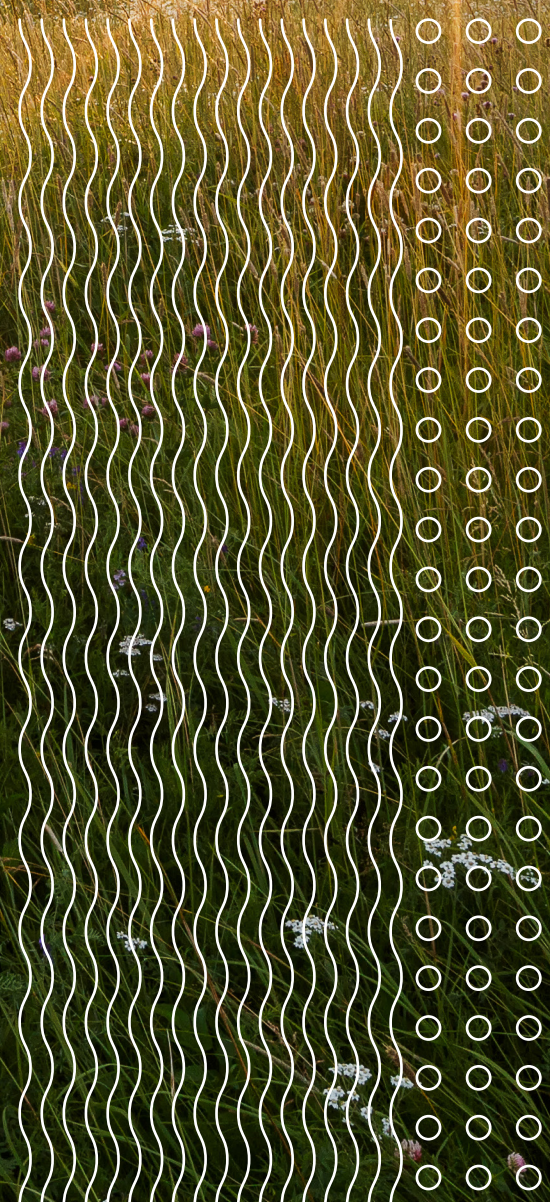




Q2 | HALF YEAR FINANCIAL REPORT

JANUARY 1 – JUNE 30, 2023



Suominen Corporation's Half-Year Financial Report on August 9, 2023 at 9:30 a.m. (EEST)

Suominen Corporation's Half-Year Financial Report for January 1 – June 30, 2023:

Challenging H1/2023, outlook unchanged

KEY FIGURES

	4-6/ 2023	4-6/ 2022	1-6/ 2023	1-6/ 2022	1-12/ 2022
Net sales, EUR million	112.7	118.0	229.5	228.3	493.3
Comparable EBITDA, EUR million	2.7	1.9	5.3	5.2	15.3
Comparable EBITDA, %	2.4	1.6	2.3	2.3	3.1
EBITDA, EUR million	-1.9	1.9	0.7	5.2	14.3
EBITDA, %	-1.7	1.6	0.3	2.3	2.9
Comparable operating profit, EUR million	-2.1	-2.9	-4.1	-4.2	-4.2
Comparable operating profit, %	-1.9	-2.5	-1.8	-1.8	-0.8
Operating profit, EUR million	-6.7	-2.9	-8.8	-4.2	-9.0
Operating profit, %	-6.0	-2.5	-3.8	-1.8	-1.8
Profit for the period, EUR million	-8.2	-2.3	-12.1	-4.7	-13.9
Cash flow from operations, EUR million	6.4	11.9	9.7	9.2	14.0
Cash flow from operations per share, EUR	0.11	0.21	0.17	0.16	0.24
Earnings per share, basic, EUR	-0.14	-0.04	-0.21	-0.08	-0.24
Return on invested capital, rolling 12 months, %	–	–	-6.7	-0.6	-4.2
Gearing, %	–	–	43.5	33.9	37.4

In this financial report, figures shown in brackets refer to the comparison period last year if not otherwise stated.

April–June 2023 in brief:

- Net sales decreased by 4.5% and amounted to EUR 112.7 million (118.0)
- Comparable EBITDA increased to EUR 2.7 million (1.9)
- Cash flow from operations was EUR 6.4 million (11.9)
- Mozzate plant closure in Italy completed

January–June 2023 in brief:

- Net sales were in line with the previous year and amounted to EUR 229.5 million (228.3)
- Comparable EBITDA was EUR 5.3 million (5.2)
- Cash flow from operations was EUR 9.7 million (9.2)

Outlook for 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.

Tommi Björnman, President & CEO:

"The second quarter of 2023 continued to be challenging for Suominen. Our net sales were EUR 112.7 million (118.0) in the second quarter. Sales volumes were slightly higher compared to the comparison period but sales prices decreased following lower raw material prices.

Our quarterly comparable EBITDA increased to EUR 2.7 million (1.9) mainly due to better sales margins and lower SG&A (Sales, general and administration) costs.

We are continuing to identify and implement actions to improve our financial performance. As part of our improvement actions, we started in January the consultation procedure to permanently close manufacturing at our Mozzate plant in Italy. The consultation procedure was concluded and the production at Mozzate ended in April 2023. We continue our actions to improve operational efficiency in our other plants.

Our investment project in Nakkila, Finland, to strengthen our capabilities in sustainable products by enhancing and upgrading one of the production lines, is proceeding as planned and the project will be completed in the second half of 2023.

Suominen's strong reputation in the market and comprehensive sustainable product portfolio gives us a solid platform to implement our strategy and further strengthen customer collaboration. Innovation is at the core of our strategy and the sales of new products continued strong, representing over 35% of net sales.

Even though the market challenges continued, the second quarter was operatively slightly better than the first quarter of the year. While market conditions remain uncertain, as there is still a lot of turbulence in the global economy, I am looking forward to our improvement actions to contribute positively to our performance during the second half of the year."

NET SALES

April–June 2023

In April–June 2023, Suominen's net sales decreased by 4.5% from the comparison period to EUR 112.7 million (118.0). Sales volumes were slightly higher than in the comparison period, but sales prices decreased following lower raw material prices. The impact of currencies on net sales was EUR -1.6 million.

Suominen's business areas are Americas and Europe. The net sales of the Americas business area were EUR 69.8 million (64.2) and of the Europe business area EUR 42.9 million (53.8). The main negative impact in Europe is coming from Mozzate plant closure.

January–June 2023

In January–June 2023, Suominen's net sales were in line with the previous year and amounted to EUR 229.5 million (228.3). Sales volumes were in line with H1/2022 and sales prices were lower. The impact of currencies on net sales was positive EUR 1.7 million.

The net sales of the Americas business area were EUR 144.8 million (126.0) and of the Europe business area EUR 84.7 million (102.3). The main negative impact in Europe is coming from Mozzate plant closure.

EBITDA, OPERATING PROFIT AND RESULT

April–June 2023

Comparable EBITDA (earnings before interest, taxes, depreciation and amortization) was EUR 2.7 million (1.9). The increase was driven mainly due to better sales margins and lower SG&A costs.

The impact of currencies on comparable EBITDA was EUR 0.2 million.

EBITDA was EUR -1.9 million (1.9) due to non-recurring items arising from the closure of production at the Mozzate plant in Italy. The items affecting comparability of EBITDA totaled EUR -4.6 million and consisted mainly of dismissal and restoration expenses.

Comparable operating profit increased from the comparison period and amounted to EUR -2.1 million (-2.9). Operating profit decreased and was EUR -6.7 million (-2.9). The items affecting comparability of operating profit totaled EUR -4.6 million.

Profit before income taxes was EUR -8.0 million (-2.2), and profit for the reporting period was EUR -8.2 million (-2.3).

January–June 2023

Comparable EBITDA (earnings before interest, taxes, depreciation and amortization) was EUR 5.3 million (5.2). Our sales prices were generally lower but were offset by lower raw material, energy and logistics costs. Our other operating income was higher compared to the comparison period mainly due to tax credits in Italy. The impact of currencies on EBITDA was EUR 0.3 million.

EBITDA declined to EUR 0.7 million (5.2) due to non-recurring items arising from the closure of production at the Mozzate plant in Italy. The items affecting comparability of EBITDA totaled EUR -4.6 million and consisted mainly of dismissal and restoration expenses.

Comparable operating profit was EUR -4.1 million (-4.2). Operating profit decreased and was EUR -8.8 million (-4.2). The items affecting comparability of operating profit totaled EUR -4.7 million.

Profit before income taxes was EUR -11.6 million (-4.4), and profit for the reporting period was EUR -12.1 million (-4.7).

FINANCING

The Group's net interest-bearing liabilities at nominal value amounted to EUR 55.4 million (53.6) at the end of the review period. The gearing ratio was 43.5% (33.9%) and the equity ratio 39.7% (39.0%).

In January–June, net financial expenses were EUR -2.8 million (-0.2), or -1.2% (-0.1%) of net sales. Fluctuations in exchange rates increased the net financial expenses by EUR 0.3 million (decreased by EUR 3.0 million).

Cash flow from operations in April–June was EUR 6.4 million (11.9) and in January–June EUR 9.7 million (9.2), representing a cash flow per share of EUR 0.17 (0.16) and EUR 0.11 (0.21) for the quarter. The cash flows for both the second quarter and H1/2023 include redundancy costs totalling EUR 2.2 million related to Mozzate plant closure.

In the second quarter the change in working capital was EUR 9.0 million (10.9).

The increase in the cash flow from operations in the first half of the year was mainly due to positive change in net working capital as we were able to release cash from inventories and receivables. The change in net working capital was EUR 12.1 million (6.6).

CAPITAL EXPENDITURE

In January–June, the gross capital expenditure totaled EUR 3.7 million (4.0) and was mainly related to normal maintenance investments as well as to the upgrading of one of the production lines in Nakkila, Finland.

Depreciation, amortization and impairment losses for the review period amounted to EUR 9.5 million (9.3).

CLOSURE OF MOZZATE PLANT IN ITALY

Suominen announced on April 14, 2023, that it has completed the consultation procedure with local trade unions regarding the plan to permanently close manufacturing at the Mozzate plant. Following the completion of the process, Suominen moved forward with its plan which led to the closure of manufacturing at the plant and termination of employment of 55 employees in Mozzate.

The terminations resulted in approximately EUR 2.2 million non-recurring expenses which were recognized in the second quarter of 2023. In addition, other non-recurring expenses related to the closure amounted to EUR 2.5 million in the second quarter of 2023.

PROGRESS IN SUSTAINABILITY

We have strong focus on safety and accident prevention, and our long-term target is to have zero lost-time accidents. Unfortunately, during the first half of the year there were 3 (0) LTAs at Suominen sites, but on the other hand our Paulinia plant in Brazil achieved a remarkable milestone of 4,000 days without LTAs.

We systematically measure our employee engagement by conducting our engagement survey, Suominen Vibe, every year. During the first half of 2023, we continued our development actions based on the results from the survey conducted last year. The next Vibe survey is set for autumn 2023.

We are committed to continuously improving our production efficiency and the efficient utilization of natural resources. In the first half we continued our actions to reduce energy consumption, greenhouse gas emissions, water consumption and waste to landfill. Our target is to reduce these by 20% per ton of product by 2025 compared to the base year of 2019.

We offer a comprehensive portfolio of sustainable nonwovens to our customers and continuously develop innovative solutions with a reduced environmental impact. Our target is a 50% increase in sales of sustainable nonwovens by 2025 compared to 2019, and to have over 10 sustainable product launches per year.

Suominen reports progress in its key sustainability KPIs annually.

As part of our Annual Report 2022 published in March 2023 we reported on the progress of our sustainability performance. Our sustainability reporting in 2022 was done in accordance with the GRI Standards from the Global Reporting Initiative and it was assured by an external partner.

INFORMATION ON SHARES AND SHARE CAPITAL

Share capital

The number of Suominen's registered shares was 58,259,219 on June 30, 2023, equaling to a share capital of EUR 11,860,056.00.

Share trading and price

The number of Suominen shares traded on Nasdaq Helsinki from January 1 to June 30, 2023, was 2,040,991 shares, accounting for 3.5% of the average number of shares (excluding treasury shares). The highest price was EUR 3.48, the lowest EUR 2.51, and the volume-weighted average price EUR 2.89. The closing price at the end of review period was EUR 2.90. The market capitalization (excluding treasury shares) was EUR 167.3 million on June 30, 2023.

Treasury shares

On June 30, 2023, Suominen Corporation held 566,760 treasury shares.

As a share-based payment plan vested, in total 189,783 shares were transferred to the participants of the plan in February.

In accordance with the resolution by the Annual General Meeting, in total 21,949 shares were transferred in May to the members of the Board of Directors as their remuneration payable in shares.

The portion of the remuneration of the members of the Board of Directors paid in shares

The Annual General Meeting held on April 3, 2023, decided that 75% of the annual remuneration of the members of the Board of Directors is paid in cash and 25% in Suominen Corporation's shares.

The number of shares forming the remuneration portion payable in shares was determined based on the share value in the stock exchange trading maintained by Nasdaq Helsinki Ltd, calculated as the trade volume-weighted average quotation of the share during the two-week period immediately following the date on which the Interim Report of January–March 2023 of the company was published. The shares were given out of the treasury shares held by the company by the decision of the Board of Directors on May 10, 2023.

Share-based incentive plans for the management and key employees

The Group management and key employees participate in the company's share-based long-term incentive plans. The plans are described in more detail in the Financial Statements and in the Remuneration Report, available on the company's website www.suominen.fi.

Company's Performance Share Plan currently includes three 3-year performance periods, calendar years 2021–2023, 2022–2024 and 2023–2025. The aim of the Performance Share Plan is to combine the objectives of the shareholders and the persons participating in the plan in order to increase the value of the company in long-term, to build loyalty to the company and to offer them competitive reward plans based on earning and accumulating the company's shares.

Performance Share Plan: Ongoing performance periods

Performance Period	2021–2023	2022–2024	2023–2025
Incentive based on	Total Shareholder Return (TSR)	Total Shareholder Return (TSR)	Total Shareholder Return (TSR)
Potential reward payment	Will be paid partly in Suominen shares and partly in cash in spring 2024	Will be paid partly in Suominen shares and partly in cash in spring 2025	Will be paid partly in Suominen shares and partly in cash in spring 2026
Participants	16 people	22 people	24 people
Maximum number of shares	284,500	262,500	778,500

The President & CEO of the company must hold 50% of the net number of shares given on the basis of the plan, as long as his or her shareholding in total corresponds to the value of his or her annual gross salary. A member of the Executive Team must hold 50% of the net number of shares given on the basis of the plan, as long as his or her shareholding in total corresponds to the value of half of his or her annual gross salary. Such number of shares must be held as long as the participant's employment or service in a group company continues.

The President & CEO's share-based incentive plan

The Board of Directors of Suominen Corporation resolved on May 19 to establish a new share-based incentive plan for the company's President & CEO. The aim of the plan is to align the objectives of the shareholders and the President & CEO in order to increase the value of Suominen in the long-term, to retain the President & CEO at the company, and to offer him a competitive reward plan that is based on acquiring, receiving and accumulating the company's shares.

Under the plan the President & CEO is expected to own or acquire up to 30,000 shares of Suominen Corporation at a price formed in public trading on Nasdaq Helsinki. Suominen will match the share investment by way of the President & CEO receiving, without consideration, up to 60,000 matching shares (gross, including also the proportion to be paid in cash).

The plan includes three vesting periods, June 1, 2023–June 1, 2024, June 1, 2023–June 1, 2025, and June 1, 2023–June 1, 2026. The potential reward will be paid partly in shares and partly in cash in three

equal installments after each vesting period, provided that the President & CEO's service in the company is in force at the time of the reward payment. The cash proportion is intended to cover taxes and tax-related costs arising from the rewards to the President & CEO.

ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) of Suominen Corporation was held on April 3, 2023.

The AGM adopted the Financial Statements and the Consolidated Financial Statements for the financial year 2022 and discharged the members of the Board of Directors and the President & CEO from liability for the financial year 2022. The AGM approved the Remuneration Report for the governing bodies. The AGM also approved the amendment of the company's Articles of Association in such a way that it enables the organization of General Meetings in the future also entirely without a meeting venue as a remote meeting.

The AGM decided, in accordance with the proposal by the Board of Directors, that a dividend of EUR 0.10 per share will be paid.

The AGM confirmed the remuneration of the Board of Directors. The Chair will be paid an annual fee of EUR 70,000 and the Deputy Chair and other Board members an annual fee of EUR 33,000. Chair of the Audit Committee will be paid an additional fee of EUR 10,000. Further, the members of the Board will receive a fee for each Board and Committee meeting as follows: EUR 500 for each meeting held in the home country of the respective member, EUR 1,000 for each meeting held elsewhere than in the home country of the respective member and EUR 500 for each meeting held as a telephone conference.

75% of the remuneration is paid in cash and 25% in Suominen Corporation's shares. Compensation for expenses is paid in accordance with the company's valid travel policy.

The AGM decided that the number of Board members remains unchanged at six (6). Mr. Andreas Ahlström, Mr. Aaron Barsness, Mr. Björn Borgman, Mr. Jaakko Eskola, Ms. Nina Linander were re-elected as members of the Board. Ms. Laura Remes was elected as a new member of the Board.

Mr. Jaakko Eskola was re-elected as the Chair of the Board of Directors.

Ernst & Young Oy, Authorised Public Accountant firm, was re-elected as the auditor of the company for the next term of office in accordance with the Articles of Association. Ernst & Young Oy appointed Mr. Toni Halonen, Authorised Public Accountant, as the principally responsible auditor of the company.

The AGM authorized the Board of Directors to decide on the repurchase of the company's own shares and to resolve on the issuance of shares and granting of options and the issuance of special rights entitling to shares. The terms and conditions of the authorization are explained later in this half-year report.

Suominen published a stock exchange release on April 3, 2023, concerning the resolutions of the Annual General Meeting and the organizing meeting of the Board of Directors. The stock exchange release and an introduction of the new Board member can be viewed on Suominen's website at www.suominen.fi.

In compliance with the resolution of the Annual General Meeting, on April 14, 2023, Suominen paid out dividends in total of EUR 5.8 million for 2022, corresponding to EUR 0.10 per share.

Organizing meeting and permanent committees of the Board of Directors

In its organizing meeting held after the AGM, the Board of Directors elected Andreas Ahlström as Deputy Chair of the Board.

The Board of Directors elected from among its members the members for the Audit Committee and Personnel and Remuneration Committee. Nina Linander was re-elected as the Chair of the Audit Committee and Andreas Ahlström was re-elected as member. Laura Remes was elected as a new member. Jaakko Eskola was re-elected as the Chair of the Personnel and Remuneration Committee and Björn Borgman and Aaron Barsness were re-elected as members.

Authorizations of the Board of Directors

The AGM authorized the Board of Directors to decide on the repurchase a maximum of 1,000,000 of the company's own shares. The company's own shares shall be repurchased otherwise than in proportion to the holdings of the shareholders by using the non-restricted equity through trading on regulated market organized by Nasdaq Helsinki Ltd at the market price prevailing at the time of acquisition. The shares shall be repurchased and paid in accordance with the rules of Nasdaq Helsinki Ltd and Euroclear Finland Ltd. The shares shall be repurchased to be used in company's share-based incentive programs, in order to disburse the remuneration of the members of the Board of Directors, for use as consideration in acquisitions related to the company's business, or to be held by the company, to be conveyed by other means or to be cancelled. The Board of Directors shall decide on other terms and conditions related to the repurchase of the company's own shares. The repurchase authorization shall be valid until June 30, 2024, and it revokes all earlier authorizations to repurchase company's own shares.

The AGM authorized the Board of Directors to decide on issuing new shares and/or conveying the company's own shares held by the company and/or granting options and other special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act. New shares may be issued, and the company's own shares may be conveyed to the company's shareholders in proportion to their current shareholdings in the company; or by waiving the shareholder's pre-emption right, through a directed share issue if the company has a weighty financial reason to do so, such as, for example, using the shares as consideration in possible acquisitions or other arrangements related to the company's business, as financing for investments, using shares as part of the company's incentive program or using the shares for disbursing the portion of the Board members' remuneration that is to be paid in shares. The new shares may also be issued without payment to the company itself. New shares may be issued and/or company's own shares held by the company or its group company may be conveyed at the maximum amount of 5,000,000 shares in aggregate.

The Board of Directors may grant options and other special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act, which carry the right to receive against payment new shares or own shares held by the company. The right may also be granted to the company's creditor in such a manner that the right is granted on condition that the creditor's receivable is used to set off the subscription price ("Convertible Bond"). However, options and other special rights referred to in Chapter 10, Section 1 of the Companies Act cannot be granted as part of the company's remuneration plan.

The maximum number of new shares that may be subscribed and own shares held by the company that may be conveyed by virtue of the options and other special rights granted by the company is 5,000,000 shares in total which number is included in the maximum number stated above.

The authorizations shall revoke all earlier authorizations regarding share issue and issuance of special rights entitling to shares. The Board of Directors shall decide on all other terms and conditions related to the authorizations. The authorizations shall be valid until June 30, 2024.

NOTIFICATIONS UNDER CHAPTER 9, SECTION 5 OF THE SECURITIES MARKET ACT

During the review period Suominen received no notifications under Chapter 9, Section 5 of the Securities Market Act.

CHANGES IN THE EXECUTIVE TEAM

Tommi Björnman started as the President & CEO on April 1, 2023.

Janne Silonsaari started as the CFO on June 1, 2023.

Jonni Friman started as Senior Vice President, Transformation Management Office at Suominen on June 1, 2023.

Janne Silonsaari and Jonni Friman are members of Suominen's Executive Team and report to President and CEO Tommi Björnman.

SHORT TERM RISKS AND UNCERTAINTIES

Regarding the war in Ukraine, the direct impact to Suominen's business is minor as we have no customers nor suppliers in Russia, Belarus or Ukraine. Suominen as a company is mostly affected by the indirect economic impacts of the war.

Suominen's other risks and uncertainties include but are not limited to: risks related to manufacturing, competition, raw material prices and availability and customer specific volumes and credits, changes in legislation, political environment or economic conditions and investments, and financial risks.

A more detailed description of risks is available in Suominen's Annual Report 2022 at suominen.fi/investors.

BUSINESS ENVIRONMENT

Suominen's nonwovens are, for the most part, used in daily consumer goods, such as wipes as well as in hygiene and medical products. In these target markets of Suominen, the general economic situation determines the development of consumer demand, even though the demand for consumer goods is not very cyclical in nature. North America and Europe are the largest market areas for Suominen. In addition, the company operates in the South American markets. The growth in the demand for nonwovens has typically exceeded the growth of gross domestic product by a couple of percentage points.

The near future continues to look challenging due to the global economic turbulence and fierce competition. The raw material prices continued to decline in Q2/2023 from the previous quarter (Q1/2023) and in the short term we are not expecting major changes in the prices, but longer-term visibility is unclear. It remains to be seen how the current economic climate impacts the end consumer demand and consumer preferences regarding wipes. Historically, the wipes market has been rather steady despite the general economic situation.

OUTLOOK FOR 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.

CORPORATE GOVERNANCE AND REMUNERATION REPORT

Suominen has prepared a separate Corporate Governance Statement and a Remuneration Report for 2022, which comply with the recommendations of the Finnish Corporate Governance Code for listed companies. The statements also cover other central areas of corporate governance. The statements have been published on Suominen's website, separately from the Report of the Board of Directors, at www.suominen.fi

AUDIOCAST AND CONFERENCE CALL

Tommi Björnman, President & CEO, and Janne Silonsaari, CFO, will present the result in English in an audiocast for analysts, investors and media on August 9 at 11:00 a.m. (EEST). The audiocast can be followed at <https://suominen.videosync.fi/2023-q2>. The recording of the audiocast and the presentation material will be available after the event at www.suominen.fi

Conference call participants can access the teleconference by registering at <http://palvelu.flik.fi/teleconference/?id=10010546>. The phone numbers and a conference ID to access the conference will be provided after the registration.

NEXT FINANCIAL REPORT

Suominen Corporation will publish its Interim Report for January–September 2023 on Friday October 27, 2023 approximately at 9:30 a.m. (EET).

SUOMINEN GROUP JANUARY 1 – JUNE 30, 2023

The figures in these half-year financial statements are mainly presented in EUR thousands. As a result of rounding differences, the figures presented in the tables do not necessarily add up to total.

This half-year report has not been audited.

This half-year report has been prepared in accordance with the principles defined in IAS 34 Interim Financial Reporting. The principles for preparing the interim report are the same as those used for preparing the consolidated financial statements for 2022, with the exception of the effect of the new accounting standards and interpretations which have been applied from January 1, 2023.

The new or amended standards or interpretations applicable from January 1, 2023 are not material for Suominen Group.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	30.6.2023	30.6.2022	31.12.2022
Assets			
Non-current assets			
Goodwill	15,496	15,496	15,496
Intangible assets	7,887	11,550	9,709
Property, plant and equipment	112,441	121,525	116,195
Right-of-use assets	11,976	15,245	11,902
Equity instruments	421	421	421
Other non-current receivables	75	93	93
Deferred tax assets	459	1,777	693
Total non-current assets	148,755	166,107	154,510
Current assets			
Inventories	48,581	60,636	63,261
Trade receivables	63,109	68,836	66,648
Other current receivables	9,673	9,811	8,857
Assets for current tax	1,545	3,417	662
Cash and cash equivalents	48,598	97,114	49,508
Total current assets	171,507	239,815	188,935
Total assets	320,261	405,922	343,445
Equity and liabilities			
Equity			
Share capital	11,860	11,860	11,860
Share premium account	24,681	24,681	24,681
Reserve for invested unrestricted equity	75,692	75,692	75,692

Fair value and other reserves	316	265	265
Exchange differences	1,954	5,828	2,678
Retained earnings	12,732	39,771	30,740
Total equity attributable to owners of the parent	127,236	158,098	145,916

Liabilities
Non-current liabilities

Deferred tax liabilities	10,296	12,970	11,730
Liabilities from defined benefit plans	164	595	424
Non-current provisions	4,350	1,906	1,950
Non-current lease liabilities	10,869	12,632	11,215
Debentures	49,371	49,211	49,295
Total non-current liabilities	75,050	77,314	74,614

Current liabilities

Current lease liabilities	3,127	3,057	2,855
Other current interest-bearing liabilities	40,000	–	40,000
Debentures	–	84,677	–
Liabilities for current tax	577	3,844	289
Trade payables and other current liabilities	74,271	78,932	79,771
Total current liabilities	117,975	170,509	122,915

Total liabilities	193,025	247,823	197,529
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Total equity and liabilities	320,261	405,922	343,445
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS

EUR thousand	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Net sales	112,673	118,019	229,466	228,288	493,298
Cost of goods sold	-109,605	-113,036	-221,544	-216,722	-474,718
Gross profit	3,068	4,984	7,922	11,566	18,579
Other operating income	637	781	1,739	1,096	5,739
Sales, marketing and administration expenses	-6,902	-7,543	-14,239	-14,797	-28,932
Research and development expenses	-1,105	-852	-1,986	-1,647	-3,503
Other operating expenses	-2,421	-273	-2,252	-389	-841
Operating profit	-6,722	-2,903	-8,816	-4,171	-8,958
Net financial expenses	-1,293	723	-2,830	-206	-2,923
Profit before income taxes	-8,016	-2,180	-11,646	-4,377	-11,881

Income taxes	-170	-141	-489	-278	-1,983
Profit for the period	-8,186	-2,320	-12,135	-4,655	-13,863

Earnings per share, EUR

Basic	-0.14	-0.04	-0.21	-0.08	-0.24
Diluted	-0.14	-0.04	-0.21	-0.08	-0.24

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Profit for the period	-8,186	-2,320	-12,135	-4,655	-13,863
Other comprehensive income:					
Other comprehensive income that will be subsequently reclassified to profit or loss					
Exchange differences	808	7,219	-948	12,322	8,873
Income taxes related to other comprehensive income	-10	-711	224	-917	-618
Total	798	6,508	-724	11,405	8,255
Other comprehensive income that will not be subsequently reclassified to profit or loss					
Remeasurements of defined benefit plans	-	-	-	-	137
Income taxes related to other comprehensive income	-	-	-	-	-125
Total	-	-	-	-	12
Total other comprehensive income	798	6,508	-724	11,405	8,267
Total comprehensive income for the period	-7,388	4,188	-12,859	6,750	-5,596

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR thousand	Share capital	Share premium account	Reserve for invested unrestricted equity	Exchange differences
Equity 1.1.2023	11,860	24,681	75,692	2,678
Profit for the period	-	-	-	-
Other comprehensive income	-	-	-	-724
Total comprehensive income	-	-	-	-724
Distribution of dividend	-	-	-	-
Share-based payments	-	-	-	-
Conveyance of treasury shares	-	-	-	-
Transfers	-	-	-	-
Equity 30.6.2023	11,860	24,681	75,692	1,954

EUR thousand	Fair value and other reserves	Retained earnings	Total equity attributable to owners of the parent
Equity 1.1.2023	265	30,740	145,916
Profit for the period	-	-12,135	-12,135
Other comprehensive income	-	-	-724
Total comprehensive income	-	-12,135	-12,859
Distribution of dividend	-	-5,767	-5,767
Share-based payments	-	-109	-109
Conveyance of treasury shares	-	55	55
Transfers	51	-51	-
Equity 30.6.2023	316	12,732	127,236

EUR thousand	Share capital	Share premium account	Reserve for invested unrestricted equity	Exchange differences
Equity 1.1.2022	11,860	24,681	75,692	-5,577
Profit for the period	-	-	-	-
Other comprehensive income	-	-	-	11,405

Total comprehensive income	-	-	-	11,405
Distribution of dividend	-	-	-	-
Share-based payments	-	-	-	-
Acquisition of treasury shares	-	-	-	-
Conveyance of treasury shares	-	-	-	-
Transfers	-	-	-	-
Equity 30.6.2022	11,860	24,681	75,692	5,828

EUR thousand	Fair value and other reserves	Retained earnings	Total equity attributable to owners of the parent
Equity 1.1.2022	-7	56,549	163,199
Profit for the period	-	-4,655	-4,655
Other comprehensive income	-	-	11,405
Total comprehensive income	-	-4,655	6,750
Distribution of dividend	-	-11,492	-11,492
Share-based payments	-	-64	-64
Acquisition of treasury shares	-	-352	-352
Conveyance of treasury shares	-	58	58
Transfers	272	-272	-
Equity 30.6.2022	265	39,771	158,098

EUR thousand	Share capital	Share premium account	Reserve for invested unrestricted equity	Exchange differences
Equity 1.1.2022	11,860	24,681	75,692	-5,577
Profit for the period	-	-	-	-
Other comprehensive income	-	-	-	8,255
Total comprehensive income	-	-	-	8,255
Distribution of dividend	-	-	-	-
Share-based payments	-	-	-	-
Acquisition of treasury shares	-	-	-	-
Conveyance of treasury shares	-	-	-	-
Transfers	-	-	-	-
Equity 31.12.2022	11,860	24,681	75,692	2,678

EUR thousand	Fair value and other reserves	Retained earnings	Total equity attributable to owners of the parent
Equity 1.1.2022	-7	56,549	163,199
Profit for the period	-	-13,863	-13,863
Other comprehensive income	-	12	8,267
Total comprehensive income	-	-13,851	-5,596
Distribution of dividend	-	-11,492	-11,492
Share-based payments	-	106	106
Acquisition of treasury shares	-	-352	-352
Conveyance of treasury shares	-	52	52
Transfers	272	-272	-
Equity 31.12.2022	265	30,740	145,916

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	1-6/2023	1-6/2022	1-12/2022
Cash flow from operations			
Profit for the period	-12,135	-4,655	-13,863
Total adjustments to profit for the period	14,360	9,860	28,037
Cash flow before changes in net working capital	2,225	5,205	14,174
Change in net working capital	12,100	6,630	7,753
Financial items	-2,792	-1,771	-4,745
Income taxes	-1,861	-829	-3,156
Cash flow from operations	9,671	9,235	14,027
Cash flow from investments			
Investments in property, plant and equipment and intangible assets	-3,663	-4,496	-9,764
Sales proceeds from property, plant and equipment and intangible assets	31	0	30
Cash flow from investments	-3,632	-4,496	-9,734
Cash flow from financing			
Drawdown of current interest-bearing liabilities	160,000	-	40,000
Repayment of non-current interest-bearing liabilities	-	-	-85,000
Repayment of current interest-bearing liabilities	-161,648	-1,529	-3,003
Acquisition of treasury shares	-	-379	-379

Dividends paid	-5,767	-11,492	-11,492
Cash flow from financing	-7,415	-13,400	-59,875
Change in cash and cash equivalents	-1,375	-8,662	-55,582
Cash and cash equivalents at the beginning of the period	49,508	101,357	101,357
Effect of changes in exchange rates	466	4,419	3,732
Change in cash and cash equivalents	-1,375	-8,662	-55,582
Cash and cash equivalents at the end of the period	48,598	97,114	49,508

KEY RATIOS

	4-6/ 2023	4-6/ 2022	1-6/ 2023	1-6/ 2022	1-12/ 2022
Change in net sales, % *	-4.5	3.8	0.5	-0.3	11.3
Gross profit, as percentage of net sales, %	2.7	4.2	3.5	5.1	3.8
Comparable EBITDA, as percentage of net sales, %	2.4	1.6	2.3	2.3	3.1
EBITDA, as percentage of net sales, %	-1.7	1.6	0.3	2.3	2.9
Comparable operating profit, as percentage of net sales, %	-1.9	-2.5	-1.8	-1.8	-0.8
Operating profit, as percentage of net sales, %	-6.0	-2.5	-3.8	-1.8	-1.8
Net financial items, as percentage of net sales, %	-1.1	0.6	-1.2	-0.1	-0.6
Profit before income taxes, as percentage of net sales, %	-7.1	-1.8	-5.1	-1.9	-2.4
Profit for the period, as percentage of net sales, %	-7.3	-2.0	-5.3	-2.0	-2.8
Gross capital expenditure, EUR thousand	2,146	2,222	3,685	3,991	9,713
Depreciation, amortization and impairment losses, EUR thousand	4,800	4,766	9,541	9,331	23,245
Return on equity, rolling 12 months, %	-	-	-14.5	-2.4	-8.8
Return on invested capital, rolling 12 months, %	-	-	-6.7	-0.6	-4.2
Equity ratio, %	-	-	39.7	39.0	42.5
Gearing, %	-	-	43.5	33.9	37.4
Average number of personnel (FTE - full time equivalent)	-	-	705	708	707
Earnings per share, EUR, basic	-0.14	-0.04	-0.21	-0.08	-0.24
Earnings per share, EUR, diluted	-0.14	-0.04	-0.21	-0.08	-0.24
Cash flow from operations per share, EUR	0.11	0.21	0.17	0.16	0.24
Equity per share, EUR	-	-	2.21	2.75	2.54

Number of shares, end of period, excluding treasury shares	–	–	57,692,459	57,480,727	57,480,727
Share price, end of period, EUR	–	–	2.90	2.99	3.00
Share price, period low, EUR	–	–	2.51	2.75	2.36
Share price, period high, EUR	–	–	3.48	5.27	5.27
Volume weighted average price during the period, EUR	–	–	2.89	3.67	3.57
Market capitalization, EUR million	–	–	167.3	171.9	172.4
Number of traded shares during the period	–	–	2,040,991	9,397,268	10,902,032
Number of traded shares during the period, % of average number of shares	–	–	3,5	16,4	19,0

* Compared with the corresponding period in the previous year.

	30.6.2023	30.6.2022	31.12.2022
Interest-bearing net debt, EUR thousands			
Non-current interest-bearing liabilities, nominal value	60,869	62,632	61,215
Current interest-bearing liabilities, nominal value	43,127	88,057	42,855
Interest-bearing receivables and cash and cash equivalents	-48,598	-97,114	-49,508
Interest-bearing net debt	55,398	53,575	54,562

CALCULATION OF KEY RATIOS AND ALTERNATIVE PERFORMANCE MEASURES

Key ratios per share are either IFRS key ratios (earnings per share) or required by Ordinance of the Ministry of Finance in Finland or alternative performance measures (cash flow from operations per share).

Some of the other key ratios Suominen publishes are alternative performance measures. An alternative performance measure is a key ratio, which has not been defined in IFRS standards. Suominen believes that the use of alternative performance measures provides useful information for example to investors regarding the Group's financial and operating performance and makes it easier to make comparisons between the reporting periods.

The link between the components of the key ratios per share and the consolidated financial statements is presented in the consolidated financial statements of 2022. The link between the components of the alternative performance measures and the consolidated financial statements is presented in Suominen's Annual Report for 2022.

Calculation of key ratios per share

Earnings per share

Basic earnings per share (EPS) = $\frac{\text{Profit for the period}}{\text{Share-issue adjusted average number of shares excluding treasury shares}}$

Diluted earnings per share (EPS) = $\frac{\text{Profit for the period}}{\text{Average diluted share-issue adjusted number of shares excluding treasury shares}}$

EUR thousand	30.6.2023	30.6.2022	31.12.2022
Profit for the period	-12,135	-4,655	-13,863
Average share-issue adjusted number of shares	57,619,026	57,397,821	57,439,615
Average diluted share-issue adjusted number of shares excluding treasury shares	57,687,681	57,484,599	57,533,196

Earnings per share

EUR			
Basic	-0.21	-0.08	-0.24
Diluted	-0.21	-0.08	-0.24

Cash flow from operations per share

Cash flow from operations per share = $\frac{\text{Cash flow from operations}}{\text{Share-issue adjusted number of shares excluding treasury shares, end of reporting period}}$

	30.6.2023	30.6.2022	31.12.2022
Cash flow from operations, EUR thousand	9,671	9,235	14,027

Share-issue adjusted number of shares excluding treasury shares, end of reporting period	57,692,459	57,480,727	57,480,727
Cash flow from operations per share, EUR	0.17	0.16	0.24

Equity per share

	Total equity attributable to owners of the parent			
Equity per share	=	Share-issue adjusted number of shares excluding treasury shares, end of reporting period		
		30.6.2023	30.6.2022	31.12.2022
Total equity attributable to owners of the parent, EUR thousand		127,236	158,098	145,916
Share-issue adjusted number of shares excluding treasury shares, end of reporting period		57,692,459	57,480,727	57,480,727
Equity per share, EUR		2.21	2.75	2.54

Market capitalization

Market capitalization = Number of shares at the end of reporting period excluding treasury shares x share price at the end of period

	30.6.2023	30.6.2022	31.12.2022
Number of shares at the end of reporting period excluding treasury shares	57,692,459	57,480,727	57,480,727
Share price at end of the period, EUR	2.90	2.99	3.00
Market capitalization, EUR million	167.3	171.9	172.4

Share turnover

Share turnover = The proportion of number of shares traded during the period to weighted average number of shares excluding treasury shares

	30.6.2023	30.6.2022	31.12.2022
Number of shares traded during the period	2,040,991	9,397,268	10,902,032
Average number of shares excluding treasury shares	57,619,026	57,397,821	57,439,615
Share turnover, %	3.5	16.4	19.0

Calculation of key ratios and alternative performance measures

Operating profit and comparable operating profit

Operating profit (EBIT) = Profit before income taxes + net financial expenses

Comparable operating profit (EBIT) = Profit before income taxes + net financial expenses, adjusted with items affecting comparability

In order to improve the comparability of result between reporting periods, Suominen presents comparable operating profit as an alternative performance measure. Operating profit is adjusted with material items that are considered to affect comparability between reporting periods. These items include, among others, impairment losses or reversals of impairment losses, gains or losses from the sales of property, plant and equipment or intangible assets or other assets and restructuring costs.

Comparable EBIT (operating profit)

EUR thousand	30.6.2023	30.6.2022	31.12.2022
Operating profit	-8,816	-4,171	-8,958
+ Dismissal costs affecting comparability	2,207	-	-
+ Restoration costs affecting comparability	2,341	-	-
+ Other costs affecting comparability	81	-	-
+ Impairment losses of property, plant and equipment, affecting comparability of result	8	-	2,288
+ Impairment losses of right-of-use assets, affecting comparability of result	108	-	1,536
+ Impairment losses of inventories, affecting comparability of result	-16	-	971
Comparable operating profit	-4,086	-4,171	-4,163

EBITDA and comparable EBITDA

EBITDA = EBIT + depreciation, amortization and impairment losses

Comparable EBITDA = EBIT + depreciation, amortization and impairment losses, adjusted with items affecting comparability

EBITDA and comparable EBITDA

EUR thousand	30.6.2023	30.6.2022	31.12.2022
Operating profit	-8,816	-4,171	-8,958
+ Depreciation, amortization and impairment losses	9,541	9,331	23,245
EBITDA	726	5,160	14,287
EBITDA	726	5,160	14,287
+ Costs affecting comparability of result	4,613	-	971
Comparable EBITDA	5,338	5,160	15,257

Gross capital expenditure

EUR thousand	30.6.2023	30.6.2022	31.12.2022
Increases in intangible assets	96	346	438
Increases in property, plant and equipment	3,589	3,645	9,275
Gross capital expenditure	3,685	3,991	9,713

Interest-bearing net debt

It is the opinion of Suominen that presenting interest-bearing liabilities not only at amortized cost but also at nominal value gives relevant additional information to the investors.

Interest-bearing net debt = Interest-bearing liabilities at nominal value - interest-bearing receivables - cash and cash equivalents

EUR thousand	30.6.2023	30.6.2022	31.12.2022
Interest-bearing liabilities	103,367	149,577	103,365
Tender and issuance costs of the debentures	629	1,112	705
Cash and cash equivalents	-48,598	-97,114	-49,508
Interest-bearing net debt	55,398	53,575	54,562

Interest-bearing liabilities	103,367	149,577	103,365
Tender and issuance costs of the debentures	629	1,112	705
Nominal value of interest-bearing liabilities	103,996	150,689	104,069

Return on equity (ROE), %

$$\text{Return on equity (ROE), \%} = \frac{\text{Profit for the reporting period (rolling 12 months)} \times 100}{\text{Total equity attributable to owners of the parent (quarterly average)}}$$

EUR thousand	30.6.2023	30.6.2022	31.12.2022
Profit for the reporting period (rolling 12 months)	-21,343	-3,817	-13,863
Total equity attributable to owners of the parent 30.6.2022 / 30.6.2021 / 31.12.2021	158,098	159,386	163,199
Total equity attributable to owners of the parent 30.9.2022 / 30.9.2021 / 31.3.2022	165,188	159,682	153,504
Total equity attributable to owners of the parent 31.12.2022 / 31.12.2021 / 30.6.2022	145,916	163,199	158,098
Total equity attributable to owners of the parent 31.3.2023 / 31.3.2022 / 30.9.2022	140,131	153,504	165,188
Total equity attributable to owners of the parent 30.6.2023 / 30.6.2022 / 31.12.2022	127,236	158,098	145,916
Average	147,314	158,774	157,181
Return on equity (ROE), %	-14.5	-2.4	-8.8

Invested capital

$$\text{Invested capital} = \text{Total equity attributable to owners of the parent} + \text{interest-bearing liabilities}$$

EUR thousand	30.6.2023	30.6.2022	31.12.2022
Total equity attributable to owners of the parent	127,236	158,098	145,916
Interest-bearing liabilities	103,367	149,577	103,365
Cash and cash equivalents	-48,598	-97,114	-49,508
Invested capital	182,005	210,561	199,773

Return on invested capital (ROI), %

$$\text{Return on invested capital (ROI), \%} = \frac{\text{Operating profit (rolling 12 months)} \times 100}{\text{Invested capital, quarterly average}}$$

EUR thousand	30.6.2023	30.6.2022	31.12.2022
Operating profit (rolling 12 months)	-13,603	-1,139	-8,958
Invested capital 30.6.2022 / 30.6.2021 / 31.12.2021	210,561	192,651	210,975
Invested capital 30.9.2022 / 30.9.2021 / 31.3.2022	230,264	205,786	205,806
Invested capital 31.12.2022 / 31.12.2021 / 30.6.2022	199,773	210,975	210,561
Invested capital 31.3.2023 / 31.3.2022 / 30.9.2022	194,290	205,806	230,264
Invested capital 30.6.2023 / 30.6.2022 / 31.12.2022	182,005	210,561	199,773
Average	203,379	205,156	211,476
Return on invested capital (ROI), %	-6.7	-0.6	-4.2

Equity ratio, %

$$\text{Equity ratio, \%} = \frac{\text{Total equity attributable to owners of the parent} \times 100}{\text{Total assets - advances received}}$$

EUR thousand	30.6.2023	30.6.2022	31.12.2022
Total equity attributable to owners of the parent	127,236	158,098	145,916
Total assets	320,261	405,922	343,445
Advances received	-129	-107	-74
	320,132	405,814	343,371
Equity ratio, %	39.7	39.0	42.5

Gearing, %

$$\text{Gearing, \%} = \frac{\text{Interest-bearing net debt} \times 100}{\text{Total equity attributable to owners of the parent}}$$

EUR thousand	30.6.2023	30.6.2022	31.12.2022
Interest-bearing net debt	55,398	53,575	54,562
Total equity attributable to owners of the parent	127,236	158,098	145,916
Gearing, %	43.5	33.9	37.4

NET SALES BY GEOGRAPHICAL MARKET AREA

EUR thousand	1-6/2023	1-6/2022	1-12/2022
Finland	1,727	1,895	3,522
Rest of Europe	81,070	96,307	193,673
North and South America	146,308	128,872	294,367
Rest of the world	361	1,214	1,736
Total	229,466	228,288	493,298

QUARTERLY SALES DEVELOPMENT BY BUSINESS AREA

EUR thousand	2023		2022			
	4-6	1-3	10-12	7-9	4-6	1-3
Americas	69,770	75,044	81,714	80,308	64,226	61,726
Europe	42,896	41,756	51,401	51,701	53,819	48,530
Unallocated exchange differences and eliminations	7	-8	-43	-72	-26	12
Total	112,673	116,793	133,072	131,937	118,019	110,269

QUARTERLY DEVELOPMENT

EUR thousand	2023		2022			
	4-6	1-3	10-12	7-9	4-6	1-3
Net sales	112,673	116,793	133,072	131,937	118,019	110,269
Comparable EBITDA	2,690	2,648	4,973	5,124	1,863	3,298

<i>as % of net sales</i>	2.4	2.3	3.7	3.9	1.6	3.0
Items affecting comparability	-4,613	-	-971	-	-	-
EBITDA	-1,922	2,648	4,003	5,124	1,863	3,298
<i>as % of net sales</i>	-1.7	2.3	3.0	3.9	1.6	3.0
Comparable operating profit	-2,102	-1,985	-194	202	-2,903	-1,268
<i>as % of net sales</i>	-1.9	-1.7	-0.1	0.2	-2.5	-1.2
Items affecting comparability	-4,621	-108	-4,795	-	-	-
Operating profit	-6,722	-2,093	-4,989	202	-2,903	-1,268
<i>as % of net sales</i>	-6.0	-1.8	-3.7	0.2	-2.5	-1.2
Net financial items	-1,293	-1,537	-2,639	-78	723	-930
Profit before income taxes	-8,016	-3,630	-7,628	125	-2,180	-2,198
<i>as % of net sales</i>	-7.1	-3.1	-5.7	0.1	-1.8	-2.0

RELATED PARTY INFORMATION

The related parties of Suominen include the members of the Board of Directors, President & CEO and the members of the Corporate Executive Team as well as their family members and their controlled companies. In addition, shareholders who have a significant influence in Suominen through share ownership are included in related parties. Suominen has no associated companies.

In its transactions with related parties Suominen follows the same commercial terms as in transactions with third parties.

The Annual General Meeting held on April 3, 2023, resolved that 25% of the annual remuneration for the Board of Directors is paid in Suominen Corporation's shares. The number of shares transferred to the members of the Board of Directors as their remuneration payable in shares for 2023 was 21,949 shares. The shares were transferred on May 10, 2023, and the value of the transferred shares totaled EUR 61,457.

One of Suominen's share-based plans vested and shares were transferred to the participants of the plan in February. The number of the shares transferred to the members of the Executive Team was 91,443 shares. The value of the shares and the portion settled in cash was EUR 552 thousand.

CHANGES IN PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

EUR thousand	30.6.2023		30.6.2022		31.12.2022	
	Property, plant and equipment	Intangible assets	Property, plant and equipment	Intangible assets	Property, plant and equipment	Intangible assets

Carrying amount at the beginning of the period	116,195	9,709	115,478	13,176	115,478	13,176
Capital expenditure and increases	3,589	96	3,645	346	9,275	438
Disposals and decreases	0	-	-	-	-	-
Depreciation, amortization and impairment losses	-6,111	-1,917	-5,699	-1,920	-14,393	-3,869
Exchange differences and other changes	-1,232	-1	8,101	-53	5,835	-36
Carrying amount at the end of the period	112,441	7,887	121,525	11,550	116,195	9,709

Goodwill is not included in intangible assets.

EUR thousand	30.6.2023 Right-of-use assets	30.6.2022 Right-of-use assets	31.12.2022 Right-of-use assets
Carrying amount at the beginning of the period	11,902	15,741	15,741
Increases	1,724	609	705
Disposals and decreases	-28	-2	-27
Depreciation, amortization and impairment losses	-1,513	-1,712	-4,983
Exchange differences and other changes	-108	609	466
Carrying amount at the end of the period	11,976	15,245	11,902

CHANGES IN INTEREST-BEARING LIABILITIES

EUR thousand	1-6/2023	1-6/2022	1-12/2022
Total interest-bearing liabilities at the beginning of the period	103,365	149,134	149,134
Current liabilities at the beginning of the period	42,855	86,823	86,823
Repayment of current liabilities, cash flow items	-161,648	-1,529	-88,003
Drawdown of current liabilities, cash flow items	160,000	-	40,000
Increases in current liabilities, non-cash flow items	548	203	260
Decreases of current liabilities, non-cash flow items	-19	-2	-15
Reclassification from non-current liabilities	1,412	1,503	2,770
Periodization of debentures to amortized cost, non-cash flow items	-	615	938
Exchange rate difference, non-cash flow item	-21	120	83
Current liabilities at the end of the period	43,127	87,734	42,855

Non-current liabilities at the beginning of the period	11,215	13,167	13,167
Increases in non-current liabilities, non-cash flow items	1,176	407	445
Decreases of non-current liabilities, non-cash flow items	-10	-	-12
Reclassification to current liabilities	-1,412	-1,503	-2,770
Exchange rate difference, non-cash flow item	-99	563	385
Non-current liabilities at the end of the period	10,869	12,632	11,215
Non-current debentures at the beginning of the period	49,295	49,144	49,144
Periodization of debentures to amortized cost, non-cash flow items	76	66	151
Non-current debentures at the end of the period	49,371	49,211	49,295
Total interest-bearing liabilities at the end of the period	103,367	149,577	103,365

CONTINGENT LIABILITIES

EUR thousands	30.6.2023	30.6.2022	31.12.2022
Other commitments			
Leasing commitments	92	74	98
Contractual commitments to acquire property, plant and equipment	2,670	1,028	2,641
Commitments to leases not yet commenced	152	290	429
Guarantees			
On own behalf	3,051	3,778	3,102
Other own commitments	21,825	21,229	16,755
	24,876	25,007	19,857

NOMINAL AND FAIR VALUES OF DERIVATIVE INSTRUMENTS

EUR thousand	30.6.2023		30.6.2022		31.12.2022	
	Nominal value	Fair value	Nominal value	Fair value	Nominal value	Fair value
Currency forward contracts						
Hedge accounting not applied	-	-	2,108	-38	-	-

FINANCIAL ASSETS BY CATEGORY

- a. Fair value through profit or loss
- b. Financial assets at amortized cost
- c. Financial assets at fair value through other comprehensive income
- d. Carrying amount
- e. Fair value

EUR thousand	Classification				
	a.	b.	c.	d.	e.
Equity instruments	–	–	421	421	421
Trade receivables	–	63,109	–	63,109	63,109
Interest and other financial receivables	–	268	–	268	268
Cash and cash equivalents	–	48,598	–	48,598	48,598
Total 30.6.2023	–	111,975	421	112,396	112,396

EUR thousand	a.	b.	c.	d.	e.
	Equity instruments	–	–	421	421
Trade receivables	–	66,648	–	66,648	66,648
Interest and other financial receivables	–	334	–	334	334
Cash and cash equivalents	–	49,508	–	49,508	49,508
Total 31.12.2022	–	116,490	421	116,911	116,911

Principles in estimating fair value of financial assets for 2023 are the same as those used for preparing the consolidated financial statements for 2022.

FINANCIAL LIABILITIES

EUR thousand	30.6.2023			31.12.2022		
	Carrying amount	Fair value	Nominal value	Carrying amount	Fair value	Nominal value
Non-current financial liabilities						
Debentures	49,371	40,725	50,000	49,295	39,425	50,000
Lease liabilities	10,869	10,869	10,869	11,215	11,215	11,215
Total non-current financial liabilities	60,240	51,594	60,869	60,510	50,640	61,215

Current financial liabilities						
Current loans from financial institutions	40,000	40,000	40,000	40,000	40,000	40,000
Lease liabilities	3,127	3,127	3,127	2,855	2,855	2,855
Interest accruals	227	227	227	734	734	734
Other current liabilities	564	564	564	353	353	353
Trade payables	59,532	59,532	59,532	64,565	64,565	64,565
Total current financial liabilities	103,450	103,450	103,450	108,506	108,506	108,506
Total	163,690	155,044	164,319	169,016	159,146	169,721

Principles in estimating fair value for financial liabilities for 2023 are the same as those used for preparing the consolidated financial statements for 2022.

FAIR VALUE MEASUREMENT HIERARCHY

EUR thousands	Level 1	Level 2	Level 3
Financial assets and liabilities at fair value			
Equity instruments	-	-	421
Total	-	-	421

Principles in estimating fair value of financial assets and their hierarchies for 2023 are the same as those used for preparing the consolidated financial statements for 2022.

There were no transfers in the fair value measurement hierarchy levels during the reporting period.

SUOMINEN CORPORATION
Board of Directors

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Suominen manufactures nonwovens as roll goods for wipes and other applications. Our vision is to be the frontrunner for nonwovens innovation and sustainability. The end products made of Suominen's nonwovens are present in people's daily life worldwide. Suominen's net sales in 2022 were EUR 493.3

million and we around 700 professionals working in Europe and in the Americas. Suominen's shares are listed on Nasdaq Helsinki. Read more at www.suominen.fi.

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