



Half-Yearly Report

January–June
2023

 **NYAB**

NYAB Plc, half-yearly report for January–June 2023, 25 August 2023

Strong growth and development despite macroeconomic headwinds

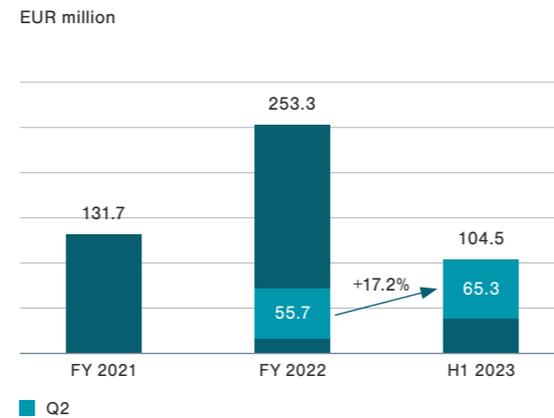
April–June in brief

- Revenue grew 17.2%, amounting to EUR 65,3 (55.7) million
- EBITDA was EUR 5.4 (3.5) million, amounting to 8.3% (6.3%) of revenue
- Operating profit (EBIT) was EUR 4.0 (2.2) million, amounting to 6.2% (3.9%) of revenue
- Free cash flow was EUR 8.4 (-12.8) million
- Net debt/EBITDA was 0.19
- Order backlog amounted to EUR 252.0 million (EUR 305.0 million)

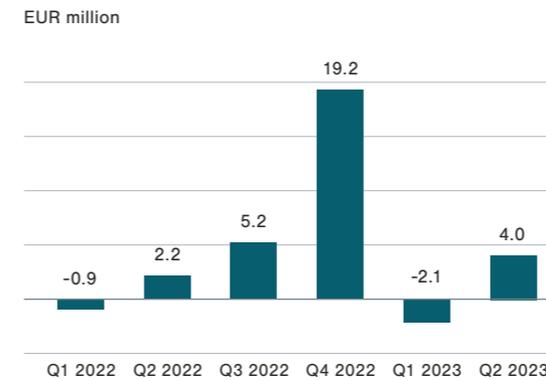
January–June in brief

- Revenue grew 42.7%, amounting to EUR 104.5 (73.2) million
- EBITDA was EUR 4.8 (3.1) million, amounting to 4.6% (4.2%) of revenue
- Operating profit (EBIT) was EUR 2.0 (1.3) million, amounting to 1.9% (1.8%) of revenue
- Free cash flow was EUR 9.3 (-8.3) million

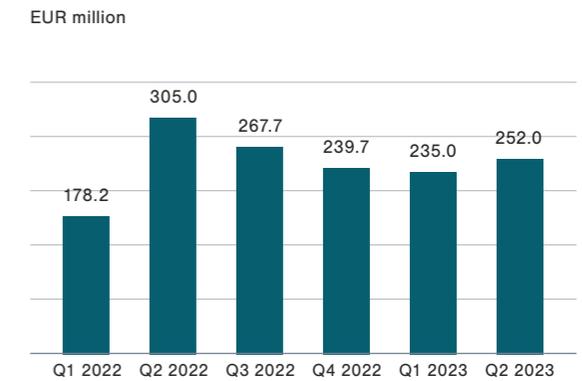
Revenue increase in Q2



EBIT quarterly development



Order backlog quarterly development



Key figures

	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Revenue, EUR thousand	65,319	55,729	104,471	73,204	253,318
Year-on-year change in revenue, %	17.2%	NA	42.7%	NA	92.3%
EBITDA, EUR thousand	5,444	3,508	4,796	3,062	30,389
% of net sales	8.3%	6.3%	4.6%	4.2%	12.0%
EBITA, EUR thousand	4,561	2,648	3,025	1,792	27,217
% of net sales	7.0%	4.8%	2.9%	2.4%	10.7%
Operating Profit (EBIT), EUR thousand	4,048	2,177	1,997	1,319	25,744
% of net sales	6.2%	3.9%	1.9%	1.8%	10.2%
Profit for the period, EUR thousand	3,734	681	917	-337	23,320
Earnings per share (EPS), basic, in euros	0.01	0.00	0.00	0.00	0.03
Earnings per share (EPS), diluted, in euros	0.01	0.00	0.00	0.00	0.03
Balance sheet total	256,717	225,783	256,717	225,783	259,098
Return on equity, previous 12 months, %	14.9%	NA	14.9%	NA	22.5%
Return on capital employed, previous 12 months, %	14.5%	NA	14.5%	NA	22.7%
Equity ratio -%	68.6%	68.3%	68.6%	68.3%	69.6%
Net debt, EUR thousand	6,058	16,964	6,058	16,964	7,010
Net gearing -%	3.4%	11.0%	3.4%	11.0%	3.9%
Net debt/EBITDA, previous 12 months	0.19	NA	0.19	NA	0.23
Free cash flow, EUR thousand	8,424	-12,824	9,305	-8,276	3,699
Order backlog, EUR thousand	252,032	304,988	252,032	304,988	239,682
Number of employees at the end of the period	433	392	433	392	383

CEO's review

NYAB made significant progress during the first half of 2023 thanks to our skilled and dedicated people who worked tirelessly to move us forward as a company, enabling us to execute on our strategy and achieve yet another half-year of profitable growth. Our reported growth exceeded 42% and comparable growth in constant currencies amounted to 29%. We also improved our EBIT margin and free cash flow in the second quarter as well as in the first half-year.

As a large share of our business operations is concentrated in northern regions, we are subject to seasonality and most of our revenues and profits normally accumulate during the second half of the year. Our focus during last year in achieving a turnaround in Finland has shown good results and we started the year with a relatively high order backlog of good quality that have contributed to our revenue growth and EBIT-margin improvement in the first half-year.

Whilst we have taken large steps forward as a company, macroeconomic challenges have impacted our short-term outlook more than previously expected. Continued inflation and higher interest rates are expected to put pressure on project profitability and have kept some customers waiting for market conditions to stabilize,

resulting in delays with investment decisions. This has affected all our business areas, with markedly impact on Finnish energy markets.

Order backlog amounted to EUR 252 (305) million, which shows a positive development from the first quarter but is behind the comparison period. However, the development is mainly a result of exchange rate fluctuations and lack of new renewable energy projects in Finland due to the macroeconomic environment.

New contracts achieved during the first half-year include, among others, contracts with several governmental clients regarding critical infrastructure for both transportation and energy. Our strategy within energy sector has shown good results and it has continued to be our fastest growing business area. After the start of several renewable energy projects last year, we have now increased our share of new power network construction projects. These projects also entail future growth opportunities and are not as heavily subject to macroeconomic fluctuations.

We see no signs of shifting long-term trends as the amount of planned large-scale investments in both Finland and Sweden is growing rapidly, which

maintains the positive long-term outlook positive for our operations. To enable future growth, we have during the second quarter continued to develop and optimize our organization and further strengthened our Executive Management.

During the second quarter we have made progress in the evaluation concerning the company's future listing and domicile and will communicate our conclusions as soon as possible.

To summarize, NYAB is developing, growing and has good earnings. We have set ourselves in a great position to continue our decade-long journey of sustainable profitable growth. We are continuously exposed to markets with high underlying demand, and with low net debt we stand strong to weather adverse market conditions. We recognize the current macroeconomic reality and adjust our business operations to balance risk and possibilities to maintain our strong position and thereby enable future positive development and profitable growth.

Johan Larsson
CEO, NYAB Plc

Financial reporting

NYAB's Business review for the period 1 July–30 September 2023 will be published on 10 November 2023.

Financial guidance for 2023

- Revenue for the full year is estimated to be EUR 290–315 million
- Operating profit (EBIT) is estimated to be EUR 16–24 million.

Operating environment

During the reporting period, there were changes, especially in the macroeconomic environment, that caused challenges to NYAB's business operations and financial performance. In addition, these changes will have a negative effect on the outlook for the second half of the year. However, development in NYAB's business areas and geographical key markets is expected to be positive and offer profitable business opportunities for the company in the longer term.

According to the Confederation of Finnish Industries, confidence in the construction industry in Finland and Sweden is currently among the lowest levels in the EU. During the first half of the year, confidence decreased to a lower level than at the beginning of both the COVID-19 pandemic and the war in Ukraine. High inflation and increasing interest rates have had a negative impact on investment decisions in both Swedish infrastructure and Finnish energy markets. Electricity prices have been lower than the previous year due to amongst other variables, the beginning of regular production of the Olkiluoto 3 nuclear power plant, which has also led to the postponing of investment decisions regarding

projects in renewable energy. However, delays in business volumes are expected to remain temporary and correspondingly result in larger volumes in the coming years.

Inflation is also causing larger than expected pressure on the profitability of projects. Although there continue to be signs of inflation leveling off, it will continue to be a headwind to performance until some of the existing projects are eventually completed. In addition, there have been some delays in material deliveries and customers' processes, and as a result revenue recognition in ongoing projects is estimated to be partially postponed to the year 2024. Furthermore, NYAB's euro-denominated financials are being negatively impacted by the Swedish krona, a currency that has depreciated 5.8% during the reporting period.

Prognoscentret that analyzes Swedish markets estimates that the development of investments in infrastructure will be weak in 2023-2024, after which the industry is expected to begin to grow. However, the development is subject to significant regional

differences. Byggföretagen has estimated that contrary to the rest of Sweden, development of investments in Norrbotten County that is especially relevant for NYAB is projected to be approximately 5% positive in both 2023 and 2024. For example, the government has given the highest priority in railway construction to the projects in Northern Sweden that are critical to the billion-scale investment projects of steel and mining companies in the region and therefore are aimed to be accelerated. In addition, funds allocated to Trafikverket, the Swedish Transport Administration, have not been fully used during previous years, which supports the demand for road construction going forward.

In the longer term, NYAB's market areas are projected to see a significant growth due to investments in the green transition. Beside the investment projects in the Norrbotten region, there are already EUR 90 billion of planned low-emission investments in Finland according to the Confederation of Finnish Industries. Fingrid also reports that enquiries related to connecting clean electricity production facilities and industrial green technology projects to the main grid have continued to

grow during the ongoing year. There is a need to wait for the following years until the investments begin, but when realized, they will cause a significant increase in energy consumption, which further supports the continuing growth of renewable energy construction. In the recent Program of the Finnish Government, investments in solar energy, conditions for wind power, as well as competitive advantage in hydrogen investments have been presented to be promoted by, for example, ensuring that regulatory permit processes are flexible.

As energy production increases, the electricity grid must be strengthened. In Fingrid's development plan that was updated in June, investments in the main grid for the following ten years have been increased from a previously estimated EUR 3 billion to EUR 4 billion. The investment plan of the Swedish main grid operator Svenska kraftnät has already reached EUR 3 billion for the next three years. NYAB's capabilities in power network construction have continuously improved, and the construction of both domestic and cross-border transmission connections provides the company with significant opportunities.

Business operations

NYAB has continued its strong growth in infrastructure, energy, and industrial construction during the reporting period. However, the expected short-term growth rate has been moderately adjusted downwards due to uncertainties in the operating environment. NYAB has secured numerous new contracts especially in Northern Sweden and the Stockholm region, where it also has multiple perennial frame and maintenance agreements. NYAB's new infrastructure projects contribute to transportation in both roads and railways, as well as aviation. Within energy, its business operations respond to the needs of both the increasing of renewable energy and the strengthening of electric grids. NYAB's industrial clients include the largest steel and mining companies in the Nordics, among others.

In May, NYAB and Swedavia signed a contract regarding the widening of taxi runways at Arlanda airport, which enables the handling of larger aircraft flows at the airport. 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. In addition, NYAB signed a contract with Trafikverket in March regarding strengthening measures of a road that is important for the traffic to these districts.

NYAB continued to prepare for the construction of Aurora Line, the new electricity transmission connection between Sweden and Finland, as Svenska kraftnät's contractual partner. In May, the parties signed an additional contract regarding the planning phase of the project, including work of a preparatory nature along the approximately 90 km distance between Dockasberg and Risudden, as well as purchases that are critical for the upcoming construction phase. In addition, NYAB and Svenska kraftnät made a contract relating to infrastructure in Messaure, where a new substation is constructed. According to Svenska kraftnät, the Swedish government is expected to make a decision in September to start building the Swedish part of the Aurora Line.

Energy construction is an essential part of NYAB's growth also in Finland. The number of wind turbines involved in NYAB's completed and ongoing wind farm projects already exceeds 190, as NYAB signed a Balance of Plant (BoP) contract worth nearly EUR 18 million with Energiequelle in January regarding the new Mikonkeidas wind farm to be constructed in Kristiinankaupunki, Ostrobothnia. Regarding power networks, NYAB started its first substation projects with the main grid company Fingrid during the reporting period, as well as projects delivered directly to grid

companies. These projects supplement NYAB's service offering beside substation deliveries that NYAB has previously made to wind power companies.

NYAB and the city of Mikkeli executed a settlement agreement in May. The agreement was signed to settle the dispute between Group company NYAB Finland Oy and Mikkeli Waterworks that had been subject to legal proceedings. NYAB reported 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 the second quarter. In turn, NYAB's group administration and share incentive scheme costs increased from the comparison period. Total positive net impact on EBIT from the settlement with Mikkeli and the increased costs was EUR 1.4 million for the first half.

NYAB updated its long-term financial targets at the end of June. Annual organic growth of the Group is targeted to exceed 15%, which corresponds to a favorable long-term outlook in the operating environment. The operating profit of the Group in the long term is targeted to exceed 9% of revenue, equity ratio to exceed 50% and dividend to exceed 30% of net profit.

In June, NYAB announced that it is considering relocating the parent company's domicile from Finland

to Sweden and listing on the Nasdaq Stockholm. The listing in Stockholm would likely provide NYAB with better access to the capital markets and improve the liquidity of its shares. Also, the majority of NYAB's business operations take place in Sweden and most of its shares are held by shareholders domiciled in Sweden, which further supports the potential relocation of the parent company and marketplace to Sweden. No decisions on the potential transactions have yet been made, and NYAB estimates that further information on the matter will be provided during the second half of the year.

Skarta Energy Oy, the joint venture between NYAB and CapMan Infra fund, has continued the active development of solar projects and strengthened its organization to prepare for the beginning of construction. The company aims to construct 800 MW of solar power during the next five years. In February, the Ministry of Economic Affairs and Employment in Finland granted Skarta Energy's project company an investment aid of EUR 13.3 million for the solar farm development project in Utajärvi. The solar farm that would be constructed on disused peat bog areas would be the first solar farm in Finland connected to Fingrid's main grid. Skarta Energy had an effect of EUR -0.6 million on NYAB's net profit for the first half.

Revenue

Revenue by region

EUR thousand	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Finland	23,977	12,371	38,904	12,371	51,604
Sweden	41,343	43,358	65,567	60,834	201,714
Total	65,319	55,729	104,471	73,204	253,318

Revenue by customer group

EUR thousand	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Public sector (municipalities and government)	34,619	40,682	55,370	53,439	177,322
Private sector	30,700	15,047	49,101	19,765	75,995
Total	65,319	55,729	104,471	73,204	253,318

April-June 2023

In April-June, the Group's revenue grew by EUR 9.6 million compared to the reference period, amounting EUR 65.3 (55.7) million. Year-on-year, revenue grew in Finland to EUR 24.0 (12.4) million and decreased in Sweden to EUR 41.3 (43.4) million. In the second quarter, revenue generated in Sweden made up 63% (78%) of the total revenue.

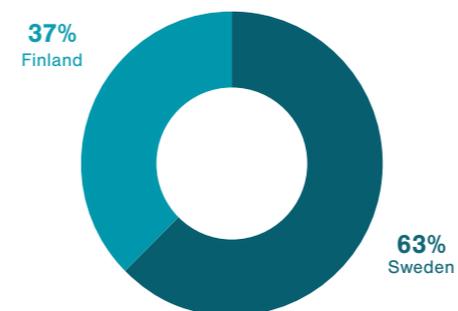
January-June 2023

The Group's revenue in January-June increased by EUR 31.3 million to EUR 104.5 (73.2) million. Year-on-year, revenue grew in Finland to EUR 38.9 (12.4) million and in Sweden to EUR 65.6 (60.8) million.

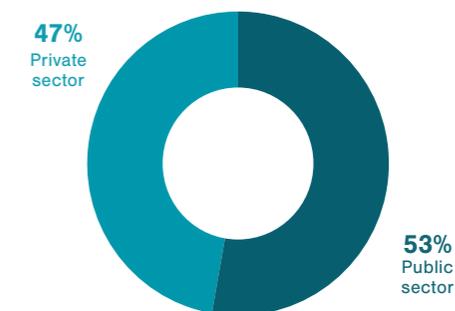
The increase in the share of revenue generated in Finland results especially from the transaction executed on 31 March 2022, as NYAB Plc acquired all shares in NYAB Sverige AB. In IFRS reporting, the transaction has been treated as a reverse acquisition, in which case Finnish group companies have been consolidated to the income statement as of 1 April 2022.

The private sector's share of revenue increased from the reference period's level. In January-June, of the Group's total revenue 47% (27%) came from the private sector, 53% (73%) from public sector. This change results particularly from the relative increase in energy and industrial construction projects that are primarily offered to private sector clients.

Revenue by region H1 2023



Revenue by customer group H1 2023



Profitability

EUR thousand	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
EBITDA	5,444	3,508	4,796	3,062	30,389
EBITDA, % of net sales	8.3%	6.3%	4.6%	4.2%	12.0%
EBITA	4,561	2,648	3,025	1,792	27,217
EBITA, % of net sales	7.0%	4.8%	2.9%	2.4%	10.7%
Operating profit (EBIT)	4,048	2,177	1,997	1,319	25,744
Operating profit, % of net sales	6.2%	3.9%	1.9%	1.8%	10.2%
Result for the period	3,734	681	917	-337	23,320
Earnings per share, basic, EUR	0.01	0.00	0.00	0.00	0.03

April-June 2023

In April-June, the Group's EBITDA was EUR 5.4 million, amounting to 8.3% of revenue. EBITA was EUR 4.6 million, amounting to 7.0% of revenue. The Group's operating profit was EUR 4.0 million, amounting to 6.2% of revenue.

Profitability for the second quarter was supported by the result impact of approximately EUR 3.6 million resulting from the settlement agreement signed with the city of Mikkeli. Impact on the operating profit was EUR 3.3 million. The Group's result before tax was EUR 3.3 million altogether. Tax for the reporting period amounted to EUR -0.5 million. Result for the reporting period was EUR 3.7 million. Earnings per share were EUR 0.01.

January-June 2023

In January-June, the Group's EBITDA was EUR 4.8 million, amounting to 4.6% of revenue. EBITA was EUR

3.0 million, amounting to 2.9% of revenue. The Group's operating profit was EUR 2.0 million, amounting to 1.9% of revenue. Profitability for the first half of the year was burned by an increase in the group administration costs of approximately EUR 1.2 million, as well as the result impact of the share-based incentive schemes of approximately EUR -0.7 million.

The Group's result before tax was EUR 0.7 million. Tax for the reporting period amounted to EUR -0.2 million. Result for the reporting period was EUR 0.9 million. Earnings per share were EUR 0.00. Items below operating profit were affected by costs relating to the analysis regarding NYAB Plc's potential re-domiciliation to Sweden and listing at Nasdaq Stockholm that were published on 7 June 2023. Associated company Skarta Energy Oy had an effect of approximately EUR -0.6 million on the net profit for the first half of the year.

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

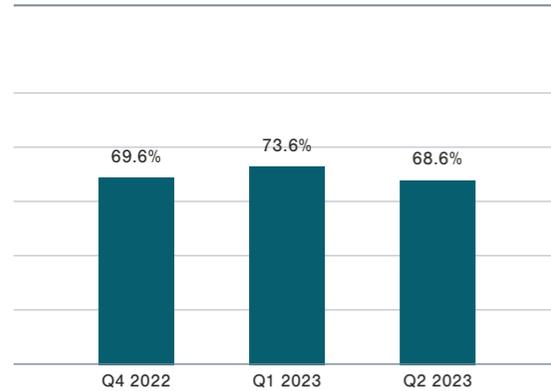
EUR thousand	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Free cash flow	8,424	-12,824	9,305	-8,276	3,699
Net working capital	8,211	-6,481	8,211	-6,481	11,300

Free cash flow was EUR 8.4 million in April-June. Cash flow in the second quarter was supported by the compensation of EUR 9.2 million that was paid to NYAB in accordance with the settlement agreement signed with the city of Mikkeli. In January-June, free cash flow was EUR 9.3 million. During the reporting period, new working capital decreased to EUR 8.2 million from EUR 11.3 million at the end of the 2022 financial year.

Dividends paid in the cash flow statement for the reporting period were EUR 9.1 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 4.2 million. The liability was related to NYAB Sverige AB's dividend resolution that was made before the transaction between the companies in March 2022.

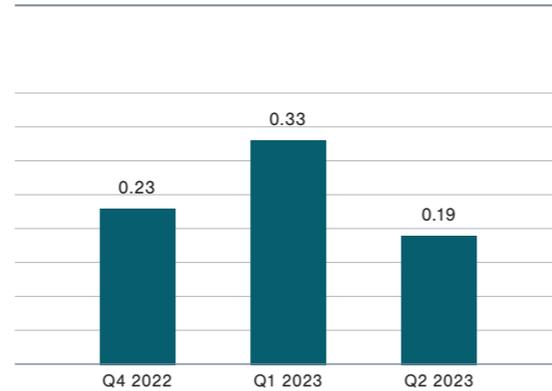
EUR thousand	1-6/2023	1-6/2022	1-12/2022
Interest-bearing debt	23,897	21,585	20,837
Cash and cash equivalents	17,839	4,621	13,827
Net debt	6,058	16,964	7,010
Equity	176,061	154,295	180,416
Equity ratio, %	68.6%	68.3%	69.6%
Return on capital employed, %	14.5%	NA	22.7%

Equity ratio



Interest-bearing debt at the end of June 2023 amounted to EUR 23.9 million (31 Dec 2022: EUR 20.8 million), of which EUR 3.2 million (31 Dec 2022: EUR 3.3 million) constituted lease liabilities under IFRS 16. The company's cash and cash equivalents amounted to EUR 17.8 million (31 Dec 2022: EUR 13.8 million). In addition, the company has a credit limit agreement with its banks totaling EUR 14.0 million, of which EUR 5.7 million was in use at the end of June 2023 (31 Dec 2022: EUR 14.8 million, of which EUR 1.1 million was in use). At the end of June, interest-bearing net debt was EUR 6.1 million (31 Dec 2022: EUR 7.0 million).

Net debt / EBITDA



The average interest of interest-bearing debt, excluding lease liabilities recognised on the balance sheet, was 5.7% in January-June of the reporting period.

At the end of the reporting period, the consolidated balance sheet total was EUR 256.7 million (31 Dec 2022: EUR 259.1 million) and equity was EUR 176.1 million (31 Dec 2022: EUR 180.4 million). At the end of the reporting period, equity ratio was 68.6% (31 Dec 2022: 69.6%) and the company's return on capital employed was 14.5% (31 Dec 2022: 22.7%).

Personnel

NYAB's total number of personnel at the end of June was 433 (30 June 2022: 392). The group had 172 employees in Finland and 261 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 Väliaho (CFO), Mikael Ritola (Senior Vice President, Finland), Magnus Granljung (Senior Vice President, Sweden), and Minna Koistinen (Chief Communications & Marketing Officer). After the end of the reporting period, Erik Petersen joined the Executive Management Team as Vice President of Corporate Affairs.

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 30.6.2023. 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 20% of the loans that the Group had on 30 June 2023 will mature in less than one year (30 June 2022: 24%) 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.

Share and shareholders

NYAB Plc's total number of shares for the entire reporting period was 706,658,238 (for the comparison period, the average number of shares was 495,519,839 and number of shares at the end of the period was 702,641,888). The Company held no treasury shares.

Shares are traded on Nasdaq First North Growth Market Finland, where a total of 10,861,081 shares were traded during the first half of the year. The highest price was 0.878 euros and the lowest price 0.636 euros. The volume-weighted average price of the shares was 0.769 euros for the reporting period, and the closing price was 0.76 euros. Market value of all NYAB shares was EUR 537.1 million at the end of the reporting period.

At the end of the period, the Company had a total of 3,988 shareholders that had been registered in the shareholder register maintained by Euroclear Finland Ltd. A total of 64.8 percent of all shares in the Company were owned by nominee-registered shareholders.

Events after the reporting period

Andament II Sulautuva Oy merged into NYAB Plc on 11 August 2023. The merger was implemented as authorized by NYAB Plc's Annual General Meeting on 26 April 2023 and based on the merger plan signed between the parties on 18 April 2023.

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.

NYAB Plc's largest shareholders after the merger are 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 34.2%), Säterhagens Entreprenad AB (ownership 10.6%), and Kallastor Oy (ownership 9.0%). Members of the Board and management, as well as companies under their control, own a total of 41.3% of all shares in the company.

Key figures by quarter

Key figures

Eur thousand	Q2/23	Q1/23	Q4/22	Q3/22	Q2/22	Q1/22
Revenue	65,319	39,152	89,765	90,349	55,729	17,476
Change in net sales, %	66.8%	-56.4%	-0.6%	62.1%	218.9%	NA
EBITDA,	5,444	-648	20,776	6,551	3,508	-445
% of net sales	8.3%	-1.7%	23.1%	7.3%	6.3%	-2.5%
EBITA	4,561	-1,537	19,729	5,695	2,648	-856
% of net sales	7.0%	-3.9%	22.0%	6.3%	4.8%	-4.9%
Operating Profit (EBIT)	4,048	-2,051	19,214	5,211	2,177	-858
% of net sales	6.2%	-5.2%	21.4%	5.8%	3.9%	-4.9%
Profit for the period	3,734	-2,817	19,319	4,339	681	-1,017
Earnings per share (EPS), basic, in euros	0.01	0.00	0.03	0.01	0.00	0.00
Earnings per share (EPS), diluted, in euros	0.01	0.00	0.03	0.01	0.00	0.00
Balance sheet total	256,717	241,242	259,098	255,389	225,783	211,055
Return on equity, previous 12 months, %	14.9%	13.0%	22.5%	NA	NA	NA
Return on capital employed, previous 12 months, %	14.5%	13.3%	22.7%	NA	NA	NA
Equity ratio -%	68.6%	73.6%	69.6%	63.4%	68.3%	73.1%
Net debt	6,058	10,048	7,010	15,989	16,964	-2,088
Net gearing -%	3.4%	5.7%	3.9%	9.9%	11.0%	-1.4%
Net debt/EBITDA, previous 12 months	0.19	0.33	0.23	NA	NA	NA
Free cash flow	8,424	880*	9,531	2,444	-12,824	4,548
Order backlog	252,032	235,026	239,682	267,656	304,988	178 169**
Number of employees at the end of the period	433	NA	383	NA	392	NA

*Free cash flow reported for Q1/2023 has been corrected in comparison to the Company Announcement released on 29 June 2023

**Order backlog reported for Q1/2022 has been corrected in comparison to the Company Announcement released on 29 June 2023

Calculation formulas for financial performance indicators and alternative indicators

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

Half-yearly Report for January–June 2023: Tables

Consolidated statement of income

EUR thousand	4–6/2023	4–6/2022	1–6/2023	1–6/2022	1–12/2022
Revenue	65,319	55,729	104,471	73,204	253,318
Other operating income	2,715	615	2,809	655	16,019
Materials and services	-52,652	-42,933	-83,805	-59,508	-203,612
Employee benefit expenses	-8,433	-6,974	-15,808	-9,987	-26,764
Other operating expenses	-1,506	-2,929	-2,872	-1,301	-8,571
EBITDA	5,444	3,508	4,796	3,062	30,389
Depreciation, amortisation and impairment	-1,396	-1,330	-2,798	-1,743	-4,645
OPERATING PROFIT	4,048	2,177	1,997	1,319	25,744
Finance income	248	-4	516	38	565
Finance expenses	-620	-271	-1,209	-398	-1,004
Finance income and expenses total	-373	-275	-693	-360	-440
Share of result of associates and joint ventures	-403	37	-598	37	-27
RESULT BEFORE TAXES	3,272	1,940	706	996	25,278
Income taxes	461	-1,259	212	-1,333	-1,958
RESULT FOR THE PERIOD	3,734	681	917	-337	23,320
Attributable to:					
Equity holders of the parent	3,734	681	917	-337	23,320
Non-controlling interests	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	0.00	0.00	0.00	0.03
Earnings per share, diluted, EUR	0.01	0.00	0.00	0.00	0.03

Consolidated statement of comprehensive income

EUR thousand	4–6/2023	4–6/2022	1–6/2023	1–6/2022	1–12/2022
Result for the period	3,734	681	917	-337	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	0	-105	0	-105	-499
Tax relating to items that will not be reclassified	0	21	0	21	100
Items that may be reclassified subsequently to profit or loss					
Change in cumulative translation adjustment	-634	-584	-1,002	-818	-1,857
TOTAL COMPREHENSIVE INCOME	3,100	12	-85	-1,239	21,064
Total comprehensive income attributable to:					
Equity holders of the parent company	3,100	12	-85	-1,239	21,064
Non-controlling interests	0	0	0	0	0

Consolidated balance sheet

EUR thousand	6/2023	12/2022	6/2022
ASSETS			
Non-current assets			
Goodwill	121,199	121,182	118,138
Intangible assets	2,867	3,840	10,237
Tangible assets	13,365	14,360	12,726
Right-of-use assets	3,251	3,377	2,850
Participations in associates and joint ventures	12,185	11,110	1,093
Other non-current receivables and investments	3,938	5,624	3,249
Deferred tax assets	449	480	444
Total non-current assets	157,254	159,973	148,736
Current assets			
Inventories	3,534	2,303	2,041
Trade receivables	43,922	50,618	34,056
Contract assets	24,220	22,841	33,324
Other receivables	9,948	9,536	3,003
Cash and cash equivalents	17,839	13,827	4,621
Total current assets	99,463	99,125	77,046
TOTAL ASSETS	256,717	259,098	225,783

EUR thousand	6/2023	12/2022	6/2022
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent company			
Share capital	80	80	80
Reserve for invested non-restricted equity	137,428	142,375	139,249
Translation adjustment	-3,384	-2,382	-1,342
Retained earnings	41,937	40,345	16,308
Total equity attributable to the shareholders of the parent company	176,060	180,418	154,295
Non-controlling interests			
Total equity	176,060	180,418	154,295
Non-current liabilities			
Non-current interest-bearing liabilities	16,472	10,367	14,287
Lease liabilities	2,130	2,277	2,117
Accrued expenses	89	113	0
Provisions	79	83	6
Deferred tax liabilities	3,973	4,379	4,484
Total non-current liabilities	22,742	17,219	20,894
Current liabilities			
Current interest-bearing liabilities	4,220	7,178	4,480
Lease liabilities	1,075	1,014	701
Contract liabilities	13,373	11,647	2,834
Trade and other payables	39,246	41,621	42,578
Total current liabilities	57,914	61,460	50,593
TOTAL LIABILITIES	80,656	78,680	71,487
TOTAL EQUITY AND LIABILITIES	256,717	259,098	225,783

Consolidated cash flow statement

EUR thousand	1-6/2023	1-6/2022	1-12/2022
Cash flows from operating activities			
Result for the period	917	-337	23,320
Adjustments for profit:			
Depreciation and amortisation	2,798	1,743	4,645
Finance income and expenses	693	360	440
Gain on disposal of intangible assets	0	0	-16,020
Income taxes	-212	1,333	1,958
Share of profit/loss of an associate	598	-37	27
Other adjustments	673	8	657
Total adjustments	4,552	3,407	-8,294
Changes in working capital:			
Increase (-) / Decrease (+) in trade and other receivables	1,412	-12,539	-19,743
Increase (+) / Decrease (-) in inventories	-1,277	-191	-421
Increase (+) / Decrease (-) in trade and other payables	5,676	2,482	10,558
Total changes in working capital	5,811	-10,248	-9,605
Interest received and other financial income	516	38	565
Interests paid	-870	-398	-1,004
Income taxes paid	0	-100	-193
Net cash flows from operating activities	10,925	-7,638	4,789

EUR thousand	1-6/2023	1-6/2022	1-12/2022
Cash flows used in investing activities			
Acquisition of subsidiaries, net of cash acquired	0	1,716	1,403
Disposal of subsidiaries, net of cash disposed	0	0	4,559
Purchase of tangible and intangible assets	-1,621	-2,354	-7,051
Proceeds from sale of tangible and intangible assets	0	0	0
Net cash flows from investing activities	-1,621	-639	-1,089
Cash flows from financing activities			
Proceeds from issue of new long-term debt	19,669	12,888	13,142
Repayment of long-term debt	-15,424	-3,764	-5,606
Change in short-term borrowings	0	0	0
Repayment of lease liabilities	-77	-134	-387
Acquisition of non-controlling interests	0	-97	-97
Dividend paid	-9,079	-5,099	-5,654
Net cash flows from/(used in) financing activities	-4,911	3,794	1,398
Net increase in cash and cash equivalents	4,394	-4,483	5,097
Cash and cash equivalents at 1 January	13,827	9,369	9,369
Impact of the changes in foreign exchange rates	-382	-265	-640
Cash and cash equivalents, end of period	17,839	4,621	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	-	-2,382	40,346	180,419	-	180,419
Result of the year	-	-	-	-	917	917	-	917
Other comprehensive income	-	-	-	-	-	-	-	-
Translation adjustment	-	-	-	-1,002	-	-1,002	-	-1,002
Total comprehensive income	-	-	-	-1,002	917	-85	-	-85
Reverse acquisition share issue impact	-	-	-	-	-	-	-	-
Share issues	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	673	673	-	673
Dividends	-	-4,947	-	-	-	-4,947	-	-4,947
Other items	-	-	-	-	-	-	-	-
Total transactions with owners	-	-4,947	-	-	673	-4,274	-	-4,274
EQUITY 30 June 2023	80	137,428	-	-3,384	41,936	176,060	-	176,060
Equity 1 January 2022	16	-	-	-524	26,665	26,157	549	26,706
Result of the year	-	-	-	-	-337	-337	-	-337
Other comprehensive income	-	-	-	-	-84	-84	-	-84
Translation adjustment	-	-	-	-818	-	-818	-	-818
Total comprehensive income	-	-	-	-818	-421	-1,239	-	-1,239
Reverse acquisition share issue impact	65	139,250	-	-	-	139,314	-	139,314
Share issues	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests	-	-	-	-	452	452	-549	-97
Share-based payments	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-10,158	-10,158	-	-10,158
Other items	-	-	-	-	-230	-230	-	-230
Total transactions with owners	65	139,250	-	-	-9,936	129,379	-549	128,830
EQUITY 30 June 2022	80	139,250	-	-1,341	16,308	154,297	-0	154,297

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 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	21,063	-	21,063
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
Dividends	-	-	-	-	-10,158	-10,158	-	-10,158
Other items	-	-	-	-	-191	-191	-	-191
Total transactions with owners	65	142,375	-	-	-9,240	133,199	-549	132,650
EQUITY 31 December 2022	80	142,375	0	-2,382	40,346	180,420	-0	180,418

Basis of preparation and accounting policies

Basis of preparation

The Group's half-yearly report has been prepared in accordance with IAS 34 Interim Financial Reporting standard. The half-yearly report should be read together with NYAB's consolidated financial statements for the financial year 2022. The information presented in the half-yearly report is unaudited.

The half-yearly report 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 half-yearly report 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 this half-yearly report.

Critical accounting estimates and assumptions

The preparation of a half-yearly report 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 Half-Yearly report 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 the first half of year 2023 62.8% of NYAB Group's revenue was generated in Sweden. For the year 2022 the corresponding percentage was 83.1%. The increase in the share of revenue generated in Finland results especially from 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 January-June 53% (73%) of the Group's total revenue came from the public sector and 47% (27%) 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	1-6/2023	1-6/2022	1-12/2022
Finland	38,904	12,371	51,604
Sweden	65,567	60,834	201,714
Total	104,471	73,204	253,318

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

EUR thousand	1-6/2023	1-6/2022	1-12/2022
Public sector (municipalities and government)	55,370	53,439	177,322
Private sector	49,101	19,765	75,995
Total	104,471	73,204	253,318

The Group's revenue by contract balances:

EUR thousand	30/06/2023	30/06/2022	31/12/2022
Trade receivables	43,922	34,056	50,618
Contract assets	24,220	33,324	22,841
Contract liabilities	13,373	2,834	11,647

Trade and other receivables

EUR thousand	6/2023	12/2022	6/2022
Trade receivables	43,922	50,618	34,056
Contract assets	24,220	22,841	33,324
Contingent considerations	3,618	3,618	0
Prepaid expenses	5,673	3,787	2,377
Other receivables	657	2,131	626
Total trade and other receivables	78,090	82,995	70,383

Trade payables and other liabilities

EUR thousand	6/2023	12/2022	6/2022
Trade payables	26,898	24,428	20,159
Contract liabilities	13,373	11,647	2,834
Accrued expenses and deferred income	6,027	3,693	7,362
Accrued personnel expenses	2,627	3,014	2,770
Accrued interest expenses	168	204	194
Other liabilities	3,061	8,470	10,106
Current tax liability	465	1,812	1,847
Total trade payables and other liabilities	52,618	53,268	45,272

Financial assets and liabilities

30 June 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	1,346			1,346	1,346
Equity instruments	Level 3		2,605		2,605	2,605
Financial assets, current						
Trade receivables				43,922	43,922	43,922
Other receivables	Level 3	3,618			3,618	3,618
Cash and cash equivalents				17,839	17,839	17,839
Total financial assets		4,964	2,605	61,761	69,329	69,329
Financial liabilities, non-current						
Interest-bearing liabilities				16,472	16,472	16,472
Financial liabilities, current						
Interest-bearing liabilities				4,220	4,220	4,220
Trade and other payables				30,424	30,424	30,424
Total financial liabilities				51,115	51,115	51,115

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	9,536
Cash and cash equivalents				13,827	13,827	13,827
Total financial assets		6,637	2,605	64,444	73,686	79,605
Financial liabilities, non-current						
Interest-bearing liabilities				10,367	10,367	10,367
Financial liabilities, current						
Interest-bearing liabilities				7,178	7,178	7,178
Trade and other payables				34,710	34,710	34,710
Total financial liabilities				52,256	52,256	52,256

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 30.6.2023

EUR thousand	1.1.	Total gains/ losses	Purchases	Sales/ conversions	Transfers	30.6.
Debt instruments	6,637			-1,673		4,964
Equity instruments	2,605					2,605

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
Sensitivity of the inputs to fair value:	A 1% movement in interest rates would impact the fair value, and profit and loss, by around +/- 0,1 M€. The impact on equity would be around +/- 0,08 M€.	
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 +/- 0,26 M€. The impact on equity would be around 0,21 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	6/2023	12/2022	6/2022
Acquisition cost as of 1 January	18,057	8,267	8,267
Increases	890	10,751	7,244
Decreases	-20	-435	-106
Translation difference	-442	-526	-300
Acquisition cost at the end of the period	18,485	18,057	15,105
Accrued depreciation, amortisation and impairment as of 1 January	-3,698	-1,552	-1,552
Accrued amortisation on the decreases	0	8	0
Amortisation for the period	-1,423	-2,154	-827
Accrued depreciation, amortisation and impairment at the end of the period	-5,121	-3,698	-2,379
Carrying amount at the end of the period	13,364	14,360	12,726

Changes in intangible assets

EUR thousand	6/2023	12/2022	6/2022
Acquisition cost as of 1 January	5,350	77	77
Increases	56	10,758	10,672
Decreases	0	-5,397	0
Translation difference	-1	-88	-2
Acquisition cost at the end of the period	5,405	5,350	10,748
Accrued depreciation, amortisation and impairment as of 1 January	-1,510	-38	-38
Accrued amortisation on the decreases	0	0	0
Amortisation for the period	-1,027	-1,472	-473
Accrued depreciation, amortisation and impairment at the end of the period	-2,538	-1,510	-511
Carrying amount at the end of the period	2,867	3,840	10,237

Changes in right-of-use assets

EUR thousand	6/2023	12/2022	6/2022
Acquisition cost as of 1 January	5,360	2,492	2,492
Increases	767	2,983	1,845
Decreases	-416	0	0
Translation differences	-142	-115	-80
Acquisition cost at the end of the period	5,568	5,360	4,257
Accrued depreciation, amortisation and impairment as of 1 January	-1,982	-963	-963
Accrued amortisation on the decreases	13	0	0
Amortisation for the period	-348	-1,019	-443
Accrued depreciation, amortisation and impairment at the end of the period	-2,317	-1,982	-1,407
Carrying amount at the end of the period	3,251	3,377	2,850

Business mortgages and guarantees

EUR thousand	6/2023	12/2022
Guarantees given on behalf of the Company		
Business mortgages	19,546	18,293
Other guarantees provided	1,995	1,394
Pledged subsidiary shares	-	-
Contingent liabilities on behalf of other companies belonging to the same group		
Guarantee liabilities from project contracts	63,628	46,510
Total	85,168	66,196

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		
	1-6/2023	1-12/2022	1-6/2022	1-6/2023	1-12/2022	1-6/2022	1-6/2023	1-12/2022	1-6/2022
Sales	221	0	0	2	0	0	223	0	0
Interest income on loan receivables and other income	0	0	0	0	0	0	0	0	0
Purchases	0	0	0	15	25	18	15	25	18

Balances with associates other related parties

EUR thousand	Associated companies			Other related parties ¹			Total		
	6/2023	12/2022	6/2022	6/2023	12/2022	6/2022	6/2023	12/2022	6/2022
Receivables									
Long-term receivables	1,346	3,019	0	0	0	0	1,346	3,019	0
Short-term receivables	3,618	3,618	0	0	0	0	3,618	3,618	0

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.



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