BOREØ

HALF-YEAR REPORT

Q2/2026

BOREO PLC, HALF-YEAR REPORT JAN. 1 TO JUN. 30, 2026

SEVENTH CONSECUTIVE QUARTER OF ORGANIC GROWTH – A SOLID FOUNDATION FOR THE SECOND HALF OF THE YEAR

April-June 2026

- Net sales increased by 12% to EUR 45.1 million (2025: 40.2). Organic growth was 7%.
- Operational EBIT increased by 19% to EUR 2.6 million (2025: 2.2) and was 5.7% of net sales (2025: 5.4%).
- EBIT amounted to EUR 1.7 million (2025: 2.5). The result for the comparison period was significantly supported by a non-recurring item of EUR 0.8 million of negative goodwill.
- Net cash flow from operating activities increased significantly to EUR 1.6 million (2025: -0.5).
- Earnings per share decreased to EUR 0.22 (2025: 0.43).

January-June 2026

- Net sales increased by 14% to EUR 84.6 million (2025: 74.2). Organic growth was 8%.
- Operational EBIT increased by 21% to EUR 4.3 million (2025: 3.5) and was 5.0% of net sales (2025: 4.7%).
- EBIT amounted to EUR 2.6 million (2025: 4.0). The result for the comparison period was significantly supported by non-recurring items of EUR 1.5 million, consisting of the recognition of negative goodwill of EUR 0.8 million and a gain on sale of property of EUR 0.7 million.
- Net cash flow from operating activities increased significantly to EUR 3.7 million (2025: -0.2).
- Earnings per share decreased to EUR 0.16 (2025: 0.53).

GUIDANCE AND MAJOR EVENTS AFTER THE SECOND QUARTER

In line with Boreo's guidance policy, the company does not provide separate short-term financial guidance. The company's long-term strategic financial targets serve as its financial guidance and are presented on the following page.

Following the second quarter, Boreo announced on 31 July 2026 that its subsidiary FNB had divested its Swedish subsidiary Lackmästarn.

GROUP'S KEY FIGURES

EUR million	Q2 2026	Q2 2025	*Change*	H1 2026	H1 2025	*Change*	Q1-Q4 2025
Net sales	45.1	40.2	*12 %*	84.6	74.2	*14 %*	153.3
Operational EBIT	2.6	2.2	*19 %*	4.3	3.5	*21 %*	8.0
relative to the net sales %	*5.7 %*	*5.4 %*	-	*5.0 %*	*4.7 %*	-	*5.2 %*
EBIT	1.7	2.5	*-32 %*	2.6	4.0	*-34 %*	6.7
Cash conversion, %	55 %	6 %	-	79 %	13 %	-	83 %
Net debt to EBITDA[1)]	2.1	2.3	-	2.1	2.3	-	2.1
Return on Capital Employed (ROCE %)[2)]	9.6%	8.4%	-	9.6%	8.4%	-	8.8%
EPS, EUR[3)]	0.22	0.43	-	0.16	0.53	-	0.72

1) Net debt to operational EBITDA for the preceding 12 months. Calculated in accordance with the calculation principles agreed with the lenders. The calculation formula is presented later in this report.
2) Calculated based on the preceding 12 months (R12).
3) The calculation of basic earnings per share has taken into account the effect of interest on the hybrid bond recognised in equity, adjusted for tax effects. In Q2 2026, this net effect was EUR 0.19 per share, in Q2 2025 EUR 0.16 per share, in H1 2026 EUR 0.38 per share, in H1 2025 EUR 0.33 per share, and in Q1–Q4 2025 EUR 0.72 per share.

Q2/2026 – CEO TUOMAS KAHRI:

Strong growth enables profitability improvement and the execution of acquisition-driven strategy

Boreo's second quarter of 2026 continued the strong growth trajectory and demonstrated that the company's long-term strategy is delivering results. Net sales increased by 12%, driving a clear 19% improvement in operational EBIT to EUR 2.6 million (5.7% of net sales). During the second quarter, both business areas grew, with the Technical Trade business area increasing by 10% and the Electronics business area by 15% compared to the second quarter of the previous year.

During the first half of the year, net sales increased by 14%, with Group net sales amounting to EUR 84.6 million (2025: 74.2). Operational EBIT increased by 21% to EUR 4.3 million (2025: 3.5).

In addition to strong earnings growth, we succeeded in managing working capital. As a result of the reduction in working capital, cash conversion was strong at 79%. Net cash flow from operating activities for the first half of the year amounted to EUR 3.7 million (2025: -0.2), enabling the company to reduce debt as planned while providing the flexibility to continue executing its acquisition-driven growth strategy. The company's financial position strengthened, and net debt to operational EBITDA for the preceding 12 months was 2.1.

Boreo continues to execute its long-term strategy, focusing on earnings growth through organic growth and acquisitions

Seven consecutive quarters of net sales growth, together with cost competitiveness improving measures implemented during 2024–2025, provide a solid foundation for the execution of Boreo's strategy for profitable growth. In 2026, the company has three key priorities to support the achievement of its strategic objectives: 1) increasing acquisition activity with a focus on expanding existing businesses, 2) evaluating the role and earnings capability of each company to identify organic and inorganic growth opportunities and to guide capital allocation, and 3) continuing to strengthen the balance sheet to accelerate acquisitions and growth initiatives.

Activating acquisitions

Boreo has increased its activity in the acquisition market during 2026. We have updated our acquisition process and significantly increased our activity in analyzing potential acquisition targets. We have identified the existing businesses with the strongest potential for inorganic growth and are actively seeking acquisition targets to support their expansion. In addition, we continuously evaluate opportunities that meet Boreo's acquisition criteria with broader scope.

This increased activity is reflected both in the growing number of opportunities under review and in tangible progress. We currently have active acquisition processes underway and are well positioned to complete acquisitions during the second half of the year. The targets operate in attractive markets, have appealing profitability profiles, and fit well within Boreo's existing business areas.

Clarifying the roles of the operating companies

We have further developed our operating model for managing our operating companies. We manage our companies in business clusters, bringing together companies that serve similar customers or product categories. We systematically develop and share customer interface best practices across our companies. Our operating model enables the management of the companies to focus on developing their businesses, while Boreo supports them, for example, in executing acquisitions. We have also identified individual companies whose roles should be further clarified. The first step in this process was announced on 31 July 2026, when FNB divested its subsidiary Lackmästarn.

The order books of our companies remain at a strong level, clearly above 2025 comparison period. Increased economic activity in Finland is supporting our business despite continued macroeconomic uncertainty.

The increase in net sales during the first half of the year has been achieved without a significant increase in costs, and the company's earnings performance is expected to continue improving towards the end of the year. This is supported by the strong order book of the Technical Trade business area and the initial cost benefits from the completed ERP projects. The short-term demand outlook for our industrial companies remains solid, with particularly strong growth in the defence industry and backup power businesses further supporting the growth of Milcon and Machinery. In addition, the clearly improved investment activity of customers in manufacturing industry is supporting the business of several of our companies. In particular, Machinery MT's order book remains at a high level. The outlook for the companies serving the construction industry remains subdued, although customer demand has started to recover cautiously for deliveries later in the year.

All ERP renewal implementation projects planned for 2026 have now been successfully taken into use. The realization of the benefits from these new systems is progressing on plan. These projects will improve efficiency and reduce fixed costs in the coming years. Implementation costs of approximately EUR 0.3 million have been adjusted from operational EBIT.

Strengthening the balance sheet

Strong organic growth improved gross margins and moderate cost development during the first half of 2026 demonstrate the scalability of Boreo's operating model. The strong earnings development is reflected in improved returns on capital, with return on capital employed (ROCE) increasing to 9.6% (2025: 8.4%) at the end of the second quarter. The company's leverage continues to decline, providing a strong foundation for developing its capital structure. This is intended to reduce the company's financing costs while supporting acquisition-driven growth.

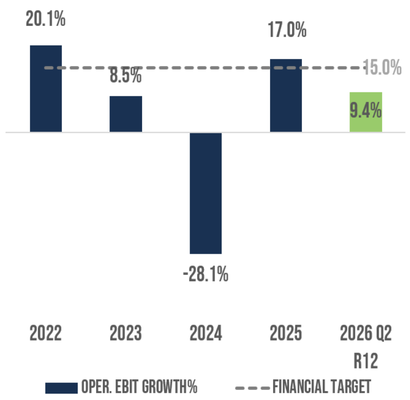
FINANCIAL GUIDANCE AND BUSINESS MODEL

Boreo’s focus is on earnings growth with attractive return on capital. The company's long-term* strategic financial targets are:

OPERATIONAL EBIT GROWTH

Minimum 15% average annual operational EBIT growth

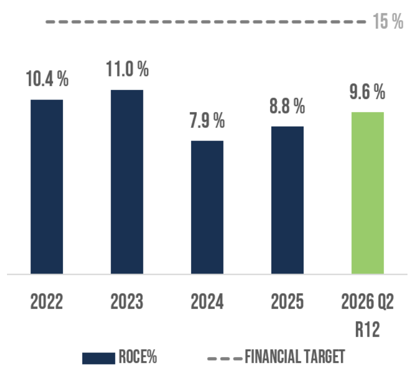
5-YEAR AVERAGE: 5.4 %**



RETURN ON CAPITAL EMPLOYED

Minimum 15% Return on Capital Employed (ROCE)

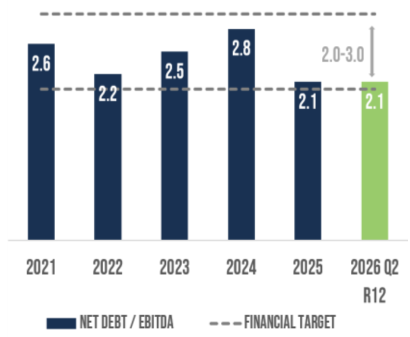
5-YEAR AVERAGE: 9.5 %**



NET DEBT TO OPERATIONAL EBITDA

Net debt to operational EBITDA between 2 and 3*

5-YEAR AVERAGE: 2.3*



** Including acquired businesses as if they had been held for 12 months at the reporting date. The long-term in the strategic financial targets refers to a period of five years or longer.*

*** The five-year average is calculated based on the figures from the four preceding full financial years, as well as the previous rolling 12-month (R12) period*

Boreo’s dividend policy is to pay an annually increasing dividend per share, considering capital allocation priorities.

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

GROUP'S FINANCIAL PERFORMANCE

The second quarter marked the seventh consecutive quarter of organic growth in the Group's net sales. Net sales increased by 12% (2025: 19%) during the second quarter to EUR 45.1 million (2025: 40.2). Organic growth contributed EUR 2.9 million (7%) to net sales, while the acquisitions of Spetselektroodi and YE RS increased net sales by EUR 2.0 million. At comparable exchange rates, net sales would have amounted to EUR 45.0 million.

During the first half of 2026, the Group's net sales increased by 14% to EUR 84.6 million (2025: 74.2). Organic growth contributed EUR 5.9 million (8%) to net sales, while acquisitions increased net sales by EUR 4.5 million. At comparable exchange rates, net sales would have amounted to EUR 84.3 million.

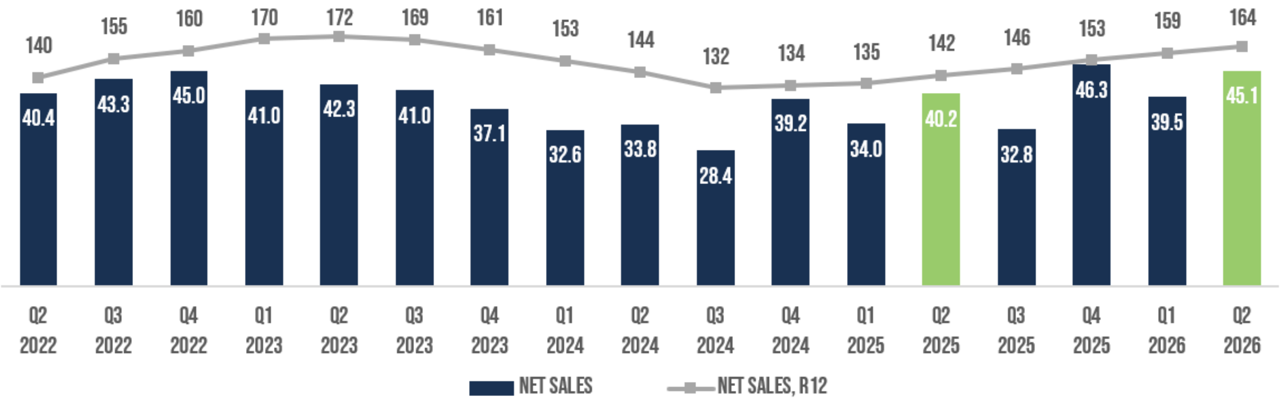
Both of the company's business areas grew during the second quarter and the first half of the year. During the second quarter, the Electronics business area grew by EUR 2.2 million to EUR 17.0 million (2025: 14.8), while the Technical Trade business area grew by EUR 2.6 million to EUR 28.0 million (2025: 25.4). During the first half of the year, growth amounted to EUR 3.7 million in the Electronics business area and EUR 6.6 million in the Technical Trade business area.

During the first half of the year, the Electronics business area accounted for 39.5% (2025: 40.0%) of the Group's business and the Technical Trade business area accounted for 60.5% (2025: 60.0%).

Net sales, business areas Q2 and H1

EUR million	Q2 2026	Q2 2025	*Change*	H1 2026	H1 2025	*Change*	Q1-Q4 2025
Electronics	17.0	14.8	15 %	33.4	29.7	13 %	61.4
Technical Trade	28.0	25.4	10 %	51.1	44.5	15 %	91.9
Group functions	0.0	0.0	-	0.0	0.0	-	0.0
Total	**45.1**	**40.2**	*12 %*	**84.6**	**74.2**	*14 %*	**153.3**

Group net sales, quarterly and R12



Net sales in Finland increased by 10% to EUR 29.8 million. Growth was driven particularly by higher net sales at Milcon and Tornokone compared to the comparison period, while the YE RS acquisition also contributed to net sales growth. Net sales from the Swedish operations decreased by 7% to EUR 7.1 million mainly because of the timing of Putzmeister deliveries. Net sales from the Baltic operations increased by 38% to EUR 6.9 million. A significant part of the growth was inorganic, resulting from the acquisitions of Spetselektroodi and YE RS. In addition, the organic growth in HM Nordic's net sales compared to the comparison period contributed positively to net sales. Net sales from other countries consist primarily of SSN's operations in the United States.

Net sales, geographic area Q2 and H1

EUR million	Q2 2026	Q2 2025	*Change*	H1 2026	H1 2025	*Change*	Q1-Q4 2025
Finland	29.8	27.0	10 %	58.7	51.8	13 %	107.0
Sweden	7.1	7.7	-7 %	11.9	12.5	-5 %	23.2
Baltic countries	6.9	5.0	38 %	12.5	9.2	37 %	20.9
Other	1.2	0.5	133 %	1.5	0.7	112 %	2.2
Total	**45.1**	**40.2**	*12 %*	**84.6**	**74.2**	*14 %*	**153.3**

During the second quarter, the Group's operational EBIT increased by 19% to EUR 2.6 million (2025: 2.2). The operational EBIT margin was up to 5.7% (2025: 5.4%). The improvement in operational EBIT was driven particularly by the strong quarter of Milcon and the welding companies Pronius and Spetselektroodi compared to the comparison period.

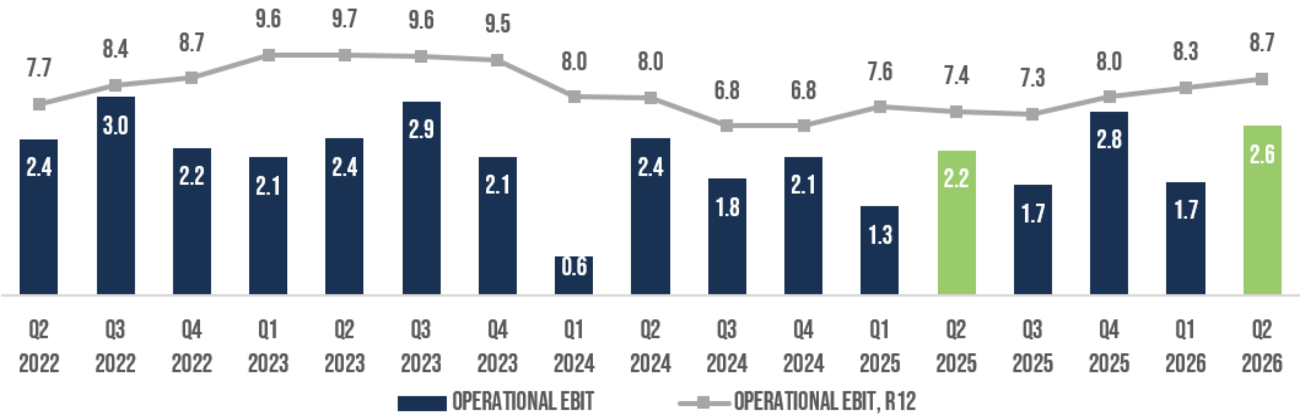
The Group's reported EBIT for the second quarter decreased to EUR 1.7 million (2025: 2.5). Reported EBIT included items affecting comparability with a net impact of EUR -0.9 million (2025: 0.3), consisting primarily of items related to acquisitions and other purchase price allocation adjustments, as well as costs related to the renewal of ERP systems. Items affecting comparability related to the ERP renewal projects amounted to approximately EUR 0.3 million. In the comparison period, reported EBIT was significantly supported by the recognition of negative goodwill of EUR 0.8 million arising from the acquisition of Spetselektroodi. Changes in exchange rates did not have a material impact on the Group's EBIT.

During the first half of the year, the Group's operational EBIT increased by 21% to EUR 4.3 million (2025: 3.5), corresponding to 5.0% of net sales (2025: 4.7%). Reported EBIT decreased to EUR 2.6 million (2025: 4.0). Reported EBIT for the first half of 2025 was significantly supported by positive non-recurring items of EUR 1.5 million, consisting of the recognition of negative goodwill of EUR 0.8 million arising from the acquisition of Spetselektroodi and a gain on sale of property in Estonia of EUR 0.7 million.

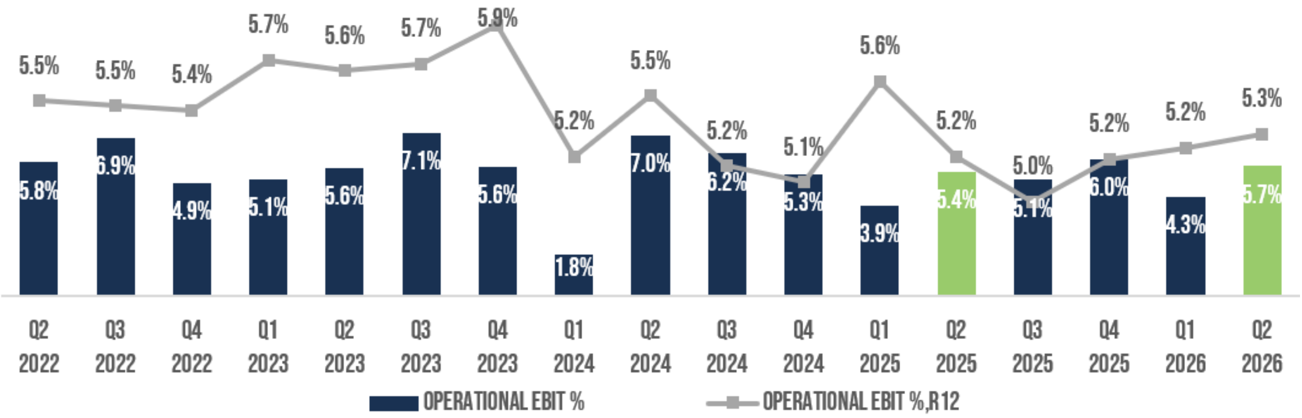
Operational EBIT, business areas Q2 and H1

EUR million	**Q2 2026**	**Q2 2025**	*Change*	**H1 2026**	**H1 2025**	*Change*	**Q1-Q4 2025**
Electronics	1.2	0.8	*41 %*	2.4	1.8	*35 %*	3.9
Technical Trade	2.0	1.8	*13 %*	3.0	2.7	*10 %*	6.0
Group functions	-0.6	-0.5	*37 %*	-1.1	-1.0	*14 %*	-2.0
Total	**2.6**	**2.2**	*19 %*	**4.3**	**3.5**	*22 %*	**8.0**

Group operational EBIT, quarterly and R12



Group operational EBIT margin, quarterly and R12



CAPITAL EFFICIENCY

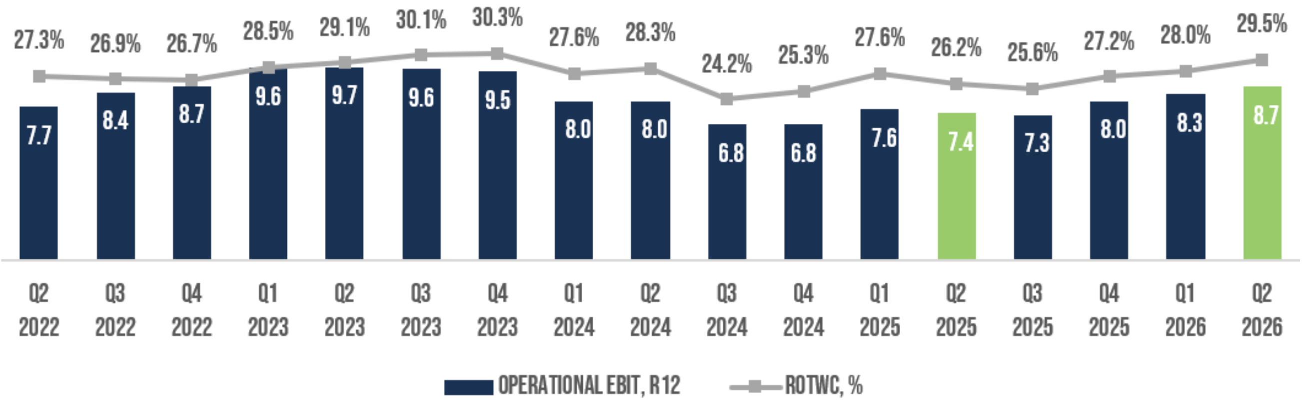
At the end of the second quarter of 2026, the Group's return on trade working capital (ROTWC) was 29.5% (2025: 26.2%). By business area, ROTWC was 49.7% (2025: 53.8%) in the Electronics business area and 31.8% (2025: 24.5%) in the Technical Trade business area.

At the end of the second quarter of 2026, return on capital employed (ROCE) was 9.6% (2025: 8.4%). ROCE excluding cash and cash equivalents would have been 10.3% (2025: 9.3%). Return on equity (ROE) was 5.9% (2025: 7.9%).

Return on trade working capital (ROTWC %), R12

Percent	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
Electronics	49.7 %	47.5 %	44.1 %	53.9 %	53.8 %
Technical Trade	31.8 %	29.9 %	29.7 %	24.1 %	24.5 %
Group functions	-	-	-	-	-
Group	**29.5 %**	**28.0 %**	**27.2 %**	**25.6 %**	**26.2 %**

Group return on trade working capital, quarterly and R12



FINANCIAL POSITION

The Group's net interest-bearing debt amounted to EUR 29.1 million at the end of the second quarter (2025: 28.2). IFRS lease liabilities accounted for EUR 7.7 million (2025: 7.8) of net debt. Net debt to operational EBITDA was 2.1 (2025: 2.3).

Equity attributable to the owners of the parent company amounted to EUR 51.2 million (2025: 50.5). The equity ratio was 44.0% (2025: 42.2%), and the Group's balance sheet total amounted to EUR 124.6 million (2025: 125.0).

Second quarter earnings per share decreased to EUR 0.22 (2025: 0.43). The stronger earnings per share in the comparison period reflected positive items affecting comparability recognized in the comparison period, as well as the higher impact of the interest on the equity-classified hybrid bond on earnings per share.

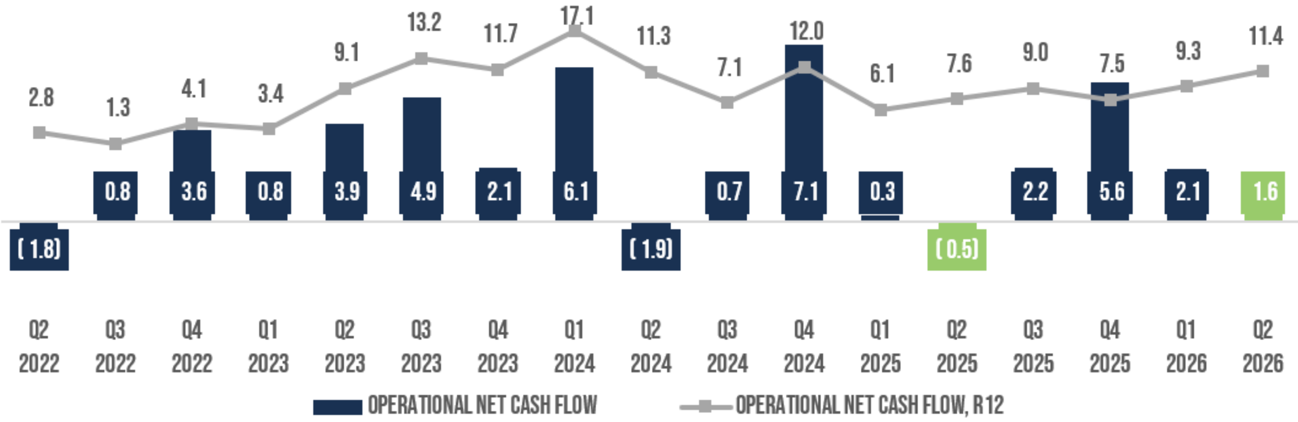
CASH FLOW

Net cash flow from operating activities during the second quarter amounted to EUR 1.6 million (2025: -0.5). Cash flow after investments amounted to EUR 1.2 million (2025: -2.1).

During the first half of the year, net cash flow from operating activities amounted to EUR 3.7 million (2025: -0.2). Cash flow after investments amounted to EUR 3.2 million (2025: -0.9).

The Group's cash and cash equivalents amounted to EUR 5.2 million at the end of the second quarter (2025: 12.6). The company's available liquidity increased slightly from the end of the previous quarter, amounting to EUR 19.2 million (2025: 26.7).

Group operational net cash flow, quarterly and R12



BUSINESS AREAS

Boreo's operations are organized into two business areas: Electronics and Technical Trade. The structure of the businesses included in these business areas is described in more detail in the Report of the Board of Directors section of the Annual Report 2025.

Group functions comprise the Group functions of the parent company, Boreo.

ELECTRONICS BUSINESS AREA

During the second quarter, the business area's operational EBIT improved to EUR 1.2 million (2025: EUR 0.8 million), and the operational EBIT margin increased from 5.6% to 6.8%. At the same time, net sales increased by 15% compared to the comparison period. The growth in net sales was driven particularly by stronger sales at Milcon and the YE RS acquisition completed last year.

The business area earnings were supported especially by Milcon's excellent performance. The strong earnings performance is expected to continue, supported by the continued strong development of the defense industry and growing demand. Milcon has secured an order worth over one million euros, marking the first order under a significant defense industry program. The program is strategically important for Milcon and is expected to continue well into the 2030s. SSN's second quarter was in line with expectations and exceeded the level of the comparison period. YE RS's earnings improved during the second quarter in line with expectations, although the company's earnings level remains below expectations. Delfin continued to develop its product platform and global distribution network while advancing its selected strategic initiatives. The company continues to grow moderately, and the ongoing investments are impacting on profitability in the short term.

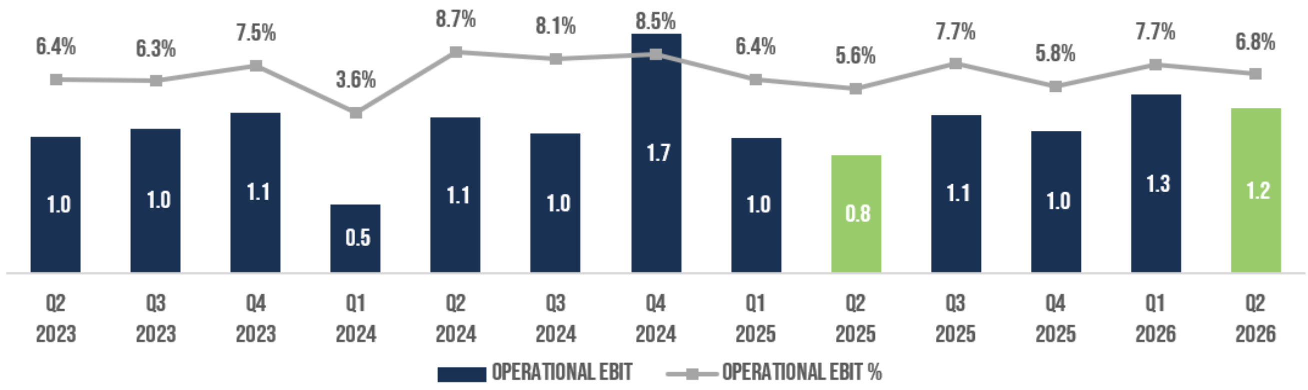
The business area's gross margin improved compared to the previous year as a result of changes in the sales mix. Working capital increased in second quarter in Milcon due to the growth of its business. The working capital increase in YE business is temporary and is normalizing gradually now that the ERP initiative is completed.

Overall, the business area's short-term outlook remains stable, although uncertainty in the operating environment persists. The companies' order books increased compared to the previous quarter. Market developments are being closely monitored to enable a rapid response to any changes.

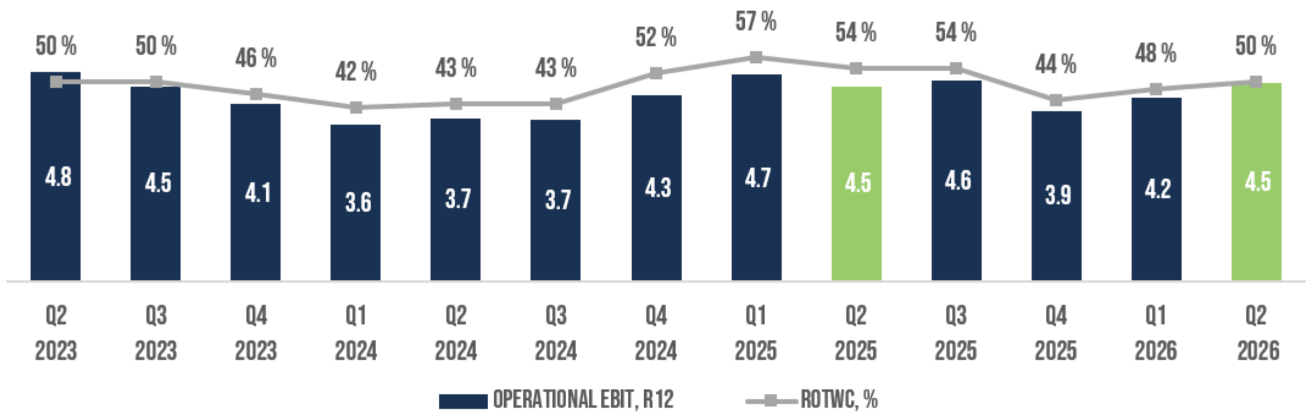
Key figures Electronics

EUR million	Q2 2026	Q2 2025	*Change*	H1 2026	H1 2025	*Change*	Q1-Q4 2025
Net sales	17.0	14.8	15 %	33.4	29.7	13 %	61.4
Operational EBIT	1.2	0.8	41 %	2.4	1.8	35 %	3.9
relative to net sales, %	*6.8 %*	*5.6 %*	-	*7.2 %*	*6.0 %*	-	*6.4 %*
EBIT	0.7	0.6	14 %	1.5	1.9	-23 %	2.9
Return on Trade Working Capital (ROTWC %), R12	50 %	54 %	-	50 %	54 %	-	44 %
Capital expenditure	0.0	0.1	-93 %	0.0	0.2	-96 %	0.3
Personnel at end of the period	145	126	15 %	145	126	15 %	143

Electronics operational EBIT and operational EBIT margin



Electronics ROTWC and operational EBIT R12



TECHNICAL TRADE BUSINESS AREA

During the second quarter, the Technical Trade business area's operational EBIT improved to EUR 2.0 million (2025: 1.8). The operational EBIT margin increased slightly from 7.1% to 7.2%. Net sales increased by 10% during the second quarter compared to the comparison period. The business area's gross margin remained at the level of the comparison period.

The business area's second-quarter earnings were supported especially by the strong performance of the welding companies Pronius and Spetselektroodi, as well as Filterit, which serves the process industry, compared to the comparison period. The profitability of the Putzmeister business also improved from the comparison period.

The business area's return on trade working capital (R12) increased significantly from the previous year to 32% (2025: 24%), driven by improved earnings. The amount of working capital tied up in the business has remained stable over the past 12 months.

Overall, the short-term outlook remains favorable, and the companies' order books have remained stable. Order books have increased particularly at Filterit and Machinery MT. Based on estimated delivery schedules, the business area's order books are weighted towards the second half of 2026.

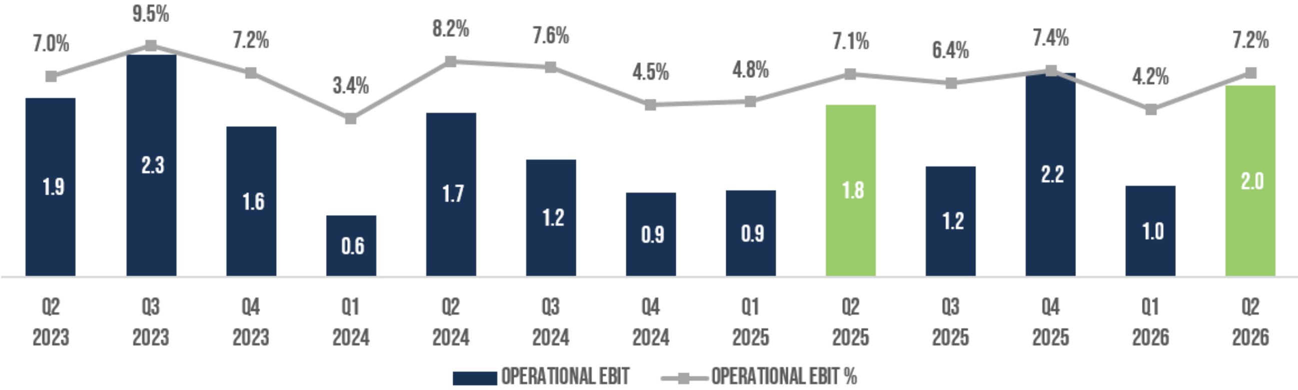
The positive outlook among industrial customers notably supports the development of the Technical Trade business area. Customers have initiated investment projects, for example relating to Machinery MT's products, and the increase in activity is reflected in growing demand for both Machinery's products and welding equipment. The outlook for the companies serving the construction industry remains subdued, although customer demand has started to recover cautiously for deliveries later in the year.

Due to continued uncertainty in the operating environment, the companies are closely monitoring market developments and changes in the cost structure and remain prepared to respond as necessary, both to support increased demand and to react to any deterioration in market conditions.

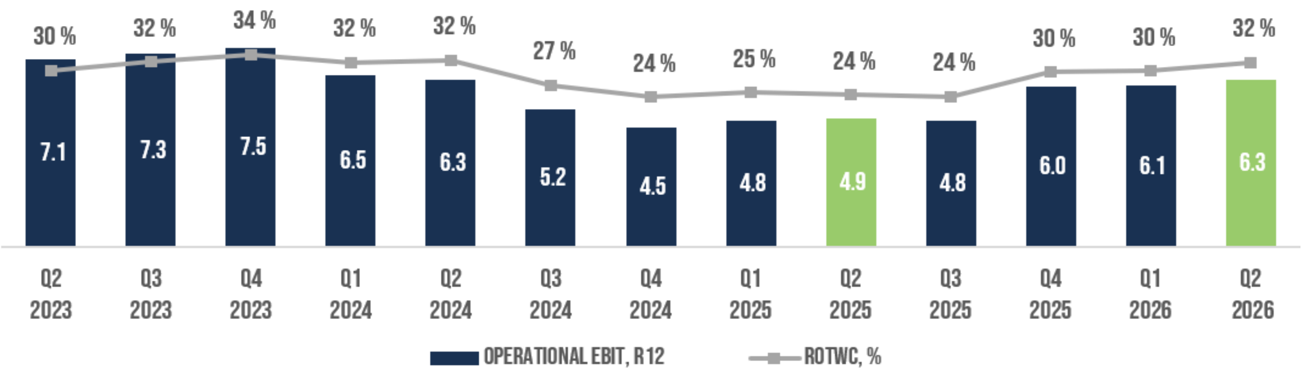
Key figures Technical Trade

EUR million	Q2 2026	Q2 2025	*Change*	H1 2026	H1 2025	*Change*	Q1-Q4 2025
Net sales	28.0	25.4	10 %	51.1	44.5	15 %	91.9
Operational EBIT	2.0	1.8	13 %	3.0	2.7	10 %	6.0
relative to net sales, %	*7.2 %*	*7.1 %*	-	*5.8 %*	*6.1 %*	-	*6.6 %*
EBIT	1.7	2.3	-29 %	2.3	3.0	-25 %	5.7
Return on Trade Working Capital (ROTWC %), R12	32 %	24 %	-	32 %	24 %	-	30 %
Capital expenditure	0.8	0.2	398 %	1.3	0.5	148 %	1.7
Personnel at end of the period	215	217	-1 %	215	217	-1 %	212

Technical Trade operational EBIT and operational EBIT margin



Technical Trade ROTWC and operational EBIT R12



GROUP FUNCTIONS

Costs incurred by the parent company that are not allocated to the business areas are reported under Group functions. Operational EBIT for Group functions in the second quarter amounted to EUR -0.6 million (2025: -0.5 million). The increase in costs during the second quarter was mainly attributable to higher provisions for performance-based incentives to reflect the realized earnings level and current outlook.

Key figures Group functions

EUR million	Q2 2026	Q2 2025	*Change*	H1 2026	H1 2025	*Change*	Q1-Q4 2025
Net sales	0.0	0.0	-	0.0	0.0	-	0.0
Operational EBIT	-0.6	-0.5	37 %	-1.1	-1.0	13 %	-2.0
relative to net sales, %	-	-	-	-	-	-	-
EBIT	-0.6	-0.4	45 %	-1.1	-1.0	18 %	-2.0
Capital expenditure	0.0	0.0	-	0.0	0.0	-	0.0
Personnel at end of the period	4	5	-20 %	4	5	-20 %	5

GROUP PERSONNEL

The number of employees in the Boreo Group increased to 364 at the end of the second quarter (2025: 348). The number of employees by business area was as follows: Electronics 145 (2025: 126), Technical Trade 215 (2025: 217), and Group functions 4 (2025: 5). Personnel expenses during the second quarter amounted to EUR 7.0 million (2025: 6.2). The increase from the comparison period was attributable to acquisitions.

SHARES AND SHARE CAPITAL

At the end of the second quarter, Boreo Plc's share capital amounted to EUR 2,483,836, and the total number of shares was 2,701,353. At the end of the second quarter, the company held 2,340 treasury shares, representing 0.09% of the total number of shares.

MATERIAL EVENTS DURING THE SECOND QUARTER

On 15 April 2026, Boreo Plc held its Annual General Meeting at the company's headquarters at Ansatie 5, Vantaa.

MANAGERS' TRANSACTIONS

During the second quarter of 2026, Boreo Plc received seven notifications pursuant to Article 19 of the Market Abuse Regulation (MAR) regarding managers' transactions.

On 29 April 2026, Boreo Plc announced that the CEO had joined the 2025 stock option programme and that 15,000 stock options had been granted to the company's CEO, Tuomas Kahri.

On 30 April 2026, Boreo Plc announced that Mattias Björk had acquired 500 shares at an average price of EUR 18.00 per share.

On 4 May 2026, Boreo Plc announced that Tuomas Kahri had acquired 1,400 shares at an average price of EUR 18.49 per share.

On 5 May 2026, Boreo Plc announced that Richard Karlsson had acquired 7,622 shares at an average price of EUR 18.05 per share.

On 8 May 2026, Boreo Plc announced that Tomi Sundberg had acquired 600 shares at an average price of EUR 19.68 per share.

On 13 May 2026, Boreo Plc announced that, in accordance with the resolution of the Annual General Meeting, it had transferred 640 treasury shares held by the company to each of the Board members Camilla Grönholm, Jouni Grönroos, Noora Neilimo-Kontio and Jussi Vanhanen as part of their Board remuneration, without consideration.

On 23 June 2026, Boreo Plc announced that Preato Capital had acquired 2,450 shares at an average price of EUR 19.45 per share.

RISKS AND OPERATIONAL UNCERTAINTIES

Boreo is exposed to various market, financial, operational and regulatory risks that may affect the company's business performance. These risks are described in more detail in the Report of the Board of Directors included in the Annual Report 2025. In the management's assessment, there have been no material changes in the risks or operational uncertainties during 2026 compared to those described in the Report of the Board of Directors included in the Annual Report 2025.

TABLES JANUARY 1 TO JUNE 30, 2026

Accounting principles of the half-year report

This half-year report has been prepared in accordance with IAS 34 *Interim Financial Reporting* and has been prepared using the same accounting policies as those applied in the financial statements as at 31 December 2025. The figures presented in this half-year report have not been audited.

CONSOLIDATED INCOME STATEMENT (MEUR)	Q2 2026	Q2 2025	H1 2026	H1 2025	Q1-Q4 2025
Net sales	**45.1**	**40.2**	**84.6**	**74.2**	**153.3**
Other operating income	0.1	1.0	0.2	1.8	2.3
Materials and services	-32.1	-28.7	-60.0	-52.7	-109.2
Employee benefit expenses	-7.0	-6.2	-13.5	-11.9	-24.0
Depreciation, amortization and impairment losses	-1.6	-1.3	-3.2	-2.7	-5.8
Other operating expenses	-2.8	-2.5	-5.6	-4.8	-10.3
Share of result from associates	0.0	0.0	0.1	0.1	0.2
EBIT	**1.7**	**2.5**	**2.6**	**4.0**	**6.7**
Financial income	0.1	0.0	0.2	0.1	0.2
Financial expenses	-0.5	-0.8	-1.2	-1.7	-2.8
Profit before taxes	**1.3**	**1.7**	**1.6**	**2.4**	**4.1**
Income taxes	-0.1	-0.1	-0.1	-0.1	-0.2
Profit for the period	**1.2**	**1.6**	**1.5**	**2.3**	**3.9**
Allocated to					
Shareholders of the parent company	1.1	1.6	1.5	2.3	3.9
Non-controlling interests	0.1	0.0	0.1	0.0	0.0
EPS (undiluted) EUR, continuing operations	0.22	0.43	0.16	0.53	0.72
EPS (diluted) EUR, continuing operations	0.21	0.43	0.16	0.53	0.71
Items of the comprehensive income statement (MEUR)					
Items that may be reclassified subsequently to profit or loss:					
Translation differences from foreign units	-0.1	-0.4	-0.3	0.2	0.5
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	1.0	1.1	1.1	2.5	4.4
Allocated to					
Shareholders of the parent company	0.2	1.2	0.2	2.6	4.4
Non-controlling interests	0.0	-0.1	0.0	-0.1	-0.1
Number of outstanding shares (thousand)	2 698	2 691	2 697	2 690	2 693
Outstanding shares at the end of the period	2 699	2 692	2 699	2 692	2 696
Number of shares (thousand)	2 701	2 701	2 701	2 701	2 701

CONSOLIDATED BALANCE SHEET (MEUR)	Jun 30, 2026	Jun 30, 2025	Dec 31, 2025
ASSETS			
Non-current assets			
Goodwill	44.8	42.3	44.9
Intangible capital assets	11.2	7.7	12.4
Property, plant and equipment	9.8	10.0	10.5
Other financial assets	2.3	1.4	1.7
Investments in associates	0.9	0.9	1.0
Deferred tax assets	0.0	0.1	0.0
Total non-current assets	**69.0**	**62.4**	**70.5**
Current assets			
Inventories	29.4	29.1	27.7
Accounts receivable and other receivables	21.0	20.9	19.6
Cash and cash equivalents	5.2	12.6	9.1
Total current assets	**55.7**	**62.6**	**56.4**
TOTAL ASSETS	**124.6**	**125.0**	**126.9**

SHAREHOLDERS’ EQUITY AND LIABILITIES			
SHAREHOLDERS’ EQUITY			
Equity attributable to the equity holders of the parent			
Share capital	2.5	2.5	2.5
Other committed capital	0.1	0.1	0.1
Hybrid loan	30.0	30.0	30.0
Reserve for invested unrestricted equity	5.1	5.1	5.1
Retained earnings	12.1	10.6	9.7
Profit for the period	1.5	2.3	3.9
Total	**51.2**	**50.5**	**51.2**
Non-controlling interests	1.5	1.4	1.4
Total equity	**52.6**	**51.9**	**52.6**
Non-current liabilities			
Financial liabilities	29.0	34.6	29.5
Deferred tax liabilities	3.0	2.2	3.2
Trade and other payables	0.6	0.0	0.6
Total non-current assets	**32.7**	**36.8**	**33.3**
Current liabilities			
Trade and other payables	31.8	29.0	30.9
Provisions	0.1	0.0	0.0
Financial liabilities	7.4	7.2	10.1
Total current liabilities	**39.3**	**36.3**	**41.0**
TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES	**124.6**	**125.0**	**126.9**

CONSOLIDATED CASH FLOW STATEMENT (MEUR)	1.1.-30.6.2026	1.1.-30.6.2025	1.1.-31.12.2025
Operational cash flow			
Profit before taxes	1.9	2.4	4,1
Non-cash transactions			
Depreciation, amortization and impairment losses	3.1	2.7	5.8
Net financial items	1.0	1.6	2,6
Share of associate companys' result, net	0.1	0.2	0.2
Increase (-) / decrease (+) in inventories	-1.8	-2.2	-0.8
Increase (-) / decrease (+) in current assets	-1.5	-4.0	-2.3
Increase (+) / decrease (-) in current liabilities	1.7	2.0	2.5
Net financial items	-0.7	-1.1	-2,2
Taxes paid	-0.1	-0,1	-0,4
Other adjustments	0.0	-1.5	-1,9
Operational net cash flow	**3.7**	**-0.2**	**7,5**
Cash flow from investments			
Investments in intangible and tangible assets	-1.3	-0.7	-2.0
Acquisitions	0.0	-1,5	-7,7
Proceeds from sale of property, plant and equipment	0.8	1.5	1.7
Net cash flow from investments	**-0.5**	**-0.7**	**-8.0**
Cash flow from financing			
Repayments of loans	-2.9	-0.2	-2,7
Repayments of lease liabilities	-1.6	-1.4	-2.9
Withdrawals of loans	0.0	1.9	2,0
Withdrawal of convertible hybrid loan, net	0.0	10,0	10,0
Withdrawals and repayments of hybrid loan, net	0.0	-4.0	-4.0
Interest and expenses on hybrid loan	-2.6	-2.5	-2.5
Net cash flow from financing	**-7.0**	**3.7**	**-0.2**
Change in cash and cash equivalents	**-3.9**	**2.8**	**-0.7**
Cash and cash equivalents Jan 1	9.1	9.7	9.7
Impact of exchange rate fluctuations and consolidation	0.0	0.1	0.1
Liquid funds at the end of period	**5.2**	**12.6**	**9.1**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (MEUR)

2026	Share capital	Contingency reserve	Reserve for invested unrestricted equity	Translation difference	Hybrid loan	Retained earnings	Non-cont. interest	Total
Jan. 1, 2026	**2,5**	**0,1**	**5,1**	**-0,7**	**30,0**	**14,3**	**1,4**	**52,6**
Profit/loss for the period						1,5	0,1	1,5
Translation differences		0,0		-0,3		0,0	0,0	-0,3
Share incentives						0,1		0,1
Interest and borrowing costs of the hybrid loan						-1,2		-1,2
Other change						-0,1		-0,1
Jun. 30, 2026	**2,5**	**0,1**	**5,1**	**-0,9**	**30,0**	**14,5**	**1,5**	**52,6**

2025	Share capital	Contingency reserve	Reserve for invested unrestricted equity	Translation difference	Hybrid loan	Retained earnings	Non-cont. interest	Total
Jan. 1, 2025	**2.5**	**0.1**	**5.1**	**-1.3**	**24.0**	**12.7**	**1.4**	**44.5**
Profit/loss for the period						3.9	0.0	3.9
Translation differences		0.0		0.6		0.0	-0.1	0.5
Withdrawal of hybrid loan					10.0			10.0
Repayment of hybrid loan					-4.0			-4.0
Share incentives						0.1		0.1
Interest and borrowing costs of the hybrid loan						-2.5		-2.5
Other change						0.1		0.1
Dec. 31, 2025	**2.5**	**0.1**	**5.1**	**-0.7**	**30.0**	**14.3**	**1.4**	**52.6**

SEGMENT INFORMATION (MEUR)

1-6/2026	Electronics	Technical Trade	Group functions	Inter Segment	Total
Net sales	33.4	51.1	0.0		84.6
Profit/loss from associated companies	0.1	0.0	0.0		0.1
Depreciation	-0.2	-1.7	0.0		-1.9
EBIT	1.5	2.3	-1.1		2.6
Financial income	0.0	0.1	0.9	-0.7	0.2
Financial expenses	-0.4	-0.8	-0.8	0.7	-1.2
Profit before taxes	1.1	1.5	-1.0		1.6
Balance sheet assets	73.4	77.4	0.0	-26.1	124.6
Balance sheet liabilities	-33.4	-64.5	-0.2	26.1	-72.0
Investments	0.0	1.3	0.0		1.3
Personnel at end of the period	145	215	4		364

SEGMENT INFORMATION (MEUR)

1-6/2025	Electronics	Technical Trade	Group functions	Inter Segment	Total
Net sales	29.7	44.5	0.0		74.2
Profit/loss from associated companies	0.1	0.0	0.0		0.1
Depreciation	-1.1	-1.5	0.0		-2.7
EBIT	1.9	3.0	-1.0		4.0
Financial income	0.0	0.1	0.8	-0.8	0.1
Financial expenses	-0.5	-0.8	-1.2	0.8	-1.7
Profit before taxes	1.4	2.3	-1.3		2.4
Balance sheet assets	71.9	72.9	0.0	-19.8	125.0
Balance sheet liabilities	-36.8	-56.3	0.2	19.8	-73.1
Investments	0.2	0.5	0.0		0.7
Personnel at end of the period	126	217	5		348

OFF-BALANCE SHEET CONTINGENT LIABILITIES (MEUR)

	June 30, 2026	June 30, 2025	December 31, 2024
Liabilities			
Unused overdraft limit	10.5	10.7	10.8
Total liabilities	**10.5**	**10.7**	**10.8**
Collateral given			
Enterprise mortgages	71.5	71.5	71.5
Guarantees	1.7	2.8	2.9
Total guarantees	**73.2**	**74.3**	**74.4**

The company has an interest rate derivative liability related to interest rate hedging. Its fair value was EUR 0.0 million as at 30 June 2026. The change in fair value has been recognized through profit or loss under financial items.

RECONCILIATION STATEMENTS OF KEY INDICATORS

Reconciliation, operational EBIT

EUR million	Q2 2026	Q2 2025	H1 2026	H1 2025	Q1-Q4 2025
EBIT	**1.7**	**2.5**	**2.6**	**4.0**	**6.7**
ITEMS AFFECTING COMPARABILITY					
Electronics					
Structural arrangements	0.0	0.0	0.0	0.6	0.6
ERP implementation costs	-0.2	0.0	-0.2	0,0	
Costs related to acquisitions	0.0	0.0	0.0	0.0	-0.5
Amortization related to allocation of acquisition costs	-0.3	-0.2	-0.7	-0.4	-1.1
Technical Trade					
Structural arrangements	0.0	0.0	0.0	0.0	-0.1
ERP implementation costs	-0.1	0.0	-0.2	0.0	0.0
Costs related to acquisitions	0.0	0.0	0.0	0.0	0.0
Amortization related to allocation of acquisition costs	-0.3	-0.2	-0.5	-0.5	-1.0
Recognition of a gain from a bargain purchase (negative goodwill)	0.0	0.8	0.0	0.8	0.8
Group functions					
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
TOTAL ITEMS AFFECTING COMPARABILITY	**-0.9**	**0.3**	**-1.7**	**0.5**	**-1.3**
OPERATIONAL EBIT	**2.6**	**2.2**	**4.3**	**3.5**	**8.0**

Interest-bearing net debt

EUR million	Jun 30, 2026	Jun 30, 2025	Dec 31, 2025
Long-term financial liabilities	29.0	34.6	29.5
Short-term financial liabilities	7.4	7.2	10.1
Interest-bearing receivables	2.1	1.1	1.5
Cash and cash equivalents	5.2	12.6	9.1
Interest-bearing net debt	**29.1**	**28.2**	**28.9**

ALTERNATIVE PERFORMANCE MEASURES

The European Securities and Markets Authority (ESMA) defines alternative performance measures as financial measures of historical or future financial performance, financial position or cash flows other than financial measures defined or specified in the applicable financial reporting framework. In Boreo's case, the applicable financial reporting framework consists of IFRS Accounting Standards as adopted by the European Union in accordance with Regulation (EC) No 1606/2002.

Boreo presents certain financial measures that are not based on IFRS Accounting Standards (alternative performance measures). These alternative performance measures are intended to describe the financial performance of the business and improve comparability between reporting periods. They should not be considered as substitutes for financial measures defined under IFRS Accounting Standards.

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	=	Interest-bearing net debt / 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,%	=	Equity + total non-controlling interests / Balance sheet total - advances received x 100
Interest-bearing net debt	=	Interest-bearing liabilities - interest-bearing receivables - cash and cash equivalents
Earnings per share (EPS)	=	Profit for the period to shareholders of the parent – the interest rate on the hybrid loan recorded in equity minus the tax effect / Average number of outstanding shares
Return on capital employed (ROCE %)	=	Operational EBIT for the previous 12 months / 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	=	Operational EBIT for the previous 12 months / 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 %)	=	Operational EBIT for the previous 12 months / Average working capital for the previous 12 months (inventories + trade receivables – trade payables – advance payments received)
Return on equity (ROE %)	=	Profit for the period for the previous 12 months / Average equity for the previous 12 months
Cash conversion, %	=	Net cash flow from operating activities + interest paid – investments in intangible and tangible assets / EBIT + depreciation and impairment – effect of fixed asset depreciation (IFRS 16)

BRIEFING FOR INVESTORS, ANALYSTS AND MEDIA

A webcast presentation hosted by the company's CEO, Tuomas Kahri, will be held on the publication date at 11:00 a.m. EEST. The event will be held in English, and participants may ask questions after the presentation. The presentation material will be available before the webcast begins on Boreo's website at www.boreo.com/investors.

The webcast can be followed at https://boreo.events.inderes.com/q2-2026. A recording of the webcast will be available after the event at www.boreo.com/investors.

BOREO PLC'S FINANCIAL REPORTING 2026

Interim Report January–September 2026: 29 October 2026

Financial reports will be published in Finnish and English on the above dates at approximately 9:00 a.m. EEST. Boreo observes a 30-day silent period preceding the publication of its financial reports, ending on the publication date.

Vantaa, 6 August 2026

BOREO PLC

Board of Directors

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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 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 2025 were EUR 153 million and it employs over 300 people in seven countries. The company's headquarter is in Vantaa.