Aspocomp Group Plc, Half-Year Report, July 20, 2023, at 9:00 a.m. EEST

Aspocomp's Half-Year Report 2023: Net sales at the level of the comparison period, the order book decreased, the product mix weakened the operating result

SECOND QUARTER 2023 HIGHLIGHTS

- Net sales EUR 9.5 (9.6) million, decrease of 1%
- Operating result EUR 0.4 (1.6) million, 4.2% (16.6%) of net sales
- Earnings per share EUR 0.05 (0.23)
- Operative cash flow EUR -0.6 (0.9) million
- Orders received EUR 5.4 (9.6) million, decrease of 43%
- Equity ratio 67.9% (67.1%)

JANUARY-JUNE 2023 HIGHLIGHTS

- Net sales EUR 18.4 (18.6) million, decrease of 1%
- Operating result EUR 0.7 (2.4) million, 4.0% (12.9%) of net sales
- Earnings per share EUR 0.09 (0.35)
- Operative cash flow EUR 0.9 (1.6) million
- Orders received EUR 19.1 (22.6) million, decrease of 15%
- Order book at the end of the review period EUR 15.0 (20.5) million, decrease of 27%
- Equity ratio 67.9% (67.1%)

OUTLOOK FOR 2023

Inflation and interest rates, the risk of recession and the uncertainties posed by Russia's war of aggression will affect the operating environment of the company and its customers in the financial year 2023. The cycle of the Semiconductor Industry segment is expected to return to growth at the end of the year or the beginning of 2024.

Aspocomp reiterates the guidance that was published on July 17, 2023. Aspocomp estimates that its net sales for 2023 will be below the 2022 level and its operating result for 2023 will be clearly below the 2022 level. In 2022, net sales amounted to EUR 39.1 million and the operating result to EUR 4.5 million.

CEO'S REVIEW

"Aspocomp's net sales for the second quarter of 2023 amounted to EUR 9.5 million, remaining at the same level as in the comparison period. The slowdown of the semiconductor cycle and high inventory levels in various parts of our value chain slowed down net sales. In addition, all our customer segments were burdened with uncertainties arising from the operating environment. Order intake was below the level of the comparison period and amounted to EUR 5.4 million. The order book decreased to EUR 15.0 million as customers, particularly in the Semiconductor Industry, liquidated their stocks.

A temporary slowdown in the semiconductor cycle is a typical phenomenon in the industry. It is expected to turn to growth again in late 2023 or early 2024, that is, a quarter or two later than we previously estimated. However, the industry's long-term growth prospects are still strong. The continuous development of technology - a current example of which is the proliferation of artificial intelligence applications - directly supports the company's core business.

The segment-specific variation in the company’s operating environment continued in the second quarter as well. Measured by net sales, our largest customer segment, the Semiconductor Industry, suffered from the slowness of the cycle and high inventory levels. The net sales of the Telecommunications customer segment also decreased. On the other hand, the net sales of our Automotive Industry customer segment clearly increased. In the Security, Defense and Aerospace customer segment, in which order cycles are long, our proactive sales efforts generated higher net sales in the second quarter. The segment's outlook is positive, and the number of requests for offers and new customers received by the company has developed favorably.

Aspocomp’s operating result for April-June decreased significantly from the exceptionally good level of the comparison period and amounted to EUR 0.4 million. The operating result was burdened by the temporary emphasis of net sales on lower-margin customer segments and the low share of profitable quick-turn deliveries. In addition, the lower-than-normal utilization rate of our factory increased the relative unit and personnel costs.

Inflation and interest rates, the risk of recession and the uncertainties posed by the Russian war of aggression affect the operating environment of the company and its customers in the financial year 2023. The cycle of the Semiconductor Industry segment is expected to return to growth at the end of the year or the beginning of 2024. We reiterate the guidance that was published on July 17, 2023, and estimate that Aspocomp’s net sales for 2023 will be below the 2022 level and its operating result for 2023 will be clearly below the 2022 level. In 2022, net sales amounted to EUR 39.1 million and the operating result to EUR 4.5 million.”

NET SALES AND EARNINGS

April–June 2023

Second-quarter net sales amounted to EUR 9.5 (9.6) million. Net sales decreased by 1% compared to the previous year due to the slowdown of the semiconductor cycle, increased inventory levels in the value chain, and uncertainties arising from the operating environment that burden all customer segments.

The Semiconductor Industry customer segment’s second-quarter net sales decreased year-on-year by 16% to EUR 3.6 (4.2) million. The customer segment suffered from a slowdown in the semiconductor cycle and high inventory levels in the value chain.

The Industrial Electronics customer segment’s second-quarter net sales remained at the level of the comparison period and amounted to EUR 1.1 (1.1) million. Inflation and the threat of recession are slowing down customers’ investments.

The Security, Defense and Aerospace customer segment’s second-quarter net sales increased by 14% to EUR 1.7 (1.5) million.

The Automotive customer segment’s second-quarter net sales grew to EUR 1.9 (1.2) million, up

61% year-on-year thanks to the increase in deliveries of volume products.

The Telecommunication customer segment's second-quarter net sales decreased by 25% to EUR 1.1 (1.5) million. The decrease in the customer segment's net sales was due to the timing of the customers' product development projects.

The five largest customers accounted for 64% (56%) of net sales. In geographical terms, 84% (92%) of net sales were generated in Europe and 16% (8%) on other continents.

The operating result for the second quarter amounted to EUR 0.4 (1.6) million. The operating result decreased from the comparison period because net sales were focused on lower-margin customer segments. The share accounted for by profitable quick-turn deliveries was lower than usual, and on the other hand, the result of the comparison period was higher than usual. Preparing for growth increases personnel costs, and the utilization rate of the Oulu factory was at a lower-than-normal level, which increased unit costs.

Second-quarter operating result was 4.2% (16.6%) of net sales.

Net financial expenses amounted to EUR 0.1 (0.0) million. Earnings per share were EUR 0.05 (0.23).

January - June 2023

First-half net sales amounted to EUR 18.4 (18.6) million, a year-on-year decrease of 1 percent.

The Semiconductor Industry customer segment's net sales grew by 3% to EUR 7.3 (7.1) million. The slowdown of the semiconductor cycle and high inventory levels in the value chain slowed down growth.

The Industrial Electronics customer segment's net sales decreased by 32% to EUR 1.9 (2.8) million. Inflation and the threat of recession slowed down customers' investments.

The Security, Defense and Aerospace customer segment's net sales increased by 3% to EUR 3.1 (3.0) 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 36% to EUR 3.9 (2.9) million. Sales of the Automotive customer segment turned to growth as the component shortage eased.

The Telecommunication customer segment's net sales amounted to EUR 2.2 (2.7) million, a year-on-year decrease of 23%. The decrease in net sales was due to the timing of the customers' product development projects.

The five largest customers accounted for 60 (60) percent of net sales. In geographical terms, 85 (91) percent of net sales were generated in Europe and 15 (9) percent on other continents.

The first-half operating result amounted to EUR 0.7 (2.4) million. The operating result decreased from the comparison period, because net sales were focused on customer segments with a lower margin, the share of profitable quick-turn deliveries was lower than usual, and preparation for growth increases personnel costs.

First-half operating result was 4.0 (12.9) percent of net sales.

Net financial expenses amounted to EUR 0.1 (0.0) million. Earnings per share were EUR 0.09 (0.35).

The order book at the end of the review period was EUR 15.0 (20.5) million. The order book decreased due to lower order intake. Of the order book, EUR 12.9 million has been scheduled for delivery this year and the remaining EUR 2.1 million next year.

THE GROUP'S KEY FIGURES

	4-6/23	4-6/22	Change		1-6/23	1-6/22	Change	
Net sales, M€	9.5	9.6	-1	%	18.4	18.6	-1	%
EBITDA, M€	0.9	2.1	-57	%	1.7	3.3	-48	%
Operating result, M€	0.4	1.6	-75	%	0.7	2.4	-69	%
% of net sales	4%	17%	-12	*ppts*	4%	13%	-9	*ppts*
Pre-tax profit/loss, M€	0.3	1.6	-79	%	0.6	2.4	-73	%
% of net sales	4%	17%	-13	*ppts*	3%	13%	-9	*ppts*
Profit/loss for the period, M€	0.3	1.6	-79	%	0.6	2.4	-73	%
% of net sales	4%	17%	-13	*ppts*	3%	13%	-9	*ppts*
Earnings per share, €	0.05	0.23	-78	%	0.09	0.35	-74	%
Received orders	5.4	9.6	-43	%	19.1	22.6	-15	%
Order book at the end of period	15.0	20.5	-27	%	15.0	20.5	-27	%
Investments, M€	0.8	0.3	118	%	1.1	1.2	-8	%
% of net sales	8%	4%	4	*ppts*	6%	7%	0	*ppts*
Cash, end of the period	1.2	1.5	-31	%	1.2	1.5	-31	%
Equity / share, €	3.08	3.00	*8*	%	3.08	3.00	8	%
Equity ratio, %	68%	67%	1	*ppts*	68%	67%	1	*ppts*
Gearing, %	15%	11%	4	*ppts*	15%	11%	4	*ppts*
Personnel, end of the period	167	148	19	persons	167	148	19	persons

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

INVESTMENTS

Investments during the review period amounted to EUR 1.1 (1.2) million. The company has continued its investments to increase capacity in line with its strategy, but the installation of equipment has been slowed down in part due to delays in material and component deliveries. The investments were focused on upgrading the capacity of the Oulu plant, improving automation, and increasing production efficiency.

In 2017, Aspocomp launched an investment program amounting to a total of EUR 10 million to further strengthen its position as a strategic partner to leading companies in the semiconductor, automotive, defense and aerospace, and telecommunications (5G) industries. The second phase of investments was launched in the spring of 2020, when the company was granted a total of EUR 1.35 million in development support by the ELY Center, corresponding to about 25 percent of its total cost. The ongoing second phase of the investment program aims in particular to increase the capacity of the Oulu plant, improve automation and increase production efficiency. In this current program, which will run until the end of the third quarter of 2023, all of the new equipment will be installed in the existing Oulu plant building and no additional plant space will be built.

CASH FLOW AND FINANCING

January-June 2023 cash flow from operations amounted to EUR 0.9 (1.6) million. Cash flow weakened mainly due to the lower operating result.

Cash assets amounted to EUR 1.2 (1.5) million at the end of the period. Interest-bearing liabilities amounted to EUR 4.4 (3.8) million. Gearing was 15% (11%). Non-interest-bearing liabilities amounted to EUR 5.5 (6.3) million.

At the end of the period, the Group’s equity ratio amounted to 67.9% (67.1%).

The company has a EUR 4.0 (2.0) million credit facility, of which EUR 1.9 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 161 (144) employees. The personnel count on June 30, 2023, was 167 (148). Of them, 111 (93) were blue-collar and 56 (55) white-collar employees.

ANNUAL GENERAL MEETING 2023, THE BOARD OF DIRECTORS AND AUTHORIZATIONS GIVEN TO THE BOARD

The Annual General Meeting of Aspocomp Group Plc held on April 20, 2023, 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 2022. The Annual General Meeting approved the Remuneration Report for the governing bodies 2022.

The Annual General Meeting decided to pay a dividend of EUR 0.21 per share, as proposed by the Board of Directors. It was decided that the dividend would be paid to shareholders registered in the company's register of shareholders maintained by Euroclear Finland Ltd on the record date of the dividend distribution, April 24, 2023. In accordance with the decision of the Annual General Meeting, the dividend was paid on May 2, 2023.

The Annual General Meeting decided to set the number of Board members at four and re-elected the current members of the Board Ms. Päivi Marttila, Ms. Kaarina Muurinen, Mr. Jukka Huuskonen and Mr. Anssi Korhonen for a term of office ending at the closing of the following Annual General Meeting. The Annual General Meeting re-elected PricewaterhouseCoopers Oy, Authorized Public Accountants, as the company's auditor for a term of office ending at the closing of the following Annual General Meeting. PricewaterhouseCoopers Oy has notified that Mr. Tuukka Kiuru, Authorized Public Accountant, serves as its principal auditor.

The Annual General Meeting decided that 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 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 and its committees. The members of the Board of Directors will further be reimbursed for reasonable travel costs. The auditor’s fees will be paid according to 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 any own shares 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 General Meeting on April 26, 2022, 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, 2024.

The Annual General Meeting decided to amend the company’s Articles of Association to enable convening a General Meeting as a virtual meeting without a meeting venue as an alternative to a customary general meeting or a hybrid meeting. The Finnish Companies Act requires that shareholders can exercise their full rights in virtual meetings, with equal rights to those in customary in-person General Meetings. Article 9 of the company’s Articles of Association reads as follows:

“9 § The General Meeting shall be held in Helsinki or Espoo. The Board may decide that the General Meeting is arranged without a meeting venue in a manner where shareholders exercise their full decision-making powers in real time during the General Meeting using telecommunications and technical means (virtual meeting).

In order to exercise his right to speak and vote at the General Meeting, a shareholder must register in the manner specified in the invitation to the meeting. The closing date for registration shall be no sooner than ten days before the meeting.”

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 THE AUDIT COMMITTEE

At its organization meeting held after the Annual General Meeting, the Board of Directors of Aspocomp Group Plc re-elected Ms. Päivi Marttila as the Chairman of the Board. Ms. Kaarina Muurinen was re-elected 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 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, 2023 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 495,829 Aspocomp Group Plc. shares were traded on Nasdaq Helsinki during the period from January 1 to June 30, 2023. The aggregate value of the shares exchanged was EUR 3,455,155. The shares traded at a low of EUR 5.44 and a high of EUR 8.30. The average share price was EUR 6.97. The closing price at June 30, 2023 was EUR 5.58, which translates into market capitalization of EUR 38.2 million.

The company had 4,278 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 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 Share Plan consists of annually commencing individual performance share plans. The commencement of each new plan is subject to a separate decision of Aspocomp's Board of Directors. Each plan comprises a performance period followed by the payment of the potential share rewards in listed shares of Aspocomp. The payment of the rewards is conditional on the achievement of the performance targets set by the Board of Directors for the respective plan.

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 share rewards potentially payable thereunder will be paid during the first half of the year 2025. The performance measures based on which the potential share rewards under PSP 2022-2024 will be paid are cumulative EBIT and the total shareholder return of Aspocomp's share (absolute TSR).

If all the performance targets set for the first plan, PSP 2022–2024, are fully achieved, the aggregate maximum number of shares to be paid as a reward based on this plan is approximately 92,000 shares (referring to gross earnings before the withholding of the applicable payroll tax).

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. Aspocomp originally announced the launch of the long-term incentive plan in a stock exchange release on July 20, 2022.

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 payment of the rewards is conditional on the achievement of the performance targets set by the Board of Directors for the plan. The performance measures based on which the potential share rewards under PSP 2023-2025 will be paid are cumulative EBIT and the total shareholder return of Aspocomp's share (absolute TSR). Eligible for participation in PSP 2023-2025 are approximately 20 individuals, including the members of Aspocomp's Management Team.

If all the performance targets set for PSP 2023–2025 are fully achieved, the aggregate maximum number of shares payable as a reward based on this plan is approximately 91,000 shares (referring to gross earnings before the withholding of the applicable payroll tax). The maximum value of the rewards payable to the participants based on PSP 2023-2025 is limited by a cap which is linked to Aspocomp's share price development.

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. A major share of Aspocomp's net sales is still generated by quick-turn deliveries and R&D series, and thus the company's order book can vary significantly.

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, Belarus or Ukraine. However, the changed operating environment may affect our sourcing and logistics chains.

The geopolitical situation and the COVID-19 pandemic have increased the risks related to customers' global supply chains. Weak economic development, inflation and rising interest rates cause uncertainty in the operating environment and may affect customer demand. Cyber risks and disruptions in information systems can affect production. Disturbances in the labor market can also affect production and delivery capacity.

Dependence on key customers
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.

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 2023

Aspocomp Group Plc's financial information publication schedule for 2023 is:

Interim report January-September 2023: Thursday, November 9, 2023 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 20, 2023

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 2022; however, the company complies with the standards and amendments that came into effect as from January 1, 2023.

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 2023**

1 000 €	4-6/2023		4-6/2022		Change
Net sales	**9,452**	***100%***	**9,556**	***100%***	***-1%***
Other operating income	11	*0%*	1	*0%*	*1,730%*
Materials and services	-4,391	*-46%*	-3,802	*-40%*	*15%*
Personnel expenses	-2,769	*-29%*	-2,576	*-27%*	*7%*
Other operating costs	-1,413	*-15%*	-1,120	*-12%*	*26%*
Depreciation and amortization	-490	*-5%*	-469	*-5%*	*5%*
Operating result	**401**	***4%***	**1,590**	***17%***	***-75%***
Financial income and expenses	-66	*-1%*	11	*0%*	
Profit/loss before tax	**335**	***4%***	**1,601**	***17%***	***-79%***
Income taxes	-3	*0%*	-5	*0%*	
Profit/loss for the period	**332**	***4%***	**1,596**	***17%***	***-79%***
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	-13	*0%*	1	*0%*	
Total other comprehensive income	-13	*0%*	1	*0%*	
Total comprehensive income	**318**	***3%***	**1,597**	***17%***	***-80%***
Earnings per share (EPS)					
Basic EPS	0.05 €		0.23 €		*-78%*
Diluted EPS	0.05 €		0.23 €		*-78%*

PROFIT & LOSS STATEMENT **January-June 2023**

1 000 €	1-6/2023		1-6/2022		Change	1-12/2022	
Net sales	**18,392**	***100%***	**18,585**	***100%***	***-1%***	**39,114**	***100%***
Other operating income	54	*0%*	2	*0%*	*2,163%*	5	*0%*
Materials and services	-8,570	*-47%*	-8,148	*-44%*	*5%*	-17,849	*-46%*
Personnel expenses	-5,202	*-28%*	-4,866	*-26%*	*7%*	-9,641	*-25%*
Other operating costs	-2,959	*-16%*	-2,261	*-12%*	*31%*	-5,223	*-13%*
Depreciation and amortization	-975	*-5%*	-918	*-5%*	*6%*	-1,903	*-5%*
Operating result	**740**	***4%***	**2,393**	***13%***	***-69%***	**4,502**	***12%***
Financial income and expenses	-99	*-1%*	-25	*0%*	*299%*	-98	*0%*
Profit/loss before tax	**641**	***3%***	**2,368**	***13%***	*-73%*	**4,404**	***11%***
Change in deferred tax assets*						-839	
Income taxes	-5	*0%*	-5	*0%*		-20	*0%*
Profit/loss for the period	**636**	***3%***	**2,363**	***13%***	***-73%***	**3,545**	***9%***
Other comprehensive income							
Items that will not be reclassified to profit or loss							
Remeasurements of defined benefit pension plans	0		0	*0%*		118	*0%*
Income tax relating to these items	0		0	*0%*		-20	*0%*
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences	-17	*0%*	5	*0%*	-	-6	*0%*
Total other comprehensive income	-17	*0%*	5	*0%*	-	92	*0%*
Total comprehensive income	**620**	***3%***	**2,368**	***13%***	***-74%***	**3,637**	***9%***
Earnings per share (EPS)							
Basic EPS	0.09 €		0.35 €		*74%*	0.52 €	
Diluted EPS	0.09 €		0.35 €		*74%*	0.52 €	

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

CONSOLIDATED BALANCE SHEET

1 000 €	6/2023	6/2022	Change	12/2022
Assets				

Non-current assets				
Intangible assets	3,386	3,290	*3%*	3,309
Tangible assets	6,479	5,688	*14%*	5,967
Right-of-use assets	585	740	*-21%*	642
Financial assets at fair value through profit or loss	95	95	*0%*	95
Deferred income tax assets	4,152	4,972	*-16%*	4,152
Total non-current assets	**14,697**	**14,785**	***-1%***	**14,164**
Current assets				
Inventories	5,583	5,721	*-2%*	6,136
Short-term receivables	9,548	8,576	*11%*	9,723
Cash and bank deposits	1,176	1,482	*-21%*	1,410
Total current assets	**16,307**	**15,779**	***3%***	**17,269**
Total assets	**31,003**	**30,564**	***1%***	**31,433**
Equity and liabilities				
Share capital	1,000	1,000	*0%*	1,000
Reserve for invested non-restricted equity	4,845	4,743	*2%*	4,774
Remeasurements of defined benefit pension plans	-49	-148	*-67%*	-49
Retained earnings	15,262	14,908	*2%*	16,078
Total equity	**21,058**	**20,503**	***3%***	**21,803**
Long-term financing loans	1,360	2,399	*-43%*	1,839
Other non-current liabilities	358	467	*-23%*	358
Deferred income tax liabilities	57	38	*50%*	57
Short-term financing loans	3,075	1,377	*123%*	1,234
Trade and other payables	5,096	5,780	*-12%*	6,142
Total liabilities	**9,946**	**10,061**	***-1%***	**9,630**
Total equity and liabilities	**31,003**	**30,564**	***1%***	**31,433**

CONSOLIDATED CHANGES IN EQUITY

January-June 2023

1000 €	Share capital	Other reserve	Remeasurements of employee benefits	Translation differences	Retained earnings	**Total equity**
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				-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				**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**

January-June 2022						
Balance at Jan. 1, 2022	**1,000**	**4,736**	**-148**	**12**	**13,554**	**19,155**
Comprehensive income						
Comprehensive income for the period					2,363	**2,363**
Other comprehensive income for the period, net of tax						
Translation differences			0	5		**5**
Total comprehensive income for the period	**0**	**0**	**0**	**5**	**2,363**	**2,368**
Business transactions with owners						
Dividends paid					-1,026	**-1,026**
Share-based payment		7			0	**7**
Business transactions with owners, total	**0**	**7**	**0**	**0**	**-1,026**	**-1,020**
Balance at June 30, 2022	**1,000**	**4,743**	**-148**	**17**	**14,891**	**20,503**

CONSOLIDATED CASH FLOW STATEMENT **January-June**

1 000 €	1-6/2023	1-6/2022	1-12/2022
Profit for the period	**636**	**2,363**	**3,545**
Adjustments	1,110	861	2,786
Change in working capital	-706	-1,509	-2,571
Received interest income	1	1	6
Paid interest expenses	-83	-61	-129
Paid taxes	-13	-19	-19
Cash flow from operating activities	**945**	**1,637**	**3,618**

Investments	-1,112	-1,211	-2,523
Proceeds from sale of property, plant and equipment	49	0	0
Cash flow from investing activities	**-1,064**	**-1,211**	**-2,523**
Increase in financing	2,023	0	170
Decrease in financing	-496	-496	-992
Decrease in lease liabilities	-170	-186	-587
Dividends paid	-1,437	-1,026	-1,026
Cash flow from financing activities	**-79**	**-1,708**	**-2,435**
Change in cash and cash equivalents	-198	-1,283	-1,340
Cash and cash equivalents at the beginning of period	1,410	2,631	2,631
Effects of exchange rate changes on cash and cash equivalents	-37	133	119
Cash and cash equivalents at the end of period	**1,176**	**1,482**	**1,410**

KEY INDICATORS

	Q2/2023	Q1/2023	Q4/2022	Q3/2022	2022
Net sales, M€	9.5	8.9	10.1	10.4	39.1
Operating result before depreciation (EBITDA), M€	0.9	0.8	1.2	1.9	6.4
Operating result (EBIT), M€	0.4	0.3	0.7	1.4	4.5
of net sales, %	*4%*	*4%*	*7%*	*13%*	*12%*
Profit/loss before taxes, M€	0.3	0.3	0.7	1.3	4.4
of net sales, %	*4%*	*3%*	*7%*	*13%*	*11%*
Net profit/loss for the period, M€	0.3	0.3	-0.2	1.3	3.5
of net sales, %	*4%*	*3%*	*-2%*	*13%*	*9%*
Received orders	*5.4*	*13.7*	*4.8*	*9.5*	*27.4*
Order book at the end of period	*15.0*	*19.1*	*14.3*	*19.6*	*14.3*
Equity ratio, %	68%	73%	69%	68%	69%
Gearing, %	15%	2%	8%	5%	8%
Gross investments in fixed assets, M€	0.8	0.4	0.7	0.6	2.5
of net sales, %	8%	4%	7%	6%	6%
Personnel, end of the quarter	167	156	156	144	156
Earnings/share (EPS), €	0.05	0.04	-0.02	0.20	0.52
Equity/share, €	3.08	3.24	3.19	3.20	3.19

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 €	6/2023	6/2022	12/2022
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 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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