

Boreo Plc, INTERIM REPORT JANUARY 1 TO SEPTEMBER 30, 2022

November 3, 2022, at 9:00

Strong result and strategy update – focus on earnings growth and return on capital

July-September 2022 (continuing operations)

- Net sales grew by 50% to EUR 43.3 million (2021: 28.8).
- Operational EBIT increased by 38% to EUR 3.0 million (2021: 2.2).
- EBIT amounted to EUR 2.4 million (2021: 1.4).
- Free cash flow (before acquisitions and divestments, including discontinued operations) was EUR 0.5 million (2021: -0.1). Cash flow was weakened by the EUR 1.8 million increase in working capital. Capital employed tied in inventories decreased by EUR 1.6 million.
- The profit for continuing operations totalled EUR 2.1 million (2021: 1.0).
- Operational EPS was EUR 0.83 (2021: 0.70).
- EPS was EUR 0.63 (2021: 0.38).
- Boreo announced that its subsidiary Floby Nya Bilverkstads AB (FNB) had acquired the share capital of Lackmästar'n i Håkantorps AB (Lackmästarn). The transaction took place at the beginning of the last quarter on 3.10.2022.
- Boreo's updated strategy and strategic financial targets presented in Capital Markets Day. New strategic financial targets are: Minimum 15% average annual operational EBIT growth, Minimum 15% Return on Capital Employed (ROCE) and Net debt to operational EBITDA between 2-3x.

January-September 2022 (continuing operations)

- Net sales grew by 39% to EUR 115.4 million (2021: 82.8).
- Operational EBIT increased by 24% to EUR 6.5 million (2021: 5.3).
- EBIT amounted to EUR 4.8 million (2021: 4.7). EBIT for the comparison period was significantly affected by a non-recurring EUR 0.8 million sales gain from the Espoo headquarters.
- Free cash flow (before acquisitions and divestments, including discontinued operations) was EUR -1.0 million (2021: -0.7). Cash flow was weakened by the growth in working capital.
- The profit for continuing operations amounted to EUR 3.5 million (2021: 3.3).
- The profit for discontinued operations was EUR -5.2 million (2021: 0.7). The result was affected negatively by the write-down of Russian operations in the second quarter.
- Operational EPS was EUR 1.50 (2021: 1.45).

Classification of Russian operations as discontinued operations

On August 9, 2022, Boreo announced that it had sold its 90% holding in the electronics component distribution business in Russia (YE Russia). In this interim report, Russian operations have been moved to discontinued operations in accordance with IFRS 5. Unless otherwise stated, all figures in this interim report relate to continuing operations. In the income statement, the comparison periods have also been adjusted for continuing operations, while the data in the cash flow statement have not been adjusted and include discontinued operations. For Q3/22, the balance sheet no longer includes discontinued operations. Discontinued operations also include the subsidiary of the Russian operations located in Turkey.

Financial guidance and business model

On September 27, 2022, Boreo announced its new strategy and strategic financial objectives, which were presented same day in capital markets day. Boreo's business model is to own, acquire and develop operations in Northern Europe. Boreo focuses on value creation in the long-term and its aim is to be the best home for its companies and personnel. The main focus areas of the strategy are: Acquisitions, Development and People & culture.

In the future, Boreo will focus more clearly on earnings growth and return on capital. The company's updated long-term strategic financial targets are:

- Minimum 15% average annual operational EBIT growth,
- Minimum 15% Return on Capital Employed (ROCE),
- Net debt to operational EBITDA between 2-3x (including acquired businesses as if they had been held for 12 months at the reporting date)

Boreo's updated dividend policy is to pay an annually increasing dividend per share, taking into consideration capital allocation priorities.

The above-mentioned strategic financial objectives still serve as the company's financial guidelines. In line with its guidance policy, the company does not give separate short-term financial guidance.

As of the Q1 2022 interim report, Boreo has changed the accounting principle of operational EBIT so that operational EBIT no longer takes into account the impact of the allocation of acquisition costs. The impact of the allocation of acquisition costs arises from the depreciation of fair value allocations at the time of acquisition based on IFRS during their useful life. The company feels that operational EBIT before allocation of acquisition costs better reflects the profitability of its operations. The change has an impact on operational EBIT and operational EPS. The figures for the comparison period have been adjusted to reflect the same principle to maintain comparability. Other than that, the accounting principles of this review do not include any changes that affect comparability. The comparison figures in brackets refer to the corresponding period of the previous year, unless otherwise specified.

Key figures, continuing operations

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Net Sales	43.3	28.8	50%	115.4	82.8	39%	122.0
Operational EBIT* <i>relative to net sales %</i>	3.0	2.2	38%	6.5	5.3	24%	7.2
EBIT	6.8%	7.5%	-	5.7%	6.4%	-	5.9%
Profit before taxes	2.4	1.4	75%	4.8	4.7	2%	5.8
Profit for the period, continuing operations	2.6	1.0	150%	4.3	3.9	12%	4.6
Profit for the period, discontinued operations	2.1	1.0	113%	3.5	3.3	6%	3.9
Return on capital employed (ROCE %), R12	0.7	0.2	248%	-5.2	1.0	-	1.6
Free Cash flow**	10.8%	12.3%	-	10.8%	12.3%	-	13.4%
	0.5	1.5	-66%	-1.0	-0.9	-8%	1.1

*The impact of the change in calculation due to the allocation of acquisition costs is taken into account in Q3 2022, Q1-Q3 2022, Q3 2021, Q1-Q3 2021 and 2021. The elimination of the effects improved Q3 2022 operational EBIT by EUR 0.4 million, Q1-Q3 2022 operational EBIT by EUR 1.2 million, Q3 2021 operational EBIT by EUR 0.2 million, Q1-Q3 2021 operational EBIT by EUR 0.6 million and 2021 operational EBIT by EUR 0.8 million.

** Cash flow includes discontinued operations.

Q3/2022 - CEO Kari Nerg:

Strong financial performance

In the third quarter our companies continued to perform steadily and we reached a record-level operational EBIT of EUR 3.0 million (6.8%). The operational EBIT increased by 38% from the comparison period. Net sales, in turn, grew by 50%, of which organic growth amounted to EUR 7.4 million and growth from acquisitions to EUR 7.3 million. The drivers of the strong financial performance were the Electronics and Technical Trade business areas, as well as ESKP reported under Other Operations. The performance of the Heavy Machines business area was on non-satisfactory level and our focus is on improving profitability.

Return on capital employed (ROCE) that we set as a new strategic financial target in September 2022 was 10.8%. Return on equity (ROE) was 13.1%. The Group's financial position remained stable and net debt relative to the 12-month EBITDA remained at the 2.5x level.

Outlook for the near future remains stable, however numerous uncertainties in the operating environment

The general operating environment is currently shaded with dark clouds and 2023 is expected to be challenging due to high inflation, rising interest rates, geopolitical uncertainties and continuing supply chain disruptions. However, the outlook for our companies' performance in the near future remains broadly stable in line with previous months and we continue to develop and strengthen the competitiveness of our companies.

In addition to nurturing our performance we are focusing on efficient use of capital, and over the next quarters our aim is to reduce the level of working capital tied to the business. Our focus is on creating growth through organic measures and acquisitions and strengthening our businesses in selected industries. To prepare for rising interest rates, we have hedged close to half of our senior loans, and a fixed-rate hybrid also hedges the Group from interest rate increases.

We will continue to closely monitor the operating landscape and consider our decentralized operating structure as a strength in challenging economic times. Our companies are capable to quickly adapt to changing market conditions and I am confident that we can operate successfully also in a more challenging environment.

Updated strategy and new strategic financial targets pave the way for long-term value creation

At the end of the quarter, we organized the company's first Capital Markets Day where we presented our updated strategy and strategic financial targets. We will continue to work on long-term value creation and building a successful company. In line with the new strategic financial targets – minimum 15% average annual operational EBIT growth and minimum 15% ROCE – we focus more clearly on generating earnings growth with attractive return on capital.

The new strategic targets create an excellent foundation for continuing the long-term development of the company. In the near future we focus on developing the Boreo way of working and steering the ship towards reaching the strategic targets. The strategic plans prepared in part of our companies, the newly set common financial targets as well as hurdle rates for acquisitions and organic growth investments are examples of recently implemented initiatives. These initiatives we expect to strengthen the basis for creating future earnings growth.

Attractive opportunities to continue allocating capital to acquisitions

During the quarter, we announced one acquisition as FNB acquired Lackmästarn, a specialist in painting, surface treatment and varnishing of heavy vehicles.

Over the past quarters, we have completed a significant amount of proactive work to identify acquisition opportunities that strengthen our business areas and develop M&A capabilities. This work together with Boreo having become more known in the marketplace has contributed to the creation of a good quality acquisition pipeline. Despite the general cooling down trend of the M&A market, I am confident in our ability to complete acquisitions of companies that fit to the Boreo family.

Alternative Performance Measures

The guidelines of the European Securities and Markets Authority (ESMA) defines alternative performance measures as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. For Boreo, the IFRS standards as adopted in the EU in accordance with Regulation (EC) No 1606/2002 form the reporting framework.

Boreo provides certain financial indicators that are not based on IFRS (alternative performance measures). Alternative performance measures (incl. unaudited consolidated pro forma financial information) do not include certain non-recurring items affecting comparability and are intended to describe the financial development of the business and improve comparability between reporting periods. Alternative performance measures should not be considered as a substitute for key figures in accordance with IFRS accounting principles.

Boreo feels that comparable indicators better reflect the company's operational performance by removing the earnings impact of items and business transactions outside normal operations.

The reconciliation statements and the formulas for key IFRS indicators and alternative performance measures are presented later in this report.

Group's key figures

Key figures, continuing operations

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Net sales	43.3	28.8	50%	115.4	82.8	39%	122.0
Operational EBIT	3.0	2.2	38%	6.5	5.3	24%	7.2
<i>relative to net sales, %</i>	6.8%	7.5%	-	5.7%	6.4%	-	5.9%
EBIT	2.4	1.4	75%	4.8	4.7	2%	5.8
Profit before taxes	2.6	1.0	150%	4.3	3.9	12%	4.6
Profit for the period, continuing operations	2.1	1.0	113%	3.5	3.3	6%	3.9
Profit for the period, discontinued operations	0.7	0.2	248%	-5.2	1.0	-	1.6
Free Cash flow***	0.5	1.5	-66%	-1.0	-0.9	-	1.1
Equity ratio, %	35.1%	24.4%	-	35.1%	24.4%	-	23.8%
Interest-bearing net debt	33.9	39.3	-	33.9	39.3	-	41.0
Interest-bearing net debt relative to operational EBITDA of the previous 12 months*	2.5	3.6	-	2.5	3.6	-	3.8
Return on Capital Employed (ROCE %), R12	10.8%	12.3%	-	10.8%	12.3%	-	13.4%
Return on equity (ROE %), R12	13.1%	27.8%	-	13.1%	27.8%	-	28.6%
Average number of personnel	301	264	14%	301	264	14%	270
Personnel at end of the period	304	265	15%	304	265	15%	273
Operational EPS, EUR	0.83	0.70	19%	1.50	1.45	4%	1.86
EPS, EUR	0.63	0.38	66%	0.97	1.26	-23%	1.40
EPS, EUR, discontinued operations**	0.29	0.07	314%	-1.74	0.33	-	0.59
Free cash flow per share, EUR***	0.19	0.63	-69%	-0.36	-0.34	-6%	0.42

* Calculated in accordance with the calculation principles established with financiers. The formula for calculating the indicators is presented later in this report. Figure for Q1-Q3 2021 and the situation at the end of 2021 adjusted to reflect the definition of continuing operations.

**The effect of the interest rate of the hybrid loan recorded in equity adjusted by the tax effect is considered in the calculation of the EPS starting from Q1 2022. In Q3, this net effect was EUR 0.12 per share and EUR 0.31 per share in Q1-Q3.

*** Cash flow includes discontinued operations.

Group's financial performance

In the third quarter of the year, the Group's net sales increased to EUR 43.3 million (2021: 28.8), of which EUR 7.4 million was organic growth in business activities. Acquisitions increased net sales by EUR 7.3 million. At comparable exchange rates, net sales would have been EUR 43.5 million, mainly due to the weakening Swedish krona. Net sales of the Electronics business area grew by EUR 6.7 million (64%) from the previous year to EUR 17.3 million. Net sales of the Technical Trade business area in the third quarter increased by EUR 2.2 million (20%) to EUR 13.5 million. Net sales of the Heavy Machines business area increased by EUR 5.6 million (97%) in the third quarter and totaled EUR 11.3 million. Net sales of Other Operations remained at last year's level at EUR 1.2 million.

During the first nine months of 2022, the Group's net sales increased by 39% to EUR 115.4 million. (2021: 82.8). Organic net sales growth was EUR 14.4 million and acquisitions increased net sales by EUR 18.8 million. Changes in exchange rates weakened net sales by EUR 0.6 million and net sales at comparable exchange rates would have been EUR 116.0 million. In business areas, Electronics' net sales grew by EUR 13.1 million (44%). Net sales of Technical Trade increased by EUR 4.6 million (14%) from the comparison period. Net sales of the

Heavy Machines business area grew by EUR 13.6 million (74%) from the comparison period, mainly because of acquisitions. Net sales of Other Operations increased by EUR 1.2 million (52%) from the comparison period.

Net sales, business areas Q3 and Q1-Q3

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Electronics	17.3	10.5	64%	42.9	29.8	44%	43.3
Technical Trade	13.5	11.3	20%	37.0	32.4	14%	45.6
Heavy Machines	11.3	5.7	97%	32.0	18.4	74%	29.7
Other Operations	1.2	1.2	-5%	3.4	2.2	52%	3.4
Total	43.3	28.8	50%	115.4	82.8	39%	122.0

The geographical distribution of the Group's net sales during the third quarter was as follows: Net sales in Finland increased by 30% mainly thanks to the Infradex and Pronius acquisitions and totaled EUR 30.3 million. In January-September, Finland's net sales were EUR 79.6 million, up by EUR 16.1 million (25%) on the comparison period. Sweden's net sales in the third quarter totaled EUR 6.6 million and grew by EUR 5.2 million from the corresponding period in 2021 (374 %). In the first nine months of the year, Sweden's net sales were EUR 16.4 million, up by EUR 8.6 million (111 %) on the comparison period. Net sales of Baltic operations increased by 51% reaching EUR 6.2 million in the third quarter thanks to organic growth in the electronics component distribution business and in the Sany and Putzmeister businesses (EUR 2.1 million). During the first nine months of the year growth on the comparison period amounted to EUR 7.5 million (66 %). Net sales in United states line consist of net sales to the United States as a result of the Signal Solutions acquisition carried out in the second quarter.

Net Sales by geographic area

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Finland	30.3	23.4	30%	79.6	63.6	25%	90.4
Sweden	6.6	1.4	374%	16.4	7.8	111%	15.6
Baltic countries	6.2	4.1	51%	18.9	11.4	66%	16.0
United States	0.2	0.0	-	0.4	0.0	-	0.0
Total	43.3	28.8	50%	115.4	82.8	39%	122.0

In the third quarter, the Group's operational EBIT increased by 38% to EUR 3.0 million (2021: 2.2). Operational EBIT margin was 6.8% (2021: 7.5%). The Group's reported EBIT amounted to EUR 2.4 million (2021: 1.4). Reported EBIT included non-recurring costs of EUR 0.6 million that affect comparability related to corporate and structural arrangements. These were primarily related to implemented M&A transactions. Changes in exchange rates did not have a significant impact on the Group's EBIT. Operational EBIT of the Electronics business area was EUR 1.3 million in the third quarter (2021: 1.0). Operational EBIT of the Technical Trade business area was EUR 1.7 million (2021: 1.1). EBIT was increased especially by the strong performance of Machinery's Power unit and the Pronius acquisition. Operational EBIT of the Heavy Machines business area was EUR 0.3 million (2021: 0.3). Operational EBIT of Other Operations was EUR -0.3 million (2021: (-0.3) consisting of EUR 0.1 million in EBIT from ESKP and Vesterbacka Transport, and EUR 0.5 million (2021: 0.4) in Group costs not allocated to business areas.

In January-September, the Group's operational EBIT was EUR 6.5 million (2021: 5.3), with 24% growth from the comparison period. The Group's reported EBIT amounted to EUR 4.8 million (2021: 4.7). The reported EBIT was affected by a non-recurring sales gain of EUR 0.8 million in the comparison period. The reported EBIT includes items affecting comparability totaling EUR 1.7 million in net, consisting mainly of expenses and allocations related to acquisitions. EBIT in Electronics and Technical Trade was EUR 2.7 million (2021: 2.1) and EUR 3.9 million (2021: 3.1) respectively and grew from the comparison period. Operational EBIT of the Heavy Machines business area was at last year's level at EUR 1.0 million (2021: 1.0). Operational EBIT of Other

Operations was EUR -1.1 million, of which the operational EBIT of ESKP and Vesterbacka was EUR 0.4 million (2021: 0.2) and Group costs not allocated to business areas totaled EUR -1.4 million (2021: -1.2).

Operational EBIT, business areas Q3 and Q1-Q3

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Electronics	1.3	1.0	29%	2.7	2.1	31%	2.7
Technical Trade	1.7	1.1	44%	3.9	3.1	28%	4.2
Heavy Machines	0.3	0.3	-1%	1.0	1.0	2%	1.7
Other Operations	-0.3	-0.3	5%	-1.1	-0.9	-33%	-1.4
Total	3.0	2.2	38%	6.5	5.3	24%	7.2

Financial position

At the end of the third quarter of 2022, the Group's interest-bearing net debt amounted to EUR 33.9 million (2021: 39.3). The share of IFRS 16 liabilities in net debt was EUR 6.8 million (2021: 5.3). Net debt relative to operational EBIT of the previous 12 months was 2.5 (2021: 3.6), which was in the middle of the company's strategic target range (2-3x).

At the end of the third quarter shareholders' equity was EUR 40.0 million (2021: 20.6), of which the effect of directed share issues carried out during the review period was around EUR 2.8 million. The equity ratio was 35.1% (2021: 24.4%) and the consolidated balance sheet total was EUR 121.5 million (2021: 92.8).

Cash flow

Net cash flow from operating activities (including discontinued operations) was EUR 0.8 million in the third quarter (2021: -0.3). Net cash flow from operating activities was weakened due to EUR 1.8 million growth in working capital. Capital tied to inventories decreased by EUR 1,6 million. Free cash flow, i.e. operational net cash flow excluding investments in intangible and tangible assets, was EUR 0.5 million (2021: 1.5) and free cash flow per share was EUR 0.19 (2021: 0.63). Cash flow after investments was EUR -2.1 million.

In the first nine months of the year, the net cash flow from operating activities was EUR 0.4 million (2021: 1.4). The cash flow was negatively affected by the growth in working capital, especially in connection with increased inventory levels in the Electronics and Technical Trade business areas. Free cash flow was EUR -1.0 million (2021: -0.9) and free cash flow per share was EUR -0.36 (2021: -0.34). Cash flow after investments was EUR -11.5 million (2021: 8.6), of which the net impact of acquisitions was EUR -8.1 million.

The Group's cash and cash equivalents at the end of the reporting period totaled EUR 10.8 million (2021: 2.9).

Major events during the third quarter

On August 9, 2022, Boreo announced that it had sold its 90% holding in the electronics component distribution business in Russia (YE Russia). The buyers were companies controlled by Mr. Yrjö Pönni, current General Director and 10% shareholder of YE Russia.

On September 19, 2022, Boreo announced that its subsidiary Floby Nya Bilverkstad acquired the shares of Lackmästar'n i Håkantorp AB.

On September 27, 2022, Boreo announced that it was crystallizing its strategy and updating its strategic financial targets. In the future, the company will focus on creating shareholder value in its strategic focus areas, namely Acquisitions, Development (previously Operating efficiency) and People & culture. In the future, the company's focus will be on earnings growth and return on capital.

Business Areas

Boreo's business operations are organized into three business areas:

The Electronics business area consists of businesses that distribute and assemble professional electronic components. The companies act as representatives of the world's leading principals in Northern Europe, Poland and the United States. The companies offer storage and logistics services, as well as technical sales services for principals and customers. The brands of the business area are Yleiselektroniikka, YE International, Noretron Komponentit, Milcon, Infradex and Signal Solutions Nordic (SSN). The figures of the Electronics business area do not include Russian operations divested on September 8, 2022.

The Technical Trade business area consists of businesses involved in technical trade that represent well-known principals in power, metal machines, construction and welding technique products and system solutions in Finland. The brands of the business area include Machinery, Muottikolmio and Pronius.

The Heavy Machines business area consists of Putzmeister and Sany dealerships in Finland, Sweden and Estonia, and the design, equipment, painting and construction of timber bodies in Sweden. The businesses serve customers in the concrete, construction and the forest industry in Finland, Sweden and Estonia. The brands of the business area are PM Nordic, Tornokone, Sany Nordic, FNB and from the beginning of October Lackmästarn

In addition to the above-mentioned business areas, Boreo's organization includes ESKP that provides logistics and courier services, and Vesterbacka Transport Oy that operate under Other Operations. The companies operate in the Finnish and Baltic markets.

Electronics business area (continuing operations)

In the third quarter of the year, net sales of the Electronics business area grew by 64% to EUR 17.3 million (2021: 10.5). The net sales of the Finnish businesses relative to the comparison period increased due to the organic growth and the acquisitions of Infradex and SSN. The order book has remained at a good level and we see no signs of it changing. The Ukrainian crisis has a positive effect especially on the order book of Milcon due to increased demand among defense industry customers. Net sales of Baltic operations increased from the comparison period. All Baltic companies performed better than expected in the third quarter despite the increased uncertainty due to the crisis in Ukraine. During the quarter, SSN has been integrated well into Boreo's operating model and the effect of the Led-Systems transaction began to be reflected in the figures of Yleiselektroniikka at the end of the period.

Operational EBIT of the business area was EUR 1.3 million in the third quarter (2021: 1.0) and the operational EBIT margin was 7.8%.

Key figures Electronics

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Net sales	17.3	10.5	64%	42.9	29.8	44%	43.3
Operational EBIT	1.3	1.0	29%	2.7	2.1	31%	2.7
<i>relative to net sales, %</i>	7.8%	9.9%	-	6.3%	6.9%	-	6.2%
EBIT	1.2	1.0	23%	2.4	1.0	137%	2.5
Capital expenditure	0.1	0.0	-	0.4	0.1	-	0.3
Average number of personnel	130	114	14%	130	114	14%	114
Personnel at end of the period	132	110	20%	132	110	20%	112

Technical Trade business area

Net sales of the Technical Trade business area in the third quarter totaled EUR 13.5 million (2021: 11.3). Net sales growth was due to the acquisition of Pronius Oy in March 2022 and good organic development of other businesses. Within Machinery, the businesses developed ambiguously. In metal machines, the investment uncertainty remained high and net sales was below the comparison period, while in construction equipment and power net sales exceeded the good comparison periods. In power, the order volumes of our OEM customers developed better than expected and the energy prices that have significantly increased during the year accelerated demand for our generators. Muottikolmio developed in line with our expectations. Pronius' supply capacity developed better than expected and the welding business exceeded its expectations.

Operational EBIT of the business area was EUR 1.7 million in the third quarter (2021: 1.1) and the operational EBIT margin was 12.2%. Operational EBIT was strengthened by the earnings impact of Pronius and improved performance in power and construction equipment. Overall, the performance of our businesses is good, but the lags that continue to affect supply chains have temporarily increased our working capital needs and thus our ability to generate cash flow. Improving capital efficiency is one of our key priorities.

The project portfolio of our businesses serving mechanical engineering is good at the moment, and we also expect the demand related to the construction industry to remain reasonable in the near future.

Key figures Technical Trade

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Net sales	13.5	11.3	20%	37.0	32.4	14%	45.6
Operational EBIT	1.7	1.1	44%	3.9	3.1	28%	4.2
<i>relative to net sales, %</i>	12.2%	10.2%	-	10.6%	9.5%	-	9.2%
EBIT	1.4	0.4	256%	3.4	1.9	79%	4.0
Capital expenditure	0.1	0.1	15%	0.4	0.1	320%	0.2
Average number of personnel	86	77	12%	86	77	12%	78
Personnel at end of the period	87	78	12%	87	78	12%	80

Heavy Machines business area

Third-quarter net sales of the Heavy Machines business area were EUR 11.3 million, increasing significantly from the comparison period (2021: 5.7). Putzmeister and Sany businesses' strong demand in Estonia and the acquisition of FNB in September 2021 especially contributed to net sales growth. The Putzmeister business performed slightly better than expected in all operating countries, while the Sany business fell short of expectations except in Estonia. FNB's performance continued as good, although supply chain challenges still limited the company's delivery capacity. General business development was still affected by the significantly increased delivery times and shifts in chassis deliveries of concrete industry machinery, in components used to equip earth moving machinery and cranes (FNB).

Operational EBIT for the third quarter totalled EUR 0.3 million, which was in line with the comparison period. Relative profitability of 2.3% was below the 4.6% level in the comparison period. Profitability was negatively affected by weak profitability in Sany-business. We expect the performance conditions to remain stable in the near future, supported by strong order books, although long delivery times will continue to shift deliveries to 2023. In addition, price increases and inflation put pressure on the profitability of the companies. This risk has been reduced by investing in inventories to increase security of supply and maintain profitability especially in FNB. In the third quarter, FNB acquired the share capital of Lackmästar'n, which supports FNB's growth plans and enables a wider and more efficient overall offering to its customers.

Key figures Heavy Machines

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Net sales	11.3	5.7	97%	32.0	18.4	74%	29.7
Operational EBIT	0.3	0.3	-1%	1.0	1.0	2%	1.7
<i>relative to net sales, %</i>	2.3%	4.6%	-	3.3%	5.6%	-	5.8%
EBIT	0.2	0.3	-42%	0.8	0.4	88%	1.2
Capital expenditure	0.0	0.0	340%	0.2	0.0	-	0.1
Average number of personnel	54	48	13%	54	48	13%	48
Personnel at end of the period	54	49	10%	54	49	10%	49

Other Operations

Operational EBIT from Other Operations was EUR -0.3 million in the third quarter of the year (2021: -0.3). The demand for services and profitability from ESKP and Vesterbacka Transport that are reported under Other Operations were at a good level, although profitability was burdened by increased cost pressures. The companies' net sales were EUR 1.2 million and the EBIT margin was 14%. In addition to ESKP's operational EBIT, the operational EBIT of Other Operations included EUR 0.5 million of Group administration costs (2021: 0.6).

Key figures Other Operations

EUR million	Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change	2021
Net sales	1.2	1.2	-	3.4	1.0	238%	3.4
Operational EBIT	-0.3	-0.3	5%	-1.1	-0.9	-33%	-1.4
<i>relative to net sales, %</i>	-25.0%	-22.7%	-	-33.5%	12.3%	-	-41.3%
EBIT	-0.4	-0.8	45%	-1.7	0.1	-	-1.9
Capital expenditure	0.0	0.0	-	0.4	0.2	-	0.2
Average number of personnel	31	25	54%	31	25	54%	30
Personnel at end of the period	31	28	11%	31	28	11%	32

Group personnel

Boreo Group's number of personnel totalled 304 at the end of the reporting period (2021: 265) and was divided into business areas as follows: Electronics 132 (2021: 110), Technical Trade 87 (2021: 78), Heavy Machines 54 (2021: 49), Other Operations 31 (2021: 28), of which ESKP accounted for 23 and Group Administration for 8 (2021: 5). The average number of employees in the Group was 301 (2021: 264), which was divided into business areas as follows: Electronics 130 (2021: 114), Technical Trade 86 (2021: 77), Heavy Machines 51 (2021: 48), Other Operations 36 (2021: 25), of which ESKP accounted for 28 and Group Administration for 8 (2021: 5).

Employment related expenses for the third quarter totaled EUR 4.8 million (2021: 3.6).

Managers' transactions

During the third quarter of 2022, Boreo Plc received seven notifications concerning Managers' transactions (Article 19 of MAR).

On July 1, 2022 Boreo Plc announced the following subscriptions in the company's personnel share issue at an average price of EUR 37.56 per share: CEO Kari Nerg a total of 6,768 shares, CFO Aku Rumpunen a total of 4,000 shares, Mari Katara a total of 1,100 shares, Janne Silvennoinen a total of 4,000 shares, Jesse Petäjä a total of 3,000 shares, Tomi Sundberg a total of 5,300 shares, and Richard Karlsson a total of 5,500 shares.

Main short-term risks and operational uncertainties

Boreo Group is exposed to various risks and opportunities arising from its own operations or from a changing business environment. The following are the main risks that, if realized, could have a negative impact on the Group's business, performance or financial position. However other risks not currently recognized may arise in the future or risks currently assessed as low may become significant.

The impact of the crisis in Ukraine: The main market risks are linked to the crisis in Ukraine and, as a result, an increase in overall market uncertainty. This is reflected, e.g., in demand for products and services, supply chains for products and components, security of supply and delivery times, as well as prices. The general tightening of the inflation environment creates pressure on, e.g., fuel prices, which are directly reflected in logistics costs. Despite the divestment of Russian businesses on September 8, the transaction still involves certain Russia-related risks and uncertainties. The risks are mainly related to changes in regulations and policies and to currency volatility that may affect the final deal price receivable.

Growth through acquisitions: The Group's strategic goal is to grow through acquisitions. The main risks associated with acquisitions may include the availability of potential acquisition targets, appropriate timing, the acquisition process, integration of the acquired business, commitment of key personnel, or reaching set targets.

Customer demand and cyclicity: A significant part of the Group's net sales comes from customers whose businesses are cyclical and project-like by nature and often also susceptible to cyclical changes. From the Group's point of view, demand fluctuation and cyclicity are also emphasized by the fact that the order book of the Group's businesses is often rather short.

Principal relationships: Due to its earnings logic, the Group's competitiveness is highly correlated and dependent on the portfolio of principals, and consequently the loss of a significant principal weakens net sales development and performance. In addition, there is a risk that a key principal's own competitiveness and performance weakens, which may also be reflected in the attractiveness of the Group's offering.

Position in the value chain: The Group may encounter gradual difficulties in defending its sales margins in situations where sales prices of end products face clear downward pressure and/or supply prices face upward pressure.

Personnel turnover: Personnel is the Group's core asset. Replacement of human knowledge and skills resulting from personnel risks is difficult, expensive and slow. In addition, it is difficult to predict and quantify human risks in monetary terms.

Trade agreement risks: Boreo Group's operations are subject to changes in trade agreements between continents and countries. If changes in trade agreements materialize, they may affect the Group's business negatively through disruptions in the supply chain and increased costs.

The Group's financial risks include interest rate, currency, liquidity and credit risks. Other risks include risks related to equity and impairment. The Group has continuing operations in seven countries and is, therefore, exposed to currency risks arising from intra-group trade, exports and imports and financing of foreign subsidiaries. The Group's main currency positions consist of items in US dollars and Swedish kronas. Currency risks arise mainly from translation differences (net investments in foreign subsidiaries and their equity) and foreign currency transactions. Changes in market interest rates impact the Group's net interest rates. Most of the Group's interest-bearing liabilities are euro-denominated liabilities of the parent company.

COVID pandemic: The continuing COVID pandemic is expected to still have negative impacts on supply chains, delivery reliability of products, supply times and prices, and on demand for products and services in the business environment

Major events after the third quarter

On October 3, 2022, Boreo announced that it had completed the Lackmästar'n i Håkantorps AB acquisition.

On November 2, 2022, Boreo announced that its Board of Directors had decided on the record and payment dates for the second dividend payment for 2021 based on the authorization given to the Board by the AGM on April 19, 2022. The second dividend installment is EUR 0.21 per share, its record date is November 9, 2022, and the payment date is November 17, 2022.

Reconciliation statements of key indicators

Reconciliation, operational EBIT

EUR million	Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021	2021
EBIT	2.4	1.4	4.8	4.7	5.8
ITEMS AFFECTING COMPARABILITY					
Electronics					
Structural arrangements	0.0	0.0	0.0	-0.1	-0.1
Costs related to acquisitions	0.0	0.0	0.0	0.0	0.0
Sale of real estate	0.0	0.0	0.0	0.0	0.0
Depreciation related to allocation of acquisition costs	-0.1	0.0	-0.3	-0.1	-0.1
Technical Trade					
Structural arrangements	0.0	-0.1	-0.1	-0.1	-0.1
Costs related to acquisitions	0.0	0.0	0.0	0.0	0.0
Depreciation related to allocation of acquisition costs	-0.2	0.0	-0.5	-0.1	-0.2
Heavy Machines					
Structural arrangements	0.0	0.0	0.0	0.0	0.0
Costs related to acquisitions	0.0	0.0	0.0	0.0	0.0
Depreciation related to allocation of acquisition costs	-0.1	-0.1	-0.3	-0.3	-0.4
Other Operations					
Structural arrangements	0.0	0.0	-0.1	0.0	0.0
Costs related to acquisitions	-0.1	-0.5	-0.3	-0.5	-1.2
Sale of real estate	0.0	0.0	0.0	0.8	0.8
Depreciation related to allocation of acquisition costs	0.0	0.0	-0.1	-0.1	-0.1
TOTAL ITEMS AFFECTING COMPARABILITY	-0.6	-0.8	-1.7	-0.6	-1.4
OPERATIONAL EBIT	3.0	2.2	6.5	5.3	7.2

Operational EPS

EUR million	Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021	2021
Profit for the review period to shareholders	1.7	1.2	2.6	3.2	3.7
Items affecting comparability	0.5	0.6	1.4	0.6	1.1
Operational profit for the review period to shareholders	2.2	1.8	4.0	3.7	4.8
Average number of outstanding shares, thousand	2,678	2,599	2,644	2,584	2,583
Operational EPS*	0.83	0.70	1.50	1.45	1.86

*The tax impact and non-controlling interests have been deducted from items affecting comparability when calculating the operational EPS.

Interest-bearing net debt

EUR million	Q3 2022	Q3 2021	Q3 2022	Q3 2021	2021
Long-term financial liabilities	34.4	34.1	34.4	34.1	34.3
Short-term financial liabilities	10.3	8.1	10.3	8.1	9.4
Cash and cash equivalents	10.8	2.9	10.8	2.9	2.7
Interest-bearing net debt	33.9	39.3	33.9	39.3	41.0

Formulas for calculating key indicators

Items affecting comparability	= Non-recurring restructuring costs, acquisition and integration costs, capital gains/losses and +/- purchase price allocation items
Operational EBIT	= EBIT +/- items affecting comparability
Operational EBITDA	= Operational EBIT + depreciation, amortization and impairment
Interest-bearing net debt relative to operational EBITDA of the previous 12 months (including acquired businesses as if they had been held for 12 months at the reporting date)	= $\frac{\text{Interest-bearing net debt}}{\text{Operational EBITDA for the previous 12 months}}$
Equity ratio, %	= $\frac{\text{Total equity + minority interest}}{\text{Balance sheet total - advances received}} \times 100$
Free cash flow	= Net cash flow from operating activities - investments in fixed assets
Free cash flow per share	= $\frac{\text{Free cash flow}}{\text{Average number of outstanding shares}}$
Interest-bearing net debt	= Interest-bearing liabilities - cash and cash equivalents
Earnings per share (EPS)	= $\frac{\text{Profit for the review period to shareholders – the interest rate on the hybrid loan recorded in equity minus the tax effect}}{\text{Average number of outstanding shares}}$
Operational EPS	= $\frac{\text{Profit for the review period to shareholders – the interest rate on the hybrid loan recorded in equity minus the tax effect +/- items affecting comparability}}{\text{Average number of outstanding shares}}$
Return on capital employed (ROCE %)	= $\frac{\text{Operational EBIT for the previous 12 months}}{\text{Average total balance sheet for the previous 12 months - non-interest bearing liabilities for the previous 12 months}}$
Return on equity (ROE %)	= $\frac{\text{Profit/loss for the review period for the previous 12 months}}{\text{Average equity for the previous 12 months}}$

TABLES January 1 to September 30, 2022, Accounting principles of the interim report

The interim report is prepared in accordance with the IAS 34 Interim financial reporting standard. The accounting principles of the interim report are the same applied to the financial statements compiled on December 31, 2021. The figures of the interim report are unaudited.

CONSOLIDATED INCOME STATEMENT (MEUR)	Q3-2022	Q3-2021	Q1-Q3 2022	Q1-Q3 2021	1-12/2021
Net sales	43.3	28.8	115.4	82.8	122.0
Other operating income	0.1	0.2	0.3	1.5	1.5
Materials and services	-32.9	-21.5	-86.7	-62.0	-91.5
Employee benefit expenses	-4.8	-3.6	-14.5	-10.6	-15.5
Depreciation, amortization and impairment losses	-1.0	-0.7	-3.0	-2.1	-2.9
Other operating expenses	-2.5	-1.9	-6.8	-4.8	-7.8
Share of result from associates	0.0	0.0	0.1	0.0	0.0
EBIT	2.4	1.4	4.8	4.7	5.8
Financial income	0.5	0.0	0.6	0.0	0.0
Financial expenses	-0.3	-0.3	-1.1	-0.8	-1.2
Profit before taxes	2.6	1.0	4.3	3.9	4.6
Income taxes	-0.6	-0.1	-0.8	-0.6	-0.7
Profit for the period, continuing operations	2.1	1.0	3.5	3.3	3.9
Profit for the period, discontinued operations	0.7	0.3	-5.2	1.0	1.6
Profit for the period	2.7	1.2	-1.7	4.3	5.5
Allocated to					
Shareholders of the parent company	2.7	1.2	-1.2	2.9	5.2
Minorities	0.0	0.1	-0.4	0.1	0.3
EPS (undiluted) EUR, continuing operations	0.63	0.38	0.97	1.26	1.40
EPS (diluted) EUR, continuing operations	0.63	0.38	0.97	1.26	1.40
EPS (undiluted) EUR, discontinued operations	0.29	0.07	-1.74	0.33	0.59
EPS (diluted) EUR, discontinued operations	0.29	0.07	-1.74	0.33	0.59
Items of the comprehensive income statement (MEUR)					
Items that may be reclassified subsequently to profit or loss:					
Translation differences from foreign units	-0.4	0.4	-0.7	0.6	0.3
Other comprehensive income items after tax during the period	0.0	0.0	0.0	0.0	0.0
Total comprehensive income for the period	2.3	1.6	-2.3	4.9	5.7
Allocated to					
Shareholders of the parent company	0.9	1.5	-2.0	4.7	5.5
Minorities	-0.1	0.1	-0.4	0.2	0.3
Number of outstanding shares (thousand)	2,662	2,599	2,633	2,583	2,599
Outstanding shares at the end of the period	2,664	2,617	2,664	2,617	2,617
Number of shares (thousand)	2,687	2,609	2,687	2,609	2,609

CONSOLIDATED BALANCE SHEET (MEUR)	30 Sep. 2022	30 Sep. 2021	31 Dec. 2021
ASSETS			
Non-current assets			
Intangible capital assets	6.5	3.4	3.2
Goodwill	34.7	28.9	29.0
Property, plant and equipment	9.4	6.6	6.3
Other financial assets	0.4	0.3	0.3
Investments in associates	1.0	0.0	0.0
Deferred tax assets	0.1	0.2	0.1
Total non-current assets	52.1	39.3	38.9
Current assets			
Inventories	32.5	26.7	24.5
Accounts receivable and other receivables	26.1	13.1	20.0
Cash and cash equivalents	10.8	2.9	2.7
Total current assets	69.4	42.7	57.7
Assets of discontinued operations	0.0	10.9	11.4
TOTAL ASSETS	121.5	92.8	97.4
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Owner's equity			
Share capital	2.5	2.5	2.5
Other committed capital	0.1	0.1	0.1
Hybrid loan	20.0	0.0	0.0
Reserve for invested unrestricted equity	4.5	2.0	2.0
Retained earnings	14.2	12.0	11.7
Profit for the period	-1.2	4.1	5.2
Total	40.0	20.6	21.4
Minority interest	1.5	0.9	1.0
Non-current liabilities			
Financial liabilities	34.4	34.1	34.3
Deferred tax liabilities	1.7	1.0	1.0
Provisions	0.0	0.0	0.0
Trade and other payables	0.1	0.0	0.0
Total non-current assets	36.3	35.1	35.3
Current liabilities			
Trade and other payables	33.4	24.3	26.6
Provisions	0.0	0.1	0.1
Financial liabilities	10.3	8.1	9.4
Total current liabilities	43.7	32.4	36.1
Liabilities of discontinued operations	0.0	3.8	3.6
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	121.5	92.8	97.4

CONSOLIDATED CASH FLOW STATEMENT (MEUR)
1 Jan-30 Sep 2022 1 Jan-30 Sep. 2021
Operational cash flow

Profit before taxes	-0.7	5.3
Non-cash transactions		
Depreciation, amortization and impairment losses	3.1	2.5
Net financial items	1.0	1.0
Share of associate companys' result	-0.1	0.0
Increase (-) / decrease (+) in inventories	-6.8	-5.9
Increase (-) / decrease (+) in current assets	0.2	0.5
Increase (+) / decrease (-) in current liabilities	1.0	0.5
Operational cash flow before financing items and taxes	-2.2	3.9
Net financial items	-1.4	-1.0
Taxes paid	-1.4	-0.7
Other adjustments	5.5	-0.9
Operational net cash flow	0.4	1.4
Investments in intangible and tangible assets	-1.4	-0.5
Acquisitions	-8.1	-13.1
Divestments	-2.7	0.0
Proceeds from sale of property, plant and equipment	0.2	1.6
Net cash flow from investments	-12.0	-12.0
Net cash flow after investments	-11.5	-10.7
Share issue	1.4	0.0
Costs related to share issue	-0,1	0,0
Repayments of loans	-39.6	-5.5
Withdrawals of loans	35.5	14.5
Withdrawal of hybrid loan	20.0	0.0
Interest rate and expenses on hybrid loan	-0.4	0.0
Dividends paid	-0.8	-0.6
Net cash flow from financing	16.1	8.3
Change in cash and cash equivalents	4.5	-2.3
Cash and cash equivalents Jan 1	6.2	8.7
Impact of exchange rate fluctuations and consolidation	0.0	0.3
Liquid funds 30 June	10.8	6.7

	Share capital	Contingency reserve	Reserve for invested unrestricted equity	Translation difference	Hybrid loan	Retained earnings	Minority interest	Total
Equity								
31.12.21	2.5	0.1	2.0	0.0	0.0	16.9	1.0	22.4
Profit/loss for the period						-1.2	-0.4	-1.7
Translation differences				-0.6		-0.2	0.1	-0.7
Share issue			2.9					2.9
Costs related to share issue			-0.1					-0.1
Share repurchases			-0.3			0.0	0.0	-0.3
Withdrawal of hybrid loan					20.0			20.0
Share incentives						0.0		0.0
Interest rate and borrowing costs of the hybrid loan						-1.4		-1.4
Dividend payment						-0.6	-0.2	-0.8
Fair value consideration		0.0					1.1	1.1
Equity								0.0
30.6.2022	2.5	0.1	4.5	-0.6	20.0	13.6	1.5	41.5

2021	Share capital	Contingency reserve	Reserve for invested unrestricted equity	Translation difference	Hybrid loan	Retained earnings	Minority interest	Total
Equity								
31.12.20	2.5	0.1	0.0	-0.1		13.2	1.0	16.6
Profit/loss for the period						5.2	0.3	5.5
Translation differences				0.1		0.1	0.0	0.3
Share issue			2.0					2.0
Minority redemption						-0.1	-0.1	-0.2
Dividend payment						-1.0	-0.2	-1.2
Other change		0.0				-0.4		-0.4
Equity								0.0
31.12.2021	2.5	0.1	2.0	0.0		16.9	1.0	22.4

SEGMENT INFORMATION (MEUR)						
1-9/2022	Electronics	Technical Trade	Heavy Machines	Other Operations	Inter segment	Total
Profit						
Net sales	42.9	37.0	32.0	3.4	-	115.4
Depreciation	-1.2	-0.9	-0.7	-0.3	-	-3.1
EBIT	2.4	3.4	0.8	-1.7	-	4.8
Financial income	0.6	0.1	0.0	0.0	0.0	0.6
Financial expenses	-0.9	-0.1	0.0	-0.1	0.0	-1.1
Profit before taxes	2.0	3.4	0.7	-1.8	-	4.3
Balance sheet assets						
Balance sheet assets	43.9	37.1	36.1	4.4	-	121.5
Balance sheet liabilities	44.6	17.8	16.9	0.7	-	80.0
Investments*	0.4	0.4	0.2	0.4	-	1.4
Average personnel	130	86	54	31	-	301

*Includes discontinued operations

SEGMENT INFORMATION (MEUR)						
1-9/2021	Electronics	Technical Trade	Heavy Machines	Other Operations	Inter segment	Total
Net sales						
Net sales	29.8	33.2	18.5	2.2	-0.9	82.8
Depreciation	-0.7	-0.6	-0.7	-0.2	-	-2.2
EBIT	2.6	2.9	0.6	-1.5	-	4.7
Financial income	0.2	0.0	0.0	0.0	-0.2	0.0
Financial expenses	-0.7	-0.3	0.0	0.0	0.2	-0.8
Profit before taxes	1.6	2.6	0.6	-1.0	-	3.9
Balance sheet assets						
Balance sheet assets	34.9	31.5	28.8	4.2	-6.5	92.8
Balance sheet liabilities	49.5	17.6	10.1	0.5	-6.5	71.2
Investments*	0.1	0.1	0.0	0.2	-	0.5
Average personnel	114	77	48	25	-	264

*Includes discontinued operations

DISCONTINUED OPERATIONS

On August 9, 2022, Boreo announced that it had sold its Russian business operations to the operative management of the Russian companies. In addition to Russian companies, the discontinued operations included YE International Elektrik Turkey the fully owned subsidiary of YE. Boreo had previously as of the Q2 2022 half-year report classified Russian and Turkish operations as discontinued operations in accordance with IFRS 5. The tables below include the income statement of discontinued operations for the period January 1 to August 9, 2022, and the closing balance sheet on August 9, 2022.

INCOME STATEMENT (MEUR)	Q1-Q3/2022	Q1-Q3 2021	1-12/2021
Net sales	12.2	17.1	24.6
Other operating income	0.0	0.0	0.0
Materials and services	-11.7	-12.5	-18.0
Employee benefit expenses	-2.1	-2.4	-3.1
Depreciation, amortization and impairment losses	-0.2	-0.4	-0.5
Other operating expenses	-3.3	-0.3	-0.5
EBIT	-5.2	1.5	2.5
Financial income	0.0	0.7	0.9
Financial expenses	-0.7	-0.8	-1.1
Profit before taxes	-5.9	1.4	2.3
Income taxes	-0.2	-0.4	-0.6
Profit after taxes	-6.0	1.0	1.7
Sales gain from discontinued operations	0.2		
Translation differences transferred to income statement	0.3		
Other items related to the transaction	0.2		
ASSETS			
Non-current assets			
Intangible capital assets	0.1	0.1	0.1
Goodwill	0.0	0.0	0.0
Property, plant and equipment	0.6	0.6	0.6
Other financial assets	0.0	0.0	0.0
Investments in associates	0.0	0.0	0.0
Deferred tax assets	0.0	0.0	0.1
Total non-current assets	0.7	0.7	0.8
Current assets			
Inventories	0.2	3.3	3.7
Accounts receivable and other receivables	0.8	3.0	3.3
Cash and cash equivalents	3.5	3.8	3.6
Total current assets	4.5	10.2	10.6
TOTAL ASSETS	5.1	10.9	11.4
Non-current liabilities			
Financial liabilities	0.2	0.2	0,3
Deferred tax liabilities	0.0	0.0	0.0
Provisions	0.0	0.0	0.0
Trade and other payables	0.0	0.0	0.0
Total non-current assets	0.2	0.2	0.3
Current liabilities			
Trade and other payables	3.0	3.4	3.2
Provisions	0.0	0.0	0.0
Financial liabilities	0.2	0.2	0.2
Total current liabilities	3.3	3.5	3.4
TOTAL LIABILITIES	3.5	3.8	3.6

CASH FLOW FROM DISCONTINUED OPERATIONS

Net cash flow from operating activities	0.2	1.4	1.7
Net cash flow from investments	-0.1	-0.1	-0.1
Net cash flow from financing	-0.9	-1.0	-1.0
Monetary consideration	2.2		
Divested net assets	-1.6		
Other items related to the transaction	-0.4		
SALES GAIN	0.2		

CONTINGENT LIABILITIES**(MEUR)****30 Sep. 2022****30 Sep. 2021****Liabilities**

Overdraft facility 6.4 3.6

Total liabilities 6.4 3.6**Guarantees given**

Real estate mortgages 0.0 0.0

Corporate mortgages 71.5 38.5

Pledged securities 0.0 0.0

Guarantees 3.1 1.4

Total guarantees 74.6 39.9

The company has a derivative liability arising from interest rate hedging the fair value of which was EUR 0.5 million on September 30, 2022. The change in fair value has been recognized in financial items as profit or loss.

Vantaa, November 3, 2022

BOREO PLC

Board of Directors

Further information:

Kari Nerg

CEO

tel +358 44 341 8514

Aku Rumpunen

CFO

tel +358 40 556 3546

Distribution:

NASDAQ Helsinki Ltd

Financial Supervisory Authority

Principal media

www.boreo.com

Boreo in brief:

Boreo is a company listed on Nasdaq Helsinki that creates value by owning, acquiring and developing small and medium sized companies in Northern Europe. Boreo's business operations are organized into three business areas: Electronics, Technical Trade and Heavy Machines.

Boreo's main objective is to create shareholder value in the long-term. It aims to achieve this with an acquisition-driven strategy, creating optimal conditions for its businesses to increase sales and improve profitability, and by being a best-in-class home for its companies and personnel.

The Group's net sales in 2021 were EUR 122 million and it employs some 300 people in seven countries. The company's headquarter is in Vantaa.