

Limited review report

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES
Interim Condensed Consolidated Financial Statements
and Interim Consolidated Management Report
for the six months ended
June 30, 2022

LIMITED REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of Obrascón Huarte Lain, S.A. at the request of the Board of Directors:

Report on the interim condensed consolidated financial statements

Introduction

We have performed a limited review of the accompanying interim condensed consolidated financial statements (the "interim financial statements") of Obrascón Huarte Lain, S.A. (the "Parent") and subsidiaries (collectively the "Group"), which comprise the interim condensed consolidated statement of financial position as at 30 June 2022 and the interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of recognised income and expense, the interim condensed consolidated statement of changes in equity, the interim condensed consolidated statement of cash flows and the explanatory notes thereto for the six months then ended. The Parent's directors are responsible for the preparation of these interim financial statements in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*, as adopted by the European Union, for the preparation of interim condensed financial information, as provided for in article 12 of Royal Decree 1362/2007. Our responsibility is to express an opinion on these interim financial statements based on our limited review.

Scope of the review

We have carried out our limited review in accordance with the International Standard on Engagements 2410, "Review of Interim Financial Reporting Performed by the Independent Auditor of the Entity." A limited review of interim financial statements consists of making inquiries, primarily of personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit carried out in accordance with regulations on the auditing of accounts in force in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

As a result of our limited review, which cannot be considered an audit of financial statements, no matter came to our attention that would lead us to conclude that the accompanying interim financial statements for the six months ended 30 June 2022 have not been prepared, in all material respects, in accordance with the requirements established by IAS 34 *Interim Financial Reporting* as adopted by the European Union for the preparation of interim financial statements, as provided for in article 12 of Royal Decree 1362/2007.

Emphasis of matter paragraphs

We draw attention to explanatory Note 3.4 of the accompanying financial statements, which states that the Group had financial assets amounting to EUR 50.7 million associated with its investment in, and other loans and borrowings with, concession operator Cercanías Móstoles - Navalcarnero, S.A., in liquidation. In this respect, in light of how the litigation disclosed in Note 4.4.2.2 is unfolding, the Parent's directors, based on external legal opinions, consider that the recoverability of those financial assets is probable.

We also call attention to Note 4.4.2.2 the accompanying explanatory notes regarding the arbitration proceedings of which the Group is party related to the Hospital de Sidra (Qatar) project. As described in that Note, partial awards have been made but the outcome of the arbitration as a whole is still uncertain. Despite the uncertainties, the directors have drawn the conclusion that it is unlikely that the Group will suffer any additional economic loss.

Accordingly, there are several uncertainties at present that could affect the final resolution of these two matters, so the Parent's directors could have to modify their estimates significantly in future periods. Our conclusion is not qualified in respect of these matters.

Lastly, we draw attention to Note 2 of the explanatory notes, where it is stated that the accompanying interim financial statements do not include all the disclosures required in a complete set of consolidated financial statements prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, and therefore should be read in conjunction with the Group's consolidated annual financial statements for the year ended 31 December 2021. Our conclusion is not qualified in respect of this matter.

Report on other legal and regulatory requirements

The accompanying interim consolidated management report for the six months ended 30 June 2022 contains such explanations as the Parent's directors consider appropriate concerning the main events occurring in the period and their impact on the interim financial statements presented, of which it is not an integral part, and on the information required by article 15 of Royal Decree 1362/2007. We have checked that the accounting information included in the aforementioned management report agrees with the interim financial statements for the six months ended 30 June 2022. Our work is limited to checking the interim consolidated management report in accordance with the scope mentioned in this paragraph, and does not include the review of information other than that obtained from the accounting records of Obrascón Huarte Lain, S.A. and subsidiaries.

Other matter paragraph

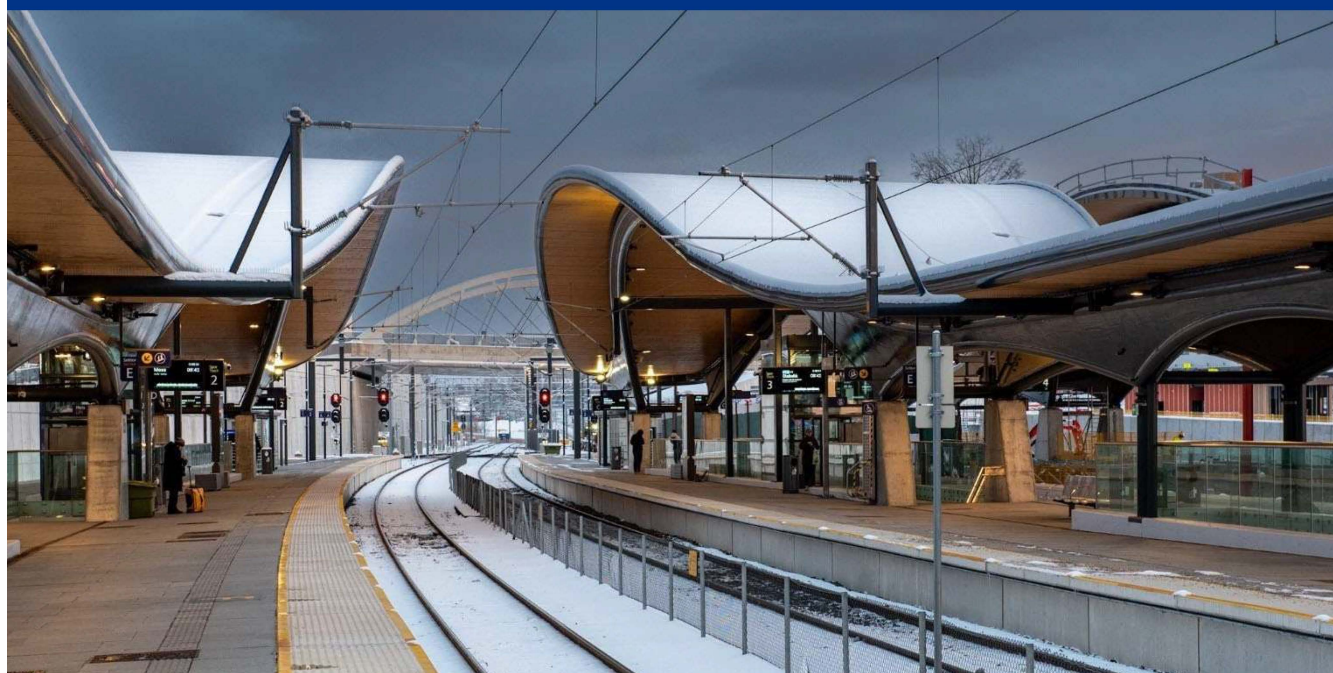
This report was prepared at the request of the Board of Directors of Obrascón Huarte Lain, S.A. regarding the publication of the interim financial information required under article 119 of the Spanish Securities Market Act, implemented by Royal Decree 4/2015 of 23 October.

ERNST & YOUNG, S.L.

(Signed on the original Spanish version)

José Enrique Quijada Casillas

July 28, 2022



OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

**Interim condensed consolidated financial statements and
interim consolidated management report for the six months
ended 30 June 2022**

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Interim condensed consolidated statement of financial position as at 30 June 2022 and 31 December 2021

ASSETS	Note	30/06/2022	31/12/2021
NON-CURRENT ASSETS			
Intangible assets	3.1.1		
Intangible assets		512.427	485.288
Accumulated amortisation		(357.466)	(328.298)
		154.961	156.990
Concession infrastructure	3.2.		
Intangible asset model		626	678
Financial asset model		1.727	-
		2.353	678
Property, plant and equipment	3.1.2		
Land and buildings		147.424	127.292
Machinery		414.031	395.442
Other installations, equipment and furniture		122.803	118.046
Property, plant and equipment under construction and advances		9.180	9.996
Other property, plant and equipment		83.284	75.152
Accumulated depreciation and provisions		(532.076)	(503.029)
		244.646	222.899
Investment properties		4.304	4.322
Goodwill	3.3.	36.998	36.998
Non-current financial assets	3.4.		
Investment securities		61.224	61.340
Other loans		110.189	142.039
Deposits and guarantees given		16.552	9.569
Provisions		(55.993)	(67.896)
		131.972	145.052
Investments accounted for using the equity method	3.5.1	152.378	167.221
Deferred tax assets		113.440	108.789
TOTAL NON-CURRENT ASSETS		841.052	842.949
CURRENT ASSETS			
Non-current assets held for sale	3.6.	32.978	32.515
Inventories			
Embodiment items, fungibles and replacement parts for machinery		45.441	31.904
Auxiliary shop projects and site installations		34.264	36.559
Advances to suppliers and subcontractors		41.329	35.197
Write-downs		(3.491)	(3.502)
		117.543	100.158
Trade and other receivables	3.7.		
Trade receivables		1.213.204	1.026.578
Receivables from associates		130.484	112.219
Employee receivables		1.548	1.160
Tax payables		96.589	85.743
Other receivables		86.914	78.001
Provisions		(112.332)	(113.259)
		1.416.407	1.190.442
Current financial assets	3.4.		
Investment securities		50.434	50.989
Other loans		15.197	150.532
Deposits and guarantees given		170.744	146.622
Provisions		(13.362)	(13.362)
		223.013	334.781
Current income tax assets		4.698	6.050
Other current assets		77.657	48.025
Cash and cash equivalents	3.8.	396.989	507.455
TOTAL CURRENT ASSETS		2.269.285	2.219.426
TOTAL ASSETS		3.110.337	3.062.375

Note: the accompanying notes 1 to 5 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 June 2022.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Interim condensed consolidated statement of financial position as at 30 June 2022 and 31 December 2021

EQUITY AND LIABILITIES	Note	30/06/2022	31/12/2021
EQUITY			
Share capital	3.9.	147.781	147.781
Share premium	3.10.	1.328.128	1.328.128
Treasury shares	3.11.	(420)	(504)
Reserves	3.12.	(633.551)	(665.640)
Reserves in consolidated companies	3.12.	(185.212)	(161.575)
Valuation adjustments	3.13.	3.661	(29.859)
Consolidated profit/(loss) for the period attributable to equity holders of the parent		(60.735)	5.945
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		599.652	624.276
Non-controlling interests		(3.778)	(3.927)
TOTAL EQUITY		595.874	620.349
NON-CURRENT LIABILITIES			
Issue of notes and other marketable securities	3.14.1		
Issue of corporate notes		416.483	444.642
		416.483	444.642
Bank borrowings	3.14.2		
Mortgage and other loans		4.523	43.355
		4.523	43.355
Other financial liabilities	3.15.	43.694	24.937
Deferred tax liabilities		77.705	75.260
Provisions		73.583	64.024
Deferred income		144	261
Other non-current liabilities	3.16.	25.271	23.364
TOTAL NON-CURRENT LIABILITIES		641.403	675.843
CURRENT LIABILITIES			
Liabilities associated with non-current assets held for sale	3.6.	5	9
Issue of notes and other marketable securities	3.14.1		
Issue of corporate notes		8.686	9.458
		8.686	9.458
Bank borrowings	3.14.2		
Mortgage and other loans		10.792	26.052
Unmatured accrued interest payable		-	2
		10.792	26.054
Other financial liabilities	3.15.	16.519	15.943
Trade and other payables			
Advances received from customers	3.7.	482.253	424.525
Trade payables		860.353	816.349
Notes payable		63.425	53.760
		1.406.031	1.294.634
Provisions		172.776	197.255
Current income tax liabilities		8.187	8.187
Other current liabilities	3.16.		
Payable to associates		81.085	82.252
Salaries payable		46.677	34.504
Tax payables		64.578	63.906
Other non-trade payables		56.334	32.340
Guarantees and deposits received		1.225	1.429
Other current liabilities		165	212
		250.064	214.643
TOTAL CURRENT LIABILITIES		1.873.060	1.766.183
TOTAL EQUITY AND LIABILITIES		3.110.337	3.062.375

Note: the accompanying notes 1 to 5 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 June 2022.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Interim condensed consolidated statement of profit or loss for the six months ended 30 June 2022 and 2021

	Note	30/06/2022	30/06/2021
Revenue	3.18.	1.452.409	1.312.327
Other operating income	3.18.	57.384	33.392
Total revenue		1.509.793	1.345.719
Cost of sales	3.18.	(759.312)	(706.034)
Staff costs	3.18.	(428.919)	(391.182)
Other operating expenses	3.18.	(280.836)	(218.081)
Amortisation and depreciation		(39.375)	(35.225)
Change in provisions		25.743	7.726
OPERATING PROFIT/(LOSS)		27.094	2.923
Finance income	3.18.	5.339	107.611
Finance costs	3.18.	(36.814)	(52.826)
Net exchange differences	3.18.	(13.166)	(9.060)
Net gain/(loss) on remeasurement of financial instruments at fair value	3.18.	(54)	(6.976)
Share of profit/(loss) of companies accounted for using the equity method	3.18.	(6.090)	2.908
Impairment and gains/(losses) on disposal of financial instruments	3.18.	(23.211)	46.689
PROFIT/(LOSS) BEFORE TAX		(46.902)	91.269
Income tax expense	3.17.	(13.192)	(15.542)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		(60.094)	75.727
CONSOLIDATED PROFIT/(LOSS) FOR THE PERIOD		(60.094)	75.727
Profit/(loss) from continuing operations attributable to non-controlling interests		(641)	(330)
CONSOLIDATED PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		(60.735)	75.397
Earnings/(loss) per share:			
Basic	1.4.	(0,10)	0,26
Diluted	1.4.	(0,10)	0,26

Note: the accompanying notes 1 to 5 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 June 2022.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Interim condensed consolidated statement of recognised income and expense for the six months ended 30 June 2022
and 2021

Interim condensed consolidated statement of recognised income and expense	30/06/2022	30/06/2021
CONSOLIDATED PROFIT/(LOSS) FOR THE PERIOD	(60.094)	75.727
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	30.472	3.196
Cash flow hedges	-	3.129
Translation differences	30.472	934
Tax effect	-	(867)
AMOUNTS TRANSFERRED TO PROFIT OR LOSS	2.585	11.131
Cash flow hedges	-	751
Translation differences	2.585	1.239
Companies accounted for using the equity method	-	9.342
Tax effect	-	(201)
TOTAL RECOGNISED INCOME/(EXPENSE)	(27.037)	90.054
Attributable to equity holders of the parent	27.215	88.939
Attributable to non-controlling interests	178	1.115

Note: the accompanying notes 1 to 5 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 June 2022.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Interim condensed consolidated statement of changes in equity for the six months ended 30 June 2022

	Equity attributable to equity holders of the parent						Non-controlling interests	Total equity
	Share capital	Share premium and reserves	Treasury shares	Consolidated profit/(loss) for the period attributable to equity holders of the parent	Valuation adjustments	Total equity attributable to equity holders of the parent		
Closing balance at 31 December 2021	147.781	500.913	(504)	5.945	(29.859)	624.276	(3.927)	620.349
Total recognised income/(expense)	-	-	-	(60.375)	33.520	(27.215)	178	(27.037)
Transactions with equity holders or owners	-	(206)	84	-	-	(122)	-	(122)
Treasury share transactions	-	(206)	84	-	-	(122)	-	(122)
Other changes in equity	-	8.658	-	(5.945)	-	2.713	(29)	2.684
Transfers between equity items	-	5.945	-	(5.945)	-	-	-	-
Other changes	-	2.713	-	-	-	2.713	(29)	2.684
Closing balance at 30 June 2022	147.781	509.365	(420)	(60.375)	3.661	599.652	(3.778)	595.874

Note: the accompanying notes 1 to 5 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 June 2022.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Interim condensed consolidated statement of changes in equity for the six months ended 30 June 2021

	Equity attributable to equity holders of the parent						Non-controlling interests	Total equity
	Share capital	Share premium and reserves	Treasury shares	Consolidated profit/(loss) for the period attributable to equity holders of the parent	Valuation adjustments	Total equity attributable to equity holders of the parent		
Closing balance at 31 December 2020	171.929	496.629	(406)	(151.221)	(53.364)	463.567	(3.295)	460.272
Total recognised income/(expense)	-	-	-	75.397	13.542	88.939	1.115	90.054
Transactions with equity holders or owners	(24.148)	154.770	30	-	-	130.652	-	130.652
Capital increases/(reductions)	(24.148)	154.817	-	-	-	130.669	-	130.669
Treasury share transactions	-	(47)	30	-	-	(17)	-	(17)
Other changes in equity	-	(150.642)	-	151.221	-	579	479	1.058
Transfers between equity items	-	(151.221)	-	151.221	-	-	-	-
Other changes	-	579	-	-	-	579	479	1.058
Closing balance at 30 June 2021	147.781	500.757	(376)	75.397	(39.822)	683.737	(1.701)	682.036

Note: the accompanying notes 1 to 5 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 June 2022.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Interim condensed consolidated statement of cash flows for the six months ended 30 June 2022 and 2021

	30/06/2022	30/06/2021
A) NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	(67.240)	(105.534)
Profit/(loss) before tax	(46.902)	91.269
Adjustments to profit/(loss)	87.628	(60.847)
Amortisation and depreciation	39.375	35.225
Other adjustments to profit/(loss)	48.253	(96.072)
Working capital changes	(109.899)	(113.365)
Other cash flows from/(used in) operating activities	1.933	(22.591)
Dividends received	615	2.302
Income tax recovered/(paid)	(12.885)	(6.328)
Other amounts received from/(paid for) operating activities	14.203	(18.565)
B) NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	96.892	71.253
Payments for investments	(69.122)	(27.497)
Group companies, associates and business units	(18.382)	(12.410)
Property, plant and equipment, intangible assets and investment properties	(33.853)	(13.106)
Other financial assets	(16.887)	(1.981)
Other assets	-	-
Proceeds from sale of investments	160.675	92.010
Group companies, associates and business units	11.888	90.856
Property, plant and equipment, intangible assets and investment properties	1.077	1.154
Other financial assets	147.710	-
Other assets	-	-
Other cash flows from investing activities	5.339	6.740
Interest received	5.339	6.740
Other amounts received from/(paid for) investing activities	-	-
C) NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	(154.181)	(826)
Proceeds from (and payments for) equity instruments	(122)	71.381
Issue	-	71.398
Acquisition	(11.766)	(1.971)
Disposal	11.644	1.954
Proceeds from (and payments for) financial liability instruments	(94.547)	(2.483)
Issue	366	868
Redemption and repayment	(94.913)	(3.351)
Other cash flows from/(used in) financing activities	(59.512)	(69.724)
Interest paid	(24.777)	(58.788)
Other amounts received from/(paid for) financing activities	(34.735)	(10.936)
D) EFFECT OF FOREIGN EXCHANGE DIFFERENCES ON CASH AND CASH EQUIVALENTS	14.063	5.035
E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	(110.466)	(30.072)
F) CASH AND CASH EQUIVALENTS AT 1 JANUARY	507.455	471.014
G) CASH AND CASH EQUIVALENTS AT 30 JUNE (E+F)	396.989	440.942
COMPONENTS OF CASH AND CASH EQUIVALENTS AT 30 JUNE		
Cash in hand and at banks	390.227	386.652
Other financial assets	6.762	54.290
TOTAL CASH AND CASH EQUIVALENTS AT 30 JUNE	396.989	440.942

Note: the accompanying notes 1 to 5 are an integral part of the interim condensed consolidated financial statements for the six months ended 30 June 2022.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

1.- CORPORATE INFORMATION

1.1.- Name and registered address

Obrascón Huarte Lain, S.A., formerly Sociedad General de Obras y Construcciones Obrascón, S.A., is a Spanish public limited company (*sociedad anónima*) incorporated on 15 May 1911, with registered address at Paseo de la Castellana, 259 D, Madrid, Spain.

Obrascón Huarte Lain, S.A. (the "Parent") and its subsidiaries (collectively "OHLA Group" or "the Group") form a group, with registered address at Paseo de la Castellana 259 D, Madrid, Spain.

OHLA Group operates primarily in the US and Spain, but does business in other countries, in particular in Latin America and elsewhere in Europe.

1.2.- Business sectors

The companies comprising Obrascón Huarte Lain Group conduct business mainly in the following sectors:

Construction

All manner of civil engineering and building construction works for public and private customers in Spain and abroad.

Industrial

Industrial engineering, particularly complete industrial plants and systems, including the design, construction, maintenance and operation thereof, and any other activity related to oil and gas, renewable energy, mining and cement, solids engineering and fire-fighting systems.

Services

Cleaning, maintenance and urban, and waste management services in buildings, homes, offices, urban green areas and road networks, and social and health services.

Other

The Group engages in other minor activities, which at the reporting date are not disclosed separately since they do not represent a significant portion of total revenue. These included Developments, relating to the development and operation of premium or luxury mixed-use hotels, and Concessions, entailing the construction, execution, operation and conservation of all types of infrastructure and works. It also includes all Corporate activities (expenses and adjustments).

1.3.- Profit/(loss) for the period, trend in equity attributable to the parent and changes in cash flows

Profit/(loss) for the period

Consolidated loss attributable to equity holders of the parent for the six months ended 30 June 2022 amounted to EUR 60,735 thousand.

	EUR thousand	
	30/06/2022	30/06/2021
Revenue	1,452,409	1,312,327
EBITDA^(*)	40,726	30,422
EBIT	27,094	2,923
Financial profit/(loss) and other profit/(loss)	(73,996)	88,346
Profit/(loss) before tax	(46,902)	91,269
Income tax expense	(13,192)	(15,542)
Profit/(loss) for the period from continuing operations	(60,094)	75,727
Profit/(loss) for the period attributable to non-controlling interests	(641)	(330)
Profit/(loss) for the period attributable to equity holders of the parent	(60,735)	75,397

^(*) EBITDA is calculated as operating profit/(loss) plus amortisation and depreciation, and changes in provisions.

Trend in equity attributable to equity holders of the parent

Set out below are the changes in equity attributable to equity holders of the parent in 2021 and the six months ended 30 June 2022:

	EUR thousand
Balance at 31 December 2020	463,567
Profit/(loss) for 2021 attributable to equity holders of the parent	5,945
Cash flow hedge reserves	15,125
Translation differences	8,380
Other changes	131,259
Balance at 31 December 2021	624,276
Profit/(loss) for 2022 attributable to equity holders of the parent	(60,735)
Cash flow hedge reserves	-
Translation differences	33,520
Other changes	2,591
Balance at 30 June 2022	599,652

Changes in cash flows

The following table presents year-on-year changes in cash flows in the six months ended 30 June 2022 by operating, investing and financing activities:

Cash flows	EUR thousand		
	30/06/2022	30/06/2021	Difference
Operating activities	(67,240)	(105,534)	38,294
Investing activities	96,892	71,253	25,639
Financing activities	(154,181)	(826)	(153,355)
Effect of foreign exchange differences on cash and cash equivalents	14,063	5,035	9,028
Net increase/(decrease) in cash and cash equivalents	(110,466)	(30,072)	(80,394)
Cash and cash equivalents at 1 January	507,455	471,014	36,441
Cash and cash equivalents at 30 June	396,989	440,942	(43,953)

1.4.- Earnings per share (EPS)

Basic earnings per share

Basic earnings per share (EPS) amounts are calculated by dividing the consolidated profit/(loss) for the period attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the period, excluding the average number of treasury shares held in the period.

Diluted EPS

Diluted EPS is calculated similarly to basic EPS, except the weighted average number of shares outstanding is increased by share options, warrants and convertible debt.

There were no differences between the basic earnings per share and diluted earnings per share at 30 June 2022 and 2021.

	EUR thousand	
	30/06/2022	30/06/2021
Weighted average number of shares outstanding	590,519,498	291,002,390
Consolidated profit/(loss) for the period attributable to equity holders of the parent	(60,735)	75,397
Basic earnings (loss) per share = Diluted earnings (loss) per share	(0.10)	0.26

2.- BASIS OF PREPARATION AND CONSOLIDATION

2.1.- Basis of preparation

In accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, all companies governed by the laws of a member state of the European Union and whose securities are traded on a regulated market in any European Union country must file consolidated financial statements for periods beginning on or after 1 January 2005 in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Group's 2021 consolidated financial statements were prepared by the Parent's directors in accordance with the IFRSs as adopted by the European Union, applying the consolidation principles, accounting policies and measurement criteria described in Note 2.6 to those consolidated financial statements, to give a true and fair view of the Group's consolidated equity and financial position as at 31 December 2021, and of its consolidated financial performance and the changes in its consolidated equity and consolidated cash flows for the year then ended.

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* by the Group's directors on 28 July 2022 as required by article 12 of Royal Decree 1362/2007.

In accordance with IAS 34, the interim consolidated financial report is intended to provide an update on the Group's latest complete set of annual financial statements. Accordingly, it focuses on new activities, events, and circumstances occurring in the second half of the year and does not duplicate information previously reported in the annual consolidated financial statements for 2021. For an appropriate understanding of the information included in these interim condensed consolidated financial statements, they should be read in conjunction with the Group's annual consolidated financial statements for 2021.

2.2.- International Financial Reporting Standards (IFRS)

The accounting standards used to prepare the accompanying interim condensed consolidated financial statements are the same as those used to prepare the consolidated financial statements for the year ended 31 December 2021, as none of the standards, interpretations or amendments that are effective for the first time in the current period have had any impact on the Group's accounting policies.

The Group intends to apply the new standards, interpretations and amendments issued by the IASB whose application is not mandatory in the European Union when they become effective, to the extent applicable to the Group. Although the Group is still in the process of analysing their impact, based on the analysis performed to date, it estimates that their first-time application will not have a significant impact on its annual consolidated financial statements or its interim condensed consolidated financial statements.

2.3.- Functional currency

These interim condensed consolidated financial statements are presented in euros (EUR) as this is the currency of the primary economic area in which the Group operates. The Group's foreign operations are recognised in accordance with the policies explained in Note 2.7.11. to the Group's annual financial statements for 2021.

2.4.- Responsibility for the information, accounting estimates and accounting policies

The information in these interim condensed consolidated financial statements is the responsibility of the Parent's directors.

The preparation of the interim condensed consolidated financial statements required senior management of the Parent and consolidated companies to make estimates, which are subsequently ratified by their directors, that affect the reported amounts of certain assets, liabilities, revenues and expenses. These estimates relate basically to:

- The assessment of possible impairment losses on certain assets.
- The useful life of intangible assets and property, plant, and equipment.
- The recognition of construction contract revenue and expenses.
- The amount of certain provisions.
- The income tax expense which, in accordance with IAS 34, is recognised in each interim period based on the best estimate of the weighted average annual effective income tax rate expected for the full financial year.
- The fair value of assets acquired in business combinations and goodwill.
- The fair value of financial liabilities and debt to equity swaps.
- The fair value of certain unquoted assets.
- The assessment of potential contingencies for employment, tax and legal risks.
- Financial risk management.

Although these estimates were made on the basis of the best information available at the reporting date regarding the facts analysed, future events could make it necessary to revise these estimates after 30 June 2022. Any changes in accounting estimates would be applied prospectively in accordance with IAS 8, with the effects of the change in accounting estimates recognised in the consolidated statement of profit or loss of the periods affected.

In this respect, the impact of the global environment (e.g. war between Russia and Ukraine, high inflation, materials supply chain disruptions) on the economy and its performance in the coming months should be considered. In light of this situation, the estimates and judgements made by Group management are subject to a higher degree of uncertainty. Nevertheless, no significant impact had been observed as at the date of authorisation for issue of these interim condensed consolidated financial statements, since the Group does not have any operations in Russia.

2.5.- Seasonality of Group operations

Given the activities carried out by Group companies, their transactions are not regarded as highly cyclical or seasonal. Consequently, the accompanying explanatory notes to the interim condensed consolidated financial statements for the six months ended 30 June 2022 do not include specific disclosures.

2.6.- Materiality

In determining the disclosures of the various items of the interim condensed consolidated financial statements and other matters, the Group, in accordance with IAS 34, assessed materiality.

2.7.- Risk management at OHLA Group

Risk control and management at OHLA Group is designed to control and manage current or emerging risks and opportunities related to its business activities in order to:

- Deliver the Group's strategic and operating objectives.
- Protect the Group's reputation, safeguard its legal certainty and ensure its sustainability.
- Protect the security of shareholders' equity.
- Protect the interests of other stakeholders in the organisation's performance.
- Enhance OHLA Group's level of innovation, competitiveness and trust.

To achieve these objectives, the following guiding principles for controlling and managing risks and opportunities are in place:

- Act in accordance with the law at all times, and with the values and standards set out in the Code of Ethics and the Group's regulatory framework.
- Act in accordance with the level of the risk tolerance defined by the Group.
- Embed risk and opportunity control and management into the Group's business processes and its strategic and operational decision-making.
- Manage the information generated regarding risks in a manner that is transparent, proportionate and appropriate, and communicate this information on a timely basis.
- Establish and maintain a risk-aware culture.
- Incorporate risk control and management best practices and recommendations.

Risk control and management are part of the Group's regulatory and operational framework. When applied by the organisation carrying out its operations, this allows:

- The identification of material risks and opportunities that affect, or could affect, the achievement of the Group's objectives.
- The assessment of the risks detected.
- The definition of measures to be taken and decision-making based on the risks and opportunities alongside other aspects of the business.
- The implementation of these measures.
- The control and ongoing monitoring of the most significant risks and the effectiveness of the measures taken.
- The establishment of the information reporting system, communication channels and levels of authorisation.

OHLA Group's Board of Directors is responsible for approving the Risk Control and Management Policy.

The Audit and Compliance Committee is responsible for overseeing and verifying that the commitments outlined in the Risk Control and Management Policy are up to date and fulfilled on an ongoing basis.

Group management draws up a risk map on an annual basis identifying and assessing current risks and any emerging risks that might affect the Group in the future.

Each business or functional unit is responsible for controlling and managing the risks that affect the performance of its respective operations and for reporting any such risks as soon as they are detected or proven.

Risk management is the responsibility of all OHLA Group employees. Each employee must understand the risks relating to their area of responsibility and manage them within the action framework defined in the Policy. They must also know the established tolerance limits.

OHLA Group's Risk Control and Management Policy is reviewed annually to ensure that it remains aligned with the interests of the Group and its stakeholders and is available to all of them.

The main risks that might affect the achievement of the Group's objectives are as follows:

Project risk

Project risk management aims to ensure fulfilment of project obligations regarding scope, deadlines, margin and safety, and, in general, all contractual obligations. Therefore, events or situations that could jeopardise projects are identified before they occur and assessed in a timely manner so that mitigation measures can be implemented early.

Contracting risk

This is the risk of not identifying market opportunities in time or, after identifying an opportunity, the risk of not defining the bid appropriately due to a lack of resources or qualifications. This could result in failure to meet contracting targets, inefficient resource allocation to search or an inadequate measurement of any project metrics, posing a risk for project awards.

Price volatility and resource scarcity risks

OHLA Group is exposed to the risk of shortages of human resources, subcontractors and suppliers, and certain products in its footprint markets. Moreover, increases in prices of certain cost components, such as raw materials (e.g. bitumen, steel), and energy prices affect the costs of the main supplies of goods and services the Group requires to carry on its operations. There might also be shortages or logistics disruptions that could cause delays in deliveries or the provision of goods and services. These risks materialised in 2021 and could increase in light of the current geopolitical landscape.

Geopolitical and market risks

Political unrest or changes in the legal and regulatory environment in countries where OHLA operates can have significant impacts on the Company's ability to achieve its business objectives.

The current geopolitical situation also gives rise to myriad uncertainties. The likely global trend towards a new division into opposing blocs points to highly volatile interest and exchange rates, rampant inflation and potential global supply chains disruptions resulting in a shortage or increase in the price of certain materials, thereby affecting expected returns, the ability to meet delivery deadlines and investments in certain geographies.

Governments in many countries (e.g. Spain, the Czech Republic) have started adding price-review formulae into their public contracting laws (something that is already commonplace in countries with high inflation), which help temper the situation. However, they cannot be applied to all contract costs or from contract inception. This means particular care must be taken with contingent items included in projects.

Personnel risk

This risk relates to the ability to satisfy the performance obligations of projects with the right personnel and in the right way, and to hire new digital talent.

Systems and cybersecurity risk

Market and business trends, with continuous and rapid changes, requires adapting systems to new realities quickly. This poses a risk for the Group if it does not have optimal systems.

Meanwhile, OHLA faces a risk of cyberattacks that could compromise the security and the operations of the Company's assets, potentially affecting the normal course of business operations and causing leaks of sensitive information.

Litigation and arbitration risk

This is the risk that the outcome of lawsuits or arbitration proceedings related to disputes with customers will be rulings against OHLA's interests.

Risk of measurement of assets and liabilities in the statement of financial position

This is understood as the risk of a decrease in the value of assets or an increase in the value of liabilities on the statement of financial position.

Financial risk

Financial risks are risks that may affect mainly the Group's ability to raise the necessary financing when required and at a reasonable cost and to maximise its available resources. These include interest rate risk, foreign currency risk, credit risk, liquidity risk and collateral risk.

Liquidity risk

The deterioration of the Group's financial position caused by both external and internal factors became evident in 2020, caused primarily by:

- a. difficulties renewing the Group's guarantee facilities;
- b. impossibility of refinancing the Notes under economically viable terms and conditions;
- c. impact of Covid-19;
- d. downgrades to the Group's credit rating; and
- e. losses due to internal factors on loss-making projects

This situation prompted the directors to begin an in-depth assessment of the situation in 2020 and decide to **embark on a restructuring** (the "Restructuring"), which was formalised on 20 January 2021 in a Lock-Up Agreement among the parties.

The Effective Date of the Restructuring was 28 June 2021. The key milestones were:

- i. The capital reduction through the reduction of the par value of the shares to EUR 0.25 per share, for a total amount of EUR 100,292 thousand.
- ii. The Investment Commitments and Cash Capital Increases, which entailed the issuance of 304,576,294 new shares with a cash value of EUR 144,584 thousand.
- iii. Amendments to the terms and conditions of the Notes, which resulted in the cancellation of the 2022 and 2023 Notes. At the same time, via OHL Operaciones S.A.U., a subsidiary of Obrascón Huarte Lain S.A., issued new Notes for a nominal amount of EUR 487,267 thousand, with 50% maturing on 31 March 2025 and the remaining 50% on 31 March 2026.

This **considerably changed the Group's liquidity**, which in addition was further strengthened by:

- Disposals of several subsidiaries in 2021 (Old War Office Project; Hospital de Toledo S.A. and Mantholedo S.A.U.; and Aguas de Navarra S.A. and its operator), with part of the sales price received up front and the remainder due to be collected as of 2022 under the terms of the purchase and sale agreements.
- Renewal of the guarantee facilities of the Multiproduct Syndicated Facilities Agreement (MSF) and CESCE guarantee facilities until 30 September 2022.
- Amounts received from Cercanías Móstoles Navalcarnero, S.A. (CEMONASA) in 2021 and January 2022 after settlement of payments by the Madrid regional government for different reasons related to the main construction projects, which went primarily to repay borrowings (see Note 3.14).

As a result, the Group's liquidity position as at 30 June 2022, comprising cash and cash equivalents and current financial assets, stood at EUR 620,002 thousand (31 December 2021: EUR 842,236 thousand), broken down as follows:

- **Cash and cash equivalents** of EUR 396,989 thousand (31 December 2021: EUR 507,455 thousand), which included EUR 162,164 thousand related to the Group's interests in temporary business associations or joint ventures (UTEs) (31 December 2021: EUR 147,543 thousand). There is also restricted cash amounting to EUR 4,551 thousand related to other guarantees (31 December 2021: EUR 7,990 thousand).
- **Current financial assets** of EUR 223,013 thousand (31 December 2021: EUR 334,781 thousand), which include restricted assets pledged as security for EUR 165,908 thousand, the main item of which is a deposit for EUR 140,000 thousand as collateral for the MSF (31 December 2021: EUR 140,000 thousand) and EUR 47,217 thousand of performance bonds for certain projects being carried out in the US (31 December 2021: EUR 50,830 thousand).

The Group also has **drawable credit lines and discount facilities** amounting to EUR 51,897 thousand (31 December 2021: EUR 27,051 thousand), featuring the Judlau Contracting Inc credit line for USD 90,000 thousand (EUR 86,622 thousand), with a sub-limit of USD 45,000 thousand for guarantees (EUR 43,311 thousand) signed on 28 June 2022.

On 8 March 2022, ratings agency Moody's upgraded OHLA's corporate family rating (CFR) to B3, outlook positive, from Caa1, and the notes issued by OHL Operaciones S.A.U. from Caa2 to B3. This illustrates the improvement described above.

Against this backdrop, the Group's directors are monitoring the 2022 business plan (outlined in the 2021 consolidated financial statements) closely, focusing especially on cash flow generation from the businesses and improvement of working capital. They estimate that profitability levels can be recovered and that liquidity can increase.

While to date the plan is being executed, there are circumstances that could give rise to uncertainties regarding achievement of the 2022 business plan and result in deviations (e.g. lower-than-expected order intake, working capital shortfalls). The main one is the impact of the ongoing conflict in Europe, which jeopardises the fledgling recovery by the global economy, affected by high inflation and burgeoning commodity prices, which could have a serious impact on OHLA Group's forecasts for 2022.

Nevertheless, the directors and the management team continue to monitor the Group's liquidity position closely.

2.8.- Changes in the scope of consolidation

Appendices I and II to the consolidated financial statements for the year ended 31 December 2021 provide relevant information about fully consolidated Group companies and investees accounted for using the equity method.

The following changes occurred in the Group's scope of consolidation in the first half of 2022:

Inclusions	No. of companies
Full consolidation	3
Equity method	3
Total inclusions	6
Exclusions	No. of companies
Full consolidation	1
Equity method	-
Total exclusions	1

Among inclusions:

- In January 2021, Sociedad Concesionaria Hospitales Red Biobío, S.A. was incorporated in Chile. It is wholly owned by Group companies and was set up to perform a construction and maintenance contract for four hospitals in the BioBio region.
- In the same month, OHL Operaciones, S.A. incorporated OHLA Energy, S.L. Its objects include the promotion, development, construction and operation of industrial and engineering projects, in which it holds 100% interests.

- On 4 March 2022, OHLA-OHMG JV Limited was set up in Ireland to carry out a school design and construction project in Ireland. It is 60%-owned by OHL Ireland Construction and Engineering Limited, S.A. and 40%-owned by OHMG (Holding) Ltd. It will be fully consolidated.
- On 24 March 2022, Concesionaria Ruta Bogotá Norte, S.A.S. was set up in Colombia to execute the Northern Access Phase II project. It is 50%-owned by OHL, S.A. and 50%-owned by Termotécnica Coindustrial SAS. As a joint venture, it is accounted for using the equity method.
- On 3 June 2022, concession operator Parking Niño Jesús-Retiro, S.A. was incorporated. It is 30%-owned by OHL, S.A. and 70%-owned by TIIC 2 Concesiones, S.L. and will be accounted for using the equity method.
- On 6 June 2022, Rebuilding Agente Rehabilitador, S.L. was incorporated in Spain, engaged mainly in sustainable building renovation. It is a 50/50 joint venture between OHL Operaciones, S.A. and Endesa X Servicios, S.L. As a joint venture, it is accounted for using the equity method.

There were no significant exclusions from the Group in the six months ended 30 June 2022

3.- EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

3.1.- Intangible assets and property, plant and equipment:

3.1.1 Intangible assets

This item includes mainly the amounts allocated in the consolidation of the customer portfolio and the backlog of acquirees in the US and the Pacadar subgroup, for a net amount at 30 June 2022 of EUR 149,094 thousand (31 December 2021: EUR 150,228 thousand). The decrease in assets for the depreciation charge in the period was offset by dollar appreciation vis-à-vis the euro.

No allowances for impairment losses on this asset had been recognised as at 30 June 2022 based on the assessment performed.

3.1.2 Property, plant and equipment

This item includes net right-of-use assets arising from the recognition of leases amounting to EUR 50,030 thousand as at 30 June 2022 (31 December 2021: EUR 39,150 thousand).

3.2.- Concession infrastructure

The breakdown by company of the carrying amount of "Concession infrastructure" as at 30 June 2022 and 31 December 2021 is as follows:

	EUR thousand	
	30/06/2022	31/12/2021
Intangible asset model		
Marina Urola, S.A.	591	643
Other	35	35
Total intangible assets	626	678
Financial asset model		
Sociedad Concesionaria Hospitales Red Biobio, S.A.	1,727	-
Total financial assets	1,727	-
Total	2,353	678

The following table sets out the Group's investment commitments and the remaining term of its concessions as at 30 June 2022:

Concession holder	Description of concession	Country	% stake	Committed investment (EUR thousand)	Remaining term (years)
Fully consolidated infrastructure projects					
Marina Urola, S.A.	Marina	Spain	51.00	-	5
Sociedad Concesionaria Centro de Justicia de Santiago, S.A	Law courts	Chile	100.00	-	3
Sociedad Concesionaria Hospitales Red Biobio, S.A.	Hospitals	Chile	100.00	385,248	19
Infrastructure projects accounted for using the equity method					
Concesionaria Ruta Bogotá Norte S.A.S.	Motorways	Colombia	50.00	332,886	29
Parking Niño Jesús-Retiro, S.A.	Car parks	Spain	30.00	36,509	39

Under the terms of the concession arrangements, the concession operators are required to make total investments of EUR 538,657 thousand within five years.

The amount and timing of the investments were determined based on the best estimates available. Therefore, both the amount and the period of time over which they will be made are subject to change.

Financing for the investments is through loans granted to the concession operators, equity contributions and cash flows from the projects.

3.3.- Goodwill

Set out below is the reconciliation of the carrying amount of goodwill at 30 June 2022 and 31 December 2021:

Companies giving rise to goodwill	EUR thousand	
	30/06/2022	31/12/2021
Agrupación Guinovart Obras y Servicios Hispania, S.A.	2,492	2,492
Construcciones Adolfo Sobrino S.A.	3,408	3,408
EyM Instalaciones, S.A.	99	99
Inizia Networks, S.L.	358	358
Pacadar, S.A.U. and subsidiaries	30,242	30,242
OHL Servicios-Ingesan, S.A.U.	399	399
Total	36,998	36,998

The Group tests goodwill for impairment annually provided no circumstances arise before that indicate that the asset's recoverable amount is below its carrying amount.

At 30 June 2022, no significant deviations from forecasts for estimated cash flows were uncovered or in the rest of the assumptions used in the model at 31 December 2021.

Therefore, the Group considers that there is no impairment.

3.4.- Financial assets

Investment securities

Investment securities as at 30 June 2022 and 31 December 2021:

	EUR thousand			
	30/06/2022		31/12/2021	
	Non-current	Current	Non-current	Current
Held-to-maturity securities	1,052	50,431	1,168	50,986
Available-for-sale securities	60,172	3	60,172	3
Subtotal	61,224	50,434	61,340	50,989
Provisions	(16,072)	-	(15,921)	-
Total	45,152	50,434	45,419	50,989

The main item of non-current investment securities is the stake in concession operator Cercanías Móstoles Navalcarnero, S.A., in liquidation, for a net amount of EUR 44,194 thousand. There is also a receivable in "Other loans" for EUR 6,503 thousand.

The amounts of investment securities classified as current relate primarily to debt securities of the Group's US subsidiaries, of which EUR 47,217 thousand are earmarked as performance bonds for certain projects being executed (31 December 2021: EUR 50,830 thousand).

"Provisions" includes the estimated impairment losses required to write down the carrying amount of the investment securities to their fair value.

Other receivables and deposits and guarantees given

The breakdown by item is as follow:

	EUR thousand			
	30/06/2022		31/12/2021	
	Non-current	Current	Non-current	Current
Other loans	110,189	15,197	142,039	150,532
Deposits and guarantees given	16,552	170,744	9,569	146,622
Impairment losses	(39,921)	(13,362)	(51,975)	(13,362)
Total, net	86,820	172,579	99,633	283,792

Impairment losses are recognised where there is risk of collection of loans granted to other companies.

As at 30 June 2022, "Other loans" and "Deposits and guarantees given" included mainly:

- 1) A profit participating loan of EUR 18,587 thousand to Aeropistas, S.L. and Autopista Eje Aeropuerto Concesionaria Española, S.A., the entire amount of which had been provisioned (see Note 4.4.2.2).
- 2) Loans granted to associates for EUR 53,686 thousand, primarily the subordinated debt of the Canalejas Project.
- 3) A loan granted to Grupo Villar Mir (GVM) by the Parent, net of impairment, of EUR 2,068 thousand.

The terms of the dation in payment and debt recognition agreement entered into between the Parent, GVM and Inmobiliaria Espacio on 27 December 2020 and novated in January 2021 included the recognition by GVM of a debt with OHL of EUR 45,850 thousand divided into different tranches and subject to collateral. Based on this agreement, the Group estimated the recoverable amount of the debt recognised taking into account the fair value of the collateral. As a result, it recognised an impairment loss in 2020.

In April 2022, an amount of EUR 12,055 thousand was collected of the total debt, which had been provisioned in full (see Note 3.18).

- 4) Lastly, "Current financial assets - Deposits and guarantees given" includes pledged bank accounts for EUR 165,908 thousand.

The main ones are a EUR 140,000 thousand deposit securing a guarantee facility of EUR 313,764 thousand included in the Multiproduct Syndicated Facilities Agreement. This agreement, initially arranged in December 2016, has been novated several times, the last of which was on 27 June. The facility currently matures on 30 September 2022, provided that certain contractual terms and conditions are met.

The most significant movement in the six months ended 30 June 2022 was in "Other loans" due primarily to the amount received from Cercanías Móstoles Navalcarnero, S.A. (CEMONASA) in January as a result of the agreements and ensuing payments made by the Madrid regional government to the concession operator in December 2021.

3.5.- Joint arrangements

3.5.1 Investments accounted for using the equity method

The following table shows investments accounted for using the equity method as at 30 June 2022 and 31 December 2021:

Companies	EUR thousand	
	30/06/2022	31/12/2021
Joint ventures		
Constructora Vespucio Oriente, S.A.	4,388	3,624
Nova Dársena Esportiva de Bara, S.A.	8,132	8,330
NCC - OHL Lund-Arlöv, fyra spar Handelsbolag	5,930	3,870
Rhatigan OHL Limited	841	1,266
Other	1,120	630
Associates		
Alse Park, S.L.	2,368	2,301
Proyecto Canalejas Group, S.L.	127,596	146,137
Other	2,003	1,063
Total	152,378	167,221

The most significant asset is:

Canalejas (Proyecto Canalejas Group S.L.)

The Group held an ownership interest of 50.0% in this project at 30 June 2022, with a carrying amount of EUR 127,596 thousand. It also held a receivable for the subordinated debt of EUR 53,087 thousand recognised as a non-financial asset under other loans.

In the six months ended 30 June 2022, it recognised a write-down to the value of the investment of EUR 34,485 thousand based on an estimate of cash flows expected to be received in accordance with the project's economic model considering the agreements entered into with the other shareholder.

The model's assumptions were updated taking into account the Covid-19 impact due to mobility restrictions, mostly in Asia; the new macroeconomic scenario of high inflation rates; hikes in interest rates; and the negative trend of the dire Russia-Ukraine war and its impact on commodity price inflation and, more importantly, energy price inflation.

In determining the value in use of the Group's interest in the Canalejas Project, a discounted cash flow model was used for the various uses of the asset (mainly hotel and shopping centre), with the complex now set to reach the growth and stabilisation stage in 2025, a year later than originally estimated, and then obtaining a residual value based on the capitalisation of rents.

Nevertheless, these circumstances have not kept the hotel from being a benchmark in the luxury segment in Madrid, with occupancy and ADRs (Average Daily Rate) at levels of other luxury hotels operated by Four Seasons elsewhere in European capital cities. As for the shopping centre, where the commercial area was partially opened in early June 2022 with some of the leading international luxury brands starting up (e.g. Zegna, Rolex, Valentino, Saint Laurent), not to mention Hermès and Cartier, which had already opened their doors in 2020 and 2021, respectively, there were delays in the marketing and opening of some premises. Occupancy of gross leasable area (GLA) is expected to reach maximum levels in the first half of 2023, considering structural vacancies, with rents measured by EUR/m²/month in line with prime areas in Madrid where the asset is located. Nominal cash flows were discounted at a rate of 7%, in line with the levels required by equity and debt creditors.

The higher investments and costs incurred, coupled with the project's lower profitability arising mostly from the delay in the opening of the shopping centre, made it necessary to recognise this write-down.

3.5.2 Joint operations

The Group undertakes certain of its business activities through participation in contracts executed jointly with other non-Group venturers, mainly through temporary business associations ("UTEs") and other similar entities, which are accounted for in the Group's interim condensed consolidated financial statements using proportionate consolidation.

No joint operation individually is material with respect to the Group's assets, liabilities and profit or loss.

3.6.- Non-current assets/liabilities held for sale

In accordance with IFRS 5, at 31 December 2021, the Group reclassified, to non-current assets and liabilities held for sale, assets and liabilities related to concession operator Centre Hospitalier de l'Université de Montréal (CHUM) after signing an agreement with BBGI Group for the sale of the 25% stake held by OHLA Group in the concession operator, along with a subordinated loan. The reclassification was made at the carrying amounts, since they were below fair value less estimated costs to sell.

As at the reporting date, the transaction had yet to secure the pertinent authorisations and comply with standard terms for this type of transaction. The Group estimates that the disposal could materialise during the course of the year.

Composition of assets and liabilities classified as held for sale by nature as at 30 June 2022:

EUR thousand	
Assets held for sale	30/06/2022
Other non-current receivables	31,706
Investments accounted for using the equity method	1,270
Other receivables	1
Other current assets	1
Non-current assets held for sale	32,978
Liabilities held for sale	30/06/2022
Trade and other payables	4
Other current liabilities	1
Liabilities associated with non-current assets held for sale	5

3.7.- Trade and other receivables

Trade receivables

The reconciliation of the carrying amount of this item as at 30 June 2022 and 31 December 2021 is as follows:

	EUR thousand	
	30/06/2022	31/12/2021
Trade receivables		
Amounts to be billed for work or services performed	572,975	418,876
Progress billings receivable	510,594	483,542
Retentions	129,635	124,160
Subtotal	1,213,204	1,026,578
Amounts billed in advance for construction work	(224,027)	(185,851)
Advances from customers	(258,226)	(238,674)
Total net of advances	730,951	602,053
Provisions	(103,118)	(103,348)
Total, net	627,833	498,705

At 30 June 2022, the balance of trade receivables was reduced by EUR 50,147 thousand (31 December 2021: EUR 53,508 thousand) as a result of trade receivables factored to banks. Since these factoring arrangements are without recourse in the event of non-payment, they are treated as a reduction of trade receivables.

"Amounts to be billed for work or services performed" at 30 June 2022 stood at EUR 572,975 thousand (31 December 2021: EUR 418,876 thousand).

Of the total, 96.8% related to balances of construction and industrial projects (31 December 2021: 97.1 %) and the remainder to services.

Most of the balance of work to be billed related to revenue from the main contracts and modifications of those contracts approved by the customer, in line with the Group's revenue recognition policy in accordance with IFRS 15. It does not include disputed claims. Balances related to modifications yet to be approved or other changes ordered supported contractually and with a high probability of approval are irrelevant and related to a large number of contracts of smaller amounts. If these modifications were not ultimately approved, the revenue recognised would be reversed, as provided for in the standard.

Also included in the balance are the differences between amounts of work executed and progress billings, which are normal differences arising during the approval by customers of work performed.

Of the balance of "Progress billings receivable" and "Trade notes receivable" as at 30 June 2022, which totalled EUR 510,594 thousand, 64.39% or EUR 328,781 thousand related to the public sector and 35.61% or EUR 181,813 thousand to the private sector.

Other receivables

The reconciliation of the carrying amount of this item as at 30 June 2022 and 31 December 2021 is as follows:

	EUR thousand					
	30/06/2022			31/12/2021		
	Gross balance	Impairment losses	Net balance	Gross balance	Impairment losses	Net balance
Receivable from associates	130,484	(2,967)	127,517	112,219	(3,039)	109,180
Employee receivables	1,548	-	1,548	1,160	-	1,160
Tax receivables	96,589	-	96,589	85,743	-	85,743
Other receivables	86,914	(6,247)	80,667	78,001	(6,872)	71,129
Total	315,535	(9,214)	306,321	277,123	(9,911)	267,212

Balances receivable from associates relate mainly to transactions carried out in the ordinary course of the Group's business, which are conducted at arm's length.

The net balance of other receivables as at 30 June 2022 and 31 December 2021 relates to the rendering of services and the lease of machinery and materials.

3.8.- Cash and cash equivalents

"Cash and cash equivalents" includes the Group's fully liquid assets, comprising cash on hand and at banks, and short-term deposits with an original maturity of three months or less. Use of these balances is unrestricted and they are not subject to risk of changes in value. The balances relate mostly to short-term deposits.

The balance of this item as at 30 June 2022 was EUR 396,989 thousand, of which EUR 162,164 thousand related to the UTEs in which the Group held interests. There is also EUR 4,551 thousand of restricted cash related to other guarantees.

3.9.- Share capital

Under the scope of the Restructuring carried out by the Group in 2021, the Parent reduced capital and subsequently carried out cash capital increases, which helped to strengthen the Group's capital structure.

After those transactions, the share capital of Obrascón Huarte Lain, S.A. amounted to EUR 147,781,146, divided into 591,124,583 shares of EUR 0.25 par value each, all of the same class and series.

The following table shows companies with a direct or indirect ownership interest of 3% or more in the share capital of Obrascón Huarte Lain, S.A. as at 30 June 2022:

Company	% ownership interest
Concerted action (Luis Fernando Martin Amodio and Julio Mauricio Martin Amodio)	25.97
Simon Davies	15.51
Inmobiliaria Espacio, S.A.	7.10
Melgart	2.95

3.10.- Share premium

As at 30 June 2022 and 31 December 2021, the Parent's share premium account had a balance of EUR 1,328,128 thousand.

The Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*) expressly permits the use of the share premium account balance to increase capital of the companies at which it is recognised and establishes no specific restrictions as to its use.

3.11.- Treasury shares

Changes in six months ended 30 June 2022 and full year 2021 were as follows:

	No. of shares	EUR thousand
Balance at 31 December 2020	600,867	406
Purchases	11,906,100	8,327
Sales	(11,965,671)	(8,229)
Balance at 31 December 2021	541,296	504
Purchases	13,646,991	11,766
Sales	(13,532,649)	(11,850)
Balance at 30 June 2022	655,638	420

3.12.- Reserves

Breakdown of the balances of this balance sheet item as at 30 June 2022 and 31 December 2021:

	EUR thousand	
	30/06/2022	31/12/2021
Restricted reserves of the parent		
Legal reserve	29,556	29,556
Capital redemption reserve	11,182	11,182
Subtotal	40,738	40,738
Voluntary and consolidation reserves		
Attributable to the parent	(674,289)	(706,378)
Attributable to consolidated companies	(185,212)	(161,575)
Subtotal	(859,501)	(867,953)
Total	(818,763)	(827,215)

The change in the Parent's voluntary reserves in the first half of 2022 was due mainly to:

- Distribution of 2021 profit of EUR 23,690 thousand.
- Increase of EUR 16,299 thousand from the Parent's contribution to OHL Operaciones, S.A. of shares of OHL Servicios-Ingesan, S.A.U. in the Hive Down the Group has undertaken to carry out with noteholders.

In 2021, the Company allocated EUR 100,292 thousand to a restricted reserve due to the capital reduction carry out pursuant to article 335 (c) of the Corporate Enterprises Act.

The legal reserve was fully allocated at year-end 2021.

3.13.- Valuation adjustments

Cash flow hedge reserves

This item includes changes to the value of derivative financial instruments net of the related tax effect. As at 30 June 2022 and 31 December 2021, the Group did not have any contract eligible for hedge accounting.

Translation differences

Translation differences by country as at 30 June 2022 and 31 December 2021:

Country	EUR thousand	
	30/06/2022	31/12/2021
Saudi Arabia	1,638	3,538
Canada	(3,757)	(3,855)
Colombia	2,300	4,414
Mexico	(29,495)	(37,666)
Chile	(15,657)	(16,044)
Peru	77	(397)
UK	(21)	(16)
Czech Republic	5,622	4,887
US	43,316	15,821
Other countries	(362)	(541)
Total	3,661	(29,859)

The net gain of EUR 33,520 thousand compared to 2021 was due primarily to the US dollar's and Mexican peso's recovery against the euro in the first half of 2022.

3.14.- Bank borrowings, and issues of notes and other marketable securities

The balances of bank borrowings and issues of notes and other marketable securities on the statement of financial position as at 30 June 2022 and 31 December 2021 are as follows:

	EUR thousand	
	30/06/2022	31/12/2021
Non-current liabilities		
Issue of corporate notes	416,483	444,642
Bank borrowings	4,523	43,355
Current liabilities		
Issue of corporate notes	8,686	9,458
Bank borrowings	10,792	26,054
Total	440,484	523,509

In the six months ended 30 June 2022 the Group reduced loans and borrowings by EUR 83,025 thousand, using payments received from concession operator Cercanías Móstoles Navalcarnero in January 2022 in settlement from the Madrid regional government in December 2021 as payment for investments made in major projects.

Use of these funds, disclosed to the market on 4 February 2022, was to comply with the terms agreed with financial creditors in the framework of the financial restructuring. They went mainly to:

- **Full repayment of the ICO-backed loan, of principal amounting to EUR 54,502 thousand** plus interest as at the date of cancellation of EUR 258 thousand.
- **Partial redemption of the notes issue, for EUR 43,204 thousand of principal** and EUR 1,378 thousand of accrued interest payable.

3.14.1 Issue of notes and other marketable securities

Under the scope of the Restructuring completed on 28 June 2021, the Group cancelled the outstanding 2022 and 2023 Notes through a combination of: (i) write-off; (ii) debt-equity swap of the principal of the Notes; and (iii) issuance of new notes. This issue of secured notes was carried out through Spanish subsidiary OHL Operaciones, S.A.U. for a nominal amount of EUR 487,267 thousand. The notes were accounted for at their fair value in application of IFRS 9 and IFRIC 19.

The **characteristics of the Notes** are as follows:

Issuer	Issue date	Coupon	PIK	Maturity of nominal amount		Guarantees
				2025	2026	
OHL Operaciones, S.A.U.	June 21	5.10 %	1.50 %	222,100	222,100	Personal guarantees and security interests

EUR thousand

(*) As of 15 September 2023, the PIK will increase to 4.65%

The nominal interest at a rate of 5.1% per annum is payable every six months, on 15 March and 15 September each year. Therefore, on 15 March 2022, **payment of the coupon for EUR 11,363** thousand was made for accrued interest as at that date.

At each interest payment date, PIK (payment-in-kind) interest is capitalised and added to the total outstanding principal. The actual cash outflow in this connection will occur on 31 March 2025 and 31 March 2026.

The Notes are guaranteed on an unsubordinated basis by the Parent, OHL Holding, S.à.r.l., OHL Iniciativas, S.à.r.l. and by the Guarantors (the "Personal Guarantees").

There are also pledges over shares of certain Group companies and the Parent's or any of its group companies' receivables.

The Guarantees are divided up among the noteholders and other of the Parent's financial creditors, especially the guarantee facilities.

The notes are subject to certain covenants related to limitations on borrowings by Group companies, on payments such as dividend payments, and on asset disposals, to regular reporting to noteholders and to compliance with financial ratios at the end of each reporting period, calculated based on the consolidated financial statements.

The notes are registered with and listed on the Vienna Stock Exchange.

On 8 March 2022, ratings agency Moody's upgraded OHLA's corporate family rating (CFR) to B3, outlook positive.

Breakdown of the **carrying amount of the Notes**.

	EUR thousand		
	Non-current	Current	Total
2025-2026 Notes			
Nominal	487,267	-	487,267
Tender offer, nominal amount March 2022	(43,067)	-	(43,067)
Fair value adjustment	(32,472)	-	(32,472)
Accrued coupon	-	6,712	6,712
PIK interest	4,755	1,974	6,729
Balance at 30 June 2022	416,483	8,686	425,169

Following the partial redemption of the notes carried out by the Group in March 2022 for a nominal amount of EUR 43,067 thousand, the new outstanding nominal amount was EUR 444,200 thousand. The fair value recognised was also adjusted in proportion to the cancellation.

The contractual maturities of the notes on a cash outflow basis are: EUR 11,542 euros in 2022; EUR 23,156 thousand in 2023; EUR 23,754 thousand in 2024; EUR 265,496 thousand in 2025 and EUR 264,997 thousand in 2026.

3.14.2 Bank borrowings

The maturity schedule of bank borrowings as at 30 June 2022 is as follows:

	EUR thousand						Total
	from 30/06/2022 to 30/06/2023	from 01/07/2023 to 31/12/2023	2024	2025	2026	Other	
Progress billing and note discounting facilities	224	-	-	-	-	-	224
Mortgage loans	30	39	15	3	-	-	87
Loans and credit facilities	10,538	356	590	560	560	2,400	15,004
Total	10,792	395	605	563	560	2,400	15,315

- Progress billing and note discounting facilities

	EUR thousand	
	30/06/2022	31/12/2021
Limit	224	572
Amount drawn down	224	572
Undrawn balance	-	-

- Mortgage loans

As at 30 June 2022, certain items of property, plant and equipment amounting to EUR 302 thousand (31 December 2021: EUR 305 thousand) had been mortgaged as security for loans of EUR 46 thousand (31 December 2021: EUR 60 thousand).

As at 30 June 2022, certain investment properties amounting to EUR 160 thousand (31 December 2021: EUR 162 thousand) had been mortgaged as security for loans of EUR 41 thousand (31 December 2021: EUR 48 thousand).

- Financing in the United States

On 28 June 2022, Judlau Contracting Inc signed a credit line for up to USD 90,000 thousand (EUR 86,622 thousand), with a sub-limit of USD 45,000 thousand for guarantees (EUR 43,311 thousand).

As at 30 June 2022, no amounts had been drawn down on this credit line, but USD 42,677 thousand (EUR 41,075 thousand) had on guarantees.

This facility has additional personal guarantees of OHLA USA, Inc. and associates of Judlau Contracting, Inc.

The credit line matures on 28 June 2025.

Interest applicable on amounts drawn down is floating and at 30 June 2022 was 3.69% (SOFR + 1.75 spread).

- Limits on loans and credit facilities

	EUR thousand	
	30/06/2022	31/12/2021
Limit	66,901	96,731
Amount drawn down	15,004	69,680
Undrawn balance	51,897	27,051

The average interest rate on the amounts drawn down on the credit facilities in the first six months of 2022 was 5.10% (2021: 4.73%).

3.15.- Other financial liabilities

Breakdown of other financial liabilities as at 30 June 2022 and 31 December 2021:

	EUR thousand	
	30/06/2022	31/12/2021
Lease liabilities, non-current	43,694	24,937
Lease liabilities, current	16,519	15,943
Total	60,213	40,880

3.16.- Other liabilities

The breakdown of this consolidated balance sheet item as at 30 June 2022 and 31 December 2021 is as follows:

	EUR thousand			
	30/06/2022		31/12/2021	
	Non-current	Current	Non-current	Current
Payable to associates	-	81,085	-	82,252
Salaries payable	-	46,677	-	34,504
Tax payables	-	64,578	-	63,906
Other non-trade payables	23,306	56,334	21,398	32,340
Guarantees and deposits received	1,965	1,225	1,966	1,429
Other	-	165	-	212
Total	25,271	250,064	23,364	214,643

3.17.- Tax matters

Consolidated tax group

The Group files consolidated tax returns in both Spain and the US for all the companies that meet the related requirements. All other Group companies file individual tax returns.

Accounting for taxes

The income tax expense of the consolidated Group is calculated by aggregating the income tax expense of the consolidated tax groups and of the companies that file individual income tax returns.

The tax bases are calculated on the basis of the profit or loss for the period adjusted by temporary differences, permanent differences and prior periods' tax losses.

The tax effect of temporary differences between transactions recognised in the accounting records and reported in the income tax return using different criteria gives rise to deferred tax assets and liabilities that will be recoverable or payable in the future.

Recognised tax losses also give rise to deferred tax assets that do not reduce the expense for subsequent periods.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax assets are only recognised when there are no doubts that sufficient taxable profit will be available against which the temporary differences can be utilised.

When the closing is performed for tax purposes each period, the deferred tax balances are reviewed in order to ascertain whether they still exist and the appropriate adjustments are made so as to adapt the balances to the new situation.

Income tax expense

Estimates of the main line items affecting the amount of income tax expense are as follows:

	30/06/2022	30/06/2021
Consolidated profit/(loss) before tax	(46,902)	91,269
Share of profit/(loss) of companies accounted for using the equity method	6,090	(2,908)
Subtotal	(40,812)	88,361
Tax charge at 25%	10,203	(22,090)
Net impact of other permanent differences, tax credits, domestic tax rate differential and adjustments	(23,395)	6,548
(Income tax expense)/ income	(13,192)	(15,542)

The tax rate was calculated by eliminating the share of profit or loss of companies accounted for using the equity method and considering that the Group does not recognise tax credits unless it is certain they will be recovered.

Years open for review by the taxation authorities

In accordance with prevailing tax returns cannot be considered final until they have been inspected by the taxation authorities or until the statute of limitations has elapsed.

In July 2020, the taxation authorities notified the Parent of the commencement of a tax audit of the following taxes and periods:

Income tax	2014-2017
Value added tax	07/2016-12/2019
Personal income tax withholdings/payments on account	07/2016-12/2019
Investment income tax withholdings/payments on account	07/2016-12/2019
Non-resident income tax withholdings	07/2016-12/2019

On 27 July 2022, the inspection of value added tax (VAT) and personal income tax withholdings/payments on account was completed, for a total amount of EUR 4,351 thousand, recognised in the statement of profit and loss for the six months ended 30 June 2022.

The audit of corporate income tax is still ongoing, but expected to conclude soon.

At 30 June 2022, the companies comprising the consolidated Group were subject to review by the taxation authorities for the tax periods that were not beyond the statute of limitations for all taxes applicable pursuant to the legislation in force in the various jurisdictions in which they operate.

The Parent's directors consider that the tax returns for all the taxes have been filed correctly and, therefore, even in the event of discrepancies in the interpretation of current tax legislation in relation to the tax treatment afforded to certain transactions or of potential tax audits of the years open for review, any contingent tax liabilities that may arise would not have a material effect on the accompanying interim condensed consolidated financial statements for the six months at 30 June 2022.

3.18.- Revenue and expenses

Revenue

Revenue for the Group in the six months ended 30 June 2022 amounted to EUR 1,452,409 thousand (2021: EUR 1,312,327 thousand), an increase of 10.7%, broken down by business activity as follows:

Business activity	EUR thousand		% change
	30/06/2022	30/06/2021	
Construction	1,207,881	1,036,809	16.5 %
Industrial	44,520	92,479	-51.9 %
Services	189,359	173,243	9.3 %
Other	10,649	9,796	8.7 %
Total revenue	1,452,409	1,312,327	10.7 %

The breakdown of revenue by geographical market in the first six months of 2022 and 2021 is as follows:

Geographical area	EUR thousand	
	30/06/2022	30/06/2021
US and Canada	519,574	478,644
Mexico	7,957	10,926
Chile	109,441	161,695
Peru	96,370	20,531
Colombia	20,558	25,996
Spain	426,961	398,833
Central and Eastern Europe	184,133	168,421
Other countries	87,415	47,281
Total revenue	1,452,409	1,312,327

Other operating income

Other operating income in the six months ended 30 June 2022 amounted to EUR 57,384 thousand (30 June 2021: EUR 33,392 thousand).

Cost of sales

Cost of sales amounted to EUR 759,312 thousand in the first six months of 2022 (30 June 2021: EUR 706,034 thousand).

Staff costs

Staff costs in the six months ended 30 June 2022 totalled EUR 428,919 thousand (30 June 2021: EUR 391,182 thousand).

In December 2021, the Parent approved a **remuneration scheme** for certain managers whereby it is required to pay remuneration on their departure from the company.

To cover the obligation, the Parent took out a group life insurance policy, under which it maintains the risks subject to changes in actuarial assumptions and passes them on to the insurance company through the annual premium.

The amount accrued through 30 June 2022 for the obligations assumed by the Group with certain managers was EUR 648 thousand. In this connection, the Group recognises a non-current provision for employee benefits expense in the consolidated statement of financial position.

Other operating expenses

The detail of this consolidated statement of profit or loss line item is as follows:

	EUR thousand	
	30/06/2022	30/06/2021
External services	(137,370)	(103,056)
Taxes other than income tax	(8,384)	(3,330)
Other operating expenses	(135,082)	(111,695)
Total	(280,836)	(218,081)

Finance income

The detail of this consolidated statement of profit or loss line item is as follows:

	EUR thousand	
	30/06/2022	30/06/2021
Interest income from other companies	5,339	6,741
Income from equity investments	-	1,389
Restructuring income	-	99,481
Total	5,339	107,611

Restructuring income for the six months ended 30 June 2021 related to the difference between the nominal value of the original notes and the fair value of the new notes and shares recognised after the restructuring.

Finance costs

The detail of this consolidated statement of profit or loss line item is as follows:

	EUR thousand	
	30/06/2022	30/06/2021
On the financing of current transactions	(35,412)	(27,867)
On finance leases and deferred purchases of non-current assets	(1,422)	(907)
On the discounting of provisions	20	54
Restructuring fees	-	(24,106)
Total	(36,814)	(52,826)

The main item as at 30 June 2022 related to interest on the notes, for EUR 27,015 thousand.

Exchange differences (gains and losses)

Exchange losses in the six months ended 30 June 2022 amounted to EUR 13,166 thousand (30 June 2021: EUR 9,060 thousand), affected mostly by the trend in the Mexican peso and the Kuwaiti dinar.

Net gain/(loss) on remeasurement of financial instruments at fair value

The remeasurement of financial instruments generated a net loss at 30 June 2022 of EUR 54 thousand (30 June 2021: EUR 6,976 thousand).

Share of profit/(loss) of companies accounted for using the equity method

The Group's share of losses in the six months ended 30 June 2022 amounted to EUR 6,090 thousand (30 June 2021: EUR 2,908 thousand of profit) (see Note 3.5.1).

Impairment and gains/(losses) on disposal of financial instruments

In the first six months of 2022, this income statement item amounted to a negative EUR 23,211 thousand, and included primarily:

- a gain of EUR 12,055 thousand for the partial collection of a receivable from GVM, the full amount of which had been provisioned at 31 December 2021 (see Note 3.4).
- a write-down to the value of the investment in the Canalejas Project for EUR 34,485 thousand (see Note 3.5.1).

In the six months ended 30 June 2021, the amount was a positive EUR 46,689 thousand and included primarily the gain on the sale of Nuevo Hospital de Toledo, S.A. for EUR 46,861 thousand.

3.19.- Consolidated statement of cash flows

The interim condensed consolidated statement of cash flows was prepared in accordance with IAS 7 and is unaffected by fluctuations in exchange rates vis-à-vis the euro of the currencies in which the Group operates.

The requisite classifications were made to properly reflect the changes due to inclusions in and exclusions from the scope of consolidation.

Highlights for each of the main sections of the interim condensed consolidated statement of cash flows are as follows:

Operating activities

“Other adjustments”:

	EUR thousand	
	30/06/2022	30/06/2021
Change in provisions	(25,743)	(7,726)
Financial profit/(loss)	67,906	(85,438)
Share of profit/(loss) of companies accounted for using the equity method	6,090	(2,908)
Total	48,253	(96,072)

Net cash flows used in operating activities in the six months ended 30 June 2022 amounted to EUR 67,240 thousand, compared to EUR 105,534 thousand in the same period the year before.

Investing activities

Net cash flows from investing activities in the six months ended 30 June 2022 amounted to EUR 96,892 thousand.

Payments for investments amounted to EUR 69,122 thousand.

Proceeds from the sale of investments totalled EUR 160,675 thousand and included primarily the proceeds obtained from CEMONASA.

Financing activities

Net cash flows used in financing activities in the six months ended 30 June 2022 amounted to EUR 154,181 thousand and included mainly the impact of the cancellation of loans and borrowings (see Note 3.14) and payment of interest on the Notes.

Considering these cash inflows and outflows and net foreign exchange differences, cash and cash equivalents at 30 June 2022 amounted to EUR 396,989 thousand.

4.- OTHER DISCLOSURES

4.1.- Segment information

An operating segment is defined in the standards as a segment that has a segment manager who is directly accountable to and maintains regular contact with the chief operating decision maker to discuss operating activities, financial results, forecasts, or plans for the segment. The standard also states that if those characteristics apply to more than one set of components of an organisation but there is only one set for which segment managers are held responsible, that set of components constitutes the operating segments.

The Group considers that segmentation based on the various business areas in which it operates best represents it, as follows:

- Construction
- Industrial
- Services
- Other (other minor businesses, corporate and consolidation adjustments)

Other minor businesses include mostly financial investments held by the Group in the Canalejas Project, financial assets of Cercanías Móstoles Navalcarnero and Eje Aeropuerto, which are in the process of being liquidated, and activity of other concession businesses that are being liquidated.

Set out below is the reconciliation of segment revenue to consolidated revenue for the six months ended 30 June 2022 and 2021:

Segment	EUR thousand					
	30/06/2022			30/06/2021		
	Revenue from external customers	Inter-segment revenue	Total revenue	Revenue from external customers	Inter-segment revenue	Total revenue
Construction	1,207,881	3,989	1,211,870	1,036,809	4,950	1,041,759
Industrial	44,520	1,620	46,140	92,479	2,142	94,621
Services	189,359	16	189,375	173,243	593	173,836
Other	10,649	2,639	13,288	9,796	3,121	12,917
Adjustments to and eliminations of inter-segment revenue	-	(8,264)	(8,264)	-	(10,806)	(10,806)
Total	1,452,409	-	1,452,409	1,312,327	-	1,312,327

Set out below is the reconciliation of segment profit/(loss) to profit/(loss) before tax for the six months ended 30 June 2022 and 2021:

Segment	EUR thousand	
	30/06/2022	30/06/2021
Construction	31,248	8,480
Industrial	5,213	6,159
Services	1,574	2,182
Other	(98,129)	58,906
Profit/(loss) for the period	(60,094)	75,727
Income tax expense	(13,192)	(15,542)
Profit/(loss) before tax	(46,902)	91,269

The following table provides basic segment assets and liabilities as at 30 June 2022 and 31 December 2021:

	EUR thousand				
	30/06/2022				
	Construction	Industrial	Services	Other	Total Group
Current assets	1,807,403	148,327	98,994	214,561	2,269,285
Current liabilities	1,706,346	255,097	92,007	(180,390)	1,873,060
Non-current assets	469,207	17,161	18,552	336,132	841,052
Non-current liabilities	140,611	39,853	6,774	454,165	641,403

	EUR thousand				
	31/12/2021				
	Construction	Industrial	Services	Other	Total Group
Current assets	1,572,936	148,863	109,591	388,036	2,219,426
Current liabilities	1,519,006	258,928	102,552	(114,303)	1,766,183
Non-current assets	451,260	16,002	14,674	361,013	842,949
Non-current liabilities	132,981	36,185	4,081	502,596	675,843

4.2.- Number of employees

The average number of employees in the first six months of 2022 and 2021 by professional category is as follows:

Professional category	Average number of employees	
	30/06/2022	30/06/2021
Senior managers/executives	88	84
Middle managers	987	1,253
Other line personnel	3,039	2,630
Clerical staff	578	563
Other employees	18,173	17,008
Total	22,865	21,538
Permanent employees	16,469	15,506
Temporary employees	6,396	6,032
Total	22,865	21,538
Men	10,559	10,505
Women	12,306	11,033
Total	22,865	21,538

4.3.- Related party transactions

Relationships are considered to exist in transactions carried out with agents outside the Group, but with which there is a strong relationship according to the definitions and criteria of the Spanish Ministry of Economy and Finance order EHA/3050/2004, of 15 September, and the Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores) Circular 1/2005, of 1 April.

The following table sets out related party transactions carried out in the first six months of 2022 and 2021:

	EUR thousand			
	30/06/2022	% of total	30/06/2021	% of total
Revenue and expenses				
Revenue	39	0.00 %	13,171	1.00 %
Other operating income	19	0.03 %	22	0.07 %
Other operating expenses	1,052	0.37 %	1,842	0.85 %
Other transactions				
Repayment or cancellation of loans granted	12,055	-	55,369	-
Cancellation of guarantees	314	-	-	-
Other transactions	102	-	201	-

The breakdown of related party transactions in the first six months of 2022 is as follows:

Taxpayer identification number (CIF)	Related party	Item	Group company	EUR thousand
B-82607839	Promociones y Propiedades Inmobiliarias Espacio, S.L.U.	Revenue	Avalora Tecnologías de la Información, S.A.	21
B-83962225	Espacio Living Homes, S.L.	Revenue	Obrascon Huarte Lain, S.A.	18
A-80400351	Espacio Information Technology, S.A.U.	Other operating income	OHL Servicios-Ingesan, S.A.U.	5
B-85253888	Villar Mir Energía, S.L.U.	Other operating income	OHL Servicios-Ingesan, S.A.U.	14
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Agrupación Guinovart Obras y Servicios Hispania, S.A.	1
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Asfaltos y Construcciones Elsan, S.A.	5
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Chemtrol Proyectos y Sistemas, S.L.	14
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Construcciones Adolfo Sobrino, S.A.	4
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Pacadar, S.A.U.	297
A-80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Avalora Tecnologías de la Información, S.A.	106
A-80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Pacadar, S.A.U.	38
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	19
A-80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	557
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	OHL Servicios-Ingesan, S.A.U.	11
Other transactions				
A-80400351	Espacio Information Technology, S.A.U.	Acquisitions of intangible assets	Obrascon Huarte Lain, S.A.	102
A-82500257	Grupo Villar Mir, S.A.U.	Repayment or cancellation of loans granted	Obrascon Huarte Lain, S.A.	12,055
B-83962225	Espacio Living Homes, S.L.	Cancellation of guarantees	Obrascon Huarte Lain, S.A.	314

Related party balances as at 30 June 2022 and 31 December 2021 were as follows:

	EUR thousand			
	30/06/2022	% of total	31/12/2021	% of total
Non-current assets				
Other loans	22,777	20.7 %	34,831	24.5 %
Current assets				
Trade receivables	1,835	0.2 %	2,566	0.2 %
Other loans	11,150	73.4 %	11,150	7.4 %
Non-current liabilities				
Other non-current liabilities	-	-	-	-
Current liabilities				
Advances received from customers	112	0.0 %	541	1.2 %
Trade payables	24	0.0 %	525	0.1 %
Notes payable	-	0.0 %	40	0.1 %
Other non-trade payables	-	0.0 %	11	0.0 %

In addition, at 30 June 2022 the Group had provided guarantees to related parties amounting to EUR 332 thousand.

4.4.- Contingent assets and liabilities

4.4.1 Contingent assets

There were no material contingent assets as at 30 June 2022 and 2021.

4.4.2. Contingent liabilities and guarantees

4.4.2.1 Guarantees provided to third parties

“Contingent liabilities” are ordinary liabilities for fulfilment of construction contracts entered into by a Group company or by a temporary business association or joint venture (Spanish “UTE”) in which the Group holds an interest. Moreover, Spanish subsidiaries are secondarily liable for obligations of subcontractors owed to social security agencies for on-site personnel. The Group is not expected to incur any loss in this regard.

As at 30 June 2022, Group companies had provided guarantees to third parties amounting to EUR 3,646,716 thousand (31 December 2021: EUR 3,239,567 thousand), of which EUR 3,589,797 thousand (31 December 2021: EUR 3,192,041 thousand) related to performance bonds provided to government bodies and private customers to guarantee successful completion of construction work; the remainder related to provisional guarantees for construction tenders.

In view of the state of progress of the works secured by performance bonds, the Group believes there are no circumstances at present that would warrant recognising a provision.

The acquired commitments are execution of works or projects in accordance with the relevant contracts. If the Group were to breach a contract, the customer would be entitled to enforce the performance bond, subject to proof of the Group's breach.

The Group believes that it is correctly performing its core activity, i.e., duties owed to customers as to execution of works and projects under awarded contracts. The probability of contractual breach – and therefore of guarantee enforcement – is regarded as remote.

Joint and several personal financial guarantees

Some Group companies had provided joint and several personal guarantees to a range of entities – mainly banks – as security for credit facilities granted to associates. At 30 June 2022, these guarantees amounted to EUR 2,260 thousand (31 December 2021: EUR 2,399 thousand).

The Parent's directors do not expect these guarantees to give rise to additional liabilities affecting the interim condensed consolidated financial statements for the six months ended 30 June 2022.

Investment commitments

Under their concession contracts, concession operators must make specified investments (see Note 3.2).

Financing for the investments is primarily through non-recourse external financing granted to concession operators and, to a lesser extent, equity contributions and cash flows from the projects. As the amounts to be obtained via loans and the cash flows to be generated are estimates and not fixed amounts, there is no specific amount or timing of capital contributions to be made by subsidiaries so the Group can meet its obligations.

4.4.2.2 Litigation

At 30 June 2022, the Parent and its subsidiaries were involved in a range of disputes arising from the ordinary course of business.

In the Construction and Industrial divisions, the key disputes were:

- In 2014, the Group reported that the contract “**Design and Construction of the Sidra Medical Research Centre (Doha, Qatar)**” had given rise to a dispute between the Qatar Foundation for Education, Science and Community Development (QF) and the joint venture formed by the Parent and Contrack Cyprus Ltd (interests of 55% - 45%, respectively). On 30 July 2014, arbitration proceedings commenced before the International Chamber of Commerce.

The joint venture seeks an award ordering reimbursement of enforced guarantees (QAR 880 million, or EUR 230.8 million), payment for scope modifications that were executed but remain unpaid, as acknowledged in the partial award (QAR 182 million, or EUR 47.7 million), acknowledgement of and payment for scope modifications that were executed but remain unpaid, in respect of which an arbitration award is yet to be made (QAR 76 million, or EUR 19.9 million) and payment of the costs of extended presence at the construction site, as already acknowledged in the partial award (QAR 190 million, or EUR 49.8 million). For its part, QF seeks acknowledgement of termination costs in excess of the consideration still outstanding under the contract (QAR 2,600 million, or EUR 681.8 million), defect repair costs (QAR 124 million, or EUR 32.5 million), defect repair costs yet to be fully determined (QAR 106 million, or EUR 27.8 million), further costs relating to defect repairs (QAR 238 million, EUR 62.4 million) and liquidated damages for the delay caused by the joint venture (QAR 792 million, EUR 207.7 million).

The arbitration court is yet to decide on the merits of the claims and the value of any claim that may in the event be upheld. So far, the following items have been quantified: (i) the guarantee enforced against the joint venture (QAR 880 million, EUR 230.8 million), a fixed amount that in any case operates as a claim in favour of the joint venture; (ii) executed but still unpaid scope modifications, for which an arbitration award has already been rendered (QAR 182 million, EUR 47.7 million) - again, a fixed amount that operates as a claim in favour of the joint venture; and (iii) defect repair costs (QAR 124 million, EUR 32.5 million), a fixed amount that operates as a claim in favour of QF. No award ordering payment has yet been made. Any such award will be rendered once all the parties' claims have been determined and evaluated.

However, in the light of the latest legal opinions provided by third parties and the views of the Parent's management, and in view of the timeframes within which an arbitration award might be expected, the Parent's directors have reassessed the various scenarios for the outcome of the arbitration as a whole and have drawn the conclusion that, despite the remaining uncertainty, it is unlikely that the Group will suffer any additional economic loss.

- On 7 February 2017, Rizzani de Eccher, SpA, Trevi, SpA and Obrascón Huarte Lain, S.A. instituted investment protection arbitration proceedings against the State of Kuwait before ICSID (International Centre for Settlement of Investment Disputes) in connection with the contract "**Construction, Completion and Maintenance of Roads, Overpasses, Sanitary and Storm Water Drains, as well as other Services for Jamal Abdul Nasser Street**". OHL owns a 50% stake in the joint venture, a construction company. The arbitration was initiated under international treaties for reciprocal protection of investments signed by Kuwait, Spain and Italy. In the performance of the contract, the State of Kuwait breached the treaty by engaging in obstructive, abusive and arbitrary actions to the detriment of foreign investors.

In its memorial, the joint venture quantified the damages owed to it at KWD 100.6 million (EUR 315.5 million), or, in the alternative, KWD 90.4 million (EUR 283.5 million), plus, in any event, KWD 2.3 million (EUR 7.2 million), based on an assessment by independent consultants. Kuwait filed a counter-memorial, containing a counter-claim for KWD 32.1 million (EUR 100.7 million). In the light of legal opinions provided by third parties and the views of the Parent's own legal advisors, the Parent's directors believe it is unlikely that the arbitration award will cause any economic loss to the Group.

- On 13 December 2017, Samsung C&T Corporation, Obrascón Huarte Lain, S.A. and Qatar Building Company filed a request for arbitration before the International Chamber of Commerce against Qatar Railways Company in connection with the contract "**Design & Build Package 5 – Major Stations – Doha Metro Project**". OHL owns a 30% stake in the joint venture, a construction company. The joint venture seeks damages initially estimated at QAR 1,500 million (EUR 393.3 million). Kuwait filed an initial counter-claim for QAR 1,000 million (EUR 262.2 million). The arbitration court declared that it was not competent to hear the case because at the time the request for arbitration was filed the requirements under the arbitration clause had not been met. The joint venture then filed a new request for arbitration seeking damages initially estimated at QAR 1,400 million (EUR 367.1 million). Qatar Railways then counter-claimed for damages initially estimated at QAR 860 million (EUR 225.5 million).
- After a suspension period, proceedings resumed by Obrascón Huarte Lain, S.A. against the Polish company PGB, S.A. OHL seeks damages of PLN 191.5 million (EUR 40.8 million) as a consequence of PGB's liabilities as a partner in the **construction consortium for the Slowackiego IV project in Gdansk, Poland**. The court proceedings are still at the initial stage.

- The Group filed an arbitration claim against Anesrif (the Algerian agency for railway investment) arising from a contract for construction of the **Annaba railway**. Based on the opinions of independent experts, the Group seeks damages of EUR 200 million. Anesrif has counter-claimed for EUR 56.9 million.
- The Group is a party to an arbitration proceeding initiated by **Autopista Rio Magdalena, S.A. (a company of the Aleática Group, formerly OHL Concesiones)** to resolve disputes arising from the contract for construction of the Rio Magdalena Highway (Colombia) that led to early termination of the contract in April 2019. Here, the Group seeks damages of COL 313,769 million (EUR 72.8 million), while Autopista Rio Magdalena claims COL 1,149,659 million (EUR 266.7 million). In connection with this arbitration proceeding, Autopista Rio Magdalena has sued the surety companies in the courts, claiming COL 127,719 million (EUR 29.6 million) in advance payments and COL 164,513 million (EUR 38.2 million) in performance bonds. The Group is involved in the proceedings as a joint claimant and guarantor. The amounts are also claimed by Autopista Rio Magdalena in the arbitration proceeding.

In the light of legal opinions provided by third parties and the views of the Parent's own legal advisors, the Parent's directors believe it is unlikely that the arbitration award will cause any economic loss to the Group.

- The Group is suing the Chilean finance ministry and ministry of public works in connection with a contract to build the Chacillas reservoir. The Group seeks damages of CLP 30,169 million (EUR 31.6 million).
- The Group has received a request for arbitration proceedings by Promet Montajes SpA, OHL Industrial Chile, S.A.'s subcontractor in the Mantos Blancos project in Chile. Promet is initially seeking UF 1.35 million in its claim (EUR 46.8 million). The Group is assessing whether to file a counter-claim, which initially would be around USD 15 million (EUR 14.4 million), although the definitive analysis of the amount is pending.

Regarding Group investments in companies undergoing liquidation, the key disputes were:

- In December 2019, in case 882/2019 in Madrid Court of First Instance No. 10, a defence was filed to the claim against OHL brought by the funds **TDA 2015-1 Fondo de Titulización, TDA 2017-2 Fondo de Titulización, Bothar Fondo de Titulización** and **Kommunalkredit Austria, Ag**. The claimants, as creditors, argue that the borrower was under certain obligations set out in the Sponsor Agreement entered into by the borrower as part of the project finance for a concession operator now in liquidation, **Autopista Eje Aeropuerto Concesionaria Española, S.A.U.** The value of the claim is EUR 212,433 thousand, in the form of a subordinated loan, contribution to equity, capital increase amount, or damages, plus EUR 70,869 thousand in late payment interest.

On 16 July 2021, the first-instance court dismissed the claimant funds' case in its entirety. Meanwhile, on 17 September 2021, the request for clarification of the judgement submitted by the same parties was also dismissed in its entirety. The funds appealed the ruling, resulting in appeal 926/21, of the Madrid High Court. A date is yet to be appointed for judgment to be rendered on this matter.

Based on legal opinions provided by their advisers, the directors do not believe this claim should succeed.

- Regarding the insolvency proceedings of **Autopista Eje Aeropuerto Concesionaria Española, S.A.U. and Aeropistas, S.L.U.:**

In its decision of 13 October 2015, the court rejected the proposed settlements. The liquidation procedure commenced, with the concomitant legal implications. In accordance with the case-law of the Spanish Supreme Court, the concession contract was terminated.

On 4 October 2019, the court characterised the insolvency of the company as “fortuitous”.

Finally, as a required preliminary of the final settlement of the concession contract, the Spanish Ministry of development formally terminated the contract on 14 July 2018.

Contemporaneously, the Group lodged an application for judicial review with the Supreme Court (case 210/2018). The application was not concerned with a claim for damages. The issue was whether the date of contract termination was the ostensible date of termination by the Ministry of Development (referred to above) or the date of the commercial court’s decision to resolve the insolvency via liquidation (13 October 2015). Moreover, the Group sought a determination on whether, if the latter termination date applied, the State then had three months to close out the contract, and would owe late payment interest once that period had run out; and a determination on what the rate of such interest would be. The application for judicial review led to decision 783/2020 of 17 June 2020, which characterised the Group's motions as “premature”. The issues are to be decided in the further judicial review proceedings discussed below.

In October 2019, the Group lodged an application for judicial review (case 276/2019) in respect of the insolvency of Autopista Eje Aeropuerto Concesionaria Española, S.A. before the Third Chamber of the Supreme Court, challenging a resolution of the Council of Ministers of 26 April 2019 construing a range of toll motorway concession contracts. The Group disputed the method of calculation of State liability. The appeal was partially upheld in certain aspects.

In February 2020, the concession operator in liquidation received a governmental notice stating a preliminary calculation of State liability as being nil. Therefore, the company contested the final decision in the administrative proceeding determining State liability by lodging an application for judicial review in Section 5 of the judicial review division of the Supreme Court (case PO: 121/21).

The Council of Ministers issued a new resolution on 28 December 2021 amending the amount of the State liability to be received by Autopista Eje Aeropuerto. Pursuant to this resolution, this company was paid EUR 59,447,204.14; i.e. the recognised amount of EUR 46,463,018.23 plus interest. The company widened the scope of appeal 121/21 to include this decision by the Council of Ministers since the amount received is not the amount originally sought by the company in its application. The proceeding are currently suspended.

Settlement will be recalculated by the Council of Ministers applying the criteria in the ruling challenging the resolution of the Council of Ministers. However, after analysing the ruling, although legal proceedings are still ongoing regarding settlement of the State liability, the directors and their legal advisors consider it unlikely that OHLA Group will recover the amount of its investment in Aeropistas, S.L., the sole shareholder of Autopista Eje Aeropuerto Concesionaria Española S.A. Therefore, the Group recognised an impairment loss of EUR 18,587 thousand at year-end 2021.

- Regarding concession operator **Cercanías Móstoles Navalcarnero, S.A. (CEMONASA)**, in October 2020 it filed a further administrative claim to recover EUR 53 million from the Madrid regional government in respect of additional construction work requested by the government outside the scope of the concession contract. The claim was rejected by “administrative silence”, resulting in an appeal to the Madrid High Court for judicial review (PO 1529/21), which is still proceeding.

The Parent's directors, based on external legal opinions, consider that the recoverability of those financial assets recognised is probable.

Regarding the “Lezo Affair”:

- Ancillary proceeding 3.

In 2016, central investigative division no. 6 of the Spanish national court [*Audiencia Nacional*] commenced proceedings 91/2016 to investigate a range of alleged criminal offences: business corruption, bribery, money laundering and acts of organised crime.

The court oversaw investigations concerning more than 57 individuals, 6 of whom were at one point employees of the OHLA Group. No such person is currently employed by or associated with the Group.

At the date of this report, we are not aware of any formal accusation having been made against any current OHLA Group executive or director. No action has been taken against any company of the OHLA Group.

- Ancillary proceeding 8.

In February 2019, the company became aware that a new ancillary proceeding – number 8 – had been commenced in addition to the main proceedings. The investigation aims to find out whether or not Group employees committed bribery to attract public works contract awards in Spain.

Several current and former employees and former directors testified in court as witnesses and persons of interest.

So far, no action has been taken against the company. Hence, OHL is not a party to the proceedings and its information about them is limited.

The Company is actively cooperating with the authorities and providing all requested information. In addition, the Company conducted its own internal investigation in accordance with existing procedures. The outcome of the investigation was submitted to the court in July 2020.

In procedural terms, proceeding 8 of the “Lezo Affair” remains at the investigative stage.

The Group faces a number of claims in respect of employment terminations. Such claims are not material whether considered individually or in combination.

The Group is involved in a range of minor lawsuits arising from the ordinary course of business, none of which is material when considered individually.

Contingent liabilities

“Contingent liabilities” are ordinary liabilities for fulfilment of construction contracts entered into by construction companies, including UTEs in which they have an interest. Moreover, there is secondary liability for obligations of subcontractors owed to social security agencies for on-site personnel. The Group is not expected to incur any loss in this regard.

- On 21 July 2020, the Spanish competition watchdog (**Comisión Nacional de los Mercados y la Competencia or "CNMC"**) commenced infringement proceedings S/0021/20:OBRA CIVIL 2, against OHL, S.A. and several other companies concerning alleged conduct contrary to Article 1 of the Spanish Competition Act (LDC) and Article 101 of the Treaty on the Functioning of the European Union. It is alleged that the companies made agreements and shared information with the intention or the effect of restricting competition for contracts put out to tender by government bodies in Spain to build and restore infrastructure and buildings.

These proceedings were commenced after earlier proceedings concerning the same matter were shelved. On 14 July 2020, the competition tribunal of the Board of the CNMC decided to:

- (i) declare the earlier proceedings S/DC/0611/17 to have expired, and
- (ii) order that they be stayed, and request that the CNMC commence new infringement proceedings.

The infringement proceedings were at the investigative stage. On 5 July 2021, the competition watchdog issued a draft decision proposing that OHL be fined EUR 21.8 million.

On 6 July 2022, the CNMC Competition Board notified OHL, S.A. of its resolution, imposing a fine of EUR 21.5 million. The external advisors are preparing an application for judicial review before the National High Court to overturn that resolution based on several substantiated reasons and precautionary measures to suspend the effects of the resolution.

- On 10 March 2021, the **Peruvian competition authority** was asked to consider imposing a penalty on the Parent for alleged practices of “horizontal collusion” (i.e., price-fixing) in connection with government tenders in Peru in the period 2002-2016. The proposed fine would come to USD 51.0 million (EUR 49.1 million). On 17 November 2021, a first-instance decision was issued, imposing a penalty on the Group of UIT 28,268.88 (EUR 32.7 million). An application for judicial review was submitted, so the proceeding is still in the administrative phase. In the view of the directors, at the date of issue of these interim financial statements there was no reason to recognise any provision in this respect.

4.5.- Remuneration of directors and senior management

The remuneration of the Board is governed by Article 24 of the Articles of Association and by the Director Remuneration Policy approved by the shareholders at the General Meeting of 2 June 2022, for this year and the three following years, in accordance with Article 529 *novodecies* of the Spanish Companies Act. The policy caps annual remuneration for non-executive directors at one million five hundred and fifty thousand euros (EUR 1,550,000), apportioned on the basis adopted by the Board itself, as set out in the Policy.

In the six months ended 30 June 2022, there was no pension scheme in place for non-executive directors. This fixed remuneration for their directorships is compatible with and independent from any remuneration, indemnities, pension benefits or compensation received by directors for employment by or other services to the Company.

The following is a breakdown of remuneration accrued during the six months ended 30 June 2022 with comparative information for the same period last year:

Remuneration	EUR thousand	
	30/06/2022	30/06/2021
DIRECTORS		
Remuneration items:		
Remuneration for membership of the Board and/or Board committees	658	642
Salaries	600	600
Other items	9	7
Total	1,267	1,249
SENIOR MANAGEMENT		
Total remuneration to senior management	3,872	6,315

5.- EVENTS AFTER THE REPORTING PERIOD

On 6 July 2022, the competition tribunal of the Board of the CNMC notified OHL, S.A. of its decision on infringement proceeding S/0021/20: OBRA CIVIL 2 concerning alleged conduct contrary to Article 1 of the Spanish Competition Act and Article 101 of the Treaty on the Functioning of the European Union of 5 July 2022, imposing a penalty of EUR 21,500 thousand (see Note 4.4.2.2).

6.- ADDITIONAL NOTE FOR ENGLISH TRANSLATION

These Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2021 are presented on the basis of the regulatory financial reporting framework applicable to the Group (see Note 2). Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

APPENDIX I

SELECTED SEPARATE FINANCIAL INFORMATION OF OBRASCON HUARTE LAIN, S.A. FOR THE SIX MONTHS ENDED 30 JUNE 2022

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Interim statement of financial position as at 30 June 2022 and 31 December 2021

ASSETS	30/06/2022	31/12/2021
NON-CURRENT ASSETS		
Intangible assets		
Development expenditure	445	886
Patents, licenses, trademarks and similar rights	12	12
Computer software	2.605	2.880
Other intangible assets	355	222
	3.417	4.000
Property, plant and equipment		
Land and buildings	724	726
Machinery and technical installations	11.065	8.340
Other installations, equipment and furniture	4.054	3.847
Investments in concessions	35	35
Other property, plant and equipment	9.486	6.034
Property, plant and equipment under construction and advances	-	-
	25.364	18.982
Investment properties		
Land	4	4
Buildings	779	787
	783	791
Non-current investments in group companies and associates		
Equity instruments	1.301.787	1.397.248
Loans to companies	86.234	86.234
	1.388.021	1.483.482
Non-current financial assets		
Equity instruments	13	13
Loans to third parties	2.068	2.068
Debt securities	901	1.168
Derivatives	379	399
Other financial assets	9.959	5.302
	13.320	8.950
Deferred tax assets	37.209	35.822
TOTAL NON-CURRENT ASSETS	1.468.114	1.552.027
CURRENT ASSETS		
Inventories		
Raw materials and other supplies	15.471	14.144
Auxiliary shop projects and site installations	18.626	17.744
Advances to suppliers and subcontractors	20.725	14.881
	54.822	46.769
Trade and other receivables		
Trade receivables	265.244	226.872
Trade receivables from group companies	16.923	20.978
Trade receivables from associates	2.064	4.841
Other receivables	22.363	21.949
Employee receivables	966	573
Current tax assets	30.972	30.002
Other tax receivables	13.233	10.348
	351.765	315.563
Current investments in group companies and associates		
Loans to companies	128.702	109.508
Other financial assets	77.495	148.637
	206.197	258.145
Current financial assets		
Equity instruments	3	3
Loans to companies	2	15.879
Other financial assets	169.574	145.190
	169.579	161.072
Current prepayments and accrued income	22.600	17.429
Cash and cash equivalents		
Cash	92.154	119.000
Cash equivalents	2.975	2.796
	95.129	121.796
TOTAL CURRENT ASSETS	900.092	920.774
TOTAL ASSETS	2.368.206	2.472.801

Interim statement of financial position as at 30 June 2022 and 31 December 2021

Equity and liabilities	30/06/2022	31/12/2021
EQUITY		
CAPITAL AND RESERVES		
Capital		
Registered capital	147.781	147.781
Share premium	1.328.128	1.328.128
Reserves		
Legal and bylaw reserves	29.556	29.556
Other reserves	127.555	111.462
(Own shares and equity holdings)	(420)	(504)
Prior years' losses	(785.834)	(809.524)
Profit/(loss) for the period	(24.331)	23.690
TOTAL CAPITAL AND RESERVES	822.435	830.589
GRANTS, DONATIONS AND BEQUESTS RECEIVED	70	154
TOTAL EQUITY	822.505	830.743
NON-CURRENT LIABILITIES		
Non-current provisions		
Long-term employee benefits	1.511	863
Other provisions	26.340	30.737
27.851	31.600	
Loans and borrowings		
Bank borrowings	26	38.718
Finance lease payables	257	-
Other financial liabilities	7.037	6.023
7.320	44.741	
Loans and borrowings from group companies and associates	416.483	444.642
Deferred tax liabilities	5.152	5.024
TOTAL NON-CURRENT LIABILITIES	456.806	526.007
CURRENT LIABILITIES		
Provisions	118.546	148.850
Loans and borrowings		
Bank borrowings	10.156	25.177
Finance lease payables	130	-
Other financial liabilities	10.504	7.654
20.790	32.831	
Loans and borrowings from group companies and associates	339.883	344.252
Trade and other payables		
Trade payables	259.851	240.081
Trade notes payable	43.816	35.398
Trade payables to group companies	24.535	16.801
Trade payables to associates	23.689	25.487
Personnel (salaries payable)	12.973	10.782
Current tax liabilities	1.426	7.157
Other tax payables	23.174	21.469
Advances from customers	220.209	232.943
609.673	590.118	
Accruals	3	-
TOTAL CURRENT LIABILITIES	1.088.895	1.116.051
TOTAL EQUITY AND LIABILITIES	2.368.206	2.472.801

Interim statement of profit or loss for the six months ended 30 June 2022 and 2021

	30/06/2022	30/06/2021
Revenue		
Sales	256.625	212.083
Share of sales at UTEs	92.772	61.121
	349.397	273.204
Change in inventories of auxiliary shops and site facilities	882	393
Cost of sales:		
Cost of construction materials and machinery parts used	(56.102)	(40.253)
Subcontracted work	(189.099)	(151.170)
Other operating income:		
Non-trading and other operating income	48.009	22.198
Grants related to income recognised in profit or loss	493	680
Staff costs:		
Salaries, wages and similar	(68.746)	(61.857)
Employee benefits expense	(12.174)	(10.348)
Other operating expenses:		
External services	(69.844)	(58.517)
Taxes other than income tax	(4.964)	(1.480)
Losses on, impairment of and changes in trade provisions	30.828	6.259
Other operating expenses	(237)	2.416
Depreciation and amortisation	(4.411)	(2.990)
Provision surpluses	4.397	-
Impairment and gains/(losses) on disposals of property, plant and equipment		
Impairment and losses	-	(1)
Gains/(losses) on disposals and other	476	603
I. OPERATING PROFIT/(LOSS)	28.905	(20.863)
Finance income:		
From investments in equity instruments		
Group companies and associates	-	1.389
From marketable securities and other financial instruments:		
Group companies and associates	4.366	3.738
Third parties	1.300	101.536
Finance costs:		
On loans and borrowings from group companies and associates	(37.280)	(7.882)
On loans and borrowings from third parties	(6.947)	(48.140)
Remeasurement of financial instruments at fair value		
Fair value through profit or loss	(54)	-
Exchange differences	(17.834)	(12.601)
Impairment and gains/(losses) on disposal of financial instruments		
Impairment and losses	11.904	-
Gains/(losses) on disposals and other	(5.052)	46.118
II. NET FINANCIAL PROFIT/(LOSS)	(49.597)	84.158
III. PROFIT/(LOSS) BEFORE TAX (I+II)	(20.692)	63.295
Income tax expense	(3.639)	(2.537)
IV. PROFIT/(LOSS) FOR THE PERIOD	(24.331)	60.758

Interim statement of comprehensive income for the six months ended 30 June 2022 and 2021

A) INTERIM STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE SIX MONTHS ENDED 30 JUNE 2022 AND 2021

	30/06/2022	30/06/2021
PROFIT/(LOSS) FOR THE PERIOD	(24.331)	60.758
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY:	-	10
Measurement of financial instruments:		
Available-for-sale financial assets	-	-
Other income/(expenses)	-	-
Cash flow hedges	-	-
Grants, donations and bequests received	-	14
Actuarial gains and losses and other adjustments	-	-
Other income and expense recognised directly in equity	-	-
Tax effect	-	(4)
AMOUNTS TRANSFERRED TO PROFIT OR LOSS:	(84)	(212)
Measurement of financial instruments:		
Available-for-sale financial assets	-	-
Other income/(expenses)	-	-
Cash flow hedges	-	-
Grants, donations and bequests received	(112)	(283)
Other income and expense recognised directly in equity	-	-
Tax effect	28	71
TOTAL RECOGNISED INCOME/(EXPENSE)	(24.415)	60.556

Interim statement of changes in equity for the six months ended 30 June 2022 and 2021.

B) STATEMENT OF TOTAL CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2022 AND 2021

130.669

	Capital and reserves						Grants donations and bequests	Total equity
	Capital	Share premium	Reserves	(Own shares and equity holdings)	Retained earnings (prior years' losses)	Profit/(loss) for the period		
Closing balance at 31 December 2020	171.929	1.265.300	60.726	(406)	(604.321)	(205.203)	441	688.466
Total recognised income/(expense)	-	-	-	-	-	60.758	(202)	60.556
Transactions with equity holders or owners	(24.148)	62.828	91.942	30	-	-	-	130.652
Capital increases/(reductions)	(24.148)	62.828	91.989	-	-	-	-	130.669
Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-
Transactions with shares or own equity instruments (net)	-	-	(47)	30	-	-	-	(17)
Increases/(decreases) due to business combinations	-	-	-	-	-	-	-	-
Other transactions with equity holders or owners	-	-	-	-	-	-	-	-
Other changes in equity	-	-	-	-	(205.203)	205.203	-	-
Closing balance at 30 June 2021	147.781	1.328.128	152.668	(376)	(809.524)	60.758	239	879.674
Closing balance at 31 December 2021	147.781	1.328.128	141.018	(504)	(809.524)	23.690	154	830.743
Total recognised income/(expense)	-	-	-	-	-	(24.331)	(84)	(24.415)
Transactions with equity holders or owners	-	-	(206)	84	-	-	-	(122)
Capital increases/(reductions)	-	-	-	-	-	-	-	-
Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-
Transactions with shares or own equity instruments (net)	-	-	(206)	84	-	-	-	(122)
Increases/(decreases) due to business combinations	-	-	-	-	-	-	-	-
Other transactions with equity holders or owners	-	-	-	-	-	-	-	-
Other changes in equity	-	-	16.299	-	23.690	(23.690)	-	16.299
Closing balance at 30 June 2022	147.781	1.328.128	157.111	(420)	(785.834)	(24.331)	70	822.505

Interim statement of cash flows for the six months ended 30 June 2022 and 2021

	30/06/2022	30/06/2021
A) NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES (1+2+3+4)	(33.832)	(160.073)
Profit/(loss) before tax	(20.692)	63.295
Adjustments to profit/(loss)	18.843	(88.312)
(+) Amortisation and depreciation	4.411	2.990
(+/-) Other adjustments to profit/(loss), net	14.432	(91.302)
Working capital changes	4.834	(69.417)
Other cash flows from/(used in) operating activities:	(36.817)	(65.639)
(-) Interest paid	(16.872)	(62.809)
(+) Dividends received	-	1.389
(+) Interest received	8.134	7.737
(+/-) Income tax recovered/(paid)	(9.136)	366
(+/-) Other amounts received from/(paid for) operating activities	(18.943)	(12.322)
B) NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES (1+2)	127.327	88.143
Payments for investments:	(21.107)	(3.150)
(-) Group companies, associates and business units	(7.515)	(15)
(-) Property, plant and equipment, intangible assets and investment properties	(7.856)	(1.205)
(-) Other financial assets	(5.736)	(1.930)
Proceeds from sale of investments:	148.434	91.293
(+) Group companies, associates and business units	119.376	90.664
(+) Property, plant and equipment, intangible assets and investment properties	495	629
(+) Other financial assets	28.563	-
C) NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES (1+2+3)	(120.162)	68.624
Proceeds from (and payments for) equity instruments:	(122)	71.395
(+) Issue	-	71.398
(-) Acquisition	(11.766)	(1.971)
(+) Disposal	11.644	1.954
(+) Government grants	-	14
Proceeds from (and payments for) financial liability instruments	(53.713)	(2.771)
(+) Issue	5.833	-
(-) Redemption and repayment	(59.546)	(2.771)
Other cash flows from/(used in) financing activities	(66.327)	-
D) NET FOREIGN EXCHANGE DIFFERENCE	-	-
E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	(26.667)	(3.306)
F) CASH AND CASH EQUIVALENTS AT 1 JANUARY	121.796	154.329
G) CASH AND CASH EQUIVALENTS AT 30 JUNE (E+F)	95.129	151.023

1. - Corporate information

Obrascón Huarte Lain, S.A., formerly Sociedad General de Obras y Construcciones Obrascón, S.A., was incorporated on 15 May 1911, with registered address at Paseo de la Castellana, 259-D.

The company's object and business activity consist mainly of all manner of civil engineering and building construction works for public and private customers. Its object also includes the provision of public and private services, the operation of service concession arrangements and hotel complexes, real estate development and the sale of properties.

2. - Basis of preparation

The selected separate financial information has been prepared in accordance with Spain's General Accounting Plan (*Plan General de Contabilidad*) approved by Royal Decree 1514/2007, and its subsequent amendments, and the Spanish Securities Market Act (*Ley del Mercado de Valores*), Royal Decree 1362/2007, Royal Decree 878/2015 and the Spanish National Securities Market Commission Circular 3/2018, of 28 June.

The selected separate financial information does not include the full set of disclosures required in a complete set of interim separate financial statements prepared in accordance with generally accepted accounting principles under Spanish legislation. In particular, the selected separate financial information has been prepared with the content required to meet the financial reporting requirements established in rule four of Circular 3/2018 which allows the issuer, when it is required to prepare consolidated financial information for the interim period, to include only the separate information that is relevant for the proper understanding of the half-yearly financial report.

Therefore, the selected separate financial information should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2021.

3. Significant events in the reporting period

3.1 Main changes in the statement of profit or loss

The main changes in the statement of profit or loss for the six months ended 30 June 2022 compared to the same period last year were as follows:

- **Revenue** amounted to EUR 349,397 thousand, up from EUR 273,204 thousand through June 2021. Growth was driven by projects performed directly and through temporary business associations (UTEs) or joint ventures (JVs) thanks to recovery after the effects last year of the Covid-19 pandemic, mostly on the first half of 2021.
- The Company reported **EBIT** of EUR 28,905 thousand, compared to an EBIT loss for the six months ended 30 June 2021 of EUR 20,863 thousand. The improvement was driven by better performance of the Company's projects, which are seeing margins gradually recover, and higher non-trading and other operating income.

- **Financial loss** for the period was EUR 49,597 thousand, compared to financial profit of EUR 84,158 thousand in same period of 2021. This item at 30 June 2021 included the financial impact of the Restructuring, particularly on:
 - **Finance income**, of EUR 87,692 thousand for the write-off/fair value of the Notes and EUR 11,789 thousand for the measurement at fair value of the debt-equity swap, taking a share price of EUR 0.636.
 - Within **finance costs**, an expense of EUR 21,162 thousand related to the Restructuring.

These items explain the sizeable difference between the two periods.

- **Exchange differences** resulted in a loss of EUR 17,834 thousand, affected by the Mexican peso, the Qatari riyal and the Kuwaiti dinar, compared to the loss of EUR 12,601 thousand recognised at 30 June 2021.
- **Impairments and Gains/(losses) on disposal of financial instruments** amounted to EUR 6,852 thousand and included the EUR 12,055 thousand received for part of the debt from Grupo Villar Mir, which had been fully provisioned. As at 30 June 2021, the EUR 46,118 thousand included the gains on the sale of the concession company and operator of Hospital de Toledo.
- **Loss before tax** was EUR 20,692 thousand, compared with profit before tax through June 2021 of EUR 63,295 thousand.
- **Loss for the six months ended 30 June 2022** amounted to EUR 24,331 thousand, compared to profit of EUR 60,758 thousand for the same period last year.

3.2- Main changes in the statement of financial position

The main changes in the statement of financial position as at 30 June 2022 compared to the statement of financial position as at 31 December 2021 are as follows:

- **Equity** as at 30 June 2022 stood at EUR 822,505 thousand, down from EUR 830,743 at 31 December 2021. The EUR 8,238 thousand decrease was due primarily to the loss for the period, which was offset with changes in reserves and others.
- **Non-current assets** totalled EUR 1,468,114 thousand, compared to EUR 1,552,027 thousand at 31 December 2021. The change was mostly due to the decrease in the stake in OHL Holding, S.á.r.l. by EUR 119,376 thousand following the partial reimbursement of non-monetary contributions made by the Company in July 2021 as sole shareholder to OHL Holding, S.á.r.l.'s equity within the framework of the Hive Down process carried out by the Group, following the Restructuring operation.
- **Current assets** stood at EUR 900,092 thousand, down from EUR 920,774 thousand at 31 December 2021, highlighted by the following items:
 - **Trade and other receivables** of EUR 351,765 thousand, compared to EUR 315,563 thousand at 31 December 2021, owing to the seasonal nature of the sector.
 - **Investments in group companies and associates**, with EUR 206,197 thousand, down EUR 51,948 thousand from last year due primarily to movements of funds to OHL Operaciones, S.A.U.

- **Current financial assets**, of EUR 169,579 thousand, up EUR 8,507 thousand from EUR 161,072 thousand at 31 December 2021. The increase was mostly due to the transfer of restricted financial assets of EUR 23,260 thousand, offset by the receipt of EUR 15,866 thousand of receivables held by OHL S.A. from Cercanías Móstoles Navalcarnero.
- **Cash and cash equivalents**, which ended the period with a balance of EUR 95,129 thousand.
- **Bank borrowings** showed a balance at 30 June 2022 of EUR 10,182 thousand, down from EUR 63,895 thousand at 31 December 2021, which mostly comprised drawdowns on the bridge financing agreement (ICO) that was cancelled entirely in the first half of 2022.

3.3 Main changes in the statement of cash flows

The main changes were:

- Decrease in **cash and cash equivalents** of EUR 26,667 thousand, due to:
 - Increase in **net cash used in operating activities** to EUR 33,832 thousand from EUR 164,111 thousand for the year ended 31 December 2021. The breakdown of this movement in six months ended 30 June 2022 is as follows:

	EUR thousand
Profit/(loss) before tax	(20,692)
Adjustments to profit/(loss)	18,843
Working capital changes	4,834
Other cash flows	(36,817)
Balance at 30 June 2022	(33,832)

- **Cash flows from investing activities** of EUR 127,327 thousand, with EUR 21,107 thousand of payments for investments and EUR 148,434 thousand of proceeds from sales, mainly from the reduction of the ownership interest in OHL Holding, S.à.r.l., of EUR 119,376 thousand.
- **Cash flows used in financing activities** of EUR 120,162 thousand, arising mainly from the full cancellation of the bridge financing agreement (ICO), which amounted to EUR 54,502 thousand at 31 December 2021, and partial repayment, of EUR 43,067 thousand, of the loan with OHL Operaciones, S.A. for the early redemption of the notes by that company.

4. Other disclosures

4.1 Average number of employees

The average number of employees in the six months ended 30 June 2022 and 2021 by gender is as follows:

Average number of employees	30/06/2022	30/06/2021
Men	2,375	2,541
Women	472	410
Total	2,847	2,951

INTERIM MANAGEMENT REPORT

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1. HIGHLIGHTS

Highlights	1H22	1H21	% chg.
Revenue	1,452.4	1,312.3	10.7%
EBITDA	40.7	30.4	33.9%
% of revenue	2.8%	2.3%	
EBIT	27.1	2.9	834.5%
% of revenue	1.9%	0.2%	
Net attributable profit/(loss)	-60.7	75.4	N/A
% of revenue	-4.2%	5.7%	

Revenue and EBITDA	1H22	1H21	% chg.
Revenue	1,452.4	1,312.3	10.7%
Construction	1,207.9	1,036.8	16.5%
Industrial	44.5	92.5	-51.9%
Services	189.4	173.2	9.4%
Other	10.6	9.8	8.2%
EBITDA	40.7	30.4	33.9%
Construction	49.8	35.9	38.7%
Construction EBITDA margin, %	4.1%	3.5%	
Industrial	0.0	3.0	N/M
Industrial EBITDA margin, %	0.0%	3.2%	
Services	6.6	7.5	-12.0%
Services EBITDA margin, %	3.5%	4.3%	
Corporate and other	-15.7	-16.0	-1.9%

Liquidity and net debt	1H22	31 Dec. 2021	% chg.
Total liquidity	620.0	842.3	-26.4%
Recourse liquidity	616.9	841.4	-26.7%
Net debt	-179.5	-318.8	-43.7%
Recourse net debt	-176.4	-317.9	-44.5%
Non-recourse net debt	-3.1	-0.9	244.4%

Backlog	1H22	31 Dec. 2021	% chg.
Short-term	6,646.5	5,381.0	23.5%
Long-term	435.9	426.5	2.2%
Total	7,082.4	5,807.5	22.0%

Number of employees	1H22	1H21	% chg.
Permanent	17,872	15,766	13.4%
Temporary	6,105	5,653	8.0%
Total	23,977	21,419	11.9%

EUR million /employees

2. GROUP PERFORMANCE

OHLA reported revenue for the six months ended 30 June 2022 of EUR 1,452.4 million (up 10.7% from 1H 2021) and EBITDA of EUR 40.7 million (up 33.9% from EUR 30.4 million in 1H 2021). The construction business EBITDA margin was 4.1%, above the 1H 2021 margin of 3.5% and cementing the Group's trend toward improvement since 2018. EBIT was EUR 27.1 million, far above the EUR 2.9 million of the same period last year.

OHLA sustained a net attributable loss for the six months ended 30 June 2022 of EUR 60.7 million, with performance undermined mostly by the accounting effect of the write-down to the investment in the Canalejas Project caused by social and macroeconomic circumstances.

Total short-term order intake in the period (new contracts and extensions) amounted to EUR 2,436.3 million, up 32.0% year-on-year and leaving a book-to-bill ratio of 1.7x. Contracts were won in OHLA Group's three main geographical areas of operations: the US (44.2% of the total), Europe (37.5%) and Latin America (17.9%). Order intake in North America featured the award of the "*P3 Purple Line Light Rail*" construction contract in Maryland to OHLA in a consortium led by ACS, for a combined amount of EUR 2,210 million. This new project will carry commuters between Bethesda, in Montgomery county, to New Carrollton, in Prince George county. Once the project is complete, it will reduce the number of daily trips by car/day by 17,000.

The total backlog at 30 June 2022 stood at EUR 7,082.4 million, representing nearly 27.3 months of sales. This marked an increase of 22.0% from the total backlog at end-December 2021, driven by the growth in the Construction backlog of EUR 1,273.1 million since the end of last year.

Key here is that, in line with the Group's strategy of gradually stepping up its concession operations, in the first six months of 2022 OHLA won, through a 50-50 JV with Termotécnica Coindustrial (JV al 50%), the North Access Highway 2 concession in Bogotá, Colombia. This project not only bolsters the Group's Concession business, but also adds to the Construction backlog.

Meanwhile, the Group's total recourse liquidity position at the end of June 2022 stood at EUR 616.9 million, an improvement of EUR 29.2 million from end-March. In 1Q 2022, OHLA cancelled the ICO loan (repaying the EUR 54.5 million of outstanding principal) and bought back 2025 and 2026 notes (for a nominal amount of EUR 43.1 million), with both transactions helping it achieve its deleveraging target.

Lastly, Moody's upgraded OHLA's corporate family rating (CFR) to B3, outlook positive, in March.

3. PERFORMANCE BY DIVISION

CONSTRUCTION

Highlights	1H22	1H21	% chg.
Revenue	1,207.9	1,036.8	16.5%
EBITDA	49.8	35.9	38.7%
% of revenue	4.1%	3.5%	
EBIT	43.5	17.3	151.4%
% of revenue	3.6%	1.7%	

EUR m

Revenue totalled EUR 1,207.9 million, up 16.5% year-on-year thanks to the recent increase in order intake. Construction revenue accounted for 83.2% of the Group total, with 82.2% from projects carried out abroad.

EBITDA reached EUR 49.8 million, leaving an EBITDA ratio of 4.1%, above the 1H 2021 level (3.5%) thanks to recent additions to the project pipeline with a better project mix. However, given the current uncertainties on the international front, OHLA continues to monitor the impacts on the business closely by geography, project and customer.

The construction backlog at 30 June 2022 stood at EUR 6,069.3 million, 26.5% higher than at 31 December 2021 and representing 30.3 months of sales. Order intake (new contract wins and extensions) in 1H 2022 reached EUR 2,202.2 million, with 49.0% in the US, 31.8% in Europe and 18.8% in Latin America. The main project wins in the period were as follows:

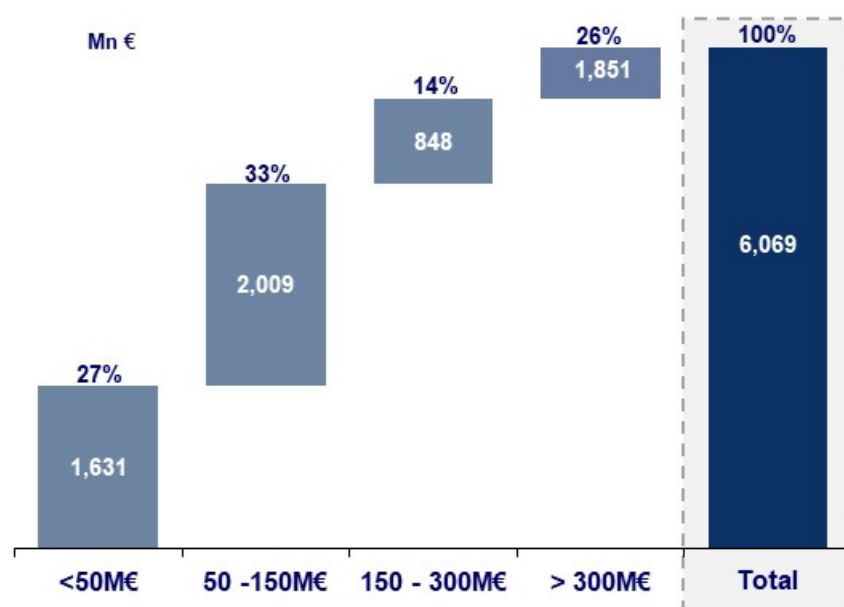
	Country	1H22
Purple Line Light Rail Transit System	US	824.6
Engineering, procurement and construction (EPC) services for North Access Highway 2	Colombia	163.9
Depósito Relaves Sgo, Proy. Spence Tailings & Waste Mgmt	Chile	130.3
MTACD Paint & Struct Repair to Bridges and Elevated Structures	US	88.4
D&B Schools Framework	Ireland	73.9
Total main awards		1,281.1
Other awards		921.1
Total awards		2,202.2

EUR m

The geographical breakdown of the short-term backlog is as follows:

	30/06/2022
Main regions	99.4%
US	48.7%
Europe	29.8%
Latin America	20.9%
ROW	0.6%

The distribution of the construction backlog by project size is as follows:



By project type, 33.3% of the construction backlog related to roads, 30.2% to railways, 18.4% to building, 17.3% to energy and mining, and the remaining 0.8% to ports and airports.

The main contracts in the construction backlog at 30 June 2022 were as follows:

	Country	1H 2022
Maryland Purple Line	US	866.9
I-5 North County Enhancements	US	337.9
South corridor rapid tram main	US	252.1
Bio Bio hospital network concession	Chile	232.3
Engineering, procurement and construction (EPC) services for North Access Highway 2	Colombia	164.0
River defences of the Casma and Huarmey rivers	Peru	145.6
Destination Sport Miami	US	143.6
Rehab West 79 St. Brdg-Rotunda	US	139.7
Height extension and construction of walls of the tailings deposit	Chile	114.5
OC 405 Partners	US	106.0
Chicama and Virú rivers R-06 package	Peru	104.1
Morena Conveyance North	US	93.6
Painting & structural repairs of bridges	US	91.2
Largest projects in the backlog		2,791.5

EUR m

INDUSTRIAL

Highlights	1H22	1H21	% chg.
Revenue	44.5	92.5	-51.9%
EBITDA	0.0	3.0	N/M
% of revenue	0.0%	3.2%	
EBIT	-0.5	3.2	N/A
% of revenue	-1.1%	3.5%	

EUR m

Revenue in the Industrial division amounted to EUR 44.5 million. This was lower than in 1H 2021 and extended the downward trend, mostly due to the drop in the Mining and Cement activity. Here, OHLA Group decided to curtail its Engineering, Procurement and Construction (EPC) projects and focus on renewable energy projects, with the shift in project mix affecting the division's key metrics.

Industrial EBITDA was EUR 0, affected by the drop in sales, which could not offset the division's fixed costs.

The backlog ended the period at EUR 71.8 million, representing 7.3% months of sales, up from EUR 66 million from the end of 1Q 2022 and in line with the figure at the end of 2021. Order intake (new contract wins and extensions) in the first six months of 2022 totalled EUR 38.6 million (already included in that backlog). The start-up of these orders, coupled with the recent award in July 2022 of a EUR 64.6 million photovoltaic plant project in Spain, will have a positive impact on the division's earnings.

SERVICES

Highlights	1H22	1H21	% chg.
Revenue	189.4	173.2	9.4%
EBITDA	6.6	7.5	-12.0%
% of revenue	3.5%	4.3%	
EBIT	4.0	4.8	-16.7%
% of revenue	2.1%	2.8%	

EUR m

Service division revenue rose 9.4% in 1H 2022, to EUR 189.4 million from EUR 173.2 million in 1H 2021. This represents 13.0% of the Group's total revenue. The pickup in activity was driven primarily by the Cleaning and Maintenance, and Home Help Services segments.

EBITDA amounted to EUR 6.6 million, leaving an EBITDA ratio of 3.5%. The amount was down slightly from EUR 7.5 million through June 2021 because of higher costs and contract renewals.

The backlog at 30 June 2022 stood at EUR 505.4 million, up 22.3% from 31 December 2021 and representing 16.1 months of sales. Order intake (new contract wins and extensions) during the period totalled EUR 184.9 million and featured the following contracts: cleaning of the Zamora Hospital, green areas in Torrejón de Ardoz, services for the Zarza, S.A.D. Algeciras mixed residence for the elderly, cleaning of the Ministry of Defence (Lot 2) and of the Metropolitano de Barcelona railway (Lot 6).

4. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	1H22	1H21	% chg
Revenue	1,452.4	1,312.3	10.7%
Other operating income	57.4	33.4	71.9%
Total operating income	1,509.8	1,345.7	12.2%
% of revenue	104.0%	102.5%	
Operating expenses	-1,040.2	-924.1	12.6%
Staff costs	-428.9	-391.2	9.6%
EBITDA	40.7	30.4	33.9%
% of revenue	2.8%	2.3%	
Amortisation and depreciation	-39.4	-35.2	11.9%
Provisions	25.8	7.7	N/M
EBIT	27.1	2.9	N/M
% of revenue	1.9%	0.2%	
Finance income and costs	-31.5	54.8	N/M
Change in fair value of financial instruments	0.0	-7.0	N/M
Exchange differences	-13.2	-9.1	N/M
Impairment and gains/(losses) on disposal of financial instruments	-23.2	46.7	N/M
Financial profit/(loss)	-67.9	85.4	N/M
Share of profit/(loss) of companies accounted for using the equity method	-6.1	2.9	N/A
Profit/(loss) before tax	-46.9	91.2	N/A
% of revenue	-3.2%	6.9%	
Income tax expense	-13.2	-15.5	-14.8%
Profit/(loss) for the period from continuing operations	-60.1	75.7	N/A
% of revenue	-4.1%	5.8%	
Profit/(loss) after tax for the period from discontinued operations	0.0	0.0	N/A
Consolidated profit/(loss) for the period	-60.1	75.7	N/A
% of revenue	-4.1%	5.8%	
Non-controlling interests	-0.6	-0.3	N/A
Non-controlling interests of discontinued operations	0.0	0.0	N/M
Profit/(loss) attributable to the parent	-60.7	75.4	N/A
% of revenue	-4.2%	5.7%	

EUR m

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

The Group's revenue in the first half of 2022 rose by 10.7% year-on-year to EUR 1,452.4 million euros, driven mainly by the increase in Construction activity. Of the total, 70.6% of revenue was obtained abroad, in line with the year-earlier figure. The distribution of revenue by geographical area shows that Europe accounted for 46.0%, North America for 35.8% and Latin America for 17.5%.

Total operating income amounted to EUR 1,509.8 million, up 12.2% year-on-year.

EBITDA totalled EUR 40.7 million, leaving an EBITDA margin of 2.8%, compared with EUR 30.4 million and 2.3%, respectively, through June 2021.

Financial loss amounted to EUR 67.9 million, compared to financial profit of EUR 85.4 million through June 2021, which included the result of the restructuring. The breakdown is as follow:

- **Finance income and costs** of EUR -31.5 million, compared to EUR -23.4 million in the same period last year, mostly because of the accounting effect of the recovery in fair value of the notes redeemed early. Figures for 1H 2021, as noted previously, included EUR 78.2 million related to the financial restructuring.
- **Exchange differences** amounted to a loss of EUR 13.2 million, compared to a loss of EUR 9.1 million last year.
- **Impairment and gains/(losses) on disposal of financial instruments** amounted to a negative EUR 23.2 million and included mainly the write-down to the investment in the Canalejas Project of EUR 34.5 million (see Investments accounted for using the equity method) and others. This compares with a positive EUR 46.7 at the end of June 2021, which included gains on the sale of the Toledo Hospital concession operator.

The share of profit/(loss) of companies accounted for using the equity method showed a loss of EUR 6.1 million, compared to a profit last year of EUR 2.9 million.

Loss before tax was EUR 46.9 million, equal to 3.2% of revenue, compared to profit of EUR 91.2 million in the first half of 2021, which was affected by the profit of the Group's restructuring and the gains on the disposal of the financial instruments explained previously.

Profit/(loss) attributable to the parent amounted to a loss of EUR 60.7 million euros, compared to a profit of EUR 75.4 million through June 2021.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30/06/2022	31/12/2021	% chg
Non-current assets	841.1	842.9	-0.2%
Intangible assets	192.0	194.0	-1.0%
Concession infrastructure	2.4	0.7	242.9%
Property, plant and equipment	244.6	222.9	9.7%
Investment properties	4.3	4.3	0.0%
Investments accounted for using the equity method	152.4	167.2	-8.9%
Non-current financial assets	132.0	145.0	-9.0%
Deferred tax assets	113.4	108.8	4.2%
Current assets	2,269.2	2,219.5	2.2%
Non-current assets held for sale	33.0	32.5	1.5%
Inventories	117.5	100.2	17.3%
Trade and other receivables	1,421.1	1,196.5	18.8%
Other current financial assets	223.0	334.8	-33.4%
Other current assets	77.6	48.0	61.7%
Cash and cash equivalents	397.0	507.5	-21.8%
Total assets	3,110.3	3,062.4	1.6%
Equity	595.9	620.4	-3.9%
Capital and reserves	596.0	654.1	-8.9%
Share capital	147.8	147.8	0.0%
Share premium	1,328.1	1,328.1	0.0%
Reserves	-819.2	-827.7	-1.0%
Profit/(loss) for the period attributable to the parent	-60.7	5.9	N/M
Valuation adjustments	3.7	-29.8	N/M
Equity attributable to equity holders of the parent	599.7	624.3	-3.9%
Non-controlling interests	-3.8	-3.9	-2.6%
Non-current liabilities	641.3	675.8	-5.1%
Deferred income	0.1	0.3	-66.7%
Non-current provisions	73.6	64.0	15.0%
Non-current financial debt*	421.0	488.0	-13.7%
Other non-current financial liabilities	43.7	24.9	75.5%
Deferred tax liabilities	77.7	75.3	3.2%
Other non-current liabilities	25.2	23.3	8.2%
Current liabilities	1,873.1	1,766.2	6.1%
Liabilities associated with non-current assets held for sale	0.0	0.0	0.0%
Current provisions	172.8	197.3	-12.4%
Current financial debt*	19.5	35.5	-45.1%
Other current financial liabilities	16.5	15.9	3.8%
Trade and other payables	1,414.2	1,302.8	8.6%
Other current liabilities	250.1	214.7	16.5%
Total liabilities and equity	3,110.3	3,062.4	1.6%

* Includes bank borrowings + Notes

EUR m

Changes in the statement of financial position

The main consolidated statement of financial position headings as at 30 June 2022 and comparisons with 31 December 2021 are as follows:

Intangible assets: balance of EUR 192.0 million, marking a net decrease of EUR 2.0 million, due mostly to the increases in value driven by exchange rate fluctuations and offset by the amortisation of goodwill from the US subsidiaries and Pacadar Group.

Concession infrastructure: the balance of this heading decreased from December 2021 due to the sale of Sociedad Concesionaria Aguas de Navarra, S.A.

Investments accounted for using the equity method: the balance of this item as at 30 June 2022 was EUR 152.4 million, compared to EUR 167.2 million at 31 December 2021. The most significant investment included under this item is the Canalejas Project, a 50%-owned **OHLA** subsidiary.

Given the prevailing social and macroeconomic landscape, the business' economic model was updated, resulting in a write-down of EUR 34.5 million. After the write-down, the investment in the Canalejas Project at 30 June 2022 amounted to EUR 127.6 million which, together with the EUR 53.1 million subordinated loan receivable by OHLA Group, puts the total investment at EUR 180.7 million.

Non-current financial assets: the balance stood at EUR 132.0 million and included this loan to the Canalejas Project and the remaining value of the investment in the company in liquidation, Cercanías Móstoles Navalcarnero, of EUR 50.3 million.

Trade and other receivables: the balance at 30 June 2022 totalled EUR 1,421.1 million, representing 45.7% of total assets.

Progress billings receivable amounted to EUR 537.1 million (2.2 months of sales), compared with EUR 504.4 million (2.2 months of sales) at 31 December 2021.

In addition, amounts to be billed for construction work performed amounted to EUR 573.0 million (2.4 months of sales), compared with EUR 418.9 million at 31 December 2021 (1.8 months of sales). The increase reflected the typical seasonality of the business, which generally shows a marked improvement at the end of the year.

Trade receivables decreased by EUR 50.1 million (31 December 2021: EUR 53.5 million) due to the trade receivables factored without recourse.

Other current financial assets amounted to EUR 223.0 million (31 December 2021: EUR 334.8 million), of which EUR 165.9 million are restricted assets, mainly the restricted deposit of EUR 140.0 million securing the Multiproduct Syndicated Facilities Agreement.

Also included are EUR 47.2 million as performance bonds for certain projects being carried out in the US.

The change from December 2021 was mostly the result of the collection of receivables by the Group from Cercanía Móstoles Navalcarnero in January 2022.

Other current assets: the balance amounted to EUR 77.6 million, down EUR 29.6 million from 31 December 2021, due mostly to accruals (i.e. prepayments and other).

Cash and cash equivalents: balance of EUR 397.0 million, of which EUR 162.2 million related to the temporary business associations or joint ventures (UTES) in which the Group has interests.

Equity attributable to equity holders of the parent: EUR 599.7 million at year-end 2021, representing 19.1% of total assets and down EUR 24.6 million from 31 December 2021, due primarily to the net impact of:

- Net attributable loss for 1H 2022 of EUR 60.7 million.
- Valuation adjustments of EUR 33.5 million for translation differences.
- Other minor variations.

Financial debt: comparison of debt as at 30 June 2022 and 31 December 2021 :

Gross debt ⁽¹⁾	30/06/2022	%	31/12/2021	%	% chg.	Chg.
Recourse debt	440.5	100.0%	523.5	100.0%	-15.9%	-83.0
Non-recourse debt	0.0	0.0%	0.0	0.0%	N/A	0.0
Total	440.5		523.5		-15.9%	-83.0

EUR m

(1) Gross debt includes non-current and current financial debt, which comprises bank borrowings and notes.

Net debt ⁽²⁾	30/06/2022	%	31/12/2021	%	% chg.	Chg.
Recourse debt	-176.4	98.3%	-317.9	99.7%	-44.5%	141.5
Non-recourse debt	-3.1	1.7%	-0.9	0.3%	244.4%	-2.2
Total	-179.5		-318.8		-43.7%	139.3

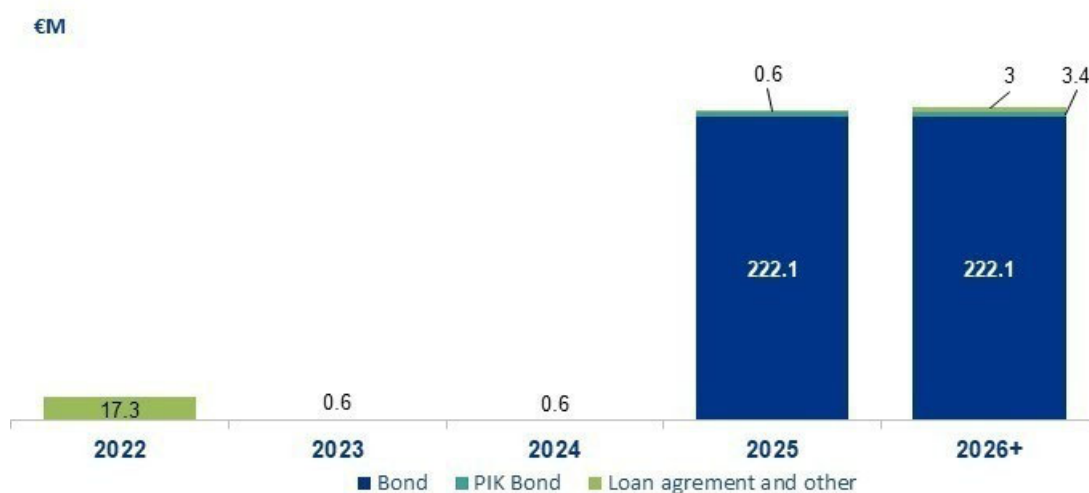
EUR m

(2) Net debt comprises gross borrowings less other financial assets and cash and cash equivalents.

Gross recourse debt decreased by EUR 83.0 million, as a result of:

- The cancellation of the bridge finance loan (ICO) with EUR 54.5 million of principal using the funds received from the company in liquidation, Cercanías Móstoles Navalcarnero.
- Partial redemption of the notes for a nominal amount of EUR 43.1 million using the funds received from Cercanías Móstoles Navalcarnero.

The maturity schedule of OHLA's Notes and remaining gross recourse debt, by nominal amount, is as follows:



The change in net recourse debt was EUR 141.5 million, caused by period's cash burn for the sector's typical seasonality. Cash consumed from operations in the first half of the year totalled EUR 119.3 million, marking an improvement of EUR 18.6 million from the year's first quarter and EUR 8.6 million from the same period of 2021, as illustrated in the following table.

Activity cash consumption	1H22	1Q22	Chg. (1H22 vs. 3Q22)	1H22	1H21	Chg. (1H22 vs. 2H21)
Construction	73.6	108,0	(34.4)	73.6	63.1	10.5
Industrial	14.2	8.2	6,0	14.2	24.9	(10.7)
Services	(0.8)	0.9	(1.7)	(0.8)	(0.9)	0.1
Corporate and other	32.3	20.8	11.5	32.3	40,8	(8.5)
Total used/(generated)	119.3	137.9	(18.6)	119,3	127,9	(8.6)

EUR m

CONSOLIDATED STATEMENT OF CASH FLOWS

The cash flow analysis presented in this section differs in certain cases from the requirements of IAS 7 to better understand business performance:

	1H22	1H21
EBITDA	40.7	30.4
Adjustments to profit/(loss)	-39.6	4.4
Financial profit/(loss)	-67.9	10.2
Share of profit/(loss) of companies accounted for using the equity method	-6.1	2.9
Income tax expense	-13.2	-15.5
Changes in provisions and others	47.6	6.8
Operating profit/(loss)	1.1	34.8
Working capital changes	-127.8	-110.3
Trade and other receivables	-224.6	-130.6
Trade and other payables	111.4	18.1
Other working capital changes	-14.6	2.2
Net cash flows used in operating activities	-126.7	-75.5
Net cash flows from investing activities	2.6	14.9
Non-controlling interests	0.1	1.6
Other cash flows from investing activities	3.0	16.0
Non-current assets held for sale and discontinued operations	-0.5	-2.7
Change in net non-recourse debt	-2.2	-0.5
Change in net recourse debt	141.5	-144.0
Note refinancing transaction	-15.2	154.9
Net capital increase	0.0	50.2
Cash flows from/(used in) financing activities	124.1	60.6

EUR m

EBITDA amounted to EUR 40.7 million, marking an improvement from the year before. Adjustments to profit or loss totalled a negative EUR 39.6 million, bringing cash generated from operating activities to EUR 1.1 million compared to EUR 34.8 million through June 2021.

Working capital changes amounted to a negative EUR 127.8 million, affected by the seasonality of the business and the current situation described.

Net cash flows used in operating activities increased from EUR 75.5 million euros in the first half of 2021 to EUR 126.7 million euros in the six months ended 30 June 2022.

Net cash flows from investing activities amounted to EUR 2.6 million.

Net cash flows from financing activities amounted to EUR 124.1 million, with a reduction of EUR 2.2 million in the Group's net non-recourse debt and an increase of EUR 141.5 million in net recourse debt.

5. BACKLOG

OHLA's backlog as at 30 June 2022 stood at EUR 7,082.3 million, 22.0% above the figure at 31 December 2021.

The Group's short-term backlog stood at EUR 6,646.4 million, 23.5% higher than at 31 December 2021 and representing 27.3 months of sales. This improvement was due to successful order intake in the period (new contract wins and extensions) amounting to EUR 2,436.3 million, up 32.0% year-on-year (book-to-bill of 1.7x).

The long-term backlog stood at EUR 435.9 million, broadly in line with the amount at 31 December 2021.

	30/06/2022	%	31/12/2021	%	% chg.
Short-term	6,646.5		5,381.0		23.5%
Construction	6,069.3	91.3%	4,796.2	89.1%	26.5%
Industrial	71.8	1.1%	75.8	1.4%	-5.3%
Services	505.4	7.6%	509.0	9.5%	-0.7%
Long-term	435.9		426.5		2.2%
Infrastructure development	435.9	100.0%	426.5	100.0%	2.2%
Total	7,082.4		5,807.5		22.0%

EUR m

6. STOCK MARKET DATA

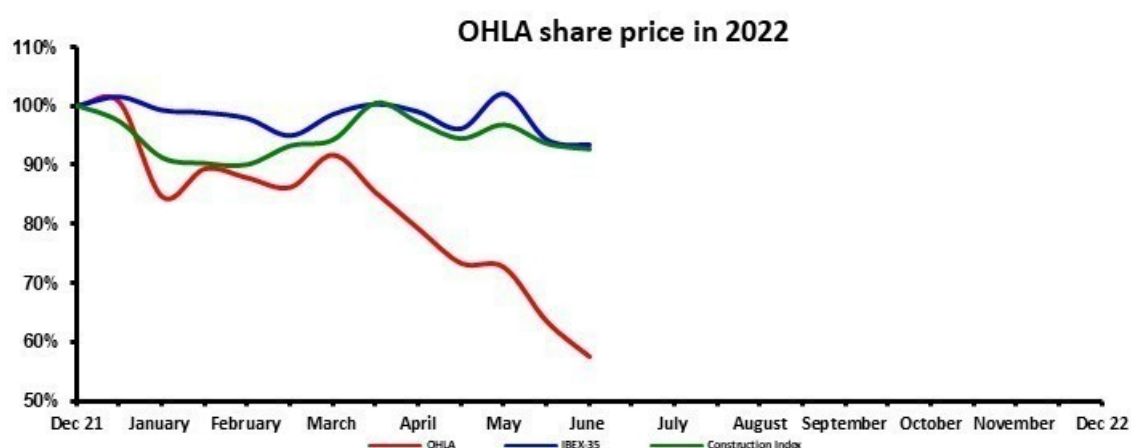
OHLA's share capital at 30 June 2022 amounted to EUR 147,781,145.75, represented by 591,124,583 shares of EUR 0.25 par value each, all of the same class and series. The share price ended June at EUR 0.59 after falling 42.5% YTD.

A total of 327,470,728 shares were traded in the first half of 2022 (55.4% of total shares admitted to trading), with a daily average of 2,578,510 shares.

OHLA held 655,638 treasury shares at 30 June 2022, equivalent to 0.37% of share capital.

30/06/2022

Closing price	0.59
OHL YTD performance	-42.5%
Number of shares	591,124,583
Market capitalisation (EUR Mn)	347.0
Ibex 35 YTD performance	7.1%
Construction Index YTD performance	8.0%



On 28 June 2021 the Company completed the restructuring of the notes maturing in March 2022 and March 2023, issuing a new note maturing in March 2026. Key data on notes issued by OHLA are as follows:

Issuer	Maturity	Coupon	Outstanding balance	Price	YtM
OHLA OPERACIONES	March 2026	6.600%	444.2*	81.101%	15.251%

EUR m / Outstanding balance: the current balance of the principal of the notes, not considering the interest accrued to date

(*) Nominal amount

7. DEVELOPMENT

OHLA Group did not undertake any investments in development projects or incur any significant development expenditure in the first six months of 2022.

8. RISK MANAGEMENT

Risk management is a strategic priority at OHLA Group.

Using advanced analysis and control systems, it aims to minimise its risk exposure, ensure the attainment of each project's profitability targets and make sure that new contracts comply with the risk control parameters established by the management bodies.

The main risks and uncertainties to which OHLA Group is exposed are described in Note 2.7 of the interim condensed consolidated financial statements for the six months ended 30 June 2022.

9. APPENDICES

9.1 HIGHLIGHTS / INSIDE INFORMATION / OTHER RELEVANT, REGULATED AND CORPORATE INFORMATION

- 4 February 2022: The Company discloses that, as agreed with its financial creditors in the framework of the process of recapitalisation and renegotiation of its debt, it will reduce its financial debt.
- 9 February 2022: The Company announces the signing of a relationship protocol between OHLA Group and CAABSA Group for their construction operations.
- 17 February 2022: OHLA sends announcement of the publication date of its 2021 results.
- 24 February 2022: The Company releases its 2021 results report and presentation.
- 24 February 2022: The Company releases its half-yearly financial report for the second half of 2021.
- 8 March 2022: EUR 487,266,804 Split Coupon Senior Secured Notes: Final results of the cash tender offer.
- 8 March 2022: Moody's upgrades its corporate family rating (CFR) to B3, POSITIVE outlook, from Caa1.
- 4 April 2022: The Company releases its 2021 Annual Financial Report, Annual Corporate Governance Report and Annual Report on Director Remuneration.
- 2 June 2022: Holding of the Extraordinary General Shareholders' Meeting and announcement of the resolutions adopted.

9.2 PROJECT SUBSIDIARIES

Company	% stake	Total assets	% of Group total	EBITDA	% of Group total	Gross debt	(-) Cash	(-) Cash equivalents	Net debt
Senda Infraestructuras, S.L.	100.00%	17.6	0.6%	(0.5)	-1.2%	-	(-)	-	(-)
Marina Urola, S.A.	51.00%	1.3	0.0%	0.2	0.5%	-	(0.5)	-	(0.5)
Sociedad Concesionaria Hospitales Red Biobio, S.A.	100.00%	12.8	0.4%	(0.1)	-0.3%	-	(1.5)	(1.0)	(2.5)
Sociedad Concesionaria Centro de Justicia de Santiago, S.A.	100.00%	23.2	0.7%	0.8	2.1%	-	(0.1)	-	(0.1)

EUR m

EUR m		
Company	% stake	Carrying amount of investment ^(**)
Concesionaria Ruta Bogotá Norte S.A.S.	50.00 %	-
Parking Niño Jesús-Retiro, S.A.	30.00 %	1.1
Nova Dársena Esportiva de Bara, S.A.	50.00 %	8.1
Nuevo Hospital de Burgos, S.A.	20.75 %	(0.0)
Health Montreal Collective Limited Partnership (***)	25.00 %	33.0
Torc Sustainable Housing Holdings Limited	5.00 %	-
Torc Sustainable Housing Limited	5.00 %	-
Cercanías Móstoles Navalcarnero, S.A.	100.0% (*)	50.7
Aeropistas, S.L.	100.0% (*)	-
Autopista Eje Aeropuerto Concesionaria Española, S.A.	100.0% (*)	-

Companies that have filed for insolvency proceedings (*)

Includes profit participating and other long-term loans (**)

Classified as held for sale (***).

9.3 ALTERNATIVE PERFORMANCE MEASURES

OHLA Group reports its results in accordance with International Financial Reporting Standards (IFRSs) and also uses the following Alternative Performance Measures (APM) to enhance readers' understanding and comparability of the financial information. To comply with guidelines issued by the European Securities and Markets Authority (ESMA), we hereby disclose the following:

EBIT: calculated based on the following consolidated statement of profit or loss items: revenue, other operating income, operating expenses, staff costs, amortisation and depreciation, and changes in provisions.

This is a statement of profit or loss item used as a measure of a company's ordinary profitability.

	EUR m	
	Six months ended 30 June 2022	Six months ended 30 June 2021
Revenue	1,452.4	1,312.3
Other operating income	57.4	33.4
Operating expenses	-1,040.2	-924.1
Staff costs	-428.9	-391.2
Amortisation and depreciation	-39.4	-35.2
Change in provisions	25.8	7.7
TOTAL EBIT	27.1	2.9

EBITDA: operating profit before amortisation and depreciation and changes in provisions.

This measure is used by the Group and by economic and financial analysts as an indicator of the business' cash generation ability.

	EUR m	
	Six months ended 30 June 2022	Six months ended 30 June 2021
EBIT	27.1	2.9
(-) Amortisation and depreciation	39.4	35.2
(-) Change in provisions	-25.8	-7.7
TOTAL EBITDA	40.7	30.4

Recourse EBITDA: total EBITDA, including interest income and excluding certain non-recurring losses arising from other expenses, in certain cases with no effect on cash (e.g. contract revision losses, collective redundancy procedures), less EBITDA of project companies, and including dividends paid to the parent by the project companies.

This measure is included in the Terms and Conditions document of the 2021 Notes issue as a metric to be provided to issuers.

	EUR m	
	Six months ended 30 June 2022	Six months ended 30 June 2021
TOTAL EBITDA	40.7	30.4
(+) Interest income	5.3	8.1
(-) EBITDA of project companies	-0.5	-3.0
(-) Finance income of project companies	-	-
(+) Dividends from project companies	-	-
(-) Non-recurring expenses	-	-
TOTAL RECOURSE EBITDA	45.5	35.5

Project companies: companies designated as such by the Group in accordance with the Terms and Conditions of the 2021 Notes issue, for whose debt there is no recourse to the parent, OHL, S.A.

Gross debt: non-current and current borrowings under liabilities on the consolidated balance sheet, including bank borrowings and bonds.

This is a financial indicator widely used to measure companies' gross leverage.

	EUR m	
	As at 30 June 2022	As at 30 June 2021
Issue of notes and other marketable securities (non-current)	416.5	444.6
Bank borrowings (non-current)	4.5	43.4
Issue of notes and other marketable securities (current)	8.7	9.5
Bank borrowings (current)	10.8	26.0
TOTAL GROSS DEBT	440.5	523.5

Net debt: gross debt less other current assets and cash and cash equivalents on the assets side of the consolidated statement of financial position.

This is a financial indicator widely used to measure companies' net leverage.

	EUR m	
	As at 30 June 2022	As at 30 June 2021
GROSS DEBT	440.5	523.5
(-) Current financial assets (*)	-223.0	-334.8
(-) Cash and cash equivalents	-397.0	-507.5
TOTAL NET DEBT	-179.5	-318.8

Non-recourse debt (gross or net): debt (gross or net) of companies designated as non-recourse by the Group.

This is a measure of the gross leverage of project companies.

Debt with recourse (gross or net): total debt (gross or net) less non-recourse debt (gross or net).

This is a measure of the net leverage of project companies.

Backlog: short-and long-term unearned revenue from contracts awarded. Once they have been formalised, these contracts are included in the backlog and represent the estimated amount of the Group's future revenue.

Short-term backlog: represents the estimated unearned Construction, Industrial and Services revenue, and also includes expected revenue from changes in contracts or additional work estimated on the basis of the percentage of completion of the projects.

Long-term backlog: represents the estimated future revenue of the concessions, over the concession term, based on the related financial plan and including estimates of changes in the exchange rates between the euro and other currencies, inflation, prices, tolls and traffic volumes.

Market capitalisation: number of shares at the end of the period multiplied by the share price at the end of the period.

	As at 30 June 2022
Number of shares at end of period	591,124,583
Share price at end of period	0.587
MARKET CAP (EUR m)	347.0

P/E ratio: share price at the end of the period divided by the earnings per share for the last 12 months.

This indicator is widely used by investors and analysts of listed companies.

	As at 30 June 2022
Share price at end of period	0.587
Earnings per share	-0.10
P/E ratio	-5.71

The above financial indicators and alternative performance measures (APMs), the use of which facilitates a better understanding of the financial information, are calculated by applying the principles of consistency and uniformity, which allows comparability between periods.

STATEMENT OF RESPONSIBILITY FOR THE CONTENT OF THE INTERIM FINANCIAL REPORT OF OHLA GROUP FOR THE SIX MONTHS ENDED 30 JUNE 2022

In compliance with art. 11 b) of Royal Decree 1362/2007, of 19 October, implementing Law 24/1988, of 28 July, on the Securities Market, the undersigned members of the Board of Directors of Obrascón Huarte Lain, S.A. and subsidiaries state that, to the best of their knowledge, the interim condensed consolidated financial statements for the six months ended 30 June 2022, prepared in accordance with applicable accounting principles, provide a true and fair view of the equity, financial position and results of Obrascón Huarte Lain S.A. and subsidiaries and that the interim consolidated management report provides an accurate analysis of the information required.

The interim condensed consolidated financial statements for the six months ended 30 June 2022 and the interim consolidated management, set out in the preceding pages, were approved by the Board of Directors at their meeting held on 28 July 2022. All of the pages have been signed by the Deputy Secretary of the Board of Directors, with the signatures of all members and the Secretary of the Board of Directors on this page.

Luis Fernando Martín Amodio
Herrera

Julio Mauricio Martín
Amodio Herrera

Juan Villar-Mir de Fuentes

José Antonio Fernández
Gallar

Carmen de Andrés Conde

César Cañedo-Arguelles
Torrejón

Francisco Garcia Martín

Juan Antonio Santamera
Sánchez

Luis Fernando Amodio
Giombini

Reyes Calderón Cuadrado

José María del Cuvillo
Pemán

(Secretary of the Board of
Directors, non-director)