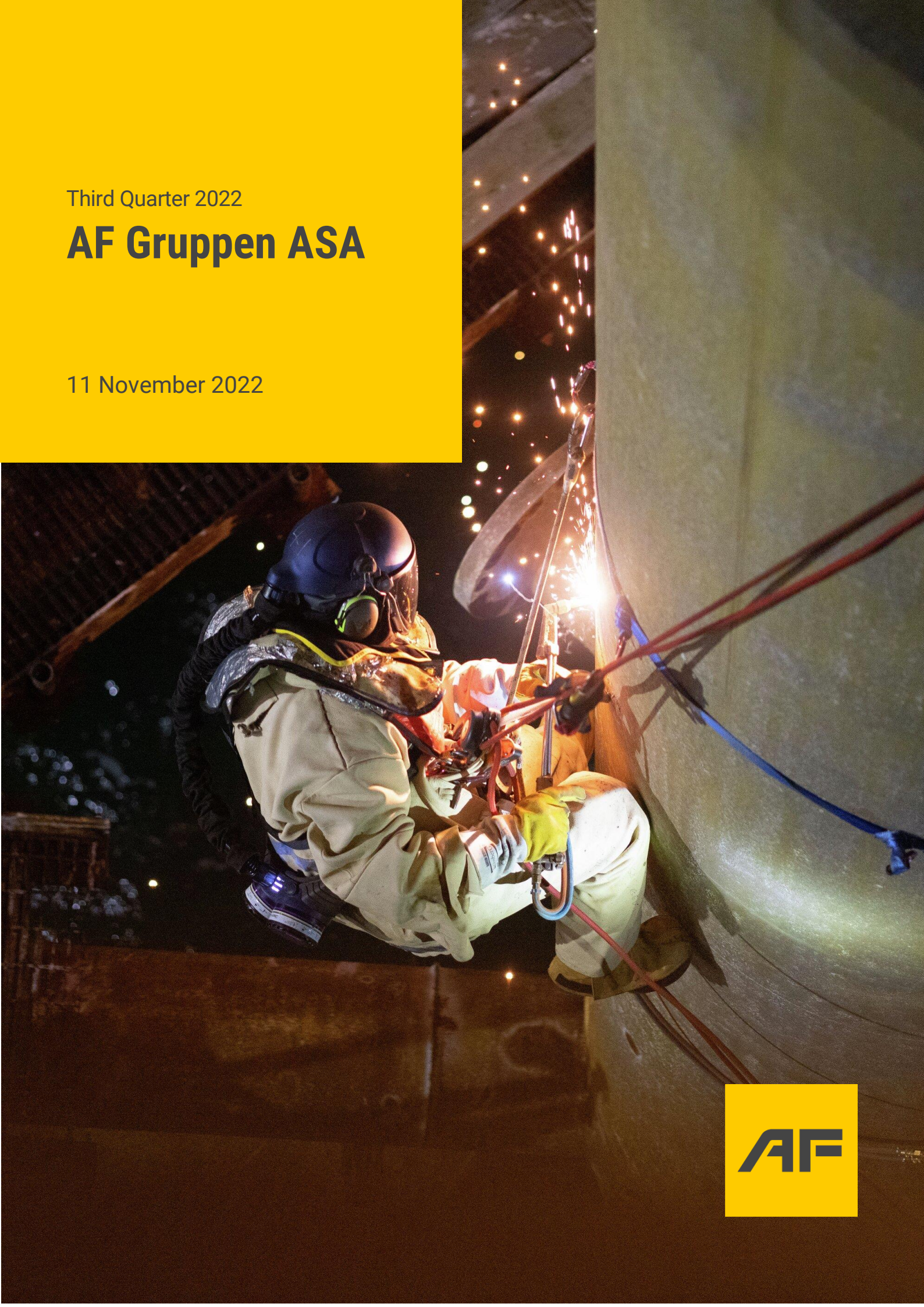


Third Quarter 2022

AF Gruppen ASA

11 November 2022



AF

Q3



From the CEO

We've had a quarter marked by varying performance. In the third quarter, the offshore business delivered solid growth and very good profitability, and in demolition, environment and energy we also recorded very good results. We have adjusted the project estimates significantly for the Swedish Betonmast units, so overall we did not deliver profitability at the AF level.

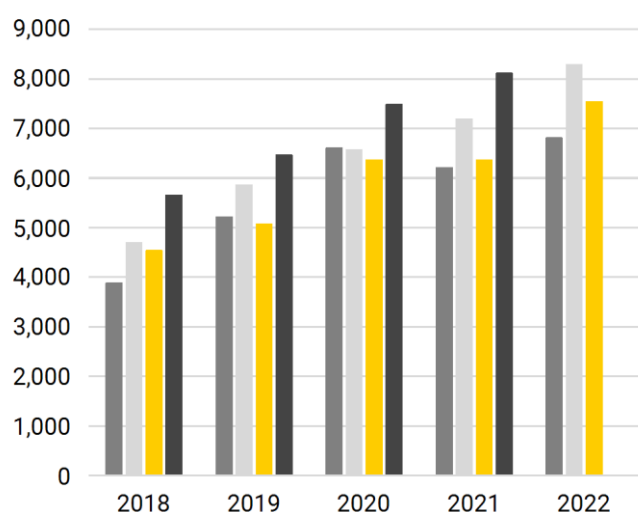
In today's market, it is important to have robust organisation, active risk management and the ability to choose the right projects. We have a strong market position and recently we have signed a number of solid contracts where we will contribute to solving important societal challenges within infrastructure, removal and transport. We are also well positioned within rehabilitation, refurbishment and extensions.

AF has always been proud of its strength and ability to perform complex tasks. The group's entrepreneurial spirit has been characterised by the ability and willingness to think differently and to find better, more future-oriented ways to generate value.

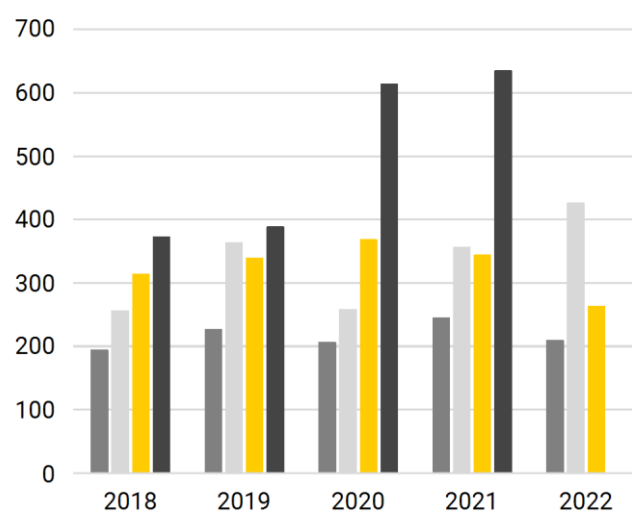
HIGHLIGHTS

- Revenues were NOK 7,537 million (6,358 million) for the 3rd quarter and NOK 22,638 million (19,756 million) year to date.
- Earnings before tax were NOK 263 million (344 million) for the 3rd quarter and NOK 898 million (945 million) year to date.
- The profit margin was 3.5% (5.4%) for the 3rd quarter and 4.0% (4.8%) year to date.
- Net operating cash flow was NOK 272 million (380 million) for the 3rd quarter and NOK 1,498 million (1,114 million) year to date.
- The order backlog stood at NOK 39,716 million (40,391 million) as at 30 September 2022.
- Net interest-bearing receivables (debt) was NOK 254 million (-26 million) as at 30 September 2022.
- The Board of Directors has approved a dividend of NOK 4.00 (4.00) per share for the second half of 2022.

REVENUES PER QUARTER (NOK MILLION)



EARNINGS BEFORE TAX PER QUARTER (NOK MILLION)



SUMMARY OF 3RD QUARTER

Key figures (NOK million)	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
Operating and other revenue	7,537	6,358	22,638	19,756	27,868
EBITDA	404	495	1,306	1,398	2,176
Earnings before financial items and tax (EBIT)	271	344	907	970	1,609
Earnings before tax (EBT)	263	344	898	945	1,580
Result per share (NOK)	1.46	2.08	5.53	5.72	9.60
Diluted result per share (NOK)	1.46	2.08	5.53	5.71	9.57
EBITDA margin	5.4 %	7.8 %	5.8 %	7.1 %	7.8 %
Operating profit margin	3.6 %	5.4 %	4.0 %	4.9 %	5.8 %
Profit margin	3.5 %	5.4 %	4.0 %	4.8 %	5.7 %
Return on capital employed (ROaCE) ¹⁾	-	-	34.8 %	36.0 %	36.0 %
Cash flow from operating activities	272	380	1,498	1,114	1,415
Net interest-bearing receivables (debt)	254	-26	254	-26	29
Shareholders' equity	3,286	3,378	3,286	3,378	3,572
Total equity and liabilities	14,695	13,137	14,695	13,137	13,108
Equity ratio	22.4 %	25.7 %	22.4 %	25.7 %	27.3 %
Order backlog	39,716	40,391	39,716	40,391	38,646
LTI-1 rate	0.9	0.8	1.2	1.1	1.1
Absence due to illness	4.0 %	4.2 %	4.5 %	4.6 %	4.6 %

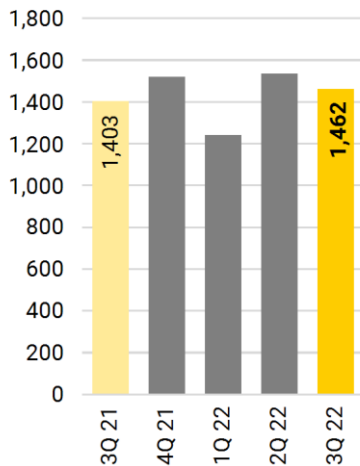
¹⁾ Rolling average last four quarters

Business Areas

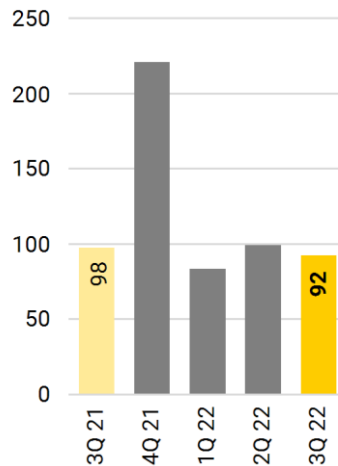


CIVIL ENGINEERING

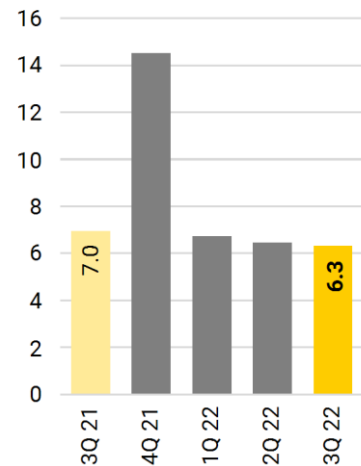
REVENUE (NOK million)



OPERATING PROFIT (NOK million)



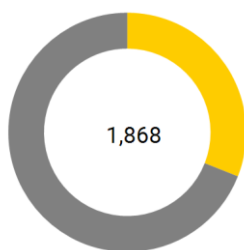
OPERATING PROFIT (%)



KEY FIGURES

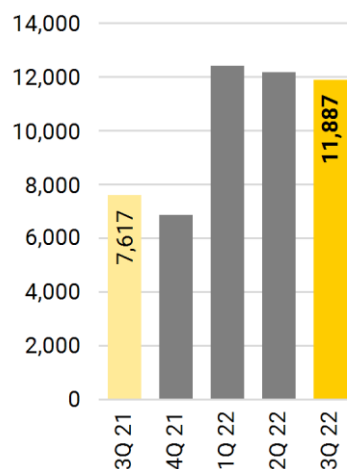
NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
Operating and other revenue	1,462	1,403	4,241	4,480	6,002
Earnings before financial items and tax (EBIT)	92	98	275	294	515
Earnings before tax (EBT)	93	97	272	290	510
Operating profit margin	6.3 %	7.0 %	6.5 %	6.6 %	8.6 %
Profit margin	6.4 %	6.9 %	6.4 %	6.5 %	8.5 %

NUMBER OF EMPLOYEES



AF Gruppen 6,025

ORDER BACKLOG (NOK million)



CIVIL ENGINEERING CONSISTS OF

- AF Anlegg
- Målselv Maskin & Transport
- Eiqon
- Consolvo
- Stenseth & RS



Surface Treatment on Drammensbruene. Photo: Consolvo

AF is one of Norway's largest companies in the civil engineering market, and the customers include both public and private actors. Its project portfolio includes roads, railways, bridges, port facilities, airports, tunnels, foundation work, renovation and construction of concrete structures, power and energy plants, as well as onshore facilities for oil and gas.

Revenues in Civil Engineering are high, and the profit margin is good, despite high energy and raw material prices. The Civil Engineering business area reported revenues of NOK 1,462 million (1,403 million) for the 3rd quarter. Earnings before tax were NOK 93 million (97 million). Year to date, revenues totalled NOK 4,241 million (4,480 million) and earnings before tax were NOK 272 million (290 million).

AF Anlegg has three major projects in production, E6 Rentvannstunnel in Oslo, Bergtunnlar Lovö in Stockholm and E39 Kristiansand vest–Mandal øst. The E6 Rentvannstunnel project in Oslo is being carried out as a joint operation with Ghella and started in the second quarter 2022. AF Anlegg has revised down the result from the E39 Kristiansand vest–Mandal øst project during the quarter due to a higher cost overrun than estimated in the

final phase. Good operational performance in the project portfolio contributed to the unit delivering a good result in the quarter.

Målselv Maskin & Transport and Consolvo continue to deliver very good results. Stenseth & RS, which has been part of AF Gruppen since March 2022, had good result in the quarter. Eiqon unit had a high level of activity in the quarter, but reported weak results.

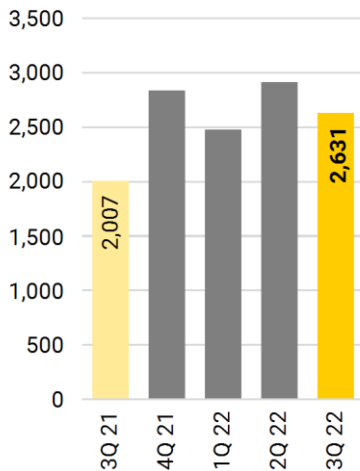
One contract was reported to the stock exchange in the third quarter. AF Anlegg has been chosen as the design and build contractor for the collaborative contract at the new airport in Mo i Rana for Avinor. The parties will agree on the final target price before the execution phase starts and only the interaction phase is included in the order backlog. The project has a total budget of NOK 3,300 million.

After the end of the quarter, AF Anlegg has signed the contract for the construction of a new water treatment plant at Huseby in Oslo. The project has an estimated value of NOK 3,000 million and the final price will be determined together with Oslo municipality at the Agency for Water and Sewerage Works. The interaction phase of the E6 Roterud/Storhove is still ongoing.

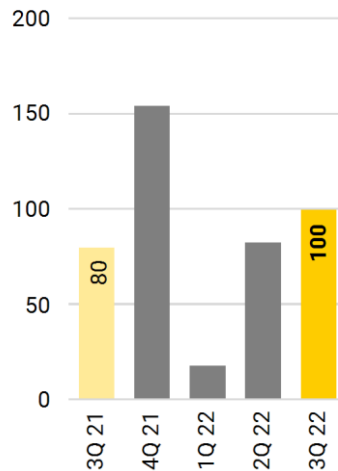
The order backlog for Civil Engineering was NOK 11,887 million (7,617 million) as at 30 September 2022.

CONSTRUCTION

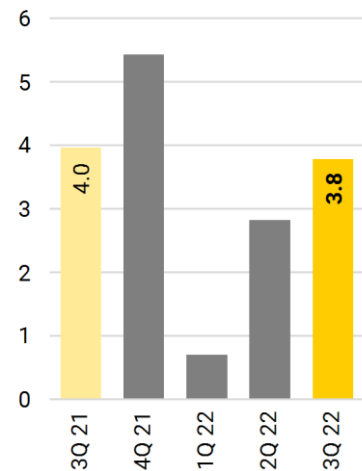
REVENUE (NOK million)



OPERATING PROFIT (NOK million)



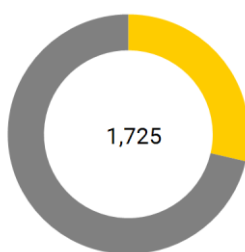
OPERATING MARGIN (%)



KEY FIGURES

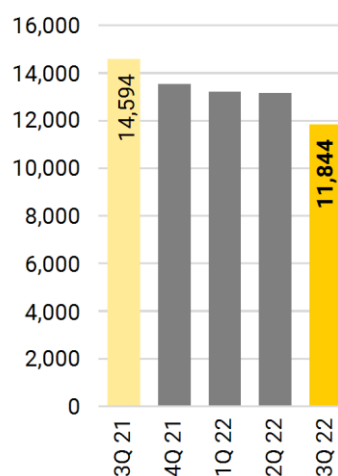
NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
Operating and other revenue	2,631	2,007	8,029	6,026	8,865
Earnings before financial items and tax (EBIT)	100	80	199	293	447
Earnings before tax (EBT)	99	80	199	296	450
Operating profit margin	3.8 %	4.0 %	2.5 %	4.9 %	5.0 %
Profit margin	3.8 %	4.0 %	2.5 %	4.9 %	5.1 %

NUMBER OF EMPLOYEES



AF Gruppen 6,025

ORDER BACKLOG (NOK million)



CONSTRUCTION CONSISTS OF

- AF Bygg Oslo
- AF Byggfornyelse
- AF Nybygg (transferred to AF Bygg Oslo)
- AF Bygg Østfold
- Strøm Gundersen
- Strøm Gundersen Vestfold
- Haga & Berg
- AF Håndverk
- LAB Entreprenør
- Åsane Byggmesterforretning
- Fundamentering (FAS)
- Helgesen Tekniske Bygg (HTB)



AF provides contracting services for residential, public and commercial buildings. Our services range from planning to construction and renovation. AF cooperates closely with customers to find efficient and innovative solutions adapted to their needs. The business area encompasses the Norwegian entities except for Betonmast and is mainly located in Eastern Norway and the Bergen Region.

Construction reported revenues of NOK 2,631 million (2,007 million) for the 3rd quarter. This corresponds to a revenue growth of 31% compared with the same quarter last year. There was a wide variation in the earnings of the units, and high construction costs and energy prices have a negative impact on the profitability of the construction units. Overall, profitability was unsatisfactory, and earnings before tax were NOK 99 million (80 million). Year to date revenues totalled NOK 8,029 million (6,026 million) and earnings before tax were NOK 199 million (296 million).

AF Bygg Oslo, Strøm Gundersen Vestfold and Haga & Berg are distinguished by very good results in the third quarter.

Good operational performance and projects in the final phase contributed to profitability. AF Håndverk achieved good results.

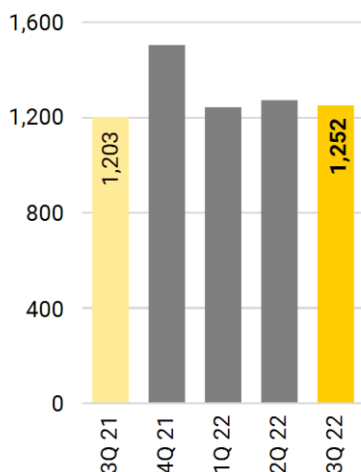
There is low profitability in AF Byggfornyelse, LAB, Fundamentering, AF Bygg Østfold, as well as in the portfolio of AF Nybygg this quarter.

Three new contracts were reported to the stock exchange in the third quarter. AF Bygg Østfold has been appointed as design and build contractor with interaction for phase one of a new treatment plant in Fredrikstad municipality for FREVAR KF. The interaction phase is ongoing, and phase two includes detailed design and execution with a combined contract value of approximately NOK 1,100 million excl. VAT. Strøm Gundersen Vestfold has signed a contract with Moods Eiendom for the construction of an apartment complex in Sandefjord with a value of NOK 133 million excl. VAT. AF Bygg Oslo has signed a contract with OBOS to build block 3 of the Storøykilen residential project at Fornebu in Bærum. The agreement is a turnkey contract valued at NOK 100 million excl. VAT starting in November with completion in the third quarter of 2024.

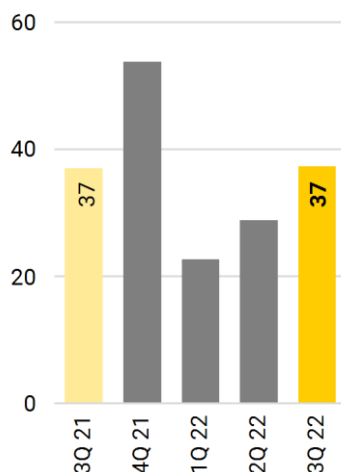
Construction's order backlog was NOK 11,844 million (14,594 million) as at 30 September 2022.

BETONMAST

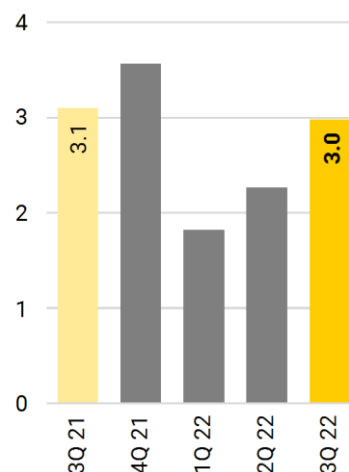
REVENUE (NOK million)*



OPERATING PROFIT (NOK million)*



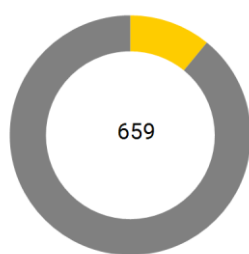
OPERATING MARGIN (%)*



KEY FIGURES*

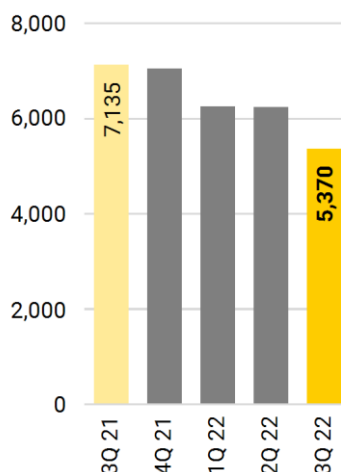
NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
Operating and other revenue	1,252	1,203	3,768	3,691	5,196
Earnings before financial items and tax (EBIT)	37	37	89	78	132
Earnings before tax (EBT)	41	33	91	63	111
Operating profit margin	3.0 %	3.1 %	2.4 %	2.1 %	2.5 %
Profit margin	3.3 %	2.7 %	2.4 %	1.7 %	2.1 %

NUMBER OF EMPLOYEES



AF Gruppen 6,025

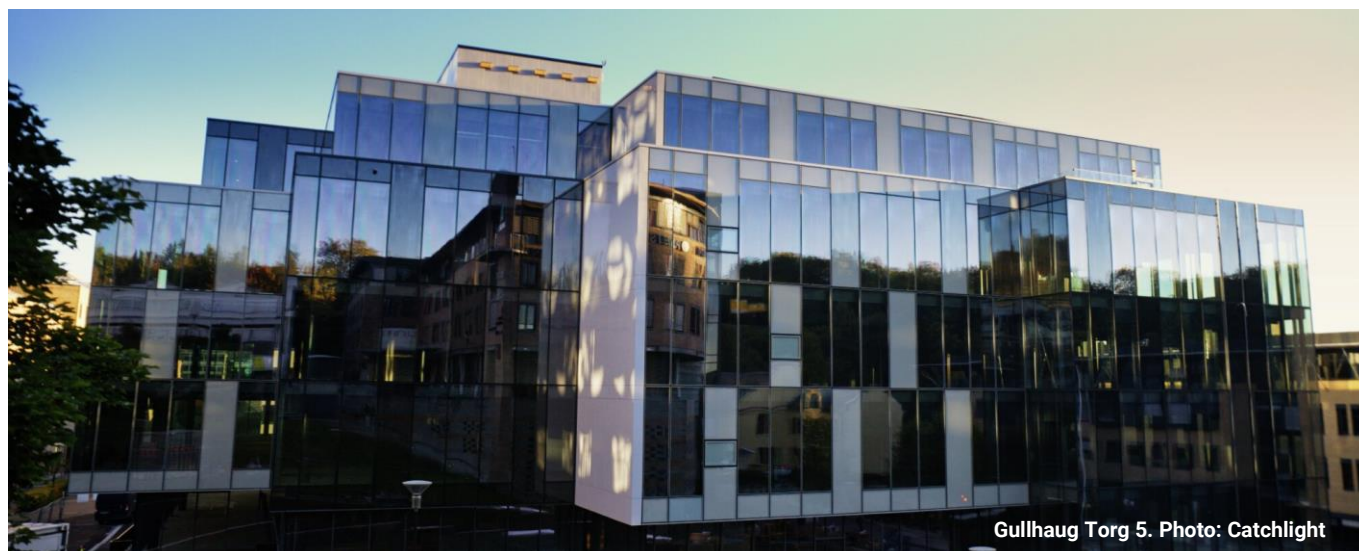
ORDER BACKLOG (NOK million)*



BETONMAST CONSISTS OF

- Betonmast Boligbygg
- Betonmast Oslo
- Betonmast Trøndelag
- Betonmast Romerike
- Betonmast Røsand
- Betonmast Østfold
- Betonmast Innlandet
- Betonmast Buskerud-Vestfold
- Betonmast Asker og Bærum
- Betonmast Eiendom

* Betonmast Sweden was transferred from the Betonmast business area to the Sweden business area in March 2022 with accounting effect from 1 January 2022. Comparative figures have been restated.



Betonmast is a construction contractor with operations in the largest markets in Norway. The project portfolio comprises everything from major residential projects to commercial and public buildings. Betonmast is a major player in construction for the public sector and has specialist expertise in project development and collaborative contracts. Betonmast also has a property portfolio in Norway.

Betonmast reported revenues of NOK 1,252 million (1,203 million) and a pre-tax profit of NOK 41 million (33 million) in the 3rd quarter. Year to date revenues totalled NOK 3,768

million (3,691 million) and earnings before tax were NOK 91 million (NOK 63 million). Since 2022, Betonmast Sweden has become part of the Swedish business area, and the comparison figures have been restated.

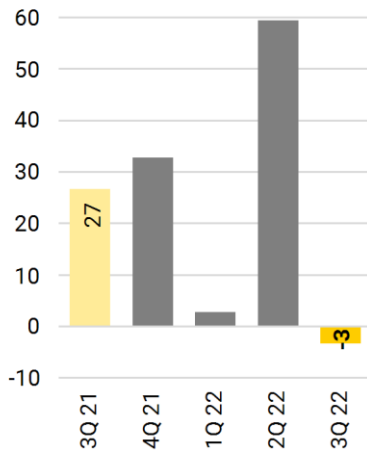
Overall, the profitability of Betonmast is unsatisfactory. Betonmast Romerike delivered a very good result in the quarter. The Betonmast Oslo, Trøndelag, Asker and Bærum and Østfold units delivered good results in the quarter. Betonmast Boligbygg and Betonmast Innlandet delivered weak results in the quarter.

Betonmast has a separate property portfolio with three property projects with a total of 337 units under production. For further information on the projects, see Note 7.

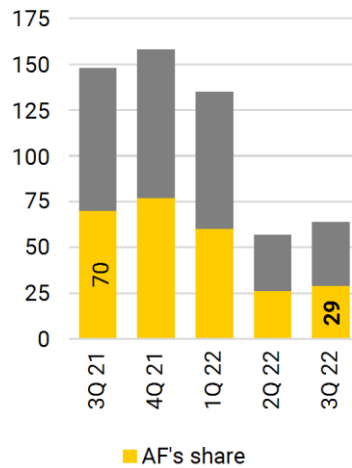
As at 30 September 2022, Betonmast's order backlog was NOK 5,370 million (7,135 million).

PROPERTY

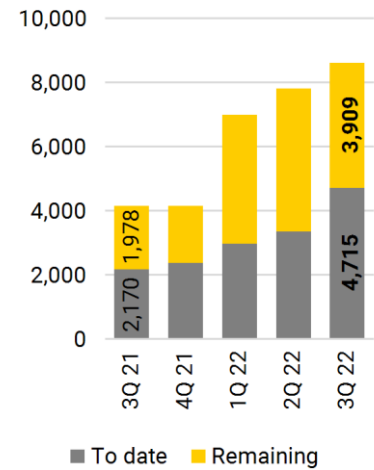
EARNINGS BEFORE TAX (NOK million)



ENTERED INTO SALES CONTRACTS (NUMBER)



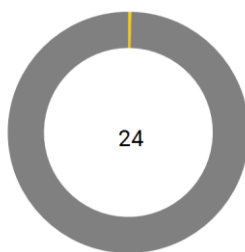
TURNOVER UNITS IN PRODUCTION (NOK million)



KEY FIGURES

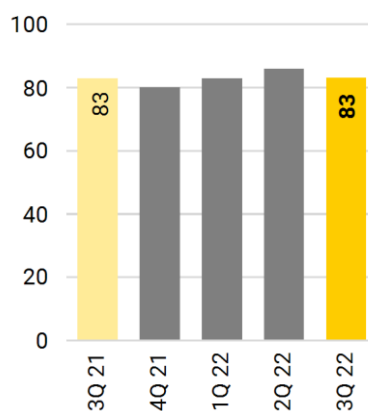
NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
Operating and other revenue	7	6	18	20	35
Earnings before financial items and tax (EBIT)	-5	27	54	43	75
Earnings before tax (EBT)	-3	27	59	43	76
Capital employed	548	836	548	836	703

NUMBER OF EMPLOYEES



AF Gruppen 6,025

SALES RATIO PROJECTS IN PROGRESS (%)



PROPERTY CONSISTS OF

- AF Eiendom
- LAB Eiendom



AF develops, designs and carries out residential and commercial projects in Norway, and activities take place in geographical areas where AF has its own production capacity. AF works closely with other players in the industry, and the development projects are mainly organised as associated companies and joint ventures.

Property delivered earnings before tax of NOK -3 million (27 million) in the 3rd quarter. Year to date earnings before tax were NOK 59 million (NOK 43 million). Property consists of two operating units, AF Eiendom and LAB Eiendom, to ensure increased local presence in Greater Oslo and the Bergen region respectively.

Reduced demand and a shift in sentiment after the summer contributed to low sales in the quarter. AF Eiendom's project Rolvsrud Arena was the project that sold the most units. Sales contracts were signed for a total of 89 (158) residential units in the quarter, of which AF's share is 34 (77). So far this year, sales contracts have been signed for 210 (428) residential units, of which AF's share is 88 (202).

In the third quarter, 125 (91) homes were handed over at Lilleby Triangel, an AF Eiendom project in Trondheim.

There were seven residential property projects in the production stage at the end of the quarter. A total of 793 units are in production, of which AF's share is 369.

AF Eiendom:

- Brøter Terrasse in Lillestrøm (78 units in production, of which 72 sales contracts have been signed)
- Fyrstikkbakken in Oslo (159 units in production, of which 133 sales contracts have been signed)
- Skårersletta MIDT in Lørenskog (169 units in production, of which 122 sales contracts have been signed)
- Bekkestua Have in Bærum (232 units in production, of which 223 sales contracts have been signed)
- Rolvsrud Arena in Lørenskog (95 units in production, of which 68 sales contracts have been signed)

LAB Eiendom:

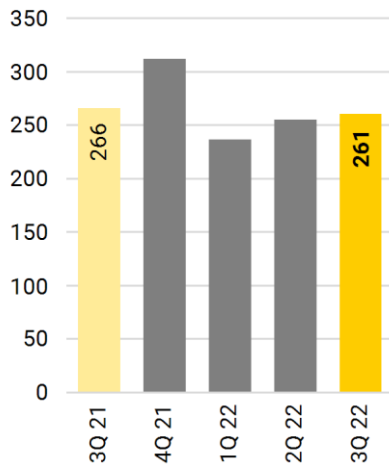
- Kråkehaugen in Bergen (55 units in production, of which 51 sales contracts have been signed)
- Skiparviklia 3D in Bergen (4 units in production, of which 2 sales contracts have been signed)
- Baneveien 16 in Bergen (1 unit in production, unsold)

This gives a sales ratio of 83% for commenced projects. Property also has 145 units for sale in projects in the sales phase: Rolvsrud Arena (69 units) and Skårersletta MIDT (76 units) in AF Eiendom. There was 1 (1) completed unsold unit at the end of the quarter, of which AF's share was 0 (0). For more information on projects for own account, see Note 7.

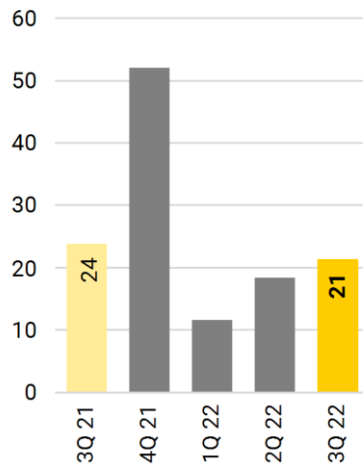
AF also has a significant development portfolio in Norway which is estimated at 1,522 (2,085) units. AF's share of this was 760 (1 060) residential units. AF has an ownership stake in commercial property under construction with a total RFA of 62,342 (54,737) square metres, of which AF's share is an RFA of 30,949 (27,175) square metres.

ENERGY AND ENVIRONMENT

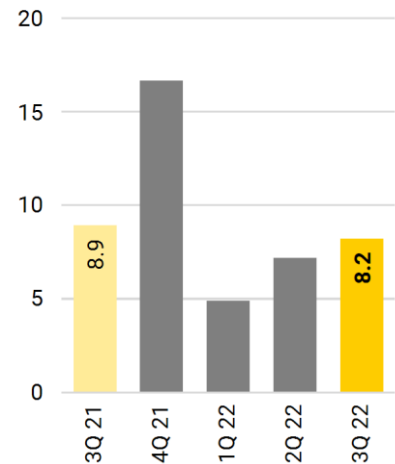
REVENUE (NOK million)



OPERATING PROFIT (NOK million)



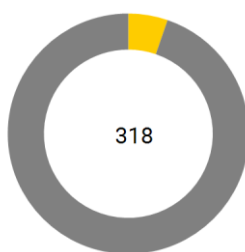
OPERATING MARGIN (%)



KEY FIGURES

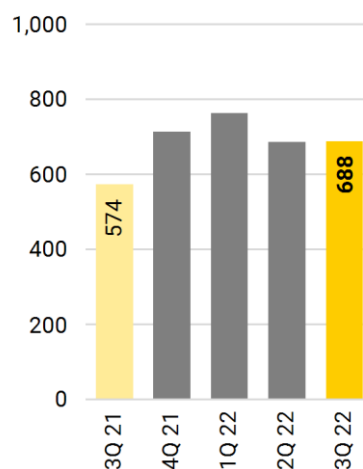
NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
Operating and other revenue	261	266	753	839	1,152
Earnings before financial items and tax (EBIT)	21	24	51	57	109
Earnings before tax (EBT)	21	23	50	54	107
Operating profit margin	8.2 %	8.9 %	6.8 %	6.8 %	9.4 %
Profit margin	7.9 %	8.8 %	6.7 %	6.4 %	9.3 %

NUMBER OF EMPLOYEES



AF Gruppen 6,025

ORDER BACKLOG (NOK million)



ENERGY AND ENVIRONMENT CONSIST OF

- AF Energi
Enaktiva
AF Energija Baltic
- AF Decom
Rimol Miljøpark
Nes Miljøpark
Jølsen Miljøpark



Ulven Energy Hub. Photo: AF Gruppen

AF offers energy-efficient solutions for buildings and industry and is a leading player in environmental clean-up, demolition and recycling. Contaminated materials are sorted, decontaminated and recycled at AF's environmental centres Rimol, Jølsen and Nes and over 80 per cent of material is reused.

Energy and Environment delivered a very good result in the third quarter. Revenues for the 3rd quarter were NOK 261 million (266 million). Earnings before tax were NOK 21 million (23 million). Year to date revenues totalled NOK 753 million (839 million) and earnings before tax were NOK 50 million (54 million).

AF Decom's level of activity remains somewhat low, but the unit delivered very good profitability in the third quarter. AF's demolition operations demolish and sort different materials for recycling. AF Decom demolished and facilitated the recycling of approximately 2,571 (1,938) tonnes of metal in the third quarter, and 15,688 (7,946) tonnes of metal so far this year. The steel industry accounts for about 7% of the world's total CO₂ emissions. Reusing steel results in 70 per cent lower CO₂ emissions than ore-based production. This corresponds to a reduction in

emissions of 1 kg CO₂ for each kilo of steel recycled. This means that AF Decom's demolition operations have contributed to reduce alternative CO₂ emissions by 15,688 tonnes so far in 2022.

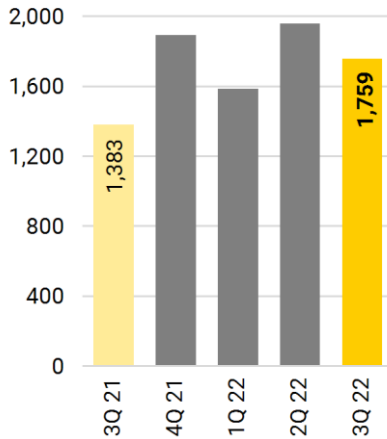
The foundation for our environmental activities is that to a large extent waste can be reused, and thus be a valuable resource in a growing circular economy. AF's environmental parks receive contaminated material and are working to reuse as much as possible instead of it going to landfill. The profitability of the environmental centres was very good during the quarter. AF's environmental centres have recycled a total of 98,559 (122,694) tonnes of material in the third quarter, and a total of 245,605 (264,290) tonnes of material so far this year. The recycling rate for contaminated material in the third quarter was 80,9%, which is slightly above the target of 80%.

AF Energi reported very good results in the 3rd quarter with increased demand and good market prospects. AF Energi's business includes designing and supplying energy plants for the delivery of alternative forms of energy to residential and commercial projects, which are favourable in a long-term ownership perspective.

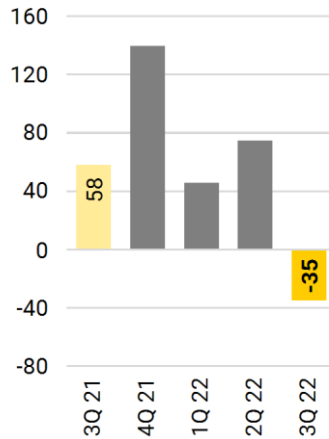
The order backlog for Energy and Environment stood at NOK 688 million (574 million) as at 30 September 2022.

SWEDEN

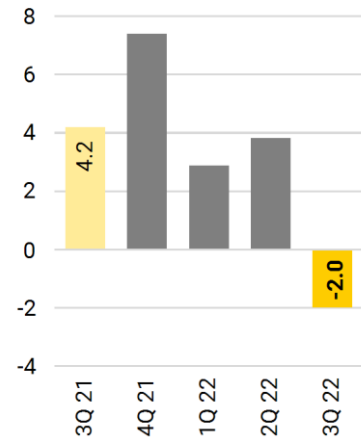
REVENUE (NOK million)*



OPERATING PROFIT (NOK million)*



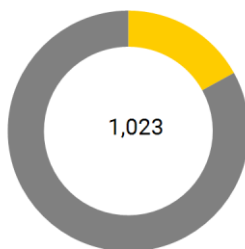
OPERATING MARGIN (%)*



KEY FIGURES*

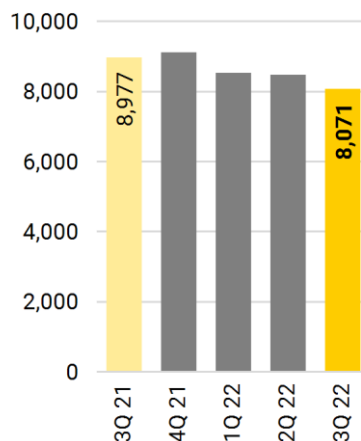
NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
Operating and other revenue	1,759	1,383	5,303	4,407	6,300
Earnings before financial items and tax (EBIT)	-35	58	86	162	302
Earnings before tax (EBT)	-36	57	82	157	295
Operating profit margin	-2.0 %	4.2 %	1.6 %	3.7 %	4.8 %
Profit margin	-2.0 %	4.1 %	1.6 %	3.6 %	4.7 %

NUMBER OF EMPLOYEES



AF Gruppen 6,025

ORDER BACKLOG (NOK million)*



SWEDEN CONSISTS OF

- Kanonaden
- AF Prefab i Mälardalen
- AF Bygg Syd
- AF Projektutveckling
- AF Härnösand Byggreturer
- HMB
- AF Bygg Väst, prev. Betonmast Göteborg
- AF Bygg Öst, prev. Betonmast Mälardalen
- AF Öresund, prev. Betonmast Malmö
- AF Bygg Stockholm, prev. Betonmast Stockholm
- AF Anläggning Väst, prev. Betonmast Anläggning

* Betonmast Sweden was transferred from the Betonmast business area to the Sweden business area in March 2022 with accounting effect from 1 January 2022. Comparative figures have been restated. The companies that were previously part of Betonmast Sweden changed their name to AF in October 2022.



Stuveriet, Göteborg. Photo: AF Gruppen

The Sweden business area comprises AF's Swedish operations in civil engineering, construction, property and demolition. The geographic area of operation encompasses Gothenburg and Southern Sweden, as well as Stockholm and Mälardalen.

Sweden delivered a negative overall result in the quarter affected by adjustments to project estimates in the former Betonmast Sweden.

Sweden reported revenues of NOK 1,759 million (1,383 million) for the 3rd quarter. Earnings before tax were NOK -36 million (57 million). Year to date revenues totalled NOK 5,303 million (4,407 million) and earnings before tax were NOK 82 million (157 million).

Kanonaden and AF Härnösand Byggreturer continue to deliver very good results in the quarter. HMB performed well and delivered good results for the quarter.

A review of the project portfolio of the former Betonmast Sweden was carried out during the quarter. The review has

resulted in major downward adjustments to the profit expectations for certain projects. The adjustments are mainly related to increased costs, both as a result of increased material prices and own performance. Customers are expected to cover some of the increased energy and material costs, but the amount of compensation is uncertain.

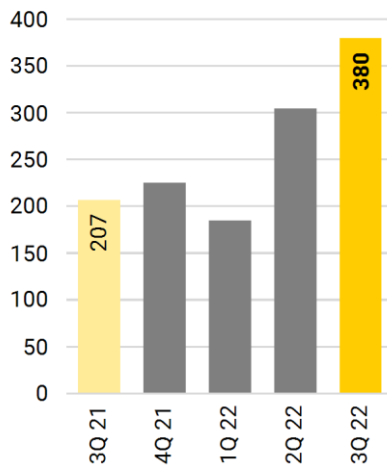
During the quarter, organisational changes were made in the former Betonmast Sweden. The companies that were previously part of Betonmast Sweden changed their name to AF in October 2022.

AF Projektutveckling, AF's property business in Sweden, has one residential project with a total of 83 units under production. For further information on the residential projects, see Note 7. The unit has a building site inventory (residential units under development) that is estimated at 990 residential units. AF's share of this is 495 residential units.

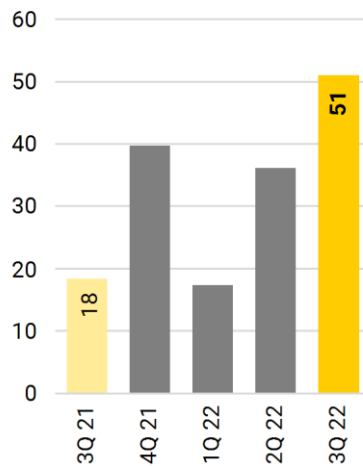
The order backlog for Sweden stood at NOK 8,071 million (8,977 million) as at 30 September 2022.

OFFSHORE

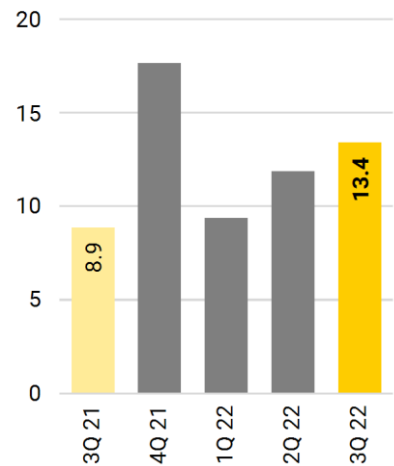
REVENUE (NOK million)



OPERATING PROFIT (NOK million)



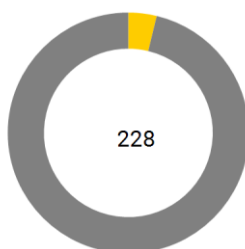
OPERATING MARGIN (%)



KEY FIGURES

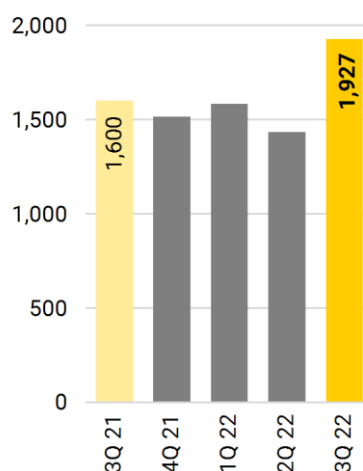
NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
Operating and other revenue	380	207	870	623	848
Earnings before financial items and tax (EBIT)	51	18	105	43	83
Earnings before tax (EBT)	46	19	102	41	78
Operating profit margin	13.4 %	8.9 %	12.0 %	7.0 %	9.8 %
Profit margin	12.2 %	9.0 %	11.7 %	6.5 %	9.2 %

NUMBER OF EMPLOYEES



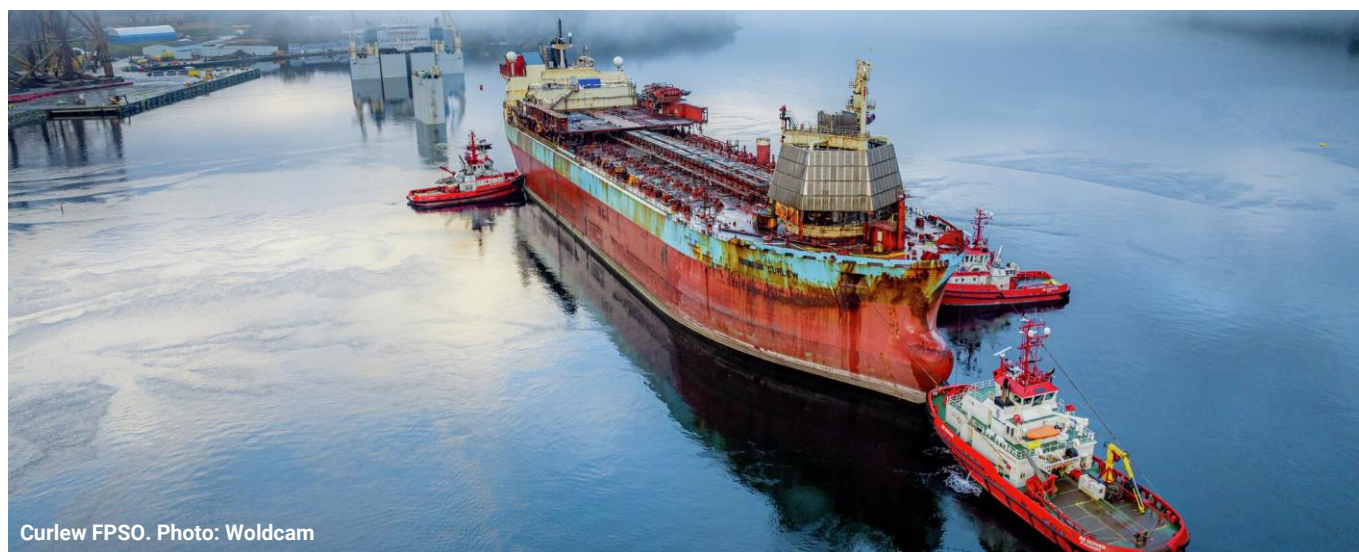
AF Gruppen 6,025

ORDER BACKLOG (NOK million)



OFFSHORE CONSISTS OF

- AF Offshore Decom
- AF AeronMollier



Curlew FPSO. Photo: Woldcam

AF has varied activities aimed at the maritime business and the oil and gas sector. Our services range from new construction and modification of climate control systems (HVAC) for the offshore and marine markets, to the removal and recycling of offshore installations. AF has a state-of-the art facility for environmental clean-up at Vats.

Offshore had revenue growth of 84% compared to the 3rd quarter last year, and very good profitability also this quarter. Revenues in the 3rd quarter were NOK 380 million (207 million). Earnings before tax were NOK 46 million (19 million). Revenues totalled NOK 870 million (623 million) and earnings before tax were NOK 102 million (41 million) year to date.

AF Offshore Decom had a high level of activity during the quarter and very good profitability. There has been a high production with good performance at Environmental Base Vats and successful execution of the offshore campaign in the quarter.

AF Offshore Decom demolishes and facilitates the recycling of offshore installations. AF Offshore Decom sorted 92% of the structures for recycling in the third quarter, where metal is the main component. AF Offshore Decom demolished and facilitated the recycling of approximately 6,131 (14,960) tonnes of steel in the third quarter, and 34,445 (32,029) tonnes of steel so far this year, corresponding to a reduction of alternative CO₂ emissions of 34,445 tonnes compared to ore-based production.

One contract was reported to the stock exchange in the third quarter. AF Offshore Decom was awarded a major removal and recycling assignment for TotalEnergies EP Netherlands, including the engineering, preparation, removal and decommissioning (EPRD) of 10 platforms with a total weight of 17 000 tonnes. The market outlook is good, and AF Offshore Decom still has a high outstanding tender volume.

AF AeronMollier delivered revenue growth, but results remain below expectations for the third quarter.

The order backlog for Offshore was NOK 1,927 million (1,600 million) as at 30 September 2022.



New Drammen Sykehus. Photo: AF Gruppen

SHARE PRICE PERFORMANCE DURING THE LAST 12 MONTHS



FINANCIAL INFORMATION

AF Gruppen shall have robust financing with respect to operational and market-related fluctuations. The Group's required return on invested capital is 20%, and its financial position shall underpin the growth strategy and provide an adequate dividend capacity.

In the 3rd quarter, net operating cash flow was NOK 272 million (380 million) and net cash flow from investments was NOK -25 million (118 million). Cash flow before capital transactions and financing was NOK 247 million (498 million) for the 3rd quarter. Year to date cash flow from operating activities was NOK 1,498 million (1,114 million), and cash flow from net investments NOK 144 million (-18 million). Cash flow before financing activities was NOK 1,642 million (1,096 million) year to date.

At the end of the 3rd quarter, AF Gruppen had cash and cash equivalents of NOK 1,036 million (593 million). Net interest-bearing receivables (debt) as at 30 September 2022 was NOK 254 million (-26 million).

AF Gruppen's total financing facilities are NOK 3,000 million. The financing include a multi-currency overdraft facility (revolving 1-year term) of NOK 2,000 million with DNB and a revolving long-term credit facility of NOK 1,000 million with Handelsbanken, available until 2024. Available liquidity at 30 September 2022, including overdraft facilities with Handelsbanken and DNB, is NOK 3,939 million.

Total assets were NOK 14,695 million (13,137 million) as at 30 September 2022. The Group's equity totalled NOK 3,286 million (3,378 million) as at 30 September 2022. This corresponds to an equity ratio of 22.4% (25.7%).

THE SHARE

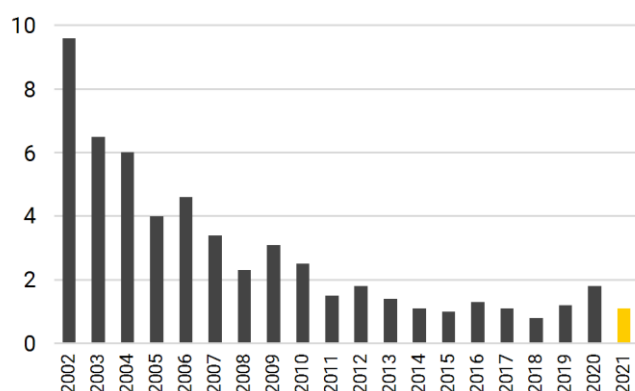
AF Gruppen's shares are listed on the Oslo Børs OB Match List and trade under the ticker AFG. The share is included in the Oslo Børs All Share Index (OSEAX), Benchmark Index (OSEBX) and Mutual Fund Index (OSEFX) and the Industrials Index (OINP).

As of 30 September 2022, the AF share had a closed at NOK 138.40. This corresponds to a negative return of 25.2% year

LIST OF SHAREHOLDERS AS AT 30 SEPTEMBER 2022

Name	No. Shares	% share
ØMF Holding AS	17,822,233	16.7
OBOS BBL	17,459,483	16.3
Constructio AS	15,288,012	14.3
Folketrygdfondet	8,383,693	7.8
LJM AS	2,515,217	2.4
Artel Kapital AS	2,508,267	2.3
VITO Kongsvinger AS	1,911,676	1.8
Arne Skogheim AS	1,753,870	1.6
Janiko AS	1,350,186	1.3
Moger Invest AS	1,242,609	1.2
Ten largest shareholders	70,235,246	65.6
Total other shareholders	36,466,754	34.1
Own shares	305,626	0.3
Total number of shares	107,007,626	100.0

LTI-1 RATE DEVELOPMENT



to date. The Oslo Børs Benchmark Index showed a negative return of 8.2% for the same period.

In October, a total of 920 employees subscribed for a total of 1,000,000 shares in AF Gruppen's share programme. The shares were subscribed for at a price of NOK 121.80 per share, which corresponds to a discount of 20% in relation to the average market price during the subscription period. The Board of Directors, based on authorisation by the General Meeting, resolved to sell 305,626 treasury shares and issue 694,374 new shares. This was carried out on 13 October 2022. Once the sale has been completed, the company will not own any own shares.

The number of shares in AF Gruppen is 107,702,000, which corresponds to share capital of NOK 5,385,100.

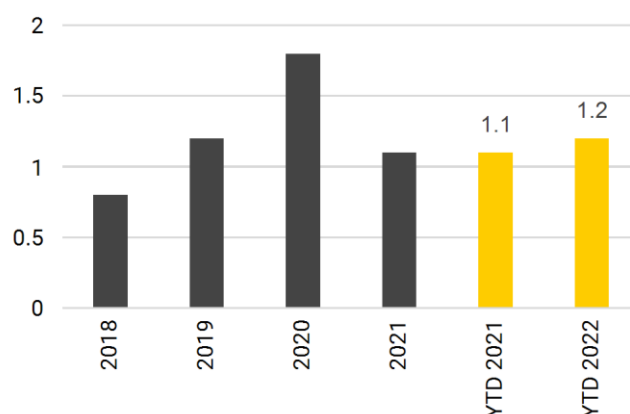
The company's Board of Directors has been granted authority by the General Meeting to determine the dividend to be distributed in the second half of the year. The Board of Directors has proposed a dividend of NOK 4.00 (4.00) per share for the second half of the year. The AF share will be listed ex-dividend on 15 November with payment to the shareholders on 23 November.

SAFETY AND HEALTH

Health, safety and environment (HSE) has high priority in AF Gruppen and is an integral part of the management at all levels. AF has a structured and uniform HSE system that encompasses all projects. The working environment should be safe for everyone, including those who are employed by our subcontractors. AF's subcontractors are therefore included in the injury statistics.

The LTI (lost-time injury) rate is an important measurement parameter for safety work at AF. The LTI-1 rate is defined as the number of serious personal injuries and absence injuries per million man-hours. A total of 5 (4) injuries resulting in absence were registered in the 3rd quarter. This

LTI-1 RATE



gives an LTI-1 rate of 0.9 (0.8) for the 3rd quarter. Year to date the LTI-1 rate is 1.2 (1.1).

Systematic and long-term work is being carried out to reduce the LTI-1 rate. Significant resources are being invested to further improve our HSE efforts in order to be able to achieve our goal of an LTI-1 rate of zero. Key to this work is AF's fundamental understanding and acceptance that all injuries have a cause and can therefore be avoided. Identifying risk and risk analysis are key parts of our preventive activities. Based on a given risk scenario, physical and organisational barriers are established to reduce the risk of personal injury.

Learning from own mistakes is of critical importance. AF has systematised this through reporting and follow up of undesired incidents, as well as investigating the most serious incidents. The number of reports has increased steadily in recent years, and we see a clear correlation between the increased reporting of undesired incidents and the decrease in injuries.

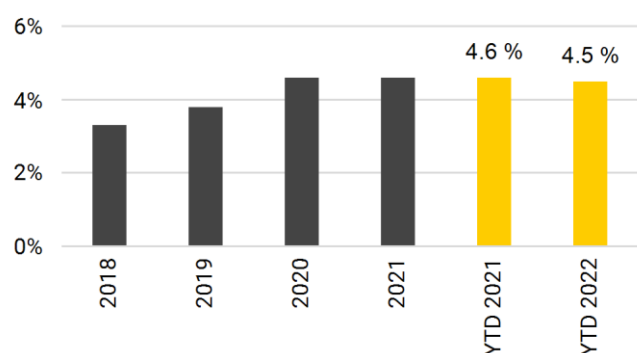
The registration of sick leave forms the basis for the measurement of health work at AF. In the 3rd quarter, sick leave rate was 4.0% (4.2%), and 4.5% (4.6%) year to date. Our target is a healthy sick leave level, without absence due to occupational illnesses or injuries. Systematic efforts are being made, which consist of ongoing risk analysis of exposure that is harmful to health, the establishment of physical and organisational barriers, and close follow-up of employees on sick leave.

AF strives to avoid environmental damage and minimise undesirable effects on the environment. Environmental work is an integral part of HSE work, and the main tools used are therefore the same that are used otherwise in connection with HSE work.

CLIMATE AND ENVIRONMENT

As part of the strategy for 2021-2024, AF has set a goal of halving relative greenhouse gas emissions and waste

SICK LEAVE DEVELOPMENT



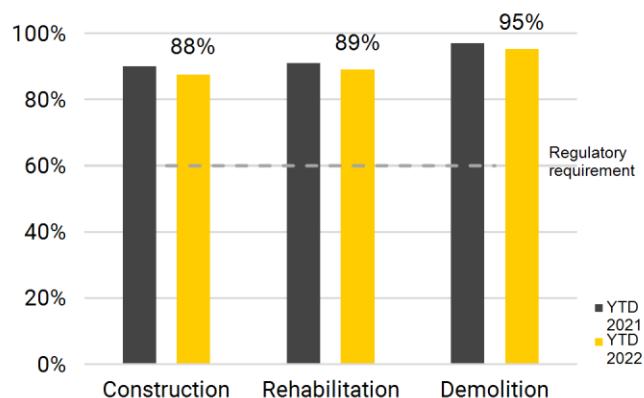
volumes that cannot be reused or recycled by 2030. The most important factor in reducing our own climate footprint is logistics planning to, among other things, reduce the transport of masses. In addition, the use of electric machinery, a modern machinery and car fleet and sorting of waste will help to further reduce our own greenhouse gas emissions.

The source separation rate indicates how much of the waste from AF's operations is separated for the purpose of facilitating recycling. The government requirement for source separation is 60%. In the 3rd quarter, the source separation rate for construction was 86% (90%), for renovation it was 91% (95%) and for demolition it was 97% (96%). Year to date the recycling result for building was 88% (90%), the result for renovation was 89% (91%) and the result for demolition was 95% (97%). These results are considered to be very good. A total of 70,056 tonnes (64,032 tonnes) of waste were separated at source in the 3rd quarter and a total of 213,963 tonnes (240,243 tonnes) of waste were separated at source year to date.

AF wants to use the expertise we have to create further indirect savings on greenhouse gas emissions. AF's environmental centres are examples of services where materials that previously would have ended up in landfill sites now can be recovered and have their useful life extended. The environmental centres have recycled a total of 245,605 tonnes (264,290 tonnes) of materials year to date.

The Offshore and Energy and Environment business areas are based on services that solve environmental challenges in the area of demolition and recycling. All our demolition activities, both onshore and offshore, are based on a circular economy, where over 95% of all material from demolition is sorted for recycling. Metals, especially steel, are one of the main components of that which is recycled. The steel industry accounts for about 7% of the world's total CO₂ emissions. Reusing steel results in 70% lower CO₂ emissions than ore-based production. This corresponds to

SOURCE SEPARATION RATE



a reduction in emissions of 1 kg CO₂ for each kilo of steel recycled. AF Offshore Decom and AF Decom demolished and facilitated the recycling of 8,702 tonnes (16,898 tonnes) of metal in the 3rd quarter and 50,133 tonnes (39,975 tonnes) of metal year to date. In total, this represents a reduction of alternative CO₂ emissions by around 50,133 tonnes (39,975 tonnes) year to date.

Each year, AF reports climate accounts based on the Greenhouse Gas Protocol (GHG), where our own direct and indirect emissions (scope 1 and 2), as well as other selected indirect emissions (scope 3) are measured in tonnes of CO₂ equivalents. The other selected indirect emissions included in the climate accounts are emissions from waste generated, business travel and commuting. Waste from demolition operations is not included in the emission figures in scope 3. From 2022, greenhouse gas emissions are also measured quarterly. As of 31 December 2021, the Group's carbon footprint was 1.6 and year to date 2022 it was 1.2. AF has set a target of halving greenhouse gas emissions for each service type relative to revenue by 2030. In AF's climate accounts, the use of diesel in construction equipment is the largest direct source of emissions.

Climate accounts (tonnes CO ₂ e ¹)	YTD 3Q 22	2021
Scope 1: Direct emissions	20,880	35,412
Scope 2: Indirect emissions, energy	900	1,270
Greenhouse gas emissions (tonnes CO₂e)	21,780	36,682
Carbon footprint ² own emissions	1.0	1.3
Scope 3: Other indirect emissions	4,651	8,888
Greenhouse gas emissions (tonnes CO₂e)	26,431	45,570
Carbon footprint ²	1.2	1.6

¹⁾ Greenhouse gas emissions with global warming potential equivalent to CO₂

²⁾ Tonnes CO₂e emissions per NOK million in revenue

ORGANISATION

Changes to corporate management were made during the quarter. From 1 September, Anny Øen took over the position as CFO and Lars Myhre Hjelmeset took over the position as Executive Vice President of Offshore.

AF Gruppen is working continuously to build a uniform corporate culture. Motivated employees and a solid organisation are an important foundation for creating value. It is prioritized in AF to develop organisations with a good composition of technical expertise and management at all levels. The resources are organised close to production, with project teams where the managers have a high degree of influence.

AF aims to be a company to which talented individuals apply, whether they are women or men. A long-term goal is to increase the total proportion of women to 20% and the proportion amongst officials to 40%. This is an ambitious goal. In the 3rd quarter the share of women is 9.2 % (9.9 %) in total and 18.9 % (19.2 %) amongst officials.

In AF, everyone is of equal value, and the company shall have an inclusive and safe working environment with zero tolerance for discrimination and a culture where violations have consequences. AF has been working on the diversity project "The best people" since 2018, and as part of the project, the campaign "Of equal value" has been launched. The campaign has been very well received in all projects in both our Swedish and Norwegian business units. AF's work on diversity, including through the Diversitas network and #HunSpanderer, has contributed to an increased focus on and change of attitudes related to unconscious discrimination.

AF maintains a high focus on innovation and digitalisation within all our business areas. We are working in a structured manner on how new technology can contribute to increased productivity and minimise risk in our projects, a safer working environment for our employees, and not to mention create greater value for our customers. In addition, we are continuously seeking new business models on the border of or outside of our current core areas. AF Gruppen has its own corporate function for innovation and digitalisation, in addition to a joint venture fund with OBOS for venture capital investments in the building and construction industry (Construct Venture).

AF invests a lot of time and resources in development of employees through the AF Academy. More than 80% of the current managers have been recruited internally. Our employees are good ambassadors in the recruitment of new colleagues.

At the end of the 3rd quarter AF Gruppen had a total of 6,025 (5,576) employees. Of these employees 4,920 (4,494) were employed in Norway, 1,072 (1,059) in Sweden, 19 (10) in Lithuania and 14 (13) in Germany.

RISK AND RISK MANAGEMENT

AF Gruppen is exposed to risk of both non-financial and financial nature. Risk reflects uncertainty or variations in the result. Non-financial risk encompasses business risk, reputational risk, and operational risk. Business risk arises as a result of external circumstances. These circumstances may, for example, be related to how competitors act, climate changes, regulatory changes or other political risk. The importance of business risk has been highlighted by the effect of Covid-19 pandemic and Russia's invasion of Ukraine. Reputational risk is the risk of loss of reputation. AF's credibility is based on trust and we have an uncompromising attitude towards ethics and a strong corporate culture with zero tolerance for, among other things, corruption and bribery. Our employees represent AF Gruppen in all business context, and it is essential that they identify with and follow AF's Code of Conduct. Suppliers and subcontractors are also obliged to follow the Code of Conduct through AF's supplier declaration. Operational risk is the risk of losses due to deficiencies or errors in processes and systems, human errors or external events. AF Gruppen wants to undertake operational risk that the business units can influence and control. AF has developed risk management processes that are well adapted to our operations. Standardised, action-oriented risk management processes ensure comprehensive and coherent risk management in all parts of the organisation. AF seeks to limit exposure to risk that cannot be influenced. A risk review is conducted for all projects before a tender is even submitted. Analysis of risk during the tendering phase enables the correct pricing and management of risk in the project. The same project organisations conduct detailed risk reviews every quarter. The Corporate Management Team participates in risk reviews of all projects with a contract value in excess of NOK 100 million. In addition, 38 quarterly reviews in the business units were completed during the 3rd quarter, where the Corporate Management Team also participated.

Financial risk encompasses market risk, credit risk and liquidity risk. Market risk includes commodity price risk, foreign exchange risk and interest rate risk. AF is

exposed to foreign exchange risk, including indirectly via suppliers who purchase from abroad, as well as the purchase and leasing of machinery manufactured abroad. As a major demolition and recycling operator, AF Gruppen is also exposed to fluctuations in steel prices. AF aims to have low exposure to risks that cannot be influenced, and use hedging instruments to mitigate the risk associated with foreign exchange rates and steel prices. AF has credit risk in relation to customers, suppliers and partners. In addition to the parent company and bank guarantees, the use of credit rating tools contributes to reducing risk. The liquidity risk is considered low. AF Gruppen's available liquidity, including credit facilities of NOK 3,000 million, stood at NOK 3,939 million as at 30 September 2022.

MARKET OUTLOOK

Uncertainty in the world has increased, influenced by the geopolitical unrest of the hostilities in Ukraine and the energy crisis in Europe. Prolonged high inflation, high material costs, energy prices and further interest rate hikes will affect our markets. Uncertainty related to the commencement of new projects has increased in the short and medium term. During the third quarter, prices for concrete and concrete elements increased, while prices for commodities such as steel and wood was reduced from high levels.

The civil engineering market in Norway is less sensitive to cyclical fluctuations, as public sector demand is the strongest driver behind investments in civil engineering. In the proposed national budget for 2023, the government proposes to allocate NOK 82.8 billion to transport. This is a reduction of 2.2% compared to the national budget from October 2021. Prognosesenteret updated its forecast in September and expects annual growth in civil engineering investments in 2022 and 2023 of 9% and 8% respectively. Growth is primarily expected to come from road projects. Prognosesenteret expects NOK 91.8 billion of civil engineering investments in 2022, of which 38% of investments will come from road construction. The forecasts for the civil engineering market indicate a good basis for further growth for AF's civil engineering activities.

Statistics from Eiendom Norge show a negative price development in the housing market for September and October, where residential prices have fallen by 2.2% in September and 1.9% in October. Nationwide, prices have risen by 4.7% so far this year. At the interest rate meetings

in September and November 2022, Norges Bank decided to raise the policy rate by a total of 0.75 percentage points to 2.5%, and maintain the inflation target of 2%. Norges Bank's current forecast indicates that the interest rate will increase to around 3% during the winter.

We expect a tighter construction market in the period ahead. Prognosesenteret expects the country-wide production value for the construction market to fall by 1.3% in 2022, and a further reduction of 4.2% in 2023. There is considerable uncertainty in the estimates. For the whole country, residential buildings are expected to drive the reduction in 2023, while the market for rehabilitation, renovation and extensions (ROT) is expected to grow. Start permits for 29,841 new residential units were registered in 2021. For 2022 and 2023, Prognosesenteret estimates that the number of start permits will be for 27,000 and 25,000 homes respectively. For Oslo, start permits were expected to amount to 1,400 residential units in 2022 and 1,800 in 2023, which is a downward adjustment of 50% and 40% respectively since the previous report from March 2022. High construction costs and interest rates may lead to further postponements and fewer housing starts.

The general increase in prices for materials, energy and other goods is a significant element of uncertainty for our company going forward. According to Statistics Norway's construction cost index for "Housing in total", prices increased by 5.2% in September compared to the same period last year, of which labour costs have increased by 3.1% and materials by 7.5%. The price of concrete and concrete elements has increased by 4% since the previous quarter, and a significant increase in the price of cement has been announced from January 2023. The price level for reinforcing steel, structural steel and wood products is somewhat lower than in the previous quarter, but still significantly higher than before the Covid-19 pandemic. Price developments particularly affect units with projects that have entered into fixed-price contracts, while units with contracts with wage and price increase mechanisms are less affected.

The Government's state budget proposal for 2023 contains several aspects that may affect our operations in Norway, both in terms of the level of activity and our direct costs. Lower predictability with regards to public investments might have a negative impact, and signals of reduced public construction activity, road and rail grants may reduce our level of activity. As a company with a high level of skilled workers, we are also affected by the proposal to increase

employer contribution on annual salaries that surpass NOK 750,000.

The Norwegian authorities have set ambitious targets for reducing energy use up to 2030, and high electricity prices make investments in energy-efficient measures very attractive. According to the Norwegian Building Industry Association, the potential for energy efficiency is 10TWh throughout Norway, which will provide good market opportunities for AF's energy business.

The Energy and Environment business area encompasses AF's energy services related to land-based operations, as well as services related to demolition and recycling onshore in Norway. The activities of the business area are closely related to the construction market, where the level of new building starts will affect the market for demolition and recycling services. Demand for energy and other environmentally related services is growing. Cleaned material from AF's environmental centres is finding an increasing number of areas of application, such as an additive to spray concrete and as gritting sand during the winter season.

AF's offshore climate control business (HVAC) as well as maintenance and modifications, also has a better market outlook. Electrification of the marine sector and installations on the Norwegian shelf provides new market opportunities. The carbon tax is NOK 766 per tonne in 2022, and the "Climate Plan for 2021-2030" white paper has signalled that it will be increased to NOK 2,000/tonne in 2030. This can help accelerate the rate of electrification.

Offshore services for the removal and recycling of decommissioned oil platforms solve a significant societal challenge. The aim is to recycle as much of the materials from the decommissioned offshore platforms as possible. The recycling of steel from decommissioned oil platforms is a significant contribution to reducing greenhouse gas emissions compared with ordinary steel production.

The run-down of petroleum activities on a global basis, with approximately 10 000 platforms in operation, provides great potential for AF Gruppen's decommissioning operations. According to the British industry organisation Oil & Gas UK, there is an expectation that more than 1,000,000 tonnes of topside will have to be removed in the North Sea during the period from 2020 to 2029. This applies to the British, Norwegian, Danish and Dutch sectors. The market for the removal of offshore installations has been

characterised by delays and strong competition, but the current decommissioning rate of platforms means that it will take operators approximately 100 years to recycle today's installations. An increase in pace will lead to increased demand for this type of service.

The growth of offshore wind expansion will create pressure on available port facilities and the availability of crane vessels for installation. This may lead to increased prices for offshore decommissioning operations. Increased investment in offshore wind can also provide new market opportunities for AF's business.

Byggföretagen estimates that construction investments in Sweden (excluding civil engineering investments) amounted to SEK 482 billion in 2021 and that investments will remain at a high level in 2022, but expects a decline in 2023 to SEK 429 billion. There is still uncertainty regarding Swedish cement production. Approximately 75% of the cement used in Sweden is produced on Gotland. In November 2021, Cementa AB received a temporary permit to continue with lime extraction through 2022, and in December the new decision will be published. According to Byggföretagen, a halt in production will have major consequences, including construction stoppages, unemployment and loss of investment.

The Swedish housing market also had a price decline in the third quarter. At the end of September, Svensk Mäklarstatistik reported a 7% price decline from the previous quarter for apartments and 5% for detached houses. The decrease in prices compared to the same quarter in 2021 was 6% for apartments and 3% for detached houses. In September, the Swedish central bank decided to raise the key rate from 0.75% to 1.75%, as a result of high inflation. The Swedish central bank's forecast is now that the interest rate will be increased further and will be close to 2.5% at the beginning of next year.

Oslo, 10 November 2022

Board of Directors of AF Gruppen ASA

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Financial information



CONDENSED CONSOLIDATED STATEMENT OF INCOME

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
Operating and other revenue	7,537	6,358	22,638	19,756	27,868
Subcontractors	-3,841	-3,242	-11,812	-10,213	-14,633
Cost of materials	-1,452	-1,089	-4,284	-3,474	-4,440
Payroll costs	-1,344	-1,218	-3,939	-3,683	-5,142
Operating expenses ex. depreciation and impairment	-517	-340	-1,445	-1,086	-1,677
Net gains (losses) and profit (loss) from associates	21	27	149	96	200
EBITDA	404	495	1,306	1,398	2,176
Depreciation and impairment of tangible fixed assets	-53	-56	-157	-154	-206
Depreciation and impairment of right of use assets	-79	-95	-241	-273	-360
Depreciation and impairment of intangible assets	-	-	-1	-1	-1
Earnings before financial items and tax (EBIT)	271	344	907	970	1,609
Net financial items	-8	-	-9	-25	-29
Earnings before tax (EBT)	263	344	898	945	1,580
Income tax expense	-56	-74	-175	-202	-351
Net income for the period	207	270	723	743	1,229
Attributable to:					
Shareholders in the Parent Company	155	220	590	606	1,019
Non-controlling interests	51	50	133	137	210
Net income for the period	207	270	723	743	1,229
Earnings per share (NOK)	1.46	2.08	5.53	5.72	9.60
Diluted earnings per share (NOK)	1.46	2.08	5.53	5.71	9.57
Key figures	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
EBITDA margin	5.4 %	7.8 %	5.8 %	7.1 %	7.8 %
Operating profit margin	3.6 %	5.4 %	4.0 %	4.9 %	5.8 %
Profit margin	3.5 %	5.4 %	4.0 %	4.8 %	5.7 %
Return on capital employed (ROaCE) ¹⁾	-	-	34.8 %	36.0 %	36.0 %
Return on equity	-	-	35.5 %	36.6 %	36.1 %
Equity ratio	22.4 %	25.7 %	22.4 %	25.7 %	27.3 %
Net interest-bearing debt (receivables) ²⁾	-254	26	-254	26	-29
Capital employed ³⁾	4,385	4,489	4,385	4,489	4,571
Order backlog	39,716	40,391	39,716	40,391	38,646

¹⁾ Return on capital employed (ROaCE) = (Earnings before tax + interest expense) / average capital employed

²⁾ Net interest-bearing debt (receivables) = Cash and cash equivalents + interest-bearing receivables - interest-bearing debt

³⁾ Capital employed = Equity + interest-bearing debt

STATEMENT OF COMPREHENSIVE INCOME

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
Net income for the period	207	270	723	743	1,229
Net actuarial gains and losses	-	-	-	-	-2
Currency translation differences non-controlling	2	-2	-2	-1	-8
Items that will not be reclassified to income statement in subsequent periods	2	-2	-2	-1	-10
Net cash flow hedges	-22	14	-13	17	27
Currency translation differences shareholders of the	7	-6	-2	-21	-46
Items that may be reclassified to income statement in subsequent periods	-14	8	-14	-3	-19
Other comprehensive income for the period	-13	6	-16	-5	-30
Total comprehensive income for the period	194	276	707	738	1,199
Attributable to:					
- Shareholders of the parent	141	228	576	603	997
- Non-controlling interests	54	48	131	136	202
Total comprehensive income for the period	194	276	707	738	1,199

EQUITY

NOK million	Paid-in capital	Translation differences	Actuarial pension gain/(loss)	Cash flow hedge	Retained earnings	Attributable to shareholders	Non-controlling interests	Total equity
As at 31 December 2020	761	62	-18	-49	1,839	2,593	901	3,494
Comprehensive income	-	-21	-	17	606	603	136	738
Purchase of treasury shares	-	-	-	-	-8	-8	-	-8
Sale of treasury shares	-	-	-	-	16	16	-	16
Dividend paid	-	-	-	-	-689	-689	-183	-872
Share-based remuneration	24	-	-	-	-	24	3	27
Transactions with non-controlling interests	-	-	-	-	-14	-14	-3	-17
As at 30 September 2021	785	41	-18	-32	1,749	2,525	854	3,378
As at 31 December 2021	506	16	-20	-22	2,174	2,654	918	3,572
Comprehensive income	-	-2	-	-13	590	576	131	707
Capital increase	40	-	-	-	-	40	-	40
Purchase of treasury shares	-	-	-	-	-66	-66	-	-66
Sale of treasury shares	-	-	-	-	10	10	-	10
Dividend paid	-	-	-	-	-695	-695	-242	-937
Share-based remuneration	23	-	-	-	-	23	2	25
Put options for non-controlling interests	-	-	-	-	-18	-18	-	-18
Addition from acquisition of subsidiaries	-	-	-	-	-	-	14	14
Transactions with non-controlling interests	-	-	-	-	-97	-97	35	-62
As at 30 September 2022	569	14	-20	-35	1,899	2,428	858	3,286

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOK million	30/09/22	30/09/21	31/12/21
Tangible fixed assets	1,452	1,469	1,437
Right of use assets	855	869	780
Intangible assets	4,561	4,357	4,335
Investment in associates and joint ventures	469	555	639
Deferred tax asset	91	14	7
Interest-bearing receivables	264	375	282
Pension plan and other financial assets	13	7	10
Total non-current assets	7,705	7,646	7,490
Inventories	274	204	198
Projects for own account	44	135	51
Trade receivables and other receivables	5,583	4,441	4,623
Interest-bearing receivables	54	117	65
Cash and cash equivalents	1,036	593	680
Total current assets	6,990	5,491	5,618
Total assets	14,695	13,137	13,108
Equity attributable to shareholders of the parent	2,428	2,525	2,654
Non-controlling interests	858	854	918
Total equity	3,286	3,378	3,572
Interest-bearing debt	75	141	90
Interest-bearing debt - lease liability	658	627	554
Retirement benefit obligations	5	4	6
Provisions	190	81	100
Deferred tax	622	511	585
Derivatives	12	5	8
Total non-current liabilities	1,563	1,369	1,343
Interest-bearing debt	106	30	54
Interest-bearing debt - lease liability	260	312	301
Trade payables and other short-term debt	8,461	7,204	6,956
Derivatives	40	42	24
Provisions	703	550	625
Tax payable	277	252	232
Total current liabilities	9,847	8,389	8,193
Total liabilities	11,409	9,758	9,536
Total equity and liabilities	14,695	13,137	13,108

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
Earnings before financial items and tax (EBIT)	271	344	907	970	1,609
Depreciation, amortisation and impairment	133	151	399	428	567
Change in net working capital	-77	-68	532	-24	-340
Income taxes paid	-42	-30	-217	-191	-283
Net gains (losses) and profit (loss) from associates	-21	-27	-149	-96	-200
Other adjustments	9	9	25	27	62
Cash flow from operating activities	272	380	1,498	1,114	1,415
Net investments	-25	118	144	-18	175
Cash flow before financing activities	247	498	1,642	1,096	1,589
Share issue	-	-	-	-	119
Dividends paid to shareholders in the Parent Company	-	-	-695	-689	-1,116
Dividends paid to non-controlling interests	-1	-22	-242	-183	-186
Transactions with non-controlling interests	-19	6	-60	-19	-28
Sale (purchase) of treasury shares	-	-8	-56	8	24
Borrowings (repayment) of debt	-276	-67	-215	-251	-343
Interest and other financial expenses paid	-4	-19	-27	-39	-35
Cash flow from financing activities	-300	-109	-1,294	-1,173	-1,565
Change in cash and cash equivalents with cash effect	-53	389	347	-77	24
Net cash and cash equivalents at the beginning of	1,086	205	680	708	708
Change in cash and cash equivalents without cash	3	-	8	-38	-52
Net cash and cash equivalents at the end of period	1,036	593	1,036	593	680

BUSINESS AREAS

AF Gruppen's division into operating segments is consistent with the division of the business areas: Civil Engineering, Construction, Betonmast, Property, Energy and Environment, Sweden and Offshore.

Segment information is presented in accordance with the AF Gruppen's accounting policies in accordance with IFRS with the exception of the principles for revenue recognition for residential property development in accordance with IFRS 15. This policy exception applies to the segments Construction, Property and Sweden. Revenue from projects for own account in these segments is not recognised upon handover as regulated in IFRS 15, but in accordance with the degree of completion method. This means that the recognition of revenue in these projects is the product of the degree of completion, sales ratio and expected contribution margin.

Segment information is presented in accordance with reporting to the Corporate Management Team and is consistent with the financial information utilised by the Company's senior decision-makers when evaluating developments and allocating resources. The effect of the deviant application of principles on the consolidated accounts is illustrated in a separate table in the segment information. Additional information on projects for own account is provided in Note 7.

Civil Engineering

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
External operating and other revenue	1,317	1,304	3,841	4,205	5,597
Internal operating and other revenue	145	99	400	275	405
Total operating and other revenue	1,462	1,403	4,241	4,480	6,002
EBITDA	141	158	423	464	734
Earnings before financial items and tax (EBIT)	92	98	275	294	515
Earnings before tax (EBT)	93	97	272	290	510
EBITDA-margin	9.6 %	11.2 %	10.0 %	10.4 %	12.2 %
Operating margin	6.3 %	7.0 %	6.5 %	6.6 %	8.6 %
Profit margin	6.4 %	6.9 %	6.4 %	6.5 %	8.5 %
Assets	3,073	2,415	3,073	2,415	2,229
Order backlog	11,887	7,617	11,887	7,617	6,878

Construction

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
External operating and other revenue	2,599	1,985	7,962	5,927	8,740
Internal operating and other revenue	32	22	67	99	125
Total operating and other revenue	2,631	2,007	8,029	6,026	8,865
EBITDA	121	103	265	356	532
Earnings before financial items and tax (EBIT)	100	80	199	293	447
Earnings before tax (EBT)	99	80	199	296	450
EBITDA-margin	4.6 %	5.1 %	3.3 %	5.9 %	6.0 %
Operating margin	3.8 %	4.0 %	2.5 %	4.9 %	5.0 %
Profit margin	3.8 %	4.0 %	2.5 %	4.9 %	5.1 %
Assets	5,166	4,364	5,166	4,364	4,554
Order backlog	11,844	14,594	11,844	14,594	13,549

Betonmast

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
External operating and other revenue	1,252	1,203	3,766	3,691	5,194
Internal operating and other revenue	0	-	2	-	3
Total operating and other revenue	1,252	1,203	3,768	3,691	5,196
EBITDA	43	46	107	105	168
Earnings before financial items and tax (EBIT)	37	37	89	78	132
Earnings before tax (EBT)	41	33	91	63	111
EBITDA-margin	3.4 %	3.8 %	2.8 %	2.8 %	3.2 %
Operating margin	3.0 %	3.1 %	2.4 %	2.1 %	2.5 %
Profit margin	3.3 %	2.7 %	2.4 %	1.7 %	2.1 %
Assets	3,309	2,833	3,309	2,833	2,817
Order backlog	5,370	7,135	5,370	7,135	7,054

Betonmast Sweden was transferred from the Betonmast business area to the Sweden business area in March 2022 with accounting effect from 1 January 2022. Comparative figures have been restated.

Property

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
External operating and other revenue	7	6	18	20	35
Internal operating and other revenue	-	-	-	-	0
Total operating and other revenue	7	6	18	20	35
EBITDA	-5	27	54	43	76
Earnings before financial items and tax (EBIT)	-5	27	54	43	75
Earnings before tax (EBT)	-3	27	59	43	76
EBITDA-margin	-	-	-	-	-
Operating margin	-	-	-	-	-
Profit margin	-	-	-	-	-
Assets	577	860	577	860	735
Order backlog	-	-	-	-	-

Energy and Environment

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
External operating and other revenue	237	250	700	774	1,047
Internal operating and other revenue	23	16	53	65	104
Total operating and other revenue	261	266	753	839	1,152
EBITDA	38	40	101	102	170
Earnings before financial items and tax (EBIT)	21	24	51	57	109
Earnings before tax (EBT)	21	23	50	54	107
EBITDA-margin	14.7 %	15.0 %	13.4 %	12.2 %	14.8 %
Operating margin	8.2 %	8.9 %	6.8 %	6.8 %	9.4 %
Profit margin	7.9 %	8.8 %	6.7 %	6.4 %	9.3 %
Assets	702	650	702	650	706
Order backlog	688	574	688	574	714

Sweden

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
External operating and other revenue	1,758	1,380	5,297	4,399	6,289
Internal operating and other revenue	1	2	6	7	11
Total operating and other revenue	1,759	1,383	5,303	4,406	6,300
EBITDA	-20	76	132	215	372
Earnings before financial items and tax (EBIT)	-35	58	86	162	302
Earnings before tax (EBT)	-36	57	82	157	295
EBITDA-margin	-1.1 %	5.5 %	2.5 %	4.9 %	5.9 %
Operating margin	-2.0 %	4.2 %	1.6 %	3.7 %	4.8 %
Profit margin	-2.0 %	4.1 %	1.6 %	3.6 %	4.7 %
Assets	2,940	2,740	2,940	2,740	2,776
Order backlog	8,071	8,977	8,071	8,977	9,112

Betonmast Sweden was transferred from the Betonmast business area to the Sweden business area in March 2022 with accounting effect from 1 January 2022. Comparative figures have been restated.

Offshore

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
External operating and other revenue	380	206	869	622	847
Internal operating and other revenue	-	-	1	1	1
Total operating and other revenue	380	207	870	623	848
EBITDA	59	26	128	68	115
Earnings before financial items and tax (EBIT)	51	18	105	43	83
Earnings before tax (EBT)	46	19	102	41	78
EBITDA-margin	15.4 %	12.6 %	14.7 %	10.8 %	13.6 %
Operating margin	13.4 %	8.9 %	12.0 %	7.0 %	9.8 %
Profit margin	12.2 %	9.0 %	11.7 %	6.5 %	9.2 %
Assets	1,066	885	1,066	885	988
Order backlog	1,927	1,600	1,927	1,600	1,515

Other Segments (Group)

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
External operating and other revenue	16	27	42	63	94
Internal operating and other revenue	15	14	35	47	57
Total operating and other revenue	30	41	77	111	150
EBITDA	10	18	33	39	32
Earnings before financial items and tax (EBIT)	-6	2	-15	-7	-30
Earnings before tax (EBT)	-13	8	-20	-5	-21
Assets	1,478	1,562	1,478	1,562	1,894
Order backlog			-	-	-

Eliminations

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
External operating and other revenue	-34	-6	229	-86	-50
Internal operating and other revenue	-217	-154	-563	-495	-706
Total operating and other revenue	-251	-160	-334	-581	-756
EBITDA	2	-1	39	-14	-16
Earnings before financial items and tax (EBIT)	2	-1	39	-14	-16
Earnings before tax (EBT)	1	-1	38	-14	-19
Assets	-3,556	-3,111	-3,556	-3,111	-3,505
Order backlog	-329	-211	-329	-211	-348

Betonmast Sweden was transferred from the Betonmast business area to the Sweden business area in March 2022 with accounting effect from 1 January 2022. Comparative figures have been restated.

GAAP adjustments (IFRS 15)

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
External operating and other revenue	5	2	-86	141	75
Internal operating and other revenue	-	-	-	-	-
Total operating and other revenue	5	2	-86	141	75
EBITDA	14	2	24	21	-7
Earnings before financial items and tax (EBIT)	14	2	24	21	-7
Earnings before tax (EBT)	14	2	24	21	-7
Assets	-60	-60	-60	-60	-85
Order backlog	258	106	258	106	172

Segment total

NOK million	3Q 22	3Q 21	YTD 3Q 22	YTD 3Q 21	2021
External operating and other revenue	7,537	6,358	22,638	19,756	27,868
Internal operating and other revenue	-	-	-	-	-
Total operating and other revenue	7,537	6,358	22,638	19,756	27,868
EBITDA	404	495	1,306	1,398	2,176
Earnings before financial items and tax (EBIT)	271	344	907	970	1,609
Earnings before tax (EBT)	263	344	898	945	1,580
EBITDA-margin	5.4 %	7.8 %	5.8 %	7.1 %	7.8 %
Operating margin	3.6 %	5.4 %	4.0 %	4.9 %	5.8 %
Profit margin	3.5 %	5.4 %	4.0 %	4.8 %	5.7 %
Assets	14,695	13,137	14,695	13,137	13,108
Order backlog	39,716	40,391	39,716	40,391	38,646

NOTES

1. GENERAL INFORMATION

AF Gruppen is one of Norway's leading contracting and industrial groups. AF Gruppen is divided into seven business areas: Civil Engineering, Construction, Betonmast, Property, Energy and Environment, Sweden and Offshore.

AF Gruppen ASA is a public limited company registered and domiciled in Norway. The head office is located at Innspurten 15, 0663 Oslo. AF is listed on the Oslo Børs OB Match List under the ticker symbol AFG.

This summary of financial information for the 3rd quarter 2022 has not been audited.

2. BASIS OF PREPARATION

The consolidated accounts for AF Gruppen encompass AF Gruppen ASA and its subsidiaries, joint ventures and associated companies. The consolidated financial statements for the 3rd quarter 2022 have been prepared in accordance with IAS 34 Interim Accounts. The summary of the financial information presented in the quarterly accounts is intended to be read in conjunction with the annual report for 2021, which has been prepared in accordance with the International Financial Reporting Standards (IFRS).

As a result of rounding off, the numbers and percentages will not always add up to the total.

3. CHANGES IN THE GROUP'S STRUCTURE

New segment structure

Betonmast Sweden was transferred from the Betonmast business area to the Sweden business area in March 2022 with accounting effect from 1 January 2022. Comparative figures have been restated.

Acquisition of Stenseth & RS

AF Gruppen entered into an agreement on 25 March 2022 to purchase 80% of the shares in Stenseth & RS Holding AS. Stenseth & RS is a well-run concrete contractor with an excellent track record. The company has a total of 300 employees and comprises the operating companies Stenseth & RS Entreprenør AS, Stenseth & RS Anlegg AS and Stenseth & RS Ressurs AS. The head office is in Åros, and the company's primary geographical area of operation is central Eastern Norway. The company supplies a range of concrete works in the building and construction sector, such as formwork, reinforcement and other types of concrete works. Additionally, the company is a market leader in the casting and surface treatment of floors. Over the last three years, Stenseth & RS has reported average revenues of NOK 495 million and an operating margin of 7.2%. The agreed enterprise value for 100% of Stenseth & RS Holding AS is NOK 220 million on a debt-free basis. Settlement comprised shares in AF Gruppen ASA corresponding to NOK 40 million and NOK 154 million in cash. In addition, contingent consideration of an estimated NOK 16 million has been agreed, which will be settled in 2025. The company will be part of the Civil Engineering business area.

Presented below is an allocation of the purchase price based on the opening balance sheet of Stenseth & RS as at 31 March 2022. Allocation of the purchase price was prepared using the acquisition method as regulated in IFRS 3. The purchase price has been allocated at the fair value of the assets and liabilities of Stenseth & RS. The allocation is not final.

Purchase price allocation Stenseth & RS	NOK million
Cash consideration	154
Value of issued shares	40
Contingent consideration	16
Consideration for 80% of the shares in Stenseth & RS Holding AS	210
Other non-controlling interests in Stenseth & RS Holding AS (20% of assets and liabilities)	14
Gross consideration for 100% of the shares in Stenseth & RS Holding AS	224
Fixed assets	15
Cash and cash equivalents	83
Short-term non-interest-bearing receivables	136
Deferred tax and tax payables	-18
Non-current lease liabilities	-4
Trade payables and current non-interest-bearing liabilities	-143
Net identifiable assets and liabilities	70
Goodwill	154
Cash consideration for 80% of the shares in Stenseth & RS Holding AS	154
- Cash and Cash equivalents in Stenseth & RS (100 %)	-83
Net consideration included in net investments in the cash flow statement	70

The acquisition results in goodwill of NOK 154 million, which is linked to the geographical market position and the organisation's ability to operate profitably. None of the goodwill will be tax deductible.

At the time of acquisition, the non-controlling interests represented NOK 14 million and have been calculated as the non-controlling owners' share of the net fair value of identifiable assets and liabilities on the date of the acquisition. Goodwill is only recognised for the portion of the shares that AF acquired.

4. ACCOUNTING POLICIES

Effect of IFRS 16 lease liability

AF Gruppen presents figures for the Group as lessee to comply with the accounting principles for IFRS 16. The present value of future rental payments for lease liabilities is recognised in the balance sheet as an interest-bearing loan, and right of use is recognised as a non-current asset, with the exception of for short-term or terminable leases. The right of use recognised on the balance sheet will be amortised over the agreed term of the lease including any reasonably certain option periods, and interest on the lease liability will be recognised as an interest expense. Both instalments and interest on lease liabilities recognised on the balance sheet are classified as cash flow from financing activities in the cash flow statement.

Recognised lease liabilities in the Group affect key figures, including equity ratio and net interest-bearing liabilities, as shown in tables on the next page.

Consolidated statement of income – Effect of IFRS 16

NOK million	3Q 22 less IFRS 16	Effect of IFRS 16	3Q 22	YTD 3Q 22 less IFRS 16	Effect of IFRS 16	YTD 3Q 22
Operating expenses excl. depr. and	-591	74	-517	-1,670	225	-1,445
EBITDA	330	74	404	1,081	225	1,306
Depr. and impairment of right of use assets	-10	-69	-79	-30	-211	-241
Earnings before financial items and tax (EBIT)	266	5	271	892	15	907
Net financial items	-4	-5	-8	3	-13	-9
Earnings before tax (EBT)	262	-	263	896	2	898
Income tax expense	-56	-	-56	-174	-1	-175
Net income for the period	207	-	207	722	1	723

NOK million	3Q 21 less IFRS 16	Effect of IFRS 16	3Q 21	YTD 3Q 21 less IFRS 16	Effect of IFRS 16	YTD 3Q 21	2021 less IFRS 16	Effect of IFRS 16	2021
Operating expenses excl. depr. and impairment	-430	90	-340	-1,344	258	-1,086	-2,018	341	-1,677
EBITDA	405	90	495	1,139	258	1,398	1,835	341	2,176
Depr. and impairment of right of use assets	-10	-85	-95	-29	-244	-273	-38	-321	-360
Earnings before financial items and tax (EBIT)	339	5	344	956	15	970	1,589	20	1,609
Net financial items	4	-4	-	-12	-13	-25	-12	-17	-29
Earnings before tax (EBT)	343	-	344	944	1	945	1,577	3	1,580
Income tax expense	-73	-1	-74	-201	-1	-202	-351	-1	-351
Net income for the period	270	-	270	743	-	743	1,227	2	1,229

Consolidated statement of financial position – Effect of IFRS 16

NOK million	30.09.22 less IFRS 16	Effect of IFRS 16	30.09.22	30.09.21 less IFRS 16	Effect of IFRS 16	30.09.21	31.12.21 less IFRS 16	Effect of IFRS 16	2021
Right of use assets	225	630	855	207	662	869	205	576	780
Total assets	14,065	630	14,695	12,474	662	13,137	12,532	576	13,108
Total equity	3,307	-21	3,286	3,402	-24	3,378	3,595	-22	3,572
Interest-bearing debt - lease liability (non-current)	176	482	658	162	465	627	132	422	554
Deferred tax	627	-5	622	516	-5	511	591	-5	585
Interest-bearing debt - lease liability (current)	35	225	260	34	279	312	58	243	301
Total equity and liabilities	14,065	630	14,695	12,474	662	13,137	12,532	576	13,108
Equity ratio	23.5 %	-	22.4 %	27.3 %	-	25.7 %	28.7 %	-	27.3 %
Gross interest-bearing debt	391	707	1,099	366	744	1,110	334	665	999
Net interest-bearing debt (grossly)	-961	707	-254	-718	744	26	-694	665	-29

5. ESTIMATES

The preparation of the interim accounts requires the use of assessments, estimates and assumptions that have an effect on the application of accounting principles and recognised figures related to assets and liabilities, revenues and costs. The estimates are based on the management's best judgement and experience, and there is some uncertainty related to the concurrence of these estimates with the actual result. Estimates and their underlying assumptions are assessed on a continuous basis. Changes in accounting estimates are recognised for the period in which the estimate is changed and for future periods if these are affected by the change in estimate.

6. TRANSACTIONS WITH RELATED PARTIES

The Group's related parties consist of associates, joint ventures, the Company's shareholders, members of the Board of Directors and Corporate Management Team. All business transactions with related parties are carried out in accordance with the arm's length principle.

7. DEVIANT APPLICATION OF PRINCIPLES IN THE SEGMENT ACCOUNTS

The segment information is presented in accordance with the Group's accounting policies in accordance with IFRS except for the principles for revenue recognition for residential property development in accordance with IFRS 15. This policy exception applies to the Construction and Property segments and Sweden. Revenue from projects for own account in these segments is not recognised upon handover as regulated in IFRS 15, but in accordance with the percentage of completion method. This means that revenue and cost for these projects is recognized in proportion with the stage of completion and the sales ratio for the project. The effect of this on the consolidated accounts is illustrated in a separate table in the segment information. The Betonmast segment is reported in accordance with IFRS. To ensure completeness Betonmast's property projects are included in the table below.

The effect of the deviant application of principles in the segment accounts with respect to earnings before tax is NOK 14 million (2 million) for the 3rd quarter 2022 and 24 million (21 million) year to date. The effect on equity was NOK -65 million (-61 million), and the accumulated reversed revenues were NOK 258 million (106 million) as at 30 September 2022.

The table on the next page shows residential housing projects for our own account that are in the production phase. Contractor values have been included in those cases where group companies are the contractor.

Property projects for own account	AF's construction value ¹⁾	Number of housing units			Construction period		Ownership p share AF
		Total number	Hereof transferred in 2022	Hereof completed not transf.	Start up	Completion	
Lilleby Triangel B4, Trondheim	51	54	-	1	Q3 2019	Q2 2021	33%
Skiparviken, Bergen (LAB Eiendom)	324	129	5	-	Q2 2018	Q2 2021	50%
Total completed in 2021 - Property segment²⁾	375	183	5	1			
Kosterbaden Fritid, Koster	-	20	-	13	-	-	100%
Klosterøya Vest 3, Skien	-	25	1	-	Q4 2017	Q4 2019	24%
Snipetorp, Skien	-	16	2	4	Q3 2018	Q2 2020	50%
Lietorvet I, Skien	-	21	3	-	Q3 2019	Q2 2021	25%
Lietorvet II, Skien	-	26	3	2	Q3 2019	Q4 2021	25%
Total completed earlier years - Betonmast	-	108	9	19			
Bo på Billingstad, Asker	-	78	78	-	Q2 2019	Q1 2022	33%
Lilleby Triangel Sør, Trondheim	-	125	125	-	Q4 2020	Q3 2022	33%
Total completed 2022 - Property segment	-	203	203	-			
2317 Sentrumskvartalet A-B, Hamar	172	73	69	4	Q2 2020	Q1 2022	50%
2317 Sentrumskvartalet C, Hamar	54	23	19	4	Q2 2021	Q3 2022	50%
Klosterøya Vest 4, Skien	-	13	13	-	Q1 2021	Q3 2022	24%
Total completed in 2022 - Betonmast segment	226	109	101	8			
Brottkärr Hage, Göteborg	-	10	10	-	Q4 2020	Q2 2022	40%
Stadsgården 1, Halmstad	103	63	63	-	Q2 2020	Q3 2022	50%
Stadsgården 2, Halmstad	69	42	41	1	Q4 2021	Q3 2022	50%
Total completed in 2022 - Sweden segment	172	115	114	1			
Brøter Terrasse, Lillestrøm	-	78	-	-	Q3 2020	Q4 2022	35%
Kråkehaugen, Bergen (LAB Eiendom)	185	55	-	-	Q2 2021	Q2 2023	50%
Fyrstikkbakken, Oslo	370	159	-	-	Q2 2021	Q3 2023	50%
Skårersletta Midt 1, 2 og 3, Lørenskog	408	169	-	-	Q3 2021	Q3 2024	50%
Bekkestua Have, Bærum	-	232	-	-	Q4 2021	Q2 2024	50%
Rolvstrud Arena trinn 1, Lørenskog	266	95	-	-	Q2 2022	Q2 2024	33%
Skiparviklia 3D, Bergen (LAB Eiendom)	23	4	-	-	Q2 2022	Q4 2023	50%
Baneveien, Bergen (LAB Eiendom)	17	1	-	-	Q2 2022	Q1 2024	50%
Total in production - Property segment	1,269	793	-	-			
2317 Sentrumskvartalet D, Hamar	59	25	-	-	Q3 2021	Q1 2023	50%
Klosterøya Vest 4, Skien	-	56	-	-	Q2 2021	Q4 2022	24%
SPG Bostader Linden, Strömstad ³⁾	143	162	-	-	Q4 2021	Q3 2023	45%
SPG Bostader Hæggen, Strömstad ³⁾	83	94	-	-	Q2 2022	Q4 2023	45%
Total in production - Betonmast segment	284	337	-	-			
BRF Prefekten, Mölndal	125	83	-	-	Q4 2021	Q1 2023	50%
Total in production - Sweden segment	125	83	-	-			

¹⁾ NOK million excl. VAT

²⁾ Only projects with not sold or not transferred units as at year end 2021 are included.

³⁾ Built for rental and will be sold collectively ("hyresrett")

8. EVENTS AFTER THE BALANCE SHEET DATE

There have been no events since the end of the quarter that would have had a material effect on the quarterly financial statements.



Electric excavator at project new Tøyenbad. Photo: AF Gruppen

ALTERNATIVE PERFORMANCE MEASURES

AF Gruppen presents alternative performance targets as a supplement to performance targets that are regulated by IFRS. The alternative performance targets are presented to provide better insight into and understanding of the operations, financial standing and foundation for development going forward. AF Gruppen uses alternative performance targets that are commonly used in the industry and among analysts and investors.

Return on capital employed (ROaCE):

This performance target provides useful information to both AF's management and Board of Directors, as well as to investors concerning the results that have been achieved during the period under analysis. AF uses the performance target to measure the return on capital employed, regardless of whether the financing is through equity capital or debt. Use of the performance target should not be considered an alternative to performance targets calculated in accordance with IFRS, but as a supplement.

The alternative performance targets are defined as follows:

EBITDA: Earnings before i) taxes, ii) net financial items, iii) depreciation and amortisation.

Operating profit (EBIT): Earnings before i) taxes, ii) net financial items.

EBITDA margin: EBITDA divided by operating revenue and other revenues.

Operating margin: Operating profit (EBIT) divided by operating revenue and other revenues.

Profit margin: Earnings before tax divided by operating revenue and other revenues.

Gross interest-bearing debt: Sum total of long-term interest-bearing loans and credits and short-term interest-bearing loans and credits.

Net interest-bearing debt (receivables): Gross interest-bearing debt less i) long-term interest-bearing receivables, ii) short-term interest-bearing receivables and iii) cash and cash equivalents.

Capital employed: Sum total of shareholders' equity and gross interest-bearing debt.

Average capital employed: Average capital employed in the last four quarters.

Return on capital employed (ROaCE): Earnings before taxes and interest divided by the average capital employed.

Equity ratio: Shareholders' equity divided by total equity and liabilities.

Average shareholders' equity: Average shareholders' equity in the last four quarters.

Return on equity: Net income divided by average shareholders' equity.

Order backlog: Remaining estimated value of contracts, contract changes and orders that have been agreed upon, but have not been earned by the reporting date.

The table below shows the reconciliation of alternative performance targets with line items in the reported financial figures in accordance with IFRS.

NOK million	30/09/22	30/09/21	31/12/21
GROSS INTEREST-BEARING DEBT / NET INTEREST-BEARING DEBT			
Non-current interest-bearing debt	75	141	90
Non-current interest-bearing debt - lease liability	658	627	554
Current interest-bearing debt	106	30	54
Current interest-bearing debt - lease liability	260	312	301
Gross interest-bearing debt	1,099	1,110	999
Less:			
Non-current interest-bearing receivables	-264	-375	-282
Current interest-bearing receivables	-54	-117	-65
Cash and cash equivalents	-1,036	-593	-680
Net interest-bearing debt (receivables)	-254	26	-29

NOK million	30/09/22	30/09/21	31/12/21
CAPITAL EMPLOYED			
Shareholders' equity	3,286	3,378	3,572
Gross interest-bearing debt	1,099	1,110	999
Capital employed	4,385	4,489	4,571
AVERAGE CAPITAL EMPLOYED			
Capital employed as at 4th quarter 2020	-	4,621	-
Capital employed as at 1st quarter 2021	-	4,673	4,673
Capital employed as at 2nd quarter 2021	-	4,231	4,231
Capital employed as at 3rd quarter 2021	-	4,489	4,489
Capital employed as at 4th quarter 2021	4,571	-	4,571
Capital employed as at 1st quarter 2022	4,593	-	-
Capital employed as at 2nd quarter 2022	4,366	-	-
Capital employed as at 3rd quarter 2022	4,385	-	-
Average capital employed	4,479	4,503	4,491
RETURN ON CAPITAL EMPLOYED			
Earnings before tax 4th quarter 2020	-	614	-
Earnings before tax 1st quarter 2021	-	245	245
Earnings before tax 2nd quarter 2021	-	356	356
Earnings before tax 3rd quarter 2021	-	344	344
Earnings before tax 4th quarter 2021	635	-	635
Earnings before tax 1st quarter 2022	209	-	-
Earnings before tax 2nd quarter 2022	426	-	-
Earnings before tax 3rd quarter 2022	263	-	-
Earnings before tax last four quarters	1,532	1,560	1,580
Interest expense 4th quarter 2020	-	20	-
Interest expense 1st quarter 2021	-	10	10
Interest expense 2nd quarter 2021	-	10	10
Interest expense 3rd quarter 2021	-	19	19
Interest expense 4th quarter 2021	-2	-	-2
Interest expense 1st quarter 2022	10	-	-
Interest expense 2nd quarter 2022	8	-	-
Interest expense 3rd quarter 2022	10	-	-
Interest expense last four quarters	25	60	38
Earnings before tax and interest expense last four quarters	1,558	1,619	1,617
Divided by:			
Average capital employed	4,479	4,503	4,491
Return on capital employed	34.8 %	36.0 %	36.0 %

NOK million	30/09/22	30/09/21	31/12/21
EQUITY RATIO			
Shareholders' equity	3,286	3,378	3,572
Divided by:			
Total equity and liabilities	14,695	13,137	13,108
Equity ratio	22.4 %	25.7 %	27.3 %
AVERAGE SHAREHOLDERS' EQUITY			
Shareholder's equity as at 4th quarter 2020	-	3,494	-
Shareholder's equity as at 1st quarter 2021	-	3,553	3,553
Shareholder's equity as at 2nd quarter 2021	-	3,117	3,117
Shareholder's equity as at 3rd quarter 2021	-	3,378	3,378
Shareholder's equity as at 4th quarter 2021	3,572	-	3,572
Shareholder's equity as at 1st quarter 2022	3,639	-	-
Shareholder's equity as at 2nd quarter 2022	3,126	-	-
Shareholder's equity as at 3rd quarter 2022	3,286	-	-
Average shareholders' equity	3,406	3,386	3,405
RETURN ON EQUITY			
Net income 4th quarter 2020	-	496	-
Net income 1st quarter 2021	-	194	194
Net income 2nd quarter 2021	-	279	279
Net income 3rd quarter 2021	-	270	270
Net income 4th quarter 2021	486	-	486
Net income 1st quarter 2022	179	-	-
Net income 2nd quarter 2022	337	-	-
Net income 3rd quarter 2022	207	-	-
Net income for the last four quarters	1,209	1,239	1,229
Divided by:			
Average equity	3,406	3,386	3,405
Return on equity	35.5 %	36.6 %	36.1 %

COMPANY INFORMATION

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Company's Board of Directors

Pål Egil Rønn, Board Chairman
Hege Bømark
Kristian Holth
Saloume Djoudat
Erik Veiby
Hilde Kristin Herud
Arne Baumann
Arne Sveen
Hilde W. Flaen
Espen Jahr

Corporate Management

Amund Tøftum, CEO
Anny Øen, CFO
Geir Flåta, EVP Civil Engineering and Property
Bård Frydenlund, EVP Sweden and Betonmast
Eirik Wraal, EVP Construction, Energy and environment, Corporate social responsibility
Tormod Solberg, EVP Construction
Lars Myhre Hjelmseth, EVP Offshore

Financial calendar

Presentation of interim accounts:

11/11/2022 Interim report 3rd quarter 2022
10/02/2023 Interim report 4th quarter 2022
12/05/2023 Interim report 1st quarter 2023

The presentation of interim accounts takes place at Hotel Continental, Stortingsgata 24-26, at 8:30 a.m.

For more information on the company, visit our web site at afgruppen.com

Cover: Removal of offshore platform
Photo: Woldcam

OPERATIONAL STRUCTURE



Civil Engineering

AF Anlegg

JR Anlegg

AF Anläggning

Målselv Maskin & Transport

Eiqon

Consolvo

Consolvo

Fjerby

Rakon

Protector

Stenseth & RS

Stenseth & RS
Entreprenør

Stenseth & RS
Anlegg

Construction

AF Byggfornyelse

AF Bygg Oslo

AF Bygg Østfold

LAB

LAB Entreprenør

Fundamentering

Åsane
Byggmester
forretning

Helgesen
Tekniske Bygg

AF Håndverk

Kirkestuen

Lasse Holst

Thorendahl

VD Vindu og Dør
montasje

Oslo Stillasutleie

Storo Blikken-
slagerverksted

Strøm Gundersen

Strøm Gundersen

Strøm Gundersen
Vestfold

Haga & Berg

Haga & Berg
Entreprenør

Haga & Berg
Service

Oslo Brannsikring

Betonmast

Betonmast Boligbygg

Betonmast Oslo

Betonmast Trøndelag

Betonmast Romerike

Betonmast Røsand

Betonmast Østfold

Betonmast Innlandet

Betonmast Buskerud-
Vestfold

Betonmast Asker og
Bærum

Betonmast Eiendom

Property

AF Eiendom

LAB Eiendom

Energy and Environment

AF Energi

Enaktiva

AF Decom

Jølsen Miljøpark

Rimol Miljøpark

Nes Miljøpark

Sweden

Kanonaden

Kanonaden
Entreprenad

Kanonaden
Mälardalen

Bergbolaget i
Götaland

AF Prefab i Mälardalen

AF Bygg Syd

HMB

HMB Construction

HMB Construction
Örebro

AF Projektutveckling

AF Härnösand
Byggreturer

AF Bygg Väst

AF Bygg Öst

AF Öresund

AF Bygg Stockholm

AF Anläggning Väst

Offshore

AF Offshore
Decom

AF
Environmental
Base Vats

AF AeronMollier