

## Short-term outlook challenging

Suominen reports Q1 results on May 7. There's a lot of room to improve from the low comparison figures, but the operating environment still doesn't appear favorable in the short-term while earnings multiples already imply expectations which might take years to realize.

### It might take more time to bring earnings to adequate levels

Suominen has been looking for additional measures to regain competitiveness after several years of poor performance. There should be potential for significantly better profitability in the long-term if the company is able to improve operational efficiency and position for more attractive market niches particularly in the US, however short-term outlook continues to seem quite challenging especially since raw materials prices are again trending up. We previously estimated Suominen's H1'26 comparable EBITDA would improve about EUR 3m y/y, but now we expect only flat results. Suominen's H2'26 is still in our view likely to see improvement as the comparison figures are so low, but even a meaningful improvement to some EUR 30m annual run-rate EBITDA (or about 6–7% margin) wouldn't still produce very attractive returns on invested capital.

### Earnings growth may have to wait until H2'26

We estimate relevant raw materials prices to have gained on average at a mid single-digit rate over Q1, which limits margin improvement potential in the short-term especially when volumes are not yet recovering meaningfully. We see Q1 EBITDA at EUR 3.2m, down by some EUR 1m y/y. In our view Suominen's top line should again grow after Q1, and FY'26 EBITDA could gain by almost EUR 10m y/y from the low comparison figure. Our projected H2'26 revenue and earnings levels would imply roughly EUR 35m annual EBITDA towards FY'27, which could already be described a somewhat adequate level although still relatively modest.

### Elevated earnings multiples require patience

Suominen's earnings multiples remain elevated in the short-term perspective as profitability outlook still doesn't have very clear positive drivers. The 26x EV/EBIT multiple on our FY'26 estimates could turn a lot more reasonable and under 12x by next year, but earnings might have to grow until FY'28 to make the multiples attractive. Our new TP is EUR 1.1 (1.5) as we retain REDUCE rating.

## Rating ■ Reduce



<b>Share price, EUR</b> (Last trading day's closing price)	<b>1.18</b>
Target price, EUR	1.1
Latest change in recommendation	25-Feb-25
Latest report on company	30-Jan-26
Research paid by issuer:	YES
No. of shares outstanding, '000's	58 259
No. of shares fully diluted, '000's	58 259
Market cap, EURm	68
Free float, %	62.7 %
Exchange rate	1.17
Reuters code	SUY1V.HE
Bloomberg code	SUY1V FH
Average daily volume, EURm	0.1
Next interim report	07-May-26
Web site	<a href="http://www.suominen.fi/en/investors/">www.suominen.fi/en/investors/</a>
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■ BUY 
 ■ ACCUMULATE 
 ■ REDUCE 
 ■ SELL

## KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2024	462.3	-1.4	-0.3%	-6.9	-0.09	-24.4	0.4	-136.0	-5.2%	
2025	412.4	-4.2	-1.0%	-12.0	-0.18	-10.1	0.4	-42.5	-11.5%	
2026E	436.0	6.0	1.4%	-12.9	0.00	2128.0	0.4	26.0	-18.9%	
2027E	457.8	13.7	3.0%	-0.8	0.11	11.1	0.3	11.4	-1.1%	0.07
2028E	469.2	23.5	5.0%	15.7	0.25	4.6	0.3	6.2	22.9%	0.12
Market cap, EURm	68		Gearing 2026E, %	90.8 %		CAGR EPS 2025–28, %	0.0 %		0.0 %	
Net debt 2026E, EURm	87		Price/book 2026E	0.7		CAGR Sales 2025–28, %	4.4 %		4.4 %	
Enterprise value, EURm	156		Dividend yield 2026E, %	0.0 %		ROE 2026E, %	0.0 %		0.0 %	
Total assets 2026E, EURm	296		Tax rate 2026E, %	0.0 %		ROCE 2026E, %	2.9 %		2.9 %	
Goodwill 2026E, EURm	15		Equity ratio 2026E, %	32.5 %		PEG, P/E 26/CAGR			2.9	

All the important disclosures can be found on the last pages of this report.

**Estimates and peer valuation**

Suominen EURm	2015 FY	2016 FY	2017 FY	2018 FY	2019 FY	2020 FY	2021 FY	2022 FY	2023 FY	2024 FY	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2025 FY	2026E Q1E	2026E Q2E	2026E Q3E	2026E Q4E	2026E FY
Revenue	444	417	426	431	411	459	449	493	451	462	118	100	100	95	412	103	110	111	112	436
growth, %	11%	-6%	2%	1%	-5%	12%	-3%	11%	-9%	3%	3%	-16%	-11%	-20%	-11%	-12%	10%	11%	18%	6%
<b>Geography</b>																				
EMEA	172	171	174	171	150	170	178	205	163	174	44	40	40	37	160	41	44	44	45	174
Americas	272	246	252	260	262	289	265	288	288	288	74	60	60	59	253	62	66	67	67	262
COGS	-386	-365	-384	-400	-377	-389	-392	-475	-428	-433	-109	-93	-94	-90	-386	-96	-102	-102	-101	-401
Gross Profit	58	52	42	31	37	70	51	19	23	30	8	7	6	5	26	7	8	9	11	35
Gross-%	13.1%	12.5%	9.9%	7.3%	9.0%	15.2%	11.5%	3.8%	5.1%	6.4%	7.1%	7.0%	6.1%	5.1%	6.4%	7.0%	7.0%	8.0%	10.0%	8.0%
SGA & R&D	-28	-28	-29	-29	-31	-31	-29	-32	-32	-36	-9	-9	-7	-9	-34	-8	-7	-7	-7	-29
Other	2	1	2	3	2	0	5	5	2	5	1	1	0	1	2	0	0	0	0	0
EBIT ex IAC	31.2	25.6	15.0	4.6	8.1	39.5	26.9	-4.2	-2.8	-1.4	-0.3	-1.0	-0.7	-2.2	-4.2	-0.8	0.7	1.9	4.2	6.0
EBIT-% ex IAC	7.0%	6.1%	3.5%	1.1%	2.0%	8.6%	6.1%	-0.8%	-0.6%	-0.3%	-0.3%	-1.0%	-0.7%	-2.3%	-1.0%	-0.8%	0.6%	1.7%	3.8%	1.4%
Depreciation	-18	-19	-19	-21	-25	-21	-20	-19	-19	-18	-4	-4	-4	-5	-17	-4	-4	-4	-4	-16
EBITDA ex IAC	48.9	44.2	34.3	25.6	33.6	60.9	47.0	15.3	15.8	17.0	4.1	3.2	3.4	1.9	12.6	3.2	4.7	5.9	8.2	22.0
EBITDA-% ex IAC	11.0%	10.6%	8.1%	5.9%	8.2%	13.3%	10.6%	3.1%	3.5%	3.7%	3.5%	3.2%	3.4%	2.0%	3.1%	3.1%	4.3%	5.3%	7.3%	5.0%

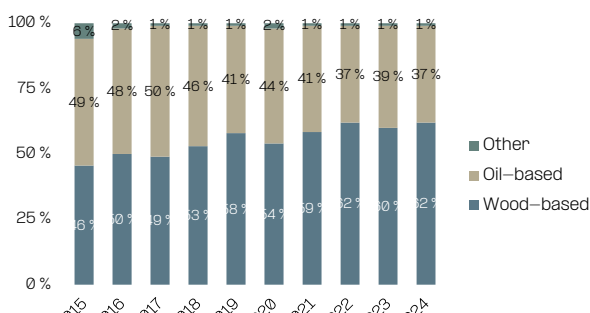
Source: Suominen, Evli Research

SUOMINEN PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			EBIT-%		
		25	26	27	25	26	27	25	26	27
Amcor	15223	11.6x	8.5x	8.1x	15.0x	11.1x	10.4x	12.0%	12.7%	13.4%
Sealed Air	5310	8.7x	8.6x							
Kimberly-Clark	27932	11.5x	10.1x	10.0x	15.0x	12.9x	12.5x	16.5%	17.5%	18.2%
N.R. Spuntech Industries	53									
Mativ Holdings	457	7.4x	6.5x	5.8x	12.0x	10.5x	8.7x	6.9%	7.2%	8.1%
Magnera	321	6.3x	5.5x	5.3x	14.7x	11.8x	10.5x	4.8%	5.3%	5.7%
Peer Group Average	8216	9.1x	7.8x	7.3x	14.2x	11.6x	10.5x	10.0%	10.7%	11.4%
Peer Group Median	2884	8.7x	8.5x	6.9x	14.8x	11.4x	10.4x	9.5%	10.0%	10.8%
Suominen (Evli est.)	68	14.2x	7.1x	4.7x	-42.5x	26.2x	11.5x	-1.0%	1.4%	3.0%

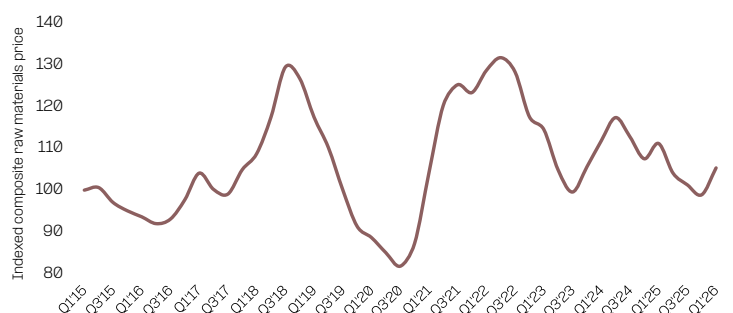
Suominen prem./disc. to peer median

Source FactSet, Evli Research

**Suominen raw materials mix and composite price development**



Source: Suominen



Source: Bloomberg, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	1.18 PV of Free Cash Flow	142 Long-term growth, %	2.0 % Risk-free interest rate, %
DCF share value	3.47 PV of Horizon value	135 WACC, %	7.9 % Market risk premium, %
Share price potential, %	195.3 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %
Maximum value	3.9 Marketable securities	32 Minimum WACC, %	7.4 % Equity beta coefficient
Minimum value	3.1 Debt – dividend	-106 Maximum WACC, %	8.4 % Target debt ratio, %
Horizon value, %	48.8 % Value of stock	202 No. of shares, Mn	58.3 Effective tax rate, %

DCF valuation, EURm	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	TERMINAL
Net sales	412	436	458	469	479	488	498	508	518	528	539	550
Sales growth (%)	–	5.7%	5.0%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Operating income (EBIT)	-4	6	14	23	29	34	37	38	39	40	40	41
Operating income margin %	-1.0%	1.4%	3.0%	5.0%	6.0%	7.0%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
+ Depreciation+amort.	17	16	20	22	26	24	23	23	22	22	21	
EBITDA	13	22	34	46	54	59	61	61	61	61	62	
- Paid taxes	-5	-3	-3	-5	-6	-7	-8	-8	-8	-8	-8	
- Change in NWC	10	-11	-9	-1	4	-1	-1	-1	-1	-1	-1	
NWC / Sales, %	5.1%	7.5%	9.0%	9.0%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	
+ Change in other liabs	0											
- Operative CAPEX	-26	-17	-18	-20	-20	-20	-20	-20	-20	-20	-36	
opCAPEX / Sales, %	5.7%	4.0%	4.0%	4.3%	4.2%	4.1%	4.1%	4.0%	3.9%	3.8%	6.7%	
- Acquisitions												
+ Divestments												
- Other items												
= FCFE	-8	-6	4	20	32	31	32	32	32	32	16	282
= Discounted FCFE		-6	4	16	24	21	21	19	18	17	8	135
= DFCF min WACC		-6	4	16	25	22	21	20	18	17	8	154
= DFCF max WACC		-6	4	16	24	21	20	19	17	16	7	119

**Sensitivity analysis, EUR**

		Terminal WACC				
		5.92 %	6.92 %	7.92 %	8.92 %	9.92 %
Terminal EBIT-%	5.50 %	2.87	2.33	1.94	1.64	1.40
	6.50 %	4.25	3.34	2.71	2.24	1.88
	7.50 %	5.63	4.34	3.47	2.84	2.35
	8.50 %	7.01	5.34	4.23	3.43	2.83
	9.50 %	8.39	6.35	4.99	4.03	3.31

#### INTERIM FIGURES

<b>EVLI ESTIMATES, EURm</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Net sales	117.5	99.8	99.8	95.3	412.4	103.0	110.0	111.0	112.0	436.0	457.8	469.2
EBITDA	4.1	3.2	3.4	1.9	12.6	3.2	4.7	5.9	8.2	22.0	33.9	45.7
<i>EBITDA margin (%)</i>	<i>3.5%</i>	<i>3.2%</i>	<i>3.5%</i>	<i>2.0%</i>	<i>3.1%</i>	<i>3.1%</i>	<i>4.3%</i>	<i>5.3%</i>	<i>7.3%</i>	<i>5.1%</i>	<i>7.4%</i>	<i>9.8%</i>
EBIT	-0.3	-1.0	-0.7	-2.2	-4.2	-0.8	0.7	1.9	4.2	6.0	13.7	23.5
<i>EBIT margin (%)</i>	<i>-0.3%</i>	<i>-1.0%</i>	<i>-0.7%</i>	<i>-2.4%</i>	<i>-1.0%</i>	<i>-0.8%</i>	<i>0.6%</i>	<i>1.7%</i>	<i>3.8%</i>	<i>1.4%</i>	<i>3.0%</i>	<i>5.0%</i>
Net financial items	-1.9	-2.9	-1.3	-1.4	-7.5	-1.5	-1.5	-1.5	-1.5	-6.0	-5.9	-4.8
Pre-tax profit	-2.2	-3.9	-2.0	-3.6	-11.7	-2.3	-0.8	0.4	2.7	0.0	7.8	18.7
Tax	0.0	0.5	0.1	0.7	1.3	-0.3	-0.3	-0.3	-0.3		-1.6	-3.9
<i>Tax rate (%)</i>	<i>-0.3%</i>	<i>12.7%</i>	<i>6.6%</i>	<i>19.0%</i>	<i>11.1%</i>	<i>-13.0%</i>	<i>-37.5%</i>	<i>75.0%</i>	<i>11.1%</i>		<i>21.0%</i>	<i>21.0%</i>
Net profit	-2.2	-3.4	-1.9	-2.9	-10.4	-2.6	-1.1	0.1	2.4	0.0	6.2	14.8
EPS	-0.04	-0.06	-0.03	-0.05	-0.18	-0.04	-0.02	0.00	0.04	0.00	0.11	0.25
EPS adj. (diluted)	-0.04	-0.06	-0.03	-0.05	-0.18	-0.04	-0.02	0.00	0.04	0.00	0.11	0.25
Dividend per share											0.07	0.12
<b>SALES, EURm</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Group	117.5	99.8	99.8	95.3	412.4	103.0	110.0	111.0	112.0	436.0	457.8	469.2
Total	117.5	99.8	99.8	95.3	412.4	103.0	110.0	111.0	112.0	436.0	457.8	469.2
<b>SALES GROWTH, Y/Y%</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Group	3.4%	-15.9%	-10.5%	-19.6%	-10.8%	-12.3%	10.2%	11.2%	17.5%	5.7%	5.0%	2.5%
Total	3.4%	-15.9%	-10.5%	-19.6%	-10.8%	-12.3%	10.2%	11.2%	17.5%	5.7%	5.0%	2.5%
<b>EBIT, EURm</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Group	-0.3	-1.0	-0.7	-2.2	-4.2	-0.8	0.7	1.9	4.2	6.0	13.7	23.5
Total	-0.3	-1.0	-0.7	-2.2	-4.2	-0.8	0.7	1.9	4.2	6.0	13.7	23.5
<b>EBIT margin %</b>	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Group	-0.3%	-1.0%	-0.7%	-2.4%	-1.0%	-0.8%	0.6%	1.7%	3.8%	1.4%	3.0%	5.0%
Total	-0.3%	-1.0%	-0.7%	-2.4%	-1.0%	-0.8%	0.6%	1.7%	3.8%	1.4%	3.0%	5.0%

<b>INCOME STATEMENT, EURm</b>	2021	2022	2023	2024	2025	2026E	2027E	2028E
Sales	443.2	493.3	450.9	462.3	412.4	436.0	457.8	469.2
<i>Sales growth (%)</i>	-3.4%	11.3%	-8.6%	2.5%	-10.8%	5.7%	5.0%	2.5%
EBITDA	47.0	15.2	15.9	17.0	12.6	22.0	33.9	45.7
<i>EBITDA margin (%)</i>	10.6%	3.1%	3.5%	3.7%	3.1%	5.1%	7.4%	9.8%
Depreciation	-20.1	-23.2	-18.7	-18.4	-16.8	-16.0	-20.1	-22.3
EBITA	26.9	-8.0	-2.8	-1.4	-4.2	6.0	13.7	23.5
Goodwill amortization / writedown		3.8						
EBIT	26.9	-4.2	-2.8	-1.4	-4.2	6.0	13.7	23.5
<i>EBIT margin (%)</i>	6.1%	-0.9%	-0.6%	-0.3%	-1.0%	1.4%	3.0%	5.0%
Reported EBIT	26.9	-4.2	-2.8	-1.4	-4.2	6.0	13.7	23.5
<i>EBIT margin (reported) (%)</i>	6.1%	-0.9%	-0.6%	-0.3%	-1.0%	1.4%	3.0%	5.0%
Net financials	-0.4	-2.9	-6.0	-4.1	-7.5	-6.0	-5.9	-4.8
Pre-tax profit	26.5	-7.1	-8.8	-5.5	-11.7	0.0	7.8	18.7
Taxes	-5.8	-2.0	0.7	0.1	1.3		-1.6	-3.9
Minority shares								
Net profit	20.7	-9.1	-8.1	-5.4	-10.4	0.0	6.2	14.8
Cash NRIs								
Non-cash NRIs								
<b>BALANCE SHEET, EURm</b>								
Assets								
Fixed assets	129	126	119	124	127	128	125	123
Goodwill	15	15	15	15	15	15	15	15
Right of use assets	16	12	11	11	9	9	10	10
Inventory	50	63	38	47	40	52	57	56
Receivables	73	76	72	69	46	53	60	64
Liquid funds	101	50	59	41	32	35	37	38
Total assets	387	343	316	310	272	296	308	310
Liabilities								
Shareholders' equity	163	146	125	118	96	96	102	113
Minority interest								
Convertibles								
Lease liabilities	13	11	10	9	7	9	10	10
Deferred taxes	14	12	9	8	4	4	4	4
Interest bearing debt	133	89	89	90	100	113	115	104
Non-interest bearing current liabilities	57	80	75	82	62	70	73	75
Other interest-free debt	3	3	7	3	3	3	3	3
Total liabilities	387	343	316	310	272	296	308	310
<b>CASH FLOW, EURm</b>								
+ EBITDA	47	15	16	17	13	22	34	46
- Net financial items	0	-3	-6	-4	-7	-6	-6	-5
- Taxes	-3	-3	-3	-2	-4		-2	-4
- Increase in Net Working Capital	-25	6	29	-4	10	-11	-9	-1
+/- Other								
= Cash flow from operations	19	15	36	7	12	5	18	36
- Capex	-16	-6	-10	-14	-24	-17	-18	-20
- Acquisitions								
+ Divestments								
= Free cash flow	4	9	26	-7	-12	-13	-1	16
+/- New issues/buybacks	8	3	-7	4	-11			
- Paid dividend	12	6	6				4	7
+/- Other	43	-53	-3	-9	14	16	3	-11
Change in cash	43	-52	9	-17	-9	3	2	1

<b>KEY FIGURES</b>	2022	2023	2024	2025	2026E	2027E	2028E
M-cap	181	164	133	104	68	68	68
Net debt (excl. convertibles)	51	40	58	74	87	88	76
Enterprise value	232	205	190	179	156	157	145
Sales	493	451	462	412	436	458	469
EBITDA	15	16	17	13	22	34	46
EBIT	-4	-3	-1	-4	6	14	23
Pre-tax	-7	-9	-5	-12	0	8	19
Earnings	-9	-8	-5	-10	0	6	15
Equity book value (excl. minorities)	146	125	118	96	96	102	113

<b>Valuation multiple</b>	2022	2023	2024	2025	2026E	2027E	2028E
EV/Sales	0.5	0.5	0.4	0.4	0.4	0.3	0.3
EV/EBITDA	15.2	12.9	11.2	14.2	7.1	4.6	3.2
EV/EBITA	-29.0	-73.1	-136.0	-42.5	26.0	11.4	6.2
EV/EBIT	-55.1	-73.1	-136.0	-42.5	26.0	11.4	6.2
EV/OCF	15.2	5.7	25.7	15.3	34.3	8.9	4.0
EV/FCF	26.3	7.2	-65.1	-23.1	-24.0	35.8	7.3
P/FCFR	19.2	6.4	-19.3	-8.7	-5.3	-88.5	4.4
P/E	-19.8	-20.4	-24.4	-10.1	2128.0	11.1	4.6
P/BV	1.2	1.3	1.1	1.1	0.7	0.7	0.6
Target EV/EBITDA					6.9	4.5	3.1
Target EV/EBIT					25.2	11.1	6.0
Target EV/FCFF					-11.7	-196.6	8.9
Target P/BV					0.7	0.6	0.6
Target P/E, diluted	-77880.4	-31.4	-33.7	-9.5	1992.1	10.4	4.3

<b>Per share measures</b>	2022	2023	2024	2025	2026E	2027E	2028E
Number of shares (million)	58.26	58.26	58.26	58.26	58.26	58.26	58.26
Number of shares (diluted, million)	58.26	58.26	58.26	58.26	58.26	58.26	58.26
EPS	-0.16	-0.14	-0.09	-0.18	0.00	0.11	0.25
Operating cash flow per share	0.26	0.62	0.13	0.20	0.08	0.30	0.62
Free cash flow per share	0.16	0.44	-0.12	-0.21	-0.22	-0.01	0.27
Book value per share	2.50	2.14	2.02	1.65	1.65	1.76	1.94
Dividend per share	0.10	0.10				0.07	0.12
Dividend payout ratio, %	-64.0%	-72.2%				66.2%	47.3%
Dividend yield, %	3.2%	3.6%				6.0%	10.2%
FCF yield, %	5.2%	15.5%	-5.2%	-11.5%	-18.9%	-1.1%	22.9%

<b>Efficiency measures</b>	2022	2023	2024	2025	2026E	2027E	2028E
ROE	-5.9%	-6.0%	-4.5%	-9.7%	0.0%	6.2%	13.7%
ROCE	-1.5%	-1.2%	-0.6%	-2.0%	2.9%	6.2%	10.3%

<b>Financial ratios</b>	2022	2023	2024	2025	2026E	2027E	2028E
Inventories as % of sales	12.8%	8.4%	10.3%	9.8%	12.0%	12.5%	12.0%
Receivables as % of sales	15.4%	15.9%	15.0%	11.1%	12.2%	13.1%	13.6%
Non-int. bearing liabilities as % of sales	16.2%	16.7%	17.7%	15.0%	16.0%	16.0%	16.0%
NWC/sales, %	11.5%	6.1%	6.8%	5.1%	7.5%	9.0%	9.0%
Operative CAPEX/Sales, %	1.2%	2.3%	3.1%	5.7%	4.0%	4.0%	4.3%
CAPEX/sales (incl. acquisitions), %	1.2%	2.3%	3.1%	5.7%	4.0%	4.0%	4.3%
FCFF/EBITDA	0.6	1.8	-0.2	-0.6	-0.3	0.1	0.4
Net Debt/EBITDA, book-weighted	3.3	2.5	3.4	5.9	4.0	2.6	1.7
Debt/equity, market-weighted	0.5	0.5	0.7	1.0	1.7	1.7	1.5
Equity ratio, book-weighted	0.4	0.4	0.4	0.4	0.3	0.3	0.4
Gearing, %	35.0%	32.4%	48.9%	77.4%	90.8%	86.1%	67.6%

**COMPANY DESCRIPTION:** Suominen manufactures nonwovens for global consumer brands on seven production plants located on three continents. The company sources the raw materials from fiber producers and sells the output as roll goods to global consumer brand manufacturers. Suominen's nonwovens are mainly used in wiping products such as wet wipes for baby care, personal hygiene, and household and workplace wiping. Other end-uses include hygiene and medical applications such as sanitary pads, diapers, and surgical drapes and swabs.

**INVESTMENT CASE:** Suominen's recent challenges with nonwovens' gross margins and delivery volumes are no longer present. In our view the demand outlook for household wiping products is especially strong. Suominen also seems to be making good progress with sustainable wiping products, meaning the company is increasingly able to replace synthetic raw materials with wood-based fibers. Although supply will no doubt grow in the long-term, the surge in wiping demand has nevertheless turned the current supply-demand balance much more favorable also from a nonwovens manufacturer's point of view. We view Suominen's long-term financial targets realistic.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Ahlstrom Capital Bv	14 113 633	16.584	24.2 %
Etola Group Oy	7 414 000	8.711	12.7 %
Oy Etra Invest Ab	7 000 000	8.225	12.0 %
OP Life Assurance Company Ltd	4 217 221	4.955	7.2 %
Nordea Nordic Small Cap Fund	3 435 147	4.036	5.9 %
Mandatum Life Insurance Company Limited	2 882 540	3.387	4.9 %
Ilmarinen Mutual Pension Insurance Company	1 912 000	2.247	3.3 %
Varma Mutual Pension Insurance Company	1 689 751	1.985	2.9 %
Nordea Life Assurance Finland Ltd.	1 462 000	1.718	2.5 %
Oy H. Kuningas & Co Ab	1 400 000	1.645	2.4 %
Ten largest	45 526 292	53.493	78.1 %
Residual	12 732 927	14.961	21.9 %
Total	58 259 219	68.455	100%

**EARNINGS CALENDAR**

May 07, 2026	Q1 report
August 07, 2026	Q2 report
November 05, 2026	Q3 report

**OTHER EVENTS****COMPANY MISCELLANEOUS**

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 CFO: Janne Silonsaari  
 IR: Anu Ilvonen

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**DEFINITIONS**

<b>P/E</b>  $\frac{\text{Price per share}}{\text{Earnings per share}}$	<b>EPS</b>  $\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
<b>P/BV</b>  $\frac{\text{Price per share}}{\text{Shareholder's equity} + \text{taxed provisions per share}}$	<b>DPS</b>  Dividend for the financial period per share
<b>Market cap</b>  Price per share * Number of shares	<b>OCF (Operating cash flow)</b>  EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
<b>EV (Enterprise value)</b>  Market cap + net debt + minority interest at market value – share of associated companies at market value	<b>FCF (Free cash flow)</b>  Operating cash flow – Operative CAPEX – acquisitions + divestments
<b>EV/Sales</b>  $\frac{\text{Enterprise value}}{\text{Sales}}$	<b>FCF yield, %</b>  $\frac{\text{Free cash flow}}{\text{Market cap}}$
<b>EV/EBITDA</b>  $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	<b>Operative CAPEX / Sales</b>  $\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
<b>EV/EBIT</b>  $\frac{\text{Enterprise value}}{\text{Operating profit}}$	<b>Net working capital</b>  Current assets – current liabilities
<b>Net debt</b>  Interest bearing debt – financial assets	<b>Capital employed / Share</b>  $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
<b>Total assets</b>  Balance sheet total	<b>Gearing</b>  $\frac{\text{Net debt}}{\text{Equity}}$
<b>Div yield, %</b>  $\frac{\text{Dividend per share}}{\text{Price per share}}$	<b>Debt/Equity, %</b>  $\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
<b>Payout ratio, %</b>  $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	<b>Equity ratio, %</b>  $\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
<b>ROCE, %</b>  $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	<b>CAGR, %</b>  Cumulative annual growth rate = Average growth rate per year
<b>ROE, %</b>  $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	

### Important Disclosures

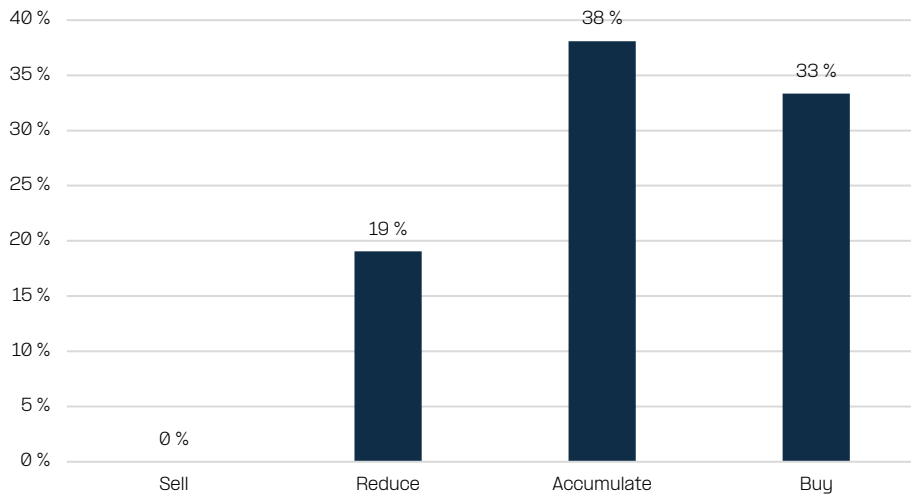
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 - 0 %	RECUDE
0 - (+10) %	ACCUMULATE
> 10 %	BUY

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Name(s) of the analyst(s): Joonas Ilvonen

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