

High profitability in Q4 and strengthened 2026 outlook

Financial Statement Release 2025



HIGHLIGHTS

October – December

- Net sales increased by 25% to 135 MSEK (109 MSEK*). Silver production was lower than in the same period last year, but the positive development of silver and gold prices supported net sales which increased by 97% compared to Q1 2025, 71% compared to Q2 2025 and 23% compared to Q3 2025
- EBITDA rose by 119% to 51 MSEK (23) and EBITDA margin strengthened to 38% (21) compared to Q4 2024. Compared to Q1 2025 EBITDA increased 58 MSEK, 49 MSEK compared to Q2 2025 and compared to Q3 2025 16 MSEK
- EBIT increased to 33 MSEK (3). EBIT was 56 MSEK higher than in Q1 2025, 49 MSEK higher than in Q2 2025 and 16 MSEK higher than in Q3 2025
- Profitability improved significantly from the comparison period due to positive price development of silver and gold. The Company's profitability improved quarter by quarter in 2025
- CAPEX fell to 15 MSEK (24)
- The production amounted to approximately 193,000 ounces of silver (271,000), 579 ounces of gold (604), 154 tonnes of lead (154), and 389 tonnes of zinc (438) in concentrates
- Cash and cash equivalents amounted to 14 MSEK (88). The Company has a credit facility of 2 MEUR (22 MSEK)

- The Company updated Mineral Resource and Ore Reserve Estimates which supported significant extension of life of the mine

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

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

January – December

- Net sales decreased by 5% to 393 MSEK (412 MSEK). Lower silver grade and lower mill feed led to lower silver production. Higher silver and gold prices did not fully compensate for the decline in net sales caused by lower production volumes
- EBITDA weakened to 80 MSEK (109), EBITDA margin fell to 20% (26)
- EBIT fell to 9 MSEK (33)
- Inadequate mining resources and rock mechanical challenges led to lower silver production and decreased profitability especially during the first half of 2025
- Cash and cash equivalents decreased to 14 MSEK (88)
- CAPEX decreased by 10% to 63 MSEK (70)
- The production was approximately 803 000 ounces of silver (1 166 000), 1,829 ounces of gold (2,595), 602 tonnes of lead (729), and 1,472 tonnes of zinc (1,642) in concentrates

OUTLOOK

Guidance for 2026

The Board of Directors concluded 20 February on new guidance for year 2026:

- The Company expects to produce 0.9 -1.2 million ounces of silver
- Annual EBITDA is expected to be over 25 MEUR
- Net debt-to-EBITDA is expected to be below 1.0 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 prices used in the guidance for silver and gold are slightly lower than at the time of publication of the guidance (20 February 2026).

Medium-term targets

Medium-term targets until the end of year 2028.

- Annual silver production of 1.4 million ounces
- Annual EBITDA margin > 30%
- Net debt-to-EBITDA < 2.0
- Performance on A-level in Towards Sustainable Mining (TSM) standard

CEO REVIEW

Significant impact of rising silver price on profit and cash flow

The positive development continued in the fourth quarter. Our net sales and EBITDA increased very strongly compared with the previous quarter and the previous year due to the rapid rise in the silver price. Although our financial figures developed positively, silver production volume still fell short of target.

The price of silver has been at historical high levels. During 2025, the price already rose from 23 dollars to 72 dollars. At the beginning of 2026, the price continued to rise and reached nearly 120 dollars per ounce. Since then, the price has declined to the levels seen at the end of 2025. Even though silver prices have fluctuated significantly during the early part of the year, they have remained at a high level. This has a very positive impact on our profit and cash flow. All in all, the year 2026 has started on a positive note!

Although silver production recovered during the second half of the year, 2025 was operationally challenging for us for underground mining. We are now investing heavily in development projects at the current mine to ensure the early opening of new production areas. We are confident that, with these investments and the new mining contractor who started on 1 January 2026, we will be able to secure

the achievement of our mining targets. Cooperation with the new contractor has also started well.

At the end of 2025, we published our updated medium-term targets, according to which we aim to reach an annual silver production level of 1.4 million ounces. We will not yet reach this level in 2026, but we strongly believe that production will grow compared with 2025 figures.

According to the estimates published at the end of 2025, mineral resources increased by more than four million tonnes, and the most accurate category, Measured, grew very significantly. Current resources and reserves are estimated to enable operations to continue at least until 2035. Mineralisation both at greater depth and west of the current operating area provides promising targets for continued exploration.

I would like to thank our personnel for their excellent work and achievements, such as strengthening our safety performance and extending the life of the mine. The ongoing development measures in underground mining, together with the improved profitability, create a strong foundation for this year.



Mikko Jalasto, CEO

Key figures

	Q4/25	Q4/24	Change, %	2025	2024	Change, %
Net sales, MSEK	135	109	25	393	412	-5
EBITDA, MSEK*	51	23	119	80	109	-27
EBITDA margin %	37.6	21.4	76	20.3	26.4	-23
EBIT, MSEK*	33	3	872	9	32	-73
EBIT margin %	24.0	3.1	680	2.2	7.9	-72
Equity ratio %*	40	41	-3	40	41	-3
Cash liquidity %*	49	75	-35	49	75	-35
Net debt-to-EBITDA ratio*	2.5	1.6	56	2.5	1.6	56
Personnel at the end of the period	48	51	-6	48	51	-6
Silver production, koz*	193	271	-29	804	1 166	-31
Mill feed, kt*	110	123	-10	425	497	-14
Average silver grade, g/tonne*	65	84	-23	71	89	-20

Alternative key performance measures are marked with asterisk. For more detailed definitions, please see section Definitions on page 28.

Financial performance

During the fourth quarter, **net sales** increased by 25% to 135 MSEK (109 MSEK). Silver production was lower than in the same period last year, but the positive development of silver and gold prices supported net sales which increased by 97% compared to Q1 2025, 71% compared to Q2 2025 and 23% compared to Q3 2025.

Other income was 0.4 MSEK (0.5) during the quarter, including received subsidies and proceeds from recycling.

EBITDA rose by 119% to 51 MSEK (23) and EBITDA margin strengthened to 38% (21) compared to Q4 2024. Compared to Q1 2025 EBITDA increased 58 MSEK, 49 MSEK compared to Q2 2025 and compared to Q3 2025 16 MSEK. Profitability clearly improved from the comparison period mainly due to positive price development of silver and gold. The Company's profitability improved quarter by quarter in 2025.

EBIT increased to 33 MSEK (3). EBIT was 56 MSEK higher than in Q1 2025, 49 MSEK higher than in Q2 2025 and 16 MSEK higher than in Q3 2025.

Financial expenses increased to 66 MSEK (41) in 2025 due to fair value changes of conversion option liabilities which were -24 MSEK (-3).

The Company's **CAPEX** was 15 MSEK (24) in the quarter and 63 MSEK (70) in 2025. The CAPEX consisted mainly of infill and exploration drilling, underground decline and CAPEX drifts. With the investments made, the Company extended the life of the mine and will ensure efficient production.

During the fourth quarter **silver price** fluctuated in a range between \$46.4 and \$74.8 per ounce and during Q1-Q4 2025 between \$29.4 and \$74.8. At the end of the quarter, the silver price was \$72.0 per ounce.

A change of one USD in the price of silver affects the Company's revenue by approximately 10 MSEK annually.

The Company hedges part of the price of the silver delivered with derivative instruments. The increase in the spot price of silver will therefore be partly realised in the Company's revenue with a slight delay, the hedging horizon being two months for hedges regarding deliveries in 2025. The Company did not hedge the price of silver delivered in December after the net debt-to-EBITDA covenant was breached at the end of September 2025. At year-end 2025, the covenant was clearly below the covenant limit, and the Company will continue to hedge from the February 2026 deliveries. The hedging decreased net sales for the quarter by 25 MSEK. The final selling price of silver deliveries in

2025 will be determined two months after the delivery periods.

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 fourth quarter against the Swedish krona from 11.06 to 10.82 average being 10.95 which had a minor effect on the Company's result. In 2025, the euro weakened against the Swedish krona from 11.46 at the beginning of the year to 10.82, average being 11.07, which improved the Company's result by 2 MSEK.

Market data

	Q4/25	Q4/24	2025	2024
Average silver price USD	54.7	31.4	40.0	28.3
Average EUR/USD	1.16	1.07	1.13	1.08
Average EUR/SEK	10.95	11.50	11.07	11.43

Financial position and cash flow

At the end of the quarter **cash and cash equivalents** amounted to 14 MSEK (88). The Company has a credit facility of 2 MEUR (22 MSEK). The Company expects production volumes to increase in 2026 compared to the last year and the cash position to improve, supported by the good price development of silver and gold.

The Company generated **cash flow from operating activities** 38 MSEK during the fourth quarter, 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 risks, including liquidity risk, on page 18. The Company's cash position improved during the Q4 2025.

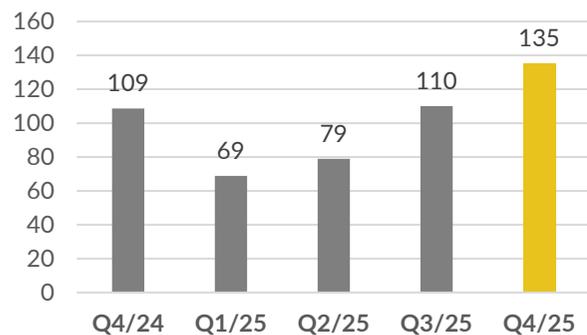
The Group's **equity ratio** decreased slightly to 40% (41).

The Group's **equity** was 244 MSEK (288) which corresponds to 0.76 SEK (1.01) a share non-diluted, and 0.69 SEK (0.88) diluted.

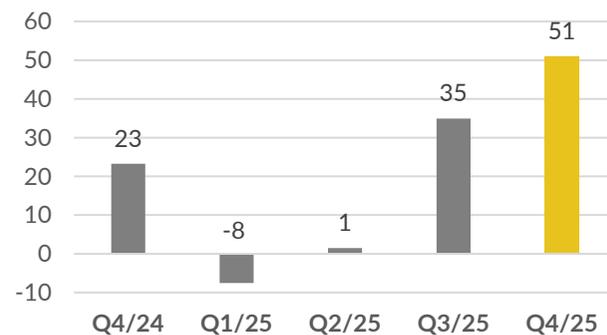


Financial key figures

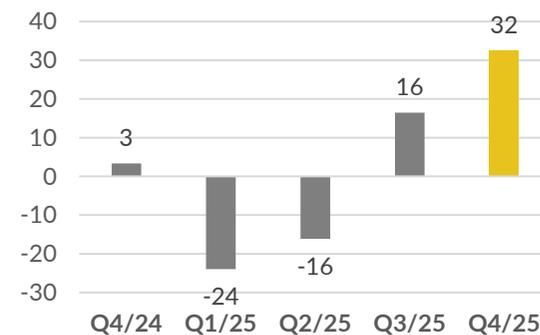
Net Sales, MSEK



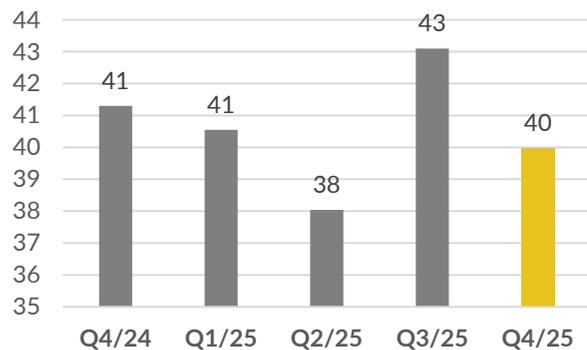
EBITDA, MSEK



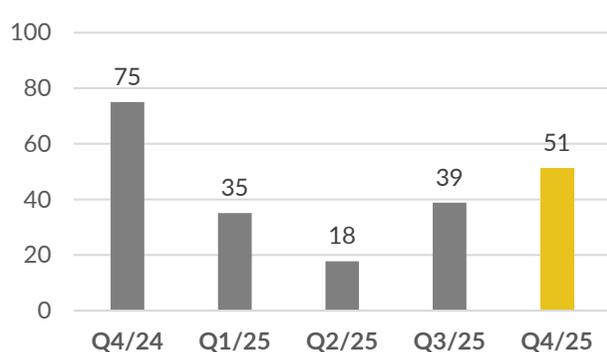
EBIT, MSEK



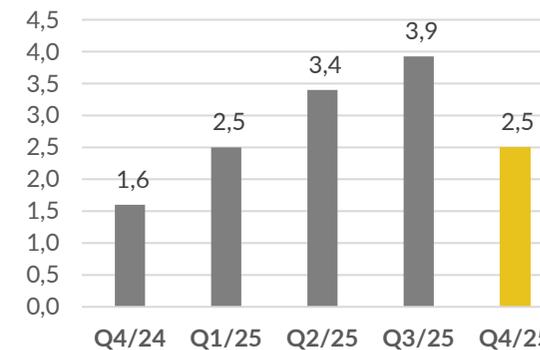
Equity ratio, %



Cash liquidity, %



Net debt-to-EBITDA



Operational performance

Milled ore during the fourth quarter of 2025 decreased by 10% to 110,000 tonnes compared to the previous year (123,000). In total, the production amounted to 193,000 ounces of silver (271,000), 579 ounces of gold (604), 154 tonnes of lead (154), and 389 tonnes of zinc (438) in concentrates.

Silver production was lower compared to the previous year due to lower silver head grade and insufficient underground mining volume. The silver head grade was 65 g/tonne (84), which was influenced by operational challenges during the year preventing us from reaching planned stoping areas in Q4. During the quarter we also mined stopes where value was driven by higher gold grade and not so much by silver. We expect the silver head grade to stay at slightly lower level in the beginning of Q1/2026, but then to consistently increase to 80-90 g/tonne. During Q1/2026 we will also have stopes with higher gold grades in production.

Underground mining performance was not consistent enough yet. Good progress in drifting during fourth quarter gave possibilities to reach new stoping areas in 2026. Ensuring adequate capacity and timely execution of operations in the underground mine remains the primary focus for 2026.

As part of the long-term consistency and development of underground mining performance, a new mining contractor started operations at the beginning of 2026. Preparations for the start-up during the fourth quarter were according to the plans and ramping up operational performance continues during Q1.

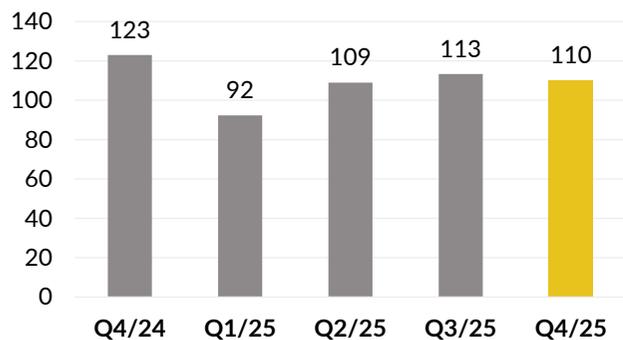
In addition, we have invested in recruiting key personnel and launched operational development program supported by external consultants. The measures aim to increase silver production from the 2025 level and, on the other hand, to ensure stable production for the coming years.

We are confident that the ongoing work and changes made will bring the needed long-term sustained improvements.

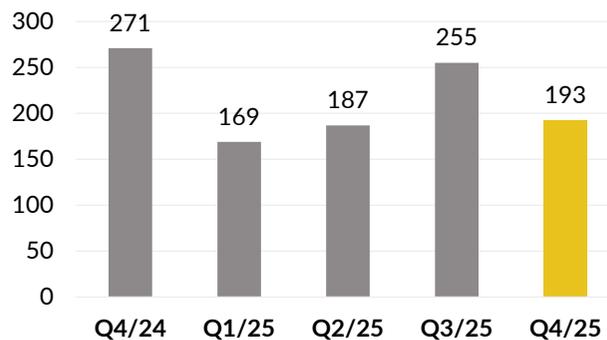


Operational key figures

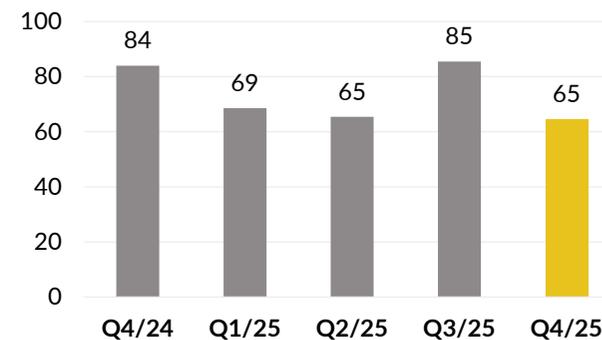
Milled ore, ktonnes



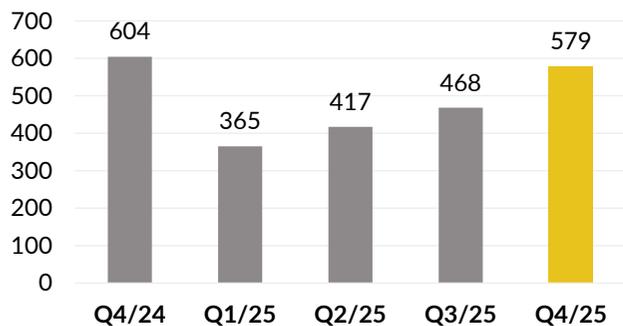
Silver production, koz



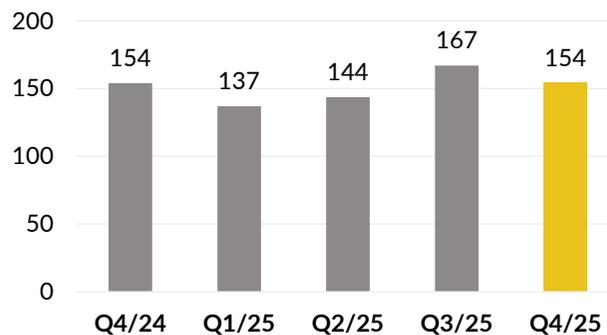
Silver head grade, g/tonne



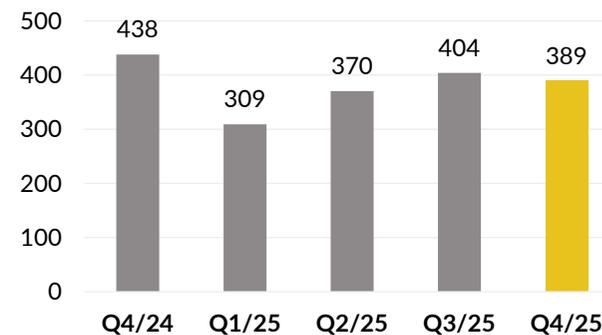
Gold production, oz



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 activities, Q4/2025

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

The Company has conducted exploratory diamond core drilling at the existing mine to extend its life until 2035. Campaign was successful and Mineral resources and Ore reserves were updated accordingly at the end of the year.

Operational efficiency

We announced in June, that new mining contractor will begin work on January 1, 2026. The preparations for changeover were successful, and new contractor was able to start operations as planned and ramping up operational efficiency continues during Q1.

We also have strengthened our own mining team personnel and have started mining productivity and efficiency program with support of external consultancy.

Financing of investments

The Company continued negotiations on additional financing with various parties in case cash is needed.

Offtake agreement

The offtake agreements were expiring at the end of 2025. The contracts were extended for Q1/2026, and we expect to finalize the longer-term solution in synchronization with the financing negotiations.

Responsible use of natural resources

The public hearing phase of the environmental permit application for the tailings pond expansion was concluded with the submission of responses addressing the relevant points raised in the received opinions and statements. The feedback in the public hearing further improves the quality of the application and ensures that the stakeholders' input is considered in the permit authority's upcoming decision. The applied tailings pond expansion permit will ensure the tailings' deposition capacity until the end of the extended LOM.

Key activities 2025

Extending Life-of-Mine (LOM)

Project was successfully executed together with selected reliable partners. At the end, the result was even better than originally expected and current ore reserves and estimated economically mineable mineral resources give a strong base to continue mining operations for at least next 10 years, and the aim is to extend the mine lifetime by additional exploration drilling.

Exploration, Kainuu region

During the year we used modern modelling tools to analyse existing data on our exploration areas in Kainuu region and made rough roadmap progress plan to be realised during coming years.

In exploration the main focus was on mineralisation inside existing mining concession area and on the west side of current operating area. We were able to finalize partial mineralisation model based on drill core samples. Mineralisation is very promising both in size and quality. Project West will remain our focus area in 2026 for development steps towards expanding the life-of-mine further.

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.

Responsible use of natural resources

We obtained the expansion permit for the silver mine concession from the mining authority, enabling us to extend the underground mine into a wider area and to utilize the known ore body more efficiently.

We obtained an environmental permit from the authority to raise the existing tailings storage facility dam. The permitted and planned raises secure sufficient tailings deposition capacity until the planned commissioning of the tailings pond expansion in 2027. The permit process for the tailings pond expansion progressed during the year through close collaboration with the authorities and stakeholders.

In Towards Sustainable Mining (TSM) standard the focus was kept in maintaining the good practices of the mining responsibility system across our operations.

We strengthened the integration of circular economy principles into mine waste management and closure

planning by initiating studies on the potential for utilizing tailings in cover structures for mining waste areas.

Key focus areas in 2026

Sotkamo Silver has invested in production and production management capabilities by recruiting key personnel, changing underground contractor and acquiring operational development consulting. The measures aim to increase silver production from the 2025 level and, on the other hand, to ensure stable production for the coming years.

The capacity of underground production will be increased by preparing new underground mining levels for efficient production earlier than before and by creating alternative production areas to reduce operational risks. During the H1/26 development work, the open-pit ore will be utilised to supplement underground production to bring the necessary development measures to the level required for the targeted production.

Acceleration of underground mine development

Primary short-term focus is on ensuring the execution of drifting and infrastructure building -plans together with the mining contractor. Acceleration in both is needed to provide adequate alternative and independent mining areas for the future. Being able to separate mine development and production areas will provide more predictability for

underground mining and resilience in case of any adverse events in the future.

Underground operational performance

The mining efficiency improvement project aims to enhance overall operational performance. Key areas for 2026 include resource reliability, work scheduling, follow-up, and daily management. Our focus, alongside the new mining contractor and external consultants, is achieving operational results that satisfy all stakeholders.

Safety

Significant advancements in our safety standards were achieved in 2025 through the implementation of several well-planned and executed safety initiatives. In 2026, as we accelerate mine development and operational activities, it will be essential to prioritise safety by incorporating lessons learned from previous years into the onboarding and training together with our new mining contractor.

Exploration activities for future growth

Sotkamo Silver continues exploration planning activities on Tipasjärvi greenstone belt and during 2026 focuses on exploration of very promising West mineralisation inside existing mining license area. We are also in process to strengthen our geology team to be better prepared to plan and timely execute detailed exploration activities in future years.

Financing of investments

After successful refinancing in 2025 our investment plan will continue to accelerate the underground mine development. We estimate that we can implement the investment plan with cash flow financing. However, we maintain a contingency funding plan to ensure access to alternative sources of liquidity in the event of unexpected disruptions. We will also work to renew the environmental and restoration guarantee.

Responsible use of natural resources

We will focus on completing the environmental permitting process for the tailings pond expansion and starting construction during the year. In parallel, we aim to increase the utilisation rate of tailings in our mining operations by developing and adopting new methods in the underground mine backfilling process that support both material and operational efficiency.

We continue to work actively to protect the ecological health and recreational value of local water bodies through responsible water management. We are investing in measures to reduce nutrient loads and to keep the sulphur content of the tailings consistently at a low, environmentally sound level. We maintain open and transparent communication about the environmental impacts of our operations as part of our ongoing efforts to operate responsibly.



Sustainability

Safety

The lost time injury frequency rate (LTIFR, the number of lost time injuries for a million working hours) was 14 (15) at the end of the period, including all contractors. LTIFR of 14 corresponds to three Lost Time Injuries (LTI) within 12 months.

To lower LTIFR, we have taken corrective measures and in 2025, we focused especially on integrating hazard identification and strengthening root cause analysis in our day-to-day safety work. 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 2025 the Company's own personnel and regular contractors at mine had worked 68 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.

After implementing the Equal, Diverse and Inclusive Workplaces protocol in 2025, the TSM Finland framework

now consists of nine protocols. Of these, eight are subject to public reporting, and their assessment scales and current performance levels are presented in the table below. The results of the EDI protocol will be disclosed after the next external verification, scheduled for 2027.

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

Nutrient load in the discharge water

The nitrogen load in 2025 was lowered from the previous year but the annual permit limit was exceeded during Q4. We will continue to develop explosives management and water treatment methods to reduce nitrogen load in 2026.

As reported in Q3, the total annual phosphorus load was exceeded. We are also awaiting the permit authority's decision on the application to adjust the phosphorus limit.

Despite the limit exceedances of the nutrients, the monitoring data continues to indicate excellent ecological state and no indications of eutrophication in the nearest classified lakes.

In parallel, we will continue working with the authorities to safeguard the ecological health and recreational use of local water bodies and to ensure the long-term protection of the aquatic environment

Personnel

The Company had 48 (51) own employees and 116 (104) 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. Most of the metrics were at a good or excellent level, with an average of 3.8 at the end of the fourth quarter of the year.



Shares and trading

Sotkamo Silver AB's share capital on December 31, 2025, was 310,511,626 SEK and the number of shares was 322,068,107.

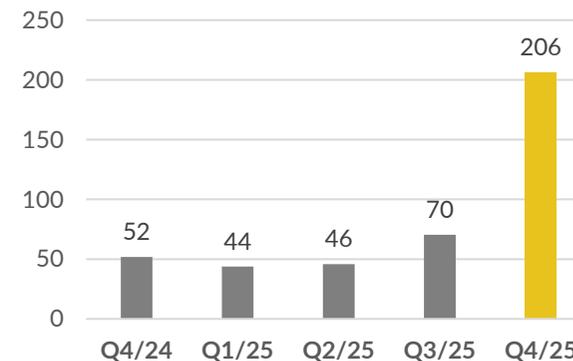
Sotkamo Silver AB's shares are traded on NGM Equity Stockholm and on Nasdaq Helsinki. The Company ticker code is SOSI at NGM Equity and SOSI1 at Nasdaq Helsinki. The shares' ISIN number is SE0001057910. The shares are also traded on Börse Berlin, Open Market, where the Company code number is A0MMF4 and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

During the fourth quarter 206 million (52) and 366 million (329) shares during 2025 were traded on NGM Equity in Stockholm and Nasdaq in Helsinki.

Share information

	Q4/25	Q4/24
Share price, SEK	2.15	1.00
Highest share price during the period, SEK	2.15	1.36
Lowest share price during the period, SEK	1.00	0.90
Quota value, SEK	0.96	0.96
Market cap, MSEK	691	286
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 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 2025 the Company's cash position was still weak at the end of 2025 and as there is uncertainty in the future liquidity, the Company manages partly this risk by committed credit facility, and by continuously monitoring forecasted and actual cash flows. As the cash position during the year 2025 was not sufficient to run the operations for 12 months without positive cash flows, the Company needs to conduct 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 Q1 2026. The Company continues to negotiate on new offtake agreements and options, which include financing arrangements and expects to sign the offtake agreements by the end of Q1 2026. The financing agreement is expected to be signed by the end of Q1 2026 if the need for additional financing is foreseen.

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 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 Board 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
21 Nov	Profit warning
23 Dec	New mid-term targets
31 Dec	Mineral Resources and Ore Reserve estimates support significant extension of life of the mine

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

Events after the reporting period

As part of the long-term consistency and development of underground mining performance, a new mining contractor started the operations from the beginning of 2026.

During January, the number of shares and votes in Sotkamo Silver AB has increased as a result of the conversion of convertibles of series 2022/2026. Before the conversion, there were a total of 322,068,107 shares and votes in the company. At the end of January, there was a total of 322,718,497 shares and votes in the Company. The conversion reduced the principal of the convertible loan

from EUR 0.54 million (SEK 5.7 million) to EUR 0.44 million (SEK 4.6 million).

Board of Director's proposal for dividend distribution

The Company's Board of Directors will propose to the Annual General Meeting that no dividend will be paid for the financial year 2025.

Financial calendar

- 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.

This interim report has not been audited by the Company's auditors.

Stockholm, 20 February 2026
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)



About Sotkamo Silver

Sotkamo Silver is a mining and ore exploration 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 respecting the interests of local stakeholders. 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 ores are processed into concentrates, which are sold to the smelters in accordance with a supply agreement. The Company also has mining and ore exploration rights for mineral deposits in the vicinity of the silver mine in Kainuu.

The Company's strength is the ability to reproduce mining know-how and operational activities in an efficient and responsible manner in new projects. Sotkamo Silver co-operates with reliable partners in the value chain and is committed to operating responsibly.

Sotkamo Silver is listed at NGM Main Regulated in Stockholm and at Nasdaq Helsinki. Sotkamo Silver had at year-end approximately 22,000 shareholders, of which approximately 80% are from Finland.

Why invest in Sotkamo Silver?

- A strong demand for silver on the market due to the Green Transition
- Capability for efficient and stable production
- Plans to extend the life of the silver mine
- The ore exploration programme, promising mineral resources and strong expertise are creating a future growth path
- Commitment to sustainable development

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

Contact

Mikko Jalasto,
CEO of Sotkamo Silver AB
mikko.jalasto@silver.fi
+358 50 482 1689

Tommi Talasterä,
CFO of Sotkamo Silver AB
tommi.talastera@silver.fi
+358 40 712 6970

The reports are available on the Company webpage:
www.silver.fi/en/investors

Consolidated, condensed statement of income and other comprehensive income

Amount in MSEK	Q4/25	Q4/24	2025	2024
Net sales	135.4	108.6	393.3	412.2
Change of finished goods	1.0	2.2	-0.7	13.5
Other income	0.4	0.5	1.8	1.4
Supplies and services	-62.1	-59.8	-222.1	-220.1
Other expenses	-11.7	-15.6	-48.3	-53.6
Employee expenses	-12.2	-12.7	-44.3	-44.3
EBITDA	50.9	23.2	79.8	109.0
Depreciation and amortization	-18.4	-19.9	-71.0	-76.5
EBIT	32.5	3.3	8.8	32.5
Financial income	-1.2	4.8	5.1	6.4
Financial expenses	-30.9	-11.1	-66.4	-40.8
Interest expenses on lease payments	-0.1	-0.1	-0.3	-0.4
Financial net	-32.2	-6.4	-61.6	-34.8
Result after financial items	0.3	-3.1	-52.8	-2.3
Taxes	0.0	0.0	0.0	-14.1
Result for the period	0.3	-3.1	-52.8	-16.4

Result that may be reclassified to current period result:

Amount in MSEK	Q4/25	Q4/24	2025	2024
Translation differences	-4.1	4.4	-15.2	9.4
Cash flow hedges	-8.9	-1.8	-11.9	-2.1
Income tax of cash flow hedges	1.8	0.4	2.4	0.4
Total comprehensive income	-10.8	-0.1	-77.5	-8.7
Attributable to:				
The parent company				
shareholders	-10.8	-0.1	-77.5	-8.7
Total	-10.8	-0.1	-77.5	-8.7
Earnings per share, non-diluted, SEK	0.00	-0.01	-0.16	-0.06
Earnings per share, diluted, SEK	0.00	-0.01	-0.16	-0.06

Consolidated, condensed balance sheet

Amount in MSEK	31.12.2025	31.12.2024
Intangible fixed assets	0.2	0.3
Tangible fixed assets	499.1	541.3
Right of use assets	2.7	4.7
Financial fixed assets	1.4	2.3
Deferred tax assets	2.6	0.0
Total fixed assets	506.1	548.6
Current assets		
Inventories	16.1	17.9
Trade receivables	63.1	30.3
Derivatives	0.0	0.0
Other assets	10.3	13.4
Cash and cash equivalents	13.7	88.3
Total current assets	103.2	149.8
Total assets	609.3	698.7
Equity		
Share capital	308.6	275.9
Other contributed capital	236.6	236.6
Translation differences	8.9	24.4
Cash flow hedges	-10.5	-1.3
Retained earnings	-247.3	-231.0
Result of the period	-52.8	-16.4
Total Equity	243.5	288.3

Amount in MSEK	31.12.2025	31.12.2024
Liabilities		
Provision	39.0	42.4
Non-current borrowings	148.9	190.0
Non-current lease liabilities	0.2	1.7
Non-current derivative liabilities	0.0	0.0
Deferred tax liability	0.0	0.0
Total non-current liabilities	188.1	234.1
Current borrowings	64.7	71.6
Current lease liabilities	2.9	3.8
Derivative financial instruments	13.1	1.6
Trade payables and other payables	97.0	99.3
Total current liabilities	177.7	176.3
Total liabilities	365.8	410.4
Total equity and liabilities	609.3	698.7
Equity ratio %	40.0	41.3
Cash liquidity ratio %	49.0	75.0
Equity per share, SEK	0.76	1.01
Equity per share, diluted, SEK	0.69	0.88

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			-16	0		-15
Cash flow hedges				-12		-12
Income tax of cash flow hedges				2		2
Sum of other comprehensive income	0	0	-16	-9	0	-25
Transactions with shareholders						
Share issue and convertible loan conversion	33					33
Sum of transactions with shareholders	33					33
Closing Equity 31.12.2025	309	237	9	-11	-300	244

Consolidated, condensed statement of cash flow

Amount in MSEK	2025	2024
Operating activities		
Result for the period	-52.8	-16.4
Adjustments for items not affecting cash*	128.0	118.3
Interest paid	-24.4	-20.5
Cash flow from operating activities before changes in working capital	50.8	81.5
Cash flow from changes in working capital		
Change in inventories	0.7	-13.7
Change in operating receivables	-29.0	41.8
Change in operating liabilities	5.2	2.1
Cash flow from operating activities	27.8	111.6

*Consists of depreciations and other items not affecting cash flow

Amount in MSEK	2025	2024
Investing activities	-58.2	-69.7
Expenses for convertible loan conversion	-1.6	0.0
Repayment of lease liabilities	-4.7	-5.3
Change in loans	-34.4	-29.9
Cash flow from financing activities including share issue	-40.8	-35.2
Change in cash and cash equivalents	-71.1	6.7
Cash and cash equivalents in the beginning of the period	88.3	78.9
Translation differences in cash and cash equivalent	-3.4	2.7
Cash and cash equivalents at the end of period	13.7	88.3

Parent company condensed statement of income

Amount in MSEK	2025	2024
Net sales	0.0	1.5
Other income	0.0	0.0
Supplies	0.0	0.0
Other expenses	-7.9	-11.5
Employee expenses	-2.6	-2.5
EBITDA	-10.5	-12.5
Depreciation and amortization	-0.1	-0.1
EBIT	-10.6	-12.6
Financial income	31.8	71.9
Financial expenses	-14.6	-47.0
Financial net	17.2	24.9
Result after financial items	6.6	12.3
Group contributions	-8.6	-13.3
Taxes	0.0	-14.1
Result for the period	-2.0	-15.1

Parent company condensed balance sheet

Amount in MSEK	31.12.2025	31.12.2024
Assets		
Fixed assets		
Intangible fixed assets	0.0	0.0
Tangible fixed assets	0.1	0.1
Shares in subsidiaries	190.9	174.9
Financial fixed assets	150.8	165.6
Total fixed assets	341.8	340.6
Other assets	5.0	5.3
Cash and cash equivalents	3.3	0.7
Total current assets	8.3	6.0
Total assets	350.1	346.7
Equity and liabilities		
Equity	242.6	210.0
Liabilities		
Long-term liabilities	27.1	72.0
Short term liabilities	80.5	64.7
Total liabilities	107.5	136.7
Total Equity and liabilities	350.1	346.7

Exchange rates

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

	31.12.2025	31.12.2024
Balance sheet day rate EUR/SEK	10.82	11.49
Balance sheet day rate USD/SEK	9.20	11.00
Average rate for the reporting period EUR/SEK	11.07	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 Company 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 twelve 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.

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 31 December 2025, the fair values of the convertible option components were 37 MSEK and the value of the liability components measured at amortized cost were 20 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 -24 MSEK, and the effective interest rate cost recorded for the liability components was 12 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 -13 MSEK (silver price hedges) and -0.2 MSEK (electricity price hedges).

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 31 December 2025, the fair value of accounts receivable amounted to 63 MSEK (30) 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.



SOTKAMO
SILVER