



Financial statement release

January–December
2023

 **NYAB**

NYAB Plc's financial statement release 2023:

Strong growth in cash flow and order backlog

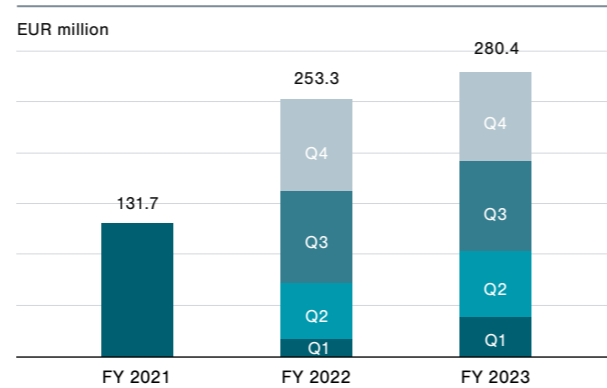
October-December in brief

- Revenue amounted to EUR 87.8 (89.8) million, representing a change of -2.1%. In constant currencies, revenue growth was 1.3%.
- EBITDA was EUR 8.6 (20.8) million, amounting to 9.8% (23.1%) of revenue. Comparison period includes sales gain from Skarta Energy transaction of EUR 14.7 million on EBITDA.
- Operating profit (EBIT) was EUR 6.6 (19.2) million, amounting to 7.5% (21.4%) of revenue
- Free cash flow was EUR 16.8 (9.5) million
- Net debt/EBITDA was -0.3
- Order backlog improved 23.0% and amounted to EUR 294.7 (239.7) million.

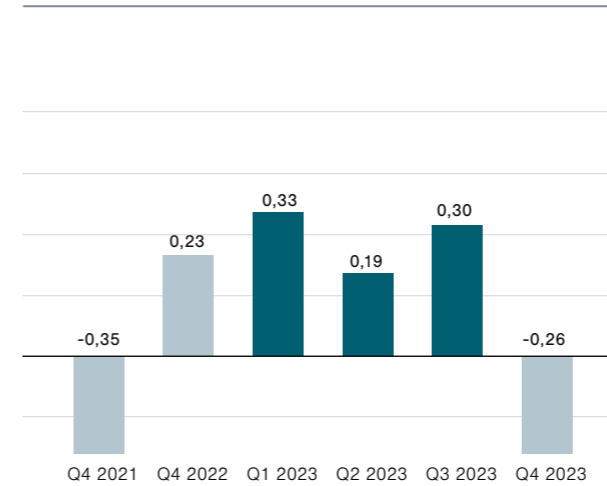
January-December in brief

- Revenue amounted to EUR 280.4 (253.3) million, representing a change of 10.7%. In constant currencies, revenue growth was 16.6%.
- EBITDA was EUR 21.4 (30.4) million, amounting to 7.6% (12.0%) of revenue. Comparison period includes sales gain from Skarta Energy transaction of EUR 14.7 million on EBITDA.
- Operating profit (EBIT) was EUR 15.2 (25.7) million, amounting to 5.4% (10.2%) of revenue
- Free cash flow was EUR 22.3 (3.7) million
- The Board of Directors proposes a capital repayment of EUR 0.014 (0.007) per share, of which EUR 0.008 per share is ordinary profit distribution and EUR 0.006 is extraordinary profit distribution and which equals approximately EUR 9.9 (4.9) million, to be paid for shareholders.

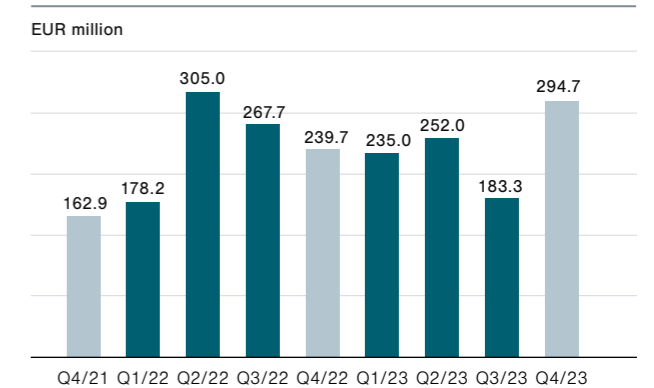
Revenue



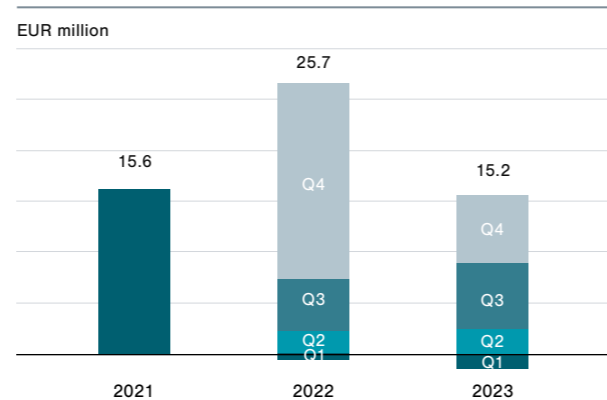
Net debt/EBITDA (previous 12 months)



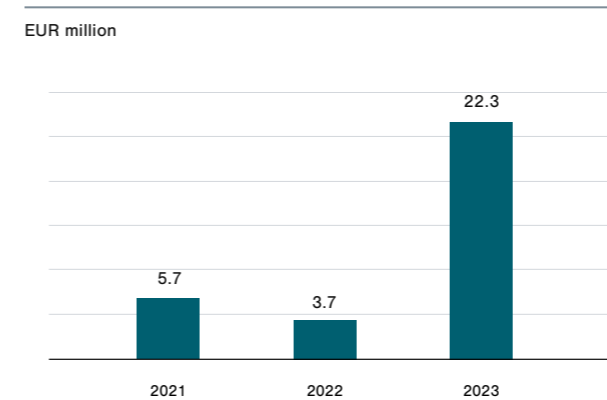
Order backlog quarterly development



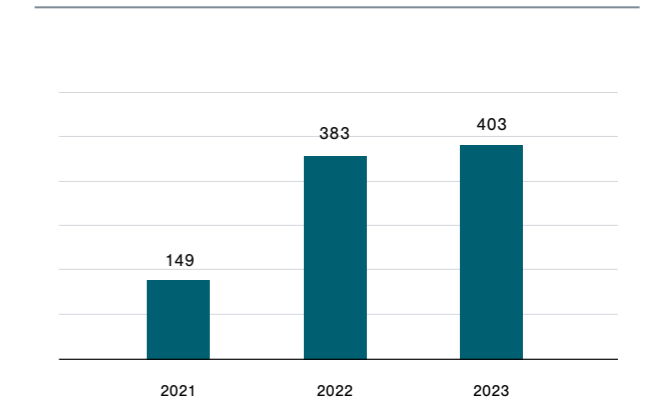
Operating profit (EBIT)



Free cash flow



Personnel



Key figures

	10-12/2023	10-12/2022	7-12/2023	7-12/2022	1-12/2023	1-12/2022
Revenue, EUR thousand	87,848	89,765	175,946	180,113	280,417	253,318
Year-on-year change in revenue, %	-2.1%	-0.6%	-2.3%	NA	10.7%	92.3%
EBITDA, EUR thousand	8,578	20,776	16,578	27,327	21,374	30,389
% of net sales	9.8%	23.1%	9.4%	15.2%	7.6%	12.0%
EBITA, EUR thousand	7,644	19,729	14,776	25,424	17,818	27,217
% of net sales	8.7%	22.0%	8.4%	14.1%	6.4%	10.7%
Operating Profit (EBIT), EUR thousand	6,614	19,214	13,190	24,425	15,187	25,744
% of net sales	7.5%	21.4%	7.5%	13.6%	5.4%	10.2%
Profit for the period, EUR thousand	3,564	19,319	8,131	23,657	9,049	23,320
Earnings per share (EPS), basic, in euros	0.01	0.03	0.01	0.04	0.01	0.03
Earnings per share (EPS), diluted, in euros	0.01	0.03	0.01	0.04	0.01	0.03
Interest-bearing liabilities	17,014	20,837	17,014	20,837	17,014	20,837
Equity, EUR	185,326	180,418	185,326	180,418	185,326	180,418
Balance sheet total	266,088	259,098	266,088	259,098	266,088	259,098
Return on equity, previous 12 months, %	4.9%	22.5%	4.9%	22.5%	4.9%	22.5%
Return on capital employed, previous 12 months, %	6.6%	22.7%	6.6%	22.7%	6.6%	22.7%
Equity ratio -%	73.0%	69.6%	73.0%	69.6%	73.0%	69.6%
Net debt, EUR thousand	-5,630	7,010	-5,630	7,010	-5,630	7,010
Net gearing -%	-3.0%	3.9%	-3.0%	3.9%	-3.0%	3.9%
Net debt/EBITDA, previous 12 months	-0.26	0.23	-0.26	0.23	-0.26	0.23
Free cash flow, EUR thousand	16,819	9,531	13,032	11,976	22,338	3,699
Order backlog, EUR thousand	294,730	239,682	294,730	239,682	294,730	239,682
Number of employees at the end of the period	403	383	403	383	403	383

CEO review

NYAB accomplished great progress during 2023. We developed both our core business and our support functions, which included preparations for a future as a company listed in Stockholm. With this work, we have built a platform for future profitable growth.

Our reported growth was 10.7 percent and growth in constant currencies amounted to 16.6 percent. We maintained a healthy EBIT-margin of 5.4 percent and achieved a significant improvement in our free cash flow that amounted to EUR 22 million. In addition, we ended the year with a net cash position and the highest year-end order backlog ever, EUR 295 million, which provides a solid foundation going forward.

Our positive development should also be seen in the context that year 2023 was full of macroeconomic headwinds. Our customers were especially affected by inflation and uncertainties regarding interest rates. Hence, investments in our markets were practically frozen during our seasonally highest period between May and October. Several contracts that were expected to be signed during the first half of the year were delayed. It is satisfying to see that, despite these challenges, we stayed committed to our most important supporting pillar, not to grow with increased risk. Therefore, our growth was modest in NYAB measures,

and we decided not to complete any M&A's due to uncertainties in the market.

Stabilization of the macroeconomic environment towards the end of the year restored confidence among our customers, which resulted in a significant order intake during the fourth quarter. We signed our largest contracts ever regarding the construction of Aurora Line, a 400 kV transmission line between Sweden and Finland, and a 102.5 MWp solar farm in the municipality of Utajärvi in Northern Ostrobothnia. Estimated values of these projects are EUR 89 million and EUR 69 million, respectively, and they are good examples of our work to enable green transition in the Nordics.

Since the fourth quarter, we have noticed that all our markets are improving, and we currently see a strong demand in all our sectors. The most relevant global megatrends – green transition, de-globalization, and urbanization – heavily drive investments in the energy sector, where our growth is the fastest, as well as infrastructure and industry sectors.

To summarize, we achieved good growth and cash flow, as well as a strong margin in relation to our industry. Together with an all-time high backlog at the end of the year, we proved the scalability in our business model

for the tenth consecutive year. To achieve all this in an extremely challenging environment says a lot about us and our favorable position in the market. We will continue to build value for our customers, employees, and shareholders in accordance with our new strategic plan, thus enabling the progress of society for future generations.

Finally, I want to thank NYAB's employees who are working diligently to make us a better company every day. I am proud of the accomplishments that have been demonstrated throughout the year through your competence, dedication, and teamwork. Together, as one team, I am confident that we will continue to achieve even more in the coming years.

Johan Larsson
CEO, NYAB Plc

Significant events for the financial year 2023

NYAB's business operations for the financial year 2023 consisted of infrastructure, energy, and industrial construction, as well as engineering and maintenance services, in Sweden and Finland. Most significant new contracts related to power networks and renewable energy. Furthermore, NYAB has started several new infrastructure projects that serve the needs of transportation in roads and railways, aviation, as well as water treatment. NYAB also has started and executed multiple ongoing frame and maintenance agreements.

NYAB's largest contract for the year was the contract signed with Svenska kraftnät at the end of October regarding the construction of Aurora Line. The total value of the contract is estimated to be EUR 89 million. The Aurora Line will be an electricity transmission connection between Sweden and Finland, improving security of supply and equalize electricity prices. NYAB's work in the project regards an approximately 90 km distance in Northern Sweden. In power network construction, NYAB has also started, among others, several substation projects with Fingrid in Finland, as well as the construction of a new power line in the Luleå region in Sweden.

Regarding renewable energy, NYAB signed a contract worth approximately EUR 69 million to construct a solar farm in the municipality of Utajärvi in Northern Ostrobothnia. The solar farm is developed by NYAB's associated company Skarta Energy. The first phase of the project started in December 2023, and the entire project is expected to be completed during the first half of 2026. In wind power, NYAB signed a Balance of Plant (BoP) contract with Energiequelle at the beginning of the year regarding the construction of Mikonkeidas wind farm, with which the number of turbines involved in NYAB's completed and ongoing projects already exceeded 190.

In infrastructure construction, NYAB and Swedavia signed a contract regarding the widening of taxi runways at Stockholm Arlanda airport in May. In Northern Sweden, NYAB and Infranord, a company wholly owned by the Swedish state, agreed on two railway projects located in Kiruna. In these projects, NYAB conducts land improvement work on the connections to LKAB's expanding iron ore mining districts. Furthermore, NYAB started cabling work in Southern Sweden that enables the transition to the new European Railway

Traffic Management System. In the Stockholm region, NYAB and Stockholm Vatten & Avfall signed a frame agreement regarding excavation and piping work for water and sewage. NYAB is one of three contractors that together will receive a total volume of up to SEK 1.5 billion over the next five years.

In industrial construction, NYAB commenced work, among others, for Talga, establishing a battery anode refinery in Luleå, and for Yara at its Siilinjärvi mills.

NYAB and the city of Mikkeli executed a settlement agreement in the spring to settle the dispute between NYAB and Mikkeli Waterworks that had been subject to legal proceedings. The agreement resulted in a positive cash flow impact of approximately EUR 9.2 million and a positive non-recurring result impact of approximately EUR 3.6 million for NYAB for the second quarter.

The construction of the first solar projects of Skarta Energy Oy, the joint venture between NYAB and CapMan Infra fund, started in the second half of the year. The JV's largest project is the Utajärvi solar farm constructed on disused peat bog areas with an estimated capacity

of 102.5 MWp and an annual energy production of 97 GWh. Overall, Skarta Energy aims to construct 800 MW of solar power during five years.

In September, NYAB announced it will proceed with preparations to re-domicile its parent company to Sweden. In connection with the cross-border conversion, NYAB also aims for listing on Nasdaq First North Premier Growth Market in Sweden. The cross-border conversion and the listing transfer are expected to be completed during the first half of 2024.

Operating environment

Macroeconomic environment caused headwinds to NYAB's financial performance in both Swedish and Finnish markets during the financial year 2023. The continued increase in interest rates and high inflation caused delays in both order intake and revenue recognition in ongoing projects, as many clients remained waiting for market conditions to stabilize. Furthermore, the weakening of the Swedish krona during 2023 had a negative impact on NYAB's euro-denominated financials. In addition, exceptionally early and extreme winter conditions postponed revenue recognition in many projects from the end of the financial year to the year 2024.

Due to the short-term uncertainty of the operating environment, realized volumes in NYAB's frame agreements in Swedish infrastructure market were lower than estimated, and the initiation of new projects in Finnish energy market was interrupted for a long period. Despite the slow market, NYAB continued to be selective

when taking on new projects to ensure a balanced risk/return profile in its order intake. Moreover, the focus in NYAB's energy construction was proportionally shifted to projects in power network construction that are not as heavily impacted from macroeconomic fluctuations.

For the financial year 2024, Trafikverket's budget for road and railway investments in Sweden is lower than the comparison year, whereas outlook for maritime transportation investments and industrial projects, for example, is positive. In Northern Sweden, where NYAB has its largest share of operations, total construction investments are expected to reach a double-digit growth due to billion-scale investment projects of steel and mining companies. In Finland, there is a high interest for green transition investments, and several new projects are planned especially in the energy sector. However, timing and execution of the investments is subject to uncertainty.

Future outlook

NYAB sees its record-high year-end order backlog together with its exposure to growing sectors and geographical markets as a basis for a positive outlook. NYAB gives a financial guidance where its revenue and operating profit for 2024 are expected to increase from 2023.

Global megatrends, such as green transition and urbanization, also provide robust demand for NYAB's business areas. The transition of volumes to 2024 from 2023 due to late year winter conditions, as well as the stabilization of inflation and interest rate development at the end of the year, further support the solid foundation for the 2024 outlook.

Key uncertainties impacting the business and financial performance include the development of inflation, interest rates, and value of the Swedish krona, weather conditions, as well as the functionality of supply chains and other typical project risks.

The long-term outlook is positive for all business areas and NYAB is well positioned to deliver in accordance with its long-term financial targets.

Green transition accelerates the construction of renewable energy and power networks, as fossil fuels are being replaced and demand for energy increases with the electrification of industrial processes. Besides the rapidly growing wind power, an increasing number of industrial-scale solar farm projects is proceeding to the construction phase, and investment plans of main grid companies amount to several billions of euros.

Regarding infrastructure, there are large investment needs in the public sector for both transportation and water treatment, and urbanization increases demand especially in the Stockholm-Mälardalen region. Significant opportunities within industrial clients are expected, among others, in the mining industry that is essential for rapidly growing clean energy technologies especially in NYAB's key market in Northern Sweden.

Strategy and financial targets

NYAB's Board of Directors approved a new strategic plan for 2024-2026 in December. The mission of the Company is to deliver high-quality, cost-effective solutions in demanding infrastructure, renewable energy, and industrial construction. Its vision is to become the preferred partner in building a better future for generations to come, as well as to be the first-choice workplace for dedicated professionals. The strategic plan is based on four pillars: people first, responsibility to customers and society, operational excellence, and profitable growth.

Regarding its personnel, NYAB highlights safety as the highest priority and focuses on, among others, improving collaboration and building joint success between business units. When it comes to customers and society, NYAB focuses on customer satisfaction and invests in sustainability to further strengthen its offering and contribution to society, as well as to align with EU's climate targets and upcoming CSRD requirements. Operational excellence is pursued to be developed by enhancing cross-border resource sharing and project execution, focusing on holistic cost awareness in all parts of the organization and seeking incremental improvements in operations by utilizing smart digital solutions and collaboration.

NYAB pursues organic growth in, among others, projects relating to green transition investments in Sweden and Finland, large-scale infrastructure project in Sweden, as well as energy projects in Finland. NYAB also aims at increasing the share of collaborative and long-term maintenance contracts in Sweden and Finland, as well as supplementing its growth with strategic acquisitions that provide synergies and/or key competencies for the prioritized business areas.

In accordance with the long-term financial targets that were revised in connection with the strategic plan, NYAB pursues annual revenue growth exceeding 10%, EBIT margin exceeding 7.5%, net debt to EBITDA of less than 1.5, and dividend exceeding 35% of net profit in the long term.

Targeted re-domiciliation of the parent company and subsequent listing transfer to First North Premier in Sweden are expected to support the strategic plan and achieving the long-term targets. These changes are expected to increase NYAB's access to the capital markets, improve the liquidity of its shares, and provide commercial benefits by bringing the company closer to its largest clients, thus providing the best basis for creating additional value for shareholders.

Proposal of the Board of Directors for profit distribution

NYAB Plc's result for the financial period that ended on 31 December 2023 was 16,605,532 euros and the distributable assets of the parent company were 266,530,406 euros. The Board of Directors proposes to the Annual General Meeting to be held on 11 April 2024 that 0.014 euros per share, equaling a total of 9,893,215 euros, is paid to shareholders as a distribution of assets based on the balance sheet to be adopted for the financial period. The amount of ordinary profit distribution is 0.008 per share, and an additional extraordinary profit distribution is EUR 0.006 per share.

The distribution of assets is proposed to be executed as a capital repayment from the invested unrestricted equity reserve, and no dividends will be paid. The capital repayment is paid to shareholders who on the record date of 15 April 2024 are entered as shareholders in the company's shareholder register held by Euroclear Finland Ltd. The capital repayment is proposed to be paid in one installment on 22 April 2024.

Publishing of the financial statements and the Annual General Meeting

NYAB will publish its annual report 2023, including financial statements and Board of Directors' report of activities, on 18 March 2024. The annual report will be published as a Company Announcement, and it will be available on the company website at <https://nyabgroup.com/en/financial-information/>.

NYAB Plc's Annual General Meeting is scheduled to take place on Thursday, 11 April 2024. Notice and registration instructions for the meeting will be released no later than three weeks prior to the meeting.

Financial reporting

NYAB will publish a half-yearly report for 1 January–30 June 2024 on Wednesday, 14 August 2024. In addition, NYAB will publish business reviews for the first and the third quarter, when an interim report according to the rulebook of Nasdaq First North Growth Market Finland is not released. Business review for the period 1 January–31 March 2024 will be released on 8 May 2024, and for the period 1 July–30 September 2024 on 6 November 2024.

Revenue

Revenue by region

EUR thousand	10-12/2023	10-12/2022	1-12/2023	1-12/2022
Finland	25,840	19,046	93,204	51,604
Sweden	62,008	70,718	187,214	201,714
Total	87,848	89,765	280,417	253,318

Revenue by customer group

EUR thousand	10-12/2023	10-12/2022	1-12/2023	1-12/2022
Public sector (municipalities and government)	45,688	35,163	151,170	177,322
Private sector	42,160	54,601	129,248	75,995
Total	87,848	89,765	280,417	253,318

October-December 2023

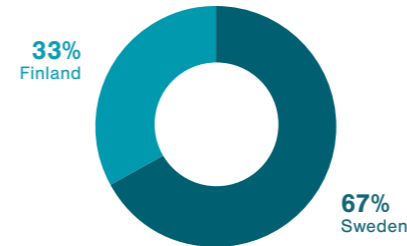
Revenue of the Group for the fourth quarter was EUR 87.8 (89.8) million. Revenue in Sweden was 71% (79%) of the total revenue. The change resulted, among others, from weather conditions that postponed revenue recognition to the year 2024 especially in Northern Sweden, as well as currency rate fluctuations that had an impact of approximately EUR -3.1 million on the revenue in Sweden. In constant currencies, total revenue growth for the fourth quarter amounted to 1.3%.

January-December 2023

Revenue of the Group for the financial year increased 10.7% from the comparison period and amounted to EUR 280.4 (253.3) million. In constant currencies, revenue growth was 16.6%. Revenue in Finland was EUR 93.2 (51.6) million, constituting 33% (20%) of the total revenue. Revenue in Sweden was EUR 187.2 (201.7) million, constituting 67% (80%) of the total revenue.

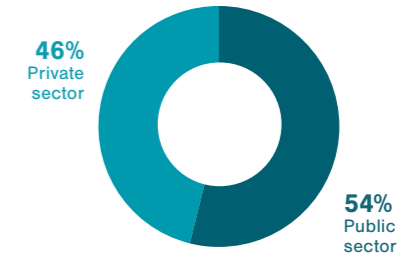
Revenue by region 2023

Percent



Revenue by customer group 2023

Percent

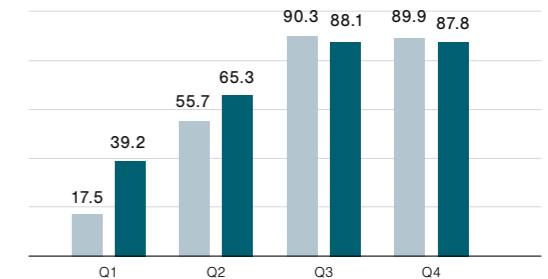


In addition to strong organic growth, the increase in the share of revenue generated in Finland results from currency rate fluctuations that had an impact of approximately EUR -15 million on the revenue in Sweden, as well as the transaction executed on 31 March 2022, as NYAB Plc acquired all shares in NYAB Sverige AB. In IFRS reporting, the transaction has been treated as a reverse acquisition, in which case Finnish group companies have been consolidated to the income statement as of 1 April 2022.

46 % (30%) of the Group's total revenue came from the private sector and 54% (70%) from the public sector. Increase in the share of revenue from the private sector results particularly from the relative increase in energy and industrial construction projects that are primarily offered to private sector clients.

Quarterly revenue

EUR million



■ 2022
■ 2023

Profitability

EUR thousand	10-12/2023	10-12/2022	1-12/2023	1-12/2022
EBITDA	8,578	20,776	21,374	30,389
EBITDA, % of net sales	9.8%	23.1%	7.6%	12.0%
EBITA	7,644	19,729	17,818	27,217
EBITA, % of net sales	8.7%	22.0%	6.4%	10.7%
Operating profit (EBIT)	6,614	19,214	15,187	25,744
Operating profit, % of net sales	7.5%	21.4%	5.4%	10.2%
Result for the period	3,564	19,319	9,049	23,320
Earnings per share, basic, EUR	0.01	0.03	0.01	0.03

October-December 2023

EBITDA of the Group for the fourth quarter was EUR 8.6 (20.8) million, amounting to 9.8% (23.1%) of revenue. The change was significantly affected by the sale of Skarta Energy Oy in December 2022 that had an impact of EUR 14.7 million on EBITDA for the comparison period. Operating profit for the fourth quarter was EUR 6.6 (19.2) million, amounting to 7.5% (21.4%) revenue, and net profit was EUR 3.6 (19.3) million.

January-December 2023

EBITDA of the Group for the financial year 2023 was EUR 21.4 (30.4) million, amounting to 7.6% (12.0%) of revenue. The change was significantly affected by the sale of Skarta Energy Oy in December 2022 that had an impact of EUR 14.7 million on EBITDA for the comparison period. Operating profit was EUR 15.2 (25.7) million, amounting to 5.4% (10.2%) of revenue. The settlement agreement executed with the city of

Mikkeli had a positive impact of EUR 3.3 million on the operating profit. Operating profit was negatively impacted by an increase in the group administration costs of approximately EUR 1.9 million, cost increase from share-based incentive schemes of approximately EUR 0.1 million, and higher depreciations of approximately EUR 1.5 million mainly deriving from PPA amortizations.

The Group's result before tax was EUR 10.7 (25.3) million. Tax for the reporting period amounted to EUR -1.6 (-2.0) million and net profit to EUR 9.0 (23.3) million. Items below operating profit were especially affected by finance expenses relating to NYAB's preparations for re-domiciliation and listing transfer where the target is to enable a following capital market transaction, EUR -1.5 million, as well as the share of result in the associated company Skarta Energy, EUR -1.6 million.

The Group's cash flow, balance sheet and financial standing

EUR thousand	10-12/2023	10-12/2022	1-12/2023	1-12/2022
Free cash flow	16,819	9,531	22,338	3,699
Net working capital	20,643	22,494	20,643	22,494

Free cash flow of the Group for the fourth quarter improved to EUR 16.8 (9.5) million. Free cash flow for the entire financial year was EUR 22.3 (3.7) million. Cash flow was supported by the compensation of EUR 9.2 million that was paid to NYAB during the second quarter in accordance with the settlement agreement signed with the city of Mikkeli. Net working capital at the end of the financial year was EUR 20.6 (22.5) million.

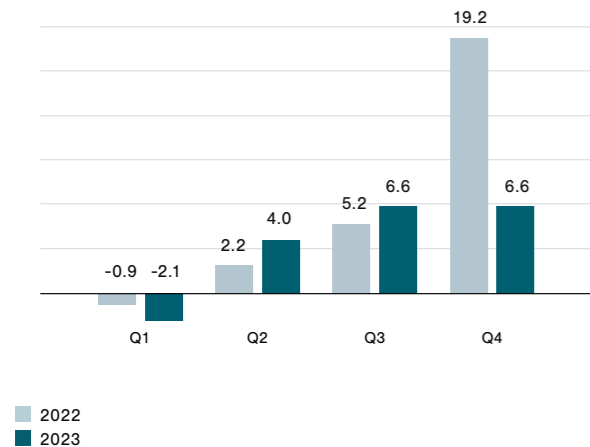
Distribution of assets in the cash flow statement for the financial year was EUR 9.0 million altogether, including a capital repayment of EUR 4.9 million as decided in NYAB Plc's Annual General Meeting on 26 April 2023, as well as a repayment of a dividend liability to NYAB Sverige AB's prior shareholders, EUR 4.0 million. The liability was related to NYAB Sverige AB's dividend resolution that was made before the transaction between the companies in March 2022.

EUR thousand	12/2023	12/2022
Interest-bearing debt	17,014	20,837
Cash and cash equivalents	22,644	13,827
Net debt	-5,630	7,010
Equity	185,326	180,418
Equity ratio, %	73.0%	69.6%
Return on capital employed, %	6.6%	22.7%

Interest-bearing debt at the end of the financial year amounted to EUR 17.0 (20.8) million, of which EUR 3.3 (3.3) million constituted lease liabilities under IFRS 16. The company's cash and cash equivalents amounted to EUR 22.6 (13.8) million. In addition, the company has a credit limit agreement with its banks totaling EUR 14.9 (14.8) million, of which EUR 0.0 (1.1) million was in use at the end of the financial year. At the end of December, interest-bearing net debt was EUR -5.6 (7.0) million.

Quarterly EBIT

EUR million



The average interest of interest-bearing debt, excluding lease liabilities recognised on the balance sheet, was 6.2 % in January-December of the reporting period.

At the end of the financial year, the consolidated balance sheet total was EUR 266.1 (259.1) million and equity was EUR 185.3 (180.4) million. Equity ratio was 73.0% (69.6%) and the return on capital employed was 6.6% (22.7%).

Quarterly free cash flow

EUR million



Personnel

NYAB's total number of personnel at the end of the financial year was 403 (31 December 2022: 383). NYAB had 166 employees in Finland and 237 in Sweden.

NYAB has established a performance share plan that consists of two performance periods, covering the financial years of 2022-2023 and 2023-2024 respectively. In June, the Board of Directors approved approximately 350 employees as eligible for participating in the latter period, and decided on the allocations and performance criteria. Gross rewards corresponding to the value of an approximate maximum total of 7,000,000 shares in NYAB Plc are to be paid of the period. Share rewards earned from the first performance period will be paid to participants of the performance share plan in spring 2024. Share rewards earned from the second performance period will be paid in spring 2025. The purpose of the performance share plan is to drive performance and promote an entrepreneurial culture in NYAB by strengthening the long-term ownership of personnel.

Company management

At the end of the reporting period, NYAB's Executive Management Team included the following people: Johan Larsson (CEO), Aku Väliäho (CFO), Mikael Ritola (Senior Vice President, Finland), Magnus Granljung (Senior Vice President, Sweden), Erik Petersen (Vice President of Corporate Affairs) and Elin Åhrberg (Director of HR & Environment).

Petersen started as a new member of the Executive Management Team in August and Åhrberg in October. Minna Koistinen was a member of the Executive Management Team as Chief Communications & Marketing officer until December.

Short-term risks and risk management

The Group is exposed to liquidity risk, interest rate risk, foreign currency risk and credit risk. The Group's board of directors oversees the management of these risks. The Group's senior management monitors and reports to the board of directors that the Group's financial risk activities are governed by appropriate principles and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Group does not use derivatives in its risk management. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk firstly by capital structure management and secondary by having a balanced portfolio of fixed and variable rate loans and borrowings. Changes in interest rates does not have a significant impact on NYAB Group's profit and loss or equity as of 31.12.2023. Due to this, no sensitivity analysis has been presented for interest rate risk.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing

activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Group's established principles, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed each time Group enters into business contract with the customer. Outstanding customer receivables and contract assets are regularly monitored and credit insurances for major customers' receivables are obtained from third parties if deemed necessary.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group does not hold collateral as security.

Liquidity and refinancing risk

NYAB Plc's solvency risk is divided into refinancing and liquidity risks.

The liquidity risk is related to a circumstance in which the group does not have access to sufficient liquid assets to meet its obligations. To maintain sufficient liquidity, the group prepares short-term and long-term cash forecasts and makes arrangements for additional

financing if necessary. Approximately 32% (41%) of the loans that the Group had on 31 December 2023 will mature in less than one year based on the carrying value of borrowings reflected in the balance sheet.

The Group's loan agreements include certain covenants, such as an equity ratio of over 50% and net debt below 2.0 in relation to rolling 12-month EBITDA. The Group reports loan covenants to its lender every six months.

Refinancing risk

The refinancing risk is related to a circumstance in which the group does not have sufficient liquid assets to repay its loans or in which refinancing is not available on favourable terms. The Group seeks to protect against the refinancing risk by diversifying the maturity distribution of its loan portfolio and by assessing the share of short-term financing and the Group's need for long-term financing.

Foreign currency risk

Foreign currency risk is described as the uncertainty in cash flow, profit and loss, and balance sheet that is caused by the fluctuation of foreign currency exchange rates. Direct foreign currency transaction risk, that derives from business or financial transactions, is insignificant for the Group. Indirect foreign currency transaction risk is stemming mainly from commodities' local currency purchase prices that fluctuate based on their foreign currency quotations. Group does not hedge its foreign currency transaction risks. The majority of Group business operations is conducted in Swedish krona, but the reporting currency of the Group is Euro. Hence the Group has significant exposure to translation

risk in its EUR-denominated profit and loss statement. Translation risk is mainly managed by keeping operating companies' assets and liabilities in their own functional currencies.

As the Group's exposure to direct foreign currency transaction risk is insignificant, no sensitivity analysis has been presented for foreign currency risk.

Operative risk

NYAB's operations are based on projects. Project agreements are often based on fixed pricing, in which case the emphasis is on cost management and the validity of offer calculation. Deviations from budgeted costs that appear during ongoing projects cannot necessarily be compensated with charges from customers. Decision-making authorities regarding offers and project agreements are defined based on the size of the project, with which the risk of submitting an offer that is based on incorrect offer calculation is controlled.

Negative changes in the availability and market prices of materials that NYAB uses in its business operations may have an essentially detrimental impact in the profitability of the group. NYAB depends particularly on steel, fuels, bitumen, concrete, and timber in its business operations. At the offering stage, cost risk of raw materials and products is controlled, in principle, with binding offers from the suppliers. NYAB does not currently hedge its open cost risk with derivatives, but the aim is to indexlink costs in customer agreements, where applicable, so that costs of raw materials don't become larger than evaluated in the offering stage.

Resolutions of the Annual General Meeting

NYAB Plc's Annual General Meeting was held on 26 April 2023. Annual General Meeting adopted the financial statements and the consolidated financial statements for the financial year 1 January-31 December 2022 and discharged person, who had been members of the Board of Directors or the CEO during the financial year, from liability.

Annual General Meeting decided to pay a capital repayment of 0.7 euro cents per share, which corresponds to a total amount of 4,946,607.67 euros, from the invested unrestricted equity reserve to shareholders. The capital repayment was paid to shareholders on 8 May 2023.

Annual General Meeting decided to elect nine members to the Board of Directors. Previous members Markku Kankaala, Johan K Nilsson, Johan Larsson, Mikael Ritola, Jari Suominen and Lars-Eric Aaro were re-elected as members of the Board of Directors, and Anders Berg, Barbro Frisch and Jan Öhman were elected as new members.

Monthly remuneration of 3500 euros was decided to be paid to members of the Board of Directors who do not work for NYAB. Monthly remuneration of the Chairman of the Board is 5000 euros. In addition, a meeting fee of 500 euros shall be paid to members,

who do not work for NYAB, for participating in meetings of committees of the Board of Directors. Reasonable costs and travelling expenses caused by the meetings shall be recompensed to all members of the Board of Directors.

Annual General Meeting decided that remuneration to auditors will be paid according to the invoice that the company has approved. Authorized Public Accountant (KHT) Osmo Valovirta and audit firm Ernst & Young Oy, Authorized Public Accountant (KHT) Anders Forsström as the key audit partner, were re-elected to act as auditors of the company.

Annual General Meeting decided to authorize the Board of Directors to decide on the issuance of a maximum of 70,000,000 shares through a share issue or by issuing options or other special rights entitling to shares in one or more issues. The authorization includes a right to decide on issuing new shares either with or without payment, and a right to issue shares in deviation from the shareholders' pre-emptive rights (directed issue). The authorization is valid for five years from the decision and replaces all earlier authorizations for a share issue in the company.

Minutes of the Annual General Meeting are available at <https://nyabgroup.com/en/administration/general-meeting/>.

Organizing of the Board of Directors

NYAB Plc's Board of Directors elected Markku Kankaala as Chairman of the Board and Jan Öhman as Vice Chairman of the Board in its organizing meeting after the Annual General Meeting. In addition, Board of Directors appointed members to its committees. Audit committee continues to consist of Jan Öhman (Chairman), Barbro Frisch, Johan K Nilsson and Markku Kankaala. Remuneration committee continues to consist of Jari Suominen (Chairman), Johan Larsson and Mikael Ritola.

On 27 September 2023, NYAB Plc's Board of Directors appointed Jan Öhman as new Chairman of the Board. Markku Kankaala, previous Chairman of the Board, continues to serve as Vice Chairman.

Share and shareholders

NYAB Plc's total number of shares for the entire financial year 2023 was 706,658,238. For the financial year 2022, the number of shares at the end of the year was 706,658,238, average number of shares for the financial year was 497,528,014, and average number of shares for the second half of the year was 704,650,063. The Company holds no treasury shares.

Shares are traded on Nasdaq First North Growth Market Finland, where a total of 11,892,731 shares were traded during the second half of the year. The highest price was 0.77 euros, lowest price 0.449 euros and volume-weighted average price 0.539 euros. For the full year 2023, trading volume was 22,753,812 shares, highest price 0.878 euros, lowest price 0.449 euros and volume-weighted average price 0.649 euros. Closing price for the financial year was 0.55 euros and market value of all shares at the end of the year was EUR 388.7 million.

At the end of the period, the Company had a total of 3,837 shareholders that had been registered in the shareholder register maintained by Euroclear Finland Ltd. A total of 65.1 percent of all shares in the Company were owned by nominee-registered shareholders.

Largest shareholders of the Company at the end of the financial year were Holding Investment Förvaltning i Luleå AB (a company under joint control of Board member and CEO Johan Larsson and Board and Executive Management Team member Mikael Ritola, ownership 34.3%), Sätergrens Entreprenad AB (ownership 10.6%), and Andament Oy (ownership 8.9%). Members of the Board and Executive Management, as well as companies under their control, owned a total of 42.1% of all shares in the Company.

Key figures by quarter

Key figures

Eur thousand	Q4/23	Q3/23	Q2/23	Q1/23	Q4/22	Q3/22	Q2/22	Q1/22
Revenue	87,848	88,098	65,319	39,152	89,765	90,349	55,729	17,476
Change in net sales from previous quarter, %	-0.3%	34.9%	66.8%	-56.4%	-0.6%	62.1%	218.9%	NA
EBITDA,	8,578	8,000	5,444	-648	20,776	6,551	3,508	-445
% of net sales	9.8%	9.1%	8.3%	-1.7%	23.1%	7.3%	6.3%	-2.5%
EBITA	7,644	7,132	4,563	-1,521	19,729	5,695	2,648	-856
% of net sales	8.7%	8.1%	7.0%	-3.9%	22.0%	6.3%	4.8%	-4.9%
Operating Profit (EBIT)	6,614	6,576	4,048	-2,051	19,214	5,211	2,177	-858
% of net sales	7.5%	7.5%	6.2%	-5.2%	21.4%	5.8%	3.9%	-4.9%
Profit for the period	3,564	4,567	3,734	-2,816	19,319	4,339	681	-1,017
Earnings per share (EPS), basic, in euros	0.01	0.01	0.01	0.00	0.03	0.01	0.00	0.00
Earnings per share (EPS), diluted, in euros	0.01	0.01	0.01	0.00	0.03	0.01	0.00	0.00
Balance sheet total	266,088	262,229	256,717	241,242	259,098	255,389	225,783	211,055
Interest-bearing liabilities	17,014	25,780	23,897	23,620	20,837	23,974	21,585	10,945
Equity, EUR	185,326	181,032	176,061	177,528	180,418	161,851	154,295	154,383
Return on equity, previous 12 months, %	4.9%	14.5%	14.9%	13.0%	22.5%	NA	NA	NA
Return on capital employed, previous 12 months, %	6.6%	13.8%	14.5%	13.3%	22.7%	NA	NA	NA
Equity ratio -%	73.0%	70.9%	68.6%	73.6%	69.6%	63.4%	68.3%	73.1%
Net debt	-5,630	10,037	6,058	10,048	7,010	15,989	16,964	-2,088
Net gearing -%	-3.0%	5.5%	3.4%	5.7%	3.9%	9.9%	11.0%	-1.4%
Net debt/EBITDA, previous 12 months	-0.26	0.30	0.19	0.33	0.23	NA	NA	NA
Free cash flow	16,819	-3,787	8,424	880	9,531	2,444	-12,824	4,548
Order backlog	294,730	183,298	252,032	235,026	239,682	267,656	304,988	178,169
Number of employees at the end of the period	403	NA	433	NA	383	NA	392	NA

Calculation formulas for financial performance indicators and alternative indicators

EBITDA	=	Operating profit + depreciations and amortisation	Return on capital employed (ROCE) -%	=	$\frac{\text{Profit before taxes + financial income and expenses (last 12 months)}}{\text{Average shareholder's equity + average interest-bearing loans and borrowings}} \times 100\%$
EBITDA margin, %	=	$\frac{\text{Operating profit + depreciations and amortisation}}{\text{Revenue}} \times 100\%$	Equity ratio, %	=	$\frac{\text{Shareholders' equity}}{\text{Balance sheet total - advances received}} \times 100\%$
EBITA	=	Operating profit + amortisation of intangible assets + impairments	Net debt	=	Interest-bearing debt – cash and cash equivalents
EBITA margin, %	=	$\frac{\text{Operating profit + amortisation of intangible assets + impairments}}{\text{Revenue}} \times 100\%$	Net gearing, %	=	$\frac{\text{Interest bearing liabilities - Interest bearing receivables and cash}}{\text{Shareholders' equity}} \times 100\%$
Operating profit (EBIT)	=	Profit for the financial year before financing items and taxes	Net debt/EBITDA	=	$\frac{\text{Net debt}}{\text{EBITDA, rolling 12 months}}$
Operating Profit (EBIT) margin -%	=	$\frac{\text{Profit for the financial year before financing items and taxes}}{\text{Revenue}} \times 100\%$	Order Backlog	=	Amount of unrecognised revenue from customer contracts at the end of the period
Earnings per share (EPS), basic, euros	=	$\frac{\text{Profit for the period attributable for shareholders of the company}}{\text{Weighted average number of shares outstanding during the period}} \times 100\%$	Free Cash Flow	=	Cash Flows from Operating Activities + Cash Flows from Investing Activities
Earnings per share (EPS), diluted, EUR	=	$\frac{\text{Profit for the period attributable to the shareholders of the parent company}}{\text{Weighted average number of shares outstanding (adjusted for the impact of all diluting potential shares)}} \times 100\%$			
Return on equity (ROE) -%	=	$\frac{\text{Profit for the period (last 12 months)}}{\text{Average shareholder's equity}} \times 100\%$			

Financial statement release 2023: Tables

Consolidated statement of income

EUR thousand	10-12/2023	10-12/2022	7-12/2023	7-12/2022	1-12/2023	1-12/2022
Revenue	87,848	89,765	175,946	180,113	280,417	253,318
Other operating income	321	14,955	609	15,364	3,418	16,019
Materials and services	-67,071	-70,201	-134,152	-144,103	-217,957	-203,612
Employee benefit expenses	-8,759	-9,145	-16,583	-16,777	-32,390	-26,764
Other operating expenses	-3,762	-4,597	-9,243	-7,270	-12,114	-8,571
EBITDA	8,578	20,776	16,578	27,327	21,374	30,389
Depreciation, amortisation and impairment	-1,963	-1,562	-3,388	-2,902	-6,186	-4,645
OPERATING PROFIT	6,614	19,214	13,190	24,425	15,187	25,744
Finance income	-39	492	-24	527	491	565
Finance expenses	-1,070	-329	-2,008	-606	-3,217	-1,004
Finance income and expenses total	-1,109	163	-2,032	-79	-2,726	-440
Share of result of associates and joint ventures	-744	-67	-1,186	-64	-1,784	-27
RESULT BEFORE TAXES	4,761	19,310	9,971	24,282	10,677	25,278
Income taxes	-1,197	9	-1,840	-625	-1,628	-1,958
RESULT FOR THE PERIOD	3,564	19,319	8,131	23,657	9,049	23,320
Attributable to:						
Equity holders of the parent	3,564	19,319	8,131	23,657	9,049	23,320
Non-controlling interests	0	0	0	0	0	0
Earnings per share for the net profit attributable to owners of the parent						
Earnings per share, basic, EUR	0.01	0.03	0.01	0.04	0.01	0.03
Earnings per share, diluted, EUR	0.01	0.03	0.01	0.04	0.01	0.03

Consolidated statement of comprehensive income

EUR thousand	10-12/2023	10-12/2022	7-12/2023	7-12/2022	1-12/2023	1-12/2022
Result for the period	3,564	19,319	8,131	23,657	9,049	23,320
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Valuation (losses)/gains on fair value through other comprehensive income equity investments	-176	-366	-176	-394	-176	-499
Tax relating to items that will not be reclassified	0	73	0	79	0	100
Items that may be reclassified subsequently to profit or loss						
Change in cumulative translation adjustment	1,060	-722	1,240	-1,040	238	-1,857
TOTAL COMPREHENSIVE INCOME	4,449	18,304	9,195	22,302	9,111	21,064
Total comprehensive income attributable to:						
Equity holders of the parent company	4,449	18,895	9,195	22,303	9,111	21,064
Non-controlling interests	0	0	0	0	0	0

Consolidated balance sheet

EUR thousand	31.12.2023	31.12.2022
ASSETS		
Non-current assets		
Goodwill	121,189	121,182
Intangible assets	1,589	3,840
Tangible assets	12,939	14,360
Right-of-use assets	3,369	3,377
Participations in associates and joint ventures	16,732	11,110
Other non-current receivables and investments	2,465	5,624
Deferred tax assets	32	480
Total non-current assets	158,316	159,973
Current assets		
Inventories	1,373	2,303
Trade receivables	57,607	50,618
Contract assets	21,186	22,841
Other receivables	4,962	9,536
Cash and cash equivalents	22,644	13,827
Total current assets	107,772	99,125
TOTAL ASSETS	266,088	259,098

EUR thousand	31.12.2023	31.12.2022
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent company		
Share capital	80	80
Reserve for invested non-restricted equity	137,428	142,375
Funds	-176	0
Translation adjustment	-2,113	-2,382
Retained earnings	50,107	40,345
Total equity attributable to the shareholders of the parent company	185,326	180,418
Non-controlling interests	0	0
Total equity	185,326	180,418
Non-current liabilities		
Non-current interest-bearing liabilities	9,274	10,367
Lease liabilities	2,229	2,277
Accrued expenses	89	113
Provisions	194	83
Deferred tax liabilities	3,941	4,379
Total non-current liabilities	15,728	17,219
Current liabilities		
Current interest-bearing liabilities	4,409	7,178
Lease liabilities	1,102	1,014
Contract liabilities	12,149	11,647
Trade and other payables	47,374	41,621
Total current liabilities	65,034	61,460
TOTAL LIABILITIES	80,762	78,680
TOTAL EQUITY AND LIABILITIES	266,088	259,098

Consolidated cash flow statement

EUR thousand	10-12/2023	10-12/2022	7-12/2023	7-12/2022	1-12/2023	1-12/2022
Cash flows from operating activities						
Result for the period	3,564	19,318	8,131	23,657	9,049	23,320
Adjustments for profit:						
Depreciation and amortisation	1,963	1,562	3,388	2,902	6,186	4,645
Finance income and expenses	1,092	-163	2,016	79	2,709	440
Gain on disposal of intangible assets	-70	-16,020	-141	-16,020	-141	-16,020
Income taxes	1,197	-9	1,840	625	1,628	1,958
Share of profit/loss of an associate	744	68	1,186	64	1,784	27
Other adjustments	-73	-325	-208	-8	466	0
Total adjustments	4,853	-14,887	8,081	-12,358	12,633	-8,950
Changes in working capital:						
Increase (-) / Decrease (+) in trade and other receivables	3,041	12,480	-1,671	-7,204	-258	-19,743
Increase (+) / Decrease (-) in inventories	2,993	581	2,192	-230	914	-421
Increase (+) / Decrease (-) in trade and other payables	3,262	-11,375	1,837	8,076	7,513	10,558
Total changes in working capital	9,295	1,686	2,358	642	8,168	-9,605
Interest received and other financial income	52	493	-51	527	465	565
Interests paid	-290	-329	-1,005	-606	-1,436	-1,004
Financial expenses paid	-718	0	-1,116	0	-1,556	0
Income taxes paid	428	-42	-3,179	-93	-3,179	-193
Net cash flows from operating activities	17,184	6,238	13,219	11,770	24,144	4,132

EUR thousand	10-12/2023	10-12/2022	7-12/2023	7-12/2022	1-12/2023	1-12/2022
Cash flows used in investing activities						
Acquisition of subsidiaries, net of cash acquired	0	0	0	-313	0	1,403
Disposal of subsidiaries, net of cash disposed	0	4,559	0	4,559	0	4,559
Purchase of tangible and intangible assets	-797	-1,266	-869	-4,041	-2,490	-6,395
Proceeds from sale of tangible and intangible assets	432	0	683	0	683	0
Net cash flows from investing activities	-365	3,293	-186	206	-1,806	-433
Cash flows from financing activities						
Proceeds from issue of new long-term debt	-6,994	-2,709	-5,294	254	14,374	13,142
Repayment of long-term debt	-2,468	-497	73	-1,842	-15,351	-5,606
Change in short-term borrowings	5	0	-2,515	0	-2,515	0
Repayment of lease liabilities	-529	-132	-819	-253	-895	-387
Acquisition of non-controlling interests	0	0	0	0	0	-97
Distribution of assets	0	0	97	-555	-8,982	-5,654
Net cash flows from/(used in) financing activities	-9,986	-3,338	-8,458	-2,396	-13,369	1,398
Net increase in cash and cash equivalents	6,834	6,193	4,575	9,579	8,969	5,097
Cash and cash equivalents at the beginning of the period	15,743	7,985	17,839	4,621	13,827	9,369
Impact of the changes in foreign exchange rates	67	-352	230	-375	-152	-640
Cash and cash equivalents, end of period	22,644	13,827	22,644	13,827	22,644	13,827

Consolidated statement of changes in equity

EUR thousand	Share capital	Reserve for invested non-restricted equity	Other reserves	Translation differences	Retained earnings	Total equity attributable to the owners of the parent company	Non-controlling interests	Total equity
Equity 1 January 2023	80	142,375	-	-2,381	40,346	180,420	-	180,420
Result of the year	-	-	-	-	9,049	9,049	-	9,049
Other comprehensive income	-	-	-176	3	-3	-176	-	-176
Translation adjustment	-	-	-	238	-	238	-	238
Total comprehensive income	-	-	-176	241	9,046	9,111	-	9,111
Reverse acquisition share issue impact	-	-	-	-	-	-	-	-
Share issues	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	26	717	742	-	742
Distribution of assets	-	-4,947	-	-	-	-4,947	-	-4,947
Other items	-	-	-	-	-	-	-	-
Total transactions with owners	-	-4,947	-	26	717	-4,205	-	-4,205
EQUITY 31 December 2023	80	137,428	-176	-2,114	50,108	185,326	-	185,326
Equity 1 January 2022	16	-	0	-524	26,665	26,157	549	26,706
Result of the year	-	-	-	-	23,320	23,320	-	23,320
Other comprehensive income	-	-	-	-	-400	-400	-	-400
Translation adjustment	-	-	-	-1,857	-	-1,857	-	-1,857
Total comprehensive income	-	-	-	-1,857	22,921	21,064	-	21,064
Reverse acquisition share issue impact	65	139,250	-	-	-	139,314	-	139,314
Share issues	-	3,125	-	-	-	3,125	-	3,125
Acquisition of non-controlling interests	-	-	-	-	452	452	-549	-97
Share-based payments	-	-	-	-	657	657	-	657
Distribution of assets	-	-	-	-	-10,158	-10,158	-	-10,158
Other items	-	-	-	-	-191	-191	-	-191
Total transactions with owners	64	142,375	-	-	-9,240	133,199	-549	132,650
EQUITY 31 December 2022	80	142,375	0	-2,381	40,346	180,420	-0	180,420

Basis of preparation and accounting policies of the financial statement release

Basis of preparation

NYAB Group's financial statement release has been prepared in accordance with IAS 34 Interim Financial Reporting standard. The financial statement release should be read together with NYAB's consolidated financial statements for the financial year 2022. The information presented in the financial statement release is based on the audited financial statements for 2023.

The financial statement release has been prepared in euros and presented in thousands of euros unless stated otherwise. The figures have been rounded to the nearest thousand with one decimal place and, therefore, the sums of individual figures may differ from the presented total amounts.

Accounting policies

The financial statement release has been prepared in accordance with the key accounting principles presented in NYAB's consolidated financial statements for the financial year 2022, except for the revised IFRS standards that came into effect on 1 January 2023. The revised standards did not have an impact on the figures presented in the financial statement release.

Critical accounting estimates and assumptions

The preparation of a financial statement release according to the IFRS requires the management's discretion as well as using estimates and assumptions that affect the amount of assets and liabilities and the amount of income and expenses reported for the reporting period. Such estimates and assumptions by the management are based on previous experience and other justified factors.

The most significant management discretion as well as estimates and assumptions, including the factors causing uncertainty in the estimates, that are used in the preparation of this financial statement release are the same as the one's used in the preparation of the consolidated financial statements for the year 2022.

Segment information

The company has one operating segment. The most senior chief operating decision makers (i.e. the CEO of the Group together with the Board of Directors) assess its performance as a whole. The operating segment includes the group's entire business and corresponds

to NYAB's only reportable segment, so segment information is presented as information for the entire NYAB Group.

NYAB's business consists of various infrastructure, energy and industrial projects and other services supporting these projects, such as maintenance and engineering. A significant part of NYAB's turnover comes from customers within the scope of public administration, such as the state, municipalities and cities, as well as transport agencies in Finland and Sweden.

Revenue from customer contracts

NYAB's revenue from contracts with customers are made up by infrastructure, energy and industrial construction, which is why the operations are partly seasonal and construction projects are most frequent during favorable weather conditions. This has an impact on the timing of the revenue and how cash flow develops throughout the fiscal year.

In 2023 66.8 % of NYAB Group's revenue was generated in Sweden. For the year 2022 the corresponding percentage was 79,6 %. In addition to strong organic growth, the increase in the share of revenue generated in Finland results from currency rate fluctuations that had an impact of approximately EUR -15 million on the revenue in Sweden, as well as the transaction executed

on 31 March 2022, as NYAB Plc acquired all shares in NYAB Sverige AB. In IFRS reporting, the transaction has been treated as a reverse acquisition, in which case Finnish group companies have been consolidated to the income statement as of 1 April 2022.

A major part of NYAB's revenue is generated through customers within the scope of public administration and its share of revenue has decreased from the reference period's level. In 2023, 54 % (70 %) of the Group's total revenue came from the public sector and 46 % (30%) from the private sector. This change results particularly from the relative increase in energy and industrial construction projects that are primarily offered to private sector clients.

The Group's revenue is allocated between countries as follows:

EUR thousand	1-12/2023	1-12/2022
Finland	93,204	51,604
Sweden	187,214	201,714
Total	280,417	253,318

The Group's revenue is allocated between customer groups as follows:

EUR thousand	1-12/2023	1-12/2022
Public sector (municipalities and government)	151,170	177,322
Private sector	129,248	75,995
Total	280,417	253,318

The Group's revenue by contract balances:

EUR thousand	2023-12-31	2022-12-31
Trade receivables	57,607	50,618
Contract assets	21,186	22,841
Contract liabilities	12,149	11,647

Trade and other receivables

EUR thousand	12/2023	12/2022
Trade receivables	57,607	50,618
Contract assets	20,484	22,841
Contingent considerations	14	3,618
Prepaid expenses	3,360	3,787
Other receivables	1,129	1,651
Tax receivable	1,161	480
Total trade and other receivables	83,755	82,995

Trade payables and other liabilities

EUR thousand	12/2023	12/2022
Trade payables	26,691	24,428
Contract liabilities	12,149	11,647
Accrued expenses and deferred income	8,830	3,693
Accrued personnel expenses	3,355	3,014
Accrued interest expenses	0	204
Other liabilities	7,772	8,470
Current tax liability	725	1,812
Total trade payables and other liabilities	59,523	53,268

Financial assets and liabilities

31 December 2023

EUR thousand	Fair Value Hierarchy Level	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Carrying amount	Fair value
Financial assets, non-current						
Debt instruments	Level 3				0	0
Equity instruments	Level 3		2,392		2,392	2,392
Financial assets, current						
Trade receivables				57,607	57,607	57,607
Other receivables	Level 3	14			14	14
Cash and cash equivalents				22,644	22,644	22,644
Total financial assets		14	2,392	80,251	82,656	82,656
Financial liabilities, non-current						
Interest-bearing liabilities				9,274	9,274	9,274
Financial liabilities, current						
Interest-bearing liabilities				4,409	4,409	4,409
Trade and other payables				35,189	35,189	35,189
Total financial liabilities				48,872	48,872	48,872

Fair values that have been presented only as a disclosure are level 3 fair values.

31 December 2022

EUR thousand	Fair Value Hierarchy Level	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Carrying amount	Fair value
Financial assets, non-current						
Debt instruments	Level 3	3,019			3,019	3,019
Equity instruments	Level 3		2,605		2,605	2,605
Financial assets, current						
Trade receivables				50,618	50,618	50,618
Other receivables	Level 3	3,618			3,618	3,618
Cash and cash equivalents				13,827	13,827	13,827
Total financial assets		6,637	2,605	64,444	73,686	73,686
Financial liabilities, non-current						
Interest-bearing liabilities				10,367	10,367	10,367
Other long term liabilities				113	113	113
Financial liabilities, current						
Interest-bearing liabilities				7,178	7,178	7,178
Trade and other payables				41,621	41,621	41,621
Total financial liabilities				59,279	59,279	59,279

Fair values that have been presented only as a disclosure are level 3 fair values.

Fair value measurement

Fair value measurements are classified using a fair value hierarchy i.e. Level 1, Level 2 and Level 3 that reflect the significance of the inputs used in making the measurements.

Level 1

The fair value of financial assets and liabilities classified as Level 1 is based on unadjusted quoted prices in active markets at the closing date.

Level 2

The fair value of financial assets and liabilities classified as Level 2 is based on observable input parameters, which are other than quoted prices.

Level 3

The fair value of financial assets and liabilities classified as Level 3 is based on unobservable input parameters.

Level 3 consist mainly of investments in unlisted shares and debt instruments classified as other investments for which the fair value has been determined using valuation techniques with unobservable inputs. The input parameters of Level 3 of the fair value hierarchy for equity investments are specified taking into account economic developments and available industry and corporate data. The counterparty credit risk has been adjusted when determining the fair value.

There has been no transfers of financial instruments between the fair value levels during the reported period.

Movements in level 3 financial instruments measured at fair value 31.12.2023

EUR thousand	1.1.	Total gains/ losses	Purchases	Sales/ conversions	Transfers	31.12
Debt instruments	6,637			-6,624		14
Equity instruments	2,605					2,392

Sensitivity analysis of level 3 financial instruments measured at fair value

Instrument	Valuation technique	Significant unobservable inputs
Debt instruments:	Discounted cashflows	Market interest rates Risk premium
Equity instruments:	Discounted cashflows	Growth Margin WACC Size discount
Sensitivity of the inputs to fair value:	A 10% movement in the fair value would impact other comprehensive income by around +/- 0,24 M€. The impact on equity would be around 0,22 M€.	

Financial Risk management

The Group's principal financial liabilities, other than derivatives, comprise of loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, and cash and short-term deposits that derive directly from its operations. The group also has investments in debt and equity instruments.

The Group is exposed to liquidity risk, interest rate risk, foreign currency risk and credit risk. The Group's board of directors oversees the management of these risks. The Group's senior management monitors and reports to the board of directors that the Group's financial risk activities are governed by appropriate principles and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Group does not use derivatives in its risk management. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

There has been no major changes in the financial risk management operations during the reported period.

Assets

Changes in tangible assets

EUR thousand	12/2023	12/2022
Acquisition cost as of 1 January	18,057	8,267
Increases	1,225	10,751
Decreases	-461	-435
Translation difference	47	-526
Acquisition cost at the end of the period	18,869	18,057
Accrued depreciation, amortisation and impairment as of 1 January	-3,698	-1,552
Translation difference	-32	
Accrued amortisation on the decreases	141	8
Amortisation for the period	-2,341	-2,154
Accrued depreciation, amortisation and impairment at the end of the period	-5,930	-3,698
Carrying amount at the end of the period	12,939	14,360

Changes in right-of-use assets

EUR thousand	12/2023	12/2022
Acquisition cost as of 1 January	5,360	2,492
Increases	1,576	2,983
Decreases	-700	0
Translation differences	23	-115
Acquisition cost at the end of the period	6,259	5,360
Accrued depreciation, amortisation and impairment as of 1 January	-1,982	-963
Translation difference	-28	0
Accrued amortisation on the decreases	385	0
Amortisation for the period	-1,265	-1,019
Accrued depreciation, amortisation and impairment at the end of the period	-2,890	-1,982
Carrying amount at the end of the period	3,369	3,377

Changes in intangible assets

EUR thousand	12/2023	12/2022
Acquisition cost as of 1 January	5,350	77
Increases	337	10,758
Decreases	-4	-5,397
Reclassification	-2	
Translation difference	4	-88
Acquisition cost at the end of the period	5,686	5,350
Accrued depreciation, amortisation and impairment as of 1 January	-1,510	-38
Translation difference	-6	
Reclassification	2	
Accrued amortisation on the decreases	0	0
Amortisation for the period	-2,580	-1,472
Accrued depreciation, amortisation and impairment at the end of the period	-4,095	-1,510
Carrying amount at the end of the period	1,591	3,840

Business mortgages and guarantees

EUR thousand	12/2023	12/2022
Guarantees given on behalf of the Company		
Business mortgages	20,831	18,293
Other guarantees provided	1,539	1,394
Pledged subsidiary shares	13,448	13,417
Contingent liabilities on behalf of other companies belonging to the same group		
Guarantee liabilities from project contracts	30,721	46,510
Total	66,539	79,613

Related-party transactions

NYAB Plc's related parties include significant shareholders, the group's parent company, subsidiaries, associated companies, members of the Board of Directors and the Executive Management Team, including the CEO of the

parent company, and their close family members and entities where these persons exercise control or joint control.

Transactions with associates and other related parties

EUR thousand	Associated companies		Other related parties ¹		Total	
	1-12/2023	1-12/2022	1-12/2023	1-12/2022	1-12/2023	1-12/2022
Sales	335	0	1	0	336	0
Interest income on loan receivables and other income	0	0	0	0	0	0
Purchases	216	0	0	25	216	25

On 7 December 2023, NYAB signed a contract with project company Utajärven Solarpark Oy that belongs to the same group with the associated

company Skarta Energy Oy. The contract regards the construction of a solar farm and its estimated total value is EUR 69 million.

Balances with associates other related parties

EUR thousand	Associated companies		Other related parties ¹		Total	
	12/2023	12/2022	12/2023	12/2022	12/2023	12/2022
Receivables						
Long-term receivables	0	3,019	0	0	0	3,019
Short-term receivables	5	3,618	0	0	5	3,618

¹ Other related parties include transactions carried out with the parent company or subsidiaries by the members of the Board of Directors and other key management personnel and their immediate family members or entities controlled by them.

Andament II Sulautuva Oy merged into NYAB Plc on 11 August 2023. The merger was a related party transaction for NYAB, as NYAB's Board member Markku Kankaala held positions of responsibility in Andament at the time of the transaction and PM Ruukki Oy, a company under his control, was a shareholder in Andament. NYAB's Board of Directors assessed that the related party transaction was in the best interest of the Company and carried out on customary commercial terms. Kankaala did not participate in the merger processing or decision-making in NYAB's Board of Directors.

In connection with the merger, NYAB Plc received 111,000,000 its own shares that were previously owned by Andament Group Oy. These shares were cancelled and an equivalent number of new shares in NYAB Plc was issued to Andament shareholders as merger consideration.

Purpose of the merger was to clarify the ownership structure of NYAB Plc, expand its owner base and increase the free float. The arrangement did not have a net impact on the number of shares in NYAB Plc, and its net impact on NYAB's balance sheet position and business operations was neutral.



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