



Interim report 1–9/2020



Tulikivi Corporation

Interim report 1–9/2020: Net sales on the previous year's level, operating profit improves

6 November 2020 at 1 p.m.

- The Tulikivi Group's third-quarter net sales were EUR 6.9 million (EUR 6.6 million, Jul–Sep 2019) and EUR 20.1 million (EUR 19.9 million, Jan–Sep 2019) in the review period.
- The Tulikivi Group's operating profit for the third quarter was EUR 0.6 (0.1) million, and the operating profit for the review period was EUR 0.6 (–0.3) million.
- The Tulikivi Group's third-quarter profit before taxes was EUR 0.4 million (–0.1 million) and EUR 0.0 (–0.9) million for the review period.
- Net cash flow from operating activities was EUR 0.8 (–0.1) million in the third quarter and EUR 1.5 (0.5) million in January–September.
- Order books at the end of the review period stood at EUR 4.0 (3.8) million.
- Nordic Talc, a Tulikivi subsidiary, is preparing a feasibility study for the talc project in Suomussalmi.
- Future outlook: Net sales are expected to amount to EUR 27–29 million in 2020, and the comparable operating profit is expected to be positive.

Key financial ratios

	1–9/20	1–9/19	Change, %	1–12/19	7–9/20	7–9/19	Change, %
Sales, MEUR	20.1	19.9	0.9 %	28.7	6.9	6.6	5.3 %
Operating profit/loss, MEUR	0.6	–0.3	285.6 %	–0.8	0.6	0.1	714.3 %
Operating profit/loss without impairment loss, MEUR	0.6	–0.3	285.6 %	0.0	0.6	0.1	714.3 %
Profit before tax, MEUR	0.0	–0.9	98.8 %	–1.5	0.4	–0.1	521.4 %
Total comprehensive income for the period, MEUR	–0.1	–0.9	91.4 %	–1.6	0.3	–0.1	471.9 %
Earnings per share, Euro	0.00	–0.01		–0.03	0.01	0.00	
Net cash flow from operating activities, MEUR	1.5	0.5		1.6	0.8	–0.1	
Equity ratio, %	23.7	24.7		23.0			
Net indebtedness ratio, %	189.5	170.5		200.1			
Return on investments, %	3.9	–1.5		–3.0	2.6	0.4	

Comments by Heikki Vauhkonen, Managing Director:

Net sales increased in the third quarter as the Covid-19 pandemic increased consumers' interest in renovation, holiday homes and single family housing in both Finland and export countries.

Profitability improved as a result of price increases, productivity measures and savings in fixed costs.

The company's incoming orders totalled EUR 7.9 (7.2) million in the third quarter. In Finland, order flow grew in all product groups. Demand growth was greatest for sauna and interior decoration

stone products. Central European and Russian exports also developed favourably during the third quarter. Tulikivi's order books at the end of the review period amounted to EUR 4.0 (3.8) million.

The Covid-19 pandemic has so far had a positive effect on demand for Tulikivi products, but the strengthening of the second wave of the pandemic has led to restrictions in Central Europe, which may hinder business operations in the second half of the year.

The Tulikivi Corporation subsidiary Nordic Talc Oy, founded in April 2020, is planning a feasibility study of the Suomussalmi talc project, the purpose of which is to further specify the project's profitability, environmental and mining plans for industrial operations. At the same time, the aim is to obtain the necessary external funding for the start-up of Nordic Talc Oy's operations and the industrial exploitation of the project. In addition, funding applications have been submitted to the Kainuu Centre for Economic Development, Transport and the Environment (ELY Centre) and Business Finland.

Interim report 1–9/2020

Operating environment

In Finland, low-rise housing construction and the renovation of fireplaces had, before the review period, already stabilised at a lower level than earlier. A reduction in general consumer confidence as a result of the Covid-19 pandemic may influence the volume of construction and hence further weaken demand for Tulikivi products.

In the EU area, the volume of low-rise housing construction and the demand for fireplaces are at the same level as in previous years. Demand may be affected by the Covid-19 pandemic, by country-specific construction and emissions regulations and by investment subsidies. Demand for Tulikivi products is growing in Russia, but is dependent on the exchange rate of the rouble.

Rising consumer energy prices are increasing consumers' interest in alternative heating solutions, including fireplaces, in the long term.

The Construction Products Regulation will enter into force on 1 January 2022, as a result of which emission regulations for fireplaces will be harmonised and become stricter in the European Union. This change may be beneficial to Tulikivi because its technology already meets the new requirements for fireplaces. In conjunction with the change, Finland's emissions requirements for ready-made fireplaces will also become stricter to match the Central European level.

Net sales and profit

The Tulikivi Group's third-quarter net sales totalled EUR 6.9 million (EUR 6.6 million in July–September 2019). Net sales increased in the third quarter as the Covid-19 pandemic increased consumers' interest in renovation, holiday homes and single family housing in both Finland and export countries. The Tulikivi Group's third-quarter operating profit was EUR 0.6 (0.1) million and profit before taxes was EUR 0.4 (-0.1) million. In the third quarter, profitability improved markedly thanks to price increases, productivity measures and savings in fixed costs.

The company's incoming orders totalled EUR 7.9 (7.2) million in the third quarter. In Finland, order flow grew in all product groups. Demand growth was greatest for sauna and interior decoration stone products. Central European and Russian exports also developed favourably during the third quarter. Tulikivi's order books at the end of the review period amounted to EUR 4.0 (3.8) million.

In the review period, the Tulikivi Group's net sales totalled EUR 20.1 million (EUR 19.9 million, Jan–Sep 2019), its operating profit was EUR 0.6 (-0.3) million and its profit before taxes was EUR 0.0 (-0.9) million.

Net sales in Finland in the review period were EUR 9.4 (9.0) million, or 46.7% (45.2%) of total net sales. Finnish net sales of fireplaces were at the previous year's level in the review period. Net sales from fireplaces grew in Finland as a result of higher renovation sales and redesigned product ranges. The sales of fireplaces for new buildings were slightly lower than in the previous year. We are continuing our efforts to enhance sales efficiency in Finland to further increase renovation sales. The sales of saunas and interior decoration stone products have developed favourably in the review period.

Net sales in export markets in the review period were EUR 10.7 (10.9) million, or 53.3% (54.8%) of total net sales. The principal export countries were Germany, Russia, Sweden, France and Denmark. Total net sales from fireplace exports decreased slightly in the review period. However, considering the circumstances, net sales and market share continued to develop favourably in the largest export countries, Germany and Russia. In Russia, our revamped collections enabled a stronger focus in sales on the premium market. The new Karelia and Pielinen fireplace collections continued to significantly increase dealers' and consumers' interest in Tulikivi products also in Central Europe. This has enabled us to open new dealer locations and reactivate old ones. Thanks to these collections, Tulikivi has further strengthened its market position in exports.

The products in the Karelia and Pielinen fireplace collections are based on modern Scandinavian design and feature a new soapstone surface finish technique. The Pielinen products are compact and easy to install. They are particularly well suited for the Central European market and for markets where there is no expertise in installing heat-retaining fireplaces. The highly successful development work on the Karelia and Pielinen fireplace collections provides us with an opportunity to increase our market share in euros and our profitability in both Finland and exports in 2020.

The Covid-19 pandemic has so far had a positive effect on demand for Tulikivi products, but the strengthening of the second wave of the pandemic has led to restrictions in Central Europe, which may hinder business operations in the second half of the year.

Financing

Net cash flow from operating activities was EUR 0.8 (-0.1) million in the third quarter and EUR 1.5 (0.5) million in January–September 2020. Working capital increased by EUR 0.4 (-0.4) million during the review period. Working capital totalled EUR 1.1 (0.9) million at the end of the review period.

Loan repayments totalled EUR 0.3 (-0.5) million in the review period. At the end of the review period, MFI loans and working capital loans totalled EUR 15.3 (15.9) million, and net financial expenses during the period were EUR 0.6 (0.6) million. The equity ratio at the end of the review period was 23.7% (24.7%). The ratio of interest-bearing net debt to equity, or gearing, was 189.5% (170.5%). The current ratio was 0.5 (0.5), and equity per share was EUR 0.13 (0.14). At the end of the review period, the Group's cash and other liquid assets came to EUR 1.4 (1.0) million.

On 20 December 2019, Tulikivi Corporation signed a financing agreement with its finance providers concerning the 2019–2020 repayment programme in ratio to the finance providers' exposures. The agreement also includes loan covenants given to the finance providers. Otherwise, the loans will mature fully on 28 February 2021, due to which they are classified as current financial liabilities. The company is in compliance with the covenants of the financing agreement according to the situation on 30 September 2020. On 21 September 2020, the company started negotiations with its finance providers on the repayment programme for 2021 and its terms, and will conclude them by 31 December 2020.

The parent company's equity was EUR 0.3 million (consolidated equity EUR 7.6 million) at the end of the review period, while share capital was EUR 6.3 million (consolidated share capital EUR 6.3 million). An external expert has prepared an appraisal of the fair value of the machinery in Suomussalmi, according to which the difference between the probable current price and the book value of the machinery and equipment at the Suomussalmi factory is EUR 1.3 million. This can be considered as an increase in equity as referred to in Chapter 20, section 23(2) of the Limited Liability Companies Act, in which case a potential negative impact on equity will not be entered in the Trade Register.

Investments and product development

The Group's investments totalled EUR 0.4 (0.6) million during the review period. The Karelia collection was complemented with the Petro model, which has an L door, and the Pielinen collection

was expanded with a compact convection fireplace with a C door. The new models have been well received in the market.

Research and development expenditure in the review period was EUR 0.4 (0.6) million, or 2.1% (3.1%) of net sales. EUR 0.1 (0.2) million of this was capitalised on the balance sheet.

Suomussalmi talc reserves

The JORC-compliant mineral deposit estimate completed in autumn 2019 confirmed that the talc deposit in the Suomussalmi mining district is significant on a European scale. Based on surveys performed, it is estimated that the deposit can be utilised profitably.

In April 2020, Tulikivi established Nordic Talc Oy. The company's objective is the industrial exploitation of Tulikivi's talc deposits in the Suomussalmi mining district. In the first stage, the objective is to plan and implement a feasibility study of the Suomussalmi talc project, the purpose of which is to further specify the project's profitability, environmental and mining plans for industrial operations. At the same time, Tulikivi is exploring opportunities to attract outside financing and investors to start and develop Nordic Talc Oy's operations for industrial exploitation. In addition, funding applications have been submitted to the Kainuu Centre for Economic Development, Transport and the Environment (ELY Centre) and Business Finland.

It is too early to evaluate whether the project will be carried out or to estimate its financial impacts.

Personnel

The Group had an average of 187 (201) employees in the review period. Salaries and bonuses during the review period totalled EUR 5.9 (6.1) million. Operations have been adjusted to demand by laying off production and office staff.

Annual General Meeting

The Annual General Meeting of Tulikivi Corporation held on 16 June 2020 resolved not to distribute a dividend for the 2019 financial year. Jaakko Aspara, Liudmila Niemi, Markku Rönkkö, Reijo Svanborg, Jyrki Tähtinen and Heikki Vauhkonen were elected as members of the Board of Directors. The Board elected Jyrki Tähtinen as its Chair. The auditor appointed was KPMG Oy Ab, Authorised Public Accountants, with Kirsi Jantunen, APA, as principal auditor.

The Annual General Meeting authorised the Board of Directors to decide on issuing new shares and on assigning Tulikivi Corporation shares held by the company in accordance with the proposals of the Board. Tulikivi can issue new shares or assign treasury shares as follows: a maximum of 15,656,622 Series A shares and a maximum of 2,304,750 Series K shares.

The authorisation includes the right to decide on a directed rights issue, deviating from the shareholders' right of pre-emption, provided that there is a compelling financial reason for the company. The authorisation also includes the right to decide on a bonus issue to the company itself, where the number of shares issued to the company is no more than one tenth of the total number of the company's shares.

The authorisation also includes the right to issue special rights referred to in chapter 10, section 1 of the Limited Liability Companies Act, which would give entitlement to Tulikivi shares against payment or by setting off a receivable. The authorisation includes the right to pay the company's share rewards. The Board is authorised to decide on other matters concerning share issues. The authorisation is valid until the 2021 Annual General Meeting.

Treasury shares

The company did not purchase or assign any treasury shares during the review period. At the end of the review period, the total number of Tulikivi shares held by the company was 124,200 Series A shares, corresponding to 0.2% of the company's share capital and 0.1% of all voting rights.

Near-term risks and uncertainties

The Covid-19 pandemic could have an impact on the company's market environment, employees and business. The overall financial impact on Tulikivi's operations depends on the scale and duration of the Covid-19 pandemic, which cannot be estimated precisely at this stage. The Board of Directors and management are closely monitoring the progress of the pandemic and will update their assessment of its impact as the situation progresses. The company has drawn up a Covid-19 preparedness plan and implemented it responsibly in accordance with the Government's recommendations.

The Group's most significant risk is a decline in net sales in the principal market areas. New construction and renovation projects affect the sales of Tulikivi products in Finland. The political and economic uncertainty in Central Europe and Russia are having an effect on the demand for Tulikivi's products.

Improving the Group's financing position and securing the continuity of financing require an improvement in profitability. If the company's business operations and result do not develop as planned, the repayment of its loans may create a greater burden on the company's cash flow than anticipated. There is also a risk of breach of the loan covenants and that the talc project will not succeed. A further risk is that the company will not succeed in negotiating a sufficient repayment programme and terms with its financiers. If the profitability of the business does not improve as planned, there is also a risk of the company being forced to recognise impairment on its goodwill and to reduce the amount of deferred tax assets on its balance sheet.

With regard to the company's foreign currency risk, the most significant currencies are the Russian rouble and the US dollar. About 90% of the company's cash flow is in euros, meaning that the company's exposure to foreign currency risks is low. A weakening of currencies may have an adverse effect on the sales margin.

The risks are described in more detail on page 84 of the Annual Report 2019.

Events after the interim report date

The Board of Directors and management are closely monitoring the progress of the Covid-19 pandemic and will update their assessment of its impact as the situation progresses.

Future outlook

Net sales in 2020 are expected to be between EUR 27 and 29 million, and the comparable operating profit is expected to be positive.

INTERIM REPORT 1–9/2020
**FINANCIAL STATEMENT Jan–Sep 2020. SUMMARY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

Eur million	1–9/20	1–9/19	Change. %	1–12/19	7–9/20	7–9/19
Sales	20.1	19.9	0.9	28.7	6.9	6.6
Other operating income	0.2	0.2		0.2	0.1	0.0
Increase/decrease in inventories in finished goods and in work in progress	0.1	-0.4		-0.2	0.2	-0.2
Production for own use	0.2	0.2		0.4	0.1	0.1
Raw materials and consumables	-4.9	-4.7		-6.9	-1.7	-1.6
External services	-2.6	-2.5		-3.7	-1.0	-0.9
Personnel expenses	-7.2	-7.3		-10.5	-2.2	-2.2
Depreciation and amortisation	-1.7	-1.7		-3.3	-0.6	-0.5
Other operating expenses	-3.6	-3.9		-5.5	-1.2	-1.2
Operating profit/loss	0.6	-0.3	285.6	-0.8	0.6	0.1
<i>Percentage of sales</i>	<i>3.0 %</i>	<i>-1.6 %</i>		<i>-2.7 %</i>	<i>8.2 %</i>	<i>1.1 %</i>
Finance income	0.1	0.1		0.1	0.0	0.0
Finance expense	-0.7	-0.6		-0.8	-0.2	-0.2
Share of the profit of associated company	0.0	0.0		0.0	0.0	0.0
Profit before tax	0.0	-0.9	98.8	-1.5	0.4	-0.1
<i>Percentage of sales</i>	<i>-0.1 %</i>	<i>-4.4 %</i>		<i>-5.4 %</i>	<i>5.1 %</i>	<i>-1.3 %</i>
Direct taxes	0.0	-0.1		-0.1	0.0	0.0
Profit/loss for the period	0.0	-0.9	96.7	-1.6	0.3	-0.1
Other comprehensive income						
Items that may later have effect on profit or loss						
Interest rate swaps	0.0	0.0		0.0	0.0	0.0
Translation difference	0.0	0.1		0.0	0.0	0.0
Total comprehensive income for the period	-0.1	-0.9	91.4	-1.6	0.3	-0.1
Earnings per share attributable to the equity holders of the parent company, EUR, basic and diluted	0.00	-0.01		-0.03	0.01	0.00



INTERIM REPORT 1–9/2020

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (EUR million)	9/20	9/19	12/19
Non-current assets			
Property, plant and equipment			
Land	0.8	0.8	0.8
Buildings	3.7	4.0	4.4
Machinery and equipment	1.1	1.5	1.4
Other tangible assets	1.0	0.9	1.0
Intangible assets			
Goodwill	2.8	3.7	2.8
Other intangible assets	9.4	9.7	9.8
Investment properties	0.1	0.1	0.1
Available-for sale-investments	0.0	0.0	0.0
Receivables			
Other receivables	0.1	0.1	0.1
Deferred tax assets	3.1	3.1	3.1
Total non-current assets	22.0	23.8	23.3
Current assets			
Inventories	6.5	6.2	6.6
Trade receivables	2.6	3.1	2.6
Current income tax receivables	0.0	0.0	0.0
Other receivables	0.6	0.9	0.4
Cash and cash equivalents	1.4	1.0	1.2
Total current assets	11.1	11.2	10.7
Total assets	33.1	34.9	34.0

INTERIM REPORT 1–9/2020

EQUITY AND LIABILITIES (EUR million)	9/20	9/19	12/19
Equity			
Share capital	6.3	6.3	6.3
The invested unstricted equity fund	14.4	14.4	14.4
Revaluation reserve	0.0	0.0	0.0
Treasury shares	-0.1	-0.1	-0.1
Translation difference	0.0	0.1	0.1
Retained earnings	-13.0	-12.3	-13.0
Total equity	7.6	8.4	7.7
Non-current liabilities			
Deffered income tax liabilities	0.7	0.7	0.7
Provisions	0.3	0.3	0.3
Interest-bearing debt	0.0	0.0	13.9
Other debt	1.1	1.0	1.4
Total non-current liabilities	2.0	1.9	16.2
Current liabilities			
Trade and other payables	8.7	9.2	8.9
Short-term interest bearing debt	0.0	0.0	0.0
Current liabilities	14.8	15.4	1.2
Total current liabilities	23.4	24.6	10.1
Total liabilities	25.4	26.5	26.3
Total equity and liabilities	33.1	34.9	34.0

CONSOLIDATED STATEMENT OF CASH FLOWS (EUR million)

	1-9/20	1-9/19	1-12/19
Cash flows from operating activities			
Profit for the period	0.0	-0.9	-1.6
Adjustments			
Non-cash transactions	1.7	1.8	3.3
Interest expenses and interest income and taxes	0.6	0.6	0.9
Change in working capital	-0.3	-0.4	-0.2
Interest paid and received and taxes paid	-0.5	-0.6	-0.7
Net cash flow from operating activities	1.5	0.5	1.6
Cash flows from investing activities			
Investment in property, plant and equipment and intangible assets	-0.5	-0.6	-1.0
Grants received for investments and sales of property, plant and equipment	0.0	0.3	0.3
Net cash flow from investing activities	-0.5	-0.3	-0.7
Cash flows from financing activities			
Proceeds from non-current and current borrowings	0.0	0.5	0.5
Repayment of non-current and current borrowings	-0.3	0.0	-0.3
Payments of lease liabilities	-0.5	-0.5	-0.8
Dividends paid and treasury shares	0.0	0.0	0.0
Net cash flow from financing activities	-0.8	0.0	-0.6
Change in cash and cash equivalents	0.2	0.2	0.3
Cash and cash equivalents at beginning of period	1.2	0.8	0.8
Cash and cash equivalents at end of period	1.4	1.0	1.2

INTERIM REPORT 1–9/2020

Consolidated statement of changes in equity (EUR Million)

	Share capital	The invested unstricted equity fund	Revaluation reserve	Treasury shares	Translations diff.	Retained earnings	Total
Equity Jan. 1, 2020	6.3	14.4	0.0	-0.1	0.1	-13.0	7.7
Total comprehensive income for the period			0.0		-0.1	0.0	-0.1
Transactions with the owners							
Dividends paid						0.0	0.0
Equity Sep. 30, 2020	6.3	14.4	0.0	-0.1	0.0	-13.0	7.6
Equity Jan. 1, 2019	6.3	14.4	0.0	-0.1	0.0	-11.3	9.3
Total comprehensive income for the period			0.0		0.0	-0.9	-0.9
Transactions with the owners							
Dividends paid						0.0	0.0
Equity Sep. 30, 2019	6.3	14.4	0.0	-0.1	0.1	-12.3	8.4

Key financial ratios and share ratios

	1–9/20	1–9/19	7–9/20	7–9/19	1–12/19
Earnings per share, EUR	0.00	-0.01	0.01	0.00	-0.03
Equity per share, EUR	0.13	0.14	0.13	0.14	0.13
Return on equity, %	-0.5	-14.2	4.6	-1.2	-19.3
Return on investments, %	3.9	-1.5	2.6	0.4	-3.0
Equity ratio, %	23.7	24.7			23.0
Net debtness ratio, %	189.5	170.5			200.1
Current ratio	0.5	0.5			1.1
Gross investments, MEUR	0.4	0.6			0.9
Gross investments, % of sales	2.1	2.8			3.1
Research and development costs, MEUR	0.4	0.6			0.9
%/sales	2.1	3.1			3.2
Outstanding orders, MEUR	4.0	3.8			2.9
Average number of staff	187	201			205
Rate development of shares, EUR					
Lowest share price, EUR	0.08	0.10			0.10
Highest share price, EUR	0.18	0.19			0.19
Average share price, EUR	0.12	0.14			0.14
Closing price, EUR	0.13	0.17			0.17
Market capitalization at the end period, 1000 EUR	7 707	10 396			10 038
(Supposing that the market price of the K-share is the same as that of the A-share)					
Number of the shares traded, (1000 pcs)	17 843	5 275			8 263
% of total amount of A-shares	34.5	10.2			16.0
Number of shares average	59 747 043	59 747 043	59 747 043	59 747 043	59 747 043
Number of the shares at the end of period	59 747 043	59 747 043	59 747 043	59 747 043	59 747 043

Notes to the financial statements

The information presented in the interim report is unaudited.

This interim report has been prepared in accordance with the standard IAS 34 *Interim Financial Reporting*. The company adopted the IFRS 16 Leases standard on 1 January 2019. Under the standard, a lessee will recognise assets and liabilities based on the right of use on its balance sheet. The company applied some of the recognition exemptions allowed by the standard, according to which short-term leases and leases where the underlying asset has a low value are not recognised on the balance sheet. The impact of IFRS 16 Leases on the opening balance sheet of 2019 was EUR 1.5 million, of which EUR 0.9 million were non-current and EUR 0.6 million were current liabilities. The balance sheet value of assets recognised under Buildings increased by EUR 1.4 million and that of assets under Machinery and Equipment by EUR 0.1 million. Leasing costs decreased by EUR 0.8 million and depreciation increased by EUR 0.7 million during the financial year 2019 due to the impact of IFRS 16, and hence IFRS 16 had no significant impact on profit or loss in 2019. The company chose the simplified approach in the transition to the standard, and thus the comparative figures for the previous year were not adjusted. The IFRS 16 lease liability in the balance sheet was EUR 1.5 million as at 31 December 2019 and EUR 1.1 million as at 30 September 2020. The weighted average discount rate for lease liabilities under IFRS 16 was 3.0%. Tulikivi has applied the same IFRS accounting principles in this interim report release as in the previous consolidated financial statements. The key figures presented in the interim report have been calculated using the same formulas as in the financial statements for 2019. The formulas are presented on page 88 of the Annual Report 2019.

Items affecting comparability

To ensure comparability between reporting periods, the Group classifies certain items of expense and income as non-recurring items in its financial reporting. The Group presents as non-recurring items expenses and income related to the restructuring of the Group's operations, non-recurring impairment losses on goodwill and assets, and other exceptional items that materially distort the comparability of the profitability of the Group's core business.

	1-9/2020	1-9/2019	1-12/2019
Sales, MEUR			
Finland	9.4	9.0	12.4
Other european countries	10.0	10.3	15.3
North America	0.7	0.6	0.9
Total	20.1	19.9	28.7



INTERIM REPORT 1–9/2020

Commitments (EUR million)

	9/20	9/19	12/19
Loans from credit institutions and other long term debts and loan guarantees, with related mortgages and pledges	14.8	15.4	15.1
Mortgages granted and collaterals pledged	35.8	35.8	35.8
Other given guarantees and pledges on behalf of own liabilities	0.5	0.5	0.5

Available-for-sale financial assets are investments in unlisted shares. They are valued at acquisition cost because their fair value cannot be reliably determined.

Provisions (EUR million)

	Environmental provision	Warranty provision
	9/20	9/20
Provisions Jan. 1.	0.2	0.1
Increase in provisions	0.0	0.0
Used Provisions	0.0	0.0
Discharge on reserves	0.0	0.0
Provisions Sep. 30.	0.2	0.1
	9/20	
Non-current provisions	0.3	
Current provisions	0.0	
Total	0.3	

Changes in tangible assets are classified as follows (EUR million):

	1-9/20	1-9/19	1-12/19
Acquisition costs	0.1	0.0	0.0
Proceeds from sale	0.0	0.0	0.0
Total	0.1	0.0	0.0

Changes in intangible assets are classified as follows (EUR million):

	1-9/20	1-9/19	1-12/19
Acquisition costs, net	0.3	0.5	0.9
Amortisation loss	0.0	0.0	0.0
Total	0.3	0.5	0.9

Share capital
Share capital by share series

	Shares, number	Percentage, %	Percentage, %	Percentage, EUR share capital
Series K shares (10 votes)	7,682,500	12.8	59.5	810,255
Series A shares (1 vote)	52,188,743	87.2	40.5	5,504,220
Total, 30 September 2020	59,871,243	100.0	100.0	6,314,475

There have been no changes in Tulikivi Corporation's share capital during the review period. According to the Articles of Association, the dividend paid on Series A shares must be EUR 0.0017 higher than the dividend paid on Series K shares. The A share is listed on the Nasdaq Helsinki. At the end of the review period, the company held 124,200 Series A shares.

Related party transactions

There were no transactions with related parties during the review period.

Management benefits (EUR 1,000)

	1-9/20	1-9/19
Board members' and Managing Director's salaries and other short-term employee benefits	214	217

Principal shareholders on 30 September 2020



INTERIM REPORT 1–9/2020

Name of shareholder	Shares	Percentage of votes
1. Heikki Vauhkonen	6,873,839	45.9%
2. Elo Mutual Pension Insurance Company	4,545,454	3.5%
3. Ilmarinen Mutual Pension Insurance Company	3,420,951	2.7%
4. Eliisa Elo	3,108,536	5.7%
5. Jouko Toivanen	2,531,259	2.7%
6. Finnish Cultural Foundation	2,258,181	2.4%
7. Susanna Mutanen	1,643,800	6.8%
8. Fennia Mutual Insurance Company	1,515,151	1.2%
9. Nikkola Jarkko	1,410,000	1.1%
10. Mikko Vauhkonen	741,310	3.4%
Others	31,824,252	24.6%

The companies included in the Group are the parent company Tulikivi Corporation Nordic Talc Oy, Tulikivi U.S. Inc. in the United States and OOO Tulikivi in Russia. Group companies also include Tulikivi GmbH and The New Alberene Stone Company, Inc., which are dormant.

TULIKIVI CORPORATION

Board of Directors

Distribution: Nasdaq Helsinki

Key media

www.tulikivi.com

Further information: Heikki Vauhkonen, Managing Director, tel. +358 (0)207 636 555