



Huhtamäki Oyj Interim Report Q3 2022

January 1 – September 30, 2022

Huhtamäki

Continued strong performance

Q3 2022 in brief

- Net sales increased 31% to EUR 1,178 million (EUR 896 million)
- Adjusted EBIT was EUR 101 million (EUR 76 million); reported EBIT was EUR 137 million (EUR 65 million)
- Adjusted EPS was EUR 0.59 (EUR 0.50); reported EPS was EUR 0.89 (EUR 0.40)
- Comparable net sales growth at Group level was 17% and 23% in emerging markets
- The impact of currency movements on the Group's net sales was EUR 83 million and EUR 7 million on EBIT

Q1-Q3 2022 in brief

- Net sales increased 31% to EUR 3,375 million (EUR 2,575 million)
- Adjusted EBIT was EUR 302 million (EUR 233 million); reported EBIT was EUR 327 million (EUR 211 million)
- Adjusted EPS was EUR 1.84 (EUR 1.52); reported EPS was EUR 2.11 (EUR 1.35)
- Comparable net sales growth at Group level was 18 % and 19% in emerging markets
- The impact of currency movements on the Group's net sales was EUR 186 million and EUR 16 million on EBIT
- Capital expenditure was EUR 185 million (EUR 147 million)
- Free cash flow was EUR -60 million (EUR 28 million)

Key figures

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Net sales	1,178.4	896.4	31%	3,375.4	2,575.4	31%	3,574.9
Comparable net sales growth	17%	4%		18%	6%		7%
Adjusted EBITDA ¹	153.2	119.3	28%	453.6	358.1	27%	488.4
Margin ¹	13.0%	13.3%		13.4%	13.9%		13.7%
EBITDA	190.6	108.1	76%	484.4	337.1	44%	469.6
Adjusted EBIT ²	101.5	76.3	33%	301.7	233.1	29%	315.3
Margin ²	8.6%	8.5%		8.9%	9.1%		8.8%
EBIT	137.1	64.9	>100%	327.2	211.4	55%	296.0
Adjusted EPS ³	0.59	0.50	16%	1.84	1.52	21%	2.07
EPS, EUR	0.89	0.40	>100%	2.11	1.35	56%	1.91
Adjusted ROI ²				11.0%	11.5%		11.3%
Adjusted ROE ³				14.9%	15.1%		15.1%
ROI				11.9%	9.7%		10.6%
ROE				16.6%	12.4%		13.9%
Capital expenditure	57.4	62.4	-8%	185.3	147.2	26%	259.4
Free Cash Flow	5.6	-7.2	<-100%	-60.2	28.0	<-100%	-26.1
¹ Excluding IAC of	37.3	-11.2		30.8	-21.0		-18.7
² Excluding IAC of	35.6	-11.4		25.4	-21.6		-19.3
³ Excluding IAC of	31.8	-10.3		27.6	-18.2		-17.1

Unless otherwise stated, all comparisons in this report are compared to the corresponding period in 2021. Figures of return on investment (ROI), return on equity (ROE) and return on net assets (RONA) as well as net debt to EBITDA presented in this report are calculated on a 12-month rolling basis.

IAC includes, but is not limited to, material restructuring costs and acquisition related costs (gains and losses on business combinations, professional and legal fees, material purchase price accounting adjustments for inventory, material purchase price amortization of intangible assets and changes in contingent considerations) as well as material impairment losses and reversals, gains and losses relating to sale of intangible and tangible assets and fines and penalties imposed by authorities.

The figures in the tables are exact figures and consequently the sum of individual figures may deviate from the sum presented. Key figures have been calculated using exact figures.

President and CEO's review

We continued to deliver strong business performance in the third quarter of 2022, despite continued volatile market conditions. Inflation remained high and affected our input costs, although early signs of easing were visible in some input costs, while the energy market remained tense, particularly in Europe.

Despite persisting challenging market conditions with continued consequence of the COVID pandemic lockdowns in China and a softer demand growth in certain categories, our net sales increased by 31% and by 17% in comparable terms during the third quarter. The growth also translated into profit, with our adjusted EBIT increasing by 33%. Higher working capital, inflated by price and supply chain challenges, in combination with investments for growth continued to impact our operational cash flow. However, the free cash flow has been improving quarter over quarter in 2022.

Early September, we concluded the divestment of our operations in Russia. As a result of the sale, we booked a gain of EUR 37.5 million, contributing to the reduction of our net debt by EUR 143 million compared to the end of the second quarter. Consequently, the operations in Russia are no longer reported in our financials from September onwards.

We are making good progress in the execution of our strategic priorities and see significant growth opportunities. We continue to focus on enhancing innovation and technological capabilities to develop sustainable packaging solutions, resulting in a good pipeline of new sustainable products. In particular, we are accelerating our investments in technology for smooth molded fiber applications and in solutions for recyclable flexible packaging. In September, we initiated a partnership with Emerald Technology Ventures' sustainable packaging fund, to give us early access to next-generation innovation. This is in line with our ambition to be at the forefront of developing sustainable products and solutions.

Over the last couple of years, we have successfully navigated unprecedented disruption, whilst investing in our operations, capabilities and technologies. I want to thank our entire team for their great work in demanding times. Leveraging the resilience of our business portfolio and organization, we are prepared to manage continued volatility and we are confident in our ability deliver sustainable profitable growth.

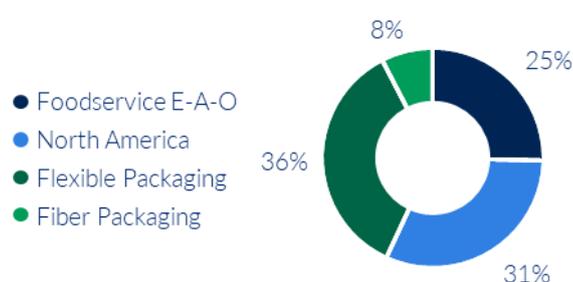
Charles Héaulmé
President and CEO

Financial review Q3 2022

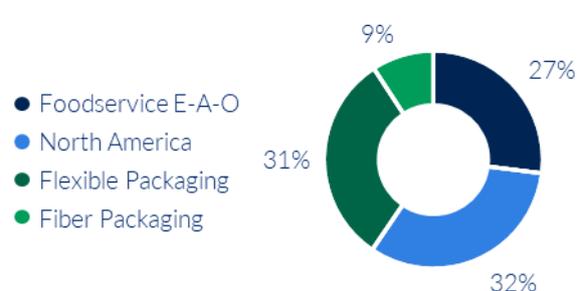
Net sales by business segment

EUR million	Q3 2022	Q3 2021	Change
Foodservice Europe-Asia-Oceania	300.5	244.7	23%
North America	372.4	294.3	27%
Flexible Packaging	420.6	283.9	48%
Fiber Packaging	89.3	83.3	7%
Elimination of internal sales	-4.4	-9.8	
Group	1,178.4	896.4	31%

Net sales by segment, Q3 2022



Net sales by segment, Q3 2021



Comparable net sales growth by business segment

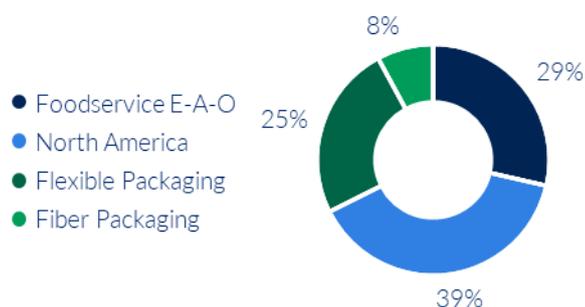
	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Foodservice Europe-Asia-Oceania	22%	18%	18%	12%	2%
North America	10%	14%	24%	11%	5%
Flexible Packaging	20%	19%	18%	12%	7%
Fiber Packaging	19%	16%	8%	2%	2%
Group	17%	17%	19%	12%	4%

The Group's net sales increased 31% to EUR 1,178 million (EUR 896 million) during the quarter and comparable net sales growth was 17%. Overall, demand continued on a good level, although with weakness in some categories and geographies. Net sales growth was mainly driven by pricing, supported by changes in currencies and the Elif acquisition. Comparable sales growth in emerging markets was 23%. Foreign currency translation impact on the Group's net sales was EUR 83 million (EUR 3 million) compared to 2021 exchange rates.

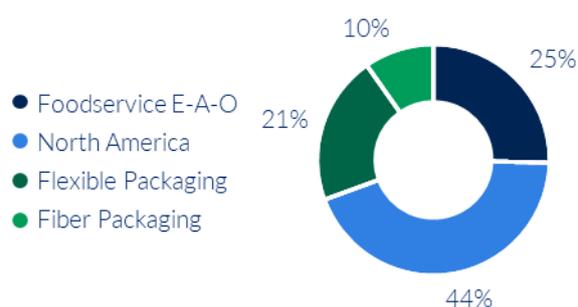
Adjusted EBIT by business segment

EUR million	Q3 2022	Q3 2021	Change	Items affecting comparability	
				Q3 2022	Q3 2021
Foodservice Europe-Asia-Oceania	30.6	20.7	48%	24.4	-0.7
North America	41.8	35.8	17%	-	-0.1
Flexible Packaging	26.3	17.0	55%	-4.8	-10.3
Fiber Packaging	8.5	7.9	8%	16.7	-0.1
Other activities	-5.7	-5.1		-0.7	-0.1
Group	101.5	76.3	33%	35.6	-11.4

Adjusted EBIT by segment, Q3 2022



Adjusted EBIT by segment, Q3 2021



Adjusted EBIT margin by business segment

	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Foodservice Europe-Asia-Oceania	10.2%	8.7%	10.0%	7.7%	8.5%
North America	11.2%	11.2%	11.5%	10.8%	12.2%
Flexible Packaging	6.2%	6.9%	7.8%	7.1%	6.0%
Fiber Packaging	9.6%	13.4%	8.2%	11.7%	9.5%
Group	8.6%	9.0%	9.3%	8.2%	8.5%

The Group's adjusted EBIT increased to EUR 101 million (EUR 76 million) and reported EBIT was EUR 137 million (EUR 65 million) in the quarter. Adjusted EBIT improved driven by sales growth and continued focus on operational efficiency. The Elif acquisition supported growth in adjusted EBIT, whereas the divestment of the operations in Russia had a negative impact. The Group's adjusted EBIT margin increased and was 8.6% (8.5%). Foreign currency translation impact on the Group's earnings was EUR 7 million (EUR 0 million).

Adjusted EBIT excludes EUR 35.6 million (EUR -11.4 million) of items affecting comparability (IAC). The main change in IACs relates to the profit booked from the divestment of the operations in Russia.

Adjusted EBIT and IAC

EUR million	Q3 2022	Q3 2021
Adjusted EBIT	101.5	76.3
Acquisition related costs	-0.1	-6.9
Restructuring gains and losses, including writedowns of related assets	2.6	-4.5
PPA amortization	-1.6	-
Settlement and legal fees of disputes	-2.7	-0.0
Property damage incidents	-	0.0
Divestment of subsidiaries	37.5	-
EBIT	137.1	64.9

Net financial expenses were EUR 22 million (EUR 10 million) in the quarter. The increase was due to higher debt during the quarter as well as an increase in interest rates. Tax expense was EUR 20 million (EUR 13 million). Profit for the third quarter was EUR 95 million (EUR 42 million). Adjusted earnings per share (EPS) was EUR 0.59 (EUR 0.50) and reported EPS EUR 0.89 (EUR 0.40). Adjusted EPS is calculated based on adjusted profit for the period, which excludes EUR 31.8 million (EUR -10.3 million) of IAC.

Adjusted profit and IAC

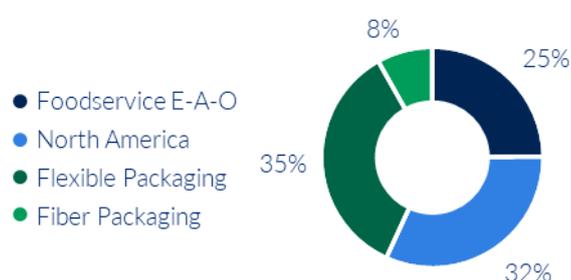
EUR million	Q3 2022	Q3 2021
Adjusted profit for the period attributable to equity holders of the parent company	61.2	52.6
IAC in EBIT	35.6	-11.4
IAC in Financial items	-4.8	-2.1
Taxes relating to IAC	1.0	3.2
Profit for the period attributable to equity holders of the parent company	93.0	42.3

Financial review Q1-Q3 2022

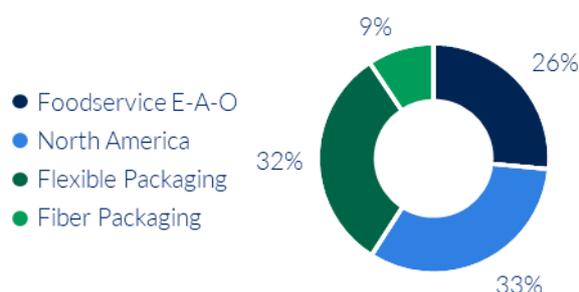
Net sales by business segment

EUR million	Q1-Q3 2022	Q1-Q3 2021	Change
Foodservice Europe-Asia-Oceania	844.0	687.8	23%
North America	1,084.7	845.6	28%
Flexible Packaging	1,189.1	821.8	45%
Fiber Packaging	275.6	242.2	14%
Elimination of internal sales	-18.0	-21.9	
Group	3,375.4	2,575.4	31%

Net sales by segment, Q1-Q3 2022



Net sales by segment, Q1-Q3 2021



Comparable net sales growth by business segment

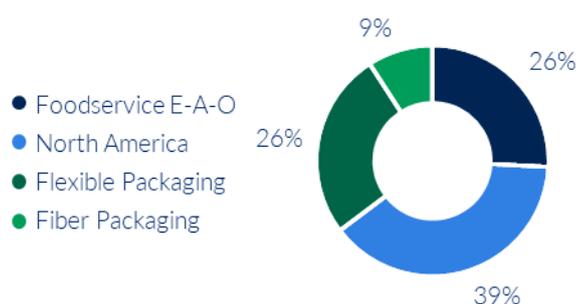
	Q1-Q3 2022	Q1-Q3 2021	Q1-Q3 2020
Foodservice Europe-Asia-Oceania	20%	11%	-11%
North America	16%	4%	2%
Flexible Packaging	19%	4%	2%
Fiber Packaging	14%	2%	9%
Group	18%	6%	-1%

The Group's net sales increased 31% to EUR 3,375 million (EUR 2,575 million) during the reporting period, and comparable net sales growth was 18%. Net sales growth was mainly driven by pricing, changes in currencies, the Elif acquisition and increased sales volumes. Comparable sales growth in emerging markets was 19%. Foreign currency translation impact on the Group's net sales was EUR 186 million (EUR -78 million) compared to 2021 exchange rates.

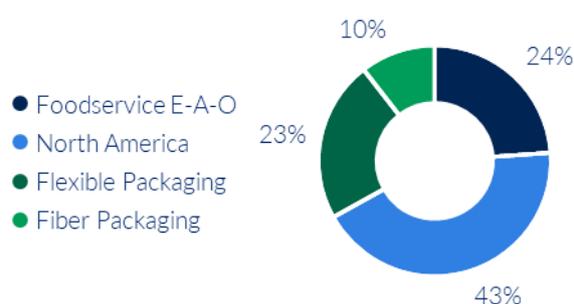
Adjusted EBIT by business segment

EUR million	Q1-Q3 2022	Q1-Q3 2021	Change	Items affecting comparability	
				Q1-Q3 2022	Q1-Q3 2021
Foodservice Europe-Asia-Oceania	81.5	58.3	40%	20.9	-6.4
North America	122.6	105.2	16%	-0.0	-0.7
Flexible Packaging	82.6	55.3	49%	-9.9	-13.0
Fiber Packaging	28.8	25.6	12%	16.4	-0.7
Other activities	-13.7	-11.3		-1.9	-0.9
Group	301.7	233.1	29%	25.4	-21.6

Adjusted EBIT by segment, Q1-Q3 2022



Adjusted EBIT by segment, Q1-Q3 2021



Adjusted EBIT margin by business segment

	Q1-Q3 2022	Q1-Q3 2021	Q1-Q3 2020
Foodservice Europe-Asia-Oceania	9.7%	8.5%	7.4%
North America	11.3%	12.4%	12.1%
Flexible Packaging	6.9%	6.7%	7.8%
Fiber Packaging	10.5%	10.6%	11.1%
Group Total	8.9%	9.1%	9.2%

The Group's adjusted EBIT increased to EUR 302 million (EUR 233 million) and reported EBIT was EUR 327 million (EUR 211 million). Adjusted EBIT improved driven by sales growth and continued focus on operational efficiency as well as with the support from acquisitions. The Group's adjusted EBIT margin decreased and was 8.9% (9.1%). Foreign currency translation impact on the Group's earnings was EUR 16 million (EUR -8 million).

Adjusted EBIT excludes EUR 25.4 million (EUR -21.6 million) of items affecting comparability (IAC). The main change in IACs relates to the profit booked from the divestment of the operations in Russia.

Adjusted EBIT and IAC

EUR million	Q1-Q3 2022	Q1-Q3 2021
Adjusted EBIT	301.7	233.1
Acquisition related costs	-0.7	-8.5
Restructuring gains and losses, including writedowns of related assets	-2.4	-12.2
PPA amortization	-5.0	-
Settlement and legal fees of disputes	-3.0	-0.5
Property damage incidents	-1.0	-0.5
Divestment of subsidiaries	37.5	-
EBIT	327.2	211.4

Net financial expenses were EUR 37 million (EUR 24 million). The increase was due to higher debt during the period as well as an increase in interest rates. Tax expense was EUR 64 million (EUR 44 million). The effective tax rate was 22% (23%). Profit for the period was EUR 226 million (EUR 144 million). Adjusted earnings per share (EPS) were EUR 1.84 (EUR 1.52) and reported EPS EUR 2.11 (EUR 1.35). Adjusted EPS is calculated based on adjusted profit for the period, which excludes EUR 27.6 million (EUR -18.2 million) of IAC.

Adjusted profit and IAC

EUR million	Q1-Q3 2022	Q1-Q3 2021
Adjusted profit for the period attributable to equity holders of the parent company	192.2	159.1
IAC in EBIT	25.4	-21.6
IAC in Financial items	-0.2	-2.1
Taxes relating to IAC	2.4	5.6
Profit for the period attributable to equity holders of the parent company	219.8	140.9

Statement of financial position and cash flow

The Group's net debt increased and was EUR 1,483 million (EUR 1,404 million) at the end of September. The divestment of the operations in Russia had a positive impact on net debt during the quarter. The level of net debt corresponds to a gearing ratio of 0.73 (0.96). Net debt to adjusted EBITDA ratio (excluding IAC) was 2.5 (3.0). Average maturity of external committed credit facilities and loans was 3.2 years (2.6 years).

On April 8, 2022, Huhtamäki Oyj signed a EUR 250 million term loan facility agreement with a maturity of two (2) years. The facility has a one-year extension option at the discretion of the lenders. The facility will be used for refinancing and general corporate purposes of the Group. On June 1, 2022, Huhtamäki Oyj issued a EUR 500 million senior unsecured sustainability-linked bond. The sustainability-linked 5-year bond matures on June 9, 2027 and bears interest at the rate of 4.25 per cent per annum, which is subject to an increased rate upon the failure to satisfy certain sustainability performance targets. With the proceeds from the issue of the bond, Huhtamaki refinanced its USD 500 million bridge loan facility and will use it for general corporate purposes of the Group.

Capital expenditure was EUR 185 million (EUR 147 million). The increase was driven by investments into innovative, sustainable products and business expansion. The largest investments for business expansion were made in North America and Germany. The Group's free cash flow was EUR -60 million (EUR 28 million) mainly impacted by increased working capital following market recovery and inflationary impact in raw materials.

Cash and cash equivalents were EUR 324 million (EUR 271 million) at the end of September and the Group had EUR 348 million (EUR 383 million) of unused committed credit facilities available.

Total assets on the statement of financial position were EUR 5,338 million (EUR 4,419 million).

Sustainability

As part of our 2030 Strategy, we are focusing on embedding sustainability in everything we do. During the third quarter, Huhtamaki and Stora Enso launched an industrial scale recycling program for paper cups in Europe. The program, which is the first of its kind in Europe, aims to recycle and capture the value of used paper cups on an industrial scale. Initially the program will be implemented across the Benelux. The program will create the necessary collection infrastructure to significantly increase the recycling rate of wood-fiber in paper cups. Above all, it will make it easier for consumers and businesses to collect used paper cups to be regenerated into valuable recycled raw material. The cup recycling pilot in China, launched earlier in 2022, is also progressing well with a total of 8 tons of cups already collected.

Ensuring that human rights are respected throughout our value chain is a key element of Huhtamaki's 2030 sustainability agenda. We are committed to taking responsibility for the impact we can have on individuals and for making sure that there is no harm to people because of our activities. Therefore, we have continued on developing our Human Rights Due Diligence process and we have completed our second Human Rights Impact assessment in the third quarter.

In 2020, we began to develop a comprehensive water stewardship plan with the involvement of the relevant site level stakeholders. We have since continued by aligning water-related goals to the local context with site-specific

assessments, our so-called water management plans. A water management plan is a site-owned water assessment that identifies, evaluates and manages the water-related risks and opportunities at the site. The plans include alignment with the Huhtamaki strategy, site-specific water risk assessments, objectives aligned with performance indicators, as well as control and monitoring metrics that facilitate the follow-up and identification of improvement areas. We have now reached our goal of having water management plans in all our sites and will now focus on defining the next set of water targets.

Impacts of the war in Ukraine and the divestment of operations in Russia

On September 2, 2022, Huhtamaki announced the divestment of its operations in Russia to Espetina Ltd. Espetina is a holding company owned by Alexander Govor and Iury Kushnerov. The transaction has been completed. The cash and debt free sales price was EUR 151 million. As a result of the sale, Huhtamaki booked a gain of EUR 37.5 million in its third quarter. The transaction included four manufacturing units in Russia, employing 724 people. Net sales in Russia amounted to EUR 99.5 million in 2021, representing less than 3% of the Group's net sales. The factories in Russia mostly served the local market and only a minor part of production was exported. Following the divestment, Huhtamaki does not have any operations in Russia.

Huhtamaki has operations in Ukraine but does not operate in Belarus. In Ukraine, the company has one factory, which has mostly served the local market. The factory has been temporarily closed since the war started. Net sales in Ukraine had only a minor contribution to the Group level net sales in 2021.

Impact of COVID-19

The impact of COVID-19 on Huhtamaki's business has decreased gradually. During the third quarter of 2022, the situation in most markets has normalized, and demand has recovered overall. There were some exceptions, such as China, where the operating environment was negatively impacted by lockdowns. Globally there continue to be challenges with the supply chain.

Other significant events during the reporting period

Huhtamaki signed a EUR 250 million term loan facility

On April 8, 2022, Huhtamäki Oyj signed a EUR 250 million term loan facility agreement with a maturity of two (2) years. The facility has a one-year extension option at the discretion of the lenders. The facility will be used for refinancing and general corporate purposes of the Group.

Huhtamaki launched a Sustainability-Linked Bond Framework

On May 25, 2022, Huhtamaki issued a Sustainability-Linked Bond Framework (the "SLB Framework") in accordance with the International Capital Markets Association's Sustainability-Linked Bond Principles 2020. The SLB Framework is designed to support the issuance of sustainability-linked securities by Huhtamaki. For the securities issued under the SLB Framework, the interest rate, or other financial characteristics, of a security will change if Huhtamaki fails to meet the predefined sustainability performance target at an agreed testing date for a designated sustainability performance indicator.

S&P Global Ratings assigns BB+ issuer credit rating to Huhtamäki Oyj

On May 25, 2022, S&P Global Ratings assigned a long-term issuer credit rating of BB+ to Huhtamäki Oyj, with a stable outlook. It is the first debt rating for Huhtamaki.

Huhtamaki issued a EUR 500 million sustainability-linked bond

On June 1, 2022, Huhtamäki Oyj issued a EUR 500 million senior unsecured sustainability-linked bond. The sustainability-linked 5-year bond matures on June 9, 2027 and bears interest at the rate of 4.25 per cent per annum, which is subject to an increased rate upon the failure to satisfy certain sustainability performance targets. With the proceeds from the issue of the bond, Huhtamaki refinanced its USD 500 million bridge loan facility and will use it for general corporate purposes of the Group.

Huhtamaki to expand molded fiber manufacturing capacity in North America

On June 8, 2022, Huhtamaki announced plans to expand its molded fiber product manufacturing unit in the city of Hammond, Indiana, US, as part of its investment in Fiber Solutions. The investment, which is expected to start ramping up towards the end of 2023, will enable Huhtamaki to better serve existing and new customers with a broad range of sustainable, fully recyclable and compostable, fiber-based packaging solutions, including egg cartons and cup carriers. The products will be manufactured from 100% recycled North American raw material.

Amounting to a total investment of almost USD 100 million, the expanded facility covers circa 23,000 square meters and will be built adjacent to Huhtamaki's existing Hammond manufacturing unit. Huhtamaki has operated in Hammond, Indiana, since 1948 and currently has approximately 140 employees. It expects to employ a further 100 new employees when fully operational.

Huhtamaki invested in Emerald Technology Ventures' sustainable packaging fund focusing on next-generation sustainable packaging solutions

Huhtamaki is committed to ensuring that its innovation for sustainable packaging solutions has a net positive impact by achieving carbon neutral production and designing all its products to be recyclable, compostable or reusable by 2030. In line with this, Huhtamaki is continuously investing in innovation and seeking to develop next-generation, transformative innovation. The investment into Emerald Technology Ventures' sustainable packaging fund follows Huhtamaki's earlier collaboration with start-ups – launched in 2020 as part of Huhtamaki's centennial – which demonstrated the value of partnerships in identifying, developing and deploying systemic solutions to deliver game-changing sustainable packaging solutions for the future.

As a limited partner, Huhtamaki will help to foster next-generation sustainable packaging solutions and tap into nascent innovation of start-ups.

Significant events after the reporting period

There were no significant events after the reporting period.

Business review by segment

Foodservice Europe-Asia-Oceania

Foodservice paper and plastic disposable tableware, such as cups, is supplied to foodservice operators, fast food restaurants and coffee shops. The segment has production units in Europe, South Africa, Middle East, Asia and Oceania.

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Net sales	300.5	244.7	23%	844.0	687.8	23%	941.8
Comparable net sales growth	22%	2%		20%	11%		11%
Adjusted EBIT ¹	30.6	20.7	48%	81.5	58.3	40%	77.8
Margin ¹	10.2%	8.5%		9.7%	8.5%		8.3%
Adjusted RONA ¹				10.7 %	9.1 %		9.2 %
Capital expenditure	19.9	19.2	4%	77.7	44.4	75%	85.0
Operating cash flow ¹	3.9	6.1	-35%	-1.3	40.0	<-100%	8.9
Items affecting comparability (IAC)	24.4	-0.7		20.9	-6.4		0.8

¹ Excluding IAC.

Q3 2022

The demand for foodservice packaging continued to improve, but variations between markets and product categories remained. Prices of most input costs continued to increase. The supply chain continued to be disrupted, leading to cost escalation as well as some challenges with availability.

Net sales in the Foodservice Europe-Asia-Oceania segment increased. Comparable net sales growth was 22%, driven by pricing and increased volumes. Net sales increased in most main markets whereas Ukraine was the main negative deviation. Net sales in China increased, however the market is still subdued following the COVID-19 lockdowns earlier in the year. The business in Russia was divested in September 2022.

The impact of currency movements on the segment's reported net sales was EUR 10 million.

The segment's adjusted EBIT improved, driven by increased sales volumes, an improved mix and pricing to offset the significant cost inflation.

The impact of currency movements on the segment's reported earnings was EUR 0 million.

Q1-Q3 2022

Throughout the first three quarters of 2022, the demand for foodservice packaging improved. Variations between markets and product categories remained. Compared to the first three quarters of 2021, prices of all major input costs have increased significantly. The supply chain continued to be disrupted, leading to cost escalation as well as some challenges with availability.

Net sales in the Foodservice Europe-Asia-Oceania segment increased. Comparable net sales growth was 20%, driven by pricing and increased volumes. Net sales increased in all main markets and was especially strong in Central and Western Europe as well as Middle East and Africa. Net sales decreased most in China (due to continued COVID-19 lockdowns) and Ukraine.

The impact of currency movements on the segment's reported net sales was EUR 20 million.

The segment's adjusted EBIT improved, as a result of increased sales volumes and mix and supported by pricing to offset the significant cost inflation. Additionally, there was a continued positive impact from productivity actions in 2021.

The impact of currency movements on the segment's reported earnings was EUR -1 million.

North America

The North America segment serves local markets with Chinet® disposable tableware products, foodservice packaging products, as well as consumer goods packaging products (such as ice-cream containers). The segment has production units in the United States and Mexico.

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Net sales	372.4	294.3	27%	1,084.7	845.6	28%	1,160.3
Comparable net sales growth	10%	5%		16%	4%		6%
Adjusted EBIT ¹	41.8	35.8	17%	122.6	105.2	16%	139.1
Margin ¹	11.2%	12.2%		11.3%	12.4%		12.0%
Adjusted RONA ¹				17.1 %	17.5 %		17.5%
Capital expenditure	17.8	12.0	49%	50.3	34.4	46%	70.6
Operating cash flow ¹	28.6	45.6	-37%	32.4	92.6	-65%	117.0
Items affecting comparability (IAC)	-	-0.1		-0.0	-0.7		-1.9

¹ Excluding IAC.

Q3 2022

Overall, demand continued on a good level. In some categories, demand continued to exceed supply, as availability of raw materials was not sufficient. Cost inflation was significant and broad-based, affecting raw material, labor, distribution, and energy.

Net sales in the North America segment increased, driven by all product categories. Comparable net sales growth was 10%. Pricing actions was the main driver behind sales growth. Challenges with raw material availability as well as planned machine downtime limited net sales growth.

The impact of currency movements on the segment's reported net sales was EUR 53 million.

The segment's adjusted EBIT improved, supported by net sales growth and increased operational efficiency, while an unfavorable sales mix had a negative impact. The impact on profitability from increased costs for raw materials, labor, distribution and energy was offset by pricing actions.

The impact of currency movements on the segment's reported earnings was EUR 6 million.

Q1-Q3 2022

Throughout the first three quarters of 2022, demand remained on a good level across the board. Cost inflation was significant and broad-based, affecting raw material, labor, distribution, and energy. Additionally, there were constraints on raw material availability.

Net sales in North America segment increased, driven by all product categories. Comparable net sales growth was 16%.

The impact of currency movements on the segment's reported net sales was EUR 119 million.

The segment's adjusted EBIT improved, supported by net sales growth and increased operational efficiency, while an unfavorable sales mix had a negative impact. The impact on profitability from increased costs for raw materials, labor, distribution and energy was offset by pricing actions.

The impact of currency movements on the segment's reported earnings was EUR 13 million.

Flexible Packaging

Flexible packaging is used for a wide range of consumer products including food, pet food, hygiene and health care products. The segment serves global markets from production units in Europe, Middle East and Africa, Asia and South America.

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Net sales	420.6	283.9	48%	1,189.1	821.8	45%	1,166.6
Comparable net sales growth	20%	7%		19%	4%		7%
Adjusted EBIT ¹	26.3	17.0	55%	82.6	55.3	49%	79.8
Margin ¹	6.2%	6.0%		6.9%	6.7%		6.8%
Adjusted RONA ¹				6.9 %	8.1 %		8.0 %
Capital expenditure	13.9	13.6	2%	35.3	33.3	6%	46.0
Operating cash flow ¹	-2.4	-10.0	-76%	-11.4	16.7	<-100%	54.9
Items affecting comparability (IAC)	-4.8	-10.5		-9.9	-13.0		-16.1

¹ Excluding IAC.

Q3 2022

Overall demand for flexible packaging remained good. Raw material and energy prices increased compared to the third quarter of 2021.

Net sales in the Flexible Packaging segment increased in most markets. Comparable net sales growth was 20%, driven by pricing and increased volumes. The Elif acquisition contributed favorably to the reported net sales.

The impact of currency movements on the segment's reported net sales was EUR 17 million.

The segment's adjusted EBIT increased. The significant cost inflation was largely offset by pricing actions and cost management. The Elif acquisition contributed favorably to the adjusted EBIT.

The impact of currency movements on the segment's reported earnings was EUR 1 million.

Q1-Q3 2022

Overall demand for flexible packaging remained good. The competitive situation in all regions remained tight. Raw material prices increased significantly compared to the first three quarters of 2021 as well as cost for energy and transport.

Net sales increased in all main markets, adapting to the high inflationary environment. Comparable net sales growth was 19%, where the key drivers were Europe and Asia. The Elif acquisition contributed favorably to the reported net sales.

The impact of currency movements on the segment's reported net sales was EUR 39 million.

The segment's adjusted EBIT increased. The significant cost inflation was largely offset by pricing actions and cost management. Additionally, portfolio management actions and the Elif acquisition contributed favorably to the adjusted EBIT.

The impact of currency movements on the segment's reported earnings was EUR 2 million.

Fiber Packaging

Recycled and other natural fibers are used to make fresh product packaging, such as egg, fruit, food and drink packaging. The segment has production units in Europe, Oceania, Africa and South America.

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Net sales	89.3	83.3	7%	275.6	242.2	14%	333.6
Comparable net sales growth	19%	2%		14%	2%		2%
Adjusted EBIT ¹	8.5	7.9	8%	28.8	25.6	12%	36.4
Margin ¹	9.6%	9.5%		10.5%	10.6%		10.9%
Adjusted RONA ¹				14.4 %	15.2 %		14.0 %
Capital expenditure	5.5	17.1	-68%	21.7	34.0	-36%	56.2
Operating cash flow ¹	9.4	-4.9	<-100 %	32.5	0.1	>100 %	-9.3
Items affecting comparability (IAC)	16.7	-0.1		16.4	-0.7		-1.1

¹ Excluding IAC.

Q3 2022

Overall demand for fiber-based egg packaging and food-on-the-go products remained stable in most markets. The prices of recycled fiber stabilized during the quarter.

Net sales in the Fiber Packaging segment increased. Comparable net sales growth was 19%. Net sales increased especially in Europe and was driven by volume and pricing actions. The business in Russia was divested in September 2022.

The impact of currency movements on the segment's reported net sales was EUR 3 million.

The segment's adjusted EBIT increased, supported by increased sales volumes and pricing actions, to offset the significant cost inflation.

The impact of currency movements on the segment's reported earnings was EUR 0 million.

Q1-Q3 2022

Overall demand for fiber-based egg packaging and food-on-the-go products remained stable in most markets. The prices of recycled fiber were significantly higher compared to the previous year's level.

Net sales in the Fiber Packaging segment increased. Comparable net sales growth was 14%. Net sales increased especially in Europe. Net sales growth was driven by volume and pricing actions.

The impact of currency movements on the segment's reported net sales was EUR 9 million.

The segment's adjusted EBIT increased, as a result of increased sales volumes and mix and supported by pricing to offset the significant cost inflation.

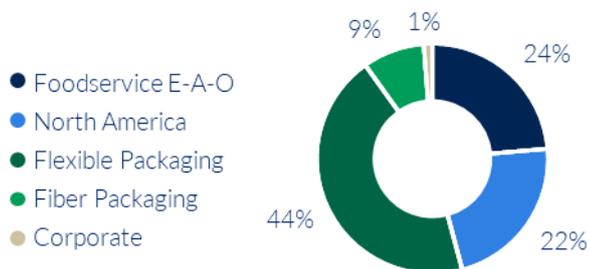
The impact of currency movements on the segment's reported earnings was EUR 1 million.

Personnel

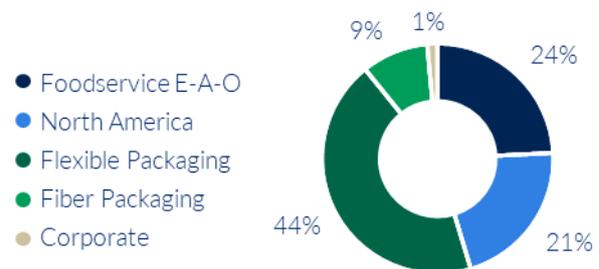
Number of personnel

	September 30, 2022	September 30, 2021	Change
Foodservice Europe-Asia-Oceania	4,525	4,684	-3%
North America	4,260	4,102	4%
Flexible Packaging	8,487	8,486	0%
Fiber Packaging	1,658	1,811	-8%
Corporate	232	280	-17%
Group	19,162	19,363	-1%

Personnel by segment on September 30, 2022



Personnel by segment on September 30, 2021



At the end of September 2022, the Group had a total of 19,162 (19,363) employees. The number of employees was 1% lower than in the comparison period, driven by the divestment of the operations in Russia.

Changes in management

On December 21, 2021, it was announced that the President and CEO Charles Héaulmé was diagnosed with a cancer. He took a leave of absence from early January 2022, to undergo treatment, and fully resumed his duties on April 19, 2022. Thomas Geust, CFO, acted as interim Deputy CEO from January 1, 2022 to April 18, 2022. During the same time, Eric Le Lay, President Fiber and Foodservice EAO, acted as interim Chief Operating Officer.

Fredrik Davidsson, Bs (Engineering), started in his position as Executive Vice President, Digital and Process Performance and a member of the Global Executive Team on May 1, 2022. As Fredrik started in his position, acting Head of Digital and Process Performance Antti Valtokari returned to his role as Senior Vice President, Operating Model and Systems.

Share capital, shareholders and trading of shares

Share capital and number of shares

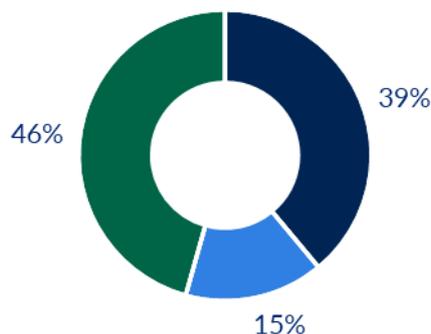
	September 30, 2022	September 30, 2021
Registered share capital (EUR million)	366	366
Total number of shares	107,760,385	107,760,385
Shares owned by the Company	3,395,709	3,395,709
% of total number of shares	3.2%	3.2%
Number of outstanding shares ¹	104,364,676	104,364,676
Average number of shares ^{1,2}	104,364,676	104,358,577

¹ Excluding shares owned by the Company

² Average number of outstanding shares used in EPS calculations

Shareholder structure as at September 30, 2022

- Finnish institutions, companies and organizations
- Households
- Foreign and nominee-registered shareholders



The number of registered shareholders at the end of September 2022 was 49,445 (40,747). Foreign ownership including nominee registered shares accounted for 45% (50%).

Trading of shares

Trading of Huhtamaki shares on Nasdaq Helsinki	Q1-Q3 2022	Q1-Q3 2021
Number of shares traded, million	48.0	39.0
Closing price on final day of trading, EUR	32.66	39.00
Volume-weighted average price, EUR	34.31	40.65
High, EUR	39.94	45.93
Low, EUR	26.41	37.20
Market capitalization (at end of period), EUR million	3,519	4,203

During the reporting period, the Company's shares were quoted on Nasdaq Helsinki Ltd on the Nordic Large Cap list under the Industrials sector. It was a component of the Nasdaq Helsinki 25 Index.

At the end of September 2022, the Company's market capitalization was EUR 3,519 million (EUR 4,203 million). With a closing price of EUR 32.66 (EUR 39.00) at the end of the reporting period, the share price decreased approximately 16% from the beginning of the year. During the reporting period the volume weighted average price for the Company's shares was EUR 34.31 (EUR 40.65). The highest price paid was EUR 39.94 (EUR 45.93) and the lowest was EUR 26.41 (EUR 37.20).

During the reporting period, the cumulative value of the Company's share turnover on Nasdaq Helsinki Ltd was EUR 1,650 million (EUR 1,596 million). The trading volume of approximately 48 million (39 million) shares equaled an average daily turnover of 253,085 (207,659) shares. The cumulative value of the Company's share turnover including alternative trading venues, such as BATS Chi-X and Turquoise, was EUR 6,055 million (EUR 3,261 million). During the reporting period, 73% (66%) of all trading took place outside Nasdaq Helsinki Ltd. (Source: Refinitiv Eikon).

Resolutions of the Annual General Meeting 2022

Huhtamäki Oyj's Annual General Meeting of Shareholders was held on April 27, 2022 in Espoo, Finland. The meeting adopted the Company's Annual Accounts including the Consolidated Annual Accounts for 2021, discharged the members of the Company's Board of Directors and the CEO from liability, and approved all proposals made to the Annual General Meeting by the Board of Directors and the Shareholders' Nomination Board. The Annual General Meeting also approved the Remuneration Report for the Company's Governing Bodies presented to it.

The Annual General Meeting resolved that an aggregate dividend of EUR 0.94 per share be paid based on the balance sheet adopted for the financial period ended on December 31, 2021. The dividend was paid in two instalments. The first dividend instalment, EUR 0.47 per share, was paid to shareholders registered in the Company's register of shareholders maintained by Euroclear Finland Ltd on the record date for the first dividend instalment April 29, 2022. The payment date for the first dividend instalment was May 6, 2022. The second dividend instalment, EUR 0.47 per share, was paid to shareholders registered in the Company's register of shareholders maintained by Euroclear Finland

Ltd on the record date for the second dividend instalment October 3, 2022. The payment date for the second dividend instalment was on October 10, 2022.

The number of members of the Board of Directors was confirmed to as nine (9). Mr. Pekka Ala-Pietilä, Mr. Doug Baillie, Mr. William R. Barker, Ms. Anja Korhonen, Ms. Kerttu Tuomas, Ms. Sandra Turner and Mr. Ralf K. Wunderlich were re-elected and, as new members, Ms. Mercedes Alonso and Mr. Heikki Takala were elected as members of the Board of Directors for a term ending at the end of the next Annual General Meeting. The Annual General Meeting re-elected Mr. Pekka Ala-Pietilä as the Chair of the Board and Ms. Kerttu Tuomas as the Vice-Chair of the Board.

The Annual General Meeting resolved that the annual remuneration to the members of the Board of Directors will be paid as follows: to the Chair of the Board EUR 160,000, to the Vice-Chair EUR 75,000 and to the other members EUR 62,000 each. In addition, the Annual General Meeting resolved that the annual remuneration to the Chair and members of the Board Committees will be paid as follows: to the Chair of the Audit Committee EUR 15,000 and to the other members of the Audit Committee EUR 5,000 as well as to the Chair of the Human Resources Committee EUR 5,000 and to the other members of the Human Resources Committee EUR 2,500. In addition, the Annual General Meeting resolved that EUR 1,500 will be paid for each Board and Committee meeting attended. Traveling expenses of the Board members will be compensated in accordance with the Company policy.

KPMG Oy Ab, a firm of authorized public accountants, was re-elected as Auditor of the Company for the financial year January 1 – December 31, 2022. Mr. Henrik Holmbom, APA, will continue to act as the Auditor with principal responsibility.

The Annual General Meeting authorized the Board of Directors to resolve on the repurchase of an aggregate maximum of 10,776,038 of the Company's own shares. Own shares may be repurchased at a price formed in public trading on the date of the repurchase or otherwise at a price formed on the market. The authorization covers also directed repurchases of the Company's own shares. The authorization remains in force until the end of the next Annual General Meeting, however, no later than June 30, 2023.

The Annual General Meeting authorized the Board of Directors to resolve on the issuance of shares and the issuance of special rights entitling to shares. The aggregate number of new shares to be issued may not exceed 10,000,000 shares which corresponds to approximately 9.3 percent of the current shares of the Company, and the aggregate number of own treasury shares to be transferred may not exceed 4,000,000 shares which corresponds to approximately 3.7 percent of the current shares of the Company. The authorization covers also directed issuances of shares. The authorization remains in force until the end of the next Annual General Meeting, however, no later than June 30, 2023.

Short-term risks and uncertainties

Significant and broad-based inflation (including raw materials, labor, distribution and energy), decline in consumer demand, availability of raw materials as well as movements in currency rates are considered to be relevant short-term business risks and uncertainties in the Group's operations. Geopolitical, general political, economic and financial market conditions, as well as a potential further escalation of the geopolitical crisis in Europe, can also have an adverse effect on the implementation of the Group's strategy and on its business performance and earnings. The COVID-19 pandemic may continue to create further disturbances in the Group's trading conditions and its operating environment, as well as in demand for the Group's products. Further, natural disasters may have negative effects on the Group's operating environment.

Outlook for 2022 (unchanged)

The Group's trading conditions are expected to improve compared to 2021, however with continued volatility in the operating environment. Huhtamaki's diversified product portfolio provides resilience and the Group's good financial position enables addressing profitable growth opportunities.

Financial reporting in 2023

In 2023, Huhtamaki will publish financial information as follows:

Results 2022	February 9
Interim Report, January 1 - March 31, 2023	April 27
Half-yearly Report, January 1 - June 30, 2023	July 20
Interim Report, January 1 - September 30, 2023	October 20

The Annual Report 2022 will be published on the week commencing February 27, 2023.

Huhtamäki Oyj's Annual General Meeting is planned to be held on April 27, 2023.

Espoo, October 20, 2022

Huhtamäki Oyj
Board of Directors

Group income statement (IFRS) - unaudited

<i>EUR million</i>	Q1-Q3 2022	Q1-Q3 2021*	Q3 2022	Q3 2021*	Q1-Q4 2021
Net sales	3,375.4	2,575.4	1,178.4	896.4	3,574.9
Cost of goods sold	-2812.0	-2,140.3	-986.8	-747.7	-2,980.4
Gross profit	563.4	435.1	191.5	148.7	594.4
Other operating income	56.9	8.8	46.7	2.1	24.4
Sales and marketing	-75.3	-58.1	-26.1	-20.1	-84.8
Research and development	-23.0	-18.2	-7.7	-6.8	-25.7
Administration expenses	-185.1	-149.2	-63.9	-56.1	-207.6
Other operating expenses	-9.7	-6.9	-3.3	-2.8	-4.8
Share of profit of equity-accounted investments	-	-	-	-	-
Earnings before interest and taxes	327.2	211.4	137.1	64.9	296.0
Financial income	8.1	2.3	1.6	0.0	4.0
Financial expenses	-45.0	-26.2	-23.6	-9.6	-37.0
Profit before taxes	290.3	187.6	115.2	55.4	263.0
Income tax expense	-63.8	-43.9	-20.1	-13.0	-60.3
Profit for the period	226.5	143.8	95.1	42.4	202.7
Attributable to:					
Equity holders of the parent company	219.8	140.9	93.0	42.3	198.8
Non-controlling interest	6.6	2.8	2.1	0.1	3.8
EUR					
EPS attributable to equity holders of the parent company	2.11	1.35	0.89	0.40	1.91
Diluted EPS attributable to equity holders of the parent company	2.11	1.35	0.89	0.40	1.91

*Restated (see Notes to the Q1 Interim Report - Restatement Q1-Q3 2021)

Group statement of comprehensive income (IFRS) - unaudited

<i>EUR million</i>	Q1-Q3 2022	Q1-Q3 2021	Q3 2022	Q3 2021	Q1-Q4 2021
Profit for the period	226.5	143.7	95.1	42.4	202.7
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Remeasurements on defined benefit plans	0.0	0.2	0.0	0.0	35.7
Income taxes related to items that will not be reclassified	-0.0	-0.1	0.0	0.0	-8.0
Total	0.0	0.2	0.0	0.0	27.8
Items that may be reclassified subsequently to profit or loss					
Translation differences	306.6	69.7	134.0	19.7	117.8
Equity hedges	-33.5	-11.2	-17.5	-3.5	-17.9
Cash flow hedges	21.2	4.4	6.8	2.0	4.9
Income taxes related to items that may be reclassified	-1.9	-1.0	-1.4	-0.4	-1.1
Total	292.3	62.0	121.9	17.7	103.8
Other comprehensive income, net of tax	292.4	62.2	122.0	17.8	131.5
Total comprehensive income	518.8	205.9	217.1	60.2	334.2
Attributable to:					
Equity holders of the parent company	509.8	202.6	213.8	60.0	330.1
Non-controlling interest	9.0	3.3	3.3	0.1	4.1

Group statement of financial position (IFRS) – unaudited

<i>EUR million</i>	Sep 30, 2022	Dec 31, 2021	Sep 30, 2021*
ASSETS			
Non-current assets			
Goodwill	1,091.9	1,000.9	1,036.0
Other intangible assets	130.0	121.5	44.7
Tangible assets	1,756.4	1,674.1	1,566.2
Other investments	1.9	2.2	2.2
Interest-bearing receivables	1.4	2.0	2.0
Deferred tax assets	52.8	55.1	63.9
Employee benefit assets	77.3	67.6	58.9
Other non-current assets	10.2	5.6	4.2
	3,122.0	2,929.1	2,778.1
Current assets			
Inventory	905.8	665.7	631.1
Interest-bearing receivables	69.2	1.9	2.0
Current tax assets	31.5	22.0	22.2
Trade and other current receivables	885.4	744.9	714.4
Cash and cash equivalents	323.8	178.7	271.4
	2,215.6	1,613.1	1,641.0
Total assets	5,337.5	4,542.2	4,419.0
EQUITY AND LIABILITIES			
Share capital	366.4	366.4	366.4
Premium fund	115.0	115.0	115.0
Treasury shares	-31.2	-31.2	-31.2
Translation differences	168.4	-102.4	-143.6
Fair value and other reserves	-53.2	-72.4	-100.5
Retained earnings	1,374.4	1,245.3	1,184.4
Total equity attributable to equity holders of the parent company	1,939.8	1,520.7	1,390.4
Non-controlling interest	87.8	76.5	76.4
Total equity	2,027.5	1,597.2	1,466.8
Non-current liabilities			
Interest-bearing liabilities	1,434.3	1,275.6	1,270.2
Deferred tax liabilities	168.5	131.9	116.8
Employee benefit liabilities	197.4	197.2	224.6
Provisions	17.4	13.1	14.7
Other non-current liabilities	4.8	5.1	10.0
	1,822.4	1,622.8	1,636.4
Current liabilities			
Interest-bearing liabilities			
Current portion of long term loans	175.9	157.1	150.4
Short-term loans	267.6	270.1	258.3
Provisions	3.4	4.7	6.9
Current tax liabilities	64.1	55.0	76.5
Trade and other current liabilities	976.7	835.3	824.0
	1,487.7	1,322.2	1,316.0
Total liabilities	3,310.0	2,945.0	2,952.4
Total equity and liabilities	5,337.5	4,542.2	4,419.1

*Restated (see Notes to the Q1 Interim Report - Restatement Q1-Q3 2021)

Group statement of changes in equity (IFRS) - unaudited

Attributable to equity holders of the parent company

<i>EUR million</i>	Share capital	Share issue premium	Treasury shares	Translation differences	Fair value and other reserves	Retained earnings	Total	Non-controlling interest	Total equity
Balance on January 1, 2021	366.4	115.0	-31.3	-202.3	-103.8	1,140.1	1,284.1	80.4	1,364.5
Dividends paid						-96.0	-96.0		-96.0
Share-based payments			0.1			3.1	3.2		3.2
Total comprehensive income for the year				58.6	3.2	140.9	202.8	3.3	206.1
Acquisition of non-controlling interest						-4.1	-4.1	-8.0	-12.1
Other Changes						0.5	0.5	0.6	1.1
Balance on Sep 30, 2021	366.4	115.0	-31.2	-143.6	-100.5	1,184.4	1,390.4	76.4	1,466.8
Balance on January 1, 2022	366.4	115.0	-31.2	-102.4	-72.4	1,245.3	1,520.7	76.5	1,597.2
Dividends paid						-98.1	-98.1		-98.1
Share-based payments						11.4	11.4		11.4
Total comprehensive income for the year				270.8	19.2	219.8	509.8	9.0	518.8
Acquisition of non-controlling interest						-2.0	-2.0	-0.3	-2.3
Other Changes						-2.1	-2.1	2.6	0.5
Balance on Sep 30, 2022	366.4	115.0	-31.2	168.4	-53.2	1,374.4	1,939.8	87.8	2,027.5

Group statement of cash flows (IFRS) - unaudited

<i>EUR million</i>	Q1-Q3 2022	Q1-Q3 2021**	Q3 2022	Q3 2021**	Q1-Q4 2021
Profit for the period*	226.5	143.7	95.1	42.4	202.7
Adjustments*	224.3	202.1	53.7	73.0	267.1
Depreciation and amortization*	157.2	125.6	53.4	43.1	173.7
Gain/loss from disposal of assets*	-0.3	1.8	-3.9	-0.1	-3.8
Financial expense/-income*	36.9	23.8	21.9	9.6	33.0
Income tax expense*	63.8	43.9	20.1	13.0	60.3
Other adjustments, operational*	-33.3	6.9	-37.8	7.4	4.0
Change in inventory*	-194.4	-83.8	-34.5	-25.1	-105.0
Change in non-interest bearing receivables*	-95.7	-123.1	-5.1	-24.0	-150.2
Change in non-interest bearing payables*	31.0	91.1	-28.6	9.1	116.4
Dividends received*	0.1	0.1	0.0	0.1	0.2
Interest received*	18.3	1.4	1.1	0.2	2.2
Interest paid*	-36.1	-13.3	-8.2	-4.1	-25.4
Other financial expense and income*	-6.8	-1.0	-3.1	-0.4	-2.4
Taxes paid*	-48.2	-43.5	-12.8	-16.6	-82.8
Net cash flows from operating activities	119.0	173.8	57.6	54.6	222.7
Capital expenditure*	-185.3	-147.2	-57.4	-62.4	-259.4
Proceeds from selling tangible assets*	6.1	1.4	5.3	0.5	10.5
Disposed subsidiaries and business operations	149.2	-	149.2	-	-
Acquired subsidiaries and assets	-	-354.5	-	-332.9	-365.2
Change in other investments	1.0	-	1.0	-	-
Proceeds from long-term deposits	0.9	1.7	0.3	-0.0	1.8
Payment of long-term deposits	-	-0.3	-	-0.0	-0.4
Proceeds from short-term deposits	2.3	6.3	0.7	2.0	7.0
Payment of short-term deposits	-68.9	-0.8	-61.3	-0.1	-1.4
Net cash flows from investing activities	-94.7	-493.5	37.9	-392.9	-607.0
Proceeds from long-term borrowings	872.7	613.9	38.9	502.6	621.3
Repayment of long-term borrowings	-555.6	-259.5	-77.7	-132.9	-257.3
Change in short-term loans	-165.2	-22.2	-95.4	38.6	-15.8
Acquisition of non-controlling interest	-2.3	-15.1	-	-12.3	-15.1
Dividends paid	-49.0	-48.0	-0.0	-0.2	-96.0
Net cash flows from financing activities	100.7	269.1	-134.3	395.8	237.1
Change in liquid assets	145.1	-44.1	-30.8	58.9	-136.8
Cash flow based	124.8	-50.5	-38.9	57.4	-147.2
Translation difference	20.3	6.5	8.1	1.4	10.4
Liquid assets period start	178.7	315.5	354.5	212.5	315.5
Liquid assets period end	323.8	271.4	323.8	271.4	178.7
Free cash flow (including figures marked with *)	-60.2	28.0	5.6	-7.2	-26.1

**Restated (see Notes to the Q1 Interim Report - Restatement Q1-Q3 2021)

Notes to the Interim Report

The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting. Except for the accounting policy changes listed below, the same accounting policies have been applied in the Interim Report as in the annual financial statements for 2021. The following new and amended standards and interpretations have been adopted with effect from January 1, 2022. The amendments had no material impact on the interim financial statements:

- **Revised IFRS 3 Business Combinations.** The amendments update the outdated reference to the Conceptual Framework.
- **Revised IAS 16 Property, Plant and Equipment.** Under the amendments, proceeds from selling items before the related item of PPE is available for use should be recognized in profit or loss, together with the costs of producing those items.
- **Revised IAS 37 Provisions, Contingent Liabilities and Contingent Assets.** When an onerous contract is accounted for based on the costs of fulfilling the contract, the amendments clarify that these costs comprise both the incremental costs and an allocation of other direct costs.
- **Annual Improvements to IFRS standards 2018–2020.** Annual improvements include smaller amendments to four standards.

Restatement Q1-Q3 2021

The Group has restated the comparative numbers for Q1-Q3 2021, see more information in Interim Report Q1 2022.

COVID-19

Description of the COVID-19 on the business can be found in the chapter 'Impact of COVID-19' in the interim results review.

Impacts of the war in Ukraine and the divestment of operations in Russia

On September 2, 2022, Huhtamaki announced the divestment of its operations in Russia to Espetina Ltd. Espetina is a holding company owned by Alexander Govor and Iury Kushnerov. The transaction has been completed. The cash and debt free sales price was EUR 151 million. As a result of the sale, Huhtamaki booked a gain of EUR 37.5 million in its third quarter. The transaction included four manufacturing units in Russia, employing 724 people. Net sales in Russia amounted to EUR 99.5 million in 2021, representing less than 3% of the Group's net sales. The factories in Russia mostly served the local market and only a minor part of production has been exported. Following the divestment, Huhtamaki does not have any operations in Russia.

Huhtamaki has operations in Ukraine but does not operate in Belarus. In Ukraine, the company has one factory, which has mostly served the local market. The factory has been temporarily closed since the war started. Net sales in Ukraine had only a minor contribution to the Group level net sales in 2021.

Segments

Segment information is presented according to the IFRS standards. Items below EBIT – financial items and taxes – are not allocated to the segments. Reportable segments' net sales and EBIT form Group's total net sales and EBIT, so no reconciliations to corresponding amounts are presented.

Net sales

<i>EUR million</i>	Q1-Q3 2022	Q3 2022	Q2 2022	Q1 2022	Q1-Q4 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Foodservice Europe-Asia-Oceania	841.0	299.5	288.1	253.4	937.8	252.6	243.4	235.0	206.9
Intersegment net sales	3.0	1.0	0.7	1.3	4.0	1.4	1.3	0.6	0.6
North America	1,080.9	371.8	373.2	335.9	1,156.1	313.3	293.7	293.9	255.3
Intersegment net sales	3.8	0.6	1.6	1.6	4.2	1.4	0.7	1.3	0.8
Flexible Packaging	1,184.7	417.8	391.0	376.0	1,165.6	348.4	282.4	269.3	265.5
Intersegment net sales	4.3	2.9	-0.2	1.7	0.9	-3.6	1.5	1.4	1.6
Fiber Packaging	268.8	89.4	95.0	84.4	315.4	85.1	77.0	78.8	74.5
Intersegment net sales	6.8	-0.1	0.4	6.5	18.3	6.3	6.3	1.6	4.1
Elimination of intersegment net sales	-18.0	-4.4	-2.5	-11.1	-27.4	-5.5	-9.8	-5.0	-7.1
Total	3,375.4	1,178.4	1,147.3	1,049.7	3,574.9	999.5	896.4	876.9	802.1

EBIT

<i>EUR million</i>	Q1-Q3 2022	Q3 2022	Q2 2022	Q1 2022	Q1-Q4 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Foodservice Europe-Asia-Oceania	102.4	55.1	21.8	25.5	78.5	26.6	20.0	18.5	13.4
North America	122.5	41.8	41.9	38.8	137.3	32.8	35.7	37.6	31.2
Flexible Packaging	72.7	21.5	24.7	26.6	63.6	21.4	6.7	14.9	20.6
Fiber Packaging	45.2	25.3	12.5	7.5	35.2	10.3	7.8	7.8	9.5
Other activities	-15.7	-6.5	-4.3	-4.9	-18.7	-6.6	-5.3	-3.8	-3.1
Total	327.2	137.1	96.5	93.5	296.0	84.5	64.9	75.0	71.6

IAC in EBIT

<i>EUR million</i>	Q1-Q3 2022	Q3 2022	Q2 2022	Q1 2022	Q1-Q4 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Foodservice Europe-Asia-Oceania	20.9	24.4	-3.5	-0.0	0.8	7.1	-0.7	-1.4	-4.2
North America	-0.0	-	-	-0.0	-1.9	-1.1	-0.1	-0.6	-
Flexible Packaging	-9.9	-4.8	-2.3	-2.8	-16.1	-3.1	-10.3	-1.6	-1.1
Fiber Packaging	16.4	16.7	-0.3	-0.0	-1.1	-0.5	-0.1	-0.5	0.0
Other activities	-1.9	-0.7	-0.1	-1.1	-1.0	-0.1	-0.1	-0.7	-0.0
Total	25.4	35.6	-6.2	-4.0	-19.3	2.3	-11.4	-4.9	-5.3

EBITDA

<i>EUR million</i>	Q1-Q3 2022	Q3 2022	Q2 2022	Q1 2022	Q1-Q4 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Foodservice Europe-Asia-Oceania	148.5	71.0	37.1	40.4	133.8	38.9	34.2	31.7	29.1
North America	165.6	57.0	56.3	52.3	188.2	46.1	48.6	50.1	43.4
Flexible Packaging	120.7	37.7	40.6	42.4	106.6	37.1	16.5	22.6	30.3
Fiber Packaging	63.4	31.2	18.6	13.5	57.0	16.1	13.4	13.1	14.4
Other activities	-13.7	-6.3	-3.4	-4.0	-16.0	-5.6	-4.7	-3.2	-2.5
Total	484.4	190.6	149.2	144.6	469.6	132.5	108.0	114.3	114.8

IAC in EBITDA

<i>EUR million</i>	Q1-Q3 2022	Q3 2022	Q2 2022	Q1 2022	Q1-Q4 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Foodservice Europe-Asia-Oceania	20.9	24.4	-3.5	-0.0	0.7	4.8	-0.7	-1.4	-1.9
North America	-0.0	-	-	-0.0	-1.9	-1.1	-0.1	-0.6	-
Flexible Packaging	-4.6	-3.1	-0.6	-0.8	-15.4	-0.8	-10.1	-3.5	-1.0
Fiber Packaging	16.4	16.7	-0.3	-0.0	-1.2	-0.5	-0.1	-0.5	-0.1
Other activities	-1.9	-0.7	-0.1	-1.1	-1.0	-0.1	-0.1	-0.7	-0.0
Total	30.8	37.3	-4.6	-2.0	-18.7	2.2	-11.2	-6.8	-3.0

Depreciation and amortization

<i>EUR million</i>	Q1-Q3 2022	Q3 2022	Q2 2022	Q1 2022	Q1-Q4 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Foodservice Europe-Asia-Oceania	46.1	15.9	15.3	14.8	55.3	12.3	14.2	13.2	15.7
North America	43.1	15.2	14.3	13.6	50.9	13.3	12.9	12.5	12.2
Flexible Packaging	48.0	16.2	16.0	15.8	42.9	15.7	9.8	7.7	9.7
Fiber Packaging	18.1	6.0	6.1	6.0	21.8	5.8	5.6	5.4	4.9
Other activities	2.0	0.2	1.0	0.9	2.8	0.9	0.6	0.6	0.6
Total	157.2	53.4	52.7	51.1	173.7	48.1	43.1	39.3	43.1

Net assets allocated to the segments¹

<i>EUR million</i>	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Foodservice Europe-Asia-Oceania	967.1	1,011.2	972.3	930.9	848.2	841.1	810.2
North America	1,058.8	972.9	918.9	838.1	796.8	793.8	801.8
Flexible Packaging	1,836.9	1,716.1	1,650.0	1,272.7	1,321.8	824.7	808.5
Fiber Packaging	254.4	305.7	264.9	272.8	274.1	261.7	251.1

¹ Following statement of financial position items are included in net assets: intangible and tangible assets, equity-accounted investments, other non-current assets, inventories, trade and other current receivables (excluding accrued interest income), other non-current liabilities and trade and other current liabilities (excluding accrued interest expense).

Capital expenditure

<i>EUR million</i>	Q1-Q3 2022	Q3 2022	Q2 2022	Q1 2022	Q1-Q4 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Foodservice Europe-Asia-Oceania	77.7	19.9	19.6	38.1	85.0	40.5	19.2	15.4	9.8
North America	50.3	17.8	16.2	16.2	70.6	36.2	12.0	12.8	9.6
Flexible Packaging	35.3	13.9	7.0	14.4	46.0	12.7	13.6	11.5	8.1
Fiber Packaging	21.7	5.5	8.7	7.4	56.2	22.2	17.1	11.6	5.2
Other activities	0.3	0.1	0.0	0.2	1.7	0.5	0.4	0.5	0.3
Total	185.3	57.4	51.5	76.4	259.4	112.2	62.3	51.8	33.0

Business combinations

On September 23, 2021 Huhtamaki completed the acquisition of Elif Holding A.Ş. (Elif), a major supplier of sustainable flexible packaging to global FMCG brand owners, with operations in Turkey and in Egypt. The acquired business is reported as part of Huhtamaki's Flexible Packaging business segment as of September 23, 2021.

In the end of the reporting period, Huhtamaki has completed the initial accounting for the acquisition. The acquired assets and liabilities were recognized with the following values as of the acquisition date:

<i>EUR million</i>	
Other intangible assets	78.5
Tangible assets	96.8
Inventory	58.7
Trade and other receivables	53.4
Cash and cash equivalents	28.4
Total assets	315.8
Interest bearing liabilities	111.3
Deferred tax liabilities	33.0
Trade and other liabilities	35.3
Total liabilities	179.5
Net assets total	136.3
Goodwill	222.0
Consideration	358.3
Consideration, paid in cash	358.3

<i>EUR million</i>	
Purchase consideration, cash payment	-358.3
Cash and cash equivalents in acquired companies	28.4
Transaction costs of the acquisition	-9.2
Net cash flow on acquisition	-339.0

Other information

Key indicators

	Q1-Q3 2022	Q1-Q4 2021	Q1-Q3 2021
Equity per share (EUR)	18.58	14.57	13.32
ROE, % (12m roll.)	16.6 %	13.9 %	12.4 %
ROI, % (12m roll.)	11.9 %	10.6 %	9.7 %
Net debt	1,483.4	1,520.2	1,403.6
Net debt to equity (gearing)	0.73	0.95	0.96
Personnel	19,162	19,564	19,363
Profit before taxes (EUR million, 12m roll.)	365.7	263.0	229.1
Depreciation of tangible assets (EUR million)	143.4	164.4	118.4
Amortization of other intangible assets (EUR million)	13.8	9.3	7.2

Contingent liabilities

<i>EUR million</i>	Sep 30, 2022	Dec 31, 2021	Sep 30, 2021
Capital expenditure commitments	100.5	81.4	82.9

Financial instruments measured at fair value

<i>EUR million</i>	Sep 30, 2022	Dec 31, 2021	Sep 30, 2021
Derivatives - assets			
Currency forwards, transaction risk hedges	4.4	1.8	2.3
Currency forwards, translation risk hedges	1.4	-	0.2
Currency forwards, for financing purposes	20.7	19.5	12.8
Currency options, transaction risk hedges	-	-	0.0
Interest rate swaps	7.9	0.9	0.4
Other investments	1.9	2.2	2.2
Derivatives - liabilities			
Currency forwards, transaction risk hedges	2.1	0.6	0.0
Currency forwards, translation risk hedges	5.5	5.4	1.7
Currency forwards, for financing purposes	23.9	9.5	10.2
Currency options, transaction risk hedges	-	-	-
Interest rate swaps	0.1	1.8	1.8
Cross currency swaps	-	0.7	1.2

The fair values of the financial instruments measured at fair value have been indirectly derived from market prices. Other investments include quoted and unquoted shares. Quoted shares are measured at fair value. For unquoted shares the fair value cannot be measured reliably, as a result of which the investments are carried at cost.

Interest-bearing liabilities

<i>EUR million</i>	Sep 30, 2022		Dec 31, 2021		Sep 30, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Non-current	1,434.3	1,380.2	1,275.6	1,251.7	1,270.4	1,268.2
Current	443.4	421.5	427.2	427.2	408.5	408.5
Total	1,877.8	1,801.7	1,702.8	1,678.9	1,678.9	1,676.7

Exchange rates

The exchange rates used at the month end are the rates of the date prior to the last working day of the month.

Income statement, average:

	Q1-Q3 2022	Q1-Q3 2021
AUD 1 =	0.6643	0.6343
GBP 1 =	1.1811	1.1571
INR 1 =	0.0121	0.0114
RUB 1 =	0.0129	0.0113
THB 1 =	0.0272	0.0265
USD 1 =	0.9382	0.8354

Statement of financial position, month end:

	Sep 30, 2022	Sep 30, 2021
AUD 1 =	0.6675	0.6207
GBP 1 =	1.1175	1.1568
INR 1 =	0.0126	0.0116
RUB 1 =	0.0167	0.0118
THB 1 =	0.0271	0.0253
USD 1 =	1.0303	0.8581

Definitions for performance measures

Performance measures according to IFRS

Earnings per share (EPS) attributable to equity holders of the parent company =

$\frac{\text{Profit for the period} - \text{non-controlling interest}}{\text{Average number of shares outstanding}}$

Diluted earnings per share (diluted EPS) attributable to equity holders of the parent company =

$\frac{\text{Diluted profit for the period} - \text{non-controlling interest}}{\text{Average fully diluted number of shares outstanding}}$

Alternative performance measures

EBITDA =

EBIT + depreciation and amortization

Net debt to equity (gearing) =

$\frac{\text{Interest-bearing net debt}}{\text{Total equity}}$

Return on net assets (RONA) =

$\frac{100 \times \text{Earnings before interest and taxes (12m roll)}}{\text{Net assets (12m roll)}}$

Operating cash flow =

Adjusted EBIT + depreciation and amortization - capital expenditure + disposals +/- change in inventories, trade receivables and trade payables

Shareholders' equity per share =

$\frac{\text{Total equity attributable to equity holders of the parent company}}{\text{Issue-adjusted number of shares at period end}}$

Return on equity (ROE) =

$\frac{100 \times \text{Profit for the period (12m roll)}}{\text{Total equity (average)}}$

Return on investment (ROI) =

$\frac{100 \times (\text{Profit before taxes} + \text{interest expenses} + \text{net other financial expenses}) (12m roll.)}{\text{Statement of financial position total} - \text{interest-free liabilities (average)}}$

Comparable net sales growth =

Net sales growth excluding foreign currency changes, acquisitions and divestments

In addition to IFRS and alternative performance measures presented above, Huhtamaki may present adjusted performance measures, which are derived from IFRS or alternative performance measures by adding or deducting items affecting comparability (IAC). The adjusted performance measures are used in addition to, but not substituting, the performance measures reported in accordance with IFRS.

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