

Year-end report Jan-Dec 2023

JONAS GUSTAVSSON, PRESIDENT & CEO
BO SANDSTRÖM, CFO

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Summary Q4

GOOD GROWTH IN THE QUARTER

- Continued good growth of 8.0% and 5.9% adj. organic
- General good demand, with strong energy sector, variations in industrial segments and weak real estate – in line with Q3
- Solid order stock of SEK 19 billion

STABLE RESULT AND STRONG CASH FLOW

- EBITA was SEK 596 million. The EBITA margin was 8.4% - in line with last year when adjusting for calendar effects
- Strong cash-flow enabling improved financial position
- The Board of Directors proposes a dividend of SEK 5.50 per share for 2023

CONTINUED EXECUTION OF IMPROVEMENT PROGRAMME

- Improvement programme in Infrastructure according to plan with continued full focus on execution
- Focus on utilisation and agility for handling changes in the market

7,135

Net sales, SEK million

8.0

Total growth, %

5.9

Adj. organic growth, %

596

EBITA, SEK million

8.4

EBITA margin, %

Note: EBITA and EBITA margin excluding items affecting comparability

Market update

INDUSTRIAL SECTOR

- Mixed market with strong demand in several segments
- Delayed investment decision processes in pulp & paper
- Postponements and cancellations in some segments, e.g. telecom and IT

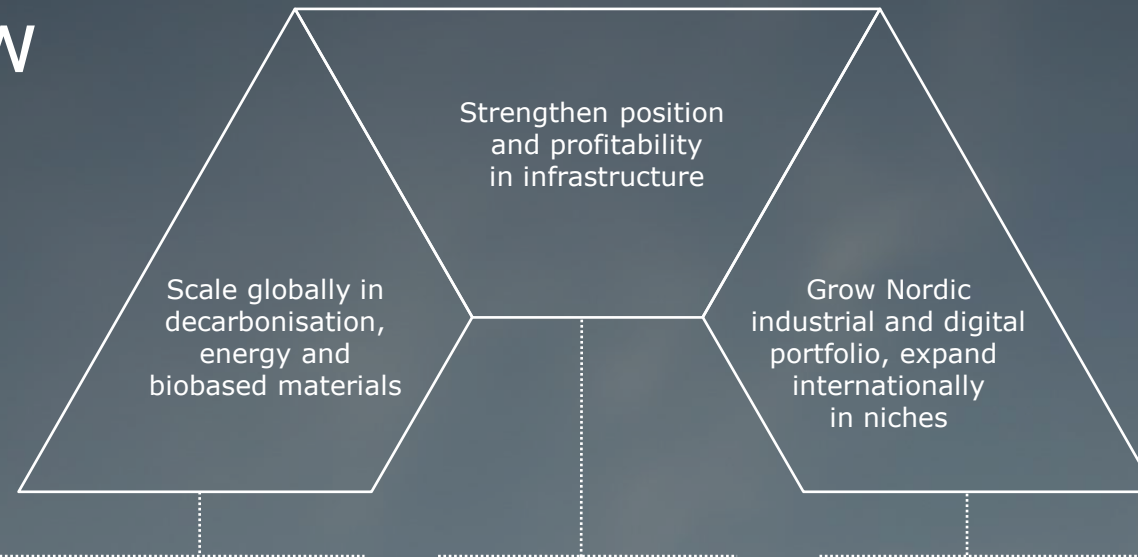
ENERGY SECTOR

- Strong demand driven by energy transition

INFRASTRUCTURE SECTOR

- Continued weak real estate segment
- Public investments in infrastructure and transport at a stable level

Divisional overview



	Process Industries	Energy	Management Consulting	Infrastructure	Industrial & Digital Solutions
ADJ ORG GROWTH	7.6%	9.4%	20.4%	8.0%	-0.5%
EBITA MARGIN	11.9%	11.5%	10.2%	8.4%	6.3%
COMMENTS	Strong performance, order stock slightly down YoY	Strong results, seasonal variations in order stock	Strong performance, underlying results strong	Improved results and ongoing improvement programme according to plan	Weak results following project write-down and low utilisation



Sustainable kraft paper
production in
Bäckhammar, Sweden



Concert hall and
urban development
project in Prague



Development of
power grids for
Statnett in Norway

2023 highlights

Net sales

27 BSEK

EBITA

2.0 BSEK

Total growth

15%

EBITA margin


7.5%


- Strong demand for our services
- Sharp slowdown in real estate segment
- Several actions to strengthen the margin; expanding the improvement programme in Infrastructure and restructuring AFRY X
- Strong global positions in key segments


Note: EBITA and EBITA margin excluding items affecting comparability


AFRY ranked among top 10 largest companies


INDUSTRIAL PROCESSES

#1 Pulp & Paper 


#2 Food & Beverages 


#4 Chemicals 


#4 Steel 


#7 Mining 

ENERGY

#2 Co-generation 

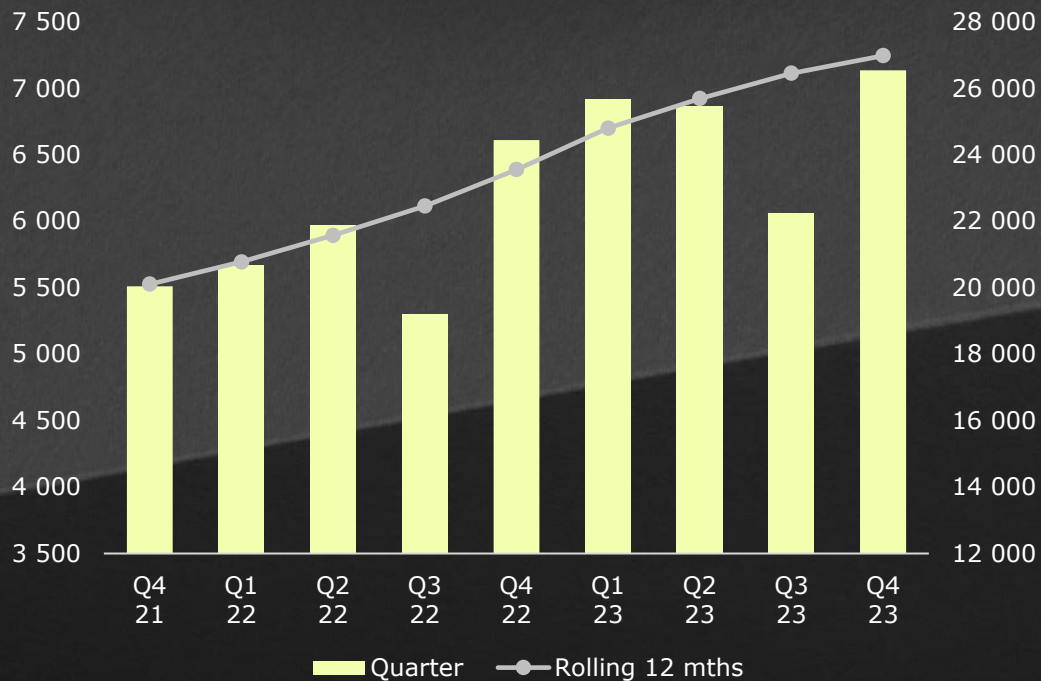
#3 Operations & Maintenance 

#7 Hydro 

#8 Transmission & Distribution 

Net sales development

NET SALES, SEK MILLION



Q4 2023

SEK 7,135 million

Net sales

8.0%

Total growth

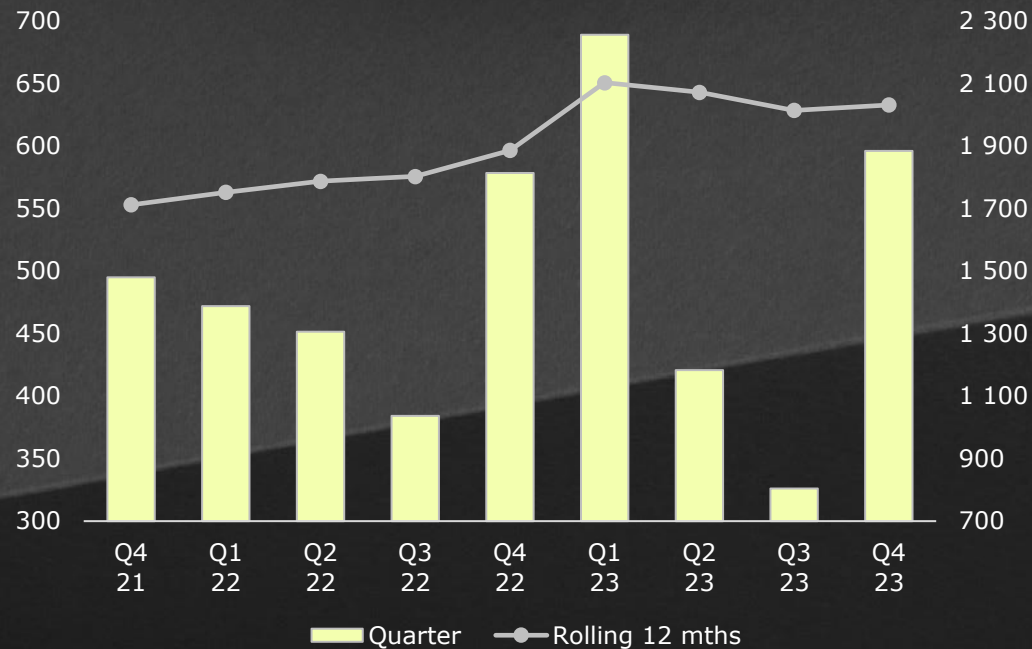
5.9%

Adjusted
organic growth

- Strong organic growth remain also in the last quarter
- Order stock remains at a high level, SEK 19 billion, in line with last year but sequentially lower

EBITA development

EBITA, SEK MILLION



Q4 2023

SEK 596 million

EBITA

8.4%

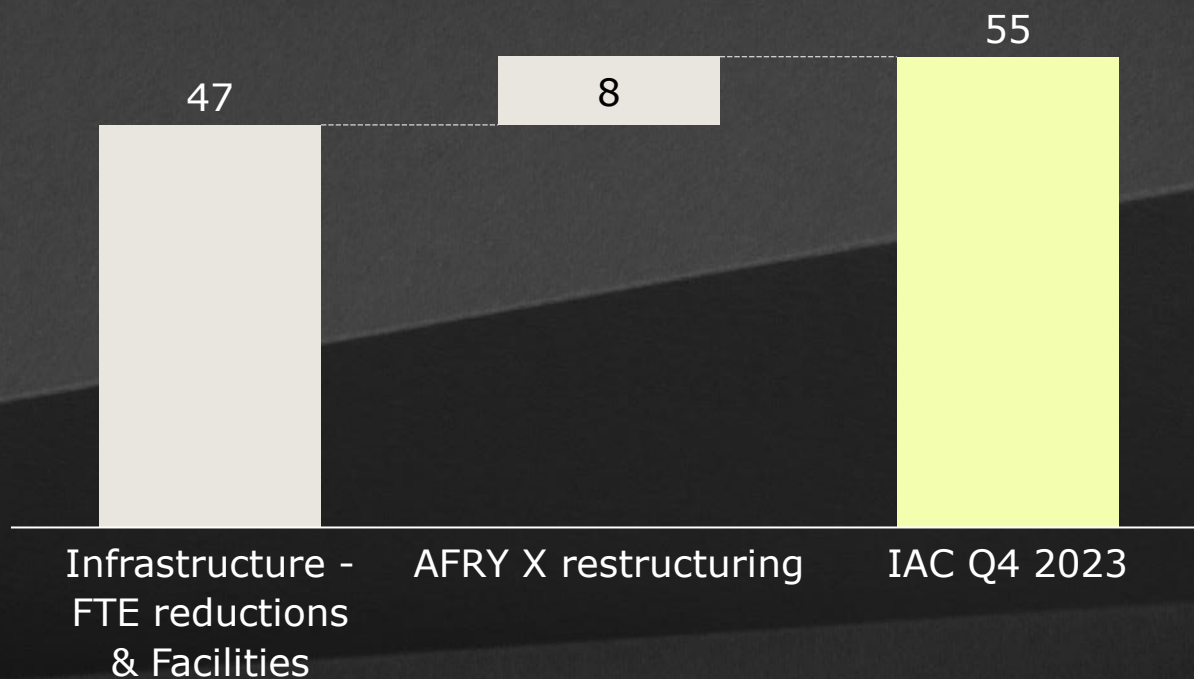
EBITA margin

- EBITA increased 3% compared to last year
- Adjusted for calendar effects, margin well in line with last year
- Restructuring costs (IAC) of SEK 55 million

Note: EBITA and EBITA margin excluding items affecting comparability

Restructuring cost

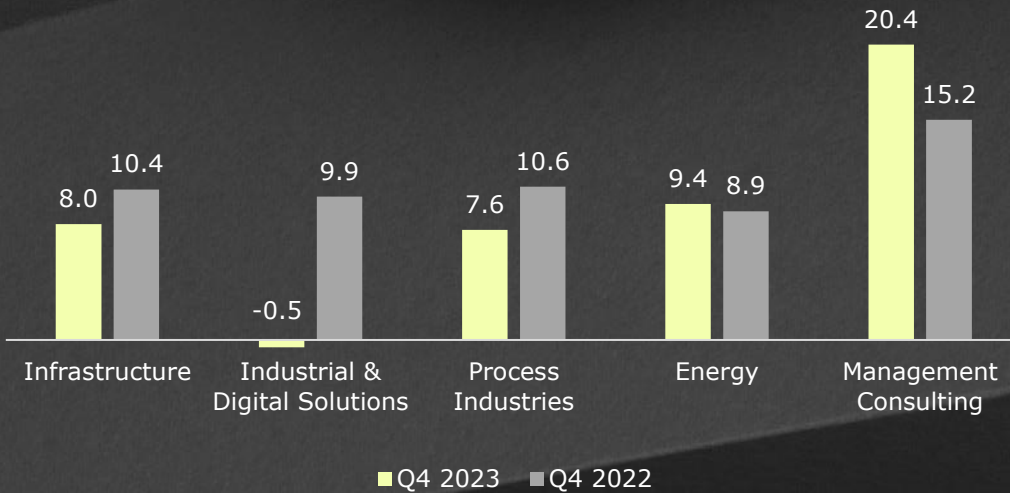
RESTRUCTURING COSTS, SEK MILLION



- Lower restructuring costs for Infrastructure lay-offs than anticipated
- Continued efforts to optimise lease premises, this quarter fully related to Infrastructure
- Finalisation of restructuring of AFRY X

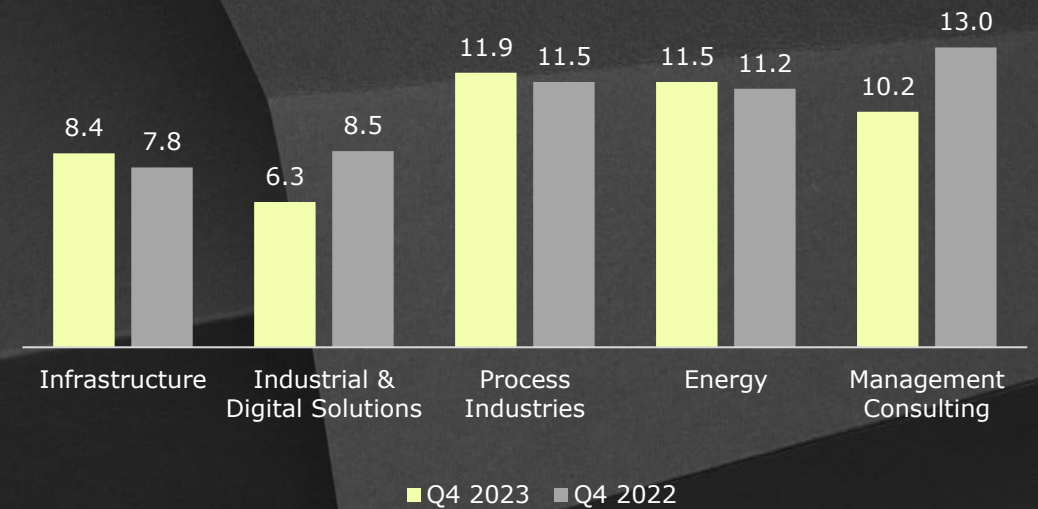
Development by division

ADJUSTED ORGANIC GROWTH, %



- Positive adjusted organic growth across four divisions
- Management Consulting continued strong growth, maintaining growth well above 10%

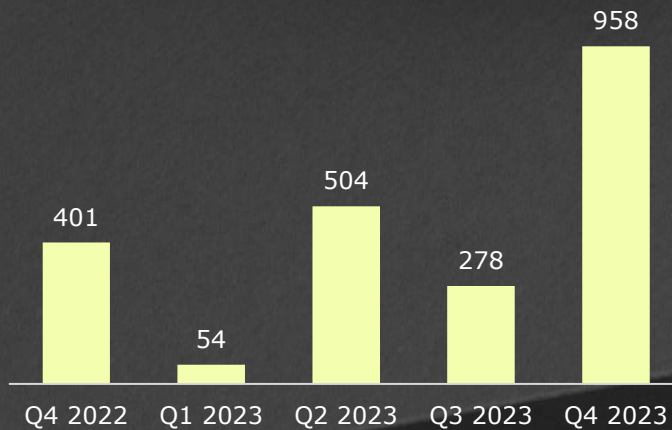
EBITA MARGIN, %



- Process Industries, Energy and Management Consulting continued strong margins
- Infrastructure result supported by improved utilisation rate
- Industrial & Digital Solutions reported weak results due to lower utilisation levels in certain segments and a project write-down

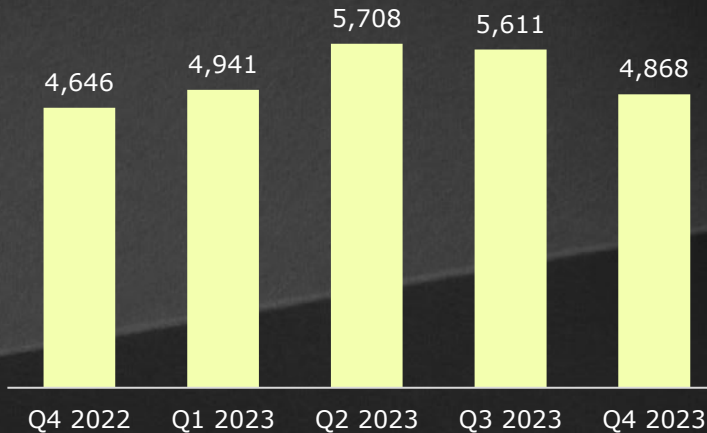
Cash flow and financial position

OPERATING CASH FLOW, SEK MILLION



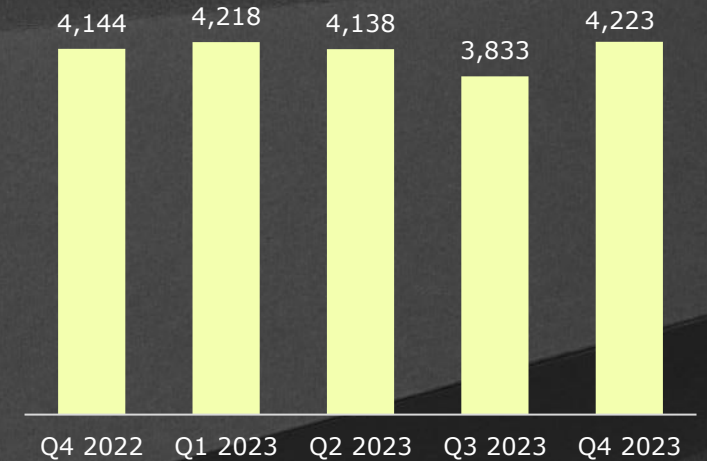
- Improved cash flow from operating activities in Q4 2023, driven by reduction of Net Working Capital

NET DEBT (EXCL IFRS16), SEK MILLION



- Net debt of SEK 4.9 billion, sequentially lower

LIQUID ASSETS & CREDIT LINES, SEK MILLION

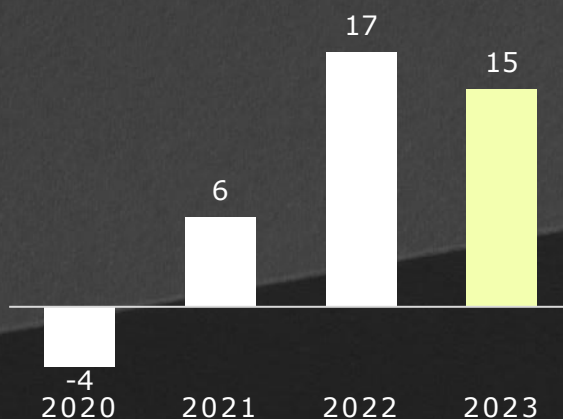


- Continued strong liquidity at SEK 4.2 billion

Financial targets

10%

TOTAL GROWTH¹

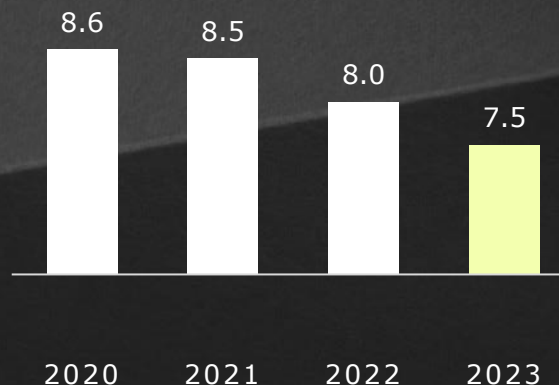


- Well above target, however sequentially lower in Q4

1) Excluding Pöyry acquisition

10%

EBITA MARGIN²

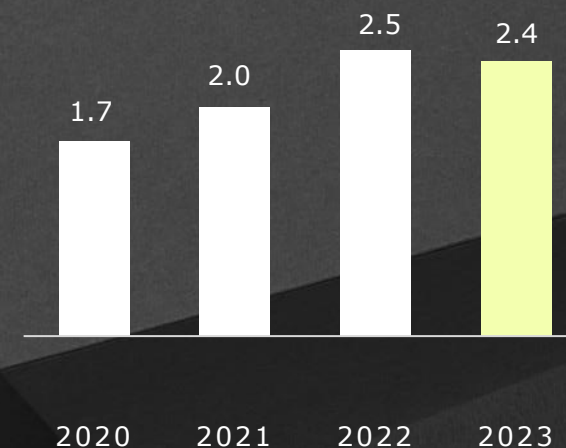


- Margin effected negatively in Q2 and Q3
- Full year decline from 2022 driven by calendar effects

2) Excluding items affecting comparability

2.5x

NET DEBT / EBITDA³, EOY



- Strong cash flow finish of 2023 resulting in leverage slightly below target

3) Excluding effects of IFRS 16 Leases

Focus for 2024

1

Improve profitability with full focus on Infrastructure improvement programme

2

Continue to build on our strong position in the industry and energy sectors

3

Improve efficiency and flexibility in a mixed market

Making Future