

Aspocomp Group Plc, Interim Report, November 4, 2020 at 9:00 a.m.

Aspocomp's Interim Report January-September 2020: weakened demand led to a decline in third-quarter net sales and operating result

Key figures 7-9/2020 in brief

	7-9/2020	7-9/2019	Change *
Net sales	5.9 M€	6.7 M€	-12 %
EBITDA	0.5 M€	0.8 M€	-32 %
Operating result	0.1 M€	0.5 M€	-80 %
<i>% of net sales</i>	1.5 %	6.7 %	-5 ppts
Earnings per share	0.00 €	0.07 €	-100 %
Operative cash flow	1.5 M€	2.2 M€	-31 %
Equity ratio	62.9 %	63.4 %	-1 ppts

Key figures 1-9/2020 in brief

	1-9/2020	1-9/2019	Change *
Net sales	19.7 M€	23.0 M€	-14 %
EBITDA	1.1 M€	3.7 M€	-69 %
Operating result	-0.1 M€	2.7 M€	-103 %
<i>% of net sales</i>	-0.4 %	11.9 %	-12 ppts
Earnings per share	-0.04 €	0.40 €	-110 %
Operative cash flow	3.4 M€	4.9 M€	-30 %
Equity ratio	62.9 %	63.4 %	-1 ppts
Order book at the end of period	4.1 M€	4.9 M€	-16 %

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

OUTLOOK FOR THE FUTURE

The COVID-19 pandemic and the weakened economy are having a broad impact on the supply chains of the electronics industry and on customer orders. Due to the major uncertainties related to customer demand, the outlook for 2020 involves a significantly higher risk than normal. The European car industry is in an especially difficult situation.

The company's full-year guidance, announced on July 16, 2020, remains unchanged. Aspocomp estimates that its net sales and operating result for 2020 will fall significantly short of 2019. In 2019, net sales amounted to EUR 31.2 million and the operating result to EUR 3.4 million.

CEO'S REVIEW

"Third-quarter net sales decreased by 12 percent to EUR 5.9 million. Demand varied greatly

between different customer segments. The Semiconductor Industry segment grew to become the largest customer segment in the quarter.

During the COVID-19 pandemic, increased use of remote access devices will increase demand for semiconductor components. Likewise, the rapid development of digitalization is leading to the renewal of artificial intelligence and 5G semiconductor components and increasing their testing needs. Net sales of the Semiconductor Industry segment amounted to EUR 1.6 million, a year-on-year increase of over 80 percent.

Net sales of the Telecommunications segment amounted to EUR 0.9 million. Sales decreased in the Telecommunications segment by approximately 60 percent, mainly due to the timing of customers' product development projects during the summer vacation months. In addition, Asian PCB mass suppliers have still had overcapacity due to the weaker market situation, which allowed them to exceptionally respond to changing customer needs. The oversupply situation is expected to ease, but not completely disappear before the COVID-19 pandemic subsides and the economy recovers.

The Automotive segment continued to face difficulties, and net sales decreased by approximately 30 percent to EUR 1.1 million. In addition to the weakness of the European car market, the segment was burdened by high customer component inventories. Adjustments to inventory levels are expected to continue until the end of the year.

Net sales of the Industrial Electronics segment amounted to EUR 1.1 million. In the Industrial Electronics segment, demand declined by approximately 15 percent, mainly due to the market situation, which has weakened as a result of the COVID-19 pandemic.

In the Security, Defense and Aerospace segment, demand continued to grow, and net sales amounted to EUR 1.1 million. Sales rose by about 60 percent. The drivers of growth were new customers and increased general demand for security products.

The operating result decreased significantly in the third quarter and amounted to EUR 0.1 million. The operating result was particularly burdened by the decline in net sales and the lower share accounted for by quick-turn deliveries. The operating result for January-September is still EUR 0.1 million in the red, including a EUR 0.3 million loan loss provision.

The COVID-19 pandemic and the weakened economy continues to make it difficult to assess customer needs, and visibility into demand for the rest of the year is limited. Despite the exceptional circumstances, we have continued to invest in capacity and increased our product development investments in new products and more challenging technologies.”

Impact of the COVID-19 pandemic

Due to the COVID-19 pandemic and the resulting decline in general demand, as well as for financial reasons, some customers have had to postpone or even cancel their orders. Asian PCB mass suppliers have had overcapacity due to the weaker market situation, which allowed them to exceptionally respond to changing customer needs. In the Automotive segment, demand has continued to decline as customers have reduced their inventory levels in line with the slowdown in demand.

Despite the COVID-19 pandemic, Aspocomp has been able to purposefully expand and grow its

customer base and product offering. In the Security, Defense and Aerospace segment, demand has doubled and in the Semiconductor Industry segment, demand has grown over 80 percent despite the exceptional situation.

The company's production at the Oulu plant has continued normally and delivery capacity has been good. The company has continued to invest in new capacity and increased its product development investments in new products and more challenging technologies.

The pandemic has not affected the company's liquidity. The cash situation has remained good and the credit facilities have not been used. The company has had no need to recognize write-downs of goodwill.

NET SALES AND EARNINGS

July-September 2020

Third-quarter net sales amounted to EUR 5.9 (6.7) million, a year-on-year decrease of 12 percent. Net sales decreased due to the COVID-19 pandemic and the consequent weakening of general demand. Demand varied greatly between different customer segments. During the COVID-19 pandemic, increased use of remote access devices will increase demand for semiconductor components. Likewise, the rapid development of digitalization is leading to the renewal of artificial intelligence and 5G semiconductor components and increasing their testing needs. The Semiconductor Industry segment grew over 80 percent and became the largest customer segment. In the Telecommunications segment, sales decreased by approximately 60 percent, mainly due to the timing of customers' product development projects during the summer vacation months. In addition, Asian PCB mass suppliers have had overcapacity due to the weaker market situation, which allowed them to exceptionally respond to changing customer needs. In the Automotive segment, demand continued to decline due to the weakened situation in the European car market. In addition, the segment was burdened by high customer component inventories. The market situation weakened by the COVID-19 pandemic also reduced demand in the Industrial Electronics segment. In the Industrial Electronics segment, demand declined by approximately 15 percent, mainly due to the market situation, which has weakened as a result of the COVID-19 pandemic. In the Security, Defense and Aerospace segment, demand continued to grow and increased by approximately 60 percent. The drivers of growth were new customers and increased general demand for security products.

The five largest customers accounted for 45 (54) percent of net sales. In geographical terms, 85 (98) percent of net sales were generated in Europe and 15 (2) percent on other continents.

The operating result for the third quarter amounted to EUR 0.1 (0.5) million. Third-quarter operating result was 1.5 (6.7) percent of net sales. The operating result was particularly burdened by the decline in net sales and the lower share accounted for by quick-turn deliveries.

Net financial expenses amounted to EUR 0.1 (0.0) million. Earnings per share were EUR 0.00 (0.7).

January-September 2020

Net sales amounted to EUR 19.7 million (EUR 23.0 million), a year-on-year decrease of 14 percent. Net sales decreased due to the COVID-19 pandemic and the consequent weakening of general demand. Some customers have had to postpone or even cancel their orders due to uncertainty in

demand. Demand varied greatly between different customer segments. In addition, Asian PCB mass suppliers have had overcapacity due to the weaker market situation, which allowed them to exceptionally respond to changing customer needs.

The five largest customers accounted for 42 percent of net sales (59%). In geographical terms, 84 percent of net sales were generated in Europe (98%) and 16 percent on other continents (2%).

The operating result amounted to EUR -0.1 million (EUR 2.7 million). The operating result was particularly burdened by the decline in net sales and the lower share accounted for by quick-turn deliveries as well as a EUR 0.3 million loan loss provision.

Net financial expenses amounted to EUR 0.2 million (EUR 0.1 million). Earnings per share were EUR -0.04 (EUR 0.40).

The order book was 16 percent lower than in the previous year. The order book at the end of the review period was EUR 4.1 (4.9) million.

THE GROUP'S KEY FIGURES

	7-9/20	7-9/19	Change	1-9/20	1-9/19	Change
Net sales, M€	5.9	6.7	-12 %	19.7	23.0	-14 %
EBITDA, M€	0.5	0.8	-32 %	1.1	3.7	-69 %
Operating result, M€	0.1	0.5	-80 %	-0.1	2.7	-103 %
% of net sales	2%	7%	-5 <i>ppts</i>	0%	12%	-12 <i>ppts</i>
Pre-tax- profit/loss, M€	0.0	0.5	-100 %	-0.2	2.7	-109 %
% of net sales	0%	7%	-7 <i>ppts</i>	-1%	12%	-13 <i>ppts</i>
Profit/loss for the period, M€	0.0	0.5	-100 %	-0.2	2.7	-109 %
% of net sales	0%	7%	-7 <i>ppts</i>	-1%	12%	-13 <i>ppts</i>
Earnings per share, €	0.00	0.07	-57 %	-0.04	0.40	-110 %
Investments, M€	0.3	0.5	-36 %	1.6	2.2	-25 %
% of net sales	6%	8%	-2 <i>ppts</i>	8%	9%	-1 <i>ppts</i>
Cash, end of the period	3.5	3.5	-4 %	3.5	3.5	-4 %
Equity / share, €	2.48	2.50	-2 %	2.48	2.50	-2 %
Equity ratio, %	63%	63%	-1 <i>ppts</i>	63%	63%	-1 <i>ppts</i>
Gearing, %	14%	6%	8 <i>ppts</i>	14%	6%	8 <i>ppts</i>
Personnel, end of the period	142	130	12 persons	142	130	12 persons

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

INVESTMENTS

Investments during the review period amounted to EUR 1.6 (2.2) million. The investments were mainly focused on improving the capabilities of the Oulu plant. The first phase of the EUR 10 million investment program launched in 2017 was completed in early 2020. The first two years of the investment program focused on enhancing the capabilities of the Oulu plant, particularly in the

Semiconductor Industry segment. The goals of the project were successfully achieved: the customer base was strengthened, and the planned technological improvements were implemented.

The investment program continued with its second phase of investments in the spring 2020. The company was granted a total of EUR 1.35 million in development support by the ELY Center for the implementation of the second phase of its Oulu plant investment, corresponding to about 25 percent of its total cost. The second phase of the investment program aims in particular to increase the capacity of the Oulu plant, improve automation and increase production efficiency. All of the new equipment will be installed in an existing plant building and no additional plant space will be built. The second-phase investments will be carried out in the period between 2020 and 2022. With these investments, the company aims to further strengthen its position as a strategic partner to leading companies in the semiconductor, automotive, defense and aerospace, and telecommunications (5G) industries.

CASH FLOW AND FINANCING

Cash flow from operations amounted to EUR 3.4 (4.9) million in the review period. Cash flow weakened mainly due to the lower operating result.

Cash assets amounted to EUR 3.5 (3.5) million at the end of the period. Interest-bearing liabilities amounted to EUR 5.9 (4.6) million. Gearing was 14 (6) percent. Non-interest-bearing liabilities amounted to EUR 4.1 (5.1) million.

At the end of the period, the Group's equity ratio amounted to 62.8 (63.4) percent.

The company has a EUR 1.0 (1.0) million credit facility, which was not 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 141 (122) employees. The personnel count on September 30, 2020 was 142 (130). Of them, 88 (78) were blue-collar and 54 (52) white-collar employees.

ANNUAL GENERAL MEETING 2020, THE BOARD OF DIRECTORS AND AUTHORIZATIONS GIVEN TO THE BOARD

The decisions of the Annual General Meeting held on June 9, 2020, the authorizations given to the Board of Directors by the AGM and the decisions relating to the organization of the Board of Directors have been published in separate stock exchange releases on June 9, 2020.

DIVIDEND

The Annual General Meeting of Aspocomp Group Plc held on June 9, 2020, decided to authorize the Board of Directors to decide, at its discretion, on the distribution of up to EUR 0.15 per share from

retained earnings and / or return on invested equity in one or more tranches.

The Board of Directors of Aspocomp Group Plc decided on September 16, 2020 that EUR 0.15 per share shall be distributed as dividend. The dividend was paid to shareholders registered in the company's register of shareholders maintained by Euroclear Finland Ltd on the record date of the dividend distribution, September 18, 2020. The dividend was paid on September 25, 2020.

SHARES

The total number of Aspocomp's shares at September 30, 2020 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 2,148,285 Aspocomp Group Plc. shares were traded on Nasdaq Helsinki during the period from January 1 to September 30, 2020. The aggregate value of the shares exchanged was EUR 9,052,916. The shares traded at a low of EUR 3.20 and a high of EUR 6.20. The average share price was EUR 4.21. The closing price at September 30, 2020 was EUR 4.30, which translates into market capitalization of EUR 29.4 million.

The company had 3,757 shareholders at the end of the review period. Nominee-registered shares accounted for 2.5 percent of the total shares.

OUTLOOK FOR THE FUTURE

The COVID-19 pandemic and the weakened economy are having a broad impact on the supply chains of the electronics industry and on customer orders. Due to the major uncertainties related to customer demand, the outlook for 2020 involves a significantly higher risk than normal. The European car industry is in an especially difficult situation.

The company's full-year guidance, announced on July 16, 2020, remains unchanged. Aspocomp estimates that its net sales and operating result for 2020 will fall significantly short of 2019. In 2019, net sales amounted to EUR 31.2 million and the operating result to EUR 3.4 million.

ASSESSMENT OF SHORT-TERM BUSINESS RISKS

A major share of Aspocomp's net sales is generated by quick-turn deliveries and R&D series, and thus the company's order book is short. The company's aim is to systematically expand its services to cover the PCB needs of customers over the entire life cycle and thereby balance out variations in demand and the order book.

Impact of the COVID-19 pandemic on the electronics supply chain

The COVID-19 pandemic and the weakened economy are having a major impact on the supply chains of the entire electronics industry. The availability of the PCBs subcontracted by the company in China might weaken significantly and their delivery times become considerably longer. At the same time, the COVID-19 pandemic may affect the availability of parts and components required by electronic assemblers, which would weaken demand.

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.

Espoo, November 4, 2020

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. The figures presented for the review period have not been audited. 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 2019; however, the company complies with the standards and amendments that came into effect as from January 1, 2020.

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.

Amendments to IAS 1 and IAS 8 Definition of Material

The IASB has issued the following new or revised standards and interpretations that the Group has not yet applied. The Group adopts them from the effective date of each standard and interpretation, or, if the effective date is other than the first day of the financial year, from the

beginning of the financial year following the effective date.

The IASB has amended IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to use a uniform definition of materiality throughout IRFSs and the Conceptual Framework for Financial Reporting, clarifying when information is material and includes guidance on irrelevant information.

In particular, the amendments clarify:

- that the reference to obscuring information applies to situations where the effect is similar to the omission or misstatement of that information and that the entity assesses materiality in the light of the financial statements as a whole; and
- that “primary users of financial statements for general use” means those to whom the financial statements are addressed and include “many current and potential investors, lenders and other creditors” who are largely required to meet their financial information needs through publicly available financial statements.

Any other IFRS or IFRIC interpretation already issued but not yet effective is not expected to have a material impact on the Group.

PROFIT & LOSS STATEMENT	July-September 2020					
	1 000 €	7-9/2020		7-9/2019		Change
Net sales	5,857	100%	6,689	100%	-12%	
Other operating income	18	0%	5	0%	257%	
Materials and services	-2,551	-44%	-3,406	-51%	-25%	
Personnel expenses	-1,779	-30%	-1,412	-21%	26%	
Other operating costs	-1,017	-17%	-1,099	-16%	-7%	
Depreciation and amortization	-440	-8%	-327	-5%	34%	
Operating result	88	2%	450	7%	-80%	
Financial income and expenses	-86	-1%	1	0%		
Profit/loss before tax	2	0%	451	7%	-100%	
Income taxes	0	0%	0	0%		
Profit/loss for the period	2	0%	451	7%	-100%	

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%	-1	0%	
Total other comprehensive income	0	0%	-1	0%	
Total comprehensive income	2	0%	450	7%	-100%

Earnings per share (EPS)

Basic EPS	0.00 €		0.07 €		-100%
Diluted EPS	0.00 €		0.07 €		-100%

PROFIT & LOSS STATEMENT

January-September 2020

	1 000 €	1-9/2020	1-9/2019	Change	1-12/2019
Net sales	19,693	100%	23,020	100%	-14% 31,189 100%
Other operating income	67	0%	71	0%	-5% 73 0%
Materials and services	-9,398	-48%	-10,394	-45%	-10% -13,963 -45%
Personnel expenses	-5,880	-30%	-5,507	-24%	7% -7,763 -25%
Other operating costs	-3,357	-17%	-3,536	-15%	-5% -4,881 -16%
Depreciation and amortization	-1,211	-6%	-921	-4%	31% -1,263 -4%
Operating result	-86	0%	2,733	12%	-103% 3,393 11%
Financial income and expenses	-150	-1%	-68	0%	120% -136 0%
Profit/loss before tax	-236	-1%	2,665	12%	-109% 3,257 10%
Income taxes	-2	0%	-3	0%	683 2%
Profit/loss for the period	-238	-1%	2,662	12%	-109% 3,940 13%

Other comprehensive income

Items that will not be reclassified to profit or loss

Remeasurements of defined benefit pension plans

50 0%

Income tax relating to these items

-8 0%

Items that may be reclassified subsequently to profit or loss:

Currency translation differences	0	0%	-2	0%	-	-2	0%
Other comprehensive income, net of tax	0	0%	-2	0%	-	40	0%
Total comprehensive income	-238	-1%	2,660	12%	-109%	3,979	20%

Earnings per share (EPS)

Basic EPS	-0.04 €		0.40 €		-110%	0.59 €
Diluted EPS	-0.04 €		0.40 €		-110%	0.59 €

CONSOLIDATED BALANCE SHEET

	1 000 €	9/2020	9/2019	Change	12/2019
Assets					
Non-current assets					
Intangible assets		3,228	3,243	0%	3,260
Tangible assets		5,709	4,925	16%	5,607
Right-of-use assets		1,035	1,048	-1%	1,333
Financial assets at fair value through profit or loss		95	15	537%	15
Deferred income tax assets		4,673	3,985	17%	4,673
Total non-current assets		14,470	13,216	9%	14,888
Current assets					
Inventories		3,075	2,641	16%	3,321
Short-term receivables		5,731	7,069	-19%	8,937
Cash and bank deposits		3,480	3,519	-1%	2,382
Total current assets		12,285	13,229	-7%	14,639
Total assets		27,025	26,444	2%	29,527
Equity and liabilities					
Share capital		1,000	1,000	0%	1,000
Reserve for invested non-restricted equity		4,697	4,523	4%	4,534
Remeasurements of defined benefit pension plans		-12	-53	-78%	-12
Retained earnings		11,310	11,297	0%	12,574
Total equity		16,995	16,766	1%	18,096
Long-term financing loans		4,735	3,319	43%	4,326
Other non-current liabilities		355	412	-14%	355
Deferred income tax liabilities		25	21	18%	25
Short-term financing loans		1,171	1,249	-6%	1,486
Trade and other payables		3,745	4,678	-20%	5,239
Total liabilities		10,031	9,678	4%	11,431
Total equity and liabilities		27,025	26,444	2%	29,527

CONSOLIDATED CHANGES IN EQUITY

January-September 2020

1000 €	Share capital	Other reserve	Remeasurements of employee benefits	Translation differences	Retained earnings	Total equity
Balance at Jan. 1, 2020	1,000	4,534	-12	2	12,572	18,096
Comprehensive income						
Comprehensive income for the period					-238	-238
<i>Other comprehensive income for the period, net of tax</i>						
Translation differences				0		0
Total comprehensive income for the period	0	0	0	0	-238	-238
Business transactions with owners						
Dividends paid					-1,026	-1,026
Share-based payment		163				163
Business transactions with owners, total	0	163	0	0	-1,026	-863
Balance at September 30, 2020	1,000	4,697	-12	2	11,308	16,995

January-September 2019

Balance at Jan. 1, 2019	1,000	4,504	-53	4	9,432	14,888
Comprehensive income						
Comprehensive income for the period					2,662	2,662
<i>Other comprehensive income for the period, net of tax</i>						
Translation differences			0	-2		-2
Total comprehensive income for the period	0	0	0	-2	2,662	2,660
Business transactions with owners						
Dividends paid					-800	-800
Share-based payment		18			0	18
Business transactions with owners, total	0	18	0	0	-800	-782
Balance at September 30, 2019	1,000	4,523	-53	2	11,294	16,766

CONSOLIDATED CASH FLOW STATEMENT

January-September

	1 000 €	1-9/2020	1-9/2019	1-12/2019
Profit for the period		-238	2,662	3,940
Adjustments		1,312	902	658
Change in working capital		2,522	1,400	-159

Received interest income	0	0	0
Paid interest expenses	-145	-48	-151
Paid taxes	-2	-3	-1
Cash flow from operating activities	3,449	4,913	4,287
Investments	-1,630	-2,179	-3,548
Proceeds from sale of property, plant and equipment	13	66	66
Cash flow from investing activities	-1,617	-2,113	-3,482
Increase in financing	3,000	0	1,000
Decrease in financing	-2,604	-787	-828
Decrease in lease liabilities	-298	-259	-356
Stock options exercised	139	0	0
Dividends paid *	-880	-800	-800
Cash flow from financing activities	-643	-1,845	-983
Change in cash and cash equivalents	1,189	954	-179
Cash and cash equivalents at the beginning of period	2,382	2,565	2,565
Effects of exchange rate changes on cash and cash equivalents	-91	0	-5
Cash and cash equivalents at the end of period	3,480	3,519	2,382

* Taxes on dividends paid, totaling 138 thousand euro, have been paid on October 12, 2020.

KEY INDICATORS

	Q3/2020	Q2/2020	Q1/2020	Q4/2019	2019
Net sales, M€	5.9	7.1	6.7	8.2	31.2
Operating result before depreciation (EBITDA), M€	0.5	0.6	0.0	1.0	4.7
Operating result (EBIT), M€	0.1	0.3	-0.4	0.7	3.4
<i>of net sales, %</i>	2%	4%	-6%	8%	11%
Profit/loss before taxes, M€	0.0	0.2	-0.4	0.6	3.3
<i>of net sales, %</i>	0%	3%	-7%	7%	10%
Net profit/loss for the period, M€	0.0	0.2	-0.4	1.3	3.9
<i>of net sales, %</i>	0%	3%	-7%	16%	13%
Equity ratio, %	63%	62%	64%	61%	61%
Gearing, %	14%	14%	21%	19%	19%
Gross investments in fixed assets, M€	0.3	0.3	1.0	1.8	3.5
<i>of net sales, %</i>	6%	5%	14%	21%	11%
Personnel, end of the quarter	142	144	139	132	132
Earnings/share (EPS), €	0.03	0.03	-0.07	0.19	0.59
Equity/share, €	2.48	2.63	2.60	2.70	2.70

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
	<i>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.</i>
Operating result	= Earnings before income taxes and financial income and expenses presented in the IFRS consolidated income statement.
	<i>The operating result indicates the financial profitability of operations and their development.</i>
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, %	= $\frac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$
	<i>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.</i>
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 €	9/2020	9/2019	12/2019
Business mortgage		6,000	4,000	6,000
Collateral note		1,200	1,200	1,200
Guaranteed contingent liability towards the Finnish Customs		35	95	35
Total		7,235	5,295	7,235

All figures are unaudited.

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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