ASPO

Aspo January-March 2022

Strong start for the year: Comparable operating profit nearly doubled

CEO Rolf Jansson

Strong start for the year: All financial targets set in the renewed strategy were achieved

Net sales grew 24%, significantly over the target growth rate of 5-10%

- Growth accelerated by ESL Shipping's strong transport demand and rising market prices in Telko's various product categories

Group's comparable operating profit reached a record-high EUR 15.0 million (7.9)

- Comparable operating profit rate was 9.2%, considerably over the target level of 8%

Return on equity above the target level of 20% at 21.2% (21.8)

- ROE adjusted by the items affecting comparability was 34.0%. Gearing also improved to 118.8%, well below the target level of 130%.

Q1/2022

Net sales, continuing operations
EUR 160.4 million (129.4)

Operating profit
EUR 10.3 million (7.8)

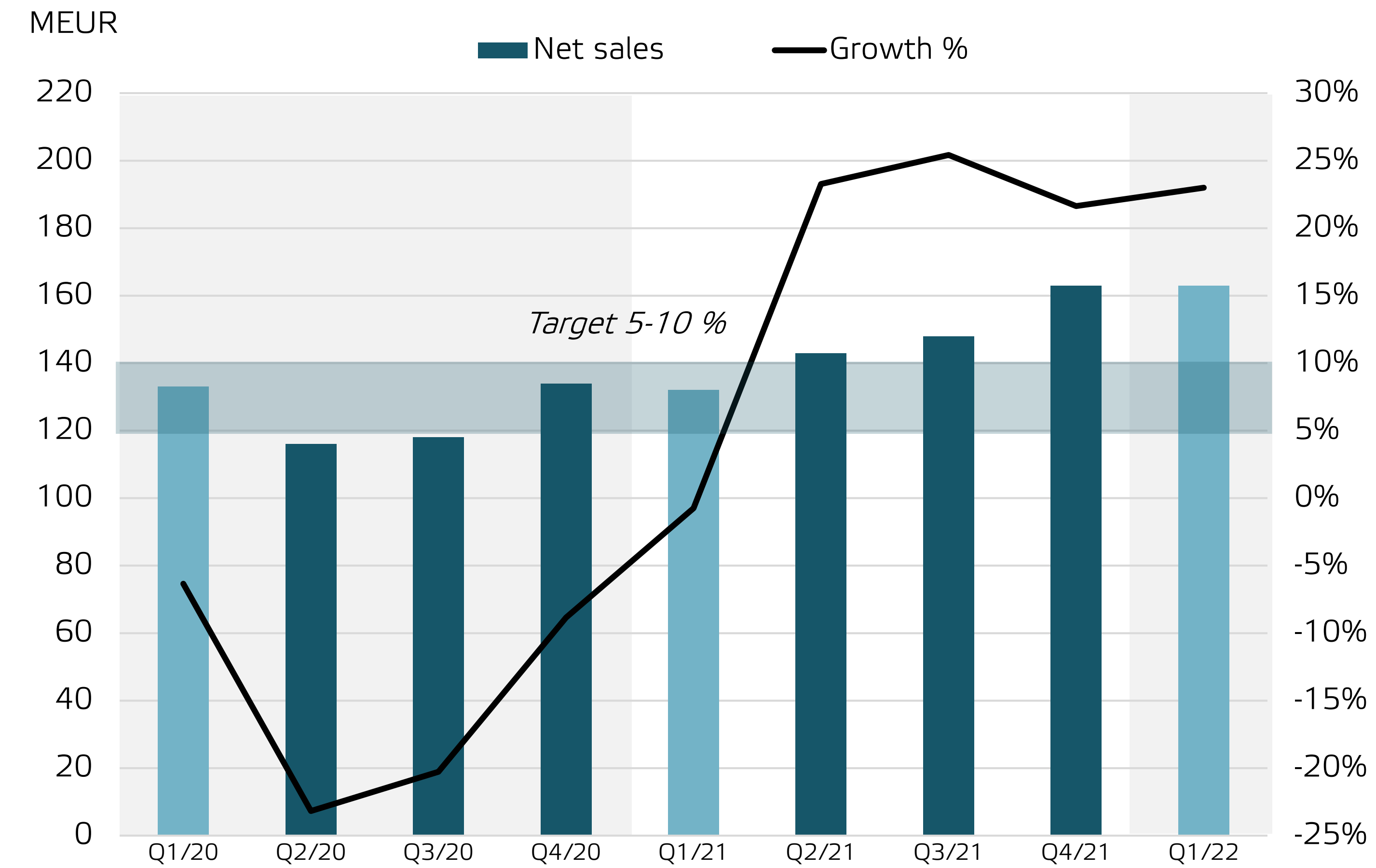
Comparable operating profit
EUR 15.0 million (7.9)

EPS
0.21* (0.19)

Net cash from operating activities
EUR 15.2 million (6.6)

* The impact of items affecting comparability on earnings per share was approximately EUR -0.13.

Strong net sales growth of over 20%



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
Net sales	133	116	118	134	132	143	148	163	163
Growth %	-6%	-23%	-20%	-9%	-1%	23%	25%	22%	23%

Net sales growth compared to the same quarter in the previous year.

- Group net sales grew by 23% and was EUR 162.6 million
- The set target level of 5-10% growth was clearly esceeded
- Net sales already rose significantly over the 2019 pre-pandemic level (Q1 2019: EUR 141.5 million)
- Strong development was supported by both ESL Shipping’s and Telko’s substantial net sales growth of over 30%.
- During Q1, the Eastern market’s share of net sales decreased to 25% (27%).

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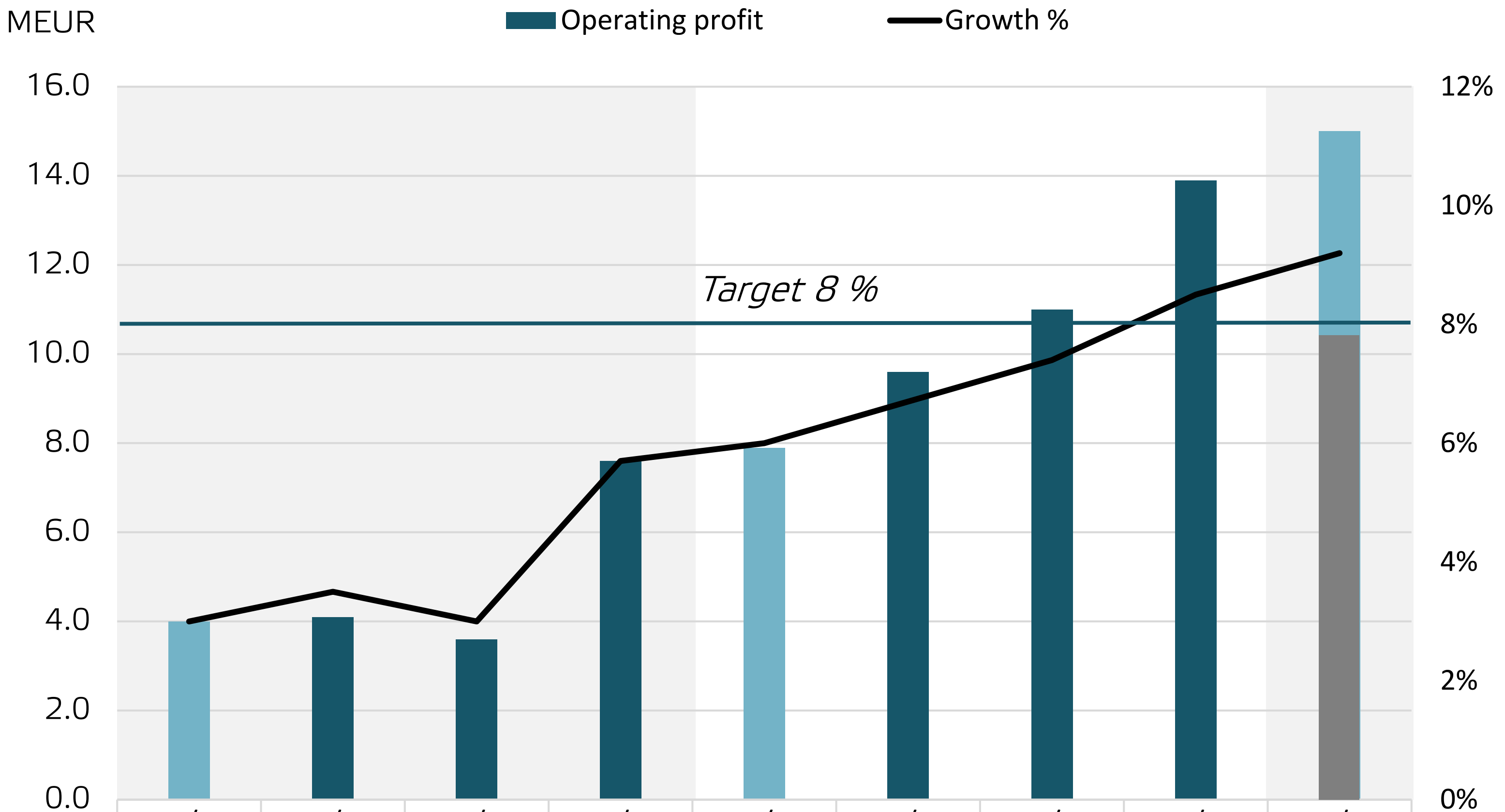
Aspo reached a record-high comparable operating profit rate of 9.2%, comparable operating profit nearly doubled



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
Operating profit	4.0	4.1	3.6	7.6	7.9	9.6	11.0	13.9	15.0
Growth %	3.0 %	3.5 %	3.0 %	5.7 %	6.0 %	6.7 %	7.4 %	8.5 %	9.2 %

Reported operating profit including items affecting comparability totaling EUR -4.9 million

- Group's comparable operating profit was EUR 15.0 million (7.9) and operating profit rate 9.2% (6.0), well above the target level of 8%.
- Reported operating profit was EUR 10.3 million (7.8) and operating profit rate 6.4% (6.0%).
- Excellent operating profit development was supported by:
  - ESL Shipping's and Telko's strong growth combined with record operating margins
  - Favourable development of Leipurin's operating profit rate
- Items affecting comparability of EUR -6.4 million consisted mainly of losses and costs related to the war in Ukraine.
- In addition to these, a sales gain of EUR 1.5 million from ESL Shipping barge Espa was included.

Q1 2022 items affecting comparability totaling EUR -4.9 million

ESL Shipping EUR 1.3 million

- Sales gains from barge Espa EUR 1.5 million
- Cost provisions of approximately EUR -0.2 million related to the shutdown of ESL Shipping's operations in Russia

Telko EUR -4.6 million

- EUR -2.6 million in losses from the destruction of Telko's warehouse in Ukraine
- Credit loss provision of EUR -2.0 million associated with Telko's accounts receivable in Ukraine

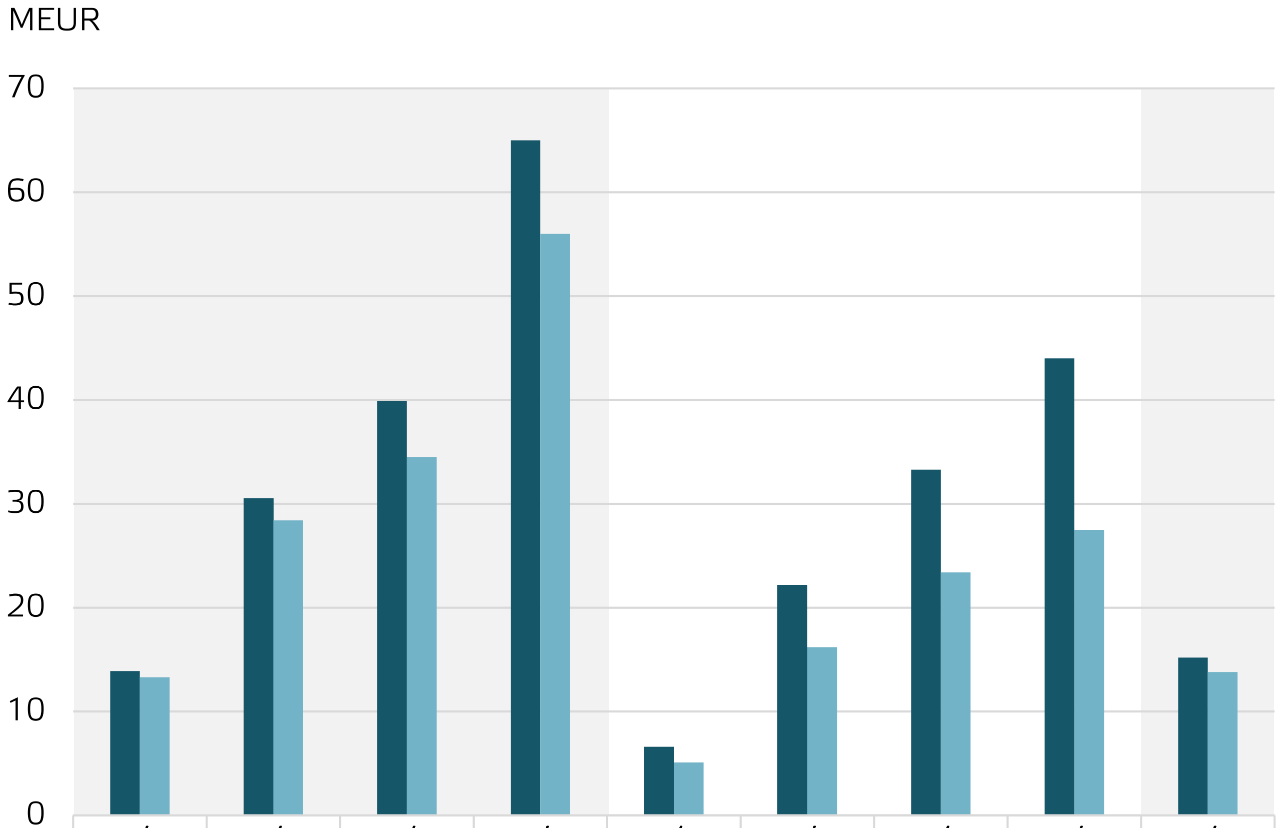
Leipurin EUR -1.1 million

- EUR -0.7 million in losses from the destruction of Leipurin's warehouse in Ukraine
- Credit loss provision of EUR -0.2 million associated with Leipurin's accounts receivable in Ukraine, and EUR -0.2 million in Leipurin's other business adaptation expenses in Russia

Other operations EUR -0.5 million

- Share-based payment of EUR -0.5 million granted to Aspo's previous CEO

Cash flow development remained strong

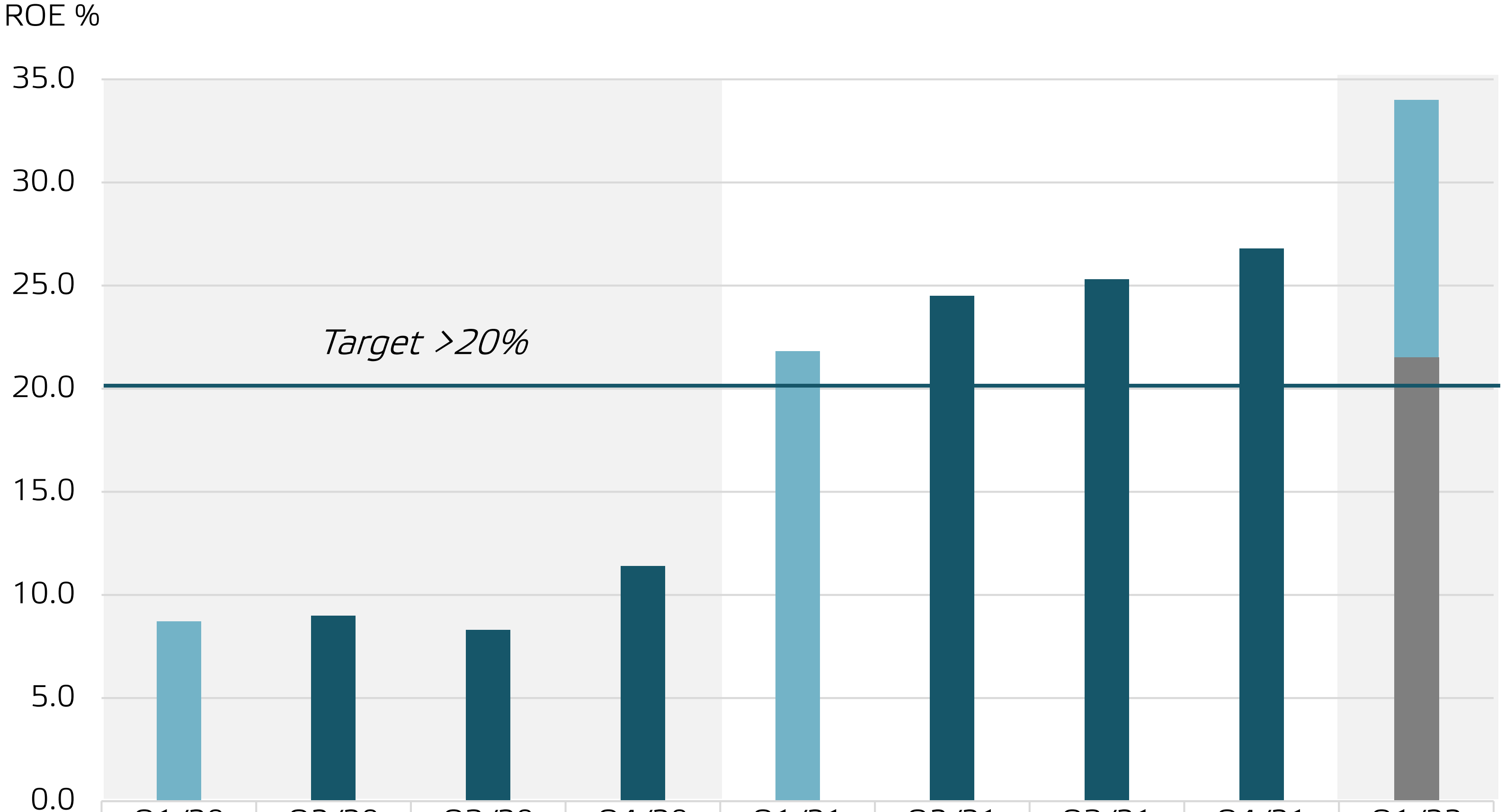


	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
Operational cash flow (cum.)	13.9	30.5	39.9	65	6.6	22.2	33.3	44.0	15.2
Free cash flow (cum.)	13.3	28.4	34.5	56	5.1	16.2	23.4	27.5	13.8

■ Operational cash flow (cum.) ■ Free cash flow (cum.)

- Net cash from operating activities was EUR 15.2 million (6.6).
- Cash flow from all businesses was strong during Q1 2022.
- The impact of the change in working capital on cash flow was EUR -0.6 million (-7.2).
- Free cash flow was EUR 13.8 million (5.1).
- Investments consisted mainly of dockings of ESL Shipping’s vessels.

Return on equity above the 20% target level



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
ROE (cum.)	8.7	9.0	8.3	11.4	21.8	24.5	25.3	26.8	34.0

Reported return on equity 21.2 %

- ROE adjusted by the items affecting comparability was 34.0% (21.8%).
- Also reported ROE remained above the target level of 20% and was 21.2% (21.8%).
- ESL Shipping's and Telko's strong profitability continued in the first quarter.

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Positive development in key sustainability targets

- Sustainability is a key factor of Aspo’s management system.
- Key target is to reduce carbon intensity, CO_2e (tn) per net sales (EUR thousand), by 30% by 2025. Starting level (2020) was 0.44 and target level (2025) is 0.30.
- During the last 12 months, the carbon intensity kept improving especially due to the growth of businesses and was 0.39. Driven by:
  - Telko’s net sales growth
  - ESL Shipping’s net sales growth, balanced traffic structure, low ballast %, and piloted Virtual arrival model
- After 2022 dockages, all vessels owned by ESL Shipping will be equipped with ballast water treatment systems that meet new environmental regulations.
- Another key target is to reduce incident frequency. LTIFR-2 for the last 12 months stood at 7.6 (8.8). Target for 2022 is 7.0.

Carbon intensity, last 12m

0.39 (0.42 in 2021)

Target 2025:

0.30

Incident frequency (LTIFR-2, all exceptions), last 12m

7.6 (8.8 in 2021)

Target 2022:

7.0

Aspo business reviews

Forerunner and industrial partner

ESL Shipping

Accelerated growth

TELKO

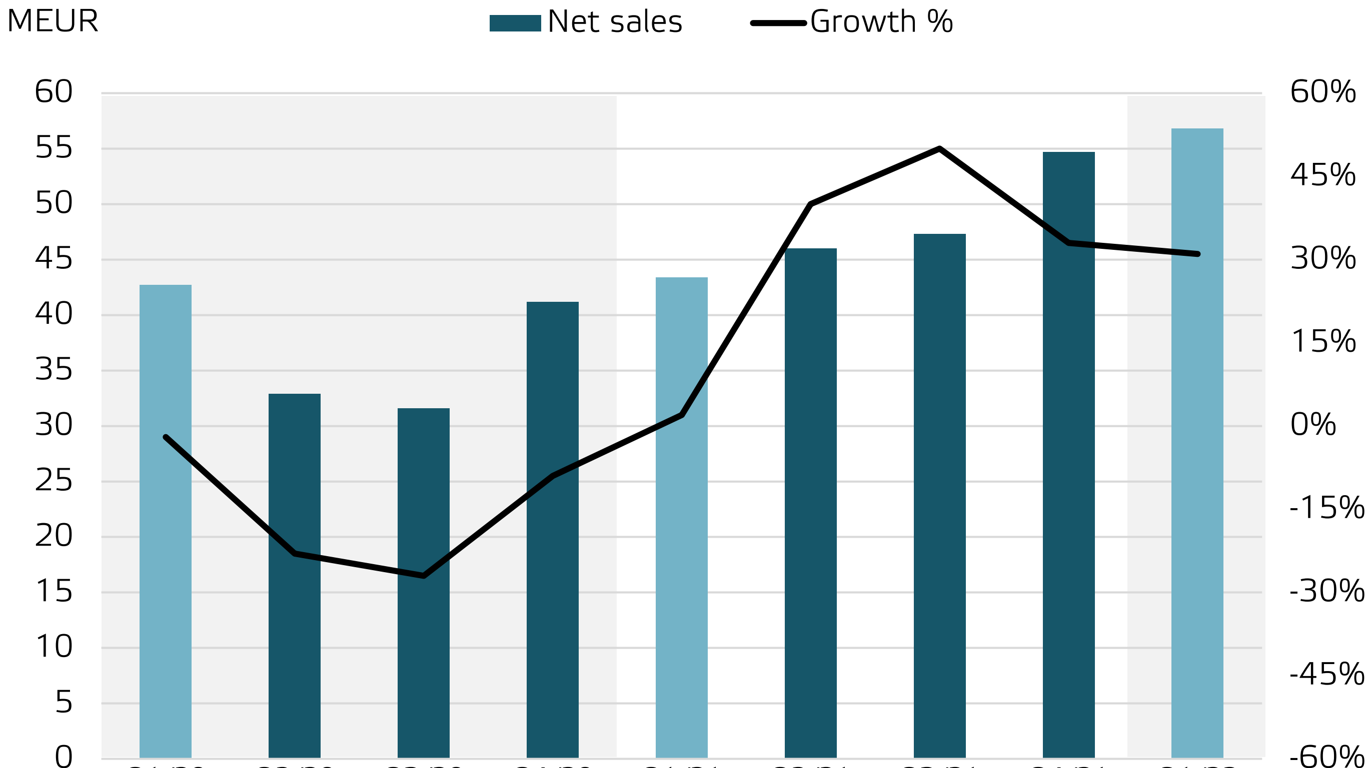
Towards full potential

LEIPURIN®

ESL Shipping

Strong demand and profitability continued

Over 30% net sales growth driven by strong demand, operational efficiency and rising fuel prices



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
Net sales	42.7	32.9	31.6	41.2	43.4	46	47.3	54.7	56.8
Growth %	-2%	-23%	-27%	-9%	2%	40%	50%	33%	31%

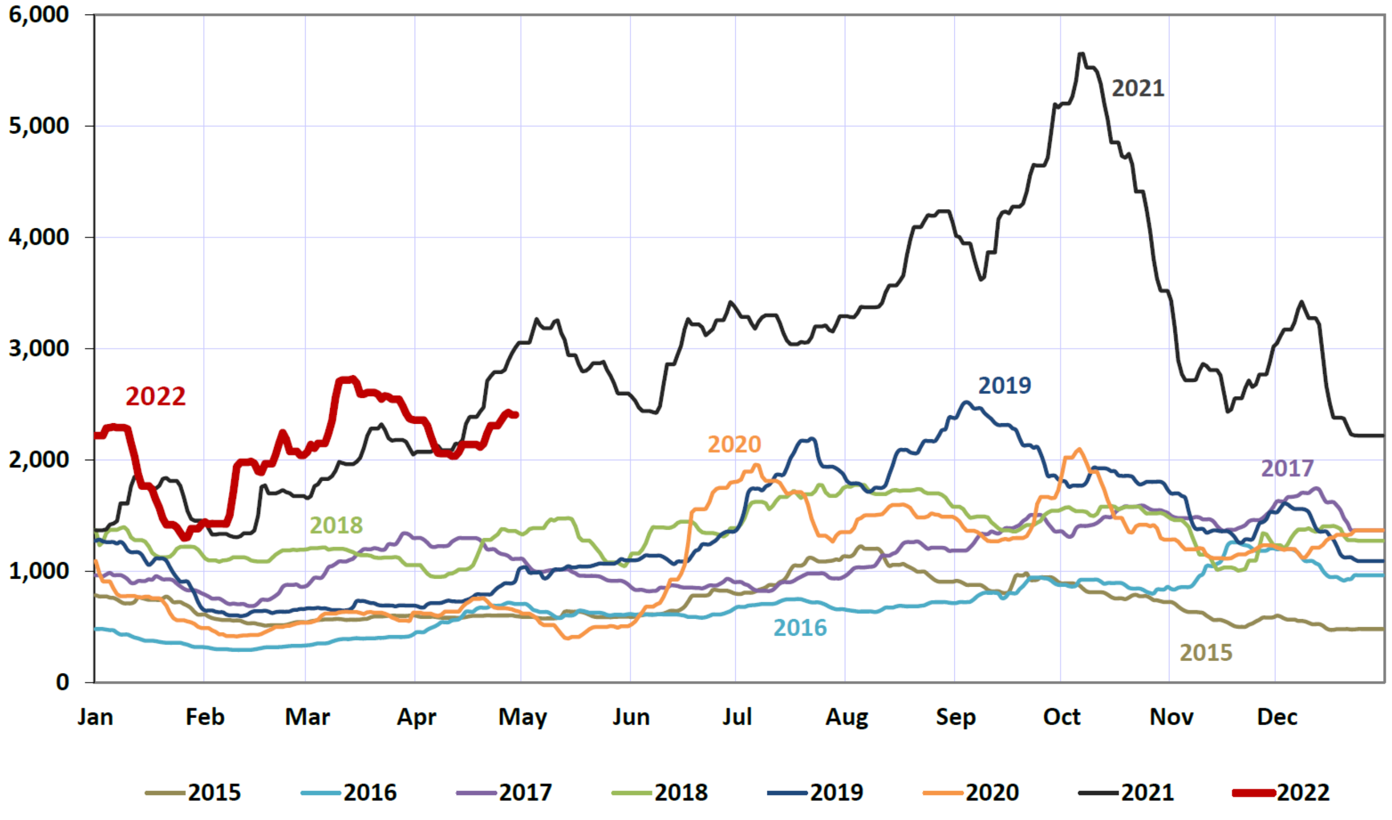
Net sales growth compared to the same quarter in the previous year.

- ESL Shipping's net sales increased by 31% from the comparative period to EUR 56.8 (43.4) million.
- In contract traffic, demand for transportation remained strong throughout the review period, and market freight rates were at a high level in all customer segments and vessel categories.
- Balanced traffic structure and operational efficiency enabled the net sales growth. High fuel prices affect net sales development.
- In the near future, demand for transportation and the price level of sea freights are expected to be at a satisfactory level in all vessel categories. Most of the shipping company's transportation capacity has been secured through long-term agreements.
  - In the short term, the volumes of raw materials transported by Handysize vessels will decrease from previous estimates, as customers' procurement activities shift away from Russia. The transportation volumes will also be affected by maintenance stoppages at ports and railroad maintenance in Northern Sweden. Restrictions on vessel sizes at ports combined with the need for year-round transportation, will again secure ESL Shipping's transportation demand starting from the second half of the year.
  - With the stagnation of supplies of Russian raw materials, new suppliers are being sought in new geographical areas, which is expected to prolong transportation distances. Positive demand impact on ESL Shipping's largest vessels.
  - In the smaller vessel category, transportation demand is expected to remain at a satisfactory level. Challenges in the availability of raw materials possible. Vessel rents starting to decrease and the availability of additional capacity is expected to improve.

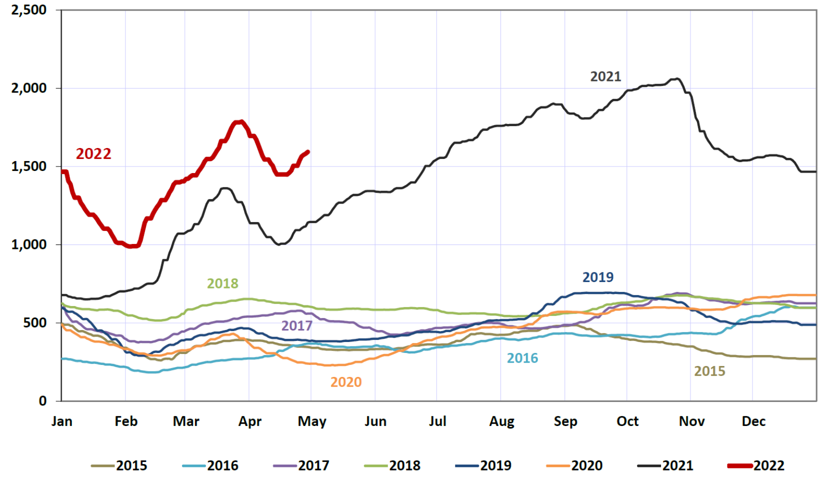
The Baltic Dry indeces have developed positively at the beginning of the year

ESL Shipping

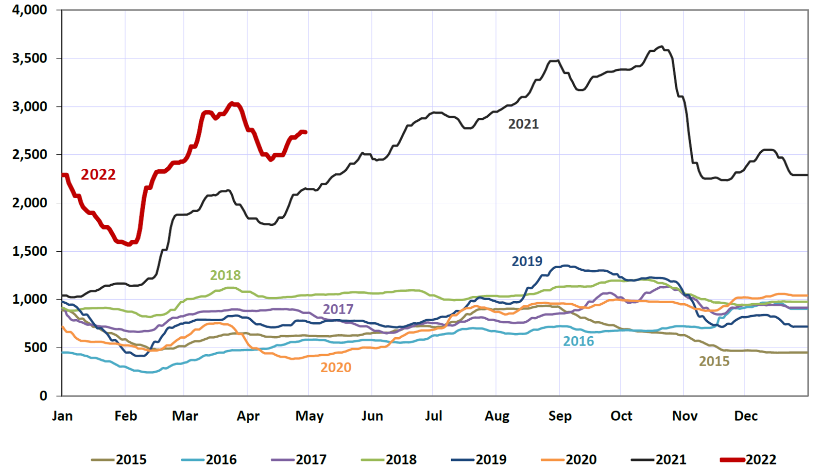
Baltic dry index



Baltic handysize index



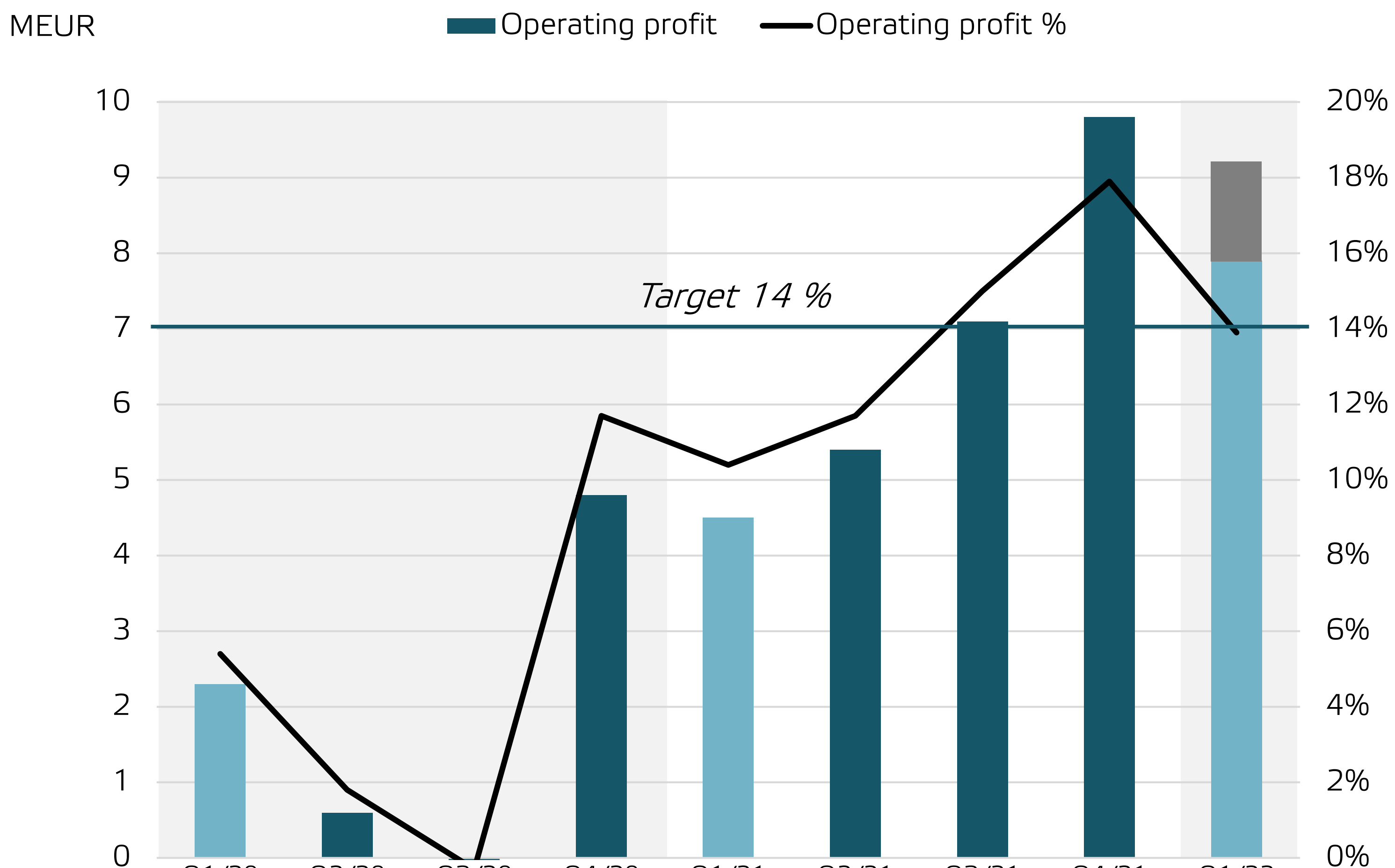
Baltic supramax index



Source: Baltic dry Index, banchero costa network April 29, 2022. The Baltic Dry Index provides a benchmark for the price of moving the major raw materials by sea. The Baltic Dry Index takes into account 23 different shipping routes carrying coal, iron ore, grains and many other commodities.

ASPO

Operating profit rate nearly at the 14% target level



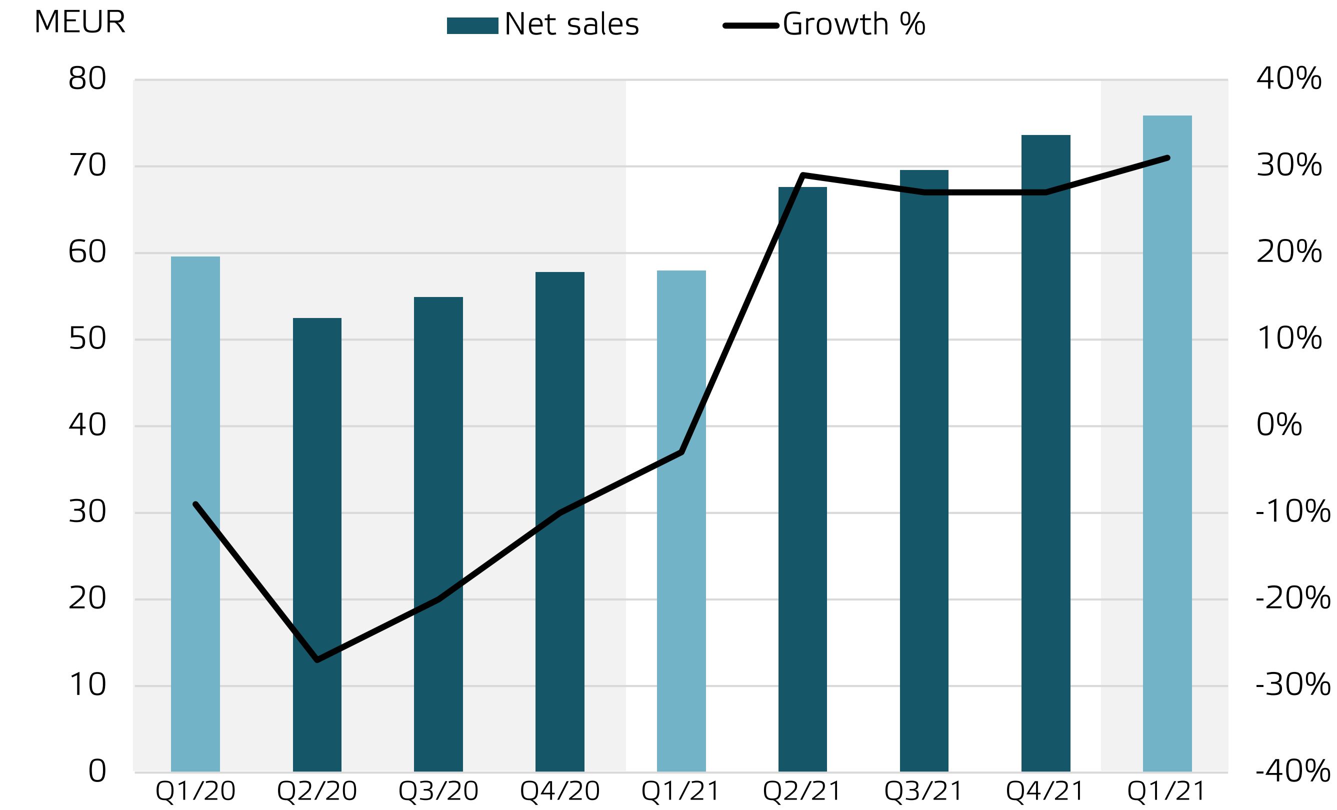
	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
Operating profit	2.3	0.6	-0.1	4.8	4.5	5.4	7.1	9.8	7.9
Operating profit %	5.4 %	1.8 %	-0.3 %	11.7 %	10.4 %	11.7 %	15.0 %	17.9 %	13.9 %

Reported operating profit EUR 9.2 million and operating profit 16.2 %, including items affecting comparability totaling EUR 1.3 million

- ESL Shipping's comparable operating profit increased considerably to EUR 7.9 (4.5) million. Comparable operating profit rate increased to 13.9%, nearly achieving the target level of 14%.
- The profitability of all the shipping company's vessel categories was historically strong during Q1.
- Behind strong profitability:
  - Strong demand and net sales growth
  - Balanced traffic structure and successful traffic management
  - Operational efficiency and low ballast-%
- The price of diesel doubled and that of LNG, which suffered the most from disruptions in European energy markets, was nearly four times higher than in the comparative period, but the impact of the price increases on costs are offset through long-term fuel clauses in transportation agreements.
- During the rest of 2022, two larger and four smaller vessel units will be docked for a total of approximately 95 days. In total, there will be approximately 105 dockage days in 2022 (229).

Strong growth and record results

Net sales growth of over 30% supported by market price development

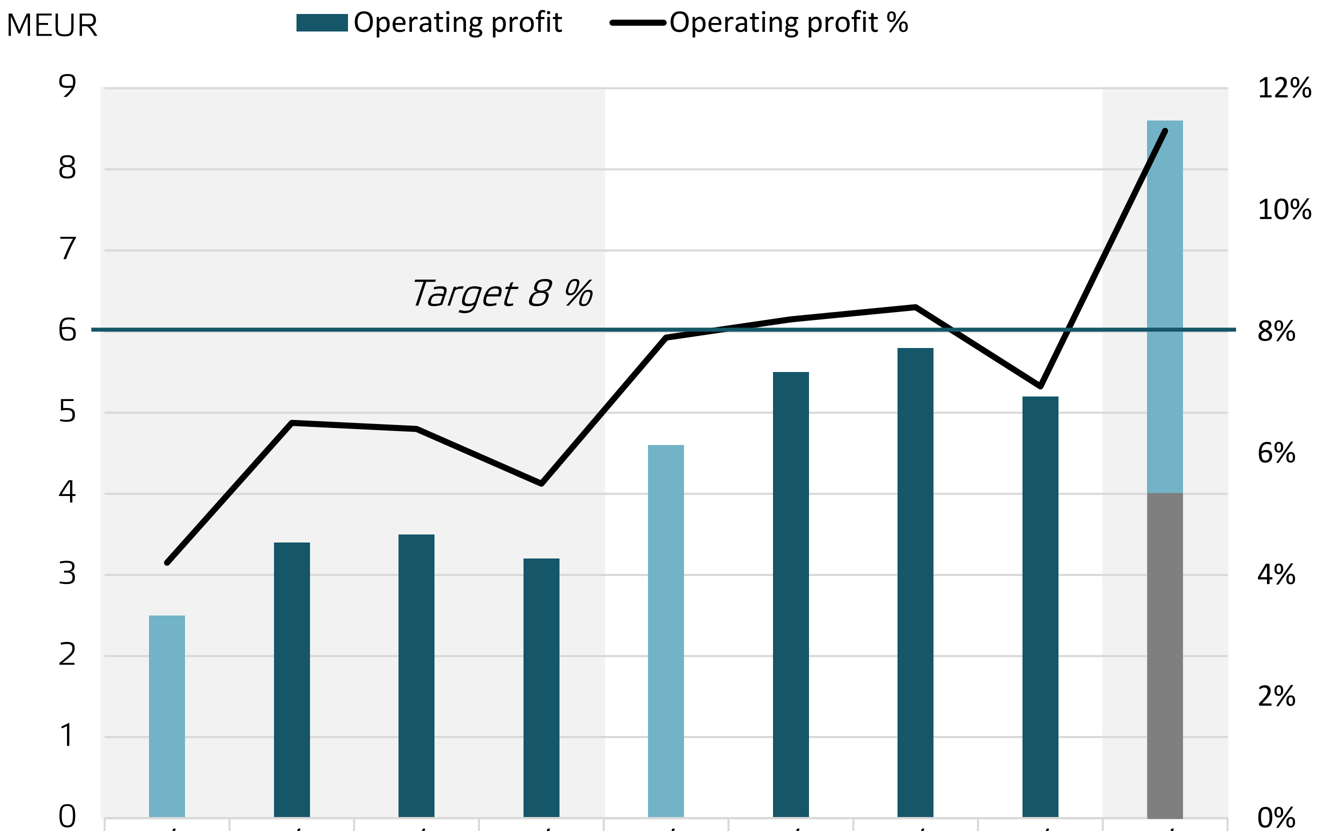


	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/21
Net sales	59.6	52.5	54.9	57.8	58	67.6	69.6	73.6	75.9
Growth %	-9%	-27%	-20%	-10%	-3%	29%	27%	27%	31%

Net sales growth compared to the same quarter in the previous year.

- Telko's net sales grew strongly to EUR 75.9 (58.0) million in Q1. Net sales were significantly impacted by price increases after the outbreak of war in Ukraine. Demand remained stable in all Telko's operations, while difficulties in availability continued to restrict the development of volumes in all operations.
  - The net sales of the plastics business increased by 22% during the first quarter to EUR 39.3 (32.1) million. The price level of plastics was clearly higher than during the comparative period in all product groups, and the average price of sales increased significantly.
  - The net sales of the chemicals business increased by 53% to EUR 25.3 (16.5) million. The exceptional demand in eastern markets and high price levels are reflected in the Q1 figures.
  - The net sales of the lubricants business increased by 20% to EUR 11.3 (9.4) million. Prices of lubricants increased clearly during the beginning of the year. Availability issues have not been as significant as in other business areas.
- In general, product prices are expected to remain high as a result of increases in crude oil prices and prolonged difficulties in deliveries. Demand is expected to remain fairly strong.
- In Russia and Belarus, Telko focuses on actively reducing its working capital. As a result, sales are expected to remain strong during the next few months and decline steeply towards the end of the year. Telko will continue its operations in Ukraine, while sales are expected to remain very low. Telko's net sales are expected to decrease significantly towards the end of the year.

Comparable operating profit at record-high EUR 8.6 million and 11.3 %



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
Operating profit	2.5	3.4	3.5	3.2	4.6	5.5	5.8	5.2	8.6
Operating profit %	4.2 %	6.5 %	6.4 %	5.5 %	7.9 %	8.2 %	8.4 %	7.1 %	11.3 %

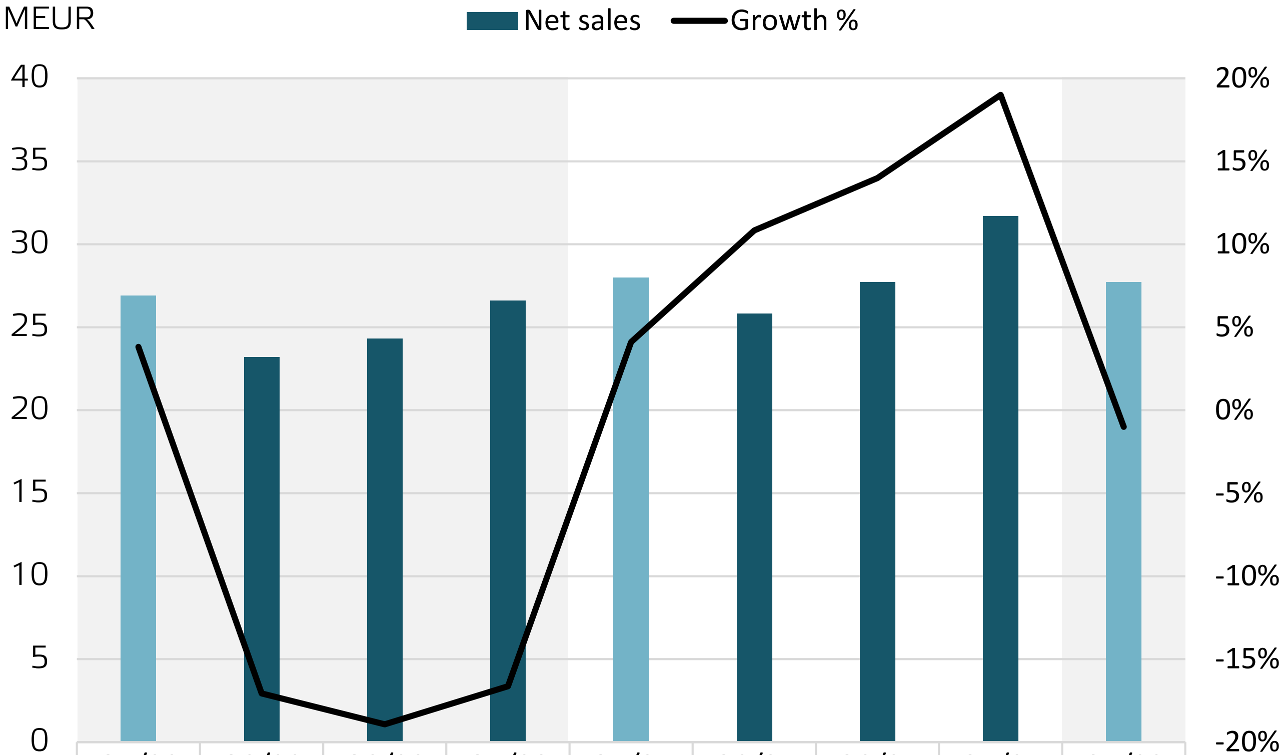
Reported operating profit EUR 4.0 million and operating profit rate 5.3%, including items affecting comparability totaling EUR -4.6 million.

- Telko’s comparable operating profit for Q1 was EUR 8.6 (4.6) million and operating profit rate was 11.3% (7.9%), well above the target level of 8%.
- Telko’s margins were at an unusually high level due to the increase in prices after the outbreak of the war in Ukraine. Then again, exchange rate losses resulting from the steep decline in the value of the Russian ruble reduced the results.
- Since the outbreak of the war, Telko has focused on actively selling the still existing inventories in Russia. The unusual market envinronment has demanded active pricing and sales efforts. The capital invested in Telko’s warehouse and receivables in Russia has decreased by roughly 30%.
- The war in Ukraine is expected to have indirect impact on general cost levels, logistics and flow of goods. Telko's conditions for continuing to operate in Russia and Belarus have weakened significantly.

LEIPURIN

Profitability continued improving

Leipurin saw strong growth in Finland and the Baltic countries

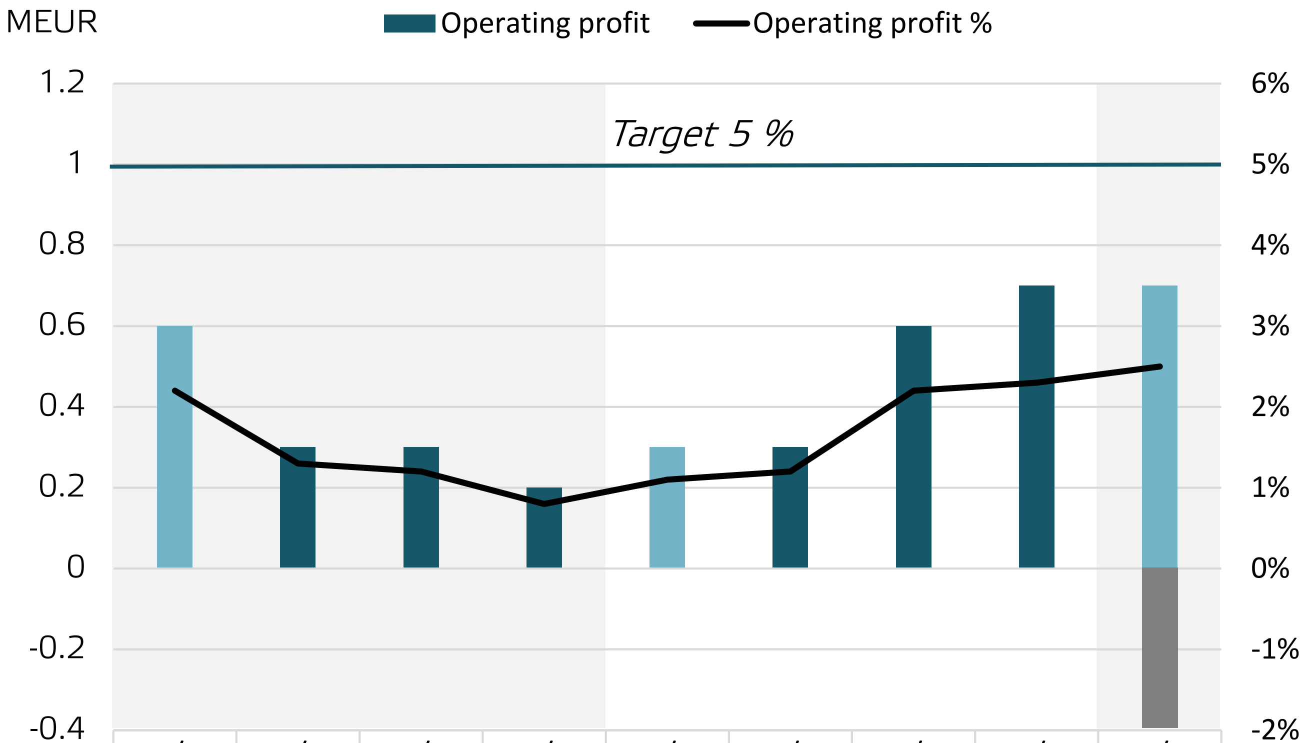


	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
Net sales	26.9	23.2	24.3	26.6	28.0	25.8	27.7	31.7	27.7
Growth %	4%	-17%	-19%	-17%	4%	11%	14%	19%	-1%

Net sales growth compared to the same quarter in the previous year.

- Leipurin's net sales were down 1% in Q1 and stood at EUR 27.7 million (28.0). This was significantly affected by the comparative period's machine sales in Russia, which is since deemed as a non-core business.
- In Finland, net sales increased by 14% to EUR 10.4 (9.1) million. In the Baltic region, net sales increased by 19% to EUR 8.0 (6.7) million. Net sales in East developed positively until the war broke out in Ukraine and increased by 3% to EUR 6.8 million (6.6).
- At the beginning of the year, the euro-denominated increase in sales was driven by the significantly grown global market prices of raw materials but, measured in kilograms, sales also increased strongly in Finland and the Baltic countries.
- The war in Ukraine and the decision to withdraw operations from Russia, Belarus and Kazakhstan will impact Leipurin's future net sales. In both Finland and the Baltics, the outlook remains good.

Leipurin's comparable operating profit rate continued to improve



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
Operating profit	0.6	0.3	0.3	0.2	0.3	0.3	0.6	0.7	0.7
Operating profit %	2.2 %	1.3 %	1.2 %	0.8 %	1.1 %	1.2 %	2.2 %	2.3 %	2.5 %

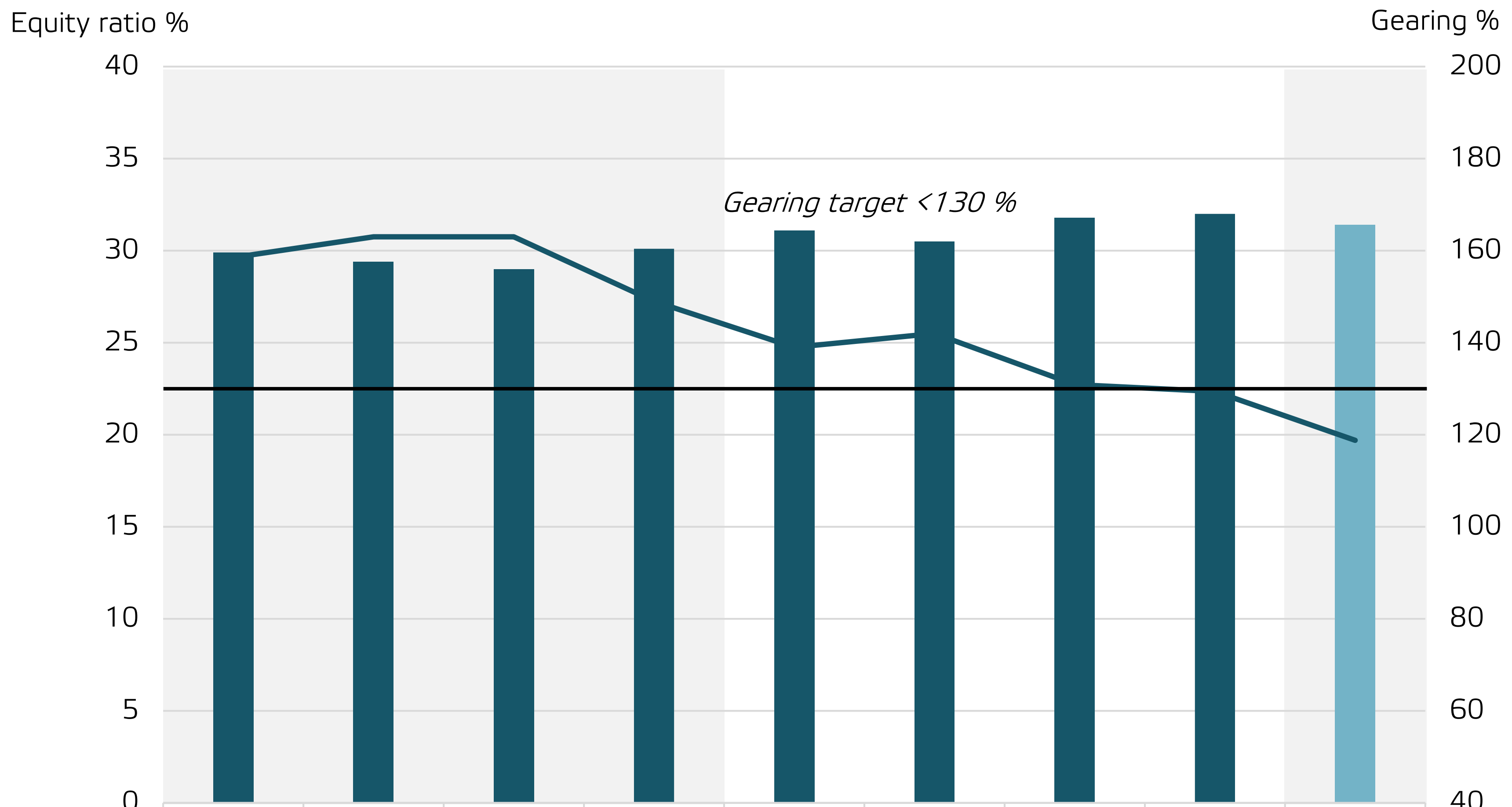
Reported operating profit EUR -0.4 million and operating profit rate -1.4%, including items affecting comparability totaling EUR -1.1 million

- Leipurin's Q1 comparable operating profit was EUR 0.7 million (0.3) and operating profit rate 2.5% (1.1).
- Profitability was positively affected by net sales growth, rising raw material prices and improved sales margins.
- Leipurin's comparable operating profit excluding Vulganus was EUR 1.0 million (0.5) and operating profit rate 4.0% (1.9).
- Profit management program started in Q2 2021 will develop the capability of knowledge management and help to improve the commercial performance. The management model already increased financial performance during 2021 and this continued during Q1 2022. The implementation of the program was particularly reflected in the positive development of results in Finland.
- The war in Ukraine and the decision to withdraw operations from Russia, Belarus and Kazakhstan will have a significant impact on Leipurin's net sales and results in 2022.

Aspo's financial position and guidance

ASPO

Gearing kept improving



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22
Equity ratio, %	29.9	29.4	29.0	30.1	31.1	30.5	31.8	32.0	31.4
Gearing, %	158.5	163.0	163.0	149.0	139.0	142.0	130.9	129.4	118.8

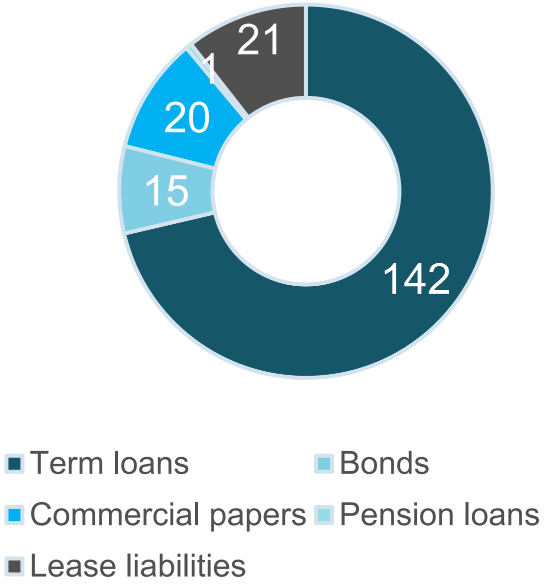
- Gearing fell under Aspo's long-term target level of 130% at the end of 2021. Improvement continued in the first quarter and gearing stood at 118.8%.
- Net interest-bearing debt including lease liabilities totaled EUR 159.5 million (12/2021: 167.4)

Strong liquidity and a balanced maturity structure

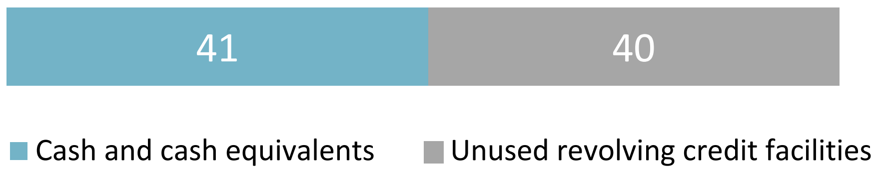
Interest-bearing liabilities incl. lease liabilities

Net interest-bearing debt total EUR 159.5

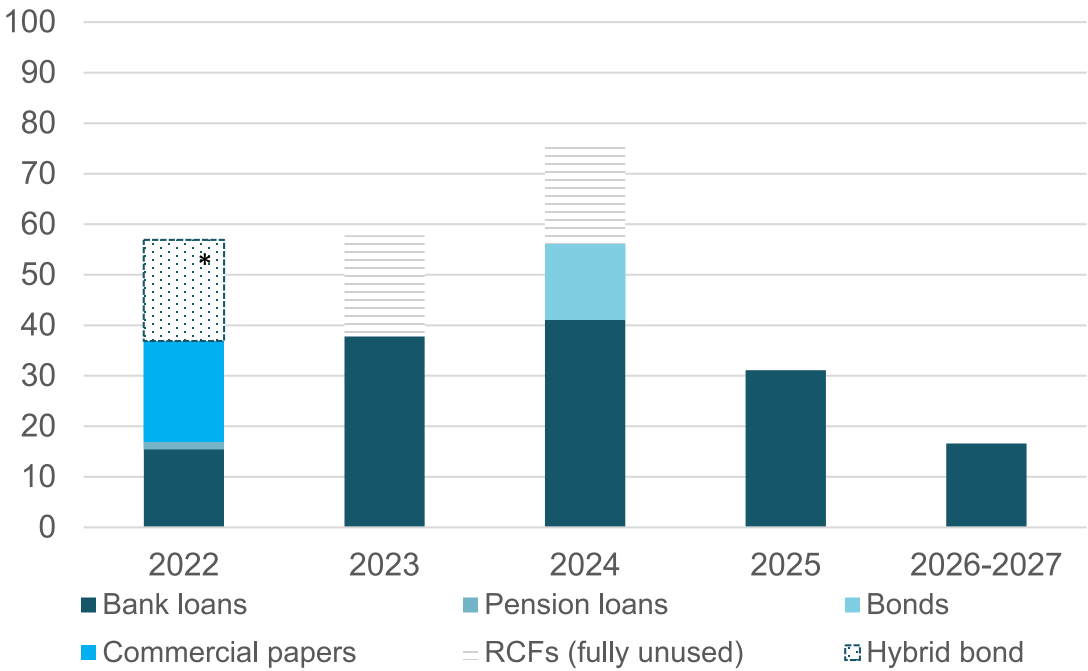
Avg interest rate1.3%



Liquidity position (MEUR)



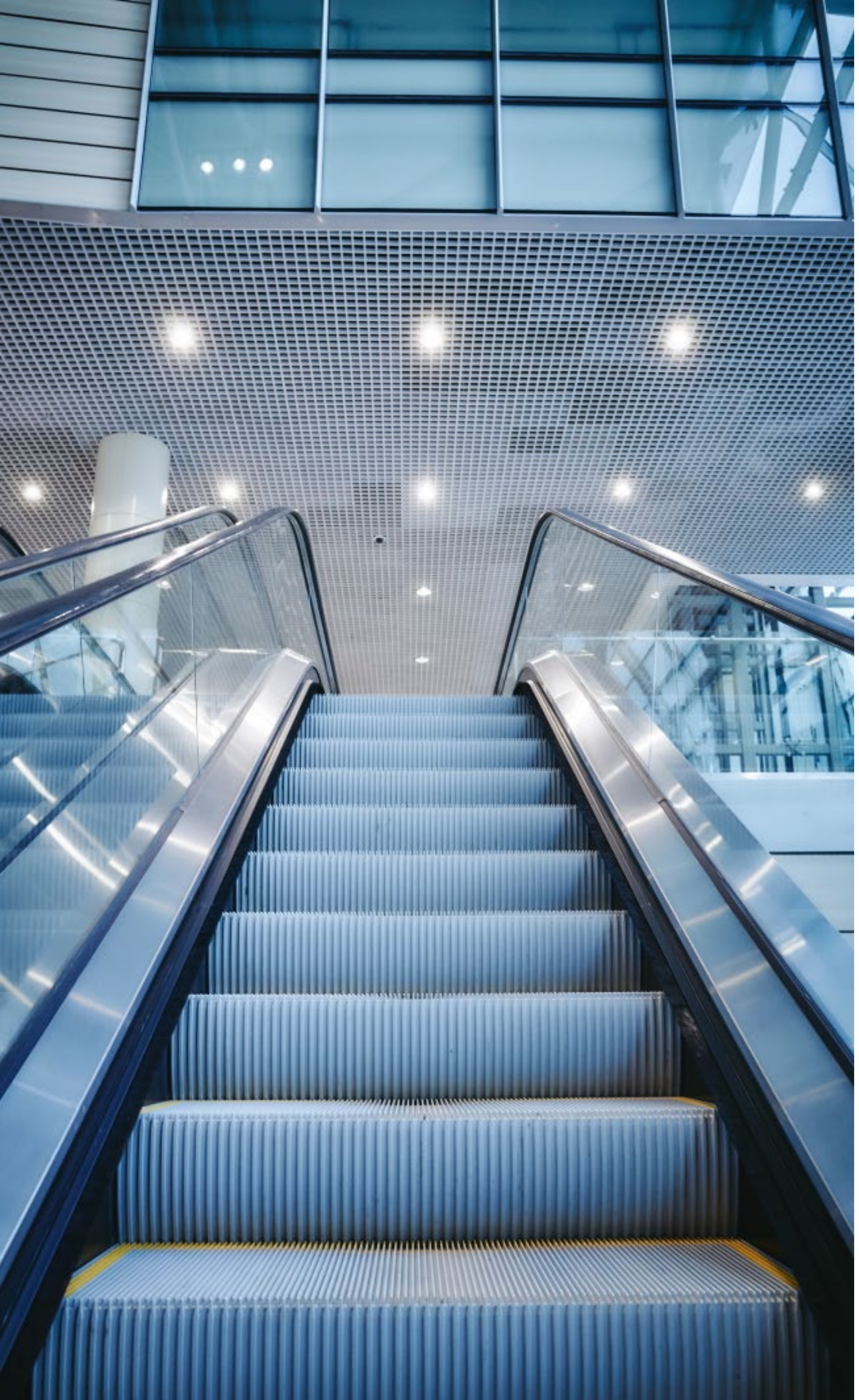
Maturity profile (MEUR)



*) EUR 20 million hybrid bond was redeemed in full on May 2, 2022

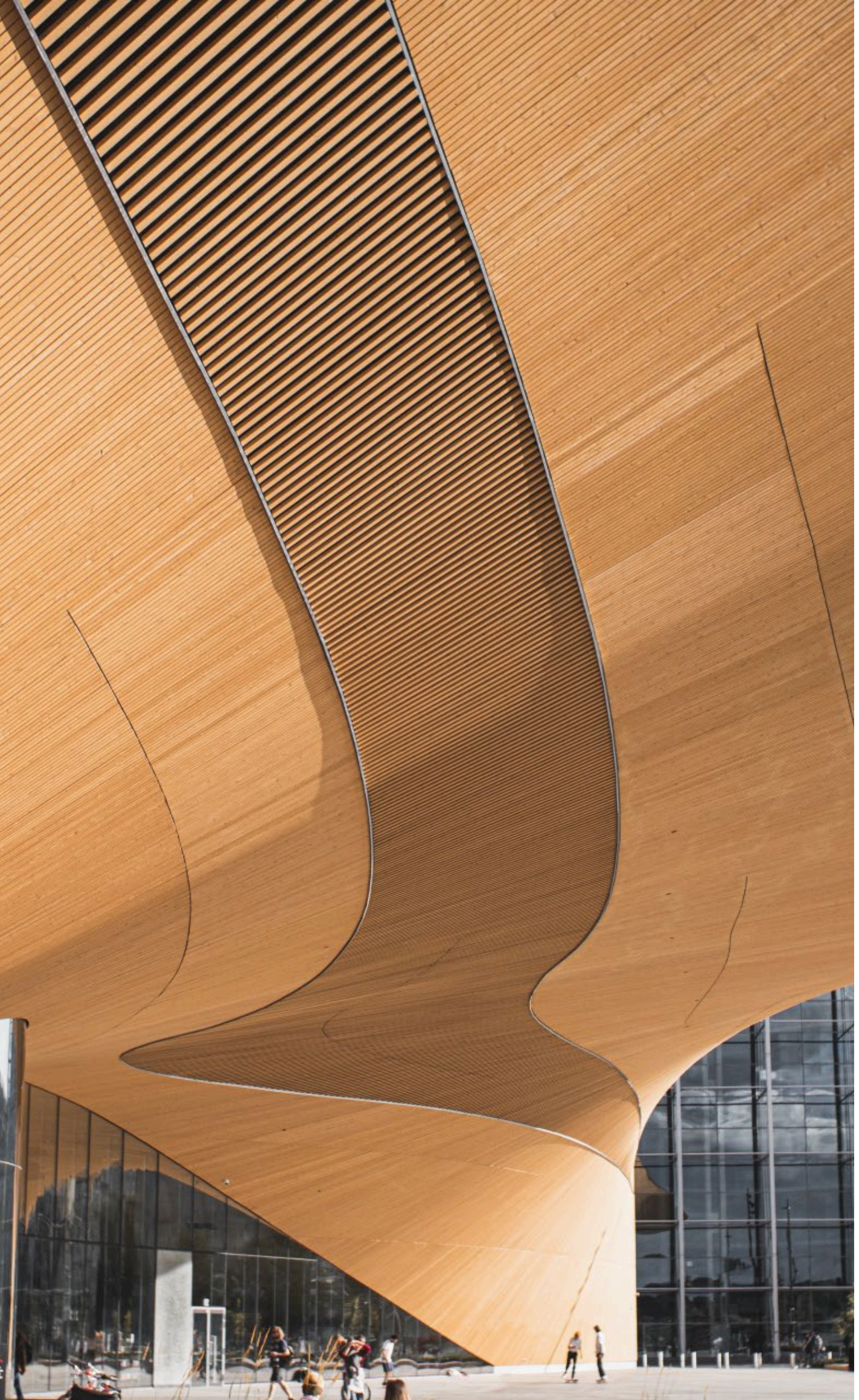
Update on the Eastern market operations

- The operating environment has changed dramatically in eastern markets, and Russia's reprehensible invasion will have an enduring impact on business opportunities in the region.
- Aspo has decided to withdraw Leipurin's operations from Russia, Belarus and Kazakhstan which accounted for approximately 5% of the Group's net sales in 2021.
- Telko's ability to continue its operations in Russia has deteriorated, and the stricter sanctions have accelerated the adaptation of operations. Since the war broke out in Ukraine, the capital invested in Telko's inventory and receivables in Russia has decreased by roughly 30%. The review of strategic options actively continues.
- The majority of ESL Shipping's operations related to Russia has been suspended, and the released vessel capacity has been transferred to other operating areas. All transportation operations related to Russia are expected to stop by the end of the year. The schedule is dependent on the obligations of existing customer agreements.
- We closely monitor the progress of the crisis and its effects, and evaluate and implement possible additional measures on a business-by-business basis.



Guidance for 2022 (given on April 5, 2022)

Aspo Group's comparable operating profit will be EUR 27–34 (EUR 42.4) million in 2022.



Excellent start for the year 2022

- All long-term financial targets were achieved in the first quarter.
- War in Ukraine affects especially Telko’s and Leipurin’s net sales and profit development, and considerably increases uncertainty in Aspo’s operating environment.
- Commercial activity in Ukraine is very limited
  - Leipurin will withdraw from the Eastern markets, ESL Shipping’s transports related to Russia ending, and Telko continues to review strategic options
  - Uncertainty created by inflation, challenges in production and supply chains, availability of raw materials and general economic development and demand
- Although Russia’s invasion caused significant changes in our operating environment, we keep determinedly implementing our strategy announced in December.

Q & A

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Upcoming events

Half-year financial report August 10, 2022

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Appendix

ASPO

Key figures

	1-3/2022	1-3/2021	1-12/2021
Net sales from continuing operations, MEUR	160.4	129.4	573.3
ESL Shipping, operating profit, MEUR	9.2	4.5	26.8
Telko, operating profit, MEUR	4.0	4.6	20.4
Leipurin, operating profit, MEUR	-0.4	0.3	-2.4
Other operations, operating profit, MEUR	-2.5	-1.6	-7.9
Operating profit from continuing operations, MEUR	10.3	7.8	36.9
Operating profit from continuing operations, %	*6.4*	*6.0*	*6.4*
Operating profit from discontinued operations, MEUR	-0.2	0.1	-3.0
Operating profit, Group total, MEUR	10.1	7.9	33.9
Items affecting comparability, MEUR*)	-4.9		-8.5
Comparable operating profit, Group total, MEUR	15.0	7.9	42.4
Comparable operating profit, Group total, %	*9.2*	*6.0*	*7.2*
Profit before taxes, MEUR	8.5	6.9	33.0
Profit for the period, MEUR	7.0	6.4	25.3
Profit from continuing operations, MEUR	7.2	6.3	28.3
Profit from discontinued operations, MEUR	-0.2	0.1	-3.0
Earnings per share (EPS), EUR	0.21	0.19	0.76
EPS from continuing operations, EUR	0.22	0.19	0.86
EPS from discontinued operations, EUR	-0.01	0.00	-0.10
Net cash from operating activities, MEUR	15.2	6.6	44.0
Free cash flow, MEUR	13.8	5.1	27.5
Return on equity (ROE), %	21.2	21.8	20.8
Equity ratio, %	31.4	31.1	32.0
Gearing, %	118.8	139.0	129.4
Equity per share, EUR	4.28	3.86	4.14

Shareholders

Biggest shareholders March 31, 2022	% of shares
Havsudden Oy Ab	10.38
AEV Capital Holding Oy	10.23
Varma Mutual Pension Insurance Company	4.53
Vehmas Tapio	4.06
Nyberg Gustav	2.87
Ilmarinen Mutual Pension Insurance Company	2.79
Nordea Nordic Small Cap Fund	2.31
Procurator-Holding	1.64
Mandatum Life Insurance Company	1.19
AC Invest	1.15