



**4Q**  
**2025**

Financial Results  
Conference Call Presentation  
March 2, 2026

Gianfranco Truffello - Chief Financial Officer

**renewables for a better life**



# Disclaimer

This presentation contains forward-looking statements that are based on the beliefs, assumptions and expectations of the management of the Company based on currently available information.

They involve risks and uncertainties because they relate to future events or expectations and therefore depend on circumstances that may or may not occur in the future. Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results of Arauco and could cause results to differ materially from those expressed in such forward-looking statements. For further discussion of these risks and uncertainties, investors should refer to quarterly and annual Arauco filings with the Chilean CMF and US SEC. The Company undertakes no obligation to publicly update or revise any forward-looking statements due to new information or future developments.

This presentation contains certain performance measures that do not represent IFRS definitions, as “EBITDA” and “Net financial debt”. These measures cannot be compared with the same previously used by Arauco and the same used by other companies.

# HIGHLIGHTS

► Quarterly figures, in US\$ million

Revenues  
**US\$1,518.6**  
0.6% QoQ  
FY US\$6,084.1

Net Income  
**US\$51.2**  
FY US\$40.9

Adj. EBITDA  
**US\$318.6**  
13.2% QoQ

LTM Adj. EBITDA  
**US\$1,331.4**  
-6.2% QoQ

Net Debt to  
EBITDA (\*)  
**5.15x**

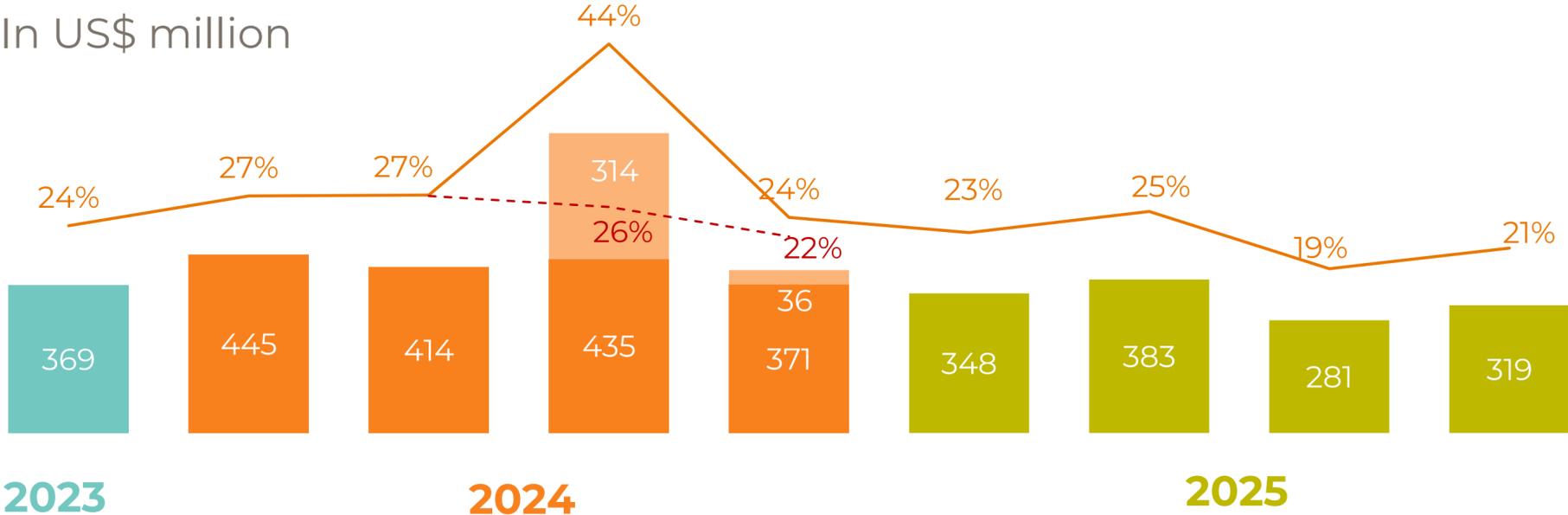
Sucuriú Project  
Progress  
**42.6%**

*As of December 31, 2025.*

*(\*) Net Debt / LTM Adjusted EBITDA considers 50% of Hybrid instruments issued by the company, in accordance with Rating Agencies methodology.*

# ADJUSTED EBITDA

► In US\$ million



## Breakdown by division

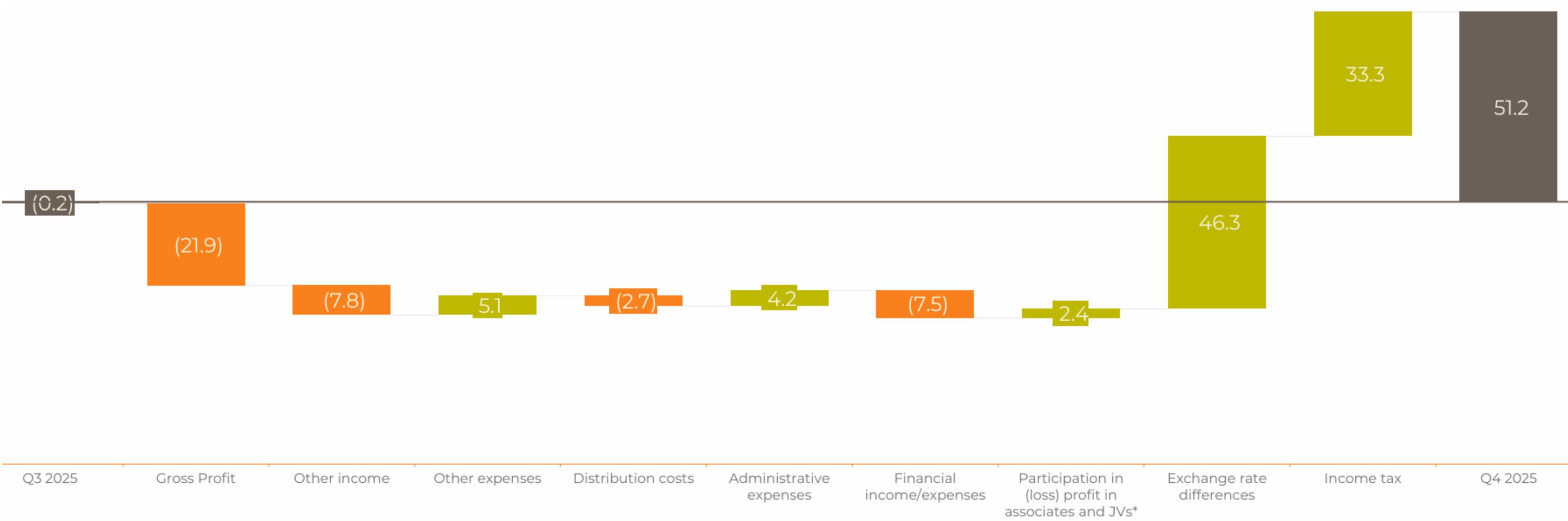
Pulp and Forestry	223
Wood Products	122
Consolidated Adj. & Others	-26



- Adjusted EBITDA during the fourth quarter reached US\$318.6 million.
- There was an increase of 15.7% or US\$30 million in the Adjusted EBITDA of our pulp and forestry business segment.
- Adjusted EBITDA of our wood products business segment increased slightly by 3.3% or US\$3.9.

# INCOME STATEMENT

► In US\$ million



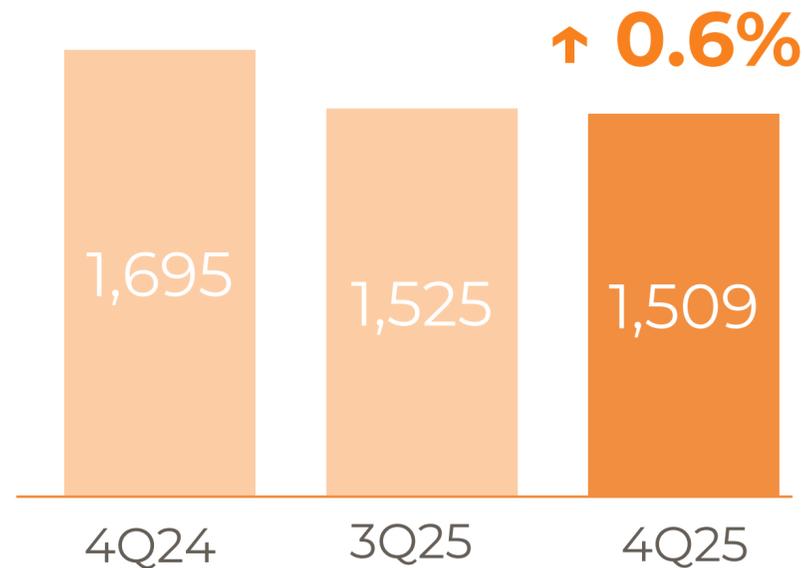
\* Accounted using the equity method.

# INCOME STATEMENT – REVENUES & COST OF SALES

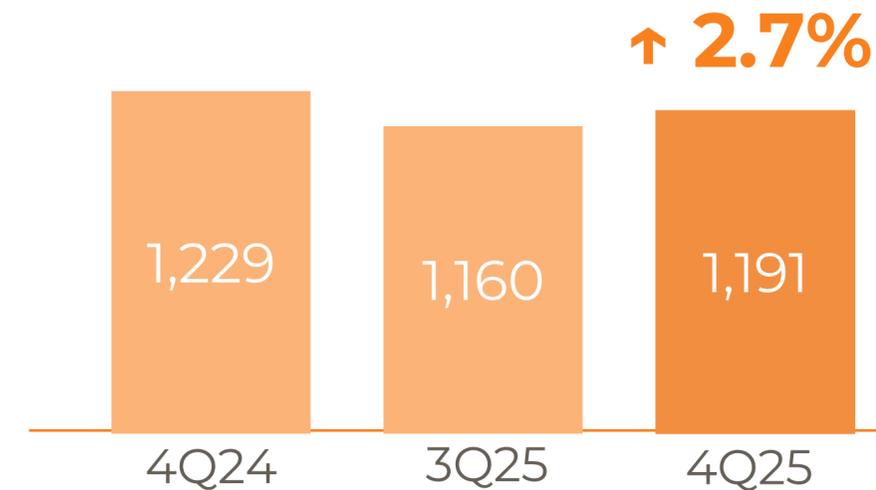
► In US\$ million

**Revenues** increased slightly by 0.6% QoQ and decreased by 8.6% YoY

- **Pulp revenues** increased by US\$41.0 million or 5.6% mainly driven by an increase in sales volume.
- **Wood products revenues** decreased by US\$32.0 million or 4.1%, mainly due to a decrease in sales volume.



**Cost of sales** increased by 2.7% or US\$31.0 million QoQ, mostly explained by an increase in *Depreciation and Amortization*, mainly related to higher production of Arauco L3.



## Pulp unitary sale costs QoQ

Softwood bleached pulp	▲	6.9%
Hardwood bleached pulp	▲	6.7%
Unbleached softwood pulp	▼	-0.4%
Dissolving pulp	▲	0.2%

# PULP PRICES

### BSKP, BHKP and DP Net Prices - China

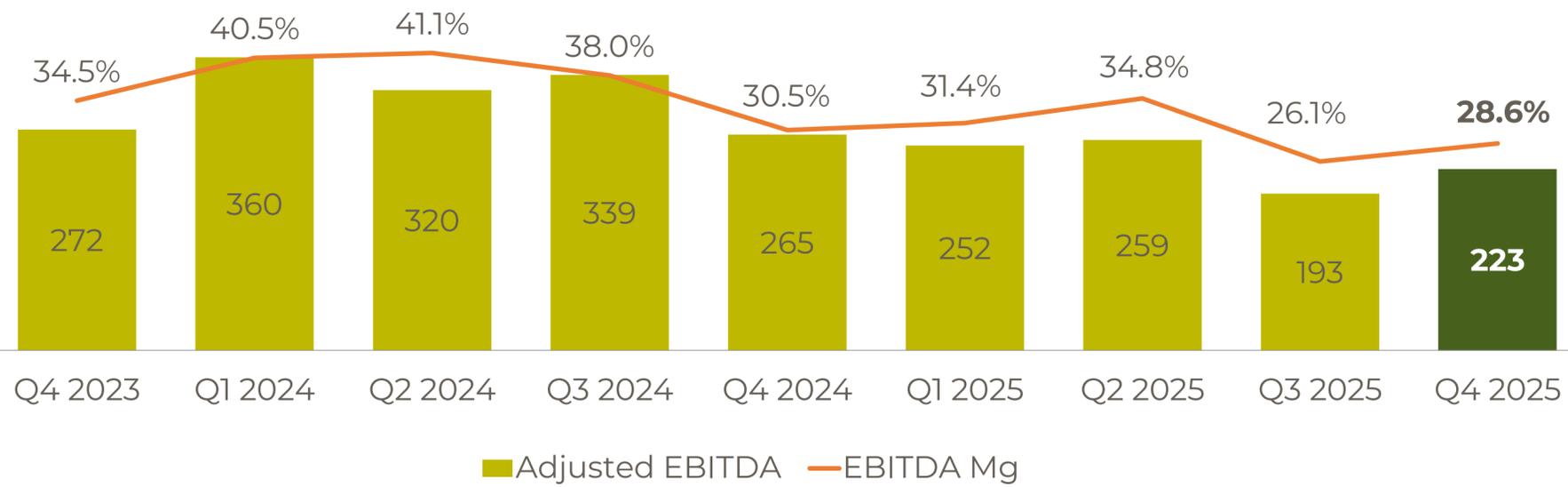


Source: ARAUCO

# PULP & FORESTRY/ ADJUSTED EBITDA

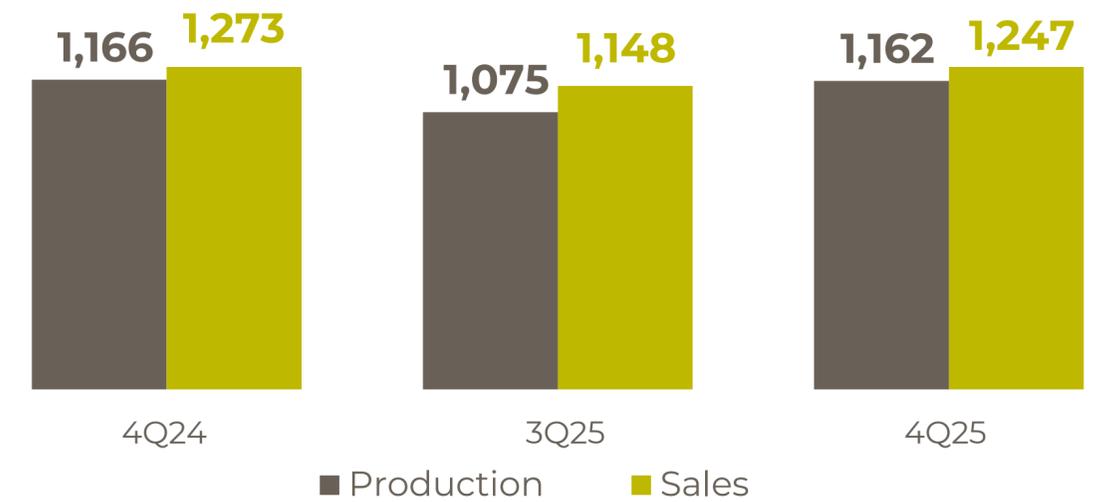
## Adjusted EBITDA

▶ In US\$ million



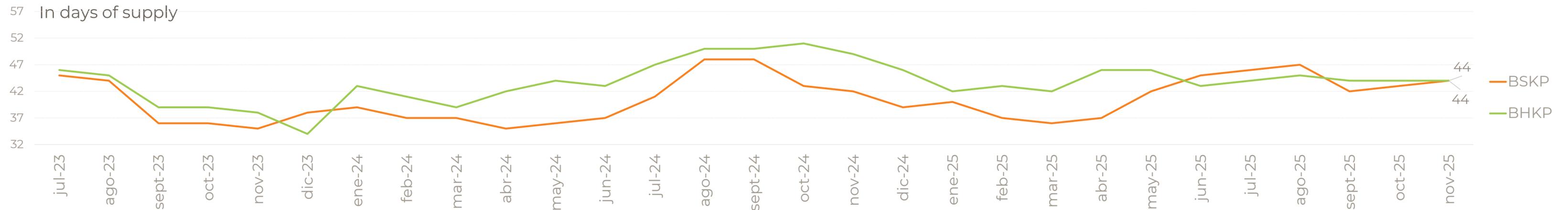
## Production and Sales Volume

▶ In thousand of tons



## Global BCP Producer Stocks

In days of supply



Excludes Russia & Indonesia  
Source: Hawkins Wright

# PULP OUTLOOK

## For the first quarter of 2026,

- Market pulp production during the first quarter is expected to be lower due to several mill closures, strikes, weather-related disruptions and reduced operating rates. Additionally, following the revocation of certain forestry licenses in Indonesia, wood chip import prices are likely to rise, putting pressure on pulp producers in Asia.
- In **China**, pulp demand is expected to remain stable, as paper mills should continue operating at steady levels, with the exception of the week of the Chinese New Year. Short fiber prices appear to be in a better position than long fiber prices, supported by significant softwood import supply and lower softwood chip prices compared to hardwood. Brazilian producers have already announced another price increase for March.
- In **Europe**, we expect stable pulp demand. Paper mills customers are requesting higher volumes in anticipation of possible future paper price increases. As a result, paper machines are running at high utilization rates. However, the market continues to be in a fragile situation.

**Pulp Mills Days of Stoppages**

Mill	2025		2026	
	3Q	4Q	1Q	2Q
Arauco - Line 2				16
Arauco - Line 3	17			
Constitución				23
Nueva Aldea		17		
Valdivia	25			
Esperanza			17	
Montes del Plata		16		

Finished

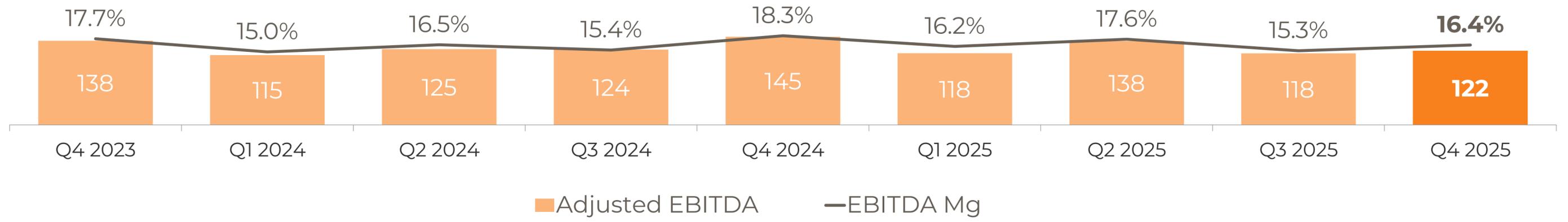
In Progress

Planned

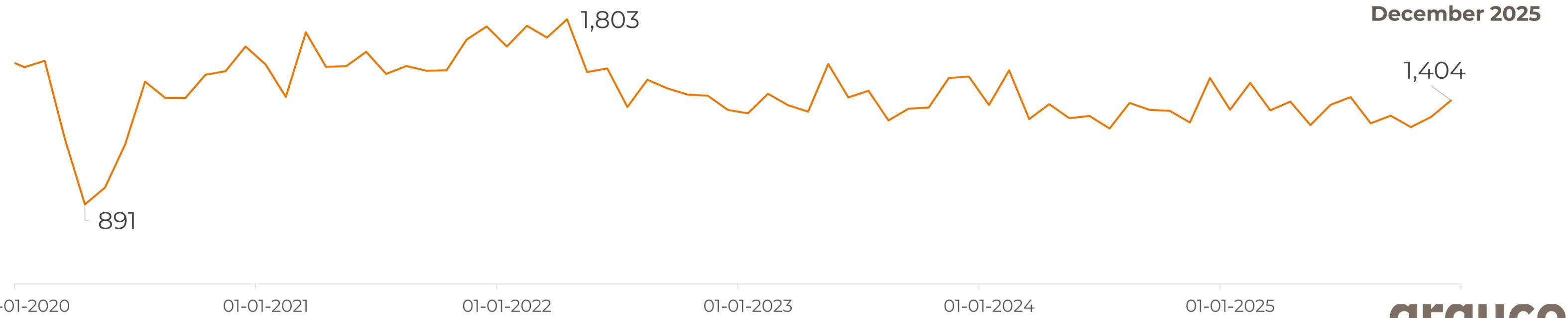
# WOOD PRODUCTS / ADJUSTED EBITDA

REVIEW BY BUSINESS SEGMENT & OUTLOOK

**Adjusted EBITDA**  
In US\$ million



**U.S Housing Starts Index**  
('000 units per year)



Source: Bloomberg

## 47% North America

### MDF:

- Market remains challenging, with weak demand and oversupply adding pressure to prices.

### PB:

- The market is expected to remain difficult, with low demand and oversupply.

### REMANUFACTURED PRODUCTS:

- Supply from Brazil impacted by higher tariffs, however demand is slow. Prices has been stable, with modest gains.

### PLYWOOD:

- Demand is expected to remain stable with flat prices, as tariffs has mostly impacted import suppliers, while domestic producers continue with strong supply.

## 40% South and Central America

### BRAZIL:

- Market expected to rebound during the current quarter, supported by strong PB demand, and rising MDF prices.

### CHILE:

- Strong PB and melamine demand continues, contrasted with weakness in MDF, pressured by high import supply from Asia, Europe and other regions.

### ARGENTINA:

- We expect a positive trend for the start of the year for panels in domestic market, as we see no supply or logistics issues. Regarding the Lumber market, it remains uncertain in the export market.

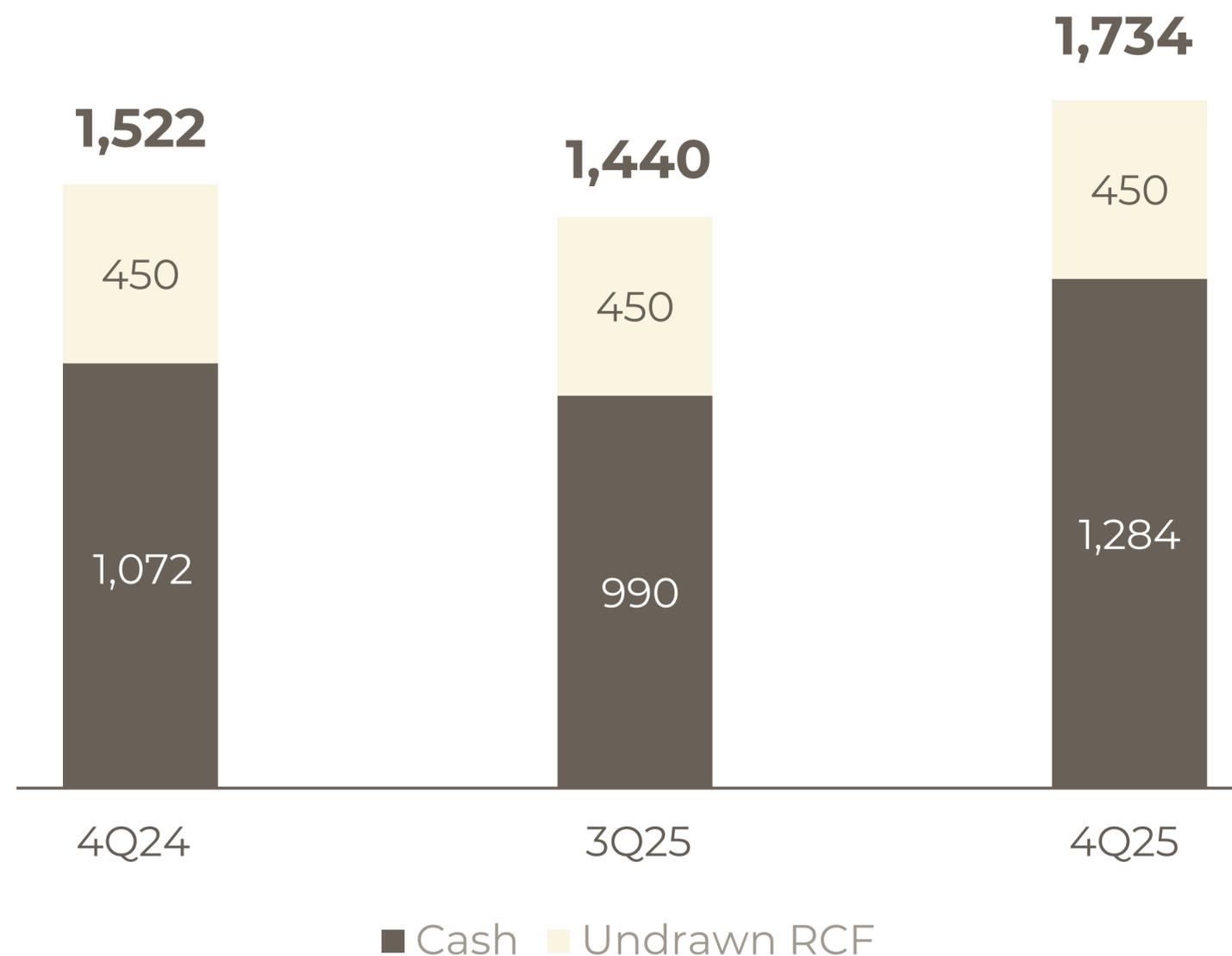
## 12% Others

- Slight Improvement.

# CASH AND LIQUIDITY

Our cash position was US\$1,284.1 million at the end of the fourth quarter of 2025. In addition, we have a revolving credit facility (RCF) for a total amount of US\$450 million due in September 2027, which as of the date of this report has not been withdrawn.

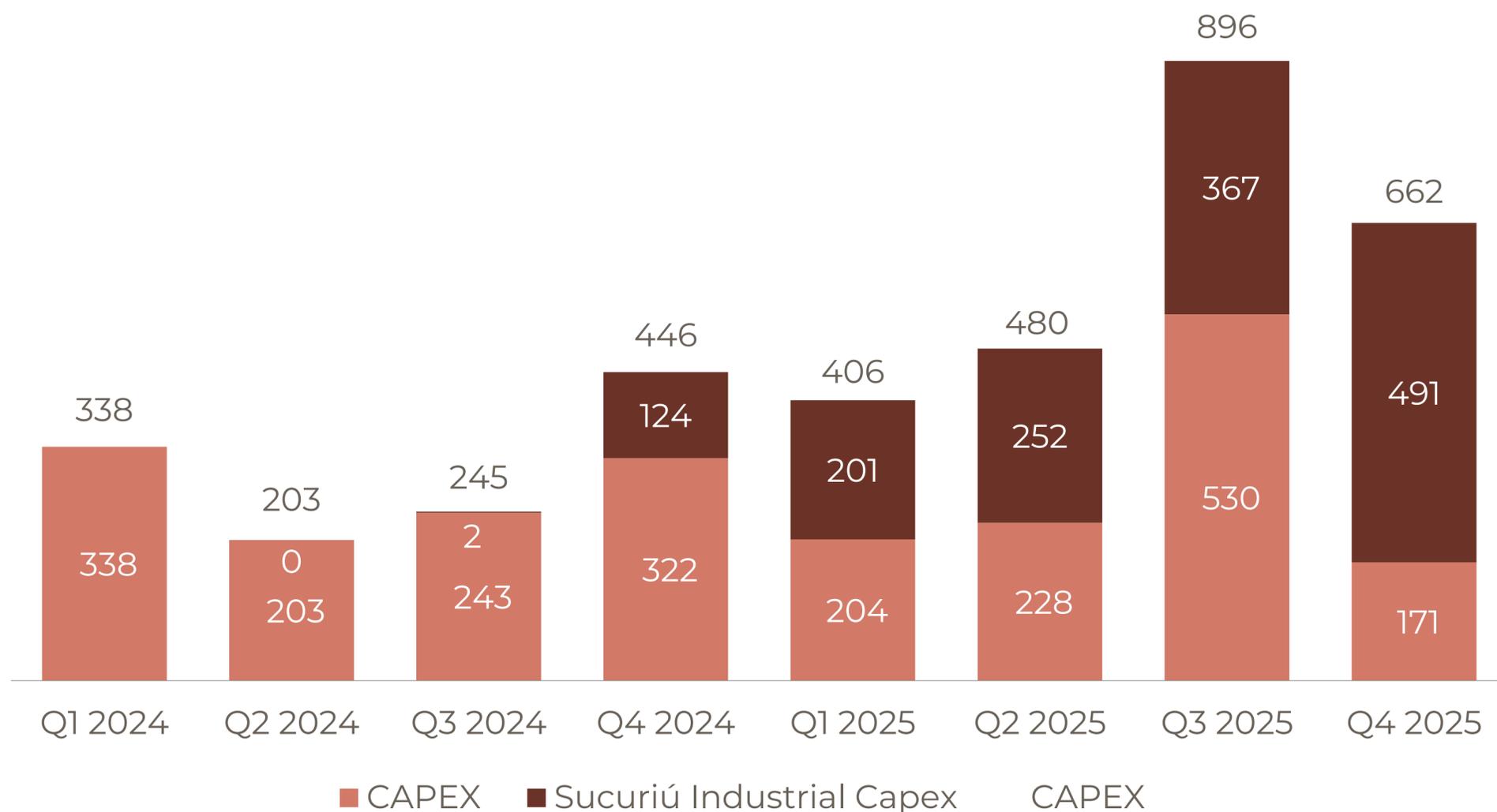
► In US\$ million



# CAPEX

During this quarter, capital expenditures (on a cash basis) were US\$662.2 million, US\$234.2 million lower than the previous quarter, The biggest single item in CAPEX-related expenditures, were those related to the Sucuriú project. Purchase of other long-term assets decreased mainly due to the anticipated payment of wood supply agreements related to the Sucuriú Project during the third quarter.

► In US\$ million



# FREE CASH FLOW

**Cash flows from operating activities** decreased US\$351.6 million mostly due to an increase in payments to suppliers.

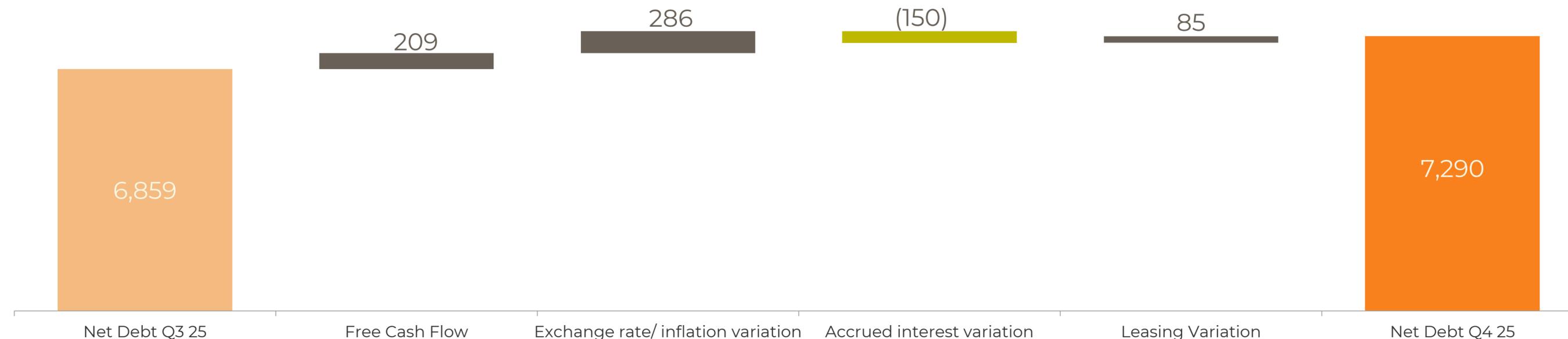
**Cash flows used in investment activities** decreased US\$207.5 million mainly due to lower Capex during the quarter.

**Cash flows used in financing activities** increased by US\$513.4 million, due to Empresas Copec's capital injection, contemplated for our Sucuriú Project.

► In US\$ million

	Q4 2025	Q3 2025
<b>Adjusted EBITDA</b>	<b>318.6</b>	<b>281.4</b>
<i>Working Capital Variation</i>	227.4	173.5
<i>Interest paid and received</i>	(125.9)	(41.8)
<i>Income tax received (paid)</i>	(20.4)	(11.1)
<i>Others</i>	(344.9)	4.5
<b>Cash from Operating Activities</b>	<b>54.8</b>	<b>406.4</b>
<i>Capex (1)</i>	(662.2)	(896.5)
<i>Others</i>	(27.8)	(2.1)
<i>Proceeds from investment activities</i>	5.2	6.2
<b>Cash from Investment Activities</b>	<b>(684.8)</b>	<b>(892.3)</b>
<b>Cash from Financing Activities (net of debt)</b>	<b>407.4</b>	<b>(106.0)</b>
Effect of exchange rate changes on cash	13.3	0.9
<b>Free Cash Flow</b>	<b>(209.2)</b>	<b>(590.9)</b>

(1) On a cash basis.



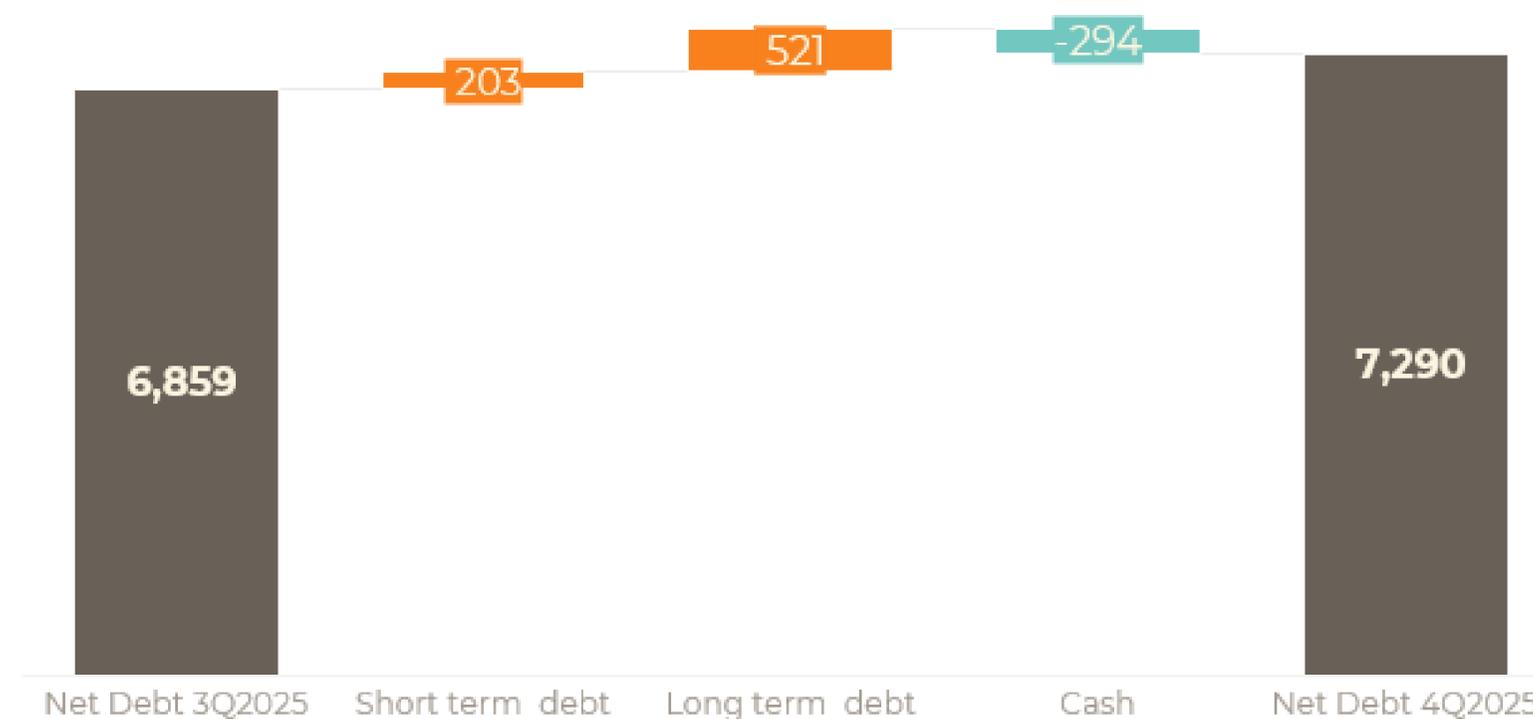
# NET FINANCIAL DEBT

**Cash and cash equivalents** increased by 8.5% or US\$293.8 million.

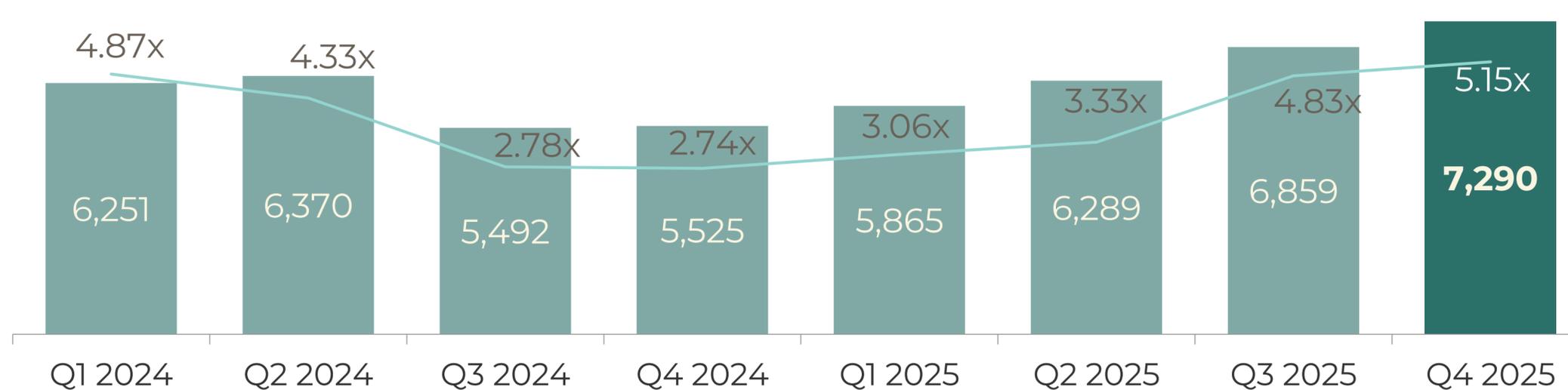
**Total Financial Debt** increased by 9.2% or US\$724.2 million.

**LTM Adjusted EBITDA** was US\$1,331.4 million, 6.2% lower QoQ.

**Net Leverage (\*)** increased from 4.83x to 5.15x.



► In US\$ million



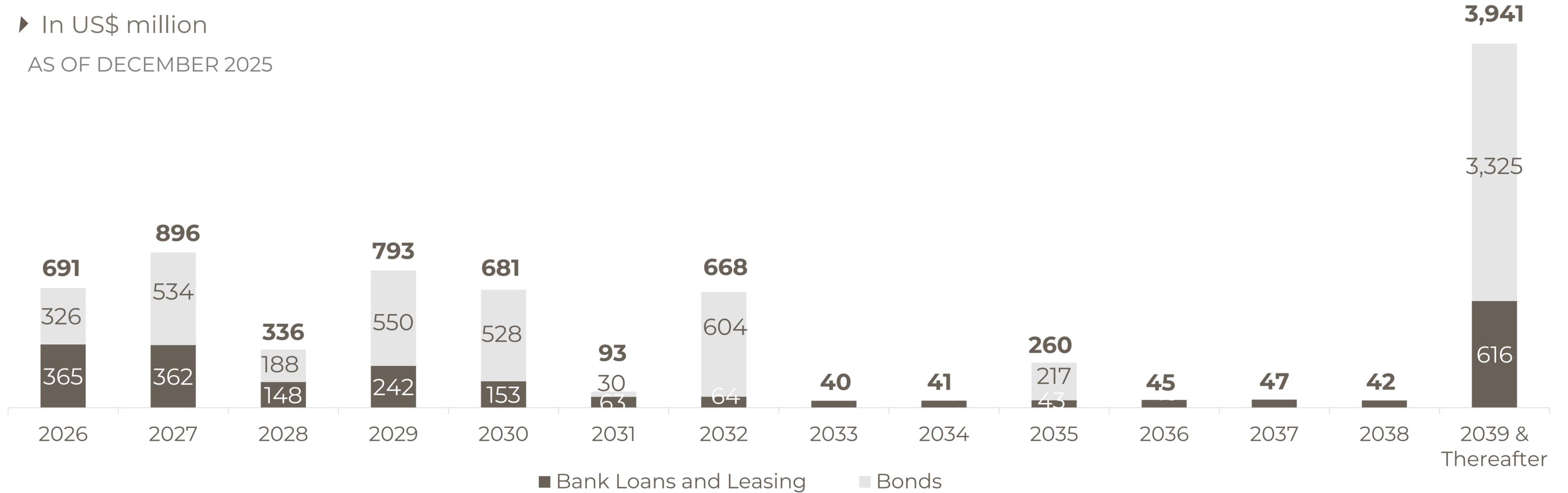
Net Leverage (\*)

(\*) Net Debt / LTM Adjusted EBITDA considers 50% of Hybrid instruments issued by the company, in accordance with Rating Agencies methodology.

# DEBT PROFILE

► In US\$ million

AS OF DECEMBER 2025



## BANK OBLIGATIONS FOR 2026 INCLUDE:

- US\$ 308.6 million in bank loans.
- US\$ 55.8 million in leasing.

## BOND OBLIGATIONS FOR 2026 INCLUDE:

- US\$ 285.6 million in local bond obligations.
- US\$ 39.6 million in USD-denominated bond obligations.

# MATERIAL FACTS AND NEWS

- Sucuriú Project Update, **Brazil**
  - Overall progress of **43%** as of December 31, 2025
  - Workforce of **8,500**
  - Significant **mobilization of electromechanical assembly contractors**, enabling notable progress in the boilers, evaporation plant, lime kiln, fiber line, and drying areas.
  - **First Stone** of the railway.
  - New **Itaú Unibanco** branch opened in Inocencia.



# MATERIAL FACTS AND NEWS

- Vikingo 2.0 and Alacrán Project Update, **Mexico**
  - Vikingo 2.0: Progress of **74%** as of December 31, 2025
  - Alacrán: lines **fully operational**
- OSB Line Project Update, **Chile**
  - Progress of **75%** as of January 31, 2025
- Forest Fires Update, **Chile**
  - 414 fires as of February 15, with 6,222 affected hectares
- Latin Finance award, **USA**
  - Development Finance Institution Backed Deal of the Year



# TAKEAWAYS

- Sucuriú Project with a current physical progress of 42.6%. Strong advance on mechanical erection works. Additionally, the first imported recovery boiler equipment arrived on site. Ramp up is expected for the fourth quarter of 2027.
- All other projects are in good course as well, with Zitácuaro at 73% of completion, OSB at 75%, and Alacrán fully operational.
- Increases in Capital Expenditures has put some pressure in our financial ratios, but we believe it should be transitorily while our Sucuriú Project continues its construction.
- We expect stable markets for the current year in the Pulp and Paper industry, with a stabilization in demand and supply issues from other producers.

**1Q 2026  
RESULTS &  
CONF CALL**

MID MAY  
2026





**Q&A**

**[Click Here](#)**

## INVESTOR RELATIONS

A replay of this conference call will be available  
on the IR section of our web site.

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