Aspocomp Group Plc, Interim Report, November 9, 2023, at 9:00 a.m. (EET)

Aspocomp's Interim Report January-September 2023: Net sales fell short of the comparison period, operating profit turned negative in the third quarter

THIRD QUARTER 2023 HIGHLIGHTS

- Net sales EUR 8.1 (10.4) million, decrease of 23%
- Operating result EUR -0.7 (1.4) million, -8.9% (13.1%) of net sales
- Earnings per share EUR -0.11 (0.20)
- Operative cash flow EUR 0.7 (1.8) million
- Orders received EUR 7.1 (9.5) million, decrease of 25%
- Equity ratio 66.4% (68.2%)

JANUARY-SEPTEMBER 2023 HIGHLIGHTS

- Net sales EUR 26.4 (29.0) million, decrease of 9%
- Operating result EUR 0.0 (3.8) million, 0.1% (13.0%) of net sales
- Earnings per share EUR -0.02 (0.54)
- Operative cash flow EUR 1.6 (3.4) million
- Orders received EUR 26.2 (32.1) million, decrease of 18%
- Order book at the end of the review period EUR 14.0 (19.6) million, decrease of 28%
- Equity ratio 66.4% (68.2%)

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 2023 fiscal year. It is estimated that the recovery of the Semiconductor segment will be slower than expected, that investments will slow down in several of Aspocomp's customer segments, mainly due to the rise in interest rates, and that inventory levels will remain high in different parts of the value chain until the end of 2023. The cycle of the Semiconductor Industry segment is expected to return to growth in the first half of 2024.

Aspocomp reiterates the guidance that was published on October 27, 2023. Aspocomp estimates that its net sales for 2023 will be clearly below the 2022 level and its operating result for 2023 is expected to remain negative. In 2022, net sales amounted to EUR 39.1 million and the operating result to EUR 4.5 million.

CEO'S REVIEW

"Aspocomp's third-quarter net sales were clearly below the comparison period and amounted to EUR 8.1 million. In addition to the prolongation of the slow phase of the semiconductor cycle, inventory levels are still high in various parts of our value chain. The willingness to invest is currently at a low level in several of our customer segments, mainly due to the rise in interest rates. Order intake amounted to EUR 7.1 (9.5) million and the order book at the end of the review period amounted to EUR 14.0 (19.6) million.

A temporary slowdown in the semiconductor cycle is typical for the industry. The slow phase of the cycle has been prolonged, and we estimate, based on common market data, that it will swing to growth in the first half of 2024. An upswing hinges on the recovery of demand in the ICT equipment market, such as phones and computers. The semiconductor industry's long-term growth prospects are still strong.

The weak market situation was strongly reflected in the net sales of both the Semiconductor Industry and Industrial Electronics customer segments. Also, in the Telecommunication and Automotive customer segments, net sales were lower than in the comparison period. In the Security, Defense and Aerospace customer segment, net sales growth continued, albeit at a slower rate than before.

Aspocomp's third-quarter operating result amounted to EUR -0.7 million. The decrease in net sales had a negative effect on the operating result. In addition, the planning work to increase production capacity in Oulu, which the company started earlier with the aim of ensuring future growth in line with its strategy, has been suspended for the time being due to the weakening of the demand situation. The possible continuation of the planning work will be decided on when it becomes evident that demand for printed circuit boards starts growing again. The planning work-related costs totaled approximately EUR 0.5 million. These costs, which are not part of the usual business, were recorded in the third quarter's operating result.

In order to adjust its production and costs to meet the temporarily reduced delivery volumes, Aspocomp held change negotiations with its personnel in the third quarter. As a result of the negotiations, the company plans to lay off 20-30 production employees at a time for a maximum of 90 days between September 2023 and February 2024.

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 2023 fiscal year. The cycle of the Semiconductor Industry segment is expected to return to growth in the first half of 2024. We reiterate the guidance that was published on October 27, 2023, and estimate that Aspocomp's net sales for 2023 will be clearly below the 2022 level and its operating result for 2023 is expected to remain negative. In 2022, net sales amounted to EUR 39.1 million and the operating result to EUR 4.5 million."

NET SALES AND EARNINGS

July-September 2023

Third-quarter net sales amounted to EUR 8.1 (10.4) million. Net sales decreased by 23% compared to the previous year due to the slower-than-estimated recovery of the semiconductor cycle and increased inventory levels in the value chain. In addition, uncertainties arising from the operating environment, which burden all customer segments, have caused customers to postpone investment decisions.

The Semiconductor Industry customer segment's third-quarter net sales decreased year-on-year by 34% to EUR 2.9 (4.4) million. The customer segment suffered from the slower-than-estimated recovery of the semiconductor cycle and high inventory levels in the value chain.

The Industrial Electronics customer segment's third-quarter net sales decreased year-on-year by 41% to EUR 1.0 (1.7) million. High interest rates and the global economic situation slow down customers' investment decisions.

The Security, Defense and Aerospace customer segment's third-quarter net sales remained at the level of the comparison period and amounted to EUR 1.5 (1.5) million. The positive trend continued and the number of both requests for offers and new customers received by Aspocomp remained at a high level.

The Automotive customer segment's third-quarter net sales decreased year-on-year by 9% to EUR 2.0 (2.2) million. End customers' weakened demand situation limited the growth of the customer segment.

The Telecommunication customer segment's third-quarter net sales remained at the level of the comparison period and amounted to EUR 0.7 (0.7) million. The customer segment's net sales remained low due to the timing of customers' product development projects.

The five largest customers accounted for 43% (63%) of net sales. In geographical terms, 87% (85%) of net sales were generated in Europe and 13% (15%) on other continents.

The operating result for the third quarter amounted to EUR -0.7 (1.4) million. Lower net sales, changes in the product mix, and higher personnel costs related to preparing for growth burdened the operating result. In addition, the planning work to increase production capacity in Oulu, which the company started earlier with the aim of ensuring future growth in line with its strategy, has been suspended for the time being due to the weakening of the demand situation. The planning work-related costs totaled approximately EUR 0.5 million. These costs, which are not part of the usual business, are recorded in the third quarter's operating result.

Third-quarter operating result was -8.9% (13.1%) of net sales.

Net financial expenses amounted to EUR 0.1 (0.0) million. Earnings per share were EUR -0.11 (0.20).

January-September 2023

January-September net sales amounted to EUR 26.4 (29.0) million, a year-on-year decrease of 9%.

The Semiconductor Industry customer segment's net sales decreased by 10% to EUR 10.2 (11.4) million. The decrease in net sales was due to the delayed recovery of the market and the semiconductor cycle, as well as the high inventory levels in the value chain.

The Industrial Electronics customer segment's net sales decreased by 34% to EUR 2.9 (4.4) million. Customers have postponed their investment decisions due to the global economic situation and high interest rates.

The Security, Defense and Aerospace customer segment's net sales increased by 2% to EUR 4.6 (4.5) million. The number of requests for offers in the customer segment remained at a high level, but the order cycles are long, and the results are visible with a delay.

The Automotive customer segment’s net sales increased by 16% to EUR 5.9 (5.1) 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 2.9 (3.6) million, a year-on-year decrease of 19%. High interest rates limit investments in mobile networks and weak demand reduces customers' investments in product development projects.

The five largest customers accounted for 56 (55) percent of net sales. In geographical terms, 85 (89) percent of net sales were generated in Europe and 15 (11) percent on other continents.

The January-September operating result amounted to EUR 0.0 (3.8) million. The operating result decreased from the comparison period because lower net sales, the weaker product mix and higher personnel costs related to preparation for growth burdened the operating result. In addition, the planning work to increase production capacity in Oulu, which the company started earlier with the aim of ensuring future growth in line with its strategy, has been suspended for the time being due to the weakening of the demand situation. The planning work-related costs totaled approximately EUR 0.5 million. These costs, which are not part of the usual business, are recorded in the third quarter’s operating result.

January-September operating result was 0.0 (13.0) percent of net sales.

Net financial expenses amounted to EUR 0.1 (0.0) million. Earnings per share were EUR -0.02 (0.54).

The order book at the end of the review period was EUR 14.0 (19.6) million. The order book decreased due to the postponement of new orders caused by the uncertain global economic situation.

Of the order book, EUR 6.5 million has been scheduled for delivery this year and the remaining EUR 7.5 million next year.

THE GROUP'S KEY FIGURES

	7-9/23	7-9/22	Change		1-9/23	1-9/22	Change	
Net sales, M€	8.1	10.4	-23	%	26.4	29.0	-9	%
EBITDA, M€	-0.2	1.9	-109	%	1.5	5.2	-70	%
Operating result, M€	-0.7	1.4	-152	%	0.0	3.8	-99	%
% of net sales	-9%	13%	-22	*ppts*	0%	13%	-13	*ppts*
Pre-tax- profit/loss, M€	-0.8	1.3	-158	%	-0.1	3.7	-104	%
% of net sales	-10%	13%	-23	*ppts*	-1%	13%	-13	*ppts*
Profit/loss for the period, M€	-0.8	1.3	-158	%	-0.1	3.7	-104	%
% of net sales	-10%	13%	-23	*ppts*	-1%	13%	-13	*ppts*
Earnings per share, €	-0.11	0.20	-155	%	-0.02	0.54	-104	%
Received orders	7.1	9.5	-25	%	26.2	32.1	-18	%
Order book at the end of period	14.0	19.6	-28	%	14.0	19.6	-28	%

Investments, M€	1.2	0.6	93	*%*	2.3	1.8	26	*%*
% of net sales	15%	6%	9	*ppts*	9%	6%	2	*ppts*
Cash, end of the period	1.4	2.4	-93	*%*	1.4	2.6	-120	*%*
Equity / share, €	2.96	3.20	*-24*	*%*	3.04	3.20	-16	*%*
Equity ratio, %	66%	68%	-2	*ppts*	67%	68%	-1	*ppts*
Gearing, %	19%	5%	14	*ppts*	18%	5%	13	*ppts*
Personnel, end of the period	164	144	20	persons	164	144	20	persons

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

INVESTMENTS

Investments during the review period amounted to EUR 2.3 (1.8) million. 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 to further strengthen its position as a strategic partner to leading companies in the semiconductor, automotive, defense and aerospace, and telecommunications (5G) industries. For the second phase of the investment program launched in the spring of 2020, the company was granted development support from the ELY Center for approximately 25 percent of the project's realized total costs. The second phase, which ended in September 2023, aimed in particular at increasing the capacity of the Oulu plant, improved automation and increased production efficiency. In the completed investment program, all the new equipment was installed in the existing Oulu plant and no additional plant space was built.

CASH FLOW AND FINANCING

January-September 2023 cash flow from operations amounted to EUR 1.6 (3.4) million. Cash flow weakened mainly due to the lower operating result.

Cash assets amounted to EUR 1.4 (2.6) million at the end of the period. Dividend payment was EUR 1.4 (1.0) million. Interest-bearing liabilities amounted to EUR 5.2 (3.5) million. Gearing was 18% (17%). Non-interest-bearing liabilities amounted to EUR 5.1 (6.7) million.

At the end of the period, the Group's equity ratio amounted to 66.4% (68.2%).

The company has a EUR 4.0 (2.0) million credit facility, of which EUR 2.9 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 164 (144) employees. The personnel count on September 30, 2023, was 166 (144). Of them, 109 (90) were blue-collar and 57 (54) white-collar employees.

On August 15, 2023, Aspocomp started change negotiations at the Oulu plant in Finland. The goal of the negotiations was to prepare for a partial adjustment of production to correspond to temporarily low delivery volumes. The negotiations covered most of the Oulu plant's approximately 120 blue-collar employees. The change negotiations ended on August 30, 2023, and as a result, the company's plan is to lay off 20-30 production blue-collar employees at a time for a maximum of 90 days during the six months following the end of negotiations. For the first three months, 26 people were temporarily laid off.

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

The decisions of the Annual General Meeting held on April 20, 2023, 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 April 20, 2023.

SHARES

The total number of Aspocomp's shares at September 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 654,479 Aspocomp Group Plc. shares were traded on Nasdaq Helsinki during the period from January 1 to September 29, 2023. The aggregate value of the shares exchanged was EUR 4,212,162. The shares traded at a low of EUR 4.21 and a high of EUR 8.30. The average share price was EUR 6.44. The closing price at September 29, 2023 was EUR 4.70, which translates into market capitalization of EUR 32.2 million.

The company had 4,306 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.

SHAREHOLDERS' NOMINATION BOARD

On September 6, 2023, Aspocomp announced the composition of its Shareholders' Nomination Board. The three largest shareholders have appointed the following members to the Shareholders' Nomination Board: Päivi Marttila, appointed by Etola Group and Erkki Etola, Kyösti Kakkonen, appointed by Joensuun Kauppa ja Kone Oy, and Mikko Montonen, the third largest shareholder.

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 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. 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 2024

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

Financial Statements 2023: Thursday, March 14, 2024 at around 9:00 a.m. (Finnish time)
Interim report January-March 2024: Thursday, April 18, 2024 at around 8:00 a.m. (Finnish time)
Half-year report 2024: Thursday, July 18, 2024 at around 9:00 a.m. (Finnish time)
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, November 9, 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		**July-September 2023**				
	1 000 €	**7-9/2023**		**7-9/2022**		**Change**
Net sales		**8,051**	***100%***	**10,417**	***100%***	***-23%***

Other operating income	10	*0%*	1	*0%*	*870%*
Materials and services	-4,310	*-54%*	-5,145	*-49%*	*-16%*
Personnel expenses	-2,188	*-27%*	-2,126	*-20%*	*3%*
Other operating costs	-1,729	*-21%*	-1,287	*-12%*	*34%*
Depreciation and amortization	-548	*-7%*	-494	*-5%*	*11%*
Operating result	**-715**	***-9%***	**1,366**	***13%***	***-152%***
Financial income and expenses	-62	*-1%*	-18	*0%*	
Profit/loss before tax	**-777**	***-10%***	**1,347**	***13%***	***-158%***
Income taxes	-1	*0%*	0	*0%*	
Profit/loss for the period	**-778**	***-10%***	**1,347**	***13%***	***-158%***
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	5	*0%*	1	*0%*	
Total other comprehensive income	5	*0%*	1	*0%*	
Total comprehensive income	**-773**	***-10%***	**1,348**	***13%***	***-157%***
Earnings per share (EPS)					
Basic EPS	-0.11 €		0.20 €		*-155%*
Diluted EPS	-0.11 €		0.20 €		*-155%*

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

1 000 €	1-9/2023		1-9/2022		Change	1-12/2022	
Net sales	**26,443**	***100%***	**29,001**	***100%***	***-9%***	**39,114**	***100%***
Other operating income	64	*0%*	3	*0%*	*1785%*	5	*0%*
Materials and services	-12,880	*-49%*	-13,293	*-46%*	*-3%*	-17,849	*-46%*
Personnel expenses	-7,390	*-28%*	-6,992	*-24%*	*6%*	-9,641	*-25%*
Other operating costs	-4,688	*-18%*	-3,548	*-12%*	*32%*	-5,223	*-13%*
Depreciation and amortization	-1,523	*-6%*	-1,412	*-5%*	*8%*	-1,903	*-5%*
Operating result	**25**	***0%***	**3,759**	***13%***	***-99%***	**4,502**	***12%***
Financial income and expenses	-161	*-1%*	-43	*0%*	*273%*	-98	*0%*

Profit/loss before tax	**-136**	***-1%***	**3,716**	***13%***	*-104%*	**4,404**	***11%***
Change in deferred tax assets*						-839	
Income taxes	-6	*0%*	-6	*0%*		-20	*0%*
Profit/loss for the period	**-142**	***-1%***	**3,710**	***13%***	***-104%***	**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	-11	*0%*	6	*0%*	-	-6	*0%*
Total other comprehensive income	-11	*0%*	6	*0%*	-	92	*0%*
Total comprehensive income	**-153**	***-1%***	**3,716**	***13%***	***-104%***	**3,637**	***9%***
Earnings per share (EPS)							
Basic EPS	-0.02 €		0.54 €		*104%*	0.52 €	
Diluted EPS	-0.02 €		0.54 €		*104%*	0.52 €	

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

CONSOLIDATED BALANCE SHEET

1 000 €	9/2023	9/2022	Change	12/2022
Assets				
Non-current assets				
Intangible assets	3,376	3,272	*3%*	3,309
Tangible assets	6,253	5,887	*6%*	5,967
Right-of-use assets	555	673	*-18%*	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	**14,430**	**14,900**	***-3%***	**14,164**
Current assets				
Inventories	5,099	5,864	*-13%*	6,136
Short-term receivables	9,590	8,903	*8%*	9,723
Cash and bank deposits	1,434	2,366	*-39%*	1,410
Total current assets	**16,123**	**17,133**	***-6%***	**17,269**

Total assets	**30,553**	**32,033**	***-5%***	**31,433**
Equity and liabilities				
Share capital	1,000	1,000	*0%*	1,000
Reserve for invested non-restricted equity	4,833	4,752	*2%*	4,774
Remeasurements of defined benefit pension plans	-49	-148	*-67%*	-49
Retained earnings	14,489	16,256	*-11%*	16,078
Total equity	**20,273**	**21,860**	***-7%***	**21,803**
Long-term financing loans	1,092	2,112	*-48%*	1,839
Other non-current liabilities	353	467	*-24%*	358
Deferred income tax liabilities	57	38	*50%*	57
Short-term financing loans	4,106	1,314	*212%*	1,234
Trade and other payables	4,673	6,242	*-25%*	6,142
Total liabilities	**10,280**	**10,173**	***1%***	**9,630**
Total equity and liabilities	**30,553**	**32,033**	***-5%***	**31,433**

CONSOLIDATED CHANGES IN EQUITY

January-September 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					-142	**-142**
Other comprehensive income for the period, net of tax						
Translation differences				-11		**-11**
Total comprehensive income for the period	**0**	**0**	**0**	**-11**	**-142**	**-153**
Business transactions with owners						
Dividends paid					-1,437	**-1,437**
Share-based payment		59				**59**
Business transactions with owners, total	**0**	**59**	**0**	**0**	**-1,437**	**-1,377**
Balance at September 30, 2023	**1,000**	**4,833**	**-49**	**-5**	**14,494**	**20,273**

January-September 2022						
Balance at Jan. 1, 2022	**1,000**	**4,736**	**-148**	**12**	**13,554**	**19,155**
Comprehensive income						
Comprehensive income for the period					3,710	**3,710**
Other comprehensive income for the period, net of tax						
Translation differences			0	6		**6**
Total comprehensive income for the period	**0**	**0**	**0**	**6**	**3,710**	**3,716**
Business transactions with owners						
Dividends paid					-1,026	**-1,026**
Share-based payment		15			0	**15**
Business transactions with owners, total	**0**	**15**	**0**	**0**	**-1,026**	**-1,011**
Balance at September 30, 2022	**1,000**	**4,752**	**-148**	**18**	**16,238**	**21,860**

CONSOLIDATED CASH FLOW STATEMENT **January-September**

1 000 €	1-9/2023	1-9/2022	1-12/2022
Profit for the period	**-142**	**3,710**	**3,545**
Adjustments	1,674	1,305	2,786
Change in working capital	256	-1,507	-2,571
Received interest income	2	5	6
Paid interest expenses	-145	-85	-129
Paid taxes	-14	-19	-19
Cash flow from operating activities	**1,631**	**3,408**	**3,618**
Investments	-2,305	-1,830	-2,523
Proceeds from sale of property, plant and equipment	56	0	0
Cash flow from investing activities	**-2,249**	**-1,830**	**-2,523**
Increase in financing	3,050	0	170
Decrease in financing	-744	-744	-992
Decrease in lease liabilities	-223	-287	-587
Dividends paid	-1,437	-1,026	-1,026
Cash flow from financing activities	**645**	**-2,057**	**-2,435**
Change in cash and cash equivalents	27	-479	-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	-3	213	119
Cash and cash equivalents at the end of period	**1,434**	**2,366**	**1,410**

KEY INDICATORS

	Q3/2023	Q2/2023	Q1/2023	Q4/2022	2022
Net sales, M€	8.1	9.5	8.9	10.1	39.1
Operating result before depreciation (EBITDA), M€	-0.2	0.9	0.8	1.2	6.4
Operating result (EBIT), M€	-0.7	0.4	0.3	0.7	4.5
of net sales, %	*-9%*	*4%*	*4%*	*7%*	*12%*
Profit/loss before taxes, M€	-0.8	0.3	0.3	0.7	4.4
of net sales, %	*-10%*	*4%*	*3%*	*7%*	*11%*
Net profit/loss for the period, M€	-0.8	0.3	0.3	-0.2	3.5
of net sales, %	*-10%*	*4%*	*3%*	*-2%*	*9%*
Received orders	*7.1*	*5.4*	*13.7*	*4.8*	*27.4*
Order book at the end of period	*14.0*	*15.0*	*19.1*	*14.3*	*14.3*
Equity ratio, %	66%	68%	73%	69%	69%
Gearing, %	19%	15%	2%	8%	8%
Gross investments in fixed assets, M€	1.2	0.8	0.4	0.7	2.5
of net sales, %	15%	8%	4%	7%	6%
Personnel, end of the quarter	164	167	156	156	156
Earnings/share (EPS), €	-0.11	0.05	0.04	-0.02	0.52
Equity/share, €	2.96	3.08	3.24	3.19	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, %	=	$\frac{\text{Equity}}{\text{Total assets - advances received}}$	x 100
Gearing, %	=	$\frac{\text{Net interest-bearing liabilities}}{\text{Total equity}}$	x 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 €	9/2023	9/2022	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 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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