QUANT™

2021 ANNUAL REPORT

Smart services for a **sustainable** world

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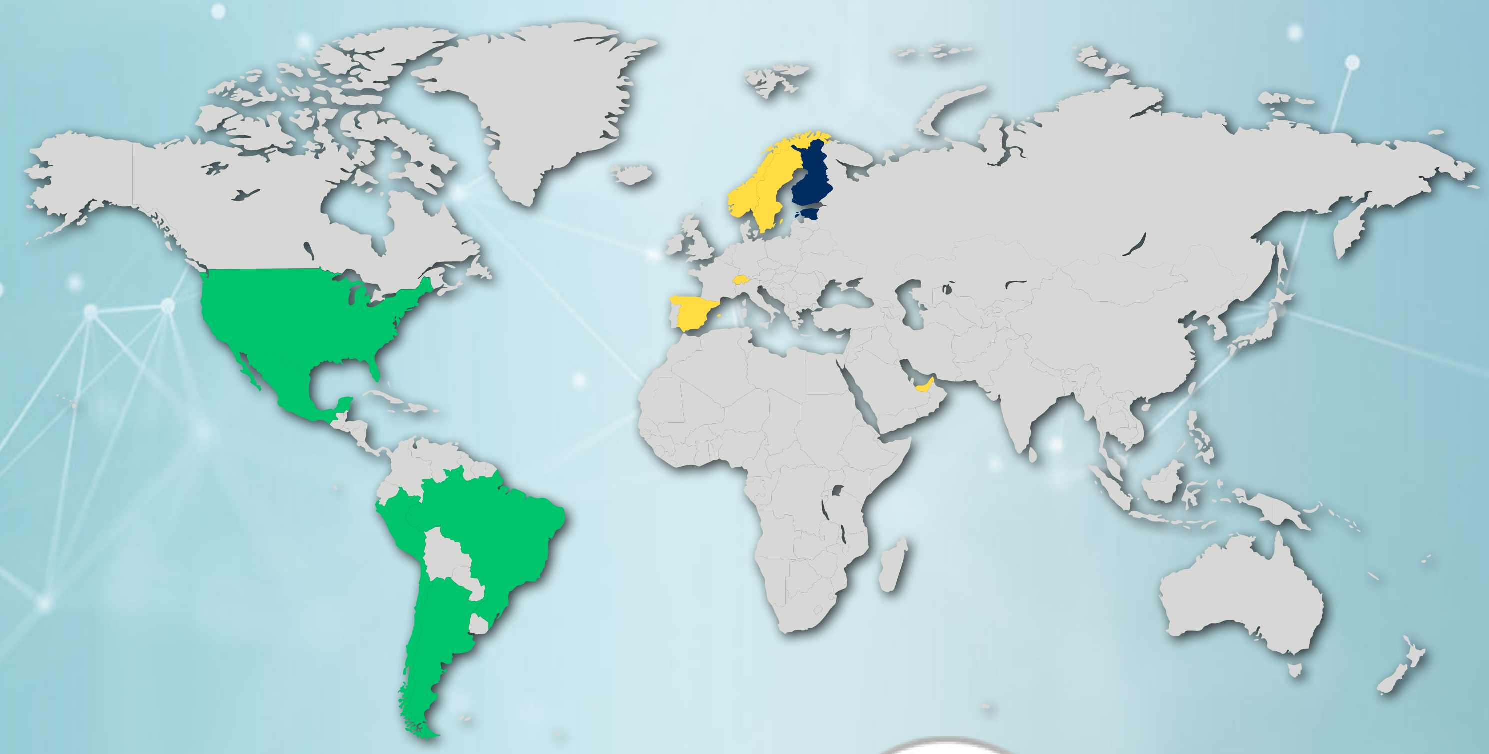
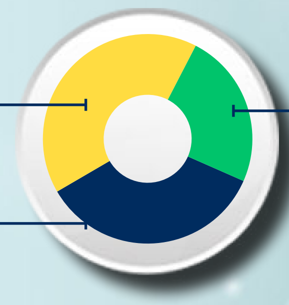


NET SALES PER SEGMENT



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 is the result of strong partnerships between Quant and our customers.

SWEDEN
HQ in Stockholm, Sweden

MORE THAN
30
Years of experience

2,436
Number of Employees

MEUR
164.4
2021 Full Year Revenue

77
Sites in operation

CEO REVIEW

2021 was yet another year characterized by the pandemic and its impacts. Although we had several positive developments, such as increased portfolio value and much better customer and employee satisfaction indices, we also had additional pandemic-related costs which affected our profitability.

Safety is always at the top of our agenda, and we carried out several initiatives during the year, most notably, the safety week which was much appreciated by employees as well as customers. Using the positive feedback and ideas we received, we are excited to be offering an even better safety week in 2022.

We continued to execute on our strategy which has four main areas:

- People
- Operational performance
- Digitalization
- Sales

Both the employee and customer satisfaction indices improved substantially which is a good indication that our strategy is working, and it is establishing a very good platform for the future success of the company.

To put more emphasis on the digitalization we have added a Chief Digital Officer who is a member of the Executive Management Team. Under her leadership we will update our digitalization strategy and accelerate our digitalization initiatives.

During the second half of 2020 we increased the sales opportunity pipeline and some of these opportunities materialized in orders during 2021. As a result, we increased our portfolio value with more than 20% in 2021.

Additional costs, related to the pandemic, continued throughout the year and on most sites. Our priority was the safety and wellbeing of our people but also to make sure we could serve our customers according to the obligations under the contracts. The additional costs resulted in a profitability level below our target.

Towards the end of the year, we started work on the refinancing of the company as the maturity date of our bonds was getting closer. In March 2022 we were able to publish the result of this work and I am looking forward to finalizing this plan in the near future.

I would like to thank all my colleagues for the excellent work during the past year, we made good progress and we will make 2022 an even better year.

I would also like to thank our customers, owners and lenders for their continued trust and cooperation.

TOMAS RÖNN
CEO
Quant AB (publ)

REFINANCING AND A NEW MAJORITY OWNER

On 24 March 2022 Quant AB (publ) announced, as part of an initiation of a written procedure in respect of its senior bonds, that Permira Credit Solutions II Master Sub S.A. ("Permira Credit"), the holder of the junior bond, and Nordic Capital, the current majority owner of Quant, have agreed in principle to a conditional agreement under which Permira Credit is expected to become the new majority owner of Quant. Nordic Capital is expected to remain as a minority shareholder. The agreement between Permira Credit and Nordic Capital is conditional upon, amongst other things, agreements and consents relating to an extension and reduction of the existing super senior revolving credit facility, and is subject to formal approval of merger filings with competition authorities. Permira Credit will, as part of the agreement with Nordic Capital, provide EUR 10 million of new capital as a cash injection on the balance sheet. Amounts corresponding to the junior bond and certain shareholder loans will, in time, also be capitalized resulting in releases of these debts.

In the written procedure the holders of the senior bonds were requested to approve, inter alia, (i) an unconditional extension (the "Interim Amendment") of the terms of the senior bonds by three months, extending the maturity date from 25 February 2023 to 25 May 2023, and (ii) conditional amendments (the "Final Amendments") consisting of an extension of the term of the senior bonds from 15 May 2023 to 15 November 2025, an amendment of the control clause to allow for Permira Credit to take over as the new majority owner of Quant, a correction of wording to allow non-wholly owned subsidiaries to make pro-rata distributions to group companies and joint venture partners, an undertaking to achieve an increase of equity to an amount corresponding to the junior bond which is then extinguished, and an update of the call structure of the Senior Bond. The Final Amendments are conditional upon the cash injection by Permira Credit and the extension and reduction of the existing super senior revolving credit facility.

On 7 April 2022 Quant received an approval from the holders of the senior bonds in the written procedure and on 21 April 2022 the Interim Amendment was fully and finally executed. At the time of the publication of the Annual Report the company was awaiting formal approval of merger control filings. For more information, please visit www.quantservice.com/investors

QUANT **ANNUAL REPORT** 2021
MARKET & TRENDS

MARKET & TRENDS

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

Sustainable manufacturing

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

Extend asset life cycle

The need to extend the productive lifetime of 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 more complex, this forces companies to source specialist maintenance services from external partners to a greater extent than before. The maintenance budget allocated for external services is expected to increase going forward.

More cost flexibility for the customer

Companies want to optimize their operational cost, and 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

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

Continued digitalization

There is a significant potential in leveraging industrial Internet of Things (IoT) solutions across most industries. Digital solutions providing decision support are now readily available, 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 could not only predict asset failures, but also help companies monitor maintenance in real time and take proactive actions.

Improved sourcing of maintenance repair and overhaul services

Maintenance repair and overhaul (MRO) sourcing services will mature and develop. Companies will look for master suppliers who can handle a larger and wider scope, as well as manage multiple sub suppliers, thereby leveraging 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 or 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 equipment to customers. 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.

EPCs 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.

STRATEGY

Quant's strategy is aimed at improving the group's competitive edge and support profitable growth.

PEOPLE

Our aim is to become the 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 have expanded 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.

OUR VISION

Smart services for a sustainable world

Smart services are services that are delivered safely and efficiently, on time every time.

OUR MISSION

Generate outstanding customer value

through smart services, cost efficiency, plant performance improvement in a safe and sustainable way.

OFFERING

Quant is a leader in the global industrial maintenance services market, working in almost every industry. The core of our value proposition consists of improving safety, creating organizational equity, driving plant performance, and cost alignment. 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.

Our partnership models are not one-size-fits-all, they are offered and tailored by combing Quant services and contractual models in a way that suites each customer's unique needs, emphasizing shared risk and return, and common objectives.

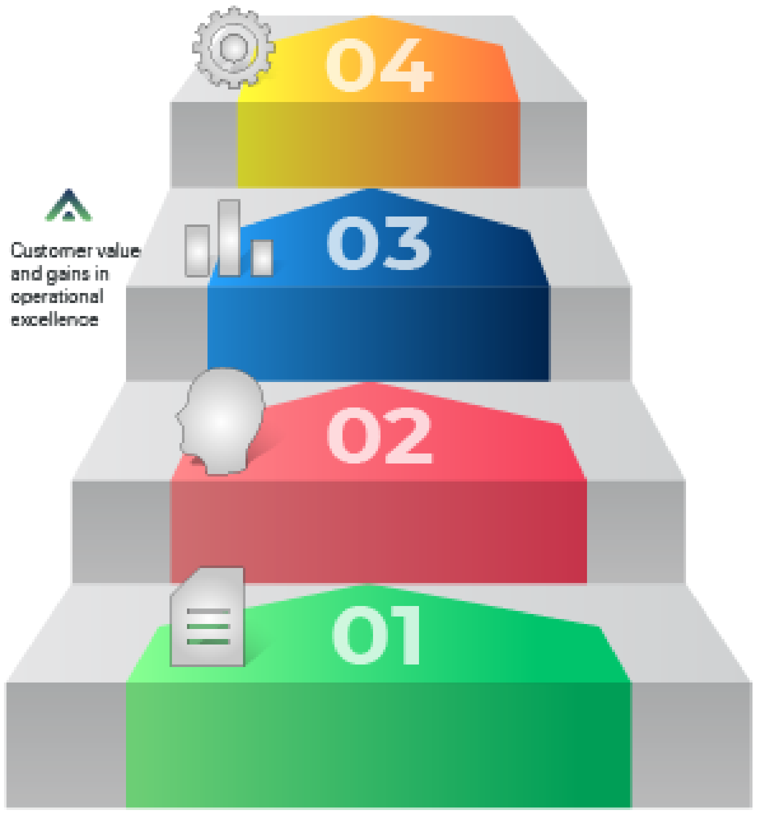
Generally, there two main categories of Quant - Customer maintenance partnerships:

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 the second category are 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**



LEVEL OF PARTNERSHIP

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 and 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
• Customer and Quant performs a Engagement workshop to form situation based hypothesis for improvement and change of maintenance operations • Collection of quantitative and qualitative data	• Audit maintenance processes on site • Interview key personnel on site • Benchmark performance against Quant's best practice database • Identify improvement potential • Safety • Overall equipment efficiency • Reliability • Overall Craft Effectiveness • 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 • Present Quant's partnership proposal to customer decision makers	• Initiated partnership development phase • Sign maintenance agreement • 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

01	02	03	04
ENHANCED SAFETY CULTURE	**OPTIMIZED COST**	**IMPROVED PLANT PRODUCTIVITY**	**BETTER CONTROL AND TRANSPARENCY**

Tangible results

- Δ Decrease in recordable accidents
- Δ Improved service culture

- 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 Reduction in production downtime
- Δ Increased customer satisfaction index (cNPS)

QUANT ANNUAL REPORT 2021
OFFERING

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.

We are focused on developing our 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.

DIGITAL TOOLS SUITE

quantEffect
- Accurate and automatic measurement of Overall Equipment Effectiveness (OEE)
- 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
- Easy and quick 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
- Increased transparency
- 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 Quant's selected software
- Complete key performance indicator management

quantDrone
- Visual and thermal inspection of various structures
- Early detection of structural issues (structural integrity, corrosion)
- Improved asset reliability controlled function deterioration
- Improved safety

SAFETY - OUR CHOICE

We expected 2021 to be the end of the pandemic but during the year we faced new restrictions and recommendations at most sites and countries where we operate, which made us change some procedures with regards to safety. Before the pandemic it was normal practice that the company mangers made site visits but that practice has been restricted during the past two years.

Due to this new scenario, we implemented initiatives such as the Quant Safety Week, which was very much appreciated by the organization, customers and people who face risks daily. The Quant Safety Week has proven to be a unique opportunity to approach safety-related questions and issues in a more playful way. Through surveys, trainings, videos and workshops we have gotten closer to our staff. It is important to remember that safety is not only a number of rules and restrictions as the topic covers much more than that.

Although this activity does not solve accidents at the root, it does generate preventive and awareness actions to improve people's behaviors in terms of safety and health at work. And it has allowed us to generate knowledge that will be replicated in actions in the future.

In respect to the use of our digital tools for safety, the use of Quantshield increased, while more people and leaders got involved, reported and followed up on threats.

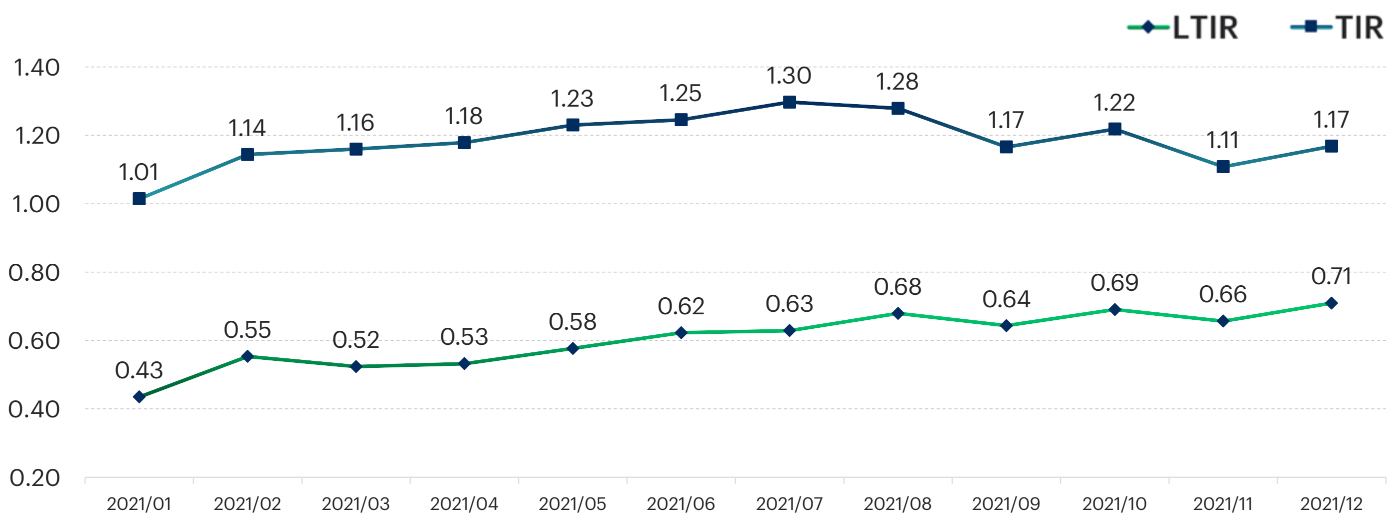
We continue to work with Quant Life Saving Rules, updating and spreading them in different sites. Quant Life Saving Rules is a Quant Academy course that is offered to all Quant employees.

We are not where we want to be because our goal is zero incidents, which has led us to rethink the structure, responsibilities, resources and focus we want to have in safety, because here in Quant, safety is our choice.

QUANT LIFE SAVING RULES

- Risk Assessment
- Work Permit
- Personal Protective Equipment
- Lock out - Tag out
- Atmospheric Testing
- Fall Protection
- Hanging load
- Moving Vehicles
- Safe Driving

LTIR & TIR 2021



REACHING FIVE YEARS WITHOUT LOST TIME INCIDENTS

Quant's maintenance team in Louisville, Kentucky, have reached five years without Lost Time Incidents (LTI). Site manager Adam Finlay points out the strong safety culture, people empowerment and a great team spirit as the keys to success.

The contract in Louisville, Kentucky started in 2017. In early 2022, the Quant maintenance team consisting of 25 employees celebrated five years without Lost Time Incidents (LTI)!

According to site manager Adam Finlay, this achievement comes from constant education and commitment to safety.
- Since day one of this contract, we have always preached safety, walked safety, and talked safety. We stay completely up to date with all of our trainings, and it is basically about having a constant, ongoing discussion about safety, he says.

Safety is a team effort

Another key to the success is the strong safety culture on site, coming from empowering the employees. Adam points out the importance of having a group where each individual dares to stop the work if noticing a potential risk.
- You have to give the employees empowerment, to let them know that if they see something unsafe, they can and should bring it up. Everybody has the power to do so, and whatever it is, it will be corrected. Everybody knows that, and I think that helps a lot, he says.

Being a relatively small group working closely together has contributed to building a strong team spirit.
- This is a team effort. Nothing gets achieved without everybody on board. And I am blessed to have this group as my team members, being able to achieve these goals together, Adam says.

QUANT SAFETY WEEK 2021

What can go wrong?

In May, we conducted Quant Safety Week 2021. This was a global event within Quant, aiming at strengthening and improving our safety culture even further to reach our target of zero accidents. Having risk assessment as the main theme, Quant employees participated in different activities related to safety during the entire week.

At 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 crucial!

NOTHING WILL GO WRONG
When you follow Quant Life Saving Rules

PATRICIO IBARRA GOMEZ

Chief Human Resource Officer (CHRO) and Group Safety Manager

SUSTAINABILITY IS THE FOUNDATION TO DEVELOP OUR OPERATIONS

Sustainability is an integral part of our strategy, exemplified by various initiatives within Quant. As an example, in region Americas, we have put a lot of effort in developing our relations with the community through initiatives such as educational projects and environmental campaigns.

It is important to understand that sustainability is not a trend. As a company, we live with the communities in which we operate and therefore, we must work together with them. It is not about us as a company doing a favor to the community, rather, it needs to be a "win-win", that is, delivering new opportunities to the communities where we operate and recruiting new talents, people who want to work for us.

Safety is a top priority in our organization, so that we are recognized by our customers and other stakeholders for the importance we give to this matter. We are responsible for protecting the people who work with us, and also, for educating all stakeholders; employees, customers, subcontractors, and ourselves, all with the aim of never stop learning and developing the safety culture.

Safety is to a large extent the responsibility of each individual and a result of people's behavior. Therefore, we have placed emphasis on carrying out a good process of selection of personnel, not only focused on technical knowledge, but on personal characteristics. As a service provider, our people are our most valuable asset. Today, we cannot think that we have employees, but rather, we as a company must be aware of our great responsibility of taking care of the people who are part of our organization. Our employees are not just numbers, but different persons with different needs and wishes.

To further develop and improve as a company, we must leverage the experiences and knowledge within our global, diverse organization. We must survey the best practices of our different regions and replicate them in other places where we operate. While it is important to continue learning and focus on best practices in certain areas, we must also be innovative and show respect for the different cultures within the company.

Regarding the environment, no matter how good our processes are, there are always aspects to improve. Protecting the environment means for instance saving energy and natural resources and this is taken into account in every aspect of our operations; from small actions such as turning off the light when leaving an office to reviewing and improving our processes.

In conclusion, we are aligned with global sustainability concepts and customer interests, and we are determined to leave a positive impact on our people, the environment, and the communities in which we operate.

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.

For more information about Quant's sustainability work read the 2021 Sustainability Report. The report can be found on **quantservice.com**.

SUSTAINABLE QUANT

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, optimizing maintenance cost, and improving 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, 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 provide 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 and 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.

QUANT AWARDS **2021**

Quant is an entrepreneurial company and in order to be successful it is essential that we all pull together and work as a team, helping wherever it may be needed regardless of titles, hierarchy, or which part of the organization an employee belongs to. The Quant Awards are a way in which we celebrate individuals and teams that personify Quant values and entrepreneurial spirit.

In the 2021 Awards, the following individuals and teams were awarded for their work:

Keijo Setälä
– Exemplary Sustainability Behavior or Leadership

Eyvind Torsetnes
– Outstanding Customer Service

Terry Scott
– Best Collegial Support

Arindam, Somasundaram, George, Kedar, Kumarappan, Vipul Anand
– Best Innovation of the year

Ricardo Perroni
– Growth Contributor of the year

QUANT **ACADEMY**
- TO LEARN AND SHARE KNOWLEDGE

The purpose of Quant Academy is to educate our people with professional and focused competence development programs. People development is a commitment to our employees as well as to our customers and other stakeholders, and one of the key initiatives in our strategy. The Academy is in place to deliver on this commitment.

Quant Academy serves as a framework for our people to connect, to learn, and to share knowledge and best practices. With its offering Quant Academy is one of the key drivers of our Quant culture, and hence contributes to a variety of topics such as leadership and future talent development. The ultimate goal of the Academy is to empower all our passionate and proud maintenance professionals to deliver superior customer service.

2021 was the second year of the global pandemic, and the majority of our global training programs were carried out as virtual training sessions. The shift to use digital tools to connect with each other has worked well, and while taking virtual training courses on a variety of topics our employees have also significantly improved their computer and digital tools user skills.

In 2021 we successfully completed two Quant Site Management training programs with over 50 trainees from many different countries. A special highlight from this program is the interesting and impressive course projects the trainees complete and present at the end of the course; these projects truly demonstrate the talent among our Quant colleagues!

One of the major milestones in Quant Academy during 2021 was to implement a Learning Management System. The implementation project was carried out with the support of our global and regional HR teams, and during the second half of the year the first e-learning programs were rolled out from the system. The LMS supports us to deliver focused and standardized training content for our employees to study by themselves when most suitable for them. The new system also supports us in getting better insight into people development needs, and to further develop Quant Academy and its offering.

QUANT **ANNUAL REPORT** 2021
PEOPLE & CULTURE

"To me, that says a lot about the attitude and team spirit we have."

"IT MAKES YOU **DEVELOP** AT WORK"

Kristoffer Granström is working as a supervisor at one of Quant's sites in Finland. He enjoys his broad and varied role but highlights his colleagues and the strong team spirit as the best things about the job.

Kristoffer Granström has worked at Quant for about 20 years. During this time, he has held several different roles, including maintenance technician, welder, and team leader. Today he works as a supervisor at one of Quant's Finnish sites.

- I really like my job because I rarely have two identical working days. In addition, we have an incredibly committed and professional team working on this site, he says.

And it is the team spirit and varied working days that Kristoffer thinks are some of the biggest advantages about his job.

- One of the best things about this job is that there are opportunities to move around and solve different types of challenges on different sites. It makes you develop in your professional role.

"It says a lot about our attitude and team spirit"

Already as a child, Kristoffer was interested in building and repairing things. His grandfather worked as a supervisor in the industry for over 40 years and Kristoffer was happy to visit him at work.

- He always said that it is important to be honest, fair and to say how things really are to the employees. To show appreciation and give praise when things are going well, and to give constructive feedback when needed. That is the key to development, says Kristoffer.

His grandfather is a role model for Kristoffer, and he highlights that a company cannot succeed without taking care of its employees. The employees are a company's most important asset and that is why Kristoffer is happy to feel such a strong team spirit among his colleagues on the site.

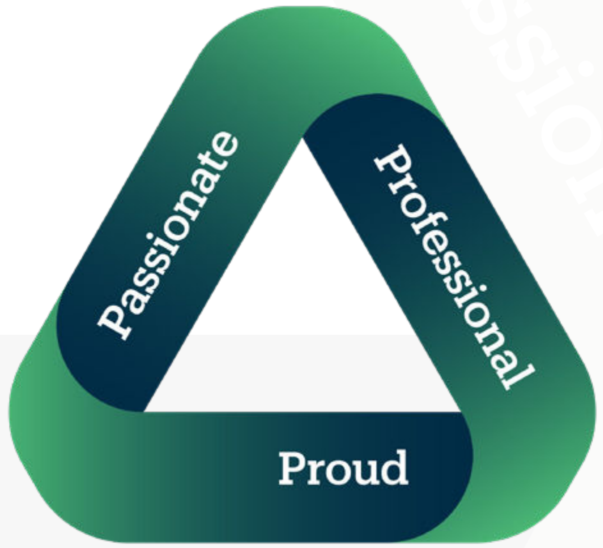
- A good example is that we go to a local café at 05:30 in the mornings to drink coffee together. To me, that says a lot about the attitude and team spirit we have, he says.

OUR CORE **VALUES**

We are passionate
We are passionate about safety, sustainability and reliability.

We are professional
We deliver smart services and innovative solutions.

We are proud
We are proud to partner with our customers for mutual success.



AMERICAS

We are in the second year of the Pandemic, still with restrictions and quarantines that have consequences in our business. In Americas, we can be proud of the ability we have had to adapt to these new circumstances. The way we work, we live, and travel changed 180 degrees. However, we have found the way to continue growing and searching for opportunities.

In fact, during 2021, we celebrated the signing of new contracts, Gala in the United States, Vale Vitoria and Vale Itabira in Brazil, CAP in Chile; and we were also conducting feasibility studies for new business leads.

Safety has always been in our DNA, and we have demonstrated our commitment to reach the highest standards for health and safety on our operations. All the efforts have been worthwhile, we have reached records in days without Lost Time Incidents (LTI) in many contracts in the region. We have also been recognized by our clients and various institutions for our safety and occupational health standards.

We have shown how we value our employees, training our teams in the Implementation of ISO Standards 9001:2015-ISO 14001:2015-ISO 45001:2018, which was held simultaneously in USA, Peru, Mexico, and Chile. Moreover we launched a new program of education in a variety of areas related to the business, aiming to reduce knowledge gaps, and giving technical knowledge to our people.

In terms of sustainability, we have shown our passion in making a positive impact in the places where we work: technical days, internships, solidarity campaigns to help and support the communities we work in, with great results and a real benefit to society. We are also aware of the climate crisis, which is why we are always improving our processes, trying to find solutions in energy saving and reduction in the use of plastic as well as other type of initiatives.

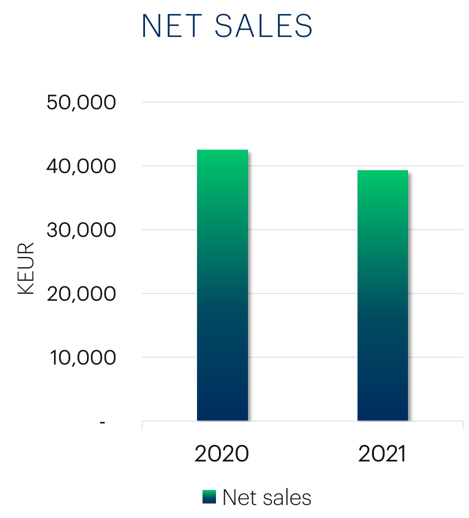
We will continue to work hard to reach the financial goals we have set, to continue with the great teamwork we have, and go on with the good practices that enable us to continue being leaders in the market.

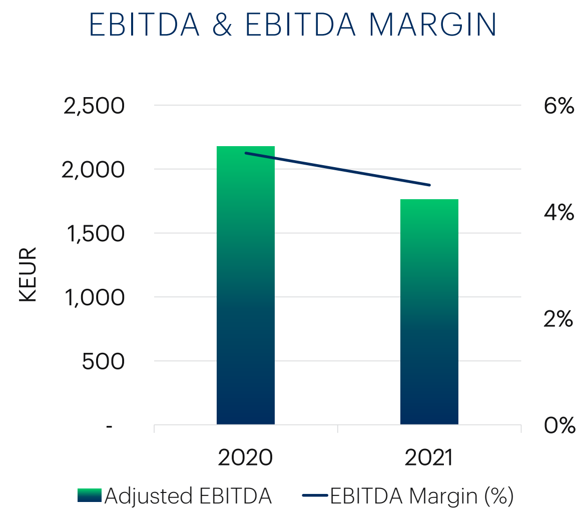
AMERICAS

KEUR	2021	2020
Net sales	39,249	42,512
Operating profit (loss)	1,383	1,647
Adjusted EBITDA	1,762	2,177
Adjusted EBITDA %	4.5%	5.1%

Net sales 2021 decreased to EUR 39.3 million, from EUR 42.5 million prior year, due to two lost contracts in Chile and one in Mexico, partially offset by new contracts and higher upsell in running contracts.

Adjusted EBITDA 2021 was EUR 1.8 million compared to EUR 2.2 million prior year. This is a result of increased gross profit due to new contracts and demobilization cost prior year, offset by higher general, administration and sales expenses. General, administration and sales expenses last year were lower due to positive adjustments as part of the transformation program. Additionally, the increase in overhead costs is a result of investments in sales.





Increasing efficiency in the underground mine's warehouse system

In December, Quant Quality Engineer Constanza Matus was chosen as one of the 100 Inspiring Women in Mining 2021 by the NGO Women in Mining. Constanza, who is working at our Andina site in Chile, was recognized in the Emerging Talent category for her work to improve the warehouse system in the Andina underground mine.

By implementing a solution to keep better track of warehouse changes, time is saved both in the daily work but also in general, as inventory is now done automatically.

- More than saving time, this also improves the communication and handover between different shifts. Everyone has easy access to the information needed, which I think is the biggest benefit with this, Constanza says.

"This is the best job can have"

When studying at the university, Constanza was one of ten female students out of a total of one hundred mining students. Back then, she followed Women in Mining and got inspired by the awarded women. Now, whe is one of them.

- I am really happy, and I am so proud! Every year, I saw these women with their prizes and wanted to be one of them. And now I am, she says.

- Seeing them inspired me, and now I hope I can inspire others to join the mining industry!

Working as a Quality Engineer at the Andina site is a varied job. That is one reason to why Constanza loves her role – and why she would recommend others to join the industry as well.

- I see different things every day. Every day is an adventure, this is the best job you can have, she says.

- It is like a different world. When you enter the mine, you enter a different world!

EUROPE & MIDDLE EAST

Entering into 2021 Quant Group adjusted the regional split and region Europe and Quant Gulf merged and formed the new region Quant Europe and Middle East.

Europe - the year in short:

Year 2021 started with two new contracts in the contract portfolio. Contracts with Alcoa in Norway and with Spaljisten in Sweden were started in December 2020, but the real start was in the beginning of 2021. Start-up with these new contracts became challenging, in particular because of travel restrictions due to Covid-19. Especially in Norway we have had delays in the startup which has affected our financial results during 2021.

Safety is and has been in focus during the year. Extensive efforts and attention were put on preventive safety actions and last minute risk assessments during the year. At the end of April, we in the region joined a global Safety week where all employees were involved in several preventive safety trainings and information sessions. Many units in the Region Europe have had several thousand days without incidents. As a company and as a region, we aim for zero incidents. However, during 2021 there were nine recordable accidents in the region.

Covid-19 impacted our business in Europe during 2021. We had a higher sick leave percentage than in earlier years and we needed to temporarily replace those technicians on sick leave particularly during the Spring of 2021, which resulted in added expenses.

It has also been difficult to meet with new and existing customers because of the pandemic but we nevertheless succeeded to win two new contracts and renew all contracts which were up for renewal.

Contract renewals are the evidence that Quant's services bring value to our customers and that the Quant partnership concept is a successful solution. When it comes to new sales one of the new contracts was a second contract with an already existing customer who was ready to scale up the partnership. Such second contract wins are confirmation of good existing customer relations.

Middle East - the year in short:

Safety and staff wellbeing is and has been in focus during the year. Extensive efforts and attention were put on preventive safety actions; as a Company and business unit we are committed to reach zero incidents. Covid-19 restrictions continued to impact our business in the Middle East particularly due to the strict isolation requirements for those in close contact with affected individuals. There were no serious health incidents related to Covid-19 in the Middle East.

The year started with a mobilization and kick-off of a contract to operate and maintain two district cooling plants – this was a strategic move considering the potential size of the market for similar services.

During 2021 we had a change in management when the incumbent general manager retired. This created a few months gap in sales and pipeline building, also impacted by the fact that business development activities were restricted to remote communications. During the last quarter of 2021 we focused on re-building the sales pipeline based on new and existing opportunities.

Quant Middle East delivered stable and good financial results with profitability in line with the planned budget.

The Region:

In region Europe and Middle East, we employ around 600 people in seven different countries. Our customers are located throughout the region where we have several partnership contracts stretching back many years in time.

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

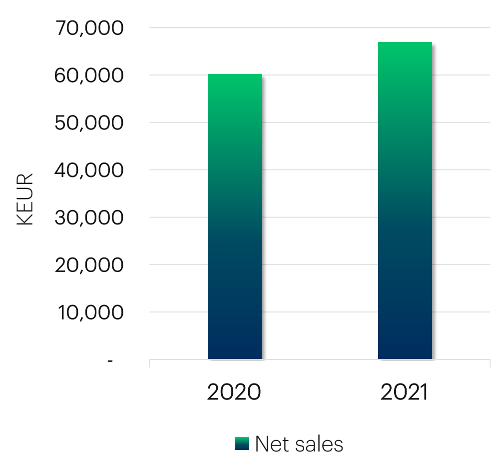
EUROPE & MIDDLE EAST

KEUR	2021	2020
Net sales	66,882	60,162
Operating profit (loss)	3,523	5,607
Adjusted EBITDA	3,657	5,856
Adjusted EBITDA %	5.5%	9.7%

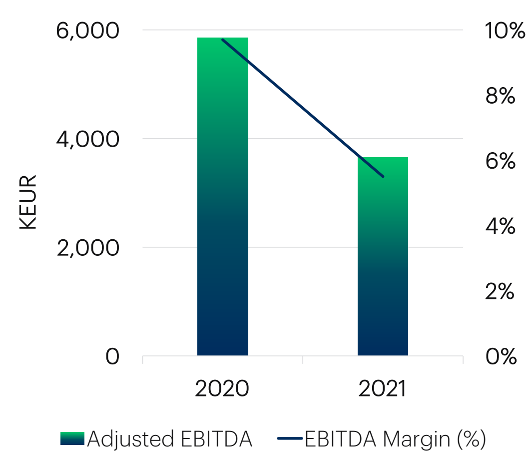
Net sales 2021 increased to EUR 66.9 million, from EUR 60.2 million last year, due to a new Norwegian contract, partially offset by contracts prior year, change in scope and lower upsell on existing contracts.

Adjusted EBITDA 2021 was EUR 3.7 million, down from EUR 5.9 million, due to lower than expected profitability in a Norwegian contract caused primarily by effects by the pandemic, and contracts lost prior year.

NET SALES



EBITDA & EBITDA MARGIN



Safe and cost-effective inspections using quantDrone

When it unexpectedly got much colder than normal and started snowing in Spain, it caused problems at one of our customers' sites. By being innovative and using the quantDrone, we found a way to support our customer in a safe and efficient way.

The city of Toledo is located in central Spain, about an hour from Madrid. Snow is not very common here, so when there was a heavy snowfall in January 2021 it made the situation difficult. One of many affected was our customer, as the snow and cold weather caused some equipment to break down. Using quantDrone, we could safely and effectively help our customer make inspections at height despite the challenging situation.

– The equipment was at a high level, making it difficult and risky to access. Therefore, we decided to use this digital tool, the quantDrone, says Rodrigo Souza, Reliability Engineer at Quant, who together with Quant Site Manager Igor Marzolla took initiative to start using the drone at site.

Positive feedback from the customer

Rodrigo sees several advantages with using the drone for maintenance tasks as this is a safe way to work, but also cost-effective.

– It reduces the risk of accident as we do not need to work at high levels ourselves. But using the drone can also reduce costs, as we do not have to rent extra equipment for working at elevated levels.

The quantDrone is a relatively new tool on this site. But Rodrigo believes that there are many situations in which the drone can be useful. At other Quant sites, it has for example been used to inspect machines that are spread out over a large area, as well as for inspecting confined spaces. After starting to use the quantDrone at the site in Spain, the customer feedback has been positive.

– When we used it to inspect a cooling tower, the customer was very impressed of how quickly we could find the problem and start working on a solution, Rodrigo says.

– The flight time is generally around 10 minutes. But before and after the flight we need to do an inspection of the drone, to make sure it is not damaged in any way. It is very important that we can always perform a safe flight.

FINLAND & BALTICS

Safety is and will remain our first priority, and successful implementation of Quant Lifesaving rules certification and positive development in preventive safety measures in general, are both concrete evidence of this. At the end of April, we in the region joined a global Safety week where all employees were involved in several preventive safety courses and information sessions. However, the actions taken above are not yet translated into lower incident rates, which were on a similar level as in 2020 with 16 incidents in 2021. The work towards zero incidents continues.

Our operations were still impacted by Covid, but we have managed to find a way to operate effectively despite not being able to travel and meet customers and our own employees as frequently as we would have liked to. Fortunately, we had no serious illnesses, but still needed to temporarily replace technicians on sick leave or quarantine, which resulted in some added costs.

Staff wellbeing and improved employee engagement was raised as another focus area last year, and to support this, several leadership and competence development programs were introduced. We also did some organizational fine-tuning with deployment of an area and account management model, as well as strengthening of the sales team and development function for digital tools and offering. During 2021 the region had a change in management, when a new Region Manager was introduced in August.

During 2021, we saw a step change improvement in customer satisfaction, with the main drivers being safety and quality of the services we provide. This is a result of successful execution of operations improvement programs and alignment of targets with the customers. Together with improved cost control practices, this was also imperative for profitability improvement for the whole region. Quant Finland & Baltics region delivered stable financial results with profitability somewhat improved compared to 2020.

Markets for outsourced maintenance were rather quiet, with focus being mid- and long-term sales pipeline development. The fact that business development activities were restricted to remote communications, made new sales efforts rather challenging. Nevertheless, we still managed to sign a Total Maintenance Partnership agreement for BASF Battery Chemical Plant in Harjavalta, and are now in the process of securing successful ramp up of the operations. This is a strategic agreement considering the potential size of the future battery market and greenfield projects being planned in the region.

We also had great success with contract renewals with nine out of ten contracts up for renewal. Contract renewals are evidence that Quant's services bring value for our customers and that the Quant total maintenance partnership concept is a successful solution. Nevertheless, we do realize the market is shifting and that customers have various needs, and we need to adjust our value proposition accordingly.

QUANT **ANNUAL REPORT** 2021
SEGMENTS

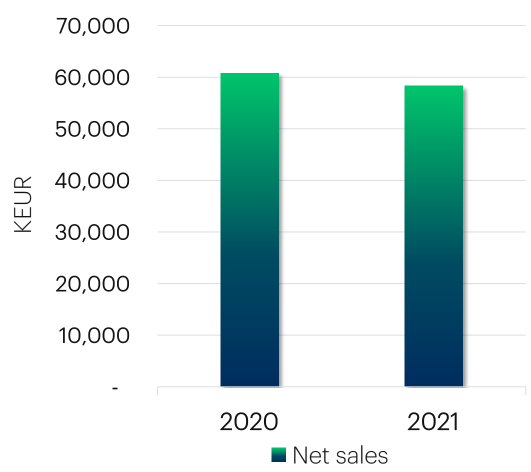
FINLAND & BALTICS

KEUR	2021	2020
Net sales	58,304	60,822
Operating profit (loss)	2,181	1,283
Adjusted EBITDA	2,479	1,817
Adjusted EBITDA %	4.3%	3.0%

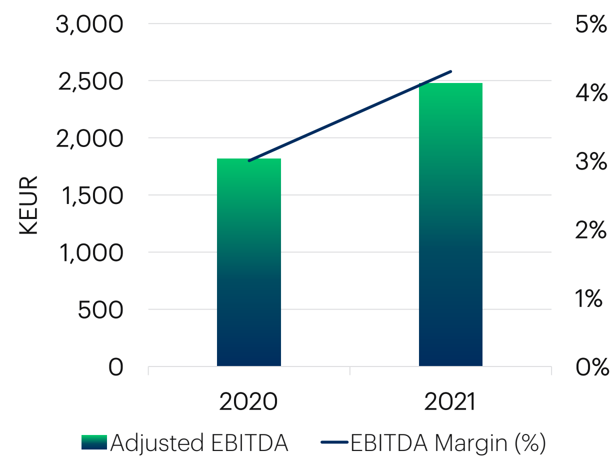
Net sales 2021 decreased to EUR 58.3 million, from EUR 60.8 million, due to exited contracts and change in scope for one contract. This was compensated by upsell in certain contracts and revenue from one new contract.

Adjusted EBITDA 2021 was EUR 2.5 million, up from EUR 1.8 million, as many contracts increased profitability due to good contract management and mutually beneficial discussions with customers.

NET SALES



EBITDA & EBITDA MARGIN



Strong maintenance partnership leads to increased production efficiency

Maintenance partners Quant and Oras Oy have already cooperated over ten years regarding the production plant in Rauma, Finland. During the years, we have succeeded to improve several different areas to make the production more efficient. Strong trust and open discussion have made this mutual success story possible.

Quant and Oras Oy signed a new agreement at the end of 2021, and the development of the maintenance function will continue in close cooperation at the Rauma plant. During the years, our mutual success can be seen in terms of for example optimized maintenance costs and increased technical availability.

- During our long maintenance partnership, we have succeeded to make significant improvements in technical availability, and nowadays we are turning our focus more and more to the quality of the productivity. When things move forward together, it enables common development and success. We can truly talk about our cooperation as a maintenance partnership, says Jari Laksi, Site Manager, Quant Finland Oy.

A step towards modern maintenance

Quant and Oras Oy share the same values, and safety is always priority number one. This can be seen from the numbers and reports related to safety, and how safety is considered in the discussions.

- Our team actively take preventive safety actions to make continuous improvements. Several years have passed since the last accident resulting in absence at our site, which shows that we genuinely take care of each other, says Laksi.

He continues:

- We have built a great foundation for the future development of maintenance, and now we are able to take the proactive and predictive maintenance to the next level together with the customer.

- Our cooperation is a true maintenance partnership. During the coming years, directing maintenance to suit the changing factory environment will play an important role, says Janne Nieminen, Plant Manager, Oras Oy.

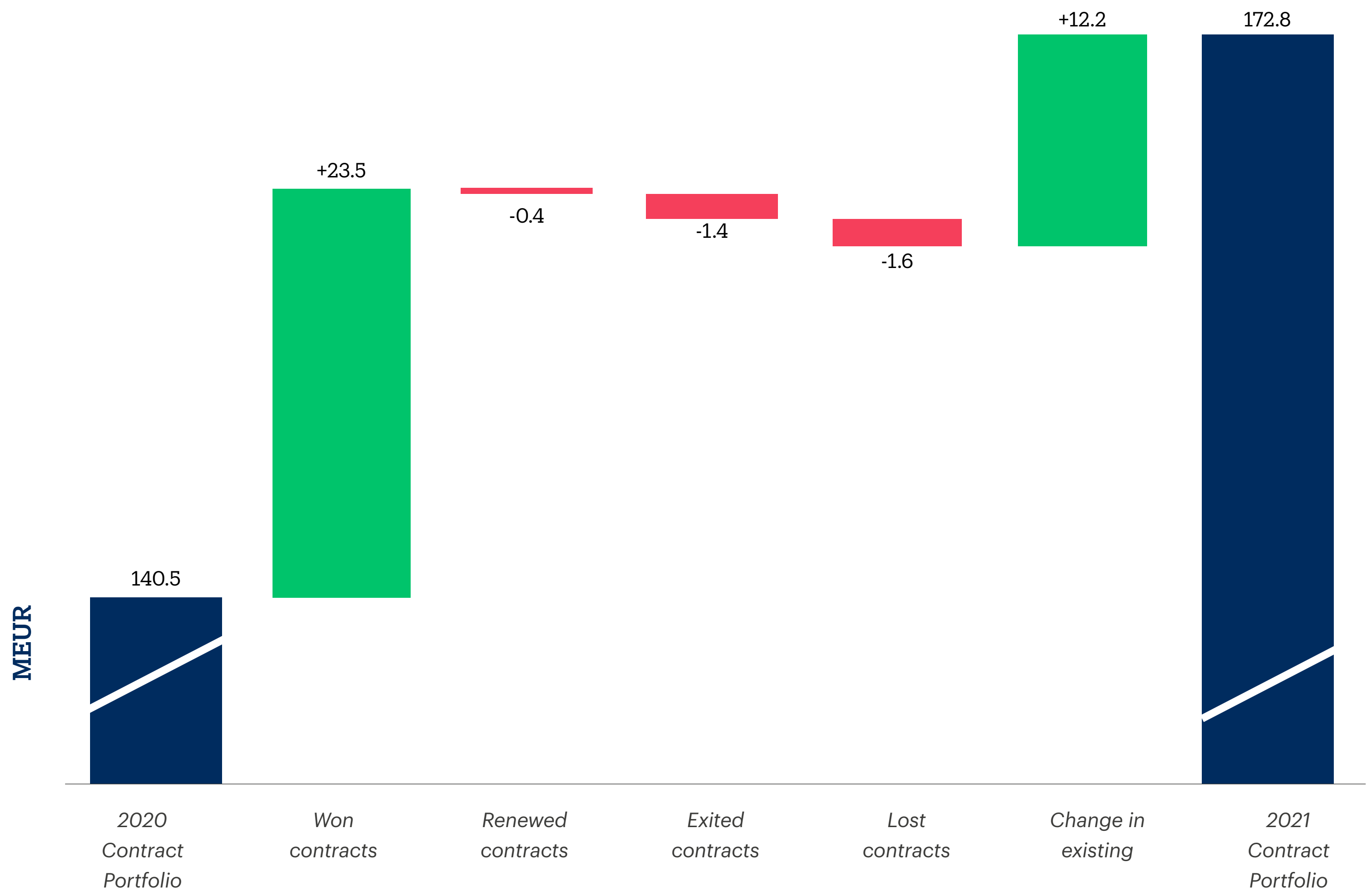
Mika Puontila Development Director, Quant Finland:

- The new agreement is a great sign of a strong and long-lasting maintenance partnership between Quant and Oras Oy. In the coming years, Quant will focus on the areas of safety, a cost-effective and flexible service, as well as on the development of expertise and the integration of digital maintenance solutions.

CONTRACT **PORTFOLIO**

At 31 December 2021, Quant had 77 sites in operation worldwide. A standard contract has a duration of three to five years, usually with extension possibilities after the initial period. In outsourced maintenance, changes to the contract portfolio are a natural part of doing business, as contracts are won and lost. 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 42.3 (45.2) million are scheduled for renewal during 2022.

During 2021 eight new contracts with annualized net sales of EUR 23.5 million were won, six contracts were renewed with decreased scope of EUR 0.4 million, and five contracts were lost or exited with annualized net sales of EUR 3.0 million. The combined effect of these changes, including contracted scope changes and exchange rate effects, amount to an increase in the contract portfolio annualized net sales of EUR 32.3 million to end of period annualized run rate of EUR 172.8 (140.5) million.



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

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.

Anders Karlsson

GENERAL COUNSEL

Nationality: Swedish
Location: Sweden
Qualifications/Education:
Considerable experience from corporate and commercial law matters, including both public and private debt financing, most recently from White & Case LLP.
Master of Laws and Bachelor of Science in Business Administration.

Maja Robertsson

CHIEF DIGITAL OFFICER

Nationality: Swedish
Location: Sweden
Qualifications/Education:
Broad experience from digital strategy development and execution at management level in various industries.
Bachelor Degree in Computer and Systems Sciences.

Patricio Ibarra Gomez

CHIEF HUMAN RESOURCES OFFICER & SAFETY MANAGER

Nationality: Chilean
Location: Chile
Qualifications/Education:
Industrial Engineer, has more than 18 years of experience in mining and service industry, including overseas assignments in different industries.
Master in Safety and Quality systems MBA.

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 & MIDDLE EAST

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.

Sebastian Storbacka

REGION MANAGER FINLAND & BALTICS

Nationality: Finnish
Location: Finland
Qualifications/Education:
Broad global experience in mining and metals business management, sales and services with Metso Outotec, most recently as Vice President for Plant Solutions Business.
MSc, Process and Chemical Engineering.

BOARD OF DIRECTORS

Mikael Norin

USA

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

BSc in Business Administration and Economics, Lund University.

Olof Faxander

Sweden

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

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

Per Hallius

Sweden

Has been a member of the board of the Company since 2015.

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.

Joakim Havby

Sweden

Has been a member of the board of the Company since 2022, as employee representative.

Pierre Schöld

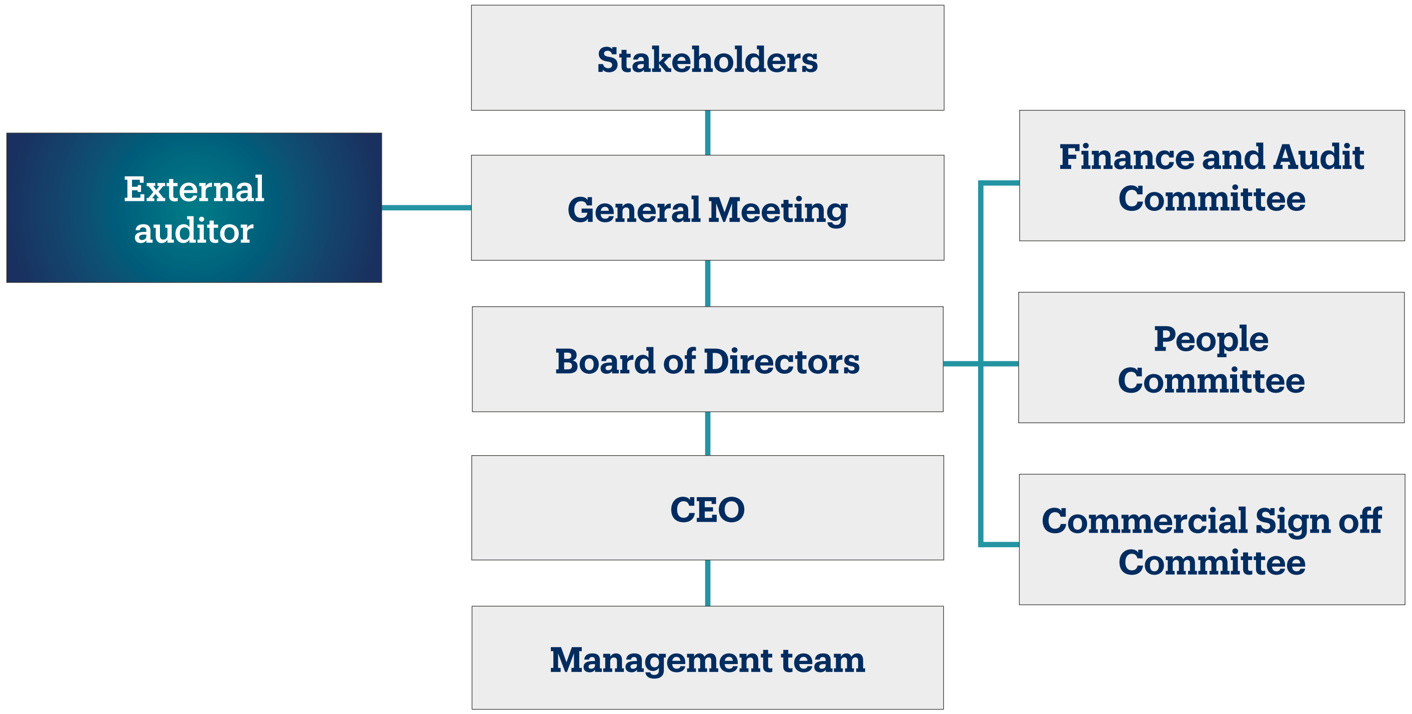
Sweden

Has been a member of the board of the Company since 2021, as employee representative.

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 People 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 ultimately responsible for the effectiveness, implementation and supervision of monitoring of the internal control environment within the Group. The CFO is responsible for the operational 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 2021 (the financial year 2021) 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 28, 2022

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 17 countries in its continuing operations. The service is linked to the customers' production facilities and the offer includes proven maintenance processes and maintenance 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 seventh year Quant operates and the eighth 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 amounted to EUR 164.4 (163.5) million. The increase was due to new contracts in Europe & Middle East and Americas and increased scope in certain contracts in region Americas. The increase was offset by lost contracts, and contracts with decreased scope. Organic growth was flat. Gross profit for the year was EUR 21.2 million, up from EUR 19.5 million last year. The impact from changes in currency rates were EUR 0.2 million compared to EUR -2.0 million last year. The gross profit was positively impacted by start-up of new contracts and improved performance on existing contracts in region Finland & Baltics which was somewhat offset by decreased profitability in region Americas and Europe & Middle East, lost contracts and change in scope of certain existing contracts.

Operating loss for year was EUR -2.8 million, compared to a loss of EUR -3.7 million prior year due to the positive change in gross profit offset by higher general, administration and sales expenses. General, administration and sales expenses last year were lower due to adjustment as part of the transformation program. Additionally, the change in overhead costs is a result of increased cost connected to start-up of larger new contracts, and investments in sales partially offset by lower management costs as one regional manager position was open for the first half of the year.

Adjusted EBITDA, excluding the impact from IFRS 16, for the full year was EUR 7.2 million, up from EUR 7.0 million prior year due to due to higher gross profit, partially offset by higher general, administration and sales expenses. In constant currency the adjusted EBITDA was EUR 7.3 (7.0) million.

Financial items amounted to EUR -14.1 (-16.2) million. The improvement compared to the previous year is primarily due to a net positive impact from revaluations of internal loans to subsidiaries from foreign exchange rate fluctuations during the period.

Net loss for the year amounted to EUR -15.5 million compared to a loss of EUR -18.1 million prior year due to higher gross profit and lower financial expenses.

Cash flow from operating activities in 2021 amounted to EUR -1.8 (7.7) million. Change in working capital was EUR - 3.1 (3.2) million. The negative change in working capital was due to a decrease in current liabilities during 2021, while change in working capital prior year was positively impacted by the collection of trade receivables originating in 2019.

Financial position

Interest-bearing liabilities after deduction of financing costs, and excluding lease liabilities, amounted to EUR 144.9 (144.9) million. Net debt excluding the impact of IFRS 16 implementation amounted to EUR 135.3 (123.5) million, whereas Net debt with IFRS 16 effects included (Net Debt IFRS 16) amounted to EUR 138,7 (128.3) 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 2020, 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 had a good liquidity position and an additional EUR 9 million of the drawn amount has been repaid in the first quarter of 2021. On 31 December 2021 the amount drawn on the revolving working capital facility amounted to EUR 4 million compared to EUR 11 million prior year.

Discontinued operations

The Adjusted EBITDA for discontinued operations 2021 was EUR -0.9 (-0.8) million and net loss was EUR -7.4 (-0.3) million. The change in net loss for discontinued operations compared to the previous year was due to a write down of intangible assets.

Multi-year overview, Group including discontinued operations

MEUR	2021	2020	2019	2018	2017
Net Sales	165.4	171.2	204.7	197.7	186.1
Operating profit/loss	-10.2	-4.6	-18.4	-7.2	-5.9
Profit/loss for the year	**-22.9**	**-18.4**	**-24.5**	**-21.6**	**-9.4**
Cash flow from operating activities	-2.6	7.7	-1.9	-0.6	1.5
FTE	2,373	2,357	2,562	2,882	2,742

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

On 1 January 2021, Quant's organizational structure was changed. United Arab Emirates, previously reported in segment Rest of World, is now included in segment Europe & Middle East. Quant has taken the decision to exit China, therefore China, previously reported under segment Rest of World, is reported in segment Other and reported as discontinued operations.

On 29 March 2021 it was announced that Quant has signed a six-year maintenance service contract with Exalmar, a leading company in the fishing industry in Peru, for maintenance execution at multiple plants. 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 2022, Quant will be fully responsible for maintenance execution. The contract increased Quant's contract portfolio by EUR 12 million.

Important events after the end of the fiscal year

On 8 February 2022 it was announced that Quant had signed a renewal of an existing Total Maintenance Partnership with Metsä Wood. The agreement covers industrial maintenance on five production sites in Finland and Estonia. The agreement renewal contains scope changes beneficial to both parties, which increase Quant's contract portfolio by EUR 2 million in the first quarter of 2022.

On 24 March 2022 Quant AB (publ) announced, as part of an initiation of a written procedure in respect of its senior bonds, that Permira Credit Solutions II Master Sub S.A. ("Permira Credit"), the holder of the junior bond, and Nordic Capital, the current majority owner of Quant, have agreed in principle to a conditional agreement under which Permira Credit is expected to become the new majority owner of Quant. Nordic Capital is expected to remain as a minority shareholder. The agreement between Permira Credit and Nordic Capital is conditional upon, amongst other things, agreements and consents relating to an extension and reduction of the existing super senior revolving credit facility, and is subject to formal approval of merger filings with competition authorities. Permira Credit will, as part of the agreement with Nordic Capital, provide EUR 10 million of new capital as a cash injection on the balance sheet. Amounts corresponding to the junior bond and certain shareholder loans will, in time, also be capitalized resulting in releases of these debts.

In the written procedure the holders of the senior bonds were requested to approve, inter alia, (i) an unconditional extension (the "Interim Amendment") of the terms of the senior bonds by three months, extending the maturity date from 25 February 2023 to 25 May 2023, and (ii) conditional amendments (the "Final Amendments") consisting of an extension of the term of the senior bonds from 15 May 2023 to 15 November 2025, an amendment of the change of control clause to allow for Permira Credit to take over as the new majority owner of Quant, a correction of wording to allow non-wholly owned subsidiaries to make pro-rata distributions to group companies and joint venture partners, an undertaking to achieve an increase of equity to an amount corresponding to the junior bond which is then extinguished, and an update of the call structure of the Senior Bond. The Final Amendments are conditional upon the cash injection by Permira Credit and the extension and reduction of the existing super senior revolving credit facility.

On 7 April 2022 Quant received an approval from the holders of the senior bonds in the written procedure and on 21 April 2022 the Interim Amendment was fully and finally executed. At the time of the publication of the Annual Report the company was awaiting formal approval of merger control filings. For more information, please visit www.quantservice.com/investors

Covid impact and risk for Quant

The effects of the global Covid-19 pandemic continue, resulting in supply chain disruptions and continued global economic uncertainty. 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, where government response has affected our operations, while other areas have not experienced significant negative impact. Periods with high sick leave vacancies which cannot be filled by temporary staff will have an effect on Quant's ability to perform its services, and the profitability of the Group. Quant has also experienced higher cost for safety and transportation as we made sure to keep our employees safe and healthy, and for replacing employees unable to make themselves available at work. Achieving new sales also proves challenging when travel is limited and abilities to meet and review sites are restricted, but Quant has won new contracts during the pandemic and is still focused on building a robust pipeline that will lead to higher sales.

Important conditions

The group has operations in 17 countries with 14 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 macro-economic factors including the global economic situation which is outside the Group's control. Changes in the geopolitical situation, such as the war in Ukraine, has an impact on the world economy through changes in inflation expectations, disturbances, sanctions, and shortages in supply chains and labor markets, as well as changes in behavior which may adversely affect Quant's business model and profitability.

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 people, 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 with 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, the Group's operations and financial position may be impacted negatively if the total effective maintenance costs are above the agreed fixed price level, if cost increases occur which exceed price indexation in customer contracts, or if price pressures hinders Quant from applying a profit margin which it considers satisfactory in order to win or keep a contract.

The risk of cost overruns, which may have a significant impact on the profitability of contracts, are most prominent at the start-up and/or termination stages of a contract, or in periods of site maintenance 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 possibility to retain key persons as well as the ability to attract qualified personnel is crucial for the group's success.

Digitalization
In an increasingly digitalized world, one of the Group's focus areas in order to ensure long-term 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.

IT and cyber risks
The digital transformation leads to great opportunities with new technology to speed up the transfer of information, but it also opens up for new risks. Quant continuously monitor its IT structure and applications for cyber security risks to remediate where recommended and proactively manages its defense. Cyber security control failures is an emerging risk closely monitored by Quant. IT failures, for example in key applications, may have significant impact on Quant's ability to carry out its services. Quant's IT department constantly work to proactively eliminate these risk as well as, as one part of this, perform regular end-user trainings.

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 professionals 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
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. The continued development of the global economy, including interest rate and currency risk, is an uncertainty factor for earnings performance. In the event of non-completion or material changes to the proposal announced on 24 March 2022 (see Not 36 *Events after the reporting period* for more information) this may have significant negative effects on the Group's ability to finance its operations. 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 instruments, but currently chooses not to use it. As of December 31, 2021, there is no currency swaps hedging for intercompany loans.

Permit or notification required under the Environmental Code
The Group does not operate a business that requires any permit or notification.

Sustainability report
Quant's Sustainability Report 2021 is reported separately from this Annual Report. The Sustainability Report is found on Quant's homepage at www. quantservice.com/investors

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

Retained earnings	59,801
Loss for the year	-14,371
Total	**45,430**
The board of Directors and the CEO propose this amount be appropriated as follows:	
Amount carried forward	**45,430**

For further information regarding the parent company's profit and financial position, information can be found in the following income statement, balance sheet and cash flow statement.

FINANCIAL STATEMENTS

Consolidated Income Statement

KEUR	Note	2021	2020
Continuing operations			
Net sales		164,435	163,497
Cost of sales		-143,207	-143,962
Gross profit		**21,228**	**19,535**
General and administrative expenses		-21,209	-20,628
Selling expenses		-2,466	-2,294
Research and development expenses		-294	-255
Other operating income		0	30
Other operating expenses		-37	-88
Operating Loss	**6, 7, 8, 19**	**-2,778**	**-3,699**
Profit/Loss from financial items			
Interest income and similar profit/loss items	9	22	43
Interest expense and similar profit/loss items	10	-13,595	-13,137
Foreign exchange gains and losses	9, 10	-575	-3,149
Total financial items		**-14,148**	**-16,243**
Profit/loss after financial items		**-16,926**	**-19,942**
Taxes	11	1,426	1,867
Loss for the year, continuing operations		**-15,500**	**-18,074**
Net profit (loss), discontinued operations	35	-7,358	-288
Net profit (loss), Group total		**-22,858**	**-18,362**
Basic earnings per share*, EUR	12		
Continuing operations		-30.92	-37.31
Discontinued operations		-14.72	-0.58
Group total		**-45.63**	**-37.89**

*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	2021	2020
Loss for the year		**-22,858**	**-18,362**
Other comprehensive income			
Items that have been or could be reallocated to profit/loss			
Translation differences pertaining to foreign operations		**245**	**2,428**
Items that could not be reallocated to profit/loss			
Revaluation of defined benefit plans		1,287	-302
Tax pertaining to items that could not be reallocated to profit/loss		-252	58
		1,035	**-245**
Total other comprehensive income		**1,280**	**2,183**
Comprehensive income for the period		**-21,578**	**-16,180**
Attributable to:			
Shareholders of the parent company		-21,578	-16,180
Non-controlling interest		-	-

Consolidated Statement of Financial Position

KEUR	Note	Dec 31 2021	Dec 31 2020
ASSETS			
Non-current Assets			
Intangible assets			
Goodwill	13,17	72,527	77,887
Other intangible assets	14, 15, 16, 17	13,898	24,301
Total Intangible assets		**86,424**	**102,188**
Property, plant and equipment			
Property, plant and equipment	18	1,598	1,453
Right of use assets	19	3,185	4,583
Total property, plant and equipment		**4,783**	**6,036**
Deferred tax asset	22	1,742	1,924
Other non-current receivables		26	678
Total non-current assets		**92,975**	**110,825**
Current Assets			
Inventories			
Raw materials and consumables		916	822
Products in progress		486	653
Total inventories		**1,402**	**1,475**
Current receivables			
Accounts receivable - trade	23	24,498	26,403
Current tax assets		711	1,325
Other receivables		1,200	1,683
Prepaid expenses and accrued income	24	5,686	5,089
Total current receivables		**32,095**	**34,501**
Cash and bank	25	*9,648*	*21,351*
Assets held for sale	35	*457*	*378*
Total current assets		**43,601**	**57,705**
TOTAL ASSETS		**136,576**	**168,530**

Consolidated Statement of Financial Position, continued

KEUR	Note	Dec 31 2021	Dec 31 2020
EQUITY AND LIABILITIES			
Equity			
Share capital		53	53
Other added capital		94,500	94,500
Reserves		-613	-858
Loss brought forward, incl. net loss for the year		-149,171	-127,348
Total Equity		**-55,231**	**-33,653**
Non-current liabilities			
Liabilities to credit institutions		136,341	129,471
Provisions for pensions and similar obligations	26	2,441	4,261
Provisions for taxes	22	3,443	5,518
Leasing liabilities		1,502	2,328
Total non-current liabilities		**143,727**	**141,578**
Current liabilities			
Liabilities to credit institutions	3, 28	8,602	15,385
Accounts payable - trade		8,298	10,802
Leasing liabilities	19	1,869	2,496
Current tax liability		508	584
Other provisions	27	515	759
Other current liabilities	21	7,840	7,566
Accrued expenses and deferred income	29	19,751	22,688
Liabilities related to assets held for sale	35	*698*	*326*
Total current liabilities		**48,080**	**60,605**
TOTAL EQUITY AND LIABILITIES		**136,576**	**168,530**

Statement of Changes In Consolidated Equity

KEUR	Share capital	Other	Reserves	Retained	Total Equity
Opening balance 2020-01-01	**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**
Profit/loss for the year				-22,858	-22,858
Other comprehensive income/loss	-	-	245	1,035	1,280
Total comprehensive income/loss for the year	-	-	245	-21,823	-21,578
Closing balance 2021-12-31	**53**	**94,500**	**-613**	**-149,171**	**-55,231**

Statement of Consolidated Cash Flows

KEUR	Note	2021	2020
Continuing operations			
Operating activities			
Loss after financial items		**-16,926**	**-19,942**
Adjustments for non-cash items			
Depreciation and amortization		9,784	10,539
Depreciation and amortization, right of use assets		2,158	2,954
Change in provisions		-1,546	733
Unrealized exchange rate differences		607	5,449
Other non-cash items	33	7,609	5,561
Total adjustments not included in cash flow		**18,612**	**25,235**
Income tax paid		**-342**	**-805**
Cash flow from operating activities before changes in working capital		**1,345**	**4,488**
Changes in working capital			
Increase (-) / Reduction (+) of inventories		-24	214
Increase (-) / Reduction (+) of current receivables		-2	4,865
Increase (+) / Reduction (-) of current liabilities		-3,099	-1,879
Cash flow from changes in working capital		**-3,125**	**3,200**
Cash flow from operating activities		**-1,781**	**7,688**
Investing activities			
Investments in intangible assets	17	-50	-19
Investments in tangible assets	19	-894	-693
Investments in financial fixed assets		7	-135
Cash flow from investing activities		**-937**	**-848**
Financing activities			
New loans taken	28	-	4,000
Repayment of loans	28	-7,000	-
Amortization lease liabilities	28	-1,369	-2,020
Cash flow from financing activities		**-8,369**	**1,980**
Cash flow for the year, continuing operations		**-11,087**	**8,820**
Discontinued operations			
Cash flow from operating activities		-827	47
Cash flow from investing activities		-	10
Cash flow from financing activities		-	-234
Cash flow for the year, discontinued operations		**-827**	**-177**
Group total			
Cash flow from operating activities		-2,607	7,735
Cash flow from investing activities		-937	-838
Cash flow from financing activities		-8,369	1,746
Cash flow for the year, Group total		**-11,914**	**8,643**
Cash and cash equivalents at the beginning of the year	25	21,351	13,190
Exchange rate differences in cash and cash equivalents		210	-482
Cash and cash equivalents at the end of the year	**25**	**9,648**	**21,351**

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Parent company income statement

KEUR	Note	2021	2020
Net sales		10,752	10,792
Cost of sales		-2,496	-2,502
Gross profit		**8,256**	**8,290**
General and administrative expenses		-5,189	-4,456
Selling expenses		-303	-564
Research and development expenses		-310	-205
Other operating income		-	-
Other operating expenses		43	-535
Operating Loss	6, 7, 8, 19	**2,497**	**2,530**
Profit/Loss from financial items			
Interest income and similar profit/loss items	9	2,845	3,403
Interest expense and similar profit/loss items	10	-12,259	-12,383
Other financial items	9, 10	-7,333	2,254
Foreign exchange gains and losses	9, 10	24	-3,616
Total financial items		**-16,724**	**-10,343**
Profit/loss before tax		**-14,226**	**-7,813**
Taxes	11	-145	-144
Loss for the year		**-14,371**	**-7,957**

Parent Company Statement of Comprehensive Income

KEUR	2021	2019
Net profit/loss for the year	-14,371	-7,957
Total comprehensive income	**-14,371**	**-7,957**

Parent Company Statement of Financial Position

KEUR	Note	Dec 31 2021	Dec 31 2020
ASSETS			
Non-current assets			
Property, plant and equipment			
Property, plant and equipment	19	–	6
Right of use assets	19	519	667
Total property, plant and equipment		519	673
Financial assets			
Participations in group companies	21	96,285	101,285
Deferred tax asset		224	–
Other non-current receivables		–	645
Total financial assets		96,509	101,930
Total non-current assets		97,027	102,603
Current Assets			
Current receivables			
Receivables from group companies		106,343	107,101
Other receivables	23	171	220
Prepaid expenses and accrued income	24	421	695
Total current receivables		106,935	108,015
Cash and bank	25	1,393	7,814
Total current assets		108,328	115,829
TOTAL ASSETS		205,355	218,432

EQUITY AND LIABILITIES	Note	Dec 31 2021	Dec 31 2020
Equity			
Non-restricted equity			
Share capital		53	53
Non-restricted equity			
Profit or loss brought forward		59,801	67,758
Net profit/loss for the year		-14,371	-7,957
Total non-restricted equity		45,430	59,801
Total Equity		45,483	59,854
Provisions			
Provisions for pensions and similar obligations		–	793
Total Provisions		–	793
Non-current liabilities			
Liabilities to credit institutions		136,341	129,471
Leasing liabilities		353	491
Total non-current liabilities		136,693	129,962
Current liabilities			
Liabilities to credit institutions	3, 28	8,602	15,385
Accounts payable - trade		208	547
Liabilities to group companies		11,173	8,361
Leasing liabilities		178	178
Other current liabilities		437	376
Accrued expenses and deferred income		2,580	2,976
Total current liabilities		23,179	27,823
TOTAL EQUITY AND LIABILITIES		205,355	218,433

Parent Company Statement of Change in Equity

KEUR	Share capital	Retained earnings	Total Equity
Closing balance 2020-01-01	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
Total comprehensive income for the period	-	-14,371	-14,371
Closing balance 2021-12-31	53	45,430	45,483

Parent Company statement of cash flows

KEUR	Note	2021	2020
Continuing operations			
Operating activities			
Loss after financial items		-14,226	-7,813
Adjustments for non-cash items			
Depreciation and amortization		6	21
Depreciation and amortization, right of use assets		148	148
Write-down shares in subsidiaries		5,000	-
Unrealized exchange rate differences		-9	4,239
Change in provisions		-148	209
Other non-cash items	33	5,112	6,579
Total adjustments not included in cash flow		10,109	11,195
Income tax paid		-272	-155
Cash flow from operating activities before changes in working capital		-4,389	3,228
Changes in working capital			
Increase (-) / Reduction (+) of inventories		-	-
Increase (-) / Reduction (+) of current receivables		1,940	1,560
Increase (+) / Reduction (-) of current liabilities		-791	-4,716
Cash flow from changes in working capital		1,149	-3,156
Cash flow from operating activities		-3,240	72
Investing activities			
Investments in financial fixed assets		-	-173
Cash flow from investing activities		-	-173
Financing activities			
New loans taken	28	-	4,000
Repayment of loans	28	-7,000	
Change in loans to group companies	28	3,955	3,408
Amortization lease liabilities	28	-138	-128
Cash flow from financing activities		-3,183	7,280
Cash flow for the year		-6,423	7,179
Cash and cash equivalents at the beginning of the year	25	7,814	769
Exchange rate differences in cash and cash equivalents		2	-133
Cash and cash equivalents at the end of the year	25	1,393	7,814

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: S:t 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 28 April 2022. The Balance Sheets and Income Statements will be subject to approval by the Annual General Meeting on 28 April 2022.

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.

Disclosures of such IFRS standards or interpretations that have entered into force in 2021

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 into 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. For all lease agreements the Group accounts for the lease and non-lease components of a contract separately. Quant’s lease agreements comprise office space, vehicles and equipment. 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 in 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 and 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.

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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 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 classified 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.

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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 35* 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 also applied in the parent company.

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 26 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 all Quant companies remaining in continued operations. On 24 March 2022 Quant announced a written procedure in respect to its senior bonds which was approved on 7 April 2022. The approved amendments have consequences for the majority ownership and external financing for the Quant Group as a whole. Please see Note 36 *Events after the reporting* period for more information.

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 several countries. 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, 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 8% (11%). 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 deposit 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 can be 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 bonds, which runs both on fixed margin on floating market rates, and on a fixed interest rate. 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, 2021 there were no such interest rate derivative outstanding.

The average fixation period for the group's borrowings (excluding shareholder loans) at the end of 2021 was 1.2 (2.0) years. On the basis of interest rate exposure as of December 31, 2021, 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 related to cash and cash equivalents and 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.

Impairment of financial assets must be based on expected credit losses for the remaining term of the financial asset. In compliance with IFRS 9 Financial Instruments, Quant applies a simplified impairment model for accounts receivable, whereby the expected credit loss is recognized for the estimated remaining lifetime of the receivable. The provision for doubtful accounts receivable is based on an individual assessment of overdue receivables for each customer. A continuous assessment is made of the credit risk in receivables outstanding and at December 31, 2021 the provision for bad debts amounted to EUR 0.0 (0.8) million. Further information regarding Accounts receivable and contract assets and provision for bad debts are found in note 23.

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 by 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.

2021

	Nominal amount, K	Total KEUR	<1 year	1-5 years	> 5 years
Senior Secured Bonds (EUR)	92,000	92,000	–	92,000	–
Junior Secured Bonds (EUR)	46,927	46,927	–	46,927	–
Super Senior RCF (EUR)	4,000	4,000	4,000	–	–
External loan (SEK)	25,718	2,509	2,509	–	–
Shareholder loan (intragroup) (EUR)	2,093	2,093	2,093	–	–
Capitalized borrowing costs		-2,587	-1,951	-635	–
Leasing liabilities		3,371	1,869	1,502	–
Trade payables		8,298	8,298	–	–
Other		7,840	7,840	–	–
Total		**164,450**	**24,656**	**139,794**	**–**
Interest expense		16,565	11,362	5,203	–
Total		**181,015**	**36,018**	**114,997**	**–**

2020

	Nom. amount, K local ccy	Total KEUR	<1 year	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 (intragroup) (SEK)	23,813	2,373	2,373	–	–
Shareholder loan (intragroup) (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**	**–**

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 28 Interest-bearing liabilities.

Note 4 Segment reporting

	Europe		Americas		Finland & Baltics	
	2021	2020	2021	2020	2021	2020
Net sales external	66,882	60,162	39,249	42,512	58,304	60,822
Net sales intra-segment	794	1,010	74	64	970	712
Total net sales	**67,675**	**61,172**	**39,323**	**42,576**	**59,274**	**61,534**
Cost of sales	-56,362	-47,992	-33,825	-37,514	-51,984	-55,074
Gross profit	**11,313**	**13,181**	**5,498**	**5,062**	**7,291**	**6,460**
Operating expenses	-7,791	-7,574	-4,115	-3,415	-5,110	-5,178
Operating profit (loss)	**3,523**	**5,607**	**1,383**	**1,647**	**2,181**	**1,283**
Depreciation	91	89	357	506	227	253
Amortization	21	49	22	24	71	65
Write-down of intangible assets	22	-	-	-	-	-
EBITDA before non-recurring items	**3,657**	**5,744**	**1,762**	**2,177**	**2,479**	**1,601**
Non-recurring items	-	111	-	-	-	216
Adjusted EBITDA IFRS16						
Adjusted EBITDA margin						
IFRS 16 impact on EBITDA						
Adjusted EBITDA	**3,657**	**5,856**	**1,762**	**2,177**	**2,479**	**1,817**
Adjusted EBITDA margin	**5.5%**	**9.7%**	**4.5%**	**5.1%**	**4.3%**	**3.0%**
Financial items*						
Profit/loss before taxes						
Taxes*						
Loss for the year						

	Other and elimin		Group (Continuing operations)	
	2021	2020	2021	2020
Net sales external	-	-	164,435	163,497
Net sales intra-segment	-1,837	-1,786	-	-
Total net sales	**-1,837**	**-1,786**	**164,435**	**163,497**
Cost of sales	-1,037	-3,383	-143,207	-143,962
Gross profit	**-2,874**	**-5,168**	**21,228**	**19,535**
Operating expenses	-7,409	-7,534	-24,425	-23,701
Operating profit (loss)	**-10,283**	**-12,702**	**-3,197**	**-4,166**
Depreciation	6	15	681	863
Amortization	8,968	9,537	9,082	9,676
Write-down of intangible assets	-	-	22	-
EBITDA before non-recurring items	**-1,310**	**-3,150**	**6,588**	**6,373**
Non-recurring items	621	348	621	675
Adjusted EBITDA IFRS16			**9,786**	**10,469**
Adjusted EBITDA margin			**6.0%**	**6.4%**
IFRS 16 impact on EBITDA			-2,577	-3,421
Adjusted EBITDA	**-688**	**-2,802**	**7,209**	**7,048**
Adjusted EBITDA margin			**4.4%**	**4.3%**
Financial items*			-14,148	-16,243
Profit/loss before taxes			**-16,926**	**-19,942**
Taxes*			1,426	1,867
Loss for the year			**-15,500**	**-18,074**

*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 analysing 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 three operating geographic regions: Europe, Americas, and Finland & Baltics. 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.

For 2021, there is no customer who accounts for more than 10% of Quant's external revenue.

Geographic areas

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

Revenue

KEUR	2021	2020
Sweden	31,159	30,745
Finland	52,181	54,419
Chile	22,519	29,908
Other countries	58,577	48,426
Total	**164,435**	**163,497**

Non-current assets*

KEUR	2021	2020
Sweden	1,580	2,609
Finland	1,062	1,147
Chile	925	1,391
Other	1,346	1,313
Total	**4,912**	**6,460**

*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. Quant's revenue is comprised solely of the performance of facility maintenance services and these are 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.

Order backlog (Unfulfilled performance obligations)

Quant's customer contracts mainly consist of multi-year contracts, where the customer may or may not have the possibility to terminate prematurely. To give an accurate view of the order backlog, it is management's view that a better representation than the aggregate value of all contract revenue is the Contract portfolio. At 31 December 2021, Quant's contract portfolio was EUR 172.8 (140.5) million.

Quant's definition of contract portfolio is the annualized value of current customer contracts, adjusted for

- Signed new contracts, included at date of contract signing, irrespective of start date
- Terminated contracts, excluded at date of formal notification, irrespective of end date
- 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

Note 6 Employees and personnel costs

Average number of full-time employees (FTEs)

	2021	of which men, %	2020	of which men, %
Parent				
Sweden	7	58%	9	67%
Total in the parent company	7	58%	9	67%
Group				
Sweden	259	89%	256	91%
Denmark	11	100%	28	99%
Estonia	102	78%	110	80%
Finland	458	97%	511	96%
Germany	1	100%	1	100%
Czech Republic	23	100%	47	100%
Poland	10	95%	18	95%
Hungary	5	100%	5	100%
Peru	11	95%	0	-
Norway	141	96%	18	106%
Switzerland	25	87%	28	86%
Great Britain	0	-	3	100%
Spain	24	84%	30	86%
Italy	0	-	5	92%
United Arab Emirates	118	100%	109	100%
Mexico	11	70%	10	68%
USA	33	97%	29	96%
Argentina	23	100%	24	100%
Brazil	487	91%	278	91%
Chile	610	95%	714	96%
South Africa	0	-	1	100%
China	15	77%	123	88%
Total Group including Parent company	**2,373**	**93%**	**2,357**	**94%**
Of which discontinued operations	16	78%	129	96%
Continuing operations	2,357	93%	2,228	94%
Total Group including Parent company	**2,373**		**2,357**	

Gender distribution in on the Board of Directors and in Group management

	2021 Of which women, %	2020 Of which women, %
Board of Directors	0%	0%
Other senior executives	0%	20%

Salaries, other remunerations and social expenses

KEUR	2021		2020	
	Salaries and remuneration	Social security contributions	Salaries and remuneration	Social security contributions
Parent company	1,450	896	2,093	1,014
of which pension costs, 1)		*539*		*550*
Subsidiaries	79,186	21,071	73,633	21,461
of which pension costs		*6,572*		*6,176*
Group in Total	**80,636**	**21,967**	**75,727**	**22,475**
Of which Discontinued operations 2)	619	145	3,447	569
Continuing operations 2)	80,017	21,822	72,279	21,906
of which pension costs continuing operations		*7,090*		*6,688*

1) Of the Parent company's pension costs, EUR 351 (388) thousand is for senior management, in total 4 (5) persons. CEO pension costs amounted to EUR 162 (123) thousand. In 2021 an adjustment for previous years' pension tax amounted to EUR 34 thousand and is included in the 2021 CEO pension costs.

2) Restated figures for 2020 due to discontinuing of China operations from January 2021.

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

KEUR	2021		2020	
	Board and CEO	Other senior executives	Board and CEO	Other senior executives
Group	518	499	553	857
of which bonus, etc	*8*	*9*	*87*	*41*
Group in Total	**518**	**499**	**553**	**857**
of which bonus, etc	*8*	*9*	*87*	*41*

Salaries and other remunerations to Board of Directors

KEUR	2021	2020
Mikael Norin, Chairman	54	53
Olof Faxander	11	11
Per Hallius	25	24
Casper Lerche	10	10
Henrik Sandréus	10	10
Pierre Schöld	-	-
Total Board of Directors	**109**	**107**

In 2021, 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 2021 amounted to EUR 0.4 (0.4) million. Salaries and remuneration for senior executives, excluding the Board of Directors and the CEO, amounted to EUR 0.5 (0.9) million. During the year, senior executives consisted of CEO, CFO, COO (January 1 through August 31) and General Counsel.

From 2015 through 2020, management has been offered 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 incurred.

Severance

The new CEO has a 6 months' notice period and the right to 6 months' severance. Other senior executives have up to 6 months' notice period and up to 6 months' severance pay.

Note 7 Auditors' fees

KEUR	Group 2021	Group 2020	Parent company 2021	Parent company 2020
PricewaterhouseCoopers				
Audit engagement	292	292	112	82
Audit activities not including audit engagement	4	-	-	-
Total PricewaterhouseCoopers	**296**	**292**	**112**	**82**
Other auditors				
Audit engagement	50	33	-	-
Audit activities not including audit engagement	17	19	-	-
Other services	-	8	-	-
Total Other auditors	**67**	**61**	**-**	**-**
Total Auditors' fees	**363**	**353**	**112**	**82**

Note 8 Expenses by Nature

Continuing operations

KEUR	Group 2021	Group 2020	Parent company 2021	Parent company 2020
Materials and consumables	17,779	19,424	-	-
Personnel expenses	107,538	104,451	2,393	3,171
Other external expenses	29,954	29,771	5,708	4,940
Depreciation, amortization and impairment	11,942	13,492	154	169
Total expenses	**167,213**	**167,138**	**8,254**	**8,280**

Note 9 Interest income and similar profit/loss items

Continuing operations

KEUR	Group 2021	Group 2020	Parent company 2021	Parent company 2020
Interest income, external	22	43	2	-
Group contributions received	-	-	-	2,701
Interest income, group companies	-	-	2,843	3,403
Foreign exchange gains	-	-	24	-
Total	22	43	2,868	6,104

Note 10 Financial expenses

Continuing operations	Group		Parent company	
KEUR	2021	2020	2021	2020
Interest expense, external	-12,222	-12,318	-12,164	-12,250
Interest expense, group companies	-	-	-47	-74
Interest expense leasing	-351	-506	-48	-59
Write down of shares in subsidiaries	-	-	-5,000	-
Write down of loan to subsidiary	-	-	-330	-
Foreign exchange losses	-575	-3,149	-	-3,616
Other	-1,022	-313	-977	-447
Total financial costs	**-14,170**	**-16,286**	**-18,566**	**-16,446**

Group contributions paid	-	-	-1,026	-
Group contributions received	-	-	-	-

Note 11 Taxes

	Group		Parent company	
KEUR	2021	2020	2021	2020
Current tax	-674	-504	-369	-144
Current tax attributable to previous year	-191	-94	-	-
Deferred tax	2,291	2,465	224	-
Total taxes	**1,426**	**1,867**	**-145**	**-144**

Reconciliation of effective tax

Group

KEUR	2021 %	2021	2020 %	2020
Profit before tax		**-24,347**		**-20,053**
Tax according to applicable tax rates for the parent	21%	5,210	21%	4,291
Effect of other tax rates on foreign subsidiaries	2%	478	2%	356
Non-deductible costs	-28%	-6,821	-28%	-5,559
Non-taxable income	0%	12	2%	451
Withholding tax	1%	277	1%	144
Deferred tax on temporary differences	9%	2,292	12%	2,464
Effects of loss carryforward, net	1%	95	-2%	-484
Tax attributable to previous years	0%	-118	0%	27
Reported effective tax*	**6%**	**1,426**	**8%**	**1,691**

Parent company

KEUR	2021 %	2021	2020 %	2020
Profit before tax		**-9,226**		**-7,813**
Tax according to applicable tax rates for the parent	21%	1,974	21%	1,672
Non-deductible costs	-29%	-2,636	-27%	-2,132
Withholding tax	3%	277	2%	144
Deferred tax on temporary differences	2%	224		-
Utilization of tax loss carryforwards not previously	0%	16	2%	172
Reported effective tax	**-2%**	**-145**	**-2%**	**-144**

*Of which EUR 1,362 (1,867) thousand is continued operations and EUR 64 (-177) thousand related to discontinued operations.
The Group's unutilized loss carry-forwards for which no deferred tax assets are recognized amount to EUR 34 (36) million. Of this amount, EUR 14 million has no expiration date, EUR 17 million expires in 5 to 10 years and EUR 3 million expires in less than 5 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	2021	2020
Net loss for the year attributable to Parent company shareholders	-22,858	-18,362
Weighted average number of shares outstanding during the year	500,000	500,000
***Earnings per share basic, EUR**	**-45.72**	**-37.89**

Continuing operations		
KEUR	2021	2020
Net loss for the year attributable to Parent company shareholders	-15,500	-18,074
Weighted average number of shares outstanding during the year	500,000	500,000
Earnings per share basic, EUR	**-30.92**	**-37.31**

Discontinued operations		
KEUR	2021	2020
Net loss for the year attributable to Parent company shareholders	-7,358	-288
Weighted average number of shares outstanding during the year	500,000	500,000
Earnings per share basic, EUR	**-14.72**	**-0.58**

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

Note 13 Goodwill

	Group	
KEUR	2021	2020
Opening acquisition cost	86,029	87,345
Translation differences	93	-1,316
Closing acquisition cost	86,122	86,029
Opening accumulated impairment losses	-8,142	-9,300
Impairment losses	-5,161	-
Translation differences	-293	1,158
Closing accumulated impairment losses	-13,596	-8,142
Net carrying amount at year-end	**72,527**	**77,887**

Note 14 Customer contracts

KEUR	Group 2021	Group 2020
Opening acquisition cost	49,895	58,624
Acquisitions	0	0
Disposal	-	-7,937
Translation differences	185	-792
Closing acquisition cost	50,080	49,895
Opening accumulated amortization	-37,559	-33,619
Disposal	-	2,462
Amortization for the period	-6,701	-7,052
Translation differences	-147	650
Closing accumulated amortization	-44,407	-37,559
Opening accumulated impairment losses	-1,303	-6,610
Impairment losses	-394	-
Translation differences	-22	-168
Closing accumulated impairment losses	-1,718	-1,303
Net carrying amount at year-end	**3,954**	**11,033**

For information regarding impairment testing see note 17.

Note 15 Customer relations

KEUR	Group 2021	Group 2020
Opening acquisition cost	28,735	33,522
Disposal	-	-3,995
Translation differences	34	-792
Closing acquisition cost	28,769	28,735
Opening accumulated amortization	-13,947	-13,507
Disposal	-	1,781
Amortization for the period	-2,267	-2,614
Translation differences	-8	393
Closing accumulated amortization	-16,222	-13,947
Opening accumulated impairment losses	-1,913	-4,384
Disposal	-	2,214
Impairment losses	-753	-
Translation differences	-42	258
Closing accumulated impairment losses	-2,707	-1,913
Net carrying amount at year-end	**9,840**	**12,876**

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NOTES

Note 16 Other intangible assets

KEUR	Group 2021	Group 2020	Parent company 2021	Parent company 2020
Opening acquisition cost	9,549	9,539	7,676	7,676
Investments	50	19	-	-
Disposals	-6	-5	-	-
Reclassifications to discontinued operations	-715	-	7,676	7,676
Translation differences	-19	-4	0	0
Closing acquisition cost	8,858	9,549	7,676	7,676
Opening accumulated amortization	-9,156	-8,967	-7,676	-7,670
Disposals	4	2	-	-
Amortization for the year	-112	-188	-	-5
Reclassifications to discontinued operations	513	-3	-7,676	-7,676
Translation differences	18	-3	-	-
Closing accumulated amortization	-8,734	-9,156	-7,676	-7,676
Opening accumulated impairment losses				
Impairment losses	-22	-	-	-
Closing accumulated impairment losses	-22	-	-	-
Net carrying amount at year-end	**103**	**392**	**-**	**-**

Note 17 Impairment

On 1 January 2021, Quant's organizational structure was changed. United Arab Emirates, previously reported in segment Rest of World, is now included in segment Europe & Middle East. Quant has taken the decision to exit China, therefore China, previously reported under segment Rest of World, is reported in segment Other and reported as discontinued operations. The segment reporting has been updated to reflect the change in organizational structure which is as follows:

- Europe & Middle East
- Americas
- Finland & Baltics

Quant carried out its annual impairment test on Goodwill as of 31 December 2021. 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 & Middle East

Cash flow forecasts for the three-year period are based on an average annual growth rate of 13 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 8.1 percent before tax. Due to the new CGU structure implemented in 2021 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 35.1 (27.8) 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 9.4 (8.2) percent before tax.

Finland and Baltics

Cash flow forecasts for the three-year period are based on an average annual growth rate of 6.3 (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 8.7 (7.8) 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

2021

KEUR	Customer contracts	Customer relations	Goodwill	Total
Europe	-	2,416	30,298	32,714
Americas	-	2,358	8,601	10,959
Finland & Baltics	3,954	5,066	33,628	42,648
Total	**3,954**	**9,840**	**72,527**	**86,321**

2020

KEUR	Customer contracts	Customer relations	Goodwill	Total
Europe	1,691	3,002	30,574	35,268
Americas	1,376	3,027	8,778	13,181
Finland & Baltics	7,591	6,130	33,628	47,350
Total	**10,658**	**12,160**	**72,980**	**95,798**

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	2021	2020	2021	2020
Opening acquisition cost	6,641	7,505	80	80
Investments	894	693	-	-
Discontinued operations	-182	-	-	-
Sold/Scrapped	-511	-1,204	-	-
Reclassifications	0	4	-	-
Translation differences	-176	-357	-	-
Closing acquisition cost	6,668	6,641	80	80
Opening accumulated depreciation	-5,189	-5,240	-74	-59
Discontinued operations	171	-		
Sold/Scrapped	479	709	-	-
Reclassifications	0	-4	-	-
Depreciation for the year	-686	-939	-6	-15
Translation differences	155	285	-	-
Closing accumulated depreciation	-5,070	-5,189	-80	-74
Net carrying amount at year-end	**1,598**	**1,453**	**-**	**6**

Note 19 Leases

	Group		Parent company	
KEUR	2021	2020	2021	2020
Amounts related to leases recognized in the statement of financial position:				
Right-of-use assets				
Vehicles	2,143	3,201	-	-
Buildings	1,042	1,381	519	667
Total	**3,185**	**4,583**	**519**	**667**
Total right-of-use assets	**3,126**	**4,504**	**472**	**620**
Lease liabilities				
Non-current	1,502	2,328	353	491
Current	1,869	2,496	178	178
Total liabilities	**3,371**	**4,823**	**530**	**668**
Amounts related to leases recognized in the income statement				
Depreciation charge of right-of-use assets				
Vehicles	1,500	2,298	-	-
Buildings	658	707	148	148
Total	**2,158**	**3,005**	**148**	**148**
Interest expense (included in finance cost)	351	520	48	59
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	318	117	-	-
Expenses relating to leases of low value assets that are not shown above as short-term leases (included in administrative expenses)	54	77	4	11
Total cash outflow for leases	**2,881**	**3,719**	**201**	**218**

Additions to the right-of use assets during 2021 amounted to EUR 1.6 (1.0) million
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 2 Financial risks.

Note 20 Participation in Group companies

KEUR	2021	2020
Acquisition cost	101,285	101,285
Impairment of shares in subsidiaries	-5,000	-
Closing acquisition cost	96,285	101,285
Net carrying amount at year-end	96,285	101,285

Parent company and Group holdings of participations in Group companies

Subsidiary/ID no	Number of shares	2021 % share	2021 Carrying amount	2020 % share	2020 Carrying amount
Direct ownership					
Quant US Corp., (5631810)		100%	2,087	100%	2,087
Quant Sweden Holding AB, (556981-3115, Västerås)	50,000	100%	94,198	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%		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%	
			96,285		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	2021 Carrying amount	2021 Fair Value	2020 Carrying	2020 Fair value
Assets				
Non-current receivables	26	26	678	678
Accounts receivable	24,498	24,498	26,403	26,403
Other receivables	1,200	1,200	1,683	1,683
Accrued income	4,341	4,341	3,695	3,695
Liquid funds	9,648	9,648	21,351	21,351
Total assets	**39,713**	**39,713**	**53,810**	**53,810**
Liabilities				
Interest-bearing liabilities 1)	144,943	144,943	144,857	144,857
Other non-current liabilities	1,502	1,502	2,328	2,328
Accounts payables	8,298	8,298	10,802	10,802
Other liabilities	3,263	3,263	4,721	4,721
Accrued expenses	19,751	19,751	22,688	22,688
Total liabilities	**177,756**	**177,756**	**185,395**	**185,395**

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 liabilities

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

KEUR Group	2021 Deferred tax assets	2021 Deferred tax liability	2021 Net	2020 Deferred tax assets	2020 Deferred tax liability	2020 Net
Intangible assets	-	-2,922	-2,922	-	-5,097	-5,097
Pension contributions	469	0	469	672	-	672
Other	1,273	-521	752	1,252	-421	831
Total	**1,742**	**-3,443**	**-1,701**	**1,924**	**-5,518**	**-3,594**

Change in deferred tax in temporary differences and loss carryforwards

Group	Bal at 1 Jan 2021	Profit/loss for the year	OCI	Reclass to Discontin'd	Translation differences	Bal at 31 Dec 2021
Intangible assets	-5,097	2,185	0	0	-10	-2,922
Pension contributions	672	29	-252	0	20	469
Other	831	78	0	-9	-147	752
Total	**-3,594**	**2,291**	**-252**	**-9**	**-138**	**-1,701**

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**

Note 23 Accounts receivable

Accounts receivable maturity analysis

KEUR	Group 2021	2020
Accounts receivable		
Not due	20,045	23,301
Overdue 1 - 30 days	2,282	1,680
Overdue 31 - 60 days	1,152	197
Overdue 61 - 90 days	76	12
Overdue 91 -180 days	54	40
Overdue > 180* days	890	1,943
Total accounts receivable before provision for bad debt	**24,498**	**27,173**

Provision for bad debt accounts receivable

Opening balance January 1	-770	-1,000
Provisions	-	-12
Reversals	770	241
Closing balance December 31	**0**	**-770**
Total Accounts receivable	**24,498**	**26,403**

*In January 2022 Quant received payment for Overdue > 180 overdue amounts of EUR 0.9 million.

Note 24 Prepaid expenses and accrued income

	Group		Parent company	
KEUR	2021	2020	2021	2020
Prepaid expenses	1,345	1,394	421	695
Accrued income	4,341	3,695	-	-
Total prepaid expenses and accrued income	**5,686**	**5,089**	**421**	**695**

Note 25 Cash and cash equivalents

The following subcomponents are included in cash:

	Group		Parent company	
KEUR	2021	2020	2021	2020
Bank deposits	9,648	21,351	1,393	7,814
Total Cash and cash equivalents	**9,648**	**21,351**	**1,393**	**7,814**

Note 26 Pensions

Group defined benefit plans

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

KEUR	2021	2020
Obligation for defined benefit plans as of 1 January	**3,436**	**2,959**
Paid compensation	-178	-200
Cost recognized in profit for the year	325	373
Cost recognized in other comprehensive income	-1,287	294
Exchange rate differences	104	10
Obligation for defined benefit plans as of 31 December	**2,400**	**3,436**
Provisions for Benefit Pension Plans	2,400	3,436
Provisions for other pensions	40	825
Total Provisions for pensions and similar obligations	**2,440**	**4,261**

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.

KEUR

12/31/2021	Pension obligation	Plan assets	Net
Switzerland	10,913	8,513	2,400
Others	-	-	-
Total pension obligations and plan assets	**10,913**	**8,513**	**2,400**

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**

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:	2021	2020
Currency (CHF)	3%	3%
Bonds	25%	33%
Equity instruments	31%	27%
Real estate	25%	27%
Mortgages	4%	-
Alternative investments	12%	11%
Total	100%	100%

Actuarial assumptions

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

	2021	2020
Discount rate	0.3%	0.2%
Expected wage increase	1.0%	0.7%
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

	2021	2020
Discount rate (- 0,25% change)	-4%	-3%
Discount rate (+ 0,25% change)	4%	3%
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	2021	2020
Costs concerning service for current period	-318	-363
Gain in regulation	-	-
Net interest income / interest expense	-7	-9
Net cost recognized in the income statement	**-325**	**-373**

Cost recognized in other comprehensive income

KEUR	2021	2020
Actuarial gains (-) and losses (+)	-377	192
Difference between actual return and return according to the discount rate on plan assets	-910	102
Effects of change in asset limitation, excluding amounts reported in net interest income	-	-
Net reported in other comprehensive income	**-1,287**	**294**

Note 27 Provisions

	Group	
KEUR	2021	2020
Other provisions	515	775
Total provisions	**515**	**775**

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

Note 28 Interest-bearing liabilities

	Group		Parent company	
KEUR	2021	2020	2021	2020
Liabilities due within one year from the balance sheet date	10,470	17,881	8,779	15,563
Liabilities due within one to five years from the balance sheet date	140,429	135,222	139,280	133,385
Liabilities due later than five years from the balance sheet date	-	-	-	-
Capitalized borrowing costs	-2,587	-3,423	-2,587	-3,423
Total interest-bearing liabilities	148,313	149,680	145,473	145,525

Interest-bearing liabilities are comprised of liabilities to credit institutions and leasing liabilities. For information on leasing liabilities, see Note 3 Financial risks.

Credit facilities

On 24 March 2022 Quant announced a written procedure in respect of its senior bonds which was approved on 7 April 2022. The approved amendments have consequences for the senior bonds, the junior bonds and the super senior working capital facility. Please see Note 36 *Events after the reporting period* for more information.

Senior bonds

Bonds of EUR 62.5 million was issued in the Swedish capital market on 15 February 2018 and has an original maturity of five years with maturity date on February 15, 2023. On 7 April 2022 the bondholders approved amendments requested in a written procedure initiated on 24 March 2022, which, among other things, extended the maturity date of the senior bonds to 15 May 2023. The bonds run on variable interest rate plus a margin 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 on 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 August 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 29 Accrued expenses and deferred income

	Group		Parent company	
KEUR	2021	2020	2021	2020
Accrued interest expenses	1,634	1,573	1,788	1,689
Accrued restructuring costs	134	1,717	-	27
Accrued personnel expenses	13,780	14,290	596	709
Deferred income	2,049	1,619	-	-
Other accrued expenses	2,154	3,489	184	550
Total accrued expenses and deferred income	**19,751**	**22,688**	**2,580**	**2,976**

Note 30 Pledged assets and contingent liabilities

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.

Pledged assets and contingent liabilities

KEUR	Group 2021	Group 2020	Parent company 2021	Parent company 2020
Pledged assets				
Bank guarantees	2,911	3,885	2,911	3,885
Shares in subsidiaries	11,899	13,028	96,285	101,285
Total pledged assets	**14,810**	**16,913**	**99,196**	**105,170**
Contingent liabilities	-	-	-	-

Note 31 Transactions with related parties

Related company 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 32 Interest received and paid

KEUR	Group 2021	Group 2020	Parent company 2021	Parent company 2020
Interest received	22	57	2,845	3,403
Interest paid	-12,161	-12,196	-12,150	-12,129
Leasing interest paid	-351	-520	-48	-59
Total	**-12,490**	**-12,659**	**-9,353**	**-8,785**

Note 33 Supplemental information to cash flow finance activities

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

KEUR

Group	Bal at 1 Jan 2021	Cash flow effects	Non-cash flow effects	Foreign exchange differences	Bal at 31 Dec 2021
Liabilities to credit institutions	144,857	-7,000	7,062	24	144,943
Lease liabilities	4,823	-1,369	-	-83	3,371
Total	**149,680**	**-8,369**	**7,062**	**-59**	**148,313**

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**

Other adjustments for non-cash items

Continuing operations

KEUR	Group 2021	Group 2020	Parent company 2021	Parent company 2020
Capitalized interest expense	6,249	6,213	6,249	6,213
Amortized borrowing costs	836	332	836	332
Pension revaluation direct to equity	1,287	220	-	-
Capital gain/loss from fixed assets	-800	-637	-	-
Changes accrued interest	61	121	-1,953	-19
Other	-24	-689	-21	53
Total items not included in cash flow	**7,609**	**5,561**	**5,112**	**6,579**

Note 34 Appropriation of Earnings

KEUR	
Non-restricted equity in the Parent company at the disposal of the Annual General Meeting:	
Retained earnings	59,801
Loss for the year	-14,371
Total	45,430

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

Amount carried forward	**45,430**

Note 35 Business combinations, discontinued operations and assets and liabilities held for sale

Acquisitions

2021
There were no acquisitions carried out during 2021.

2020
There were no acquisitions carried out during 2020.

In January 2021 Quant China was classified as a discontinued operation. A decision was taken by management to discontinue operations in China through sales, non-renewal or termination of existing contracts. This decision triggered a write down of Goodwill, Customer relations and Customer contracts in the amount of EUR 5.2 million, EUR 0.8 million and EUR 0.4 million, respectively. On December 31, 2021 operations in China were closed and preparations were initiated to enter liquidation.

With the addition of Quant China to Discontinued Operations the historical figures in the 2020 income statement have been adjusted accordingly. For these figures, see Quant Q4 interim report, tables “Restatement of Group Continuing and Discontinued Operations 2020”. The earnings, assets and liabilities in Quant China is reported as discontinued operations for the full year 2021 in the tables below.

INCOME STATEMENT FOR DISCONTINUED OPERATIONS

KEUR	Group 2021	Group 2020
Net sales	946	7,723
Cost of sales	-1,293	-7,659
Gross profit	**-347**	**64**
General and administrative expenses	-684	-1,056
Selling expenses	-165	-119
Research and development expenses	-	-
Write-downs intangible assets and PPE	-6,510	-
Other operating income	317	207
Other operating expenses	-	-
Operating Loss	**-7,388**	**-903**
Interest income and similar profit/loss	3	13
Interest expense and similar profit/loss	-36	-213
Foreign exchange gains and losses	-	992
Total financial items	**-33**	**792**
Profit/loss before tax	**-7,422**	**-111**
Taxes	63	-177
Loss for the year	**-7,358**	**-288**

ASSETS AND LIABILITIES HELD FOR SALE

	Group	
KEUR	2021	2020
Property, plant and equipment	-	-
Right of use assets	-	-
Financial assets	217	217
Inventories	-	-
Accounts receivable	-	-
Other receivables	240	160
Prepaid expenses and accrued income	-	1
Total assets	**457**	**378**
Provisions	219	219
Leasing liablility	-	-
Other current liabilities	-	-
Accounts payable	8	4
Accrued expenses and deferred income	108	95
Other non-interest-bearing liabilities	364	8
Total liabilities	**698**	**326**

Note 36 Events after the reporting period

On 8 February 2022 it was announced that Quant had signed a renewal of an existing Total Maintenance Partnership with Metsä Wood. The agreement covers industrial maintenance on five production sites in Finland and Estonia. The agreement renewal contains scope changes beneficial to both parties, which increase Quant's contract portfolio by EUR 2 million in the first quarter of 2022.

On 24 March 2022 Quant AB (publ) announced, as part of an initiation of a written procedure in respect of its senior bonds, that Permira Credit Solutions II Master Sub S.A. ("Permira Credit"), the holder of the junior bond, and Nordic Capital, the current majority owner of Quant, have agreed in principle to a conditional agreement under which Permira Credit is expected to become the new majority owner of Quant. Nordic Capital is expected to remain as a minority shareholder. The agreement between Permira Credit and Nordic Capital is conditional upon, amongst other things, agreements and consents relating to an extension and reduction of the existing super senior revolving credit facility, and is subject to formal approval of merger filings with competition authorities. Permira Credit will, as part of the agreement with Nordic Capital, provide EUR 10 million of new capital as a cash injection on the balance sheet. Amounts corresponding to the junior bond and certain shareholder loans will, in time, also be capitalized resulting in releases of these debts.

In the written procedure the holders of the senior bonds were requested to approve, inter alia, (i) an unconditional extension (the "Interim Amendment") of the terms of the senior bonds by three months, extending the maturity date from 25 February 2023 to 25 May 2023, and (ii) conditional amendments (the "Final Amendments") consisting of an extension of the term of the senior bonds from 15 May 2023 to 15 November 2025, an amendment of the control clause to allow for Permira Credit to take over as the new majority owner of Quant, a correction of wording to allow non-wholly owned subsidiaries to make pro-rata distributions to group companies and joint venture partners, an undertaking to achieve an increase of equity to an amount corresponding to the junior bond which is then extinguished, and an update of the call structure of the Senior Bond. The Final Amendments are conditional upon the cash injection by Permira Credit and the extension and reduction of the existing super senior revolving credit facility.

On 7 April 2022 Quant received an approval from the holders of the senior bonds in the written procedure and on 21 April 2022 the Interim Amendment was fully and finally executed. At the time of the publication of the Annual Report the company was awaiting formal approval of merger control filings. For more information, please visit *www.quantservice.com/investors*

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 true and fair presentation of the position and performance of the Group and the Parent company, and that the Management report includes a fair view of the development and performance of the business and position of the Group and the Parent company as well as describing the material risks and uncertainty factors to which the Parent company and subsidiaries that are members of the Group are exposed.

Quant AB

556975-5654

Stockholm, April 28, 2022

MIKAEL NORIN
CHAIRMAN OF THE BOARD

OLOF FAXANDER
BOARD MEMBER

PER HALLIUS
BOARD MEMBER

CASPER LERCHE
BOARD MEMBER

HENRIK SANDRÉUS
BOARD MEMBER

PIERRE SCHÖLD
BOARD MEMBER

JOAKIM HAVBY
BOARD MEMBER

TOMAS RÖNN CEO

Our audit report has been submitted, April 28, 2022

Öhrlings Pricewaterhouse Coopers 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 2021 except for the corporate governance statement on pages 29-30. 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 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 29-30. 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 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

Overview

- Overall materiality: 1 643 KEUR which is 1% of total revenues.
- Recognition of revenue at the right amount and in the right period.
- Impairment testing of acquisition-related surplus values and goodwill

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, Norway 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.

Group Materiality	1 643 KEUR (1 705 KEUR)
Basis of Materiality	1% of total revenues
Rationale for Group Materiality	The net sales were selected for our benchmark of materiality due to fluctuating earnings before taxes.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above 82 KEUR as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

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 2021.	**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 86 424 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

TThis document also contains other information than the annual accounts and consolidated accounts and is found on pages 3-28. The Board of Directors and the Managing Director are responsible for this other information.

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

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

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

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of 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

TThe 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.

The auditor's examination of the ESEF report

Opinion

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

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

In our opinion, the Esef report #26bfc1c555aaefbdf70bada780 2c2e024e3d65f8c28115ecf6b5b23124b0de61 has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinions

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

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

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for ensuring that the Esef report has been prepared in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

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

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

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The reasonable assurance engagement involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The reasonable assurance engagement also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, statement of financial position, statement of changes in equity and the statement of cash flow.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 29-30 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

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

Auditor's report on the statutory sustainability report

It is the board of directors who is responsible for the statutory sustainability report and that it has been prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Öhrlings PricewaterhouseCoopers AB, Torsgatan 21, was appointed auditor of Quant AB (publ) by the general meeting of the shareholders on the 20th of April 2021 and has been the company's auditor since the 5 november 2019.

Stockholm, April 28, 2022

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

	Q4		Jan-Dec	
KEUR	2021	2020	2021	2020
Continuing operations				
Operating profit (loss)	-1,649	-1,530	-2,778	-3,699
Depreciation & amortization	2,918	3,316	11,921	13,492
Non recurring items	51	24	621	675
Reversal of Write-down tangible assets	-	-	-	-
Adjusted EBITDA IFRS 16	**1,320**	**1,810**	**9,786**	**10,469**
Effect from IFRS 16	-620	-756	-2,577	-3,421
Adjusted EBITDA	**700**	**1,053**	**7,209**	**7,048**
Net sales	41,887	41,676	164,435	163,497
Adjusted EBITDA margin	**1.7%**	**2.5%**	**4.4%**	**4.3%**
Discontinued operations				
Operating profit (loss)	**79**	**118**	**-7,388**	**-903**
Depreciation & amortization	0	52	13	241
Non recurring items	-	0	-	4
Reversal of Write-down intangible assets	93	-	6,510	-
Reversal of Write-down tangible assets	-	-	-	0
Adjusted EBITDA IFRS 16	**173**	**169**	**-865**	**-658**
Effect from IFRS 16	-	-15	-	-147
Adjusted EBITDA	**173**	**154**	**-865**	**-805**
Net sales	14	1,714	946	7,723
Adjusted EBITDA margin	**1,276.6%**	**9.0%**	**-91.5%**	**-10.4%**
Group total				
Operating profit (loss)	**-1,570**	**-1,412**	**-10,166**	**-4,602**
Depreciation & amortization	2,919	3,367	11,934	13,733
Non recurring items	51	24	621	679
Reversal of Write-down intangible assets	93	-	6,531	-
Reversal of Write-down tangible assets	-	-	-	0
Adjusted EBITDA IFRS 16	**1,493**	**1,979**	**8,921**	**9,810**
Effect from IFRS 16	-620	-771	-2,577	-3,567
Adjusted EBITDA	**873**	**1,208**	**6,344**	**6,243**
Net sales	41,901	43,390	165,381	171,221
Adjusted EBITDA margin	**2.1%**	**2.8%**	**3.8%**	**3.6%**

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 2022)
May 18, 2022

Interim report Q2
(April – June 2022)
August 26, 2022

Interim report Q3
(July – September 2022)
November 25, 2022

Interim report Q4
(October – December 2022)
February 24, 2023

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