

Annual report

2021

NORDISK
BERGTEKNIK



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Nordisk Bergteknik at a glance

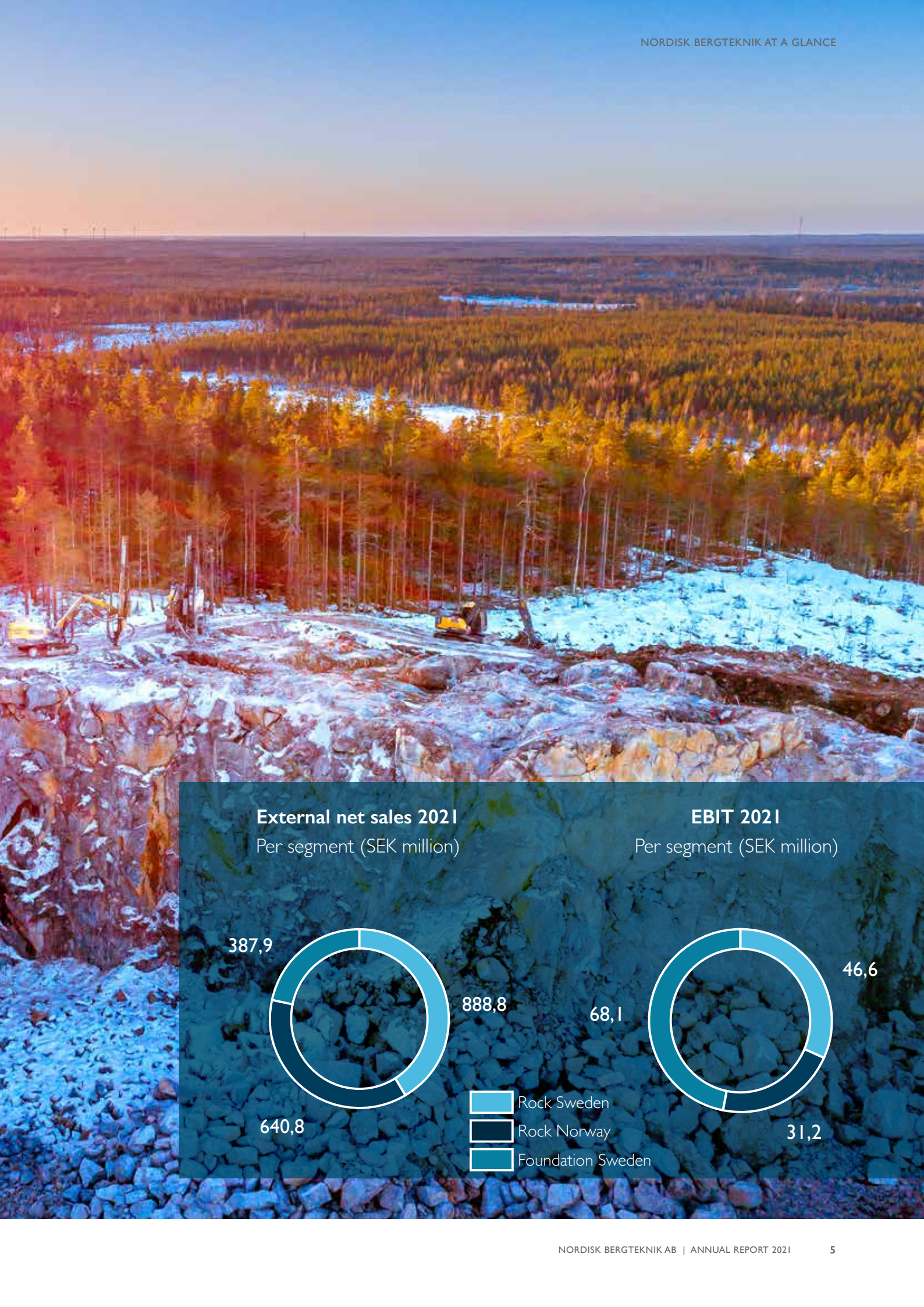
Nordisk Bergteknik is a strategic partner in selected niches in the market for construction and contracting services in the infrastructure, mining and construction industries. The Group, which is northern Europe's largest player offering a comprehensive set of services within rock handling and foundation solutions, manages 18 operational companies with strong positions and brands in the regional market around Sweden and Norway.

The foundation of the business relies on solid engineering competence, significant experience, lasting customer relationships and a constant effort to carry out each assignment with the highest quality and safety, along with a focus on sustainability. Nordisk Bergteknik operates in a market with stable underlying growth, driven by a large proportion of long-term public investments. The Group's customers are mainly private companies, which in turn handle comprehensive societal infrastructure projects for governments and municipalities. Nordisk Bergteknik is familiar with all kinds of environments and works with both smaller assignments as well as medium to large-sized projects, where the Group often acts among several other partners.

The Group offers services both above and below ground as well as under and on the surface of water. Environment and safety are of the utmost importance in the work we conduct. Nordisk Bergteknik's personnel, currently around 900 employees, are well educated and continuously trained to stay on top of current environmental and safety requirements. The Group strives to have well-maintained and modern machinery with a focus on working environment, operational efficiency, safety and a sustainable environment. Of the Group's fleet with over 300 different machines and vehicles, a significant and growing proportion are environmentally categorized.

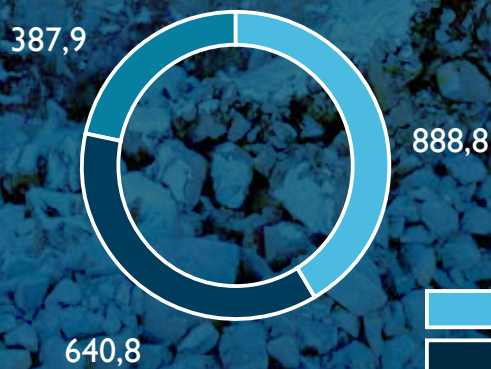
The Group operates in two business areas; rock handling and foundation solutions, which in turn are divided into the three financial reporting segments Rock Sweden, Rock Norway and Foundation Sweden.





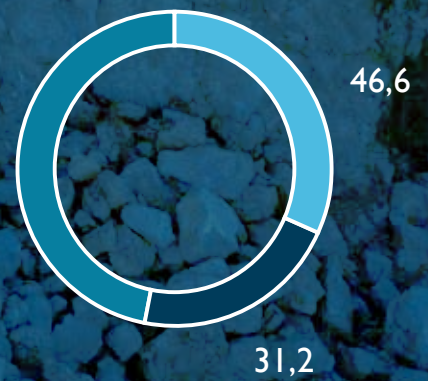
External net sales 2021

Per segment (SEK million)



EBIT 2021

Per segment (SEK million)



- Rock Sweden
- Rock Norway
- Foundation Sweden

Vision

Nordisk Bergteknik’s vision is to be a leading player in rock handling and foundation solutions in each one of its geographical markets. The Group shall be characterised by a strong culture, distinct entrepreneurial spirit, decentralised structure, as well as high efficiency and quality.

Nordisk Bergteknik’s values

The following values should be fully embedded in Nordisk Bergteknik’s operations:

- Competent in commitments and present alternatives and opportunities to the customer.
- Efficient when customers sum up total costs for commitments.
- Innovative through development of working methods and implementation of commitments.

Business model

The Group mainly works with a diversified portfolio of a large number of small and medium-sized projects that are usually invoiced monthly and on an ongoing basis, which underpins the low level of risk in the business. Customer losses have historically been very low. The basis for success of Nordisk Bergteknik’s operating companies relies on a close, and often long, customer relationship. Nordisk Bergteknik strives for long-term relationships and to have the industry’s most satisfied

customers, which is accomplished by distinct customer focus, close cooperation and sustainable deliveries of the highest quality.

Growth strategy

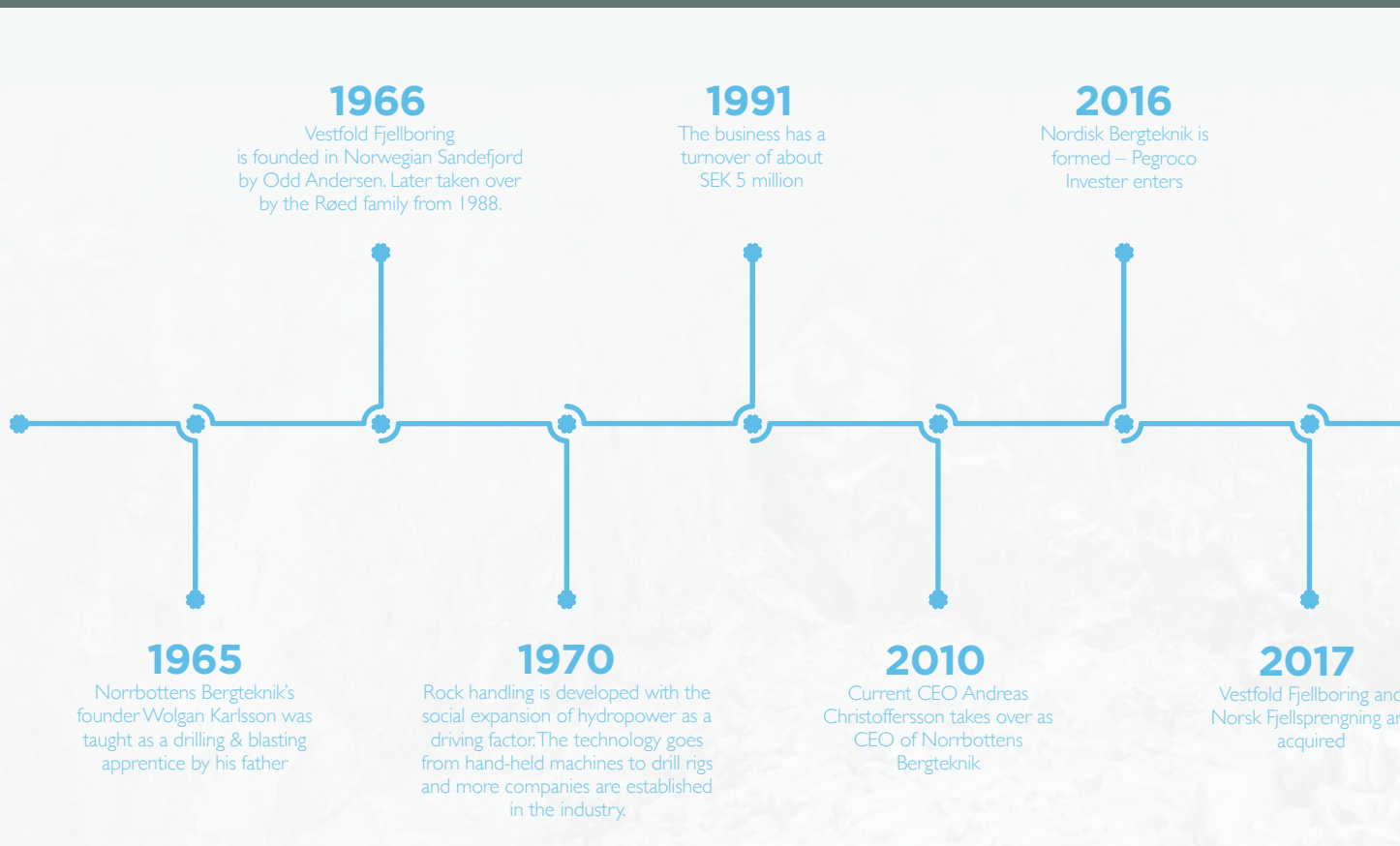
Nordisk Bergteknik will grow both organically and through acquisitions. The company’s ambition is to acquire locally leading and profitable players that complement and strengthen the Group’s current offering and geographical presence. The strategy can be divided into four parts:

- Strengthen the current position in the local or regional market
- Expand the existing range of services
- Establish itself in new geographical submarkets
- Continue to grow through acquisitions

Strengths and competitive advantages

- Significant market with expected strong long-term growth
- Market leader with high and growing barriers to entry
- Sustainability, safety and productivity are at the core of the business
- Diversified project and customer portfolio that lowers the risk level and enables stable earnings over time
- Nordisk Bergteknik operates in a fragmented market with a large number of possible additional acquisitions that have a significant potential for synergies

The growth and expansion of Nordisk Bergteknik



Sustainability

Nordisk Bergteknik has a clear ambition to be involved in the development of a sustainable society. Among other things, the Group has been involved in the establishment of various wind power projects for several years and the electrification of the vehicle fleet. The Group also continuously invests in new machines to always have modern and environmentally friendly machinery. Nordisk Bergteknik is also at the forefront of the industry in terms of automation and remote control of machines.

Financial targets

Growth

Achieve annual growth exceeding 15 % over a business cycle, generated organically as well as through complementary acquisitions.

Operating margin

The Group is striving for the adjusted EBIT margin to exceed 7 % in the medium term.

Capital structure

Nordisk Bergteknik's target is for the net debt/adjusted EBITDA LTM not to exceed 2.5x. The ratio may temporarily be higher, for example in connection with larger acquisitions.

Dividend policy

Nordisk Bergteknik's target is to distribute up to 40 % of the Group's consolidated net income over time, taking into consideration M&A and growth opportunities as well as financial position and cash conversion.

Financial targets briefly

>15 %

Annual growth rate over a business cycle

>7 %

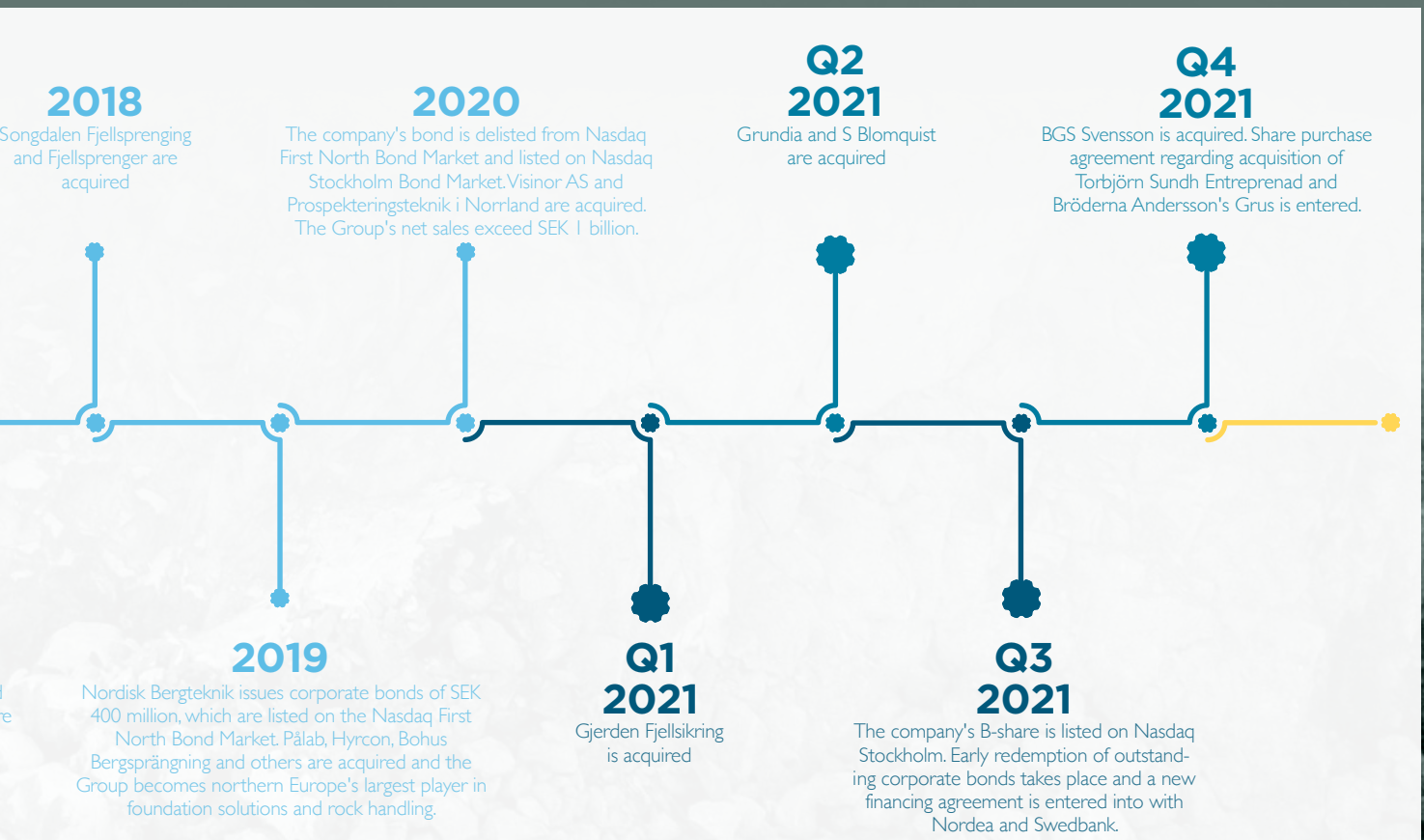
Adjusted EBIT margin in the medium term

≤2.5x

Net debt/adjusted EBITDA LTM

≤40 %

Dividend policy over time, of the Group's consolidated net income





A word from the CEO

A successful year with strong expansion and strengthened profitability

During the financial year 2021, our first as a listed company, we continued to strengthen our position and our offering as a leading strategic partner to the construction and mining industries. Net sales increased by over 90 %, of which organic growth accounted for 25 %. It can also be noted that all three of our segments delivered double-digit organic growth, which is very gratifying. The adjusted EBIT margin amounted to 7.0 %, which means that we have already achieved all of our long-term financial targets. It is very encouraging to see that our business model has proven its strength and that we continue our expansive journey with increased profitability. This means that the Group's sales now are almost three times larger than for the full year 2020, including the recently announced acquisitions of Rovalin and Soil Mixing Group.

Proven business model

Since the Group was formed in 2016, we have followed a plan to establish ourselves as a strategic partner within infrastructure services to the construction industry in a selection of local markets in the Nordic region. This plan involves both organic and acquired expansion, and so far, has led to a gradual increase in profitability. Through acquisitions, we have, among other things, established an even stronger position in Västra Götaland, Mälardalen, Norrbotten and Västerbotten, as well as in parts of Norway. Regions that are the ones that have the most ongoing and planned major infrastructure projects in our home market.

At the same time, we have gradually broadened our service offering in both our rock- and foundation operations and can thus assist our customers with an increasing number of selected projects. Furthermore, we have recently received our first Finnish project, which means that we have our own staff on site in the Kevitsa mine in northern Finland from January 2022. This in combination with our existence and increased presence in regions with large infrastructure investments, enables future growth, both organically and through acquisitions. Our strategic plan also enables possibility to realize synergies over time as the Group grows.

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It is very encouraging to see that our business model has proven its strenght and that we continue our expansive journey

Overall, we operate in a large, stable and growing market with a high proportion of end customers from the public sector and see a continued great national need to both maintain and refine as well as renew transport networks

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Successful listing and strengthened financial position

The company's financial position and flexibility have been significantly strengthened recently through a number of activities. In connection with our IPO on Nasdaq Stockholm in October, a new share issue of SEK 500 million was carried out. Furthermore, we have carried out an early redemption of our bond of SEK 400 million which was replaced by a bank loan with a significantly lower interest rate as well as expanded our credit facility by an additional SEK 650 million.

Acquisitions are a key part of the growth strategy

Acquisitions are a central part of Nordisk Bergteknik's growth strategy and a total of five acquisitions were made in 2021. During the current financial year, we made two more acquisitions and recently communicated our largest acquisition ever, Infrastructure Group Nordic, with the associated subsidiaries Rovalin and Soil Mixing Group, provided that the acquisition is approved by the Swedish Competition Authority.

In total, these eight acquisitions have a turnover of approximately SEK 1 250 million on an annual basis.

All companies have a solid long-term growth potential and contribute to our plan to establish ourselves as a strategic partner within infrastructure for the construction industry in selected local markets in the Nordic region. Our financial strength in combination with the fact that we continue to observe good acquisition opportunities indicates that there is also an opportunity to maintain a good acquisition rate going forward.

Sustainability in focus

Sustainability issues play an important role in foundation and rock management. There is a clear environmental touch on our projects for both state and municipal end customers, as well as private ones such as Northvolt and HYBRIT, which requires that we comply with rigorous environmental requirements regarding the equipment we use. We have well-invested and modern set up of machinery that consists of, among other things, hybrid machines, which are primarily used in exploration drilling.

Based on our solid engineering expertise, significant experience

and long-lasting customer relationships, we will strive to further maintain and strengthen our positions and complement current operations to contribute to the green transition. This must be done with a constant effort to carry out each assignment with the highest quality and safety as well as keeping sustainability in focus. This benefits our business as well as our employees and customers, and not least society at large.

Significant market potential and financial freedom of action

Overall, we operate in a large, stable and growing market with a high proportion of end customers from the public sector and see a continued great national need to both maintain and refine as well as renew transport networks. At the same time, the green transition will require a completely new and complementary type of infrastructure, mining and urban development. Trends that benefits Nordisk Bergteknik for a long time to come.

"We will continue to play an active role in the consolidation of our industry in the Nordic region"

Our financial freedom of action was significantly strengthened through the refinancing in connection with the stock exchange listing, and we will continue to play an active role in the consolidation of our industry in the Nordic region and ensure that we have an attractive and sustainable business profile. With a continued high demand for our services, good market prospects together with a diversified customer base, a well-invested machine park and committed and knowledgeable employees, we foresee a very bright future.

In conclusion, I would like to take this opportunity to thank all employees, customers, partners and of course our new shareholders for the past year. You have all contributed to Nordisk Bergteknik's success.

GOTHENBURG, APRIL 1, 2022



ANDREAS CHRISTOFFERSSON
CEO

Market overview



NORDISK BERGTEKNIK'S MAIN MARKETS

Nordisk Bergteknik conducts operations in rock handling and foundation solutions in Sweden and Norway.

Rock handling, where Nordisk Bergteknik's operations are engaged in:

- **Drilling:** Especially in the preparation phase for excavation and foundation
- **Excavation:** Includes operations of splitting rock
- **Rock reinforcement:** Maintenance of rock and concrete structures to avoid landslides and accidents as well as to strengthen older structures

Foundation solutions, where Nordisk Bergteknik's operations are engaged in:

- **Piling:** Carried out to ensure a stable and secure foundation for, for example, buildings
- **Foundation reinforcement:** Activities to prevent buildings from lowering into the ground
- **Sheet piling:** Action taken to prevent water and soil from entering various construction areas

The size of the total market for rock handling and foundation solutions in Sweden and Norway in 2019 amounted to SEK 12.8 billion, where rock handling and foundation solutions constitute 45 % and 55 %, respectively, of the total addressable market for Nordisk Bergteknik.

The source for the following sections is public information from Retriever. For each market segment, a selection of Nordisk Bergteknik's competitors has been analyzed, see below.

Rock handling in Sweden: Retriever; data retrieved from annual reports for selection of $n = 117$ companies with industry code 4312 (Ground and foundation work) that are judged to compete with Nordisk Bergteknik's services in the segment, 2019.

Rock handling in Norway: Retriever; data retrieved from annual reports for selection of $n = 74$ companies with industry code 4312 (Ground and foundation work) that are judged to compete with Nordisk Bergteknik's services in the segment, 2019.

Foundation solutions in Sweden: Retriever; data retrieved from annual reports for selection of $n = 36$ companies with industry code 4312 (Ground and foundation works) that are judged to compete with Nordisk Bergteknik's services in the segment, 2019.

Foundation solutions in Norway: Retriever; data retrieved from annual reports for selection of $n = 16$ companies with industry code 4312 (Ground and foundation works) that are judged to compete with Nordisk Bergteknik's services in the segment, 2019

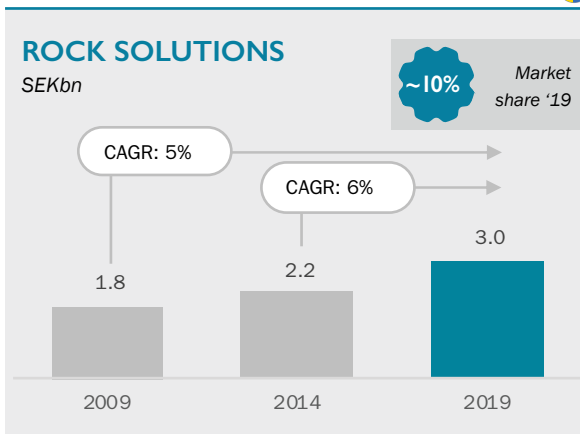


ROCK HANDLING IN SWEDEN AND NORWAY

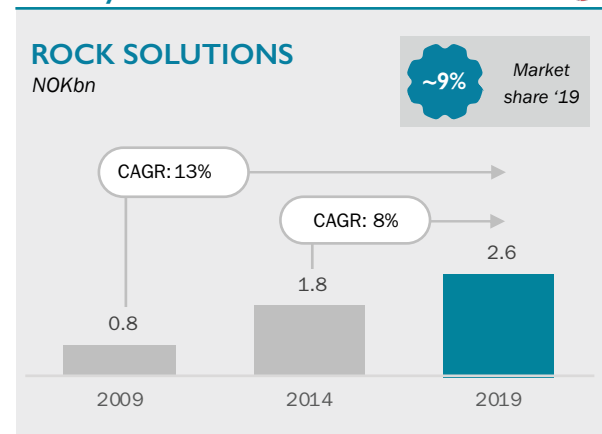
Within the market segment of rock handling, Nordisk Bergteknik is a subcontractor to the largest actors within project development and construction, such as Skanska, NCC and PEAB, and sees itself as a strategic partner to the mentioned players. The Swedish and Norwegian rock handling markets amounted to SEK 3.0 billion,

equal to NOK 2.6 billion, in 2019. The market for rock handling has experienced positive development in recent years in both Sweden and Norway. The Swedish and Norwegian markets have experienced growth corresponding to a CAGR of 6 % and 8 %, respectively, in the past five years.

Sweden



Norway



The Swedish market has undergone some consolidation in recent years, however, it is still fragmented. The ten largest players make up 43 % of the total market and the Company estimates that the Group has a market share of 10 %. The Norwegian market is assessed to be more fragmented than the Swedish market.





FOUNDATION SOLUTIONS IN SWEDEN AND NORWAY

The Swedish and Norwegian markets concerning foundation solutions have had sales of SEK 5.2 billion and NOK 1.8 billion, respectively. Over the past five years, the market of foundation solutions in Sweden has grown strongly with a 14 % CAGR. The Norwegian market has grown with a 6 % CAGR during the corresponding period. Nordisk Bergteknik currently has very limited operations in this segment in Norway.

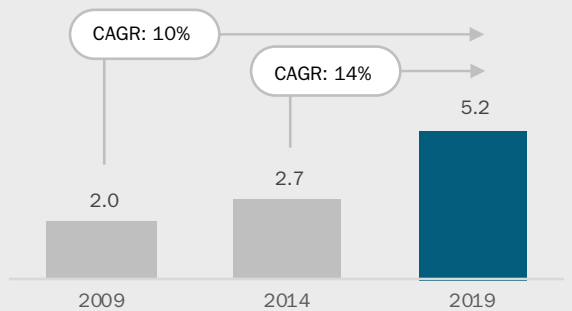
Sweden



FOUNDATION SOLUTIONS

SEKbn

~3% Market share '19



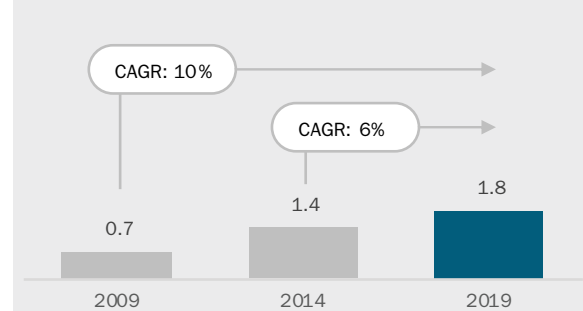
Norway



FOUNDATION SOLUTIONS

NOKbn

Market launch in 2021



The Swedish foundation solutions market is highly consolidated, as the 10 largest players are estimated to account for 85 % of sales. The Norwegian market of foundation solutions is also highly consolidated, as the 10 largest players account for as much as 98 % of the market.

MARKET TRENDS AND DEVELOPMENT

The market development is driven by a number of underlying trends, such as expectations of increasing investments in new and ageing infrastructure, urbanisation, construction of renewable energy facilities and investments in mining sites.

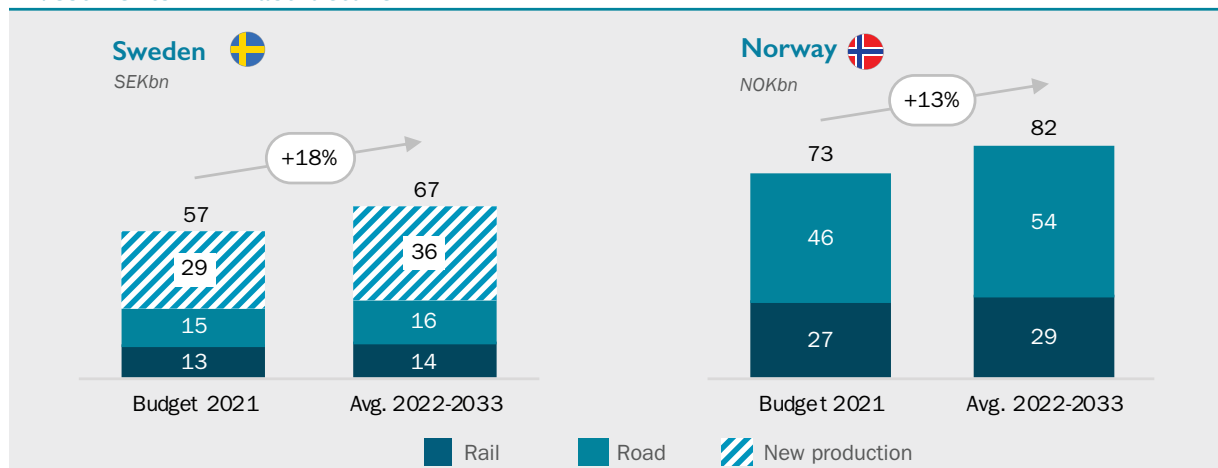
Investments in new infrastructure

On 16 April 2021, the Swedish government presented a new national infrastructure plan for the transport system for the years 2022-2033. The plan includes road, rail, shipping and aviation. The financial framework for the 12-year period increased to SEK 799 billion in the new infrastructure plan, corresponding to an annual average spend on infrastructure of SEK 67 billion. This corresponds to an increase of 18 % in comparison with the budget for 2021, which amounted to SEK 57 billion.¹

At the end of March 2021, the Norwegian government presented a new National Transport Plan for the years 2022-2033 in the Stortinget. The financial allocation of funds amounted to NOK 1,200 billion,² including income from tolls, which is an increase compared to the previous plan that amounted to just above NOK 900 billion, referring to the years 2018-2029. The annual average of investments is estimated at just over NOK 82 billion for roads and railways. This corresponds to an increase of 13 % in comparison with the budget for 2021, which amounted to NOK 73 billion.



Investments in infrastructure



Includes investments in roads, railways, seaports and airports, unless otherwise stated.

Maintenance of existing infrastructure

In addition to investments in new infrastructure, large investments in ageing infrastructure are also planned. Both road and railway installations are ageing and are not fully dimensioned for today's traffic along with the demand for high-capacity and heavy transports. A large part of the plan for both Sweden and Norway is thus dedicated to the maintenance of existing roads and railways. Maintenance should have a high priority according to the plan, and the

benefits of maintenance are in many cases considered to be greater than making new investments. With this background, investments in operations and maintenance are expected to increase in the coming years due to increasing needs. Nevertheless, the share of maintenance investments of total investments is assumed to be stable in the coming years, mainly due to a surge of investments in new infrastructure. In Sweden, the share is 46 % and in Norway, the corresponding share is 23 % of total investments for the plan 2022-2033.

¹ The Swedish Transport Administration

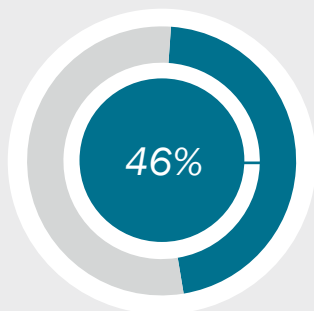
² The Norwegian Public Roads Administration



Maintenance investments

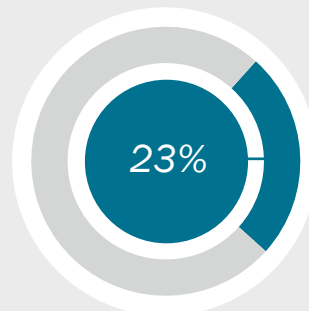
Sweden 🇸🇪

Share of total investments according to Swedish 2022-2033 infrastructure plan



Norway 🇳🇴

Share of total investments according to Norwegian 2022-2033 infrastructure plan



Urbanisation and shortage of housing

Continued urbanisation in both Sweden and Norway has resulted in an increased demand for housing in large cities. This has in turn induced both housing construction and expansion of electricity and water systems and is expected to continue in the coming years. In addition, many older buildings in large cities are in need of foundation reinforcement. In Sweden, a housing deficit has been building up since 2006 as a result of limited construction of new properties and conversion of existing properties in relation to population growth and demand.

The future demand for new housing is mainly determined by the development of the number of households and the change in the existing housing stock. In addition, a certain number of vacant homes are needed as a relocation reserve for the housing market to function in a satisfactory manner.¹ According to Euroconstruct, the number of new buildings is forecasted to grow steadily in the coming years, both in Sweden and Norway.²

In addition, statistics from the Commission on Pile Research (sw. Pålkommissionen) show that foundation reinforcement for existing

¹ The National Board of Housing, Building and Planning (2020). Need for housing construction. <https://www.boverket.se/sv/samhallsplanering/bostadsmarknad/bostadsmarknaden/behov-av-bostadsbyggande/>
² Euroconstruct 2020.



buildings has increasingly been implemented from 2017 and onwards.¹ From 2017-2020, the number of metres of pile requested has increased from 56,000 metres to 122,000 metres, which corresponds to an annual increase of approximately 29 %.

Increasing usage of renewable energy

More than 50 % of global energy production is expected to be renewable energy by 2035.² The shift from fossil fuels to renewable energy is expected to spur the development of hydropower dams and wind turbine parks. Earthworks account for about 12 % of the total cost for wind park development, half of which goes to excavation, making renewable energy development relevant for Nordisk Bergteknik. The Nordic region has Europe's lowest electricity prices³ and a driving factor for the development of wind power in Sweden is that Northvolt, international data centres, as well as HYBRIT and H2 Green Steel need cheap and sustainable electricity for their operations. There is still a significant amount of available land areas in Sweden to establish wind farms.

The Swedish Energy Agency and the Swedish Environmental Protection Agency have jointly developed a national strategy for the expansion of sustainable wind power. The purpose of the strategy is to contribute to the energy transition by creating conditions for the future expansion of wind power to take place in a sustainable manner. The strategy focuses on a developed planning process for wind power. According to the Swedish Energy Agency, the number of wind turbines will increase from 4,300 year 2020 to 5,300 year 2023. Since 2013, growth has corresponded to a CAGR of 7.2 %.

Mining

Swedish mining companies are amongst the leading companies in the world, and the mining industry is expected to have strong future development. The Boliden mine in Aitik is the world's most productive copper quarry⁴. Sweden's rich bedrock provides unique opportunities to sustainably extract metals needed for the climate transition. Precious metals are an important input for, for example, renewable energy and other environmentally friendly solutions for machines.

¹ The Pole Commission, 2020.

² McKinsey 2021 (Global Energy Perspective 2021).

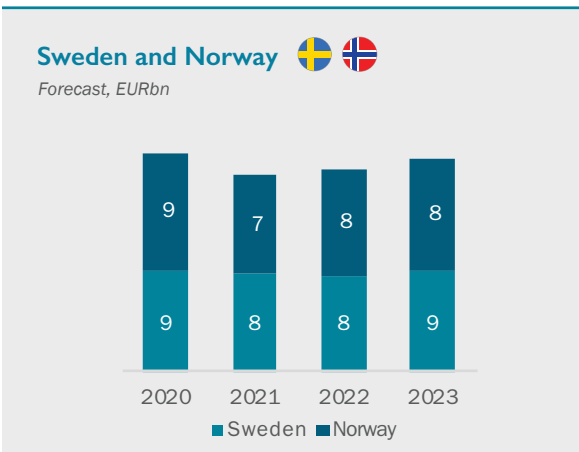
³ The Swedish Energy Agency.

⁴ Boliden Annual and Sustainability Report 2020.

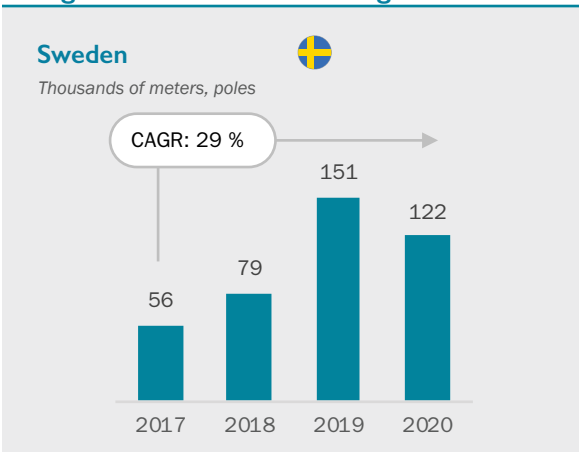
⁵ Swedish Geological Survey (SGU), 2018.

⁶ Directorate for Mineral Resources (Mineral Resources Norway, 2019

New residential construction



Piling to reinforce old buildings



Additional driving forces for the market of rock reinforcement and foundation solutions

The use of crushed bedrock as ballast for roads and other construction has increased in recent decades. This is due to the fact that the excavation of natural gravel and moraine in general has been limited in Sweden and Norway. Ballast is the most extracted raw material in Sweden, and its demand increases as infrastructure projects surge in the Nordic region.^{5 6}

INCREASED FOCUS ON SUSTAINABILITY

Sustainability plays an important role in foundation solutions and rock handling. For projects with a clear environmental angle, such as Northvolt and HYBRIT, the client demands the contractor to comply with rigorous environmental requirements for the equipment used.

Nordisk Bergteknik uses hybrid machines, primarily in prospect drilling, and the company car fleet largely consists of plug-in hybrids. When it comes to the transport of drilling equipment, Nordisk Bergteknik mainly uses external conveyors on which

Nordisk Bergteknik can make demands for environmentally adapted transport solutions.

It is also important to use environmentally friendly motors in all the machines used for foundation solutions and rock handling. The leading players of the industry are constantly striving to use the most environmentally friendly engines available. Several of them vision of having zero carbon dioxide emissions in 20-25 years' time.

COMPETITIVE SITUATION

Competition and market fragmentation

According to Nordisk Bergteknik, the markets in Sweden and Norway are fragmented with many local players. Within the rock segment, there are just over 100 competing companies in Sweden, and the corresponding figure in Norway is around 75 companies. The 10 largest companies in Sweden account for over 70 % of the market, which provides opportunities for acquisitions among the nearly 100 companies that together have just over a quarter of the market. There are also similar opportunities for consolidation in Norway, as the 10 largest companies account for about half of the market, while around 70 companies account for the remaining half. In the segment of foundation solutions, there are about 40 companies in Sweden and about 15 in Norway. Here, too, there are some acquisition opportunities, not least in Sweden as the 10 largest companies control 85 % of the market, and the remaining part is distributed among about 25 smaller companies. For the foundation market in Norway, the picture is a little different as the 10 largest companies account for 98 % of the market.

According to Nordisk Bergteknik, only a small number of companies, including Nordisk Bergteknik, have the capacity to offer services in certain geographical areas in Sweden. Examples of other players that are deemed to have the same capabilities, to some extent, as Nordisk Bergteknik, are the Bellman group and Besab.

The fragmented market has, according to Nordisk Bergteknik, resulted in larger companies being able to consolidate the market, for instance through acquisitions. One aspect that drives the consolidation trend is the pursuit of economies of scale. Nordisk Bergteknik believes that the consolidation trend in the market will continue and strives to be an active player in the ongoing consolidation.

There is strong underlying growth in both rock handling and foundation solutions, mainly thanks to the large infrastructure investments made in Sweden and Norway. This is a trend that has recently intensified as both the Swedish and Norwegian governments have updated their respective national infrastructure plans and increased funding.

Competitive advantages

Nordisk Bergteknik assesses that there are a number of factors that bring significant competitive advantages to the market in which they are active. Examples of these factors are described below.

- **Economies of scale:** Nordisk Bergteknik believes that large players active in rock handling and foundation solutions have the opportunity to achieve economies of scale. These companies can achieve reduced costs through purchasing agreements, knowledge exchange and training, exchange of best practice and resource distribution of both machines and personnel between different parts of the business as needed.
- **Need for a local presence:** Strong local knowledge and local relationships are important success factors in rock handling and foundation solutions. This is reflected, amongst other things, by the fact that several of the customers are recurring and that they favor entrepreneurs with prior experience. In addition, Nordisk Bergteknik believes that there is a Nordic standard on the market for how rock handling and foundation solutions should be carried out, which can lead to difficulties for foreign players to compete with local ones.
- **Demand for a modern and large selection of machinery:** A large selection of machinery makes it possible to take on all types of projects and enables greater flexibility in both timing and implementation pace. In addition, having machinery that both meets sustainability requirements and holds the necessary certifications is of the utmost importance to be able to conduct business in rock handling and foundation solutions.
- **Sustainability focus:** Nordisk Bergteknik assesses that customers in the rock handling and foundation market are increasingly demanding companies to have a pronounced environmental focus and integrated sustainability into their operations.

Business model

NORDISK BERGTEKNIK'S BUSINESS MODEL

The Group mainly works with a diversified portfolio of a large number of small and medium-sized projects that are usually invoiced monthly and on an ongoing basis, which underpins the low level of risk in the business. Customer losses have historically been very low. The basis for success of Nordisk Bergteknik's operating companies is a close customer relationship. Nordisk Bergteknik strives for long-term relationships and to have the industry's most satisfied customers, which is accomplished by distinct customer focus, close cooperation and sustainable deliveries of the highest quality.

Nordisk Bergteknik acts as a strategic partner

In most cases, Nordisk Bergteknik acts as a strategic partner that delivers parts of a larger assignment for main contractors in the construction industry, who then in turn may deliver to private companies, the public sector, or even to their own in-house projects. The Group's largest primary customer group includes major construction and building contractors, and in about three quarters of Nordisk Bergteknik's assignments, in terms of sales, refer to end customers in the public sector. The Group also performs assignments for private players in industries such as mining, construction and wind farming.

Services applied in the early stages of infrastructure or construction projects

Nordisk Bergteknik's services are generally applied in the early phases of construction and infrastructure projects, such as rock handling, reinforcement and foundation of roads, railways and buildings, but also for projects in the wind power sector and the mining industry, for example. Foundation reinforcement is usually done in existing structures, and generally per direct request by the property owner, such as tenant-owner associations who act as end customers.

Nordisk Bergteknik is involved in several parts of the value chain

The Group's core operations are drilling, excavation, and rock reinforcement in rock handling operations, as well as piling, sheet piling, ground reinforcement, grouting, soil nailing and the reduction of groundwater in operations concerning foundation solutions. Nevertheless, Nordisk Bergteknik can take on even greater responsibility, which includes material handling, excavation and transport under its own behalf or jointly together with subcontractors. In quarries, Nordisk Bergteknik can be given an independent assignment to continuously produce and ensure that the customer has a certain amount of processed material, which they in turn deliver to the end customer.

¹ Adjusted for items affecting comparability.

² EBITDA rolling twelve months adjusted for items affecting comparability.

NORDISK BERGTEKNIK'S FINANCIAL TARGETS

Growth

Achieve annual growth exceeding 15 % over a business cycle, generated through both organic and inorganic growth.

Operating margin

The Group is striving for the adjusted EBIT¹ margin to exceed 7 % in the medium term.

Capital structure

Nordisk Bergteknik's target is that net debt/adjusted EBITDA RTM² not to exceed 2.5x. Indebtedness may be temporarily higher, for example in connection with larger acquisitions.

Dividend policy

Nordisk Bergteknik's goal is to distribute up to 40 % 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.





NORDISK BERGTEKNIK'S GROWTH STRATEGY

Nordisk Bergteknik will grow both organically and through acquisitions. The company's ambition is to acquire locally leading and profitable players that complement and strengthen the Group's current offering and geographical presence. The strategy can be divided into four parts:

Strengthen the current position in the local or regional market

Nordisk Bergteknik strives to maintain and develop its position in the local markets by conducting operations in accordance with the overall goals, i.e. with a strong focus on work environment, employees and modern equipment. Through efficient transfer of knowledge between the subsidiaries, Nordisk Bergteknik also strives to constantly develop and create synergies between the various units within the Group.

Expand the existing range of services

In addition to strengthening the current market position, part of Nordisk Bergteknik's strategy is to broaden the range of services through vertical integration in the value chain. A clear example of when this has been done is when Gjerden Fjellsikring AS was acquired by Nordisk Bergteknik and they could contribute with their expertise within rock safety. Through further vertical integration, greater opportunities are created for Nordisk Bergteknik to lead projects independently and become more of a comprehensive supplier, which in turn enables higher margins long term. Nordisk Bergteknik believe that they can benefit greatly from their current experience and knowledge when they enter a new step in the value chain, and that this can therefore become profitable very quickly.

Establish itself in new geographical submarkets

The strategy includes maintaining a strong local position. As a result, there are still huge growth opportunities in Sweden and Norway, given that the Group is primarily located in Västra Götaland and Norrbotten in Sweden, as well as in Eastern Norway. In Norway, it is also possible to enter the segment of foundation solutions, given that the Group does not conduct any operations within this yet. In addition, there are great opportunities to expand to other nearby markets. One such example is Finland, which has a market considerably similar to the Swedish and Norwegian rock handling and foundation solutions markets.

Continue to grow through acquisitions

As Nordisk Bergteknik's market remains very fragmented, there are plenty of acquisition opportunities and the company sees it as a large and important part of its strategy to continue to act on its existing pipeline and also to continue to screen the market for new potential acquisitions. In Sweden and Norway alone, the Company estimates that there are approximately 250 companies that fall within the framework of the acquisition criteria, and when expanding to Finland, a large number of companies can be added to this. Nordisk Bergteknik have established a vast network in the industry, mainly attributable to the fact that they have developed a strong acquisition platform and are often contacted by other entrepreneurs who wish to initiate a dialogue. The Company has also established good contact with brokers who run structured sales processes and often receive tips on interesting acquisition opportunities that way as well. The acquisitions can primarily take place in two dimensions:

- Smaller operations, in regions where Nordisk Bergteknik is already established, that are integrated into the existing group structure.
- Larger companies, with sales of SEK 100-300 million, which remain under the existing brand and report directly to the segment manager.



Contributes to a greener Sweden:

Norrbottens Bergteknik constructed the rock shelter for HYBRIT's hydrogen plant for fossil-free iron ore

When HYBRIT developed its new pilot plant for hydrogen storage in Luleå, Norrbottens Bergteknik was responsible for all rock work related to the underground rock shelter in which the 100 cubic meter hydrogen tank is located.

Switching to fossil-free iron ore production is the biggest change ever in the Swedish iron and steel industry and involves an investment of billions. Under the project name HYBRIT, LKAB, SSAB and Vattenfall are working together to develop the first fossil-free steel. The HYBRIT technology has the potential to reduce Sweden's total carbon dioxide emissions by at least ten percent, which corresponds to one third of the emissions from the entire industry.

The HYBRIT technology means that the blast furnace process, which uses coal and coke to remove oxygen from the iron ore, is replaced by a direct reduction process that uses fossil-free hydrogen produced from water with electricity from fossil-free energy sources. Instead of carbon dioxide, water vapor is formed. This creates the world's first fossil-free reduction of iron ore to sponge iron.



Nordisk Bergteknik's subsidiary Norrbottens Bergteknik during the construction of the rock shelter storage for fossil-free hydrogen in Luleå



”HYBRIT technology has the potential to reduce Sweden’s total carbon dioxide emissions by at least ten percent. That corresponds to a third of the emissions from the entire industry”

Source: HYBRIT



Aerial view over LKAB's industrial area in Malmberget, where first one and then two tall towers will arise, when the world's first production facilities for fossil-free iron sponge are built in Vitåfors. Foto: Fredrik Alm

Pilot facilities are preparing the method

HYBRIT's pilot plant for direct reduction was inaugurated on 31 August 2020 on SSAB's site in Svartöberget in Luleå and was during the year supplemented with a pilot plant for hydrogen storage. The construction was conducted during 2021 and testing will take place in the years 2022 to 2024. The new pilot plant tests how hydrogen storage best takes place in an underground rock shelter.

Creates an impression in history

– I feel great pride in the fact that Norrbottens Bergteknik can participate in the work related to the HYBRIT facility. This is a piece of Swedish industrial history and the result creates an imprint in the green and fossil-free society of the future, says Andreas Christoffersson, President and CEO of Nordisk Bergteknik.

NCC is the turnkey contractor for the entire construction project and Norrbottens Bergteknik is responsible for the rock work as a strategic partner to NCC.

– We are very used to this type of rock work, and we can contribute with both competence and expertise. Since this is a pilot plant, the requirements are extra strict to show that the concept works and can then be scaled up, says Andreas.

”The largest technology shift in steel production in a thousand years”

Stefan Löfven

Drilling, blasting and reinforcement

Norrbottens Bergteknik's assignment includes pre-cutting, tunnel mining and the entire underground rock shelter. In practice, this means drilling, blasting, unloading, grouting and reinforcement work.

The rock shelter is about ten meters high and five meters in diameter, and the upper level is about thirty meters underground. The hydrogen storage was built with extensive safety requirements to meet all applicable standards and regulations.

The hydrogen tank in the rock shelter has a volume of 100 cubic meters. When production will be running after the test period, the full-scale tanks are estimated to be 1000 cubic meters in size. Norrbottens Bergteknik carried out the rock work, which was completed at the end of November in 2021.



The project was inaugurated by former Prime Minister Stefan Löfven (S).

Inaugurated by the Prime Minister

HYBRIT's pilot plant was inaugurated by Prime Minister Stefan Löfven on 31 August 2020. In his speech, he stated that this is the largest technology shift in steel production in a thousand years.

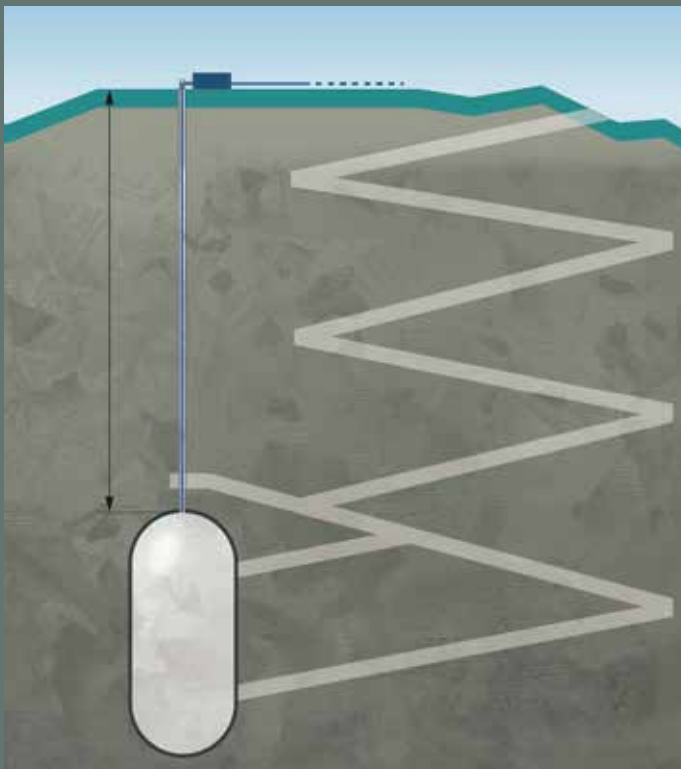
- It is an epoch-making shift in the Swedish steel industry, said Stefan Löfven in a comment to SVT.

”This is a piece of Swedish industrial history and the result creates an imprint in the green and fossil-free society of the future”

Andreas Christoffersson, President and CEO of Nordisk Bergteknik

Contributes to a greener Sweden

– Within the Group, we have an ambition to be involved in the development of a sustainable society. Norrbottens Bergteknik's work at the HYBRIT facility is an example. The wind farms in Hocksjön, Markbygden and Øyfjellet are further examples, and more are underway in future customer assignments as well as investments in machinery and development of working methods, says Andreas.



In brief:

- A part of the production of sponge iron is to remove oxygen. It is done with fossil-free hydrogen.
- The hydrogen gas can be stored or used directly.
- In the pilot plant, it is tested how hydrogen can best be stored in an underground rock shelter:
- HYBRIT technology has the potential to reduce Sweden's total carbon dioxide emissions by at least ten percent. This corresponds to a third of emissions from the entire industry and may in the future contribute to reducing emissions from iron and steel production worldwide.
- Norrbottens Bergteknik is responsible for the rock work for the rock shelter where the hydrogen storage takes place.
- Norrbottens Bergteknik performs drilling, blasting, unloading, grouting and reinforcement work.
- NCC is the turnkey contractor and Norrbottens Bergteknik is a strategic partner.
- The work took place between May and November in 2021.

Our business areas



Rock handling

In the Rock Handling business area, Nordisk Bergteknik is a leading and strategic partner that has strong local positions throughout Sweden and Norway. The business area has gathered specialists and offers services in areas such as drilling, excavation and rock reinforcement.

Nordisk Bergteknik's companies in rock handling offer professional services in infrastructure, construction contracts, wind farms, mines, environmentally friendly surroundings and more. The operations are currently based in Sweden and Norway, however it is also possible to perform work in other geographies. The operating companies consist of experience and knowledge that stretches back to the 1960s. The foundation of the business relies on solid engineering competence, significant experience, long customer relationships and a constant effort to carry out each assignment with a focus on quality, safety, and sustainability. Nordisk Bergteknik strives to have a well-maintained and modern fleet to ensure a good working environment as well as high operational efficiency and operational reliability.

Foundation solutions

Nordisk Bergteknik has gathered leading expertise within the business area concerning foundation solutions. The Group is a strategic and secure partner, with a market-leading position in Sweden, who primarily offers services in primarily piling, sheet piling, ground reinforcement but also grouting, soil nailing and reduction of groundwater.

Since 2003, the companies within the Group have carried out thousands of foundation solutions and millions of piling metres. This has advanced the company into becoming a market leader in Scandinavia in the field of grouted piles. Furthermore, the company is at the forefront in several other fields of expertise, such as sheet piling and foundation reinforcement.

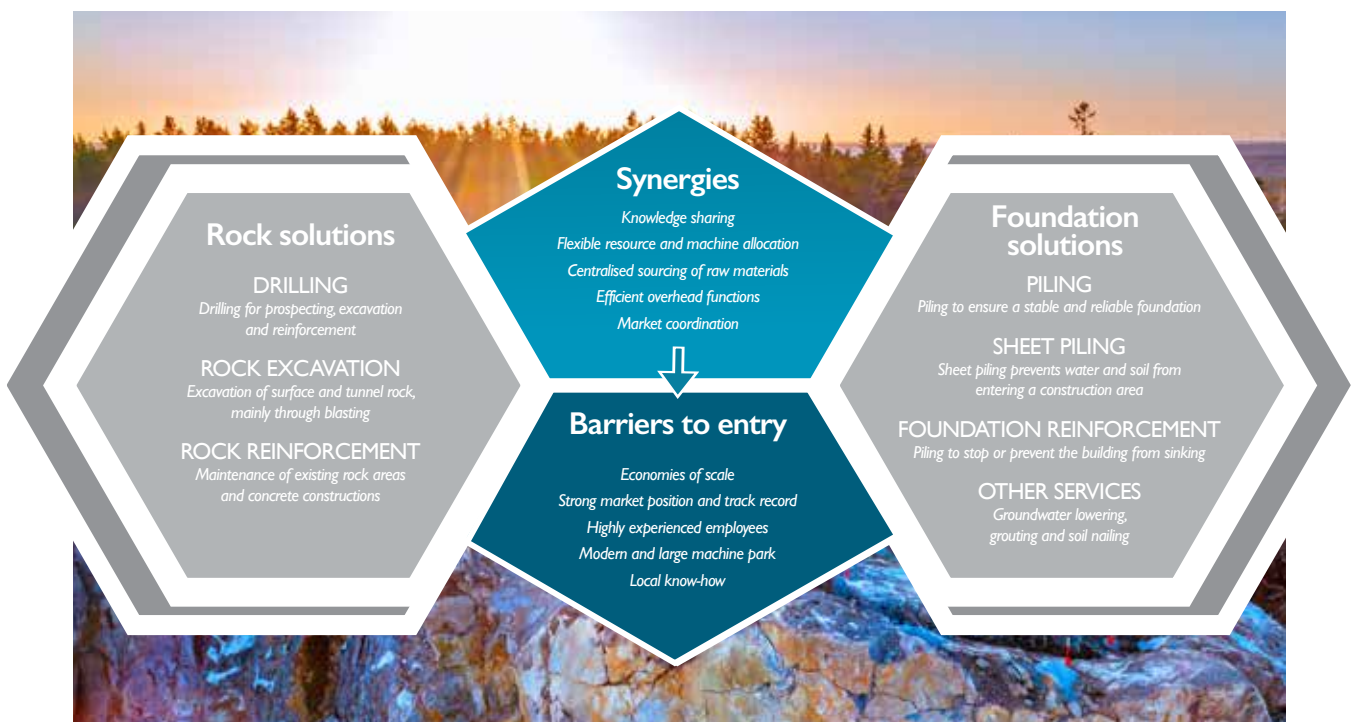
This business segment offers both its services and modern machinery, as well as takes on smaller assignments and larger projects as one of several suppliers. The breadth of the business area and cutting-edge expertise in foundation solutions means that Nordisk Bergteknik can offer complete solutions throughout Sweden, but also take on specific assignments in the Nordic market, as well as potential penetration in the international market.



Synergies and group-wide activities

The main services performed in the Rock handling business area are drilling, excavation, rock reinforcement and in the Foundation solutions business area they consist of piling, sheet piling and foundation reinforcement. The Group works continuously

to realise synergies knowledge sharing of “best practice” in engineering, flexible sharing of resources and machine park, within the Group companies but also through coordination of purchasing to be able to push prices and create economies of scale, efficient overhead functions as well as market coordination. Altogether the synergies create barriers of entry for competing businesses.



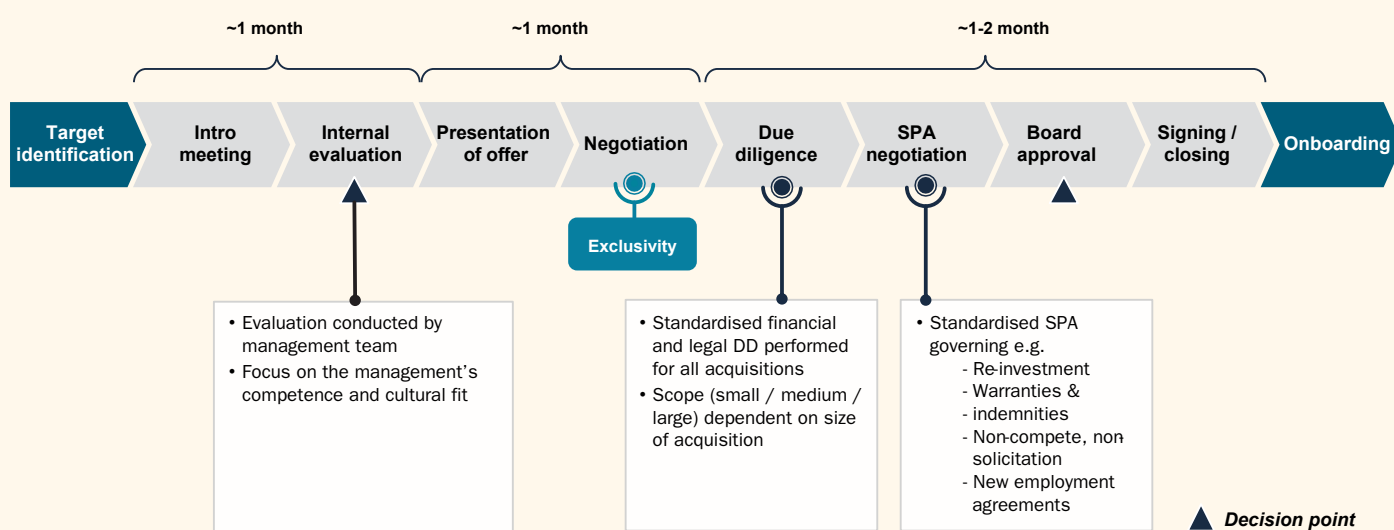
Acquisitions

Acquisition strategy

Nordisk Bergteknik's strategy includes an active acquisition agenda and an ongoing identification and evaluation of potential candidates to acquire. Nordisk Bergteknik's acquisition history and established networks in the sector enable the Company to conclude that they can identify which candidates in the market are most relevant. The primary sources used for potential acquisitions are references from Nordisk Bergteknik's local management groups, the central management network, external tips, and company brokers.

The acquisition process

Nordisk Bergteknik has implemented a standardized process that starts with the identification of potential acquisition candidates and ends with the integration of a completed acquisition. The process also includes a thorough analysis, a so-called due diligence process and a negotiation. A typical example of an acquisition process is illustrated in the diagram below. In general, the acquisition process is completed within approximately 3-4 months.



Integration process

After an acquisition has been completed, it is important that the acquired company is effectively integrated into the Group. Nordisk Bergteknik has a developed strategy and process for this. As Nordisk Bergteknik has a decentralized business model, it is important that acquired companies have the opportunity to continue to conduct their daily operations without disruption. At the same time, the company will be adapted to Nordisk Bergteknik's structure by following the steps described below.

- **Press release:** A press release is published announcing the acquisition that has been completed by Nordisk Bergteknik.
- **Strategy:** Nordisk Bergteknik's vision is presented and a strategy and business plan for the subsidiary is produced.
- **Integration:** The acquired company is taught about best practice within the Group, and gains access to the Group's knowledge base and resources to enable further development.
- **Governance:** The acquired company takes part in the Group's policies and guidelines in order to be able to adapt its operations to comply with the Group's policies and guidelines.
- **Finance and internal control:** The acquired company takes part in the Group's financial manual and guidelines for internal control. The Group evaluates the acquired company's accounting principles and internal control and

supports the subsidiary in adapting to the guidelines that exist within the Group.

- **Machinery:** The acquired company gains access to the Group's machinery and can thus both take on more projects and increase its utilization rate.
- **Purchasing:** Acquired companies have the opportunity to coordinate their purchases with other companies within the Group with similar needs and can thus reduce the cost of purchasing. Such purchases may include explosives and machinery for example.
- **HR:** Within the Group, there are great opportunities for subsidiaries to continue to develop their personnel through, for example, courses and training.
- **Measurable results:** Through the integration process in Nordisk Bergteknik, the subsidiaries are given tools to set measurable goals and thus stimulate healthy competition and development between and within the subsidiaries.

An attractive buyer

Nordisk Bergteknik sees itself as an attractive buyer and owner of its subsidiaries and views itself as value adding from a number of different perspectives. This is done in part by offering the best possible working conditions in its sector and through its commitment to sustainability that permeates the entire business. This is reflected not least in the modern machinery used, but

also by how the personnel applies their broad and extensive experience in combination with dependable knowledge in each area. In addition, Nordisk Bergteknik has a long history and a good reputation in the market. The Group has a robust business model with well-established control processes within a clear niche and an elaborated acquisition strategy for continued growth. Together, all these factors create good opportunities for the subsidiaries included in the Group to continue to operate on their own and, with the help of Nordisk Bergteknik's brand and support, ensure continued profitable growth and build relationships with key people for potential acquisitions.

Nordisk Bergteknik has acquired the following companies in 2021:

Gjerden Fjellsikring AS ("Gjerden")

On March 31, Nordisk Bergteknik acquired 100% of the shares in rock safety company Gjerden in Svarstad, Norway. With the acquisition, Nordisk Bergteknik strengthened its presence in the Norwegian market and continues its expansive growth strategy. Gjerden is one of Norway's leading players in rock safety and specialise in shotcreting, tunnel safety and all other types of safety work such as hanging different types of nets and bolts as protection against rock falls along roads and buildings. The company was founded in 2009 and the head office is located in the Vestfold region, not far from Nordisk Bergteknik's head office in Norway. Gjerden is reported in the Rock Norway segment.



Kragerø Brønnboring AS ("Kragerø")

On May 7, 100 % of the shares in Kragerø was acquired, a company that complements current activities in Norway and provides increased expertise in drilling of wells and district heating as well as foundation reinforcement. Kragerø is reported in the Rock Norway segment.

S Blomquist Entreprenad AB ("S Blomquist")

On May 28, Nordisk Bergteknik acquired 100 % of the shares in S Blomquist. S Blomquist is a locally established company in machine services and transport in the Gothenburg region. With almost 20 years in the industry, the company is well established in the local market as a sought-after partner in major infrastructure projects. Through this acquisition, Nordisk Bergteknik continues to strengthen its position and presence in Västra Götaland with the ambition of being a strategic partner in selected niches in the market for construction and contracting services in infrastructure. S Blomquist is reported in the Rock Sweden segment.

Grundia AB ("Grundia")

On May 31, Nordisk Bergteknik acquired 100 % of the shares in

the foundation company Grundia AB and its subsidiary Grundia Fastigheter AB. Grundia specialises in two areas - foundation work on a contract basis and foundation reinforcement of existing properties. The company's clients are found in public administrations, throughout the industry and among commercial and private property owners. Grundia AB works all over Sweden and is based in Västra Götaland. In collaboration with various partners, the company also provides services for excavation and drainage work as well as grouting and rock reinforcements. The acquisition led to synergy effects and a strengthened position, not least in Västra Götaland. Grundia is reported in the Foundation Sweden segment.

BGS Svensson AB ("BGS Svensson")

On November 30, Nordisk Bergteknik acquired 100% of the founding company BGS Svensson AB. The company specialises in general foundation work and foundation reinforcement with a focus on existing properties. Through the acquisition, we complemented our offering in foundation work. BGS Svensson, which works all over Sweden and parts of Norway, is based in Kungshamn in Sotenäs municipality. BGS Svensson is reported in the Foundation Sweden segment.



Acquisition effects

If all acquisitions had been completed at the beginning of the financial year 2021, net sales for the Group during the year would have increased by approximately SEK 221 million and amounted to approximately SEK 2,139 million with an adjusted EBIT of approximately SEK 153.7 million and an adjusted EBIT margin of 7.2 %.

Nordisk Bergteknik has signed a shareholder agreement, but has not consolidated the following acquisitions in 2021:

Torbjörn Sundh Entreprenad AB ("Torbjörn Sundh")

On December 3, 2021, Nordisk Bergteknik acquired Torbjörn Sundh. The acquisition was conditional on approval from the Swedish Competition Authority, which was received on January 19, 2022. The acquisition complements our offer of services and will help to secure some of the needs that exist in connection with the expansion of the Norrbotnia line and the major investments in infrastructure and industry in Northern Sweden.

Torbjörn Sundh, based in Umeå, was founded in 1990 and offers services within infrastructure and construction contracts as well as operation and maintenance of the transport network. The company has just over 130 employees. Access took place on January 28, 2022. Torbjörn Sundh is reported in the Rock Sweden segment.

Bröderna Anderssons Grus AB ("Bröderna Anderssons Grus")

On December 20, 2021, Nordisk Bergteknik acquired 100% of Bröderna Andersson's Grus AB. The company is based in Burträsk and provides services within rock crushing and rock materials throughout upper Norrland. The acquisition complements our service offering and will contribute to further strengthening our role as an important player in connection with the major investments made in infrastructure and industry in northern Sweden. Consolidation took place on January 31, 2022. Bröderna Andersson's Grus is reported in the Rock Sweden segment.

The share

Development of the share

Nordisk Bergteknik's share was listed on 12 October 2021 on Nasdaq Stockholm under the ticker NORB. The introductory price at the listing amounted to SEK 26 per share, corresponding to a market capitalization of SEK 1,384 million. After the listing, the share had a favorable development and the closing price on December 30 amounted to SEK 41.45, which corresponds to an increase of 59 % and a market capitalization of SEK 2,241 million.

Trading in the stock

A total of 10,749,558 shares were traded from the listing on October 12th until the end of the year to a value of approximately SEK 329 million. The average number of shares traded per trading day was 188,589.

Share capital

On 31 December 2021, Nordisk Bergteknik's share capital amounted to SEK 540,652 divided into 54,065,204 shares and votes, with a quotient value of SEK 0.01. During 2021, the share capital has increased as a result of new issues in connection with acquisitions and through new issues in connection with the listing. During the year, a reduction of the share capital took place through repayment (redemption) to the shareholders

Pegroco Invest AB regarding all Class A shares. All shares are now of the same share class, with equal voting rights and share of the company's capital and profit.

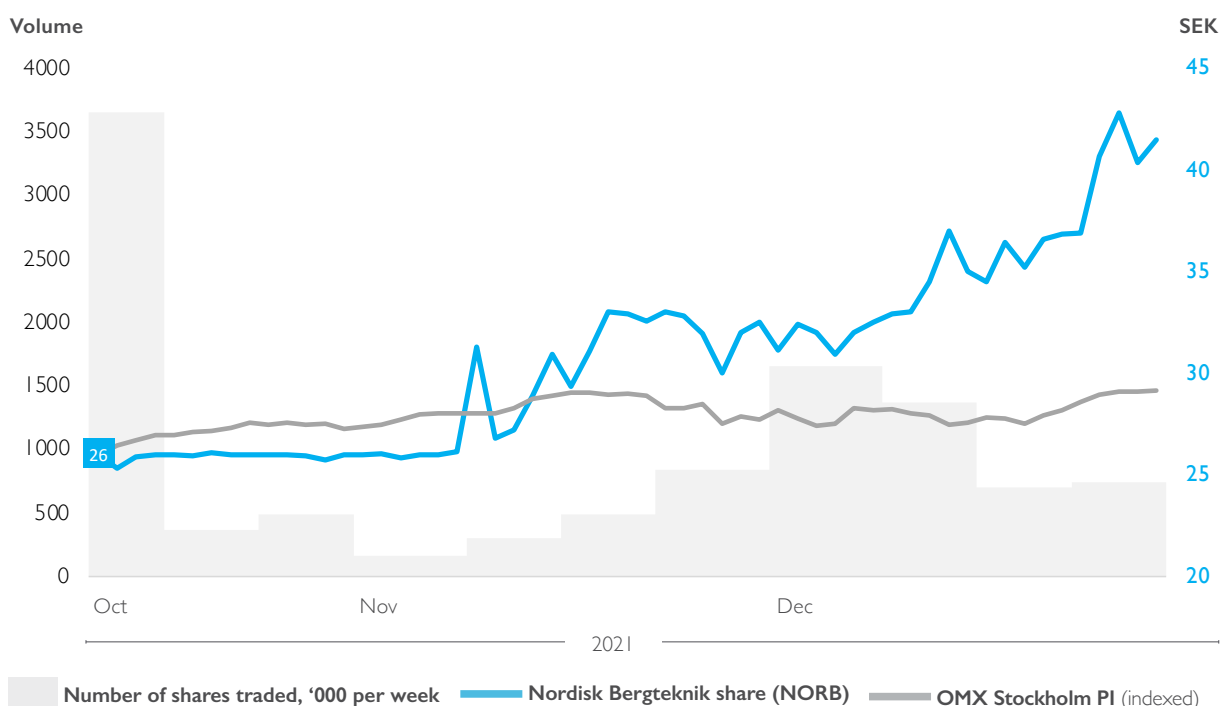
Lock-up commitment

All shareholders in Nordisk Bergteknik on the date of the prospectus on September 30, 2021 have undertaken not to sell their shares for a certain period after trading in the company's share has commenced. The so-called lock-up period is 360 days for shareholders with more than 200,000 shares, board members and senior executives, and 180 days for other shareholders.

Dividend and dividend policy

Nordisk Bergteknik's dividend policy establishes that up to 40 percent of the profit after tax attributable to the parent company's shareholders shall be distributed to the company's shareholders. When determining dividends, the Group's acquisition and growth opportunities as well as financial position and cash generation shall be taken into account. The Board of Directors proposes that no dividend be paid for the financial year 2021, considering that the company sees opportunities to continue its expansive growth through a continued high acquisition rate during 2022.

SHARE PRICE DEVELOPMENT



Ten largest shareholders

Owner	Number shares	Share of capital and votes, %
Pegroco Invest AB	12 950 244	24,0%
Swedbank Försäkring*	3 273 759	6,1%
Bergteknik Norr Holding AB	2 913 973	5,4%
NP Förvaltnings AB	2 296 711	4,2%
Profun Förvaltnings AB	2 227 315	4,1%
Svedulf Förvaltning AB	2 123 076	3,9%
Nordea Bank Abp	2 108 817	3,9%
Nordisk Bergteknik AB	1 974 380	3,7%
Carnegie Micro CAP	1 923 076	3,6%
Roosgruppen AB	1 923 076	3,6%
STC Interfinans AB	1 923 076	3,6%

* Of which 2,933,481 shares are held by the CEO and CFO through endowment insurance.

Shareholders divided into size categories

Size categories (number of shares)	Number of shareholders	Number of shares	Holding, %
1 - 500	3 135	361 131	0,67%
501 - 1000	313	247 451	0,46%
1001 - 5000	340	692 014	1,28%
5001 - 10000	44	332 475	0,61%
10001 - 15000	18	223 357	0,41%
15001 - 20000	10	169 805	0,31%
20001 -	74	52 038 971	96,25%
Total 2021-12-30	3 934	54 065 204	100,00%





Sustainability report

About the sustainability report

The sustainability report, which covers Nordisk Bergteknik AB (publ) org. No. 559059–2506 with associated subsidiaries, has been prepared in accordance with the regulations in ÅRL 6: 10-14 and ÅRL 7:31. This is our first sustainability report (in previous years we have been included in Pegroco Invest's sustainability report). The report refers to the financial year 2021.

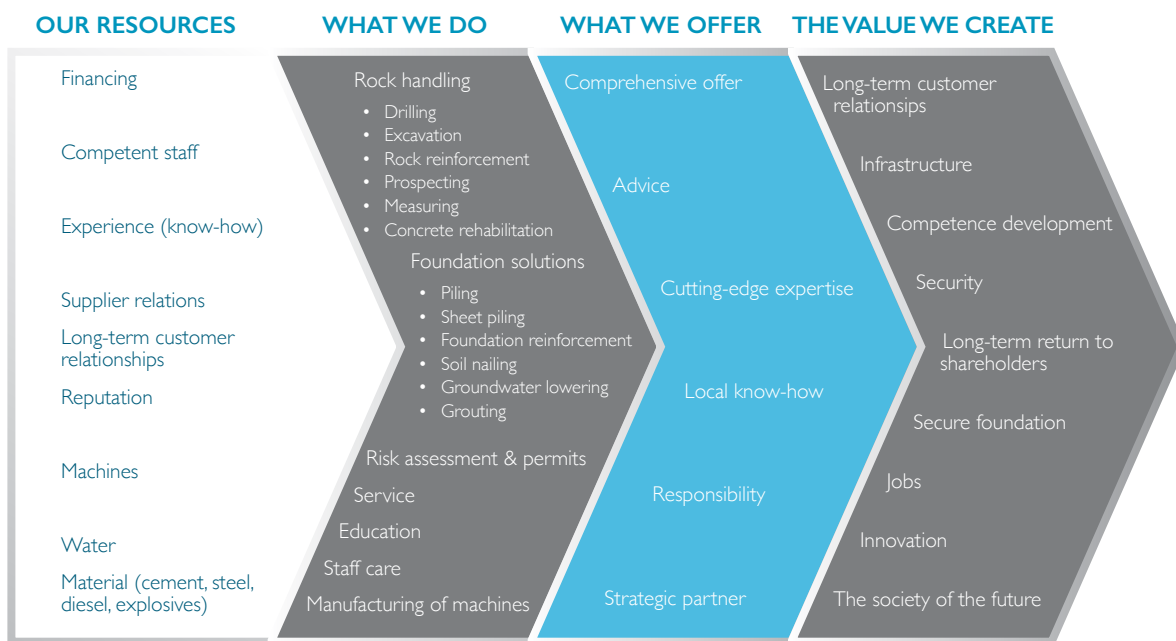
As this is our first sustainability report, the focus has been on creating a consensus on what sustainability represents for Nordisk Bergteknik and setting the framework for continued sustainability work. Within the Group, there is a long tradition of working with sustainability and during the year we compiled a working group consisting of representatives from our subsidiaries and Group management where the purpose has been to create consensus around the Group's joint sustainability work. Although much of our sustainability work is still at an early stage, we have taken great strides in connection with this. We have defined both long-term and short-term sustainability goals that will guide our work forward. In 2022, we will appoint a specific working group for sustainability within the Group with the aim of continuing to develop sustainability work for Nordisk Bergteknik.

Our business model

Nordisk Bergteknik's business is based on delivering complete solutions in rock handling and foundation solutions. We act as a strategic partner in selected niches in the market for construction and contracting services in the infrastructure, mining and construction industries. The basis for our success is a close customer relationship. Nordisk Bergteknik strives for long-term relationships

and to have the industry's most satisfied customers through a distinct customer focus, close cooperation and sustainable deliveries of the highest quality. We are today northern Europe's largest overall player in rock handling and foundation solutions with over 800 employees and 18 operational companies. Our services are generally applied in the early phases of construction and infrastructure projects, such as rock handling, reinforcement and foundation of roads, railways and buildings, but also for projects in the wind power sector and the mining industry, for example. Nordisk Bergteknik can also take on greater responsibility, which includes material handling, excavation and transport under its own auspices or together with subcontractors. Our customers are both private and

public, but the end customer operates in the public sector by majority. We offer advice in our cutting-edge expertise and local know-how, and at times we also collaborate with other specialists in projects. Throughout our value chain, we strive to take the environment, people and society into account. Through our size and width within the Group, we have synergy effects between our subsidiaries such as sharing of knowledge and a flexible distribution of resources and machines. It helps us in our focus for efficient resource management, prosperous and competent staff, modern machines and to make responsible financial decisions that benefit our owners when we are involved in creating the society of the future.



Our sustainability governance

Nordisk Bergteknik works for a long-term and sustainable society. For our operations, we believe that sustainability includes how we work, how we act with each other and how we collaborate with our customers. It is also about us taking responsibility for our environment and that we respect the environment in which we operate. Strategies and goals for sustainability work are established by Group management and the Board. Responsibility for the implementation of the sustainability strategy is divided between Group management and the CEO as well as company management in each subsidiary. Representatives from the subsidiaries are also present in the Group's sustainability group, who design and present new proposals for Group management. In 2021, Nordisk Bergteknik has applied environmental policy, code of conduct and several other policies that concern sustainability. All governing documents include Nordisk Bergteknik's own operations and the subsidiaries' operations. Together, the governing documents cover the following areas: climate impact and resource use, skills development and safety in the workplace, human rights and anti-corruption, work environment and long-term profitability. Nordisk Bergteknik's subsidiaries are covered by ongoing follow-up of these policies through key figures. In the event of

a suspected breach of policy, all parties are referred to report directly to Nordisk Bergteknik's management. At the beginning of 2022, Nordisk Bergteknik will implement a whistleblower function where suspected violations can also be reported. Through implementation and ongoing follow-up of our policies, risks regarding sustainability are mitigated. In addition to our governing documents, several of the subsidiaries are certified for ISO 9001, ISO 14001 and ISO 19001. Sustainability, safety, and productivity are the core of the business. All governing documents in sustainability have been produced during the past year in connection with our listing on Nasdaq Stockholm. In 2022, we will continue to work on implementing the policies in the Group and to monitor compliance with and results of the policies in the same way as other governing documents.

Stakeholder dialogue

Nordisk Bergteknik's operations affect and are affected by numerous stakeholders. We have conducted a stakeholder analysis during the year to establish an understanding of our stakeholders along with their requirements and expectations of our company. With this, we are better equipped to meet their conditions and, more specifically, we know what to prioritise regarding sustainability going forward. We want our

customers, employees, and other stakeholders to consider us as a competent, effective, and innovative entity. During the year we have mapped out and prioritised our most important stakeholders, as well as key issues for each stakeholder. Nordisk Bergteknik was listed on the Nasdaq Stockholm stock exchange in October 2021 and hence developed a

wider range of stakeholders. We plan to intensify the dialogue during 2022 with new shareholders and other stakeholders of the capital market that affect or are affected by Nordisk Bergteknik's operations. A table is presented below that shows our most significant stakeholders, the most common methods of dialogue and the key issues for each stakeholder.

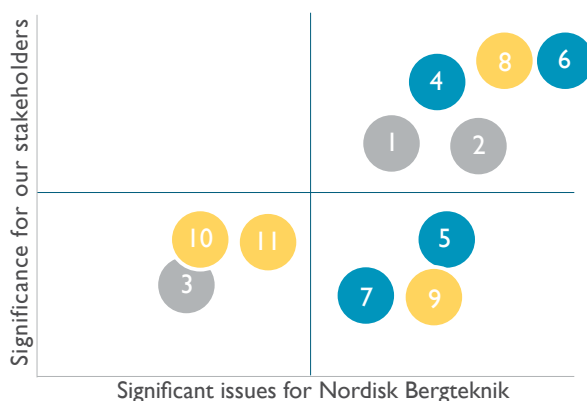
Stakeholders	Methods of Dialogue	Key issues
Employees	Employee interviews	Information & Communication
	Workplace meetings	Working environment
	Employee surveys	Leadership Objectives/direction/Governance
Customers	Ongoing in projects	Union
	Tender	ISO or equivalent
	Project evaluation (follow-up meeting)	Internal control
	Customer survey	Equipment (the right equipment, the right way) Participation in safety work Deadline / Scheduling
Shareholders & Investors	Press releases	Return on investment
	Financial reports (quarterly)	Growth
	Website/media (external communication)	Information & Communication
	Annual General Meeting	
Suppliers & partners (incl. subcontractors)	Order/Agreement	
	Ongoing dialogue (when changes) in project	Creditworthiness
Financier	Investment dialogue	Creditworthiness
	Financial reports (quarterly)	Information & Communication

Materiality analysis

To know what we should prioritize in our sustainability work, we conducted a materiality analysis during the year. We believe that focused work with strategic focus is the key to successful sustainability work where we can maximize our positive impact and minimize our negative impact. A materiality analysis helps us navigate among stakeholders' expectations, the demands of the outside world and the risks and opportunities that exist

for our business (an overall picture of our significant risks and uncertainties, including important sustainability risks can be found on pages 59-61). In the analysis, we have considered priority issues for Nordisk Bergteknik in relation to how important the issue is perceived by our stakeholders. The materiality analysis was produced by a project group consisting of representatives from the Group and our subsidiaries together with external specialists.

Materiality matrix



Significant issues	
1	Resource use
2	Climate impact
3	Waste
4	Skills development
5	Work environment
6	Safety culture / safe workplace
7	Gender equality, inclusion & diversity
8	Long-term profitability
9	Corporate Governance
10	Business ethics & anti-corruption
11	Supply chain

Our essential sustainability questions

We have divided our essential sustainability issues into economic, social and environmental sustainability. These will form the basis for Nordisk Bergteknik’s strategic focus for our sustainability work. Our significant issues involve both risks and opportunities. During the year, we set several sustainability

goals, both long-term goals for 2030 and short-term goals for 2025, which we will follow up continuously in the future. At the same time, we also plan to continue to develop sustainability work in 2022 by implementing more established sustainability goals.

Economic Sustainability	Social Sustainability	Environmental Sustainability
Long-term profitability Corporate governance Business ethics & anti-corruption Supply chain	Skills development Work environment Safe culture / safe workspace Gender equality, inclusion & diversity	Resource use Climate impact Waste

In connection with the development of Nordisk Bergteknik’s sustainability goals, we have also made an analysis of the global sustainability goals from the UN’s Agenda 2030. Our sustainability work must be conducted with a goal-oriented approach in accordance with these goals, and our long-term goals must be in line with the goals where we see that we have the greatest

impact. Specifically the following goals: 5 Gender equality, 7 Sustainable energy for all, 8 Decent working conditions and economic growth, 11 Sustainable cities and communities, 12 Sustainable consumption and production, and 13 Fighting climate change. Our goals for each sustainability issue and how we work with our essential issues are described in the following sections.



Environmental sustainability

Environment and safety are of the utmost importance in our work. All companies within the Group shall strive to reduce negative impacts on the environment by complying with current local environmental legislation, strive for sound resource management and energy efficiency, and stay up to date on significant environmental issues. Nordisk Bergteknik continuously invests in new machines to always have a modern and environmentally friendly machine park. We are proud to have one of the most modern set of machineries in the industry today. Through its subsidiaries, Nordisk Bergteknik has operations that are subject to a permit and notification in accordance with the Environmental Code.

Efficient resource use is important for both Nordisk Bergteknik and our stakeholders. Where applicable, we focus on our products and processes by applying a circular way of thinking. This can mean that we must constantly efficiently utilise raw materials in processes while at the same time repairing, reusing and recycling. An example of this is that we strive first and foremost to repair our old machines as far as is economically

justified and when we purchase a new machine, the goal is that it should always contribute to our ambition of an environmentally friendly machine park. Efficient use of resources also includes minimizing waste and hazardous waste over the life cycle of the process. This is something we are constantly working on.

During the year, we began work on measuring and reporting our greenhouse gas emissions. This year, only figures from our direct carbon dioxide emissions (scope 1) and our indirect energy-related emissions (scope 2) are reported. In 2022, we will continue to develop this work internally and in next year’s sustainability report, we also plan to map our indirect carbon dioxide emissions (scope 3). Many of our machines are still powered by diesel and the emissions they cause account for a significant part of our climate impact. Our ambition is to gradually reduce these emissions as we replace old machines with new, more environmentally friendly machines. We strive to increase the proportion of machines that run on either electricity or renewable fuels. As this is the first year that we calculate our greenhouse gas emissions, we see this as a base year. For next year, we plan to set concrete goals with the

ambition of reducing our emission intensity in the future, for which we aim to see a declining trend until 2030. We will, where possible, reduce our energy use and carbon dioxide emissions through efficient energy use and by gradually increasing our share of purchased renewable and fossil-free energy. By 2025, our goal is that 100 % of our purchased electricity and heating to come from fossil-free sources. This year, we have calculated our energy-related emissions according to the GHG protocol's location-based approach, based on the Nordic residual mix. The result gives a slightly higher outcome than if we were to calculate our actual energy-related emissions according to the GHG protocol's market-based approach. For the coming years, we will also report our indirect energy-related emissions according to the market-based approach. At the same time as our machine park is to become more environmentally friendly, we also want our vehicle fleet to go in the same direction. As part of this work, we plan to introduce a goal linked to the purchase of our machines in 2022 to make investments more sustainable.

Greenhouse gas emissions (tons CO₂e)		2021
Scope 1		8,108
Scope 2	Location based	1,118
Totala utsläpp		9,226

Carbon dioxide intensity		2021
Total (CO₂e/Net sales in million SEK)		4,81

Social sustainability

At Nordisk Bergteknik, we will strive for a good and safe work environment where every employee thrives and develops in their work. The industries in which we operate are often associated with the risk of personal injury. Good working conditions and safe workplaces are central to us. We want all employees to feel safe at work and come home healthy after the end of the working day. For us to achieve our goals, it is important that we work together and that all employees think about health and safety daily.

As a player in the market for construction and contracting services in infrastructure and the mining industry, it is important that our employees have the right skills and that we attract employees who stay with us for a longer period. We constantly work to train, develop, and motivate our staff. The fact that employees have the right skills and the opportunity for skills development is not only a prerequisite for a safe workplace with regards to the machines we handle, it is also a prerequisite for our staff to want to stay with us for a longer period of time.

In addition to all employees having to undergo compulsory training according to the training matrix for their position, competence development must also be added as part of employee interviews. By 2023, we will also start measuring the employee's experience of the skills development opportunities we offer. In this way, we can effectively develop a culture that promotes development for our employees.

Work with health and safety is a priority at Nordisk Bergteknik, especially as the industries in which we operate are often associated with personal injuries. We have a zero vision when it comes to accidents that lead to sick leave. To achieve this goal, we work with risk observations. In 2021, 310 risk observations were carried out and by 2025 we will have trained all our employees on these risk observations. In addition, we need to encourage each other to report when we see shortcomings in the safety culture. It is important to have an honest and open attitude in the workplace where all employees should feel that they can influence their own work situation. By working in this way, we have good foundations for making risks visible in the workplace and being able to work proactively to prevent accidents and incidents. At the same time, employees are obliged to pay attention to, and report discovered risks to the immediate manager and any employees that are of concern. Employees are also obliged to report incidents to the next manager, who then ensures that reporting and follow-up takes place in accordance with established routines. This is the first year that statistics on risks, incidents and accidents are collected at Group level. Reported risk observations, incidents and accidents help us to identify environmental risks at work and thus conduct focused activities where they do the greatest good with the aim of preventing accidents.

Accidents, incidents and risk observations		2021
Accidents (total)		96
Accidents (with sick leave)		18
Accident frequency*		1,5
Incidents**		276
Risk observations		310

*Number of accidents with absence multiplied by 200,000 hours and divided by the total number of hours worked.

**An event that could have led to an accident.

Nordisk Bergteknik will work for a good physical and social work environment with long-term prosperous employees. It is central to us that our employees within the Group must have good physical and mental health. For each activity, the necessary conditions must be in place for issues such as a good working environment, established health and safety work and respect for human rights to be given priority. Personal responsibility for compliance with applicable routines and instructions is required of all employees to achieve a safe and good working environment. Sick leave is affected by the pandemic that has characterized society during the period. Measures in the work environment area in 2021 continued to be about reducing the spread of Covid-19. Nordisk Bergteknik has followed the recommendations and rules that have existed in the geographical areas in which we operate.

Sick leave		2021
Total (%)		5,3

Nordisk Bergteknik does not allow the use of alcohol, drug-classified preparations or other drugs when work is performed.

An alcohol- and drug-free work environment is achieved by all employees taking their own responsibility. Alcohol may, however, occur in connection with certain social events and / or in connection with certain presentations.

We believe that a workplace with gender equality and diversity strengthens us as a company, contributes to better decision-making and a good corporate culture. Nordisk Bergteknik must therefore be an inclusive employer that affirms diversity and where employees reach their full potential after an even gender distribution. All employees must have the same rights, obligations and opportunities regardless of age, gender, gender identity or gender expression, ethnicity, sexual orientation, religion or other belief. Employees must treat each other with

sensitivity and respect. Nordisk Bergteknik does not accept any form of discrimination, abusive discrimination, bullying, harassment, mental or physical punishment. At the beginning of 2022, we will implement a whistleblower system that will make it easier for employees to report irregularities within the Group. The construction industry is strongly male-dominated and we have a challenge to achieve an even gender distribution. Going forward, we plan to set up activities with the aim of attracting more female employees to the industry. We also aim to increase the number of women in senior positions to 30% by 2025.

Gender distribution	Senior Executives	Distribution (%)	Total for the Group	Distribution (%)
Women	11	18	70	9
Men	51	82	717	91
Total	62		787	

Economic sustainability

Nordisk Bergteknik shall be a long-term sustainable company. We strive to maintain long-term profitability and growth, and we believe that structured and focused sustainability work gives us a good basis for making sound decisions that generate long-term returns for our owners. We will advocate and guide structured sustainability work with good follow-up. Through our work in this area, we contribute to goal 12.6 Encourage companies to apply sustainable methods and sustainability reporting. To read about Nordisk Bergteknik's financial goals, we refer to page 20.

Nordisk Bergteknik complies with the laws, rules and regulations that apply in the markets in which the Group operates. The same shall also apply to partners and business partners. We strongly dissociate ourselves from all forms of corruption. All transactions and agreements must always be made in an ethically correct manner. All forms of bribery, unethical benefits or other illegal acts are prohibited. Employees within Nordisk Bergteknik must act with honesty and openness. Hidden transactions or the use of third parties or intermediaries for bribes is prohibited. We do not accept non-ethical conduct where the position for one's own or someone else's gain has been abused. Active work in the form of ongoing follow-up in the area must be conducted at all levels with the aim of fighting bribery and corruption. Through this work, we contribute to the UN's global goals 16.5 Fight corruption and bribery. During the year, we developed a code of conduct in which all employees must be trained. Nordisk Bergteknik stands behind and respects internationally recognized standards and frameworks and these rights must never be violated outside or within Nordisk Bergteknik. Nordisk Bergteknik distances itself from collaborations or business with companies or partners where human rights are not fully respected.

Reported cases of bribery and corruption

2021

Total for the Group

0*

*The reporting will be more structured in connection with the implementation of our whistleblower function during the beginning of 2022.

In 2022, we plan to produce a code of conduct for our suppliers. Social requirements must be set, such as: established health and safety work, support and respect for human rights, zero tolerance for child labor, forced labor, discrimination, harassment and everyone's right to freedom of association and association. Furthermore, environmental requirements must be set for suppliers where it is assessed as significant, such as: resource efficiency, efficient waste management and minimization of emissions, and to apply the precautionary principle to avoid environmental and health risks. Risks in the supply chain can never be completely avoided. To manage risks around bribery and corruption as well as human rights, we will develop a code of conduct for suppliers where the goal is for all our strategic suppliers to sign, starting in 2022. In the future, we plan to start following up and reporting KPIs linked to human rights at the supplier level.

EU Taxonomy reporting

Nordisk Bergteknik meets the criteria for disclosure requirements under the new EU Taxonomy Regulation (Regulation 2020/852 of the European Parliament and of the Council) as parent companies in a group that during the last financial year has had an average of more than 500 employees and has securities admitted to trading on a regulated market. For the financial year 2021, only information on the proportion of the company's financial activities that are covered by technical review criteria (taxonomy eligible) needs to be reported.

During the year, we carried out work to identify whether we have any economic activities covered by the taxonomy. Through interviews with subsidiaries, we have been able to determine whether we have activities that correspond to any of the economic activities listed in the EU taxonomy. As the regulation is still being developed and is expected to expand to other areas that may be relevant to our operations, we will follow developments and update our taxonomy reporting accordingly.

Nordisk Bergteknik has taken a conservative approach when reporting the figures covered by the taxonomy. We have therefore not included areas that are not specifically mentioned in the taxonomy. Based on this, we have identified an economic activity that is covered by the taxonomy:

- Renovation of existing buildings
 - Sales, opex and capex linked to foundation reinforcement and concrete rehabilitation of buildings.

	Total	Share of activities eligible to EU taxonomy		Share of activities not eligible to EU taxonomy	
	SEK million	%	SEK million	%	SEK million
Revenue	1 917,6	7,9%	151,1	92,1%	1 766,5
OpEx	93,5	6,4%	6	93,6%	87,5
CapEx	251,2	2,6%	6,5	97,4%	244,7

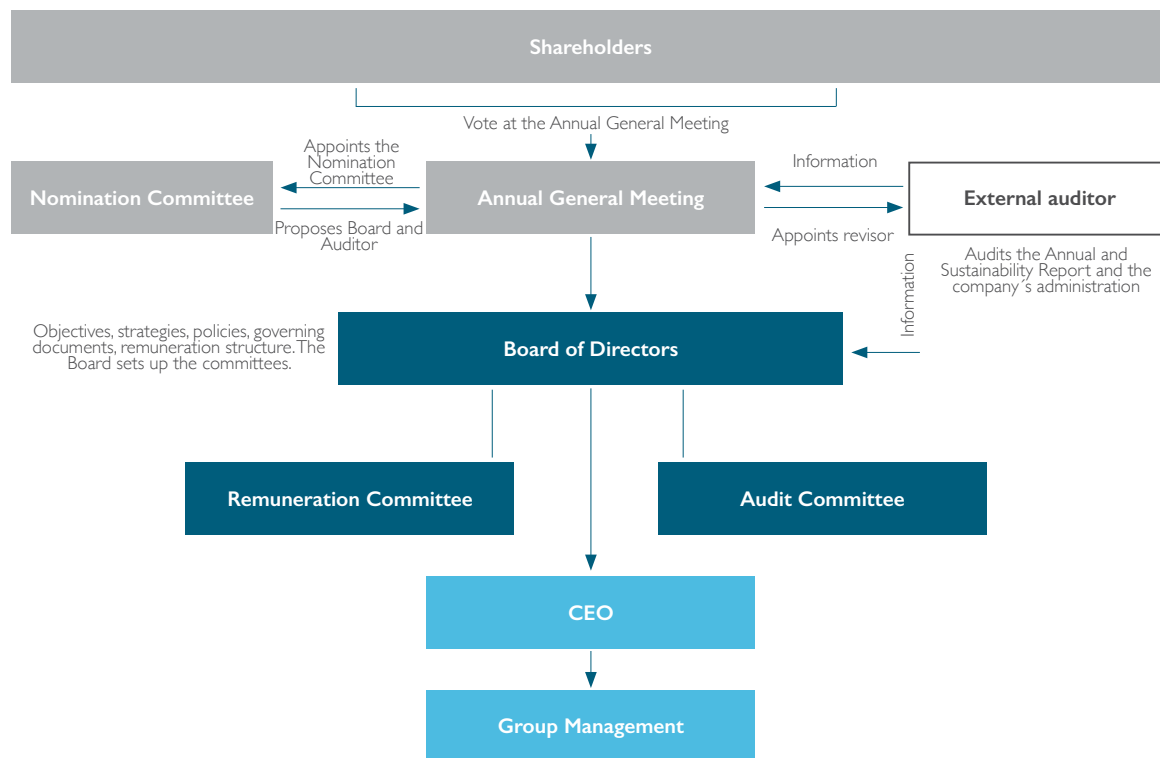


Corporate governance report

The task of corporate governance is to ensure the company's commitments to all its stakeholders: shareholders, customers, suppliers, creditors, society, and employees. Good and sound corporate governance ensures that the company is run as responsibly, efficiently, and sustainably as possible in the interests of the shareholders. Good corporate governance creates order and system for the Board of Directors and management and contributes to increased trust and confidence among existing and potential stakeholders. This Corporate Governance Report forms part of the Board of Directors' Report for Nordisk Bergteknik's 2021 Annual and Sustainability Report. The report has been reviewed by the company's auditors.

Nordisk Bergteknik's corporate governance is based on Swedish regulations and Swedish legislation, primarily the Swedish Companies Act and the Swedish Annual Accounts Act, Nasdaq Stockholm's regulatory structure for issuers, the Swedish Corporate Governance Code ("the Code"), the Articles of Association as well as other relevant internal and external regulations and policies. Nordisk Bergteknik AB ("Nordisk Bergteknik") complies with the Swedish Corporate Governance Code and this Corporate Governance Report has been prepared as part of Nordisk Bergteknik's application of the Code.

The Code is based on the "comply or explain" principle, which means that a company that applies the Code may depart from individual rules but must in such case provide an explanation for the departure. Nordisk Bergteknik reports no departures from the Code in 2021. The company's auditors have made a statutory examination of this corporate governance report. No violations of applicable stock market rules or of generally accepted practice in the stock market were reported with respect to Nordisk Bergteknik by Nasdaq Stockholm's Disciplinary Committee or the Swedish Securities Council in 2021.



Examples of external steering instruments:

- Swedish Companies Act
- Swedish Annual Accounts Act and IFRS
- Nasdaq Stockholm's regulatory structures for issuers
- EU Market Abuse Regulation, no 596/2014 (MAR)
- Swedish Corporate Governance Code ("The Code")
- Other applicable laws and regulations

Examples of internal steering instruments

- Articles of Association
- Rules of Procedure for the Board of Directors and committees, instructions for CEO
- Code of Conduct
- Insider Policy
- Financial Management Policy
- Accounting Manual
- Communications Policy
- Internal Control Policy
- Other policies, guidelines, and manuals

THE SHARE, SHAREHOLDERS AND VOTING RIGHTS

On October 12, 2021, Nordisk Bergteknik's class B shares were listed on Nasdaq Stockholm under the ticker NORB. Nordisk Bergteknik's shares are serviced by Euroclear Sweden AB. This means that no share certificates are issued and that Euroclear Sweden maintains a shareholder register of owners and administrators in the company. The share capital on December 31, 2021, amounted to SEK 540,652 divided into 54,065,204 shares and votes, with a quotient value of SEK 0.01. On December 31, 2021, Nordisk Bergteknik had 3,924 shareholders. The five largest shareholders in terms of voting rights on this date were Pegroco Invest AB (24.0 %), Swedbank Försäkring (6.1 %), Bergteknik Norr Holding AB (5.4 %), NP Förvaltnings AB (4.2 %) and Profun Förvaltnings AB (4.1 %). Of Swedbank's Försäkring's holdings of 3,237,759 shares, 2,933,481 shares are held by the CEO and CFO through endowment insurance.

Nordisk Bergteknik had two types of shares in 2021: Class A and Class B shares, but all Class A shares were redeemed in 2021 and thus there are only Class B shares as of December 31, 2021. All shares have equal voting rights and a share of the company's capital and profit. There are no restrictions on how many votes each shareholder can represent and cast at a general meeting. Information on the shareholdings of the Board members and Group Management can be found on pages 47-50. More information about Nordisk Bergteknik's share and shareholders, including a table of shareholdings as of December 31, 2021, can be found on pages 31-32.

ANNUAL GENERAL MEETING

The Annual General Meeting ("AGM") is Nordisk Bergteknik's highest decision-making body, which all the company's shareholders are entitled to attend, to have a matter considered and to vote for all shares held by the shareholder. A shareholder's right to make decisions on Nordisk Bergteknik's affairs is exercised at Annual General Meetings or, where applicable, at extraordinary general meetings. The AGM resolves on the following:

- approval of the annual report and dispositions
- granting discharge from liability for board members and the CEO
- election of board members and auditors
- remuneration to board members and auditors' fees
- guidelines for remuneration of senior executives
- approval of the Board's annual remuneration report
- other important matters

An extraordinary general meeting may be held if the Board deems it necessary or if requested by Nordisk Bergteknik's auditors or owners of at least 10 per cent of the shares.

ANNUAL GENERAL MEETING 2021

The 2021 AGM was held in Gothenburg on June 29, 2021. The meeting was carried out solely via advance voting (postal voting) in accordance with temporary legislation. At the meeting, 78.9 %

of the shares in the company were represented. Mats O. Paulsson, Chairman of the Board, was elected Chairman of the Meeting. The AGM re-elected the Board members Victor Örn, Ljot Strömseng, Göran Näsholm and Marie Osberg as ordinary Board members and re-elected Mats O. Paulsson as Chairman of the Board. The AGM resolved to re-elect KPMG, with the authorized public accountant Daniel Haglund, as the company's auditor.

Other decisions made concerned granting the Board members and the CEO discharge from liability for the financial year 2020, deciding on fees to Board members and auditors, adopting instructions for the Nomination Committee, adopting guidelines for remuneration to senior executives and authorizing new issues of B shares.

The complete minutes and decisions from the AGM are available at Nordisk Bergteknik's website.

AUTHORIZATIONS GRANTED BY THE AGM

At the 2021 Annual General Meeting, it was unanimously decided to authorize the Board to decide on a new issue of B shares, an issue of convertibles entitling to conversion into new B shares and an issue of warrants entitling to subscription of B shares. The number of Class B shares that can be issued with the support of the authorization or can be added through the exercise of warrants and convertibles that are issued with the support of the authorization shall not exceed as many Class B shares as Nordisk Bergteknik can issue, taking into account the limits for the company's share capital, and number of shares found in the Articles of Association. The authorization must be able to be used for decisions on new issues in connection with agreements on company acquisitions and / or other capital raising.

NOMINATION COMMITTEE

The Nomination Committee represents Nordisk Bergteknik's shareholders. It proposes to the AGM nominations for Chairman of the Board, Board members, auditor and auditor's fee, chairman of the AGM, as well as fees for Board and committee work. In addition, the Nomination Committee shall submit proposals for Nomination Committee instructions if required. Nordisk Bergteknik's Nomination Committee for the 2022 AGM consists of representatives of the company's three largest shareholders by number of votes as of 30 September 2021 as well as the Chairman of the Board. "The three largest shareholders by number of votes" also refers to known shareholder groups.

As of 30 September 2021, Nordisk Bergteknik's three largest shareholders were Pegroco Invest AB (and the wholly owned subsidiary Bergteknik Norr Holding AB which is part of the same shareholder group), N P Förvaltnings AB and Jovian Invest AB, which have been invited to nominate candidates for the Nomination Committee. On 8 December 2021, it was announced on the company's website and in a press release that the Nomination Committee ahead of the 2022 Annual General Meeting had the following composition:

- Oscar Rolfsson (appointed by Pegroco Invest AB and Bergteknik Norr Holding AB)
- Jerker Lindstén (appointed by Jovian Invest AB)

- Christian Berg (appointed by N P Förvaltnings AB)
- Mats O. Paulsson (chairman of the board of Nordisk Bergteknik AB)

Shareholders have been able to submit proposals and comments to the Nomination Committee until 15 March 2022. The Nomination Committee's proposals are published through the notice convening the AGM. In connection with the notice, the Nomination Committee publishes a motivated statement on the company's website that supports its proposals to the Board of Directors and a report on how the Nomination Committee's work has been conducted.

Nordisk Bergteknik, through its nomination committee, applies Rule 4.1 of the Swedish Corporate Governance Code as its diversity policy in drawing up recommendations for election of board members. The goal of the policy is for the Board to have a, with regards to the company's operations, development phase and general circumstances, appropriate composition, characterized by versatility and breadth regarding the competence, experience and background of the AGM-elected Board members. Prior to the 2022 Annual General Meeting, the Nomination Committee have met on three occasions when this annual report was submitted. The Chairman of the Board has reported on the Board evaluation that has been carried out and informed the Nomination Committee about Board and committee work during the year.

BOARD OF DIRECTORS

The Board's main responsibility is to manage Nordisk Bergteknik's business in the best interests of the company and shareholders, as well as to safeguard and promote a good corporate culture. The Board is also responsible for the organization and management of the Group. The Board continuously assesses Nordisk Bergteknik's financial position and ensures that the company's financial position can be satisfactorily verified. The Board of Directors decides on issues related to the Group's strategic direction and organization, and decides on key acquisitions, investments, and disposals.

The Board of Directors continuously evaluates the work of the CEO and Group Management. Before every AGM, and based on proposals made by the Remuneration Committee, the Board of Directors prepares proposals for guidelines for remuneration to the CEO and other senior managers. The basis for the Board's work is the rules of procedure for the Board of Directors, the CEO instructions, and the principles for division of work between the CEO, Chairman of the Board, the Board of Directors, and various committees established by the Board of Directors. The Board's rules of procedure and the CEO instructions are revised and updated annually.

The Board of Directors annually evaluates its work to develop its procedures and efficiency through a systematic and structured process. In 2021, the evaluation as regards the AGM elected Board members was carried out under the leadership of the Chairman of the Board. The results of the evaluation were consistently positive.

The constituent Board meeting following the 2021 AGM

established the Rules of procedure for Board of Directors including Rules of procedure for the Remuneration and Audit Committees, as well as instructions for the CEO and the Insider Policy, as well as several other policies and governing documents. The Rules of procedure governs the work and responsibilities of the Board of Directors, the frequency of Board meetings, as well as the division of duties between the Board members, between the Board committees, and between the Board of Directors and the CEO. Before each Board meeting, the members receive an agenda and basis for decisions. Each Board meeting includes a review of current business conditions, as well as the Group's earnings, financial position, and outlook. Other issues that are addressed include acquisitions, internal control, and risk.

THE BOARD'S COMPOSITION

According to the Articles of Association, Nordisk Bergteknik's Board of Directors shall consist of minimum four and maximum eight ordinary members without deputies. The members of the Board are elected annually the AGM for a term through the end of the next AGM. The Articles of Association contain no general stipulations about the appointment or dismissal of board members. The Board of Directors consists of five members, including the chairman. For further information about the board members, see pages 47-48.

At an Extraordinary General Meeting on February 14, Marie Osberg and Göran Näsholm were elected as new Board members. The board thus consists of Mats O Paulsson, also chairman, along with the members Ljot Strömseng, Victor Örn, Marie Osberg and Göran Näsholm. Marie Osberg, born in 1960, is a board member of Collector Bank AB and chairman of Save the Children Gothenburg. Göran Näsholm, born 1955, is a board member of Momentum Group AB and Pegroco Invest AB, as well as chairman of Alligo Holding AB, Malef Holding AB, Lefva Fastigheter AB and LW Sverige AB. In connection with the Extraordinary General Meeting, Peter Sandberg and Magnus Örtorp left their obligations to the Board.

At the 2021 Annual General Meeting, all members were re-elected.

CHAIRMAN OF THE BOARD

The Chairman of the Board of Directors has a special responsibility to ensure that the work of the Board of Directors is well organized and conducted efficiently, and that the Board of Directors fulfils its duties and obligations. The Chairman of the Board of Directors organizes and leads the work of the Board of Directors, is responsible for contacts with the owners in ownership matters and ensures that the work of the Board of Directors is evaluated annually. The Chairman of the Board of Directors is responsible for the day-to-day contact with CEO. To enable the work, the Chairman ensures that there are appropriate instructions on the division of work between the Board of Directors on one hand and the CEO and the bodies set up by the Board of Directors on the other.

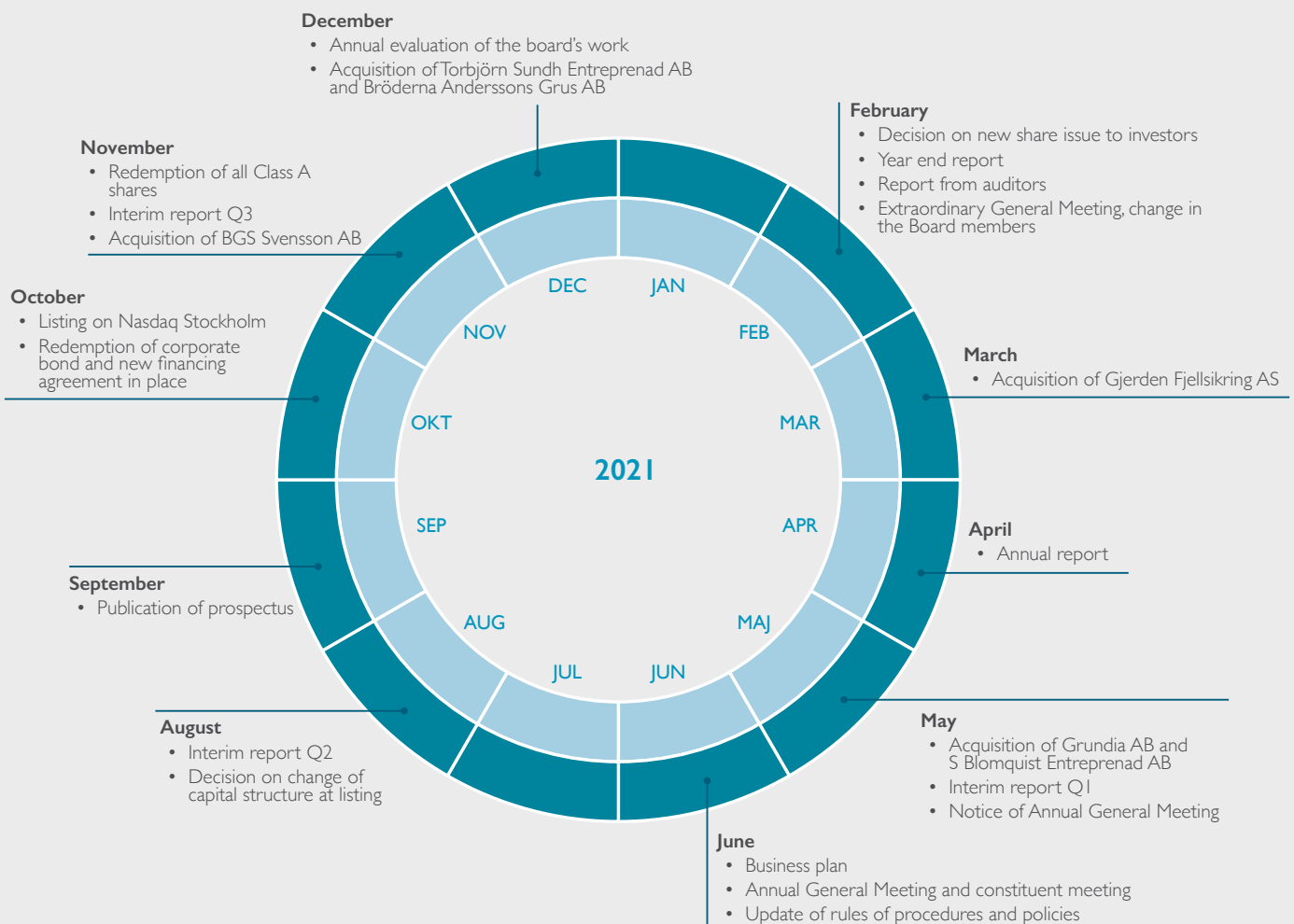
DIRECTORS' INDEPENDENCE

According to the Code, a majority of board members elected by a general meeting shall be independent in relation to the company and company management, and at least two shall also be independent in relation to the company's major shareholders. The Board of Directors of Nordisk Bergteknik is considered to meet the applicable requirement for directors' independence. All of the board members, except for Victor Örn and Göran Näsholm, have been determined to be independent. Victor Örn and Göran Näsholm are not independent in relation to major shareholders as Victor Örn is the CEO and Göran Näsholm is a board member of Pegroco Invest AB, which owns more than 10 % of all shares and votes in Nordisk Bergteknik AB.

THE WORK OF THE BOARD OF DIRECTORS IN 2021

In 2021, 29 minuted Board meetings were held, of which 14 were per capsulam meetings. The other 15 meetings were customary meetings, of which all were conducted via video due to the Covid-19-pandemic. The Board of Directors formed a quorum at all meetings. At the meeting in August and December, the Board of Directors held a session in the absence of Group Management. Nordisk Bergteknik's CEO and CFO, participated in all meetings. During the year, a lot of work has been focused on the listing on Nasdaq Stockholm, which was completed in October 2021, and on preparing the company for the listing. Acquisitions have also been a focus area as the company made several acquisitions during the year to continue to grow in accordance with the existing growth plan.

THE BOARD'S WORK IN 2021



COMMITTEE

The Board has established a remuneration committee and an audit committee. The work of the committees is mainly of a preparatory and advisory nature, but the Board may delegate decision making authority to the committees in special cases. Committee members and the committee chairs are appointed at each year's statutory board meeting.

REMUNERATION COMMITTEE

The Remuneration Committee's members are Chairman of

the Board Mats O. Paulsson (Chairman of the Remuneration Committee) and board member Ljot Strömseng. The Remuneration Committee held three meetings in 2021, all members participated in all meetings. The committee's main tasks are to:

- prepare the Board's decisions on matters of remuneration principles, remuneration and other terms of employment for the CEO and all persons in the group management;
- monitor and evaluate ongoing and year-end variable remuneration programs for group management;
- follow and evaluate the application of the guidelines for remuneration to senior executives that the AGM must

decide on by law, as well as the current remuneration structures and remuneration levels in the Company; and

- to assist in succession matters.

AUDIT COMMITTEE

The Audit Committee's members are Marie Osberg (Chairman of the Audit Committee) and Göran Näsholm. In 2021, the Audit Committee met five times, with all members attending all meetings. The company's auditors have participated in two of the meetings. The main tasks of the Audit Committee are to:

- monitor the Company's financial reporting and present its decisions to the Board regarding the financial information provided by the Company externally (including, among other things, the year-end report, annual report and interim reports, as well as any prospectuses) as well as present recommendations and proposals to ensure the reliability of reporting;
- with regard to the financial reporting, among other things, monitor the efficiency of the Group's internal control, internal audit and risk management, whereby the committee shall in particular monitor the Group's internal control regarding accounting, asset management as well as the the Group's financial conditions in general;
- with regard to the Group's risks in general, among other things, monitor that there are well-functioning processes within the Group for identifying and managing risk, in addition to monitoring the efficiency of the Group's risk management processes and propose any changes in said processes;
- be well acquainted with significant assessments and valuations, both general and specific, which form the foundation for the Company's and the Group's annual report and interim reports;
- at least once a year, discuss the effectiveness of the Company's and Group's accounting and financial control with the external auditors and management and consider any recommendations to improve internal control;
- stay informed about the audit of the annual accounts and consolidated accounts, review the Company's and the Group's accounting principles, monitor that the Company and the Group comply with applicable accounting standards and good accounting practice, and that the Company and the Group apply the principles correctly. The committee must also monitor whether the Company and the Group otherwise comply with applicable laws and regulations for the Company's and the Group's accounts;
- review and monitor the impartiality and independence of the external auditor(s), paying particular attention to whether the external auditor(s) provide the Company with services other than auditing services. The committee must therefore be informed on an ongoing basis when the Company procures such services; and
- assist the Nomination Committee in preparing proposals for the Annual General Meeting's resolution on the election of auditors and the remuneration of the external auditor(s) and, if applicable, carry out procurement procedures for auditors.

BOARD COMPOSITION AND ATTENDANCE 2021

Name	Elected year	Independent in relation to the company/ owners	Attendance Board meetings	Attendance Audit Committee meetings	Attendance Remuneration Committee meetings
Mats O. Paulsson	2017	×	15/15	-	3/3
Göran Näsholm ¹⁾	2021		14/14	5/5	-
Victor Örn	2016		15/15	-	-
Marie Osberg ¹⁾	2021	×	14/14	5/5	-
Ljot Strömseng	2020	×	15/15	-	3/3
Peter Sandberg ²⁾	2016		1/1	-	-
Magnus Örtorp ²⁾	2020	×	1/1	-	-

1) From 14 February 2021

2) Until 14 February 2021

CEO AND GROUP MANAGEMENT

The CEO is appointed by the Board of Directors and is responsible for the day-to-day management of the company in accordance with the Board's instructions and guidelines. Group Management is responsible for developing and implementing the Group's overall strategies relating to, for example, operational strategies, market strategies and acquisitions. The matters are prepared by Group Management to be decided upon by the Board. Group Management comprises four members: CEO, CFO, Country Manager Norway and IR and Communications Manager. Group Management regularly holds

meetings to review the results and financial position of the Group, to discuss strategy matters and operational matters and follow-up of budgets and forecasts. More information about Group Management can be found on pages 49-50.

AUDITOR

The auditor, elected at the AGM, is responsible for reviewing the annual accounts and accounting, and examining the Board's and CEO's management of the company. According to the Articles of Association, Nordisk Bergteknik should have at least one and at most two auditors. Registered auditing firms may be appointed

as auditors. KPMG AB was appointed auditor at the AGM 2021 and has informed the company that authorized auditor Daniel Haglund will be auditor in charge until the 2022 AGM. The external audit of the parent company and group accounts, and of the administration of the Board of Directors and CEO, is conducted according to International Standards on Auditing (ISA), and with generally accepted auditing standards in Sweden.

In 2021, the auditor conducted a review of the quarterly report for the second quarter and audited the annual report and the consolidated accounts. The auditor reports the results of his audit of the Annual Report and consolidated accounts as well as his review of the Corporate Governance Report through the auditor's report and a special report on the Corporate Governance Report, which is presented to the AGM. In addition, the auditor submits reports on audits performed to the Audit Committee two-three times a year and to the Board of Directors once a year. Information about auditor fees can be found in Note 5.

REMUNERATION, MANAGEMENT AND BOARD OF DIRECTORS

The 2021 AGM adopted guidelines for remuneration of senior executives that are based on a total remuneration package comprising a fixed salary, variable compensation and other benefits, and a pension, see Note 6.

Remuneration of the CEO and other senior executives is presented in a separate remuneration report, which is available on the company's website in connection with the convening of the 2022 Annual General Meeting. Furthermore, remuneration of the CEO and other senior executives is described in Note 6.

The total remuneration of the AGM-elected Board members amounted to SEK 1,755,000 in accordance with the AGM's resolution. See Note 6 for further information.

INTERNAL CONTROL AND RISK MANAGEMENT REGARDING FINANCIAL REPORTING

The Board of Directors has overarching responsibility for internal control over financial reporting. The Board has established an Audit committee tasked with conducting preparatory work for the Board's work with control over the company's financial reporting. The following description has been prepared in accordance with the Swedish Corporate Governance Code (the Code) and constitutes the Board's description of the company's system for internal control and risk management with respect to financial reporting.

FRAMEWORK

Nordisk Bergtekniks' internal control complies with the established international framework Internal Control Integrated Framework, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). According to the COSO model, review and assessment are carried out in the areas of Control environment, Risk assessment and management, Control activities,

Information and communication, and Monitoring. Nordisk Bergtekniks' internal control process is designed to ensure with reasonable certainty the quality and accuracy of financial reporting and ensure that reporting is prepared in accordance with applicable laws and regulations, accounting standards, and other requirements for listed companies in Sweden. This requires a healthy control environment, reliable risk assessment, established control activities, and that information, communication, and monitoring works satisfactorily.

CONTROL ENVIRONMENT

Nordisk Bergtekniks' control environment is made up of governing documents, processes and structures that lay the foundation for how internal control is established in the organization. The Board and Group Management set the tone for the importance of good internal control and a healthy risk culture. The control environment refers to factors regarding corporate culture, integrity, ethics, competence, management philosophy, organizational structure, authority, and responsibility, as well as governing documents and instructions. The rules of procedure for the Board, the instructions for the CEO and instructions for financial reporting form part of the control environment that exists in the Group. In addition, there are certification routines, process descriptions, finance manual and similar documents established within the Group, including a finance policy.

The Board has the overall responsibility for internal control in Nordisk Bergteknik and the Audit Committee is responsible for monitoring the effectiveness of the Company's internal control and risk management regarding financial reporting. The Company's audit committee is independent in relation to the Company's Group Management regarding the supervision of internal control. It is also the responsibility of the audit committee to review and monitor the auditor's impartiality and independence.

The company's CFO is responsible for ensuring that the control environment is maintained within the daily tasks and regularly submits reports to the Board according to established instructions. The Group's finance function has a central role in terms of reliable financial information and is responsible for complete, accurate and timely financial reporting. Each respective Group Company's CFO reports to the Group's CFO, who in turn reports to the CEO and the Board of the Company.

In addition to the internal follow-up and reporting, the Company's external auditor reports to the CEO and the Board during the financial year. The auditor's reporting provides the Board with a good view and a reliable basis for the financial reporting in the annual report.

RISK ASSESSMENT AND MANAGEMENT

The risk assessment forms the basis of the internal control, as well as the starting point for the controls that are designed, documented, and continuously evaluated. Nordisk Bergteknik has established an annual process for cross-operational risk assessment to provide the Board and management with increased insight into the risks to which the Group is exposed. Nordisk Bergtekniks' framework for risk management must promote transparency, decisions and investments that are in line with the Company's propensity for

risk, as well as effective measures and controls that are applied to manage significant risks. The risk assessment process and measures are in place to ensure that the risks to which Nordisk Bergteknik is exposed are within the tolerance levels decided by the Board according to the Group's risk management policy.

The work regarding risk analysis and internal control is included in the annual business planning for all companies and departments within the Group that fall within the scope of structured work for internal control.

CONTROL ACTIVITIES

Nordisk Bergteknik's control activities are established based on identified risks relative to the risk assessment and aims to ensure Nordisk Bergteknik's internal control over financial reporting. The control activities consist of process, company-wide, and general IT controls. The controls are divided into key controls and non-key controls depending on the risk of material errors in the financial reporting due to errors or fraud if the control fails. All control activities are documented in the company's risk and control matrix. For each control in Nordisk Bergteknik's risk and control matrix, a control performer is appointed, responsible for performing the control according to the specified frequency in accordance with the stated purpose and goals, as well as a process owner who must ensure that risks and controls are designed and implemented to provide correct control function, and that risks, and controls are updated in accordance with annual reviews.

Company-wide controls are controls that ensure and improve the control environment within Nordisk Bergteknik. Examples of important company-wide controls are Group policy, review of accounting rules, certification instructions and financial follow-up.

Nordisk Bergteknik's process controls have been identified for each key process. These checks are performed manually, automatically, or semi-automatically. For automatic and semi-automatic controls, general IT controls support key financial systems. The general IT controls aim to ensure that risks related to the IT environment are addressed. The controls include risks regarding authorization management, change management and operation for all business-critical systems.

INFORMATION AND COMMUNICATION

Nordisk Bergteknik's routines and systems for information and communication aim to provide the market with relevant, reliable, correct and current information on the Group's development and financial position. All external information is handled by appointed representatives of Nordisk Bergteknik in accordance with Nordisk Bergteknik's communication policy and insider Policy. Appointed representatives refer to the CEO, CFO and the IR and Communications manager. The Group's CEO is overall responsible for implementation and compliance regarding communication to the capital market, and Nordisk Bergteknik's Chairman of the Board handles overall ownership-related issues.

Nordisk Bergteknik's information and communication channels shall contribute to achieve complete, correct and up-to-date financial reports by making all relevant governing documents and instructions

for internal processes available to all affected employees. Nordisk Bergteknik's governing documents are continuously updated by appointed policy and process owners as well as Group management and are adopted by the Board annually. The Group's finance function is responsible for the framework of internal control and the Group's CFO is responsible for ensuring that relevant information is distributed both externally and internally. Financial reporting takes place in a group-wide system with predefined report templates.

The company's financial reporting follows the laws and regulations that apply in Sweden and the local regulations in each country where the business is conducted. The company's information to shareholders and other stakeholders is provided via the annual report and via interim reports and press releases.

MONITORING

The company's process for internal control over financial reporting is monitored and reviewed annually by the Board, the Audit Committee and Group Management. This forms the basis for the evaluation of internal governance and control in terms of financial reporting. The Audit Committee is responsible for monitoring the effectiveness of the Company's internal control and risk management regarding financial reporting.

Nordisk Bergteknik has a self-evaluation process regarding internal control over financial reporting for key processes that also includes IT. Nordisk Bergteknik's risk register; risk universe, risk analysis of the balance sheet, income statement and associated key processes, as well as Nordisk Bergteknik's risk and control matrix are evaluated annually. Nordisk Bergteknik's finance organisation, under the responsibility of the CFO, is responsible for the evaluation that forms the basis for Nordisk Bergteknik's self-evaluation process, where the CFO of each respective subsidiary is responsible for performing tests of all controls documented in Nordisk Bergteknik's risk and control matrix. The results of the testing are documented directly in Nordisk Bergteknik's risk and control matrix. In connection with the controls being tested, an action plan is drawn up for the controls where deficiencies are identified. The results of the testing of controls, including action plans, are reported to the Group CFO and Group Management as well as to the Audit Committee.

The financial result is followed up in monthly reporting and at each Board meeting. The Board approves all external financial reports before they are published. Three to four times a year, Nordisk Bergteknik's forecasts are updated in accordance with an established process where the financial outcome is analysed and any inaccuracies that result in an updated forecast are identified.

INTERNAL AUDIT

The Board has made the assessment that, Nordisk Bergteknik does not need a formalized internal audit beyond the existing processes and functions for internal governance and control. Follow-up is performed by the Board and Group Management, and the level of control is currently assessed to meet the Company's needs. An annual assessment is made as to whether an internal audit function is considered necessary to maintain good control within Nordisk Bergteknik.

BOARD OF DIRECTORS AND SENIOR EXECUTIVES

BOARD OF DIRECTORS

According to the Company's Articles of Association, the Board shall consist of a minimum of four and a maximum of eight Board members. Nordisk Bergteknik's Board of Directors currently consists of five Board members, including the Chairman of the Board, who are elected for the period until the end of the Annual General Meeting that is to be held in 2022. Nordisk Bergteknik's Board is based in Gothenburg. Nordisk Bergteknik's Board of Directors can be reached via the Company's address Östra Hamngatan 52, 411 08 Gothenburg.

The table below presents the Board members, their positions, the year they were appointed and their independence, partly in relation to the Company and its senior executives, and partly in relation to the Company's major shareholders. Major shareholders are defined in the Swedish Code of Corporate Governance as shareholders who directly or indirectly control 10 % or more of the shares or votes in the Company

Name	Position	Year appointed to the board	Independent relative to	
			the Company and Management	Larger shareholders
Mats O. Paulsson	Chairman	2017	Yes	Yes
Marie Osberg	Member	2021	Yes	Yes
Göran Näsholm	Member	2021	Yes	No
Victor Örn	Member	2016	Yes	No
Ljot Strömseng	Member	2020	Yes	Yes

Below is further information about the Board members' age, position, education, other relevant experience, ongoing assignments, as well as holdings of shares and share-related instruments in the Company.

MATS O. PAULSSON



Elected: Chairman of the board since 2017. Chairman of the Remuneration Committee.

Born: 1958

Education: Master of Science in Engineering, Lund University.

Other assignments:

Chairman of the Board of Caverion OY, Caverion Sverige

AB, Nordic Waterproofing Group AB, Svevia AB (publ) and Nääs Konsult and Förvaltning AB. Board member of BE Group AB (publ) and Aktiebolaget Bösarps Grus & Torrbbruk.

Other experience: Previous CEO of Bravida and Peab Industri.

Shareholding: 281,330 shares through Nääs Konsult och Förvaltning AB.

Dependency: Independent of the Company and its management, as well as of major shareholders.

MARIE OSBERG



Elected: Board Member since 2021. Chairman of the Audit Committee.

Born: 1960

Education: MSc in Economics, Lund University, MBA Webster University, Geneva.

Other assignments: Chairman of the Board of Save the

Children District Gothenburg, Board member of Collector AB, Collector Bank AB and NMP Invest AB. Deputy Board member of Osberg Financial Advisory AB.

Other experience: Leading positions in DNB Bank ASA.

Shareholding: 11,000 shares. 9,000 shares through related parties.

Dependency: Independent of the Company and its management, as well as of major shareholders.

GÖRAN NÄSHOLM



Elected: Board member since 2021. Member of the Audit Committee.

Born: 1955

Education: MSc in Economics, Örebro University, Mechanical Engineer, Örebro Technical.

Other assignments:
Chairman of the Board

of Alligo AB, Lefva Fastigheter AB, LW Sverige AB, Malef Holding Aktiebolag, Board member of Funpro Förvaltnings AB, Momentum Group AB, Pegroco Invest AB and Profun Förvaltnings AB.

Other experience: President and CEO of Ahlsell AB, senior positions in Ahlsell Group, president of Jirva AB, purchasing director in Calor Celsius AB and senior positions in Alfa Laval.

Shareholding: 2,227,315 shares through Profun Förvaltnings AB. 12,480 shares through related parties.

Dependency: Independent of the Company and its management. Not independent of the Company's major shareholders as Göran is a Board member of Pegroco Invest, which owns more than 10 % of all shares and votes in the Company.

VICTOR ÖRN



Elected: Board member since 2016.

Born: 1981

Education: Master of Business Administration, School of Business, Economics and Law at the University of Gothenburg.

Other assignments:
Chairman of the Board of AB

Flexen Intressenter; Pegroco Venture AB, Visa Invest AB, Board member of Aktiebolaget Stockholms Spårvägar, Bergteknik Norr Holding AB, Ideella föreningen Hammars Bryggförening med firma Hammars Bryggförening Deputy Board member in Clean Invest Scandinavia AB, Dormire Scandinavia AB and Norrbottens Bergteknik Aktiebolag.

Other experience: CEO, Pegroco Invest AB since 2019.

Shareholding: 63,400 shares through Visa Invest AB

Dependency: Independent of the Company and its management. Not independent of the Company's major shareholders as Victor is CEO of Pegroco Invest, which owns more than 10 % of all shares and votes in the Company.

LJOT STRÖMSENG



Elected: Board member since 2020. Member of the Remuneration Committee.

Born: 1958

Education: Master of Science in Engineering, Norwegian Institute of Technology (now under the name Norwegian University of Science and Technology).

Other assignments: Chairman of the Board of Aktiebolaget Svenskt Klimatneutralt Boende, Arkitekthuset Monarken AB, Bothnia VVS Ingenjörer AB, Norconsult Fältgeoteknik AB, Board member of Ljot Invest AB, Norconsult Astando Aktiebolag, Technogarden AB and Board member of the industry organisation Innovationsföretagen.

Other experience: Previous CEO of Norconsult AB.

Shareholding: 30,000 shares through Ljot Invest AB.

Dependency: Independent of the Company and its management, as well as of major shareholders.

SENIOR EXECUTIVES

Nordisk Bergteknik's Group Management consists of four people. The table below presents the senior executives, their positions and the year they were employed by the Company.

Name	Position	Employed since
Andreas Christoffersson	CEO	2016
Johan Lundqvist	Chief Financial Officer	2021 ¹
Oddbjørn Røed	Country Manager Norway	2017 ²
Niklas Alm	IR and communications manager	2021 ³

¹ Johan Lundqvist has been CFO under consulting contract since 2018 and before that CFO of the subsidiary Norrbottens Bergteknik Aktiebolag since 2017.

² Oddbjørn Røed took over as Country Manager Norway in connection with the Vestfold Group's acquisition and has been active in the Vestfold Group for over 20 years.

³ Niklas Alm is under consulting contract.

Read below for information about the senior executives' position, other ongoing assignments, other relevant experience as well as holdings of shares and share-related instruments in the Company

ANDREAS CHRISTOFFERSSON



Position: CEO since 2016.

Born: 1974

Education: Master of Science in Engineering, Luleå University of Technology.

Other assignments:

Chairman of the Board of Getten AB, Getten Fastighets AB, Getten Invest AB,

Jernstenen Invest AB, Jovian Invest AB, Board member of Atandakil Invest AB and Nordisk Holding Norrbotten AB.

Other experience: CEO of Norrbottens Bergteknik 2010-2020 and previously worked at Skanska.

Shareholding: 2,845,630 shares and 75,000 warrants through Jovian Invest AB.¹

JOHAN LUNDQVIST



Position: CFO since 2021.²

Born: 1957

Education: MSc in Economics, Lund University.

Other assignments: Board member of Jernstenen Invest AB, Jovian Invest AB, Laub Invest AB and Ouest AB. Deputy Board member of

Getten Invest AB, Pertuis AB and Österteg Fastighets AB.

Other experience: Previously worked at HiQ, SAS and Imerys.

Shareholding: 87,851 shares through Ouest AB and 2,845,630 shares and 75,000 warrants through Jovian Invest AB.

¹ Jovian Invest AB is 50 % owned by the senior executive Andreas Christoffersson and 50 % by the senior executive Johan Lundqvist.

² Johan Lundqvist has been CFO under consulting contract since 2018 and before that CFO of the subsidiary Norrbottens Bergteknik Aktiebolag since 2017.

ODDBJØRN RØED



Position: Country manager Norway since 2017.¹

Born: 1975

Education: Master of Science in Engineering.

Other assignments: Chairman of the board of Protech Consult AS, Heo Invest AS, Oddbjørn Røed AS and

Sandefjordgruppen Invest AS.

Other experience: Apprenticeship certificate in Tunnel and mountain work as well as detachment certificates in Sweden and Norway.

Shareholding: 615,666 shares through Sandefjordsgruppen Invest AS.

NIKLAS ALM



Position: IR and Communications Manager since 2021.

Born: 1967

Education: MSc in Economics, Växjö University, specialization National economy.

Other assignments: Chairman of Board of

SAFIRAB AB and Tigerrace AB, Board member of Galinna Breeding & Racing AB.

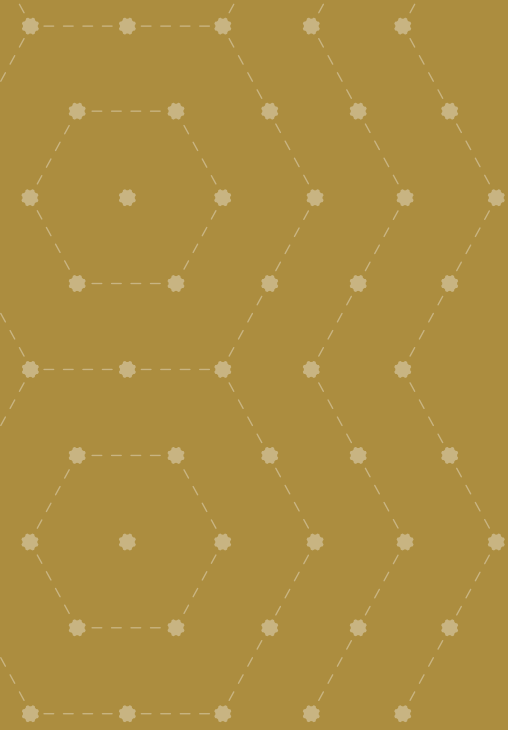
Other experience: Head of Investor Relations in several listed companies and senior advisor in SAFIRAB AB (Safir Communication).

Shareholding: 32,500 shares.

¹ Oddbjørn Røed took over as Country Manager Norway in connection with the Vestfold Group's acquisition and has been active in the Vestfold Group for over 20 years.







Annual report 2021

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Director's report

The Group in brief

	2021	2020	2019	2018
Net sales, SEK million	1 917,6	1 007,5	710,4	510,0
Organic growth, %	25%	16%	2%	52%
EBITDA, SEK million	264,8	135,3	96,3	66,3
EBITDA margin, %	13,8%	13,4%	13,6%	13,0%
Adjusted EBITDA, SEK million	280,6	144,9	101,6	66,3
Adjusted EBITDA margin, %	14,6%	14,4%	14,3%	13,0%
EBIT, SEK million	118,4	45,3	37,3	23,3
EBIT margin, %	6,2%	4,5%	5,2%	4,6%
Adjusted EBIT, SEK million	134,1	54,9	42,6	23,3
Adjusted EBIT margin, %	7,0%	5,4%	6,0%	4,6%
Items affecting comparability, SEK million	15,7	9,6	5,3	-
Profit/loss for the period, SEK million	44,8	1,9	-2,0	8,3
Earnings per share for the period before and after dilution, SEK	1,28	0,12	-0,16	0,45
Cash flow from operating activities, SEK million	122,7	54,8	61,8	3,1
Adjusted cash flow from operating activities, SEK million	160,2	59,0	67,0	3,1
Equity/asset ratio, %	42,3%	21,7%	17,0%	23,6%
Net debt, SEK million	425,8	663,2	514,6	220,3
Net debt/adjusted EBITDA LTM, SEK million	1,5	4,6	5,1	3,3

The Board of Directors and Chief Executive Officer ("CEO") of Nordisk Bergteknik AB (publ.) ("Nordisk Bergteknik"), corporate identity number 559059-2506, with registered office in Gothenburg, hereby present the annual report and consolidated financial statements for the 2021 financial year. Amounts are in SEK millions (MSEK) unless otherwise stated. Information in parentheses refers to the comparable period. Rounding differences may occur.

The business

Nordisk Bergteknik is a strategic partner in selected niches in the market for construction and contracting services in the infrastructure, mining and construction industries. According to an assessment carried out by Nordisk Bergteknik, the Group is currently northern Europe's largest player in the industry and offers a comprehensive set of services within rock handling and foundation solutions. The Group manages 18 operational companies with strong positions and brands in the regional market around Sweden and Norway. Within the Group, there are companies whose experience date back to the 1960s. The foundation of the business relies on solid engineering competence, significant experience, long customer relationships and a constant effort to carry out each assignment with the highest quality and safety, along with a focus on sustainability.

The Nordisk Bergteknik Group was formed in 2016 and has since then expanded continuously, both through organic growth and through more than 18 company acquisitions. The vision is to consolidate the market in services for foundation solutions and rock handling. The idea is that the companies that are included in the Nordisk Bergteknik Group will continue to operate independently all the while being able to offer customers assurance as they are backed by a large and professional establishment. Collaboration between the subsidiaries through purchasing, resource allocation and sustainability have over time developed and created synergies. The subsidiaries may for example coordinate when procuring explosives and machines

as many of them have similar needs. Similarly, this may occur if the subsidiaries are in need of exchanging machines in order to optimize their resources. Due to its size, Nordisk Bergteknik can, as a group, also coordinate between subsidiaries so that more resources are allocated to sustainability projects. Furthermore, Nordisk Bergteknik has gradually strengthened its company management and board to create a platform for continued growth and increased operational efficiency.

Organisation and segments

The Group operates in the two business areas rock handling and foundation solutions, which in turn are reported in the three financial segments Foundation Sweden, Rock Sweden, and Rock Norway. The parent company runs its activities from the head office in Gothenburg with certain group-wide functions.

Significant events during the year

Acquisitions

During 2021, Nordisk Bergteknik completed five acquisitions and signed share purchase agreements regarding two acquisitions that were later completed in January 2022. Acquisitions are a central part of the Group's growth strategy and are identified based on selected criteria defined by Nordisk Bergteknik's developed acquisition strategy (see page 28).

The purchase price in acquisitions usually consist of a cash part, a seller's reverse, and a reinvestment in Nordisk Bergteknik AB in the form of shares, whereby the previous owner becomes a long-term owner in Nordisk Bergteknik. The five completed acquisitions and the two agreed upon acquisitions have accumulated annual sales of just over SEK 830 million. Further information on the completed acquisitions can be found in Note 22 and on pages 29-30.

Nordisk Bergteknik has acquired the following companies in 2021:

Acquisition	Segment	Operating country	Acquisition date	Proportion of votes and capital	Purchase price
Gjerdén Fjellsikring AS	Rock Norway	Norway	March 31	100 %	48.8
Kragerø Brønnboring AS	Rock Norway	Norway	May 7	100 %	6.4
S Blomquist Entreprenad AB	Rock Sweden	Sweden	May 28	100 %	27.0
Grundia AB	Foundation Sweden	Sweden	May 31	100 %	102.1
BGS Svensson AB	Foundation Sweden	Sweden	November 30	100 %	88.2

New board members in Nordisk Bergteknik

At an Extraordinary General Meeting on February 14, Marie Osberg and Göran Näsholm were elected as new Board members. The board thus consists of Mats O Paulsson, also chairman, along with the members Ljot Strömseng, Victor Örn, Marie Osberg and Göran Näsholm. Marie Osberg, born in 1960, is a board member of Collector Bank AB and chairman of Save the Children Gothenburg. Göran Näsholm, born 1955, is a board member of Momentum Group AB and Pegroco Invest AB, as well as chairman of Alligo Holding AB, Malef Holding AB, Lefva Fastigheter AB and LW Sverige AB. In connection with the Extraordinary General Meeting, Peter Sandberg and Magnus Örtorp left their obligations to the Board.

Listing of the company's shares on Nasdaq Stockholm and new bank financing

On October 12, Nordisk Bergteknik's shares were listed on Nasdaq Stockholm under the abbreviation NORB. In connection with the listing, a new share issue of SEK 528 million before transaction costs was carried out. The company will primarily use the proceeds to strengthen Nordisk Bergteknik's financial position and continue its expansive growth in the Nordic region.

Early redemption of bonds and new bank facilities

On October 22, all outstanding bonds of SEK 400 million were redeemed early and replaced with bank facilities with Swedbank and Nordea amounting to SEK 400 million. The effect is estimated to amount to around SEK 14 million in reduced interest expenses annually by replacing the bond with bank facilities. The non-recurring cost of early redemption of the bond amounts to SEK 17.4 million and affected net financial items during the fourth quarter.

The new financing agreement with Swedbank and Nordea also means that the company has gained access to a revolving credit facility of SEK 650 million. The financing agreement contains a sustainability component meaning that Nordisk Bergteknik can agree on key figures for sustainability with the banks, which as of 5 days following the preparation of the annual report and sustainability certificate for 2022 may result in a discount or premium on the interest margin.

Redemption of all Class A shares

On 16 November, Nordisk Bergteknik announced a reduction in the share capital through the redemption of all Class A shares. The reduction of the share capital took place through repayment (redemption) to the shareholders Pegroco Invest AB, by a total of SEK 440,000. The quotient value for the B shares remained unchanged at SEK 0.01 per share. Through the redemption of the A shares, Pegroco Invest AB's share (including the wholly owned subsidiary Bergteknik Norr Holding AB's holding in Nordisk Bergteknik) of share capital and the share of votes decreased from 61.6 % to 29.8 %.

The Group's financial development

Net sales

The Group's net sales amounted to SEK 1,917.6 (1,007.5) million, corresponding to an increase of SEK 910.1 million. Organic growth amounted to 25 % and all segments grew organically in 2021.

EBIT

Adjusted EBIT increased from SEK 54.9 million to SEK 134.1 million. The increase is mainly driven by an increased volume of projects as well as completed acquisitions and several major projects in the segments of Rock Sweden and Foundation Sweden. Adjusted EBIT margin amounted to 7.0 (5.4) %. New acquisitions during 2021 contributed with higher margins which also strengthened the adjusted EBIT margin of the Group.

EBIT for the Group amounted to SEK 118.4 (45.3) million. The EBIT margin amounted to 6.2 (4.5) % and includes items affecting comparability amounting to SEK 15.7 (9.6) million.

Net financial items

Net financial items for 2021 amounted to SEK -50.9 (-40.5) million. The deteriorating net financial items were primarily attributable to non-recurring costs for early redemption of bonds carried out in connection with the listing, which amounted to SEK 17.4 million.

Tax and profit for the year

The tax expense amounted to SEK -22.7 (-2.9) million; an increase compared with the previous year as a result of increased profit. The effective tax rate was 34 (60) % and this high level was primarily affected by the interest deduction limitation rules in Sweden. Earnings increased to SEK 44.8 (1.9) million, which corresponds to earnings per share of SEK 1.28 (0.12) before and after dilution.

Financial development of the segments

Rock Sweden

Net sales

External net sales in 2021 amounted to SEK 888.8 (455.9) million and increased by 95 %, of which 29 % referred to organic growth. The segment's strong growth was mainly attributable to large projects in western Sweden linked to Västlänken and Aitik in Norrbotten.

EBIT

EBIT amounted to SEK 46.6 (27.4) million and the increase was mainly attributable to increased volume and contributions from completed acquisitions. The EBIT margin amounted to 5.0 (5.7) % and is also primarily explained by the less favorable project mix during 2021.

Rock Norway

Net sales

External net sales 2021 increased from SEK 305.9 million to SEK 640.8 million, an increase of 109 %, of which 25 % consisted of organic growth.

EBIT

EBIT increased from SEK 10.9 million to SEK 31.2 million. The favorable development of the rock safety business and the strong fourth quarter of 2021 meant that the EBIT margin increased to 4.7 % compared with 3.4 % during the comparable period.

Foundation Sweden

Net sales

External sales in 2021 increased by 58 % and amounted to SEK 387.9 (245.7) million, which was due to the acquisitions made of Grundia and BGS Svensson, as well as an organic growth of 14 %.

EBIT

EBIT amounted to SEK 68.1 (23.2) million and the increase was a result of increased volume from acquisitions along with an increased EBIT margin. The EBIT margin increased from 9.4 % to 17.4 %, which is explained by a more favorable project mix and a reduced utilisation of subcontractors compared with the comparable period, which in turn contributed with lower costs.

Other financial information

Financial position

At the end of the year, the Group's assets amounted to SEK 2,237.7 (1,316.4) million. The increase was mainly related to the new share issue made in connection with the stock exchange listing, which strengthened the company's cash position, but also because of the various acquisitions that have been made compared with the same period last year, as well as investments in tangible fixed assets. The Group's equity has been strengthened by the new share issues during the year and amounted to SEK 947.3 (286.3) million, excluding non-controlling interests.

The Group's net debt amounted to SEK 425.8 (663.2) million and consisted of loans to credit institutions, installment loans for machinery, acquisition loans, leasing liabilities for right of use assets, cash and cash equivalents, and short-term investments. During the period, the Group's bond of SEK 400 million was redeemed early and replaced with new bank facilities. The equity-to-assets ratio increased from 21.7 % to 42.3 %, mainly attributable to the new share issues that have been made, which has strengthened the Group's financial position.

The new financing agreement contains two covenants; the Group's debt-to-equity ratio, calculated as the ratio between net debt and adjusted EBITDA rolling 12 months pro forma, and the equity-to-assets ratio, calculated as the ratio between total equity and total assets.

Investments and cash flow

Cash flow from operating activities amounted to SEK 122.7 (54.8) million while the adjusted cash flow from operating activities amounted to SEK 160.2 (59.0) million 2021. The increase was mainly attributable to a significantly higher operating profit. Cash flow from investing activities amounted to SEK -263.2 (-108.9) million. Of these, SEK -121.1 (-91.5) million was attributable to net investments in tangible and intangible fixed assets and SEK -138.0 (-16.6) million was attributable to business acquisitions. Cash flow from financing activities amounted to SEK 514.6 (-53.4) million. The increase was mainly attributable to payments from completed new share issues.

Employees

At the end of the year, the Group had 821 (537) employees distributed as follows:

Rock Sweden	Rock Norway	Foundation Sweden	Parent company
358 (276)	353 (203)	105 (56)	5 (2)

The average number of employees for the period January-December 2021 was 780 (400).

Parent company

Nordisk Bergteknik AB's operations are covered by head office functions such as Group-wide management and a finance function. Net sales in 2021 amounted to SEK 20.1 (13.5) million and profit before appropriations and tax amounted to SEK -62.9 (-35.7) million.

The Parent Company has held the Group's bond loan, which has now been replaced by bank facilities. External financing generates a negative financial net for the parent company. The parent company's total assets amounted to SEK 1,400.6 (768.6) million. The increase was mainly attributable to the parent company strengthening its equity through new share issues in 2021, primarily in connection with the listing. As of December 31, equity amounted to SEK 866.6 (266.8) million.

Shares and share capital

According to the Articles of Association, the share capital must be at least SEK 500,000 and at most SEK 2,000,000 divided between at least 50,000,000 shares and at most 200,000,000 shares. On 31 December 2021, Nordisk Bergteknik's share capital amounted to SEK 540,652 divided into 54,065,204 shares and votes, with a quotient value of SEK 0.01. During 2021, the share capital has increased as a result of new issues in connection with acquisitions and through new issues in connection with the listing. During the year, a reduction of the share capital took place through repayment (redemption) to the shareholders Pegroco Invest AB regarding all Class A shares. All shares are now of the same share class with equal voting rights and share of the company's capital and profit. See also Note 23 for this year's change in the number of shares during 2021 and pages 31-32 for more information about the share, share capital and the ownership structure.

Holding of own shares

In connection with the listing Nordisk Bergteknik granted Carnegie a so-called over allotment option which entitled Carnegie, no later than 30 days from the first date of trading, to acquire up to 3,034,615 additional newly issued B-shares, corresponding to a maximum of approximately 15 per cent of the number of B shares in the offering, at the offering price (i.e. SEK 26 per share) to cover any over allotments or short positions in connection with the offering. Carnegie exercised the over allotment in respect of 1,060,235 B shares. In order to facilitate the over allotment option, Nordisk Bergteknik issued 3,034,615 B-shares to Carnegie, and since the over allotment option was exercised in respect of 1,060,235 B shares, Carnegie transferred 1,974,380 B shares back to Nordisk Bergteknik without any consideration. These 1,974,380 B shares will be held by Nordisk Bergteknik and have a total quotient value of 19,743.8 SEK and constitute 3.7 % of the share capital and shares as of December 31, 2021. Nordisk Bergteknik intends to use the shares as a means of payment for future acquisitions.

The Board's issue authorisation

At the 2021 Annual General Meeting, it was unanimously decided to authorise the Board to decide on a new issue of B shares; an issue of convertibles entitling to conversion into new B shares and an issue of warrants entitling to subscription of B shares. The number of Class B shares that can be issued with the support of the authorisation or can be added through the exercise of warrants and convertibles issued with the support of the authorisation, shall not exceed as many Class B shares as Nordisk Bergteknik can issue, taking into account the limits for the company's share capital and number of shares found in the Articles of Association. The authorisation can be used for for decisions on new issues in connection with agreements on company acquisitions and / or other raising of capital.

The work of the Board

According to the Articles of Association, the Board of Nordisk Bergteknik AB should consist of a minimum of four and a maximum of eight ordinary members. The Chief Executive Officer is not a Board member but reports to the Board at its meetings. The Board is responsible for the organisation of the company and the Group as well as the administration of the company's affairs. No Board members are members of the company's management. During the year, the Board has chosen to establish an audit committee and a remuneration committee. The Audit Committee is tasked, among other things, with responsibility for preparing the Board's work to ensure the quality of the company's financial statements and to maintain ongoing dialogue with the company's auditors. The Remuneration Committee is tasked with preparing issues regarding remuneration and other terms of employment for senior executives. Further information about the company's governance, the composition of the Board and internal control is provided by the Corporate Governance Report on pages 40-50.

Corporate governance report

The Corporate Governance Report is available as a separate part of Nordisk Bergteknik's 2021 Annual Report and can be found on pages 40-50.

Nomination activities

The Nomination Committee ahead of the 2022 Annual General Meeting ("AGM") consists of the following members:

- Oscar Rolfsson, Chairman of the Nomination Committee (appointed by Pegroco Invest AB and Bergteknik Norr Holding AB)
- Jerker Lindstén (appointed by Jovian Invest AB)
- Christian Berg (appointed by av N P Förvaltnings AB)
- Mats O. Paulsson (Chairman of the Board of Nordisk Bergteknik AB)

The Nomination Committee's proposals, the report on the Nomination Committee's work for the 2021 AGM, and any additional information about proposed Board members are published in conjunction with the convening notice and will be presented at the 2022 AGM. All documentation relating to the AGM will be available at www.nordiskbergteknik.se.

Annual General Meeting

Nordisk Bergteknik's Annual General Meeting will be held on June 8, 2022.

Guidelines for remuneration of senior executives

The 2021 AGM decided on the guidelines for remuneration of senior executives. The guidelines apply until the 2025 AGM, unless otherwise decided by the meeting before that. Nordisk Bergteknik's current guidelines for remuneration to senior executives and information on the company's costs for remuneration to senior executives can be found in Note 6.

In 2021, a deviation was made from the guidelines regarding variable remuneration to the CFO. According to the guidelines, variable remuneration may amount to a maximum of 40 % of the annual fixed salary and additional compensation may be paid at 30 % of the fixed annual salary in exceptional circumstances. In 2021, the CFO received total variable remuneration amounting to 52 % of the annual fixed salary. The reason for the deviation is the IPO bonus received, which amounts to 33 % of the annual fixed salary. The Board is entitled to deviate from the guidelines if there are special reasons for the deviation. With regard to the extraordinary work required by the CFO in 2021 linked to the IPO, the Board considers that the deviation is justified, and the deviation amounts to only SEK 40 thousand.

Sustainability Report and environment

In accordance with ÅRL Chapter 6, Section 11, Nordisk

Bergteknik has chosen to prepare a sustainability report as a report separate from the annual report. The statutory sustainability report can be found on pages 33-39. The risk analysis regarding sustainability issues is included in the overall risk section of the Director's report. The diversity policy is described in the corporate governance report.

Through its subsidiaries, Nordisk Bergteknik has operations that are subject to a permit and notification in accordance with the Environmental Code. According to Nordisk Bergteknik's policy, all companies must strive to reduce any negative impact on the environment by complying with current local environmental legislation, strive for sound resource management and energy efficiency, and stay up to date on significant environmental issues. Continuous investments in new machines and new technology is an example of the ongoing environmental work that is done by the Group. The machine park in Nordisk Bergteknik is one of the most modern in the industry today.

Expected future development

Nordisk Bergteknik sees continued strong demand for services of the Group's subsidiaries in both Sweden and Norway. Infrastructure investments are expected to continue in both countries throughout the coming years. Demand for our services is linked to both the number and volume of major projects, primarily in energy and infrastructure. The Group has a well-founded acquisition strategy and the future acquisition opportunities are believed to remain good.

Seasonal effects

There are certain seasonal effects that affect the Group's operations and particularly in the Rock Norway segment. This refers to the rock safety operations in Norway, where sales and earnings are lower during the fourth and first quarters due to the weather conditions during the winter. Other segments have no clear seasonal effects, instead, sales and net profit are largely dependent on project mix. To counteract the reduction in revenue because of seasonal effects, Nordisk Bergteknik works to ensure that there are projects that run throughout the winter months as well as reallocate resources within the Group. Due to its size, the Group has a greater opportunity to parry for seasonal effects. Many smaller companies on the market have larger seasonal variations than Nordisk Bergteknik.

Use of financial instruments

In the subsidiaries, invoicing and purchases occur in a currency other than the subsidiaries' reporting currency, but to a limited extent. In the case of currency exposure, an analysis is made of whether there is natural currency hedging within the Group or whether a forward hedge should be used for the currency exposure. The Group's use of forward hedges is limited, and the Group does not apply hedge accounting.

Covid-19

In 2021, Covid-19 continued to impact the world. The effect on

Nordisk Bergteknik has above all been certain restrictions in travel, increased sick leave and certain projects have been postponed. Nordisk Bergteknik's assessment is that Covid-19 has had a certain negative effect on the financial figures, but not to the same extent as some other industries that have been hit harder. In 2021, no grants have been received linked to Covid-19. The Group is following developments in 2022 and in the current phase of the proliferation, we assess that Covid-19 is not expected to have a significant financial effect on the Group in 2022.

Significant events after the end of the financial year

After the end of the financial year, Nordisk Bergteknik has completed the acquisitions of Bröderna Anderssons Grus AB and Torbjörn Sundh Entreprenad AB. See more information in Note 22 and Note 32.

On March 17, 2022, Nordisk Bergteknik signed a share purchase agreement regarding the acquisition of Infrastructure Group Nordic AB, which includes the operating subsidiaries Rovalin AB and Soil Mixing Group AB. The acquisition is subject to the Swedish Competition Authority's approval. See more information about the acquisition in Note 32.

After the end of the financial year, a Russian invasion of Ukraine took place and a war broke out. The Group has no operations or trade with Russia or Ukraine. However, the current situation with sanctions imposed on Russia as a result of the war and the socio-economic consequences that follow from the war may have a negative effect on the company's operations in the coming period, primarily as a result of higher raw material prices. It is when this annual report is submitted difficult to assess what the effects of this will be due to prevailing uncertainty. The board closely monitors the development of the course of events.

Appropriation of profit or loss

The following is at the disposal of the Annual General Meeting (SEK):

Retained earnings	-28,060,379
Share premium reserve	898,813,924
Profit/loss for the year	-5,176,112
Total	865,577,433

The Board and the CEO recommend that:

- The following amount is carried forward 865,577,433

No dividend is proposed for the financial year 2021, considering that the company sees opportunities to continue its expansive growth through a continued high acquisition rate during 2022.

Significant risks and uncertainty factors

Nordisk Bergteknik's operations, like all business operations, are associated with different types of risks that can affect the Group's ability to pursue its strategies and achieve its objectives.

Well-balanced risk management can generate opportunities and competitive advantages. If correctly managed, risks can be turned into opportunities and add value to the business, while risks that are not correctly managed can lead to incidents and losses. Nordisk Bergteknik has a model and process for identifying and evaluating the Group's risks. In its operations Nordisk Bergteknik is exposed to various types of risk – operational, financial and market risk.

Processes for risk management

Nordisk Bergteknik has established an annual process for cross-operational risk assessment in order to provide the Board and management with increased insight into the risks to which the Group is exposed. Nordisk Bergteknik's framework for

risk management must promote transparency, decisions and investments that are in line with the Company's propensity for risk, as well as effective measures and controls that are applied to manage significant risks. The risk assessment process and measures are in place to ensure that the risks to which Nordisk Bergteknik is exposed are within the tolerance levels decided by the Board according to the Group's risk management policy. The work regarding risk analysis is included in the annual business planning for all companies and departments within the Group that fall within the scope of structured work for internal control.

The identified risks are categorized into operational risks and financial risks. The risks are presented with a description of the risk as well as management and comments for the year.

Operational risks

Description of risk	Management and comments for the year
<p>Demand for Nordisk Bergteknik's services</p> <p>Demand for the Group's services is affected by several factors such as the general economic development, market development and political decisions that affect Nordisk Bergteknik's existing and potential customers' ability and propensity to invest.</p>	<p>Nordisk Bergteknik has a broad customer portfolio and geographical diversification. Through acquisitions and expansion of the existing offering, the Group broadened its offering of the Group's services during the year. The Group also has a large proportion of relatively small projects and is therefore not dependent on individual customers or assignments.</p>
<p>Safety and working environment</p> <p>Nordisk Bergteknik must comply with current labor legislation and ensure a high level of safety in the workplace in order for employees to be able to perform their work without risk of injuries and accidents and to be able to offer an attractive workplace and maintain a good reputation with customers.</p>	<p>Work environment issues are an integral part of Nordisk Bergteknik's operations and the Group's subsidiaries work actively with these issues. To reduce the risk of accidents, incidents and risk observations are used to be able to identify a safety risk before the accident occurs. In 2021, group-wide sustainability work has started, which provides increased focus in this area.</p>
<p>Compliance</p> <p>The Group's operations are regulated by and must be conducted in accordance with several laws and regulations in areas such as the working environment, including safety-related issues, and laws and regulations that regulate greenhouse gas emissions, including energy and electricity consumption as well as the handling of explosives.</p>	<p>A basic requirement for all employees in Nordisk Bergteknik is to comply with current environmental legislation, competition rules, labor law legislation, tax legislation, safety requirements and other regulations that set the framework for the business. In addition to complying with laws and regulations, Nordisk Bergteknik takes responsibility for complying with high standards of good business ethics in all operations. This is described in the Group's code of conduct.</p>
<p>Permits and licenses</p> <p>The Group's operations require various permits and licenses, e.g. permits and licenses for excavation operations as well as transport and handling of explosives. Several of the permits and licenses are project-specific and thus time-limited. If permits or licenses are revoked or cannot be obtained according to plan, the Group would not be able to conduct its ordinary business operations.</p>	<p>There are good routines within the operations of the Group that are affected by permit management to ensure that permits exist and are valid. Routines exist to ensure that they are up to date on the latest changes regarding laws and regulations that affect the Group's condition.</p>
<p>Lack of labor</p> <p>Lack of manpower is a challenge in the industry in which the Group operates. Competition for qualified professionals in the regions in which the Group operates continues to be intense, especially with regard to personnel for rock excavation. The machines used for rock excavation purposes are highly specialized and usually require specialist training.</p>	<p>Nordisk Bergteknik strives to be an attractive employer with good conditions and offers a workplace with interesting tasks, good leaders, short decision paths and development opportunities. In cases where a subsidiary lacks staff in a project, it is possible to borrow staff from other subsidiaries in the Group.</p>
<p>Environment - sustainable use of resources</p> <p>Nordisk Bergteknik's operations affect the environment in the form of, above all, carbon dioxide emissions.</p>	<p>Nordisk Bergteknik works to reduce the environmental impact of its own operations. By having a modern fleet of machinery and being at the forefront of new and more efficient solutions from machine suppliers, the Group works to reduce emissions from the machine fleet. In 2021, Group-wide sustainability work has started, which will provide a further increased focus on the Group's emissions and use of resources.</p>
<p>Acquisition</p> <p>Nordisk Bergteknik has a continued active acquisition strategy and is therefore exposed to risks related to the possibility of identifying and implementing acquisitions, as well as integrating them after implementation.</p>	<p>Nordisk Bergteknik's acquisition history and established networks in the sector allow us to identify which candidates in the market are most relevant. The primary sources for potential acquisitions are references from Nordisk Bergteknik's local management groups, the central management network, external tips and company brokers. Nordisk Bergteknik has a well-established integration process to ensure that the acquisition is integrated into the Group.</p>
<p>Business ethics and corruption</p> <p>Nordisk Bergteknik is a decentralized organization where business and purchasing largely take place locally, which increases the risk of undue influence. There is a risk that individual employees do not follow our values and damage Nordisk Bergteknik's reputation and brand.</p>	<p>All employees within Nordisk Bergteknik must take part in and know the code of conduct. Nordisk Bergteknik also works actively with follow-up and internal control.</p>

Financial risks

Description of risk	Management and comments for the year
<p>Valuation of goodwill</p> <p>The Group has large values in goodwill, which has an indefinite useful life and is not amortized. However, the Group tests for impairment of goodwill at least annually, or more frequently if events or changes in circumstances indicate a potential impairment. The impairment test involves several assumptions about the future as well as a discount rate, which means that there is a risk that an incorrect assumption is made which in turn may affect the valuation of goodwill.</p>	<p>In 2021, the Group prepared an annual impairment test of goodwill and did not identify any need for impairment. Sensitivity analyses that have been carried out also indicate that there is no need for impairment. See more information about prepared impairment tests in Note 11.</p>
<p>Revenue recognition and evaluation of projects</p> <p>The Group reports revenues over time. In order to be able to report the revenues over time, it is required that the project revenues and project costs can be calculated in a reliable manner and the prerequisite for this is a functioning system for project reporting and follow-up. There is always a risk that final results regarding projects may deviate from reported results over time and that the degree of completion needs to be corrected, which means that the Group may need to adjust previously booked (and in some cases reported) revenues.</p>	<p>The majority of the Group's revenues relate to agreements with a fixed price per unit with a variable volume (i.e. on a current account). There are also agreements with fixed amounts (fixed price projects) and agreements with a combination of a fixed price per unit and a fixed total amount. The Group has routines and systems to be able to monitor a project's revenues and costs and uses project accounting. Estimates regarding revenues, costs or the degree of completion of projects are revised on an ongoing basis if circumstances change and in the event of indications that the agreement is a so-called loss contract, a provision is made immediately.</p>
<p>Liquidity and refinancing risk</p> <p>Liquidity and refinancing risk refer to the risk that Nordisk Bergteknik will not be able to meet its payment obligations as a result of insufficient liquidity or difficulties in raising new loans.</p>	<p>The Group has routines to ensure that sufficient cash and cash equivalents for operating activities are available. Responsibility for the Group's financial transactions and risks is held centrally by the parent company, which works in accordance with a policy established by the Board. In 2021, the Group's bond loans were redeemed and replaced with bank financing with Swedbank and Nordea amounting to SEK 1,050 million. As of December 31, 2021, the Group had credit commitments not yet utilised amounting to SEK 650 million.</p>
<p>Interest rate risk</p> <p>Interest rate risk refers to the risk that changes in the interest rate level will affect the Group's net interest income and cash flow.</p>	<p>The Group has established principles for managing interest rate risks, which means that the debt portfolio must run at a variable interest rate and the majority of the Group's loans must be long-term. As of December 31, 2021, SEK 605.9 million out of SEK 860.0 million of the Group's interest-bearing liabilities has a maturity endpoint of more than 2 years from the balance sheet date.</p>
<p>Credit risk</p> <p>Credit risk is the risk that the counterparty in a transaction will not fulfill its financial liability obligations and that any collateral does not cover the company's receivable.</p>	<p>All companies within Nordisk Bergteknik must minimize and prevent their exposure to credit risk linked to accounts receivable from customers. To limit the risk, new customers are tested on credit. Nordisk Bergteknik has historically had low credit losses.</p>
<p>Currency risk</p> <p>Changes in the exchange rate can have a negative impact on the consolidated income statement, balance sheet and cash flow. Currency risk can be divided into transaction exposure and translation exposure.</p>	<p>Nordisk Bergteknik's transaction exposure is relatively low as sales and costs are mostly in local currency with less exposure to imported components. The Group's translation exposure is relatively low, considering that it is mainly between NOK / SEK.</p>

Financial reports

Consolidated income statement

Amounts in million SEK	Note	Jan-Dec 2021	Jan-Dec 2020
Net sales	2,3	1 917,6	1 007,5
Other operating income	4	34,3	20,6
Total revenue		1 951,8	1 028,2
Purchase of goods and services		-775,5	-452,3
External costs	5	-361,8	-207,1
Personnel costs	6	-548,2	-227,3
Other operating costs	7	-1,5	-6,2
Operating profit before depreciation and amortisation (EBITDA)	2	264,8	135,3
Depreciation and amortisation of tangible and intangible fixed assets	2,10,11,12	-146,4	-90,0
Operating profit (EBIT)	2	118,4	45,3
Financial income	8	3,0	0,4
Financial costs	8	-53,9	-40,9
Net financial items		-50,9	-40,5
Profit/loss before tax		67,5	4,8
Tax	9	-22,7	-2,9
Profit/loss for the year		44,8	1,9
Profit/loss for the year attributable to:			
Parent company's shareholders		44,7	2,5
Non-controlling interests		0,1	-0,6
Total		44,8	1,9
Other comprehensive income			
<i>Items that have been or may be reclassified to profit/loss:</i>			
Translation differences		8,3	-10,3
Hedging of net investment in foreign operations		5,6	-4,1
Tax on other comprehensive income that can be reclassified to profit/loss		-1,2	0,9
Total other comprehensive income for the year		12,8	-13,5
Total comprehensive income for the year:		57,6	-11,6
Total comprehensive income attributable to:			
Parent company's shareholders		56,0	-10,5
Non-controlling interests		1,6	-1,0
Total		57,6	-11,6
Earnings per share for the year before dilution, SEK	30	1,28	0,12
Earnings per share for the year after dilution, SEK	30	1,28	0,12
Average number of shares outstanding before dilution	30	34 937 691	20 134 778
Average number of shares outstanding after dilution	30	34 945 004	20 134 778

Consolidated statement of financial position

Amounts in million SEK	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Non-current assets			
Goodwill	11,22	488,9	260,4
Other intangible assets	11	13,2	13,9
Tangible fixed assets	10	461,0	358,9
Right-of-use assets	12	231,8	134,3
Deferred tax assets	9	6,1	6,7
Other financial non-current assets	14	2,1	4,4
Total non-current assets		1 203,1	778,7
Current assets			
Inventories	13	94,8	41,1
Accounts receivable	14,15	311,8	206,0
Accrued non-invoiced income	3	121,6	103,1
Receivables from group companies		-	0,2
Current tax assets		5,1	3,3
Other short-term receivables	14,16	27,1	91,0
Prepaid expenses and accrued income	17	18,5	20,4
Short-term investments	14	4,7	-
Cash and cash equivalents	14,18	451,1	72,7
Total current assets		1 034,6	537,7
TOTAL ASSETS		2 237,7	1 316,4
EQUITY AND LIABILITIES			
Equity			
	23		
Share capital		0,5	0,6
Other contributed capital		898,8	293,8
Reserves		0,8	-10,5
Retained earnings, including profit/loss for the year		47,1	2,4
Total equity attributable to parent company's shareholders		947,3	286,3
Non-controlling interests		21,2	19,7
Total equity		968,5	306,0
Non-current liabilities			
Bond loan	14,19	-	393,9
Liabilities to credit institutions, machine loans	14,19	144,6	119,9
Liabilities to credit institutions, others	19	389,1	-
Lease liabilities	19	163,1	98,0
Other long-term liabilities	14,19	54,5	37,2
Deferred tax liabilities	9	57,6	38,1
Total non-current liabilities		808,8	687,1
Current liabilities			
Liabilities to credit institutions, machine loans	14,19	50,6	29,3
Liabilities to credit institutions, others	19	0,8	4,3
Overdraft facility		-	19,5
Lease liabilities	19	57,3	33,9
Invoiced non-accrued income	3	9,5	14,1
Accounts payable	14	158,8	95,4
Liabilities to group companies		-	0,8
Current tax liabilities		4,2	2,3
Other current liabilities	14,20	87,3	57,9
Accrued expenses and prepaid income	21	92,1	66,0
Total current liabilities		460,4	323,3
TOTAL EQUITY AND LIABILITIES		2 237,7	1 316,4

Consolidated statement of changes in equity

Attributable to Nordisk Bergteknik's shareholders

Amounts in million SEK	Share capital	Other contribut- ed capital	Reserves	Retained earnings, including profit/loss for the year	Total	Non-controlling interests	Total equity
Opening equity as of 1 January 2020	0,6	65,8	0,7	11,8	78,9	1,3	80,2
Reclassification within equity		1,9	-3,8	-0,2	-0,2	0,2	-
Profit/loss for the year				2,5	2,5	-0,6	1,9
Other comprehensive income							
Translation differences			-13,0		-13,0	-0,5	-13,5
Transactions with owners							
New share issue	0,0	17,6			17,6		17,6
New share issue in registration phase*		208,7			208,7		208,7
Dividends paid to non-controlling interests						-1,0	-1,0
Acquisition of non-controlling interests						20,9	20,9
Change of ownership, non-controlling interests				-8,1	-8,1	-0,7	-8,8
Closing equity as at 31 December 2020	0,6	293,8	-10,5	2,4	286,3	19,7	306,0
*Of the amount, SEK 0.1 million is expected to be share capital when registration of the new share issue has taken place.							
Opening equity as of 1 January 2021	0,6	293,8	-10,5	2,4	286,3	19,7	306,0
Profit/loss for the year				44,7	44,7	0,1	44,8
Other comprehensive income							
Translation differences			11,3		11,3	1,5	12,8
Transactions with owners							
New share issue	0,3	633,5			633,8		633,8
Transaction costs new share issue		-36,8			-36,8		-36,8
Tax transaction costs new share issue		8,4			8,4		8,4
Redemption class A shares	-0,4				-0,4		-0,4
Closing equity as at 31 December 2021	0,5	898,8	0,8	47,1	947,3	21,2	968,5

Consolidated cash flow statement

Amounts in million SEK	Note	Jan-Dec 2021	Jan-Dec 2020
Cash flow from operating activities			
Operating profit (EBIT)		118,4	45,3
<i>Adjustment for items not included in cash flow:</i>			
- Depreciation/amortisation		146,4	90,0
- Other items not included in cash flow (+/-)	27	-24,7	-3,9
Interest received		0,2	0,3
Interest paid		-46,0	-31,6
Paid income tax		-6,2	-0,7
Other financial items		0,3	-0,9
Cash flow from operating activities before changes in working capital		188,4	98,5
Cash flow from changes to working capital			
Increase/decrease in inventories		-37,9	-1,1
Increase/decrease in ongoing projects		-7,5	-34,8
Increase/decrease in current receivables		-44,6	-29,8
Increase/decrease in current liabilities		24,4	21,9
Total change in working capital		-65,7	-43,8
Cash flow from operating activities		122,7	54,8
Cash flow from investing activities			
Investments in intangible assets		-1,1	-13,2
Investments in tangible fixed assets		-150,0	-101,6
Sale of fixed assets		30,0	23,4
Business combinations		-138,0	-16,6
Divestment of group companies		-	-0,8
Investments in short-term investments		-4,7	-
Other financial fixed assets		0,6	0,0
Cash flow from investing activities		-263,2	-108,9
Cash flow from financing activities			
New share issue		610,0	-
Dividend non-controlling interests		-	-1,0
Redemption class A shares		-0,4	-
Machinery loans raised		96,1	34,1
Amortisation of machinery loans		-72,3	-60,1
Loans raised		375,1	-
Amortisation of loans		-424,2	-2,5
Amortisation of lease liabilities		-69,7	-24,1
Cash flow from financing activities		514,6	-53,4
Cash flow for the year		374,1	-107,6
Decrease/increase in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		72,7	182,4
Exchange rate differences in cash and cash equivalents		4,3	-2,1
Cash and cash equivalents at the end of the year		451,1	72,7

Notes

Nordisk Bergteknik AB (publ) (“Nordisk Bergteknik”), corporate identity number 559059–2506 is a parent company registered in Sweden and domiciled in Gothenburg with address Östra Hamngatan 52, 411 08 Gothenburg, Sweden. Unless otherwise stated, all amounts are reported in millions of kronor (SEK million). Information in parentheses refers to the comparison periods.

Note 1

Summary of important accounting principles

The most important accounting principles applied while preparing the consolidated financial statements are presented below. These principles have been applied consistently for all periods presented, unless otherwise stated.

1.1 Basis for the preparation of the reports

The consolidated financial statements for Nordisk Bergteknik have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU. Furthermore, the Swedish Financial Reporting Board (RFR) RFR 1 Supplementary Accounting Rules for Groups have been applied, which means that certain supplementary information is provided in the consolidated financial statements. The accounting principles presented in the description below have been applied consistently for all periods reported in the consolidated financial statements across the whole Group.

In order to prepare financial statements according to IFRS, it is required that management compose assessments, estimates and assumptions. Critical estimates and assessments are essentially based on historical experience and on future expected events. The estimates, assessments and assumptions are reviewed regularly. Changes are reported in the period when the change is made and in future periods if these are affected. Information regarding areas where applied estimates and assessments include uncertainty are described in a separate paragraph in Note 1.

1.1.1 Amended accounting principles caused by new or amended IFRS

No standards, amendments and interpretations that entered into force during the 2021 financial year are considered to have had a material impact on the consolidated financial statements.

1.1.2 Future accounting principles

New and amended IFRS with future application are not expected to have a material impact on the company's financial statements.

1.2 Consolidated financial statements

1.2.1 Basic accounting principles

Subsidiaries

Subsidiaries refer to companies over which the Group has a controlling influence. The Group is considered to have a controlling influence over a company when it is exposed to or is entitled to a variable return from its holding in the company and has the opportunity to affect the return through its influence in the company. Subsidiaries are included in the consolidated financial statements as of the date on which the controlling influence is transferred to the Group. They are excluded from the consolidated financial statements as of the date on which the controlling influence ceases.

The acquisition method is used to report the Group's business acquisitions. The purchase price for the acquisition of a subsidiary consists of the fair value of transferred assets, liabilities that the Group incurs to previous owners of the acquired company as well as the shares issued by the Group. The purchase price also includes the fair value of all assets or liabilities that result from an agreement on conditional purchase price. Identifiable assets acquired and liabilities assumed in a business combination are initially valued at fair value on the acquisition date. For each separate acquisition, the Group decides whether non-controlling interests in the acquired company are reported at fair value or at the non-controlling interest's proportionate share in the carrying amount of the acquired company's identifiable net assets.

Acquisition-related costs are expensed when they arise and are reported in the Group's consolidated income statement. Changes in value regarding agreed additional purchase consideration are valued at fair value via profit for the year and are reported on the line other operating income or other operating expenses in the Group's consolidated income statement. All changes in the share of ownership in a subsidiary, where the controlling influence does not cease, are reported as equity transactions. Profit or loss for companies divested during the year is calculated on the basis of the group's reported net assets in such businesses, including earnings up to the time of the divestment.

Goodwill is initially valued as the amount by which the total purchase price and any potential fair value for non-controlling interests on the acquisition date exceeds the fair value of identifiable acquired net assets. If the purchase price is lower than the fair value of the acquired company's net assets, the difference is reported directly in the Group's consolidated income statement.

The non-controlling interest's share in the subsidiaries' net assets is reported in a separate item in the Group's equity. The Group's

consolidated income statement includes the non-controlling interest's share in reported earnings.

Intra-group transactions, balance sheet items, income and expenses on transactions between Group companies are eliminated. Profits and losses that result from intra-group transactions and that are reported as assets are also eliminated. The accounting principles for subsidiaries have been changed as appropriate to ensure a consistent application of the Group's principles.

1.3 Segment reporting

Nordisk Bergteknik has established three operating segments: Rock Sweden, Rock Norway and Foundation Sweden. The Group monitors each respective operating segment via net sales, EBIT and EBITDA. The company's CEO is the executive with highest decision-making authority and is responsible for as well as handles the day-to-day management of the Group according to the Board's guidelines and instructions. The accounting principles in the segments are the same as for the Group.

1.4 Foreign currency translation

1.4.1 Functional currency and reporting currency

The local currency has been defined as the currency used in the primary economic environment where each respective unit operates, and therefore the various units in the Group use their local currency as the functional currency. The consolidated financial statements use Swedish kronor (SEK), which is the parent company's functional currency and the Group's reporting currency.

1.4.2 Transactions and balance sheet items

Transactions in foreign currency are translated into the functional currency according to the exchange rates that apply on the transaction date. Exchange rate gains and losses that arise from the payment of such transactions and from the translation of monetary assets and liabilities in foreign currency at the exchange rate on the balance sheet date are reported in operating profit in the consolidated income statement.

Exchange rate gains and losses relating to loans and cash and cash equivalents are reported in the Group's consolidated income statement as financial income or expenses. All other exchange rate gains and losses are reported in the item other operating expenses and other operating income, respectively, in the Group's consolidated income statement.

1.4.3 Translation of foreign group companies

Income and financial position for all Group companies that have a functional currency other than the reporting currency are translated into the Group's reporting currency as follows: Assets and liabilities for each of the balance sheets are translated from the functional currency of the foreign operations to the Group's reporting currency, Swedish kronor, at the exchange rate prevailing on the balance sheet date. Revenues and expenses for each of the income statements are translated into Swedish kronor at the average exchange rate that existed at each transaction date.

1.4.4 Net investment in foreign operations

Monetary long-term receivables from a foreign operation are considered to be part of the Group's net investment in foreign operations in cases where settlement of these receivables is not planned and not probable in the foreseeable future. Exchange rate differences that arise for these items are reported in other comprehensive income with an associated tax effect.

1.5 Revenue recognition

The Group provides services in a number of different service areas, such as drilling, excavation, prospecting, rock safety and piling. The basic principle is that the Group reports revenue in the way that best reflects the transfer of control of the promised service to the customer. This accounting in the Group takes place with the help of a five-step model that is applied to all customer contracts.

- Identify the contract with the customer
- Identify the various performance commitments in the contract
- Determine the transaction price
- Distribute the transaction price on performance commitments
- Report income when a performance commitment is met

Revenue includes the fair value of what has been or will be received for the Group's ongoing operations. Revenue is reported exclusive of value added tax and after elimination of intra-group sales. There are revenues that are reported at a time (goods) but the value is less than 1 % of the Group's net sales. Below are the accounting principles that the Group applies regarding the Group's services.

1.5.1 Sales of services

Nordisk Bergteknik reports revenue when the Group fulfils a performance commitment, which is then a promised service delivered to the customer and the customer takes control of the service. Control of a performance commitment can be transferred over time or at a specific point in time. The Group's revenues are reported over time.

The transaction price in each agreement usually consists of variable amounts (price per unit), but fixed amounts (fixed price projects) may also occur, or even a combination of these. For agreements with a variable price (i.e. on a current account), revenue is reported over time based on the period in which the services are received. For agreements at a fixed price, revenue is reported based on the proportion of the total agreed service delivered during the financial year when the customer receives and uses the services at the same time. This is decided based on actual work performed compared to the total expected work for the fulfilment of the assignment.

Estimates regarding revenues, costs or the degree of completion of projects are revised if circumstances change. Increases or decreases in estimated income or expenses that are due to a change in estimate are reported in the consolidated income statement in the period in which the circumstances that gave rise to the audit became known to management.

In fixed price agreements, the customer pays the agreed price at agreed payment times. If the services delivered by Nordisk

Bergteknik exceed the payment, a contractual asset is reported (reported in the item accrued non-invoiced income in the Group's consolidated statement of financial position). If the payments exceed the delivered services, a contractual liability is reported (reported in the item invoiced non-accrued income in the Group's consolidated statement of financial position).

There are no significant guarantee commitments in the Group.

1.5.2 Interest income

Interest income is reported as income using the effective interest method.

1.6 Leasing

The Group's leasing agreements mainly consist of right-of-use assets regarding properties, machinery and equipment, and vehicles. At the start of the agreement, the Group evaluates whether the agreement is, or contains, a lease. This means that the agreement conveys the right to control the use of an identified asset for a given period of time in exchange for compensation. If the terms or conditions of the agreement change during the duration of the agreement, a new evaluation is made as to whether the agreement is, or contains, a lease.

Leasing agreements are reported as right-of-use assets and lease liabilities in the Group's consolidated statement of financial position. Lease liabilities are valued at the present value of future leasing fees. When calculating the present value of future leasing fees, the Group's marginal borrowing rate is used at the start of the agreement if there is no implicit interest rate stated in the agreement. Leasing fees include fixed leasing fees, variable leasing fees that are affected by an index or interest rate, as well as predicted amounts that are to be paid according to residual value guarantees. The leasing period is determined as the period not subject to cancellation together with periods covered by the option to extend the leasing agreement if the Group is reasonably certain of utilising that period, and periods covered by the option to terminate the leasing agreement if the Group is reasonably certain of not utilising the period.

Right-of-use assets are valued at acquisition value less accumulated depreciation and any write-downs. The acquisition value of the right-of-use asset includes the initial amount of the lease liability, adjusted for lease payments paid before the commencement date, after deduction of any benefits received. In addition, initial direct expenses are included. Depreciation of the asset is reported on a straight-line basis over the agreement period or over the asset's useful life if the ownership is transferred to Nordisk Bergteknik at the end of the leasing period. The Group has chosen to use the relief rule for short-term leasing agreements (leasing agreements with a period of less than 12 months). The Group has also chosen to use the relief rule regarding leasing agreements for which the underlying asset is considered to have a low value. Leasing fees for short-term leasing agreements and low-value assets are reported as an expense on a straight-line basis over the agreement period. Variable leasing fees that are not due to an index or an interest rate are reported as an expense in the period in which they arise.

1.7 Remuneration to employees

1.7.1 Short-term benefits

Liabilities regarding salaries and distributed benefits, including non-monetary benefits and paid absences, which are expected to be settled within 12 months after the end of the financial year; are reported as current liabilities at the undiscounted amount that is expected to be paid when the debts are settled. The cost is reported in line with the services being performed by the employees. The liability is reported as a liability regarding remuneration to employees in the balance sheet.

1.7.2 Remuneration after termination of employment

The Group only has defined-contribution pension plans. A defined contribution pension plan is a pension plan according to which the Group pays fixed contributions to a separate legal entity. The Group does not have any legal or informal obligations to pay additional fees if this legal entity does not have sufficient assets to pay all compensation to employees related to employee service during the current or prior periods. The fees are reported as an expense in the profit for the period at the rate at which they are earned by employing services performed for the company during the period.

1.8 Current and deferred income tax

The tax expense for the period includes current and deferred tax. Tax is recognised in the consolidated income statement, except when the tax relates to items that are recognised in other comprehensive income or directly through equity. In such a scenario, tax is also recognised in other comprehensive income and equity.

Current tax is calculated on the taxable profit for the period according to the current tax rate. The current tax expense is calculated on the basis of the tax rules that are decided on the balance sheet date or is decided relative to the country that the parent company and its subsidiaries operate and generate taxable income. Management regularly evaluates the claims made in self-declarations regarding situations where applicable tax rules are subject to interpretation. When deemed appropriate, management prepares provisions for amounts that are likely to be paid to the tax authority.

Deferred tax is reported on all temporary differences that occur regarding the taxable value of assets and liabilities as well as their reported values in the consolidated financial statements. However, deferred tax liabilities are not reported if they arise as a result of the first recognition of goodwill. Deferred tax is also not reported if it arises as a result of a transaction that constitutes the first recognition of an asset or liability that is not related to business operations and which, at the time of the transaction, does not affect the reported or taxable result. Deferred income tax is calculated using tax rates and laws that have been decided or announced on the balance sheet date and are expected to apply when the deferred tax asset concerned is realised or the deferred tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable

that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are set off when there is a legal right of set-off for current tax claims and tax liabilities and when the deferred tax assets and liabilities relate to taxes charged by one and the same tax authority and refer to either the same tax subject or different tax subjects, where there is an intention to regulate balances through net payments.

1.9 Intangible assets

1.9.1 Other intangible assets

Other intangible assets refer to acquired assets that are reported at acquisition value less accumulated amortisation and write-downs as well as internally generated assets. The acquired assets and the internally generated assets mainly pertain to software.

Expenses attributable to internally generated intangible assets, that arise during the development phase, are capitalised only when, according to management, it is plausible that they will result in future financial benefits for the Group and the costs during the development phase can be determined reliably. The acquisition value of an internally generated asset includes direct manufacturing expenses and a proportion of indirect expenses that are attributable to the asset in question.

Amortisation is linearly reported in profit or loss for the year over the estimated useful lives of the intangible assets and amortisation begins when the asset is available for use.

1.9.2 Goodwill

Goodwill arises in connection with business acquisitions when transferred remuneration exceeds the fair value of acquired net assets. Goodwill has an indefinite useful life and is thus not amortised but is tested for impairment annually and as soon as indications arise that the asset in question has decreased in value.

1.10 Tangible fixed assets

Property, plant and equipment are reported at cost less accumulated depreciation and any write-downs. The acquisition value includes expenses that can be directly attributed to the acquisition of the asset in question, as well as its displacement and delivered condition in order for it to be utilised in accordance with the purpose of the acquisition.

Additional expenses are added to the asset's carrying amount or are reported as a separate asset, whichever is appropriate, only when it is probable that the future economic benefits associated with the asset will benefit the Group and the asset's acquisition value can be measured reliably. The carrying amount of a replaced part is removed from the balance sheet. All other forms of repairs and maintenance are reported as costs in the Group's consolidated income statement during the period in which they occur.

Assets are depreciated linearly in order to distribute their acquisition value down to the estimated residual value over the estimated useful life as follows:

Drilling rigs	6–10 years
Pile machines	6–8 years
Excavators/wheel loaders/work machines	8–10 years
Barracks/crew sheds	10 years
Cars, trucks and trailers	3–6 years
Machine accessories	5–10 years
Office equipment	3–5 years

The assets' residual values and useful lives are tested at the end of each reporting period and adjusted if necessary.

An asset's carrying amount is immediately written down to its recoverable amount if the asset's carrying value exceeds its estimated recoverable amount.

Gains and losses on the sale of a tangible fixed asset are determined through a comparison between sales revenue and the carrying amount and are reported in the item other operating income and other operating expenses in the consolidated income statement.

1.11 Write-downs of tangible and intangible fixed assets

If there are internal or external indicators that an asset's value has fallen, the asset must be tested for impairment. For assets with an indefinite useful life, such as goodwill, an impairment test is performed at least annually, whether there are signs of impairment or not. An asset or a group of assets (cash-generating units) must be written down if the recoverable amount is lower than the carrying amount. The recoverable amount is the higher between the value in use and the net sales value. Impairment losses are reported in the Group's consolidated income statement in the period in which they occur. If an individual asset cannot be tested separately due to the fact that no fair value reduced by sales costs can be identified for the asset in question, the asset is distributed to a group of assets, so-called cash-generating unit, for which it is possible to identify a separate future cash flow. To the extent that the underlying factors of an impairment loss change in future periods, the impairment loss will be reversed. Impairment losses on goodwill are not reversed, however. Information regarding the specific assumptions that need to be made to calculate the value in use of an asset is provided in Note 11.

1.12 Financial instruments

1.12.1 Overall and first reporting opportunity

A financial instrument is a contract that gives rise to a financial asset in one company and at the same time gives rise to a financial debt or an equity instrument in another company. Financial instruments reported in the Group's consolidated statement of financial position include other financial fixed assets, accounts receivable, other current receivables, cash and cash equivalents, bond loans, liabilities to credit institutions, other long-term liabilities, accounts payable and other current liabilities. All financial assets are initially reported at their respective fair values. Transaction costs are included in the assets' fair values, except in cases where changes

in value are reported in the income statement. Financial liabilities are initially reported at their respective fair values, reduced by transaction costs except for the liabilities that are reported at their fair values through profit or loss. Financial instruments that will be settled within twelve months are normally classified as current assets or current liabilities and those that will be settled more than twelve months after the balance sheet date are generally classified as fixed assets or long-term liabilities.

1.12.2 Classification

The Group classifies its financial assets and liabilities in the category accrued acquisition value or fair value via profit for the year:

Financial assets at amortised cost

Assets that are held for the purpose of collecting contractual cash flows, and where these cash flows only constitute capital amounts and interest, are valued at amortised cost. The Group's financial assets valued at amortised cost consist of the items other financial fixed assets, accounts receivable, other current receivables as well as cash and cash equivalents. Cash and cash equivalents include liquid bank funds and available cash. Accounts receivable include both invoiced and uninvoiced receivables (reported when the company's right to payment is deemed unconditional). The expected maturity of trade receivables is short, which is why the value is reported at a nominal amount without discounting. The carrying amount of those assets is adjusted with any expected credit losses that have been reported (see Impairment of financial assets below). Interest income from these financial assets is reported using the effective interest method and is included in financial income.

Financial liabilities valued at amortised cost

The Group's financial liabilities valued at amortised cost include bond loans, liabilities to credit institutions, other long-term liabilities, accounts payable and other current liabilities. After the initial valuation, at fair value less transaction costs, liabilities to credit institutions are valued at amortised cost using the effective interest method. Accounts payable have a maturity that is expected to be short and are valued at a nominal amount without discounting.

Financial liabilities at fair value via profit for the year

Financial liabilities valued at fair value via the profit for the year consist of debt for additional purchase considerations. Changes in value regarding agreed additional purchase considerations are valued at fair value via profit for the year and are reported as other operating income or other operating expenses in the Group's consolidated income statement. The fair value regarding the additional purchase consideration is judged to be within level 3 in the fair value hierarchy and is valued at the companies' best assessment regarding the future cash flows that will be required to settle the debt.

Level 1 of the fair value hierarchy includes financial instruments with a known market value. Level 2 includes financial instruments with input data based on observable data other than known market values. Level 3 includes input data that is not based on observable market information.

1.12.3 Derecognition of financial instruments

Derecognition of financial assets

Financial assets, or part of a financial asset, are removed from the balance sheet when the contractual rights to receive cash flows from the assets have expired or have been transferred and either (i) the Group substantially transfers all risks and benefits that are associated with ownership or (ii) the Group does not substantially transfer or possibly retain all risks and benefits of ownership, and the Group has not retained control of the asset.

Derecognition of financial liabilities

Financial liabilities are derecognised when the obligations have been settled or otherwise terminated. The difference of the carrying amount of a financial liability (or part of a financial liability) that has been eliminated or transferred to another party as well as the remuneration paid, including transferred assets that are not cash or assumed liabilities, is reported in the consolidated income statement.

When the terms of a financial liability are renegotiated, and it is not derecognised from the balance sheet, a gain or loss is reported in the consolidated income statement. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

1.12.4 Impairment of financial assets

Assets that are reported at amortised cost

The Group assesses the future expected credit losses that are linked to assets reported at amortised cost. The Group reports a credit reserve for such expected credit losses at each reporting date. For accounts receivable, the Group applies the simplified approach to credit provisions. The reserve will correspond to the expected loss over the entire life of the accounts receivable. To measure the expected credit losses, accounts receivable has been grouped based on distributed credit risk characteristics and due dates. The Group uses forward-looking variables for expected credit losses. Expected credit losses are reported in the Group's consolidated income statement in the item other external costs.

1.13 Inventories

Inventories are reported, applying the first-in first-out principle, at the lower of cost and net realisable value. The net sales value is the estimated sales price in operating activities, less applicable variable sales costs.

1.14 Share capital

Ordinary shares are classified as equity. Transaction costs that can be directly attributed to the issue of new ordinary shares are reported, net after tax, in equity as a deduction from the issue proceeds.

1.15 Cash flow statement

The cash flow statement is prepared according to an indirect method. The reported cash flow includes only transactions that have resulted in deposits and payments.

1.16 Important estimates and assessments when applying the Group's accounting principles

In order to prepare financial statements in accordance with applied accounting principles, certain estimates and assessments must be made that affect the content of the financial statements, i.e. the carrying amount of assets, liabilities, income and expenses. The areas where estimates and assessments are of great importance to the Group, and which may affect the income statement and balance sheet if they are changed, are described below.

Impairment testing of goodwill

To validate the value of goodwill, Group management, through testing of impairment, calculates the recoverable amount for each asset or cash-generating unit based on expected future cash flows and while using the appropriate interest rate to be able to discount these cash flows. Uncertainties lie in assumptions about future operating profit and the determination of an appropriate discount rate (see Note 11).

Goodwill is tested for impairment annually as well as when there are indications that the value has fallen. To assess the need for impairment, Group management calculates the recoverable amount for each asset or cash-generating unit based on expected future cash flows. The Group has established that the Group's operating segments are the cash-generating units that are to be tested for impairment, and the assets have been distributed to

each operating segment where the value in use is calculated for each respective segment. An evaluation of the estimates has been made, which, if they change, can have a significant effect on the fair value of the assets and thus would mean that an impairment loss must be reported. The estimates mainly relate to assumptions about future operating profit, long-term growth rate and discount rate. Assumptions regarding impairment tests performed, including sensitivity analysis, are described in more detail in Note 11.

Revenue recognition

The Group reports income over time and the predominant part is income relating to agreements with a variable price per unit (i.e. on a current account) and there are also agreements with fixed amounts (fixed price projects) or a combination of these. In order to be able to report the revenues over time, it is required that the project revenues and project costs can be calculated in a reliable manner. The prerequisite for this is a functioning system for project reporting as well as follow-up. There is always a risk that the final result regarding projects may deviate from the reported result over time. The Group uses project accounting and has routines and systems to be able to monitor the project's revenues and costs. Estimates regarding revenues, costs or the degree of completion of projects are revised on an ongoing basis if circumstances change, and in the event of any indication that the agreement is a so-called loss contract, a provision is made immediately



Note 2

Reporting of operating segments

The reporting of operating segments is consistent with the internal reporting to the chief operating decision maker. The highest executive decision-maker has been defined as the company's CEO, who is responsible for and handles the day-to-day management of the Group in accordance with the Board's guidelines and instructions. Nordisk Bergteknik's operating segments consist of Rock Sweden, Rock Norway and Foundation Sweden. The Group monitors the respective operating segments via net sales, EBIT and EBITDA. Other and eliminations include the parent company and dormant companies in the group as well as eliminations of intra-group income/expenses. The Parent Company has certain Group-wide costs that are divided between the various operating segments based on utilisation in accordance with principles established by the Group. Nordisk Bergteknik has no single customer who accounts for more than 10 % of the Group's net sales. The same applies to 2020.

Net sales, EBITDA and EBIT per operating segment

Jan-Dec 2021

	Rock Sweden	Rock Norway	Foundation Sweden	Total segments	Other and eliminations	The Group
External net sales	888,8	640,8	387,9	1 917,5	0,1	1 917,6
Internal net sales	41,0	18,4	3,9	63,3	-63,3	-
Total net sales	929,8	659,2	391,8	1 980,8	-63,2	1 917,6
EBITDA	114,3	86,7	88,7	289,7	-24,9	264,8
<i>EBITDA-margin</i>	<i>12,3%</i>	<i>13,1%</i>	<i>22,6%</i>			<i>13,8%</i>
EBIT	46,6	31,2	68,1	146,0	-27,6	118,4
<i>EBIT-margin</i>	<i>5,0%</i>	<i>4,7%</i>	<i>17,4%</i>			<i>6,2%</i>
Net financial items						-50,9
Profit before tax						67,5

Jan-Dec 2020

	Rock Sweden	Rock Norway	Foundation Sweden	Total segments	Other and eliminations	The Group
External net sales	455,9	305,9	245,7	1 007,5	-	1 007,5
Internal net sales	21,1	15,8	1,9	38,8	-38,8	-
Total net sales	477,0	321,8	247,6	1 046,4	-38,8	1 007,5
EBITDA	70,5	43,5	37,1	151,1	-15,8	135,3
<i>EBITDA-margin</i>	<i>14,8%</i>	<i>13,5%</i>	<i>15,0%</i>			<i>13,4%</i>
EBIT	27,4	10,9	23,2	61,5	-16,2	45,3
<i>EBIT-margin</i>	<i>5,7%</i>	<i>3,4%</i>	<i>9,4%</i>			<i>4,5%</i>
Net financial items						-40,5
Profit before tax						4,8

Investments and depreciation/amortisations per operating segment

	Net invest-ments*	Amortisation/depreciation
Jan-Dec 2021		
Rock Sweden	-88,8	-68,0
Rock Norway	5,4	-56,1
Foundation Sweden	-37,7	-21,6
Other and eliminations	0,0	-0,8
Total	-121,1	-146,4
Jan-Dec 2020		
Rock Sweden	-69,6	-43,1
Rock Norway	-2,0	-32,5
Foundation Sweden	-19,0	-13,9
Other and eliminations	-0,9	-0,5
Total	-91,5	-90,0

* Net investments in tangible and intangible fixed assets (excluding goodwill)

Note 3

Revenue from contracts with customers

External net sales by geographic market

	2021	2020
Sweden	1 276,8	701,6
Norway	640,8	305,9
Total	1 917,6	1 007,5

Contract assets and contract liabilities

Contract assets are reported as accrued non-invoiced income and accounts receivable and contract liabilities are reported as invoiced non-accrued income in the Group's statement of financial position. Both items refer to ongoing projects that are reported over time.

Revenue recognition

The Group provides services in a number of different service areas, such as drilling, extraction, exploration, rock safety and piling. Nordisk Bergteknik reports revenue when the Group fulfils a performance commitment, which is then a promised service delivered to the customer and the customer takes control of the service. Control of a performance commitment can be transferred over time or at a time. The Group's revenues are reported over time. There are revenues that are reported at a time but the value is less than 1 (1) % of the Group's net sales. The transaction price in each agreement usually consists of variable amounts (price per unit), but fixed amounts can also occur, or a combination of these. For agreements with a variable price (i.e. on a current account), revenue is reported over time based on the period in which the services are received. For agreements at a fixed price, revenue is reported based on the proportion of the total agreed service delivered during the financial year when the customer receives and uses the services at the same time. This is decided based on actual work performed compared to the total expected work for the fulfilment of the assignment. There are no significant guarantee commitments in the Group.



Note 4**Other operating income**

	2021	2020
Capital gains fixed assets	17,1	9,3
Own work capitalised	1,1	6,9
Exchange gains	1,0	0,7
Insurance compensation	3,1	1,0
Sick pay and wage subsidy	2,6	0,7
Profit effect additional purchase price	8,5	0,5
Other operating income	0,9	1,6
Total	34,3	20,6

Note 5**Remuneration to auditors**

	2021	2020
KPMG		
Audit assignment	2,2	1,3
Auditing activities other than the audit assignment	1,2	0,0
Tax advice	0,3	-
Other services	5,4	0,1
Total	9,1	1,3
Others		
Audit assignment	0,1	0,3
Auditing activities other than the audit assignment	-	0,2
Tax advice	-	-
Other services	0,1	0,1
Total	0,2	0,6
Group total	9,3	1,9

Note 6**Employees, personnel costs and remuneration of senior executives****The average number of employees with a geographical distribution per country**

	2021		2020	
	Number of employees	Of which men	Number of employees	Of which men
<i>Parent company</i>				
Sweden	4	3	2	2
<i>Subsidiaries</i>				
Sweden	428	391	190	169
Norway	348	320	208	193
Total in subsidiaries	776	711	398	362
Group total	780	714	400	364

Gender distribution among Board members and other senior executives in the Group

The Board refers to the board of the parent company. Only the Board of the parent company and Group Management, including the Chief Operating Officer ("CEO"), are considered senior executives. The figures refer to the number as of the balance sheet date.

	2021		2020	
	Quantity	Of which men	Quantity	Of which men
The Board of the parent company	5	4	5	5
CEO and other senior executives	4	4	3	3
Group total	9	8	8	8

Personnel costs

The Group only has defined contribution pension costs. Of the parent company's pension costs, SEK 0.7 million (0,7) relates to the parent company's Board and CEO.

2021

	Salaries and compensations	Other social costs	Pension costs	Other personnel costs	Total personnel costs
<i>Parent company</i>					
Sweden	9,6	3,3	1,2	0,1	14,2
<i>Subsidiaries</i>					
Sweden	214,0	69,5	12,6	15,4	311,5
Norway	181,8	28,5	7,5	4,7	222,5
Total in subsidiaries	395,8	98,0	20,1	20,2	534,0
Group total	405,4	101,3	21,3	20,2	548,2

2020

	Salaries and compensations	Other social costs	Pension costs	Other personnel costs	Total personnel costs
<i>Parent company</i>					
Sweden	3,3	1,2	0,7	0,3	5,6
<i>Subsidiaries</i>					
Sweden	85,2	22,9	8,7	3,6	120,4
Norway	85,5	10,6	2,7	2,4	101,2
Total in subsidiaries	170,8	33,5	11,4	6,0	221,7
Group total	174,1	34,7	12,1	6,4	227,3

Salaries and remuneration and pension costs divided between the Board, the CEO and other senior executives and other employees

	2021			2020		
	Salaries and compensations	Of which variable remuneration and similar	Pension costs	Salaries and compensations	Of which variable remuneration and similar	Pension costs
The Board of the parent company	1,8	-	-	0,1	-	-
CEO and other senior executives	5,4	2,1	1,1	4,5	0,5	0,8
Other employees	398,3	0,4	20,2	169,6	-	11,3
Group total	405,4	2,5	21,3	174,1	0,5	12,1

Salaries and remuneration distributed per Board member, CEO and other senior executives

Financial year 2021

	Basic salary/Board remuneration	Variable compensation	Fee, invoiced	Other benefits/compensation	Pension cost	Total
Mats O Paulsson - Chairman of the Board	0,5	-	-	-	-	0,5
Göran Näsholm - Board member (new election)	0,4	-	-	-	-	0,4
Marie Osberg - Board member (new election)	0,3	-	-	-	-	0,3
Victor Örm - Board member	0,3	-	-	-	-	0,3
Ljot Strömseng - Board member	0,3	-	-	-	-	0,3
Magnus Örtorp - Retiring board member 2021 ¹⁾	-	-	-	-	-	-
Total board fee, remuneration from the parent company	1,8	-	-	-	-	1,8
Andreas Christofferson - Group CEO and CEO Parent company	2,5	1,1	-	0,1	0,7	4,4
Other senior executives, remuneration from the parent company ^{2) 3)}	1,2	0,6	2,0	0,1	0,3	4,2
Other senior executives, remuneration from subsidiaries	1,6	0,4	-	0,4	0,1	2,5
Other senior executives	5,4	2,1	2,0	0,6	1,1	11,1
Group total	7,1	2,1	2,0	0,6	1,1	12,9

¹⁾ Resigned in connection with the Annual General Meeting.

²⁾ At the beginning of the year, the CFO of the Group invoiced his fee. Employed from March 2021.

³⁾ The IR and communications manager invoices his fee.

Salaries and remuneration distributed per Board member, CEO and other senior executives

Financial year 2020

	Basic salary/Board remuneration	Variable compensation	Fee, invoiced	Other benefits/compensation	Pension cost	Total
Mats O Paulsson - Chairman of the Board ¹⁾	-	-	-	-	-	-
Peter Sandberg - Board member ¹⁾	-	-	-	-	-	-
Victor Örm - Board member ¹⁾	-	-	-	-	-	-
Ljot Strömseng - Board member (new election)	0,1	-	-	-	-	0,1
Magnus Örtorp - Board member (new election)	-	-	-	-	-	-
Wolgan Karlsson - Retiring board member 2020 ^{2) 4)}	-	-	0,0	-	-	0,0
Björn Peterson - Retiring board member 2020 ⁴⁾	-	-	-	-	-	-
Eivind Røed - Retiring board member 2020 ⁴⁾	-	-	-	-	-	-
Total board fee, remuneration from the parent company	0,1	-	0,0	-	-	0,1
Andreas Christoffersson - Group CEO and CEO Parent company	2,3	0,5	-	0,1	0,7	3,6
Other senior executives, remuneration from the parent company ³⁾	-	-	3,0	-	-	3,0
Other senior executives, remuneration from subsidiaries	1,7	-	0,2	0,0	0,1	2,0
Other senior executives	3,9	0,5	3,3	0,1	0,8	8,7
Group total	4,0	0,5	3,3	0,1	0,8	8,8

¹⁾ The Chairman of the Board and Board members have received remuneration for their work via the parent company Pegroco Invest AB (publ). See more information in Note 26.

²⁾ The Board member invoiced their fee during the year.

³⁾ The CFO of the Group invoiced his fee during the year.

⁴⁾ Resigned in connection with the Annual General Meeting.

Conditions and remuneration of senior executives

Remuneration is paid to the members of the Board in accordance with the decision of the Annual General Meeting for board work and committee work. No pensions are paid to the board. Board fees are paid as salary. Remuneration to the CEO and other senior executives consists of fixed and variable remuneration, other benefits and a defined-contribution pension. Other senior executives refer to the persons who, together with the CEO, constitute Group management.

Terms of resignation

The CEO has a notice period of six months. The notice period from the company is twelve months. Other senior executives have a notice period of six months and between six and twelve months if the company is terminated.

Guidelines for remuneration to senior executives

Below are the guidelines decided by the 2021 Annual General Meeting and which apply until the 2025 Annual General Meeting, unless significant changes are implemented before then. In 2021, there is a deviation from the guidelines described in the administration report on page 58.

The guidelines cover remuneration that arises through agreements and changes that take place regarding already agreed remuneration after the 2021 Annual General Meeting has adopted the guidelines. The guidelines do not cover remuneration decided by the Annual General Meeting, such as fees to board members or share-based incentive programs.

More information about Nordisk Bergteknik AB's (publ)'s ("Company") vision and business strategy can be found in the Company's annual reports at www.nordiskbergteknik.se. In order for the Company to be able to implement its business strategy and safeguard the company's long-term interests, including sustainability, the Company must be able to recruit and retain qualified employees. To achieve this, the Company must be able to offer competitive total remuneration, which these guidelines make possible.

Remuneration to senior executives

In order to ensure that the Company can recruit and retain qualified senior executives, the Board proposes that the basic principle should be that salary and other terms of employment should be such that the Group can always attract and retain competent senior executives at reasonable costs for the company. Remuneration within the Group must therefore be based on the position, character, performance, competence requirements, competitiveness and fairness. With regard to employment relationships that are subject to rules other than Swedish, with regard to pension benefits and other pension benefits, appropriate adjustments may be made to comply with such mandatory rules or established local practice, whereby the overall purpose of these guidelines shall be met as far as possible.

Forms of compensation

The company's remuneration to senior executives shall constitute market remuneration consisting of a fixed salary, pension and other benefits, short-term incentive / variable remuneration (STI) and long-term incentive program (LTI). Respective compensation is described below. In addition to, and without regard to these guidelines, the Annual General Meeting may decide on, for example, share and share price-related programs.

Fixed salary

Each senior executive must be offered a fixed salary that is market-based and based on the senior executive's job description, responsibilities, competence and performance. Salary must be determined per calendar year.

Pension

Senior executives may be offered premium-based pension agreements with premiums that on an annual basis amount to a maximum of 30 % of the fixed salary, including the pension benefits to which each senior executive is entitled according to the ITP plan. In the premium-based pension agreement, the pension will correspond to the sum of paid-in premiums and any return, without any guaranteed pension level. Within the framework of the premium-based pension plan, there is no specific time for retirement. Senior executives residing outside Sweden may be offered pension solutions that are competitive in the country where the persons are or have been resident or to which they have a significant connection, preferably premium-based solutions. Benefit-based pension solutions should, as far as possible, always be avoided.

Other benefits

The senior executives can also be covered by other benefits, such as life insurance, health insurance and car benefits. Premiums and other costs that arise through other benefits, excluding car benefits, may in total amount to a maximum of 10% of the fixed salary for each individual person.

Short-term incentive / variable remuneration (STI)

Senior executives may, from time to time, be offered a variable salary (performance-based bonus) to be paid in cash. Such a bonus may, as far as the CEO is concerned, amount to a maximum of 50 % of the annual fixed salary. Bonus may, as far as other senior executives are concerned, amount to a maximum of 40 % of the annual fixed salary. The criteria shall be determined annually by the Remuneration Committee and the Board, respectively.

The bonus shall primarily be based on the development for the entire Nordisk Bergteknik Group or the development for the unit for which the person in question is responsible. The development must refer to the fulfillment of various improvement goals or the achievement of various financial goals. The performance targets shall be related to growth, operating profit (EBIT) in relation to sales and shall aim to benefit the Company's business strategy and long-term interests, including sustainability. Any bonus and bonus bases must be determined for each financial year. When the measurement period for meeting the criteria for payment of variable cash compensation has ended, it must be assessed and determined to what extent the criteria have been met. In the annual evaluation, the Remuneration Committee, or, where applicable, the Board, may adjust the targets and / or remuneration for both positive and negative extraordinary events, reorganisations and structural changes.

Additional variable cash remuneration may be paid in exceptional circumstances, provided that such extraordinary arrangements are only made at the individual level either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary work in addition to the person's ordinary duties. Such compensation may not exceed an amount corresponding to 30% of the fixed annual salary and must not be paid more than once a year per individual. Decisions on such remuneration shall be made by the Board after preparation by the Remuneration Committee.

Long-term variable incentive program (LTI)

Prior to each Annual General Meeting, the Board shall consider whether a share or share price-related incentive program should be proposed to the Annual General Meeting or not, noting that the Board currently anticipates that such proposals will not be submitted

as long as the Board considers LTI to continue to be offered. It is the Annual General Meeting that decides on share or share price-related incentive programs. Incentive programs must contribute to long-term value growth and that the company, the participants and the shareholders have a common interest in the share's positive value development.

Termination period and severance pay

As a general rule, a mutual notice period of six months shall apply to senior executives, however, a maximum of 12 months. Severance pay, in addition to salary during the notice period, may occur but must together with a fixed salary during the notice amount to a maximum of 18 monthly salaries. Persons residing outside Sweden may be offered notice periods and severance pay that are competitive in the country where the persons are or have resided or to which they have a significant connection, preferably solutions corresponding to what applies to senior executives residing in Sweden.

Remuneration to board members

To the extent that board members elected by the AGM perform work for the Company that goes beyond the board work, they must be remunerated for such work through consulting fees to the board member or to companies controlled by the board member, provided that the work performed contributes to the implementation of the Company's business strategy, including its durability. The remuneration must be market-based and must be approved by the board.

Salary and terms of employment for employees

In preparing the Board's proposal for these remuneration guidelines, salary and terms of employment for the company's employees have been taken into account in that information on employees' total remuneration, remuneration components and the increase and rate of remuneration over time have formed part of the remuneration committee's and Board's decision, resulting from these.

Board decision-making

The Board's Remuneration Committee proposes and the Board decides on the salary and other conditions for the CEO. The Remuneration Committee shall also be responsible for preparing the Board's decision on proposed guidelines for remuneration to the Board and the company's management. Proposals from the Board of Directors for resolutions on new guidelines at the Annual General Meeting shall be prepared at least every four years and be valid until the Annual General Meeting has adopted new guidelines. The Remuneration Committee is responsible for being updated and evaluating the variable remuneration given as a result of the guidelines. In the Board of Directors' decisions on remuneration-related issues, the CEO or other senior executives shall not participate if they are affected by the issues.

Deviations from the guidelines

The Board of Directors shall be entitled to deviate from the guidelines if in the individual case there are special reasons for the deviation and this is necessary to take into account the company's long-term interests, including sustainability. It falls within the preparatory competence of the Remuneration Committee, as stated above, to prepare decisions on deviations from the guidelines.

Decided compensation that has not yet fallen due for payment

On June 10, 2019, new rules were introduced in the Swedish Companies Act, including the design of the remuneration guidelines. According to the transitional provisions to the new rules, the proposed compensation guidelines must contain information on previously decided compensation that has not yet fallen due for payment. For further information on remuneration to senior executives, see note in the annual report.

Note 7

Other operating expenses

	2021	2020
Realisation losses fixed assets	-0,9	-0,4
Disposal of subsidiaries	-	-5,4
Exchange losses	-0,6	-0,4
Total	-1,5	-6,2

Note 8**Financial income and financial costs****Financial income**

	2021	2020
Interest income	0,2	0,3
Exchange rate differences	0,4	0,1
Results from short-term investments	2,4	-
Total	3,0	0,4

Financial costs

	2021	2020
Interest expenses on liabilities to credit institutions	-28,9	-31,0
Interest expenses on lease liabilities	-6,0	-2,6
Interest expenses on other long-term liabilities	-0,8	-0,4
Interest expenses on long-term liabilities to Group companies	-	-4,8
Other financial expenses	-0,6	-0,4
Redemption of bond	-17,4	-
Exchange rate differences	-0,2	-1,5
Results from short-term investments	-	-0,2
Total	-53,9	-40,9

Sensitivity analysis

If interest rates had been 1 percentage point higher, with unchanged fixed interest rates and net debt, interest expenses for the period would have been SEK 7.9 (6.5) million higher. Sensitivity analysis has been performed on the risk that Nordisk Bergteknik was exposed to on 31 December 2021 (31 December 2020) with assumptions about market movements that are considered reasonably possible in one year's time.

Note 9**Taxes****Reported in the Group's consolidated income statement**

	2021	2020
Current tax		
Income tax for the period	-8,8	-5,3
Adjustment of tax attributable to previous periods	0,0	0,0
Total current tax expense	-8,8	-5,3
Deferred tax		
Temporary differences	-17,0	-0,5
Temporary tax reduction for equipment	1,1	-
Capitalised loss carryforwards	0,3	3,8
Reversal of previously capitalised loss carryforwards	1,7	-0,8
Total deferred tax expense	-13,9	2,4
Total reported tax on profit for the year	-22,7	-2,9

The Group's tax expense for the year amounted to SEK -22.7 (-2.9) million or 34 (60) % of profit before tax.

Reconciliation of actual tax

The difference between reported and expected tax expense is explained below. The expected tax cost is calculated on the basis of profit before tax for the Group multiplied by tax according to the current tax rate for the Parent Company, which is 20.6 % for 2021 and 21.4 % for 2020.

	2021	2021 (%)	2020	2020 (%)
Profit before tax	67,5		4,8	
Expected tax expense	-13,9	-20,6%	-1,0	-21,4%
Effects of other tax rates for foreign subsidiaries	-0,2	-0,4%	0,0	0,1%
Non-taxable income	2,1	3,1%	0,0	0,1%
Non-deductible expenses	-1,7	-2,5%	-1,6	-33,5%
Taxable standard income on tax allocation reserve	-0,1	-0,2%	0,0	-0,9%
Non-deductible interest expenses according to the interest deduction limitation rules	-7,5	-11,0%	-5,8	-121,0%
Adjustment of tax attributable to previous periods	0,0	0,0%	0,0	-0,4%
Temporary differences	-0,8	-1,2%	4,7	97,2%
Exploited loss carryforwards from previous years	0,0	0,0%	1,2	24,0%
Utilised non-capitalised loss carryforwards from previous years	-	-	-0,2	-3,7%
Deficit deductions incurred during the year for which deferred tax assets were not reported	-2,9	-4,3%	-	-
Deductions for previous years' net interest deductions	0,0	0,0%	-	-
Temporary tax reduction for equipment	0,8	1,2%	-	-
Other	1,5	2,3%	0,0	-1,0%
Total reported tax on profit for the year	-22,7	-33,6%	-2,9	-60,4%

Tax attributable to other comprehensive income

	2021	2020
Hedging of net investment in foreign operations	1,2	-0,9
Total	1,2	-0,9

Consolidated statement of financial position

Deferred tax assets and deferred tax liabilities

	2021-12-31		2020-12-31	
	Assets	Liabilities	Assets	Liabilities
Loss carryforwards	5,9	-2,2	6,9	-
Tangible fixed assets	-1,8	10,0	-1,3	8,2
Right-of-use assets	0,8	0,0	0,3	-
Accounts receivable	1,2	-0,7	1,6	-0,3
Tax allocation reserve and excess depreciation	-	32,6	-	19,9
Other temporary differences	0,0	17,8	-0,7	10,3
Offsetting of deferred tax assets and tax liabilities	-	-	-	-
Total	6,1	57,6	6,7	38,1

Of the Group's deferred tax assets, SEK 2.5 (2.2) million is attributable to Sweden and SEK 3.6 (4.5) million is attributable to Norway.

Loss carryforwards

At the end of the year, the Group had total tax loss carryforwards of SEK 54.7 (35.7) million. Deferred tax has been capitalised at SEK 36.7 (31.2) million of the loss carryforwards, which has resulted in a deferred tax asset of SEK 8.1 (6.9) million. The motivation for not capitalising all loss carryforwards is that the deficits that are not capitalised refer to Swedish deficits that are currently blocked by group contributions. The maturity period for all loss carryforwards is shown in the table.

Maturity structure loss carryforwards

	2021-12-31	2020-12-31
Unlimited lifetime	54,7	35,7
Total	54,7	35,7

Note 10

Tangible fixed assets

	Buildings and land	Machinery and equip- ment	Fixed assets under construction	Total
2021-12-31				
<i>Accumulated acquisition values</i>				
Opening acquisition value	0,2	633,2	3,9	637,3
Business combinations	13,8	70,9	0,2	84,9
Acquisitions for the year	-	152,8	-2,7	150,0
Reclassifications	-	-1,8	-	-1,8
Sales/disposals	-	-40,8	-	-40,8
Translation difference	0,1	7,7	0,0	7,8
Closing accumulated acquisition values	14,1	822,0	1,4	837,4
<i>Accumulated depreciations</i>				
Opening depreciations	-	-278,3	-	-278,3
Business combinations	-0,7	-37,8	-	-38,5
Sales/disposals	-	27,0	-	27,0
Reclassifications	-	1,8	-	1,8
Depreciation for the year	-0,3	-84,1	-	-84,4
Translation difference	0,0	-4,0	-	-4,0
Closing accumulated depreciations	-1,0	-375,4	-	-376,4
Closing reported value	13,1	446,6	1,4	461,0
2020-12-31				
<i>Accumulated acquisition values</i>				
Opening acquisition value	23,4	456,0	14,8	494,2
Business combinations	-	129,5	-	129,5
Acquisitions for the year	0,1	95,6	5,9	101,6
Reclassifications	-	0,1	0,0	0,2
Sales/disposals	-23,3	-37,7	-16,9	-77,9
Translation difference	0,0	-10,3	-	-10,3
Closing accumulated acquisition values	0,2	633,2	3,9	637,3
<i>Accumulated depreciations</i>				
Opening depreciations	-4,2	-196,3	-	-200,5
Business combinations	-	-47,9	-	-47,9
Sales/disposals	4,5	23,1	-	27,6
Depreciation for the year	-0,2	-62,0	-	-62,3
Translation difference	-	4,8	-	4,8
Closing accumulated depreciations	0,0	-278,3	-	-278,3
Closing reported value	0,2	354,9	3,9	358,9

Depreciation of SEK 84.4 (62.3) million are reported as depreciation and amortisation of tangible and intangible fixed assets in the Group's consolidated income statement.

Of the Group's tangible fixed assets, SEK 410.9 (304.7) million is attributable to Sweden and SEK 50.1 (54.2) million is attributable to Norway.

Note 11

Intangible fixed assets

	Goodwill	Other intangible assets	Total
2021-12-31			
<i>Accumulated acquisition values</i>			
Opening acquisition value	260,4	14,6	275,0
Business combinations	221,5	-	221,5
Acquisitions for the year	-	1,1	1,1
Translation difference	7,0	0,0	7,0
Closing accumulated acquisition values	488,9	15,6	504,5
<i>Accumulated amortisations</i>			
Opening amortisations	-	-0,7	-0,7
Amortisation for the year	-	-1,7	-1,7
Translation difference	-	0,0	0,0
Closing accumulated amortisations	-	-2,4	-2,4
Closing reported value	488,9	13,2	502,1
2020-12-31			
<i>Accumulated acquisition values</i>			
Opening acquisition value	235,3	1,4	236,7
Business combinations	33,3	-	33,3
Acquisitions for the year	-	13,2	13,2
Translation difference	-8,2	0,0	-8,2
Closing accumulated acquisition values	260,4	14,6	275,0
<i>Accumulated amortisations</i>			
Opening amortisations	-	-	-
Amortisation for the year	-	-0,7	-0,7
Translation difference	-	0,0	0,0
Closing accumulated amortisations	-	-0,7	-0,7
Closing reported value	260,4	13,9	274,3

Of the Group's intangible fixed assets, SEK 370.1 (197.8) million is attributable to Sweden and SEK 132.0 (76.5) million is attributable to Norway.

Goodwill divided into operating segments

	2021-12-31	2020-12-31
Rock Sweden	86,4	66,4
Rock Norway	132,0	76,5
Foundation Sweden	270,5	117,5
Total	488,9	260,4

Important estimates and assessments

The Group's intangible fixed assets with an indefinite useful life consist of goodwill. The value of the Group's goodwill, which is based on local currency and may give rise to currency translation effects in the consolidated accounts, has been distributed between the cash-generating units to which they are considered to belong, which also constitute the Group's segments as shown in the tables below. The value of these intangible assets is impaired annually but can be tested more often if there are indications that the value has decreased. In order to assess whether there are indications of impairment, the recoverable amount

needs to be determined, which is done by calculating the value in use of each cash-generating unit. The value in use is based on established cash flow forecasts for the next five years and a long-term growth rate, so-called terminal growth. The most significant assumptions in determining the value in use include growth rate, EBIT margin and discount rate (WACC). When calculating the discount rate, an assessment is made of financial factors such as interest rates, borrowing costs, market risk, beta values and tax rates. The estimated cost of capital (WACC) is considered to be representative of all cash-generating units. The cash flow forecasts that form the basis for the impairment test are based on five-year forecasts approved by the Board (2022-2026) and thereafter a terminal growth based on the development of own operations. When calculating the present value of expected future cash flows, an average weighted cost of capital (WACC) before tax is used. Based on the tests and analyses that have been carried out, there is currently no need for impairment in any of the three segments. In the comparison year, there was no need for impairment. Sensitivity analyses have been performed for all cash-generating units. See further information below.

Significant assumptions

	2021-12-31	2020-12-31
Pre-tax discount rate (WACC)	10,5%	11,2%
Long-term growth rate	2%	2%

Sensitivity analysis

A sensitivity analysis shows that the value can be maintained for all three operating segments even if the long-term growth rate decreases by 1%, the EBIT margin decreases by 1% or the WACC increases by 1%.

Note 12**Right-of-use assets**

	2021-12-31	2020-12-31
<i>Accumulated acquisition values</i>		
Opening acquisition value	174,1	113,8
Additional and revalued contracts	154,5	91,0
Terminated contracts	-26,4	-23,1
Translation difference	9,8	-7,5
Closing accumulated acquisition values	312,0	174,1
<i>Accumulated depreciations</i>		
Opening depreciations	-39,8	-32,4
Terminated contracts	22,6	17,7
Depreciation for the year	-60,6	-27,1
Translation difference	-2,4	2,0
Closing accumulated depreciations	-80,2	-39,8
Closing reported value	231,8	134,3

Of the Group's right-of-use assets, SEK 90.5 (54.8) million is attributable to Sweden and SEK 141.3 (79.6) million is attributable to Norway.

Reported value per asset class

	2021-12-31	2020-12-31
Properties	82,1	56,5
Machinery and equipment	80,5	36,4
Vehicles	69,2	41,4
Total	231,8	134,3

Estimated periods of use

Right-of-use asset	Number of years
Properties	3-10
Machinery and equipment	2-8
Vehicles	2-6

Reported in the Group's consolidated income statement

	2021	2020
Depreciation of right-of-use assets	-60,6	-27,1
Realisation results from terminated contracts	0,1	0,1
Leasing fees related to short-term contracts and contracts of lesser value	-13,7	-10,6
Interest expenses on lease liabilities	-6,0	-2,6
Total	-80,2	-40,2

Cash flow and maturity analysis

In 2021, the total cash outflow for leasing agreements amounted to SEK 89.3 (37.3) million, with a distribution of SEK 19.7 (13.2) million in cash flow from operating activities and SEK 69.7 (24.1) million in financing activities. See note 19 for the maturity structure of the lease liabilities and note 24 for a maturity analysis of the lease liabilities.

Note 13

Inventories

	2021	2020
Raw materials and supplies	94,8	41,1

Total obsolescence reserve amounted to SEK 1.1 (0.4) million on the balance sheet date.

Note 14

Financial instruments by category and valuation level

Interest-bearing assets and liabilities' respective fair values may differ from their carrying amounts, partly as a result of changes in market interest rates. The fair values of these assets have been determined by discounting future payment flows at the current interest rate for equivalent instruments. For financial instruments such as accounts receivable, accounts payable and other non-interest-bearing financial assets and liabilities, which are reported at accrued acquisition value subtracting any write-downs, the fair value is deemed to correspond to the carrying amount. The following table shows the Group's financial instruments by category and valuation level. There have been no transfers between the valuation levels during the year. Short-term investments that are valued at fair value in the income statement are based on available market value on the balance sheet date.

2021-12-31

	Valuation level	Valued at fair value in the income statement	Measured at amortised cost	Total	Fair value
Financial assets					
Other financial fixed assets		-	2,1	2,1	2,1
Accounts receivable		-	311,8	311,8	311,8
Other short-term receivables		-	27,1	27,1	27,1
Short-term investments	1	4,7	-	4,7	4,7
Cash and cash equivalents		-	451,1	451,1	451,1
Total assets		4,7	792,0	796,7	796,7
Financial liabilities					
Liabilities to credit institutions, machine loans		-	195,2	195,2	195,2
Liabilities to credit institutions, others		-	389,9	389,9	389,9
Other long-term liabilities ¹⁾	3	21,7	32,8	54,5	54,5
Accounts payable		-	158,8	158,8	158,8
Other current liabilities		-	87,3	87,3	87,3
Total liabilities		21,7	864,0	885,7	885,7

¹⁾ Contingent additional purchase consideration, which has been valued at fair value through income statement, as of December 31, 2020, has been settled in 2021. As the outcome was less than the provision, the difference has been booked as other operating income in the Group's statement of comprehensive income. As of 2021-12-31, a contingent additional purchase consideration has been added linked to two acquisitions. The additional purchase price is based on the acquisition's financial result 2021-2023 and is valued based on the acquisition's financial result and budget / forecast going forward.

2020-12-31

	Valuation level	Valued at fair value in the income statement	Measured at amortised cost	Total	Fair value
<i>Financial assets</i>					
Other financial fixed assets		-	4,4	4,4	4,4
Accounts receivable		-	206,0	206,0	206,0
Other short-term receivables		-	91,0	91,0	91,0
Cash and cash equivalents		-	72,7	72,7	72,7
Total assets		-	374,0	374,0	374,0
<i>Financial liabilities</i>					
Bond loan		-	393,9	393,9	393,9
Liabilities to credit institutions, machine loans		-	149,1	149,1	149,1
Liabilities to credit institutions, others		-	4,3	4,3	4,3
Other long-term liabilities ²⁾	3	15,0	22,2	37,2	37,2
Overdraft facility		-	19,5	19,5	19,5
Accounts payable		-	95,4	95,4	95,4
Other current liabilities		-	57,9	57,9	57,9
Total liabilities		15,0	742,2	757,2	757,2

²⁾ The part that is valued at fair value via the result refers to a contingent additional purchase consideration. Change during 2020 amounts to SEK 10 million (decrease) and refers to regulation of part of the additional purchase price. The additional purchase price is based on the acquisition's financial result 2019-2023 and is valued based on the acquisition's financial result and budget/forecast going forward.

Note 15**Accounts receivable**

	2021-12-31	2020-12-31
Accounts receivable gross	323,9	215,3
Provision for expected credit losses	-12,1	-9,3
Accounts receivable - net	311,8	206,0

Analysis of credit exposure in accounts receivable

	2021-12-31	2020-12-31
Accounts receivable that are not due	256,2	125,9
Accounts receivable that are due up to 30 days	39,9	56,3
Accounts receivable that are due between 30 - 90 days	5,6	16,5
Accounts receivable that are due over 90 days	22,2	16,6
Provision for expected credit losses	-12,1	-9,3
Total	311,8	206,0

Provision for expected credit losses

	2021-12-31	2020-12-31
Value at the beginning of the period	-9,3	-2,8
Provision for expected credit losses	-0,6	-6,7
Established credit losses (previously reserved as expected)	1,3	0,8
Acquired values in connection with business acquisitions	-3,8	-0,9
Reduction due to reversal of previous provisions for expected credit loss	0,5	0,1
Exchange rate differences	-0,2	0,2
Value at the end of the period	-12,1	-9,3

The period's cost for expected and established credit losses as well as reversal of previously expected credit losses amounted to SEK 1.2 (-5.8) million.

Note 16**Other short-term receivables**

	2021-12-31	2020-12-31
VAT receivables	8,4	3,9
Receivables from employees	0,3	0,2
Balance tax account (Sweden)	4,0	2,7
Claim on supplier	5,1	0,4
Other receivables	9,3	3,2
Subscribed but unpaid capital	-	80,5
Total	27,1	91,0

Note 17**Prepaid expenses and accrued income**

	2021-12-31	2020-12-31
Insurance	5,6	1,0
Other prepaid expenses	9,8	6,8
Rentals/leasing	0,8	8,1
Bonus/discount from supplier	2,3	4,5
Total	18,5	20,4

Note 18**Cash and cash equivalents**

	2021-12-31	2020-12-31
Cash in hand and bank balances	451,1	72,7

Of the Group's cash and cash equivalents, SEK 14.0 (6.0) million is restricted for use by the Group.

Note 19**Financial liabilities**

Information on other current liabilities and accrued expenses and prepaid income can be found in Note 20 and Note 21. This note contains information on the Group's financing liabilities.

Maturity structure of financial liabilities**2021-12-31**

	Bond loan	Liabilities to credit institutions, machine loans	Liabilities to credit institutions, other	Lease liabilities	Other long-term liabilities	Total
Due less than 3 months from the balance sheet date	-	11,9	0,2	17,7	-	29,8
Due between 3 months and 1 year from the balance sheet date	-	38,8	0,6	39,6	5,1	84,2
Due between 1 - 2 years from the balance sheet date	-	50,5	0,2	54,7	34,8	140,2
Due between 2 - 5 years from the balance sheet date	-	74,9	383,3	93,8	14,6	566,6
Due more than 5 years from the balance sheet date	-	18,9	5,6	14,7	-	39,3
Total	-	195,1	389,9	220,4	54,5	860,0

2020-12-31

	Bond loan	Liabilities to credit institutions, machine loans	Liabilities to credit institutions	Lease liabilities	Other long-term liabilities	Total
Due less than 3 months from the balance sheet date	-	3,4	4,3	9,5	-	17,1
Due between 3 months and 1 year from the balance sheet date	-	25,9	-	24,4	-	50,3
Due between 1 - 2 years from the balance sheet date	-	44,8	-	28,1	11,9	84,8
Due between 2 - 5 years from the balance sheet date	393,9	64,5	-	53,6	25,3	537,2
Due more than 5 years from the balance sheet date	-	10,6	-	16,3	-	26,9
Total	393,9	149,1	4,3	131,9	37,2	716,3

Borrowing**Liabilities to credit institutions, other**

On September 27, 2021, Nordisk Bergteknik AB and certain direct and indirect subsidiaries entered into a facilities agreement with Nordea and Swedbank. The facilities agreement gives Nordisk Bergteknik access to a simple loan facility of SEK 400 million ("Facility A") and a revolving multi-currency loan facility of SEK 650 million ("Facility B"). The facilities agreement terminates (subject to the possibility of extension for all facilities) three years after the conclusion of the agreement. The Nordisk Bergteknik has the opportunity to submit a request for an extension of each facility by one year at a time and which runs the facilities for a maximum of five years. An extension of the term of the facilities is subject to the approval of each lender. The facilities run with the applicable IBOR interest rate and an initial interest margin. The interest margin may be adjusted upwards and downwards in accordance with a customary interest rate ladder that is linked to the Group's debt / equity ratio, calculated as the ratio between net debt and adjusted EBITDA rolling twelve months proforma. Furthermore, Nordisk Bergteknik may agree on key figures for sustainability which from five days after the preparation of the annual report and a sustainability certificate for 2022 may result in a discount or premium on the interest margin depending on whether the key figures are met or not.

The new financing agreement contains two covenants; the Group's debt-to-equity ratio, calculated as the ratio between net debt and adjusted EBITDA rolling 12 months pro forma, and the equity-to-assets ratio, calculated as the ratio between total equity and total assets.

On October 22, 2021, all outstanding bonds of SEK 400 million were redeemed early and replaced with Facility A (see above) amounting to SEK 400 million.

Bond loan

In 2021, Nordisk Bergteknik's covered corporate bonds have been redeemed early and the bond has been delisted.

As of 2021-12-31 there was an total outstanding volume of SEK 400 million which was listed on the Nasdaq Stockholm Bond Market on 29 May 2020. The bond had a variable interest rate of STIBOR 3m + 600 basis points and had a final maturity in June 2023. The bond terms contained a covenant for the net debt/EBITDA ratio, which may not exceed 4.75. Adjusted net debt for the Group amounted to SEK 569.1 million and adjusted EBITDA rolling twelve months pro forma for the Group amounted to SEK 172.6 million, both calculated according to the definitions of the bond terms, which gives the ratio 3.30 as of December 31, 2020.

Liabilities to credit institutions, machine loans

The Group's liabilities to credit institutions mainly pertain to so-called installment loans, which is a form of financing that can be used in connection with new acquisitions of machines.

Lease liabilities

The Group's lease liabilities are linked to the Group's right-of-use assets.

Other long-term liabilities

Other long-term liabilities refer to liabilities that have arisen in connection with the acquisition of subsidiaries where part of the purchase price has been settled through a seller's promissory note and contingent additional purchase consideration that has arisen in connection with business acquisitions. The additional purchase price is based on the acquisition's financial result 2021-2023 and is valued based on the acquisition's financial result and budget/forecast going forward.

Changes in liabilities from financial activities

	Cash flow						Non-cash flow							Closing balance
	Open- ing balance	Amorti- sation	Loans raised	Trans- action costs loans	Ad- ditional pur- chase price paid	Accrued interest	Offset- ting issue	Busi- ness combi- nations	Divest- ment of group compa- nies	New and ter- minated lease liabilities	Trans- action costs loans	Transla- tion differ- ence	Other*	
2021-12-31														
Bond loan	393,9	-400,0	-	-	-	-	-	-	-	-	6,1	-	-	-
Liabilities to credit institutions, machine loans	149,1	-72,3	95,8	-	-	-	-	20,7	-	-	-	1,8	-	195,1
Liabilities to credit institutions, others	4,3	-4,7	400,0	-18,3	-	-	-	7,7	-	-	1,0	-	-	389,9
Lease liabilities	131,9	-69,7	-	-	-	-	-	-	-	150,6	-	7,5	-	220,3
Other long-term liabilities	37,2	-1,0	-	-	-4,0	0,6	-	58,3	-	-	-	0,1	-36,7	54,5
Overdraft facility	19,5	-19,5	-	-	-	-	-	-	-	-	-	-	-	-
Total	735,8	-567,2	495,8	-18,3	-4,0	0,6	-	86,6	-	150,6	7,1	9,4	-36,7	859,9

* Other refers to final settlement of additional purchase consideration where the outcome was less than reserved and was not settled in cash, SEK -15.0 million, and SEK -21.7 million relating to reclassification from Other long-term liabilities to Other current liabilities, which refers to short-term part of seller reverse.

	Cash flow						Non-cash flow							Closing balance
	Open- ing balance	Amorti- sation	Loans raised	Trans- action costs loans	Ad- ditional pur- chase price paid	Accrued interest	Offset- ting issue	Busi- ness combi- nations	Divest- ment of group compa- nies	New and ter- minated lease liabilities	Trans- action costs loans	Transla- tion differ- ence	Other*	
2020-12-31														
Bond loan	392,4	-	-	-0,9	-	-	-	-	-	-	2,4	-	-	393,9
Liabilities to credit institutions, machine loans	181,1	-57,9	32,9	-	-	-	-	12,8	-18,2	-	-	-1,5	-	149,1
Liabilities to credit institutions, others	-	-	-	-	-	-	-	4,3	-	-	-	-	-	4,3
Liabilities to group companies	82,3	-	-	-	-	4,8	-87,1	-	-	-	-	-	-	-
Lease liabilities	74,8	-24,1	-	-	-	-	-	-	-	81,2	-	-	-	131,9
Other long-term liabilities	62,2	-2,5	-	-	-	0,3	-35,0	22,0	-10,0	-	-	0,1	-	37,2
Overdraft facility	-	-	-	-	-	-	-	19,5	-	-	-	-	-	19,5
Total	792,9	-84,5	32,9	-0,9	-	5,1	-122,0	58,5	-28,2	81,2	2,4	-1,4	-	735,8

Note 20**Other current liabilities**

	2021-12-31	2020-12-31
VAT liabilities	28,4	17,6
Postponed taxes and fees	0,0	12,0
Debt to employee	0,1	0,1
Other current liabilities	2,0	8,5
Advance from customer	4,6	-
Withholding tax and employer's contribution	30,5	19,6
Seller reverse	21,7	-
Total	87,3	57,9

Note 21**Accrued expenses**

	2021-12-31	2020-12-31
Wage costs	11,1	11,4
Holiday pay liability	38,4	29,9
Social security fee	7,0	10,1
Interest expenses	0,8	0,3
Other accrued expenses	34,8	14,3
Total	92,1	66,0

Note 22**Business acquisitions**

All acquired companies are reported in the consolidated financial statements in accordance with the acquisition method, meaning that the purchase price paid is allocated to acquired assets and liabilities based on their respective fair value. The purchase price for the acquisition of a subsidiary consists of the fair value of transferred assets, liabilities that the Group incurs to previous owners of the acquired company and the shares issued by the Group. For each acquisition, i.e. acquisition by acquisition, the Group decides whether non-controlling interests in the acquired company are reported at fair value or at the non-controlling interests's proportionate share in the carrying amount of the acquired company's identifiable net assets. Acquisition-related costs are expensed when they arise and are reported in the Group's consolidated income statement.

Reconciliation of carrying amount for goodwill

The table below shows the year's change in the carrying amount of goodwill. In the included carrying amount, there are no accumulated write-downs and no (no) write-downs have been reported during 2021 (2020).

	2021-12-31	2020-12-31
Opening carrying amount	260,4	235,3
Business acquisitions	221,5	33,3
Translation differences	7,0	-8,2
Closing carrying amount	488,9	260,4

Acquisitions during 2021

During 2021, the Group made the following business acquisitions:

	Segment	Operating country	Acquisition date	Date of consolidation	Proportion of votes and capital
Gjerden Fjellsikring AS ("Gjerden")	Rock Norway	Norway	Mar 31	Mar 31	100%
Kragerø Brønnboring AS ("Kragerø")	Rock Norway	Norway	May 7	May 31	100%
S Blomquist Entreprenad AB ("S Blomquist")	Rock Sweden	Sweden	May 28	May 31	100%
Grundia AB ("Grundia")	Foundation Sweden	Sweden	May 31	May 31	100%
BGS Svensson AB ("BGS Svensson")	Foundation Sweden	Sweden	Nov 30	Nov 30	100%

Financial impact

Acquired operations' contribution to the Group's net sales, EBIT and EBITDA in 2021 amounted to the following:

	Gjerden	Kragerø	S Blomquist	Grundia	BGS Svensson	Total
Net sales	137,0	3,7	64,0	98,6	8,0	311,3
EBITDA	24,3	0,6	7,8	9,6	7,0	49,3
EBIT	16,5	0,4	3,9	5,5	6,7	33,0

If the acquisitions had been included in the Group from the beginning of the financial year, net sales for the Group would have amounted to approximately SEK 2,139 million, EBITDA to SEK 286 million and EBIT to SEK 138 million.

Information about each acquisition

Gjerden

On March 31, 100% of the shares in Gjerden were acquired. Gjerden is one of Norway's leading players in rock safety and specialists in concrete spraying, tunnel safety and all types of safety work such as hanging different types of nets and bolting as protection against rock falls along roads and buildings. The company was acquired for SEK 48.8 million (NOK 47.7 million). A goodwill totaling SEK 43.1 million (NOK 42.1 million) arose in the acquisition. Acquisition goodwill is attributable to the underlying profitability of the company and synergies with existing operations.

Kragerø

On May 7, 100% of the shares in Kragerø were acquired. Kragerø complements the current operations in Norway and provides increased expertise in well drilling, district heating drilling and foundation reinforcement. The company was acquired for SEK 6.4 million (NOK 6.4 million). In the acquisition, a goodwill of a total of SEK 6.4 million (NOK 6.4 million) arose. Acquisition goodwill is attributable to the underlying profitability of the company.

S Blomquist

On May 28, 100% of the shares in S Blomquist were acquired. S Blomquist is a locally established player of machine services and transport in the Gothenburg region. With almost 20 years in the industry, the company is well established in the local market as an appreciated partner in major infrastructure projects. The company was acquired for SEK 27.0 million. A goodwill totaling SEK 20.0 million arose in the acquisition. Acquisition goodwill is attributable to the underlying profitability of the company and synergies with existing operations.

Grundia

On May 31, 100% of the shares in Grundia and its subsidiary Grundia Fastigheter AB were acquired. Grundia is an established player in foundations based in the Gothenburg region. Grundia AB are specialists in two areas - various foundation work on contract and foundation reinforcement of existing properties. The company's clients are found among public administration, in industry and among commercial and private property owners. Grundia AB works all over Sweden and is based in Västra Götaland. The company was acquired for SEK 102,1 million. The amount includes a contingent additional purchase consideration amounting to SEK 15.7 million, of which SEK 4.0 million has been paid out and the remaining part (SEK 11.7 million) has been reported at fair value with valuation level 3. The additional purchase consideration is based on the acquisition's financial result 2021-2023 and is valued based on the acquisition's financial result and budget / forecast going forward. A goodwill totaling SEK 83.1 million arose in the acquisition. Acquisition goodwill is attributable to the underlying profitability of the company and synergies with existing operations within Foundation Sweden.

BGS

On November 30, 100% of the shares in BGS Svensson were acquired. BGS Svensson are specialists in general foundation work and foundation reinforcement with a focus on existing properties. The company conducts work over all of Sweden and parts of Norway and is based in Kungshamn in Sotenäs municipality. The company was acquired for SEK 88.2 million. The amount includes a contingent additional purchase consideration amounting to SEK 10 million which has been reported at fair value with valuation level 3. The additional purchase consideration is based on the acquisition's financial result 2021-2023 and is valued based on the acquisition's financial result and budget / forecast going forward. A goodwill totaling SEK 69.9 million arose in the acquisition. Acquisition goodwill is attributable to the underlying profitability of the company and synergies with existing operations within Foundation Sweden.

Purchase price and reported amounts of identifiable acquired assets and liabilities as well as goodwill

The tables below summarize the purchase price paid, the fair value of acquired assets and liabilities reported on the acquisition date and goodwill. The purchase price allocations are preliminary.

Purchase price

	Gjerden	Kragerø	S Blomquist	Grundia	BGS Svensson	Total
Purchase consideration paid	28,9	5,0	10,0	60,4	50,0	154,3
Reinvestment through a new share issue	15,5	-	7,0	20,0	25,0	67,5
Seller reverse	4,3	1,4	10,0	10,0	3,2	28,9
Contingent additional purchase consideration	-	-	-	11,7	10,0	21,7
Total	48,8	6,4	27,0	102,1	88,2	272,4

Reported amount of identifiable acquired assets and liabilities as well as goodwill

	Gjerden	Kragerø	S Blomquist	Grundia	BGS Svensson	Total
Tangible fixed assets	6,0	2,1	24,5	10,5	3,3	46,3
Deferred tax claims	0,5	-	-	-	-	0,5
Other financial fixed assets	0,0	-	-	0,1	-	0,1
Inventories	2,5	0,3	-	0,5	11,5	14,8
Accrued but not yet invoiced income	0,6	0,6	6,0	9,4	-	16,6
Accounts receivable	20,0	1,0	10,6	17,2	9,7	58,5
Other short-term receivables	1,8	0,1	2,6	4,9	1,5	10,8
Cash and cash equivalents	0,9	3,7	0,5	6,6	4,7	16,4
Total acquired assets	32,3	7,7	44,2	49,1	30,6	163,9
Deferred tax liabilities	-	-	1,5	2,8	2,4	6,8
Liabilities to credit institutions	9,4	-	17,5	4,2	1,7	32,7
Invoiced but not generated revenue	-	-	-	1,9	-	1,9
Accounts payable	6,7	0,6	8,4	12,7	4,6	33,1
Other current liabilities	10,5	7,1	9,7	8,4	3,6	39,4
Total acquired liabilities	26,6	7,8	37,2	30,1	12,3	114,0
Acquired net assets	5,7	0,0	7,0	19,0	18,3	49,9
Non-controlling interests	-	-	-	-	-	-
Goodwill	43,1	6,4	20,0	83,1	69,9	222,5

Acquisition-related costs

Acquisition-related costs for the acquisitions amount to SEK 2.8 million and are included in external costs in the Group's consolidated income statement.

Cash flow impact from acquisitions

	Gjerden	Kragerø	S Blomquist	Grundia	BGS Svensson	Total
Purchase consideration paid	-28,9	-5,0	-10,0	-60,4	-50,0	-154,3
Acquired cash and cash equivalents	0,9	3,7	0,5	6,6	4,7	16,4
Total	-28,0	-1,2	-9,5	-53,8	-45,3	-137,9

Acquired receivables

In all acquisitions, accounts receivable are a significant asset item. The table below shows the gross value of the assets and the provision for expected credit losses that existed at the time of acquisition. The fair value of accounts receivable corresponds to the carrying amount.

	Gjerdén	Kragerø	S Blomquist	Grundia	BGS Svens- son	Total
Accounts receivable gross	20,9	1,2	10,6	17,2	12,4	62,3
Provision for expected credit losses	-0,9	-0,2	-	-	-2,7	-3,8
Accounts receivable - net	20,0	1,0	10,6	17,2	9,7	58,5

Information on acquisitions after the end of the reporting period

After the end of the reporting period, the companies Torbjörn Sundh Entreprenad AB and Bröderna Anderssons Grus AB were acquired. The information available for the acquisitions at the time of submission of this report is presented below.

Torbjörn Sundh

On January 28, 2022, 100% of the shares and votes in Torbjörn Sundh Entreprenad AB was acquired. The acquisition will be reported in the Rock Sweden segment and consolidated from January 31, 2022. Torbjörn Sundh is based in Umeå, employs 130 people and offers services within infrastructure and construction contracts, as well as operation and maintenance of the transport network. The company was acquired for SEK 138.0 million and the purchase price consists of SEK 108.0 million in cash, SEK 20.0 million reinvestment through a new share issue and SEK 10.0 million through a seller reverse. The company's acquired net assets are expected to amount to approximately SEK 80 million and in the acquisition a goodwill of approximately SEK 59 million is expected to arise. The purchase price allocations is preliminary and contains estimates. Acquisition goodwill is attributable to the underlying profitability of the company and synergies with existing operations.

Bröderna Anderssons

On January 31, 2022, 100% of the shares and votes in Bröderna Anderssons Grus AB was acquired. The acquisition will be reported in the Rock Sweden segment and consolidated from January 31, 2022. The company employs just over 30 people and provides services within crushed rock and material delivery. The operations are based around the administrative and logistical base in Burträsk, but projects are undertaken in the entirety of upper Norrland. The company was acquired for SEK 60.0 million and the purchase price consists of SEK 40.0 million in cash, SEK 10.0 million reinvestment through a new share issue and SEK 10.0 million through a seller reverse. The company's acquired net assets are expected to amount to approximately SEK 41 million and in the acquisition a goodwill of approximately SEK 19 million is expected to arise. The purchase price allocations is preliminary and contains estimates. Acquisition goodwill is attributable to the underlying profitability of the company and synergies with existing operations.

Acquisitions during 2020

During 2020, the Group made the following business acquisitions:

	Segment	Operating country	Acquisition date	Date of consolidation	Proportion of votes and capital
Visinor AS ("Visinor") with subsidiaries	Rock Norway	Norway	Oct 16	Oct 31	60%
Prospekteringsteknik i Norrland AB ("Protek") with subsidiaries	Rock Sweden	Sweden	Dec 18	Dec 31	100%

Financial impact

Acquired operations' contribution to the Group's net sales, EBIT and EBITDA in 2020 amounted to the following:

	Visinor	Protek	Total
Net sales	25,2	-	25,2
EBITDA	-2,2	-	-2,2
EBIT	-5,3	-	-5,3

If the acquisitions had been included in the Group from the beginning of the financial year, net sales for the Group would have amounted approximately to SEK 1,275 million, EBITDA to SEK 163 million and EBIT to SEK 47 million.

Information about each acquisition

Visinor

On 16 October, 60% of Visinor AS and its subsidiaries Visinor Fjell AS and Visinor Rehab AS were acquired. Visinor AS owns 100% of Visinor Fjell AS and 84.56% of Visinor Rehab AS. Visinor AS is one of Norway's leading players in rock safety and concrete rehabilitation of bridges, quays and buildings. Visinor has cutting-edge expertise in the area and performs all types of safety work such as hanging nets, bolting and protection against rock slides onto roads and buildings. The company was acquired for SEK 28.0 million (NOK 30.0 million) with an option to acquire an additional 40% within three years. A goodwill of a total of SEK 0.4 million (NOK 0.4 million) arose in the acquisition. Acquisition goodwill is attributable to the underlying profitability of the company. The non-controlling interest in the acquisition has been reported at the non-controlling interests's proportional share in the carrying amount of the acquired company's identifiable net assets.

Protek

On 18 December, 100% of Prospekteringsteknik i Norrland AB and its subsidiary Diamantborrservice i Norr AB were acquired. Prospekteringsteknik i Norrland AB owns 100% of Diamantborrservice i Norr AB. Protek is one of Sweden's leading players in qualified geotechnical surveys for customers in the prospecting industry. The company has a wide fleet of machines and can, among other things, carry out geological surveys at depths of up to 2,500 metres and provide rigs that can be transported by helicopter lift to particularly inaccessible areas. The company was acquired for SEK 57.5 million. A goodwill of a total of SEK 32.9 million arose in the acquisition. Acquisition goodwill is attributable to the underlying profitability of the company.

The table below summarises the purchase price paid, the fair value of acquired assets and liabilities reported on the acquisition date and goodwill:

Purchase price	Visinor	Protek	Total
Purchase consideration paid	11,2	27,5	38,7
Reinvestment through a new share issue	16,8	10,0	26,8
Seller promissory note	-	20,0	20,0
Total paid purchase price	28,0	57,5	85,5

Reported amount of identifiable acquired assets and liabilities as well as goodwill

	Visinor	Protek	Total
Tangible fixed assets	13,3	67,6	80,9
Deferred tax assets	0,8	-	0,8
Other financial fixed assets	2,3	-	2,3
Inventories	5,2	12,5	17,7
Accrued non-invoiced income	4,7	13,8	18,5
Accounts receivable	25,2	22,1	47,3
Other short-term receivables	9,3	3,7	13,0
Cash and cash equivalents	21,6	0,6	22,2
Total acquired assets	82,4	120,2	202,6
Deferred tax liabilities	1,2	5,3	6,5
Liabilities to credit institutions	1,5	36,5	38,0
Invoiced non-accrued income	-	1,8	1,8
Accounts payable	10,8	22,1	32,9
Other current liabilities	21,4	29,8	51,3
Total acquired liabilities	34,9	95,6	130,5
Acquired net assets	47,5	24,6	72,1
Non-controlling interests	-19,9	-	-19,9
Goodwill	0,4	32,9	33,3

Acquisition-related costs for the two acquisitions amount to SEK 1.0 million and are included in the item external costs in the Group's consolidated income statement.

Cash flow impact from acquisitions

	Visinor	Protek	Total
Purchase consideration paid	-11,2	-27,5	-38,7
Acquired cash and cash equivalents	21,6	0,6	22,2
	10,4	-26,9	-16,5

Acquired receivables

In all acquisitions, accounts receivable are a significant asset item. The table below shows the gross value of the assets and the provision for expected credit losses that existed at the time of acquisition. The fair value of accounts receivable corresponds to the carrying amount.

	Visinor	Protek	Total
Accounts receivable gross	26,1	22,1	48,2
Provision for expected credit losses	-0,9	-	-0,9
Accounts receivable - net	25,2	22,1	47,3

Note 23

Equity

Share capital

Share capital includes the registered share capital for the parent company. The share capital consists of 0 (44,000,000) class A shares and 54,065,204 (19,693,200) class B shares as of 31 December 2021 (31 December 2020). The total number of shares amounts to 54,065,204 (63,693,200). The quotient value of the shares is SEK 0.01. See below for this year's change in the number of shares.

Subscribed and paid shares	2021-12-31			2020-12-31		
	A-shares	B-shares	Total	A-shares	B-shares	Total
At the beginning of the year	44 000 000	28 247 388	72 247 388	440 000	190 232	630 232
Split 100:1	-	-	-	43 560 000	18 832 968	62 392 968
New issues, paid in and registered	-	25 817 816	25 817 816	-	670 000	670 000
Redemption of class A shares	-44 000 000	-	-44 000 000	-	-	-
Subscribed and paid shares at the end of the year	-	54 065 204	54 065 204	44 000 000	19 693 200	63 693 200
New issues, unpaid and unregistered	-	-	-	-	8 554 188	8 554 188
Subscribed shares at the end of the year	-	54 065 204	54 065 204	44 000 000	28 247 388	72 247 388

Ongoing right issues

As of 31 December 2021, there were no ongoing issues. As of 31 December 2020, there were ongoing unregistered new share issues covering a total of 8,554,188 class B shares, a total of SEK 85,542 with a quota value of SEK 0.01. They are reported as other contributed capital and will be reclassified to share capital when registration has taken place in 2021. The total number of shares, including the ongoing new share issues, amounts to 72,247,388 as of 31 December 2020.

Other contributed capital

Refers to equity contributed by the owners. The transactions that have occurred are issues at a premium. The amount included in other contributed capital thus corresponds to the capital received in addition to the nominal amount of the issue and unregistered share capital. Transaction costs that can be directly attributed to the issues have been reported against equity with an associated tax effect.

Reserves

Reserves refer to translation reserves, which include all exchange rate differences that arise when translating financial reports from foreign operations that have prepared their financial reports in a currency other than the currency in which the Group's financial reports are presented. The Parent Company and the Group present their financial reports in Swedish kronor. Furthermore, the

translation reserve consists of exchange rate differences that arise when translating a net investment in a foreign operation.

Retained earnings including profit/loss for the year

Retained earnings, including profit/loss for the year, include accumulated gains and losses in the parent company and its subsidiaries, subtracting dividends paid.

Note 24

Financial risks

Overall

Through its operations, the Group is exposed to a variety of financial risks. Financial risks refer to fluctuations in the company's earnings and cash flow as a result of changes in exchange rates, interest rates, refinancing and credit risks. The Group strives to minimise potential adverse effects on the Group's financial results.

The objective of the Group's financial operations is to:

- ensure that the Group can fulfil its payment obligations,
- manage financial risks,
- ensure access to the necessary funding, and
- optimise the Group's net financial items.

Liquidity risk

Liquidity risk is the risk that Nordisk Bergteknik may have problems fulfilling its payment obligations as a result of a lack of liquidity or problems selling or raising new external loans. To secure access to liquidity, a facility agreement was entered into with Nordea and Swedbank on 27 September 2021. The facilities agreement gives Nordisk Bergteknik access to a simple loan facility of SEK 400 million ("Facility A") and a revolving multi-currency loan facility of SEK 650 million ("Facility B"). The facilities agreement terminates (subject to the possibility of extension for all facilities) three years after the conclusion of the agreement. The Nordisk Bergteknik has the opportunity to submit a request for an extension of each facility by one year at a time and which runs the facilities for a maximum of five years. An extension of the term of the facilities is subject to the approval of each lender. The facilities run with the applicable IBOR interest rate and an initial interest margin.

As of 31 December 2021, Nordisk Bergteknik has utilized Facility A (SEK 400 million). Group management follows rolling forecasts for the Group's cash and cash equivalents based on expected future cash flows to ensure that there is sufficient liquidity in the Group. At the turn of the year, liquidity was available as described below.

Available liquidity

	2021-12-31	2020-12-31
Cash and bank (excluding blocked funds)	437,1	66,7
Unutilised overdraft facilities	43,0	91,5
Total	480,1	158,1

Maturity analysis financial liabilities

The table below shows the Group's financial liabilities (including interest payments). Financial instruments with variable interest rates have been calculated with the interest rate that existed on the balance sheet date. Amounts in foreign currency have been translated to SEK at the exchange rate on the balance sheet date. The amounts in the table are the contractual undiscounted cash flows.

	2021					
	Total	< 3 months	3 months- 1 year	1-2 years	2-5 years	> 5 years
Liabilities to credit institutions, machine loans	209,0	13,1	42,3	54,1	79,6	19,9
Liabilities to credit institutions, other	418,2	2,0	5,9	7,2	397,3	5,8
Lease liabilities	237,7	19,2	43,9	59,2	99,8	15,5
Other long-term liabilities	57,5	-	5,9	35,8	15,7	-
Accounts payable	158,8	158,8	0,0	-	-	-
Total	1 081,1	193,1	98,0	156,4	592,5	41,3

	2020					
	Total	< 3 months	3 months- 1 year	1-2 years	2-5 years	> 5 years
Bond loan	452,0	5,8	17,4	23,2	405,5	-
Liabilities to credit institutions	183,2	28,1	28,4	47,6	68,0	11,1
Lease liabilities	143,1	10,4	27,0	30,9	57,6	17,2
Other long-term liabilities	40,3	-	-	12,5	27,8	-
Accounts payable	95,4	93,7	1,7	-	-	-
Total	914,0	138,1	74,5	114,2	558,8	28,3

Interest rate risk

Interest rate risk is the risk that the Group's cash flow or the value of financial instruments varies due to changes in market interest rates. Interest rate risk can lead to changes in fair values and changes in cash flows. The Group's sources of financing mainly consist of equity, cash flow from operating activities and borrowing in the form of bank loans and machine loans (for investments in machinery). Interest-bearing debt excluding other long-term liabilities amounted to SEK 805.4 (698.7) million on 31 December 2021. The bank loan linked to the new financing with Nordea and Swedbank amounted to SEK 382.7 million of the interest-bearing debt and run with the applicable IBOR interest rate and an initial interest margin. See note 8 for sensitivity analysis regarding changes in interest rates.

Foreign exchange risk

Currency risk is the risk that fair values and cash flows regarding financial instruments fluctuate when the value of foreign currencies changes. The Group is only exposed to limited currency risk through purchases and internal sales between the subsidiaries. Exposure to external currency risk is small and consists of certain purchases made in EUR. These purchases are usually hedged through currency futures. As of the balance sheet date, there are none (none) outstanding currency futures.

Transaction exposure

Transaction exposure arises from payment flows in foreign currency. There are only limited purchases in foreign currency. The Norwegian subsidiaries carry out assignments in Sweden, and vice versa, which entails a transaction exposure for the companies. The sensitivity of the result regarding changes in exchange rates is thus limited.

Translation exposure

Translation exposure arises from the translation of balance sheet items in foreign currency and in the translation of foreign subsidiaries' income statements and balance sheets to the Group's reporting currency, which is Swedish kronor (SEK), so-called balance sheet exposure. There is a currency risk when translating equity from the Norwegian subsidiaries. The Group does not hedge the Group's translation exposure. The year's translation difference in equity amounted to SEK 13.9 (-14.4) million.

Credit risk

The risk that the Group's customers do not fulfil their obligations, i.e. that payment is not received from customers, constitutes a credit risk. Credit risk is managed by the subsidiaries with directives from Group management. If customers or suppliers have been credit-rated by independent valuers, these assessments are used. In cases where there is no independent credit assessment, a risk assessment is made of the customer's/supplier's creditworthiness where financial position, historical experience and other factors are taken into account. The Group has historically had low customer losses as the customers largely consist of large well-known customers. See further in note 15 for more information on credit exposure in accounts receivable and credit losses.

Note 25**Pledged assets and contingent liabilities****Pledged assets**

	2021-12-31	2020-12-31
Property mortgages	4,6	-
Corporate mortgages	11,0	87,2
Accounts receivable	41,0	84,3
Inventories	15,4	9,5
Machinery and equipment subject to retention of title	267,3	200,5
Net assets in subsidiaries	-	19,5
Liquid cash (restricted bank funds)	10,8	6,0
Total	350,1	407,0

Contingent liabilities

	2021-12-31	2020-12-31
Other guarantees	0,2	0,1
Total	0,2	0,1

The Group's pledged assets consists mainly of machinery and equipment that are subject to retention of title as security for the subsidiaries' local financing linked to machinery and equipment. There are also pledged assets in the form of real estate mortgages, corporate mortgages, accounts receivable and inventories that are pledged as security for external overdraft facilities in the subsidiaries.

Note 26**Transactions with related parties**

The following transactions have taken place with related parties:

		2021	2020
<i>Company</i>	<i>Relates to</i>		
Pegroco Invest AB	Management fee cost and cost for other services	-4,9	-3,0
Pegroco Invest AB	Interest costs for owner loans	-	-4,8
Ouest AB	CFO services	-0,5	-3,3
Atandakil Invest AB	Rent	-0,4	-0,3
Getten Fastighets AB	Rent	-	-2,2
Jernstenen Invest AB	Rent	-0,1	-0,3
Nordre Kullerød 6 AS	Rent	-1,6	-1,6
Safirab AB	Investor relation services	-1,5	-
Total		-8,9	-15,5

Receivables and liabilities at the end of the period as a result of transactions with related parties:

	2021-12-31	2020-12-31
<i>Receivables on related parties</i>		
Pegroco Invest AB - receivable	0,2	0,2
Total	0,2	0,2
<i>Payables to related parties</i>		
NP Förvaltnings AB - additional purchase price	-	15,0
Pegroco Invest AB - accounts payable	0,2	0,8
Ouest AB - accounts payable	0,0	0,2
Getten Fastighets AB - accounts payable	-	0,9
Nordre Kullerød 6 AS - accounts payable	-	0,2
Safirab AB - accounts payable	0,2	-
Total	0,4	17,1

Other transactions with related parties 2021

No other significant transactions with related parties identified.

Other transactions with related parties 2020

During Q2 2020, the subsidiary Pålab Holding sold Pålab Fastighets AB to the previous owner NP Förvaltnings AB. The transaction has taken place at market value.

In connection with an Extraordinary General Meeting on 30 October 2020, it was decided to carry out a new share issue to the Board and leading executives. All Board members, the CEO, CFO and business area manager for Rock Norway were given the opportunity to sign 84,350 shares each and the new share issue was fully subscribed. Total contribution to equity amounted to SEK 16 million and was paid in 2021.

Note 27**Adjustment for items not included in cash flow**

	2021	2020
Capital gains/losses sale of fixed assets	-16,2	-8,8
Capital gains divestment of subsidiaries	-	5,4
Profit effect additional purchase price	-8,5	-0,5
Total	-24,7	-3,9

Note 28**Group companies**

The Group had the following Group companies on 31 December 2021:

Name	Country of registration and business	Operating segment	Percentage of capital	Percentage of votes
Vestfold Fjellboring AS	Norway	Rock Norway	100%	100%
Norsk Fjellsprengning	Norway	Rock Norway	100%	100%
Sogndalen Fjellsprenging AS	Norway	Rock Norway	100%	100%
Fjellsprenger AS	Norway	Rock Norway	91%	91%
Visinor AS	Norway	Rock Norway	60%	60%
Visinor Fjell AS	Norway	Rock Norway	60%	60%
Visinor Rehab AS	Norway	Rock Norway	51%	51%
Gjerdan Fjellsikring AS	Norway	Rock Norway	100%	100%
Nordisk Bergteknik AS	Norway	Rock Norway	100%	100%
Norrbottnens Bergteknik AB	Sweden	Rock Sweden	100%	100%
Hyrcon Bergsprängning AB	Sweden	Rock Sweden	100%	100%
Bergförstärkningsgruppen i Sverige AB	Sweden	Rock Sweden	100%	100%
Bohus Bergsprängning AB	Sweden	Rock Sweden	100%	100%
S Blomquist Entreprenad AB	Sweden	Rock Sweden	100%	100%
Prospekteringsteknik i Norrland AB	Sweden	Rock Sweden	100%	100%
Diamantborrservice i Norr AB	Sweden	Rock Sweden	100%	100%
Pålab Holding AB	Sweden	Foundation Sweden	100%	100%
Pålaktiebolaget Svenska	Sweden	Foundation Sweden	100%	100%
Grundia AB	Sweden	Foundation Sweden	100%	100%
Grundia Fastigheter AB	Sweden	Foundation Sweden	100%	100%
BGS Svensson AB	Sweden	Foundation Sweden	100%	100%
GeO Pålen AB	Sweden	Included in Other	100%	100%

Note 29

Definitions of alternative performance measures

Guidelines regarding alternative performance measures for companies with securities listed on a regulated market within the EU have been issued by ESMA (The European Securities and Markets Authority). The interim report refers to a number of undefined measures in accordance with IFRS that are used to help both investors and management to analyse the company's operations. Because not all companies calculate financial measures in the same way, these are not always comparable with measures

used by other companies. These financial measures should therefore not be regarded as compensation for measures defined in accordance with IFRS. Below we describe the various measures not defined in accordance with IFRS that have been used as a complement to the financial information reported in accordance with IFRS and how these measures are used. For reconciliation of alternative key ratios, see the website <https://nordiskbergteknik.se/sv/rapporter-och-presentationer/>

Key ratios	Definition	Justification for use of measures
Organic growth, %	Change in net sales compared with the same period last year; adjusted for currency translation effects and acquisitions. Acquisitions are adjusted for by excluding net sales for acquisitions during the period and including net sales for the entire period for the acquisitions that have been made in the previous year and that have not been consolidated during the entire period last year. Currency effects are calculated using the exchange rates of the previous period for the current period.	Organic growth facilitates a comparison of net sales over time, excluding the impact of currency translation effects and acquisitions
EBITDA	Operating profit (EBIT) excluding depreciation and amortisation	The measure is used to measure operating profitability excluding depreciation and amortisation
EBITDA margin, %	EBITDA divided by net sales for the period.	This measure is used to measure operating profitability in relation to net sales, excluding depreciation and amortisation
Adjusted EBITDA	EBITDA adjusted for items affecting comparability	Adjusted EBITDA is a measure of operating profit before depreciation and amortisation and is used to evaluate operating activities. The purpose is to show EBITDA excluding items that affect comparability with other periods
Adjusted EBITDA margin, %	Adjusted EBITDA divided by net sales for the period.	This measure is used to measure operating profitability in relation to net sales, excluding depreciation and amortisation and items that affect comparability with other periods
Operating profit (EBIT)	Profit or loss for the period excluding tax, financial costs and financial income	This measure is used to measure operating profitability, including depreciation and amortization, and excluding tax, financial expenses and financial income
EBIT margin, %	Operating profit (EBIT) divided by the period's net sales	The measure is used to measure operating profitability in relation to net sales
Adjusted EBIT	Operating profit for the period (EBIT) adjusted for items affecting comparability.	Adjusted EBIT is a measure of operating profit including depreciation and amortisation and is used to evaluate operating activities. The purpose is to show operating profit (EBIT) excluding items that affect comparability with other periods
Adjusted EBIT margin, %	Adjusted EBIT divided by net sales for the period	This measure is used to measure operating profitability in relation to net sales, excluding items that affect comparability with other periods
Items affecting comparability	Items affecting comparability are items that are reported separately due to their nature and amount	Items affecting comparability are used by management to explain variations in historical profitability. Separate reporting and specification of items affecting comparability enables the users of the financial information to understand and evaluate the adjustments made by management when adjusted EBIT, adjusted EBIT margin, %, adjusted EBITDA and adjusted EBITDA margin, % are presented
Adjusted cash flow from operating activities	Cash flow from operating activities adjusted for cash flow impacting items affecting comparability.	This measure is used to measure operating profitability cash flow from operating activities excluding items that affect comparability with other periods

Key ratios	Definition	Justification for use of measures
Equity/asset ratio, %	Adjusted equity divided by total assets. Adjusted equity is calculated as total equity attributable to the parent company's shareholders plus loans from owners. Loans to owners that have arisen in connection with the acquisition of a company (where the previous owner of the acquired company becomes an owner of Nordisk Bergteknik), so-called seller's promissory note, are not included in adjusted equity	The measure shows the proportion of total assets financed by shareholders with equity. The measure has been included so that investors can create an image of the Group's capital structure
Net debt	Short-term and long-term interest-bearing liabilities reduced by cash and cash equivalents', short-term investments and other long-term liabilities to the extent pertaining to owner loans. Loans to owners that have arisen in connection with the acquisition of a company (where the previous owner of the acquired company becomes an owner of Nordisk Bergteknik), so-called seller's promissory note, are included in net debt. Short-term and long-term interest-bearing liabilities refer to liabilities to credit institutions, lease liabilities, overdraft facilities and other long-term liabilities (the part relating to seller's promissory note, see previous comment)	The measure shows the Group's net financial liabilities and is used to show the total indebtedness in the Group
Net debt/adjusted EBITDA LTM	Net debt at the end of the period divided by adjusted EBITDA for the last twelve months	The measure shows the Group's capital structure

Note 30

Earnings per share

	2021	2020
Result attributable to parent company's shareholders (SEK million)	44,7	2,5
Weighed average number shares before dilution	34 937 691	20 134 778
Dilution from warrants	7 313	-
Weighed average number shares after dilution	34 945 004	20 134 778
Earnings per share before dilution (SEK)	1,28	0,12
Earnings per share after dilution (SEK)	1,28	0,12

The company has historically had class A shares which have been redeemed as of 2021-11-22. The A shares have not been entitled to profit sharing and have thus been excluded from historical calculations.

Potential ordinary shares consist of 75,000 warrants issued in November 2020 and 37,000 warrants issued in June 2021. Each warrant gives the right to buy one share for SEK 26.2837 and SEK 38.00 respectively.

Retroactive adjustments to the number of shares have been made due to:

- Split 100:1 in June 2020, adjustment factor 100
- Bonus issue 3:1 in April 2019, adjustment factor 4
- New share issue with bonus issue element in January 2019, adjustment factor 1.29
- New share issue with bonus issue element in June 2018, adjustment factor 1.42

Note 31**Items affecting comparability**

	2021	2020
External costs for raising corporate bond	0,3	3,2
External acquisition related costs	2,8	1,0
Costs related to the listing of the company's shares	21,1	-
Result effect final settlement additional purchase price	-8,5	-
Divestment of subsidiaries	-	5,4
Total	15,7	9,6

Note 32**Significant events after the reporting period****Nordisk Bergteknik completes the acquisitions of Torbjörn Sundh Entreprenad and Bröderna Anderssons Grus**

Nordisk Bergteknik announced during the fourth quarter 2021, two new acquisitions in line with the group's determined strategy. In January 2022, the acquisitions were completed and consolidated. Västerbotten based Bröderna Anderssons Grus AB was founded in 1976 and has an annual turnover of about SEK 90 million and employs just over 30 people. The company is a contractor specialized within crushed rock and rock material. The acquisition is consolidated into Rock Sweden on the 31st of January 2022. Torbjörn Sundh Entreprenad AB has an approximate yearly turnover of SEK 220 million and offers services within infrastructure and construction contracts, as well as operation and maintenance of the transport network. The company is based in Umeå and has about 130 employees. The acquisition is consolidated into Rock Sweden on the 31st of January 2022. For further information, see Note 22.

Nordisk Berteknik enters into an agreement regarding the acquisition of all shares in Infrastructure Group Nordic AB ("IGN")

On March 17, Nordisk Bergteknik entered into an agreement regarding the acquisition of all shares in Infrastructure Group Nordic AB ("IGN"), a subsidiary of Connecting Capital, with the operating subsidiaries Rovalin and Soil Mixing Group. IGN, which has a turnover of approximately SEK 420 million with good profitability, offers services primarily in foundation and soil reinforcement. The purchase price amounts to SEK 178 million and is paid through SEK 49 million in cash at completion of the transaction, SEK 54 million through reinvestment in shares in Nordisk Bergteknik, and SEK 75 million in a seller promissory note. The shares will be issued in accordance with the mandate authorized by the Annual General Meeting in 2021 and are subject to a lock-up commitment expiring in the spring of 2023. The acquisition is subject to approval by the Swedish Competition Authority and completion of the transaction will take place in connection with obtaining approval. The acquisition will be reported in the Foundation Sweden segment and is assessed, based on the expected number of outstanding shares after the acquisition, to annually contribute approximately SEK 0.80 to earnings per share.

Russia's invasion of Ukraine

After the end of the financial year, a Russian invasion of Ukraine took place, and a war broke out. The Group has no operations or trade with Russia or Ukraine. However, the current situation with the sanctions imposed on Russia due to the war and the socio-economic consequences that follow from the war may have a negative effect on the company's operations in the coming time, mainly due to higher raw material prices. It is when this annual report is submitted difficult to assess what the effects of this will be due to prevailing uncertainty. The board closely monitors the development of the course of events.





Parent company income statement

Amounts in million SEK	Note	Jan-Dec 2021	Jan-Dec 2020
Net sales	17	20,1	13,5
Other operating income		0,1	0,0
Total revenue		20,2	13,6
External costs	2,3,17,18	-38,8	-18,2
Personnel costs	4	-14,2	-5,6
Other operating costs		0,0	-0,2
Operating profit before depreciation and amortisation (EBITDA)		-32,8	-10,4
Depreciation and amortisation of tangible and intangible fixed assets	9	-0,3	-0,3
Operating profit (EBIT)		-33,2	-10,7
Result from shares in group companies	5	-	9,9
Financial income	6	13,2	3,4
Financial costs	6	-42,9	-38,3
Net financial items		-29,7	-25,0
Profit/loss before tax		-62,9	-35,7
Appropriations	7	66,9	23,4
Tax	8	-9,2	0,8
Profit/loss for the year		-5,2	-11,5

The total comprehensive income for the period corresponds to the profit/loss for the period.

Parent company statement of financial position

Amounts in million SEK	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Subscribed unpaid capital		-	80,5
Non-current assets			
Other intangible assets	9	1,6	1,9
Shares in group companies	10	631,4	372,1
Receivables on group companies	11	245,5	181,7
Deferred tax assets	8	-	0,8
Total non-current assets		878,5	556,5
Current assets			
Receivables on group companies	11	181,8	102,1
Other short-term receivables		1,7	0,5
Prepaid expenses and accrued income		1,4	0,6
Short-term investments		4,7	-
Cash and cash equivalents		332,4	28,3
Total current assets		522,1	131,6
TOTAL ASSETS		1 400,6	768,6
EQUITY AND LIABILITIES			
Equity			
	15		
Share capital		0,5	0,6
Ongoing right issues		-	0,1
Statutory reserve		0,4	-
Total restricted equity		1,0	0,7
Retained earnings		-28,1	-16,2
Share premium reserve		898,8	293,7
Profit/loss for the year		-5,2	-11,5
Total unrestricted equity		865,6	266,1
Total equity		866,6	266,8
Provisions			
Other provisions		21,7	15,0
Total provisions		21,7	15,0
Non-current liabilities			
Bond loan	12	-	393,9
Liabilities to credit institutions, others	12	382,7	-
Liabilities to group companies	11,12	-	10,0
Other long-term liabilities	12	26,7	20,3
Total non-current liabilities		409,4	424,2
Current liabilities			
Accounts payable		2,9	2,1
Liabilities to group companies	11	70,5	50,5
Current tax liabilities		0,5	0,3
Other current liabilities	13	23,1	0,2
Accrued expenses and prepaid income	14	6,0	9,6
Total current liabilities		103,0	62,7
TOTAL EQUITY AND LIABILITIES		1 400,6	768,6

Parent company statement of changes in equity

Amounts in million SEK	Restricted equity			Unrestricted equity			Total equity
	Share capital	Ongoing right issues	Share premium reserve	Retained earnings	Share premium reserve	Profit/loss for the year	
Opening equity as of 1 January 2020	0,6	-	-	7,2	67,5	-23,4	51,9
Transfer according to decision at AGM				-23,4		23,4	-
Profit/loss for the year						-11,5	-11,5
<i>Transactions with owners</i>							
New share issue	0,0				17,6		17,6
New share issue in registration phase*		0,1			208,6		208,7
Closing equity as at 31 December 2020	0,6	0,1	-	-16,2	293,7	-11,5	266,8
*Of the amount, SEK 0.1 million is expected to be share capital when registration of the new share issue has taken place							
Opening equity as of 1 January 2021	0,6	0,1	-	-16,2	293,7	-11,5	266,8
Transfer according to decision at AGM				-11,5		11,5	-
Profit/loss for the year						-5,2	-5,2
<i>Transactions with owners</i>							
New share issue	0,3	-0,1			633,5		633,8
Transaction costs new share issue					-36,8		-36,8
Tax transaction costs new share issue					8,4		8,4
Redemption class A shares	-0,4		0,4	-0,4			-0,4
Closing equity as at 31 December 2021	0,5	-	0,4	-28,1	898,8	-5,2	866,6

Parent company cash flow statement

Amounts in million SEK	Note	Jan-Dec 2021	Jan-Dec 2020
<i>Cash flow from operating activities</i>			
Operating profit (EBIT)		-33,2	-10,7
<i>Adjustment for items not included in cash flow:</i>			
- Depreciation/amortisation		0,3	0,3
Interest received		1,8	1,2
Interest paid		-35,2	-25,4
Paid income tax		0,1	0,1
Other financial items		3,6	-1,1
Cash flow from operating activities before changes in working capital		-62,5	-35,6
<i>Cash flow from changes to working capital</i>			
Increase/decrease in current receivables		-33,6	-29,8
Increase/decrease in current liabilities		18,6	25,1
Total change in working capital		-15,0	-4,7
Cash flow from operating activities		-77,5	-40,3
<i>Cash flow from investing activities</i>			
Investments in intangible assets		-	-0,9
Business combinations		-151,1	-27,8
Loan to subsidiaries		-58,3	-33,0
Investments in short-term investments		-7,1	-
Cash flow from investing activities		-216,5	-61,6
<i>Cash flow from financing activities</i>			
New share issue		610,0	-
Redemption class A shares		-0,4	-
Loans raised		381,7	-
Amortisation of loans		-400,0	-0,9
Amortisation of other long-term liabilities		-2,8	-
Group contributions received		10,1	-
Group contributions paid		-0,3	-
Cash flow from financing activities		598,2	-0,9
Cash flow for the year		304,1	-102,8
<i>Decrease/increase in cash and cash equivalents</i>			
Cash and cash equivalents at the beginning of the year		28,3	131,1
Exchange rate differences in cash and cash equivalents		-	-
Cash and cash equivalents at the end of the year		332,4	28,3

Note 1**Parent company accounting principles**

The parent company has prepared its annual report in compliance with Swedish Annual Accounts Act (1995:1554) and recommendation RFR 2, Accounting for Legal Entities of the Swedish Financial Reporting Board. RFR 2 prescribes that the parent company, in the annual report for the legal entity, shall apply all International Financial Reporting Standards and interpretations approved by the EU as far as this is possible within the framework of the Swedish Company Annual Accounts Act, taking into account the connection between accounting and taxation. The recommendation states which exceptions from IFRS and additions that shall or can be made. The parent company's accounting principles are unchanged compared to the Annual Report 2020.

Presentation

The parent company's income statement and report on financial position are presented according to the structure in the Swedish Company Annual Accounts Act. The difference from IAS 1 Presentation of Financial Statements, which is applied in the preparation of the Group's financial statements, mainly relates to the reporting of financial income and expenses, fixed assets, equity and the existence of provisions as a separate heading in the balance sheet.

Shares in group companies

Shares in group companies are reported at acquisition value after deductions for any write-downs. The acquisition value includes acquisition-related costs and any additional purchase consideration. When there is an indication that shares in group companies have decreased in value, a calculation is made of the recoverable amount. If this is lower than the carrying amount, a write-down is made. Write-downs are reported in the item "Result from shares in group companies" in the income statement.

Financial instruments

IFRS 9 is not applied in the parent company and financial instruments are valued at acquisition value. In subsequent periods,

financial assets acquired with the intention of being held in the short term will be reported in accordance with the principle of the lowest value at the lower of acquisition value and market value. However, the parent company must apply the impairment rules in IFRS 9 and at each balance sheet date, the parent company assesses whether there is any indication of impairment in any of the financial fixed assets. Impairment occurs if the decline in value is deemed to be permanent. Impairment of interest-bearing financial assets reported at accrued acquisition value is calculated as the difference between the asset's carrying amount and the present value of management's best estimate of future cash flows discounted at the asset's original effective interest rate. The write-down amount for other financial fixed assets is determined as the difference between the carrying amount and the higher of fair value less costs to sell and the present value of future cash flows.

Leases

All lease agreements where the parent company is a lessee are reported in accordance with the exemption to IFRS 16 in RFR 2, i.e. right-of-use assets and lease liabilities are not reported in the balance sheet. The leasing fee is recognized as an expense on a straight-line basis over the lease period.

Appropriations

Group contributions are reported as appropriations in the parent company's income statement.

Critical judgements and uncertainties

Valuation of shares in group companies is an area involving judgement and/or uncertainties for the parent company, in addition to the applicable critical accounting policies and key sources of estimation presented for the Group.

New accounting principles for 2022

Several amendments to existing standards have been published and will enter into force in 2022 or later. None of these have a significant impact on the parent company's financial reports.

Note 2**Remuneration to auditors**

	2021	2020
KPMG		
Audit assignment	0,3	0,3
Auditing activities other than the audit assignment	1,1	0,0
Other services	5,2	-
Total	6,6	0,3

Note 3

Leasing

The parent company has leasing agreements, primarily for renting premises and leasing of cars. The leasing costs for the year and future minimum commitments for these agreements are stated in the following summary:

	2021	2020
Leasing costs for the year	1,7	8,5
Future minimum commitments		
	2021	2020
2021	-	0,9
2022	1,2	0,9
2023	1,0	-
2023 incl. fees up to and including end of contract period	-	0,8
2024 incl. fees up to and including end of contract period	1,2	-
Total	3,4	2,5

Note 4

Employees, personnel costs and remuneration of senior executives

The average number of employees

	2021		2020	
	Number of employees	Of which men	Number of employees	Of which men
Sweden	4	3	2	2

Personnel costs

The parent company only has defined contribution pension costs. Of the parent company's pension costs, SEK 0.7 million (0,7) relates to the parent company's Board and CEO.

	2021					2020				
	Salaries and compensations	Other social costs	Pension costs	Other personnel costs	Total personnel costs	Salaries and compensations	Other social costs	Pension costs	Other personnel costs	Total personnel costs
Sweden	9,6	3,3	1,2	0,1	14,2	3,3	1,2	0,7	0,3	5,6

Salaries and remuneration and pension costs divided between the Board, the CEO and other senior executives and other employees

	2021			2020		
	Salaries and compensations	Of which variable remuneration and similar	Pension costs	Salaries and compensations	Of which variable remuneration and similar	Pension costs
The Board of the parent company	1,8	-	-	0,1	-	-
CEO and other senior executives	3,7	1,8	1,0	2,8	0,5	0,7
Other employees	2,0	0,4	0,2	0,4	-	0,0
Total	7,5	2,2	1,2	3,3	0,5	0,7

Salaries and remuneration distributed per Board member, CEO and other senior executives

For further information, see Note 6 in the Group.

Note 5**Result from shares in group companies**

	2021	2020
Dividend from group companies	-	9,9
Total	-	9,9

Note 6**Financial income and financial costs****Financial income**

	2021	2020
Interest income, external	-	0,0
Interest income from group companies	6,5	3,4
Exchange rate differences	6,0	-
Results from short-term investments	0,7	-
Total	13,2	3,4

Financial costs

	2021	2020
Interest expenses on liabilities to credit institutions	-24,2	-27,4
Interest expenses on other long-term liabilities	-0,8	-0,4
Interest expenses to group companies	0,0	-4,8
Other financial expenses	-0,6	-0,4
Redemption of bond loan	-17,4	-
Exchange rate differences	0,0	-5,1
Results from short-term investments	-	-0,2
Total	-42,9	-38,3

Note 7**Appropriations**

	2021	2020
Group contributions received	67,0	23,7
Group contributions provided	-0,1	-0,3
Total	66,9	23,4

Note 8

Taxes

Reported in the parent company income statement

	2021	2020
<i>Current tax</i>		
Income tax for the period	-8,4	0,0
Total current tax expense	-8,4	0,0
<i>Deferred tax</i>		
Temporary differences	-0,8	0,8
Total deferred tax expense	-0,8	0,8
Total reported tax on profit/loss for the year	-9,2	0,8

Parent company tax expense for the year amounted to SEK -9.2 (0.8) million or 228 (6.4)% of profit/loss before tax.

Reconciliation of actual tax

The difference between reported and expected tax expense is explained below. The expected tax cost is calculated on the basis of profit/loss before tax for the parent company multiplied by tax according to the current tax rate for the parent company, which is 20.6 % for 2021 and 21.4 % for 2020.

	2021	2021 (%)	2020	2020 (%)
Profit before tax	4,0		-12,2	
Expected tax expense	-0,8	-20,6%	2,6	-21,4%
Non-taxable dividend from subsidiaries	-	0,0%	2,1	-17,3%
Non-deductible expenses	-0,1	-3,1%	-0,1	0,5%
Non-deductible interest expenses according to the interest deduction limitation rules	-7,5	-184,8%	-5,8	47,6%
Utilised non-capitalised loss carryforwards from previous years	-	0,0%	1,1	-9,3%
Temporary differences	-0,8	-19,8%	0,8	-6,5%
Total reported tax on profit/loss for the year	-9,2	-228,3%	0,8	-6,4%

Reported in the parent company statement on financial position

Change in deferred tax

	2021-12-31			2020-12-31		
	Assets	Liabilities	Total	Assets	Liabilities	Total
Value at the beginning of the year	0,8	-	0,8	-	-	-
Deferred tax reported in profit/loss for the year	-0,8	-	-0,8	0,8	-	0,8
Total at the end of the year	-	-	-	0,8	-	0,8

Deferred tax assets and deferred tax liabilities

	2021-12-31		2020-12-31	
	Assets	Liabilities	Assets	Liabilities
Other temporary differences	-	-	0,8	-
Total	-	-	0,8	-

Loss carryforwards

At the end of the year, the parent company had total tax loss carryforwards of SEK 3.7 (3.7) million. No deferred tax has been recognised related to the tax loss carryforwards. The motivation for not capitalising loss carryforwards is that the deficits that are not capitalised are currently blocked by group contributions. The maturity period for all loss carryforwards is shown in the table.

Maturity structure loss carryforwards

	2021-12-31	2020-12-31
Unlimited lifetime	3,7	3,7
Total	3,7	3,7

Note 9

Other intangible assets

	2021-12-31	2020-12-31
<i>Accumulated acquisition values</i>		
Opening acquisition value	2,2	1,4
Acquisitions for the year	-	0,9
Closing accumulated acquisition values	2,2	2,2
<i>Accumulated amortisations</i>		
Opening amortisations	-0,3	-
Amortisation for the year	-0,3	-0,3
Closing accumulated amortisations	-0,6	-0,3
Closing reported value	1,6	1,9

Note 10**Shares in group companies**

	2021-12-31	2020-12-31
Value at the beginning of the period	372,1	384,4
Acquisition of subsidiaries	267,8	57,8
Divestment of subsidiaries	-	-70,0
Final settlement additional purchase price	-8,5	-
Value at the end of the period	631,4	372,1

The parent company's holdings of shares in subsidiaries as of December 31, 2021

	Corporate identity number	Domicile	Number of shares	Share of capital & votes	Book value 2021-12-31	Book value 2020-12-31
Norrbottens Bergteknik AB	556428-9063	Älvsbyn, Sweden	1 000	100%	34,5	34,5
Vestfold AS	952960326	Sandefjord, Norway	6 536	100%	99,9	99,9
Pålab Holding AB	556710-7775	Göteborg, Sweden	1 000	100%	171,5	180,0
Prospekteringsteknik i Norrland AB	556564-9000	Luleå, Sweden	3 200	100%	57,8	57,8
GeO Pålen AB	556775-0814	Göteborg, Sweden	7 950	100%	-	-
Gjerden Fjellsikring AS	893517952	Svarstad, Norway	200	100%	49,3	-
Nordisk Bergteknik AS	926828673	Sandefjord, Norway	30	100%	0,0	-
S Blomquist Entreprenad AB	556319-1195	Vara, Sweden	1 000	100%	27,2	-
Grundia AB	556802-3401	Lerum, Sweden	1 000	100%	102,9	-
BGS Svensson AB	556750-5853	Sotenäs, Sweden	1 000	100%	88,4	-
Total booked value of subsidiaries					631,4	372,1

For information on indirectly owned subsidiaries, see Note 28 for the Group.

Impairment testing

To ensure that there is no risk of impairment, the book value of shares in the subsidiaries is tested by comparing the net asset value (equity) in the subsidiaries on the balance sheet date. In cases where the net asset value is less than the book value, an impairment test is performed. This year's impairment test of the book value of shares in subsidiaries has not resulted in any impairment.

Note 11**Receivables and liabilities group companies****Long-term receivables on group companies**

Refers to long-term receivables on subsidiaries. Part of the receivables are in NOK and thus currency translation differences arise. This year's change is shown below.

	2021-12-31	2020-12-31
Value at the beginning of the period	181,7	69,2
Loan to subsidiaries	58,3	112,1
Translation difference	5,5	-4,0
Reclassification from current receivable to long-term receivable	-	4,4
Value at the end of the period	245,5	181,7

Current receivables on group companies

Refers to current receivables on subsidiaries, receivables on subsidiaries linked to the cashpool structure in Sweden and current receivables on parent company. See specification below.

	2021-12-31	2020-12-31
Short-term receivables on subsidiaries	76,4	29,1
Receivables on subsidiaries, cashpool	105,4	72,9
Short-term receivables on parent company	-	0,2
Total	181,8	102,1

Long-term liabilities to group companies

Refers to long-term liabilities to subsidiaries. See specification below.

	2021-12-31	2020-12-31
Long-term liabilities to subsidiaries	-	10,0
Total	-	10,0

Current liabilities to group companies

Refers to current liabilities to subsidiaries, liabilities to subsidiaries linked to the group cashpool structure in Sweden and current liabilities to parent company. See specification below.

	2021-12-31	2020-12-31
Short-term liabilities to subsidiaries	0,1	1,8
Liabilities to subsidiaries, cashpool	70,4	47,8
Short-term liabilities to parent company	-	0,9
Total	70,5	50,5

Note 12

Financial liabilities

Maturity structure of financial liabilities

2021-12-31

	Other provisions	Bond loan	Liabilities to credit institutions, other	Liabilities to group companies	Other long-term liabilities	Total
Due less than 3 months from the balance sheet date	-	-	-	-	-	-
Due between 3 months and 1 year from the balance sheet date	-	-	-	-	-	-
Due between 1 - 2 years from the balance sheet date	11,7	-	-	-	22,1	33,8
Due between 2 - 5 years from the balance sheet date	10,0	-	382,7	-	4,6	397,2
Due more than 5 years from the balance sheet date	-	-	-	-	-	-
Total	21,7	-	382,7	-	26,7	431,0

2020-12-31

	Other provisions	Bond loan	Liabilities to credit institutions, other	Liabilities to group companies	Other long-term liabilities	Total
Due less than 3 months from the balance sheet date	-	-	-	-	-	-
Due between 3 months and 1 year from the balance sheet date	-	-	-	-	-	-
Due between 1 - 2 years from the balance sheet date	-	-	-	-	10,0	10,0
Due between 2 - 5 years from the balance sheet date	15,0	393,9	-	-	10,3	419,2
Due more than 5 years from the balance sheet date	-	-	-	10,0	-	10,0
Total	15,0	393,9	-	10,0	20,3	439,2

Borrowing

Liabilities to credit institutions, other

On September 27, 2021, Nordisk Bergteknik AB and certain direct and indirect subsidiaries entered into a facilities agreement with Nordea and Swedbank. The facilities agreement gives Nordisk Bergteknik access to a simple loan facility of SEK 400 million ("Facility A") and a revolving multi-currency loan facility of SEK 650 million ("Facility B"). The facilities agreement terminates (subject to the possibility of extension for all facilities) three years after the conclusion of the agreement. The Nordisk Bergteknik has the opportunity to submit a request for an extension of each facility by one year at a time and which runs the facilities for a maximum of five years. An extension of the term of the facilities is subject to the approval of each lender. The facilities run with the applicable IBOR interest rate and an initial interest margin. The interest margin may be adjusted upwards and downwards in accordance with a customary interest rate ladder that is linked to the Group's debt / equity ratio, calculated as the ratio between net debt and adjusted EBITDA rolling twelve months proforma. Furthermore, Nordisk Bergteknik may agree on key figures for sustainability which from five days after the preparation of the annual report and a sustainability certificate for 2022 may result in a discount or premium on the interest margin depending on whether the key figures are met or not.

The new financing agreement contains two covenants; the Group's debt-to-equity ratio, calculated as the ratio between net debt and adjusted EBITDA rolling 12 months pro forma, and the equity-to-assets ratio, calculated as the ratio between total equity and total assets.

On October 22, 2021, all outstanding bonds of SEK 400 million were redeemed early and replaced with Facility A (see above) amounting to SEK 400 million.

Bond loan

In 2021, Nordisk Bergteknik's covered corporate bonds have been redeemed early and the bond has been delisted.

As of 2021-12-31 there was an total outstanding volume of SEK 400 million which was listed on the Nasdaq Stockholm Bond Market on 29 May 2020. The bond had a variable interest rate of STIBOR 3m + 600 basis points and had a final maturity in June 2023. The bond terms

contained a covenant for the net debt/EBITDA ratio, which may not exceed 4.75. Adjusted net debt for the Group amounted to SEK 569.1 million and adjusted EBITDA rolling twelve months pro forma for the Group amounted to SEK 172.6 million, both calculated according to the definitions of the bond terms, which gives the ratio 3.30 as of December 31, 2020.

Other provisions

Other provisions refer to additional purchase consideration that have arisen in connection with the acquisition of companies. Contingent additional purchase consideration as of December 31, 2020, has been settled in 2021. As the outcome was less than the provision, the difference has been booked as a reduced value of shares in group companies. As of 2021-12-31, a contingent additional purchase consideration has been added linked to two acquisitions. The additional purchase price is based on the acquisition's financial result 2021-2023 and is valued based on the acquisition's financial result and budget / forecast going forward.

Other long-term liabilities

Other long-term liabilities refer to liabilities that have arisen in connection with acquisitions of companies where part of the purchase price has been settled through a so-called seller reverse.

Note 13

Other current liabilities

	2021-12-31	2020-12-31
VAT liabilities	0,3	-
Seller reverse	21,7	-
Withholding tax and employer's contribution	1,1	0,2
Total	23,1	0,2

Note 14

Accrued expenses

	2021-12-31	2020-12-31
Holiday pay liability	1,0	0,4
Wage costs	2,1	1,5
Social security fee	1,0	0,1
Interest expenses	0,8	0,2
Other accrued expenses	1,1	7,4
Total	6,0	9,6

Note 15

Equity

Share capital

Share capital in the parent company consists of 0 (44,000,000) class A shares and 54,065,204 (19,693,200) class B shares as of 31 December 2021 (31 December 2020). The total number of shares amounts to 54,065,204 (63,693,200). The quotient value of the shares is SEK 0.01 (0.01). See below for this year's change in the number of shares.

	2021-12-31			2020-12-31		
	A-shares	B-shares	Total	A-shares	B-shares	Total
Subscribed and paid shares						
At the beginning of the year	44 000 000	28 247 388	72 247 388	440 000	190 232	630 232
Split 100:1	-	-	-	43 560 000	18 832 968	62 392 968
New issues, paid in and registered	-	25 817 816	25 817 816	-	670 000	670 000
Redemption of class A shares	-44 000 000	-	-44 000 000	-	-	-
Subscribed and paid shares at the end of the year	-	54 065 204	54 065 204	44 000 000	19 693 200	63 693 200
New issues, unpaid and unregistered	-	-	-	-	8 554 188	8 554 188
Subscribed shares at the end of the year	-	54 065 204	54 065 204	44 000 000	28 247 388	72 247 388

Ongoing right issues

As of 31 December 2021, there were no ongoing issues. As of 31 December 2020, there were ongoing unregistered new share issues covering a total of 8,554,188 class B shares, a total of SEK 85,542 with a quota value of SEK 0.01. They are reported under as ongoing rights issue and will be reclassified to share capital when registration has taken place in 2021. The total number of shares, including the ongoing new share issues, amounts to 72,247,388 as of 31 December 2020.

Share premium reserve

Refers to equity contributed by the owners. The transactions that have occurred are issues at a premium. The amount included in other contributed capital thus corresponds to the capital received in addition to the nominal amount of the issue.

Retained earnings and profit/loss for the year

Retained earnings and profit/loss for the year include accumulated gains and losses in the parent company with deductions for dividends paid.

Note 16

Pledged assets and contingent liabilities

Pledged assets

	2021-12-31	2020-12-31
Shares in subsidiaries	-	372,1
Long-term receivables on group companies	-	181,7
Total	-	553,8

In 2020 pledged assets consisted of issued counter-commitments for the parent company's bond loan and overdraft facility. In 2021, the bond loan and overdraft facility have been redeemed and there are no pledged assets in the new bank financing.

Contingent liabilities

	2021-12-31	2020-12-31
Guarantee for subsidiaries	4,0	0,5
Total	4,0	0,5

Note 17

Transactions with group companies

The parent company's net sales essentially consist of management fees that are invoiced to the subsidiaries. Of the parent company's net sales of SEK 20.1 (13.5) million, SEK 20.0 (13.5) million is intra-group.

For transactions with Pegroco Invest AB (parent company throughout 2020 and part of 2021), see Note 18.

During the year, certain services were purchased from subsidiaries, total costs amount to SEK 0.6 (1.3) million.

Note 18**Transactions with related parties**

The following transactions have taken place with related parties:

		2021	2020
<i>Company</i>	<i>Regarding</i>		
Pegroco Invest AB	Management fee cost and cost of other services	-4,9	-3,0
Pegroco Invest AB	Interest costs for owner loans	-	-4,8
Ouest AB	CFO-services	-0,5	-3,3
Atandakil Invest AB	Rent	-0,4	-0,3
Safirab AB	IR-services	-1,5	-
Total		-7,2	-11,4

Receivables and liabilities at the end of the period as a result of transactions with related parties:

	2021	2020
<i>Receivables on related parties</i>		
Pegroco Invest AB - receivable	-	0,2
Total	-	0,2
<i>Payables to related parties</i>		
NP Förvaltnings AB - additional purchase price	-	15,0
Pegroco Invest AB - accounts payable	0,2	0,8
Ouest AB - accounts payable	0,0	0,2
Safirab AB - accounts payable	-	-
Total	0,2	16,0

Other transactions with related parties 2021

No other significant transactions with related parties identified.

Other transactions with related parties 2020

In connection with an Extraordinary General Meeting on 30 October 2020, it was decided to carry out a new share issue to the Board and leading executives. All Board members, the CEO, CFO and business area manager for Rock Norway were given the opportunity to sign 84,350 shares each and the new share issue was fully subscribed. Total contribution to equity amounted to SEK 16 million and was paid in 2021.

Note 19**Proposed distribution of result****Parent company's distribution of result (SEK)**

	2021	2020
<i>The parent company's unrestricted equity is:</i>		
Retained earnings	-28 060 379	-16 166 978
Share premium reserve	898 813 924	293 690 104
Profit/loss for the year	-5 176 112	-11 453 401
Total	865 577 433	266 069 725
<i>The Board and Chief Executive Officer proposes that:</i>		
- to be carried forward	865 577 433	266 069 725
Total	865 577 433	266 069 725

The consolidated income statement and statement of financial position will be presented to the Annual General Meeting for adoption.

The Board of Directors and the Chief Executive Officer declare that the consolidated accounts have been prepared in accordance with IFRS International Accounting Standards, as adopted by the EU, and provide a true and fair view of the Group's financial position and results. The annual accounts have been prepared in accordance with generally accepted accounting practices and provide a true and fair view of the Parent's financial position and results.

The Directors' Report for the Group and Parent provides a true and fair view of the development of the business operations, financial position and results of the Group and Parent and describes the significant risks and uncertainty factors facing the Parent and the companies belonging to the Group.

Gothenburg, April 1, 2022
Nordisk Bergteknik AB (publ)
The Board

Mats O Paulsson
Chairman of the Board

Göran Näsholm
Board member

Ljot Strömseng
Board member

Marie Osberg
Board member

Victor Örn
Board member

Andreas Christoffersson
CEO

Our audit report was issued on April 1, 2022
KPMG AB

Daniel Haglund
Authorized Public Accountant



Auditor's Report

To the general meeting of the shareholders of Nordisk Bergteknik AB, corp. id 559059-2506

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Nordisk Bergteknik AB for the year 2021, except for the corporate governance statement on pages 40-50 and the sustainability report on pages 33-39. The company's annual report and consolidated accounts are included on pages 53-124 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 40-50 and sustainability report on pages 33-39. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of directors in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or

its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenue recognition

See disclosure 2,3 and accounting principles on pages 66-71 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

Revenue for 2021 in the Group amounted to SEK 1,917.6 million (SEK 1,007.5 million for 2020).

The Group reports ongoing construction projects over time, meaning that revenue and costs are accrued as the projects are performed. Revenue and operating profits are recognized in relation to the degree of preparation based on costs incurred as of the balance sheet date in relation to the estimated total costs at the completion of the project. Potential losses are accounted for as cost as soon as they are known.

Revenue recognition for fixed-price project is thus based to some extent on assessments of the total project cost and project revenue at the subsequent completion. In addition, changes in the assessment during the implementation of the projects may give rise to a significant impact on reported income and earnings. Project forecasts are evaluated regularly and adjusted as needed.

Modifications and additions as well as requirements are taken into account when the Group deems it probable that the amount will be received from the customer and when the amount can be measured reliably.

There are elements of assessments that are of significant importance for the reporting of income and results. These assessments are intended to estimate revenue and to assess unforeseen costs.

Response in the audit

We have informed ourselves about and evaluated the management's process for reviewing projects on an ongoing basis and under the percentage of completion method for fixed price

projects. This has included evaluating the process of identifying potential projects with negative margins as well as evaluating the process of assessing revenue and expenses (including assessment of alterations and additional work). We have thereby gained an understanding of the projects that were included in our sample. We have made a selection of contracts to evaluate and assess the most important areas. We have, among other things:

- Evaluated ongoing projects and provisions for any loss-making projects.
- Estimated whether risks and opportunities in the projects have been reflected in a balanced way in the project evaluations.
- Estimated loss contracts and whether loss risk reserves reflect the risks in the project and reviewed management's considerations regarding these assessments.
- Appraised review of the valuation of accounts receivable and assessment of provisions.

Projects where particularly complex areas have been identified have been discussed with management based on forecast revenues and estimated final costs. We have also evaluated reports from the Group's legal experts regarding disputes and assessed whether and how these have been taken into account in the project forecasts.

Valuation of goodwill and shares in subsidiaries

See disclosure 11 and accounting principles on pages 66-71 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

As of December 31, 2021, the Group reports goodwill of SEK 488.9 million (SEK 260.4 million in 2020), which constitutes 22% (20% in 2020) of total assets. Goodwill must annually be subject to at least one so-called impairment test, which contains both complexity and significant elements of assessments from the Group's management. An impairment test must be prepared for each of the cash-generating units, which for the Group coincides with its three business segments.

Goodwill is allocated to these three units.

According to current regulations, the impairment test must be carried out according to a certain technique where management must make future assessments of the business's both internal and external conditions and plans. Examples of such assessments are future cash inflows and cash outflows, which, among other things, require assumptions about future market conditions, thus indirectly about how competitors can be expected to act. Another important assumption is which discount rate should be used to take into account that future assessed payments are associated with risk and thus are worth less than cash and cash equivalents that are directly available to the Group.

In the Parent Company, shares in subsidiaries are reported in an amount of SEK 631.4 million (SEK 372.1 million in 2020). The parent company defends the value of shares and participations with the help of present value calculations, this is done for each holding.

Response in the audit

We have inspected the company's impairment tests to assess whether they have been carried out in accordance with the technique prescribed. Furthermore, we have assessed the reasonableness of the future cash inflows and cash outflows well as the assumed discount rate by evaluating management's written documentation and plans. We have also interviewed management.

We have an audit team with experience and specialist knowledge in valuation and have thus ensured experience and competence in the area, primarily with regard to assumptions related to external markets and competitors and assessment of the company's assumptions regarding future cash inflows and cash outflows.

An important part of our work has also been to evaluate how changes in assumptions can affect the valuation, ie to perform and evaluate management's so-called sensitivity analysis.

We have also checked the completeness of the disclosures in the annual report and assessed whether it is in accordance with the assumptions that management has applied in its impairment test and whether the information is sufficiently comprehensive to understand the assessments made.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-39 and 130-132. The Board of Directors and the Managing Director are responsible for this other information. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for

such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's

and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Auditor's audit of the administration and the proposed appropriations of profit or loss **Opinions**

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Nordisk Bergteknik AB for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Nordisk Bergteknik AB for year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report #[E5HBWeNy92XSALU=] has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation *RevR 18 Examination of the Esef report*. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Nordisk Bergteknik AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine

is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, financial position, changes in equity and cash flow.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 40-50 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the sustainability report on pages 33-39, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

KPMG AB, Box 11908, 404 39, Göteborg, was appointed auditor of Nordisk Bergteknik AB by the general meeting of the shareholders on the 29 June 2021. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2020.

Gothenburg, April 1, 2022

KPMG AB

Signed on the Swedish Original

Daniel Haglund

Authorized Public Accountant

Future reporting dates

Interim report for the first quarter 2022 will be published on the 10th of May, 2022.

Interim report for the second quarter 2022 will be published on the 18th of August, 2022.

Interim report for the third quarter 2022 will be published on the 16th of November, 2022.

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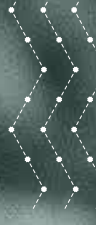
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