QUANT™

Smart services for a sustainable world

ANNUAL REPORT

2020

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FINANCIAL INFORMATION

Financial information and other relevant company information is published on www.quantservice.com/investor.

INVESTOR RELATIONS CONTACT

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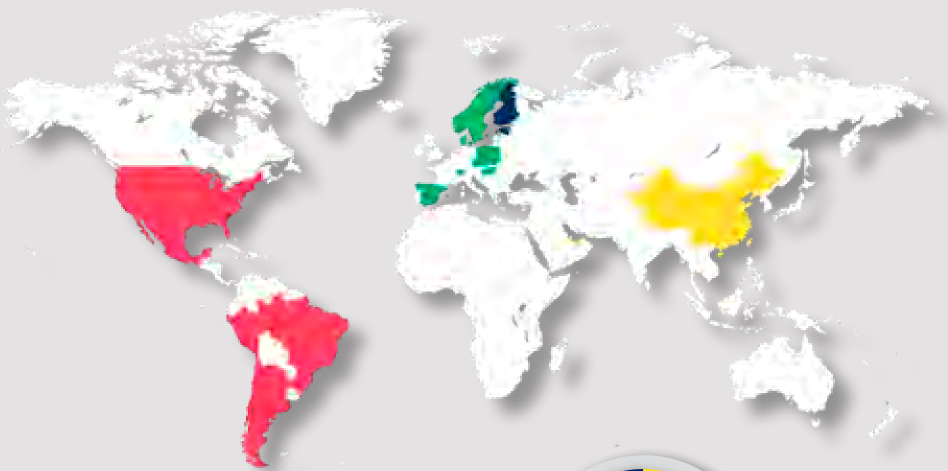
FINANCIAL CALENDAR

Interim report Q1 (January – March 2021)
May 21, 2021

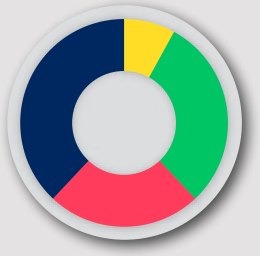
Interim report Q2 (April – June 2021)
August 20, 2021

Interim report Q3 (July – September 2021)
November 19, 2021

Interim report Q4 (October – December 2021)
February 28, 2022



NET SALES PER SEGMENT



EUROPE 30%

AMERICAS 24%

FINLAND & BALTICS 38%

REST OF THE WORLD 8%

THIS IS QUANT™

WORLD CLASS INDUSTRIAL MAINTENANCE PROVIDER

Quant is the number one partner in supporting the customer journey towards Smart Maintenance. Smart Maintenance is achieved by a systematic maintenance approach with integrated digital tools to drive sustainability, plant performance, cost optimization, and safety. Our success the result of strong partnerships between Quant and its customers.

Sweden	**More than 30**	**2,416**	**MEUR 170.6**	**94**
HQ in Stockholm, Sweden	Years of experience	Number of Employees	2020 Full Year Revenue	Operational sites

CEO REVIEW

With the onset of the pandemic early in the year, it became evident that the year would be challenging. Ensuring the health and safety of our employees became the highest priority. By establishing an extended crisis team, which met every day, we shared experiences from all over the world. This helped us to react fast, implement appropriate measures, and support our customers to implement good practices.

Another important focus area at the start of the pandemic was securing business continuity by supporting our customers and making sure the sites could continue to operate. With a few exceptions, all sites were in continuous operation. Certain customers were suffering from lower business volumes which impacted Quant as well. As a result, and with the increased cost related to the pandemic, our financial performance was impacted in a negative way.

Safety is a top priority for Quant. We have many sites that have years without any safety incidents, one site has actually reached 25 years without a recordable incident. We have ambitious global targets for safety and we still need to improve to reach these targets. During the year we updated our Life Saving Rules and had many trainings to make sure they are well understood. In addition, we are planning for a global safety week during 2021.

Quant is a service company and the most important asset is the people. That is why people is the first focus area of the strategy. Our ambition is to **Become Employer of Choice.** Apart from providing a safe workplace and a strong safety culture, we believe in the continuous development of our employees. Through the Quant Academy we are providing a multitude of trainings, including safety, digitalization, site manager training, and integrity.

The work with the updated strategy was finalized during the summer and was launched in October. Since then we have initiated and implemented actions which will bring us to a more successful company with the vision **Smart Services for a Sustainable World.**

The strategy has four main areas: People, Operational performance, Digitalization and Sales. Each of them with its own set of targets and improvement actions. These actions aim at growth with a profitability above industry average.

Although 2021 will continue to be challenging due to the still ongoing pandemic, I am encouraged by the increased sales opportunity pipeline and implementation of the strategic actions. The transformation program, initiated in 2019, has streamlined the organization and provided a business acumen to increase profitability. We are now well positioned for growth.

I would like to thank all my colleagues for their dedication, professionalism and commitment to serving our customers during the challenging year. I would also like to thank our customers for the trust you place in us and it is through our solid partnerships that we succeed together.

TOMAS RÖNN
CEO
QUANT AB (PUBL)

MARKET & TRENDS

The market is driven by an ever growing need for cost efficiency, plant performance, energy and resource efficiency, and health and safety, in an environment of growing global competition, complexity, and digitalization.

Sustainable manufacturing

Sustainable manufacturing and industrial production means application of economically-sound processes that minimize negative environmental impacts while conserving energy and natural resources. This increasingly leads to demands for external partners, such as Quant, providing modern, structured and efficient maintenance services, coupled with effective change management processes.

Extend asset life cycle

The need to extend the productive lifetime of aging assets and production equipment is expected to continue to be strong, especially in mature industrial markets, meaning continued need for professional maintenance services.

Increased technical complexity

As machinery and equipment become increasingly complex, this forces companies to source specialist maintenance services from external partners to a greater extent than before. Thus, the maintenance budget allocated for external services is expected to increase going forward.

More cost flexibility for the customer

All companies want to optimize their operational cost, and increasingly also align their costs to varying production output and demand, making them less vulnerable to for example economic downturns or other demand dips. Companies are expected to increase the portion of maintenance services carried out by external service providers in order to achieve a more flexible setup.

Growing need to reduce cost of unreliability and downtime

As industrial customers become increasingly aware of the cost of unreliability and downtime, caused by unexpected and repetitive equipment failures, preventive and predictive maintenance solutions will gain even more traction to help enterprises optimize production output and cost, thereby lower cost of unit produced and increasing price competitiveness.

Continued digitalization

There is a significant untapped potential in leveraging industrial Internet of Things (IoT) related solutions across most industries. Digital solutions providing decision support are now readily available and can collect vast amount of data and transform them into meaningful insights. Moreover, artificial intelligence and machine learning approaches can be integrated aiming at optimizing various aspects of service delivery, such as on-line predictive maintenance and quality assessment. Real-time inputs from sensors, actuators, and other control parameters would not only predict asset failures, but also help companies monitor in real time and take proactive actions.

Improved MRO sourcing

Maintenance repair and overhaul (MRO) sourcing service will mature and develop. Companies will look for master-suppliers who can handle a larger & wider scope, as well as manage multiple sub-suppliers, thereby being able to leverage scale and know-how.

The main market players offering industrial maintenance services

The industrial maintenance industry has four main categories of providers:

1. Integrated maintenance service providers
2. Original equipment manufacturers (OEM)
3. Engineering, procurement and construction providers (EPC)
4. Local contractors

Quant holds a leading market position in the global industrial maintenance market as an integrated maintenance service provider for management, development and execution of maintenance at customer plants.

Integrated maintenance services providers, such as Quant, offer services covering management, engineering, planning, and execution of maintenance services, either provided through a business process outsourcing setup, typically for the complete plant, or via regional/local hub-based service organizations, then responsible only for a certain process or asset class.

OEMs typically provide a portfolio of add-on services (specialist support, spare parts, and training) when selling the machinery/equipment to the customer. Services expansion and spare parts supply are clear focus areas for most OEMs. Some OEMs want to primarily focus on spare parts and build up a network of associated technical specialist firms serving their machinery in a specific market while others have their own service organization.

EPC´s can include maintenance services, typically until end of commissioning. as one area of responsibility in turnkey projects. However this is often done through partnerships with OEMs or Integrated maintenance service providers.

Local contractors, often family-owned, compete through price, closeness and responsiveness. They sometimes have a local workshop supporting their repair activities.

OUR VISION & MISSION

Smart services for a Sustainable World

Quant's vision is to build Smart Services for a Sustainable World.

Smart services are services that are delivered safely and efficiently, on time every time. The service is data driven, using cutting edge digital tools, to deliver right the first time in a service minded and professional way.

Generate outstanding customer value through smart services, cost efficiency, plant performance improvement in a safe and sustainable way

STRATEGY

In October 2020 Quant launched an updated strategy. The strategy is aimed at improving Quant's competitive edge and support profitable growth.

PEOPLE

Our aim is to become employer of choice. We listen to our employees through employee satisfaction surveys and we strive to keep our employees healthy and safe by attaining the highest possible safety standards. By building a strong company culture with shared values, goals, attitudes and practices we create a team spirit which enables Quant employees to easily work across regions and functions. Active and open communication with and among employees is an essential goal in the Quant organization.

OPERATIONAL PERFORMANCE

Our aim is to create value for our customers, exceed expectations and make every site a reference site. We deliver our services with Pride, Professionalism and Passion.

DIGITALIZATION

Quant is focused on developing its current digital toolbox to expand into analytics and artificial intelligence. Our goal is to maintain our position at the forefront of digital technology for industrial services.

SALES

We customize our value proposition, tailored to the needs of each customer. Additionally, we expand our strong sales team to generate more opportunities and increase sales.

PROFITABILITY

The result of satisfied employees, high operational performance, digitalization and strong sales is improved profitability. Our aim is to achieve profitability above industry average.

OFFERING

Quant is a leader in the global industrial maintenance services market, working in almost every industry.

The core of Quant's value proposition consists of improving safety (management, culture, results), creating organizational equity (organizational clarity and efficiency, plus trained, empowered, and motivated employees), driving plant performance (systematic loss elimination generating "tons out the door"), and cost alignment (matching total maintenance cost with customer strategy). The approach is to view the maintenance function as a profit contributor, and not as a cost center, with Quant as the partner driving this transformation.

Quant services are not one-size-fits-all, the they are offered and designed through tailored Quant-Customer partnerships, emphasizing shared risk and return, common objectives, and a contract structure (scope, commercials) linked to each unique customer situation.

Generally, there two main categories of Quant-Customer maintenance partnerships:

In the first category, which can be seen as a form of business process outsourcing, Quant takes on the maintenance management responsibility for plant ("four walls" scope), coupled with the provision of maintenance engineering, planning & scheduling, and execution services. Maintenance related material and sub-contracting can either go through Quant's books, or the customer's. The pricing model is either fixed price or cost-plus (or a combination of the two), preferably combined with key performance indicator based benefit sharing model, for alignment of objectives.

In cases where the customer wants to retain the maintenance management responsibility, Quant focuses on maintenance execution for the plant, coupled with team scheduling and team management, while most engineering and planning remains with customer. Here the commercial models are also always tailored to the specific customer situation.

Additionally, Quant can also take on smaller scope such as maintenance of non-core processes and equipment categories, such as utilities and facilities.

STEPS TO SMART MAINTENANCE

SMART MAINTENANCE
Concepts & Tools
- Intelligence & Big data Analytics
- Multi-site maintenance optimization
- Advanced maintenance tools

PLANT PERFORMANCE FOCUSED MAINTENANCE
Concepts & Tools
- Predictive maintenance
- Reliability-centered maintenance
- OEE analysis
- Visualized & distributed maintenance KPIs, joint reviews & planning

AVAILABILITY FOCUSED MAINTENANCE
Concepts & Tools
- Safety system
- 5S
- Preventive maintenance
- Root cause analysis
- Maintenance planning (MMMP)
- Maintenance management system (CMMS)
- Training and knowledge management

BASIC MAINTENANCE
Concepts & Tools
- Reactive maintenance
- Skilled maintenance professionals
- Regulatory maintenance
- Safety according to regulations

THE JOURNEY TO A PARTNERSHIP

Strong safety results, maintenance cost optimization & improved plant performance

A partnership starts with a review of the customer's current maintenance maturity and their needs. Quant takes the customer on a journey by putting basic maintenance such as skilled maintenance professionals and a good safety practice in place before moving up through availability focused maintenance and plant performance focused maintenance to reach the goal of smart maintenance. This journey drives strong safety results, maintenance cost optimization and improved plant efficiency.

FEASIBILITY STUDY		BUSINESS CASE		PARTNERSHIP
Preparation form a hypothesis	Conduct study on site	Develop business case	Customer presentation	Contract signing and partnership
• Request for operational and financial data • Establish preliminary customer improvement areas (efficiency, cost optimization) • Create draft partnership solution hypothesis	• Audit maintenance processes on site • Interview key personnel on site • Benchmark performance against Quant´s database of historic feasibility studies (1200+ studies) • Analyze improvement potential • Safety • Overall equipment efficiency • Cost optimization	• Finalize feasibility study • Develop a business case, often jointly with dedicated customer representatives • Develop Quant´s partnership proposal	• Present result of feasibility study and business case • Organize a reference site visit to an existing Quant customer • One-on-one time with existing customer • Present Quant´s partnership proposal to customer decision makers	• Sign letter of intent (LOI) • Sign maintenance agreement based on Quant´s proposal • Mobilize site and initiate the journey with Quant

Quant go to site to review the state of maintenance operations, operational and financial data. We identify strengths and improvement potential for both productivity and maintenance. The outcome is benchmarked against our database of feasibility studies to find a challenging but realistic target for plant performance versus maintenance spend.

Quant develop the business case, often jointly with dedicated customer representatives. The result of the feasibility study and the business case is presented to the customer. Often a site reference visit is organized, where a potential customer can visit and talk to an existing Quant customer about their maintenance journey with Quant. A partnership proposal is presented to the customer.

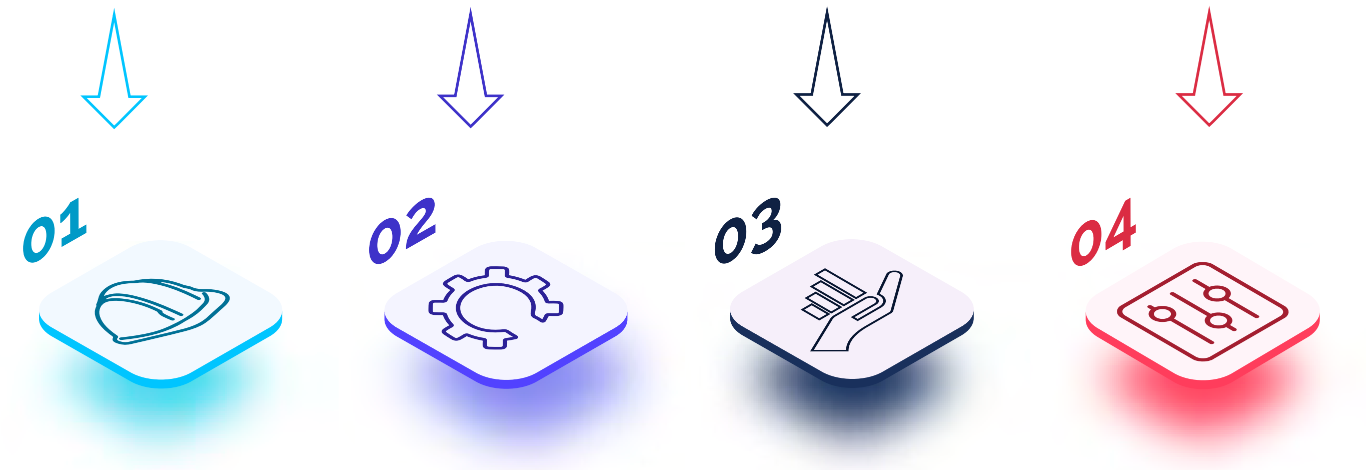
A letter of intent is signed. A maintenance service agreement based on Quant's proposal is signed. The site is mobilized, and the customer has initiated the maintenance journey with Quant.

A LONG-TERM MAINTENANCE PARTNERSHIP WITH QUANT LEADS TO TANGIBLE RESULTS

Quant partners with customers for success – improving business as well as people and company culture

QUANT SMART MAINTENANCE

SAFETY STEWARDSHIP	SKILLED EMPLOYEES AND LEADERSHIP	PROVEN MAINTENANCE PROCESSES	DIGITAL TOOLS AND INTELLIGENCE



Outcome	ENHASED SAFETY CULTURE	OPTIMIZED COST	IMPROVED PLANT PRODUCTIVITY	BETTER CONTROL AND TRANSPARENCY
Tangible results	Δ Decrease in recordable accidents Δ Availability increase Δ Reduction in production downtime	Δ Optimization of maintenance cost Δ Increased preventive/ corrective maintenance ratio	Δ Overall Equipment Effectiveness (OEE) increase Δ Higher plant availability Δ Higher plant performance	Δ Improved analysis and monitoring of granular data Δ Increased employee satisfaction (eNPS) Δ Increased customer satisfaction index (cNPS)

DIGITAL TOOLS FOR OUTSTANDING PERFORMANCE

Digitalization is a key differentiator between outsourced and in-house industrial maintenance. The underlying technology is developing very fast, making in-house development challenging.

Quant has the capability to identify, integrate, and apply new technology and solutions, in an agile and cost-efficient manner. Having a distinct and developed digital portfolio creates value for both our customers and for Quant.

DIGITAL TOOLS SUITE

quantEffect
- Accurate and automatic measurement of OEE (Overall Equipment Effectiveness)
- Cloud based solution with user friendly interfaces, including on your mobile
- Scalable from a single machine up to multi-site production plants
- All industries supported
- Quick and easy implementation

quantPredict
- Cloud based condition monitoring system
- Supports various sensor manufacturers
- Supports various sensor types (vibration, pressure, temperature, current)
- Alarm limits for multiple machine health parameters
- Automatic email notification
- Automatic notifications to various maintenance (CMMS) systems
- Running time based maintenance support

quantWorx
- Improved operational efficiency
- Decreased administration activities
- Extended interface towards Operations
- Improved data management quality
- Convergence of information on a single support
- Transparency increased
- Opportunity to detect and highlight potentialities and new opportunities

quantShield
- Empowers the safety culture
- Gives instant information around safety hazards
- Simplifies continuous improvement and knowledge sharing
- Increased transparency and performance management

quantNumbers
- In-depth analysis of operational and business data
- Can be delivered to customers own business intelligence system or viewed through Quants selected software
- Complete key performance indicator management

SUSTAINABLE QUANT

How a company operates in relation to ethical, social, environmental and economic aspects should be fundamental for any company. At Quant, sustainability is considered in everything we do: how we design our services & offerings, how we engage suppliers, how we assess risks and opportunities, and how we interact in the communities where we operate. We have defined processes which corresponds to key areas of sustainability: Occupational Health and Safety, Environment, Integrity and Business Ethics, and Quality. The Quant process is aligned with the UN Sustainable Development Goals.

Sustainability is core to Quant's service offering. This means that sustainability is considered in processes, methods and policies. It is the basis for how we conduct business.

Our approach comes from our more than 30 years of experience, and uses the skills and knowledge of our employees, coupled with proven maintenance processes and digital tools for our customers' benefit. At every plant we want to continuously improve safety, operational, environmental and financial performance.

We operate in close partnerships with our customers, some spanning more than 20 years. These partnerships enable us to make long-term plans for plant improvement and sustainable solutions. This includes building up the safety culture, optimize maintenance cost, and improve production efficiency.

People are at the core of our business

Our business relies on our passionate, professional, and proud employees. We actively work to develop our employees' skills and know-how. Quant Academy, our learning platform, offers a range of training sessions and programs for all employees. In all our operating countries we ensure compliance with local requirements and update our staff on the latest industry standards.

We maintain a flat organization and we encourage open dialogue between all levels in the organization. Our employees are the ones improving our processes and systems, ensuring that we find practical and efficient, and sustainable, solutions for our customers' needs.

Reliability maintenance engineering contributes to sustainability

Key to the reliability maintenance approach is understanding how the plant operates. To increase plant reliability we review everything from maintenance history to current maintenance practices and operations. A maintenance plan is developed and refined to support the journey towards improved technical availability, plant performance, and energy efficiency. Reliability maintenance also helps our customers extend the lifetime of their plants and equipment. Planned preventive and predictive maintenance contributes to cost and resource efficiency by reducing equipment failures and corresponding repair costs. This in turn helps to optimize inventory levels as well as decreased environmental impact.

Plant performance improvement through digitalization

A continuous improvement of the customers' plant performance is integral to Quant's maintenance partnership. The basic elements include 5S (proper cleaning, housekeeping, and organization) as well as RCA (root cause analysis), the latter aimed at finding and eliminating repetitive faults and failures. Overall, plant performance improvement aims at improving the effectiveness of existing production facilities, resulting in higher and better quality output, energy efficiency, and reduced resource waste. We do this by focusing on improving our customers' overall equipment effectiveness (OEE) as well as technical availability. This is achieved by systematically identifying and eliminating losses, which reduces downtime, increases average production rates, and improves yield and output quality. The same approach applies to energy efficiency, thus reducing emissions and waste.

Quant's digital offerings provides a broad variety of tools, built in proven methodologies and new technologies, which we adapt and apply in order to generate customer value. We combine leading maintenance practices with state-of-the-art digital tools, such as quantEffect and quantPredict. The tangible outputs of this approach include higher OEE and production output, lower emissions, lower unit cost, added contribution.

Quality in operations through standardized approach

Quant group follows common policies such as our Code of conduct, Occupational health and safety policy, Environmental policy and Quality policy. We maintain standardized operational processes and use quality assurance methods such as regular internal audits, customer & employee feedback collection, and resulting improvement actions, to ensure an efficient and sustainable business. These processes contribute to the overall development of our operational model, organization and strategy. Moreover, most of Quant's subsidiaries hold ISO certifications.

For more information about Quant's sustainability work read the 2020 Sustainability Report. The report can be found on **quantservice.com**.

SAFETY - OUR CHOICE

Quant was born with safety as part of our DNA. We have developed and implemented a comprehensive set of safety procedures and processes, which is being continuously improved. This work helps us in our work to improve our safety culture, and thus to reduce the number and severity of work-related incidents. Although we are at a good level, compared to our peers, we still have quite a way to go to reach our ultimate target: zero incidents.

Some of the main elements driving Quant's safety culture:

- Drive safety awareness and behavior with the Quant Life Saving Rules
- Analyze and learn from all safety events, such as hazards and incidents, and use learnings for our preventive safety work
- Always walk the talk, from top floor to shop floor

To support these elements, Quant maintenance professionals use quantShield to collect and report all safety related incidents and activities. This application is adapted and implemented to reflect Quant processes. quantShield is accessible by both mobile phones and computers. It supports the main safety pillars by providing easy to use interfaces, workflows and reports. Moreover, customers can utilize this information source to improve plant safety.

With quantShield we manage:

- Hazard and incident reporting and follow-up, related to work safety, psychological, environmental, and hygienic events
- Safety observation tours (SOTs) for managers or supervisors
- Work clearance procedures
- High risk checklists

Safety data for several years is available in the system and multiple safety campaigns have been triggered based on common events or observed risks. In 2020 the main Quant Group focus was to reinforce Quant Life Saving Rules. It is an essential element in driving safety culture improvement by clarifying basic expectations for work in areas exposed to high or common risk factors.

2020 was an exceptional year as COVID-19 changed a big portion of the way we plan and carry out our services. Introduction of certain countermeasures resulted in some cases to new hazards, such as fogged goggles. Extensive home-office use added risks for related physical and psychological hazards.

Reports from quantShield are used in customer, management, and shop floor meetings to share and learn. Quant safety key performance indicators are measured and monitored, and trends are turned into improvement programs and initiatives.

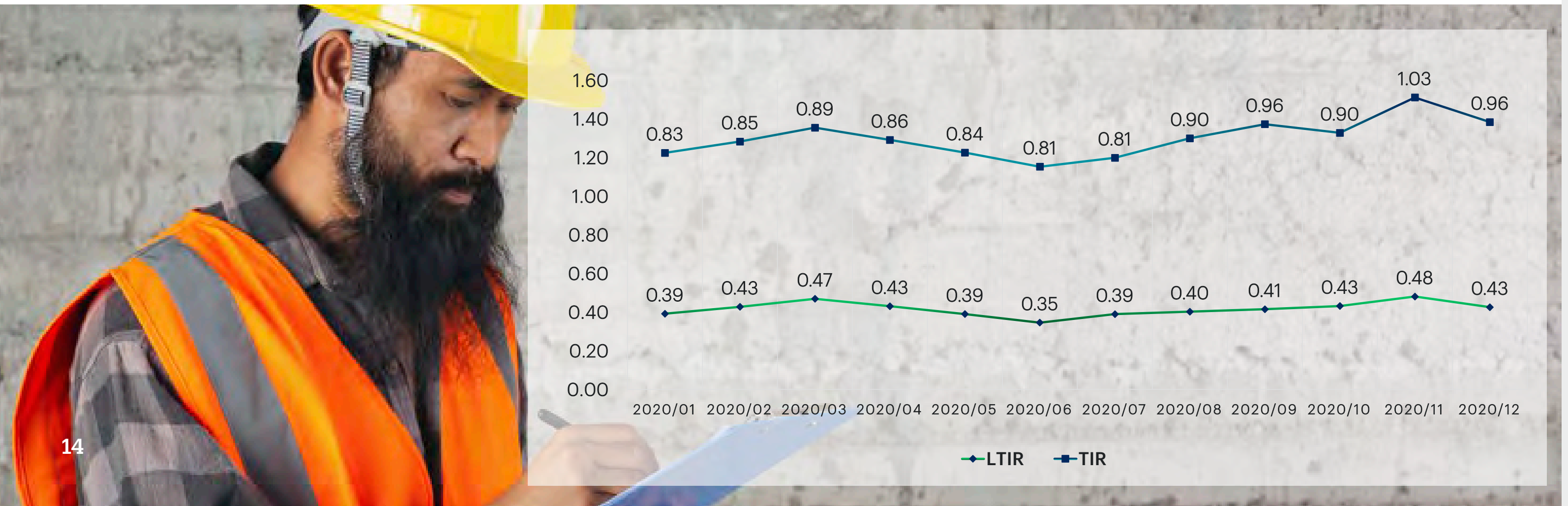
The most important Quant safety key performance indicators include Lost Time Incident Rate (LTIR) and Total Incident Rate (TIR), which both showed a slight negative trend in 2020, in part due to integrating new sites/people, as well as the effect of discontinued businesses.

The strategic Quant Group targets for LTIR is 0.12 (0.96 in 2020) and for TIR 0.30 (0.43 in 2020). Hence, we are not where we want to be and several initiatives, new and old, are in place to improve. However, Quant's TIR and LTIR performance compares favorably compared with its peers; for example, in 2019 US manufacturing industry TIR average was 3.30 and US maintenance and repair personnel LTIR was 2.05.

In conclusion, in Quant we are convinced that all incidents are preventable and therefore our continued focus is on driving a proactive and collaborative safety culture, targeting zero incidents!

QUANT LIFE SAVING RULES

- Risk Assessment
- Work Permit
- Personal Protective Equipment
- Lockout-Tagout
- Atmospheric Testing
- Fall Protection
- Hanging load
- Moving Vehicles
- Safe Driving



JOHAN HÅRSTA

CHIEF OPERATIONS OFFICER (COO)
HEAD OF GROUP SAFETY

Our vision statement reads: ***"Smart Services for a Sustainable World"***. For us, these are not empty words, nor a meaningless slogan, they have true meaning. For us, safety, integrity, quality, people empowerment, and stewardship of resources, are essential aspects of Quant's operations. Based on that foundation we work hard to add value to our customers, both intangible values such as people empowerment, and tangible values such as plant performance.

What Quant offers to its customers, in any country and any market, is more than hands-on technical maintenance services. It includes management, planning, engineering, reliability, root cause analysis, 5S, and more, as well as values such as optimized cost and increased overall equipment effectiveness (OEE). But first of all comes safety – our own and the customer's.

Fundamental human concepts and values are essential: I believe that safety, integrity, and respect for all stakeholders must be in place at every successful company, Quant included.

In Quant "safety is our choice", which means that operations and safety are always interlinked, and that all of us share the belief that all injuries are preventable. Moreover, our customers expect and demand a strong safety culture. Having safety as a cornerstone in the development of our operational processes is thus crucial!

Our priorities going forward are to enhance our sustainability work even further, for example in terms of pro-active work (such as safety observation tours and safety trainings), as well as in terms of measuring and managing environmentally related key performance indicators (so as to get a better view of the values we create). Our key objectives are zero harm, value generation, and people development.

*"Our vision statement reads: **"Smart Services for Sustainable World".** For us, these are not empty words, nor a meaningless slogan, they have true meaning."*

SAFETY ACHIEVEMENTS BY QUANT AMERICAS

Safety is a key pillar of our company. For that reason, at all of our on-site operations and offices we are providing safety training and look for opportunities for improvement and best practices to demonstrate that it is possible to provide asset management services under the highest safety standards.

As such, we are proud to announce that we have completed more than 3,000 days with zero lost time accidents at our operations in Hitachi ABB's Guarulhos plant.

To achieve this milestone, the Quant Brazil team has implemented a continuous improvement plan for occupational safety management in recent years. The People & Safety area is continuously developing plans to increase awareness of the correct use of tools and requirement to use personal protective equipment when carrying out all maintenance tasks, with an emphasis on safe behaviors and self-care.

This milestone of eight years with zero accidents has been achieved thanks to the commitment of all our employees to their own safety and that of our team.

At Quant Americas we register, in some contracts, over 25 years without Recordable Incidents in industrial plants, and 15 years with the same record, in mining operations.

PEOPLE & CULTURE

We believe that maintenance is a people's business. This means that our people, their professionalism, and our service culture is crucial to our success.

To make sure we get feedback from employees we conduct an annual employee engagement survey and based on this feedback we make action plans to improve conditions for our employees and developing the company culture, making Quant the employer of choice.

Another way we engage with the employees is the Personal Development Plan discussion between an employee and his superior. This way we make sure we capture the needs of each individual and can create programs for competence development.

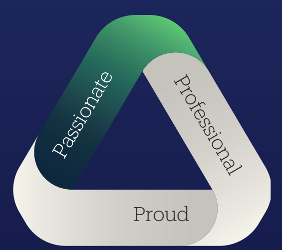
Continuous development of skills, competence and leadership is important and our training portal, which we call Quant Academy, enables our employees to grow, develop and reach their full potential.

We believe in recognizing individuals and teams who performs exceptionally well. Through our Quant Awards program we award, annually, employees in 5 different categories:

- ***Safety***
- ***Customer Service***
- ***Collegial Support***
- ***Sales***
- ***Innovation***

Nominations can be suggested by anyone in Quant and we had for the 2020 awards more than 100 nominations.

OUR VALUES



We are passionate

We are excited about the potential of maintenance and work hard to realize it.

We are professional

We know what we need to achieve, and have the capabilities and attitude to achieve it, safely and efficiently.

We are proud

We value the satisfaction that comes from acting with integrity and achieving our goals.

KELLY STARLING

COUNTRY OPERATIONS MANAGER

21 YEARS AT QUANT

"It is challenging sometimes, which gives you opportunities to develop"

Kelly Starling has been working at Quant for 21 years. Starting as a Maintenance Engineer, he has had several different roles during these years. In 2019, Kelly moved from Brazil to Spain, where he is now working as Country Operations Manager.

According to Kelly, there are both differences and similarities working in Brazil compared to Spain. His role and the business activities are quite similar but moving to a different country has required him to get used to a different way of working and learning to adapt to a new culture.

"Visiting is one thing but living in a different country gives you the real experience. In my opinion, some of the biggest benefits are that you get to know a new culture, grow professionally, visit amazing new places and make new friends," Kelly says.

Moving to another country has also been a valuable learning experience, both professionally and personally.

"The most important lessons I have learned so far is that to develop your competence, you must adapt quickly and be happy with your new way of life. Also, you will learn to give more value to certain things that seemed common in your previous experience, such as your country and close contact with family and friends."

Kelly believes that Quant is the place to be if you want to have the chance to develop at work. "Quant's service model gives us a freedom to develop our competencies while we are running partnership business with our customer. It is challenging sometimes, which gives you opportunities to develop," he says.

Occupational safety is caring

Risk assessment is a cornerstone of occupational safety and is of great importance for a safe working environment. Negligence can endanger another person, so no one should take unnecessary risks at the expense of their own or another person's safety.

Taking care of the safety and well-being of employees is the most important task of every supervisor. This is obliged by legislation, partners and the risks in the workplace. However, you recognize a good supervisor by the fact that the promotion and monitoring of occupational safety starts with true caring, not obligations.

This is how everyone should work on site. Taking care of occupational safety must be based on the desire to safeguard both one's own safety and that of one's co-worker. Although the supervisor ultimately bears the responsibility, each employee makes the choice independently and assesses the risks when starting the job.

By supporting and encouraging employees to develop their safety thinking, the employer has succeeded in giving them the courage to intervene in unsafe conditions or working practices. This also means improving work efficiency and inevitably the quality of work, as well as the commitment of staff to the company. In this way, the employee can carry out his or her own work with the best possible result, which means that both individuals and the company are satisfied. In this case, we can really talk about the staff as the greatest resource of the company. Occupational safety is caring.

IIRIS PAAVISTO

SAFETY MANAGER, FINLAND & BALTICS

21 YEARS AT QUANT

AMERICAS

2020 will be a year to remember, not like any other for special events or life experiences, but for the first Pandemic lived for many generations and the unexpected consequences that have arisen around the world. Quant was not an exception and many of our clients had strategic problems to continue working or were seriously affected by health measures or lockdowns imposed in every country. We had to deal with delays in project work and investments that were put on hold. In the end we succeeded working as a team, driven by our vision of providing smart services for sustainable world.

Now that we look back on the year, we can feel proud of all that we have gone through, the effort, strength displayed and the emphasis on people: always ensuring the highest standards for health and safety on our operations, keeping under control the risk of spreading corona virus, and when that happened, giving support to the ones affected.

Although the virus might have an impact on sales, we have been able to start operations in Peru. We were also able to continue creating business opportunities with renewals and new contracts in Chile, Brazil and Peru.

We also reaffirmed our commitment to sustainable growth, in terms of energy saving, costs reduction, and corporate social responsibility. One example has been the Technical Workshop organized by Quant in La Calera with Cementos Melón. Some of these students are now doing the internship with Quant in that site, which demonstrates our commitment to and positive impact on the community.

In Quant, we launched the initiative Safety Without Borders, with the aim to optimize all the limited available resources. We empowered our employees to take care of one another without differentiating between Quant employees and the competitor's employees in the same areas, and in this way we decreased the risk of spreading Covid-19 at the sites.

In order to ensure the continuous improvement of our processes and strategic vision, and maximize the potential of maintenance and asset management, during the year we encouraged and promoted the use of our digital tools so we can support our customers in a more efficient and effective way.

With all these challenges we faced during 2020 the financial results were not what we were expecting. Our team worked hard focusing on safety, operations, processes and sustainability throughout the year and we are now prepared to face future endeavors with more energy to show once again that we are professional, proud and passionate!

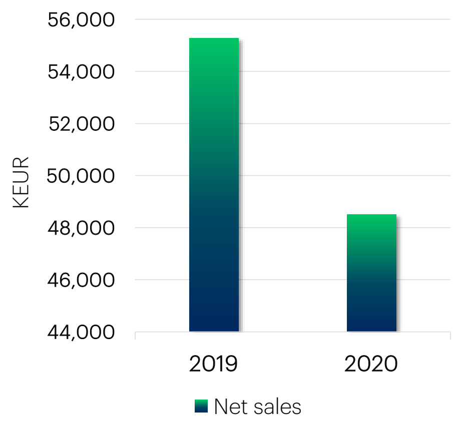
AMERICAS

KEUR	2020	2019
Net sales	42,512	55,280
Operating profit (loss)	1,647	6,932
Adjusted EBITDA	2,177	7,812
Adjusted EBITDA %	5.1%	14.1%

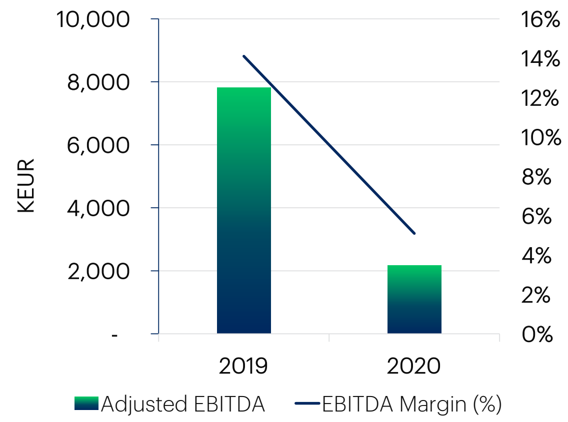
Net sales 2020 decreased to EUR 42.5 million, from EUR 55.3 million prior year, mainly due to two lost contracts in Chile and Mexico, and lower revenue from a Chilean contract.

Adjusted EBITDA 2020 was EUR 2.2 million, down from EUR 7.8 million. This was due to one-off costs of EUR 2.0 million relating to a demobilization of a Chilean contract, decreased profitability at sites in Chile, mainly from the lost contract and Covid-19 effects, as well as lower overhead costs due to the transformation program. This was partly compensated with better profitability in Brazil.

NET SALES



EBITDA & EBITDA MARGIN



"Quant is a key partner and we feel that we can rely on you"

The professionalism shown by Quant Americas and the best practices that we implement in our operations do not go unnoticed. This has been key for our Quant Dow Aratu team to receive a 100% customer satisfaction score.

The employees at this site are a faithful representation of our mission to "generate outstanding customer value through smart services, cost efficiency and plant performance improvement in a safe and sustainable way".

We aim for our employees to make their mark in the places where they work. We are passionate about developing the full potential of maintenance. We are professional, we know what we are trying to achieve, and we have the ability and attitude to attain our objectives.

"It gives us great confidence"

We are also proud, as we value the satisfaction that comes from acting with integrity and achieving our goals.

"Quant provides one of the most critical teams for our plants' operations, as it is responsible for preventive and corrective maintenance. Seeing the stability in our service gives us great confidence. Quant is a well-structured company with a focus on the client and service quality," says Juliana Picolo, Dow Brazil contract operations manager.

At Quant Americas, we value teamwork, and encourage it in all our operations and among all employees who form part of the organization.

"Quant has excellent internal communication between teams. We have identified some highly beneficial opportunities, not only in maintenance, but also in areas such as infrastructure and projects", says Juliana.

"Highly committed to safety"

Constant communication, clarity in the expectations for both sides, metrics aligned with the client's objectives and continuous review are fundamental for successful collaboration, she noted, and at Quant Americas we are working hard to make sure this is the case. Juliana also highlighted the value that we place on sustainability, which has been incorporated in our vision and mission:

"Quant is a key partner for the sustainability of our business, and we feel that we can rely on you."

With regards to sustainability, one of the cornerstones of our approach is the high safety standards under which Quant Americas operates. We are committed to ensuring and protecting the health and safety of all our employees. In this way, we are able to manage our assets efficiently and optimize our operations.

"The team is highly committed to safety. They work with a large group on a continuous shift, and even so they are able to maintain safety standards in their operations," highlights Juliana.

EUROPE

We started 2020 with finalizing the transformation program, meaning that Finland and Baltics were carved out as a separate region and the previous region Scandinavia was merged with Switzerland, Spain, Poland and Czech Republic to form the new region Europe.

Since the start of Quant, safety has been key area for us. It is our choice, and our aim is zero harm. During 2020 we have worked continuously to strengthen the safety even further within the region, and we have also seen several good examples of safety improvements. One of them at our site in Västerås, Sweden, where we during the year exceeded 5,000 days without lost time incidents. Another is in Ludvika, Sweden, a big project for implementing lockout-tagout process on site is ongoing.

Covid -19 has impacted our business in Europe. Especially during the spring, it was very difficult to get in contact with customers because of the pandemic. Some of our customers were hit hard by Covid-19 and when they are suffering and having challenges with their order intake, it also affects us.

One of our customers, NKT, has decided to insource its maintenance on five sites after the successful transformation of maintenance operations performed by Quant. The decision concerns five sites in Sweden, Poland, Denmark, and Czech Republic. Quant continue to be responsible for maintenance at the NKT site in Karlskrona. After three years of partnership, Quant and NKT have achieved main agreed objectives. The objectives were to leverage on Quant's proven maintenance concept to enhance safety culture and performance, increase technical availability for bottleneck machines and improve total maintenance cost per ton produced per site. We are very proud of the successful work done by our employees.

Despite challenges due to the pandemic, we are proud of the regional financial results for 2020. We have renewed several partnership contracts during the year. One of them was the partnership contract with Lantmännen Unibake Sweden in Örebro, Mantorp and Huddinge, which was renewed for another three years. In Figeholm, Sweden, the partnership with ABB was renewed for another five years.

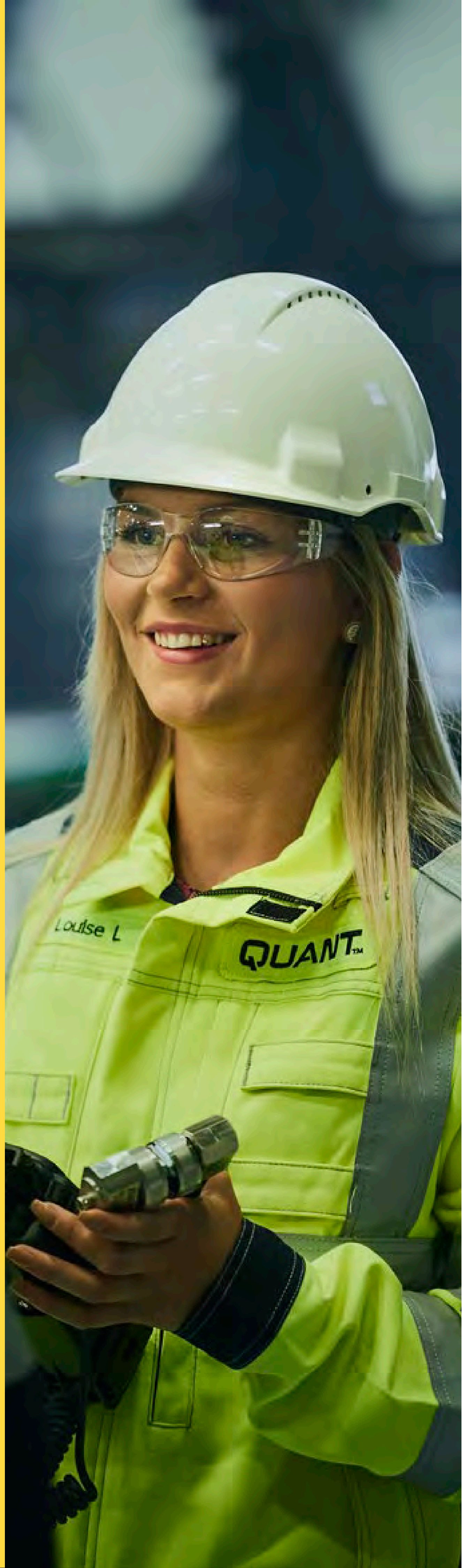
We have not only been successful in keeping existing contracts, we have also started two new partnerships in region Europe. Our biggest achievement was the agreement with Alcoa in Norway. On December 1, 2020, the contract started, and 136 employees were transferred to Quant. Norway has been on our strategic map for some time and this success was an important step in the process of increasing our presence in the country.

Another sales win was in Sweden. On December 1, 2020, we started the new five-year contract with Spaljisten in Åseda. This partnership is an important part of strengthening our position as a leading service provider in the maintenance industry and we are looking forward to continuing the cooperation in the years to come.

In region Europe, we employ 540 people, spread throughout seven countries. Our customers are located throughout region Europe, and several of our partnerships began many years ago.

Through smart services and cost efficiency, we strive to generate outstanding customer value in our partnerships and to improve plant performance in a safe and sustainable way.

We tailor our offering and business model to meet and exceed our customers' expectations and as a global leader in industrial maintenance, we have the resources and experience needed to deliver world-class services to our customers.



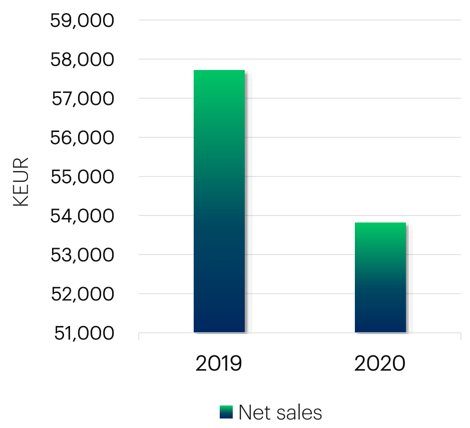
EUROPE

KEUR	2020	2019
Net sales	53,814	57,717
Operating profit (loss)	5,056	2,127
Adjusted EBITDA	5,303	2,893
Adjusted EBITDA %	9.9%	5.0%

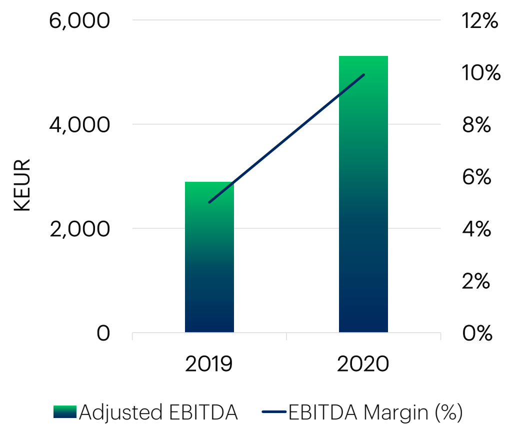
Net sales 2020 decreased to EUR 53.8 million from EUR 57.7 million prior year due to one lost contract with high revenues but low profitability and one contract with lower scope during 2020.

Adjusted EBITDA 2020 was EUR 5.3 million, up from EUR 2.9 million, due to an improved gross profit as an effect of improved performance in some of the existing contracts and loss of an unprofitable contract, and the addition of new sites as well as an effect of lower overhead costs as an effect of the transformation program.

NET SALES



EBITDA & EBITDA MARGIN



"We should always work safely"

At Quant's site in Ludvika, Sweden, a project for implementing a lockout-tagout procedure for all areas of the site has been initiated. Just over halfway through the project, Benita Padam, Quant maintenance engineer, can see several advantages from the implementation:

"The result from implementing lockout-tagout is that there will be fewer accidents, a safer workplace, and that our safety culture is further strengthened."

Quant's partnership with Hitachi ABB Power Grids in Ludvika goes back to 2006, when the original contract started. Operations at this site includes development and manufacturing of large power transformers and high voltage products, as well as high-voltage direct current systems for grid interconnections, offshore wind connections etc.

A good and safe working environment is an important strategic issue for Hitachi ABB Power Grids. Close co-operation with suppliers is a natural way of working in their organization.

Safer working environment and reduced costs

Quant started this project together with the customer, with the aim of implementing the lockout-tagout procedure in all areas of the plant. The purpose of the LOTO approach is to implement the practices and procedures necessary to disable machinery or equipment, thereby preventing the release of hazardous energy, while employees perform servicing or maintenance activities.

Benita Padam, Quant maintenance engineer in Ludvika, highlights several advantages of implementing lockout-tagout on the site. Mainly from a safety point of view – but there are also several other positive effects.

"It becomes clearer who is responsible for doing what and how a job should be carried out. In addition, maintenance work becomes more efficient, leading to reduced costs when the machine is not out of use longer than necessary."

"Highly prioritized at Quant"

The implementation of lockout-tagout on the site has taken place area by area. After the instructions for each area have been written, verified, and collected at the lockout-tagout station, training with the relevant contact persons at Hitachi ABB Power Grids is held.

Trainings are also carried out with Quant employees to ensure that knowledge is kept up to date and to maintain a good safety culture.

"To me, it is essential that we can ensure good routines for a safe disconnection of energy, with clear instructions for all employees. We should always work safely so that everyone can go home healthy and unharmed after the working day, for which this lockout-tagout project really contributes," says Jens Langörgen, Site Manager at Quant Ludvika.

FINLAND & BALTICS

The year 2020 started with the finalization of a merger of legal entities belonging to Sataservice (acquired in 2018) into Quant Finland Oy. The internal merger and integration of system was successful and beneficial for Quant and mark the final chapter in the integration of Sataservice into Quant.

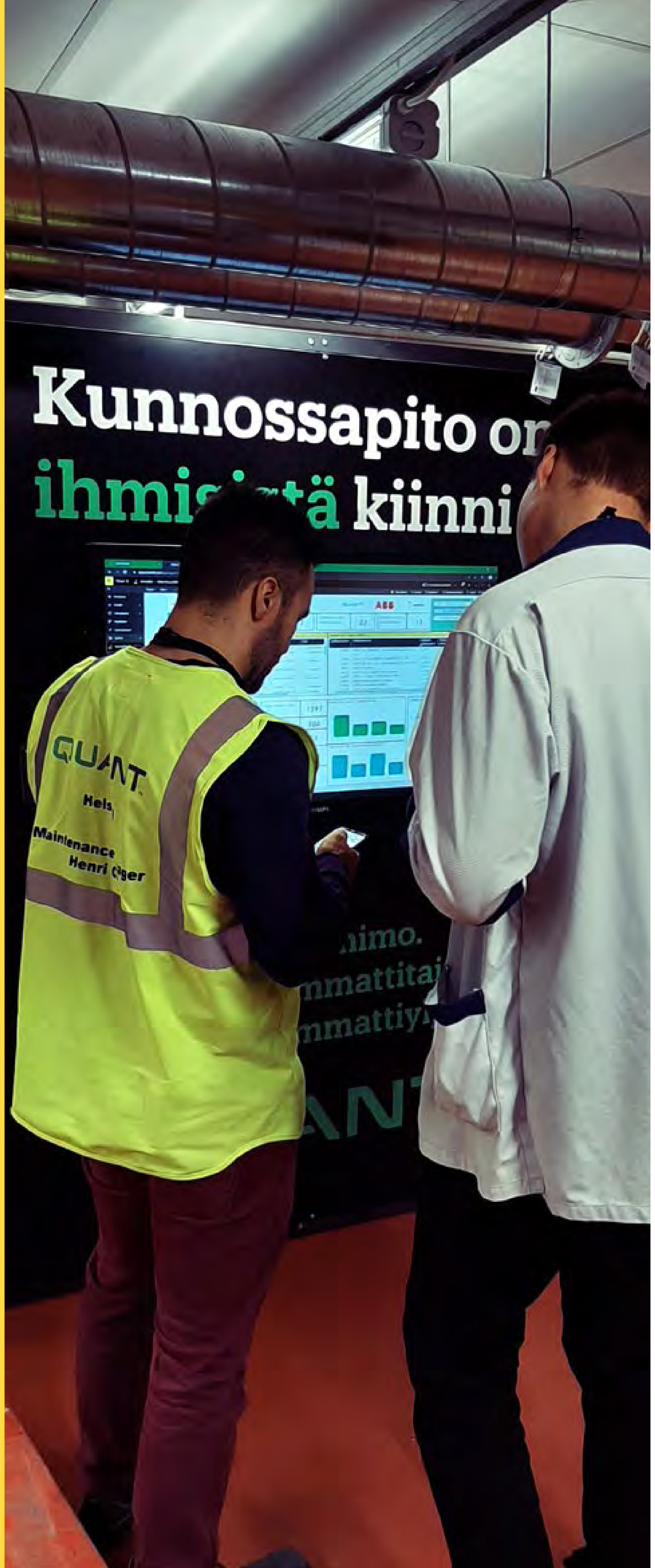
At the beginning of the year we also mobilized a large partnership agreement with Lantmännen in Finland and Estonia covering ten factories. The contract was awarded at the end of a tender process and complements the maintenance partnership agreements that Quant already had with Lantmännen in Sweden. Extending the partnership brings new synergies and added value for the benefit of the customer.

Quant Finland & Baltics has continued to work to improve our partnerships throughout the year. This has led to several renewals of contracts, but also to a decision to divest one contract and to exit unprofitable contracts. The COVID-19 pandemic has impacted the general business outlook and Quant has worked closely with our customers to minimize the risk of spreading the virus and the impact on operations from the change in business sentiment. The pandemic has also affected our sales process since it has been challenging to meet customers in person.

Region Finland & Baltics have more than 600 employees with customers in both Finland and Estonia. The majority of the business is in Finland, where the regional management team is also placed. We have long partnership contracts in both countries, some with a duration in excess of 20 years. The key driver for our business is to deliver outstanding customer value through smart services by increasing the plant performance improvement in a safe and sustainable way.

The landscape of industrial maintenance companies in Finland & Baltics has changed during 2020 through consolidation of competitors. Quant is seen in this market as an agile and independent company, with a great amount of experience in delivering maintenance services to our customers.

Safety is a cornerstone on our corporate culture world-wide, so also in Finland & Baltics. We want all of our own employees, subcontractors and customers to finish the work day without injury.



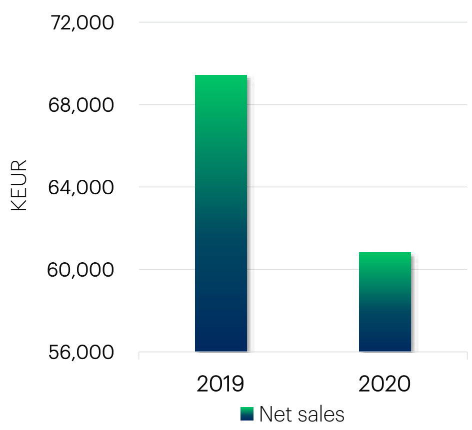
FINLAND & BALTICS

KEUR	2020	2019
Net sales	60,822	69,427
Operating profit (loss)	1,283	987
Adjusted EBITDA	1,817	2,415
Adjusted EBITDA %	3.0%	3.5%

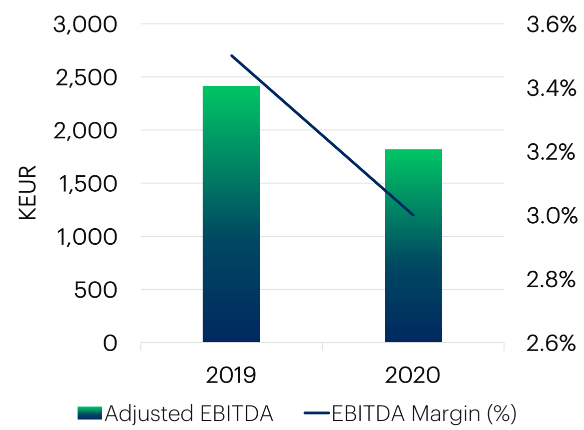
Net sales 2020 decreased to EUR 60.8 million, from EUR 69.4 million in 2019, due to lost or exited contracts, decreased scope in certain contracts and low revenue in the field service business in Finland, partly compensated with revenues from a new contract.

Adjusted EBITDA 2020 was EUR +1.8 million, down from EUR +2.4 million for the full year 2019, due to reduced scope in certain contracts, lost contracts, and lower profitability in existing ones as the cost level was high at certain sites. The lower profitability was somewhat offset by lower SG&A costs.

NET SALES



EBITDA & EBITDA MARGIN



Decreasing production losses and disruptions already during the first year

In Finland, we started 2020 together with our new customers Vaasan Oy and Cerelia Oy. During the year, we managed to take several steps towards increasing productivity and improving safety culture even further.

Vaasan Oy's units in Kotka and Kuusankoski, Finland, have succeeded in improving production efficiency, contributing to the reduction of production losses and disruptions.

Kai Renlund, Production Manager at Vaasa Kotka Bakery, about the cooperation:

"The collaboration with Quant has been constructive. We have analyzed the collected data together and have been able to take action based on facts, which has allowed resources to be allocated directly to the right actions. Operations have clearly improved with the start of our cooperation," he says.

"The journey is long, for sure, but our common direction is right. It is about continuous improvements, through which we move towards to our goals."

"Quant handled it in an exemplary manner"

At Cerealia Oy's production plant in Kotka, our customer selected one of our employees as the Employee of the month for August, which is a great indication that we have succeeded in our work. The award was given to Site Manager Juha Rasinmäki as well as his entire team. The customer was particularly pleased with the overall success of the summer shutdown.

"Quant's Kotka maintenance organization handled the summer production shutdown in an exemplary manner," says Ville Huovinen, Plant Manager of Cerealia Oy.

"During the outage, the planned work was completed, and any surprises were handled nicely. The start of production went better than ever."

Continuous developments of the safety culture

After the start-up of the cooperation in the beginning of the year, Rasinmäki moved from one of the Quant sites in Western Finland to be the head of the sites in Kotka and Kuusankoski.

"Good work has been done to improve safety throughout the first part of the year. We have been able to implement Quant's safety policies in the new unit and we can already see the results, he commented during the summer."

"We can only be proud of this development. Of course, there is still work to be done, but we are clearly moving in the right direction and everyone is committed to continuously improving the safety culture, which has been great to see," Rasinmäki adds.

REST OF THE WORLD

Early in 2020, our largest customer in China decided for strategic reasons not to renew the existing contract beyond the end of 2020. Following Quant's processes, a transition plan was agreed with the customer and successfully executed at the end of the year. The loss of contract led to a review of Quant's opportunities in the Chinese market and the decision that Quant execute a medium-term orderly exit from China starting in 2021 through divestment of a solvent liquidation. This decision is now in progress.

Our Quant Gulf (UAE) business progresses well with both an expansion of one contract signed in the spring and an extension of another contract into 2023 signed in the fall. This is testament to very satisfied customers and we can be comfortable that our operations at Quant Gulf will continue to perform at world class. Moreover, toward the end of 2020 we put the final touches on a new contract with Emicool, which is expected to be the first out of several for the same customer.

The COVID-19 pandemic affected also region Rest of World. In China we could see a slow-down in activities related to new sales, but fortunately no Quant China employee was infected and there was no material impact on the existing business. At Quant Gulf we experienced several Corona cases, both within our own employees as well as our customers. We had no fatalities so this caused some extra costs but no lasting material business impact. Sales activities were slow during the year, in part because it was in practice impossible to meet customers in person.

Region Rest of World consists of two Quant legal entities, Quant China (in People's Republic of China) and Quant Gulf (in the United Arab Emirates). These two organizations operate independently from each-other, while fully integrated into Quant Group and its processes, principles, and business models.

During 2020 Quant China had an average headcount of approximately 130. Its headquarters is located in Shanghai, where also most customer sites reside. The Chinese market for industrial services outsourcing is challenging and very much cost driven, while the partnership approach is not that widely adopted. Quant is now executing an orderly exit from the Chinese market.

Quant Gulf is a joint venture between Quant AB and Themaar Investments. Quant Gulf had an average headcount during 2020 of approximately 110. Its headquarters is located in Dubai, and the customer sites reside in either Dubai or Abu Dhabi. Although the concept of industrial services outsourcing is not the typical norm in the UAE, Quant Gulf has managed to gradually grow over the years with a number of very good references, and is thus well situated for accelerated growth over the next few years.

Safety is a cornerstone in the Quant corporate culture, including in Quant China and Quant Gulf. Our target is zero incidents. We want all of our own employees, subcontractors and customers to finish the work day without injury.

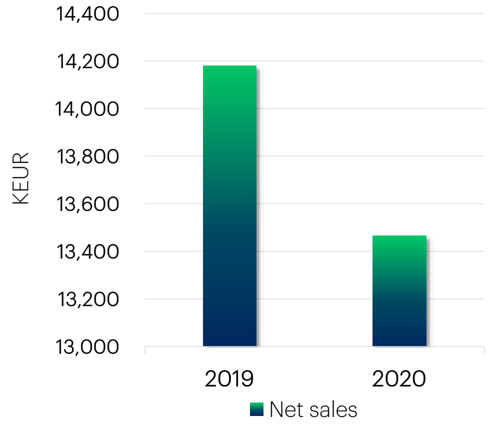
REST OF THE WORLD

KEUR	2020	2019
Net sales	13,465	14,179
Operating profit (loss)	425	481
Adjusted EBITDA	558	946
Adjusted EBITDA %	4.1%	6.7%

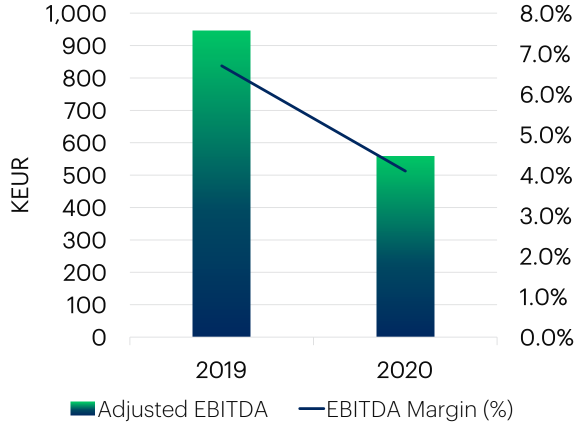
Net sales 2020 decreased to EUR 13.5 million, from EUR 14.2 million prior year, due to terminated contracts and revised scope in existing contracts.

Adjusted EBITDA 2020 was EUR +0.6 million, down from EUR +0.9 million for full year 2019. The lower result this year was due to lost sites in China, partly compensated with lower overhead costs due to the transformation program, whereas last year was positively impacted by a reimbursement of costs from an earlier contract termination.

NET SALES



EBITDA & EBITDA MARGIN



"Quant have outperformed our expectations"

Taweelah Aluminium Extrusion (Talex) plant is the largest aluminium extrusion plant in the Arabian Gulf, capable of processing 50,000 tons of aluminium per year. The plant went into production in 2015, with Quant as its maintenance partner.

Talex recently embarked on a project to move from Liquified Petroleum Gas (LPG) to Natural Gas (NG), in order to reduce gas consumption costs and thus to improve their competitiveness. Our customer showed trust in us and asked us to take up the challenge to deliver the project. With confidence, Quant took on the challenge.

The gas changeover project required Third party and government regulatory body approvals, thus we reviewed the statutory, legal and gas body requirements, and proceeded to prepare all action points to be addressed for the approval. All requirements and calibrations were met, the third-party certification process was completed, and finally project was approved.

Safety First!

Safety was of utmost importance, not only for Quant, but for everyone involved, not the least the Customer and for business continuity. Extensive discussions and brainstorming sessions took place with all stakeholders and team members to review Method statement, Risk assessment, and Control procedures. Training was done, roles & responsibilities were reviewed, and the various teams were assigned tasks and work leaders. A project review committee was put in place to review the project progress and challenges on daily basis.

Once execution was completed, we had a close-out meeting with the customer's management team where the project was reviewed with respect to plan, status, challenges, and future improvement actions, all documented in a project closeout report.

"Excellent job done by the Quant team"

The customer management team was extremely happy with the way the project was handled and appreciated our team's effort. Below is the feedback from the Talex CEO, Mr. Christian Witsch:

To the site team:

"Thank you very much for the excellent job done by the Quant team. You and your team have outperformed our expectations for this challenging project!"

To the Quant Management team:

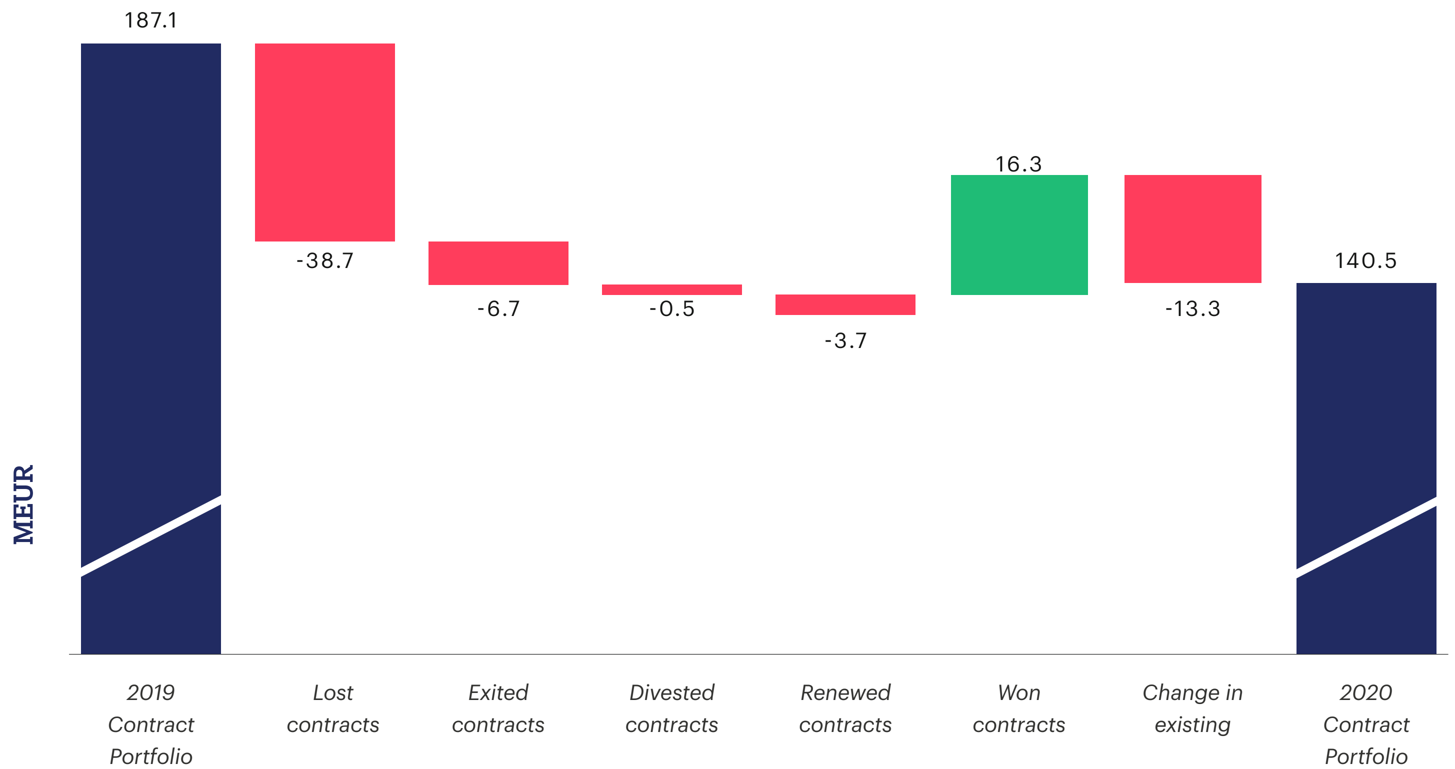
"Excellent job has been done by your team for the natural gas switch over project.

Lots of responsibility has been taken on by the Quant team since the original suppliers have not been on site. Your team has mastered this challenging project in an outstanding way."

CONTRACT PORTFOLIO

At 31 December 2021, Quant had 94 operational sites worldwide. A standard contract has a duration of three to five years, usually with extension possibilities after the initial period. In the maintenance contracting business wins and losses of contracts in the contract portfolio is a natural part of the business. New contract wins and losses of existing contracts do not coincide in the short term, whereby it is necessary to consider the long-term trend. Contracts with annualized net sales of EUR 45.2 million are scheduled for renewal in the twelve months from the end of 2020.

During 2020 nine new customer contracts with annualized net sales of EUR 16.3 million were won an twelve contracts were renewed with decreased scope of EUR 3.7 million. One contract with annualized net sales of EUR 0.5 million was divested, and six contracts with annualized net sales of EUR 6.7 million were exited. There was no combined negative effect on Quant's profitability from divesting and exiting these contracts. Eighteen contracts were lost with annualized net sales of EUR 38.7 million. The combined effect of these changes, including scope changes and exchange rate effects of EUR -13.3 million, amount to a decrease in the contract portfolio annualized net sales of EUR 46.6 million to end of year annualized run rate of EUR 140.5 (187.1) million. Of the total lost value, EUR 20.3 million came from six contracts lost and press released in the fourth quarter of 2020.



EXECUTIVE MANAGEMENT TEAM

Tomas Rönn

CEO

Nationality: Finnish
Location: Sweden
Qualifications/Education:
Extensive international experience in industrial business development, sales and operations with Wärtsilä, most recently as Vice President Americas for Energy Business based in Houston, Texas.
BSc, Electrical and Electronics Engineering

Johan Harsta

COO

Nationality: Swedish, Canadian
Location: Czech Republic
Qualifications/Education:
Broad international experience in process industry and maintenance management from 35 years with Quant, ABB, ASEA.
MSc, Engineering Physics, from Uppsala University.

Terese Holmqvist

GENERAL COUNSEL

Nationality: Swedish
Location: Sweden
Qualifications/Education: More than 15 years of experience of commercial law. Most recently from a Swedish leading law firm, Mannheimer Swartling.
Jur.kand and LL.M (Master of Laws).

André Strömgren

CFO

Nationality: Swedish
Location: Sweden
Qualifications/Education:
Long experience from finance positions (treasury, investor relations) in international companies within E&P Oil & Gas, White Goods and Pharmaceuticals.
BSc in Business Administration and Economics.

Terese Riddar

CPO (INTERIM)

Nationality: Swedish
Location: Sweden
Qualifications/Education:
Broad experience from senior roles in Human Resources and Project Management.
Bachelor Degree in Human Resource Management with an additional Master Degree in Employment and labour law. Master Degree in Quality Management and Leadership.

Maximiliano Aqueveque

REGION MANAGER AMERICAS

Nationality: Chilean
Location: Chile
Qualifications/Education:
Metallurgical Engineer, has more than 18 years of experience in mining and minerals industry, including overseas assignments in different industries.
MBA.

Pekka Venäläinen

REGION MANAGER EUROPE, FINLAND & BALTICS

Nationality: Finnish
Location: Sweden
Qualifications/Education:
Broad experience in industrial customer relations, business development and maintenance management. 27 years in ABB.
BSc in Industrial Automation.
Business Administration, General Management.

BOARD OF DIRECTORS

Mikael Norin

Switzerland

Has been a member of the board of the Company since 2015 and is also the chairman of the board.

He is currently the chief executive officer of Cavotec SA.

BSc in Business Administration and Economics, Lund University.

Olof Faxander

Sweden

Has been a member of the board of the Company since 2017.

He currently serves as board member of Orchid Orthopedic Solutions and Resman AS.

MSc in Engineering, Swedish Royal Institute of Technology, B A Economics, Stockholm University.

Per Hallius

Sweden

He currently serves as a chairman of Consilium Safety Topco AB, vice chairman of Ruukki Construction Oy and board member of Munters Group AB.

MBA, Harvard Business School, MSc in Economics and Business Administration, Stockholm School of Economics.

Casper Lerche

Germany

Has been a member of the board of the Company since 2018.

MSc in Finance and Accounting, Copenhagen Business School.

Henrik Sandréus

Sweden

Has been a member of the board of the Company since 2019.

MSc in Industrial Engineering and Management, Linköping Institute of Technology.

Jörgen Bergqvist

Sweden

Has been, as employee representative, a member of the board of the Company since 2015.

Long experience in Procurements & Purchase, 20 years at ABB Power Transformers.

Pierre Schöld

Sweden

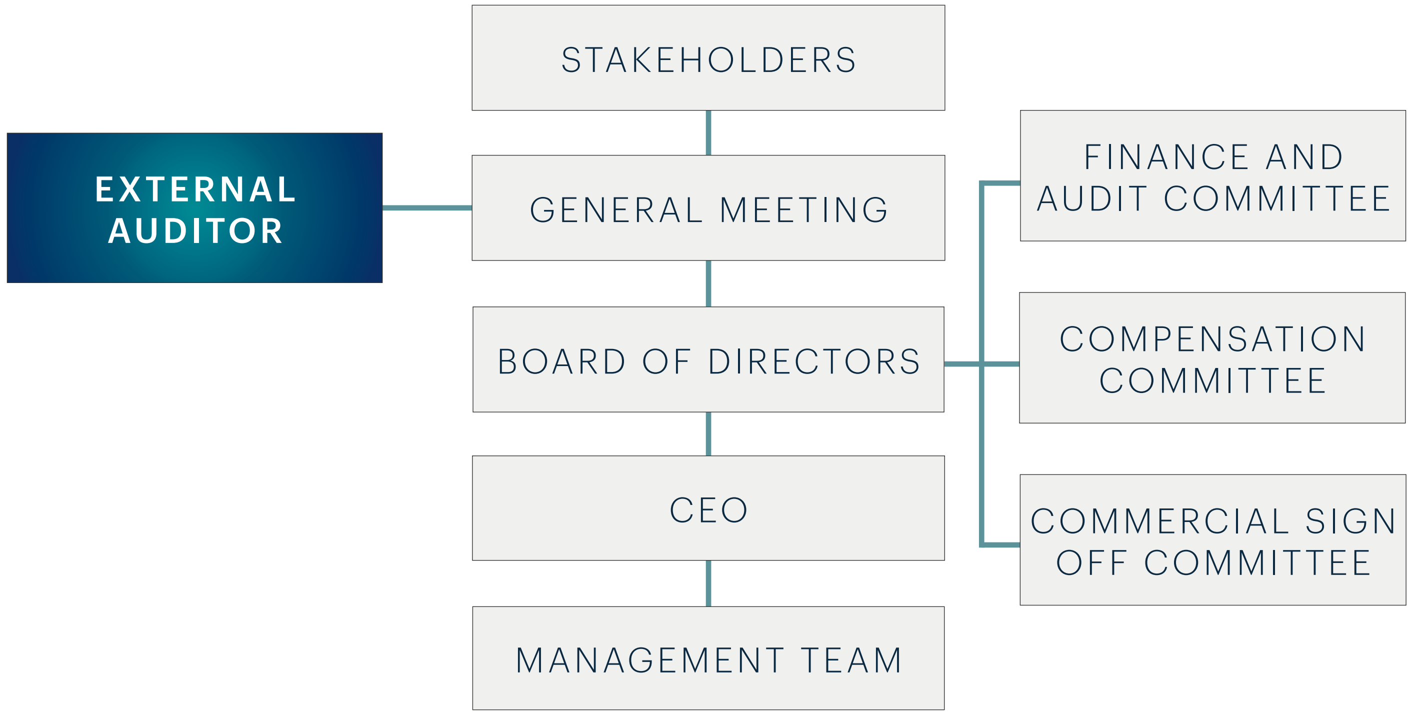
Member of the board of the Company, as employee representative, since 2021.

Has been working within logistics for Quant for five years.

QUANT AB (publ) CORPORATE GOVERNANCE REPORT

Quant AB (publ) (Quant, or "the Company") is a Swedish public company, with privately held shares, and a senior and a junior bond listed on Bourse de Luxembourg (the Luxemburg Stock Exchange). Corporate governance is primarily regulated by the Swedish Companies Act and other Swedish legislation and by Rules and Regulations of the Luxemburg Stock Exchange.

THE QUANT CORPORATE GOVERNANCE STRUCTURE



External governance systems

The external governance systems that constitute the framework for corporate governance at Quant consist primarily of the Swedish Companies Act, the Swedish Annual Accounts Act, the Luxemburg Stock exchange rules and regulations, as well as other applicable regulations and relevant legislation.

Internal governance systems

The Articles of Association adopted by the shareholders, the Quant Charter of the Board of Directors adopted by the Board, the instructions for the CEO and the instructions for the Board Committees constitute the key internal governance systems. The Compensation Committee sets the remuneration for the CEO, the management team and oversees the overall remunerations of the group. The Commercial Sign-off Committee reviews and decides on larger contract pursuits and negotiations. The Finance and Audit Committee prepares matters relating to finance and audit. In addition to this, the Group has a number of policies and instructions with rules and principles for the Group's operations and employees, for example, the Code of Conduct, Anti-Bribery Manual, Competition Manual, Data Protection Manual, Trade Sanction Manual, Whistleblowing Policy and the Insider Policy.

Quant Articles of Association

Quant Articles of Association were adopted at an Extraordinary General Meeting on November 28, 2017 and were registered at the Swedish Companies Registration Office on the same date. In Quant's Articles of Association, there is no limitation on how many votes each shareholder can represent at a general meeting. On the Annual General Meeting (AGM), the shareholders' elect the board of directors. Between AGMs, Extraordinary General Meetings can be held to elect new board members. Any General Meeting will be summoned at least 2 (two) and no more than 6 (six) weeks before the meeting, including for changes of the Articles of Association. Summoning is made by post. There is no outstanding delegation to the board to issue or acquire own shares.

Shareholders

Quant's shares are privately held. All shares are of the same type and have equal rights in every respect. Quant AB is owned by Cidron FS Holding AB. The group's parent company is Cidron FS Top Holding AB, which owns 100% of the shares in Cidron FS Holding AB. The ultimate beneficial owner of Cidron FS Top Holding AB is Nordic Capital Fund VIII.

Internal control of the financial reporting

The Board of Directors is responsible for establishing fundamental rules and guidelines for internal control. The Finance and Audit Committee (the "Committee") is appointed by the Company's Board of Directors, with the task of preparing matters relating to finance and audit, monitoring the work of the auditors and the Company's internal control systems, monitoring the current risks (Operational, Legal / Regulatory / Policy and Financial), follow-up of external audits and the Company's financial information, reviewing and approving the Company's quarterly reports for Q1 and Q3, reviewing integrity cases and other issues the Board assigns the Committee to prepare. The Board of Directors and the finance and audit committee interact directly with the external auditors.

The Board of Directors is overall responsible for establishing fundamental rules and guidelines, and the CEO is specifically responsible for the effectiveness, implementation and supervision of monitoring of the internal control environment within the Group. The CFO is responsible for the effectiveness of the internal control environment within the Group. At a local level, the regional managers and regional controllers are responsible for the internal control.

Financial reporting competencies
The Group Management Team and local management teams ensure that the company has employees with the right competency in all key financial positions and that there are procedures in place to ensure that employees in key financial positions have the requisite knowledge and skills.

Reporting routines
The financial reporting should provide sufficient, up-to-date and reliable information of a financial and non-financial nature. As far as possible, management reporting is directly linked to the financial reporting and to the consolidation tool.

Local management and accounting teams report their financial results and key performance indicators (KPIS) monthly and in accordance with the Group's accounting and reporting policies. This reporting is the basis for Quant's internal and external reporting and serves as a basis for legal and business reviews. The business reviews, in the form of monthly financial and operational reviews, are carried out according to a structure in which sales, earnings, cash flow and other key measures and trends of importance to the Group are compiled and form a basis for analysis and actions by the management and controllers at different levels. Other important and group-wide components of the reporting routines are the annual budgeting process, the quarterly forecasting, and the weekly cash flow forecast process.

To ensure the efficiency of internal control over financial reporting, reviews are carried out by the Board, the audit committee, the CEO, the Group Management Team, the central finance and treasury team and the Group's various subsidiaries. Every month, financial reports are reviewed against budget and established targets and risks related to the financial reporting are assessed.

Basis for financial reporting risk assessment

- Existence; reported assets and liabilities exist on the reporting date.
- Completeness; all transactions during the reporting period are recorded and reported.
- Rights and obligations; Assets are the rights of the organization and the liabilities are its obligations as of a given date.
- Valuation and allocation; all items in the financial reporting are reported in conformity with IFRS valuation principles and are correctly calculated and summarized and appropriately recorded.
- Presentation and disclosure; items in the financial reports are properly described, sorted and classified.

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

TO THE GENERAL MEETING OF THE SHAREHOLDERS IN QUANT AB (PUBL), CORPORATE IDENTITY NUMBER 556975-5654

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2020 (the financial year 2020) on pages 29-30 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been 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.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

STOCKHOLM, APRIL 20, 2021

ÖHRLINGS PRICEWATERHOUSECOOPERS AB

NICKLAS KULLBERG
AUTHORIZED PUBLIC ACCOUNTANT

MANAGEMENT REPORT

General about the business

Quant is a supplier of industrial maintenance services and is the global leader within the area. The business currently operates in 18 countries in its continuing operations. The service is linked to the customers' production facilities and the offer includes proven maintenance processes and expertise, safety and digital tools, which results in improved productivity at an optimized cost of maintenance, safety and transparency.

As of 30th of December 2014 Nordic Capital ("Nordic Capital Fund VIII") acquired the business unit ABB Full Service from ABB. In connection with the acquisition, ABB Full Service changed name to Quant. This is the sixth year Quant operates and the seventh financial year for Quant.

On 24 June 2014, Quant AB was formed with its registered office in Stockholm. The company is responsible for headquarter functions for the group and includes group management as well as group-wide functions. Quant AB is owned by Cidron FS Holding AB. The group's parent company is Cidron FS Top Holding AB, which owns 100% of the shares in Cidron FS Holding AB. The acquisition from ABB took place on 30 December 2014 when Quant AB acquired all the shares in ABB FS holding Sweden AB. A company in the United States were also created, which took over the service business in the American market. After the acquisition, ABB FS Holding Sweden AB was renamed Quant Sweden Holding AB.

Development of the company's business, results and position

All reported figures refer to continuing operations unless otherwise stated.

Net sales 2020 decreased to EUR 170.6 (196.6) million due to lost sites, and contracts with decreased scope and lower sales in region Finland & Baltics and Americas. Organically, net sales decreased by 9.6%. Gross profit for the year was EUR 20.2 million, down from EUR 29.7 million last year due to lower profitability in region Americas and Finland & Baltics, currency fluctuations and Covid-19 effects in the Americas. In addition, gross profit was negatively affected by one-off costs amounting to EUR -2.0 million relating to demobilizing a site in region Americas. The large fluctuations in developing market currencies during the first quarter of 2020 had a significant impact on revaluations of internal receivables and payables. These effects impacted gross profit by EUR -2.0 million (+0.1). There is no cash flow effect from the revaluations, as they are unrealized gains and losses and are an effect of the setup and internal transactions of the Quant group.

Operating loss for year was EUR -3.5 million, compared to a loss of EUR -0.9 million prior year due to a lower gross profit that was partly offset by lower SG&A costs. The lower SG&A costs this year relate to the transformation program launched last year. The program has now been fully implemented. The SG&A costs in 2019 were also unusually high due to one-off costs in connection with the change of CEO at the beginning of 2019. Adjusted EBITDA, excluding the impact from IFRS 16, for the full year was EUR 7.3 million, down from EUR 14.0 million prior year due to lower gross profit. In constant currency the adjusted EBITDA was EUR 7.7 million.

Financial items amounted to EUR -16.4 (-9.0) million and, in addition to higher interest expenses of EUR -1.9 million compared to last year, were negatively affected by foreign exchange rate fluctuations in the first quarter amounting to EUR -3.1 (+1,9) million for the full year. Net loss for the year amounted to EUR -18.1 million compared to a loss of EUR -7.1 million prior year due to a lower gross profit that was partly offset by lower SG&A costs, as well as foreign exchange losses in the first quarter.

Cash flow from operating activities in 2020 amounted to EUR 9.4 (8.4) million. Change in working capital was EUR 4.5 (3.7) million and was positively impacted by the collection of trade receivables during the year.

Financial position

Interest-bearing liabilities after deduction of financing costs, and excluding lease liabilities, amounted to EUR 144.9 (134.3) million. Net debt excluding the impact of IFRS 16 implementation amounted to EUR 123.5 (121.1) million, whereas Net debt with IFRS 16 effects included (Net Debt IFRS 16) amounted to EUR 128.3 (128.2) million. In the first quarter of 2020 a EUR 9 million draw on the revolving working capital facility was made. Given the uncertainties brought by the coronavirus pandemic to general business and the financial markets during the first quarter, the decision was taken to secure significant liquidity as a precaution. In October 2020 Quant repaid EUR 5 million of the drawn amount of the revolving working capital facility. With EUR 21.4 (13.2) million in cash and bank at the end of the year the Group has a good liquidity position.

Discontinued operations

The Adjusted EBITDA for discontinued operations 2020 was EUR -1.1 (-2.1) million and net loss was EUR -0.2 (-17.4) million. The significant net loss for discontinued operations last year was due to a write down of intangible assets.

Multi-year overview, Group including discontinued operations

MEUR	2020	2019	2018	2017	2016
Net sales	171.2	204.7	197.7	186.1	189.1
Operating profit/loss	-4.6	-18.4	-7.2	-5.9	-15.3
Profit/loss for the year	**-18.4**	**-24.5**	**-21.6**	**-9.4**	**-17.9**
Cash flow from operating activities	7.7	-1.9	-0.6	1.5	-13.0
FTE	2,357	2,562	2,882	2,742	2,226

QUANT **ANNUAL REPORT** 2020

MANAGEMENT REPORT

Significant events during the fiscal year and after the end of the financial year

In January 2020, a new organizational structure was launched for Quant, with Finland and Baltics split out as a separate region, and Scandinavia merging with the rest of the European countries forming a new region Europe.

On February 1, 2020 Tomas Rönn started his position as Quant's newly appointed CEO.

On 15 September 2020, Quant announced a signing of a three-year maintenance contract with Alcoa on their Alcoa Mosjøen site in Norway. This is estimated to have an annual contract revenue of EUR 10 million.

On 10 November 2020 it was announced that NKT, a customer in Region Europe, will insource its maintenance after Quant successfully transformed its maintenance operations over the past three years. The decision goes into effect on June 30, 2021 and Quant's contract portfolio will decreased by EUR 9.2 million in the fourth quarter of 2020.

In December 2020 Quant announced that our customer BHP decided not to renew a maintenance contract in its Chilean Escondida mine after a public tender process. Quant remains responsible for the site until 28 February 2021.

After the end of the fiscal year

On March 29, 2021, Quant announced that Pesquera Exalmar S.A.A ("Exalmar") and Quant Peru signed a six-year maintenance service contract for the Chicama, Chimbote, Huacho, Callao and Tambo de Mora plants in Peru, and Exalmar's fishing fleet. Quant has established a legal presence in Peru in connection with the signing of a letter of intent for this contract and the country belongs to the Americas region. During the first year of the contract, starting 1 December 2020, Quant will review the current maintenance operations and prepare for full responsibility for maintenance execution. Starting in 2022, Quant will be fully responsible for maintenance execution. Quant estimates that the contract revenue totals EUR 12-14 million per year for five years, after the initial year of reviewing the current maintenance operations.

Covid-19, Impact and risk for Quant

The global Covid-19 pandemic continues, resulting in continued global economic uncertainty. The risk impact on the Quant Group becomes clearer as we progress through the pandemic. Quant is leveraged because we have customers in a wide range of industries and geographies. Some of these industries and geographies are negatively impacted by Covid-19, and we have experienced a slowdown in these areas, while other areas have not experienced significant negative impact. The uncertainty in business activity have led customers to postpone work, which impacted both our shut-down service business and our ability for upselling. Quant has also experienced higher cost for safety and transportation as we made sure to keep our employees safe and healthy. Achieving new sales also proves challenging when travel is limited and abilities to meet and review sites are restricted, but we have won new contracts during the pandemic and are still focused on building a robust pipeline that will lead to higher sales in the near future. Quant's liquidity remains stable enabling a EUR 5 million repayment of the drawn amount of the revolving working capital facility in October 2020 and a further EUR 5 million during the first part of 2021.

Important conditions

The group has operations in 18 countries with 15 different currencies, which means that changes in currency rates can have a significant impact on its result. The group is also exposed to changes in market interest rates. For more information, see note 3.

Expected future development and important risks and insecurity factors

Global economic and market risks

The Group's business is highly dependent on its customers' demand for its services and their ability and willingness to meet their payment obligations under existing contracts in a timely manner, and accordingly its revenues are to a large extent dependent on the strength of the markets its customers are engaged in. While the Group's customer base is spread across a number of different global markets and a diversified set of product markets, it is ultimately dependent on the macro-economic factors including the global economic situation which is outside the Group's control.

Operational risks

The operational risks in Quant's business is primarily attributable to contractual commitments in customer contracts for responsibility and service performance. Quant performs its services in an environment where customers place high demands on safety when performing the service to ensure minimal negative impact on employees, environment and business process. Since Quant's services are mainly performed by personnel, there is a risk that injuries and damages may occur due to negligence or other lack of performance of the service. Quant does its utmost to minimize the occurrence of these types of risk through, inter alia, risk analysis, training, certification, follow-up of performance of service, and through careful contract management with clear liability limits.

As a maintenance services business, the Group is highly dependent on retaining its customer portfolio as well as its ability to attract new customers on a regular basis in order to secure both short and long-term profitability. The Group currently faces competition from both global and local providers of maintenance services and is also facing the risk of its customers deciding to in-source the services provided. The loss of larger contracts or a loss of a number of less significant contracts, without the replacement of new contracts, would have a significant impact on the Group's profitability. Any demobilization from a customer site is required to be managed in an organized manner that allows for exit costs to be minimized and, unless lost contracts are replaced by new contracts, that the group's operations are adjusted to reduced earnings. To manage the risk of loss of contract Quant is ensuring value-add for the customer by, for instance, maintaining motivated and well-trained personnel, a continuous development of services and processes and an active customer relationship dialogue.

Quant has a number of pricing models in its contracts, including primarily fixed price contracts but also cost-plus pricing models. While the Group has compiled an extensive qualitative and quantitative database of industry benchmarks over recent decades, resulting in a robust pricing process, if the total effective maintenance costs are above the agreed fixed price level, if cost increases occur despite price indexation in customer contracts, or if price pressures hinders Quant from applying a profit margin which it considers satisfactory in order to win a contract, it could have a negative impact on the Group's operations and financial position.

The risk of cost overruns, which may significantly impact the profitability of contracts, occur at the start-up and/or termination stages of a contract, or in periods of site shut-down during the contract term. To manage this risk Quant has well-defined processes and procedures for these key parts of the contract life, as well as operational, financial and legal risk reviews of contracts before entering into new customer partnerships.

The group operates in a relatively specialized business, and the potential departures of key persons and the ability to attract qualified personnel is crucial for the group's success.

Digitalization

In an increasingly digitalized world, one of the Group's main focus areas in order to ensure long-term success and profitability is to stay ahead of technological advances and to offer cutting-edge technology as part of its services. While the group currently uses advanced technology for its industrial maintenance services to its customers, the pace of advances in technology is increasing, and any failure by the Group to keep up with such advances may result in not being able to offer the most up to date technology, and/or to fall behind the services offered by its competitors.

Disputes and litigations

The Group regularly review significant outstanding claims and disputes to determine the need for provisions. Among the factors considered in such an assessment are the type of litigation or summons, the amount of any damages, the development of the case, perceptions of legal and other advisers, experience from similar cases, and decisions of Group management regarding the Group's actions concerning these claims or disputes. Estimates do not necessarily reflect the outcome of pending litigation, and differences between outcome and estimate may significantly affect the company's financial position and have an unfavorable impact on operating income and liquidity.

Financial risks

Financial risks mainly consist of currency, interest rate and financing risks. The continued development of the global economy, including interest rate and currency risk, is an uncertainty factor for earnings performance. A more detailed description of Quant's financial risks and how the group manage these risks is found in note 3.

Insurable risks

Usage of insurance is governed by central guidelines. These include professional indemnity and product liability, property, disruption, transport, crime, CEO and board responsibilities and liability insurance for employment-related requirements. Most insurance policies are managed centrally by the Group.

Use of financial instruments

Financial instruments derive from interest-bearing borrowing from bank and currency hedging of intercompany loans. Quant may use hedging, but currently chooses not to use it. As of December 31 2020 no currency swaps hedging intercompany loans were outstanding

Permit or notification required under the Environmental Code

The Group does not operate a business that requires any permit or notification.

Proposed appropriation of non-restricted equity

Non-restricted equity in the parent company at the disposal of the Annual General Meeting:

Retained earnings	67,758
Loss of the year	-7,957
Total	59,801
The board of Directors and the CEO propose this amount be appropriated as follows:	
Amount carried forward	59,801

FINANCIAL STATEMENTS

Consolidated Income Statement

KEUR	Note	2020	2019
Continuing operations			
Net sales		170,614	196,604
Cost of sales		-150,422	-166,903
Gross profit		**20,192**	**29,701**
Selling expenses		-2,411	-2,902
General and administrative expenses		-21,151	-27,424
Research and development expenses		-255	-397
Other operating income		83	338
Other operating expenses		45	-191
Operating Loss	**6, 7, 8, 19**	**-3,498**	**-875**
Profit/Loss from financial items			
Interest income and similar profit/loss items	9	57	228
Interest expense and similar profit/loss items	10	-13,334	-11,197
Foreign exchange gains and losses	9, 10	-3,149	1,936
Total financial items		**-16,426**	**-9,033**
Profit/loss after financial items		**-19,924**	**-9,908**
Taxes	11	1,785	2,786
Loss for the year, continuing operations		**-18,138**	**-7,123**
Discontinued operations			
Net sales		606	8,049
Operating profit		-1,104	-17,515
Profit / loss after financial items		-129	-17,015
Net profit (loss), discontinued operations	**36**	**-224**	**-17,350**
Group total			
Net sales		171,221	204,653
Operating profit		-4,602	-18,390
Profit / loss after financial items		-20,053	-26,923
Net profit (loss), Group total		**-18,362**	**-24,473**
Basic earnings per share*, EUR	**12**		
Continuing operations		-37.44	**-13.56**
Discontinued operations		-0.45	**-34.70**
Group total		-37.89	**-48.26**

*The Group has no employee incentive program that would have a dilutive effect on the Parent company's ordinary shares outstanding. Therefore, only Earnings per share basic is presented, and diluted Earnings per share is not calculated.

Consolidated Statement of Comprehensive Income

KEUR	Note	2020	2019
Loss for the year		**-18,362**	**-24,473**
Other comprehensive income			
Items that have been or could be reallocated to profit/loss			
Translation differences pertaining to foreign operations		2,428	-3,609
Items that could not be reallocated to profit/loss			
Revaluation of defined benefit plans		-302	-89
Tax pertaining to items that could not be reallocated to profit/loss		58	18
		-245	**-71**
Total other comprehensive income		**2,183**	**-3,680**
Comprehensive income for the period		**-16,180**	**-28,153**
Attributable to:			
Shareholders of the parent company		**-16,180**	**-28,153**
Non-controlling interest		**-**	**-**

Consolidated Statement of Financial Position

KEUR	Note	Dec 31 2020	Dec 31 2019
ASSETS			
Non-current Assets			
Intangible assets			
Goodwill	13,17	77,887	78,045
Other intangible assets	14, 15, 16, 17	24,301	34,598
Total Intangible assets		**102,188**	**112,643**
Property, plant and equipment			
Property, plant and equipment	18	1,453	2,266
Right of use assets	19	4,583	6,925
Total property, plant and equipment		**6,036**	**9,191**
Financial assets			
Deferred tax asset	22	1,924	1,543
Other non-current receivables	23	678	544
Total financial assets		**2,601**	**2,087**
Total non-current assets		**110,825**	**123,921**
Current Assets			
Inventories			
Raw materials and consumables		822	1,133
Products in progress		653	525
Total inventories		**1,475**	**1,657**
Current receivables			
Accounts receivable - trade	24	26,403	36,614
Current tax assets		1,325	1,797
Other receivables		1,683	1,545
Prepaid expenses and accrued income	25	5,089	2,286
Total current receivables		**34,501**	**42,242**
Cash and bank	*26*	*21,351*	*13,190*
Assets held for sale	*36*	*378*	*1,960*
Total current assets		57,705	59,050
TOTAL ASSETS		**168,530**	**182,971**

Consolidated Statement of Financial Position, continued

KEUR	Note	Dec 31 2020	Dec 31 2019
EQUITY AND LIABILITIES			
Equity			
Share capital		53	53
Other added capital		94,500	94,500
Reserves		-858	- 3,286
Loss brought forward, incl. net loss for the year		-127,348	- 108,741
Total equity pertaining to the shareholders of the parent company		**-33,653**	**-17,474**
Non-controlling interest		-	-
Total Equity		**-33,653**	**-17,474**
Non-current liabilities			
Liabilities to credit institutions		129,471	123,267
Provisions for pensions and similar obligations	27	4,261	3,597
Provisions for taxes	22	5,518	7,755
Leasing liabilities		2,328	3,764
Total non-current liabilities		**141,578**	**138,383**
Current liabilities			
Liabilities to credit institutions	3, 29	15,385	11,045
Accounts payable - trade		10,802	13,593
Leasing liabilities	19	2,496	3,360
Current tax liability		584	1,777
Other provisions	28	759	775
Other current liabilities	21	7,566	12,158
Accrued expenses and deferred income	30	22,688	16,956
Liabilities related to assets held for sale	36	326	2,396
Total current liabilities		**60,605**	**62,061**
TOTAL EQUITY AND LIABILITIES		**168,530**	**182,971**

Statement of Changes In Consolidated Equity

KEUR	Share capital	Other contributed equity	Reserves	Retained earnings	Total Equity
Opening balance 2019-01-01	**53**	**94,500**	**-655**	**-83,218**	**10,680**
Transfer amount to reserves	-	-	977	-977	–
Profit/loss for the year				-24,473	-24,473
Other comprehensive income/loss	-	-	-3,609	-71	-3,680
Total comprehensive income/loss for the year			-3,609	-24,545	-28,153
Closing balance 2019-12-31	**53**	**94,500**	**-3,286**	**-108,741**	**-17,474**
Profit/loss for the year				-18,362	-18,362
Other comprehensive income/loss	-	-	2,428	-245	2,183
Total comprehensive income/loss for the year	–	–	2,428	-18,607	-16,180
Closing balance 2020-12-31	**53**	**94,500**	**-858**	**-127,348**	**-33,653**

Statement of Consolidated Cash Flows

KEUR	Note	2020	2019
Continuing operations			
Operating activities			
Loss after financial items		**-19,924**	**-9,908**
Adjustments for non-cash items			
Depreciation and amortization		10,669	11,918
Depreciation and amortization, right of use assets		3,005	3,782
Change in provisions		733	722
Other non-cash items		11,367	-97
Total adjustments not included in cash flow		**25,773**	**16,325**
Income tax paid		**-999**	**-1,714**
Cash flow from operating activities before changes in working capital		**4,850**	**4,703**
Cash flow from changes in working capital			
Increase (-) / Reduction (+) of inventories		206	1,570
Increase (-) / Reduction (+) of current receivables		5,880	1,861
Increase (+) / Reduction (-) of current liabilities		-1,578	270
Cash flow from changes in working capital		**4,507**	**3,701**
Cash flow from operating activities		**9,357**	**8,404**
Investing activities			
Acquisition/divestment in subsidiaries	36	–	0
Investments in intangible assets	17	-19	-60
Investments in tangible assets	19	-693	-555
Investments in financial fixed assets		-135	4,312
Cash flow from investing activities		**-848**	**3,697**
Financing activities			
New loans taken	29	4,000	-
Expenses related to new loans		-	–
Repayment of loans	29	-	-4,000
Amortization lease liabilities	29	-2,192	-3,830
Cash flow from financing activities		**1,808**	**-7,830**
Cash flow for the year, continuing operations		**10,318**	**4,271**
Discontinued operations			
Cash flow from operating activities		-1,623	-10,299
Cash flow from investing activities		10	131
Cash flow from financing activities		-62	-545
Cash flow for the year, discontinued operations		**-1,675**	**-10,714**
Group total			
Cash flow from operating activities		7,735	-1,895
Cash flow from investing activities		-838	3,828
Cash flow from financing activities		1,746	-8,375
Cash flow for the year, Group total		**8,643**	**-6,443**
Cash and cash equivalents at the beginning of the year	26	13,190	19,735
Exchange rate differences in cash and cash equivalents		-482	-101
Cash and cash equivalents at the end of the year	**26**	**21,351**	**13,190**

Parent Company Income Statement

KEUR	Note	2020	2019
Net sales		10,792	14,522
Cost of sales		-2,502	-3,334
Gross profit		**8,290**	**11,188**
Research and development expenses		-205	-284
General and administrative expenses		-4,456	-8,126
Selling expenses		-564	-581
Other operating income		-	-
Other operating expenses	6, 7, 8, 19	-535	-41
Operating Loss		**2,530**	**2,157**
Profit/Loss from financial items			
Interest income and similar profit/loss items	9	3,403	1,732
Interest expense and similar profit/loss items	10	-12,383	-10,392
Other financial items	9, 10	2,254	-14,894
Foreign exchange gains and losses	9, 10	-3,616	-11
Total financial items		**-10,343**	**-23,565**
Profit/loss before tax		**-7,813**	**-21,409**
Taxes	11	-144	-359
Loss for the year		**-7,957**	**-21,768**

Parent Company Statement of Comprehensive Income

KEUR	Note	2020	2019
Net profit/loss for the year		-7,957	-21,768
Total comprehensive income		**-7,957**	**-21,768**

Parent Company Statement of Financial Position

KEUR	Note	Dec 31 2020	Dec 31 2019
ASSETS			
Non-current assets			
Intangible assets			
Other intangible assets	16	0	5
Total intangible assets		**0**	**5**
Property, plant and equipment			
Property, plant and equipment	19	6	21
Right of use assets	19	667	815
Total property, plant and equipment		**673**	**836**
Financial assets			
Participations in group companies	21	101,285	101,285
Receivables from group companies	23	–	–
Other non-current receivables	24	645	472
Total financial assets		**101,930**	**101,757**
Total non-current assets		**102,603**	**102,599**
Current Assets			
Current receivables			
Receivables from group companies		107,101	112,605
Other receivables		220	80
Prepaid expenses and accrued income	25	695	141
Total current receivables		**108,015**	**112,827**
Cash and bank		7,814	769
Total current assets		**115,829**	**113,595**
TOTAL ASSETS		**218,432**	**216,194**

EQUITY AND LIABILITIES	Dec 31 2020	Dec 31 2019
Equity		
Non-restricted equity		
Share capital	53	53
Non-restricted equity		
Profit or loss brought forward	67,758	89,525
Net profit/loss for the year	-7,957	-21,768
Total non-restricted equity	59,801	67,758
Total Equity	**59,854**	**67,811**
Provisions		
Provisions for pensions and similar obligations	793	585
Total Provisions	**793**	**585**
Non-current liabilities		
Liabilities to credit institutions	129,471	123,267
Leasing liabilities	491	618
Total non-current liabilities	**129,962**	**123,885**
Current liabilities		
Liabilities to credit institutions (Note 3, 29)	15,385	11,045
Accounts payable - trade	547	506
Liabilities to group companies	8,361	8,621
Leasing liabilities	178	178
Other provisions	–	–
Other current liabilities	376	327
Accrued expenses and deferred income	2,976	3,236
Total current liabilities	**27,823**	**23,914**
TOTAL EQUITY AND LIABILITIES	**218,431**	**216,194**

Parent Company Statement of Changes in Equity

KEUR	Share Capital	Retained earnings	Total Equity
Opening balance 2019-01-01	**53**	**89,525**	**89,579**
Total comprehensive income for the period	-	-21,768	-21,768
Closing balance 2019-12-31	**53**	**67,758**	**67,811**
Total comprehensive income for the period	-	-7,957	-7,957
Closing balance 2020-12-31	**53**	**59,801**	**59,854**

Parent Company Statement of Cash Flows

KEUR	Note	2020	2019
Continuing operations			
Operating activities			
Loss after financial items		**-7,813**	**-21,409**
Adjustments for non-cash items			
Depreciation and amortization		21	172
Depreciation and amortization, right of use assets		148	137
Write-down loans to subsidiaries		-	17,075
Unrealized exchange rate differences		4,239	45
Change in provisions		209	135
Other non-cash items		6,579	6,179
Total adjustments not included in cash flow		**11,195**	**23,743**
Income tax paid		**-155**	**-241**
Cash flow from operating activities before changes in working capital		**3,228**	**2,093**
Changes in working capital			
Increase (-) / Reduction (+) of inventories		–	–
Increase (-) / Reduction (+) of current receivables		1,560	366
Increase (+) / Reduction (-) of current liabilities		-4,716	-1,339
Cash flow from changes in working capital		**-3,156**	**-974**
Cash flow from operating activities		**72**	**1,120**
Investing activities			
Acquisition/divestment in subsidiaries	36	–	-1,954
Investments in intangible assets	17	–	–
Investments in tangible assets	19	–	–
Investments in financial fixed assets		-173	-109
Cash flow from investing actiivities		**-173**	**-2,063**
Financing activities			
New loans taken	29	4,000	-
Expenses related to new loans		-	–
Repayment of loans	29	-	-4,000
Change in loans to group companies	29	3,408	5,094
Amortization lease liabilities	29	-128	-110
Cash flow from financing activities		**7,280**	**984**
Cash flow for the year		**7,179**	**42**
Cash and cash equivalents at the beginning of the year	26	769	758
Exchange rate differences in cash and cash equivalents		-133	-31
Cash and cash equivalents at the end of the year	**26**	**7,814**	**769**

NOTES

Note 1 Accounting principles

The parent company, Quant AB (publ), Swedish corporate ID no. 556975-5654 is a limited liability company registered in Sweden, having its registered office at the address: St Göransgatan 66, 112 33 Stockholm. Since Feb 7, 2019 Quant AB (publ) has its bonds registered on the EU regulated market of the Luxembourg Stock Exchange.

Quant AB is a wholly-owned subsidiary of Cidron FS Holding AB, org no 556968-8905 with its registered office in Stockholm. Cidron FS Holding AB is part of a group of companies in which Cidron FS Top Holding AB, org no 556985-2287, based in Stockholm, reports consolidated financial statements for the largest group.

The consolidated financial statements have been prepared in accordance with EU-approved International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). In addition, the Group applies the Swedish Financial Reporting Board's recommendation RFR 1 supplementary accounting regulations for corporate conglomerates, which specifies the supplements to IFRS required pursuant to the stipulations of the Swedish Annual Accounts Act.

The parent company applies the same accounting principles as the group except in the cases listed below under the section "Parent Company Accounting Principles".

The Annual Report was approved for issue by the Board of Directors and the CEO on 30 April 2021. The Balance Sheets and Income Statements will be subject to approval by the Annual General Meeting on April 30, 2021.

Bases for appraisal applied when establishing the financial statements

Assets, provisions and liabilities have been valued at acquisition values unless otherwise stated below.

Functional currency and reporting currency

The functional currency of the parent company is the Euro (EUR), which is also the reporting currency for the parent company and the Group. This means that the financial statements are presented in Euro. Unless otherwise stated, all otherwise stated all amounts are rounded to the nearest thousand (EUR thousand). Amounts in parentheses refer to the previous year. Income statement items refer to the period January 1 – December 31, while balance sheet items refer to December 31.

Assessments and estimates in the financial statements

To prepare the financial statements in accordance with IFRS requires management to make assessments and estimates and to make assumptions that affect the application of accounting principles and the reported amounts of assets, liabilities, income and expenses. The actual outcome may deviate from these estimates and assessments.

The estimates and assumptions are reviewed regularly. Changes to estimates are reported in the period in which the change is made if the change only affected this period, or in the period the change is made and future periods if the change affects both the current period and future periods.

Disclosure of such IFRS standards or interpretations that have not yet entered into force

No other changes to accounting standards with future application are considered to have any material effect on the consolidated accounts.

Classification

The classification of fixed assets and non-current liabilities consists substantially of amounts that are expected to be recovered or paid more than 12 months from the balance sheet date. Current assets and current liabilities consist substantially of amounts that are expected to be recovered or paid within 12 months of the balance sheet date.

Consolidation principles and business combinations

Subsidiaries

Subsidiaries are companies that are under a controlling influence from Quant AB. Controlling influence exists if Quant AB has power over the investee company, is exposed to, or has the right to, variable returns from its engagement with the company and can use its influence over the investment to influence the return. When assessing whether a controlling influence exists, potential voting shares are taken into account and if de facto managerial control exists.

Subsidiaries are reported according to the acquisition method. The method implies that the acquisition of a subsidiary is regarded as a transaction whereby the group indirectly acquires the subsidiary's assets and assumes its liabilities. In the acquisition analysis, the fair value of the acquisition date is determined by the identifiable assets and liabilities assumed, as well as any non-controlling interest. Transaction expenditure, with the exception of transaction expenditure relating to the issue of equity instruments or debt instruments, that arises is reported directly in profit or loss for the year. In the case of business combinations where transferred remuneration, possible non-controlling interest and value of previously owned share (in the case of incremental acquisitions) exceed the fair value of acquired assets and assumed liabilities that is recognized separately, the difference is recognized as goodwill. When the difference is negative, so-called acquisition at low price, this is reported directly in profit or loss for the year.

Contingent consideration is reported at fair value at the time of acquisition. Where the contingent consideration is classified as an equity instrument, no revaluation and regulation is made within equity. For other contingent considerations, these are revalued at each reporting date and the change is reported in profit or loss for the year.

In cases where the acquisition does not relate to 100% of the subsidiary, non-controlling interest is acquired. There are two options for reporting non-controlling interests. These two options are to report non-controlling interest in net proportional assets or that non-controlling interests are recognized at fair value, which means that non-controlling interests have share in goodwill. The choice between the different options to report non-controlling interests can be made depending on the acquisition.

Transactions eliminated on consolidation

Intercompany receivables and liabilities, income or expenses and unrealized gains or losses arising from intra-group transactions between business units are eliminated in full when the consolidated financial statements are prepared.

Foreign currency

Transactions in foreign currency

Transactions in foreign currency are translated into the functional currency at the exchange rate prevailing on the transaction date. Functional currency is the currency of the primary economic environments in which the companies conduct their business. Monetary assets and liabilities denominated in foreign currency are converted into functional currency at the balance sheet date and exchange rate differences are recognized. Exchange rate differences arising from translation are reported in profit or loss for the year. Non-monetary assets and liabilities that are reported at historical acquisition values are translated with the exchange rate at the transaction. Non-monetary assets and liabilities that are recognized at fair value are translated into the functional currency at the rate prevailing at the time of measurement at fair value.

Financial statements of foreign operations

Assets and liabilities in foreign operations, including goodwill and other group surplus and discount values, are translated from entity functional currency to the group's reporting currency, euro, at the exchange rate prevailing on balance sheet date. Income and expenses in a foreign operation are translated into euro at an average rate that is an approximation of the exchange rates prevailing at the time of the respective transaction. Translation differences arising from currency translation of foreign operations are recognized in other comprehensive income and accumulate in a separate component of equity, the term "translation reserve". When controlling influence or significant influence ceases for a foreign operation, they are realized in the operations related to accumulated translation differences, which are reclassified from the translation reserve in equity to the profit/loss for the year. Where disposal occurs but controlling influence remains, the proportional share of accumulated translation differences from the conversion reserve is transferred to non-controlling interests. In the case of disposal of parts of associates, but significant influence remains, the proportionate share of the translation differences is reclassified to profit for the year.

Revenue

Quant is a supplier of industrial maintenance services whose customers are comprised of industrial facilities such as production factories, pulp and paper mills and mining operations to name a few. Quant enters into long-term contracts with its customers, in which Quant commits to maintaining the facility, including areas such as maintaining production equipment, and improving the safety, performance, reliability and energy efficiency of the facility. The performance of facility maintenance services is a single performance obligation which is delivered over a period of time, the contract period.

For more information about the Group's revenue accounting principles and reporting, see Note 5 Revenue

Leasing

When entering an agreement an assessment is made as to whether the agreement is a lease or contains a lease. If the agreement transfers the right for a determined period to control the use of an identified asset the Group recognizes a right-of-use asset and associated liability. Quant's lease agreements comprise office space, vehicles and equipment. For all lease agreements the group accounts for the lease and non-lease components of a contract separately. Typically lease periods are 3 years, which is in line with or shorter than its underlying customer contract. Initially the liability is valued at the present value of the remaining lease payments for the estimated lease period, using the value of lease payments discounted at Quant's marginal borrowing rate for each country of operation. The liability is recognized the Statement of financial position and divided between current and non-current parts. In the Income statement each lease payment is distributed between amortization of the debt and financial expense, which is the amount corresponding to a fixed interest rate for the liability. Right-of-use assets are initially valued at the value of the liability plus lease payments paid upon or before the start date, plus any initial direct payments. The right-of-use asset is recognized as Property, plant and equipment in the Statement of financial position. The right-of-use asset is depreciated on a straight-line basis over the term of the lease.

The term of the lease comprises the non-cancellable period plus additional periods in the agreement if it is deemed at the start date reasonably certain these will be used.

No right-of-use asset or lease liability is recognized for leases with a term of 12 months or less or with underlying assets of low value. Lease payments for such leases are recognized as a cost on a straight-line basis over the term of the lease.

Financial income and expenses

Financial income consists of interest income on invested funds and gain on the change in value of financial assets valued at fair value through profit or loss.

Interest income on financial instruments is reported according to the effective interest method. Dividend income is recognized when the right to receive dividends is determined. The result of the disposal of a financial instrument is recognized when the risks and benefits associated with ownership of the instrument are transferred to the buyer and the group no longer has control over the instrument.

Financial expenses consist of interest expenses on loans, the effect of the dissolution of the present value calculation of provisions, loss on changes in value of financial assets valued at fair value through profit or loss, impairment of financial assets and such losses on hedging instruments reported in profit or loss for the year. Borrowing costs are recognized in profit or loss using the effective interest method, except to the extent that they are directly attributable to the purchase, construction or production of assets that take a significant amount of time to complete for their intended use or sales, in which case they are included in the acquisition value of the assets.

The effective interest rate is the interest rate discounting the estimated future cash receipts and disbursements for the expected maturity of the financial assets or liabilities of the net carrying amount of the asset or liability. The calculation includes all fees paid or received by the contracting parties that are part of the effective interest rate, transaction costs and all other surplus or deficit rates.

Taxes

Income taxes consist of current tax and deferred tax. Income taxes are reported in the income statement except where the underlying transaction is recognized in other comprehensive income or in equity, whereby the related tax effect is recognized in other comprehensive income or equity.

Current tax is tax that is to be paid or received in the current year, based on the tax rates enacted or substantively enacted at the end of the reporting period, including adjustments of current tax in respect of prior periods.

Deferred tax is calculated using the balance sheet method on the basis of temporary differences between the carrying amounts and the tax values of assets and liabilities. Temporary differences are not taken into consideration that occurred when goodwill was first recognized, nor for the difference arising from the initial recognition of assets and liabilities that are not business combinations that at the time of the transaction do not affect either the accounting taxable profit or loss. Furthermore, temporary differences attributable to shares in subsidiaries and associates that are not expected to be reversed in the foreseeable future are also not considered. The valuation of deferred tax is based on how the underlying assets or liabilities are expected to be realized or settled. Deferred tax is calculated by applying the tax rates and tax rules adopted or adopted in practice decided at the reporting date.

Deferred tax assets relating to deductible temporary differences and loss carryforwards are recognized only to the extent that it is probable that they will be utilized. The value of deferred tax assets is reduced when it is no longer deemed likely that they can be utilized.

Any additional income tax arising from dividends is recognized at the same time as the dividend is recognized as a liability.

Financial instruments

Financial instruments are any form of contract that gives rise to a financial asset in a company and a financial liability or an equity instrument of another company.

A financial asset or financial liability is included in the statement of financial position when the company becomes a party under the contractual terms of the instrument. A claim is raised when the company has performed, and a contractual obligation exists for the counterparty to pay, even if the invoice has not yet been sent. Accounts receivable are included in the statement of financial position when the invoice has been sent. Debt is raised when the counterparty has performed, and contractual obligation exists to pay, even if the invoice has not yet been received. Accounts payable are entered when the invoice is received.

A financial asset is removed from the statement of financial position when the rights in the agreement are realized, expired or the company loses control of them. The same applies to parts of financial assets. A financial liability is removed from the statement of financial position when the contractual obligation is fulfilled or otherwise extinguished. The same applies to parts of financial liabilities.

A financial asset and a financial liability are offset and reported with a net amount in the statement of financial position only when there is a legal right to offset the amounts and that there is an intention to regulate the items with a net amount or to simultaneously realize the asset and settle the debt.

Acquisitions and divestments of financial assets are reported on the trade date. The business day constitutes the date on which the company commits to acquire or divest the asset.

Financial assets – classification and subsequent measurement

Quant has no financial assets that are measured at fair value through profit and loss or other comprehensive income. All financial assets are classified and valued at amortized cost, therefore there is no hierarchy level used for these assets as described in IFRS 9. Financial assets are comprised of:

- Accounts receivable and other receivables
- Cash and cash equivalents

Accounts receivable and other receivables

The expected maturity of accounts receivable and other receivables is short, and values are recognized at nominal amounts with no discounts.

Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances at financial institutions are recognized at their nominal amount.

Impairment

Financial assets carried at amortized cost are assessed for impairment based on expected credit losses. The expected credit loss allowance is based on the current financial situation of each customer.

Financial liabilities – classification and subsequent measurement

Interest-bearing liabilities

Interest-bearing liabilities are initially recognized at fair value net of transaction costs incurred. After initial recognition, interest-bearing liabilities are valued at amortized cost using effective interest method.

Other financial liabilities

Other financial liabilities are classified and subsequently measured at amortized cost, and are comprised of

- Accounts payable
- Other non-current financial liabilities

Property, plant and equipment

Property, plant and equipment are reported in the group at cost less accumulated amortization and any impairment losses. The cost includes the purchase price and expenditure directly attributable to the asset to bring it into place and in condition to be used in accordance with the purpose of the acquisition. Accounting principles for depreciation are shown below.

Borrowing costs that are directly attributable to the purchase, construction or production of assets that take a significant amount of time to complete for their intended use or sale are included in the acquisition value.

Additional expenditure

Additional expenditure is added to the acquisition value only if it is probable that the future economic benefits associated with the asset will be realized and the cost can be calculated reliably. All other additional expenditure is recognized as an expense in the period in which it arises.

An additional expense is added to the acquisition value if the expenditure relates to the exchange of identified components or parts thereof. Even where new components have been created, the expenditure is added to the acquisition value. Any values of replaced components, or parts of components, not written off are decommissioned and expensed in connection with the exchange. Repairs are expensed continuously.

Depreciation Principles

Depreciation is linear over the estimated useful life of the asset.

	USEFUL LIFE
IT and office equipment	3-5 years
Machinery and other technical facilities	3-15 years

Intangible assets

Goodwill

Goodwill is valued at acquisition value less any accumulated impairment losses. Goodwill is allocated to cash- generating units and is tested at least annually for impairment. Goodwill incurred in the acquisition of associates is included in the carrying amount of participations in associates.

Other intangible assets

Other intangible assets acquired by the group consist of client contracts, customer relationships and computer systems and are reported at cost less accumulated amortization (see below) and any impairment losses.

Costs incurred for internally generated goodwill and internally generated trademarks are reported in profit or loss for the year when the cost arises.

Additional expenditure

Additional expenditure on capitalized intangible assets is recognized as an asset in the statement of financial position only when they increase the future economic benefits for the specific asset to which they relate. All other expenditure expensed when they arise.

Amortization

Amortization is reported in the income statement on a straight-line basis over the estimated useful lives of intangible assets, unless such useful lives are unquantifiable. The useful life periods are reviewed at least annually. Amortization is recognized as a whole as administrative expenses. Goodwill and other intangible assets with an indefinite useful life or which are not yet ready for use are tested annually for impairment as well as at any point in time when there is an indication that the asset in question has decreased in value. Intangible assets with nondescript useful lives are depreciated from the time they are available for use. The estimated useful life periods are:

	USEFUL LIFE
Customer contract	7 years
Customer relations	11 years
IT Licenses	3 years
Software	3-5 years

Impairment

The group's reported assets are assessed at the end of each reporting period to assess whether there is an indication of an impairment requirement. IAS 36 applies to impairment of assets other than financial assets, that are accounted for under IFRS 9 Financial instruments and is described in the Financial Instruments section above.

Write-down of tangible and intangible assets and participations in associated companies

If there is an indication of impairment, the asset's recoverable amount is calculated (see below). For goodwill, other intangible assets with indefinite useful lives and intangible assets that are not yet ready for use, the recoverable amount is calculated annually. If it is not possible to determine essentially independent cash flows to an individual asset, and its fair value minus the cost of selling costs cannot be used, the assets are grouped when assessing impairment at the lowest level where it is possible to identify essentially independent cash flows – a so-called cash-generating unit.

An impairment loss is recognized when the carrying amount of an asset or a cash-generating unit (group of units) exceeds the recoverable value. An impairment loss is recognized as an expense in profit or loss.

The recoverable amount is the highest of fair value minus selling costs and value in use. In calculating the value, future cash flows are discounted by a discount factor taking into account the risk-free interest rate and the risks associated with the specific asset.

Reversal of impairment losses

An impairment loss on assets included in the scope of IAS 36 is reversed if there is both an indication that the impairment no longer exists and there has been a change in the assumptions that formed the basis for the calculation of the recoverable value. However, impairment of goodwill is never reversed. A reversal is only made to the extent that the carrying amount of the asset after reversal does not exceed the carrying amount that would have been recognized, less depreciation, where applicable, if no impairment was made.

Write-downs of loan receivables and accounts receivables that are recognized at amortized cost are reversed if the earlier reasons for impairment are no longer present and full payment from the customer is expected to be received.

Inventory

Inventories are valued at the lower of cost and net realizable value. The cost of inventories is calculated by applying the first-in, first-out (FIFO) method and includes expenditure incurred in the acquisition of the inventory assets and transporting them to their current location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, after deduction of estimated costs for completion and for the purpose of obtaining a sale.

Payment of capital to the owners

Dividends are recognized as a liability after the Annual General Meeting approves the dividend.

Employee Benefits

Short-term remunerations
Short-term employee benefits are calculated without discounting and are recognized as an expense when the related services are received.

A provision is recognized for the expected bonus payments when the group has an existing legal or constructive obligation to make such payments as a result of services received from employees and the obligation can be calculated reliably.

Defined contribution pension plans
The plans in which the company's obligation is limited to the fees that the company has undertaken to pay is classifies as a defined-contribution pension plan. In such a case, the amount of the employee's pension depends on the fees paid by the company to the plan or to an insurance company and the return on capital provided by the contributions. Consequently, it is the employee who bears the actuarial risk (that the compensation is lower than expected) and the investment risk (that the assets invested will be insufficient to provide the expected benefits). The company's obligations for contributions to defined contribution plans are recognized as an expense in the profit or loss for the year as they are earned by the employees carrying out services to the company over a period of time.

Defined benefit pension plans
Defined benefit plans are other post-employment benefit plans than defined contribution plans. The Group has one significant such plan in Switzerland. The group's net obligation for defined benefit plans is calculated separately for each plan by estimating the future remuneration that employees earned through their employment in both current and previous periods; This compensation is discounted to a present value. The discount rate is the interest rate on the balance sheet date of an investment grade corporate bond, including mortgage bonds, with a maturity corresponding to the group's pension obligations. When there is no viable market for such corporate bonds, the market rate is instead used on government bonds with a corresponding maturity. The calculation is performed by a qualified actuary, using the projected Unit Credit Method. Furthermore, the fair value of any plan assets is calculated as of the reporting date.

The group's net obligation comprises the present value of the obligation, minus the fair value of the plan assets adjusted for any asset constraints.

Interest expense/revenue net of the defined benefit obligation/asset is reported in profit or loss for the year during net financial items. Net interest income is based on the interest that arises when discounting the net obligation, i.e. interest on the obligation, plan assets and interest on the effect of any asset constraints. Other components are reported in operating income.

Revaluation effects consist of actuarial gains and losses, difference between the actual return on management assets and the amount included in net interest income and any changes in the effects of asset restrictions (excluding interest Included in net interest income). The revaluation effects are recognized in other comprehensive income.

When the calculation results in an asset for the group, the carrying amount of the asset is limited to the lower of the surplus in the plan and the asset restriction calculated using the discount rate. The asset restriction is the present value of the future economic benefits in the form of reduced future fees or cash refunds. For the calculation of the present value of future refunds or payments, any requirements for minimum funding are taken into account.

Changes or curtailments of a defined benefit plan are recognized at the earliest of the following dates: A) when the change in the plan or reduction occurs or (b) when the entity reports related restructuring costs and termination benefits. The changes/reductions are reported directly in profit or loss for the year.

The special payroll tax is part of the actuarial assumptions and is therefore accounted for as part of the net obligation/asset. The part of the special payroll tax that is calculated on the basis of the safeguarding law of a legal person is recognized for reasons of simplification as accrued expense instead of as part of the net obligation/asset.

Return tax is reported on an ongoing basis in profit or loss for the period in which the tax relates and is thus not included in the liability calculation. In the case of funded plans, the tax is charged on the return on plan assets and is recognized in other comprehensive income. In unfunded or partly unfunded plans, the tax is charged to net profit for the year.

Termination benefits
A cost of remuneration in connection with redundancies is recognized at first when the company can no longer withdraw the offer to the employees or when the company recognizes restructuring costs. The benefits that are expected to be settled after 12 months are reported at its present value. Benefits that are not expected to be settled entirely within twelve months are reported according to long-term benefits.

Provisions

A provision differs from other debts in that there is uncertainty about the period of payment or the amount to regulate the provision. A provision is recognized in the statement of financial position when there is an existing legal or constructive obligation as a result of a past even, and it is probable that an outflow of financial resources will be required to regulate the obligation and a reliable estimate of the amount can be made.

Provisions are made with the amount that is the best estimate of what is required to settle the existing obligation at the balance sheet date. Where the effect of when payment is made is material, provisions are calculated by discounting the expected future cash flow at a pre-tax rate that reflects current market assessments of the time value of money and, if applicable, the risks associated with the debt.

A provision for restructuring is recognized when the Group has adopted a comprehensive and formal restructuring plan, and the restructuring has either been started or published. No provisions are made for future operating expenses.

Discontinued operations

To qualify as Discontinued operations, an entity or operational segment of the Quant Group must be classified as held for sale or be part of a plan to dispose of the entity or operational segment. In May of 2019 Quant took the decision to sell or discontinue operations in a number of countries and these are reported as Discontinued operations in the Statement of Consolidated Comprehensive Income and Statement of Consolidated Cash Flows with historical comparisons. The Consolidated Statement of Financial Position reports Assets and liabilities for Discontinued operations in the current year, with no historical comparisons. For further information see note 36 Business combinations, discontinued operations and assets and liabilities held for sale.

Contingent liabilities

A contingent liability is recognized when there is a possible commitment arising from past events and whose existence is confirmed only by one or more uncertain future events outside the group's control or when there is a commitment that is not recognized as a liability or provision because it is not probable that an outflow of resources will be required or cannot be calculated with sufficient reliability.

Earnings per share

Calculation of earnings per share is based on consolidated profit or loss for the period attributable to shareholders of the parent and on the weighted average number of outstanding shares during the period. The Group has no employees share plans or other type of share program that would cause a dilutive effect on ordinary shares. Therefore, Earnings per share after dilution is not calculated.

Parent Company Accounting Policies

The parent company has prepared its annual report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for legal entities. Statements issued by the Swedish Financial Reporting Board for listed companies are also applied. RFR 2 means that the parent company in the annual report of the legal entity shall apply all IFRS and statements adopted by the EU as far as possible within the framework of the Annual Accounts Act, the Security Law and with regard to the relationship between accounting and taxation. The recommendation specifies the exceptions and additions to IFRS which should be made.

Differences between the group's and the parent company's accounting policies

The differences between the group's and the parent company's accounting principles are shown below. The accounting principles for the parent company described below have been applied consistently to all periods presented in the parent company's financial statements.

Classification and presentation forms
The parent company uses the terms balance sheet and cash flow statement for the reports reported in the Group as the statement of financial position and the statement of cash flows. The income statement and balance sheet are for the parent company in accordance with the annual Accounts Act schedule, while the statement of income and other comprehensive income, the statement of changes in equity and the cash flow analysis is based on IAS 1 Presentation of Financial statements and IAS 7 Statement of Cashflows. The differences with the group's reports that are made in the parent company's income statement and balance sheet consist mainly of accounting for financial income and expenses, fixed assets, equity and the existence of provisions as own heading in the balance sheet.

Subsidiaries
Shares in subsidiaries are reported in the parent company according to the cost method. This means that transaction expenses are included in the carrying amount of investments in subsidiaries. In the consolidated financial statements, transaction expenses attributable to subsidiaries are reported directly in the result when these are incurred.

Financial instruments
As a result of the relationship between accounting and taxation, the rules on financial instruments is not applied in the parent company as a legal entity.

In the parent company, financial fixed assets are valued at cost less any impairment losses and financial current assets according to the lowest value principle. The acquisition value of interest-bearing instruments is adjusted for the accrued difference between what was initially paid, after deduction of transaction costs, and the amount paid on the due date (premium or discount).

Anticipated dividends
Anticipated dividends from subsidiaries are reported in cases where the parent company has the right to decide on the size of the dividend and the parent company has decided on the size of the dividend before the parent company publishes its financial statements.

Tangible fixed Assets
Tangible fixed assets in the parent company are reported at cost less accumulated amortization and any impairment losses in the same way as for the group but with additions for any write-ups.

Leased assets
The new policies on leases, in accordance with IFRS 16, that went into effect on 1January 2019 and which the Group complies with, are not applied by the parent company. The parent company applies an exception option in RFR 2 with the result that the parent company recognizes existing leases in the same way as in previous years.

Borrowing costs
In the parent company, loan expenditure is charged to the result during the period to which they relate. No borrowing costs are capitalized on assets.

Employee Benefits
Defined benefit plans

Other grounds for calculating defined benefit plans than those set out in IAS 19 are applied in the parent company. The parent company complies with the provisions of the Swedish legal framework and Finansinspektionen's (the Swedish financial supervisory authority) regulations as this is a precondition for tax deduction. The main differences compared to the rules in IAS 19 are how the discount rate is determined that the calculation of the defined benefit obligation is based on the current salary level without the assumption of future salary increases, and that actuarial gains and losses are recognized in the income statement.

Group contributions
Group contributions are reported as financial appropriation

Note 2 Estimates and assumptions

The estimates and assumptions that Quant's management and Board of Directors mention below are those that are deemed most important to obtain an understanding of Quant's financial reporting. The information is limited to areas that are essential, taking into account the degree of impact and underlying security. Estimates and assumptions are based on historical experience and assumptions that management and the Board of Directors consider reasonable under the relevant circumstances. Drawn conclusions form the basis of the carrying amounts of assets and liabilities, where these cannot be determined by information from other sources. Actual outcome may differ from these through estimates and assumptions.

Pension obligations

Within the group, defined benefit pension plans have significant commitments for future benefits to current and former staff. Quant has one significant commitment in Switzerland. To carry out the calculation of the pension liability, actuarial assumptions are of great importance for the outcome of the calculation. The assessments mainly concern the discount rate on commitments and expected return on plan assets, but also assumptions about the rate of wage increases, staff turnover and estimated life expectancy. A reduced discount rate increases the reported pension liability. The actual outcome may deviate from the accounts in the case where the assumptions applied have been shown to be incorrect. See Note 27 Pensions to see the assumptions used to determine future pension obligations.

Intangible assets

Intangible assets mainly refer to goodwill, customer contracts and customer relations. Goodwill with an indefinite life expectancy is not subject to annual depreciation. Insofar as the underlying activities develop negatively, an impairment loss may arise. An impairment test is carried out annually mainly based on the value of use, with assumptions about sales development, profit margins, current investments, changes in working capital and more.

It is our assessment that the going concern exists in Quant companies remaining in continued operations.

Note 3 Financial risk management framework

Through its operations, Quant is exposed to a number of different financial risks: market risk (primarily currency risk and interest rate risk), financing risk, credit risk and liquidity risk. Financial risks arise when refinancing and credit risks as well as changes in interest rates and exchange rates affect the group's earnings, cash flow and value.

Quant has a central treasury function whose overall objective is to act as the group's internal bank, to provide a cost-effective and secure financing of the group, manage interest rate and currency risks and ensure effective liquidity management for the group. Treasury identifies, evaluates and secures financial risks in close co-operation with the group's operating units.

Quant has a finance policy approved by the Board whose purpose is to limit the financial risks that Quant is exposed to and determine how financial risks are to be controlled and managed. The financial policy is revised annually. Risk management and financing activities are reported continuously to management and the Board of Directors. The Board reviews and decides on strategies for managing financial risks as summarized below.

Market risk

Currency risk

Quant's operations are conducted in countries all over the world. The group is thereby exposed to currency risks, both through transactions in foreign currencies and through the translation of income statements and balance sheets into euro. Quant's assets are contracts for the outsourcing of industrial maintenance, which generate revenues and costs mainly in SEK, CLP, EUR, and USD but there is exposure in other currencies as well. Changes in exchange rates in the aforementioned non-euro currencies thus entail changes in Quant's operating profit.

Sensitivity analysis exchange rate risk

Assuming that the currencies, significant for Quant's earnings and cash flow, are weakened by 10% against the group's functional currency, the group's EBITDA is affected by 11% (10%). External borrowing is entirely in Euro which is the Group's functional currency and therefore there is no exchange rate risk on external borrowing.

Transaction exposure

The group is exposed to different types of currency risks. Transaction exposure is derived from the group's sales and purchases in foreign currencies. These currency risks consist partly of the risk of fluctuations in the value of accounts receivable or accounts payable, and the currency risk in expected and contracted cash flows.

Quant's operations are largely local in the countries where the group is active. This means that the transaction exposure risk is limited for the group. Quant's finance policy stipulates no minimum for currency hedging of transaction exposure, at the end of the year Quant had no transaction exposure derivatives outstanding. The group's treasury function evaluates the ongoing transaction exposure risk and proposes hedging strategies.

Translation exposures

Currency risks are also found in the translation of foreign subsidiaries' assets and liabilities to the parent company's functional currency. Quant's exposure to translation risk arises because a large proportion of the subsidiaries have a functional currency that deviates from the accounting currency of the group. In accordance with the financial policy, Quant had not hedged the translation exposure at the end of the financial year.

Financial currency exposure

The group is also exposed to currency risks with respect to payment flows for loans and investments in foreign currency. In accordance with the finance policy, the goal is to limit currency effects on financial investments and loans. Group companies lend and deposits liquidity internally in the local currency of the respective borrowers to the extent possible, depending on the local currency regulations and or the convertibility of the currencies. The net exposure of financial assets and liabilities is centralized to the parent company and currency is hedged according to the group's finance policy. At the end of the period, Quant had no financial hedge derivatives outstanding.

Interest rate risk

Interest rate risk is the risk that market rates fluctuate in such a way that Quant's net interest expense develops negatively. The effect on the group's result of a change in interest rates depends on the fixation periods of the loans and investments and the current share of fixed and variable interest rates. Since the group does not hold any significant interest-bearing assets, in addition to bank balances, the group's income from operating activities is essentially independent of changes in market interest rates. Quant is exposed to interest rate risk through interest-bearing borrowing, which is one of the group's sources of finance in addition to equity and cash flow from operating activities. Interest-bearing borrowing consists mainly of centrally agreed bond, which runs on fixed interest rates. In order to limit interest rate risk, Quant has the policy option of entering into interest rate derivatives in order to reduce the effects of future interest fluctuations by changing parts of the variable interest rate at a fixed rate. On December 31, 2020 there were no such interest rate derivative outstanding.

The average fixation period for the group's borrowings (excluding shareholder loans) at the end of 2020 was 2.0 (3.0) years. On the basis of interest rate exposure as of December 31, 2020, a change in market interest rates of one percentage point would affect the group's net financial items by EUR +/- 1.0 (1.0) million. The simulation assumes a parallel shift of all interest rate curves and does not take into account any currency and maturity differences.

Credit risk

The credit risk on financial assets arises via financial credit risk related to cash and cash equivalents and credit exposure through accounts receivable from customers. Credit risk related to bank balances are limited to where the Group has bank accounts. The group's liquidity is concentrated, according to the Group's finance policy, to the parent company and banks with a high rating. The liquidity that remains in the group companies within Quant is usually spread evenly across companies and thus evenly spread on different banks in different geographical areas.

Responsibility for credit risk related to accounts receivable and accrued income lies with individual group companies. The credit risk for each new customer is analyzed before the customer contract is finalized. A risk assessment of creditworthiness is carried out regularly by observing the customer's financial position and other influencing factors, as well as previous experience.

A continuous assessment is made of the credit risk in receivables outstanding and at December 31, 2020 the provision for bad debts amounted to EUR 0.8 (1.0) million.

Further information regarding Accounts receivable and contract assets and provision for bad debts are found in note 24.

Liquidity risk and financing risk

Liquidity risk is defined as the risk that Quant cannot fulfil its obligations to pay debts on time or at a reasonable cost. The group's capital management aims to create a balance between equity and loan financing so that financing of operations is secured at a reasonable cost of capital. The aim is to finance growth and normal investments with own generated cash flow as far as possible. risks are managed centrally for the entire group of the central treasury function. The group's goal is to always have sufficient funds in available liquidity and unused loan facilities, a so- called liquidity Reserve, to cover 45 days of the group's disbursement needs. Liquidity is monitored continuously to meet expected disbursement needs.

Refinancing is defined as the risk that financing or refinancing is difficult or costly to obtain. Quant has access to funding through the money market and the Board of Directors continuously monitors and evaluates the group's financing and refinancing possibilities over time.

Financial covenants

The group's bonds and its bank facility contain financial commitments, so called covenants, where the group has committed to maintain financial ratios. The bond agreements contain covenants where the group's borrowing against the result does not exceed certain ratios. These covenants are measured only under certain circumstances. The working capital facility contains covenants where drawn working capital facility loans against the group's results may not exceed certain ratios and which are measured quarterly in connection with the quarterly report. The bond and facility agreements are also restrictive in relation to, inter alia, borrowings, the establishment of security or guarantees, acquisitions and sales of companies.

Maturity structure financial liabilities – undiscounted cash flows

The table below shows the undiscounted cash flows relating to the group's interest-bearing financial liabilities based on the remaining maturities of the annual accounts. Variable interest flows with future rate setting days are based on interest rates at year-end. Cash flows in foreign currencies are converted to euro at the balance rates.

2020	Nominal amount, local currency	Total	<1 years	1-5 years	> 5 years
Senior Secured Bonds (EUR)	92,000	92,000	–	92,000	–
Junior Secured Bonds (EUR)	40,894	40,894	–	40,894	–
Super Senior RCF (EUR)	11,000	11,000	11,000	–	–
External loan (SEK)	23,813	2,373	2,373	–	–
Shareholder loan (EUR)	2,012	2,012	2,012	–	–
Capitalized borrowing costs		-3,423	-824	-2,599	–
Leasing liabilities		4,823	2,496	2,328	–
Trade payables		10,802	10,802	–	–
Other liabilities		7,566	7,566	–	–
Total		**168,048**	**35,425**	**132,623**	–
Interest expense		28,778	10,784	17,993	–
Total		**196,826**	**46,209**	**150,617**	**–**

2019	Nominal amount, local currency	Total	<1 years	1-5 years	> 5 years
Senior Secured Bonds (EUR)	92,000	92,000	–	92,000	–
Junior Secured Bonds (EUR)	35,021	35,021	–	35,021	–
Super Senior RCF (EUR)	7,000	7,000	7,000	–	–
External loan (SEK)	22,044	2,110	2,110	–	–
Shareholder loan (EUR)	1,935	1,935	1,935	–	–
Capitalized borrowing costs		-3,728	-368	-3,360	–
Leasing liabilities		7,125	3,360	3,764	–
Trade payables		13,593	13,593		–
Other liabilities		12,158	12,158		–
Total		**167,214**	**39,788**	**127,425**	**–**
Interest expense		41,361	12,117	29,244	–
Total		**208,575**	**51,906**	**156,669**	**–**

Capital management

The group's goal is to generate returns to its owners while maintaining a good financial position, which helps to maintain the confidence of investors, creditors, customers and suppliers. In addition to equity, the group is financed through the bank facilities, which contains financial commitments, so called covenants, which limits the group's ability to act freely. For more information, see note 29 interest-bearing liabilities.

Note 4 Segment reporting

	Europe		Americas		Finland & Baltics	
	2020	2019	2020	2019	2020	2019
Net sales external	53,814	57,717	42,512	55,280	60,822	69,427
Net sales intra-segment	1,010	1,123	64	51	712	827
Total net sales	**54,824**	**58,840**	**42,576**	**55,331**	**61,534**	**70,254**
Cost of sales	-43,144	-47,945	-37,514	-43,806	-55,074	-61,987
Gross profit	**11,680**	**10,894**	**5,062**	**11,525**	**6,460**	**8,267**
Operating expenses	-6,624	-8,767	-3,415	-4,593	-5,178	-7,280
Operating profit (loss)	**5,056**	**2,127**	**1,647**	**6,932**	**1,283**	**987**
Depreciation	87	102	506	623	253	307
Amortization	49	192	24	56	65	115
Write-down of tangible assets	0	0	0	0	0	63
EBITDA before non-recurring items	**5,192**	**2,422**	**2,177**	**7,612**	**1,601**	**1,472**
Non-recurring items	111	472	0	200	216	943
Adjusted EBITDA IFRS16						
Adjusted EBITDA margin						
IFRS 16 impact on EBITDA						
Adjusted EBITDA	**5,303**	**2,893**	**2,177**	**7,812**	**1,817**	**2,415**
Adjusted EBITDA margin	**9.9%**	**5.0%**	**5.1%**	**14.1%**	**3.0%**	**3.5%**
Financial items*						
Profit/loss before taxes						
Taxes*						
Loss for the year						

	Rest of world		Other and elimin		Group (Continued operations)	
	2020	2019	2020	2019	2020	2019
Net sales external	13,465	14,179	0	0	170,614	196,604
Net sales intra-segment	0	0	-1,786	-2,000	0	0
Total net sales	**13,465**	**14,179**	**-1,786**	**-2,000**	**170,614**	**196,604**
Cost of sales	-11,433	-11,169	-3,257	-1,995	-150,422	-166,903
Gross profit	**2,032**	**3,010**	**-5,042**	**-3,996**	**20,192**	**29,701**
Operating expenses	-1,607	-2,529	-6,866	-7,407	-23,690	-30,576
Operating profit (loss)	**425**	**481**	**-11,909**	**-11,403**	**-3,498**	**-875**
Depreciation	91	144	3,020	3,798	3,957	4,975
Amortization	41	58	9,537	10,242	9,717	10,662
Write-down of tangible assets	0	0	0	0	0	63
EBITDA before non-recurr items	**558**	**683**	**648**	**2,637**	**10,176**	**14,825**
Non-recurring items	0	263	348	1,641	675	3,519
Adjusted EBITDA IFRS16					**10,851**	**18,344**
Adjusted EBITDA margin					**6.4%**	**9.3%**
IFRS 16 impact on EBITDA					-3,506	-4,321
Adjusted EBITDA	**558**	**946**	**-2,510**	**-43**	**7,345**	**14,023**
Adjusted EBITDA margin	**4.1%**	**6.7%**			**4.3%**	**7.1%**
Financial items*					-16,426	-9,033
Profit/loss before taxes					**-19,924**	**-9,908**
Taxes*					1,785	2,786
Loss for the year					**-18,138**	**-7,123**

***Group management does not follow up Financial items and Taxes per segment.**

Operating segments are reported in a manner consistent with the internal reporting presented to the chief operating decision maker. The chief operating decision maker is the function responsible for allocation of resources and analyzing the segment's performance and profitability. At Quant, this function has been identified as the CEO who is responsible for and deals with the day-to-day administration of the Group based on guidelines and instructions from the Board of Director's. The Group management team supports the CEO in this endeavour.

Quant's operations are organized geographically and management follows up the business in four operating geographic regions: Europe, Americas, Finland and Baltics, and Rest of world. Region Other refers primarily to costs for headquarter functions that have not been operationally allocated to the geographic segments. The Group's segments are structured geographically because Quant delivers its services locally with Quant teams at sites in each country. Regional management is responsible for all operations, new sales, budgets, and outcomes.

Quant's business offering is entirely related to the supply of industrial maintenance services to its customers, therefore there is no further split of revenues into different types of services supplied.

In Region Americas there is one customer who accounts for 13 (14) % of Quant's external revenue.

Geographic areas

Sales figures are based on the country in which the customer is located. Assets are reported in the location of the asset.

REVENUE

KEUR	2020	2019
Sweden	30,745	31,813
Finland	54,419	64,094
Chile	29,908	38,577
Other countries	55,543	62,120
TOTAL	**170,614**	**196,604**

NON-CURRENT ASSETS *

KEUR	2020	2019
Sweden	2,609	3,511
Finland	1,147	1,498
Chile	1,391	3,091
Other	1,313	1,735
TOTAL	**6,460**	**9,835**

*Excluding pension assets but including right-of-use assets

Note 5 Revenue

Quant is a supplier of industrial maintenance services whose customers are comprised of industrial facilities such as production factories, pulp and paper mills and mining operations.

Quant enters into long-term contracts with its customers, in which Quant commits to maintaining a facility, including areas such as maintaining production equipment, and improving the safety, performance, reliability and energy efficiency of the facility. The performance of facility maintenance services is a single performance obligation which is delivered over a period of time, the contract period.

The main type of customer contract is fixed price for a period of normally 3 to 5 years, where a yearly fixed price is determined in return for agreed upon maintenance services. Revenue for these contracts is recognized on a straight-line basis evenly over the year when the delivery of services and corresponding costs incurred are stable throughout the year. However, in some production facilities there may be a period during the year of more intense maintenance service requirements during production shutdowns, with a higher portion of the annual revenue recognized in these periods. In such cases the input method is used whereby revenue is recognized on the basis of the inputs toward the total yearly contract commitment during these periods relative to the total expected inputs toward the total contract commitment for the year. The inputs are costs incurred and are comprised primarily of labor hours expended and materials consumed.

In a fixed price contract, Quant's sole commitment and performance obligation to the customer is the maintenance services of the facility, including the reparation of equipment and machinery. Therefore, revenue is not recognized separately for spare parts used in the maintenance process. Spare parts procured to maintain the facility are reported as cost of sales by Quant as part of the cost of fulfilling its total maintenance commitment and are not sold separately to the customer at a profit.

To a lesser extent, Quant enters into cost-plus customer contracts, where an agreed upon profit margin is added to the incurred cost of maintenance services during the period, such as employee costs and materials. The amount of cost-plus profit is the revenue recognized during the period, together with the related costs incurred during that period. Hybrid contracts of both a fixed price element and a cost-plus element exist.

Customer contracts can include variable considerations in the form of bonuses or penalties based on agreed and pre-determined performance objectives (KPIs). Revenue recognition is based on the most likely amount method based on performance outcome during the period.

For new contracts where Quant assumes the start-up costs these costs, such as employee recruitment and education, are recognized as an asset in statement of financial position and recognized over the contract period as an expense in the income statement. Investments in equipment and tools are recognized as fixed assets and depreciated over the contract period.

In some cases, invoices are not sent in the same period as the service rendered but are reported in the statement of financial position as accrued or deferred revenue.

Note 6 Employees and personnel costs

Average number of full-time employees (FTEs)	2020	of which men, %	2019	of which men, %
Parent				
Sweden	9	67%	10	68%
Total in the parent company	**9**	**67%**	**10**	**68%**
Group				
Sweden	256	91%	257	92%
Belgium	-	-	1	100%
Denmark	28	99%	29	100%
Estonia	110	80%	104	83%
Finland	511	96%	582	90%
France	-	-	2	100%
Germany	1	100%	3	97%
Czech Republic	47	100%	45	100%
Poland	18	95%	17	94%
Hungary	5	100%	7	90%
Latvia	-	-	24	88%
Netherlands	-	-	1	100%
Norway	18	97%	7	100%
Switzerland	28	86%	29	91%
Great Britain	3	100%	4	100%
Spain	30	86%	48	87%
Italy	5	92%	16	90%
United Arab Emirates	109	100%	119	100%
Mexico	10	68%	10	58%
USA	29	96%	35	87%
Argentina	24	100%	25	100%
Brazil	278	91%	263	95%
Chile	714	96%	737	96%
South Africa	1	100%	36	92%
Australia	-	-	2	100%
China	123	88%	150	89%
Malaysia	-	-	2	50%
Total Group including Parent company	**2,357**	**94%**	**2,562**	**93%**
Of which discontinued operations	10	96%	90	91%
Continuing operations	**2,347**	**94%**	**2,472**	**93%**
Total Group including Parent company	**2,357**		**2,562**	

Gender distribution in the Board of Directors and in Group management

	2020 of which women, %	2019 of which women, %
Board of Directors	0%	0%
Other senior executives	20%	20%

Salaries, other remunerations and social expenses

KEUR	2020		2019	
	Salaries and remuneration	Social security contributions	Salaries and remuneration	Social security contributions
Parent company	2,093	1,014	3,014	928
of which pension costs, 1)		550		482
Subsidiaries	73,633	21,461	83,677	26,584
of which pension costs		6,176		7,282
Group in Total	**75,727**	**22,475**	**86,692**	**27,511**
Of which Discontinued operations	470	70	3,594	577
Continuing operations	75,256	22,405	83,098	26,935
of which pension costs continuing operations		6,688		7,668

1) Of the Parent company's pension costs, EUR 338 (252) thousand is for senior management, in total 5 (5) persons.

CEO pension costs amounted to EUR 123 (0) thousand. 2019 CEO remuneration was in the form of a consultant fee and therefore Quant has not directly paid social security contributions or pension for the CEO in 2019.

Salaries, other remunerations allocated between Board members, CEO and other senior executives

KEUR	2020		2019	
	Board and CEO	Other senior executives	Board and CEO	Other senior executives
Parent company	553	857	1,088	789
of which bonus, etc	*87*	*41*	*164*	*5*
Group in Total	**553**	**857**	**1,088**	**789**
of which bonus, etc	*87*	*41*	*164*	*5*

Salaries and other remunerations to Board of Directors

KEUR	2020	2019
Mikael Norin, Chairman	53	49
Olof Faxander	*11*	*10*
Per Hallius	**24**	**22**
Casper Lerche	*10*	*9*
Henrik Sandréus	*10*	*4*
Johan Lundén	-	*4*
Vartan Vartanian	-	*9*
Joachim Zetterlund	-	*13*
Total Board of Directors	**107**	**122**

In 2020, the CEO was entitled to a maximum of 10 monthly salaries as a bonus. Other senior executives were entitled to between 25% and 40% of annual salary (defined as monthly salary times twelve). Total remuneration to the CEO including bonus for the financial year 2020 amounted to EUR 0.4 (1.0) million. Salaries and remuneration for senior executives, excluding the Board of Directors and the CEO, amounted to EUR 0.9 (0.8) million. During the year, senior executives consisted of CEO, CFO, COO, Legal Counsel and Head of Commercial.

Years 2015 through 2020, management has been able to purchase common shares and preferred shares in Cidron Full Service Top Holding AB. As the acquisition of these shares has been made at market value, no cost is paid.

Severance

For 2019, the CEO was retained on a consultancy basis and therefore no severance was paid when he left his position on December 31, 2019.

Other senior executives have a maximum of 6 months' notice period and 6 months' severance pay in addition.

Note 7 Auditors' fees

	Group		Parent company	
KEUR	2020	2019	2020	2019
PricewaterhouseCoopers				
Audit engagement	292	283	82	53
Audit activities not including audit engagement	-	1	-	-
Tax consultancy services	-	-	-	-
Other services	-	-	-	-
Total PricewaterhouseCoopers	**292**	**284**	**82**	**53**
Other auditors				
Audit engagement	33	308	-	34
Audit activities not including audit engagement	19	19	-	1
Tax consultancy services	-	5	-	-
Other services	8	19	-	-
Total Other auditors	**61**	**352**	**-**	**36**
Total Auditors' fees	**353**	**636**	**82**	**89**

Note 8 Expenses by Nature

Continuing operations	Group		Parent company	
KEUR	2020	2019	2020	2019
Materials and consumables	19,587	22,671	-	-
Personnel expenses	108,293	119,374	3,171	5,358
Other external expenses	32,687	39,943	4,940	6,698
Depreciation, amortization and impairment	13,674	15,638	169	309
Total expenses	**174,240**	**197,626**	**8,280**	**12,365**

Note 9 Interest income and similar profit/loss items

Continuing operations	Group		Parent company	
KEUR	2020	2019	2020	2019
Interest income, external	57	228	-	221
Group contributions received	-	-	2,701	2,750
Interest income, group companies	-	-	3,403	1,732
Foreign exchange gains	-	1,936	-	-
Total	**57**	**2,164**	**6,104**	**4,482**

Note 10 Financial expenses

Continuing operations	Group		Parent company	
KEUR	2020	2019	2020	2019
Interest expense, external	-12,318	-10,358	-12,250	-10,263
Interest expense, group companies	-	-	-74	-66
Interest expense leasing	-520	-850	-59	-63
Write down of loan to subsidiary	-	-	-	-17,075
Foreign exchange losses	-3,149	-	-3,616	-11
Other	-497	10	-447	-231
Total financial costs	**-16,483**	**-11,197**	**-16,446**	**-27,709**
Group contributions paid	**-**	**-**	**-**	**-338**

Note 11 Taxes

	Group		Parent company	
KEUR	2020	2019	2020	2019
Current tax	-598	-1,873	-144	-359
Current tax attributable to previous year	-81	19	-	-
Deferred tax	2,464	4,640	-	-
Total taxes	**1,785**	**2,786**	**-144**	**-359**

Reconciliation of effective tax

Group

KEUR	2020 %	2020	2019 %	2019
Profit before tax		**-20,053**		**-26,923**
Tax according to applicable tax rates for the parent	21%	4,291	21%	5,762
Tax foreign company	23%	4,648	22%	-1,268
Effect of other tax rates on foreign subsidiaries	2%	356	1%	363
Non-deductible costs	-28%	-5,559	-20%	-5,304
Non-taxable income	2%	451	1%	312
Non-income related taxes	0%	0	-	-
Withholding tax	1%	144	1%	359
Deferred tax on temporary differences	12%	2,464	-	-
Effects of loss carryforward, net	-2%	-484	5%	1,457
Tax attributable to previous years	0%	27	1%	220
Reported effective tax*	**8%**	**1,691**	**9%**	**2,450**

Parent company

KEUR	2020 %	2020	2019 %	2019
Profit before tax		**-7,813**		**-21,409**
Tax according to applicable tax rates for the parent	21%	1,672	21%	4,581
Non-deductible costs	-27%	-2,132	-24%	-5,224
Withholding tax	2%	144	-2%	-359
Utilization of tax loss carryforwards not previously recognized	**2%**	**172**	**3%**	**642**
Reported effective tax	**-2%**	**-144**	**-2%**	**-359**

* Of which EUR 1 785 (2 786) thousand is continued operations and EUR -95 (-336) thousand related to discontinued operations.

The Group's unutilized loss carry-forwards for which no deferred tax assets are recognized amount to EUR 36 (35) million. Of this amount, EUR 16 million has no expiration date and EUR 20.1 million expires in 5 to 10 years. The Group's consolidated statement of financial position currently contains no deferred tax assets relating to accumulate loss carry-forwards.

Note 12 Earnings per share

Group total

	Group	
KEUR	2020	2019
Net loss for the year attributable to Parent company shareholders	-18,362	-24,473
Weighted average number of shares during the year	500,000	500,000
Earnings per share, EUR	**-36.72**	**-48.95**

Continuing operations

KEUR	2020	2019
Net loss for the year attributable to Parent company shareholders	-18,138	-7,123
Weighted average number of shares during the year	500,000	500,000
Earnings per share, EUR	**-36.28**	**-14.25**

Discontinued operations

KEUR	2020	2019
Net loss for the year attributable to Parent company shareholders	-224	-17,350
Weighted average number of shares during the year	500,000	500,000
Earnings per share, EUR	**-0.45**	**-34.70**

The Group has no employee incentive program that would have a dilutive effect on the Parent company's ordinary shares outstanding. Therefore, only Earnings per share basic is presented, and diluted Earnings per share is not calculated.

Number of shares and share capital

The total number of shares in the Parent company is 500,000 (500,000) and the entire amount is comprised of common shares.

Share capital in the Parent company is EUR 52,733 (52,733).

Note 13 Goodwill

	Group	
KEUR	2020	2019
Opening acquisition cost	87,345	87,788
Acquisitions	-	11,651
Translation differences	-1,316	-443
Closing acquisition cost	86,029	87,345
Opening accumulated write downs	-9,300	-9,076
Write downs for the period	-	-
Translation differences	1,158	-225
Closing accumulated write downs	-8,142	-9,300
Net carrying amount at year-end	**77,887**	**78,045**

Note 14 Customer contracts

	Group	
KEUR	2020	2019
Opening acquisition cost	58,624	58,187
Acquisitions	-	-
Disposal	-7,937	-
Translation differences	-792	438
Opening accumulated amortization	-33,619	-26,357
Disposal	2,462	-
Amortization	-7,052	-7,254
Closing accumulated amortization	-37,559	-33,619
Opening accumulated impairment losses	-6,610	-6,440
Impairment losses	**-**	**-**
Closing accumulated impairment losses	**-1,303**	**-6,610**
Net carrying amount at year-end	**11,033**	**18,395**

For information regarding impairment testing see note 17.

Note 15 Customer relations

	Group	
KEUR	**2020**	**2019**
Opening acquisition cost	33,522	33,990
Acquisitions	-	-
Disposal	-3,995	-427
Translation differences	-792	-39
Closing acquisition cost	28,735	33,522
Opening accumulated amortization	-13,507	-10,904
Disposal	1,781	495
Amortization for the year	-2,614	-3,152
Translation differences	393	55
Closing accumulated amortization	-13,947	-13,507
Opening accumulated impairment losses	-4,384	-
Impairment losses	-	-4,314
Disposal	2,214	-
Translation differences	258	-70
Net carrying amount at year-end	**12,876**	**15,631**

Note 16 Other intangible assets

	Group		Parent company	
KEUR	**2020**	**2019**	**2020**	**2019**
Opening acquisition cost	9,539	9,672	7,676	7,676
Acquisitions	-	-	-	-
Investments	19	60	-	-
Disposals	-5	-253	-	-
Reclassifications	-	72	-	-
Translation differences	-4	-12	-	-
Closing acquisition cost	9,549	9,539	7,676	7,676
Opening accumulated amortization	-8,967	-8,503	-7,670	-7,515
Amortization for the year	-188	-548	-5	-156
Disposals	2	79	-	-
Reclassifications	-	-	-	-
Translation differences	-3	6	-	-
Closing accumulated amortization	-9,156	-8,967	-7,676	-7,670
Net carrying amount at year-end	**392**	**572**	**0**	**5**

Note 17 Impairment

In May 2019 Quant announced its transformation program with a strategy to focus on four regions, while selling or exiting operations in a number of countries of subcritical size. Quant's organizational structure was changed, and therefore new CGUs were also formed as follows:

Europe

Americas

Scandinavia

Rest of the World

In January 2020 the organization structure was updated with Finland and Baltics split out as a separate region and Scandinavia merging with the rest of the European countries forming a new region Europe.

A fifth CGU, consisting of the operations in countries where the decision had been taken to exit or sell is reported as Discontinued operations and assets held for sale.

Quant carried out its annual impairment test on Goodwill as of 31 December 2020. Quant tested if the carrying amount of the cash-generating units exceeded their recoverable amount. The recoverable amount represents the highest of the net realizable value of an asset and its value in use, i.e. the discounted present value of future cash flows.

The recoverable amount of these cash-generating units is based on the calculation of value through the use of cash flow forecasts based on budgets approved by management that spans a period of three years. Impairment tests are carried out by each region (each a cash generating unit) using the following assumptions:

Europe
Cash flow forecasts for the three-year period are based on an average annual growth rate of 13.7 percent. Cash flows beyond the three-year period are extrapolated using an estimated long-term growth rate of 2 percent. The discount rate used for calculating recoverable amounts is 7.6 percent before tax. Due to the new CGU structure implemented in 2020 a previous year comparison is not available.

Americas
Cash flow forecasts for the three-year period are based on an average annual growth rate of 27.8 (8.7) percent. Cash flows beyond the three-year period are extrapolated using an estimated long-term growth rate of 2 (2) percent. The discount rate used for calculating recoverable amounts is 8.2 (9.1) percent before tax.

Finland and Baltics
Cash flow forecasts for the three-year period are based on an average annual growth rate of 8.1 percent. Cash flows beyond the three-year period are extrapolated using an estimated long-term growth rate of 2 percent. The discount rate used for calculating recoverable amounts is 7.8 percent before tax. Due to the new CGU structure implemented in 2020 a previous year comparison is not available.

Rest of the World
Cash flow forecasts for the three-year period are based on an average annual growth rate of 3.0 (11.3) percent. Cash flows beyond the three-year period are extrapolated using an estimated long-term growth rate of 2 (2) percent. The discount rate used for calculating recoverable amounts is 8.1 (9.2) percent before tax.

The result of the impairment test has meant that the management did not identify any impairment, with respect to any CGU.

Reported values of how Goodwill and other intangible assets have been allocated to the CGU

2020

KEUR	**Customer contracts**	**Customer relations**	**Goodwill**	**Total**
Europe	1,510	2,656	30,574	34,740
Americas	1,376	3,027	8,778	13,181
FBA	7,591	6,130	33,628	47,350
Rest of World	556	1,062	4,907	6,525
Total	**11,033**	**12,876**	**77,887**	**101,796**

2019

KEUR	**Customer contracts**	**Customer relations**	**Goodwill**	**Total**
Europe	2,944	3,108	29,984	36,036
Americas	3,046	3,990	9,398	16,435
Scandinavia	11,238	7,197	33,628	52,064
Rest of World	1,166	1,336	5,034	7,536
Total	**18,395**	**15,631**	**78,045**	**112,071**

Significant assumptions used in the calculations of value for use
The calculations of carrying values for all CGU are most susceptible to deviations from the following assumptions:
- Forecasts, including operating margin and sales growth
- Discount rate
- Growth rates used to extrapolate cash flows beyond the forecast period

Discount rates

The discount rate represents the financial market's assessment of the risks specific to the company, taking into account both the time value of money and individual risks. The calculation of the discount rate is based on specific circumstances attributable to the company and originates in it weighted average cost of capital (WACC). The calculation of the WACC takes into account that the operations are both leveraged and financed with equity. The cost of equity is based on the expectation of a certain return on capital invested in the financial market. Specific risks are included in the calculation by applying an individual beta value. Beta value is updated annually based on publicly available market data.

Growth that is used to extrapolate cash flows beyond forecast periods

Long-term growth rates are a conservative assessment as they are set to anticipated long-term inflation.

Sensitivity to changes and assumptions

With regard to the calculation of the carrying values, the management considers that no reasonable changes to any of the most important assumptions would result in a materially higher value of the carrying amount of the recoverable amount.

Other impairment tests

Other than the impairment previously mentioned on customer relations due to the decision to exit certain countries, other intangible assets with a definite useful life were not tested for impairment as there was no indication that an impairment test was necessary.

Note 18 Property, plant and equipment

	Group		Parent company	
KEUR	2020	2019	2020	2019
Opening acquisition cost	7,505	8,556	80	80
Investments	693	555	-	-
Acquisitions	-	-	-	-
Discontinued operations	-	-740		
Sold/Scrapped	-1,204	-241	-	-
Reclassifications	4	-499	-	-
Translation differences	-357	-125	-	-
Closing acquisition cost	6,641	7,505	80	80
Opening accumulated depreciation	-5,240	-4,739	-59	-42
Discontinued operations	-	506		
Sold/Scrapped	709	31	-	-
Reclassifications	-4	57	-	-
Depreciation for the year	-939	-1,184	-15	-16
Translation differences	285	89	-	-
Closing accumulated depreciation	-5,189	-5,240	-74	-59
Net carrying amount at year-end	**1,453**	**2,266**	**6**	**21**

Note 19 Leases

	Group		Parent company	
KEUR	2020	2019	2020	2019
Amounts related to leases recognized in the statement of financial position:				
Right-of-use assets				
Vehicles	3,201	2,103	-	-
Buildings	1,381	4,822	667	815
Total	**4,583**	**6,925**	**667**	**815**
Total right-of-use assets	4,504	6,820	620	768
Lease liabilities				
Non-current	2,328	3,360	491	178
Current	2,496	3,764	178	618
Total liabilities	4,823	7,125	668	796
Total liabilities	**7,125**	**-**	**796**	**-**
Amounts related to leases recognized in the income statement				
Depreciation charge of right-of-use assets				
Vehicles	2,298	2,782	-	-
Buildings	707	1,000	148	137
Total	3,005	3,782	148	137
Interest expense (included in finance cost)	520	850	59	63
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	147	139	-	-
Expenses relating to leases of low value assets that are not shown above as short-term leases (included in administrative expenses)	77	70	11	11
Total cash outflow for leases	**3,719**	**4,840**	**218**	**212**

Additions to the right-of use assets during 2020 amounted to EUR 964 (174) thousand. Currency exchange rates impacted the value of right of use assets by EUR -0.1 (-0.1)million. For maturity analysis of leasing liabilities, see Note 3 Financial risks.

Note 20 Participations in Group companies

KEUR	2020	2019
Acquisition cost	101,285	99,331
Capital contributions	-	1,954
Closing acquisition cost	101,285	101,285
Net carrying amount at year-end	**101,285**	**101,285**

Parent company and Group holdings of participations in Group companies

Subsidiary/ID no	Numbers of shares	2020 % share	2020 Carrying amount	2019 % share	2019 Carrying amount
Direct ownership					
Quant US Corp., (5631810)		100%	2,087	100%	2,087
Quant Sweden Holding AB, (556981-3115, Västerås)	50,000	100%	99,198	100%	99,198
Indirect ownership					
Quant Service GmbH, (CHE-344.849.137)		100%		100%	
Quant Service Sweden AB, (556981-7652)		100%		100%	
Quant Brasil Manutenção Industrial LTDA., (35.228.780-747)		100%		100%	
Quant Italy S.R.L., (08789970962)		100%		100%	
Quant Denmark ApS (38362291)		100%		100%	
Quant Finland Oy, (2588556-2)		100%		100%	
Quant Chile SpA, (76502)		100%		100%	
Quant Argentina SA., (110570)		100%		100%	
Quant Industrial Technology Services (Shanghai) Co., Ltd., (310141400017193)		100%		100%	
Quant Maintenance Mexico S.A. DE C.V., (24061*7)		100%		100%	
Quant Estonia OÜ, (12736628)		100%		100%	
Quant Spain, S.L., (B-87116869)		100%		100%	
Quant Germany GmbH, (HRB 133266)		100%		100%	
Quant Service Hungary Kft, (Cg.01-09-197470)		100%		100%	
Quant Netherlands B.V., (61625914)		100%		100%	
Quant Norway AS, (914317061)		100%		100%	
Quant Service Czech Republic s.r.o., (035 15 737)		100%		100%	
Quant Service Poland sp.z.o.o., (KRS 0000741595)		100%		100%	
Quant Service Peru S.A.C (145 98 429)		100%		-	
Quant South Africa, (1998/020657/07)		74%		74%	
Quant Maintenance Service Namibia (Pty) Ltd, (2014/0522)		100%		100%	
Quant Gulf Equipment and General Maintenance LLC, (1203868)		49%		49%	
Quant Service New Zealand Ltd, (5505570)		-		100%	
Quant New Zealand Ltd., (1264345)		-		100%	
Quant Australia Pty Ltd, (602 237 230)		-		100%	
Quant Contracting Services Pty Ltd, (608 304 374)		-		100%	
Quant Malaysia SDN. BHD, (115116-W)		-		100%	
Quant Service (UK) Ltd., (9254444)		-		100%	
Quant Services Canada Ltd, (904538-4)		-		100%	
			101,285		101,285

The ownership share of the capital corresponds to the proportion of the total number of shares. All companies listed in the table above are consolidated as Subsidiaries using the consolidation method described under Accounting principles: consolidation and business combinations "Subsidiaries" on page 42.

Note 21 Financial assets and liabilities by valuation category in the Group

KEUR	2020		2019	
	Carrying amount	Fair Value	Carrying amount	Fair value
Assets				
Non-current receivables	678	678	544	544
Accounts receivable	26,403	26,403	36,614	36,614
Other receivables	1,683	1,683	1,545	1,545
Accrued income	3,695	3,695	1,796	1,796
Liquid funds	21,351	21,351	13,190	13,190
Total assets	**53,810**	**53,810**	**53,690**	**53,690**
Liabilities				
Interest-bearing liabilities 1)	144,857	144,857	134,311	134,311
Other non-current liabilities	2,328	2,328	3,764	3,764
Accounts payables	10,802	10,802	13,593	13,593
Other liabilities	4,721	4,721	6,427	6,427
Accrued expenses	**22,688**	**22,688**	**16,956**	**16,956**
Total liabilities	**185,395**	**185,395**	**175,051**	**175,051**

Quant has no financial instruments that are recognized at fair value through the income statement.

1) The carrying amount of the Group's interest-bearing liabilities are deemed to be a reasonable approximation of their fair value.

Note 22 Deferred tax

Deferred tax assets and tax liabilities

The tax assets and provision for deferred tax relates to the following assets and liabilities:

KEUR	2020			2019		
Group	**Deferred tax assets**	**Deferred tax liability**	**Net**	**Deferred tax assets**	**Deferred tax liability**	**Net**
Intangible assets	-	-5,097	-5,097	-	-7,321	-7,321
Pension contributions	672	-	672	549	-	549
Other	1,252	-421	831	994	-434	560
Total	**1,924**	**-5,518**	**-3,594**	**1,543**	**-7,755**	**-6,212**

Group	**Bal at 1 Jan 2020**	**Profit/loss for the year**	**OCI**	**Reclass to Discontin'd**	**Translation differences**	**Bal at 31 Dec 2020**
Intangible assets	-7,321	2,048	-	-	175	-5,097
Pension contributions	549	53	59	-	12	672
Other	560	363	-	-	-92	831
Total	**-6,212**	**2,464**	**59**	**-**	**95**	**-3,594**

Group	**Bal at 1 Jan 2019**	**Profit/loss for the year**	**OCI**	**Reclass to Discontin'd**	**Translation differences**	**Bal at 31 Dec 2019**
Intangible assets	-11,729	4,477	-	-	-69	-7,321
Pension contributions	656	-10	-20	-78		549
Other	317	173	-	115	-45	560
Total	**-10,756**	**4,640**	**-20**	**37**	**-114**	**-6,212**

Note 23 Other non-current receivables

	Group	
KEUR	2020	2019
Deposits	678	544
Total non-current receivables	**678**	**544**

Note 24 Accounts receivable

	Group	
KEUR	2020	2019
Accounts receivable maturity analysis		
Not due	23,301	25,881
Overdue 0 - 30 days	1,680	8,308
Overdue 31 - 60 days	197	1,787
Overdue 61 - 90 days	12	888
Overdue 91 -180	40	688
Overdue > 181	1,943	61
Total accounts receivable before provision for bad debt	**27,173**	**37,614**
Provision for bad debt accounts receivable		
Opening balance January 1	**-1,000**	**-**
Provisions	**-12**	**-1,000**
Reversals	**241**	
Closing balance December 31	**-770**	**-1,000**
Total Accounts receivable	**26,403**	**36,614**

Note 25 Prepaid expenses and accrued income

	Group		Parent company	
KEUR	2020	2019	2020	2019
Prepaid expenses	1,394	490	695	141
Accrued income	3,695	1,796	-	-
Total prepaid expenses and accrued income	**5,089**	**2,286**	**695**	**141**

Note 26 Cash and cash equivalents

The following subcomponents are included in cash:

	Group		Parent company	
KEUR	2020	2019	2020	2019
Bank deposits	21,351	13,190	7,814	769
Total Cash and cash equivalents	**21,351**	**13,190**	**7,814**	**769**

Note 27 Pensions

Group defined benefit plans

Changes in the present value of the obligation for defined benefit plans

KEUR	2020	2019
Obligation for defined benefit plans as of 1 January	**2,959**	**2,932**
Paid compensation	-200	-265
Cost recognized in profit for the year	373	358
Cost recognized in other comprehensive income	294	91
Additional pensions during the year		
Reclassification to discontinued operations	-	-264
Exchange rate differences	10	107
Obligation for defined benefit plans as of 31 December	**3,436**	**2,959**

KEUR	2020	2019
Provisions for Benefit Pension Plans	**3,436**	**2,959**
Provisions for other pensions	825	638
Total Provisions for pensions and similar obligations	**4,261**	**3,597**

Overview of defined benefit plans

The group has one defined benefit plan that provides employee benefits to employees when they retire. The plan provides compensation based on average salary during the last ten years of employment calculated with respect to inflation.

12/31/2020	Pension obligation	Plan assets	Net
Switzerland	10,283	6,847	3,436
Others	-	-	-
Total pension obligations and plan assets	**10,283**	**6,847**	**3,436**

12/31/2019	Pension obligation	Plan assets	Net
Switzerland	9,551	6,592	2,959
Others	-	-	-
Total pension obligations and plan assets	**9,551**	**6,592**	**2,959**

The defined benefit plans are exposed to actuarial risks such as life expectancy, interest rate and investment risks.

The plan assets consist of equity instruments:	2020	2019
Currency (CHF)	3%	4%
Bonds	33%	31%
Equity instruments	27%	28%
Real estate	26%	27%
Alternative investments	11%	11%
Total	**100%**	**100%**

Actuarial assumptions

The following significant actuarial assumptions have been applied in calculating the obligations:
(weighted average values)

	2020	2019
Discount rate	0.2%	0.3%
Expected wage increase	0.7%	1.0%
Expected increase in pensions	0.0%	0.0%

Sensitivity analysis

The table below presents possible changes in actuarial assumptions at the balance sheet date, other assumptions unchanged, and how these would affect the defined benefit obligation.

	2020	2019
Discount rate (- 0,25% change)	-3%	-4%
Discount rate (+ 0,25% change)	3%	4%
Expected increase in pensions (- 0,25% change)	2%	2%
Expected increase in pensions (+ 0,25% change)	-2%	-2%

Cost recognized in the income statement as cost of goods sold

KEUR	2020	2019
Costs concerning service for current period	-363	-336
Gain in regulation	-	-
Net interest income / interest expense	-9	-22
Net cost recognized in the income statement	**-373**	**-358**

Cost recognized in other comprehensive income

KEUR	2020	2019
Actuarial gains (-) and losses (+)	192	625
Difference between actual return and return according to the discount rate on plan assets	102	-534
Effects of change in asset limitation, excluding amounts reported in net interest income	-	-
Net reported in other comprehensive income	**294**	**91**

Note 28 Provisions

	Group	
KEUR	2020	2019
Other provisions	759	775
Total provisions	**759**	**775**

Other provisions are comprised mainly of non-current employee-related liabilities.

Note 29 Interest-bearing liabilities

	Group		Parent company	
KEUR	2020	2019	2020	2019
Liabilities due within one year from the balance sheet date	17,881	14,405	15,563	11,223
Liabilities due within one to five years from the balance sheet date	135,222	130,786	133,385	127,640
Liabilities due later than five years from the balance sheet date	-	-	-	-
Capitalized borrowing costs	-3,423	-3,728	-3,423	-3,728
Total interest-bearing liabilities	**149,680**	**141,463**	**145,525**	**135,134**

Interest-bearing liabilities are comprised of liabilities to credit institutions and leasing liabilities. For the Group, previous year's figures now include leasing liabilities in the amount of EUR 7.1 million, of which EUR 3.4 million is due within one year and 3.8 million is due within one to five years. These amounts were not reported in this note in the 2019 Annual report. For the Parent company, 2019 figures now include EUR 0.8 million in leasing liabilities, of which EUR 0.2 million is due within one year and EUR 0.6 million is due within one to five years. For information on leasing liabilities, see Note 3 Financial risks.

Credit facilities

Senior bonds

Bonds of EUR 62.5 million was issued in the Swedish capital market on 15 February 2018 and has a maturity of five years with maturity date in February 15, 2023. The bonds have a fixed interest rate of 6%, which is paid quarterly. The bonds are issued by Quant AB and are secured with shares in subsidiaries, which are also jointly and severally liable for all obligations under the bond agreement. The super senior working capital facility has a substantive legal priority over the senior bonds, which in turn have a substantive legal priority over the junior bonds. The senior bonds were listed on Luxembourg Stock Exchange on 7 February 2019.

On 29 June 2018 Quant issued further bonds of EUR 29.5 million under the senior secured bond agreement.

Junior bonds

Bonds of EUR 28.0 million was issued in the Swedish capital market on 15 February 2018 and has a maturity of five years and three months with maturity date in 15 May 2023. The bonds have a fixed interest rate of 14%, which is capitalized quarterly. The bonds are issued by Quant AB and are secured with shares in subsidiaries, which are also jointly and severally liable for all obligations under the Bond Agreement. The super senior working capital facility has a substantive legal priority over the senior bonds, which in turn have a substantive legal priority over the junior bonds. The junior bonds were listed on Luxembourg Stock Exchange on 7 February 2019.

Super senior working capital facility

The group has a working capital facility with Nordea Bank AB (publ) of EUR 20 million, which is possible to use for working capital requirements and as collateral for guarantees issued within the framework of Quant's operations. The working capital facility is possible to utilize in many different currencies and drawn loans run at variable interest rates for the loan period plus a margin of 3.25%. Loans under the working capital facility are due according to initial loan period requested by Quant. Refunded amounts are re-available for borrowing until the working capital facility's final maturity date of July 15, 2022. The working capital facility is entered into by Quant AB and secured with shares in subsidiaries, which are also jointly and severally liable for all obligations under the facility agreement. The super senior working capital facility has a substantive legal priority over the senior bond loan, which in turn has a substantive legal priority over the junior bond loan.

Note 30 Accrued expenses and deferred income

	Group		Parent company	
KEUR	2020	2019	2020	2019
Accrued interest expenses	1,573	1,452	1,689	1,529
Accrued restructuring costs	1,717	1,538	27	839
Accrued personnel expenses	14,290	9,375	709	442
Deferred income	1,619	1,369	0	0
Other accrued expenses	3,489	3,222	550	425
Total accrued expenses and deferred income	**22,688**	**16,956**	**2,976**	**3,236**

Note 31 Pledged assets, contingent liabilities and contingent assets

Cidron FS Top Holding AB has entered into a security package with the security agent Nordic Trustee on behalf of the bond investors and Nordea regarding the company's borrowing. The security is set for short and long-term bank loans in Sweden as stated in note 21. For these bank loans, the shares in Quant AB and Quant Sweden Holding AB, via the respective parent company, have been pledged.

The amount indicated as pledged assets in the parent company consists of the parent company's carrying value of the shareholdings.

The amount stated as pledged assets in the group intends to illustrate how the group's shareholders' equity is affected in the event that the pledged shares are to be mobilized.

	Group		Parent company	
KEUR	2020	2019	2020	2019
Pledged assets				
Bank guarantees	3,885	4,664	3,885	4,664
Shares in subsidiaries	7,815	14,985	101,285	101,285
Total pledged assets	**11,700**	**19,649**	**105,170**	**105,949**
Contingent liabilities	-	-	-	-

Note 32 Transactions with related parties

Related party transactions

All transactions with the Board and the Group's senior executives have been reported in Note 6 Employee and personnel costs. Other than the information in this note, there have been no transactions between any members of the Board or the Group's senior executives.

Sales within the group

Of the parent company's total sales, 100% (100%) relate to sales to other companies within the Quant group.

Note 33 Interest received and paid

	Group		Parent company	
KEUR	2020	2019	2020	2019
Interest received	57	228	3,403	1,732
Interest paid	-12,196	-10,263	-12,129	-10,234
Interest paid leasing	-520	-850	-59	-63
Total	**-12,659**	**-10,884**	**-8,785**	**-8,565**

Note 34 Supplemental information to cash flow finance activities

Reconciliation of items included in financing activities - Group, continuing operations

KEUR GROUP	Bal at 1 Jan 2020	Cash flow effects	Non-cash flow effects	Foreign exchange differences	Bal at 31 Dec 2020
Liabilities to credit institutions	**134,311**	**4,000**	**6,613**	**-67**	**144,857**
Lease liabilities	7,124	-2,192		-109	4,823
Total	**141,435**	**1,808**	**6,613**	**-176**	**149,680**

KEUR GROUP	Bal at 1 Jan 2019	Cash flow effects	Non-cash flow effects	Foreign exchange differences	Bal at 31 Dec 2019
Liabilities to credit institutions	**134,039**	**-4,000**	**4,306**	**-34**	**134,311**
Lease liabilities	11,106	-3,830		-152	7,124
Total	**145,145**	**-7,830**	**4,306**	**-186**	**141,435**

Note 35 Appropriation of Earnings

KEUR	
Non-restricted equity in the Parent company at the disposal of the Annual General Meeting:	
Retained earnings	67,758
Loss for the year	-7,957
Total	**59,801**

The Board of Directors and the CEO propose that the amount be appropriated as follows:

Amount carried forward	**59,801**

Note 36 Business combinations, discontinued operations and assets and liabilities held for sale

Acquisitions

2020
There were no acquisitions carried out during 2020.

2019
There were no acquisitions carried out during 2019.

Discontinued operations
In May 2019 Quant announced the launch of its transformation program and as part of this program the decision by management was taken to sell or discontinue operations in a number of countries. This decision triggered a write down of Goodwill and Customer relations in the amount of EUR 9.1 million and EUR 4.6 million, respectively. The earnings, cash flow, assets and liabilities in this group of countries is reported as discontinued operations. During 2019 good progress was made to sell or close activities in these countries. Quant Latvia SIA was sold and the impact on the Group was insignificant. Quant Belgium NV and Quant France SAS were liquidated as at 31 December 2019. During 2020 many more discontinued entities were liquidated however a few are still in the liquidation process as per December 31, 2020. The financial information for discontinued operations is found in the following tables:

INCOME STATEMENT FOR DISCONTINUED OPERATIONS

	Group	
KEUR	2020	2019
Net sales	606	8,049
Cost of sales	-1,199	-8,723
Gross profit	**-593**	**-674**
General and administrative expenses	-532	-2,758
Selling expenses	-1	-566
Write-downs intangible assets and PPE	-	-13,757
Other operating income	22	255
Other operating expenses	0	-14
Operating Loss	**-1,104**	**-17,515**
Interest income and similar profit/loss items	-	-338
Interest expense and similar profit/loss items	-17	-
Foreign exchange gains and losses	992	838
Total financial items	**975**	**500**
Profit/loss before tax	**-129**	**-17,015**
Taxes	-95	-336
Loss for the year	**-224**	**-17,350**

	Group	
ASSETS AND LIABILITIES HELD FOR SALE		
KEUR	**2020**	**2019**
Property, plant and equipment	-	2
Right of use assets	-	71
Financial assets	217	287
Inventories	-	5
Accounts receivable	-	898
Other receivables	160	324
Prepaid expenses and accrued income	1	372
Total assets	**378**	**1,960**
Provisions	219	316
Leasing liability	-	66
Accounts payable	4	932
Accrued expenses and deferred income	95	623
Other non-interest-bearing liabilities	8	458
Total liabilities	**326**	**2,396**

Note 37 Events after the reporting period

On March 29, 2021, Quant announced that Pesquera Exalmar S.A.A ("Exalmar") and Quant Peru signed a six-year maintenance service contract for the Chicama, Chimbote, Huacho, Callao and Tambo de Mora plants in Peru, and Exalmar's fishing fleet. Quant has established a legal presence in Peru in connection with the signing of a letter of intent for this contract and the country belongs to the Americas region. During the first year of the contract, starting 1 December 2020, Quant will review the current maintenance operations and prepare for full responsibility for maintenance execution. Starting in 2022, Quant will be fully responsible for maintenance execution. Quant estimates that the contract revenue totals EUR 12-14 million per year for five years, after the initial year of reviewing the current maintenance operations.

SIGNATURES

The undersigned declare that the consolidated accounts and annual report were prepared in accordance with IFRS, as approved by the EU, and with generally accepted accounting practices, and give a fair presentation of the position and performance of the Group and the company, and that the Group administration report and the company's administration report give a fair review of the progress of the Group's and the company's operations, position and performance, as well as describing the material risks and uncertainty factors to which the companies that are members of the Group are exposed.

QUANT AB

556975-5654

STOCKHOLM, APRIL 20, 2021

MIKAEL NORIN
CHAIRMAN OF THEBOARD

CASPER LERCHE BOARD MEMBER	HENRIK SANDRÉUS BOARD MEMBER	JÖRGEN BERGQVIST BOARD MEMBER
OLOF FAXANDER BOARD MEMBER	PER HALLIUS BOARD MEMBER	PIERRE SCHÖLD BOARD MEMBER

TOMAS RÖNN
CEO

OUR AUDIT REPORT HAS BEEN SUBMITTED, APRIL 20, 2021

ÖHRLINGS PRICEWATERHOUSECOOPERS AB

NICKLAS KULLBERG

AUTHORIZED PUBLIC ACCOUNTANT

THE MANAGEMENT REPORT, FINANCIAL STATEMENTS AND NOTES ARE A TRANSLATION FROM THE SWEDISH ORIGINAL.

AUDITOR'S REPORT

(Translation from the Swedish original)

To the general meeting of the shareholders of Quant AB (publ), corporate identity number 556975-5654

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Quant AB (publ) for the year 2020. The annual accounts and consolidated accounts of the company are included on pages 31-72 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 parent company and the group as of 31 December 2020 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 2020 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. 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 the statement of financial position for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee 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.

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

In addition to the parent company, Quant AB, the Group Audit has included the operating companies in Sweden, Chile, Finland, Brazil, China, Spain and Switzerland.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They 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 consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

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.

KEY AUDIT MATTER	*HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER*
Recognition of revenue from the sale of maintenance and repair services at the right amount and in the right period. The Group's revenues are mainly related to multi-year customer contracts with manufacturing companies where Quant provides maintenance and repair services for customers' production facilities. The contracts are mainly of standard nature and contain either one main performance obligation for maintenance work, or several performance obligations, which in addition to maintenance work also includes eg additional work or sales of spare parts. Pricing can be both fixed and variable. In some cases, the contracts have a fixed price combined with certain variable parts such as bonuses based on agreed KPIs. In these cases, management's calculations and assumptions form the basis for revenue recognition. For multi-year fixed-price contracts, revenue is recognized evenly over the life of the contract. Invoicing normally occurs in the month in which the services are performed. In cases where invoicing differs from worked-up revenue for the period, accrued revenue or prepaid income is reported to the extent that the invoiced amount differs from the worked-up revenue. As a result of manual calculations and assumptions being made in the accounts, combined with the fact that the revenue flow is significant, we have assessed the revenue as an important area in the audit. For accounting principles regarding the Group's revenues, we refer to Note 5 in the annual report for 2020.	**How our audit addressed the key audit matter** We have focused a significant part of our audit on evaluating Quant's principles for revenue recognition. We have done this, among other things, by performing the following audit procedures: • Analysis of revenue during the year compared to the previous year. • Reviewed a selection of major contracts against the contract terms and Quant's guidelines for assessing revenue recognition. • On a sample basis, tested that revenue is reported in the correct period and at the correct amount. • Reviewed credit notes after the end of the financial year. • Evaluated Quant's accounting principles and the notes provided. The performed audit procedures have not identified any significant observations related to this area.
Impairment testing of acquisition-related surplus values and goodwill In the consolidated balance sheet, acquisition-related surplus values and goodwill are reported at a value of 102 188 KEUR. Goodwill and acquisition-related surplus values correspond to the difference between the value of net assets and the purchase price paid in an acquisition. Unlike other assets, there is no amortization of goodwill, which is tested annually for impairment or when there is an indication of impairment. Other acquisition-related surplus values are amortized over the estimated useful life. When the company management examines cash-generating units for impairment, the reported values are compared with the estimated recoverable amount. If the recoverable amount is substantially lower than the reported value, the asset is written down to its estimated recoverable value. The recoverable amount is determined by calculating the asset's value in use. When calculating the value in use, company management must make assumptions about future growth and margin development. Future events and new information may change these assessments and estimates, and it is therefore particularly important for the management to continuously evaluate whether the value of the acquisition-related intangible assets can be justified taking into account the assumptions made.	**How our audit addressed the key audit matter** In our audit, we have focused on management´s assessment of impairment and the identified surplus values. We have, among other things, performed the following procedures: • Evaluated Quant's process for testing acquisition-related surplus values and goodwill for impairment. • With the support of PwC's internal valuation specialists, evaluated the reasonableness of the discount rate used. • Evaluated the reasonableness of assumptions made and conducted sensitivity analyzes for changed assumptions. • Evaluated management's forecasting ability by comparing previously made forecasts against actual outcomes. • Based on materiality, confirmed that sufficient note information is provided in the annual report. The performed audit procedures have not identified any significant observations related to this area

Other Information than the annual accounts and consolidated accounts

The other information is the responsibility of the Board of Directors and the Managing Director. The other information consists of an extended description of the Group's operations in 2020 and can be found on pages 3-28 in this document.

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 Director's 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.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar.

This description is part of the auditor´s report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Quant AB (publ) for the year 2020 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 Director's 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 Director's 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' 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.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Öhrlings PricewaterhouseCoopers AB, Torsgatan 21, was appointed auditor of Quant AB (publ) by the general meeting of the shareholders on the 5 November 2019 and has been the company's auditor since the 5 November 2019.

Stockholm, April 20, 2021

Öhrlings PricewaterhouseCoopers AB

Nicklas Kullberg

Authorized Public Accountant

ALTERNATIVE PERFORMANCE MEASURES

Quant uses certain alternative performance measures (APMs) not defined in the rules for financial reporting adopted by Quant. APMs, i.e. performance measures not based on financial statements standards, provide meaningful supplemental information by excluding items that may not be indicative of the operating result or cash flows of Quant. Alternative performance measures enhance comparability from period to period and are frequently used by analysts, investors and other parties. These APMs, as defined, cannot be fully compared with other companies' APMs and should not be considered as a substitute for measures of performance in accordance with IFRS.

ALTERNATIVE PERFORMANCE MEASURE	DEFINITION	REASON FOR USE
EBITDA	Earnings before interest, tax, depreciation and amortization, and before write-down of intangible and tangible assets.	Shows the operational profitability that the business primarily can affect
Adjusted EBITDA	EBITDA excluding items affecting comparability (non-recurring items) and the effect of IFRS 16 Leases	Related to the underlying performance and cash generation ability of the business
Adjusted EBITDA Margin	Adjusted EBITDA as a percentage of Net Sales	Enables comparability of underlying profitability for different size segments
Adjusted EBITDA IFRS 16	EBITDA excluding items affecting comparability (non-recurring items), but including the effect of IFRS 16 Leases, with expenses related to leases in Depreciation and Interest cost	Related to the underlying performance and cash generation ability of the business, aligned with updated IFRS standards
Net debt	Interest-bearing liabilities, excluding lease liabilities, less cash and cash equivalents	Indicates how much debt the group has net of cash and is an important measure for bond holders
Net debt IFRS 16	Interest-bearing liabilities, including lease liabilities, less cash and cash equivalents	Indicates how much debt the group has net of cash, with lease liabilities recorded as debt in accordance with IFRS 16, aligned with adjusted EBITDA IFRS 16
Net debt/adjusted EBITDA / Net Debt / Adjusted EBITDA IFRS 16	Net debt in relation to adjusted EBITDA / Net debt IFRS 16 in relation to adjusted EBITDA IFRS 16	Shows the ability to service debt, an important measure for bond holders, both without and with application of IFRS 16
Growth excluding structural and other non-recurring adjustments	Growth excluding structural changes and other non-recurring adjustments shows the change in net sales, excluding changes related to acquisitions, divestments, and other non-recurring adjustments, such as accounting related changes	Shows the actual growth, including currency effects, of the business
Organic growth	Organic growth refers to growth in net sales excluding (i) growth related to acquisitions and divestments and other non-recurring adjustments and (ii) growth related to fluctuations in currency exchange rates	Shows the actual growth of the business, excluding currency effects
Local currency/constant currencies	Excludes the impact of changes in exchange rates when translating net sales and profits of entities with reporting currencies other than Euro, to the group currency Euro	Shows growth excluding currency effects
Contract Portfolio	The annualized net sales of current customer contracts, adjusted for (i) signed new contracts, included at date of contract signing, irrespective of start date; (ii) terminated contracts, excluded at date of formal notification, irrespective of end date; (iii) changes formally agreed with the customers of existing contracts, included at date of agreement. This includes changes due to renewals of contracts or other reasons	Shows current recurring annual net sales adjusted for short- and medium-term changes
Items affecting comparability/non-recurring items	Items affecting comparability are of a one-off, non-recurring, non-operational, extraordinary, unusual or exceptional nature (including restructuring expenditures).	Shows the value of items which affect the comparability of Quant's result and profitability between periods

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

KEUR	2020	2019
Continuing operations		
Operating profit (loss)	**-3,498**	**-875**
Depreciation & amortization	13,674	15,638
Non recurring items	675	3,519
Reversal of Write-down intangible assets	-	-
Reversal of Write-down tangible assets	-	63
Adjusted EBITDA IFRS 16	**10,851**	**18,344**
Effect from IFRS 16	-3,506	-4,321
Adjusted EBITDA	**7,345**	**14,023**
Net sales	170,614	196,604
Adjusted EBITDA margin	**4.3%**	**7.1%**
Discontinued operations		
Operating profit (loss)	**-1,104**	**-17,515**
Depreciation & amortization	60	252
Non recurring items	4	1,655
Reversal of Write-down intangible assets	-	13,642
Reversal of Write-down tangible assets	0	115
Adjusted EBITDA IFRS 16	**-1,041**	**-1,851**
Effect from IFRS 16	-61	-212
Adjusted EBITDA	**-1,102**	**-2,063**
Net sales	606	8,049
Adjusted EBITDA margin	**-181.7%**	**-25.6%**
Group total		
Operating profit (loss)	**-4,602**	**-18,390**
Depreciation & amortization	13,733	15,889
Non recurring items	679	5,174
Reversal of Write-down intangible assets	-	13,642
Reversal of Write-down tangible assets	0	177
Adjusted EBITDA IFRS 16	**9,810**	**16,493**
Effect from IFRS 16	-3,567	-4,533
Adjusted EBITDA	**6,243**	**11,960**
Net sales	171,221	204,653
Adjusted EBITDA margin	**3.6%**	**5.8%**

KEUR	31 Dec	
	2020	2019
Net Debt		
Cash and bank	21,351	13,190
Financial assets	**21,351**	**13,190**
Long term borrowings	129,471	123,267
Short term borrowings	15,385	11,045
Adjusted financial liabilities	**144,857**	**134,311**
Net Debt	**123,505**	**121,121**
Lease liabilities	4,823	7,125
Net Debt IFRS 16	**128,329**	**128,246**
Net Debt	123,505	121,121
Adjusted EBITDA Continued operations	***7,345***	14,023
Net Debt / Ajusted EBITDA, times	**16.8**	**8.6**
Net Debt IFRS 16	128,329	128,246
Adjusted EBITDA IFRS 16 Continued operations	10,851	18,344
Net Debt IFRS 16 / Adjusted EBITDA IFRS 16, times	**11.8**	**7.0**

KEUR	2020
Changes in net sales	
Net sales	170,614
Net sales in comparative period of previous year	196,604
Net sales, change	**-25,989**
Minus: Structural changes and other non-recurring adjustments	-
Plus: Changes in exchange rates	7,073
Organic Growth	**-18,916**
Structural changes and other Non-recurring adjustments, %	-
Organic Growth, %	-9.6%
Net sales	170,614
Plus: Changes in exchange rates	7,073
Net sales in constant currency	**177,687**
Adjusted EBITDA	7,345
Plus: Changes in exchange rates	352
Adjusted EBTIDA in constant currency	**7,697**

QUANT™

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The product is produced at an ISO certified printing center.