

Dovre Group Plc

Stock exchange release

April 28, 2022 at 9.15 a.m.

**DOVRE GROUP TRADING STATEMENT JANUARY 1 – MARCH 31, 2022****Dovre continues its growth, positive development in net sales and operating profit**

*Dovre Group Plc issues today a trading statement for the three months ended on March 31, 2022. The figures presented in this trading statement are not audited. Last year's corresponding period in parentheses.*

**January – March 2022**

- Net sales EUR 47.8 (19.7) million – increase 142.7%
  - Project Personnel: net sales EUR 22.7 (15.4) million – increase 47.3%
  - Consulting: net sales EUR 4.4 (4.3) million – increase 2.3%
  - Renewable Energy: net sales EUR 20.7 (-) million
- EBITDA EUR 1.9 (1.0) million – increase 84.8%
- Operating profit EUR 1.7 (0.8) million – increase 100.7%. The comparison figure in 2021 included EUR 0.1 million of non-recurring expenses related to the acquisition of Suvic.
- Net cash flow from operating activities EUR 2.0 (0.5) million

**Outlook for 2022 unchanged (first published on February 24, 2022)**

Dovre Group's net sales in 2022 is expected to be more than EUR 165 million (2021: EUR 142.7 million). The operating profit (EBIT) is expected to be better than last year (2021: EUR 6.1 million).

**ARVE JENSEN, CEO:**

Dovre Group's strong growth continued in Q1 2022. Our net sales increased by 142.7% to EUR 47.8 million and our operating profit more than doubled to EUR 1.7 (0.8) million. The growth was mainly attributable to the new Renewable Energy business, but also the 47.3% increase in Project Personnel business from the comparison period.

Our operating environment was favorable in all three business areas. Project Personnel grew due to the increased demand particularly in Norway, although the number of employees in the segment clearly decreased during Q1 following the completion of a major project in Singapore at the end of 2021. We saw high activity levels also in the Consulting business in Norway. In Consulting Finland, the Proha entity is starting to see the synergies between the existing products and the new eSite services, and measures have been taken to improve profitability.

The Renewable Energy segment, which consists of Suvic Oy's business, has been part of Dovre Group for more than a year now. It has become a significant part of our business. During the review period, Suvic announced agreements on new windmill park projects in Kalistanneva and in Matkussaari in Finland. Following these two projects, we are involved in building a total of eight different windmill parks in Finland in 2022. Most of these projects will continue in 2023. In Renewable Energy, the seasonality of the business is stronger than in other segments, with windmill park construction performed mainly during the summer season.

There are several concerns in our operating environment, such as the current geopolitical situation and high inflation. At the same time, the demand for energy is forcing governments and the private sector to seek new energy-efficient solutions, which we believe will lead to an increasing demand in all our business areas.

We intend to further expand our services in the energy sector. In addition, we aim to increase the share of Consulting in our entire business and continue to diversify our offering in this business area to new customers in industries such as transportation, construction, ICT and public sector. The focus of all our operations is on profitable growth, ensuring the best professionals for our clients' projects and maintaining high customer satisfaction. We expect the competitive environment to remain tight, and we will closely monitor oil price developments and other market movements.

## NET SALES

In Q1, Dovre Group's net sales increased by 142.7% to EUR 47.8 (19.7). The majority of the growth, about three quarters, was due to the Renewable Energy business, which was not included in the Group's figures in the comparison period. The Project Personnel business also grew strongly, while growth in consulting was more moderate.

Project Personnel accounted for 48 (78) percent, Consulting for 9 (22) percent and Renewable Energy for 43 (-) percent of the Group's net sales. Project Personnel's net sales increased by 47.3% to EUR 22.7 (15.4) million and net sales for Consulting increased by 2.3 percent to EUR 4.4 (4.3) million. Net sales in Renewable Energy totalled 20.7 (-) million euros.

Year-on-year fluctuations in foreign currency exchange rates had no material impact on the Group's net sales in Q1. At fixed currencies, the year-on-year growth of net sales in Q1 would have been 141.4% instead of 142.7%.

<b>Net sales by reporting segment</b>	<b>1-3</b>	<b>1-3</b>	<b>Change</b>	<b>1-12</b>
EUR million	<b>2022</b>	<b>2021</b>	<b>%</b>	<b>2021</b>
Project Personnel	22.7	15.4	47.3	76.2
Consulting	4.4	4.3	2.3	16.1
Renewable Energy	20.7	-	-	50.4
<b>Group total</b>	<b>47.8</b>	<b>19.7</b>	<b>142.7</b>	<b>142.7</b>

*\*Renewable Energy as of April 1, 2021 (Sovic acquisition).*

## OPERATING PROFIT

The Group's EBITDA in Q1 improved by 84.8% to EUR 1.9 (1.0) million. The Group's operating profit over doubled to EUR 1.7 (0.8) million. Project Personnel's operating profit was EUR 1.1 (0.6) million, Consulting's operating profit was EUR 0.4 (0.6) million and Renewable Energy's operating profit was EUR 0.5 (-) million. In Consulting, the weakened Q1 profitability year-on-year was attributable to normalized activity levels in Norway. In 2021, the business unit experienced extraordinary high activity level in Norway when several major projects were being run in parallel through most of the year.

The operating loss of the Group's Other functions was EUR -0.2 (-0.3) million. The comparison figure in 2021 included EUR 0.1 million of non-recurring expenses related to the acquisition of Suvic.

<b>EBITDA</b>	<b>1-3</b>	<b>1-3</b>	<b>Change</b>	<b>1-12</b>
EUR million	<b>2022</b>	<b>2021</b>	<b>%</b>	<b>2021</b>
Project Personnel	1.3	0.7	84.0	3.3
Consulting	0.4	0.7	-43.5	2.3
Renewable Energy*	0.5	-	-	2.0
Other functions	-0.2	-0.3	46.4	-0.7
Unallocated **	-0.1	0.0	-176.1	0.0
<b>Group total</b>	<b>1.9</b>	<b>1.0</b>	<b>84.8</b>	<b>6.9</b>

<b>Operating profit (EBIT)</b>	<b>1-3</b>	<b>1-3</b>	<b>Change</b>	<b>1-12</b>
EUR million	<b>2022</b>	<b>2021</b>	<b>%</b>	<b>2021</b>
Project Personnel	1.1	0.6	98.9	2.9
Consulting	0.4	0.6	-44.3	2.3
Renewable Energy*	0.5	-	-	1.9
Other functions	-0.2	-0.3	45.6	-0.7
Unallocated **	-0.1	-0.1	-48.9	-0.3
<b>Group total</b>	<b>1.7</b>	<b>0.8</b>	<b>100.7</b>	<b>6.1</b>

\*Renewable Energy as of April 1, 2021 (Suvic acquisition).

\*\*Unallocated expenses include amortization of customer agreements and relations.

## PERSONNEL

The Dovre Group employed an average of 795 people (661) during the review period. The growth was a result of the organic growth of the Project Personnel business and the establishment of the Renewable Energy business as of March 31, 2021.

On March 31, 2022, Dovre Group employed 796 (714) people, 674 (602) of whom were employed by Project Personnel, 88 (85) by Consulting, 34 (24) by Renewable Energy and 1 (3) by Other functions. The number of employees increased in all business areas due to organic business growth.

<b>Average number of personnel</b>	<b>1-3</b>	<b>1-3</b>	<b>Change</b>	<b>1-12</b>
Number of persons	<b>2022</b>	<b>2021</b>	<b>%</b>	<b>2021</b>
Project Personnel	672	572	17.4	685
Consulting	89	86	3.3	88
Renewable Energy	33	-	-	22
Other functions	1	3	-66.7	2
<b>Group total</b>	<b>795</b>	<b>661</b>	<b>20.2</b>	<b>796</b>

**31 Mar      31 Mar      Change      31 Dec**

### Personnel at period-end

Number of persons	2022	2021	%	2021
Project Personnel	674	602	11.9	743
Consulting	88	85	2.9	90
Renewable Energy	34	24	41.7	32
Other functions	1	3	-66.7	1
<b>Group total</b>	<b>796</b>	<b>714</b>	<b>11.5</b>	<b>865</b>

### CASH POSITION

On March 31, 2022, the Group's net debt was EUR -2.8 (-1.1) million. The Group's cash and cash equivalents totaled EUR 10.5 (8.9) million. The Group's interest-bearing were at the comparison period's level at EUR 7.7 (7.7) million, a total of EUR 5.5 (4.4) million of which were current and EUR 2.2 (3.4) million non-current.

In Q1, net cash flow from operating activities increased to EUR 2.0 (0.5) million, which includes EUR 0.6 (-0.3) million change in working capital. Due to the nature of the business, the Group's cash flow development is typically less favorable during the first half of the year.

### OTHER EVENTS DURING THE REVIEW PERIOD

#### New windmill park agreements

Suvic Oy, which forms the Group's Renewable Energy business area, announced two new wind farm projects during the review period.

On February 3, 2022, Suvic Oy announced a significant turnkey construction project to build Kalistanneva Windmill Park. Kalistanneva is a joint project between Helen Oy and Ålandsbanken's Wind power Investment Fund. The consortium has acquired the project from Valorem Ltd. The contract consists of building the infrastructure for 30 windmills, including roads, lifting platforms, foundations, a 33/110 kV power station and 33 kV internal grid ground works.

On February 10, 2022, Suvic announced the signing of a significant turnkey construction project to build the Matkussaari wind farm. Matkussaari is a project owned by Valorem Ltd.

Matkussaari together with the previously announced Kalistanneva wind farm are called Viiatti, with a combined capacity of 313.5 MW. The contract consists of building the infrastructure for 27 windmills, including roads, lifting platforms, foundations, a 33/110 kV power station and 33 kV internal grid ground works. The installed capacity will be 148,5 MW.

The work for both Viiatti projects has been commenced after the review period in April 2022 and they are expected to be mainly completed by December 2023. The last task of the Viiatti entity will be performed during 2024, when the 33 kV cables will be connected to the windmills.

In Espoo, April 28, 2022

DOVRE GROUP PLC  
BOARD OF DIRECTORS

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