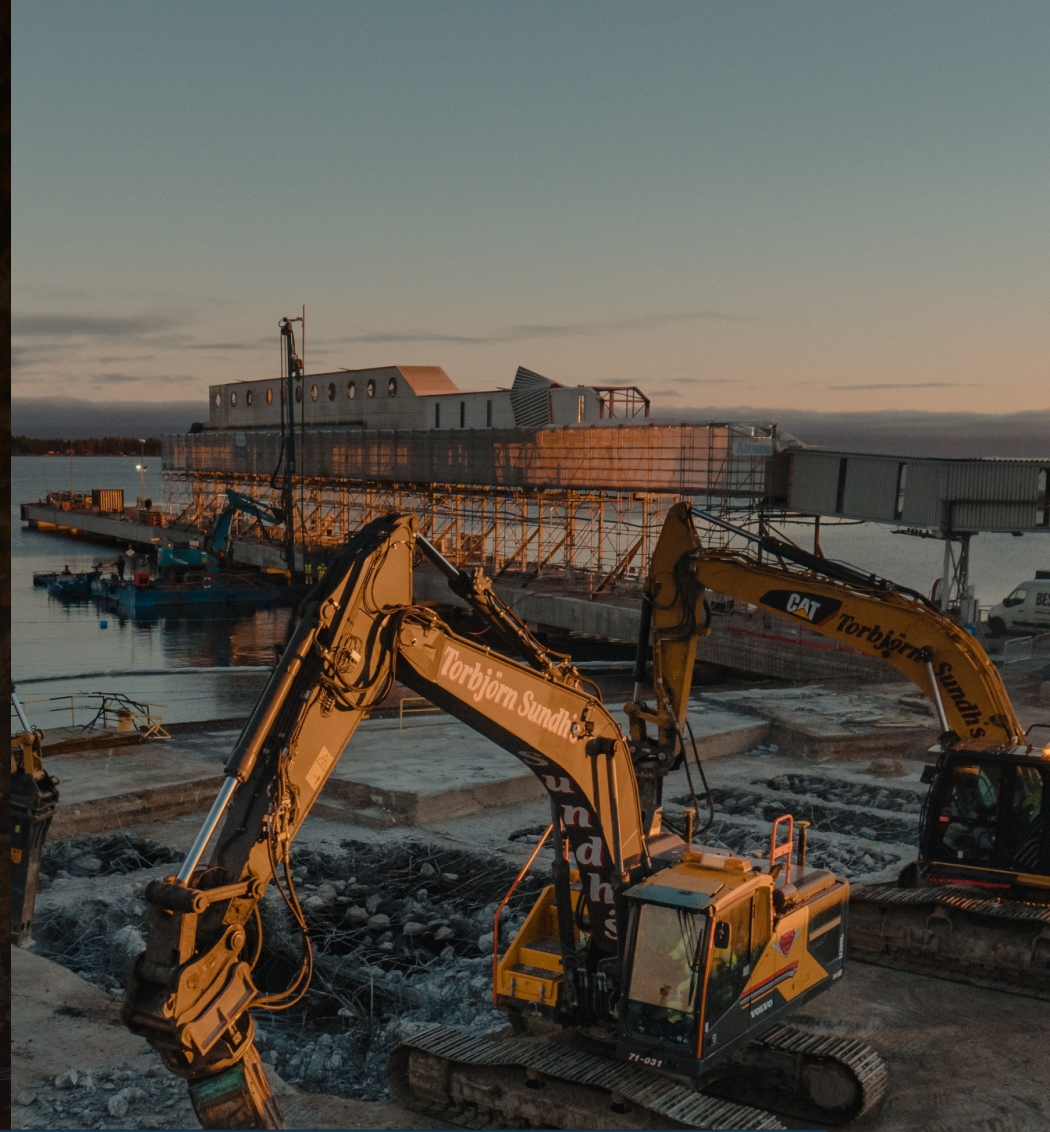




NORDISK
BERGTEKNIK

Nordisk Bergteknik Q3

November 2022



A LEADING PLAYER WITHIN ROCK AND FOUNDATION SOLUTIONS

Nordisk Bergteknik at a glance

Figures refer to 2022 Q3 LTM

SEK 3,016_m

LTM sales

SEK 211_m

Adj. LTM EBIT

7.0%

Adj. LTM EBIT margin

1,154

of employees

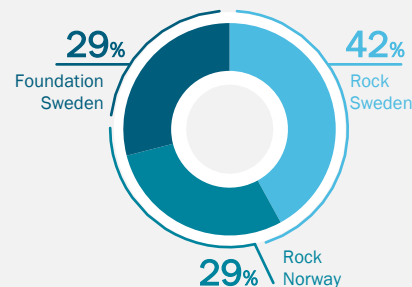
24

Operating subsidiaries

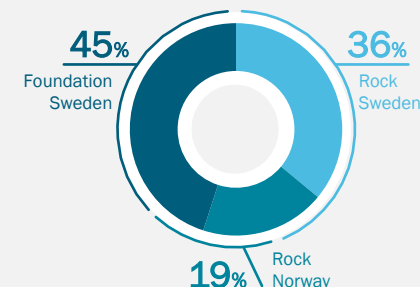
- Nordisk Bergteknik was founded in 2016 with a vision to consolidate the market for rock solutions, foundation solutions and adjacent services.
- Nordisk Bergteknik today consists of 24 operative subsidiaries and is a leading provider of rock and foundation solutions in Northern Europe with operations in Sweden and Norway and some 1,150 employees.
- Nordisk Bergteknik has extensive experience extending back to the 1960s, providing services such as drilling, blasting, rock reinforcement and tunnelling.
- ~75% of the projects carried out by Nordisk Bergteknik have end customers from public sector and exposure to residential markets is thus limited to ~25% of the projects.
- The Group pursues an active M&A agenda to consolidate the industry.

Attractive business mix

Revenue by segment, Q1-Q3 2022



EBIT per segment, Q1-Q3 2022



LOWER RISK TROUGH DIVERSIFICATION

High revenue diversification and few projects with fixed price

~1 500
ongoing projects

The largest project accounts for
less than **10%**

Average project value amounts to
~1 MSEK



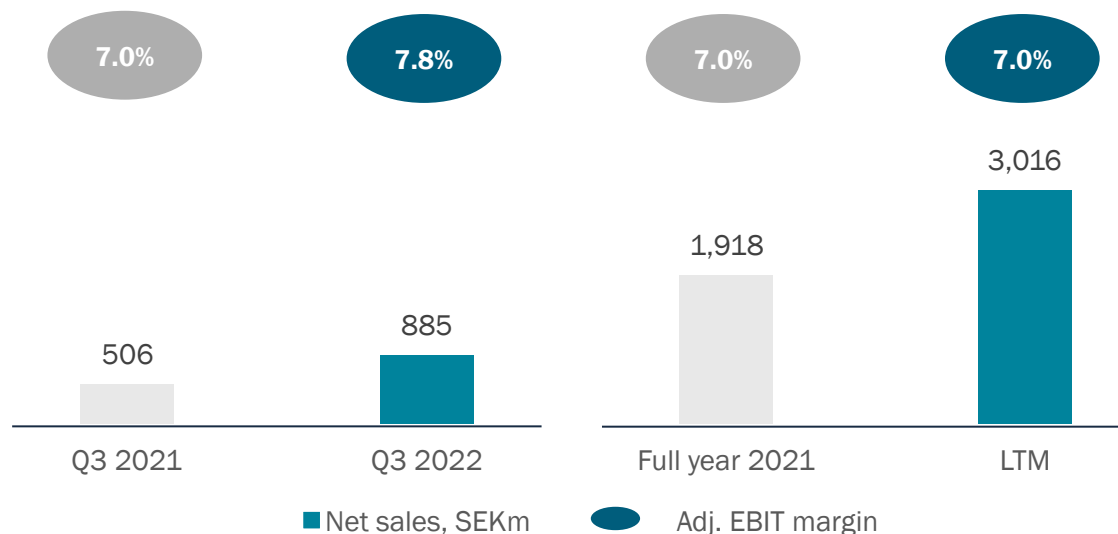


Interim Report Q3

Strong financial development and
advanced market positions



CONTINUED STRONG ORGANIC GROWTH IN Q3



| SEKm | Q3 2022 | Q3 2021 | Q1-Q3 2022 | Q1-Q3 2021 | LTM |
|---------------------------|--------------|--------------|----------------|----------------|----------------|
| Net sales | 885.4 | 505.8 | 2,428.8 | 1,330.6 | 3,015.7 |
| EBITDA | 131.0 | 71.6 | 339.1 | 184.1 | 419.8 |
| <i>EBITDA margin</i> | 14.8% | 14.1% | 14.0% | 13.8% | 13.9% |
| Adj. EBITDA | 133.8 | 74.9 | 344.6 | 194.3 | 430.9 |
| <i>Adj. EBITDA margin</i> | 15.1% | 14.8% | 14.2% | 14.6% | 14.3% |
| EBIT | 66.4 | 31.9 | 160.1 | 78.6 | 199.9 |
| <i>EBIT margin</i> | 7.5% | 6.3% | 6.6% | 5.9% | 6.6% |
| Adj. EBIT | 69.2 | 35.2 | 165.7 | 88.8 | 211.0 |
| <i>Adj. EBIT margin</i> | 7.8% | 7.0% | 6.8% | 6.7% | 7.0% |

Comments

July - September

- Net sales grew by 75% to SEK 885m (505)
- Organic growth corresponded to 29%
- Adjusted EBIT margin increased from 7.0% to 7.8%

Impact from acquisitions

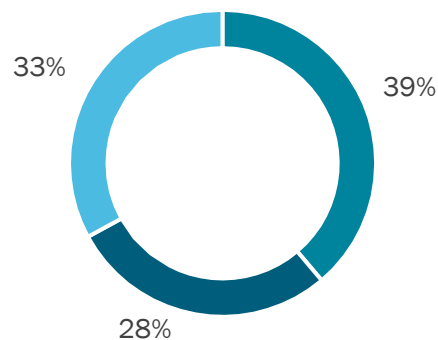
- Consolidation of five new acquisitions during the first nine months, with some SEK 890m in annual sales
- If the acquisitions had been completed at the beginning of the financial year, net sales for the Group would have amounted to approximately SEK 2,732m
- Adjusted EBIT would have amounted to approximately SEK 182m and a margin of 6.7%

Financials

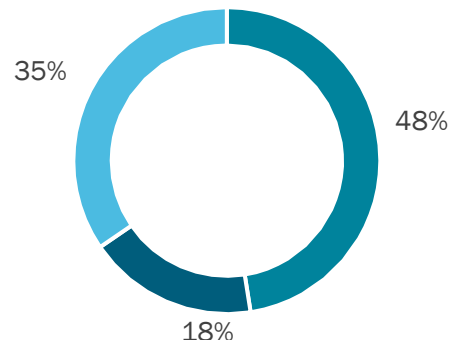
- Adjusted cash flow from operating activities amounted to SEK 78 (95) million during the first nine months
- Net debt/adjusted EBITDA amounted to 3.1 (3.7)
- Cash and cash equivalents at the end of the period SEK 168m (53)
- Unused credit and overdraft facilities amounts to SEK 408m

Q3 CHARACTERISED BY GROWTH ACROSS ALL DIVISIONS

Net sales, Q3 2022



EBIT, Q3 2022



■ Rock Sweden ■ Rock Norway ■ Foundation Sweden

| SEKm | Q3 2022 | Q3 2021 | Q1-Q3 2022 | Q1-Q3 2021 | Full year 2021 |
|-------------------------------|--------------|--------------|----------------|----------------|----------------|
| Rock Sweden | 343.7 | 225.7 | 1,018.3 | 644.9 | 888.8 |
| Rock Norway | 249.9 | 167.4 | 695.2 | 423.4 | 640.8 |
| Foundation Sweden | 291.8 | 112.7 | 715.2 | 262.3 | 387.9 |
| Net sales¹⁾ | 885.4 | 505.8 | 2,428.8 | 1,330.6 | 1,917.6 |
| Rock Sweden | 33.6 | 13.0 | 61.8 | 38.2 | 46.6 |
| Rock Norway | 12.7 | 8.8 | 32.3 | 12.9 | 31.2 |
| Foundation Sweden | 24.4 | 17.5 | 78.5 | 43.0 | 68.1 |
| Total | 70.7 | 39.3 | 172.6 | 94.1 | 146.0 |
| <i>Other and eliminations</i> | -4.3 | -7.5 | -12.5 | -15.5 | -27.6 |
| EBIT | 66.4 | 31.9 | 160.1 | 78.6 | 118.4 |

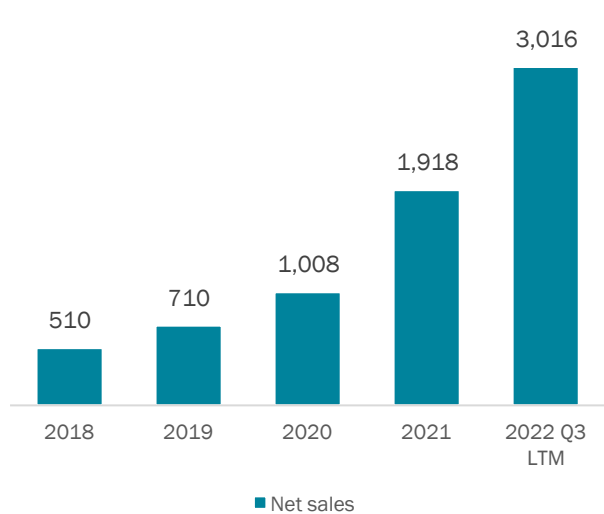
Comments

- All segments have experienced significant growth during the third quarter
- Rock Sweden's organic growth of 16 %. Profitability for Q3 has been positively impacted by several profitable projects and acquisitions with higher margins during the period. EBIT margin amounted 9.6 %
- Strong organic growth of 40 % and earnings development in Rock Norway during Q3, primarily due to a continued strong demand and large investments in infrastructure. EBIT margin amounted to 5.1 %
- Foundation Sweden organically grew by 37 % in Q3 attributable to a general higher demand for services in the segment. The EBIT margin decreased to 8.3 %. During the comparable period, the segment consisted of one company, where one of the projects was large and very profitable

STRONG FINANCIAL PROFILE WITH HEALTHY GROWTH AND SUSTAINABLE MARGINS

Net sales development

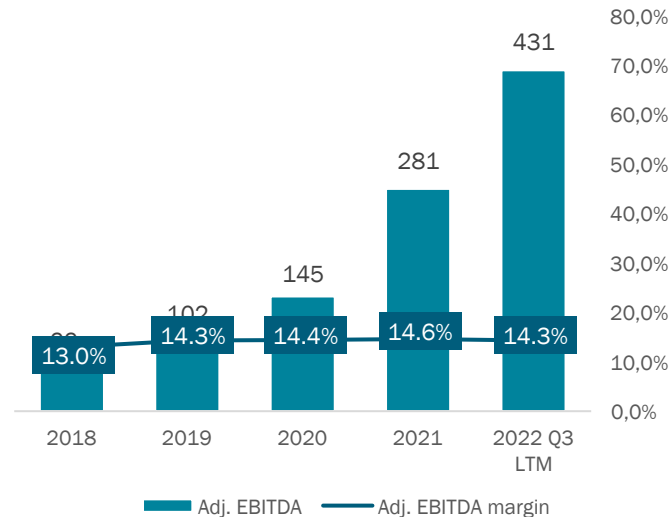
SEKm



- Strong organic growth over time as a result of Nordisk Bergteknik's capability with a large machine park and extensive in-house competences
- Growth also driven by an active M&A agenda with several acquisitions during the last three years

Adjusted EBITDA development

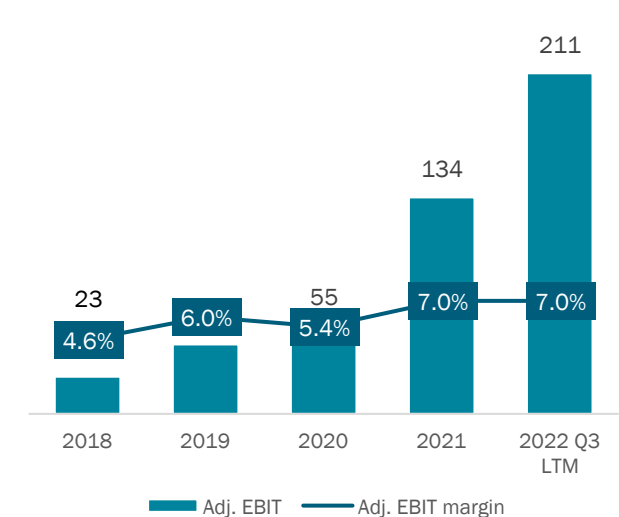
SEKm



- Strong increase in nominal EBITDA with margins stable over 14%
- Successful integrations of acquired companies combined with operational efficiency has allowed for increased growth
- Further potential for economies of scale and synergies over time

Adjusted EBIT development

SEKm



- The increase is mainly driven by an increased volume as well as completed acquisitions and several major projects in Rock Sweden and Foundation Sweden
- Recent acquisitions have contributed with higher margin and lower relatively CAPEX needs

Recent acquisitions

Acquisitions consolidated during Q3 2022

- | | Consolidation date | Annual sales | Segment |
|---|--------------------|--------------|-------------|
| • TSB Borrentreprenad AB ("TSB") | 29 Aug 2022 | SEK 49m | Rock Sweden |
| • <i>The acquisition provides Nordisk Bergteknik with knowledge in directional drilling and increases the group's expertise and resources in drilling in general.</i> | | | |

- | | Consolidation date | Annual sales | Segment |
|---|--------------------|--------------|-------------|
| • Snemyr Betongsprøyting | 30 Sep 2022 | NOK 80m | Rock Norway |
| • <i>The acquisition complements Nordisk Bergteknik's offering and will contribute to further strengthening Nordisk Bergteknik's role as an important player in connection with the investments made in new infrastructure in Norway.</i> | | | |

Acquisitions consolidated after the end of the reporting period

- | | Consolidation date | Annual sales | Segment |
|--|--------------------|--------------|-------------------|
| • <i>Berg & Betongförstärkning</i> | 31 Oct 2022 | SEK 20m | Foundation Sweden |
| • <i>Through the acquisition of Berg & Betongförstärkning, Nordisk Bergteknik continues to strengthen our market position on the West Coast of Sweden, above all in the expansive area of the Gothenburg region.</i> | | | |

Current trading

- Continued strong organic growth for the Group – high demand from a broad customer base.
- Relatively healthy margins despite rising prices for fuel and other inputs.
- Continuous and ongoing work to renegotiate indexes and cost increases in existing contracts.
- Strong growth means high working capital needs in accounts receivable etc. Inventory of important spares and so-called wearing parts and consumables is kept at a relatively high level, which also negatively affects cash flow.

M&A:s

- Active role in the continued consolidation of the industry in the Nordics.
- Six completed acquisitions so far during 2022 – adds annual net sales of almost SEK 900m with healthy margins.
- Ongoing discussions with other potential acquisition candidates.

External uncertainty

- Price increases and generally high inflation create challenges for the industry that must be managed and responded to.
- Uncertain economic situation with declines in the housing market - however a smaller part of our business.
- Nordisk Bergteknik's business model revolves around relatively short projects and a small share of fixed prices which give flexibility and sustains an organizational level of efficiency.

Strong demand and favourable trends

- Large, stable and growing market with a high proportion of end customers from the public sector.
- Continued high national demand to both maintain, refine and renew transport networks.
- The “green transition” will require a completely new and complementary type of infrastructure and urban development.



**NORDISK
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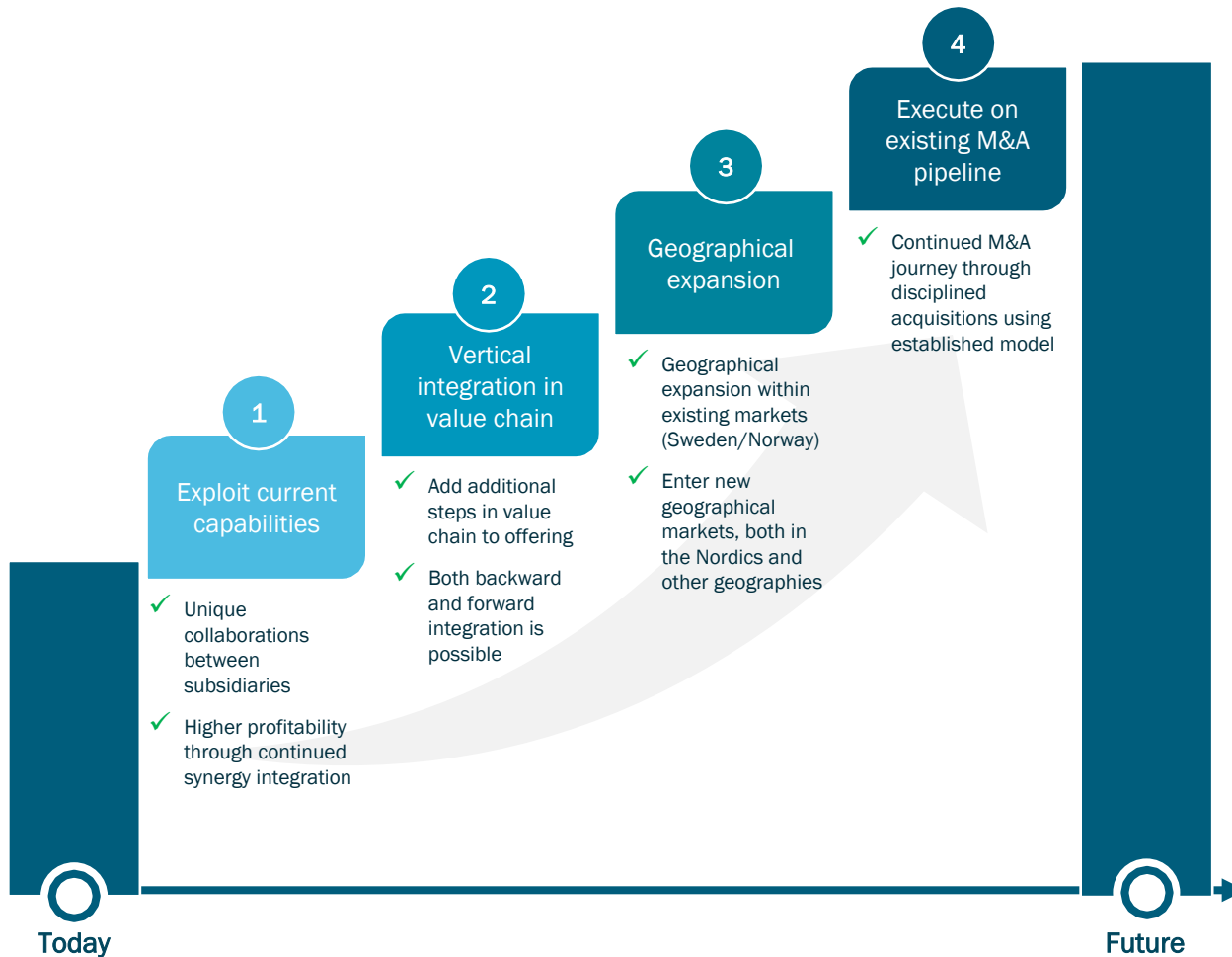
Strategy and Financial targets



NORDISK BERGTEKNIK IS WELL POSITIONED FOR FURTHER GROWTH



NORDISK
BERGTEKNIK



Comments

Successful operations in a niche market

- Limited competition in a niche market with high barriers to entry since operations requires a high level of expertise, specialized equipment and machine capacity
- Additional upside with further materialisation of synergies and continued implementation of effectiveness initiatives

Positive market outlook with compelling growth

- Nordisk Bergteknik operates in a niche market that has been growing in recent years
- Market growth is expected to continue growing supported by an attractive infrastructure investment pipeline over the next ten years

Opportunity to continue building a market leader

- Leading positions in rock segment. Opportunity to reach higher market share by executing on the short term acquisition pipeline
- Additional possibilities to grow organically by realisation of synergies and implementation of optimisation initiatives

FINANCIAL TARGETS

| | | |
|--------------------------|---|------------------------------------|
| GROWTH | <i>Achieve annual net sales growth of more than 15 percent over a business cycle. The growth should be achieved through a combination of organic growth and acquisitions</i> | 15% Annual sales growth |
| PROFITABILITY | <i>The Group targets an adjusted EBIT-margin of 7 percent in the medium term</i> | 7% Adj. EBIT margin |
| CAPITAL STRUCTURE | <i>The net debt in relation to adjusted EBITDA shall not exceed a ratio of 2.5x. Indebtedness can temporarily be higher, for example in connection with larger acquisitions</i> | <2.5x Net debt/EBITDA |
| DIVIDEND POLICY | <i>Nordisk Bergteknik's target is to distribute 40 percent of the Group's consolidated net income over time, taking into consideration other factors such as M&A and growth opportunities as well as financial position and cash conversion</i> | 40% of net income |