



INTERIM REPORT  
1-9/2023



**Tulikivi Corporation****Interim report 1–9/2023: Strong operating profit in an uncertain market****3 November 2023 at 1 pm**

- The Tulikivi Group's net sales were EUR 9.1 million (EUR 9.9 million, 7–9/2022) in the third quarter and EUR 35.4 million (EUR 30.5 million, 1–9/2022) in the review period.
- The Tulikivi Group's operating profit was EUR 1.3 (1.2) million in the third quarter and EUR 4.9 (3.2) million in the review period.
- The Tulikivi Group's profit before taxes was EUR 1.1 million (1.1 million) in the third quarter and EUR 4.4 (2.6) million in the review period.
- The equity ratio at the end of the review period was 47.5 per cent (36.0).
- Order books stood at EUR 11.5 (15.8) million at the end of the period.
- The Suomussalmi talc project has progressed well.
- Future outlook: Net sales are expected to increase in 2023, and the comparable operating profit is expected to improve on 2022.

## Key financial ratios

|   | 1-9/23 | 1-9/22 | Change, % | 1-12/22 | 7-9/23 | 7-9/22 | Change, % |
|---|--------|--------|-----------|---------|--------|--------|-----------|
| Sales, MEUR   | 35.4   | 30.5   | 16.2 %    | 44.3    | 9.1    | 9.9    | -8.6 %    |
| Operating profit/loss, MEUR                         | 4.9    | 3.2    | 54.5 %    | 4.7     | 1.3    | 1.2    | 9.8 %     |
| Operating profit/loss without impairment loss, MEUR | 4.9    | 3.2    | 54.5 %    | 4.7     | 1.3    | 1.2    | 9.8 %     |
| Profit before tax, MEUR                             | 4.4    | 2.6    | 69.2 %    | 4.1     | 1.1    | 1.1    | 7.1 %     |
| Total comprehensive income for the period, MEUR     | 3.4    | 2.7    | 22.9 %    | 4.9     | 1.0    | 1.1    | -9.7 %    |
| Earnings per share, Euro                            | 0.06   | 0.05   |           | 0.08    | 0.02   | 0.02   |           |
| Net cash flow from operating activities, MEUR       | 2.7    | 3.5    |           | 6.3     | 0.9    | 1.3    |           |
| Operating profit/loss without impairment loss, %    | 13.9   | 10.4   |           | 10.6    | 14.4   | 12.0   |           |
| Equity ratio, %                                     | 47.5   | 36.0   |           | 39.0    |        |        |           |
| Net indebtedness ratio, %                           | 62.1   | 91.8   |           | 72.7    |        |        |           |
| Return on investments, %                            | 24.4   | 18.7   |           | 19.7    |        |        |           |

**Comments by Heikki Vauhkonen, Managing Director:**

Operating profit continued to improve in the third quarter thanks to the distribution of sales and, especially, successful productivity measures. Net sales declined in Finland but exports were at the previous year's level.

In the third quarter, the company's order intake was EUR 7.3 (14.9) million. Demand was at a lower level than the previous year due to weaker consumer confidence and a challenging economic environment. In autumn 2022, demand for Tulikivi products was increased by the unusually sharp rise in energy prices and the uncertainties related to energy availability. Tulikivi's order books



remained at a good level, however, and amounted to EUR 11.5 (15.8) million at the end of the review period.

In Central Europe, sales and training activities were continued for the expansion of the distribution network of both Tulikivi and Kermansavi fireplaces. The focus of these activities was on the new Jero collection, which combines the technology of heat-retaining fireplaces with the compact size and modern design of a stove. In addition, preparations were underway in production to start deliveries of the Jero collection in the fourth quarter. Central European consumers prefer products in the stove-size range, and the new collection will enable Tulikivi to reach new customer groups.

The feasibility study for the Suomussalmi talc project progressed positively in the review period with Metso Corporation's enrichment and filtration tests and the preliminary design project of the enrichment plant. Based on a simulation of the production scale process, good-quality enriched talc can be produced from talc ore from Haaponen with good yields.

Product trials of finely ground talc products were launched for plastics and paint applications in the autumn. In addition, a study was launched on the potential for the further use of by-products. The additional studies will slightly delay the completion of the EIA report but may have a positive impact on the overall timetable and potential of the project.

## **Interim report 1–9/2023**

### **Operating environment**

The high heating energy prices and the uncertainties related to energy availability of the previous heating season were still fresh in the memories of consumers and are estimated to have continued to influence the growth in demand for Tulikivi products. In addition to the general economic downturn, demand is likely to be affected in particular by the downturn in new and renovation construction. Similarly, country-specific construction and emissions regulations and investment subsidies are estimated to have affected demand.

The EU Ecodesign Directive entered into force on 1 January 2022, as a result of which emission regulations for fireplaces were harmonised and became stricter in the European Union. In connection with the change, Finland's emissions requirements for ready-made fireplaces also became stricter to match the Central European level. This change is expected to benefit Tulikivi because its combustion technology met the new requirements for fireplaces well before the implementation of the change.

### **Net sales and profit**

The Tulikivi Group's third-quarter net sales totalled EUR 9.1 million (EUR 9.9 million in 7–9/2022), the operating profit was EUR 1.3 (1.2) million and the result before taxes was EUR 1.1 (1.1) million. Operating profit continued to improve in the third quarter thanks to the distribution of sales and, especially, successful productivity measures. Net sales declined in Finland but exports were at the previous year's level.

In the third quarter, the company's order intake was EUR 7.3 (14.9) million. Demand was at a lower level than the previous year due to weaker consumer confidence and a challenging economic environment. In autumn 2022, demand was increased by the unusually sharp rise in energy prices and the uncertainties related to the availability of energy. Tulikivi's order books remained at a good level, however, and amounted to EUR 11.5 (15.8) million at the end of the review period.

The Tulikivi Group's net sales in the review period totalled EUR 35.4 million (EUR 30.5 million in 1–9/2022), the operating profit was EUR 4.9 (3.2) million and the result before taxes was EUR 4.4 (2.6) million. The growth in net sales is attributable to systematic long-term work to renew the product portfolio, development of online sales and the streamlining of distribution channels in export markets. Profitability improved, thanks to higher net sales, a good sales mix and successful productivity measures. The company's profitability is also supported by the fact that its operations are, to a substantial degree, based on the utilisation of its own soapstone reserves in Finland.



In the review period, net sales in Finland were EUR 11.8 (11.5) million, or 33.4 per cent (37.8) of total consolidated net sales. In Finland, higher renovation sales and renewed product ranges improved net sales from fireplaces. Sales efficiency measures continued to be implemented in Finland to increase renovation sales.

Net sales in export markets in the review period were EUR 23.6 (19.0) million, or 66.6 per cent (62.2) of total consolidated net sales. The largest countries for exports were Germany, France and Sweden. In Central Europe, sales and training activities were continued for the expansion of the distribution network of both Tulikivi and Kermansavi fireplaces. The focus of these activities was on the new Jero collection, which combines the technology of heat-retaining fireplaces with the compact size and modern design of a stove. In addition, preparations were underway in production to start deliveries of the Jero collection in the fourth quarter. Central European consumers prefer products in the stove-size range, and the new collection will enable Tulikivi to reach new customer groups.

## Financing

Net cash flow from operating activities was EUR 0.9 (1.3) million in the third quarter and EUR 2.7 (3.5) million in the review period. Working capital totalled EUR 6.4 (3.2) million at the end of the review period. The increase was mainly due to an increase in inventory and accrued income receivables and a decrease in trade payables and accrued expenses.

Loan repayments totalled EUR 1.1 (0.6) million in the review period. During the review period, EUR 0.6 million was used for the development of the talcum powder project from a research and development loan granted by Business Finland. Total debt was EUR 11.8 (12.8) million at the end of the review period, and net financial expenses were EUR 0.5 (0.6) million in the review period. The equity ratio at the end of the review period was 47.5 per cent (36.0). The ratio of interest-bearing net debt to equity, or gearing, was 62.1 per cent (91.8). The current ratio was 1.9 (1.3), and equity per share was EUR 0.30 (0.21). At the end of the review period, the Group's cash and other liquid assets were EUR 2.6 (2.5) million. Overall, the company's financial situation has returned to normal, thanks to good business development.

On 22 December 2022, Tulikivi agreed with Nordea Bank Plc to restructure its financing that is maturing in April 2024. This facility replaced and refinanced the company's existing loans and provided for future growth-supporting investments and working capital needs. The financing agreement includes a repayment programme for 2022–2028 and loan covenants to the finance provider. The company's management estimates that the company will fulfil the financial covenants during the next 12 months.

## Investments and product development

The Group's investments totalled EUR 2.8 (1.2) million during the review period. The most significant investments in the review period were the investment in a multiple blade saw used in production, the investment in the expansion of the soapstone quarry, the investments in the development of the talc deposit and in product development, which was the investment in the development of the new Jero collection.

Product development expenditure during the review period was EUR 1.0 (0.9) million, or 2.9 per cent (2.8) of net sales. EUR 0.3 (0.3) million of this was capitalised in the balance sheet.

## Suomussalmi talc reserves

The feasibility study for the Suomussalmi talc project progressed positively in the review period with Metso Corporation's enrichment and filtration tests and the preliminary design project of the enrichment plant. Based on a simulation of the production scale process, good-quality enriched talc can be produced from talc ore from Haaponen with good yields. The enriched talc from the enrichment trials was used to produce jet-milled talc products. The enriched talc was milled to three different grain sizes, with average sizes ranging from about 2.5 microns to 5 microns. As expected, the whiteness of the milled product increased with fineness and the talc retained its platy quality. Platyness is a desirable property, especially for applications that are growing. Based on the preliminary design, filtration of tailings sand will allow dry stacking. The quality of process water and drainage will be ensured with a water treatment plant. A noteworthy finding in the study is that the buildings and infrastructure in the mining area can also be used for the planned production of talc.

Product trials of finely ground talc products were launched for plastics and paint applications in the autumn. In addition, a study was launched on the potential for the further use of by-products. The additional studies will slightly delay the completion of the EIA report but may have a positive impact on the overall timetable and potential of the project.

In recent years, the company has invested around EUR 1.8 million in the development of the talc project.

It is too early to evaluate whether the project will be carried out or to estimate its financial impacts.

## Personnel

The Group had an average of 230 (216) employees in the review period. In the review period, total salaries and bonuses amounted to EUR 8.1 (7.4) million, but relative to net sales, salaries and bonuses

were lower than in the comparison period. Operations were adjusted through layoffs for production-related reasons in the review period.

### **Annual General Meeting**

The Annual General Meeting of Tulikivi Corporation held on 27 April 2023 resolved not to distribute a dividend for the 2022 financial year. Jaakko Aspara, Liudmila Niemi, Niko Haavisto, Tarmo Tuominen, Jyrki Tähtinen and Heikki Vauhkonen were elected as members of the Board of Directors. The Board elected Jyrki Tähtinen as its Chair. The auditor appointed was KPMG Oy Ab, Authorised Public Accountants, with Heli Tuuri, APA, as principal auditor.

The Annual General Meeting authorised the Board of Directors to decide on issuing new shares and on assigning Tulikivi Corporation shares held by the company in accordance with the proposals of the Board. Tulikivi can issue new shares or assign treasury shares as follows: a maximum of 15,656,622 Series A shares and a maximum of 2,304,750 Series K shares.

The authorisation includes the right to decide on a directed rights issue, deviating from the shareholders' right of pre-emption, provided that there is a compelling financial reason for the company. The authorisation also includes the right to decide on a bonus issue to the company itself, where the number of shares issued to the company is no more than one tenth of the total number of the company's shares.

The authorisation also includes the right to issue special rights referred to in chapter 10, section 1 of the Limited Liability Companies Act, which would give entitlement to Tulikivi shares against payment or by setting off a receivable. The authorisation includes the right to pay the company's share rewards. The Board is authorised to decide on other matters concerning share issues. The authorisation is valid until the 2024 Annual General Meeting.

### **Treasury shares**

The company did not purchase or assign any treasury shares during the review period. At the end of the review period, the total number of Tulikivi shares held by the company was 124,200 Series A shares, corresponding to 0.2 per cent of the company's share capital and 0.1 per cent of all voting rights.

### **Near-term risks and uncertainties**

The Group's most significant risk is a decline in net sales in the principal market areas. The number of new construction and renovation projects affect the sales of Tulikivi's products in Finland.



Economic uncertainties in the principal market areas also impact the demand for Tulikivi's products. High inflation and economic and geopolitical uncertainty may also weaken consumer confidence and, consequently, demand for Tulikivi products.

The strong rise in the prices of procured parts, wages, and freight and energy costs may affect the company's profitability if the prices of Tulikivi products cannot be correspondingly raised.

The risks are described in more detail on page 86 of the company's 2022 Annual Report.

### **Long-term financial targets**

Tulikivi's goal is to achieve an average annual net sales growth rate of 5 per cent by the end of 2025. In terms of the operating profit, its goal is to exceed 12 per cent of net sales. Its goal for the equity ratio is at least 30% by the end of 2025.

### **Future outlook**

Net sales are expected to increase in 2023, and the comparable operating profit is expected to improve on 2022.



### Key financial ratios and share ratios

|   | 1-9/23     | 1-9/22     | 7-9/23     | 7-9/22     | 1-12/22    |
|---|------------|------------|------------|------------|------------|
| Earnings per share, EUR   | 0.06       | 0.05       | 0.02       | 0.02       | 0.08       |
| Equity per share, EUR   | 0.30       | 0.21       | 0.30       | 0.21       | 0.24       |
| Return on equity, %   | 28.6       | 31.1       |            |            | 40.2       |
| Return on investments, %  | 24.4       | 18.7       |            |            | 19.7       |
| Equity ratio, %   | 47.5       | 36.0       |            |            | 39.0       |
| Net debtness ratio, %   | 62.1       | 91.8       |            |            | 72.7       |
| Current ratio   | 1.9        | 1.3        |            |            | 1.3        |
| Gross investments, MEUR   | 2.8        | 1.2        |            |            | 1.9        |
| Gross investments, % of sales   | 7.9        | 3.9        |            |            | 4.3        |
| Research and development costs, MEUR  | 1.0        | 0.9        |            |            | 1.2        |
| %/sales   | 2.9        | 2.8        |            |            | 2.7        |
| Outstanding orders, MEUR  | 11.5       | 15.8       |            |            | 17.2       |
| Average number of staff   | 230        | 216        |            |            | 220        |
| Rate development of shares, EUR   |            |            |            |            |            |
| Lowest share price, EUR   | 0.46       | 0.38       |            |            | 0.38       |
| Highest share price, EUR  | 0.61       | 0.95       |            |            | 0.95       |
| Average share price, EUR  | 0.54       | 0.63       |            |            | 0.64       |
| Closing price, EUR  | 0.49       | 0.61       |            |            | 0.60       |
| Market capitalization at the end period, 1000 EUR                                   | 29 455     | 36 446     |            |            | 35 848     |
| (Supposing that the market price of the K-share is the same as that of the A-share) |            |            |            |            |            |
| Number of the shares traded, (1000 pcs)   | 12 047     | 25 470     |            |            | 32 570     |
| % of total amount of A-shares   | 23.3       | 49.2       |            |            | 62.9       |
| Number of shares average  | 59 747 043 | 59 747 043 | 59 747 043 | 59 747 043 | 59 747 043 |
| Number of the shares at the end of period   | 59 747 043 | 59 747 043 | 59 747 043 | 59 747 043 | 59 747 043 |

### Items affecting comparability

To ensure comparability between reporting periods, the Group classifies certain items of expense and income as non-recurring items in its financial reporting. The Group presents as non-recurring items expenses and income related to the restructuring of the Group's operations, non-recurring impairment losses on goodwill and assets, and other exceptional items that materially distort the comparability of the profitability of the Group's core business. There were no items affecting comparability in the reporting period.

**FINANCIAL STATEMENT Jan-Sep 2023. SUMMARY  
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

| Eur million   | 1-9/23 | 1-9/22 | Change. % | 1-12/22 | 7-9/23 | 7-9/22 |
|---|--------|--------|-----------|---------|--------|--------|
| <b>Sales</b>  | 35.4   | 30.5   | 16.2      | 44.3    | 9.1    | 9.9    |
| Other operating income  | 0.2    | 0.2    |           | 0.3     | 0.1    | 0.1    |
| Increase/decrease in inventories in finished goods and in work in progress                          | -0.4   | 0.5    |           | 0.6     | 0.4    | 0.9    |
| Production for own use  | 0.7    | 0.4    |           | 0.7     | 0.3    | 0.2    |
| Raw materials and consumables   | -8.3   | -8.6   |           | -12.1   | -1.9   | -3.1   |
| External services   | -4.6   | -3.8   |           | -6.1    | -1.4   | -1.4   |
| Personnel expenses  | -10.0  | -8.9   |           | -12.8   | -2.9   | -2.8   |
| Depreciation and amortisation   | -2.1   | -1.7   |           | -2.4    | -0.7   | -0.6   |
| Other operating expenses  | -6.0   | -5.4   |           | -7.9    | -1.7   | -1.9   |
| <b>Operating profit/loss</b>  | 4.9    | 3.2    | 54.5      | 4.7     | 1.3    | 1.2    |
| Finance income  | 0.2    | 0.1    |           | 0.1     | 0.1    | 0.1    |
| Finance expense   | -0.7   | -0.7   |           | -0.7    | -0.2   | -0.2   |
| <b>Profit before tax</b>  | 4.4    | 2.6    | 69.2      | 4.1     | 1.1    | 1.1    |
| Direct taxes  | -0.9   | 0.0    |           | 0.8     | -0.2   | 0.0    |
| <b>Profit/loss for the period</b>   | 3.5    | 2.6    | 35.4      | 4.8     | 1.0    | 1.1    |
| Other comprehensive income  |        |        |           |         |        |        |
| Items that may later have effect on profit or loss  |        |        |           |         |        |        |
| Translation difference  | -0.1   | 0.2    |           | 0.0     | 0.0    | 0.0    |
| <b>Total comprehensive income for the period</b>  | 3.4    | 2.7    | 22.9      | 4.9     | 1.0    | 1.1    |
| Earnings per share attributable to the equity holders of the parent company, EUR, basic and diluted | 0.06   | 0.05   |           | 0.08    | 0.02   | 0.02   |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

| <b>ASSETS (EUR million)</b>    | 9/23        | 9/22        | 12/22       |
|--------------------------------|-------------|-------------|-------------|
| <b>Non-current assets</b>      |             |             |             |
| Property, plant and equipment  |             |             |             |
| Land                           | 0.7         | 0.7         | 0.7         |
| Buildings                      | 2.8         | 2.8         | 3.3         |
| Machinery and equipment        | 2.2         | 1.4         | 1.8         |
| Other tangible assets          | 0.7         | 1.0         | 1.0         |
| Intangible assets              |             |             |             |
| Goodwill                       | 2.8         | 2.8         | 2.8         |
| Other intangible assets        | 10.6        | 9.6         | 9.9         |
| Investment properties          | 0.0         | 0.0         | 0.0         |
| Receivables                    |             |             |             |
| Other receivables              | 0.1         | 0.1         | 0.1         |
| Deferred tax assets            | 2.6         | 2.5         | 3.5         |
| Total non-current assets       | 22.6        | 21.1        | 23.2        |
| <b>Current assets</b>          |             |             |             |
| Inventories                    | 8.9         | 8.7         | 8.7         |
| Trade receivables              | 3.2         | 2.8         | 2.8         |
| Current income tax receivables | 0.0         | 0.0         | 0.0         |
| Other receivables              | 0.9         | 1.1         | 0.9         |
| Cash and cash equivalents      | 2.6         | 2.5         | 3.7         |
| Total current assets           | 15.6        | 15.1        | 16.1        |
| <b>Total assets</b>            | <b>38.2</b> | <b>36.2</b> | <b>39.3</b> |

| <b>EQUITY AND LIABILITIES (EUR million)</b> | 9/23        | 9/22        | 12/22       |
|---|-------------|-------------|-------------|
| <b>Equity</b>                               |             |             |             |
| Share capital                               | 6.3         | 6.3         | 6.3         |
| The invested unstricted equity fund         | 14.4        | 14.4        | 14.4        |
| Revaluation reserve                         | 0.0         | 0.0         | 0.0         |
| Treasury shares                             | -0.1        | -0.1        | -0.1        |
| Translation difference                      | 0.0         | 0.2         | 0.1         |
| Retained earnings                           | -2.8        | -8.5        | -6.3        |
| <b>Total equity</b>                         | <b>17.8</b> | <b>12.3</b> | <b>14.4</b> |
| <b>Non-current liabilities</b>              |             |             |             |
| Deferred income tax liabilities             | 0.6         | 0.6         | 0.6         |
| Provisions                                  | 0.3         | 0.2         | 0.3         |
| Interest-bearing debt                       | 10.0        | 10.7        | 10.0        |
| Other debt                                  | 1.2         | 0.8         | 1.7         |
| Total non-current liabilities               | 12.0        | 12.3        | 12.5        |
| <b>Current liabilities</b>                  |             |             |             |
| Trade and other payables                    | 6.6         | 9.9         | 10.5        |
| Short-term interest bearing debt            | 0.0         | 0.0         | 0.0         |
| Current liabilities                         | 1.8         | 1.7         | 1.8         |
| <b>Total current liabilities</b>            | <b>8.4</b>  | <b>11.6</b> | <b>12.3</b> |
| <b>Total liabilities</b>                    | <b>20.4</b> | <b>23.9</b> | <b>24.8</b> |
| <b>Total equity and liabilities</b>         | <b>38.2</b> | <b>36.2</b> | <b>39.3</b> |

**CONSOLIDATED STATEMENT OF CASH FLOWS (EUR million)**

|  | 1-9/23      | 1-9/22      | 1-12/22     |
|--|-------------|-------------|-------------|
| <b>Cash flows from operating activities</b>                                |             |             |             |
| Profit for the period  | 3.5         | 2.6         | 4.8         |
| Adjustments  |             |             |             |
| Non-cash transactions  | 2.1         | 1.9         | 2.4         |
| Interest expenses and interest income and taxes                            | 1.5         | 0.6         | -0.1        |
| Change in working capital  | -3.8        | -0.8        | -0.1        |
| Interest paid and received and taxes paid                                  | -0.6        | -0.7        | -0.7        |
| <b>Net cash flow from operating activities</b>                             | <b>2.7</b>  | <b>3.5</b>  | <b>6.3</b>  |
| <b>Cash flows from investing activities</b>                                |             |             |             |
| Investment in property, plant and equipment and intangible assets          | -2.6        | -1.2        | -2.0        |
| Grants received for investments and sales of property, plant and equipment | 0.1         | 0.0         | 0.1         |
| <b>Net cash flow from investing activities</b>                             | <b>-2.6</b> | <b>-1.2</b> | <b>-1.9</b> |
| <b>Cash flows from financing activities</b>                                |             |             |             |
| Proceeds from non-current and current borrowing                            | 0.6         | 0.0         | 11.8        |
| Repayment of non-current and current borrowing                             | -1.1        | -0.6        | -12.9       |
| Payments of lease liabilities  | -0.6        | -0.5        | -0.7        |
| Dividends paid and treasury shares   |             |             |             |
| <b>Net cash flow from financing activities</b>                             | <b>-1.1</b> | <b>-1.1</b> | <b>-1.8</b> |
| <b>Change in cash and cash equivalents</b>                                 | <b>-1.0</b> | <b>1.4</b>  | <b>2.6</b>  |
| Cash and cash equivalents at beginning of period                           | 3.7         | 1.1         | 1.1         |
| <b>Cash and cash equivalents at end of period</b>                          | <b>2.6</b>  | <b>2.5</b>  | <b>3.7</b>  |



**Consolidated statement of changes in equity (EUR Million)**

|   | Share capital | The invested unstricted equity fund | Revaluation reserve | Treasury shares | Translations diff. | Retained earnings | Total |
|---|---------------|-------------------------------------|---------------------|-----------------|--------------------|-------------------|-------|
| Equity Jan. 1, 2023                       | 6.3           | 14.4                                | 0.0                 | -0.1            | 0.1                | -6.3              | 14.4  |
| Total comprehensive income for the period |               |                                     | 0.0                 |                 | -0.1               | 3.5               | 3.4   |
| Transactions with the owners              |               |                                     |                     |                 |                    |                   |       |
| Dividends paid                            |               |                                     |                     |                 |                    | 0.0               | 0.0   |
| Equity Sep. 30, 2023                      | 6.3           | 14.4                                | 0.0                 | -0.1            | 0.0                | -2.8              | 17.8  |
| Equity Jan. 1, 2022                       | 6.3           | 14.4                                | 0.0                 | -0.1            | 0.1                | -11.1             | 9.6   |
| Total comprehensive income for the period |               |                                     | 0.0                 |                 | 0.2                | 2.6               | 2.7   |
| Transactions with the owners              |               |                                     |                     |                 |                    |                   |       |
| Dividends paid                            |               |                                     |                     |                 |                    | 0.0               | 0.0   |
| Equity Sep. 30, 2022                      | 6.3           | 14.4                                | 0.0                 | -0.1            | 0.2                | -8.5              | 12.3  |

## Notes to the financial statements

The information presented in the interim report is unaudited.

This interim report has been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. Tulikivi has applied the same IFRS accounting principles in this interim report as in the previous consolidated financial statements. The key figures presented in the Interim Report have been calculated using the same formulas as the latest financial statement 2022. The formulas are presented on page 48 of the 2022 Annual Report.

| <b>Sales (EUR Million)</b> | 1-9/2023 | 1-9/2022 | 1-12/2022 |
|----------------------------|----------|----------|-----------|
| Finland                    | 11.8     | 11.5     | 16.7      |
| Other european countries   | 22.7     | 18.1     | 26.4      |
| North America              | 0.9      | 0.8      | 1.1       |
| Total                      | 35.4     | 30.5     | 44.3      |

**Commitments (EUR million)**

|  | 9/23 | 9/22 | 12/22 |
|--|------|------|-------|
| Loans from credit institutions and other long term debts and loan guarantees, with related mortgages and pledges | 11.8 | 11.8 | 11.8  |
| Mortgages granted and collaterals pledged  | 15.8 | 35.8 | 35.8  |
| Other given guarantees and pledges on behalf of own liabilities  | 0.5  | 0.5  | 0.5   |

## Maturity of financial liabilities

The figures are undiscounted and include both interest payments and capital.

### Maturities of financial liabilities (EUR Million)

| Sep. 30,2023                                      | Balance sheet | Total       | < 6        | 6 - 12     | > 12 - 24   | > 24-60    | > 60       |
|---|---------------|-------------|------------|------------|-------------|------------|------------|
| Type of credit                                    | value         | cash flows  | months     | months     | months      | months     | months     |
| Loans from credit institution and TyEL pension lo | 11.8          | 13.5        | 1.4        | 1.0        | 2.5         | 7.1        | 1.5        |
| Lease liabilities                                 | 1.9           | 2.0         | 0.4        | 0.4        | 0.7         | 0.6        | 0.0        |
| Trade and other payables                          | 3.2           | 3.2         | 3.2        | 0.0        | 0.0         | 0.0        | 0.0        |
| <b>Total</b>                                      | <b>16.8</b>   | <b>18.7</b> | <b>5.0</b> | <b>1.4</b> | <b>3.2</b>  | <b>7.7</b> | <b>1.5</b> |
| Sep. 30,2022                                      | Balance sheet | Total       | < 6        | 6 - 12     | > 12 - 24   | > 24-60    | > 60       |
| Type of credit                                    | value         | cash flows  | months     | months     | months      | months     | months     |
| Loans from credit institution and TyEL pension lo | 12.3          | 12.7        | 1.4        | 0.5        | 10.8        | 0.0        | 0.0        |
| Lease liabilities                                 | 1.4           | 1.6         | 0.3        | 0.3        | 0.6         | 0.4        | 0.0        |
| Trade and other payables                          | 6.1           | 6.1         | 6.1        | 0.0        | 0.0         | 0.0        | 0.0        |
| <b>Total</b>                                      | <b>19.8</b>   | <b>20.4</b> | <b>7.8</b> | <b>0.8</b> | <b>11.3</b> | <b>0.4</b> | <b>0.0</b> |

On 22 December 2022, Tulikivi agreed with Nordea Bank Plc to restructure its financing that is maturing in April 2024. This facility replaced and refinanced the company's existing loans and provided for future growth-supporting investments and working capital needs. The financing agreement includes a repayment programme for 2022–2028 and loan covenants to the finance provider. The company's management estimates that the company will fulfil the financial covenants during the next 12 months.

### Provisions (EUR million)

|                        | Environmental provision | Warranty provision |
|------------------------|-------------------------|--------------------|
|                        | 9/23                    | 9/23               |
| Provisions Jan. 1.     | 0.2                     | 0.1                |
| Increase in provisions | 0.0                     | 0.0                |
| Used Provisions        | 0.0                     | 0.0                |
| Discharge on reserves  | 0.0                     | 0.0                |
| Provisions Sep. 30.    | 0.2                     | 0.1                |
|                        | 9/22                    |                    |
| Non-current            | 0.3                     |                    |
| Current provisions     | 0.0                     |                    |
| <b>Total</b>           | <b>0.3</b>              |                    |

**Changes in tangible assets are classified as follows (EUR million):**

|                    | 1-9/23 | 1-9/22 | 1-12/22 |
|--------------------|--------|--------|---------|
| Acquisition costs  | 0.9    | 0.2    | 0.3     |
| Proceeds from sale | 0.0    | 0.0    | 0.0     |
| Total              | 0.9    | 0.2    | 0.3     |

**Changes in intangible assets are classified as follows (EUR million):**

|                        | 1-9/23 | 1-9/22 | 1-12/22 |
|------------------------|--------|--------|---------|
| Acquisition costs, net | 1.7    | 1.0    | 1.5     |
| Amortisation loss      | 0.0    | 0.0    | 0.0     |
| Total                  | 1.7    | 1.0    | 1.5     |

**Share capital**
**Share capital by share series**

|                            | Shares,<br>number | Percentage,<br>%<br>shares | Percentage,<br>%<br>votes | Percentage,<br>EUR<br>share<br>capital |
|----------------------------|-------------------|----------------------------|---------------------------|--|
| Series K shares (10 votes) | 7,682,500         | 12.8                       | 59.5                      | 810,255                                |
| Series A shares (1 vote)   | 52,188,743        | 87.2                       | 40.5                      | 5,504,220                              |
| Total, 30 September 2023   | 59,871,243        | 100.0                      | 100.0                     | 6,314,475                              |

There have been no changes in Tulikivi Corporation's share capital during the review period. According to the Articles of Association, the dividend paid on Series A shares must be EUR 0.0017 higher than the dividend paid on Series K shares. The Series A share is listed on Nasdaq Helsinki Ltd. At the end of the review period, the company held 124,200 Series A shares.

**Related party transactions**

Tulikivi repaid the working capital loan of EUR 0.1 million to Jaakko Aspara and Jyrki Tähtinen, members of the Board of Directors who are related parties of Tulikivi Corporation, on 7 August 2023 in accordance with the terms of the agreement.



## Management benefits (EUR 1,000)

|  | 1–9/23 | 1–9/22 |
|--|--------|--------|
| Board members' and Managing Director's salaries and other short-term employee benefits | 228    | 235    |

## Principal shareholders on 30 September 2023

| Name of shareholder                           | Shares     | Percentage of votes |
|---|------------|---------------------|
| 1. Heikki Vauhkonen                           | 6,484,420  | 45.6%               |
| 2. Ilmarinen Mutual Pension Insurance Company | 3,420,951  | 2.7%                |
| 3. Elo Eliisa                                 | 3,108,536  | 5.7%                |
| 4. Elo Mutual Pension Insurance Company       | 2,584,000  | 2.0%                |
| 5. Finnish Cultural Foundation                | 2,258,181  | 2.4%                |
| 6. Toivanen Jouko                             | 1,606,259  | 1.9%                |
| 7. Jarkko Nikkola                             | 1,575,000  | 1.2%                |
| 8. Mutanen Susanna                            | 1,597,221  | 6.8%                |
| 9. Fennia Mutual Insurance Company            | 1,515,151  | 1.2%                |
| 10. EHJ-Capital Oy                            | 1,327,894  | 1.0%                |
| Others  | 34,393,630 | 29.4%               |

The Group consists of the parent company Tulikivi Corporation and of Nordic Talc Oy, Tulikivi U.S. Inc. in the United States and OOO Tulikivi in Russia. Group companies also include Tulikivi GmbH and The New Alberene Stone Company, Inc., which are dormant.

## TULIKIVI CORPORATION

## Board of Directors

Distribution: Nasdaq Helsinki

Key media

[www.tulikivi.com](http://www.tulikivi.com)

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