-use plastic packaging in the food service and food packaging market, under the **gKraft™ Bioshield** brand. The facility is one of the largest in Europe and the first such integrated facility in southern Europe, moving into a fast growing, high-potential market.

In early 2025, Navigator achieved certification for food contact under EC 1935/2004, awarded by ISEGA, the prestigious German laboratory, in line with the protocol established in German standard BfR XXXVI. Up to date, the only moulded cellulose fibre product to be certified under this standard, which is the main European safety benchmark for food contact, for cellulose fibre materials and articles.

The first quarter saw the successful start-up of four production lines, now operating round the clock, and the start of commercial efforts to consolidate sales of five products for the food sector. At the end of the second quarter, the first contracts were signed with major retail outlets and Navigator started to move into the market for modified atmosphere packaging for raw protein. This packaging requires exhaustive testing, under tough industrial and supply chain conditions, in order to ensure it is suitable for packing lines and refrigeration conditions used by distributors, replacing non-recyclable PET/PE trays with packaging solutions which are 100% recyclable and compostable. Alongside this, efforts were stepped up to expand into new European markets, as Navigator set its sights on growing towards market leader status.



80% of Power Output generated from renewable energy sources

In the first half of 2025, electricity sales totalled approximately € 54 million, representing a reduction of 16% in relation to the same period in the previous year. This reduction was essentially connected to the following factors: (i) on 30 April, the renewable cogeneration units in Aveiro and a turbogenerator (TG3) in Figueira da Foz switched to production for self-consumption, as a result of the special pricing system being discontinued, and (ii) the planned maintenance shutdown at the Aveiro Biomass Power Plant.

The main development in generation capacity in the first half was the start-up of the new hi-tech Chemical Recovery Boiler at the Setúbal industrial complex which, among other things, will make it possible to increase generation of renewable steam from burning the black liquor resulting from the cooking of wood. In addition to the obvious improvement in operating performance, there will also be positive outcomes for the environment, in particular a reduction in emissions of malodorous gases, which will be burned in this unit, initiating a new stage in the decarbonisation of the process at this industrial complex.

At the same time, work is proceeding on construction of a new biomass boiler at the Vila Velha de Ródão industrial complex, which will enable the unit to substitute steam currently generated using two natural gas boilers, and on a 5.3 MWp solar photovoltaic plant, for the mill's self-consumption.

The first half was also marked by high prices for electricity and natural gas. In relation to the first half of 2024, the spot price for electricity on the Iberian OMIE market was up by approximately 63% and the TTFMA, the benchmark index for the European natural gas market recorded an increase of more than 40%. Prices peaked during the first half at 143 €/MWh for electricity and 58 €/MWh for natural gas.

The group's industrial units continued to actively serve the manual Frequency Restoration Reserve Band Market (mFRR Band). This system service, provided to the operator of the power grid by qualified consumers, helps to safeguard the security of supply in the National Electrical System, which has already proved to be decisive for protecting domestic consumers and critical users. Over the course of the first half, Navigator was mobilised on 15 occasions to reduce its power consumption, under the mFRR Band service.

EBITDA of € 216 million

A diversified business model, combined with commercial initiatives for growth in new markets, has enabled Navigator to enjoy consistent and stable results.

In the first half, the reduction in sales volumes in pulp and paper segments were offset by increased volumes in Tissue and Packaging paper. At the same time, strong performance in Tissue and Packaging paper prices cushioned the impact of lower benchmark prices for pulp and paper, without wholly offsetting this effect.

Despite the constant focus on managing variable costs, the first half saw pressure on energy cost items, with higher costs, due to the rise and intense volatility of market benchmarks over the period. This shift in market indicators brought significant cost increases in energy, but also indirectly in chemicals, logistics and packaging materials.

Pressure was also exerted on logistical costs by changes in the operating context: in the first place, phase 2 of the Emissions Trading System (ETS) came into effect as from the start of the year in maritime transport, increasing the need to purchase emissions licenses from 40% to 70%, whilst the uncertainty generated by the announcement of customs tariffs caused changes in global trade flows, resulting in more volatile freight prices.



In addition, Navigator's risk management strategy for mitigating the impacts of a strike at ports and the introduction of tariffs led to stocks being built up in the US, with a one-off increase in logistical and storage costs, in particular in the second quarter.

Fixed costs have increased YoY, due to integration of what is now called Navigator Tissue UK (May 2024). Without the integration of Navigator Tissue UK, fixed costs would be slightly below those recorded in the first half of 2024.

It should be stressed that the impact on EBITDA, resulting from the instability in costs and prices over the first half, was cushioned by the company's policies for managing financial risk, in particular through the fixing of electricity and natural gas prices, as well as foreign exchange hedges.

In this context, Navigator recorded EBITDA of € 216 million in the first half (vs. € 299 million in the same period in 2024), with an EBITDA margin of 21.2% (down 6.8 p.p. year-on-year).

Financial Results

Financial results deteriorated by € 3.5 million in relation to the same period in 2024, standing at a loss of € 14.0 million in the first half (vs. a loss of € 10.5 million in H1 2024), due to an increase in average indebtedness, in relation to the same period last year, and also to higher interest rates (up by 0.2% in the weighted average cost of borrowing), resulting in an increase in interest expense of € 4.9 million.

The costs of financing operations (net of gains on investments of surplus cash) stood at € 9.5 million (vs. € 4.6 in H1 last year), as a result of new borrowing being contracted in the second half of 2024, so as to extend the average debt maturity to 4.3 years (vs. 3.3 years in June 2024).

Despite being contracted with competitive costs, the debt negotiated from June 2024 onwards has higher costs than the debt it substituted, given that the latter was contracted at a time of historically low interest rates. Average indebtedness in the same period in 2024 was € 190 million lower than recorded at 30 June 2025, despite that period having ended with net debt close to that now recorded (€ 676 million vs. € 647 million), with an impact on interest expense.

Pre-tax profits totalled € 123 million (vs. € 215 million in H1 2024) and corporation tax payable stood at € 38 million, with an effective tax rate for the period of 30.9%. Net income stood at € 85 million (vs. € 159 million in the same period in 2024).

Free cash flow generation of €42 million

Free cash flow generation totalled € 42 million in the first half (vs. - € 25 million in the same period in 2024). It should be noted that, although the first half of 2024 reflects the investment in acquisition of what is now called Navigator Tissue UK, both periods were marked by a high level of capex, in excess of € 90 million.

This level of capital expenditure includes projects under the Recovery and Resilience Plan (RRP), which are proceeding as scheduled. Eligible investments for this purpose, of approximately € 269 million, will benefit from investment support of more than € 100 million. Up to June 2025, Navigator had received incentives totalling approximately € 57 million, of which € 11 million was paid in the first half of 2025.



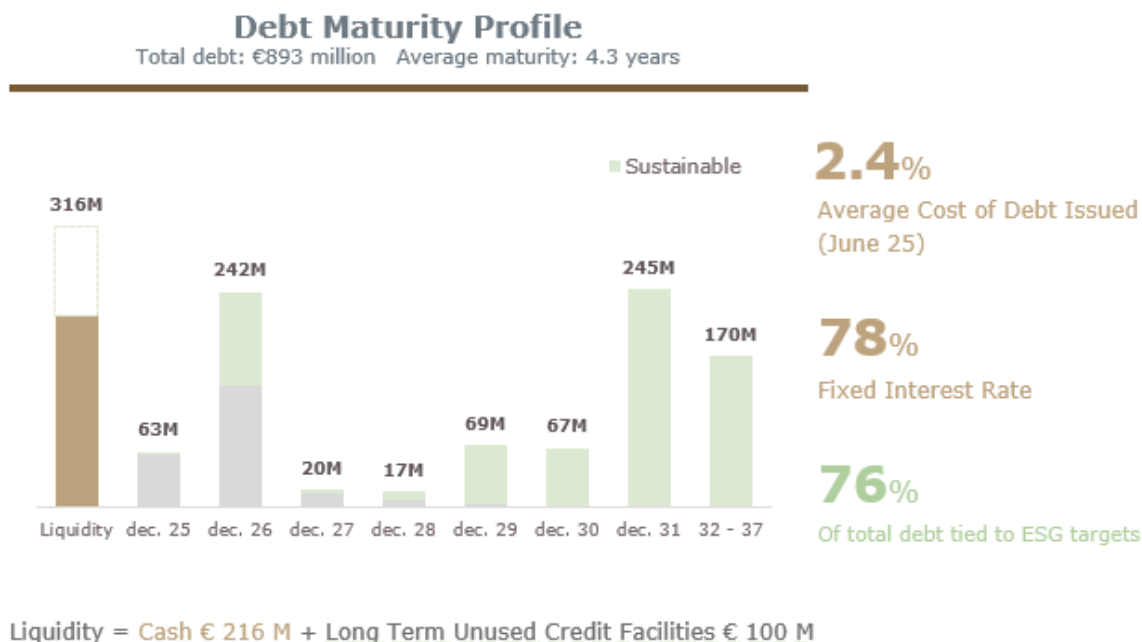
Sustainable Financial Management

At 30 June 2025, net debt stood at € 676 million, up by € 58 million on December, despite an interim dividend payout of € 100 million during the first quarter and the current period of heavy capital expenditure (€ 94 million in the first half). The Interest-Bearing Net Debt/EBITDA ratio stood at 1.46x, further consolidating the financial strength displayed by the Group.

Debt repayments totalling € 217 million were made over the first half. At the same time, in addition to the funding under the €115 million loan facility (EIB - Recovery Boiler), debt totalling € 200 million was contracted.

This was done through a programme of bonds divided into three series, the first of which for € 100 million was issued in June 2025, with a maturity of 7 years; the other series, with a value of € 50 million each, will be issued in December 2025 and June 2026. The financial terms for these issues are linked to attainment of three ESG indicators, already envisaged in our Sustainability Agenda, and also aligned with the United Nations Sustainable Development Goals. We have sought to further extend debt maturity while at the same time keeping the average borrowing cost within its current levels, renewing and strengthening our commitment to the company's sustainable development goals, attainment of which is reflected in the final cost of the borrowing.

Average debt maturity currently stands at 4.3 years, as compared to 3.5 years in December, with rationally staggered repayments, more than 76% of total debt tied to sustainability and 78% of total debt issued on a fixed rate basis, directly or using interest rate hedges. It should be noted that, despite interest rates rising across the market in relation to last financing cycle, our average cost of financing at the end of the first half remained low, at approximately 2.4%. Unused long term credit facilities currently total € 100 million.



Capital expenditure of € 94 million

In the 1st half of 2025, capital expenditure totalled € 94 million (compared to € 93 million in H1 2024), of which approximately € 56 million corresponds to value-creating environmental or sustainability investment, accounting for approximately 60% of total.



This investment consisted mostly of projects aimed at decarbonisation, maintaining production capacity, modernising plant and achieving efficiency gains, as well as structural and safety projects.

Capex projects included the new high efficiency Chemical Recovery Boiler in Setúbal, already in operation, and also the oxygen delignification line in Setúbal, due to start up in April 2026, when it will bring down consumption of chemicals at the pulp bleaching stage, as well as improving the effluent quality at this site.

The new Chemical Recovery Boiler in Setúbal, which is the most important unit of a pulp mill, will not only bring clear improvements to operational and environmental performance, in particular by reducing malodorous gases, but also represents a milestone in the process of industrial decarbonisation. This project incorporates the best available techniques which, among other things, will cut annual scope 1 emissions at this industrial complex by 136 thousand tons of CO₂, and allow for concentrated non-condensable gases (CNCGs) to be transported and burned, in addition to collecting, transporting and burning malodorous diluted non-condensable gases (DNCGs) in the boiler. This project falls under the decarbonisation agenda in the RRP.

Alongside this, Navigator is investing in a new cogeneration unit at the Tissue plant in Aveiro, conversion of the Setúbal lime kiln to burning biomass, conversion of burning processes to hydrogen in Aveiro, collection and incineration of malodorous gases (NCGs) in Setúbal and the new biomass-fuelled lime kiln in Figueira da Foz.

Implementation of all projects under the Recovery and Resilience Plan (PRR) is proceeding as planned, in line with commitments to national authorities.

From Forest to the Future

Responsible Business: Innovation & Sustainability

Water is a resource used throughout Navigator's value chain, from forestry production through to the end product. At the different stages of our industrial processes, where the materiality of impact is most significant, water is used in steam production, transport of materials, cooling systems and other areas. As a shared resource, Navigator takes care to implement measures for efficient use of water, applying the best available techniques that enable it to minimise losses, close circuits and recirculate currents of process water. More recently, it has started to reuse treated effluent from WWTP 2 at the Setúbal Industrial Complex

In this context, Navigator has implemented the **Programme for Reducing Water Use (PRWU)** in its operations. The aim of which is a 33% reduction in specific use of water by 2030, in relation to 2019. This programme includes a set of initiatives for optimising processes, such as recovery of water from industrial processes, recirculation of filtered water and closed washing circuits, thereby reducing withdrawal of fresh water.

In 2024, fourteen strategic initiatives were concluded under the PRWU, representing a significant potential for annual reduction of water. Alongside the implementation of optimisation measures that make for greater efficiency in using this resource, the PRWU has from an early stage started to explore more ambitious alternatives for reusing effluents or internal currents, with or without complementary treatments. These solutions, with great potential for cutting water use, entail greater technical demands, involving computer simulations, laboratory testing and pilot tests.

The work done and the persistence of the research team have resulted in breaking down barriers to the reuse of water at Navigator.



What if we could transform industrial effluent into fresh water?

The expansion of WWTP no. 2 in Setúbal started in late 2021, coinciding with the start-up of production by the packaging segment at the Setúbal industrial complex. Using high-yield kraft eucalyptus pulp (HYKEP) and unbleached eucalyptus kraft pulp (UEKP), this landmark saw the introduction of innovative products which are shaping the future of sustainable packaging.

The creation of these disruptive products, opening the way to a new packaging paradigm, entailed a new technical challenge: managing effluents with significantly more complex profiles. In response to this need, Navigator chose not to merely modernise its systems, but to actually rethink them. This visionary step forward is aligned with its ambitious sustainability commitments, specifically those on reducing water use and working towards using resources within a closed loop - circularity.

The system chosen to address the new challenges is called **MBR - Membrane Bioreactor and uses "ultrafiltration"** technology. Incorporation of MBR technology in the WWTP has resulted in an integrated and sustainable solution, able to respond effectively to technical, regulatory and environmental challenges, whilst promoting the highest operating standards. This approach ensures strict compliance with the highest quality standards and bolsters our commitment to preserving natural resources.

Application of the MBR systems offers an array of advantages in relation to other treatment alternatives, including notably highly efficient treatment, occupation of less space, advanced automation and flexibility to deal with variations in organic loads. In addition, the significant reduction in water use helps to mitigate the environmental impacts associated with withdrawal of fresh water, promoting to compliance with the aims of the European Taxonomy as regards the sustainable use of water resources. The use of MBR technology and state-of-the-art automation makes it possible to optimise energy consumption, in line with the targets for the energy transition. There are other significant benefits, such as increased operational resilience and lower operating costs in the long term.

In 2025, the successful results have now been consolidated and we concluded that installation of the MBR ultrafiltration system had enabled the plant to achieve a high enough quality of effluent to justify a trial of recirculating it, in direct substitution of fresh water in PM3 at the Setúbal Complex at the pilot stage, it is already possible to recirculate 6% of the effluent treated at WWTP 2 to the paper production process. The aim is to stabilise and consolidated this practice as a permanent solution for recirculation of water at the Industrial Complex. With this measure, Navigator Paper Setúbal has made an important contribution to an overall reduction in specific use of water by 2030 of 33%, in relation to 2019.

The project has represented capex of approximately € 8 million and reaffirms Navigator's commitment to protecting the environment and to achieving efficiency in its operations.

External recognition of our commitment to sustainability

Our ongoing commitment and investment in consolidating our Responsible Business has also been reflected in positive assessments from independent rating agencies.

In 2025, Navigator was again classified by Sustainalytics as a low-risk company for investors, maintaining its status as an **"ESG Industry Top-Rated Company"** and reasserting its leadership in the forestry and paper sector. Placing it in the prestigious global list of 2025 ESG Top-Rated Companies, this recent assessment consolidates Navigator's position as one of the world's best companies in terms of environmental, social and governance (ESG) practices.



In the first half of 2025, Navigator obtained the top score of “A” on the CDP Climate Change and CDP Forests questionnaires for last year, securing it a place on the prestigious “A List” for Climate and for Forests, and consequently its coveted **leadership status**. This assessment by CDP (Disclosure Insight Action) provides international recognition of Navigator’s commitment and good practices in relation to risk management and deforestation. Of the more than 22,000 companies assessed by CDP in 2024, only 2% are included in the ‘A List’ for achieving the highest rating in at least one of the questionnaires.

Our business strategy, which incorporates **sustainability** as an essential pillar, has a real impact on the communities where we operate. An example of this is the Tissue mill Vila Velha de Ródão, which has been a driving force for local development, attracting new families with children, thanks to the new jobs created. Since 2018, the town’s population has grown by 360 inhabitants, thanks to policies to support housing and household expenditure. Navigator’s Ródão plant currently has a workforce of 255 employees of five nationalities, significantly contributing to the integration of immigrant communities in search of better living standards. Investing in the future also means investing in people, their families and the education of their children - a central commitment for Navigator.





OUTLOOK

The current international situation, dominated by deep uncertainty, is expected to continue influencing developments over the quarters ahead. Global trade faces growing instability, aggravated by the upsurge in protectionism, fiercer tensions between economic blocs and the escalation of geopolitical conflicts in the Middle East and Eastern Europe. The unpredictability of the US trade policy has introduced additional risks, already reflected in a slowdown in global economic growth. This context has contributed to a downturn in consumer spending in various markets and to a weaker US dollar, penalising exporter companies like Navigator, which trades its products in dollars in more than 100 countries outside the Eurozone.

In view of the volatility created by the trade policies of the new US administration, it is still too early to predict precisely what the total impact will be on international trade. The European market has seen the deadline for reaching trade deals between the US and its international partners extended to 1 August, under the threat of 30% tariffs, as compared to 10% at the latter date.

In the Printing and Writing paper market, the United States is not currently self-sufficient and will have to continue importing some of the products it needs. North America as a whole (USA + Canada) has an overall shortfall in production of these papers, a situation recently aggravated by the closure of the largest mill (350 thousand tons) of the US' third largest manufacturer, further exacerbating North America's structural deficit, which is estimated at approximately 800-1,100 thousand tons.

As a result, the US' need for imports will have to continue to be met by the few countries with the capacity to supply products that meet the exacting specifications demanded by the region's market, notably a number of manufacturers in Europe and Latin America. In the case of Latin America, manufacturers are being threatened with tariffs higher than those currently announced for Europe. At the same time, American producers may focus more on their domestic market, which will also open up opportunities in their current export markets.

China and Indonesia, two producers currently subject to high levels of anti-dumping duties, and with a relatively small volume of sales to the US, may be expected to play only a small role here, not having a great presence on the US market, they will not feel the need to repatriate large volumes of exports.

Despite the complexity of the current situation, new opportunities are also emerging in the UWF market in different geographical regions. Announcements by Mexico of planned taxes on imports from Asia and by Colombia on imports from Brazil continue to protect and provide impetus for Navigator's sales in these markets, making it more competitive and expanding its regional presence.

Irrespective of the global scenario that finally emerges, Navigator is consolidating its competitiveness and bolstering a resilient, integrated and forward-looking strategy. Navigator has responded to this situation with determination and vision, by taking concrete steps to ensure its operations are robust, promoting efficiency gains and a rapid commercial response, as well as preparing the company to face the challenges and opportunities in the sector with confidence.

Keeping its focus on high operational standards, the company has launched internal programmes designed to act on different fronts so as to protect its results in this uncertain scenario. This involves implementing programmes for:

- Optimisation and reduction of variable costs, by optimising specific consumption of raw and subsidiary materials, seeking strategic negotiations with these suppliers, as well as logistics. In this area, the company will likewise step up its commitment to Iberian wood, promoting local and sustainable procurement.
- Cutting fixed costs, with a focus on restricting new recruitment and optimising running costs.



- Reliability at Pulp and Paper mills and availability of plant for production, in particular by speeding up implementation of the Asset Performance Management (APM) system and executing specific action plans to build up teams and improve systems for asset management, maintenance and reliability.
- Alongside this, capex plans will be subject to careful review, especially as regards scheduling, seeking to reduce projects in 2025 by approximately € 40 million, prioritising those under the RRP and those offering higher rates of return.

Lastly, alongside commercial strategy and market diversification, business diversification and innovation in new products remain at the heart of Navigator's strategy, especially in the Tissue and Packaging segments, where there is still great potential for growth.

The quick-footed and flexible response of Navigator's teams to the demands of integrated management of all its operations, from forestry through to the group's various industrial units, combined with the company's sound financial position, have added to Navigator's capacity to face the challenges of the present and prepare for the future with confidence. We believe that all these factors, together with continuous development focused on diversifying the group's business base, will further underpin the resilience and sustainability of our business model.

Lisbon, 24 July 2025

Conference Call and Webcast for Analysts and Investors

Date: Tuesday, 29 July 2025

Time: 16:00 WET (Western European Time, GMT)

Link to the Conference Call webcast:

<https://streamstudio.world-television.com/1076-1695-42061/en>

Link for advance registration for telephone access to Conference Call:

<https://grid.trustwavetechnology.com/navigator/register.html>



FINANCIAL STATEMENTS

Condensed interim consolidated income statement

For the periods ended 30 June 2025 and 2024

Amounts in Euro	Note	30/06/2025	30/06/2024
Revenue	2.1	1,019,032,130	1,065,534,120
Other operating income	2.2	43,075,761	35,937,557
Changes in the fair value of biological assets	3.8	2,149,237	1,567,196
Costs of goods sold and materials consumed	4.1	(457,951,103)	(441,017,459)
Changes in production	4.1	11,117,825	5,084,265
External services and supplies	2.3	(268,176,621)	(234,690,231)
Payroll costs	7.1	(108,308,317)	(101,520,471)
Other operating expenses	2.3	(24,605,532)	(32,136,805)
Net provisions	9.1	3,759,582	247,762
Depreciation, amortisation and impairment losses in non-financial assets	3.7	(82,747,036)	(73,401,164)
Operating profit/ (loss)		137,345,926	225,604,770
Financial income and gains	5.9	8,220,882	8,558,629
Financial expenses and losses	5.9	(22,185,064)	(19,008,870)
Net financial results		(13,964,182)	(10,450,241)
Group share of (losses)/ gains of associates and joint ventures		-	-
Profit before income tax		123,381,744	215,154,529
Income tax	6.1	(38,133,408)	(56,297,497)
Net profit for the period		85,248,336	158,857,032
Attributable to Navigator's equity holders		85,229,477	158,845,066
Attributable to non-controlling interests	5.5	18,859	11,966
Earnings per share			
Basic earnings per share, Eur	5.2	0.120	0.223
Diluted earnings per share, Eur	5.2	0.120	0.223

The accompanying notes form an integral part of these condensed interim consolidated financial statements.



Condensed interim consolidated statement of comprehensive income

For the periods ended 30 June 2025 and 2024

Amounts in Euro	Note	30/06/2025	30/06/2024
Net profit for the period			
before non-controlling interests		85,248,336	158,857,032
Items that may be reclassified to the income statement			
Hedging derivative financial instruments			
Changes in fair value	8.2	2,081,876	17,903,353
Tax effect		(551,697)	(4,923,422)
Currency translation differences		(5,598,854)	2,361,155
Items that may not be reclassified to the income statement			
Remeasurement of post-employment benefits			
Remeasurement	7.2.5	(2,145,023)	(1,179,960)
Tax effect	7.2.5	(93,426)	(95,126)
Comprehensive income of associates and joint ventures		-	1,188
Total other comprehensive income net of taxes		(6,307,124)	14,067,188
Total comprehensive income		78,941,212	172,924,220
Attributable to:			
Navigator's equity holders		78,923,413	172,913,273
Non-controlling interests		17,799	10,947
		78,941,212	172,924,220

The accompanying notes form an integral part of these condensed interim consolidated financial statements.



Condensed interim consolidated statement of financial position

As at 30 June 2025 and 31 December 2024

Amounts in Euro	Note	30/06/2025	31/12/2024
ASSETS			
Non-current assets			
Goodwill	3.1	421,361,906	422,627,337
Intangible assets	3.2	109,926,171	119,600,687
Property, plant and equipment	3.3	1,431,219,153	1,415,945,085
Right-of-use assets	3.6	95,281,903	98,651,166
Biological assets	3.8	115,243,984	115,250,198
Investment properties	3.4	354,296	360,170
Other financial assets	7.2	-	1,347,318
Non-current receivables	4.2	4,094,877	13,142,937
Deferred tax assets	6.2	55,460,099	59,110,851
		2,232,942,389	2,246,035,749
Current assets			
Inventories	4.1	329,438,282	303,198,367
Current receivables	4.2	472,641,143	496,698,621
Income tax	6.1	22,078,666	20,621,461
Cash and cash equivalents	5.8	216,004,485	286,628,866
		1,040,162,576	1,107,147,315
Total Assets		3,273,104,965	3,353,183,064
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	5.1	500,000,000	500,000,000
Currency translation reserve	5.4	8,230,553	13,829,407
Fair value reserve	5.4	13,541,633	12,011,454
Legal reserve	5.4	100,000,000	100,000,000
Other reserves	5.4	(5,960,836)	(5,960,836)
Retained earnings	5.4	658,617,168	548,900,068
Net profit for the period		85,229,477	286,948,195
Early dividends		-	(99,999,451)
Equity attributable to Navigator's equity holders		1,359,657,995	1,355,728,837
Non-controlling interests	5.5	378,146	360,347
Total Equity		1,360,036,141	1,356,089,184
Non-current liabilities			
Interest-bearing liabilities	5.6	735,730,837	726,229,071
Lease liabilities	5.7	95,078,649	98,627,669
Pensions and other post-employment liabilities	7.2	785,163	-
Deferred tax liabilities	6.2	133,264,585	135,938,603
Provisions	9.1	25,043,260	28,371,069
Non-current payables	4.3	113,228,283	117,161,513
		1,103,130,777	1,106,327,925
Current liabilities			
Interest-bearing liabilities	5.6	156,015,432	177,748,681
Lease liabilities	5.7	12,935,435	13,109,231
Current payables	4.3	588,806,533	658,569,674
Income tax	6.1	52,180,647	41,338,369
		809,938,047	890,765,955
Total Liabilities		1,913,068,824	1,997,093,880
Total Equity and Liabilities		3,273,104,965	3,353,183,064

The accompanying notes form an integral part of these condensed interim consolidated financial statements.



Condensed interim consolidated statement of changes in equity

For the periods ended 30 June 2025 and 2024

	Note	Share capital	Currency translation reserve	Fair value reserves	Legal reserves	Other reserves	Retained earnings	Net profit for the period	Early dividends	Total	Non-controlling interests	Total
Amounts in Euro												
Equity as at 1 January 2025		500,000,000	13,829,407	12,011,454	100,000,000	(5,960,836)	548,900,068	286,948,195	(99,999,451)	1,355,728,837	360,347	1,356,089,184
Net profit for the period		-	-	-	-	-	-	85,229,477	-	85,229,477	18,859	85,248,336
Other comprehensive income (net of taxes)		-	(5,598,854)	1,530,179	-	-	(2,237,389)	-	-	(6,306,064)	(1,060)	(6,307,124)
Total comprehensive income for the period		-	(5,598,854)	1,530,179	-	-	(2,237,389)	85,229,477	-	78,923,413	17,799	78,941,212
Appropriation of 2024 net profit for the period:												
- Dividends paid	5.3	-	-	-	-	-	(74,994,255)	-	-	(74,994,255)	-	(74,994,255)
- Appropriation of prior period's net profit		-	-	-	-	-	305,948,195	(286,948,195)	-	19,000,000	-	19,000,000
- Bonus to employees		-	-	-	-	-	(19,000,000)	-	-	(19,000,000)	-	(19,000,000)
Early dividends	5.3	-	-	-	-	-	(99,999,451)	-	99,999,451	-	-	-
Total transactions with shareholders		-	-	-	-	-	111,954,489	(286,948,195)	99,999,451	(74,994,255)	-	(74,994,255)
Equity as at 30 June 2025		500,000,000	8,230,553	13,541,633	100,000,000	(5,960,836)	658,617,168	85,229,477	-	1,359,657,995	378,146	1,360,036,141
Amounts in Euro												
Equity as at 1 January 2024		500,000,000	5,309,023	12,898,767	100,000,000	3,481,014	418,633,191	274,923,820	-	1,315,245,815	327,018	1,315,572,833
Net profit for the period		-	-	-	-	-	-	158,845,066	-	158,845,066	11,966	158,857,032
Other comprehensive income (net of taxes)		-	2,361,155	12,979,931	-	-	(1,272,879)	-	-	14,068,207	(1,019)	14,067,188
Total comprehensive income for the period		-	2,361,155	12,979,931	-	-	(1,272,879)	158,845,066	-	172,913,273	10,947	172,924,220
Appropriation of 2023 net profit for the period:												
- Dividends paid	5.3	-	-	-	-	-	(149,995,621)	-	-	(149,995,621)	-	(149,995,621)
- Appropriation of prior period's net profit		-	-	-	-	-	288,923,820	(274,923,820)	-	14,000,000	-	14,000,000
- Bonus to employees		-	-	-	-	-	(14,000,000)	-	-	(14,000,000)	-	(14,000,000)
Transactions with non-controlling interests		-	-	-	-	(9,441,850)	4,987,262	-	-	(4,454,588)	-	(4,454,588)
Other changes	5.2	-	(139,649)	-	-	-	139,649	-	-	-	-	-
Total transactions with shareholders		-	(139,649)	-	-	(9,441,850)	130,055,110	(274,923,820)	-	(154,450,209)	-	(154,450,209)
Equity as at 30 June 2024		500,000,000	7,530,529	25,878,698	100,000,000	(5,960,836)	547,415,422	158,845,066	-	1,333,708,879	337,964	1,334,046,843

The accompanying notes form an integral part of these condensed interim consolidated financial statements.



Condensed interim consolidated cash flow statement

For the periods ended 30 June 2025 and 2024

Amounts in Euro	Notes	6 months 30/06/2025	6 months 30/06/2024
OPERATING ACTIVITIES			
Receipts from customers		1,071,610,140	1,074,793,730
Payments to suppliers		(832,174,505)	(784,051,663)
Payments to employees		(92,801,488)	(83,639,722)
Cash flows from operations		146,634,147	207,102,345
Income tax received/ (paid)	6.1	(27,605,790)	(3,539,726)
Other receipts/ (payments) relating to operating activities		59,830,266	35,111,496
Cash flows from operating activities (1)		178,858,623	238,674,115
INVESTING ACTIVITIES			
Inflows:			
Property, plant and equipment		46,175	-
		46,175	-
Outflows:			
Property, plant and equipment		(127,305,014)	(83,873,340)
Intangible assets		(62,948)	-
Investments in subsidiaries	1.2	-	(150,779,058)
		(127,367,962)	(234,652,398)
Cash flows from investing activities (2)		(127,321,787)	(234,652,398)
FINANCING ACTIVITIES			
Inflows:			
Interest-bearing liabilities	5.6	115,000,000	154,007,305
Government grants	3.5	13,930,463	13,229,790
		128,930,463	167,237,095
Outflows:			
Interest-bearing liabilities	5.6	(123,531,390)	(102,228,743)
Amortisation of lease agreements	5.7	(9,027,457)	(7,421,304)
Interest and similar expense		(13,858,697)	(15,560,179)
Distribution of dividends	5.3	(99,999,452)	(149,995,621)
Repayable grants	5.6	(3,608,218)	(3,609,720)
		(250,025,214)	(278,815,567)
Cash flows from financing activities (3)		(121,094,751)	(111,578,472)
CHANGES IN CASH AND CASH EQUIVALENTS (1)+(2)+(3)		(69,557,915)	(107,556,755)
Effect of exchange rate differences		(1,066,466)	35,112
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5.8	286,628,866	169,464,967
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5.8	216,004,485	61,943,324

The accompanying notes form an integral part of these condensed interim consolidated financial statements.



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1. Introduction

1.1. The Group

The Navigator Group (Group) is comprised by The Navigator Company, S.A., whose name remained unchanged during the period, (until 2015 designated as Portucel, S.A.) and its subsidiaries.

The Navigator Group was created in 1953, when a group of technicians from “Companhia Portuguesa de Celulose de Cacia” made this company the first in the world to produce bleached eucalyptus sulphate pulp.

In 1976 Portucel EP was created as a result of the nationalisation of all of Portugal’s cellulose industry. As such, Portucel – Empresa de Celulose e Papel de Portugal, E.P. resulted from the merger with CPC – Companhia de Celulose, S.A.R.L. (Cacia), Socel – Sociedade Industrial de Celulose, S.A.R.L. (Setúbal), Celtejo – Celulose do Tejo, S.A.R.L. (Vila Velha de Ródão), Celnorte – Celulose do Norte, S.A.R.L. (Viana do Castelo) and Celuloses do Guadiana, S.A.R.L. (Mourão) incorporated Portucel - Empresa de Celulose e Papel de Portugal, E.P., converted into a Public Limited Company of mainly public capital by Decree-Law 405/90, of 21 December.

Years after, as a result of the restructuring of Portucel – Empresa de Celulose e Papel de Portugal, S.A., which was renamed Portucel, SGPS, S.A., towards its privatisation, the incorporation of Portucel S.A. was formalised on 31 May 1993, through Decree-law 39/93, of 13 February, with the former assets of the two main companies, based in Aveiro and Setúbal.

In 1995, the Company was privatised and became a publicly traded company.

Aiming to restructure the paper industry in Portugal, Portucel acquired Papéis Inapa, S.A. (Setúbal), in 2000, and Soporcel – Sociedade Portuguesa de Papel, S.A. (Figueira da Foz), in 2001. Those key strategic decisions resulted in the Portucel Soporcel Group (currently Navigator Group), which is currently the largest European and one of the world’s largest producers of bleached eucalyptus pulp and the largest European producer of uncoated wood-free paper (UWF), with a capacity of 1.6 and 1.6 millions of tons, respectively, and it sells approximately 389 thousand tons of pulp (31 December 2024), annually, integrating the remainder in the production of UWF paper and Tissue paper.

In June 2004, the Portuguese State sold 30% of Portucel's equity, which was acquired by Semapa Group. In September of the same year, Semapa launched a public acquisition offer tending to assure the Group’s control, which was accomplished by guaranteeing a 67.1% stake of Portucel’s equity.

In November 2006, the Portuguese State concluded the third and final stage of the sale of Portucel, S.A., and Párpública, SGPS, S.A. (formerly Portucel, SGPS, S.A.) sold the remaining 25.72% of the Company's share capital, thus increasing the free-float.

From 2009 to July 2015, more than 75% of the company’s share capital was held directly and indirectly by Semapa – Sociedade de Investimento e Gestão SGPS, S.A.. (excluding treasury shares) having the percentage of voting rights been reduced to around 70% following the conclusion of the offer for the acquisition, in the form of an exchange offer, of the ordinary shares of Semapa in July 2015. The voting rights currently amount to 70.03%.

In February 2015, the Group started its activity in the Tissue segment with the acquisition of AMS-BR Star Paper, S.A. (currently denominated Navigator Tissue Ródão, S.A.), a Company that holds and explores a tissue paper mill, located in Vila Velha de Ródão. A new industrial facility was built in Aveiro, in August 2018, being operated by Navigator Tissue



Aveiro, S.A., which is currently the largest Portuguese producer and the third in the Iberian Peninsula, with a production and transformation capacity of 130 thousand tons and 120 thousand tons, respectively.

On 31 March 2023 the acquisition of the Gomà-Camps Group's consumer Tissue business in Spain was concluded, with a view to strengthening the Group's presence in this business segment. The integration of this new mill has elevated Navigator to the position of second largest Iberian tissue producer, with a production capacity of 165 thousand tons and converting capacity of 180 thousand tons.

In May 2024, The Navigator Company acquired all the shares representing the share capital of Accrol Group Holdings plc (currently named Navigator Holding Tissue UK, Ltd.), one of the leaders in the tissue paper converting segment in the United Kingdom, producing private label toilet rolls, kitchen rolls and facial tissues for most of the main UK retailers, bringing total converting capacity to 311,000 tons.

The Group's main business is the production and sale of writing and printing thin paper (UWF) and domestic consumption paper (Tissue), and it is present in the entire value-added chain, from research and development of forestry and agricultural production to the purchase and sale of wood and the production and sale of bleached eucalyptus kraft pulp – BEKP – and electric and thermal energy, as well as its commercialisation.

The Navigator Company, S.A. (hereafter referred to as The Navigator Company or Company) is a publicly traded company, listed in Euronext Lisbon, with its share capital represented by nominal shares.

Company: The Navigator Company, S.A.

Head Office: Mitrena – Apartado 55 | 2901-861 Setúbal | Portugal

Legal Form: Public Limited Company

Share Capital: €500,000,000

TIN: 503 025 798

1.2. Subsequent events

Up to the date of issuing this report there were no subsequent events susceptible of being disclosed in these financial statements.

1.3. Preparation support

1.3.1. Authorisation to issue condensed interim consolidated financial statements

These condensed interim consolidated financial statements were approved by the Board of Directors and authorised for issue on 24 July 2025.

1.3.2. Basis for presentation

The condensed interim consolidated financial statements for the six-month period ended 30 June 2025 were prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting.



The following Notes were selected in order to contribute to the understanding of the most significant changes in the Group's consolidated financial position and its performance in relation to the last reporting date. In this context, these condensed interim consolidated financial statements should be read together with the Navigator Group's consolidated financial statements for the period ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year and the corresponding interim reporting period.

1.3.3. Basis for measurement

The accompanying condensed interim consolidated financial statements have been prepared on the going concern basis from the accounting books and records of the companies included in the consolidation (Note 10.1), and under the historical cost convention, except for biological assets (Note 3.8), and for financial instruments (Note 8.2) measured at fair value through profit or loss or at fair value through other comprehensive income, in which derivative financial instruments are included. The liability related to responsibilities for defined benefits is recognised at its present value deducted from the respective asset.

The condensed interim consolidated financial statements have been prepared in Euro, except if mentioned otherwise.

1.3.4. Comparability

These financial statements are comparable in all material respects with those of the previous year.



1.4. New IFRS standards adopted and to be adopted

1.4.1. Other standards, amendments and interpretations adopted or to be adopted

Standards, amendments and interpretations adopted in 2025

Amendment	Date of application
Standards and amendments endorsed by the European Union	
<p>Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</p>	1 January 2025
<p>On August 15, 2023, the International Accounting Standards Board (the IASB or Board) issued Lack of Exchangeability (Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates) (the amendments).</p> <p>The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.</p> <p>An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. When a currency is not exchangeable, the entity has to estimate a spot exchange rate.</p> <p>According to the amendments, entities will have to provide new disclosures to help users assess the impact of using an estimated exchange rate on financial statements. These disclosures may include:</p> <ul style="list-style-type: none"> a) the nature and financial effects of the currency not being exchangeable into the other currency; b) the spot exchange rate(s) used; c) the estimation process; and d) the risks to which the entity is exposed because of the currency not being exchangeable into the other currency. <p>The amendment did not have a significant impact on the Navigator Group.</p>	

Standards, amendments and interpretations to be adopted in subsequent periods

Amendment	Date of application
Standards and amendments endorsed by the European Union that the Group has chosen not to apply in advance	
<p>Annual improvements (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)</p>	1 January 2026
<p>On 18 July 2024, the International Accounting Standards Board (IASB) issued limited amendments to the IFRS and respective guidelines, resulting from the regular maintenance carried out on the Standards.</p> <p>The amendments include clarifications, simplifications, corrections and modifications made with the aim of improving the consistency of various IFRS.</p> <p>The IASB amended:</p> <ul style="list-style-type: none"> a) IFRS 1 First-time Adoption of International Financial Reporting Standards, to clarify certain aspects related to the application of hedge accounting by an entity that is preparing financial statements in accordance with IFRS for the first time; b) IFRS 7 Financial Instruments: Disclosures and the respective Implementation Guidance, in order to clarify: <ul style="list-style-type: none"> - the application guidance, regarding Gain and loss on derecognition; and - the implementation guidance, namely its Introduction, Fair value paragraph (disclosures regarding the difference between fair value and transaction price) and Credit risk disclosure. c) IFRS 9 Financial Instruments to: <ul style="list-style-type: none"> - require companies to initially measure a receivable without a significant financing component at the amount determined by applying IFRS 15, and - clarify that when a lease liability is derecognised, the derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases. The amendment establishes that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. d) IFRS 10 Consolidated Financial Statements, clarification on the determination of a “de facto agent”; and e) IAS 7 Cash Flow Statements, amendment of detail in the paragraph relating to Investments in subsidiaries, associates and joint ventures. <p>The amendments are effective for periods beginning on or after 1 January 2026. Early application is permitted.</p>	



Amendment	Date of application
Standards and amendments endorsed by the European Union that the Group has chosen not to apply in advance	
Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity	<p>On 18 December 2024, the International Accounting Standards Board (IASB) issued amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPA).</p> <p>Nature-dependent electricity contracts help companies to secure their electricity supply from sources such as wind and solar power. The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions. Current accounting requirements may not adequately capture how these contracts affect a company's performance.</p> <p>To allow companies to better reflect these contracts in the financial statements, the IASB has made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments include:</p> <ul style="list-style-type: none"> a) clarifying the application of the "own-use" requirements; b) permitting hedge accounting if these contracts are used as hedging instruments; and c) adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. <p>The amendments are effective for periods beginning on or after 1 January 2026. Early application is permitted.</p>
IFRS 9 - Amendments to the Classification and Measurement of Financial Instruments	<p>On 30 May 2024, the International Accounting Standards Board (IASB or Board) issued amendments regarding the classification and measurement requirements of IFRS 9 Financial Instruments. The amendments aim to resolve the diversity in the application of the standard, making the requirements more understandable and consistent.</p> <p>The purpose of these amendments is to:</p> <ul style="list-style-type: none"> a) clarify the classification of financial assets with environmental, social and corporate governance (ESG) characteristics and similar, since these characteristics in loans can affect whether loans are measured at amortised cost or fair value. To resolve any potential diversity in practical application, the amendments clarify how the contractual cash flows of loans should be valued. b) clarify the date on which a financial asset or financial liability is derecognised when it is settled through electronic payment systems. There is an accounting policy option that allows a financial liability to be Derecognised before the cash is delivered on the settlement date, if certain criteria are met. c) improve the description of the term "non-recourse", according to the amendments, a financial asset has non-recourse characteristics if the ultimate right to receive cash flows from an entity is contractually limited to the cash flows generated by specific assets. The presence of non-recourse features does not necessarily exclude the financial asset from complying with the SPPI, but its characteristics need to be carefully analysed. d) clarify that a contractually linked instrument must have a cascading payment structure that creates a concentration of credit risk by allocating losses disproportionately between different instalments. The underlying pool can include financial instruments that are not within the scope of the classification and measurement of IFRS 9 (e.g., finance leases) but must have cash flows equivalent to the SPPI criterion. <p>The IASB has also introduced additional disclosure requirements relating to equity investments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features linked to ESG targets.</p> <p>These amendments are effective for periods beginning on or after 1 January 2026. Earlier adoption is permitted.</p>
Standards and amendments not yet endorsed by the European Union	
IFRS 18 - Presentation and disclosure in financial statements	<p>On 9 April 2024, the International Accounting Standards Board (IASB or Board) issued the new standard, IFRS 18 Presentation and Disclosure in Financial Statements.</p> <p>The main amendments introduced by this Standard are:</p> <ul style="list-style-type: none"> a) promotion of a more structured income statement. In particular, it introduces a new subtotal "operating profit" (as well as its definition) and the requirement that all income and expenses be classified into three new separate categories based on a company's main business activities: Operating, Investing and Financing. b) requirement for companies to analyse their operating expenses directly on the face of the income statement - either by nature, by function or in a mixed way. c) requirement for some of the "non-GAAP" measures that the Group uses to be reported in the financial statements. <p>IFRS 18 defines management-defined performance measure (MPM or non-GAAP Performance Measures) as a subtotal of income and expenses that an Entity uses:</p> <ul style="list-style-type: none"> - in public communications outside financial statements; and - to communicate management's view of the financial performance. <p>For each MPM presented, companies will need to explain in a single note in the financial statements why the measure provides useful information, how it is calculated, and reconcile it with a value determined in accordance with IFRS.</p> <p>d) introduce improved guidance on how companies group information in financial statements. It includes guidance on whether material information is included in the primary financial statements or is more detailed in the notes.</p> <p>The amendments are effective for periods beginning on or after 1 January 2027 and apply retrospectively. Earlier application is permitted.</p>



Standards and amendments not yet endorsed by the European Union

IFRS 19 - Disclosures of subsidiaries not subject to public disclosure of financial information	<p>On 9 May 2024, the International Accounting Standards Board (the IASB or Board) issued the new standard, IFRS 19 Subsidiaries without Public Accountability: Disclosures, which allows eligible subsidiaries to use IFRS with reduced disclosures. The application of IFRS 19 will reduce the costs of preparing the financial statements of subsidiaries, while maintaining the usefulness of the information for the users of their financial statements.</p> <p>A subsidiary may elect to apply the new standard in its consolidated, individual or separate financial statements, provided that, at the reporting date:</p> <p>a) it has no public accountability;</p> <p>b) its parent prepares consolidated financial statements which comply with IFRS.</p> <p>A subsidiary that applies IFRS 19 is required to make an explicit and unreserved statement of compliance with IFRS that IFRS 19 has been adopted.</p> <p>The amendments are effective for periods beginning on or after 1 January 2027 and apply retrospectively. Early application is permitted.</p>	1 January 2027
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With respect to the above standards, which are not yet mandatory, the Group has not yet completed the calculation of all impacts arising from their application and has therefore elected to apply them early.

The changes resulting from these standards had no significant impact on the Navigator Group.

1.5. Significant accounting estimates and judgements

The preparation of consolidated financial statements requires that the Group's Board of Directors make judgements and estimates that affect the amount of revenue, costs, assets, liabilities and disclosures at the date of the consolidated statement of financial position. To that effect, the Group's Board of Directors are based on:

- i) the best information and knowledge of current events and in certain cases on the reports of independent experts; and
- ii) the actions that the Group considers it may have to take in the future.

On the date on which the operations take place, the outcome could differ from those estimates.

More significant estimates and judgements are presented below:

Estimates and judgements	Notes
Recoverability of goodwill	3.1 – Goodwill
Recoverability of brands, useful life and depreciation of other intangible assets	3.2 – Intangible assets
Recoverability, useful life and depreciation of property, plant and equipment	3.3 – Property, plant and equipment
Fair value of biological assets	3.8 – Biological assets
Uncertainty over income tax treatments	6.1 – Income tax
	6.2 – Deferred taxes
Actuarial assumptions	7.2 – Employee benefits
Recognition of provisions	9.1 – Provisions



2. Operational performance

2.1 Revenue and segment reporting

In accordance with IFRS 8, the Group considers an operating segment as a component of the Group that develops business activities from which it can obtain revenue and incur expenses, whose operating profit or loss are regularly reviewed by the Executive Committee, which is primarily responsible for the operational decision-making regarding the allocation of resources to the segment and the assessment of its performance, and for which separate financial information is available.

Each reportable segment corresponds to the value chain of the integrated production process associated with the product of each business segment, (Market Pulp, UWF paper, Tissue Paper and Energy) considering the sales activity of the respective products on the market, in a manner consistent with the information used by the Executive Committee for operational monitoring of its businesses.

Accordingly, intra-segmental sales are those that occur within the same manufacturing plant and whose production inputs are used in the production process of that segment. Thus, the values reported for each operating segment result from the aggregation of the business units and subsidiaries defined in the perimeter of each segment, as well as the cancellation of intra-segment transactions.

Intra-segmental sales correspond to sales between business segments, which are eliminated for consolidation purposes, being this effect reported in the "Cancellations". When aggregating the Group's operating segments, Management defined as reportable segments those that correspond to each of the business areas developed by the Group, as follows:

- i. Market pulp – bleached eucalyptus BEKP for sale in the market;
- ii. UWF paper – production and sale of UWF uncoated writing and printing thin paper;
- iii. Tissue Paper – production and sale of domestic consumption paper;
- iv. Biomass renewable energy – which includes the cogeneration units and the two independent thermoelectric power plants;
- v. Support - segment that includes the corporate centre (mixed holding).

Regarding the allocation of assets and liabilities to business segments, it should be noted that:

- All equipment allocated to the UWF pulp and paper production are included in Property, plant and equipment of the respective segments.
- The Group's real estate assets are allocated to the respective business segment.
- The assets related to forests are allocated to the pulp and UWF paper segments, according to the production capacity of each segment.
- In accordance with the Navigator Company Group's financing policy, all loans are contracted by the Group's holding company, The Navigator Company, S.A., which is responsible for bearing all debt and related charges. Accordingly, interest-bearing liabilities (Note 5.6) are allocated to the "Support" segment, which includes the Group's corporate centre (mixed Holding), with the exception of the repayable grant related to the construction of the new tissue mill, allocated to the "Tissue Paper" segment and a portion of the "Inpactus" grant allocated to the "UWF Paper" segment.



Financial information by operating segment in 2025 and 2024

30/06/2025

Amounts in Euro	Market Pulp	UWF Paper	Tissue Paper	Energy	Support	Cancellation	Total
REVENUE							
Sales and services - external	90,598,494	618,796,798	255,223,055	54,413,783	-	-	1,019,032,130
Sales and services - intersegment	2,252,162	-	-	25,479,636	289,635,811	(317,367,609)	-
Total Revenue	92,850,656	618,796,798	255,223,055	79,893,419	289,635,811	(317,367,609)	1,019,032,130
PROFIT/ (LOSS)							
Operating income ⁽¹⁾	(3,355,406)	111,228,701	37,932,701	4,869,663	(13,329,733)	-	137,345,926
Financial profit/ (loss)	-	-	-	-	(13,964,182)	-	(13,964,182)
Income tax	-	-	-	-	(38,133,408)	-	(38,133,408)
Net profit for the period	-	-	-	-	-	-	85,248,336
Non-controlling interests	-	-	-	-	(18,859)	-	(18,859)
Profit/ (loss) attributable to equity holders	-	-	-	-	-	-	85,229,477
OTHER INFORMATION							
Acquisitions of fixed capital	19,354,372	58,478,204	12,695,751	1,653,075	1,442,964	-	93,624,366
Depreciation (impairment included)	(10,186,271)	(47,354,626)	(15,405,764)	(9,316,788)	(483,587)	-	(82,747,036)
Provisions ((increases) / reversal)	47,103	(439,598)	20,477	-	4,131,600	-	3,759,582
OTHER INFORMATION							
SEGMENT ASSETS							
Goodwill	-	376,756,383	44,605,523	-	-	-	421,361,906
Property, plant and equipment	158,870,322	818,739,532	319,655,127	127,580,841	6,373,331	-	1,431,219,153
Right-of-use assets	14,112,244	52,142,526	27,732,351	-	1,294,782	-	95,281,903
Biological assets	28,810,996	86,432,988	-	-	-	-	115,243,984
Non-current receivables	-	2,006,276	1,602,894	-	485,707	-	4,094,877
Inventories	39,625,814	223,205,749	64,506,962	941,038	1,158,719	-	329,438,282
Trade receivables	24,334,467	177,684,847	94,073,465	1,039,504	3,154,663	-	300,286,946
Other current receivables	18,273,597	71,854,906	20,914,224	754,278	60,557,192	-	172,354,197
Other assets	8,653,352	64,261,254	92,924,560	-	237,984,551	-	403,823,717
Total Assets	292,680,792	1,873,084,461	666,015,106	130,315,661	311,008,945	-	3,273,104,965
SEGMENT LIABILITIES							
Interest-bearing liabilities	-	415,573	35,109,652	-	856,221,044	-	891,746,269
Lease liabilities	15,631,031	57,023,480	33,978,390	-	1,381,183	-	108,014,084
Other current payables	40,402,164	231,301,364	58,953,199	2,850,960	255,298,846	-	588,806,533
Other liabilities	29,959,948	137,201,664	71,246,433	6,855,393	79,238,500	-	324,501,938
Total Liabilities	85,993,143	425,942,081	199,287,674	9,706,353	1,192,139,573	-	1,913,068,824

* Cancellation of intersegment operations. Consolidation adjustments related to intersegment transactions are considered not significant

⁽¹⁾ Includes the negative effect of the hedging derivative in the Pulp segment of Euro 246,790 and the positive effect of the currency hedging derivative in the UWF Paper segment of Euro 3,010,003.

In the first half of 2025, the Navigator Group recorded turnover in the amount of Euro 1,019,032,130, with paper sales accounting for approximately 61% of turnover (vs. 65%), pulp sales 9% (vs. 11%), Tissue sales 25% (vs. 18%) and energy sales 5% (vs. 6%).

Global apparent demand for all Printing and Writing papers through May was down 2.4%, with UWF paper remaining the most resilient, down 1.7% compared to Coated Woodfree (CWF) paper, which fell 4.3%. Papers with mechanically obtained fibre (coated and uncoated) recorded a decrease of 2.5%.

In Europe, apparent demand for UWF fell by 8.6% through June, reflecting a broad-based contraction in deliveries and imports. Intra-European deliveries fell by 7% and imports fell by 19% compared to the same period last year (to May), confirming a sharp slowdown in effective demand in the region.

In the United States, consumption declined more moderately until May (-2.1%), in a region that remains a significant net importer to meet domestic demand.

Navigator's sales of UWF and Packaging paper amounted to 642 thousand tonnes in the first half of the year, down 5% on the same period last year, while in value terms the decline in the same period was 11%. Given the considerable uncertainty surrounding tariff developments, in early April the Company made a strategic decision to proactively increase stocks in the US, reducing potential sales for the quarter by approximately Euro 10 million, in the expectation of generating higher margins in the future.



The Pulp market was marked by two moments in the first half of the year. The year began with prospects of rising prices, which were confirmed throughout the first quarter as a result of some supply constraints and increased activity, but after April, uncertainty caused by increased protectionism (in particular the global announcement of tariffs by the new US administration on 2 April) and the normalisation of supply led to a sharp fall in prices in China, which had repercussions in Europe.

The benchmark index for short fibre pulp (hardwood) – PIX BHKP in dollars, in Europe – closed the semester with an average price of USD 1,125/t, a 10% decrease compared to the same period last year. The semester was marked by a strong recovery in prices in the first quarter, particularly in Europe. This positive trend continued until the beginning of the second quarter, when prices began to adjust downward again. The sharpest decline was recorded in China, with a 16% reduction between April and June, a trend that spread to Europe.

Nevertheless, global demand for short fibre pulp grew by 5% year-on-year (up to May), reflecting positive market dynamics. This performance was driven mainly by China, with a significant increase of 11%, and, to a lesser extent, by the Rest of the World (+3%). Conversely, the European and US markets recorded declines of 3% and 8%, respectively.

Global demand for eucalyptus pulp (EUCA) grew the most, with an increase of over 6% through May, with China growing 13% and Europe contracting 3% (compared to the same period last year).

This performance consistently strengthens its position within the bleached short fibre chemical pulp segment.

As for supply, while the ramp-up of new capacity in the market in 2024 put some pressure on the operating rate, increased consumption and maintenance stoppages in the first half of the year contributed significantly to sustaining the activity levels of short fibre producers.

China is expected to continue to play a pivotal role in the global pulp market dynamics, not only due to the growing importance of its domestic consumption, but also due to the new capacity planned. Between 2022 and 2024, an estimated 3.7 Mt of BHKP production capacity is expected to be added in the country, with a further 2.4 Mt projected for 2025 — a significant expansion, which has so far been largely supported by local wood. There are, however, well-founded doubts about the future sustainability of this source of supply.

This movement is disrupting global market balances, putting pressure on prices and shifting trade flows. Nevertheless, international timber, despite being substantially more expensive, is expected to remain the main source of supply for the Chinese industry, with equally significant growth in the coming years.

Navigator's pulp sales totalled 168,000 tonnes, down 7% on the same period last year. Sales value fell by 22% compared to the same period last year, as a result of the drop in prices.

European demand for Tissue Paper, after significant growth of 6.3% in 2024, recorded a slight year-on-year variation of -0.3% up to April. This slight decline is justified by the sharp variation in the Eastern region (-1.4%), given that the Western region remained virtually stable. This performance reflects the current challenging economic environment in Europe, marked by a decline in demand for consumer goods. It also stands in contrast to the dynamism observed in 2024, driven by stock replenishment and increased household purchasing power.

During the first half of the year, Navigator's tissue paper sales volume (finished products and reels) reached 119,000 tonnes, an increase of 27% compared to the same period last year. Sales value grew by 35% compared to the same period last year.

The integration of Navigator Tissue UK's business, completed in May 2024, contributed to year-on-year growth. In addition to enhancing the range and sales growth, it also expanded the customer base and generated gains in integration synergies, enabling the development of cross-selling actions, with the consequent strengthening of commercial relations with customers.



The global market for kraft paper (Machine Glazed and Machine Finished) grew by about 9%, showing good momentum.

In the Packaging business line, Navigator's sales grew by 8% year-on-year in the first half of the year, with a 4% improvement in price and a 5% increase in volume, despite a 9% increase in paper sales area, due to greater penetration in low weight segments. Navigator has been developing and investing in the gKRAFT™ sustainable packaging segment, which offers alternatives to fossil-based plastics, supporting the transition to renewable and low-carbon products.

In this regard, in the first half of the year, the final investment decision was made to convert the PM3 paper machine, located at the integrated pulp and paper mill in Setúbal, with the aim of directing its production towards low-weight flexible packaging papers. With this investment, we have moved from a machine that was ranked in the third quartile of competitiveness in UWF paper production to a machine that is among the top performers in the first quartile of competitiveness in the flexible packaging market.

This investment will allow Navigator to respond quickly and efficiently to the growing demands of the flexible packaging market, with estimated growth rates of between 2.5% and 3% until 2035. The market has shown strong support for Navigator's differentiated solutions, as evidenced by the growth of the gKRAFT™ range and the strong performance of low gKRAFT™ weights for flexible packaging applications.

As a result of this conversion, Navigator will become Europe's fourth largest producer of low-weight flexible packaging paper, strategically consolidating its position in a segment experiencing strong growth in demand.

The amount corresponding to total energy sales was Euro 54,413,783 compared to Euro 65,105,197 in the same period last year, representing a reduction of approximately 16%. This reduction is primarily associated with the following aspects: (i) transition on 30 April of the renewable cogeneration units in Aveiro and a turbo generator (TG3) in Figueira da Foz to the self-consumption regime, as a result of the termination of the special remuneration regime; and (ii) scheduled maintenance stoppage of the Aveiro Biomass Thermal Power Plant.

The fixed capital expenditure in 2025 stood at Euro 93,624,366, compared with Euro 93,289,783 in the previous year. This amount includes mainly investments aimed at decarbonisation, maintenance of production capacity, upgrading of equipment and improvement of efficiency, structural and safety projects. Nearly 60% of the total investment is environmental or sustainable in nature, with the following projects standing out: the new high-efficiency Recovery Boiler in Setúbal and the oxygen delignification line in Setúbal, scheduled to start up in April 2026, which will reduce chemical consumption in the pulp bleaching phase and improve the quality of the effluent from that manufacturing unit.

Simultaneously, Navigator is investing in a new cogeneration unit at the Tissue site in Aveiro, converting the Setúbal Lime Kiln to biomass combustion, converting combustion processes to hydrogen in Aveiro, the collection and incineration of odorous gases (NCGs) in Setúbal, and the new biomass lime kiln in Figueira da Foz.

The Navigator Group continues to move forward with projects under the Recovery and Resilience Plan (RRP), particularly those aimed at the Climate Transition and Digital Transition, which are being implemented as planned. For eligible investments under the PRR, an incentive rate of about 40% is expected, which corresponds to close to Euro 100 million, with the company receiving approximately Euro 57 million of these incentives to date, Euro 11 million of which in the first half of 2025.



30/06/2024

Amounts in Euro	Market Pulp	UWF Paper	Tissue Paper	Energy	Support	Cancellation*	Total
REVENUE							
Sales and services - external	116,521,920	695,231,691	188,675,312	65,105,197	-		1,065,534,120
Sales and services - intersegment	1,425,161	-	-	21,218,367	289,235,298	(311,878,826)	-
Total revenue	117,947,081	695,231,691	188,675,312	86,323,564	289,235,298	(311,878,826)	1,065,534,120
PROFIT/ (LOSS)							
Operating income⁽¹⁾	20,149,857	179,419,367	40,441,911	14,589,463	(28,995,828)	-	225,604,770
Financial profit/ (loss)	-	-	-	-	(10,450,241)	-	(10,450,241)
Income tax	-	-	-	-	(56,297,497)	-	(56,297,497)
Net profit for the period							158,857,032
Non-controlling interests	-	-	-	-	(11,966)	-	(11,966)
Profit/ (loss) attributable to equity holders	-	-	-	-	-	-	158,845,066
OTHER INFORMATION							
Acquisitions of fixed capital	16,116,544	67,618,758	6,219,823	899,313	2,435,345	-	93,289,783
Depreciation (impairment included)	(8,466,779)	(40,424,406)	(11,659,301)	(9,359,994)	(3,490,684)	-	(73,401,164)
Provisions ((increases) / reversal)	-	196,684	-	-	51,078	-	247,762
SEGMENT ASSETS							
Goodwill	-	376,756,383	104,798,531	-	-	-	481,554,914
Property, plant and equipment	148,345,917	748,711,343	283,809,330	134,745,115	5,209,450	-	1,320,821,155
Right-of-use assets	13,851,783	50,551,300	41,365,389	-	1,766,547	-	107,535,019
Biological assets	29,289,794	87,869,381	-	-	-	-	117,159,175
Non-current receivables	6,500,572	28,066,309	13,725,968	-	3,424,824	-	51,717,673
Inventories	34,409,903	214,521,946	63,471,479	988,004	936,782	-	314,328,114
Trade receivables	31,692,932	166,878,564	109,522,516	1,563,062	6,199,087	-	315,856,161
Other current receivables	18,007,771	58,599,009	14,905,002	1,315,917	102,070,067	-	194,897,766
Other assets	8,540,848	69,551,119	45,919,689	-	85,263,913	-	209,275,569
Total Assets	290,639,520	1,801,505,354	677,517,904	138,612,098	204,870,670	-	3,113,145,546
SEGMENT LIABILITIES							
Interest-bearing liabilities	-	415,572	50,638,294	-	675,353,426	-	726,407,292
Lease liabilities	15,128,563	54,655,315	44,110,018	-	1,881,662	-	115,775,558
Other current payables	36,270,314	238,479,662	87,438,705	2,976,576	206,492,016	-	571,657,273
Other liabilities	37,325,834	141,249,867	60,065,295	7,486,777	119,130,807	-	365,258,580
Total Liabilities	88,724,711	434,800,416	242,252,312	10,463,353	1,002,857,911	-	1,779,098,703

* Cancellation of intersegment operations. Consolidation adjustments related to inter-segmental transactions are considered not significant.

⁽¹⁾ Includes the effects of hedging derivatives of Euro 2,461,233 in the UWF Paper segment.

Revenue by business segment, by geographic area and by recognition pattern

30/06/2025

Amounts in Euro	Pulp	UWF Paper	Tissue Paper	Energy	Total Amount	Total %
Portugal	2,628,073	34,505,577	45,704,334	54,413,623	137,251,607	13.47%
Rest of Europe	60,079,042	348,767,880	207,320,527	160	616,167,609	60.47%
America*	182,416	94,359,420	687,499	-	95,229,335	9.35%
Africa and the Middle East	18,428,341	76,127,933	1,510,695	-	96,066,969	9.43%
Asia	9,280,622	64,939,841	-	-	74,220,463	7.28%
Oceania	-	96,147	-	-	96,147	0.01%
	90,598,494	618,796,798	255,223,055	54,413,783	1,019,032,130	100.00%
Recognition pattern						
At a certain moment in time	90,598,494	618,796,798	255,223,055	54,413,783	1,019,032,130	100.00%
Over time	-	-	-	-	-	0.00%

* Includes North America and Latin America

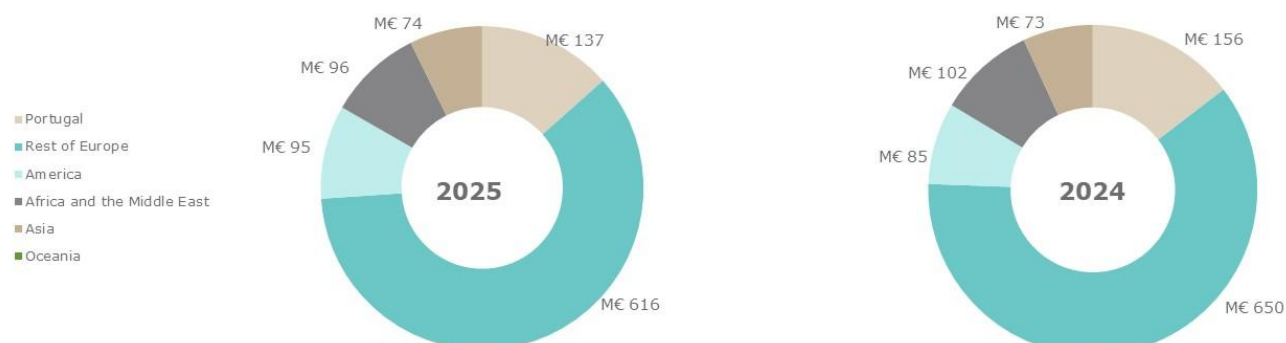
30/06/2024

Amounts in Euro	Pulp	UWF Paper	Tissue Paper	Energy	Total Amount	Total %
Portugal	7,721,280	38,001,873	44,725,392	65,105,197	155,553,742	14.60%
Rest of Europe	87,429,461	419,631,617	142,656,821	-	649,717,899	60.98%
America*	532,292	84,292,664	556,784	-	85,381,740	8.01%
Africa	14,500,078	86,309,780	706,343	-	101,516,201	9.53%
Asia	6,338,809	66,854,643	29,972	-	73,223,424	6.87%
Oceania	-	141,114	-	-	141,114	0.01%
	116,521,920	695,231,691	188,675,312	65,105,197	1,065,534,120	100.00%
Recognition pattern						
At a certain moment in time	116,521,920	695,231,691	188,675,312	65,105,197	1,065,534,120	100.00%
Over time	-	-	-	-	-	0.00%

* Includes North America and Latin America



Group's revenue distribution by geographic area



In 2025 and 2024, no single Customer accounted for 10% or more of the Group's total revenues.

2.2 Other operating income

For the six-month periods ended 30 June 2025 and 2024, Other operating income is detailed as follows:

Amounts in Euro	6 months 30/06/2025	6 months 30/06/2024
Grants - CO ₂ emission allowances	14,638,460	17,754,454
Impairment reversal on inventories (Note 4.1.4)	7,959,134	1,648,643
Operating grants	5,088,255	1,324,119
Own work capitalised	2,414,520	1,341,429
Compensations	696,539	23,675
Supplementary gains	645,729	625,478
Gains on inventories	478,514	378,045
Impairment reversal on receivables (Note 8.1.4)	372,560	4,766,871
Gains on disposal of non-current assets	75,251	39,227
Other operating income	10,706,799	8,035,616
	43,075,761	35,937,557

Gains on CO₂ emission allowances correspond to the recognition of free allocation of allowances for 198,515 tons of CO₂, at the average price of Euro 73.74 (240,478 tons of CO₂, at the average price of Euro 73.83 as at 30 June 2024).

Operating grants include Euro 3,000,000 related to the estimated indirect cost aid measure for facilities covered by the European Emissions Trading Scheme (EU ETS), under Decree-Law 12/2020 of 6 April, as well as grants under the Recovery and Resilience Plan (RRP) amounting to Euro 1,568,208 (Euro 1,202,793 in 2024). This caption also includes grants awarded for research and development projects carried out by the RAIZ institute.

The increase in Impairment reversal on inventories mainly refers to the reversal of impairment for waste, resulting from the change in the mix of reincorporation that took place during the first half of the year.

Other operating income includes Euro 5,465,747 (Euro 7,107,596 in 2024) relating to sales of UWF paper and Tissue Paper waste.



2.3 Other operating expenses

Amounts in Euro	6 months 30/06/2025	6 months 30/06/2024
Cost of goods sold and materials consumed (Note 4.1.2)	457,951,103	441,017,459
External services and supplies		
Energy and fluids	83,246,024	64,753,469
Transportation of goods	79,393,285	69,767,395
Specialised work	51,478,251	49,657,012
Maintenance and repair	21,321,551	18,855,137
Advertising and marketing	6,315,193	5,906,390
Insurance	6,266,484	6,011,780
Rentals	4,383,722	3,781,929
Travel and accommodation	2,587,471	2,540,854
Materials	2,341,606	1,606,269
Fees	2,173,290	3,884,161
Subcontracts	861,233	358,235
Communications	767,631	665,063
Other	7,040,880	6,902,537
	268,176,621	234,690,231
Variation in production (Note 4.1.3)	(11,117,825)	(5,084,265)
Payroll costs (Note 7.1)	108,308,317	101,520,471
Other operating expenses		
Costs with CO ₂ emission allowances	17,407,169	16,680,735
Indirect taxes	1,953,361	1,706,968
Impairment on inventories (Note 4.1.4)	1,215,477	5,478,259
Water resources fee	998,954	956,374
Other inventory losses	945,179	3,727,787
Impairment losses on receivables (Note 8.1.4)	29,424	1,401,945
Losses on disposal of non-current assets	14,505	3,722
Other operating expenses	2,041,463	2,181,015
	24,605,532	32,136,805
Net provisions (Note 9.1)	(3,759,582)	(247,762)
Total operating expenses	844,164,166	804,032,939

In the six-month period ended 30 June 2025, there was an increase in energy and fluid costs, mainly due to an increase in the purchase price of electricity and natural gas compared to the same period of the previous year.

The expenses with CO₂ correspond to the emission of 244,623 tons of CO₂ (30 June 2024: 240,436 tons).

In June 2025, Impairment losses on inventories mainly includes the recognition of Euro 1,057,261 relating to impairment of finished paper and tissue product stock at the NVG Company (Euro 214,144 in June 2024). In the same period last year, Impairment losses on inventories also included Euro 3,215,908 relating to impairment of slow movers at Navigator North America.

In June 2024, Impairment losses on receivables essentially corresponded to the amount of impairment losses on trade receivables in Egypt.



3. Investments

3.1. Goodwill

Goodwill – net amount

Goodwill is attributed to the Group's cash generating units (CGUs), as follows:

Amounts in Euro	30/06/2025	31/12/2024
CGU of UWF paper production on Figueira da Foz site (goodwill resulting from the acquisition of Navigator Brands, S.A.)	376,756,383	376,756,383
CGU of Tissue paper production on Vila Velha de Ródão site (goodwill resulting from the acquisition of Navigator Tissue Ródão, S.A.)	583,083	583,083
CGU of the production and sale of Tissue paper in Ejea and France (goodwill resulting from the acquisition of Navigator Tissue Ejea, S.L. and Navigator Tissue France, EURL)	4,156,542	4,156,542
CGU of the production and sale of Tissue paper in the United Kingdom (initial goodwill resulting from the acquisition of the Accrol Holdings Plc Group)	39,865,898	41,131,329
	421,361,906	422,627,337

Navigator Brands, S.A. / Navigator Paper Figueira, S.A.

Following the acquisition of 100% of the share capital of the former Soporcel – Sociedade Portuguesa de Papel, S.A. (currently Navigator Brands, S.A.), for Euro 1,154,842,000, Goodwill amounting to Euro 428,132,254 was determined.

For purposes of goodwill allocation, this is deemed to be allocated to the cash-generating unit relating to integrated paper production at the Figueira da Foz manufacturing complex.

The book value of this goodwill amounts to Euro 376,756,383 as it was subject to annual amortisations until 31 December 2003 (date of transition to IFRS: 1 January 2004), and amortisation ceased from that date, with the accumulated amount amounting to €51,375,871. From that date on, depreciation ceased and was replaced by annual impairment tests.

Navigator Tissue Ródão, S.A.

On 6 February 2015, the procedures and agreements for the acquisition of AMS-BR Star Paper, S.A. (later merged into Navigator Tissue Ródão, S.A.) were concluded, with the authorisation to conclude this transaction being formalised on 17 April 2015.

To the initial acquisition difference, of Euro 21,337,916, was deducted the AICEP's investment grant and the fair value of the acquired property, plant and equipment, with a goodwill amounting to Euro 583,083.

Navigator Tissue Ejea, S.L.U.

On 31 March 2023, the Navigator Group acquired all the shares representing the share capital of Gomà-Camps Consumer, S.L.U., based in Zaragoza, Spain, which in turn holds the entire share capital of Gomà-Camps France SAS, based in Castres, France. These companies have been renamed Navigator Tissue Ejea, S.L.U. and Navigator Tissue France SAS, respectively.

The Enterprise Value of this acquisition amounted to Euro 60,951,811, paid entirely in cash and cash equivalents, with no contingent consideration associated with this acquisition.



The initial acquisition difference of Euro 34,037,142 was deducted from the fair value attributed to property, plant and equipment and intangible assets acquired in the amount of Euro 38,240,800 and Euro 1,600,000, respectively, resulting in final goodwill of Euro 4,156,542.

Navigator Tissue UK

On 24 May 2024, the Navigator Group concluded a public takeover bid, in the form of a “Recommended Firm Cash Offer”, for the entire share capital of Accrol Group Holdings Plc (Accrol), a company based in Blackburn, England, which holds 9 subsidiaries, 3 of which operational. The Accrol Group is a leader in the tissue paper converting segment in the United Kingdom, producing private label toilet rolls, kitchen rolls and facial tissues for most of the main retailers in the UK.

As part of this acquisition, the consideration transferred amounted to Euro 153,765,152 (GBP 130,823,390) and an initial goodwill of Euro 114,920,802 (GBP 97,774,618) was calculated, from which was deducted the fair value attributed to property, plant and equipment and intangible assets of Euro 25,734,059 and Euro 74,045,509, respectively, as well as the associated deferred tax liabilities. The final goodwill amounted to Euro 40,086,125 (GBP 34,105,275), which as at 30 June corresponded to an amount of Euro 39,865,898 (Euro 41,131,329 in December 2024) as a result of the exchange rate update at the rate of 0.8555.



3.2. Intangible assets

Movements in intangible assets

Amounts in Euro	Industrial property and other rights	CO ₂ emission allowances	Other intangible assets	Intangible assets in progress	Total
Gross amount					
Balance as at 1 January 2024	2,719,219	41,502,209	3,346,282	-	47,567,710
Changes in the perimeter	8,033,211	-	50,628,820	509,175	59,171,206
Allocations	-	35,508,908	-	-	35,508,908
Adjustments, transfers and write-offs	-	(38,411,618)	-	-	(38,411,618)
Exchange rate adjustment	41,951	-	264,395	2,659	309,005
Balance as at 30 June 2024	10,794,381	38,599,499	54,239,497	511,834	104,145,211
Changes in the perimeter	20,438,581	-	2,967,795	-	23,406,375
Acquisitions	-	-	-	391,306	391,306
Adjustments, transfers and write-offs	(39,267)	(120,912)	-	-	(160,179)
Exchange rate adjustment	699,819	-	1,133,081	15,575	1,848,475
Balance as at 31 December 2024	31,893,514	38,478,587	58,340,373	918,715	129,631,188
Allocations	-	29,276,918	-	-	29,276,918
Acquisitions	-	-	-	62,949	62,949
Adjustments, transfers and write-offs	837,139	(33,920,144)	-	(837,139)	(33,920,144)
Exchange rate adjustment	(910,287)	-	(1,691,927)	(13,449)	(2,615,663)
Balance as at 30 June 2025	31,820,366	33,835,361	56,648,446	131,076	122,435,248
Accumulated amortisation and impairment losses					
Balance as at 1 January 2024	(27,953)	-	(1,341,517)	-	(1,369,470)
Changes in the perimeter	(4,325,507)	-	(32,570,866)	-	(36,896,373)
Amortisation for the period (Note 3.7)	(1,310,606)	-	-	-	(1,310,606)
Impairment losses for the period (Note 3.7)	-	(625,883)	-	-	(625,883)
Adjustments, transfers and write-offs	(376,590)	-	-	-	(376,590)
Exchange rate adjustment	(22,589)	-	(170,093)	-	(192,682)
Balance as at 30 June 2024	(6,063,245)	(625,883)	(34,082,476)	-	(40,771,604)
Changes in the perimeter	10,314	-	32,570,866	-	32,581,180
Amortisation for the period (Note 3.7)	(233,081)	-	(2,500,420)	-	(2,733,501)
Impairment losses for the period (Note 3.7)	-	480,209	-	-	480,209
Adjustments, transfers and write-offs	389,679	-	-	-	389,679
Exchange rate adjustment	(115,784)	-	139,320	-	23,536
Balance as at 31 December 2024	(6,012,117)	(145,674)	(3,872,710)	-	(10,030,501)
Amortisation for the period (Note 3.7)	(955,012)	-	(1,604,667)	-	(2,559,679)
Impairment losses for the period (Note 3.7)	-	(202,105)	-	-	(202,105)
Exchange rate adjustment	197,697	-	85,511	-	283,208
Balance as at 30 June 2024	(6,769,432)	(347,779)	(5,391,866)	-	(12,509,077)
Net book value as at 1 January 2024	2,691,266	41,502,209	2,004,765	-	46,198,240
Net book value as at 30 June 2024	4,731,136	37,973,616	20,157,021	511,834	63,373,607
Net book value as at 31 December 2024	25,881,397	38,332,913	54,467,663	918,715	119,600,687
Net book value as at 30 June 2025	25,050,934	33,487,582	51,256,580	131,076	109,926,171

The increase recorded in 2024 in intellectual property and other rights and other intangible assets corresponds to the fair value attributed to the brands and customer portfolio as part of the process of acquiring the Navigator Tissue UK Group.

CO₂ allowances

	30/06/2025	31/12/2024
CO ₂ emission allowances (units)	458,778	516,373
Average unit value (Euro)	73.75	74.52
Market quotation (Euro)	68.19	71.57

In the first half of 2025, an impairment charge of Euro 202,105 was recognised.



CO₂ allowances – movements of the period

Amounts in Euro	30/06/2025		31/12/2024	
	Tonnes	Amount	Tonnes	Amount
Opening balance	516,373	38,478,587	494,850	41,502,209
CO ₂ allowances awarded free of charge	397,029	29,276,918	480,955	35,508,908
CO ₂ allowances returned to the Licensing Coordinating Entity	(454,624)	(33,920,144)	(459,432)	(38,532,530)
Closing balance	458,778	33,835,361	516,373	38,478,587

3.3. Property, plant and equipment

Movements in property, plant and equipment

Amounts in Euro	Land	Buildings and other constructions	Equipment and other tangibles	Assets under construction	Total
Gross amount					
Balance as at 1 January 2024	121,593,704	577,228,593	3,922,674,887	160,754,393	4,782,251,577
Changes in the perimeter	-	-	90,935,683	3,122,595	94,058,278
Acquisitions	-	-	4,108,064	89,181,719	93,289,783
Disposals	(1,148)	-	-	-	(1,148)
Adjustments, transfers and write-offs	922,644	1,061,157	40,808,114	(47,596,684)	(4,804,769)
Effect of exchange rate variation	-	-	474,888	16,307	491,195
Balance as at 30 June 2024	122,515,200	578,289,750	4,059,001,636	205,478,330	4,965,284,916
Changes in the perimeter	-	2,875,637	5,279,758	-	8,155,395
Acquisitions	-	-	16,336,536	130,610,895	146,947,431
Disposals	(23,141)	-	(152,538)	(15,309)	(190,988)
Adjustments, transfers and write-offs	3,544,090	4,653,877	123,411,838	(132,130,956)	(521,151)
Exchange rate adjustment	-	74,979	2,042,649	75,962	2,193,590
Balance as at 31 December 2024	126,036,149	585,894,243	4,205,919,879	204,018,922	5,121,869,193
Acquisitions	-	-	2,706,553	90,854,864	93,561,417
Disposals	(4,650)	-	(185,388)	-	(190,038)
Adjustments, transfers and write-offs	1,409,602	1,626,207	155,785,386	(158,752,310)	68,885
Exchange rate adjustment	-	(90,778)	(3,100,084)	(89,940)	(3,280,802)
Balance as at 30 June 2025	127,441,101	587,429,672	4,361,126,346	136,031,536	5,212,028,655
Accumulated depreciation and impairment losses					
Balance as at 1 January 2024	-	(399,078,078)	(3,149,949,708)	-	(3,549,027,786)
Changes in the perimeter	-	-	(32,217,870)	-	(32,217,870)
Depreciation for the period (Note 3.7)	-	(7,443,487)	(60,534,056)	-	(67,977,543)
Adjustments, transfers and write-offs	-	1,609,875	3,317,813	-	4,927,688
Exchange rate adjustment	-	-	(168,249)	-	(168,249)
Balance as at 30 June 2024	-	(404,911,690)	(3,239,552,070)	-	(3,644,463,760)
Changes in the perimeter	-	-	25,129,807	-	25,129,807
Depreciation for the period (Note 3.7)	-	(6,686,559)	(72,871,259)	-	(79,557,818)
Impairment (Note 3.7)	-	-	(7,364,638)	(308,965)	(7,673,603)
Disposals	-	-	27,662	-	27,662
Adjustments, transfers and write-offs	-	(229,576)	935,964	-	706,388
Exchange rate adjustment	-	(937)	(91,847)	-	(92,784)
Balance as at 31 December 2024	-	(411,828,762)	(3,293,786,381)	(308,965)	(3,705,924,108)
Depreciation for the period (Note 3.7)	-	(6,529,896)	(69,338,233)	-	(75,868,129)
Impairment (Note 3.7)	-	-	613,930	(80,347)	533,583
Disposals	-	-	166,449	-	166,449
Adjustments, transfers and write-offs	-	(144,236)	7,922	-	(136,314)
Exchange rate adjustment	-	2,604	416,413	-	419,017
Balance as at 30 June 2025	-	(418,500,290)	(3,361,919,900)	(389,312)	(3,780,809,502)
Net book value as at 1 January 2024	121,593,704	178,150,515	772,725,179	160,754,393	1,233,223,791
Net book value as at 30 June 2024	122,515,200	173,378,060	819,449,566	205,478,330	1,320,821,156
Net book value as at 31 December 2024	126,036,149	174,065,481	912,133,498	203,709,957	1,415,945,085
Net book value as at 30 June 2025	127,441,101	168,929,382	999,206,446	135,642,224	1,431,219,153

As at 30 June 2025, Assets under construction include investments related to ongoing development projects, in particular those relating to the collection and incineration of NCGs (Non-Condensable Gases) (Euro 14,622,625), oxygen delignification (Euro 7,019,229) in Setúbal, the new bleaching tower in Aveiro (Euro 3,056,490), the new tissue



cogeneration unit in Aveiro (Euro 12,926, 281), adaptation of the Aveiro hydrogen combustion process (Euro 2,467,694), conversion of the Aveiro lime kiln (Euro 4,782,061), the new biomass boiler in Vila Velha de Rodão (Euro 4,067, 344), the new cogeneration plant (Euro 6,363,105), adaptation of the hydrogen combustion process (Euro 3,602,395) and new biomass lime kiln (Euro 18,732,687) in Figueira da Foz. The remainder is related to several projects for improving and optimising the production process.

Of the total investment of Euro 93,561,417, approximately 60% relates to investments classified as ESG and Euro 26,393,871 relates to investments under the Recovery and Resilience Plan (PRR).

Land includes Euro 117,358,327 (31 December 2024: Euro 116.934.845) classified in the individual financial statements as investment properties, from which Euro 80,413,299 (31 December 2024: Euro 79,989,817) relate to forestry land and Euro 36,945,028 (31 December 2024: Euro 36,945,028) to land allocated to industrial sites.

3.4. Investment properties

Movement in investment properties

Amounts in Euro	Land	Buildings and other constructions	Total
Gross amount			
Balance as at 1 January 2024	567,032	612,991	1,180,023
Acquisitions	-	-	-
Disposals	-	-	-
Balance as at 30 June 2024	567,032	612,991	1,180,023
Acquisitions	-	-	-
Disposals	(25,371)	(82,308)	(107,679)
Balance as at 31 December 2024	541,661	530,683	1,072,344
Acquisitions	-	-	-
Disposals	-	-	-
Balance as at 30 June 2025	541,661	530,683	1,072,344
Accumulated depreciation and impairment losses			
Balance as at 1 January 2024	(399,372)	(317,247)	(716,619)
Impairment losses (Note 3.7)	-	(8,400)	(8,400)
Adjustments, transfers and write-offs	-	-	-
Balance as at 30 June 2024	(399,372)	(325,647)	(725,019)
Disposals	-	19,480	19,480
Impairment losses (Note 3.7)	-	(6,635)	(6,635)
Balance as at 31 December 2024	(399,372)	(312,802)	(712,174)
Impairment losses (Note 3.7)	-	(5,874)	(5,874)
Adjustments, transfers and write-offs	-	-	-
Balance as at 30 June 2025	(399,372)	(318,676)	(718,048)
Net book value as at 1 January 2024	167,660	295,744	463,404
Net book value as at 30 June 2024	167,660	287,344	455,004
Net book value as at 31 December 2024	142,289	217,881	360,170
Net book value as at 30 June 2025	142,289	212,007	354,296



3.5. Government grants

Government grants - movements

Amounts in Euro	30/06/2025			31/12/2024		
	Financial	Tax	Total	Financial	Tax	Total
Opening balance	105,376,286	14,567,647	119,943,933	99,667,539	16,234,048	115,901,587
Allocation	-	-	-	8,765,668	-	8,765,668
Charge-off (Note 3.7)	(1,581,123)	(703,274)	(2,284,397)	(3,056,921)	(1,666,401)	(4,723,322)
Other movements	(162,202)	-	(162,202)	-	-	-
Closing balance (Note 4.3)	103,632,961	13,864,373	117,497,334	105,376,286	14,567,647	119,943,933

Only Euro 13,930,463 (2024: Euro 13,229,790) was received in the period, as reflected in the Statement of Cash Flows.

As at 30 June 2025 and 31 December 2024, government grants, by company, were detailed as follows:

Amounts in Euro	30/06/2025			31/12/2024		
	Financial	Tax	Total	Financial	Tax	Total
AICEP investment contracts						
Enerpulp, S.A.	68,641	-	68,641	105,727	-	105,727
Navigator Pulp Aveiro, S.A.	1,477,676	640,945	2,118,621	1,806,126	721,286	2,527,412
Navigator Pulp Figueira, S.A.	639	6,401,672	6,402,311	144,135	6,755,137	6,899,272
Navigator Parques Industriais, S.A.	1,662,199	-	1,662,199	1,691,570	-	1,691,570
Navigator Tissue Aveiro, S.A.	2,338,123	6,821,756	9,159,879	2,429,628	7,091,224	9,520,852
	5,547,278	13,864,373	19,411,651	6,177,186	14,567,647	20,744,833
Under the Recovery and Resilience Plan						
Navigator Forest Portugal, S.A.	40,298	-	40,298	36,510	-	36,510
Viveiros Aliança, SA	17,370	-	17,370	18,161	-	18,161
Navigator Tissue Aveiro, S.A.	11,918,523	-	11,918,523	11,968,393	-	11,968,393
Navigator Paper Setúbal, S.A.	10,911,993	-	10,911,993	10,966,135	-	10,966,135
Navigator Pulp Aveiro, S.A.	17,134,817	-	17,134,817	17,752,757	-	17,752,757
Navigator Pulp Setúbal, S.A.	21,343,543	-	21,343,543	21,480,000	-	21,480,000
Navigator Tissue Rodão, S.A.	8,462,427	-	8,462,427	8,462,427	-	8,462,427
Navigator Pulp Figueira, S.A.	16,380,687	-	16,380,687	16,408,219	-	16,408,219
Navigator Paper Figueira, S.A.	4,613,896	-	4,613,896	4,621,122	-	4,621,122
Raiz	1,990,021	-	1,990,021	2,048,251	-	2,048,251
	92,813,575	-	92,813,575	93,761,975	-	93,761,975
Other						
Navigator Pulp Setúbal, S.A.	4,342,003	-	4,342,003	4,488,046	-	4,488,046
Raiz	787,248	-	787,248	949,079	-	949,079
Navigator Pulp Figueira, S.A.	142,857	-	142,857	-	-	-
	5,272,108	-	5,272,108	5,437,125	-	5,437,125
	103,632,961	13,864,373	117,497,334	105,376,286	14,567,647	119,943,933

The Group expects to recognise grants in profit or loss as follows:

Amounts in Euro	30/06/2025			31/12/2024		
	Financial	Tax	Total	Financial	Tax	Total
2025	2,283,668	695,413	2,979,081	2,543,940	1,398,687	3,942,627
2026	4,449,147	1,390,347	5,839,494	2,424,840	1,390,347	3,815,187
2027	3,811,972	1,390,304	5,202,276	1,787,665	1,390,304	3,177,969
2028	3,780,951	1,390,304	5,171,255	1,756,644	1,390,304	3,146,948
2029	3,541,504	1,209,424	4,750,928	1,517,326	1,209,424	2,726,750
After 2029	85,765,719	7,788,581	93,554,300	95,345,871	7,788,581	103,134,452
	103,632,961	13,864,373	117,497,334	105,376,286	14,567,647	119,943,933



Non-repayable Government grants

Incentive to increase pulp production capacity in Figueira da Foz

On 27 December 2018, Navigator Pulp Figueira, S.A signed a tax investment agreement with AICEP, related to the investment associated with the increase of pulp production capacity in Figueira da Foz, which includes a tax incentive up to the maximum amount of Euro 17,278,657, corresponding to 19.5% of the investment made, subject to the fulfilment of contractually defined objectives by 31 December 2025. This grant, drawn on by the subsidiary to the amount of Euro 14,437,235, is being recognised over 20 years, until 2038, in proportion to the depreciation of the assets, although it has been fully utilised since 2018, by means of a tax rebate.

Incentives for the expansion project of the Cacia pulp mill

On 18 June 2014, the Group's subsidiary, Navigator Pulp Aveiro, S.A., signed two financial and tax incentive agreements with the AICEP – Agência para o Investimento e Comércio Externo de Portugal (Agency for Investment and Foreign Trade of Portugal), effective until 2023 and 2024, respectively, to support the investment to be promoted by that company in the capacity increase project of Aveiro pulp mill, with a total amount of Euro 49.3 million.

The approved grants amount to Euro 9.753 million (repayable) and Euro 5.644 million (tax incentive). This amount has been fully utilised since 2016 and will be recognised in profit or loss in 20 years, until 2034. The contract includes an achievement bonus already recognised in the balance sheet and received in April 2024, which corresponds to the conversion of 75% of the repayable grant in a non-repayable grant, in the amount of Euro 7,314,397, subject to compliance with the objectives established in the contract.

In March 2014, the subsidiary Navigator Tissue Rodão, S.A. signed investment contracts with AICEP – Agência para o Investimento e Comércio Externo de Portugal (Agency for Investment and Foreign Trade of Portugal), effective between 2014 and 2022, for the construction of a second tissue paper machine at its Vila Velha de Ródão unit, with the aim of contributing part of the investment through EU funds by means of refundable financial incentives amounting to Euro 9,647,700, convertible into non-refundable incentives, up to a limit of 50%, *i.e.*, Euro 4,823,850.

The incentive should have been paid in two instalments, as at 31 December 2016 and 2018, but the amount of Euro 2,407,395 was only received in April 2025.

Grant to the Setúbal Lime Kiln Conversion project

As part of the Carbon Neutrality Roadmap, the Group has signed a financial investment contract with the European Union to support investment by Navigator Pulp Setúbal in the conversion of the lime kiln at the Setúbal pulp mill, with a planned total investment of Euro 16,453,050. The maximum approved incentive amounts to Euro 4,488,046, non-refundable, and will be paid in stages according to the completion of the project's targets. The final instalment will be paid no later than the end of the third year of operation of the equipment, which is expected to commence in the third quarter of 2025.



Recovery and Resilience Plan

The Navigator Group is involved in four Agendas for Business Innovation of the Recovery and Resilience Plan (RRP), through investment of Euro 91.8 million. The Group, through Navigator Paper Setúbal, S.A., is leading the “From Fossil to Forest” (FF2F) Agenda, whose main goal is to develop a range of packaging solutions—focused on the gKRAFT brand to be launched in 2021—and the production of micro fibrillated cellulose for developing mechanical properties and functional barriers (to fats and liquids, amongst others) in these papers. In total, the Group will benefit from support of around Euro 25.9 million from this component of the RRP (C5 - Corporate Capitalization and Innovation).

During 2022, the Group companies Navigator Paper Setubal, S.A., Navigator Pulp Setúbal, S.A., Navigator Paper Figueira, S.A., Navigator Pulp Figueira, S.A., Navigator Pulp Aveiro, S.A. and Navigator Tissue Aveiro, S.A. applied for “Apoio à Descarbonização da Indústria” (Support for Decarbonisation of Industry) under the RRP. This support is part of a set of measures under Component 11 (C11) of the RRP, which aims to contribute to the goal of carbon neutrality by promoting energy transition through energy efficiency, support for renewable energy, focusing on the adoption of low-carbon processes and technologies in industry, the adoption of energy efficiency measures in industry and the incorporation of energy from renewable sources and energy storage. Recently, this was extended to a second phase of application, in which Navigator Tissue Rodão S.A., like the other companies, presented a series of initiatives related to its carbon neutrality. In the future, the Group expects to invest Euro 173.1 million in all these initiatives, of which it expects to receive Euro 75.8 million in funding.

Also in 2022, Group companies applied for RRP incentives for the “Rede Nacional de Test Bed” (National Test Bed Network), which aims to create a national network providing services to companies for the development and testing of new products and services. The application, involving an investment of Euro 2.2 million, was approved at the end of the year and IAPMEI decided to award Navigator Pulp Figueira, S.A. Euro 1.4 million.

However, the Group's participation in the RRP is not complete without RAIZ's participation in Component 12 of the RRP, related to the Bioeconomy, where it plans to invest Euro 1.7 million and receive an incentive of Euro 1.4 million to accelerate, in partnership with CITEVE and other 52 promoters, the creation of high value-added products from biological resources as an alternative to fossil-based materials, while maintaining and even improving quality standards, with great potential in different market segments.

Repayable government grants

On 13 December 2017, the subsidiary Navigator Tissue Aveiro, S.A. entered into an investment agreement with AICEP, effective until 2026, for the construction of the new tissue mill in Aveiro. This agreement comprises a financial incentive in the form of a repayable grant, which includes a grace period of two years, without payment of interest, up to a maximum amount of Euro 42,166,636, corresponding to 35% on the amount of expenses considered eligible, which were estimated at Euro 120,476 million. As at 30 June 2025, the repayable grant has been fully received.

On 20 April 2018, the same entity was also awarded with a tax incentive granted through the compliance of contractually defined requirements until 31 December 2028, whose maximum amount was estimated at Euro 11,515,870, corresponding to 10% of the expenses associated with the investment project (see Note 5.7). This amount has been fully utilised since 2019 and will be recognised in profit or loss, on average, in 24 years, until 2043.

There are no unfulfilled conditions and other contingencies linked to Government grants that have been recognised and Navigator is complying with the conditions according to plan.



3.6. Right-of-use assets

Movements in right-of-use assets

Amounts in Euro	Forestry lands	Buildings	Vehicles	Software licenses	Other lease assets	Total
Gross amount						
Balance as at 1 January 2024	69,946,175	4,352,402	11,936,414	1,214,094	11,184,460	98,633,545
Changes in the perimeter	-	2,764,428	276,256	175,801	51,704,754	54,921,239
Acquisitions	3,230,970	-	2,438,046	35,253	57	5,704,326
Exchange rate adjustment	-	14,437	1,443	918	270,014	286,812
Balance as at 30 June 2024	73,177,145	7,131,267	14,652,159	1,426,066	63,159,285	159,545,922
Changes in the perimeter	-	(1,834,295)	-	-	(9,191,860)	(11,026,155)
Acquisitions	2,399,397	117,679	1,837,933	-	5,340,396	9,695,405
Adjustments, transfers and write-offs	(1,344,968)	(7,922)	(1,365,244)	(49,559)	(3,902,749)	(6,670,442)
Exchange rate adjustment	-	9,815	6,170	2,905	822,750	841,640
Balance as at 31 December 2024	74,231,574	5,416,544	15,131,018	1,379,412	56,227,822	152,386,370
Acquisitions	2,918,733	-	1,326,766	-	297,722	4,543,221
Adjustments, transfers and write-offs	-	-	(528,350)	(128,009)	(410,479)	(1,066,838)
Exchange rate adjustment	-	(29,362)	(7,694)	(2,056)	(1,308,325)	(1,347,437)
Balance as at 30 June 2025	77,150,307	5,387,182	15,921,740	1,249,347	54,806,740	154,515,316
Accumulated depreciation and impairment losses						
Balance as at 1 January 2024	(16,783,193)	(2,564,716)	(6,573,251)	(1,121,493)	(6,546,437)	(33,589,090)
Changes in the perimeter	-	(1,671,085)	(72,706)	(142,632)	(11,119,701)	(13,006,124)
Depreciation (Note 3.7)	(2,102,596)	(261,163)	(1,194,881)	(106,220)	(1,674,155)	(5,339,015)
Exchange rate adjustment	-	(13,098)	(460)	(809)	(62,306)	(76,673)
Balance as at 30 June 2024	(18,885,789)	(4,510,062)	(7,841,298)	(1,371,154)	(19,402,599)	(52,010,902)
Changes in the perimeter	-	989,511	-	-	-	989,511
Depreciation (Note 3.7)	(2,117,302)	(434,125)	(1,323,068)	(48,035)	(3,908,460)	(7,830,990)
Adjustments, transfers and write-offs	1,344,968	7,922	1,252,660	49,559	2,715,166	5,370,275
Exchange rate adjustment	-	(6,962)	(2,305)	(2,555)	(241,276)	(253,098)
Balance as at 31 December 2024	(19,658,123)	(3,953,716)	(7,914,011)	(1,372,185)	(20,837,169)	(53,735,204)
Depreciation (Note 3.7)	(2,237,996)	(347,219)	(1,313,808)	(7,112)	(3,023,094)	(6,929,229)
Adjustments, transfers and write-offs	-	-	410,354	128,008	410,480	948,842
Exchange rate adjustment	-	72,260	3,730	1,942	404,247	482,178
Balance as at 30 June 2025	(21,896,119)	(4,228,675)	(8,813,735)	(1,249,347)	(23,045,536)	(59,233,413)
Net book value as at 1 January 2024	53,162,982	1,787,686	5,363,163	92,601	4,638,023	65,044,454
Net book value as at 30 June 2024	54,291,356	2,621,205	6,810,861	54,912	43,756,686	107,535,019
Net book value as at 31 December 2024	54,573,451	1,462,828	7,217,007	7,227	35,390,653	98,651,166
Net book value as at 30 June 2025	55,254,188	1,158,507	7,108,005	-	31,761,204	95,281,903

The caption Forestry Lands relates essentially to the land use rights of existing forest exploration, whose agreements usually have a duration of 24 years, and may be cancelled in advance if the 2nd harvest takes place before the 24th year of the agreement term.

The caption Buildings refers to the lease agreement entered into between The Navigator Company, S.A. e a *MaxiRent - Fundo de Investimento Imobiliário Fechado* for the building located at Avenida Fontes Pereira de Melo, in Lisbon, for use as an office until May 2027.

Other lease assets include the Navigator Tissue Uk Group's rental contracts for forklifts, warehouses and converting equipment.

As at 30 June 2025, the cash flows associated with the amortisation of lease agreements correspond to financial amortisation of Euro 6,852,572 (Euro 5,796,516 as at 30 June 2024) and interest of Euro 2,174,885 (Euro 1,624,788 as at 30 June 2024) (Note 5.9), for a total amount of Euro 9,027,457 (Euro 7,421,304 as at 30 June 2024), as disclosed in the Cash Flow Statement.



3.7. Depreciation, amortisation and impairment losses

Amounts in Euro	30/06/2025	30/06/2024
Depreciation of property, plant and equipment for the period (Note 3.3)	75,868,129	67,977,543
Charge-off of investment grants (Note 3.5)	(2,284,397)	(1,860,283)
Depreciation of property, plant and equipment, net of grants charged-off	73,583,732	66,117,260
Impairment of property, plant and equipment - losses (Note 3.3)	203,999	-
Impairment losses on property, plant and equipment - reversals (Note 3.3)	(737,582)	-
Impairment losses on property, plant and equipment for the period	(533,583)	-
Amortisation of intangible assets for the period (Note 3.2)	2,559,679	1,310,606
Impairment of intangible assets - losses	202,105	625,883
Impairment of intangible assets for the period (Note 3.2)	202,105	625,883
Depreciation of right-of-use assets for the period (Note 3.6)	6,929,229	5,339,015
Impairment on investment properties (Note 3.4)	5,874	8,400
	82,747,036	73,401,164

The Group regularly uses external and independent experts to assess its industrial assets, as well as to assess the adequacy of the estimates used in terms of the useful lives of these assets.

3.8. Biological assets

Movements in biological assets

Amounts in Euro	30/06/2025	31/12/2024
Opening balance	115,250,198	115,591,979
Logging in the period	(11,608,944)	(9,138,348)
Growth	15,795,889	13,601,092
New planted areas and replanting	1,659,931	1,080,360
Other changes in fair value		
- changes in other species	(231,970)	449,149
- other changes in expectations	(3,465,669)	(4,425,057)
Total changes	2,149,237	1,567,196
Amount as at 30 June	117,399,435	117,159,175
Remaining quarters	-	(2,583,448)
Exchange rate adjustment	(2,155,451)	674,471
Amount as at 31 December	115,243,984	115,250,198

The Navigator Group considers, in accordance with IAS 41, mature assets to be those that have reached the necessary specifications to obtain the maximum yield based on their profitability, supply needs and opportunity cost. Typically, the forest in Portugal reaches its maturity between 8 and 12 years, and this reference depends on the species, soil conditions, as well as edaphoclimatic conditions. Data on the forest, its condition and its future potential are measured at least twice throughout its growth cycle.

The discount rate used in the six-month period ended 30 June 2025 was 4.27% (2024: 4.27%) for Portugal and Spain and 21.6% (2024: 21.6%) in determining the fair value of biological assets in Mozambique. Note that the Group incorporates the fire risk into the model's cash flows. If this risk were incorporated into the discount rate, it would be 6.51% and 22.22% in Portugal and Mozambique, respectively.



As at 30 June 2025 and 31 December 2024, biological assets, by species, is detailed as follows:

Amounts in Euro	30/06/2025	31/12/2024
Eucalyptus (Portugal)	86,996,036	85,569,146
Eucalyptus (Spain)	2,028,118	3,081,361
Pine (Portugal)	6,028,125	5,798,144
Cork oak (Portugal)	1,028,066	1,490,017
Other species (Portugal)	73,107	73,107
Eucalyptus (Mozambique)	19,090,532	19,238,423
	115,243,984	115,250,198

These amounts, calculated based on the expected extraction of the relevant production, correspond to the following future production expectations:

	30/06/2025	31/12/2024
Eucalyptus (Portugal) - Potential future of wood extractions k m3ssc	9,965	9,909
Eucalyptus (Spain) - Potential future of wood extractions k m3ssc	324	244
Pine (Portugal) - Potential future of pine extractions k ton	246	282
Cork Oak (Portugal) - Potential future of cork extractions k @	457	458
Eucalyptus (Mozambique) - Potential future of wood extractions k m3ssc	4,617	5,165

Concerning Eucalyptus, the most relevant biological asset in the financial statements, the Group extracted, as at 30 June 2025, 288,594 m3ssc of wood from its owned and explored forests (31 December 2024: 611,862 m3ssc).

As at 30 June 2025 and 31 December 2024, (i) there are no amounts of biological assets whose property is restricted and/or pledged as guarantee for liabilities, nor there are non-reversible commitments related to the acquisition of biological assets, and (ii) there are no government grants related to biological assets recognised in the Group's consolidated financial statements.

4. Working capital

4.1. Inventories

4.1.1. Inventories - detail by nature

Amounts net of accumulated impairment losses

Amounts in Euro	30/06/2025			31/12/2024		
	Gross amount	Impairment	Net realisable amount	Gross amount	Impairment	Net realisable amount
Raw materials	178,667,780	(7,163,283)	171,504,497	166,750,856	(8,473,131)	158,277,725
Goods	504,371	(5,185)	499,186	117,304	(25,591)	91,713
Subtotal	179,172,151	(7,168,468)	172,003,683	166,868,160	(8,498,722)	158,369,438
Finished and intermediate products	151,703,299	(5,488,670)	146,214,629	147,341,926	(5,882,791)	141,459,135
Goods and work in progress	2,619,289	(272,631)	2,346,658	3,410,862	(296,503)	3,114,359
By-products and waste	8,873,312	-	8,873,312	5,507,278	(5,251,843)	255,435
Subtotal	163,195,900	(5,761,301)	157,434,599	156,260,066	(11,431,137)	144,828,929
Total	342,368,051	(12,929,769)	329,438,282	323,128,226	(19,929,859)	303,198,367



Inventories of finished and intermediate products - distribution by geographical area

Amounts in Euro	30/06/2025	%	31/12/2024	%
Portugal				
BEKP pulp	25,991,825	17.78%	11,414,966	8.07%
UWF paper	38,100,814	26.06%	49,648,137	35.10%
Tissue paper	18,677,660	12.77%	18,818,456	13.30%
	82,770,299	56.61%	79,881,559	56.47%
Rest of Europe				
BEKP pulp	11,790,125	8.06%	4,204,139	2.97%
UWF paper	2,997,650	2.05%	5,624,482	3.98%
Tissue paper	18,053,131	12.35%	19,397,059	13.71%
	32,840,906	22.46%	29,225,680	20.66%
USA				
UWF paper	28,376,879	19.41%	29,715,421	21.01%
	28,376,879	19.41%	29,715,421	21.01%
South Africa				
UWF paper	2,226,545	1.52%	2,636,475	1.86%
	2,226,545	1.52%	2,636,475	1.86%
	146,214,629	100.00%	141,459,135	100.00%

Finished and intermediate products inventories include Euro 2,239,094 (31 December 2024: Euro 10,358,907) relating to inventories for which invoices have already been issued but whose control has not been transferred to Trade receivables.

As at 30 June 2025 and 2024, there are no inventories in which ownership is restricted and/or pledged as collateral for liabilities.

4.1.2. Cost of goods sold and materials consumed in the period

Amounts in Euro	30/06/2025	30/06/2024
Opening balance	166,868,160	149,210,888
Purchases	471,442,359	471,367,842
Changes in the perimeter	-	(12,960,164)
Inventory losses	(639,775)	(2,480,393)
Exchange rate effect	(547,490)	(898,826)
Closing balance	(179,172,151)	(163,221,888)
Cost of goods sold and materials consumed (Note 2.3)	457,951,103	441,017,459

Cost of goods sold and materials consumed - detail by product

Amounts in Euro	30/06/2025	30/06/2024
Wood / Biomass	238,646,146	222,726,965
Natural gas	20,472,260	17,781,920
Other fuels	9,482,420	10,618,122
Chemicals	88,985,576	89,040,526
BEKP pulp	13,434,598	10,224,787
Pine pulp	19,577,397	22,304,109
Paper (heavyweight)	2,311,231	2,393,555
Tissue paper (reels)	7,495,350	6,497,378
Consumables / Warehouse material	18,230,774	17,538,762
Packaging material	38,743,982	41,269,787
Other materials	571,369	621,549
	457,951,103	441,017,459

The cost of wood / biomass only relates to wood purchases to entities outside the Group, either domestic or foreign.



4.1.3. Change in production in the period

Amounts in Euro	30/06/2025	30/06/2024
Opening balance	(156,260,066)	(137,279,474)
Adjustments	4,693,745	(861,660)
Changes in the perimeter	-	(11,680,965)
Inventory losses	-	869,348
Impairment losses	-	2,930,790
Gains on inventories	(173,110)	-
Exchange rate effect	(338,644)	-
Closing balance	163,195,900	151,106,226
Change in production (Note 2.3)	11,117,825	5,084,265

4.1.4. Movements in impairment losses in inventories

Amounts in Euro	30/06/2025	31/12/2024
Opening balance	(19,929,859)	(20,581,954)
Increases (Note 2.3)	(1,215,477)	(3,165,457)
Reversals (Note 2.2)	7,959,134	5,068,999
Impact on profit/ (loss) for the period	6,743,657	1,903,542
Perimeter entries	-	(1,192,426)
Exchange rate effect	34,254	(35,719)
Charge-off	222,179	(23,302)
Closing balance	(12,929,769)	(19,929,859)

4.2. Receivables

Amounts in Euro	30/06/2025			31/12/2024		
	Non-current	Current	Total	Non-current	Current	Total
Trade receivables	-	300,286,946	300,286,946	-	305,042,497	305,042,497
State	i)	31,601,263	31,601,263	-	57,969,739	57,969,739
Grants receivable	ii)	1,258,094	55,624,093	10,684,900	56,582,606	67,267,506
Department of Commerce (EUA)	iii)	1,114,576	-	718,183	-	718,183
Accrued income	v)	-	12,821,080	-	17,223,776	17,223,776
Deferred expenses	-	27,603,028	27,603,028	-	19,981,490	19,981,490
Derivative financial instruments (Note 8.2)	-	22,669,723	22,669,723	-	21,022,301	21,022,301
Other	vi)	1,722,207	22,035,010	1,739,854	18,876,212	20,616,066
	4,094,877	472,641,143	476,736,020	13,142,937	496,698,621	509,841,559

State

State is detailed as follows:

Amounts in Euro	30/06/2025	31/12/2024
Value Added Tax - recoverable	5,882,650	10,943,833
Value Added Tax - repayment requests	25,718,613	47,025,906
	31,601,263	57,969,739

As at 30 June 2025, the amount of repayment requests comprised the following, by month and by company:

Amounts in Euro	Jun/2025	Total
The Navigator Company, S.A.	24,733,613	24,733,613
Navigator Abastecimento de Madeira, A.C.E.	985,000	985,000
	25,718,613	25,718,613

Up to the date of issuing this report, the outstanding amounts as at 30 June 2025, had already been received.



As at 31 December 2024, the amount of repayment requests comprised the following, by company and by month:

Amounts in Euro	Nov/2024	Dec/2024	Total
The Navigator Company, S.A.	25,926,796	14,349,110	40,275,906
Navigator Tissue Rodão S.A.	-	1,940,000	1,940,000
Navigator Abastecimento de Madeira, A.C.E.	440,000	-	440,000
Navigator Paper Setúbal, S.A.	-	1,700,000	1,700,000
Navigator Pulp Setúbal, S.A.	-	1,970,000	1,970,000
Navigator Paper Figueira S.A.	-	700,000	700,000
	26,366,796	20,659,110	47,025,906

All these amounts were received during the first half of 2025.

Grants receivable

Grants receivable are detailed as follows:

Amounts in Euro	30/06/2025			31/12/2024		
	Non-current	Current	Total	Non-current	Current	Total
AICEP contracts	-	-	-	-	2,407,395	2,407,395
Recovery and Resilience Plan	221,956	48,180,536	48,402,492	6,738,024	53,054,466	59,792,490
Other	1,036,138	7,443,557	8,479,695	3,946,876	1,120,745	5,067,621
	1,258,094	55,624,093	56,882,187	10,684,900	56,582,606	67,267,506

Accrued Income and Deferred Expenses

Accrued income and deferred expenses are detailed as follows:

Amounts in Euro	30/06/2025	31/12/2024
Accrued income		
Interest receivable	1,495,356	-
Energy sales	6,825,382	11,535,948
Insurance compensation	429,763	-
Other	4,070,579	5,687,828
	12,821,080	17,223,776
Deferred expenses		
Insurance	2,905,930	2,735
Rentals	15,713,321	14,295,170
Other	8,983,777	5,683,585
	27,603,028	19,981,490
	40,424,108	37,205,266



Other receivables

Other current and non-current receivables consist of the following:

Other non-current receivables

Amounts in Euro	30/06/2025	31/12/2024
Colateral	49,513	49,513
Other shareholdings (Almascience , Forestwise, Cecolab, Colab BIOREF)	69,600	69,800
Receivables - leasing	1,554,594	1,572,232
Other receivables	48,500	48,309
	1,722,207	1,739,854

Other current receivables

Amounts in Euro	30/06/2025	31/12/2024
Advances to personnel	93,868	86,822
Advances to suppliers	19,137,911	14,653,095
Other receivables	2,803,231	4,136,295
	22,035,010	18,876,212

4.3. Payables

Amounts in Euro	30/06/2025	31/12/2024
Trade payables - current account	224,705,673	215,175,131
Trade payables - invoices pending - logistics	16,738,257	17,471,405
Trade payables - invoices pending - other	71,296,067	86,751,313
Trade payables - fixed assets - current account	25,261,192	52,669,840
State	43,932,789	25,877,177
Related parties (Note 10.3)	1,901,804	1,496,697
Other payables - CO ₂ emission allowances	18,094,523	34,607,846
Shareholders	74,994,254	99,999,451
Other payables	8,443,326	21,613,139
Derivative financial instruments (Note 8.2)	3,205,566	6,311,500
Accrued expenses - payroll	32,397,568	40,827,184
Accrued expenses - interest payable	4,195,977	4,733,532
Wood suppliers bonus	3,032,132	2,575,541
Water resource fee	1,443,292	1,858,098
Rent liabilities	20,688,319	20,040,608
Other accrued expenses	12,310,523	15,995,099
Non-repayable grants	26,165,271	10,566,113
Payables - current	588,806,533	658,569,674
Non-repayable grants	111,598,732	116,001,306
Department of Commerce (USA)	1,629,551	1,160,207
Payables - non-current	113,228,283	117,161,513
	702,034,816	775,731,187

The outstanding balance under Shareholders as at 31 December 2024 corresponds to the advance on profits for 2024, which was paid on 9 January 2025.

The outstanding balance under Shareholders as at 30 June 2025 corresponds to the profits to be distributed, which was paid on 1 July 2025.

In the first half of 2025, there were significant changes in some payables captions, namely: the reduction in the balance with shareholders results from the payment of early dividends that were recorded as at 31 December 2024.

Trade payables – fixed assets presented a lower value at the end of the half-year, since the annual position includes the set of commitments for the whole financial year, while the position as at 30 June reflects only part of the ongoing investment plan. The decrease in Accrued expenses - payroll is mainly due to the recognition of bonuses aligned with the Group's performance in the period.



State - Details

Amounts in Euro	30/06/2025	31/12/2024
Personal income tax withhold (IRS)	3,336,819	3,630,991
Value Added Tax	35,646,850	18,939,864
Social Security contributions	4,677,086	3,051,986
Other	272,034	254,336
	43,932,789	25,877,177

As at 30 June 2025 and 31 December 2024, there were no overdue debts to the State.

Non-repayable grants - details

Amounts in Euro	30/06/2025	31/12/2024
Government grants (Note 3.5)	5,898,602	3,942,627
Grants - CO ₂ emission allowances (Note 3.2)	14,637,538	-
Other grants	5,629,131	6,623,486
Non-repayable grants - current	26,165,271	10,566,113
Government grants (Note 3.5)	111,598,732	116,001,306
Non-repayable grants - non-current	111,598,732	116,001,306
	137,764,003	126,567,419

As at 30 June 2025, CO₂ emission allowances relate to the effect of recognising allowances granted free of charge for 2025, the amount of Euro 14,637,538 being the proportional amount to be recognised in the second half of 2025.

5. Capital structure

5.1. Share Capital and treasury Shares

Navigator's Shareholders

The Navigator Company is a public company with its shares quoted on the Euronext Lisbon.

As at 30 June 2025, The Navigator Company, S.A.'s share capital of Euro 500,000,000 is fully subscribed and paid up and is represented by 711,183,069 shares without nominal value (31 December 2024: 711,183,069 shares).

As at 30 June 2025 and 31 December 2024, the Shareholders with qualified shareholdings in the Company's capital were as follows:

Entity	30/06/2025		31/12/2024	
	No. of shares	%	No. of shares	%
Semapa, SGPS, S.A.	498,042,299	70.03%	498,042,299	70.03%
Floating shares	213,140,770	29.97%	213,140,770	29.97%
	711,183,069	100.0%	711,183,069	100.0%

As at 30 June 2025 and 31 December 2024, Navigator did not hold any treasury shares.



5.2. Earnings per share

	30/06/2025	30/06/2024
Profit attributable to Navigator's shareholders (Euro)	85,229,477	158,845,066
Total number of shares issued	711,183,069	711,183,069
Weighted average number of shares	711,183,069	711,183,069
Basic earnings per share (Euro)	0.120	0.223
Diluted earnings per share (Euro)	0.120	0.223

5.3. Dividends and reserves allocated

Dividends and reserves allocated in the period

Amounts in Euro	Amount approved	Dividends per share (Euro)
Allocations in 2025		
Resolution on allocated dividends	74,994,255	0.105
Allocations in 2024		
Distribution of retained earnings	149,995,621	0.211
Resolution on allocated dividends	99,999,451	0.141

At its Annual General Shareholders' Meeting held on 29 May 2025, The Navigator Company, S.A. resolved to distribute dividends of Euro 174,993,706, of which Euro 99,999,451 was paid to Shareholders on 9 January 2025 as an advance on 2024 profits, in accordance with the resolution of 19 December 2024 of the Board of Directors of The Navigator Company, S.A..

At the Annual Shareholders' Meeting of 24 May 2024, The Navigator Company, S.A. decided to distribute dividends in the amount of Euro 149,995,621.

5.4. Reserves and retained earnings

Amounts in Euro	30/06/2025	31/12/2024
Currency translation reserve	8,230,553	13,829,407
Fair value reserves	13,541,633	12,011,454
Legal reserve	100,000,000	100,000,000
Other reserves	(5,960,836)	(5,960,836)
Retained earnings	658,617,168	548,900,068
Reserves and retained earnings	774,428,518	668,780,093



Currency translation reserve – details

Amounts in Euro	30/06/2025	31/12/2024
Navigator North América (USD)	8,992,914	13,491,391
Navigator Paper Mexico (MXN)	(192,141)	(192,140)
Navigator Middle East Trading DMCC (AED)	(13,638)	(4,275)
Navigator Egypt (EGP)	(3,907)	12,005
Navigator Paper Company UK (GBP)	1,226,985	(3,118,216)
Navigator Eurasia (TYR)	799	799
Navigator Afrique du Nord (MAD)	395	395
Navigator Paper Poland (PLN)	(2,897)	(2,897)
Portucel Moçambique (MZM)	(501,280)	718,714
Navigator Paper Southern Africa (ZAR)	(17,715)	5,602
Navigator Holding Tissue UK, Ltd (GBP)	(1,258,962)	2,918,029
	8,230,553	13,829,407

Fair value reserves – details

	30/06/2025			31/12/2024		
Amounts in Euro	Gross amount	Tax	Net amount	Gross amount	Tax	Net amount
Interest rate risk hedging	188,575	(49,972)	138,603	5,068,875	(1,343,252)	3,725,623
Currency risk hedging and other risks	14,707,229	(3,897,416)	10,809,813	11,273,239	(2,987,408)	8,285,831
Energy price risk hedging	3,528,186	(934,969)	2,593,217	-	-	-
	18,423,990	(4,882,357)	13,541,633	16,342,114	(4,330,660)	12,011,454

Fair value reserves – movements

Amounts in Euro	30/06/2025	31/12/2024
Opening balance	12,011,454	12,898,767
Change in the fair value of derivative financial instruments (Note 8.2)	2,081,876	(1,526,544)
Deferred tax	(551,697)	639,231
Closing balance	13,541,633	12,011,454

The change in fair value reserve arises from the following effects:

- a) The transfer from fair value reserves to profit or loss resulting from the settlement or maturity of hedging instruments:
 - Sales price hedging instruments, recognised under paper and pulp sales, which generated net gains of Euro 2,763,213 (Note 2.1) (2024: net negative impact of pulp and energy sales of Euro 5,714,356);
 - Energy and gas purchase price hedging instruments, recorded under External Services and Supplies, which generated net losses of Euro 1,187,737 and net gains of Euro 2,994,901, respectively (2024: net gains of Euro 6,775,518 on energy purchase hedging and Euro 11,997,819 on gas purchase hedging);
 - interest rate hedging instruments, which generated a positive impact of Euro 3,312,306 (Note 5.9) (2024: Euro 11,328,732) on financial results;
- b) Positive changes in the fair value of hedging derivative financial instruments amounting to Euro 9,964,559 (2024: negative changes of Euro 22,861,169).
- c) Tax effect of the movements referred to in the preceding paragraphs.



Other reserves – details

Amounts in Euro	30/06/2025	31/12/2024
Transfer of legal reserve surplus to free reserves	9,790,475	9,790,475
Free reserves arising from the share capital reduction not yet distributed	5,994	5,994
Adjustment to the appropriation of 2014 net profit (balance sheet bonus)	1,476	1,476
Incorporation of capital reserves	(6,316,931)	(6,316,931)
Acquisitions/Disposals to non-controlling interests	(9,441,850)	(9,441,850)
	(5,960,836)	(5,960,836)

In 2014, the Group signed agreements with IFC – Internacional Finance Corporation, a Subscription Agreement and a Put and Call option for the entry of this institution into the share capital of the subsidiary Portucel Moçambique, S.A., thus ensuring the construction phase of the Group's forestry project in Mozambique. In 2015, this Company performed a capital increase from MZM 1,000 million to MZM 1,680.798 million subscribing MZM 332,798 million corresponding to 19.98% of the capital at that date.

On 23 May 2018, the General Shareholders' Meeting decided to transfer the excess of the legal reserve in the amount of Euro 9,790,475 to free reserves as a result of the share capital reduction operation carried out on 4 October 2017.

In February 2019, there was a reduction in the subscribed, underwritten and paid-up capital of the shareholder The Navigator Company, S.A. to MZM 456,596,000, corresponding to 90.02% of the Company's share capital, and

the IFC's holding was revised to MZM 50,620,000, corresponding to 9.98% of the Portucel Moçambique's share capital.

On 19 December 2023, an addendum was made to the agreements initially signed with the IFC - International Finance Corporation, extending the date of entry of this institution into the capital of the subsidiary Portucel Moçambique, S.A. from 31 December 2023 to 31 December 2028.

In 2024, the Group considered that the put option on the shares of the subsidiary Portucel Moçambique, S.A. to The Navigator Company, S.A. by IFC – International Finance Corporation was expected to be exercised and recorded the amount of Euro 9,441,850 relating to that transaction under Other reserves.

5.5. Non-controlling interests

Detail of non-controlling interests, by subsidiary

Amounts in Euro	% held	Equity 30/06/2025	Equity 31/12/2024	Net profit 30/06/2025	Net profit 30/06/2024
Raiz - Instituto de Investigação da Floresta e Papel	3.0%	378,146	360,347	18,859	11,966
		378,146	360,347	18,859	11,966

Non-controlling interests are related to RAÍZ – Instituto de Investigação da Florestal e Papel, where the Group owns 97% of the capital and voting rights. The remaining 3% are owned by external associates.

As at the reporting date, there are no rights of protection of non-controlling interests that significantly restrict the entity's ability to access or use assets and settle liabilities of the Group.

Movements of non-controlling interests

Amounts in Euro	30/06/2025	31/12/2024
Opening balance	360,347	327,018
Net profit for the period	18,859	36,018
Other comprehensive income	(1,060)	(2,689)
Closing balance	378,146	360,347



5.6. Interest-bearing liabilities

Amounts in Euro	30/06/2025			31/12/2024		
	Non-current	Current	Total	Non-current	Current	Total
Bond loans	487,500,000	87,500,000	575,000,000	547,500,000	100,000,000	647,500,000
Commercial paper	50,000,000	35,000,000	85,000,000	85,000,000	35,000,000	120,000,000
Bank loans	188,823,394	26,295,993	215,119,387	81,266,782	35,529,242	116,796,024
Charges with bond issuances	(3,540,861)	-	(3,540,861)	(3,442,860)	-	(3,442,860)
Repayable grants	12,948,304	7,219,439	20,167,743	15,905,149	7,219,439	23,124,588
Debt securities and bank debt	735,730,837	156,015,432	891,746,269	726,229,071	177,748,681	903,977,752
Average interest rate, considering charges for annual fees and hedging operations	2.4%			2.4%		

In the first half of 2025, the main financing operations were the raising of Euro 115,000,000 in financing from the EIB (EIB Recovery Boiler 2025-2037) and the renegotiation of the maturity of a Euro 100,000,000 bond issue, which now matures in 2032. Simultaneously with this renegotiation, two series of bonds were contracted, each worth Euro 50,000,000, to be issued in December 2025 and June 2026. These issues will also have a 7-year maturity. The financial conditions of these issues are linked to compliance with three ESG indicators, which are already included in our Sustainability Agenda and, consequently, aligned with the Sustainable Development Goals of the United Nations.

In addition, Euro 123,531,390 was settled in different financing facilities, in accordance with the corresponding contracts.

The repayable incentives include incentives from AICEP – Agência para o Investimento e Comércio Externo de Portugal, as part of a number of research and development projects, which includes the incentive under the investment agreement entered into with the Navigator Tissue Aveiro, S.A. Group, for the construction of the new tissue mill in Aveiro. This agreement comprises a financial incentive in the form of a repayable grant, up to a maximum amount of Euro 42,166,636, without interest payment, with a grace period of two years, with the last refund taking place in 2027.



Interest-bearing liabilities – details

30/06/2025

Amounts in Euro	Amount	Outstanding amount	Maturity	Interest rate	Current	Non-current
Bond loans						
Navigator 2019-2026	50,000,000	50,000,000	January 2026	Fixed rate	50,000,000	-
Navigator 2020-2026	75,000,000	75,000,000	December 2026	Variable rate indexed to Euribor, with fixed rate swap	37,500,000	37,500,000
Navigator 2021-2026 ESG	100,000,000	100,000,000	August 2026	Variable rate indexed to Euribor, with fixed rate swap	-	100,000,000
Navigator 2024-2029	50,000,000	50,000,000	June 2029	Variable rate indexed to Euribor, with fixed rate swap	-	50,000,000
Navigator 2024-2031	50,000,000	50,000,000	June 2031	Variable rate indexed to Euribor, with fixed rate swap	-	50,000,000
Navigator SLB 2024-2031	50,000,000	50,000,000	October 2031	Fixed rate	-	50,000,000
Navigator 2024-2031 SLB	100,000,000	100,000,000	May 2031	Variable rate indexed to Euribor, with fixed rate swap	-	100,000,000
Navigator 2025-2032	200,000,000	100,000,000	June 2032	Variable rate indexed to Euribor, with fixed rate swap	-	100,000,000
Fees	-	(3,540,861)			-	(3,540,861)
European Investment Bank (EIB)						
EIB Loan - Cacia	8,333,333	8,333,333	May 2028	Fixed rate	2,777,778	5,555,556
EIB Loan - Figueira	22,857,143	22,857,143	February 2029	Fixed rate	5,714,286	17,142,857
EIB Loan - Biomass Boiler	23,571,429	23,571,429	March 2031	Fixed rate	3,928,571	19,642,857
EIB Loan - Recovery Boiler	115,000,000	115,000,000	June 2037	Variable rate indexed to Euribor	-	115,000,000
Commercial Paper Programme						
Commercial Paper Programme 175M	35,000,000	35,000,000	February 2026	Fixed rate	35,000,000	-
Commercial Paper Programme 65M ESG	3,250,000	-	February 2026	Variable rate indexed to Euribor	-	-
Commercial Paper Programme 75M	75,000,000	-	January 2026	Variable rate indexed to Euribor	-	-
Commercial Paper Programme 50M	50,000,000	-	December 2025	Variable rate indexed to Euribor	-	-
Commercial Paper Programme 50M 2024-2030	50,000,000	50,000,000	June 2030	Variable rate indexed to Euribor	-	50,000,000
Loans						
Long-term loan	30,000,000	30,000,000	March 2031	Variable rate indexed to Euribor		30,000,000
Financial Leasing	2,504,744	2,504,744	December 2027	Variable rate indexed to SONIA	1,022,620	1,482,124
Repayable grants						
AICEP / Other	20,167,743	20,167,743			7,219,439	12,948,304
Bank credit facilities						
Short-term facility 20M	20,450,714	-			-	-
Short-term facility 20M GBP	12,852,738	12,852,738		Variable rate indexed to SONIA	12,852,738	-
	1,143,987,844	891,746,269			156,015,432	735,730,837



31/12/2024

Amounts in Euro	Amount	Outstanding amount	Maturity	Interest rate	Current	Non-current
Bond loans						
Navigator 2022-2028 ESG	150,000,000	150,000,000	June 2028	Variable rate indexed to Euribor, with fixed rate swap	50,000,000	100,000,000
Navigator 2019-2026	50,000,000	50,000,000	January 2026	Fixed rate	-	50,000,000
Navigator 2019-2025	10,000,000	10,000,000	March 2025	Variable rate indexed to Euribor, with fixed rate swap	10,000,000	-
Navigator 2021-2026	12,500,000	12,500,000	April 2026	Variable rate indexed to Euribor	2,500,000	10,000,000
Navigator 2020-2026	75,000,000	75,000,000	December 2026	Variable rate indexed to Euribor, with fixed rate swap	37,500,000	37,500,000
Navigator 2021-2026 ESG	100,000,000	100,000,000	August 2026	Variable rate indexed to Euribor, with fixed rate swap	-	100,000,000
Navigator 2024-2029	50,000,000	50,000,000	June 2029	Variable rate indexed to Euribor, with fixed rate swap	-	50,000,000
Navigator 2024-2031	50,000,000	50,000,000	June 2031	Variable rate indexed to Euribor, with fixed rate swap	-	50,000,000
Navigator SLB 2024-2031	50,000,000	50,000,000	October 2031	Variable rate indexed to Euribor	-	50,000,000
Navigator 2024-2031 SLB	100,000,000	100,000,000	May 2031	Variable rate indexed to Euribor	-	100,000,000
Fees	-	(3,442,861)			-	(3,442,861)
European Investment Bank (EIB)						
EIB Loan - Cacia	9,722,222	9,722,222	May 2028	Fixed rate	2,777,778	6,944,444
EIB Loan - Figueira	25,714,286	25,714,286	February 2029	Fixed rate	5,714,286	20,000,000
EIB Loan - Biomass Boiler	25,535,714	25,535,714	March 2031	Fixed rate	3,928,571	21,607,143
EIB Loan	115,000,000	-	up to 12 years after disbursement	Indexed rate to BEI cost of funds at disbursement	-	-
Commercial Paper Programme						
Commercial Paper Programme 175M	70,000,000	70,000,000	February 2026	Fixed rate	35,000,000	35,000,000
Commercial Paper Programme 65M ESG	19,500,000	-	February 2026	Variable rate indexed to Euribor	-	-
Commercial Paper Programme 75M	75,000,000	-	January 2026	Variable rate indexed to Euribor	-	-
Commercial Paper Programme 50M	50,000,000	-	December 2025	Variable rate indexed to Euribor	-	-
Commercial Paper Programme 50M 2024-2030	50,000,000	50,000,000	June 2030	Variable rate indexed to Euribor	-	50,000,000
Loans						
Long-term loan	55,000,000	30,000,000	March 2031	Variable rate indexed to Euribor	-	30,000,000
Financial leasing	9,645,897	4,432,695	December 2027	Variable rate indexed to Libor	1,717,499	2,715,195
Repayable grants						
AICEP	23,124,589	23,124,588			7,219,439	15,905,150
Bank credit facilities						
Short-term facility 20M	20,450,714	-			-	-
Short-term facility 20M GBP	21,391,108	21,391,108		Variable rate indexed to SONIA	21,391,108	-
	1,217,584,530	903,977,752			177,748,681	726,229,071

As at 30 June 2025, the average cost of debt, considering interest rate, the annual fees and hedging operations, was 2.4% (31 December 2024: 2.4%).

At that date, 76% of the debt issued by the Group was indexed to compliance with sustainability goals or associated with the financing of ESG assets (31 December 2024: 65%).

The repayment terms for the interest-bearing liabilities recorded as non-current are detailed as follows:

Non-current loans		
Amounts in Euro	30/06/2025	31/12/2024
Non-current		
1 to 2 years	158,622,198	252,140,074
2 to 3 years	18,149,500	19,640,074
3 to 4 years	72,420,635	113,746,941
4 to 5 years	66,706,349	56,785,714
More than 5 years	423,373,016	287,359,128
	739,271,698	729,671,931
Fees	(3,540,861)	(3,442,860)
	735,730,837	726,229,071



As at 30 June 2025, the Group had contracted Commercial Paper Programmes, contracted and undisbursed long-term financing, as well as available and undrawn credit facilities of Euro 248,700,714 (31 December 2024: Euro 310,163,917).

As at 30 June 2025 and 31 December 2024, the Group's interest-bearing net debt was as follows:

Amounts in Euro	30/06/2025	31/12/2024
Interest-bearing liabilities	891,746,269	903,977,752
Cash and cash equivalents (Note 5.8)	(216,004,485)	(286,628,866)
Interest-bearing net debt	675,741,784	617,348,886
Lease liabilities (Note 5.7)	108,014,084	111,736,900
Interest-bearing net debt with lease liabilities	783,755,868	729,085,786

Financial Covenants in force

Ratio	Definition	Loans	Limit
Interest coverage	EBITDA 12M / Annual net interest	Bank	$\geq 4.5 - 5.5$
Indebtedness	Interest-bearing debt / EBITDA 12M	Bank	≤ 4.5
Net Debt / EBITDA	(Interest-bearing debt - Cash) / EBITDA 12M	Bank	≤ 4.0
		Commercial Paper Bonds	$\leq 4.0 - 5.0$ ≤ 4.0

Based on the Financial statements presented in this report, these ratios were as follows as at 30 June 2025 and 31 December 2024:

Ratio	30/06/2025	31/12/2024
Interest coverage	26.13	41.93
Indebtedness	1.92	1.65
Net Debt / EBITDA	1.46	1.13

The amounts calculated in the table above exclude lease liabilities.

Considering the contracted limits, in 2025 and 2024, the Group is in compliance with the covenants negotiated. As at 30 June 2025 and 31 December 2024, the minimum safety margin for these covenants is mostly above 80%.

Movements in liabilities of the Group's financing activities

Amounts in Euro	30/06/2025	31/12/2024
Balance as at 1 January	903,977,752	659,344,463
Payment of loans	(123,531,390)	(102,228,743)
Receipts from interest-bearing liabilities	115,000,000	154,007,305
Repayable grants	(3,608,218)	(3,609,720)
Changes in financing cash flows	(12,139,608)	48,168,842
Exchange rate effect	(645,247)	-
Interest expenses	651,372	208,971
Changes in borrowing costs	(98,000)	(256,030)
Changes in the perimeter	-	18,941,046
Other changes	553,372	18,893,987
Changes in interest-bearing debt	(12,231,483)	67,062,829
Gross interest-bearing debt as at 30 June	891,746,269	726,407,292
Remaining quarters		177,570,460
Gross interest-bearing debt as at 31 December		903,977,752



The receipt of Euro 115,000,000 corresponds to the withdrawal of funds relating to the EIB Recovery Boiler long-term loan to finance the construction of the new recovery boiler at the Setúbal Industrial Complex.

5.7. Lease liabilities

Lease liabilities – Nature

Amounts in Euro	30/06/2025			31/12/2024		
	Non-current	Current	Total	Non-current	Current	Total
Forestry lands	58,144,187	3,720,885	61,865,072	57,264,280	3,571,330	60,835,610
Buildings	570,100	604,269	1,174,369	874,505	595,254	1,469,759
Vehicles	4,724,787	2,484,238	7,209,025	4,878,286	2,422,257	7,300,543
Software licenses	-	-	-	-	7,537	7,537
Other lease liabilities	31,639,575	6,126,043	37,765,618	35,610,598	6,512,853	42,123,451
	95,078,649	12,935,435	108,014,084	98,627,669	13,109,231	111,736,900

Lease liabilities – Movements

Amounts in Euro	30/06/2025	31/12/2024
Balance at the beginning of the period	111,736,900	69,996,821
Change in the perimeter	-	40,087,211
Contract amortisation	(9,027,457)	(15,661,601)
New contracts	4,543,221	15,399,731
Interest expense	2,174,885	3,896,924
Exchange rate effect	(1,157,962)	991,670
Other changes	(255,503)	(2,973,856)
Total changes in related liabilities	(3,722,816)	41,740,079
Balance at the end of the period	108,014,084	111,736,900

Lease liabilities – Future liabilities

Amounts in Euro	30/06/2025			31/12/2024		
	Maturing rents	Interest on liabilities	Present value of liabilities	Maturing rents	Interest on liabilities	Present value of liabilities
Less than 1 year	8,941,059	3,994,376	12,935,435	8,979,261	4,129,971	13,109,232
1 to 2 years	8,040,569	3,533,265	11,573,834	8,889,165	3,663,989	12,553,154
2 to 3 years	5,916,914	3,153,486	9,070,400	6,181,341	3,241,953	9,423,294
3 to 4 years	5,453,568	2,810,713	8,264,281	5,558,231	2,901,466	8,459,697
4 to 5 years	5,057,579	2,491,395	7,548,974	4,835,706	2,580,681	7,416,387
More than 5 years	46,328,767	12,292,393	58,621,160	47,803,576	12,971,560	60,775,136
Present value of liabilities	79,738,456	28,275,628	108,014,084	82,247,280	29,489,620	111,736,900

For the periods ended 30 June 2025 and 31 December 2024, there were no changes in the liability arising from financing activities, including changes arising from cash flows and/or other changes in lease liabilities.

5.8. Cash and cash equivalents

Amounts in Euro	30/06/2025	31/12/2024
Cash	39,443	36,915
Short-term bank deposits	70,915,842	34,591,951
Other short-term investments	145,049,200	252,000,000
	216,004,485	286,628,866



As at 30 June 2025, Other short-term investments recorded the amounts invested by Navigator in short-term deposits or similar instruments, with high liquidity and with entities with ratings appropriate to the risk management policy in force.

As at 30 June 2025 and 31 December 2024, there are no balances of cash and cash equivalents that are subject to restrictions on use by the Group.

5.9. Net financial results

Amounts in Euro	6 months 30-06-2025	6 months 30-06-2024
Interest paid on debt securities and bank debt	(14,388,494)	(12,769,950)
Commissions on loans and expenses with the opening of credit facilities	(1,268,529)	(1,354,956)
Interest paid using the effective interest method	(15,657,023)	(14,124,906)
Interest paid on lease liabilities	(2,174,885)	(1,624,788)
Financial expenses related to the Group's capital structure	(17,831,908)	(15,749,694)
Favourable / (Unfavourable) exchange rate differences	(2,633,316)	(767,641)
Gains / (Losses) on financial instruments - trading derivatives	-	(1,261,201)
Losses on compensatory interest	-	(238,640)
Other financial expenses and losses	(1,719,840)	(991,695)
Financial expenses and losses	(22,185,064)	(19,008,870)
Interest earned on financial assets at amortised cost	2,236,407	2,842,496
Gains on hedging derivatives	3,312,306	5,716,133
Gains/(Losses) on trading derivatives	2,671,478	-
Gains on compensatory interest	691	-
Financial income and gains	8,220,882	8,558,629
Financial profit/ (loss)	(13,964,182)	(10,450,241)

Negative financial results amounted to Euro 13,964,182 in the period (30 June 2024: Euro 10,450,241). The increase compared to the same period last year was driven by an increase in average net debt of approximately Euro 29,000,000 and an increase in interest rates, which led to an increase in net interest of Euro 4,542,033.

Net financing cost of the capital structure

Amounts in Euro	6 months 30-06-2025	6 months 30-06-2024
Interest paid on fixed-rate financing	(1,746,962)	(1,287,409)
Interest paid on variable rate financing	(1,662,607)	(1,085,785)
Interest paid on variable rate financing and covered by income tax (IRS)	(9,681,614)	(9,184,210)
Interest rate hedges - IRS	3,312,306	5,716,133
Commissions on loans and expenses with the opening of credit facilities	(1,268,529)	(1,354,956)
	(11,047,406)	(7,196,227)
Interest paid on lease liabilities	(2,174,885)	(1,624,788)
Interest paid on other interest-bearing liabilities	(1,297,370)	(1,212,463)
Interest earned on financial assets at amortised cost	2,236,407	2,842,496
Net cost of capital structure	(12,283,254)	(7,190,982)



Cost of financing operations

Amounts in Euro	6 months 30-06-2025	6 months 30-06-2024
Interest paid on debt securities and bank debt	(14,388,494)	(12,769,950)
Commissions on loans and expenses with the opening of credit facilities	(1,268,529)	(1,354,956)
Gains on hedging derivatives (Note 8.2)	3,312,306	5,716,133
Financing costs	(12,344,717)	(8,408,773)

Exchange rate impact

Amounts in Euro	6 months 30-06-2025	6 months 30-06-2024
Favourable/(Unfavourable) exchange rate differences	(2,633,316)	(767,641)
Gains/(Losses) on trading foreign exchange derivatives	2,671,478	(1,261,201)
Exchange rate impact	38,162	(2,028,842)

6. Income tax

6.1. Income tax for the period

6.1.1. Income tax recognised in the consolidated income statement

Amounts in Euro	6 months 30/06/2025	6 months 30/06/2024
Current tax	31,821,097	64,412,670
Changes in estimates relating to prior periods	418,617	7,264
Changes in uncertain tax positions in the period	5,008,026	(1,331,122)
Deferred tax (Note 6.2)	885,668	(6,791,315)
	38,133,408	56,297,497

As at 30 June 2025, current tax includes Euro 26,065,764 (30 June 2024: Euro 58,242,140) regarding the liability created under the aggregated income tax regime of The Navigator Company, S.A. in Portugal.

As at 30 June 2025 and 2024, the caption Change in uncertain tax positions in the period reflects the unfavourable/favourable outcome of some cases related to matters with high uncertainty, as well as requests for binding information, claims to the Tax Authorities and jurisprudence of the courts.

There have not been, nor are any expected, changes arising from variations in the rate used to determine the expected tax amount.

Nominal tax rate

In the periods ended 30 June 2025 and 2024, the Group considers a nominal tax rate in Portugal of 26.5% and 27.5%, resulting from the tax legislation as follows:



30/06/2025 30/06/2024

Portugal

Nominal income tax rate	20.0%	21.0%
Municipal surcharge	1.5%	1.5%
	21.5%	22.5%
State surcharge - on the share of taxable profits between Euro 1,500,000 and Euro 7,500,000	3.0%	3.0%
State surcharge - on the share of taxable profits between Euro 7,500,000 and Euro 35,000,000	5.0%	5.0%
State surcharge - on the share of taxable profits above Euro 35,000,000	9.0%	9.0%

Reconciliation of the effective income tax rate for the period

Amounts in Euro	30/06/2025	30/06/2024
Profit before income tax	123,381,744	215,154,529
Expected tax at nominal rate (20%)	24,676,349	45,82,451
Municipal surcharge (2025: 1.58%; 2024: 1.47%)	1,954,871	3,167,764
State surcharge (2025: 4.38%; 2024: 4.12%)	5,407,110	8,863,013
Income tax resulting from the applicable tax rate	32,038,330	57,213,228
Nominal tax rate for the period	26.0%	26.6%
Differences (a)	(339,483)	1036,691
Changes in estimates relating to prior periods	418,617	7,264
Changes in uncertain tax positions during the period	5,008,026	(1,331,122)
Tax benefits	-	(850,622)
Autonomous taxation	230,263	222,058
Change in tax rate	777,655	-
	38,133,408	56,297,497
Effective tax rate	30.9%	26.2%

(a) This amount concerns mainly:

	30/06/2025	30/06/2024
Capital gains/ (losses) for tax purposes	10,148	1915,642
Capital gains/ (losses) for accounting purposes	(12,322)	(2,091,414)
Taxable provisions and impairment	(9,840,026)	(19,250)
Tax benefits	(1,351,638)	(2,145,769)
Post-employment benefits	1,052,440	6,506
International economic double taxation	8,860,331	6,104,070
	(1,281,067)	3,769,785
Tax effect (26.5%)	(339,483)	1,036,691

6.1.2. Tax recognised in the consolidated statement of financial position

Amounts in Euro	30/06/2025	31/12/2024
Assets		
Amounts pending repayment	22,078,666	20,621,461
	22,078,666	20,621,461
Liabilities		
Corporate Income Tax - IRC	32,245,371	27,868,324
Additional tax liabilities (IRC)	19,935,276	13,470,045
	52,180,647	41,338,369



Detail of Corporate Income Tax - IRC (net)

Amounts in Euro	30/06/2025	31/12/2024
Income tax for the period	31,821,097	92,286,353
Payments on account, special and additional payments on account	(3,103,283)	(68,520,255)
Withholding tax recoverable	(2,667,809)	(1,893,645)
Corporation income tax payable/ (repaid) from previous years	7,209,171	7,209,171
Other payables/ (receivables)	(1,013,805)	(1,213,300)
	32,245,371	27,868,324

The amounts of Corporate Income tax paid in the period are detailed as follows:

Amounts in Euro	30/06/2025	31/12/2024
Payment/ (Repayment) of IRC for the previous period	21,834,698	-
Payments on account, special and additional payments on account	3,103,283	2,519,374
Withholding tax	2,667,809	1,020,352
Income tax paid/ (received)	27,605,790	3,539,726

Amounts pending repayment

Amounts in Euro	30/06/2025	31/12/2024
2005 IRC (RETGS) - Proceeding 1259/09.3BESNT	13,886,728	13,886,728
IRC 2015-I - Proceeding 21/22.2BALS	5,364,441	5,364,441
2018 aggregate IRC - Arbitration Proceeding 525/2024	1,457,205	-
RFAI 2010 to 2012 - compensatory interest	494,856	494,856
IRC 2016 - Navigator Tissue Rodão - Proceeding CAAD 575/2020	861,866	861,866
Other	13,570	13,570
	22,078,666	20,621,461

The movements in the period are detailed as follows:

Amounts in Euro	30/06/2025	31/12/2024
Balance at the beginning of the period	20,621,461	18,385,534
Increases	1,457,205	5,364,441
Payments / (receipts)	-	(2,961,843)
Reversals	-	(166,671)
	22,078,666	20,621,461

Movement in uncertain tax positions- Liabilities

Amounts in Euro	30/06/2025	31/12/2024
Balance at the beginning of the period	13,470,045	18,100,389
Increases	6,465,231	3,864,026
Transfer	-	(6,451,126)
Reversals	-	(2,043,244)
Changes in the period	6,465,231	(4,630,344)
	19,935,276	13,470,045



Taxes paid in litigation

As at 30 June 2025 and 31 December 2024, the additional tax assessments that are already paid and contested, not recognised in assets, refer to the Navigator Group and are summarised as follows:

Amounts in Euro	30/06/2025	31/12/2024
Aggregate IRC 2006 (Note 10.3) - Proceeding 909/11.6 BEALM	8,150,146	8,150,146
Aggregate IRC 2018 - Proceeding 648/23.5BEALM	8,014,795	8,014,795
Aggregate IRC 2018 - Arbitration Proceeding 525/2024	-	1,457,205
IRC 2015 - Navigator Tissue Ródão, S.A. - Proceeding 235/23.8BECTB	7,586,361	7,586,361
State Surcharge 2015 II - Proceeding 453/23.9BEALM	6,970,541	6,970,541
State Surcharge 2016 - Proceeding 457/21.6BEALM	3,761,397	3,761,397
State Surcharge 2017 - Proceeding 456/21.8BEALM	8,462,724	8,462,724
State Surcharge 2019 - Proceeding 557/23.8BEALM	2,466,974	2,466,974
State Surcharge 2020 - Proceeding 26/24.9BEALM	5,183,000	5,183,000
State Surcharge 2021 - Proceeding 702/24.6BEALM	6,154,906	6,154,906
	56,750,844	58,208,049

6.2. Deferred taxes

Movements in deferred taxes

Amounts in Euro	As at 1 January 2025	Changes in the perimeter	Income Statement		Equity	Exchange rate adjustment	As at 30 June 2025
			Increases	Decreases	Increases/ Decreases		
Temporary differences originating deferred tax assets							
Tax losses carried forward	59,614,137	-	-	(2,444,824)	-	(1,796,916)	55,372,397
Provisions and impairment losses taxed	13,851,147	-	4,010,037	(611,651)	-	-	17,249,533
Adjustment of property, plant and equipment	19,207,012	-	3,322,036	(2,152,038)	-	-	20,377,010
Deferred capital gains (intra-group)	28,565,595	-	-	(15,711,098)	-	-	12,854,497
Appreciation of biological assets	28,116,466	-	1,218,913	-	-	-	29,335,379
Lease liabilities relating to right-of-use assets	74,717,190	-	3,477,937	(1,698,646)	-	-	76,496,481
Other temporary differences	2,703,693	-	79,841	(396,001)	-	-	2,387,533
	226,775,240	-	12,108,764	(23,014,258)	-	(1,796,916)	214,072,830
Temporary differences originating deferred tax liabilities							
Pensions and other post-employment benefits	(697,958)	-	-	(12,173)	(352,550)	-	(1,062,681)
Financial instruments	(16,342,114)	-	-	-	(2,081,876)	-	(18,423,990)
Appreciation of biological assets	(7,849,765)	-	-	1,390,094	-	-	(6,459,671)
Adjustment of property, plant and equipment	(294,201,945)	-	(7,903,959)	10,328,849	-	1,108,231	(290,668,824)
Fair value calculated in business combinations	(131,857,791)	-	-	4,329,839	-	2,972,228	(124,555,724)
Government grants	(2,902,778)	-	-	194,773	-	-	(2,708,005)
Right-of-use assets	(68,093,592)	-	(530,998)	738,443	-	-	(67,886,147)
Other temporary differences	(120,601)	-	-	-	-	3,710	(116,891)
	(522,066,544)	-	(8,434,957)	16,969,825	(2,434,426)	4,084,169	(511,881,933)
Deferred tax assets	59,110,851	-	2,969,332	(6,153,098)	-	(466,986)	55,460,099
Deferred tax liabilities	(135,938,603)	-	(2,159,330)	4,457,428	(645,123)	1,021,043	(133,264,585)



Amounts in Euro	Income Statement				Equity	Exchange	Adjustments	As at 31 December 2024
	As at 1 January 2024	Changes in the perimeter	Increases	Decreases	Increases/ Decreases	rate adjustment		
Temporary differences originating deferred tax assets								
Tax losses carried forward	52,846	56,496,586	10,330,494	(8,763,724)	-	1,497,935	-	59,614,137
Provisions and impairment losses taxed	16,674,924	-	3,399,158	(6,222,935)	-	-	-	13,851,147
Adjustment of property, plant and equipment	32,384,050	-	3,369,216	(16,546,254)	-	-	-	19,207,012
Deferred capital gains (intra-group)	11,750,244	-	19,587,315	(2,771,964)	-	-	-	28,565,595
Appreciation of biological assets	24,904,297	-	3,212,169	-	-	-	-	28,116,466
Conventional return on capital	280,000	-	-	(280,000)	-	-	-	-
Lease liabilities relating to right-of-use assets	-	589,227	74,127,963	-	-	-	-	74,717,190
Other temporary differences	-	2,688,330	-	-	-	15,363	-	2,703,693
	86,046,361	57,085,813	116,714,645	(34,584,877)	-	1,513,298	-	226,775,240
Temporary differences originating deferred tax liabilities								
Pensions and other post-employment benefits	(795,430)	-	(27,809)	(31)	125,312	-	-	(697,958)
Financial instruments	(18,072,331)	-	-	-	1,526,544	-	203,673	(16,342,114)
Appreciation of biological assets	(3,519,844)	-	(4,329,921)	-	-	-	-	(7,849,765)
Adjustment of property, plant and equipment	(286,279,805)	(35,345,525)	(2,286,008)	30,589,642	-	(880,249)	-	(294,201,945)
Fair value calculated in business combinations	(39,840,800)	(99,779,568)	-	10,301,191	-	(2,538,614)	-	(131,857,791)
Government grants	(3,714,470)	-	-	424,209	-	-	387,483	(2,902,778)
Right-of-use assets	-	-	(68,093,592)	-	-	-	-	(68,093,592)
Other temporary differences	-	(117,536)	-	-	-	(3,065)	-	(120,601)
	(352,222,680)	(135,242,629)	(74,737,330)	41,315,011	1,651,856	(3,421,928)	591,156	(522,066,544)
Deferred tax assets	23,653,501	14,271,453	31,624,928	(9,287,124)	-	378,325	-	60,641,083
Effect of the tax rate change	-	-	-	(1,530,232)	-	-	-	(1,530,232)
Deferred tax assets	23,653,501	14,271,453	31,624,928	(10,817,356)	-	378,325	-	59,110,851
Deferred tax liabilities	(95,856,013)	(33,810,656)	(20,539,643)	11,036,624	510,271	(855,484)	97,445	(139,417,456)
Effect of the tax rate change	-	-	-	3,332,199	146,654	-	-	3,478,853
Deferred tax liabilities	(95,856,013)	(33,810,656)	(20,539,643)	14,368,823	656,925	(855,484)	97,445	(135,938,603)

As at 30 June 2025 and 31 December 2024, deferred taxes were measured using a rate of 26.50% for companies in Portugal and a rate of 25% for companies in the United Kingdom and Spain.

7. Payroll

7.1. Payroll costs

Amounts in Euro	6 months 30/06/2025	6 months 30/06/2024
Remuneration of Corporate Bodies - fixed (Note 7.3)	1,639,275	1,666,451
Remuneration of Corporate Bodies - variable	1,184,580	1,623,638
Other remuneration	80,049,768	73,966,762
Social Security contributions	16,280,110	14,240,110
Post-employment benefits (Note 7.2.4)	823,690	750,099
Other payroll costs	8,330,894	9,273,411
Payroll costs	108,308,317	101,520,471

Overall, the increase in payroll costs is due to the acquisition of the Navigator Tissue UK Group, which joined the Group in May 2024, with an impact as at 30 June 2025 of Euro 11,026,423 compared to Euro 3,745,126 in June 2024.

Number of employees by segment at the end of the period

	30/06/2025	31/12/2024	Var. 25/24
Market pulp	316	295	21
UWF	1,789	1,782	7
Tissue	1,065	1,036	29
Corporate	848	838	10
	4,018	3,951	67

The headcount includes 440 employees assigned to the Consumer tissue business in the UK as a result of the acquisition of Navigator Tissue UK Group.



7.2. Employee benefits

7.2.1. Introduction

Some Group companies grant their Employees post-retirement benefits, either in the form of defined benefit plans or in the form of defined contribution plans.

The plans are funded through a closed Pension Fund, managed by an external entity, which subcontracts the management of its assets to external asset management entities.

A. Pension Plan – Defined benefit

The Group has responsibilities with post-employment benefit plans for a reduced group of Employees who have chosen to maintain the Defined Benefit Plan (The Navigator Company) or who have chosen to maintain a Safeguard Clause, the latter following the conversion of their plan into a Defined Contribution Plan (The Navigator Company). In effect, the safeguard clause gives the Employee the option, at the time of retirement, to pay a pension in accordance with the provisions laid down on the Defined Benefit Plan. For those who choose to activate the Safeguard Clause, the accumulated balance in the Defined Contribution Plan (*Conta 1*) will be used to finance the liability of the Defined Benefit Plan.

B. Pension Plan – Defined contribution

As at 30 June 2025, three Defined Contribution plans were in force covering 3,329 employees (2024: 3,278 Employees) (Note 7.2.3).

7.2.2. Defined benefit plan

Net Liabilities

Net liabilities reflected in the consolidated statement of financial position and the number of beneficiaries of the defined benefit plans in force in the Group are detailed as follows:

Amounts in Euro	30/06/2025		31/12/2024	
	No. of Beneficiaries	Amount	No. of Beneficiaries	Amount
Past service liabilities				
Active employees, including individual accounts	283	42,361,281	301	43,344,735
Alumni	110	16,551,812	114	17,567,947
Retired employees	673	101,358,678	662	98,711,371
Market value of pension funds		(159,486,608)		(160,971,371)
Total net liabilities	1,066	785,163	1,077	(1,347,318)

Historical information - last five years

Amounts in Euro	31/12/2020	31/12/2021	31/12/2022	31/12/2023	31/12/2024	30/06/2025
Present value of liabilities	191,253,527	191,002,589	157,269,646	158,256,875	159,624,053	160,271,771
Fair value of assets and Reserve account	178,691,062	185,327,671	154,433,916	159,034,022	160,971,371	159,486,608
Surplus/ (deficit)	(12,562,465)	(5,674,918)	(2,835,730)	777,147	1,347,318	(785,163)



In 2022, the value of liabilities and the fair value of assets and the reserve account fell significantly as a result:

- a) The new Standard No. 8/202-R came into force, replacing No. 21/96-R of the Portuguese Insurance and Pension Funds Supervisory Authority (*Autoridade de Supervisão de Seguros e Fundos de Pensões* (ASF)), which established more conservative assumptions and changed the financing method from current unit credit to projected unit credit;
- b) Increase in the discount rate from 1.25% to 3.5%;
- c) Increase in the wage growth rate from 1% to 2%;
- d) Increase in the growth rate with pensions from 0.75% / 1% to 1.5% / 2%, depending on the plan.

Evolution of defined benefit plan liabilities

						30/06/2025
Amounts in Euro	Opening balance	Current service cost	Interest expense	Actuarial deviations	Payments performed	Closing balance
Pensions with autonomous fund	159,624,053	10,672	2,726,941	1,529,573	(3,619,468)	160,271,771
	159,624,053	10,672	2,726,941	1,529,573	(3,619,468)	160,271,771

						31/12/2024
Amounts in Euro	Opening balance	Current service cost	Interest expense	Actuarial deviations	Payments performed	Closing balance
Pensions with autonomous fund	158,256,875	20,101	5,414,858	3,243,001	(7,310,782)	159,624,053
	158,256,875	20,101	5,414,858	3,243,001	(7,310,782)	159,624,053

The average expected duration of the defined benefit liabilities is 12.5 years (2024: 12.5 years).

Funds

Funds allocated to the defined benefit pension plans - evolution

Amounts in Euro	30/06/2025	31/12/2024
Amount at the beginning of the period	160,971,371	159,034,022
Expected income for the period	2,750,155	-
Remeasurement	(615,450)	2,051,343
Pensions paid	(3,619,468)	-
Balance as at 30 June	159,486,608	161,085,365
Remaining quarters	-	(113,994)
Balance as at 31 December		160,971,371



The pension fund assets allocated to the defined benefit plan are managed by the following entities:

Amounts in Euro 30/06/2025 31/12/2024

Defined benefits and *Conta 1* :

AGEAS - Pensões	(55,694)	(51,992)
Schroders	55,061,205	55,790,911
Santander AM	55,724,261	56,467,629
<i>Conta 1</i> - Julius Baer	48,756,836	48,764,823
Total Defined Benefits and <i>Conta 1</i>	159,486,608	160,971,371

Funds allocated to defined benefit plans - composition of assets

Amounts in Euro	30/06/2025	%	31/12/2024	%
Securities listed in the market				
Bonds	96,534,334	60.53%	98,435,081	61.15%
Shares	38,769,332	24.31%	41,216,140	25.60%
Public debt	17,347,355	10.88%	15,406,040	9.57%
Liquidity	1,710,599	1.07%	1,260,572	0.78%
Other short-term investments	5,124,988	3.21%	4,653,538	2.89%
	159,486,608	100.00%	160,971,371	100.00%

The assets of the pension fund do not include any assets of the Group.

7.2.3. Defined contributions plan

As at 30 June 2025 and 31 December 2024, three defined contribution plans were in force on behalf of Employees.

The assets of the pension fund that finance the defined contribution plans are under the management of the AGEAS, as detailed below:

Amounts in Euro	No. of Beneficiaries	Profitability %	30/06/2025	No. of Beneficiaries	Profitability %	31/12/2024
Defined Contribution (Ageas Pensões):						
Defensive sub-fund	146	1.40%	7,450,314	112	3.34%	5,608,582
Conservative sub-fund	407	1.47%	14,203,224	408	5.20%	15,773,907
Dynamic sub-fund	815	1.34%	16,338,167	771	8.54%	15,999,063
Aggressive sub-fund	1,961	1.49%	6,866,734	1,987	11.42%	7,209,476
Total defined contribution	3,329		44,858,439	3,278		44,591,028

7.2.4. Expenses incurred with post-employment benefit plans

The effect in the income statement for the periods ended 30 June 2025 and 2024 arising from the above-mentioned plans is detailed as follows:

	30/06/2025				30/06/2024			
Amounts in Euro	Current service cost	Net interest	Defined contribution - Contributions for the period	Impact on net profit/(loss) (Note 7.1)	Current service cost	Net interest	Defined contribution - Contributions for the period	Impact on net profit/(loss) (Note 7.1)
Pensions with autonomous fund	10,672	(23,214)	-	(12,542)	10,051	(8,126)	-	1,925
Defined contributions plans	-	-	836,232	836,232	-	-	748,174	748,174
	10,672	(23,214)	836,232	823,690	10,051	(8,126)	748,174	750,099



7.2.5. Remeasurement recognised directly in other comprehensive income

30/06/2025					
Amounts in Euro	Remeasurement Experience assumptions	Return on plan assets	Gross amount	Deferred tax	Impact on Equity
Pensions with autonomous fund	(2,467,179)	322,156	(2,145,023)	17,693	(2,127,330)
	(2,467,179)	322,156	(2,145,023)	17,693	(2,127,330)

30/06/2024					
Amounts in Euro	Remeasurement Experience assumptions	Return on plan assets	Gross amount	Deferred tax	Impact on Equity
Pensions with autonomous fund	(3,126,331)	1,946,381	(1,179,960)	(95,126)	(1,275,086)
	(3,126,331)	1,946,381	(1,179,960)	(95,126)	(1,275,086)

The remeasurements referred to above result from experience gains and losses, both in financial and demographic terms.

Estimates and judgements

Actuarial assumptions

	30/06/2025	31/12/2024
Social Security Benefits Formula	Decree Law 187/2007 of 10 May	
Disability table	EKV 80	EKV 80
Mortality table	TV 88/90	TV 88/90
Discount rate	3.50%	3.50%
Wage growth rate	2.00%	2.00%
Return rate on plan assets	3.50%	3.50%
Pensions growth rate	1.5% or 2.00%	1.5% or 2.00%

Sensitivity analysis

Amounts in Euro	30/06/2025	31/12/2024
0.5% decrease in the discount rate		
Increase in liabilities assumed	9,950,749	10,036,078
0.5% increase in the discount rate	-	-
Decrease in liabilities assumed	(9,058,610)	(9,123,660)
0.5% decrease in the wage growth rate	-	-
Decrease in liabilities assumed	(1,489,925)	(1,636,291)
0.5% increase in the wage growth rate	-	-
Increase in liabilities assumed	1,562,923	1,723,903
0.5% decrease in the pensions growth rate	-	-
Decrease in liabilities assumed	(7,523,140)	(7,547,496)
0.5% increase in the pensions growth rate	-	-
Increase in liabilities assumed	8,074,968	8,111,198



7.3. Remuneration of corporate bodies

Amounts in Euro	30/06/2025	30/06/2024
Navigator Corporate Bodies		
Board of Directors	1,429,070	1,470,222
Supervisory Board	36,840	38,660
Environment Board	23,950	31,000
	1,489,860	1,539,882
Corporate Bodies of other Group companies	149,415	126,569
Total (Note 7.1)	1,639,275	1,666,451

8. Financial instruments

8.1. Financial risk management

The Company manages, at the level of the Navigator Group, a risk management programme which focuses its analysis on the activity and performance of financial markets with a view to minimising potential adverse effects on its financial performance. Risk management is undertaken by the Group's Financial Management in accordance with the policies approved by the Board of Directors and monitored by the Risks and Control Commission.

The Company adopts a proactive approach to risk management, as a way to mitigate the potential adverse effects associated with those risks, namely the exchange rate risk and interest rate risk.

8.1.1. Currency risk

Exposure of financial assets and liabilities to exchange rate risk and sensitivity analysis

30/06/2025									
Amounts in Euro	US dollar	Sterling pound	Polish zloti	Turkish lira	Swiss franc	Mozambican metical	Moroccan dirham	South African rand	Total (Euro)
Amounts in foreign currency									
Cash and cash equivalents	1,513,953	1,047,285	1,386,270	535,592	91,363	32,946,553	562,722	6,873,063	3,775,108
Receivables	120,549,460	48,877,718	15,386,222	124,322	1,756,866	36,136,624	-	18,580,866	166,874,881
Total financial assets	122,063,413	49,925,004	16,772,492	659,914	1,848,229	69,083,177	562,722	25,453,929	170,649,989
Loans	-	13,138,326	-	-	-	-	-	-	15,357,482
Payables	5,860,800	17,635,673	9,980	74,797	10,887	-	61,281	2,295,222	25,746,673
Total financial liabilities	5,860,800	30,773,998	9,980	74,797	10,887	-	61,281	2,295,222	41,104,155
Financial net position in foreign currency	127,924,213	80,699,002	16,782,472	734,710	1,859,116	69,083,177	624,003	27,749,151	211,754,144
Financial net position in Euro	109,150,353	94,329,634	3,955,984	15,777	1,988,998	922,955	58,980	1,331,463	211,754,144
Impact of + 10% change in all exchange rates on profit or loss for the period									18,284,996
Impact of - 10% change in all exchange rates on profit or loss for the period									(22,348,328)
Impact of a +10% change in all exchange rates on equity									965,381
Impact of a -10% change in all exchange rates on equity									(1,179,910)



31/12/2024

Amounts in Euro	US dollar	Sterling pound	Polish zloti	Turkish lira	Swiss franc	Mozambican metical	Moroccan dirham	South African rand	Total (Euro)
Amounts in foreign currency									
Cash and cash equivalents	1,855,837	1,026,550	114,545	2,182,313	1,828	47,272,452	450,239	8,949,781	4,319,282
Receivables	140,341,158	46,228,701	9,733,718	124,322	1,846,939	7,720,540	-	10,414,727	195,727,661
Total financial assets	142,196,995	47,255,251	9,848,263	2,306,635	1,848,767	54,992,992	450,239	19,364,508	200,046,943
Loans	-	17,490,990	-	-	-	-	-	-	21,094,322
Payables	3,046,921	17,102,563	12,888	104,309	78,966	13,405,576	135,216	3,451,095	24,037,936
Total financial liabilities	3,046,921	34,593,553	12,888	104,309	78,966	13,405,576	135,216	3,451,095	45,132,258
Financial net position in foreign currency	145,243,916	81,848,804	9,861,151	2,410,944	1,927,733	68,398,568	585,455	22,815,603	245,179,201
Financial net position in Euro	139,805,483	98,710,538	2,306,702	65,627	2,048,165	1,024,084	55,657	1,162,946	245,179,201
Impact of + 10% change in all exchange rates on profit or loss for the period									21,633,212
Impact of - 10% change in all exchange rates on profit or loss for the period									(26,440,592)
Impact of a +10% change in all exchange rates on equity									655,806
Impact of a -10% change in all exchange rates on equity									(801,541)

In this Note, the Group discloses the exposure of financial assets and liabilities to foreign exchange rate risk, as well as the respective sensitivity analysis. There are currencies in which the Group has carried out transactions but in which, at the balance sheet date, it does not have relevant foreign exchange exposures, which is why the exchange rates disclosed below are more numerous than the currencies presented in this note.



Exchange rates used

	30/06/2025	31/12/2024	Appreciation / (Depreciation)
GBP (Sterling pound)			
Average exchange rate for the period	0.8425	0.8466	0.48%
Closing exchange rate for the period	0.8555	0.8292	-3.17%
USD (American dollar)			
Average exchange rate for the period	1.0935	1.0824	-1.03%
Closing exchange rate for the period	1.1720	1.0389	-12.81%
PLN (Polish zloti)			
Average exchange rate for the period	4.2324	4.3058	1.71%
Closing exchange rate for the period	4.2423	4.2750	0.76%
SEK (Swedish krona)			
Average exchange rate for the period	11.0951	11.4325	2.95%
Closing exchange rate for the period	11.1465	11.4590	2.73%
CZK (Czech krona)			
Average exchange rate for the period	25.0004	25.1198	0.48%
Closing exchange rate for the period	24.7460	25.1850	1.74%
CHF (Swiss franc)			
Average exchange rate for the period	0.9414	0.9526	1.18%
Closing exchange rate for the period	0.9347	0.9412	0.69%
DKK (Danish krone)			
Average exchange rate for the period	7.4607	7.4589	-0.02%
Closing exchange rate for the period	7.4609	7.4578	-0.04%
HUF (Hungarian forint)			
Average exchange rate for the period	404.5923	395.3039	-2.35%
Closing exchange rate for the period	399.8000	411.3500	2.81%
AUD (Australian dollar)			
Average exchange rate for the period	1.7243	1.6397	-5.16%
Closing exchange rate for the period	1.7948	1.6772	-7.01%
MZN (Mozambican metical)			
Average exchange rate for the period	69.9275	69.1732	-1.09%
Closing exchange rate for the period	74.8500	66.7900	-12.07%
MAD (Moroccan dirham)			
Average exchange rate for the period	10.4599	10.7549	2.74%
Closing exchange rate for the period	10.5799	10.5190	-0.58%
NOK (Norway krona)			
Average exchange rate for the period	11.6615	11.6290	-0.28%
Closing exchange rate for the period	11.8345	11.7950	-0.33%
MXN (Mexican peso)			
Average exchange rate for the period	21.8122	19.8314	-9.99%
Closing exchange rate for the period	22.0899	21.5504	-2.50%
AED (Dirham)			
Average exchange rate for the period	4.0131	3.9751	-0.96%
Closing exchange rate for the period	4.3042	3.8154	-12.81%
CAD (Canadian dollar)			
Average exchange rate for the period	1.5409	1.4821	-3.97%
Closing exchange rate for the period	1.6027	1.4948	-7.22%
ZAR (South African rand)			
Average exchange rate for the period	20.0306	19.8297	-1.01%
Closing exchange rate for the period	20.8411	19.6188	-6.23%
BRL (Brazilian real)			
Average exchange rate for the period	6.2634	5.8283	-7.47%
Closing exchange rate for the period	6.4384	6.4253	-0.20%
EGP (Egyptian pound)			
Average exchange rate for the period	55.0712	49.1213	-12.11%
Closing exchange rate for the period	58.1796	53.0349	-9.70%
TRY (Turkish lira)			
Average exchange rate for the period	41.1413	35.5734	-15.65%
Closing exchange rate for the period	46.5682	36.7372	-26.76%



8.1.2. Interest rate risk

Exposure to interest rate risk

As at 30 June 2025, approximately 22% (31 December 2024: 11%) of the Navigator Group's financial liabilities was indexed to short-term reference interest rates, revised in periods below one year (usually 6-month rates for long-term debt), plus duly negotiated risk spreads. Hence, changes in interest rates can impact the Group's earnings.

The Group has favoured the contracting of fixed rate debt and has derivative financial instruments to cover its interest rate risk, namely interest-rate swaps, with the purpose of fixing the interest rate on the Navigator Group's borrowings within certain limits. Similarly, despite its lower predictability, managing cash surpluses indexed to short-term benchmark rates partially minimises interest rate risk.

As at 30 June 2025 and 31 December 2024, the detail of the financial assets and liabilities with interest rate exposure, considering the maturity or the next interest-fixing date is as follows:

30/06/2025						
Amounts in Euro	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	Total
Assets						
Current						
Cash and cash equivalents	216,004,485	-	-	-	-	216,004,485
Total financial assets	216,004,485	-	-	-	-	216,004,485
Liabilities						
Non-current						
Interest-bearing liabilities	-	-	-	77,038,124	119,444,000	196,482,124
Current						
Interest-bearing liabilities	-	-	13,875,358	-	-	13,875,358
Total financial liabilities	-	-	13,875,358	77,038,124	119,444,000	210,357,482
Cumulative differential	216,004,485	216,004,485	202,129,127	125,091,003	5,647,003	

31/12/2024						
Amounts in Euro	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	Total
Assets						
Current						
Cash and cash equivalents	286,628,866	-	-	-	-	286,628,866
Total financial assets	286,628,866	-	-	-	-	286,628,866
Liabilities						
Non-current						
Interest-bearing liabilities	-	-	-	10,000,000	80,000,000	90,000,000
Repayable grants	-	-	-	2,715,195	-	2,715,195
Current						
Interest-bearing liabilities	-	-	23,891,108	-	-	23,891,108
Repayable grants	-	-	1,717,499	-	-	1,717,499
Total financial liabilities	-	-	25,608,607	12,715,195	80,000,000	118,323,802
Cumulative differential	286,628,866	286,628,866	261,020,259	248,305,064	168,305,064	

8.1.3. Liquidity risk

Contractual maturity of financial liabilities (undiscounted flows, including interest)

30/06/2025						
Amounts in Euro	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	Total
Liabilities						
Interest-bearing liabilities (Note 5.6)						
Bond loans	420,000	456,250	99,465,901	227,812,685	313,742,492	641,897,328
Commercial paper	-	249,881	36,598,853	55,404,696	-	92,253,430
Bank loans	-	5,664,051	26,140,910	83,534,420	134,333,641	249,673,022
Other loans	-	-	7,219,439	12,984,304	-	20,203,743
Derivative financial instruments (Note 8.2)	-	-	(1,284,684)	712,540	383,569	(188,575)
Total liabilities	420,000	6,370,182	168,140,419	380,448,645	448,459,702	1,003,838,948
Of which interest (at the rates prevailing at that date)						108,704,393



31/12/2024

Amounts in Euro	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	Total
Liabilities						
Interest-bearing liabilities (Note 5.6)						
Bond loans	420,000	10,521,500	99,941,464	392,316,564	210,017,643	713,217,171
Commercial paper	-	35,497,000	248,500	35,248,500	50,000,000	120,994,000
Bank loans	-	4,969,536	10,158,078	70,362,247	37,668,335	123,158,196
Other loans	-	-	7,219,439	15,905,149	-	23,124,588
Derivative financial instruments (Note 8.2)	-	1,259,512	2,879,804	2,659,143	(783,753)	6,014,706
Total liabilities	420,000	52,247,548	120,447,285	516,491,603	296,902,225	986,508,661
Of which interest (at the rates prevailing at that date)						77,506,038

Available and undrawn credit facilities

Amounts in Euro	30/06/2025	31/12/2024
Undrawn credit facilities		
Commercial paper (with long term underwriting)	-	75,000,000
Long-term loans contracted but not disbursed	100,000,000	140,000,000
Other credit facilities	148,700,714	95,163,917
	248,700,714	310,163,917
Drawn commercial paper (Note 5.6)	85,000,000	120,000,000
Other drawn credit facilities	810,287,130	787,420,613
Contracted credit facilities (nominal amount)	1,143,987,844	1,217,584,530

8.1.4. Credit risk

Maximum exposure to credit risk

The Group's maximum exposure to the credit risk of financial assets corresponds to their net amount, as follows:

Amounts in Euro	30/06/2025	31/12/2024
Non-current		
Other financial investments (Note 8.3)	-	-
Receivables (Note 4.2)	4,094,877	13,142,937
Current		
Receivables (Note 4.2)	472,641,143	496,698,621
Cash and cash equivalents (Note 5.8)	216,004,485	286,628,866
	692,740,505	796,470,424

Ageing structure of trade receivables balances

As at 30 June 2025 and 31 December 2024, Trade receivables showed the following ageing structure, considering the due dates for the balances outstanding before impairment:



Amounts in Euro	30/06/2025	31/12/2024
Amounts not due	267,841,532	273,547,400
1 to 90 days	31,566,700	30,245,008
91 to 180 days	765,536	1,022,452
181 to 360 days	39,442	215,098
361 to 540 days	54,510	6,341
541 to 720 days	19,226	6,198
more than 721 days	-	-
	300,286,946	305,042,497
Balances considered impaired	3,132,578	3,635,137
Impairment	(3,132,578)	(3,635,137)
Net balance of trade receivables (Note 4.2)	300,286,946	305,042,497
Trade receivables covered by credit insurance	275,622,662	264,061,504
Trade receivables covered by bank guarantees	3,100,000	2,000,000
Trade receivables covered by title retention agreements	2,834,647	1,873,390
Trade receivables covered by letters of credit / documentary remittances	16,799,742	33,593,182
Covered receivables	298,357,051	301,528,076
Available and undrawn credit facilities	338,207,642	463,762,720
Credit coverage facilities contracted	636,564,693	765,290,796

The amounts shown above correspond to the amounts outstanding according to the contracted due dates.

The uncovered amounts totalling Euro 1,929,895 (Euro 3,514,421 as at 31 December 2024) were previously approved by Navigator's Executive Committee.

Despite some delays in the settlement of those amounts, that does not result, in accordance with the available information, in the identification of impairment losses other than the ones considered through the respective losses. These are calculated based on the information periodically collected on the financial behaviour of the Group's Customers, which allow, in conjunction with the experience obtained in the client portfolio analysis and with the history of credit defaults, in the part not attributable to the insurance company, to define the amount of losses to be recognised in the period. The guarantees in place for a significant part of outstanding and long-term balances, justify the fact that no impairment loss has been recorded for those balances. The rules defined by the credit risk insurance policy applied by the Group, ensure a significant hedge of all outstanding balances.

The analysis of the open balances, by business area, is as follows:

	30/06/2025					
Amounts in Euro	Market Pulp	UWF Paper	Tissue Paper	Energy	Support	Total
Amounts not due	17,752,305	162,354,114	84,956,967	360,699	2,417,447	267,841,532
1 to 90 days	6,582,162	15,330,733	8,327,974	678,805	647,026	31,566,700
91 to 180 days	-	-	675,346	-	90,190	765,536
181 to 360 days	-	-	39,442	-	-	39,442
361 to 540 days	-	-	54,510	-	-	54,510
541 to 720 days	-	-	19,226	-	-	19,226
more than 721 days	-	-	-	-	-	-
	24,334,467	177,684,847	94,073,465	1,039,504	3,154,663	300,286,946



31/12/2024

Amounts in Euro	Market Pulp	UWF Paper	Tissue Paper	Energy	Support	Total
Amounts not due	28,197,445	140,978,332	98,205,591	600,064	5,565,968	273,547,400
1 to 90 days	10,833,565	14,703,039	2,951,668	144,586	1,612,150	30,245,008
91 to 180 days	59,624	-	654,571	-	308,255	1,022,450
181 to 360 days	-	-	194,692	-	20,407	215,099
361 to 540 days	-	-	6,341	-	-	6,341
541 to 720 days	-	-	6,199	-	-	6,199
more than 721 days	-	-	-	-	-	-
	39,090,634	155,681,371	102,019,062	744,650	7,506,780	305,042,497

The table below represents the quality of the Group's credit risk, as at 30 June 2025 and 2024, for financial assets (cash and cash equivalents), based on the highest credit rating assigned by one of the two rating agencies, Standard and Poor's or Fitch):

Financial Institutions		
Amounts in Euro	30/06/2025	31/12/2024
Rating		
AA	-	-
AA-	-	-
A+	83,500,145	179,063,225
A	48,560,138	98,950,633
A-	4,260,768	2,305,027
BBB+	2,984,613	1,315,948
BBB	75,463,980	4,028,844
BBB-	45,553	69,018
BB+	-	-
BB	-	-
BB-	-	-
B+	-	-
B	-	-
B-	-	-
Other	1,189,288	896,171
	216,004,485	286,628,866

Other amounts include bank deposits with banks or entities with no rating, namely local banks in foreign jurisdictions.

The Navigator Group adopts strict policies in approving its financial counterparties, limiting its exposure in accordance with an individual risk analysis and within previously approved limits.

Impairment from trade receivables and other receivables

	Impairment		
	Trade receivables	Other receivables	Total
Amounts in Euro			
Balance as at 1 January 2024	(3,293,670)	(345,488)	(3,639,158)
Changes in the perimeter	(40,111)	-	(40,111)
Increase/Reversal - Impact of IFRS 9 on profit/(loss) for the period	(1,477,280)	-	(1,477,280)
Increase (Note 2.3)	(242,088)	(98,476)	(340,564)
Reversals	3,924,074	181,747	4,105,821
Charge-off	86,270	-	86,270
Transfers	(2,591,399)	-	(2,591,399)
Exchange rate adjustment	(933)	-	(933)
Balance as at 31 December 2024	(3,635,137)	(262,217)	(3,897,354)
Changes in the perimeter			-
Increase/Reversal - Impact of IFRS 9 on profit/(loss) for the period	244,515	-	244,515
Increase (Note 2.3)	(28,141.00)	(1,283.00)	(29,424.00)
Reversals	264,084	108,476	372,560
Charge-off	15,644	31,262	46,906
Exchange rate adjustment	6,457	-	6,457
Balance as at 30 June 2025	(3,132,578)	(123,762)	(3,256,340)

8.2. Derivative financial instruments

Movements in derivative financial instruments

	30/06/2025			31/12/2024		
Amounts in Euro	Trading derivatives	Hedging derivatives	Net total	Trading derivatives	Hedging derivatives	Net total
Balance at the beginning of the period	(1,631,313)	16,342,114	14,710,801	(4,068,868)	17,835,988	13,767,120
Net contracts / settlements	-	(3,312,305)	(3,312,305)	4,967,834	(11,296,062)	(6,328,228)
Change in fair value through profit or loss	2,671,478	3,312,306	5,983,784	(2,530,279)	11,328,732	8,798,453
Change in fair value through other comprehensive income	-	2,081,876	2,081,876	-	(1,526,544)	(1,526,544)
Balance at the end of the period	1,040,165	18,423,991	19,464,156	(1,631,313)	16,342,114	14,710,801

8.2.1. Detail and maturity of derivative financial instruments by nature

						30/06/2025
Amounts in Euro	Notional	Currency	Maturity	Positive (Note 4.2)	Negative (Note 4.3)	Net
Hedging						
Hedging (future sales)	154,768,000	USD	2025	13,349,940	-	13,349,940
Hedging (future sales)	118,800,000	GBP	2025	1,357,290	-	1,357,290
Interest rate swaps - Bonds	475,000,000	EUR	2031	3,338,236	(3,149,661)	188,575
Energy	44,826,561	EUR	2027	3,538,859	(10,673)	3,528,186
				21,584,325	(3,160,334)	18,423,991
Trading						
Foreign exchange forwards (future sales)	40,800,000	USD	2025	1,085,398	-	1,085,398
Foreign exchange forwards (future sales)	11,300,000	GBP	2025	-	(45,232)	(45,232)
				1,085,398	(45,232)	1,040,166
				22,669,723	(3,205,566)	19,464,157
						31/12/2024
Amounts in Euro	Notional	Currency	Maturity	Positive (Note 4.2)	Negative (Note 4.3)	Net
Hedging						
Hedging (future sales)	272,000,000	USD	2025	-	(1,103,142)	(1,103,142)
Hedging (future sales)	130,000,000	GBP	2025	-	(262,405)	(262,405)
Interest rate swaps - Bonds	535,000,000	EUR	2031	8,383,516	(3,314,640)	5,068,876
Energy	24,653,150	EUR	2025	12,638,785	-	12,638,785
				21,022,301	(4,680,187)	16,342,114
Trading						
Foreign exchange forwards (future sales)	60,500,000	USD	2025	-	(1,597,134)	(1,597,134)
Foreign exchange forwards (future sales)	40,900,000	GBP	2025	-	(34,179)	(34,179)
				-	(1,631,313)	(1,631,313)
				21,022,301	(6,311,500)	14,710,801



Cash flow hedge | Exchange rate risk EUR/USD

During the first half of 2025, the Group concluded the Zero Cost Collar contracting of derivative financial instruments begun in the last quarter of 2024, thus guaranteeing full hedging of the estimated exposure of USD 272,000,000 and GBP 210,000,000 for 2025.

Cash flow hedge | Interest rate

During the first quarter of 2025, a swap with a notional amount of Euro 10,000,000 associated with a financing agreement for the 2019-2025 period matured and was settled during that period.

Energy Hedging

In view of the Group's exposure to electricity and natural gas price risk, during the first half of the year, the contracting (which began in the first quarter of 2024) of swaps to fix the corresponding prices for the current year was reinforced, for a volume of approximately 371,299 MWh and 581,064 MWh, respectively. Similarly, the Group has contracted swaps to fix the price of electricity for 2026 and 2027 for volumes of 192,576 MWh and 194,160 MWh, respectively.

8.3. Financial assets and liabilities

The fair value of financial instruments is classified according to the fair value hierarchy of IFRS 13 - Fair Value Measurement:

Level 1 Based on quotes from active net markets at the reporting date.

Level 2 Determined using evaluation models, the main inputs of which are observable in the market.

Level 3 Determined using evaluation models, the main inputs of which are not observable in the market.

The valuation techniques are described in more detail in the Group's Annual Report and Accounts. The instruments recognised at fair value in the tables below are measured at fair value on a recurring basis.



8.3.1. Categories of Group Financial Instruments

The financial instruments included in each caption of the consolidated statement of financial position are classified as follows:

Amounts in Euro	Note	Financial assets at amortised cost	Hedging derivative financial instruments	Trading derivative financial instruments	Non-financial assets	Total
30 June 2025						
Non-current receivables	4.2	4,094,877	-	-	-	4,094,877
Current receivables	4.2	355,911,039	21,584,325	1,085,398	94,060,381	472,641,143
Cash and cash equivalents	5.8	216,004,485	-	-	-	216,004,485
Total Assets		576,010,402	21,584,325	1,085,398	94,060,381	692,740,506
31 December 2024						
Non-current receivables	4.2	13,142,937	-	-	-	13,142,937
Current receivables	4.2	361,625,103	21,022,301	-	114,051,217	496,698,621
Cash and cash equivalents	5.8	286,628,866	-	-	-	286,628,866
Total Assets		661,396,907	21,022,301	-	114,051,217	796,470,425

Amounts in Euro	Note	Financial assets at amortised cost	Hedging derivative financial instruments	Trading derivative financial instruments	Financial liabilities outside the scope of IFRS 9	Total
30 June 2025						
Interest-bearing liabilities	5.6	891,746,269	-	-	-	891,746,269
Lease liabilities	5.7	-	-	-	108,014,084	108,014,084
Payables	4.3	698,829,250	3,160,334	45,232	-	702,034,816
Total Liabilities		1,590,575,519	3,160,334	45,232	108,014,084	1,701,795,169
31 December 2024						
Interest-bearing liabilities	5.6	903,977,752	-	-	-	903,977,752
Lease liabilities	5.7	-	-	-	111,736,900	111,736,900
Payables	4.3	769,419,687	4,680,187	1,631,313	-	775,731,187
Total Liabilities		1,673,397,439	4,680,187	1,631,313	111,736,900	1,791,445,839

8.3.2. Fair value of financial assets and liabilities

Financial assets and liabilities measured at fair value

Amounts in Euro	30/06/2025			31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss						
Trading derivatives (Note 8.2)	-	1,085,398	-	-	-	-
Hedging financial instruments (Note 8.2)	-	21,584,325	-	-	21,022,301	-
Assets measured at fair value						
Biological assets (Note 3.8)	-	-	115,243,984	-	-	115,250,198
Total Assets	-	22,669,723	115,243,984	-	21,022,301	115,250,198
Financial liabilities at fair value through profit or loss						
Trading derivatives (Note 8.2)	-	(45,232)	-	-	(1,631,313)	-
Hedging financial instruments (Note 8.2)	-	(3,160,334)	-	-	(4,680,187)	-
Total Liabilities	-	(3,205,567)	-	-	(6,311,500)	-

Reconciliation of level 3 fair value measurement of financial assets and liabilities

Amounts in Euro	30/06/2025	31/12/2024
Financial assets		
Balance as at 1 January	115,250,198	115,591,979
Gains/ (Losses) recognised in the Income Statement (Note 3.8)	2,149,237	(1,016,252)
Gains/ (Losses) recognised in Other Comprehensive Income	-	-
Exchange rate adjustment	(2,155,451)	674,471
Closing balance	115,243,984	115,250,198

As at 30 June 2024 and 31 December 2023, the Group had no level 1 financial liabilities.



Level 3 financial assets

At the end of the period, Level 3 financial assets relate to the Group's biological assets, for which the valuation method is described in more detail in the Group's Annual Report and Accounts.

The Group considers the discount rate used in Portugal and the forward price of wood as the most significant variables. The discount rate of 4.27% (Note 3.8) used in the valuation model is determined using the weighted average cost of capital method.

9. Provisions, commitments and contingencies

9.1. Provisions

Movements in provisions

Amounts in Euro	Legal proceedings	Other provisions	Total
1 January 2024	7,509,334	20,327,950	27,837,284
Increases	98,853	-	98,853
Reversals	(346,614)	-	(346,614)
Impact in profit or loss for the period	(247,762)	-	(247,762)
Exchange rate adjustment	-	9,040	9,040
Other transfers and adjustments	(44,771)	11,344	(33,427)
30 June 2024	7,216,800	20,348,333	27,565,135
Increases	363,736	169,728	533,464
Reversals	(253,525)	-	(253,525)
Impact in profit or loss for the period	110,212	169,728	279,940
Charge-off	-	15,339	15,339
Exchange rate adjustment	-	(9,040)	(9,040)
Other transfers and adjustments	390,026	129,669	519,695
31 December 2024	7,717,039	20,654,030	28,371,069
Increases	598,625	539,451	1,138,076
Reversals	(254,147)	(4,643,510)	(4,897,657)
Impact in profit or loss for the period	344,478	(4,104,060)	(3,759,582)
Exchange rate adjustment	-	(21,583)	(21,583)
Other transfers and adjustments	453,356	-	453,356
30 June 2025	8,514,873	16,528,388	25,043,260

No repayments of any nature are expected in respect of these provisions.



9.2. Commitments

Guarantees provided to third parties

Amounts in Euro	30/06/2025	31/12/2024
Guarantees provided		
Navigator guarantees for EIB loans	8,333,333	11,666,667
Ocean Network Express	2,751,947	2,751,947
Portuguese Tax Authorities (AT)	8,731,219	9,288,070
<i>Comissão Coordenação Desenvolvimento Regional</i>	677,718	354,083
<i>Agência Portuguesa Ambiente</i>	3,908,912	3,337,887
Simria	338,829	338,829
Other	800,481	1,193,505
	25,542,439	28,930,988

Purchase commitments

Amounts in Euro	30/06/2025	31/12/2024
Purchase commitments		
Property, plant and equipment - Industrial equipment	72,628,928	145,451,837
Energy	103,101,000	103,786,050
Wood		
Commitments to acquisitions in the subsequent period	104,500,000	251,400,000
Commitments to long-term acquisitions	113,600,000	56,900,000
	393,829,928	557,537,887

The Navigator Group's subsidiary Abastecimento de Madeira, ACE, signed a contract with Portline Ocean Bulk, Inc. for the chartering of ships to transport 940,000m³m, initially planned for the period 2022, 2023 and 2024, which was extended to 2025 and 2026 without changing the overall volume to be transported.

In addition, the Group also entered into commitments to purchase energy in the amount of Euro 103,101,000 (Euro 103,786,050 as at 31 December 2024).

Other commitments

The Navigator Group has made a commitment to achieve carbon neutrality by 2035, with an estimated global investment of Euro 340 million, of which Euro 273.5 million have already been invested until 30 June 2025 (31 December 2024: Euro 232.2 million).

9.3. Contingent assets and liabilities

Public debt settlement fund

According to Decree-Law 36/93 of 13 February, the tax debts of privatised companies relating to periods prior to the privatisation date (25 November 2006) are the responsibility of the Public Debt Settlement Fund (FRDP). The Navigator Company submitted an application to the FRDP on 16 April 2008, requesting the payment of the tax debts until then settled by the Tax Authorities. On 13 December 2010, The Navigator Company presented a new application requesting the payment of debts settled by the tax authorities regarding 2006 and 2003. This application was supplemented on 13 October 2011, with the amounts already paid and uncontested regarding these debts, as well as with expenses directly related to them, pursuant to court ruling dated 24 May 2011 (Case 0993A/02), which confirmed the Company's position regarding the enforceability of such expenses.



On 13 December 2017, The Navigator Company, S.A. has made an extra-judicial agreement with the Treasury, in which it was acknowledged the FRDP's responsibility for refunding the amount of Euro 5,725,771 corresponding to the amount of Corporate Income Tax (IRC) unduly paid, resulting from the alleged qualification/incorrect consideration, by the Tax Authorities, of the tax loss calculated as a result of the operations performed by Soporcel, S.A. in 2003, as well as to promote the reimbursement to Navigator of the mentioned amount.

In January 2023, while dismissing the defendants' objections as entirely unfounded, the Court issued a judgement against the Navigator Group and acquitted the defendants of the claim relating to the 2006 aggregate corporate income tax. Following this decision, the Group appealed to the Supreme Administrative Court in February 2023.

On 12 December 2024, Navigator was notified of a ruling that upheld the formal objection raised by the Defendants and acquitted them of the claim relating to the aggregate corporate income tax for 2001 to 2005. Following this decision, on 28 January 2025, the Group filed an appeal with the Central Administrative Court - South.

In this context, FRDP is liable for Euro 21,853,377, detailed as follows:

Amounts in Euro	Period	Amounts requested	Decrease due to RERD	Proceedings decided in favour of the Group	Outstanding amounts
Proceedings confirmed in court					
Corporate income tax	2002	18,923	-	-	18,923
Corporate income tax (FR)	2004	3,324	-	-	3,324
Corporate income tax	2004	766,395	-	(111,544)	654,851
Expenses		314,957	-	(314,957)	-
		1,103,599	-	(426,501)	677,098
Proceedings not confirmed in court					
Corporate income tax	2005	11,754,680	(1,360,294)	-	10,394,386
Corporate income tax	2006	11,890,071	(1,108,178)	-	10,781,893
		23,644,751	(2,468,472)	-	21,176,279
		24,748,350	(2,468,472)	(426,501)	21,853,377

Regarding the aggregate corporate income tax proceedings of 2005 and 2006, if Courts come to a decision in favour of Navigator Group, the Group will withdraw the request made to FRDP.

Public Debt Settlement Fund - Proceeding no. 774/11.3 BEALM

Additionally, a new petition was filed in the Administrative Court of Almada on 11 October 2011, which called for the repayment of various amounts, amounting to Euro 136,243,949. These amounts regard adjustments in the financial statements of the Group after its privatisation that had not been considered in formulating the price of its privatisation as they were not included in the documentation made available for consultation by the bidders.

On 24 May 2014, the Court denied the Navigator Group's proposal to present testimony evidence, alternatively proposing written submissions. On 30 June 2014, the Group appealed against this decision but continuously presented written evidence. The Court subsequently confirmed the Navigator Group's views on this matter, both parts appointed experts and the partial expert report was issued on July 2017, being required either by The Navigator Company, S.A. either by the Ministério das Finanças, the attendance of both designated experts in court hearing, in order to provide oral explanations on the expert report.

Following claims filed by Navigator on 11 September 2017 and 15 January 2019, the experts submitted redrafted Expert Reports on 27 December 2018 and 19 March 2019, respectively.

The trial hearing took place between May and June 2019, with the parties filing closing arguments in September 2019, awaiting the passing of sentence since the case was concluded before the judge on 5 July 2021.



10. Group structure

10.1. Companies included in the consolidation perimeter

10.1.1. Navigator Group subsidiaries

Company	Head Office	Share equity owned (%)				Main activity
		30/06/2025		31/12/2024		
		Direct	Indirect	Total	Total	
Parent company:						
The Navigator Company, S.A.	Portugal	-	-	-	-	Sale of paper and pulp
Subsidiaries:						
Navigator Brands , S.A.	Portugal	100.0	-	100.0	100.0	Acquisition, operation, lease or concession of the use and disposal of trademarks, patents and other industrial or intellectual property
Navigator Parques Industriais, S.A.	Portugal	100.0	-	100.0	100.0	Management of industrial real estate
Navigator Paper Figueira, S.A	Portugal	100.0	-	100.0	100.0	Paper production
Empremédia - Corretores de Seguros, S.A.	Portugal	100.0	-	100.0	100.0	Insurance mediation and advisory services
Empremédia, DAC	Irlanda	100.0	-	100.0	100.0	Management of shareholdings
Empremédia RE, DAC	Irlanda	-	100.0	100.0	100.0	Insurance mediation and advisory services
Raiz - Instituto de Investigação da Floresta e Papel	Portugal	97.0	-	97.0	97.0	Applied research in the field of pulp and paper industry and forestry activity
Enerpulp – Cogeração Energética de Pasta, S.A.	Portugal	100.0	-	100.0	100.0	Energy production
Navigator Pulp Figueira, S.A.	Portugal	100.0	-	100.0	100.0	Production of cellulose pulp and provision of administration, management and internal advisory services
Ema Cacia - Engenharia e Manutenção Industrial, ACE	Portugal	-	73.8	73.8	73.8	Provision of industrial maintenance services
Ema Setúbal - Engenharia e Manutenção Industrial, ACE	Portugal	-	80.0	80.0	80.7	
Ema Figueira da Foz- Engenharia e Manutenção Industrial, ACE	Portugal	-	70.1	70.1	79.7	
Navigator Pulp Setúbal, S.A.	Portugal	100.0	-	100.0	100.0	Cellulose pulp production
Navigator Pulp Aveiro, S.A.	Portugal	100.0	-	100.0	100.0	Cellulose pulp production
Navigator Fiber Solutions , S.A.	Portugal	-	100.0	100.0	100.0	Wholesale and manufacture of packaging and other items made from cellulose pulp, paper and cardboard and related products.
Navigator Tissue Aveiro, S.A.	Portugal	100.0	-	100.0	100.0	Tissue paper production
Navigator Tissue Ródão , S.A.	Portugal	-	100.0	100.0	100.0	Sale of tissue paper
Navigator Tissue Iberica , S.A.	Spain	100.0	100.0	200.0	100.0	
Navigator Tissue Ejea , SL	Spain	100.0	-	100.0	100.0	
Navigator Tissue France ,EURL	France	-	100.0	100.0	100.0	Tissue paper production
Portucel Moçambique - Sociedade de Desenvolvimento Florestal e Industrial, Lda	Mozambique	90.0	-	90.0	90.0	Sale of tissue paper
Navigator Forest Portugal, S.A.	Portugal	100.0	-	100.0	100.0	Forestry production
EucaliptusLand, S.A.	Portugal	-	100.0	100.0	100.0	Forestry production
Gavião - Sociedade de Caça e Turismo, S.A.	Portugal	-	100.0	100.0	100.0	Forestry production
Afoelca - Agrupamento complementar de empresas para protecção contra incêndios, ACE	Portugal	-	64.8	64.8	64.8	Management of hunting resources
Viveiros Aliança - Empresa Produtora de Plantas, S.A.	Portugal	-	100.0	100.0	100.0	Provision of forest fire prevention and fighting services
Greenbloom, A.C.E.	Portugal	-	66.7	66.7	-	Plant production in nurseries
Bosques do Atlantico, SL	Spain	-	100.0	100.0	100.0	Forestry and other forestry activities
Navigator Africa, SRL	Italy	-	100.0	100.0	100.0	Trade in wood and biomass and logging
Navigator Paper Setúbal , S.A.	Portugal	100.0	-	100.0	100.0	Trade in wood and biomass and logging
Navigator North America Inc.	USA	-	100.0	100.0	100.0	Paper and energy production
Navigator Afrique du Nord	Morocco	-	100.0	100.0	100.0	Sale of paper
Navigator Espanha, S.A.	Spain	-	100.0	100.0	100.0	Provision of sales intermediation services
Navigator Netherlands, BV	The Netherlands	-	100.0	100.0	100.0	
Navigator France, EURL	France	-	100.0	100.0	100.0	
Navigator Paper Company UK, Ltd	United Kingdom	-	100.0	100.0	100.0	Holding company
Navigator Holding Tissue UK, Ltd (formerly Accrol Group Holdings plc)	United Kingdom	-	100.0	100.0	100.0	
Navigator Corporate UK, Ltd (formerly Accrol UK, Ltd)	United Kingdom	-	100.0	100.0	100.0	
Accrol Holdings, ltd	United Kingdom	-	100.0	100.0	100.0	Holding company
Navigator Tissue UK, Ltd (formerly Accrol Papers, ltd)	United Kingdom	-	100.0	100.0	100.0	Holding company
LTC Parent Ltd	United Kingdom	-	100.0	100.0	100.0	Tissue paper conversion
Leicester Tissue Company Ltd	United Kingdom	-	100.0	100.0	100.0	Holding company
Art Tissue Ltd	United Kingdom	-	-	-	100.0	Tissue paper conversion
John Dale (Holdings) Ltd	United Kingdom	-	100.0	100.0	100.0	Sale of tissue paper
John Dale, Ltd	United Kingdom	-	100.0	100.0	100.0	Holding company
Severn Delta, Ltd	United Kingdom	-	100.0	100.0	100.0	Tissue paper production
Navigator Italia, SRL	Italy	-	100.0	100.0	100.0	Tissue paper production
Navigator Deutschland, GmbH	Germany	-	100.0	100.0	100.0	Provision of sales intermediation services
Navigator Paper Austria, GmbH	Austria	-	100.0	100.0	100.0	
Navigator Paper Poland SP Z o o	Poland	-	100.0	100.0	100.0	
Navigator Eurasia	Turkey	-	100.0	100.0	100.0	Provision of sales intermediation services
Navigator Paper Mexico	Mexico	25.0	75.0	100.0	100.0	
Navigator Middle East Trading DMCC	Dubai	-	100.0	100.0	100.0	
Navigator Egypt, ELLC	Egypt	1.0	99.0	100.0	100.0	Production of sustainable fuels
Navigator Paper Southern Africa	South Africa	1.0	99.0	100.0	100.0	
Portucel Nigeria Limited	Nigeria	1.0	99.0	100.0	100.0	
Navigator Green Fuels Setúbal, S.A.	Portugal	100.0	-	100.0	100.0	Production of sustainable fuels
Navigator Green Fuels Figueira da Foz, S.A.	Portugal	100.0	-	100.0	100.0	Production of sustainable fuels
Navigator Abastecimento de Madeira, ACE	Portugal	97.0	3.0	100.0	100.0	Sale of timber
The Navigator Company S.A. – Sucursal en España	Spain	100.0	-	100.0	-	Sale of tissue paper



10.1.2. Incorporated joint operations

		Share equity owned (%)				
		30/06/2025		31/12/2024		
Company	Head Office	Direct	Indirect	Total	Total	Main activity
Pulpchem Logistics, A.C.E.	Portugal	50.0	-	50.0	50.0	Purchases of materials, subsidiary materials and services used in the pulp and paper production processes

10.2. Changes in the consolidation perimeter

During the period ended 30 June 2025, the consolidation perimeter underwent the following changes:

2025

- Liquidation of Art Tissue Ltd
- Incorporation of Navigator Company S.A. – Sucursal en España
- Incorporation of Greenbloom, A.C.E.

10.3. Transactions with related parties

Balances with related parties

Amounts in Euro	30/06/2025		31/12/2024	
	Receivables (Note 4.2)	Payables (Note 4.3)	Receivables (Note 4.2)	Payables (Note 4.3)
Shareholders (Note 5.2)				
Semapa - Soc. de Investimento e Gestão, SGPS, S.A.	-	1,348,886	-	1,155,456
Other subsidiaries of Semapa Group				
Secil - Companhia Geral Cal e Cimento, S.A.	-	6,606	-	18,970
Secil Britas, S.A.	-	70,604	-	84,277
Secil Betão, S.A.	-	472,193	-	237,150
Other related parties				
Hotel Ritz, S.A.	-	3,515	-	844
	-	1,901,804	-	1,496,697

Transactions of the period with related parties

Amounts in Euro	30/06/2025		30/06/2024	
	Purchase of goods and services	Sales and services rendered	Purchase of goods and services	Sales and services rendered
Shareholders (Note 5.2)				
Semapa - Soc. de Investimento e Gestão, SGPS, S.A.	7,000,857	-	5,756,274	42
	7,000,857	-	5,756,274	42
Other subsidiaries of Semapa Group				
Secil - Companhia Geral Cal e Cimento, S.A.	-	-	75,955	-
Secil Britas, S.A.	11,159	-	55,143	-
Secil Betão, S.A.	788,546	-	427,343	-
	799,705	-	558,441	-
Other related parties				
Hotel Ritz, S.A.	6,098	-	7,352	-
	6,098	-	7,352	-
	7,806,660	-	6,322,068	42



On 1 February 2013, a contract to render administrative and management services was signed between Semapa – Sociedade de Investimentos e Gestão, SGPS, S.A. (currently owner of 70.03% of the Group's share capital) and Navigator Group, establishing a remuneration system based in equal criteria for both parties in the continuous cooperation and assistance relationships, that meets the rules applicable to commercial relationships between Group companies.

The operations performed with the Secil Group arise from normal market operations.

In the identification of related parties for the purpose of financial reporting, the members of the Board of Directors and other Corporate Bodies were considered as related parties.

11. Note added for translation

The accompanying financial statements are a translation of financial statements originally issued in Portuguese. In the event of any discrepancies the Portuguese version prevails.



BOARD OF DIRECTORS

Ricardo Miguel dos Santos Pacheco Pires
Chairman of the Board of Directors

António José Pereira Redondo
Chairman of the Executive Board

José Fernando Morais Carreira de Araújo
Executive Board Member

Nuno Miguel Moreira de Araújo Santos
Executive Board Member

João Paulo Cabete Gonçalves Lé
Executive Board Member

Dorival Martins de Almeida
Executive Board Member

António Quirino Vaz Duarte Soares
Executive Board Member

Ana Teresa Cunha de Pinto Tavares Lehmann
Board Member

Hugo Alexandre Lopes Pinto
Board Member

Maria Isabel da Silva Marques Abranches Viegas
Board Member

Maria Teresa Aliu Presas
Member

Mariana Rita Antunes Marques dos Santos
Member

Vítor Paulo Paranhos Ferreira
Board Member



The Navigator Company, S.A.

Share Capital
500 000 000 Eur

Corporate Entity
503 025 798
Registered at the Commercial
Register of Setúbal

Headquarters
Península de Mitrena. Freguesia
do Sado, Setúbal



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LIMITED REVIEW REPORT ON INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(This report is a free translation to English from the original Portuguese version. In case of doubt or misinterpretation the Portuguese version will prevail.)

Introduction

We have performed a limited review of the accompanying interim condensed consolidated financial statements of **The Navigator Company, S.A. (the Group)**, which comprise the interim condensed consolidated statement of financial position as of 30 June 2025 (that presents a total of Euro 3,273,104,965 and total equity attributable to the shareholders of Euro 1,359,657,995, including a consolidated net profit attributable to shareholders of Euro 85,229,477), the interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six month period then ended, and notes to these interim condensed consolidated financial statements.

Management's responsibilities

Management is responsible for the preparation of this interim condensed consolidated financial statements in accordance with IAS 34 – Interim Financial Reporting as adopted by the European Union, and for the implementation and maintenance of an appropriate internal control system to enable the preparation of interim condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibilities

Our responsibility is to express a conclusion on the accompanying interim condensed consolidated financial statements. Our work was performed in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Group" and further technical and ethical standards and guidelines issued by the Portuguese Institute of Statutory Auditors ("Ordem dos Revisores Oficiais de Contas"). These standards require that we conduct the review in order to conclude whether anything has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared in all material respects in accordance with the IAS 34 – Interim Financial Reporting as adopted by the European Union.

A limited review of interim condensed consolidated financial statements is a limited assurance engagement. The procedures that we have performed consist mainly of making inquiries and applying analytical procedures and subsequent assessment of the evidence obtained. The procedures performed in a limited review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (ISA). Accordingly, we do not express an audit opinion on these interim condensed consolidated financial statements.



Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements of **The Navigator Company, S.A.** on 30 June 2025, are not prepared, in all material respects, in accordance with the IAS 34 – Interim Financial Reporting as adopted by the European Union.

29 September 2025

SIGNED ON THE ORIGINAL

KPMG & Associados

Sociedade de Revisores Oficiais de Contas, S.A.

(nr. 189 and registered at CMVM with the nr. 20161489)

represented by

Rui Filipe Dias Lopes

(ROC nr. 1715 and registered at CMVM with the nr. 20161325)