

Date
11/11/2021

Press release from AFRY

AFRY X becomes a new Division and Per Kristian Egseth is appointed member of the Group Executive Management

Effective 1 January 2022, AFRY X becomes a new division with approximately 1 BSEK in revenue and around 800 digital experts. With this change AFRY brings together leading digital expertise and technologies in the AFRY X Division to create a significant digital player in its core markets. Per Kristian Egseth will lead the new Division and become part of the Group Executive Management.

With a total of 2000 digital experts across all divisions, AFRY has during the past years strengthened its position in digitalisation both through organic growth and selective acquisitions. As a next step, AFRY's ambition is to develop and scale software services and solutions in IoT, AI and cyber security. AFRY will therefore bring together around 800 of the digital experts and key technologies in AFRY X.

AFRY's business model is evolving from projects and professional services to now also include software services and solutions with recurring revenues. The raised ambition with AFRY X in combination with the digital capabilities in current divisions will make AFRY a stronger digital partner for clients.

The financial reporting structure will be changed effective 1 January 2022 and proforma numbers will be available ahead of the Q1 2022 financial report.

A number of ongoing software development projects, for example the *Real Digital Twin*, have during 2021 been organised under AFRY X to enable scale advantages and increase efficiency. The annual investment of these projects has been approximately 50 MSEK. With the increased ambition of AFRY X, the investment run-rate for 2022 is estimated to be approximately 100 MSEK.

"Given AFRY's deep sector knowledge in the industry as well as a strong backbone of digital expertise, AFRY is well positioned to become a leading player in digitalising its core industry and infrastructure sectors through AFRY X. I am excited to take the next step to continue the collaboration and welcome Per-Kristian Egseth to the Group Executive Management team," says Jonas Gustavsson, President and CEO of AFRY.

"Digital in our core market segments is about to take-off rapidly. With AFRY X we have a unique opportunity to support our clients in the transformation by applying customised business applications and related digital services," says Per Kristian, Head of AFRY X.

Per Kristian Egseth has extensive experience from growing digital organisations in global companies and also from developing digital solutions in close co-operations with key clients. He comes most recently from Hitachi, where he held the position as EMEA Commercial Leader within Industrial IoT & AI solutions and services, and before that

he was an associate partner at IBM. Per-Kristian started as Head of AFRY X in May 2021 and as of 1 January 2022 he will become member of the Group Executive Management.

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The information was submitted for publication by the abovementioned contact person on 11 November at 08.00.

AFRY is a European leader in engineering, design, and advisory services, with a global reach. We accelerate the transition towards a sustainable society.

We are 16,000 devoted experts in infrastructure, industry, energy and digitalisation, creating sustainable solutions for generations to come.

Making Future