



Studsvik

ANNUAL REPORT 2022

INFORMATION TO SHAREHOLDERS

ANNUAL GENERAL MEETING OF SHAREHOLDERS, APRIL 24, 2023

The Annual General Meeting will be held in Stockholm at the World Trade Center, Klarabergsviadukten 70/ Kungsbron 1, on Monday April 24, 2023 at 16:00 (CET).

Notification

Shareholders wishing to participate must be registered in the share register kept by Euroclear Sweden AB by Friday, April 14, 2023, and must give notice of attendance by Wednesday April 19, 2023 at the latest.

- via Studsvik's website, www.studsvik.se.
- by telephone, + 46 155 22 16 42,
- by mail to Studsvik AB, SE-611 82 Nyköping, Sweden
- by email to studsvik@studsvik.com, or
- by fax, +46 155 26 30 70

The shareholder's notification should state

- name
- personal/corporate identity number
- address and telephone number
- number of shares

For entitlement to vote at the Annual General Meeting, shareholders with nominee-registered shares must apply to the bank or broker managing their shares for temporary re-registration a couple of banking days before Friday, April 14, 2023.

FORTHCOMING FINANCIAL INFORMATION 2021

- | | |
|---|------------------|
| • Interim Report January-March 2023 | April 24, 2023 |
| • Interim Report January-June 2023 | July 20, 2023 |
| • Interim Report January-September 2023 | October 20, 2023 |
| • Interim Report January-December 2023 | February 2024 |
| • Annual report 2023 | April 2024 |

The reports will be available at www.studsvik.com on the publication dates.



SALES

814.8

MILLION KRONOR

OPERATING MARGIN

9.2

PER CENT

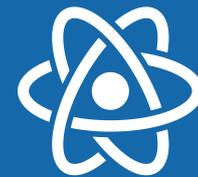
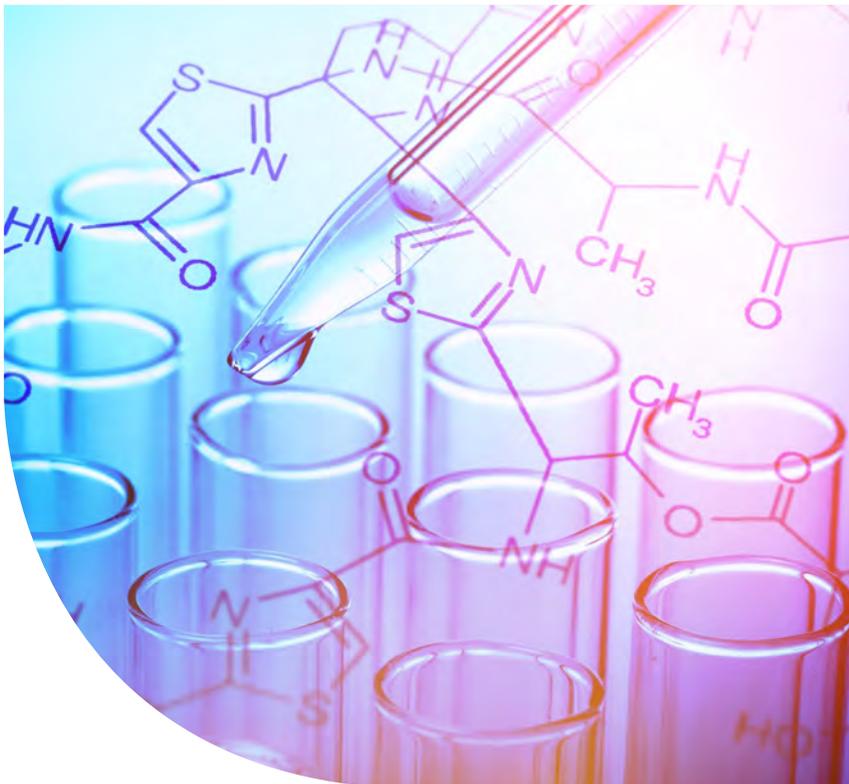
OPERATING PROFIT

74.9

MILLION KRONOR

INNOVATING NUCLEAR SUSTAINABILITY

Studsvik is a unique, independent partner developing safety & efficiency for the global nuclear industry. Through our expertise we support a sustainable future.



Studsvik stands for safe and effective solutions

We offer specialized services in material testing, software and waste management methods to companies, mainly in nuclear technology but are also engaged as experts in other radiological areas.



EARNINGS PER SHARE

5.82

KRONOR



Nuclear power is a type of energy that reduces greenhouse gases. We contribute with our 75-years' experience to even safer solutions and higher efficiency in the nuclear power industry and to the production of medical isotopes for health care.



EQUITY-ASSETS RATIO

42.6

PER CENT

NUMBER OF EMPLOYEES

520

IN SEVEN COUNTRIES

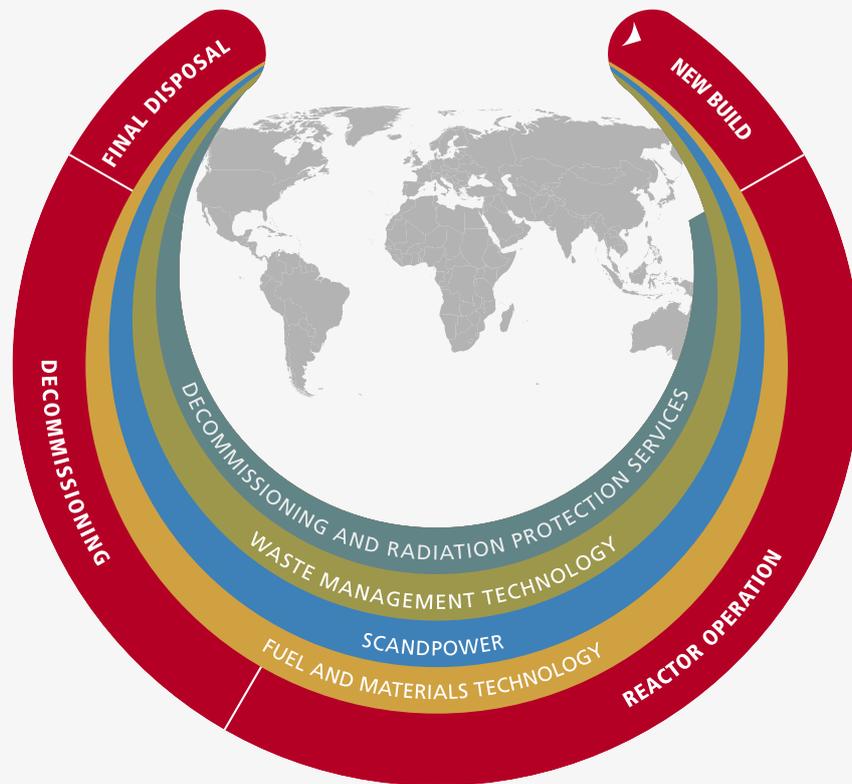




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FACTS ABOUT STUDSVIK



Studsvik offers services in various parts of the nuclear power lifecycle, from new construction to final disposal. The customers are represented by fuel manufacturers, nuclear power producers, public agencies, research centers and other nuclear facilities.

Studsvik offers a range of advanced technical services to the global nuclear power industry. Studsvik's focus areas are fuel and materials technology, reactor analysis software and fuel optimization, decontamination and radiation protection services, as well as technical solutions for handling, conditioning and volume reduction of radio-

active waste. The company has more than 75 years' experience of nuclear technology and radiological services. Studsvik has 520 employees in 7 countries and the company's shares are listed on Nasdaq Stockholm. Below is a brief description of our offers in the various business areas.

DECOMMISSIONING AND RADIATION PROTECTION SERVICES

offers services in radiation protection, decommissioning, decontamination and engineering.

FUEL AND MATERIALS TECHNOLOGY

offers services in nuclear fuel qualification, analysis of material, research on final disposal, packaging of medical isotopes.

SCANDPOWER

is a world-leader in software for fuel optimization. The total software offer includes services throughout the value chain and advanced consultancy services.

WASTE MANAGEMENT TECHNOLOGY

offers licensing of technical solutions to stabilize and reduce the volume of radioactive waste before intermediate and final disposal.



STRATEGIES

Studsvik's growth is based on being innovative, reliable and delivering quality in all services we provide. By contributing to safe and efficient solutions in nuclear technology, Studsvik can also work for a more sustainable and safe nuclear power industry.

Studsvik's key initiatives: to support/to be part of	Business area
Fuel testing and qualification - expanding markets	
Efficient and safe services within decommissioning	
Efficient and safe waste solutions preparing for final disposal	
Competence centre through international programs and networking	
Safe and efficient fuel design and monitoring	
Life extension programs	

■ Fuel and Materials Technology
 ■ Scandpower
 ■ Waste Management Technology
 ■ Decommissioning and Radiation Protection Services

A NEW KEY INITIATIVE IS THE GROWING MARKET FOR SMRS

Advanced reactors and small modular reactors (SMR) are important components in Studsvik's work to realize its vision of developing nuclear sustainability and for being able to contribute in a positive way to a future for nuclear power.

WHAT ARE ADVANCED REACTORS?

There are advanced reactors, called fourth generation reactors, of many different types, characterized by not using water as the primary coolant in the reactor core. Instead, molten salt, molten metal or inert gases are used for moderating and/or cooling in the energy generating part of the plant. Advanced reactors are constructed for different power levels, from below or around 1 MWe for micro-grids, up to full scale ~1600 MWe for larger grids.

WHAT ARE SMALL MODULAR REACTORS?

Small modular reactors (SMR) can function in the same way as today's light water reactors (LWR) but with lower power levels. Thanks to their compactness, SMRs can be designed with smaller or more cost-effective components. The modular structure can mean lower construction costs and shorter construction periods. Private sector investment in development of advanced reactors and SMRs has increased substantially recently, thanks to increased political focus on pure energy sources that can replace fossil fuels, energy security and sustainability, as well as the total costs of energy systems.

Studsvik has core competencies in all parts of the cycle, from qualification and operation of SMRs and advanced reactors all the way to final decommissioning, decontamination and final disposal.

1. The capacity and competence in materials testing and experimental work of the Fuel and Materials Technology business area can contribute to qualifying material and fuel for advanced reactors as well as producing important data to improve both models and safety analyses. The business area already offers valuable experiments and data in the SMR area.
2. The role of the Scandpower business area in the SMR area is already established through the CMS5 software package used by several leading companies to ensure the core performance of their SMRs.
3. The Waste Management Technology business area offers innovative waste treatment and volume-reducing technology as well as advisory services for new challenges in connection with advanced reactors.
4. The Decommissioning and Radiation Protection Services business area, based on extensive and documented experience of today's power plants, will be able to support the advanced reactor sector with maintenance and practical services during operation as well as with planning for final decommissioning.

MARKET

During the year we have seen increased interest in and a need for nuclear power, created both by the prevailing geopolitical situation and to manage the increased global need for electricity.

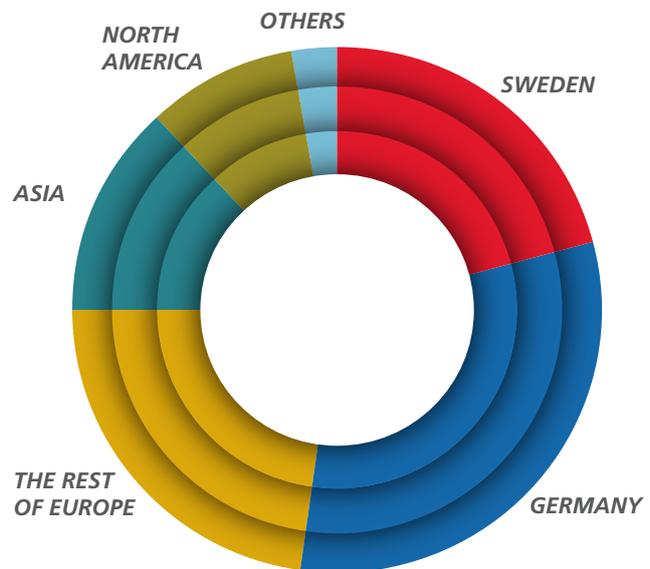
Nuclear power contributes to an environmentally sustainable future, as it can be part of managing the ongoing climate transition with the aim of reducing the use of fossil energy. The increased interest is expected to benefit Studsvik's business in the long term, where we contribute to safe and effective solutions for our customers throughout the nuclear lifecycle. This focus supports our vision to develop nuclear sustainability.

The need for a reliable energy source is also driving international and Swedish initiatives, for example in advanced reactors and small modular reactors (SMRs). This is a strategic area for Studsvik, where we cooperate with other partners in industry and higher education.

Increased interest in the sector also puts the focus on waste issues. Demand for our expertise in conditioning of radioactive waste is increasing and this is an area where we are broadening our services in all business areas.

LARGEST CUSTOMER GROUPS

- Nuclear power plants
- Fuel vendors
- Research centers and other nuclear facilities
- Authorities



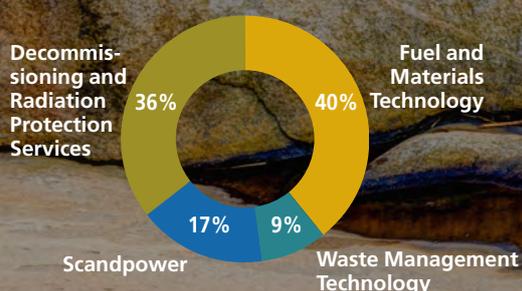
SERVICES

STUDSVIK'S SERVICES SUPPORT SAFE AND EFFICIENT SOLUTIONS

BUSINESS AREA	FUEL AND MATERIALS TECHNOLOGY	SCANDPOWER	WASTE MANAGEMENT TECHNOLOGY	DECOMMISSIONING AND RADIATION PROTECTION SERVICES
Part of lifecycle				
New build	Qualification, testing and analysis	Fuel and core design & verification	Waste plans	Not applicable
Reactor operation	Qualification, testing and analysis	Fuel core optimization and monitoring	Volume reduction	Services within radiation protection, decontamination and engineering
Decommissioning	Handling of spent fuel	Spent fuel planning, analysis, and optimization	Waste advisory role	Services in dismantling and waste treatment
Final disposal	R&D for final disposal	Spent fuel characterization	Waste stabilization	Waste documentation



SALES BY AREA OF OPERATION

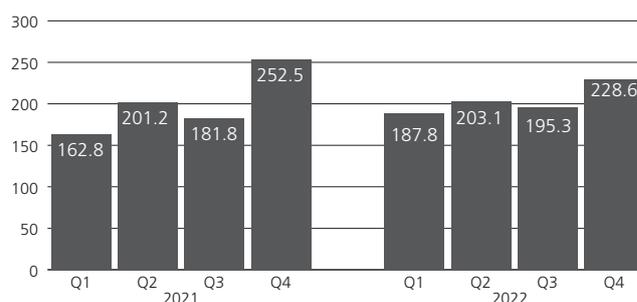


2022 IN REVIEW

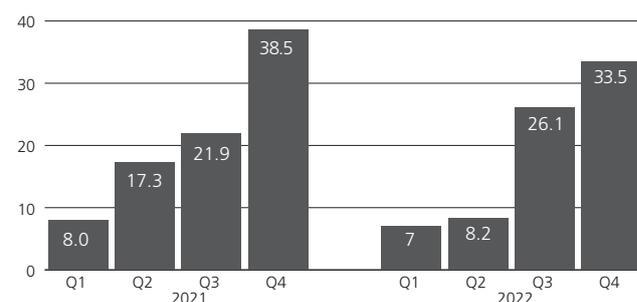
Profit for the year was stable despite a turbulent international situation. Fuel and Materials Technology continues to deliver, with a good order book as a basis, despite the transition in project activities that took place in the spring, when business with the Russian company TVEL was put on hold. At the end of the year new license agreements were signed in both Waste Management Technology and Scandpower. The increased interest in nuclear power is expected to benefit Studsvik's business in the long term and we are looking forward with confidence to new challenges and opportunities.

Key figures	2022	2021
Net sales, SEK million	814.8	798.3
Operating profit, SEK million	74.9	85.8
Profit after net financial items, SEK million	64.1	77.6
Earnings per share, SEK	5.82	7.69
Operating margin, %	9.2	10.7
Free cash flow, SEK million	-17.5	71.3
Net debt-equity ratio, %	-4.3	-11.6
Equity-assets ratio, %	42.6	41.4
Equity per share, SEK	53.05	47.12
Average number of employees	520	517

Sales in SEK million



Operating profit in SEK million





SOME EVENTS IN 2022

STRATEGIC AGREEMENTS

At the end of the year Waste Management Technology signed a license agreement with Westinghouse for development of a waste facility for contaminated metal waste in the United Kingdom. This long-term agreement also includes engineering services and is based on performance and milestones.

In September Fuel and Materials Technology signed an agreement with a German customer for studies of spent nuclear fuel.

BUYOUT OF MINORITY SHAREHOLDER

Studsvik has exercised its option to acquire all shares from the minority shareholder in Scandpower. The price of the shares will be determined in arbitration proceedings.

CHANGES IN THE EXECUTIVE GROUP MANAGEMENT

On October 6 Art Wharton was appointed as deputy Business Area President of Scandpower.

OTHER

In 2022 Studsvik celebrated its 75-year anniversary. We have also noted increased media/global interest in nuclear power as an energy source.





Studsvik



CELEBRATING
75 YEARS

A TURBULENT YEAR

The past year was turbulent both from a geopolitical and world economic perspective. Our focus has been to achieve stable delivery and minimize the impact of external risks. Based on the prevailing situation a reprioritization of the order book was made when business with the Russian company TVEL was put on hold.

During the year we met newly-awakened interest in, and a need for, nuclear power to manage a global increase in demand for electricity, as it is a predictable and stable source of energy. Nuclear power also contributes to an environmentally sustainable future, as it is an important component in managing the ongoing climate transition that focuses on reducing the use of fossil energy. These international nuclear power initiatives are expected to benefit Studsvik's business in the long term, where we can contribute safe and effective solutions for customers throughout the nuclear lifecycle from new construction to operation, decommissioning and final disposal. This is in line with Studsvik's vision "Develop nuclear sustainability".

The appetite for investment in nuclear power is growing, which is driving both international and Swedish initiatives, such as in small modular reactors (SMRs). This is a strategic area for Studsvik, where we cooperate with other partners in industry and higher education. Studsvik has established partnerships with companies that develop SMRs, where for example our software can be used to optimize fuel efficiency. At the end of the year we also signed the first contract for materials testing in the SMR area.

The increased interest in the sector also puts the focus on waste issues. The customers' need for advisory services in waste optimization increases both when nuclear power reactors are decommissioned as well as when new ones are being built. Demand for our expertise in conditioning of low, intermediate and high level radioactive waste is increasing and this is an area where we are broadening our services in all business areas. At the end of the year Studsvik signed a license contract for development of a waste facility for contaminated metal waste. Using our methods the waste is reduced and stabilized before final disposal, which has a positive and sustainable effect on the environment.

The current international situation creates both challenges and opportunities, which provide the basis for changed behavior and innovative thinking. I look forward to 2023, where nuclear power continues to be in focus and a central part of the long-term investment in sustainable electricity supply. With 75 years' experience and the company's three cornerstones of innovation, competence development and organizational learning, we continue our initiatives through geographical expansion and broadening of our services.

CAMILLA HOFLUND

PRESIDENT AND CEO OF STUDSVIK



ADMINISTRATION REPORT

The Board of Directors and the President of Studsvik AB (publ), corporate identity number 556501-0997, hereby submit the annual accounts and consolidated accounts for the 2022 financial year. This document also includes the sustainability report of Studsvik AB, corporate identity number 556501-0997, in accordance with the Annual Accounts Act, Chapter 6, Sections 10–14.

The report covers the company and underlying subsidiaries in the same Group.

BUSINESS ACTIVITIES OF THE GROUP

Studsvik delivers specialist services to the international nuclear power industry. Its customers are mainly nuclear power plants and suppliers to the nuclear industry. The services cover the entire life cycle of the nuclear power plants as regards waste management, engineering services and fuel optimization and issues related to fuel and construction materials.

The company's share is listed on NASDAQ Stockholm.

MARKET

Demand for nuclear power is largely driven by managing the phase-out of fossil energy in the prevailing complicated geopolitical situation. Nuclear power is seen as part of the ongoing climate transition and several initiatives are in progress to develop new technology and reactor types. In many parts of the world there are plans to prolong the life of existing nuclear power plants as well as to build new ones.

Global demand for electricity is expected to grow and nuclear power is increasingly being recognized as an alternative to achieve "zero tolerance" by replacing coal power as well as undesirable fossil fuel plants. Increased interest in the sector also puts the focus on waste issues. Demand for expertise in conditioning of radioactive waste is increasing and this is an area where Studsvik is broadening its services in all business areas.

The increased interest in nuclear power means greater business opportunities for our company, which offers services in the entire nuclear lifecycle including support for new construction.

STUDSVIK'S MARKET POSITION

Studsvik offers specialized services to the global nuclear power industry in new construction, reactor operation, decommissioning and final disposal.

STUDSVIK'S AREAS OF OPERATION

Decommissioning and Radiation Protection Services

Decommissioning and Radiation Protection Services operates in radiation protection, decommissioning, dismantling and decontamination. Its customers are nuclear power plants, research centers and other nuclear facilities in Germany, Switzerland, Belgium and the Netherlands. The services also include practical solutions for working with radiation and radiation protection training adapted to customer needs.

Fuel and Materials Technology

Fuel and Materials Technology offers solutions by combining expertise, unique facilities and external networks. Our customers come to us for our customized solutions that are highly flexible, thus meeting their needs.

Scandpower

Scandpower offers software and engineering services to support nuclear power plants, fuel manufacturers, authorities as well as researchers in next generation reactor developers and research establishments.

Waste Management Technology

The Waste Management Technology offer focuses on advanced engineering services, technologies and services that optimize our customers' radiological programs and management of waste.

SALES AND EARNINGS

Sales increased to SEK 814.8 (798.3) million, which means a decrease in local currencies of 2 per cent. Operating profit was SEK 74.9 (85.8) million. A sale of land in 2021 had a positive impact on the full year profit of SEK 4.5 (11.5) million.

Sales for Decommissioning and Radiation Protection Services decreased by 15 per cent in local currencies to SEK 292.7 (329.5) million, and the operating profit was SEK 10.3 (26.2) million.

Fuel and Materials Technology increased sales by 4 per cent in local currencies to SEK 322.9 (310.4) million, and the operating profit was SEK 52.5 (57.3) million.

Sales for Scandpower increased by 18 per cent in local currencies to SEK 135.3 (103.4) million, and the operating profit improved to SEK 17.0 (4.1) million.

Waste Management Technology increased its sales to SEK 73.2 (64.3) million, but the operating profit deteriorated to SEK 5.7 (15.4) million. The previous year's profit included a profit share of SEK 6.0 million from the agreement with UK Nuclear Waste Management (LLWR), which expired in 2021.

The business areas' operations and performance are described in more detail on pages 14-21.

PROFITABILITY

The operating margin for the Group was 9.2 (10.7) per cent. Return on capital employed was 15.6 (19.5) per cent.

CASH FLOW

Cash flow from operating activities was SEK 0.3 (113.7) million and the free cash flow was SEK -17.5 (71.3) million. The negative cash flow is mainly due to an increase in working capital.

FINANCING

Studsvik has financing with Danske Bank totaling SEK 100 million. More information on the Group's borrowing can be found in note 2.2 and note 25.

FINANCIAL TARGETS

Adopted financial targets:

- Average annual organic growth of 6 per cent
- An operating margin of 12 per cent
- An equity/assets ratio of at least 40 per cent

During the year sales increased by 2 per cent in Swedish krona but decreased in local currencies by 2 per cent. The operating margin was 9.2 (10.7) per cent. The equity-assets ratio has increased to 42.6 (41.4) per cent.

INVESTMENTS

The Group's capital expenditure investments amounted to SEK 24.7 (58.5) million.

The investments are mainly related to the Fuel and Materials Technology business area.

RESEARCH AND DEVELOPMENT

Development projects are initiated and implemented both in partnership with customers in the form of consultancy contracts and within the framework of Studsvik's own product development. Research expenditure is expensed as it is incurred. Identifiable expenditure for the development of new processes and products is capitalized to the extent it is expected to bring economic benefits.

In 2022 total costs of company-funded research and development amounted to SEK 8.5 (9.0) million. The greatest resources were allocated to Studsvik's in-core fuel management codes and reactor operation. Within software development the expenditure is a combination of further development of existing software and new development.

STUDSVIK'S BUSINESS WITH RUSSIA

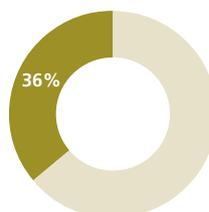
The service and product offer is primarily an important part of the work of ensuring sustainable and safe civil nuclear power, even in the most critical international situations, and mainly entails materials testing at Studsvik's facilities. We also manufacture radiation sources that are used to fight cancer around the world. The business with Russian companies is mainly in Fuel and Materials Technology and includes both the above-mentioned areas. A reprioritization in the order book was made and the business with the Russian company TVEL is put on hold.



DECOMMISSIONING AND RADIATION PROTECTION SERVICES

Decommissioning and Radiation Protection Services offers services in radiation protection, decommissioning, dismantling, decontamination and engineering. Our customers are nuclear power plants, research centers and other nuclear facilities in Germany, Switzerland, Belgium and the Netherlands. Studsvik's decommissioning services cover the entire process from feasibility studies, planning and project management to practical work on radiological assessment, dismantling, radiological clearance of material and waste documentation.

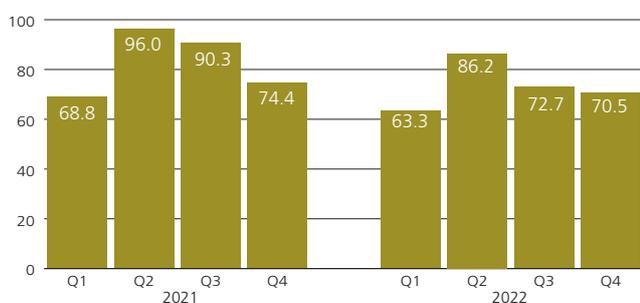
Share of Group sales



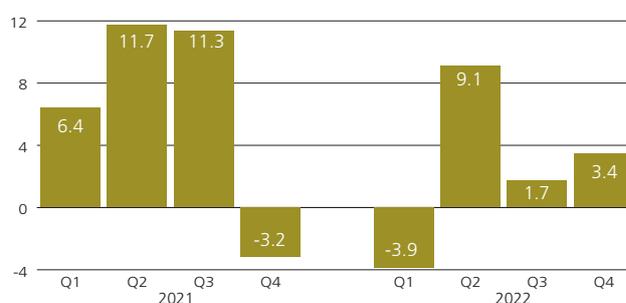
Key figures

Amounts in SEK million	2022	2021
Sales	292.7	329.5
Operating profit	10.3	26.2
Operating margin, %	3.6	8.0
Investments	7.8	3.7
Average number of employees	308	326

Sales in SEK million



Operating profit in SEK million



LOWER DEMAND FOR REFUELING AND MAINTENANCE SERVICES

Sales in local currencies decreased by 15 per cent to SEK 292.7 (329.5) million, and the operating profit was SEK 10.3 (26.2) million.

The decrease is mainly due to lower demand for refueling and maintenance services, mainly in Switzerland, but also in Germany, where more nuclear power plants have been taken out of operation. Due to the pandemic, higher sickness absence can be noted throughout Germany as a result of the strict COVID-19 rules. This has contributed to putting projects on ice and selling fewer man hours, which has impacted earnings negatively.

Studsvik is continuing its recruitment work, particularly in radiation protection, decommissioning and engineering services. Staff turnover in administration led to temporary extra costs for recruitment and introduction of new employees.

"...derive benefit from Studsvik's strong brand..."

FLORIAN BUEHLER
BUSINESS AREA PRESIDENT



EXTENSION OF THE PROJECT-BASED OPERATIONS IN GERMANY AND OTHER COUNTRIES

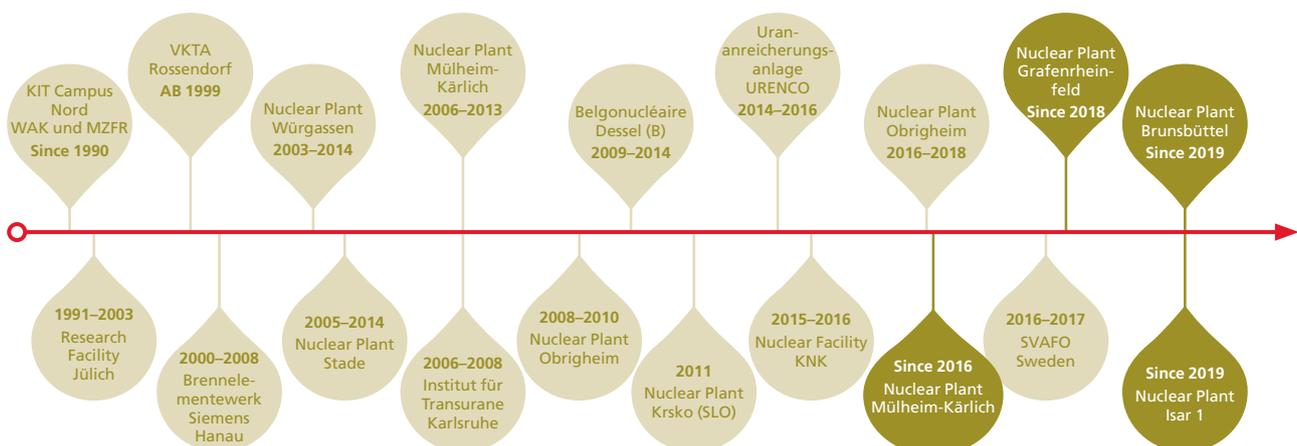
The business area continues its work to strengthen its positions in the area of decommissioning, including increased activity in radiological clearance and metrology.

Germany continues to be the main market for the business area, but there are also operations in nearby countries. Since it is planned to take the last three operating nuclear power plants in Germany out of service in 2023, operations will change focus to decommissioning activities. These operations are mainly run in project form, as compared with hourly-based models in other areas.

With Germany as a base, Studsvik has built up good customer relations and completed a number of different decommissioning projects, which constitute an important reference and contribute to our knowledge and experience base in this area. The area includes dealing with radiological clearance and metrology, where efforts have been made to increase our activities.

As a next step we plan to extend our offer to other countries, where we can derive benefit from Studsvik's strong brand and cooperation with other business areas in the Studsvik Group. With the know-how we have built up we consider that we can contribute to well-planned and effectively implemented decommissioning projects outside Germany as well.

The timeline below shows examples of decommissioning projects, both completed and ongoing.

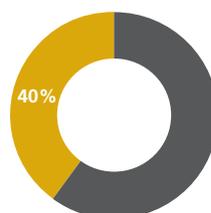




FUEL AND MATERIALS TECHNOLOGY

The business area offers services in fuel and materials technology for nuclear power plants, reactor and fuel manufacturers, authorities, and actors that use radioactive substances. The offer includes nuclear fuel qualification, analysis of material, research on final disposal, packaging of medical isotopes and advanced consultancy services. Testing and analysis operations are conducted in Studsvik's facility in Sweden, sometimes in collaboration with other international partners. The operations contribute to improved operating economy and a higher level of safety in the nuclear power industry.

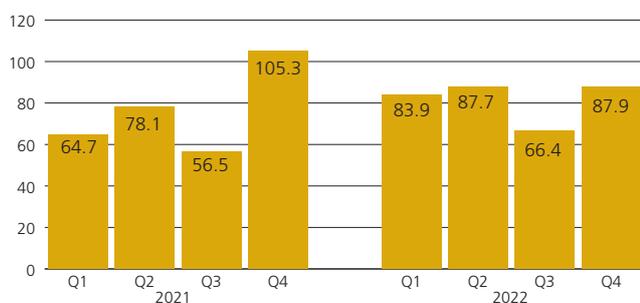
Share of Group sales



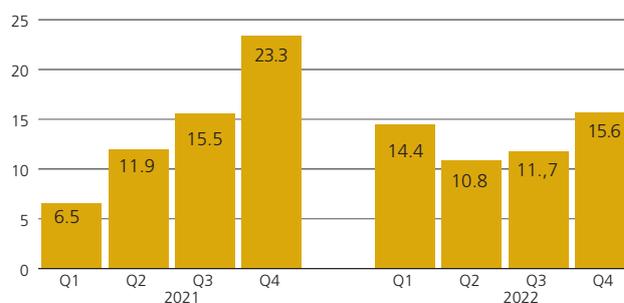
Key figures

Amounts in SEK million	2022	2021
Sales	322.9	310.4
Operating profit	52.5	57.3
Operating margin, %	16.3	18.5
Investments	27.8	52.8
Average number of employees	154	130

Sales in SEK million



Operating profit in SEK million



INCREASED PRODUCTION CAPACITY TO MEET DEMAND

Sales increased to SEK 322.9 (310.4) million and the operating profit to SEK 52.5 (57.3) million. The operating margin was 16.3 (18.5) per cent.

The increased sales are due to a strong order book and increased capacity in the production facilities in the form of more staff, new equipment and streamlined processes. The order book was reprioritized in the first quarter to replace Russian projects on

hold. During the third quarter a long-term customer partnership was established to study spent nuclear fuel. During the year there was progress in the large international projects SCIP and SMILE that gather reactor operators, authorities, fuel and reactor manufacturers from 15 countries. Production and delivery of radiation sources to Elekta for cancer treatment have increased during the year.



"The technique has aroused interest in many parts of the world."

JOAKIM LUNDSTRÖM
BUSINESS AREA PRESIDENT

MANAGEMENT OF SPENT NUCLEAR FUEL

More than 50 years ago Studsvik was among the very first to study the behavior of nuclear fuel in final disposal environments. Several of Studsvik's studies and analyses are included for example in the safety analysis carried out by SKB (Swedish Nuclear Fuel and Waste Management Co) as a basis for an application to build a final repository for spent nuclear fuel.

The backend operations of Fuel and Materials Technology extend from research linked to nuclear fuel behavior in final and intermediate repository environments to the treatment of complicated fuel fractions. The work takes place both bilaterally and in major co-financed research projects with customers from all over the world. Common to all services is that they aim to enable safe and effective treatment of spent nuclear fuel, regardless of whether it comes from nuclear power plants, research reactors or production of medical isotopes.

To enable correct safety analysis for a final or intermediate repository for spent nuclear fuel, sound knowledge of how the fuel behaves in storage is required. Both normal conditions and hypothetical events over a very long period must be taken into account. For example, the fuel's characteristics must be known when after a hundred years in intermediate storage it is to be transferred to a future final repository. This is something that Studsvik can simulate and analyze in uniquely developed equipment placed in "hot cells". In the same way it is important to know what would happen if ground water were to leak into a final disposal capsule. Which radioactive substances could be

released and how fast? To answer that question Studsvik has specially built autoclaves and advanced measurement techniques.

Apart from at the world's nuclear power plants, there are also smaller amounts of nuclear fuel at research and development facilities around the world. For example, many early reactors used metallic uranium fuel, which is not suitable for long-term storage due to its chemical properties. Studsvik has therefore developed a technique for treating this material, which can mean major savings in both time and money. The technique has aroused interest in many parts of the world, including Norway.

In the 2000s the backend issue has grown internationally and today Studsvik plays a leading role in several important areas.

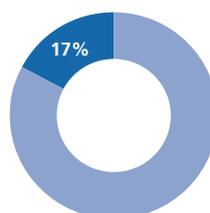
The customers are mainly found among organizations that are in some way responsible for management of spent nuclear fuel. This means that anything from reactor operators to authorities and research organizations are represented.



SCANDPOWER

Studsvik Scandpower is the leading independent supplier of software for nuclear fuel management and engineering services, aiming to deliver sustainable energy – now and in the future. The software is used to manage the nuclear fuel cycle in more than 150 light water reactors around the world. Scandpower’s software uses the laws of physics to model real geometry, but despite this only requires fast and simple input data. Development of the software mainly takes place in the USA and sales are from offices in Europe, the USA, Japan and China. Development is in progress to adapt the software to advanced fuel and core activities. Apart from license fees for software sales, annual maintenance and support fees are received from customers who have installed the software. There is also revenue from related consultancy services.

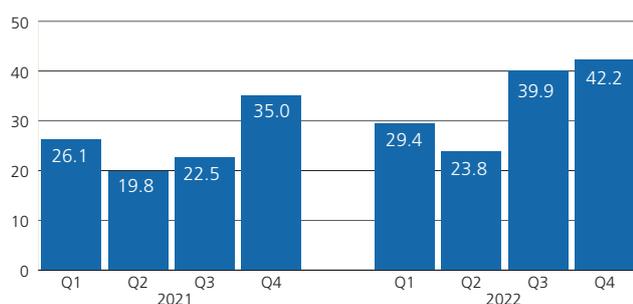
Share of Group sales



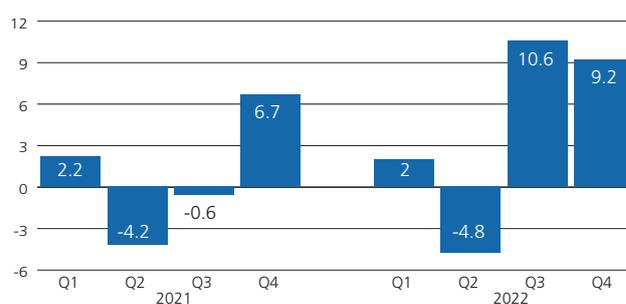
Key figures

Amounts in SEK million	2022	2021
Sales	135.3	103.4
Operating profit	17.0	4.1
Operating margin, %	12.6	4.0
Investments	5.3	1.3
Average number of employees	42	37

Sales in SEK million



Operating profit in SEK million



SOUND PERFORMANCE AND NEW BUSINESS OPPORTUNITIES

In 2022 sales in local currencies increased by 18 per cent to SEK 135.3 (103.4) million, and the operating profit was SEK 17.0 (4.1) million. The operating margin was 12.6 (4.0) per cent. Sales mainly consist of software licenses and maintenance, support, training and consultancy services related to the software.

The software is sold both as one-time licenses and annual fee subscriptions. A cooperation agreement was signed with BlackStarTech for IoT (Internet of Things) equipment to monitor software for critical infrastructure, and with Blue Wave AI Labs for optimization of operation and loading of fuel to broaden the

range of services offered for boiling water reactors. In the second quarter a cooperation agreement was also signed with the VTT Technical Research Center of Finland for software adapted for modeling of new advanced reactors with potential for applications outside the energy sector.

Studsvik Scandpower’s position within design of new reactors is strong, including analysis/calculation tools for core and reactor design of three of the five largest global solutions for small modular reactors (SMRs).

"...to solve previously insoluble problems at nuclear plants."

ART WHARTON
ACTING BUSINESS AREA PRESIDENT



ARTIFICIAL INTELLIGENCE AND MACHINE LEARNING – PARTNERSHIPS AND PRODUCT DEVELOPMENT

Studsvik Scandpower works to an increasing extent on improving operation of civil nuclear power plants so that existing facilities are able to continue operation and to optimize profitability of new facilities. With this as the objective, Studsvik Scandpower continues to refine its software for simulation of nuclear power production that nuclear technicians use.

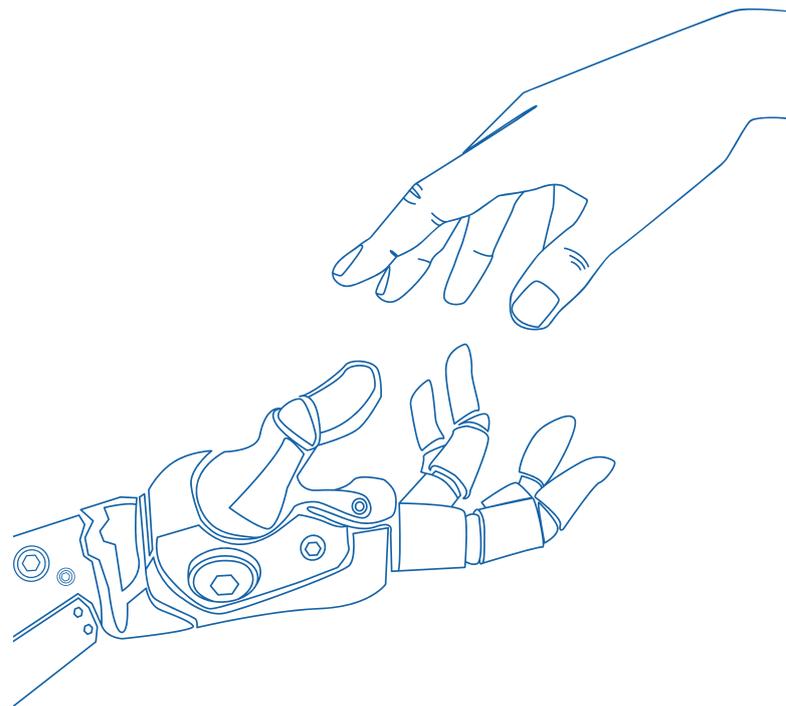
Studsvik Scandpower has active partnerships for innovation in nuclear power based on artificial intelligence (AI) and machine learning (ML) to solve previously insoluble problems at nuclear power plants.

This means that Studsvik Scandpower can extend its product offer and its offers in areas beyond nuclear physics to supplement today's nuclear operational support services.

Early implementations have confirmed that this is valuable to facilities that can thereby reduce their fuel costs compared with previous methods. Thanks to reduced contamination of steam turbines, costs of operation and maintenance can also be reduced. Nuclear power plants can more easily prevent early coast-downs, avoid the effects of abnormal operating conditions and avoid fuel costs throughout the period of operation. AI/ML can also enable the plant's team of operators to work proactively to avoid remedial but expensive measures late in the operating cycle.

Studsvik Scandpower's AI and ML development will be directed at nuclear power plants, which are Scandpower's main market.

Studsvik Scandpower's AI/ML partnerships and products will focus on the operating phase of the nuclear power plants' lifecycle.

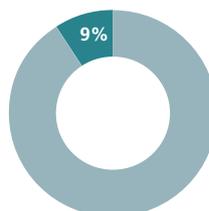




WASTE MANAGEMENT TECHNOLOGY

The business area offers licensed technical solutions to stabilize and reduce the volume of radioactive waste from commercial and non-commercial activities before final disposal. The technical solutions are delivered with associated engineering services to customers in Europe, North America, and Asia, who build and operate their own facilities. In addition specialist services are offered to optimize customers' treatment of waste during operation and decommissioning. The service offer covers the lifecycle from initial waste planning for facilities to management and final disposal of waste. In addition, safety analyses and services related to radioactive classified waste arising from decommissioning are offered.

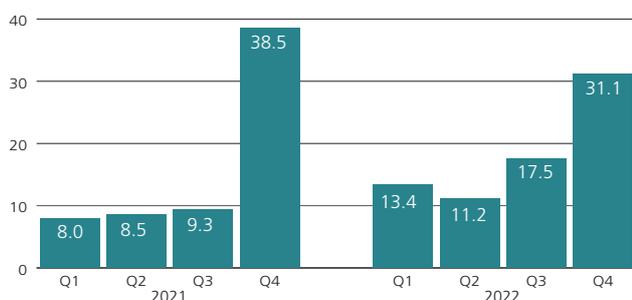
Share of Group sales



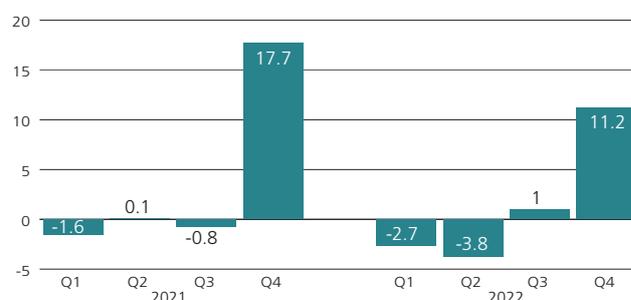
Key figures

Amounts in SEK million	2022	2021
Sales	73.2	64.3
Operating profit/loss	5.7	15.4
Operating margin, %	7.8	24.0
Investments	0.6	0.8
Average number of employees	9	13

Sales in SEK million



Operating profit in SEK million



INCREASING INTEREST IN SUSTAINABLE SOLUTIONS

Sales increased to SEK 73.2 (64.3) million, the operating profit decreased to SEK 5.7 (15.4) million and the operating margin was 7.8 (24.0) per cent.

At the end of the year a license agreement was signed with Westinghouse for development of their waste facility in the United Kingdom. The objective is to create a sustainable solution for contaminated metals that is also effective and economic.

During the year, apart from the above-mentioned license sale, sales have mainly consisted of advisory services for waste treatment, which give lower margins than license business and associated engineering services. The previous year's profit included a profit share of SEK 6.0 million from the agreement with UK Nuclear Waste Management (LLWR), which expired last year.



"...effective and safe re-use that supports our society."

MIKAEL KARLSSON
BUSINESS AREA PRESIDENT

WASTE MANAGEMENT TECHNOLOGY FOCUSES ON GLOBAL SUSTAINABLE WASTE SOLUTIONS

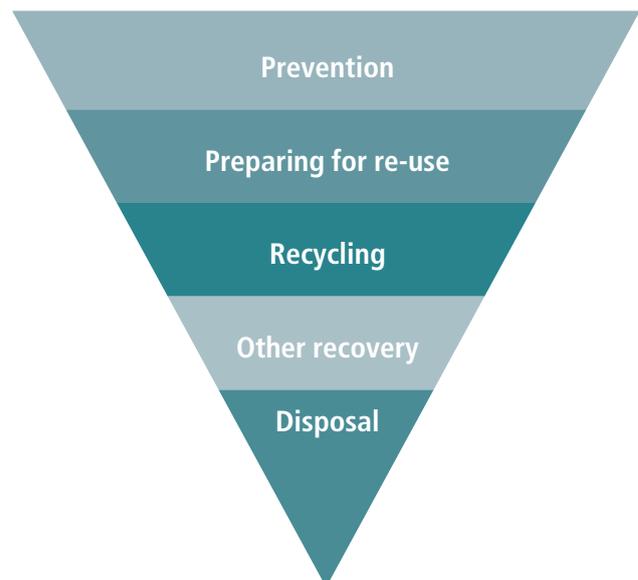
Our society will be dependent on achieving a high level of re-use and minimizing the amount of radioactive waste that is sent for final disposal. All waste needs to be safely and effectively managed all the way to final disposal. Waste Management Technology has the waste hierarchy as its guiding principle with the aim of effective and safe re-use that supports our society. Our metal melting process is one stage of this.

Studsvik's metal melting processes for radiological clearance and re-use of metal is an important and valuable tool for effective and safe treatment of metals used in nuclear power plants. Studsvik's knowledge and processes mean that the customer saves several years of start-up time and licensing is also facilitated to a high degree, since Studsvik has experience on which to base analysis and procedures. In addition, the customer is given direct access to knowledge gained during the 30+ years of operation, which means less risk, better work environment and higher efficiency in the facility, thereby giving a better facility from every aspect without the necessity of own time-consuming development.

All nuclear power plants produce metallic radioactive and above all contaminated scrap. Metal components that are no longer to be used are produced during operation and above all when dismantling nuclear power plants. But also other facilities that deal with radioactivity can produce radioactive metal scrap that should preferably be re-used.

When dismantling a nuclear power plant 5,000 - 10,000 tonnes of radioactive metal scrap is produced. Of this, more than 90 per cent can often be radiologically cleared and re-used. A

facility can serve several nuclear power plants and thus constitute a shared resource, which is also good from an environmental point of view. The markets are Europe, Asia and the USA.





PARENT COMPANY

Operations in the parent company consist of coordination of the Group. Parent company sales amounted to SEK 10.5 (14.0) million and the operating profit to SEK –11.8 (–12.7) million. Profit before tax was SEK 21.3 million (2.5). The year's net financial income includes exchange rate effects of intra-group loans of SEK 19.6 (10.9) million. Cash and cash equivalents including current investments amounted to SEK 0 (0) million and interest-bearing liabilities to SEK 79.4 (63.5) million. Remuneration to senior management is presented in note 9 on page 54.

EMPLOYEES

The average number of employees in the Group in 2022 was 520 (517). During the year resources mainly in the Fuel and Materials Technology business area were increased to manage volume growth and strengthen competencies in expanding service areas.

DECOMMISSIONING OF STUDSVIK'S NUCLEAR FACILITIES

The operations at Studsvik's nuclear facilities in Sweden are conducted under license pursuant to the Swedish Act on Nuclear Activities and it is therefore Studsvik's responsibility to decommission the facilities. Under the Act the holder of the license has both the technical and the financial responsibility for decommissioning.

Previously, a large proportion of decommissioning costs was financed through payments from the nuclear power industry in accordance with the Studsvik Act (1988:1597). This Act was, however, abolished in 2018 and the funds transferred to the Nuclear Waste Fund, which is administered by the National Debt Office.

Studsvik's commitments are financially guaranteed through an annual fee to the Nuclear Waste Fund and through pledged collateral concerning performance. Cost estimates are made to determine the extent of Studsvik's commitment. These then form the basis for determining the fee to be paid by Studsvik to the Nuclear Waste Fund.

In 2022 the fee to the Nuclear Waste Fund was SEK 8,557,000 (8,557,000). The fee is revised by the National Debt Office every third year and is also affected by the expenditure development at the supervisory authorities. Studsvik estimates that the annual fee 2023 will be at a slightly lower level than in previous years. The balance in the Nuclear Waste Fund is recorded as an asset in the accounts. The discounted value of the commitment is recognized as a provision.



SUSTAINABILITY REPORT



Good health and well-being.

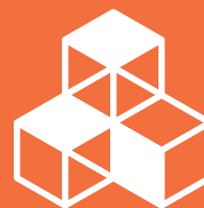
.....

Healthy and engaged employees are essential, and we are working to provide conditions that support well-being.

THE GROUP HAS A HIGH SAFETY CULTURE, WHICH RESTS ON A LONG TRADITION OF CLEAR PROCEDURES FOR QUALITY ASSURANCE AND FOLLOW UP IN THE CONTEXT OF OUR QUALITY CERTIFICATION PROCESSES.



Develop sustainable solutions for the nuclear industry



Decent work and economic growth

.....

We contribute to economic growth by ensuring sustainable energy for companies and by directly providing over 500 people with employment.



Industry innovation and infrastructure.



We offer cutting-edge knowledge of nuclear processes and drive innovation and infrastructure development.



Be an attractive employer

PERCENTAGE OF FEMALE MANAGERS

19%



Affordable and clean energy.



We contribute to clean and safe nuclear energy.



Responsible work and economic growth.



The purpose of the sustainability report is to provide our stakeholders with a deeper understanding of how we as a company create value for our customers, shareholders, employees and the communities where we operate. We therefore wish to be transparent on the social, economic and environmental risks and opportunities that characterize our operations and how they are managed within the company.

BUSINESS MODEL

Sustainable development requires safe nuclear processes. Studsvik creates value through a competence-based business model where we offer innovative technical solutions that reduce both risks and costs throughout the lifecycle of nuclear facilities and radioactive material.

We offer services in four business areas:

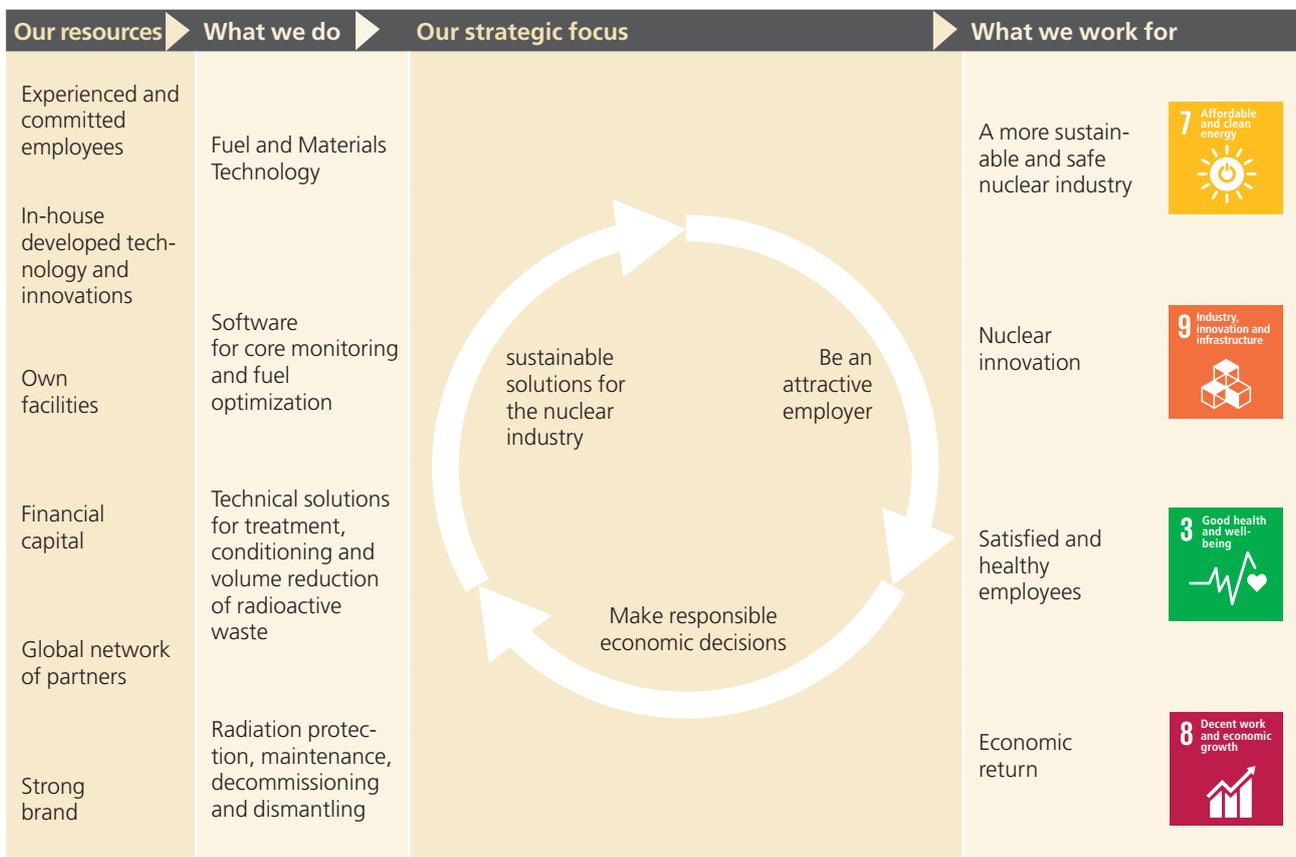
- 1. Decommissioning and Radiation Protection Services
- 2. Fuel and Materials Technology
- 3. Scandpower
- 4. Waste Management Technology

Sustainable solutions for the nuclear industry are at the core of our value creation. We must be an attractive employer for the 500 plus committed employees who apply their full expertise to this in our seven countries of operation. We act continually to actively attract new talent and provide development opportunities.

By making responsible economic decisions that benefit our owners, at the same time we lay a stable foundation for long-term value creation that benefits all parties involved. We want to create lasting values, where we both take into account how we

contribute to achieving the UN's Sustainable Development Goals (SDG), and how our operations are affected as we approach those goals. Our double materiality analysis has concluded that four of the 17 SDGs are material to Studsvik:

- 7** Affordable and clean energy. We want to contribute to a clean and safe nuclear energy system.
- 9** Industry, innovation and infrastructure. By offering leading-edge expertise in nuclear processes, Studsvik drives innovations and infrastructure development. We benefit from research findings from independent research institutions and from our competitors. Studsvik is also dependent on other actors that build infrastructure.
- 3** Good health and well-being. Healthy employees who love their jobs are crucial for us. We work to create healthier working conditions. Major health trends that affect our employees outside work also ultimately affect Studsvik.
- 8** Decent work and economic growth. Studsvik contributes to economic growth, and we employ more than 500 people. Macroeconomic development also affects us.



Materiality analysis

Studsvik's ambition	Main areas	Focus areas	Risks
Develop sustainable solutions for the nuclear industry	Product development	Innovation, research projects, digitalization, high quality	Competition, patent protection, dependence on partners
	Quality and data security	Customer satisfaction, efficiency, integrated risk management, enhanced protection against data breaches	License violations, theft, sabotage, burglary, data breaches
	Climate impact	Energy efficiency, reduced fuel consumption, climate adaptation	License violations, high carbon dioxide emissions, reputational risk
	Waste and water management	World-leading processes for responsible management of radioactive waste, efficient water management	License violations, high emissions to air and water, ionizing radiation
Be an attractive employer	Work environment	Health and well-being, job satisfaction, efficiency, motivation, mental and physical work environment when working remotely	Occupational accidents, sickness absence, psychosocial ill health, remote work
	Attracting, retaining & developing skills	Leadership, professional development, participation, community, corporate culture, diversity, attracting new skills	High staff turnover, dependence on key personnel, declining interest among the younger generation for the nuclear sector, skills shortage in the future
Make responsible economic decisions	Stable economy	Development of service areas, provision for future waste management, long-term investments	Unpredictable market development, dependence on political decisions, close-down decisions, fixed price commitments, currency exposure
	Business ethics	Inclusion, diversified perspective in decision-making	Discrimination, harassment, culture of silencer
	Sustainable/responsible supply chain	Transparency around risks in the supply chain, Code of Conduct for suppliers	Corruption, human rights, reputational risk
	Information security	Enhanced protection against data breaches	Cyber attacks, theft of sensitive information, reputational risk

OUR STAKEHOLDERS

Nuclear technology often gives rise to debate. The news flow can engage the public, and major world events prompt our stakeholders to ask new questions about our business. Since Studsvik is a large and global actor in a market that is critical to society, our stakeholders have high demands that we take responsibility for our business and are transparent with what we do. To retain high public confidence we maintain a dialog and open communication with regions, municipalities, authorities and other stakeholders.

By means of a structured stakeholder dialog we want to maintain transparency that challenges and develops us, and ensures that we make the right priorities in our strategic sustainability work. In 2021 Studsvik conducted a stakeholder dialog to find out which sustainability issues are essential to our stakeholders, and what they expect of Studsvik. In 2021 we received solid reference data, and we have evaluated the material through a continual stakeholder dialog, which shows that our stakeholders still regard the identified issues as essential.

Method for stakeholder dialogues

In-depth interviews were conducted with Studsvik's employees and management, as well as with four customers. The interviews had a semi-structured character. The questions concerned, among other things, business ethics, human resources, the supply chain and the environment, but also provided an opportunity for open discussion.

The responses were analyzed and ranked in a materiality analysis. The table on the right shows which sustainability issues are most pressing in the eyes of our stakeholders.

OUR STRATEGIC FOCUS AND MATERIAL RISKS

The nuclear sector is subject to a strict regulatory framework and is monitored by international authorities and organizations. We base

Stakeholder dialog

Stakeholder group	Dialog method
Employees	Employee survey* Employee performance review Interviews with the Executive Group Management
Customers	Digital customer meetings on an ongoing basis Annual customer satisfaction survey via questionnaire Interviews with customers
Local community	Information letters inviting recipients to respond with questions**
Authorities	Frequent meetings with authorities Announced and unannounced regulatory inspections are carried out at regular intervals to examine and ensure that we comply with adopted safety procedures. Both physical and digital inspections took place in 2022.
Suppliers	Continuous dialog Procurement assessments Annual verification of A suppliers***
Investors	Conference calls in connection with financial statements Capital market days

* Due to COVID-19, no employee surveys were carried out in the Decommissioning and Radiation Protection Services business area in 2021 or 2022. Consequently the results for employees in this business area diverge.

** Adapted method due to COVID-19, normally conducted as physical meetings.

*** A suppliers are critical to our business, such as suppliers of IT, building maintenance and security services.

our risk management procedures on an analysis of the risks and regulations that are relevant to our industry. The procedures are designed in consultation with the relevant authorities, who have approved our risk assessment and assess that our management of these risks is fully adequate. In order to maintain our operating license, we must comply with international guidelines and laws.

Risk dialogs are frequent and documented, which is a necessity to be able to maintain and extend our licenses. Consequently, our systematic risk management is a fundamental condition for our ability to conduct our operations. The responsibility for assessing operational



and financial risks lies with the respective business area, whose risk assessments are reviewed, compared and followed up annual by the Executive Group Management. Once a year, an overall analysis of the Group's risks and how they are dealt with is presented to the Board of Directors of Studsvik and is followed up on a regular basis. Our risk assessment includes all parts of the operations and resulted in ten sustainability areas that address our most material risks. The focus areas (see the materiality analysis in the table above) have also been designed on the basis of the information that emerges in dialog with our stakeholders. The section below describes why these areas are of material importance, how we deal with them in our operations and the outcome for the year. Financial risks are dealt with in the 'Financial risk management' section, see Note 2.

Studsvik has a number of policies for its most important sustainability areas and the related risks. Our Sustainability Policy now includes approaches, rules, and guidelines for how we will work in the areas of product development, quality and safety, climate impact, work environment, drug-free work environment, diversity and equal treatment, and how we can continue to make our employees satisfied and healthy. The purpose of the policy is to get us closer to the goal: that we contribute to making the nuclear sector more sustainable, safer and more innovative, that we have satisfied and healthy employees, and that we are profitable.

Our codes of conduct cover both our own group and our suppliers. The codes are to minimize business risks, establish guidelines for employees, business partners and suppliers, strengthen the corporate culture and communicate Studsvik's core values. Our anti-corruption and whistleblower policies regulate, among other things, business ethics issues, guidelines for action in case of suspected irregularities, and the protection of users of the whistleblower function. The anti-corruption policy is to deepen the guidance given by the Group's Code of Conduct on how to behave with regard to corruption. The purpose of the whistleblower policy is instead to encourage employees to report irregularities without the risk of harassment or discrimination. Implementation, results, and follow-up of policies regarding the environment, personnel, human rights and anti-corruption and bribery are described on an ongoing basis in the report. The table below presents Studsvik's policies in these areas of sustainability. More detailed descriptions of each policy can be found on the pages specified.

Area of sustainability	Policies	Page
Environment	Sustainability policy	28
	Code of Conduct	28, 32, 33
	Code of Conduct for suppliers	28, 32, 33
Personnel	Sustainability policy	28, 30, 31
	Code of Conduct	28, 30, 32, 33
	Code of Conduct for suppliers	28, 32, 33
	Anti-corruption policy	28, 30
	Whistleblower policy	28, 30
Human rights	Code of Conduct	28, 32, 33
	Code of Conduct for suppliers	28, 32, 33
	Anti-corruption policy	28, 30
	Whistleblower policy	28, 33
Anti-corruption	Code of Conduct	28, 33
	Code of Conduct for suppliers	28, 33
	Anti-corruption policy	28, 32, 33
	Whistleblower policy	28, 33

DEVELOP SUSTAINABLE SOLUTIONS FOR THE NUCLEAR INDUSTRY

Product development

Studsvik endeavors to always be at the forefront as regards innovative solutions for the nuclear industry so as to contribute to a more sustainable energy supply. Thanks to Studsvik's services our customers can use existing assets longer, more safely and with less environmental impact. Our services can improve profitability, safety and sustainability, which benefits both our customers and society. We create value by offering the following:

- Innovative technical solutions that improve reactor performance and reduce both risks and costs over the entire lifecycle.
- Advisory services in fuel management and optimization as well as safety and fuel economy.
- World-leading software for fuel and core optimization and monitoring.
- Technical solutions for conditioning and stabilization of waste ahead of final disposal.

Innovation

Proprietary technology challenged by competition is part of our core business. Consequently, we always need to be innovation-oriented, and together with our customers to develop new, tailor-made and efficient services. Where it is considered possible and economically justifiable, we limit the risk of competition by patenting our proprietary technology and constantly developing new solutions. Part of our strategy is to develop customer offers together with selected partners. This creates a measure of natural dependence on these subcontractors. To limit this risk we work with forms of agreement that enable close relationships based on trust, while keeping alternative partners available. As our proprietary technology and innovation capacity are largely based on the leading edge expertise of our employees, it is extremely important for us to retain and develop the expertise that exists in the company. Read more about how we work on these issues in the section 'Be an attractive employer' on page 30.

Research projects

The Studsvik Cladding Integrity Program (SCIP) was launched in 2004 to drive nuclear technology forward. SCIP is an international OECD project comprising experiments, studies, development of testing methods and knowledge transfer. Participants come from all over the world – collaboration and exchange of experience and research findings are essential for development of the nuclear sector. Since its inception, SCIP has expanded into three separate projects (SCIP I, SCIP II and SCIP III) all of which have been run in five-year periods. In July 2019 SCIP IV was launched as an extension of the nuclear research, with a clearer focus on fuel and with some 40 participants from 15 countries. In 2020 the SMILE (Studsvik Material Integrity Lite Extension) project started, which aims to analyze the lifespan of reactor materials, initially by sampling various materials from Swedish nuclear power plants.

Digitalization

The pandemic accelerated the development of digital work processes, but Studsvik has already started investing in a transition to digital working methods, both within the organization and externally.

We integrated our GDPR training into a number of business processes. Today, users must read and approve our IT Acceptable Use Policy before they gain access to our IT resources.

Quality and data security

The Group has a high safety culture, which builds on a long tradition of clear procedures for quality assurance and follow up in the context of our quality certification processes. We prevent accidents and operational disruptions by having competent and motivated staff and facilities of a high required standard. Our Sustainability Policy contains provisions for safety and quality within the Group. Together with goals and regular follow-up of our action plans, this leads to a high level of safety and awareness among our employees. The company's business profile varies considerably between the different countries in which we are active, and therefore concrete goals for safety and quality work have been formulated in the subsidiaries instead of at Group level. Consequently, no specific quality objectives are presented here. We apply the precautionary principle in all our assignments, by systematically assessing, managing and communicating environmental, economic and societal risks that the company's operations entail. We also help our customers to apply the precautionary principle in their own operations.

Quality and customer satisfaction

We are responsible for timely delivery of high quality services. If a service is delivered late or does not fulfill requirements that a customer is entitled to impose, we can suffer loss of income or costs incurred for replacement or damages. To limit this risk we conduct active and systematic quality work, with regular assessments of potential exposures to identified risks and provisions for them. We conduct leading quality work linked to our ISO certifications. The company has certification in quality (ISO9001), environment (ISO14001) and work environment (ISO45001). The ISO certifications cover the entire Group apart from operations in the USA, which hold other certifications adapted to compliance with American laws and regulations and to the fact that the parent company is not certified. In order to maintain our certifications, we must continuously review the operations and ensure that they meet the relevant requirements.

Integrated risk management

We handle radioactive material and waste, which means that some of the operations require licenses and are subject to official supervision and decisions. Consequently there is a risk that the conditions governing operations may be changed through amendment or cancellation of official permits, changes in the regulatory framework or political decisions. This may for example involve further protective measures that we may need to invest in for the operations to fulfill requirements.

The company has processes in place to monitor and manage changes. For alleged infringements of licenses or regulations, we may receive notification from authorities. We meet the regulatory requirements, and our culture of high safety standards means that the capacity to adapt to new rules and directives is good. Some of our operations, especially in the field of material testing and waste management, require that materials are transported to and from our facilities. Shipments may be made more difficult by new legislation or changes to international conventions. No company that handles radioactive materials has a hundred per cent theft protection for the material. Consequently, to minimize the risk of theft and burglary,

we work actively on physical protection in close cooperation with the police and public authorities.

The level of physical protection is continually adjusted in line with the assessment of the threat picture made by the police and public authorities. We follow the plans drawn up by the licensing and supervisory authorities. The transportation of radioactive material can also be at risk of sabotage or other forms of attack. Transportation therefore complies with high safety standards, is subject to frequent inspections by supervisory authorities and has a low risk of harmful consequences in the event of an accident, for example. We limit the risk by maintaining a high level of competence in our own transport organization and the staff who handle our transport packaging. Where the Group conducts nuclear activities subject to license, it is a licensing requirement that insurance has been taken out and maintained. This is governed by the national legislation of the country in which the respective activities are carried out.

All our facilities have property insurance and consequential loss insurance has been taken out for all strategically important facilities. In addition, liability insurance has been taken out to protect Studsvik from financial risks and consequences in case of physical and/or financial loss for a counterparty or third party. Nuclear liability insurance for the Swedish operations has been taken out with Nordic Nuclear Insurers (NNI) and European Liability Insurers Limited (ELINI). The non-nuclear operations have been insured through a global liability insurance policy with the insurance company IF P&C Insurance Ltd.

Climate impact

To offer sustainable solutions to the nuclear market, we must first ascertain that our own operations are environmentally defensible. Taking responsibility for our climate impact is therefore part of our strategy. The goal is to minimize the environmental impact of operations, both as regards emissions and use of resources. We make continuous improvements at operational level. Our environmental impact comes primarily from energy consumption and carbon dioxide emissions.

Our environmental risks mainly arise from release of radioactive substances and chemicals and environmental impacts through the consumption of fossil fuels for heat supply at our Studsvik facility. We have ISO certification in the area (ISO 9001 and 14001), monitor legislation and continuously develop and improve the company's facilities. The results are followed up against targets and measurement results regarding our emissions and our energy consumption (read more in the following two sections).

Total emissions	2018	2019	2020	2021	2022	Change 2019–2022
CO ₂ -emissions [tonnes]	*	502	752.5**	504.8	232	-53.8%

The data refers to emissions generated through electricity consumption, heat production and company cars.

* Total emissions were calculated for the first time in 2019.

** The increase in emissions of Co2e in 2020 is explained by stoppages in Studsvik's wood chip and electricity boiler in March, which forced the company to burn oil to produce heat.

Energy efficiency

Almost all our total electricity consumption is at the facility at Studsvik. Consequently we only have one energy efficiency plan with related targets and only report these data. In order to streamline our energy consumption and reduce emissions, we continu-



ously map energy consumption at the Studsvik facility in accordance with the Act on Energy Audits in Large Enterprises (EKL). Work on energy mapping and efficiency improvement is ongoing.

Studsvik only buys origin labeled electricity generated with water or nuclear power. In 2020 and 2021 we invested in a bioenergy solution for climate-friendly heat supply to Studsvik and other companies in our neighborhood. This was brought into operation in November 2021.

Electricity consumption	2018	2019	2020	2021	2022	Change 2018–2022
Total [MWh]	15,465	14,650	12,442	13,416	12,381	–19.9%
Sales to external customers [MWh]	9,459	9,203	7,073	8,249	8,382	–11.4%
CO ₂ -emissions [tonnes]	3 875	95	50	54	50	–98.7%

The table refers to the facility in Sweden, see the explanation in the paragraph above.

Heat production	2018	2019	2020	2021	2022	Change 2018–2022
Total production thermal power plant [MWh]	12,111	10,110	9,011	10,343	9,512	–21.5%
Sales to external customers [MWh]	4,595	3,149	2,559	3,039	2,725	–40.7%
CO ₂ -emissions [tonnes]	*	20	330**	341	78***	*

The table refers to the facility in Sweden, as own heat generation exists only here.

*The climate impact of heat generation was calculated for the first time in 2019.

** See the explanation above under Total emissions.

*** The reduction in emissions of CO₂e in 2022 is explained by the investment in new wood chip boilers. Now heat is no longer produced from production sources that are more CO₂ intensive (electricity/oil).

Fuel consumption reduction

Business travel is a necessary part of the work, but has some negative climate impact. We lease company cars in Sweden and Germany, and each of these markets has its own company car policy. Before the policies were updated in 2022, the aim was to increase incentives to choose electric or hybrid vehicles. Today, the goal is to increase incentives to choose electric cars. However, the previous target remains in the German company car policy due to the number of charging stations available.

When it comes to other means of transport, our travel policy emphasizes the importance of taking the environment and safety into account when traveling. Reducing business travel and making cost effective choices do not need to mean that we compromise safety, the environment or quality.

Emissions from company cars	2018	2019	2020	2021	2022	Change 2018/2019–2022
Total (CO ₂ -emissions [tonnes]), Sweden	*	32	28	18	11	*
Total (CO ₂ -emissions [g/km])***: Sweden	107	95	80	51	42	–60,7%
Total (CO ₂ -emissions [tonnes]), Germany	*	200	158.5	91.8	93	
Total (CO ₂ -emissions [g/km]), Germany	179	176	177	114.1	108	–39.6%
Total (CO₂-emissions [tonnes])	*	232	186.5	109.8	104	

*Calculated for the first time in 2019.

**Only includes cars in Sweden.

***Model specific emissions, g CO₂/km.

Waste and water management

Studsvik has developed world-leading, rigorous processes for managing different types of radioactive waste, which considerably reduce our and our customers' waste volumes. Our solutions also enable recovery of energy and raw materials such as steel. Only small amounts of radioactive waste are generated by Studsvik's own operations. For this waste, and some waste from our customers, we have owner liability. All hazardous waste is categorized, packaged and managed on a continuous basis. Studsvik Nuclear AB has entered into an agreement with SKB (Swedish Nuclear Fuel and Waste Management Company) for final disposal of nuclear waste. The waste water generated by the facility is purified in our own water treatment plant. Water consumption from activities outside the regular water supply and sewerage system is negligible, as we have no water-intensive purification processes. Studsvik thus has no major waste management itself, but provides technology and knowledge to our customers.

Continual measurements are made, both in the form of analysis of bottom sediment and exploratory fishery that is regulated by the authorities. Changes in regulatory or commercial conditions that necessitate modification or addition to arrangements cannot be ruled out. We manage the risk by periodically calculating the economic effects of these commitments, making provision for future costs of final disposal, paying in fees in accordance with local regulations and receiving remuneration from customers for our commitments. The radioactive releases from Studsvik are small in relation to other sources of radiation. Emissions for 2021 were about 0.000082 mSv to the most exposed age group, which at the time of writing is the latest available data. This can be compared to the fact that every person in the world are on average exposed to natural background radiation of about 2.4 mSv per year.

Emissions of nutrients to water from sewage treatment plant*	2018	2019	2020	2021	2022	Change 2018–2022
Phosphorus [kg]	15	12	11	17	9	–40%
Nitrogen [kg]	700	590	658	645	653	–7%
Biochemical oxygen consumption, 7 days (BOD7) [kg]	426	197	175	118	86	–80%
Organic carbon [kg]	746	530	543	431	333	–55%
Sludge [m ³]	73	93	110	95	82	+12%

*All companies operating in the Studsvik area contribute to the emissions in the table.

BE AN ATTRACTIVE EMPLOYER

Work environment

We want to minimize the risks of our staff becoming dissatisfied or ill and of losing competence. Personnel related risks are regulated in our Sustainability Policy, Code of Conduct and our Anti-Corruption and Whistleblower Policies. We have implemented a work environment management system (ISO 45001), OSH training for our managers and information for new employees about our whistleblower system and our whistleblower policy.

Concrete goals for safety and quality work are designed in the subsidiaries rather than at Group level, as the nature of the businesses varies greatly. We apply the hybrid office principle: Employees can work either at the office or from home, depending on what they agree with their immediate manager.

We run our operations with a high work environment standard, both physical and mental, through efficient safety procedures and

high requirements concerning our facilities. Under our management system every employee must also show personal commitment to the work environment in their day-to-day work. Studsvik's Group-wide Sustainability Policy clarifies our active work to eliminate risks of occupational injuries and physical ill health. We also describe our work to ensure the mental well-being of our employees, which is fundamental to our success. We offer our employees the opportunity for professional development in health and safety and we consider that all employees have an important contribution to make in working towards our overall vision and objective. We continue to actively combat sexual harassment, discrimination and bullying. We have an equal treatment plan against victimization containing objectives and measures to combat discrimination relating to the work environment and health, recruitment and promotion, salary and employment conditions, as well as education and skills. The plan is available to all employees, defines the concept of discrimination and sets out the measures to be taken in case of suspected or established victimization. All managers undergo work environment training that also addresses victimization and discrimination. We have developed a program of measures to reduce occupational injuries by eliminating physical work environment hazards, both at the Group's and customers' facilities.

It is as important to influence and change attitudes and behaviors as to have improved knowledge of risks. In Sweden, part of this work is to encourage all employees to propose improvements and to report potential risks and risk behaviors to Studsvik's non-conformance system. We also encourage our employees to have an ongoing dialog with their immediate managers as well as the head of safety and security. In Sweden a joint safety committee meets twice a year to document and follow up all injuries and accidents relating to the work environment and transport to and from work. Safety inspection tours have been carried out nine times during the year. In the USA and the United Kingdom operations are of such a nature that safety rounds are not deemed necessary. Special working groups have also been set up to investigate accidents and support the safety committee on a more ongoing basis.

Key indicators used to follow up on the results of our HR policies include staff turnover, gender distribution, sickness absence, number of work-related accidents, and number of cases in the whistleblower system. Our Japanese and Chinese operations are not included in these key indicators, as they consist only of sales offices with each one employee in Japan and China respectively. In Sweden every year all employees are offered training in cardiopulmonary resuscitation, fire protection and safety. In addition, every year all staff whose duties involve radiological exposure must undergo mandatory health checks.

Sickness absence (%)	2018	2019	2020	2021	2022	Change 2018-2022
Total	12,0	14,5	15,0	10,3	16,1	+34 %

Number of accidents during the year*	2018	2019	2020	2021	2022	Change 2017-2021
Total	17	9	9	8	15	-11,7%

*Refers to occupational accidents causing absence from work for more than three days.

Staff and health surveys

Studsvik conducts annual employee surveys. We conduct a tailor-made survey for the German business, as the employees there

spend most of their time with customers. 75 per cent of employees answered the survey, compared with 86 per cent in 2021 (Business area Decommissioning and Radiation Protection Services did not conduct any employee survey in 2022). As in the previous year, this year's satisfaction index was 3.9 on a five-point scale. The survey covers issues such as relationships with colleagues, workload and health. No factor changed significantly compared to last year. The survey shows that there are areas with development potential. However, we are pleased to see a general improvement, and we hope to continue to build on this trend.

Attracting, retaining & developing skills

For a knowledge-intensive service company like Studsvik, employees are the most important asset. Without employees with the right skills we cannot deliver sustainable solutions for the nuclear industry and create value for our shareholders. It is therefore of great importance that we get our competent staff to stay and develop, and that we can attract new talent. To limit the risk arising from our dependence on key personnel and specialist skills, we are also systematizing the processes we develop and building good and stable relations with our employees and their trade union organizations.

We have developed our leadership training. We have chosen to focus on the leadership philosophy of "The seven habits" that strengthen people's development and provide a well-integrated step-by-step, method to progressively develop personal and interpersonal efficiency. Managers with personnel responsibilities are offered individual management coaching where necessary.

Depending on the duties and position, employees must undergo different training courses each year. We cannot conduct our business without this training, and our training and development system is therefore of vital importance to the company. Studsvik also conducts performance reviews annually with its senior executives, managers and engineers. For the remaining German staff, there is no such program, as they are deployed to nuclear power plants throughout Germany.

A company that is an attractive employer can attract people with the right skills. Therefore we need to live up to the expectations our potential employees have of their future employer. As an employer Studsvik is a unique company with its international, innovative and research-heavy operations. For everyone who wants to work in the nuclear industry it is attractive to have access to the long experience our specialists possess. However, there are some signs that the younger generation has become less interested in nuclear education programs, while the supply of such programs is decreasing in many universities. In the future, this could lead to a shortage of skills. We manage the risk through a partnership with a university, where we offer nuclear education programs.

We therefore need to adapt our communication and what we as employers have to offer our potential employees. To encourage a sustainable working life and freedom under responsibility, all of the Group's employees have the opportunity to work flexibly. This may involve working remotely or outside normal working hours. However, certain tasks at Studsvik require that the work be carried out in specific places, and then remote working is impossible.

Staff turnover (%)	2020	2021	2022	2019
Total for Group	-6,5*	0,2	0,1	-11,5*

*The high staff turnover is due to the restructuring of the Group.



Competence-based organization

Studsvik values diversity and inclusion in the organization. We are a multinational company, and the diverse profiles and backgrounds of our employees reflect that the business is as international as it is innovative. Thanks to diversity and inclusion, we meet the global challenges we face. At Studsvik, all people should have the same opportunities to be employed, have a good working environment and develop. To achieve this, we need to take responsibility at all levels and focus on the following aspects that we consider essential:

- Ensure that recruitment, promotion and pay increases are only based on qualifications and experience.
- Improve the opportunity to combine working life and family life.
- Mark our zero tolerance for any form of discrimination or harassment.

As women are underrepresented in the nuclear industry, we see it as urgent to actively work on gender equality. We will continue to encourage women to take leading positions when they arise. WiN (Women in Nuclear) is a global support network for women in the nuclear sector — the network has 35,000 members (both women and men), including a number of Studsvik employees. A survey is made every year in Sweden of gender distribution and pay to assess whether pay differences between women and men performing the same or equivalent work have a gender correlation or not. In 2022, Studsvik had 520 employees, of which 87 women. 36 managers had personnel responsibilities, including 7 women.

TAKE RESPONSIBLE ECONOMIC DECISIONS

Stable economy

Studsvik has a long-term economic strategy, and our aim is a sustainable business. We value long-term economic stability above decisions that prioritize short-term profit. This is important for our stakeholders, not least our employees. The aim is to be sustainable in all economic decisions. We are continuously working to improve the company's liquidity and solvency, as described in more detail in the administration report on pages 12-13.

Studsvik's goals for a stable economy are:

- Organic growth: 6 %.
- Operating margin: 12 %.
- Equity-assets ratio: 40 %.

Studsvik believes that there is a possibility that climate-related issues to some extent affect the Group's financial statements. However, the assessment of individual items and their potential material impact on the financial statements has not been carried out in a structured manner during the 2022 financial year. Studsvik intends to introduce assessments related to climate-related issues in the process for preparing financial statements during the 2023 financial year.

Market development

The development of the nuclear sector is shaped by political decisions and therefore the demand for different types of services differs considerably in different markets. New nuclear power plants are being built in a number of countries, most of which are located in Asia. At the same time, nuclear power plants are being shut down and decommissioned in other parts of the world. In addition, global interest in the nuclear sector increased in 2022 as nuclear power is a fossil-free and sustainable alternative energy source. Our forecast is that the nuclear industry will play a key

role in achieving the goals of the Paris Agreement, and in the long term will have a positive impact on Studsvik's business operations.

In most countries, both new construction and decommissioning require active participation by authorities through decisions concerning financing, decommissioning permits and provisions for final disposal. In many markets these activities are funded through complex combinations of accumulated funds, income from the operations of nuclear power plants, and taxes. Political decisions therefore affect our decommissioning operations. When planning our operations, we need to take into account that the authorities' processing can take a long time, which can delay the performance of contracts. As our services include all phases of the nuclear industry, the operations are only in the very long term dependent on the survival of the nuclear power industry. We believe that more nuclear-related contracts will emerge in the long term. Therefore, Studsvik is and remains a key player that ensures that the nuclear industry of the future is efficient, safe and sustainable. The market continued to be affected by COVID-19 in 2022, but as in 2021, Germany operations were more affected than other parts of the business as a result of the design of their operations.

Decommissioning of facilities

The operations at our Swedish nuclear facilities are conducted under license pursuant to the Swedish Act on Nuclear Activities and it is therefore by law Studsvik's responsibility to decommission the facilities. Extensive analyses of the costs of demolition, restoration and decommissioning are therefore carried out regularly, and provisions made for this purpose.

Fixed price contracts

In many major service contracts we make fixed price commitments. These contracts require effective risk management and project management. We therefore have special procedures that are integrated into the quality systems to ensure that risks are managed professionally.

Sensitivity analysis

Variations in prices to customers and the Group's costs affect the Group's earnings. The Group's largest single cost item is personnel costs, which constitute about 60 per cent of total costs. The Group's currency exposure is greatest against EUR, GBP and USD. Currency risks are dealt with in the annual report, see Note 2 — Financial risks.

Business ethics

Good business ethics are fundamental for Studsvik. We always comply with the local legislation of the countries in which we operate. The business is characterized by responsible leadership with zero tolerance for bribery and corruption. We work continuously to reduce the risk that our business partners, representatives and employees will behave unethically. When we want to establish ourselves in a new market a careful analysis is made based on permits and possible risks such as political uncertainty. We want to work primarily in direct contact with our customers without intermediaries, to minimize risks, be able to maintain a high ethical standard and guarantee the best possible quality. According to our anti-corruption policy, a seller who is subjected to a bribery attempt must report this to the immediate manager, who reports on to Studsvik's CEO. Any attempts are then discussed at the Executive Group Management Meeting and

decisions taken on how to deal with each individual case, for example if the sales work should be terminated.

Code of conduct

To ensure a sustainable value chain Studsvik has drawn up a Code of Conduct that applies to both the Group and its suppliers. The aim of the Code is to provide guidance to employees and business partners, minimize risks, strengthen the corporate culture and convey Studsvik's core values. The Code is based on the UN Global Compact. Some common requirements contained in our Code of Conduct are:

- We comply with all local safety related regulations and laws.
- We report our financial performance according to the applicable rules.
- We meet the certification requirements under ISO 9001, 14001 and 45001 for the European subsidiaries.
- We comply with legislation on bribery and corruption, where Swedish law constitutes the minimum level.
- We respect the UN Declaration of Human Rights, including through zero tolerance of harassment, work in hazardous environments, forced labor and child labor.

New employees must read the Code of Conduct, which is also sent out to our partners. When the Code of Conduct is updated, all employees in the Group must confirm that they have read the new policy version. This is checked by accepting the terms via the intranet or email. All employees have access to the policy documents via the intranet.

Whistle-blower function

We have a whistleblower function, which means that our employees can safely and securely draw the management's attention to information about any suspected irregularities. Depending on the level in the organization the report relates to, the matter is handled at different levels. The function is structured so that emails are sent to external parties who contact according to the reporting level below.

Reporting level	Handled by
Department	President
President	Chief Executive Officer
Executive Group Management	Chair of the Board
Member of the Board	Chair of the Board
Chair of the Board of Studsvik AB	Chair of the Audit Committee

All new employees must read the information about our whistleblower function and a whistle-blower policy is available on the intranet. In 2022 the whistleblower function was aligned with the acquis. A system that guarantees the anonymity of the reporters has been implemented. Another change is that the system is now available on our website, so that we can receive external reports. No reports were made in the whistleblower system in 2022.

Sustainable and responsible supply chain

We manage bribery and corruption risks using our anti-corruption and whistleblower policies as well as our Code of Conduct, which our suppliers are expected to follow. The suppliers receive the Code of Conduct together with our anti-corruption policy in connection

with procurement, when they also have to sign a cooperation agreement. Before selecting suppliers, a supplier assessment is made to ensure compliance with our business ethics standards. The supplier assessments include the following:

- Financial information.
- References
- Information on management systems and certifications for most areas.
- Security clearance guidelines.

We can also evaluate suppliers using self-assessment in areas such as supply chain, data and information security, environmental and sustainability work, transportation, and human rights. We divide our suppliers into three categories:

A suppliers: These suppliers are mission or business critical for Studsvik Nuclear. An agreement between Studsvik Nuclear and the supplier must be in place. These include, for example, main suppliers of IT, physical protection and isotope sources.

B suppliers: These suppliers are of great importance to our quality or delivery capability, without being business critical. These include suppliers of service and maintenance of our equipment. An agreement between Studsvik Nuclear and the supplier should be in place before starting collaboration, all exceptions must be approved by the purchasing manager.

C suppliers: Other suppliers not included in the categories above.

For our existing suppliers we have an audit program. Our goal is to audit all A suppliers every three years (suppliers that are critical to Studsvik's core business). In addition, continuous supplier assessments are made of A and B suppliers. These review their deliveries, policies and management systems in terms of quality, environment, work environment and creditworthiness. Among the A suppliers, six supplier assessments and two audits were carried out in 2022. Among the B suppliers, eleven supplier assessments and one audit were carried out. For B suppliers we endeavor to evaluate them every third year on an ongoing basis after the initial supplier assessment. In 2022 a total of 17 assessments were carried out of A and B suppliers.

Information security

Studsvik handles sensitive data. For our own, our customers' and society's security, it is therefore of the utmost importance that we handle confidential and classified information in a secure and structured manner. We conduct regular penetration tests and periodic information security training. No abnormal or unexpected security incidents occurred in 2022. Mandatory digital training on information security has been implemented. We also provide information locally on how to protect data.

REPORTING UNDER THE EU TAXONOMY

(European Parliament and Council Regulation 2020/852)

Background and work done

Studsvik fulfills the criteria for the disclosure requirements under the EU Taxonomy Regulation as a parent company of a group which, over the last financial year, has on average had more than 500 employees and has securities available for trading in a regulated market. For the 2022 financial year, only data on the proportion of the company's economic activities that are taxonomy eligible needed to be reported. For 2022, we must determine whether we conduct taxonomy-eligible activities and



disclose the proportion of these taxonomy eligible activities, and also disclose the proportion of the company's economic activities that are taxonomy aligned.

Just like last year, we started by identifying whether we conduct taxonomy eligible economic activities. We were then able to conclude that there has been no new economic activity that is taxonomy eligible compared to the previous year. The process thus produced the same result as last year, i.e. Studsvik has two taxonomy eligible activities (see below) In order to determine the proportion that is taxonomy aligned, we have continuously evaluated the business activities with respect to the three

criteria set out in the taxonomy: significant contribution, do no significant harm (DNSH) and social protection measures.

Results

Studsvik supplies both its own facility and other operations in the area with heat from our bioenergy solution (wood chip boilers), and manages the area's water and sewage systems. We have found that these activities correspond to the following activities listed in the taxonomy: co-generation of heat/cool and power from bioenergy, construction, extension and operation of water collection, treatment and supply systems and construction, exten-

1. Economic activities	2. Code/codes	3. Absolute turnover Currency	4. Proportion of turnover %	Criteria for significant contribution			
				5. Climate change mitigation %	6. Climate change adaptation %	7. Water and marine resources %	
TURNOVER							
A. TAXONOMY ELIGIBLE ACTIVITIES							
A.1. Environmentally sustainable (taxonomy aligned) activities							
-	-	-	-	-	-	-	-
Turnover of environmentally sustainable (taxonomy-aligned) activities (A.1)	-	-	-	-	-	-	-
A.2 Taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned)							
Co-generation of heat/cool and power from bioenergy	4.2	5,700,000	0.7 %				
Construction, extension and operation of water collection and treatment	5.3	2,400,000	0.3 %				
Turnover of taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned) (A.2)		8,100,000	1.0 %				
Total (A.1+A.2)		8,100,000	1.0 %				
B. TAXONOMY NON ELIGIBLE ACTIVITIES							
Turnover of taxonomy non eligible activities (B)		806,700,000	99.0 %				
Total (A+B)		814,800,000	100.0 %				
CAPITAL EXPENDITURE (CAPEX)							
A. VERKSAMHETER SOM OMFATTAS AV TAXONOMIN							
A.1. Environmentally sustainable (taxonomy aligned) activities							
-	-	-	-	-	-	-	-
Turnover of environmentally sustainable (taxonomy-aligned) activities (A.1)	-	-	-	-	-	-	-
A.2 Taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned)							
-	-	-	-				
Construction, extension and operation of water collection and treatment	5.3	400,000	1.6 %				
Capital expenditure of taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned) (A.2)		400,000	1.6 %				
Total (A.1+A.2)		400,000	1.6 %				
B. TAXONOMY NON ELIGIBLE ACTIVITIES							
Capital expenditure of taxonomy non eligible activities (B)		24,300,000	98.0 %				
Total (A+B)		24,700,000	100.0 %				
OPERATING EXPENSES (OPEX)							
A. TAXONOMY ELIGIBLE ACTIVITIES							
A.1. Environmentally sustainable (taxonomy aligned) activities							
-	-	-	-	-	-	-	-
Operating expenses of environmentally sustainable activities (not taxonomy aligned) (A.1)	-	-	-	-	-	-	-
A.2 Taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned)							
Co-generation of heat/cool and power from bioenergy	4.2	5,500,000	0.9 %				
Construction, extension and operation of water collection and treatment	5.3	2,300,000	0.4 %				
Operating expenses of taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned) (A.2)		7,800,000	1.3 %				
Total (A.1+A.2)		7,800,000	1.3 %				
B. TAXONOMY NON ELIGIBLE ACTIVITIES							
Operating expenses of taxonomy non eligible activities (B)		580,000,000	99.0 %				
Total (A+B)		587,800,000	100.0 %				

sion and operation of water collection and treatment systems.

Proportion of taxonomy eligible turnover, capital expenditure and operating expenditure

Co-generation of heat/cool and power from bioenergy

In 2020 to 2021, we invested in a bioenergy solution to reduce our greenhouse gas emissions. In 2022 no investment was made in the facility. Turnover related to heat production was approximately SEK 5.7 million and operating expenditure was approximately SEK 5.5 million, corresponding to 0.7 per cent and 0.3 per cent respectively of total turnover and total operating expenditure.

Centralized sewage treatment

In 2022, turnover from the water and sewage service amounted to SEK 2.4 million, capital expenditure was SEK 0.4 million, and operating expenditure was SEK 2.3 million. This corresponds to 0.3 per cent of total turnover, 1.6 per cent of total investments, and 0.4 per cent of total operating expenditure. The total proportion of the EU taxonomy eligible activity thus accounts for 1 per cent of turnover, 5.6 per cent of investments, and 1 per cent of operating expenditure.

			Criteria concerning do no significant harm (DNSH)											
8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.	19.	20.	21.	
Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy aligned proportion of turnover, year 2022	Taxonomy aligned proportion of turnover, year 2022	Category (enabling activity or)	Category (transitional activity)	
%	%	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Percent	Percent	Enabling	Transitional	
-	-	-	No	No	No	No	No	No	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
										1.0%				
-	-	-	No	No	No	No	No	No	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
										1.6%				
-	-	-	No	No	No	No	No	No	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
										1.3%				



PROPOSED DISTRIBUTION OF PROFIT

For 2022 the Board of Directors proposes a dividend of SEK 2 per share. At the disposal of the Annual General Meeting is the parent company's non-restricted equity, SEK 71,078,450 consisting of accumulated profit, SEK 52,182,754 and profit for the year, SEK 18,895,696.

The Board of Directors proposes that the profits be distributed as follows:

At the disposal of the Annual General Meeting	SEK 71,078,450
Dividend	SEK -16,437,222
Total non-restricted equity in the parent company	SEK 54,641,228

DIVIDEND POLICY AND DIVIDEND

The Board's target is that on average the dividend should correspond to at least 30 per cent of the consolidated profit after tax. Decisions on dividend proposals will take into consideration Studsvik's expansion potential, the strength of its balance sheet, liquid funds and financial position in general. For 2022 the Board of Directors proposes an unchanged dividend of SEK 2 per share, equivalent to 34.0 per cent of profit after tax. In the view of the Board of Directors the proposed dividend will not prevent the company from fulfilling its obligations in the short and long term, and can thus be justified under the prudence concept stipulated in the Swedish Companies Act, Chapter 17, Section 3, paragraphs 2-3.

THE STUDSVIK SHARE

Share price and trading

The Studsvik share is listed on NASDAQ Stockholm. In 2022 the share price rose by 6 per cent to 110.40. At the close of the year the market value was SEK 907.5 million. During the year the share price varied between a high of SEK 116.40 on October 17 and a low of SEK 80.10 on September 29.

In 2022, 3.2 million Studsvik shares were traded for a value of SEK 320.8 million.

Number of shares and share capital

On December 31, 2022 Studsvik AB (publ) had 8,218,611 shares in issue. Each share carries one vote and entitles the owner to share equally in the company's assets and earnings. The quotient value is SEK 1.0 and the share capital amounted to SEK 8.2 million.

Shareholders

On December 31, 2022 Studsvik had 6,405 shareholders. The percentage of shares registered abroad was 5.5 per cent. The three

largest owners, the Karinen family, Briban Invest AB and Peter Gyllenhammar AB, held 53.0 per cent of the shares and the ten largest shareholders 76.0 per cent. The shareholdings of the Board and the Executive Group Management are presented in the sections Board of Directors and auditors and Executive Group Management.

Market maker

ABG Sundal Collier is the market maker for the company's share.

ANALYSTS

The Studsvik share is monitored on a continuous basis by ABG Sundal Collier.

INFORMATION ON THE ARTICLES OF ASSOCIATION ETC.

There is no provision in Studsvik's Articles of Association that restricts the right to transfer shares. The company has not transferred any of its own shares or issued new shares during the financial year. The company is not aware of any agreements between shareholders that may result in restrictions on the right to transfer shares in the company. The company is not a party to any material agreement that is affected by any public take-over bid. The company's employees do not hold any shares for which the voting right cannot be exercised directly. The elected members of the Board of Directors are appointed by the Annual General Meeting. There is no provision in the Articles of Association concerning appointment and dismissal of Board members. The Board of Directors is not authorized to decide on the issue of new shares or acquisition of own shares.

SHAREHOLDERS

DECEMBER 31, 2022

	Number of shares	Holding, %
Karinen Family	1,769,552	21.5
Briban Invest AB	1,343,362	16.3
Peter Gyllenhammar AB	1,245,000	15.2
Caceis Bank, Switzerland Branch	363,879	4.5
Girell Family	343,800	4.2
Banque Pictet & CIE	335,000	4.1
Avanza Pensionsförsäkring AB	319,802	3.9
Leif Lundin	206,500	2.5
Malte Edenius	192,864	2.3
Nordnet Pensionsförsäkring AB	121,052	2.2
Total of the 10 largest shareholders – holdings	6,240,811	76.0
Other shareholders	1,977,800	24.0
Total	8,218,611	100.0

CHANGE IN SHARE CAPITAL

Year	Transaction	Increase in the number of shares	Share capital SEK	Total Number of shares
1994	Formation	500,000	500,000	500,000
2001	Bonus issue	5,300,000	5,800,000	5,800,000
2001	Private placement	2,314,211	8,114,211	8,114,211
2004	New issue ¹⁾	2,400	8,116,611	8,116,611
2005	New issue ¹⁾	102,000	8,218,611	8,218,611

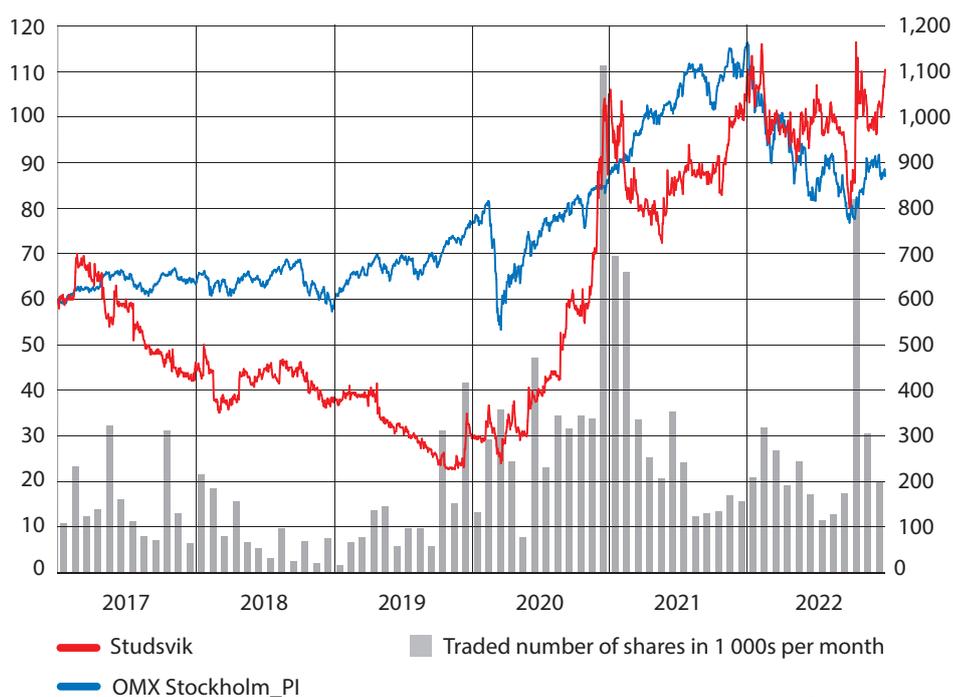
¹⁾ Conversion of warrants.

SHAREHOLDER STRUCTURE, DECEMBER 31, 2022

Shareholding	Number of shareholders	Number of shares	% of total shares
1 – 500	5,929	440,658	5.4
501 – 1 000	243	200,645	2.4
1 001 – 5 000	164	351,768	4.3
5 000 – 10 000	17	126,301	1.5
10 001 – 15 000	14	178,693	2.2
15 001 – 20 000	5	91,701	1.1
20 001 –	33	6,828,845	83.1
Total	6,405	8,218,611	100.0

DATA PER SHARE

Amount, SEK	2018	2019	2020	2021	2022
Number of shares at close of period	8,218,611	8,218,611	8,218,611	8,218,611	8,218,611
Average number of shares	8,218,611	8,218,611	8,218,611	8,218,611	8,218,611
Price, December 31	38.30	31.80	87.40	104.20	110.40
Earnings per share from continuing operations before and after dilution	1.06	-3.41	4.28	7.69	5.82
Equity per share	38.47	36.84	38.13	47.12	53.05
P/E ratio	36.1	neg	20.4	13.6	19.0



Source: [WebFinancialGroup](#)



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Amounts in SEK '000	Note	2022	2021
Net sales	4	814,774	798,324
Costs of services sold	7	-610,488	-591,219
Gross profit		204,285	207,105
Selling and marketing costs		-37,715	-34,366
Administrative expenses		-89,196	-93,930
Research and development costs		-8,468	-8,997
Impairment of accounts receivables and contract assets	17	-1,265	-41
Profit share from associated companies and joint ventures	16	-238	5,850
Other operating income	5	13,787	20,447
Other operating expenses	6	-6,296	-10,287
Operating profit/loss		74,893	85,781
Financial income	10	4,002	173
Financial expenses	10	-14,786	-8,394
Profit/loss before tax		64,110	77,560
Income tax	11	-16,239	-14,378
Net profit/loss for the year		47,871	63,182
NET PROFIT/LOSS FOR THE YEAR		47,871	63,182
Other comprehensive income			
Items that may later be reversed in the income statement			
Translation differences on foreign subsidiaries		35,979	18,881
Cash flow hedges		-	-1
Income tax on items recognized in other comprehensive income		-	1
Other comprehensive income for the year, net after tax		35,979	18,881
Total profit or loss and other comprehensive income for the year		83,850	82,063
Income for the year attributable to			
Parent company's shareholders		47,871	63,182
Non-controlling interests		-	-
Total comprehensive income attributable to			
Parent company's shareholders		83,850	82,029
Non-controlling interests		-	34
Earnings per share calculated on income attributable to the parent company's shareholders during the year (SEK)			
Earnings per share before and after dilution	12	5.82	7.69

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK '000	Note	2022	2021
ASSETS			
<i>Non-current assets</i>			
Intangible assets	15	206,778	189,767
Property, plant and equipment	14	211,105	199,297
Shares in associated companies and joint ventures	16	3,277	4,224
Deferred tax assets	11	88,563	85,603
Financial assets at fair value through profit or loss	2	40,982	40,762
Other non current assets	18	84,408	83,388
Total non-current assets		635,112	603,041
<i>Current assets</i>			
Inventories	21	8,506	15,926
Trade receivables	17	156,898	128,908
Other receivables	19	73,113	63,725
Prepaid expenses and accrued income	20	28,727	16,486
Cash and cash equivalents	2, 22	120,083	108,403
Total current assets		387,327	333,448
TOTAL ASSETS		1,022,438	936,489
EQUITY			
<i>Capital and reserves attributable to parent company's shareholders</i>			
Share capital		8,219	8,219
Other contributed capital		225,272	225,272
Other reserves		68,774	32,725
Retained earnings		133,728	120,696
Equity attributable to the parent company's shareholders		435,996	386,912
Non-controlling interests		–	374
Total shareholders' equity		435,996	387,286
LIABILITIES			
<i>Long-term liabilities</i>			
Liabilities to credit institutions	25	62,275	42,500
Deferred tax liabilities	11	39,964	36,729
Pension obligations	26	10,262	10,005
Provisions	27	142,178	151,802
Other non current liabilities		35,461	29,938
Total long-term liabilities		290,140	270,974
<i>Current liabilities</i>			
Trade payables		38,032	50,043
Current tax liabilities		16,460	6,793
Liabilities to credit institutions	25	38,934	21,015
Provisions	27	6,557	8,495
Other liabilities	23	128,751	128,531
Accrued expenses and prepaid income	24	67,569	63,352
Total current liabilities		296,303	278,229
Total liabilities		586,443	549,203
TOTAL EQUITY AND LIABILITIES		1,022,438	936,489



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEK '000	Share capital	Other contributed capital	Other reserves	Retained earnings	Equity attributable to parent company shareholders	Non-controlling interests	Total shareholders' equity
Opening balance at January 1, 2021	8,219	225,272	13,844	65,733	313,068	340	313,408
Other comprehensive income	–	–	18,881	–	18,881	34	18,915
– Dividend	–	–	–	–8,219	–8,219	–	–8,219
– Net profit/loss for the year	–	–	–	63,182	63,182	–	63,182
Closing balance at December 31, 2021	8,219	225,272	32,725	120,696	386,912	374	387,286
Opening balance at January 1, 2022	8,219	225,272	32,725	120,696	386,912	374	387,286
Other comprehensive income	–	–	36,049	–	36,049	–70	35,979
– Acquisition of non-controlling interest	–	–	–	–18,402	–18,402	–304	–18,706
– Dividend	–	–	–	–16,437	–16,437	–	–16,437
– Net profit/loss for the year	–	–	–	47,871	47,871	–	47,871
Closing balance at December 31, 2022	8,219	225,272	68,774	133,728	435,996	–	435,996

GROUP STATEMENT OF CASH FLOW

Amounts in SEK '000	Note	2022	2021
Total operations			
<i>Cash flow from operating activities</i>			
Operating profit/loss		74,893	85,781
Adjustment for non-cash items	28	-342	7,677
		74,551	93,458
Interest received		1,298	-9
Interest paid		-5,737	-5,275
Income tax paid		-9,889	-8,252
Cash flow from operating activities before changes in working capital		60,223	79,922
Change in working capital			
– Current assets		-42,892	-12,668
– Other current liabilities		-17,088	46,449
Cash flow from operating activities		242	113,703
<i>Cash flow from investing activities</i>			
Acquisition of non-current financial assets		-	-15,247
Sale of non-current financial assets		6,903	2,867
Purchases of property, plant and equipment	14	-24,730	-58,026
Sale of property, plant and equipment	14	-	19,967
Purchases of intangible assets	15	-	-516
Dividend from associated companies	16	-	8,623
Cash flow from investing activities		-17,827	-42,332
Free cash flow		-17,585	71,371
<i>Cash flow from financing activities</i>			
New loans	25	25,438	5,881
Amortization of loans	25	-11,113	-6,555
Changed use of bank overdraft facility		17,919	-34,442
Dividends to shareholders	13	-16,437	-8,218
Cash flow from financing activities		15,807	-43,334
Cash flow for the year		-1,778	28,037
Cash and cash equivalents at start of year		108,403	75,153
Exchange differences on cash and cash equivalents		13,458	5,213
Cash and cash equivalents at year-end	22	120,083	108,403



PARENT COMPANY INCOME STATEMENT

Amounts in SEK '000	Note	2022	2021
Net sales	33	8,509	14,015
Costs of services sold		–	–
Gross profit		8,509	14,015
Administrative expenses	35	–22,072	–27,520
Other operating income	37	2,102	960
Other operating expenses	37	–241	–98
Operating profit/loss		–11,703	–12,643
Profit/loss from participations in group companies	39	10,118	–
Interest income and similar items	40	30,727	19,926
Interest expense and similar items	41	–7,759	–4,763
Profit/loss before tax		21,383	2,520
Appropriations	42	–	73,707
Income tax	43	–2,488	–15,054
NET PROFIT/LOSS FOR THE YEAR		18,895	61,173
Parent company statement of comprehensive income			
Net profit for the year		18,895	61,173
Other comprehensive income		–	–
Total comprehensive income for the year		18,895	61,173

PARENT COMPANY BALANCE SHEET

Amounts in SEK '000	Note	2022	2021
ASSETS			
<i>Non-current assets</i>			
Intangible assets	44	–	–
Property, plant and equipment			
– Equipment and tools		–	–
<i>Financial assets</i>			
– Deferred tax assets	43	4,310	4,902
– Shares in subsidiaries	45, 47	287,797	269,091
– Participations in associated companies and joint ventures	45	12,072	12,072
– Receivables from subsidiaries		233,896	212,053
Financial assets at fair value through profit or loss	45	34,089	33,758
Total non-current assets		572,164	531,876
<i>Current assets</i>			
Inventories and goods for resale		463	441
Trade and other receivables		1,038	1,427
Receivables from group companies		18,841	78,392
Prepaid expenses and accrued income	46	713	409
Total current assets		21,055	80,669
TOTAL ASSETS		593,219	612,545
EQUITY			
<i>Equity</i>			
Share capital		8,219	8,219
Restricted reserves		225,272	225,272
Total restricted equity		233,491	233,491
<i>Non-restricted equity</i>			
Non-restricted reserves		52,182	7,446
Net profit/loss for the year		18,895	61,173
Total non-restricted equity		71,077	68,619
Total shareholders' equity		304,568	302,110
Untaxed reserves		–	–
LIABILITIES			
<i>Long-term liabilities</i>			
Liabilities to credit institutions	48	40,500	42,500
Liabilities to group companies		69,460	63,640
Other liabilities		20,924	23,193
Total long-term liabilities		130,884	129,333
<i>Current liabilities</i>			
Liabilities to group companies		95,829	148,083
Trade payables		1,890	1,175
Liabilities to credit institutions	48	38,934	21,015
Current tax liability		5,230	4,478
Other liabilities		8,264	1,397
Accrued expenses and deferred income	49	7,620	4,955
Total current liabilities		157,767	181,102
Total liabilities		288,651	310,435
TOTAL EQUITY AND LIABILITIES		593,219	612,545



PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

Amounts in SEK '000	Share capital	Other contributed capital	Retained earnings	Total shareholders' equity
Opening balance at January 1, 2021	8,219	225,272	15,665	249,156
Comprehensive income				
– Dividend	–	–	–8,219	–8,219
– Net profit/loss for the year	–	–	61,173	61,173
Closing balance at December 31, 2021	8,219	225,272	68,619	302,110
Opening balance at January 1, 2022	8,219	225,272	68,619	302,110
Comprehensive income				
– Dividend	–	–	–16,437	–16,437
– Net profit/loss for the year	–	–	18,895	18,895
Closing balance at December 31, 2022	8,219	225,272	71,077	304,568

PARENT COMPANY CASH FLOW STATEMENT

Amounts in SEK '000	Note	2022	2021
<i>Cash flow from operating activities</i>			
Operating profit/loss		-11,703	-12,644
Adjustment for non-cash items	52	-22,076	607
		-33,779	-12,037
Interest received		929	270
Interest paid		-7,007	-4,787
Income tax paid		-596	-251
Cash flow from operating activities before changes in working capital		-40,453	-16,805
Change in working capital			
– Current assets		39,308	23,487
– Other current liabilities		-22,616	6,207
Cash flow from operating activities		-23,761	12,889
<i>Cash flow from investing activities</i>			
Amortization of financial assets	45	14,162	34,659
Loans to group companies	48	–	-10,730
Cash flow from investing activities		14,162	23,929
<i>Cash flow from financing activities</i>			
New loans		17,919	7,843
Amortization of loans		-2,000	-36,442
Paid dividend		-16,437	-8,219
Divident received from subsidiaries		10,118	–
Cash flow from financing activities		9,600	-36,818
Cash flow for the year		0	0
Cash and cash equivalents at start of year		0	0
Exchange differences on cash and cash equivalents		0	0
Cash and cash equivalents at year-end		0	0



NOTES

NOTES TO THE CONSOLIDATED ACCOUNTS

Amounts in SEK '000

NOTE 1 Accounting policies and valuation principles

Studsvik AB (publ) and its subsidiaries offer a number of advanced technical services to the global nuclear power industry. Studsvik's focus areas are fuel and materials technology, reactor analysis software and fuel optimization, decommissioning and radiation protection services as well as technical solutions for handling, conditioning and volume reduction of radioactive waste. The company is a listed limited liability company with its registered office in Nyköping, Sweden, with corporate identity number 556501-0997. The address to the head office is SE 611 82 Nyköping.

The principal accounting policies applied in the preparation of these consolidated accounts are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

1.1 BASIS OF PREPARATION

The consolidated accounts for the Studsvik Group have been prepared in accordance with the Annual Accounts Act, the Swedish Financial Reporting Board recommendation RFR 1, Supplementary accounting rules for groups, International Financial Reporting Standards (IFRS) and interpretations by the IFRS Interpretations Committee (IFRIC) as adopted by the EU.

Preparing statements in accordance with IFRS requires the use of a number of important accounting estimates. Furthermore, the management must make certain judgments when applying the Group's accounting policies. The areas that entail a high degree of judgment, which are complex or of such a nature that assumptions and estimates are critical to the consolidated accounts are specified in Note 3.

New or amended accounting standards applicable in 2022

The amended standards have not had any material impact on Studsvik's financial reporting.

New or amended accounting standards applicable from 2023 onwards

New and amended standards are not expected to have any material impact on Studsvik's financial reporting.

1.2 CONSOLIDATED ACCOUNTS

Subsidiaries

Subsidiaries are all companies over which the Group has a controlling interest (Note 47). The Group controls a company when it is exposed, or has rights, to variable returns from its involvement with the company and has the ability to affect those returns through its power over the company. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the Group's business combinations. The purchase price for the acquisition of a subsidiary consists of the fair value of transferred assets, liabilities and shares issued by the Group. The purchase price also includes the fair value of all assets and liabilities that are a consequence of an agreement on contingent purchase price. Acquisition related costs are recognized as expenses when they arise. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date. For each acquisition the Group determines if all non-controlling interests in the acquired company are to be measured at fair value or at their proportionate share of the acquiree's identifiable net assets. The excess of the purchase price, any non-controlling interest and fair value on the acquisition date of prior shareholdings over the fair value of the Group's share of identifiable net assets acquired is recognized as goodwill.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with the Group's shareholders. For acquisitions from non-controlling interests the difference between the purchase price paid and the actual acquired share of the carrying amount of the subsidiary's net assets is recognized directly in equity. Gains and losses on sales to non-controlling interests are also recognized in equity.

When the Group no longer has a controlling interest or significant influence, each remaining holding is revalued to fair value and the change in the carrying amount is recognized in the income statement. The fair value is used as the first carrying amount and forms the basis of continued accounting treatment of the remaining holding as

an associated company, joint venture or financial asset. All amounts referring to the entity sold, which were previously recorded in other comprehensive income, are recorded as though the Group had sold the related assets or liabilities directly. This may mean that amounts previously recorded in other comprehensive income are reclassified to profit or loss.

Associated companies

Associated companies are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20 per cent and 50 per cent of the voting rights. Investments in associated companies are accounted for in accordance with the equity method and initially recorded at cost. The Group's carrying amount for investments in associated companies includes goodwill identified on acquisition, net of any impairment.

Joint ventures

For joint ventures, where there is a common controlling interest, the equity method is applied. Interests in a joint venture are initially recognized at cost at the time of acquisition and adjusted on a current basis by its share of changes in the equity of the entity under common control.

The Group's share of the profit from the entity under common control is recognized in the consolidated statement of comprehensive income. If the Group's share of accumulated losses is equal to or more than the Group's share of the equity of the entity under common control, the Group does not recognize further losses.

1.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in SEK, which is the parent company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. An exception is when the transactions qualify as cash flow hedges, in which case the gains/losses are recognized in other comprehensive income. More information on the Group's hedge accounting can be found in Note 2.

Unrealized foreign exchange gains and losses attributable to loans and cash and cash equivalents are recognized in the income statement as financial income or expense. All other foreign exchange gains or losses, mainly on trade receivables and trade payables, are recorded in the items 'Other operating income' and 'Other operating expenses' in the income statement.

Translation differences for non-monetary financial assets and liabilities, such as shares recognized at fair value in the income statement, are recorded in the income statement as part of fair value gains/losses.

Group companies

The results and financial position of all the Group companies that have a functional currency different from the presentation currency are translated into the Group's presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate.
- Income and expenses for each income statement are translated at average exchange rates.
- All foreign exchange differences arising are recorded in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are recognized in other comprehensive income. When a foreign business is sold, fully or partly, the currency differences reported in equity are transferred to the income statement and recognized as part of the capital gain/loss.

1.4 SHARE CAPITAL

Ordinary shares are classified as equity.

Transaction costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.5 PARENT COMPANY

The Parent Company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act and Swedish Financial Reporting Board recommendation RFR 2, Accounting for Legal Entities. RFR 2 means that the Parent Company, in its separate financial statements, must apply all the IFRS and statements adopted by the EU as far as possible, subject to the Annual Accounts Act and the Act on Safeguarding Pension Obligations taking into account the connection between accounting and taxation. The recommendation specifies the exemptions and additions that must be made in relation to IFRS. The differences between the Group's and the Parent Company's accounting policies are presented below. The main differences between the accounting policies applied by the Group and the Parent Company are:

Formats

The income statement and balance sheet follow the format of the Annual Accounts Act. This entails differences compared with the consolidated accounts, mainly as regards financial income and expense, the statement of comprehensive income, provisions and the statement of changes in equity.

Shares and participations in subsidiaries

Investments in subsidiaries are recorded at the lower of cost and fair value. Impairment testing takes place when there is an indication of decline in value. Dividend received is reported as financial income.

Revenue

The Parent Company's income includes dividends and group contributions received from subsidiaries and other internal transactions that are eliminated in the consolidated accounts.

Leases

All leases, regardless of whether they are finance or operating leases, are recorded as rental agreements (operating leases).

Pensions

Pension obligations refer to defined contribution plans and are covered by insurance arrangements.

Taxes

The accumulated values of accelerated depreciation and other untaxed reserves are presented in the parent company balance sheet under the item 'Untaxed reserves' with no deduction for the deferred tax. Changes in the untaxed reserves are shown on a separate line in the income statement in the parent company income statement. The consolidated accounts, however, divide untaxed reserves into deferred tax liability and equity.

Group contributions and shareholders' contributions for legal entities

The company reports group contributions and shareholders' contributions in accordance with the Swedish Financial Reporting Board's recommendation RFR 2. Shareholders' contributions are recognized directly in the equity of the recipient and capitalized in shares and participations by the giver, to the extent there is no impairment loss. Group contributions from subsidiaries are reported as financial income as is normal dividend from subsidiaries. Tax on group contributions is reported in accordance with IAS 12 in the income statement.

NOTE 2 Financial risk management

2.1 FINANCIAL RISK FACTORS

Through its operations the Group is exposed to a number of different financial risks; market risk (covering currency risk, fair value interest rate risk, cash-flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management policy focuses on the unpredictability of financial markets and aims to minimize potential adverse effects on the Group's financial performance. Under special circumstances the Group uses derivative instruments to hedge certain risk exposure. Risk management is handled by a central treasury function in accordance with policies determined by the Board of Directors. The central function identifies, evaluates and hedges financial risk in close cooperation with the Group's operating units. The Board of Directors draws up written policies, both for overall risk management and for specific areas, such as currency risk, interest rate risk, credit risk, use of derivatives and investment of surplus liquidity.

2.2 DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

Derivatives are recognized in the balance sheet on the date of the contract at fair value, both initially and on subsequent remeasurement. The method of reporting the gain or loss arising on revaluation depends on whether the derivative is identified as a hedging instrument, and, if so, the nature of the hedged item. To the extent the Group hedges financial risk, it is exclusively cash flow hedges. The Group identifies certain derivatives as hedging instruments and they are used to hedge a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge).

When the transaction takes place, the Group documents the relationship between the hedging instrument and the hedged item concerning whether the derivative instruments used in hedging transactions are effective in offsetting the changes in the fair value or cash flows attributable to the hedged items. Such an assessment is done when the hedge is undertaken as well as on an ongoing basis. Information on the fair value of the different derivative instruments used for hedging purposes is given in Note 2. A derivative designated as a hedging instrument is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The change in fair value of a derivative instrument constituting part of a cash flow hedge and satisfying the criteria for hedge accounting, is reported in other comprehensive income in the hedging reserve in equity. The gain or loss attributable to any inefficiency is recognized and classified in the income statement based on the underlying transaction.

When a hedging instrument matures or is sold or when the hedge no longer fulfills the criteria for applying hedge accounting, the value of the hedging reserve remains in equity until the forecast transaction is ultimately reported in the income statement. However, when the underlying transaction is no longer expected to take place, the hedging reserve is immediately transferred to the income statement.



NOTE 2 Financial risk management (cont.)

Market risk

Price risk

The Group's largest single cost item is personnel, which accounts for 60 (64) per cent of the Group's total costs. Other expenses vary. The Group's risk exposure as regards purchases is therefore of less significance.

Currency risk

The Group operates internationally and is exposed to currency risk arising from various currency exposures, above all in US dollars (USD), euros (EUR) and pounds sterling (GBP). Currency risk arises through future business transactions, reported assets and liabilities and net investment in foreign operations. Currency risk arises when future business transactions or reported assets and liabilities are denominated in a currency that is not the functional currency of the unit. The Board of Directors has drawn up policies and guidelines for how identified currency risk is to be managed. To minimize the currency risk arising on business transactions and for reported assets and liabilities, the company can use different forms of currency derivatives issued by external banks. At Group level only external foreign currency derivative contracts are classified as hedges of gross amounts of specific assets, liabilities or future transactions.

If the Swedish krona had weakened by 10 per cent against the euro, all other variables being constant, the year's profit for the Group as at December 31, 2022, would have been SEK 0.7 million lower (SEK 3.6 million higher). Equity would have been SEK 0.7 million lower (SEK 3.6 million higher), mainly due to translation of the Group's net investments in Germany.

If the Swedish krona had weakened by 10 per cent against the pound sterling, all other variables being constant, the year's profit for the Group as at December 31, 2022, would have been SEK 1.2 million higher (SEK 0.4 million higher). Equity would have been SEK 1.2 million higher (0.4 million higher), mainly due to translation of the Group's net investments in the United Kingdom.

If the Swedish krona had weakened by 10 per cent against the US dollar, all other variables being constant, the year's profit for the Group as at December 31, 2022, would have been SEK 3.8 million lower (SEK 2.2 million lower). Equity would have been SEK 3.8 million lower (2.2 million lower), mainly due to translation of the Group's net investments in the USA.

Interest rate risk referring to cash flows and fair values

Since the Group does not have any material interest-bearing assets, the Group's income and cash flow from operating activities are in all essentials independent of changes in market interest rates. The Group's interest rate risk arises through long-term borrowings. Borrowing at variable interest rates exposes the Group to cash flow interest rate risk. Borrowing at fixed interest rates exposes the Group to fair value interest rate risk. The Group's contractual repricing dates for interest rates are shown in Note 25.

The Group analyses its interest rate exposure regularly. Different scenarios are simulated, taking into account refinancing, renewals of existing positions, alternative funding and hedging. With these scenarios as a base, the Group calculates the impact on earnings that a given interest rate change would give rise to. Simulation is only carried out for the largest interest-bearing liabilities. If the interest rate on borrowing in SEK on December 31, 2022 had been 0.5 percentage points higher/lower, all other variables being constant, the pre-tax earnings for the financial year would have been SEK 0.2 (0.2) million higher/lower, mainly as an effect of higher/lower interest expense in connection with changes in reference rates.

Credit risk

Credit risk is managed at company and Group level. Credit risk arises through cash and cash equivalents, derivative instruments and balances at banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and contractual transactions. The Group only uses banks with an A+ or higher rating for depositing cash and cash equivalents. In cases where no independent credit evaluation exists, a risk appraisal is made of the customer's creditworthiness in which financial position and prior experience and other factors are taken into consideration. Individual risk limits are set, based on internal or external credit evaluations in accordance with limits set by the Board of Directors.

The credit quality of financial assets is reported in this note.

Liquidity risk

Liquidity risk is managed through the Group holding sufficient cash and cash equivalents and short-term deposits in a liquid market, available funding through contracted credit lines and the possibility of closing market positions. Due to the dynamic character of operations, the Group retains flexibility of funding by maintaining contracts for withdrawable lines of credit. The company's bank loans are described in Note 25. Apart from bank loans, there is also a bank overdraft facility of SEK 100 million that runs to the turn of the year 2023/2024. The risk of non-extension is considered to be low as the Group has a good and ongoing working relationship with the bank. The management carefully follows rolling forecasts of the Group's liquidity reserve, consisting of unutilized loan assurances (Note 25) and cash and cash equivalents (Note 22), on the basis of expected cash flows.

The table below analyses the Group's financial liabilities and derivative instruments settled net that constitute financial liabilities, broken down by the contractual time to maturity remaining on the balance sheet date. The amounts stated in the table are the contracted, undiscounted cash flows.

As at December 31, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Bank loans	3,225	41,710	22,166	–
Trade and other payables	233,752	562	1,686	32,742

As at December 31, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Bank loans	3,185	3,131	38,774	–
Trade and other payables	241,926	509	1,527	27,902

2.3 CAPITAL RISK MANAGEMENT

The Group's goal for its capital structure is to safeguard the Group's ability to continue as a going concern, so that it can generate a return for its shareholders and benefit for other stakeholders and maintain an optimal capital structure as a means of controlling the cost of capital. The Group assesses the capital on the basis of debt/equity ratio and equity/assets ratio. Studsvik has an overall goal of an equity/assets ratio of 40 per cent. The equity/assets ratio at the close of the year was 42.6 (41.4) per cent.

To retain or adjust the capital structure, the Group can alter the dividend it pays to shareholders, repay capital to shareholders, issue new shares or sell assets to reduce its liabilities

Just like other companies in the industry, the Group assesses its capital on the basis of the debt/equity ratio. This ratio is defined as net debt divided by total equity. Net debt is defined as total borrowing (including the items 'Current borrowing' and 'Non-current borrowing' in the consolidated balance sheet) less cash and cash equivalents. Equity is calculated including non-controlling interests..

	2022	2021
Total borrowing (Note 25)	101,209	63,515
Less cash and cash equivalents (Note 22)	–120,083	–108,403
Net debt	–18,874	–44,888
Total equity	435,996	387,286
Debt/equity ratio	–4.3%	–11.6%

The change in the debt/equity ratio for 2022 was mainly a consequence of a deterioration in cash flow and somewhat higher use of the bank overdraft facility.

2.4 FAIR VALUE ESTIMATION

FINANCIAL ASSETS

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss and amortized cost. The classification depends on the purpose for which the financial asset was acquired. The management determines the classification of financial assets at the time of initial recognition.

Purchases and sales of financial assets are recognized on the trade date – the date on which the Group commits to purchase or sell the asset. Financial instruments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets recognized at fair value through profit or loss are initially recognized at fair value, while related transaction costs are recognized in the income statement. Financial assets are derecognized when the rights to receive cash flows from the instruments have expired or have been transferred and the Group has transferred substantially all risks and benefits of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value after the date of acquisition. Investments in interest-bearing assets are carried at amortized cost after the acquisition date, applying the effective interest method. Interest-bearing assets with short maturities are carried at nominal value. Gains and losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category, are presented in the income statement in the period in which they arise.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading and this ultimately includes financial derivatives to the extent they are held. A financial asset is classified in this category if it is acquired mainly for the purpose of selling in the short term. Derivatives are classified as held for trading if they are not identified as hedging instruments in an existing effective hedging relationship and hedge accounting is applied.

The Group measures the following financial instruments at fair value through profit or loss:

- Investments in interest-bearing assets that do not qualify for recognition at amortized cost or at fair value via other comprehensive income in the form of capital insurance.
- Investments in equity instruments held for trading in the form of unlisted shares.

Investments in interest-bearing assets

Interest-bearing assets are measured exclusively at their respective amortized cost. These consist of financial assets with fixed or determinable payments that are not quoted in an active market.

Financial assets measured at amortized cost consist of trade and other receivables and cash and cash equivalents in the balance sheet (Notes 22 and 25).

IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Assets carried at amortized cost

The Group assesses at the close of each accounting period whether there is objective evidence that a financial asset or group of financial assets is impaired. The Group applies the simplified method for calculating expected credit losses. The method means that expected losses during the entire life of the claim are used as the basis for trade receivables and contract assets. A financial asset or group of financial assets is impaired, and impairment losses are recognized, only if there is objective evidence as a result of one or more events that occurred after the initial recognition of the asset (a loss event) and this event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably measured.

The impairment is estimated as the difference between the carrying amount of the asset and the present value of estimated future cash flows (excluding future credit losses that have not yet occurred), discounted at the original effective interest rate of the financial asset. The carrying amount of the asset is written down and the impairment loss is recognized in the income statement. As a practical solution, the Group can establish impairment loss on the basis of the fair value of the instrument using an observable market price.

If the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognized (for example an improvement in the debtor's creditworthiness), the previously recognized impairment loss is reversed through the income statement.

The table below shows financial instruments at fair value on the basis of their classification in the fair value hierarchy. The different levels are defined as follows

- Level 1 – Quoted prices (unadjusted) on active markets for identical assets or liabilities.
- Level 2 – Other observable market data for the asset or liability other than quoted prices included in level 1, either direct (i.e. as quoted prices) or indirect (i.e. derived from quoted prices).
- Level 3 – Data on the asset or liability not based on observable market data (i.e. unobservable inputs).

The following table shows the Group's assets and liabilities measured at fair value as at December 31, 2022.

	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit or loss			
– Unlisted shareholdings	–	–	17,250
– Capital insurance	–	16,839	–
– Long-term bank deposits	–	–	–
– Other	–	6,893	–
Total assets	–	23,786	17,250

The following table shows the Group's assets and liabilities measured at fair value as at December 31, 2021.

	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit or loss			
– Unlisted shareholdings	–	–	15,211
– Capital insurance	–	18,547	–
– Long-term bank deposits	–	–	–
– Other	–	7,004	–
Total assets	–	25,551	15,211

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices from a stock exchange, broker, industrial group, pricing service or supervisory autho-

riety are easily and regularly available, and these prices represent actual and regularly occurring market transactions at arm's length. The Group does not currently hold such assets or liabilities.

Fair value of financial instruments not traded on an active market (for example OTC derivatives) is established using valuation techniques. These techniques use market information as far as possible when this is available, while company-specific information is used as little as possible. If all material inputs required for fair value measurement of an instrument are observable the instrument is found at level 2.

In the cases where one or more material inputs are not based on observable market information the instrument concerned is classified at level 3.

Specific valuation techniques used to measure financial instruments include:

- Quoted market prices or brokers' quotations for similar instruments.
- The fair value of interest swaps is calculated as the present value of estimated future cash flows based on observable yield curves.
- The fair value of forward exchange contracts is determined using quoted forward exchange rates at the balance sheet date, where the resulting value is discounted to present value.
- Other techniques, such as estimating discounted cash flows, are used to determine the fair value of remaining financial instruments.

The following instruments at level 3 refer to our holdings in nuclear insurance companies.

The following table shows changes for instruments at level 3 in 2022.

	Level 3
Opening balance	15,211
Gains recognized in the income statement	2,039
Closing balance	17,250
Total gains or losses for the period included in profit or loss for assets held at the end of the reporting period	2,039

The following table shows changes for instruments at level 3 in 2021.

	Level 3
Opening balance	14,728
Gains recognized in the income statement	483
Closing balance	15,211
Total gains or losses for the period included in profit or loss for assets held at the end of the reporting period	483

NOTE 3 Important accounting estimates and assessments

Estimates and assessments are continually evaluated and rest on historical experience and other factors, including expectations of future events regarded as reasonable under the circumstances.

3.1 IMPORTANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Group makes estimates and assumptions about the future. The estimates for accounting purposes derived from these assumptions will, by definition, seldom correspond to the actual outcome. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Impairment tests for goodwill

Each year the Group examines whether goodwill is impaired, in accordance with the accounting policy described in Note 15. Recoverable amounts for cash-generating units in continuing operations have been determined by calculating value in use. Certain estimates must be made for these calculations (Note 15).

Based on the assumptions and estimates made, there is no impairment loss on goodwill.

Income taxes

The Group is liable to pay tax in different countries. There are many transactions and calculations in which the final tax is uncertain at the time the transactions and calculations are made. The Group reports a liability for expected tax field audits based on assessments of whether further tax liability will arise. In cases where the final tax for these cases differs from the amounts first reported, the differences will affect current tax and provisions for deferred tax in the period when these determinations are made. Moreover, estimates and assumptions are made to determine the value of the deferred tax asset and deferred tax liability on the balance sheet date. Future amendments to tax legislation and the development of the business climate affect the company's future taxable profit and thus the ability to use the deferred tax asset on tax loss carry forwards.

Revenue recognition

The Group recognizes revenue on the basis of completed performance obligations over time and at the rate at which the service is supplied. Revenue recognition is based on costs where accumulated costs are related to total expected costs of the project. This means that the Group must make estimates of what percentage accrued expenses on the balance sheet date are of total expenses. The forecast for the respective project itself constitutes an estimate regarding final revenue and expenses.

Provisions

The operations at Studsvik's facilities in Sweden are subject to local licensing requirements and Studsvik is liable to decommission facilities, manage waste and restore land. The Group makes provision in its own balance sheet for these future decommissioning costs. The Group also provides collateral in the form of bank guarantees and deposits blocked funds. The Group makes regular assessments of its technical and financial obligations and revises the value of these provisions annually. The commitment consists of discounted values of future cash flows.

Changes in estimates of future costs refer to repository costs for waste treated in the Group's Swedish facility, which affect future cash flows. Other changes in estimated future costs are capitalized as property, plant and equipment and thus only affect future depreciation.

Changes in the Group's provisions are presented in Note 27.

NOTE 4 Segment reporting

Operating segments must be reported in line with the internal reports submitted to the chief operating decision maker. The chief operating decision maker has been identified as the President.

Operating segments have been established on the basis of information dealt with by the Board of Directors and the President and used to make strategic decisions. The Board of Directors and the President assess operations mainly from a business area perspective, and therefore the segments consist of the Group's four business areas, which are described on pages 14-21. Apart from these there is a smaller operating segment under 'Other', where the main operations comprise Group-wide services.

The Board of Directors and the President assess the operating segments' performance on the basis of operating profit.

Operating segment assets refer to all non-current assets and current assets allocated by segment. Operating segment liabilities refer to all long-term and current liabilities allocated by segment.

Interest income and expenses are not allocated to the segments, since they are affected by measures taken by the central treasury, which handles the Group's cash liquidity.

Revenue

Revenue comprises the fair value of the consideration received or receivable for goods and services sold in the Group's operating activities. Revenue is reported exclusive of value added tax, returns and discounts and after elimination of sales within the Group.

Consultancy Services

The Group offers services at both fixed and variable prices. Revenue from services delivered is recognized in the period they are supplied. For fixed price contracts, the revenue is based on the percentage of the total contracted service delivered during the financial year when the customer receives and uses the services at the same time. This is determined on the basis of the actual cost incurred compared with the total expected cost of the contract. Estimates of revenue, costs or percentage of completion of projects are revised if circumstances change. Increases or decreases in assessed revenue or costs that depend on a changed estimate are recognized in the income statement in the period when the circumstances that caused the revision became known.

In fixed price contracts the customer pays the agreed price at agreed times of payment. If the services the Group has delivered exceed the payment, a contract asset is recognized in the item 'Trade receivables'. If payments exceed the services delivered, a contract liability is recognized in the item 'Trade and other payables'. If the contract is a cost plus contract based on an hourly rate, the revenue is recognized to the extent the Group has a right to invoice the customer. Customers are invoiced monthly, usually with a 30-day payment term. More information on the Group's Consultancy Services can be found in Note 4 and the Waste Management Technology, Fuel and Materials Technology and Decommissioning and Radiation Protection Services segments.

Software

Revenue for software developed by the Group is received through delivery of various separate performance obligations such as sale of goods, license revenue, maintenance agreements or contract revenue, which are all described on the next page.



NOTE 4 Segment reporting (cont.)

Financial year 2022	Fuel and Materials Technology	Waste Management Technology	Scandpower	Decommissioning and Radiation Protection Services	Other	Eliminations	Group
Sales revenue	322,896	73,126	135,296	292,775	14,408	-23,548	814,954
External sales revenue	320,485	73,075	127,251	291,734	2,229	-	814,774
EBITDA before non-recurring items	68,426	7,245	20,938	14,253	-10,418	-	100,445
Non-recurring items	4,457	-	-	-	-	-	4,457
Depreciation/amortization and impairment	-20,354	-1,316	-3,979	-3,976	-147	-	-29,771
Earnings from associated companies and joint ventures	-	-238	-	-	-	-	-238
Operating profit	52,530	5,692	16,959	10,278	-10,565	-	74,893
Net financial items							-10,784
Taxes							-16,239
Net profit/loss for the year							47,871
Holdings in associated companies and joint ventures	-	3,277	-	-	-	-	3,277
Other operating segment assets	511,727	172,583	192,587	256,856	309,675	-424,267	1,019,261
Total assets	511,727	175,860	192,587	256,856	309,675	-424,267	1,022,438
Operating segment liabilities	322,928	157,906	59,834	199,241	270,801	-424,267	586,443
Equity							435,996
Total equity and liabilities	322,928	157,906	59,834	199,241	270,801	-424,267	1,022,438
Investments	27,829	578	5,311	7,802	298	-	41,818
Average number of employees	154	9	42	308	7	-	520

Financial year 2021	Fuel and Materials Technology*	Waste Management Technology	Scandpower	Decommissioning and Radiation Protection Services	Other*	Eliminations*	Group
Sales revenue	310,447	64,343	103,378	329,536	16,651	-26,030	798,324
External sales revenue	308,142	64,302	95,171	329,536	1,174	-	798,325
EBITDA before non-recurring items	75,836	11,457	9,021	29,958	-26,903	-	99,365
Non-recurring items	-	-	-1,467	-	11,458	-	9,991
Depreciation/amortization and impairment	-18,571	-1,891	-3,523	-3,711	-1,729	-	-29,425
Earnings from associated companies and joint ventures	-	5,850	-	-	-	-	5,850
Operating profit	57,260	15,417	4,032	26,247	-17,174	-	85,781
Net financial items							-8,221
Taxes							-14,378
Net profit/loss for the year							63,182
Holdings in associated companies and joint ventures	-	4,224	-	-	-	-	4,224
Other operating segment assets	518,857	164,161	167,133	221,793	347,564	-487,243	932,265
Total assets	518,857	168,385	167,133	221,793	347,564	-487,243	936,489
Operating segment liabilities	351,047	147,746	69,330	175,880	292,442	-487,243	549,202
Equity							387,286
Total equity and liabilities	357,047	147,746	69,330	175,880	292,442	-487,243	936,487
Investments	52,753	800	1,276	3,713	0	-	58,542
Average number of employees	130	13	37	326	11	-	517

*Previously published figures for 2021 have been restated to reflect a move of operations from the Other business area to the Fuel and Materials Technology business area.

Sales of software are recognized in revenue when control of the products is transferred, which is when the software is delivered to the customer and there are no unfulfilled obligations that may affect the customer's approval of the software. A receivable is recognized when the software has been delivered, as this is the time at which payment becomes unconditional.

License revenues are classified as "right to use" licenses where control over the license is received by the customer directly at the time of sale and delivery and they are therefore recognized in revenue when the customer receives the license key.

Maintenance agreements are normally signed on an annual basis and as it is difficult to estimate when the maintenance will be supplied, these revenues are recognized on a straight-line basis over the period of the agreement. The deferred income is recognized as a contract liability in the item 'Other current liabilities'. Customers are

invoiced annually, usually with a 30-day payment term.

Contract revenue is offered at both fixed and variable prices and the Group treats these revenues in the same way as consultancy services (see description above). More information about the Group's software can be found above in Note 4 and the Scandpower segment.

When the value of a receivable is impaired, the Group reduces the carrying amount to the recoverable amount, which is the estimated future cash flow, discounted at the original effective interest rate for the instrument, and continues to reverse the discount effect as interest income. Interest income on impaired loans is recorded at the original effective interest rate.

Dividend income is recognized when the right to receive payment is established.

NOTE 4 Segment reporting (cont.)

External sales revenue based on the customer's country of location	2022		2021	
	SEK '000	Per cent	SEK '000	Per cent
Sweden	170,737	21.0	139,026	17.4
Germany	272,950	33.5	272,950	34.2
Rest of Europe	167,874	20.6	257,955	32.3
North America	75,110	9.2	52,511	6.6
Asia	105,859	13.0	72,562	9.1
All other countries	22,244	2.7	3,320	0.4
Total	814,774	100.0	798,324	100.0

In 2022 the Group had no customer that accounted for more than 10 per cent of total sales.

Non-current assets per country	2022		2021	
	SEK '000	Per cent	SEK '000	Per cent
Sweden	329,132	51.8	331,313	54.9
Germany	33,452	5.3	33,452	5.5
Rest of Europe	151,308	23.8	132,561	22.0
North America	118,452	18.7	101,863	16.9
Asia	2,737	0.4	3,851	0.6
Total	635,081	100.0	603,040	100.0

Remaining performance obligations

The table below shows unfulfilled performance obligations referring to long-term projects in the Fuel and Materials Technology segment. The table does not include revenue related to contracts invoiced on a cost plus basis or contracts with an expected maximum duration of one year.

Year	2023	2024	2025	2026	2027	2029 and later		Total
						2028		
SEK m	107	91	64	37	35	32	284	650

NOTE 5 Other operating income

Other income	2022	2021
Sale of property, plant and equipment	–	357
Government support related to COVID-19	–	19
Non-recurring items	4,457	15,457
Other	4,177	3,094
Total	8,634	18,927

Other gains	2022	2021
Other financial instruments at fair value through profit or loss		
Foreign exchange gains	5,153	1,520
Total	5,153	1,520

Non-recurring items amount to SEK 4,457 (15,457) thousand and consist of reversed provision for supplementary costs related to sale of land in Sweden in the previous year.

NOTE 6 Other operating expenses

Other costs	2022	2021
Sale of property, plant and equipment	–	1,444
Non-recurring items	–	5,467
Other	489	242
Total	489	7,153

Other losses	2022	2021
Other financial instruments at fair value through profit or loss		
Foreign exchange losses	5,807	3,135
Total	5,807	3,135

Non-recurring items amount to SEK –(5,467) thousand.

NOTE 7 Operating expenses by nature of expense

	2022	2021
Purchases of material and services	249,075	216,028
Personnel costs	448,672	465,206
Energy	15,529	14,456
Depreciation/amortization and impairment	29,772	29,437
Other costs	2,820	3,427
Total	745,868	728,554

NOTE 8 Remuneration of auditors

	2022	2021
<i>KPMG</i>		
– Audit assignments	2,415	1,777
– Audit business in addition to audit	34	345
– Tax consultancy	64	132
– Other services	83	20
Total	2,596	2,274
<i>PricewaterhouseCoopers</i>		
– Audit assignments	–	592
– Other services	–	229
Total	–	821

Other auditors	2022	2021
– Audit assignments	184	142
– Audit business in addition to audit	134	–
– Tax consultancy	935	350
– Other services	865	–
Total	2,118	492
Group total	4,714	3,587

Audit assignments refers to examination of the annual accounts, the accounting records and the administration by the Board of Directors and the President, other duties incumbent on the company's auditors, as well as advisory services and other types of support as a result of observations made through such an examination or performance of such duties. Other services consist mainly of fees referring to sale of the Waste Treatment operations.

The fees specified above refer to the following: KPMG Sverige, audit assignments SEK 2,415 (1,777) thousand. KPMG other services 181 (497).



NOTE 9 Employee benefits

Employee benefits	2022	2021
Salaries, benefits and other remuneration	343,191	371,329
Social security contributions	82,363	82,812
Pension costs – defined contribution plans	23,086	17,693
Pension costs – defined benefit plans	32	536
Total	448,672	472,370

Salaries and other remuneration distributed between board members and president as well as other employees	2022			2021		
	Board and President	Of which variable remuneration	Other employees	Board and President	Of which variable remuneration	Other employees
Parent company	6,353	1,346	2,443	4,442	0	6,320
Subsidiaries in Sweden	5,319	965	94,031	4,537	0	90,985
Subsidiaries abroad	2,763	–	232,282	2,797	249	274,024
Total, subsidiaries	8,082	2,311	326,313	7,334	249	365,009
Total for Group	14,435	2,311	328,756	11,776	249	371,329

Average number of employees	2022			2021		
	Men	Women	Total	Men	Women	Total
Parent company	1	2	3	1	1	2
Subsidiaries in Sweden	123	44	167	106	42	148
Subsidiaries abroad	311	39	350	317	50	367
– Germany	249	34	283	236	44	280
– United Kingdom	1	–	1	1	0	1
– USA	30	4	34	29	5	34
– Japan	1	–	1	1	0	1
– Switzerland	29	1	30	49	1	50
– China	1	–	1	1	0	1
Total, subsidiaries	434	83	517	423	92	515
Total for Group	435	85	520	424	93	517

Gender breakdown in the Group (including subsidiaries) for members of the Board and other senior management	2022		2021	
	Number on balance sheet date	Of which men	Number on balance sheet date	Of which men
Members of the Board of Directors	8*	5	7*	4
President and other senior management	6	6	6	5
Total for Group	14	11	13	9

For information on benefits to senior management, see the table below.

* The number of board members only refers to ordinary members.

Salaries and other benefits, 2022	Basic salary/ Board fee	Committee fee	Variable remuneration	Other benefits	Pension cost	Other remuneration	Total
<i>Chair of the Board</i>							
– Anders Ullberg	650	75	–	–	–	–	725
<i>Members of the board (6)</i>							
– Jan Barchan	225	–	–	–	–	–	225
– Anna Karinen	225	–	–	–	–	–	225
– Erik Strömquist	225	75	–	–	–	–	300
– Jan Bardell**	113	37	–	–	–	–	150
– Agneta Nestenborg	225	150	–	–	–	–	375
Employee representatives* (3)	–	–	–	–	–	–	–
President	2,998	–	1,346	102	1,223	–	5,669
Other senior management (6)	7,808	–	979	424	1,776	–	10,987
Total	12,469	337	2,325	526	2,999	–	18,656
Salaries and other benefits, 2021	Basic salary/ Board fee	Committee fee	Variable remuneration	Other benefits	Pension cost	Other remuneration	Total
<i>Chair of the Board</i>							
– Anders Ullberg	650	75	–	–	–	–	725
<i>Members of the board (6)</i>							
– Jan Barchan	225	–	–	–	–	–	225
– Anna Karinen	225	–	–	–	–	–	225
– Erik Strömquist	113	38	–	–	–	–	150
– Jan Bardell**	113	75	–	–	–	–	188
– Agneta Nestenborg	225	112	–	–	–	–	337
Employee representatives* (3)	–	–	–	–	–	–	–
President	2,945	–	705	99	808	0	4,557
Other senior management (6)	8,446	–	1,971	375	1,278	0	12,070
Total	12,941	300	2,676	474	2,086	0	18,477

* Two ordinary members and one alternate **Elected on April 26, 2022***Resigned on June 23 2021****Elected on June 23 2021

NOTE 9 Employee benefits (cont.)

Remuneration to the Board of Directors and other senior management	2022	2021
<i>Parent company</i>		
Salaries, benefits and other remuneration	8,202	6,883
– Of which variable remuneration	1,491	705
Pensions	1,781	1,004
Number of persons	8	7
<i>Subsidiaries</i>		
Salaries, benefits and other remuneration	8,934	10,417
– Of which variable remuneration	979	1,971
Pensions	1,776	1,082
Number of persons	5	5
<i>Group</i>		
Salaries, benefits and other remuneration	17,135	17,300
– Of which variable remuneration	2,470	2,676
Pensions	3,556	2,086
Number of persons	13	12

Principles

In 2022 the members of the Board of Directors did not receive any remuneration in addition to Board and Committee fees.

Variable remuneration

The President has the right to variable remuneration. The forms of the variable salary component are established annually. Variable remuneration amounts to SEK 1,491 thousand in 2022. The variable salary component for other senior management for 2022 is based on outcomes related to individually specified targets at both Group and unit level. For 100 per cent target fulfillment in all parameters a variable salary component is payable of 30 per cent of the basic salary.

Other benefits and remuneration

Other benefits reported are company car, meal subsidies and other benefits such as health care. Other remuneration consists of severance pay.

Financial instruments

Under current employment contracts there are no share based payments.

Pension

The pensionable age of the President is 65 years. Apart from statutory national pension she has a defined contribution pension plan to which the company pays in a monthly pension premium equivalent to 30 per cent of fixed monthly salary. For other members of the Executive Group Management a pension is payable as a rule from the age of 65. Swedish members of the Executive Group Management are included in the ITP plan and have a defined contribution pension of a maximum of 35 per cent of fixed salary. National defined contribution plans apply to Executive Group Management members outside Sweden.

Termination and severance pay

The President's period of notice is 6 months for his own termination of employment and 12 months for termination by the company. In the case of termination of employment by the company, salary is payable during the period of notice as well as an additional monthly severance payment for 9 months after termination of employment, though no longer than until retirement age. The monthly severance payment will be equivalent to the fixed monthly salary received during the period of notice. Deduction is made for any salary from a new employer. For other members of the group executive management, the main rule is that the period of notice is 6 months when employment is terminated by the employee and 6 months when terminated by the company. In the case of termination of employment by the company, salary is payable during the period of notice as well as an additional severance payment of up to 6 months' salary.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy or in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates, a) when the Group can no longer withdraw the offer of those benefits, and b) when the company recognizes the costs for a restructuring within the scope of IAS 37 that includes the payment of termination benefits. In cases where the company has made an offer to encourage voluntary redundancy, the termination benefits are calculated on the basis of the number of employees expected to accept the offer.

Profit sharing and variable salary components

The Group recognizes a liability and an expense for variable salary and profit-sharing, based on a formula that takes into consideration the profit that can be attributed to the parent company's shareholders after certain adjustments. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

NOTE 10 Financial income and expense

Interest income is recognized on a time-proportion basis using the effective interest method.

	2022	2021
<i>Financial income</i>		
Current bank balances	–	2
Foreign exchange differences	2,704	171
Other financial income	1,298	–
Total	4,002	173
	2022	2021
<i>Financial expense</i>		
Interest expense, borrowings from credit institutions	–5,737	–7,107
Foreign exchange differences	–1,204	–19
Other financial expense	–7,845	–1,268
Total	–14,786	–8,394
Net financial items	–10,784	–8,221

NOTE 11 Income tax

Tax expense for the period includes current and deferred tax. Tax is reported in the income statement, except when the tax refers to items recognized in other comprehensive income or directly in equity. In that case the tax is also recorded in other comprehensive income and equity respectively.

The current tax expense is calculated on the basis of the tax laws that have been enacted or substantively enacted on the balance sheet date in the countries in which the parent company's subsidiaries and associated companies operate and generate taxable revenues. The management regularly assesses claims made in tax returns for situations where applicable tax rules are subject to interpretation and, where deemed appropriate, makes provision for amounts that will probably have to be paid to the tax authorities.

Deferred tax is recognized in its entirety, using the balance sheet method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated accounts. However, the deferred tax is not recognized if it arises as a consequence of a transaction constituting the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting profit nor taxable profit. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized to the extent it is probable that future taxable profit will be available against which the temporary differences can be applied.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to settle current tax liabilities and assets on a net basis.

	2022	2021
<i>Current tax</i>		
Current tax on profit for the year	–11,570	–8,935
Adjustment for previous years	–	–130
Total	–11,570	–9,065
<i>Deferred tax</i>		
Origination and reversal of temporary differences	–4,669	–5,313
Total	–4,669	–5,313
Total income tax	–16,239	–14,378



NOTE 11 Income tax (cont.)

The Swedish income tax rate is 20.6 (20.6) per cent. The income tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate for profits of the consolidated companies as follows.

	2022	2021
Profit/loss before tax	64,110	77,560
Tax at current tax rate for the parent company	-13,207	-15,977
Non-taxable revenue	3,344	113
Non-deductible expenses	-215	-139
Effect of different tax rates for foreign subsidiaries	-5,376	-2,601
Tax attributable to previous years	-4,388	-130
Utilization of non-capitalized tax loss carry forwards	2,803	4,448
Revaluation of deferred tax assets	-	-
Other	800	-92
Effective tax	-16,239	-14,378

The effective tax rate was 25.3 (18.5) per cent. The revaluation of deferred tax assets includes revaluation to new tax rate as well as new assessment concerning the potential utilization of tax loss carry-forwards.

Other comprehensive income only includes tax effects on cash flow hedges and on December 31 these were SEK - (-) thousand. Other comprehensive income also includes translation differences when translating foreign operations, where no tax effect is to be taken into account.

Deferred tax

Deferred tax assets and tax liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax refers to the same tax authority.

Offset amounts	2022	2021	
<i>Deferred tax assets</i>			
Deferred tax assets to be utilized after more than 12 months	82,226	73,274	
Deferred tax assets to be utilized within 12 months	6,337	12,329	
Total	88,563	85,603	
<i>Deferred tax liabilities</i>			
Deferred tax liabilities to be paid after more than 12 months	37,063	34,065	
Deferred tax liabilities to be paid within 12 months	2,901	2,664	
Total	39,964	36,729	
Deferred tax assets	Tax losses	Other	Total
As at January 1, 2021	76,790	4,245	81,035
Recognized in the income statement	-3,805	845	-2,960
Reposting to current tax	-	-	-
Reclassifications	-	1,797	1,797
Foreign exchange differences	5,730	-	5,730
As at December, 31 2021	78,715	6,887	85,603
Recognized in the income statement	-4,773	-	-4,773
Reposting to current tax	-	-	-
Reclassifications	-	-2,565	-2,565
Foreign exchange differences	10,295	-	10,323
As at December, 31 2022	84,234	4,325	88,563
Deferred tax liabilities	Accelerated tax depreciation	Other*	Total
As at January 1, 2021	-	33,631	33,631
Recognized in the income statement	-	2,353	2,353
Reclassifications	-	-	-
Exchange differences	-	745	745
As at December, 31 2021	-	36,729	36,729
Recognized in the income statement	-	-127	-127
Exchange differences	-	3,362	3,362
As at December, 31 2022	-	39,964	39,964

* Other deferred tax liabilities include deferred tax of SEK 39.9 (36.7) million referring to temporary differences from goodwill in the German operations. Deferred tax assets are recognized for tax loss carry forwards to the extent that the realization of the related tax benefit through the future taxable profits is probable. Most of the Group's tax loss carry forwards are related to the US and UK operations. They amount to a total of USD 94.4 (103.9) million, which restated at the balance sheet rate is SEK 955.1 (891.1) million, to be utilized within a 20-year period in the USA, and GBP 8.4 (8.6) million in the United Kingdom, which restated at the balance sheet rate is SEK 105.3 (102.0) million, where there is no time limit on the right to apply tax loss carry forwards. Apart from these, the Group has tax loss carry forwards in Germany of EUR 6.6 (6.6) million, which restated at the balance sheet rate amount to SEK 70.2 (66.9) million, and in Sweden of SEK 0 (26.5) million. The Group's recognized deferred tax assets include in the USA SEK 67.4 (58.4) million, in Sweden SEK 4.9 (13.5) million and SEK 16.3 (13.7) million in Germany.

NOTE 12 Earnings per share

There were no unconverted share options or convertible debt instruments in issue on the balance sheet date.

	2022	2021
Net profit/loss for the year	47,871	63,182
Average number of outstanding shares	8,218,611	8,218,611
Earnings per share before dilution (SEK per share)	5.82	7.69

NOTE 14 Property, plant and equipment

Property, plant and equipment is recorded at historical cost less depreciation. The Group applies depreciation of components, where each part of an item of property, plant and equipment with a cost of acquisition that is significant in relation to the total cost of the item is to be depreciated separately. The cost of acquisition includes expenses directly attributable to the acquisition of the asset. Expenditure for dismantling and restoration is added to the cost of acquisition and reported as a separate component. Dismantling and restoration costs during the useful life of the asset are calculated annually on the basis of the evaluation made on each date of estimate. Any adjustments of the future costs adjust the cost of acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount for the replaced part is removed from the balance sheet. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

	Buildings and land	Plant and machinery	Equipment and tools	Construction in progress and advance payments for property, plant and equipment	Total
January 1 – December 31, 2021					
Opening book value	41,854	59,504	17,807	15,385	134,550
Foreign exchange differences	480	14	82	–	576
Investments	38,008	21,981	1,473	32,220	93,682
Redistributions	399	9,464	72	–9,935	–
Disposals and retirements	–1,827	–278	–256	–	–2,361
Depreciation/amortization	–8,198	–14,905	–4,047	–	–27,150
Closing book value	70,717	75,779	15,131	37,670	199,297
As at December, 31 2021					
Cost of acquisition	103,950	197,026	91,102	37,670	429,748
Accumulated depreciation and impairment	–33,233	–121,247	–75,971	–	–230,451
Book value	70,717	75,779	15,131	37,670	199,297
January 1 – December 31, 2022					
Opening book value	70,717	75,779	15,131	37,670	199,297
Foreign exchange differences	170	200	282	–	652
Investments	10,407	9,946	6,564	14,713	41,630
Redistributions	–,156	11,953	10,659	–22,456	–
Disposals and retirements	–2,432	703	–22	–	–1,751
Depreciation/amortization	–7,801	–16,736	–4,185	–	–28,722
Closing book value	70,904	81,845	28,428	29,927	211,105
As at December 31, 2022					
Cost of acquisition	114,086	219,354	112,008	29,927	475,375
Accumulated depreciation and impairment	–43,181	–137,509	–83,580	–	–264,270
Book value	70,904	81,845	28,428	29,927	211,105

Depreciation includes SEK 21,643 (20,156) thousand in cost of services sold, SEK 92 (113) thousand in selling and marketing costs, SEK 6,936 (6,822) thousand in administrative expenses and SEK 51 (60) thousand in research and development costs. The value of leases capitalized as property, plant and equipment is presented in Note 30.

NOTE 13 Distribution of profit and dividend**Proposed distribution of profit**

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

Non-restricted equity	71,078,450
- of which retained earnings	52,182,754
- of which profit for the year	18,895,696

For 2022 the Board of Directors proposes a dividend of SEK 2.00 per share.

At the disposal of the Annual General Meeting:	71,078,450
Dividend	–16,437,222

To be carried forward **54,641,228**

Dividend distribution to the parent company's shareholders is recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the parent company's shareholders.

Dividends paid amounted to SEK 2 (1) per share. At the Annual General Meeting on April 24, 2023 it will be proposed that dividend of SEK 2 per share be distributed for the 2022 financial year.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives as follows:

- Buildings and land improvements 20–50 years
- Plant and machinery 3–20 years
- Equipment and tools 3–20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing sales proceeds with the carrying amount and are recorded under 'Other operating income' and 'Other operating expenses' in the income statement.

Capital expenditure contracted for at the balance sheet date but not yet recognized in the financial statements amounts to – (1,200).



NOTE 15 Intangible assets

Goodwill

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill that is disclosed separately is tested annually for impairment and recognized at cost less accumulated impairment losses. Goodwill impairment loss is not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units, i.e. business areas, when tested for any impairment. Allocation is to the cash-generating units or groups of cash-generating units that are expected to benefit from the business combination giving rise to the goodwill item.

Patent

The majority of Studsvik's patents refer to methods and techniques for treatment of radioactive waste. These capitalized costs are amortized over the estimated useful life (normally 15 years).

Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These capitalized costs are amortized over the estimated useful life (normally 10 years).

Costs associated with developing or maintaining computer software are recognized as an expense as incurred.

Development costs for software recognized as an asset are amortized over the estimated useful life.

Contractual customer relations and similar rights

Contractual customer relations and similar rights consist mainly of customer relations and contracts as well as some tenancy rights. Documents to verify their capitalization could be business plans, budgets or the company's assessments of future outcomes. An individual assessment is made for each item. Amortization starts when the asset is ready for use and subsequently continues over the estimated useful life. Contractual customer relations are amortized over 15 years. The amortization period for other rights varies.

IMPAIRMENT LOSSES ON NON-FINANCIAL ASSETS

Assets that have an indefinite useful life, such as goodwill, are not subject to amortization and are tested annually for impairment. Assets that are subject to depreciation/amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less selling costs and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Assets other than financial assets and goodwill for which an impairment loss has previously been recognized, are tested to establish if any reversal should be made.

	Goodwill	Patents	Software rights	Contractual customer relations and similar rights	Total
January 1 – December 31, 2021					
Opening book value	176,641	4,022	3,558	246	184,467
Foreign exchange differences	7,693	394	16	-11	8,092
Investments	-	444	72	-	516
Redistributions	-	-	-1,033	-	-1,033
Depreciation/amortization	-	-429	-1,846	-	-2,275
Closing book value	184,334	4,431	766	235	189,767
Cost of acquisition					
Accumulated depreciation and impairment	217,581	11,343	6,157	15,938	251,019
Book value	-33,247	-6,922	-5,380	-15,703	-61,252
Bokfört värde	184,334	4,421	777	235	189,767

	Goodwill	Patents	Software rights	Contractual customer relations and similar rights	Total
January 1 – December 31, 2022					
Opening book value	184,334	4,421	777	235	189,767
Foreign exchange differences	17,148	661	46	17	17,872
Investments	-	188	-	-	188
Redistributions	-	-	-	-	-
Depreciation/amortization	-	-688	-277	-85	-1,050
Closing book value	201,482	4,582	546	167	206,778
As at December, 31 2022					
Cost of acquisition	237,655	12,782	6,680	17,341	274,458
Accumulated depreciation and impairment	-36,172	-8,199	-6,134	-17,174	-67,679
Book value	201,482	4,582	546	167	206,778

Contractual customer relations and similar rights consist mainly of customer relations/contracts as well as some tenancy rights. Amortization of SEK 1,050 (2,275) thousand is included in 'Cost of services sold' in the income statement.

Impairment tests for goodwill

Goodwill is allocated to the Group's cash generating units, which correspond to identified segments. The Group's goodwill was reallocated in 2021 to better reflect how it arose in connection with two acquisitions. After this change, goodwill exists in both Waste Management Technology and Decommissioning and Radiation Protection Services. A segment level summary of the goodwill allocation is presented below.

	2022	2021
Waste Management Technology	67,789	61,451
Decommissioning and Radiation Protection Services	133,694	122,883
Total	201,482	184,334

Goodwill is tested annually, or when there is an indication of impairment loss, to identify any impairment. Acquired operations are integrated with other operations after acquisition. Impairment testing is therefore carried out at segment level. The segments are identified as cash generating units.

The cash-generating units' recoverable amount is based on value in use. These values are based on estimated future cash flows based on business plans approved by the Board of Directors for the next five years. The management has established the budgeted gross margin on the basis of previous earnings and its expectations concerning market developments. The rate of growth is estimated for each cash-generating unit on the basis of market position and development. Cash flows beyond the five-year period are extrapolated with an estimated annual rate of growth. A weighted cost of capital for borrowed capital and equity is applied as the discount rate, as presented below.

Material assumptions used for calculating value in use:

	Gross margin %	Rate of growth after year 5, %	Discount rate, %
Decommissioning and Radiation Protection Services 2022	8,6	2,0	9,2
Decommissioning and Radiation Protection Services 2021	10,2	2,0	9,8
Waste Management Technology 2022	34,0	2,0	10,0
Waste Management Technology 2021	29,9	2,0	10,5

The cost of borrowed capital has been determined individually for each segment, thereby taking into consideration differences in market rates between the markets in which the various units operate. The cost of equity is calculated as the return on risk-free investments for each segment, plus a market risk premium. The weighted cost of capital used in calculating the recoverable amount is 11,8 (14) per cent before tax. Based on the assumptions and estimates made, there is no impairment loss on goodwill. Studsvik has also assessed the sensitivity of value in use to unfavorable changes in the most important assumptions concerning cash flows and discount rate. There are no other specific circumstances that have affected impairment testing.

NOTE 15 Intangible assets (cont.)**Sensitivity analysis**

Sensitivity analysis of the calculations for value in use was carried out for one assumption at a time. The recoverable amount for each cash generating unit would be the same as the carrying amount if the major assumptions were changed as follows:

Waste Management Technology	2022		2021	
	Från	Till	Från	Till
Gross margin %	34	12	30	5
Growth rate after year 5, %	2	-95	2	-148
Discount rate, %	10	25	11	33

Decommissioning and Radiation Protection Services	2022		2021	
	Från	Till	Från	Till
Gross margin %	9	4	10	4
Growth rate after year 5, %	2	-12	2	-18
Discount rate, %	9	16	10	20

NOTE 16 Interests in joint ventures

	2022	2021
As at January 1	4,224	5,125
Share in earnings	-238	-226
Disposal	-	8,623
Dividend received from joint venture	-	-9,029
Foreign exchange differences	-709	-269
Reclassifications	-	-

As at December 31 **3,277** **4,224**

The Group's share in earnings of the joint ventures in which the company has interests, all of which are unlisted, and its share of assets (including goodwill and liabilities) is as follows.

2022		Non-current assets	Current assets	Current liabilities	Net assets	Revenue	Result	Participating interest
THOR Treatment Technologies, LLC	USA	-	679	1	678	-	-18	50
KOBELCO STUDSVIK Co., Ltd	Japan	5,718	4,035	150	9,604	-	-77	49
Total		5,718	4,714	150	10,282	-	-95	

2021		Non-current assets	Current assets	Current liabilities	Net assets	Revenue	Result	Participating interest
THOR Treatment Technologies, LLC	USA	-	607	201	407	-	-	50
KOBELCO STUDSVIK Co., Ltd	Japan	6,046	3,927	212	9,761	-	-308	49
Total		6,046	4,534	412	10,167	-	-308	

THOR Treatment Technologies, LLC (TTT), is a joint venture where Studsvik is a co-owner under a cooperation agreement on joint control. TTT conducts waste treatment operations on the US federal waste market. KOBELCO STUDSVIK Co., Ltd is a joint venture in Japan, focusing on design of facilities for treatment of Japanese radioactive waste.

Obligations and contingent liabilities

The Group has an obligation to contribute capital to TTT if necessary. The Group has no obligations regarding KOBELCO STUDSVIK Co., Ltd.



NOTE 17 Trade receivables

Studsvik recognizes trade receivables at amortized cost adjusted for credit risks. The reported credit risk reserve consists of both incurred credit losses and expected credit losses. A credit loss has occurred when a default event has taken place. An expected credit risk reserve arises in turn, however, based on assumptions about the future macroeconomic development in the customers' respective markets, that is, on possible default events. In these cases no event has yet taken place to give rise to a provision. In that case the loss risk reserve reflects the expected future credit losses. Impairment loss on trade receivables is recognized separately in the income statement.

	2022	2021
Trade receivables	157,132	129,177
Less – Provision for impairment of receivables	–234	–269
Trade receivables – net	156,898	128,908

As at December 31, 2022 overdue trade receivables amounted to SEK 23,231 (108,347) thousand. These refer to a number of independent customers who have not had payment difficulties in the past. The Group applies the simplified method for calculating expected credit losses. The method means that expected losses during the entire life of the claim are used as the basis for trade receivables and contract assets. The expected credit loss levels are based on the customers' payment history. An age analysis of these trade receivables and contract assets is given below:

December 31, 2022	Not past due	Up to 3 months overdue	3-6 months overdue	More than 6 months overdue	Total
Expected loss level in %	0%	1%	0%	0%	
Carrying amount trade receivables gross	133,707	23,231	–	–	157,132
Carrying amount, contract assets, gross	52,141	–	–	–	52,141
Credit loss reserve	–	234	–	–	234

January 1 2022	Not past due	Up to 3 months overdue	3-6 months overdue	More than 6 months overdue	Total
Expected loss level in %	0%	0%	0%	0%	
Carrying amount trade receivables gross	20,830	108,347	–	–	129,177
Carrying amount, contract assets, gross	43,602	–	–	–	43,602
Credit loss reserve	–	269	–	–	269

The reserve for doubtful receivables amounted to SEK 234 (269) thousand as at December 31, 2022.

Changes in the reserve for doubtful receivables:

	2022	2021
As at January 1	–269	–17,683
Foreign exchange difference	35	16
Provision for doubtful receivables	–	–1,838
Receivables written off	–	18,080
Unused amounts reversed	–	1,156
As at December 31	–234	–269

Amounts stated in the depreciation account are normally written off when the Group is not expected to recover further cash funds. There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers, internationally dispersed. There was an impairment loss on an unreserved trade receivable of SEK -1,265 thousand in 2022.

NOTE 18 Other long-term receivables

	2022	2021
Studsvik fund	33,224	37,866
Nuclear waste fund	39,591	33,662
Other long-term receivables	11,593	11,857
Total	84,408	83,388

NOTE 19 Other current receivables

	2022	2021
Contract assets	52,141	43,602
Tax assets	4,551	5,345
Other receivables	16,421	14,778
Total	73,113	63,725

NOTE 20 Prepaid expenses and accrued income

	2022	2021
Accrued income	19,064	8,649
Prepaid rent	3,431	2,122
Prepaid insurance premiums	1,640	2,001
Other prepaid expenses	4,592	3,714
Total	28,727	16,486

NOTE 21 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads. Borrowing costs are not included. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

	2022	2021
Finished goods	8,506	15,926
Total	8,506	15,926

The expensed expenditure for inventories is included under the item 'Cost of services sold' and amounts to SEK 9,863 (612) thousand.

NOTE 22 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, bank balances and other short-term liquid investments with original maturities of three months or less of the date of acquisition.

	2022	2021
Current investments	2,593	2,864
Cash and bank balances	117,490	105,539
Total	120,083	108,403

NOTE 23 Other liabilities

Of liabilities referring to contract liabilities existing at the close of 2021, SEK 54 million was recognized in revenue in 2022.

	2022	2021
Contract liabilities	82,955	80,981
Social security and other taxes	9,452	9,251
Other liabilities	36,344	38,299
Total	128,751	128,531

NOTE 24 Accrued expenses and prepaid income

	2022	2021
Deferred income	1,989	1,632
Accrued wages and salaries	32,320	38,865
Accrued materials, consulting and service costs	21,384	18,523
Accrued audit fees	834	1,636
Other items	11,042	2,696
Total	67,569	63,352

NOTE 25 Borrowing

Borrowings are initially recognized at fair value, net after transaction costs. Subsequent measurement is at amortized cost.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

	2022	2021
Long term portion		
Bank loans	62,275	42,500
Total	62,275	42,500
Current portion		
Bank loans	38,934	21,015
Total	38,934	21,015
Total borrowing	101,209	63,515

The bank loans mature in their entirety on April 2, 2024 and June 30, 2026.

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the balance sheet date are as follows

	2022	2021
0–6 months	101 209	63 515
6–12 months	–	–
1–5 years	–	–
More than 5 years	–	–
Total borrowing	101 209	63 515

Shares in Studsvik Nuclear AB and Studsvik Scandpower AB and a corporate mortgage of SEK 125 million have been put up as collateral for the Group's bank loans and credit facilities.

Carrying amounts and fair value for non-current borrowing are presented below. The loans are at level 2 of the fair value hierarchy.

Maturities of borrowings	Fair value		Carrying amount	
	2022	2021	2022	2021
Less than 1 year	38,934	21,015	38,934	21,015
Between 1 and 2 years	40,500	2,000	40,500	2,000
Between 2 and 5 years	21,775	40,500	21,775	40,500
More than 5 years	–	–	–	–
Total	101,209	63,515	101,209	63,515

Carrying amounts, per currency, of the Group's borrowings

	2022	2021
SEK	101,209	63,515
Total	101,209	63,515

The Group has the following unutilized credit facilities

	2022	2021
Variable interest rate		
– Matures within one year	63,066	80,985
Total	63,066	80,985

The lines of credit that mature within one year are one-year credit facilities that will be reviewed on varying dates in 2023.

Average effective interest rate on balance sheet date, bank loans

	2022	2021
SEK	3.89 %	2.72 %

NOTE 26 Pension obligations

The Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, in which the payments are determined on the basis of periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate legal entity. The Group has no legal or constructive obligation to pay further contributions if this legal entity does not have sufficient assets to pay all employee benefits associated with the employees' service in the current or prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. It is characteristic of defined benefit plans that they define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses as a result of experience adjustments and changes in actuarial assumptions are reported in other comprehensive income in the period in which they arise. Past service costs are recognized directly in the income statement.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that cash refund or a reduction in the future payments is available to the Group.

Defined benefit pension plans

There are a few defined benefit pension plans within the Group, which are primarily based on final salary. The largest of the plans is in Germany. Other pension obligations, which also exist in Germany and Japan, have not been regarded as having any material effect and have not been subject to actuarial calculation.

Pension insurance with Alecta

Commitments for old-age pension and family pension for employees in Sweden are safeguarded through insurance with Alecta. According to a statement by the Swedish Financial Reporting Board, UFR 10, this is a defined benefit plan covering several employers. For the 2022 financial year the Group has not had access to such information as will make it possible to report this plan as a defined benefit plan. The pension plan under ITP, which is vested through insurance with Alecta, is therefore reported as a defined contribution plan. The year's contributions for pension insurance taken out with Alecta amount to SEK 3,848 (4,033) thousand. Alecta's surplus can be distributed to the policy holders and/or the insured. At the end of 2022 Alecta's surplus in the form of a collective solvency level was 172 (172) per cent. The collective solvency level comprises the market value of Alecta's assets as a percentage of its insurance commitments calculated in accordance with Alecta's actuarial assumptions, which do not comply with IAS 19.

	2022	2021
<i>Obligations in the balance sheet for</i>		
Pension benefits	10,262	10,005
<i>Recognition in the income statement for (Note 9)</i>		
Pension costs	23,118	17,917

Amounts recognized in the balance sheet

	2022	2021
Present value of unfunded obligations	10,262	10,005
Total	10,262	10,005

Amounts recognized in the income statement

	2022	2021
<i>Defined benefit plans</i>		
Interest expense	32	0
Total	32	0

Of the total cost, SEK – (–) thousand was included in the items 'Cost of goods sold' and 'Administrative expenses'.



NOTE 26 Pension obligations (cont.)

Changes in the liability recognized in the consolidated balance sheet	2022	2021
At the start of the year	10,005	10,120
Translation differences	481	468
Total expense recognized in the income statement	32	0
Contributions paid	-256	-583
At the end of the year	10,262	10,005
Total pension costs recognized in the consolidated income statement	2022	2021
Total costs for defined benefit plans	32	0
Total costs for defined contribution plans	19,491	13,833
Costs of special employer's contribution and tax on returns from pension funds	3,595	4,084
Total	23,118	17,917
Actuarial assumptions	2022	2021
Discount rate	3.5 %	0.9 %
Future salary increases	0.0 %	0.0 %
Future pension increases	2.0 %	1.0 %

NOTE 27 Provisions

Provisions for environmental restoration measures, future waste management costs, restructuring costs and other legal requirements are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is more probable than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. No provision has been made for future operating losses.

If there are a number of similar obligations, the probability that an outflow of resources will be required to settle the obligations will be assessed overall for the entire group of obligations. A provision is reported even if the probability of an outflow for a particular item in this group of obligations is minor.

	Future waste management costs	Provision for decommissioning	Other provisions	Total
As at January 1, 2022	70,930	84,636	4,732	160,297
Recognized as expense in the consolidated income statement				
- Additional provisions	8,929	2,894	-	11,823
- Reversed provisions	-4,924	-	-4,492	-9,416
- Indexation	4,941	-	-	4,941
Capitalized as non-current asset	-	-	-	-
Amount utilized during the period	-6,496	-12,415	-	-18,911
As at December 31, 2022	73,380	75,115	240	148,735
Long term portion	66,823	75,115	-	142,178
Current portion	6,557	-	240	6,557
Total	73,380	75,115	240	148,735
	Future waste management costs	Provision for decommissioning	Other provisions	Total
As at January 1, 2021	70,081	-	240	70,320
Recognized as expense in the consolidated income statement				
- Additional provisions	5,935	-	4,492	10,427
- Reversed provisions	-4,984	-	-	-4,984
Capitalized as non-current asset	-	84,636	-	84,636
Transfers	7,310	-	-	7,310
Amount utilized during the period	-7,412	-	-	-7,412
As at December, 31 2021	70,930	84,636	4,732	160,297
Long term portion	64,612	87,190	-	151,802
Current portion	6,317	-2,554	4,732	8,495
Total	70,930	84,636	4,732	160,297

NOTE 27 Other provisions (cont.)

The Group's operations generate nuclear waste and radioactive waste which must be sent for final disposal within the framework of the systems and rules in force in the countries in which Studsvik carries on operations in its own production facilities. Provisions are made for operational waste, spent reactor fuel and also to some extent for decommissioning of facilities and the resulting decommissioning waste. The main part of the costs of decommissioning of and decommissioning waste from the Group's Swedish nuclear facilities is financed under the provisions of the Act 2006:647. Fees paid in are administered by the Nuclear Waste Fund. The Group's total payments to the Nuclear Waste Fund amount to SEK 39,591 (23,378) thousand and are recorded under other receivables, see Note 18. Funds for decommissioning and waste management may be withdrawn from the Fund by Studsvik, which holds the nuclear permit for the facilities in question. Studsvik's responsibility for decommissioning and waste management is limited to the buildings held by the company today. As regards operational waste, Studsvik bears the responsibility for waste arising from the company's own operations after June 30, 1991. Studsvik estimates these commitments on a current basis and provision is made for them.

Future waste management costs

Future waste management costs cover provisions for operational waste and spent reactor fuel. Costs to SKB for operational waste arising before January 1, 2016, including accrued expenses, are indexed taking into account changes in the consumer price index under 2.1.6 annex 1 in the SKB agreement. Of the total provisions of SEK 73.4 million, SEK 6.6 million is expected to be utilized in 2023 and the rest is expected to be utilized successively and at the earliest starting in 2024.

Provision for decommissioning

The provisions cover future costs for decommissioning and management of waste in connection with the decommissioning of the Studsvik facility. Of the total provisions of SEK 75.1 million, SEK 0 million is expected to be utilized in 2023. The remaining part of the provisions is expected to be utilized only in connection with decommissioning operations.

Other provisions

Other provisions include a reversal of previous recording of additional costs of decontamination of land that did not arise.

NOTE 28 Cash flow

Non-cash items	2022	2021	
Depreciation/amortization	29,772	29,425	
Impairment losses on property, plant and equipment	1,657	-	
Proceeds from sale of property, plant and equipment	-	-15,950	
Acquired minority share	-18,706	-	
Share in earnings from associated companies	238	-5,850	
Revaluation of financial holdings	5,589	526	
Other changes in provisions	-18,892	-474	
Total	-342	7,677	
Reconciliation of items included in financing activities	Bank loans	Leases	Total
Liabilities as at January 1, 2021	99,957	12,789	112,746
Cash flow	-36,442	-6,950	-43,392
Acquisitions - leases		5,548	5,548
Foreign exchange differences		263	263
Liabilities as at December 31, 2021	63,515	11,650	75,165
Liabilities as at January 1, 2022	63,515	11,650	75,165
Cash flow	37,694	-4,795	32,899
Acquisitions - leases		13,571	13,571
Foreign exchange differences		9	9
Liabilities as at December 31, 2022	101,209	20,435	121,644

NOTE 29 Contingent liabilities and pledged assets

The Group has contingent liabilities in respect of bank guarantees and other guarantees as well as other items arising in the normal course of business. No material liabilities are expected to arise through these contingent liabilities. In connection with license renewal, Studsvik Nuclear AB has been enjoined to issue further guarantees concerning nuclear shipments. The size of these guarantees is currently under discussion with the Swedish Radiation Safety Authority and has not yet been determined, and therefore has not been included in this annual report. In the normal course of business the Group has issued guarantees amounting to SEK 48,315 (43,910) thousand to third parties. No payments are expected as at the date of these financial statements.

Pledged assets	2022	2021
Real estate mortgage	40,000	40,000
Corporate mortgage	125,000	100,000
Shares in subsidiaries	562,826	491,713
Total	727,826	631,713

NOTE 30 Rights of use

IFRS 16 Leases means that lessees must recognize all contracts that meet the definition of a lease as right-of-use assets and financial liabilities in the statement of financial position. The Group's companies lease various offices, machinery and vehicles. Leases may include both lease and non-lease components and Studsvik has decided to only take into account lease components in their rights-of-use. The right of use is initially recognized at cost of acquisition and in subsequent reporting periods at cost of acquisition less accumulated depreciation and impairment. The lease liability is recognized initially at the present value of future lease payments discounted at the incremental borrowing rate. In subsequent accounting the lease liability will be adjusted for interest and lease charges paid, as well as changes in the lease, such as extension clauses. Payments for short-term leases and leases of low value are expensed on a straight-line basis in the income statement. Short-term leases have a lease term of less than 12 months and low value leases are valued at less than USD 5,000.

When determining the value of the rights of use and lease liability, the most significant assumptions are as follows:

- The lease payments have been discounted at the incremental borrowing rate. The same discount rate has been used for rights of use with similar characteristics. Studsvik has used the incremental borrowing rate, which reflects the interest rate received from the Group's credit institution.
- Options to extend and terminate leases have been taken into account for leases where it is reasonably certain that they will be exercised. When determining the lease term, the Group takes into account available information that gives an economic incentive to exercise an option to extend. The majority of the options to extend that refer to office premises and vehicles have not been included in the lease liability, as Studsvik can replace the rights of use without significant costs or business disruptions.
- Historical information has been used in assessing a lease term in the cases where there are options to extend or terminate a lease.

COMMITMENTS REGARDING LEASES

Lease expenses for the year amounted to SEK 5,731 (9,287) thousand.

LEASES

Carrying amounts on the balance sheet

Right of use assets	2022	2021
Land and buildings	8,413	2,923
Plant and machinery	12,538	9,490
Total	20,950	12,413
Lease liabilities	2022	2021
Current	7,998	6,973
Non-current	12,437	4,676
Total	20,435	11,650

Lease liabilities are recognized in the balance sheet under the Item 'Trade and other payables'. Additional rights of use in 2022 amounted to SEK 16,954 (8,950) thousand, which mainly refers to new premises and vehicles.

NOTE 30 Rights of use (cont.)

	Land and buildings	Plant and machinery	Total
January 1 – December 31, 2021			
Opening book value	8,444	5,110	13,554
Foreign exchange differences	307	19	326
Investments	724	8,226	8,950
Disposals and retirements	-1,686	-122	-1,808
Depreciation/amortization	-4,866	-3,743	-8,608
Closing book value	2,923	9,490	12,413
	Land and buildings	Plant and machinery	Total
January 1 – December 31, 2022			
Opening book value	2,923	9,490	12,413
Foreign exchange differences	3,106	165	3,271
Investments	9,698	7,256	16,954
Disposals and retirements	-2,984	820	-2,165
Depreciation/amortization	-4,331	-5,193	-9,524
Closing book value	8,413	12,538	20,950

Carrying amounts in the income statement

Amortization on rights of use	2022	2021
Land and buildings	-4,331	-4,866
Plant and machinery	-5,193	-3,743
Total	-9,524	-8,608
Interest expense (included in financial expenses)	-416	-281
Expenditure referring to current leases (included in costs of services sold and administrative expenses)	-830	-1,008
Expenditure referring to leases for which the underlying asset is of low value (included in costs of services sold and administrative expenses)	-1,522	-2,602

The total cash flow for leases in 2022 was SEK 10,050 (9,056) thousand.

NOTE 31 Transactions with related parties

Studsvik, Inc. owns 50 per cent of THOR Treatment Technologies, LLC (TTT). In accordance with a Joint Venture Operating Agreement the owners are to provide management, technical and marketing services to TTT. Studsvik AB owns 49 per cent of KOBELCO STUDSVIK Co., Ltd, a joint venture in Japan, focusing on design of facilities for treatment of Japanese waste.

Transactions with related parties	2022	2021
<i>Sale of services</i>		
– THOR Treatment Technologies, LLC	–	180
– Kobelco Studsvik Co., Ltd	–	–

Under an agreement with the owners the services are supplied on a commercial basis.

There have been no transactions with other related parties, besides remuneration to the Board of Directors, President and senior management. Remuneration to the Board of Directors, President and senior management is described in Note 9.

During the financial year Studsvik acquired 21 per cent of the shares in Studsvik Scandpower Inc., and 9 per cent of the shares in Studsvik Scandpower AB. After the acquisitions both companies are wholly owned by Studsvik.

Before the acquisition the shares in the companies were owned by a private individual previously employed in the Group. The acquisitions took place in accordance with agreements between the company and the former employee that regulated the parties' ownership under which Studsvik was to pay the market price for the shares. There is an ongoing dispute concerning the price, which will be settled through arbitration.

NOTE 32 Events after the close of the reporting period

No events considered to be material have occurred after the close of the reporting period on December 31, 2022.



NOTES TO THE PARENT COMPANY ACCOUNTS

For the parent company's accounting policies, see note 1.5.

NOTE 33 Sales revenue

Sales revenue by geographical market	2022	2021
Sweden	4,006	6,489
Europe, not including Sweden	3,559	5,793
Asia	–	0
North America	944	1,733
Total	8,509	14,015

NOTE 34 Employee benefits

	2022		2021	
	Salaries and other remuneration (of which variable remuneration)	Social security expenses (of which pension costs)	Salaries and other remuneration (of which variable remuneration)	Social security expenses (of which pension costs)
President	6,353 (1,346)	3,349 (1,232)	4,442 (792)	1,955 (808)
Other employees	2,443 (145)	1,668 (873)	6,320 (262)	2,501 (609)
Total	8,796 (1,491)	5,017 (2,105)	10,762 (1,054)	4,456 (1,417)

NOTE 35 Costs by nature of expense

	2022	2021
Purchases of material and services	11,038	12,896
Personnel costs	11,034	14,624
Depreciation/amortization	–	–
Total	22,072	27,520

Services include fees and remuneration to accounting firms as follows:

	2022	2021
<i>KPMG AB</i>		
Audit assignments	744	802
Other services	157	–
Total	901	802

	2022	2021
<i>Other</i>		
Audit assignments*	–	267
Other services*	1,186	229
Total	1,186	496

*PWC Sweden Audit assignments and other services in 2021.

Audit assignments refer to the examination of the annual accounts, the accounting records and the administration by the Board of Directors and the President. It also includes other duties that are incumbent on the company's auditors as well as advisory services and other types of support as a result of observations made through such an examination or the performance of such duties.

NOTE 36 Depreciation/amortization

	2022		2021	
	According to plan	Book	According to plan	Book
Equipment and tools	–	–	–	–
Total	–	–	–	–

NOTE 37 Other operating income and operating expenses

Other operating income	2022	2021
Financial assets at fair value through profit or loss		
Fair value gains	2,039	483
Foreign exchange gains	63	477
Total	2,102	960

Other operating expense	2022	2021
Foreign exchange losses	–241	–98
Total	–241	–98

NOTE 38 Operating leases

	2022	2021
Maturity within one year	133	67
Maturity after one year but within five years	129	30
Maturity after five years	–	–
Total	262	97

The parent company's leases mainly refer to vehicles with traditional terms and conditions.

NOTE 39 Result from participation in group companies

	2022	2021
Dividend from group companies	10,118	–
Result of recognition of impairment loss on shares in subsidiary	–	–
Total	10,118	–

NOTE 40 Interest income and similar profit/loss items

	2022	2021
Interest income	11,454	9,021
Foreign exchange differences	19,273	10,905
Total	30,727	19,926

Of which in respect of Group companies

Interest income	11,031	9,019
Total	11,031	9,019

NOTE 41 Interest expense and similar profit/loss items

	2022	2021
Interest expense	7,759	4,763
Other financial expense	–	–
Foreign exchange differences	–	–
Total	7,759	4,763

Of which in respect of Group companies

Interest expense	3,388	1,716
Total	3,388	1,716

NOTE 42 Appropriations

	2022	2021
Group contributions received	18,785	73,707
Group contributions paid	–18,785	–
Total	–	73,707

NOTE 43 Income tax

	2022	2021
<i>Current tax</i>		
Current tax on profit for the year	-1,896	-4,465
Total	-1,896	-4,465
<i>Deferred tax</i>		
Origination and reversal of temporary differences	-592	-10,590
Total	-592	-10,590
Total income tax	-592	-15,055

Deferred tax assets

As at January 1, 2022	4 902
Recognized in the income statement	-592
As at December 31, 2022	4 310

The Swedish income tax rate is 20.6 (20.6) per cent. The income tax on the parent company's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate for profits as follows:

	2022	2021
Profit/loss before tax	21,383	76,228
Tax in accordance with the current tax rate	-4,405	-15,703
Non-taxable revenue	2,533	108
Non-deductible expenses	-25	-117
Revaluation to new tax rate	-	-124
Other	-592	781
Effective tax	-2,488	-15,055

NOTE 44 Property, plant and equipment

	2022	2021
<i>Equipment and tools</i>		
Opening cost of acquisition	3,505	3,505
Closing accumulated cost of acquisition	3,505	3,505
Opening depreciation	-3,505	-3,505
Depreciation for the year	-	-
Closing accumulated depreciation	-3,505	-3,505
Closing residual value according to plan	-	-

NOTE 45 Non-current financial assets

	2022	2021			
<i>Shares in subsidiaries</i>					
Opening cost of acquisition	1,044,142	1,044,142			
Shareholders' contributions	-	-			
Investment in subsidiaries	18,706	-			
Sale of subsidiaries	-	-			
Closing cost of acquisition	1,062,848	1,044,142			
Opening impairment losses	-775,051	-775,051			
Impairment losses for the year	-	-			
Closing impairment losses	-775,051	-775,051			
Closing value	287,797	269,091			
	2022	2021			
<i>Interests in joint ventures</i>					
Opening cost of acquisition	12,072	12,072			
Closing cost of acquisition	12,072	12,072			
	Number	Nominal value	Holding	Book value 31/12/22	Book value 31/12/21
KOBELCO STUDSVIK Co., Ltd	3 000	98.000 YEN	49 %	12,072	12,072

NOTE 45 Non-current financial assets (cont.)

Financial assets measured at fair value through profit or loss

Unlisted shareholdings		
- Opening cost of acquisition	15,211	14,728
- Revaluation to fair value	2,039	483
Closing value	17,250	15,211
<i>Capital insurance</i>		
- Opening cost of acquisition	18,547	16,539
- Items added	467	333
- Reposting to current asset	-	-561
- Items deducted	-562	-508
- Revaluation to fair value	-1,613	2,744
Closing value	16,839	18,547

NOTE 46 Prepaid expenses and accrued income

	2022	2021
Prepaid pension premiums	-	71
Prepaid software licenses	197	207
Accrued income	364	-
Other	152	131
Total	713	409

NOTE 47 Shares and participations in subsidiaries

	Share of equity, %	Share of voting rights, %	Number of participations/shares	Nominal value	Book value	Equity	Net profit/loss for the year
<i>Parent company's holdings</i>							
Studsvik Holding, Inc.	100	100	2,000	USD thousand 25,372	24,042	713,386	-6,710
Studsvik Nuclear AB	100	100	5,000	SEK thousand 50,000	223,400	190,364	22,608
Studsvik Scand-power, Inc.	100	100	1,503	USD thousand 149	10,490	73,404	13,753
Studsvik Scand-power AB	100	100	1,000	SEK thousand 91	9,804	31,388	31,240
Studsvik Japan Ltd	100	100	10,000	JPY thousand 10,000	373	1,682	317
Studsvik Germany GmbH	100	100		EUR thousand 26	241	46,100	2,370
Studsvik Verwaltungs GmbH	100	100		EUR thousand 26	261	3,228	64
Studsvik Instrument Systems AB	100	100	17,000	SEK thousand 17,000	18,106	18,106	-
Studsvik Limited	100	100	1,000,000	SEK thousand 1,000	-	12,014	11,398
Studsvik Engineering Technology (Beijing) Co., Ltd.	100	100		EUR thousand 100	1,081	3,258	201
Total						287,797	



NOTE 47 Shares and participations in subsidiaries (cont.)

Information on subsidiaries' corporate identity numbers and registered offices

	Corporate identity number	Registered office
Studsvik Nuclear AB	556051-6212	Nyköping, Sweden
Studsvik Scandpower, Inc.	36-3088916	Wilmington, USA
Studsvik Scandpower AB	556137-8190	Nyköping, Sweden
Studsvik Scandpower GmbH	HRB 4839	Norderstedt, Germany
Studsvik Suisse AG	CH400.3.036.599-0	Fischbach-Göslikon, Switzerland
Studsvik Japan Ltd	–	Osaka, Japan
Studsvik Holding, Inc.	35-3481732	Atlanta, USA
Studsvik, Inc.	36-2999957	Atlanta, USA
RACE Holding, LLC	20-2472653	Atlanta, USA
Studsvik Germany GmbH	HRB 504467	Mannheim, Germany
Studsvik Verwaltungs GmbH	HRB 504468	Mannheim, Germany
Studsvik GmbH & Co. KG	HRA 503411	Mannheim, Germany
Studsvik Instrument Systems AB	556197-1481	Nyköping, Sweden
Studsvik Waste Management Technology AB	559019-2448	Nyköping, Sweden
Studsvik Limited	9660060	Gateshead, Great Britain
Studsvik Engineering Technology (Beijing) Co., Ltd.	911101 05MA01K Y4A74	Peking, China

NOTE 48 Liabilities to credit institutions

	2022	2021
<i>Bank loans</i>		
Long term portion	40,500	42,500
Current portion	2,000	2,000
Total	42,500	44,500
<i>Bank overdraft facility</i>		
Long term portion	–	–
Current portion	36,934	19,015
Total	36,934	19,015
TOTAL	79,434	63,515

NOTE 49 Accrued expenses and deferred income

	2022	2021
Holiday pay liability	1085	993
Accrued wages and salaries	–	2,099
Accrued social security contributions	1,689	779
Other	4,838	1,084
Total	7,612	4,955

NOTE 50 Pledged assets

	2022	2021
Shares in subsidiaries	257,747	248,547
Floating charges	100,000	100,000
Total	357,747	348,547

Shares in Studsvik Nuclear AB and Studsvik Scandpower AB have been put up as collateral for bank loans. Shares in Studsvik Germany GmbH, Studsvik Verwaltungs GmbH and Studsvik Holding Inc. have been put up as collateral for future waste management costs.

NOTE 51 Contingent liabilities

	2022	2021
Contingent liabilities referring to insurance	7,023	4,746
Total	7,023	4,746

In connection with license renewal, Studsvik Nuclear AB has been enjoined to issue further guarantees concerning nuclear shipments. The size of these guarantees is currently under discussion with the Swedish Radiation Safety Authority and has not yet been determined, and therefore they have not been included in this annual report and in addition a guarantee commitment for subsidiaries has been made as for own debt.

NOTE 52 Cash flow from operating activities

Non-cash items	2022	2021
Provisions	–561	1,090
Fair value gains	–2,039	–483
Acquired minority share	–18,706	–483
Other	–770	–
Total	–22,076	607

NOTE 53 Transactions with related parties

Intra-Group purchases and sales

The percentage of the year's purchases and sales referring to other companies within the Studsvik Group is presented below.

	2022	2021
Purchasing	41%	30%
Sales	100%	100%

The same pricing principles are applied to purchases and sales between group companies as apply to transactions with external parties.

NOTE 54 Number of employees

	2022	2021
Women	2	1
Men	1	1
Total	3	2

Board members and senior management	2022		2021	
	Number on balance sheet date	Of which men	Number on balance sheet date	Of which men
Members of the Board of Directors	8*	5	7*	4
President and other senior management	2	1	2	1

*The number of board members only refers to ordinary members.

Agreements on severance payments and other commitments to Board members and the President

The President's period of notice is 6 months for own termination of employment and 12 months for termination by the company. In the case of termination of employment by the company, salary is payable during the period of notice as well as an additional severance payment equivalent to 9 months' salary. See also Note 9.

NOTE 55 Investment in subsidiaries

	2022	2021
Investment in subsidiaries	18,706	–
Total	18,706	–

Investment in subsidiaries in 2022 refers to the acquisition of a minority share. See also Note 31.



The consolidated income statements and balance sheets will be presented to the Annual General Meeting on April 24, 2023 for approval.

The Board of Directors and the President certify that the consolidated accounts have been prepared in accordance with international financial reporting standards, IFRS, as adopted by the EU and give a true and fair view of the Group's financial position and results of operations. The annual accounts have been prepared in

accordance with generally accepted accounting principles and give a true and fair view of the parent company's financial position and results of operations.

The administration report for the Group and parent company provides a fair review of the development of the Group's and the parent company's business, financial position and performance and describes significant risks and uncertainties faced by the parent company and the companies that are part of the Group.

Nyköping, February 10, 2023

Anders Ullberg
Chair

Anna Karinen
Vice Chair

Jan Barchan
Board Member

Erik Strömqvist
Board Member

Jan Bardell
Board Member

Agneta Nestenborg
Board Member

Jitka Zakova
Employee representative

Per Ekberg
Employee representative

Camilla Hoflund
President/CEO

Our audit report was submitted on February 28, 2023
KPMG AB

Helena Arvidsson Älgne
Authorized public accountant

AUDITOR'S REPORT

To the General Meeting of Shareholders of Studsvik AB (publ),
corporate identity number 556501-0997

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Studsvik AB (publ) for 2022 with the exception of the corporate governance report on pages 74-77 and the sustainability report on pages 24-35. The company's annual accounts and consolidated accounts are included on pages 12-23 and 36-68 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as at December 31, 2022 and of its financial performance and its cash flows 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 at December 31, 2022 and of its 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 include the corporate governance report on pages 74-77 and the sustainability report on pages 24-35. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the General Meeting adopt the income statement and balance sheet for the parent company and the statement of comprehensive income and statement of financial position for the Group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the contents of the additional

report submitted to the parent company's Audit Committee in accordance with Article 11 of the Audit Regulation (537/2014).

Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISAs) 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to Article 5 of the Audit Regulation (537/2014), 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 audit opinions.

Key audit matters

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

Valuation of consolidated goodwill

See Note 15 and accounting policies on page 58 of the annual accounts and consolidated accounts for detailed information and a description of this matter.

Description of matter

As at December 31, 2022, the Group reports goodwill of SEK 202 million, which is 20 per cent of the balance sheet total. Goodwill is attributable to the business areas Decommissioning and Radiation Protection Services, SEK 134 million, and Waste Management Technology, SEK 68 million. At least every year, goodwill must be subject to impairment testing, which contains both complexity and considerable elements of assessments by management.

Under current regulations, testing must be carried out in accordance with a particular technique, where the management must make predictions about both internal and external business conditions and plans. Examples of such predictions are future cash flows, which require assumptions on future market conditions, among other things. Another important assumption is of the discount rate that should be used to take into account that future estimated cash flows are associated with risk.

In light of the above, there are significant assessments that are of importance for the accounts.

How the matter was addressed in the audit

We have inspected the company's impairment testing to assess whether it was conducted in accordance with the prescribed methodology. Further, we assessed the reasonableness of future cash flows and the assumed discount rate and growth rate by reading and evaluating the management's written documentation and plans. We also interviewed the company management and evaluated previous years' assessments in relation to actual outcome.

An important part of our work has also been to evaluate how changes in assumptions can affect the valuation, that is to perform and take note of the company's sensitivity analysis.

We have also tested the completeness of the disclosures in the annual report and assesses whether they are in line with the assumptions applied in the impairment testing and whether the information is sufficiently detailed to understand the management's assessments.



Valuation of deferred tax assets referring to tax losses

See Note 11 and accounting policies on page 55 of the annual accounts and consolidated accounts for detailed information and a description of this matter.

Description of matter

The consolidated balance sheet includes the asset 'Deferred tax asset'. At the close of the financial year it was SEK 89 million, corresponding to 9 per cent of the balance sheet total. The asset is attributable to historical carry-forward of unused tax losses in the USA, Sweden and Germany which the company management expects to be able to use against future taxable profit.

Estimates of future taxable profit require both assessment and interpretation of tax legislation and estimation of future market conditions.

With reference to the fact that the carrying amount of the deferred tax assets is based on assessments of applicable law and future profit, there is a risk that the value may be overestimated or underestimated and each adjustment of the value has a direct impact on the profit for the period and therefore the valuation of the carry-forward of unused tax losses constitutes a key audit matter.

How the matter was addressed in the audit

We have examined whether the management's estimate of the carrying amount of deferred tax assets referring to tax loss carry forwards is based on the Group's approved/adopted budgets and forecasts.

We have checked that the assumptions used in these budgets and forecasts are in accordance with the management's strategic plans and intentions and evaluated whether they are realistic on the basis of our knowledge of the business. The evaluation was made through analysis of how well previous years' assumptions have been realized and we challenged management concerning the forecasts prepared. We have also discussed with management the changes and circumstances included in the forecasts.

We also tested the mathematical correctness of the calculations as well as assessing the underlying facts and circumstances presented in the disclosures in the annual report and assessed whether the information is sufficiently detailed to understand the management's assessments.

Provisions for decommissioning, waste treatment and restoration of land

See Note 27 and accounting policies on page 62 of the annual accounts and consolidated accounts for detailed information and a description of this matter.

Description of matter

The operations at Studsvik's facilities are subject to licensing requirements and Studsvik is liable to decommission facilities, manage waste and restore land. The Group makes provision in the balance sheet for these future decommissioning costs, as well as costs for handling waste. .

At the close of 2022, provision of SEK 149 million was made in the balance sheet for future waste costs and decommissioning and restoration.

The management has a process for monitoring and measuring provisions for waste treatment, decommissioning and restoration. The process entails significant assessments and estimates of the cost of future decommissioning and restoration.

Depending on the assessments and estimates the management makes, the value of the provisions are impacted, which has a direct effect on the Group's results and financial position.

How the matter was addressed in the audit

We have evaluated the management's process for identifying additional waste and the valuation process for the provision for treatment of waste, decommissioning and restoration of land.

Our audit procedures include evaluating whether the provisions comply with the Group's accounting policies. Moreover, based on risk and materiality, we have cross-checked and assessed material parameters, such as volume and price, for calculating the provision against documentation in the form of agreements with and reporting from external parties, where these exist, and internal calculations on which these are based.

Further, we have tested the mathematical correctness of the provision calculations.

We have also tested the completeness of the disclosures in the annual report and assessed whether they agree with documentation examined and current disclosure requirements.

Information in the annual report other than the annual accounts and consolidated accounts

This document also contains information other than the annual accounts and consolidated accounts, which can be found on pages 1-11, 24-35 and 78-84. This other information also consists of the

remuneration report we accessed before the date of this auditor's report. The Board of Directors and the President 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 in other respects appears to be materially misstated.

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

Responsibilities of the Board of Directors and President

The Board of Directors and President 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 President 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 President 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 President intend to liquidate the company, to cease operations or have no realistic alternative but to do so.

The Board of Director's Audit Committee shall, among other things and without impacting the Board's responsibilities and duties in general, monitor the company's financial reporting.

Auditor's responsibility

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

As part of an audit in accordance with ISA we exercise professional judgment and maintain professional skepticism throughout the entire audit. In addition:

- we identify and assess the risks of material misstatement in the annual accounts and consolidated accounts, whether due to fraud or error, design and execute audit procedures based on, among other things, these risks and obtain audit evidence with is sufficient and appropriate to provide a basis for our opinions. The risk of not identifying a material misstatement resulting from fraud is higher than one resulting from error, as fraud can

include collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- We obtain understanding of the internal control of the company relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- We evaluate the appropriateness of the accounting policies applied and the reasonability of the accounting estimates and related disclosures made by the Board of Directors and President.
- We reach a conclusion on the appropriateness of the Board of Directors' and President's application of the going concern basis of accounting in the preparation of the annual accounts and consolidated accounts. We also reach a conclusion, based on the audit evidence obtained, on whether any material uncertainty exists related to such events or circumstances which can result in significant doubt regarding the company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the annual accounts and consolidated accounts, or if such disclosures are inadequate, we are required to modify our opinion on the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or circumstances may cause a company and a Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the financial reports represent the underlying transactions and events in a manner providing a true and fair presentation.
- We obtain sufficient and appropriate audit evidence regarding the financial information for the units or business activities in the Group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We are required to inform the Board of Directors of, among other matters, the planned scope of the audit and its focus and time schedule. We are also required to provide information as regards any significant findings made during the audit, including any significant deficiencies in the internal control that we have identified.

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

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



Report on other legal and regulatory requirements

Auditor's examination of administration and proposed appropriation of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have examined the administration of the Board of Directors and the President of Studsvik AB (publ) for 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the General Meeting of Shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the President be discharged from liability for the financial year.

Basis for opinions

We conducted our 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 we have fulfilled our other 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 audit opinions.

Responsibilities of the Board of Directors and President

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

The Board of Directors is responsible for the organization of the company and the administration of its 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 in other respects are controlled in a satisfactory manner.

The President is to conduct the day-to-day management in accordance with the Board of Director's guidelines and instructions and take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a satisfactory manner.

Auditor's responsibility

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

- has undertaken any action or been guilty of any omission that may give rise to liability to the company, or
- in any other way has acted in contravention of the Swedish 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 on this, is to assess with reasonable assurance whether the proposal is in accordance with the Swedish Companies Act.

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

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

The auditor's examination of the Esef report

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also examined whether the Board of Directors and President 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 Studsvik AB (publ) for 2022.

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

In our opinion, the Esef report 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 further described in the Auditor's Responsibility section. We are independent of Studsvik AB (publ) in accordance with professional ethics for accountants in Sweden and we have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Directors and President

The Board of Directors and the President are responsible for the preparation of the Esef report in accordance with 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 President determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

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

RevR 18 requires us to plan and execute our 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 is not a guarantee that an examination conducted in accordance with 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other

Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation and fair presentation of the Esef report by the Board of Directors and the President in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the President.

The audit procedures mainly include validation that the Esef report has been prepared in a valid XHTML format 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 Group's income statement, balance sheet and statements of changes in equity, cash flow analysis and notes in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Auditor's statement on the statutory sustainability report

The Board of Directors is responsible for the sustainability report on pages 24–35 and for ensuring that it has been prepared in accordance with the Annual Accounts Act.

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

A sustainability report has been prepared.

KPMG AB, P O Box 382, SE 101 27, Stockholm, was appointed as auditor to Studsvik AB (publ) by the General Meeting of Shareholders on April 26, 2022. KPMG AB or auditors working for KPMG AB have been the company's auditors since 2021.

Stockholm, 28 February 2023
KPMG AB

Helena Arvidsson Älgne
Authorized public accountant



CORPORATE GOVERNANCE

Corporate Governance

Studsvik AB is a Swedish public company with its registered office in Nyköping and is listed on Nasdaq Stockholm. The company is the parent of a Group that carries on business in nuclear technology in an international arena. Corporate governance is based on the Articles of Association and the Swedish Companies Act, Swedish and foreign laws and ordinances and the Swedish Code of Corporate Governance (the Code). Studsvik has no departures from the Code to report.

Bolagsstämma

The General Meeting is the company's highest decision-making body, where the shareholders exercise their influence through discussions and decisions. An Annual General Meeting shall be held once a year to adopt the income statement and balance sheet, decide on dividend, elect a Board of Directors and auditors and decide on their remuneration.

The number of shareholders on December 31, 2022 was 6,405. The total number of shares was 8,218,611. All shares have an equal right to participate in the company's assets and profits. Three shareholders each account for more than 10 per cent of the shares in the company. Information on shareholders, voting rights and the Articles of Association is presented in the annual report on pages 36–37.

The Annual General Meeting in 2022 was held on April 26, where 20 shareholders with a total of 4,040,657 shares and votes, corresponding to 49.3 per cent of the total number of shares and votes in the company, were represented. The Annual General Meeting adopted the consolidated income statement and balance sheet, adopted the Board of Directors' proposal concerning dividend, discharged the Board of Directors and President from liability and appointed KPMG AB as auditor. Members of the Board Jan Barchan, Anna Karinen, Agneta Nestenborg, Erik Strömquist and Anders Ullberg were re-elected, and Jan Bardell was newly elected. The Annual General Meeting also re-elected Anders

Ullberg as Chair of the Board. The Meeting also established principles for benefits to senior management and appointed the Nomination Committee. The minutes of the Annual General Meeting can be found on the company's website.

Nomination Committee

The main task of the Nomination Committee is to propose to the Annual General Meeting candidates for the Board of Directors, Chairman of the Board and auditors and their fees. The Nomination Committee is also to propose a new Nomination Committee. As resolved by the Annual General Meeting, the Nomination Committee is to consist of the Chairman of the Board and representatives of each of the three largest shareholders. The Annual General Meeting appointed Jan Barchan (Briban Invest AB), Martin Serse (representative of the Karinen family), Peter Gyllenhammar (Peter Gyllenhammar AB) and Anders Ullberg (Chair of the Board) as members of the Nomination Committee. The Nomination Committee's term of office is until a new Nomination Committee is appointed.

Information on how shareholders can submit proposals to the Nomination Committee has been published on Studsvik's website. The work of the Nomination Committee focuses on ensuring that the Board of Directors is composed of members that together have the knowledge and experience that meet the requirements of the owners concerning Studsvik's highest governing body. In the process of preparing proposals for candidate members of the Board, the Chairman of the Board therefore presents to the Nomination Committee the evaluation made of the work of the Board of Directors in the past year.

Composition of the Board of Directors

The Board of Directors consists of six board members elected by the general meeting of shareholders, as well as two members and alternates appointed by the local trade union organizations Unionen and the Swedish Association of Graduate Engineers. The proportion of women among the ordinary eight members is 38 per cent.



The Board members are presented on pages 78-79 of the annual report and under Board of Directors and auditors on the website.

The members elected by the Annual General Meeting are to be regarded as independent in relation to the company and the company management. All, apart from Jan Barchan and Anna Karinen, are independent of major shareholders.

Chair

Anders Ullberg is the Chair of the Board and leads the work of the Board. He has a particular responsibility to follow the company's development between Board meetings and ensure that the Board Members regularly receive the information necessary for performing a satisfactory job. The Chairman is to maintain regular contact with the President on various matters as needed.

Work of the Board of Directors

The task of the Board of Directors is to administer the company's business in the best way possible and safeguard the interests of the shareholders in its work. The Board's work follows rules of procedure adopted annually at the inaugural board meeting. The rules of procedure specify the division of duties between the Board and the President, the responsibilities of the Chairman and President respectively, and the forms of financial reporting. The President takes part in the work of the Board of Directors and other employees take part when this is called for. The Group's Chief Financial Officer acts as secretary to the Board.

In 2022 the Board of Directors held 7 meetings, including the inaugural meeting in connection with the Annual General Meeting. The attendance of the members is shown in the table below.

The Board of Directors receives information on the company's economic and financial situation through monthly reports and at board meetings. Operations in the various segments are monitored and discussed in accordance with a rolling plan, which means that the Board of Directors makes a detailed analysis of each business area at least once a year. Moreover, the Board of Directors agrees each year on a number of issues that are to be examined at a board

meeting during the year. During 2022 the Board decided on new financial targets and the Group strategy. The Board has carried out in-depth reviews with all business areas. Business opportunities based on collaboration within new but related areas have been discussed. The Board has also focused on the Group's cash flow.

Ahead of each board meeting the Chairman and President go through the business to be dealt with at the meeting and supporting documentation for the Board's processing of the business is sent to the members about a week before each board meeting.

At two meetings during the year the company's auditors reported on their findings from the audit of the annual accounts and the company's administration. The Board of Directors was then also given the opportunity of discussions with the auditors without the company management being present.

The Chairman ensures that the work of the Board of Directors is evaluated annually and that the Nomination Committee receives the information necessary concerning the results of the evaluation. The evaluation is discussed by the Board of Directors as a basis for planning the Board's work for the coming year.

Policies, guidelines and instructions

The Board reviews and adopts Group policies and guidelines and the Group's Code of Conduct. The Code of Conduct aims to provide guidance to employees and business partners, minimize risks, strengthen the corporate culture and convey Studsvik's core values.

The President adopts guidelines and operative instructions based on policies and guidelines established by the Board. Guidelines and operative instructions issued by the President primarily cover financial reporting, treatment of personal data (GDPR) and information technology. All policies and guidelines are available to the Group's employees on Studsvik's intranet.

Audit Committee

The Board of Directors has set up an Audit Committee. The Committee monitors the effectiveness of the company's internal controls, management of the company's risks and assures the quality of the

Members of the Board of Directors	Elected	Attendance	Remuneration Committee	Audit Committee	Independent of company	Independent of shareholders	Fee SEK '000
Anders Ullberg, Chair	2007	7/7	2/2	4/4	Yes	Yes	725
Anna Karinen, deputy Chair	2003	7/7	2/2		Yes	No	225
Jan Barchan	2004	6/7	2/2		Yes	No	225
Jan Bardell ¹⁾	2022	4/7		2/4	Yes	Yes	150
Erik Strömqvist	2021	7/7		4/4	Yes	Yes	300
Agneta Nestenborg	2010	7/7		4/4	Yes	Yes	375
Per Ekberg (Employee Rep)	2005	7/7					
Roger Lundström (Employee Rep) alternate	2006	3/7					
Jitka Zakova (Employee Rep)	2020	7/7					
Oscar Lemón (Employee Rep) alternate ²⁾	2020	0/7					

1) Elected April 2022

2) Resigned February 2022



company's financial reporting. The Audit Committee consists of Agneta Nestenborg (chair), Jan Bardell, Erik Strömqvist and Anders Ullberg. The presenter on the Committee is the Chief Financial Officer. Apart from the Group's quarterly reports, during the year the Committee has taken note of and dealt with reports from the follow-up of internal controls. In addition, the Committee has been updated on the development of major current fixed price contracts, dealt with accounting matters, with particular focus on impairment testing, as well as continually following the progress of the Group's legal disputes. The company's auditors reported to the Committee on their findings from the third quarter closing and the audit of the annual accounts. The Committee meets before each reporting date and on more occasions if necessary. The Committee held four meetings during the year. The Audit Committee works in accordance with the instructions adopted annually by the Board of Directors and reports on its work to the Board of Directors.

Remuneration Committee

The Board has appointed a Remuneration Committee from among its number. The Remuneration Committee submits proposals to the Board for the President's salary and other conditions of employment and approves salaries and other conditions of employment for the Executive Group Management proposed by the President. The Committee also draws up the Board of Directors' proposals to the General Meeting concerning principles of remuneration and other conditions of employment for the Executive Group Management. The Committee held two meetings during the year. The Remuneration Committee works in accordance with the instructions adopted annually by the Board of Directors and reports on its work to the Board of Directors. The Remuneration Committee consists of Anders Ullberg (chair), Jan Barchan and Anna Karinen.

A description of benefits to senior management is given in Note 9 on page 54.

Board fees

The total board fee paid by Studsvik AB for 2022 amounted to SEK 2,000 (1,850) thousand. In accordance with a resolution passed by the Annual General Meeting, the Chair of the Board receives SEK 650 thousand per year and ordinary members SEK 225 thousand per year. No fee is paid to members appointed by the employee organizations. The chair of the Audit Committee receives a fee of SEK 150 thousand per year and the members SEK 75 thousand per year. No fee is paid to the Remuneration Committee. Board fees paid are presented in Note 9 on page 54.

Auditors

At the 2007 Annual General Meeting the registered public accounting firm KPMG AB was elected as auditor for the period up to and including the 2023 Annual General Meeting. The auditor in charge is Authorized Public Accountant Helena Arvidsson Älgne. KPMG conducts the audit of all the Group's material companies. The audit is based on an audit plan and during the year the auditor regularly reports findings to the Audit Committee and on at least one occasion to the Board of Directors as a whole. The auditor obtains views from the Audit Committee concerning Studsvik's risks, which are thereafter given particular consideration in the

audit plan. The auditor also participates in the Annual General Meeting to present the auditor's report and describe the audit work and findings.

In addition to the audit assignment Studsvik has consulted KPMG in the area of taxation and on various accounting and financial issues. KPMG AB is obliged to test its independence prior to every decision to provide advice to Studsvik unrelated to the audit assignment.

Advisory services in excess of SEK 50,000 are to be approved in advance by the chair of the Audit Committee. Remuneration to the company's auditors is paid in accordance with an approved invoice on agreed terms. For information concerning remuneration in 2022 please refer to Note 8.

President/CEO and Executive Group Management

The President is responsible for the day-to-day management of the company. The CEO leads the operative business and prepares information and data for decision-making for the Board of Directors and is the presenter at Board meetings. In 2022 the Executive Group Management consisted of the President/CEO, the Chief Financial Officer and the Presidents of the business areas; Decommissioning and Radiation Protection Services, Fuel and Materials Technology, Scandpower and Waste Management Technology. The Executive Group Management is presented on page 80 of the annual report and on the website under Executive Group Management.

The Executive Group Management meets every month to follow up the developments in the segments. On two to three occasions during the financial year the Executive Group Management meets to deal in more detail with matters of an operative, strategic or long-term nature.

The President/CEO and Group functions are located in Studsvik. In accordance with the policies and guidelines established by the Board, the Group functions are responsible for business development, allocation of financial resources among the Group's operations, capital structure and risk management. The tasks also include questions of Group wide acquisitions and disposals, certain major projects, the Group's financial reporting, communication with the stock market and other internal and external communication.

Operative management

The Group's operative business was conducted in subsidiaries, which are included in the four business areas. Operations in the business areas were followed up in business area reviews. The quarterly business area reviews not only analyze and discuss financial developments, but also market developments, risks and sustainability issues, among other things. The management groups for the business areas follow the business areas' day to day activities on a monthly basis. Business plans and budgets are prepared by each business area in consultation with the Executive Group Management. The business is carried on in accordance with established rules, guidelines and policies, and local rules established by the respective local board. The business area presidents have budget responsibility and are to ensure growth in their operations as well as being responsible for utilizing the synergies between the business areas.

Internal control

Internal control aims to ensure:

- that company strategies and goals are followed up,
- that shareholders' interests are protected,
- that external financial reporting reflects the actual situation with reasonable assurance,
- that financial reports are prepared in accordance with generally accepted accounting principles, laws and ordinances and other requirements of listed companies.

The Board of Directors has the overall responsibility for ensuring the Group has effective internal controls. The President/CEO is responsible for ensuring that processes and organization that guarantee internal control and the quality of financial reporting are in place. Studsvik has no special internal audit function. The audit and internal control are carried out by an external consultant on behalf of

the Audit Committee, which the Board has found to be expedient. The audit is based on an overall risk analysis at Group level and on checklists and question lists in material for self-assessment that is subsequently verified from the point of view of materiality through direct audit. The audit is conducted via interviews and spot checks and is summarized in a report to the Audit Committee, where it is dealt with. A detailed description of the Group's risks and how they are managed is presented in the Administration Report on pages 24–35. An account of the Group's financial risks can be found in Note 2 on pages 47–49. The outcome of the audit is reported to the Audit Committee and the Board.

The company's financial situation is discussed at every board meeting and the management makes a monthly analysis of the financial reporting at a detailed level. At its meetings the Audit Committee follows up the financial reporting and receives a report from the auditors.

The auditor's examination of the corporate governance report

The Board of Directors is responsible for the corporate governance report on pages 74-77 and for its preparation in accordance with the Annual Accounts Act.

Our examination was conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance report. This means that our examination of the corporate governance report is different and substantially less in scope than an audit conducted in accordance with International

Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

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

Stockholm, 28 February 2023
KPMG AB

Helena Arvidsson Älgne
Authorized public accountant



BOARD OF DIRECTORS AND AUDITORS



ANDERS ULLBERG

Danderyd, born in 1946
Chair since 2007
Former President and CEO of SSAB, Svenskt Stål. Chairman of the board of Eneqvist Consulting and member of the board of Epiroc and Valedo Partners. Chair of the Swedish Financial Reporting Board and board member of the European Financial Reporting Advisory Group
Education: M.Sc. (Business and Economics)
Holding: 60,000 shares



ANNA KARINEN

Sparreholm, born in 1963
Member since 2003, Vice Chair since 2007
Self-employed, in commercial real estate management, member of the board of the Flen local branch of Handelsbanken.
Education: Bachelor of laws
Holding: 1,327,492 shares



JAN BARCHAN

Malmö, born in 1946
Member since 2004
President of Brihan Invest AB, member of the board of Nok9 AB and member of the board of NetInsight AB, Movebybike AB and Skolia AB
Education: M.Sc. (Business and Economics)
Holding: 1,352,922 shares through Brihan Invest AB and endowment insurance.



JAN BARDELL

Solna, born in 1957
Member since 2022
Chairman of the boards of InfraNord AB, Peptonic Medical AB and Zazz Energy AB. Former president of various Vattenfall companies, president and CEO of One Nordic AB, president and CEO of Argynnis Group AB and president of Climeon AB.
Education: Uppsala University, Gävle University and IFL (Institute of Management)
Holding: 819 shares



AGNETA NESTENBORG

Kävlinge, born in 1961
Member since 2010
Director, Project Support & Administration, European Spallation Source ERIC
Member of the board of Öresundskraft AB and alternate member of the board of Mindshop AB.
Education: Ph.D. and MBA
Holding: 2,000 shares



ERIK STRÖMQVIST

Knivsta, born in 1970.
Member since June 2021
Former General Manager Cyclotrons & TRACERcenter, GE Healthcare. Chairman of the board of MedTrace Pharma A/S, and member of the board of Atley Solutions AB and Celcibus AB
Education: M.Sc. (Chemical Engineering)
Holding: 0

EMPLOYEE REPRESENTATIVES

**JITKA ZAKOVA**

Nyköping, born in 1978
 Member since 2020
 Employee representative appointed by the Swedish Association of Graduate Engineers. Works at Studsvik Nuclear AB
 Education: Ph.D.
 Holding: 28 shares

**PER EKBERG**

Nyköping, born in 1959
 Member since 2018, alternate 2017-2006
 Employee representative appointed by Unionen. Works in the materials research department at Studsvik Nuclear AB
 Education: Power generation technology
 Holding: 100 shares

**ROGER LUNDSTRÖM**

Nyköping, born in 1966
 Alternate since 2018, member 2017- 2005, alternate 2003–2005
 Employee representative appointed by Unionen. Works in microscopy and damage analysis at Studsvik Nuclear AB
 Education: Mechanical engineer
 Holding: 0 shares

**AUDITOR****KPMG AB**

Auditor in charge: Helena Arvidsson Älgne
 Born in 1962
 Auditor of Studsvik since 2021
 Other assignments: Alligo, Assemblin, Beijer Alma, ICA Gruppen, Knowit, LKAB and Momentum



EXECUTIVE GROUP MANAGEMENT



CAMILLA HOFLUND

President and Chief Executive Officer
 Education: Mining engineer, Materials technology
 Born in: 1969
 Years of employment: 1994–2000, 2003
 Other engagements: Board member of SIS, the Swedish Institute for Standards
 Background: Consultant and business developer at Det Norske Veritas and other senior positions in the Group
 Holding: 11,200 shares



NIKLAS KARLSSON

Chief Financial Officer
 Education: M.Sc. (Business and Economics)
 Born in: 1968
 Year of employment: 2021
 Background: Leading positions at Mycronic, Ericsson and others.
 Holding: 0 shares



FLORIAN BUEHLER

Business Area President Decommissioning and Radiation Protection Services
 Education: Graduate Engineer
 Born in: 1981
 Year of employment: 2019
 Background: Administrative and technical manager at GSE Systems Inc. and other leading positions in SAIC and Raytheon
 Holding: 0 shares



MIKAEL KARLSSON

Business Area President Waste Management Technology
 Education: M.Sc. Engineering physics
 Born in: 1962
 Year of employment: 1989
 Background: Several senior positions in the Group
 Holding: 2,101 shares



JOAKIM LUNDSTRÖM

Business Area President Fuel and Materials technology
 Education: M.Sc. Engineering physics
 Born in: 1978
 Year of employment: 2002
 Background: Various leading positions at Studsvik Nuclear AB
 Holding: 0 shares



ART WHARTON

(Acting)Business Area President Scandpower
 Education: M.Sc. Mechanical Engineering
 Born in: 1982
 Year of employment: 2017
 Background: Various senior management and consulting positions at Los Alamos National Lab, GE, Honeywell, Motorola and other companies.
 Holding: 0 shares



FIVE YEAR REVIEW

CONDENSED INCOME STATEMENTS

Amounts in SEK million	2018	2019	2020	2021	2022
Sales revenues	726.1	654.0	721.9	798.3	814.8
Cost of services sold	-551.2	-496.9	-526.9	-591.3	-610.5
Gross profit	174.9	157.1	195.0	207.1	204.3
Selling and marketing costs	-39.9	-51.1	-56.1	-34.4	-39.0
Administrative expenses	-107.9	-102.0	-89.2	-93.9	-89.2
Research and development costs	-9.0	-8.8	-8.3	-9.0	-8.5
Participation in associated company's profit before tax	10.6	9.5	3.4	5.9	-0.2
Other, net	4.9	-15.1	1.2	10.2	7.5
Operating profit/loss	33.5	-10.4	46.0	85.8	74.9
Net financial items	-14.9	-12.4	-4.7	-8.3	-10.8
Profit/loss after financial items	18.7	-22.8	41.3	77.6	64.1
Income tax	-10.0	-5.2	-6.1	-14.4	-16.2
NET PROFIT/LOSS FOR THE YEAR	8.7	-28.0	35.2	63.2	47.9

CONDENSED BALANCE SHEETS

Amounts in SEK million	2018	2019	2020	2021	2022
<i>Assets</i>					
Goodwill	182.1	187.9	176.6	184.3	201.5
Other non-current assets	301.4	336.1	304.5	418.9	433.6
Trade receivables	145.7	160.0	116.9	128.9	156.9
Other non-interest-bearing current assets	115.9	84.0	87.3	96.1	110.3
Cash and cash equivalents and short-term investments	155.9	40.2	75.2	108.4	120.1
Total assets	900.6	808.2	760.5	936.6	1 022.4
<i>Equity and liabilities</i>					
Equity	315.8	302.4	313.1	387.0	436.0
Non-controlling interests	0.4	0.4	0.3	0.4	-
Non-current interest-bearing liabilities	0.0	46.5	44.5	42.5	62.3
Non-current non-interest-bearing liabilities	166.6	155.9	137.1	228.5	227.9
Current interest-bearing liabilities	199.9	76.6	55.5	21.0	38.9
Current non-interest-bearing liabilities	217.9	226.4	210.0	257.2	257.4
Total equity and liabilities	900.6	808.2	760.5	936.6	1 022.4

CONDENSED CASH FLOW STATEMENTS**Refers to total operations**

Amounts in SEK million	2018	2019	2020	2021	2022
Operating profit/loss	33.5	-10.4	46.0	85.8	74.9
Reversal of depreciation/amortization	19.4	29.0	28.7	30.0	29.8
Other non-cash items	-3.1	-28.1	-4.1	-18.6	-30.1
Cash flow from operating activities	49.8	-9.5	70.6	97.2	0.3
Net financial items	-14.4	-9.2	-5.1	-5.3	-4.4
Tax	-6.4	-9.7	-7.6	-8.3	-9.9
Cash flow before changes in working capital	29.1	-28.4	57.9	83.6	60.3
Changes in working capital	51.2	14.9	25.7	33.7	-60.0
Cash flow before investments	80.3	-13.5	83.6	117.3	42.3
Investments	-26.1	-25.3	-18.7	-46.0	-24.7
Cash flow after investments	54.2	-38.8	64.9	71.3	-17.5

DATA PER SHARE

	2018	2019	2020	2021	2022
Number of shares at close of period	8,218,611	8,218,611	8,218,611	8,218,611	8,218,611
Average number of shares	8,218,611	8,218,611	8,218,611	8,218,611	8,218,611
Earnings per share before and after dilution, SEK	1.06	-3.41	4.28	7.69	5.82
Equity per share, SEK	38.47	36.84	38.13	47.12	53.05

KEY FINANCIAL FIGURES AND RATIOS

	2018	2019	2020	2021	2022
<i>Margins</i>					
Operating margin, %	4.6	-1.6	6.4	10.7	9.2
Profit margin, %	2.6	-3.5	5.7	9.7	7.9
<i>Return on investment*</i>					
Return on operating capital, %	9.9	-2.8	12.7	25.3	19.9
Return on capital employed, %	7.4	-0.2	11.3	19.5	15.6
Return on equity, %	2.9	-9.0	11.4	18.1	11.6
<i>Capital structure</i>					
Operating capital, SEK million	360.6	385.7	338.2	338.9	377.0
Capital employed, SEK million	516.1	425.9	413.4	450.9	537.1
Equity, SEK million	316.2	302.8	313.4	387.4	436.0
Net interest-bearing debt, SEK million	44.4	82.9	24.8	-44.9	-18.6
Net debt-equity ratio, %	14.0	27.4	7.9	-11.6	-4.3
Interest coverage ratio	2.0	1.1	8.4	9.9	5.3
Equity-assets ratio, %	35.1	37.5	41.2	41.4	42.6
<i>Cash flow</i>					
Investments, SEK million	32.1	32.7	23.0	58.5	24.7
EBITDA	53.0	18.6	77.2	107.4	104.7
EBITDA/Net financial items	-3.6	-1.5	-16.4	-13.1	-9.7
<i>Employees</i>					
Average number of employees	624	552	516	517	520
Net sales per employee, SEK million	1.2	1.2	1.4	1.5	1.6



DEFINITIONS OF KEY FIGURES AND RATIOS

Some key figures and ratios used by company management and analysts to assess the Group's development have not been prepared in accordance with IFRS (International Financial Reporting Standards). As not all companies calculate financial measures in the same way, they are not always comparable with measures used by other companies and must therefore not be seen as a substitute for the measures defined under IFRS. The company management considers that these key figures and ratios make it easier for investors to analyze the Group's development.

EBITDA

Operating profit/loss before amortization and impairment. An indicator that shows the cash generating ability of the business.

EBITDA/Net financial items

Operating profit/loss before amortization and impairment divided by net financial items. Used to gain a clearer picture regarding the company's cash flow compared with the operating margin.

Equity

Average equity has been calculated as an average of the four last quarters.

Equity per share

Equity divided by the number of shares at the end of the period. Enables shareholders to compare book value with market value.

Free cash flow

Cash flow from operating activities (after changes in working capital) including cash flow from investing activities. Shows the company's cash generating capacity after operational investments.

Sales revenue per employee

Sales revenue divided by average number of employees. For quarterly reports net sales are estimated on a full year basis. The measure shows sales turnover for each employee and is a human resources equivalent to the asset turnover ratio.

Investments

Total of the acquisition of businesses/subsidiaries and acquisition of intangible assets and property, plant and equipment

Average number of employees

Average number of employees at the end of each month. Used to calculate other key ratios per employee.

Net debt

Total long-term and short-term borrowing less cash and cash equivalents. Used to show the company's ability to pay all debts if they fall due.

Net debt-equity ratio

Interest-bearing net debt divided by equity including non-controlling interests. A measure of financial risk.

Operating capital

The balance sheet total less non-interest-bearing liabilities, current investments, cash and bank balances. Average operating capital has been calculated as opening balance plus closing balance of operating capital, divided by two. Shows how much capital Studsvik requires to operate its core business.

P/E ratio

Share price divided by earnings per share. This key ratio shows the price of the Studsvik share in relation to Studsvik's earnings per share.

Earnings per share

Profit for the year divided by the average number of shares. The average number of shares has been calculated as a weighted average of all shares in issue for the year. Used to measure the company's earnings per share.

Return on equity

Profit/loss for the period for the last four quarters as a percentage of average equity. This shows Studsvik's ability to generate a return on the owners' invested capital.

Return on operating capital

Operating profit/loss as a percentage of average operating capital. Return on operating capital is used to distinguish profitability independent of financial assets and independent of financing.

Return on capital employed

Profit/loss after financial items for the period with financial expenses, fair value losses and foreign exchange losses for the four last quarters added back, as a percentage of average capital employed. This measures how effectively Studsvik generates profit from the capital tied up in the business.

Net interest-bearing debt

Total of current and non-current interest-bearing liabilities less current investments and cash and bank balances. A measure of the company's financial position.

Interest coverage ratio

Profit after financial income divided by financial expense. A measure of the company's financial position that describes Studsvik's ability to pay its interest expense.

Operating margin

Operating profit as a percentage of sales. A measure of the operative result.

Self-financing ratio

Cash flow before investments divided by investments. The measure shows the proportion of the capital requirement that Studsvik can finance internally.

Equity-assets ratio

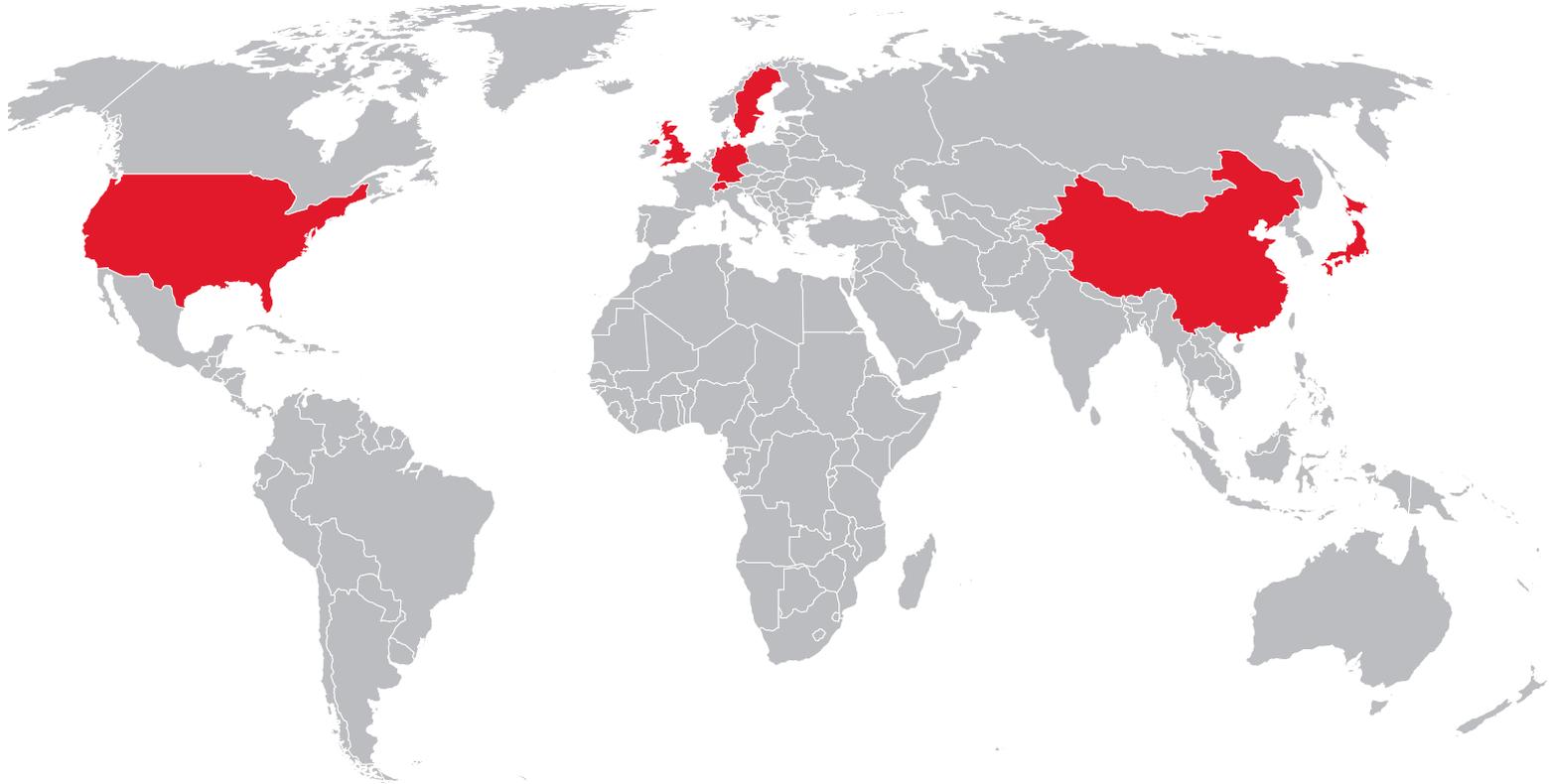
Equity including non-controlling interests as a percentage of the balance sheet total. This key ratio shows Studsvik's long-term solvency and the proportion of assets that are equity financed.

Capital employed

Balance sheet total less non-interest-bearing liabilities. Average capital employed has been calculated as an average of the four last quarters. Shows the value of the assets associated with the business that contribute to generating revenue and profit.

Profit margin

Profit before tax as a percentage of net sales. A measure of profitability.



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