



## NYAB Plc's financial statement release 1 January - 31 December 2022: Strong organic growth continued in Sweden - Finnish operations turned profitable during the end of the year

17.3.2023 12:15:00 EET | NYAB Oyj | Company Announcement

### NYAB Plc

COMPANY ANNOUNCEMENT

17 March 2023 at 12:15

## NYAB Plc's financial statement release 1 January - 31 December 2022: Strong organic growth continued in Sweden - Finnish operations turned profitable during the end of the year

- Reported revenue was EUR 247.7 (41.6) million. Pro forma revenue was EUR 265.4 (209.2) million.
- Reported EBITA was EUR 30.5 (1.3) million and EBITA margin 12.3% (3.2%). Pro forma EBITA was EUR 29.6 (19.8) million and pro forma EBITA margin 11.2% (9.5%).
- Pro forma revenue growth was 26.9%.
- Order backlog was EUR 238.7 million, growth of 23.6% (pro forma)
- The company exceeded three out of four published annual long-term financial targets: organic growth, EBITA margin, and equity ratio.
- EBITA had in total a positive net effect of EUR 14.6 million from renewable energy project development and from certain extraordinary items of discontinued projects.
- The Board of Directors proposes that a total of EUR 4.9 million (0.7 euro cents per share) is paid to shareholders as a capital repayment.

### Key figures of NYAB Plc Group (more detailed financial information is presented in the attachment of this release)

	10-12 /2022 (3 months)	10-12 /2021 (3 months)	07-12 /2022 (6 months)	07-12 /2021 (6 months)	01-12 /2022 (12 months)	01-12 /2021 (12 months)
Revenue, 1000 EUR	<b>89 938</b>	<b>26 893</b>	<b>180 367</b>	<b>41 114</b>	<b>247 702</b>	<b>41 646</b>
EBITDA, 1000 EUR	24 487	1 692	30 690	2 993	33 100	1 895
-share of revenue	27.2 %	6.3 %	17.0 %	7.3 %	13.4 %	4.6 %
<b>EBITA, 1000 EUR</b>	<b>23 619</b>	<b>1 400</b>	<b>29 103</b>	<b>2 415</b>	<b>30 488</b>	<b>1 317</b>
<b>-share of revenue</b>	<b>26.3 %</b>	<b>5.2 %</b>	<b>16.1 %</b>	<b>5.9 %</b>	<b>12.3 %</b>	<b>3.2 %</b>
Operating profit (EBIT)*, 1000 EUR	17 845	387	17 615	450	12 242	-838
-share of revenue	19.8 %	1.4 %	9.8 %	1.1 %	4.9 %	-2.0 %
Profit for the period, 1000 EUR	17 474	-29	16 258	-150	8 396	-4 885
-share of revenue	19.4 %	-0.1 %	9.0 %	-0.4 %	3.4 %	-11.7 %
Equity ratio	78.8 %	72.2 %	78.8 %	72.2 %	78.8 %	72.2 %
Order backlog, 1000 EUR	238 722	31 053	238 722	31 053	238 722	31 053

\*EBIT is significantly affected by the amortization of consolidated goodwill that amounted to EUR 5.8 million in 10-12/2022, EUR 11.5 million in 07-12/2022, and EUR 18.2 million in 01-12/2022.

### Pro forma key figures\*

10-12	10-12	07-12	07-12	01-12	01-12
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	<b>/2022 (3 months)</b>	<b>/2021 (3 months)</b>	<b>/2022 (6 months)</b>	<b>/2021 (6 months)</b>	<b>/2022 (12 months)</b>	<b>/2021 (12 months)</b>
Revenue, 1000 EUR	89 938	65 442	180 367	133 502	265 420	209 165
EBITDA, 1000 EUR	24 487	8 531	30 690	16 121	32 574	21 916
-share of revenue	27.2 %	13.0 %	17.0 %	12.1 %	12.3 %	10.5 %
EBITA, 1000 EUR	23 619	7 993	29 103	14 954	29 597	19 800
-share of revenue	26.3 %	12.2 %	16.1 %	11.2 %	11.2 %	9.5 %
Order backlog, 1000 EUR	238 722	193 136	238 722	193 136	238 722	193 136

*\*Pro forma key figures for the financial year 2022 differ from the reported figures in the first quarter. NYAB Sverige AB subgroup, which has been consolidated in the reported income statement as of 1 April 2022, has been included in the pro forma figures for the first quarter. Information for the financial year 2021 consists of the combined financial information of NYAB Sverige AB subgroup and NYAB Finland Oy subgroup. NYAB Finland has been consolidated in the reported income statement as of 1 August 2021.*

## **CEO Johan Larsson's review**

In many ways, 2022 was the year when today's NYAB was formed. Skarta and NYAB were combined at the end of March. In the beginning of the year, resources were spent to prepare for the closing of the transaction. Following that, the integration of operations in Finland and Sweden, as well as scaling up administrative capabilities to serve a larger business, took a lot of effort.

However, we simultaneously made excellent progress in our operations. When we named our parent company NYAB, launched our new brand, and started using the NYAB name in all our project execution activities in December, we could be more than pleased with our achievements.

In Sweden, we once again achieved strong organic growth, as the comparable revenue of our group companies grew approximately 40 percent. Changes in the operating environment created challenges with cost inflation, material shortage, energy shortage and increasing interest rates, but we were able to avoid negative impacts relatively well. Even very well, in comparison to our peers. Contract terms and conditions, typical for the Swedish market, made it possible to manage increased costs. Also, good relations with our customers supported a stable financial performance.

In Finland, the challenging operating environment complicated our business operations especially in the first half of the year. However, we were able to turn profitable during the autumn by, for example, cutting fixed costs and reorganizing operations. In retrospect, the turnaround has been faster than expected, which is thanks to our personnel who quickly adapted to changes. With the changes made, the level of specialization among our key personnel has increased. Clearly defined accountability for results also improves the performance of the organization. A diverse expertise in project execution is our obvious strength that enables good profitability going forward, as the organizational structure now also operates effectively.

At the end of the year, we took a significant step forward in renewable energy project development, as we established a joint venture with the CapMan fund to accelerate Skarta Energy's business operations. Skarta Energy's revised target is to construct 800 MW of solar power during the next five years. Together with CapMan, we can provide Skarta Energy with the resources to accelerate the monetization and construction of projects. We expect the joint venture to generate revenue for NYAB already this year with new projects in energy construction. Solar energy and its opportunities have lately been subject to increased media coverage, and there has been a lot of interest in Skarta Energy as well. Our belief is that we are in the market at just the right time and expect the construction of solar power to be an essential part of NYAB's future.

The outlook in our markets is positive. The biggest share of our revenue is generated in Northern Sweden which stands out in regional growth forecasts with annual industrial investments in the billions. We expect to participate in more and more projects in energy, infrastructure, and industrial construction. Our customers are mainly from the public sector and large industrial companies, whose demand remains rather stable over the business cycle. We also have dozens of perennial frame and maintenance agreements that stabilize demand even in an uncertain macroeconomic environment through recurring revenue.

Improving energy self-sufficiency also continues as an essential theme in the market and can be seen, beside solar power, as an increased demand for services in wind power and power network construction. We have during the past year already proven that we can broadly utilize our competence in both our Finnish and Swedish organizations. This enables access to significant new projects, particularly regarding the construction of transmission connections.

When we first announced the combination of Skarta and NYAB in December 2021, we said that we are investigating a possible dual listing of our shares in a Swedish marketplace. This work continues, and we will announce the results when

there is enough precise information to disclose. As a part of the process, we have started to prepare for a transition to IFRS reporting. This increases our available opportunities in the financial markets.

All in all, NYAB is in an excellent position for 2023. We have a record-high order backlog, our financial standing is stable, and our operations are concentrated on rapidly growing markets. The strategic objectives we set in the autumn – continuing profitable growth, accelerating the monetization of renewable energy projects, as well as strengthening an entrepreneurial culture – continue as an important part of our operations also in 2023. However, as is typical for entrepreneurs, we constantly aim at improving and explore new business opportunities. I believe that this year will also feature some interesting twists and turns with which we can generate more value for our various stakeholders.

## **NYAB's business operations during the period**

NYAB Plc ("Company") Group grew to a new level during the financial year 2022, as Swedish NYAB Group and Finnish Skarta Group joined forces at the end of March 2022. In the transaction, NYAB Plc acquired all shares in NYAB Sverige AB with a purchase price of 200 million euros, of which 2.5 million euros was paid in cash and 197.5 million euros by a directed share issue to NYAB Sverige AB's shareholders. As a result of the transaction, NYAB Sverige AB's shareholders came to own 59 percent of all shares in the Company. In December, the NYAB name was adopted in the parent company of the group, as well as in the Finnish construction business.

The new NYAB Group continues as a builder of a clean future, whose vision is to be a pioneer in clean energy solutions and a respected building partner for a carbon-neutral society in the Nordic countries. NYAB is enabling green transition in the Nordics by providing engineering, construction, and maintenance services to public and private sector clients regarding renewable energy and sustainable infrastructure.

NYAB's business operations during the financial year consisted of energy, infrastructure, and industrial construction. In energy construction, NYAB concentrated on comprehensive Balance of Plant (BoP) projects, where it is responsible for land improvement, foundations, and power networks of the wind farms in a project specific scope, as well as projects in power network construction. BoP projects started during the financial year included Lumivaara wind farm in Hyrnsalmi, Pajunperäkangas wind farm in Haapajärvi, as well as Karahka wind farm in Oulainen. The total value of the contracts was 54 million euros.

NYAB has constructed power networks in several public sector projects especially in Northern Sweden and the Stockholm region. At the end of August, NYAB strengthened its competences by acquiring Power Forze AB that offers services regarding power installations for industry and wind power, as well as construction and maintenance of electric grids. The purchase price for the company was approximately 3.6 million euros, of which 0.8 million euros was paid as a cash consideration and the rest by a directed share issue to Power Forze AB's shareholders. In addition, NYAB launched its power network construction business in Finland and has utilized its expertise in, for example, BoP projects in wind power construction. During the second half of the year, NYAB was also granted qualifications to Fingrid's supplier register as a constructor of substations and transmission lines. In December, NYAB and Svenska Kraftnät made an agreement for the preparation for the construction of Aurora Line, an electricity transmission connection between Finland and Sweden. The contract regards planning work between Dockasberg and Risudden.

In infrastructure construction, NYAB's has been active particularly in Northern Sweden and the Stockholm region, where group companies have gained contracts with the public sector regarding construction and maintenance of roads, railways and sewage pipes. Contracts include several perennial frame and maintenance agreements as well. The largest individual contract was the frame agreement that was made with the Swedish Transport Administration in June. The agreement has a maximum value of SEK 400 million, and it regards preparatory land improvement and construction work of the expansion of the Mälaren Line railway that runs from Stockholm to Örebro. In addition, NYAB has expanded its activities in the Stockholm region to underwater construction and has received its first projects regarding maritime routes in the archipelago.

In Finland, NYAB's infrastructure construction has focused, for example, on the renovation of bridges. In addition, NYAB made an agreement to construct wastewater pumping stations as a part of the central wastewater treatment plant project in Tampere region.

The most significant new project in industrial construction in Finland was the construction of a research and laboratory facility at SSAB's plant in Raahe. In Sweden, industrial construction projects have been started, for example, in the Norrbotten region, where new facilities are constructed for companies out of the way of expanding mining areas.

NYAB continued the active development of projects in renewable energy as well. In October, NYAB set a strategic objective to accelerate the monetization of renewable energy projects. To realize this objective, NYAB in December executed a transaction, where Skarta Energy Oy, a subsidiary company responsible for project development, was transferred to the ownership of a joint venture that was established with CapMan Nordic Infrastructure II fund. The CapMan fund owns 60 percent and NYAB 40 percent of the joint venture. The value of the transaction was 21.6 million euros. In connection with

the transaction, the parties also signed a significant framework agreement, according to which NYAB is the joint venture's preferred partner for future engineering, procurement, and construction services.

Skarta Energy's largest projects include solar parks planned for disused peat bog areas of more than a hundred hectares in the municipality of Utajärvi and for old mining districts of Hitura and Pyhäsalmi in Northern Ostrobothnia. In September, the first phase of the Utajärvi project was granted an action permit that is expected to become final during the first quarter of 2023. The grid connection agreement signed in October enables the completed solar park to be connected to Fingrid's main grid. In addition, the project has been granted EU Horizon funding for the investigation of smart grid solutions regarding energy distribution. The project at Hitura and Pyhäsalmi is managed by a project company established by Skarta Energy and Solarigo Systems Oy. In December, the Ministry of Economic Affairs and Employment granted the project company 12.1 million euros of Next Generation EU funding to execute the project. In addition to industrial-scale projects, Skarta Energy develops local Near Energy projects, where nearby produced renewable energy is offered for local use for municipalities and industrial operators.

At the end of the financial year, the Company simplified its group structure through internal changes. NYAB Kiruna AB (former Skarta AB) that was previously owned by NYAB Finland Oy, as well as Power Forze AB that the Company acquired in August, were transferred under NYAB Sverige AB. As a result of the changes, all group companies that carry out business operations in Sweden, now belong to NYAB Sverige AB subgroup.

The South Savo District Court delivered a judgement in a dispute between NYAB Finland Oy and Mikkeli Waterworks at the end of December. The District Court ruled that Mikkeli Waterworks, a municipal enterprise owned by the city of Mikkeli, was not entitled to terminate two project agreements, that were the object of the proceedings, in March 2020. Mikkeli Waterworks was ordered to pay NYAB a total compensation of approximately 8.3 million euros with interest on delayed payments and reimburse its costs of proceedings with approximately 0.6 million euros. The accrued interest on the delayed payments was approximately 1.6 million euros at the end of the financial year. Mikkeli Waterworks' counter claim, in which it claimed approximately 1.3 million euros of damages resulting from an alleged breach of project agreements, was rejected in its entirety.

Judgement of the District Court is not yet final, which is why NYAB does not report any impact on profits for 2022 due to the ruling. NYAB estimates that the verdict of the District Court, if it becomes final, would have a positive impact on the result of the group of more than four million euros. Mikkeli Waterworks is entitled to appeal the verdict until the end of May.

## Financial performance

Revenue of NYAB Plc Group for the financial year 2022 was 247.7 (41.6) million euros. Revenue per geographical region is shown in the table below.

Revenue (MEUR)	2022	2021
Finland	60.0	33.7
Sweden	187.7	7.9
<b>Total</b>	<b>247.7</b>	<b>41.6</b>

Financial information for the financial year 2021 is not comparable with 2022 since there have been significant changes in NYAB's group structure in 2021-2022. NYAB Finland Oy that carries out business activities in Finland has been consolidated in group financial statements as of 1 August 2021, and NYAB Sverige AB that operates in Sweden, as of 1 April 2022.

Financial information that has been consolidated in the financial statements for the first half of 2021 consists of business operations of former subsidiaries of NYAB Plc. These business operations ended in the summer of 2021. The combined pro forma revenue for NYAB Finland Oy and NYAB Sverige AB subgroups was 209.2 million euros for the financial year 2021.

EBITA of the group, i.e., operating profit before amortization and depreciation of intangible assets, was 30.5 (1.3) million euros. EBITA per geographical region is shown in the table below.

EBITA (MEUR)	2022	2021
Finnish operations	13.9	2.4
Swedish operations	16.2	0.3
Other unallocated	0.4	-1.4
<b>Total</b>	<b>30.5</b>	<b>1.3</b>

Project development operations had a total net impact of 17.8 million euros on EBITA, including the transaction impact of the change in Skarta Energy's ownership, which has essentially improved the profitability of Finnish operations. Negative impacts resulted, among others, from write-downs in projects that do not belong to NYAB's current business operations, such as the nuclear power plant project at Hanhikivi in Finland and fiber cable network projects in Sweden. These write-downs had a total effect of -3.3 million euros altogether. Group administration functions had a total effect of -2.4 (-1.8) million euros on EBITA of the financial year.

Profit for the financial year was 8.4 (-4.9) million euros. Profit was significantly affected by the amortization of consolidated goodwill that was 18.2 (1.8) million euros altogether, write-offs of 1.2 (3.6) million euros to the investment portfolio that consists of unlisted shares, as well as an adjustment of 0.9 million euros resulting from the transaction in project development business and recorded in the row "Adjustments from Group transactions" in the income statement. Consolidated goodwill originates particularly from the acquisitions of NYAB Finland Oy and NYAB Sverige AB, and the amortization has no effect on cash flows.

Cash flow from business operations of the group was -0,7 (5.7) million euros and the change in cash and cash equivalents 9.7 (3.2 million euros). Cash flow from business operations was weakened by the tie-up of working capital as a result of strong growth, as well as seasonality of the business operations.

Equity of the group increased to 262.7 (55.5) million euros during the financial year, and equity ratio to 78.8 (72.2) percent. Equity was particularly increased by the directed share issues that were used as a primary means of payment in the acquisitions of NYAB Sverige AB and Power Forze AB. At the end of the financial year, NYAB restructured its debt financing through an agreement that consists of a SEK 165 million (EUR 15 million) term loan that has a maturity of four years, as well as a SEK 165 million (EUR 15 million) credit facility. New financing arrangements have been executed after the end of the financial year and they have been used, besides preparing for future growth, to repay loans and hence decreasing relative interest expenses. Total balance sheet at the end of the financial year was 337.7 (76.8) million euros.

NYAB's euro-denominated result, balance sheet and cashflow is materially affected by the exchange rate between the Swedish krona and the euro. The value of the Swedish krona decreased 7.4 percent during the financial year.

NYAB's order backlog at the end of the year was 238.7 (31.0) million euros. NYAB has unified the calculation principles regarding the order backlog among group companies during the fourth quarter. Going forward, order backlog and its development will be reported according to the new principles. In connection with the changes in calculation principles, the aim has been to adjust the information of the comparison year to correspond to the current standard. However, figures of the comparison year may be subject to uncertainty because of the adjustments.

## **Operating environment**

There were abrupt changes in the operating environment during the financial year with Russia's invasion of Ukraine, high inflation, and rising interest rates. The increase in raw material prices and challenges in accessing them were considerable especially in the first half of the year. NYAB managed to better hedge against the cost risks in the Swedish operations, but in Finland the increased costs weakened financial performance especially in the first half. In addition, the long-running COVID-19 pandemic still caused some challenges for the availability of the workforce at the beginning of the financial year. At the end of the year, the rise in construction expenses became slower than the general inflation development.

In energy construction, changes in the operating environment have improved NYAB's business opportunities, as the rapid change in energy markets have further increased the importance of domestic energy production. Wind power, for example, is currently one of the industries that attract most investments in Finland. According to the Wind Power Association, wind power capacity in Finland increased by a record-high 75 percent in 2022. More than 400 wind turbines with a total capacity of 2,430 MW were completed, and the investments related to the projects amounted to nearly three billion euros. The construction of wind power for the following years is estimated to stabilize at an annual level of 1,000 MW. Investment decisions to construct more than 3,000 MW of wind power have already been made. More than 75 percent of these are located in the Ostrobothnia region, where NYAB has a strong position.

Prognoscentret that analyses the construction market in Sweden estimated in December that investments in infrastructure will decrease in 2023 after several years of stable growth. The negative change mainly concerns new investments, whereas investments in maintenance services are still estimated to develop positively. There are also significant geographical differences in the size of investments, and according to industry organization Byggföretagen, construction investments continue to grow in NYAB's strong market area in the Norrbotten County. The negative development of investments is estimated to remain temporary also in other parts of Sweden, and the investment plan of the government for 2022-2033, for example, includes record-high investments in infrastructure.

In Finland, the increase in production indicates that 2022 was a peak year also in industrial construction, as presented by RAKSU group that studies trends in construction and is led by the Ministry of Finance. The year 2023 is expected to settle at the same level, and the outlook for public sector construction is positive. Land and water construction decreased in 2022,

and the negative development is expected to continue in 2023. In both Finland and Sweden, volumes in housing construction are expected to decrease, which may also have an indirect effect on the competitive situation in industrial construction, as companies transfer their production to markets with a higher demand.

## **Share and shareholders**

NYAB Plc's total number of shares at the end of the financial period was 706,658,238 shares (288,397,790 in the previous financial period). The average number of shares was 497,528,014 (154,226,053). At the end of the period, the company had a total of 3,775 shareholders that had been registered in the shareholder register maintained by Euroclear Finland. 64.7 percent of all shares in the company were owned by nominee-registered shareholders. Share capital of the parent company on 31 December 2022 was 80,000 euros and the total equity was 254.8 million euros.

The number of shares in the company increased during the financial period as a result of three separate share issues. At the end of March, the company carried out a directed share issue of a total of 414,244,098 shares to NYAB Sverige AB's shareholders as a consideration for the acquisition of all shares in NYAB Sverige AB. In July, group personnel subscribed to a total of 9,950 shares in a share issue without payment as a part of the new share-based incentive programs. In September, the company carried out a share issue of 4,006,400 shares to Power Forze AB's shareholders as a consideration for the acquisition of all shares in Power Forze AB.

The largest shareholders of the company on 31 December 2022 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 33.4%), Andament Group Oy (a company controlled by Board member Jukka Juola and where Chairman of the Board Markku Kankaala exercises significant influence, ownership 19.1%), and Säterhagens Entreprenad AB (ownership 10.6%). Members of the Board and Executive Management Team of the Company, including companies under their control, owned a total of 57.4% of all shares in the Company at the end of the financial period.

## **Related party transactions**

The consolidated income statement includes 28 684 euros of rent payments for business premises to Kallastor Oy, a company controlled by Jukka Juola, member of NYAB Plc's Board of Directors.

## **Proposal of the Board of Directors for measures regarding result and equity**

NYAB Plc's result for the financial period that ended on 31 December 2022 was -396 456 euros and the distributable assets of the parent company were 254 871 482 euros. The Board of Directors proposes to the Annual General Meeting that a total of 4 946 608 euros (0.7 euro cents per share) is paid to shareholders as a distribution of assets based on the balance sheet to be adopted for the financial period. 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.

## **Significant events after the financial period**

In January, NYAB and Energiequelle signed a nearly 18-million-euro BoP contract regarding the new Mikonkeidas wind farm to be constructed in Kristiinankaupunki, Ostrobothnia. NYAB will supply the wind farm's roads, lifting areas, foundations, internal grid, substation, and transmission lines. In practice, this means that NYAB is responsible for everything in the construction of the wind farm, except for the installation of wind turbines. With the contract, NYAB's completed and ongoing wind farm projects already include more than 180 wind turbines.

In February, The Ministry of Economic Affairs and Employment in Finland granted NYAB's associated company Skarta Energy's project company an investment aid of 13.3 million euros for the solar farm development project in Utajärvi. Skarta Energy has estimated that the construction of the first phase of the project, that has a preliminary total budget of 73.7 million euros, could begin during the summer 2023.

NYAB Plc and Andament Group Oy signed a merger plan in February, whereby a company demerging from Andament Group Oy merges into NYAB. In the proposed series of transactions, 111,000,000 NYAB shares that Andament owns, corresponding to 15.7% of all shares in the Company, are cancelled, and the equivalent number of new shares in the Company are issued to Andament shareholders. The transaction aims at clarifying NYAB's ownership structure and expanding its owner base. The arrangement does not have a net impact on the number of shares in the Company, and its net impact on the balance sheet position and business operations of the Company are neutral. The merger is expected to take place by 31 July 2023.

## Future outlook

NYAB gives a financial guidance, according to which its revenue for 2023 is expected to exceed 325 million euros. NYAB estimates that its market outlook is strong, even though inflation and interest rates that have remained at the elevated levels create some uncertainty in the operating environment. Strong comparable order backlog and positive progress in renewable energy project development enable a good outlook for the ongoing year. Because of the seasonal nature of the business, a significant part of the revenue and profit is expected to accrue during the second half of the year. More detailed financial guidance will be published in connection with the business review from the first quarter.

Infrastructure, energy, and industrial construction are expected to grow profitably especially in Swedish markets. In addition, projects resulting from the project development of associated company Skarta Energy Oy are estimated to increase the revenue in the Finnish operations, but its profit impact is anticipated to be lower than in the previous financial year. Inorganic growth opportunities have not been considered in the financial guidance. Development of the exchange rate between the euro and the Swedish krona, as well as unpredictable changes in the operating environment during the financial year, may cause uncertainty to the guidance.

Significant part of NYAB's organic growth comes from new business opportunities in the fast-growing market of the Norrbotten region in Northern Sweden. There are substantial ongoing investment projects that aim for a clean future in the region, as leading Nordic steel and mining companies, for example, strive for fossil-free production. These investment projects entail significant projects in NYAB's expertise areas in infrastructure, energy, and industrial construction regarding, for example, the construction of new railway and electricity grid connections, as well as new facilities for companies. Altogether, the value of investments in the region for the following 10-20 years is expected to be even more than 100 billion euros. In addition, demand for NYAB's infrastructure construction services in the Stockholm region is expected to grow because of the investment needs that result from the strong population growth in the metropolitan area.

NYAB expects the construction of solar power to grow into a significant pillar of the energy construction of the group alongside the rapidly growing wind power construction. Solar power is one of the most cost-effective energy sources and in a key position to end dependency on fossil fuels. The revised strategic target of Skarta Energy, owned together by NYAB and CapMan, is to build 800 MW of solar power in the coming five years. NYAB is Skarta Energy's preferred partner for engineering, procurement, and construction services, in which case the execution of the projects is expected to enable significant organic growth for the group.

In order to increase own energy production in the Nordics, electricity transmission capacity needs to be strengthened as well, which also increases potential demand for NYAB's services. During the next ten years, a total of approximately 12 billion euros will be invested in the main grids in Finland and Sweden. In addition, local renewable energy projects generate local projects in power network construction. The construction of Aurora Line on the Swedish side is expected to begin in 2024, and Fingrid and Svenska Kraftnät are already planning the next transmission connections between Finland and Sweden.

In addition to organic growth, mergers and acquisitions that support NYAB's growth and competences are an important part of the strategy of the group. The Company concentrates on selecting the best companies in the industry that have a similar company culture and create additional value for the Company with a more comprehensive service offering and potential synergies. Furthermore, NYAB aims at improving its recognition among both Finnish and Swedish investors by, for example, investigating options for the most appropriate trading venues for the Company. The Company will publish more information on the considered options as decisions on more specific plans are made. As a part of the process, NYAB has started preparations to move from Finnish Accounting Standards (FAS) to International Financial Reporting Standards (IFRS) in its financial reporting and will publish more information on the progress where relevant.

According to the targets that NYAB Plc's Board of Directors set in May, NYAB pursues a long-term annual organic growth exceeding 7 percent, EBITA margin exceeding 10 percent, equity ratio exceeding 45 percent, and a dividend exceeding 30 percent of the adjusted net profit.

## Publishing of the financial statements and the Annual General Meeting

NYAB will release its annual report 2022, including financial statements and Board of Directors' report of activities, on 31 March 2023 at <https://nyabgroup.com/en/financial-information/>. NYAB Plc's Annual General Meeting is scheduled to take place on Wednesday, 26 April 2023. 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 2023 on Friday, 25 August 2023. 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 2023 will be released on 12 May 2023, and for the period 1 July–30 September 2023 on 10 November 2023.

*This financial statement release is unaudited.*

*ATTACHMENT: Principles for calculating the key figures, Consolidated income statement, Consolidated balance sheet, Consolidated cash flow statement, Changes in equity*

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## **About NYAB Oyj**

NYAB is a builder of a clean future with decades of experience in complex and demanding projects. We are enabling green transition in the Nordics by providing engineering, construction, and maintenance services to public and private sector clients regarding renewable energy and sustainable infrastructure. NYAB is headquartered in Oulu and it has more than 350 employees at different locations in Finland and Sweden.

NYAB Plc's Certified Adviser is Augment Partners AB, [info@augment.se](mailto:info@augment.se), phone +46 8 604 22 55.

## **Attachments**

- [Download announcement as PDF.pdf](#)
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