



SUOMINEN Q1/2022

Petri Helsky, President and CEO
Toni Tamminen, CFO

May 4, 2022

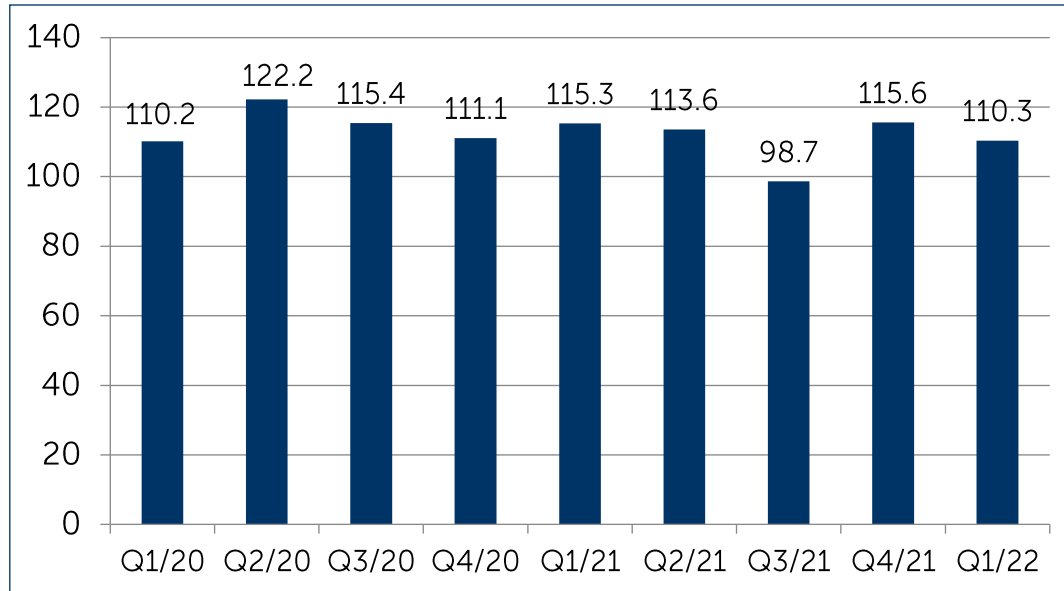




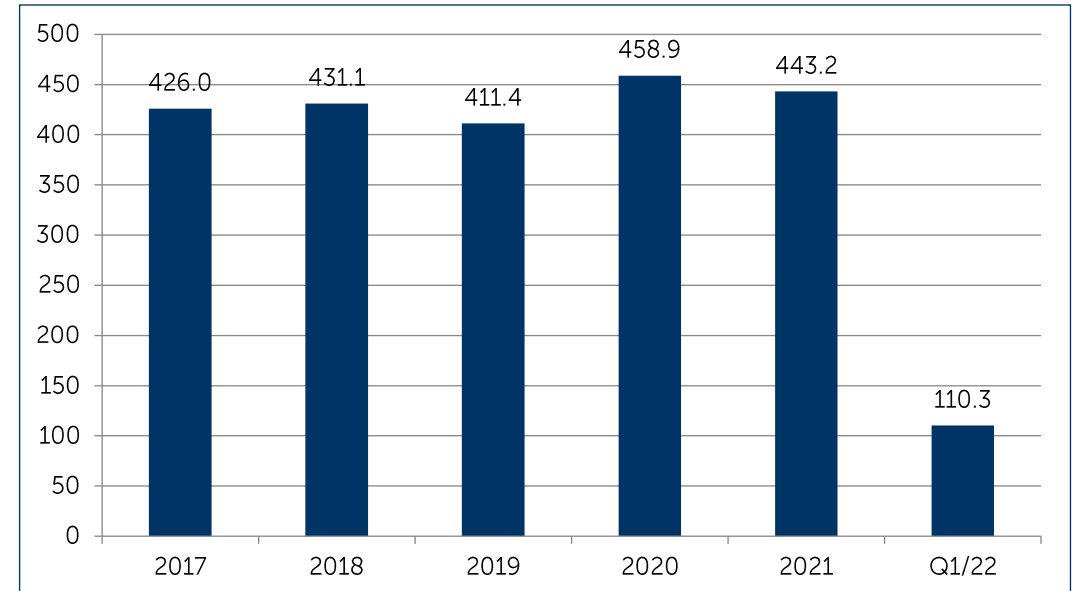
FINANCIAL REVIEW

Net sales

Net sales, EUR million



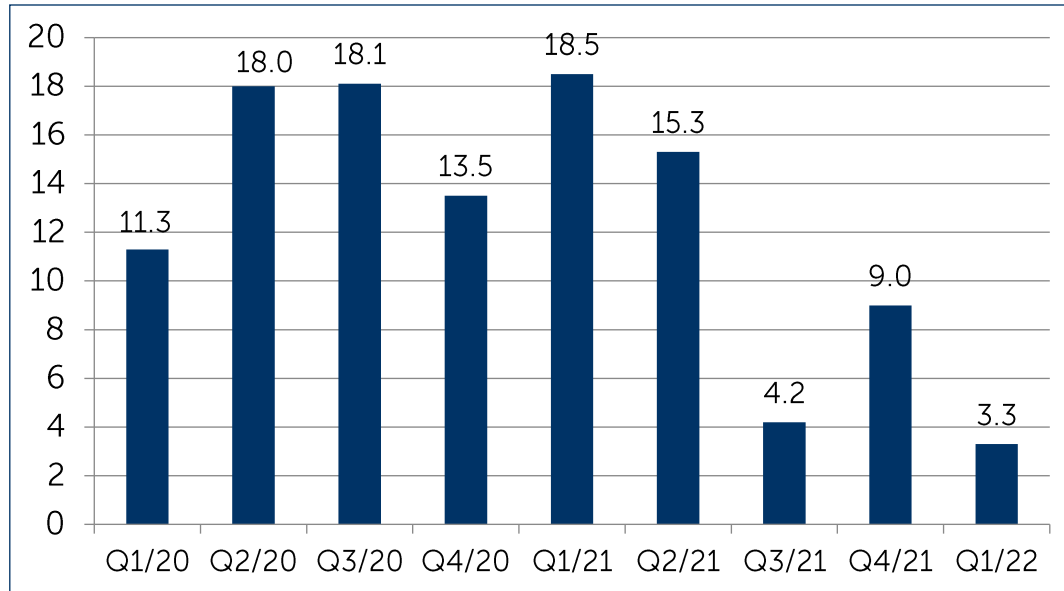
Net sales, EUR million



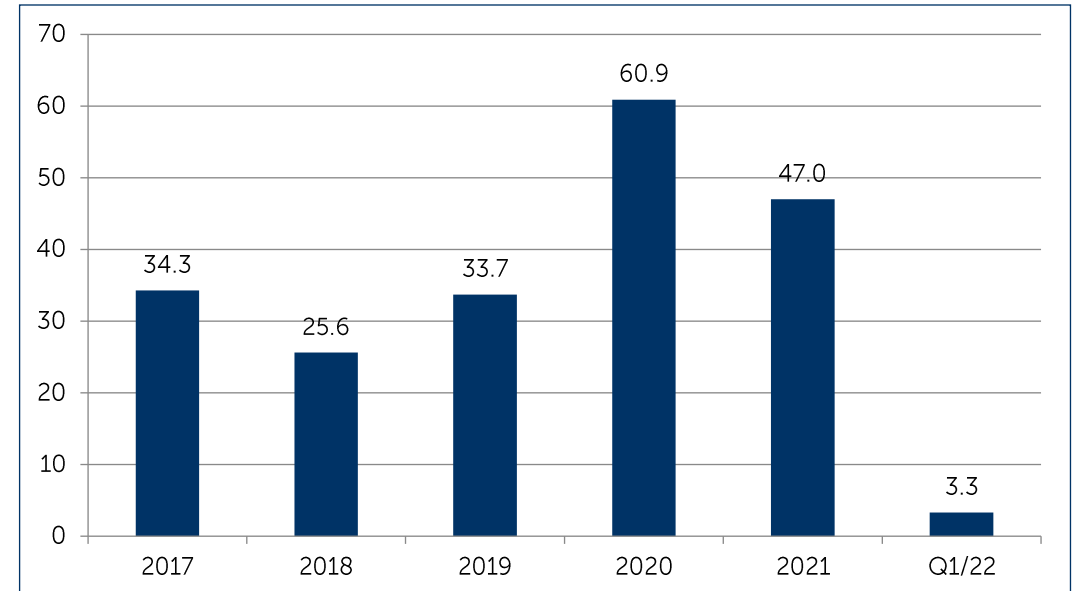
- In Q1/2022 sales volumes decreased while sales prices increased following higher raw material prices. Currencies impacted net sales positively by EUR 4.6 million
- Share of new products continued above 25% of net sales reaching 30% for Q1

EBITDA

EBITDA, EUR million



EBITDA, EUR million



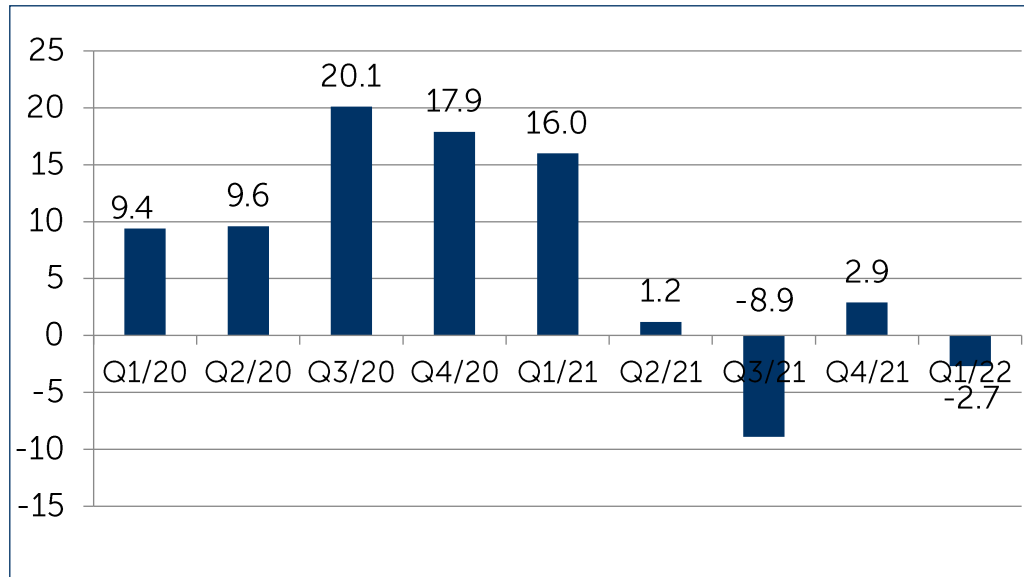
- EBITDA was EUR 3.3 million (18.5). Currency impact was positive EUR 0.6 million in the quarter
- Decrease in EBITDA was driven by lower sales volumes and clearly higher raw material, energy and freight costs for which the higher sales prices could not fully compensate

Consolidated statement of profit or loss

EUR thousand	1-3/2022	1-3/2021	1-12/2021
Net sales	110,269	115,333	443,219
Cost of goods sold	-103,687	-95,125	-392,390
Gross profit	6,582	20,208	50,828
Other operating income	315	845	4,434
Sales, marketing and administration expenses	-7,255	-6,622	-26,238
Research and development expenses	-795	-600	-2,678
Other operating expenses	-116	-238	595
Operating profit	-1,268	13,592	26,941
Net financial expenses	-930	3,266	-390
Profit before income taxes	-2,198	16,858	26,551
Income taxes	-138	-3,085	-5,816
Profit for the period	-2,336	13,774	20,734
Earnings per share, EUR			
Basic	-0.04	0.24	0.36
Diluted	-0.04	0.24	0.36

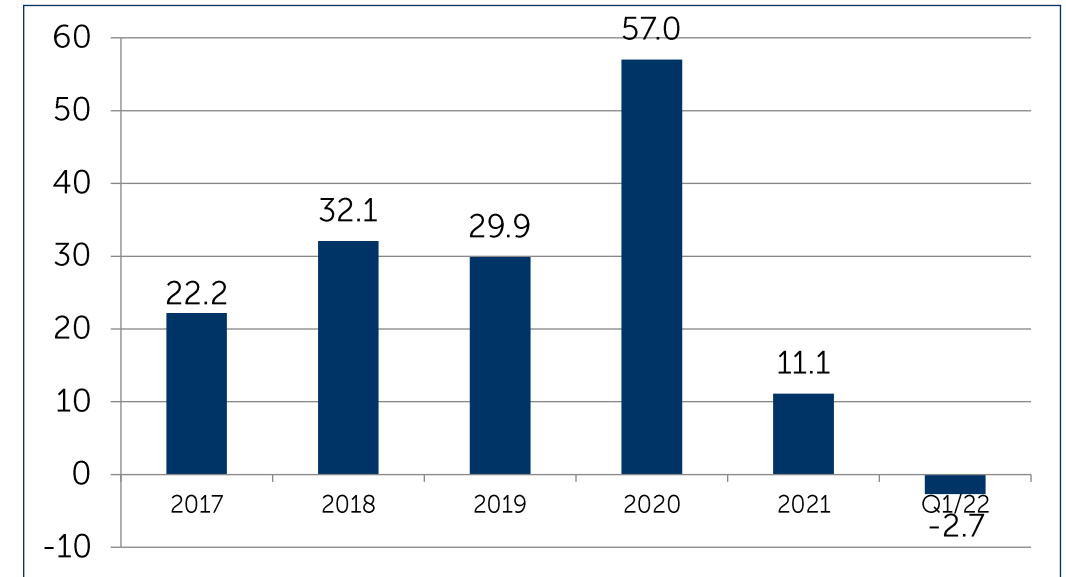
Cash flow from operations

Cash flow from operations, EUR million



- Cash flow from operations was EUR -2.7 million (16.0)
- The decline in cash flow was mainly due to the lower result. Net working capital increased from year end mainly due to higher receivables and lower payables

Cash flow from operations, EUR million



Changes to calculation of alternative performance measures

- Suominen has decided to change the calculation of its alternative performance measures “Invested capital” and “Return on invested capital (ROI), %” to have them better reflect the performance of the core business of Suominen
- New formulas

Return on invested capital (ROI), % = Operating profit (rolling 12 months) x 100 / Invested capital, quarterly average
Invested capital = Total equity + interest-bearing liabilities - cash and cash equivalents

- Old formulas

Return on invested capital (ROI), % = Operating profit + financial income (rolling 12 months) x 100 / Invested capital, quarterly average
Invested capital = Total equity + interest-bearing liabilities

PROGRESS IN STRATEGY



Mission

Enabling our customers to win
by creating quality nonwovens

Vision

Frontrunner for nonwovens
innovation and sustainability

Strategy: Growth and profitability through sustainability, customer focus and efficiency

We will grow by creating innovative and more sustainable nonwovens for our customers and improve our profitability through more efficient operations and a high performance culture. Our main focus is on wipes. We will strengthen our capabilities in Europe and Americas, and evaluate opportunities in Asia.

Strategic focus areas

Operational
excellence

Sustainability
leadership

Differentiate
with innovation
and commercial
excellence

Great place to
work

Dual operating
model

Values

Ownership

Teamwork

Performance

Integrity

Examples of strategy implementation

Investing in capabilities:

Investment project in Italy completed in 2021

- Excellent timing
- Next generation sustainable products
- High customer interest



Sustainable products:

Achievement Award for our sustainable, flushable product HYDRASPUN® Aquaflo



First carbon neutral product BIOLACE® Zero



Low impact manufacturing:

Solar panels installed at Alicante plant





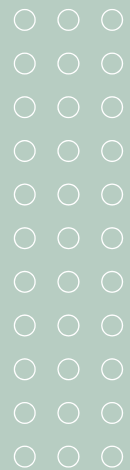
OUTLOOK



Outlook 2022

Suominen expects that its comparable EBITDA (earnings before interest, taxes, depreciation and amortization) in 2022 will decrease clearly from 2021. The war in Ukraine has increased the already significant cost inflation in raw materials, energy and transportation. Also, while there has been progress in the normalization of the customer inventory levels in the US, it has been somewhat slower than expected. These factors will impact the full year result negatively even though we expect that the demand for our products will improve in the second half of the year.

In 2021, Suominen's comparable EBITDA was EUR 47.0 million.



Q&A



Q2/2022 result
publication
on August 9,
2022



PURE NORDIC QUALITY