

The BOREO logo is centered in the upper half of the image. It consists of the word "BOREO" in a bold, white, sans-serif font. Behind the letters is a large, semi-transparent circular graphic composed of many thin, parallel lines that form a ring-like structure. The background of the entire slide is a dark, moody photograph of a beach at night or dusk, with a cloudy sky and a calm sea. A faint silhouette of a person is visible in the lower right, standing on the shore looking out at the water.

BOREO

STRONG GROWTH OF EARNINGS

Q123 WEBCAST | MAY 5, 2023



AGENDA

- Q1 2023 HIGHLIGHTS
- Q1 2023 FINANCIALS
- Q&A



Q123 HIGHLIGHTS

OPERATIONAL EBIT GREW BY 81%

2.1m€ operational EBIT (1.2m€ Q122)

Margin up to 5.1% (3.6%)

Organic growth 42%, acquired growth 58%

ROCE IMPROVED FROM Q422 TO 11.3%

R12 month EBIT to 9.6m€, Return on Trade Working Capital* at 28%

Cash conversion** (operative) of 35% (R12 44%)

LEVERAGE STABLE

Net debt / operational EBITDA 2.4x (2.2x Q422)

Impacted by acquisitions and interest payments in the period

2 ACQUISITIONS & SANY EXIT

Filterit & Lamox acquisitions based on proprietary sourcing

Exit from SANY in Finland and Sweden, 0.2m€ positive impact to Q123 result, expected to improve Q223 cash flow

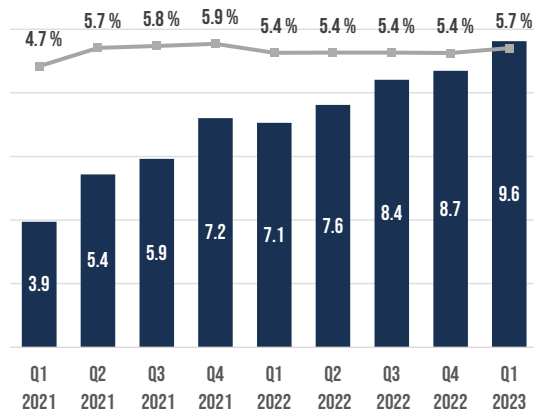
* ROTWC: Operational EBIT R12 / Average (trade) working capital R12

** Cash conversion: cash conversion before financing items, see for details in the quarterly report

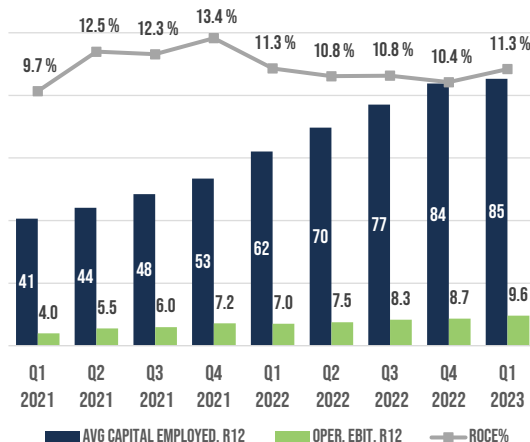
CONTINUED EARNINGS GROWTH CONTRIBUTING TO UPLIFT IN ROCE

R12 EBIT 5.7% - RELEASE OF WORKING CAP EXPECTED IN Q223 - LEVERAGE STABLE

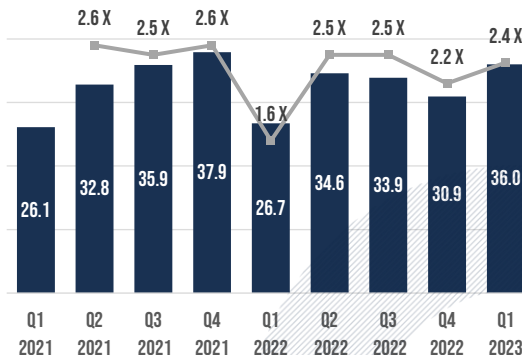
OPERATIONAL EBIT (€) & EBIT%, R12



ROCE%



NET DEBT/OPERATIONAL EBITDA



Q123

+36%*

(15%)
MINIMUM ANNUAL AVERAGE
OPERATIONAL EBIT GROWTH

11.3%

(15%)
MINIMUM
ROCE

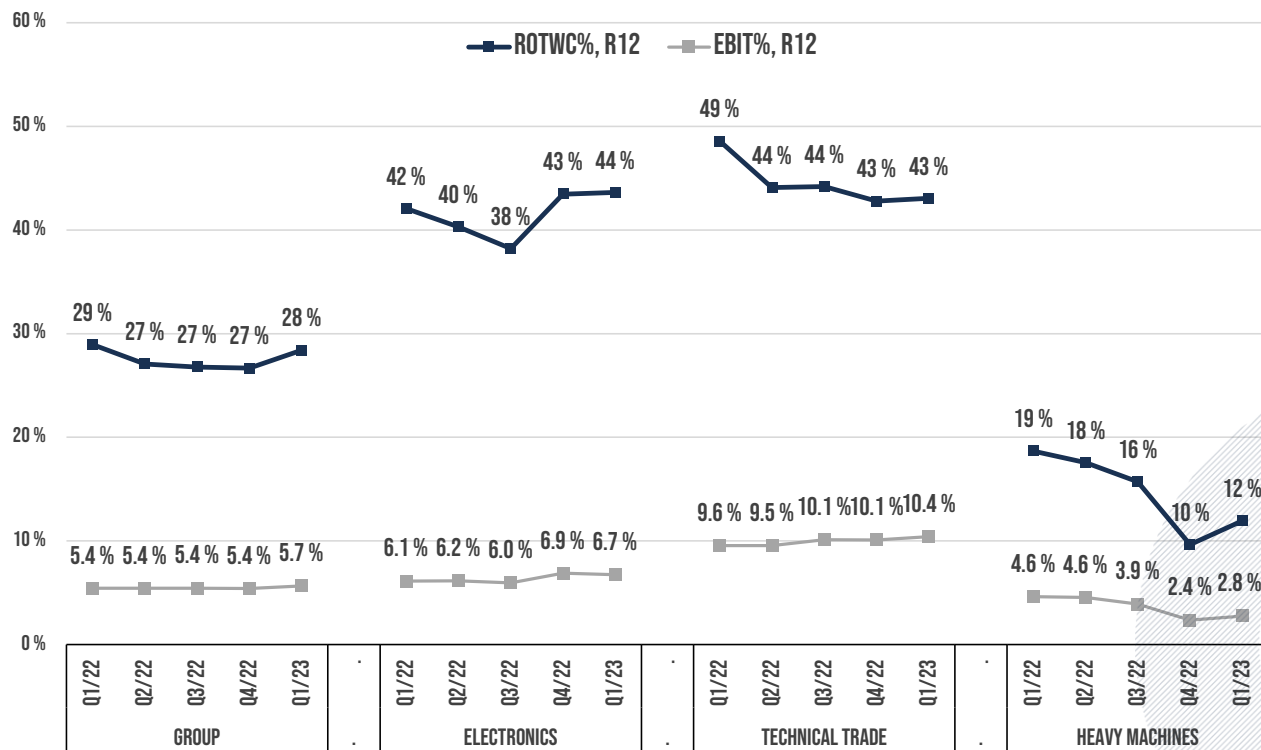
2.4X

(2-3X)
NET DEBT /
OPERATIONAL EBITDA

Notes: Figures adjusted for continued operations and * R12 ending 31.3.2023

PROFITABILITY & CAPITAL EFFICIENCY IMPROVING STEP-BY-STEP

GROUP RETURN ON TRADE WORKING CAP. AT 28%, WORK CONTINUES IN ROOTING THE RETURN ON CAPITAL -MINDSET



Figures adjusted for continued operations

CONTINUED STRONG EXECUTION & DEVELOPMENT

WE CONTINUE TO TAKE STEPS TO THE RIGHT DIRECTION

ACQUISITIONS

FILTERIT®



2 ACQUISITIONS TO TECHNICAL TRADE

- ~15% EBITDA margins & high return on capital of acquired companies
- Attractive expected return on investments

DEVELOPMENT

BOREO 
WAY

DEVELOPMENT OF PLAYBOOK

- Boreo Book in preparation
- Game plans in preparation

BOREO 

PEOPLE & CULTURE



SUSTAINABILITY IN FOCUS

- Trainings of Leadership Program participants
- Company-level analysis ongoing
- Roadmap in place to communicate for the 1st time in spring 24

EXIT FROM SANY OPERATIONS IN FINLAND & SWEDEN

EXPECTED IMPROVED EARNINGS & CAPITAL EFFICIENCY – POSITIVE CASH FLOW IMPACT IN Q223

COMMENTARY

1

CAPITAL ALLOCATION MINDSET

The business failed to meet the return thresholds which we expect to be able to generate with the resources elsewhere

2

CONTINUATION IN ESTONIA

Continuation in Estonia due to successful market entry and close integration to Putzmeister business

3

STRONG PUTZMEISTER BUSINESS

Putzmeister business with dominant market share in the Finnish, Swedish and Estonian markets

FINNISH & SWEDISH SANY OPERATIONS AS PART OF BOREO (NOW EXITED)



PART OF HEAVY MACHINES BUSINESS AREA

~3.4M€

NET SALES (2022)

~{0.4}M€

OPERATIONAL EBIT (2022)

~{0.3}M€

WRITE-OFF BOOKED IN Q422

0.2M€

ONE-OFF P&L IMPACT Q123

~2M€

CASH FLOW IMPACT IN Q223



BOREO



AGENDA

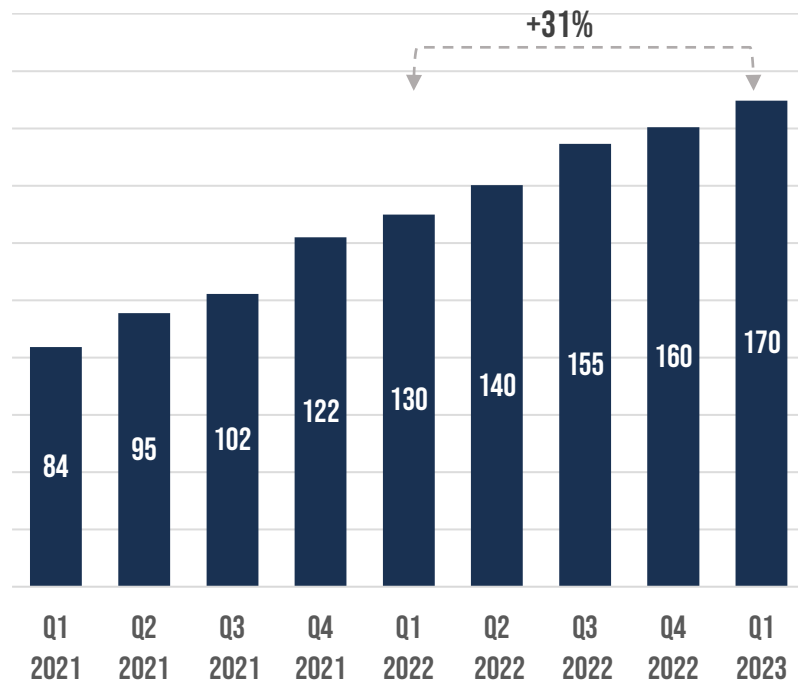
- Q1 2023 HIGHLIGHTS
- Q1 2023 FINANCIALS
- Q&A



Q1 2023 | NET SALES & OPERATIONAL EBIT

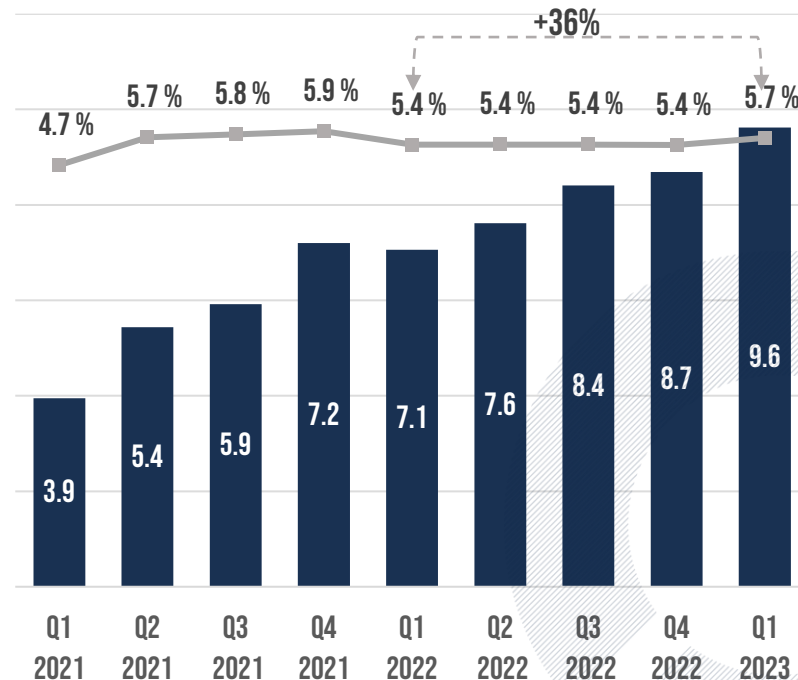
OPERATIONAL EBIT GROWTH CLEARLY ABOVE STRATEGIC TARGET

NET SALES, R12 *



OPERATIONAL EBIT & EBIT%, R12 *

STR TARGET > 15% P.A.

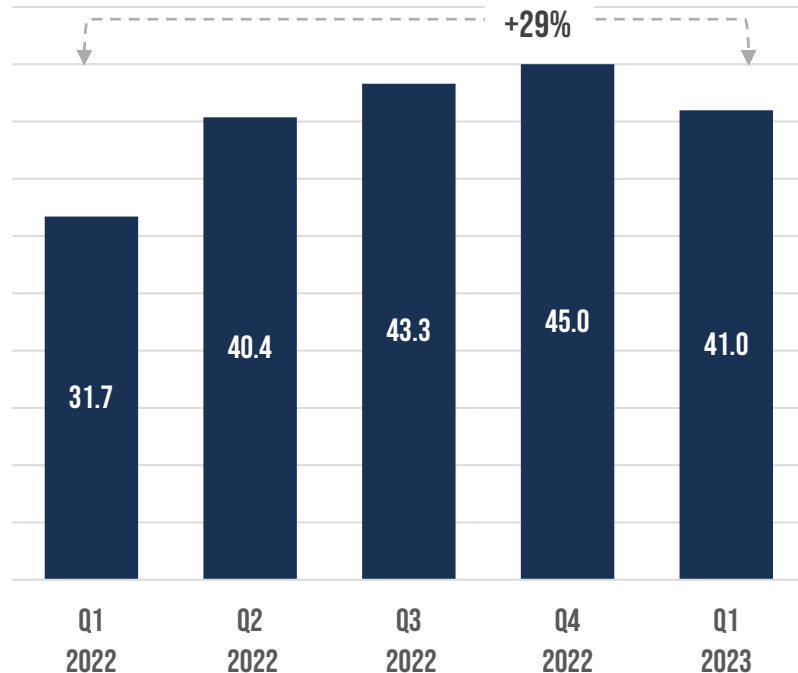


*Adjusted for continued operations

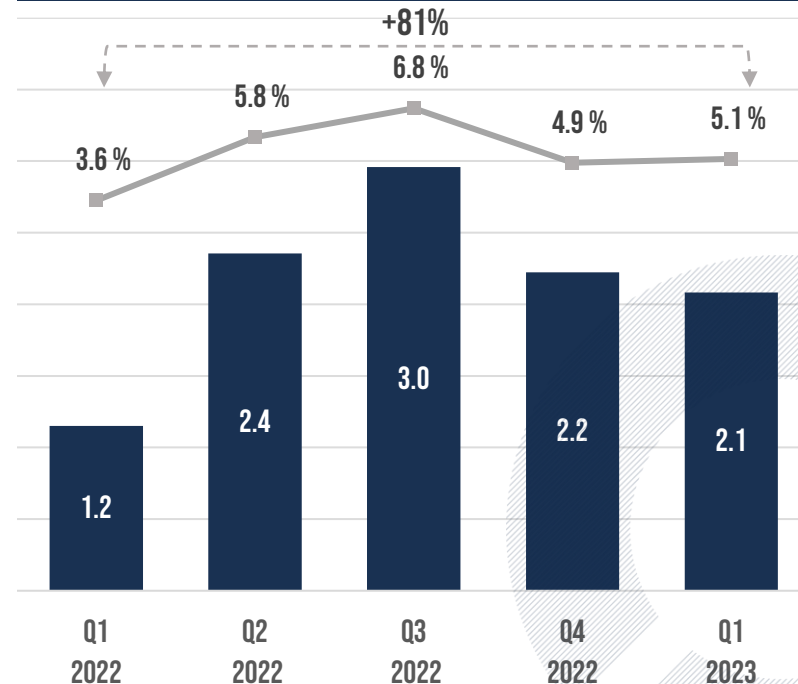
Q1 2023 | NET SALES & OPERATIONAL EBIT

STRONG EARNINGS GROWTH, IMPROVED PROFITABILITY

NET SALES *



OPERATIONAL EBIT & EBIT% *

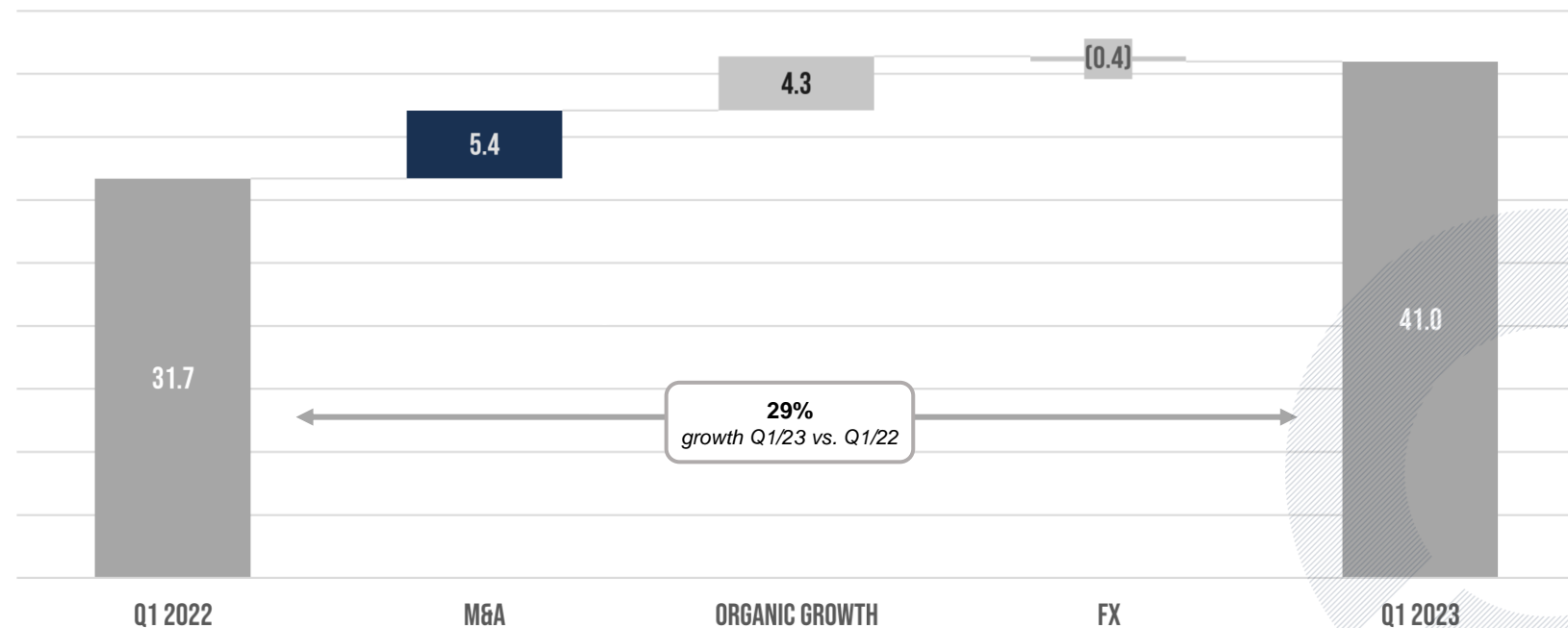


*Adjusted for continued operations

Q1 2023 | NET SALES GROWTH

SALES GROWTH CONTRIBUTED BOTH BY ACQUISITIONS AND THE 'OLD' BUSINESS

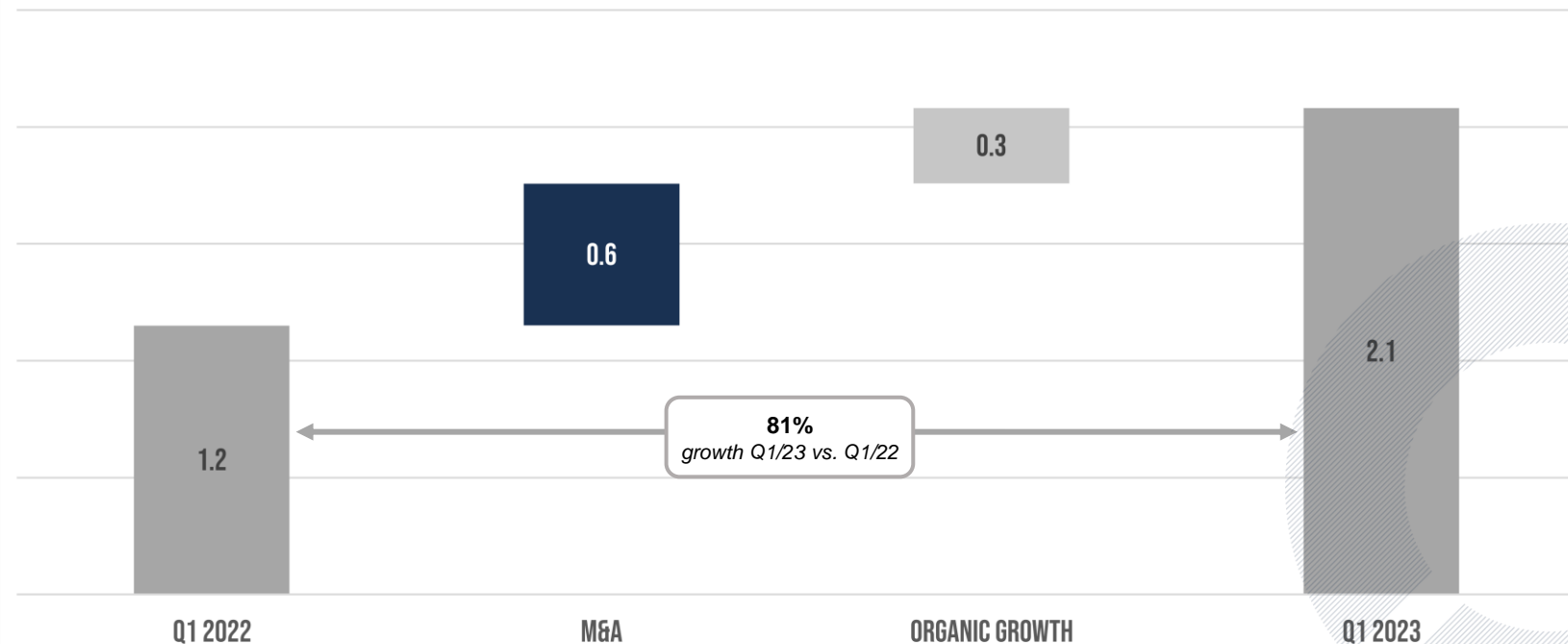
NET SALES GROWTH



Q1 2023 | EBIT GROWTH

EBIT GROWTH CONTRIBUTED BY ACQUISITIONS AND THE 'OLD' BUSINESS

EBIT GROWTH



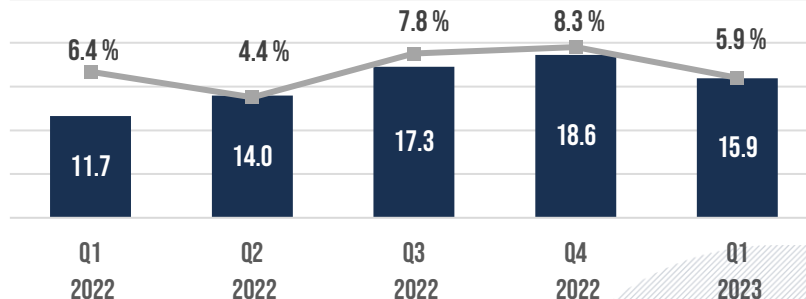
ELECTRONICS

ACQUISITION OF SSN AND INFRADEX GREW NET SALES. OPERATIONAL EBIT AT 5.9% - OUTLOOK REMAINS STABLE

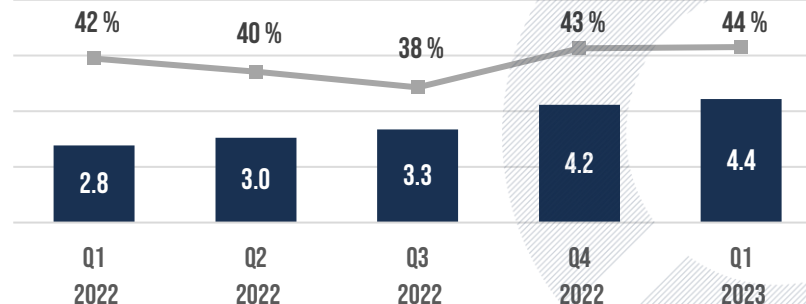
COMMENTS - Q1 2023

- Finnish operations (Yleiselektroniikka, Noretron, Milcon, Infradex, SSN)
 - Strong performance by Infradex in terms of sales and profitability
 - Better than expected result by Noretron
 - Yleiselektroniikka's performance at expected level. Outlook remains stable
 - SSN's operational performance below expectations due to postponed sales.
 - Timing of deliveries had negative impact on Milcon's Q1/23 result
- Baltic operations
 - Better than expected performance in the first quarter

NET SALES AND OPERATIONAL EBIT%



OPER. EBIT (R12) & ROTWC% (R12)



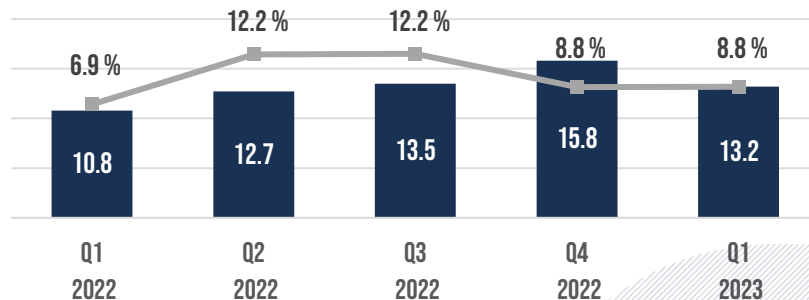
TECHNICAL TRADE

NET SALES GREW AS A RESULT OF PRONIUS, J-MATIC & FILTERIT ACQUISITIONS – OPERATIONAL EBIT AT 8.8%, STABLE OUTLOOK

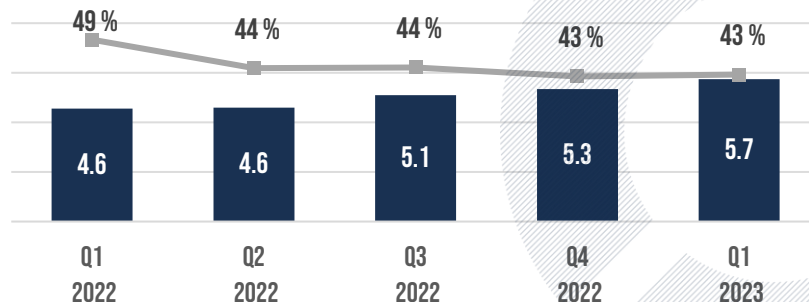
COMMENTS - Q1 2023

- Machinery Power
 - Power had a good start in absolute terms – sales and profitability below strong comparison period
 - Stable order backlog
- Construction (Muottikolmio and Machinery's Construction equipment)
 - Performance in line with expectations
 - Softening short-term outlook
- Metal machines (Pronius and Machinery's Metal Machines)
 - Pronius had a good quarter both in terms of sales and profitability
 - Investment uncertainty in Machinery's Metal Machines still on a high level
- J-Matic & Filterit
 - Strong profitability in both businesses
 - Good outlook and foundation for long-term profit growth

NET SALES AND OPERATIONAL EBIT%



OPER. EBIT (R12) & ROTWC% (R12)



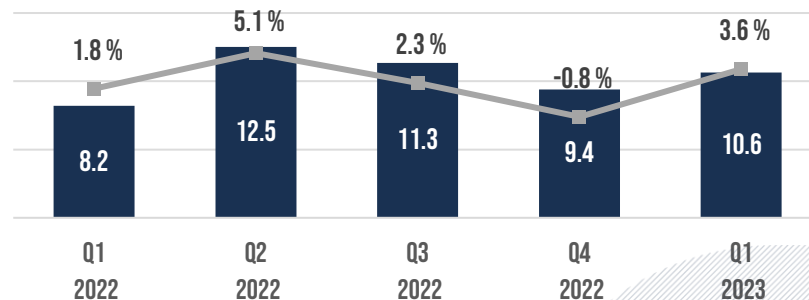
HEAVY MACHINES

EXIT FROM SANY OPERATIONS IN FINLAND AND SWEDEN PROCEEDS, POSITIVE WORKING CAPITAL RELEASE IN Q2

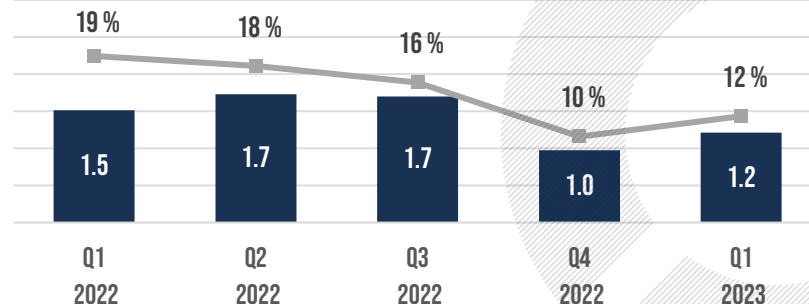
COMMENTS - Q1 2023

- Putzmeister business
 - Sales increased in Finland and Sweden despite deliveries continuing to be postponed. Estonian business in line with expectations.
- Sany business
 - Exit from Sany business in Finland and Sweden proceeds according to plans
 - EBIT was supported by a cost reimbursement of EUR 0.2 million.
- FNB & Lackmästarn
 - FNB's net sales were below the comparison period as the supply chain and material availability challenges still limited delivery capacity which further affected profitability levels.
 - Lackmästarn contributed to Q1/23 according to expectations.

NET SALES AND OPERATIONAL EBIT%



OPER. EBIT (R12) & ROTWC% (R12)



OTHER OPERATIONS

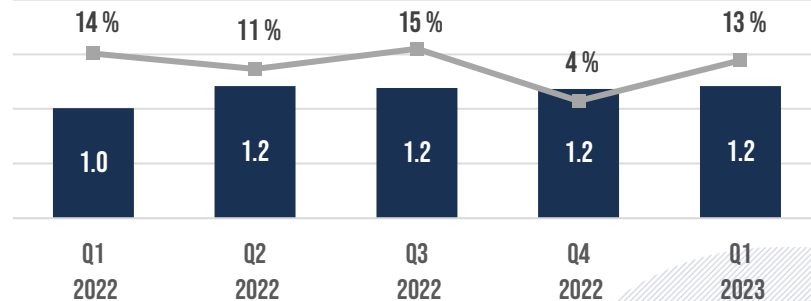
STABLE PERFORMANCE IN AN INFLATORY ENVIRONMENT, SHORT-TERM MARGIN PRESSURES CONTINUE

COMMENTS - Q1 2023



- Net sales of 1.2m€ and operational EBIT of 13%. Net sales were positively affected by the Vesterbacka Transport acquisition carried out in March 2022 and the Basti Oy business acquisition in December 2022.
- The demand for ESKP's and Vesterbacka Transport's services remained at a reasonable level in the first quarter, but increased cost pressures had a negative impact on EBIT.

NET SALES AND EBIT% OF OPERATIONAL COMPANIES

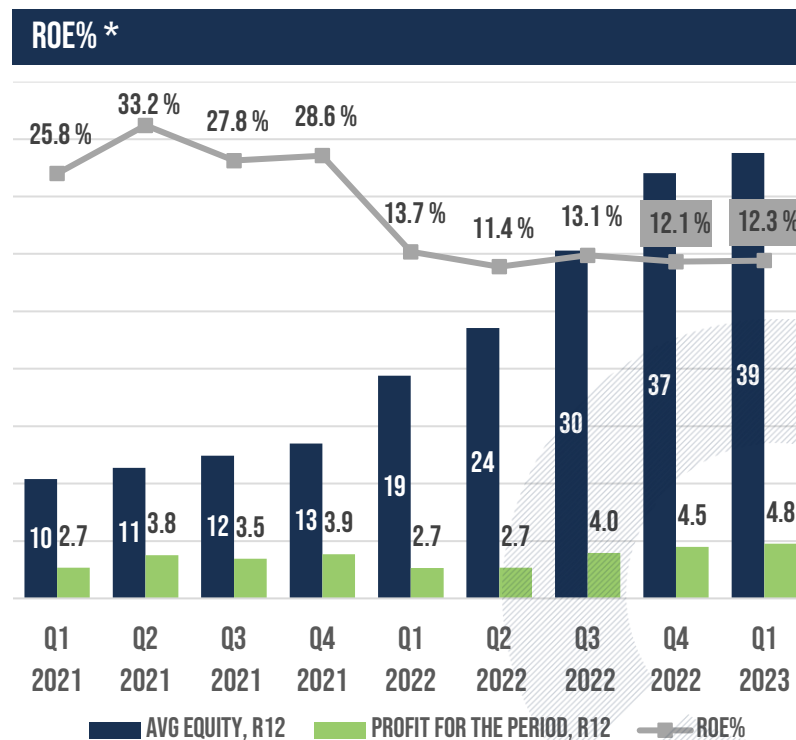
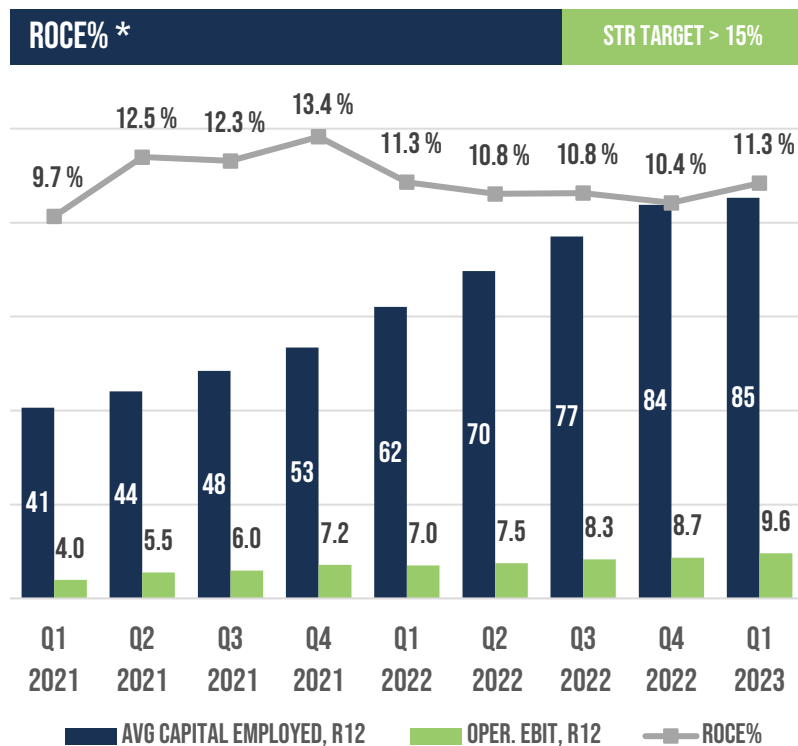


BOREØ

- Group costs of 0.6m€ in Q1/23 (0.5m€)

Q1 2023 | ROCE & ROE

CAPITAL EFFICIENCY IMPROVED FROM Q4/22 SUPPORTED BY EARNINGS GROWTH



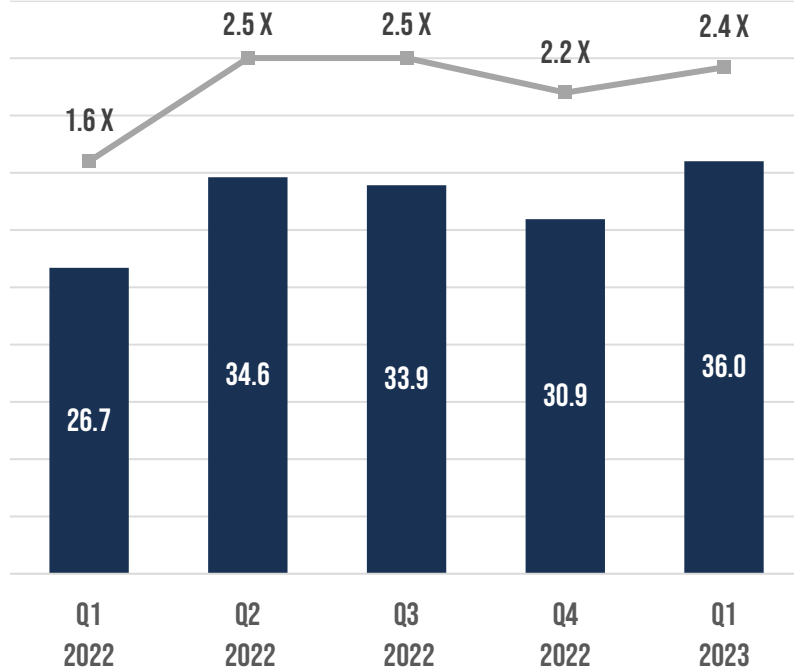
*Adjusted for continued operations

Q1 2023 | NET DEBT AND CASH CONVERSION

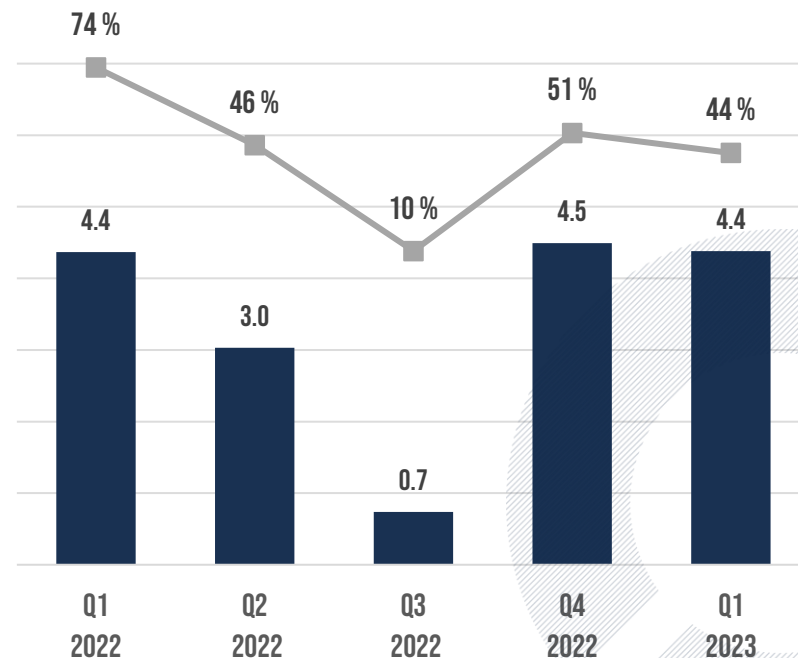
LEVERAGE INCREASED TO 2.4X DUE TO INVESTMENTS

NET DEBT & NET DEBT/OPERATIONAL EBITDA*

STR TARGET 2-3X



CASH FLOW (R12) AND CASH CONVERSION, % (R12) **



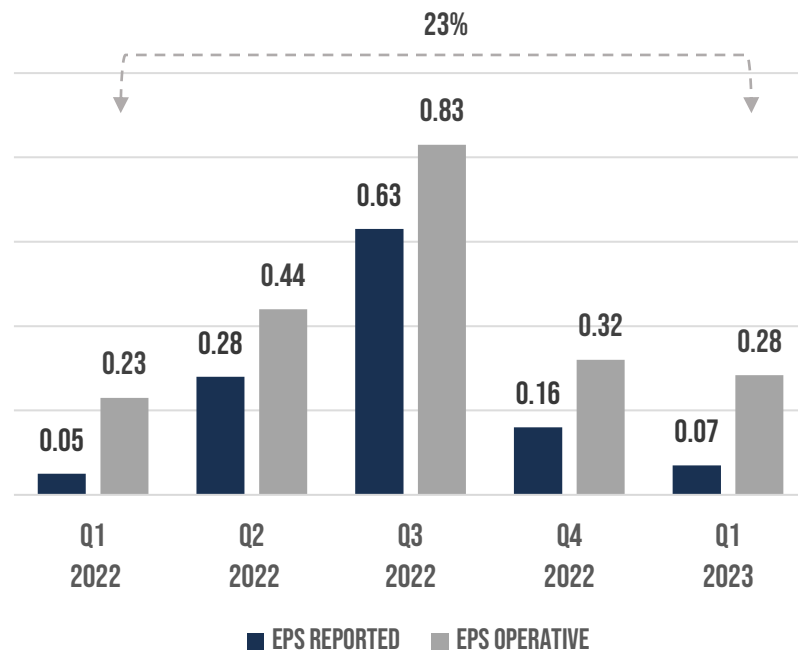
*ND/EBITDA adjusted for continued operations since Q2/22

**Cash conversion = (EBITDA – IFRS16 expenses) / cash flow, where
Cash Flow = Operational net cash flow + paid interest – organic Capex

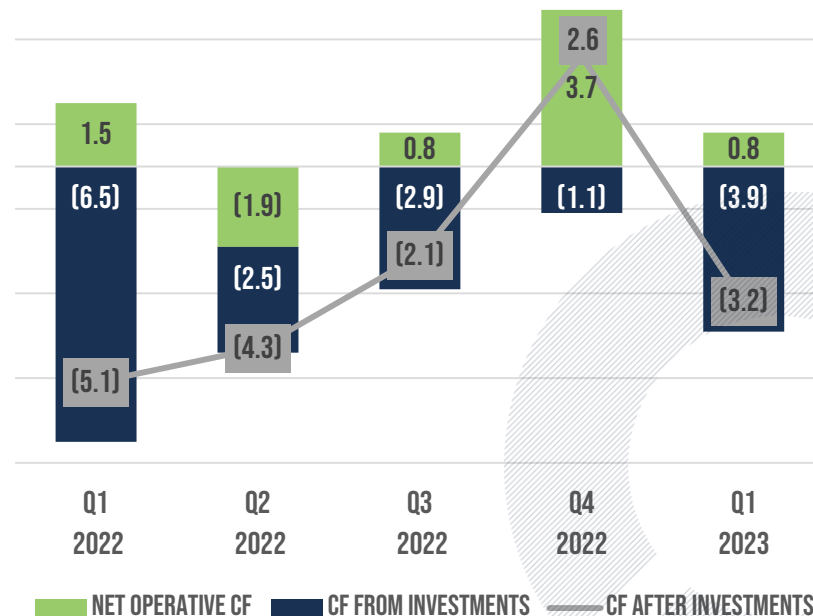
Q1 2023 | EPS AND CASH FLOW

OPERATIONAL CASH FLOW IMPACTED BY PERIODIC WORKING CAPITAL INCREASE

EARNINGS PER SHARE*



CASH FLOW**



*The net effect of the interest rate of the hybrid loan (adjusted by tax effect) to EPS:
EUR 0.12 per share in Q1/23 (EUR 0.07 in Q1/22)

**Cash flow includes discontinued operations until Q3/22



AGENDA

- Q1 2023 HIGHLIGHTS
- Q1 2023 FINANCIALS
- Q&A





BOREO

Q&A



BOREO

GROW & PROSPER