Q1

INTERIM REPORT

January – March 2025

Strong start for year 2025 with continued profitability improvement

CEO Rolf Jansson

CFO Erkka Repo

May 12, 2025

Aspo’s strategic priorities

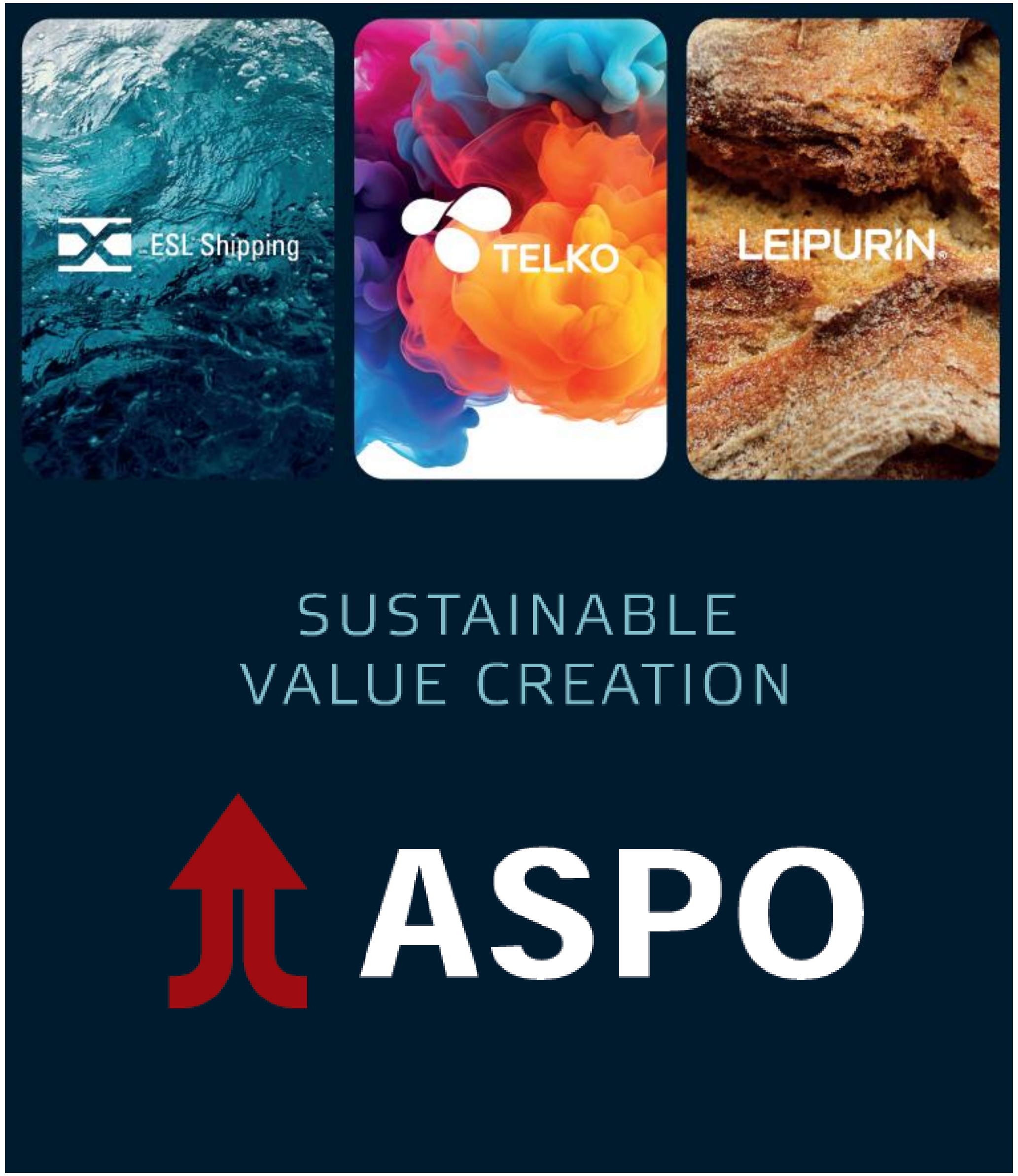
Aspo profit generation #1 priority for year 2025

- Maximise benefits of already made acquisitions and capex investments
- Focus on organic growth and performance improvement actions

Longer-term financial ambition of Aspo: 1 bn € of net sales and 8% EBITA in 2028

- ESL: >300 m€, 14+%
- Telko: >500 m€, 8+%
- Leipurin: >200 m€, 5+%

Drive towards the vision to form two separate companies, ASPO Infra and Aspo Compounder, considering the differences in business model



Key developments in Q1 2025

- The challenging market conditions continued
  - Low level of industrial activity
  - Low demand in Europe
- **Telko and Leipurin achieved growth** via the completed acquisitions as well as organically
- **All businesses were able to improve their profitability** in Q1 2025
  - Positive impact from Telko's and Leipurin's completed acquisitions
  - Additional Green Coasters impacting positively ESL Shipping
- A wide span of **performance improvement initiatives** supporting positive development
  - Supply chain efficiency of Leipurin
  - Starting to get synergies out of Telko's completed acquisitions by introducing common suppliers and customers as well as processes
  - Operational efficiency of ESL Shipping, incl. termination of expensive time-charter agreements

Positive development of key financials in Q1 2025 against the corresponding period in the previous year

	Q1 2025 (Q1 2024)	
Net sales	EUR 151.2 million (132.7)	+13.9% sales growth
Comparable EBITA	EUR 8.8 million (5.1)	5.8% (3.8%)
Comparable ROE	10.6% (4.9%)	
EPS	EUR 0.09 (-0.16)	
Comparable EPS	EUR 0.13 (0.09)	
Free cash flow	EUR -4.4 million (-3.5)	
Net debt /comparable EBITDA, 12 months rolling	3.3 (2.3)	

Emission intensity improved, whereas the incident frequency increased in Q1 2025

- Aspo's emission intensity was 0.25 against the full year target of 0.30 The improvement was due to:
    - A decrease in ESL Shipping's emissions, driven by fuel efficient driving of vessels and fleet renewal
    - Aspo's net sales growth
- In the beginning of year 2024, emission intensity was negatively impacted by the harsh winter conditions

- The Total Recordable Injury Frequency (TRIF) increased and was 9.6, against the full year target of 4.0
    - Safety deviations in especially ESL Shipping and Telko during beginning of year 2025
    - The negative development has received special attention, with the objective to further develop safety operating models and cultures going forward.

Emission intensity
Q1 2025

0.25

0.30 in 2024

Target 2025

0.30

Incident frequency (TRIF),
Rolling 12m

9.6

4.4 in 2024

Target 2024

4.0

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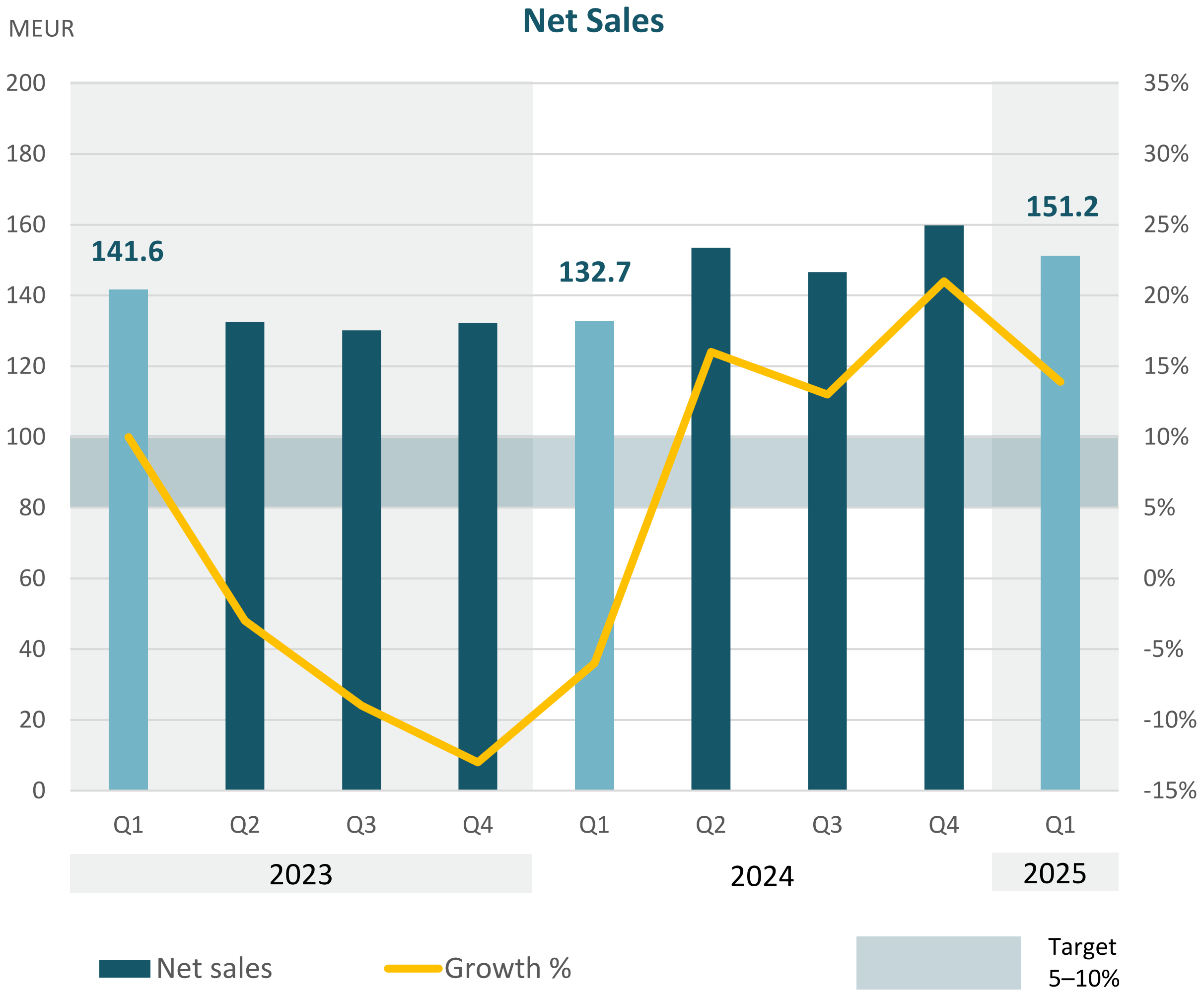
Telko and Leipurin drove Aspo’s net sales growth in Q1 2025



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

Year 2023 figures represent continuing operations

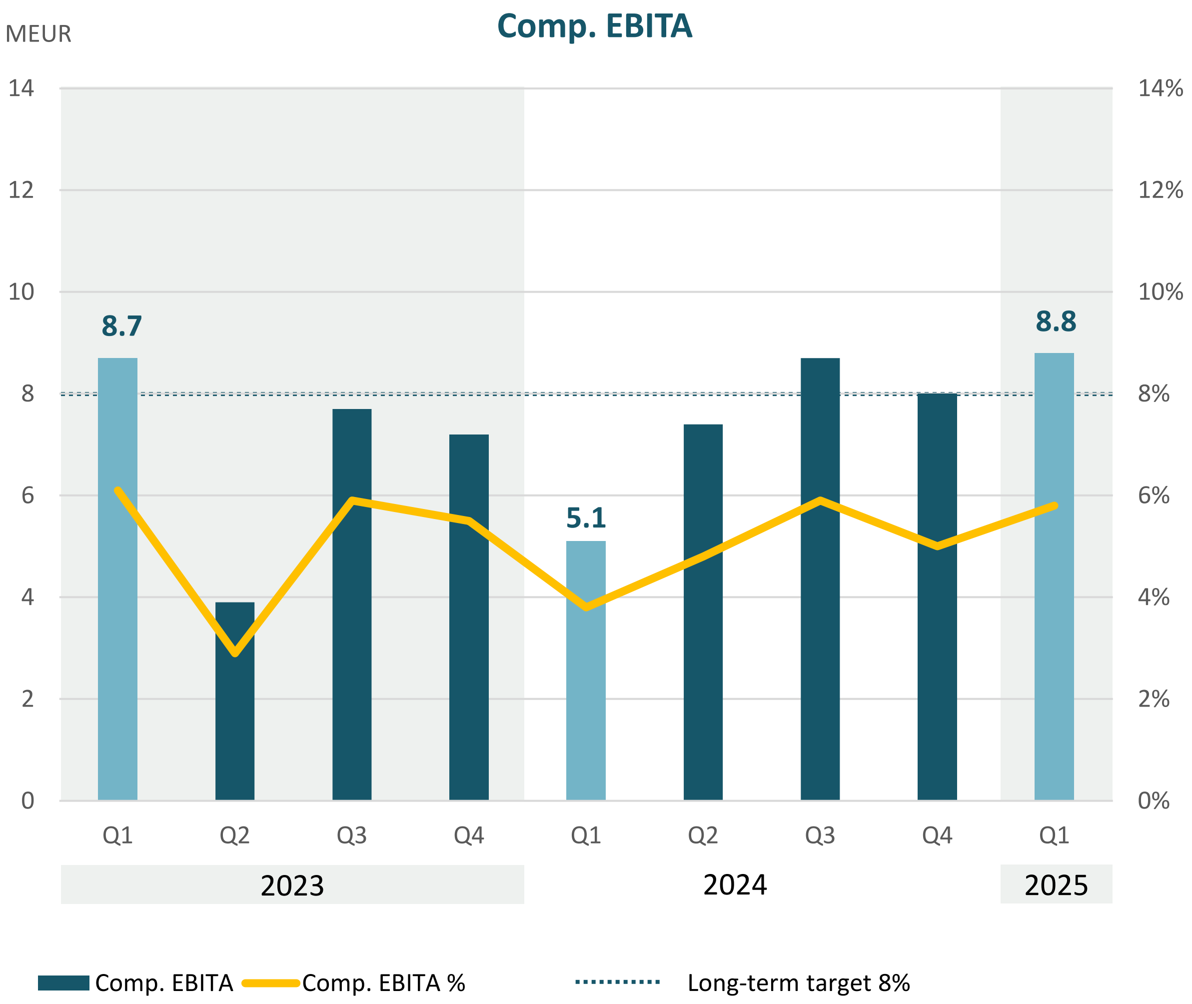
In Q1 2025, Aspo’s net sales grew by 14% to EUR 151.2 (132.7) million

ESL Shipping (-14% or -5% excluding the Supramax vessels)
Driven by very weak spot market pricing and somewhat softer than expected contractual freight volume demand caused by a low level of energy shipments and overall modest industrial activity.

Telko (+46%)
Sales growth mainly driven by the acquisitions done in 2024. In addition, organic sales growth during the quarter despite a challenging market environment. Sales prices were on a slightly higher level compared to the first quarter of 2024

Leipurin (+8%)
The increase in net sales was driven by the acquisition made in Sweden in 2024, and by organic volume growth in the Swedish market. Overall volumes modestly declined mainly in the low margin commodities, and average prices slightly increased.

All Aspo's businesses improved their profitability in Q1 2025



Year 2023 figures represent continuing operations

In Q1 2025, comparable EBITA was EUR 8.8 (5.1) million and the comparable EBITA rate was 5.8% (3.8%)

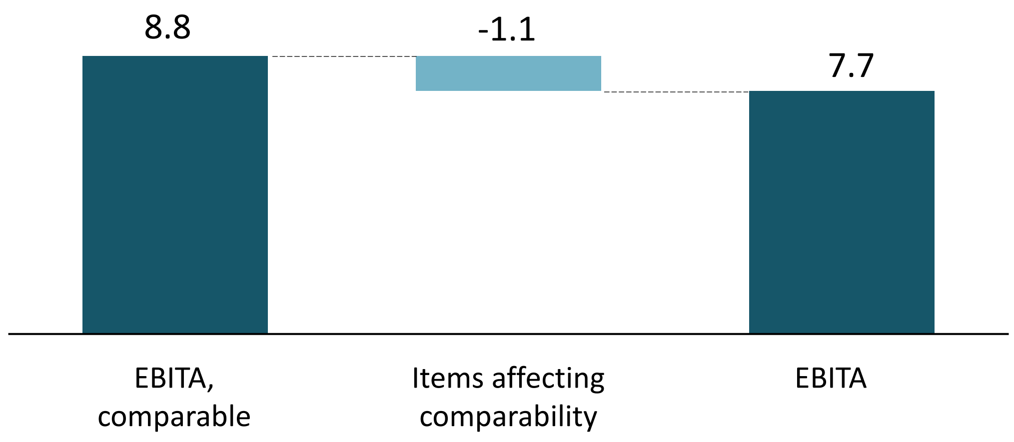
ESL Shipping EUR 4.1 (2.7) million
Despite a weak market, ESL Shipping's profitability developed positively driven by improvement efforts, incl. termination of expensive time-charter agreements. In the corresponding period previous year, profitability was negatively impacted by harsh ice conditions and political strikes.

Telko EUR 4.4 (2.3) million
Telko's profitability improved driven by the acquisitions completed last year, continued organic growth, and absence of M&A costs.

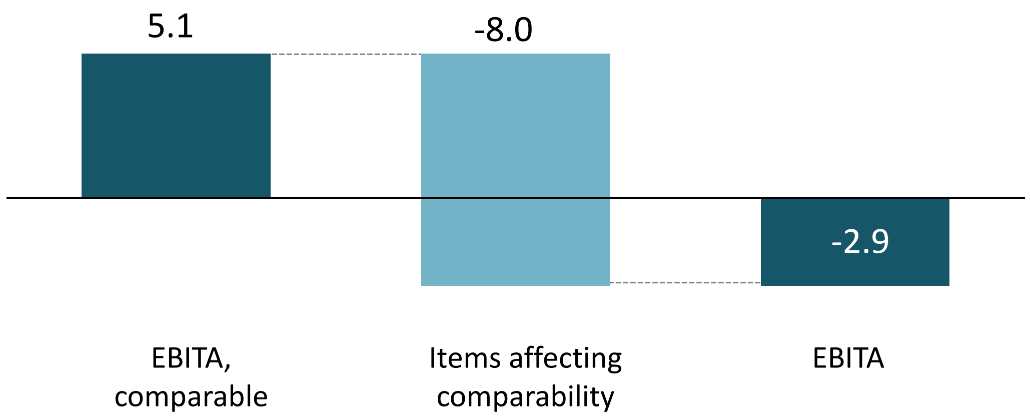
Leipurin EUR 1.5 (1.2) million
The profitability improvement relates to the acquisition in Sweden completed in 2024 and measures improving supply chain efficiency in the Swedish operations.

Items affecting comparability were EUR -1.1 million in Q1 2025

EBITA 1-3/2025 (EUR million)



EBITA 1-3/2024 (EUR million)



In the first quarter of 2025, items affecting comparability amounted to EUR -1.1 million. The item related to a payment fraud targeted at ESL Shipping.

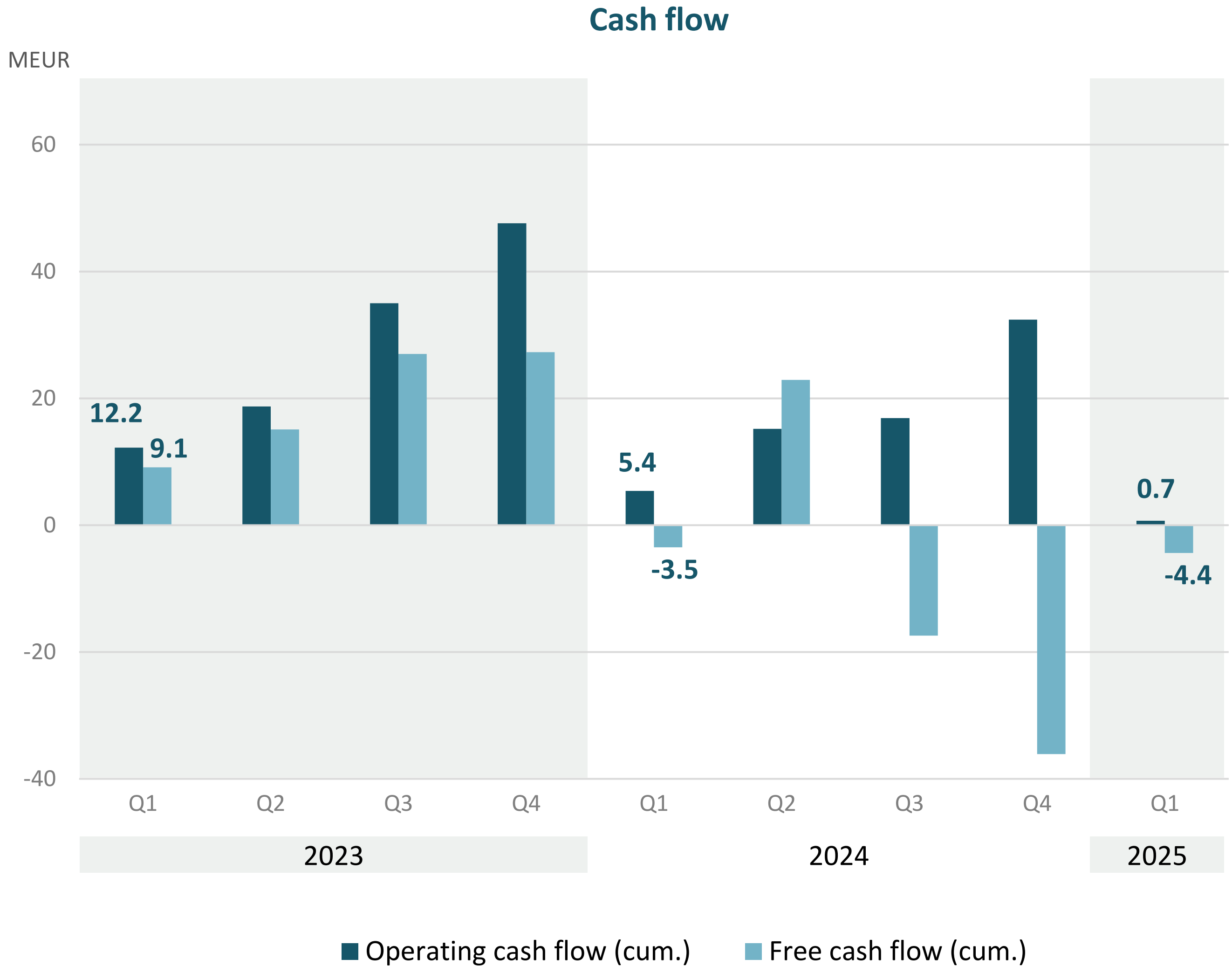
We expect additional legal and other costs relating to this case of approximately EUR 0.3 million to occur in the second quarter

The incident was strictly an external payment fraud and did not involve a cyber-attack on ESL Shipping's systems. No data breaches at ESL Shipping / Aspo. Police investigation ongoing

In the first quarter of 2024, items affecting comparability totaled EUR -8.0 million.

EUR -7.7 million reported for ESL Shipping consisted of an impairment loss and other expenses relating to the sale of the Supramax vessels amounting to EUR -7.2 million and expenses relating to the sale of the minority stake in ESL Shipping Ltd amounting to EUR -0.5 million.

Free cash flow in Q1 2025 negative due to investments of ESL Shipping and acquisitions



Operating cash flow was EUR 0.7 (5.4) million

- The cash flow was mainly derived from Telko
- The cash flow impact of change in working capital was EUR -10.1 (-4.0) million. The change in working capital was mainly driven by the EUR 7.8 (1.8) million increase in inventories of ESL Shipping mainly caused by Green Coaster advance payments for the vessels that are going to be sold further

Free cash flow was EUR -4.4 (-3.5) million

- Investments amounted to EUR 4.5 (0.6) million and consisted mainly of investments of ESL Shipping
- The cash outflow relating to acquisitions amounted to EUR 0.7 million and was mainly related to Telko's acquisitions during the previous years as well as Leipurin's acquisition in Lithuania in the first quarter of 2025

ESL Shipping and SSAB extend long-term cooperation of raw material transports

- ESL Shipping and global steel manufacturer SSAB have agreed on a multi-year extension of the agreement covering SSAB's inbound raw material sea transports within the Baltic Sea and from the North Sea
- In addition, the new contract covers transport of SSAB's fossil-free sponge iron produced with HYBRIT technology including the possibility of fossil-free shipments
- The sea transport volume covered by the agreement is estimated to be 6–7 million tonnes annually
- ESL Shipping is well-prepared to support SSAB in their transition to fossil-free steelmaking. The company announced in October it would invest around 186 MEUR for four 17,000 dwt multipurpose vessels, which can operate fossil-free using green methanol

Green Handy vessels

- Total value of approximately EUR **186 million** (four ships)
- Loading capacity of the vessels is **17,000 tonnes** (dwt)
- Length **150 meters**
- Breadth **23.77 meters**
- Shallow maximum draft of **8.6 meters**

Aspo's subsidiary Leipurin expanded its food ingredients business in the Baltics

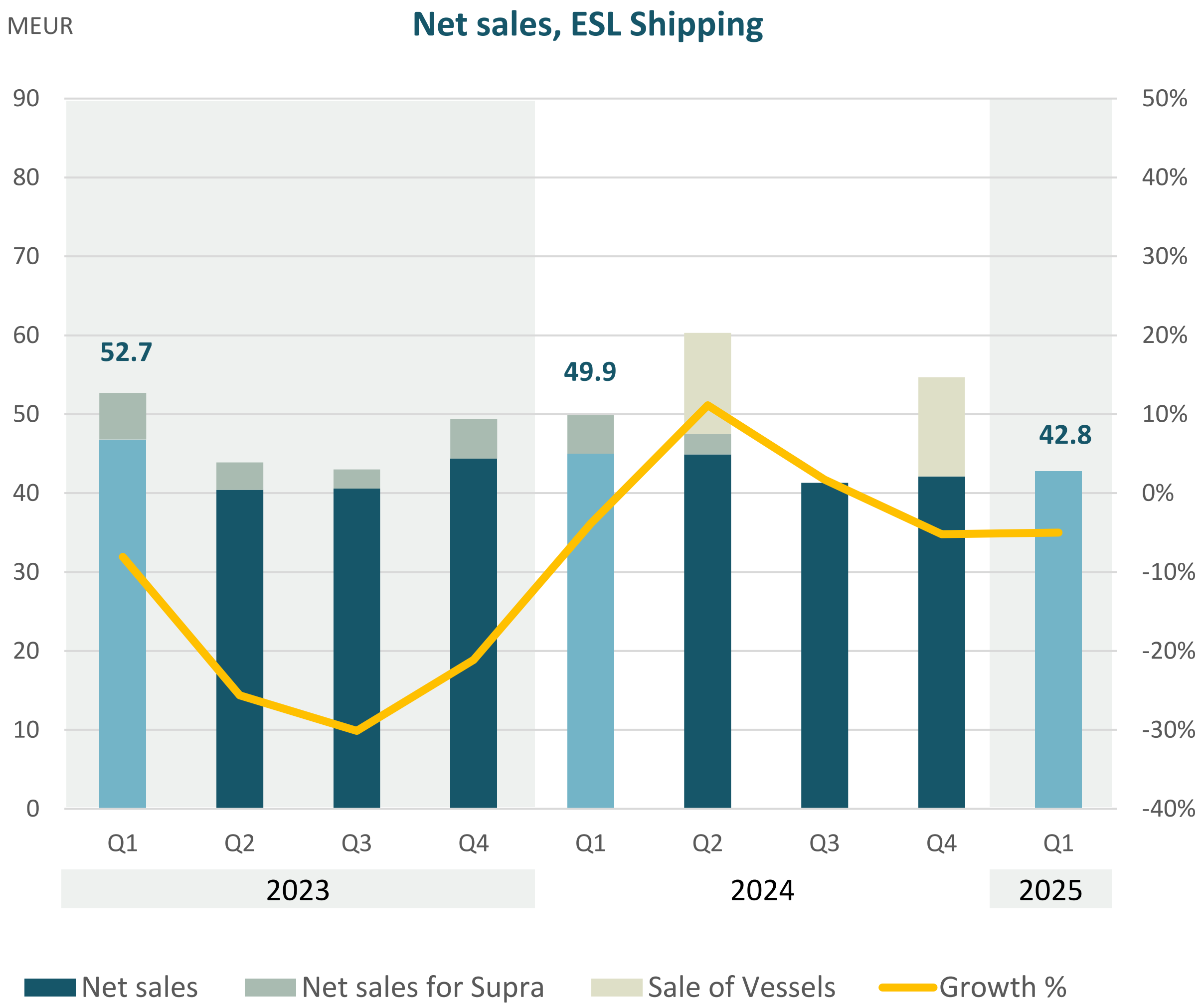
- In December 2024, Leipurin reached an agreement with Kartagena UAB to acquire the food ingredients distribution business previously conducted by Kartagena UAB
- The transaction was completed in February 2025
- Under this arrangement, Leipurin Lithuania took over the inventories as well as the key supplier and customer relationships of Kartagena to ensure a seamless continuation of the food ingredients distribution business
- This arrangement is expected to create close to EUR 2 million in new revenues and approx. EUR 0.15 million of EBITA for Leipurin on an annualized basis
- This arrangement strengthens Leipurin's Baltic market position and provides for new growth opportunities in the region

ESL Shipping

Soft market demand continued in Q1

Soft market demand continued in ESL Shipping

ESL Shipping



Net sales growth for Handy and Coaster operations (excl. Vessel sales) compared to the same quarter in the previous year

- Like-for-like net sales for Coaster and Handy operations (excl. vessel sales) decreased by 5%
- Sales decrease mainly driven by weak spot market pricing
- Volumes were on a same level than previous year
- Low energy shipments due to mild winter and overall modest industrial activity
- Previous year was negatively impacted by harsh ice conditions and political strikes

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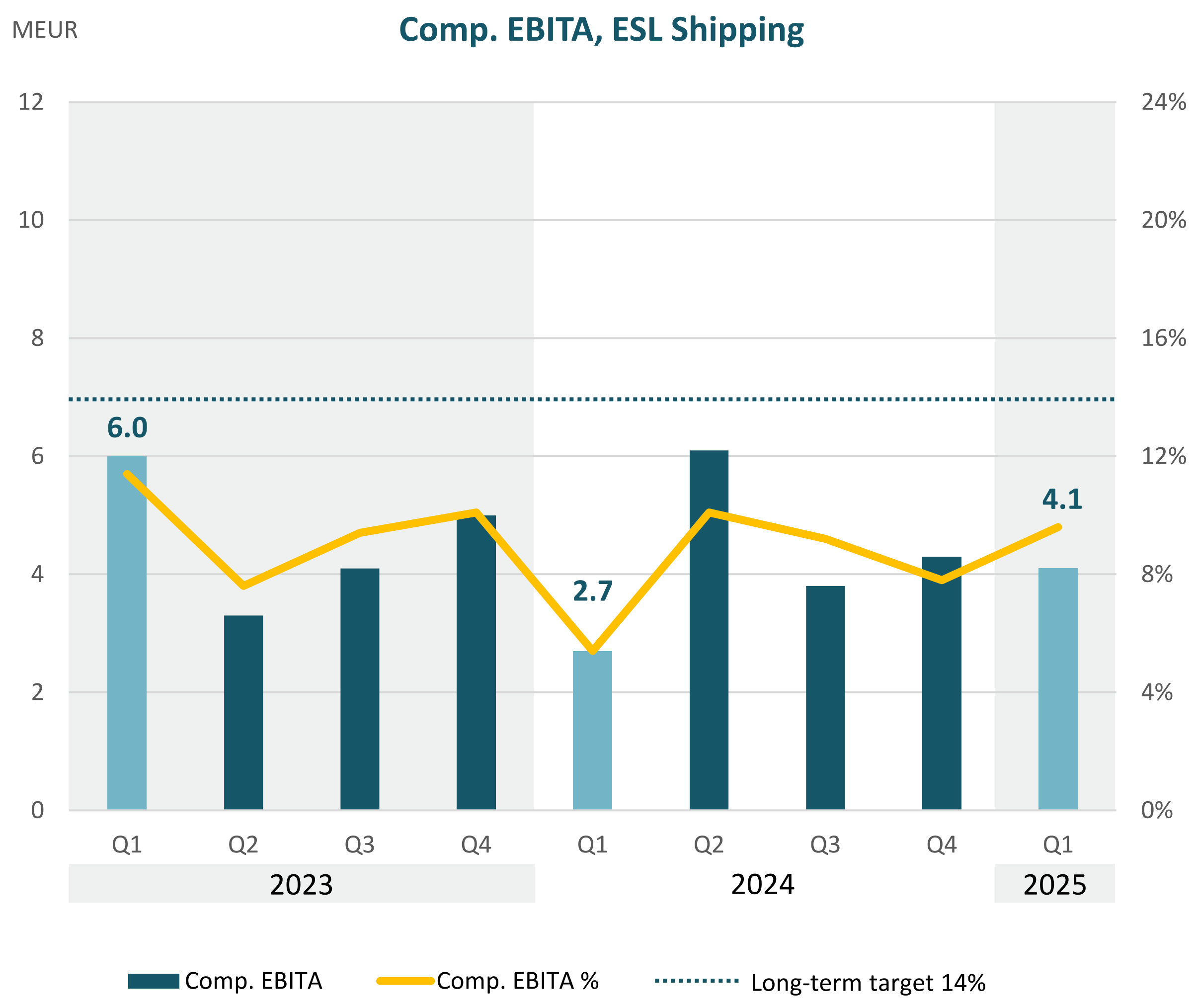
Profitability improved

ESL Shipping



- In Q1 2025, the comparable EBITA increased by 51% to EUR 4.1 (2.7) million, with comparable EBITA rate being 9.6% (5.4%)
- Overall soft freight volumes demand and low spot pricing
- Vessel capacity was adjusted to match the expected slow market demand when certain loss-making time-charter contracts expired in January 2025
- Profitability in Q1 2024 was negatively impacted by harsh ice conditions and political strikes

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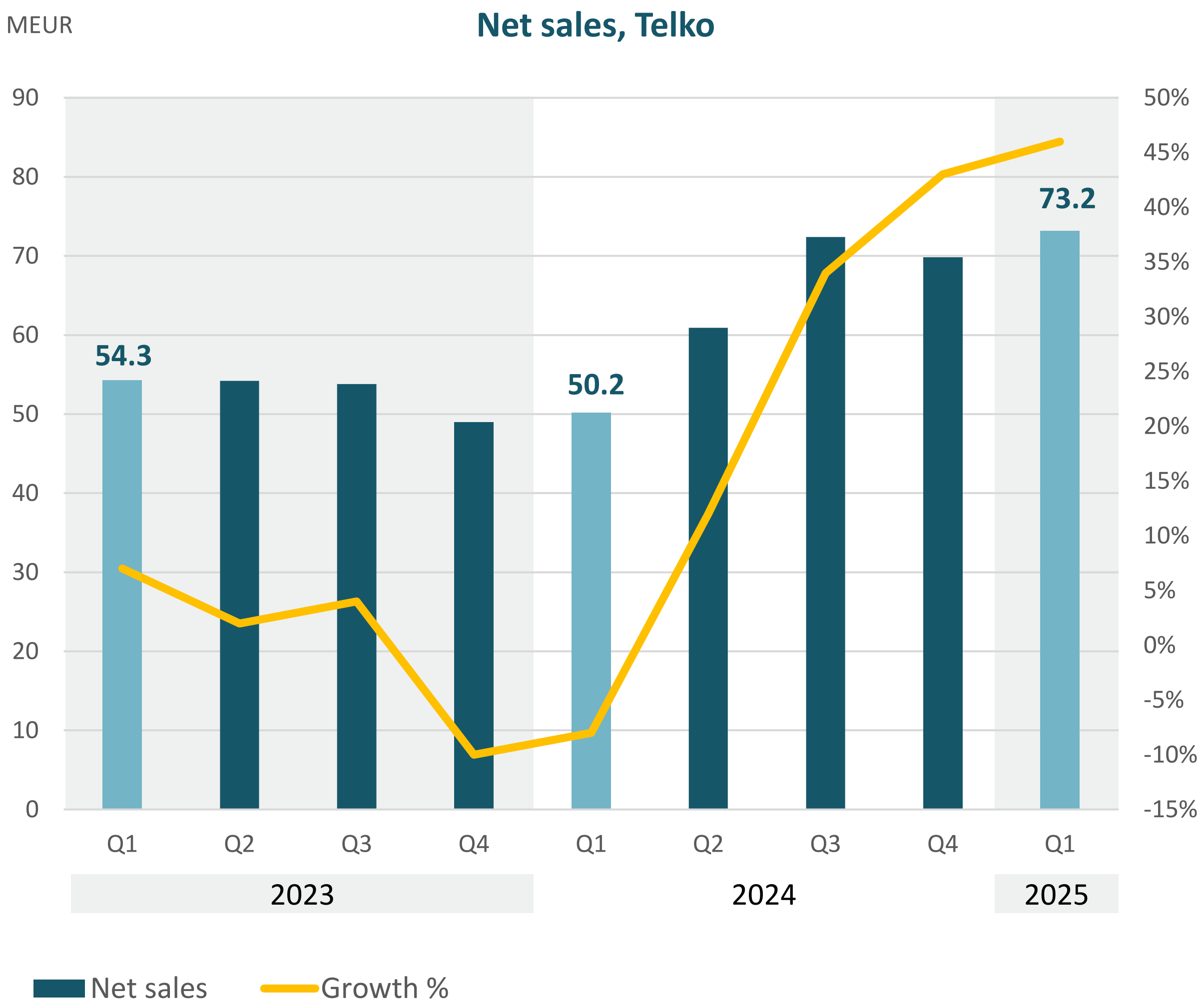
TELKO

Significant sales and earnings growth from successful execution of the compounder strategy

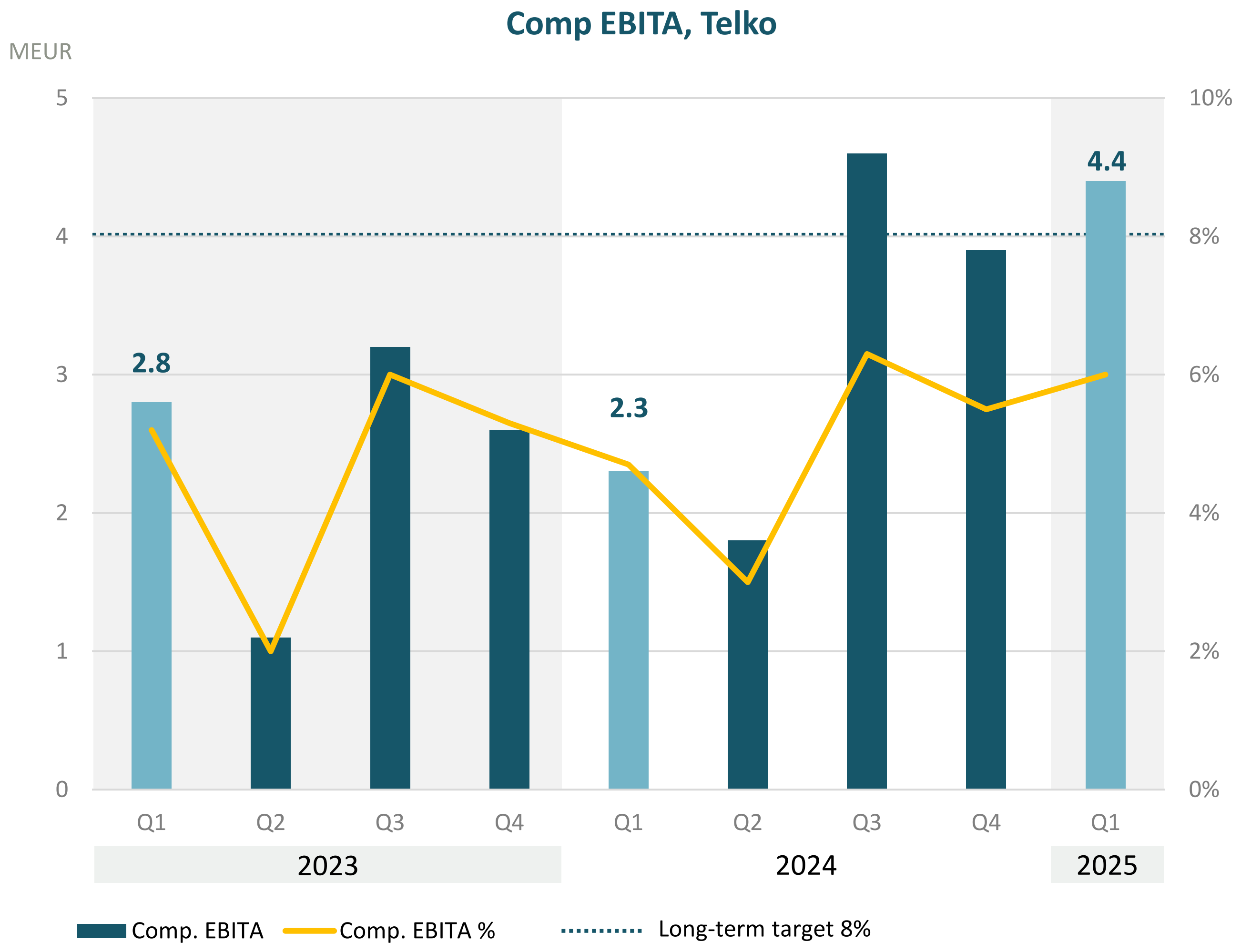
Acquisitions driving the sales growth



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

- 46% sales growth in Q1 2025 driven by acquisitions and organic volume growth. Strong growth despite challenging market environment
- Sales grew in all business segments and in all main geographies
- Sales prices were on a slightly higher level compared to Q1 2024 and rather stable compared to Q4 2024
- Demand has remained soft in most European markets, and uncertainty in global economy has postponed some customer projects and shortened customers' planning horizon

Significant profit improvement in Telko driven by acquisitions



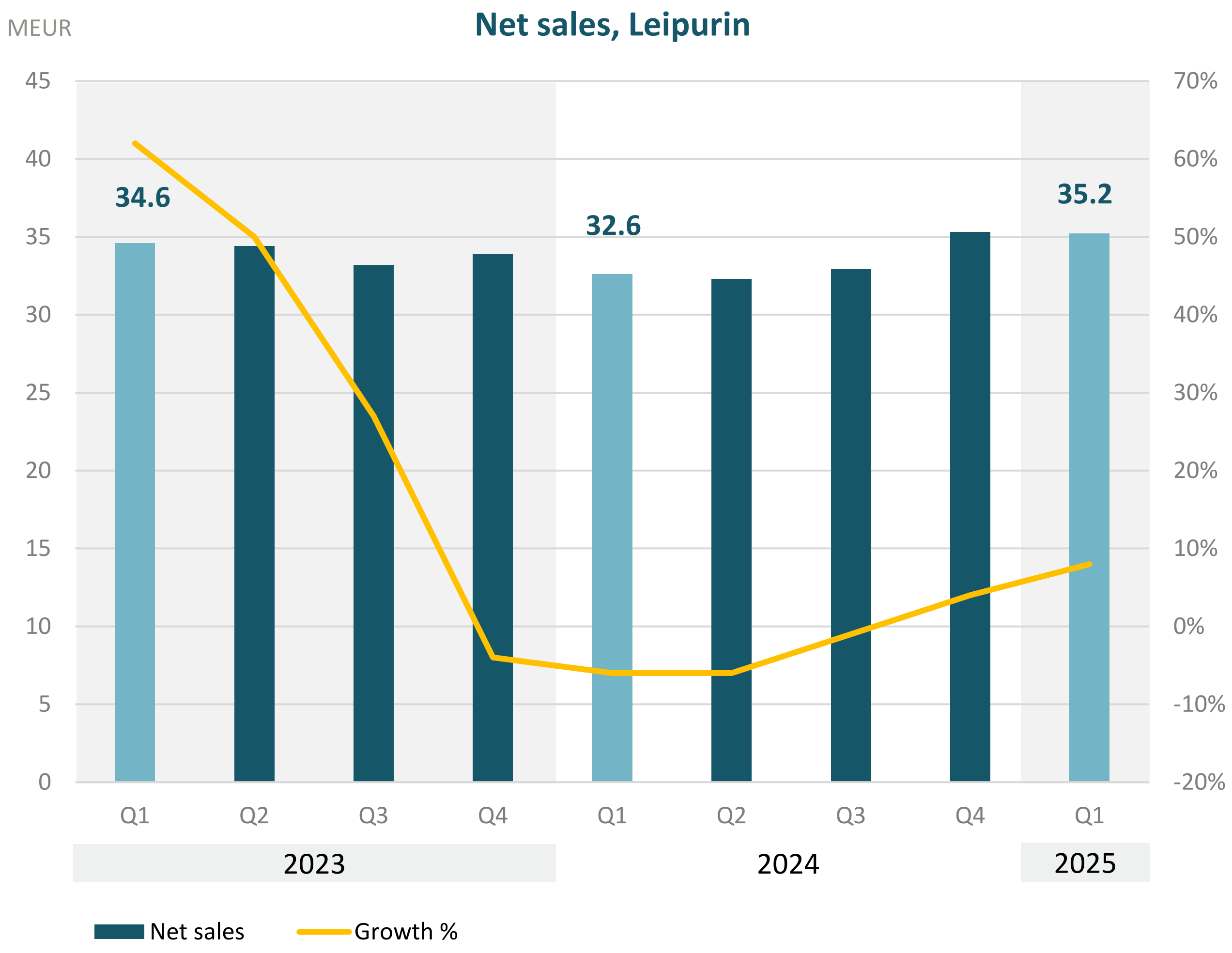
- In Q1 2025, the comparable EBITA increased to EUR 4.4 (2.3) million, with comparable EBITA rate being 6.0% (4.7%)
- Profitability improvement compared to last year driven by acquisitions and organic sales growth
- No acquisitions related expenses in Q1 2025 while EUR -0.9 million in Q1 2024, EUR -0.2 million in Q4 2024, EUR -0.7 million in Q3 2024, and EUR -1.6 million in Q2 2024
- Telko continues preparations for future growth aligned with its compounder strategy. During the coming months, securing organic growth and positive profitability development in the unpredictable market environment remain top priorities

LEIPURIN®

Profit improvement continues

Sales increase driven by the acquisition in Sweden in 2024

LEIPURIN



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

- 8% sales growth in Q1 2025 driven by the acquisition in Sweden in 2024 and by organic volume growth in Sweden
- Overall volumes declined modestly, mainly in low-margin commodities
- Average prices slightly increased compared to Q1 2024
- Leipurin completed the acquisition of Kartagena's food ingredients business in Lithuania in Q1 2025, strengthening Leipurin's position in Lithuania

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Leipurin's profit improvement continues

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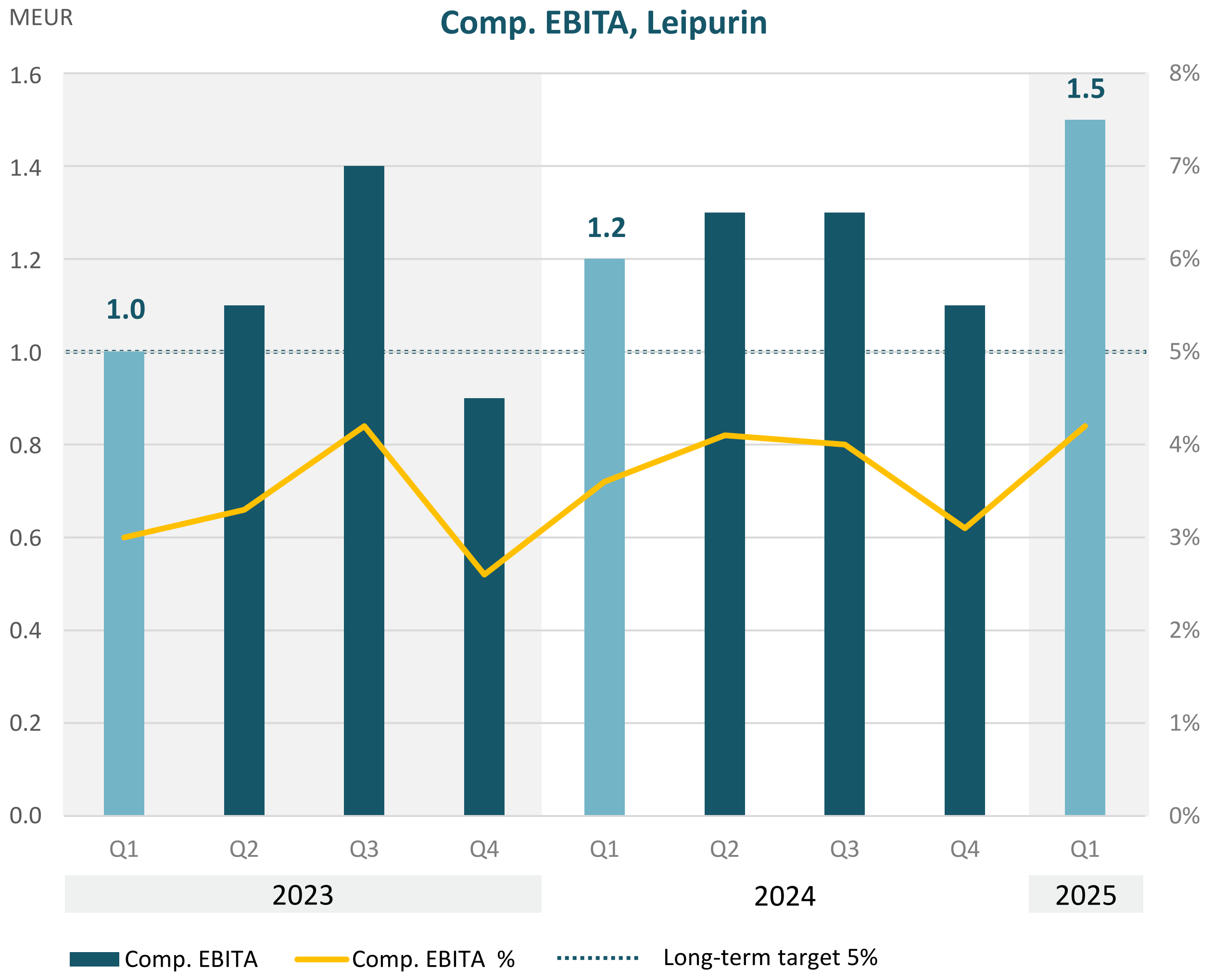
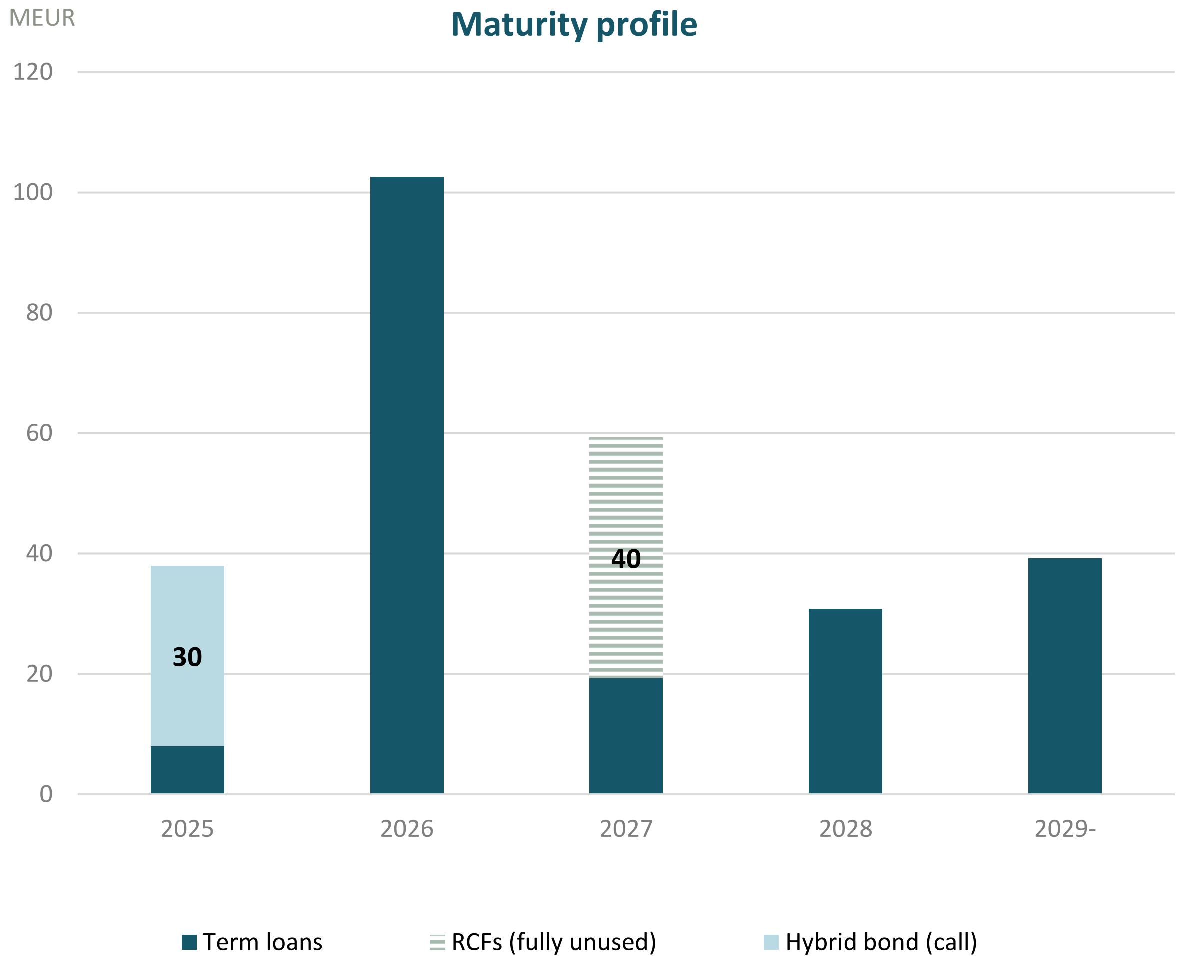


- In Q1 2025, the comparable EBITA was EUR 1.5 (1.2) million, with comparable EBITA rate being 4.2% (3.6%)
- EBITA improvement was driven mainly by supply chain optimization in Sweden and by the acquisition in Sweden in 2024
- Leipurin continues to execute a wide range of profit improvement efforts throughout its operations, including upgrading commercial activities, improving efficiency in the supply chain and developing sourcing capabilities

ASPO

Aspo's financial position and guidance for 2025

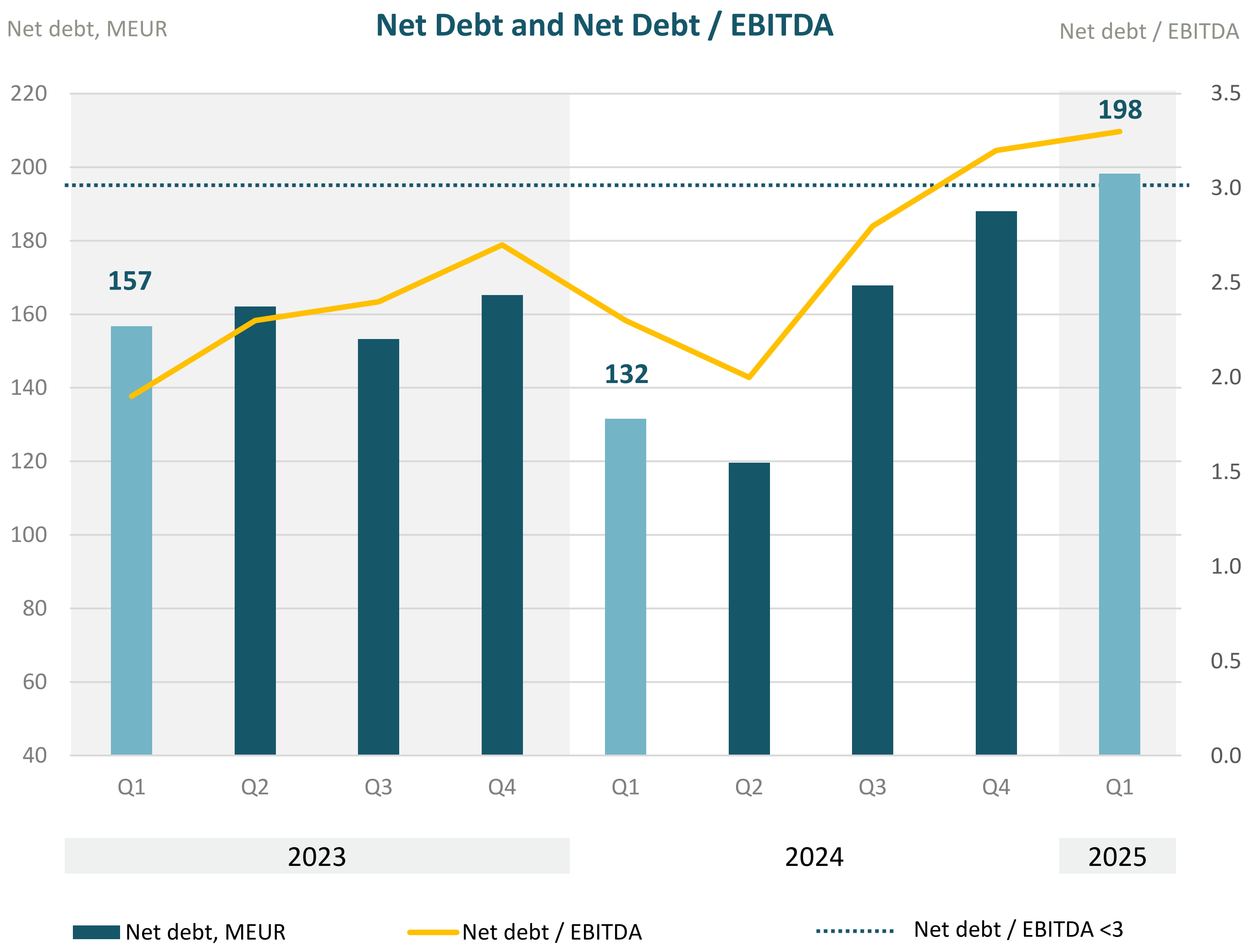
Liquidity has continued strong



EUR 60 million syndicated loan maturing in 2026 has one year extension option

- Liquidity has continued strong with EUR 23.9 million in cash and EUR 40 million of unused RCFs
- New EUR 70 million loan with Svenska Skeppshypotekskassan was signed in February 2025 for financing the Green Handy investment. Loan is to be drawn in 2027-2028. Loan has 15 years maturity
- In April 2025 Aspo participated in a multi-issuer bond guaranteed by Garantia with EUR 15 million loan share. The bond's maturity is five years.
- In April a new EUR 45 million loan was signed with Nordic Investment Bank for financing the Green Handy investment. EUR 22.5 million was drawn in May 2025 and the rest is expected to be drawn in 2026 and 2027
- Aspo announced a redemption of the EUR 30 million hybrid bond. The bond will be paid back in June 2025
- Average loan maturity 4.3 years
- Average interest rate 4.6% (4.8% in December 2024)

Aspo remains committed to the leverage target of Net Debt to comparable EBITDA ratio below 3



- Net Debt to EBITDA ratio was 3.3
- Net debt expected to be temporarily increase due to the repayment of the EUR 30 million hybrid bond in June
- Increase in net debt in Q1 2025 mainly due to EUR 8.8 million investments in Green Coaster vessels and EUR 3.1 million increase in lease liabilities
- Low committed capex for years 2025 and 2026 will support maintaining the strong balance sheet
- Equity ratio was 36.6% (12/2024: 36.9%)

First quarter 2025 highlights

Strong growth and profitability development in Q1 2025

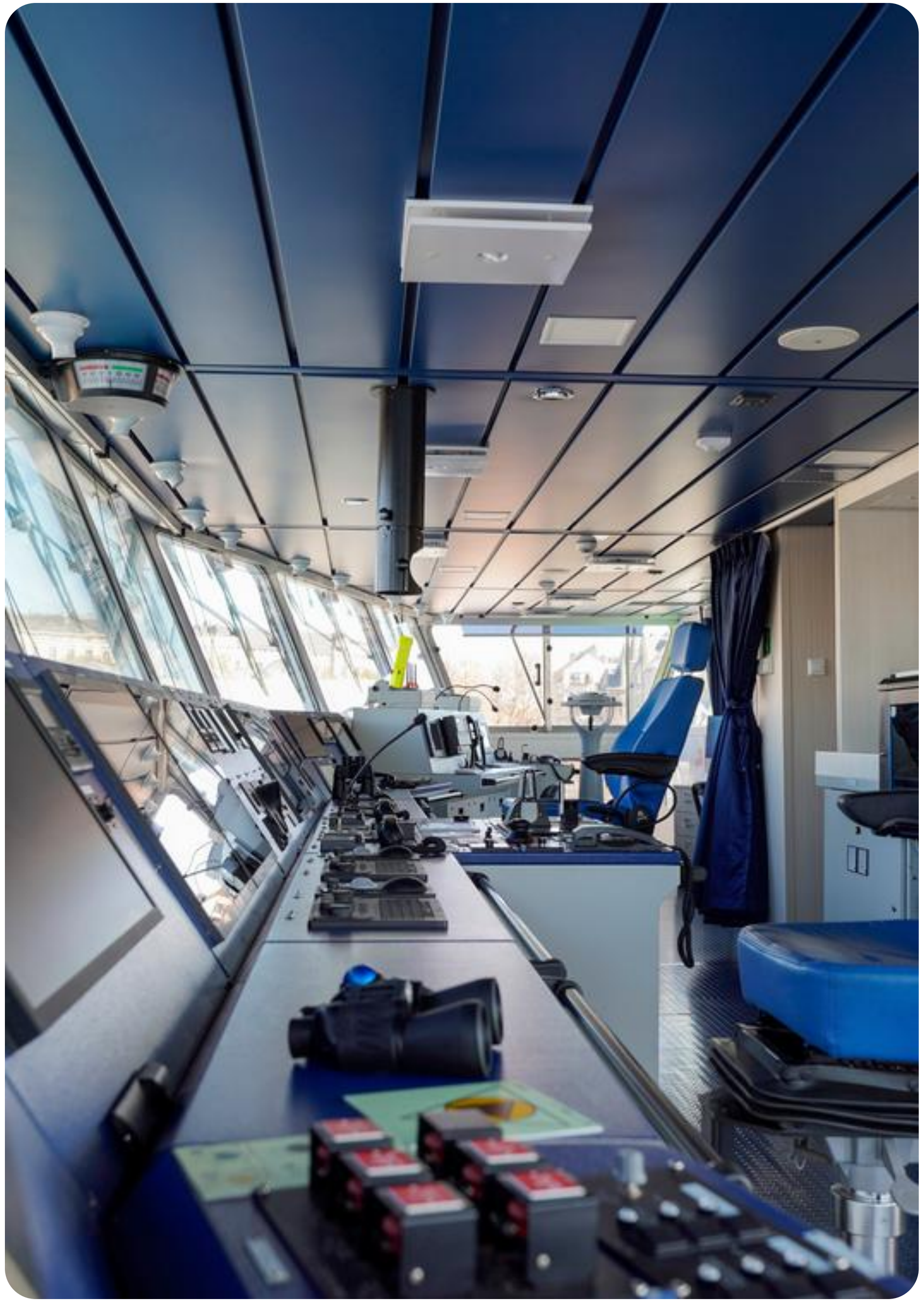
- Net sales increased with 13.9% to EUR 151.2 (132.7) million
- Comparable EBITA grew to EUR 8.8 (5.1) million
- Comparable EPS improved to EUR 0.13 (0.09) per share

Strong signs of strategy execution paying-off across all businesses

- Telko benefitted from the acquisitions completed in year 2024
- Leipurin's successfully continued its full profit potential program, supported by the completed acquisitions
- ESL Shipping and SSAB extend long-term cooperation of raw material transports (agreement estimated to cover 6–7 million tonnes annually)

During 2025, our focus is on profitability improvement

Despite the **short-term** profitability focus, we continue in parallel to have a **long-term strategic perspective to reach the financial ambition of Aspo as well as to implement our portfolio vision**

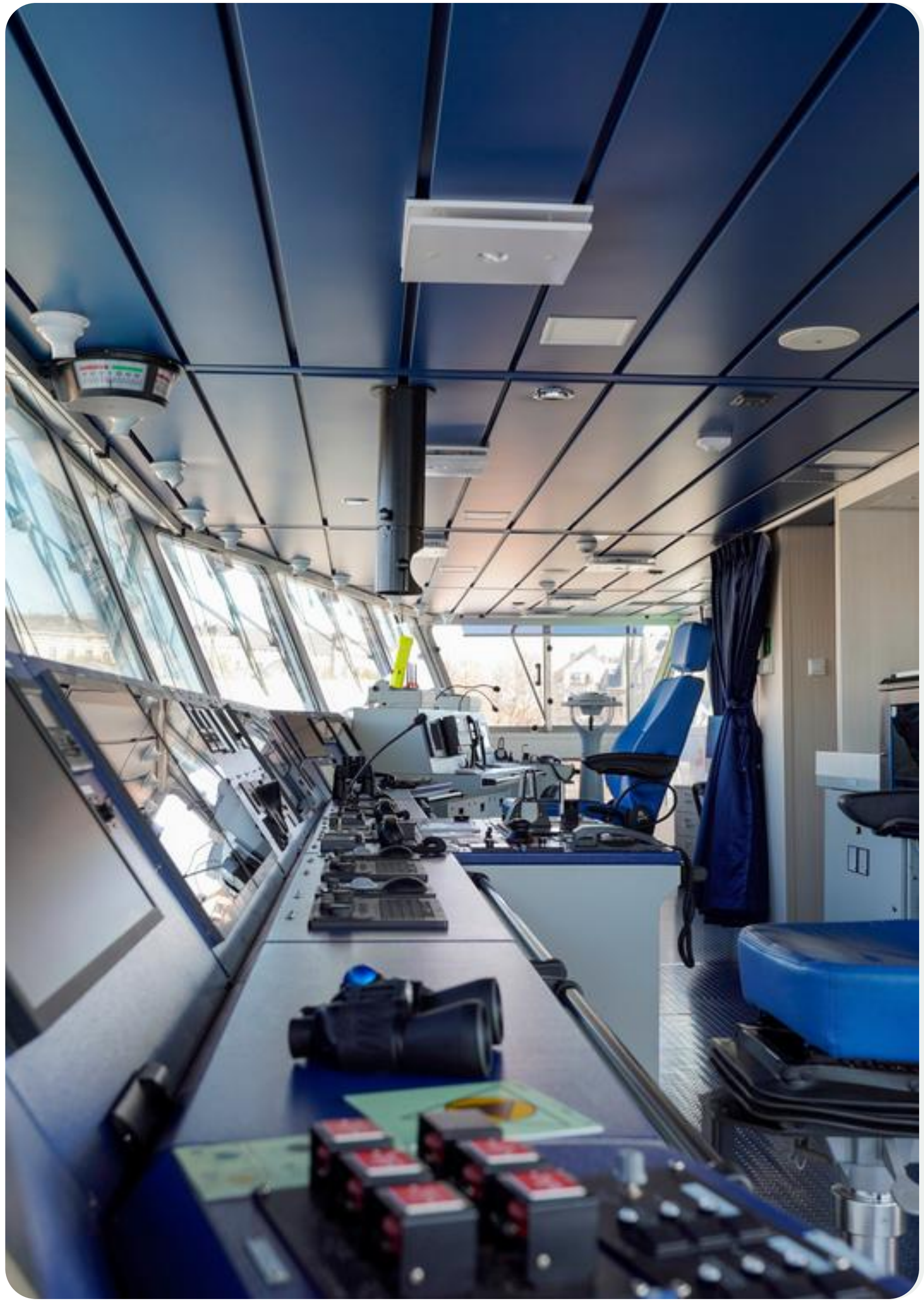


Assumptions behind the guidance for 2025

- **For ESL Shipping**, demand is expected to be weak overall during the first half of the year, with fairly low contractual volumes combined with low spot market pricing. Volumes are expected to slowly revive during the second half of the year.

- **For Telko**, overall stable market development is expected going forward, with demand slowly picking up. After successfully completing three acquisitions in 2024, the focus in 2025 is on integrating the acquired companies, and securing organic growth and positive profitability development. Acquisition-related expenses are expected to be at a much lower level in 2025 than in 2024.

- **For Leipurin**, the market is expected to be stable. Opportunities for growth remains in the food industry, where the addressable market for Leipurin is multiple compared to bakery. Leipurin remains in a good position to continue improving its profitability.



Guidance for 2025: Aspo Group's comparable EBITA is expected to be EUR 35–45 million in 2025 (EUR 29.1 million in 2024)

- Aspo's operating environment is estimated to remain challenging during the first half of the year and to gradually improve during the second half of the year
  - Increased defense and infra spending in Europe is expected to support the economic recovery towards the end of the year
  - However, recent trade tensions and high tariffs imposed or planned by the USA, EU and China have increased economic uncertainty and may negatively impact economic growth and global trade.
- Aspo's profit improvement for the year is expected to come mainly from:
  - The profit generation of the Green Coaster vessels
  - Telko's and Leipurin's acquisitions completed in 2024
  - Various intensified profit improvement actions throughout Aspo's businesses
- The higher end of the expected comparable EBITA range is expected to be achieved if all the planned profit improvement measures are successful, and there is a clear economic recovery during the second half of the year
- The lower end of the range may be realized if the economic recovery is further delayed, or significant volumes would be lost or margins impacted negatively due to some unforeseen negative events. Recent trade tensions, including possible tariffs, may have an indirect negative impact on the volumes and price levels of Aspo's businesses. Direct impacts are expected to be modest.

Q&A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TELKO
LEIPURIN
SUSTAINABLE
VALUE CREATION
ASPO

Thank you