



**Viafin Service Plc**

Half-year report (Unofficial release) 1.1.–30.6.2023



# The relative growth of maintenance business is significant in 2023

Viafin Service Plc

Company release 7.8.2023 8.00 AM.

Numbers for the reporting period (1.1.2023–30.6.2023) are unaudited.

## April–June 2023 in brief

- Revenue was MEUR 21.3 (24.2), decreasing by 11.9 percent.
- Earnings before interest, taxes, depreciation and amortizations (EBITDA) was MEUR 1.4 (1.3) increasing by 4.4 percent.
- Earnings before interest and taxes (EBIT) was MEUR 1.1 (1.1), increasing by 4.4 percent.
- On April 3, 2023, the company announced that Jukka Yli-Penttilä has been appointed as the CEO of Viafin Industrial Service Ltd and a member of Viafin Service's executive team, starting from April 11, 2023.

## January–June 2023 in brief

- Revenue was MEUR 37,7 (38,8), decreasing by 2.8 percent.
- Earnings before interest, taxes, depreciation and amortizations (EBITDA) was MEUR 1.8 (1.7), increasing by 5.4 percent.
- Earnings before interest and taxes (EBIT) was MEUR 1.2 (1.2), increasing by 4.5 percent.
- Net profit was MEUR 1.0 (0.9).
- Operating cash flow was MEUR 3.5 (1.0).
- Cash and cash equivalents were MEUR 15.6 (13.6), which means 4.41 (3.83) euros per share excluding treasury shares.
- The average number of personnel during the period was 526 (average of 476 for the financial year 2022).
- Annual General Meeting decided, in accordance with the proposal of the Board of Directors, to pay a dividend of 0.45 euros per share for the financial year 2022.

## Outlook for Viafin Service in 2023

- The company updated its financial guidance for the financial year on July 10, 2023: The company expects the revenue for the financial year 2023 to be between MEUR 70 and 80 (compared to MEUR 87.3 in 2022), and the operating profit (EBIT) for the financial year to be between MEUR 3.5 and 4.5 (compared to MEUR 4.5 in 2022).

## Key Figures (IFRS)

	4—6/2023	4—6/2022	1—6/2023	1—6/2022	1—12/2022 <sup>1)</sup>
1000 EUR	3mos	3mos	6mos	6mos	12mos
Revenue	21 317	24 198	37 746	38 842	87 340
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	1 404	1 344	1 821	1 728	5 634
% of revenue	6,6 %	5,6 %	4,8 %	4,4 %	6,5 %
Earnings before interest and taxes (EBIT)	1 112	1 065	1 235	1 183	4 519
% of revenue	5,2 %	4,4 %	3,3 %	3,0 %	5,2 %
Profit for the financial period			1 013	946	3 535
% of revenue			2,7 %	2,4 %	4,0 %
Earnings per share, eur			0,28	0,25	0,95
Operating cash flow before interests and taxes			3 486	994	4 536
Cash and cash equivalents			-	-	-
Interest-bearing loans			52,3 %	48,7 %	51,6 %
Equity ratio %	15 609	13 597	15 609	13 597	15 787
Cash conversion	51,2 %	132,1 %	191,5 %	57,5 %	80,5 %
Weighted average of outstanding shares			3 546 764	3 523 503	3 535 464
Outstanding shares at the end of the period			3 543 453	3 547 426	3 547 426
Share price at the end of the period			13,85 €	13,85 €	13,80 €

1) Audited

# CEO Heikki Pesu: The relative growth of maintenance business is significant in 2023

"In the first half of 2023, business activity in the industry followed a typical pattern, picking up in the second quarter as a whole, driven by the commencement of maintenance shut-downs. We estimate that the relative share of maintenance business revenue will increase significantly compared to the previous year. On the other hand, the period was notably more modest in terms of project business, and the proportion of project business in 2023 is expected to be smaller compared to the previous year, as we predicted in the Q1 business review.

We had already revised our earnings guidance on July 10, 2023, primarily due to a decrease in project business revenue and the resulting decline in operating profit (EBIT). The relative profitability of project business has consistently been at a higher level than that of maintenance business. Our updated guidance for financial year 2023 projects a revenue of 70–80 million euros (compared to 87.3 million euros in 2022) and an operating profit (EBIT) of 3.5–4.5 million euros (compared to 4.5 million euros in 2022).

We anticipate that the revenue from project business will decrease significantly, to less than half of the previous year's period (22.6 million euros). Maintenance business revenue during the same period was 64.7 million euros. The substantial decrease in project business revenue from the previous year is mainly attributed to a lower number of new requests for proposals and awarded projects in the past 12 months. We continued to carefully select projects to offer, despite heightened competition in the project business. Notably, projects completed during the review period have achieved their objectives as planned.

Our revenue for January–June was 37.7 (38.8) million euros, a decrease of 2.8 percent compared to the same period last year. Of this revenue, 34.0 (28.8) million euros, or 90 (74) percent, came from maintenance business, while 3.7 (10.1) million euros, or 10 (26) percent, came from project business.

The operating profit (EBIT) for January–June was 1.2 (1.2) million euros, representing 3.3 (3.0) percent of revenue. The period included one-time compensation in accordance with the collective agreement settlement, which had a negative impact on both EBITDA and operating profit of approximately 0.3 million euros in March. The company's operational cash flow remained strong at 3.5 million euros. Cash and cash equivalents at the end of the review period amounted to 15.6 million euros, providing a solid foundation to continue pursuing our growth strategy.

The result from project business declined by approximately a third from the previous year, while maintaining excellent relative profitability. In contrast, the result from maintenance business improved by over twofold from the previous year. The relative profitability of maintenance business also doubled. During the first part of the year, however, the improvement in the profitability of the maintenance business effectively offset the weakening result of the project business, thus the company achieved a similar level of result as in the first half of 2022.

However, the relative profitability of the maintenance business is not yet at a satisfactory level, and we will continue to invest in its development. As an example of our commitment to this effort, Jukka Yli-Penttilä assumed the position of CEO of Viafin Industrial Service Ltd on April 11, 2023.

Our revenue for April–June was 21.3 (24.2) million euros, a decrease of 11.9 percent compared to the same period last year. The EBITDA for April–June was 1.4 (1.3) million euros, an increase of 4.4 percent, and the operating profit (EBIT) was 1.1 (1.1) million euros.

Uncertainty persists in the maintenance and project business markets, driven by the ongoing Russian war of aggression and economic volatility. Significantly higher inflation and interest rates are impacting our customers' operations, which may also affect the demand for our maintenance and project services. Despite these uncertainties, we believe that we can continue to operate profitably in the maintenance market and that we have significant growth opportunities both organically and through acquisitions. However, we expect the competition to remain intense in the project market at least for the rest of the year.

The execution of our strategy for the years 2023–2025 is progressing according to plan. As we mentioned in the Q1 report, the operational performance of our maintenance business did not progress as planned, and we fell notably behind our targets. However, we see the situation improving over the course of this year. We also anticipate a significant improvement in the overall relative profitability of the company in the second half of the year, similar to the previous financial year.

In addition to the above, we will continue our systematic evaluation of potential acquisitions in line with our strategy, with a selective emphasis on creating shareholder value. We will also continue to invest in maintaining our position as a local, customer-centric, and cost-efficient service partner."

## Financial development

During the period of January to June 2023, the revenue decreased by 2.8 percent compared to the same period last year, totaling 37.7 (38.8) million euros. The revenue from maintenance business for the same period was 34.0 (28.8) million euros, and from project business, it was 3.7 (10.1) million euros. The decrease in revenue was primarily due to a significant reduction in project business compared to the previous year.

For the period of January to June, the operating profit (EBITDA) was 1.8 (1.7) million euros. The operating profit (EBIT) increased to 1.2 (1.2) million euros, representing 3.3 (3.0) percent of revenue. The net profit for the period was 1.0 (0.9) million euros, and the earnings per share were 0.28 (0.25) euros.

The equity ratio of Viafin Service Ltd at the end of the reporting period was 52.3 (48.7) percent, with equity including minority interests amounting to 22.0 (20.1) million euros. The total balance sheet of the company at the end of the reporting period was 44.5 (44.0) million euros, with cash and bank receivables amounting to 15.6 (13.6) million euros. The company's operational cash flow before financing costs and taxes for the reporting period was 3.5 (1.0) million euros. The main contributors to the strong operational cash flow were changes in trade receivables and other receivables.

## Financial targets 2023–2025

- Profitability: The company aims for an 8 percent operating profit (EBIT).
- Cash Conversion: The company targets an annual cash conversion rate of over 100 percent. The formula for this is "Operating Cash Flow before Financing Costs and Taxes / EBITDA."
- Revenue: The company aims for an annual average revenue growth of 10 percent.
- Dividends: The company's goal is to distribute a growing dividend annually.

## Financial guidance for the financial year 2023

Updated financial guidance for financial year 2023: The company estimates the revenue for financial year 2023 to be between 70 and 80 million euros (compared to 87.3 million euros in 2022), and the operating profit (EBIT) for the financial year to be between 3.5 and 4.5 million euros (compared to 4.5 million euros in 2022).

Previous financial guidance for financial year 2023: The company estimated the revenue for financial year 2023 to be between 70 and 80 million euros (compared to 87.3 million euros in 2022), and the operating profit (EBIT) for the financial year to be between 4.5 and 5.5 million euros (compared to 4.5 million euros in 2022).

## Acquisitions

No acquisitions were made during the review period.

## Personel and administration

During the review period, Viafin Service's personnel increased by 50 individuals, averaging a total of 526 employees. The growth in the number of employees was primarily attributed to the organic expansion of the maintenance business. All employees were based in Finland.

On April 3, 2023, the company announced that a member of the executive team and the CEO of Viafin Industrial Service Ltd, Tanja Viljakainen, would step down from her role within the executive team and her current positions at Viafin Service on April 11, 2023. She will continue in designated tasks within Viafin Service until October 3, 2023. Jukka Yli-Penttilä, MSc. (born in 1970), took over Viljakainen's responsibilities at Viafin Service. Yli-Penttilä was appointed as the CEO of Viafin Industrial Service Ltd and a member of the Viafin Service executive team, effective from April 11, 2023.

As of April 11, 2023, the current executive team includes Heikki Pesu, CEO of Viafin Service; Patrik Hämälä, CFO; Marko Haapasalmi, CEO of Viafin GAS Ltd; Panu Rastas, CEO of Viafin Process Piping Ltd; and Jukka Yli-Penttilä, CEO of Viafin Industrial Service Ltd.

## Annual General Meeting

The annual general meeting of Viafin Service Ltd ("Viafin Service") was held in Espoo on Tuesday, April 25, 2023. The meeting approved Viafin Service's financial statements for the financial year January 1, 2022, to December 31, 2022, and granted discharge of liability to the members of the board of directors and the CEOs.

In accordance with the proposal of the board of directors, the general meeting decided that a dividend of 0.45 euros per share will be paid for the financial year ending on December 31, 2022. The dividend will be paid to shareholders who are registered in the company's shareholder register maintained by Euroclear Finland Ltd on the record date of April 27, 2023. The dividend will be paid on May 5, 2023.

The general meeting decided, as proposed by the shareholders, that the number of members in the company's board of directors shall be four, and that Marko Sipola, Ilkka Tykkyläinen, Terhi Kauppi, and Sakari Toikkanen shall be elected to the board of directors. All the selected individuals have given their consent to the appointment.

The general meeting decided, as proposed by the board, that the chairman of the board shall be paid a monthly fee of 2,500 euros, and each regular member of the board shall be paid 1,500 euros per month. In addition, reasonable travel expenses for attending meetings shall be reimbursed to the chairman and members of the board. KHT Timo Helle (Grant Thornton) was elected as the company's auditor, and KHT Riku Vuorinen was elected as the company's deputy auditor.

The general meeting decided, in accordance with the proposal of the board, on authorizations concerning the acquisition and disposal of the company's own shares, authorization for share issues, authorization for donations for charitable purposes, authorization for the receipt of the company's own shares in the VPP Management Ltd's resolution procedure, and amendments to the articles of association enabling remote and hybrid meetings.

The general meeting authorized the board to decide on the acquisition of the company's own shares in one or more tranches using the company's unrestricted equity as follows: The total number of own shares to be acquired is a maximum of 360,000 shares, representing approximately 10 percent of all company shares. However, a decision to acquire own shares cannot be made in such a way that the combined total of own shares held or pledged by the company and its subsidiaries exceeds 10 percent of all company shares.

Shares may be acquired on regulated markets on those marketplaces where the company is authorized to trade its own shares, in accordance with the rules of such marketplaces. In such cases, the shares are acquired in a directed manner, meaning other than in proportion to the ownership of the shareholders, and the consideration paid for the shares is based on the publicly quoted market price of the company's shares. The minimum price for the shares to be acquired is the lowest publicly quoted market price of the share in trading, and the maximum price is the highest publicly quoted market price of the share in trading during the validity period of the authorization. Own shares may be acquired, among other purposes, for the development of the company's capital structure, to be disposed of in connection with potential corporate acquisitions, for use in the company's incentive schemes, in a manner required for the retention of key personnel, for the potential payment of share-based compensations to members of the board, for cancellation, or for other purposes. The Board of Directors was authorized to decide on all other terms of the acquisition. The authorization is valid until the next Annual General Meeting of the company, however, no later than April 30, 2024.

The General Meeting authorized the Board of Directors to decide on the issuance of the company's own shares in one or more lots as follows: The total number of shares to be transferred is up to 360,000 shares, representing approximately 10 percent of the total shares of the company.

The Board of Directors is also authorized to decide on the transfer of shares in a directed manner, deviating from the pre-emptive subscription right of the shareholders. The Board was empowered to determine the other terms and conditions of the share transfer. Own shares may be transferred, among other purposes, for the development of the company's capital structure, to be utilized in connection with potential corporate acquisitions, for use in the company's incentive schemes, to retain key personnel as required, for the potential payment of share-based compensations to board members, for cancellation, or for other purposes. The authorization is valid until the next Annual General Meeting of the company, however, no later than April 30, 2024.

The General Meeting authorized the Board of Directors to de-

cide on a share issue in one or more tranches as follows: Based on the authorization, a maximum of 360,000 new or treasury shares of the company can be issued, which corresponds to approximately 10 percent of all the shares of the company.

The Board of Directors was authorized to decide on other terms and conditions of the share issue. The authorization may be used, among other things, for the implementation of incentive programs, realization of corporate acquisitions, engagement of the company's key personnel, payment of possible share-based remunerations to the members of the Board of Directors, and other purposes. The authorization is valid until the next Annual General Meeting of the company, however, no later than April 30, 2024.

The General Meeting authorized the Board of Directors to decide on donations of up to a total of 2,000 euros for charitable or similar purposes, and to determine the recipients, purposes, and other conditions of the donations. The authorization is valid until the company's next regular Annual General Meeting.

The General Meeting authorized the Board of Directors to act in the liquidation procedure of VPP Management Ltd with the aim of receiving Viafin Service Ltd's own shares as a distributive share in exchange for the shares of VPP Management Ltd owned by Viafin Service Ltd. The authorization is valid until the next regular Annual General Meeting.

The General Meeting decided to amend Article 8 of the company's Articles of Association as follows: "8. Place of the General Meeting: The company's General Meetings may be held in addition to the company's domicile in Helsinki, Espoo, or Vantaa. The Board of Directors may decide that the General Meeting is held without a physical meeting place, so that the shareholders exercise their decision-making powers during the meeting fully and in real-time through telecommunications connections and technical means (remote meeting). The Board of Directors may also decide that shareholders may participate in the General Meeting in a manner where they exercise their decision-making powers during the meeting fully and in real-time through telecommunications connections and technical means (hybrid meeting)."

Viafin Service's Board of Directors organized itself on April 25, 2023, and elected Marko Sipola as the Chairman of the Board from among its members.



Shareholders 30.6.2023		Number of shares	% of shares	Change on 31 Dec 2022, pcs
1.	Skillhouse Ltd	404 549	11,15%	-
2.	Luhtala Kari Pekka	281 905	7,77%	-
3.	MSK Group Ltd	257 273	7,09%	-
4.	Baj Ltd	223 808	6,17%	-
5.	Ltd Fincorp AB	140 698	3,88%	30 361
6.	Keskinäinen Työeläkevakuutusyhtiö Varma	140 000	3,86%	20 000
7.	Takoa Invest	126 755	3,49%	-
8.	Eläkevakuutusosakeyhtiö Veritas	125 000	3,44%	-
9.	Kilpeläinen Toni Olavi	117 021	3,22%	-1 223
10.	VGT Management Ltd	116 231	3,20%	-
Top 10 in total		1 933 240	53,27%	49 138
All shares in total		3 628 795	100,00%	

Source: Euroclear

## Shares and shareholders

At the end of the reporting period, the total number of shares of Viafin Service Ltd was 3,628,795 (3,628,795). The average number of shares during the reporting period was the same. The number of shares excluding treasury shares averaged 3,546,746 during the reporting period and stood at 3,542,453 at the end of the period. During the period from January 1 to June 30, 2023, a total of 3,973 treasury shares were acquired at an average price of 13.90 euros per share. As of June 30, 2023, the company held a total of 85,342 treasury shares, which represented approximately 2.4 percent of the total number of shares and votes in the company. The closing price of the company's shares on June 30, 2023, was 13.85 euros. The lowest trading price during the reporting period was 12.60 euros, and the highest was 14.50 euros. The total trading volume for the shares during the reporting period was 158,929.

Below is a table presenting the top 10 largest shareholders as of June 30, 2023, along with changes in ownership during the comparative period. The number of shareholders at the end of the reporting period was 1,490 (previously 1,480).

## Significant short-term risks and uncertainties

Viafin Service plays a significant role in its growth and profitability through the successful execution of potential new acquisitions, integration efforts, and employee engagement. The company anticipates a favorable market situation, particularly in the maintenance business, as well as tight conditions in project business. However, it acknowledges that various disruptions in the markets cannot be ruled out. The company believes that its flexible and decentralized business model across multiple locations enables it to adapt to changing circumstances.

The ongoing situation involving the Russian invasion and the cessation of Russian gas supplies, along with significantly higher inflation, could impact the company's operating environment. The spread of different pandemics could also affect

the company's operating environment, potentially causing delays and changes in ongoing projects or even temporarily paralyzing the entire society. The company actively seeks to mitigate the risks posed by potential pandemics both within its workforce and supplier network by continuously updating work practices and guidelines for its employees.

## Relevant events after the reporting period

On July 10, 2023, the company announced a downward revision of its earnings guidance for the year 2023, primarily due to a decrease in revenue from project business and the resulting decline in operating profit (EBIT). The updated financial guidance for the financial year 2023 is as follows: The company estimates that the revenue for the financial year 2023 will be in the range of 70–80 million euros (compared to 87.3 million euros in 2022), and the operating profit (EBIT) for the financial year is projected to be between 3.5–4.5 million euros (compared to 4.5 million euros in 2022).

## Financial information

The company will publish its financial reports for the financial year 2023 as follows:

- Monday, November 6, 2023: Business Review for the period 1st January to 30th September 2023
- Monday, February 19, 2024: Financial Statements Release for the period 1st January to 31st December 2023

## Materials of the interim report

The interim report and presentation materials are available on the company's website under the section "[Reports and Presentations](#)."

## Principles of preparing the half year report

The figures presented in the interim report are unaudited and have been prepared in accordance with International Financial Reporting Standards (IFRS). The presented figures have been rounded from exact numbers.



## Consolidated comprehensive income statement (IFRS)

	1—6/2023	1—6/2022	1—12/2022 <sup>1)</sup>
1000 EUR	6mos	6mos	12mos
<b>Revenue</b>	37 746	38 842	87 340
Finished goods and WIP changes in inventories	1 191	142	517
Other operating income	81	69	110
Raw materials and services			
Raw materials and consumables			
Purchases during the financial year	-7 878	-934	-17 021
Changes in inventories	32	592	-384
External services	-6 957	-9 506	-23 889
Personnel expenses			
Salaries and compensations	-14 051	-11 339	-25 360
Employer contributions	0	0	0
Pension expenses	-2 493	-2 080	-4 384
Other social security expenses	-457	-379	-853
Employee benefits expenses	-413	-265	-889
Depreciation and amortization			
Depreciation according to plan	-585	-545	-1 115
Other operating expenses	-4 981	-5 008	-9 552
<b>Earnings before interest and taxes vai operating profit</b>	<b>1 235</b>	<b>1 183</b>	<b>4 519</b>
<b>Financial income and expenses</b>			
Interest income and other finance income from others	61	33	57
Interest income and other finance income from others	-37	-33	-117
<b>Profit after financial items</b>	<b>1 260</b>	<b>1 183</b>	<b>4 458</b>
Income taxes	-247	-237	-924
<b>Profit for the financial period</b>	<b>1 013</b>	<b>946</b>	<b>3 535</b>
<b>Attributable to:</b>			
Owners of the parent company	988	904	3 366
Non-controlling interests	25	41	169

1) Audited

## Consolidated balance sheet (IFRS)

1000 EUR	30.6.2023	30.6.2022	31.12.2022 <sup>1)</sup>
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	8 142	8 145	8 142
Other non-current intangible assets	92	74	64
Property, plant and equipment	2 182	1 802	2 023
Right-of-use asset	354	543	492
Deferred tax assets	654	155	394
Other non-current assets	145	75	105
<b>Total non-current assets</b>	<b>11 568</b>	<b>10 794</b>	<b>11 219</b>
<b>Current assets</b>			
Inventories	2 738	2 090	1 515
Trade and other receivables	14 585	17 470	16 166
Cash and cash equivalents	15 609	13 597	15 787
<b>Total current assets</b>	<b>32 932</b>	<b>33 157</b>	<b>33 468</b>
<b>Total assets</b>	<b>44 500</b>	<b>43 951</b>	<b>44 687</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity of the owners of the parent company			
Share capital	83	83	83
Reserve for invested unrestricted equity	17 591	17 591	17 591
Retained earnings	3 483	1 547	4 099
<b>Equity of the owners of the parent company</b>	<b>21 156</b>	<b>19 220</b>	<b>21 772</b>
Non-controlling interests	809	852	876
<b>Total equity</b>	<b>21 965</b>	<b>20 072</b>	<b>22 648</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities	111	310	245
Deferred tax liabilities	3	7	3
<b>Total non-current liabilities</b>	<b>114</b>	<b>317</b>	<b>248</b>
<b>Current liabilities</b>			
Lease liabilities	263	262	271
Trade and other payables	19 610	20 308	19 584
Current tax liabilities	30	237	1 104
Income received in advance	2 519	2 755	832
<b>Total current liabilities</b>	<b>22 421</b>	<b>23 562</b>	<b>21 791</b>
<b>Total liabilities</b>	<b>22 536</b>	<b>23 879</b>	<b>22 040</b>
<b>Total equity and liabilities</b>	<b>44 500</b>	<b>43 951</b>	<b>44 687</b>

1) Audited

## Consolidated cash flow statement (IFRS)

	1—6/2023	1—6/2022	1—12/2022 <sup>1)</sup>
1000 EUR	6mos	6mos	12mos
<b>Cash flow from operating activities</b>			
Profit (loss)	1 013	946	3 535
Share-based employee expenses	95	95	190
Depreciation and amortisations	585	545	1 115
Financial income and expenses	-24	0	60
Other adjustments	256	237	924
<b>Income taxes</b>	<b>1 925</b>	<b>1 823</b>	<b>5 824</b>
Cash flow before the change in working capital			
Change in working capital	-1 223	-707	-132
Net increase (-) / decrease (+) in inventories	2 134	-5 136	-3 827
Net increase (-) / decrease (+) in trade and other receivables	650	5 013	2 671
<b>Net increase (-) / decrease (+) in trade payables and other liabilities</b>	<b>3 486</b>	<b>994</b>	<b>4 536</b>
Cash flow before financial income, expenses, and taxes	-36	-14	-117
Interest expenses	34	33	41
Interest income	27	0	16
Income taxes paid	-1 070	-543	-879
<b>Cash flow from operating activities</b>	<b>2 440</b>	<b>470</b>	<b>3 597</b>
<b>Cash flow from investing activities</b>			
Investments in intangible assets	-46	-8	-31
Investments in tangible assets	-589	-772	-1 386
Investments in associated companies	-40	-33	-63
Investments in non-controlling	-116	-1 087	-1 074
<b>Cash flow from investing activities</b>	<b>-789</b>	<b>-1 900</b>	<b>-2 554</b>
<b>Cash flow from financing activities</b>			
Repayment of lease liabilities	-143	-144	-309
Repurchases of own shares	-55	-126	-126
Dividends paid	-1 596	-1 419	-1 419
Dividends paid to non-controlling	-34	-576	-694
<b>Cash flow from financing activities</b>	<b>-1 829</b>	<b>-2 265</b>	<b>-2 548</b>
<b>Change in cash and cash equivalents</b>	<b>-178</b>	<b>-3 695</b>	<b>-1 505</b>
Cash and cash equivalents at the beginning of the period	15 787	17 292	17 292
Cash and cash equivalents at the end of the period	15 609	13 597	15 787
<b>Change in cash and cash equivalents</b>	<b>-178</b>	<b>-3 695</b>	<b>-1 505</b>

1) Audited



## Statement of changes in equity

	Share capital	Invested unrestricted equity fund	Retained earnings from previous financial years	Parent company shareholders	Non-controlling shareholders	Total equity
<b>1000 EUR</b>						
<b>Equity 1.1.2023</b>	83	17 591	4 099	21 772	876	22 648
Profit for the financial period			988	988	25	1 013
<b>Comprehensive profit for the financial period</b>			5 087	22 761	901	23 662
Dividend payment			-1 596	-1 596	-34	-1 630
Purchase of own shares			-55	-55		-55
Share-based payments			95	95		95
Change in ownership interests of non-controlling shareholders			-49	-49	-58	-107
<b>Equity 30.6.2023</b>	83	17 591	3 483	21 156	809	21 965
<b>Equity 1.1.2022</b>	83	17 591	2 855	20 528	1 707	22 235
Profit for the financial period			904	904	41	946
<b>Comprehensive profit for the financial period</b>			904	904	41	946
Dividend payment			-1 419	-1 419	-576	-1 995
Purchase of own shares			-126	-126		-126
Share-based payments			95	95		95
Change in ownership interests of non-controlling shareholders			-764	-764	-320	-1 084
<b>Equity 30.6.2022</b>	83	17 591	1 546	19 219	852	20 072
<b>Equity 1.1.2022</b>	83	17 591	2 855	20 528	1 707	22 235
Profit for the financial period			3 366	3 366	169	3 535
<b>Comprehensive profit for the financial period</b>			3 366	3 366	169	3 535
Dividend payment			-1 419	-1 419	-693	-2 112
Purchase of own shares			-126	-126		-126
Share-based payments			190	190		190
Change in ownership interests of non-controlling shareholders			-767	-767	-307	-1 074
<b>Equity 31.12.2022<sup>1)</sup></b>	83	17 591	4 099	21 772	876	22 648

<sup>1)</sup> Audited

## Reconciliation of alternative performance measures

<b>EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION, AND AMORTIZATION (EBITDA)</b>	<b>1—6/2023</b>	<b>1—6/2022</b>	<b>1—12/2022<sup>1)</sup></b>
<b>1000 EUR</b>	<b>6 mos</b>	<b>6 mos</b>	<b>12 mos</b>
Operating profit (EBIT)	1 235	1 183	4 519
Depreciation and amortization	585	545	1 115
<b>EBITDA</b>	<b>1 821</b>	<b>1 728</b>	<b>5 634</b>

  

<b>CASH CONVERSION, %</b>	<b>1—6/2023</b>	<b>1—6/2022</b>	<b>1—12/2022<sup>1)</sup></b>
	<b>6 mos</b>	<b>6 mos</b>	<b>12 mos</b>
Operating cash flow before financing and taxes	3 486	994	4 536
EBITDA	1 821	1 728	5 634
<b>Cash conversion, %</b>	<b>191,5 %</b>	<b>57,5 %</b>	<b>80,5 %</b>

1) Audited

## Formulas for calculation of indicators

Earnings before interest, taxes, depreciation, and amortization (EBITDA)	=	Revenue + Other operating income — Raw materials and services — Personnel expenses — Other operating expenses
Operating profit before interest and taxes (EBIT)	=	Revenue + Other operating income — Raw materials and services — Personnel expenses — Other operating expenses — Depreciation and amortization
Earnings per share (EPS)	=	$\frac{\text{Profit attributable to shareholders of the Company}}{\text{The average number of shares outstanding during the period}}$
Interest-bearing loans	=	Non-current interest-bearing liabilities + Current interest-bearing liabilities
Equity to assets ratio, %	=	$\frac{\text{Total equity + Non-controlling interests}}{\text{Balance sheet total — Amounts due to customers under revenue contracts}}$
Cash conversion, %	=	$\frac{\text{Operating cash flow before interests and taxes}}{\text{EBITDA}}$

## **More information**

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## **Viafin Service Plc in brief**

Viafin Service Plc is a company specializing in industrial maintenance, as well as the maintenance, installation, and servicing of pipelines, equipment, and gas systems. They offer a wide range of services, including maintenance and system deliveries for LNG and biogas systems, gas networks, and gas filling stations. Viafin Service primarily operates in Finland and serves several major companies in industries such as pulp and paper, energy, chemicals, and metal manufacturing. The company has twenty-eight regional service units in twenty-one locations throughout Finland. They employ approximately 500 people. Viafin Service Ltd's shares are listed on the Nasdaq First North Growth Market Finland, with the trading symbol VIAFIN.

[www.viafinservice.fi](http://www.viafinservice.fi)



