



SUOMINEN

Q4 AND FULL YEAR 2021

Petri Helsky, President and CEO

Toni Tamminen, CFO

February 3, 2022



Agenda

- Year 2021 in brief
- Financial review
- Progress in strategy
- Outlook 2022
- Q&A



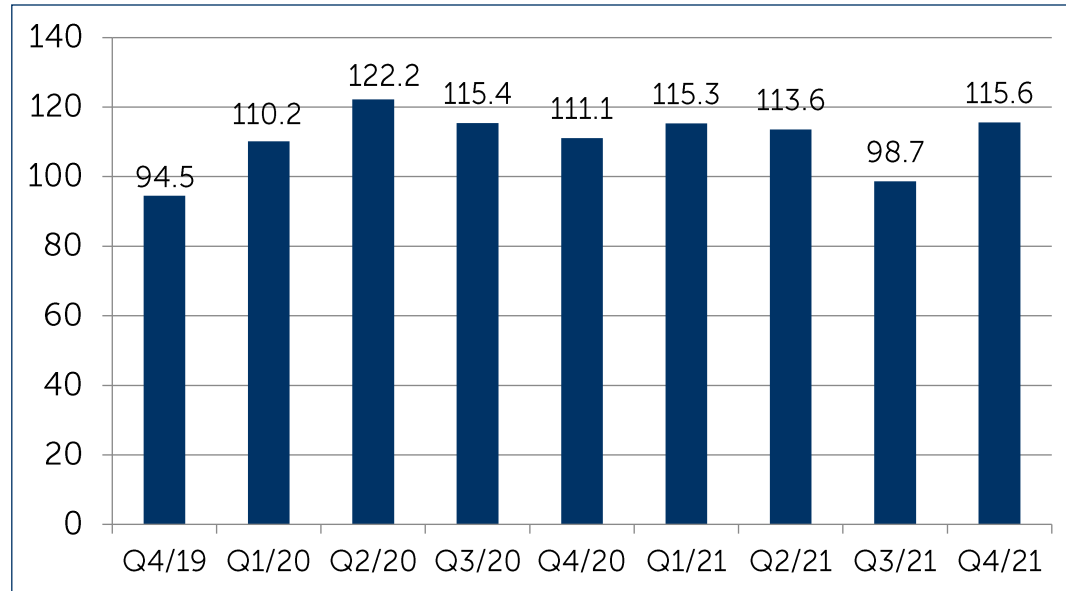
Year 2021 in brief

- Net sales were EUR 443.2 million (458.9)
- Comparable EBITDA was EUR 47.0 million (60.9)
- Cash flow from operations totaled to EUR 11.1 million (57.0)
- Board of Directors proposes to the Annual General meeting a dividend of EUR 0.20 per share

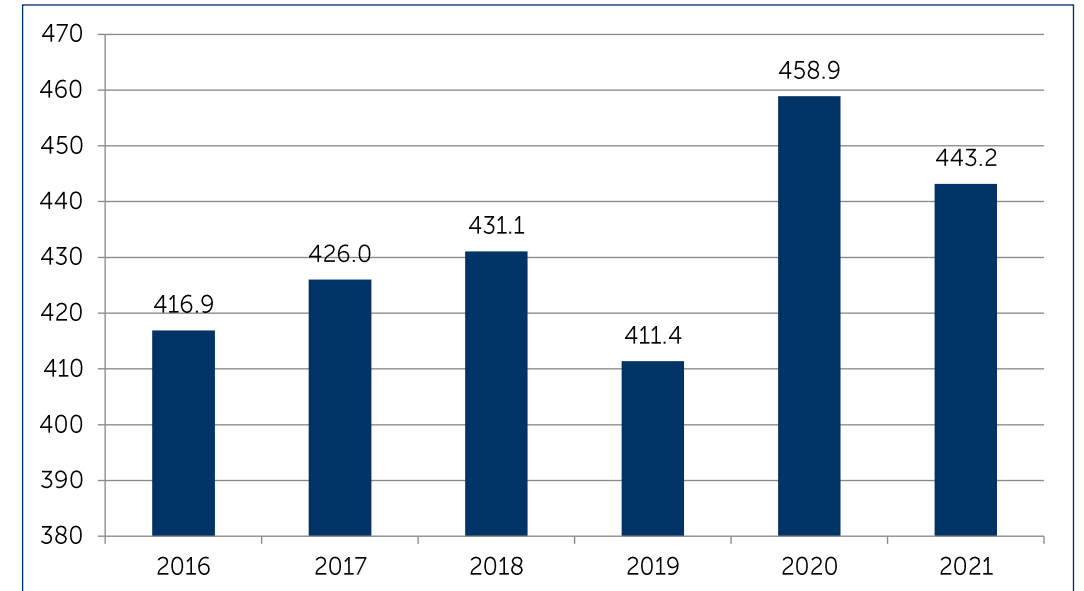
FINANCIAL REVIEW

Net sales

Net sales, EUR million



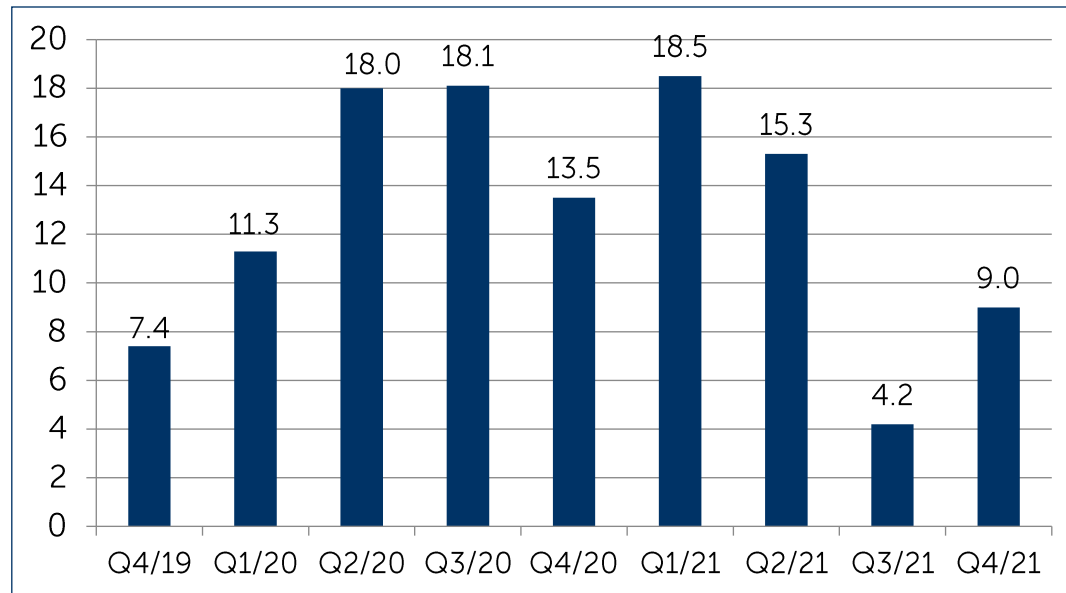
Net sales, EUR million



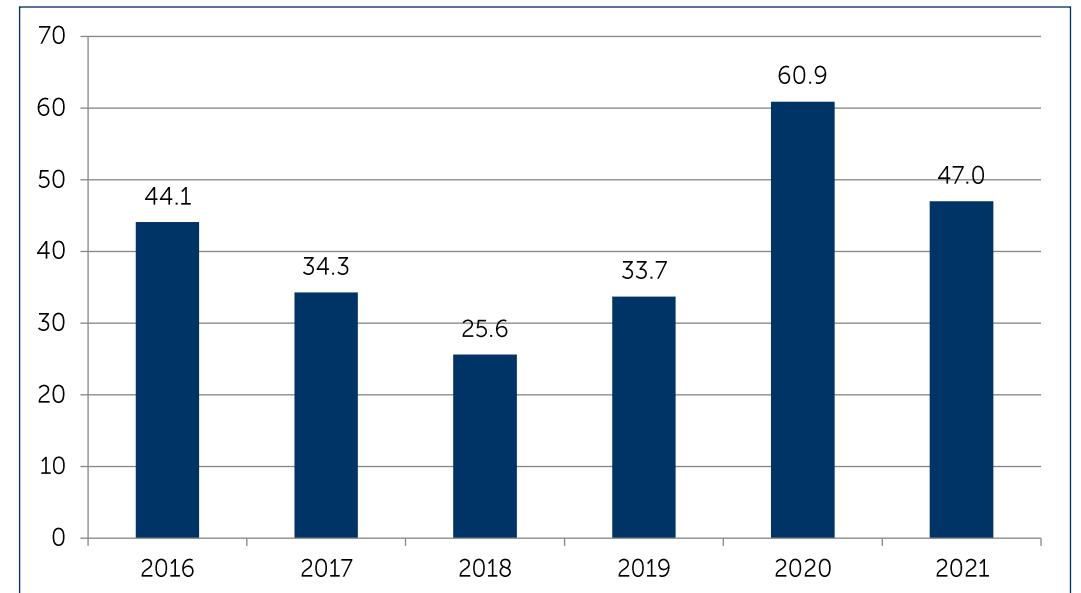
- In 2021 sales volumes decreased while sales prices increased following higher raw material prices. Currencies impacted net sales negatively by EUR 11.1 million
- In Q4 volumes recovered from Q3, and net sales increased by 4% from Q4/20 to EUR 115.6 million (111.1)
- Share of new products continued to be above 25% of net sales

EBITDA

EBITDA, EUR million



EBITDA, EUR million



2016-2018 EBITDA before application of IFRS 16 Leases

- Q4 EBITDA was EUR 9.0 million (13.5) with full year EBITDA at EUR 47.0 million (60.9). Currency impact was EUR -0.5 million in the quarter and EUR -2.4 million for the full year
- Quarterly and full year EBITDA decreased mainly due to lower sales volumes. The increases in raw material, freight and energy costs were not fully compensated by sales prices. Manufacturing and SG&A cost savings actions as well as other operating income and expenses impacted the result positively

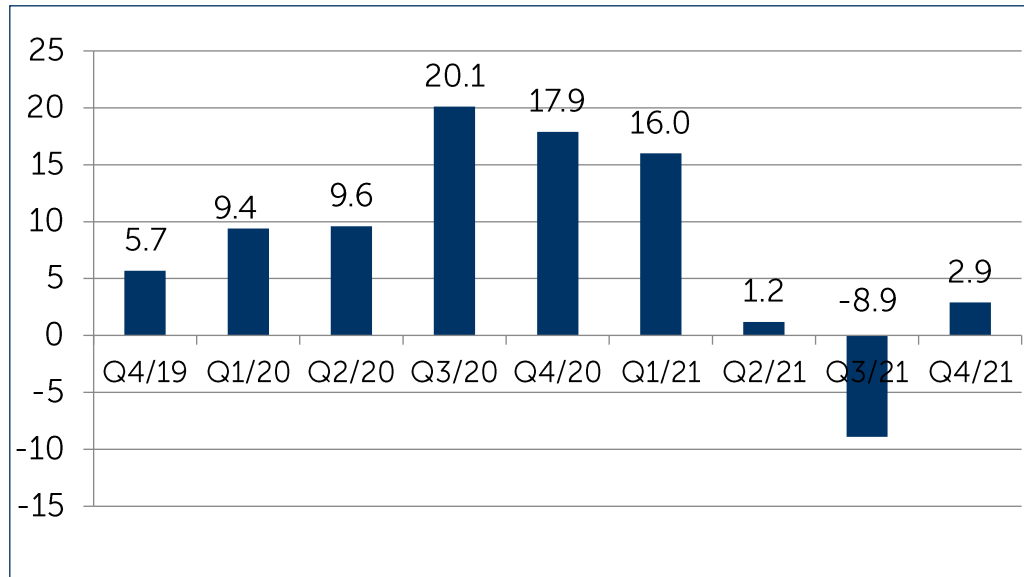
Consolidated statement of profit or loss

EUR thousand	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Net sales	115,585	111,086	443,219	458,893
Cost of goods sold	-107,170	-93,803	-392,390	-389,123
Gross profit	8,415	17,283	50,828	69,770
Other operating income	2,030	553	4,434	2,584
Sales, marketing and administration expenses	-6,676	-7,206	-26,238	-27,946
Research and development expenses	-806	-636	-2,678	-2,767
Other operating expenses	912	-1,465	595	-2,150
Operating profit	3,874	8,530	26,941	39,492
Net financial expenses	-1,074	-64	-390	-5,582
Profit before income taxes	2,800	8,466	26,551	33,910
Income taxes	-263	-1,172	-5,816	-3,794
Profit for the period	2,537	7,294	20,734	30,116
Earnings per share, EUR				
Basic	0.04	0.13	0.36	0.52
Diluted	0.04	0.13	0.36	0.52

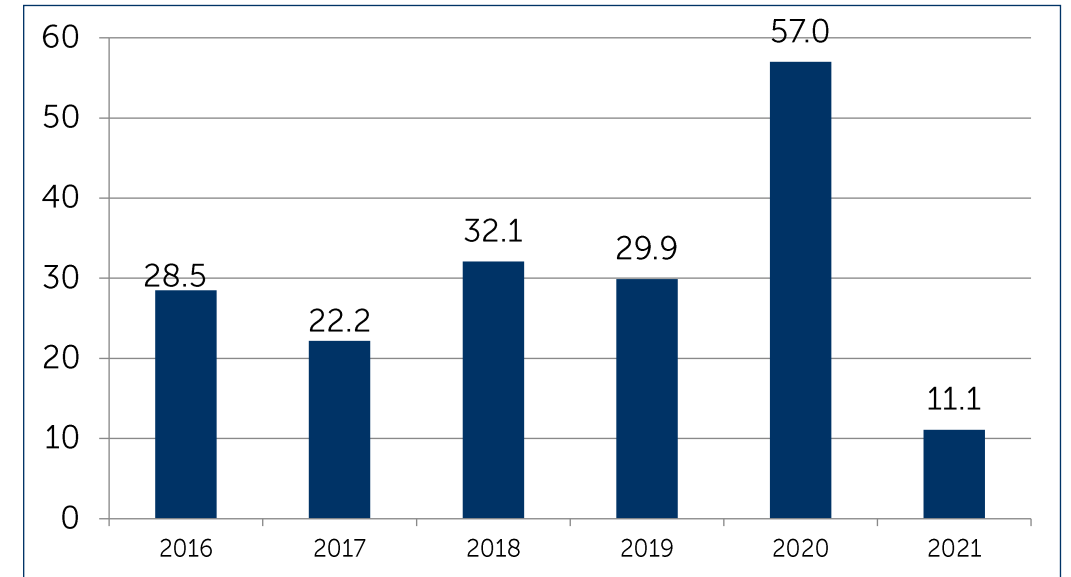
- 2021 full year EBITDA was the third best in Suominen's history

Cash flow from operations

Cash flow from operations, EUR million



Cash flow from operations, EUR million



- Cash flow from operations for the full year was EUR 11.1 million (57.0)
- Q4 cash flow from operations improved from Q3 due to the better result. Net working capital increased somewhat but the impact was lower than in Q3

PROGRESS IN STRATEGY AND SUSTAINABILITY



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

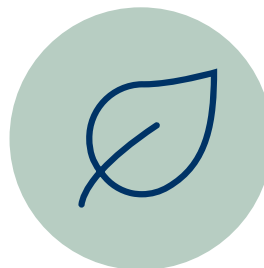
Integrity

Progress in strategy implementation in 2021



Three investment projects completed, two in Italy and one in the USA

Share of new products above 25% of net sales



Sales of sustainable products increased 47%*

16 sustainable product launches



- 20.3% reduction in water consumption**
- 16.4% reduction in waste to landfill**
- 8.8% reduction in greenhouse gas emissions**

* Compared to base year 2019

** per ton of product compared to base year 2019



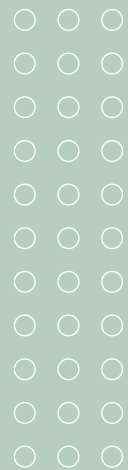
OUTLOOK



Outlook 2022

Suominen expects that its comparable EBITDA (earnings before interest, taxes, depreciation and amortization) in 2022 will decrease from 2021. The main reasons are inventory levels which still remain high at certain customers as well as operational issues in the entire supply chain due to the current COVID-19 situation, both of which will impact the result negatively especially in the first quarter.

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



Q&A



Q1/2022 result
publication
on May 4, 2022



PURE NORDIC QUALITY