

Statement by the Board pursuant to Chapter 18, Section 4 and Chapter 19, Section 22 of the Swedish Companies Act regarding the Board's proposed distribution of unappropriated earnings and repurchase of own shares

The Board of Directors hereby issues the following statement pursuant to Chapter 18, Section 4 and Chapter 19, Section 22 of the Swedish Companies Act. The Board of Directors' reasoned statement that the proposals regarding the dividend and the authorization for the Board of Directors to resolve to repurchase own shares are compliant with the provisions of Chapter 17, Section 3, paragraph 2 and 3, of the Swedish Companies Act are as follows.

Nature, scope and risks of the business

The nature and scope of the business are stipulated in the Articles of Association and the 2024 Annual Report. The activities conducted by the Company do not entail any risks other than those that arise or can be anticipated to arise within the industry, or those risks that are generally associated with operating a business. For information on significant events during the year, refer to the Report of the Board of Directors. After year-end, no events have occurred that affect the Company's ability to pay a dividend or to repurchase its own shares.

The financial position of the Company and the Group

The financial position of the Company and the Group on December 31, 2024 is described in the 2024 Annual Report. The Annual Report also specifies the accounting policies that have been applied in valuing assets, provisions and liabilities. According to the proposed distribution of unappropriated earnings, the Board proposes that the Annual General Meeting (AGM) approve a dividend of SEK 9 per share plus an extra dividend of SEK 2 per share, divided into two payments, whereby SEK 6.50 per share will be paid on the first date of payment in April and SEK 4.50 per share will be paid on the second date of payment in November.

The Company's financial objective is to generate a healthy return to shareholders under retained financial stability. The Group's profit after tax for the year was SEK 1,571 M. The Parent Company's shareholders' equity at December 31, 2024, an amount of SEK 6,235 M, entails an equity/assets ratio of 95 percent.

The Group's net debt amounted to SEK -1,164 M (-4,310) at December 31, 2024. The change is mainly attributable to better cash flow before financing and also to lower pension debt.

Corporate net cash, meaning net debt excluding pension debt and lease liabilities, amounted to SEK 205 M (-2,374). In all significant respects, the change from net debt to net cash is due to the sale of property projects.

Corporate net debt (cash)/EBITDA amounted to -0.08 at December 31, 2024. NCC's financial objective is that net debt/EBITDA shall be lower than 2.5. For definitions of key figures, see ncc.com/investor-relations/ncc-share/financial-definitions/.

The Board of Directors concludes that the Company has a solid foundation to fulfill its obligations in the short and long term.

Justification of the motions

In reference to the above and to other information that has been brought to the Board's attention, the Board is of the opinion that a comprehensive assessment of the Company's and the Group's financial position leads to the conclusion that the proposals for dividend and the repurchase of own shares are justified in view of the demands that the nature, scope and risks in the business place upon the size of the Company's and the Group's shareholders' equity and the funding requirements, liquidity and position in general of the Company's and the Group's operations.

Solna, April 2025

Board of Directors of NCC AB