

29 October 2025

Commissioned research: Suominen Oyj – Strong cash flows in Q3

Marketing material commissioned by Suominen Oyj

Suominen Q3 comparable EBITDA of EUR 3.4m and net sales of EUR 100m were pre-announced in connection with the profit warning. Given the slower than expected market recovery following the supply chain disruptions in H1, the company lowered its guidance on 15 October and now expects comparable EBITDA to decline from EUR 17m in 2024. FX had EUR 3.7m negative impact on sales and EUR 0.3m positive impact on EBITDA. Two incidents at US plants impacted net sales by EUR -5.4m while those had EUR -2.8m negative impact on comparable EBITDA. Hence, new guidance implies flat to declining underlying EBITDA for Q4, we calculate. Initially, we expect consensus to trim estimates to match the new guidance while view strong cash flows as positive. Accelerated cost savings measures could support 2026 estimates despite slow market recovery.

Q3 comparable EBITDA was pre-released

- Suominen Q3 comparable EBITDA of EUR 3.4m was pre-announced. There were EUR -0.1m of items affecting comparability. In addition, incidents in US had EUR 2.8m negative impact in Q3 which is somewhat higher than we had anticipated. FX had positive EUR EUR 0.3m impact on EBITDA.
- Q3 sales of EUR 100m were pre-announced and were down 11% y/y. According to Suominen, market recovery has been slower than anticipated. Americas sales of EUR 60m came above our estimate of EUR 57m while EMEA sales of EUR 39m came in below our estimate of EUR 42m.
- Q3 cash flow from operations was strong at EUR 15.7m driven by EUR 13.9m release of net working capital. We had anticipated only EUR 1m release and EUR 5.1m operating cash flow. Net debt declined to EUR 76.1m (EUR 86.8m at the end Q2), corresponding to net gearing of 76% and leverage of 5.1x.

Guidance for 2025 was lowered on 15 October

- Suominen lowered its guidance on 15 October and expects comparable EBITDA to decline in 2025 from EUR 17.0m in 2024. Consensus expectations have not been fully updated since the guidance downgrade while we model EUR 15.4m adjusted comparable EBITDA in 2025E. We note, based on our calculations, when adjusting for Q3 incidents, Q4 comparable EBITDA is expected to remain flattish or to decline from Q3.

Initially, we expect consensus to trim estimates to match the new guidance while view strong cash flows positively. Uncertain and volatile market environment likely continues in near term which could affect pricing, we believe.

SUOMINEN: Q3 DEVIATION TABLE

	Actual	NDA est.	Deviation		Consensus	Deviation		Actual		Actual	
EURm	Q3 25	Q3 25E	vs. actual		Q3 25E	vs. actual		Q2 25	q/q	Q3 24	y/y
Sales	99.8	99.8	0.0	0%	102.3	-2.5	-2%	99.8	0%	111.6	-11%
Comparable EBITDA	3.4	3.2	0.2	7%	4.1	-0.7	-17%	3.2	6%	3.3	3%
EBITDA margin	3.4%	3.2%	0.2pp		4.0%	-0.6pp		3.2%	0.2pp	3.0%	0.4pp
Comparable operating profit	-0.7	-1.4	0.7	-51%	-0.5	-0.2	40%	-1.0	-28%	-1.5	-53%
Operating margin	-0.7%	-1.4%	0.7pp		-0.5%	-0.2pp		-1.0%	0.3pp	-1.3%	0.6pp
EPS	-0.03	-0.06	0.03	n.m.	-0.02	-0.01	50%	-0.07	-56%	-0.05	-45%

Source: Company data, Vara Research and Nordea estimates

SUMMARY TABLE - KEY FIGURES

EURm	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	443	493	451	462	432	464	486
EBITDA (adj.)	47.0	15.3	15.8	17.0	15.4	27.0	33.3
EBIT (adj.)	26.9	-4.16	-2.75	-1.43	-2.43	8.12	14.5
EBIT (adj.) margin	6.08%	-0.84%	-0.61%	-0.31%	-0.56%	1.75%	2.99%
EPS (adj. EUR)	0.36	-0.16	-0.14	-0.09	-0.12	0.04	0.13
EPS (adj.) growth	-31.6%	-144%	11.5%	31.9%	-30.6%	131%	241%
DPS (ord. EUR)	0.20	0.10	0.10	0.00	0.00	0.00	0.05
EV/Sales	0.79	0.46	0.46	0.42	0.40	0.38	0.35
EV/EBIT (adj.)	13.0	n.m.	n.m.	n.m.	n.m.	21.7	11.6
P/E (adj.)	14.6	n.m.	n.m.	n.m.	n.m.	42.9	12.6
P/BV	1.85	1.20	1.32	1.13	0.90	0.88	0.83
Dividend yield (ord.)	3.86%	3.34%	3.55%	0.00%	0.00%	0.00%	3.05%
FCF yield before A&D, lease-adj.	-2.17%	2.44%	12.0%	-7.84%	-16.9%	-4.05%	8.54%
Net debt	49.6	54.6	43.5	60.4	76.6	80.4	72.3
Net debt/EBITDA	1.05	3.81	3.90	3.52	7.11	2.98	2.17
ROIC	9.72%	-1.47%	-1.09%	-0.61%	-1.01%	3.31%	5.83%

Source: Company data and Nordea estimates

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Completion date: 29/10/2025 10:10 CET

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