

January–June 2024 Financial Results

EARNINGS CALL PRESENTATION, JULY 29

Helen Mets, President & CEO
Niklas Beyes, CFO

Highlights Q2 2024 – Another strong quarter

- Increased profitability, strong margin management and continued solid cash flow
- Market activity continues to improve
- Focus on markets and customers demonstrated through launch of several new safe and sustainable solutions
- Simplified divisional structure now fully effective
- Transformation costs have further decreased as capabilities have been internalized
- Strengthening of manufacturing footprint through the closure of the Bousbecque plant
- Employee engagement at all time high



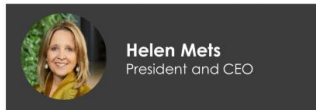
Division structure simplified – from five to three divisions



Financial reporting according to the new structure starts from July 1, 2024



Recent leadership appointments



Helen Mets
President and CEO



Daniele Borlatto
EVP Filtration &
Life Sciences



Konraad Dullaert
EVP Food and
Consumer Packaging
division and Chief
Innovation Officer



Sophie Haan
EVP Protective
Materials



Niklas Beyes
Chief Financial
Officer



Wolfgang Laures
Chief Operating
Officer



Mary Puddepha
Chief People
Officer



Wouter Hut
EVP, Pricing,
Procurement and
Sustainability



Andreas Elving
Chief Legal Officer
and General
Counsel

Konraad Dullaert

EVP, Food and Consumer Packaging division
and Chief Innovation Officer
as of June 19, 2024

- Proven track record in leading global businesses and extensive experience in leading large-scale business transformations and driving sustainable growth.

Wouter Hut

EVP, Procurement and Sustainability
as of June 19, 2024

- Highlights the growing importance of the enterprise leadership required in Ahlstrom's sustainability work.



Our five strategic pillars for becoming the leading sustainable specialty materials company

**Growth
Acceleration**

Leverage

market understanding to strengthen leadership positions

**Safe and Sustainable
Innovation
Leadership**

Elevate

fiber-based solutions to new heights

**Operational
Strength**

Run

safe and efficient operations

**Cash
Discipline**

Deliver

continuous cash conversion

**Engaged
Employees**

Ignite

diverse, high performing teams



Recent product launches highlight our ability to address global trends



Clean air and water

Fluoro-free filtration materials

launched for gas turbine air intake, air pollution control, heating, ventilation, and air conditioning (HVAC) applications.

Customers include the biggest filter manufacturers.



Sustainable packaging and protection

Fluoro-free petfood solution

offering high performance in grease barrier and mechanical resistance, with a superior printability.

Market ramp-up during H2 with a US-based premium brand.



Decarbonized buildings

Successful ramp-up of glass fiber tissue line in Madisonville

We supply glass fiber tissue to a variety of cushioned vinyl, luxury vinyl tile and carpet tile flooring customers.



Employee NPS – demonstrating our commitment to excellence in employee experience

Our success stems from the passion of our global teams, who bring our purpose to life every day.

We prioritize continuous development to enhance engagement and fuel the capabilities needed for our transformation, now and in the future.

Our latest employee engagement survey, showcases our continuous progress and commitment to employees:

Ahlstrom is close to the level of the **top 10% of companies**, in the manufacturing industry.



**Our goal is best-in-class employee engagement:
Top decile Employee NPS**

*Note: Industry is considered to be all Manufacturing companies

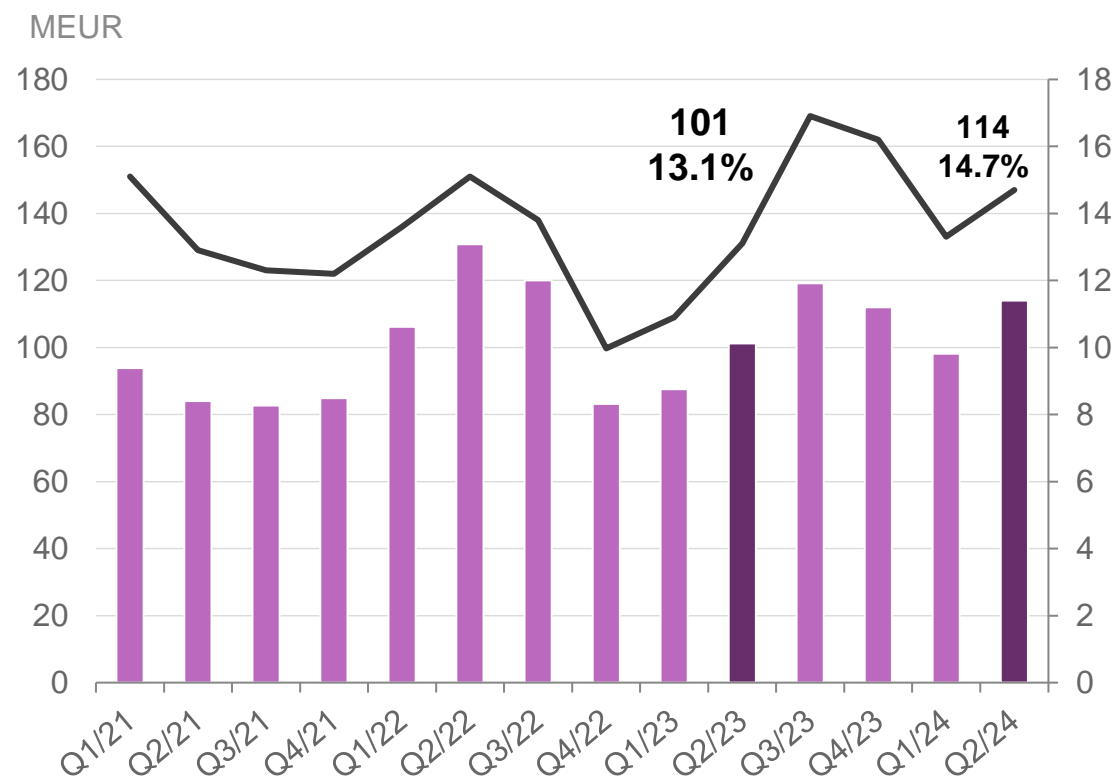


Q2 2024 Financial performance

Increased profitability and solid cash flow

- Deliveries increased both compared to the first quarter 2024 and the second quarter of the previous year (excluding Stenay)
- Comparable EBITDA increased further supported by an increasingly strong margin on variable cost per ton
- Cash flow remained solid, driven by the higher profitability, efficient working capital management, and sustainable lower capital expenditure

Comparable EBITDA and margin %



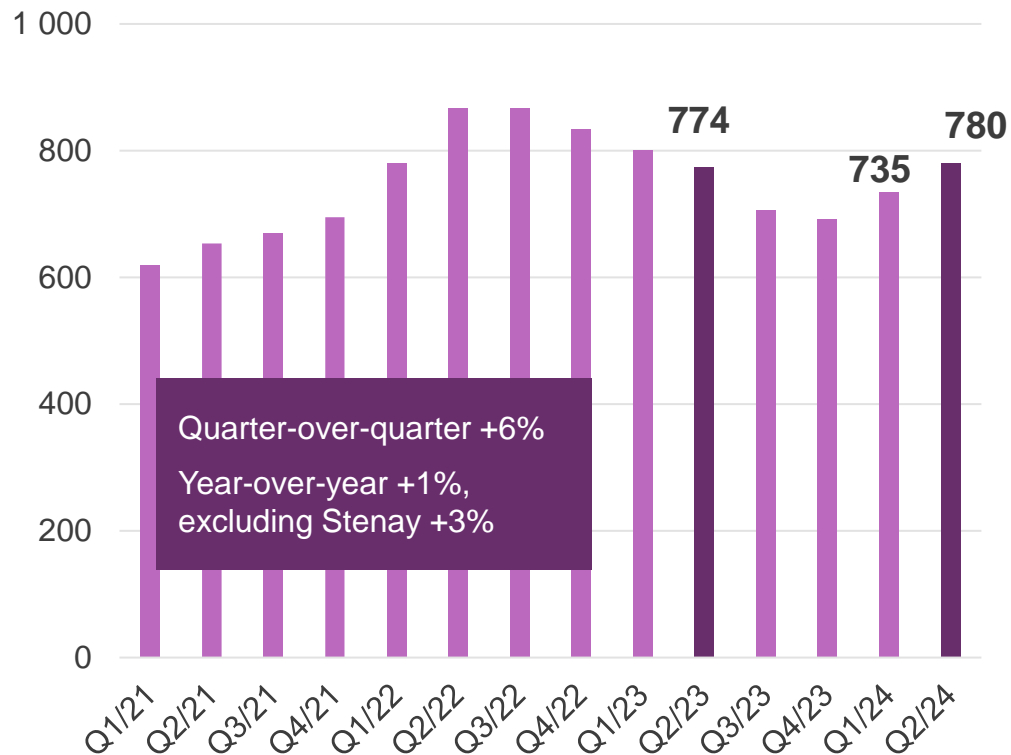
Q1 2021 pro forma



Net sales supported by improved market activity

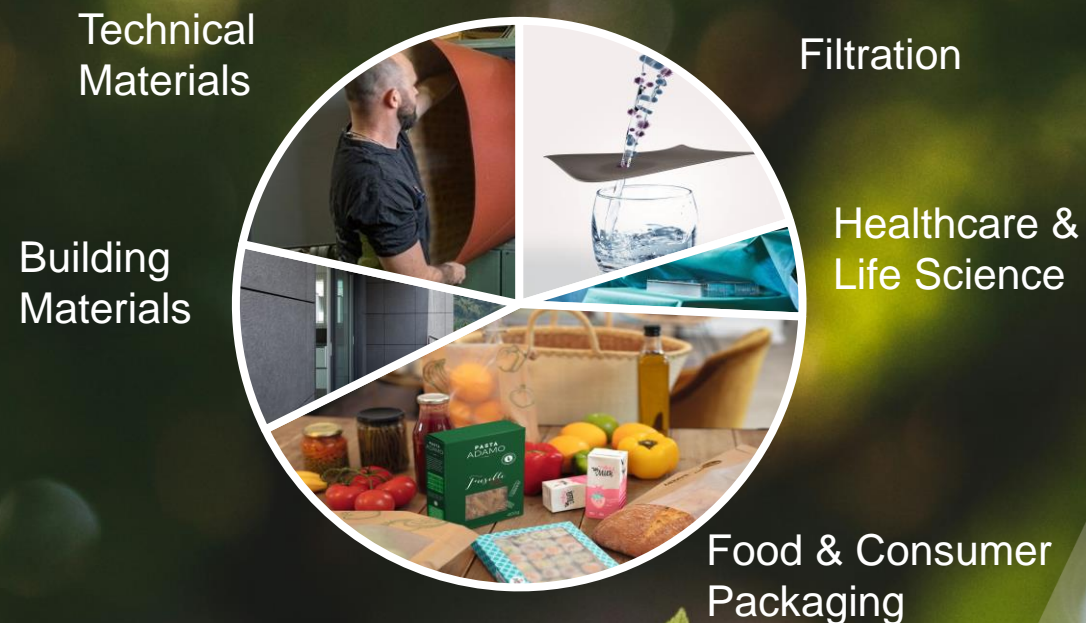
Quarterly net sales

MEUR



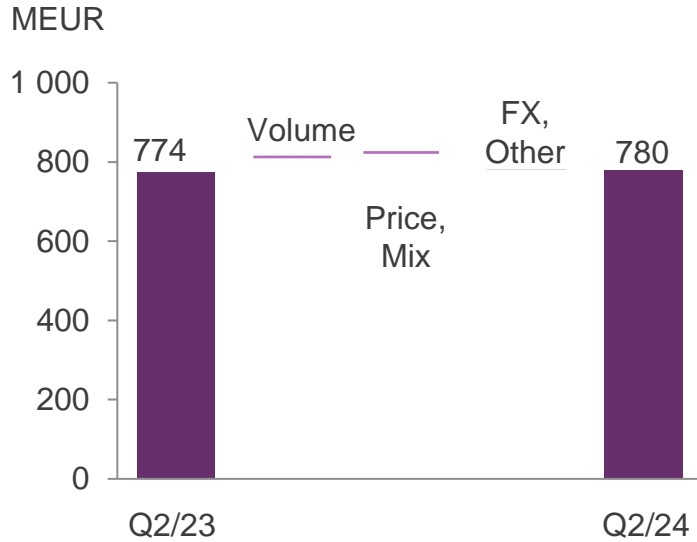
Q1 2021 pro forma

Divisional breakdown of net sales



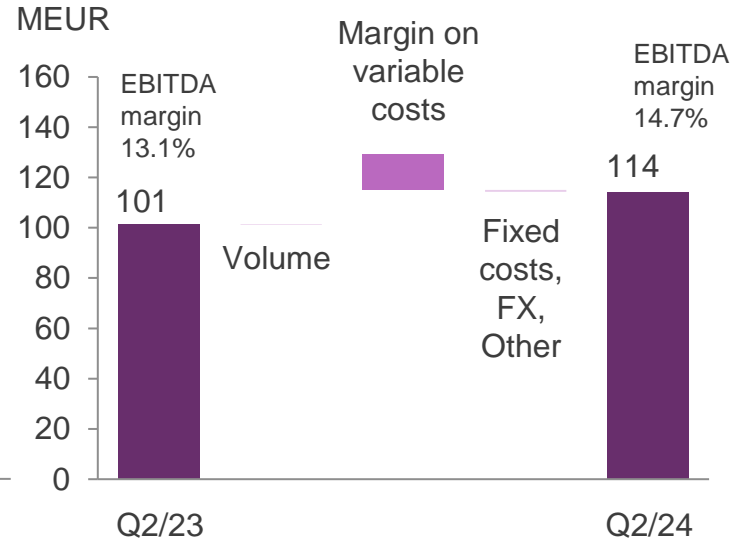
Q2 2024: Comparable EBITDA and margin better than last year

**Net sales
Q2/23 to Q2/24**

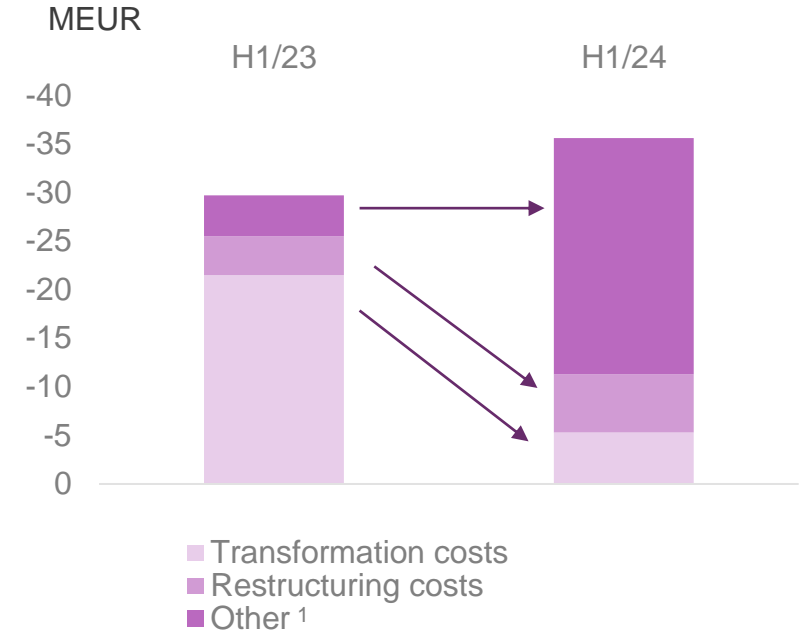


Excluding Stenay sales were EUR 757 million in Q2 2023

**Comparable EBITDA
Q2/23 to Q2/24**



**Items affecting comparability
H1/23 to H1/24**



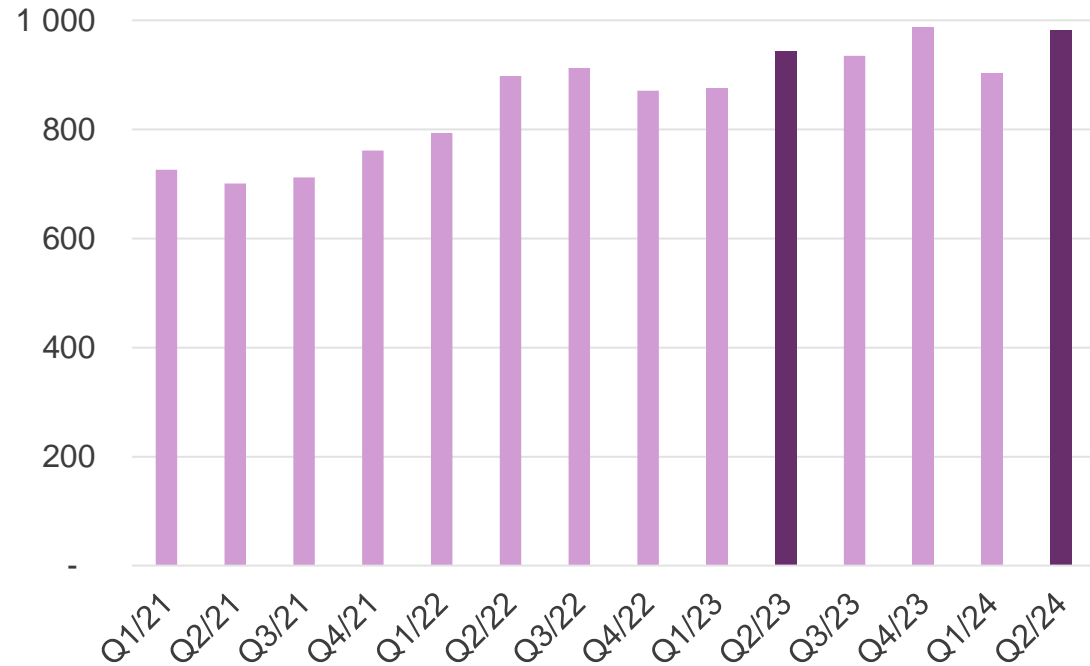
¹ In the first half of 2024, Other IACs mainly include losses from financial hedges incurred as a result of the exceptional natural gas market situation in Europe in the second half of 2022.



Strong margin on variable cost per ton

Margin on variable costs per ton

EUR per ton



Disciplined pricing and lower variable costs, driven by transformation related cost efficiency improvement projects, continuously strengthening the margin on variable cost per ton



Reconciliation of comparable EBITDA to adjusted EBITDA

MEUR	June 30, 2024	March 31, 2024
Comparable EBITDA, LTM	444	431
2023 initiatives	3 ⁽¹⁾	7 ⁽¹⁾
2024 initiatives	51 ⁽²⁾	55 ⁽²⁾
2025 initiatives	14 ⁽³⁾	13 ⁽³⁾
Total savings potential not in EBITDA	68	76
Adjusted EBITDA, LTM	512	506

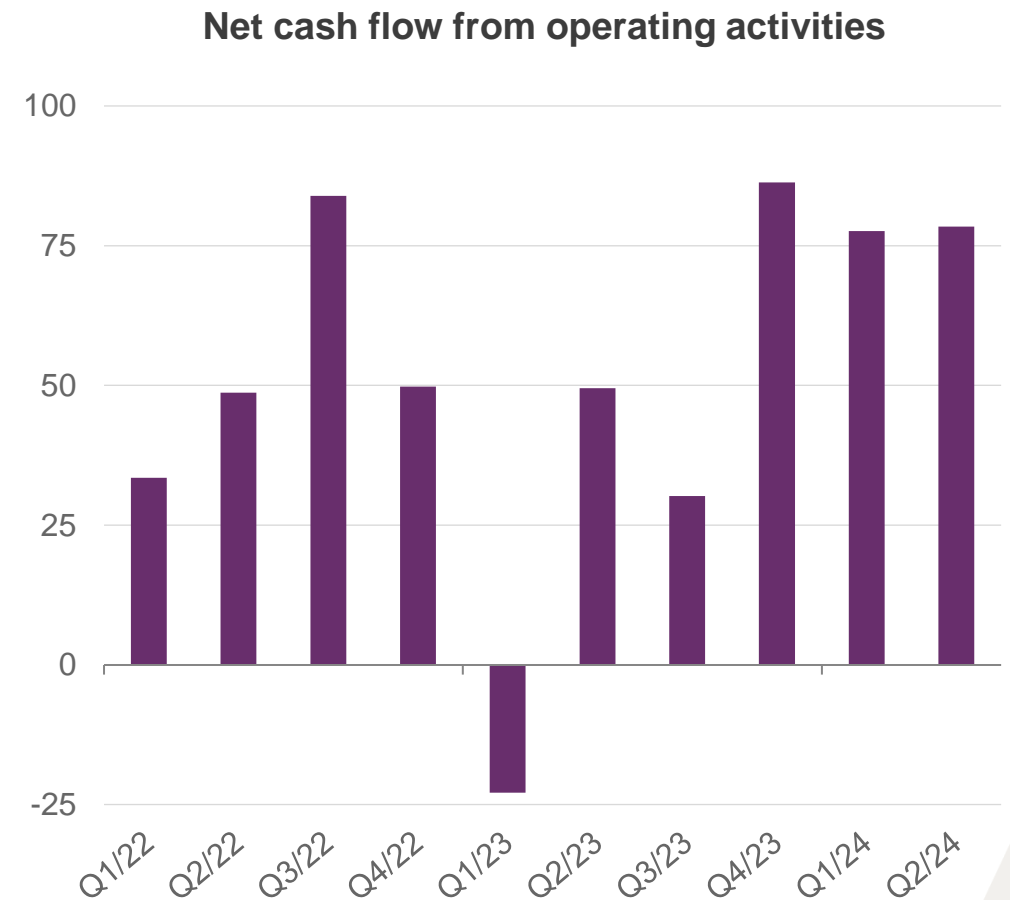
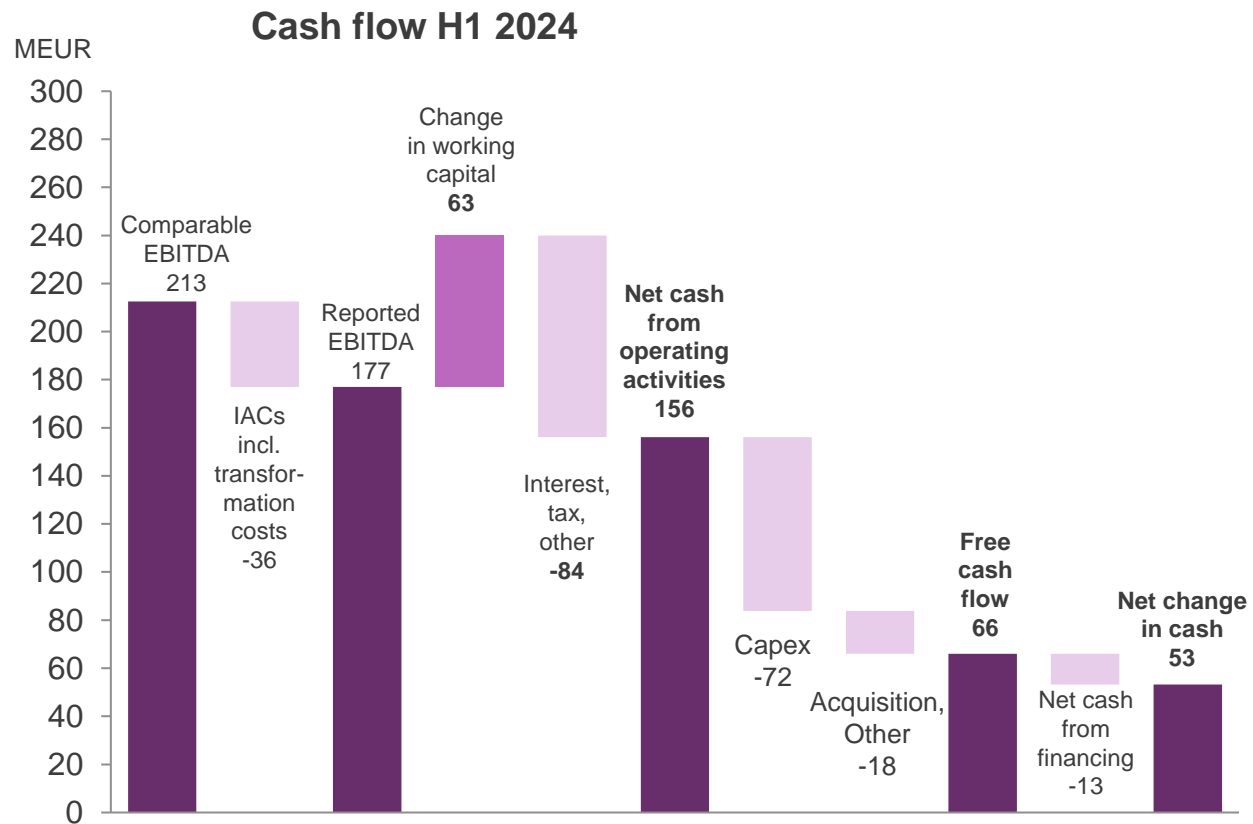
- 1) Full run rate impact expected end of 2024
- 2) Full run rate expected end of 2025
- 3) Full run rate expected end of 2026

Increase in adjusted EBITDA driven by higher comparable EBITDA

The work to identify and specify new opportunities continue on an ongoing basis



Another good quarter of operating cash flow; leverage down

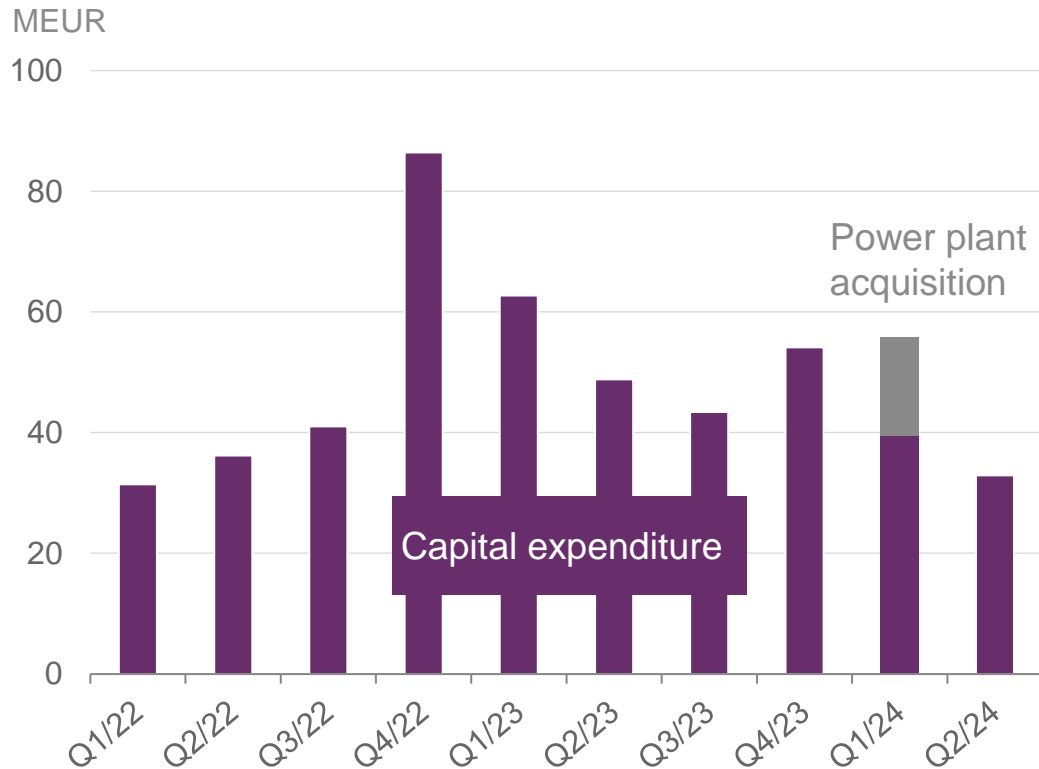


On June 30, 2024, adjusted net indebtedness was MEUR 1,781 (1,797 on December 31, 2023), translating into an adjusted net indebtedness to adjusted EBITDA ratio of 3.5 (3.7 on December 31, 2023).

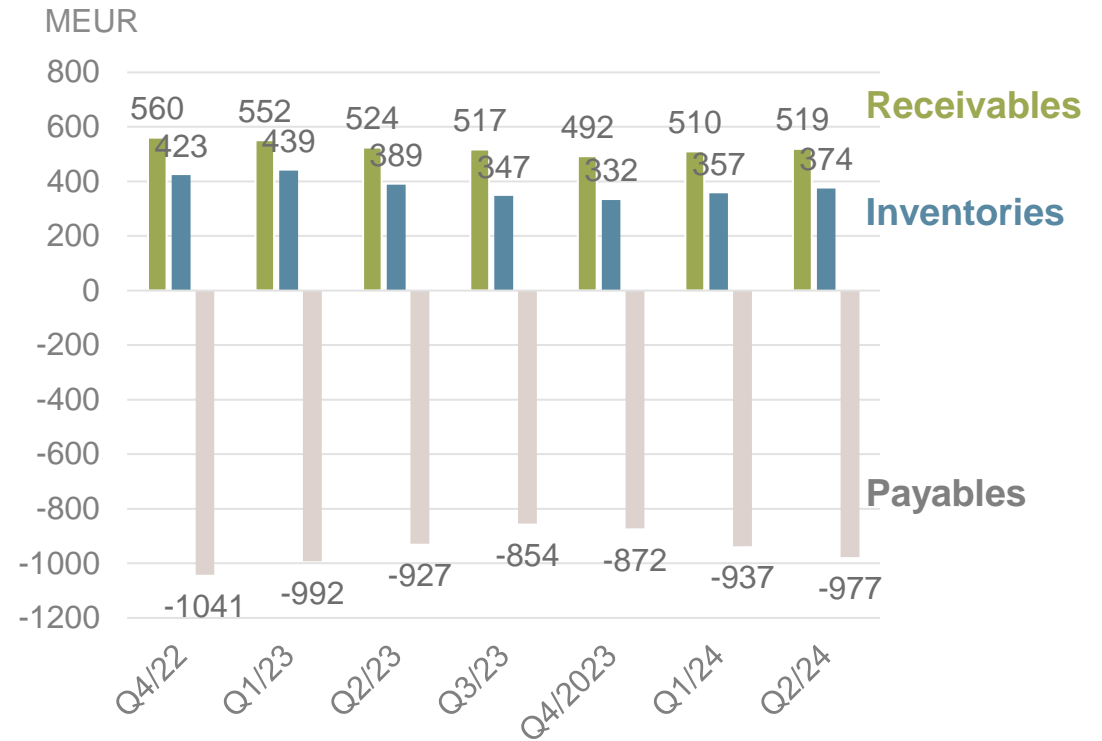


Intensive investment phase passed – further reduction in working capital

Capital expenditure

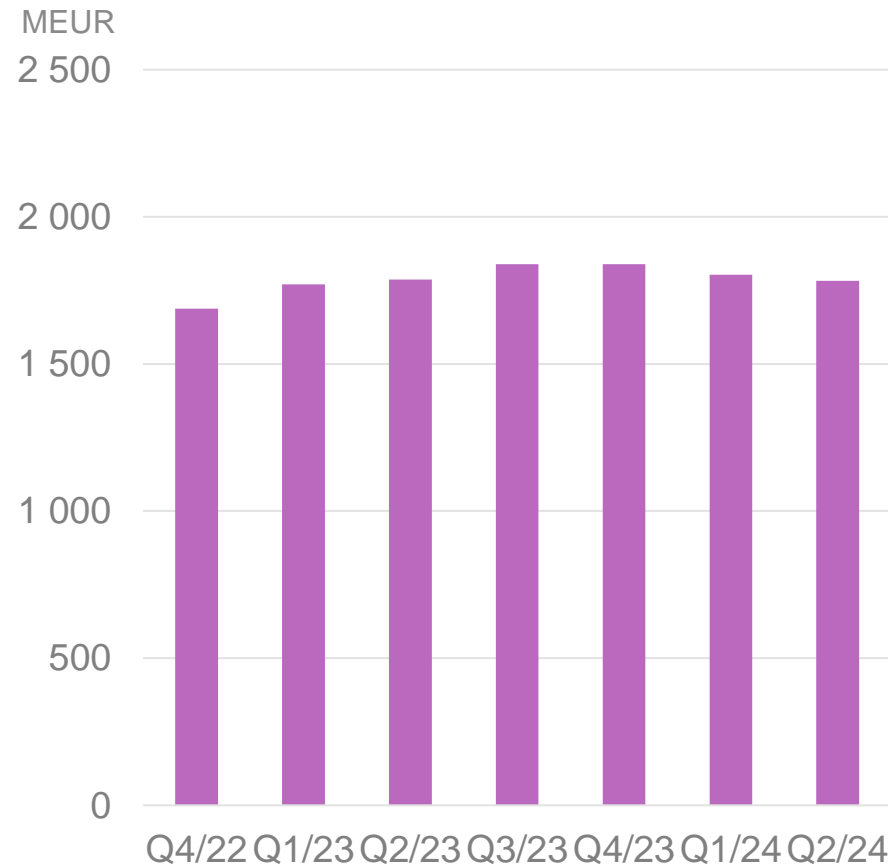


Working capital

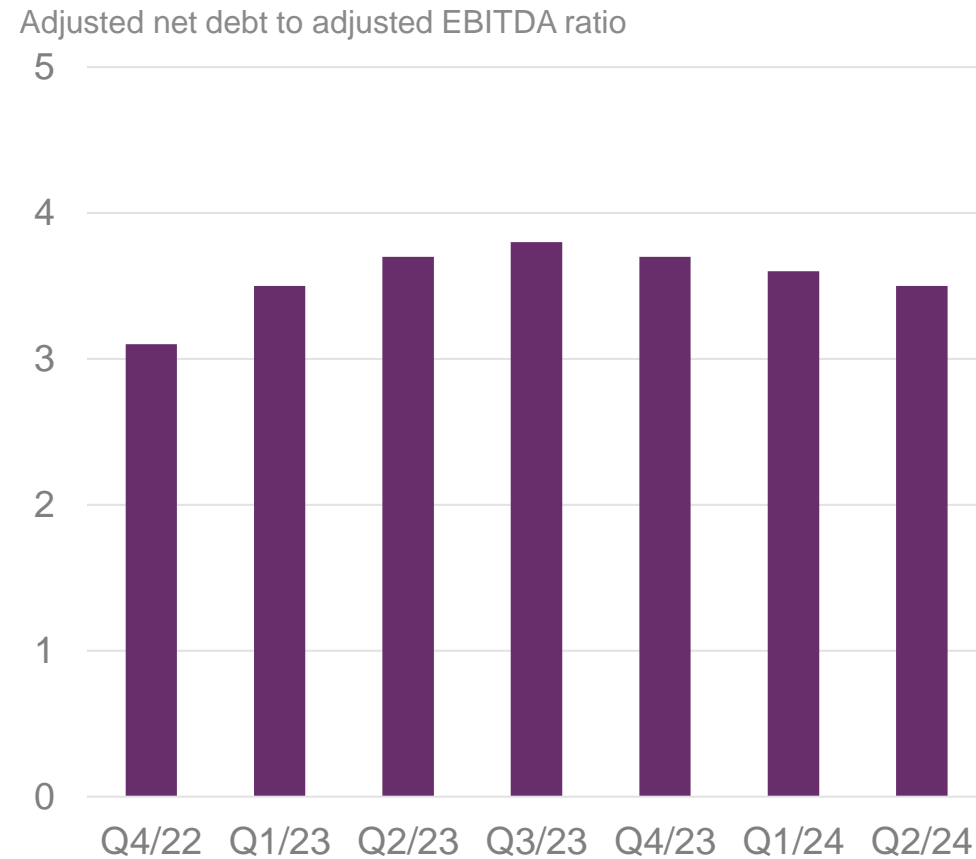


Net debt and leverage decreasing

Adjusted net indebtedness

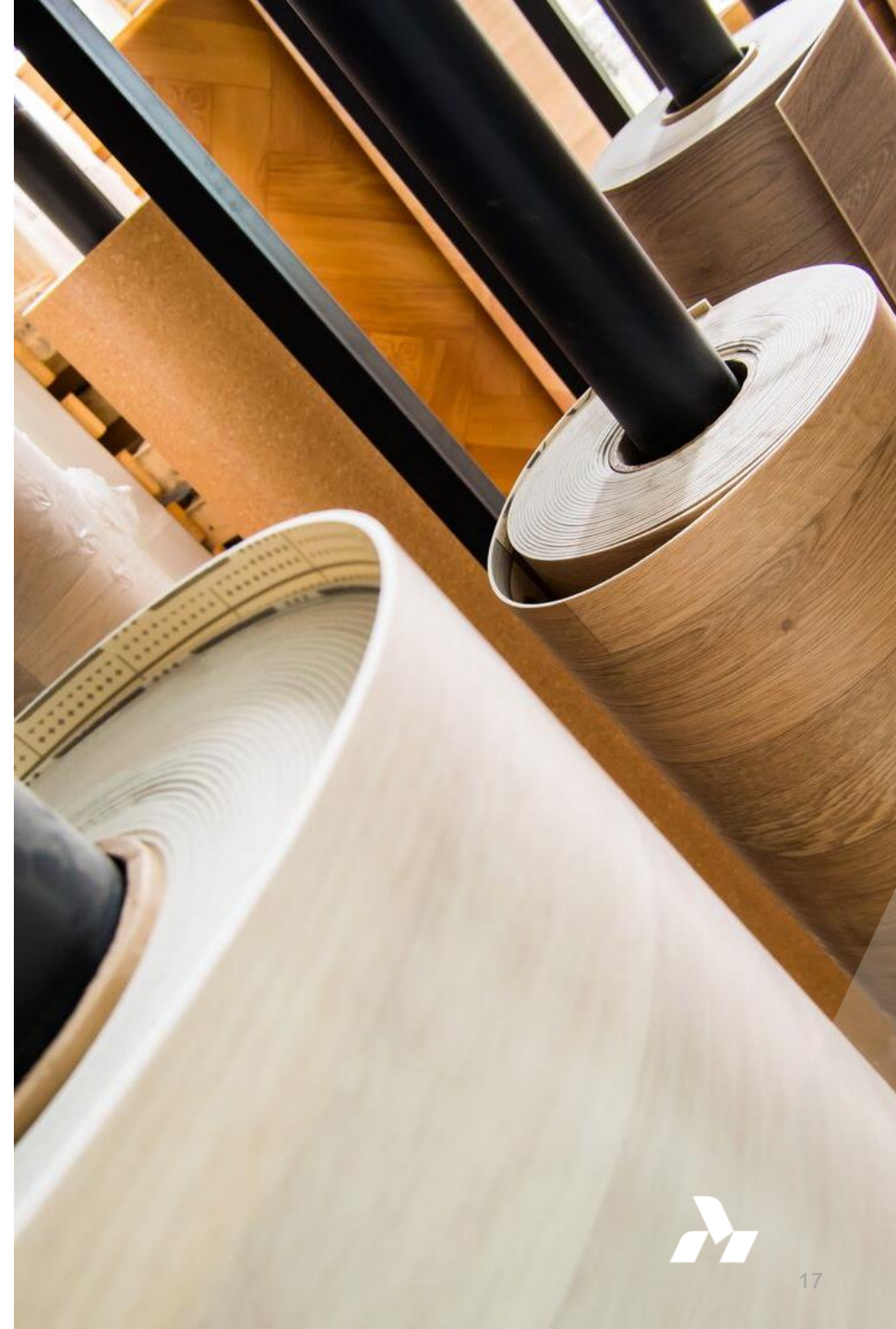


Ratio of adjusted net indebtedness to adjusted EBITDA



Conclusions

- Increased profitability, strong margin management and continued solid cash flow
- Market activity continues to improve
- Our focus on markets and customers demonstrated through launch of several new safe and sustainable solutions
- Strong, disciplined progress on our transformation journey through internal capability building, while reducing transformation costs



Disclaimer

Acknowledgement: You must read the following before continuing. For the purposes of this notice, “Presentation” shall mean and include this document, any oral presentation of this document by any person, any question-and-answer session, hard copies of this document and any materials distributed at any such presentation or in connection with this document. By attending the meeting at which the Presentation is made, dialing into the teleconference during which the Presentation is made or reading, accessing or making any other use of the information made available in this Presentation, you acknowledge and irrevocably represent that you have read and understood these terms and conditions and you voluntarily and irrevocably accept and agree to be bound by them.

Purpose: Ahlstrom-Munksjö Holding 3 Oy and its group companies (collectively, “Bidco”) has prepared this presentation and the information contained herein for general informational purposes only. This Presentation is being made available to existing and prospective lenders and noteholders, securities analysts, rating agencies and other eligible persons in connection with the reporting requirements under our principal financing arrangements. This Presentation may not be used for any other purpose.

No Offer: None of the information made available in this Presentation constitutes or forms part of, and is not made in connection with, any offer, invitation or recommendation to subscribe for, underwrite or otherwise acquire any securities of Bidco or any of its affiliates, nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any security, nor shall it or any part of it form the basis of or be relied upon as investment, legal, accounting, tax or other professional advice or in connection with any offer or sale of securities or any contract or commitment whatsoever. Any securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or under the laws of any state or other jurisdiction of the United States. Distribution of this Presentation and any information contained in it in any other jurisdictions may be restricted by law. You must comply with all laws that apply to you in any place in which you buy, offer or sell any securities or access or possess the content contained in this Presentation. If you access this Presentation, you must inform yourself about and observe any such restrictions and seek appropriate independent professional advice where necessary.

Financial Information: This presentation contains certain unaudited pro forma financial information based on management accounts, pre-consolidation and audit adjustments. Bidco’s auditors have not audited, reviewed, compiled or performed any procedures with respect to such unaudited pro forma financial information for the purpose of inclusion herein and accordingly, they have not expressed an opinion or provided any form of assurance with respect thereto. In addition, certain financial data included in this presentation consists of “non-IFRS financial measures.” These non-IFRS financial measures may not be comparable to similarly-titled measures as presented by other companies, nor should they be considered as an alternative to the historical financial results or other indicators of the performance based on IFRS. You are cautioned not to place undue reliance on any non-IFRS financial measures and ratios included herein.

Forward-Looking Statements: Certain statements contained in this Presentation may be statements of future expectations and other forward-looking statements. The forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding Bidco’s future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where Bidco participates or is seeking to participate. You can identify these forward-looking statements by the use of words such as “aim,” “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “guidance,” “intend,” “may,” “objectives,” “ongoing,” “outlook,” “plan,” “potential,” “predict,” “probably,” “project,” “seek,” “should,” “target,” “will,” “would” or the negative version of these words or similar expressions. Any forward-looking statements in this Presentation are subject to a number of risks and uncertainties, many of which are beyond Bidco’s control, that could cause Bidco’s actual results and performance to differ materially from any expected future results or performance expressed or implied by any forward-looking statements. Due to such uncertainties and risks, you are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. Bidco undertakes no obligation to update publicly or revise any information in the Presentation, whether as a result of new information, future developments or otherwise. The information and opinions contained in this Presentation are provided as at the date stated herein and are subject to change without notice. This Presentation will not be updated to reflect any subsequent development and may be superseded or otherwise modified by subsequent releases or other updates.

No Representation or Warranty: This Presentation does not purport to be complete or exhaustive. The information and opinions in this Presentation are provided as at the date of this Presentation and are subject to change without notice. This Presentation will not be updated to reflect any subsequent development. Neither Bidco nor any of its affiliates makes any representation or warranty or other assurance, express or implied, that this Presentation or the information contained herein or the assumptions on which they are based are accurate, complete, adequate, fair, reasonable or up to date and they should not be relied upon as such. Neither Bidco nor any of its affiliates accepts any liability for any loss or damage (including any direct, indirect or consequential loss or damages) suffered by any person as a result of relying on all or any part of this document and any liability is expressly disclaimed. While Bidco uses reasonable efforts to obtain information from reliable sources, Bidco makes no representations or warranties as to the accuracy, reliability or completeness of any information or document in this Presentation obtained from outside sources. Unsourced statements should be understood to reflect the subjective beliefs, opinions, expectations or understandings of Bidco, which may be inaccurate.

Market and Industry Data: To the extent applicable, the industry and market data contained in this document has come from official or third-party sources. Third-party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the fairness, quality, accuracy, relevance, completeness or sufficiency of such data. We have not independently verified the data contained therein. In addition, certain of the industry and market data contained in this document come from Bidco’s own internal research and estimates based on the knowledge and experience of Bidco’s management in the market in which Bidco operates. Such research and estimates, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the industry or market data contained in this document. Although Bidco has obtained such information provided from sources that should be considered reliable, it cannot guarantee its accuracy or completeness. The information provided is purely of an indicative nature and is subject to change without notice at any time.





**We Purify and Protect
with Every Fiber
for a Sustainable World**