

# QUANT™

Smart services for a sustainable world



**INTERIM REPORT Q3**  
**JULY – SEPTEMBER 2023**

## INTERIM OVERVIEW

All numbers, unless expressly stated, refer to Continuing operations\*

### July - September

- Net sales for the quarter improved to EUR 51.2 (45.6) million. Organically, net sales increased by 14.0%
- During the quarter the contract portfolio value decreased by net EUR -15.2 million. No contracts were won or renewed, and two contracts were lost. Portfolio run rate annualized net sales at the end of the quarter was EUR 169.6 million, compared to EUR 184.8 million at the end of the second quarter of 2023
- Operating profit for the quarter amounted to EUR 1.6 million, compared to EUR 1.8 million prior year
- Adjusted EBITDA was unchanged compared to previous year and amounted to EUR 3.0 (3.0) million, excluding the effect of implementation of IFRS 16 Leases
- Cash flow from operating activities amounted to EUR -3.9 (-0.4) million, of which change in working capital amounted to EUR -4.8 (-1.4) million
- Net loss for the continuing business amounted to EUR -1.2 million compared to EUR -2.2 million prior year
- The Adjusted EBITDA for discontinued operations was EUR -0.1 (0.1) million and the net loss was EUR -0.1 (0.1) million, which is not included in the reported numbers above
- Group net income for the quarter, including discontinued operations, was EUR -1.3 (-2.1) million

### January - September

- Net sales for the period improved to EUR 160.0 (130.0) million. Organically, net sales increased by 23.0%
- Operating profit amounted to EUR 2.6 million, compared to EUR 3.0 million prior year
- Adjusted EBITDA amounted to EUR 8.7 million compared to EUR 6.2 million prior year, excluding the effect of implementation of IFRS 16 Leases
- Cash flow from operating activities amounted to EUR -3.0 (1.9) million, of which change in working capital amounted to EUR -3.3 (1.6) million
- Net loss for the continuing business amounted to EUR -4.8 million compared to a loss of EUR -7.3 million prior year
- The Adjusted EBITDA for Discontinued operations was EUR -0.2 (-0.1) million and the net loss was EUR -0.2 (-0.1) million, which is not included in the reported numbers above
- Group net loss for the period, including discontinued operations, was EUR -5.1 (-7.4) million

### Significant events during the quarter

Arauco, a global manufacturer of forest products, has announced the decision to indefinitely suspend cellulose production at the Licancél mill in Chile. This move is a response to extreme weather fluctuations and natural disasters. As a consequence of this suspension, a portion pertaining to the Licancél mill of Quant's ten-year maintenance partnership agreement, which was initially signed in July 2022, will be canceled. Quant's work on the Constitución mill remains unaffected and will continue operations as planned. Quant will continue its support of Arauco by actively participating in cleanup efforts at the Licancél site. The impact of this closure is EUR 10.9 million decrease in its contract portfolio, reported in this interim report.

KEUR	Q3		Jan-Sep		LTM	Jan-Dec
	2023	2022	2023	2022	Sep 2023	2022
Net sales	51,183	45,588	160,041	130,002	209,412	179,374
Operating profit (loss)	1,595	1,833	2,640	3,020	-10,061	-9,681
Adjusted EBITDA	3,008	2,975	8,688	6,208	7,152	4,672
<i>Adjusted EBITDA, %</i>	<i>5.9%</i>	<i>6.5%</i>	<i>5.4%</i>	<i>4.8%</i>	<i>3.4%</i>	<i>2.6%</i>
Adjusted EBITDA IFRS 16	3,301	3,442	9,631	7,831	8,488	6,688
<i>Adjusted EBITDA IFRS 16, %</i>	<i>6.4%</i>	<i>7.5%</i>	<i>6.0%</i>	<i>6.0%</i>	<i>4.1%</i>	<i>3.7%</i>
Cash flow from operating activities	-3,919	-428	-3,045	1,859	2,794	7,698
Net debt	78,887	131,577	78,887	131,577	78,887	71,938
Net debt / Adjusted EBITDA, times	-	-	11.0	15.4	11.0	15.4
Net debt / Adjusted EBITDA IFRS 16, times	-	-	9.5	11.1	9.5	11.1
<b>Discontinued operations</b>						
Operating profit (loss)	-84	103	-243	-145	363	461
Adjusted EBITDA	-84	103	-243	-145	363	461
Adjusted EBITDA IFRS 16	-84	103	-243	-145	363	461

A detailed presentation of the alternative performance measures Adjusted EBITDA, Net Debt and Net Debt /Adjusted EBITDA, together with other measures, is found on page 15.

## CEO COMMENTS

TOMAS RÖNN  
CEO  
QUANT AB (PUBL)



As we navigate the challenges and opportunities of the current market conditions, I am pleased to provide an update on Quant's performance. At Quant, our commitment to keep machines working remains steadfast, and I want to express my gratitude to all our colleagues for their unwavering dedication.

Let me start with the financial highlights. Quant has demonstrated robust financial performance, recording a 23% increase in revenue for the first nine months of this year compared to the same period last year. Notably, we achieved a 40% surge in EBITDA, reaching EUR 8.7 million. We executed our contracts effectively, delivering positive outcomes for both our customers and Quant.

These improved results reflect Quant's focus on profitability and efforts to improve or exit existing unprofitable contracts. We are pleased that now all but one of the running contracts are profitable for the first nine months of the year at the contribution margin level. We would highlight the turnaround in the Americas business particularly, with Adjusted EBITDA growing to EUR 3.4 million from EUR -0.2 million last year as a result of renegotiating loss-making contracts and executing on our new contracts with Arauco. With that phase of Quant's journey complete, we are now focusing on profitable revenue growth and increasing portfolio value from EUR 169.6 million (down from EUR 184.8 million last quarter) and efficiency across our cost base. We see substantial opportunities to grow while remaining committed to pricing and cost discipline. This plan focuses on three key pillars, growing the portfolio back above EUR 200 million, ensuring best-in-class execution on our existing contract portfolio, and right-sizing the cost base. We've already initiated steps to execute this plan and will refine it further as needed.

In terms of financial performance during the third quarter, adjusted EBITDA stood at EUR 3.0 million, maintaining stability compared to the same period last year. Regionally, we observed variations in revenue and profitability. In Europe & the Middle East, revenue decreased due to contracts lost last year, but profitability for the first nine months improved despite weaker profitability in the quarter. In the Americas, revenue increased significantly, driven by new contracts, leading to improvement in profitability compared to the previous year. Region Finland & Baltics saw increased revenue, primarily due to contract price inflation clauses and upselling, although profitability was burdened by initial investments in setting up service centres in Finland.

As we deal with these opportunities and challenges, we remain optimistic about the future. Our strategic initiatives continue to focus on becoming more effective, increasing digitalization, improving processes, and enhancing the professionalism and safety of our workforce.

In conclusion, I want to extend my appreciation to every Quant colleague for their dedication and professionalism. Together, we will overcome challenges, capitalize on opportunities, and solidify Quant's position as a leading provider of maintenance services and a valued partner to our customers.

Thank you.

Tomas Rönn  
CEO

## THIRD QUARTER OF 2023

### Net sales and profit

Net sales during the quarter increased to EUR 51.2 million from EUR 45.6 million prior year. The increase was mainly due to new contracts in region Americas, higher upsell in existing contracts, but also annual contract price inflation clauses which went into effect early during the year in region Finland & Baltics. This was partially offset by lost contracts. Organically, i.e. adjusted for acquisitions, non-recurring adjustments and currency, net sales increased by 14.0% compared to the same quarter last year.

For the first nine months net sales amounted to EUR 160.0 million, compared to EUR 130.0 million prior year mainly due to new contracts, more projects and upselling in existing contracts. This was partially offset by contracts lost prior year. Organically, net sales increased with 23.0%.

Gross profit for the quarter amounted to EUR 6.3 million, compared to EUR 6.5 million prior year, mainly due to lost contracts in Europe & Middle East. This was partially offset by new contracts in the Americas. Gross profit was also negatively impacted by currency fluctuations on revaluations of internal receivables and payables in the amount of EUR -0.4 (0.2) million. Gross profit includes cost amounting to EUR 0.3 (0.0) million reclassified as non-recurring items in Adjusted EBITDA. See Items affecting comparability for more information.

For the first nine months gross profit was EUR 18.4 million, an increase from EUR 17.4 million last year. This was mainly due to new contracts in region Americas, upsell with improved profitability in existing contracts and annual contract price inflation clauses. This was partially offset by lost contracts in region Americas and Europe & Middle East. During the period there was no impact on gross profit from changes in currency fluctuations, compared to the same period last year which was positively impacted by EUR 1.1 million. Gross profit includes cost amounting to EUR 2.7 (0.0) million reclassified as non-recurring items in Adjusted EBITDA. See Items affecting comparability for more information.

Operating profit for the quarter was EUR 1.6 million, compared to EUR 1.8 million last year. This was driven by lower gross profit.

Operating profit for the first nine months amounted to EUR 2.6 (3.0) million as higher gross profit was offset by higher general and administrative expenses.

Quarterly adjusted EBITDA, excluding the impact from IFRS 16, was EUR 3.0 (3.0) million mainly due to higher gross profit, partially offset by higher general and administrative expenses. There was a negative impact from currency fluctuations on revaluation of internal receivables/payables of EUR -0.4 (0.2) million. In constant currency the adjusted EBITDA was EUR 3.0 (2.9) million. Quarterly adjusted EBITDA with IFRS 16 was EUR 3.3 (3.4) million.

For the first nine months adjusted EBITDA, excluding the impact from IFRS 16, was EUR 8.7 million, compared to EUR 6.2 million prior year mainly due to higher gross profit offset by higher general and administrative expenses. In constant currency the adjusted EBITDA was EUR 8.4 (6.2) million. Adjusted EBITDA with IFRS 16 was EUR 9.6 (7.8) million.

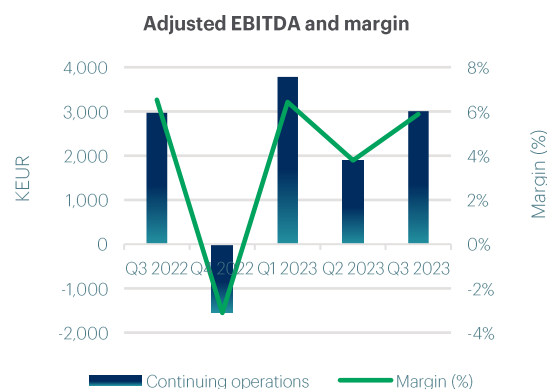
Net financial items for the quarter were EUR -3.0 million compared to EUR -3.8 million last year. The impact on revaluations of internal

loans to subsidiaries due to exchange rate fluctuations was EUR -0.2 for the quarter, compared to EUR -0.3 previous year. A nearly EUR 1 million reduction in interest expense on loans, EUR 2.4 million in the third quarter of this year compared to EUR 3.3 million previous year, is due to the reduction of debt as a result of the ownership change last year.

For the first nine months net financial items amounted to EUR -7.6 (-9.5) million.

Net loss in the quarter amounted to EUR -1.2 million compared to EUR -2.2 million prior year. The improvement was due to a EUR 0.8 million improved net financial items mainly driven by lower interest expense, as well as a EUR 0.2 million decrease in operating profit. Net loss for the first nine months was EUR -4.9 million from EUR -7.3 million prior primarily due to reduced interest.

The Adjusted EBITDA for discontinued operations was EUR -0.1 (0.1) million in the quarter and for the first nine months the Adjusted EBITDA was EUR -0.2 (-0.1) million. For discontinued operations, the net loss in the quarter was EUR -0.1 (0.1) million and the net loss for the first nine months was EUR -0.2 (-0.1) million.



### Cash flow

Cash flow from operating activities for the quarter amounted to EUR -3.9 (-0.4) million. Change in working capital was EUR -4.8 (-1.4) million for the quarter due to a decrease in operational liabilities. Cash flow from operating activities for the first nine months amounted to EUR -3.0 (1.9) million. Change in net working capital was EUR -3.3 (1.6) million for the period mostly due to an increase in trade receivables.

For the total Group, including both continuing and discontinued operations, cash flow for the quarter was EUR -2.6 (-2.8) million. On 30 September 2023 the loan amount drawn on the revolving working capital facility amounted to EUR 2.0 (0.0) million.

For the total Group, including both continuing and discontinued operations, cash flow for the first nine months was EUR -4.0 (1.2) million.

### Contract portfolio

During the quarter, Quant had 70 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 17.5 (42.3) million are scheduled for renewal during the next twelve months.

During the third quarter no contracts were won or renewed, two contracts were lost with annualized net sales of EUR -14.2 million. The combined effect of these changes, including scope changes in existing contracts and exchange rate effects totalling EUR -1.1 million, amount to a decrease in the contract portfolio annualized net sales of EUR -15.2 million to end of quarter annualized run rate of EUR 169.6 million, compared to EUR 184.8 million at the end of the second quarter of 2023.

During the first nine months one contract was won with annualized net sales of EUR 3.2 million, ten contracts were renewed with a reduced scope corresponding to an annualized net sale of EUR -0.6 million. Five contracts were lost with annualized net sales of EUR -39.6 million. The combined effect of these changes, including scope changes in existing contracts and exchange rate effects totalling EUR -3.1 million, amount to a decrease in the contract portfolio annualized net sales of EUR -40.1 million to end of quarter annualized run rate of EUR 169.6 million, compared to EUR 209.7 million at the end of the fourth quarter of 2022.

## Financial position

Interest-bearing liabilities after deduction of financing costs, and excluding lease liabilities, amounted to EUR 88.9 (142.6) million. Net debt excluding the impact of IFRS 16 implementation amounted to EUR 78.9 (131.6) million, whereas Net debt with IFRS 16 effects included (Net Debt IFRS 16) amounted to EUR 80.3 (133.7) million (see separate table for calculation of Net debt and other Alternative Performance Measures).

The substantial decrease in interest-bearing liabilities is due to the ownership change in 2022. In December 2022 the final step of the majority owner change and refinancing was finalized as the former holding company was merged into Quant AB (publ). The merger completed all obligations under the transaction, for instance that junior bonds and shareholder loans totaling EUR 59 million were extinguished which meant an implicit contribution of liabilities in Quant AB recorded in equity.

The maturity date for the super senior working capital facility was incorrectly stated as 16 September 2024 in the agreement, and by consequence in the Annual Report 2022 Note 28 *Interest-bearing liabilities*. The maturity date has been rectified to 16 November 2024.

## Items affecting comparability

Items affecting comparability includes events and transactions with significant effects, which are affecting the possibility to accurately compare income for the current period with previous periods, including restructuring initiatives, costs related to M&A significant impairment, and other major non-recurring income or costs. Items affecting comparability are recorded as non-recurring items, which amounted to EUR 0.3 (0.0) million for the Group in the quarter and EUR 2.7 (0.0) for the first nine months.

In early May a customer in Chile terminated a contract with immediate effect. The act of terminating the contract and the cause of the termination have been questioned by Quant and its legal counsel, who considers it as an unlawful termination. Quant and the former customer have entered into litigation which is currently in arbitration. The inability to conduct the demobilization of the site caused additional challenges and cost for Quant. The cost for this extraordinary event – consisting of severance payments, union cost, personnel cost for demobilizing the site, and other demobilization costs – has been recorded as non-recurring cost and amount EUR 2.7 million during the first nine months of 2023.

Outstanding operational receivables and accrued income amounting to EUR 1.0 million for services delivered during the contract period are expected to be recovered and therefore have not been impaired.

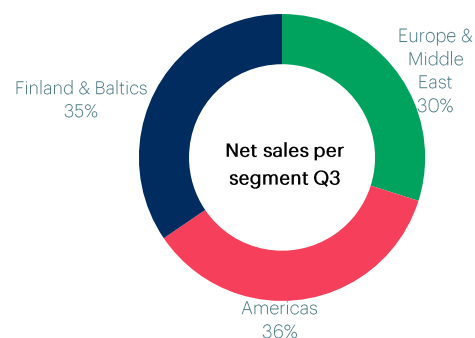
## Parent company and ownership

Quant AB offers headquarter functions for the group and includes group management as well as group-wide functions. Cash and cash equivalents at 30 September 2023 amounted to EUR 0.9 (2.4) million. Quant AB is owned by Quibot Topco AB. The ultimate beneficial owners of Quibot Topco AB are Permira Credit Solutions II Master Sub S.A.

## SEGMENTS

Quant’s customer contracts consist of providing maintenance outsourcing services, and as such net sales is recognized over time as the services are performed.

Quant is organized in a geographic setup, which is reflected in the reporting of financials in geographic segments. The reporting segment Other refers primarily to costs for headquarters functions that have not been operationally allocated to the geographic segments and eliminations. Assets held for sale and discontinued are reported separately as Discontinued operations.

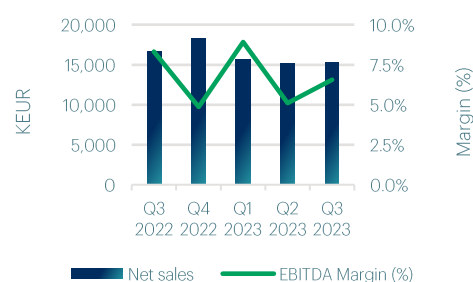


### Europe & Middle East

Net sales in the quarter amounted to EUR 15.3 million, compared to EUR 16.7 million prior year. The decrease was mainly due to lost contracts from 2022 which was partially offset by new contracts. For the first nine months net sales amounted to EUR 46.2 million, compared to EUR 50.7 million prior year, due to lost contracts from 2022, partially offset by new contracts and increased upselling in existing contracts.

Adjusted EBITDA for the quarter was EUR 1.0 million, compared to EUR 1.4 million prior year. The decrease in adjusted EBITDA was due to lower gross profit because of lower profitability in existing contracts and lost contracts in 2022, partly offset by new contracts and less general and administrative expenses and selling expenses. For the first nine months EBITDA was EUR 3.2 million, in line with prior year at EUR 3.2 million. Lower gross profit due to lost contracts in 2022 and lower profitability in existing contracts was offset by new contracts and lower selling expenses.

Net sales and EBITDA Margin



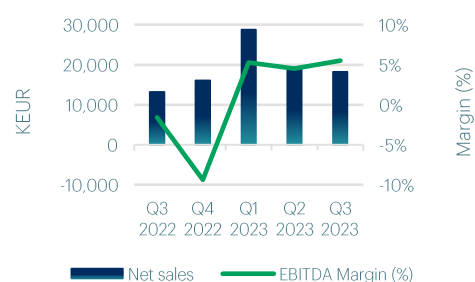
KEUR	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
Net sales	15,298	16,651	46,150	50,733	69,060
Operating profit (loss)	968	1,355	3,073	3,086	3,944
Adjusted EBITDA	1,003	1,386	3,177	3,174	4,067
Adjusted EBITDA %	6.6%	8.3%	6.9%	6.3%	5.9%

### Americas

Net sales in the quarter increased to EUR 18.2 million, from EUR 13.2 million prior year. This was mainly due to new contracts that mobilized in the first quarter of 2023 and the fourth quarter 2022, as well as higher revenue from projects and upselling in existing contracts, which was partially offset by lost contracts. For the first nine months net sales were EUR 66.4 (35.4) million, the increase is due to the above reasons.

Adjusted EBITDA for the quarter was EUR 1.0 million, compared to EUR -0.2 million prior year mainly due to new contracts as well as improved performance in existing contracts due to higher upselling and less penalties. Costs of EUR 0.3 million connected to one customer’s early termination is recorded as non- recurring items. See Items affecting comparability for more information. For the first nine months adjusted EBITDA was EUR 3.4 (-0.2) million due to above mentioned explanations as well as increased selling, general and administrative expenses.

Net sales and EBITDA Margin



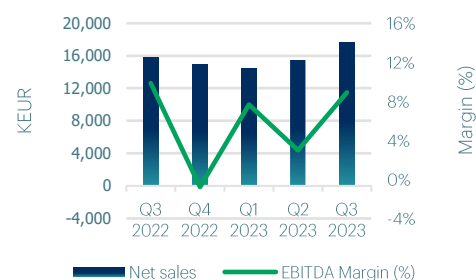
KEUR	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
Net sales	18,220	13,192	66,373	35,356	51,437
Operating profit (loss)	585	-275	295	-396	-2,080
Adjusted EBITDA	1,009	-211	3,409	-207	-1,714
Adjusted EBITDA %	5.5%	-1.6%	5.1%	-0.6%	-3.3%

## Finland & Baltics

Net sales in the quarter improved to EUR 17.7 million, from EUR 15.7 million in the same period last year, driven by annual contract price inflation clauses which went into effect early in the year and higher upsell in existing contracts, partly dampened by lost contracts. For the first nine months net sales improved compared to prior year and amounted to EUR 47.5 (43.9) million due to the above reasons.

Adjusted EBITDA in the quarter amounted to EUR 1.6 million, in line with EUR 1.6 million prior year, with improved gross profit driven by higher upsell in existing contracts and less selling expenses offset by higher general and administration expenses due to investment in service centre setup. For the first nine months adjusted EBITDA was EUR 3.1 million, up from EUR 2.9 million prior year due to the above-mentioned contract price inflation clauses and higher upsell in existing contracts, partly offset by higher general and administrative expenses.

Net sales and EBITDA Margin



KEUR	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
Net sales	17,665	15,744	47,518	43,913	58,876
Operating profit (loss)	1,524	1,478	2,987	2,715	2,531
Adjusted EBITDA	1,573	1,551	3,133	2,940	2,820
Adjusted EBITDA %	8.9%	9.9%	6.6%	6.7%	4.8%

## SEGMENT OVERVIEW

## Net Sales

KEUR	Q3		Jan-Sep		LTM	Jan-Dec
	2023	2022	2023	2022	Sep 2023	2022
Europe & Middle East	15,298	16,651	46,150	50,733	64,478	69,060
Americas	18,220	13,192	66,373	35,356	82,454	51,437
Finland & Baltics	17,665	15,744	47,518	43,913	62,481	58,876
Other	-	-	-	-	-	-
<b>Group (continuing operations)</b>	<b>51,183</b>	<b>45,588</b>	<b>160,041</b>	<b>130,002</b>	<b>209,412</b>	<b>179,374</b>

## Operating profit (loss)

KEUR	Q3		Jan-Sep		LTM	Jan-Dec
	2023	2022	2023	2022	Sep 2023	2022
Europe & Middle East	968	1,355	3,073	3,086	3,931	3,944
Americas	585	-275	295	-396	-1,389	-2,080
Finland & Baltics	1,524	1,478	2,987	2,715	2,803	2,531
Other	-1,483	-726	-3,715	-2,385	-15,405	-14,075
<b>Operating profit</b>	<b>1,595</b>	<b>1,833</b>	<b>2,640</b>	<b>3,020</b>	<b>-10,061</b>	<b>-9,681</b>
Financial items	-2,961	-3,826	-7,599	-9,470	-11,365	-13,236
<b>Profit/loss before tax (continuing operations)</b>	<b>-1,367</b>	<b>-1,994</b>	<b>-4,959</b>	<b>-6,450</b>	<b>-21,426</b>	<b>-22,917</b>

## Adjusted EBITDA

KEUR	Q3		Jan-Sep		LTM	Jan-Dec
	2023	2022	2023	2022	Sep 2023	2022
Europe & Middle East	1,003	1,386	3,177	3,174	4,069	4,067
Americas	1,009	-211	3,409	-207	1,902	-1,714
Finland & Baltics	1,573	1,551	3,133	2,940	3,014	2,820
Other	-578	250	-1,031	301	-1,832	-501
<b>Group (continuing operations)</b>	<b>3,008</b>	<b>2,975</b>	<b>8,688</b>	<b>6,208</b>	<b>7,152</b>	<b>4,672</b>
Group, %	5.9%	6.5%	5.4%	4.8%	3.4%	2.6%
<b>Adjusted EBITDA IFRS 16 (continuing operations)</b>	<b>3,301</b>	<b>3,442</b>	<b>9,631</b>	<b>7,831</b>	<b>8,488</b>	<b>6,688</b>
Adjusted EBITDA IFRS 16 (continuing operations) %	6.4%	7.5%	6.0%	6.0%	4.1%	3.7%



## SIGNATURE PAGE

The condensed set of financial statements in this interim report were prepared in accordance with IFRS, as approved by the EU and with generally accepted accounting practices and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the company.

Stockholm, November 24, 2023

Samuel Gross  
Board member

Alexander Bell  
Board member

Tomas Rönn  
Board member and CEO

The report has not been subject to review by the Company's auditors.

### Contact Information



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Quant AB, organization number: 556975-5654

### Financial Calendar



Interim report Q4 2023 September – December: February 23, 2024

Annual Report 2023: April 26, 2024

Interim report Q1 2024 January – March: May 22, 2024

Interim report Q2 2023 April – June: August 30, 2024

Interim report Q3 2023 July – September: November 22, 2024

## CONSOLIDATED ACCOUNTS

### Condensed Consolidated Income Statement

KEUR	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
<b>Continuing operations</b>					
Net sales	51,183	45,588	160,041	130,002	179,374
Cost of sales	-44,905	-39,051	-141,626	-112,583	-159,391
<b>Gross profit</b>	<b>6,278</b>	<b>6,537</b>	<b>18,414</b>	<b>17,419</b>	<b>19,983</b>
General and administration expenses	-4,152	-3,854	-13,984	-11,949	-16,536
Selling expenses	-533	-684	-1,813	-2,155	-2,870
Research and development costs	0	-77	-4	-225	-297
Other operating items	2	-89	27	-71	-9,961
<b>Operating profit (loss)</b>	<b>1,595</b>	<b>1,833</b>	<b>2,640</b>	<b>3,020</b>	<b>-9,681</b>
<b>Net financial items</b>	<b>-2,961</b>	<b>-3,826</b>	<b>-7,599</b>	<b>-9,470</b>	<b>-13,236</b>
<b>Profit (loss) before tax</b>	<b>-1,367</b>	<b>-1,994</b>	<b>-4,959</b>	<b>-6,450</b>	<b>-22,917</b>
Tax	140	-249	114	-834	1,033
<b>Net profit (loss), continuing operations</b>	<b>-1,227</b>	<b>-2,243</b>	<b>-4,846</b>	<b>-7,284</b>	<b>-21,884</b>
Net profit (loss), discontinued operations	-82	103	-239	-75	621
<b>Net profit (loss), Group total</b>	<b>-1,309</b>	<b>-2,140</b>	<b>-5,084</b>	<b>-7,360</b>	<b>-21,263</b>
Net profit (loss) attrib to parent company shareholders	-1,309	-2,140	-5,084	-7,360	-21,263
<b>Earnings per share basic*, EUR</b>					
<b>Continuing operations</b>	<b>-0.25</b>	<b>-0.45</b>	<b>-0.97</b>	<b>-3.24</b>	<b>-7.44</b>
Earnings per share basic*, EUR Discontinued operations	-0.02	0.02	-0.05	-0.03	0.21
<b>*As no potential shares exist, there is no dilution effect.</b>					
Number of shares at end of period	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Number of shares average	5,000,000	5,000,000	5,000,000	2,247,253	2,941,096

## Condensed Consolidated Statement of Comprehensive income

KEUR	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
<b>Net profit (loss)</b>	<b>-1,309</b>	<b>-2,140</b>	<b>-5,084</b>	<b>-7,360</b>	<b>-21,263</b>
<b>Other comprehensive income</b>					
Translations differences pertaining to foreign operations	247	295	-600	-1,972	-2,424
<b>Items that will be reclassified to profit or loss</b>	<b>247</b>	<b>295</b>	<b>-600</b>	<b>-1,972</b>	<b>-2,424</b>
Revaluation of defined benefit plans	-	-	-	-	1,386
Tax pertaining to items that will not be reallocated to profit/loss	-	-	-	-	-271
<b>Items that will not be reclassified to profit or loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,114</b>
<b>Other comprehensive income</b>	<b>247</b>	<b>295</b>	<b>-600</b>	<b>-1,972</b>	<b>-1,310</b>
<b>Total comprehensive income</b>	<b>-1,062</b>	<b>-1,845</b>	<b>-5,685</b>	<b>-9,331</b>	<b>-22,573</b>

## Condensed Consolidated Statement of Changes in Equity

KEUR	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>Opening Shareholder's equity</b>	<b>-8,649</b>	<b>-55,231</b>	<b>-55,231</b>
Net income/loss for the period	-5,084	-7,360	-21,263
Other comprehensive income	-600	-1,972	-1,310
Total comprehensive income	-5,684	-9,331	-22,573
Capital injection	-	10,000	10,000
Merger result	-	-	59,155
<b>Closing Shareholder's equity</b>	<b>-14,333</b>	<b>-54,562</b>	<b>-8,649</b>

## Condensed Consolidated Statement of Financial Position

KEUR	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>Non-current assets</b>			
Intangible fixed assets	70,612	84,220	73,084
Tangible fixed assets	2,695	1,854	2,597
Right of use assets	1,378	1,979	1,893
Financial fixed assets	2,716	1,832	2,819
<b>Total non-current assets</b>	<b>77,401</b>	<b>89,885</b>	<b>80,394</b>
<b>Current assets</b>			
Inventories	2,021	1,863	1,632
Current receivables	44,378	34,960	34,113
Cash and bank	9,981	11,016	14,389
Assets held for sale	218	225	218
<b>Total current assets</b>	<b>56,598</b>	<b>48,064</b>	<b>50,352</b>
<b>Total assets</b>	<b>133,998</b>	<b>137,949</b>	<b>130,746</b>
<b>Equity</b>	<b>-14,333</b>	<b>-54,562</b>	<b>-8,649</b>
<b>Non-current liabilities</b>			
Long term borrowings	86,869	137,993	86,327
Provisions for pensions and similar obligations	1,343	2,655	1,294
Provisions for taxes	2,209	2,970	2,809
Leasing liabilities	663	878	841
Other non interest bearing liabilities, external	-	-	-
<b>Total non-current liabilities</b>	<b>91,084</b>	<b>144,496</b>	<b>91,272</b>
<b>Current liabilities</b>			
Accounts payable, trade	9,695	8,172	10,303
Short term borrowings	2,000	4,599	-
Leasing liabilities	768	1,218	1,148
Other provisions	1,072	871	835
Other current liabilities	43,058	32,519	35,180
Liabilities related to assets held for sale	656	637	656
<b>Total current liabilities</b>	<b>57,248</b>	<b>48,015</b>	<b>48,123</b>
<b>Total Liabilities</b>	<b>148,332</b>	<b>192,511</b>	<b>139,395</b>
<b>Total Liabilities and Equity</b>	<b>133,998</b>	<b>137,949</b>	<b>130,746</b>

## Condensed Consolidated Cashflow Statement

KEUR	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
<b>Continuing operations</b>					
<b>Profit (loss) after financial items</b>	<b>-1,367</b>	<b>-1,994</b>	<b>-4,959</b>	<b>-6,450</b>	<b>-22,917</b>
<i>Adjustments for non-cash items</i>					
Reversal of depreciation, amortization, impairment	1,195	1,220	3,512	3,449	14,679
Reversal of depreciation Right of Use Assets	245	389	791	1,361	1,689
Change in provisions	114	172	252	290	-952
Unrealized exchange rate differences	672	-545	272	-4,027	-4,104
Other	304	1,956	689	5,987	9,929
<b>Total items not affecting cash</b>	<b>2,531</b>	<b>3,192</b>	<b>5,517</b>	<b>7,060</b>	<b>21,241</b>
Taxes paid	-251	-221	-335	-373	-439
<b>Changes in Working Capital</b>					
Change in inventories	538	-165	-420	-505	-293
Change in receivables	1,125	1,913	-11,593	-2,142	-1,704
Change in liabilities	-6,495	-3,153	8,746	4,269	11,809
<b>Cash flow from changes in working capital</b>	<b>-4,832</b>	<b>-1,405</b>	<b>-3,267</b>	<b>1,622</b>	<b>9,812</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>-3,919</b>	<b>-428</b>	<b>-3,045</b>	<b>1,859</b>	<b>7,698</b>
<b>Investing activities</b>					
Change in subsidiaries	0	-0	-10	-	-
Change in intangible assets	-388	-318	-1,230	-890	-1,413
Change in tangible assets	-2	-297	-697	-636	-1,708
Change in financial fixed assets	9	-1	65	-4	-8
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-381</b>	<b>-616</b>	<b>-1,873</b>	<b>-1,530</b>	<b>-3,129</b>
<b>Financing activities</b>					
Capital injection	-	-	-	9,525	9,525
New share issue	-	-	-	475	475
Expenses related to extension of Senior Bond	-	-1,290	-	-3,979	-4,779
Change in loans	2,000	-0	2,000	-4,000	-4,000
Change in financial leases	-259	-318	-831	-1,242	-1,777
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>1,741</b>	<b>-1,608</b>	<b>1,169</b>	<b>779</b>	<b>-555</b>
<b>TOTAL CASH FLOW, continuing operations</b>	<b>-2,559</b>	<b>-2,652</b>	<b>-3,749</b>	<b>1,108</b>	<b>4,013</b>
CASH FLOW, discontinued operations	-79	-122	-238	93	818
<b>CASH FLOW FOR THE PERIOD, Group total</b>	<b>-2,638</b>	<b>-2,774</b>	<b>-3,987</b>	<b>1,201</b>	<b>4,831</b>
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD					
	12,987	13,764	14,389	9,648	9,648
<i>Cash flow for the period</i>					
	-2,638	-2,774	-3,987	1,201	4,831
Exchange rate effects	-367	25	-421	167	-89
<b>CASH &amp; CASH EQUIVALENTS AT END OF PERIOD</b>	<b>9,981</b>	<b>11,016</b>	<b>9,981</b>	<b>11,016</b>	<b>14,389</b>

## PARENT COMPANY

## Condensed Parent Company Income Statement

KEUR	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
Net sales	3,167	2,570	9,164	7,632	9,932
Cost of sales	-984	-605	-2,495	-1,894	-2,497
<b>Gross profit</b>	<b>2,183</b>	<b>1,965</b>	<b>6,669</b>	<b>5,738</b>	<b>7,435</b>
General and administration expenses	-900	-930	-3,366	-3,048	-4,272
Selling expenses	-47	-102	-246	-320	-403
Research and development costs	-	-79	-	-229	-302
Other operating items	-180	95	21	393	231
<b>Operating profit (loss)</b>	<b>1,055</b>	<b>949</b>	<b>3,079</b>	<b>2,535</b>	<b>2,688</b>
Interest income	603	682	1,843	1,890	2,700
Interest expenses	-2,454	-3,331	-6,660	-9,742	-13,018
Other financial items	-790	298	-3,119	-517	-17,295
Foreign exchange gains/losses	255	-237	-366	1,546	993
<b>Net financial items</b>	<b>-2,386</b>	<b>-2,588</b>	<b>-8,302</b>	<b>-6,823</b>	<b>-26,619</b>
<b>Profit (loss) before tax</b>	<b>-1,331</b>	<b>-1,638</b>	<b>-5,224</b>	<b>-4,289</b>	<b>-23,931</b>
Tax	-7	-29	-17	-460	-229
<b>Net profit (loss)</b>	<b>-1,338</b>	<b>-1,668</b>	<b>-5,241</b>	<b>-4,748</b>	<b>-24,160</b>

## Condensed Parent Company Statement of Comprehensive Income

KEUR	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
<b>Net profit (loss)</b>	<b>-1,338</b>	<b>-1,668</b>	<b>-5,241</b>	<b>-4,748</b>	<b>-24,160</b>
<b>Total comprehensive income</b>	<b>-1,338</b>	<b>-1,668</b>	<b>-5,241</b>	<b>-4,748</b>	<b>-24,160</b>

## Condensed Parent Company Statement of Financial Position

KEUR	30 Sep 2023	30 Sep 2022	31 Dec 2022
Intangible fixed assets	2,639	886	1,408
Tangible fixed assets	259	407	370
Financial fixed assets	80,470	96,509	80,470
<b>Total non-current assets</b>	<b>83,368</b>	<b>97,802</b>	<b>82,248</b>
Inventories	-	-	-
Current receivables	108,738	108,960	107,829
Cash and bank	863	2,419	2,546
<b>Total current assets</b>	<b>109,601</b>	<b>111,379</b>	<b>110,376</b>
<b>Total assets</b>	<b>192,969</b>	<b>209,181</b>	<b>192,624</b>
<b>Equity</b>	<b>85,236</b>	<b>50,734</b>	<b>90,478</b>
Long term borrowings	86,869	137,993	86,327
Provisions for pensions and similar obligations	-	-	-
Deferred tax liability	-	-	-
Other non interest bearing liabilities, external	84	242	203
<b>Total non-current liabilities</b>	<b>86,953</b>	<b>138,235</b>	<b>86,531</b>
Accounts payable, trade	407	210	844
Short term borrowings	2,000	4,599	-
Other provisions	-	-	-
Other current liabilities	18,373	15,403	14,772
<b>Total current liabilities</b>	<b>20,780</b>	<b>20,212</b>	<b>15,616</b>
<b>Total Liabilities</b>	<b>107,733</b>	<b>158,446</b>	<b>102,147</b>
<b>Total Liabilities and Equity</b>	<b>192,969</b>	<b>209,181</b>	<b>192,624</b>

## ALTERNATIVE PERFORMANCE MEASURES

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

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



## RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

KEUR	Q3		Jan-Sep		LTM	Jan-Dec
	2023	2022	2023	2022	Sep 2023	2022
<i>Continuing operations</i>						
<b>Operating profit (loss)</b>	<b>1,595</b>	<b>1,833</b>	<b>2,640</b>	<b>3,020</b>	<b>-10,061</b>	<b>-9,681</b>
Depreciation & amortization	1,440	1,516	4,304	4,717	5,868	6,281
Non recurring items	266	-	2,688	-	2,688	-
Reversal of Write-down intangible assets	-	93	-	93	9,994	10,087
Reversal of Write-down tangible assets	-	-	-	-	-	-
<b>Adjusted EBITDA IFRS 16</b>	<b>3,301</b>	<b>3,442</b>	<b>9,631</b>	<b>7,831</b>	<b>8,488</b>	<b>6,688</b>
Effect from IFRS 16	-293	-466	-943	-1,622	-1,336	-2,015
<b>Adjusted EBITDA</b>	<b>3,008</b>	<b>2,975</b>	<b>8,688</b>	<b>6,208</b>	<b>7,152</b>	<b>4,672</b>
Net sales	51,183	45,588	160,041	130,002	209,412	179,374
<b>Adjusted EBITDA margin</b>	<b>5.9%</b>	<b>6.5%</b>	<b>5.4%</b>	<b>4.8%</b>	<b>3.4%</b>	<b>2.6%</b>
<i>Discontinued operations</i>						
<b>Operating profit (loss)</b>	<b>-84</b>	<b>103</b>	<b>-243</b>	<b>-145</b>	<b>363</b>	<b>461</b>
Depreciation & amortization	-	-	-	-	-	-
Non recurring items	-	-	-	-	-	-
Reversal of Write-down intangible assets	-	-	-	-	-	-
Reversal of Write-down tangible assets	-	-	-	-	-	-
<b>Adjusted EBITDA IFRS 16</b>	<b>-84</b>	<b>103</b>	<b>-243</b>	<b>-145</b>	<b>363</b>	<b>461</b>
Effect from IFRS 16	-	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>-84</b>	<b>103</b>	<b>-243</b>	<b>-145</b>	<b>363</b>	<b>461</b>
Net sales	-	-	-	-	-	-
<b>Adjusted EBITDA margin</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Group total</i>						
<b>Operating profit (loss)</b>	<b>1,511</b>	<b>1,936</b>	<b>2,397</b>	<b>2,875</b>	<b>-9,698</b>	<b>-9,220</b>
Depreciation & amortization	1,440	1,516	4,304	4,717	5,868	6,281
Non recurring items	266	-	2,688	-	2,688	-
Reversal of Write-down intangible assets	-	93	-	93	9,994	10,087
Reversal of Write-down tangible assets	-	-	-	-	-	-
<b>Adjusted EBITDA IFRS 16</b>	<b>3,217</b>	<b>3,545</b>	<b>9,388</b>	<b>7,686</b>	<b>8,851</b>	<b>7,149</b>
Effect from IFRS 16	-293	-466	-943	-1,622	-1,336	-2,015
<b>Adjusted EBITDA</b>	<b>2,925</b>	<b>3,078</b>	<b>8,445</b>	<b>6,063</b>	<b>7,515</b>	<b>5,133</b>
Net sales	51,183	45,588	160,041	130,002	209,412	179,374
<b>Adjusted EBITDA margin</b>	<b>5.7%</b>	<b>6.8%</b>	<b>5.3%</b>	<b>4.7%</b>	<b>3.6%</b>	<b>2.9%</b>

KEUR	30 Sep		LTM	Jan-Dec
	2023	2022	Sep 2023	2022
<b>Net Debt</b>				
Cash and bank	9,981	11,016	9,981	14,389
<b>Financial assets</b>	<b>9,981</b>	<b>11,016</b>	<b>9,981</b>	<b>14,389</b>
Long term borrowings	86,869	137,993	86,869	86,327
Short term borrowings	2,000	4,599	2,000	-
<b>Adjusted financial liabilities</b>	<b>88,869</b>	<b>142,592</b>	<b>88,869</b>	<b>86,327</b>
<b>Net Debt</b>	<b>78,887</b>	<b>131,577</b>	<b>78,887</b>	<b>71,938</b>
Lease liabilities	1,431	2,096	1,431	1,990
<b>Net Debt IFRS 16</b>	<b>80,319</b>	<b>133,672</b>	<b>80,319</b>	<b>73,928</b>
Net Debt	-	-	78,887	71,938
Adjusted EBITDA Continued operations	-	-	7,152	4,672
<b>Net Debt / Adjusted EBITDA, times</b>	<b>-</b>	<b>-</b>	<b>11.0</b>	<b>15.4</b>
Net Debt IFRS 16	-	-	80,319	73,928
Adjusted EBITDA IFRS 16 Continued operations	-	-	8,488	6,688
<b>Net Debt IFRS 16/ Adjusted EBITDA IFRS 16, times</b>			<b>9.5</b>	<b>11.1</b>

KEUR	Q3 2023	Jan-Sep 2023
<b>Changes in net sales</b>		
Net sales	51,183	160,041
Net sales in comparative period of previous year	45,588	130,002
<b>Net sales, change</b>	<b>5,595</b>	<b>30,039</b>
Minus: Structural changes and other non-recurring adjustments	-	-
Plus: Changes in exchange rates	781	-138
<b>Organic Growth</b>	<b>6,376</b>	<b>29,901</b>
Structural changes and other Non-recurring adjustments, %	-	-
Organic Growth, %	14.0%	23.0%
Net sales	51,183	160,041
Plus: Changes in exchange rates	781	-138
<b>Net sales in constant currency</b>	<b>51,964</b>	<b>159,903</b>
Adjusted EBITDA	3,008	8,688
Plus: Changes in exchange rates	-3	-277
<b>Adjusted EBITDA in constant currency</b>	<b>3,005</b>	<b>8,411</b>

## NOTES

### Accounting principles

This interim report has been prepared under International Financial Reporting Standards (IFRS), in accordance with IAS 34 Interim Financial Reporting. The accounting policies and methods of calculation used in the preparation of the latest annual report have been applied, with the exception of new and amended standards and interpretations effective on 1 January 2023. The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, which is in compliance with RFR 2 Accounting for Legal Entities, issued by the Swedish Financial Reporting Board. New or revised IFRS standards that came into force in 2023 did not have any material impact on the Group's financial reporting.

### Transactions with related parties

During the first quarter of 2023 a payment of 500 KEUR for services rendered was made to the joint venture partner of Quant Gulf Equipment and General Maintenance LLC in United Arab Emirates. There have been no other transactions between Quant and related parties that have significantly affected the Company's position and results during the period.

### Employees

The number of full-time employees (FTEs) for the quarter was 2,946 compared to 3,133 during the second quarter of 2023. The number of employees as of 30 September 2023 was 2,977 compared to 3,084 on 30 June 2023.

### Risks and uncertainties

The significant risks and uncertainties to which the Quant Group is exposed include global economic and market risks, operational risks, technology risks, and disputes and litigation 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.

Efficient mobilization of recent large contract wins, as well as the ability to attract qualified personnel for these new contracts, are important to avoid cost overruns and penalties which may affect the Group's profitability.

A full description of the risks to which the Group is exposed can be found in Quant's Annual report 2022.

### Fair value of financial instruments

The Group has no financial instruments that are measured at fair value in the balance sheet. For borrowing, there is no material difference between the carrying amount and fair value, as the Group's borrowings are at variable interest rates. Nor does the Group have any other off-balance sheet financial assets or liabilities.

### Business combinations and discontinued operations

During the second quarter of this year Quant Hungary Kft, an administrative entity with six employees and no operational activities, was sold to local management for EUR 11 thousand.

### Discontinued operations

KEUR	Q3		Jan-Sep		Jan-Dec
	2023	2022	2023	2022	2022
<b>Discontinued operations</b>					
Net sales	-	-	-	-	-
Operating profit (loss)	-84	103	-243	-145	461
Profit (loss) before tax	-82	103	-239	-145	462
<b>Net profit (loss)</b>	<b>-82</b>	<b>103</b>	<b>-239</b>	<b>-75</b>	<b>621</b>
Cash flow from operating activities	-79	-122	-238	93	818
<b>Total cash flow</b>	<b>-79</b>	<b>-122</b>	<b>-238</b>	<b>93</b>	<b>818</b>

# QUANT™

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

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

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