



Q2

Second quarter
2022

Key figures

| Figures in NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|--|---------|---------|-------------|-------------|--------|
| Revenue, segment | 9 902 | 9 810 | 18 271 | 18 121 | 37 592 |
| Pre-tax profit, segment | 355 | 391 | 300 | 419 | 1 342 |
| Construction Norway | 128 | 138 | 235 | 251 | 507 |
| Infrastructure Norway | 155 | 136 | 6 | 3 | 462 |
| Construction Sweden | 43 | 72 | 73 | 121 | 166 |
| Infrastructure Sweden | 55 | 41 | 46 | 27 | 133 |
| Denmark/Hoffmann | 45 | 37 | 76 | 80 | 200 |
| Other | -71 | -32 | -136 | -63 | -127 |
| Profit margin | 3.6% | 4.0% | 1.6% | 2.3% | 3.6% |
| Operating profit before depreciation and amortisation (EBITDA) | 609 | 611 | 806 | 859 | 2 282 |
| Shareholders' profit share | 251 | 266 | 198 | 267 | 958 |
| Profit per share (NOK) | 1.9 | 2.0 | 1.5 | 2.0 | 7.1 |
| Net interest-bearing assets | 2 002 | 2 494 | 2 002 | 2 494 | 3 709 |
| Cash flow from operations | 27 | 739 | 28 | 554 | 2 194 |
| Return on equity past 12 months ¹ | 37% | 60% | 37% | 60% | 38% |
| Order book | 44 224 | 39 670 | 44 224 | 39 670 | 38 084 |
| Order intake | 13 151 | 10 064 | 23 546 | 19 871 | 36 221 |
| LTI rate | 2.2 | 5.5 | 4.3 | 6.6 | 4.6 |
| Sickness absence | 4.7% | 4.7% | 5.3% | 4.6% | 4.6% |

¹ The return as of 30 June 2021 includes the property development operation prior to its divestment in September 2020.

Q2 2022 results

Veidekke achieved revenues of NOK 9.9 billion in Q2, and a pre-tax profit of NOK 355 million. The profit per share was NOK 1.9. The group's order book totalled NOK 44 billion at quarter-end.

Veidekke achieved revenues of NOK 9.9 billion in Q2 2022, compared to NOK 9.8 billion in the second quarter of 2021. The pre-tax profit totalled NOK 355 million, compared to a profit of NOK 391 million in Q2 2021. Four of the group's five business areas improved their profitability year-on-year. The exception was Construction Sweden, where profits remained weak and significantly below Q2 2021 levels. The quarterly figures were also impacted by an unrealised foreign exchange loss of NOK 20 million and a one-off cost of NOK 15 million linked to a judgment in an older dispute involving the former property development operation in Denmark, which was discontinued in 2008. Overall, the profit margin was 3.6%, compared to 4.0% in the second quarter of 2021.

"We are very satisfied to see four of our five business areas improve their margins in challenging markets. However, the group's overall result

dropped somewhat from last year, mainly as a result of unrealised capital losses on our financial investments" says Jimmy Bengtsson, Group CEO.

"The measures we have taken over the past couple of years are starting to produce results, and we have responded well to a challenging market situation and higher commodity prices. We are confident of further progress, and continue to work towards our long-term objectives," says Jimmy Bengtsson.

"The group's order book is strong, particularly for the Norwegian operations. The contracts we secured in Q2 are of high quality and in line with our selectivity strategy," says Bengtsson.

"Going forward, we will continue to select projects with the right risk profile and refine our approach to risk management in the context of project execution. We will adopt commercially sound

priorities for our robust cash holdings that allow us to exploit opportunities and maintain progress, including in the current weaker market," says Jimmy Bengtsson.

Net interest-bearing assets totalled NOK 2.0 billion at the end of Q2 2022, compared to NOK 3.7 billion at the beginning of the year. The drop is due to the payment of dividends, normal seasonal fluctuations in the asphalt and aggregates segments, and weak operational cash flow from the Swedish operations. Cash flow from operational activities amounted to NOK 28 million in the first half of the year, compared to NOK 554 million in the first half of 2021. The statement of financial position totalled NOK 17.0 billion at quarter-end, compared to NOK 17.2 billion one year ago and NOK 17.3 billion at the beginning of the year.

The group's quarterly order intake was NOK 13.2 billion, compared to NOK 10.1 billion in Q2 2021. At quarter-end, the order book amounted to NOK 44.2 billion, up from NOK 39.7 billion last year. Around two-thirds of the order book will be converted into revenue in the next 12 months.

The second-quarter LTI (lost time injury) rate was 2.2, compared to 5.4 in the first quarter of the year and 5.5 in Q2 2021. The sick leave rate was 4.7%, on a par with the preceding quarter and the second quarter of last year.

Veidekke has adopted ambitious environmental and climate targets, and intends to reduce its greenhouse gas emissions by 50% by 2030 and to net zero by 2045. These targets have now been validated by the Science Based Targets initiative.

Revenues totalled NOK 18.3 billion in the first half of 2022, compared to NOK 18.1 billion in the first half of 2021. The pre-tax profit for the first half-year amounted to NOK 300 million, compared to NOK 419 million in the same period last year. The overall profit margin totalled 1.6% as at 30 June 2022, compared to 2.3% one year ago. Four of Veidekke's five business areas improved profit margins year-on-year. Financial items and a judgment in an older dispute under the Other segment made a negative contribution of NOK 68 million.

Construction Norway

| NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|----------------|---------|---------|-------------|-------------|--------|
| Revenue | 3 214 | 3 564 | 6 410 | 7 035 | 13 514 |
| Pre-tax profit | 128 | 138 | 235 | 251 | 507 |
| Profit margin | 4.0% | 3.9% | 3.7% | 3.6% | 3.8% |
| Order book | 16 765 | 12 643 | 16 765 | 12 643 | 13 537 |

The Norwegian construction operation generated revenues of NOK 3.2 billion in the second quarter of 2022, compared to NOK 3.6 billion in the second quarter of 2021. The revenue drop is primarily attributable to lower activity levels in the commercial buildings segment in Oslo.

The Q2 pre-tax profit totalled NOK 128 million, compared to NOK 138 million in the second quarter of 2021. The quarterly profit margin was 4.0%, compared to 3.9% in Q2 2021. Profitability was strong in Oslo and improved among the operations in southwestern Norway.

After quarter-end, Veidekke has signed a letter of intent to acquire 100% of Constructa Entreprenør AS in Bergen. The company generated revenues of NOK 726 million and an operating profit of NOK 49 million in 2021. Completion of the acquisition is expected during autumn 2022.

The second-quarter order intake was NOK 5.6 billion, compared to NOK 3.3 billion in Q2 2021.

- New contracts signed in the quarter:**
- Cissi Klein Upper Secondary School. Upper secondary school in Trondheim for Trøndelag county municipality. Contract value NOK 660 million.
 - Ulven D1A. Residential project at Ulven in Oslo for Obos. Contract value NOK 523 million.
 - Access building at the new hospital in Drammen for South-Eastern Norway Regional Health Authority. Contract value NOK 406 million.
 - Wilds Minne School. School and multi-purpose hall in Kristiansand for Kristiansand municipality. Contract value NOK 376 million.
 - Moelv Nursing Home. Nursing home in Moelv for Ringsaker municipality. Contract value NOK 274 million.

At quarter-end, the order book totalled NOK 16.8 billion, compared to NOK 12.6 billion last year. The order book grew in all geographical areas, with the largest increase being recorded by operations in eastern Norway and Trøndelag county.

Infrastructure Norway

| NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 ¹ | 2021 |
|-----------------------------|---------------|--------------|---------------|--------------------------|--------------|
| Total revenue | 2 523 | 2 459 | 4 237 | 3 922 | 9 147 |
| - Civil engineering | 1 592 | 1 494 | 3 169 | 2 788 | 5 821 |
| - Asphalt, aggregates | 930 | 965 | 1 069 | 1 134 | 3 327 |
| Total pre-tax profit | 155 | 136 | 6 | 3 | 462 |
| - Civil engineering | 121 | 71 | 182 | 85 | 285 |
| - Asphalt, aggregates | 34 | 65 | -176 | -82 | 177 |
| Total profit margin | 6.2% | 5.5% | 0.1% | 0.1% | 5.1% |
| - Civil engineering | 7.6% | 4.8% | 5.8% | 3.1% | 4.9% |
| - Asphalt, aggregates | 3.7% | 6.8% | -16.5% | -7.2% | 5.3% |
| Order book | 10 003 | 7 813 | 10 003 | 7 813 | 7 477 |

¹ The result in the first half of 2021 included a gain on the sale of an operation in Rogaland County, Norway, totalling NOK 39 million.

Infrastructure Norway achieved revenues of NOK 2.5 billion in the second quarter, on a par with the same quarter of last year. The pre-tax profit totalled NOK 155 million, compared to NOK 136 million in Q2 2021. The profit improvement reflects an increase in volumes and significantly improved margins for the civil engineering operation, but also

reduced volumes and substantially weaker margins for the asphalt and aggregates operations. The total profit margin was 6.2%, compared to 5.5% in Q2 2021.

The civil engineering operation generated revenues of NOK 1.6 billion in Q2, compared to NOK 1.5 billion

in the corresponding quarter of last year. The profit totalled NOK 121 million, up from NOK 71 million in Q2 2021. The profit improvement is attributable to strong profitability of the road maintenance portfolio thanks to contributions by individual projects approaching completion, as well as improved profitability of the major civil engineering projects portfolio. The profit margin of the civil engineering operation was 7.6%, compared to 4.8% in Q2 2021.

The asphalt and aggregates operations achieved total revenues of NOK 930 million in the second quarter, compared to NOK 965 million last year. The asphalt volume amounted to 618 000 tonnes, down 8% from 674 000 tonnes in Q2 2021. The quarterly profit was NOK 34 million, compared to NOK 65 million last year. The decline in profits is attributable to increased commodity prices in the asphalt segment and the reduced asphalt volume.

Infrastructure Norway secured new orders valued at NOK 3.2 billion in Q2, compared to NOK 2.7 billion last year.

New contracts signed in the quarter:

- K2B Lysaker–Vækerø. Tunnel forming part of the Fornebu Line project in Oslo for the City of Oslo. Contract value NOK 1.1 billion.
- Kattås water treatment plant. Water treatment plant at Kattås for Asker og Bærum Vannverk IKS. Contract value NOK 601 million.
- D&V Vesterålen. Maintenance contract in Vesterålen for Nordland county municipality. Contract value NOK 460 million.
- D&V Mandal. Maintenance contract in Mandal for Agder county municipality. Contract value NOK 238 million.
- Kongsberg Train Yard. Expansion of railway yard at Kongsberg train station for Bane NOR. Contract value NOK 155 million.

At quarter-end, the order book totalled NOK 10.0 billion, up from NOK 7.8 billion last year. Road maintenance contracts amounted to NOK 4.4 billion, on a par with the corresponding quarter of 2021.

Construction Sweden

| NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|----------------|---------|---------|-------------|-------------|-------|
| Revenue | 2 252 | 2 186 | 4 386 | 4 179 | 8 544 |
| Pre-tax profit | 43 | 72 | 73 | 121 | 166 |
| Profit margin | 1.9% | 3.3% | 1.7% | 2.9% | 1.9% |
| Order book | 8 107 | 11 065 | 8 107 | 11 065 | 9 483 |

Construction Sweden recorded revenues of NOK 2.3 billion in the second quarter, compared to NOK 2.2 billion in the same quarter of last year. Measured in local currency, revenues grew by 7%. The increase is attributable to the operation in Gothenburg, as revenues dropped in Stockholm and Malmö.

The second-quarter profit was NOK 43 million, compared to NOK 72 million last year. The decline in profits is mainly attributable to the Stockholm operation, which again made a substantial loss in Q2. The operation in southern Sweden also reported lower profits, however the subsidiary BRA in Gothenburg continued to deliver stable, satisfactory profitability. The second-quarter profit margin was 1.9%, compared to 3.3% in Q2 2021.

The Stockholm operation is undergoing a turn-around, and steps have been taken to strengthen the organisation. Going forward, Veidekke will continue to be selective and to improve risk management in the tender and execution phases.

The second-quarter order intake totalled NOK 2.1 billion, compared to NOK 2.7 billion last year.

- New contracts signed in the quarter:**
- MHC GoCo. Commercial building in Gothenburg for Majira Real Estate 3 AB. Contract value NOK 500 million.
 - Lott A GoCo. Commercial building in Gothenburg for Majira Real Estate 1 AB. Contract value NOK 253 million.
 - Slagsta Evolv. Commercial building in Gothenburg for Evolv Property AB. Contract value NOK 219 million.
 - Stampen Wallenstam. Commercial building in Gothenburg for Wallenstam. Contract value NOK 138 million.
 - PostNord. Commercial premises for PostNord in Stockholm for Ursus Real Estate Management AS. Contract value NOK 106 million.

At the end of the second quarter, the order book stood at NOK 8.1 billion, compared to NOK 11.1 billion last year. The drop is attributable to Stockholm and Malmö, as the order book for Gothenburg remained stable. Measured in local currency, the order book shrank by 24%.

Infrastructure Sweden

| NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|----------------|---------|---------|-------------|-------------|-------|
| Revenue | 1 387 | 1 109 | 2 360 | 1 943 | 4 345 |
| Pre-tax profit | 55 | 41 | 46 | 27 | 133 |
| Profit margin | 3.9% | 3.7% | 1.9% | 1.4% | 3.1% |
| Order book | 6 233 | 4 849 | 6 233 | 4 849 | 4 774 |

Infrastructure Sweden generated revenues of NOK 1.4 billion in the second quarter of 2022, compared to NOK 1.1 billion in Q2 2021. The quarterly profit amounted to NOK 55 million, compared to NOK 41 million last year. Activity levels have picked up for the industrial operation, which is responsible for most of the year-on-year improvement. The quarterly profit margin was 3.9%, compared to 3.7% one year ago.

The second-quarter order intake totalled NOK 1.5 billion, up from NOK 675 million in Q2 2021.

New contracts signed in the quarter:

- Östberga tunnel. Tunnel forming part of a new sewage treatment system in Stockholm for Stockholm Vatten och Avfall AB. Contract value NOK 577 million.

At the end of the second quarter, the order book stood at NOK 6.2 billion, up from NOK 4.9 billion last year. Measured in local currency, the order book grew by 34%.

Denmark/Hoffmann AS

| NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|----------------|---------|---------|-------------|-------------|-------|
| Revenue | 530 | 529 | 974 | 1 151 | 2 362 |
| Pre-tax profit | 45 | 37 | 76 | 80 | 200 |
| Profit margin | 8.5% | 7.0% | 7.8% | 7.0% | 8.5% |
| Order book | 3 117 | 3 300 | 3 117 | 3 300 | 2 813 |

The Danish operation achieved revenues of NOK 530 million in the second quarter, on a par with the corresponding quarter of last year. The pre-tax profit was NOK 45 million, compared to NOK 37 million in Q2 2021. Profitability was strong throughout the project portfolio. The profit margin was 8.5%, compared to 7.0% in the second quarter of 2021.

During the quarter, Hoffmann acquired Lillestrøm Blume EI, a relatively small electrical installation business on South Zealand with 21 employees.

The second-quarter order intake totalled NOK 606 million, compared to NOK 654 million in Q2 2021. No major contracts were signed in the quarter.

The order book stood at NOK 3.1 billion at the end of the second quarter, compared to NOK 3.3 billion last year. Measured in local currency, the order book shrank by 7%.

Other operations

Other operations consist of unallocated costs associated with the group’s corporate administration, the sale of administrative services to the group’s Norwegian operations, financial management and the group’s ownership role in Public–Private Partnerships (PPP), and the elimination of intra-group profits. The result for the second quarter was NOK -71 million, compared to NOK -32 million in Q2 2021. The quarterly result was impacted by an unrealised foreign exchange loss of NOK 20 million and a one-off cost of NOK 15 million linked to judgment in an older dispute involving the former property development operation in Denmark, which was discontinued in 2008.

Financial situation

Net interest-bearing assets amounted to NOK 2.0 billion at quarter-end, compared to NOK 2.5 billion one year ago and NOK 3.7 billion at the beginning of the year. The drop is due to the payment of dividends, normal seasonal fluctuations in the asphalt and aggregates segments, and weak operational cash flow from the Swedish operations. Cash flow from operational activities amounted to NOK 28 million in the first half of the year, compared to NOK 554 million in the first half of 2021. Net investments in current assets – net of leases pursuant to IFRS-16 – amounted to NOK -224 million in the first half of 2022. The statement of financial position totalled NOK 17.0 billion at quarter-end, compared to NOK 17.2 billion last year.

As at the end of Q2 2022, Veidekke had not drawn on any of its available credit totalling NOK 2.5 billion.

Shareholder information

A total of 5.2 million Veidekke shares were traded in the second quarter of 2022. The share price ranged from NOK 88.1 to NOK 128.8, and was NOK 89.5 as at 30 June. The foreign shareholding was 25.9%. Approximately 11.5% of the shares in the company are owned by Veidekke employees.

| Largest shareholders as at 30 June 2022 | Shareholding |
|---|---------------|
| OBOS BBL | 19.6% |
| Folketrygdfondet | 10.2% |
| If Skadeförsäkring AB | 3.7% |
| Verdipapirfond ODIN Norge | 3.4% |
| Must Invest AS | 2.2% |
| MP Pensjon PK | 2.0% |
| Vanguard | 2.0% |
| Pareto Aksje Norge Verdipapirfond | 1.8% |
| JPMorgan Chase Bank | 1.5% |
| State Street Bank and Trust Company | 1.4% |
| Total 10 largest shareholders | 48.0% |
| Others | 52.0% |
| Total | 100.0% |
| Total number of issued shares | 134 956 267 |

Related-party transactions

Veidekke is regularly involved in transactions with related parties in the course of its ordinary operations, including contracts for the development of specific projects. There were no other significant related-party transactions in the second quarter of 2022. For a more detailed description of related-party transactions, see Veidekke’s Annual and Sustainability Report 2021.

Risk

Veidekke’s business primarily involves the execution of construction and infrastructure projects for private and public-sector clients in Norway, Sweden and Denmark. Recently, market uncertainty has increased as a result of the Covid-19 pandemic and the war in Ukraine, which have created difficulties with the delivery of goods and components and triggered rises in energy and other commodity prices.

Higher inflation and increased interest rates may affect the financial capacity and investment decisions in both the private and the public sector, and thus result in the postponement, redesign or cancellation of planned projects.

Veidekke is monitoring the situation closely and maintaining an ongoing dialogue with customers and suppliers. The group’s organisational and cost structure facilitates rapid adaptation to altered framework conditions. The development of the order book in the second quarter indicates that the market remains well-functioning, with a strong inflow of new projects.

The individual projects in Veidekke’s portfolio vary greatly in terms of complexity, size, duration and risk, and systematic risk management in all parts of the business and during all project phases is therefore of crucial importance. This encompasses matters such as project selection, processes, tender quality, project follow-up and project execution. Having the necessary expertise to ensure optimal assignment execution is key when deciding which projects to tender for.

At the tender preparation stage, risks are identified and assessed, and plans are made for managing risk during the execution phase.

Veidekke’s projects are increasing in size and complexity, making risk management a high priority. Certain forms of contract permit differing interpretations of contractual performance, giving room for disagreement between contractor and client regarding final payment. This applies particularly to transport infrastructure projects, in which the contractual sums are large. Although Veidekke seeks to reach agreement with clients through negotiations, some disputes do end up in the court system. As at the end of the quarter, Veidekke was involved in one major dispute currently before the courts.

In Sweden, uncertainty has arisen about the future availability of cement for the construction and civil engineering markets. In a July 2021 judgment, Sweden’s Land and Environment Court refused a new mining licence for the Cementa factory on Gotland, which currently produces around 75% of all cement used in Sweden. On 18 November 2021, the Swedish Government temporarily extended Cementa’s licence

until 31 December 2022, to allow the company to quarry the remaining volume of limestone. In April, Cementa submitted an application for a new four-year extraction permit. In the interim, Veidekke is continuing to work closely with industry stakeholders and cement product partners to secure priority and future supplies for its projects.

For further discussion of the company’s financial risk, climate risk and other risk factors, see Note 30 in Veidekke’s Annual and Sustainability Report 2021.

Consolidated interim financial statement (unaudited)

- A. FINANCIAL STATEMENT, SECOND QUARTER
- B. BUSINESS SEGMENTS
- C. STATEMENT OF CHANGES IN EQUITY
- D. NOTES TO THE INTERIM FINANCIAL STATEMENTS

Oslo, 17 August 2022
The board of directors of Veidekke ASA

| | | | | | | | | | | | |
|----------------------|--|-----------------------|--|-----------------|--|---------------------|--|------------------------------|--|--------------|--|
| Gro Bakstad chair | | Daniel Kjørberg Siraj | | Hanne Rønneberg | | Per-Ingemar Persson | | Klara Lise Aasen | | Carola Lavén | |
| Pål Eitrheim | | Inge Ramsdal | | Odd Andre Olsen | | Arve Fludal | | Jimmy Bengtsson Group CEO | | | |

Declaration by the board of directors and Group CEO

The board and Group CEO have today reviewed and approved the condensed consolidated financial statements and board of directors’ report for the six-month period that ended 30 June 2022. The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and the additional disclosure requirements of the Norwegian Securities Trading Act. The board considers that the half-year accounts provide a correct picture of the group’s assets, debt, financial position and financial results. The half-year report provides a correct overview of important events during the accounting period, and of their impact on the half-year accounts. It also describes key risk and uncertainty factors facing the group in the next accounting period, as well as material transactions involving related parties.

Statement of comprehensive income

| Figures in NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|--|------------|------------|-------------|-------------|--------------|
| Revenue | 9 902 | 9 810 | 18 271 | 18 121 | 37 592 |
| Operating expenses | -9 301 | -9 191 | -17 478 | -17 258 | -35 312 |
| Share of net income from joint ventures | 8 | -9 | 13 | -5 | 2 |
| Operating profit before depreciation (EBITDA) | 609 | 611 | 806 | 859 | 2 282 |
| Depreciation | -222 | -231 | -442 | -450 | -919 |
| Operating profit (EBIT) | 388 | 380 | 364 | 409 | 1 364 |
| Financial income | 8 | 32 | 24 | 53 | 70 |
| Financial costs | -41 | -21 | -88 | -43 | -92 |
| Pre-tax profit | 355 | 391 | 300 | 419 | 1 342 |
| Tax expenses | -80 | -88 | -68 | -94 | -313 |
| Post-tax profit | 275 | 303 | 233 | 325 | 1 029 |
| of which non-controlling interests | 24 | 38 | 35 | 58 | 71 |
| Profit per share (NOK) | 1.9 | 2.0 | 1.5 | 2.0 | 7.1 |

| Figures in NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|---|------------|------------|-------------|-------------|--------------|
| Post-tax profit for the period | 275 | 303 | 233 | 325 | 1 029 |
| Revaluation of pensions | - | - | - | - | -39 |
| Net items that will not be reclassified subsequently to profit or loss | - | - | - | - | -39 |
| Currency translation differences | 42 | 29 | 6 | -40 | -82 |
| Fair value adjustment of financial assets | 25 | 30 | 80 | 32 | 46 |
| Net items that may be reclassified subsequently to profit or loss | 67 | 30 | 85 | -9 | -36 |
| Total comprehensive income | 342 | 333 | 318 | 316 | 954 |
| of which non-controlling interests | 25 | 39 | 35 | 58 | 68 |

Statement of financial position Veidekke group

| Figures in NOK million | 30 Jun 2022 | 30 Jun 2021 | 31 Dec 2021 |
|--|---------------|---------------|---------------|
| ASSETS | | | |
| Non-current assets | | | |
| Goodwill | 1 786 | 1 798 | 1 758 |
| Other intangible assets | 147 | 114 | 150 |
| Rights of use assets | 862 | 764 | 896 |
| Land and buildings | 688 | 656 | 689 |
| Plant and machinery | 2 204 | 2 173 | 2 199 |
| Investments in joint ventures | 258 | 152 | 150 |
| Financial assets | 501 | 635 | 479 |
| Total non-current assets | 6 446 | 6 292 | 6 323 |
| Current assets | | | |
| Inventories | 737 | 608 | 590 |
| Trade and other receivables, contract assets | 7 434 | 7 062 | 6 050 |
| Financial investments | 513 | 540 | 539 |
| Cash and cash equivalents | 1 866 | 2 667 | 3 814 |
| Total current assets | 10 549 | 10 876 | 10 992 |
| Total assets | 16 996 | 17 168 | 17 315 |

| Figures in NOK million | 30 Jun 2022 | 30 Jun 2021 | 31 Dec 2021 |
|--|---------------|---------------|---------------|
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 67 | 67 | 67 |
| Other equity | 2 069 | 2 212 | 2 781 |
| Non-controlling interests | 18 | 18 | 17 |
| Total equity | 2 155 | 2 297 | 2 865 |
| Non-current liabilities | | | |
| Pensions and deferred tax liabilities | 1 245 | 1 125 | 1 176 |
| Bonds | 193 | 600 | 600 |
| Amounts due to credit institutions | 175 | 210 | 162 |
| Other non-current liabilities | 763 | 1 126 | 1 358 |
| Total non-current liabilities | 2 375 | 3 062 | 3 297 |
| Current liabilities | | | |
| Debt to credit institutions | 15 | 45 | 13 |
| Trade payables and warranty provisions | 7 035 | 7 092 | 6 723 |
| Public duties and taxes payable | 1 210 | 1 041 | 1 106 |
| Other current liabilities and contract liabilities | 4 206 | 3 631 | 3 310 |
| Total current liabilities | 12 465 | 11 809 | 11 153 |
| Total equity and liabilities | 16 996 | 17 168 | 17 315 |

Statement of cash flows

| Figures in NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|---|-------------------------|------------------------|-------------------------|------------------------|-------------------------|
| OPERATING ACTIVITIES | | | | | |
| Pre-tax profit | 355 | 391 | 300 | 419 | 1 342 |
| Tax paid for the period | -31 | -20 | -68 | -55 | -128 |
| Depreciation/impairment | 222 | 231 | 442 | 450 | 919 |
| Other operational items | -519 | 137 | -646 | -260 | 61 |
| Cash flow from operating activities | 27 | 739 | 28 | 554 | 2 194 |
| INVESTING ACTIVITIES | | | | | |
| Acquisition/disposal of property, plant and equipment | -145 | -46 | -224 | -139 | -473 |
| Other investing activities | -42 | -79 | -107 | 29 | 177 |
| Change in interest-bearing receivables | 8 | 18 | 24 | 2 | 15 |
| Net cash flow from investing activities | -179 | -107 | -307 | -108 | -282 |
| FINANCING ACTIVITIES | | | | | |
| Change in interest-bearing liabilities | -28 | 7 | 14 | 2 | -90 |
| Repayment of bond loan | - | - | -420 | - | - |
| Dividend paid | -945 | -776 | -945 | -776 | -776 |
| Other financial items | -151 | -100 | -317 | -223 | -448 |
| Net cash flow from financing activities | -1 124 | -870 | -1 668 | -997 | -1 314 |
| Total cash flow | -1 276 | -238 | -1 947 | -551 | 598 |
| Cash and cash equivalents, start of period | 3 143 | 2 904 | 3 814 | 3 219 | 3 219 |
| Exchange rate adjustment foreign cash balances | - | 1 | - | -2 | -3 |
| Cash and cash equivalents, end of period | 1 867 | 2 667 | 1 867 | 2 667 | 3 814 |

Net interest-bearing position

| Figures in NOK million | 30 Jun 2022 | 30 Jun 2021 | 31 Dec 2021 |
|--------------------------------------|--------------|--------------|--------------|
| Cash and cash equivalents | 1 866 | 2 667 | 3 814 |
| Interest-bearing assets (short-term) | 513 | 540 | 539 |
| Interest-bearing assets (long-term) | 5 | 143 | 131 |
| Interest-bearing liabilities | -383 | -856 | -776 |
| Net interest-bearing position | 2 002 | 2 494 | 3 709 |

Other key figures

| Figures in NOK million | 30 Jun 2022 | 30 Jun 2021 | 31 Dec 2021 |
|---------------------------------|-------------|-------------|-------------|
| Order book | 44 224 | 39 670 | 38 084 |
| Equity ratio | 13% | 13% | 17% |
| Return on equity past 12 months | 37% | 60% | 38% |
| Number of employees | 7 716 | 7 988 | 7 796 |

Business segments

| Figures in NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|---|--------------|--------------|--------------|--------------|--------------|
| Construction Norway | | | | | |
| Revenue | 3 214 | 3 564 | 6 410 | 7 035 | 13 514 |
| Operating expenses | -3 049 | -3 383 | -6 107 | -6 708 | -12 845 |
| Share of net income from joint ventures | - | - | - | - | - |
| Depreciation/impairment | -42 | -48 | -84 | -88 | -180 |
| Operating profit (EBIT) | 122 | 133 | 219 | 239 | 489 |
| Net financial items | 5 | 5 | 16 | 12 | 18 |
| Pre-tax profit (EBT) | 128 | 138 | 235 | 251 | 507 |
| Total assets, segment | 6 488 | 6 612 | 6 488 | 6 612 | 6 602 |
| Infrastructure Norge | | | | | |
| Revenue | 2 523 | 2 459 | 4 237 | 3 922 | 9 147 |
| Operating expenses | -2 252 | -2 201 | -3 998 | -3 675 | -8 190 |
| Share of net income from joint ventures | 2 | 2 | - | 1 | 2 |
| Depreciation/impairment | -109 | -113 | -218 | -225 | -458 |
| Operating profit (EBIT) | 164 | 147 | 21 | 23 | 502 |
| Net financial items | -9 | -11 | -15 | -19 | -40 |
| Pre-tax profit (EBT) | 155 | 136 | 6 | 3 | 462 |
| Total assets, segment | 5 470 | 5 528 | 5 470 | 5 528 | 4 921 |

| Figures in NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|---|--------------|--------------|--------------|--------------|--------------|
| Construction Sweden | | | | | |
| Revenue | 2 252 | 2 186 | 4 386 | 4 179 | 8 544 |
| Operating expenses | -2 189 | -2 100 | -4 274 | -4 024 | -8 285 |
| Share of net income from joint ventures | 1 | - | 1 | - | -6 |
| Depreciation/impairment | -21 | -23 | -41 | -43 | -92 |
| Operating profit (EBIT) | 43 | 63 | 73 | 112 | 160 |
| Net financial items | - | 9 | - | 9 | 6 |
| Pre-tax profit (EBT) | 43 | 72 | 73 | 121 | 166 |
| Total assets, segment | 2 982 | 3 118 | 2 982 | 3 118 | 3 222 |
| Infrastructure Sweden | | | | | |
| Revenue | 1 387 | 1 109 | 2 360 | 1 943 | 4 345 |
| Operating expenses | -1 304 | -1 025 | -2 257 | -1 844 | -4 076 |
| Share of net income from joint ventures | - | -16 | - | -16 | -16 |
| Depreciation/impairment | -28 | -30 | -57 | -58 | -117 |
| Operating profit (EBIT) | 55 | 38 | 46 | 25 | 137 |
| Net financial items | -1 | 3 | -1 | 2 | -4 |
| Pre-tax profit (EBT) | 55 | 41 | 46 | 27 | 133 |
| Total assets, segment | 1 809 | 1 657 | 1 809 | 1 657 | 1 563 |

| Figures in NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|---|--------------|--------------|--------------|--------------|--------------|
| Denmark | | | | | |
| Revenue | 530 | 529 | 974 | 1 151 | 2 362 |
| Operating expenses | -479 | -487 | -886 | -1 059 | -2 138 |
| Share of net income from joint ventures | - | - | - | - | - |
| Depreciation/impairment | -5 | -6 | -11 | -12 | -24 |
| Operating profit (EBIT) | 46 | 37 | 77 | 80 | 200 |
| Net financial items | -1 | - | -1 | - | - |
| Pre-tax profit (EBT) | 45 | 37 | 76 | 80 | 200 |
| Total assets, segment | 1 696 | 1 627 | 1 696 | 1 627 | 1 739 |
| Other operations¹ | | | | | |
| Revenue | 50 | 40 | 93 | 79 | 162 |
| Operating expenses | -87 | -67 | -149 | -130 | -253 |
| Share of net income from joint ventures | 6 | 5 | 11 | 11 | 22 |
| Depreciation/impairment | -16 | -12 | -33 | -24 | -51 |
| Operating profit (EBIT) | -48 | -34 | -77 | -64 | -119 |
| Net financial items | -28 | 5 | -64 | 6 | -2 |
| Pre-tax profit (EBT) | -76 | -28 | -141 | -59 | -121 |
| Total assets, segment | 2 850 | 2 649 | 2 850 | 2 649 | 3 787 |

¹ Other operations include the group's net financial items and central unassigned costs.

| Figures in NOK million | Q2 2022 | Q2 2021 | 30 Jun 2022 | 30 Jun 2021 | 2021 |
|--|---------------|---------------|---------------|---------------|---------------|
| Group eliminations | | | | | |
| Revenue | -54 | -76 | -189 | -188 | -482 |
| Operating expenses | 59 | 72 | 193 | 182 | 474 |
| Share of net income from joint ventures | - | - | - | - | - |
| Depreciation/impairment | - | 1 | 1 | 1 | 2 |
| Operating profit (EBIT) | 5 | -4 | 5 | -5 | -6 |
| Net financial items | - | - | - | - | - |
| Pre-tax profit (EBT) | 5 | -4 | 5 | -5 | -6 |
| Total assets, segment | -4 299 | -4 023 | -4 299 | -4 023 | -4 519 |
| Total Veidekke group segment accounts | | | | | |
| Revenue | 9 902 | 9 810 | 18 271 | 18 121 | 37 592 |
| Operating expenses | -9 301 | -9 191 | -17 478 | -17 258 | -35 312 |
| Share of net income from joint ventures | 8 | -9 | 13 | -5 | 2 |
| Depreciation/impairment | -222 | -231 | -442 | -450 | -919 |
| Operating profit (EBIT) | 388 | 380 | 364 | 409 | 1 364 |
| Net financial items | -33 | 11 | -64 | 10 | -22 |
| Pre-tax profit (EBT) | 355 | 391 | 300 | 419 | 1 342 |
| Total assets, segment | 16 996 | 17 168 | 16 996 | 17 168 | 17 315 |

Statement of changes in equity

| | Equity holders of Veidekke ASA | | | | | | Minority | | |
|---|--------------------------------|------------------------------------|--------------------------|----------------------------------|-------------------------|-------------------------------------|----------|---------------------------|-------|
| Figures in NOK million | Share capital | Other paid-in capital ¹ | Reevaluation of pensions | Currency translation differences | Other retained earnings | Fair value adjustments ² | Total | Non-controlling interests | Total |
| Equity at 1 January 2021 | 67 | 419 | -46 | 54 | 2 514 | -156 | 2 853 | 25 | 2 877 |
| Profit | - | - | - | - | 267 | - | 267 | 58 | 325 |
| Other comprehensive income | - | - | - | -40 | - | 32 | -8 | -1 | -9 |
| IFRS 2 – share-based transactions employees | - | - | - | - | -25 | - | -25 | - | -25 |
| Transactions, non-controlling interests | - | - | - | - | -31 | - | -31 | -11 | -42 |
| Dividend | - | - | - | - | -776 | - | -776 | -53 | -829 |
| Equity at 30 June 2021 | 67 | 419 | -46 | 15 | 1 948 | -124 | 2 280 | 18 | 2 297 |
| Equity at 1 January 2021 | 67 | 419 | -46 | 54 | 2 514 | -156 | 2 853 | 25 | 2 877 |
| Profit | - | - | - | - | 958 | - | 958 | 71 | 1 029 |
| Other comprehensive income | - | - | -39 | -79 | - | 46 | -72 | -3 | -75 |
| IFRS 2 – share-based transactions employees | - | - | - | - | -38 | - | -38 | - | -38 |
| Additions from acquisitions of operations – non-controlling interests | - | - | - | - | - | - | - | 22 | 22 |
| Transactions, non-controlling interests | - | - | - | - | -76 | - | -76 | -38 | -114 |
| Dividend | - | - | - | - | -776 | - | -776 | -60 | -836 |
| Equity at 31 December 2021 | 67 | 419 | -85 | -25 | 2 581 | -110 | 2 848 | 17 | 2 865 |
| Equity at 1 January 2022 | 67 | 419 | -85 | -25 | 2 581 | -110 | 2 848 | 17 | 2 865 |
| Profit | - | - | - | - | 198 | - | 198 | 35 | 233 |
| Other comprehensive income | - | - | - | 6 | - | 80 | 85 | - | 85 |
| IFRS 2 – share-based transactions employees | - | - | - | - | -15 | - | -15 | - | -15 |
| Additions from acquisitions of operations – non-controlling interests | - | - | - | - | - | - | - | 6 | 6 |
| Transactions, non-controlling interests | - | - | - | - | -35 | - | -35 | 11 | -24 |
| Dividend | - | - | - | - | -945 | - | -945 | -51 | -995 |
| Equity at 30 June 2022 | 67 | 419 | -85 | -19 | 1 784 | -30 | 2 137 | 18 | 2 155 |

¹ Paid-in capital over and above nominal value of shares.

² Financial assets and derivatives defined as hedging instruments that are both valued at fair value through comprehensive income.

Notes Veidekke group

Note 01. General information

Veidekke is one of Scandinavia’s largest construction companies. The company is headquartered in Oslo and is listed on the Oslo Stock Exchange. The consolidated accounts for Q2 2022 include Veidekke ASA and its subsidiaries and the group's investments in associates and joint ventures. The group included mainly the same units as of Q2 2022 as in the submitted annual accounts for 2021.

Accounting figures in quarterly accounts are not audited.

Note 02. Accounting principles

The group’s financial reports are prepared in accordance with international accounting standards (IFRS) approved by the EU. The quarterly accounts have been prepared in accordance with IAS 34 on interim financial reporting, and comply with applicable stock-exchange rules. The quarterly accounts were prepared in accordance with the same accounting principles as the annual accounts for 2021.

Segment and financial statements are presented according to the same accounting principles. There is therefore difference between IFRS and the principles applied by management to follow up on business.

The quarterly accounts do not include all information required in a complete annual report and should therefore be read in connection with the group's annual accounts for 2021, which are available at www.veidekke.com.

Note 03. Segment information

Business areas

| | Construction Norway | | Infrastructure Norway | | Construction Sweden | | Infrastructure Sweden | | Denmark | | Other | | Eliminations | | Group | |
|---|---------------------|--------------|-----------------------|--------------|---------------------|--------------|-----------------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|
| Figures in NOK million | At 30 Jun 22 | At 30 Jun 21 | At 30 Jun 22 | At 30 Jun 21 | At 30 Jun 22 | At 30 Jun 21 | At 30 Jun 22 | At 30 Jun 21 | At 30 Jun 22 | At 30 Jun 21 | At 30 Jun 22 | At 30 Jun 21 | At 30 Jun 22 | At 30 Jun 21 | At 30 Jun 22 | At 30 Jun 21 |
| Income statement | | | | | | | | | | | | | | | | |
| Revenue | 6 410 | 7 035 | 4 237 | 3 922 | 4 386 | 4 179 | 2 360 | 1 943 | 974 | 1 151 | 93 | 79 | -189 | -188 | 18 271 | 18 121 |
| Operating expenses | -6 107 | -6 708 | -3 998 | -3 675 | -4 274 | -4 024 | -2 257 | -1 844 | -886 | -1 059 | -149 | -130 | 193 | 182 | -17 478 | -17 258 |
| Share of net income from joint ventures | - | - | - | 1 | 1 | - | - | -16 | - | - | 11 | 11 | - | - | 13 | -5 |
| Depreciation | -84 | -88 | -218 | -225 | -41 | -43 | -57 | -58 | -11 | -12 | -33 | -24 | 1 | 1 | -442 | -450 |
| Operating profit | 219 | 239 | 21 | 23 | 73 | 112 | 46 | 25 | 77 | 80 | -77 | -64 | 5 | -5 | 364 | 409 |
| Net financial items | 16 | 12 | -15 | -19 | - | 9 | -1 | 2 | -1 | - | -64 | 6 | - | - | -64 | 10 |
| Profit before tax | 235 | 251 | 6 | 3 | 73 | 121 | 46 | 27 | 76 | 80 | -141 | -59 | 5 | -5 | 300 | 419 |
| Statement of financial position at 30 June | | | | | | | | | | | | | | | | |
| Non-current assets | 1 341 | 1 304 | 2 640 | 2 482 | 844 | 1 034 | 605 | 619 | 231 | 231 | 832 | 716 | -46 | -94 | 6 446 | 6 292 |
| Current assets | 2 225 | 2 307 | 2 815 | 3 029 | 1 629 | 1 334 | 996 | 635 | 336 | 305 | 749 | 653 | -68 | -55 | 8 683 | 8 209 |
| Cash and cash equivalents | 2 922 | 3 001 | 15 | 17 | 508 | 749 | 208 | 404 | 1 129 | 1 091 | 1 269 | 1 279 | -4 185 | -3 875 | 1 866 | 2 667 |
| Total assets | 6 488 | 6 612 | 5 470 | 5 528 | 2 982 | 3 118 | 1 809 | 1 657 | 1 696 | 1 627 | 2 850 | 2 649 | -4 299 | -4 023 | 16 996 | 17 168 |
| Equity | 1 331 | 1 382 | 909 | 936 | 428 | 620 | 302 | 206 | 510 | 487 | -1 240 | -1 150 | -85 | -184 | 2 155 | 2 297 |
| Non-current liability | 912 | 883 | 1 698 | 1 628 | 105 | 584 | 107 | 110 | 109 | 109 | 3 909 | 3 655 | -4 465 | -3 907 | 2 375 | 3 062 |
| Current liabilities | 4 245 | 4 347 | 2 863 | 2 964 | 2 448 | 1 914 | 1 400 | 1 342 | 1 077 | 1 031 | 180 | 144 | 251 | 67 | 12 465 | 11 809 |
| Total equity and liabilities | 6 488 | 6 612 | 5 470 | 5 528 | 2 982 | 3 118 | 1 809 | 1 657 | 1 696 | 1 627 | 2 850 | 2 649 | -4 299 | -4 023 | 16 996 | 17 168 |
| Key figures | | | | | | | | | | | | | | | | |
| Number of employees | 2 762 | 2 876 | 2 246 | 2 296 | 1 117 | 1 222 | 1 054 | 1 039 | 396 | 429 | 141 | 126 | - | - | 7 716 | 7 988 |
| Order book | 16 765 | 12 643 | 10 003 | 7 813 | 8 107 | 11 065 | 6 233 | 4 849 | 3 117 | 3 300 | - | - | - | - | 44 224 | 39 670 |
| - due for completion within 12 months | 10 395 | 8 938 | 4 290 | 3 765 | 5 724 | 7 357 | 2 739 | 2 986 | 2 076 | 1 863 | - | - | - | - | 25 224 | 24 909 |

Note 04. Operating income

The tables below show the group’s revenues split into service areas.

| Figures in NOK million | Construction Norway | Infrastructure Norway | Construction Sweden | Infrastructure Sweden | Denmark | Other | Group |
|--|---------------------|-----------------------|---------------------|-----------------------|---------|-------|--------|
| Service area | | | | | | | |
| Apartments and small houses | 2 294 | - | 1 215 | - | 29 | - | 3 539 |
| Commercial buildings | 1 150 | - | 2 580 | - | 402 | - | 4 133 |
| Public buildings | 2 404 | 365 | 591 | - | 449 | - | 3 809 |
| Transport infrastructure – road | - | 4 | - | 188 | - | - | 192 |
| Transport infrastructure – rail | - | 1 113 | - | 298 | - | - | 1 411 |
| Asphalt and aggregates | - | 1 100 | - | 313 | - | - | 1 413 |
| Other civil engineering | 561 | 944 | - | 1 561 | 93 | - | 3 159 |
| Maintenance contracts (road maintenance) | - | 809 | - | - | - | - | 809 |
| Other/Eliminations | - | -97 | - | - | - | -96 | -193 |
| Total 30 June 2022 | 6 410 | 4 238 | 4 386 | 2 360 | 974 | -96 | 18 271 |

| Figures in NOK million | Construction Norway | Infrastructure Norway | Construction Sweden | Infrastructure Sweden | Denmark | Other | Group |
|--|---------------------|-----------------------|---------------------|-----------------------|---------|-------|--------|
| Service area | | | | | | | |
| Apartments and small houses | 2 533 | - | 1 400 | - | 53 | - | 3 986 |
| Commercial buildings | 2 166 | - | 1 869 | - | 798 | - | 4 833 |
| Public buildings | 2 027 | - | 1 335 | - | 198 | - | 3 560 |
| Transport infrastructure – road | - | 141 | - | 243 | - | - | 384 |
| Transport infrastructure – rail | - | 931 | - | 172 | - | - | 1 103 |
| Asphalt and aggregates | - | 578 | - | 224 | - | - | 802 |
| Other civil engineering | 309 | 1 628 | - | 879 | 102 | - | 2 918 |
| Maintenance contracts (road maintenance) | - | 644 | - | - | - | - | 644 |
| Other/Eliminations | - | - | -425 | 425 | - | -108 | -108 |
| Total 30 June 2021 | 7 035 | 3 922 | 4 179 | 1 943 | 1 150 | -108 | 18 121 |

Note 05. Estimates

Veidekke’s operations comprise construction projects. Accounting for project activities is largely based on estimates. Significant judgements used in applying the group’s accounting policies as well as main sources of estimate uncertainty are the same at the end of Q2 2022 as in the 2021 annual accounts.

Note 06. Non-current assets

| Figures in NOK million | Q2 2022 | Q2 2021 | As at 31 Dec 2021 |
|--|--------------|--------------|-------------------|
| Property, plant, equipment and other intangible assets | | | |
| Carrying amount at start of period | 3 935 | 3 859 | 3 859 |
| Additions of non-current assets excl. Rights of use assets | 336 | 317 | 751 |
| Additions of Rights of use assets | 130 | 168 | 484 |
| Additions from acquisitions of operations | 12 | 65 | 84 |
| Disposals of non-current assets excl. Rights of use assets | -60 | -215 | -246 |
| Disposals of Rights of use assets | - | -7 | -9 |
| Depreciation/amortisation of non-current assets excl. Rights of use assets | -280 | -291 | -573 |
| Depreciation of Rights of use assets | -163 | -159 | -335 |
| Currency translation differences, etc. | -10 | -31 | -80 |
| Carrying amount at end of period | 3 902 | 3 708 | 3 935 |
| Other intangible assets | 147 | 114 | 150 |
| Rights of use assets | 862 | 764 | 896 |
| Land and buildings | 688 | 656 | 689 |
| Plant and machinery | 2 204 | 2 173 | 2 199 |
| Carrying amount at end of period | 3 902 | 3 708 | 3 935 |

| Figures in NOK million | Q2 2022 | Q2 2021 | As at 31 Dec 2021 |
|---|--------------|--------------|-------------------|
| Goodwill | | | |
| Carrying amount at start of period | 1 758 | 1 824 | 1 824 |
| Additions | 29 | 16 | 15 |
| Disposals | - | -11 | -12 |
| Impairment | - | - | -11 |
| Currency translation differences | -2 | -31 | -58 |
| Carrying amount at end of period | 1 786 | 1 798 | 1 758 |

Note 07. Operations significantly affected by seasonal fluctuations

The group's asphalt and aggregates operations, which report under the Infrastructure business area, is subject to seasonal fluctuations related to climatic conditions. Production takes place mainly between May and October, and the bulk of the operation's turnover is consequently generated during this period. However, costs related to salaried employees, maintenance of production facilities and depreciation accrue throughout the year. As a result, quarterly accounts for the Infrastructure business area will normally fluctuate significantly.

Note 08. Acquisitions, sales of operations

In Q1 2022, Infrastructure Sweden entered into an agreement with the logistics property company NREP Logicensers for the sale of Veidekke's industrial site in Snebro near Nykvarn, south of Stockholm. Completion of the transaction is subject to environmental approval by the authorities, which is expected by December 2023. The transaction is expected to provide an accounting gain of NOK 130 million and will be included in Infrastructure Sweden's results for the quarter in which it is completed.

Note 09. Special items

Veidekke has invested parts of the surplus liquidity in, among other things, bonds. Due to increased interest rates and market unrest the portfolio of investments has been exposed to a decline in value in 2022. Unrealized losses totalling NOK 30 million have been booked in the accounts for the first half of the year, of which NOK 19 million in the second quarter. In addition to this, parts of a bond loan was prematurely redeemed in the first quarter of 2022, which charged NOK 13 million to the accounts. Reference is made to [note 12](#). The cost entries are made under segment Other.

Note 10. Financial instruments

There were no significant changes during the period related to financial risk and the group's use of financial instruments. For further details, see the annual report for 2021.

Note 11. Dividends

For the financial year 2021, a dividend payment of NOK 7.0 per share, amounting to NOK 945 million in total, was approved by the Annual General Meeting on 11 May 2022 and recognised in the Q2 2022 accounts.

Note 12. Loan agreement covenants

Veidekke has a NOK 1.75 billion overdraft facility with DNB (rolling 364-day maturity) and a NOK 0.75 billion credit facility with SEB (with maturity until December 2023 and two one-year extension options). Both facilities remained unutilised as at the end of second quarter 2022.

Cash and cash equivalents amount to NOK 1.9 billion, including NOK 1.3 billion invested in money market funds. Veidekke has also invested NOK 0.5 billion in bond funds, and this investment has been classified as Financial investments in the Statement of financial position.

In first quarter 2022, Veidekke implemented a voluntary buy-back of its VEI10 bond loan, which has a maturity date of 19 March 2025. As at 31 December 2021, the loan had an outstanding volume of NOK 600 million, of which a total of NOK 407 million was bought back at a price of NOK 103.20. Following the buy-back, Veidekke’s bond loan stands at NOK 193 million. As a result of the premature redemption the income statement in Q1 has been charged with NOK 13 million related to share premiums.

Note 13. Events after the reporting date

No events have occurred after the balance sheet date that would have had a material effect on the issued accounts.

Note 14. Alternative performance measures

Veidekke generally reports its financial results in line with International Financial Reporting Standards (IFRS). The following alternative performance measures are also reported:

Net interest-bearing position

This key figure expresses the group’s financial position and is determined on the basis of the group’s capitalised interest-bearing debt on the date of calculation, less bank deposits and interest-bearing receivables, both current and non-current. This key figure is also included in the calculation of covenants in the loan agreement.

Order book

The order book provides an indication of future activity in the group’s construction and civil engineering operations. The order book is defined as contracted and signed contracts on the measurement date. This key figure also includes road maintenance contracts in Infrastructure’s Road maintenance unit.

Invested capital

The return on invested capital is calculated by dividing the pre-tax profit/loss plus interest costs over the previous 12 months by the average invested capital over the same period.

The average invested capital is calculated by averaging invested capital over the four preceding quarters.

Invested capital comprises equity and interest-bearing debt. Interest-bearing receivables and cash are excluded from the definition of interest-bearing debt.

Return on equity

This key figure indicates the return on equity during the period. It is calculated by dividing the post-tax profit by average equity.

Post-tax profit last 12 months

Average equity last 12 months

Average equity over the last 12 months is calculated by averaging equity over the preceding four quarters.

Veidekke is one of Scandinavia's largest contractors. In addition to undertaking all types of building and civil engineering assignments, the group also maintains roads and produces asphalt and aggregates. Veidekke emphasises stakeholder involvement and local experience. The annual turnover is NOK 38 billion, and half of its 7 800 employees own shares in the company. Veidekke is listed on the Oslo Stock Exchange and has posted a profit every year since its inception in 1936.



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