

# Business Review January–March 2022

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President and CEO  
Componenta Corporation

Finland's leading contract manufacturer of metal components

# The result for January–March 2022

## Componenta's profitability

- Net sales increased clearly, and operational development continued to be positive
- EBITDA was EUR 1.5 million (EUR 1.5 million)
- Profitability for the review period was somewhat burdened by the quality and productivity challenges of the Karkkila foundry as well as non-recurring expert costs of EUR 0.3 million regarding to an acquisition that was not realized. In addition, profitability was somewhat burdened by rising price development of materials
- Cash flow from operating activities was EUR -0.1 million (EUR 0.9 million)

## Financing

- The Group's cash and cash equivalents at the end of March were EUR 4.3 million (EUR 10.5 million)
- The Group had unused and binding credit commitments of EUR 4.0 million and a subscription limit of USD 8.0 million
- After the end of the review period, the Group's liquidity has remained good

## Market situation

- The order book is at a very strong level
- The crisis in Ukraine will not have a direct impact on Componenta's operations
- Challenges to the availability of materials and rising purchase prices continue

### January–March 2022

- Net sales increased clearly to EUR 25.5 million (EUR 20.4 million)
- EBITDA was EUR 1.5 million (EUR 1.5 million)
- The operating result was EUR 0.0 million (EUR 0.0 million)
- Cash flow from operating activities was EUR -0.1 million (EUR 0.9 million)

# Topical during the reporting period

## Personnel and own actions

- Flexibility, resilience and commitment of our own personnel
- Ensuring capacity and responding to changes in order backlog
- Ensuring the procurement of materials and raw materials

## Customers and order book

- Sales success and increasing market share
- Maintaining service capability
- Development of commodity and electricity indices and other sales prices changes
- Strong order book and positive market outlook

## Operating environment

- General economic situation and effects in Eastern Europe
- Availability and cost development of materials and components



# Net sales by customer segments

Machine building

45 % (43 %)



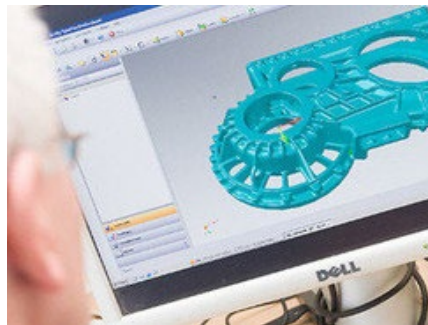
Agricultural and forestry machinery

36 % (33 %)



Energy industry

8 % (10 %)



Defense equipment industry

4 % (7 %)



Other industries

7 % (7 %)

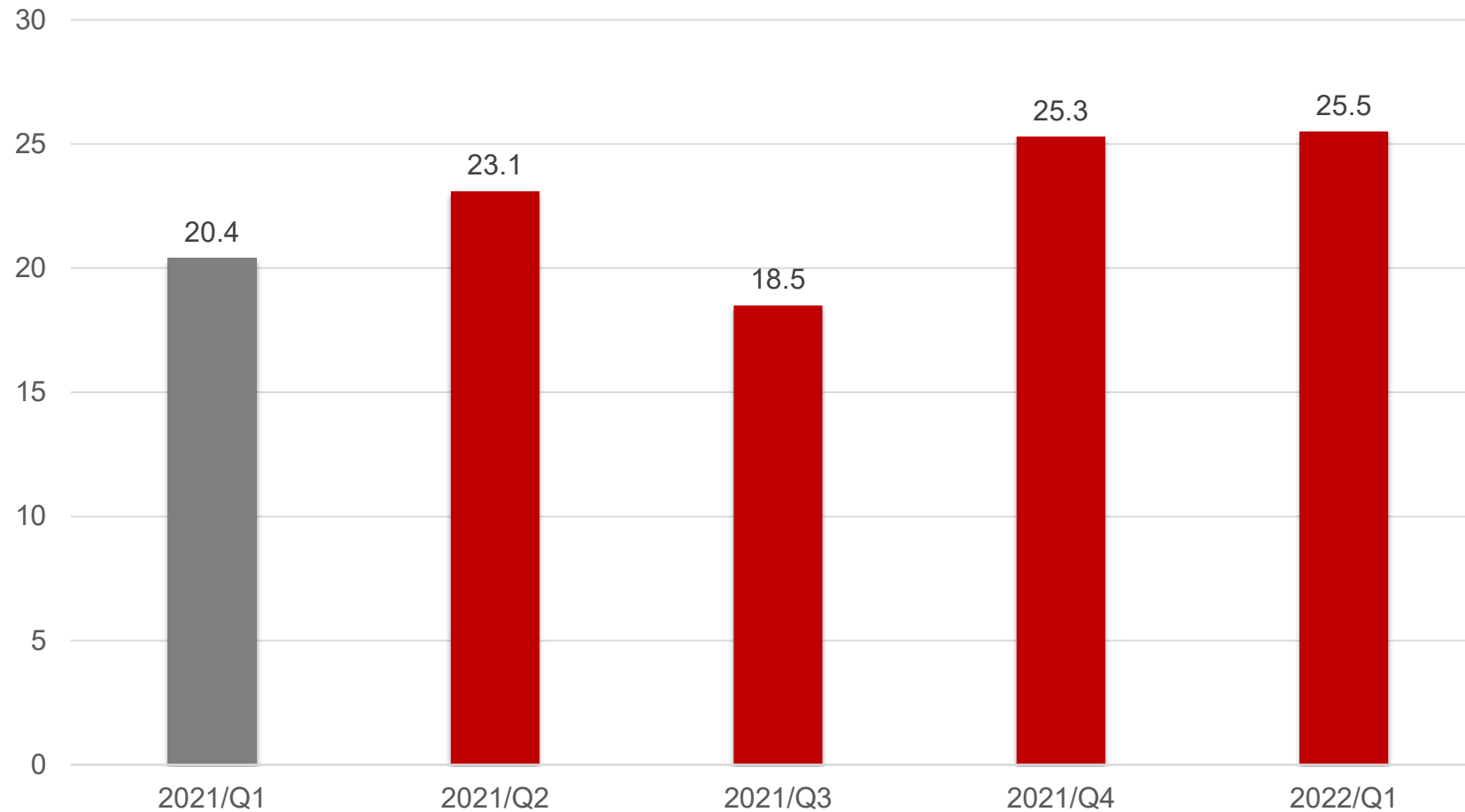


Figures for 2021, comparison period 2020

# Net sales

## Continued operations

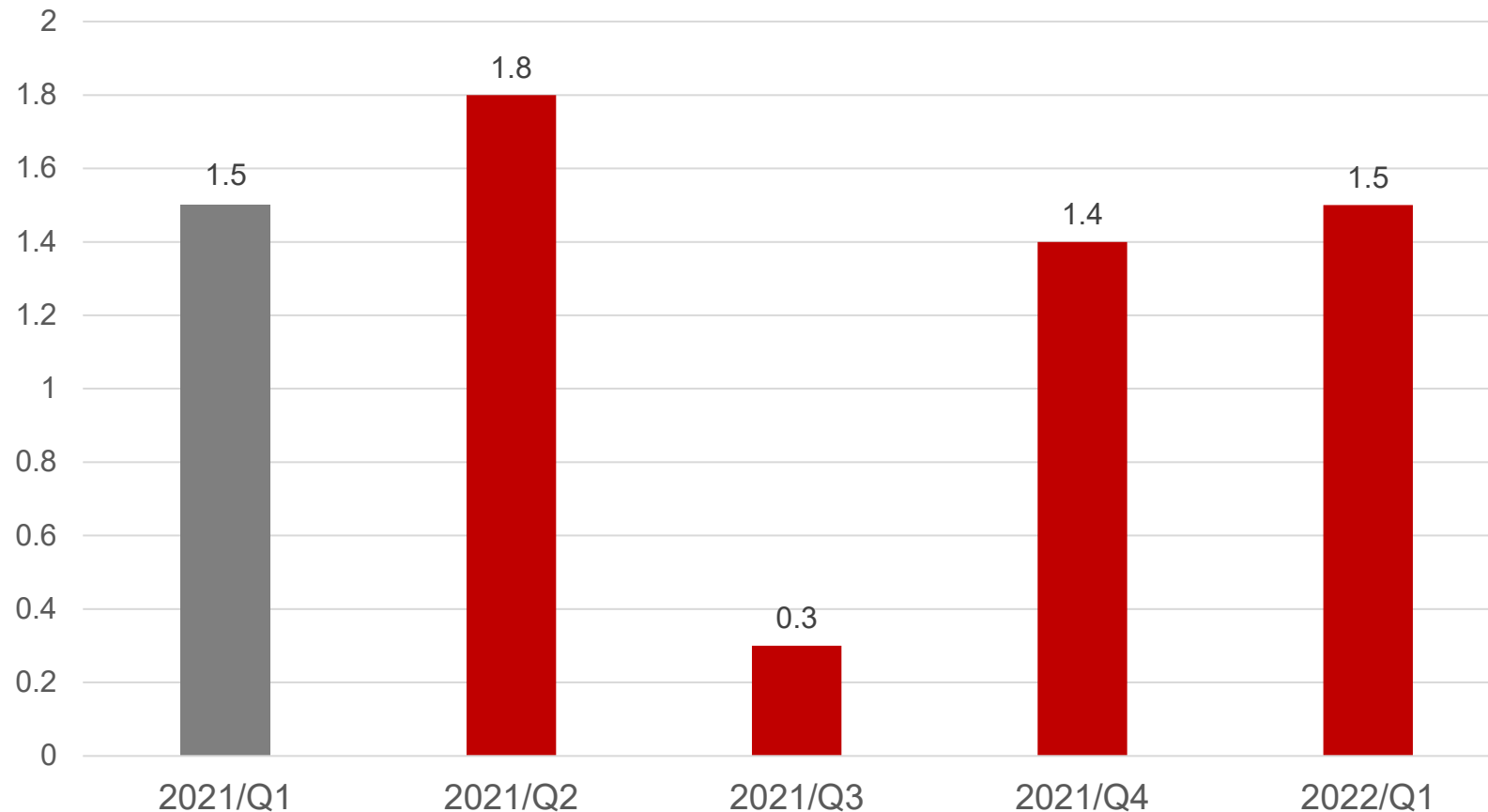
EUR, million



# EBITDA

## Continued operations

EUR, million

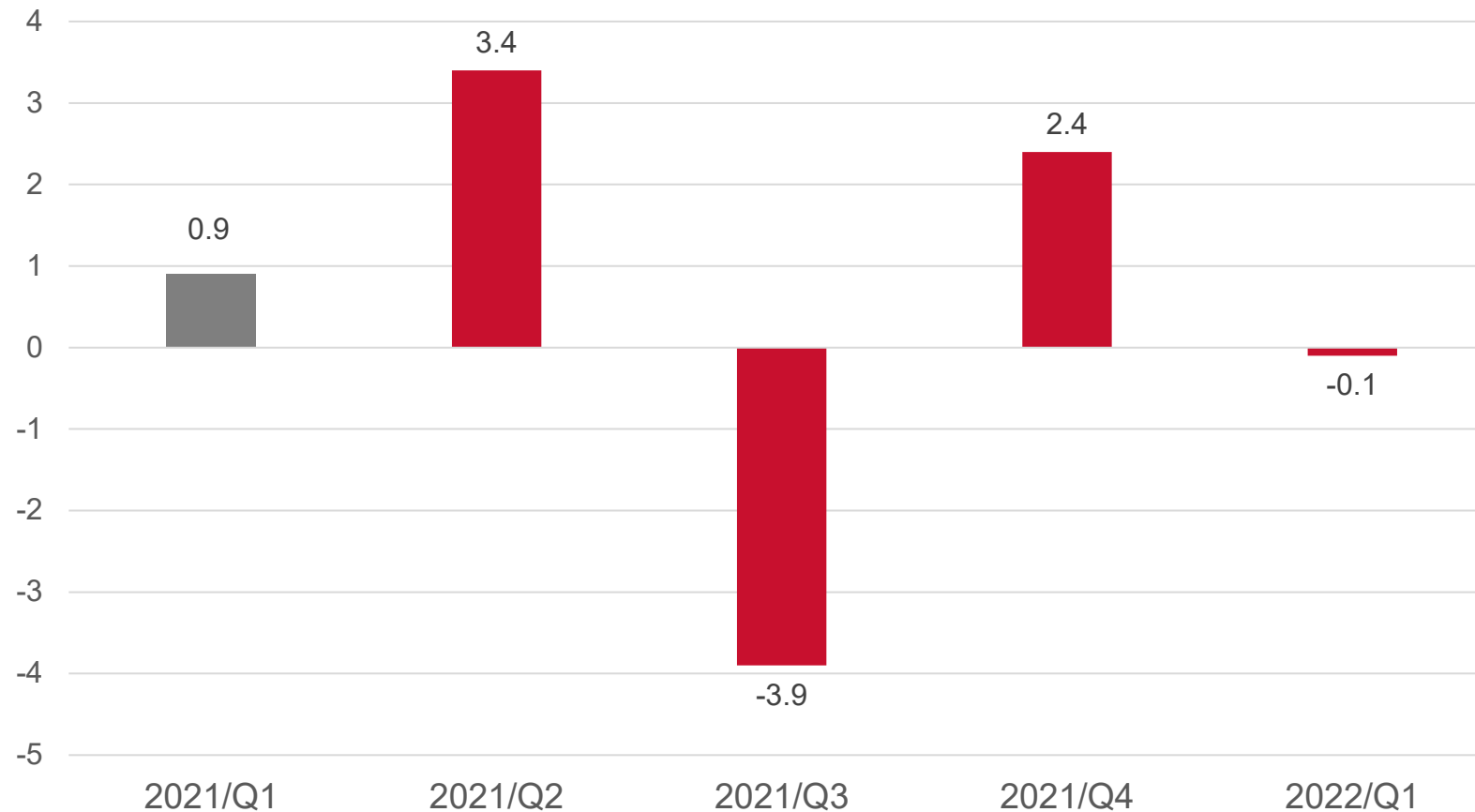


In Q1/2022, profitability was burdened by non-recurring expert costs of EUR 0.3 million regarding to an acquisition that was not realized

# Cash flow from operating activities

## Continued operations

EUR, million



# Componenta in brief

## Component contract manufacturing

Customers are global manufacturers of vehicles, machines and equipment

### Key figures

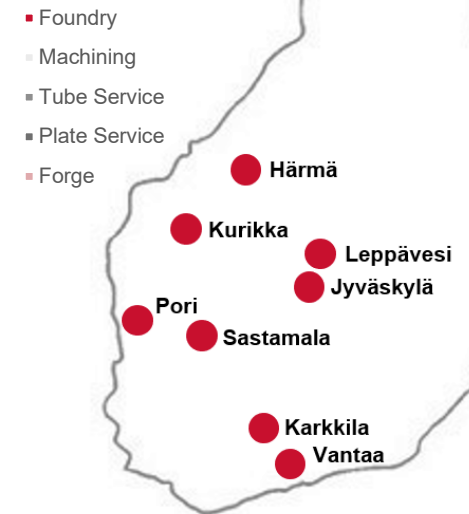
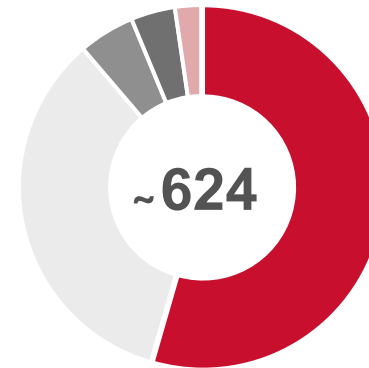
(continued operations)

	1–3/2022	1–3/2021
• Net sales, EUR million	25.5	20.4
• EBITDA, EUR million	1.5	1.5
• Operating profit, EUR million	0.0	0.0
• Cash flow from operating activities, EUR million	-0.1	0.9

### Guidance 2022

Componenta expects the net sales of continued operations in 2022 to be EUR 90–105 million. EBITDA is expected to improve from the previous year.

### Personnel 1 Jan–31 Mar 2022





# In focus in 2022

- Labor availability and resourcing to ensure capacity
- Challenges to the availability of materials, rising purchase prices and the price of electricity
- Our goal is to be the primary total supplier of contract manufacturing
- Continuous improvement of profitability
  - We will continue to invest in strengthening our market position
  - Development of own operations, occupational safety and targeted investments
  - From a technology-centric approach to a deeper customer orientation
  - In our customer relationships, we invest in active dialogue and maintaining customer satisfaction

# Responsible contract manufacturer of metal components

## Responsibly together with customers and suppliers

We want to be the primary responsible total supplier to our customers.

The company's business model is built on long-term customer relationships.

Close to the customer - domestic service and quick response.

We are actively developing our supplier network.

Expanding the offer also through a subcontracting network.

## Componenta's business is based on a circular economy

The important role of the circular economy in production processes:

- waste recovery
- the main raw material for casting components is recycled metal
- reuse of waste and by-products

Continuous improvement of energy efficiency:

- The most modern electric smelting technologies are used

Certified quality, environmental and occupational safety systems.

## Safety and personnel well-being at the heart of what we do

Our values: openness, honesty and respect.

~ 600 skilled and committed employees.

We invest in the health and safety of our personnel.

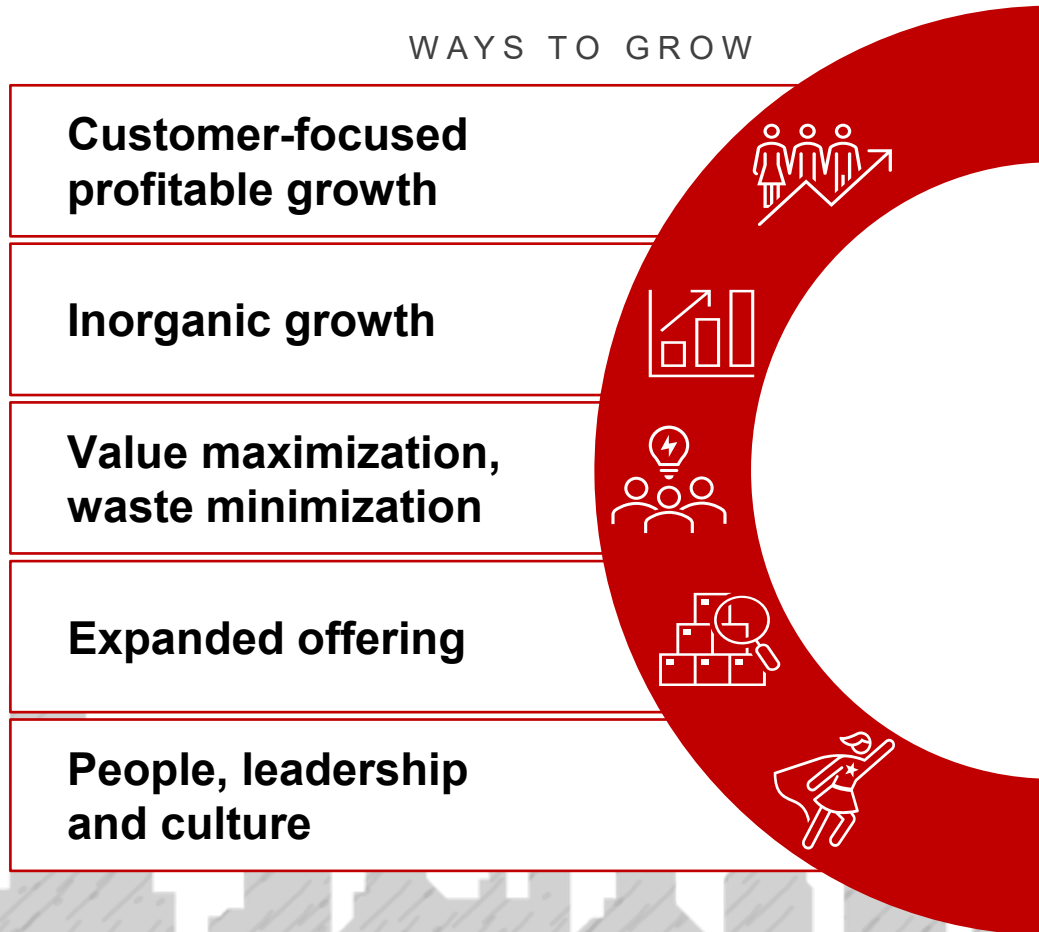
We support the diversity and equality of our personnel.

# Componenta's strategy 2020–2023

COMPONENTA 2020

High level of service  
Wide range of offering  
Close customer relationships

WAYS TO GROW



**COMPONENTA 2023:  
WHAT WE WILL BE**

We have reached our targets for growth and profitability.

We know our customers. We are their first choice partner and preferred supplier.

Our competitive edge consists of high quality service, sustainability, even wider offering, strong customer focus and capable people.

CHANGES SHAPING OUR WORLD

Consolidation of businesses

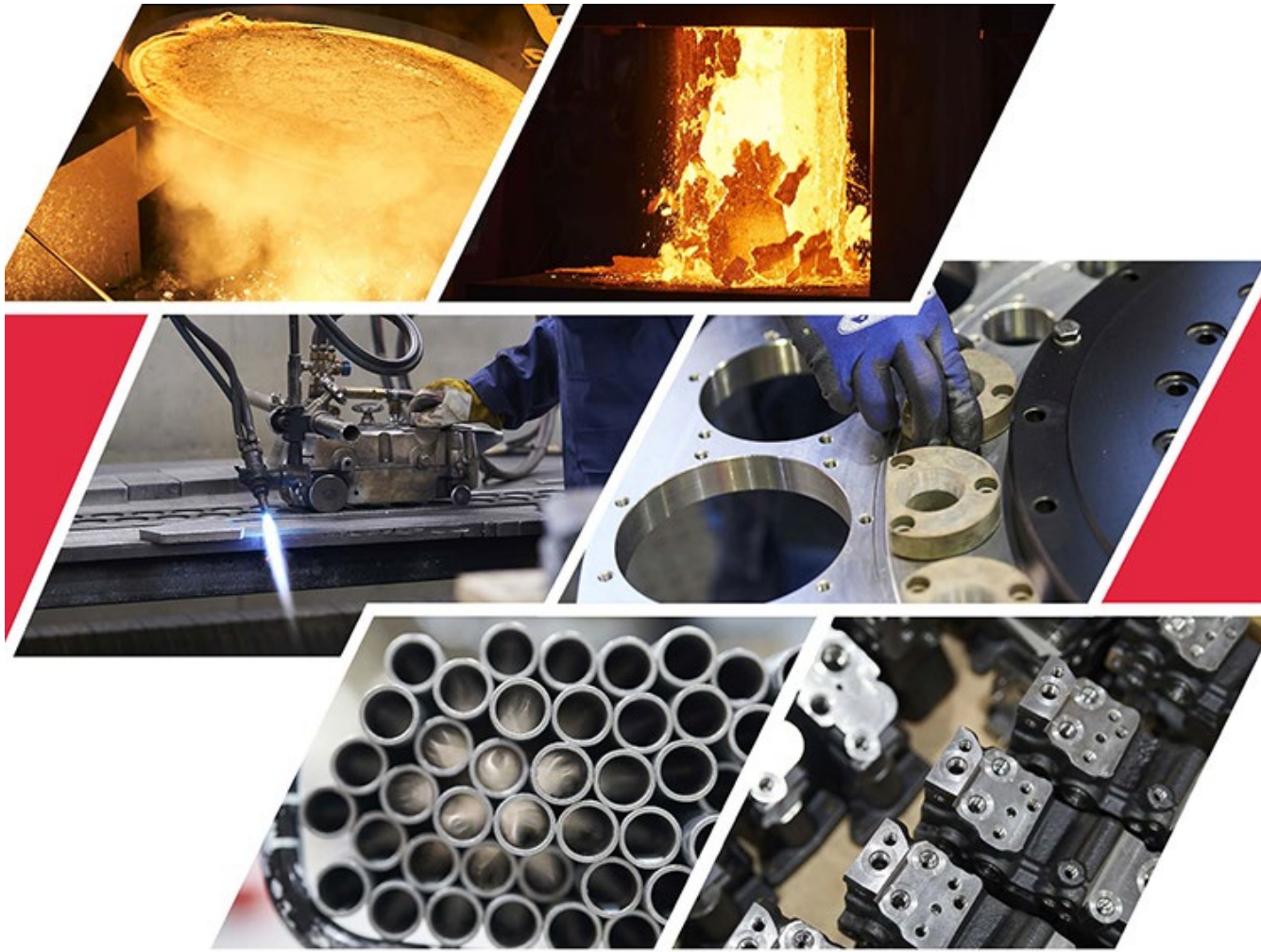
Changes in competitive advantages

Changes in global trade and supply chains

Changes in labour market

Automation and Industry 4.0

Environmental awareness and regulation



**Thank you!**