

Boreo publishes comparable financial information for its new segment structure

Boreo announced on 14 December 2023 that it simplifies its organizational structure and combines the existing Technical Trade and Heavy Machines business areas to one new Technical Trade business area effective as of 1 January 2024. Etelä-Suomen Kuriiripalvelu and Vesterbacka Transport, currently reported under Other operations, will also be combined into the new Technical Trade business area. As a result, the former Other operations -segment will in the future comprise only the parent company Boreo's group functions and the segment will be renamed as 'Group functions'. Boreo's financial reporting will reflect the new organizational structure from the first quarter of 2024 onwards.

As of 1 January 2024, Boreo's organizational structure is as follows:

- Electronics business area including: Yleiselektroniikka, YE International Estonia, YE International Latvia, YE International Lithuania, Noretron Components, Milcon, Infradex, Signal Solutions Nordic and Delfin Technologies, and
- Technical Trade business area including: Machinery, Muottikolmio, Pronius, J-Matic, Filterit, Tornokone, PM Nordic, HM Nordic, Floby Nya Bilverkstad, Lackmästarn, Etelä-Suomen Kuriiripalvelu and Vesterbacka Transport.

Unaudited comparable financial information for the new segments is presented below.

Net sales, business areas 2022-2023 - Quarterly

EUR million	2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Electronics	62,4	15,1	16,3	15,1	15,9	61,5	18,6	17,3	14,0	11,7
Technical trade	98,9	22,0	24,7	27,2	25,1	98,9	26,4	26,0	26,4	20,0
Group functions	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total	161,3	37,1	41,0	42,3	41,0	160,4	45,0	43,3	40,4	31,7

Operational EBIT, business areas 2022-2023 - Quarterly

EUR million	2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Electronics	4,1	1,1	1,0	1,0	0,9	4,2	1,5	1,3	0,6	0,7
Technical trade	7,5	1,6	2,3	1,9	1,7	6,8	1,4	2,1	2,3	1,0
Group functions	-2,1	-0,6	-0,4	-0,5	-0,6	-2,3	-0,7	-0,5	-0,6	-0,5
Total	9,5	2,1	2,9	2,4	2,1	8,7	2,2	3,0	2,4	1,2

Return on Trade Working Capital (ROTWC %), R12, 2022-2023 - Quarterly

Percent	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Electronics	45,9 %	49,7 %	49,9 %	43,6 %	43,1 %	37,8 %	39,8 %	41,5 %
Technical trade	33,6 %	31,9 %	29,9 %	31,7 %	29,8 %	32,7 %	33,4 %	37,1 %
Group functions	-	-	-	-	-	-	-	-
Group	30,3 %	30,1 %	29,1 %	28,5 %	26,7 %	26,9 %	27,3 %	29,7 %

Key figures Electronics

EUR million	2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Net sales	62,4	15,1	16,3	15,1	15,9	61,5	18,6	17,3	14,0	11,7
Operational EBIT	4,1	1,1	1,0	1,0	0,9	4,2	1,5	1,3	0,6	0,7
<i>relative to net sales, %</i>	6,5 %	7,5 %	6,3 %	6,4 %	5,9 %	6,8 %	8,3 %	7,8 %	4,4 %	6,0 %
EBIT	3,3	0,9	0,8	0,8	0,8	3,7	1,4	1,2	0,5	0,6
Return on Trade Working Capital (ROTWC %), R12	45,9 %	45,9 %	49,7 %	49,9 %	43,6 %	43,1 %	43,1 %	37,8 %	39,8 %	41,5 %
Capital expenditure	0,4	0,3	0,1	0,0	0,0	0,4	0,1	0,0	0,2	0,1
Personnel at end of the period	137	137	138	130	126	120	120	132	128	124

Key figures Technical trade

EUR million	2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Net sales	98,9	22,0	24,7	27,2	25,1	98,9	26,4	26,0	26,4	20,0
Operational EBIT	7,5	1,6	2,3	1,9	1,7	6,8	1,4	2,1	2,3	1,0
<i>relative to net sales, %</i>	7,6 %	7,2 %	9,5 %	7,0 %	6,8 %	6,9 %	5,2 %	8,2 %	8,8 %	4,9 %
EBIT	5,5	1,0	1,9	1,4	1,2	5,5	1,0	1,8	2,0	0,8
Return on Trade Working Capital (ROTWC %), R12	33,6 %	33,6 %	31,9 %	29,9 %	31,7 %	29,8 %	29,8 %	32,7 %	33,4 %	37,1 %
Capital expenditure	1,9	0,9	0,1	0,4	0,4	1,5	0,4	0,1	0,6	0,4
Personnel at end of the period	197	197	204	203	199	198	198	164	164	157

Key figures Group functions

EUR million	2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023	2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Net sales	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Operational EBIT	-2,1	-0,6	-0,4	-0,5	-0,6	-2,3	-0,7	-0,5	-0,6	-0,5
<i>relative to net sales, %</i>	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %
EBIT	-2,4	-0,6	-0,6	-0,5	-0,6	-2,8	-0,7	-0,6	-0,7	-0,8
Capital expenditure	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Personnel at end of the period	6	6	7	6	6	9	9	8	8	6

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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 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 culture of ownership and release of entrepreneurial energy is a core pillar of the firm'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 2023 were EUR 161 million and it employs over 300 people in seven countries. The company's headquarter is in Vantaa.