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## Commissioned Research: Aspo - Q1 below consensus, FY EBIT guidance unchanged

*Marketing material commissioned by Aspo*

Net sales and clean EBIT were below market consensus (LSEG) in Q1. Severe winter ice conditions and strikes in Finland were main reasons for a weak Q1. Reported EPS was weak due to EUR -8m one off items booked in Q1. Political strikes will affect to operations also in Q2 but full year 2024 guidance was repeated. Gearing has improved to 74% in Q1 compared to 118% at the end of December. The company will have more capacity in 2024 due to green coasters. Moreover, Aspo expanded its operations in Sweden by acquiring Swed Handling in April. Aspo could concentrate on these new ships and to the most recent acquisition at its CMD on 14 May.

### Q1 key figures

- Net sales was EUR 133m (consensus EUR 137m).
- Group clean EBIT was EUR 4.8m in Q1 (consensus EUR 6.7m).
- Net sales in ELS Shipping segment was in-line with consensus in Q1 but the segment's EBIT were EUR 1.2m below consensus in Q1.
- Leipurin and Telko segments also reported slightly weaker EBIT than market consensus in Q1.
- In a group level reported EPS was EUR -0.16 (consensus EUR 0.06) including EUR 7m write down from Supramax vessels.
- Group net gearing was 74% (Q4 2023: 118%).
- Cash flow from the operations was EUR 5.5m (EUR 12.2m) in Q1

### Full year 2024 guidance

- Clean EBIT is guided to over EUR 30m in 2024 (unchanged, 2023: EUR 26.5m)
- Consensus for 2024 EBIT has been EUR 32.6m.
- No guidance for net sales in 2024.
- Market consensus (LSEG Data & Analytics) has expected a 9.2% y/y revenue growth.

**ASPO: DEVIATION TABLE**

| EURm             | Actual  | NDA est. | Deviation  |       | Consensus | Deviation  |       | Actual  | Actual |         |       |        |
|------------------|---------|----------|------------|-------|-----------|------------|-------|---------|--------|---------|-------|--------|
|                  | Q1 2024 | Q1 2024E | vs. actual |       | Q1 2024E  | vs. actual |       | Q4 2023 | q/q    | Q1 2023 | y/y   |        |
| Sales            | 133     | 138      | -4.8       | -4%   | 137       | -5         | -3%   | 136     | -2%    | 148     | -10%  |        |
| Adj. EBIT        | 4.8     | 6.1      | -1.3       | -22%  | 6.7       | -2         | -28%  | 7.0     | -31%   | 8.0     | -40%  |        |
| Adj. EBIT margin | 3.6%    | 4.5%     | -0.8pp     |       | 4.8%      | -1.2pp     |       | 5.2%    | -1.5pp |         | 5.4%  | -1.8pp |
| EPS              | -0.16   | 0.07     | -0.23      | -325% | 0.06      | -0.22      | -367% | -0.13   | 21%    | 0.21    | -178% |        |

**Divisional****Sales**

|          |      |      |      |     |      |      |     |      |     |      |     |
|----------|------|------|------|-----|------|------|-----|------|-----|------|-----|
| ESL      | 49.9 | 50.1 | -0.2 | 0%  | 50.1 | -0.2 | 0%  | 49.3 | 1%  | 52.7 | -5% |
| Leipurin | 32.6 | 35.3 | -2.7 | -8% | 35.6 | -3.0 | -8% | 33.9 | -4% | 34.6 | -6% |
| Telko    | 50.2 | 52.2 | -2.0 | -4% | 51.2 | -1.0 | -2% | 49.0 | 2%  | 54.3 | -8% |

**Adj. EBIT**

|          |     |     |      |      |     |      |      |     |      |     |      |
|----------|-----|-----|------|------|-----|------|------|-----|------|-----|------|
| ESL      | 2.7 | 3.3 | -0.6 | -17% | 3.9 | -1.2 | -31% | 5.0 | -46% | 6.0 | -55% |
| Leipurin | 1.1 | 1.2 | -0.1 | -11% | 1.2 | -0.1 | -8%  | 0.8 | 38%  | 1.0 | 10%  |
| Telko    | 2.2 | 2.8 | -0.6 | -20% | 2.7 | -0.5 | -19% | 2.3 | -4%  | 2.7 | -19% |

Source: LSEG, company data and Nordea estimates

**SUMMARY TABLE - KEY FIGURES**

| EURm                         | 2021   | 2022  | 2023   | 2024E | 2025E | 2026E |
|------------------------------|--------|-------|--------|-------|-------|-------|
| Total revenue                | 583    | 643   | 536    | 574   | 606   | 627   |
| EBITDA (adj)                 | 77     | 87    | 60     | 71    | 79    | 83    |
| EBIT (adj)                   | 44     | 55    | 27     | 35    | 41    | 44    |
| EBIT (adj) margin            | 7.6%   | 8.6%  | 4.9%   | 6.2%  | 6.8%  | 7.1%  |
| EPS (adj, EUR)               | 1.07   | 1.37  | 0.47   | 0.61  | 0.75  | 0.86  |
| EPS (adj) growth             | 182.2% | 27.4% | -65.5% | 29.0% | 22.5% | 15.9% |
| DPS (ord, EUR)               | 0.45   | 0.46  | 0.47   | 0.48  | 0.49  | 0.51  |
| EV/Sales                     | 0.9    | 0.7   | 0.7    | 0.5   | 0.5   | 0.5   |
| EV/EBIT (adj)                | 11.9   | 7.7   | 13.4   | 8.9   | 7.3   | 6.4   |
| P/E (adj)                    | 10.6   | 6.0   | 12.7   | 9.8   | 8.0   | 6.9   |
| P/BV                         | 2.8    | 1.8   | 1.3    | 1.2   | 1.2   | 1.1   |
| Dividend yield (ord)         | 4.0%   | 5.6%  | 7.8%   | 8.0%  | 8.2%  | 8.5%  |
| FCF Yield bef A&D, lease adj | 3.8%   | 12.9% | 6.2%   | 20.0% | 17.0% | 19.6% |
| Net debt                     | 167    | 167   | 165    | 124   | 109   | 90    |
| Net debt/EBITDA              | 2.5    | 2.6   | 3.8    | 1.9   | 1.4   | 1.1   |
| ROIC after tax               | 13.4%  | 17.0% | 7.9%   | 11.0% | 13.6% | 15.0% |

Source: Company data and Nordea estimates

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