

Q3

Interim report

January to September 2022



The leader in buildings



Continued improvements in two of our three segments

During the quarter, we continued to build our culture and met a lot internally, which is important investments for the future. Two of our three segments reported organic growth, improved EBITA and margins. The development in parts of the Systems segment remained weak during the quarter and the EBITA result is negative.

Net revenue for the quarter totalled SEK 181 million (194). The decrease is due to PE's efficiency improvements in 2021, involving the divestment and discontinuation of operations, and low number of hours worked in August. EBITA totalled SEK -5.3 million (0.9), which equates to an EBITA margin of -2.9 percent (0.5).

Third quarter, 1 July–30 September 2022

- Net revenue totalled SEK 181.1 million (193.6)
- EBITA was SEK -5.3 million (0.9) and the EBITA margin was -2.9 percent (0.5)
- EBIT was SEK -7.3 million (-2.1) and the operating margin was -4.0 percent (-1.1)
- Earnings for the period totalled SEK -7.8 million (-4.6)
- Earnings per share for the period amounted to SEK -0.32 (-0.19); there is no dilution effect

1 January–30 September 2022

- Net revenue totalled SEK 676.8 million (753.2)
- EBITA was SEK 29.5 million (42.6) and the EBITA margin was 4.4 percent (5.7)
- EBIT was SEK 23.7 million (32.6) and the operating margin was 3.5 percent (4.3)
- Profit for the period totalled SEK 13.0 million (17.0)
- Earnings per share for the period amounted to SEK 0.54 (0.70); there is no dilution effect
- The period's earnings have been negatively affected by the final reconciliation from Tillväxtverket by SEK -3.5 million regarding short-term support during 2020, reported as staff cost. Earnings has also been affected by SEK -3.5 million related and the earnings impact of discontinued operations within industry
- On 18 January, it was announced that Liselotte Haglind has been appointed Chief Financial Officer. Liselotte took up her post on 1 July 2022. The current Chief Financial Officer Peter Sandberg left the company in July.
- During the first quarter, the Board of Directors of Projektengagemang Sweden AB, based on the authorisation granted by the Annual General Meeting held on 5 May 2021, resolved to acquire class B treasury shares on Nasdaq Stockholm. On 30 March 2022, 500,000 class B shares were acquired.



We are seeing good development in two of our three segments

Contact details

Helena Hed
President and CEO
+46 (0)10 516 00 00
helena.hed@pe.se

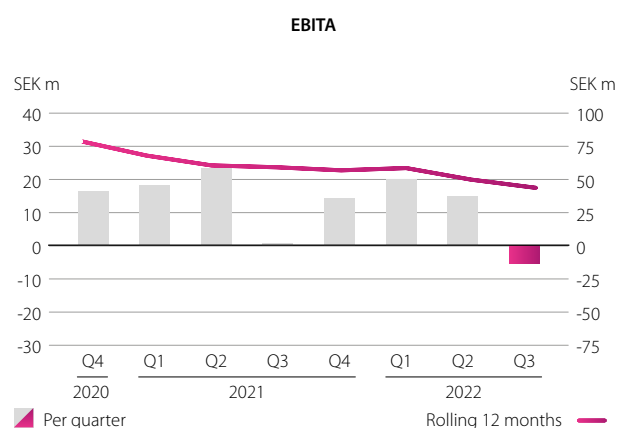
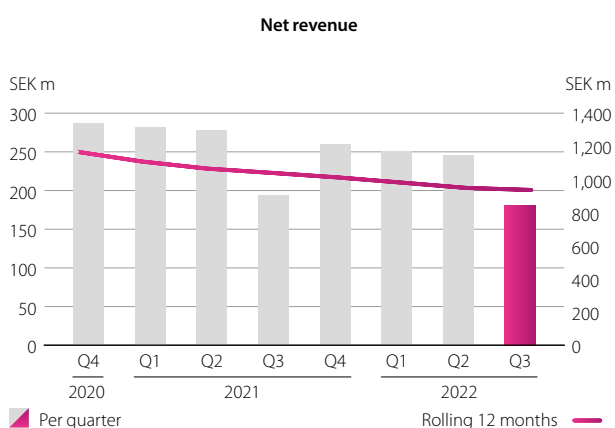
Liselotte Haglind
CFO
+46 (0)10 516 05 87
liselotte.haglind@pe.se

Financial calendar

Year-end report 2022	10 February 2023
Annual Report 2022	Week 15 2023
Interim report January–March	4 May 2023
Annual General Meeting	4 May 2023
Interim report January–June	14 July 2023
Interim report January–September	28 October 2023

Group summary

SEKm	3 months		9 months		12 months	
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021	Rolling 12 mths
Net revenue	181.1	193.6	676.8	753.2	1,012.8	936.5
EBITA	-5.3	0.9	29.5	42.6	56.9	43.7
EBITA margin, %	-2.9	0.5	4.4	5.7	5.6	4.7
Operating profit/loss, EBIT	-7.3	-2.1	23.7	32.6	39.9	31.0
Operating margin, %	-4.0	-1.1	3.5	4.3	3.9	3.3
Profit/loss for the period	-7.8	-4.6	13.0	170	20.2	16.2
Earnings per share outstanding for the period, SEK (there is no dilution effect)	-0.32	-0.19	0.54	0.70	0.82	0.66
Cash flow from operating activities	9.5	-8.0	24.8	38.5	79.0	-
Net receivables (-)/debt	288.4	301.5	288.4	301.5	276.9	288.4



SEK 181m

Net revenue
(194)

SEK -5m

EBITA
(1)

-2.9%

EBITA margin
(0.5)

CEO comments

Step by step we move towards our goal

Our goal is to be Sweden's leading architectural and technical consultant specialising in buildings and their surroundings by 2025.

Net revenue for the quarter amounted to SEK 181.1 million (193.6), with PE's efficiency improvements in 2021 impacting sales by -6.4% compared with the year-earlier period. Organic growth for the Group was 0% in the quarter and we are now seeing a shift in the trend in recent years of negative organic growth. Our utilisation rate is consistent with that of the sector and we have increasing hourly rates in the business. We are intensifying our efforts to improve efficiency and reduce our costs, where changed ways of working enables new solutions around our offices.

EBITA totalled SEK -5.3 million (0.9), which equates to an EBITA margin of -2.9 percent (0.5). The third quarter is seasonally our weakest quarter in terms of both sales and earnings. We have continued to build our culture and met a lot internally, which is important investments for the future. Two of our three segments deliver organic growth and increased EBITA and margins. It's a step in the right direction, but we are far from achieving our full potential.

The performance in parts of the Systems segment has remained weak, with negative earnings. To improve profitability, we are making management and organisational changes in the segment. Per Löfström, who has been at PE since 2007, will be the new head of the HVAC and Sanitation Design business area as of 1 November. Overall, we are working broadly across the PE Group to fully implement processes and business practices that are proven to work in a successful consulting business that delivers the highest possible client and shareholder value.

For the nine-month period, net revenue was SEK 677 million (753), with EBITA of SEK 30 million (43), corresponding to an EBITA margin of 4.4 percent (5.7). These figures were also impacted by operations that were divested and discontinued in 2021.

Stable demand but greater uncertainty

We saw no slowdown in demand during the quarter, despite challenging macroeconomic conditions with high energy prices, rising inflation, rising interest rates and geopolitical uncertainty putting pressure on both households and businesses. The underlying needs for our skills are significant and the order intake is still good. We are following developments closely and are aware of the challenges facing society, which will impact demand in certain areas. PE's strength is our decentralised business, close to customers and strong teams.

In October, after the end of the reporting period, we announced the acquisition of Gärdhagen Akustik AB, a Gothenburg-based acoustics specialist with a clear focus on buildings. The acquisition is consistent with our growth strategy. During the quarter, we strengthened our sustainability offering with the recruitment of Charlotte Gyllenhammar as the new Business Area Manager for Environment. Charlotte joins us from the position of Regional Manager for Sweco's environmental consultants in Stockholm.



Focus on growth

Engineers, architects and specialists are needed to build sustainable, secure and safe cities and communities. During the year we recruited and inducted more new colleagues than ever before. At the end of September, there were 33 more PE employees than at the beginning of the year. This is the first time since 2018 that we have seen an increase in the number of employees in the company.

Employee satisfaction (eNPS) at PE is at record levels for the company. At PE, every employee should be able to build their career by working on the most exciting assignments. One example is the Närlunda School in Askersund. The project includes a new school building of wood and a new sports hall. PE was engaged as project manager at an early stage to realise the municipality's vision with Broadly-based collaboration, involving its areas of expertise in architecture, accessibility, project management, design, electricity, HVAC and sanitation and fire safety, which has created smart solutions within sustainability and more.

There is a significant need for society to transition rapidly to a more sustainable way of living. In the short to medium term, macroeconomic uncertainty affects parts of our market but will also drive greater demand in other areas, for example in security, energy efficiency improvements and fossil-free sources of energy. With our comprehensive expertise in buildings and their surroundings, PE has an important role to play.

Stockholm, 28 October 2022

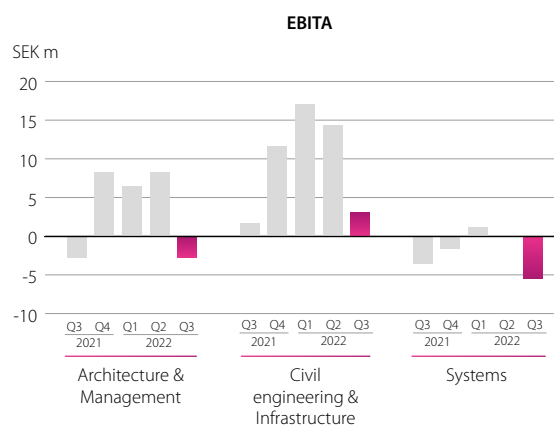
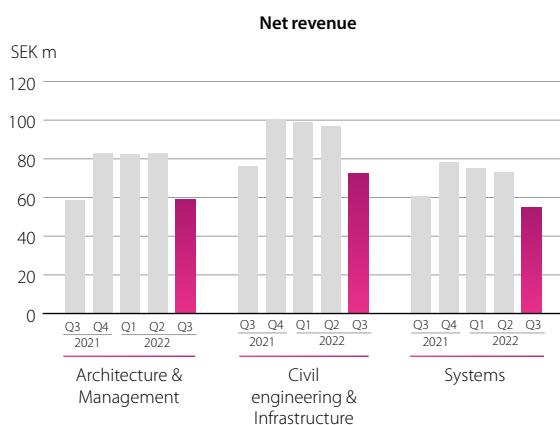
Helena Hed

President and CEO

Segments: financial overview

Net revenue and operating earnings by segment

SEKm	3 months		9 months		12 months	
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021	Rolling 12 mths
Net revenue						
Architecture & Management	59.1	58.6	225.0	231.4	314.4	307.9
Civil Engineering & Infrastructure	72.4	76.2	268.1	288.5	389.2	368.9
Systems	54.9	60.7	203.7	246.8	325.2	282.0
Miscellaneous	-5.2	-1.9	-19.9	-13.6	-15.9	-22.3
Total	181.1	193.6	676.8	753.2	1,012.8	936.5
Earnings						
Architecture & Management	-2.7	-2.8	12.0	11.1	19.4	22.0
Civil Engineering & Infrastructure	3.0	1.7	34.3	24.1	35.7	47.9
Systems	-5.5	-3.6	-4.4	9.4	7.8	-4.2
Miscellaneous	-0.1	5.7	-12.4	-2.0	-6.1	-22.1
EBITA	-5.3	0.9	29.5	42.6	56.9	43.7
Acquisition-related items	-2.0	-3.0	-5.8	-10.1	-17.0	-12.7
Operating profit/loss, EBIT	-7.3	-2.1	23.7	32.6	39.9	31.0
Net financial items	-2.1	-3.4	-6.3	-10.2	-12.9	-9.0
Tax	1.6	0.8	-4.5	-5.4	-6.7	-5.8
Profit/loss for the period	-7.8	-4.6	13.0	17.0	20.2	16.2



Revenue and earnings for the Group

Third quarter, 1 July–30 September 2022

Net revenue for the third quarter was SEK 181.1 million (193.6), a decline of 6 percent compared with the previous year. The decrease in revenue between quarters is due to the divestment of the railway business, the discontinuation of the industrial business, the sale of the Indian company in December 2021 and the discontinuation of the Norwegian business in 2022, which in total amounted to SEK 12.2 million.

Organic growth was –0.1% in the quarter compared to the year-earlier period. Earnings before acquisition-related items (EBITA) were SEK –5.3 million (0.9), and operating earnings (EBIT) totalled SEK –7.3 million (–2.1). Earnings for Architecture & Management and Civil Engineering & Infrastructure were better than the previous year, while earnings for Systems were lower. The quarter is affected by increased personnel costs linked to investments in education and conferences compared to the same period last year.

1 January–30 September 2022

Net revenue for the 1 January to 30 September period amounted to SEK 676.8 million (753.2), a drop of 10 percent compared with last year. The decrease in revenue between periods is due to the divestment of the railway business, the discontinuation of the industrial business, the sale of the Indian company in December 2021 and the discontinuation of the Norwegian business in 2022, which in total amounted to SEK 55.8 million. Earnings were negatively affected by a final settlement of SEK –3.5 million from Tillväxtverket regarding short-term support in 2020, reported as personnel costs. Earnings have also been impacted by SEK –3.5 million related to the discontinuation of the industrial business, which has been in the process of being closed since 2021.

All operating segments have fewer employees than the comparative period. The calendar effect has had a positive impact on revenue in the amount of SEK 2.1 million, as the first three quarters of the year had half a working day more than the previous year. Organic growth was negative as a consequence of personnel cutbacks, amounting to –3.0 percent and –3.3 percent taking account of the calendar effect.

Profit before acquisition-related items (EBITA) was SEK 29.5 million (42.6). An operating profit (EBIT) of SEK 23.7 million (32.6) was recorded. Margins were stable during the period due to a continued increase in sales activity, lower overheads and more efficient working practices. However, earnings failed to reach the previous year's level due to the final settlement from Tillväxtverket and the costs of winding up the industrial business. EBITA and EBITA margin excluding these items are SEK 36.5 million and 5.4 percent respectively.

Earnings for Architecture & Management and Civil Engineering & Infrastructure were better than the previous year, while earnings for the Systems segment were lower.

Our financial targets

10%

EBITA margin over time

15%

Annual growth over time, incl. acquisitions

2.5x

Net borrowings/EBITDA ratio of max. 2.5

30–50%

Dividend policy, percentage of profit for the year distributed

We renew society through innovative and sustainable solutions

The megatrends of digitalisation, sustainability and urbanisation have continued to shape our world, our cities and our business. The world is on the cusp of a huge transition, driven by these megatrends, and it is engineers, architects and specialists who will help shape the societies of tomorrow.

Who we are

Our vision

- We renew society with innovative and sustainable solutions

Our strategies

- Highest client value
- Profitable growth
- Best workplace

Our values

- Commitment
- Entrepreneurship
- Responsibility



Our ambition

In 2025, PE will be Sweden's leading consultant specialising in buildings. We will achieve this by providing wide-ranging, high-quality and sustainable solutions.

The way forward

We will grow profitably, while contributing to the long-term development and renewal of society, by:



Being a committed and long-term partner



Developing and growing in our core areas



Being a creative and learning organisation



Helping combat climate change



Being at the forefront of development, using digitalisation and new technologies

13,000

Assignments

4,000

Clients

828

Employees

1

Net revenue 2021, SEKbn



Our offering

We deliver high-level consulting services and solutions in and around buildings. With a clear vision, shared values and long-term strategies, we can work with our clients to create a more sustainable society. Every year, we help more than 4,000 clients make more sustainable choices in a total of just over 13,000 assignments.

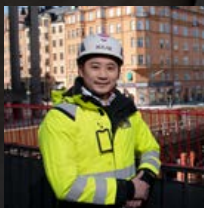


We collaborate to create innovative and sustainable solutions



Architecture & Management

Architecture & Management offers services in architecture, societal development and project management. We help our clients develop sustainable buildings and towns based on good architecture. Our solutions enable resource-efficient and flexible use of buildings with the lowest possible running costs, and ensuring a long lifespan.



Civil Engineering & Infrastructure

Civil Engineering & Infrastructure offers design and environmental solutions for all aspects of buildings and their surroundings. We help our clients develop resource-efficient, flexible, secure and low-carbon buildings as an important part of a safe, inclusive and sustainable society.



Systems

Systems offers smart, sustainable installation solutions that optimise all building systems for the lowest running costs and minimal climate and environmental impact. Using the latest technology, we create innovative solutions to build contemporary, pleasant and resource-efficient environments for people to live, work and spend time in.

Examples of assignments during the quarter



- The new Liljeholmskajen district in Stockholm is completed and the considerable confidence the client has shown in PE's electrical and telecommunications systems is reflected in that JM has extended the framework agreement with PE for another two years, including also HVAC and sanitation services.
- Närlunda School in Askersund is being extended and modernised with focus on wood and long-term solutions. PE provides architecture, project management, accessibility, construction, electrical, HVAC and fire protection expertise. NCC is the contractor.
- Hällefors is building its first swimming pool and PE is providing project management, architecture, construction, geotechnics, fire protection, and moisture, acoustics and energy expertise. PE has been commissioned by the municipality and the contractor TA Byggproduktion to design a sustainable and energy-efficient swimming pool.
- Once the new office building Kvar tetten in Malmö has achieved triple certification according to Miljöbyggnad, WELL and NollCO2, PE Wihlborgs Fastigheter's environmental coordinator will be responsible for coordinating and monitoring all the certifications.

Architecture & Management

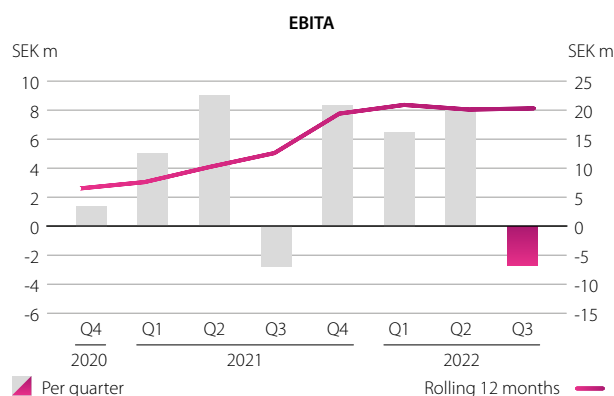
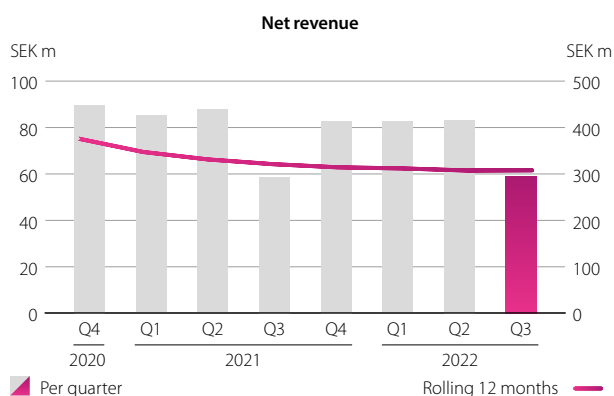
Net revenue for the segment in the third quarter of 2022 was SEK 59.1 million (58.6). EBITA improved to SEK –2.7 million (–2.8) and the EBITA margin rose to –4.5 percent (–4.9).

The segment continues to achieve profit improvements compared to the same period last year. A strong customer focus and heightened sales efforts are the main reasons for the improved performance. The cost savings and efficiency measures

implemented have had the intended effect and are reflected in the improvement in earnings. We see continued opportunities to grow the business and are therefore putting considerable effort into recruitment. Demand for the segment's services was healthy during the quarter, despite increased uncertainty in the market. The changes taking place, mainly related to housing, have not affected the business this quarter.

Segment review

SEKm	3 months		9 months		12 months	
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021	Rolling 12 mths
Net revenue	59.1	58.6	225.0	231.4	314.4	307.9
- of which internal net revenue	4.7	4.3	19.7	17.9	23.0	24.8
Total growth, %	0.8	-14.9	-2.8	-19.2	-16.4	-
- of which organic, %	0.8	-14.9	-2.8	-19.2	-16.4	-
- of which acquired/divested growth, %	-	-	-	-	-	-
EBITA	-2.7	-2.8	12.0	11.1	19.4	20.3
- EBITA margin, %	-4.5	-4.9	5.3	4.8	6.2	6.6
Average number of employees	213	210	217	218	217	216



SEK 59m

Net revenue

SEK -3m

EBITA

-4.5%

EBITA margin

Civil Engineering & Infrastructure

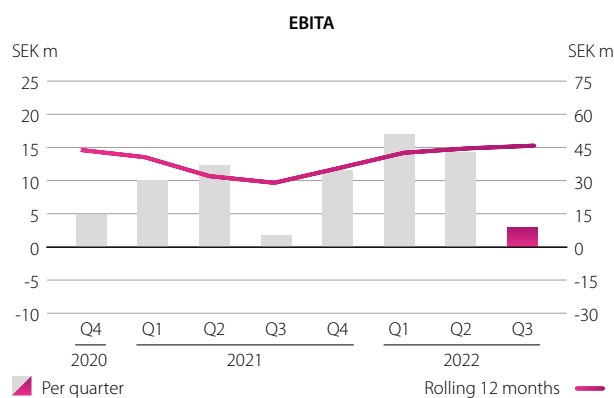
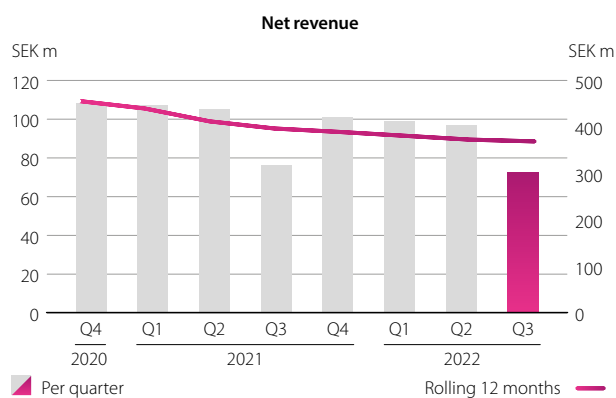
Net revenue for the segment in the third quarter of 2022 was SEK 72.4 million (76.2). EBITA improved to SEK 3.0 million (1.7) and the EBITA margin rose to 4.1 percent (2.2). The drop in sales from the divestment of the railway business amounts to SEK 4.6 million.

The segment is continuing to display a positive profitability trend and is delivering higher margins compared with the year-earlier period. The segment's offering is now fully linked to

buildings and their surroundings, which is reflected in earnings. The market for the services we offer and order levels remained stable during the quarter, with healthy demand for our advanced services. All in all, this provides good prospects for growth in the segment and we are focusing heavily on sales and recruitment efforts.

Segment review

SEKm	3 months		9 months		12 months	
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021	Rolling 12 mths
Net revenue	72.4	76.2	268.1	288.5	389.2	368.9
- of which internal net revenue	3.3	3.2	12.2	13.1	17.0	16.1
Total growth, %	-5.0	-16.8	-7.1	-17.0	-14.6	-
- of which organic, %	1.1	-12.9	0.4	-16.0	-12.0	-
- of which acquired/divested growth, %	-6.1	-3.9	-7.4	-1.0	-2.6	-
EBITA	3.0	1.7	34.3	24.1	35.7	45.8
- EBITA margin, %	4.1	2.2	12.8	8.4	9.2	12.4
Average number of employees	267	275	259	285	278	259



SEK 72m

Net revenue

SEK 3m

EBITA

4.1%

EBITA margin

Systems



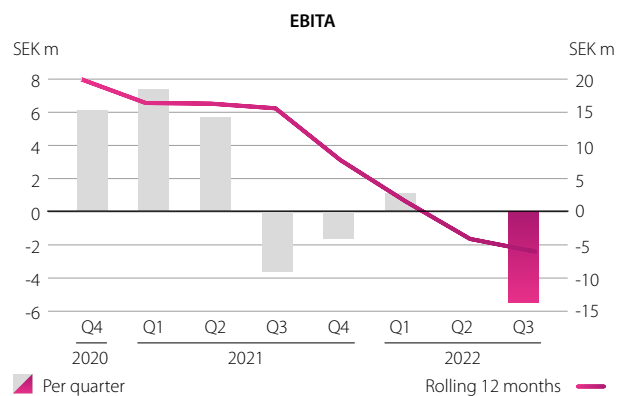
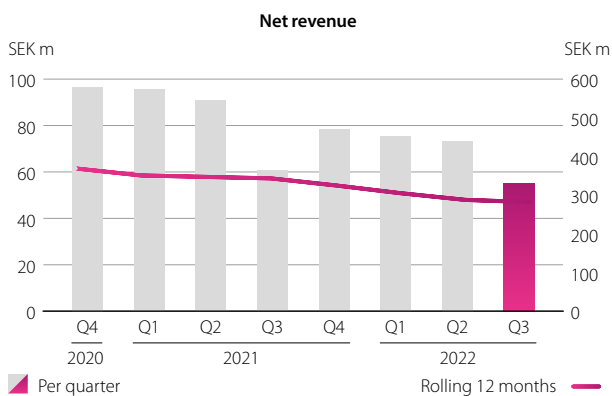
Net revenue for the segment in the third quarter of 2022 was SEK 54.9 million (60.7). EBITA totalled SEK –5.5 million (–3.6) and the EBITA margin was –10.0 percent (–5.9). The drop in revenue from the discontinuation of the industrial business amounts to SEK 5.8 million.

During the third quarter, the segment continued to address the challenges identified earlier, specifically weak profitability in parts of the business. To improve profitability, we have intro-

duced management and organisational changes during the quarter aimed at boosting efficiency and clarifying business responsibilities. Furthermore, we are continuing to work on efficiency, business viability and building a solid pay structure to future-proof the business. We noted a slightly altered market trend in the quarter, with a degree of sluggishness in the start of new assignments, however demand for our services and our order intake are at stable levels.

Segment review

SEKm	3 months		9 months		12 months	
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021	Rolling 12 mths
Net revenue	54.9	60.7	203.7	246.8	325.2	282.0
- of which internal net revenue	2.5	1.5	12.2	9.8	12.6	15.0
Total growth, %	-9.6	-5.9	-17.5	-9.4	-11.9	-
- of which organic, %	0.0	-5.9	-6.4	-9.4	-11.9	-
- of which acquired/divested growth, %	-9.6	0.0	-11.1	0.0	0.0	-
EBITA	-5.5	-3.6	-4.4	9.4	7.8	-6.0
- EBITA margin, %	-10.0	-5.9	-2.2	3.8	2.4	-2.1
Average number of employees	227	228	227	243	239	227



SEK 55m

Net revenue

SEK –6m

EBITA

–10.0%

EBITA margin

Cash flow and financial position

Third quarter, 1 July–30 September 2022

Cash flow from operating activities amounted to SEK 9.5 million (–8.0). The change in working capital totalled SEK 5.5 million (–23.4). Investing activities showed a net flow in the quarter of SEK –0.7 million (5.1). Cash flow from financing activities amounted to SEK –10.3 million (–22.4) and is attributable to amortisation of bank loans of SEK 2.5 million, amortisation of lease liabilities of SEK 15.9 million and use of credit facilities of SEK 8.1 million.

1 January–30 September 2022

Cash flow from operating activities amounted to SEK 24.8 million (38.5). The change in working capital totalled SEK –20.5 million (–42.3). Investing activities exhibited a net outflow during the period of SEK –3.2 million (2.7) and comprised purchases of non-current assets. Cash flow from financing activities totalled SEK –42.4 million (–73.8), comprising dividends to shareholders of SEK 9.6 million, repurchase of treasury shares corresponding to SEK 9.4 million, amortisation of bank loans and lease liabilities of SEK 7.5 million and SEK 46.7 million respectively, and use of credit facilities of SEK 30.8 million. Net debt at the end of the quarter totalled SEK 288.4 million (301.5). Excluding the lease liability due, which as of 2019 is recognised in accordance with IFRS 16, net debt amounted to SEK 176.8 million (155.3).

Acquisitions

No companies were acquired in the first three quarters of the year. As of 1 June, PE Teknik och Arkitektur AB acquired the operations of Konstruktionsbyrå i Uppsala AB through an agreement on the transfer of assets and liabilities. The agreement includes client contracts and two employees. The acquisition is recognised in cash flow as an investment in intangible assets.

Investments, depreciation and amortisation

Purchases of non-current assets for the period amounted to SEK 3.7 million (2.6). Depreciation of total non-current assets amounted to SEK 58.5 million (67.6), including depreciation of leased assets by SEK 47.0 million (50.8), amortisation of acquisition-related items by SEK 5.8 million (8.3) and of other intangible assets by SEK 1.4 million (1.2).

Number of shares and repurchases

The total number of Projektengagemang shares at 30 September 2022 was 24,555,677, divided between 5,296,524 class A shares with ten votes each and 19,259,153 class B shares with one vote each, corresponding to a total of 72,224,393 votes. On 30 March 2022, 500,000 class B shares were acquired in order to secure future provision of shares and other obligations relating to Projektengagemang's performance-based share purchase programmes, after the Board of Directors exercised its authorisation, granted by the 2021 AGM, to acquire treasury shares. During the third quarter, an additional 1,535 shares were acquired. Following these repurchases, Projektengagemang holds 501,535 shares, which is equivalent to 2.04 percent of the company's issued shares.

Significant events, 1 January–30 September 2022

Liselotte Haglind new CFO and Malin Gardikro new Head of HR and Communication

Liselotte Haglind took up the post of CFO on 1 July. She joins us from KPMG Sweden, where she was Chief Financial Officer and Chief Operating Officer.

Malin Gardikro took up the post of Head of HR and Communication on 8 August. She joins us from Bjerking, where she worked as HR Director with responsibility for the HR and Communication division.

Since July, Group management has consisted of Helena Hed (President and CEO), Liselotte Haglind (Chief Financial Officer) and Mathias Thorsson (Chief Business Development Officer). The press releases are available in full at [pe.se](https://www.pe.se).

Decision to acquire treasury shares

The Board of Directors of Projektengagemang Sweden AB (publ) has, based on the authorisation granted by the Annual General Meeting held on 5 May 2021, resolved to acquire class B treasury shares on Nasdaq Stockholm. The purpose of the repurchase is to secure the future provision of shares and other obligations (including social security contributions) by Projektengagemang relating to its performance-based share purchase programmes. The press releases are available in full at [pe.se](https://www.pe.se).

Annual General Meeting

At the AGM on 5 May 2022 in Stockholm, the AGM resolved to pay a dividend of 40 öre per share outstanding, in accordance with the Board's proposal. The dividend corresponds to 49 percent of earnings per share for the 2021 financial year. The total dividend payment amounted to SEK 9,422,271 (0). The AGM also resolved that the Board of Directors shall comprise seven (six) members, and re-elected Board members Lars Erik Blom, Per Göransson, Per-Arne Gustavsson, Carina Malmgren Heander, Christina Ragsten and Jon Risfelt, and appointed a new member, Peter Sandberg. Per-Arne Gustavsson was elected Chairman of the Board.

The AGM resolved to re-elect auditing firm PricewaterhouseCoopers AB as the company's auditor for the period extending up until the end of the 2023 AGM. Further information about the AGM can be found on the company's website under Corporate Governance.

Significant events after the end of the period

On 10 October, PE entered into an agreement to acquire Gärdhagen Akustik AB, a Gothenburg-based acoustics specialist with a clear focus on buildings. The acquisition strengthens PE's offering in acoustics.

Per Löfström appointed new head of HVAC and Sanitation Design

As of 1 November, Peter Löfström will assume his role as the head of PE Teknik & Arkitekturs business area HVAC and Sanitation Design. Per has worked at PE since 2007, and in his latest role as head of the section HVAC.

Other information

Employees

The average number of FTEs in the quarter amounted to 767 (813). The corresponding figure for three quarters was 763 (847). The number of employees at the end of the period was 828 (858).

Tax

The tax expense for the quarter was SEK 1.6 million (0.8) and for three quarters SEK -4.5 million (-5.4).

Parent Company

The Parent Company's net revenue for the 1 January–30 September period totalled SEK 0 million (0), with operating income (EBIT) corresponding to SEK -14.5 million (-11.3).

Share information

The company's B shares have been listed on Nasdaq Stockholm since 19 June 2018. The buying price at 30 September for PENG-B was SEK 12.35, a decline of 47.4 percent in the first three quarters of 2022.

Related-party transactions

PE had no transactions with related parties in 2022.

Calendar effects

There was no calendar effect for the third quarter of 2022 compared with 2021. The calendar effect is plus half a day for the 1 January to 30 September period. See page 27 for further information.

Accounting policies

This report has been prepared in accordance with IAS 34, Interim Financial Reporting, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretative statements from the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU. The Group applies the same accounting policies as detailed in Note 1 of the 2021 annual accounts, with supplementary details for the share purchase programmes.

At the 2019, 2020, 2021 and 2022 AGMs, it was decided to introduce long-term share purchase programmes for senior executives and other key employees of the Group.

Participation in the share purchase programmes requires the participant to invest/acquire a certain number of class B shares in the Company ("Savings Shares") at market price on Nasdaq Stockholm using their own funds. If the Savings Shares are retained during the three-year vesting period and the participant remains employed for the entire period, each Savings Share entitles the participant to receive, free of charge, one class B share in the Company ("Matching Share"). All the programmes presume

that the share's total shareholder return ("TSR") remains positive during the vesting period. Provided that specific performance requirements in terms of EBITA margin are met during the three-year vesting period, one to four additional class B shares in the Company ("Performance Shares") may be granted per Savings Share. Up to 50 percent of the Performance Share allocation will depend on EBITA performance and up to 50 percent on TSR performance. For programmes from 2019 onwards, the allocation depends 100% on the TSR performance.

Projektengagemang classifies its share purchase programmes (matching share programme and performance share programme) as share-based payments that are settled using equity instruments. This means that the fair value of the shares at the respective allocation date is recognised over the vesting period of three years. At each financial year-end, the anticipated number of shares allotted is revised. The effect on earnings of any change in previous estimates is then reflected in a corresponding adjustment to equity. This means that at each financial year-end, an accumulated expense is recognised for each programme equal to the accrued portion of the estimated number of shares expected to be earned based on the fair value of the instrument at the time the share purchase programme was offered to the employees.

Social security contributions for the share-based payment schemes are expensed over the vesting period in accordance with UFR 7. The amount of these costs depends on the development of the fair value of the share during the vesting period and the number of Matching and Performance Shares expected to be earned. After the end of the vesting period when shares are distributed to employees, social security contributions are payable for the value of the employee's benefit.

The balance sheets are presented in summary. To increase comparability with other companies on the market, as of 1 January 2018 PE introduced the earnings concept EBITA, which is defined as operating profit excluding acquisition-related items. Operating profit is therefore adjusted for amortisation and impairment of acquisition-related intangible assets, including goodwill, and revaluation of contingent considerations and gains/losses from the divestment of companies and operations. PE applies all EU-adopted IFRS standards and statements (IFRIC), to the extent possible within the framework of the Swedish Annual Accounts Act, and in some cases for tax reasons. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

Risks and uncertainties

PE is exposed to business risks associated with economic and structural changes, as well as changes in market trends. Other risks include the ability to recruit, retain and develop employees. Furthermore, the Group is exposed to interest rate, foreign exchange and credit risks. In the event of a significant change in

circumstances in the company's markets, PE could experience problems in signing new credit facilities and consequently need to use a larger portion of cash flow to make interest payments and repayments. This could have a negative effect on the company. The 2021 annual accounts provide a comprehensive description of risk exposure and uncertainties. PE is currently involved in two disputes with Cortus AB. On 5 June 2019, two summons applications were submitted against Cortus AB, in which the claim amounts to approximately SEK 5.3 million. PE's claim relates to remuneration for work carried out. Cortus AB responded with counterclaims amounting to approximately SEK 12.6 million. PE considers Cortus AB's claims to be without merit. On 21 March 2022, Solna District Court announced a verdict regarding one of these two disputes. The ruling was entirely in PE's favour. Cortus AB has appealed against the verdict.

PE and PE's subsidiary Soleed Sweden AB have received claims for remedial action and damages regarding problems in approximately 200 building modules delivered by Soleed in 2014/2015. Soleed has already undertaken to remedy the defects found in three building modules that were the subject of complaints. PE and Soleed reject the other claims. The subsidiary Soleed Sweden AB previously conducted operations related to the manufacture and distribution of concrete building modules for temporary housing. The company made one delivery and the business was wound up in 2016, as it was not considered part of the Group's core business; see the company's prospectus for the 2018 IPO for further details.

There has been no change in the disputes described above during the quarter.

Impact of Russia's invasion of Ukraine

PE does not have any operations, clients or suppliers that are directly affected by the war and sanctions. Indirectly, macro-economic conditions have become more challenging in the wake of the pandemic and Russia's ongoing invasion of Ukraine. This creates greater uncertainty in the market, which may affect our clients in the short term. We have not identified any direct impact such as increased risk in our ongoing assignments, our order book or cash flow.

Audit

This report has been subject to a limited assurance review by the company's auditors.

Nomination Committee ahead of 2023 AGM

The Nomination Committee of Projektengagemang Sweden AB (publ) has been appointed for the 2023 Annual General Meeting,

which will be held on 4 May 2023 in Stockholm. In accordance with the established instructions regarding the composition of the Nomination Committee of Projektengagemang, the Nomination Committee, which shall comprise four members with Chairman of the Board Per-Arne Gustavsson as convenor, has been appointed ahead of the 2023 AGM. The members of the Nomination Committee are:

- Per Göransson, appointed by Projektengagemang Holding AB, Heroine Holding AB and shareholder Peter Sandberg
- Tim Floderus, appointed by Investment AB Öresund
- Dag Marius Nereng, appointed by Protector Forsikring ASA
- Per-Arne Gustavsson, Chairman of the Board

The Nomination Committee has appointed Per Göransson as its Chairman. The tasks of the Nomination Committee are to prepare and submit proposals for the 2023 Annual General Meeting regarding the election of the Board of Directors and the Chairman of the Board of Directors, the election of the auditor, remuneration of the Board of Directors and the auditor, the election of the Chairman of the Annual General Meeting and, if necessary, amendments to the instructions for the Nomination Committee.

Shareholders wishing to submit proposals to the Nomination Committee may do so up until 13 February 2023 via email to ir@pe.se, or by letter to Projektengagemang Sweden AB, Nomination Committee, Box 47146, Årstaängsvägen 11, 100 74 Stockholm, Sweden. Shareholders wishing to have matters discussed at the AGM must submit such proposals to the Chairman of the Board via email at ir@pe.se, or by letter to the above address, no later than 16 March 2023, for the proposal to be included in the notice convening the AGM.

Forward-looking information

Forward-looking information in this report is based on company management's expectations at the time of writing. As with all assessments regarding the future, such assumptions include risks and uncertainties that may mean actual outcomes differ from the anticipated result. The company does not undertake to update or rectify such forward-looking information other than what is stipulated by law.

This information is information that Projektengagemang Sweden AB (PUBL) is obliged to disclose under the EU market abuse regulation. The information was submitted, through the provision of the contact person, for publication on 28 October 2022 at 07:30 at CET.

Stockholm 28/10/2022
Projektengagemang Sweden AB (publ)

Helena Hed
CEO

Auditor's report

Projektengagemang Sweden AB (publ) company reg. no 556330-2602.

Introduction

We have conducted a limited assurance review of the financial interim information in summary (interim report) for Projektengagemang Sweden AB (publ) at 30 September 2022 and the nine-month period ending on the same date. The Board of Directors and CEO are responsible for preparing and presenting this financial interim information in accordance with IAS 34 and the Swedish Annual Accounts Act. It is our responsibility to express an opinion on this interim report based on our limited assurance review.

Focus and scope of the limited assurance review

We have conducted our limited assurance review in accordance with the International Standard on Review Engagements ISRE 2410 review of interim financial information performed by the independent auditor of the entity. A limited assurance review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other limited assurance procedures. The procedures performed as part of a limited assurance review vary in nature from, and are significantly less in scope than for a reasonable assurance review conducted in accordance with ISA and generally accepted au-

ditng standards in Sweden. The audit procedures carried out as part of a limited assurance review mean that it is not possible for us to obtain such a level of assurance that would make us aware of all significant circumstances that could have been identified in a reasonable assurance review. Accordingly, we do not express a reasonable assurance opinion.

Opinion

Based on our limited assurance review, no circumstances have arisen that give us cause to consider that this interim report has not, in all material respects, been prepared for the Group in accordance with IAS 34 and the Swedish Annual Accounts Act, and for the Parent Company in accordance with the Swedish Annual Accounts Act.

Stockholm, 28 October 2022
PricewaterhouseCoopers AB

Camilla Samuelsson
Authorised Public Accountant
Auditor-in-charge

Oskar Thorslund
Authorised Public Accountant

Group income statement

SEKm	3 months		9 months		12 months	
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021	Rolling 12 mths
Net revenue	181.1	193.6	676.8	753.2	1,012.8	936.5
Other external expenses	-37.7	-44.3	-121.8	-159.5	-212.6	-174.8
Personnel costs	-131.4	-128.9	-472.8	-493.5	-667.9	-647.3
Profit/loss before depreciation/amortisation, EBITDA	12.0	20.4	82.2	100.2	132.4	114.4
Depreciation, amortisation and impairment losses	-17.3	-19.5	-52.7	-57.6	-75.5	-70.6
Operating profit/loss, EBITA	-5.3	0.9	29.5	42.6	56.9	43.7
Acquisition-related items	-2.0	-3.0	-5.8	-10.1	-17.0	-12.7
Operating profit/loss, EBIT	-7.3	-2.1	23.7	32.6	39.9	31.0
Financial items	-2.1	-3.4	-6.3	-10.2	-12.9	-9.0
Profit/loss after financial items	-9.4	-5.4	17.5	22.4	27.0	22.0
Tax	1.6	0.8	-4.5	-5.4	-6.7	-5.8
Profit/loss for the period	-7.8	-4.6	13.0	17.0	20.2	16.2
Attributable to:						
Parent Company shareholders	-7.8	-4.6	13.0	17.2	20.2	16.0
Non-controlling interests	-	0.0	-	-0.2	0.0	0.2
Earnings per share outstanding for the period, SEK (there is no dilution effect)	-0.32	-0.19	0.54	0.70	0.82	0.66

Consolidated statement of comprehensive income

SEKm	3 months		9 months		12 months	
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021	Rolling 12 mths
Profit/loss for the year	-7.8	-4.6	13.0	17.0	20.2	16.2
Comprehensive income for the year	-7.8	-4.6	13.0	17.0	20.2	16.2

Consolidated balance sheet

SEKm	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS			
Non-current assets			
Goodwill	595.6	595.6	594.8
Other non-current intangible assets	13.7	22.4	19.8
Property, plant and equipment	146.6	184.7	182.2
Financial assets	1.5	2.7	2.4
Total non-current assets	757.4	805.4	799.2
Current assets			
Current assets excluding cash and cash equivalents	235.2	246.0	245.3
Cash and cash equivalents including short-term investments	2.3	10.4	23.0
Total current assets	237.5	256.4	268.3
TOTAL ASSETS	994.9	1,061.8	1,067.4
EQUITY AND LIABILITIES			
Equity			
Equity attributable to Parent Company shareholders	572.4	575.8	577.9
Non-controlling interests	–	–0.4	–
Total equity	572.4	575.4	577.9
Liabilities			
Non-current liabilities	193.4	221.9	231.6
Current liabilities, accrued expenses	209.0	240.9	240.3
Deferred tax liabilities	20.1	23.6	17.7
Total liabilities	422.5	486.3	489.6
TOTAL EQUITY AND LIABILITIES	994.9	1,061.8	1,067.4

Consolidated statement of changes in equity

SEKm	30 Sep 2022	30 Sep 2021	31 Dec 2021
Equity at start of period	577.9	557.8	557.8
Profit/loss for the period	13.0	17.0	20.2
Dividends paid	–9.6	0.0	–
Repurchase of treasury shares	–9.4	–	–
Share-based payments	0.4	–	–
Other transactions	0.2	0.7	–0.1
Equity at end of period	572.4	575.4	577.9
Attributable to:			
Parent Company shareholders	572.4	575.8	577.9
Non-controlling interests	–	–0.4	–
Total	572.4	575.4	577.9

Consolidated cash flow statement

SEKm	3 months		9 months		12 months
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Operating activities					
Profit/loss after financial items	-9.4	-5.4	17.5	22.4	27.0
Adjustments for non-cash items	19.4	21.7	59.1	64.7	85.3
Tax paid	-6.0	-0.9	-31.2	-6.4	-6.6
Cash flow before changes in working capital	4.0	15.4	45.3	80.8	105.7
Cash flow from changes in working capital	5.5	-23.4	-20.5	-42.3	-26.7
Cash flow from operating activities	9.5	-8.0	24.8	38.5	79.0
Purchase of property, plant and equipment and non-current intangible assets	-0.7	-0.2	-3.2	-2.6	-3.6
Sale of Group companies/businesses	-	5.3	-	5.3	4.0
Cash flow from investing activities	-0.7	5.1	-3.2	2.7	0.5
Dividend paid	-	-	-9.6	-	-
Repurchase of treasury shares	-	-	-9.4	-	-
Repayment of loans	-18.4	-22.3	-54.2	-74.0	-99.8
Change in credit facilities	8.1	-0.1	30.8	0.2	-
Cash flow from financing activities	-10.3	-22.4	-42.4	-73.8	-99.8
Cash flow for the period	-1.5	-25.3	-20.8	-32.7	-20.2
Cash and cash equivalents at start of period	3.3	35.5	22.6	42.8	42.8
Exchange rate difference in cash and cash equivalents	0.0	0.0	0.0	0.0	0.1
Cash and cash equivalents at end of period	1.8	10.1	1.8	10.1	22.6

Parent Company income statement

SEKm	3 months		9 months		12 months
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Net revenue	0.0	0.0	0.0	0.0	14.1
Other external expenses	-1.6	-1.5	-6.2	-5.3	-6.9
Personnel costs	-3.7	-1.6	-8.3	-5.9	-8.8
Profit/loss before depreciation/amortisation, EBITDA	-5.3	-3.1	-14.5	-11.3	-1.6
Depreciation, amortisation and impairment losses	-	-	-	-	-0.1
Operating profit/loss, EBIT	-5.3	-3.1	-14.5	-11.3	-1.7
Financial items	-1.3	-1.6	-3.3	-5.3	-11.7
- of which from the sale of Group companies	-	-	-	-	-4.8
Profit/loss after financial items	-6.6	-4.7	-17.8	-16.6	-13.4
Appropriations	-	-	-	-	4.2
Profit/loss before tax	-6.5	-4.7	-17.8	-16.6	-9.2
Tax	-	-	-	-0.3	0.4
Profit/loss for the period	-6.6	-4.7	-17.8	-17.0	-8.8

Parent Company statement of comprehensive income

SEKm	3 months		9 months		12 months
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Profit/loss for the year	-6.6	-4.7	-17.8	-17.0	-8.8
Comprehensive income for the year	-6.6	-4.7	-17.8	-17.0	-8.8

Parent Company balance sheet

SEKm	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS			
Non-current assets			
Other non-current intangible assets	0.1	0.1	0.1
Deferred tax assets	5.3	4.6	5.3
Financial assets	774.9	777.8	774.9
Total non-current assets	780.3	782.5	780.3
Current assets			
Current assets	2.4	10.6	23.0
Total current assets	2.4	10.6	23.0
TOTAL ASSETS	782.7	793.0	803.3
EQUITY AND LIABILITIES			
Equity	434.2	462.5	470.6
Non-current liabilities	123.2	114.3	130.7
Current liabilities	225.4	216.2	202.0
Total liabilities	348.5	330.6	332.7
TOTAL EQUITY AND LIABILITIES	782.7	793.0	803.3

Income statement per quarter for the Group

SEKm	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020
Net revenue	181.1	245.3	250.3	259.7	193.6	277.6	282.0	286.5
Other external expenses	-37.7	-42.5	-41.6	-53.1	-44.3	-59.8	-55.4	-64.3
Personnel costs	-131.4	-170.5	-170.9	-174.4	-128.9	-176.4	-188.2	-184.9
Profit/loss before depreciation/amortisation, EBITDA	12.0	32.4	37.8	32.1	20.4	41.4	38.5	37.3
Depreciation, amortisation and impairment losses	-17.3	-17.5	-17.8	-17.9	-19.5	-17.8	-20.3	-20.7
Operating profit/loss, EBITA	-5.3	14.8	20.0	14.2	0.9	23.5	18.2	16.5
Acquisition-related items ¹	-2.0	-1.9	-1.9	-6.9	-3.0	-4.3	-2.7	-0.8
Operating profit/loss, EBIT	-7.3	12.9	18.1	7.3	-2.0	19.2	15.5	15.8
Financial items	-2.1	-1.9	-2.2	-2.7	-3.4	-3.0	-3.8	-3.1
Profit/loss after financial items	-9.4	11.0	15.9	4.6	-5.4	16.2	11.7	12.7
Tax	1.6	-2.2	-3.9	-1.3	0.8	-3.8	-2.4	-6.6
Profit/loss for the period²	-7.8	8.8	12.0	3.3	-4.6	12.4	9.3	6.1
Attributable to:								
Parent Company shareholders	-7.8	8.8	12.0	3.3	-4.6	12.6	9.2	6.4
Non-controlling interests	-	-	-	0.0	0.0	-0.1	0.1	-0.3

1 Acquisition-related items are defined as depreciation/amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of contingent considerations and gains and losses from divestments of companies, operations, land and buildings.

2 No deviations between profit or loss for the period and comprehensive income for the period.

Key performance indicators, Group

SEKm	3 months		9 months		12 months	
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021	Rolling 12 mths
PROFITABILITY						
EBITDA	12.0	20.4	82.2	100.2	132.4	114.4
EBITDA margin, %	6.6	10.5	12.1	13.3	13.1	12.2
EBITA	-5.3	0.9	29.5	42.6	56.9	43.7
EBITA margin, %	-2.9	0.5	4.4	5.7	5.6	4.7
EBIT	-7.3	-2.1	23.7	32.6	39.9	31.0
EBIT margin, %	-4.0	-1.1	3.5	4.3	3.9	3.3
NET REVENUE						
Total growth, %	-6.4	-11.8	-10.1	-14.5	-13.2	-
- of which organic growth	-0.1	-10.2	-3.3	-14.1	-12.2	-
- of which acquired/divested growth and calendar effect	-6.3	-1.7	-6.9	-0.4	-1.0	-
FINANCIAL POSITION						
Equity/assets ratio, %	57.5	54.2	57.5	54.2	54.1	-
Available cash and cash equivalents	131.5	170.4	131.5	170.4	183.0	-
- of which undrawn credit facilities	129.2	160.0	160.0	160.0	160.0	-
Leverage	2.5	2.2	2.5	2.2	2.1	2.5
OTHER						
Number of employees	828	858	828	858	795	828
Average number of employees	767	813	763	847	835	762
Utilisation rate, %	74.2	73.2	75.8	75.1	75.0	75.5
Earnings per share outstanding for the period, SEK (there is no dilution effect)	-0.32	-0.19	0.54	0.70	0.82	0.67
Equity per share, SEK	23.80	23.49	23.80	23.49	23.53	23.80

Notes to the financial statements

NOTE 1 Acquisitions

No acquisitions of subsidiaries were made in the first three quarters of 2022. An asset acquisition was made on 1 June of the operations of Konstruktionsbyrån i Uppsala AB. On 1 September 2021, the railway business was divested and on 22 December 2021, the Indian subsidiary Aristi was sold.

Acquisition-related items

SEKm	3 months		9 months		12 months	
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021	Rolling 12 mths
EBITA	-5.3	0.9	29.5	42.6	56.9	43.7
Amortisation of acquisition-related non-current intangible assets	-2.0	-2.8	-5.8	-8.3	-11.1	-8.6
Disposal of goodwill relating to divested operations	-	-1.8	-	-1.8	-1.8	-
Divested operations	-	3.1	-	3.1	3.1	-
Sale of Group companies	-	-	-	-	-2.3	-2.3
Additional IT costs related to acquisitions in 2017	-	-1.6	-	-3.2	-5.1	-1.9
Acquisition-related items	-2.0	-3.0	-5.8	-10.1	-17.0	-12.7
Operating profit/loss, EBIT	-7.3	-2.1	23.7	32.6	39.9	31.0

NOTE 2 Financial instruments by category

The fair value of the Group's financial instruments is established via market valuation, e.g. recently completed transactions, the price of similar instruments and discounted cash flows. When there is no reliable data available for fair value measurement, financial instruments are recognised at cost (Level 3). There were

no transfers between any of the levels during the period. No financial instruments have been classified at Level 2. Carrying amount is deemed to represent a reasonable estimate of the fair value of all financial assets and liabilities. The financial assets and liabilities are assigned to valuation categories 2 and 3.

30 Sep 2022

SEKm	Measured at fair value via profit/loss	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Of which fair value per level*		
				1	2	3
Financial instruments, assets						
Financial investments	1.5	–	–	–	–	1.5
Trade receivables	–	101.3	–	–	–	–
Short-term investments	0.5	–	–	–	–	0.5
Total financial assets	2.1	101.3	–	–	–	2.1
Financial instruments, liabilities						
Liabilities to clients and suppliers	–	–	42.7	–	–	–
Interest-bearing liabilities, non-current	–	–	193.1	–	–	–
Interest-bearing liabilities, current	–	–	97.7	–	–	–
Total financial liabilities	0.0	–	333.5	–	–	0.0

30 Sep 2021

SEKm	Measured at fair value via profit/loss	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Of which fair value per level*		
				1	2	3
Financial instruments, assets						
Financial investments	2.0	–	–	–	–	2.0
Trade receivables	–	96.7	–	–	–	–
Short-term investments	0.3	–	–	–	–	0.3
Total financial assets	2.2	96.7	–	–	–	2.3
Financial instruments, liabilities						
Liabilities to clients and suppliers	–	–	49.3	–	–	–
Other non-current liabilities	–	–	1.5	–	–	–
Interest-bearing liabilities, non-current	–	–	221.6	–	–	–
Interest-bearing liabilities, current	–	–	90.3	–	–	–
Total financial liabilities	0.0	–	362.7	–	–	–

Financial assets and financial liabilities measured at fair value on the balance sheet, or where disclosures are made regarding fair value, are classified at one of three levels based on the information used to establish the fair value. No transfers were made between these levels in 2020 or 2019.

Level 1

Financial instruments for which fair value is established based on observable (unadjusted) quoted prices in active markets for identical assets and liabilities. A market is considered active if quoted prices from a stock market, broker, industrial group, pricing service or supervisory authority are easily and regularly available, and such prices represent actual and regularly occurring arm's-length market transactions.

Level 2

Financial instruments for which fair value is established according to valuation models based on observable data for the asset or liability other than quoted prices included in Level 1, either directly (as quoted prices) or indirectly (derived from quoted prices). Examples of observable data under Level 2 are:

- Quoted prices for similar assets and liabilities.
- Data that may constitute grounds for assessing price, e.g. market rates and yield curves.

Level 3

Financial instruments for which fair value is established according to valuation models in which material inputs are based on unobservable data. No significant transfers between the levels have occurred during the periods. For other financial assets and financial liabilities, the recognised values are in all material respects deemed to correspond to the fair values. Recognised purchase considerations and financial investments are measured based on future earnings forecasts.

NOTE 3 Netting deferred tax assets/tax liabilities

The interim report's balance sheet is aggregated. Deferred tax assets are therefore netted against deferred tax liabilities. In order to illustrate the impact of such netting on the balance sheet, the table below shows how the various components affect the deferred tax asset and deferred tax liability.

Deferred tax effect

SEKm	30 Sep 2022	30 Sep 2021
Deferred tax assets		
Loss carry-forwards	1.6	1.6
Non-current assets	8.6	12.8
Accrued expenses	0.0	0.2
Total deferred tax assets	10.2	14.6
Deferred tax liabilities		
Untaxed reserves	10.9	15.4
Current assets	17.4	15.5
Non-current assets	2.0	7.3
Total deferred tax liabilities	30.3	38.2
Net deferred tax liabilities	-20.1	-23.6

NOTE 4 Revenue breakdown

PE's revenue comprises one type of income relating to delivery of assignments to customers. Revenue is broken down based on the company's business areas, which are separated into the segments by which PE follows up its operations. For further information regarding the Group's revenue recognition, please refer to the accounting policies detailed in the 2021 Annual Report.

SEKm	3 months		9 months		12 months	
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021	Rolling 12 mths
Net revenue						
Architecture	29.3	29.7	116.2	117.5	160.8	159.5
Management	29.8	28.9	108.8	113.9	153.5	148.4
Architecture & Management	59.1	58.6	225.0	231.4	314.4	307.9
Building*	56.1	56.3	206.9	221.5	297.7	283.1
Environment*	16.3	19.9	61.3	67.0	91.6	85.8
Civil Engineering & Infrastructure	72.4	76.2	268.1	288.5	389.2	368.9
Electrical, Telecommunications & Security	33.7	39.5	122.9	162.1	213.0	173.8
HVAC & Sanitation Design	21.2	21.2	80.8	84.7	112.1	108.2
Systems	54.9	60.7	203.7	246.8	325.2	282.0
Internal eliminations	-5.2	-1.9	-19.9	-13.6	-15.9	-22.3
Total	181.1	193.6	676.8	753.2	1,012.8	936.5

* The comparison figures have been adjusted due to incorrect allocation within the Segment Civil Engineering & Infrastructure

Key performance indicators, definitions

This report contains financial metrics that are not defined in IFRS. These financial metrics are used to monitor, analyse and direct operations and to supply the Group's stakeholders with information about the Group's financial position, earnings and performance. These financial metrics are considered to be necessary to be able to monitor and control the development of the Group's financial targets and it is therefore appropriate to publish them regularly. Below is a list of definitions of the key performance indicators used in this report.

Share-based metrics

Earnings per share

Profit/loss for the year attributable to shareholders divided by a weighted average of the number of shares during the year

Performance ratios

Return on equity

Profit/loss for the year according to income statement excluding minority's share, as a percentage of average equity

Return on capital employed

Profit/loss after net financial items, including earnings from participations in associates with reversal of interest expenses, as a percentage of average capital employed

Return on total capital

Profit/loss after net financial items, including earnings from participations in associates plus finance costs, as a percentage of average total assets

Financial measures

Acquisition-related items

Defined as depreciation/amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of contingent considerations and gains and losses from divestments of companies, operations, land and buildings

Average period of fixed interest

Period of fixed interest weighted according to outstanding interest-bearing liabilities

Average equity

Average amount of recognised equity at 1 January and 31 December

EBITA

Operating profit/loss excluding acquisition-related items

Adjusted earnings

Operating profit/loss adjusted for items affecting comparability

Items affecting comparability

Items relating to terminated operations, significant restructuring, acquisition and integration expenses and IPO expenses

Asset turnover

Net revenue divided by average capital employed

Net receivables (-)/debt

Interest-bearing liabilities less financial assets including cash and cash equivalents

Net revenue

Net revenue is the total of invoicing for current projects

Order intake

The value of projects taken on and changes to existing projects during the current period

R12

Rolling 12 months

Interest coverage ratio

Profit/loss after financial items plus finance costs divided by finance costs

Leverage

Net receivables (-)/debt divided by EBITDA, rolling 12 months

Equity/assets ratio

Total equity as a percentage of total assets

Capital employed

Total assets less non-interest-bearing liabilities including deferred tax liabilities. Average capital employed is calculated as the average of values at 1 January and 31 December

Margins

Operating margin

Operating profit/loss as a percentage of net revenue

EBITA margin

EBITA as a percentage of net revenue

Profit margin

Profit/loss after financial items as a percentage of net revenue for the period

Other key performance indicators

Number of employees

Total number of employees, all forms of employment, at end of period

Utilisation rate

Time charged to client in relation to total attendance

Average number of FTEs

Average number of employees during the year recalculated as full-time equivalents. The actual number of employees is higher due to part-time positions, and the fact that some employees only work for part of the year

Calendar effect

Average number of employees for the period multiplied by the difference in the number of available working days during the period, multiplied by average revenue/employee

Average interest

Nominal interest weighted according to outstanding interest-bearing liabilities at the balance sheet date

Calculations of financial performance measures not defined according to IFRS

Some of the descriptions and analyses presented in this interim report include alternative performance measures that are not defined by IFRS. The company is of the opinion that this information, in combination with comparable defined IFRS measures, is useful for investors, as it provides a basis for measuring operating earnings and the ability to repay liabilities and invest in the business. Company management uses these financial measures, together with the most directly comparable financial

measures according to IFRS, when evaluating operating earnings and value creation. These alternative performance measures should not be considered in isolation from, or as a substitute for financial information published in the financial statements in accordance with IFRS. The alternative performance measures that are reported do not necessarily need to be comparable with similar metrics published by other companies. Reconciliations are presented in the tables below.

	3 months		9 months		12 months	
	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021	Rolling 12 mths
SEKm						
Non-current, interest-bearing liabilities	193.1	221.6	193.1	221.6	231.2	193.1
Current, interest-bearing liabilities	97.7	90.3	97.7	90.3	68.6	97.7
Cash and cash equivalents including short-term investments	-2.3	-10.4	-2.3	-10.4	-23.0	-2.3
Net receivables (-)/debt	288.4	301.5	288.4	301.5	276.9	288.4
Net receivables (-)/debt	288.4	301.5	288.4	301.5	276.9	288.4
EBITDA, rolling 12 months	114.4	137.5	114.4	137.5	132.4	114.4
Leverage	2.5	2.2	2.5	2.2	2.1	2.5
Operating profit/loss, EBIT	-7.3	-2.1	23.7	32.6	39.9	31.0
Net revenue	181.1	193.6	676.8	753.2	1,012.8	936.5
Operating margin EBIT, %	-4.0	-1.1	3.5	4.3	3.9	3.3
Operating profit/loss, EBIT	-7.3	-2.1	23.7	32.6	39.9	31.0
Acquisition-related items	-2.0	-3.0	-5.8	-10.1	-17.0	-12.7
EBITA	-5.3	0.9	29.5	42.6	56.9	43.7
Net revenue	181.1	193.6	676.8	753.2	1,012.8	936.5
EBITA margin, %	-2.9	0.5	4.4	5.7	5.6	4.7
Operating profit/loss, EBIT	-7.3	-2.1	23.7	32.6	39.9	31.0
Amortisation and acquisition-related items	-19.3	-22.5	-58.5	-67.6	-92.5	-83.3
Profit/loss before depreciation/amortisation, EBITDA	12.0	20.4	82.2	100.2	132.4	114.4
Net revenue	181.1	193.6	676.8	753.2	1,012.8	936.5
EBITDA margin, %	6.6	10.5	12.1	13.3	13.1	12.2

Net revenue growth

For clarification of net revenue growth, PE attributes growth partly to acquired/divested/discontinued growth and organic growth, and partly to the calendar effect.

SEKm	3 months			9 months		
	Jul-Sep 2022	Jul-Sep 2021	Growth %	Jan-Sep 2022	Jan-Sep 2021	Growth %
Reported revenue	181.1	193.6	-6.4%	676.8	753.2	-10.1%
Adjustment for acquisitions/divestments/discontinued operations		-12.2			-55.8	
Revenue adjusted for acquisitions/divestments/discontinued operations (organic growth)	181.1	181.3	-0.1%	676.8	697.4	-3.0%
Adjustment for calendar effect				-2.1		
Revenue adjusted for acquisitions/divestments/discontinued operations and calendar effect (organic growth taking account of calendar effect)	181.1	181.3	-0.1%	674.7	697.4	-3.3%

Calendar effect days

Average number of employees for the period multiplied by the difference in the number of available working days during the period, multiplied by average net revenue/employee.

Quarter	2022	2021	Difference
Q1	62.0	61.5	0.5
Q2	58.0	58.0	0.0
Q3	66.0	66.0	0.0
Q4	61.5	62.0	-0.5
Total	247.5	247.5	0.0



Headquarters

Årstaängsvägen 11
100 74 Stockholm,
Sweden

pe.se

Projektengagemang Sweden AB (publ)
Company reg. no 556330-2602

Questions regarding this
report can be sent to
ir@pe.se

PE is one of Sweden's leading engineering and architecture consulting firms. We operate throughout Sweden. Our annual revenue is in excess of SEK 1 billion. PE was founded in 2006 and is listed on Nasdaq Stockholm. Find out more at pe.se.

