



AFRY AB (PUBL) INTERIM REPORT
 JANUARY–SEPTEMBER 2022

Strong organic growth in all divisions

Third quarter 2022¹

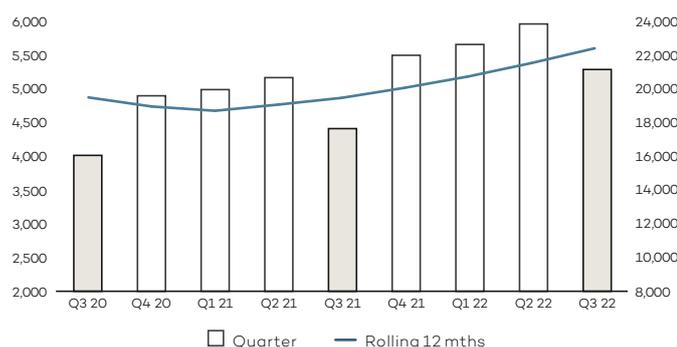
- Net sales increased by 19.9 percent to SEK 5,298 million (4,419)
- Organic growth adjusted for calendar effects was 10.4 percent (7.5)
- EBITA, excl. items affecting comparability was SEK 384 million (369)
- EBITA margin, excl. items affecting comparability was 7.3 percent (8.3)
- EBITA totalled SEK 376 million (367)
- EBITA margin was 7.1 percent (8.3)
- EBIT (operating profit) amounted to SEK 265 million (326)
- Basic earnings per share: SEK 1.59 (2.18)

January–September 2022¹

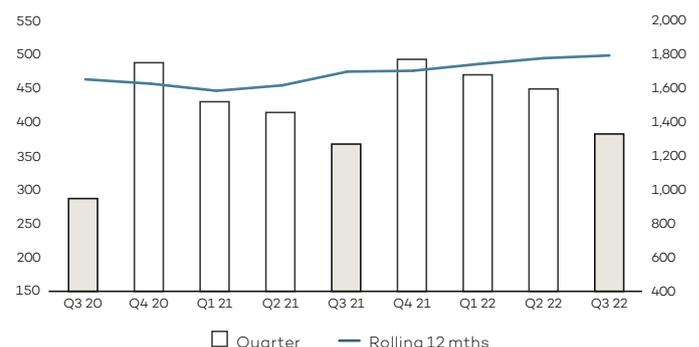
- Net sales increased by 16.1 percent to SEK 16,943 million (14,596)
- Organic growth adjusted for calendar effects was 6.9 percent (4.7)
- EBITA, excl. items affecting comparability was SEK 1,308 million (1,217)
- EBITA margin, excl. items affecting comparability was 7.7 percent (8.3)
- EBITA totalled SEK 1,167 million (1,197)
- EBITA margin was 6.9 percent (8.2)
- EBIT (operating profit) amounted to SEK 917 million (1,107)
- Basic earnings per share: SEK 5.08 (7.31)

“The third quarter showed strong organic growth in all divisions with a continued high demand especially in our industrial and energy segments. EBITA is on a stable level and the cost savings program delivers according to plan. At the same time, the uncertainty in the market has increased.”

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 third quarter showed strong organic growth in all divisions with a continued high demand especially in our industrial and energy segments. EBITA is on a stable level and the cost savings program delivers according to plan. At the same time, the uncertainty in the market has increased.

Net sales amounted to SEK 5,298 million, an increase by 19.9 percent compared to last year, and the organic growth was 10.4 percent adjusted for calendar effects. The organic growth was mainly a result of continued high demand in most of our markets, but also price increases. All divisions reported strong organic growth, in particular Process Industries driven by large CAPEX projects in South America. I am also very pleased that our order stock continues to strengthen and is at a historical high level.

EBITA, excluding items affecting comparability, amounted to SEK 384 million (369). The EBITA development was supported by the strong growth, our cost saving programme and price increases.

The corresponding EBITA margin was 7.3 percent (8.3). The margin was negatively impacted mainly by a high employee turnover, an increased use of sub-consultants and a less favourable project mix. The lower margin in the quarter compared to the previous year is also explained by the fact that we then finalised a large energy project with a positive effect on the margin. The EBITA margin in the Infrastructure Division improved due to the cost measures taken over the course of the year and price increases. At the same time, we see an increased uncertainty in the real estate sector in Sweden.

We have completed our earlier announced cost savings program according to plan. The roll-out of our ERP-system continues and we have reached a milestone with the implementation of the majority of the Swedish operations with 6,000 users.

In the quarter we announced the divestment of our Russian subsidiary to local management. The divestment is expected to close in the fourth quarter and has resulted in a write-down impacting the net result of SEK -66 million.

Looking ahead, we see increased uncertainty in the market, impacted by the geopolitical situation, rising inflation, increased interest rates and high energy prices. We experience more careful decision-making processes and some postponed projects. We continue to focus on efficiency improvements, cost optimisation and price increases as well as strengthening our client offering. At the same time, we are working with action plans in response to a potentially weakening demand.

The transition towards a more sustainable society is apparent and AFRY is well positioned to take the lead. We have a well-diversified portfolio with continued strong demand especially in the industrial and energy segments as well as a healthy mix of the public and private sector.

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

Countries with projects:

> 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). 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.

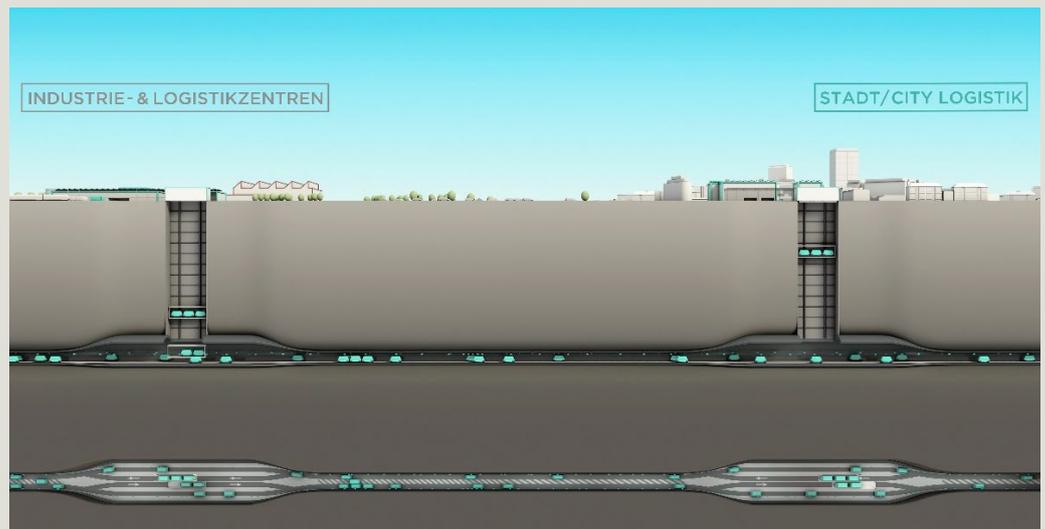
Ardagh Group

Ardagh Group has chosen AFRY to provide engineering and consulting services for the new factories for sustainable and recyclable metal and glass packaging in Brazil. The assignment includes engineering services as well as supply management of the new multi-line beverage can manufacturing factory, and environmental impact studies.



Cargo Sous Terrain

AFRY has been awarded the engineering contract for the first phase of the 70 km tunnel route between Härkingen and Zurich in Switzerland. The new intelligent logistics system will relieve rail and road congestion and reduces environmental impact, providing a sustainable solution to the estimated 37 percent increase in freight traffic by 2040.



Keppel

AFRY have been an advisor to Keppel Infrastructure Trust (KIT), on their investment in a portfolio onshore wind energy assets across Norway, Sweden and the United Kingdom. AFRY has supported KIT with market, commercial and technical due diligence advisory services. The project shows that AFRY is the preferred partner of choice in renewable energy transaction advisory, for many clients.



Financial summary

July–September

Net sales

Net sales for the third quarter amounted to SEK 5,298 million (4,419), an increase of 19.9 percent (9.9). Organic growth was 10.2 percent (7.4) and 10.4 percent (7.5) when adjusted for calendar effects.

EBITA

Adjusted for items affecting comparability, EBITA amounted to SEK 384 million (369). The corresponding EBITA margin was 7.3 percent (8.3). Items affecting comparability amounted to SEK -8 million (-2), 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 376 million (367) and 7.1 percent (8.3) respectively. The effects of IFRS 16 Leases were SEK -3 million (0) on EBITA and SEK 137 million (145) on EBITDA.

Capacity utilisation

Capacity utilisation was 74.1 percent (74.2) in the quarter.

Operating profit

EBIT totalled SEK 265 million (326). The difference between EBIT and EBITA consists of acquisition-related non-cash items: amortisation of acquisition-related assets amounting to SEK -43 million (-40), change in estimates of future contingent considerations of SEK 0 million (0), exchange differences relating to divested property of SEK -1 million (0) and write-down of operation in Russia totalling SEK -66 million (0). Basic earnings per share excluding divestment of property and write-down of operation in Russia amounted to SEK 2.18 during the quarter.

Net financial items

Profit after net financial items was SEK 218 million (299) and profit after tax for the period was SEK 180 million (247). Net financial items totalled SEK -47 million (-28) in the quarter.

	Q3 2022	Q3 2021 ¹	Jan–Sep 2022	Jan–Sep 2021 ¹	Full year 2021
Net sales					
Net sales, SEK million	5,298	4,419	16,943	14,596	20,104
Total growth, %	19.9	9.9	16.1	3.6	5.9
(-) Acquired, %	3.7	2.9	4.8	1.5	2.1
(-) Currency effects, %	6.0	-0.4	4.4	-2.5	-1.8
Organic, %	10.2	7.4	6.9	4.6	5.6
(-) Calendar effect, %	-0.2	-0.1	-0.1	-0.1	0.3
Organic growth adjusted for calendar effect, %	10.4	7.5	6.9	4.7	5.3
Earnings					
EBITA excl. items affecting comparability, SEK million	384	369	1,308	1,217	1,712
EBITA margin excl. items affecting comparability, %	7.3	8.3	7.7	8.3	8.5
EBITA, SEK million	376	367	1,167	1,197	1,662
EBITA margin, %	7.1	8.3	6.9	8.2	8.3
Operating profit (EBIT), SEK million	265	326	917	1,107	1,523
Profit/loss after financial items, SEK million	218	299	745	1,022	1,393
Profit/loss after tax, SEK million	180	247	576	828	1,130
Key ratios					
Basic earnings per share, SEK	1.59	2.18	5.08	7.31	9.97
Diluted earnings per share, SEK	1.59 ²	2.18 ²	5.08 ²	7.31 ²	9.97 ²
Cash flow from operating activities, SEK million	88	45	641	574	1,498
Net debt, SEK million ³	–	–	4,979	4,219	3,565
Net debt/equity ratio, percent ³	–	–	42.5	40.5	32.4
Net debt/EBITDA, rolling 12 months, times ⁴	–	–	2.8	2.4	2.0
Number of employees	–	–	18,576	16,680	17,019
Capacity utilisation, %	74.1	74.2	74.8	74.6	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 did not lead to any 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 rolling 12 months was 2.5 (2.3).

In addition to increased interest expenses, net financial items were affected by discount rates related to leasing in accordance with IFRS 16 Lease agreements of SEK -13 million (-13) as well as discounting of contingent considerations of SEK -2 million (-1), which did not affect cash flow. Exchange rate fluctuations related to RUB/SEK had an impact on net financial items of SEK 5 million during the quarter.

Income tax

The tax expense amounted to SEK -39 million (-51), corresponding to a tax rate of 17.7 percent (17.1). The tax rate during the period was mainly affected by the utilisation of previously unrecognized accumulated tax losses.

Cash flow and financial position

Consolidated net debt including IFRS 16 Leases amounted to SEK 7,131 million (6,504).

Consolidated net debt excluding IFRS 16 Leases amounted to SEK 4,979 million (4,219) at the end of the quarter, and SEK 4,792 million (3,826) at the start of the quarter. Cash flow from operating activities increased net debt by SEK 37 million (86) in the third quarter. One acquisition was made during the quarter that increased net debt by SEK 81 million.

The company issued commercial papers at the end of the third quarter to the value of SEK 200 million as part of its commercial paper programme.

Consolidated cash and cash equivalents totalled SEK 862 million (852) at the end of the period and unused credit facilities amounted to SEK 2,806 million (2,501).

Significant events during the quarter

Write-down of operation in Russia

AFRY signed an agreement during the quarter to divest its Russian subsidiary to the local management team. This divestment is expected to be completed during the fourth quarter of 2022 and is contingent upon regulatory approval. Operation in Russia account for less than 1 percent of AFRY's total sales. The Russian subsidiary currently has around 125 employees in Russia.

Write-down of group values regarding Russia were carried out during the quarter, with a negative impact on net profit by SEK 66 million (adjusted for currency). The final financial impact will be reported when the divestment is completed.

At the end of the quarter, AFRY AB and AFRY Group Finland Oy had interest-bearing internal borrowings totalling RUB 561 million in respect of AFRY RUS LLC, which were repaid in the first week of October. Total internal liabilities in foreign currencies 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. See note 8.

Changes to Group Executive Management

AFRY has appointed Bo Sandström as Executive Vice President and CFO. Bo will take over the position on 7 November 2022, succeeding Juuso Pajunen who chose to leave his position for a new one outside the company.

Acquisitions

The following companies were acquired during the quarter: Ionic Consulting Limited, Ireland, with annual net sales of around SEK 57 million and 42 employees.

January–September

Net sales

Net sales for the period amounted to SEK 16,943 million (14,596), an increase of 16.1 percent (3.6). Organic growth was 6.9 percent (4.6) and 6.9 percent (4.7) when adjusted for calendar effects.

EBITA

Adjusted for items affecting comparability, EBITA amounted to SEK 1,308 million (1,217). The corresponding EBITA margin was 7.7 percent (8.3). Items affecting comparability amounted to SEK -141 million (-20) mainly relating to restructuring costs for the Infrastructure Division and Group functions. Items affecting comparability also related to costs for 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 1,167 million (1,197) and 6.9 percent (8.2) respectively. The effects of IFRS 16 Leases were SEK -15 million (0) on EBITA and SEK 398 million (425) on EBITDA.

Capacity utilisation

Capacity utilisation was 74.8 percent (74.6) for the period.

Operating profit

EBIT totalled SEK 917 million (1,107). The difference between EBIT and EBITA consists of acquisition-related non-cash items: amortisation of acquisition-related assets amounting to SEK -127 million (-118), change in estimates of future contingent considerations of SEK 5 million (28), capital loss mainly from divestment of a property of SEK -62 million (0) and write-down of operation in Russia totalling SEK -66 million (0). Basic earnings per share excluding divestment of property and write-down of operation in Russia amounted to SEK 6.21 during the period.

Net financial items

Profit after net financial items was SEK 745 million (1,022) and profit after tax for the period was SEK 576 million (828). Net financial items for the period totalled SEK -172 million (-84).

In addition to higher interest expenses, net financial items were affected by discount rates related to leases in accordance with IFRS 16 Leases amounting

to SEK -34 million (-33) and discounting of contingent considerations totalling SEK 0 million (-4) that did not affect cash flow. Exchange rate fluctuations related to RUB/SEK had an impact on net financial items of SEK -35 million during the period.

Income tax

The tax expense amounted to SEK -169 million (-194), corresponding to a tax rate of 22.7 percent (19.0). The tax rate during the period was mainly affected by the utilisation of previously unrecognized accumulated tax losses and increased result in countries with higher tax rate than Sweden.

Parent

Parent company operating income for the period totalled SEK 1,048 million (953) and relates primarily to internal services within the Group. Profit after net financial items was SEK 142 million (199). Cash and cash equivalents amounted to SEK 91 million (181). Gross investments in intangible non-current assets and property, plant and equipment were SEK 27 million (16). The tax rate was affected during the period by non-taxable income in the form of dividends issued from the subsidiary.

Number of employees

The average number of full-time employees (FTEs) was 17,172 (15,497). The total number of employees at the end of the period was 18,576 (16,680).

Calendar effects

The number of normal working hours during 2022, based on a 12-months' sales-weighted business mix, is broken down as follows.

	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 140.30 (267.60) 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

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, 32% 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.

22% of net sales, 22% 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.

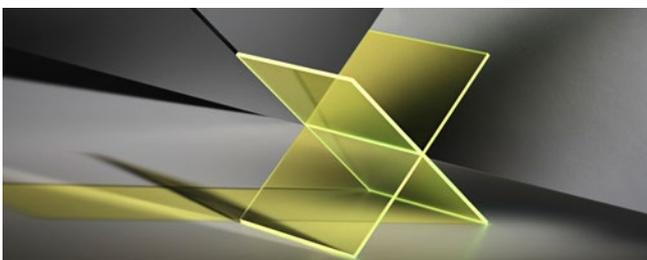
19% of net sales, 23% of EBITA



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, 14% of EBITA



AFRY X Division

The AFRY X Division offers consulting services and software products. The division help organisations undergoing digital transformation to redefine their business for the digital age. Important sectors include industry, energy and the public sector. The division operates primarily in the Nordics.

5% of net sales, 0% 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, 9% of EBITA

Division Infrastructure

Net sales

Net sales in the third quarter amounted to SEK 1,954 million (1,638), an increase by 19,3 percent. Adjusted for calendar effect the organic growth was 8,5 percent. Growth was driven by a strong demand across most segments and markets. The order stock is at a continued high level.

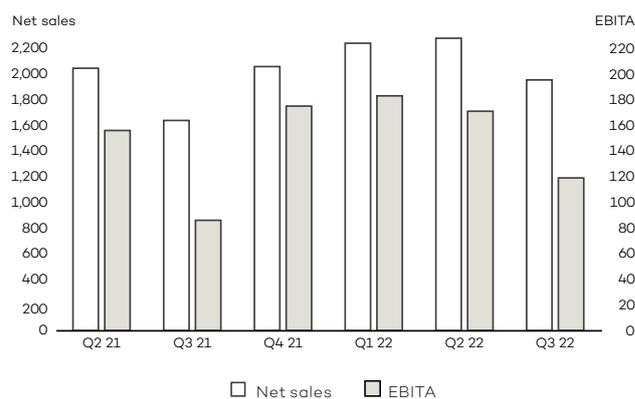
EBITA and EBITA margin

EBITA amounted to SEK 119 million (86) and the corresponding margin was 6,1 percent (5,3). The margin was positively impacted by measures taken in the cost savings program over the course of the year and higher average fees. A higher-than-normal degree of absence at the beginning of the quarter and postponements of projects mainly in the Swedish real estate operations impacted the margin negatively.

Market development

Public investments in transport infrastructure continue at a stable level in all markets. Sustainability and electrification trends steer investments towards railways, trams, and e-mobility solutions. Increasing interest rates, construction and material costs cool down the real estate market and new build projects, although the need to modernise and repurpose existing buildings drives demand for the division's services. Investments in education and healthcare facilities, as well as industrial segments, are stable. Ageing water and wastewater infrastructure, stricter environmental regulations, and climate change effects, continue to drive the need for large investments in this area.

Net sales and EBITA, SEK million



Key ratios

	Q3 2022	Q3 2021	Jan-sep 2022	Jan-sep 2021	Full year 2021
Net sales, SEK million	1,954	1,638	6,473	5,655	7,714
EBITA, SEK million	119	86	472	394	569
EBITA margin, %	6.1	5.3	7.3	7.0	7.4
Average full-time equivalents (FTEs)	6,433	5,901	6,443	5,886	5,914
Organic growth					
Total growth, %	19.3	2.4	14.5	-0.2	0.8
(-) Acquired, %	6.4	2.0	6.9	1.2	1.2
(-) Currency effects, %	4.9	-0.2	3.6	-1.5	-0.8
Organic, %	8.0	0.6	3.9	0.1	0.4
(-) Calendar effect, %	-0.4	-0.1	0.0	-0.1	0.4
Organic growth adjusted for calendar effects, %	8.5	0.7	3.9	0.2	0.0

Division Industrial & Digital Solutions

Net sales

Net sales in the third quarter amounted to SEK 1,200 million (1,099), an increase of 9.2 percent. Adjusted for calendar effects the organic growth was 6.0 percent. Growth was driven by continued strong demand across all segments, especially in automotive. Sales activities continue to be on a high level within all the divisions' core markets.

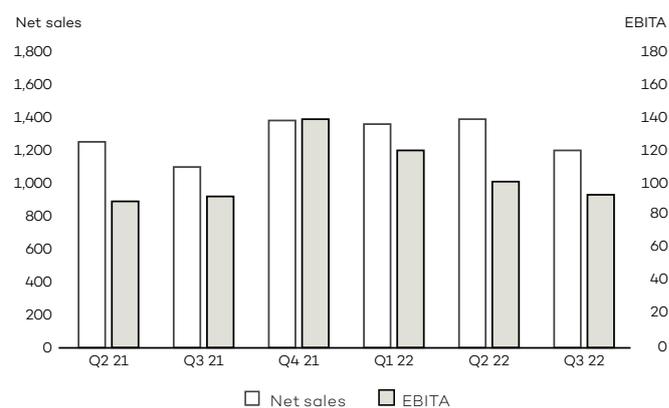
EBITA and EBITA margin

EBITA amounted to SEK 93 million (92), and the corresponding margin was 7.8 percent (8.4). The margin was negatively impacted by a high employee turnover and an increased use of sub-consultants, while a good cost control and higher average fees impacted positively.

Market development

During the period, clients have kept their high ambitions within digitalisation, which resulted in high demand for design and development of products, services, and production capacity. The high demand for competence in the market has resulted in a competition for talent, a development that is being met by more efficient delivery models, like agile teams, and further utilisation of the extended capacity in the AFRY Partner Network. Within the manufacturing industry, the high demand for product and production capacity development continued. The demand within food & life science remained favourable. Supply chain challenges and volatile material prices continued to delay investment decisions in some production capacity projects, specifically within manufacturing and food & life science.

Net sales and EBITA, SEK million



Key ratios

	Q3 2022	Q3 2021	Jan-sep 2022	Jan-sep 2021	Full year 2021
Net sales, SEK million	1,200	1,099	3,949	3,542	4,924
EBITA, SEK million	93	92	315	260	399
EBITA margin, %	7.8	8.4	8.0	7.4	8.1
Average full-time equivalents (FTEs)	3,265	2,999	3,222	2,972	3,014
Organic growth					
Total growth, %	9.2	21.2	11.5	11.0	13.9
(-) Acquired, %	1.5	2.8	2.0	1.5	2.1
(-) Currency effects, %	1.8	-0.1	1.0	-0.1	-0.1
Organic, %	6.0	18.5	8.4	9.6	11.9
(-) Calendar effect, %	-0.1	0.0	0.0	0.0	0.4
Organic growth adjusted for calendar effects, %	6.0	18.5	8.4	9.6	11.5

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

Division Process Industries

Net sales

Net sales in the third quarter amounted to SEK 1,107 million (851), an increase by 30.1 percent. Adjusted for calendar effects the adjusted organic growth was 19.1 percent. The growth was driven by big pulp & paper and mining & metals CAPEX projects especially in South America and a stable business in the Nordics, Central Europe and USA. The order stock remains high.

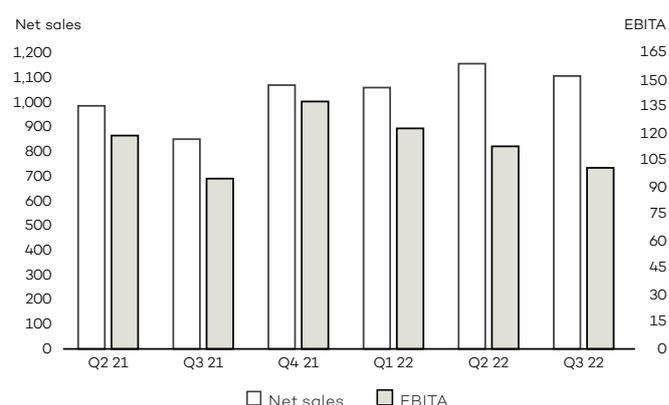
EBITA and EBITA margin

EBITA amounted to SEK 101 million (95), and the corresponding margin was 9.2 percent (11.1). The margin was negatively impacted by a less favourable project mix and salary inflation.

Market development

Overall, market activities remained on a high level in the quarter. Demand for pre-project planning continues strongly, but also increased activity with CAPEX project sales is foreseen. New sustainable technologies and solutions like batteries and regenerated textile fibers 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. The energy crisis will drive industry investments both in energy efficiency and renewable energy. Component disruption, inflationary pressures and increasing interest rates may lead to delays in investment decisions.

Net sales and EBITA, SEK million



Key ratios

	Q3 2022	Q3 2021	Jan-sep 2022	Jan-sep 2021	Full year 2021
Net sales, SEK million	1,107	851	3,324	2,746	3,817
EBITA, SEK million	101	95	337	332	470
EBITA margin, %	9.2	11.1	10.2	12.1	12.3
Average full-time equivalents (FTEs)	4,202	3,684	4,051	3,544	3,591
Organic growth					
Total growth, %	30.1	14.8	21.0	7.9	10.9
(-) Acquired, %	0.0	4.8	1.5	2.7	3.6
(-) Currency effects, %	10.9	-0.7	7.7	-5.2	-3.9
Organic, %	19.1	10.6	11.8	10.4	11.2
(-) Calendar effect, %	0.0	0.0	-0.4	0.4	0.3
Organic growth adjusted for calendar effects, %	19.1	10.6	12.2	10.0	10.9

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

Division Energy

Net sales

Net sales in the third quarter amounted to SEK 726 million (581), an increase by 25.0 percent. Adjusted for calendar effects the organic growth was 13.4 percent. All segments reported positive organic growth while large contracting projects have declined. The order stock is at a solid level.

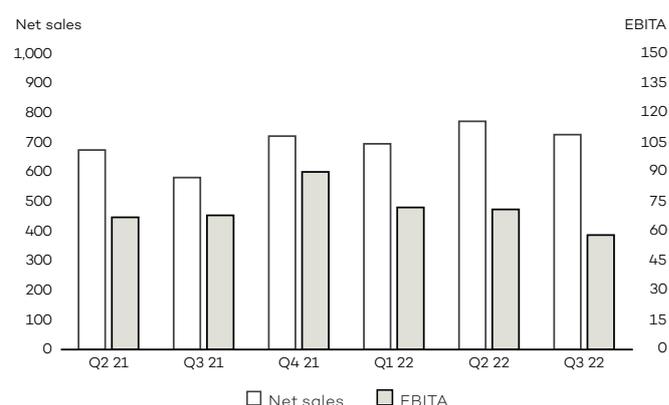
EBITA and EBITA margin

EBITA amounted to SEK 58 million (68) and the corresponding margin was 8.0 percent (11.6). The lower margin in the quarter compared to the previous year is explained by the fact that we then finalised a large energy project with a positive effect on the margin. All segments reported a strong performance in the quarter, except for certain large contracting projects.

Market development

The general outlook for the energy sector is improving in most areas with green capex industry investment driving the clean energy transition. There is a strong focus on hydro and nuclear rehabilitation and waste-to-energy projects, as well as green ammonia/hydrogen, and solar & wind projects. There is also an increased interest and need for electrical power connections of onshore and offshore wind. However, supply chain disruptions, the war in Ukraine and inflationary pressures are also expected to continue to influence short term client decision making.

Net sales and EBITA, SEK million



Key ratios

	Q3 2022	Q3 2021	Jan-sep 2022	Jan-sep 2021	Full year 2021
Net sales, SEK million	726	581	2,192	1,962	2,683
EBITA, SEK million	58	68	200	211	301
EBITA margin, %	8.0	11.6	9.1	10.8	11.2
Average full-time equivalents (FTEs)	1,783	1,678	1,733	1,711	1,683
Organic growth					
Total growth, %	25.0	-3.4	11.7	-3.4	-4.1
(-) Acquired, %	3.8	0.9	2.1	0.6	0.7
(-) Currency effects, %	8.1	-1.2	5.7	-4.4	-3.3
Organic, %	13.1	-3.1	3.9	0.3	-1.4
(-) Calendar effect, %	-0.3	-0.6	0.4	-0.5	0.6
Organic growth adjusted for calendar effects, %	13.4	-2.5	3.5	0.9	-2.0

Division AFRY X

Net sales

Net sales for the third quarter amounted to SEK 241 million (193), an increase of 24.8 percent. Adjusted for calendar effects the organic growth was 9.4 percent. The growth was supported by an increasing number of employees and higher fees for digital services. Net sales include SEK 14 million of software revenue.

EBITA and EBITA margin

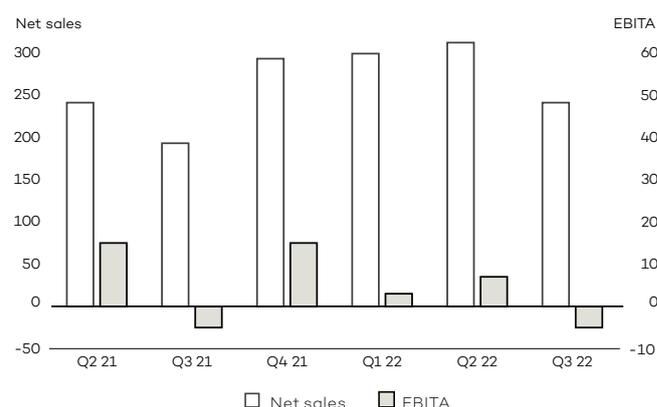
EBITA amounted to SEK -5 million (-5) and the corresponding margin was -2.1 percent (-2.6). EBITA for business area Services was SEK 8 million (15) and the corresponding margin was 3.6 percent (8.0). The margin was negatively impacted by a lower utilisation mainly related to onboarding of new employees. Costs for sales and development of the Software Business amounted to SEK 20 million. The work with evaluating and optimising the software portfolio continues.

Market development

The division operates mainly in Sweden, Norway, and Finland, where the market has been very strong in recent years, yet we have seen some softening during the quarter. 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 employee turnover within the IT and digital market, therefore retaining talent and recruiting is a key challenge for the division. 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 99 million (in the second quarter 2022 ARR was SEK 83 million).

Net sales and EBITA, SEK million



Key ratios

	Q3 2022	Q3 2021	Jan-sep 2022	Jan-sep 2021	Full year 2021
Net sales, SEK million	241	193	852	653	947
<i>Professional Service & Project Business</i>	227	185	799	626	908
<i>Software Business</i>	14	8	53	27	39
EBITA, SEK million	-5	-5	4	29	44
EBITA margin, %	-2.1	-2.6	0.5	4.4	4.6
Average full-time equivalents (FTEs)	711	643	726	559	594
Organic growth					
Total growth, %	24.8	-	30.4	-	-
(-) Acquired, %	10.6	-	24.2	-	-
(-) Currency effects, %	4.4	-	1.5	-	-
Organic, %	9.8	-	4.7	-	-
(-) Calendar effect, %	0.3	-	0.0	-	-
Organic growth adjusted for calendar effects, %	9.4	-	4.7	-	-

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

Revenue from Software Business

	Q3 2022	Q3 2021	Jan-sep 2022	Jan-sep 2021	Full year 2021
AFRY X	14	8	53	27	39
Group	19	16	77	51	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 third quarter amounted to SEK 286 million (245), an increase by 17.0 percent. Adjusted for calendar effects the organic growth was 8.8 percent. The growth reflects the continued positive market environment in the energy and bioindustry sectors across our service portfolio, active transaction markets and continued investment into identified key strategic growth initiatives, focusing on headcount growth and service development.

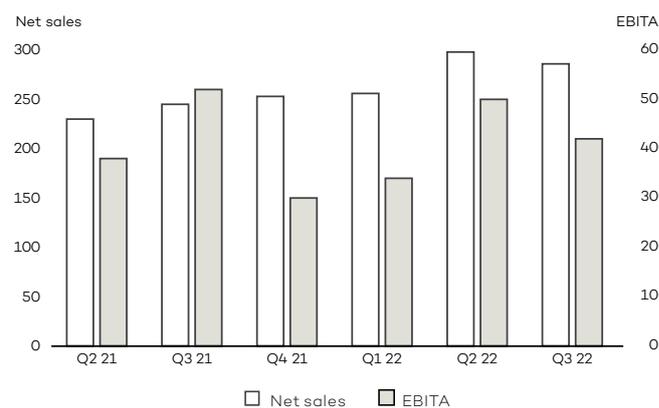
EBITA and EBITA margin

EBITA amounted to SEK 42 million (52) and the corresponding margin was 14.7 percent (21.4). The lower margin compared to last year is due to the timing of transaction related success fees. Strong demand continues in both the energy and bioindustry sectors.

Market development

The balance between ensuring security of energy supply in the short-term and ongoing decarbonisation is a key area of discussion across the global economy. Major regulatory changes in many parts of the world are being brought forward. As a result, companies are adapting their strategies and seeking advisory services. 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. The demand for consulting services in the energy and bio-based sectors remains strong despite the uncertainty.

Net sales and EBITA, SEK million



Key ratios

	Q3 2022	Q3 2021	Jan-sep 2022	Jan-sep 2021	Full year 2021
Net sales, SEK million	286	245	840	692	945
EBITA, SEK million	42	52	126	121	152
EBITA margin, %	14.7	21.4	15.0	17.6	16.1
Average full-time equivalents (FTEs)	527	451	508	448	457
Organic growth					
Total growth, %	17.0	39.4	21.3	19.0	21.8
(-) Acquired, %	0.0	6.6	0.0	2.3	5.9
(-) Currency effects, %	9.3	0.3	8.5	-5.5	-3.6
Organic, %	7.7	32.5	12.8	22.3	19.5
(-) Calendar effect, %	-1.1	0.4	-0.1	-0.2	-0.3
Organic growth adjusted for calendar effects, %	8.8	32.1	12.9	22.5	19.8

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

Auditor's review report

For AFRY AB (publ) Corp. ID no. 556120-6474

Introduction

We have conducted a review of the condensed interim financial information (interim report) for AFRY AB (publ) at 30 September 2022 and the nine-month period there ended. The Board of Directors and Chief Executive Officer are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express an opinion on this interim report based on our review.

Focus and scope of the review

We have conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review engagement consists of making inquiries, primarily of persons responsible for the preparation of financial and accounting matters, and applying analytical and other

review procedures. A review engagement is different and substantially less in scope than an audit conducted in accordance with ISA and generally accepted auditing standards in Sweden. The procedures performed during a review do not enable us to obtain assurance that we would become aware of all significant circumstances that might be identified in an audit. The opinion expressed based on a review engagement does not therefore provide the same level of assurance as a conclusion based on an audit.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not, in all material aspects, been prepared in accordance with IAS 34 and the Annual Accounts Act for the Group, and in accordance with the Annual Accounts Act for the parent.

Stockholm, 28 October 2022

KPMG AB

Joakim Thilstedt

Authorised Public Accountant

Sustainability

Third quarter 2022

- In September, AFRY received the Platinum Rating in EcoVadis' Sustainability Rating, which places AFRY among the top 1 percent of the assessed companies' sustainability performance.
- Publication of AFRY's Handbook for the recruitment of foreign-born employees, part of AFRY's Immigrated Competence initiative.
- AFRY was main partner and participated in Norrskan Impact Week, which aims to highlight startups and scalable solutions that focus on solving global challenges.
- AFRY has once again been named by Universum as one of Sweden's most attractive employers among young engineers.

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 2040 ¹.
- Increase inclusion and diversity of background and culture, including achieving a gender balanced workforce (40 percent female leaders by 2030 ²).
- 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 2021 ¹:

	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	Q3 2022	Q3 2021	Jan-Sep 2022	Jan-Sep 2021	Full year 2021	Oct 2021- Sep 2022
Net sales	5,298	4,419	16,943	14,596	20,104	22,452
Personnel costs	-3,189	-2,639	-10,534	-9,041	-12,266	-13,760
Purchases of services and materials	-1,162	-926	-3,462	-2,950	-3,918	-4,430
Other costs	-450	-311	-1,339	-909	-1,623	-2,053
Other income	49	5	64	20	58	101
Profit attributable to participations in associates	2	1	5	4	5	6
EBITDA	549	549	1,677	1,719	2,359	2,317
Depreciation/amortisation and impairment of non-current assets ¹	-173	-183	-511	-523	-697	-685
EBITA	376	367	1,167	1,197	1,662	1,632
Acquisition-related items ²	-111	-40	-250	-90	-139	-299
Operating profit (EBIT)	265	326	917	1,107	1,523	1,333
Net financial items	-47	-28	-172	-84	-129	-217
Profit after net financial items	218	299	745	1,022	1,393	1,116
Tax	-39	-51	-169	-194	-264	-239
Profit/loss for the period	180	248	576	829	1,130	877
Attributable to:						
Shareholders in the parent company	180	247	576	828	1,129	877
Non-controlling interest	0	0	0	1	0	0
Profit/loss for the period	180	248	576	829	1,130	877
Basic earnings per share, SEK	1.59	2.18	5.08	7.31	9.97	
Diluted earnings per share, SEK	1.59 ³	2.18 ³	5.08 ³	7.31 ³	9.97 ³	
Number of shares outstanding	113,251,741	113,200,893	113,251,741	113,200,893	113,212,471	
Average number of basic shares outstanding	113,251,741	113,312,700	113,246,549	113,234,467	113,227,458	
Average number of diluted shares outstanding	113,251,741 ³	113,312,700 ³	113,246,549 ³	113,234,467 ³	113,227,458 ³	

¹ Depreciation/amortisation and impairment of assets refers to 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 29.

³ Issued convertibles did not lead to any dilution during the period.

Statement of consolidated comprehensive income

SEK MILLION	Q3 2022	Q3 2021	Jan-Sep 2022	Jan-Sep 2021	Full year 2021
Profit/loss for the period	180	248	576	829	1,130
Items that have been or will be reclassified to profit/loss for the period					
Change in translation reserve	174	60	571	192	357
Change in hedging reserve	30	-8	190	-12	-10
Tax	0	1	-13	1	0
Items that will not be reclassified to profit/loss for the period					
Pensions	-13	3	-13	5	130
Tax	13	0	13	-1	-24
Other comprehensive income	204	54	749	185	452
Comprehensive income for the period	384	302	1,325	1,013	1,582
Attributable to:					
Shareholders in the parent company	384	302	1,325	1,013	1,581
Non-controlling interest	0	0	0	1	0
Total	384	302	1,325	1,013	1,582

Condensed consolidated balance sheet

SEK MILLION	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets	15,481	13,699	14,045
Property, plant and equipment	346	497	495
Other non-current assets	2,258	2,465	2,317
Total non-current assets	18,084	16,661	16,857
Current assets			
Current receivables	8,024	6,488	6,944
Cash and cash equivalents	862	852	2,112
Total current assets	8,886	7,340	9,056
Total assets	26,971	24,001	25,913
EQUITY AND LIABILITIES			
Equity			
Attributable to shareholders in the parent	11,701	10,421	10,992
Attributable to non-controlling interest	1	1	1
Total equity	11,703	10,422	10,993
Non-current liabilities			
Provisions	619	858	676
Non-current liabilities	6,199	4,819	6,338
Total non-current liabilities	6,818	5,677	7,014
Current liabilities			
Provisions	66	46	34
Current liabilities	8,384	7,856	7,871
Total current liabilities	8,450	7,902	7,905
Total equity and liabilities	26,971	24,001	25,913

Condensed statement of change in consolidated equity

SEK MILLION	30 Sep 2022	30 Sep 2021	31 Dec 2021
Equity at start of period	10,993	10,005	10,005
Comprehensive income for the period	1,325	1,013	1,582
Dividends	-623	-566	-566
Conversion of convertible bonds into shares	8	174	176
Share buy-backs	-	-205	-205
Equity at end of period	11,703	10,422	10,993

Condensed statement of consolidated cash flows

SEK MILLION	Q3 2022	Q3 2021	Jan-Sep 2022	Jan-Sep 2021	Full year 2021
Profit after net financial items	218	299	745	1,022	1,393
Adjustment for items not included in cash flow and other	212	213	955	646	874
Income tax paid	-20	-34	-241	-190	-229
Cash flow from operating activities before change in working capital	411	478	1,459	1,478	2,038
Cash flow from change in working capital	-323	-433	-819	-904	-540
Cash flow from operating activities	88	45	641	574	1,498
Cash flow from investing activities	-117	-188	-865	-987	-1,213
Cash flow from financing activities	-230	-100	-817	-621	-12
Cash flow for the period	-260	-242	-1,042	-1,034	274
Opening cash and cash equivalents	1,187	1,103	2,112	1,930	1,930
Exchange difference in cash and cash equivalents	-65	-9	-208	-44	-92
Closing cash and cash equivalents	862	852	862	852	2,112

Change in consolidated net debt (excl. IFRS 16)

SEK MILLION	Q3 2022	Q3 2021	Jan-Sep 2022	Jan-Sep 2021	Full year 2021
Opening balance	4,792	3,826	3,565	2,756	2,756
Cash flow from operating activities (excl. IFRS 16)	37	86	-280	-182	-981
Investments	31	17	9	48	52
Acquisitions and contingent considerations	81	186	853	927	1,159
Dividend	-	-	623	566	566
Share buy-backs	-	205	-	205	205
Other	39	-101	209	-99	-192
Closing balance	4,979	4,219	4,979	4,219	3,565

Parent company income statement

SEK MILLION	Q3 2022	Q3 2021	Jan-Sep 2022	Jan-Sep 2021	Full year 2021
Net sales	254	222	754	686	919
Other operating income	101	90	294	267	360
Operating income	354	311	1,048	953	1,278
Personnel costs	-66	-45	-235	-171	-232
Other costs	-354	-308	-1,076	-959	-1,334
Depreciation/amortisation	-9	-14	-27	-27	-36
Operating profit/loss	-75	-56	-290	-204	-323
Net financial items	43	18	432	403	403
Profit after financial items	-31	-38	142	199	79
Appropriations	-	-	-	-	519
Profit before tax	-31	-38	142	199	598
Tax	5	8	50	36	-19
Profit/loss for the period	-26	-30	191	235	579
Other comprehensive income	21	1	74	7	15
Comprehensive income for the period	-5	-29	265	242	595

Parent company balance sheet

SEK MILLION	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets	6	16	9
Property, plant and equipment	127	128	125
Financial assets	14,147	14,256	14,202
Total non-current assets	14,280	14,400	14,336
Current assets			
Current receivables	4,748	1,959	2,746
Cash and cash equivalents	91	181	1,155
Total current assets	4,839	2,140	3,902
Total assets	19,119	16,540	18,238
EQUITY AND LIABILITIES			
Equity	9,042	9,042	9,393
Untaxed reserves	101	120	101
Provisions	36	38	36
Non-current liabilities	4,422	2,859	4,423
Current liabilities	5,517	4,481	4,285
Total equity and liabilities	19,119	16,540	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 adaptation 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 and the uncertainties in the world entails various risks for AFRY that are mainly related to delayed projects. The consequences include disruptions to supply chains, shortages of components, higher building costs and inflationary pressure. AFRY has decided not to take on new projects in Russia and signed an agreement to divest the operation to local management. The divestment is expected to be completed during the fourth quarter of 2022 and is contingent upon regulatory approval. 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 September 2022, the Group's corporate guarantees amounted to SEK 379 million (69) and bank guarantees to SEK 590 million (513). 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–September 2022 according to business model

SEK MILLION	Infrastructure	Industrial & Digital Solutions	Process Industries	Energy	AFRY X	Management Consulting	Group-wide/ eliminations	Total Group
Project Business	6,332	1,459	2,184	1,920	269	795	-484	12,474
Professional Services	141	2,484	1,133	272	531	29	-198	4,392
Software Business	0	5	7	0	53	15	-3	77
Total	6,473	3,949	3,324	2,192	852	840	-686	16,943

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 client 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		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Infrastructure	1,598	1,982	1,972	2,045	1,638	2,058	2,240	2,279	1,954
Industrial & Digital Solutions	1,051	1,335	1,192	1,252	1,099	1,382	1,360	1,388	1,200
Process Industries	742	895	909	986	851	1,070	1,060	1,157	1,107
Energy	601	765	707	674	581	721	695	771	726
AFRY X	-	-	219	241	193	293	299	312	241
Management Consulting	184	220	217	230	245	253	256	298	286
Group-wide/eliminations	-155	-290	-218	-251	-187	-269	-240	-229	-217
Group	4,021	4,907	4,999	5,177	4,419	5,509	5,670	5,975	5,298

EBITA, SEK million	2020		2021				2022		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Infrastructure	108	182	151	156	86	175	183	171	119
Industrial & Digital Solutions	46	106	80	89	92	139	120	101	93
Process Industries	62	119	119	119	95	138	123	113	101
Energy	50	76	76	67	68	90	72	71	58
AFRY X	-	-	19	15	-5	15	3	7	-5
Management Consulting	23	39	32	38	52	30	34	50	42
Group-wide/eliminations ¹	-31	-70	-57	-72	-21	-122	-176	-80	-32
Group¹	258	453	419	411	367	465	359	432	376

EBITA margin, %	2020		2021				2022		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Infrastructure	6.8	9.2	7.6	7.6	5.3	8.5	8.2	7.5	6.1
Industrial & Digital Solutions	4.4	8.0	6.7	7.1	8.4	10.1	8.8	7.3	7.8
Process Industries	8.4	13.3	13.1	12.0	11.1	12.9	11.6	9.8	9.2
Energy	8.2	10.0	10.7	10.0	11.6	12.5	10.3	9.2	8.0
AFRY X	-	-	8.7	6.1	-2.6	5.1	0.9	2.1	-2.1
Management Consulting	12.6	17.8	14.6	16.3	21.4	12.1	13.4	16.8	14.7
Group	6.4	9.2	8.4	7.9	8.3	8.4	6.3	7.2	7.1

Average number of full-time employees (FTEs)	2020		2021 ²				2022		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Infrastructure	5,851	5,868	5,801	5,955	5,901	5,998	6,436	6,455	6,433
Industrial & Digital Solutions	3,506	3,453	2,952	2,962	2,999	3,141	3,162	3,239	3,265
Process Industries	3,234	3,350	3,421	3,518	3,684	3,734	3,870	4,072	4,202
Energy	1,704	1,735	1,669	1,791	1,678	1,603	1,676	1,738	1,783
AFRY X	-	-	491	538	654	689	730	737	711
Management Consulting	416	425	428	465	451	485	485	511	527
Group functions	358	311	382	387	410	438	466	514	479
Group	15,069	15,143	15,145	15,618	15,777	16,089	16,825	17,267	17,401

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

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 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
July	Ionic Consulting Limited	Ireland	Energy	57	42
Total				578	580

¹ Company name at time of acquisition.

Acquired companies' net assets on acquisition date

SEK million	Jan-Sep 2022		
	Vahanen Group	Other	Total
Intangible assets	64	0	64
Property, plant and equipment	5	1	6
Right-of-use assets	41	16	57
Financial assets	-	-	-
Accounts receivable and other receivables	81	32	113
Deferred tax asset	4	-	4
Cash and cash equivalents	44	16	60
Accounts payable, loans and other liabilities	-179	-69	-247
Net identifiable assets and liabilities	59	-3	56
Goodwill	619	209	828
Fair value adjustment, intangible assets	9	10	20
Fair value adjustment, non-current provisions	-2	-2	-3
Purchase consideration including estimated contingent consideration	685	214	899
Transaction costs	5	2	7
Less:			
Cash (acquired)	44	16	60
Estimated contingent consideration	-	18	18
Holdback	-	24	24
Net cash outflow	646	159	805

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.

Holdback

Part of the purchase price withheld by the buyer as security for any claims against the seller, paid to the seller according to the agreed payment plan. The contained part of the purchase price is independent conditions linked to the future performance of acquired companies.

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 7 million for the period.

Revenue and profit/loss from acquired companies

The acquired companies are expected to contribute net sales of approximately SEK 578 million and operating profit of roughly SEK 51 million over a full year.

Since their acquisition dates, acquired companies have contributed SEK 403 million (206) to consolidated revenue and SEK 41 million (23) to operating profit.

Acquisitions after the end of the reporting period

No completed acquisitions after the end of the reporting period.

Divestments

During the period, the divestment of a property mainly had an impact on operating profit of SEK -62 million, while realised exchange 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 2021 Annual and Sustainability Report, have been applied consistently throughout the reporting period.

Financial assets and liabilities

SEK MILLION	Level	30 Sep 2022	30 Sep 2021	31 Dec 2021
Financial assets measured at fair value				
Interest rate swaps, hedge accounting applied	2	160	36	44
Forward exchange contracts, hedge accounting applied	2	4	3	8
Forward exchange contracts, hedge accounting not applied	2	60	12	22
Total		224	51	74
Financial assets not recognised at fair value				
Accounts receivable		4,372	3,262	4,206
Revenue generated but not invoiced		2,414	2,357	1,927
Financial investments		8	10	8
Non-current receivables		13	20	17
Cash and cash equivalents		862	852	2,112
Total		7,669	6,499	8,269
Financial liabilities measured at fair value				
Interest rate swaps, hedge accounting applied	2	13	4	2
Currency derivatives, hedge accounting applied	2	18	3	2
Currency derivatives, hedge accounting not applied	2	82	15	40
Contingent considerations	3	203	243	225
Total		315	264	270
Financial liabilities not recognised at fair value				
Bank loans		2,665	1,323	1,012
Bond loan		2,500	2,500	3,500
Commercial paper		200	550	600
Staff convertibles		315	376	376
Lease liabilities		2,152	2,285	2,162
Work invoiced but not yet carried out		2,054	1,670	1,914
Accounts payable		960	675	1,097
Total		10,845	9,378	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 of 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 Sep 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	0
Translation differences	1
Closing balance	203

Derivative instruments

SEK MILLION	Level	30 Sep 2022	30 Sep 2021	31 Dec 2021
Currency derivatives, no hedge accounting				
Total nominal values		3,028	2,437	3,362
Fair value, gains	2	60	12	22
Fair value, loss	2	-82	-15	-40
Fair value, net		-22	-3	-18
Currency derivatives, cash flow hedging reporting				
Total nominal values		504	215	569
Fair value, gains	2	4	3	8
Fair value, loss	2	-18	-3	-2
Fair value, net		-14	0	6
Interest rate derivatives, hedge accounting for net investments				
Total nominal values		1,850	1,000	1,850
Fair value, gains	2	61	36	39
Fair value, loss	2	-13	-	-
Fair value, net		49	36	39
Interest rate derivatives, cash flow hedging reporting				
Total nominal values		1,045	1,000	1,513
Fair value, gains	2	98	-	5
Fair value, loss	2	-	-4	-2
Fair value, net		98	-4	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

In early October, AFRY AB and AFRY Group Finland Oy repaid interest-bearing internal borrowings totalling RUB 561 million in respect of AFRY RUS LLC. When the repayment was made, the internal loans in RUB and accompanying previously executed currency derivatives in RUB/SEK closed with an accumulated currency effect on the Group's net financial items totalling SEK -30 million.

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 (APMs) 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	
	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
%														
Total growth	19.3	2.4	9.2	21.2	30.1	14.8	25.0	-3.4	24.8	-	17.0	39.4	19.9	9.9
(-) Acquired	6.4	2.0	1.5	2.8	0.0	4.8	3.8	0.9	10.6	-	0.0	6.6	3.7	2.9
(-) Currency effect	4.9	-0.2	1.8	-0.1	10.9	-0.7	8.1	-1.2	4.4	-	9.3	0.3	6.0	-0.4
Organic	8.0	0.6	6.0	18.5	19.1	10.6	13.1	-3.1	9.8	-	7.7	32.5	10.2	7.4
(-) Calendar effect	-0.4	-0.1	-0.1	0.0	0.0	0.0	-0.3	-0.6	0.3	-	-1.1	0.4	-0.2	-0.1
Organic growth adjusted for calendar effects	8.5	0.7	6.0	18.5	19.1	10.6	13.4	-2.5	9.4	-	8.8	32.1	10.4	7.5

¹ The Group includes eliminations.

	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
SEK million														
Total growth	317	39	102	223	256	109	145	-20	48	-	42	73	879	398
(-) Acquired	105	33	16	29	0	35	22	5	21	-	0	12	164	115
(-) Currency effect	80	-3	20	-1	93	-5	47	-7	9	-	23	1	264	-16
Organic	132	9	65	195	163	79	76	-19	19	-	19	60	452	299
(-) Calendar effect	-7	-2	-1	0	0	0	-2	-3	1	-	-3	1	-9	-4
Organic growth adjusted for calendar effects	139	12	66	194	162	79	78	-15	18	-	21	59	461	303

¹ The Group includes eliminations.

%	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
	Total growth	14.5	-0.2	11.5	11.0	21.0	7.9	11.7	-3.4	30.4	-	21.3	19.0	16.1
(-) Acquired	6.9	1.2	2.0	1.5	1.5	2.7	2.1	0.6	24.2	-	0.0	2.3	4.8	1.5
(-) Currency effect	3.6	-1.5	1.0	-0.1	7.7	-5.2	5.7	-4.4	1.5	-	8.5	-5.5	4.4	-2.5
Organic	3.9	0.1	8.4	9.6	11.8	10.4	3.9	0.3	4.7	-	12.8	22.3	6.9	4.6
(-) Calendar effect	0.0	-0.1	0.0	0.0	-0.4	0.4	0.4	-0.5	0.0	-	-0.1	-0.2	-0.1	-0.1
Organic growth adjusted for calendar effects	3.9	0.2	8.4	9.6	12.2	10.0	3.5	0.9	4.7	-	12.9	22.5	6.9	4.7

¹⁾ The Group includes eliminations.

SEK million	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
	Total growth	818	-13	406	410	577	200	230	-69	199	-	148	113	2,348
(-) Acquired	391	65	72	56	41	68	42	13	158	-	0	13	703	215
(-) Currency effect	204	-84	36	-5	212	-132	111	-89	10	-	59	-33	641	-358
Organic	223	5	298	360	325	264	77	7	31	-	89	132	1,003	654
(-) Calendar effect	1	-5	0	0	-11	10	8	-11	0	-	-1	-1	-11	-10
Organic growth adjusted for calendar effects	222	11	299	359	336	254	69	18	31	-	90	133	1,014	664

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

SEK million	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
	EBIT (operating profit/loss)	119	86	93	92	101	95	58	68	-5	-5	42	52	265
Acquisition-related items														
Amortisation and impairment of intangible non-current assets	-	-	-	-	-	-	-	-	-	-	-	-	43	40
Revaluation of contingent considerations	-	-	-	-	-	-	-	-	-	-	-	-	0	0
Divestment of operations	-	-	-	-	-	-	-	-	-	-	-	-	1	-
Impairment of operations	-	-	-	-	-	-	-	-	-	-	-	-	66	-
Profit/loss (EBITA)	119	86	93	92	101	95	58	68	-5	-5	42	52	376	367
Items affecting comparability														
Cost of customisation/configuration of cloud-based IT systems	-	-	-	-	-	-	-	-	-	-	-	-	8	2
EBITA excl. items affecting comparability	119	86	93	92	101	95	58	68	-5	-5	42	52	384	369

¹⁾ The Group includes eliminations.

Other information

	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
%														
EBIT margin	6.1	5.3	7.8	8.4	9.2	11.1	8.0	11.6	-2.1	-2.6	14.7	21.4	5.0	7.4
Acquisition-related items														
Amortisation and impairment of intangible non-current assets	-	-	-	-	-	-	-	-	-	-	-	-	0.8	0.9
Revaluation of contingent considerations	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
Divestment of operations	-	-	-	-	-	-	-	-	-	-	-	-	0.0	-
Impairment of operations	-	-	-	-	-	-	-	-	-	-	-	-	1.2	-
Profit/loss (EBITA margin)	6.1	5.3	7.8	8.4	9.2	11.1	8.0	11.6	-2.1	-2.6	14.7	21.4	7.1	8.3
Items affecting comparability	-	-	-	-	-	-	-	-	-	-	-	-	0.2	0.0
EBITA margin excl. items affecting comparability	6.1	5.3	7.8	8.4	9.2	11.1	8.0	11.6	-2.1	-2.6	14.7	21.4	7.3	8.3

¹⁾ The Group includes eliminations.

	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
SEK million														
EBIT (operating profit/loss)	472	394	315	260	337	332	200	211	4	29	126	121	917	1,107
Acquisition-related items														
Amortisation and impairment of intangible non-current assets	-	-	-	-	-	-	-	-	-	-	-	-	127	118
Revaluation of contingent considerations	-	-	-	-	-	-	-	-	-	-	-	-	-5	-28
Divestment of operations	-	-	-	-	-	-	-	-	-	-	-	-	62	0
Impairment of operations	-	-	-	-	-	-	-	-	-	-	-	-	66	-
Profit/loss (EBITA)	472	394	315	260	337	332	200	211	4	29	126	121	1,167	1,197
Items affecting comparability														
Restructuring costs, Infrastructure Division	-	-	-	-	-	-	-	-	-	-	-	-	80	-
Restructuring costs, Group functions	-	-	-	-	-	-	-	-	-	-	-	-	20	-
Cost of customisation/configuration of cloud-based IT systems	-	-	-	-	-	-	-	-	-	-	-	-	41	20
EBITA excl. items affecting comparability	472	394	315	260	337	332	200	211	4	29	126	121	1,308	1,217

¹⁾ The Group includes eliminations.

	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		AFRY X		Management Consulting		Group ¹	
	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
%														
EBIT margin	7.3	7.0	8.0	7.4	10.2	12.1	9.1	10.8	0.5	4.4	15.0	17.6	5.4	7.6
Acquisition-related items														
Amortisation and impairment of intangible non-current assets	-	-	-	-	-	-	-	-	-	-	-	-	0.7	0.8
Revaluation of contingent considerations	-	-	-	-	-	-	-	-	-	-	-	-	0.0	-0.2
Divestment of operations	-	-	-	-	-	-	-	-	-	-	-	-	0.3	-
Impairment of operations	-	-	-	-	-	-	-	-	-	-	-	-	0.4	-
Profit/loss (EBITA margin)	7.3	7.0	8.0	7.4	10.2	12.1	9.1	10.8	0.5	4.4	15.0	17.6	6.9	8.2
Items affecting comparability	-	-	-	-	-	-	-	-	-	-	-	-	0.8	0.1
EBITA margin excl. items affecting comparability	7.3	7.0	8.0	7.4	10.2	12.1	9.1	10.8	0.5	4.4	15.0	17.6	7.7	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 (excl. IFRS 16)

SEK MILLION	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022
Loans and credit facilities	4,344	4,309	4,590	4,729	5,471	4,913	5,771	5,667
Net pension liability	341	344	340	342	205	206	207	174
Cash and cash equivalents	-1,930	-1,735	-1,103	-852	-2,112	-902	-1,187	-862
Total net debt	2,756	2,919	3,826	4,219	3,565	4,217	4,792	4,979

Net debt/EBITDA excl. IFRS 16 rolling 12-month, times

SEK MILLION	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	Oct 2021–Sep 2022
Profit/loss (EBITA)	1,509	1,467	1,541	1,649	1,662	1,602	1,623	1,632
Depreciation, amortisation and impairment of non-current assets	663	655	666	686	697	703	695	685
EBITDA	2,172	2,122	2,207	2,335	2,359	2,305	2,318	2,317
Lease expenses	-554	-548	-553	-561	-564	-554	-543	-535
EBITDA excl. IFRS 16	1,619	1,575	1,654	1,774	1,796	1,751	1,775	1,783
Net debt	2,756	2,919	3,826	4,219	3,565	4,217	4,792	4,979
Net debt/EBITDA, excl. IFRS 16, rolling 12 months, times	1.7	1.9	2.3	2.4	2.0	2.4	2.7	2.8
Items affecting comparability	126	126	85	57	50	150	165	171
EBITDA excl. IFRS 16 and items affecting comparability	1,745	1,701	1,738	1,832	1,846	1,901	1,940	1,953
Net debt	2,756	2,919	3,826	4,219	3,565	4,217	4,792	4,979
Net debt/EBITDA, excl. IFRS 16 and items affecting comparability, rolling 12-month, times	1.6	1.7	2.2	2.3	1.9	2.2	2.5	2.5

Net debt/equity ratio

SEK million	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022
Net debt	2,756	2,919	3,826	4,219	3,565	4,217	4,792	4,979
Equity	10,005	10,538	10,204	10,422	10,993	11,420	11,318	11,703
Net debt/equity ratio, %	27.5	27.7	37.5	40.5	32.4	36.9	42.3	42.5

Consolidated net debt (incl. IFRS 16)

SEK million	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022
Loans and credit facilities	6,782	6,782	6,957	7,014	7,633	7,022	7,903	7,819
Net pension liability	341	344	340	342	205	206	207	174
Cash and cash equivalents	-1,930	-1,735	-1,103	-852	-2,112	-902	-1,187	-862
Total net debt	5,193	5,391	6,193	6,504	5,726	6,326	6,923	7,131

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 the

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

SEK million	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022
Profit after tax, rolling 12-month	932	956	1,054	1,166	1,130	1,062	945	877
Average equity	9,766	10,006	10,074	10,215	10,433	10,716	10,872	11,171
Return on equity, %	9.5	9.6	10.5	11.4	10.8	9.9	8.7	7.8

Return on capital employed

Return on capital employed shows the operation's profit/loss after net 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	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022
Profit after net financial items, rolling 12-month	1,196	1,205	1,329	1,433	1,393	1,324	1,196	1,116
Financial expenses, rolling 12-month	156	118	102	10	148	167	162	117
Profit	1,352	1,322	1,431	1,442	1,542	1,491	1,358	1,233
Average balance sheet total	23,948	23,920	23,831	23,860	24,383	24,831	25,373	25,912
Average other current liabilities	-5,947	-5,908	-5,928	-5,824	-6,020	-6,164	-6,386	-6,496
Average other non-current liabilities	-228	-192	-175	-185	-200	-216	-229	-235
Average deferred tax liability	-239	-230	-223	-226	-229	-219	-210	-197
Capital employed	17,534	17,590	17,506	17,625	17,934	18,233	18,547	18,985
Return on capital employed, %	7.7	7.5	8.2	8.2	8.6	8.2	7.3	6.5

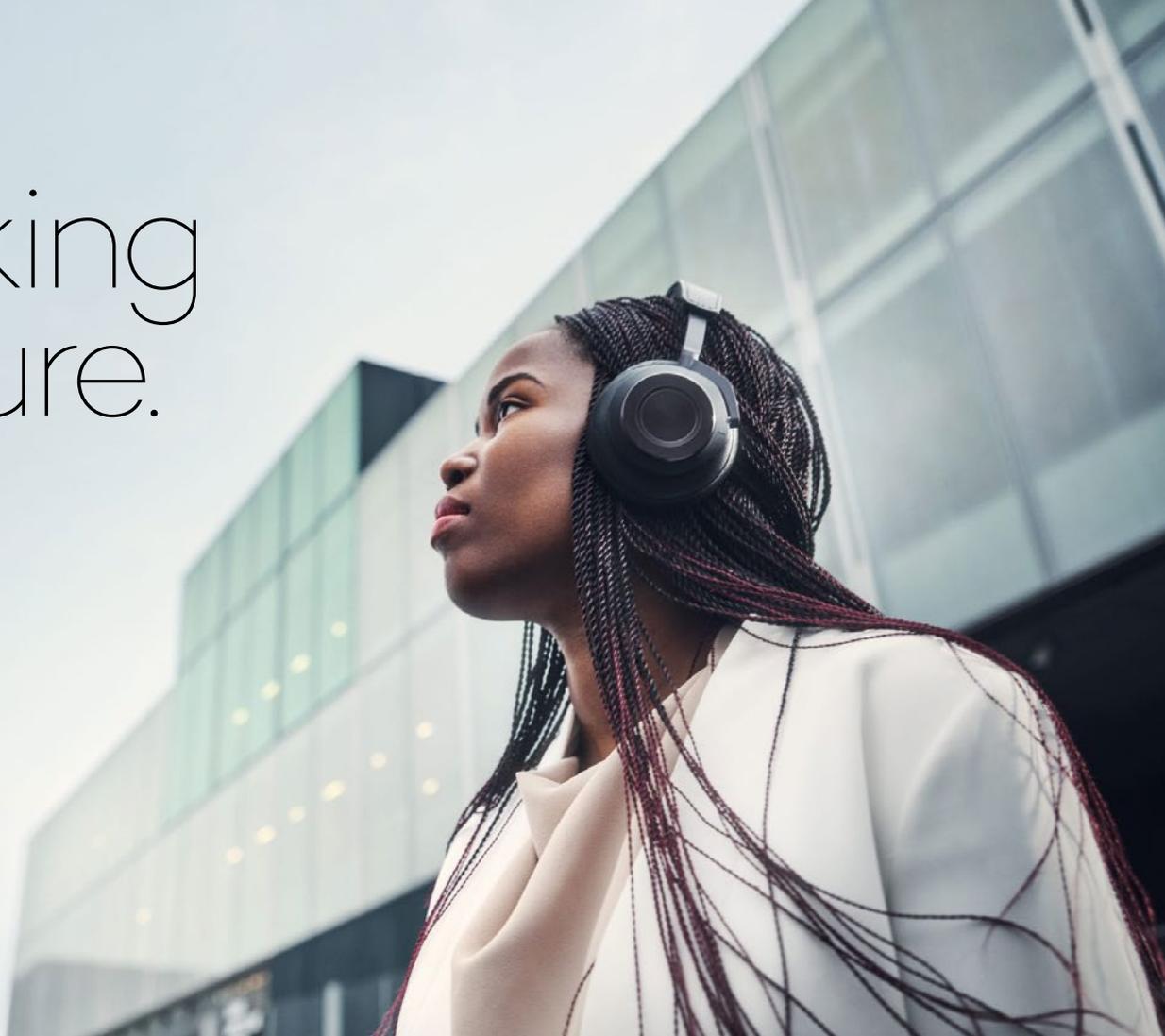
Equity ratio

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	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022
Equity	10,005	10,538	10,204	10,422	10,993	11,420	11,318	11,703
Balance sheet total	23,520	24,208	24,272	24,001	25,913	25,762	26,917	26,971
Equity ratio, %	42.5	43.5	42.0	43.4	42.4	44.3	42.0	43.4

Making Future.



Stockholm, Sweden – 28 October 2022

AFRY AB (publ)
Jonas Gustavsson
President and CEO

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 28 October 2022, at 07.00 CET.

All forward-looking statements in this report are based on the company's best assessment 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:	28 October 2022 10.00 CET
Webcast:	https://youtu.be/Zo4Fa1ZAjgw
For analysts/investors:	Click here to connect to the meeting With the opportunity to ask questions

Calendar

Q4 2022	10 February 2023
Q1 2023	27 April 2023
Annual General Meeting	27 April 2023
Q2 2023	18 July 2023
Q3 2023	27 October 2023