

Second quarter 2023

Interim report



TRYM

TRYM QUICK SUMMARY

Trym Group (Trym) is an integrated property and construction group, with Trondheim as its primary market. Trym operates in both residential and commercial segments of the property sector, which constitutes its core business. Trym has a clear build-for-sale strategy, with the construction companies Trym Bygg AS and Næringsbygg AS making an important contribution to value creation.

Our mission is to deliver attractive and functional homes, commercial premises and public buildings. Trym builds for the benefit of our projects' buyers and users, and with care and consideration for the city and the society in which we build. Trym has a clearly expressed ambition to be the best in Trøndelag at this.



Real Estate Development	
<div style="text-align: center;">  <p>Residential Real Estate Trym Bolig AS</p> <p>Experienced and long-term housing developer in the Trondheim region. Trym Bolig has a significant portfolio of projects to be realised in the coming years.</p> </div>	<div style="text-align: center;">  <p>Commercial Real Estate Trym Næring AS</p> <p>Significant player in development and management of commercial real estate in the Trondheim region.</p> </div>
Construction	
<div style="text-align: center;">  <p>Apartments & public buildings Trym Bygg AS</p> <p>Performs a wide range of apartment, commercial and public buildings.</p> </div>	<div style="text-align: center;">  <p>Industrial buildings Næringsbygg AS</p> <p>Performs a wide range of buildings for industry, warehousing, sports and trade.</p> </div>

CEO STATEMENT

The second quarter of 2023 was a challenging period for Trym. The construction segment has undertaken significant write-downs on ongoing projects. The real estate segment is delivering stable revenues and earnings. We are pleased to report strong sales figures in a challenging market.

Persistent inflation and increased interest rates have led to a shift in market sentiment for our business and Trym experiences the same challenges as the rest of the industry. We work closely with clients, suppliers, and subcontractors to ensure stability and profitability for the projects. Our strategic growth plans are firm, but we have an enhanced focus on “risk and reward” when pursuing new business opportunities.

Total revenue in the second quarter of 2023 amounted to NOK 342,4 million compared to NOK 432,9 million in 2022.

EBITDA ended negative at NOK 1,7 million in the second quarter, compared to NOK 70,5 million in the corresponding period last year.

Tryms’ financial position remains strong. At the end of the quarter, we can report a value-adjusted equity ratio of 62%, a net interest-bearing debt, excluding construction loan, of NOK 105,9 million, and a cash position of NOK 107,2 million.

In the second quarter, cash flow from operations is marginal positive at NOK 0,3 million. So far in 2023 the cashflow from operations is positive at NOK 112,3 million. The positive cash flow is primarily due to payment from completed apartments as well as payments from the sale of commercial properties.

The real estate portfolio is developing as planned. Despite a challenging market, we are maintaining our schedule. No projects have been put on hold, but they are being thoroughly reviewed to ensure satisfactory profitability. In this quarter, we have completed a commercial project, Norway’s largest climbing facility with the climbing center Grip as the tenant. Additionally, we have handed over 49 apartments to end-users in the Valentinlyst Phase 2 development. During the second quarter,

we sold 112 apartments in the total residential portfolio, with a total sales value of NOK 433,0 million. Additionally, we have entered into an agreement to acquire the ownership of a portfolio consisting of 17 commercial properties. The purchase price was set at NOK 3 million, and the seller will also receive a fixed annual dividend of NOK 2 million.

The construction segment has operated under challenging conditions since the beginning of the pandemic. Certain projects have had a fixed revenue stream, where there has been no basis for compensation for inflated material costs. This has resulted in significant losses on these projects. In the second quarter, we report negative earnings before tax of NOK 26,4 million. We are closing the quarter with an order backlog of NOK 859,7 million. This supports steady activity going forward.

In Trym, safety comes first. Our overall goal is zero serious injuries or work-related absences. In the second quarter of 2023 we have had two lost time injuries. We will continue our efforts to secure the safety of everyone who works on Trym’s projects.

We remain optimistic about the outlook for Trym, and we face challenging times with a strong financial position.

Trondheim, 29th of August 2023
Trond Tuvstein, CEO.



SUMMARY OF SECOND QUARTER 2023

Key figures (NOK thousands)	Q2-2023	Q2-2022	H1 2023	H1 2022	FY 2022
Revenue Real estate	68 479	117 981	153 652	204 026	339 186
Revenue Construction	289 337	331 194	563 696	559 647	1 412 970
Elimination internal revenue/other	-15 397	-16 298	-39 277	-29 906	-118 461
Total revenues and other income	342 419	432 877	678 071	733 767	1 633 695
Segments:					
EBITDA Real estate	24 783	63 740	53 119	89 703	122 326
EBITDA Construction	-27 263	8 332	-37 551	12 651	208 601
EBITDA Group/overhead	776	-1 534	-438	-2 389	-11 898
Group:					
EBITDA	-1 704	70 539	15 130	99 965	319 029
Earnings from associated companies	-579	7 782	1 574	9 575	22 305
Earnings before tax (EBT)	-9 695	67 359	1 530	87 986	302 136
EBITDA margin	-0,5 %	16,3 %	2,2 %	13,6 %	19,5 %
Profit margin before taxes	-2,8 %	15,6 %	0,2 %	12,0 %	18,5 %
Cash flow from operating activities	316	154 646	112 287	210 092	312 160
Net interest-bearing debt (NIBD)			168 148	254 694	235 246
Net interest-bearing debt excluding construction loans			105 903	204 942	184 025
Order backlog			859 735	1 834 247	1 074 351
of which internal			590 031	995 790	872 708



The Blomkvartalet project is in its final phase, and residents and businesses will move in in the third quarter.

FINANCIAL REVIEW

Income statement and order backlog

In the second quarter of 2023 Trym achieved revenues of NOK 342,4 million (NOK 432,9 million) and an EBITDA of NOK -1,7 million (NOK 70,5 million). Both revenues and profitability in the group has decreased in this quarter compared to the second quarter in 2022. The group suffer reduced revenues in both the Real estate segment and the Construction segment. The profitability is primarily impacted by increased purchasing prices in the Construction segment.

The Real Estate segment achieved a revenue of NOK 68,5 million (NOK 118,0 million) and an EBITDA of NOK 24,8 million (NOK 63,7 million) in the second quarter of 2023. The main explanation for the reduction in revenue and profitability is decreased sales of commercial properties during the second quarter of 2023 compared to the same quarter previous year.

The Construction segment achieved a revenue of NOK 289,3 million (NOK 331,2 million) and an EBITDA of NOK -27,3 million (NOK 8,3 million) in the second quarter of 2023. The reduced revenue is mainly related to the fact that the subsidiary Trym Anlegg AS was sold by the end of the third quarter in 2022, and hence the revenue from this business is no longer included in revenue for 2023. The decreased profitability is primarily related to increased purchasing prices and a loss contract.

The order backlog at the end of the first quarter is NOK 859 million (NOK 1 834 million). The reported order backlog is related to the Construction segment. The change in the order backlog is both explained by a lower order intake, and the derecognition of the subsidiary Trym Anlegg AS. 66,6% of the subsidiary was sold by the end of the third quarter of 2022. Trym Anlegg AS was included in the order backlog for the second quarter of 2022 with a total of NOK 471 million.

Cash flow

Cash flow from operations for the second quarter in 2023 amounts to NOK 0,0 million (NOK 154,6 million). The decrease in cash flow from operations is mainly explained by reduced profitability, reduction of sale of assets, and a reduced change in net working capital real estate compared to the second quarter in 2022.

Net cash flow from investment activities for the second quarter was NOK -13,7 million (-277,4 million). The outflow of cash in the second quarter of 2022 was mainly related to the acquisition of Migosenteret AS and Tempeveien 19 AS. Hence the activity in the second quarter of 2023 is mainly related to the development of the property "Klatrehall Gildheim". The property was completed and fully leased by the end of the second quarter.

Net cash flow in the second quarter from financing activities is negative with a total of NOK 0,9 million. The amount is related to payment of dividend to non-controlling interests.

The cash and cash equivalents as of 30th of June 2023 amounted to NOK 107,2 million (NOK 256,1 million). The cash position is considered as strong.

Balance sheet

The total assets of Trym have changed from NOK 1 417 million at the end of 2022 to NOK 1 399 million by the end of this second quarter. The main change is both explained by a decrease in contract assets related to the Real estate segment and an increase in cash and cash equivalents.

Total equity has changed from NOK 611,8 million at year end 2022 to NOK 611,7 million by the end of this quarter. This is corresponding to an equity ratio of 44 percent. The change in equity is explained by net profit for the first half of 2023, less dividend to non-controlling interest with a total of NOK 3,8 million.

Net interest-bearing debt was NOK 168,1 million (NOK 254,7 million) by the end of this second quarter.

BUSINESS AREAS

Real Estate

NOK thousands	Q2-2023	Q2-2022	H1 2023	H1 2022	FY 2022
Real estate sales	60 106	110 392	138 575	190 124	311 573
Rental income	8 373	7 589	15 077	13 902	27 613
EBITDA	24 783	63 740	53 119	89 703	122 326
Share of profit from associated companies	-1 583	7 784	785	9 580	16 508
EBT	16 035	65 782	39 468	88 281	113 768
EBITDA margin	36,2 %	54,0 %	34,6 %	44,0 %	36,1 %
Profit margin before taxes	23,4 %	55,8 %	25,7 %	43,3 %	33,5 %

The business area of Real Estate develops, designs, and carries out residential and commercial projects. In addition, we have a portfolio of commercial property under lease and management. The main market is in the Trondheim region. Trym cooperates closely with other players in the industry and a substantial part of the project portfolio is organized in part-owned companies. Income and earnings from these projects are recognized following the equity method of accounting.

The total revenues for the second quarter of 2023 are lower than the corresponding figures from last year. The revenue stream from the residential segment is slightly lower in this quarter compared to the corresponding quarter last year. This is due to changes in sales pace and completion rates within the respective quarters. Overall, the activity is stable and in accordance with the progress plans. In the commercial segment, rental income remains steady. In the second quarter of 2022 we accounted for the sale of the property "Rosendal Teater", and this is the main explanation for the decrease in total revenues when compared to this year. The business segment continues to deliver strong profit margins, 23,4 % in this quarter compared to 55,8% in Q2 2022.

The residential real estate sales are generated from stages three of the project "Nye Valentinlyst" (100% owned by Trym). "Nye Valentinlyst" includes a total of 227 apartments and will be developed in three phases. So far, a total of 99 apartments (stage one and two) have been handed over to customers. The rest of the project, a total of 128 apartments, will be delivered in two stages, more precisely in the first quarter and fourth quarter of 2024. As of now, the sales ratio of the last stage is 44%. In addition, we have started the presales on the project "Varden", comprising 135 apartments and a commercial area of 4 900 square meter. So far, we have sold 49 units at a sales value of 185,6 million.

The portfolio of commercial property under lease generates stable rental income, and the increase compared to last year can mainly be explained by the acquisition of property and increased rent. During the second quarter, we entered into an agreement to acquire the ownership of a portfolio consisting of 17 commercial properties. The purchase price was set at NOK 3 million, and the seller will also receive a fixed annual dividend of NOK 2 million. We will immediately begin the work of maximizing the value potential in the property portfolio. Estimated annual rental income is NOK 6,9 million. The project "Klatrehall Gildheim" has been completed and taken over by the tenant Grip Klatresenter. Rental income will accrue from the second half of the year, and on an annual basis, it will amount to just over NOK 8.3 million.

The status and progress of the project portfolio owned by Blåin AS (50% owned by Trym) are considered satisfactory. In the second quarter, the share of results from associated companies amounts to minus NOK 1,6 million compared to a positive result of NOK 7,8 million in the same period last year. The reason for the weak result is that the construction cost has been adjusted upward due to increased building expenses. A total of four projects were present in the market at the end of the period. During the quarter the presales on the "Gildheim project" started. A total of 141 apartments at a total sales value of NOK 725,6 million will be launched in the near future. At the moment, the pre-sales have generated a sale of 34 units at a total sales value of NOK 122,7 million.

In total, the portfolio account for 547 apartments with a total sales value of NOK 2 525,6 million. At the end of the quarter, Trym closed sales with a total value of NOK 1 486,3 million, equal to a sales ratio of 59%.

Construction

NOK thousands	Q2-2023	Q2-2022	H1 2023	H1 2022	FY 2022
Revenue and other income	265 054	314 468	513 147	529 290	1 107 997
Gain from sale of assets					182 912
Intercompany sales	24 283	16 726	50 549	30 357	122 060
EBITDA	-27 263	8 332	-37 551	12 651	208 601
Share of profit from associated companies	1 006		795		5 809
EBT	-26 429	7 857	-36 470	11 479	214 021
EBITDA margin	-9,4 %	2,5 %	-6,7 %	2,3 %	17,0 %
Profit margin before taxes	-9,1 %	2,4 %	-6,5 %	2,1 %	17,4 %
Order backlog			859 735	1 834 247	1 074 351
of which internal			590 031	995 790	872 708

Until the end of the second quarter 2022 the business area Construction consisted of three business units, Trym Anlegg AS, Trym Bygg AS, and Næringsbygg AS. Because of the sale of shares in Trym Anlegg, the business area will consist of only Trym Bygg AS and Næringsbygg AS as of 1 July 2022. At the same time, income and earnings from Trym Anlegg AS are recognized following the equity method of accounting.

Trym Bygg AS and Næringsbygg AS are turn-key contractors that execute the development and construction of residential properties and commercial buildings. Trym Anlegg is a civil engineering contractor executing tracks and civil work for the railroad and specialized construction work within the road, water, and wastewater.

Operational revenues in the second quarter ended at NOK 265,1 million, comprising the activities in Trym Bygg AS and Næringsbygg AS, compared to NOK 314,5 million in the same period last year and including Trym Anlegg AS. In the same period, earnings before tax ended negative at NOK 26,4 million versus a positive result of NOK 7,9 million in the second quarter of 2022.

The construction segment has operated under challenging conditions since the beginning of the pandemic. Certain projects have had a fixed revenue stream, where there has been no basis for compensation for inflated material costs. We have been working closely with our customers over time to seek sustainable solutions because of unforeseen increases in material costs. The impact on Trym has been greater than anticipated at an earlier stage, and we have reflected this impact in the results for the second quarter.

At the end of the quarter, the backlog amounted to NOK 859,7 million, securing a sound activity level going forward.

Other Information

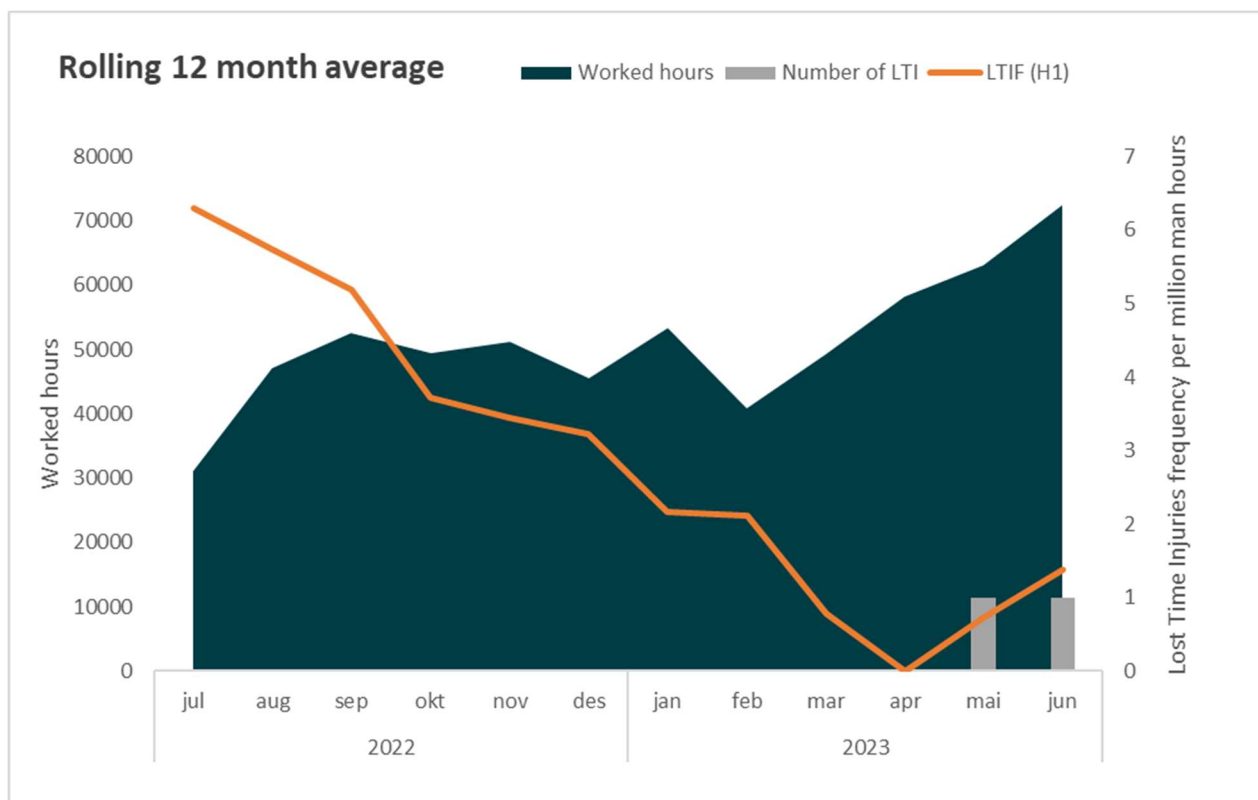
HSE

In Trym we never compromise on safety, and we strive to make new worksites safer than the previous ones.

LTIF (Lost Time Injury Frequency) is an important key performance indicator for any construction company, expressing the number of lost time injuries occurring per million worked hours. For 2023 the goal is to keep LTIF below 2,6, which represents a reduction of 30% from last year.

We are pleased to report that Næringsbygg AS has had zero lost time incident (LTI) the last 12 months. Regrettably, Trym Bygg AS has had two incidents during second quarter which lead to work related lost time injuries at two of our construction sites. This further strengthen our efforts to continuously improve our measures for a safe working environment.

The worked hours have increased due to higher activity in our projects the last quarter as two projects are coming into completion phase, and the implementation of HMSREG which provides a stronger basis for worked hours. By the end of the second quarter the LTIF is 1,38*, within the target not to exceed 2,6 by end of year. We are pleased to note that our HSE reporting has increased significantly, with just over 780 incidents and observations reported thus far in 2023.



The HSE program for 2023 provides focus areas throughout the year. During the second quarter, we continued our focus on work at heights.

Sick leave is another important key performance indicator for Trym. In the second quarter of 2023, we had 4,45% sick leave, compared to 5,4% in the first quarter. The absence is dominated by a handful of employees who are on long-term sick leave and self-reported sick leave.

Employees on long-term sick leave are followed up closely in collaboration with consultants at NAV (Norwegian Labour and Welfare Administration). We encourage and facilitate that employees can be on sick leave part-time. The purpose is to stay in touch with the workplace and colleagues and to work as much as medically justifiable.

Outlook

Going forward, we see that the shift in the market sentiment due to inflation and interest increase has impacted the real estate market. Despite this, the start of 2023 has been satisfactory in terms of sales of new apartments. So far in 2023, a total of 139 sales are closed with a total value of NOK 560,1 million. Trym is planning to introduce two new projects in the market in the coming two quarters. In the construction market, we observe signs of stabilization in the material cost.

We will continue the work of maximizing the value potential in the Real Estate portfolio using our integrated business model. We are well-positioned for market recovery.

We keep our long-term strategic growth plans firm, but we will have an increased focus on “risk and reward” when pursuing new business opportunities.

Trym has a solid financial position, and together with a competent and motivated staff, we are confident that we will maneuver safely in the periods ahead.



Gildheim is a residential project under development east of Trondheim city centre, with approximately 245 apartments.

INCOME STATEMENT

All amounts in NOK thousands	Q2-2023	Q2-2022	H1 2023	H1 2022	FY 2022
Operating income	342 419	432 877	678 071	733 767	1 633 695
Total operating revenue	342 419	432 877	678 071	733 767	1 633 695
Materials, subcontractors and consumables	291 708	285 091	553 069	484 726	1 058 954
Salaries and personell expense	37 427	50 442	81 649	103 597	190 381
Other operating expense	14 988	26 805	28 222	45 479	65 330
EBITDA	-1 704	70 539	15 130	99 965	319 029
Depreciation and amortization expense	2 712	3 232	5 423	6 480	12 808
Operating profit (EBIT)	-4 415	67 307	9 707	93 485	306 222
Share of profit from associated companies	-579	7 782	1 574	9 575	22 305
Net financial costs	-4 701	-7 729	-9 751	-15 075	-26 391
Profit before income tax	-9 695	67 359	1 530	87 986	302 136
Income taxes	-1 884	4 634	-1 575	8 638	13 016
Net profit (loss) for the period	-7 811	62 725	3 106	79 348	289 120



Commercial building and industrial bakery constructed by Næringsbygg AS.

STATEMENT OF FINANCIAL POSITION

ASSETS	30.06.2023	30.06.2022	31.12.2022
All amounts in NOK thousands			
Non-current assets			
Other intangible assets		51	25
Goodwill	-8 477	12 740	12 299
Buildings and land	508 037	429 605	487 203
Machinery and equipment	72	2 358	79
Other equipment	2 581	3 148	2 865
Investment in associated companies	133 815	98 667	130 442
Loan to associated companies	22 570	10 415	15 744
Other long term receivables	15 445	4 602	6 010
TOTAL NON-CURRENT ASSETS	674 043	561 585	654 668
Current assets			
Inventories and development properties	296 815	300 399	296 145
Trade receivables	199 257	185 715	184 270
Contract assets	115 045	109 855	217 856
Other short-term receivables	6 382	11 933	11 601
Cash and cash equivalents	107 173	256 141	52 757
TOTAL CURRENT ASSETS	724 672	864 043	762 629
TOTAL ASSETS	1 398 715	1 425 628	1 417 297
EQUITY AND LIABILITIES	30.06.2023	30.06.2022	31.12.2022
All amounts in NOK thousands			
Equity			
Share capital	7 538	7 538	7 538
Total paid-in-capital	7 538	7 538	7 538
Retained earnings	592 408	312 581	308 710
Majorities share of earnings	2 343	77 099	283 186
Total retained earnings	594 751	389 680	591 896
Non-controlling interests	9 444	10 374	12 395
TOTAL EQUITY	611 732	407 592	611 828
Non-current liabilities			
Deferred taxes	74 331	80 121	74 722
Provisions		989	
Bond loan	198 900	294 000	197 700
Debt to financial institutions		15 100	15 100
Shareholder loan	1 312	11 067	11 287
Other long-term debt	162 587	149 536	162 231
TOTAL NON-CURRENT LIABILITIES	437 130	550 813	461 039
Current liabilities			
Debt to financial institutions	62 245	190 667	51 221
Accounts payable	123 610	115 705	123 459
Taxes payable	6	205	103
Public duties payable	18 918	40 111	25 543
Dividend			400
Other short term debt	145 074	120 534	143 703
TOTAL CURRENT LIABILITIES	349 853	467 223	344 430
TOTAL LIABILITIES	786 983	1 018 036	805 469
TOTAL EQUITY AND LIABILITIES	1 398 715	1 425 628	1 417 297

STATEMENT OF CASHFLOW

All amounts in NOK thousands	Q2-2023	Q2-2022	H1 2023	H1 2022	FY 2022
Cash flow from operations					
Profit before income taxes	-9 695	67 359	1 530	87 986	302 136
Taxes paid in the period	-48	-65	-97	-130	-97
Profit share of associated companies	579	-7 782	-1 574	-9 575	-22 305
Net payments sale of assets	9 293	97 245	30 613	101 714	249 426
Loss/(gain) on sale of fixed assets	-326	-38 813	-7 675	-38 815	-221 710
Depreciation	2 712	3 232	5 423	6 480	12 808
Change in net working capital real estate	46 006	71 562	99 435	92 473	-9 100
Change in net working capital other	-48 204	-38 093	-15 369	-30 039	1 002
Net cash flow from operations	316	154 646	112 287	210 092	312 160
Cash flow from investments					
Purchase of fixed assets and other intangible assets	-56	-847	-112	-1 172	-1 546
Purchase of land and buildings for development	-11 229	-274 439	-37 919	-286 613	-353 205
Payment of other investments	-3 300	-2 082	-18 350	-2 437	-7 548
Proceeds from other investments	899		899		
Net cash flow from investments	-13 686	-277 369	-55 483	-290 223	-362 299
Cash flow from financing					
Proceeds from new debt		205 140		205 140	217 140
Repayment of loans		-38	-10 000	-9 579	-249 829
Net Proceeds/Payments to non-controlling interests					-5 125
Payment of dividends	-899	-500	-3 799	-500	-500
Net cash flow from financing	-899	204 603	-13 799	195 061	-38 313
Net change in cash and cash equivalents	-14 269	81 880	43 005	114 931	-88 453
Cash and liquidity added through aquisition/merger	11 411		11 411		
Cash and cash equivalents at the beginning of the period	110 031	174 260	52 757	141 210	141 210
Cash and cash equivalents at the end of the period	107 173	256 141	107 173	256 141	52 757

NOTES

NOTE 1. GENERAL INFORMATION

Trym is a Norwegian real estate and construction business with its head office located at Dybdahls veg 1 in Trondheim. Trym is operating in Norway, where most of the business takes place in Trøndelag.

The financial information for the second quarter of 2023 has not been audited.

NOTE 2. BASIS OF PREPARATION

Tryms consolidated financial statements are prepared in accordance with the Norwegian Accounting Act of 17 July 1997, the Norwegian Generally Accepted Accounting Principles (NGAAP) and the Norwegian Accounting Standard "NRS 11 Delårsregnskap", Interim financial reporting. The interim financial reporting is prepared on the basis of this Standard as a condensed consolidated financial statement. The summary of the financial information presented in the quarterly accounts is intended to be read in conjunction with the annual report for 2022.

NOTE 3. GROUP STRUCTURE

Subsidiaries

Group Companies	Location	Ownership
Trym AS (parent company)	Trondheim	
Reppe Utbygging AS	Trondheim	100%
Subgroup Trym Bolig:		
Trym Bolig AS (parent company of the subgroup)	Trondheim	97,5%
Nye Valentinlyst AS	Trondheim	100%
Migosenteret AS	Trondheim	100%
Varden Byåsen AS	Trondheim	100%
Varden Boligeiendom 1 AS	Trondheim	100%
Varden Utleie AS	Trondheim	100%
Varden Parkering AS	Trondheim	100%
Subgroup Trym Næring:	Trondheim	100%
Trym Næring AS (parent company of subgroup)	Trondheim	99%
Bratsbergvegen 2 AS	Trondheim	100%
Tyholttårnet AS	Trondheim	100%
Ranheim Eiendomsutvikling AS	Trondheim	100%
Prinsensgate 32 AS	Trondheim	100%
Gildheimsvegen 2 AS	Trondheim	100%
Micaelsen Eiendom AS	Trondheim	99%
Brøsetvegen 186 AS (parent company of the subgroup)	Trondheim	80%
Moholt Næringsbygg AS (subsidiary of Brøsetvegen 186 AS)	Trondheim	100%
Tempeveien 19 AS	Trondheim	100%
TNU 2 AS	Trondheim	100%
Gregus Gate AS	Trondheim	100%
Subgroup TES:		
TES AS (parent company of the subgroup)	Trondheim	100%
Trym Bygg AS	Trondheim	100%
Næringsbygg AS	Trondheim	75%

- TNU 1 AS was sold during the second quarter.
- Micaelsen Eiendom AS was acquired during the second quarter.

NOTE 4. ACCOUNTING POLICIES

The accounting policies applied to the accounts are consistent with those described in the annual report for 2022.

New and amended accounting standards

Trym has not implemented any new or changed standards in 2023 with a material effect on the financial position and results.

Critical accounting estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the accounting policies for Trym.

Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions, and management judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below among the notes.

NOTE 5. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

Trym has defined its two segments as:

- Real Estate
- Construction

Subgroup	Included in segment
Trym Bolig	Real Estate
Trym Næring	Real Estate
TES	Construction

Segment information is presented in the accordance with Trym accounting policies in accordance with NGAAP.

Revenue from real estate development and revenue from construction projects are recognized based on the same accounting principles.

Revenue including profits and expenses are recognized in the income statement in accordance with progress and degree of completion and sales. The recognition is based on the Norwegian Accounting Standard NRS 2 Anleggskontrakter (NRS 2 Construction contracts).

Revenue from the Real Estate segment consists of rental income, revenue from real estate development at our own expense, and gains from the sale of real estate properties.

Revenue from the Construction segment consists of revenue from engineering and construction projects delivered to public and private customers based on contractual agreed scope and price.

A segment of assets and liabilities are not reported to the chief operating decision-maker regularly.

Elimination revenue/other consists of internal revenue, rental income, and other operating expense for the holding company Trym. Internal revenue is intragroup sales, where the Real Estate development segment is the contracting customer, and the Construction segment is the builder.

NOTE 6: ASSOCIATED COMPANIES

All amounts in NOK thousands

Share of profit according to equity method

Company	Ownership	Q2-2023	Q2-2022	H1 2023	H1 2022	FY 2022
Blåin AS Group	50 %	-1 583	7 784	785	9 580	16 286
Brøset Utvikling AS	25 %	-	-	-	-	222
Louiselyst Gård AS	50 %	-	-	-	-	-
Kapellanen Invest AS	45 %	-3	-3	-5	-5	-10
Leangen Utvikling AS	25 %	-	-	-	-	-
Trym Anlegg AS	33 %	1 006	-	795	-	5 809
Total		-579	7 782	1 574	9 575	22 305

Book value according to equity method

Company	Ownership	30.06.2023	30.06.2022	31.12.2022
Blåin AS Group	50 %	102 678	90 169	101 645
Brøset Utvikling AS	25 %	10 074	8 352	8 574
Louiselyst Gård AS	50 %	-	-	-
Kapellanen Invest AS	45 %	125	135	130
Leangen Utvikling AS	25 %	9	9	9
Matigruppen AS	50 %	50	-	-
Trym Anlegg AS	33 %	20 879	-	20 085
Total		133 815	98 666	130 442

Investments in associated companies are recognized according to the equity method. For ongoing projects where an associated company is a contracting customer and Trym is the builder, the share of profit at Trym is eliminated until the project is realized.

NOTE 7: EQUITY

All amounts in NOK thousands

	Share capital	Retained earnings	Total other equity	Non-controlling interests	Total equity
Equity as at 31.12.2022	7 538	591 896	591 896	12 395	611 828
Profit for the period		2 138	2 138	967	3 106
Change in non-controlling interests		717	717	-3 918	-3 202
Equity as at 30.06.2023	7 538	594 751	594 751	9 444	611 732

NOTE 8. RELATED PARTY TRANSACTIONS

All transactions with related parties are carried out in accordance with an arm's length principle. Transactions between subsidiaries are eliminated in the consolidated financial statements and do not represent related parties.

NOTE 9. INTEREST-BEARING LIABILITIES

All amounts in NOK thousands

	30.06.2023	30.06.2022	31.12.2022
Non-current interest-bearing liabilities			
Bond debt	200 500	300 000	200 500
Bond debt, accrued facilitator fee	-1 600	-6 000	-2 800
Debt to credit institutions		15 100	15 100
Next year's instalment on debt to credit institutions			
Other long term debt	13 057		12 695
Shareholders loan	1 312	11 067	11 287
Total non-current interest-bearing liabilities	213 270	320 167	236 782
Current interest-bearing liabilities			
Bond debt			
Debt to credit institutions	62 245	190 667	51 221
Next year's instalment on debt to credit institutions			
Total current interest-bearing liabilities	62 245	190 667	51 221

In September 2021, Trym has issued a senior secured bond loan totaling NOK 300 million. The proceeds from the issuance of the bond have been used for repayment of existing bank loans with approximately NOK 274 million. The remaining amount has been available for general corporate use, including investments.

Due to the solid liquidity situation of the Trym Group, NOK 99,5 million of the senior secured bond loan was repurchased by Trym AS on the 6th of July 2022.

The bond matures on the 10th of September 2024. No installments on the loan are payable during the period of the agreement. The bond loan carries interest at 3-months NIBOR + margin of 7,75 percent per annum, falling due quarterly.

Trym AS as the issuer, shall ensure that the Trym Group always maintains the following financial covenants:

1. an Adjusted Equity Ratio greater than thirty percent (30%)
2. an LTM Interest Coverage Ratio greater than 2.00:1.00, and
3. a Group Liquidity greater than NOK 25 million.

Financial covenants	Covenant	Actual YTD
1. Adjusted Equity Ratio	>30%	62 %
2. LTM Interest Coverage Ratio	>2	12,5
3. Group Liquidity	>25 000 TNOK	107 173 TNOK

NOTE 10. EVENTS AFTER THE REPORTING DATE

No other events have occurred after the balance sheet date which has had a material effect on the submitted accounts.

FINANCIAL CALENDAR

Event	Date	Webcast
Results 2 nd quarter 2023	29 August 2023	Yes
Results 3 rd quarter 2023	28 November 2023	

Please note that the dates are subject to change. The results will be published on the company's homepage www.trym.no. Presentations for the 2nd quarter of 2023 will also be available through a webcast.

ADDITIONAL INFORMATION

Key ratios - Definitions:

- EBITDA: Earnings before Interest, taxes, depreciation, and amortization
- EBIT: Earnings before Interest and taxes
- EBT: Earnings before taxes
- EBITDA margin: EBITDA/Revenue
- Profit margin before taxes: EBT/Revenue
- Net Interest-bearing debt (NIBD): Long-term Interest-bearing debt - Cash and other liquid assets.
- Adjusted equity ratio: Adjusted equity / total adjusted assets
 - Adjusted equity: Total adjusted assets – total liabilities less subordinated loans
 - Total adjusted assets: Total assets plus excess value real estate portfolio
- LTM Interest coverage ratio: Last twelve months adjusted EBITDA / total Interest expense
 - Adjusted EBITDA: Reported EBITDA plus profit from associated companies

Please contact



Trond Tuvstein
 CEO
trond.tuvstein@trym.no
 (+47) 91 85 31 39

Trym AS

Dybdahls veg 1, 7051 Trondheim, Norway
 Telefon: (+47) 73 57 50 00
 Org.nr.: 920 974 414

DECLARATION IN ACCORDANCE WITH ARTICLE 5-6 OF THE SECURITIES TRADING ACT

We confirm that, to the best of our knowledge and belief, that the condensed financial statements for the period 1 January to 30 June 2023 have been prepared in compliance with current applicable accounting standards, and that the information in the accounts gives a true and fair view of the group assets, liabilities and profit and loss of the group. We also confirm that the CEO statement gives a true and fair view of the group and company development, result, and position, as well as of the main risk and uncertainty factors the group is faced with.

Trondheim, 29 August 2023

The Board of Directors and CEO of Trym AS



Karl Johan Kopreitan
Chairman of the Board



Trond Tuvstein
CEO