



VALUING IS WHO WE ARE

2023

FIRST HALF
INTERIM RESULTS



2 / 4

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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1. PERFORMANCE IN 1ST HALF 2023

In 2022, paper had been in abnormally short supply in Europe, especially in the first half of the year, resulting in a consequently abnormal level of orders. The normalization of market conditions experienced in 2022 strongly conditioned the sector in the first half of 2023, with the slow process of reducing accumulated stocks along the supply chain continuing throughout the previous year. This imbalance significantly affected demand in all paper segments, with the exception of the tissue segment. Conditioned by the current economic slowdown, the destocking process is taking longer than anticipated.

Thanks to the continued focus by Navigator's teams on operational efficiency and controlling costs, combined with international paper and tissue prices which are still at historically high levels, despite a downwards correction after peaking in 2022, we succeeded in ending the first half of 2023 with the second-best result in our history.

The pro-active stance taken by the company and its teams is especially important at a time when, as well as managing its operations in hostile market conditions, Navigator has pressed ahead confidently with its plans for investment in growth and diversification.

2nd Quarter Analysis (vs Q1 2023 and vs Q2 2022)

- Navigator recorded turnover of € 478 million (down 5% from Q1 2023; down 26% from Q2 2022);
- EBITDA stood at € 122 million (down 6% from Q1; down 45% from Q2 2022), reflected in an EBITDA margin of 25.6% (down 0.5 pp on the previous quarter; down 8.7 pp from Q2 2022);
- Net income stood at € 66 million (down 8% from Q1; down 41% from Q2 2022);
- Pulp sales totalled 124 thousand tons (up 35% on Q1; up 72% on Q2 2022. Decreased incorporation into paper resulted in more pulp being available for sale, which was quickly absorbed thanks to its distinctive properties, highly valued by the market. Excellent performance was again achieved in production, with the Aveiro and Figueira da Foz complexes once more recording high levels of output;
- Paper sales totalled 260 thousand tons (down 5% on Q1; down 36% from Q2 2022), in a quarter when the destocking process throughout the supply chain continued to be felt, as well as a slight downturn in demand due to the significant economic slowdown in most of the markets in which we operate;
- Sales of Tissue stood at 37 thousand tons (up 57% on Q1; up 50% on Q2 2022), driven by growth in demand for finished products and by the new capacity added by Navigator Ejea;
- The exploration of opportunities in the packaging segment continues to evolve, despite the currently adverse situation in the market; the gKRAFT™ brand continues to enjoy market recognition, with more than 230 active clients, in 30 countries, since starting up in 2021. But gKRAFT™ has won recognition not just in the marketplace. In the second quarter, the gKRAFT™ brand was awarded the National Innovation Prize and the Mobilising Agenda 'From Fossil to Forest', led by Navigator, was selected by Deloitte Portugal for its Transformation Award, distinguishing transformation, and innovation projects with an impact on markets. The award recognises the importance of the project in creating disruptive products and cellulose-based packaging as a response to the challenges posed by growing consumption of single use plastics.

Analysis 1st Half 2023 vs. 1st Half 2022

- Navigator recorded turnover of € 980 million (down 14% on H1 2022);



- EBITDA stood at € 253 million (down 27% from H1 2022), with an EBITDA margin of 25.8% (down 4.4 pp from H1 2022);
- Net income totalled € 137 million (down 15% from H1 2022);
- Net debt stood at € 573 million, reflecting the acquisition of Gomà-Camps Consumer in Q1, the distribution of € 200 million in dividends in Q2 and corporation tax (IRC) paid in May; the Net Debt / EBITDA ratio was 0.89x;
- Attention is drawn to our Health and Safety Strategy, which achieved its best ever six-monthly safety result since monitoring began, as regards the number of accidents leading to sick leave, and also in terms of the severity of those accidents.

2. MAIN INDICATORS

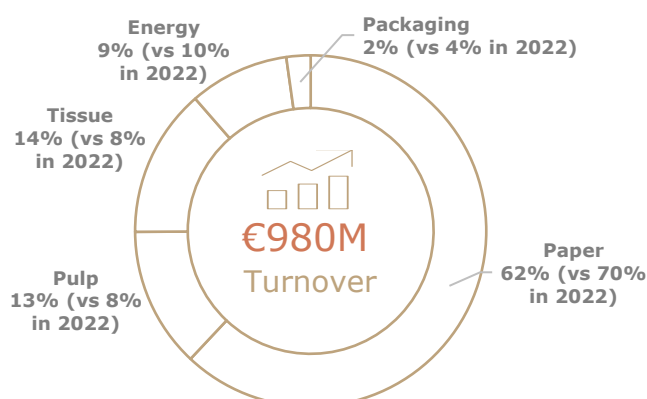
Million euros	H1 2023	H1 2022	Change ⁽⁸⁾ H1 23/ H1 22	
Total Sales	979.5	1 142.1	-14.2%	
EBITDA ⁽¹⁾	253.0	344.6	-26.6%	
Operating Profits (EBIT)	187.6	272.9	-31.3%	
Financial Results	-8.5	-45.1	-81.2%	
Net Earnings	137.4	161.9	-15.1%	
Cash Flow	202.8	233.5	- 30.7	
Free Cash Flow ⁽²⁾	9.7	174.2	- 164.5	
Capex	112.6	34.3	78.3	
Net Debt ⁽³⁾	572.5	520.6	51.9	
EBITDA/Sales	25.8%	30.2%	-4.4 pp	
ROCE ⁽⁴⁾	22.0%	32.1%	-10.1 pp	
ROE ⁽⁵⁾	22.4%	28.3%	-5.9 pp	
Equity Ratio	43.4%	44.2%	-0.8 pp	
Net Debt/EBITDA ⁽⁶⁾⁽⁷⁾	0.89	0.95	-0.06	

Million euros	Q2 2023	Q1 2023	Change ⁽⁸⁾ Q2 23/Q1 23	Q2 2022	Change ⁽⁸⁾ Q2 23/ Q2 22
Total sales	478,3	501,2	-4,6%	649,8	-26,4%
EBITDA ⁽¹⁾	122,3	130,7	-6,4%	223,0	-45,2%
Operating profits	88,4	99,2	-10,9%	183,6	-51,8%
Financial results	- 5,8	- 2,7	117,0%	- 40,4	-85,6%
Net earnings	65,7	71,7	-8,4%	111,3	-41,0%
Cash flow	99,7	103,1	- 3,5	150,7	- 51,1
Free Cash Flow ⁽²⁾	- 21,1	30,8	- 51,9	97,3	- 118,4
Capex	70,9	41,7	29,2	19,6	51,3
Net Debt ⁽³⁾	572,5	351,4	221,1	520,6	51,9
EBITDA/Sales (%)	25,6%	26,1%	-0,5 pp	34,3%	-8,7 pp
ROCE ⁽⁴⁾	20,8%	23,8%	-3,1 pp	43,2%	-22,4 pp
ROE ⁽⁵⁾	21,4%	22,1%	-0,6 pp	39,0%	-17,6 pp
Equity ratio	43,4%	44,4%	-1,0 pp	44,2%	-0,8 pp
Net Debt/EBITDA ⁽⁶⁾⁽⁷⁾	0,89	0,47	0,42	0,95	-0,06

1. Operating profits + depreciation + provisions;
2. Variation net debt + dividends + purchase of own shares
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 (2023) of 0.99; Net Debt / EBITDA (2022) of 1.44;
8. Variation in figures not rounded up/down



3. ANALYSIS OF RESULTS



Continued success in reducing cash costs approaching those recorded in the 2nd quarter of 2022, which, combined with international paper and tissue prices that are still at historically high levels, despite a downwards correction after peaking in 2022, allowed to achieve good results.

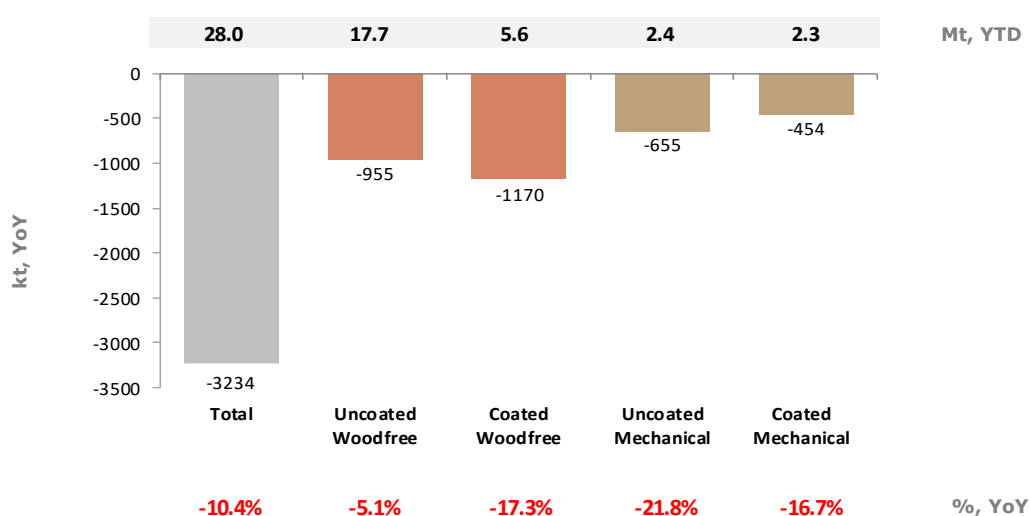
The printing and writing papers industry

Throughout the 1st half of 2023, we see a continuation of the reduction in accumulated stocks across the supply chain that started during the 2nd half of 2022, albeit at a slower pace than expected.

Particularly in Europe, the first quarter saw a historically low level of orders, which continued throughout the second quarter.

As a result, capacity utilization rates in the industry (output/capacity) have fallen sharply, and Navigator has also adjusted the pace of production, although it maintained an average operation rate of 75% for the first half, as compared with 67% average of our competitors.

Global demand for printing and writing papers





Source: PPPC (May)

In a global context of sharply falling apparent demand (down 10%), UWF paper remains the most resilient, with a reduction of 5%, as compared to CWF papers, for which demand dropped by 17%. Demand for paper produced from mechanical pulp also tumbled by 19%.

Specifically in Europe, apparent demand for UWF paper fell by 20% in the first half, but it was still the most resilient paper grade.

In the United States the reduction was 10%, with demand falling fastest for folio formats and reels for the printing industry (down 13%) and cut-size demand dropping just 7%. (RISI June)

Apparent UWF consumption in other world regions decreased by 1.9% YoY.

The benchmark index for office paper in Europe stood at 1,204 €/t at the end of June (vs 1,302 €/t at the end of March), 11% down from the all-time high recorded in late October 2022 (1,358 €/t), but still 15% higher than the average price in the same period in 2022.

UWF prices have proved highly resilient in comparison with Packaging prices, with the benchmark index for kraftliner papers standing at 702€/t at the end of June, 27% down from the historic record set in June 2022 and 23% below the average price in the same period in 2023; the same comparison can be made with Testliner papers, which stood at 518€/t at the end of June, down from the record level recorded in June 2022 (802€/t) and 30% down on the average price in H1 2022.

Navigator's sales of UWF totalled 533 thousand tons in the first half, down by 27% on the same period in 2022, in a context where stocks throughout the supply chain have yet to return to normal levels. Nonetheless, Navigator succeeded in maintaining a level of prices and a focus on mill brands and premium segments that enabled it to partially offset the reduction in volumes, with the value of sales down by 23% on H1 2022. It should be noted that mill brands accounted for 81% of sales in the period (vs. an average of 65% in the period 2012-2021). The proportion of premium products, whilst lower than in the same period in the previous year, is still high, 58%, in comparison with historic levels.

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

The Packaging segment is where the downturn in demand was felt most rapidly, but although the wider economic climate remains unfavourable, the Packaging segment has continued to show signs of promise.

Our gKRAFT™ products, made from eucalyptus globulus fibre, have established a reputation for quality and been used by high profile brands in variety of sectors, ranging from fashion to food retail, e-commerce, manufacturing and agriculture, creating an ever larger and more diverse base of clients interested in joining the global movement for deplastifying the world economy.

This success is confirmed by growth in the client base, which today boasts more than 230 active clients, in 30 countries, since starting up in 2021. And gKRAFT™ has won recognition not only in the marketplace: Navigator's work in the field of sustainable packaging solutions was rewarded in June this year by winning the National Innovation Prize. In addition, the Mobilising Agenda entitled "From Fossil to Forest - Sustainable Packaging Products to Substitute Fossil Plastic", led by Navigator, was selected by Deloitte for its Transformation Award, distinguishing transformation and innovation projects with an impact on markets. The award recognises the importance of the project in creating disruptive products and cellulose-based packaging as a response to the challenges posed by growing consumption of single use plastics.



Navigator therefore remains committed to packaging papers, essentially in the paper bags (retail) and flexible packaging markets, where its innovative introduction of the quality offered by eucalyptus fibre has proved enormously popular.

As well as other projects in progress to expand its market offering, Navigator has been working since early 2023 on developing new product ranges, aimed at the food industry, and also at a variety of consumer products. These are currently being trialed and launched on the market and will soon open the door to other segments with potential for high added value.

The project for integrated production of eucalyptus-based molded cellulose components, designed to substitute plastic packaging in the food service and food packaging market, continues to progress as planned, with contracts awarded for 70% of the equipment during the first half. The project is now 55% completed, and production is still planned to start up in the 1st half of 2024.

Pulp Market

The benchmark index for short fibre (hardwood) pulp in Europe – PIX BHKP in dollars – rose to record levels in 2022 (1,380 USD/t), and started to adjust downwards in the 1st quarter, falling more sharply in the 2nd quarter to 942 USD/t at the end of June, representing a drop of 32% from the start of the year (1,380 USD/t) and of 26% from the end of March. Average prices in the quarter were 15% lower than those in the same period in 2022.

The benchmark index in China for hardwood pulp fell by 29% from the end of March and by 42% from its record level in October 2022 (866 USD/t), standing at the end of June at 506 USD/t (having dropped to 475 USD/t on 9 May).

The first half of 2023 was marked by falling pulp prices, down from the all-time highs of 2022. This was driven by: (i) the drop in global demand in relation to the same period in 2022 (Ytd May: bleached chemical pulp (BCP) down 3.0%, hardwood pulp (HW) down 1.5%, eucalyptus pulp (EUCA) down 3.8%, in particular, in Europe (YtD May BCP down 16.7%, HW down 17.6%, EUCA down 16.3%); (ii) the increase in stocks along the supply chain in late 2022 and early 2023; (iii) the easing of the logistical constraints experienced in 2022; and (iv) growth in supply, due to new capacity coming online, in particular Chile, where a venture started up in December last year and has continued to be ramped up in 2023 (1.6Mt) and in Uruguay (2.1Mt), where the new unit started up and made its first deliveries in the 2nd quarter of 2023.

Over the course of the first half, Navigator had a larger quantity of pulp available for sale, as a result of less being incorporated into paper. Sales for the period stood at 216 tons, representing an increase of 44% over the same period in 2022, whilst the value of sales was brought down by the current level of prices, consequently showing growth of approximately 17% YoY.

Tissue business continues to perform strongly

Demand for finished products remained strong, with sustained growth in the 2nd quarter of 2023, making for good performance in tissue sales.

This demand for Navigator products is driven by growth in the Iberian market (Spain grew by 1% in the first 4 months of 2023), despite the contraction experienced in Western Europe (-1%).

The volume of tissue sales stood at 61 thousand tons in the first half, up by 20% YoY, and rising prices led to growth of approximately 50% in the sales volume. This increase benefited from the integration of the new tissue mill, now called Navigator Tissue Ejea, in the second quarter, bringing the company a diversified



client base and platform for growing sales not only in the Iberian Peninsula, but also beyond the Pyrenees. Growth in demand for finished products stood overall at 3%, not considering the new capacity.

Growth in the value of sales of finished products was achieved above all through the At Home channel, thanks to new clients and a stronger position in the pre-existing client base, and through increased exports, above all to France and Spain.

Navigator has maintained a responsible pricing policy, continuing to adopt prudent management of its variable and fixed costs, with balanced margins and a consistent focus on innovation and distinctive features, which has succeeded in making its products attractive and building their market reputation. The focus on innovation and distinctive products has enabled Navigator to strengthen its relationship with customers, especially when using mill brands, which in the 1st half of 2023 achieved growth of 26% in sales volume and 5% in the number of active clients, as compared to the same period in 2022.

The company has decided to innovate in how it manages its dealings with the distribution channel. In the 1st half it expanded its online sales platform to include its Tissue business, and this service has been taken up by more than 25% of clients, representing 12% of Tissue sales over the period.

Energy

In the first half of 2023, sales in the energy segment totalled € 90.1 million, representing a reduction of approximately 31% in relation to the same period in the previous year.

The downturn in earnings was due essentially to: (i) the average price for the Portuguese area of the Iberian electricity market (OMIE) having stood at 90.4 €/MWh in the first half of the year, in contrast to the figure of 205.8 €/MWh in the same period in 2022; and (ii) the fact that the combined cycle natural gas power station in Setúbal has been operating since February with only one generator set, when last year it operated with two sets, given that evolution of the price differential (electricity and natural gas) means that operating the second set is not economically viable.

These lower figures for power sales are matched, on the other hand, by lower acquisition costs for electrical power for the purchase volume indexed to OMIE.

Slowdown in costs and higher prices offset falling demand, resulting in EBITDA of € 253 million

In the 1st quarter of the year there was a reduction in variable costs, namely logistics, energy and some raw materials, that became more evident during the 2nd quarter, which, together with the effort to maintain prices and enrich the product mix, partially offset the reduction in paper sales volumes.

The evolution of costs in the 2nd quarter compared to the 1st quarter was quite significant, with costs in the pulp and paper segment correcting 9% to 12% compared to the previous quarter and Tissue reducing 3%.

Thus, we closed the 1st half of 2023 with a sharp drop in cash costs in all segments, an average reduction of around 8% in the pulp and paper segments and close to 5% in the Tissue segment, compared to those recorded in the last half of 2022.

Total fixed costs ended up 1% above the fixed costs of the same period last year, well below the evolution of inflation.

In this context, Navigator achieved EBITDA of € 253 million in the first half and an EBITDA / Sales margin of 25.8% (down 4.4 p.p. YoY).



Financial Results

Financial results stood at € -8.5 million (vs. € -45.1 million YoY). It should be noted that in the same period of the previous year financial results were penalized by non-recurring impacts (non-cash), resulting essentially from the recognition in results of unfavorable exchange differences (€ -34 million).

If non-recurrent items are excluded, we can point to an improvement YoY of € 2.5 million. One contributing factor to this result was the rise in interest rates which enabled us to optimise management of cash surpluses, resulting in a positive result of € 2.6 million. Another factor was the policy on hedging interest rate risk which, despite the rapid rise in reference rates, enabled us to keep financing costs stable.

Pre-tax profits totalled € 179 million and corporation tax payable stood at € 42 million, with a taxation rate for the period of 23.3%. Net income totalled € 137 million, as compared with € 162 million recorded in the same period in 2022.

Free cash flow generation impacted by acquisition operation and by payment of taxes

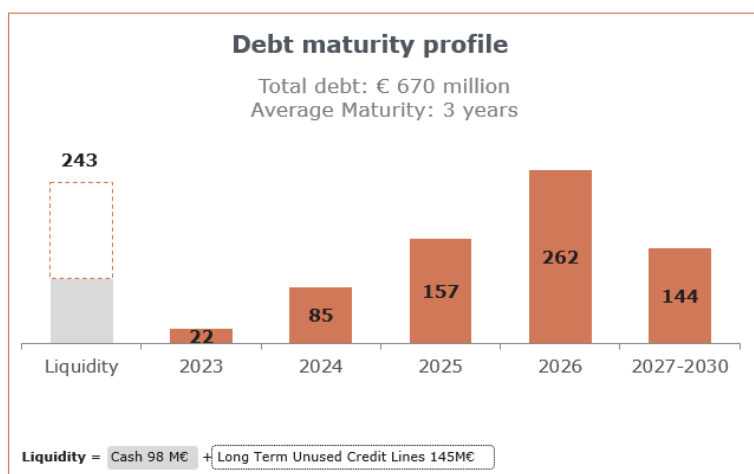
Free cash flow generation in the first half stood at approximately € 10 million (compared to approx. € 174 million in H1 2022), reflecting the impact of the disbursement for acquisition of Gomà-Camps Consumer (€ 85 million), the additional payment of € 74 million in corporation tax (IRC), reflecting the exceptional level of profits in the previous year, and completion of the process of paying employee bonuses, in the largest ever pay-out for performance and productivity in our company's history. These payments are closely related to the excellent performance the company achieved in 2022.

The impact of changes in working capital was favourable overall: the higher value of stocks was more than offset by the reduction in the balance of customer accounts receivable.

Distribution of € 200 million in dividends – Flat rate borrowing ensures competitive cost

Net debt stands at € 573 million, reflecting the disbursement for acquisition of Gomà-Camps Consumer in the first quarter and the distribution of € 200 million in dividends in the second quarter. As a result, the ratio of Net Debt/EBITDA ratio stood at 0.89, further consolidating the financial strength displayed by the Group in recent years.

In the 1st quarter, debt of approximately € 50 million was repaid, followed in the 2nd quarter by repayment of approximately € 11 million. Average debt maturity remains appropriate, with rationally staggered repayments, and close to 40% of total debt tied to sustainability and 94% of total debt issued by the Group on a flat rate basis, enabling us to maintain low financing costs in a scenario of sharply rising interest rates. Unused long term credit facilities currently total € 145 million.



Average Interest Rate (Jun-23)
1.9%

Interest Rate

Fixed	Floating
94%	6%

Capex of € 113 million

In the 1st half of 2023, capital expenditure totalled € 113 million (compared to € 34 million in H1 2022).

Capital expenditure in the first half consisted mostly of projects aimed at maintaining production capacity, modernising plant and achieving efficiency gains, as well as structural and safety projects. The most significant projects included the new Recovery Boiler in Setúbal, the new Wood Yard in Figueira, investment in treating waste water (WWTP in Setúbal), washing and sieving of HYKEP pulp and treatment of fly-ash from the Recovery Boiler in Aveiro.

4. A BIOINDUSTRY ON THE RIGHT SIDE OF THE FUTURE

Navigator draws its motivation from a corporate purpose that involves sharing value with society and a commitment to generating a positive impact on people and the planet through its business.

It accordingly pays keen attention to the global situation and its implications, seeking to consolidate its strategy and its ability to steer its operations, successfully and sustainably, through an uncertain future, building partnerships with various stakeholder groups and seeking to cooperate with organisations that share its values, creating a positive impact on Society, the Climate and Nature.

The initiatives and projects undertaken in the quarter include the Forestry Producers Club, a pioneering and unique scheme for strengthening relations with its partners and making an important contribution to a significant increase in Portugal's forestry yields and wood output, by disseminating sustainable and active management practices in the country's woodlands.

This Navigator initiative reflects the Company's determination to defend the countryside and forestry operators, and will also help to diminish the risk of fire (the burned areas in managed eucalyptus forests is four times less than for scrubland and uncultivated land) and to bring down the related CO2 emissions, as well as to increase the amount of carbon sequestered, generate more ecosystem services and distribute more wealth around the country.

Members of Navigator's Forestry Producers Club will have access to a distinctive scheme offering exclusive benefits:



- Co-investment programmes to promote forestry;
- Unique sources of expertise on all forestry practices, leveraged by the RAIZ R&D Centre;
- Sustainable production costs for all participants;
- Support for modernisation and training of human resources;
- Exclusive benefits that rewards members' commitment to Navigator.

We seek on a daily basis to provide proactive support for new development models, that combine economic prosperity, on an inclusive basis across the community, with lasting environmental values; We nurture our People and Communities, helping them to grow.

In this first half we also highlight:

1. Environmental

62% of the total capex investment, approximately € 69 million classified as environmental or sustainability investment.

2. Social / People

Concluded the process of distributing to employees what amounted to the largest pay-out for performance and productivity in the history of our company - € 34 million;

The percentage of women working in NVG increased to 19% in the first half (vs 17% by the end of 2022);

Reinforced initiatives in universities (26 initiatives in the 1st half vs 41 by the end of 2022), increased the number of short-term trainees in the 1st half (73) and 47 summer internships are planned for 2023 (vs 105 and 35 respectively in the year of 2022);

Increased leadership programs with 56 managers involved in the 1^o half (vs 49 in the year of 2022) and new Coaching & Mentoring, with 55 involved in this 1st half (vs 74 in the year of 2022);

Attention is also drawn to progress in our Health and Safety Strategy, which achieved its best ever six-monthly safety result, since monitoring began, as regards the number of accidents leading to sick leave, and also in terms of the severity of those accidents. Frequency Index decreased by half and the Severity Index decreased more than 64%.

3. Governance / Business Innovation and transformation

This quarter, the gKRAFT™ packaging papers range was awarded the National Innovation Prize, in the category for "Innovation in Large Companies". The prizes are organised by *Jornal de Negócios*, BPI and Claranet, in partnership with Nova SBE and Cotec Portugal, and seek to encourage a culture of innovation and to reward the best talents and enterprising ventures, thereby promoting the success of Portuguese businesses. The award for gKRAFT™ underlines the importance of *Eucalyptus globulus* as a key element in innovation and the creation of disruptive products that open the way to a new paradigm of sustainable solutions obtained from Portugal's forests.

Also this quarter, the From Fossil to Forest Agenda was the winner of the Transformation Award in the category for transformation and innovation projects with market impact. The award recognises the importance of the project in creating disruptive products and cellulose-based packaging as a response to the challenges posed by growing consumption of single use plastics.

The Mobilising Agenda entitled "From Fossil to Forest - Sustainable Packaging Solutions for Substituting Fossil Plastic", led by Navigator, is one of our most ambitious investments in the field of the forest-based bioeconomy, involving the design, production and marketing of innovative packaging, based on raw material sourced from planted eucalyptus forests with certified management.



With total investment of 103 million euros, the From Fossil to Forest Agenda, involving a consortium of 27 organisations, is an opportunity to establish a true forest-based circular economy: it will involve the development of 11 new innovative and sustainably based products, creation of more than 100 direct jobs and annual turnover in excess of 120 million euros.

External recognition of our commitment to sustainability



5. OUTLOOK

The current geopolitical situation, with the continued war in Ukraine, and the macroeconomic environment, as the world's main economies enter a downturn, continue to overshadow developments in the market, which will require constant adaptation to change.

Worldwide, but especially in Europe, temporary or definitive capacity reductions have been announced in the paper sector, following on from strategic decisions, prompted by the squeeze on operational returns, caused by the continued high level of variable costs.

Expectations so far point to Europe losing almost 3.1 Mt of P&W production capacity by 2026 (baseline 20223). Of this 3.1Mt, 1.4Mt relates to machines coming out of the market, whilst the remaining production capacity will be converted, mostly to packaging grades. In the rest of the world, albeit on a smaller scale, capacity of approximately 1.4Mt will be taken off the market by 2029, of which 866kt of this will be conversions to packaging grades (essentially for the cardboard box segment – containerboard) and fluff pulp (a minority).

The margins of paper manufacturers - mainly non-integrated operators - remain under pressure from variable production costs, which are still at a general level higher than that observed before the pandemic. Nonetheless, these costs have evolved positively, especially for energy and logistics, and Navigator is pressing ahead and stepping up programmes to improve efficiency and control its fixed and variable costs, in order to stay competitive.

Despite persisting inflationary pressure, falling pulp prices in China and Europe, could increase the downward pressure on prices in Europe, which the industry has succeeded in keeping at high levels.

At the same time, the gradual normalisation of stock levels along the supply chain could help to moderate this negative pressure. The effect of restocking along the supply chain is expected to lead to a moderate increase in new orders in the 2nd half, particularly from September onwards.

The rapid response and preparedness of Navigator's teams, with responsible management and planning of production, and successfully implemented commercial strategies, combined with rigorous programmes for



production efficiency and cost control, the company's sound financial position and the growing importance of new business areas - all these are factors bringing resilience and added security in these uncertain times.

Lisbon, 21 July 2023

Conference Call and Webcast for Analysts and Investors

Date: Tuesday, July 25th 2023

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

Link to the Conference Call webcast:

<https://streamstudio.world-television.com/1076-1695-36494/en>

Link for advance registration for telephone access to Conference Call:

<https://aiti.capitalaudiohub.com/navigator/reg.html>



5. FINANCIAL STATEMENTS

The Navigator Company, S.A.
Consolidated Income Statement
on June 30th 2023 and 2022

Amounts in Euro	6 months 30-06-2023	6 months 30-06-2022
Revenue	979 470 806	1 142 066 869
Other operating income	31 914 734	23 330 032
Changes in the fair value of biological assets	(2 896 818)	(7 621 133)
Costs of goods sold and materials consumed	(468 418 834)	(443 207 487)
Variation in production	27 385 572	53 741 697
External services and supplies	(195 479 511)	(294 057 732)
Payroll costs	(89 190 649)	(92 554 995)
Other operating expenses	(29 784 974)	(37 118 080)
Net provisions	(1 289 652)	3 150 614
Depreciation, amortisation and impairment losses in non-financial assets	(64 066 447)	(74 780 473)
Operating results	187 644 226	272 949 312
Financial income	3 833 119	437 871
Financial expenses	(12 318 471)	(45 496 661)
Net financial results	(8 485 352)	(45 058 790)
Gains/(losses) of associates and joint ventures	-	-
Profit before tax	179 158 874	227 890 522
Income tax	(41 691 349)	(66 009 875)
Net profit for the period	137 467 526	161 880 647
Attributable to Navigator Company's Shareholders	137 444 689	161 886 240
Attributable to non-controlling interests	22 837	(5 593)



The Navigator Company, S.A.
Consolidated Statement of Financial Position
on June 30th in 2023 and December 31st 2022

Amounts in Euro	30/06/2023	31/12/2022
ASSETS		
Non-current assets		
Goodwill	411 366 090	377 339 466
Intangible assets	44 756 117	44 813 091
Property, plant and equipment	1 190 404 722	1 099 689 407
Investment properties	90 120	90 943
Right-of-use assets	61 013 047	57 934 840
Biological assets	119 602 477	122 499 875
Investment in associates and joint ventures	-	-
Receivables and other non-current assets	33 419 982	25 282 858
Deferred tax assets	30 828 343	27 204 659
	1 891 480 898	1 754 855 139
Current assets		
Inventories	352 484 731	298 729 217
Receivables and other current assets	386 048 145	499 143 408
Income tax	16 139 210	16 216 543
Cash and cash equivalents	97 509 556	343 083 788
	852 181 642	1 157 172 956
Total assets	2 743 662 540	2 912 028 095
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	500 000 000	500 000 000
Currency translation reserve	7 583 474	5 343 706
Fair value reserves	31 966 550	33 997 828
Legal reserve	100 000 000	100 000 000
Other reserves	3 481 014	3 481 014
Retained earnings	412 809 702	224 049 919
Net profit for the period	137 444 689	392 537 070
Equity attributable to Navigator Company's Shareholders	1 193 285 429	1 259 409 537
Non-controlling interests	321 208	297 977
Total Equity	1 193 606 637	1 259 707 514
Non-current liabilities		
Interest-bearing liabilities	582 818 198	643 006 886
Lease liabilities	58 560 002	55 089 083
Pensions and other post-employment benefits	4 789 949	2 835 730
Deferred tax liabilities	97 824 599	98 314 430
Provisions	30 098 453	28 432 877
Payables and other non-current liabilities	48 010 516	34 852 398
	822 101 717	862 531 404
Current liabilities		
Interest-bearing liabilities	87 198 681	82 294 836
Lease liabilities	6 657 470	6 551 966
Payables and other current liabilities	549 927 362	575 467 689
Income tax	84 170 673	125 474 686
	727 954 186	789 789 177
Total Liabilities	1 550 055 903	1 652 320 581
Total Equity and Liabilities	2 743 662 540	2 912 028 095