

Brunel

Q2 2023
Press Release

Brunel delivers accelerated EBIT growth and continued revenue growth

Amsterdam, 28 July 2023 – Brunel International N.V. (Brunel; BRNL), a global provider of flexible workforce solutions and expertise, today announced its second quarter 2023 results.

Key points Q2 2023

- Revenue of EUR 328 million, up 13% (20% like-for-like)
- Gross Profit of EUR 66 million, up 11% (15% like-for-like)
- EBIT of EUR 11.0 million, up 10% (17% like-for-like)

Key points H1 2023

- Revenue of EUR 645 million, up 14% (20% like-for-like)
- Gross profit increase of 11% compared to H1 2022
- EBIT of EUR 26.8 million, up 4% (10% like-for-like)
- Earnings per share of EUR 0.32, up 167% compared to H1 2022



“ I’m excited to report that since 8 quarters we have consistently shown strong growth across all metrics, confirming our strategic positioning against the favorable trends in our markets. We were able to achieve strong EBIT growth despite one less working day in DACH. I am proud that all our regions are now contributing, confirming our progress on diversification.

I would especially like to call out the Dutch team, who further improved their growth and outperformed the market.

We continue to see strong demand from our clients across the globe. The energy and digital transformations create a high demand for specialized Science, Technology, Engineering and Mathematics talent. With our expanded capabilities in over 45 countries, we continue to win projects and new clients in our chosen market segments.

Following the acquisition of the biggest pure-play renewable team Taylor Hopkinson in 2021, we achieve accelerated growth in the renewable energy markets across all our regions. The combination of Taylor Hopkinson’s renewable energy expertise and our global infrastructure with 100% compliant solutions, puts us in a unique position to service this industry globally. We are very proud to be recognized as the global leader in renewable recruitment solutions.

To support our continued profitable growth, we have further rolled out our Digital/AI strategy to continue to move to market leading SAAS-solutions. This enables us to easily add new best-in-class IT-tools and benefit from the software and AI developments by our leading global partners.

We will organize a Capital Markets Day in Q4 to present our mid-term ambitions, as we are clearly ahead of the 5-year plan we communicated in 2021.”

Jilko Andringa,
CEO of Brunel International N.V.

ESG update

In April the Brunel Foundation kicked off Autism Awareness Month as we believe that impactful change is achieved through increased awareness. Colleagues around the world organized events such as a webinar on autism in the workplace, an autism awareness quiz, viewing session and panel discussion with the documentary My journey for education as a starting point, “AUT in the Brunel office” interviews and walk-in coaching sessions. All with the aim to contribute to a more inclusive workforce.

We also engaged in several cleanup activities during the quarter, in line with the Brunel Foundation's mission to safeguard the environment. Brunellers from various parts of Asia joined forces with Seven Clean Seas for a beach clean-up in Phuket, collecting 490kg of waste. In the Amsterdam headquarters colleagues rolled up their sleeves for a lunchbreak clean up, while the Europe and Africa team cleaned the Delft canals as part of their team event. On top of that, the numbers in our Global Trash 'n Trace Challenge with Litterati grew to over 440,000 pieces of litter picked and registered in our challenge.

In June, we united for the preservation of our precious planet by spreading awareness in an online campaign. It's crucial to recognize the interdependencies between land and sea, as their vitality and prosperity are inherently intertwined. We highlighted the value of life on land and below water. We believe that raising awareness helps to educate and mobilize individuals and foster a shared responsibility for taking action.

Progress on targets

Financial Targets

Revenue Target: High single digit YOY growth (as of 2023) Progress: 13% revenue growth YOY (Like-for-Like 20%)	GP% Target: YOY GP% growth in each region Progress: On track in most regions
Rev/FTE Target: Higher billing rates each year Progress: Revenue per FTE is 15% higher in Q2 2023 compared to Q2-2022	EBIT/GP Target: Conversion ratio >30% in 2025 Progress: Q2-2023- 16.8% (Q2-2022 – 16.9%)
EBIT Target: >6% in 2025 Progress: Q2-2023 – 3.4% (Q2-2022 -3.5%)	

Non-financial Targets

# of Specialists Target: ~ 15,000 connected in 2025 Progress: 11,237 specialists in Q2 2023	Engagement Target: Client, contractor and employee NPS >25 Progress: Again far above target in Q2 2023
Net Zero-emission plan Target: Reduce footprint to 100% compensation in 2030 Progress: Reduction plan well underway Remaining emission fully offset as of 2022	
Retention Target: Improve YOY average retention rate with 1 month Progress: On track	SDG's Target: Continued commitment to SDG's 4,5,7,10,12,14 Progress: 19,000 trees to all Brunellers

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GROUP PERFORMANCE

Brunel International (unaudited)

P&L amounts in EUR million

	Q2 2023	Q2 2022	Δ%	H1 2023	H1 2022	Δ%
Revenue	327.8	289.1	13% ^a	644.7	563.7	14% ^d
Gross Profit	65.6	59.0	11%	134.4	120.9	11%
Gross margin	20.0%	20.4%		20.8%	21.4%	
Operating costs	53.8	48.0	12% ^b	106.2	93.1	14% ^e
Operating result	11.7	11.0	6%	28.2	27.8	2%
Earn out related share based payments*	0.7	1.0	-30%	1.4	2.1	-33%
EBIT	11.0	10.0	10% ^c	26.8	25.7	4% ^f
EBIT %	3.4%	3.5%		4.2%	4.6%	
Average direct	11,237	11,356	-1%	11,118	11,295	-2%
Average indirect	1,582	1,446	9%	1,555	1,441	8%
Ratio direct / indirect	7.1	7.9		7.1	7.8	

a 20 % at like-for-like

d 20 % at like-for-like

b 18 % at like-for-like

e 18 % at like-for-like

c 17 % at like-for-like

f 10 % at like-for-like

Like-for-like is measured excluding the impact of currencies, acquisitions and divestments

*Relates to the acquisition related expenses for Taylor Hopkinson

Headline performance by region

Summary (amounts in EUR million)

Revenue	Q2 2023	Q2 2022	Δ%	H1 2023	H1 2022	Δ%
DACH region	60.2	55.1	9%	125.2	113.5	10%
The Netherlands	52.4	45.9	14%	105.9	94.8	12%
Australasia	46.1	39.6	16%	89.6	73.6	22%
Middle East & India	37.7	34.9	8%	75.5	65.8	15%
Americas	45.1	35.2	28%	89.1	67.7	32%
Asia	46.0	37.8	22%	90.1	70.8	27%
Rest of world	40.4	40.6	-1%	69.4	77.6	-11%
Total	327.8	289.1	13%	644.7	563.7	14%
EBIT	Q2 2023	Q2 2022	Δ%	H1 2023	H1 2022	Δ%
DACH region	2.9	3.8	-22%	11.2	10.6	6%
The Netherlands	3.0	2.7	9%	7.8	7.9	-1%
Australasia	1.2	0.8	52%	2.1	1.0	125%
Middle East & India	2.6	3.1	-17%	5.6	6.2	-9%
Americas	1.1	0.5	105%	1.5	0.9	63%
Asia	3.0	2.0	49%	5.0	4.0	27%
Rest of world	0.9	0.1	967%	0.7	1.1	-38%
Unallocated	-3.7	-3.0	-22%	-7.1	-5.9	-20%
Total	11.0	10.0	10%	26.8	25.7	4%

In Q2 2023 the Group's **revenue** increased by 13% or EUR 38.7 million y-o-y. We achieved growth in revenue and EBIT despite the increasing impact of the unfavorable development of exchange rates. Like-for-like revenue increased by 20%. In Q2 2022, Rest of world still included EUR 8 million in revenues from Russia, at zero EBIT.

The **gross margin** decreased by 0.4 percentage points, mainly due to a continued change in the mix between the regions.

EBIT increased by 10% to EUR 11.0 million. Adjusted for the impact of foreign currencies, EBIT increased by 17% or EUR 1.7 million.

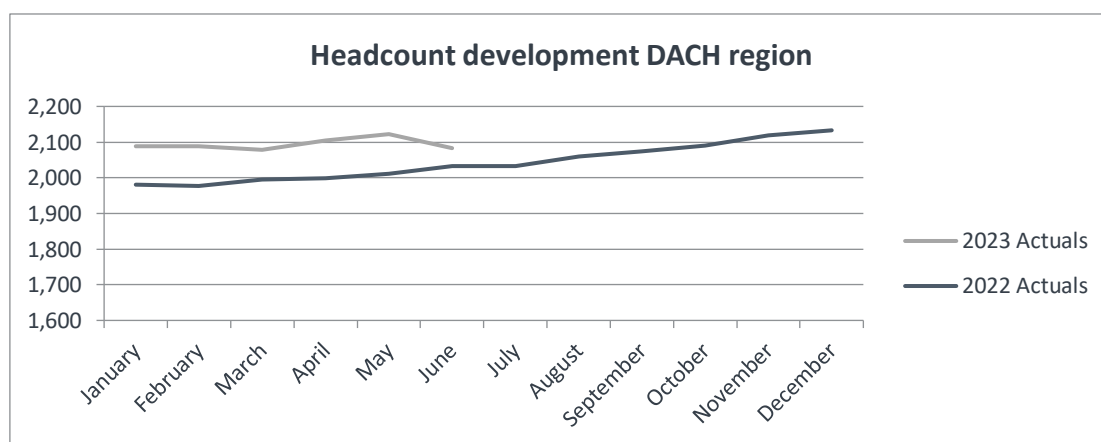
PERFORMANCE BY REGION

DACH region (unaudited)

P&L amounts in EUR million

	Q2 2023	Q2 2022	Δ%	H1 2023	H1 2022	Δ%
Revenue	60.2	55.1	9%	125.2	113.5	10%
Gross Profit	18.9	18.4	3%	43.0	39.5	9%
Gross margin	31.5%	33.5%		34.3%	34.8%	
Operating costs	16.0	14.6	10%	31.8	28.9	10%
EBIT	2.9	3.8	-22%	11.2	10.6	6%
EBIT %	4.9%	6.8%		9.0%	9.4%	
Average directs	2,103	2,014	4%	2,094	1,999	5%
Average indirects	437	402	9%	432	395	9%
Ratio direct / indirect	4.8	5.0		4.8	5.1	

The **DACH region** includes Germany, Switzerland, Austria and Czech Republic. Revenue per working day in DACH increased by 11.2%, as a result of a higher number of specialists working at our clients, and increased rates. Gross margin adjusted for working days is 32.5% in Q2 2023 (Q2 2022: 33.5%), and remains robust, where this was impacted by higher illness rates in the same period last year.



Headcount as of 30 June was 2,084 (2022: 2,033).

Working days Germany:

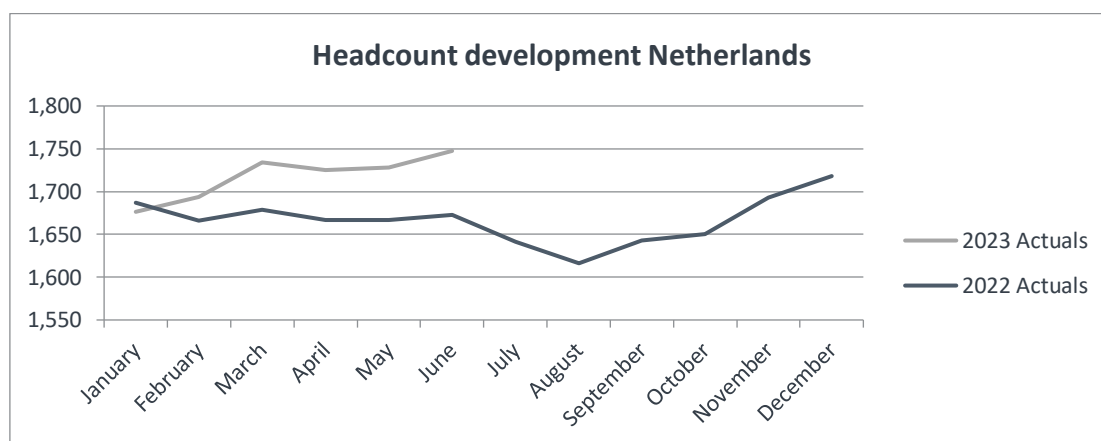
	Q1	Q2	Q3	Q4	FY
2023	65	60	65	61	251
2022	64	61	66	62	253

Brunel Netherlands (unaudited)

P&L amounts in EUR million

	Q2 2023	Q2 2022	Δ%	H1 2023	H1 2022	Δ%
Revenue	52.4	45.9	14%	105.9	94.8	12%
Gross Profit	13.2	12.7	4%	28.2	27.6	2%
Gross margin	25.2%	27.6%		26.6%	29.1%	
Operating costs	10.2	10.0	2%	20.4	19.7	4%
EBIT	3.0	2.7	9%	7.8	7.9	-1%
EBIT %	5.6%	5.9%		7.3%	8.3%	
Average directs	1,733	1,669	4%	1,717	1,673	3%
Average indirects	270	278	-3%	271	277	-2%
Ratio direct / indirect	6.4	6.0		6.3	6.0	

In **The Netherlands** the revenue growth was mainly driven by higher rates and a higher number of specialists. The gross margin decreased with 2.4 ppt, partly as a result of faster growth in our freelance population. We are making progress on the indexation of rates to cover for higher salaries.



Headcount as of 30 June was 1,748 (2022: 1,673)

Working days The Netherlands:

	Q1	Q2	Q3	Q4	FY
2023	65	61	65	63	254
2022	64	61	66	64	255

Australasia (unaudited)

P&L amounts in EUR million

	Q2 2023	Q2 2022	Δ%	H1 2023	H1 2022	Δ%
Revenue	46.1	39.6	16% ^a	89.6	73.6	22% ^d
Gross Profit	5.0	4.0	26%	9.5	7.0	36%
Gross margin	10.8%	10.0%		10.6%	9.6%	
Operating costs	3.8	3.2	19% ^b	7.4	6.0	23% ^e
EBIT	1.2	0.8	52% ^c	2.1	1.0	125% ^f
EBIT %	2.6%	2.0%		2.4%	1.3%	
Average directs	1,545	1,351	14%	1,520	1,303	17%
Average indirects	121	105	15%	119	103	16%
Ratio direct / indirect	12.8	12.9		12.8	12.7	

a 26 % like-for-like

d 27 % at like-for-like

b 28 % like-for-like

e 27 % at like-for-like

c 63 % like-for-like

f 133 % at like-for-like

Like-for-like is measured excluding the impact of currencies, acquisitions and divestments

Australasia includes Australia and Papua New Guinea.

We continue to see an increased client demand for specialists in the conventional energy and mining markets, resulting in a strong increase of our workforce. The revenue increase of 16% was achieved despite the unfavourable impact from foreign currencies and would have been 26% at constant currencies.

The gross margin increased with 0.8 ppt, mainly due to strong margin discipline and focus on higher value added activities.

Middle East & India (unaudited)

P&L amounts in EUR million

	Q2 2023	Q2 2022	Δ%	H1 2023	H1 2022	Δ%
Revenue	37.7	34.9	8% ^a	75.5	65.8	15% ^d
Gross Profit	5.2	5.5	-6%	10.8	10.7	0%
Gross margin	13.7%	15.7%		14.3%	16.3%	
Operating costs	2.6	2.4	8% ^b	5.2	4.5	16% ^e
EBIT	2.6	3.1	-17% ^c	5.6	6.2	-9% ^f
EBIT %	6.9%	9.0%		7.4%	9.4%	
Average directs	2,110	2,205	-4%	2,153	2,192	-2%
Average indirects	164	133	23%	162	132	23%
Ratio direct / indirect	12.9	16.5		13.3	16.7	

a 11 % like-for-like

d 16 % at like-for-like

b 12 % like-for-like

e 14 % at like-for-like

c -13 % like-for-like

f -8 % at like-for-like

Like-for-like is measured excluding the impact of currencies, acquisitions and divestments

Middle East & India includes Qatar, Dubai, Kuwait, Iraq and India.

We continue to see growth in almost all countries from new projects and project extensions in the region, while Kuwait continues to trail. The gross margin decreased due to change in the client mix and absence of high margin shut down projects.

Americas (unaudited)

P&L amounts in EUR million

	Q2 2023	Q2 2022	Δ%	H1 2023	H1 2022	Δ%
Revenue	45.1	35.2	28% ^a	89.1	67.7	32% ^d
Gross Profit	6.3	4.8	30%	11.8	9.0	30%
Gross margin	13.9%	13.7%		13.2%	13.3%	
Operating costs	5.2	4.3	21% ^b	10.3	8.1	27% ^e
EBIT	1.1	0.5	105% ^c	1.5	0.9	63% ^f
EBIT %	2.4%	1.5%		1.7%	1.4%	
Average directs	1,056	906	17%	1,039	883	18%
Average indirects	156	121	29%	153	118	30%
Ratio direct / indirect	6.8	7.5		6.8	7.5	

a 33 % like-for-like

d 33 % at like-for-like

b 25 % like-for-like

e 28 % at like-for-like

c 120 % like-for-like

f 69 % at like-for-like

Like-for-like is measured excluding the impact of currencies, acquisitions and divestments

The **Americas** includes Brazil, Canada, USA, Guyana and Surinam. In Q2 the growth was mainly achieved in the USA and new projects won in South America, slightly offset by lower revenue in Canada due to the completion of big projects in Q1. We have been able to grow our sales organisation to support continued growth, which resulted in higher operating costs.

Asia (unaudited)

P&L amounts in EUR million

	Q2 2023	Q2 2022	Δ%	H1 2023	H1 2022	Δ%
Revenue	46.0	37.8	22% ^a	90.1	70.8	27% ^d
Gross Profit	7.6	5.4	41%	14.3	10.3	38%
Gross margin	16.6%	14.4%		15.9%	14.6%	
Operating costs	4.6	3.4	35% ^b	9.3	6.3	48% ^e
EBIT	3.0	2.0	49% ^c	5.0	4.0	27% ^f
EBIT %	6.5%	5.3%		5.6%	5.6%	
Average directs	1,426	1,502	-5%	1,442	1,437	0%
Average indirects	153	127	20%	150	131	14%
Ratio direct / indirect	9.3	11.8		9.6	10.9	

a 28 % like-for-like

d 31 % at like-for-like

b 42 % like-for-like

e 49 % at like-for-like

c 61 % like-for-like

f 34 % at like-for-like

Like-for-like is measured excluding the impact of currencies, acquisitions and divestments

Asia includes Singapore, China, Hong Kong, South Korea, Taiwan, Japan, Indonesia, Thailand and Malaysia.

The region had another strong second quarter as it continues to benefit from growing activity levels at the fabrication yards for large energy projects. Operating costs increased as a result of strategic investments to support the future growth.

Rest of world (unaudited)

P&L amounts in EUR million

	Q2 2023	Q2 2022	Δ%	H1 2023	H1 2022	Δ%
Revenue	40.4	40.6	-1% ^a	69.4	77.6	-11% ^d
Gross Profit	9.4	8.2	14%	16.9	16.6	2%
Gross margin	23.3%	20.3%		24.3%	21.4%	
Operating costs	7.8	7.1	10% ^b	14.8	13.4	10% ^e
Operating result	1.6	1.1	40%	2.1	3.2	-35%
Earn out related share based payments*	0.7	1.0	-30%	1.4	2.1	-33%
EBIT	0.9	0.1	967% ^c	0.7	1.1	-38% ^f
EBIT %	2.3%	0.2%		1.0%	1.4%	
Average directs	1,262	1,710	-26%	1,153	1,808	-36%
Average indirects	219	221	-1%	205	226	-9%
Ratio direct / indirect	5.8	7.7		5.6	8.0	

a 24 % like-for-like

d 20 % at like-for-like

b 58 % like-for-like

e 31 % at like-for-like

c 9391 % like-for-like

f 210 % at like-for-like

Like-for-like is measured excluding the impact of currencies, acquisitions and divestments

*Relates to the acquisition related expenses for Taylor Hopkinson

Rest of World includes Taylor Hopkinson, Belgium and our other energy activities in Europe. Until June 2022, this region also included Russia which activities were divested.

Excluding Russia and the impact of foreign currencies, revenue increased by 24%. The growth was mainly driven by new project wins in Europe and the strong performance of Taylor Hopkinson's offshore wind activities.

Tax and net profit

The effective tax rate for the six-month period ended on 30 June 2023 is 33.3% (2022: 47.8%). For the full year we expect an effective tax rate of approximately 30% (2022: 35.2%). Net profit came in at EUR 15.9 million (H1 2022: EUR 6.2 million), reflecting earnings per share of EUR 0.32 (H1 2022: EUR 0.12).

Risk profile

Reference is made to our 2022 Annual Report (pages 62 – 79). Reassessment of our earlier identified risks and the potential impact on occurrence has not resulted in required changes in our internal risk management and control systems.

Cash position

The net cash balance at 30 June 2023 was EUR 5.0 million and includes EUR 16.0 million restricted cash. The decrease in net cash is mainly the result of the dividend payment in June, seasonality in our cash flows, and the additional working capital required to fund the growth. We have sufficient overdraft facilities in place to support continued growth and, as usual, will achieve a strong positive cash flow in H2.

Outlook

We expect the current favourable trends to continue in Q3 2023, including the acceleration of EBIT growth.

Statement of the Board of Directors

The Board of Directors of Brunel International N.V. hereby declares that, to the best of its knowledge:

- the interim financial statements give a true and fair view of the assets, liabilities, financial position and result of Brunel International N.V. and the companies jointly included in the consolidation, and
- the interim report gives a true and fair view of the information referred to in the eighth and, insofar as applicable, the ninth subsection of Section 5:25d of the Dutch Act on Financial Supervision and with reference to the section on related parties in the interim financial statements.

Amsterdam, 28 July 2023
Brunel International N.V.

Jilko Andringa (CEO)
Peter de Laat (CFO)
Graeme Maude (COO)

For further information:

Jilko Andringa CEO

Peter de Laat CFO

Graeme Maude COO

tel.: +31(0)20 312 50 81

Brunel International N.V. is a global provider of flexible specialist workforce solutions. We deliver tailor made solutions like Recruitment, Global Mobility, Project Management, Secondment, Consultancy or scope of work for our clients, both on a global scale and on a local level. Our ability to help our clients beyond their expectations is a testament to our people and their entrepreneurial spirit, knowledge and results-driven approach. Our people are at the heart of everything we do.

We connect the most talented professionals with leading clients in Conventional Energy, Renewable Energy, Future Mobility, Mining, Life Sciences and Infrastructure.

Incorporated in 1975, Brunel has since become a global company with over 11,000 employees and annual revenue of EUR 1,2 billion (2022). The company is listed at Euronext Amsterdam N.V. For more information on Brunel International N.V. visit our website www.brunelinternational.net.

Financial Calendar

3 November 2023 Trading update for the third quarter 2023

Certain statements in this document concern prognoses about the future financial condition and the results of operations of Brunel International N.V. as well as plans and objectives. Obviously, such prognoses involve risks and a degree of uncertainty since they concern future events and depend on circumstances that will apply then. Many factors may contribute to the actual results and developments differing from the prognoses made in this document. These factors include general economic conditions, a shortage on the job market, changes in the demand for (flexible) personnel, changes in employment legislation, future currency and interest fluctuations, future takeovers, acquisitions and disposals and the rate of technological developments. These prognoses therefore apply only on the date on which the document was compiled. The financial figures as presented in this press release are unaudited.

Interim financial statements H1 2023

Financial Highlights for the period ended 30 June (unaudited) (EUR '000)

	H1 2023	H1 2022	Δ%
Revenue	644,715	563,749	14%
Gross Profit	134,385	120,855	11%
EBIT	26,800	25,659	4%
Group result after tax	16,509	7,464	121%
Non-controlling interests	-582	-1,220	52%
Net income for the year	15,927	6,244	155%
Gross profit as % of revenue	21%	21%	
Net income as % of revenue	2%	1%	

Workforce

Average directs (average-YTD)	11,118	11,295	-2%
Average indirects (average-YTD)	1,555	1,441	8%
Total	12,673	12,736	0%
Direct employees (period end)	11,317	10,808	5%
Indirect employees (period end)	1,598	1,411	13%
Total	12,915	12,219	6%

Earnings per share (in euro) (1)

Earnings per share for ordinary shareholders	0.32	0.12
Diluted earnings per share	0.32	0.12
Weighted average number of ordinary shares for the purpose of basic earnings per share	50,400,988	50,400,988
Weighted average number of ordinary shares for the purpose of diluted earnings per share	50,538,200	50,400,988

Consolidated profit & loss account for the period ended 30 June (unaudited) (EUR '000)

	H1 2023	H1 2022	Δ%
Revenue	644,715	563,749	14%
Direct personnel expenses	510,330	442,894	15%
Gross Profit	134,385	120,855	11%
Indirect personnel expenses	73,100	64,542	13%
Depreciation and amortisation	10,921	10,541	4%
Other expenses	23,564	20,113	17%
Total operating costs	107,585	95,196	13%
EBIT	26,800	25,659	4%
Financial income and expenses (2)	-2,039	-920	-122%
Loss on disposal of subsidiaries	-	-10,431	
Group result before tax	24,761	14,308	73%
Income tax	-8,252	-6,844	-21%
Group result after tax	16,509	7,464	121%

Attributable to:

Net income attributable to equity holders of the parent (ordinary shares)	15,927	6,244	155%
Net income attributable to non-controlling interest	582	1,220	-52%
Group result after tax	16,509	7,464	121%

Consolidated statement of comprehensive income for the period ended 30 June
(unaudited)
 (EUR '000)

	H1 2023	H1 2022
Net income	16,509	7,464
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences arising on translation of foreign operations	-5,591	16,356
Income tax relating to components of other comprehensive income	444	-1,255
Total other comprehensive income (net of tax)	-5,147	15,100
Total comprehensive income	11,362	22,564
Attributable to:		
Ordinary shareholders	11,043	21,067
Non-controlling interests	319	1,497
Total comprehensive income	11,362	22,564

Consolidated balance sheet (unaudited) (EUR '000)

	30 June 2023	31 December 2022
Non-current assets		
Goodwill	44,234	44,443
Other intangible assets	22,594	21,259
Property, plant and equipment	11,624	11,620
Right-of-use assets	39,968	43,962
Financial fixed assets (3)	7,136	8,689
Investments accounted for using the equity method	-	-
Non-current restricted cash	6,737	8,769
Deferred income tax assets	14,657	14,725
Total non-current assets	146,950	153,467
Current assets		
Trade and other receivables	361,444	303,050
Income tax receivables	2,725	2,994
Restricted cash	9,216	6,768
Cash and cash equivalents	30,341	80,861
Total current assets	403,726	393,673
Total assets	550,676	547,140
Non-current liabilities		
Provisions	6,831	6,750
Deferred income tax liabilities	1,782	1,782
Lease liability	28,930	32,449
Other non-current liabilities	54,669	32,604
Total non-current liabilities	92,212	73,585
Current liabilities		
Lease liability	12,445	13,176
Other current liabilities	137,228	130,629
Income tax payables	9,557	11,933
Total current liabilities	159,230	155,738
Total liabilities	251,442	229,323
Net assets	299,234	317,817
Group equity		
Share capital	1,517	1,517
Share premium	86,145	86,145
Reserves	184,412	187,627
Unappropriated result	15,927	29,390
Shareholders' equity	288,001	304,679
Non-controlling interest	11,233	13,138
Total equity	299,234	317,817

Consolidated statement of changes in shareholders' equity (unaudited) (EUR '000)

	2023			2022		
	Attributable to ordinary shareholders	Non-controlling interest	Total	Attributable to ordinary shareholders	Non-controlling interest	Total
Balance at 31 December	304,679	13,138	317,817	288,236	13,693	301,929
Net income	15,927	582	16,509	6,244	1,220	7,464
Exchange differences arising on translation of foreign operations	-5,328	-263	-5,591	16,079	277	16,356
Income tax relating to components of other comprehensive income	444		444	-1,255	-	-1,255
Total comprehensive income	11,043	319	11,362	21,067	1,497	22,564
Cash dividend	-27,721	-2,224	-29,945	-22,680	-2,195	-24,875
Balance at 30 June	288,001	11,233	299,234	286,623	12,995	299,618

Consolidated Cash flow statement (unaudited) (EUR '000)

* € 1,000

	Actual H1 2023	Actual H1 2022
Cash flow from operating activities		
Result before tax	24,761	14,308
Adjustments for:		
Depreciation and amortisation	10,921	10,541
Exchange differences	1,553	0
Interest income	-92	-185
Interest expense	831	320
Loss on disposal of subsidiaries	0	10,431
Other non-cash expenses	204	263
Share based payments	2,180	3,704
Changes in:		
Receivables	-55,695	-41,081
Provisions	82	441
Other current liabilities	5,317	601
Restricted cash	-704	534
	-51,000	-39,505
Income tax paid	-16,995	-16,972
Interest paid	-789	21
Interest received	63	119
Cash flow generated from operating activities	-28,363	-16,955
Cash flow from investing activities		
Additions to property, plant and equipment	-1,369	-957
Additions to intangible fixed assets	-3,997	-3,095
Disposals of property, plant and equipment	8	4
Disposal of subsidiaries	0	-9,488
Cash flow used in investing activities	-5,358	-13,536
Cash flow from financing activities		
Dividend non-controlling interest	-2,224	-2,195
Dividend ordinary shareholders	-26,071	-19,278
Proceeds from drawing of loans and borrowings	20,914	0
Repayments of lease liabilities	-7,231	-7,231
Cash flow used in financing activities	-14,612	-28,704
Total cash flow	-48,333	-59,195
Cash position at 1 January	80,861	93,757
Exchange rate fluctuations	-2,187	4,566
Cash position at 30 June	30,341	39,128

Notes to the condensed consolidated financial statements for the period ended 30 June (unaudited)

Reporting entity

Brunel International N.V. is a public limited liability company incorporated and domiciled in The Netherlands and listed on Euronext Amsterdam.

The consolidated interim financial statements of Brunel International N.V. as at and for the six-month period ended 30 June 2023 include the company and its subsidiaries (together called 'the Group').

Significant accounting policies

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union (hereinafter: IFRS).

The accounting policies applied by the Group in these consolidated interim financial statements are unchanged from those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2022.

Basis of preparation

These consolidated interim financial statements have been condensed and prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting. These interim financial statements do not include all of the information required for annual financial statements, and should be read in conjunction with the annual report of the Group as at and for the year ended 31 December 2022.

Estimates

The preparation of consolidated interim financial statements requires the Group to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these consolidated interim financial statements, the significant judgments, estimates and assumptions were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2022.

Fair value and fair value estimation

The fair values of our monetary assets and liabilities as at 30 June 2023 are estimated to approximate their carrying value.

Seasonality

Our activities in Europe are affected by seasonal patterns. Revenue and gross margin fluctuate per quarter in items such as the number of working days, public holidays and holiday periods. The business in Europe usually generates its strongest revenue and profits in the second half of the year.

Effective tax rate

The effective tax rate for the six-month period ended on 30 June 2023 is 33.3% (2022: 47.8%). For the full year we expect an effective tax rate of approximately 30% (2022: 35.2%).

Share capital

The authorised share capital is EUR 5,998,000, divided into one priority share with a nominal value of € 10,000 and 199.6 million ordinary shares with a nominal value of EUR 0.03. The subscribed capital consists of 50,400,988 ordinary shares (2022: 50,400,988).

Dividend

During the interim period, an ordinary dividend of EUR 0.55 per share was paid to the shareholders.

1. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	H1 2023	H1 2022
Weighted average number of ordinary shares for the purpose of basic earnings per share	50,400,988	50,400,988
Effect of dilutive potential ordinary shares from share based payments	137,212	-
Weighted average number of ordinary shares for the purpose of diluted earnings per share	50,538,200	50,400,988

2. Financial income & expense

The consolidated profit and loss account shows the following items related to financial income & expense:

	H1 2023	H1 2022
Interest income & expense	-740	-136
Exchange differences financial fixed assets	-1,553	-
Exchange differences other	254	-784
Financial income & expense	-2,039	-920

3. Financial fixed assets

The financial fixed assets mainly consist of the loan receivables from third parties related to the divestment of Russia that was completed in June 2022 (refer to note 2 of the annual report 2022). The receivables are denominated in Russian Ruble.

	H1 2023	YE 2022
Loans receivable from minority shareholders	612	612
Loans receivable from third parties	6,524	8,077
Total financial fixed assets	7,136	8,689

The movement is as below:

	H1 2023
Balance at 1 January 2023	8,689
Exchange rate movements	-1,553
Balance at 30 June 2023	7,136

Segment reporting (unaudited)

Reportable segments (EUR '000)

	<u>Revenue</u>		<u>EBIT</u>		<u>Total assets</u>	
	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022
DACH region	125,164	113,484	11,240	10,648	97,763	94,848
The Netherlands	105,856	94,835	7,775	7,886	61,447	53,554
Australasia	89,611	73,577	2,145	953	55,203	48,314
Middle East & India	75,467	65,762	5,581	6,156	70,681	69,013
Americas	89,091	67,718	1,508	924	58,704	43,693
Asia	90,127	70,759	5,008	3,950	89,219	66,302
Rest of world	69,399	77,614	675	1,080	134,338	117,831
Unallocated	-	-	-7,132	-5,938	-16,680	-1,710
Total	644,715	563,749	26,800	25,659	550,676	491,845

Employees

The total number of direct and indirect employees with the group companies is set out below:

Average workforce	H1 2023		H1 2022	
	Direct	Indirect	Direct	Indirect
DACH region	2,094	432	1,999	395
The Netherlands	1,717	271	1,673	277
Australasia	1,520	119	1,303	103
Middle East & India	2,153	162	2,192	132
Americas	1,039	153	883	118
Asia	1,442	150	1,437	131
Rest of world	1,153	205	1,808	225
Unallocated	-	63	-	60
Total	11,118	1,555	11,295	1,441
Total workforce	12,673		12,736	
Workforce at 30 June	2023		2022	
	Direct	Indirect	Direct	Indirect
DACH region	2,084	436	2,033	399
The Netherlands	1,748	266	1,672	279
Australasia	1,561	121	1,371	105
Middle East & India	2,118	162	2,243	135
Americas	1,060	164	904	127
Asia	1,459	157	1,444	128
Rest of world	1,287	228	1,141	181
Unallocated	-	64	-	57
Total	11,317	1,598	10,808	1,411
Total workforce	12,915		12,219	

Other segment information (unaudited) (EUR '000)

<u>Revenue H1 2023</u>	Conventional Energy	Future mobility	Engineering	Mining	Renewable Energy	Infrastructure	Other	Total
DACH region	6,494	42,746	55,962	170	4,551	5,602	9,639	125,164
The Netherlands	3,642	2,136	11,342	59	7,499	8,521	72,657	105,856
Australasia	41,398	-	585	36,325	4,235	2,536	4,532	89,611
Middle East & India	66,043	29	471	151	2,585	5,836	352	75,467
Americas	65,937	8	4,907	12,529	4,096	344	1,270	89,091
Asia	60,794	163	1,863	19,170	6,110	10	2,017	90,127
Rest of world	11,841	127	3,084	1,211	47,799	1,579	3,758	69,399
Total	256,149	45,209	78,214	69,615	76,875	24,428	94,225	644,715

<u>Revenue FY 2022</u>	Conventional Energy	Future mobility	Engineering	Mining	Renewable Energy	Infrastructure	Other	Total
DACH region	12,681	74,484	103,790	145	6,164	10,987	20,991	229,242
The Netherlands	5,139	2,773	29,757	65	5,234	7,543	139,815	190,326
Australasia	73,906	-	1,223	53,157	13,051	9,418	11,099	161,854
Middle East & India	115,590	40	1,086	114	2,541	23,369	541	143,281
Americas	108,204	237	9,599	21,104	6,672	156	588	146,560
Asia	114,559	309	4,227	26,691	12,188	-	3,112	161,086
Rest of world	30,793	298	5,824	1,641	96,330	4,181	10,408	149,475
Total	460,872	78,141	155,506	102,917	142,180	55,654	186,554	1,181,824


Auditor's involvement

The consolidated interim financial statements have not been audited or reviewed by an external auditor.

Brunel



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