

ASPOCOMP

Heart of your technology

Q3 2021 Financial result presentation

Nov 4, 2021 Mikko Montonen, CEO



Our agenda today

- Q3 highlights
- Q3 financial performance:
 - Order book
 - Net sales
 - Operating result
 - Cash flow from operations
- Customer segment reviews
- Outlook
- Key takeaways
- Q&A



Q3: Record-high demand, net sales grew by 54% and operating result improved clearly

- Order book continued to grow and amounted to MEUR 15.8
- Net sales grew by 54% to MEUR 9.0
- Operating result improved clearly to MEUR 1.0, 11.5% of net sales
- Q3 was successful and the outlook for the coming quarters remains positive due to the strong order book

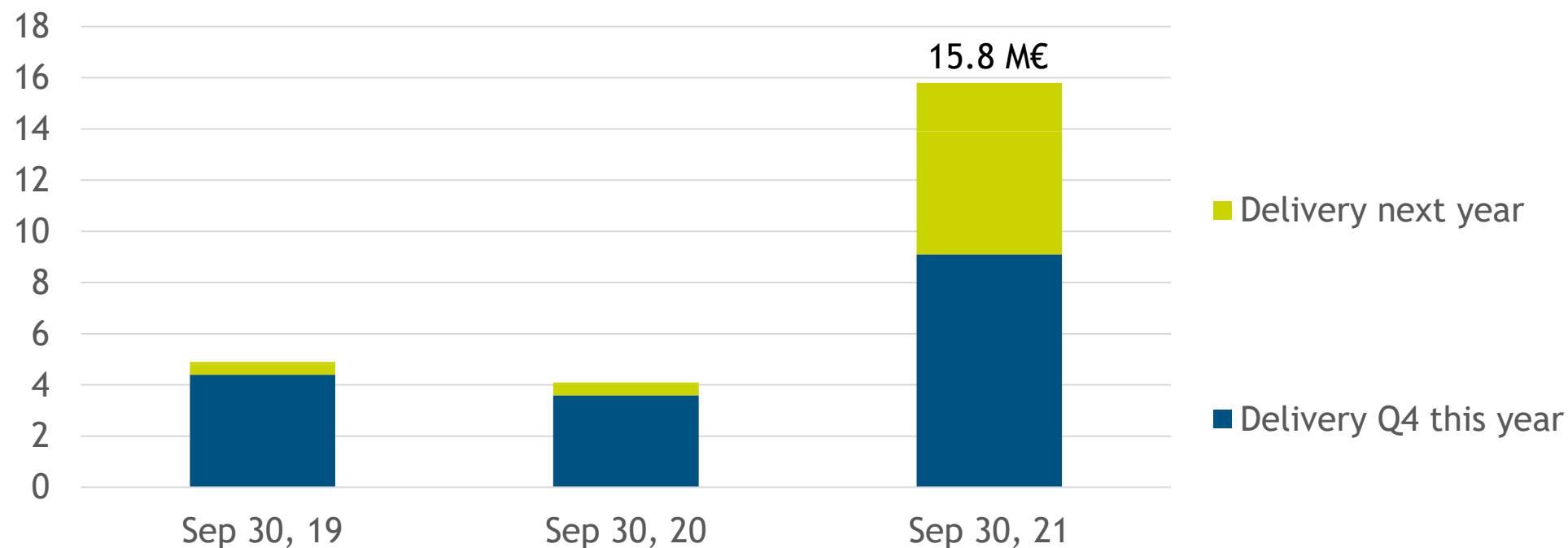


Q3 Highlights

- Record-high demand continued throughout the quarter
- Net sales grew by 54% and the supply and availability of laminates and other production raw materials improved
- End customers continued to suffer from the shortage of semiconductor components
- The Oulu plant was granted AS9100, an important quality certificate, enabling Aspocomp to serve defense and aerospace segment more broadly

Order book grew to a record level

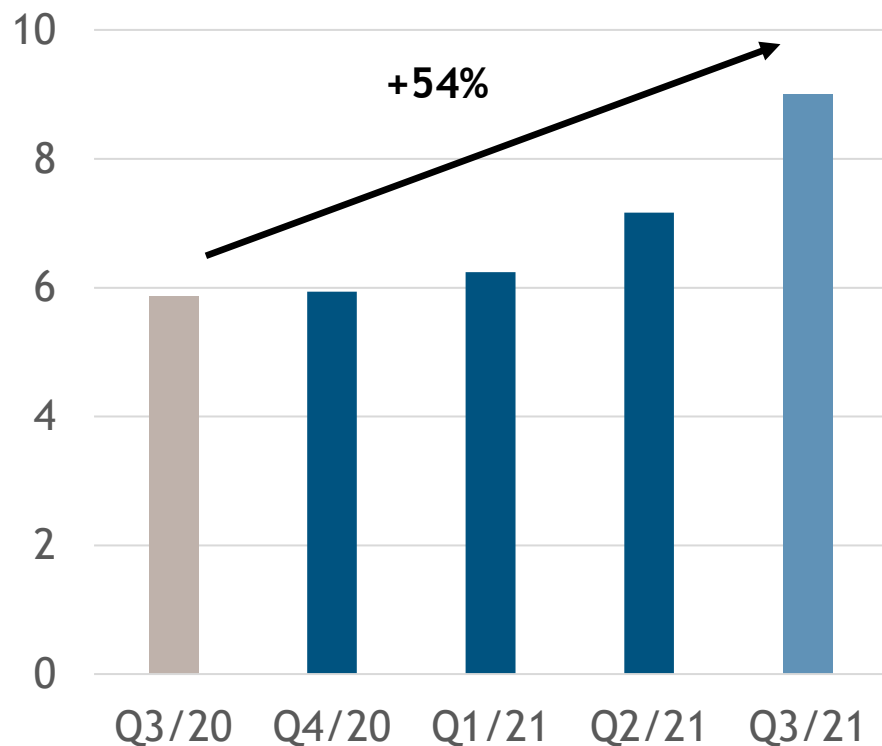
Order book (M€) and delivery schedule



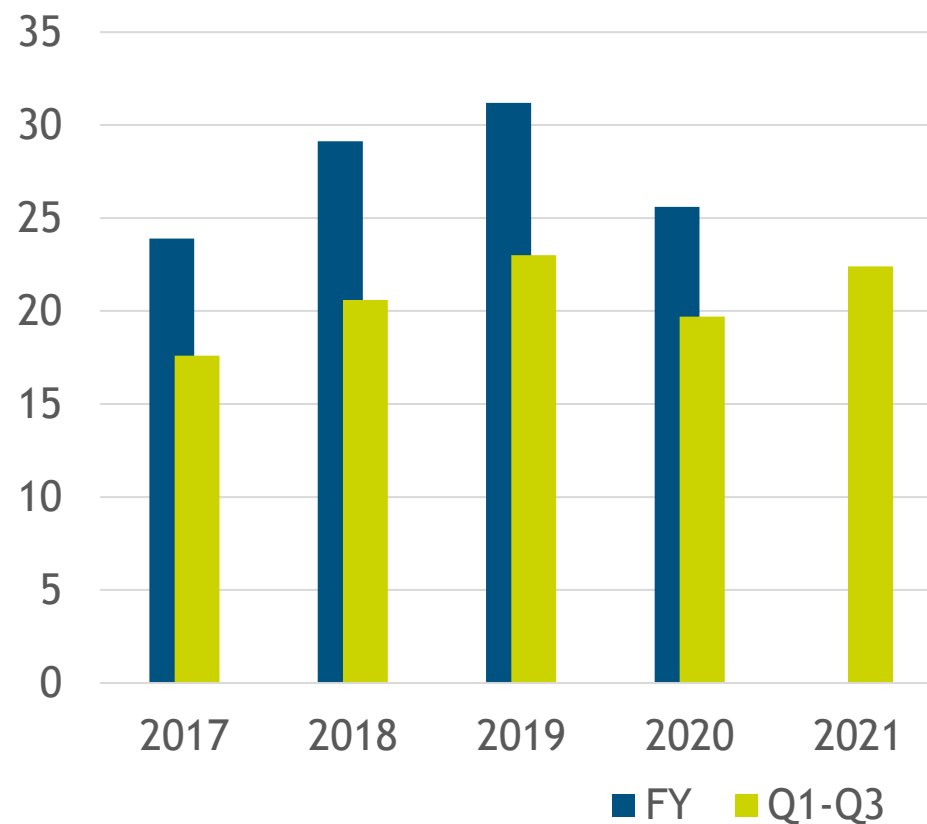
- Customer orders confirmed earlier than before:
 - Longer delivery times of raw materials used in PCB production
 - PCB delivery times have lengthened globally
- Semiconductor and automotive industries emphasized in the order book

Stronger order book boosted growth

Net sales (M€)



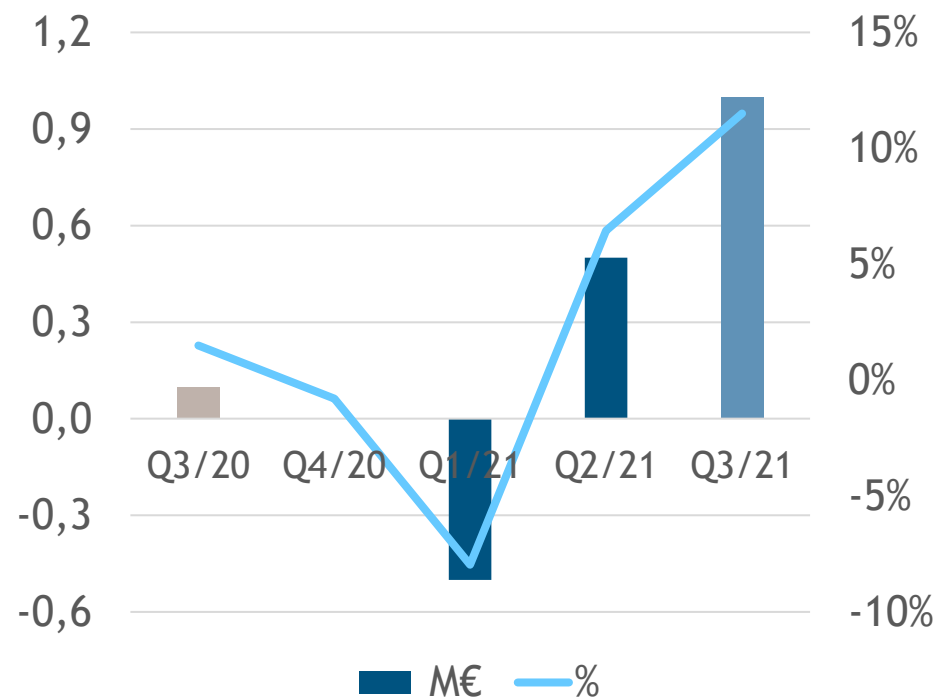
Net sales (M€), cumulative



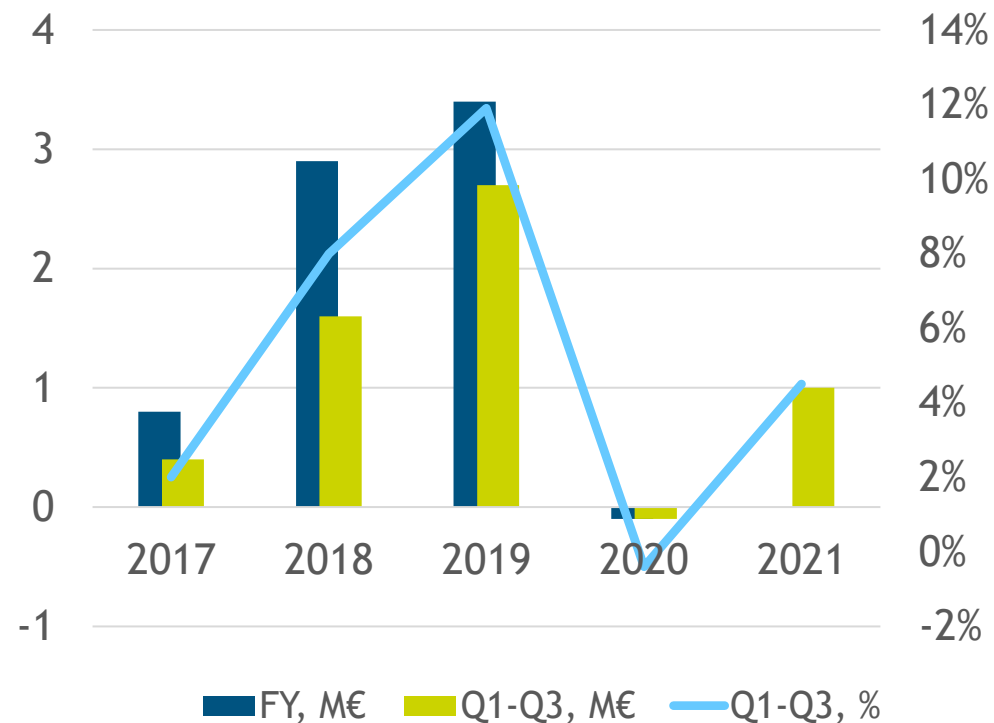
- Production raw material availability, with constrained growth in H1 2021, somewhat improved in Q3.

Clear improvement in operating result

Operating result, M€ and %



Operating result, cumulative, M€ and %



- Plant utilization was clearly higher thanks to increased production volumes
- Favorable development in product mix, mainly due to the increased share accounted for by more advanced PCBs, improved the operating result
- In January-September, the share of quick-turn deliveries remained below the pre-pandemic level, which burdened profitability

Change in net working capital decreased cash flow from operations

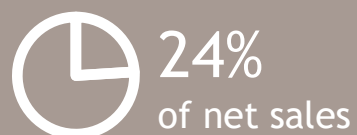
Cash flow from operating activities, € 1000

	1-9/2021	1-9/2020	1-12/2020
Profit for the period	965	-238	-98
Adjustments	1,395	1,312	1,775
Change in working capital	-1,838	2,522	2,303
Received interest income	1	0	0
Paid interest expenses	-100	-145	-292
Paid taxes	-4	-2	-14
Cash flow from operating activities	418	3,449	3,674

Strong growth tied working capital particularly to receivables and production materials

Customer segment reviews and net sales Q3 2021

Automotive



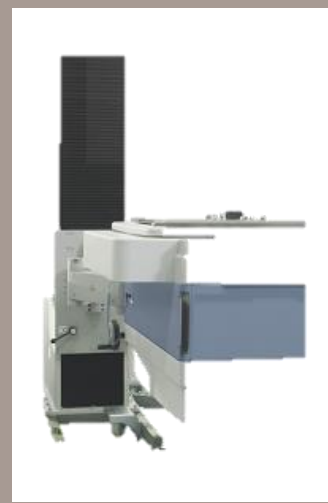
Industrial Electronics



Security, Defense and Aerospace



Semiconductor Industry



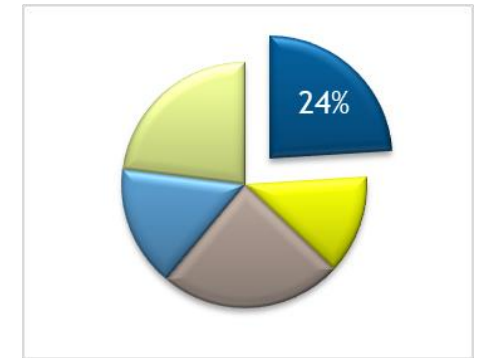
Telecommunications



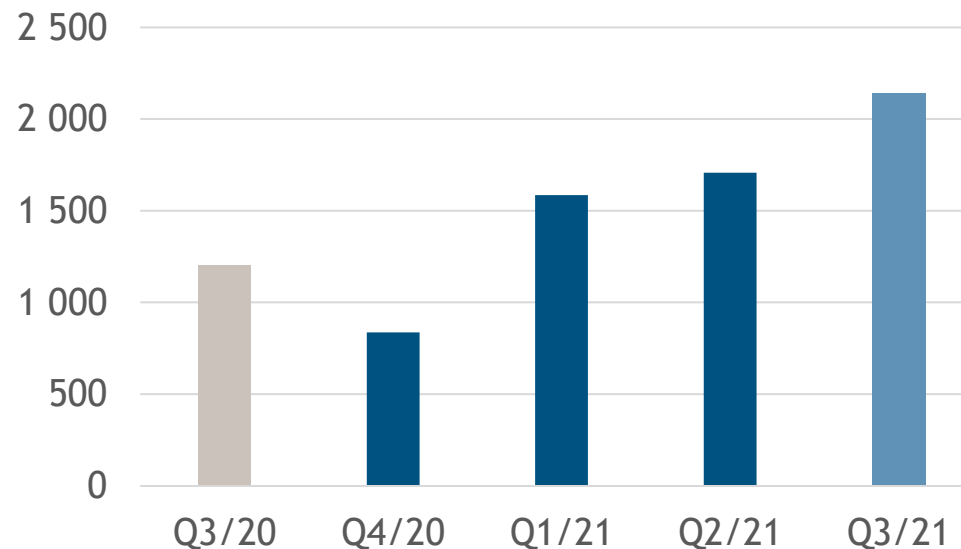


Automotive recovered from the COVID-19 shock

- Growth in the areas of energy efficiency and vehicle digitalization
- In Q3, net sales of the Automotive segment grew by nearly 80% to MEUR 2.1

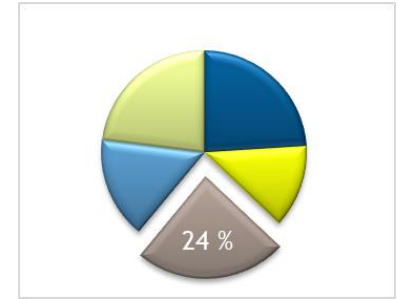


Net sales, M€



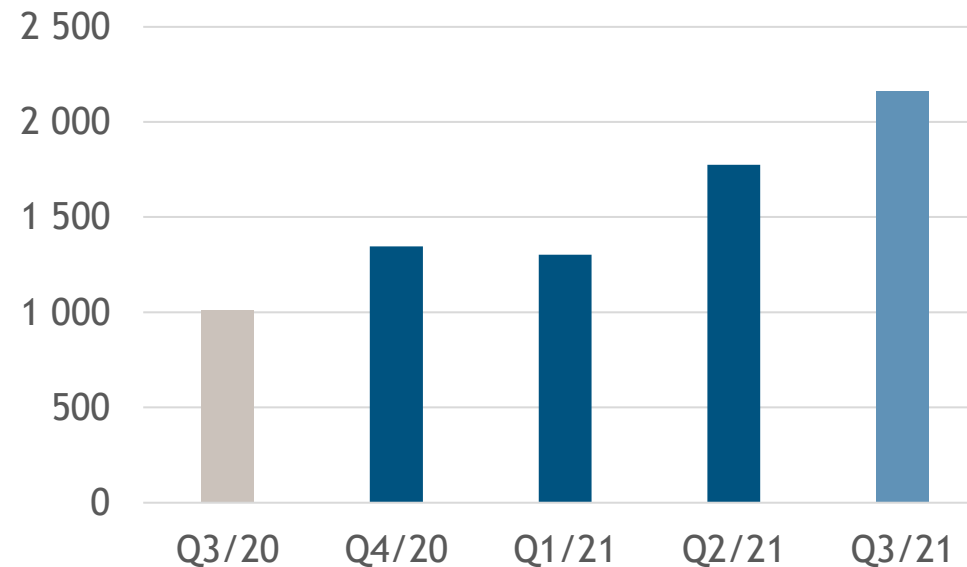


Industrial Electronics recovering from the pandemic slowdown



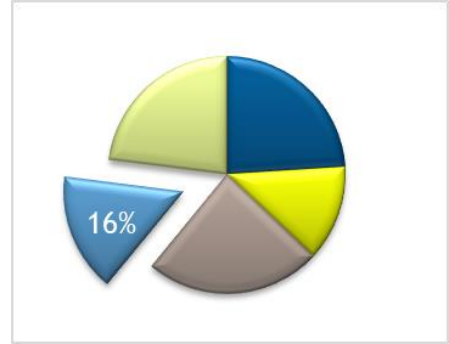
- Aspocomp serves a wide range of industrial electronics companies, which have started to recover from the pandemic
- In Q3, net sales of the Industrial Electronics segment more than doubled to MEUR 2.2

Net sales, M€

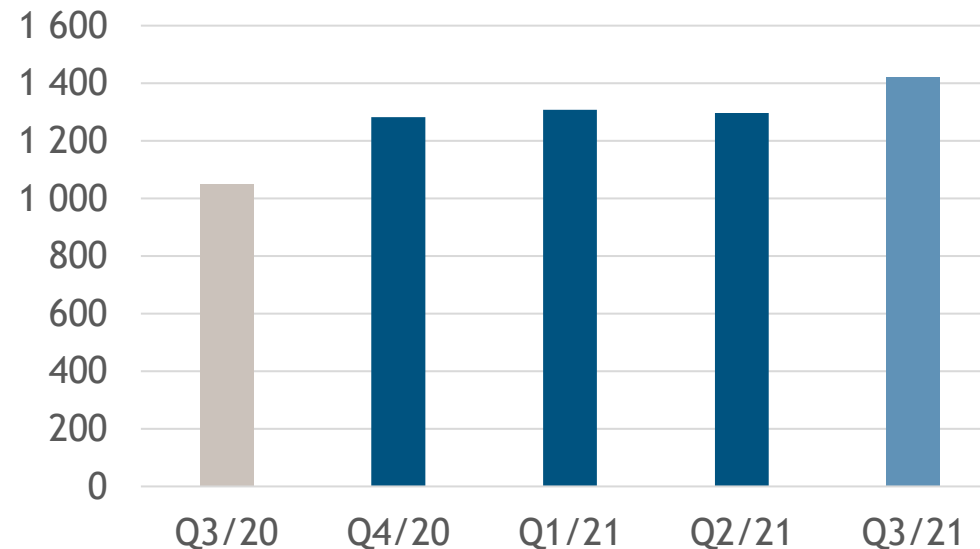


Stable growth in Security, Defense & Aerospace continued

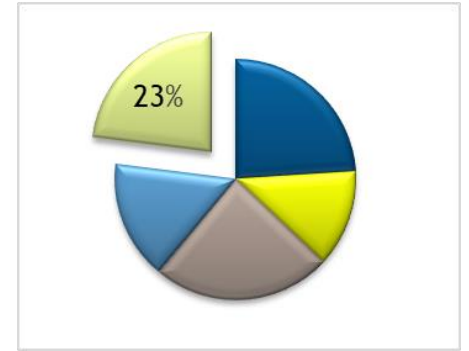
- Tangible growth potential, especially in the New Space customer base
- In Q3, net sales of the Security, Defense and Aerospace segment grew by 36% to MEUR 1.4
- AS9100D certificate



Net sales, M€

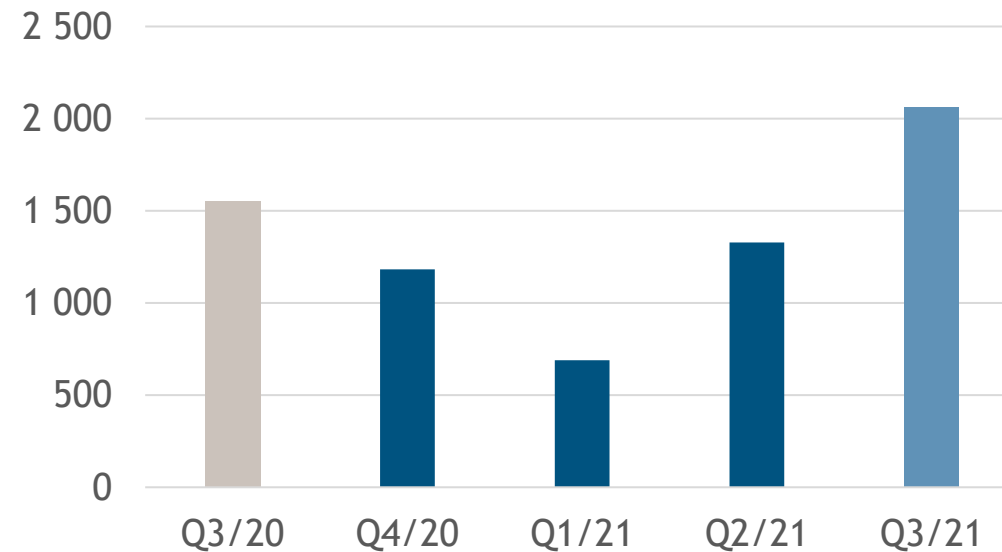


Investment boom in the Semiconductor Industry



- Investments in global semiconductor capacity support growth in demand
- In Q3, net sales of the Semiconductor Industry segment grew by 33% to MEUR 2.1

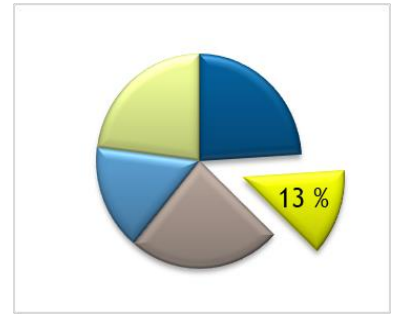
Net sales, M€



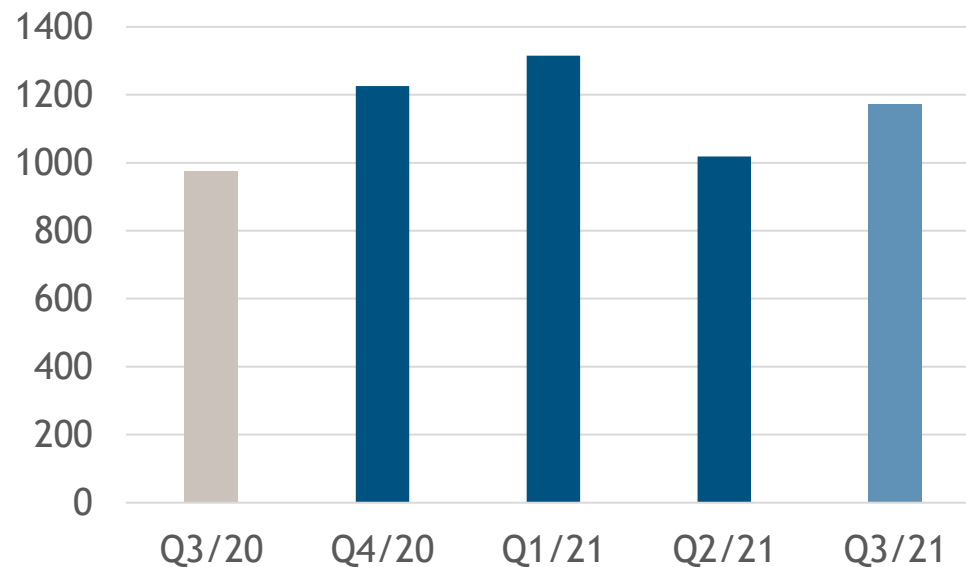


Telecommunications back on growth track

- The segment returned to a growth path with increased R&D activities
- New customers in the 5G Open RAN market
- In Q3, net sales of the Telecommunications segment grew by 20% to MEUR 1.2



Net sales, M€



Outlook for 2021

- Demand is expected to improve in all customer segments. However, a global shortage of components may hinder positive developments.
- The company reiterates the full-year guidance that was announced on March 10, 2021. Aspocomp estimates that its net sales for 2021 will increase and its operating result for 2021 will improve from 2020.
- In 2020, net sales amounted to EUR 25.6 million and the operating result to EUR -0.1 million.



Q3: Key takeaways

- Order book continued to grow and amounted to MEUR 15.8
- Net sales grew by 54% to MEUR 9.0
- Operating result improved clearly to MEUR 1.0, 11.5% of net sales
- Q3 was successful and the outlook for the coming quarters remains positive due to the strong order book



Q&A

Thank you!

