

Dovre Group Plc

Half year financial statement

July 28, 2021 at 8.45 a.m.

DOVRE GROUP'S HALF-YEAR FINANCIAL REPORT 1.1.–30.6.2021: Net sales increased by 24.9% following the Suvic acquisition and profitability improved in January–June 2021

The figures presented in this half year financial report are not audited. Last year's corresponding period in parentheses.

April–June 2021

- Net sales grew by 75.0% to EUR 34.2 (19.5) million. The growth was driven especially by the acquisition of a majority in the Finnish windmill park construction and construction design company Suvic Oy in March. Suvic's operations are presented under the new Renewable Energy segment.
 - Project Personnel: net sales totaled EUR 18.6 (16.1) million – increase of 15.7%.
 - Consulting: net sales totaled EUR 4.4 (3.4) million – increase of 27.1%.
 - Renewable Energy: net sales totaled EUR 11.2.
- Operating result improved to EUR 0.8 (0.4) million – increase of 77.1%.
- Profit before tax was EUR 0.6 (0.5) million.
- Result for the period was EUR 0.5 (0.4) million – increase of 30.7%.
- Earnings per share was EUR 0.005 (0.003).
- Net cash flow from operating activities was EUR -2.7 (3.8) million.

January–June 2021

- Net sales grew by 24.9% to EUR 53.9 (43.2) million
 - Project Personnel: net sales totaled EUR 34.1 (35.5) million – decrease of -3.9%.
 - Consulting: net sales totaled EUR 8.6 (7.7) million – increase of 12.4%.
 - Renewable Energy: net sales totaled EUR 11.2.
- Operating result improved to EUR 1.6 (1.2) million – increase of 41.6%.
- Profit before tax was EUR 1.4 (1.2) million.
- Result for the period was EUR 1.1 (1.1) million – decline of 4.5%.
- Earnings per share was EUR 0.010 (0.011).
- Net cash flow from operating activities was EUR -2.2 (2.5) million.

Outlook for 2021 unchanged (issued on 28 April 2021):

Dovre Group's net sales in 2021 is expected to be more than EUR 110 million (2020: 77 million) and the operating profit (EBIT) is expected to be more than EUR 3.5 million (2020: 2.4).

CEO ARVE JENSEN:

Dovre Group's H1 2021 was marked by the acquisition of a 51% majority in the Finnish windmill park construction and construction design company Suvic Oy at the end of March. The acquisition led also to a leap in our net sales, which increased by 24.9% year-on-year to 53.9 million euros in H1 2021.

Although the H1 net sales growth is largely attributable to the acquired Suvic operations, also our ongoing businesses Project Personnel and Consulting performed well. In Q2 these segments' combined net sales increased by 18% year-on-year, thus offsetting the slower growth in Q1 which resulted from the at time lower headcount and volumes following the COVID-19 related adjustments in 2020

Looking at our markets, Singapore and Norway have continued their strong growth. The market for Project Personnel has continued to improve in these countries and the headcount has increased month by month this year. Singapore has grown its sales by 57,3 % in H1 compared to last year. North America has more stable business as the finalization of a major client project has started in Q2.

In Consulting Norway, the activity level has been very high with several major projects being delivered during H1. In addition, two new frame agreements have been published.

Dovre Group's operating result improved by 41.6% year-on-year to 1.6 million euros in H1 thanks to the strong performance in Consulting and Project Personnel segments. Renewable Energy business has stronger seasonality than our other businesses, which leads to the segment's seasonally weaker profitability in H1 than in H2. Despite the segment's negative operating result in Q2, we have strong faith in its growth and profitability potential and are pleased with the progress of the three new windmill projects started in this segment in Q2.

We are committed to build our renewable energy operations further and continue our diversification, and already at the current sales level we now have close to 50% of our sales outside oil and gas.

GROUP'S KEY FIGURES

EUR million	4-6 2021	4-6 2020	Change %	1-6 2021	1-6 2020	Change %	1-12 2020
Net sales	34.2	19.5	75.0	53.9	43.2	24.9	77.5
Operating result	0.8	0.4	77.1	1.6	1.2	41.6	2.4
% of net sales	2.3	2.3		3.0	2.7		3.0
Profit before taxes	0.6	0.5	27.3	1.4	1.2	18.2	2.2
% of net sales	1.8	2.5		2.6	2.8		2.8
Result for the period	0.5	0.4	30.7	1.1	1.1	-4.5	1.6
% of the net sales	1.4	1.8		2.0	2.6		2.1
Net cash flow from operating activities	-2.7	3.8	-171.0	-2.2	2.5	0.0	4.2
Net debt	3.2	-1.6	-300.2	3.2	-1.6	300.2	-2.4
Debt-equity ratio (Gearing), %	12.4 %	-6.7	285.1	12.7	-6.7	0.0	-10.1
Earnings per share, EUR							
Undiluted	0.005	0.003	30.3	0.010	0.011	-5.5	0.016
Diluted	0.005	0.003	30.3	0.010	0.011	-5.5	0.016

SUVIC ACQUISITION

On March 31, Dovre Group completed the acquisition of a majority stake (51%) in the Finnish windmill park construction and construction design company Suvic Oy, which specializes in building windmill park infrastructure as a turn-key solution as a single contractor. Suvic's revenue in 2020 was 32 million euros (2019: 23 million) and the EBIT 0.9 million euros (0.9). On a pro forma basis, the combined revenue of both Suvic and Dovre Group in 2020 would have been 109 million euros and combined EBIT 3.2 million euros.

The debt-free and net cash purchase price of the transaction was about 3 million euros, of which 2 million euros was paid in cash. In addition, Dovre Group issued 3 million shares to the sellers of Suvic in a directed new share issue. The subscription price was recorded in full in Dovre Group's invested unrestricted equity fund.

Suvic Oy is headquartered in Oulu and it continues its operations as part of Dovre Group as an independent operational unit. Suvic is consolidated with Dovre Group from 31 March 2021 and reported as part of the new Renewable Energy segment.

Further information on the acquisition can be found in the stock exchange releases issued by Dovre Group on March 10, 2021 and March 31, 2021.

NET SALES

In January–June Dovre Group's net sales increased by 24.9%, totaling EUR 53.9 (43.2) million. The acquisition of Suvic Oy, which was completed on 31 March 2021, explains majority of the revenue growth in the review period.

Project Personnel accounted for 63 (82) percent, Consulting for 16 (18) percent and Renewable Energy for 21 percent of the Group's net sales. Project Personnel's net sales declined slightly to EUR 34.1 (35.5) million. Net sales for Consulting increased by 12.4%, totaling EUR 8.6 (7.7) million and Renewable Energy's net sales were EUR 11.2 million.

Year-on-year fluctuations in foreign currency exchange rates did not have a significant impact the Group's net sales in H1.

Net sales by reporting segment	4-6	4-6	Change	1-6	1-6	Change	1-12
EUR million	2021	2020	%	2021	2020	%	2020
Project Personnel	18.6	16.1	15.7	34.1	35.5	-3.9	62.9
Consulting	4.4	3.4	27.1	8.6	7.7	12.4	14.5
Renewable Energy*	11.2	-	-	11.2	-	-	-
Group total	34.2	19.5	75.0	53.9	43.2	24.9	77.5

* Renewable energy figures since 1 April 2021 (Suvic acquisition).

Net sales by market area	4-6	4-6	Change	1-6	1-6	Change	1-12
EUR million	2021	2020	%	2021	2020	%	2020
EMEA	27.3	15.0	82.0	42.0	33.7	24.6	59.9
AMERICAS	2.1	2.0	4.8	3.8	4.3	-12.0	7.7
APAC	4.7	2.5	89.8	8.1	5.2	57.3	9.9
Group total	34.2	19.5	75.0	53.9	43.2	24.9	77.5

Dovre Group's market areas are:

- EMEA: Norway, Middle-East, Finland
- AMERICAS: Canada, US
- APAC: Singapore

PROFITABILITY

Material and service expenses increased to 10.7 (0.1) million euros and they consist of purchases for conducting the new Renewable Energy operations. Employee benefit expenses were at the comparison period's level at EUR 39.3 (39.6) million. Other operating expenses declined to 1.8 (2.0) million.

In H1, the Group's operating result improved to EUR 1.6 (1.2) million. Project Personnel's operating result was EUR 1.1 (1.0) million, Consulting's operating result was EUR 1.3 (0.7) million and Renewable Energy's operating result was -0.2 (0.0) million euros. The operating result of the Group's Other functions was EUR -0.4 (-0.4) million.

Operating result	4-6	4-6	Change	1-6	1-6	Change	1-12
EUR million	2021	2020	%	2021	2020	%	2020
Project Personnel	0.5	0.4	32.8	1.1	1.0	15.2	1.9
Consulting	0.7	0.3	162.3	1.3	0.7	85.9	1.5
Renewable Energy	-0.2	-		-0.2	-		
Other functions	-0.1	-0.2	24.6	-0.4	-0.4	-8.3	-0.7
Unallocated *)	-0.1	-0.1	-15.7	-0.1	-0.1	-4.3	-0.3
Group total	0.8	0.4	77.1	1.6	1.2	41.6	2.4

* Unallocated expenses include amortization of customer agreements and relations.

The Group's result before taxes was EUR 1.4 (1.2) million. Result included EUR -0.2 (0.1) million of finance items.

The Group's result for the period was EUR 1.1 (1.1) million. The Group's earnings per share was EUR 0.010 (0.011). The Group's return on average capital employed before taxes (ROI) was 10.0 (9.0) %.

CASH FLOW, FINANCING AND INVESTMENTS

On June 30, the Group's balance sheet total was EUR 61.2 (45.4) million. The Group's cash and cash equivalents totaled EUR 4.6 (6.7) million. In addition, the Group has an unused credit limit of EUR 2.4 million.

At the end of June, the equity ratio was 42.2 (52.7) % and the debt-equity ratio (gearing) 12.4 (-6.8) %. The interest-bearing liabilities amounted to EUR 7.8 (5.1) million, accounting for 13.8 (11.1) % of the Group's shareholders' equity and liabilities. A total of EUR 4.4 (2.9) million of the Group's interest-bearing liabilities were current and a total of EUR 3.4 (2.2) million non-current.

The Group's cash flow includes Suvic Oy's cash flows from April 1, 2021. In H1 2021, net cash flow from operating activities was EUR -2.2 (2.5) million, which includes EUR -3.5 (1.2) million change in working capital. Both current receivables and trade payables increased following the Suvic acquisition, which in particular, influenced the net cash flow from operating activities. In addition, the rapid growth in Singapore has increased the working capital needs.

Net cash flow from investing activities was EUR -2.3 (-1.0) million and relates mainly to the payment of purchase price to the sellers of Suvic Oy in March 2021.

Net cash flow from financing activities was EUR 0.1 (-0.1) million. The figure includes the withdrawal of a loan corresponding to the cash portion of the Suvic acquisition of EUR 2.0 million and the dividends paid during the review period of EUR -1.1 million.

The balance sheet goodwill increased with the Suvic acquisition to EUR 20.1 (16.2) million on June 30. No indications of impairment exist.

PERSONNEL

During H1 2021, the average number of personnel employed by the Group was 729 (665). The increase in the average number of employees was driven by both organic growth and the acquisition of Suvic Oy.

Project Personnel employed 610 (576), Consulting 87 (86) and Renewable Energy 29 (0) people. In the Project Personnel business area 29 (28) % of employees were independent contractors.

Personnel average	4-6 2021	4-6 2020	Change %	1-6 2021	1-6 2020	Change %	1-12 2020
Project Personnel	649	513	26.6	610	576	5,9	541
Consulting	87	74	17,1	87	86	1,6	85
Renewable Energy	29	-	-	29	-	-	-
Other functions	2	2	16,7	3	3	-11,1	3
Group total	767	589	30.3	729	665	9,6	629

The number of people employed at the end of June increased. On June 30, 2021, Dovre Group employed 801 (621) people, 682 (534) of whom were employed by Project Personnel, 88 (84) by Consulting, 29 by Renewable Energy and 2 (3) by Other functions.

GROUP MANAGEMENT

There were no changes in the Group Executive Team during the period under review. At the end of June 2021, Dovre Group's Group Executive Team consists of Arve Jensen (CEO), Stein Berntsen (President, Consulting) and Sirpa Haavisto (CFO).

The Annual General Meeting of 10 June 2021 elected Ilari Koskelo, Kristine Larneng, Antti Manninen and Svein Stavelin as members of the Board of Directors. Convening after the AGM, the Board elected Svein Stavelin as Chairman of the Board and Ilari Koskelo as Vice Chairman.

SHARES, SHAREHOLDERS, AND STOCK OPTIONS

Share capital and trading

On June 31, 2020, Dovre Group's share capital was EUR 9,603,084.48 and the total number of shares 105,956,494.

The number of shares increased during H1 2021 when Dovre Group issued as a part of the transaction price 3,000,000 new shares to the sellers of Suvic Oy in a directed share issue.

The average number of shares during the period was 103,956,494 shares.

In H1 2020, altogether 35.7 (17.6) million Dovre Group shares were exchanged on the Nasdaq Helsinki Ltd., corresponding to a trade of approximately EUR 15.5 (4.9) million. The volume weighted average price of Dovre share was 0.44 (0.28), the lowest quotation was EUR 0.28 (0.20) and the highest EUR 0.78 (0.37). On June 30, 2021, the closing quotation was EUR 0.71 (0.25). The period-end market capitalization was approximately EUR 75.0 (25.9) million.

Own shares

Dovre Group did not repurchase the Company's own shares during the period under review.

At the start of the period Dovre Group had 870,337 treasury shares. Of these, a total of 633,612 shares were transferred on 30 March 2021 without consideration to the key persons participating in the earning period 2018–2020 of the share-based incentive program 2018 according to the terms and conditions of the program.

At the end of June 2021, Dovre Group Plc held 236,725 of its own shares, representing approximately 0.22% of all the company's shares and votes.

Shareholders and holdings of the Board of Directors and the CEO

On June 30, the number of registered shareholders of Dovre Group Plc totaled 5,138 (3,973), including 10 (9) nominee-registered. The share of nominee-registered shares was 5.3 (3.8) % of the Group's shares.

On June 30, members of the Group's Board of Directors and the CEO held, including holdings through controlled companies and family members living in the same household, a total of 8,721,871 (8,177,751) shares in the company, representing 8.2 (7.9) % of all shares. The company did not have open stock option plans at the end of June.

There was one flagging notification during the review period. According to the notification received from Kyösti Kakkonen, the ownership of Joensuun Kauppa ja Kone Oy to shares and voting rights in Dovre Group Plc had increased above 10% on 15 June 2021. According to the notification, the total number of shares and voting rights in Dovre Group Plc held by Joensuun Kauppa ja Kone Oy is 10,754,917 pcs (10.15%) and K22 Finance Oy is 2,000,000 pcs (1.89%). Both entities are controlled by Kyösti Kakkonen.

Holdings of Board of Directors and CEO 30.6.2021

Name	Shares, pcs	Percentage of shares
Svein Stavelin	334,613	0.3
Ilari Koskelo	7,279,653	6.9
Antti Manninen	533,485	0.5
Kristine Larneng	0	0.0
Board members, total	8,147,751	7.7
CEO Arve Jensen	574,120	0.5

Shareholder agreements

Dovre is not aware of any shareholder agreements pertaining to share ownership or the use of voting rights.

Stock options and long-term incentive plans

At the end of the review period, Dovre Group had no open stock option plans or long-term incentive programs. The vesting period for the long-term share-based incentive and commitment program for the top management for 2018–2020 ended at the beginning of 2021, and the earned shares were transferred to the key personnel involved in March 2021.

ANNUAL GENERAL MEETING AND THE AUTHORIZATIONS OF THE BOARD OF DIRECTORS

Dovre Group Plc's Annual General Meeting (AGM) was held on June 10, 2021. The AGM adopted the financial statements and consolidated financial statements for 2020 and discharged the

members of the Board of Directors and the CEO from liability for the financial year ending on December 31, 2020.

In accordance with the Board's proposal, the Annual General Meeting decided that a dividend of EUR 0.01 per share to be paid for the financial year 2020. The dividend was paid on June 28, 2021.

The AGM decided that the number of Board members be set at four (4). Svein Stavelin, Ilari Koskelo, Kristine Larneng and Antti Manninen were re-elected as members of the Board. The AGM resolved that the chairman of the Board is paid EUR 35,000, the vice chairman of the Board EUR 25,000, and each other member of the Board EUR 22,000 per year. The annual compensation is to be paid in cash. In addition, reasonable travel expenses are also compensated.

The AGM elected Audit firm BDO Oy as the Company's auditor. BDO Oy has informed that Authorized Public Accountant Ari Lehto will be the principal auditor. The auditor's fee shall be paid according to the approved invoice of the auditor.

The AGM authorized the Board of Directors to decide on the repurchase of the Company's own shares and to decide on the issuance of new shares and/or the conveyance of own shares held by the Company and/or the granting of special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act. Both authorizations cover a maximum of 10,100,000 shares, which corresponds to a maximum of 9.5% of the total number of shares in the company. The authorizations are valid until June 30, 2022 and revoke the previously granted, corresponding authorizations.

During the review period, Dovre Group Plc's Board of Directors did not use the authorizations granted in 2020 or 2021 to repurchase own shares. The Board of Directors used the authorization given by the 2020 AGM to decide on the issuance of new shares, the conveyance of own shares and / or the granting of special rights referred to in Chapter 10, Section 1 of the Companies Act when it decided on the directed share issue to the sellers of Suvic Oy in March 2021 and on transferring own shares to key personnel in accordance with the long-term incentive program 2018–2020. The corresponding mandate issued in 2021 is completely unused.

The decisions of the General Meeting are available in full at Dovre's website at <https://www.dovregroup.com/investors/share-and-ownership.html#authorizations>

BUSINESS SEASONALITY

Dovre Group's Renewable Energy business has stronger seasonality than the other two businesses due to the fact that most of its projects are carried out during summer months. As the segments fixed costs spread evenly throughout the year, its operating profit is seasonally at its lowest in Q1 and at its highest in Q3.

Project Personnel and Consulting business are carried out more evenly during the year with limited seasonal variations.

SHORT-TERM RISKS AND UNCERTAINTIES

In the Project Personnel business area, the Group's most significant risks include the cyclical nature of the clients' business. Market developments in Norway are particularly important for Project Personnel due to the business area's strong position in the Norwegian market. In addition, expansion to new client segments requires expenditure and includes risks. The business area's other challenges are maintaining its competitiveness and profitability. Project Personnel business is project-based by nature, thus adding an element of uncertainty to forecasting. From time to time, there might be a local dependence on one major project or client. Dovre Group is responsible for the work performed by its consultants. However, the company has no overall responsibility for project delivery.

In the Consulting business area, general economic uncertainty does not affect as directly the demand for the Group's services. This is mainly due to the fact that one of Group's main clients, the Norwegian public sector, aims to invest counter-cyclically. Project delivery involves minor risks due to both clients and the Group's own personnel such as project delays or loss of key personnel.

In the Renewable Energy business area, Suvic has in its normal operations various contractual risks pending the different scope of work for each project. These risks are mitigated through performance and various guarantees and insurances.

Dovre Group holds a minority share in SaraRasa Bioindo Pte. Ltd. (Bioindo), a company producing pellets from wood residue. Bioindo's production unit is located in Indonesia and is thus exposed to high country risk. Other significant risks include risks relating to commercial agreements, especially feedstock purchase and end-product sale agreements. Dovre Group accounts for the investment as a fair value through profit and loss.

The Group's reporting currency is euro. The Group's most important functional currencies are the Norwegian crown, the Canadian dollar, the Singaporean dollar, and the United States dollar. Although the Group's sales and corresponding expenses are mainly in the same currency, currency fluctuations can affect the Group's net sales and operating result. Foreign currency denominated assets and liabilities can also result in foreign exchange gains or losses. Foreign exchange risks are hedged, when necessary, centrally in the Group.

OTHER EVENTS DURING THE REVIEW PERIOD

Suvic started three new major windmill park construction projects in May. The estimated combined value of these three projects is over 35 million euros of which major part will be recognized as revenue during 2021.

Karhunneväkangas windmill project will include constructing the foundations of 33 windmills for wpd Construction Finland Oy. The Puskakorpi windmill park (Foresight LLP) project consists of a turn-key construction of infrastructure for 16 windmills including roads, lifting platforms, foundations, 110/30 kV power stations, main power station, 30 kV internal power grid and 110 kV main power grid as ground cabling. In the third project in Merkkikallio (OX2 Suvic will design and

construct 13 windmills including lifting platforms, internal roads, foundations and internal power grid.

Karhunnevakangas and Puskakorpi are located in Pyhäjoki, South of Oulu, and Merkkikallio is located near Vaasa and Mustasaari in Western Finland.

Espoo, July 28, 2021

DOVRE GROUP PLC
BOARD OF DIRECTORS

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Financial reporting in 2021

- Q3 trading statement for January 1–September 30, 2021 on Wednesday, October 27, 2021

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The figures presented in this half year financial report are not audited.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated statement of income				
	1-6	1-6	Change	1-12
EUR thousand	2021	2020	%	2020
NET SALES	53,899	43,155	24,9	77,474
Other operating income	0	97	-99,8	155
Material and services	-10,747	-117	-9,080,0	-191
Employee benefit expenses	-39,298	-39,561	0,7	-70,938
Depreciation and amortization	-417	-447	6,6	-839
Other operating expenses	-1,803	-1,973	-8,6	-3,310
OPERATING RESULT	1,634	1,153	41,6	2,351
Financing income	29	294	-90,0	599
Financing expenses	-241	-244	-1,3	-782
RESULT BEFORE TAX	1,423	1,203	18,2	2,168
Tax on income from operations	-346	-77	-351,3	-526
RESULT FOR THE PERIOD	1,076	1,127	-4,5	1,643
RESULT FOR THE PERIOD ATTRIBUTABLE TO:				
Equity holders of the parent	1,076			
Non-controlling interest	132			
Total	1,208			
EARNINGS PER SHARE FOR RESULT ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT				
Basic, result for the period, EUR	0.010	0.011	-5.5	0.016
Diluted, result for the period, EUR	0.010	0.011	-5.5	0.016
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
RESULT FOR THE PERIOD	1,076	1,127		1,643
OTHER COMPREHENSIVE INCOME				
Other comprehensive income to be classified to profit or loss in subsequent periods:				
Translation differences	891	-1,808	,	-1,424
Other comprehensive income for the period, net of tax	891	-1,808	,	-1,424
				,
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,967	-681	,	219
				,
COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:				,
Equity holders of the parent	1,967	1,127		1,643
Non-controlling interest	132	-		-
Total	2,099	1,127		1,643

	1-6	1-6		1-12
Number of shares	2021	2020	,	2020
Basic	103,956,494	102,788,203		102,872,348
Diluted	103,956,494	102,788,203		102,872,348
Number of shares, period end	30.6.2021	30.6.2020		31.12.2020
Basic	105,956,494	102,956,494		102,956,494
Diluted	105,956,494	102,956,494		102,956,494

CONSOLIDATED STATEMENT OF FINANCIAL POSITION				
EUR thousand	30 Jun	30 Jun	Change	31 Dec
	2021	2020	%	2020
ASSETS				
Non-Current assets				
Intangible assets	3,035	3,250	-6.6	3,151
Goodwill	20,119	16,221	24.0	16,390
Tangible assets	1,628	1,651	-1.4	1,489
Financial assets	1,068	876	21.8	1,056
Deferred tax assets	220	136	61.8	129
Non-Current assets	26,069	22,135	17.8	22,215
				,
Current assets				,
Trade receivables and other receivables	29,543	16,606	77.9	13,738
Tax receivable, income tax	152	1	15,416.2	3
Financial assets	794	-		-
Cash and cash equivalents	4,627	6,698	-30.9	8,541
Current assets	35,116	23,305	50.7	22,282
				,
TOTAL ASSETS	61,185	45,440	34.7	44,497
				,
EQUITY AND LIABILITIES				,
Equity attributable to the equity holders of the parent				,
Share capital	9,603	9,603	0.0	9,603
Reserve for invested non-restricted equity	14,050	12,991	8.1	12,991
Fair value reserve	2,869	2,869	0.0	2,869
Treasury shares	-237	-237	0.0	-237
Translation differences	-3,398	-4,673	-27.3	-4,289
Retained earnings	2,961	3,415	-13.3	2,932
Total equity attributable to the equity holders of the parent	25,847	23,968	7.8	23,869
Non-controlling interest	-8	-		-
Equity	25,839	23,968	7.8	23,869
				,
Non-current liabilities				,
Deferred tax liability	933	701	33.1	896
Non-current liabilities, interest-bearing	3,409	2,181	56.3	1,939
Other non-current liabilities	13	65	-79.9	-
Non-current provisions	388	-		-

Non-current liabilities	4,743	2,947	60.9	2,835
Current liabilities				
Short-term liabilities, interest-bearing	4,422	2,884	53.3	4,195
Trade payables and other liabilities	25,840	15,227	69.7	13,219
Tax liability, income tax	341	415	-17.7	378
Current liabilities	30,604	18,526	65.2	17,793
TOTAL EQUITY AND LIABILITIES	61,185	45,440	34.7	44,497

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

- a) Share Capital
- b) Reserve for non-restricted equity
- c) Fair value reserve
- d) Treasury shares
- e) Translation differences
- f) Retained earnings
- g) Shareholders' equity total

EUR thousand	a)	b)	c)	d)	e)	f)	g)
SHAREHOLDERS' EQUITY Jan. 1, 2020							
Comprehensive income	9,603	12,661	2,869	-237	-2,865	2,288	24,319
Result for the period							
Other comprehensive income, items that may be reclassified to profit and loss in subsequent periods:						1,127	1,127
Translation differences					-1,808		-1,808
Total comprehensive income	0	0	0	0	-1,808	1,127	-681
Transactions with shareholders							
Directed share issue		330					330
Total transaction with shareholders	0	330	0	0	0	-884	330
SHAREHOLDERS' EQUITY Jun. 30, 2020	9,603	12,991	2,869	-237	-4,673	3,415	23,968
EUR thousand	a)	b)	c)	d)	e)	f)	g)
SHAREHOLDERS' EQUITY Jan. 1, 2021	9,603	12,991	2,869	-237	-4,289	2,932	23,869
Comprehensive income							
Result for the period						1,076	1,076
Other comprehensive income, items that may be reclassified to profit and loss in subsequent periods:							
Translation differences					891		891

Total comprehensive income	0	0	0	0	891	1,076	1,967
Translation with shareholders							
Directed share issue	0	1,058	0				1,058
Non-controlling interest on acquisition of subsidiary							0
Dividend distribution						-1,047	-1,047
Total transactions with shareholders	0	1,058	0	0	0	-1,047	11
SHAREHOLDERS' EQUITY Jun. 30, 2021	9,603	14,050	2,869	-237	-3,398	2,961	25,847

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	1-6 2021	1-6 2020	Change, %	1-12 2020
Cash flow from operating activities				
Operating result	1,634	1,153	41.6	2,351
Adjustments:				
Depreciation / Amortization	417	447	-6.6	839
Gain from sale of tangible assets			-	0
Other adjustments	0	67	-100.0	95
Adjustments, total	417	513	-18.7	934
Changes in working capital				
Trade and other receivables, increase (-) / decrease (+)	-12,419	1,222	1 116.3	4,363
Trade and other payables, increase (+) / decrease (-)	8,928	-6	143 446.7	-2,456
Changes in working capital, total	-3,492	1,216	387.2	1,907
Interest paid	-171	-87	-97.1	-151
Interest received	13	13	1.4	26
Other financial expenses paid and received	-52	39	232.7	-136
Income taxes paid	-533	-369	-44.5	-685
Net cash generated by operating activities	-2,183	2,480	188.0	4,246
Cash flow from investing activities				
Investments in tangible and intangible assets	-124	-11	-1 074.0	-8
Proceeds from sale of tangible assets	0	0	-	0
Acquisitions of subsidiaries, less cash and cash equivalents	-2,200	-979	124.7	-980
Net cash generated by investing activities	-2,324	-990	134.8	-989
Cash flow from financing activities				
Directed share issue	0	331	-100.0	331
Proceeds from non-current loans	2,000	0	-	0
Repayments of non-current loans	-100	-149	-32.9	0
Proceeds(+)/repayments(-) from current credit limits	-459	-125	267.5	991
Repayments of leasing liabilities	-212	-214	-1.2	-373
Dividends paid	-1,052	0		-1,017
Net cash generated by financing activities	177	-157	-212.7	-69

Translation differences	415	-429	196.8	-441
Change in cash and cash equivalents	-3,914	904	533.1	2,747
Cash and cash equivalents at beginning of the period	8,541	5,794		5,794
Cash and cash equivalents at end of the period	4,627	6,698		8,541

NOTES TO THE HALF YEAR FINANCIAL REPORT

The half year financial report has been prepared in line with IAS 34 and the same accounting principles have been applied as in the 2020 financial statements. Key indicator calculations remain unchanged and have been presented in the 2020 financial statements.

The amendments and additions to the IFRS standards that came into force at the beginning of 2021 did not have a material effect on the consolidated financial statements.

1. OPERATING SEGMENTS

The Group has three reporting segments that are also the Group's strategic business areas:

- Project Personnel business area provides project personnel for engineering, construction and commissioning for large investments projects mainly in Oil & Gas and other energy related industries worldwide.
- Consulting business provides project management consulting, project personnel and project management systems in non-energy related investment projects mainly in Nordic countries.
- Renewable Energy provides project management, engineering and construction mainly for wind farm projects in the Nordic and Baltic countries.

The Group's segment information is based on internal management reporting prepared in accordance with IFRS standards. The Group does not allocate the parent company's intra-Group charges to segments for the purposes of segment reporting.

NET SALES

EUR thousand	1-6/2021	1-6/2020	Change	1-12/2020
Project Personnel	34,064	35,462	-3.9%	62,941
Consulting	8,647	7,692	12.4%	14,533
Renewable Energy	11,187	-		-
Total	53,899	43,155	24.9%	77,474

OPERATING RESULT

EUR thousand	1-6/2021	1-6/2020	Change	1-12/2020
Project Personnel	1,118	971	15.2%	1,886
Consulting	1,329	715	85.9%	1,480
Renewable Energy	-244	-		-
Other functions	-424	-392	-8.3%	-731
Unallocated	-147	-141	-4.3%	-284
Total	1,634	1,153	41.6%	2,351

Unallocated expenses include amortization of customer agreements and relations and expenses recorded as a result of adaptation of IFRS 16.

PERSONNEL

Average number of personnel	1-6/2021	1-6/2020	Change	1-12/2020
Project Personnel	610	576	5.9%	541
Consulting	87	86	1.6%	85
Renewable Energy	29	-		-
Other functions	3	3	-11.1%	3
Total	729	665	9.6%	629

In the Project Personnel business area, 29 (28) % of personnel were independent contractors.

2. NET SALES

NET SALES BY REVENUE TYPE

EUR thousand	1-6/2021	1-6/2020	Change	1-12/2020
Services	42,456	42,900	-1.0%	77,001
License revenue	159	159	0.0%	278
Maintenance	95	95	0.0%	195
Projects	11,187	-		-
Total	53,899	43,155	24.9%	77,474

Services include 44 thousand euros (49 thousand euros in June 2020) revenue recognized as a point in time. License income includes 44 thousand euros (47 thousand euros) income recognized as a point in time.

NET SALES BY DOMICILE OF THE COMPANY

EUR thousand	1-6/2021	1-6/2020	Change	1-12/2020
Finland	14,001	4,032	247.3%	7,000
Norway	27,997	29,663	-5.6%	52,864
Singapore	8,111	5,155	57.3%	9,863
Other countries	3,789	4,305	-12.0%	7,747
Total	53,899	43,155	24.9%	77,474

3. BUSINESS COMBINATIONS

Suvic Oy

On March 31, Dovre Group completed the acquisition of a majority stake (51%) in the Finnish windmill park construction and construction design company Suvic Oy, which specializes in building windmill park infrastructure as a turn-key solution as a single contractor.

The debt-free and net cash purchase price of the transaction was about 3.1 million euros, of which 2 million

euros was paid in cash. In addition, Dovre Group issued 3 million shares to the sellers of Suvic in a directed new share issue. The subscription price, about 1.1 million euros was recorded in full in Dovre Group's invested unrestricted equity fund.

Advisory and expert service costs of about EUR 61 thousand related to the transaction have been included in other operating expenses in the income statement. The expenses related to the directed share issue, about EUR 55 thousand, are recognized in the reserve for non-restricted equity.

As of the acquisition date, the consolidated statement of income includes net sales of EUR 11.2 million and result for the period of EUR -0,1 million contributed by the acquired business. Had the acquisition taken place on January 1, 2021, the consolidated statement of income would have included net sales of 13.9 million euros and result for the period of EUR -0.5 thousand.

Consideration

EUR thousand

Cash	2,000
Share issue	1,119
Total consideration	3,119

The assets and liabilities recognized as a result of the acquisition are as follows:

EUR thousand	Fair value
Intangible assets	23
Tangible assets	81
Deferred tax assets	78
Trade receivables and other receivables	2,113
Financial assets	794
Cash and cash equivalents	88
Interest-bearing liabilities	-13
Trade payables and other payables	-3,051
Warranty provisions	-410
Net identifiable assets acquired	-374
Less: Non-controlling interest	183
Add: goodwill	3,310
Net assets acquired	3,119

4. GOODWILL

EUR thousand	Jun. 30, 2021	Jun. 30, 2020	Dec. 31, 2020
Acquisition cost, Jan.1	16,390	17,443	17,443
Additions	3,265	0	0
Translation differences (+/-)	463	-1,222	-1,053
Book value	20,119	16,221	16,390

The increase of goodwill in 2021 is related to the acquisition of Suvic Oy by Dovre Group Plc.

Dovre Group's goodwill is divided into cash-generating units as follows:

EUR thousand	Jun. 30, 2021	Jun. 30, 2020	Dec. 31, 2020
Project Personnel	16,131	15,499	15,668
Consulting	723	723	723
Renewable Energy	3,265	-	-
Total	20,119	16,221	16,390

5. LEASES

Dovre Group's right-to-use assets are office and vehicle leases.

Right-to-use assets			
EUR thousand	Jun. 30, 2021	Jun. 30, 2020	Dec. 31, 2020
Acquisition cost, Jan. 1	2,186	2,379	2,379
Translation differences (+/-)	145	-165	-105
Additions	111	160	160
Deductions	0	-250	-248
Acquisition cost	2,442	2,124	2,186
Accumulated depreciation, Jan. 1	-721	-412	-412
Translation differences (+/-)	0	32	21
Accumulated depreciation from deductions	0	84	83
Depreciation charges for the period	-213	-228	-413
Accumulated depreciation	-935	-524	-721
Book value	1,507	1,600	1,465
Leasing liabilities			
EUR thousand	Jun. 30, 2021	Jun. 30, 2020	Dec. 31, 2020
Long-term leasing liabilities	1,110	1,301	1,175
Short-term leasing liabilities	607	349	352
Total	1,717	1,650	1,527

6. TRADE AND OTHER RECEIVABLES

EUR thousand	Jun. 30, 2021	Jun. 30, 2020	Dec. 31, 2020
Trade receivables	27,376	15,598	12,802
Valuation allowance for trade receivables	-25	-65	-24
Other receivables	931	28	163
Accrued income on sales	850	834	626
Other prepayments	411	210	172
Total	29,543	16,606	13,738

Aging analysis of trade receivables

EUR thousand	Jun. 30, 2021	Jun. 30, 2020	Dec. 31, 2020
No due	20,550	13,612	8,793
Overdue			
1-30 days	4,401	1,609	3,380
31-60 days	1,958	239	440
61-90 days	213	103	181
Over 90 days	254	35	8
Total	27,376	15,598	12,802

7. GROUP COMMITMENTS AND CONTINGENT LIABILITIES

Collateral for own commitments

EUR thousand	Jun. 30, 2021	Jun. 30, 2020	Dec. 31, 2020
Trade receivables pledged as collateral	5 505	5,130	5,348
Floating charges	6 000	3,000	3,000

8. GROUP QUARTERLY INFORMATION

EUR thousand	2021 1-3	2020 1-3	2021 4-6	2020 4-6	2020 7-9	2020 10-12
NET SALES	19,704	23,615	34,195	19,540	16,507	17,812
Other operating income	-15	15	15	82	7	50
Material and services	-43	-57	-10,704	-60	-37	-37
Employee benefits expense	-17,817	-21,464	-21,481	-18,097	-15,050	-16,327
Depreciation and amortization	-193	-210	-224	-237	-199	-193
Other operating expenses	-790	-1,190	-1,013	-783	-627	-709
OPERATING RESULT	845	709	789	445	1,469	686

9. GROUP KEY FINANCIAL PERFORMANCE INDICATORS

EUR million	1-6 2021	1-6 2020	1-12 2020
Cash and cash equivalents	4.6	6.7	8.5
Interest-bearing liabilities	7.8	5.1	6.1
Net debt	3.2	-1.6	-2.4
Shareholders' equity	25.8	24.0	23.9
Balance sheet total	61.2	45.4	44.5
Return on equity, %	4.3%	4.9%	6.8%
Return on investment, %	10.0%	9.0%	7.9%

Debt-equity ratio (Gearing), %	12.4%	-6.8%	-10.1%
Equity-ratio, %	42.2%	52.7%	53.6%
Personnel (average for period)	729	665	629
Personnel (at end of period)	801	621	610
Earnings per share, EUR (basic, average for period)	0.010	0.011	0.016
Equity per share, EUR (basic, end of period)	0.24	0.23	0.23