A year of successful strategy execution

Q4

FINANCIAL STATEMENTS RELEASE

January – December 2024

ASPO

Growth and profit improvement in difficult market conditions

OCTOBER–DECEMBER 2024

- Net sales from continuing operations increased to EUR 159.8 (132.2) million
- Comparable EBITA from continuing operations grew to EUR 8.0 (7.2) million, 5.0% (5.5%) of net sales.
  – ESL Shipping EUR 4.3 (5.0) million
  – Telko EUR 3.9 (2.6) million
  – Leipurin EUR 1.1 (0.9) million
- EBITA from continuing operations was EUR 8.1 (6.8) million.
  – ESL Shipping was EUR 4.4 (4.4) million
  – Telko EUR 3.9 (2.6) million
  – Leipurin EUR 1.1 (1.0) million
- Comparable ROE from continuing operations was 13.0% (9.9%)
- Comparable earnings per share from continuing operations were EUR 0.15 (0.10)
- Free cash flow was EUR -18.7 (0.3) million driven by investments
- On October 9, 2024, Aspo announced that ESL Shipping invests in four green handy vessels with a total value of approximately EUR 186 million. This investment takes place during the years 2024–2028
- Aspo made a commitment to Science Based Targets initiative (SBTi)
- On December 2, 2024, Aspo's subsidiary Leipurin reached an agreement with Kartagena UAB to take over their food ingredients distribution business in Lithuania

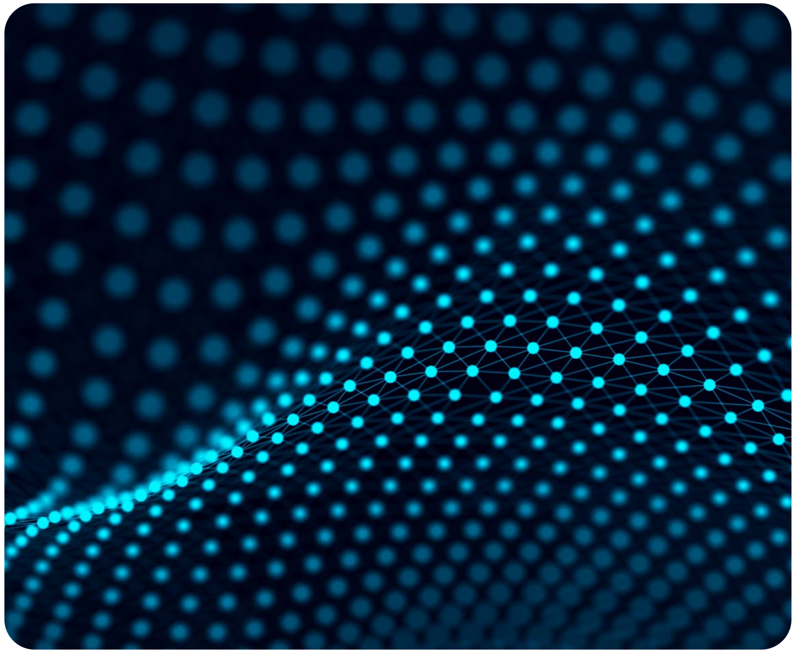
JANUARY–DECEMBER 2024

- Net sales from continuing operations increased to EUR 592.6 (536.4) million
- Comparable EBITA from continuing operations grew to EUR 29.1 (27.5) million, 4.9% (5.1%) of net sales.
  – ESL Shipping EUR 16.9 (18.4) million
  – Telko EUR 12.6 (9.7) million
  – Leipurin EUR 4.9 (4.5) million
- EBITA from continuing operations was EUR 21.2 (27.2) million.
  – ESL Shipping was EUR 9.2 (17.8) million
  – Telko EUR 12.5 (8.7) million
  – Leipurin EUR 4.5 (5.9) million
- Comparable ROE from continuing operations was 9.2% (11.9%)
- Comparable earnings per share from continuing operations were EUR 0.39 (0.46)
- Free cash flow was EUR -36.1 (27.3) million driven by acquisitions and investments
- Net debt to comparable EBITDA, rolling 12 months ratio was 3.2 (2.7)
- Successful strategy execution including sale of a minority stake in ESL Shipping, sale of the supramax vessels, Telko's expansion through acquisitions in Sweden and into new markets in France, Benelux and Germany, as well as Leipurin's non-organic growth and successful transformation and ESL Shipping's decision to invest in four green handy vessels
- Aspo's vision is to split the company into two separate companies, i.e. Aspo Compounder (Telko and Leipurin) and Aspo Infra (ESL Shipping), before Aspo turns 100 years in 2029
- The Board proposes a dividend of EUR 0.19 per share for the financial year 2024

Figures from the corresponding period in 2023 are presented in brackets.

Guidance for 2025

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



ASSUMPTIONS BEHIND THE GUIDANCE

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. Aspo's profit improvement for the year is expected to come mainly from profit generation of the green coaster vessels, from Telko's and Leipurin's acquisitions completed in 2024, as well as from 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 due to strikes or other unforeseen negative events.

When entering into year 2025, ESL Shipping's demand is expected to be weak overall, with fairly low contractual volumes combined with low spot market pricing. Volumes from forest and steel industry customers are expected to slowly revive during 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 is on integrating the acquired companies. Securing organic growth and positive profitability development will be in focus. Acquisition-related expenses are expected to be at a much lower level in 2025 compared with 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.

KEY FIGURES

	10-12/2024	10-12/2023	1-12/2024	1-12/2023
Net sales from continuing operations, MEUR	**159.8**	132.2	**592.6**	536.4
EBITA Group total, MEUR	**8.1**	0.3	**21.2**	11.1
Comparable EBITA Group total, MEUR	**8.0**	7.4	**29.1**	27.9
EBITA from continuing operations, MEUR	**8.1**	6.8	**21.2**	27.2
Comparable EBITA from continuing operations, MEUR	**8.0**	7.2	**29.1**	27.5
Comparable EBITA from continuing operations, %	**5.0**	5.5	**4.9**	5.1
Profit for the period, MEUR	**6.0**	-3.7	**7.3**	1.6
Comparable profit for the period from continuing operations, MEUR	**5.9**	3.5	**15.2**	16.5
Earnings per share (EPS), EUR	**0.16**	-0.13	**0.14**	-0.01
Comparable EPS from continuing operations, EUR	**0.15**	0.10	**0.39**	0.46
Free cash flow, MEUR	**-18.7**	0.3	**-36.1**	27.3
Free cash flow per share, EUR	**-0.6**	0.0	**-1.2**	0.9
Comparable ROCE from continuing operations, %	**8.2**	9.3	**8.1**	8.6
Return on equity (ROE), %	**13.2**	-10.4	**4.4**	1.2
Comparable ROE from continuing operations, %	**13.0**	9.9	**9.2**	11.9
Invested capital from continuing operations, MEUR			**403.7**	314.5
Net debt, MEUR			**188.0**	165.2
Net debt / comparable EBITDA, 12 months rolling			**3.2**	2.7
Equity per share, EUR			**5.13**	4.47
Equity ratio, %			**36.9**	34.4

To improve accuracy, the figures presented in this interim report have been calculated without rounding and may therefore differ from those published in previous years.

Rolf Jansson, CEO of Aspo Group, comments on the fourth quarter of 2024:

ROLF JANSSON

Aspo's financial ambition is to reach EUR 1 billion of net sales and an EBITA of 8% in year 2028. To reach this ambition, a total investment of approximately EUR 300–350 million is required during 2024-2028, out of which approximately EUR 205 million is already committed. The investment is focused on acquisitions of Telko and Leipurin, and investments in new capacity of ESL Shipping. Aspo's vision is to split the company into two separate companies, i.e. Aspo Compounder (Telko and Leipurin) and Aspo Infra (ESL Shipping), before Aspo turns 100 years in 2029.

Year 2024 has entailed a major transformation of Aspo. Telko and Leipurin have grown via several strategic acquisitions and all businesses have fully exited Russia. The role of Scandinavia, and especially Sweden, has increased significantly during year 2024, and is today Aspo's largest market. In addition, ESL Shipping has made major investments in new green vessels. The market environment remained challenging throughout the year, negatively affecting Aspo's profitability. Although 2024 profits were below expectations, Aspo's comparable EBITA from continuing operations for the year 2024 of EUR 29.1 million is an improvement from previous year (EUR 27.5 million) and significantly higher than historical levels during the past ten years. Aspo's profit generation during the second half of year 2024 was significantly stronger than during the first half of year 2024.

Aspo continued to grow and improve its profitability during the fourth quarter of 2024. Aspo's net sales growth of 20.8% compared to the fourth quarter 2023 was driven by the acquisitions made by Telko and Leipurin and Telko's organic growth, as well as by ESL Shipping's sale of a green coaster vessel to the pool investor company. Comparable EBITA from continuing operations was EUR 8.0 million compared to EUR 7.2 million in the corresponding period in the previous year.

During the fourth quarter, ESL Shipping suffered from low industrial activity. Market prices in the spot market were weak, which is unusual for the period, and contractual volumes were lower overall than expected. Time-charted agreements were unprofitable considering these market conditions and will be restructured from the beginning of 2025. Telko's sales grew both organically as well as due to acquisitions. Despite overall weak market demand, Telko's profitability was boosted by positive development of sales margins and the completed acquisitions during the quarter. Post-merger integration activities have progressed according to plan. The profit generation of the completed acquisitions was small during the year 2024 when considering M&A costs and IFRS-treatment of inventory values, leaving strong potential for profit improvement in the year 2025. Leipurin continued to improve its profitability in a market with flat pricing and volumes. Kebelco's profitability development has been strong, also revitalizing Leipurin's sales trend in the food industry. Supply chain improvement activities and commercial successes of Leipurin Sweden, combined with the additions of Kebelco and Kartagena, form a strong platform for improving profitability going forward.

During the fourth quarter of 2024, ESL Shipping Ltd. announced the investment of approximately EUR 186 million in a series of four new, fossil-free handy-sized vessels. The new vessels can be operated entirely fossil free by use of e-methanol. All four ships are scheduled to be in service by the end of the first half of 2028. ESL Shipping's ESG driven investments offer green transition opportunities for its customers. This investment further strengthens ESL Shipping's ESG driven strategy and supports achieving the company's financial ambitions.

Leipurin reached an agreement in December 2024 with Kartagena UAB to take over the food ingredients distribution business previously conducted by Kartagena UAB. This arrangement strengthens Leipurin's Baltic market position and provides for new growth opportunities in prioritized market segments in the region. In October 2024, Leipurin announced the completion of its exit from Russia, a big strategic target for Aspo.

Aspo's businesses target to be forerunners in sustainability in their respective industries. Aligned with this target, Aspo announced in December 2024, that it has joined the Science Based Targets initiative (SBTi) and committed to setting a company-wide science-based emission reduction target in the near term. Also, Aspo reached the emission intensity, and the TRIF targets set for the year 2024.

Aspo's Board of Directors proposes a dividend distribution of EUR 0.19 per share for year 2024. The proposed dividend represents 49% of Aspo's comparable earnings per share for 2024.

After a year of strong strategy execution, Aspo's focus for year 2025 lies on profitability generation. The market is expected to remain challenging, but the acquisitions and investment made are gradually expected to improve profitability. Focus will be on organic growth, integration and performance improvement actions.

ASPO GROUP

FINANCIAL PERFORMANCE AND TARGETS

Aspo's long-term financial targets introduced at Aspo's CMD on May 14, 2024, are:

- Minimum increase in net sales: 5–10% a year
- Comparable EBITA of 8%
- Return on equity: more than 20%
- Net debt to comparable EBITDA, rolling 12 months ratio below 3.0

On a business level, ESL Shipping's long-term comparable EBITA target is 14%, Telko's 8% and Leipurin's 5%.

In January-December 2024, Aspo's net sales from continuing operations grew by 10.5% to EUR 592.6 (536.4) million. The comparable EBITA rate of the continuing operations stood at 4.9% (5.1%). Comparable return on equity from continuing operations was 9.2% (11.9%) and net debt to comparable EBITDA, rolling 12 months ratio was 3.2 (2.7).

NET SALES

	10-12/2024 MEUR	10-12/2023 MEUR	Change %	1-12/2024 MEUR	1-12/2023 MEUR	Change %
ESL Shipping, net sales	**54.7**	49.4	10.8	**206.2**	189.0	9.1
Telko, net sales	**69.8**	49.0	42.5	**253.3**	211.3	19.9
Leipurin, net sales	**35.3**	33.9	4.1	**133.1**	136.1	-2.2
Net sales, continuing operations	**159.8**	132.2	20.8	**592.6**	536.4	10.5

COMPARABLE EBITA

	10-12/2024 MEUR	10-12/2023 MEUR	1-12/2024 MEUR	1-12/2023 MEUR
ESL Shipping, comparable EBITA	**4.3**	5.0	**16.9**	18.4
Telko, comparable EBITA	**3.9**	2.6	**12.6**	9.7
Leipurin, comparable EBITA	**1.1**	0.9	**4.9**	4.5
Other operations, comparable EBITA	**-1.2**	-1.2	**-5.2**	-5.1
Comparable EBITA from continuing operations	**8.0**	7.2	**29.1**	27.5
Comparable EBITA from discontinued operations		0.2		0.4
Comparable EBITA, Group total	**8.0**	7.4	**29.1**	27.9
Items affecting comparability of EBITA, Group total	**0.1**	-7.2	**-7.9**	-16.8

COMPARABLE EBITA, % OF NET SALES

	10-12/2024 %	10-12/2023 %	1-12/2024 %	1-12/2023 %
ESL Shipping, comparable EBITA	**7.8**	10.1	**8.2**	9.7
Telko, comparable EBITA	**5.5**	5.3	**5.0**	4.6
Leipurin, comparable EBITA	**3.1**	2.6	**3.7**	3.3
Comparable EBITA from continuing operations	**5.0**	5.5	**4.9**	5.1

The comparable EBITA, Group total includes results of the continuing and discontinued operations. In 2024 the Group total figures equal the figures of the continuing operations. The comparable EBITA is calculated by adjusting the reported EBITA with rare and material items affecting EBITA. These may include impairment losses, sales gains and losses from divested businesses and non-current asset.

ITEMS AFFECTING COMPARABILITY IN 1-12/2024, MEUR

	ESL Shipping	Telko	Leipurin	Other operations	Total
Impairment of supramax vessels	-7.0				-7.0
Other items relating to the sale of supras	-0.2				-0.2
Restructuring activities				-0.2	-0.2
Sale of minority share in ESL Shipping	-0.5			-0.1	-0.6
Exit of businesses	0.1	-0.1	-0.2		-0.2
Acquisition expenses			-0.2		-0.2
Gain from sale of tangible assets				0.5	0.5
Total	**-7.6**	**-0.1**	**-0.4**	**0.2**	**-7.9**

In the fourth quarter of 2024, items affecting comparability amounted to EUR 0.1 million and were reported for ESL Shipping. The item related to income from reversal of a cost accrual relating to Russia.

In January-December 2024 the items affecting comparability totaled EUR -7.9 million. EUR -7.6 million reported for ESL Shipping consisted of the impairment loss and other expenses relating to the sale of the supramax vessels of EUR -7.2 million and expenses relating to the sale of the minority stake in ESL Shipping Ltd EUR -0.5 million as well as EUR 0.1 million income from reversal of a cost accrual relating to Russia. EUR -0.1 million reported for Telko related to the exit from Azerbaijan. EUR -0.4 million reported for Leipurin related to the exit from Russia of EUR -0.2 million, and to the acquisition expenses of Kebelco of EUR -0.2 million. Items affecting comparability reported in other operations totaled EUR 0.2 million and included corporate restructuring expenses of EUR -0.2 million and expenses for the sale of the minority stake in ESL Shipping Ltd of EUR -0.1 million as well as gains from the sale of real estate assets of EUR 0.5 million.

ITEMS AFFECTING COMPARABILITY IN 1-12/2023, MEUR

	ESL Shipping	Telko	Leipurin	Other operations	Discontinued operations	Total
Advisory expenses, minority stake	-0.6					-0.6
Write down of inventory, Russia related		-1.0			-1.8	-2.7
Sale and leaseback transactions			1.3			1.3
Restructuring activities			-0.2	-0.1		-0.3
Withdrawal from Russia					-14.8	-14.8
Divestment of businesses			0.2			0.2
Total	-0.6	-1.0	1.4	-0.1	-16.5	-16.8

In the fourth quarter of 2023, items affecting comparability were EUR -7.2 million in total. EUR -0.6 million reported for ESL Shipping were advisory costs related to the sales process of a minority stake in ESL Shipping. EUR 0.2 million reported in the Leipurin segment was a gain on the sale of the bakery equipment trading business. Items of EUR -6.7 million reported for the discontinued operations were caused by the deconsolidation of Leipurin's entities in Russia, Belarus, and Kazakhstan.

In January-December 2023, items affecting comparability amounted to EUR -16.8 million in total. EUR -0.6 million reported for ESL Shipping were advisory costs related to the sales process of a minority stake in ESL Shipping. EUR -1.0 million reported in the Telko segment related to inventory write downs caused by Russia's invasion in Ukraine. EUR 1.4 million reported in the Leipurin segment consisted of EUR 1.4 million from gains on sale and leaseback transactions of properties in Sweden and premises in Lithuania, EUR -0.2 million from restructuring activities in Sweden and EUR 0.2 million from sale on Leipurin's bakery equipment trading business. EUR -0.1 million reported in other operations related to corporate restructuring costs. EUR -16.5 million reported in discontinued operations consisted of the sales loss of Telko Russia EUR -8.1 million, the write down of Telko Russia's inventory EUR -1.8 million, a loss of EUR -0.8 million for the deconsolidation of Telko's subsidiary in Belarus, and EUR -5.9 million related to the deconsolidation of Leipurin's entities in Russia, Belarus and Kazakhstan.

SUSTAINABILITY

Sustainability is an essential component of Aspo's leadership model and a key driver for the company's investments and M&A screening activities. Aspo's businesses aim to be forerunners in sustainability in their respective sectors. Both the emission intensity and the TRIF target for the year 2024 were reached.

Aspo announced on December 23, 2024, that it has joined the Science Based Targets initiative (SBTi) and committed to set a company-wide science-based emission reduction target in the near-term, aiming to limit global warming to 1.5ºC in line with the Paris Agreement. This commitment builds on the promise made during the Capital Market Day held in May 2024 and reflects Aspo's ongoing transformation and sustainability journey. The company is now beginning the process of developing and validating its targets in collaboration with SBTi.

In 2024, ESL Shipping achieved a Platinum medal and a position in the top 1% of rated companies in the EcoVadis sustainability assessment. The results improved significantly across all categories. ESL Shipping has consistently improved its overall score in every assessment conducted. The first assessment in 2022 resulted in a Silver medal and in 2023 the rating improved to Gold.

KEY FIGURES

	1-12/2024	Rolling 12m	2023	Target 2024
CO_2 (tn) per net sales (EUR thousand)	0.30	0.30	0.37	0.33
TRIF*)	4.4	4.4	4.8	6.0

*) Total Recordable Injury Frequency (TRIF) is presented per million hours worked

Aspo's target is to reduce its emission intensity, CO_2 (tn) per net sales (EUR thousand), by 30% by the end of year 2025. The starting point (2020) was 0.44, while the target level (2025) is 0.30. The emission intensity target for the year 2024 was 0.33 and it was reached. Aspo's emission intensity improved due to a decrease in ESL Shipping's emissions, driven by fuel efficient driving of vessels and fleet renewal, as well as due to the net sales growth of Telko and ESL Shipping.

Employee safety continues to be a key focus area of Aspo. The Total Recordable Injury Frequency (TRIF) improved further due to increased attention on safety operating models, development of safety culture, launched preventive measures and enhanced communication. The TRIF target for the year 2024 was reached, with an actual frequency of 4.4 against the 6.0 target. Especially ESL Shipping's safety work yielded strong results during the year.

As part of Aspo's sustainability goals, the satisfaction of employees, the quality of leadership, and Aspo's reputation as an employer are measured with People Power index by conducting an annual atmosphere survey. Job satisfaction in all businesses remained high in 2024 and the targeted level of AA rating was reached as in the previous year (2023: AA).

Aspo's goal is that all the Group's personnel complete a Code of Conduct training annually. This includes e.g. anti-corruption issues and provides guidance for identifying any suspect situations and practices considered unethical. In 2024, approximately 100% (100%) of the Group's employees completed the Code of Conduct training.

CASH FLOW AND FINANCING

The Group's operating cash flow in January– December was EUR 32.4 (47.6) million. The cash flow was mainly derived from the business of ESL Shipping. The cash flow impact of change in working capital was EUR -12.0 (4.5) million. The change in working capital was mainly driven by the EUR 12.7 million increase (in 2023 EUR 14.6 million decrease) in inventory of Telko, and the green coaster and green handy advance payments for the vessels that are going to be sold further. These advance payments increased inventory by EUR 2.7 (4.9) million compared to the previous year. Operating cash flow was also negatively impacted by the average interest rate for the entire year being higher than in the previous year with the net interest paid being EUR 9.5 (8.4) million.

The free cash flow in January– December was EUR -36.1 (27.3) million. Investments amounted to EUR 49.7 (21.8) million and consisted mainly of investments of ESL Shipping. The proceeds from the sale of the supramax vessels amounted to EUR 33.5 million and the cash outflow relating to acquisitions mainly in Telko's business amounted to EUR 56.5 million. The rest of the investing cash flow of EUR 4.1 million consisted of proceeds from sale of tangible assets and of dividend income.

	31.12.2024 MEUR	31.12.2023 MEUR
Interest-bearing liabilities, incl. lease liabilities	224.4	195.9
Cash and cash equivalents, Group total	36.4	30.7
Net interest-bearing debt	188.0	165.2

Net interest-bearing debt was EUR 188.0 (165.2) million and net debt to comparable EBITDA, rolling 12 months ratio was 3.2 (2.7). The Group's equity ratio at the end of the review period was 36.9% (34.4%).

Net financial expenses in January– December totaled EUR -8.5 (-9.3) million. The average interest rate of interest-bearing liabilities, excluding lease liabilities, started to decrease and was 4.8% (5.4%) in December. The net financial expenses were lower in 2024 compared with 2023 due to earn-out adjustments of EUR 1.5 million recognized in the fourth quarter.

The Group's liquidity position remained strong, cash and cash equivalents stood at EUR 36.4 (30.7) million at the end of the review period. Committed revolving credit facilities, totaling EUR 40 million, were fully unused, as in the comparative period. The revolving credit facilities are maturing in 2027. Aspo's EUR 80 million commercial paper program was utilized by EUR 5 million at the end of the year 2024.

In September 2024, Aspo repaid at maturity the EUR 15 million unsecured bond guaranteed by Garantia Insurance Company.

In October 2024, Aspo Plc signed a new syndicated term loan facility agreement amounting to EUR 60 million with OP Corporate Bank plc, Nordea Bank Abp and Danske Bank A/S, Finland Branch as lenders. The loan will be repaid in one installment at the end of the loan term, which is two years, with a one-year option to extend.

In December 2024, Aspo Plc renewed a loan of EUR 10 million with LocalTapiola maturing in 2027. The renewed loan will be repaid in one installment at the end of the five-year loan term.

After the review period in February 2025 ESL-Shipping signed a loan agreement of EUR 70 million with Svenska Skeppshypotekskassan for financing the Green Handy –vessels. The loan is expected to be drawn in the years 2027 and 2028.

ASPO'S BUSINESSES

ESL Shipping

ESL Shipping is the leading dry bulk sea transport company operating in the Baltic Sea area. ESL Shipping's operations are mainly based on long-term customer contracts and established customer relationships. ESL Shipping's strategy and competitive edge is based on sustainability leadership and the company's unique ability to develop and provide reliable infrastructure for the ice-bound Nordic industrials investing in the green transition. The shipping company loads and unloads large ocean liners at sea as a special service.

At the end of the review period, the shipping company's fleet consisted of 43 vessels with a total capacity of 345,000 deadweight tons (dwt). Of these, 24 were wholly owned (71% of the tonnage), two were minority owned (3%) and the remaining 17 vessels (26%) were time chartered. The figures include the green coaster pool, which consisted of four vessels, two owned by AtoBatC Shipping AB and two by investors.

Q4/2024

ESL Shipping	10-12/2024	10-12/2023	Change,%
Handy	19.2	20.6	-7
Coaster	35.5	23.7	50
Supra		5.0	-100
Net sales, MEUR	**54.7**	**49.4**	**11**
EBITA, MEUR	4.4	4.4	0
Items affecting comparability, MEUR	0.1	-0.6	
Comparable EBITA, MEUR	4.3	5.0	-14
Comparable EBITA, %	7.8	10.1	
Invested capital, MEUR	212.1	218.4	-3
Comparable ROCE, %	8.5	9.4	

In the fourth quarter ESL Shipping's net sales increased by 11 % to EUR 54.7 (49.4) million. Net sales include proceeds of EUR 12.6 million from the executed sale of mv Aquamar to the company established by the pool investors, impacting positively net sales growth for the coasters. The combined net sales of handy and coaster operations excluding the vessel sale decreased by 5% compared to previous year. The decreased net sales in the fourth quarter were mainly caused by lower marine diesel fuel prices. The spot market pricing remained weak and contractual volumes were softer than expected due to a low level of industrial activity. ESL Shipping's exposure to the spot market is limited and the vast majority of volumes and margins are secured by long-term contracts. Comparable EBITA for the quarter decreased by 14% to EUR 4.3 (5.0) million, with the comparable EBITA rate being 7.8% (10.1%).

During the fourth quarter ESL Shipping carried 3.3 (3.2, excluding the supramax vessels) million tons of cargo. Volumes increased slightly in both the handy and coaster operations. Contractual demand for ESL Shipping's handy size vessels from the steel industry increased from the previous year and was in line with expectations during the fourth quarter, whereas volumes of construction materials, heating coal and biomass turned out to be at disappointing and significantly weaker than expected level. Heating coal volume continued to decrease compared to the previous year.

During the fourth quarter, coaster vessels experienced a small overall increase in contractual volume demand. However, the steel industries as well as the minerals sector experienced low shipping demand and significant volume decline during the whole quarter. On the other hand, forest industry volumes increased significantly compared with previous year. Volume growth in forest industry was driven by increase in raw material import and revival of wood pulp export. Sawn timber volumes remained low. Fertilizers and agribulk sectors maintained expected contractual volumes.

Unusual for the normally busy last quarter of the year, spot market volumes for both handy and coaster-sized vessels remained very limited and subsequently pricing levels weakened further during the fourth quarter. Normally the market sees improvement in rates during the fourth quarter.

Given the prevailing market conditions, certain coaster vessel time-charter agreements entered into during end of year 2022 were loss-making. All of these contracts expired in January 2025.

The price of marine diesel fuel was significantly lower than in the previous year whereas the price of liquified natural gas, LNG, was largely on the level of the previous year. Energy price fluctuations are managed through fuel clauses in long-term transportation agreements. Lower diesel fuel prices had a negative impact on net sales.

Q1-Q4/2024

ESL Shipping	1-12/2024	1-12/2023	Change,%
Handy	79.1	78.5	1
Coaster	119.5	93.7	28
Supra	7.5	16.8	-55
Net sales, MEUR	**206.2**	**189.0**	**9**
EBITA, MEUR	9.2	17.8	-48
Items affecting comparability, MEUR	-7.6	-0.6	
Comparable EBITA, MEUR	16.9	18.4	-8
Comparable EBITA, %	8.2	9.7	
Invested capital, MEUR	212.1	218.4	-3
Comparable ROCE, %	7.8	8.7	

During January – December ESL Shipping's net sales increased by 9% to EUR 206.2 (189.0) million. Net sales include proceeds of EUR 25.3 million from the executed sale of mv Stellamar and mv Aquamar to the company established by the pool investors, impacting positively net sales growth for coasters. The combined net sales of the handy and coaster operations excluding vessel sale increased by 1% compared to the previous year. Sales were negatively impacted by the lower marine diesel fuel prices. Comparable EBITA for the period decreased by 8% to EUR 16.9 (18.4) million resulting from the poor first quarter caused by the strikes and exceptionally severe winter conditions and a softer than expected fourth quarter. The combined negative profit impact from the political strikes and the exceptionally harsh winter conditions was estimated to be approximately EUR 4.0 million for the first half of the year. Items affecting comparability amounted to EUR -7.6 (-0.6) million and included mainly impairment losses related to the sale of the supramax vessels as well as some advisory costs related to the sale of the minority stake in ESL Shipping.

During January–December ESL Shipping carried 12.3 (11.9, excluding the supramax vessels) million tons of cargo. Carried cargo volumes were negatively affected by the repeated waves of political strikes and by the exceptionally severe winter conditions in the Bay of Bothnia between January-April, and the overall softer than expected demand in the fourth quarter.

The newbuilding project of ESL Shipping's Swedish subsidiary AtoBatC Shipping AB at the Chowgule & Company Private Limited shipyard in India proceeded as planned. Four vessels were operating in Baltic Sea related trades at the end of the review period and the fifth vessel, Maximar, was delivered in December and is expected to be in commercial traffic by end of the first quarter 2025. Deliveries of subsequent vessels in the series of twelve ships are now expected on a quarterly basis, with the last vessel to be delivered in the autumn of 2026.

The minority investments in Aspo's subsidiary ESL Shipping Ltd by OP Finland Infrastructure and Varma Mutual Pension Insurance Company were completed in February. The transaction was completed as a share issue where ESL Shipping Ltd issued new shares to OP Finland Infrastructure and Varma against a cash consideration of EUR 45.0 million. This resulted in a minority ownership stake corresponding to 21.43% in ESL Shipping.

In March Aspo announced that its subsidiary ESL Shipping Ltd had signed a memorandum of understanding according to which it will sell its two supramax class vessels to companies belonging to HGF Denizcilik Limited Sirket group, a Turkish shipping and logistics company, with sales proceeds of EUR 33.5 million. The sale of the supramax vessels was successfully completed in the second quarter.

On October 9th Aspo announced that ESL Shipping will build a series of four new, fossil free handy sized vessels. These new 1A ice class vessels are top of the market in terms of cargo capacity, technology and innovation. The total value of the four ships is approximately EUR 186 million and this investment takes place during the years 2024–2028. The new vessels are built in Nanjing, China at China Merchants Jinling Shipyard (Nanjing) Co, Ltd. The vessels are scheduled to enter service starting from the third quarter of 2027. The fourth ship of this series is scheduled to enter service in the first half of 2028.

In connection with the order of fossil free handy size vessels announced during the fourth quarter, the possibilities of using various ship ownership and financing solutions to accelerate business growth and expand the service will be explored. This may include, among others, pooling as a financial instrument, already successfully used by ESL Shipping when financing the smaller green coaster vessels.

Telko

Telko is a leading expert in and supplier of plastic raw materials, industrial chemicals, and lubricants. It operates as a sustainable partner in the value chain, bringing well-known international principals and customers together. The company's competitive edge is based on strong technical support, efficient logistics, and local expert service. Telko operates in Finland, the Baltic countries, Scandinavia, Poland, Germany, France, Belgium, the Netherlands, Romania, Ukraine, Kazakhstan, Uzbekistan, and China.

Q4/2024

Telko	10-12/2024	10-12/2023	Change,%
Plastics business	27.7	23.6	17
Chemicals business	25.5	12.7	101
Lubricants business	16.6	12.7	31
Net sales, MEUR	**69.8**	**49.0**	**43**
EBITA, MEUR	3.9	2.6	50
Items affecting comparability, MEUR			
Comparable EBITA, MEUR	3.9	2.6	50
Comparable EBITA, %	5.5	5.3	
Invested capital, MEUR	140.1	48.4	189
Comparable ROCE, %	11.0	19.9	

In the fourth quarter of 2024, Telko's net sales increased by 43% to EUR 69.8 (49.0) million. Sales growth was driven by the completed acquisitions as well as organic development due to volume growth. Sales prices were on a clearly lower level than previous year, and slightly lower than previous quarter. Positive sales margin development continued during the fourth quarter driven by improved product mix and acquisitions. Demand has remained soft in most European markets.

Net sales of the plastics business increased by 17%, amounting to EUR 27.7 (23.6) million. New customers and businesses contributed to growth in addition to the recently acquired business in Germany. The average price level was slightly lower than previous quarter. Market demand was weakening towards end of the year as customers reduced stocks and closed production for longer than normal time before holiday season.

Net sales of the chemicals business increased by 101%, amounting to EUR 25.5 (12.7) million. Sales growth was mainly driven by the acquisition of Swed Handling. Despite relatively soft market demand, sales volumes grew also organically compared with previous year driven by new customers. Soft demand in Europe has kept prices under pressure in most product groups.

Net sales of the lubricants business increased by 31% to EUR 16.6 (12.7) million. Growth was mainly driven by the acquisition of Optimol and Greenfluid earlier this year. Organic net sales development was positive. In general prices were slightly lower than last year due to soft demand.

ACQUISITION RELATED EXPENSES INCLUDED IN EBITA

	10-12/2024 MEUR	10-12/2023 MEUR	1-12/2024 MEUR	1-12/2023 MEUR
Reversal of fair value allocation on inventory	-0.1	0.0	-1.4	-0.1
Acquisition related expenses	-0.1	-0.5	-1.9	-1.0
Total	**-0.2**	**-0.5**	**-3.4**	**-1.2**

Telko's comparable EBITA in the fourth quarter of 2024 increased to EUR 3.9 (2.6) million and comparable EBITA rate was 5.5% (5.3%). Profitability improved from previous year due to improved sales margin and strong profitability of especially Swed Handling. Profitability of the fourth quarter was still negatively affected by M&A related costs amounting to EUR 0.2 million. In general, the demand during the fourth quarter, especially in November, was softer than during previous quarter. During the fourth quarter Telko continued integration of the recently acquired businesses with focus on sales synergies and efficiency.

Q1-Q4/2024

Telko	1-12/2024	1-12/2023	Change,%
Plastics business	105.9	101.4	4
Chemicals business	82.7	59.4	39
Lubricants business	64.7	50.5	28
Net sales, MEUR	**253.3**	**211.3**	**20**
EBITA, MEUR	12.5	8.7	43
Items affecting comparability, MEUR	-0.1	-1.0	
Comparable EBITA, MEUR	12.6	9.7	30
Comparable EBITA, %	5.0	4.6	
Invested capital, MEUR	140.1	48.4	189
Comparable ROCE, %	13.4	17.8	

During January – December Telko´s net sales increased by 20% to EUR 253.3 (211.3) million. Sales growth was driven by acquisitions as well as volume growth. Sales prices were overall at a lower level than the previous year, causing a slight decline in organic net sales. Comparable EBITA improved to EUR 12.6 (9.7) million driven primarily by higher sales margins, efforts to improve cost efficiency, as well as the acquired businesses. Acquisition related expenses and reversal of fair value allocation to inventory impacted Telko´s comparable EBITA by EUR -3.4 (-1.2) million, almost fully mitigating the positive EBITA effect of the completed acquisitions during the year 2024.

Net sales of the plastic business increased by 4% in 2024. Sales volumes grew significantly both organically and through the acquisition of Polyma, whereas prices were on a significantly lower level than previous year. Market demand was modest throughout the year. New customer acquisition affected positively sales and profitability. The business in China was growing and developed positively. Ukrainian market demand remained modest due to the war, but Telko kept the strong position as a plastic importer with a local sales team. In Europe, challenges in demand were especially seen in automotive related businesses.

Net sales of the chemicals business increased by 39%. The acquisition of Swed Handling was the most significant growth driver. Sales volumes grew slightly organically, although prices were on a significantly lower level than previous year. Telko´s sales development in Europe exceeded clearly overall market development. Eltrex, a Polish chemical distributor acquired by Telko in 2023, has exceeded all targets set for the acquisition and the outlook remains strong. Swed Handling has contributed as planned and the work on capturing identified synergies has started well. Telko's business in Mid-Asia improved its financial performance during the year 2024.

Net sales of the lubricants business increased by 28%. The acquired businesses contributed to growth, whereas organic sales volumes declined slightly. Industrial lubricants reached an all-time high sales level in the Nordics and a new greenfield industrial lubricants business unit was established in Poland. Industrial Lubricants in France and Benelux, i.e. recently acquired Optimol and Greenfluid, faced a challenging market environment with lower-than-expected demand and price level, in addition to delayed new projects. Despite challenges in these markets, Telko managed to increase market share.

Telko has made major progress related to its compounder strategy during 2024, by completing three major acquisitions. In March, Telko acquired Optimol and Greenfluid, industrial lubricants businesses in Benelux and France. In the beginning of June, Telko acquired Polyma Kuntstoff, a plastics distribution business in Germany. In July, Telko completed a major acquisition in Sweden by acquiring Swed Handling AB, a locally leading chemicals distributor.

During the last quarter of the year Telko has focused on securing profitability and on integrating the acquired businesses and thereby achieving planned synergies. So far, the synergies have primarily related to realizing benefits from supplier and customer relationships across countries, as well as introducing common processes. Telko continues preparations for future growth aligned with its compounder strategy, but during coming months securing organic growth and positive profitability development remains top priority.

Leipurin

Leipurin operates as part of the food chain, sourcing raw materials in global markets and from domestic companies and supplying them through its effective logistics chain to serve customer needs. Leipurin has operations in five countries including Finland, Sweden, and the Baltic countries, and serves bakeries, the food industry, and food service customers by offering raw materials, supporting research & development, recipes, and innovations for new products.

Q4/2024

Leipurin	10-12/2024	10-12/2023	Change,%
Finland	11.1	12.2	-9
Sweden	15.3	12.9	18
Baltics *)	8.9	8.8	2
Net sales, MEUR	**35.3**	**33.9**	**4**
EBITA, MEUR	1.1	1.0	4
Items affecting comparability, MEUR	0.0	0.2	
Comparable EBITA, MEUR	1.1	0.9	25
Comparable EBITA, %	3.1	2.6	
Invested capital, MEUR	49.7	46.0	8
Comparable ROCE, %	8.6	7.5	

*) In the comparative period Baltics include also the net sales of the Ukrainian business unit.

During the fourth quarter Leipurin's net sales increased by 4% to EUR 35.3 (33.9) million. The increase in net sales was mainly driven by the acquisition of Kebelco. Deflationary market prices in certain product categories, as well as the strategic intention to improve sales mix, which resulted in decreased volumes in low margin categories, still affected net sales negatively, although both trends weakened during the period. Demand of artesan customers has overall been rather soft, due to the current economic climate, but varied significantly between countries. In parallel, Leipurin has taken further significant steps in growing sales to in-store bakeries in Sweden, and the acquisition of Kebelco drove sales growth to food industry customers. In Finland net sales decreased by 9% to EUR 11.1 (12.2) million, in the Baltic countries net sales increased by 2% to EUR 8.9 (8.8) million, and in Sweden net sales increased by 18% to EUR 15.3 (12.9) million. Kebelco accounted for EUR 2.5 million of Leipurin's net sales during the quarter. In the fourth quarter, net sales to bakeries decreased by 3% to EUR 23.9 (24.7) million. Net sales to the food industry increased by 82% to EUR 5.3 (2.9) million.

Leipurin strengthens its presence in Lithuania by acquiring the food ingredients business of Kartagena. The transaction was completed after the review period in February 2025.

The comparable EBITA for the fourth quarter was EUR 1.1 (0.9) million, and the comparable EBITA rate was 3.1% (2.6%). Positive profitability development was driven by the acquisition of Kebelco, improved sales mix, and successful management of the cost of goods sold. The items affecting comparability amounted to EUR 0.0 (0.2) million and included in the comparative period the sales gain related to the divestment of the bakery equipment trading business.

Q1-Q4/2024

Leipurin	1-12/2024	1-12/2023	Change,%
Finland	45.4	49.3	-8
Sweden	55.1	50.2	10
Baltics *)	32.6	36.6	-11
Net sales, MEUR	**133.1**	**136.1**	**-2**
EBITA, MEUR	4.5	5.9	-23
Items affecting comparability, MEUR	-0.4	1.4	
Comparable EBITA, MEUR	4.9	4.5	10
Comparable EBITA, %	3.7	3.3	
Invested capital, MEUR	49.7	46.0	8
Comparable ROCE, %	10.2	8.6	

*) In the comparative period Baltics include also the net sales of the Ukrainian business unit.

During January-December Leipurin's net sales decreased by 2% to EUR 133.1 (136.1) million. The deflationary market price trend continued throughout the review period, as well as the impact of activities targeted to improve sales mix, decreasing sales volumes in low margin categories. In Finland net sales decreased by 8% to EUR 45.4 (49.3) million, in the Baltic countries net sales decreased by 11% to EUR 32.6 (36.6) million, and in Sweden net sales increased by 10% to EUR 55.1 (50.2) million. The growth in Sweden was mainly explained by Kebelco's net sales of EUR 4.5 million. During January-December, net sales to bakeries decreased by 6% to EUR 93.6 (99.7) million. Net sales to the food industry increased by 32% to EUR 15.6 (11.8) million.

Leipurin expanded its food industry business in Sweden on July 1, 2024, via the acquisition of technical food ingredient distributor Kebelco. Kebelco is a subsidiary of Swed Handling AB and is reported in the Leipurin segment. Kebelco offers a very strong platform to develop food industry sales in Sweden, while also bringing significant cross-selling opportunities across all Leipurin countries, as well as logistics synergies in Sweden.

The Swedish subsidiary Kobia entered the implementation phase of a major logistics restructuring program during the third quarter, with promising results already during year 2024. During the second half of 2024 Kobia was able to strengthen its presence in in-store bakeries via winning key tenders.

The comparable EBITA for January-December stood at EUR 4.9 (4.5) million, and the comparable EBITA rate was 3.7% (3.3%). The items affecting comparability of January-December EUR -0.4 (1.4) million included expenses related to the acquisition of Kebelco AB and the exit from Russia. In the comparative period, the items affecting comparability consisted of gains on sale and lease back transactions of properties in Sweden and premises in Lithuania, the divestment of the bakery equipment trading business and of restructuring expenses in Sweden. Leipurin continues to execute a wide range of efforts throughout its operations, with the aim to improve profitability. Currently, these efforts primarily relate to improving product mix, developing key customer approach, and supply chain efficiency. In addition, Kebelco will contribute to Leipurin's profitability for the full year 2025 and allow for new synergies.

Other operations

Other operations include Aspo Group's administration, finance and ICT service center. In the fourth quarter the comparable EBITA of other operations was EUR -1.2 (-1.2) million. EBITA was EUR -1.2 (-1.2) million.

In January-December the comparable EBITA of other operations was EUR -5.2 (-5.1) million and EBITA was EUR -5.0 (-5.2) million. In January-December 2024 items affecting comparability of EUR 0.2 (-0.1) million included corporate restructuring expenses of EUR -0.2 million and expenses for sale of the minority stake in ESL Shipping Ltd of EUR -0.1 million as well as gains from sale of real estate assets of EUR 0.5 million. In January-December 2023 items affecting comparability related to corporate restructuring.

RISKS AND NEAR-TERM UNCERTAINTIES

Key uncertainties in Aspo's financial result relate to demand and to some extent also market price development of sea transportation, as well as volume and price development of products sold by Telko and Leipurin. These conditions are impacted by general economic development. In 2023 and 2024 economic growth in Europe has been very low, particularly industrial production has been low or even declining. Low consumer and industrial confidence and high geopolitical uncertainty have negatively impacted investment activities and lowered industrial and consumer demand for products and services. Delays in the recovery or further decline of economic activity could have a negative impact on the profitability of Aspo's businesses.

Geopolitical tensions, including Russia's ongoing war in Ukraine, increased security concerns in the Baltic Sea, conflicts in the Middle East, and trade tensions between major economies continue to cause high uncertainty to the operating environment, and can lower overall economic growth, impact energy prices, disrupt vessel traffic and cause cost increases, cause supply chain disruptions and change trade flows. Prolongation and possible expansion of geopolitical tensions could negatively impact business operations in Aspo's market areas. The increase in global tensions could weaken operating conditions in all businesses.

In line with its strategy, Aspo aims to increase earnings by investment in green vessels and by acquisitions. There are uncertainties about the future profitability of these investments. Strategy execution combined with the currently relatively high financing costs may reduce free cash flow and lead to a deterioration of the balance sheet and reduce solvency.

Changes in environmental legislation and uncertainty in timing of the green transition may impact the competitiveness of Aspo's businesses, and competitiveness of key principals and customers for Aspo's businesses. This could negatively impact the volumes and margins of Aspo's business.

Aspo's operations are dependent on the availability of IT systems and network services. The unavailability of the services can cause disruptions to the business operations. Recent geopolitical tensions have increased the threat of cyber-incidents.

Because the future estimates presented in this financial statements release are based on the current understanding, they involve significant risks and uncertainties, due to which actual future outcomes may differ from the estimates.

COMPANY INFORMATION

Aspo seeks sustainable long-term growth by investing earnings profitably and by seeking to implement a compounder profile. Aspo enables growth for the businesses it owns and aims to improve their profitability and revenues by developing them and ensuring steady cash flows. Aspo actively supports and implements various business arrangements, acquisitions and other growth investments in the Group's businesses. Sustainability is a key factor in guiding Aspo Group's leadership, operations and the process of identifying new investment opportunities. Aspo's businesses aim to lead the way in sustainability in their respective fields. In support of sustainability commitments, Aspo has determined new ESG targets for key parts of the Group and its businesses. Aspo focuses on B-to-B industrial services in particular, and its key clusters include logistics and trade. The current businesses in Aspo's portfolio are ESL Shipping, Telko and Leipurin. They are responsible for their own operations and customer relationships, as well as for developing these.

CHANGES IN THE GROUP EXECUTIVE COMMITTEE

On August 22, 2023 Aspo announced that Erkka Repo (M.Sc. Econ.) has been appointed Aspo Group's Chief Financial Officer and a member of Aspo's Group Executive Committee. Repo started in this position during February 2024 when his predecessor Arto Meitsalo retired.

On October 4, 2024 Aspo announced that Karri Kivi (M.Sc. Econ.) has been appointed as the new Senior Vice President, Corporate Development and a member of Aspo's Group Executive Committee. Karri Kivi joined Aspo in the beginning of December 2024 when his predecessor Mikko Heikkilä transferred to another company.

SHARE CAPITAL AND SHARES

Aspo Plc's registered share capital on December 31, 2024, was EUR 17,691,729.57, and the total number of shares was 31,419,779, of which the company held 2,268 shares, i.e. approximately 0.01% of the share capital.

Aspo has share-based compensation plans based on which Aspo has granted 13,976 treasury shares to employees included in the plans. The transfers were based on the share issue authorizations of the Annual General Meeting.

Aspo Plc has one share series. Each share entitles the shareholder to one vote at the General Meeting. Aspo's share is quoted on Nasdaq Helsinki Ltd's Mid Cap segment under Industrial Goods and Services.

In January-December 2024, a total of 3,349,003 Aspo Plc shares, with a market value of EUR 18.8 million, were traded on Nasdaq Helsinki, which equals 10.7% of the total number of shares. During the review period, the share price reached a high of EUR 6.35 and a low of EUR 4.71. The average price was EUR 5.63 and the closing price at the end of the review period was EUR 4.85. At the end of the review period, the market value, less treasury shares, was EUR 152.4 million.

The company had 11,171 shareholders at the end of the review period. A total of 1,198,245 shares, or 3.8% of the share capital, were nominee registered or held by non-domestic shareholders.

DISTRIBUTION OF FUNDS IN 2024

The Annual General Meeting held on April 12, 2024, decided, as proposed by the Board of Directors, that EUR 0.24 per share be distributed in dividends for the 2023 financial year, and that no dividend is paid for shares held by Aspo Plc. The record date for the dividend was April 16, 2024, and the payment date was April 23, 2024.

Furthermore, the Annual General Meeting 2024 authorized the Board of Directors to decide on a possible distribution of capital from the invested unrestricted equity fund in the maximum amount of EUR 0.23 per share on a later date, if aligned with the growth strategy and considering the long-term benefit of Aspo's shareholders.

As communicated on May 14, 2024, Aspo's dividend policy has been updated to reflect the company strategy and growth ambition, the ongoing transition and specific business characteristics. According to the revised dividend policy Aspo's dividend growth is based on positive profitability development with the aim to pay-out annually up to 50% of net profit as dividend. The goal is to gradually increase the amount of dividends, while considering financing needs of growth initiatives with strategic priority.

The execution of Aspo's portfolio strategy has meaningfully moved forward in 2024. The acquisition of Swed Handling AB, and ESL Shipping's decision to invest in four green handy vessels represent the latest major investments.

Considering Aspo's renewed dividend policy, and in order to support the strategic growth and shareholders' long-term value creation, Aspo's Board of Directors decided in its meeting on October 29, 2024, that the authorization of the Annual General Meeting 2024 to distribute funds from the invested unrestricted equity fund will not be used. Therefore, the distribution for the year 2023 remained at EUR 0.24 per share which was paid in April 2024.

REMUNERATION

Share-based incentive plan 2024–2026

On February 15, 2024, Aspo Plc's Board of Directors approved a new share-based incentive plan for the Group key employees by establishing a new performance share plan 2024–2026. The aim of the plan is to combine the objectives of the shareholders and the key employees to increase the value of the company in the long-term, to retain the key employees at the company, and to offer them competitive reward plan based on earning and accumulating the company´s shares.

Rewards earned from each of the three performance periods of the performance share plan will be based on the Group's earnings per share (EPS), two criteria based on sustainability indicators and operating profit targets for business divisions. The prerequisite for participation in the plan and for receipt of reward on the basis of the program is that a key person holds the company's shares or acquires the company's shares, up to the number predetermined by the Board of Directors.

The potential reward will be paid partly in the company´s shares and partly in cash in 2025, 2026 and 2027. The cash proportion is intended to cover taxes and tax-related costs arising from the reward to a key employee. As a general rule, no reward will be paid if a key employee´s employment or service ends before the reward payment. The shares paid as reward may not be transferred during the restriction period. As another general rule, if a key employee´s employment contract or director contract terminates during the restriction period, he or she must gratuitously return the shares earned as reward.

The performance share plan 2024–2026 is directed to circa 20 participants, including the members of the Group Executive Committee. The rewards to be paid on the basis of the plan correspond to the value of a maximum total of 280,000 Aspo Plc shares including also the proportion to be paid in cash.

For the 2024 earnings period, the targets were met at 20% overall.

Share-based incentive plan 2023–2025

On February 15, 2023, Aspo Plc's Board of Directors decided to establish a key employee incentive plan for 2023–2025. The share-based incentive plan consists of three earnings periods, with the earned reward being based on the Group's earnings per share (EPS) and two sustainability indicators. The share-based incentive plan is directed to a maximum of 30 participants, including the members of the Group Executive Committee.

The potential reward will be paid partly in the company´s shares and partly in cash in 2024, 2025 and 2026. The rewards to be paid on the basis of the plan correspond to the value of a maximum total of 320,000 Aspo Plc shares including also the proportion to be paid in cash. The cash proportion is intended to cover taxes and tax-related costs arising from the reward to a key employee.

For the 2023 earnings period, the targets were met at 10% overall. On March 26, 2024, Aspo Plc granted 6,416 treasury shares to employees included in the plan. The transfer was based on the share issue authorization of the Annual Shareholders' Meeting held on April 4, 2023.

For the 2024 earnings period, the targets were met at 20% overall.

Share-based incentive plan 2022–2024

On February 16, 2022, Aspo Plc's Board of Directors decided to establish a key employee incentive plan for 2022–2024. The share-based incentive plan consists of three earnings periods, with the earned reward being based on the Group's earnings per share (EPS) and two sustainability indicators. The share-based incentive plan is directed at a maximum of 30 people, including the members of the Group Executive Committee.

The potential reward will be paid partly in the company's shares and partly in cash in 2023, 2024 and 2025. The rewards payable based on the plan correspond to a maximum total value of 400,000 Aspo Plc shares, also including the proportion to be paid in cash.

For the 2022 earnings period, the targets were met at 90% overall. On March 29, 2023, Aspo Plc granted 76,050 treasury shares to employees included in the plan. The transfer was based on the share issue authorization of the Annual Shareholders' Meeting held on April 6, 2022.

For the 2023 earnings period, the targets were met at 30% overall. On March 26, 2024, Aspo Plc granted 7,560 treasury shares to employees included in the plan. The transfer was based on the share issue authorization of the Annual Shareholders' Meeting held on April 4, 2023.

For the 2024 earnings period, the targets were met at 20% overall.

Share-based incentive plan 2021–2023

On February 11, 2021, Aspo's Board of Directors decided to establish a key employee incentive plan for 2021–2023. The share-based incentive plan was directed at around 20 people, including the members of the Group Executive Committee.

The EPS target, acting as an earnings criterion for the share-based incentive plan, was fully met during the 2021 financial year. In March 2022, based on the share-based incentive plan, a total of 89,400 treasury shares were transferred, and an amount equaling the value of the shares was paid in cash to cover taxes. Shares paid as a reward may not be transferred during the restriction period, which ended on December 31, 2023. The expense of the share-based incentive plan was recognized in the years 2021 – 2023.

Share-based incentive plan 2020

In June 2022, Aspo's Board of Directors granted 20,000 Aspo shares to Aspo's CEO Rolf Jansson based on the share-based incentive plan for 2020 and the conditions of the CEO's contract of service. The first tranche of 10,000 shares and an amount of cash equaling their value to cover taxes were transferred in June 2022 and at the same time, Jansson acquired 10,000 shares from the markets at his own expense in accordance with the contract. A second transfer of equal nature and quantity took place in June 2023.

In August 2023, Aspo's Board of Directors granted 10,000 Aspo shares to Aspo's CFO Erkka Repo based on the share-based incentive plan for 2020 and the conditions of the CFO's contract of service. Half of the shares will be transferred after twelve months of service and the other half after 24 months of service.

DECISIONS OF THE ANNUAL GENERAL MEETING 2024

All the decisions of the Annual General Meeting 2024 can be found on www.aspo.com.

Board of Directors, Auditor and the Sustainability Reporting Assurance Provider

The meeting confirmed the number of Board members at seven. Patricia Allam, Tapio Kolunsarka, Mikael Laine, Kaarina Ståhlberg, Tatu Vehmas and Heikki Westerlund were re-elected to the Board of Directors. Annika Ekman was elected as a new member of the Board. At the Board's organizing meeting held after the Annual General Meeting, Heikki Westerlund was elected as Chairman of the Board and Mikael Laine as Vice Chairman. At the meeting the Board decided to appoint Heikki Westerlund as Chair of the Human Resources and Remuneration Committee, and Patricia Allam, Tapio Kolunsarka, and Tatu Vehmas as committee members. At the meeting the Board also decided to appoint Kaarina Ståhlberg as Chair of the Audit Committee, and Annika Ekman, Mikael Laine and Tatu Vehmas as committee members.

The Authorized Public Accountant firm Deloitte Oy was re-elected as company auditor. Deloitte Oy has announced that Jukka Vattulainen, APA, will act as the auditor in charge. The same auditor will also act as the company's sustainability reporting assurance provider. The remuneration shall be paid to the auditor and sustainability reporting assurance provider according to an invoice approved by the company.

Board authorizations

Authorization of the Board of Directors to decide on the acquisition of treasury shares

As proposed by the Board of Directors, the Annual General Meeting authorized the Board of Directors to decide on the acquisition of no more than 500,000 treasury shares using the unrestricted equity of the company representing about 1.6% of all the shares in the Company. The authorization includes the right to accept treasury shares as a pledge. The authorization is valid until the Annual General Meeting in 2025 but not more than 18 months from the approval at the General Meeting.

Authorization of the Board of Directors to decide on a share issue of treasury shares

As proposed by the Board of Directors, the Annual General Meeting authorized the Board of Directors to decide on a share issue, through one or several installments, to be executed by conveying treasury shares. An aggregate maximum amount of 2,500,000 shares may be conveyed based on the authorization. The authorization is valid until the Annual General Meeting in 2025 but not more than 18 months from the approval at the General Meeting.

In 2024, a total of 13,976 shares were conveyed based on the share-based incentive plans.

Authorization of the Board of Directors to decide on a share issue of new shares

As proposed by the Board of Directors, the Annual General Meeting authorized the Board of Directors to decide on a share issue for consideration, or on a share issue without consideration for the company itself through one or several instalments. The authorization includes the right of the Board of Directors to decide on all of the other terms and conditions of the conveyance and thus also includes the right to decide on a directed share issue, in deviation from the shareholders' pre-emptive right, if a compelling financial reason exists for the company to do so. The total number of new shares to be offered for subscription is a maximum of 2,500,000 in total. The authorization is proposed to be valid until the Annual General Meeting in 2025, however no more than 18 months from the approval at the Annual General Meeting

Authorization of the Board of Directors to decide on charitable contributions

As proposed by the Board of Directors, the Annual General Meeting authorized the Board of Directors to decide on contributions in the total maximum amount of EUR 100,000 for charitable or similar purposes, and to decide on the recipients, purposes and other terms of the contributions. The authorization is valid until the Annual General Meeting in 2025.

In November 2024, the Board of Directors decided to donate 10,000 euro through UNICEF to children in Ukraine. The donation was paid in December 2024.

ANNUAL GENERAL MEETING 2025

The Annual General Meeting 2025 will be held on April 25, 2025. The invitation to the Annual General Meeting 2025 will be published at the latest three weeks before the meeting.

THE BOARD OF DIRECTORS' DIVIDEND PROPOSAL

To support the execution of Aspo's growth strategy the dividend policy was updated in year 2024 to reflect the company strategy and growth ambition, the ongoing transition and specific business characteristics. According to the revised dividend policy, Aspo's dividend growth is based on positive profitability development with the aim to pay-out annually up to 50% of net profit as dividend. The goal is to gradually increase the amount of dividends, while considering financing needs of growth initiatives with strategic priority. The execution of Aspo's portfolio strategy has meaningfully moved forward in 2024. The acquisition of Swed Handling AB, and ESL Shipping's decision to invest in four green handy vessels represent the latest major investments.

The Board of Directors proposes to the Annual General Meeting of Aspo Plc to be held on April 25, 2025, that EUR 0.19 per share be distributed in dividends for the 2024 financial year, and that no dividend is paid for shares held by Aspo Plc. The proposed dividend represents 49% of Aspo's comparable earnings per share for 2024. It is proposed that the dividend is paid in two instalments.

The first instalment of EUR 0.09 per share is proposed to be paid to shareholders registered on the record date of April 29, 2025 in the company's register of shareholders maintained by Euroclear Finland Oy. The Board proposes that the payment date for the first dividend instalment would be May 7, 2025. The second instalment of EUR 0.10 per share is proposed to be paid to shareholders registered on the record date of October 30, 2025 in the company's register of shareholders maintained by Euroclear Finland Oy. The Board proposes that the payment date for the second dividend instalment would be November 6, 2025.

On December 31, 2024, the distributable funds of the parent company were EUR 40,996,272.18, with the profit for the financial year totaling to EUR 18,123,440.79. There are a total of 31,417,511 shares entitled to dividends on the publication date of this financial statement release. As a result, the proposed dividend would total EUR 6.0 million.

No material changes have taken place in respect of Aspo's financial position after the balance sheet date. In the opinion of the Board of Directors, the proposed distribution of profits does not risk the solvency of the company.

ASPO'S SHAREHOLDERS' NOMINATION BOARD'S PROPOSALS TO THE ANNUAL GENERAL MEETING 2025

The Shareholders' Nomination Board of Aspo Plc proposes to the Annual General Meeting to be held on April 25, 2025, that the Board of Directors will have seven members.

Members of the Board of Directors

The Nomination Board proposes that Patricia Allam, Annika Ekman, Tapio Kolunsarka, Mikael Laine, Kaarina Ståhlberg, Tatu Vehmas and Heikki Westerlund, all current members of the company's Board of Directors, be re-elected as members of the Board for the term starting at the end of the Annual General Meeting 2025.

Consent to the position has been obtained from all the above-mentioned candidates for the Board. The Board elects a Chairman and a Vice Chairman from among its members. The proposed persons have informed the company that if they are elected, they will elect Heikki Westerlund as Chairman of the Board, and Mikael Laine as the Vice Chairman of the Board.

Proposed members of the Board of Directors are independent from the company and its significant shareholders, excluding Patricia Allam and Tatu Vehmas, who are considered to be dependent on the significant shareholders of the company.

Remuneration to the members of the Board

The Nomination Board proposes that the monthly fees of the board members remain unchanged:

- EUR 3,000 per month for members of the Board of Directors
- EUR 4,400 per month, for the Vice Chairman
- EUR 6,000 per month, for the Chairman

The Nomination Board proposes that the meeting fees paid to members of the Committees are EUR 800 per meeting and the meeting fee of the Chairmen of the Committees EUR 1,200 per meeting. If the Chairman of the Committee is also the Chairman or the Vice Chairman of the Board of Directors, the Nomination Board proposes that the fee paid to the Chairman of the Committee is the same as that paid to members of the Committee. Board members having a full-time position in an Aspo Group company are not paid a fee.

Members of the Nomination Board

The Nomination Board of Aspo Plc's shareholders consists of the representatives of the four largest shareholders. The following representatives of the largest shareholders were members of the Nomination Board which prepared proposals for the Annual General Meeting 2025: Roberto Lencioni, Chairman (Vehmas family, including AEV Capital Holding Oy); Gustav Nyberg (Nyberg family, including Oy Havsudden Ab); Pekka Pajamo, (Varma Mutual Pension Insurance Company); and Karoliina Lindroos (Ilmarinen Mutual Pension Insurance Company). In addition, Heikki Westerlund, Chairman of Aspo Board of Directors, has acted as an expert member of the Nomination Board.

Financial information

ASPO GROUP'S CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	10-12/ 2024 MEUR	10-12/ 2023 MEUR	1-12/ 2024 MEUR	1-12/ 2023 MEUR
Continuing operations				
Net sales	**159.8**	**132.2**	**592.6**	**536.4**
Other operating income	0.3	0.8	3.0	4.3
Materials and services	-104.2	-81.4	-379.0	-338.6
Employee benefit expenses	-14.9	-12.2	-54.4	-48.5
Depreciation, amortization, and impairment losses	-4.2	-5.0	-24.1	-19.3
Depreciation and impairment losses, leased assets	-3.6	-3.7	-14.8	-14.2
Other operating expenses	-26.0	-24.2	-104.7	-94.2
Operating profit	**7.1**	**6.4**	**18.6**	**25.9**
Financial income and expenses	-1.1	-2.7	-8.5	-9.3
Profit before taxes	**6.0**	**3.7**	**10.0**	**16.6**
Income taxes	0.0	-0.6	-2.8	-0.4
Profit from continuing operations	**6.0**	**3.1**	**7.3**	**16.3**
Profit from discontinued operation		-6.8		-14.6
Profit for the period	**6.0**	**-3.7**	**7.3**	**1.6**

	10-12/ 2024 MEUR	10-12/ 2023 MEUR	1-12/ 2024 MEUR	1-12/ 2023 MEUR
Other comprehensive income				
Items that may be reclassified to profit or loss in subsequent periods:				
Translation differences	-0.7	5.3	-1.0	12.2
Cash flow hedging	9.4	0.0	9.4	0.0
Other comprehensive income for the period, net of taxes	8.7	5.3	8.4	12.1
Total comprehensive income	**14.7**	**1.6**	**15.7**	**13.7**
Profit is attributable to:				
Parent company shareholders	5.4	-3.7	6.4	1.6
Non-controlling interest	0.7		0.9	
	6.0	-3.7	7.3	1.6
Total comprehensive income is attributable to:				
Parent company shareholders	12.1	1.6	12.8	13.7
Non-controlling interest	2.7		2.9	
	14.7	1.6	15.7	13.7
Earnings per share attributable to parent company shareholders, EUR				
Basic and diluted earnings per share				
Continuing operations	0.16	0.08	0.14	0.45
Discontinued operations		-0.21		-0.46
Total earnings per share	**0.16**	**-0.13**	**0.14**	**-0.01**

ASPO GROUP'S CONDENSED CONSOLIDATED BALANCE SHEET

Assets	31.12.2024 MEUR	31.12.2023 MEUR
Intangible assets	105.9	51.7
Tangible assets	174.4	169.0
Leased assets	19.0	22.5
Other non-current assets	2.5	2.5
Total non-current assets	301.8	245.7
Inventories	84.2	59.2
Accounts receivable and other receivables	89.5	74.1
Cash and cash equivalents	36.4	30.7
Total current assets	210.1	164.0
Total assets	**512.0**	**409.7**

Equity and liabilities	31.12.2024 MEUR	31.12.2023 MEUR
Share capital and premium	22.0	22.0
Other equity	139.3	118.4
Total equity attributable to owners of the parent company	161.3	140.5
Equity attributable to the non-controlling interest	27.5	
Total equity	188.8	140.5
Loans and overdraft facilities	191.7	138.5
Lease liabilities	9.4	8.3
Other liabilities	24.1	7.1
Total non-current liabilities	225.2	154.0
Loans and overdraft facilities	13.0	33.9
Lease liabilities	10.3	15.1
Accounts payable and other liabilities	74.7	66.2
Total current liabilities	97.9	115.3
Total equity and liabilities	**512.0**	**409.7**

ASPO GROUP'S CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	1–12/2024 MEUR	1–12/2023 MEUR
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating profit, Group total	18.6	9.8
Adjustments to operating profit	40.3	45.2
Change in working capital	-12.0	4.5
Interest paid	-11.3	-9.2
Interest received	1.8	0.8
Income taxes paid	-4.9	-3.4
Operating cash flow	**32.4**	**47.6**
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments	-49.7	-21.8
Proceeds from sale of tangible assets and investments	3.3	12.3
Sale of supramax vessels	33.5	
Acquisition of businesses	-56.5	-3.9
Disposal of businesses		-7.4
Dividends received	0.9	0.5
Investing cash flow	**-68.5**	**-20.3**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans	95.1	75.7
Repayment of loans	-74.7	-76.0
Net change in commercial papers	5.0	
Payments for purchase of own shares		-0.3
ESL Shipping share issue to non-controlling owners	45.0	
Payments of lease liabilities	-14.9	-14.6
Hybrid bond, interest paid	-2.6	-2.6
Dividends paid	-7.5	-14.4
Dividends paid to non-controlling owners	-2.8	
Financing cash flow	**42.5**	**-32.3**
Change in cash and cash equivalents	**6.4**	**-5.0**
Cash and cash equivalents January 1	30.7	33.6
Translation differences	-0.7	0.1
Change in impairment of cash and cash equivalents		2.0
Cash and cash equivalents at period-end, Group total	**36.4**	**30.7**
Cash and cash equivalents in balance sheet	**36.4**	**30.7**

ASPO GROUP CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Total equity attributable to owners of the parent company							
MEUR	Share capital and premium	Other reserves	Hybrid bond	Translation differences	Retained earnings	Total	Non-controlling interest	Total equity
Equity January 1, 2024	**22.0**	**16.4**	**30.0**	**-13.9**	**85.9**	**140.5**		**140.5**
Comprehensive income:								
Profit for the period					6.4	6.4	0.9	7.3
Cash flow hedging		7.4				7.4	2.0	9.4
Translation differences				-1.0		-1.0		-1.0
Total comprehensive income		7.4		-1.0	6.4	12.8	2.9	15.7
Transactions with owners:								
Dividend payment					-7.5	-7.5	-2.8	-10.3
Sale of non-controlling interest					15.7	15.7	29.3	45.0
Change in non-controlling interest					1.9	1.9	-1.9	0.0
Hybrid bond interest					-2.6	-2.6		-2.6
Share-based incentive plan					0.5	0.5	0.0	0.6
Total transactions with owners					8.0	8.0	24.6	32.6
Equity December 31, 2024	**22.0**	**23.8**	**30.0**	**-14.8**	**100.2**	**161.3**	**27.5**	**188.8**

	Total equity attributable to owners of the parent company					
MEUR	Share capital and premium	Other reserves	Hybrid bond	Translation differences	Retained earnings	Total
Equity January 1, 2023	**22.0**	**16.5**	**30.0**	**-26.0**	**101.2**	**143.7**
Comprehensive income:						
Profit for the period					1.6	1.6
Cash flow hedging		0.0				0.0
Translation differences				-3.0		-3.0
Reclassification of translation differences				15.2		15.2
Total comprehensive income		0.0		12.1	1.6	13.7
Transactions with owners:						
Dividend payment					-14.4	-14.4
Hybrid bond interest					-2.6	-2.6
Purchase of own shares					-0.3	-0.3
Share-based incentive plan					0.4	0.4
Total transactions with owners					-16.9	-16.9
Equity December 31, 2023	**22.0**	**16.4**	**30.0**	**-13.9**	**85.9**	**140.5**

ACCOUNTING PRINCIPLES

Aspo Plc's financial statements release has been prepared in accordance with the principles of IAS 34 Interim Financial Reporting. As of the beginning of the financial year, Aspo applies certain new or amended IFRS standards and IFRIC interpretations as described in the 2023 consolidated financial statements. In addition, Aspo has described below the accounting policy for obtaining and presenting the non-controlling interest as well as the accounting for the green coaster pool and emission rights. In other respects, the same accounting and measurement principles have been applied as in the 2023 consolidated financial statements. The information in this financial statements release is unaudited.

Aspo Plc applies guidance on alternative key figures issued by ESMA. In addition to IFRS figures, the company releases other commonly used key figures, which are mainly derived from the statement of comprehensive income and balance sheet. According to the management, key figures clarify the view drawn by the statement of comprehensive income and balance sheet of Aspo's financial performance and financial position. The calculation principles of key figures are disclosed below in this financial statements release.

NON-CONTROLLING INTEREST

The minority investment in Aspo's subsidiary ESL Shipping Ltd by OP Finland Infrastructure and Varma Mutual Pension Insurance Company was completed on February 28, 2024. The transaction was completed as a share issue where ESL Shipping Ltd issued new shares to OP Finland Infrastructure and Varma Mutual Pension Insurance Company against a cash consideration of EUR 45.0 million. This resulted in a non-controlling interest of 21.43% in ESL Shipping. In Aspo Group, as control of the subsidiary was not lost, the consideration of EUR 45.0 million was recognized in retained earnings deducted by the lost share of ESL Shipping's equity EUR 29.3 million resulting in a net increase of EUR 15.7 million in the total equity attributable to owners of Aspo. The cash flow of EUR 45.0 million is presented as cash flow from financing activities.

In December 2024 ESL Shipping Oy distributed a total dividend of EUR 22 million. Of this amount EUR 13.0 million was distributed in accordance with the ownership share between Aspo Plc and the non-controlling interest (EUR 10.2 million to Aspo Plc and EUR 2.8 million to non-controlling owners) and EUR 9.0 million was distributed to Aspo Plc only. The dividend of EUR 9.0 million paid to Aspo Plc only related to the sold supramax vessels and was based on the original investment agreement between Aspo Plc and the minority owners, which stated that the sales proceeds from the supramax vessels pertain solely to Aspo Plc. The non-controlling owners computational share of this EUR 9.0 million was EUR 1.9 million and it was recognized as a decrease of the non-controlling interest and as an increase of equity attributable to owners of Aspo.

Non-controlling interest – accounting policy

Changes in the ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are equity transactions (i.e. transactions with owners in their capacity as owners). The difference between the fair value of the consideration paid and the change in the non-controlling interest is recognized directly in equity and attributed to the owners of the parent. The non-controlling interest is presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. In addition, the profit or loss for the period as well as other comprehensive income are attributed to the owners of the parent and to the non-controlling interests on the basis of present ownership interests.

ACQUISITIONS IN 2024

Acquisition of Optimol and Greenfluid

On March 8, Telko acquired Western European industrial lubricants distribution businesses from Petrus S.A, consisting of shares in the companies: Optimol Tribotechnik SA, Optimol Netherlands BV, Optimol France SAS and Greenfluid SAS. The acquired businesses are leading distributors of premium industrial specialty and high-performance lubricants, metalworking fluids and other general industrial lubricants in France and Benelux. Full year 2023 consolidated net sales of the purchased businesses were EUR 18 million and full year consolidated adjusted operating profit was EUR 2.2 million.

The consideration of EUR 12.4 million was paid in cash. The assets and liabilities of the acquired company were measured at fair value on the acquisition date. A fair value allocation of EUR 3.8 million was made on intangible assets based on principal relationships, and the fair value adjustment relating to inventories was EUR 0.6 million. The deferred tax liability arising from the fair value adjustments was EUR 1.1 million. The carrying amount of the other acquired assets and liabilities were deemed to correspond to their fair values. A goodwill balance of EUR 7.0 million resulted from the acquisition. The acquisition-related costs of approximately EUR 0.8 million were recognized in the Telko segment's other operating expenses, however, EUR 0.2 million of the acquisition-related costs were recognized as expenses already in 2023.

ACQUISITION CALCULATION, OPTIMOL AND GREENFLUID

	12/2024 MEUR
Consideration	
Paid in cash	12.4
Total consideration	**12.4**
Assets acquired and liabilities assumed, fair value	
Intangible assets	4.0
Tangible assets	0.2
Inventories	3.2
Accounts receivable and other receivables	4.0
Cash and cash equivalents	0.1
Total assets	**11.5**
Interest bearing liabilities	1.8
Accounts payable and other liabilities	3.2
Deferred tax liability	1.1
Total liabilities	**6.1**
Net assets acquired	**5.4**
Goodwill	**7.0**

Acquisition of Polyma

On June 4, Telko acquired Polyma Kunststoffe GmbH & Co KG based in Hamburg, Germany. The acquired company is a distributor of well-known engineering plastics. The acquisition provides Telko access to the German market, which is the biggest plastics market in Europe. The company's profitability has fluctuated between EUR 0.3 million and EUR 0.8 million in recent years and annual net sales has been approximately EUR 15 million.

The assets and liabilities of the acquired company were measured at fair value on the acquisition date. Fair value allocations totaling EUR 3.8 million were made on intangible assets, buildings and inventories, and the related deferred tax liability recognized was EUR 1.1 million. The carrying amount of the other acquired assets and liabilities were deemed to correspond to their fair values. A goodwill balance of EUR 2.1 million resulted from the acquisition. The acquisition-related costs of approximately EUR 0.2 million were recognized in the Telko segment's other operating expenses.

The acquisition includes an earn-out mechanism, the discounted earn-out liability recognized at the reporting date is EUR 0.5 million. The amount of the contingent consideration depends on the acquired company's operating profit during the period November 1, 2023, and December 31, 2026, and it will be paid in year 2027. The range of the undiscounted contingent consideration is EUR 0 – 3.5 million.

Acquisition of Swed Handling

On July 1, Telko expanded its chemicals business in Sweden by acquiring Swed Handling AB, a leading Swedish chemical distributor, from TeRa Invest AB. Also, as part of the transaction, Leipurin expanded its food industry business in Sweden, via the technical food ingredient distributor Kebelco AB, which is a subsidiary of Swed Handling. In Aspo Group's financial reporting, Swed Handling excluding Kebelco is reported as part of the Telko segment and Kebelco as part of the Leipurin segment. In 2023, based on the average EUR to SEK exchange rate of 11.45634, the net sales of the purchased chemicals business of Swed Handling were EUR 51.2 million and operating profit was EUR 4.7 million. Net sales of the purchased technical food ingredient business of Kebelco were EUR 8.2 million and operating profit was EUR 0.6 million.

The assets and liabilities of the acquired company were measured at fair value on the acquisition date. Fair value allocations of EUR 19.9 million were made on intangible assets based on principal relationships, non-compete clauses and trademarks. Fair value allocations of EUR 3.0 million were made on buildings and land. The fair value adjustment relating to inventories was EUR 0.7 million. The deferred tax liability arising from the fair value adjustments was EUR 4.9 million. The carrying amount of the other acquired assets and liabilities were deemed to correspond to their fair values. A goodwill balance of EUR 19.3 million resulted from the acquisition. Acquisition-related costs of EUR 0.8 million were recognized in the other operating expenses of the Telko segment and EUR 0.2 million in the other operating expenses of the Leipurin segment.

The estimated total consideration EUR 52.5 million will be paid fully in cash, and EUR 42.9 million has already been paid. The acquisition includes an earn-out mechanism, and the rest of the consideration will be paid in 2026 based on the earn-out clause of the purchase agreement. The discounted earn-out liability recognized at the reporting date is EUR 9.5 million. The contingent consideration for the Swed Handling acquisition is based on the operating profit of the acquired company in 2024 and 2025. The range of the undiscounted contingent consideration is EUR 0 – 11.3 million. The future outcome may differ from estimates due to the fluctuation in operating profit and exchange rate.

ACQUISITION CALCULATION, SWED HANDLING

	12/2024 MEUR
Consideration	
Cash consideration	52.5
Total consideration	**52.5**
Assets acquired and liabilities assumed, fair value	
Intangible assets	19.9
Tangible assets	11.4
Inventories	5.8
Accounts receivable and other receivables	8.7
Cash and cash equivalents	3.7
Total assets	**49.6**
Interest bearing liabilities	3.7
Accounts payable and other liabilities	6.2
Deferred tax liability	6.4
Total liabilities	**16.3**
Net assets acquired	**33.3**
Goodwill	**19.3**

PERSONNEL

At the end of the review period, Aspo Group had 800 employees (712 at the end of 2023). The addition in the number of personnel from the acquisitions of Polyma, Optimol, Greenfluid and Swed Handling was 132 employees at the end of the year.

SEGMENT INFORMATION

Aspo Group's reportable segments are ESL Shipping, Telko and Leipurin. In 2023 the reportable segments also included the Non-core businesses segment. The Non-core businesses segment was established in the first quarter of 2023 and included the eastern businesses held for sale. The segment was reported as discontinued operations in 2023. In 2024 the Non-core businesses segment is not reported any more as all the entities included in the segment were either sold or deconsolidated from Aspo Group in 2023.

RECONCILIATION OF SEGMENT EBITA TO THE GROUP'S PROFIT BEFORE TAXES FROM CONTINUING OPERATIONS

1-12/2024

MEUR	ESL Shipping	Telko	Leipurin	Unallocated items	Total
EBITA	9.2	12.5	4.5	-5.0	**21.2**
EBITA amortization*)	-0.1	-2.1	-0.3	-0.2	**-2.7**
Operating profit	9.1	10.4	4.2	-5.1	**18.6**
Net financial expenses				-8.5	**-8.5**
Profit before taxes					**10.0**

1-12/2023

MEUR	ESL Shipping	Telko	Leipurin	Unallocated items	Total
EBITA	17.8	8.7	5.9	-5.2	**27.2**
EBITA amortization*)	-0.2	-0.7	-0.2	-0.2	**-1.3**
Operating profit	17.7	8.0	5.6	-5.4	**25.9**
Net financial expenses				-9.3	**-9.3**
Profit before taxes					**16.6**

*) Amortization and impairment of intangible assets

SEGMENT ASSETS AND LIABILITIES

MEUR	ESL Shipping	Telko	Leipurin	Unallocated items	Total
Assets Dec 31, 2023	241.5	74.5	58.8	34.9	**409.7**
Assets Dec 31, 2024	238.2	174.1	59.6	40.1	**512.0**
Liabilities Dec 31, 2023	31.8	33.2	19.2	185.0	**269.2**
Liabilities Dec 31, 2024	21.8	56.8	18.9	225.6	**323.1**

INVESTMENTS BY SEGMENT

MEUR	ESL Shipping	Telko	Leipurin	Unallocated items	Total
Investments 1-12/2024	47.3	1.9	0.1	0.3	**49.7**
Investments 1-12/2023	20.7	0.9	0.1	0.1	**21.8**

Green coaster investment and pool

AtoBatC Shipping AB, reported in the ESL Shipping segment, is building a series of six highly energy-efficient electric hybrid vessels. The new vessels of ice class 1A are top of the line in terms of their cargo capacity, technology and innovation. The total value of the first six-vessel investment is approximately EUR 70 million, and its cash flows are divided mainly for the years 2021 - 2026. The new vessels are built at the Chowgule and Company Private Limited shipyard in India.

In 2022, it was confirmed that ESL Shipping will establish a green coaster pool. As a result, AtoBatC Shipping AB ordered six additional green coaster vessels from the Chowgule & Company Private Limited in India, which will be sold further to Green Coaster Shipping AB (not part of Aspo Group).

Every other vessel built by Chowgule & Company Private Limited will be produced for AtoBatC Shipping AB, and every other will be sold further to Green Coaster Shipping AB, after reaching Europe. Advance payments for the vessels to be sold further are recognized in inventories and the sales price is recognized as net sales. The sales price of the vessels is based on their full cost. All the twelve green coasters built and under construction will be operated in the green coaster pool by AtoBatC Shipping AB, when their building has been completed, and they have been delivered.

By the end of year 2024 two of the vessels built for AtoBatC Shipping AB, Electramar and Ecomar, have been delivered and also two of the vessels built for Green Coaster Shipping AB, Stellamar and Aquamar, were delivered and sold further to Green Coaster Shipping AB. All of these four green coasters are operated in the green coaster pool, which started its operation on June 18, 2024 with the first two vessels.

AtoBatC Shipping AB makes variable lease payments to Green Coaster Shipping AB for the coasters owned by the pool investors based on a calculated pool income. The variable lease payments are recognized as lease expenses. No lease liability or lease asset is recognized under IFRS 16 as the lease expenses don't have a fixed price but are fully variable.

Green handy investment

On October 9, 2024, Aspo announced that ESL Shipping will build a series of four new, fossil free handy sized vessels. The total value of the four ships is approximately EUR 186 million and this investment will take place during the years 2024–2028. The investment is USD denominated, and the future cash flows have been hedged. Hedge accounting is applied. The fair value of the hedge instrument of EUR 9.4 million has been recognized as receivables and included in the hedge accounting reserve in other comprehensive income. In December 2024, ESL Shipping Ltd made the first payment for the four green handies to be built. The payment amounted to EUR 29.0 million calculated with the hedged rate.

ESL Shipping Ltd has no pool agreement in place for the green handies yet, but the plan is to sell one of the four green handies to a group of investors. Thus, one fourth of the investment amount, including realized hedge result, has been recognized in advance payment for inventories and three thirds have been recognized as advance payments for tangible assets.

Vessel investment commitments

The remaining green coaster investment commitment at the end of the review period is approximately EUR 26 million. This amount includes only the future payments for those green coasters which are produced for AtoBatC Shipping AB.

The remaining green handy investment commitment at the end of the review period is approximately EUR 158 million. This amount includes the remaining payments for all the four green handies, as there is not yet in place an agreement to sell one of the handies.

Emission rights

The regulation on emission allowances for shipping companies entered into force on 1 January 2024 and applies to vessels greater than 5,000 GT. In the ESL Shipping segment, all emission allowances are purchased and recognized in inventories when acquired. At the end of 2024, inventories include emission allowances of EUR 0.1 million. ESL Shipping uses emission allowances in its business operations and records the emission allowances used as materials and services during the financial year. ESL Shipping does not trade with the emission allowances. Purchased emission allowances that remain unused during the year can be used in future years. The amount of emission allowances used during 2024 will be returned to the EU on September 30, 2025, and are presented as other commitments in the consolidated financial statements.

Aspo Group disaggregation of net sales, from continuing operations

In ESL Shipping segment revenue is recognized over time as the transportation services are rendered. The revenue from the sale of vessels is recognized at a point in time based on the delivery terms. In Telko and Leipurin segments revenue is recognized at a point in time based on the delivery terms.

ESL SHIPPING NET SALES

	10-12/2024 MEUR	10-12/2023 MEUR	Change %	1-12/2024 MEUR	1-12/2023 MEUR	Change %
Vessel class:						
Handy	19.2	20.6	-7	79.1	78.5	1
Coaster*)	35.5	23.7	50	119.5	93.7	28
Supra	0.0	5.0	-100	7.5	16.8	-55
ESL Shipping total	**54.7**	**49.4**	**11**	**206.2**	**189.0**	**9**

*) In the period 10-12/2024 net sales include proceeds of EUR 12.6 million from the sale of mv Aquamar and in the period 1-12/2024 net sales include proceeds of EUR 25.3 million from the sale of Stellamar and mv Aquamar.

TELKO NET SALES

	10-12/2024 MEUR	10-12/2023 MEUR	Change %	1-12/2024 MEUR	1-12/2023 MEUR	Change %
Business area:						
Plastics business	27.7	23.6	17	105.9	101.4	4
Chemicals business	25.5	12.7	101	82.7	59.4	39
Lubricants business	16.6	12.7	31	64.7	50.5	28
Telko total	**69.8**	**49.0**	**43**	**253.3**	**211.3**	**20**

LEIPURIN NET SALES

	10-12/2024 MEUR	10-12/2023 MEUR	Change %	1-12/2024 MEUR	1-12/2023 MEUR	Change %
Regions:						
Finland	11.1	12.2	-9	45.4	49.3	-8
Sweden	15.3	12.9	18	55.1	50.2	10
Baltics *)	8.9	8.8	2	32.6	36.6	-11
Total	**35.3**	**33.9**	**4**	**133.1**	**136.1**	**-2**
of which:						
Bakeries	23.9	24.7	-3	93.6	99.7	-6
Food Industry	5.3	2.9	82	15.6	11.8	32
Retail, foodservice, other	6.0	6.2	-4	23.8	24.5	-3
Leipurin total	**35.3**	**33.9**	**4**	**133.1**	**136.1**	**-2**

*) In the comparative period Baltics include also the net sales of the Ukrainian business unit.

NET SALES BY MARKET AREA

	10-12/2024 MEUR	10-12/2023 MEUR	1-12/2024 MEUR	1-12/2023 MEUR
ESL Shipping				
Finland	25.1	29.2	101.1	99.4
Scandinavian countries	22.9	13.1	74.8	53.4
Baltic countries	0.4	0.0	2.8	0.4
Other European countries	5.8	5.1	24.1	26.1
Other countries	0.4	1.8	3.4	9.7
	54.7	49.4	206.2	189.0
Telko				
Finland	12.0	11.7	48.4	48.5
Scandinavian countries	25.4	12.8	76.3	54.9
Baltic countries	6.6	6.1	28.2	27.7
Other European countries	17.9	10.8	70.0	46.8
Other countries	7.9	7.5	30.4	33.4
	69.8	49.0	253.3	211.3
Leipurin				
Finland	11.1	12.4	45.5	49.5
Scandinavian countries	14.9	12.5	53.9	49.3
Baltic countries	8.9	8.5	32.5	35.7
Other European countries	0.4	0.4	1.3	1.6
Other countries				
	35.3	33.9	133.1	136.1
Total				
Finland	48.3	53.4	195.0	197.4
Scandinavian countries	63.2	38.4	204.9	157.5
Baltic countries	15.9	14.7	63.5	63.9
Other European countries	24.1	16.4	95.4	74.5
Other countries	8.3	9.3	33.8	43.1
	159.8	132.2	592.6	536.4

NET SALES BY MARKET AREA, SHARE OF TOTAL NET SALES

	10-12/2024 %	10-12/2023 %	1-12/2024 %	1-12/2023 %
Finland	30.2	40.4	32.9	36.8
Scandinavian countries	39.5	29.0	34.6	29.4
Baltic countries	9.9	11.1	10.7	11.9
Other European countries	15.1	12.4	16.1	13.9
Other countries	5.2	7.0	5.7	8.0
	100	100	100	100

Discontinued operations and other non-current assets and disposal groups held for sale

The Non-core businesses segment was reported as discontinued operations in 2023 in accordance with the IFRS 5 standard. For 2024 Aspo does not report discontinued operations as all the entities included in the Non-core businesses segment were either sold or deconsolidated from Aspo Group in 2023.

PROFIT FROM DISCONTINUED OPERATIONS

	10-12/2023 MEUR	1-12/2023 MEUR
Net sales	**3.7**	**16.6**
Other operating income	0.0	0.0
Materials and services	-3.5	-14.4
Employee benefit expenses	-0.3	-2.1
Depreciation, amortization and impairment losses	-0.1	0.0
Depreciation, leased assets	-0.2	-0.2
Other operating expenses	-6.1	-15.9
Operating profit	**-6.5**	**-16.1**
Financial income and expenses	-0.2	1.8
Profit before taxes	**-6.7**	**-14.4**
Income taxes	-0.1	-0.3
Profit for the period	**-6.8**	**-14.6**

The operating profit of Non-core businesses in January-December 2023 was EUR -16.1 million. The operating loss was mainly caused by the divestment loss of Telko Russia EUR -8.1 million, the write down of Telko Russia's inventory EUR -1.8 million, a loss of EUR -0.8 million from the deconsolidation of Telko's subsidiary in Belarus, and EUR -5.9 million from the deconsolidation of Leipurin entities in Russia, Belarus and Kazakhstan.

NET CASH FLOWS OF DISCONTINUED OPERATIONS

	1-12/2023 MEUR
Net cash inflow from operating activities	0.6
Net cash inflow/outflow(-) from investing activities	-7.8
Net cash inflow/outflow(-) from financing activities	-0.4
Net change in cash generated by the discontinued operations	**-7.6**

Net cash flows of discontinued operations consist of the Non-core businesses segment's share of Aspo Group's cash flows. In 2023, the cash flow from the sale of Telko's subsidiary in Russia was EUR -4.4 million. The cash impact of the deconsolidation of the other entities in the Non-core businesses segment amounted to EUR -3.4 million. These are presented in the cash flow from investing activities.

Contingent liabilities

Telko Ukraine has been subject to a tax inspection based on which the company should pay additional taxes, tax increases and fines totaling EUR 1.9 million. The case is almost entirely related to the tax treatment of old loans granted in 2011-2012. Telko has taken the given decision to court and the case has been analyzed by external experts. Based on the expert opinion the chances of success in court have been assessed to be good. Thus, no liability has been recognized in the balance sheet.

EVENTS AFTER THE REVIEW PERIOD

After the review period in February 2025 ESL-Shipping signed a loan agreement of EUR 70 million with Svenska Skeppshypotekskassan for financing the Green Handy –vessels. The loan is expected to be drawn in the years 2027 and 2028.

After the review period on February 12, 2025, Aspo announced that Leipurin has completed the agreement to take over the food ingredients distribution business previously conducted by the Lithuanian company, Kartagena UAB.

Espoo, February 17, 2025

Aspo Plc
Board of Directors

CALCULATION PRINCIPLES OF THE KEY FIGURES

Return on equity (ROE), % $$= \frac{\text{profit for the period} \times 100}{\text{total equity (average of the current and previous reporting period)}}$$

Comparable ROE, % $$= \frac{\text{comparable profit for the period} \times 100}{\text{total equity (average of the current and previous reporting period)}}$$

Equity ratio, % $$= \frac{\text{total equity} \times 100}{\text{balance sheet total – advances received}}$$

Interest-bearing liabilities, EUR = loans and overdraft facilities in use (interest-bearing) + lease liabilities

Net debt, EUR = interest-bearing liabilities - cash and cash equivalents

Free cash flow, EUR = operating cash flow + investing cash flow

Free cash flow per share, EUR $$= \frac{\text{free cash flow}}{\text{average number of shares, excluding treasury shares}}$$

Earnings per share (EPS), EUR $$= \frac{\text{profit for the period attributable to parent company shareholders – hybrid interest, net of tax}}{\text{average number of shares, excluding treasury shares}}$$

Comparable EPS, EUR $$= \frac{\text{comparable profit for the period attributable to parent company shareholders – hybrid interest, net of tax}}{\text{average number of shares, excluding treasury shares}}$$

Equity per share, EUR $$= \frac{\text{equity attributable to parent company shareholders}}{\text{number of shares on the closing date, excluding treasury shares}}$$

Dividend/earnings, % $$= \frac{\text{dividend per share} \times 100}{\text{earnings per share (EPS)}}$$

Effective dividend yield, % $$= \frac{\text{dividend per share} \times 100}{\text{closing price}}$$

Price/earnings ratio (P/E) $$= \frac{\text{closing price}}{\text{earnings per share (EPS)}}$$

Market value of shares, EUR = number of shares on the closing date, excluding treasury shares × closing price

EBITA, EUR = operating profit - amortization and impairment of intangible assets

Comparable EBITA, EUR = EBITA, excluding items affecting comparability

EBITDA, EUR = operating profit - depreciation, amortization and impairment

Comparable EBITDA, EUR = EBITDA, excluding items affecting comparability

Comparable profit for the period, EUR = profit for the period, excluding items affecting comparability

Net working capital, EUR = inventories + accounts receivable - accounts payable - advances received

Invested capital, EUR = Non-current assets - deferred tax assets + net working capital

Return on invested capital (ROCE), % $$= \frac{\text{EBITA x 100}}{\text{invested capital (average of current and previous reporting period)}}$$

Comparable ROCE, % $$= \frac{\text{comparable EBITA x 100}}{\text{invested capital (average of current and previous reporting period)}}$$

Net debt / EBITDA $$= \frac{\text{net debt}}{\text{EBITDA (12 months rolling)}}$$

Net debt / comparable EBITDA $$= \frac{\text{net debt}}{\text{comparable EBITDA (12 months rolling)}}$$

PRESS AND ANALYST CONFERENCE

A press, analyst and investor conference will be held at FLIK's Eliel studio in Sanomatalo, Töölönlahdenkatu 2, 00100 Helsinki on Monday February 17, 2025, at 12:00 a.m. The event is also open to private investors, and participants are requested to register beforehand by emailing *viestinta@aspo.com*.

The financial statements release will be presented by CEO Rolf Jansson and CFO Erkka Repo. The presentation material will be available at *www.aspo.com/en* before the event.

The event will be held in English, and it can also be followed by a live webcast at *https://aspo.events.inderes.com/q4-2024*

Questions can be asked after the event by telephone by registering through the following link: *https://palvelu.flik.fi/teleconference/?id=50051733*. After registering, participants will be given a telephone number and identifier to participate in the telephone conference. The recording of the event will be available on the company's website later on the same day.

For more information, please contact:

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ASPO

Aspo creates value by owning and developing business operations sustainably and in the long term. Our companies aim to be market leaders in their sectors. They are responsible for their own operations, customer relationships and the development of these aiming to be forerunners in sustainability. Aspo supports its businesses profitability and growth with the right capabilities. Aspo Group has businesses in 17 different countries, and it employs approximately 800 professionals.