



# BOREO

Q4/2024  
FINANCIAL STATEMENTS RELEASE

# **Boreo Plc, FINANCIAL STATEMENTS BULLETIN JAN. 1 TO DEC. 31, 2024**

**February 13, 2025 at 9:00 EET**

## **A decent year-end for a challenging year**

### **October-December 2024**

- Net sales grew by 6% to EUR 39.2 million (2023: 37.1).
- Operational EBIT was at the level of the comparison period at EUR 2.1 million (2023: 2.1) and accounted for 5.3% of net sales (2023: 5.6%).
- EBIT increased to EUR 1.7 million (2023: 1.2).
- The profit for the period under review improved to EUR 0.9 million (2023: 0.3).
- Net cash flow from operating activities increased significantly and was EUR 7.1 million (2023: EUR 2.1 million), which was positively impacted by successful working capital reduction.
- Operational EPS was EUR 0.25 (2023: 0.25).
- EPS was EUR 0.13 (2023: 0.00).

### **January-December 2024**

- Net sales decreased by 17% to EUR 134.0 million (2023: 161.3).
- Operational EBIT declined by 28% to EUR 6.8 million (2023: 9.5) and accounted for 5.1% of net sales (2023: 5.9%).
- EBIT was EUR 4.1 million (2023: 6.3).
- The profit for the full year totaled EUR 1.2 million (2023: 2.8).
- Net cash flow from operating activities was EUR 12.0 million (2023: 11.6).
- Operational EPS was EUR 0.51 (2023: 1.40).
- EPS was EUR -0.30 (2023: 0.47).
- Net debt relative to operational EBITDA of the previous 12 months was 2.8 (2023: 2.5 and 3.3 at the end of the previous quarter).
- Return on capital employed was 7.9% (2023: 11.0% and 7.9% at the end of the previous quarter).

## **The Board of Directors' dividend distribution proposal**

The distributable assets of the parent company Boreo Plc on December 31, 2024, were EUR 27.0 million, of which the profit for 2024 is EUR 12.4 million.

Boreo's aim is to pay an annually increasing dividend per share, considering capital allocation priorities. In the short term, however, the company's objective is to strengthen its financial position and thus ensure the implementation of its growth strategy also going forward. As a result, the Board of Directors of the company proposes to the Annual General Meeting that no dividend will be paid for the financial year that ended on December 31, 2024.

## **Financial guidance and business model**

Boreo's primary objective is sustainable long-term profit generation. This is achieved with a business model that is based on the acquisition and ownership of great entrepreneurial companies with the ability to generate sustainable long-term earnings growth and strong cash flows. The profits generated by the portfolio of companies are re-invested back to operations or to acquisitions with attractive expected returns on capital. The decentralized operating structure promoting a culture of ownership and release of entrepreneurial energy is a core pillar of the company's business concept and sustainable earnings growth is ensured through the support and coaching of companies and the personnel.

Boreo's focus is on earnings growth with attractive return on capital. The company's 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 and 3 (including acquired businesses as if they had been held for 12 months at the reporting date)

Boreo's dividend policy is to pay an annually increasing dividend per share, considering 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.

## Q4/2024 - CEO Kari Nerg:

### 2024: A challenging year

2024 was a challenging year for the company. Due to weak demand, especially in our companies operating in Finland and the Baltic region, the Group's net sales decreased from EUR 161 million to EUR 134 million. Despite the decrease in net sales, we achieved a reasonable operational EBIT of EUR 6.8 million (5.1% of net sales) during the year. Profitability was supported by the gross margin, which increased from 28% to 30%, and fixed costs which were approximately EUR 2 million lower than in the previous year. In addition to securing profitability, we succeeded in generating EUR 12.0 million cash flow from operating activities, which was stronger than in the year before and affected by a EUR 4.7 million decrease in working capital. As a result of the weak financial performance, net debt to operating EBITDA for the last 12 months increased from 2.5 to 2.8 and return on capital employed (ROCE) decreased from 11% to 7.9%.

Due to the company's weakened financial position we focused in 2024 on developing the existing company portfolio, instead of acquisitions which are important for the company's long-term value creation. In addition to the companies' long-term development measures, from spring 2024 onwards we implemented the 'Back to Growth' -Plan, which consisted of measures related to securing profitability, reducing working capital and managing leverage. The achieved decent profitability and strong cash flow are good signs of the functionality of our decentralized management model and our ability to react quickly to changes in the operating environment. I would therefore like to thank all Group personnel for their efforts during the year.

We published an updated strategy in the spring 2024, in which we focus on ownership and acquisition of entrepreneurial companies that have the ability to generate sustainable earnings growth, strong cash flow and high return on capital. Despite our long-term ownership objective, we are prepared to consider structural actions for companies which do not demonstrate their ability to achieve the targets we have set for them over the medium term.

### Q4 2024: Decent performance in a continued challenging market

The last quarter of 2024 was in line with our expectations and net sales returned to growth after several weak quarters. Net sales grew by 6%, operational EBIT was at the level of the comparison period (EUR 2.1 million) and net cash flow from operating activities was very strong at EUR 7.1 million. Efficiency measures implemented during the year supported profitability. The gross margin weakened from previous quarters due to an increase of large lower-margin deliveries. In particular, the excellent results of Signal Solutions Nordic (SSN) and Milcon supported the Group's improved financial performance during the review period.

### Reasonable earnings outlook for 2025

At the end of 2024, market conditions continued as similar to the third quarter, with signs of a significant improvement in the general economic situation and our customers' demand outlook lacking. The order books of our companies decreased slightly from the end of the third quarter of the year, but were significantly higher at the end of the year than in the comparison period. We expect the first quarter of 2025 to be modest in terms of earnings, reflecting historical seasonality, but the implemented efficiency measures and reasonable order books to support profitability in the current year.

Our goal is to return the company to a growth path and we aim at gradually improving profitability and strengthening the Group's financial position during 2025.

## 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 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. Since the first interim report in 2023, the company has reported cash conversion, net cash flow from operating activities and return on working capital as new alternative performance measures.

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	Q4/2024	Q4/2023	Change	Q1-Q4/2024	Q1-Q4/2023	Change
<b>EUR million</b>						
Net sales	39.2	37.1	6%	134.0	161.3	-17%
Operational EBIT	2.1	2.1	0%	6.8	9.5	-28%
relative to the net sales, %	5.3%	5.6%	-	5.1%	5.9%	-
EBIT	1.7	1.2	40%	4.1	6.3	-35%
Profit before taxes	0.9	0.3	198%	1.3	3.5	-63%
Profit for the period	0.9	0.3	210%	1.2	2.8	-57%
Net cash flow from operating activities	7.1	2.1	236%	12.0	11.6	3%
Cash conversion, %	320%	73%	-	180%	129%	-
Equity ratio, %	39.2%	36.2%	-	39.2%	36.2%	-
Net debt	30.0	36.0	-17%	30.0	36.0	-17%
Interest-bearing net debt relative to operational EBITDA of the previous 12 months*	2.8	2.5	-	2.8	2.5	-
Return on capital employed (ROCE %), R12	7.9%	11.0%	-	7.9%	11.0%	-
Return on Trade Working Capital (ROTWC %), R12	25.2%	30.3%	-	25.2%	30.3%	-
Return on equity (ROE %), R12	2.8%	6.7%	-	2.8%	6.7%	-
Personnel at end of the period	336	341	-1%	336	341	-1%
Operational EPS, EUR**	0.25	0.25	0%	0.51	1.40	-64%
EPS, EUR**	0.13	0.00	-	-0.30	0.47	-
Net cash flow from operating activities per share, EUR	2.63	0.85	209%	4.45	4.40	1%

\* Calculated in accordance with the calculation principles established with financiers. The formula for calculating the indicator is presented later in this report.

\*\*The effect of the interest rate of the hybrid bond recorded in equity adjusted by the tax effect is considered in the calculation of the EPS starting from 2022. In Q4 2024, this net effect was EUR 0.19 per share, in Q1-Q4 2024, the net effect was EUR 0.70 per share, in Q4 2023, it was EUR 0.12 per share, and in Q1-Q4 2023, it was EUR 0.44 per share.

## Group's financial performance

In the final quarter of the year, the Group's net sales turned to growth (6%) and amounted to EUR 39.2 million (2023: 37.1). Organic net sales grew by EUR 2.2 million and acquisitions from the year before had no effect on net sales. Exchange rates also had no material impact on net sales in the last quarter.

During 2024, the Group's net sales decreased by 17% to EUR 134.0 million (2023: 161.3). Organic net sales decreased by EUR 28.4 million and inorganic net sales grew by EUR 1.1 million. Exchange rates had no material impact on net sales for the full year.

### Net sales by business areas Q4 and Q1-Q4

EUR million	Q4/2024	Q4/2023	Change	Q1-Q4/2024	Q1-Q4/2023	Change
Electronics	19.8	15.1	31%	58.0	62.4	-7%
Technical Trade	19.5	22.0	-11%	76.0	98.9	-23%
<b>Total</b>	<b>39.2</b>	<b>37.1</b>	<b>6%</b>	<b>134.0</b>	<b>161.3</b>	<b>-17%</b>

In the fourth quarter, the Group's net sales were distributed geographically as follows: In Finland, net sales increased by 8% to EUR 29.5 million. Net sales growth was particularly affected by strong demand in the Finnish Electronics business area, led by SSN. Net sales of Swedish businesses increased by 6% and amounted to EUR 5.2 million. Net sales growth was mainly due to FNB's strong quarter, which was a continuation of previous quarters. Net sales of the Baltic operations decreased by 32% to EUR 3.2 million, in particular due to decreased net sales of the electronics component distribution business in Estonia and Latvia. Net sales to Other regions mainly consist of a company acquired in the United States in connection with the Signal Solutions acquisition in the second quarter of 2022.

### Net sales by geographic area Q4 and Q1-Q4

EUR million	Q4/2024	Q4/2023	Change	Q1-Q4/2024	Q1-Q4/2023	Change
Finland	29.5	27.2	8%	95.5	112.8	-15%
Sweden	5.2	4.9	6%	20.2	22.8	-12%
Baltic countries	3.2	4.7	-32%	15.5	24.6	-37%
Others	1.4	0.2	448%	2.9	1.1	154%
<b>Total</b>	<b>39.2</b>	<b>37.1</b>	<b>6%</b>	<b>134.0</b>	<b>161.3</b>	<b>-17%</b>

In the last quarter, the Group's operational EBIT was EUR 2.1 million (2023: 2.1). The operational EBIT margin was 5.3% (2023: 5.6%). The Group's reported EBIT amounted to EUR 1.7 million (2023: 1.2). The reported EBIT included items affecting comparability totaling EUR 0.4 million in net, consisting mainly of expenses related to structural arrangements and purchase price allocations. In addition, in the last quarter, operational EBIT was weakened by EUR -0.1 million (2023: 0.3) due to changes in contingent additional purchase prices of acquisitions. During 2024, the decrease in the contingent additional purchase prices of acquisitions improved the result by EUR 0.5 million (2023: 0.4). Changes in exchange rates did not have a significant impact on the Group's EBIT.

During 2024, the Group's operational EBIT decreased by 28% to EUR 6.8 million (2023: 9.5).

### Operational EBIT by business areas Q4 and Q1-Q4

EUR million	Q4/2024	Q4/2023	Change	Q1-Q4/2024	Q1-Q4/2023	Change
Electronics	1.7	1.1	49%	4.3	4.1	5%
Technical Trade	0.9	1.6	-44%	4.5	7.5	-40%
Group Functions	-0.5	-0.6	-24%	-2.0	-2.1	-7%
<b>Total</b>	<b>2.1</b>	<b>2.1</b>	<b>0%</b>	<b>6.8</b>	<b>9.5</b>	<b>-28%</b>

### Capital efficiency

Despite a significant reduction in working capital, the Group's capital efficiency weakened in 2024 due to the lower operational EBIT (R12) compared to the reference period.

At the end of 2024, Group-level ROTWC was 25.2% (2023: 30.3%) and by business area, the ROTWC was: Electronics 52.3% (2023: 46.0%), Technical Trade 23.8% (2023: 33.6%).

At the end of the year, ROCE was 7.9% (2023: 11.0% and Q3/24: 7.9%). Return on capital employed excluding cash equivalents would have been 8.7%. Return on equity (ROE) was 2.8% (2023: 6.7% and Q3/24: 1.8%).

## Return on Trade Working Capital (ROTWC %), R12, Q4

Percent	Q4/2024	Q4/2023
Electronics	52.3%	46.0%
Technical Trade	23.8%	33.6%
<b>Group</b>	<b>25.2%</b>	<b>30.3%</b>

## Financial position

The Group's interest-bearing net debt stood at EUR 30.0 million at the end of the last quarter (2023: 36.0 and 34.9 at the end of Q3/2024). The share of IFRS 16 liabilities in net debt was EUR 8.8 million (2023: 8.0). Net debt relative to the 12-month operational EBITDA was 2.8 (2023: 2.5 and 3.3 at the end of Q2/2024), which was improved by the strong operational cash flow.

Shareholders' equity was EUR 43.1 million (2023: 41.1), which was raised by the unredeemed portion of the previous hybrid loan of EUR 4 million. The equity ratio was 39.2% (2023: 36.2% and 41.0% at the end of Q3/2024) and the consolidated balance sheet total was EUR 115.7 million.

## Cash flow

Net cash flow from operating activities was EUR 7.1 million in the last quarter (2023: 2.1), which was improved by the release of working capital. Cash flow after investments was EUR 7.4 million (2023: 1.3). Net cash flow from operating activities was EUR 2.63 per share (2023: 0.85).

Net cash flow from operating activities for the full year 2024 was at a strong level of EUR 12.0 million (2023: 11.6). During the year, the company was successful in working capital management and inventories decreased by EUR 5.7 million. Cash flow after investments was EUR 7.2 million (2023: 0.9). Net cash flow from operating activities was EUR 4.45 per share (2023: 4.40).

Group cash and cash equivalents at the end of the year were EUR 9.7 million (2023: 6.5). The company's available liquidity strengthened to EUR 24.5 million (2023: 16.8). The company redeemed on the 10<sup>th</sup> of February 2025 the remaining part (approximately EUR 4 million) of the EUR 20 million hybrid bond issued in February 2022 and pays the annual interest on the EUR 20 million hybrid bond issued in 2024 during March. Following the payment of these major financial items and the expected seasonal increase in working capital, the company's net debt is expected to increase and liquidity to decrease during the first quarter of 2025.

The company agreed in December with its main financier, OP Corporate Bank plc, to extend the maturity of its EUR 56.5 million credit facility and loan agreement by one year, from 2026 to 2027, and to postpone loan repayments of EUR 2.5 million from 2025 to 2027. These arrangements support the company's operational business and liquidity.

## Material events in 2024

### Annual General Meeting and Board authorizations

Boreo Plc's Annual General Meeting was held on April 17, 2024, at the company's headquarters at Ansatie 5, Vantaa. The Annual General Meeting adopted Boreo Plc's consolidated financial statements and the parent company's financial statements for 2023. The members of the Board of Directors and the CEO were discharged from liability for the financial year 2023.

The General Meeting resolved based on the board's proposal that no dividend shall be paid for the financial year 2023. The profit shown on the balance sheet shall be carried forward to the profit and loss account.

The General Meeting discussed the remuneration report of governing bodies and resolved to approve it.

It was resolved that six (6) ordinary members are elected to the Board of Directors. Simon Hallqvist, Jouni Grönroos, Ralf Holmlund, Camilla Grönholm and Noora Neilimo-Kontio were re-elected as members of the Board of Directors. Jussi Vanhanen was elected as a new member of the Board of Directors. Michaela von Wendt left the Board.

The General Meeting resolved that the monthly fee payable to the Chair of the Board of Directors is EUR 4,000 and the monthly fee for the ordinary members of the Board of Directors is EUR 2,000. The General Meeting resolved that for the Chair of the Audit Committee, a monthly fee of EUR 1,000 shall be paid in addition to the board fee, and for the Chair of the Nomination and Remuneration Committee, a monthly fee of EUR 500 shall be paid in addition to the board fee. In addition, it was resolved to pay a meeting fee of EUR 500 for each meeting of the Board and the Committee to the members of the Board of Directors and the Committee. The General Meeting resolved that of the total amount of the board fees (gross) payable to the Board by the next annual general meeting 40% shall be paid as the company's shares and 60% shall be paid in cash. No share compensation shall be paid to Simon Hallqvist (beneficial owner via Preato Capital AB (publ)) because it is not in the company's interest to add the shareholding of the indirect majority shareholder by means of board fees.

The shares shall be given to the Board members within two weeks from the date when Boreo's interim report for the period Jan. 1 to Mar. 31, 2024 has been published based on the volume weighted average price of the company's share one week before and one week after the release of the interim report. Further the General Meeting resolved that Boreo shall cover the transaction fees and applicable transfer tax costs payable based on the transactions. The shares received as a Board fee shall not be transferred during the Board membership. If the Board fee cannot be paid in shares due to legal or other regulatory limitations or any other reason concerning the company or the Board member, the Board fee shall be paid fully in cash.

The General Meeting resolved that the travel expenses shall be compensated in accordance with the maximum amount of the Tax authority's notice concerning tax-free travel expenses.

The General Meeting resolved to elect BDO Oy as the auditor of the company, with APA Taneli Mustonen as the auditor with principal responsibility. It was resolved that remuneration be paid to the auditor according to a reasonable invoice.

The General Meeting authorized the Board of Directors to decide on one or several issuances of shares, stock options and related special rights entitling to the company's shares in accordance with Chapter 10 Section 1 of the Finnish Companies Act as follows:

The number of the shares issued based on the authorization shall be a maximum 540,000 shares, equalling approximately 20% of the company's all shares at the date of the notice to the General Meeting.

The authorization includes a right to decide on the issuance of either new or the company's own shares with or without payment. New shares, as well as options and special rights entitling to the company's shares or transfer of the company's own shares, may be carried out in deviation from the shareholders' pre-emptive rights if there are weighty financial reasons on the company's part or in case of a share issue without a payment if there are especially weighty reasons both on the part of the company and the interest of all shareholders. The Board of Directors is authorized to decide on all terms and conditions concerning the issuance of shares and the related special rights and transferring of the company's own shares.

The share issuance authorization may be used, among other reasons, for the commitment of the personnel, carrying out share-based incentive programs, development of the business and the capital structure, expanding the shareholding, implementation of the share purchase and business asset deals, or financing of acquiring assets for company's business or other projects. The authorization concerning granting of stock options and special rights entitling to company's shares may be used for the same purposes as the share issuance authorization save the commitment of the personnel and implementation of share-based incentive programmes.

The Board's authorization to issue shares and stock options and other special rights entitling to shares, as well as to transfer own shares shall be valid until the end of the next annual general meeting, however expiring at the latest on June 30, 2025.



The authorization shall not affect decisions or authorizations relating to other special rights entitling to share issues, options or other shares of the company.

The General Meeting authorized the Board of Directors to decide on one or several repurchases of the company's shares with the company's unrestricted equity as follows:

The number of own shares to be repurchased based on the authorization shall not exceed 270,000 shares in total, which corresponds to approximately 10% of all the shares in the company at the date of the notice to the General Meeting. However, the resolution on repurchasing of company's own shares shall not be made in a manner that the company would possess more than ten per cent of all shares in the company. The shares may be repurchased to develop the company's capital structure, finance or carry out acquisitions, carry out share-based incentive programs, payment of the board fees or otherwise to transfer or to cancel the shares.

The minimum share purchase price to be paid for the shares may be the lowest public trading price and the highest share purchase price may be the highest public trading price of the company's share during the validation of this authorization. Own shares can be repurchased in deviation from the shareholders' pre-emptive rights if there are weighty financial reasons on the company's part. The authorization of the Board of Directors to decide on the purchase of the company's own shares is valid until the end of the next Annual General Meeting, however expiring at the latest on June 30, 2025.

The Board of Directors elected in its first meeting after the General Meeting Simon Hallqvist as the Chair of the Board. The Board of Directors elected also members to its Committees. Jouni Grönroos (the Chair), Ralf Holmlund and Noora Neilimo-Kontio were elected as the members of the Audit Committee. Camilla Grönholm (the Chair), Simon Hallqvist and Jussi Vanhanen were elected as the members of the Nomination and Remuneration Committee.

#### **Other material events in 2024**

On February 29, 2024, Boreo announced that it crystallizes its playbook to achieve sustainable earnings growth and to improve return on capital.

On March 11, Boreo announced that it was considering issuing a hybrid bond of EUR 20 million and announced a tender offer for its outstanding notes it had issued on February 9, 2022.

On March 14, 2024, Boreo announced that it would issue a hybrid bond of EUR 20 million.

On March 15, 2024, Boreo announced the final results of the tender offer for its outstanding hybrid notes issued on February 9, 2022 and that the final acceptance amount was EUR 15,960,000 in aggregate nominal amount of the Notes.

On March 20, 2024, Boreo published comparable financial information for its new segment structure.

On June 13, 2024, Boreo announced the departure of CFO Aku Rumpunen from the company and the appointment of Jesse Petäjä as the new CFO, effective September 1, 2024.

On December 13, 2024 Boreo announced that it would redeem its outstanding notes of the hybrid bond issued on February 9, 2022

#### **Business Areas**

Boreo's businesses have been organized in two business areas since the beginning of 2024.

The Electronics business area consists of businesses that distribute, manufacture and assemble professional electronic components and own products. Its 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 companies of the business area are Yleiselektroniikka, YE International, Noretron Komponentit, Milcon, Infradex, Signal Solutions Nordic (SSN), and Delfin Technologies (Delfin).

Boreo combined the former Technical Trade and Heavy Machines business areas into a single Technical Trade business area at the beginning of 2024. The Technical Trade business area consists of businesses engaged in technical trade and providing industrial services. Its companies act as representatives of well-known principals and serve, for example, the mechanical engineering, construction, process, forestry and concrete industries in Finland, Sweden and Estonia. The companies in the business area are Machinery, Machinery MT, Muottikolmio, Pronius, J-Matic, Filterit, PM Nordic, Tornokone, HM Nordic, Floby Nya Bilverkstad (FNB), Lackmästarn, Etelä-Suomen Kuriiripalvelu (ESKP) and Vesterbacka Transport. On October 1, 2024, Machinery Oy was separated into two independent companies: Machinery Oy and Machinery MT Oy. As a result of the separation, the companies can focus on their core competencies, strengthen customer focus and accelerate strategy implementation. Operating as independent companies emphasizes the local decision-making characteristic of Boreo's decentralized organizational model.

As a result of the above-mentioned reorganization of the business areas, the former Other Functions reporting unit will, as of the beginning of 2024, comprise only the activities of the parent company Boreo, and the reporting unit will henceforth be called "Group Functions". The comparative data of this financial statement have been adjusted to reflect the new structure.

## **Electronics business area**

Operational EBIT of the business area was at a good EUR 1.7 million level in the last quarter (2023: EUR 1.1 million), with profitability strengthening from 7.5% to 8.5% and net sales growing by 31%. Operational EBIT for the full year was a strong EUR 4.3 million (2023: EUR 4.1 million), with profitability strengthening from 6.5% to 7.3% and net sales decreasing by 7%. The business area's good result was particularly affected by SSN's excellent performance at the end of the year, thanks to significant investments by the company's largest customer. In addition to SSN, Milcon had an excellent year-end, and the company's net sales exceeded both the previous year's and the previous quarter's net sales. The performance of the companies is expected to continue to be good also in the coming quarters. The business area's relative gross margin weakened from the previous year due to changes in the sales mix of the business units.

The demand outlook for companies involved in electronics component trading varied by company in the last quarter. The general industrial market situation is reflected in YE's Finnish and Baltic electronics component distribution businesses, which was reflected in weak demand and lower net sales than in the comparison period. However, the profitability of the companies was supported by the cost saving measures implemented during the year. Noretron's performance fell short of expectations due to continued weak demand. The result of Infradex, specializing in thermal camera technology, met expectations. Health technology company Delfin's result was below expectations. The company continued the product platform reform initiated last year, renewal of the global distribution network and development of selected of future strategic paths.

In our Estonian electronics component distribution business, we carried out in spring 2024 the closure of our consumer business and reorganization of operations. As a result of these measures, the company's space requirements decreased significantly, and the sales process for the real-estate located in Tallinn progressed during the year. Our target is to complete the sale of the premises during the coming months.

Working capital management has been successful in the Electronics business area's companies and the amount of committed working capital has developed according to expectations. ROTWC was positively impacted by the business area's strong result in the last quarter of the year. ROTWC for the year 2024 was 52%, which exceeded the level of the comparison period (46%).

## Key figures Electronics

EUR million	Q4/2024	Q4/2023	Change	Q1-Q4/2024	Q1-Q4/2023	Change
Net sales	19.8	15.1	31%	58.0	62.4	-7%
Operational EBIT	1.7	1.1	49%	4.3	4.1	5%
<i>relative to the net sales, %</i>	8.5%	7.5%	-	7.3%	6.5%	-
EBIT	1.5	0.9	64%	3.1	3.3	-5%
Return on Trade Working Capital (ROTWC %), R12	52%	46%	-	52%	46%	-
Capital expenditure	0.1	0.3	-63%	0.6	0.4	35%
Personnel at end of the period	132	137	-4%	132	137	-4%

## Technical Trade business area

Operational EBIT of the Technical Trade business area was EUR 0.9 million in the last quarter (2023: 1.6). The operational EBIT margin decreased to 4.5% (7.2 %). The decline in operational EBIT from the comparison period was a result of lower net sales in several companies, with especially Machinery and Putzmeister businesses lagging behind the comparison period's sales. Similar to the third quarter, profitability in the last quarter of the year was supported by stable gross margins and cost-saving measures implemented during the year. Operating profit of the full year 2024 was EUR 4.5 million (2023: 7.5) with profitability decreasing from 7.6% to 5.9% and net sales decreasing by 23%.

The profitability of the Swedish Putzmeister operations (PM Nordic) fell short of expectations in the fourth quarter, but overall, the company's 2024 was successful and the outlook for 2025 is positive due to the company's good order backlog and positive short-term demand outlook. The significant CLS orders received during previous quarters are expected to be recognized starting from the first half of 2025. Due to the challenging market situation in the Finnish Putzmeister operations (Tornokone), the last quarter, like the full year, fell short of expectations, and weak demand is expected to continue into early 2025. FNB, which specializes in the construction and mounting of timber body superstructures, ended the year successfully and the company reached record net sales in 2024. After a challenging ERP implementation, the company succeeded in improving its result and reducing inventories. Demand is expected to continue at the same level during 2025, supported by a strong order backlog.

The separation of Machinery into two companies, prepared during the year, took place as the third quarter turned into the fourth, and in the future, metal machining will serve its own customers as a new independent company Machinery MT Oy. In the last quarter of the year, the combined results of Machinery and Machinery MT fell short of the strong final quarter of the previous year. The result of Machinery's largest business unit, the Power business, was reasonable, but slightly below the previous year. The result of the construction business unit was modest due to weak demand, while the earnings level was, however, better than in the previous year. Similarly, the result of the other company operating in the construction sector, Muottikolmio, remained at a better level in the fourth quarter than in the previous year thanks to a reasonable gross margin and cost savings.

Of the other business area companies, the performance of courier service providers ESKP and Vesterbacka Transport weakened more than expected in late 2024 and fell short of both expectations and the corresponding period of the previous year. Industrial contract manufacturer J-Matic's year continued as difficult as demand from its largest customer has waned. The earnings level of Filterit, which specializes in process filtration, remained reasonable in the fourth quarter, being almost at the same level as in the comparison period. The investment willingness of customers of Pronius, an importer of welding machines and equipment, improved in the second half of 2024 and pushed the company to achieve a good result, exceeding both the comparison period and the previous quarter.

The business area's ROTWC (R12) fell from the previous year's level to 24% (2023: 34%). The expected level of working capital was reached at the end of the fourth quarter, but the decreased earnings level had a negative impact on ROTWC.

Overall, the outlook for the business area is reasonable, with the companies' order backlogs remaining at the level of the end of the third quarter and clearly higher than at the beginning of 2024. The companies in the business area will continue controlling costs and take measures to improve working capital efficiency.

## Key figures Technical Trade

EUR million	Q4/2024	Q4/2023	Change	Q1-Q4/2024	Q1-Q4/2023	Change
Net sales	19.5	22.0	-11%	76.0	98.9	-23%
Operational EBIT	0.9	1.6	-44%	4.5	7.5	-40%
<i>relative to the net sales, %</i>	4.5%	7.2%	-	5.9%	7.6%	-
EBIT	0.5	1.0	-53%	2.7	5.5	-51%
Return on Trade Working Capital (ROTWC %), R12	24%	34%	-	24%	34%	-
Capital expenditure	0.0	0.9	-98%	1.3	1.9	-32%
Personnel at end of the period	199	198	1%	199	198	1%

## Group Functions

Following the change in segment division announced at the beginning of 2024, ESKP and Vesterbacka Transport, previously reported in Other Operations, have since the beginning of 2024 been reported as part of the Technical Trade business area (comparable figures adjusted accordingly). Due to the change, costs not allocated to business areas are reported under Group Functions. Operational EBIT for Group Functions in the fourth quarter was EUR -0.5 million (2023: -0.6), while operational EBIT for the full year was EUR -2.0 million (2023: EUR -2.1 million).

## Key figures Group Functions

EUR million	Q4/2024	Q4/2023	Change	Q1-Q4/2024	Q1-Q4/2023	Change
Net sales	0.0	0.0	-	0.0	0.0	-
Operational EBIT	-0.5	-0.6	-24%	-2.0	-2.1	-7%
<i>relative to the net sales, %</i>	-	-	-	-	-	-
EBIT	-0.2	-0.6	-70%	-1.7	-2.4	-31%
Capital expenditure	0.0	0.0	-	0.0	0.0	-
Personnel at end of the period	5	6	-17%	5	6	-17%

## Group personnel

Boreo Group's number of personnel totaled 336 at the end of year 2024 (2023: 341) and was divided into business areas as follows: Electronics 132 (2023: 137), Technical Trade 199 (2023: 198) and Group Functions 5 (2023: 6). Decisions made during the first quarter of 2024 regarding personnel reductions lowered the Group's headcount and personnel expenses. Employment-related expenses for the last quarter totaled EUR 5.8 million (2023: 6.2) and full-year employee costs were EUR 22.1 million (2023: 23.0).

## Managers' transactions

During the fourth quarter of 2024, Boreo Plc received no notifications concerning Managers' transactions (Article 19 of MAR).

## Shares and share capital

At the end of the last quarter, Boreo Plc's share capital was EUR 2,483,836 and the number of shares was 2,701,353. The company held 11,716 shares at the end of the year (0.4% of the share capital).

## Main short-term risks and operational uncertainties

Boreo is exposed to various risks and opportunities arising from its own operations and 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.

**General market risks:** The key market risks relate to the general market and economic uncertainty caused by the crisis in Ukraine, and especially to the general economic development in Finland. This is reflected, for example, 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., personnel expenses and fuel prices, which are directly reflected in logistics costs. The Group's operations are also 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.

**Customer demand and cyclicity:** A significant part of the Group's net sales comes from customers whose businesses are cyclical, project-like by nature and investment-driven, and thus 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 and the position in the value chain:** Due to its business model, the Group's competitiveness is highly correlated and dependent on the portfolio of principals, and consequently the loss of a significant principal would weaken 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. 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 risks:** The personnel is the Group's core asset. Replacement of knowledge and skills resulting from materialising personnel risk is difficult, expensive and slow. In addition, recruiting new key personnel can be challenging. It is difficult to predict and quantify human risks in monetary terms.

**Acquisition related risks:** One of the Group's strategic goals 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.

**Financial risks:** The Group's financing risks include interest rate, currency, liquidity, credit, and leverage 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.

**Risks related to governance, compliance, and systems:** It is important for the Group's decentralized management model and the operating model of independent subsidiaries that the Group maintains a clear governance model, decision-making matrix, and general operating principles to support decision-making by companies and personnel. To mitigate risks related to compliance and misconduct, it is important to maintain a clear governance model and operating principles. The Group's operations are also dependent on various IT systems, whose functionality following denial-of-service attacks, failed implementations or data breaches poses a risk to the business.

## **Major events after the fourth quarter**

Boreo exercised its right and redeemed the outstanding EUR 4.04 million notes of its EUR 20 million hybrid bond issued on February 10, 2022. The redemption was completed on February 9, 2025, with the holders of the hybrid bond receiving the nominal amount of the notes along with accrued interest.

## Reconciliation statements of key indicators

### Reconciliation, operational EBIT

EUR million	Q4/2024	Q4/2023	Q1-Q4/2024	Q1-Q4/2023
<b>OPERATING PROFIT (EBIT)</b>	1.7	1.2	4.1	6.3
<b>ITEMS AFFECTING COMPARABILITY</b>				
<b>Electronics</b>				
Structural arrangements	0.0	0.0	-0.3	-0.1
Costs related to acquisitions	0.0	0.0	0.0	0.0
Depreciation related to allocation of acquisition costs	-0.2	-0.2	-0.9	-0.7
<b>Technical Trade</b>				
Structural arrangements	-0.1	-0.1	-0.2	-0.1
Costs related to acquisitions	0.0	0.0	0.0	0.0
Depreciation related to allocation of acquisition costs	-0.3	-0.5	-1.7	-1.9
<b>Group Functions</b>				
Structural arrangements	0.3	0.0	0.3	0.0
Costs related to acquisitions	0.0	0.0	0.0	-0.3
<b>TOTAL ITEMS AFFECTING COMPARABILITY</b>	<b>-0.4</b>	<b>-0.9</b>	<b>-2.7</b>	<b>-3.1</b>
<b>OPERATIONAL EBIT</b>	<b>2.1</b>	<b>2.1</b>	<b>6.8</b>	<b>9.5</b>

### Operational EPS

EUR million	Q4/2024	Q4/2023	Q1-Q4/2024	Q1-Q4/2023
<b>Profit for the review period to shareholders**</b>	0.4	0.0	-0.8	1.3
Items affecting comparability	0.3	0.7	2.2	2.5
<b>Operational profit for the review period to shareholders</b>	<b>0.6</b>	<b>0.7</b>	<b>1.4</b>	<b>3.7</b>
Average number of outstanding shares, thousand	2,690	2,687	2,689	2,687
<b>Operational EPS*</b>	<b>0.25</b>	<b>0.25</b>	<b>0.51</b>	<b>1.40</b>

\*The tax impact and non-controlling interests on comparability have been deducted when calculating the operational EPS

\*\*The interest rate on the hybrid loan, considering the tax effect, has been deducted from the profit attributable to shareholders of the parent company.

### Interest-bearing net debt

EUR million	December 31, 2024	December 31, 2023
Long-term financial liabilities	33.8	34.0
Short-term financial liabilities	7.4	9.5
Interest-bearing receivables	1.5	1.0
Cash and cash equivalents	9.7	6.5
<b>Interest-bearing net debt</b>	<b>30.0</b>	<b>36.0</b>

## 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	=	$\frac{\text{Interest-bearing net debt}}{\text{Operational EBITDA of the previous 12 months (including acquired businesses as if they had been held for 12 months at the reporting date)}}$
Equity ratio, %	=	$\frac{\text{Equity + total non-controlling interests}}{\text{Balance sheet total - advances received}} \times 100$
Net cash flow from operating activities per share	=	$\frac{\text{Net cash flow from operating activities per share}}{\text{Average number of outstanding shares}}$
Interest-bearing net debt	=	Interest-bearing liabilities - interest-bearing receivables - 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 %)	=	$\frac{\text{Operational EBIT for the previous 12 months}}{\text{Average balance sheet total for the previous 12 months - non-interest-bearing liabilities for the previous 12 months}}$
Return on capital employed (ROCE %), excluding cash equivalents	=	$\frac{\text{Operational EBIT for the previous 12 months}}{\text{Average balance sheet total for the previous 12 months - average non-interest-bearing liabilities for the previous 12 months - average cash equivalents for the previous 12 months}}$
Return on trade working capital (ROTWC %)	=	$\frac{\text{Operational EBIT for the previous 12 months}}{\text{Average working capital for the previous 12 months (inventories + trade receivables – trade payables – advance payments received)}}$
Return on equity (ROE %)	=	$\frac{\text{Result for the review period for the previous 12 months}}{\text{Average equity for the previous 12 months}}$
Cash conversion, %	=	$\frac{\text{Net cash flow from operating activities + interest paid – investments in intangible and tangible assets}}{\text{EBIT + depreciation and impairment – effect of fixed asset depreciation (IFRS 16)}}$

## TABLES January 1 to December 31, 2024

### Accounting principles of the financial statements bulletin

This Financial statements Bulletin has been prepared in accordance with IAS 34 Interim Financial reporting Standard and this Financial statements Bulletin follows the same accounting principles as the Financial statements prepared on December 31, 2023. The figures in the financial statements bulletin are unaudited.

<b>CONSOLIDATED INCOME STATEMENT (MEUR)</b>	<b>Q4/2024</b>	<b>Q4/2023</b>	<b>Q1-Q4/2024</b>	<b>Q1-Q4/2023</b>
Net sales	39.2	37.1	134.0	161.3
Other operating income	0.3	0.5	1.3	0.9
Materials and services	-28.2	-25.9	-95.0	-117.5
Employee benefit expenses	-5.8	-6.2	-22.1	-23.0
Depreciation, amortization and impairment losses	-1.5	-1.4	-5.6	-5.4
Other operating expenses	-2.5	-2.9	-9.0	-10.3
Profit/loss from associated companies	0.1	0.1	0.4	0.3
EBIT	1.7	1.2	4.1	6.3
Financial income	0.0	0.0	0.3	0.2
Financial expenses	-0.8	-0.9	-3.1	-3.0
Profit before taxes	0.9	0.3	1.3	3.5
Income taxes	0.0	0.0	-0.1	-0.7
Profit for the period	0.9	0.3	1.2	2.8
Allocated to				
Shareholders of the parent company	0.9	0.3	1.1	2.6
To non-controlling interests	0.1	0.0	0.2	0.3
EPS (undiluted) EUR	0.13	0.00	-0.30	0.47
EPS (diluted) EUR	0.13	0.00	-0.30	0.47
Items of the comprehensive income statement (MEUR)				
Items that may be reclassified subsequently to profit or loss:				
Translation differences from foreign units	-0.1	0.5	-0.3	0.0
Other comprehensive income items after taxes in the review period	0.0	0.0	0.0	0.0
Total comprehensive income for the period	0.8	0.8	0.9	2.9
Allocated to				
Shareholders of the parent company	0.7	0.8	0.8	2.6
To non-controlling interests	0.1	0.0	0.2	0.3
Average number of outstanding shares (thousand)	2,690	2,687	2,689	2,687
Outstanding shares at the end of the period	2,690	2,687	2,690	2,687
Number of shares (thousand)	2,701	2,701	2,701	2,701



**CONSOLIDATED BALANCE SHEET (MEUR)****December 31, 2024**   **December 31, 2023****ASSETS**

Non-current assets		
Goodwill	42.3	42.4
Intangible capital assets	7.9	10.0
Property, plant and equipment	10.7	10.7
Other financial assets	1.8	1.3
Shares in associates and joint ventures	1.1	1.0
Deferred tax asset	0.1	0.1
<b>Total non-current assets</b>	<b>63.8</b>	<b>65.6</b>
Current assets		
Inventories	25.1	31.0
Accounts receivable and other receivables	16.6	16.4
Cash and cash equivalents	9.7	6.5
<b>Total current assets</b>	<b>51.4</b>	<b>54.0</b>
Assets held for sale	0.4	0.0
<b>TOTAL ASSETS</b>	<b>115.7</b>	<b>119.6</b>

**EQUITY AND LIABILITIES****EQUITY**

Shareholders' equity		
capital and reserves		
Share capital	2.5	2.5
Other committed capital	0.1	0.1
Hybrid loan	24.0	20.0
Reserve for invested unrestricted equity	5.1	5.1
Retained earnings	10.4	11.0
Profit for the period	1.1	2.6
<b>Total</b>	<b>43.1</b>	<b>41.1</b>
Shares of non-controlling interests	1.4	1.5
Non-current liabilities		
Financial liabilities	33.8	34.0
Deferred tax liabilities	2.2	2.5
Trade payables and other liabilities	0.0	2.0
<b>Total non-current liabilities</b>	<b>36.0</b>	<b>38.5</b>
Current liabilities		
Trade payables and other liabilities	27.8	28.8
Provisions	0.0	0.1
Financial liabilities	7.4	9.5
<b>Total current liabilities</b>	<b>35.2</b>	<b>38.4</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>115.7</b>	<b>119.6</b>

<b>CONSOLIDATED CASH FLOW STATEMENT (MEUR)</b>	<b>Jan. 1–Dec. 31, 2024</b>	<b>Jan. 1–Dec. 31, 2023</b>
<b>Cash flow from operating activities</b>		
Profit before taxes	1.3	3.5
Non-cash transactions		
Depreciation, amortization and impairment losses	5.6	5.4
Net financial items	2.8	2.8
Share of associated companies' result, net	0.0	-0.1
Increase (-)/decrease (+) in inventories	5.7	2.6
Increase (-)/decrease (+) in current assets	-0.3	6.4
Increase (+)/decrease (-) in current liabilities	-0.1	-6.0
Paid financial items, net	-2.5	-2.6
Paid taxes	-0.5	-0.5
Other adjustments	0.0	0.0
<b>Net cash flow from operating activities</b>	<b>12.0</b>	<b>11.6</b>
<b>Cash flow from investment activities</b>		
Investments in intangible and tangible assets	-1.8	-2.3
Acquisition	-3.8	-9.2
Divestments	0.0	0.2
Proceeds from sale of property, plant and equipment	0.8	0.5
<b>Net cash flow from investments</b>	<b>-4.8</b>	<b>-10.7</b>
<b>Financial cash flow</b>		
Repayments of loans	-3.0	-6.8
Repayment of lease liabilities	-2.5	-2.4
Loan withdrawals	0.0	4.6
Withdrawal of hybrid loan, net	4.0	0.0
Interest rate and expenses on hybrid loan	-2.3	-1.6
Dividends paid	-0.2	-1.4
<b>Net cash flow from financing</b>	<b>-3.9</b>	<b>-7.6</b>
<b>Change in cash and cash equivalents</b>		
Cash and cash equivalents Jan 1	6.5	13.2
Impact of exchange rate fluctuations and consolidation	0.0	0.0
<b>Cash and cash equivalents, Dec 31</b>	<b>9.7</b>	<b>6.5</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
(MEUR)**

<b>2024</b>	<b>Share capital</b>	<b>Contingency reserve</b>	<b>Reserve for invested unrestricted equity</b>	<b>Translation difference</b>	<b>Hybrid loan</b>	<b>Retained earnings</b>	<b>Minority interest</b>	<b>Total</b>
Equity								
<b>Dec. 31, 2023</b>	<b>2.5</b>	<b>0.1</b>	<b>5.1</b>	<b>-1.0</b>	<b>20.0</b>	<b>14.5</b>	<b>1.5</b>	<b>42.6</b>
Profit/loss for the period						1.1	0.2	1.2
Translation differences		0.0		-0.3		0.0	0.0	-0.3
Share issue								0.0
Costs related to share issue								0.0
Share repurchases								0.0
Withdrawal of hybrid loan					4.0			4.0
Share rewards						0.1		0.1
Interest rate and borrowing costs of the hybrid loan						-2.9		-2.9
Dividends paid							-0.2	-0.2
Other change						0.0		0.0
Equity								0.0
<b>December 31, 2024</b>	<b>2.5</b>	<b>0.1</b>	<b>5.1</b>	<b>-1.3</b>	<b>24.0</b>	<b>12.7</b>	<b>1.4</b>	<b>44.5</b>
<b>2023</b>	<b>Share capital</b>	<b>Contingency reserve</b>	<b>Reserve for invested unrestricted equity</b>	<b>Translation difference</b>	<b>Hybrid loan</b>	<b>Retained earnings</b>	<b>Minority interest</b>	<b>Total</b>
Equity								
<b>Dec. 31, 2022</b>	<b>2.5</b>	<b>0.1</b>	<b>4.7</b>	<b>-1.0</b>	<b>20.0</b>	<b>14.1</b>	<b>1.4</b>	<b>41.8</b>
Profit/loss for the period						2.6	0.3	2.8
Translation differences		0.0		0.0		0.0	0.0	0.0
Share issue			0.4					0.4
Costs related to share issue								0.0
Share repurchases								0.0
Withdrawal of hybrid loan								0.0
Share rewards						0.1		0.1
Interest rate and borrowing costs of the hybrid loan						-1.3		-1.3
Dividends paid						-1.2	-0.2	-1.4
Other change						0.1		0.1
Equity								0.0
<b>Dec. 31, 2023</b>	<b>2.5</b>	<b>0.1</b>	<b>5.1</b>	<b>-1.0</b>	<b>20.0</b>	<b>14.5</b>	<b>1.5</b>	<b>42.6</b>

**SEGMENT INFORMATION (MEUR)****1-12/2024**

	<b>Electronics</b>	<b>Technical Trade</b>	<b>Group Functions</b>	<b>Inter segment</b>	<b>Total</b>
Net sales	58.0	76.0	0.0		134.0
Profit/loss from associated companies	0.4	0.0	0.0		0.4
Depreciation	-2.2	-3.4	0.0		-5.6
EBIT	3.1	2.7	-1.7		4.1
Financial income	0.1	0.1	1.2	-1.2	0.3
Financial expenses	-0.6	-1.4	-2.3	1.2	-3.1
Profit before taxes	2.6	1.4	-2.7		1.3
Balance sheet assets	66.4	66.9	0.0	-17.6	115.7
Balance sheet liabilities	-34.1	-54.6	0.0	17.6	-71.1
Investments	0.6	1.3	0.0		1.8
Personnel at end of the period	132	199	5		336

**SEGMENT INFORMATION (MEUR)****1-12/2023**

	<b>Electronics</b>	<b>Technical Trade</b>	<b>Group Functions</b>	<b>Inter segment</b>	<b>Total</b>
Net sales	62.4	98.9	0.0		161.3
Profit/loss from associated companies	0.3	0.0	0.0		0.3
Depreciation	-2.0	-3.4	0.0		-5.4
EBIT	3.3	5.5	-2.4		6.3
Financial income	0.1	0.0	0.6	-0.6	0.2
Financial expenses	-0.3	-0.9	-2.4	0.6	-3.0
Profit before taxes	3.1	4.6	-4.2		3.5
Balance sheet assets	56.3	71.2	0.0	-7.9	119.6
Balance sheet liabilities	-43.6	-41.2	0.0	7.9	-77.0
Investments	0.4	1.9	0.0		2.3
Personnel at end of the period	137	198	6		341

<b>OFF-BALANCE SHEET CONTINGENT LIABILITIES (MEUR)</b>		
	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>Liabilities</b>		
Unused overdraft limit	10.8	6.3
<b>Total liabilities</b>	<b>10.8</b>	<b>6.3</b>
<b>Collateral given</b>		
Real estate mortgages	0.0	0.0
Enterprise mortgages	71.5	71.5
Pledged securities	0.0	0.0
Guarantees	1.8	3.8
<b>Total guarantees</b>	<b>73.3</b>	<b>75.3</b>

The company has a derivative liability arising from interest rate hedging the fair value of which was EUR 0.1 million on December 31, 2024. The change in fair value has been recognized in financial items as profit or loss.

## **Boreo Plc' financial reporting in 2025:**

Financial Statements Bulletin for 2024: February 13, 2025 at 9:00 am. The Financial Statements Bulletin is available on the company's website after publication at: [www.boreo.com/investors](http://www.boreo.com/investors).

A webcast where CEO Kari Nerg and CFO Jesse Petäjä present the Financial Statements Bulletin will be held on the same day at 11:00 am EET. The presentation is in English and questions can be asked after the presentation. The presentation material is available before the webcast on Boreo's website: [www.boreo.com/investors](http://www.boreo.com/investors).

You can watch the webcast at: <https://boreo.events.inderes.com/q4-2024>. The event will be recorded and the recording will be available after the event at: [www.boreo.com/investors](http://www.boreo.com/investors).

Interim report 1-3/2025: April 29, 2025

Half-year report 1-6/2025: August 6, 2025

Interim report 1-9/2025: October 29, 2025

The Annual Report and the Financial Statements Jan. 1 - Dec. -31, 2024 will be published in week 11.

Vantaa, February 13, 2025

BOREO PLC

Board of Directors

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**Distribution:**

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[www.boreo.com](http://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 the long-term. Boreo's business operations are organized into two business areas: Electronics and Technical Trade.

Boreo's primary objective is sustainable long-term profit generation. This is achieved with a business model that is based on the acquisition and ownership of great entrepreneurial companies with the ability to generate sustainable long-term earnings growth and strong cash flows. The profits generated by the portfolio of companies are re-invested back to operations or to acquisitions with attractive expected returns on capital. The decentralized operating structure promoting a culture of ownership and release of entrepreneurial energy is a core pillar of the company's business concept and sustainable earnings growth is ensured through the support and coaching of companies and the personnel.

The Group's net sales in 2024 were EUR 134 million and it employs over 300 people in seven countries. The company's headquarter is in Vantaa.