

Dovre Group Plc

Stock exchange release

April 29, 2025, at 8:45 a.m.

DOVRE GROUP TRADING STATEMENT JANUARY 1 – MARCH 31, 2025**Operating result lower than expected due to margin reduction in a solar park project**

Dovre Group Plc issues today a trading statement for the three months ended on March 31, 2025. The figures presented in this trading statement are not audited. Last year's corresponding period in parentheses.

Significant structural change in Dovre Group

On 20 November 2024, Dovre Group Plc signed an agreement to sell its entire Project Personnel (PP) business and its Norwegian Consulting business to the Swedish company NYAB AB. The transaction required the approval of the Annual General Meeting, and an Extraordinary General Meeting was held on 16 December 2024. The EGM approved the transaction, which was completed on 2 January 2025.

The preliminary purchase price announced at the time of the transaction on 2 January 2025 was EUR 35.3 million. The final purchase price was EUR 36.4 million. As a result, a profit of EUR 7.0 million has been recorded during the review period from discontinued operations (net of transaction related costs).

The company classified the businesses subject to the transaction as assets held for sale from the signing date 20 November 2024, and in the 2024 financial statements, the provisions of IFRS 5 for discontinued operations were applied to them. The income statement for the financial year 2023 had been adjusted to be comparable, while the balance sheet and related key figures for the financial year 2023 had not been adjusted. Now, after the completion of the transaction, we follow the same practice in our reporting regarding comparative information as in the financial statements 2024. Accordingly, the comparative figures for the 2024 profitability have been adjusted so that they reflect the performance of continued operations.

January – March 2025

- Net sales EUR 14.0 (14.0) million – increase 0.3%
 - Renewable Energy: net sales EUR 13.6 (13.5) million – increase 0.7%
 - Consulting: net sales EUR 0.4 (0.5) million – decrease 11.9%
- EBITDA EUR -2.9 (-5.7) million
- Operating result EUR -3.2 (-5.8.) million
- Result before tax EUR -3.5 (-6.0) million
- Result for the shareholders of the parent company
 - Continued operations EUR -2.0 (-3.4) million
 - Discontinued operations EUR 7.0 (0.9) million
 - Total 4.9 EUR (-2.4) million
- Earnings per share
 - Continued operations EUR -0,019 (-0.032)
 - Discontinued operations EUR 0.066 (0.009)
 - Total EUR 0.046 (-0.023)
- Net cash flow from operating activities EUR -10.2 (-1.9) million

Outlook for 2025

Dovre Group's net sales in 2025 are expected to slightly decline in comparison to year 2024. The Group's Operating Profit (EBIT) is expected to improve significantly.

The lowered expectation for net sales is due to increased focus on improving profitability. Renewable Energy segment will put extensive focus on project selection and enabling their successful delivery.

SANNA OUTA-OLLILA, ACTING CEO:

The reporting period was kicked off with the completion of the sale of Project Personnel and Norwegian Consulting businesses to NYAB AB. After the transaction, the continued Dovre business focuses on renewable energy and is almost entirely classified as environmentally sustainable activity. Similarly, most of the business is now project based, which increases the seasonality in comparison to the previous composition of the group's business. This seasonality means that most projects complete during the fourth quarter and new projects kick off during the spring, leading to the first quarter annually to present modest revenue recognition and a somewhat negative operating profit.

In Q1 2025, Dovre Group posted total net sales of EUR 14.0 million, which is equal compared to the same period in 2024. The operating profit of the reporting period was negative and lower than expected, particularly due to a Finnish solar park project's reduced margin. The project is still estimated to bring a positive margin.

In Renewable Energy, Dovre Group's subsidiary Suvic started a significant, 100 MWp solar park project in Finland, and a wind farm project in Sweden. The company's first battery energy storage system project was also kicked off in Uusikaupunki, Finland. In February, the company signed a conditional agreement on a large wind farm project in Finnish Rajamäenkylä, which was later confirmed with a Notice to Proceed agreement.

After Suvic's heavily negative result in 2024, the company has initiated various actions to strengthen the management abilities of the subsidiary. As mentioned in the stock exchange release on March 12, 2025, we have started the recruitment of a CEO as well as a CFO. We have also initiated a focused audit of the two loss-making Swedish wind farm projects.

The significant losses booked in 2024 in two Swedish projects led to a capitalization requirement for Suvic's Swedish subsidiary. To ensure the undisturbed operation of Suvic AB, Suvic Oy made a capital contribution to its subsidiary, partly financed by a EUR 6.75 million convertible loan issued to Suvic Oy by Dovre Group Plc.

As is customary in project business, also Suvic's operations involve the issuing of guarantees to cover contractual responsibilities during the project as well as during the guarantee period. Suvic's clients often expect Dovre Group to provide parent company guarantees or collaterals, which are discussed further below in this statement.

The net sales for our Consulting business area were 11.9% lower than during the comparison period. Sales have been negatively impacted by the termination of some of Proha's customer agreements as well as a slower market for the eSite services.

NET SALES

In Q1, Dovre Group's net sales were at the same level as the previous year and amounted to EUR 14.0 (14.0) million. Renewable Energy accounted for 97% (96) and Consulting for 3% (4) of the Group's net sales.

Renewable Energy's net sales increased by 0.7% to EUR 13.6 (13.5) million. Net sales for Consulting decreased by 11.9 % to EUR 0.4 (0.5) million.

Net sales by reporting segment	1-3	1-3	Change	1-12
EUR million	2025	2024	%	2024
Renewable Energy	13.6	13.5	0.7	97.4
Consulting	0.4	0.5	-11.9	1.9
Group total	14.0	14.0	0.3	99.3

PROFITABILITY

Dovre Group's profitability for the period was negative. The Group's EBITDA was EUR -2.9 (-5.7) million and the Group's operating profit was EUR -3.2 (-5.8) EUR million.

Renewable Energy's operating profit was EUR -2.8 (-5.7) million and Consulting's operating profit was EUR 0.0 (0.1) million. A negative operating profit for the first quarter was expected, however the combination of the reduced margin in a Finnish solar park project, and the delayed start of another project led to a weaker than expected result. The afore mentioned solar park project is still forecasted to be completed with a positive margin in the autumn of 2025.

The operating loss of the Group's Other functions was EUR 0.4 (0.2) million. The unit's result has weakened compared to last year due to costs caused by CSRD reporting, temporary additional costs from the group structure change process and the fact that the significant reduction in operations has reduced the allocation of administrative costs to the business units. Now that the group's restructuring has been completed, administrative functions will be streamlined.

The result before taxes was EUR -3.5 (-6.0) million.

As a non-recurring item, the sale of the Project Personnel and Norwegian Consulting businesses has a significant impact on the Group's financial position and results for the review period. The preliminary purchase price announced at the time of the transaction on 2 January 2025 was EUR 35.3 million. The final purchase price was EUR 36.4 million. As a result, a profit of EUR 7.0 million has been recorded during the review period from discontinued operations (net of transaction related costs).

The result for the period attributable to the parent company's shareholders was EUR 4.9 (-2.4) million, of which discontinued operations accounted for EUR 7.0 (0.9) million. The share of the result attributable to non-controlling interests (49% of Suvic Oy's non-controlling interests) was EUR -1.5 (-2.7) million.

EBITDA	1-3	1-3	Change	1-12
EUR million	2025	2024	%	2024
Renewable Energy	-2.5	-5.6	54.9	-20.4
Consulting	0.0	0.1	-40.3	0.3
Other functions	-0.4	-0.2	-168.3	-1.0
Group total	-2.9	-5.7	48.8	-21.1

Operating result (EBIT)	1-3	1-3	Change	1-12
EUR million	2025	2024	%	2024
Renewable Energy	-2.8	-5.7	51.6	-21.1
Consulting	0.0	0.1	-40.3	0.3
Other functions	-0.4	-0.2	-168.3	-1.0
Group total	-3.2	-5.8	45.7	-21.8

PERSONNEL

Dovre Group employed an average of 242 people (78) during the review period.

On March 31, 2025, Dovre Group employed 274 (86) people, 258 (68) of whom were employed by Renewable Energy, 13 (15) by Consulting and 3 (3) by Other Functions.

Average number of personnel	1-3	1-3	Change	1-12
Number of persons	2025	2024	%	2024
Renewable Energy	226	60	276.7	134
Consulting	13	15	-13.3	15
Other functions	3	3	0.0	3
Group total	242	78	210.3	152

Personnel at period-end	31 Mar	31 Mar	Change	31 Dec
Number of persons	2025	2024	%	2024
Renewable Energy	258	68	279.4	205
Consulting	13	15	-13.3	13
Other functions	3	3	0.0	3
Group total	274	86	218.6	221

CASH POSITION

On March 31, 2025, the Group's net debt was EUR -9.5 (3.8 including also discontinued operations) million. The Group's cash and cash equivalents totalled EUR 15.5 (11.3 including also discontinued operations) million. The Group's interest-bearing liabilities were EUR 6.0 (15.1 including also discontinued operations) million, a total of EUR 4.4 (8.1 including also discontinued operations) million of which were current and EUR 1.6 (7.0 including also discontinued operations) million non-current.

Due to the Suvic subgroup losses, the parent company has during the review period issued convertible loans amounting to EUR 8.6 million to its subsidiary Suvic Oy (of which EUR 1.8 million as capital loans). In addition, the parent company has previous capital loan receivables from Suvic Oy of EUR 2.0 million.

In Q1, net cash flow from operating activities was EUR -10.2 (-1.9 including also discontinued operations) million, which includes EUR -7.0 (-2.9 including also discontinued operations) million cash flow effect deriving from an increase in working capital.

IMPACT OF PROJECT BUSINESS ON DOVRE'S OPERATIONS

Due to the significant sale of businesses, Dovre Group's business operations have been significantly reduced, and the Group's operations will focus strongly on the construction of wind and solar power parks. The projects will be implemented by the Suvic subgroup, of which the parent company owns 51%. Focusing on project-based construction business increases the cyclicity of the Group's operations and balance sheet position.

The strong project nature of the business operations has a significant impact on the Group's risk and liability position. Construction projects always require various collateral arrangements. Customers have been given financial institution guarantees as security during the construction and warranty periods, the total amount of which was approximately EUR 28.8 million at the end of the reporting period. After the reporting period, the parent company has additionally pledged account funds in the amount of EUR 5.4 million as collateral for bank guarantees.

In addition to specifically issued guarantees, Dovre Group Plc has given Suvic's clients mother company guarantees as security for the completion of contractual commitments.

OTHER EVENTS DURING THE REVIEW PERIOD

Dovre's subsidiary Suvic Oy has signed a conditional EPC contract for the construction of a 100 MWp solar park in Finland

On January 8, 2025, Suvic announced that it had signed a conditional contract for the construction of a 100 MWp solar park in Finland. The contract is conditional on a Notice to Proceed (NTP), which was expected in late February 2025. The value of the contract is approximately EUR 55 million.

Dovre Group acquires the entire share capital of Renetec Oy

On January 22, 2025, it was announced that Dovre Group had acquired the shares of Renetec Oy held by minority shareholders, which entitled them to approximately 42.8% of the company's ownership. In accordance with the parties' mutual agreement, the purchase price is not public.

Dovre's subsidiary Suvic Oy has received a Notice to Proceed and will begin construction of a 100 megawatt peak solar park in Eurajoki

On February 26, 2025, Suvic announced that it had received a Notice to Proceed, which resulted in the above-mentioned conditional order for a 100 MW solar park being realized as a contract.

Dovre's subsidiary Suvic Oy has signed a contract to build a major wind farm in Finland

On February 28, 2025, Suvic announced a conditional contract worth EUR 54 million for a wind farm in Finland. The Notice to Proceed announcement was expected in March-April.

Suvic Oy has signed a contract to build a battery-based energy storage system in Uusikaupunki

On March 11, 2025, Suvic announced that it had signed a contract to build a battery-based energy storage system. The client for the contract is Renewable Power Capital Ltd. (RPC), headquartered in London. The capacity of the energy storage system (BESS, Battery Energy Storage System) to be built is approximately 50 MW / 100 MWh. The battery storage will be built next to Fingrid's substation.

Two profit warnings

Dovre Group issued two profit warnings after the turn of the year regarding the results of the reporting period. On 3 February 2025, the company updated its profit forecast upwards, as higher-than-expected net sales and profit were recorded from the Renewable Energy segment projects in Finland. In turn, a significant increase in losses from ongoing projects in Sweden led to a negative profit warning on 12 March 2025.

Changes in Suvic's management team

On 12 March 2025, following the large losses and profit warning reported from two Swedish projects, it was decided to make changes to Suvic Oy's management team. The company immediately launched a search for a new CEO and CFO. Current CEO Ville Vesanen will continue in his position until his successor takes over. Vesanen will then move to the position of Chief Operating Officer (COO). The company's CFO Ville Kemppinen has also committed to continuing in his position until the transfer to his successor has been completed.

Dovre Group's CFO resigns

On March 31, 2025, we announced that Dovre Group Plc's CFO Hans Sten had submitted his resignation to the company. Sten will leave his position at the end of June 2025.

In Espoo, April 29, 2025

DOVRE GROUP PLC
BOARD OF DIRECTORS

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