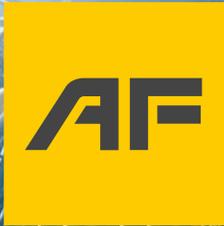


AF Gruppen ASA Q4 2022

10 February 2023

The AF logo consists of the letters 'AF' in a bold, black, sans-serif font, centered within a bright yellow square. The background of the entire slide is a photograph of a construction site at night, featuring a worker in a green safety suit and helmet standing in front of a large yellow excavator. The scene is illuminated by bright work lights, creating a high-contrast, industrial atmosphere. The ground is covered in dirt and rocks, and various cables and pipes are visible in the foreground and background.

AF

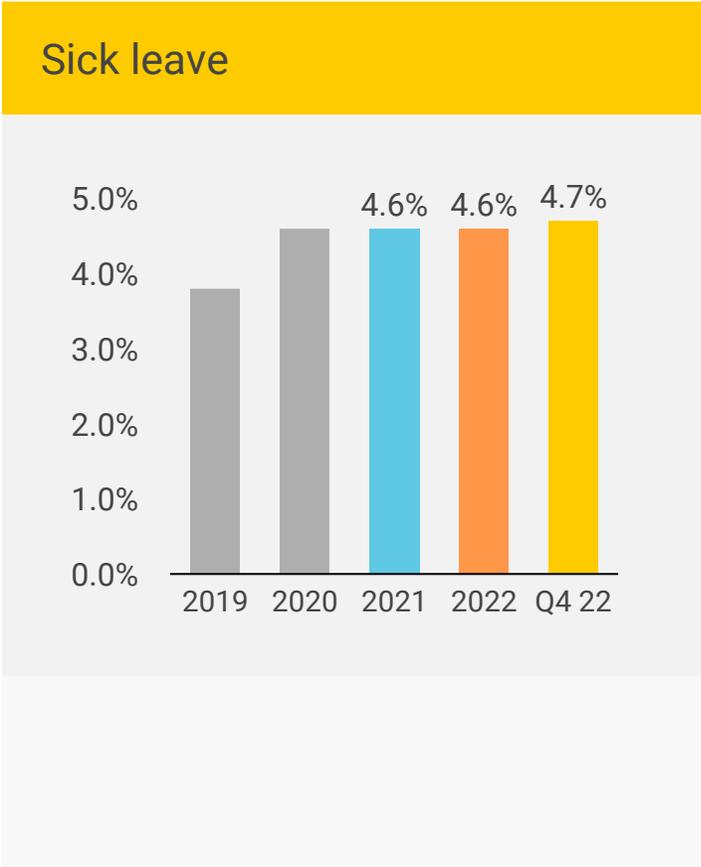
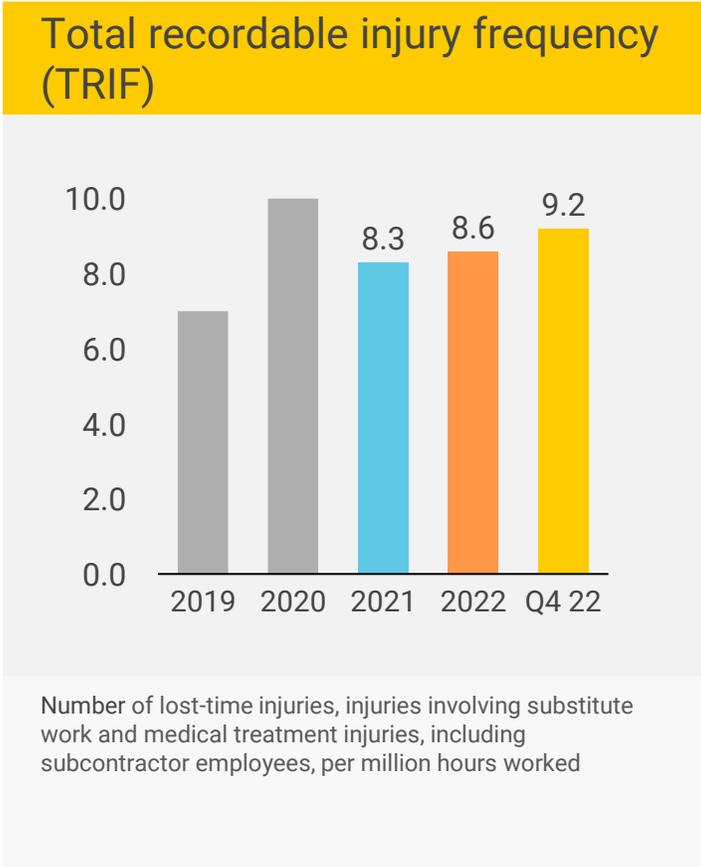
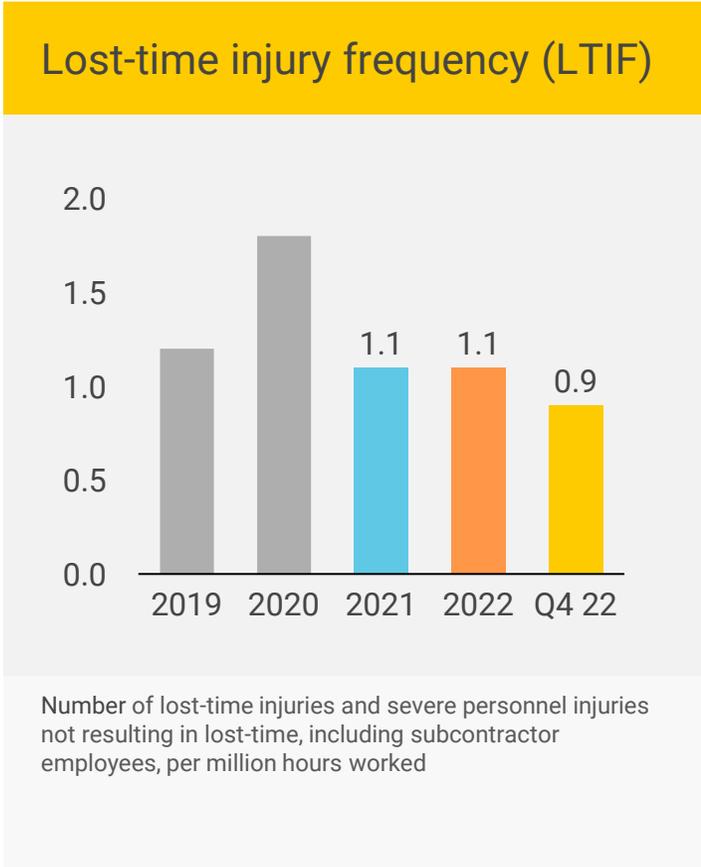
Highlights

AF Gruppen with growth and good results in 4th quarter 2022

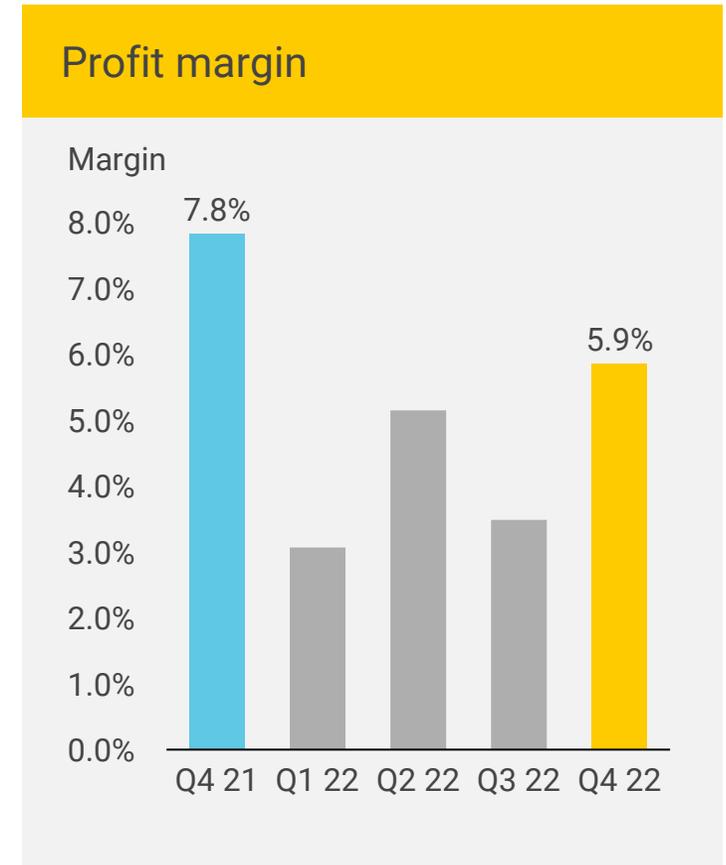
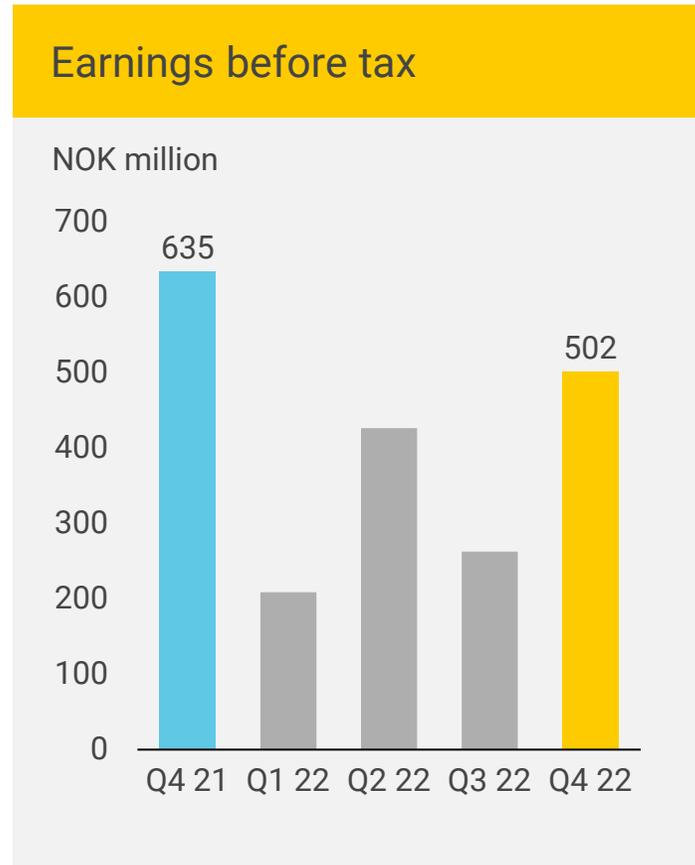
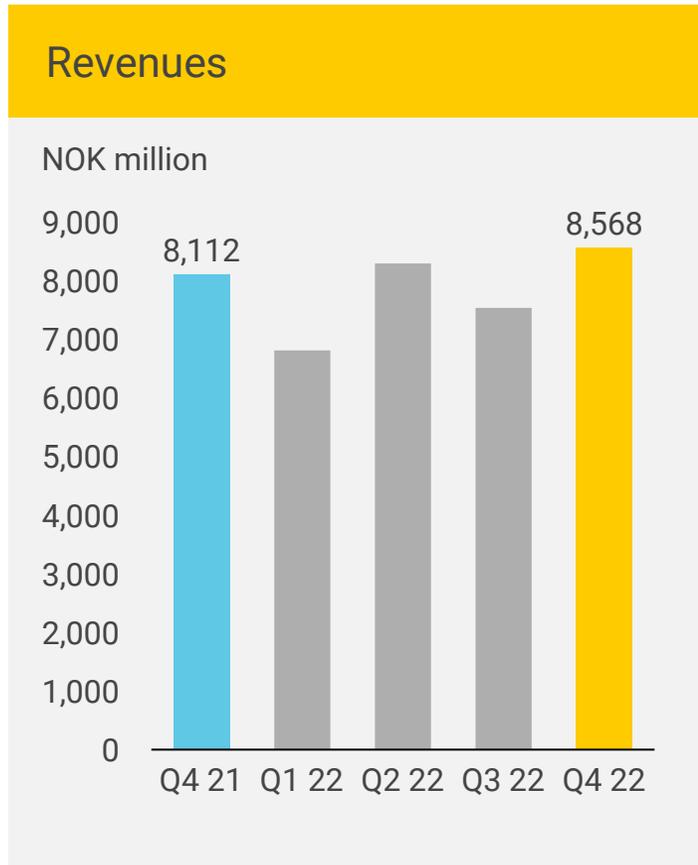
- Revenue: NOK 8,568 (8,112) million in Q4 and NOK 31,205 (27,868) million year-to-date
- Earnings before tax: NOK 502 (635) million in Q4 and NOK 1,400 (1,580) million year-to-date
- Profit margin: 5.9% (7.8%) in Q4 and 4.5% (5.7%) year-to-date
- Cash flow from operations: NOK -38 (301) million in Q4 and NOK 1,460 (1,415) million for the full year
- Order backlog: NOK 39,765 (38,646) million as of 31 December 2022
- Net interest-bearing debt of NOK 329 (-29) million as of 31 December 2022
- Earnings per share in 2022: NOK 8.96 (9.60). The board of directors suggest a dividend of NOK 6.50 (6.50) per share to be paid in the first half of 2023



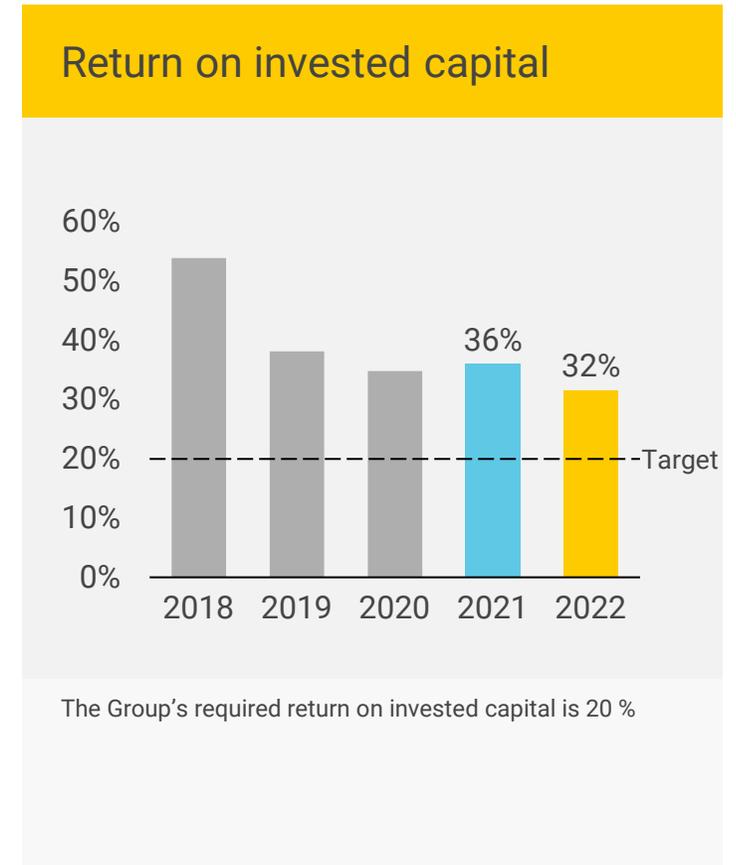
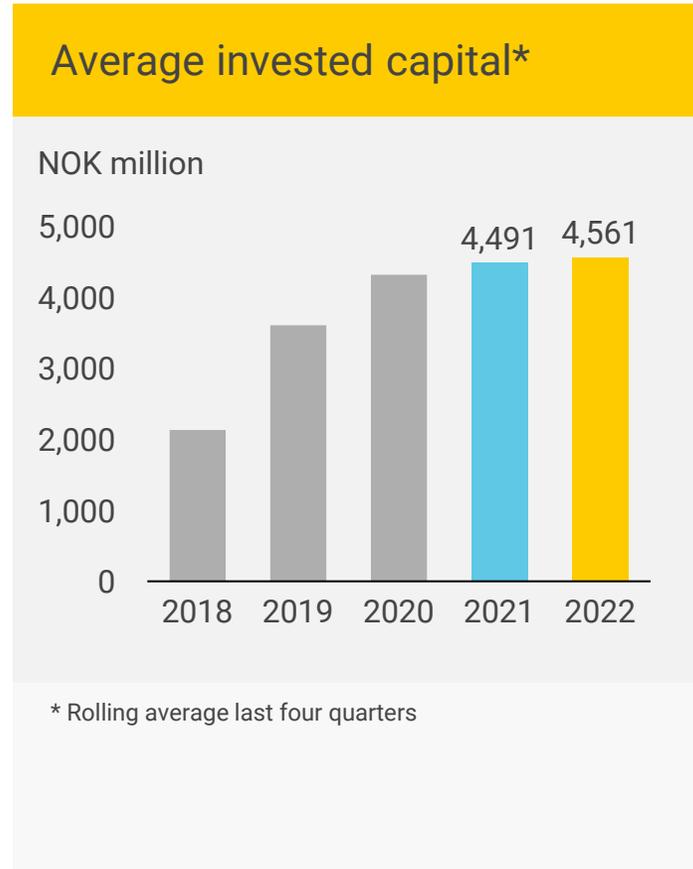
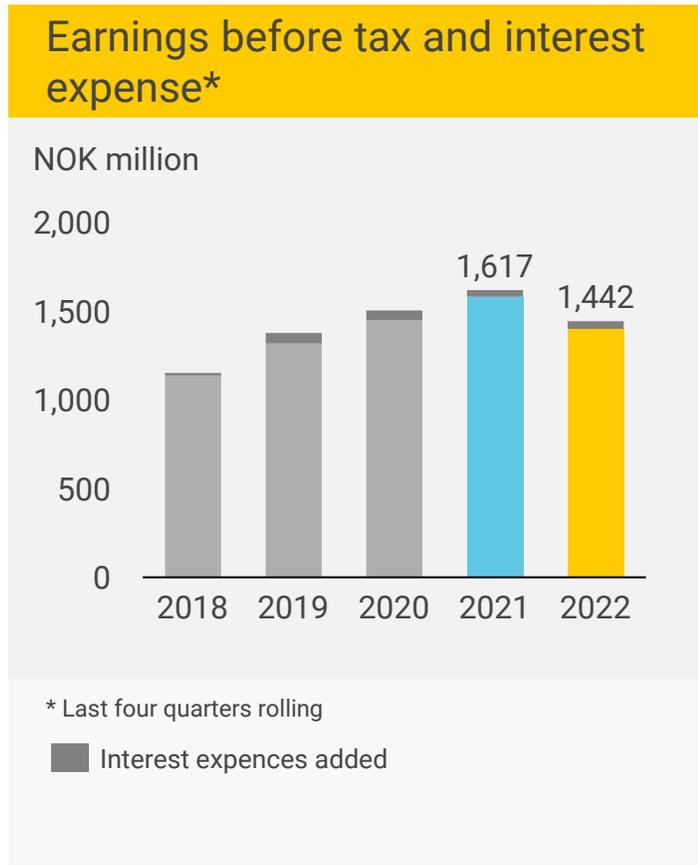
Health and safety



Revenues and earnings



Return on invested capital

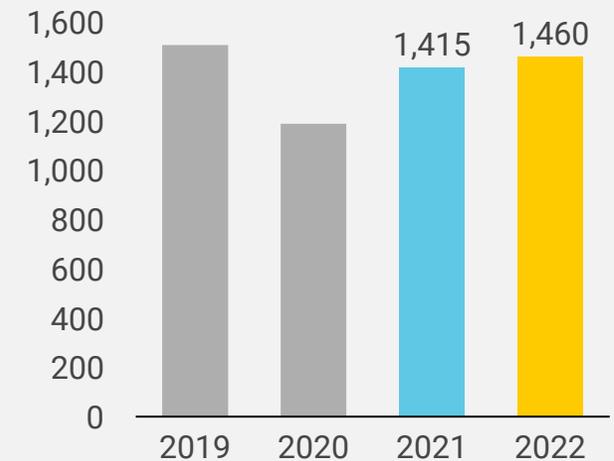


Cash flow statement

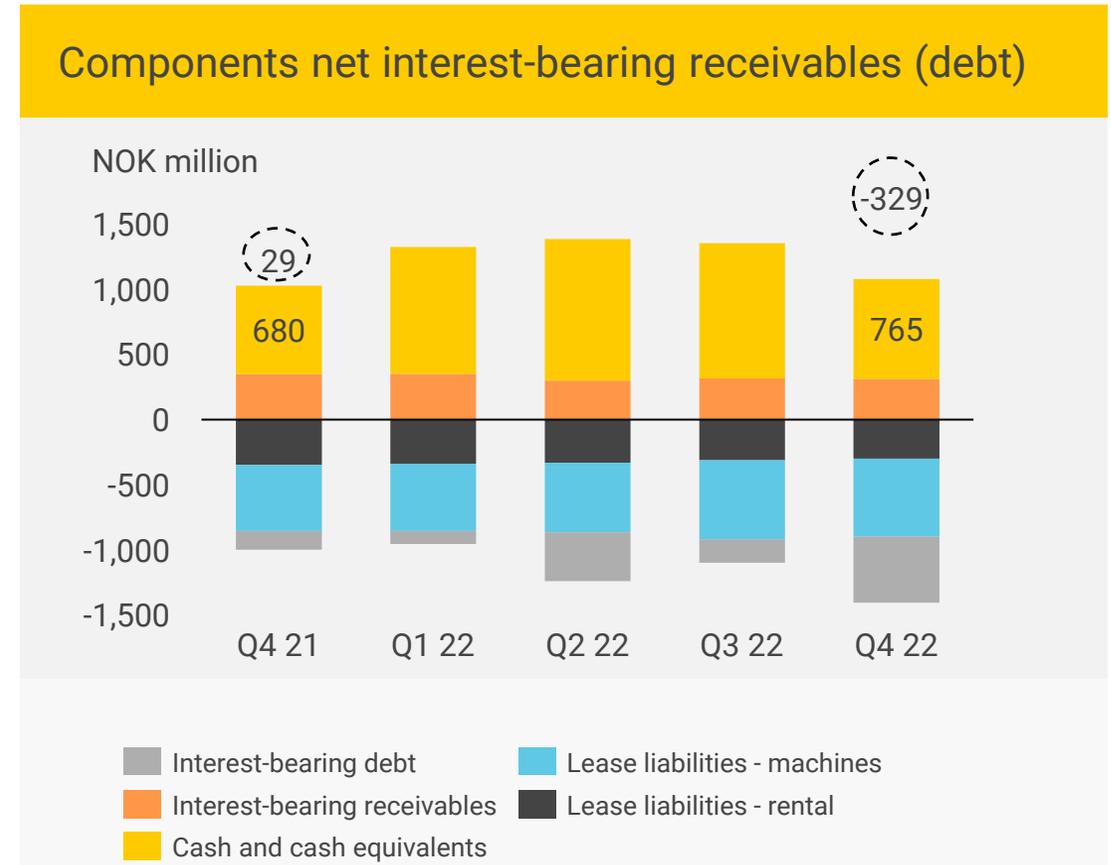
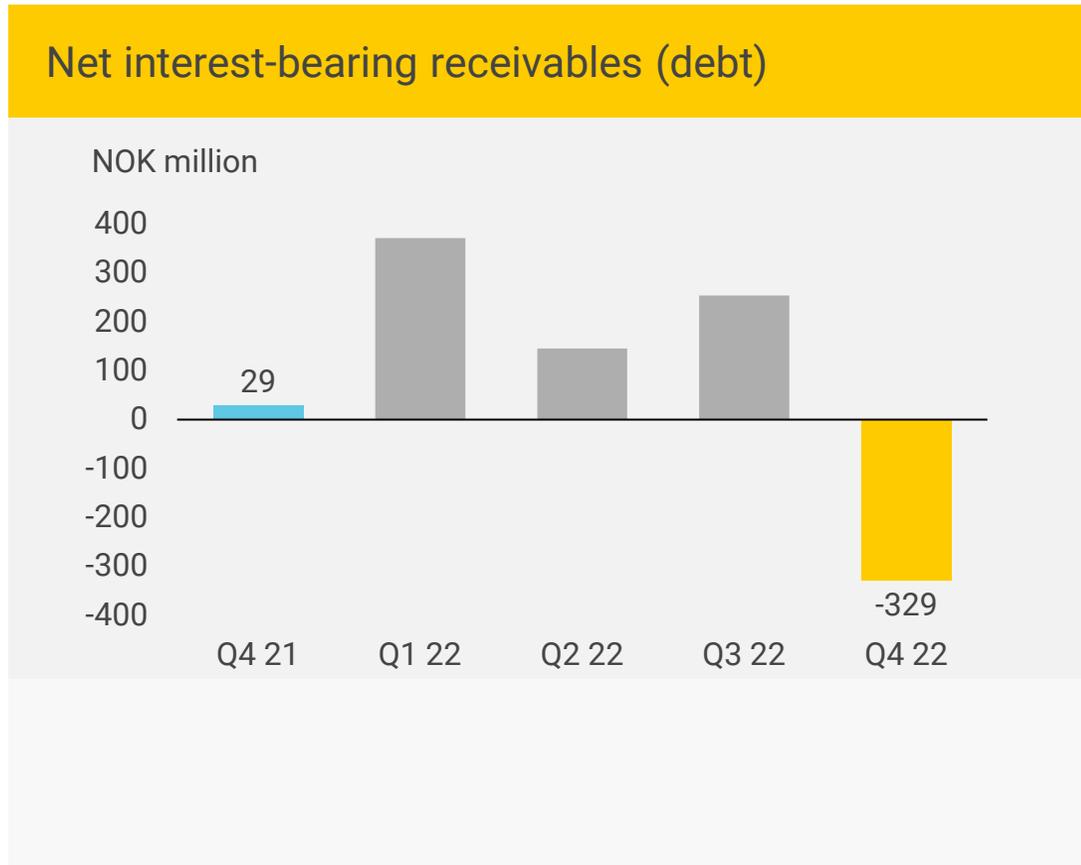
NOK million	Q4 2022	Q4 2021	2022	2021
EBIT	502	639	1,409	1,609
Depreciation, amortisation and impairment	128	139	528	567
Change in net working capital	-575	-316	-43	-340
Taxes paid	-82	-92	-299	-283
Other adjustments	-11	-70	-135	-138
Cash flow from operations	-38	301	1,460	1,415
Net investments	-77	193	67	175
Cash flow from capital activities	-125	-395	-1,391	-1,530
Interest paid and change in interest bearing debt	-19	4	-45	-35
Net change in cash and cash equivalents	-258	101	89	24
Net cash and cash equivalents at beginning of period	1,036	593	680	708
Change in cash and cash equivalents without cash effect	-12	-14	-4	-52
Net cash and cash equivalents end of period	765	680	765	680

Cash flow from operations

NOK million



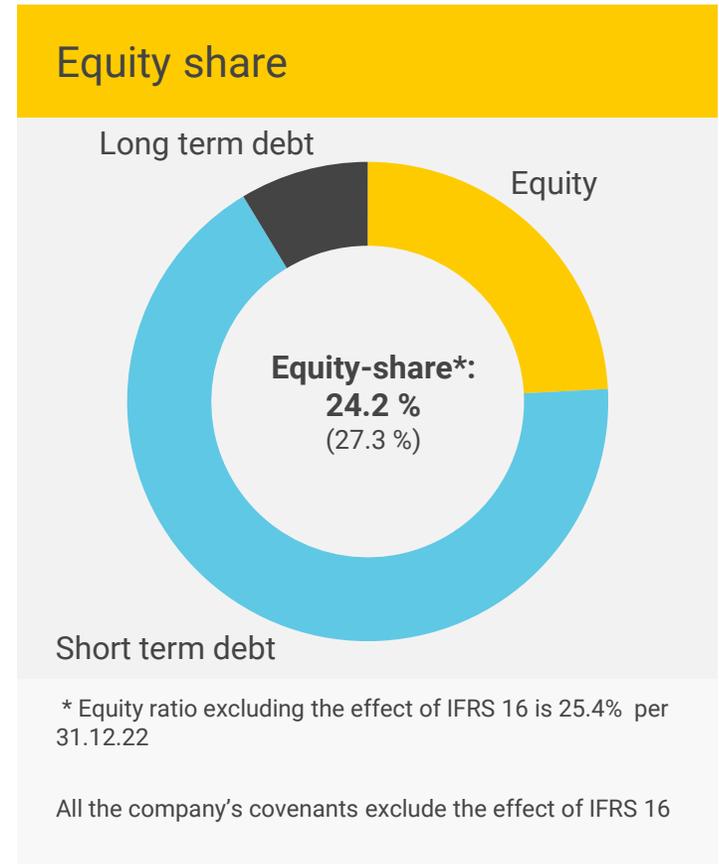
Net interest-bearing debt and liquidity



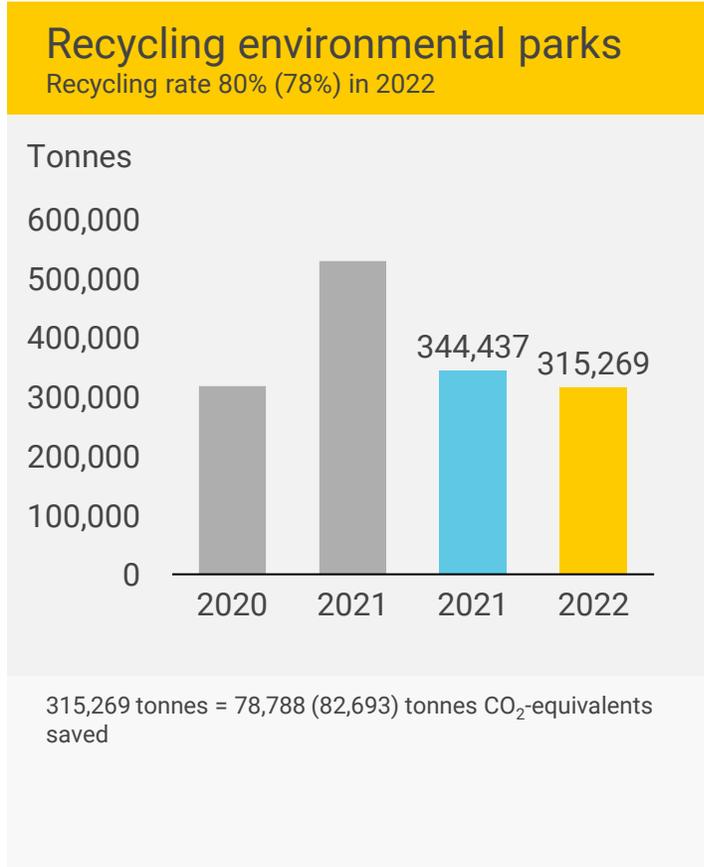
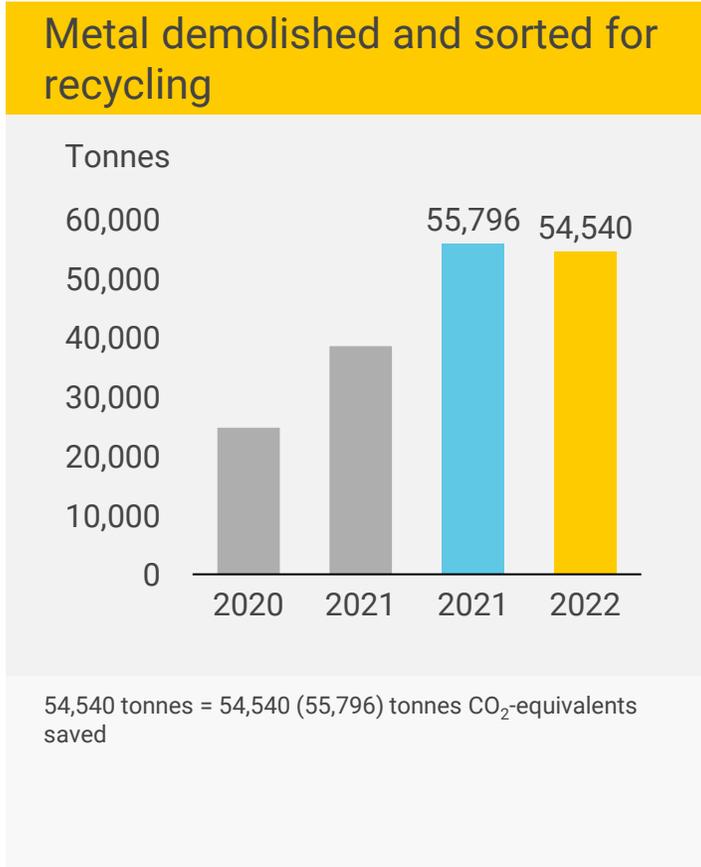
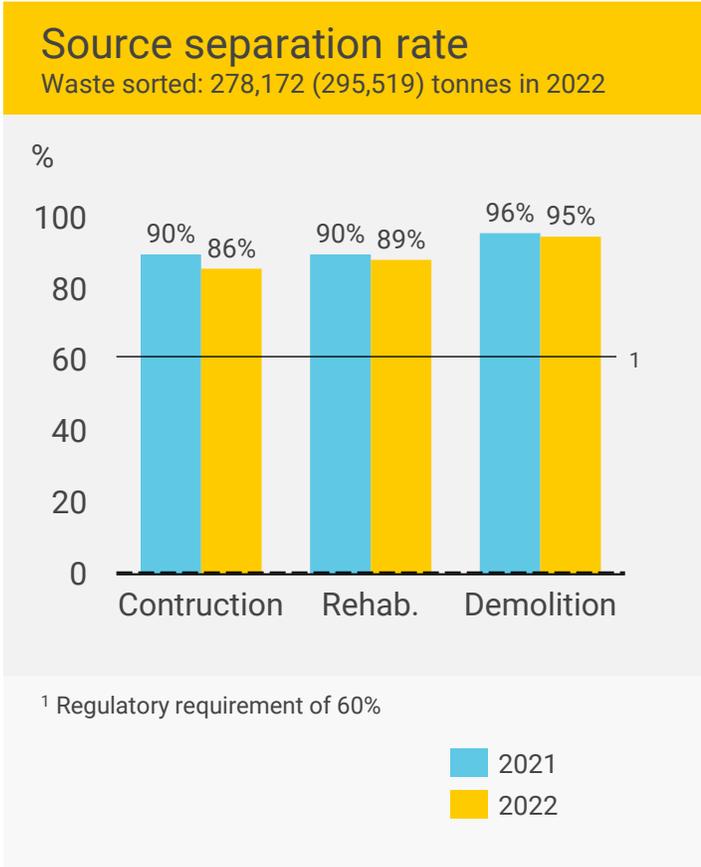
Available liquidity: NOK 3,344 million (including financial facilities of NOK 3,000 million)

Balance sheet

NOK million	31.12.22	31.12.21
Non-current assets	7,630	7,490
Current assets, ex. cash	6,062	4,937
Cash and cash equivalents	765	680
Total assets	14,457	13,108
Equity	3,494	3,572
Long term debt	1,250	1,343
Short term debt	9,713	8,193
Total equity and debt	14,457	13,108



Environment



Business Areas

4th quarter 2022



Solid order backlog and very strong results

NOK million	Q4 22	Q4 21	2022	2022
Revenues	1,678	1,522	5,919	6 002
EBIT	170	221	445	515
EBT	168	220	440	510
EBIT %	10.1%	14.5%	7,5%	8,6%
EBT %	10.0%	14.5%	7,4%	8,5%

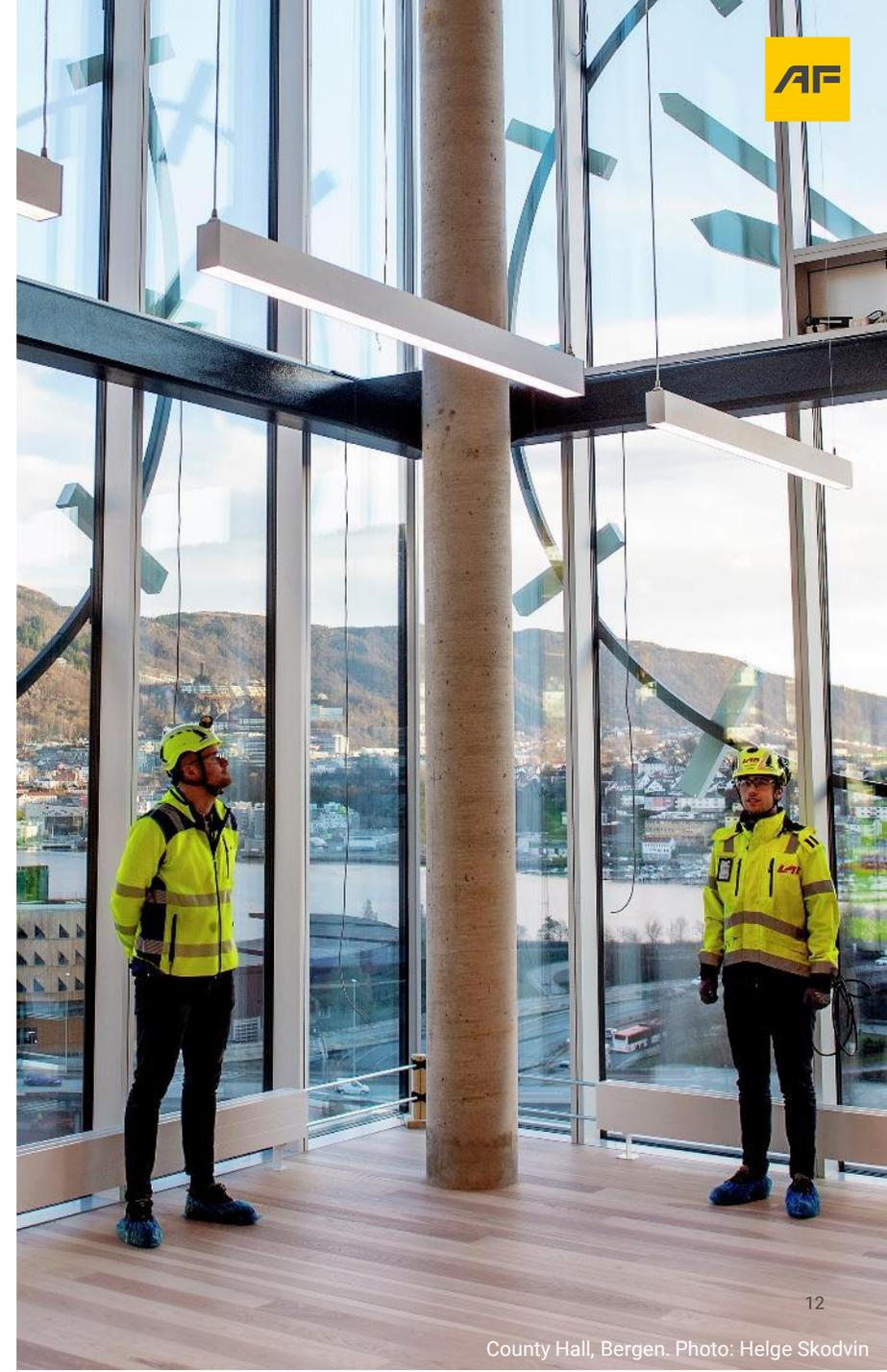
- Civil Engineering reports revenue growth compared to 4th quarter last year. In addition, all units report very good results
- Ordre backlog in AF Anlegg is more than twice as large as 4th quarter of 2021. The order backlog has increased from NOK 5,794 million in 4th quarter of 2021 to NOK 14,096 million in the 4th quarter of 2022
- AF Anlegg is going to build a new cable tunnel between Sogn and Ulven in Oslo for Statnett. The contract has a value of approx. NOK 1,800 million excl. VAT
- Order backlog: NOK 15,368 (6,878) million



Varying results and weaker profitability

NOK million	Q4 22	Q4 21	2022	2022
Revenues	3,061	2,839	11,090	8 865
EBIT	122	154	322	447
EBT	119	154	318	450
EBIT %	4.0%	5.4%	2,9%	5,0%
EBT %	3.9%	5.4%	2,9%	5,1%

- High activity and large variation in profitability and performance between the business units
- AF Bygg Oslo, Haga & Berg and Åsane Byggmesterforetning report very good results in the quarter. Strøm Gundersen and HTB report good results
- High energy and construction cost affect the profitability of the business units negatively. Fundamentering, AF Byggfornyelse, AF Bygg Østfold and AF Håndverk report weak results in the quarter
- Order backlog: NOK 10,045 (13,549) million



Overall good profitability

NOK million	Q4 22	Q4 21	2022	2022
Revenues	1,376	1,506	5,145	5,196
EBIT	78	54	166	132
EBT	83	48	174	111
EBIT %	5.6%	3.6%	3,2%	2.5%
EBT %	6.0%	3.2%	3,4%	2.1%

- Betonmast reports overall good results in the quarter
- Betonmast Oslo, Romerike, Buskerud-Vestfold, Trøndelag, Asker og Bærum and Østfold report very good results in the quarter. Betonmast Røsand reports good results
- Betonmast Innlandet and Boligbygg report weak results in the quarter
- In the 4th quarter Betonmast entered into an agreement with Moss municipality for the interaction phase to rehabilitate and expand Mossehallen. Including the execution phase, the project has a potential value of approx. NOK 200 million excl. VAT. In addition, further two contracts with a combined value of approx. NOK 275 excl. VAT has been reported to the stock exchange
- Order backlog: NOK 4,415 (7,054) million



Low sales in the quarter

NOK million	Q4 22	Q4 21	2022	2022
Revenues	12	15	30	35
EBIT	21	32	75	75
EBT	23	33	82	76
Invested capital	654	703	654	703

- Low residential sales in the quarter. Sales contracts signed for a total of 9 (135) residential units in the quarter, whereof AF's share was 3 (60) units
- Seven projects with a total of 940 residential units are in production (AF's share is 438). Sales ratio on commenced projects is 76%
- Total of 73 residential units has been handed over at Brøter Terrasse in the quarter, an AF Eiendom project in Lillestrøm. In addition, the commercial property Hasle Tre has been completed in the quarter
- Residential portfolio under development: 1,580 (1,715) units. AF's share: 788 (821)
- Commercial portfolio under development: 62,256 (51,856) GFA sqm. AF's share: 30,949 (25,749)



Demanding quarter with weak results

NOK million	Q4 22	Q4 21	2022	2022
Revenues	2,142	1,894	7,445	6 300
EBIT	44	140	130	302
EBT	44	138	127	295
EBIT %	2.1%	7.4%	1,7%	4,8%
EBT %	2.1%	7.3%	1,7%	4,7%

- Sweden reports weak results with fluctuating profitability levels between business units
- Very good results from Kanonaden, AF Prefab Mälardalen, AF Härnösand Byggreturer and AF Bygg Syd. HMB reports good results
- Weak results within previously Betonmast Sweden units due to further downward adjustments of projects in the quarter
- HMB has been awarded two agreements in the quarter with a combined value of SEK 500 million excl. VAT. In addition, Kanonaden has been awarded two agreements with a combined value of SEK 330 million excl. VAT
- Order backlog: NOK 7,638 (9,112) million



Very good profitability

NOK million	Q4 22	Q4 21	2022	2022
Revenues	310	312	1 062	1 152
EBIT	33	52	84	109
EBT	32	53	82	107
EBIT %	10.5%	16.7%	7,9%	9,4%
EBT %	10.3%	17.1%	7,7%	9,3%

- Energy and environment reports very good results in the quarter
- AF Decom reports very good results despite lower activity compared to last year
- AF Energi with increased activity and good results this quarter. Efficient operations within renewable energy projects, and profits from the sale of an energy hub, increases the profitability positively
- AF Decom has sorted metal for recycling and recycled materials at the environmental centers corresponding to 41,878 (41,703) CO2-equivalents in 2022
- Order backlog: NOK 640 (714) million



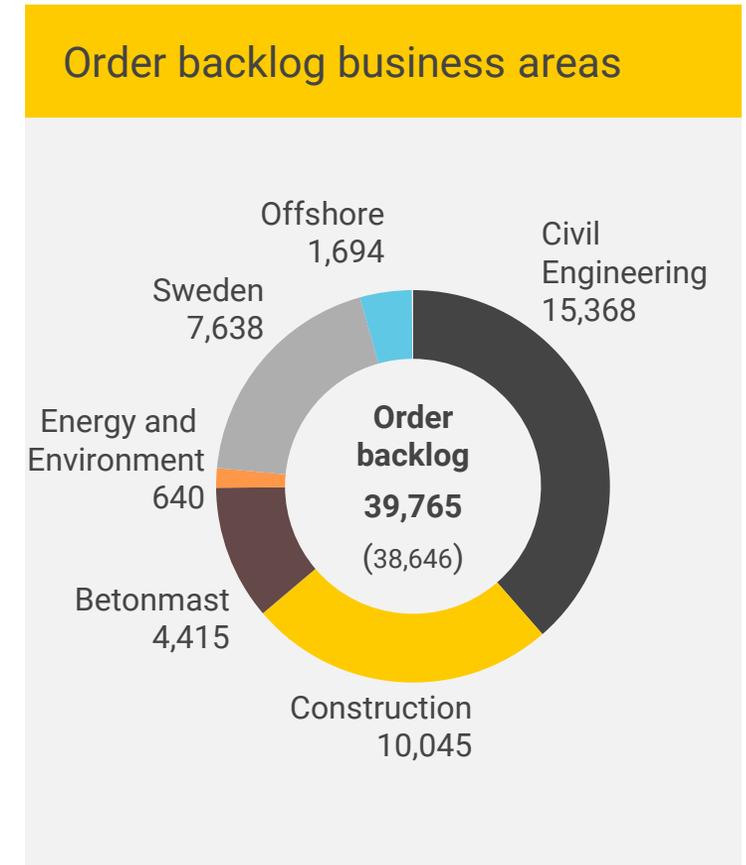
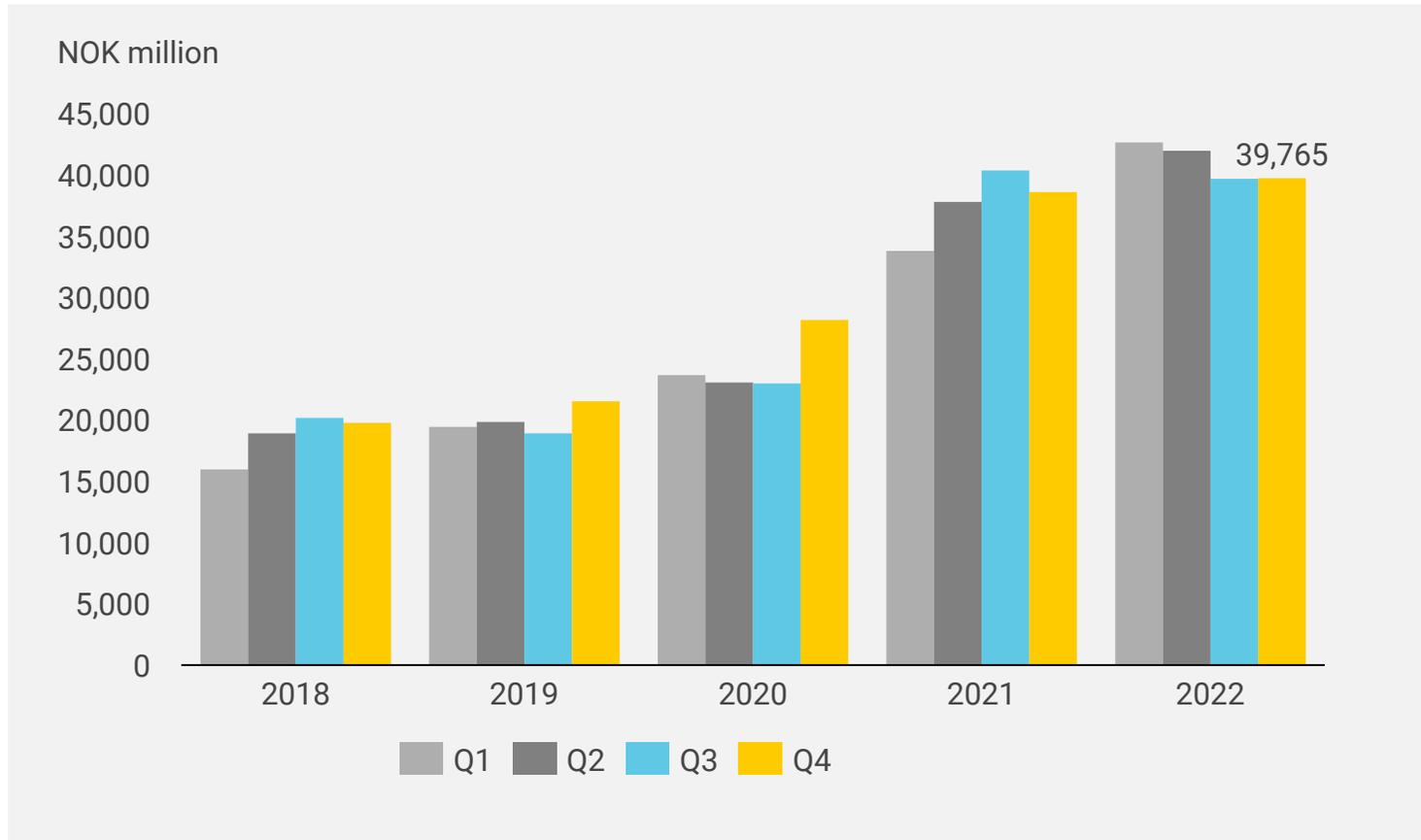
Very good profitability and revenue growth

NOK million	Q4 22	Q4 21	2022	2021
Revenues	368	225	1 238	848
EBIT	59	40	164	83
EBT	58	37	160	78
EBIT %	16.0%	17.6%	13,2%	9,8%
EBT %	15.9%	16.6%	12,9%	9,2%

- Offshore delivers strong revenue growth and very good quarterly results
- AF Offshore Decom with high activity levels and very high profitability in the quarter, as a result of high production and efficient operations at AF Environmental Base Vats
- AF Offshore Decom has sorted metal for recycling corresponding to 36,911 (40,990) CO2-equivalents in 2022
- AF AeronMollier reports increased revenue and high profitability this quarter
- Order backlog: NOK 1,694 (1,515) million



Strong Order Backlog



Business Area Civil Engineering

Q4 2022 | Theme presentation



Countrywide construction business

Revenues (2022)

NOK **5,919** million

Results (2022)

445 Operating profit
NOK million

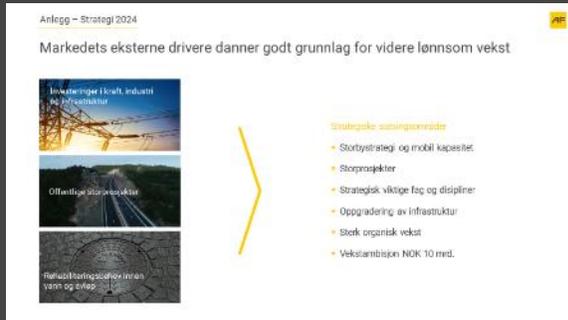
7.5 Operating
margin
%

Safety – HSE (2022)

1.7 LTI rate



Updates since last



New strategy



The family has grown



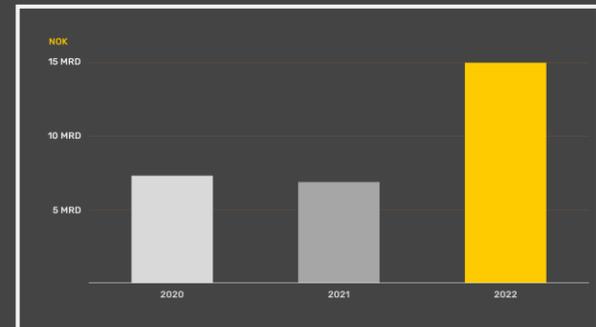
High job satisfaction – Professional expertise and robust project organisations



Our largest project of all time



We reduce greenhouse gas emissions



We're gaining speed

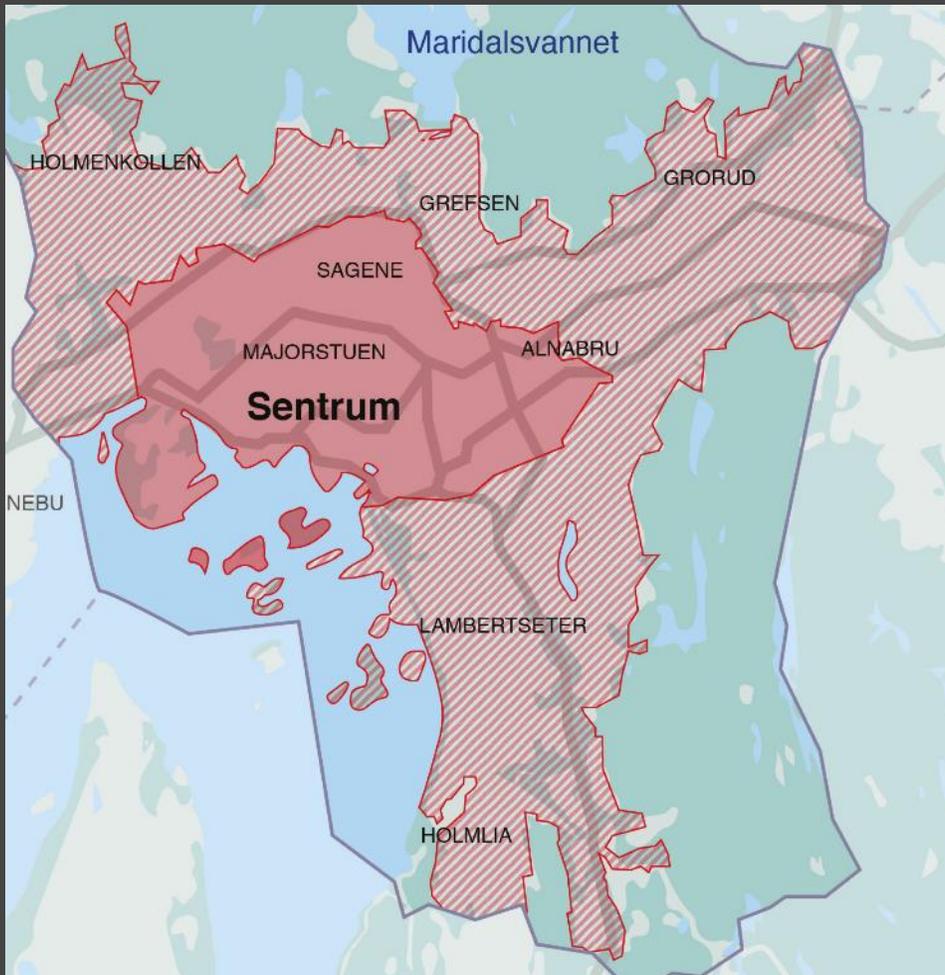
The market's external drivers form a good basis for further profitable growth



Strategic focus areas

- Metropolitan strategy and mobile capacity
- Major projects
- Strategically important skills and disciplines
- Upgrading of infrastructure
- Strong organic growth
- Growth ambition NOK 10 billion

AF's largest project of all time

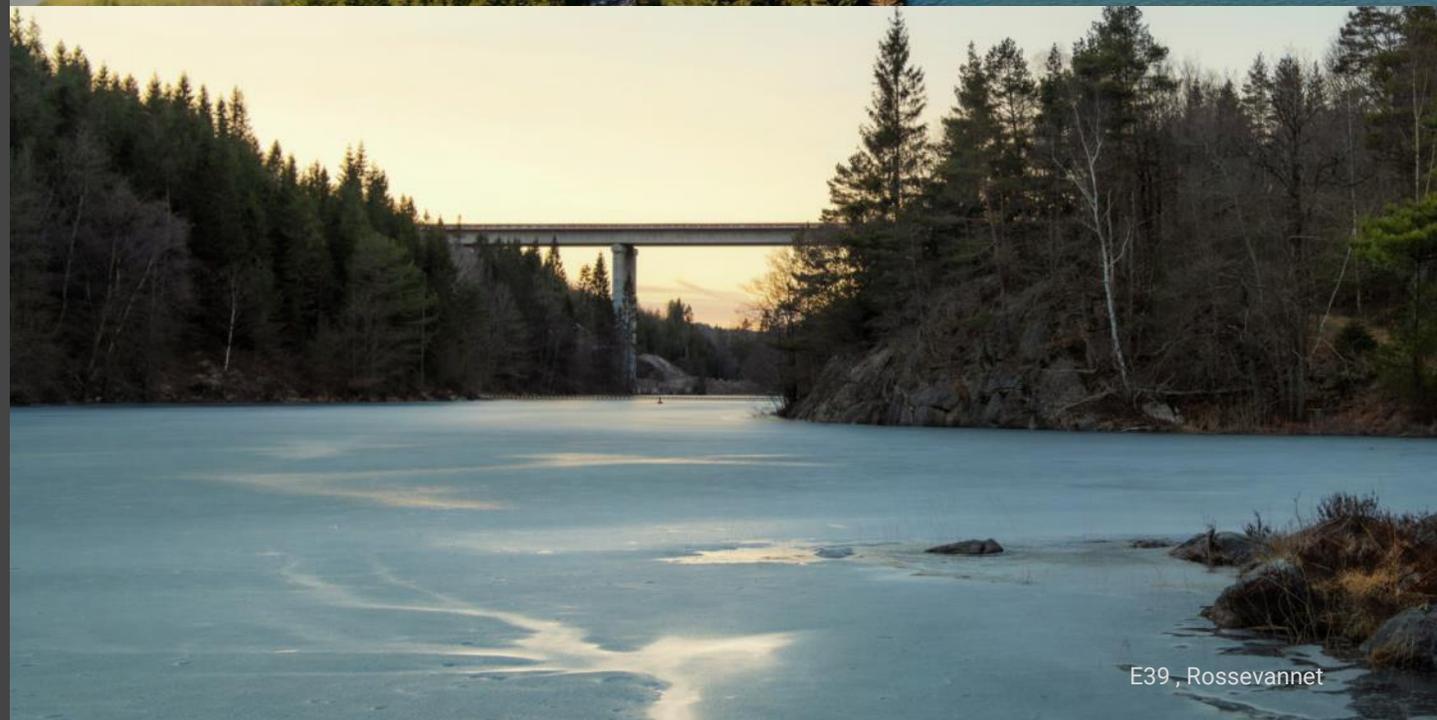


- **Project value** NOK 8,750 million
- **Social mission** Strengthen secure delivery for clean drinking water for all of Oslo
- **Partnership** with Italian Ghella – combining professional expertise from leading contracting environments
- **Execution** Large sections of the tunnel driven with TBM – developing new expertise in the organisation
- **Other contracts** Water treatment plant at Huseby with own project value of NOK 3,000 million

The City of Oslo shall establish a satisfactory reserve water supply by 1 January 2028.

We save the environment from unnecessary greenhouse gas emissions

- Early involvement
- Find solutions with high utility
- Recycling and reuse
- Local solutions
- Optimised constructions and alignment



Civil Engineering – Development in order backlog

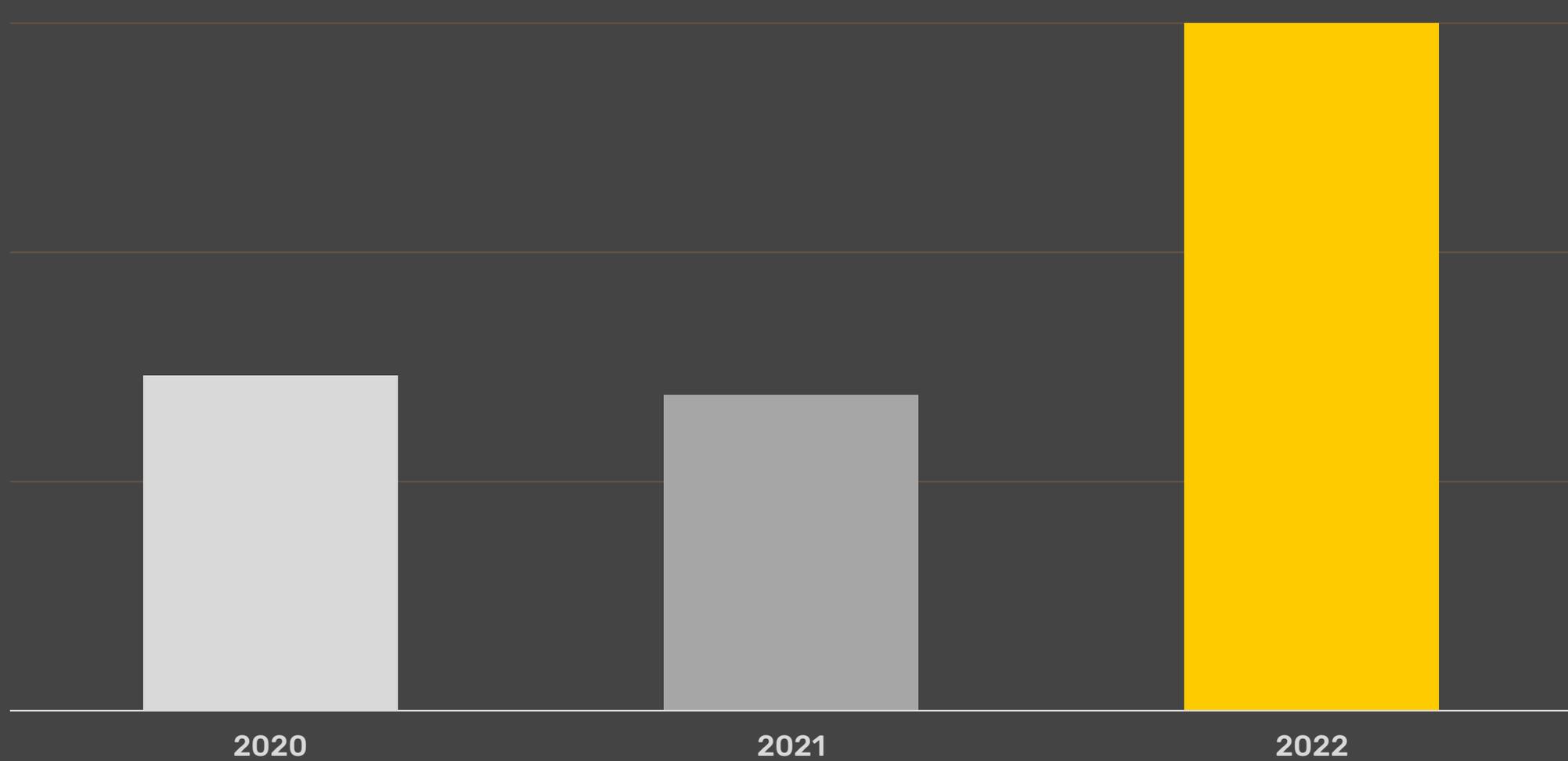


NOK

15 BILLION

10 BILLION

5 BILLION



High job satisfaction ▶ Professional competence and robust project organisations

- We will attract, develop and retain the industry's best management and technical expertise
- Strong culture and high satisfaction
- Targeted competence development
- Robust organisation and good management capacity – develop own leaders and technical experts



We are not only attracted to large projects



New hospital in Drammen
Client: South-Eastern Norway Regional Health Authority



Østensjøbanen metro line
Client: Sporveien



Nesjødammen
Client: Statkraft



Statpipe New Landfall
Client: Equinor



Construction City (Eiqon)
Client: OBOS



Melkøya
Customer: Equinor

Diversified project portfolio



Industrial area, Kvanndal (MMT)
Client: Nordkraft Prosjekt



Basement i G. quarter. A-block (Stenseth & RS)
Client: Hent/Statsbygg



New airport in Mo i Rana
Client: Avinor



Water treatment plant, Huseby
Client: City of Oslo/VAV



E39 Kristiansand – Mandal (Fjerby)
Client: AF / Nye Veier



E4 Förbifart Stockholm
Client: Swedish Transport Administration

To succeed in the market, we must master several disciplines

Geopolitical uncertainty



Changes in regulatory requirements and priorities



New competition processes and forms of contracts



Larger projects



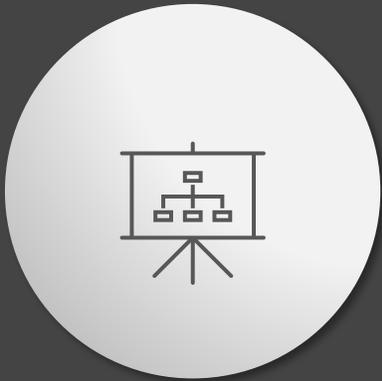
Innovation and closer collaboration



Environmental expertise



Our curiosity going forward



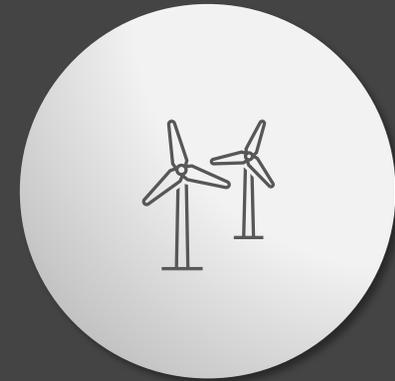
Climate and environment, innovation, and digital solutions



Infrastructure



Social benefit:
safe roads, clean water, power supply



Offshore wind, energy, industry

We seek risks that we can influence

The road ahead

Well positioned for further organic and structural growth

- Targeted focus on complex projects, new segments and selected geographical areas

Building an ever-stronger team

- Competent managers and the industry's best skilled management
- We develop our own managers and experts to a greater extent
- Best at offered own production
- Risk management and continuous improvement

Robust portfolio and financial position

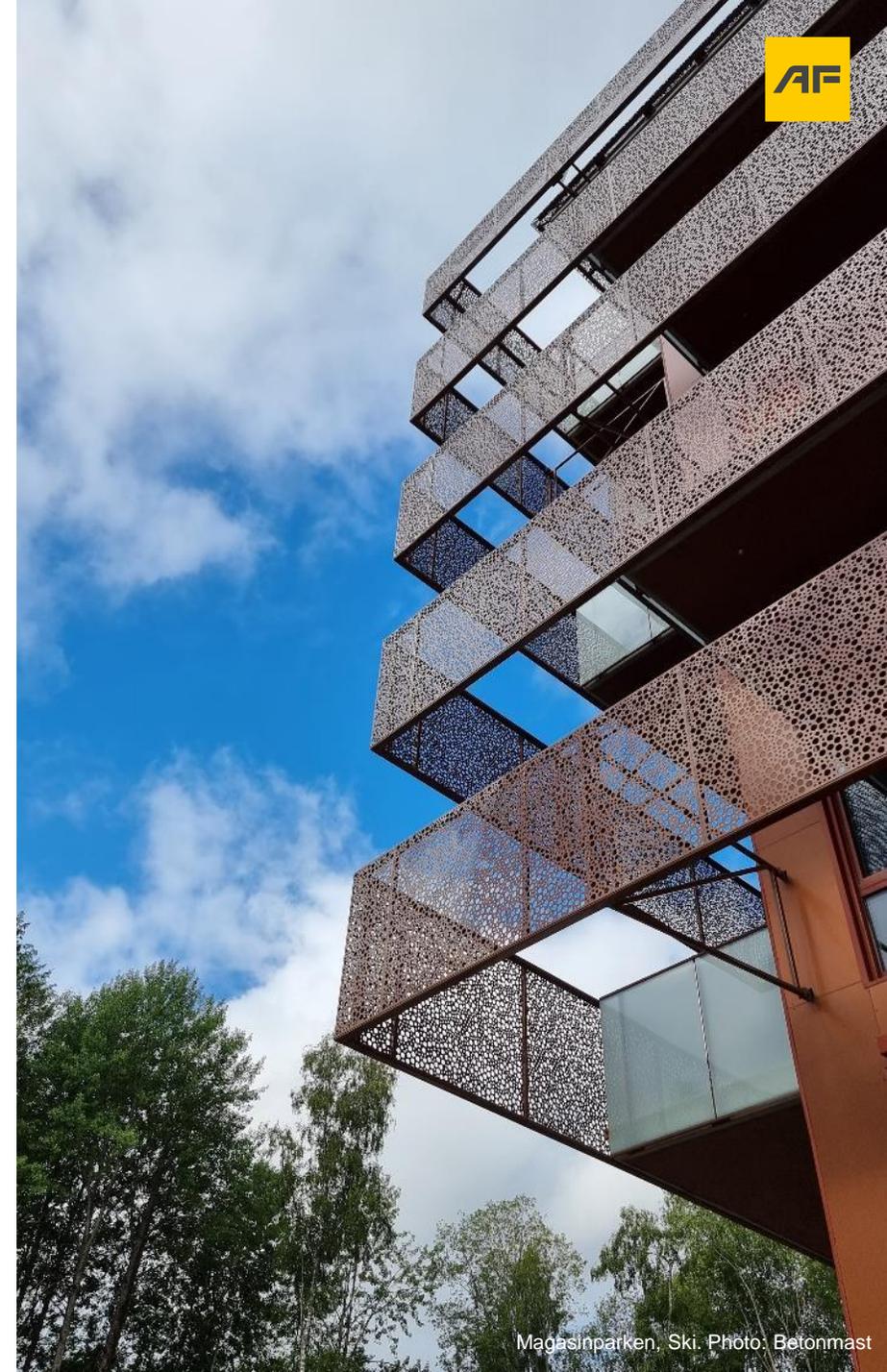
- Healthy order backlog in a wide range of segments



Summary

NOK million	Q4 22	Q4 21	2022	2022
Revenues	8,568	8,112	31,205	27 868
EBIT	502	639	1,409	1 609
EBT	502	635	1,400	1 580
EBIT %	5.9%	7.9%	4,5%	5,8%
EBT %	5.9%	7.8%	4,5%	5,7%

- Revenue growth and good profitability
- Strong financial position
- Solid order backlog: NOK 39,765 (38,646) million
- The board of directors suggest a dividend of NOK 6.50 (6.50) per share to be paid in the first half of 2023



Thank you for
your attention

Q1 | 12 May 2023

AF

