ASPO

Aspo January-June 2022

Strong performance continued in Q2: Comparable operating profit reached a record-high EUR 16.0 million

CEO Rolf Jansson

Historically strong quarter for Aspo

Q2 net sales increased by 16%, clearly over the target growth rate of 5-10%

- Net sales growth was driven particularly by ESL Shipping's strong transport demand.

Record-high comparable operating profit of EUR 16.0 million

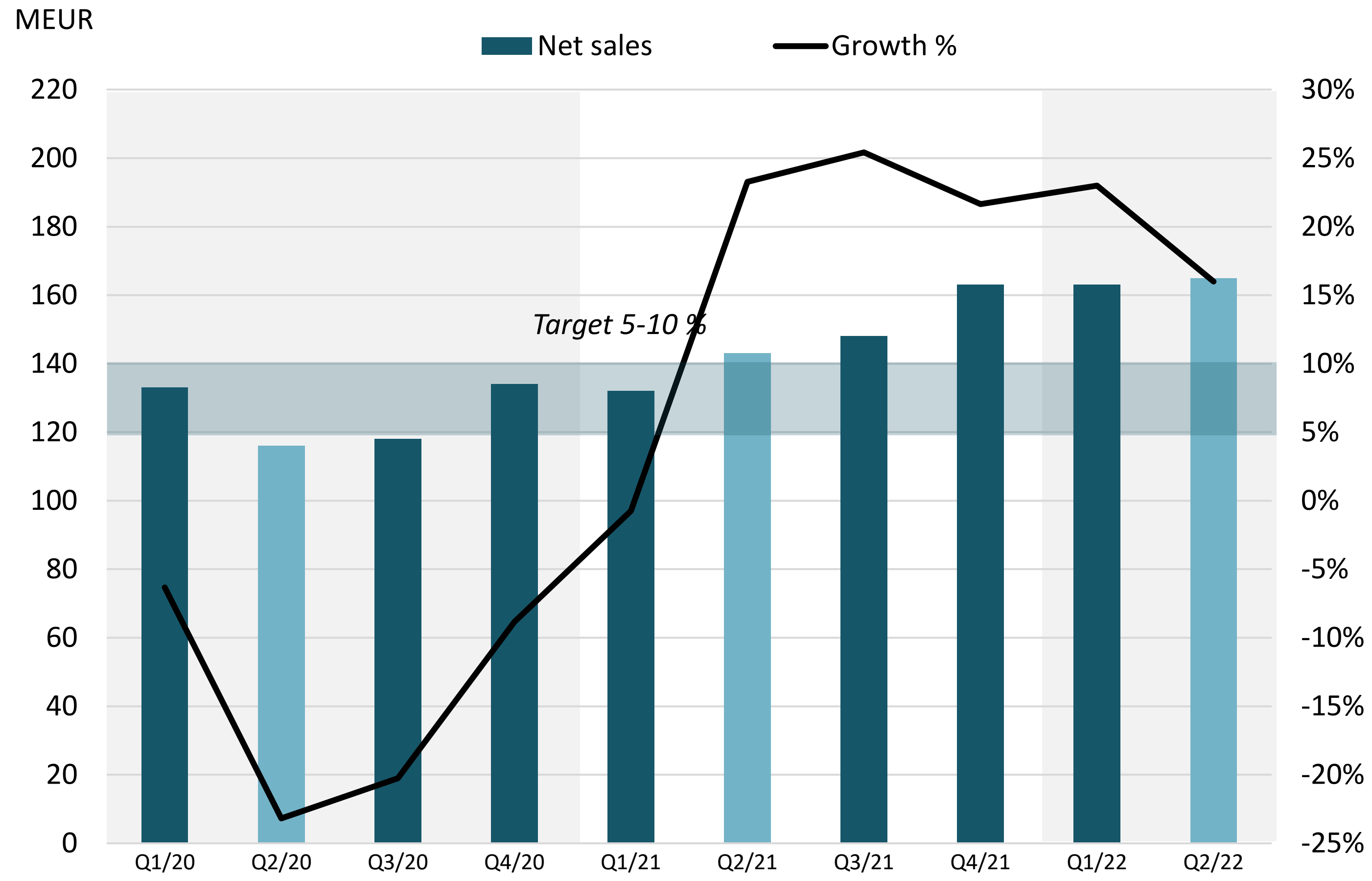
- Profitability was boosted by stellar performances of ESL Shipping and Telko, with a positive margin improvement trend continuing also for Leipurin.
- Comparable operating profit rate reached 9.7% for the quarter, well above the long-term target of 8%.

Strategy execution continues despite macroeconomic uncertainty

- We are in a good position to continue our strategy execution going forward, with the aim to offset any negative impact from the business environment.

	Q2 2022	Q1-Q2 2022
Net sales, Group total	EUR 165.3 million (142.8)	EUR 327.9 million (275.2)
Operating profit	EUR 13.6 million (9.6)	EUR 23.7 million (17.4)
Comparable operating profit	EUR 16.0 million (9.6)	EUR 31.0 million (17.4)
EPS	0.31 (0.24)	0.52 (0.43)
Net cash from operating activities	EUR 19.1 million (15.6)	EUR 34.3 million (22.2)

Net sales increased by 16% to EUR 165.3 million in Q2

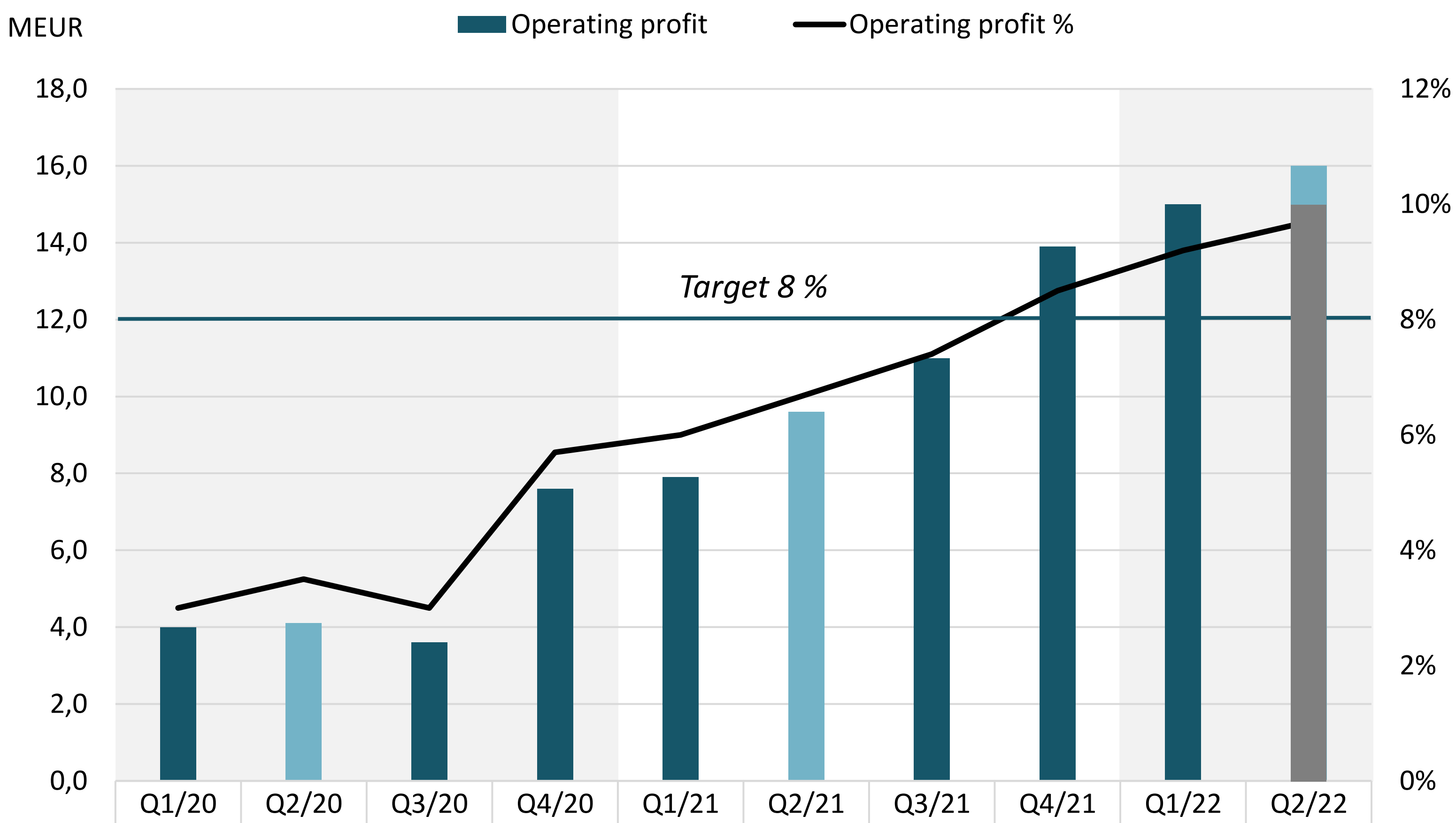


	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
Net sales	133	116	118	134	132	143	148	163	163	165
Growth %	-6%	-23%	-20%	-9%	-1%	23%	25%	22%	23%	16%

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

- In Q2, Group net sales increased by 16% to EUR 165.3 (142.8) million.
- For January-June 2022, Aspo's net sales increased by 19% to EUR 327.9 (275.2) million.
- All key businesses of Aspo, and in particular ESL Shipping, have shown strong growth during 2022.
- While we are reducing our presence in the East, we have targeted growth in the Western markets.
- Financial impact from exiting the Eastern markets as well as macroeconomic development, impacting demand, price and cost levels and availability of raw materials for the specific businesses, create uncertainty going forward.

Comparable operating profit at a record high EUR 16 million



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
Operating profit	4,0	4,1	3,6	7,6	7,9	9,6	11,0	13,9	15,0	16,0
Operating profit %	3,0 %	3,5 %	3,0 %	5,7 %	6,0 %	6,7 %	7,4 %	8,5 %	9,2 %	9,7 %

Reported operating profit EUR 13.6 million (9.6) including items affecting comparability totaling EUR -2.4 million.
Reported operating profit rate was 8.2.% (6.7%)

- Comparable operating profit for Q2 reached record-high EUR 16.0 million (9.6) and the comparable operating profit rate was 9.7% (6.7%).
- In January-June, comparable operating profit was EUR 31.0 (17.4) million, and the comparable operating profit rate was 9.5% (6.3%).
- Strong operating profit development was supported by:
  - ESL Shipping’s stellar results driven by successful execution of its partnership strategy, favorable market conditions and operational success
  - Telko’s sales growth driven by strong demand, favourable global price and sales margin development, and the systematic implementation of strategic growth plans
  - Leipurin’s continued margin improvement as a consequence of enhanced market conditions combined with improvement measures
- Items affecting comparability in Q2 totaled EUR -2.4 million

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Q2 2022 items affecting comparability totaled EUR -2.4 million

ESL Shipping
EUR -0.2 million

- Cost provisions of approximately EUR -0.2 million related to the closure of Russia-related contracts.

Telko
EUR -0.4 million

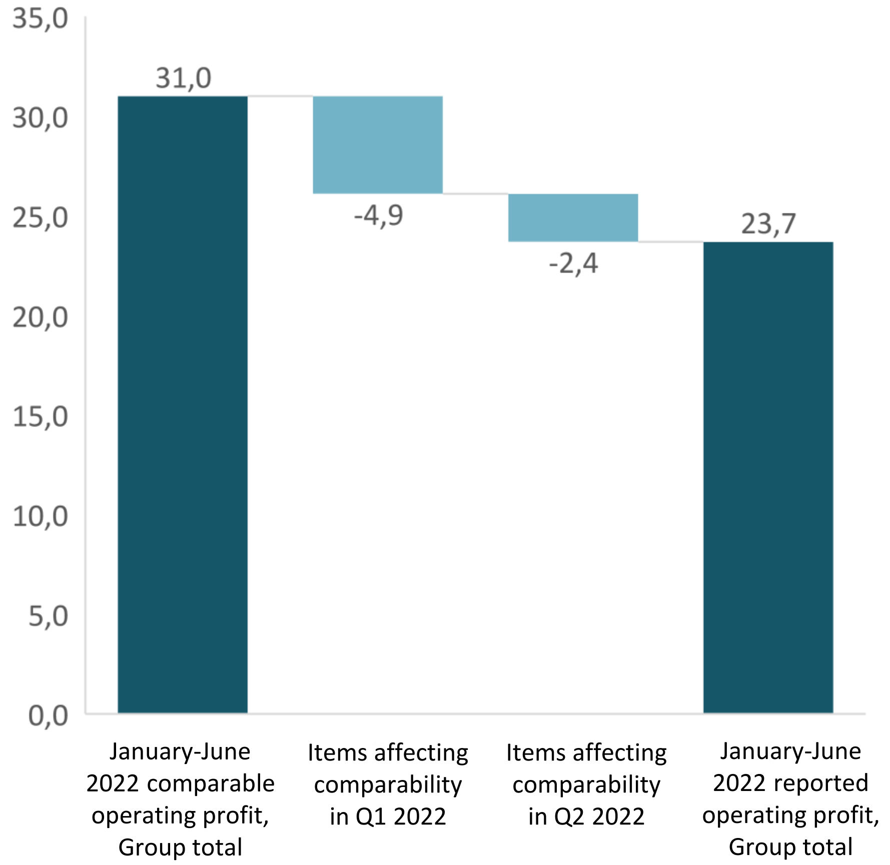
- The restructuring costs of operations in Russia totaling EUR -0.9 million and the decrease in the credit loss provision related to accounts receivables in Ukraine of EUR 0.5 million.

Leipurin
EUR -0.5 million

- Impact from the divestment of Vulganus of EUR -0.4 million and costs related to the withdrawal from Russia, Belarus and Kazakhstan totaling EUR -0.1 million.

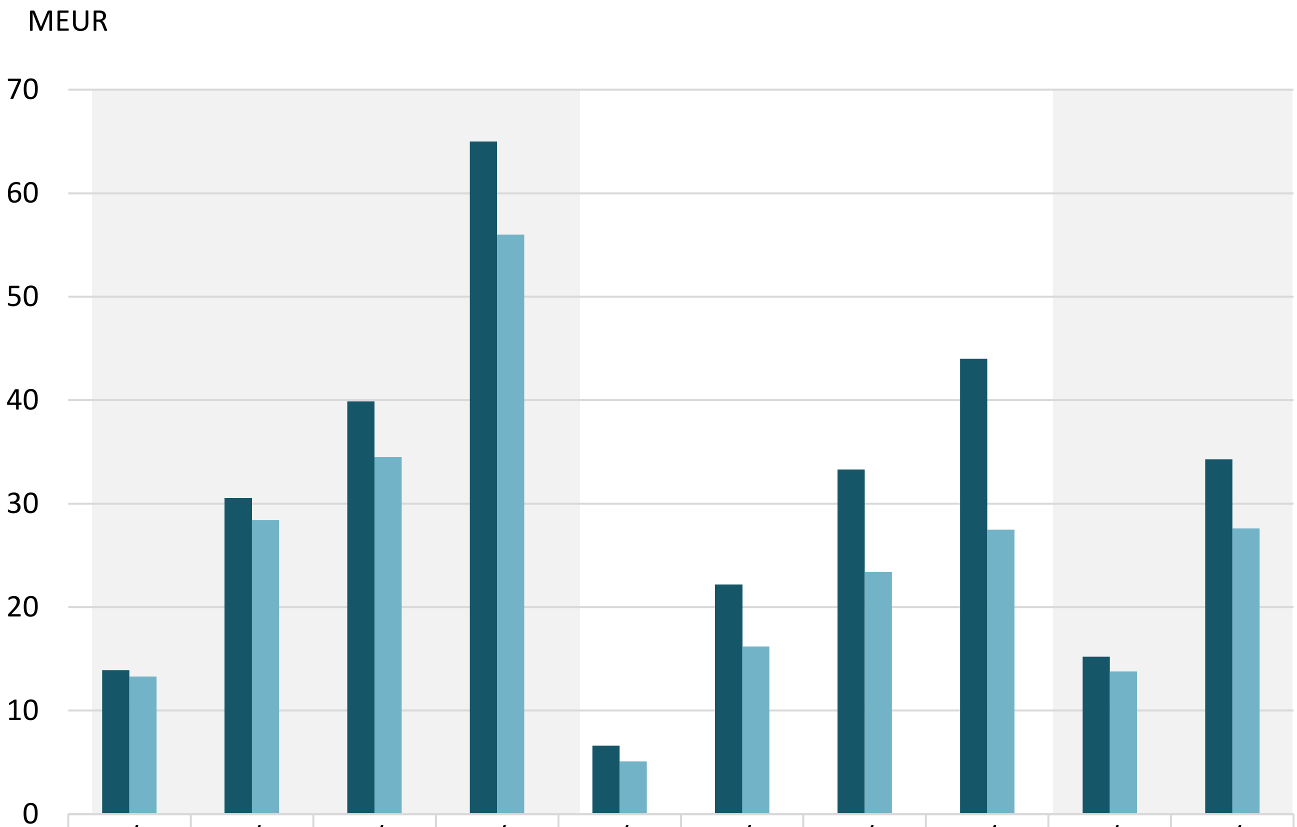
Kauko
EUR -1.3 million

- Impairment loss of EUR -1.3 million on Kauko's goodwill



Items affecting comparability caused by the war in Ukraine and the decisions regarding business operations in Russia will cause an estimated total expense of EUR 15–20 million.

Solid cash flow development continued

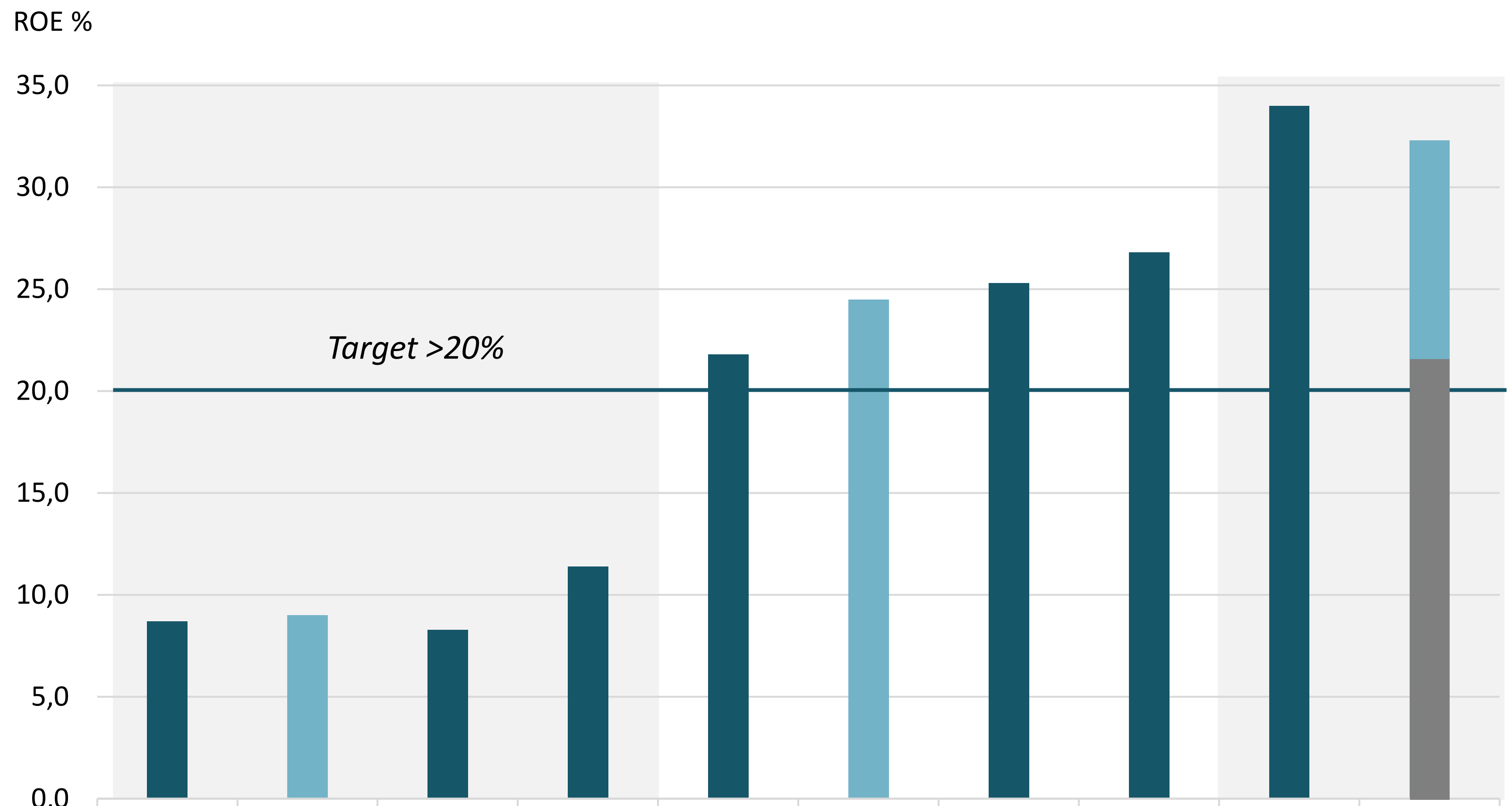


	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
Operating cash flow (cum.)	13,9	30,5	39,9	65	6,6	22,2	33,3	44,0	15,2	34,3
Free cash flow (cum.)	13,3	28,4	34,5	56	5,1	16,2	23,4	27,5	13,8	27,6

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

- Net cash from operating activities was EUR 34.3 million (22.2) for January-June.
- All core businesses of Aspo contributed to the good cash flow development.
- The impact of the change in working capital on cash flow was EUR 2.3 million (-7.2).
- Free cash flow was EUR 27.6 million (16.2).
- Investments of EUR 8.2 million consisted mainly of dockings of ESL Shipping's vessels.

Return on equity remained well above the target level



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
ROE (cum.)	8,7	9,0	8,3	11,4	21,8	24,5	25,3	26,8	34,0	32,3

Reported return on equity 23.4%

- Return on equity adjusted by the items affecting comparability was 32.3% (24.5%).
- Positive ROE development was supported by improved performance of all businesses.
- Reported ROE was 23.4% (24.5%).

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Positive development in key sustainability targets continued

- Aspo's 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 driven by net sales growth in combination with operational efficiency and was 0.37.
- In Q2, ESL Shipping took an important step to become the world's first shipping company to start utilizing new low-emission Neste Marine™ 0.1 Co-processed marine fuel in its vessels in Finland and Sweden. The ISCC PLUS certified marine fuel enables up to 80% reduced greenhouse gas emissions over the life cycle compared to fossil fuels.
- 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. TRI (Total Recordable Injury Frequency) for the last 12 months improved to 7.1. Target for 2022 is 7.0.
- Aspo employee satisfaction measured by People Power index declined slightly in 2022 being 79 / AA (81/AA+ in 2021) but is still on a good level and clearly above the global general norm.

Carbon intensity, last 12m

0.37 (0.42 in 12/2021)

Target 2025:

0.30

Incident frequency (TRI), last 12m

7.1 (8.8 in 12/2021)

Target 2022:

7.0

Aspo business reviews

Forerunner and industrial partner

ESL Shipping

Accelerated growth

TELKO

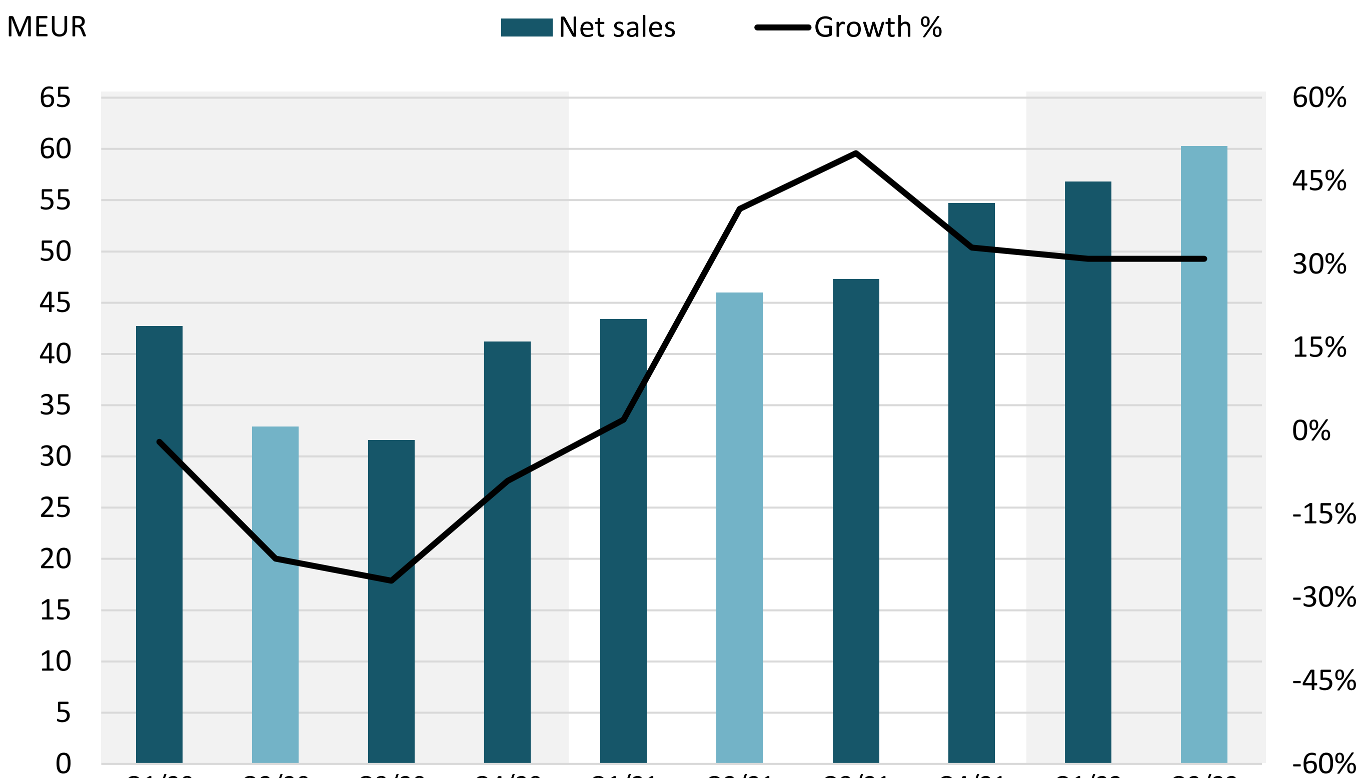
Towards full potential

LEIPURIN®

ESL Shipping

All-time high Q2, with strong performance expected to continue

Net sales growth driven by strong demand and operational efficiency



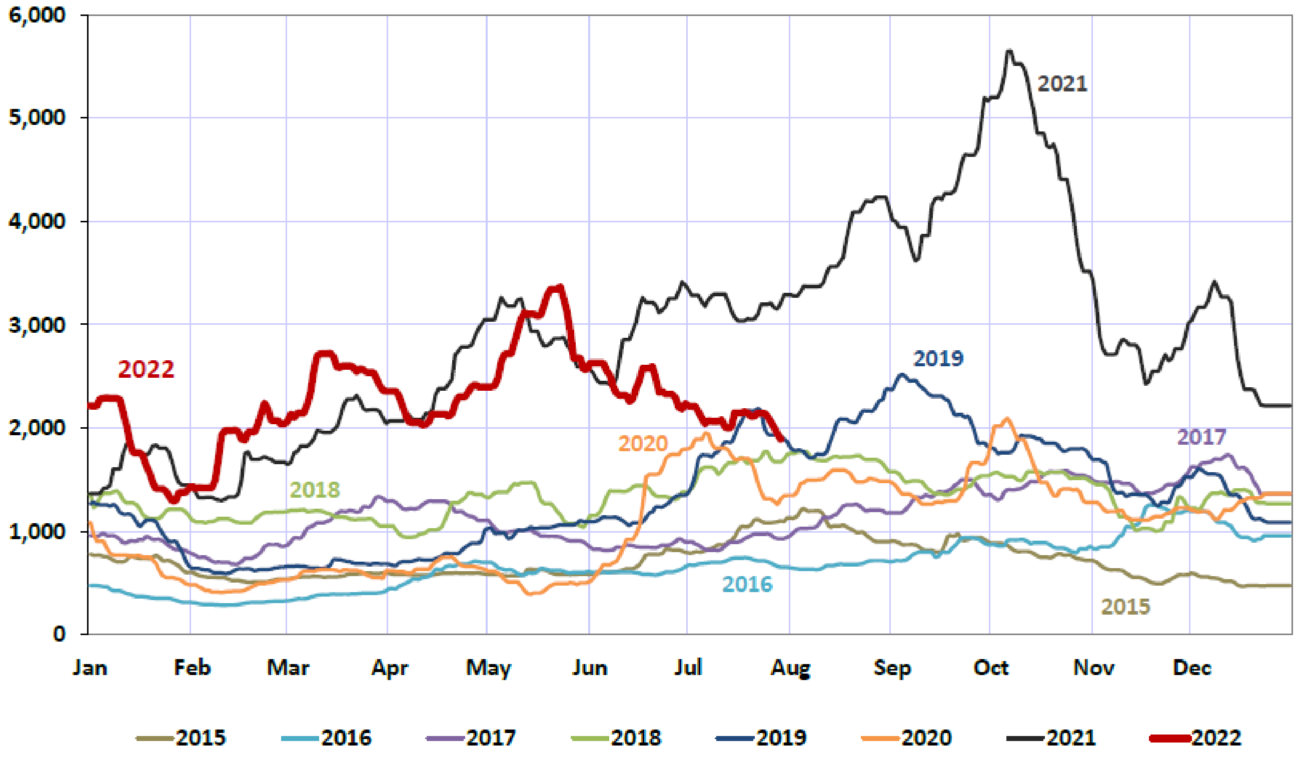
	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
Net sales	42,7	32,9	31,6	41,2	43,4	46	47,3	54,7	56,8	60,3
Growth %	-2%	-23%	-27%	-9%	2%	40%	50%	33%	31%	31%

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 60.3 (46.0) million.
- In January-June, net sales increased by 31% from the comparative period, amounting to EUR 117.1 (89.4) million.
- In contract traffic, demand for ton miles remained strong throughout the review period despite realized lower volumes.
- Spot market freight rates were at a high level in all customer segments and vessel categories.
- The released vessel capacity from Russia has been successfully transferred to other operating areas.
- Re-routing of raw material supply out of Russia, which resulted in increased transportation distances, and heavy congestion in certain major contract traffic ports reduced cargo volumes in Q2 2022 to 3.3 (3.7) million tons.
- Despite macroeconomic uncertainties (increasing energy prices, availability of raw-material, etc.), the demand for transportation and the price level of sea freights in the company's main market are expected to continue at a satisfactorily level in all vessel categories. Most of the shipping company's transportation capacity has been secured through long-term agreements.
- ESL Shipping's investments in energy efficient vessels will further strengthen its market position going forward.

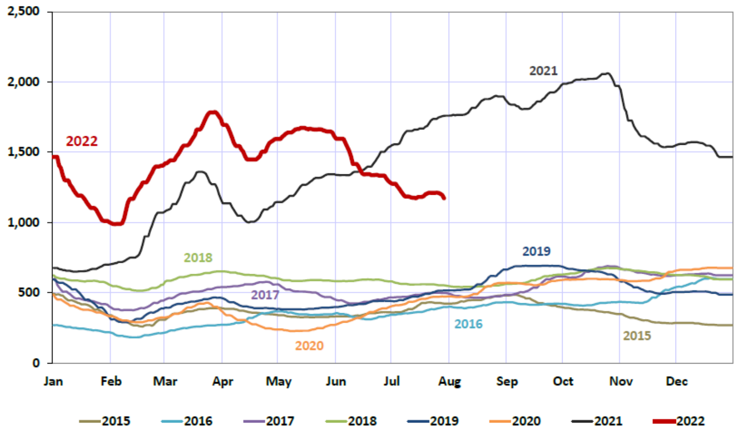
The Baltic Dry index development

Baltic dry index

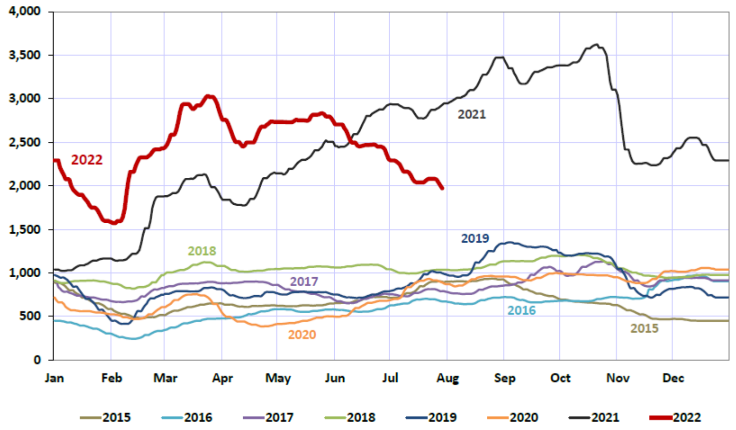


Source: Baltic dry Index, banchero costa network July 29, 2022. The Baltic Dry Index provides a benchmark for the price of moving the major raw materials by sea. The Baltic Dry Index takes into account 23 different shipping routes carrying coal, iron ore, grains and many other commodities.

Baltic handysize index



Baltic supramax index

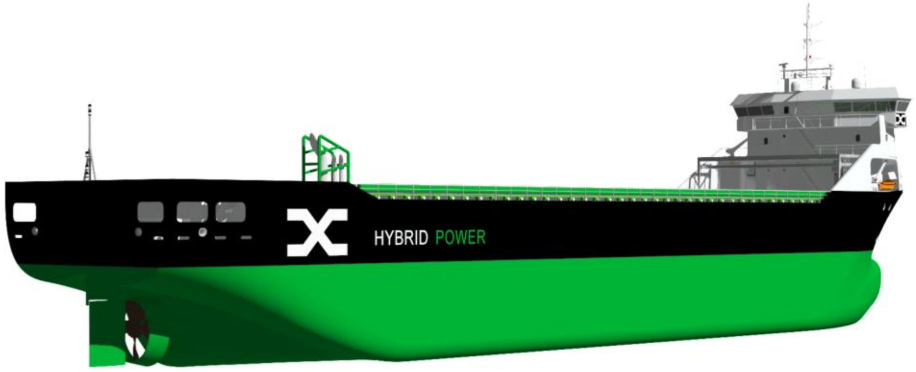


ASPO

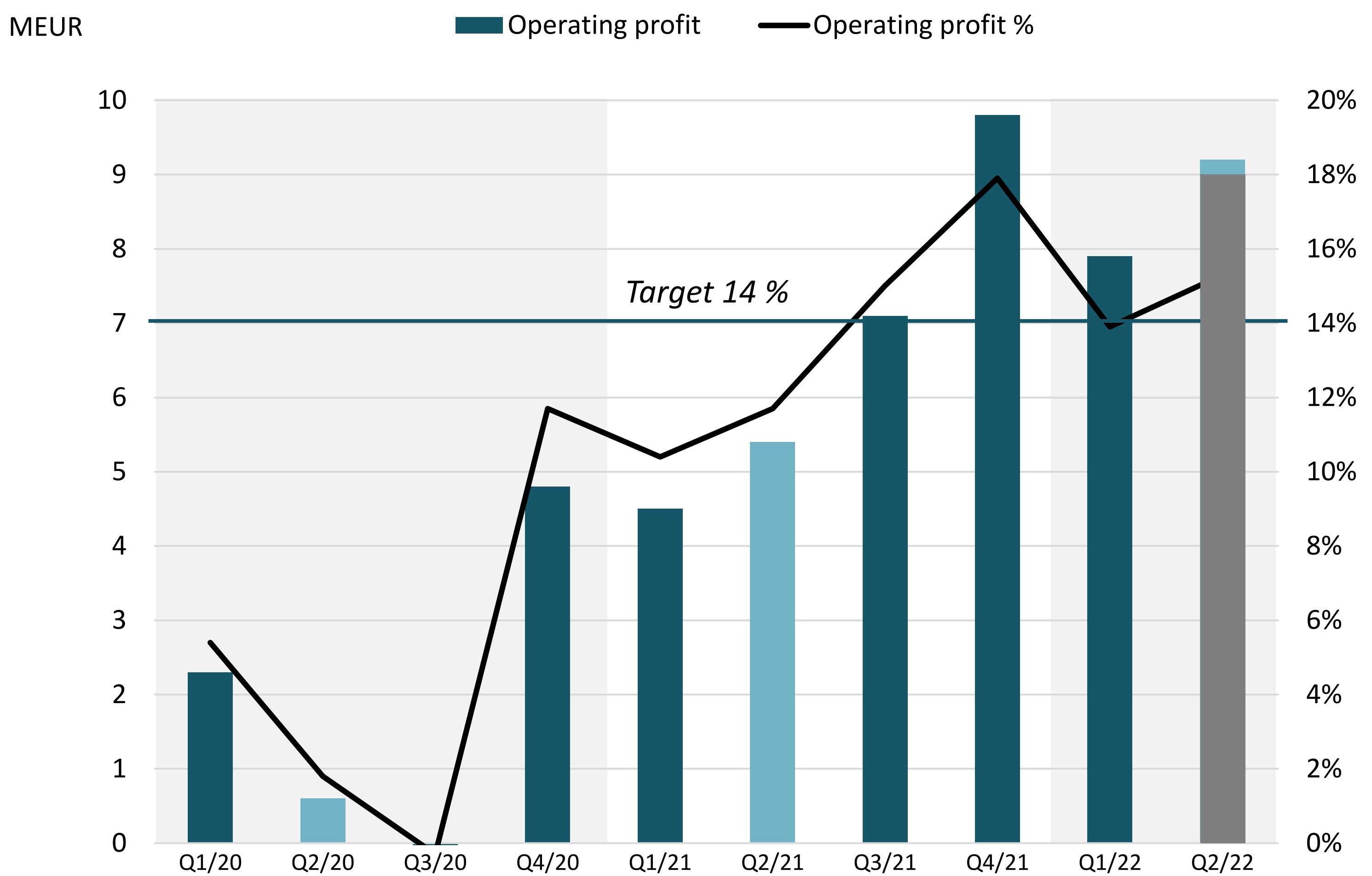
Pooling partnership being finalized

- In connection with the series of new-generation electric hybrid vessels and remaining additional vessel options, ESL Shipping is finalizing a long-term pooling partnership together with a group of institutional and private investors.

- The pooling structure is a model commonly used in the international shipping business for the ownership and operation of vessels, and it is introduced to accelerate the growth, profitability and return on capital of ESL Shipping's business.



Strongest Q2 ever in ESL Shipping's history



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
Operating profit	2,3	0,6	-0,1	4,8	4,5	5,4	7,1	9,8	7,9	9,2
Operating profit %	5,4 %	1,8 %	-0,3 %	11,7 %	10,4 %	11,7 %	15,0 %	17,9 %	13,9 %	15,3 %

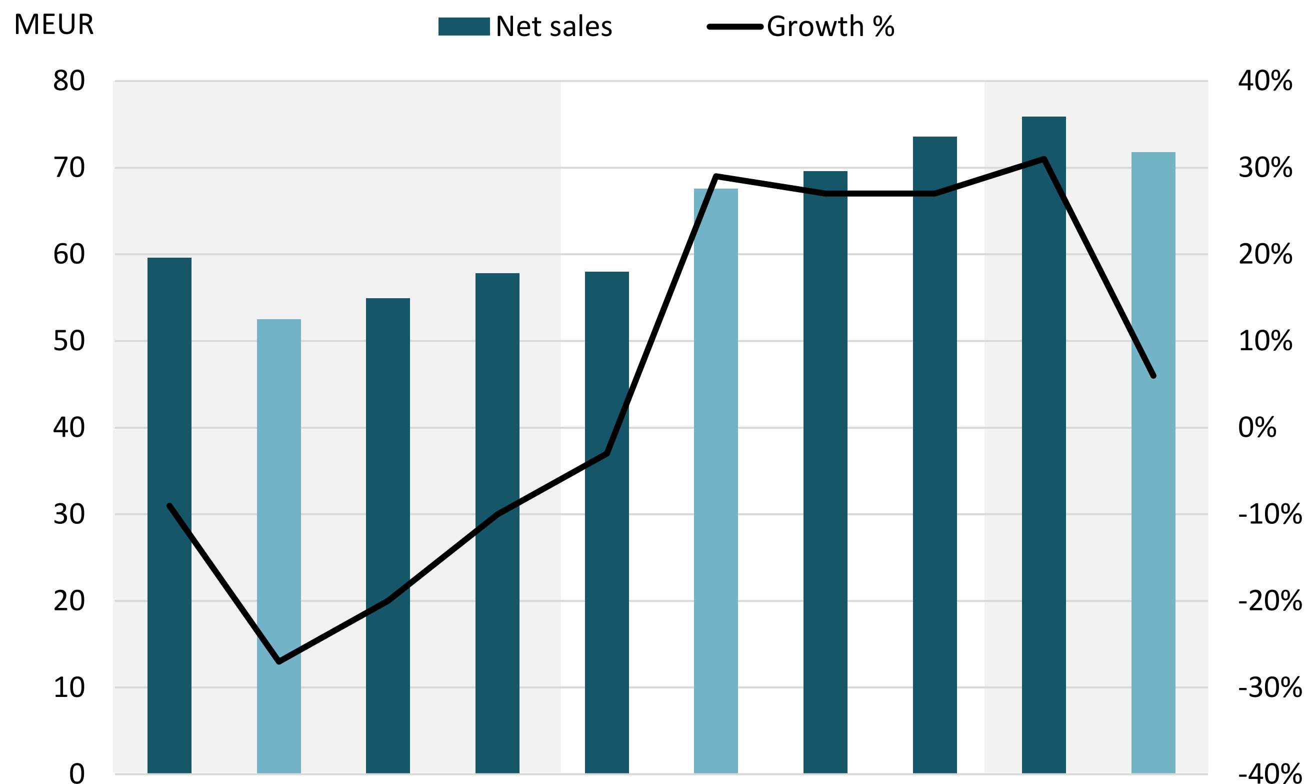
Reported operating profit EUR 9.0 million and operating profit rate 14.9%, including items affecting comparability totaling EUR -0.2 million related to the closure of Russia-related contracts.

- ESL Shipping's comparable operating profit increased to EUR 9.2 (5.4) million in Q2. Comparable operating profit rate increased to 15.3% (11.7%).
- In January-June, the comparable operating profit increased to EUR 17.1 (9.9) million and the comparable operating profit rate was 14.6% (11.1%).
- The profitability of all the shipping company's vessel categories remained strong during Q2.
- High demand in combination with strong operational efficiency, e.g. in terms of reduced share of ballast voyages and reduced docking days, supported profit development.
- The impact of the energy price increases on ESL Shipping's costs are effectively offset through long-term fuel clauses in transportation agreements.
- During Q3, two larger and one smaller vessel units will be drydocked for a total of approximately 75 (116) days. In total, there will be approximately 130 (229) dockage days in 2022.

TELKO

Strong performance continued in Q2, Russia decreasing sales going forward

Continued growth during Q2, with increasing uncertainty and negative Russia impact going forward

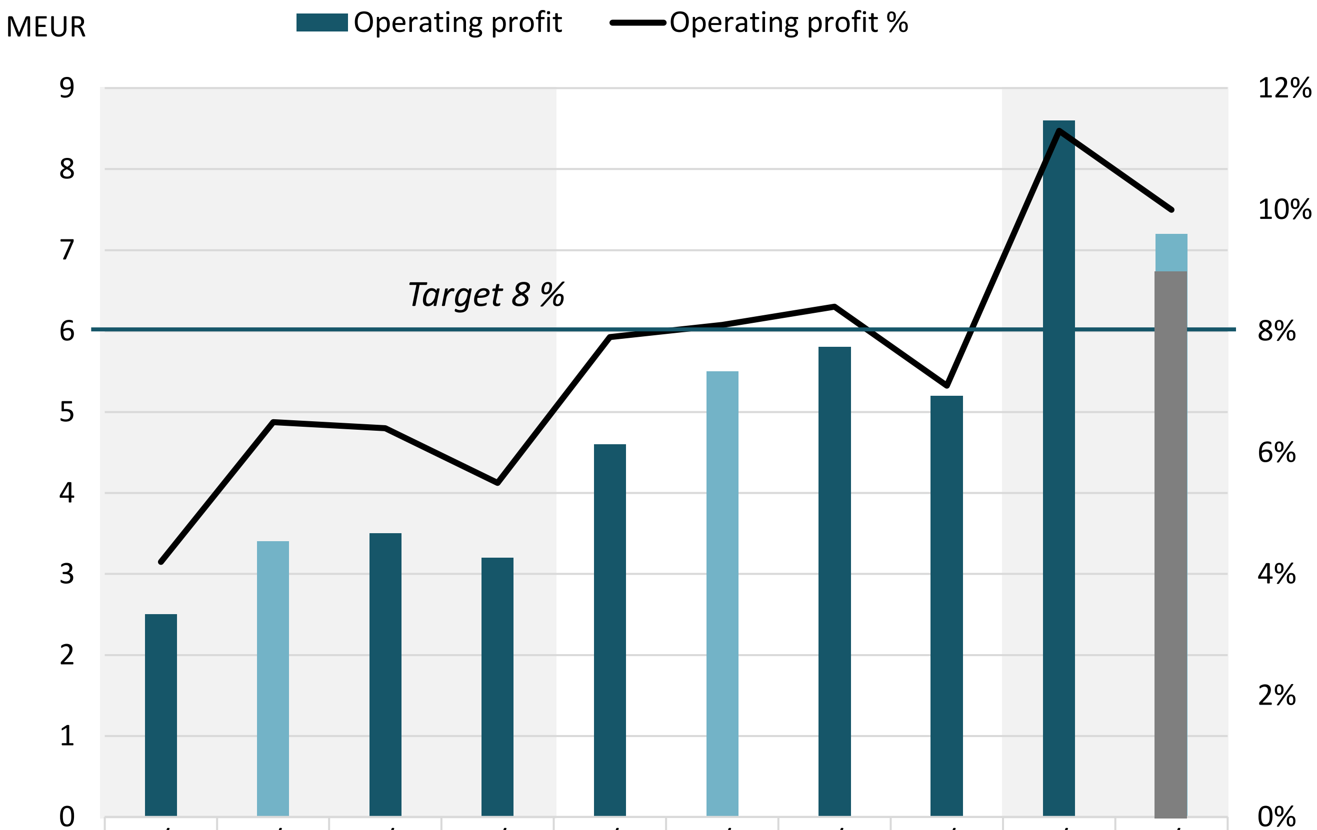


	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/21	Q2/22
Net sales	59,6	52,5	54,9	57,8	58	67,6	69,6	73,6	75,9	71,8
Growth %	-9%	-27%	-20%	-10%	-3%	29%	27%	27%	31%	6%

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

- Telko's net sales grew with 6% to EUR 71.8 (67.6) million in Q2.
- In January-June, the net sales increased by 18% to EUR 147.7 (125.6) million.
- Telko's net sales growth decreased in Q2/2022 compared with Q1/2022 due to declining sales in Russia.
- The business in Ukraine has restarted and reached in June already approximately 50% of June 2021 volumes.
- All of Telko's businesses recorded net sales growth:
  - Plastics (2% growth in Q2): strong demand and price development in engineering plastics, prices in volume plastics peaked with some price decline and market softening during end of Q2
  - Chemicals (2% growth in Q2): Price levels are generally high and continued to rise, except for some commodity chemicals. The main drivers for price increases were high crude oil price and energy costs
  - Lubricants (34% growth in Q2): High price levels combined with the acquisition of Mentum AS at end of 2021. Availability issues in several product groups
- In the Western markets, sales are expected to remain on a high level, but the risk for rapid changes in demand and prices is relatively high because of uncertainties in global economic development. The risk is especially evident for commodity products.
- Telko´s net sales are expected to decrease during the second half of the year due to a significant drop of sales for Russia.

Comparable operating profit boosted by strategic focus and positive development in sales margin levels



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
Operating profit	2,5	3,4	3,5	3,2	4,6	5,5	5,8	5,2	8,6	7,2
Operating profit %	4,2 %	6,5 %	6,4 %	5,5 %	7,9 %	8,1 %	8,4 %	7,1 %	11,3 %	10,0 %

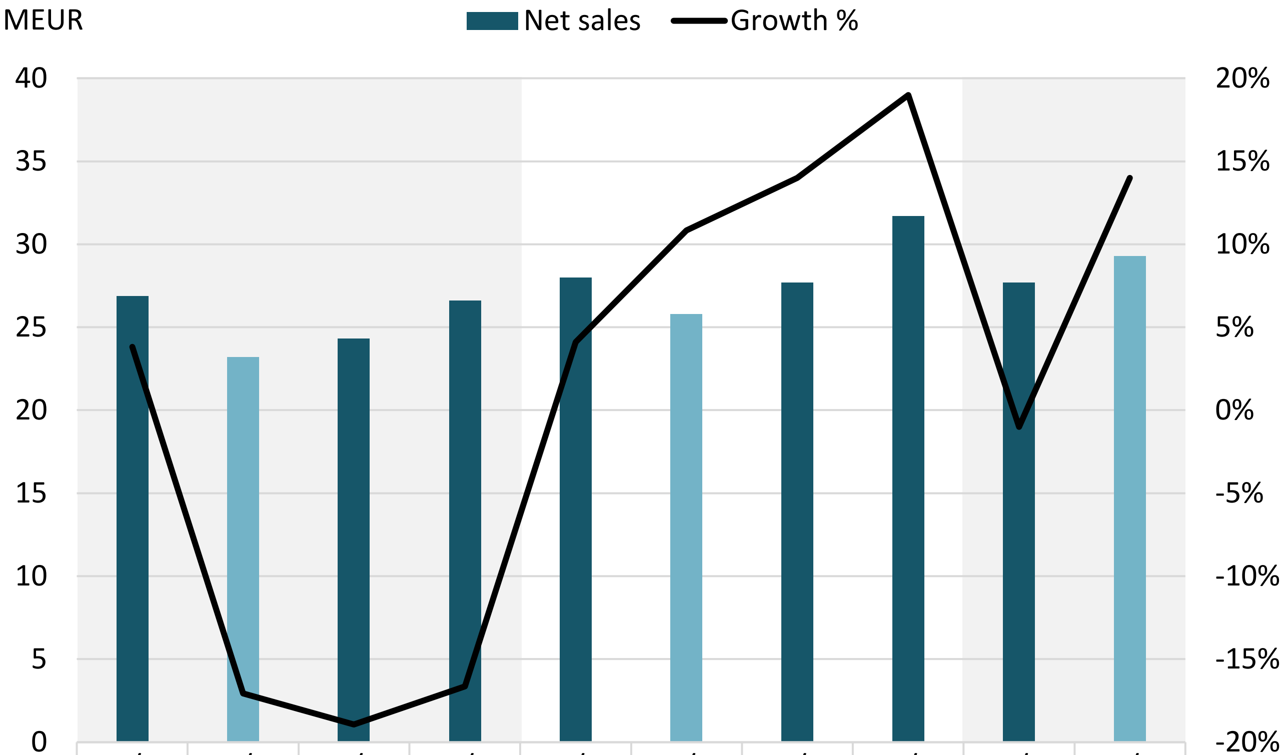
Reported operating profit EUR 6.8 (5.5) million and operating profit rate 9.5% (8.1%), including items affecting comparability totaling EUR -0.4 million.

- Telko's comparable operating profit for Q2 was EUR 7.2 (5.5) million and operating profit rate was 10.0% (8.1%).
- Telko's comparable operating profit for the first half of the year was EUR 15.8 (10.1) million, and its comparable operating profit rate was 10.7% (8.0%).
- Strong profitability was driven by the strong demand, favorable global price and sales margin development, and Telko's systematic implementation of strategic growth plans with strong focus on value added products and Western markets.
- Telko's operating profit was even higher than expected mainly due to a positive trend in the sales margin levels.

LEIPURIN

Margin improvement continued, Russia decline and the Kobia acquisition impacting going forward

Net sales continued to pick up especially in Finland and the Baltic countries, with East declining

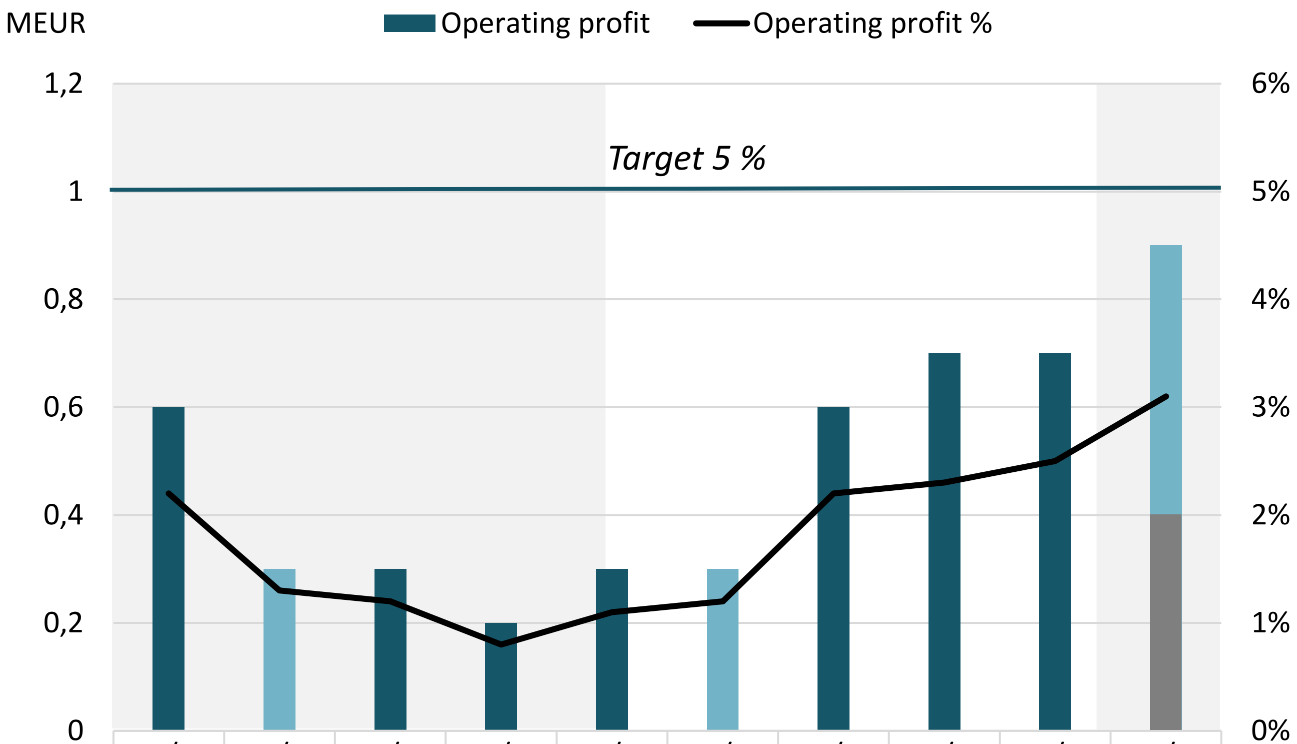


	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
Net sales	26,9	23,2	24,3	26,6	28,0	25,8	27,7	31,7	27,7	29,3
Growth %	4%	-17%	-19%	-17%	4%	11%	14%	19%	-1%	14,0 %

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

- Leipurin’s net sales increased by 14% and stood at EUR 29.3 million (25.8) in Q2.
- In January-June, Leipurin’s net sales increased by 6% and were EUR 57.0 (53.7) million.
- Q2 sales were significantly impacted by strong growth in global market prices of raw materials, whereas sales measured in kilograms showed a small growth in Finland and the Baltic countries combined, whereas East clearly declined.
- Growth was significant especially in Finland and the Baltic countries, where Leipurin recorded increases in net sales of 25% and 27% respectively. East showed a -14% net sales decline due to scale down of assortment.
- Strong growth particularly to the food industry increased by 42%, but also sales to bakeries was up 8% in the second quarter.
- 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 financial results in 2022. This development will be offset by the acquisition of Kobia, which is expected to close on September 1st.

Leipurin's comparable operating profit rate continued to improve, impact from development actions and market environment



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
Operating profit	0,6	0,3	0,3	0,2	0,3	0,3	0,6	0,7	0,7	0,9
Operating profit %	2,2 %	1,3 %	1,2 %	0,8 %	1,1 %	1,2 %	2,2 %	2,3 %	2,5 %	3,1 %

Reported operating profit EUR 0.4 million and operating profit rate 1.4%, including items affecting comparability totaling EUR -0.5 million

- Leipurin's Q2 comparable operating profit increased to EUR 0.9 million (0.3) and operating profit rate to 3.1% (1.2%).
- Leipurin's comparable operating profit excluding Vulganus was EUR 1.3 million (0.3) and operating profit rate 4.9% (1.1%).
- Leipurin's comparable operating profit for January-June was EUR 1.6 (0.6) million and the comparable operating profit rate was 2.8% (1.1%). Comparable operating profit excluding Vulganus was EUR 2.3 (0.7) million and comparable operating profit rate 4.4% (1.4%).
- Profitability was positively affected by growth in net sales & improved sales margin, the launched profit improvement program, and no significant impact by the covid pandemic.
- Some shift in consumer demand towards more affordable products due to increased cost of living. Despite this, the positive margin development continued.

Leipurin to acquire Swedish supplier Kobia

- In May, Leipurin agreed to purchase the entire share capital of the Swedish bakery industry distributor Kobia Ab from the Swedish Abdon Group.
- Through the acquisition, Leipurin further strengthens its position as a leading player in the Baltic Sea region, with increased size and profitability.
- In 2021, Kobia's net sales amounted to approximately EUR 50 million and its operating profit margin was approximately 3%. The transaction also includes the properties owned by Kobia, and the acquisition will not generate significant goodwill.
- The Swedish competition authority has approved the acquisition and Kobia AB's operations will become part of Leipurin on September 1, 2022.
- The transaction is expected to generate significant benefit for the new Leipurin Kobia group
    - Cross sales opportunities across the border
    - Scale benefits and best practice transfer (incl. sourcing, sga, supply chain)
    - Strategic intent, including creating a gateway to Northern Europe

New home for Vulganus, no significant impact on Aspo’s earnings

VULGANUS®

- Leipurin has concluded the sale of its manufacturing business Vulganus to a leading Austrian bakery machine manufacturer KÖNIG Maschinen GmbH.
- In 2021, Vulganus’ net sales amounted to EUR 7 million. The transaction will not have a significant impact on Aspo’s earnings.
- Vulganus manufactures and maintains refrigeration and freezing solutions for the food industry through its spiral products.
- In December 2021, Aspo announced that Vulganus had been defined as a business outside Aspo’s core operations.

Aspo's financial position and guidance

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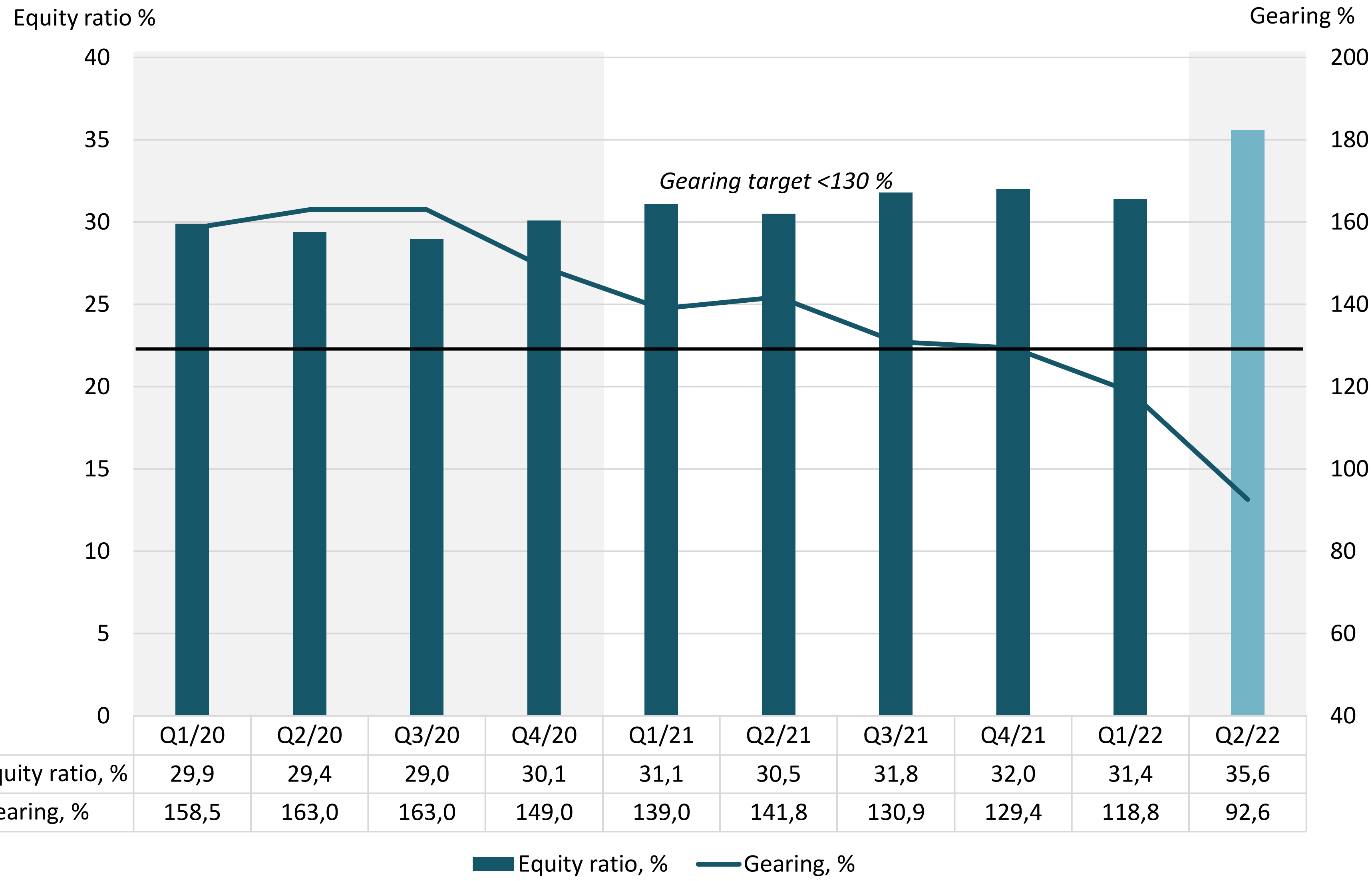
Balance sheet strengthening continued in Q2



	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
Equity ratio, %	29,9	29,4	29,0	30,1	31,1	30,5	31,8	32,0	31,4	35,6
Gearing, %	158,5	163,0	163,0	149,0	139,0	141,8	130,9	129,4	118,8	92,6

- Equity ratio and gearing kept improving during Q2 as a result of improved profitability and a new hybrid bond issued in June.
- Aspo issued a new hybrid bond of EUR 30 million in June. The coupon rate of the bond is 8.75% per annum. Aspo's previous hybrid bond of EUR 20 million was redeemed on May 2, 2022.
- Net interest-bearing debt including lease liabilities decreased to EUR 144.9 million (167.0).

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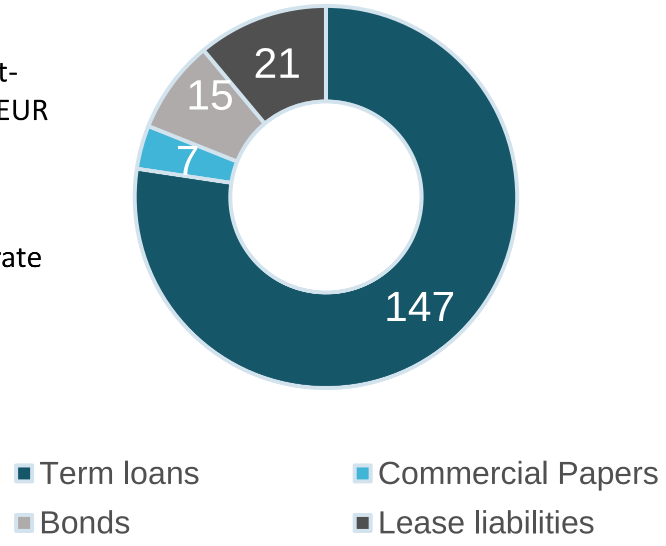
Strong liquidity and balanced maturity structure

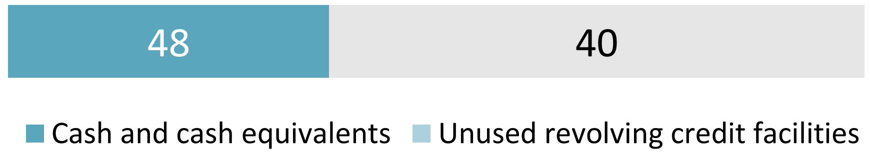
Interest-bearing debt incl. lease liabilities (mEUR)

Net interest-bearing debt EUR 144.9m

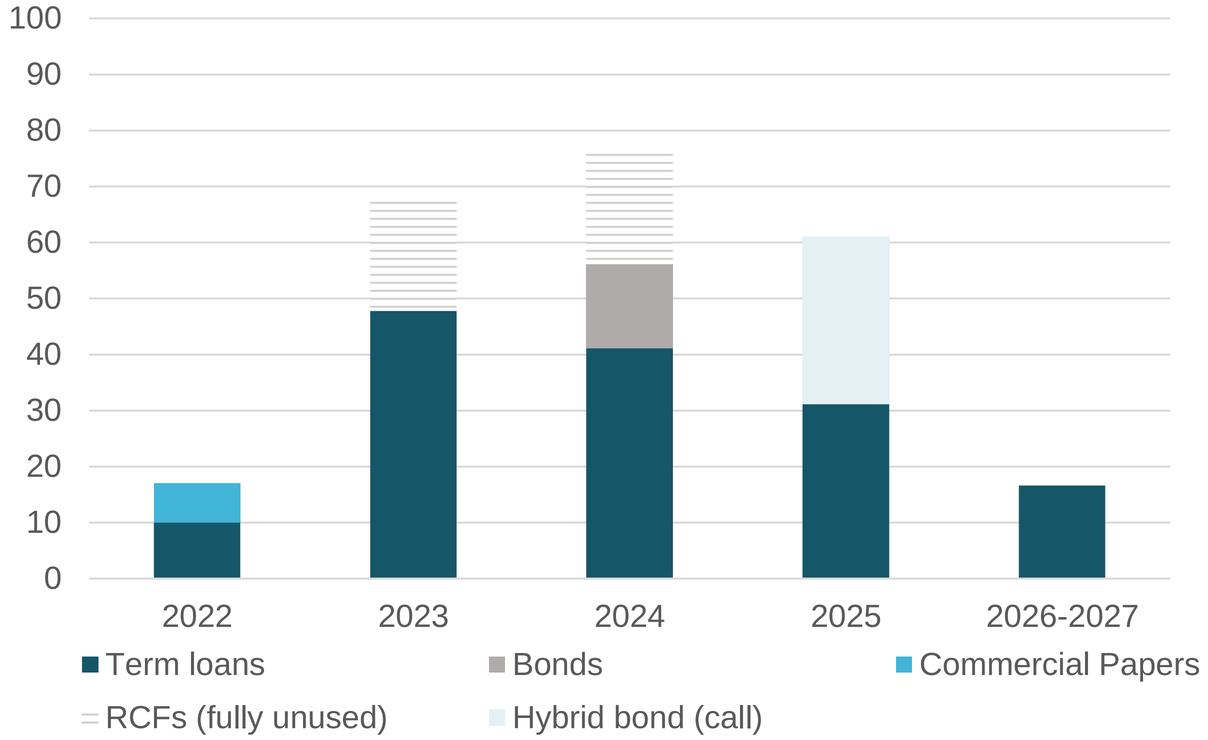
Avg interest rate 1.4%

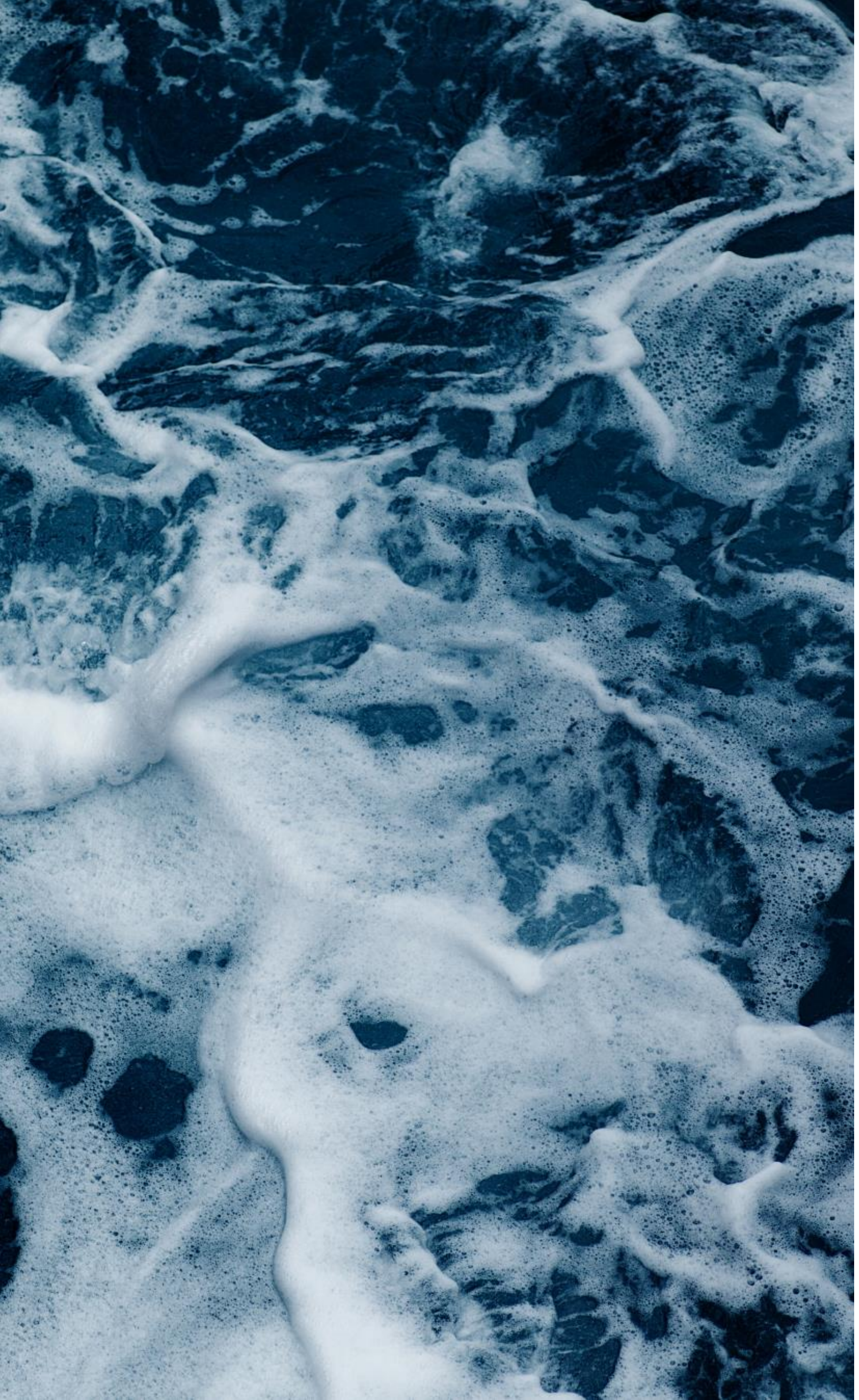


Liquidity (mEUR)



Maturity profile (mEUR)





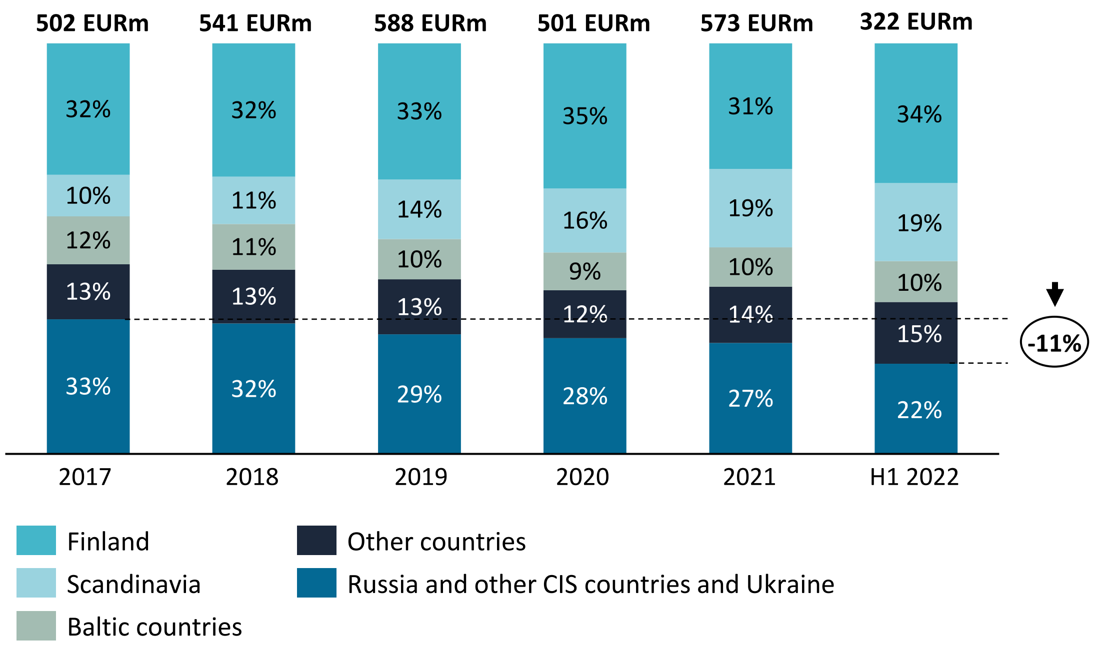
Update on the Eastern market operations

- By end of Q2 2022, all of ESL Shipping's operations in Russia had been suspended and the ship capacity has been transferred to other traffic areas.
- Telko is exploring options to exit its Russian and Belarusian operations during this year.
- Leipurin has decided to withdraw from its operations in Russia, Belarus and Kazakhstan.
- We see these actions necessary for the sustainability of our operations and long-term value creation.
- The equity of Russian Group companies is EUR 26.6 million, corresponding to 17.0% of Aspo Group’s total equity. Aspo’s assets in Russia are mainly related to cash, inventories and trade receivables.
- The number of employees working for Aspo companies in Russia is decreasing, currently approximately 135 employees of Aspo Group’s all personnel work in Russia.

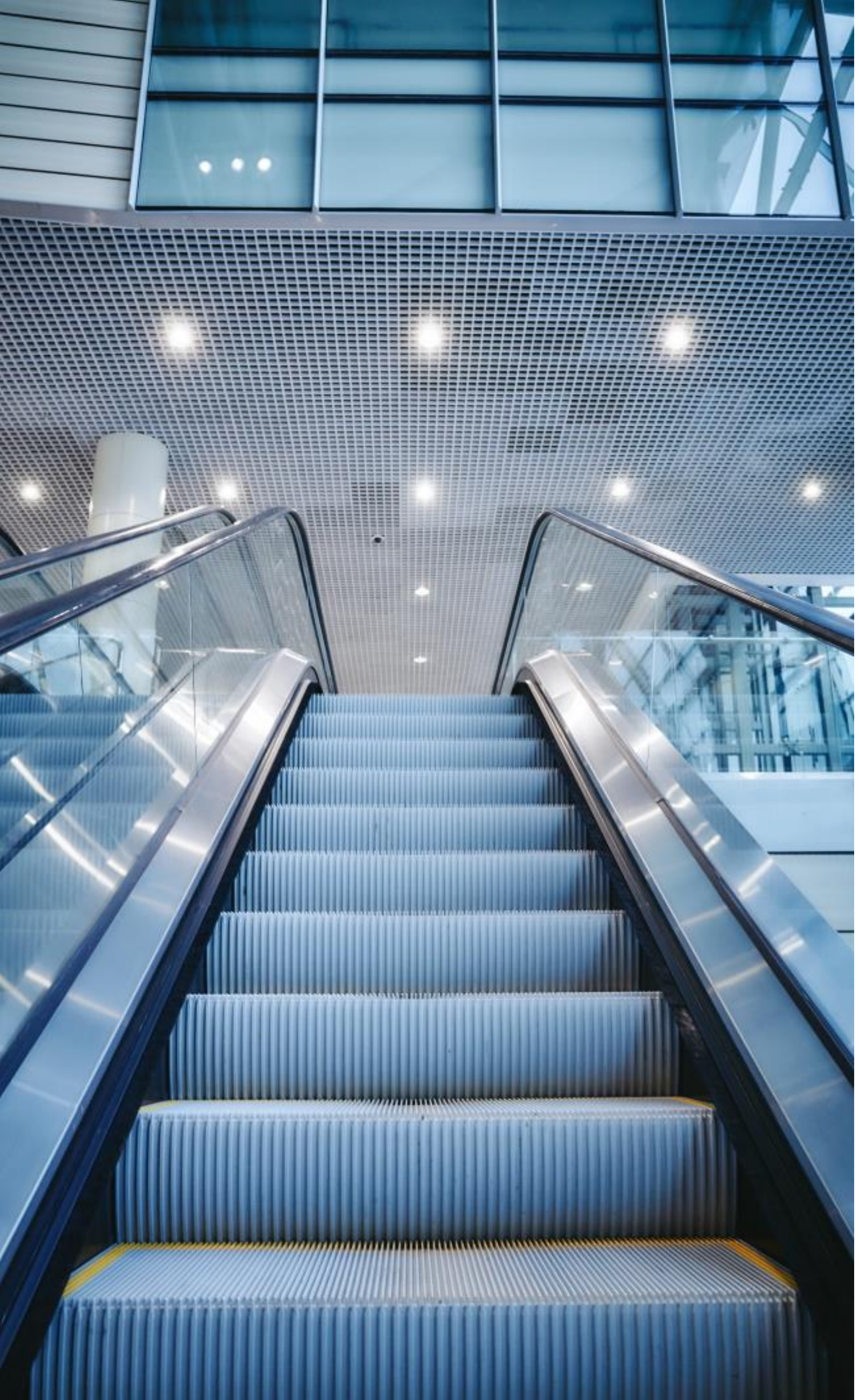
Net sales in Eastern markets decreasing

Development in geographical net sales breakdown

(Total revenue)

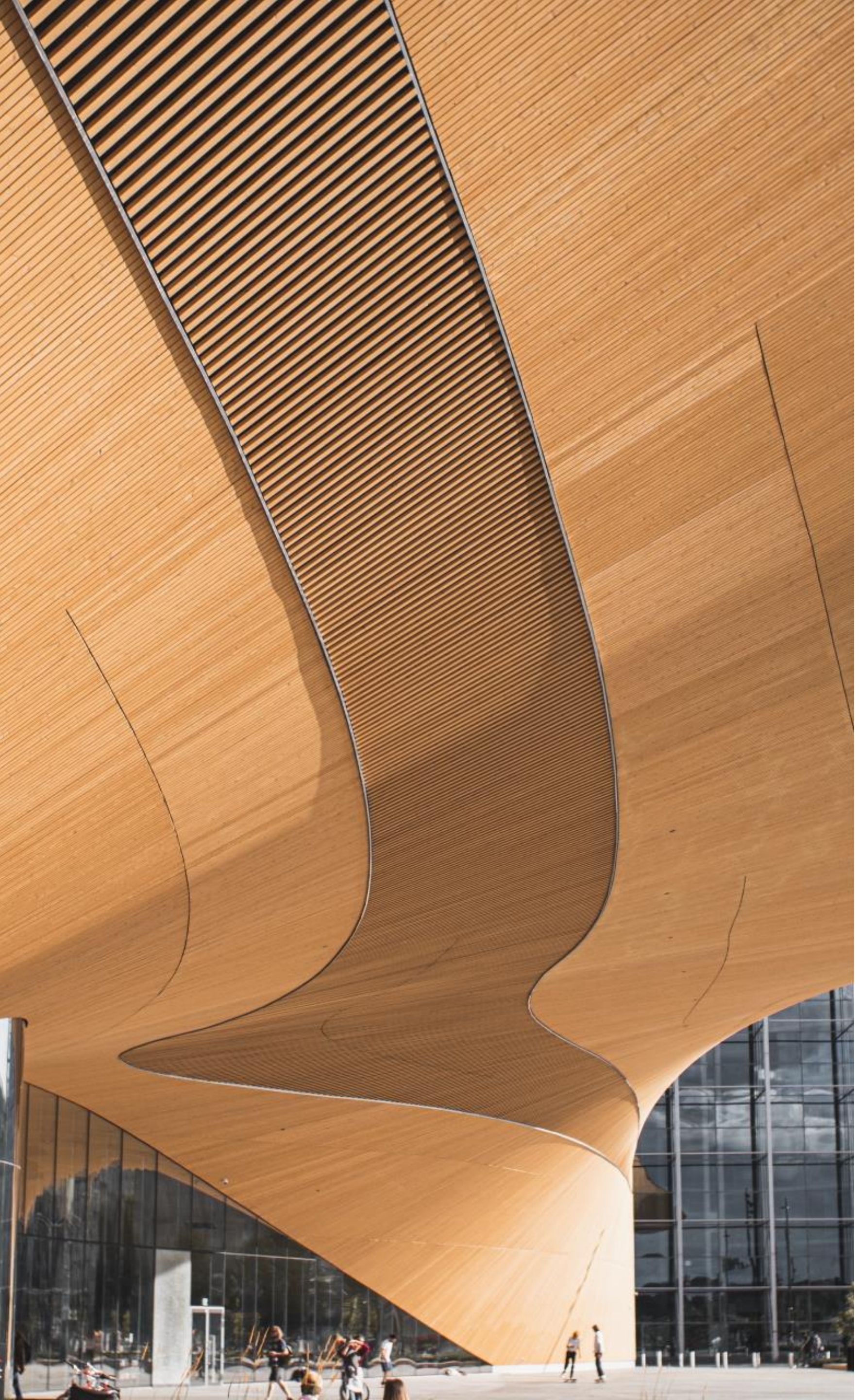


- The relative share of net sales in eastern markets continued to decrease during the second quarter of 2022, mainly due to the war in Ukraine and the decision to reduce operations in Russia and ultimately exit the market.
- Net sales of Telko Russia and Belarus amounted to EUR 69.9 million in year 2021 which accounted for 26% of Telko's total net sales in 2021 and 12% of the net sales of Aspo Group.
- Telko´s sales and financial results are expected to decrease during the second half of the year due to the significantly decreasing sales in Russia.
- The net sales of Leipurin Russia, Belarus and Kazakhstan amounted to EUR 26.3 million in year 2021 which accounted for 23% of Leipurin's total net sales in 2021 and 4% of the net sales of Aspo Group.
- The war in Ukraine and the decision to withdraw operations from Russia, Belarus and Kazakhstan will have a significant impact also on Leipurin's net sales and financial results.



Guidance for 2022
(issued on June 14, 2022)

Aspo Group’s comparable operating profit will improve from previous year (EUR 42.4 million).



In a good position to continue our strategy execution

- Record-high profitability in Q2 driven by excellent performances by ESL Shipping and Telko.
- While we are reducing our presence in the East, we have focused on our strategy execution and targeted growth in the Western markets.
- Whereas the macroeconomic uncertainty is increasing and we are beginning to witness the deliberate drop in the financial performance of the Eastern markets, we feel very confident about Aspo's full-year performance in 2022.
- Determined strategy execution drives Aspo's continued success going forward.

Q & A

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Upcoming events

Interim report for January–September 2022
on November 2, 2022

www.aspo.com
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Appendix

ASPO

Key figures

	Q2 2022	Q2 2021	H1 2022	H1 2021	2021
Net sales from continuing operations, MEUR	161.4	139.3	321.8	268.7	573.3
ESL Shipping, operating profit, MEUR	9.0	5.4	18.2	9.9	26.8
Telko, operating profit, MEUR	6.8	5.5	10.8	10.1	20.4
Leipurin, operating profit, MEUR	0.4	0.3	0.0	0.6	-2.4
Other operations, operating profit, MEUR	-1.4	-1.6	-3.9	-3.2	-7.9
Operating profit from continuing operations, MEUR	14.8	9.6	25.1	17.4	36.9
Operating profit from continuing operations, %	*9.2*	*6.9*	*7.8*	*6.5*	*6.4*
Operating profit from discontinued operations, MEUR	-1.2	0.0	-1.4	0.0	-3.0
Operating profit, Group total, MEUR	13.6	9.6	23.7	17.4	33.9
Items affecting comparability, MEUR*)	-2.4		-7.3		-8.5
Comparable operating profit, Group total, MEUR	16.0	9.6	31.0	17.4	42.4
Comparable operating profit, Group total, %	*9.7*	*6.7*	*9.5*	*6.3*	*7.2*
Profit before taxes, MEUR	11.7	8.6	20.2	15.5	33.0
Profit for the period, MEUR	9.6	7.8	16.7	14.2	25.3
Profit from continuing operations, MEUR	10.9	7.8	18.2	14.1	28.3
Profit from discontinued operations, MEUR	-1.3	0.0	-1.5	0.1	-3.0
Earnings per share (EPS), EUR	0.31	0.24	0.52	0.43	0.76
EPS from continuing operations, EUR	0.35	0.24	0.57	0.43	0.86
EPS from discontinued operations, EUR	-0.04	0.00	-0.05	0.00	-0,10
Net cash from operating activities, MEUR	19.1	15.6	34.3	22.2	44.0
Free cash flow, MEUR	13.8	11.1	27.6	16.2	27.5
Return on equity (ROE), %			23.4	24.5	20.8
Equity ratio, %			35.6	30.5	32.0
Gearing, %			92.6	141.8	129.4
Equity per share, EUR			4.99	3.77	4.14

Shareholders

Largest shareholders June 30, 2022	% of shares
Havsudden Oy Ab	10.38
AEV Capital Holding Oy	10.35
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
IAIK Oy	1.32
Mandatum Life Insurance Company	1.18