



# SUOMINEN Q3/2023

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October 27, 2023



# Agenda

Third quarter and Q1-Q3/2023 in brief

Financial review

Progress in strategy

Outlook 2023

Q&A

October 27, 2023



# Third quarter and Q1-Q3/2023 in brief

## Q3/2023

- Net sales were EUR 106.4 million (131.9)
- Comparable EBITDA was EUR 5.2 million (5.1)
- Cash flow from operations totaled to EUR 8.0 million (-10.8)

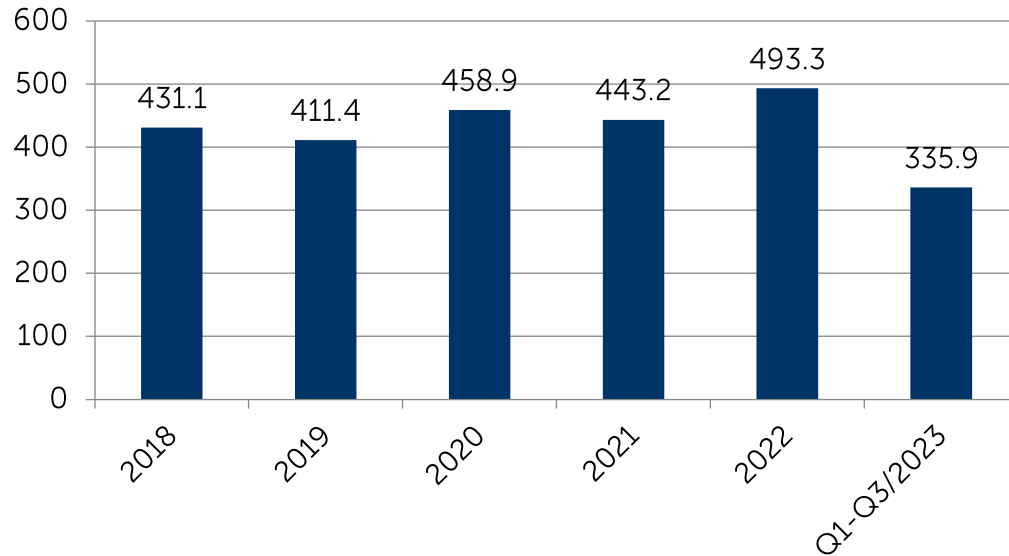
## Q1-Q3/23

- Net sales were EUR 335.9 million (360.2)
- Comparable EBITDA was EUR 10.5 million (10.3)
- Cash flow from operations totaled to EUR 17.6 million (-1.6)

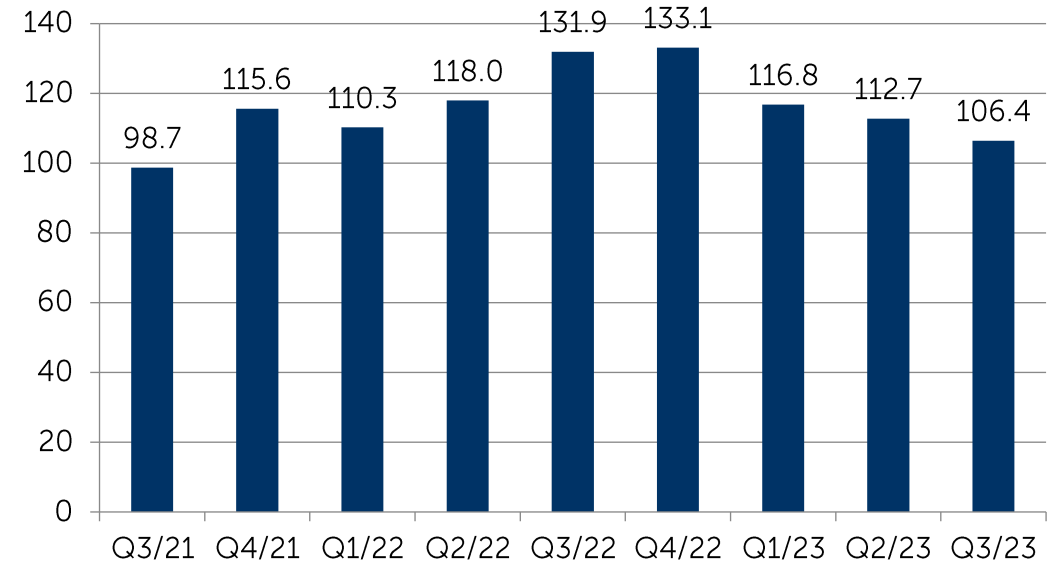
# FINANCIAL REVIEW

# Net sales

## Net sales, EUR million



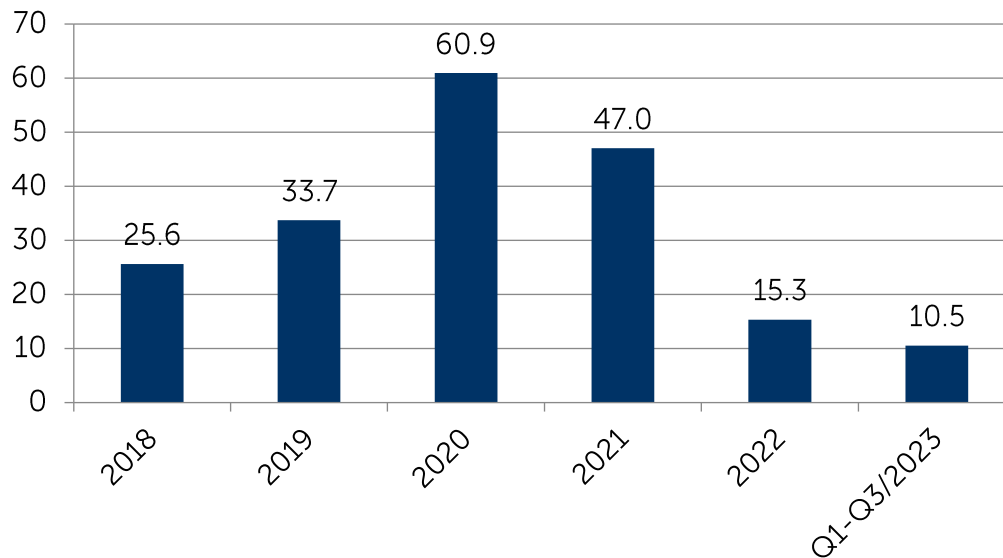
## Net sales, EUR million



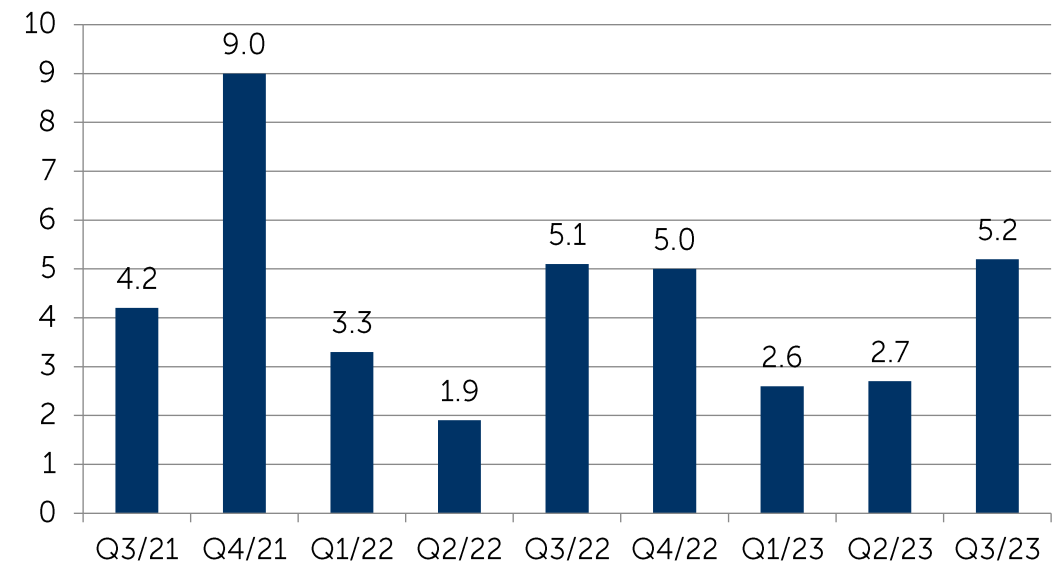
- Sales prices decreased following the decline in raw material prices. Sales volumes decreased following the closure of the Mozzate plant in Italy in the second quarter
- Currencies impacted the net sales negatively by EUR 5.2 million
- Share of new products over 35% of net sales

# Comparable EBITDA

## Comparable EBITDA, EUR million



## Comparable EBITDA, EUR million



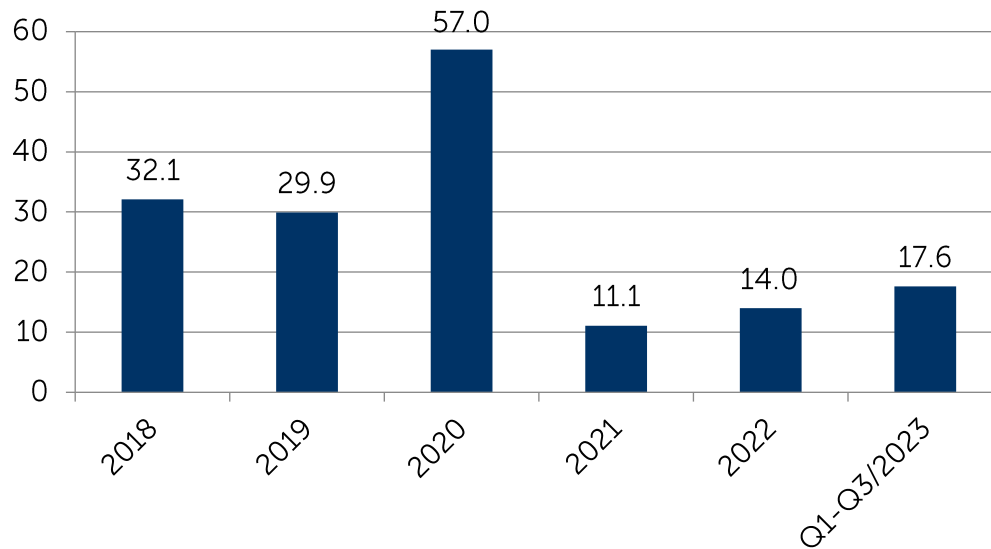
- Comparable EBITDA improved slightly to EUR 5.2 million being at the highest level since the fourth quarter of 2021. EBITDA improvement is mainly due to the increased sales margins

# Consolidated statement of profit or loss

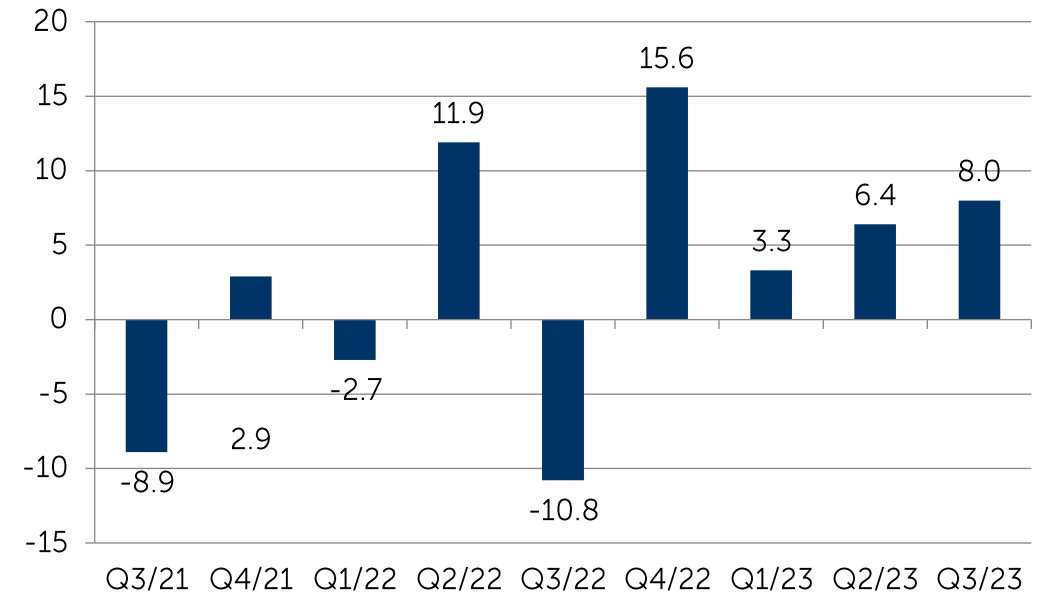
EUR thousand	7-9/2023	7-9/2022	1-9/2023	1-9/2022	1-12/2022
Net sales	106,447	131,937	335,913	360,225	493,298
Cost of goods sold	-100,087	-126,723	-321,631	-343,446	-474,718
Gross profit	6,360	5,214	14,282	16,780	18,579
Other operating income	2,537	3,007	4,276	4,103	5,739
Sales, marketing and administration expenses	-6,879	-6,754	-21,118	-21,551	-28,932
Research and development expenses	-1,010	-925	-2,996	-2,571	-3,503
Other operating expenses	-367	-340	-2,619	-729	-841
Operating profit	640	202	-8,175	-3,969	-8,958
Net financial expenses	-1,152	-78	-3,982	-284	-2,923
Profit before income taxes	-512	125	-12,158	-4,253	-11,881
Income taxes	1,288	-524	798	-801	-1,983
Profit for the period	776	-398	-11,359	-5,054	-13,863
Earnings per share, EUR					
Basic	0.01	-0.01	-0.20	-0.09	-0.24
Diluted	0.01	-0.01	-0.20	-0.09	-0.24

# Cash flow from operations

## Cash flow from operations, EUR million



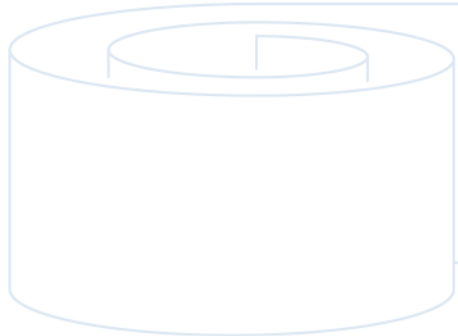
## Cash flow from operations, EUR million



- Cash flow from operations was EUR 8.0 million in Q3/23
- The increase in cash flow in Q1-Q3/23 was driven by improvement in net working capital, especially by the decrease of working capital tied to the inventory



# 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

# Progress in strategy

## Improving our financial performance

- Our commercial and operational excellence improvements are proceeding according to plan and have gradually started to contribute to the result
- Production at Mozzate ended in April 2023
- Going forward, we will continue to systematically execute our improvement action plan

## EcoVadis – Silver level rating

- We improved our rating by five points from 2022
- This result places us in the top 5% of companies in the manufacture of other textiles industry rated by EcoVadis.

October 27, 2023



# OUTLOOK





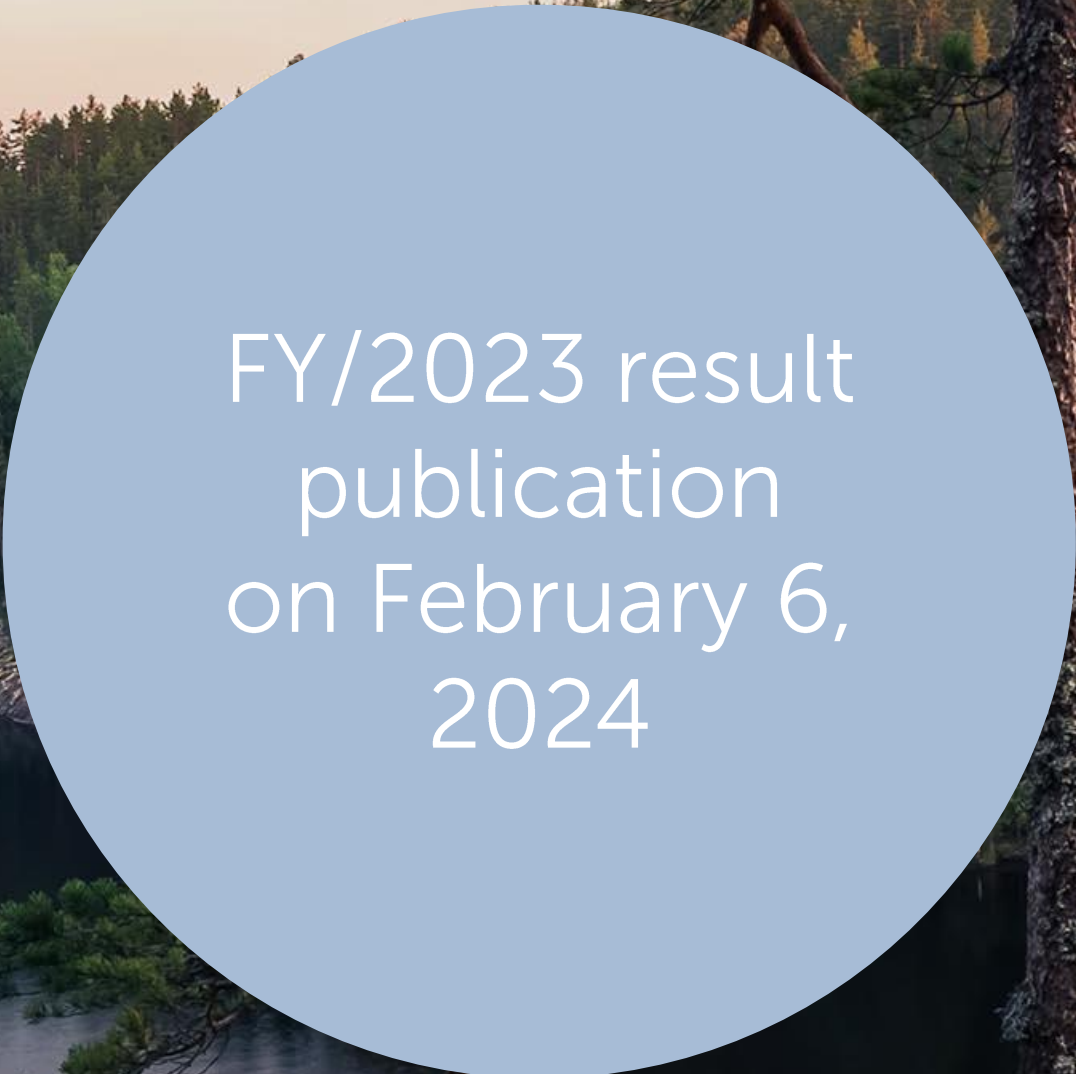
## Outlook 2023

Suominen expects that its comparable EBITDA (earnings before interest, taxes, depreciation and amortization) in 2023 will increase from 2022.

In 2022, Suominen's comparable EBITDA was EUR 15.3 million.



# Q&A



FY/2023 result  
publication  
on February 6,  
2024



PURE NORDIC QUALITY