



AFRY AB (PUBL) INTERIM REPORT
 JANUARY–JUNE 2022

Strong growth and operational improvement

Second quarter 2022¹

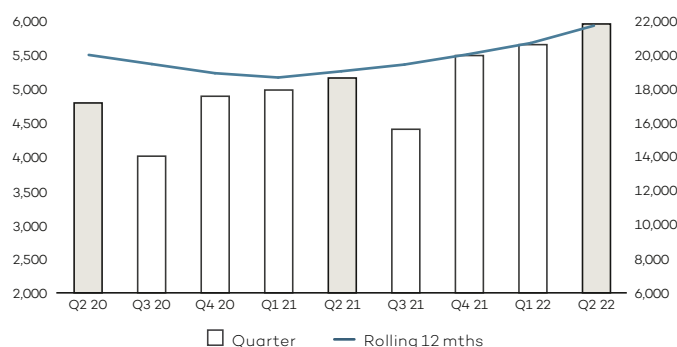
- Net sales increased by 15.4 percent to SEK 5,975 million (5,177)
- Organic growth adjusted for calendar effects was 7.5 percent (7.0)
- EBITA, excl. items affecting comparability was SEK 451 million (416)
- EBITA margin, excl. items affecting comparability was 7.6 percent (8.0)
- EBITA totalled SEK 432 million (411)
- EBITA margin was 7.2 percent (7.9)
- EBIT (operating profit) amounted to SEK 335 million (392)
- Basic earnings per share: SEK 1.53 (2.57)

January–June 2022¹

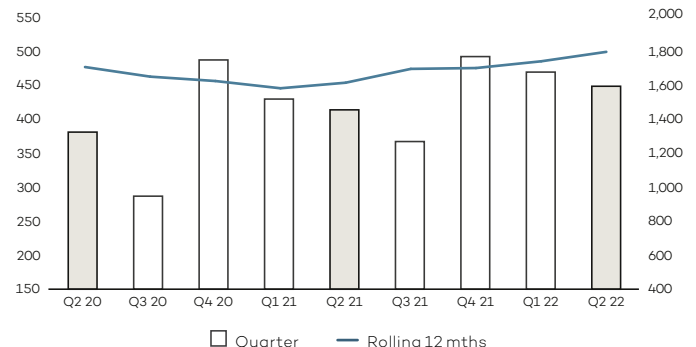
- Net sales increased by 14.4 percent to SEK 11,645 million (10,176)
- Organic growth adjusted for calendar effects was 5.4 percent (3.6)
- EBITA, excl. items affecting comparability was SEK 924 million (848)
- EBITA margin, excl. items affecting comparability was 7.9 percent (8.3)
- EBITA totalled SEK 791 million (830)
- EBITA margin was 6.8 percent (8.2)
- EBIT (operating profit) amounted to SEK 652 million (781)
- Basic earnings per share: SEK 3.50 (5.13)

”The second quarter showed strong growth and operational improvement. The work with efficiency measures and the ongoing cost savings programme deliver according to plan, at the same time we see increased cost inflation and tough competition for talent.”

Net Sales, SEK MILLION



EBITA², SEK MILLION



¹ Previously reported financial information has been restated due to changed accounting principles “IFRS IC’s - Cloud computing arrangements”.

² Excluding items affecting comparability.

Comments from the CEO

The second quarter showed strong growth and operational improvement. The work with efficiency measures and the ongoing cost savings programme deliver according to plan, at the same time we see increased cost inflation and tough competition for talent.

Net sales was SEK 5,975 million, an increase by 15.4 percent in the quarter, and the organic growth was 7.5 percent adjusted for calendar effects. All divisions reported positive organic growth. The growth comes from continued high demand in most markets and increased prices. The order stock has improved and is at a continued high level.

EBITA, excluding items affecting comparability, amounted to SEK 451 million (416) and the corresponding EBITA margin was 7.6 percent (8.0). Adjusted for negative calendar effects, the underlying margin improved in the quarter. The Infrastructure Division strengthened its operating results following efficiency improvements and the cost savings program. Industrial & Digital Solutions delivered a continued improvement of the result driven by our strong position in the software business and advanced technical services. The development of the underlying margin in Process Industries was slightly weaker due to a less favourable sales mix. The Energy and Management Consulting Divisions delivered strong results in the quarter. AFRY X delivered an increased margin in the service business. At the same time the work to evaluate and optimise the software portfolio continues.

As previously communicated, we are executing on our cost savings programme of SEK 100 million, with full effect during the second half of 2022. The cost savings are reflected in the improved operational performance and deliver according to plan. We also have a high pace in recruitment in all divisions, however competition for talent is fierce.

We have announced three acquisitions since the beginning of the year with annual net sales of around SEK 100 million. The latest addition is Ionic Consulting, a renewable electricity consultancy firm in Ireland with expertise in wind as well as solar and energy storage.

The current geopolitical situation, supply chain disruptions, as well as rising inflation and increased construction material costs are causing uncertainty. We experience delayed decision making and we are carefully monitoring the development in the real estate market. We continue to focus on efficiency improvements, cost savings and price increases. Despite the uncertainty, we see a high demand for our service and strong drivers to accelerate the transition towards a sustainable society.

Jonas Gustavsson
President and CEO



AFRY in short

AFRY is a European leader in sustainable engineering, design, and advisory services, with a global reach. We accelerate the transition towards a sustainable society. We are 17,000 devoted experts in infrastructure, industry, energy and digitalisation, creating sustainable solutions for generations to come.

Take-off strategy

- Drive growth in targeted geographies - organic and acquired.
- Target transforming segments that show secular growth.
- Lead in industrial digitalisation in the Nordics.
- Lead in sustainable solutions to drive impact and growth.
- Deliver best in class operations to drive growth and scalability.

Financial targets

- Annual growth of 10 percent. The target includes add-on acquisitions. Larger platform acquisitions will also be made.
- An EBITA margin of 10 percent (excluding items affecting comparability) over a business cycle.
- Net debt in relation to EBITDA of 2.5.

Mission:

We accelerate the transition towards a sustainable society

Vision:

Making Future

Values:

Brave Devoted Team players

Net sales, SEK billion:

> 20

Number of employees:

> 17,000

Countries with projects:

> 100

Figures refer to 2021

AFRY as an investment

AFRY is a stable company with historically good return and profitable growth. Global megatrends are expected to lead to a growing need for sustainable solutions, which will create major opportunities for AFRY where we will take a leading role as an enabler.

Long-term value creation

AFRY has, in line with the company's dividend policy, delivered a stable average dividend above 50 percent of profit after tax in recent years (with the exception of 2019). During the last five years, 2017-2021, the share return was 71 percent. We represent long-term sustainable development that adds value for shareholders, clients, employees and the society as a whole.

Leader in sustainable and digital solutions

Global megatrends such as climate change, urbanisation and digitalisation are shaping demand amongst clients and are expected to lead to an increasing need for scalable and sustainable solutions, while digitalisation remains a driving force within all industries and sectors.

Low cyclicality

AFRY's broad portfolio and international presence enables us to take on larger and more complex assignments to meet our clients' needs for advanced and sustainable solutions. A broad portfolio also generates stability across fluctuations in the economy and risk diversification.

Nordic Choice Hotels

AFRY has signed an energy agreement with Nordic Choice Hotels. AFRY's assignment initially comprises 12 hotels and includes optimisation of existing technical systems, competence development for hotel staff and action plans for continued energy efficiency.



Source: Erik Kiofft

Rostock

AFRY has won a public procurement for the modernisation of Rostock's central wastewater treatment plant. AFRY will provide a wide range of engineering services. In addition to project management and road and water construction technology, the focus is on modern computer technology, so-called Fluid Dynamics Modeling, which will have a positive impact on energy consumption and operating costs.



Source: @Nordwasser GmbH

HKScan

To achieve its climate ambitions, HKScan has commissioned AFRY to develop an investment plan and a roadmap to achieve its goals. AFRY will evaluate technical alternatives to reduce the company's emissions. HKScan aims to achieve carbon dioxide neutrality in its own production by the end of 2025 and the entire food chain by 2040.



Financial summary

Second quarter

Net sales

Net sales for the second quarter amounted to SEK 5,975 million (5,177), an increase of 15.4 percent (7.7). Organic growth was 6.3 percent (8.7) and 7.5 percent (7.0) when adjusted for calendar effects.

EBITA

Adjusted for items affecting comparability, EBITA amounted to SEK 451 million (416). The corresponding EBITA margin was 7.6 percent (8.0). Items affecting comparability amounted to SEK -19 million (-5) relating to costs for adaption and configuration of cloud-based IT-systems. For more information, see note 1 and reconciliation of alternative performance measures for EBITA on page 29.

EBITA and the EBITA margin were SEK 432 million (411) and 7.2 percent (7.9) respectively. The effects of IFRS 16 Leases were SEK -5 million (0) on EBITA and SEK 132 million (144) on EBITDA.

Capacity utilisation

Capacity utilisation was 75.8 percent (75.2) during the quarter.

Operating profit

EBIT totalled SEK 335 million (392). The difference between EBIT and EBITA consists of acquisition-related non-cash items: amortisation of acquisition-related assets amounting to SEK -42 million (-39), change in estimates of future contingent considerations of SEK 5 million (21) and capital losses mainly from divestment of a property of SEK -60 million (0). Basic earnings per share excluding divestment of property amounted to 2.07 in the quarter.

Net financial items

Profit after financial items was SEK 237 million (365) and profit after tax for the period was SEK 173 million (291). Net financial items totalled SEK -98 million (-27) in the quarter.

	Q2 2022	Q2 2021 ¹	Jan–Jun 2022	Jan–Jun 2021 ¹	Full year 2021
Net sales					
Net sales, SEK million	5,975	5,177	11,645	10,176	20,104
Total growth, %	15.4	7.7	14.4	1.1	5.9
(-) Acquired, %	5.2	1.7	5.3	1.0	2.1
(-) Currency effects, %	3.9	-2.8	3.7	-3.4	-1.8
Organic, %	6.3	8.7	5.4	3.5	5.6
(-) Calendar effect, %	-1.2	1.7	0.0	0.0	0.3
Organic growth adjusted for calendar effect, %	7.5	7.0	5.4	3.6	5.3
Earnings					
EBITA excl. items affecting comparability, SEK million	451	416	924	848	1,712
EBITA margin excl. items affecting comparability, %	7.6	8.0	7.9	8.3	8.5
EBITA, SEK million	432	411	791	830	1,662
EBITA margin, %	7.2	7.9	6.8	8.2	8.3
Operating profit (EBIT), SEK million	335	392	652	781	1,523
Profit/loss after financial items, SEK million	237	365	526	724	1,393
Profit/loss after tax, SEK million	173	291	396	581	1,130
Key ratios					
Basic earnings per share, SEK	1.53	2.57	3.50	5.13	9.97
Diluted earnings per share, SEK	1.53 ²	2.57 ²	3.50 ²	5.13	9.97 ²
Cash flow from operating activities, SEK million	290	475	553	528	1,498
Net debt, SEK million ³	-	-	4,792	3,826	3,565
Net debt/equity ratio, % ³	-	-	42.3	37.5	32.4
Net debt/EBITDA, rolling 12 months, times ⁴	-	-	2.7	2.3	2.0
Number of employees	-	-	18,201	16,421	17,019
Capacity utilisation, %	75.8	75.2	75.1	74.8	74.7

¹ Previously reported financial information has been recalculated due to a change in accounting policy IFRS IC's "Cloud computing arrangements".

² Issued convertibles do not result in dilution during the period.

³ Excluding effects of IFRS 16 Leases.

⁴ Net debt/EBITDA excluding the effect of IFRS 16 and items affecting comparability over a 12 month rolling period was 2.5 (2.2).

Net financial items were, in addition to increased interest costs, impacted by discount rates related to leases in accordance with IFRS 16 Leases amounting to SEK -12 million (-4) and discounting of contingent considerations totalling SEK 4 million (-1) that did not affect cash flow. Exchange rate fluctuations related to RUB/SEK had an impact amounting to SEK -40 million on net financial items during the quarter, for more information see Significant events during the quarter.

Income tax

The tax expense amounted to SEK -63 million (-74), corresponding to a tax rate of 26.8 percent (20.3). The tax rate was mainly impacted by higher non-deductible costs as a result of divestment of property during the quarter.

Cash flow and financial position

Consolidated net debt, including IFRS 16 Leases, amounted to SEK 6,923 million (6,193).

Consolidated net debt, excluding IFRS 16 Leases, amounted to SEK 4,792 million (3,826) at the end of the quarter, and SEK 4,217 million (2,919) at the beginning of the quarter. Cash flow from operating activities reduced net debt by SEK 170 million (335) in the second quarter. The company paid a dividend during the second quarter that increased net debt by SEK 623 million. One acquisition was made during the quarter that increased net debt by SEK 49 million, along with contingent considerations paid for previous acquisitions totalling SEK 33 million.

The company raised three bilateral bank loans during the quarter: one three-year loan of SEK 500 million, one five-year loan of EUR 50 million and one seven-year loan of SEK 500 million. In the second quarter the company repaid a bond of SEK 1,000 million which matured in the month of June. At end of the quarter the outstanding issued commercial papers amounted to SEK 400 million within the company's commercial paper programme.

Consolidated cash and cash equivalents totalled SEK 1,187 million (1,103) at the end of the quarter, and unused credit facilities amounted to SEK 2,654 million (2,751).

Significant events during the quarter

The geopolitical situation's impact on financial reporting

The war in Ukraine has created an uncertain geopolitical situation. AFRY is closely monitoring the developments as well as the compliance with prevailing trade sanctions. AFRY has decided not to take on any new projects in Russia and the work to terminate operations in the country is ongoing. AFRY's financial exposure to Russia and Ukraine is limited. During 2021 revenues from Russia represented less than 1 percent of AFRY's total net sales in 2021.

The AFRY Group has no exposure to market prices for raw materials or agricultural products. At the end of the quarter, AFRY AB and AFRY Group Finland Oy had interest-bearing internal borrowings totalling RUB 561 million

(currently around SEK 110 million) against AFRY RUS LLC. This internal liability in foreign currency were unhedged at the end of the quarter as it has not been possible to enter into currency derivatives in RUB on the foreign exchange market since April. For each currency fluctuation of 10 percent in RUB/SEK, the Group's net financial items are affected by approximately SEK 11 million. During the second quarter, the internal loans in RUB and accompanying previously executed currency derivatives in RUB/SEK had a currency effect on the Group's net financial items totalling SEK -40 million.

Beyond what has been disclosed above, no significant financial effects were identified that affected the balance sheet during the quarter.

Decision at the Annual General Meeting

Following the decision at the Annual General Meeting on 28 April, Tom Erixon, Gunilla Berg, Henrik Ehrnrooth, Carina Håkansson, Neil McArthur, Joakim Rubin and Kristina Schauman were reelected as Board members. Tuula Teeri was elected as a new Board member. Furthermore, Tom Erixon was elected Chairman of the Board.

Acquisitions

The following company was acquired during the quarter: Weop AB, Sweden, with annual sales of approximately SEK 23 million and 22 employees.

January–June

Net sales

Net sales for the period amounted to SEK 11,645 million (10,176), an increase of 14.4 percent (1.1). Organic growth was 5.4 percent (3.5) and 5.4 percent (3.6) when adjusted for calendar effects.

EBITA

Adjusted for items affecting comparability, EBITA amounted to SEK 924 million (848). The corresponding EBITA margin was 7.9 percent (8.3). Items affecting comparability amounted to SEK -133 million (-18) mainly relating to restructuring costs for the Infrastructure Division and Group functions. Items affecting comparability also related to adaptation and configuration of cloud-based IT systems. For more information, see note 1 and reconciliation of alternative performance measures for EBITA on page 30.

EBITA and the EBITA margin were SEK 791 million (830) and 6.8 percent (8.2) respectively. The effects of IFRS 16 Leases were SEK -12 million (0) on EBITA and SEK 259 million (280) on EBITDA.

Capacity utilisation

Capacity utilisation was 75.1 percent (74.8) for the period.

Operating profit

EBIT totalled SEK 652 million (781). The difference between EBIT and EBITA consists of acquisition-related

non-cash items: amortisation of acquisition-related assets amounting to SEK -84 million (-78), change in estimates of future contingent considerations amounting to SEK 5 million (28) and capital losses mainly from divestment of a property of SEK -60 million (0). Basic earnings per share excluding divestment of property amounted to 4.03 during the period.

Net financial items

Profit after financial items was SEK 526 million (724) and profit after tax for the period was SEK 396 million (581). Net financial items for the period totalled SEK -125 million (-57).

Net financial items were, in addition to increased interest costs, impacted by discount rates related to leases in accordance with IFRS 16 Leases amounting to SEK -22 million (-20) and discounting of contingent considerations totalling SEK 2 million (-3) that did not affect cash flow. Exchange rate fluctuations related to RUB/SEK had an impact amounting to SEK -40 million on net financial items during the period.

Income tax

The tax expense amounted to SEK -130 million (-143), corresponding to a tax rate of 24.7 percent (19.7). The tax rate was mainly impacted by higher non-deductible costs as a result of divestment of property during the period.

Parent

Parent company operating income for the period totalled SEK 693 million (642) and relates essentially to internal services within the Group. Profit after net financial items was SEK 176 million (237). Cash and cash equivalents amounted to SEK 420 million (239). Gross investments in intangible non-current assets and property, plant and equipment totalled SEK 13 million (8). The tax rate for the period was affected by non-taxable income in the form of dividends from subsidiaries.

Number of employees

The average number of full-time employees (FTEs) was 17,041 (15,434). The total number of employees at the end of the period was 18,201 (16,421).

Calendar effects

The number of normal working hours during 2022, based on a 12-months' sales-weighted business mix, is allocated as described in table below.

	2022	2021	Difference
Q1	504	498	6
Q2	482	488	-6
Q3	526	527	-1
Q4	504	507	-3
Full year	2,016	2,020	-4

AFRY shares

The AFRY share price was SEK 140.40 (281.60) at the end of the reporting period.

Class A shares	4,290,336
Class B shares	108,961,405
Total number of shares	113,251,741
of which own Class B shares	-
Votes	151,864,765

Significant events after the end of the reporting period

After the end of the reporting period, the following company was acquired:

Ionic Consulting Limited, Ireland, with annual net sales of around SEK 57 million and 42 employees. The company will be consolidated from 1 July 2022.

Linda Pålsson has been appointed Executive Vice President and Head of the Energy Division. She will start the position on 1 August 2022.

AFRY operates in six divisions



Infrastructure Division

The Infrastructure Division offers engineering and consulting services for buildings and infrastructure, for example in the areas of road and rail as well as water and environment. The division also operates in the fields of architecture and design. The division operates in the Nordics and Central Europe.

37% of net sales, 34% of EBITA



Industrial & Digital Solutions Division

The Industrial & Digital Solutions Division offers engineering and consulting services in the areas of product development, production systems, IT and defence technology. In addition to services, the division delivers ready-made production equipment. The division operates in all industry sectors with an emphasis on vehicles and food & pharma, and operates primarily in the Nordics.

23% of net sales, 21% of EBITA



Process Industries Division

The Process Industries Division offers engineering and consulting services globally, from early-stage studies to project implementation, especially in the areas of digitalisation, safety and sustainability solutions. The division operates in pulp and paper, chemicals, biorefining, mines and metals, as well as growth sectors such as batteries, hydrogen, textiles and plastics.

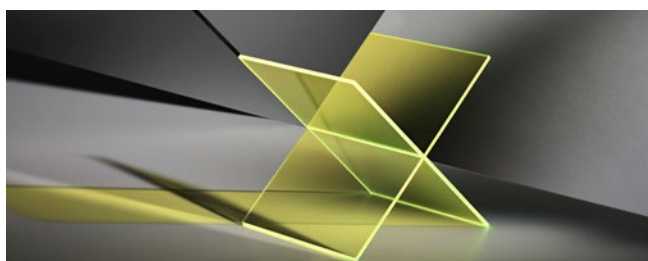
18% of net sales, 23% of EBITA



Energy Division

The Energy Division offers engineering and consulting services in the areas of transmission and distribution of all types of electricity generated from various energy sources, such as water, gas, bio- and waste fuel, nuclear power and renewable energy sources, and holds a leading position in hydropower. The division delivers solutions globally.

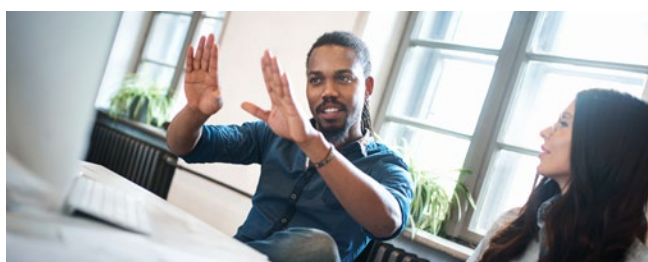
12% of net sales, 13% of EBITA



AFRY X Division

The AFRY X Division offers consulting services in IT and proprietary software. The division targets all clients who require digital transformation. Important sectors include industry, production and the public sector. The division operates primarily in the Nordics.

5% of net sales, 1% of EBITA



Management Consulting Division

The Management Consulting Division works globally to meet challenges and opportunities in the energy, bioindustry, infrastructure, industry and mobility sectors through strategic consulting, forward-looking market analysis, operational and digital transformation as well as M&A and transaction services.

5% of net sales, 8% of EBITA

Division Infrastructure

Net sales

Net sales in the second quarter amounted to SEK 2,279 million (2,045), an increase of 11.4 percent. Adjusted for calendar effects the organic growth was 2.7 percent. Growth was driven by strong demand across all markets and segments, despite challenges to find the right competence. Sales activities continue to be high and the order stock is on a strong level.

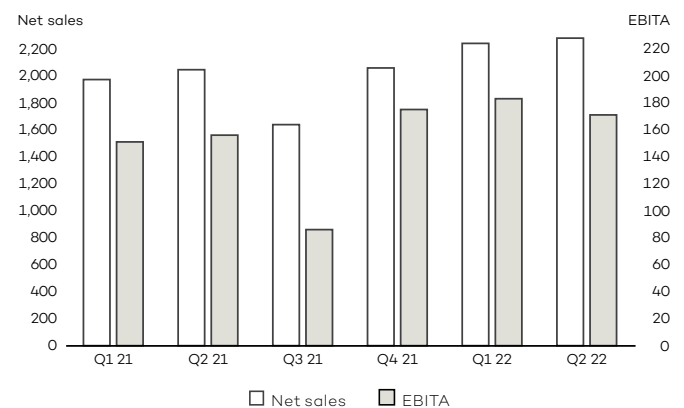
EBITA and EBITA margin

EBITA amounted to SEK 171 million (156) and the corresponding margin was 7.5 percent (7.6). The margin was positively impacted by the utilisation rate and measures taken in the cost savings program, but negatively by calendar effects.

Market development

Public investments in transport infrastructure are at a stable level in all markets. Sustainability and electrification trends steer investments towards railways, trams and e-mobility solutions. Several larger real estate projects started during the quarter within industry, hospital, defence and security, and the demand for energy consulting is increasing. A rising interest rate risks slowing down investments in the real estate sector and the division is monitoring the development carefully. Underinvestments, stricter environmental regulations and climate change effects, are continuing to drive the need for large investments in water and wastewater infrastructure.

Net sales and EBITA, SEK million



Key ratios

	Q2 2022	Q2 2021	Jan-jun 2022	Jan-jun 2021	Full year 2021
Net sales, SEK million	2,279	2,045	4,519	4,018	7,714
EBITA, SEK million	171	156	353	307	569
EBITA margin, %	7.5	7.6	7.8	7.6	7.4
Average full-time equivalents (FTEs)	6,455	5,955	6,445	5,877	5,914
Organic growth					
Total growth, %	11.4	3.0	12.5	-1.3	0.8
(-) Acquired, %	7.1	1.5	7.1	0.8	1.2
(-) Currency effects, %	2.7	-1.4	3.1	-2.0	-0.8
Organic, %	1.5	2.9	2.3	-0.1	0.4
(-) Calendar effect, %	-1.1	1.9	0.3	-0.1	0.4
Organic growth adjusted for calendar effects, %	2.7	1.0	2.0	0.0	0.0

Division Industrial & Digital Solutions

Net sales

Net sales in the second quarter amounted to SEK 1,388 million (1,252), an increase of 10.9 percent. Adjusted for calendar effects the organic growth was 9.4 percent. Growth was driven by strong demand across all segments, with a continued strong driver within Automotive. Sales activities continue to be on a high level within all core markets.

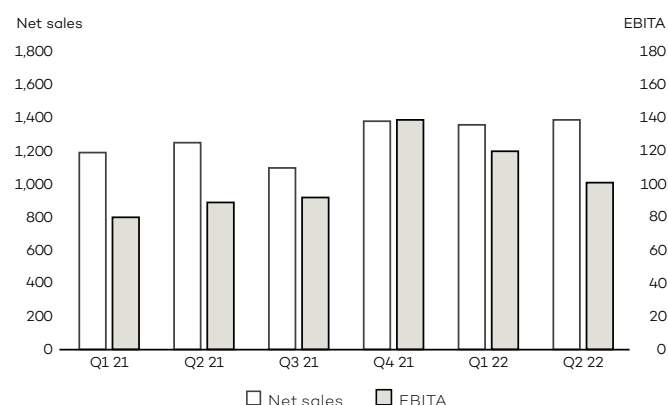
EBITA and EBITA margin

EBITA amounted to SEK 101 million (89) and the corresponding margin was 7.3 percent (7.1). The margin was positively impacted by a favourable sales mix and persistent cost control, but negatively impacted by the calendar effect of one less working day.

Market development

The transition within the automotive industry and general client ambitions within digitalisation continued to drive a high demand for especially software development. The division meets the increased demand with help of efficient project deliveries and increased capacity through, among others, the AFRY Partner Network. Within the manufacturing industry the high demand for product development and deliveries continued. The demand within Food & Life Science remained favourable. Supply chain challenges and volatile material prices impacted some projects and has led to clients adjusting their schedules especially within Manufacturing and Food & Life Science.

Net sales and EBITA, SEK million



Key ratios

	Q2 2022	Q2 2021	Jan-jun 2022	Jan-jun 2021	Full year 2021
Net sales, SEK million	1,388	1,252	2,748	2,443	4,924
EBITA, SEK million	101	89	221	168	399
EBITA margin, %	7.3	7.1	8.1	6.9	8.1
Average full-time equivalents (FTEs)	3,239	2,962	3,199	2,957	3,014
Organic growth					
Total growth, %	10.9	19.1	12.5	7.0	13.9
(-) Acquired, %	2.1	2.1	2.3	1.0	2.1
(-) Currency effects, %	1.0	0.5	0.7	-0.2	-0.1
Organic, %	7.8	16.5	9.5	6.1	11.9
(-) Calendar effect, %	-1.6	1.7	0.0	0.0	0.4
Organic growth adjusted for calendar effects, %	9.4	14.8	9.5	6.1	11.5

The historical figures above have been adjusted to account for organisational changes.

Division Process Industries

Net sales

Net sales in the second quarter amounted to SEK 1,157 million (986), an increase of 17.3 percent. Adjusted for calendar effects the organic growth was 9.8 percent. The growth was driven by big Pulp & Paper and Mining & Metals CAPEX projects especially in Latin America and a stable business in the Nordics, Central Europe and USA. The order stock is at a continued high level.

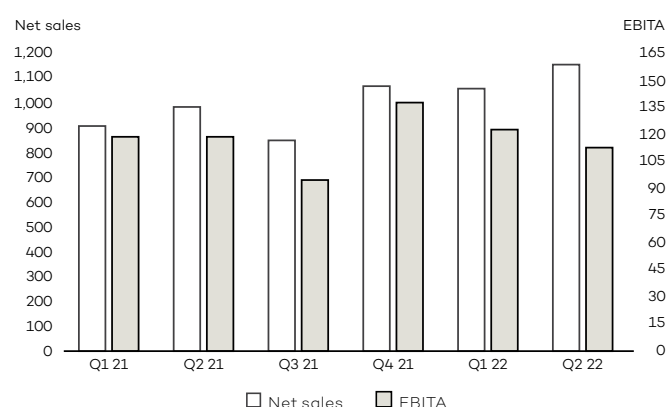
EBITA and EBITA margin

EBITA amounted to SEK 113 million (119), and the corresponding margin was 9.8 percent (12.0). The margin was negatively impacted mainly by calendar effects, project mix and increased sub-consultant costs.

Market development

Overall, the market remains stable. There is a growing demand for prestudies at the same time as OPEX services and smaller scale projects continued to be on high level. Construction material and component disruption and inflationary pressures may impact investment decision especially in bigger CAPEX projects. The general market for new sustainable technologies and solutions like batteries and regenerated textile fibres are rapidly increasing. Export bans from Russia to Europe will increase the demand in mining and drives green steel projects. Bio-transition in chemical industry is expected to increase when fossil oil import is limited. Energy crisis will drive industry investments both in energy efficiency and renewable energy.

Net sales and EBITA, SEK million



Key ratios

	Q2 2022	Q2 2021	Jan-jun 2022	Jan-jun 2021	Full year 2021
Net sales, SEK million	1,157	986	2,217	1,896	3,817
EBITA, SEK million	113	119	236	238	470
EBITA margin, %	9.8	12.0	10.6	12.5	12.3
Average full-time equivalents (FTEs)	4,072	3,518	3,970	3,470	3,591
Organic growth					
Total growth, %	17.3	11.1	16.9	5.0	10.9
(-) Acquired, %	1.6	2.3	2.1	1.8	3.6
(-) Currency effects, %	7.6	-6.0	6.3	-7.0	-3.9
Organic, %	8.1	14.8	8.6	10.3	11.2
(-) Calendar effect, %	-1.7	2.5	-0.6	0.6	0.3
Organic growth adjusted for calendar effects, %	9.8	12.3	9.2	9.6	10.9

The historical figures above have been adjusted to account for organisational changes.

Division Energy

Net sales

Net sales in the second quarter amounted to SEK 771 million (674), an increase of 14.4 percent. Adjusted for calendar effects, the organic growth was 6.7 percent. All major business areas reported positive organic growth. The order stock is at a stable level.

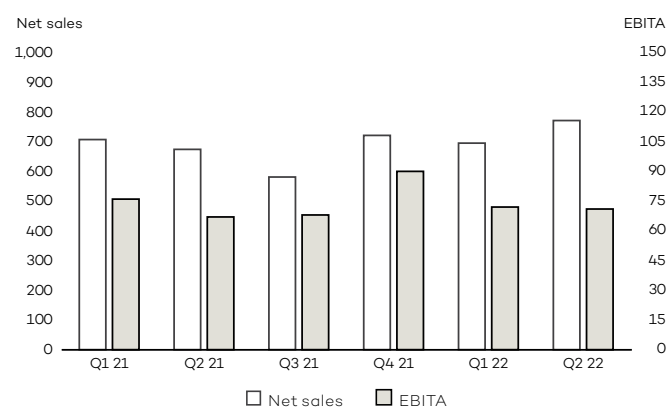
EBITA and EBITA margin

EBITA amounted to SEK 71 million (67) and the corresponding margin was 9.2 percent (10.0). The margin is on a continued high level, which is a result of tight cost control and strong performances in all business areas, as well as to well-executed major projects.

Market development

The general outlook for the energy sector is improving in most areas. However, supply chain disruptions, the war in Ukraine, inflationary pressures and the competition for talent are also expected to continue to influence short term client decision making. The Division has started to see some negative impact on projects related to nuclear sector due to sanctions against Russia.

Net sales and EBITA, SEK million



Key ratios

	Q2 2022	Q2 2021	Jan–jun 2022	Jan–jun 2021	Full year 2021
Net sales, SEK million	771	674	1,466	1,381	2,683
EBITA, SEK million	71	67	142	143	301
EBITA margin, %	9.2	10.0	9.7	10.4	11.2
Average full-time equivalents (FTEs)	1,738	1,791	1,706	1,729	1,683
Organic growth					
Total growth, %	14.4	-5.4	6.2	-3.4	-4.1
(-) Acquired, %	1.5	0.7	1.4	0.5	0.7
(-) Currency effects, %	5.4	-4.4	4.7	-5.7	-3.3
Organic, %	7.5	-1.7	0.1	1.8	-1.4
(-) Calendar effect, %	0.7	0.9	0.8	-0.5	0.6
Organic growth adjusted for calendar effects, %	6.7	-2.5	-0.7	2.3	-2.0

Division AFRY X

Net sales

Net sales for the second quarter amounted to SEK 312 million (241), an increase of 29.7 percent. Adjusted for calendar effects the organic growth was 1.9 percent. The growth is supported by strong market demand and increasing prices for digital services. Net sales include SEK 22 million of software revenue.

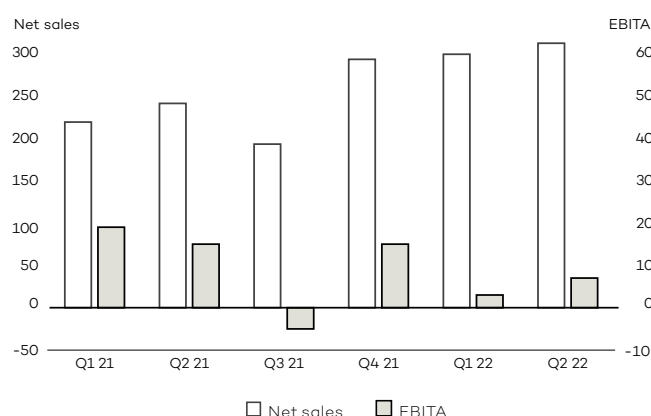
EBITA and EBITA margin

EBITA amounted to SEK 7 million (15) and the corresponding margin was 2.1 percent (6.1). EBITA for business area Services was SEK 33 million (23) and the corresponding margin was 10.8 percent (9.7). The margin was negatively impacted by calendar effects. Costs for sales and development of the Software Business amounted to SEK 21 million. The work with evaluating and optimising the software portfolio continues.

Market development

The division operates mainly in Sweden, Norway, and Finland, where the overall strong market within IT and digitalisation continues. Sectors where AFRY X have a large share of sales are within banking, retail, public, and mobility. There is a shortage of competence and high level of job rotation within the IT and digital job market, thus retention and recruitment of consultants is key. There is a particularly high demand within cyber security and business intelligence. At the same time the demand for senior developers and team deliveries is increasing. ARR¹ for the Group amounts to SEK 83 million (in the first quarter 2022 ARR was SEK 80 million).

Net sales and EBITA, SEK million



Key ratios

	Q2 2022	Q2 2021	Jan–jun 2022	Jan–jun 2021	Full year 2021
Net sales, SEK million	312	241	611	460	947
<i>Professional Service & Project Business</i>	290	232	573	441	908
<i>Software Business</i>	22	9	38	19	39
EBITA, SEK million	7	15	9	34	44
EBITA margin, %	2.1	6.1	1.5	7.3	4.6
Average full-time equivalents (FTEs)	737	538	734	515	594
Organic growth					
Total growth, %	29.7	–	32.8	–	–
(-) Acquired, %	29.1	–	29.9	–	–
(-) Currency effects, %	0.4	–	0.2	–	–
Organic, %	0.2	–	2.6	–	–
(-) Calendar effect, %	-1.7	–	-0.2	–	–
Organic growth adjusted for calendar effects, %	1.9	–	2.8	–	–

Comparative figures for growth in 2021 are not available since the Division was formed as of 1 January 2022.

Revenue from Software Business

	Q2 2022	Q2 2021	Jan–jun 2022	Jan–jun 2021	Full year 2021
AFRY X	22	9	38	19	39
Group	35	16	59	35	73

Software revenue defined as revenue from SaaS solutions, licences, support, maintenance and implementation of software.

¹⁾ ARR is annual recurring revenue from subscriptions or commitments like maintenance and support contracts, normalised on an annual basis.

Division Management Consulting

Net sales

Net sales in the second quarter amounted to SEK 298 million (230), an increase of 29.2 percent. Adjusted for calendar effects the organic growth was 19.7 percent. The growth reflects the continued positive market environment in the energy and bioindustry sectors across our service portfolio, a strengthened transaction markets and continued investment into identified key strategic growth initiatives focusing on headcount growth and service development.

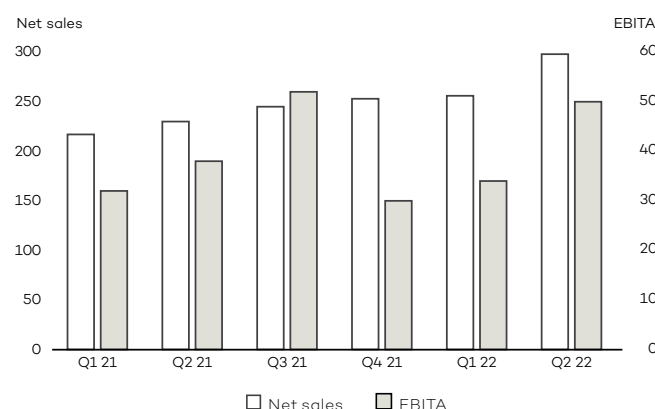
EBITA and EBITA margin

EBITA amounted to SEK 50 million (38) and the corresponding margin was 16.8 percent (16.3). The continued high margin was a result of strong demand in both the energy and bioindustry sectors.

Market development

The energy transition continues as companies and governments adapt to the changing economic situation, facing increasing cost inflation and cost of capital. As a result, our work in energy policy, regulation and design, as well as strategy and market fundamentals, has been in focus throughout the quarter. The green transition is continuously increasing need for bio-based alternatives and circular solutions and is in turn driving demand for consulting services. Limited raw material availability and surging costs support demand for sourcing strategies, operational excellence and digital transformation services. Clients are forming their strategies in response to the ongoing industry transitions as well as the current geopolitical situation and are looking for new opportunities to invest, resulting in solid demand for consulting services.

Net sales and EBITA, SEK million



Key ratios

	Q2 2022	Q2 2021	Jan-jun 2022	Jan-jun 2021	Full year 2021
Net sales, SEK million	298	230	553	447	945
EBITA, SEK million	50	38	84	69	152
EBITA margin, %	16.8	16.3	15.2	15.5	16.1
Average full-time equivalents (FTEs)	511	465	498	446	457
Organic growth					
Total growth, %	29.2	12.6	23.7	9.8	21.8
(-) Acquired, %	0.0	0.6	0.0	0.3	5.9
(-) Currency effects, %	8.2	-6.9	8.0	-8.1	-3.6
Organic, %	21.0	18.9	15.7	17.6	19.5
(-) Calendar effect, %	1.3	-0.8	0.4	-0.5	-0.3
Organic growth adjusted for calendar effects, %	19.7	19.7	15.2	18.1	19.8

The historical figures above have been adjusted to account for organisational changes.

Sustainability

Second quarter 2022

- AFRY's science-based targets were validated and approved by the control body Science Based Targets initiative (SBTi).
- Participation in the UN high-level meeting Stockholm +50 in collaboration with Business Sweden.
- AFRY has highlighted the Pride month held in June through several events and the launch of a LGBTQI+ guide.

Sustainability targets

The sustainability targets are key elements of the company's strategy. The targets focus on developing sustainable solutions, conducting business responsibly and being an attractive employer.

- Increase the net positive impact through our assignments to accelerate the sustainability transition.
- Halve CO₂-emissions by 2030 and achieve net zero emissions by 2040¹.
- Increase inclusion and diversity of background and culture, including achieving a gender balanced workforce (40 percent female leaders by 2030²).
- Safeguard employee occupational health and worklife balance.
- Empower brave leadership.
- Increase employee engagement.
- Increase customer satisfaction.
- Ensure ethical business.

¹ Base year 2019. CO₂ emissions from our own operations (business travel and facility energy usage).

² Amongst permanent employees.

AFRY 1.5°C Roadmap

In 2021, AFRY developed a climate roadmap for our climate efforts, the AFRY 1.5°C Roadmap, which formalises and supports AFRY's climate action. The roadmap is based on the Exponential Roadmap Initiative's 1.5°C Business Playbook, which aims to help organisations and companies take action in line with the 1.5°C target. The AFRY 1.5°C Roadmap is a roadmap for how AFRY should

achieve its climate targets and the intention is to update it as climate efforts progress.

AFRY has established science-based targets in line with the 1.5 degree ambition. The targets are validated and approved by the Science Based Targets initiative (SBTi).

The EU taxonomy

The EU taxonomy, which went into effect in July 2020, is a common classification system, for environmentally sustainable economic activities in the EU. For the 2021 financial year, AFRY has reported the proportion of taxonomy-eligible activities based turnover, capital expenditures and operating expenditures. AFRY's business is impacted since our undertakings enable our clients to carry out economic activities that are included in the taxonomy. AFRY's analysis shows that the proportion of our turnover that is associated with taxonomy-eligible activities are primarily within assignments in real estate, road and rail infrastructure, electricity production and distribution, water and waste water, and low carbon transport technology.

Proportion of operations subject to the taxonomy regulation in 2021¹:

	Proportion of taxonomy-eligible activities, %	Proportion of taxonomy-non-eligible activities, %
Turnover	48	52
Capital expenditures	2	98
Operating expenditures	0	100

¹ Generally reviewed information.

Financial statements

Condensed consolidated income statement

SEK MILLION	Q2 2022	Q2 2021	Jan-Jun 2022	Jan-Jun 2021	Full year 2021	July 2021- Jun 2022
Net sales	5,975	5,177	11,645	10,176	20,104	21,573
Personnel costs	-3,733	-3,260	-7,345	-6,403	-12,266	-13,209
Purchases of services and materials	-1,185	-1,042	-2,300	-2,024	-3,918	-4,195
Other costs	-467	-293	-890	-599	-1,623	-1,914
Other income	10	5	15	16	58	57
Profit attributable to participations in associates	2	2	3	3	5	5
EBITDA	602	590	1,128	1,170	2,359	2,318
Depreciation/amortisation and impairment of non-current assets ¹	-170	-179	-337	-340	-697	-695
EBITA	432	411	791	830	1,662	1,623
Acquisition-related items ²	-97	-19	-139	-50	-139	-229
Operating profit (EBIT)	335	392	652	781	1,523	1,394
Net financial items	-98	-27	-125	-57	-129	-198
Profit/loss after financial items	237	365	526	724	1,393	1,196
Tax	-63	-74	-130	-143	-264	-251
Profit/loss for the period	173	291	396	581	1,130	945
Attributable to:						
Shareholders in the parent company	173	291	396	581	1,129	944
Non-controlling interest	0	0	0	0	0	0
Profit/loss for the period	173	291	396	581	1,130	945
Basic earnings per share, SEK	1.53	2.57	3.50	5.13	9.97	
Diluted earnings per share, SEK	1.53 ³	2.57 ³	3.50 ³	5.13	9.97 ³	
Number of shares outstanding	113,251,741	113,294,415	113,251,741	113,294,415	113,212,471	
Average number of basic shares outstanding	113,251,741	113,294,415	113,243,954	113,195,351	113,227,458	
Average number of diluted shares outstanding	113,251,741 ³	113,294,415 ³	113,243,954 ³	114,655,860	113,227,458 ³	

¹ Depreciation/amortisation and impairment of non-current assets refers to non-current assets excluding acquisition-related intangible assets.

² Acquisition-related items are defined as depreciation/amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of contingent considerations and gains/losses on divestment of companies and operations. For more details, see Note 5, Note 6 and alternative performance measures for EBITA on page 28.

³ Issued convertibles do not result in dilution during the period.

Statement of consolidated comprehensive income

SEK MILLION	Q2 2022	Q2 2021	Jan-Jun 2022	Jan-Jun 2021	Full year 2021
Profit/loss for the period	173	291	396	581	1,130
Items that have been or will be reclassified to profit/loss for the period					
Change in translation reserve	285 ¹	-84	397	132	357
Change in hedging reserve	68 ¹	25	161	-4	-10
Tax	-6	-3	-13	0	0
Items that will not be reclassified to profit/loss for the period					
Pensions	1	3	0	2	130
Tax	0	0	0	-1	-24
Other comprehensive income	348	-59	544	130	452
Comprehensive income for the period	521	232	941	711	1,582
Attributable to:					
Shareholders in the parent company	521	232	941	711	1,581
Non-controlling interest	0	0	0	0	0
Total	521	232	941	711	1,582

¹ Adjustment of the distribution between translation reserve and hedging reserve has been made for the first quarter of 2022.

Condensed consolidated balance sheet

SEK MILLION	30 Jun 2022	30 Jun 2021	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets	15,221	13,465	14,045
Property, plant and equipment	338	503	495
Other non-current assets	2,221	2,583	2,317
Total non-current assets	17,780	16,551	16,857
Current assets			
Current receivables	7,950	6,618	6,944
Cash and cash equivalents	1,187	1,103	2,112
Total current assets	9,136	7,721	9,056
Total assets	26,917	24,272	25,913
EQUITY AND LIABILITIES			
Equity			
Attributable to shareholders in the parent	11,317	10,203	10,992
Attributable to non-controlling interest	1	1	1
Total equity	11,318	10,204	10,993
Non-current liabilities			
Provisions	668	863	676
Non-current liabilities	6,350	4,333	6,338
Total non-current liabilities	7,017	5,196	7,014
Current liabilities			
Provisions	85	51	34
Current liabilities	8,495	8,821	7,871
Total current liabilities	8,581	8,872	7,905
Total equity and liabilities	26,917	24,272	25,913

Condensed statement of change in consolidated equity

SEK MILLION	30 Jun 2022	30 Jun 2021	31 Dec 2021
Equity at start of period	10,993	10,005	10,005
Comprehensive income for the period	941	711	1,582
Dividends	-623	-566	-566
Conversion of convertible bonds into shares	8	53	176
Share buy-backs	-	-	-205
Equity at end of period	11,318	10,204	10,993

Condensed statement of consolidated cash flows

SEK MILLION	Q2 2022	Q2 2021	Jan–Jun 2022	Jan–Jun 2021	Full year 2021
Profit after financial items	237	365	526	724	1,393
Adjustment for items not included in cash flow and other	392	205	743	432	874
Income tax paid	-79	-63	-221	-156	-229
Cash flow from operating activities before change in working capital	550	507	1,049	1,000	2,038
Cash flow from change in working capital	-260	-32	-495	-471	-540
Cash flow from operating activities	290	475	553	528	1,498
Cash flow from investing activities	-28	-703	-748	-799	-1,213
Cash flow from financing activities	124	-397	-588	-521	-12
Cash flow for the period	386	-625	-782	-792	274
Opening cash and cash equivalents	902	1,735	2,112	1,930	1,930
Exchange difference in cash and cash equivalents	-101	-6	-143	-35	-92
Closing cash and cash equivalents	1,187	1,103	1,187	1,103	2,112

Change in consolidated net debt (excl. IFRS 16)

SEK MILLION	Q2 2022	Q2 2021	Jan–Jun 2022	Jan–Jun 2021	Full year 2021
Opening balance	4,217	2,919	3,565	2,756	2,756
Cash flow from operating activities (excl. IFRS 16)	-170	-335	-316	-268	-981
Investments	-52	29	-22	31	52
Acquisitions and contingent considerations	82	653	773	741	1,159
Dividend	623	566	623	566	566
Share buy-backs	-	-	-	-	205
Other	92	-4	170	2	-192
Closing balance	4,792	3,826	4,792	3,826	3,565

Parent company income statement

SEK MILLION	Q2 2022	Q2 2021	Jan–Jun 2022	Jan–Jun 2021	Full year 2021
Net sales	254	227	500	465	919
Other operating income	100	88	193	177	360
Operating income	353	315	693	642	1,278
Personnel costs	-90	-67	-166	-126	-232
Other costs	-360	-311	-722	-651	-1,334
Depreciation/amortisation	-9	-11	-18	-13	-36
Operating profit/loss	-106	-74	-213	-148	-323
Net financial items	-15	344	389	385	403
Profit/loss after financial items	-120	270	176	237	79
Appropriations	-	-	-	-	519
Profit/loss before tax	-120	270	176	237	598
Tax	24	11	44	28	-19
Profit/loss for the period	-96	281	220	265	579
Other comprehensive income	53	6	53	6	15
Comprehensive income for the period	-43	287	273	271	595

Parent company balance sheet

SEK MILLION	30 Jun 2022	30 Jun 2021	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets	7	17	9
Property, plant and equipment	122	133	125
Financial assets	14,149	14,261	14,202
Total non-current assets	14,279	14,411	14,336
Current assets			
Current receivables	4,489	2,093	2,746
Cash and cash equivalents	420	239	1,155
Total current assets	4,910	2,332	3,902
Total assets	19,189	16,743	18,238
EQUITY AND LIABILITIES			
Equity	9,048	9,155	9,393
Untaxed reserves	101	120	101
Provisions	36	66	36
Non-current liabilities	4,613	2,308	4,423
Current liabilities	5,391	5,094	4,285
Total equity and liabilities	19,189	16,743	18,238

Notes

Note 1

Accounting policies

This report was prepared in accordance with IAS 34, Interim Financial Reporting. The accounting policies conform with International Financial Reporting Standards (IFRS), as well as with the EU-approved interpretations of the relevant standards, the International Financial Reporting Interpretations Committee (IFRIC) and Chapter 9 of the Swedish Annual Accounts Act. The report has been drawn up using the same accounting policies and methods of calculation as those in AFRY's Annual and Sustainability Report 2021 (Note 1).

New or revised IFRS standards that came into force in 2022 did not have any material impact on the Group. The parent complies with the Swedish Financial Reporting Board's Recommendation RFR 2, which requires that the parent's annual report apply all IFRS standards and interpretations approved by the EU as far as is possible within the constraints of the Annual Accounts Act and the Pension Obligations Vesting Act (Tryggandelagen), and while considering the relationship

between reporting and taxation. Disclosures according to IAS 34 16A can partly be found on the pages preceding the condensed consolidated income statement.

New and amended accounting policies

The IFRS Interpretations Committee (IFRS IC) published an agenda decision in April 2021 regarding configuration and customisation costs in cloud computing arrangements. This refers to services in which the supplier offers access to a specific product while controlling the underlying infrastructure and software. During the fourth quarter of 2021, AFRY completed a review of the effects on the consolidated accounts of the IFRS IC's decision and found that some previously recognised intangible assets no longer fulfil the requirements for recognition as intangible assets. Adjustments were made retrospectively in accordance with the rules for amending accounting policies in IAS 8 and previous periods have been recalculated.

Note 2

Risks and uncertainties

The significant risks and uncertainties to which the AFRY Group is exposed include strategic risks linked to the market, acquisitions, sustainability and IT, and operational risks related to projects and the ability to recruit and retain qualified employees. In addition, the Group is exposed to several financial risks, such as currency risks, interest-rate risks and credit risks. The risks to which the Group is exposed are described in detail in AFRY's Annual and Sustainability Report 2021.

The current geopolitical situation

The war in Ukraine entails various risks for AFRY that are mainly related to delayed projects. The consequences include supply chain disruptions, shortages of components, higher building costs and inflationary pressure. AFRY has decided not to take on any new projects in Russia and the work to terminate operations in the country is ongoing. Operations in Russia represented less than 1 percent of AFRY's total net sales in 2021. AFRY will evaluate the situation and its potential effects on future development on a continuous basis.

Contingent liabilities

Reported contingent liabilities reflect one part of the AFRY Group's exposure to risk. AFRY provides clients with both corporate and bank guarantees when clients request them. This typically entails tender guarantees, advance payment guarantees or performance guarantees. Corporate guarantees are mainly provided by the parent, AFRY AB, and bank guarantees by AFRY's banks. At 30 June 2022, the Group's corporate guarantees amounted to SEK 363 million (58) and bank guarantees to SEK 516 million (473). The guarantee amounts do not include pension guarantees, advance payment guarantees or leasing as these are already reported on the debt side in the balance sheet.

Note 3

Income

Net sales, January–June 2022 according to business model

SEK MILLION	Infrastructure	Industrial & Digital Solutions	Process Industries	Energy	AFRY X	Management Consulting	Group Common/ eliminations	Total Group
Project Business	4,337	986	1,401	1,205	189	529	-321	8,326
Professional Services	182	1,759	809	261	383	12	-146	3,260
Software Business	0	3	7	0	38	12	-3	59
Total	4,519	2,748	2,217	1,466	611	553	-470	11,645

The Group applies the accounting standard IFRS 15 Revenue from Contracts with Customers. AFRY's business model is divided into three client offerings: Project Business, Professional Services and Software Business. Project Business is AFRY's offering for major projects and end-to-end solutions. In such projects, AFRY acts as a partner to the client, leading and running the entire project. Professional Services is AFRY's offering where the customer leads and runs the project, while AFRY provides suitable expertise at the right time. Software Business is AFRY's digital service and product offering that focuses on digitalisation and digital transformation.

Invoicing in Project Business takes place as work proceeds in accordance with agreed terms and conditions, either periodically (monthly) or when contractual milestones are reached. Invoicing ordinarily takes place after the income has been recorded, resulting in contract

assets. However, AFRY sometimes receives advance payments or deposits from our clients before the income is recognised, which then results in contract liabilities. In Professional Services, hours spent on a project are ordinarily invoiced at the end of each month. Performance obligations in Project Business are fulfilled over time as the service is provided. Revenue recognition is based on costs with accumulated costs set in relation to total estimated costs. In Professional Services, revenue is recognised by the amount that the unit is entitled to invoice, in accordance with IFRS 15 B16. In Software Business, revenue is recognised when a performance obligation is fulfilled for the product or service. Performance obligations can be fulfilled over time as the service is provided or when the client gains access to the service. If the service is not distinct from an agreed licence or product, revenue is recognised as a performance obligation in accordance with IFRS 15 B54.

Note 4

Quarterly information by division

Net sales, SEK million	2020			2021			2022		
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Infrastructure	1,986	1,598	1,982	1,972	2,045	1,638	2,058	2,240	2,279
Industrial & Digital Solutions	1,244	1,051	1,335	1,192	1,252	1,099	1,382	1,360	1,388
Process Industries	888	742	895	909	986	851	1,070	1,060	1,157
Energy	713	601	765	707	674	581	721	695	771
AFRY X	-	-	-	219	241	193	293	299	312
Management Consulting	206	184	220	217	230	245	253	256	298
Group Common/eliminations	-227	-155	-290	-218	-251	-187	-269	-240	-229
Group	4,808	4,021	4,907	4,999	5,177	4,419	5,509	5,670	5,975

EBITA, SEK million	2020			2021			2022		
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Infrastructure	173	108	182	151	156	86	175	183	171
Industrial & Digital Solutions	62	46	106	80	89	92	139	120	101
Process Industries	84	62	119	119	119	95	138	123	113
Energy	65	50	76	76	67	68	90	72	71
AFRY X	-	-	-	19	15	-5	15	3	7
Management Consulting	21	23	39	32	38	52	30	34	50
Group Common/eliminations ¹	-67	-31	-70	-57	-72	-21	-122	-176	-80
Group¹	337	258	453	419	411	367	465	359	432

EBITA margin, %	2020			2021			2022		
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Infrastructure	8.7	6.8	9.2	7.6	7.6	5.3	8.5	8.2	7.5
Industrial & Digital Solutions	5.0	4.4	8.0	6.7	7.1	8.4	10.1	8.8	7.3
Process Industries	9.4	8.4	13.3	13.1	12.0	11.1	12.9	11.6	9.8
Energy	9.2	8.2	10.0	10.7	10.0	11.6	12.5	10.3	9.2
AFRY X	-	-	-	8.7	6.1	-2.6	5.1	0.9	2.1
Management Consulting	10.3	12.6	17.8	14.6	16.3	21.4	12.1	13.4	16.8
Group	7.0	6.4	9.2	8.4	7.9	8.3	8.4	6.3	7.2

Average number of full-time employees (FTEs)	2020			2021 ²			2022		
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Infrastructure	6,013	5,851	5,868	5,801	5,955	5,901	5,998	6,436	6,455
Industrial & Digital Solutions	3,633	3,506	3,453	2,952	2,962	2,999	3,141	3,162	3,239
Process Industries	3,205	3,234	3,350	3,421	3,518	3,684	3,734	3,870	4,072
Energy	1,808	1,704	1,735	1,669	1,791	1,678	1,603	1,676	1,738
AFRY X	-	-	-	491	538	654	689	730	737
Management Consulting	422	416	425	428	465	451	485	485	511
Group functions	395	358	311	382	387	410	438	466	514
Group	15,476	15,069	15,143	15,145	15,618	15,777	16,089	16,825	17,267

Number of working days	2020			2021			2022		
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Sweden only	60	66	63	62	61	66	63	63	60
All countries	60	66	63	62	61	66	63	63	60

As a result of an organisational change on 1 January 2022, comparative figures for 2021 have been adjusted to provide a better reflection of operations.

¹⁾ Previously reported financial information has been recalculated due to a change in accounting policy IFRS IC's "Cloud computing arrangements".

²⁾ The calculation of the average number of FTEs has changed in connection with organisational changes. This has led to a more accurate and weighted calculation of the number of available hours for all divisions.

Note 5

Acquisitions and divestments

The following acquisitions were made during the period

Consolidated as from	Company ¹	Country	Division	Annual net sales, SEK million	Average no. of employees
January	Vahanen International Oy	Finland	Infrastructure	470	500
February	Swedish Electrical and Power Control AB	Sweden	Energy	28	16
April	Weop AB	Sweden	Industrial & Digital Solutions	23	22
Total				521	538

¹Company name at time of acquisition.

Acquired companies' net assets on acquisition date

SEK million	Jan–Jun 2022		
	Vahanen Group	Other	Total
Intangible non-current assets	64	0	64
Property, plant and equipment	5	1	6
Right-of-use assets	41	1	42
Financial assets	–	–	–
Accounts receivable and other receivables	81	11	92
Deferred tax asset	4	–	4
Cash and cash equivalents	44	6	51
Accounts payable, loans and other liabilities	-179	-11	-189
Net identifiable assets and liabilities	59	9	68
Goodwill	619	95	714
Fair value adjustment, intangible assets	9	4	13
Fair value adjustment, non-current provisions	-2	-1	-3
Purchase consideration including estimated contingent consideration	686	107	793
Transaction costs	5	0	5
Less:			
Cash (acquired)	44	6	51
Estimated contingent consideration	–	18	18
Net cash outflow	646	83	729

Acquired company

Acquisition analyses are preliminary as the net assets in the companies acquired have not been conclusively analysed. The purchase considerations for acquisitions for the year were larger than the booked net assets of the acquired companies, which means that the acquisition analyses have resulted in intangible assets.

Contingent consideration

Total undiscounted contingent consideration for the companies acquired during the year is a maximum of SEK 20 million.

Goodwill

Goodwill consists mainly of human capital in the form of employee skills and synergy effects. Goodwill is not expected to be tax deductible on acquisition of a company. The acquisition of a consulting business essentially involves the acquisition of human capital, and most of the intangible assets in the company acquired are thus attributable to goodwill.

Other intangible assets

Order stock and client relationships are identified and measured in conjunction with the completed acquisition.

Transaction costs

Transaction costs are recognised in Other external costs in profit or loss. Transaction costs amounted to SEK 5 million for the period.

Revenue and profit/loss from acquired companies

The acquired companies are expected to contribute to net sales of approximately SEK 521 million and operating profit of roughly SEK 45 million over a full year.

Since their acquisition dates, acquired companies have contributed SEK 271 million (89) to consolidated revenue and SEK 26 million (12) to operating profit.

Acquisitions after the end of the reporting period

Preparation of acquisition analyses after the end of the reporting period are in progress.

Divestments

During the period the divestment of a property mainly affected operating profit with SEK -60 million, in addition realised exchange rate effects impacted net financial items by SEK -15 million.

No other significant divestments were made during the period.

Note 6

Financial instruments

Valuation principles and classification of the Group's financial assets and liabilities, as described in Note 13 of AFRY's Annual and Sustainability Report 2021, have been applied consistently throughout the reporting period.

Financial assets and liabilities

SEK MILLION	Level	30 Jun 2022	30 Jun 2021	31 Dec 2021
Financial assets measured at fair value				
Interest rate swaps, hedge accounting applied	2	114	41	44
Forward exchange contracts, hedge accounting applied	2	5	3	8
Forward exchange contracts, hedge accounting not applied	2	45	14	22
Total		164	58	74
Financial assets not recognised at fair value				
Accounts receivable		4,170	3,570	4,206
Revenue generated but not invoiced		2,560	2,132	1,927
Financial investments		10	9	8
Non-current receivables		14	17	17
Cash and cash equivalents		1,187	1,103	2,112
Total		7,941	6,831	8,269
Financial liabilities measured at fair value				
Interest rate swaps, hedge accounting applied	2	9	5	2
Currency derivatives, hedge accounting applied	2	11	4	2
Currency derivatives, hedge accounting not applied	2	59	12	40
Contingent considerations	3	196	230	225
Total		276	251	270
Financial liabilities not recognised at fair value				
Bank loans		2,571	1,319	1,012
Bond loan		2,500	2,500	3,500
Commercial paper		400	300	600
Staff convertibles		314	494	376
Lease liabilities		2,132	2,367	2,162
Work invoiced but not yet carried out		1,973	1,635	1,914
Accounts payable		981	712	1,097
Total		10,871	9,326	10,660

Fair value of financial assets and liabilities

Recognised and fair values of the Group's financial assets and liabilities are presented above. The fair value of derivatives is based on level 2 in the fair value hierarchy. Contingent considerations are valued at market value in accordance with level 3. Derivative instruments where hedge accounting is not applied are measured at fair value through profit/loss, and derivatives where hedge accounting is applied are measured at fair value through other comprehensive income. All other financial assets and liabilities are measured at cost. Compared with 2021, no switches have been made between different levels in the fair value hierarchy for derivatives or loans. Nor have any significant changes been made in terms of valuation techniques, inputs or assumptions.

Note 6, cont.

Contingent considerations

Contingent considerations are valued at market value in accordance with level 3. The calculation of contingent consideration is dependent on parameters in the relevant agreements. These parameters are chiefly linked to expected EBIT for the acquired companies over the next two to three years. The change in the balance sheet item is recognised in the table (at right).

Change in contingent considerations

SEK million	30 Jun 2022
Opening balance 1 January 2022	225
Acquisitions for the year	18
Payments	-44
Changes in value recognised in income statement	5
Adjustment of preliminary acquisition analysis	-4
Discounting	-2
Translation differences	-3
Closing balance	196

Derivative instruments

SEK MILLION	Level	30 Jun 2022	30 Jun 2021	31 Dec 2021
Currency derivatives, no hedge accounting				
Total nominal values		3,073	3,240	3,362
Fair value, gains	2	45	14	22
Fair value, loss	2	-59	-12	-40
Fair value, net		-14	3	-18
Currency derivatives, cash flow hedging reporting				
Total nominal values		499	238	569
Fair value, gains	2	5	3	8
Fair value, loss	2	-11	-4	-2
Fair value, net		-6	-1	6
Interest rate derivatives, hedge accounting for net investments				
Total nominal values		1,850	1,000	1,850
Fair value, gains	2	42	41	39
Fair value, loss	2	-9	-	-
Fair value, net		33	41	39
Interest rate derivatives, cash flow hedging reporting				
Total nominal values		1,036	1,000	1,513
Fair value, gains	2	72	-	5
Fair value, loss	2	-	-5	-2
Fair value, net		72	-5	2

Note 7

Related party transactions

There were no material transactions between AFRY and its related parties during the period.

Note 8

Significant events after the end of the reporting period

After the end of the reporting period, the following company were acquired:

Ionic Consulting Limited, Ireland, with annual net sales of around SEK 57 million and 42 employees. The company will be consolidated from 1 July 2022.

Linda Pålsson has been appointed Executive Vice President and Head of Energy Division. She will take up the role on 1 August 2022.

The Board of Directors and Chief Executive Officer provide assurance that this interim report for the January–June 2022 period gives an accurate overview of the company and Group’s operations, financial position and earnings, and describes significant risks and uncertainties to which the company and companies included in the Group are exposed.

Stockholm, Sweden – 14 July 2022

Tom Erixon
Chairman of the Board

Jonas Gustavsson
President and CEO

Gunilla Berg
Director

Henrik Ehrnrooth
Director

Carina Håkansson
Director

Neil McArthur
Director

Joakim Rubin
Director

Kristina Schauman
Director

Tuula Teeri
Director

Fredrik Sundin
Director,
employee representative

Jessica Åkerdahl
Director,
employee representative

Alternative performance measures

The consolidated financial statements contain financial ratios defined according to IFRS. They also include measurements not defined according to IFRS, known as alternative performance measures. The purpose of this is to provide information for comparing trends across years and to understand the underlying operations. These terms may be defined in a different way by other companies and are therefore not always comparable to similar measures used by other companies.

Previously reported information for 2020 and 2021 has been recalculated due to a change in accounting policy IFRS IC's "Cloud computing arrangements", see Note 1.

Definitions

The key ratios and alternative performance measures used in this report are defined in AFRY's Annual and Sustainability Report 2021 and on our website: <https://afry.com/en/investor-relations/>.

Organic growth

Since the Group is active in a global market, sales are transacted in currencies other than the Swedish krona, which is the presentation currency. Exchange rates have been relatively volatile historically, and the Group carries out acquisitions/divestments of operations on an ongoing basis. Taken together, this has led to the Group's sales and

development being evaluated on the basis of organic growth. Organic sales growth represents comparable sales growth or sales reduction, and enables separate valuations to be carried out on the impact of acquisitions/divestments and exchange rate fluctuations.

%	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
Total growth	11.4	3.0	10.9	19.1	17.3	11.1	14.4	-5.4	29.7	-	29.2	12.6	15.4	7.7
(-) Acquired	7.1	1.5	2.1	2.1	1.6	2.3	1.5	0.7	29.1	-	0.0	0.6	5.2	1.7
(-) Currency effect	2.7	-1.4	1.0	0.5	7.6	-6.0	5.4	-4.4	0.4	-	8.2	-6.9	3.9	-2.8
Organic	1.5	2.9	7.8	16.5	8.1	14.8	7.5	-1.7	0.2	-	21.0	18.9	6.3	8.7
(-) Calendar effect	-1.1	1.9	-1.6	1.7	-1.7	2.5	0.7	0.9	-1.7	-	1.3	-0.8	-1.2	1.7
Organic growth adjusted for calendar effects	2.7	1.0	9.4	14.8	9.8	12.3	6.7	-2.5	1.9	-	19.7	19.7	7.5	7.0

¹ The Group includes eliminations.

SEK million	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
Total growth	233	59	137	237	170	99	97	-39	72	-	67	26	797	369
(-) Acquired	146	29	27	26	15	21	10	5	70	-	0	1	268	82
(-) Currency effect	56	-27	13	6	75	-54	36	-32	1	-	19	-14	203	-134
Organic	31	58	97	205	80	132	50	-12	0	-	48	39	326	420
(-) Calendar effect	-23	39	-20	21	-17	22	5	6	-4	-	3	-2	-60	83
Organic growth adjusted for calendar effects	55	19	117	184	97	109	45	-18	5	-	45	41	386	338

¹ The Group includes eliminations.

	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
%														
Total growth	12.5	-1.3	12.5	7.0	16.9	5.0	6.2	-3.4	32.8	-	23.7	9.8	14.4	1.1
(-) Acquired	7.1	0.8	2.3	1.0	2.1	1.8	1.4	0.5	29.9	-	0.0	0.3	5.3	1.0
(-) Currency effect	3.1	-2.0	0.7	-0.2	6.3	-7.0	4.7	-5.7	0.2	-	8.0	-8.1	3.7	-3.4
Organic	2.3	-0.1	9.5	6.1	8.6	10.3	0.1	1.8	2.6	-	15.7	17.6	5.4	3.5
(-) Calendar effect	0.3	-0.1	0.0	0.0	-0.6	0.6	0.8	-0.5	-0.2	-	0.4	-0.5	0.0	0.0
Organic growth adjusted for calendar effects	2.0	0.0	9.5	6.1	9.2	9.6	-0.7	2.3	2.8	-	15.2	18.1	5.4	3.6

¹⁾ The Group includes eliminations.

	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
SEK million														
Total growth	501	-53	305	187	321	91	85	-49	151	-	106	40	1,468	114
(-) Acquired	286	33	56	26	40	33	19	7	138	-	0	1	539	100
(-) Currency effect	124	-81	16	-4	119	-127	64	-82	1	-	36	-33	377	-342
Organic	91	-4	233	165	162	185	1	25	12	-	70	72	552	355
(-) Calendar effect	12	-3	1	0	-12	11	11	-8	-1	-	2	-2	5	-5
Organic growth adjusted for calendar effects	79	-1	232	165	174	174	-10	33	13	-	68	74	547	360

¹⁾ The Group includes eliminations.

EBITA/EBITA excluding items affecting comparability

Operating profit before associates and items affecting comparability refers to the operating profit after restored tangible items and events related to changes in the Group's structure and operations which are relevant for an understanding of the Group's performance on a com-

parable basis. This metric is used by Group Executive Management to monitor and analyse underlying profit/loss and to provide comparable figures between periods.

	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
SEK million														
EBIT (operating profit)	171	156	101	89	113	119	71	67	7	15	50	38	335	392
Acquisition-related items														
Amortisation and impairment of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	42	39
Revaluation of contingent considerations	-	-	-	-	-	-	-	-	-	-	-	-	-5	-21
Divestment of operations	-	-	-	-	-	-	-	-	-	-	-	-	60	-
Profit/loss (EBITA)	171	156	101	89	113	119	71	67	7	15	50	38	432	411
Items affecting comparability														
Cost of customisation/configuration of cloud-based IT systems	-	-	-	-	-	-	-	-	-	-	-	-	19	5
EBITA excl. items affecting comparability	171	156	101	89	113	119	71	67	7	15	50	38	451	416

¹⁾ The Group includes eliminations.

Other information

	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
%														
EBIT margin	7.5	7.6	7.3	7.1	9.8	12.0	9.2	10.0	2.1	6.1	16.8	16.3	5.6	7.6
Acquisition-related items														
Amortisation and impairment of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	0.7	0.8
Revaluation of contingent considerations	-	-	-	-	-	-	-	-	-	-	-	-	-0.1	-0.4
Divestment of operations	-	-	-	-	-	-	-	-	-	-	-	-	1.1	-
Profit/loss (EBITA margin)	7.5	7.6	7.3	7.1	9.8	12.0	9.2	10.0	2.1	6.1	16.8	16.3	7.2	7.9
Items affecting comparability	-	-	-	-	-	-	-	-	-	-	-	-	0.3	0.1
EBITA margin excl. items affecting comparability	7.5	7.6	7.3	7.1	9.8	12.0	9.2	10.0	2.1	6.1	16.8	16.3	7.6	8.0

¹⁾ The Group includes eliminations.

	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
SEK million														
EBIT (operating profit)	353	307	221	168	236	238	142	143	9	34	84	69	652	781
Acquisition-related items														
Amortisation and impairment of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	84	78
Revaluation of contingent considerations	-	-	-	-	-	-	-	-	-	-	-	-	-5	-28
Divestment of operations	-	-	-	-	-	-	-	-	-	-	-	-	60	-
Profit/loss (EBITA)	353	307	221	168	236	238	142	143	9	34	84	69	791	830
Items affecting comparability														
Restructuring costs, Infrastructure Division	-	-	-	-	-	-	-	-	-	-	-	-	80	-
Restructuring costs, Group functions	-	-	-	-	-	-	-	-	-	-	-	-	20	-
Cost of customisation/configuration of cloud-based IT systems	-	-	-	-	-	-	-	-	-	-	-	-	33	18
EBITA excl. items affecting comparability	353	307	221	168	236	238	142	143	9	34	84	69	924	848

¹⁾ The Group includes eliminations.

	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
%														
EBIT margin	7.8	7.6	8.1	6.9	10.6	12.5	9.7	10.4	1.5	7.3	15.2	15.5	5.6	7.7
Acquisition-related items														
Amortisation and impairment of intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	0.7	0.8
Revaluation of contingent considerations	-	-	-	-	-	-	-	-	-	-	-	-	0.0	-0.3
Divestment of operations	-	-	-	-	-	-	-	-	-	-	-	-	0.5	-
Profit/loss (EBITA margin)	7.8	7.6	8.1	6.9	10.6	12.5	9.7	10.4	1.5	7.3	15.2	15.5	6.8	8.2
Items affecting comparability	-	-	-	-	-	-	-	-	-	-	-	-	1.1	0.2
EBITA margin excl. items affecting comparability	7.8	7.6	8.1	6.9	10.6	12.5	9.7	10.4	1.5	7.3	15.2	15.5	7.9	8.3

¹⁾ The Group includes eliminations.

Net debt

Net debt is the total of interest-bearing liabilities less cash and cash equivalents and interest-bearing assets. Lease liabilities after the deduction of receivables relating to subleases are included in net debt. Net debt also includes dividends approved but not yet paid out. Net debt is used by Group Executive Management to monitor and analyse the debt trend in the Group and evaluate the Group's

refinancing requirements. Net debt/EBITDA is a key ratio for net debt in relation to cash-generating profit in the operation, which provides an indication of the operation's ability to pay its debts. This metric is commonly used by financial institutions to measure creditworthiness. A negative figure means that the Group has a net cash balance (cash and cash equivalents exceed interest-bearing liabilities).

Consolidated net debt (excluding IFRS 16)

SEK MILLION	30 Sep 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022
Loans and credit facilities	4,433	4,344	4,309	4,590	4,729	5,471	4,913	5,771
Net pension liability	390	341	344	340	342	205	206	207
Cash and cash equivalents	-1,299	-1,930	-1,735	-1,103	-852	-2,112	-902	-1,187
Total net debt	3,523	2,756	2,919	3,826	4,219	3,565	4,217	4,792

Net debt/EBITDA excluding IFRS 16 rolling 12 months

SEK MILLION	Oct 2019– Sep 2020	Full year 2020	Apr 2020– Mar 2021	Jul 2020– Jun 2021	Oct 2020– Sep 2021	Full year 2021	Apr 2021– Mar 2022	Jul 2021– Jun 2022
Profit/loss (EBITA)	1,384	1,509	1,467	1,541	1,649	1,662	1,602	1,623
Depreciation, amortisation and impairment of non-current assets	670	663	655	666	686	697	703	695
EBITDA	2,054	2,172	2,122	2,207	2,335	2,359	2,305	2,318
Lease expenses	-559	-554	-548	-553	-561	-564	-554	-543
EBITDA excl. IFRS 16	1,496	1,619	1,575	1,654	1,774	1,796	1,751	1,775
Net debt	3,523	2,756	2,919	3,826	4,219	3,565	4,217	4,792
Net debt/EBITDA, excl. IFRS 16, rolling 12 months, times	2.4	1.7	1.9	2.3	2.4	2.0	2.4	2.7
Items affecting comparability	277	126	126	85	57	50	150	165
EBITDA excl. IFRS 16 and items affecting comparability	1,773	1,745	1,701	1,738	1,832	1,846	1,901	1,940
Net debt	3,523	2,756	2,919	3,826	4,219	3,565	4,217	4,792
Net debt/EBITDA, excl. IFRS 16 and items affecting comparability, rolling 12 months, times	2.0	1.6	1.7	2.2	2.3	1.9	2.2	2.5

Net debt/equity ratio

SEK MILLION	30 Sep 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022
Net debt	3,523	2,756	2,919	3,826	4,219	3,565	4,217	4,792
Equity	9,907	10,005	10,538	10,204	10,422	10,993	11,420	11,318
Net debt/equity ratio, %	35.6	27.5	27.7	37.5	40.5	32.4	36.9	42.3

Consolidated net debt (including IFRS 16)

SEK MILLION	30 Sep 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022
Loans and credit facilities	6,960	6,782	6,782	6,957	7,014	7,633	7,022	7,903
Net pension liability	390	341	344	340	342	205	206	207
Cash and cash equivalents	-1,299	-1,930	-1,735	-1,103	-852	-2,112	-902	-1,187
Total net debt	6,050	5,193	5,391	6,193	6,504	5,726	6,326	6,923

Return on equity

Return on equity is the operation's profit/loss after tax during the period in relation to average equity. This key ratio is used to show how great a proportion of the shareholders' contributed capital generates

a return, which gives an indication of the operation's ability to create value for its owners.

SEK MILLION	30 Sep 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022
Profit after tax, rolling 12 months	776	932	956	1,054	1,166	1,130	1,062	945
Average equity	9,655	9,766	10,006	10,074	10,215	10,433	10,716	10,873
Return on equity, %	8.0	9.5	9.6	10.5	11.4	10.8	9.9	8.7

Return on capital employed

Return on capital employed shows the operation's profit/loss after financial items, adjusted for interest expense in relation to average interest-bearing capital in the operation's balance sheet total. The key

ratio is used to evaluate how the company utilises capital which has some form of return requirement (for example, dividends on invested capital from shareholders as well as interest on bank loans).

SEK MILLION	30 Sep 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022
Profit after financial items, rolling 12 months	1,020	1,196	1,205	1,329	1,433	1,393	1,324	1,196
Financial expenses, rolling 12 months	100	156	118	102	10	148	167	162
Profit	1,120	1,352	1,322	1,431	1,442	1,542	1,491	1,358
Average balance sheet total	24,087	23,948	23,920	23,831	23,860	24,383	24,831	25,373
Average other current liabilities	-5,876	-5,947	-5,908	-5,928	-5,824	-6,020	-6,164	-6,386
Average other non-current liabilities	-275	-228	-192	-175	-185	-200	-216	-229
Average deferred tax liability	-238	-239	-230	-223	-226	-229	-219	-210
Capital employed	17,698	17,534	17,590	17,506	17,625	17,934	18,233	18,547
Return on capital employed, %	6.3	7.7	7.5	8.2	8.2	8.6	8.2	7.3

Equity ratio

The equity ratio shows the operation's equity in relation to total capital and describes how large a proportion of the operation's assets are not matched by liabilities. The equity ratio can be seen as the operation's ability to pay in the long term. The key ratio is influenced by profitability during the period and by how the operation is financed.

This metric is often used to provide an indication of how the company is financed and also to see trends in how the operation's funds are utilised. A change in the equity ratio over time may, for example, be an indication that the operation is reviewing its financing structure or is utilising its equity to finance an expansion.

SEK MILLION	30 Sep 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022
Equity	9,907	10,005	10,538	10,204	10,422	10,993	11,420	11,318
Balance sheet total	23,299	23,520	24,208	24,272	24,001	25,913	25,762	26,917
Equity ratio, %	42.5	42.5	43.5	42.0	43.4	42.4	44.3	42.0

Making Future.



Stockholm, Sweden – 14 July 2022

AFRY AB (publ)
Jonas Gustavsson
President and CEO

This report has not been subjected to scrutiny by the company's auditors.

This information fulfils AFRY AB's (publ) disclosure requirements under the provisions of the EU's Market Abuse Regulation and the Swedish Securities Markets Act. This information was released, through the agency of the above-mentioned contact person, for publication on 14 July 2022, at 07.00 CET.

All assumptions about the future that are made in this report are based on the best information available to the company at the time the report was written. As is the case with all assessments of the future, such assumptions are subject to risks and uncertainties, which may mean that the actual outcome differs from the anticipated result.

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Investor presentation

Time:	14 July 2022 at 10.00 CET
Webcast:	https://youtu.be/FAdWvzNRevU
For analysts/investors:	Click here to connect to the meeting With the opportunity to ask questions

Calendar

Q3 2022	28 October 2022
Q4 2022	10 February 2023