

AF Gruppen ASA Q4 2024

14 February 2025



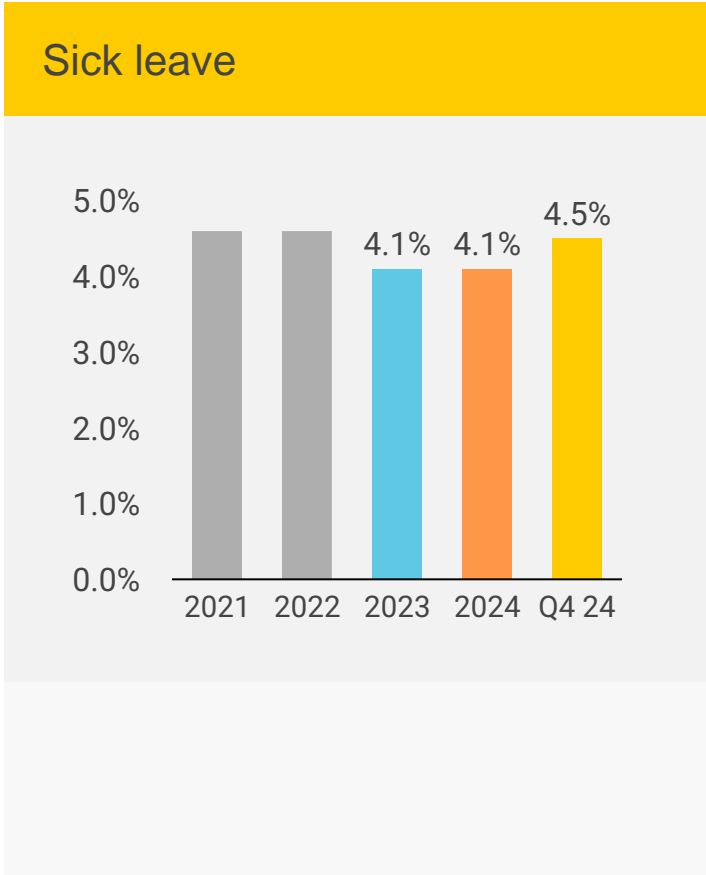
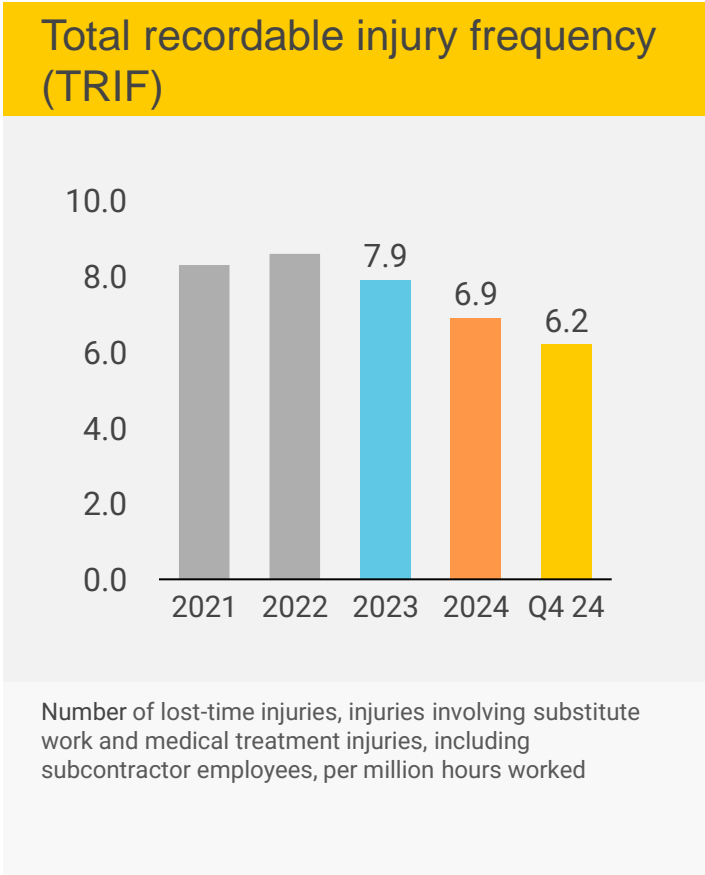
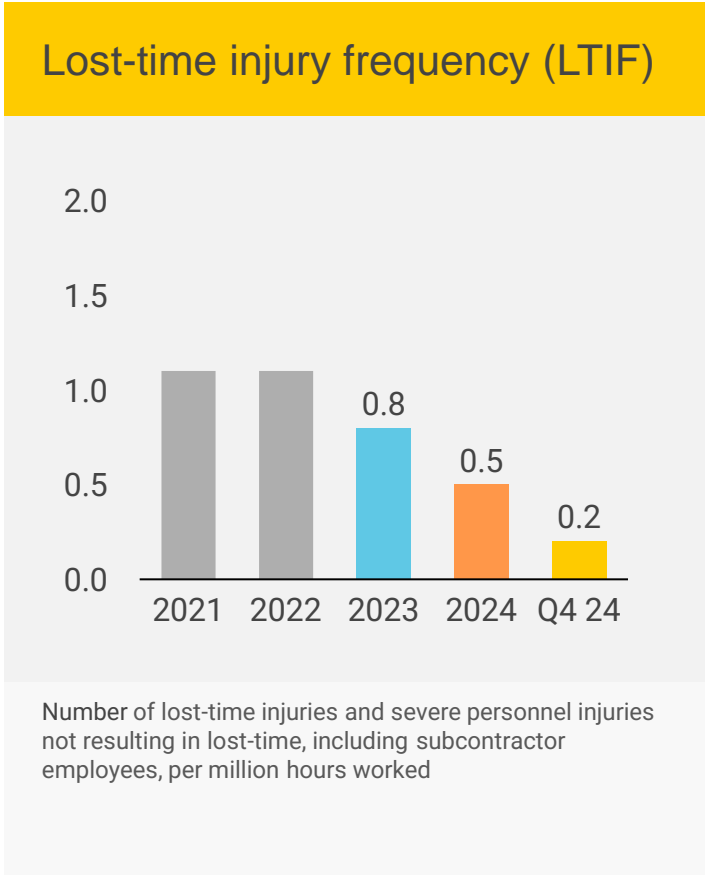
Overview

Solid results and strong order intake

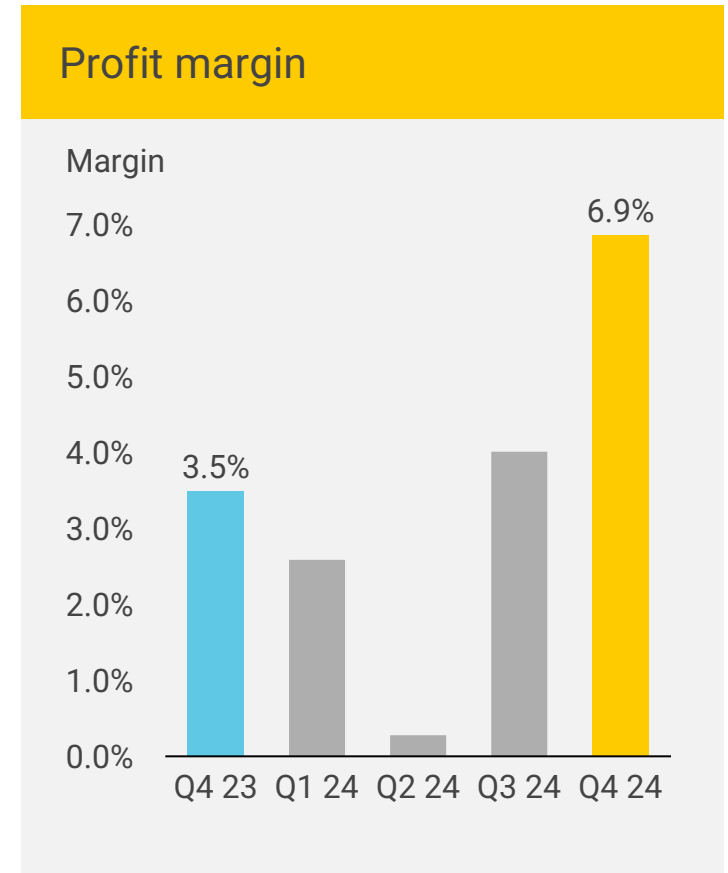
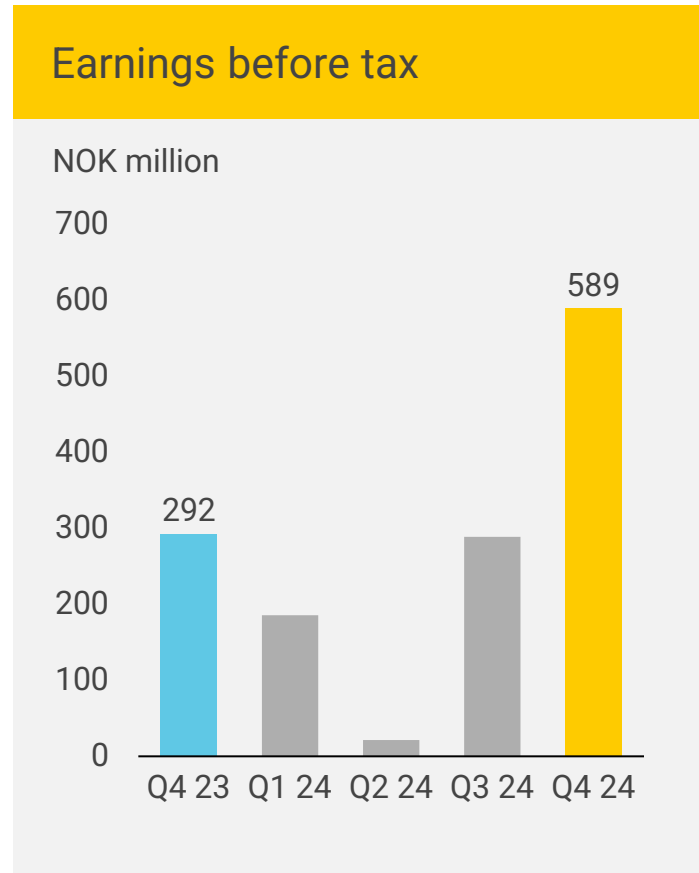
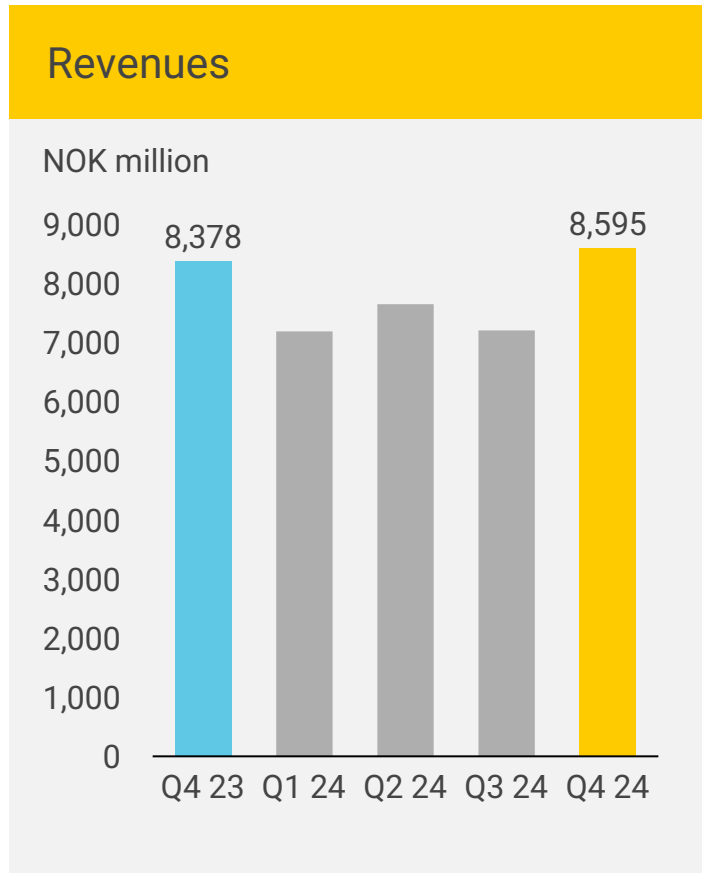
- Revenue of NOK 8,595 (8,378) million in Q4 and NOK 30,638 (30,530) million for the full year
- Earnings before tax of NOK 589 (292) million in Q4 and NOK 1,085 (700) million for the full year
- Profit margin of 6.9% (3.5%) in Q4 and 3.5% (2.3%) for the full year
- Cash flow from operations of NOK 1,080 (855) million in Q4 and NOK 2,217 (1,552) million for the full year
- Order intake of NOK 12,505 (8,504) million in Q4 and NOK 28,998 (32,756) million for the full year. Order backlog of NOK 40,351 (41,991) million as of Q4
- Net interest-bearing receivables of NOK 99 (-641) million as of Q4
- Earnings per share in 2024: NOK 6.52 (3.73). The board of directors suggest a dividend of NOK 5.00 (3.50) per share to be paid in the first half of 2025



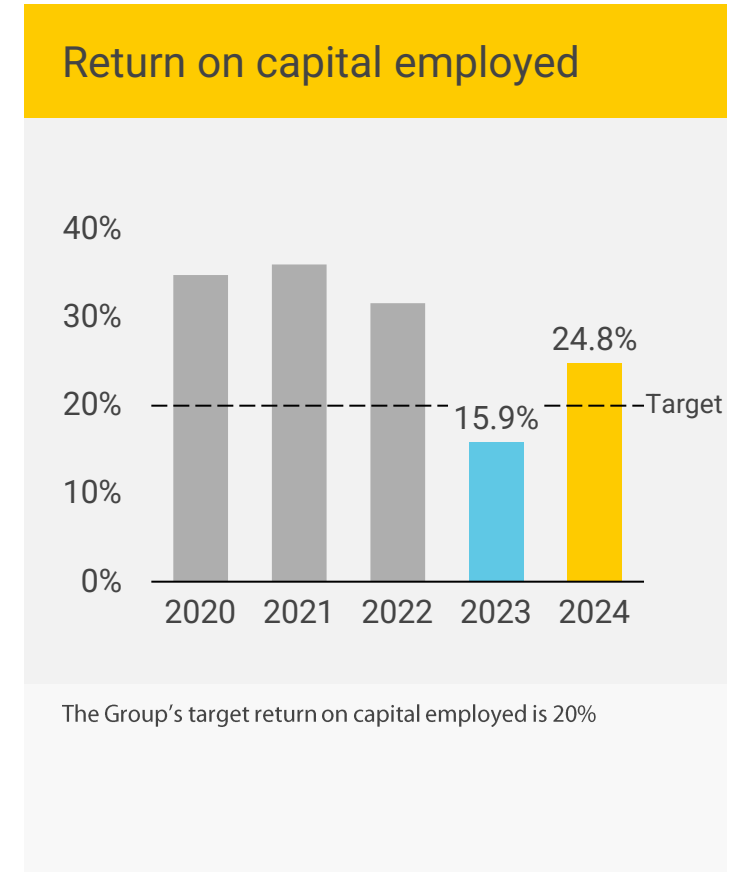
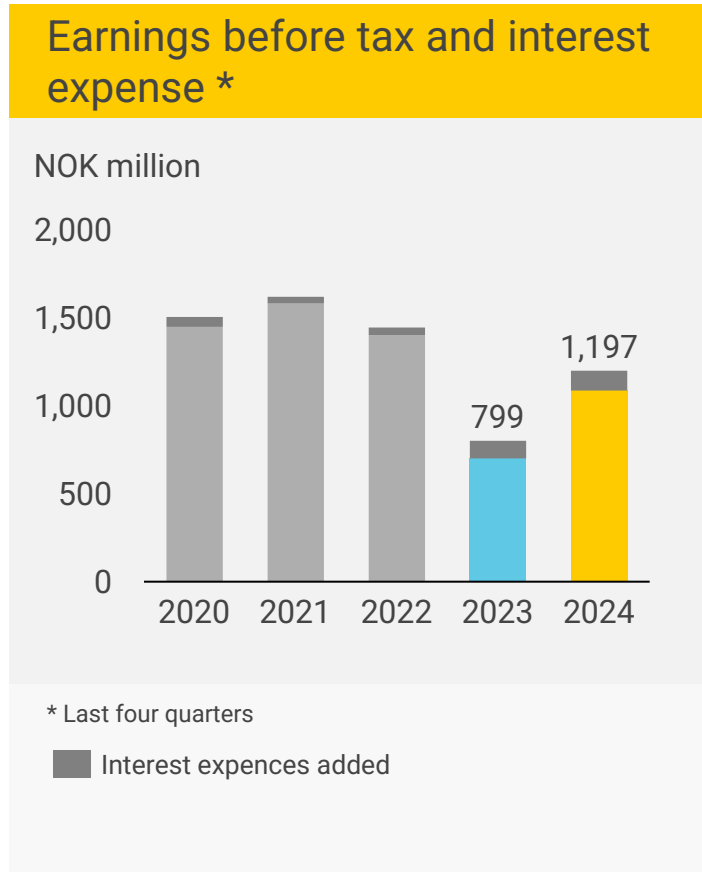
Health and safety



Revenues and earnings



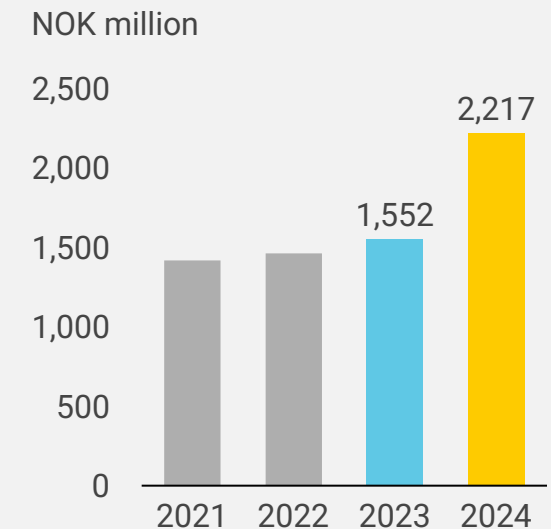
Return on capital employed



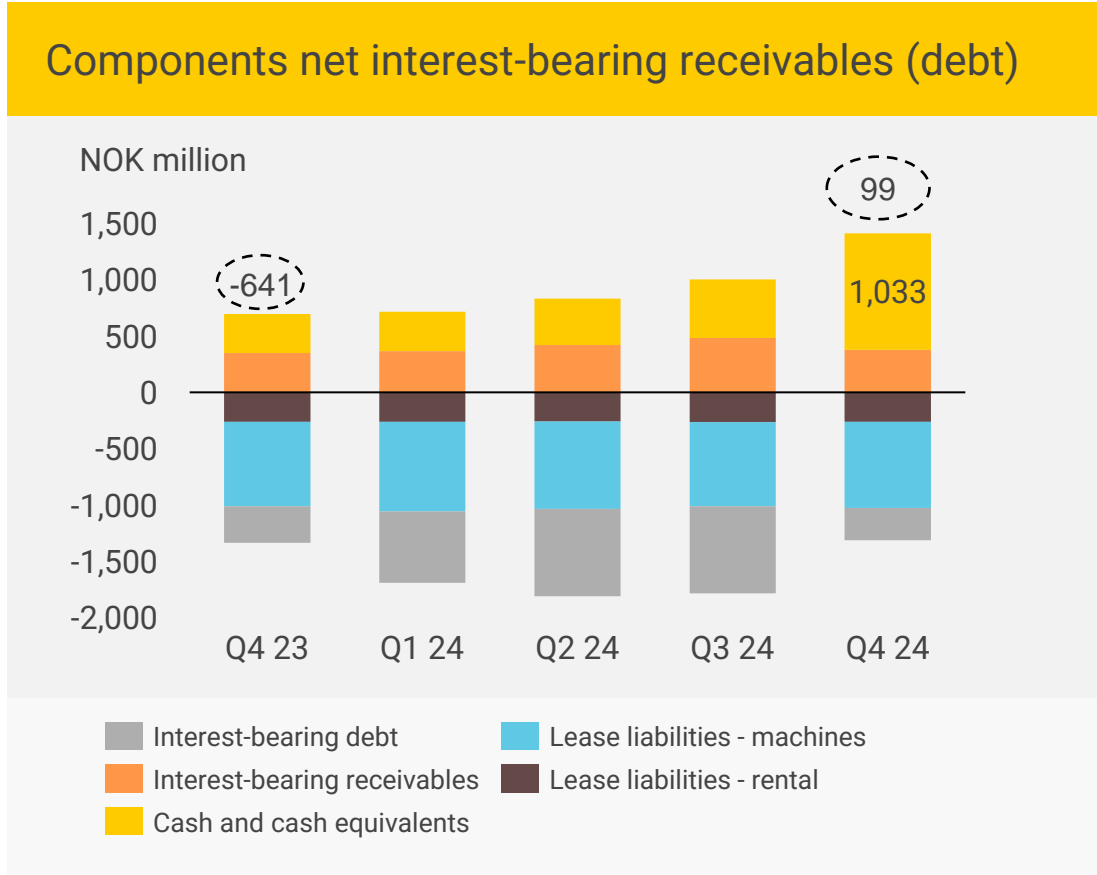
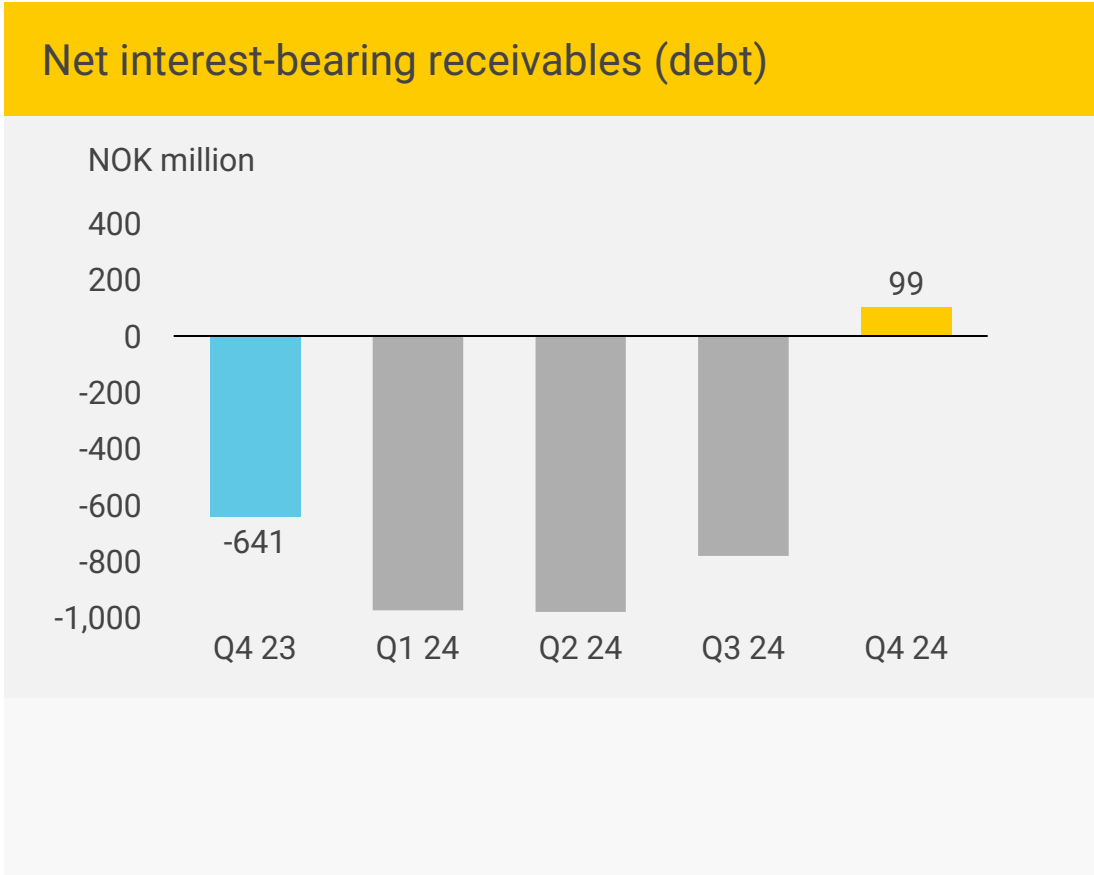
Strong cash flow statement

NOK million	Q4 2024	Q4 2023	2024	2023
EBIT	607	302	1,149	749
Depreciation, amortisation and impairment	187	169	701	576
Change in net working capital	415	612	700	675
Taxes paid	-155	-277	-298	-470
Other	27	49	-35	22
Cash flow from operations	1,080	855	2,217	1,552
Net investments	53	-109	-226	-613
Dividend to shareholders in ASA	0	0	-380	-700
Other capital transactions	-38	99	-374	-86
Interest paid and change in interest bearing debt	-574	-1,023	-544	-615
Net change in cash and cash equivalents	521	-177	693	-462
Net cash and cash equivalents at beginning of period	522	526	347	765
Change in cash and cash equivalents without cash effect	-10	-2	-7	44
Net cash and cash equivalents end of period	1,033	347	1,033	347

Cash flow from operations



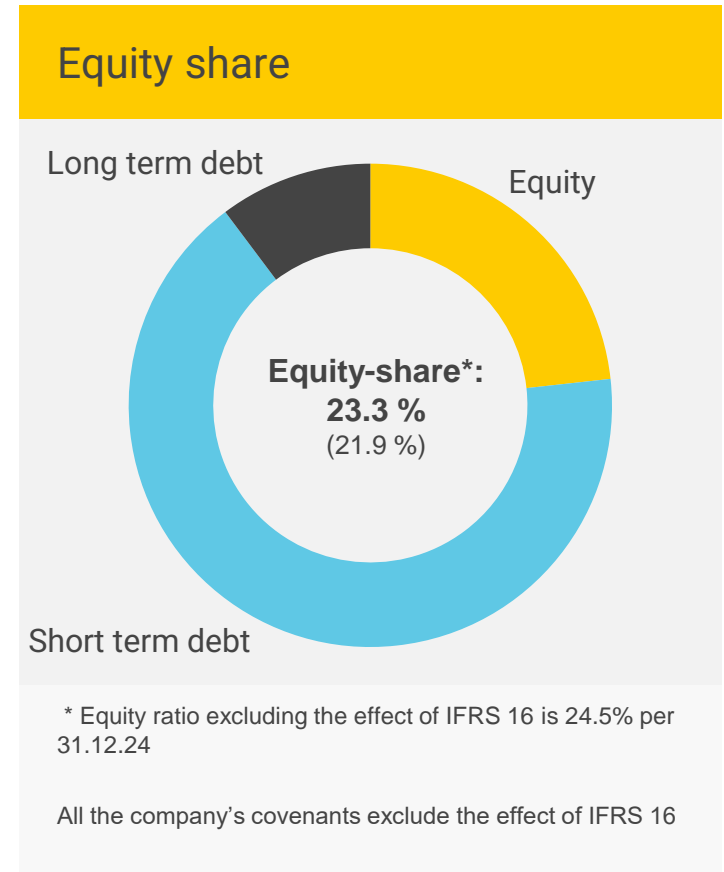
Net interest-bearing receivables and liquidity



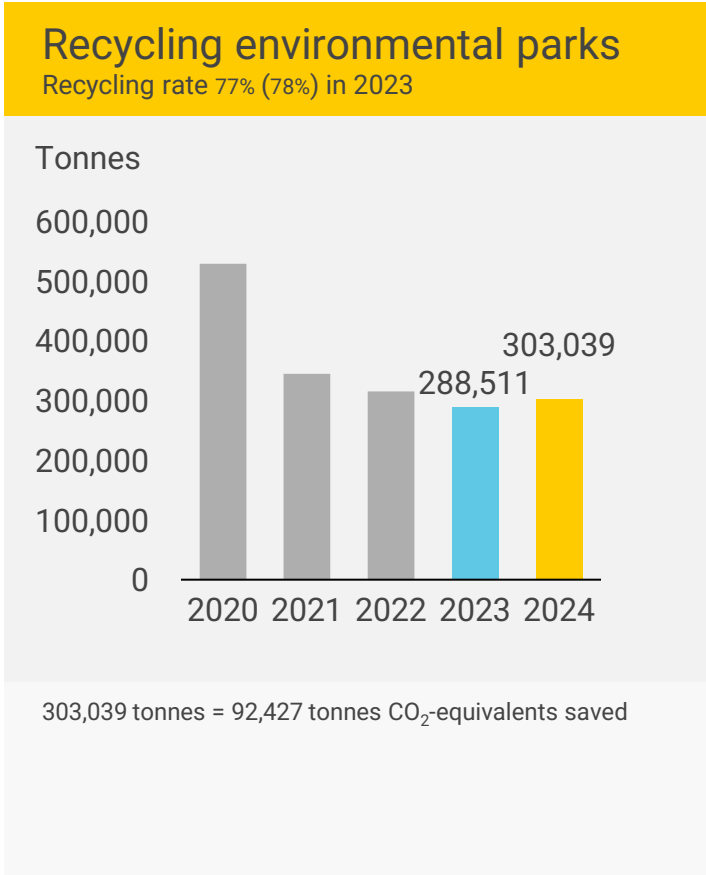
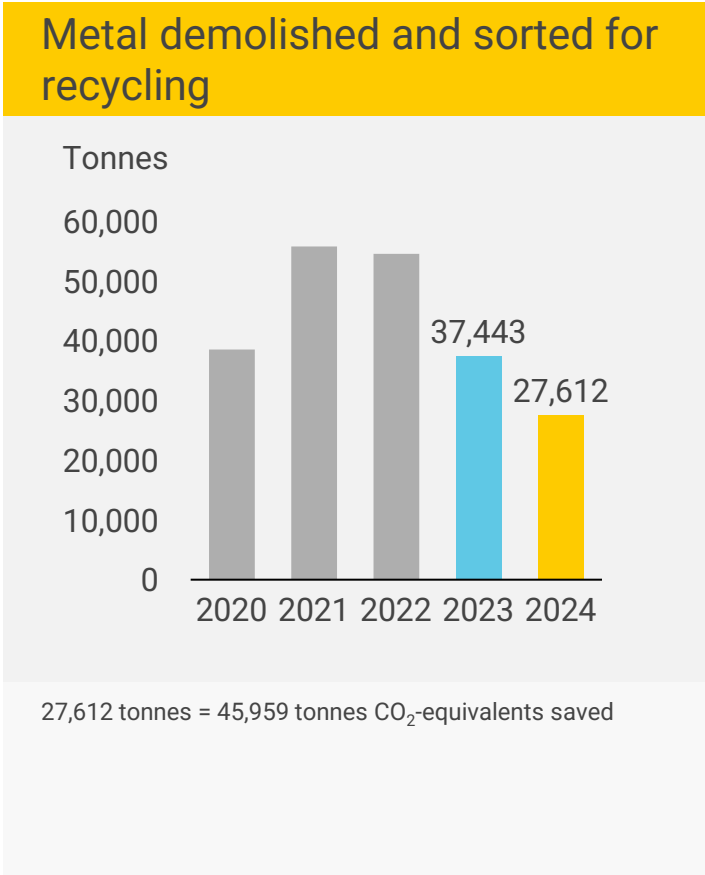
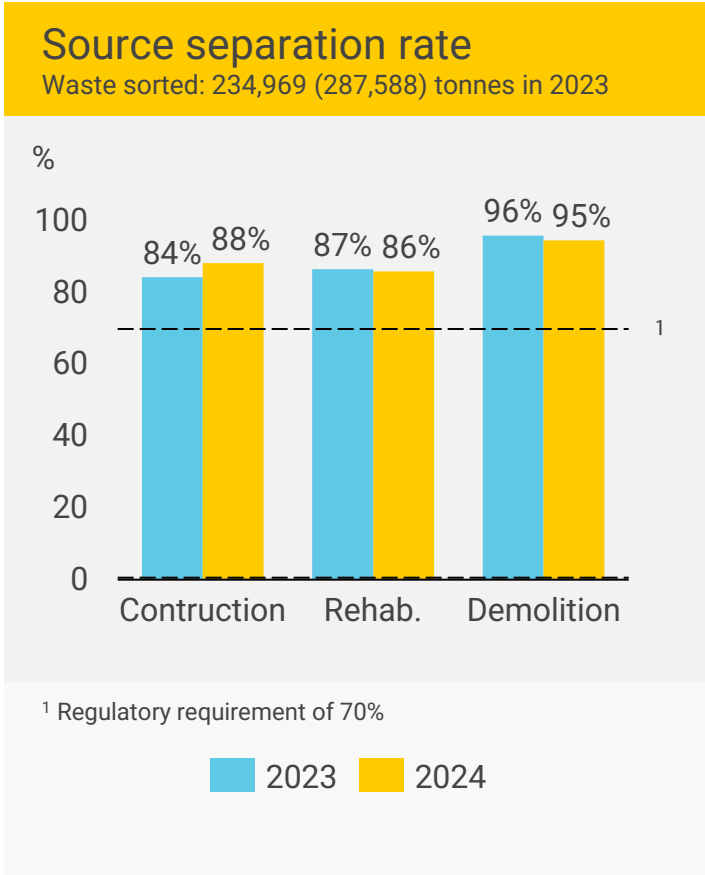
Available liquidity: NOK 4,363 million (including financial facilities of NOK 3,500 million)

Balance sheet

NOK million	31.12.24	31.12.23
Non-current assets	8,451	8,407
Current assets, ex. cash	5,519	5,894
Cash and cash equivalents	1,034	347
Total assets	15,004	14,647
Equity	3,489	3,203
Long term debt	1,537	1,338
Short term debt	9,978	10,106
Total equity and debt	15,004	14,647



Environment



Business areas

4th quarter 2024



Record-high annual revenue and excellent result

NOK million	Q4 24	Q4 23	2024	2023
Revenues	2,793	2,141	9,590	6,776
EBIT	249	240	655	550
EBT	269	253	723	572
EBIT %	8.9%	11.2%	6.8%	8.1%
EBT %	9.6%	11.8%	7.5%	8.4%

- Civil Engineering increases revenues by 30% compared to the same quarter last year and reports an excellent result in Q4
- AF Anlegg deliver record-high annual revenue and a very good result in Q4. Målselv Maskin & Transport, VSP and Stenseth & RS report very good results. Eiqon has a low activity level and a weak result this quarter
- AF Anlegg signed phase 2 of the collaborative contract with Oslo municipality for detailed engineering and construction of the new water treatment facility at Huseby in Oslo, with combined value of ca. NOK 7,600 million excl. VAT. Since Q4, AF Anlegg has announced a new contract for detailed engineering and construction of new E6 Roterud–Storhove with an estimated value of NOK 6,350 million excl. VAT.
- Order intake: NOK 4,843 (840) million. Order backlog: NOK 16,433 (18,140) million



Good profitability and strong order intake

NOK million	Q4 24	Q4 23	2024	2023
Revenues	2,382	2,633	8,881	10,182
EBIT	118	141	337	396
EBT	126	138	351	378
EBIT %	5.0%	5.3%	3.8%	3.9%
EBT %	5.3%	5.2%	4.0%	3.7%

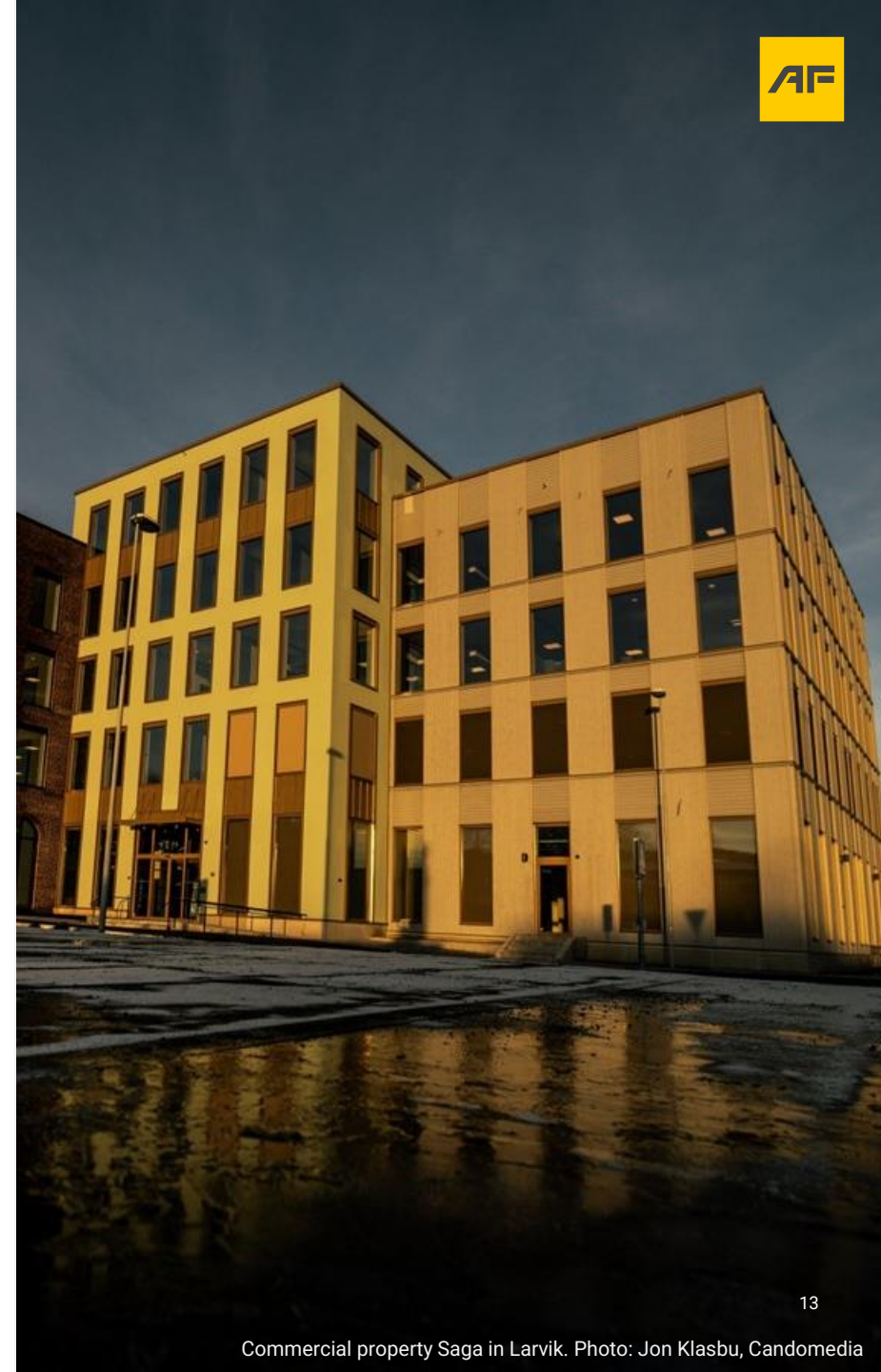
- Construction reports a good result despite reduced activity. AF Byggfornyelse, AF Bygg Østfold, Strøm Gundersen, Strøm Gundersen Vestfold, Haga & Berg and ÅBF deliver very good results in the quarter. AF Bygg Oslo and HTB report good results
- Six new contracts were announced in the fourth quarter. AF Bygg Oslo has entered a turnkey contract for the project Diakonhjemmet Campus in Oslo amounting to ca. NOK 1,400 million excl. VAT. LAB Entreprenør has signed a contract with OBOS Nye Hjem for the building of a residential project in Bergen with a value of NOK 428 million excl. VAT. AF Byggfornyelse has signed a contract with Linstow AS for rehabilitation of the commercial property Qvarteret in Oslo, AF's share of the collaborative contract has a value of ca. NOK 360 million excl. VAT.
- Order intake: NOK 4,070 (2,762) million. Order backlog: NOK 11,132 (9,464) million



Growth and excellent profitability

NOK million	Q4 24	Q4 23	2024	2023
Revenues	1,322	1,171	4,367	4,553
EBIT	92	-53	120	34
EBT	104	-44	163	58
EBIT %	7.0%	-4.5%	2.8%	0.7%
EBT %	7.9%	-3.7%	3.7%	1.3%

- Betonmast delivers an excellent result in Q4. Betonmast Oslo, Trøndelag, Romerike, Røsand, Innlandet, Asker og Bærum and Østfold all delivered very good results this quarter. Betonmast Buskerud-Vestfold delivered a good result while Betonmast Boligbygg reported a weak result this quarter
- Four new contracts were announced in the quarter. Betonmast Asker og Bærum has signed two contracts with a combined value of NOK 384 million excl. VAT. Betonmast Østfold was awarded a contract with Indre Østfold municipality for rehabilitation and expansion of Hovin elementary school, the collaborative contract has a value of ca. NOK 250 million excl. VAT.
- Order intake: NOK 1,126 (2,487) million. Order backlog: NOK 4,831 (6,203) million



Low residential sales

NOK million	Q4 24	Q4 23	2024	2023
Revenues	7	7	23	27
EBIT	-11	-11	-39	-20
EBT	-9	-7	-25	-8
Capital employed	846	818	846	818

- AF Eiendom has sold its share of the residential project Bekkestua Have and LAB Eiendom has sold their share of the commercial property Baneveien 16 in Bergen
- An uncertain market sentiment and high interest rates contribute to low sales figures in the quarter. Sales contracts for 21 (12) residential units were signed in the quarter, AF's share was 8 (6). A total of 165 units were handed over in Q4, of which 121 relate to Bekkestua Have
- Rolvsrud Arena in Lørenskog is the only ongoing residential project at end of the quarter, with 194 units in production and a sales ratio of 49%
- Residential portfolio in development: 1,464 (1,629) units. AF's share: 742 (813)
- Commercial portfolio in development: 98,849 (73,407) GFA sqm. AF's share: 52,120 (36,524)



Significantly improved profitability

NOK million	Q4 24	Q4 23	2024	2023
Revenues	1,472	1,857	5,399	7,501
EBIT	75	-16	79	-152
EBT	71	-19	65	-160
EBIT %	5.1%	-0.9%	1.5%	-2.0%
EBT %	4.8%	-1.0%	1.2%	-2.1%

- Improved profitability despite lower activity levels
- Kanonaden, AF Prefab i Mälardalen, AF Bygg Syd, AF Härnösand Byggreturer and HMB deliver excellent results in Q4. The remaining business units report weak results in the quarter
- Four contracts were announced in Q4. Kanonaden has in consortium with Hitachi Energy been awarded a contract with Svenska kraftnät, of which Kanonadens share amounts to SEK 900 million excl. VAT with options of further SEK 400 million excl. VAT. HMB has announced two contracts for a combined value of SEK 375 million excl. VAT. AF Bygg Öst will build residential apartments in Solna with a value of SEK 211 million excl. VAT
- Order intake: NOK 1,810 (1,829) million. Order backlog: NOK 4,856 (5,128) million



Stable activity and excellent profitability

NOK million	Q4 24	Q4 23	2024	2023
Revenues	401	423	1,510	1,417
EBIT	30	39	93	90
EBT	29	40	90	96
EBIT %	7.4%	9.2%	6.2%	6.3%
EBT %	7.1%	9.5%	5.9%	6.8%

- Energy and Environment maintains activity levels compared to the same quarter last year, and reports a strong result
- AF Energi has significantly increased the activity level compared to the same quarter last year and deliver excellent results in Q4. AF Decom delivers an excellent result in the quarter
- AF Decom has in 2024 sorted metal for recycling and recycled materials at the environmental centers with savings corresponding to 100,637 (99,196) CO₂-equivalents
- Order intake: NOK 409 (269) million. Order backlog: NOK 1,194 (1,249) million



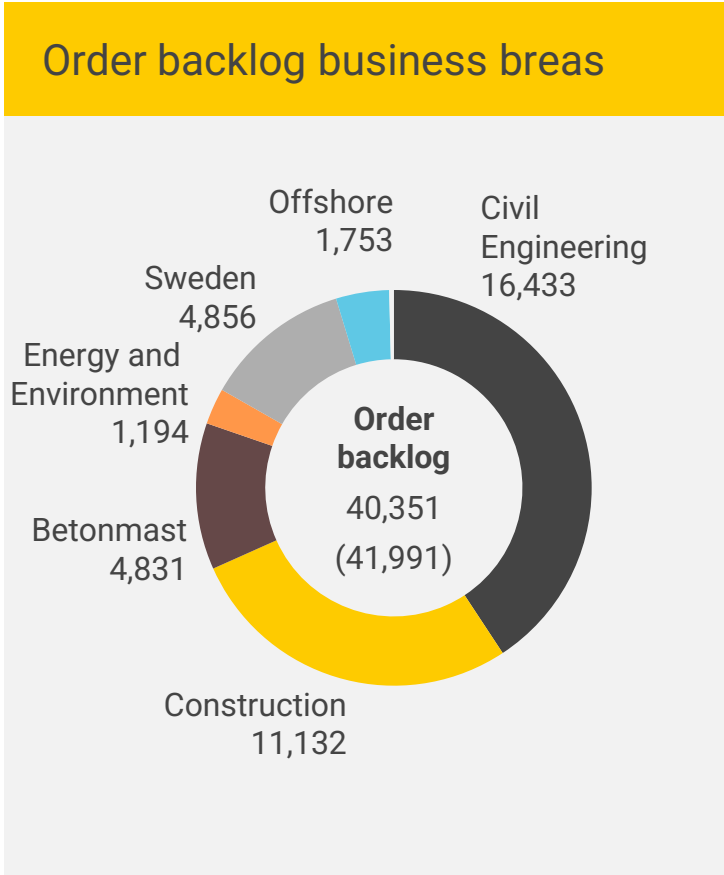
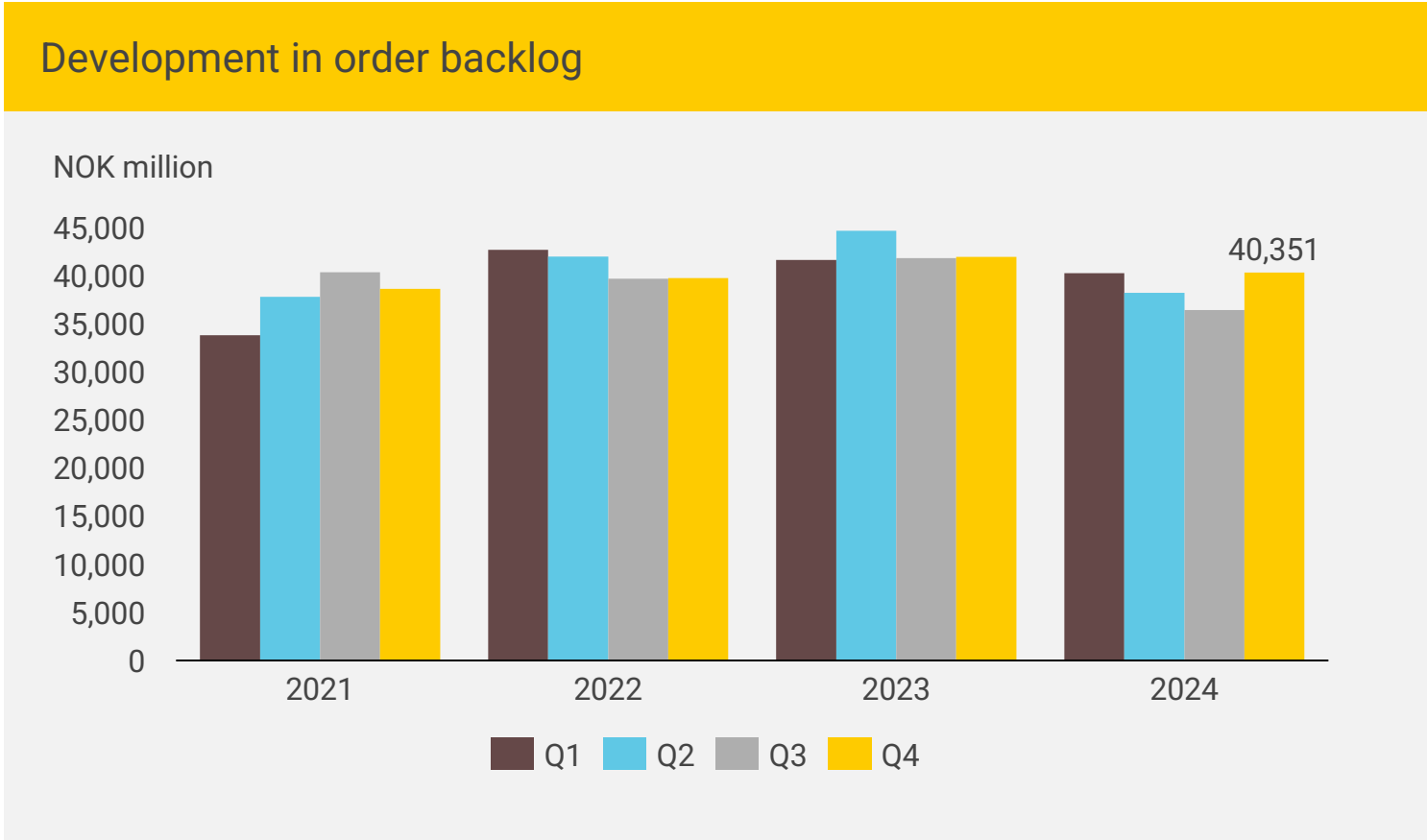
Reduced activity and weak result

NOK million	Q4 24	Q4 23	2024	2023
Revenues	258	288	1,081	1,082
EBIT	5	-40	-201	-124
EBT	-9	-42	-236	-139
EBIT %	2.0%	-14.0%	-18.6%	-11.5%
EBT %	-3.6%	-14.4%	-21.8%	-12.9%

- Offshore has reduced activity levels by 10% compared to the same quarter last year and has a weak result in the quarter
- Aeron has significant revenue growth compared to the same quarter last year and delivers a good result in Q4
- AF Offshore Decom has negative revenue growth compared to Q4 last year and a negative result this quarter
- Since Q4, Aeron has been awarded a contract by the steel producer Stegra for the delivery of ventilation systems to their new production facility in Sweden. The contract has a value of approximately NOK 200 million excl. VAT
- Order intake: NOK 309 (335) million. Order backlog: NOK 1,753 (1,410) million



Solid order intake of NOK 12,505 million this quarter



Civil Engineering – large projects

Q4 2024 | Theme presentation



Countrywide civil engineering business

Revenue (2024)

9,590 NOK million

Earnings before taxes (2024)

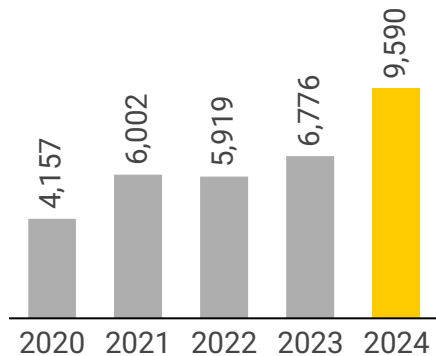
723 EBT NOK million

7.5 EBT margin %

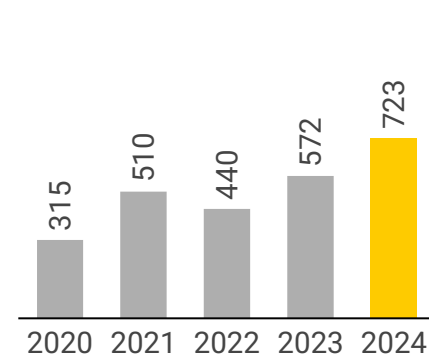
Safety – HSE (2024)

0.4 LTI1-rate

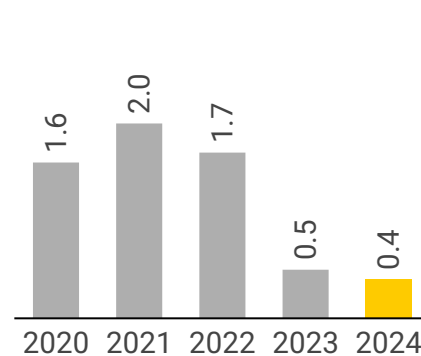
Revenue (NOK million)



EBT (NOK million)



LTI1-rate



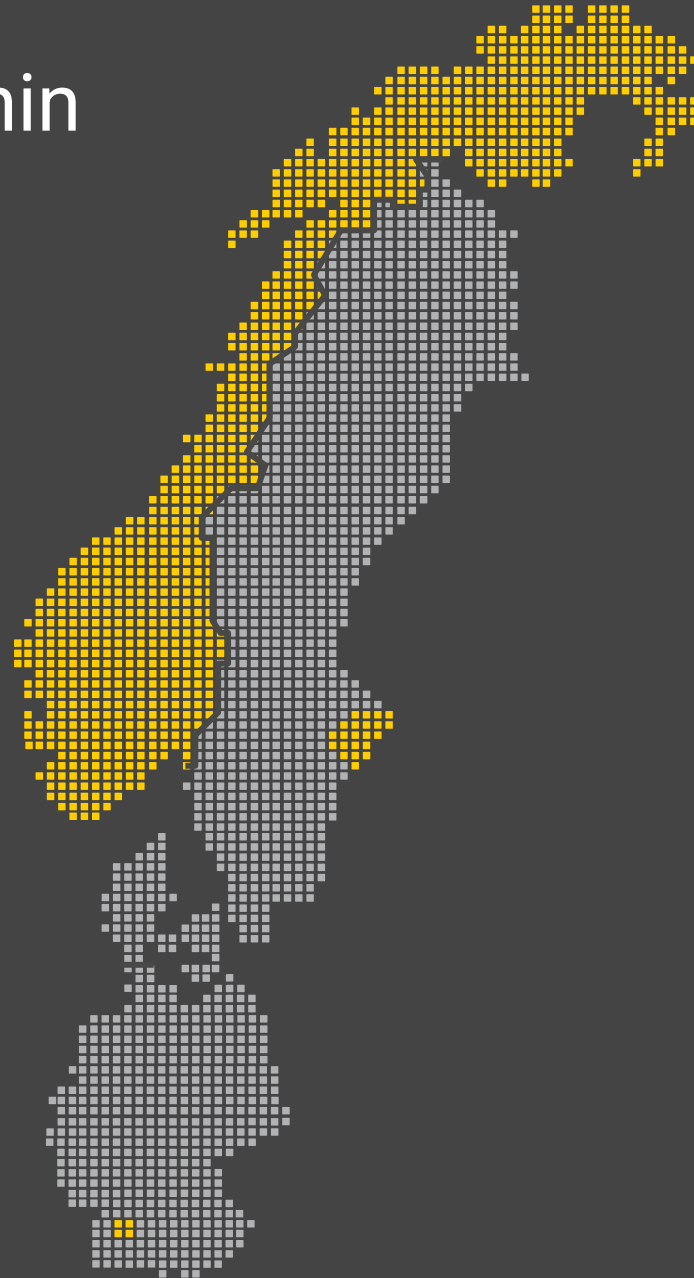
Areas of business within Civil Engineering

Segments

- Roads and infrastructure
- Water and sewerage
- Groundwork
- Railways
- Energy, oil and gas
- New constructions and rehab.

Geography

- Norway, Sweden and Germany



Anlegg

Stenseth & RS

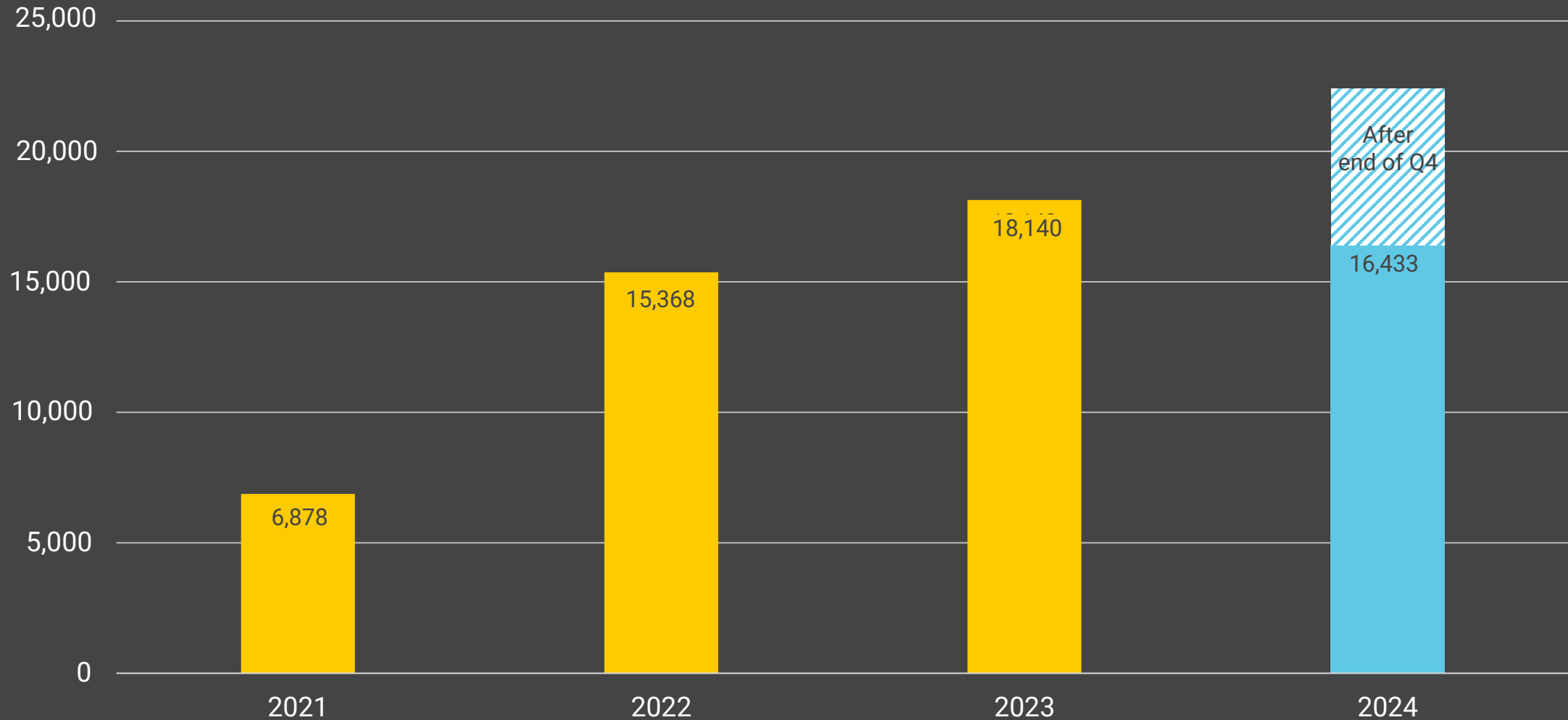


Anläggning



Civil Engineering – development in order backlog

NOK million

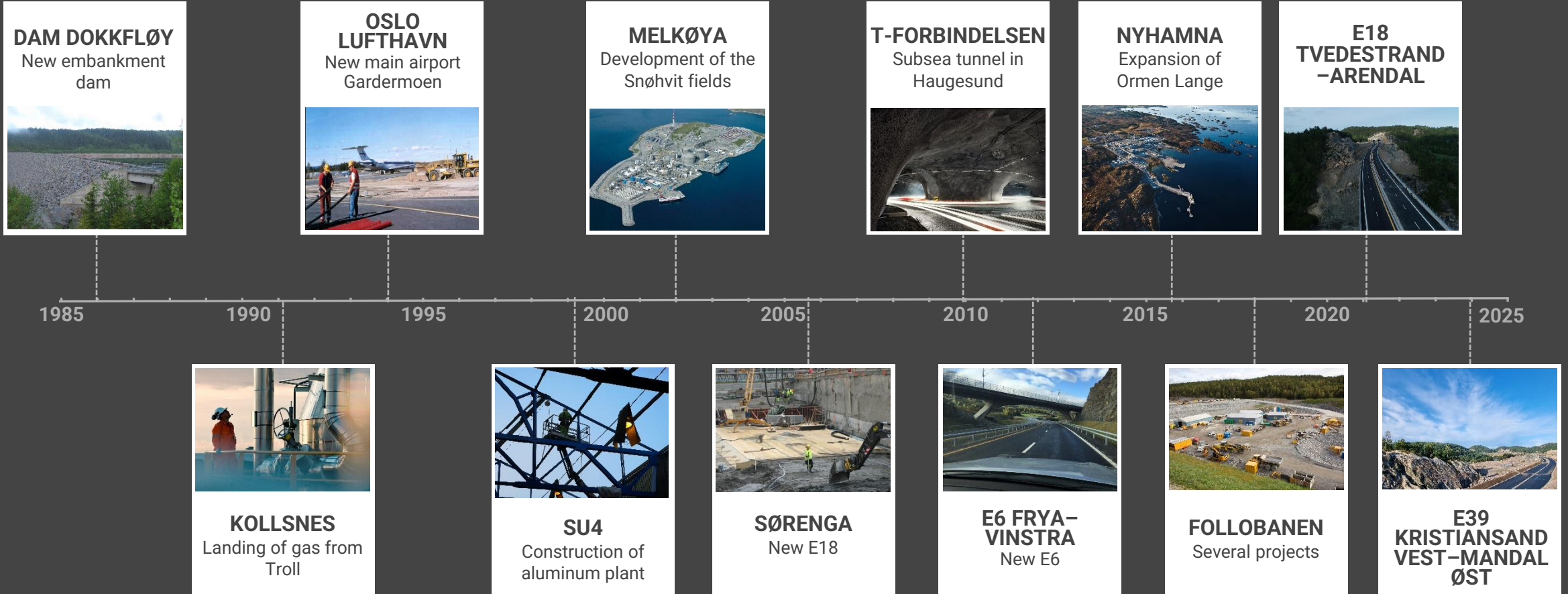


E6 Roterud–Storhove

- Detailed design and construction of a new 23 km four-lane highway in Gjøvik and Lillehammer
- The project comprises:
 - 4.2 km dual-lane tunnel, Vingnestunnelen
 - 9 km reuse of existing road infrastructure
 - 540 m ILM bridge over the Lågen delta
 - A total of 35 structures
 - Hiking trail from the Gjøvik border to Lillehammer



Large projects are part of our *DNA*



Ongoing major projects in Civil Engineering



E6 Clean Water Tunnel



E6 Storhove-Øyer



New airport Mo i Rana



Cable tunnel Sogn-Ulven



Lovö, E4 Förbifart Stockholm



Water treatment plant Huseby

The basic principles of our project activities



Project selection



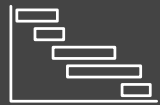
Customer relations



Calculation



Project organisation



Planning



Procurement expertise



Financial management



Contract management

Main areas of expertise within civil engineering

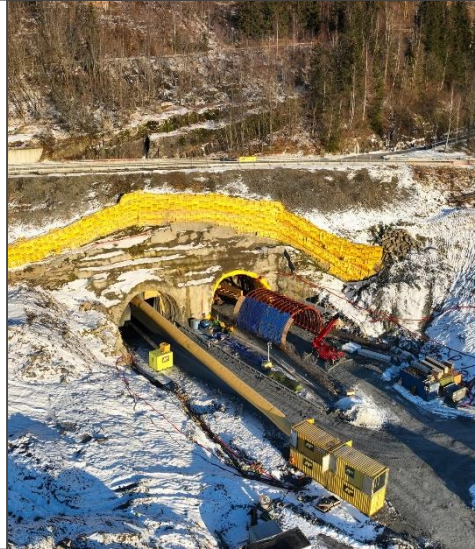
Tunnel



Anlegg



Anläggning



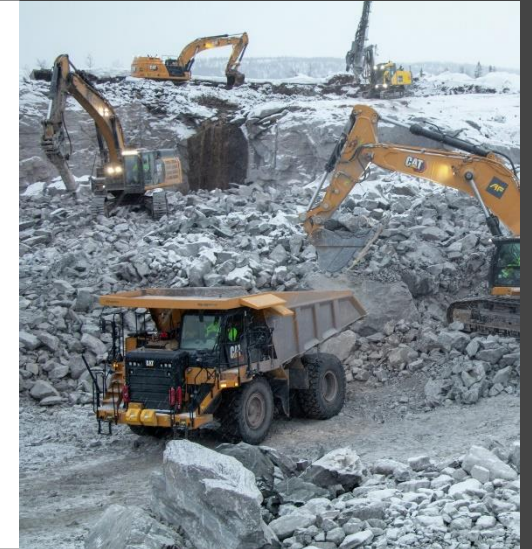
Groundwork



Anlegg



Anläggning



Concrete work



Anlegg

Stenseth & RS

RaKon



Concrete rehab.



RaKon



What characterises the market – what drivers do we see?



Geopolitical uncertainty
– large public
investments in
infrastructure



Environmental expertise
– increased customer
demands for climate and
environment



Increased investments
in defense facilities and
related infrastructure.



Increased need for
energy transition



New construction,
operation, maintenance
and rehabilitation



New contract- and
collaboration models
create opportunities

The path ahead

Robust portfolio and financial position

- Solid order backlog across a wide range of segments

Continuously building a stronger team

- Competent leaders and the industry's best professional management
- Increasingly developing leaders and subject matter experts
- Industry leader within self-production
- The industry's highest standard for project management
- Risk management og continuous improvement

Well positioned for further organic and structural growth

- Wide service offering
- Targeted focus on complex projects, new segments and selected geographies
- New construction and rehabilitation

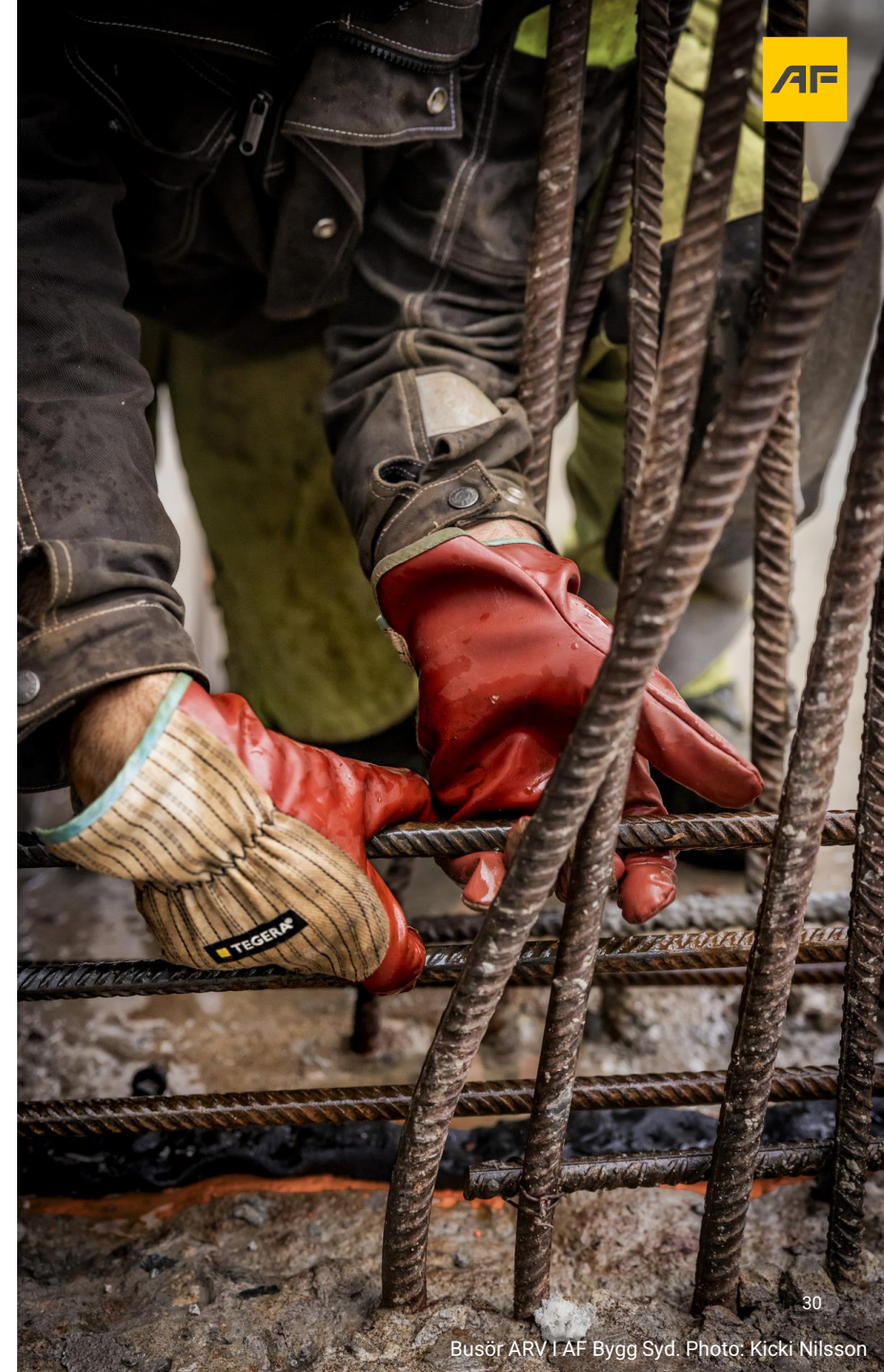


Summary



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Revenues	8,595	8,378	30,638	30,530
EBIT	607	302	1,149	749
EBT	589	292	1,085	700
EBIT %	7.1%	3.6%	3.8%	2.5%
EBT %	6.9%	3.5%	3.5%	2.3%

- High activity and solid result
- Strong financial position
- Order intake: NOK 12,505 (8,504) million
- Order backlog: NOK 40,351 (41,991) million
- The board of directors suggests a dividend of NOK 5.00 (3.50) per share to be paid in the first half of 2025



Thank you for your attention

Presentation of Q1
15 May 2025

