Aspocomp Group Plc, Half-Year Report, July 18, 2024, at 9:00 a.m. (Finnish time)

Aspocomp's Half-Year Report 2024: Net sales and operating result decreased in the second quarter, orders received turned to growth

SECOND QUARTER 2024 HIGHLIGHTS

- Net sales EUR 7.0 (9.5) million, decrease of 26%
- Operating result EUR -1.2 (0.4) million, -17.5% (4.2%) of net sales
- Earnings per share EUR -0.19 (0.05)
- Operative cash flow EUR -1.1 (-0.6) million
- Orders received EUR 6.6 (5.4) million, increase of 22%
- Equity ratio 57.8% (67.9%)

JANUARY-JUNE 2024 HIGHLIGHTS

- Net sales EUR 13.3 (18.4) million, decrease of 28%
- Operating result EUR -2.8 (0.7) million, -21.4% (4.0%) of net sales
- Earnings per share EUR -0.44 (0.09)
- Operative cash flow EUR -3.1 (0.9) million
- Orders received EUR 14.2 (19.1) million, decrease of 26%
- Order book at the end of the review period EUR 11.3 (15.0) million, decrease of 25%
- Equity ratio 57.8% (67.9%)

OUTLOOK FOR 2024

Inflation and interest rates, weak economic development, the uncertainties posed by Russia's war of aggression and the situation in the Middle East, and global trade policy tensions will affect the operating environment of Aspocomp and its customers in the 2024 fiscal year. The company estimates that the demand in the Semiconductor segment will gradually recover starting from the first half of 2024, while at the same time unloading high inventory levels in various parts of the value chain. In order for investments to pick up in several of Aspocomp's customer segments, consumer demand must improve, and interest rates decline, among other factors. Demand for Aspocomp's products is expected to recover gradually during 2024.

Aspocomp reiterates the guidance that was published on March 14, 2024. Aspocomp estimates that its net sales for 2024 will increase from 2023 and its operating result will improve from 2023. In 2023, net sales amounted to EUR 32.3 million and the operating result was a loss of EUR 1.7 million.

CEO'S REVIEW

"April-June net sales decreased by 26 percent year-on-year and amounted to EUR 7.0 million. Weak demand, especially in the Semiconductor Industry and Telecommunication customer segments, was reflected in Aspocomp's net sales. However, demand has already begun to improve gradually: Aspocomp's order book developed positively in the second quarter compared to the beginning of the year, and some customers have announced that they will bring forward their orders for the end of the year and 2025. The challenges related to the quality of production have also mostly been resolved.

Net sales of the semiconductor industry customer segment turned to moderate growth compared to the first quarter, and the global market has seen year-on-year growth every month during the beginning of 2024. According to the Semiconductor Industry Association, which follows the semiconductor industry, sales of semiconductors grew globally in January-May by more than 19 percent from the comparison period of 2023. Positive development has also been seen in Aspocomp's order book and product demand for the rest of the year. Growth prospects in the semiconductor industry are still strong.

Among other customer segments, the Automotive Industry saw the best performance in the second quarter. Telecommunication customer segment continued to be weighed down by the weak demand situation among end customers.

It was decided to end the personnel layoffs that started in the first quarter when the market situation and the demand for Aspocomp's products turned to growth. As the demand forecast for the end of the year and the order book have increased, we have started to recruit more staff to prepare for increasing our production capacity.

The second-quarter operating result fell into the red and amounted to EUR -1.2 million. The operating result was burdened by the decrease in net sales, changes in the product mix as well as the additional quality assurance work caused by the process failure that continued until the end of 2023. Personnel costs were reduced through layoffs.

Inflation and interest rates, the economic recession, the uncertainties posed by Russia's war of aggression and the situation in the Middle East, and global trade policy tensions will affect the operating environment of Aspocomp and its customers in the 2024 fiscal year. Demand for Aspocomp's products is expected to recover gradually during 2024. We reiterate the guidance that was published on March 14, 2024, that Aspocomp's net sales will increase from 2023 and its operating result improve from 2023. In 2023, net sales amounted to EUR 32.3 million and the operating result was a loss of EUR 1.7 million.

I started as Aspocomp's CEO a little less than two months ago. After meeting customers, staff and the largest shareholders, I am impressed by how strong the company's reputation is; customers know us especially as experts in the most challenging circuit board solutions. We are a sought-after partner, and our staff is committed and professional. After the difficult last year, Aspocomp is in a very interesting phase of development. The company's future prospects are bright, and we are preparing to take our share of the growing market. As demand recovers and the order book grows, during the rest of the year we will focus strongly on improving supply security and increasing capacity quickly, if necessary, to the level required by demand. There is still a lot of work ahead, but I see significant potential in the company."

NET SALES AND EARNINGS

April-June 2024

Second-quarter net sales amounted to EUR 7.0 (9.5) million. Net sales decreased year-on-year by

26%. The development of net sales was impacted especially by sluggish demand in the Semiconductor Industry and Telecommunication customer segments.

The Semiconductor Industry customer segment's second-quarter net sales decreased year-on-year by 61% to EUR 1.4 (3.6) million. However, the net sales of the customer segment turned to moderate growth due to a slight recovery in demand.

The Industrial Electronics customer segment's second-quarter net sales decreased year-on-year by 8% to EUR 1.0 (1.1) million. Net sales turned to growth compared to the beginning of the year due to a slight recovery in demand.

The Security, Defense and Aerospace customer segment's second-quarter net sales remained on par with the comparison period and amounted to EUR 1.7 (1.7) million.

The Automotive customer segment's second-quarter net sales increased by 17% year-on-year and amounted to EUR 2.3 (1.9) million. The increase in net sales was due to the growth in demand from end customers.

The Telecommunication customer segment's second-quarter net sales decreased year-on-year by 44% and amounted to EUR 0.6 (1.1) million. Weak demand among end customers continued to limit the growth of the customer segment.

The five largest customers accounted for 60% (64%) of net sales. In geographical terms, 75% (84%) of net sales were generated in Europe and 25% (16%) on other continents.

The operating result for the second quarter amounted to EUR -1.2 (0.4) million and operating result was -17.5% (4.2%) of net sales. The decline in the operating result was due to the decreased net sales caused by muted demand and the weakened product mix as well as the additional quality assurance work caused by the process failure that continued until the end of 2023. Personnel costs were reduced through layoffs.

Net financial expenses amounted to EUR 0.1 (0.1) million. Earnings per share were EUR -0.19 (0.05).

January - June 2024

First-half net sales amounted to EUR 13.3 (18.4) million, a year-on-year decrease of 28 percent. The development of net sales was particularly affected by sluggish demand in the Semiconductor industry and Telecommunication customer segments.

The Semiconductor Industry customer segment's net sales decreased by 66% to EUR 2.5 (7.3) million. The slowdown of the semiconductor cycle and high inventory levels in the value chain continued to hinder growth.

The Industrial Electronics customer segment's net sales increased by 14% to EUR 2.2 (1.9) million. Inflation and the threat of recession slowed down customers' investments.

The Security, Defense and Aerospace customer segment's net sales increased by 7% to EUR 3.3 (3.1) million. The number of customer contacts in the customer segment increased, but the order cycles are long, and the results are visible with a delay.

The Automotive customer segment's net sales increased by 3% to EUR 4.1 (3.9) million. Sales in the customer segment turned to growth as the component shortage eased and demand swung to moderate growth.

The Telecommunication customer segment's net sales amounted to EUR 1.3 (2.2) million, a year-on-year decrease of 43%. The decrease in net sales was due to the weak demand situation among end customers.

The five largest customers accounted for 57 (60) percent of net sales. In geographical terms, 79 (85) percent of net sales were generated in Europe and 21 (15) percent on other continents.

The first-half operating result amounted to EUR -2.8 (0.7) million. The operating result fell short off the comparison period due to the decrease in net sales and because net sales were focused on customer segments with a lower margin as well as the additional quality assurance work caused by the process failure that continued until the end of 2023. The share of profitable quick-turn deliveries was lower than usual. Personnel costs were reduced through layoffs.

First-half operating result was -21.4 (4.0) percent of net sales.

Net financial expenses amounted to EUR 0.1 (0.1) million. Earnings per share were EUR -0.44 (0.09).

The order book at the end of the review period was EUR 11.3 (15.0) million. The order book decreased due to lower order intake. Of the order book, EUR 11.3 million has been scheduled for delivery this year and the remaining EUR 0.0 million next year.

THE GROUP'S KEY FIGURES

	4-6/24	4-6/23	Change		1-6/24	1-6/23	Change	
Net sales, M€	7.0	9.5	-26	%	13.3	18.4	-28	%
EBITDA, M€	-0.8	0.9	-185	%	-1.9	1.7	-209	%
Operating result, M€	-1.2	0.4	-407	%	-2.8	0.7	-485	%
% of net sales	-17%	4%	-22	*ppts*	-21%	4%	-25	*ppts*
Pre-tax profit/loss, M€	-1.3	0.3	-493	%	-3.0	0.6	-565	%
% of net sales	-19%	4%	-22	*ppts*	-22%	3%	-26	*ppts*
Profit/loss for the period, M€	-1.3	0.3	-498	%	-3.0	0.6	-569	%
% of net sales	-19%	4%	-22	*ppts*	-22%	3%	-26	*ppts*
Earnings per share, €	-0.19	0.05	-480	%	-0.44	0.09	-589	%
Received orders	6.6	5.4	22	%	14.2	19.1	-26	%
Order book at the end of period	11.3	15.0	-25	%	11.3	15.0	-25	%
Investments, M€	0.0	0.8	-95	%	0.2	1.1	-82	%
% of net sales	1%	8%	-7	*ppts*	2%	6%	-5	*ppts*
Cash, end of the period	1.8	1.2	60	%	1.8	1.2	60	%
Equity / share, €	2.30	3.08	*-78*	%	2.30	3.08	-78	%

Equity ratio, %	58%	68%	-10	*ppts*	58%	68%	-9	*ppts*
Gearing, %	25%	15%	9	*ppts*	25%	15%	9	*ppts*
Personnel, end of the period	154	167	-13	pers ons	154	167	-13	persons

* The total may deviate from the sum totals due to rounding up and down.

INVESTMENTS

Investments during the review period amounted to EUR 0.2 (1.1) million. The investments were focused on upgrading the capacity of the Oulu plant, improving automation, and increasing production efficiency.

CASH FLOW AND FINANCING

January-June 2024 cash flow from operations amounted to EUR -3.1 (0.9) million. Cash flow weakened mainly due to the increase in working capital and negative result.

Cash assets amounted to EUR 1.8 (1.2) million at the end of the period. Interest-bearing liabilities amounted to EUR 5.7 (4.4) million. Interest-bearing liabilities are subject to covenant terms. The covenant terms were breached in the second-quarter 2024 financial statements, but waiver consents have been obtained from financiers. Interest-bearing liabilities increased due to the use of the credit facility. Gearing was 25% (15%). Non-interest-bearing liabilities amounted to EUR 5.8 (5.5) million.

At the end of the period, the Group's equity ratio amounted to 57.8% (67.9%).

The company has a EUR 5.0 (4.0) million credit facility, of which EUR 4.3 million was in use at the end of the review period. In addition, the company has a recourse factoring agreement, of which EUR 0.0 (0.0) million was in use.

PERSONNEL

During the review period, the company had an average of 159 (161) employees. The personnel count on June 30, 2024, was 154 (167). Of them, 99 (111) were blue-collar and 55 (56) white-collar employees.

On January 4, 2024, Aspocomp started change negotiations in Finland. The goal of the negotiations was to improve the company's profitability and competitiveness and to secure future operational capacity in a weakened market situation. The negotiations covered the company's entire personnel in Finland, approximately 150 people. The change negotiations ended on February 16, 2024, and as a result, two employees were dismissed. The company's layoff authorization applied to 40 people.

It was decided to end the staff layoffs that started in the first quarter as the market situation and the demand for Aspocomp's products turned to growth.

CHANGES IN THE MANAGEMENT TEAM

On February 15, 2024, Aspocomp announced that Mr. Manu Skyttä (b. 1975), MSc, Aeronautical Engineering, has been appointed as the company's new President and CEO. Manu Skyttä assumed his duties on May 20, 2024.

ANNUAL GENERAL MEETING 2024, THE BOARD OF DIRECTORS AND AUTHORIZATIONS GIVEN TO THE BOARD

The Annual General Meeting of Aspocomp Group Plc held on April 18, 2024, adopted the annual accounts and the consolidated annual accounts as well as granted the members of the Board of Directors and the CEO discharge from liability regarding the financial period 2023. The Annual General Meeting approved the Remuneration Report for the governing bodies 2023 and the Remuneration Policy for governing bodies 2024-2027.

The Annual General Meeting decided, in accordance with the proposal by the Board of Directors, that no dividend be paid for the fiscal year January 1 - December 31, 2023.

The Annual General Meeting decided to set the number of Board members at five (5) and reelected the current members of the Board Ms. Päivi Marttila, Ms. Kaarina Muurinen, Mr. Jukka Huuskonen and Mr. Anssi Korhonen and elected Mr. Ville Vuori as a new member of the Board for a term of office ending at the closing of the following Annual General Meeting. The Annual General Meeting elected Ernst & Young Oy, Authorized Public Accountants, as the company's auditor for a term of office ending at the closing of the following Annual General Meeting. Ernst & Young Oy has notified that Ms. Erika Grönlund, Authorized Public Accountant, will act as the principal auditor.

The Annual General Meeting decided that the amount of remuneration payable to the Board of Directors remain the same as in the ending term and thus the chairman of the Board of Directors will be paid EUR 30,000, the vice chairman of the Board of Directors be paid EUR 20,000 and the other members will be paid EUR 15,000 each in remuneration for their term of office. The Annual General Meeting further decided that EUR 1,000 will be paid as remuneration per meeting to the chairman and that the other members be paid EUR 500 per meeting of the Board of Directors and its committees. The members of the Board of Directors will further be reimbursed for reasonable travel costs. The Annual General Meeting further decided that earning-related pension insurance contributions are paid voluntarily for the paid remuneration. It was decided that the auditor's fees will be paid in accordance with the auditor's invoice.

The Annual General Meeting decided to authorize the Board of Directors, in one or more installments, to decide on the issuance of shares and the issuance of options and other special rights entitling to shares referred to in Chapter 10 Section 1 of the Companies Act as follows:

The number of shares to be issued based on the authorization may in total amount to a maximum of 684,144 shares.

The Board of Directors decides on all the terms and conditions of the issuances of shares and of options and other special rights entitling to shares. The authorization concerns both the issuance of new shares as well as own shares possibly held by the company. The issuance of shares and of options and other special rights entitling to shares referred to in Chapter 10 Section 1 of the Companies Act may be carried out in deviation from the shareholders' pre-emptive rights (directed issue).

The authorization cancels the authorization given by the Annual General Meeting on April 20, 2023, to decide on the issuance of shares as well as the issuance of special rights entitling to shares. The authorization is valid until June 30, 2025.

The minutes of the Annual General Meeting are available on the company's website at www.aspocomp.com/agm.

THE BOARD OF DIRECTORS' ORGANIZATION MEETING AND REMUNERATION COMMITTEE

In its organization meeting held after the Annual General Meeting, the Board of Directors of Aspocomp Group Plc reelected Ms. Päivi Marttila as the Chairman of the Board. Ms. Kaarina Muurinen was reelected as the Vice Chairman.

The Board of Directors did not establish an Audit Committee; the Board itself performs the duties of the Audit Committee.

The Board of Directors established a Remuneration Committee. Ms. Kaarina Muurinen was elected as the Chairman of the Remuneration Committee. Mr. Jukka Huuskonen and Mr. Ville Vuori were elected as members of the Remuneration Committee.

The Board of Directors has at its meeting evaluated the independence of the Board members in compliance with the recommendations of the Finnish Corporate Governance Code. It is the view of the Board of Directors that all Board members are independent of the company's major shareholders. The Board of Directors has also assessed that all the Board members are independent of the company.

SHARES

The total number of Aspocomp's shares at June 30, 2024 was 6,841,440 and the share capital stood at EUR 1,000,000. The company did not hold any treasury shares. Each share is of the same share series and entitles its holder to one vote at a General Meeting and to have an identical dividend right.

A total of 124,886 Aspocomp Group Plc. shares were traded on Nasdaq Helsinki during the period from January 1 to June 30, 2024. The aggregate value of the shares exchanged was EUR 393,142. The shares traded at a low of EUR 2.95 and a high of EUR 3.84. The average share price was EUR 3.27. The closing price at June 30, 2024 was EUR 3.15, which translates into market capitalization of EUR 21.5 million.

The company had 4,215 shareholders at the end of the review period. Nominee-registered shares accounted for 1.4% of the total shares.

SHARE-BASED LONG-TERM INCENTIVE SCHEME

The Board of Directors of Aspocomp Group Plc decided on the establishment of a share-based long-term incentive scheme for the company's top management and selected key employees on July 20, 2022. The objectives of the Performance Share Plan (PSP) are to align the interests of Aspocomp's management with those of the company's shareholders and thereby promote shareholder value creation in the long term as well as to commit the management to achieving Aspocomp's strategic targets. The performance period of the first plan, PSP 2022-2024, covers the period from the beginning of July 2022 until the end of the year 2024. Eligible for participation in PSP 2022-2024 are approximately 20 individuals, including the members of Aspocomp's Management Team. The launch of a long-term Performance Share Plan has been announced in a separate stock exchange release on July 20, 2022.

On February 15, 2023, Aspocomp Group Plc's Board of Directors decided on the commencement of a new performance period in the share-based long-term Performance Share Plan (PSP) for the company's senior management and selected key employees. The next plan within the PSP structure, PSP 2023-2025, commenced as of the beginning of 2023 and the share rewards potentially earned thereunder will be paid during H1 2026. The new performance period of the long-term Performance Share Plan has been announced in a separate stock exchange release on February 15, 2023.

ASSESSMENT OF SHORT-TERM BUSINESS RISKS

In accordance with its goal, the company has systematically expanded its services to cover the PCB needs of its customers over the entire life cycle and thereby has successfully balanced out variations in demand and the order book.

Risks affecting the operating environment

Russia's war against Ukraine and the sanctions imposed on Russia in response are not expected to have a significant direct impact on the company. Aspocomp has no business operations and no direct customers or suppliers in Russia or Belarus. However, the changed operating environment may affect our sourcing and logistics chains.

The geopolitical situation has increased the risks related to customers' global supply chains. Weak economic development, inflation and high interest rates cause uncertainty in the operating environment and may affect customer demand and delay customers' investment decisions.

Cyber risks and disruptions in information systems can affect production. Aspocomp's ability to operate may deteriorate due to production interruptions among suppliers or disruptions in the company's production. Disturbances in the labor market can also affect production and delivery capacity.

Dependence on key customers and variation in the product mix

Aspocomp's customer base is concentrated; approximately half of sales are generated by five key customers. This exposes the company to significant fluctuations in demand. In addition, variations in the product mix can have a major impact on profitability.

Market trends

Although Aspocomp is a marginal player in the global electronics market, changes in global PCB demand also have an impact on the company's business. Competition for quick-turn deliveries and short production series will accelerate as the market for PCBs weakens and continues to have a negative impact on both total demand and market prices.

Aspocomp's main market area comprises Northern and Central Europe. In case Aspocomp's clients would transfer their R&D and manufacturing out of Europe, demand for Aspocomp's offerings might weaken significantly.

PUBLICATION OF FINANCIAL RELEASES FOR 2024

Aspocomp Group Plc's financial information publication schedule for 2024 is:

Interim report January-September 2024: Wednesday, October 30, 2024 at around 9:00 a.m. (Finnish time)

Aspocomp's silent period commences 30 days prior to the publication of its financial information.

Espoo, July 18, 2024

Aspocomp Group PLC
Board of Directors

Some statements in this stock exchange release are forecasts and actual results may differ materially from those stated. Statements in this stock exchange release relating to matters that are not historical facts are forecasts. All forecasts involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performances or achievements of the Aspocomp Group to be materially different from any future results, performances or achievements expressed or implied by such forecasts. Such factors include general economic and business conditions, fluctuations in currency exchange rates, increases and changes in PCB industry capacity and competition, and the ability of the company to implement its investment program.

ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICES

The reported operations include the Group's parent company, Aspocomp Group Plc. All figures presented for the review period are unaudited. This interim report has been prepared in accordance with IAS 34 (Interim Financial Reporting), following the same accounting principles as in the annual financial statements for 2023; however, the company complies with the standards and amendments that came into effect as from January 1, 2024.

R&D
R&D costs comprise general production development costs. These costs do not fulfill the IAS 38 definition of either development or research and are therefore booked into plant overheads.

PROFIT & LOSS STATEMENT **April-June 2024**

1 000 €	4-6/2024		4-6/2023		Change
Net sales	**7,041**	***100%***	**9,452**	***100%***	***-26%***
Other operating income	2	*0%*	11	*0%*	*-80%*
Materials and services	-4,167	*-59%*	-4,391	*-46%*	*-5%*
Personnel expenses	-2,286	*-32%*	-2,769	*-29%*	*-17%*
Other operating costs	-1,344	*-19%*	-1,413	*-15%*	*-5%*
Depreciation and amortization	-478	*-7%*	-490	*-5%*	*-3%*
Operating result	**-1,232**	***-17%***	**401**	***4%***	***-407%***
Financial income and expenses	-86	*-1%*	-66	*-1%*	
Profit/loss before tax	**-1,317**	***-19%***	**335**	***4%***	***-493%***
Income taxes	-3	*0%*	-3	*0%*	
Profit/loss for the period	**-1,320**	***-19%***	**332**	***4%***	***-498%***
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit pension plans					
Income tax relating to these items					
Items that may be reclassified subsequently to profit or loss:					
Currency translation differences	0	*0%*	-13	*0%*	
Total other comprehensive income	0	*0%*	-13	*0%*	
Total comprehensive income	**-1,321**	***-19%***	**318**	***3%***	***-515%***
Earnings per share (EPS)					
Basic EPS	-0.19	€	0.05	€	*-480%*
Diluted EPS	-0.19	€	0.05	€	*-480%*

PROFIT & LOSS STATEMENT **January-June 2024**

1 000 €	1-6/2024		1-6/2023		Change	1-12/2023	
Net sales	**13,284**	***100%***	**18,392**	***100%***	***-28%***	**32,301**	***100%***
Other operating income	4	*0%*	54	*0%*	*-92%*	65	*0%*
Materials and services	-7,657	*-58%*	-8,570	*-47%*	*-11%*	-16,448	*-51%*
Personnel expenses	-4,881	*-37%*	-5,202	*-28%*	*-6%*	-9,569	*-30%*
Other operating costs	-2,614	*-20%*	-2,959	*-16%*	*-12%*	-6,065	*-19%*
Depreciation and amortization	-984	*-7%*	-975	*-5%*	*1%*	-2,026	*-6%*

Operating result	**-2,848**	***-21%***	**740**	***4%***	***-485%***	**-1,741**	***-5%***
Financial income and expenses	-130	*-1%*	-99	*-1%*	*31%*	-266	*-1%*
Profit/loss before tax	**-2,978**	***-22%***	**641**	***3%***	*-565%*	**-2,007**	***-6%***
Change in deferred tax assets*						382	
Income taxes	-6	*0%*	-5	*0%*		-12	*0%*
Profit/loss for the period	**-2,984**	***-22%***	**636**	***3%***	***-569%***	**-1,637**	***-5%***
Other comprehensive income							
Items that will not be reclassified to profit or loss							
Remeasurements of defined benefit pension plans						-18	*0%*
Income tax relating to these items						3	*0%*
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences	1	*0%*	-17	*0%*	-	-15	*0%*
Total other comprehensive income	1	*0%*	-17	*0%*	-	-30	*0%*
Total comprehensive income	**-2,983**	***-22%***	**620**	***3%***	***-581%***	**-1,667**	***-5%***
Earnings per share (EPS)							
Basic EPS	-0.44	€	0.09	€	*589%*	-0.24	€
Diluted EPS	-0.44	€	0.09	€	*589%*	-0.24	€

*The change in deferred tax assets is mainly due to the use of losses confirmed in taxation.

CONSOLIDATED BALANCE SHEET

1 000 €	6/2024	6/2023	Change	12/2023
Assets				
Non-current assets				
Intangible assets	3,313	3,386	*-2%*	3,348
Tangible assets	5,446	6,479	*-16%*	6,180
Right-of-use assets	398	585	*-32%*	515
Financial assets at fair value through profit or loss	95	95	*0%*	95
Deferred income tax assets	4,513	4,152	*9%*	4,513
Total non-current assets	**13,765**	**14,697**	***-6%***	**14,652**
Current assets				
Inventories	4,849	5,583	*-13%*	5,247
Short-term receivables	6,862	9,548	*-28%*	4,972

Cash and bank deposits	1,777	1,176	*51%*	1,322
Total current assets	**13,488**	**16,307**	***-17%***	**11,541**
Total assets	**27,253**	**31,003**	***-12%***	**26,193**
Equity and liabilities				
Share capital	1,000	1,000	*0%*	1,000
Reserve for invested non-restricted equity	4,822	4,845	*0%*	4,842
Remeasurements of defined benefit pension plans	-64	-49	*31%*	-64
Retained earnings	10,007	15,262	*-34%*	12,990
Total equity	**15,765**	**21,058**	***-25%***	**18,767**
Long-term financing loans	4,516	1,360	*232%*	780
Other non-current liabilities	323	358	*-10%*	323
Deferred income tax liabilities	36	57	*-36%*	36
Short-term financing loans	1,135	3,075	*-63%*	1,184
Trade and other payables	5,478	5,096	*7%*	5,102
Total liabilities	**11,488**	**9,946**	***16%***	**7,425**
Total equity and liabilities	**27,253**	**31,003**	***-12%***	**26,193**

CONSOLIDATED CHANGES IN EQUITY

January-June 2024

1000 €	Share capital	Other reserve	Remeasurements of employee benefits	Translation differences	Retained earnings	**Total equity**
Balance at Jan. 1, 2024	**1,000**	**4,844**	**-64**	**-9**	**12,997**	**18,767**
Comprehensive income						
Comprehensive income for the period					-2,984	**-2,984**
Other comprehensive income for the period, net of tax						
Translation differences				1		**1**
Total comprehensive income for the period	**0**	**0**	**0**	**1**	**-2,984**	**-2,983**
Business transactions with owners						
Dividends paid					0	**0**
Share-based payment		-20				**-20**
Business transactions with owners, total	**0**	**-20**	**0**	**0**	**0**	**-20**

Balance at June 30, 2024	**1,000**	**4,824**	**-64**	**-8**	**10,013**	**15,765**
January-June 2023						
Balance at Jan. 1, 2023	**1,000**	**4,774**	**-49**	**6**	**16,072**	**21,803**
Comprehensive income						
Comprehensive income for the period					636	**636**
Other comprehensive income for the period, net of tax						
Translation differences			0	-17		**-17**
Total comprehensive income for the period	**0**	**0**	**0**	**-17**	**636**	**620**
Business transactions with owners						
Dividends paid					-1,437	**-1,437**
Share-based payment		72			0	**72**
Business transactions with owners, total	**0**	**72**	**0**	**0**	**-1,437**	**-1,365**
Balance at June 30, 2023	**1,000**	**4,845**	**-49**	**-10**	**15,272**	**21,058**

CONSOLIDATED CASH FLOW STATEMENT **January-June**

1 000 €	1-6/2024	1-6/2023	1-12/2023
Profit for the period	**-2,984**	**636**	**-1,639**
Adjustments	1,067	1,110	1,846
Change in working capital	-1,051	-706	5,152
Received interest income	0	1	8
Paid interest expenses	-132	-83	-217
Paid taxes	-6	-13	-23
Cash flow from operating activities	**-3,105**	**945**	**5,128**
Investments	-202	-1,112	-2,655
Proceeds from sale of property, plant and equipment	0	49	56
Cash flow from investing activities	**-202**	**-1,064**	**-2,599**
Increase in financing	4,262	2,023	116
Decrease in financing	-456	-496	-991
Decrease in lease liabilities	-71	-170	-266
Dividends paid	0	-1,437	-1,437
Cash flow from financing activities	**3,735**	**-79**	**-2,577**
Change in cash and cash equivalents	427	-198	-49
Cash and cash equivalents at the beginning of period	1,322	1,410	1,410
Effects of exchange rate changes on cash and cash equivalents	28	-37	-39
Cash and cash equivalents at the end of period	**1,777**	**1,176**	**1,322**

KEY INDICATORS

	Q2/2024	Q1/2024	Q4/2023	Q3/2023	2023
Net sales, M€	7.0	6.2	5.9	8.1	32.3
Operating result before depreciation (EBITDA), M€	-0.8	-1.1	-1.3	-0.2	0.3
Operating result (EBIT), M€	-1.2	-1.6	-1.8	-0.7	-1.7
of net sales, %	*-17%*	*-26%*	*-30%*	*-9%*	*-5%*
Profit/loss before taxes, M€	-1.3	-1.7	-1.9	-0.8	-2.0
of net sales, %	*-19%*	*-27%*	*-32%*	*-10%*	*-6%*
Net profit/loss for the period, M€	-1.3	-1.7	-1.5	-0.8	-1.6
of net sales, %	*-19%*	*-27%*	*-26%*	*-10%*	*-5%*
Received orders	*6.6*	*7.5*	*2.3*	*7.1*	*21.4*
Order book at the end of period	*11.3*	*11.8*	*10.5*	*14.0*	*10.5*
Equity ratio, %	58%	65%	72%	66%	72%
Gearing, %	25%	17%	3%	19%	3%
Gross investments in fixed assets, M€	0.0	0.2	0.3	1.2	2.7
of net sales, %	1%	3%	6%	15%	8%
Personnel, end of the quarter	154	163	162	164	162
Earnings/share (EPS), €	-0.19	-0.24	-0.22	-0.11	-0.24
Equity/share, €	2.30	2.50	2.74	2.96	2.74

The Alternative Performance Measures (APM) used by the Group

Aspocomp presents in its financial reporting alternative performance measures, which describe the businesses' financial performance and its development as well as investments and return on equity. In addition to accounting measures which are defined or specified in IFRS, alternative performance measures complement and explain presented information. Aspocomp presents in its financial reporting the following alternative performance measures:

EBITDA	=	Earnings before interests, taxes, depreciations and amortizations *EBITDA indicates the result of operations before depreciations, financial items and income taxes. It is an important key figure, as it shows the profit margin on net sales after operating expenses are deducted.*
Operating result	=	Earnings before income taxes and financial income and expenses presented in the IFRS consolidated income statement.

		The operating result indicates the financial profitability of operations and their development.
Profit/loss before taxes	=	The result before income taxes presented in the IFRS consolidated statements.
Equity ratio, %	=	$\frac{\text{Equity}}{\text{Total assets - advances received}} \times 100$
Gearing, %	=	$\frac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$
		Gearing indicates the ratio of capital invested in the company by shareholders and interest-bearing debt to financiers. A high gearing ratio is a risk factor that may limit a company's growth opportunities and financial latitude.
Gross investments	=	Acquisitions of long-term intangible and tangible assets (gross amount).
Order book	=	Undelivered customer orders at the end of the financial period.
Cash flow from operating activities	=	Profit for the period + non-cash transactions +- other adjustments +- change in working capital + received interest income – paid interest expenses – paid taxes

CONTINGENT LIABILITIES

1 000 €	6/2024	6/2023	12/2023
Business mortgage	6,000	6,000	6,000
Collateral note	1,200	1,200	1,200
Guaranteed contingent liability towards the Finnish Customs	35	35	35
Total	**7,235**	**7,235**	**7,235**

Further information
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Aspocomp – heart of your technology

A printed circuit board (PCB) is used for electrical interconnection and as a component assembly platform in electronic devices. Aspocomp provides PCB technology design, testing and logistics services over the entire lifecycle of a product. The company's own production and extensive international partner network guarantee cost-effectiveness and reliable deliveries.

Aspocomp's customers are companies that design and manufacture telecommunication systems and equipment, automotive and industrial electronics, and systems for testing semiconductor components for security technology. The company has customers around the world and most of its net sales are generated by exports.

Aspocomp is headquartered in Espoo and its plant is in Oulu, one of Finland's major technology hubs.

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