

Improved profitability supported by soaring silver price

Interim Report Q3/2025



HIGHLIGHTS

July – September

- Net sales decreased by 3% to 110 MSEK (114 MSEK*). Silver production was lower than in the same period last year due to lower silver grade and lower mill feed. The positive development of silver and gold prices supported net sales which increased by 60% compared to Q1 2025 and 39% compared to Q2 2025.
- EBITDA fell by 30% to 35 MSEK (50) and EBITDA margin weakened to 32% (44) compared to Q3 2024. Compared to Q1 2025 EBITDA increased 43 MSEK and 33 MSEK compared to Q2 2025
- EBIT decreased to 16 MSEK (30), however EBIT increased by 40 MSEK compared to Q1 2025 and 33 MSEK compared to Q2 2025
- Profitability improved clearly compared to the previous quarters of the year, but weakened from the comparison period mainly due to lower mill feed volume and silver grade
- CAPEX fell to 16 MSEK (18)
- The production amounted to approximately 255,000 ounces of silver (312,000), 468 ounces of gold (684), 167 tonnes of lead (211), and 404 tonnes of zinc (507) in concentrates
- Cash and cash equivalents amounted to 1 MSEK (76). The Company has a credit facility of 2 MEUR (22 MSEK)
- The Company carried out an exchange offer to the holders of the Company's 6.3 MEUR convertible loan 2022/2026 to exchange their convertibles for either new shares or new convertibles in the Company. 49.8 percent (3.2 MEUR (35 MSEK)) of the convertibles was exchanged for new shares in the Company leading to an increase in share capital by 33 MSEK. 41.6 percent (2.6 MEUR (30 MSEK)) of the convertibles was exchanged for new convertibles 2025/2029. The maturity date of the new convertibles is 31 October 2029. The remaining principal of the convertible 2022/2026 is 0.5 MEUR (5 MSEK) and the maturity date is 30 September 2026
- The Company signed an agreement to extend the maturity of the Senior Loan and additional financing. The total amount of the Senior Loan under the agreement is 9.1 MEUR (101 MSEK) consisting of the outstanding 8.1 MEUR (90 MSEK) and an additional 1 MEUR (11 MSEK) financing. The Senior Loan maturity was extended by two years, in addition to which the Senior Loan includes a one-year extension option subject to the lenders' approval. The Company also ensured the renewal of the environmental and restoration guarantee.

January – September

- Net sales decreased by 15% to 258 MSEK (304 MSEK). Lower silver grade and lower mill feed led to lower silver production
- EBITDA weakened to 29 MSEK (86), EBITDA margin fell to 11% (28)
- EBIT fell to -24 MSEK (29)
- Inadequate mining resources and rock mechanical challenges led to lower silver production and decreased profitability
- Cash and cash equivalents decreased to 1 MSEK (76)
- CAPEX increased by 4% to 48 MSEK (46)
- The production was approximately 611,000 ounces of silver (895,000), 1,250 ounces of gold (1,991), 448 tonnes of lead (575), and 1,083 tonnes of zinc (1,204) in concentrates

**Comparative figures refer to the corresponding period of the previous year.*

In case of discrepancies, the official Swedish version of this report prevails

OUTLOOK

Guidance for 2025 (unchanged)

The Company has given 31 July 2025 the following guidance for year 2025:

- The Company expects to produce 1.0 -1.2 million ounces of silver
- Annual EBITDA margin to be at least 22%
- Net debt-to-EBITDA to be below 2.5 at year-end

The Company's profitability is significantly affected by external factors, such as metal prices and exchange rates and internal factors like uncertainties related to ore volumes and metal grades. The achievement of the guidance assumes that metal prices and EUR/USD rate stay approximately at the current level of the time when the guidance was published (31 July 2025).

Medium-term targets

Medium-term targets until the end of the year 2027 will be updated during the last quarter of the year 2025.

CEO REVIEW

Improved profitability and operational performance

Autumn has started on a positive note, and our operational performance has been more efficient than in previous quarters, although we are still behind last year's production levels. The refinancing carried out in August also provides solid support for our operations.

The price of silver has already risen by over 60% this year. Several factors influence price development, including investment silver demand and long-term industrial demand. Forecasts for silver price development vary widely, but it is clear that demand continues to exceed supply this year. In our financial figures, changes in silver price are reflected with a delay of a few months, partly due to price hedging.

Our operations have normalized during early autumn, and we have not faced the same mining-related technical challenges as in the first half of the year. However, we are not yet satisfied with our current performance and continue to speed up mining progress.

One of our key goals is to improve operational reliability, for example by opening alternative mining areas. We are also preparing for the start of a new mining contractor in early 2026.

We have conducted drilling aimed at extending the life of the current mine and have also explored new areas in the vicinity of the mine. Preliminary results are positive, and analysis of the findings is ongoing. Based on these results, we will publish new medium-term targets during last quarter.

We refinanced our long-term loans in August, which improves our ability to implement our strategy. As a result, our debt decreased by approximately EUR 3 million and repayment periods were extended.

The first half of the year was challenging in many ways, and we faced several unexpected issues. The situation is now more stable, but there is still room for improvement. I want to thank our personnel for their contribution and resilience in overcoming these challenges, and I believe the coming months will be better for us in many respects.



Mikko Jalasto, CEO

Key figures

	Q3/25	Q3/24	Change, %	Q1-Q3/25	Q1-Q3/24	Change, %	2024
Net sales, MSEK	110	114	-3	258	304	-15	412
EBITDA, MSEK*	35	50	-30	29	86	-66	109
EBITDA margin %	31.7	43.6	-27	11.2	28.3	-60	26.4
EBIT, MSEK*	16	30	-46	-24	29		32
EBIT margin %	14.9	26.7	-44	-9.2	9.6		7.9
Equity ratio %*	43	43	1	43	43	1	41
Cash liquidity %*	39	87	-55	39	87	-55	75
Net debt-to-EBITDA ratio*	3.9	1.4	180	3.9	1.4	180	1.6
Personnel at the end of the period	48	50	-4	48	50	-4	51
Silver production, koz*	255	312	-18	611	895	-32	1,166
Mill feed, kt*	113	123	-8	315	374	-16	497
Average silver grade, g/tonne*	85	97	-12	74	90	-19	89

Alternative key performance measures are marked with asterisk. For more detailed definitions, please see section Definitions on page 27.

Financial performance

During the third quarter, **net sales** decreased by 3% to 110 MSEK (114 MSEK). Silver production was lower than in the same period last year due to lower silver grade and lower mill feed. The positive development of silver and gold prices supported net sales which increased by 60% compared to Q1 2025 and 39% compared to Q2 2025.

Other income was 0.2 MSEK (0.2) during the quarter, including received subsidies and proceeds from recycling.

EBITDA fell by 30% to 35 MSEK (50) and EBITDA margin weakened to 32% (44) compared to Q3 2024. Compared to Q1 2025 EBITDA increased 43 MSEK and 33 MSEK compared to Q2 2025. Profitability improved clearly compared to the previous quarters of the year but weakened from the comparison period mainly due to lower mill feed volume and decreased silver grade.

EBIT decreased to 16 MSEK (30), however EBIT increased by 40 MSEK compared to Q1 2025 and 33 MSEK compared to Q2 2025.

The Company's **CAPEX** was 16 MSEK (18) in the quarter and 48 MSEK (46) in Q1-Q3 2025. The CAPEX consisted mainly of infill and exploration drilling, underground decline and CAPEX drifts. With the investments made, the Company aims to extend the life of the mine and ensure efficient production.

During the third quarter **silver price** fluctuated in a range between \$36.2 and \$47.0 per ounce and during Q1-Q3 2025 between \$29.4 and \$47.0. At the end of the quarter, the silver price was \$46.2 per ounce.

A change of one USD in the price of silver affects the Company's revenue by approximately 12 MSEK annually.

The Company hedges most of the price of the silver delivered with derivative instruments. The increase in the spot price of silver will therefore be realized in the Company's revenue with a slight delay, the hedging horizon being 2 months. The hedging decreased net sales for the quarter by 6 MSEK. The final selling price of silver will be determined two months after the delivery period.

In the third quarter, the Euro strengthened against the US dollar by 0.2 %, being at 1.17 at the beginning and at 1.17 at the end of the quarter. EUR/USD rate was 1.04 at the beginning of the year. The changes in the value of the Euro against the US dollar during the quarter had a minor impact on the Company's result. The Euro weakened during the third quarter against the Swedish krona from 11.15 to 11.06 average being 11.12 which had a minor effect on the Company's result. In Q1-Q3 2025, the euro weakened against the Swedish krona from 11.46 at the beginning of the year to 11.06, average being 11.11, which improved the Company's result by 2 MSEK.

Market data

	Q3/25	Q3/24	Q1-Q3 /2025	Q1-Q3 /2024	2024
Average silver price USD	39.4	29.4	35.0	27.2	28.3
Average EUR/USD	1.17	1.10	1.12	1.09	1.08
Average EUR/SEK	11.12	11.45	11.11	11.41	11.43

Financial position and cash flow

At the end of the quarter **cash and cash equivalents** amounted to 1 MSEK (76). The Company has a credit facility of 2 MEUR (22 MSEK). The Company expects production volumes to increase during the following quarters compared to the first half of the year and the cash position to improve, supported by the good price development of silver and gold.

The Company carried out an exchange offer to the holders of the Company's 6.3 MEUR convertible loan 2022/2026 to exchange their convertibles for either new shares or new convertibles in the Company. 49.8 percent (3.2 MEUR (35 MSEK)) of the convertibles was exchanged for new shares in the Company leading to an increase in share capital by 33 MSEK. 41.6 percent (2.6 MEUR (30 MSEK)) of the convertibles was exchanged for new convertibles 2025/2029. The maturity date of the new convertibles is 31 October 2029. The remaining principal of the convertible 2022/2026 is 0.5 MEUR (5 MSEK) and the maturity date is 30 September 2026.

The Company signed an agreement to extend the maturity of the Senior Loan and additional financing. The total amount of the Senior Loan under the agreement is 9,1 MEUR (101 MSEK) consisting of the outstanding 8.1 MEUR (90 MSEK) and an additional 1 MEUR (11 MSEK) financing. The Senior Loan maturity was extended by two years, in addition to which the Senior Loan includes a one-year

extension option subject to the lenders' approval. The Company also ensured the renewal of the environmental and restoration guarantee.

The Company generated **cash flow from operating activities** 11 MSEK during the third quarter and 10 MSEK during the second quarter. The first quarter was 31 MSEK cash flow negative.

According to the Company's estimate, it has sufficient liquidity for at least the next 12 months of operations lead by positive free cash flow. Please see description of liquidity risk on page 16.

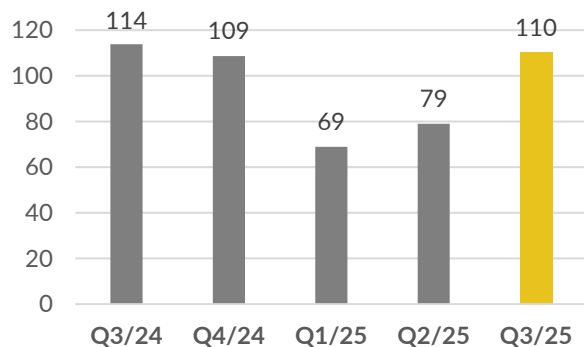
The Group's **equity ratio** stayed 43% (43).

The Group's **equity** was 254 MSEK (288) which corresponds to 0.79 SEK (1.01) a share non-diluted, and 0.73 SEK (0.88) diluted.

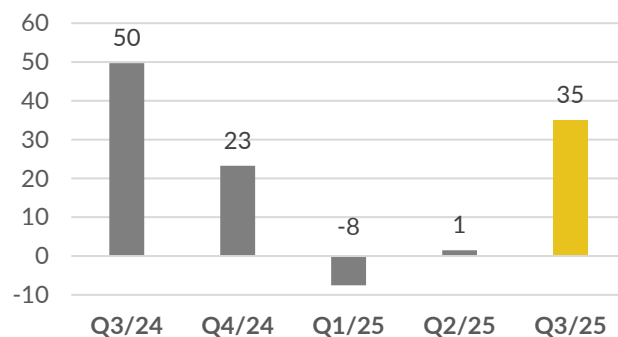


Financial key figures

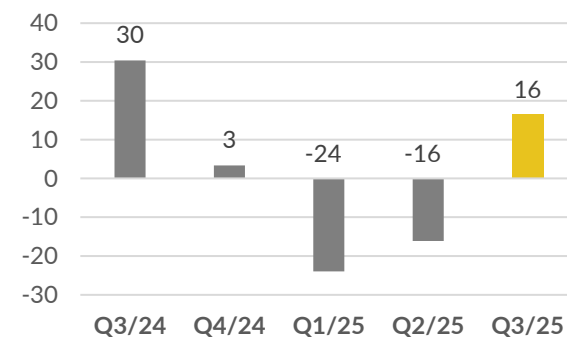
Net Sales, MSEK



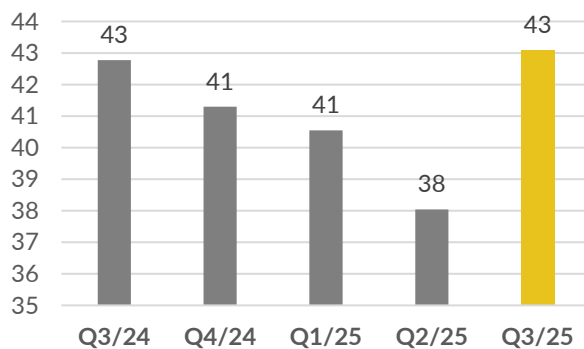
EBITDA, MSEK



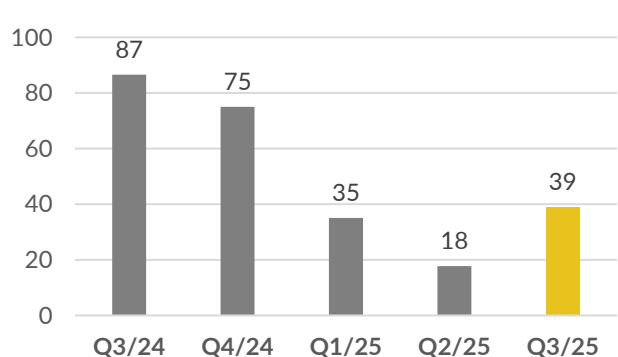
EBIT, MSEK



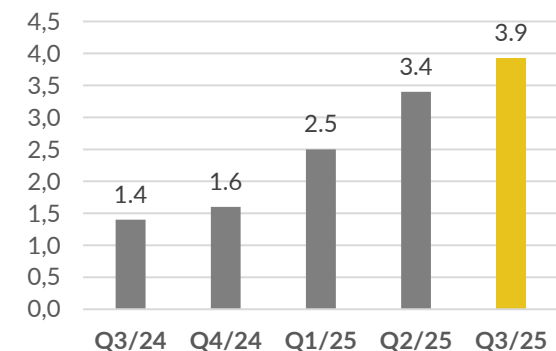
Equity ratio, %



Cash liquidity, %



Net debt-to-EBITDA



Operational performance

Milled ore during the third quarter of 2025 decreased by 8% to 113,000 tonnes compared to the previous year (123,000). In total, the production amounted to 255,000 ounces of silver (312,000), 468 ounces of gold (684), 167 tonnes of lead (211), and 404 tonnes of zinc (507) in concentrates.

Silver production was lower compared to the previous year due to lower silver head grade and the limited underground mining volume. However, production volume was improving and already higher than in the previous quarters of 2025. The silver head grade was 85 g/tonne (97), which was mainly influenced by operational challenges during previous quarters preventing us from fully reaching planned stoping areas in Q3. During Q1-Q2 2025 we suffered from rock mechanical challenges and inadequate mining resources. We expect the silver head grade to consistently increase above 90 g/tonne during Q4.

Underground mining performance has still not been consistent enough, despite the improvements made together with the mining contractor. Good development was seen during the quarter and September was volume-wise the best month of the year. Ensuring adequate capacity and timely execution of operations in the underground mine remains the primary focus for the rest of the year. We are confident that the ongoing work and

changes made will bring the needed long-term stable improvements.

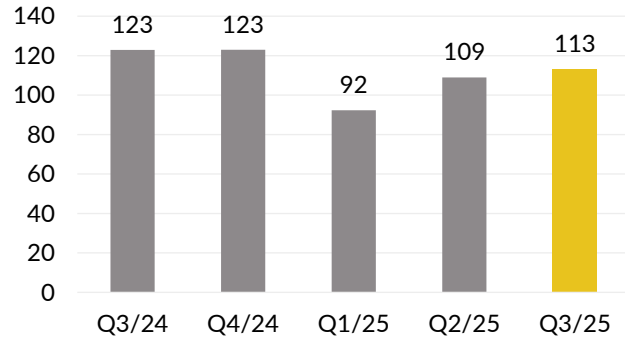
As part of the long-term consistency and development of underground mining performance, a new mining contractor will start the operations from the beginning of 2026. Preparations with the new mining contractor are proceeding well.

Planned infill-drilling campaign for 2025 was successful. Samples are in analysis phase and target is to qualify and quantify ore reserves with good accuracy for future years operations by the end of the year.

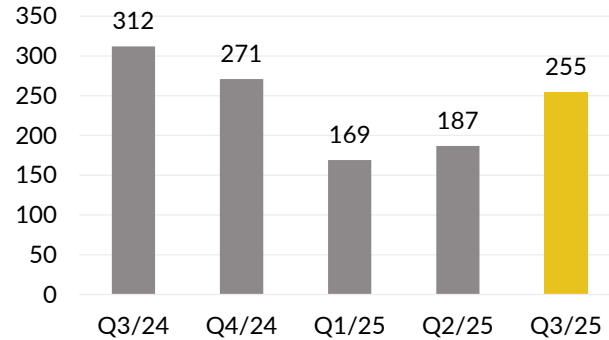


Operational key figures

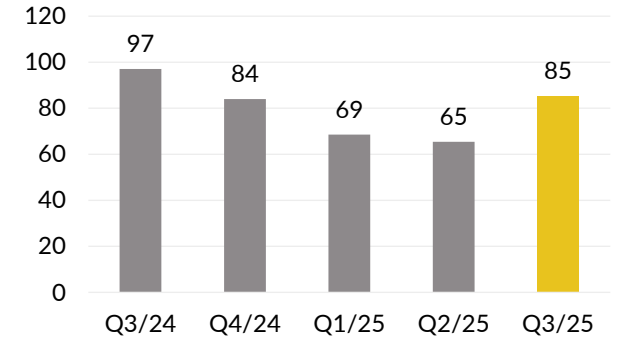
Milled ore, ktonnes



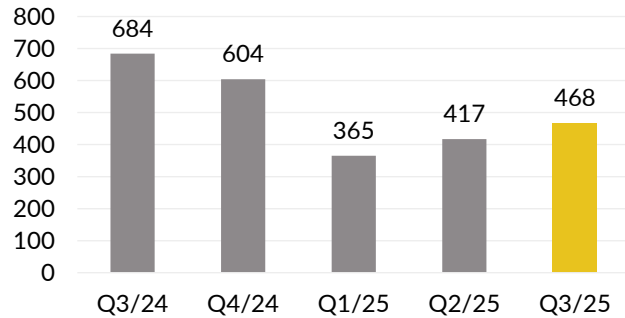
Silver production, koz



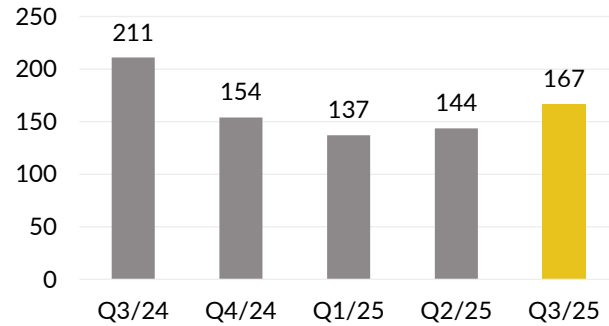
Silver head grade, g/tonne



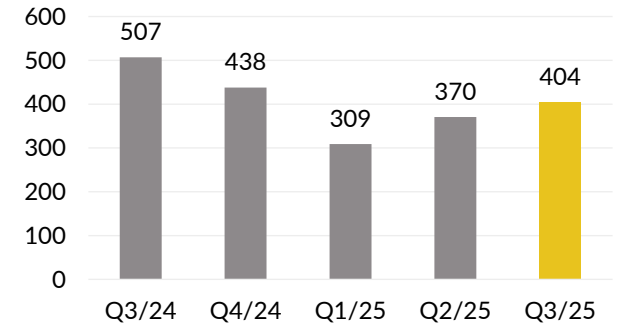
Gold production, oz



Lead production, tonnes



Zinc production, tonnes



Strategy

The cornerstones of Sotkamo Silver's strategy are:

1. Development of the existing silver mine and ensuring a solid foundation for the Company's expansion
2. Increase mineral resources by continuing exploration in the current mine and the Kainuu region
3. Responsible use of natural resources

Key focus areas in 2025

Extending Life-of-Mine (LOM), current mine

In 2025, the LOM-related exploration drilling campaigns will be completed, the results analyzed and the new estimated LOM announced. While the potential on the western side is very promising, the LOM extension activities will focus below the 700-meter level in the current mine.

Exploration, broader Kainuu region

Sotkamo Silver continues activities to use modern modelling tools to analyse existing research data to support the longer-term exploration of the Kuhmo-Suomussalmi greenstone belt and Tipasjärvi greenstone belt in the Kainuu region. This information supports us as we continue to prepare further exploration activities.

Operational efficiency

We continue to focus on improving operational efficiency, predictability and profitability and curb cost escalation. The primary short-term focus is on ensuring the execution of mining and drifting plans together with the mining contractor to provide adequate alternative and independent mining areas for the future. This will provide more predictability for our underground mining and resilience in case of any unexpected situations in the future.

Financing of investments

During Q3/2025 we finalized the refinancing of the senior and convertible loans and agreed on 1 MEUR additional financing. After successful refinancing and stabilised production levels we will continue our investment plan to extend the LOM of the current mine and the further exploration of the broader Kainuu region.

Responsible use of natural resources

We will continue the work to protect the local water bodies' ecological health and recreational use through responsible water management. We focus on lowering the nutrient load on water, keeping the sulphur content of the tailings under the permitted level. We will also continue the open communication on the environmental impacts of our operations. We will also strengthen the circular economy integration in our mining waste management and mine closure planning.

Key activities, Q3/2025

Extending Life-of-Mine (LOM), current mine

The company has conducted exploratory drilling at the existing mine to extend its life until 2035. Drilling began at the end of 2024 and was completed in April 2025. A total of 12 holes were drilled, amounting to 7,429 meters. The focus was particularly on depths between 700–800 meters. Sample assay results have been received during third quarter and work for reporting the MRE is ongoing. The Company expects to publish the results by the end of the year.

Exploration, broader Kainuu region

We focus on the development of the current mine and the sites in its immediate vicinity. The earlier results from exploration campaign on western side of the current mineralization, resulted to promising silver and gold grades in close proximity of the current mineralization. The work for planning the next campaign is ongoing now.

Operational efficiency

We announced in June, that a new mining contractor will begin work on January 1, 2026. The preparations for the switch have been progressing as planned and no issues for successful switch had been arising. The preparations

include topics such as equipment, personnel, infrastructure and processes between Sotkamo Silver and the contractor.

Financing of investments

The Company signed an agreement to extend the maturity of the Senior Loan and of 1 MEUR additional financing. 3.2 MEUR (35 MSEK) of the Company's 6.3 MEUR convertible loan 2022/2026 was exchanged for new shares in the Company leading to an increase in share capital by 33 MSEK. 2.6 MEUR (30 MSEK) of the convertibles was exchanged for new convertibles 2025/2029. The maturity date of the new convertibles is 31 October 2029. The remaining principal of the convertible 2022/2026 is 0.5 MEUR (5 MSEK) and the maturity date is 30 September 2026.

Offtake agreement

The current offtake agreements expire at the end of 2025. The Company continued negotiations on new offtake agreements and expects to sign them before the end of 2025.

Responsible use of natural resources

The environmental permit application for the tailings pond expansion progressed to the public hearing phase. The applied tailings pond expansion will ensure the tailings' deposition capacity at least until the end of LOM target of 2035.

In TSM Finland the focus was kept in maintaining the good practices of the mining responsibility system across our operations.



Sustainability

Safety

The lost time injury frequency rate (LTIFR, the number of lost time injuries for a million working hours) was 11 (16) at the end of the period, including all contractors. LTIFR of 11 corresponds to three Lost Time Injuries (LTI) within 12 months.

To lower LTIFR, we have taken corrective measures and paid special attention to safety management by further training of employees and updating work procedures and risk assessments. The goal of zero accidents can be achieved by continuously developing safety management and a positive safety culture. As first milestone of this work on September 3, 2025, Sotkamo Silver personnel reached one year without LTI. At the end of third quarter 2025 the Company's own personnel and regular contractors at mine had worked 19 days without LTIs.

Responsible mining

Companies committed to the Mining Responsibility System, established in 2016, adhere to sustainability principles that benefit the environment, people, and the economy. Sustainable mining encompasses the entire lifecycle of a project, from mineral exploration to mine closure and post-closure monitoring.

At the time being, TSM Finland mining responsibility system includes 8 protocols. The protocols, their

assessment scale and our current performance level is presented in the table below

Protocol	Assessment scale	Performance level
Stakeholder Cooperation	C/B/A/AA/AAA	AA
Biodiversity Management	C/B/A/AA/AAA	A
Tailings Management	C/B/A/AA/AAA	A
Water Management	C/B/A/AA/AAA	A
Climate Change	C/B/A/AA/AAA	A
Occupational Health and Safety	C/B/A/AA/AAA	A
Crisis Management	compliant/non-compliant	compliant
Mine Closure	C/B/A/AA/AAA	A

Phosphorus load in the discharge waterThe annual total phosphorus load environmental permit limit was unfortunately exceeded during Q3. Our phosphorus load comes mainly from phosphinate, chemical used in the flotation process. Phosphinate is a stable chemical and does not decompose into other chemical compounds, such as eutrophication-causing phosphate.

This stability makes its removal from the water difficult but also renders it harmless to the environment.

We've applied a higher annual permit limit than the current 40 kg for phosphorus. Based on the features of phosphinate, existing monitoring data and modelled impacts on the water bodies, the permit limit can be amended without jeopardizing the environment.

Sustainability reporting

The Company began preparing for the CSRD reporting requirements in 2024. However, the Omnibus proposal released by the European Commission in February has prompted a review and potential adjustment of the initial reporting plans to ensure alignment with the updated guidance. The Company is actively monitoring the progress of the proposal to remain aligned with future regulatory developments and to adapt its reporting preparations accordingly.

Personnel

The Company had 48 (50) own employees and 114 (108) contracted employees permanently working at the silver mine site.

The Company carries out employee satisfactory surveys quarterly. The results are used for identifying development areas as well as for daily management and its development. As metrics for employee satisfaction, we use indicators describing the success of leadership and ability to work, as well as the eNPS engagement index. The questions in the personnel survey are answered on a scale of 1 to 5, in which 3.5 to 4 is considered good and 4 to 5 excellent. All metrics were at a good or excellent level, with an average of 4.0 at the end of the third quarter of the year.



Shares and trading

Sotkamo Silver AB's share capital on September 30, 2025, was 310,511,626 SEK and the number of shares was 322,068,107.

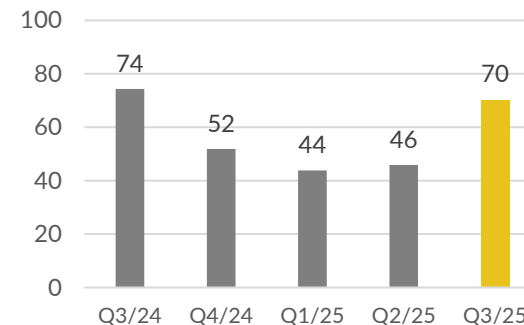
Sotkamo Silver AB's shares are traded on NGM Equity Stockholm and on Nasdaq Helsinki. The Company ticker code is SOSI at NGM Equity and SOSI1 at Nasdaq Helsinki. The shares' ISIN number is SE0001057910. The shares are also traded on Börse Berlin, Open Market, where the Company code number is A0MMF4 and ISIN-number is the same as on NGM Equity Stockholm; SE0001057910.

During the third quarter 70 million (74) and 160 million (277) shares during Q1-Q3 2025 were traded on NGM Equity in Stockholm and Nasdaq in Helsinki.

Share information

	Q3/25	Q3/24
Share price, SEK	1.08	0.92
Highest share price during the period, SEK	1.13	1.75
Lowest share price during the period, SEK	0.87	0.86
Quota value, SEK	0.96	0.96
Market cap, MSEK	348	262
Number of shares	322,068,107	286,148,387
Number of shares, diluted	350,587,714	327,383,120
Share capital, SEK	310,511,626	275,880,781

Shares Traded (million)



Risks and uncertainties

Financial, operational, and global economic risks and uncertainties might have an impact on the Company's operations and performance. The Company's operations must be evaluated against the background of the risks, complications, and potentially incurring additional costs that mining and exploration companies are exposed to. The Company can control and counteract these risks to varying degrees.

The Company's revenue comes from the sale of flotation concentrates priced in USD. Costs are primarily in EUR and SEK. The Group's balance sheet consists mainly of assets and liabilities in EUR. The Company, therefore, has an exposure of the net balance sheet in EUR/SEK since the Parent Company's reporting currency is SEK.

The metal grades of the Company's ore reserves vary. The Company proceeds underground according to the mining plan in a certain order optimal for mining. Therefore, in the short term, the metal grades of the ore may be above or below the estimated average metal grade of ore reserves, which causes volatility in the Company's net sales, profitability and cash flow.

Contractor uses large and sophisticated equipment in mining operations. Unplanned interruptions may occur, e.g. due to technical failures, incidents or strikes. These might have an adverse impact on contractor's performance,

which in turn might lead to delays and to failure to reach the production and the cost targets.

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities in order to continue its operations. If the financing secured is not sufficient, it would suggest material uncertainties that could lead to significant doubt regarding the Company's capacity to continue its operations. Due to negative cash flow during Q1-Q3 2025 the Company's cash position is weak and as there is uncertainty in the future liquidity, the Company partly manages this risk by committed credit facility, and by continuously monitoring forecasted and actual cash flows. As the current cash position is not sufficient to run the operations for 12 months without positive cash flows, the Company conducts regular stress testing under various market and operational scenarios to assess the impact on liquidity to strengthen resilience. In addition, a contingency funding plan is in place to ensure access to alternative sources of liquidity in the event of unexpected disruptions. The Company has initiated negotiations on additional financing with various parties in case the liquidity situation deteriorates. These measures aim to maintain sufficient liquidity under both normal and stressed conditions without incurring unacceptable losses. Sufficient liquidity also improves the Company's position in e.g. the tendering and renewal of the environmental and restoration guarantee.

The current offtake agreements expire at the end of 2025. The Company continues to negotiate on new offtake agreements and options, which include financing arrangements and expects to sign these agreements by the end of 2025.

The risks and mitigating them are described in more detail in the Annual Report for 2024, pp. 45–49.

Resolutions made at the Annual General Meeting

The decisions AGM made on 24 April 2025 are described in the Company's web page <https://www.silver.fi/en/investors/governance/annual-general-meetings>.

Resolutions made at the Extraordinary General Meeting

The EGM decided on 23 July 2025 to authorize the Board to resolve new issues of shares, warrants and/or convertibles. The authorization covered a maximum dilution of the number of shares that, at the time of the first issue resolution under this authorization, corresponded to 35 percent of the total number of outstanding shares in the Company, based on the total number of shares in the Company at the time when the Board of Directors first exercised the authorization. The

purpose of the authorization was to enable the completion of the offer to the holders of the Company's convertible loan of 6.3 MEUR 2022/2026 to exchange their existing convertible debentures for either new shares or new convertible debentures in the Company.

Main events Q1-Q3 2025

Date	Subject of the release
15 Jan	Profit warning
7 Feb	Significant milestone in sustainability
18, 20 Feb	Vehicle fire in the mine
3 Jun	Promising results from exploration drilling
12 Jun	Profit warning
25 Jun	New mining contractor
27 Jun	Negotiation of an extension of senior loan and intention to launch an offer to holders of convertible loan
23 Jul	Conditional commitment to extend the senior loan maturity and additional financing of 1 MEUR
1 Aug	Launch of exchange offer to convertible loan holders
13 Aug	Final results of the exchange offer and BoD resolution to issue new shares and convertibles
22 Aug	Agreement on the extension of the senior loan maturity and additional financing
29 Aug	New number of shares and votes

All releases are available in the Company's website:
<https://www.silver.fi/en/investors/releases/newsfeeds>

Events after the reporting period

No significant events have materialized after the reporting period.

Financial calendar

- Q4/2025: 20 February 2026
- Financial Statements and the Board of Directors' Report for the Year 2025: Week commencing 30 March 2026
- Q1/2026: 29 April 2026
- Q2/2026: 31 July 2026
- Q3/2026: 23 October 2026

The Annual General Meeting is planned to be held on 21 April 2026 in Stockholm.

The interim report has been reviewed by the Company's auditors.

Stockholm, 23 October 2025 Sotkamo Silver AB's Board of Directors and CEO

Eeva-Liisa Virkkunen (Chairperson)
Jukka Jokela
Joni Lukkaroinen
Kimmo Luukkonen
Sixten Sunabacka
Mauri Visuri

Mikko Jalasto (CEO)

Review report

To the Board of Directors of Sotkamo Silver AB
Corp. id. 556224-1892

Introduction

We have reviewed the condensed interim financial information (interim report) of Sotkamo Silver AB as of 30 September 2025 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Material uncertainty related to going concern

We wish to bring to your attention the information in the interim report's section "Risks and uncertainties" (page 16) which states that it is Sotkamo Silver's board's assessment that there, dependent on the outcome of new financing, is a risk that the Group's coverage of cash and cash equivalents is less than the liquidity needed to continue the business as a going concern in the coming 12 months. It is stated that the Company is actively engaged in evaluating the financial requirements and position with various financing alternatives being negotiated. It also states that there is a risk that the basis of going concern cannot be applied if sufficient financing is not secured. These circumstances indicate that there are material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. We have not modified our conclusion with regards to this.

Stockholm 23 October 2025

KPMG AB

Ola Larsmon

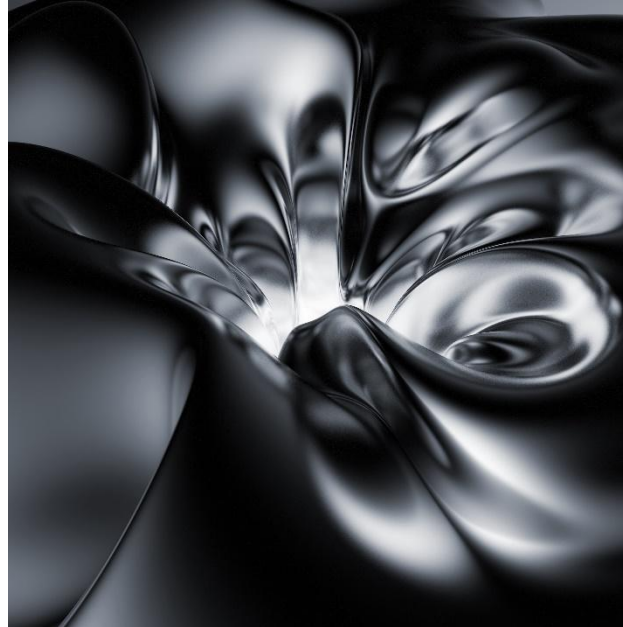
Authorized Public Accountant

This is a translation of the original Swedish version published on www.silver.fi/sv/investerare/rapporter-och-material

About Sotkamo Silver

Sotkamo Silver is a mining and ore prospecting company that develops and utilizes mineral deposits in the Kainuu region in Finland. Sotkamo Silver supports the global development towards green transition technologies and produces the metals needed responsibly and by taking local stakeholders into account. Sotkamo Silver's main project is a silver mine located in Sotkamo, Finland. In addition to silver, the mine produces gold, zinc, and lead. The company also has mining and ore prospecting rights for mineral deposits in the vicinity of the silver mine in Kainuu. Sotkamo Silver Group consists of the parent company Sotkamo Silver AB and its wholly owned Finnish subsidiary (Sotkamo Silver Oy). Sotkamo Silver AB is listed at NGM Main Regulated in Stockholm (SOSI), Nasdaq Helsinki (SOSI1), and Börse Berlin.

Read more about Sotkamo Silver at www.silver.fi/en/



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the Company webpage:
www.silver.fi/en/investors

Consolidated, condensed statement of income and other comprehensive income

Amount in MSEK	Q3/25	Q3/24	Q1-Q3/25	Q1-Q3/24	2024
Net sales	110.1	113.8	257.9	303.6	412.2
Change of finished goods	-2.5	8.1	-1.8	11.3	13.5
Other income	0.2	0.2	1.4	0.8	1.4
Supplies and services	-51.3	-52.2	-160.0	-160.3	-220.1
Other expenses	-11.6	-9.9	-36.6	-38.0	-53.6
Employee expenses	-9.9	-10.3	-32.1	-31.6	-44.3
EBITDA	34.9	49.7	28.9	85.8	109.0
Depreciation and amortization	-18.5	-19.3	-52.6	-56.6	-76.5
EBIT	16.4	30.4	-23.7	29.2	32.5
Financial income	1.8	0.5	6.3	1.7	6.4
Financial expenses	-14.2	1.2	-35.4	-29.8	-40.8
Interest expenses on lease payments	-0.1	-0.1	-0.2	-0.3	-0.4
Financial net	-12.4	1.6	-29.4	-28.4	-34.8
Result after financial items	4.0	32.0	-53.1	0.8	-2.3
Taxes	0.0	0.0	0.0	-14.1	-14.1
Result for the period	4.0	32.0	-53.1	-13.3	-16.4

Result that may be reclassified to current period result:

Amount in MSEK	Q3/25	Q3/24	Q1-Q3/25	Q1-Q3/24	2024
Translation differences	-2.7	-1.5	-11.2	5.0	9.4
Cash flow hedges	-2.5	0.3	-3.0	-0.3	-2.1
Income tax of cash flow hedges	0.5	-0.1	0.6	0.1	0.4
Total comprehensive income	-0.7	30.8	-66.7	-8.5	-8.7
Attributable to:					
The parent company					
shareholders	-0.7	30.8	-66.7	-8.5	-8.7
Total	-0.7	30.8	-66.7	-8.5	-8.7
Earnings per share, non-diluted, SEK	0.01	0.11	-0.16	-0.05	-0.06
Earnings per share, diluted, SEK	0.01	0.10	-0.16	-0.05	-0.06

Consolidated, condensed balance sheet

Amount in MSEK	30.9.2025	30.9.2024	31.12.2024
Intangible fixed assets	0.3	0.2	0.3
Tangible fixed assets	514.1	520.6	541.3
Right of use assets	3.7	5.8	4.7
Financial fixed assets	1.4	2.2	2.3
Deferred tax assets	1.1	0.0	0.0
Total fixed assets	520.7	528,8	548.6
Current assets			
Inventories	15.5	15.4	17.9
Trade receivables	36.4	34.6	30.3
Derivatives	1.0	0.3	0.0
Other assets	15.6	18.8	13.4
Cash and cash equivalents	0.8	76.4	88.3
Total current assets	69.4	145.4	149.8
Total assets	590.0	674.2	698.7
Equity			
Share capital	308.6	275.9	275.9
Other contributed capital	236.6	236.6	236.6
Translation differences	13.2	20.0	24.4
Cash flow hedges	-3.6	0.2	-1.3
Retained earnings	-247.4	-231.0	-231.0
Result of the period	-53.1	-13.3	-16.4
Total Equity	254.3	288.4	288.3

Amount in MSEK	30.9.2025	30.9.2024	31.12.2024
Liabilities			
Provision	41.8	34.8	42.4
Non-current borrowings	139.5	188.2	190.0
Non-current lease liabilities	0.6	2.4	1.7
Non-current derivative liabilities	14.8	6.0	0.0
Deferred tax liability	0.2	0.1	0.0
Total non-current liabilities	155.1	196.6	191.7
Current borrowings	46.9	58.4	71.6
Current lease liabilities	3.7	4.3	3.8
Derivative financial instruments	5.6	0.0	1.6
Trade payables and other payables	82.7	91.8	99.3
Total current liabilities	138.9	154.4	176.3
Total liabilities	335.8	385.8	410.4
Total equity and liabilities	590.0	674.2	698.7
Equity ratio %	43.1	42.8	41.3
Cash liquidity ratio %	38.8	86.6	75.0
Equity per share, SEK	0.79	1.01	1.04
Equity per share, diluted, SEK	0.73	0.88	0.92

Consolidated, condensed change in equity

Amount in MSEK	Share capital	Other contributed capital	Translation differences	Cash flow hedges	Retained earnings	Total equity
Opening equity 1.1.2024	276	236	15	0	-231	296
Period result					-16	-16
Sum of period result					-16	-16
Other Comprehensive income						
Translation difference			9	0		9
Cash flow hedges				-2		-2
Income tax of cash flow hedges				0		0
Sum of other comprehensive income	0	0	9	-2	0	8
Transactions with shareholders						
Share issue and convertible loan conversion	0	0				1
Issue costs		0				0
Sum of transactions with shareholders	0	0	0	0	0	1

Amount in MSEK	Share capital	Other contributed capital	Translation differences	Cash flow hedges	Retained earnings	Total equity
Closing Equity 31.12.2024	276	237	24	-1	-247	288
Period result					-53	-53
Sum of period result					-53	-53
Other Comprehensive income						
Translation difference			-11	0		-11
Cash flow hedges				-3		-3
Income tax of cash flow hedges				1		1
Sum of other comprehensive income	0	0	-11	-2	0	-14
Transactions with shareholders						
Share issue and convertible loan conversion	33					33
Sum of transactions with shareholders	33					33
Closing Equity 30.9.2025	309	237	13	-4	-300	254

Consolidated, condensed statement of cash flow

Amount in MSEK	Q1-Q3/25	Q1-Q3/24	2024
Operating activities			
Result for the period	-53.1	-13.3	-16.4
Adjustments for items not effecting cash	65.8	94.5	118.3
Interest paid	-19.2	-21.8	-20.5
Cash flow from operating activities before changes in working capital	-6.4	59.4	81.5
Cash flow from changes in working capital			
Change in inventories	1.8	-11.2	-13.7
Change in operating receivables	5.1	32.1	41.8
Change in operating liabilities	-10.9	-4.4	2.1
Cash flow from operating activities	-10.5	75.9	111.6

Amount in MSEK	Q1-Q3/25	Q1-Q3/24	2024
Investing activities	-42.4	-46.1	-69.7
Expenses for convertible loan conversion	-1.4	0.0	0.0
Repayment of lease liabilities	-3.6	-4.1	-5.3
Change in loans	-26.6	-29.8	-29.9
Cash flow from financing activities including share issue	-31.6	-33.8	-35.2
Change in cash and cash equivalents	-84.5	-4.0	6.7
Cash and cash equivalents in the beginning of the period	88.3	78.9	78.9
Translation differences in cash and cash equivalent	-2.9	1.6	2.7
Cash and cash equivalents at the end of period	0.8	76.4	88.3

Parent company condensed statement of income

Amount in MSEK	Q1-Q3/25	Q1-Q3/24	2024
Net sales	0.0	0.0	1.5
Other income	0.0	0.0	0.0
Supplies	0.0	-0.6	0.0
Other expenses	-7.4	-6.8	-11.5
Employee expenses	-1.8	-1.6	-2.5
EBITDA	-9.2	-9.0	-12.5
Depreciation and amortization	0.0	-0.1	-0.1
EBIT	-9.3	-9.1	-12.6
Financial income	24.8	24.1	71.9
Financial expenses	-9.9	-6.7	-47.0
Financial net	14.8	17.4	24.9
Result after financial items	5.5	8.4	12.3
Group contributions	0.0	0.0	-13.3
Taxes	0.0	-14.1	-14.1
Result for the period	5.5	-5.7	-15.1

Parent company condensed balance sheet

Amount in MSEK	30.9.2025	30.9.2024	31.12.2024
Assets			
Fixed assets			
Intangible fixed assets	0.0	0.0	0.0
Tangible fixed assets	0.1	0.1	0.1
Shares in subsidiaries	174.9	174.9	174.9
Financial fixed assets	169.3	153.9	165.6
Total fixed assets	344.3	329.0	340.6
Other assets	5.1	6.7	5.3
Cash and cash equivalents	0.8	14.6	0.7
Total current assets	5.9	21.3	6.0
Total assets	350.2	350.3	346.7
Equity and liabilities			
Equity	250.2	219.4	210.0
Liabilities			
Long-term liabilities	33.3	70.6	72.0
Short term liabilities	66.7	60.3	64.7
Total liabilities	100.0	130.9	136.7
Total Equity and liabilities	350.2	350.3	346.7

Exchange rates

For the compilation of the Company's accounts, exchange rates have been calculated using the following values:

	30.9.2025	30.9.2024	31.12.2024
Balance sheet day rate EUR/SEK	11.06	11.30	11.49
Balance sheet day rate USD/SEK	9.42	10.09	11.00
Average rate for the reporting period EUR/SEK	11.10	11.41	11.43

Other information

Important estimates and assessments for accounting purposes

Estimates and assessments are continuously evaluated and based on historical experience and other factors, including expectations of future events that are considered reasonable under the prevailing circumstances. The Group makes estimates and assumptions about the future. The

estimates for accounting purposes that result from this will, by definition, rarely correspond to the actual result. The estimates and assumptions that entail a significant risk of major adjustments in the carrying amounts of assets and liabilities are described in the annual report 2024. An updated impairment test has been conducted to reassess the valuation of tangible assets, considering the circumstances and events from the past nine months. The outcome of the test showed no need for impairment. The estimates involved are subject to uncertainty. This uncertainty stems from various factors, including—but not limited to—the financial forecasts used in the assessment.

Accounting principles

The interim report has been prepared in accordance with IFRS accounting standards as adopted by the European Union, the Annual Accounts Act and the Securities Market Act. For the parent company, the interim report has been prepared in accordance with the Annual Accounts Act and the Securities Market Act, which is in accordance with the provisions of RFR 2 Accounting for Legal Entities. The parent company's and the group's accounting principles for the report are unchanged compared to the latest annual report for the year 2024.

Revenue recognition, IFRS 15

The Group's revenue primarily consists of sales of silver concentrates and by-products. Sales are recognized as

revenue when control of the concentrate is transferred to the customer, which is considered to have been done when the concentrate has been transported and received by the customer. Where the agreements contain multiple performance commitments, the transaction price is allocated to each separate performance commitment based on their standalone selling prices.

For revenue relating to the flotation concentrate, the transaction price is calculated on preliminary data on the amount of concentrate, metal content, metal price, and less reimbursement for treatment costs and contaminant content. Final billing occurs when all input parameters (concentrate quantity, metal content, price, contaminant content, etc.) have been determined. Any changes in the amount of concentrate and metal content on final invoicing are reported as net sales.

Silver concentrates are usually sold within pricing arrangements, which means that the final price is determined by quoted market prices for a specified period after the actual sale date. Regarding these sales, the Group must estimate the transaction price to be received at the sale date considering relevant commodity market prices. Adjustments due to movements in quoted commodity prices are made up to the date of final pricing based on market prices.

Adjustments for both metal content and changes in market prices in the final sales revenue of products after an estimate made on the trade date are presented in the income statement in net sales.

Revenue from activities outside ordinary activities is reported as other income.

Inventories

The Company's inventories consist mainly of concentrate and ore. Inventories are reported at the lower of cost and net realizable value. The acquisition value is determined using the first-in, first-out method (FIFO). The acquisition value for concentrate consists of ore from the own mine, direct wages, other direct costs, and attributable indirect manufacturing costs, including attributable depreciation based on normal production capacity. The net realizable value is the estimated selling price of metal content in accordance with applicable sales terms, less any applicable variable sales costs.

Fair value of financial instruments and trade receivables

The Company implemented at the beginning of April 2022 a directed issue of convertibles 2022/2026 of an aggregate nominal amount of up to 6.4 MEUR (71 MSEK). During Q3/2024 convertibles in an aggregated nominal amount of 60,018 EUR (0.7 MSEK) and during Q3/2025 3,160,948

EUR (34.6 MSEK) were converted to shares. After conversions, the aggregated nominal amount for the outstanding convertibles amounts to approximately 0.5 MEUR (5.5 MSEK). The convertibles carry an annual interest of 8.0%. The term of the convertibles is 4.5 years with a maturity date on 30 September 2026, to the extent that conversion has not taken place before such date. The conversion price at the time of issuance was 0.175 EUR (1.951 SEK) per share and after the share issue the conversion price is 0.1538 EUR (1.714 SEK) per share.

The Company carried out in August 2025 an exchange offer to the holders of the Company's convertible loan 2022/2026 to exchange their convertibles for either new shares or new convertibles in the Company. 41.6 percent (nominal value 2,640,792 MEUR (29.5 MSEK)) of the convertibles was exchanged for new convertibles 2025/2029. The convertibles carry an annual interest of 9.0%. The maturity date of the new convertibles is 31 October 2029, to the extent that conversion has not taken place before such date. The conversion price at the time of issuance was 0.1056 EUR (1.1782 SEK) per share.

Both convertibles contain two components: a conversion option component that will be recognized at fair value using the Black-Scholes model through the income statement and a liability component that will be recognized at amortized cost using the effective interest rate method.

On 30 September 2025, the fair values of the convertible option components were 15 MSEK and the fair value of the liability components were 19 MSEK. The changes include the conversion made in August 2025 into shares and a new convertible bond. Of these, non-recurring financial expenses of SEK -4 million were recorded. The fair value changes during 2025 for the conversion option liabilities were -0,5 MSEK, and the effective interest rate cost recorded for the liability components was -11 MSEK.

The Company uses swaps to hedge silver price risk and electricity price-fixing contracts to hedge electricity price risk. Derivatives are initially recognized at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Company designates certain derivatives as hedges of a particular risk associated with the cash flow of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges).

At the inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The

Company documents its risk management objective and strategy for undertaking its hedge transactions. The fair values of derivative financial instruments designated in hedge relationships were -6 MSEK (silver price hedges) and 1 MSEK (electricity price hedges).

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognized immediately in profit and loss, within other gains/(losses).

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit and loss.

For other financial instruments, the carrying amount is a reasonable estimate of fair value. The fair value of embedded derivatives is found in Level 2 of the fair value hierarchy. On 30 September 2025, the fair value of accounts receivable amounted to 36 MSEK (35) and was recognized in Trade Receivables in Current assets in the balance sheet. If there would have been any changes, the values would have been reported in other operating income/expenses in the Consolidated statement of income. The fair value of accounts receivable is found in Level 2 of the fair value hierarchy.

Definitions

The financial statements provided include alternative performance measures that complement the measures defined or specified in applicable financial reporting rules such as revenue, profit or loss, or earnings per share. Alternative performance measures are indicated when they provide clearer or more in-depth information in their context than the measures defined in the applicable financial reporting rules. The starting point for the submitted alternative performance measures is that they are used by management to assess financial performance and are thus considered to provide analysts and other stakeholders with valuable information.

Group Management regularly uses alternative performance measures as a complement to the key performance measures defined in IFRS. The alternative performance measures are derived from the consolidated financial statements and are not measures of financial results or liquidity in accordance with IFRSs, and therefore they should not be considered as alternatives to net result, operating profit or other performance measures derived in accordance with IFRS or as an alternative to cash flow as a measure of the Group's liquidity.

The definition and calculation of the key figures are described below.

EBITDA, Earnings Before Interest, Taxes and Depreciations & Amortizations

EBIT, Earnings Before Interest and Taxes

Equity ratio (%), The equity in relation to total Assets

Earnings per share, The Earnings divided by the number of shares

Cash liquidity (%), Short-term assets minus inventories in relation to short-term liabilities

Net debt-to-EBITDA ratio, Net debt in relation to rolling 12 months EBITDA

Silver production, The amount of silver produced in concentrates

Mill feed, Amount of ore fed to the concentrator plant

Average silver grade, Weighted silver grade in ore fed to the concentrator plant

LTIFR, Lost time injury frequency rate (LTIFR) means the number of lost time injuries for a million working hours

Ounce, Troy ounce which is 31.1035 grams

TSM Finland: The mining industry's sustainability is monitored and developed through the international Towards Sustainable Mining standard. The purpose of implementing the standard is to encourage the industry to adopt and develop more responsible practices. The Responsible Mining tools, such as social responsibility reporting and the mining responsibility systems, have been developed in collaboration with the Sustainable Mining Network.



