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DOVRE GROUP IN BRIEF

Dovre Group is a global provider of project management services. The Group's parent company Dovre Group Plc is domiciled in Finland listed on Nasdaq Helsinki (symbol DOVIV).

Dovre Group has two business areas: Project Personnel and Consulting. Dovre Group's Project Personnel business area has over 30 years of experience as a global provider of project professionals for large investment projects. The Group's

Consulting business area operates in the Nordic countries and provides management and project management expertise for the development and execution of large investment projects.

In 2019, Dovre Group's net sales were EUR 83.1 million and the Group's operating result was EUR 2.7 million. Project Personnel accounted for 93% and Consulting for 7% of the net sales. Dovre Group employs around 700 people worldwide.

BUSINESS AREAS

PROJECT PERSONNEL

Dovre Group's Project Personnel business area has over 30 years of experience as a global provider of project professionals for large investment projects. Our main markets are the Nordic countries, Asia Pacific, North America, and the Middle East. Dovre Group has offices in Norway, Canada, Finland, Russia, Singapore and the United States.

PROJECT PERSONNEL BUSINESS IS ABOUT TRUST AND LOYALTY

Dovre Group supports world leading organizations to project success. We ensure access to the best project professionals - whenever or wherever our clients need them. As a publicly listed company, we are a compliant, transparent and trustworthy partner for our clients. We consistently get top scores for quality and service when the customers review our work.

CONSULTING

Dovre Group's Consulting business area provides advisory services for the effective development and execution of large projects. We operate in the Nordic countries, with offices in Finland and Norway.

OUR CLIENTS TRUST OUR PROJECT EXPERTISE

Large projects typically entail several years of concept development and planning before execution, and involve large scale investments. Many of our clients have project portfolios covering several projects of different sizes, with each project in a different phase, or portfolios of large procurement projects. Some clients have only one major project, often very large compared to their other investments or operational costs.

The key to success in the project personnel business is access to the best project people. Many of our consultants have been with us for decades, on numerous different assignments around the world. We take good care of our consultants, and together we take good care of our clients. We are building a solid portfolio of long-term framework agreements with existing and new clients.

ACQUISITION AND GROWTH IN 2019

Our net sales in 2019 increased by 29.1% and totaled to EUR 77.0 (59.7) million. The operating result improved significantly by 60.0%, and reached 2.7 (1.5) million euros. The growth derived both from organic growth and from the acquisition of Norwegian Tech4Hire AS in Q2 2019. In 2019, the average number of personnel employed by Project Personnel was 580 (454).

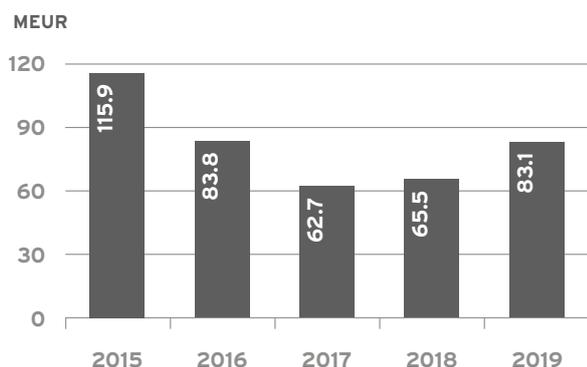
Key to successful consulting is the ability to provide our clients with valuable advice over time. We focus on building long-term relationships with our clients through frame agreements and practical recommendations.

POSITIVE MARKET ENVIRONMENT

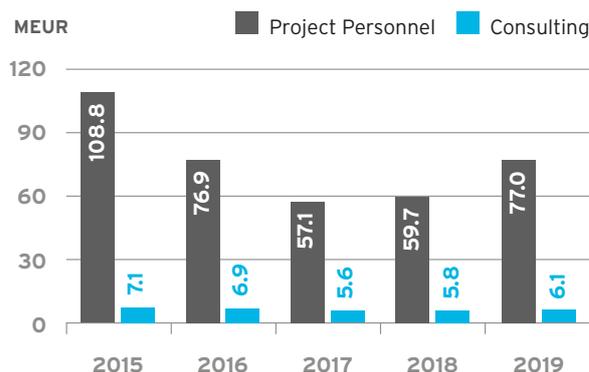
Our net sales in 2019 increased by 8.0% and totaled to EUR 6.1 (5.8) million. The operating result reached EUR 0.6 (0.4) million. During the year Dovre signed significant frame agreements in Norway that impact positively to the sales. The business in Finland developed positively. In 2019, the average number of personnel employed by Consulting was 37 (36).

KEY FIGURES

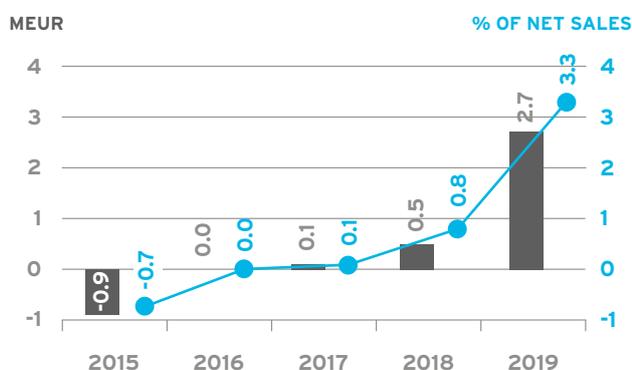
NET SALES



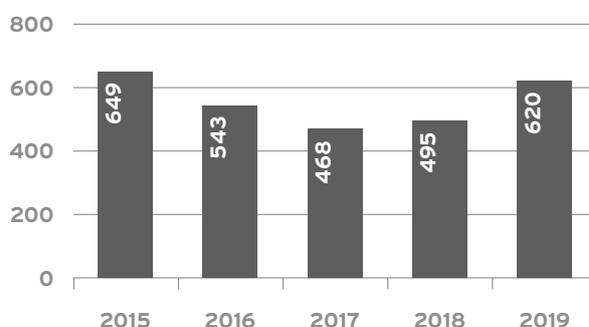
NET SALES BY BUSINESS AREA



OPERATING RESULT



AVERAGE PERSONNEL OF THE YEAR



| EUR THOUSAND | IFRS 2019 *) | IFRS 2018 | IFRS 2017 | IFRS 2016 | IFRS 2015 |
|-----------------------------|--------------|-----------|-----------|-----------|-----------|
| Net sales | 83,135 | 65,466 | 62,681 | 83,810 | 115,947 |
| Change, % | 27.0% | 4.4% | -25.2% | -27.7% | 17.2% |
| Operating result | 2,705 | 539 | 52 | 4 | -858 |
| % of net sales | 3.3% | 0.8% | 0.1% | 0.0% | -0.7% |
| Result before tax | 2,642 | 1,058 | -398 | -1,545 | -1,841 |
| % of net sales | 3.2% | 1.6% | -0.6% | -1.8% | -1.6% |
| Result for the period | 2,091 | 844 | -547 | -1,669 | -2,012 |
| % of net sales | 2.5% | 1.3% | -0.9% | -2.0% | -1.7% |
| Return on equity, % | 9.0% | 3.8% | -2.3% | -6.3% | -8.2% |
| Return on investment, % | 10.3% | 4.6% | -1.1% | -4.2% | -6.1% |
| Equity-ratio, % | 49.2% | 59.1% | 62.2% | 60.3% | 52.5% |
| Gearing, % | 0.2% | -7.8% | -9.4% | -18.3% | -19.1% |
| Balance sheet total | 49,460 | 37,513 | 36,389 | 42,794 | 52,040 |
| Gross capital expenditure | 84 | 164 | 249 | 322 | 2,096 |
| % of net sales | 0.1% | 0.2% | 0.4% | 0.4% | 1.8% |
| Research and development | 171 | 160 | 135 | 106 | 117 |
| % of net sales | 0.2% | 0.2% | 0.2% | 0.1% | 0.1% |
| Average number of personnel | 620 | 495 | 468 | 543 | 649 |
| Personnel at end of period | 691 | 495 | 476 | 462 | 714 |

*) Dovre Group adopted IFRS 16 Leases standard on 1 January 2019 using the simplified transition method. The figures for the comparative period 2018 have not been restated.

REVIEW BY THE CEO

A STRONG YEAR OF INCREASED SALES AND IMPROVED PROFITS

Year of profitable growth and positive developments. These are the first words to come to mind when I evaluate Dovre Group's year 2019.

We achieved profitable growth in both of our business areas - Project Personnel and Consulting. In the end of 2019 we have seen increased sales and improved profits for seven consecutive quarters.

In 2019, Dovre Group's operating profit increased to 2.7 million euros and net sales increased by 27 percent. This was driven by organic growth, successful frame agreements and by acquisition of Norwegian staffing and consultancy company Tech4Hire AS.

Other key ingredients behind our strong performance were our ability to harvest on long term client relationships and on the cost reductions that were implemented in previous years. Also the demand improved especially in the Project Personnel business area.

As a global provider of project management services, Dovre Group operates at the crossroads of megatrends such as digitalisation and climate change. The slowdown in world trade, the US-China trade war, Brexit, geopolitical instability, oil price fluctuations and other global uncertainties naturally play a part in our business environment.

However, Dovre Group's main markets are situated in politically and economically stable countries and thus global concerns did not directly affect our operations. Investments in the energy sector in general increased and the overall industry investment level and investments in the public sector remained stable.

DOVRE EXPANDED ITS' OPERATIONS IN NORWAY

2019 was a year of positive developments which all had a significant effect on operating result and outlook. We signed frame agreements in Norway with Nye Veier, Forneubanen project and Norwegian Ministry of Finance. The frame agreements further strengthen our position within consulting and project management outside the energy sector.

The above-mentioned acquisition of Tech4Hire strengthens Dovre Group towards the supplier industry in Norway. In Finland we reinforced our consulting unit by incorporating Finnish ICT and Project Management function to a new company, Proha Oy. In addition, the sale of our Kuukoti office building in Espoo, Finland released cash, reduced annual oper-

ational costs and enabled us to move to more suitable office premises.

We have also grown in terms of the number of employees. At the end of 2019, Dovre Group employed 691 people, almost 30 percent more than in 2018.

DOVRE WILL CONTINUE TO PLAY AN ACTIVE PART IN THE ENERGY SECTORS TRANSITION TO RENEWABLE ENERGY, WHILST CONTINUING TO GROW IN OTHER MARKETS

Looking forward, one thing is certain: the pace of change will only accelerate as the energy sector in particular is undergoing an unprecedented transition to renewable energy. We will play an active part in this transformation and I'm certain that the demand for Dovre Group's expertise will only grow.

At the same time, the global market is still affected by several uncertainties and our main market in Norway continues to be very competitive. But we are in an excellent position to face these challenges.

In 2020 we will continue to increase value for our shareholders and other stakeholders by positioning ourselves for the rapidly changing environmental and market developments. We will concentrate on improving Dovre Group's profitability even more by keeping the operational costs low and growing in existing units while at the same time continuing to increase the diversification. Our net sales is expected to improve compared to 2019 and our operating result to exceed its 2019 level without non-recurring items.

Our key strengths are our ability to grow and still keep focus on costs as well as to get strong clients and keep them. I will make sure that we will capitalise on these strengths even more systematically in the future.

I warmly thank each and every one of our employees. Together we are able to serve some of the biggest companies in the world and exceed their expectations. I also want to thank our customers, our shareholders and other stakeholders for their highly valued support.



Arve Jensen
CEO
Dovre Group

HIGHLIGHTS OF THE YEAR 2019

DOVRE SIGNED MULTIPLE SIGNIFICANT FRAME AGREEMENTS

Dovre signed multiple significant frame agreements in 2019. In January, Dovre concluded an agreement with Nye Veier in Norway for the supply of strategic consulting services and operative project personnel in the areas of Project Management and HESQ (Health, Environment, Safety & Quality). In April, a framework agreement with the City of Oslo, Fornebubanen within project management,

was signed. In July, Dovre Group Consulting, together with the Institute of Transport Economics, signed a framework agreement with the Norwegian Ministry of Finance for supply of external quality assurance for large public sector projects in Norway. Other new agreements remain confidential at the request of clients.

DOVRE ACQUIRED TECH4HIRE AND STRENGTHENED IT'S POSITION IN NORWAY

Dovre Group completed the acquisition of Norwegian staffing and consultancy company Tech4Hire AS in June. Tech4Hire AS specialized in providing highly qualified engineering consultants primarily to the oil and gas industry. The acquisition strengthened Dovre Group's position in this segment in Norway. Tech4Hire employed more than 90 consultants within engineering, IT and project administration primarily to the oil and gas industry. The acquisition strengthened Dovre Group's market share in Norway and

increased Dovre's net sales and operating profit in reporting period. Tech4Hire was consolidated with Dovre Group as of April 30, 2019 reported as part of the Project Personnel segment. The final enterprise value for Tech4Hire AS shares amounted to NOK 23.6 million (around EUR 2.4 million).

The acquisition was reported June 25, 2019 and directed special issue and paying of an additional consideration was reported February 19, 2020.

LEGAL RESTRUCTURING IN NORWAY

Dovre Group reorganised its business in Norway and transferred a part of the business from the Project Personnel segment to be reported as a part of the Consulting segment. The reorganization was made at the beginning of January 2020. The new organizational structure combines those businesses that have specific features in the energy sector as one entity, and those with core expertise in consulting as one entity. The new structure enables Dovre's personnel to utilize their expertise better in the management of customer projects and in developing Dovre's business.

The new companies in Norway are Dovre Group Energy AS and Dovre Group Consulting AS. Dovre Group Energy AS, earlier Dovre Group Projects AS, focuses on supplying project personnel to clients within the energy sector and Dovre Group Consulting AS focuses on consulting within project management and supplying of project personnel to clients within other industries than energy.

The changes will not have any effect on the legal structures in other units outside Norway. Other units will continue to serve all clients with large projects in the energy sector and other industries.

DOVRE GROUP SOLD ITS SHARES OF A REAL ESTATE COMPANY KUUKOTI - CAPITAL GAIN IMPROVED OUTLOOK

Dovre Group Plc signed in September a contract to sell its shares of the Kiinteistö Oy Kuukoti real estate company to TK Olari Kehitys Ky. The Kuukoti property is located in Espoo and was used as an office space by Dovre's Finnish operations, but the premises was too large for Dovre's business purposes. The transaction generated a capital

gain of EUR 0.8 million to Dovre Group's third quarter profit, as well as a cash flow effect of EUR +1.6 million. In addition sell of the office property reduced operational costs by approximately 50,000 euros and enabled Dovre's Finnish operations to move in December to more suitable office premises in Ahventie 4B, Espoo.

**REPORT OF THE BOARD
OF DIRECTORS
JAN. 1-DEC. 31, 2019**



2. REPORT OF THE BOARD OF DIRECTORS

MARKET SITUATION

Dovre Group's main markets are situated in politically and economically stable countries, which is why global uncertainties distinctive for 2019, such as the slowdown in world trade, the US-China trade war, Brexit, geopolitical instability and oil price changes did not directly affect the company's operations.

Competitive environment remained unchanged in both its Project Personnel and Consulting business areas.

In the Project Personnel business area, demand improved and the prices increased slightly in 2019. In the Consulting business area market environment remained stable.

KEY FIGURES

| EUR MILLION | 2019 | 2018 | CHANGE % |
|--------------------------------|------|------|----------|
| Net sales | 83.1 | 65.5 | 27.0 |
| Operating result | 2.7 | 0.5 | 401.4 |
| % of net sales | 3.3 | 0.8 | |
| Profit before taxes | 2.6 | 1.1 | 149.7 |
| % net sales | 3.2 | 1.6 | |
| Result for the period | 2.1 | 0.8 | 147.6 |
| % net sales | 2.5 | 1.3 | |
| Net cash flow from operations | 1.3 | 1.1 | 19.5 |
| Net debt | 0.0 | -1.7 | -102.3 |
| Debt-equity ratio (Gearing), % | 0.2 | -7.8 | -102.1 |
| Earnings per share, EUR: | | | |
| Undiluted | 0.02 | 0.01 | 145.1 |
| Diluted | 0.02 | 0.01 | 145.1 |

NET SALES AND PROFITABILITY

NET SALES

In 2019, Dovre Group's net sales increased by 27.0%, totaling EUR 83.1 (65.5) million. The growth derived from organic growth in both segments and from the acquisition of a Norwegian consultancy company Tech4Hire AS in Q2 2019. The acquisition of Tech4Hire increased Group's net sales by EUR 8.2 million. Tech4Hire's net sales are reported as part of the Group's Project Personnel segment as of 1 May 2019.

Project Personnel accounted for 93 (91)% and Consulting for 7 (9)% of the Group's net sales. Net sales for Project Personnel increased by 29.1%, totaling EUR 77.0 (59.7) million. Organic growth explains 15.4% percentage points of the segment's total growth. Net sales for Consulting increased by 5.6%, totaling EUR 6.1 (5.8) million, and it was driven solely by organic growth.

By market area, EMEA's net sales totaled EUR 66.4 (50.0) million, accounting for 80 (76)% of the Group's net sales during the year. Net sales for AMERICAS were EUR 9.6 (9.4) million, accounting for 11 (14)% of the Group's net sales. Net sales

for APAC were EUR 7.2 (6.0) million, accounting for 9 (9)% of the Group's net sales.

In 2019, fluctuations in foreign currency exchange rates impacted revenues slightly. At constant currencies, the Group's full year net sales would have grown by 28% compared to 2018.

Dovre signed significant frame agreements in 2019. In January, Dovre concluded an agreement with Nye Veier in Norway for the supply of strategic consulting services and operative project personnel in the areas of Project Management and HESQ (Health, Environment, Safety & Quality). In April, a framework agreement with the City of Oslo, Fornebubanen within project management, was signed. In July, Dovre Group Consulting, together with the Institute of Transport Economics, signed a framework agreement with the Norwegian Ministry of Finance for supply of external quality assurance for large public sector projects in Norway. Other new agreements remain confidential at the request of clients.

NET SALES BY REPORTING SEGMENT

| EUR MILLION | 1-12/2019 | 1-12/2018 | CHANGE % |
|--------------------|-------------|-------------|-------------|
| Project Personnel | 77.0 | 59.7 | 29.1 |
| Consulting | 6.1 | 5.8 | 5.6 |
| Group total | 83.1 | 65.5 | 27.0 |

NET SALES BY MARKET AREA

| EUR MILLION | 1-12/2019 | 1-12/2018 | CHANGE % |
|--------------------|-------------|-------------|-------------|
| EMEA | 66.4 | 50.0 | 32.6 |
| AMERICAS | 9.6 | 9.4 | 2.2 |
| APAC | 7.2 | 6.0 | 19.1 |
| Group total | 83.1 | 65.5 | 27.0 |

Dovre Group's market areas:

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

Dovre's other operating income totaled EUR 0.8 (0.0) million euros following the divestment of Kuukoti property in September. Employee benefit expenses increased broadly in line with the net sales, by 27.7% to EUR 75.6 (59.2) million. Adoption of IFRS 16 impacted depreciations and amortizations, which nearly doubled to EUR 0.9 (0.5) million euros.

PROFITABILITY

In 2019, the Group's operating result totaled EUR 2.7 (0.5) million, corresponding to 3.3 (0.8)% of net sales. Project Personnel's operating result was EUR 2.4 (1.5) million, including Tech4Hire's result from May onward as well as some EUR 0.1 million of transaction costs related to the Tech4Hire acquisition. Consulting business area's operating result was EUR 0.6 (0.4) million. The operating result of the Group's Other functions was EUR -0.1 (-1.1) million, including the sales gain of EUR 0.8 million from the divestment of Kuukoti property in September. The unallocated costs were EUR 0.3 (0.2) million.*

OPERATING RESULT

| EUR MILLION | 1-12/2019 | 1-12/2018 | CHANGE % |
|--------------------|------------|------------|--------------|
| Project Personnel | 2,4 | 1,5 | 60,0 |
| Consulting | 0,6 | 0,4 | 62,9 |
| Other functions | -0,1 | -1,1 | 94,4 |
| Unallocated * | -0,3 | -0,2 | -14,5 |
| Group total | 2,7 | 0,5 | 401,4 |

*) Unallocated expenses include amortization of customer agreements and relations, expenses recorded as a result of adoption of IFRS 16 in 2019 and share-based compensation recognized as expense in the income statement in 2018.

RESULT

The Group's result before taxes was EUR 2.6 (1.1) million. Result included EUR -0.1 (0.6) million of finance items, including an income of EUR 0.2 (0.6) million as a result of fair value of SaraRasa Bioindo investment through profit and loss. Dovre owns 19.9% of SaraRasa shares.

The Group's result for the period was EUR 2.1 (0.8) million. The Group's earnings per share was EUR 0.02 (0.01). The Group's return on average capital employed before taxes (ROI) was 10.3 (4.6)%.

CASH FLOW, FINANCING, AND INVESTMENTS

On December 31, the Group's balance sheet total was EUR 49.5 (37.5) million. Tech4Hire's balance sheet is consolidated with Dovre Group's as of June 30, 2019. The Group's cash flow includes Tech4Hire's cash flows from May 1, 2019. The Group's cash and cash equivalents totaled EUR 5.8 (5.0) million. In addition, the Group has unused credit limits.

At year-end, the equity ratio was 49.2 (59.1)% and the debt-equity ratio (gearing) 0.2 (-7.8)%. The interest-bearing liabilities amounted to EUR 5.8 (3.2) million, accounting for 11.8 (8.6) % of the Group's shareholders' equity and liabilities. The acquisition of Tech4Hire AS, completed in the second quarter of 2019, increased Dovre Group's interest-bearing liabilities and had an effect on the equity ratio and gearing. In addition, the adoption of IFRS 16 standard affected these indicators as Dovre Group used a simplified transition method and the comparable figures were not adjusted accordingly. A total of EUR 3.1 (2.8) million of the Group's interest-bearing liabilities were current and a total of EUR 2.7 (0.5) million non-current.

Net cash flow from operating activities was EUR 1.3 (1.1) million, which includes EUR -1.1 (0.2) million change in working capital. The increase in trade and other receivables, in particular, had an effect on the cash flow.

Net cash flow from investing activities was EUR -0.2 (-0.2) million. Gross investments totaled EUR 0.1 (0.2) million, proceeds from sale of tangible assets totaled EUR 1.6 (0.0) million, and business acquisition amounted to EUR -1.8 (0.0) million.

Net cash flow from financing activities was EUR -0.4 (-1.0) million. The change is related to the increase in long-term debt, amounting to EUR 1.7 million, used to finance the acquisition. In addition, there was a directed share issue totaling EUR 0.4 million in the first half of 2019. In the comparable period in 2018, the Group used EUR 0.2 million to acquire its own shares. During the period under review, the Group paid a total of EUR 1.0 (1.0) million in dividends. The balance sheet goodwill totaled EUR 17.4 (15.2) million on December 31. The increase of goodwill is related to the Tech4Hire acquisition in the second quarter. No indications of impairment exist.

CHANGES IN THE GROUP STRUCTURE

In January, Dovre Group announced that it will spin off and incorporate its Finnish ICT and Project Management function to a new company, Proha Oy, with an aim to form an efficient and focused ICT/Project Management company with its own identity and growth plans. Dovre Group owns 100% of the company, which started operations on April 1, 2019. All staff were transferred to the new company as old employees.

In March, Dovre Group announced its intention to acquire Norwegian staffing and consultancy company Tech4Hire AS. The deal was finalized in June and the final enterprise value for Tech4Hire AS shares amounted to NOK 23.6 million (around EUR 2.4 million), including NOK 3.6 million compensation for disposable cash. As part of the transaction, the sellers used NOK 4.0 million (EUR 0.4) to subscribe Dovre Group Plc

shares. The sellers had the opportunity to receive an additional purchase price of NOK 0-10 million (EUR 0-1 million) if the agreed financial targets were met by the end of 2019. Part of the additional purchase price shall be used to subscribe for shares in Dovre Group. As of December 31, 2019, Dovre Group has recorded an additional consideration of NOK 10.3 million (EUR 1.1 million) as a liability. The additional purchase price will be paid in the first quarter of 2020. Tech4Hire was consolidated with Dovre Group as of 30 April 2019 and reported as part of the Project Personnel segment. In 2019, Tech4Hire recorded sales of NOK 115.7 million (around EUR 11.8 million) and an EBITDA of NOK 5.7 million (around EUR 0.6 million). The transaction cost related to the acquisition were around EUR 0.1 million.

RESEARCH AND DEVELOPMENT

The Group's research and development costs were EUR 0.2 (0.2) million, which equals 0.2 (0.2) % of the Group's net sales.

PERSONNEL

On December 31, Dovre Group employed 691 (495) people: 653 (453) of which were employed by Project Personnel, 35 (38) by Consulting, and 3 (4) by Other functions. The increase in number of employees was driven by the organic growth in Project Personnel business as well as from the acquisition of Tech4Hire.

During 2019, the average number of personnel employed by the Group was 620 (495). Project Personnel employed 580

(454) and Consulting 37 (36) people. In the Project Personnel business area 30 (29)% of employees were independent contractors.

In 2019, Group's employee benefit expenses were EUR 75,6 (59,2) million.

| PERSONNEL AVERAGE | 1-12/2019 | 1-12/2018 | CHANGE % |
|--------------------|------------|------------|-------------|
| Project Personnel | 580 | 454 | 27,8 |
| Consulting | 37 | 36 | 2,8 |
| Other functions | 3 | 5 | -40,0 |
| Group total | 620 | 495 | 25,3 |

GROUP MANAGEMENT

There were no changes in the Group Executive Team during 2019. At the end of 2019, the Executive Team consists of Arve

Jensen (CEO), Stein Berntsen (President, Consulting) and Mari Paski (CFO).

BOARD OF DIRECTORS

Dovre Group Plc's Annual General Meeting (AGM) held on March 27, 2019, decided that the number of Board members be set at four (4). Svein Stavelin, Ilari Koskelo and Antti Manninen were re-elected as members of the Board, and Kristine Larneng was elected as a new member of the Board. Convening after the meeting, the Board elected Svein Stavelin as Chairman of the Board and Ilari Koskelo as Vice Chairman.

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. In addition, reasonable travel expenses are also compensated. The total amount of the annual compensation paid to Board members did not change from the previous year, but the method of payment was changed. The annual compensations were paid previously both in cash and shares, but the AGM in 2019 decided that compensation is paid only in cash for the term that ends in the 2020 AGM.

SHARES, SHAREHOLDERS, AND STOCK OPTIONS

SHARE CAPITAL AND TRADING

On December 31, 2019, Dovre Group's share capital was EUR 9,603,084.48 and the total number of shares 101,946,747. The number of shares increased when, in connection with the Tech4Hire acquisition, Dovre Group issued 1,777,978 new shares to the sellers of Tech4Hire AS in a directed share issue. The number of new shares transferred was determined by dividing the NOK 4.0 million by the volume weighted average price of Dovre Group's shares on Nasdaq Helsinki between 12 June and 18 June, equaling to EUR 0.23 per share. The subscription price was credited in its entirety to the reserve for invested unrestricted equity. The new shares were registered

on June 28, 2019 and the trading with these shares began on July 2, 2019.

In 2019, altogether 50.0 (14.5) million Dovre Group shares were exchanged on Nasdaq Helsinki Ltd., corresponding to a trade of approximately EUR 11.9 (3.6) million. The trading volume was impacted by the share transactions made by the company's largest shareholders in early November. The volume weighted average price of Dovre share was 0.24 (0.25), the lowest quotation was EUR 0.21 (0.20) and the highest EUR 0.34 (0.29). On December 31, 2019, the closing quotation was EUR 0.29 (0.21). The period-end market capitalization was approximately EUR 29.6 (21.0) million.

OWN SHARES

Dovre Group did not repurchase the Company's own shares during the period under review. At the end of December 2019, Dovre Group Plc held 870,337 of its own shares, representing approximately 0.85% of all the company's shares and votes.

SHAREHOLDERS AND HOLDINGS OF THE BOARD OF DIRECTORS AND THE CEO

On December 31, 2019, the number of registered shareholders of Dovre Group Plc totaled 3,875 (3,179), including 8 (8) nominee-registers. The share of nominee-registered shares was 2.4 (0.4)% of the Group's shares.

On December 31, 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 8,077,751 (7,181,189) shares in the company, representing 7.9 (7.2)% of all shares. In addition, CEO Arve Jensen held at the end of 2019 a total of 100,000 stock options from 2013 option plan.

A total of five flagging notifications were issued during the financial year. As a result of the increase in the total number of shares described above, the share of Commuter 2 AS (a company controlled by Frank Ween) of the Company's shares and votes decreased below 15% to 14.81% on June 28, 2019.

Following the share transactions made in early November, four flagging announcements were issued. On 11 November, Global Asiaone Pte Ltd (a company controlled by Ole Olsen) and Commuter 2 AS flagged up the sale of their entire holdings in Dovre Group Plc to several investors. Prior to the sale, Global Asiaone Pte Ltd held 10.17% and Commuter 2 AS held 13.43% of the company's shares and votes. Correspondingly, the holding of Etra Capital Oy (controlled by Erkki Etola) increased to over 15% to 19.62%, and the combined holding of Joensuun Kauppa ja Kone Oy and K22 Finance Oy (controlled by Kyösti Kakkonen) rose to over 10% to 11.24%.

HOLDINGS OF BOARD OF DIRECTORS AND CEO 31.12.2019

| NAME | SHARES, PCS | PERCENTAGE OF SHARES | OPTIONS, PCS |
|-----------------------------|------------------|----------------------|--------------|
| Svein Stavelin | 334,613 | 0.3 | 0 |
| Ilari Koskelo | 7,129,653 | 7.0 | 0 |
| Antti Manninen | 533,485 | 0.5 | 0 |
| Kristine Larneng | 0 | 0.0 | 0 |
| Board members, total | 7,997,751 | 7.8 | 0 |
| Arve Jensen | 80,000 | 0.1 | 100,000 |

SHAREHOLDER AGREEMENTS

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

STOCK OPTIONS

At the end of the period under review, Dovre Group had one open option plan, 2013. Each stock option entitles the holder to subscribe one share in Dovre Group Plc.

Under the 2013 option plan, the total number of stock options offered for subscription to Dovre Group's key personnel is 3,000,000. The subscription periods for 2013A and 2013B option plans have ended on February 29, 2018 and on February 28, 2019, respectively. The share subscription period and price per series under the 2013C option plan are as follows: subscription price EUR 0.43; subscription period March 1, 2017 - February 28, 2020.

No stock options were granted to key personnel under the Group's 2013 stock option plan during 2019, and no shares were subscribed for under the option plan. The remaining 375,000 2013B options expired as unused. At the end of the period under review, the company had granted a total of 475,000

options under the 2013 option plan and had in reserve a total of 525,000 options. On December 31, 2019, the Group's CEO Arve Jensen held a total of 100,000 stock options granted under the 2013 option plan.

More information about the shares, shareholders and stock options of Dovre Group on www.dovregroup.com/investors.

LONG-TERM INCENTIVE PROGRAMS 2018-2020

The Board of Directors decided on a long-term share-based remuneration and incentive program for the top management of Dovre Group in June 2018. The remuneration is based on an annually set performance conditions and a service condition, and the key metric is operating profit.

The executive is responsible for personnel income tax on award. The shares will be awarded when the vesting period ends at the beginning of 2021.

| ESTIMATED AMOUNT OF SHARES EARNED YEAR | SHARES, PCS |
|--|----------------|
| 2018 | 169,631 |
| 2019 | 354,564 |
| Total accrued | 524,195 |

ANNUAL GENERAL MEETING AND THE AUTHORIZATIONS OF THE BOARD OF DIRECTORS

Dovre Group Plc's Annual General Meeting (AGM) was held on March 27, 2019. The AGM adopted the financial statements and consolidated financial statements for 2018 and discharged the members of the Board of Directors and the CEO from liability for the financial year ending on December 31, 2018. In accordance with the Board's proposal, the AGM decided that a dividend of EUR 0.01 per share to be paid for the financial year 2018. The dividend was paid to shareholders in April.

The AGM decided that the number of Board members be set at four (4). Svein Stavelin, Ilari Koskelo and Antti Manninen were re-elected as members of the Board, and Kristine Larneng was elected as a new member 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 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 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 9,900,000 shares, which corresponds to approximately 10 percent of the total number of shares in the company. The authorizations are valid until June 30, 2020 and revoke the previously granted, corresponding authorizations.

The Board did not use the authorization to decide on the repurchase of its own shares. The Board of Directors used the authorization to decide on the issuance of new shares when it decided on the directed share issue to the sellers of Tech4Hire in June 2019. A total of 8,122,022 shares could still be issued under this authorization.

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>

REPORT ON NON-FINANCIAL INFORMATION

This statement describes Dovre Group's non-financial information in accordance with the Chapter 3a, sections 1-6 of the Finnish Accounting Act. This disclosure on non-financial issues is the Group's first in line and focuses on describing the company's sustainable business practices as they are defined in the Group's Code of Conduct.

Dovre plans to define during 2020 its next steps for developing the Group's operations, sustainability principles and reporting from the corporate responsibility perspective. As this work is still in the early stages, this report presents Dovre's corporate responsibility principles, key performance indicators and risk management for required non-financial information areas - Environmental matters, Social and employee related matters, Human rights, and Anti-corruption and bribery - on higher level and reflecting mainly the Group's Code of Conduct and other existing company practices.

BUSINESS MODEL

Dovre Group is a global provider of project management services. It has two business areas: Project Personnel and Consulting.

The Group's Project Personnel business is a global provider of project professionals for large investment projects especially in energy, infrastructure and industrial sectors. It assists organizations in global, large and complex projects with

recruitment of personnel and mobility services to ensure that projects are on time and budget, and exceed expectations.

The Group's Consulting business operates in Nordic countries and provides project management expertise for the development and execution of large investment projects in transportation, buildings and property, IT and communication, public administration, health, defence, finance, pulp and paper and energy sectors. It provides strategic and operational expertise in project management and procurement, ranging from business definition to execution and across technical, commercial and legal disciplines.

Project Personnel accounted for 93% and Consulting for 7% of Dovre's net sales in 2019. At the end of the year, the Group employed around 700 people worldwide.

Value creation for stakeholders

Dovre Group's clients include both private companies and public organizations. Its competent personnel with the ability to advise, develop and manage projects forms the core of the company's business model and enables its growth and development. For the successful development, planning and execution of projects, it is crucial to find the right people with the right skills, and make sure that they are in the right locations at the right time.

By ensuring access to the best project professionals and by delivering the specific expertise that is needed for each

individual client project, Dovre is able to help its clients to reach their goals. The long-term financial success of Dovre is based on its employees' ability to offer valuable advice to clients over time and on the long-term customer and employee relationships that are built on trust and loyalty.

THE FOUNDATIONS OF RESPONSIBLE OPERATIONS

Dovre pursues to act responsibly in all its operations. The Group's Code of Conduct defines the general principles on how the company treats others, how to engage in business and how to safeguard corporate assets. The Code tells Dovre's clients, investors and communities in which it works that Dovre is committed to following only the highest ethical standards. The Code of Conduct is available to all stakeholders on the Group's web pages (Investors -> Corporate Governance).

All Dovre employees (including staff, consultants and contractors) are expected to comply with the Code of Conduct, have a detailed knowledge of the Code's provisions and assume personal responsibility for performing their duties with fairness and integrity.

In addition, Dovre follows the principles of the United Nations' Universal Declaration of Human Rights. The Group's operations in Norway, Canada and Singapore are ISO9001:2015 certified.

ENVIRONMENTAL RESPONSIBILITY

As an expert organization where most of the client work is carried out in client organizations and offices, the direct environmental impacts of Dovre's own operations are moderate. In addition to the electricity consumption of its own offices, the environmental impacts arise primarily from travel. In particular, project work is mobile and often takes place at clients' sites, premises or construction sites.

Dovre's Code of Conduct underlines that the Group operates in an environmentally responsible manner in all its locations around the world. In addition, the company has a written Health, Safety and Environment (HSE) policy which applies to all employees working under Dovre Group's supervision as well as those working under client's supervision. In the HSE policy, the Group advises to minimize waste and prohibits contamination of the environment. Through systematic HSE work Dovre minimizes damage to environment. Consultants and contractors who work under a client's supervision are also expected to meet all the client's HSE policies and standards.

Due to the nature of Dovre's business, the indirect impacts of its operations to the environment are estimated to be significantly larger than the direct ones. Amounting to more than 1,000 new client assignments per year, client projects are at the very core of Dovre's impact on societies and the environment. Dovre's key contribution to sustainability arises from participating in designing and managing the projects and consulting clients to the highest standards which are based

on the Dovre Code of Conduct. Dovre Group performs strictly within the framework of the clients' final investment decisions and Dovre's contracts with the clients.

SOCIAL AND EMPLOYEE-RELATED MATTERS

Responsibility in customer relationships

Dovre's focus is on managing projects, supporting operations and consulting clients according to the highest professional and ethical standards. An ability to help customers to develop their businesses in a changing world and to exceed customer expectations is a key component for Dovre's successful business performance.

Dovre Group's reputation for integrity is built on its respect for laws, regulations and other requirements that apply to the conduct of business in all countries in which Dovre Group is present. It is also based on the trust it has earned from clients. This trust is fundamental to company's business and one of its greatest assets. Therefore, the Group does its best to ensure high customer satisfaction and access to top talents needed for performing client projects. The guiding principles of Group's operations are fairness and honesty.

In addition to the Company's Code of Conduct that guides all Dovre's business operations, the Group has country specific procedures and guidelines to support consistent high quality customer service in use.

Customer satisfaction assessments, and surveys if applicable, are performed in each unit in order to secure continuous improvement of company's services. Dovre organizes quality assessment meetings with its largest clients to assess customer satisfaction and its progress compared to previous years.

Data protection and information security

As a part of their work, Dovre's employees get access to a wide range of their customers' data. The company seeks a high level of data protection, data privacy and information security in all of its activities. Dovre is committed to protecting the data, materials and devices in our possession regardless who they belong to - the Group, customers or partners.

Dovre Group respects employees' right to privacy in relation to the confidentiality of personal information and handles all personal information confidentially and in compliance with applicable privacy laws and regulations.

Employee satisfaction

Professional employees are the most important asset in the Group. Since the company's success depends on being able to offer and place the right talents for each customer project, the Group's social responsibility is mainly related to the company's personnel and working conditions.

Dovre's Code of Conduct is the foundation of the company's human resource management. The Group aims to be a desired employer in the project management sector and wants to support the employee experience, personnel wellbeing and development of expertise. Dovre's aim is to keep top talented consultants in Dovre's network. Access to the most talented employees is ensured by competitive compensation and co-operation with universities in Norway's unit. In addition, consultants have possibility to impact on one's working hours and working assignments.

In 2019, the Group had on average 620 employees of which 580 worked in the Project Personnel business and 37 worked in Consulting business. In the Project Personnel business, 93% of the employees were on temporary employment agreement, working as a freelancer or as a subcontracted personnel, and 7% were permanent employees. In the Consulting business, 86% were permanent employees and 14% worked as a freelancer.

Employee satisfaction is monitored with surveys, which are performed in each unit regularly. The results have been good.

Occupational health and safety

Dovre is committed to protecting the health, safety and security of everyone at all its sites and locations, offering the same high standards wherever it has operations. The Group demands its clients, contractors and partners to show this same commitment.

Dovre expects its personnel to comply with applicable laws, standards and instructions related to health and safety in the workplace. All employees have a responsibility to report any hazardous situations one may witness, or any incident indicating such risks, and for helping to implement preventive measures. Safety guidelines must be strictly adhered to.

Health, Safety and Environment (HSE) policy has a high interest and value for Dovre's operations and it applies to all employees working under Dovre Group's or under clients' supervision. The Group's long term goal is to completely avoid injuries and loss. HSE procedures and routines are designed to ensure a safe work environment at any time to safeguard the health and safety of personnel. Since the majority of work is carried out at client offices, all consultants and contractors working under a client's supervision are also expected to meet all the client's HSE policies and standards. Measures to offset any risks related to environment, health and safety issues are applied at all sites and throughout projects and implemented in co-operation with the relevant bodies and committees.

Dovre Group recognizes that alcohol abuse and drug use pose significant threats to job performance and the safety and security of operations. The company exercises a zero tolerance to working under the influence of any intoxicating substances.

In 2019 the Group had less than 2% absence due to illness and no major incidents were reported.

RESPECTING HUMAN RIGHTS

Dovre's Code of Conduct includes a commitment to respecting human rights. The Group follows the principles of the United Nations' Universal Declaration of Human Rights, and honours labour rights and international labour standards.

Dovre treats all its employees fairly and equally. The Group values and fosters fair treatment and equal opportunity in recruitment, remuneration, development and advancement of employees.

Diversity, equality and non-discrimination

Dovre is committed to not discriminate against anyone based on age, race, gender, ethnic origin, nationality, religion, health, disability, marital status, sexual preference, political or philosophical opinions, trade-union membership or any other characteristics protected by applicable law. It does not accept any form of harassment; sexual, physical or psychological.

The company complies with all laws pertaining to freedom of association, privacy, collective bargaining, working time, wages and salaries, as well as laws prohibiting forced, compulsory and child labour, and employment discrimination.

In addition to the requirement for all employees to follow these principles included in the company's Code of Conduct, Dovre promotes equal opportunities in its business operations regularly.

The gender split in management in all units was 67% male and 33% female and in administration including sales, research and development, finance and human resources was 40% male and 60% female. Total Group gender split was 75% male and 25% female.

Dovre had as many as 40 different nationalities working for the company in 2019.

ANTI-CORRUPTION AND BRIBERY

Dovre prohibits improper payments as well as any form of extortion or corruption, including bribes. Group is committed to strict compliance with anti-money laundering laws. The Group's personnel must not participate in any agreement with any competitor or other party that may have the intent or effect of fixing prices, distorting a bidding process, dividing a market or participating in any kind of activity which is against open and fair competition.

RISK MANAGEMENT

The Group's non-financial risks are managed as a part of company's general risk management process and in line with its general risk management policy. This policy is described in the Group's Corporate Governance Statement, which is avail-

able on the company's website: (<https://www.dovregroup.com/investors/corporate-governance.html>).

From shareholder perspective, the largest non-financial risks are:

- 1) losing access to top consultants
- 2) losing customer trust and good reputation.

These risks are mitigated by ensuring access to top talents and ensuring employee wellbeing, continuous monitoring of customer satisfaction, proper governance and risk management policies. The Group further plans to develop its processes in the next few years by identifying material corporate responsibility items and defining corporate responsibility principles, risks and key performance indicators for each specific non-financial reporting area.

The Group's general risk management is guided by legal requirements, business requirements set by shareholders of the company, and the expectations of customers, personnel,

and other important stakeholders. The goal of risk management is to acknowledge and identify systematically and comprehensively any risks relating to the company's operations and to make sure that all such risks are appropriately accounted for when making business decisions.

The Group's risk management procedures support the achievement of the Group's strategic goals and seek to ensure the continuity of the Group's business operations. The Group takes risks that are a natural part of its strategy and objectives. The Group is not ready to take risks that might endanger the continuity of its operations or be uncontrollable or that may significantly harm the Group's operations.

In accordance with the Group's risk management procedures, the Board of Directors receives an annual report of the most significant risks facing the Group. The Board analyses the risks from the point of view of shareholder value. In addition, each unit has a separate risk register and procedure to mitigate business risk.

CORPORATE GOVERNANCE STATEMENT

Dovre Group follows the recommendations of the Corporate Governance Code issued by the Finnish Securities Market Association. The Corporate Governance Statement 2019 has been issued separately from the report of the Board of

Directors. Dovre Group's corporate governance principles are available on the company's website at www.dovregroup.com -> Investors.

SHORT-TERM RISKS AND UNCERTAINTIES

In the Project Personnel business area, the Group's most significant risks include the cyclical nature of 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 dependency locally 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.

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.

EVENTS AFTER THE REPORTING PERIOD

LEGAL RESTRUCTURING IN NORWAY

Dovre Group reorganised its business in Norway and transferred a part of the business from the Project Personnel segment to be reported as a part of the Consulting segment. The reorganization was made at the beginning of January 2020. The new organizational structure combines those businesses that have specific features in the energy sector as one entity, and those with core expertise in consulting as one entity. The new structure enables Dovre's personnel to utilize their expertise better in the management of customer projects and in developing Dovre's business.

The new companies in Norway are Dovre Group Energy AS and Dovre Group Consulting AS. Dovre Group Energy AS, earlier Dovre Group Projects AS, focuses on supplying project personnel to clients within the energy sector and Dovre Group Consulting AS focuses on consulting within project management and supplying of project personnel to clients within other industries than energy.

Dovre Group Energy AS will be reported as part of Project Personnel segment in the Group's financial reporting. Dovre Group Consulting AS will be reported as part of Consulting segment in the Group's financial reporting. The changes will not have any effect on the legal structures in other units outside Norway. Other units will continue to serve all clients with large projects in the energy sector and other industries.

DOVRE GROUP TO START OPERATIONS IN ST. PETERSBURG, RUSSIA

In February 2020, Dovre Group expanded its offering to a new geographical area of Western Russia by establishing a new subsidiary company in St. Petersburg (Dovre ooo). The company

will provide project personnel, specialists and advanced project services for both foreign and Russian companies operating in Russia, as well as administrative support and other back-office services for all Dovre companies internally to improve cost efficiency and profitability of Dovre. Back-office services will be offered to other European companies as well. Additional services include visa, work permit and other ex-pat services for companies wishing to send their own personnel for work assignments in Russia. The new company has commenced full operation on February 1, 2020.

DIRECTED SHARE ISSUE AND ADDITIONAL PURCHASE PRICE TO TECH4HIRE

Dovre Group has decided on February 19, 2020 on the payment of additional purchase price of NOK 10.3 million (approximately EUR 1 million) to the sellers of Tech4Hire. The additional purchase price is paid because the financial targets of Tech4Hire required for the payment of the additional purchase price were met by the end of 2019. A part of the additional consideration shall be used to subscribe for new shares in Dovre Group Plc. Consequently, the Board of the Directors of Dovre Group Plc has decided, based on the authorization granted by the Annual General Meeting of 2019, on a directed share issue to the sellers of Tech4Hire. Dovre has published February 19, 2020 the terms and conditions for the share issue in a separate stock exchange release.

OUTLOOK FOR 2020

The market is still affected by several uncertainties, including general economic development, oil price, and political instability. Group's main markets are, however, in politically and economically stable countries.

In the Project Personnel business area, demand has improved and the prices are improving slightly. Thanks to a strong portfolio of frame agreements, cost savings already

implemented, as well as improving demand, Group expects our operating result to improve from 2019. In the Consulting business area, market outlook remains unchanged.

Dovre Group's net sales and operating profit in 2020 are expected to improve compared to 2019 excluding non-recurring items.

BOARD OF DIRECTORS' PROPOSAL FOR DIVIDEND

The parent company's distributable funds were EUR 19,184,773.10 on December 31, 2019. The Board of Directors proposes to the Annual General Meeting to be held on April 28, 2020 that a dividend of EUR 0.01 (0.01) per share to be paid. The Board of Directors further proposes that the dividend is paid to a shareholder who on the record date April 30, 2020 is registered as a shareholder in the company's shareholder

register maintained by Euroclear Finland Ltd and that the dividend be paid on May 8, 2020.

Dividend is not paid to the shares owned by the company. No significant changes have occurred in the company's financial position after the end of the financial year. The proposed distribution of dividend poses no risk to the company's financial standing.

Oslo, February 19, 2020

DOVRE GROUP PLC
BOARD OF DIRECTORS

**SHARES AND
SHAREHOLDERS**



3. SHARES AND SHAREHOLDERS

SHARES AND SHARE CAPITAL

Dovre Group Plc has one class of shares. Each share entitles the shareholder to one vote. Dovre Group Plc's shares are listed on Nasdaq Helsinki Ltd.

On January 1, 2019 and December 31, 2019, Dovre Group Plc's share capital was EUR 9,603,084.48. The total number of shares was 100,168,769 on January 1, 2019 and 101,946,747 on December 31, 2019.

TRADING AND MARKET CAPITALIZATION

In January - December 2019, approximately 50.0 (14.5) million shares in Dovre Group Plc were traded on Nasdaq Helsinki Ltd, corresponding to an exchange of approximately EUR 11.9 (3.6) million.

During the financial year, the lowest quotation was EUR 0.21 (0.20) and the highest EUR 0.34 (0.29). On December 31, 2019, the closing quotation was EUR 0.29 (0.21).

The period-end market capitalization was approximately EUR 29.6 (21.0) million.

On December 31, 2019, the number of registered shareholders of Dovre Group Plc totaled 3,875 (3,179), including 8 (8) nominee registers. 2.4 (0.4) % of the Group's shares were nominee registered.

AUTHORIZATIONS OF THE BOARD OF DIRECTORS

The Annual General Meeting held on March 27, 2019 authorized the Board of Directors to decide on the repurchase of the Company's own shares on the following conditions: the Board is entitled to decide on repurchase of a maximum of 9,900,000 of the Company's own shares, which shall be repurchased in deviation from the proportion to the holdings of the shareholders using the non-restricted equity and acquired through trading at the regulated market organized by Nasdaq Helsinki Ltd at the share price prevailing at the time of acquisition. This number of shares corresponds to approximately a maximum of 10.0% of the total number of shares in the Company. The shares may be repurchased in order to be used as consideration in possible acquisitions or other arrangements related to the Company's business, to finance investments or as part of the Company's incentive program or to be held, otherwise conveyed or cancelled by the Company. The Board of Directors shall decide on other matters

related to the repurchase of the Company's own shares. This repurchase authorization is valid until June 30, 2020 and revokes earlier repurchase authorizations.

In addition, the Annual General Meeting authorized the Board of Directors 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 on the following conditions:

By virtue of the authorization, the Board may also decide on a directed issue of shares and special rights, i.e. waiving the pre-emptive subscription rights of the shareholders, under the requirements of the law. By virtue of the authorization, a maximum of 9,900,000 shares may be issued, corresponding to approximately 10.0% of the Company's existing shares. The Board may use the authorization in one or more instalments. The Board may use the authorization to finance or conclude acquisitions or other arrangements, to strengthen the Company's capital structure, to incentive programs or other purposes decided by the Board. The new shares may be issued or the Company's own shares conveyed either against payment or free of charge. The new shares may also be issued as an issue without payment to the Company itself. The Board was authorized to decide on other terms of the issuance of shares and special rights. By virtue of the authorization, the Board of Directors may decide on the realization of the Company's own shares possibly held by the Company as pledge. The authorization is valid until June 30, 2019. The authorization revokes earlier authorizations to issue shares and grant option rights and other special rights entitling to shares.

OWN SHARES

At the end of December 2019 Dovre Group Plc held 870,337 of its own shares, representing approximately 0.9% of all the company's shares.

OPTION RIGHTS

Dovre Group has one option plan, 2013. Each stock option entitles the holder to subscribe one share in Dovre Group Plc.

Option rights issued under the 2013 option plan are as follows:

| 2013 OPTION PLAN SUBSCRIPTION PERIOD | SUBSCRIPTION PRICE (EUR) | NUMBER OF OPTIONS | NUMBER OF SHARES |
|---|-----------------------------|----------------------|---------------------|
| A March 1, 2015-February 29, 2018 | 0.39 | 1,000,000 | 1,000,000 |
| B March 1, 2016-February 28, 2019 | 0.52 | 1,000,000 | 1,000,000 |
| C March 1, 2017-February 28, 2020 | 0.43 | 1,000,000 | 1,000,000 |
| Total | | 3,000,000 | 3,000,000 |
| Cancelled | | 2,000,000 | 2,000,000 |
| Share subscriptions | | 0 | 0 |
| Remaining December 31, 2019 | | 1,000,000 | 1,000,000 |
| Of which in reserve | | 525,000 | 525,000 |

No option rights were granted under the 2013 option plan during the financial year. At the end of the financial year, the company had granted a total of 475,000 stock options under the 2013 option plan and had in reserve a total of 525,000 stock options.

The subscription period for B serie of the Dovre Group's 2013 option plan ended on February 28, 2019. The remaining 375,000 stock options were cancelled.

LARGEST SHAREHOLDERS ON DECEMBER 31, 2019

| SHAREHOLDER | NUMBER OF SHARES | % OF SHARES AND VOTES |
|---|--------------------|-----------------------|
| 1 Etra Capital Oy | 20,000,000 | 19.6% |
| 2 Kakkonen Kyösti | 11,766,777 | 11.5% |
| Joensuun Kauppa ja Kone Oy | 9,766,777 | 9.6% |
| K22 Finance OY | 2,000,000 | 2.0% |
| 3 Koskelo Ilari | 7,129,653 | 7.0% |
| Koskelo Ilari | 5,829,653 | 5.7% |
| Navdata Oy 1) | 1,300,000 | 1.3% |
| 4 OP-Suomi Mikroyhtiöt - Erikoissijoitusrahasto | 3,700,000 | 3.6% |
| 5 Siik Seppo | 2,000,000 | 2.0% |
| 6 Mäkelä Pekka | 1,775,713 | 1.7% |
| 7 Siik Rauni | 1,501,583 | 1.5% |
| 8 Kakkonen Kari | 1,500,000 | 1.5% |
| 9 Paasi Kari | 1,380,000 | 1.4% |
| 10 Oy Cen-Invest Ab | 1,300,000 | 1.3% |
| 11 Hinkka Petri | 1,000,000 | 1.0% |
| 12 Lemmetti Juhani | 997,748 | 1.0% |
| 13 Dovre Group Oyj | 870,337 | 0.9% |
| 14 Toivanen Kari | 866,000 | 0.8% |
| 15 Schengen Investment Oy | 818,629 | 0.8% |
| 16 Heikki Tervonen Oy | 800,000 | 0.8% |
| 17 von Troil Carl-Gustaf | 750,000 | 0.7% |
| 18 Keep It Simple Kis Oy Ab | 748,770 | 0.7% |
| 19 Alinikula Mikko | 748,770 | 0.7% |
| 20 Ruokostenpohja Ismo | 667,967 | 0.7% |
| 20 largest shareholders (total) | 60,321,947 | 59.2% |
| Nominee registered shares (total) | 2,482,740 | 2.4% |
| Total remaining | 39,142,060 | 38.4% |
| Total | 101,946,747 | 100.0% |

1) Ilari Koskelo, who is a member of Dovre Group's Board of Directors, holds control in Navdata Oy.

ANALYSIS OF SHAREHOLDINGS ON DECEMBER 31, 2019

By number of shares owned

| NUMBER OF SHARES | NUMBER OF SHAREHOLDERS | % OF ALL SHAREHOLDERS | TOTAL NUMBER OF SHARES | % OF ALL SHARES |
|------------------|------------------------|-----------------------|------------------------|-----------------|
| 1-100 | 360 | 9.3 | 21,011 | 0.0 |
| 101-500 | 666 | 17.2 | 226,627 | 0.2 |
| 501-1,000 | 568 | 14.7 | 504,097 | 0.5 |
| 1,001-5,000 | 1,247 | 32.2 | 3,482,192 | 3.4 |
| 5,001-10,000 | 436 | 11.3 | 3,511,582 | 3.4 |
| 10,001-50,000 | 422 | 10.9 | 9,755,128 | 9.6 |
| 50,001-100,000 | 74 | 1.9 | 5,360,274 | 5.3 |
| 100,001-500,000 | 77 | 2.0 | 16,076,462 | 15.8 |
| 500,001- | 25 | 0.6 | 63,009,374 | 61.8 |
| Total | 3,875 | 100.0 | 101,946,747 | 100.0 |

By shareholder category

| NUMBER OF SHARES | NUMBER OF SHAREHOLDERS | % OF ALL SHAREHOLDERS | TOTAL NUMBER OF SHARES | % OF ALL SHARES |
|--------------------------------------|------------------------|-----------------------|------------------------|-----------------|
| Private companies | 165 | 4.3 | 43,315,659 | 42.5 |
| Financial and insurance institutions | 11 | 0.3 | 6,905,120 | 6.8 |
| Non-profit organizations | 5 | 0.1 | 23,660 | 0.0 |
| Households | 3,658 | 94.4 | 50,251,557 | 49.3 |
| Foreign shareholders | 36 | 0.9 | 1,450,751 | 1.4 |
| Total | 3,875 | 100.0 | 101,946,747 | 100.0 |
| Nominee registered | 8 | | 2,482,740 | 2.4 |

HOLDINGS OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

On December 31, 2019, the members of the Board of Directors, including ownership through controlled/significant influence companies, held a total of 7,997,751 shares, representing approximately 7.8% of all shares and votes.

On December 31, 2019, the CEO of Dovre Group Plc held a total of 80,000 shares, representing approximately 0.1% of all shares and votes.

| NAME | NUMBER OF SHARES | % OF ALL SHARES | NUMBER OF STOCK OPTIONS 1) |
|--------------------|------------------|-----------------|----------------------------|
| Svein Stavelin | 334,613 | 0.3% | 0 |
| Ilari Koskelo 2) | 7,129,653 | 7.0% | 0 |
| Antti Manninen 3) | 533,485 | 0.5% | 0 |
| Board total | 7,997,751 | 7.8% | 0 |
| Arve Jensen (CEO) | 80,000 | 0.1% | 100,000 |

1) Each stock option entitles the holder to subscribe for one new share. The subscription price is EUR 0.43 per share.

2) Ilari Koskelo holds control in Navdata Oy, which holds a total of 1,300,000 shares.

3) Antti Manninen holds control in Amlax Oy, which holds a total of 200,000 shares and has significant influence in Rio Group Oy, which holds a total of 100,000 shares.

KEY FIGURES BY SHARE

| EUR | IFRS 2019 | IFRS 2018 | IFRS 2017 | IFRS 2016 | IFRS 2015 |
|---|--------------|--------------|--------------|--------------|--------------|
| Undiluted earnings per share (EUR) | 0.021 | 0.008 | -0.005 | -0.017 | -0.024 |
| Diluted earnings per share (EUR) | 0.021 | 0.008 | -0.005 | -0.017 | -0.024 |
| Undiluted equity per share (EUR) | 0.24 | 0.22 | 0.23 | 0.26 | 0.32 |
| Dividends EUR (1,000) *) | 1,021 | 993 | 993 | 1,002 | 999 |
| Dividend per share, EUR | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 |
| Dividend per earnings, % | 48.4% | 118.7% | -200.0% | -60.0% | -42.1% |
| Effective dividend yield, % | 3.4% | 4.8% | 3.7% | 3.5% | 2.9% |
| P/E ratio (EUR) | 14.04 | 24.93 | -54.60 | -17.35 | -14.31 |
| Highest share price (EUR) | 0.34 | 0.29 | 0.33 | 0.36 | 0.57 |
| Lowest share price (EUR) | 0.21 | 0.20 | 0.22 | 0.26 | 0.33 |
| Average share price (EUR) | 0.24 | 0.25 | 0.28 | 0.30 | 0.47 |
| Market capitalization (EUR million) | 29.6 | 21.0 | 27.3 | 29.0 | 34.0 |
| Value of traded shares (EUR million) | 11.9 | 3.6 | 6.3 | 3.9 | 8.2 |
| Shares traded, % | 49.0% | 14.4% | 22.5% | 13.0% | 20.6% |
| Average number of shares: | | | | | |
| Undiluted (1,000) | 101,206 | 100,169 | 100,119 | 99,869 | 84,655 |
| Diluted (1,000) | 101,206 | 100,169 | 100,130 | 99,933 | 84,979 |
| Number of shares at end of period (1,000) | 101,947 | 100,169 | 100,169 | 99,869 | 99,869 |

*) Dividend for 2019 in accordance with the Board of Directors' proposal including 1,009,747 directed share issue published on Feb 19, 2020.

CALCULATION OF KEY INDICATORS

| | | |
|---|---|-------|
| Return on shareholders' equity (ROE), % *) | $\frac{\text{Result for the period}}{\text{Shareholders' equity (average)}}$ | x 100 |
| Return on investment (ROI), % *) | $\frac{\text{Result before taxes + interest and other financial expenses}}{\text{Balance sheet total (average) - interest free liabilities (average)}}$ | x 100 |
| Equity-ratio, % | $\frac{\text{Shareholders' equity}}{\text{Balance sheet total - advances received}}$ | x 100 |
| Gearing, % | $\frac{\text{Interest-bearing liabilities - cash and cash equivalents}}{\text{Shareholders' equity}}$ | x 100 |
| Earnings per share, EUR | $\frac{\text{Result for the period}}{\text{Adjusted number of shares (average)}}$ | |
| Equity per share, EUR | $\frac{\text{Shareholders' equity}}{\text{Adjusted number of shares at end of period}}$ | |
| Dividend per share, EUR | $\frac{\text{Dividend payable for the financial year}}{\text{Adjusted number of shares at end of period}}$ | |
| Dividend per earnings, % | $\frac{\text{Adjusted dividend per share}}{\text{Earnings per share}}$ | x 100 |
| Effective dividend yield, % | $\frac{\text{Adjusted dividend per share}}{\text{Adjusted share price at end of period}}$ | x 100 |
| Price-earnings ratio (P/E), EUR | $\frac{\text{Adjusted share price at end of period}}{\text{Earnings per share}}$ | |

*) Divisor calculated as the average of shareholders' equity in the balance sheet at the end of the current and the directly preceding financial year.

**CONSOLIDATED
FINANCIAL STATEMENTS,
IFRS**



4. CONSOLIDATED FINANCIAL STATEMENTS, IFRS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, IFRS

| EUR THOUSAND | NOTE | JAN. 1.-DEC. 31, 2019 | JAN. 1.-DEC. 31, 2018 |
|---|------|-----------------------|-----------------------|
| NET SALES | 3, 5 | 83,135 | 65,466 |
| Other operating income | 6 | 817 | 32 |
| Material and services | 7 | -180 | -195 |
| Employee benefits expense | 8 | -75,598 | -59,218 |
| Depreciation and amortization | 9 | -882 | -447 |
| Other operating expenses | 10 | -4,587 | -5,099 |
| OPERATING RESULT | | 2,705 | 539 |
| Financing income | 11 | 267 | 668 |
| Financing expenses | 11 | -330 | -119 |
| Share of results in joint ventures | | 0 | -31 |
| RESULT BEFORE TAX | | 2,642 | 1,058 |
| Tax on income from operations | 12 | -552 | -214 |
| RESULT FOR THE PERIOD | | 2,091 | 844 |
| Other comprehensive income | | | |
| Items which may be subsequently reclassified to profit and loss: | | | |
| Translation differences | | 598 | -212 |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | | 2,689 | 632 |
| Earnings per share calculated from profit attributable to shareholders of the parent company: | | | |
| Earnings per share, undiluted (EUR), result for the period | 13 | 0.02 | 0.01 |
| Earnings per share, diluted (EUR), result for the period | 13 | 0.02 | 0.01 |
| Average number of shares: | | | |
| Undiluted | 13 | 101,205,923 | 100,168,769 |
| Diluted | 13 | 101,205,923 | 100,168,769 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, IFRS

| EUR THOUSAND | NOTE | DEC. 31, 2019 | DEC. 31, 2018 |
|--|------|---------------|---------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Intangible assets | 14 | 3,735 | 2,951 |
| Goodwill | 15 | 17,443 | 15,185 |
| Tangible assets | 16 | 2,049 | 960 |
| Financial assets | 18 | 876 | 723 |
| Deferred tax asset | 12 | 148 | 183 |
| NON-CURRENT ASSETS | | 24,252 | 20,002 |
| CURRENT ASSETS | | | |
| Trade receivables and other receivables | 19 | 19,413 | 12,526 |
| Tax receivable, income tax | | 1 | 15 |
| Cash and cash equivalents | | 5,794 | 4,970 |
| CURRENT ASSETS | | 25,208 | 17,511 |
| TOTAL ASSETS | | 49,460 | 37,513 |
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' EQUITY | | | |
| Share capital | 20 | 9,603 | 9,603 |
| Reserve for invested non-restricted equity | 20 | 12,661 | 12,300 |
| Revaluation reserve | 20 | 2,869 | 2,869 |
| Treasury shares | 20 | -237 | -237 |
| Translation differences | | -2,865 | -3,462 |
| Retained earnings | | 2,289 | 1,080 |
| SHAREHOLDERS' EQUITY | | 24,319 | 22,153 |
| NON-CURRENT LIABILITIES | | | |
| Deferred tax liability | 12 | 954 | 758 |
| Other non-current liabilities | 22 | 2,793 | 518 |
| NON-CURRENT LIABILITIES | | 3,747 | 1,276 |
| CURRENT LIABILITIES | | | |
| Current liabilities, interest-bearing | 23 | 3,106 | 2,785 |
| Trade payables and other liabilities | 24 | 17,697 | 11,025 |
| Tax liability, income tax | | 591 | 275 |
| CURRENT LIABILITIES | | 21,394 | 14,084 |
| TOTAL EQUITY AND LIABILITIES | | 49,460 | 37,513 |

CONSOLIDATED STATEMENT OF CASH FLOWS, IFRS

| EUR THOUSAND | NOTE | 2019 | 2018 |
|--|------|---------------|---------------|
| Cash flow from operating activities | | | |
| Operating result, continuing operations | | 2,705 | 539 |
| Adjustments: | | | |
| Depreciation/amortization | 9 | 882 | 447 |
| Gain from sale of tangible assets | 6 | -776 | 0 |
| Personnel expenses | 8 | 110 | 42 |
| Adjustments, total | | 216 | 489 |
| Changes in working capital: | | | |
| Trade and other receivables, increase (-) / decrease (+) | | -4,141 | -1,217 |
| Trade and other payables, increase (+) / decrease (-) | | 2,992 | 1,433 |
| Changes in working capital, total | | -1,149 | 217 |
| Interest paid | | -167 | -58 |
| Interest received | | 52 | 29 |
| Other financial expenses paid and received | | -71 | -28 |
| Income taxes paid | | -306 | -115 |
| Net cash generated by operating activities | | 1,280 | 1,072 |
| Cash flow from investing activities | | | |
| Investments in tangible and intangible assets | | -84 | -188 |
| Proceeds from sale of tangible assets | | 1,642 | 0 |
| Acquisitions of subsidiaries, less cash and cash equivalents | | -1,778 | 0 |
| Net cash generated by investing activities | | -220 | -188 |
| Cash flow from financing activities | | | |
| Directed share issue | | 364 | 0 |
| Repurchases of own shares | | 0 | -160 |
| Proceeds from non-current loans | 25 | 1,651 | 0 |
| Repayments of non-current loans | 25 | -1,061 | -600 |
| Proceeds from current loans | 25 | 882 | 752 |
| Repayments of current loans | 25 | -880 | 0 |
| Repayments of leasing liabilities | | -379 | 0 |
| Dividends paid | | -993 | -993 |
| Net cash generated by financing activities | | -416 | -1,001 |
| Translation differences | | 180 | -64 |
| Change in cash and cash equivalents | | 824 | -181 |
| Cash and cash equivalents at the beginning of the period | | 4,970 | 5,151 |
| Cash and cash equivalents at the end of the period | | 5,794 | 4,970 |

Cash and cash equivalents include cash in bank and other liquid investments with maturities of three months and less.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, IFRS

Equity attributable to the shareholders of the parent

| EUR THOUSAND | SHARE CAPITAL | RESERVE FOR INVESTED NON-RESTRICTED EQUITY | FAIR VALUE RESERVE | TREASURY SHARES | TRANSLATION DIFFERENCES | RETAINED EARNINGS | TOTAL EQUITY |
|--|---------------|--|--------------------|-----------------|-------------------------|-------------------|---------------|
| SHAREHOLDERS' EQUITY | | | | | | | |
| Jan. 1, 2018 | 9,603 | 12,300 | 2,869 | -84 | -3,251 | 1,188 | 22,625 |
| Comprehensive income | | | | | | | |
| Result for the period | | | | | | 844 | 844 |
| Other comprehensive income | | | | | | | |
| Items that may be reclassified to profit and loss in subsequent periods: | | | | | | | |
| Translation differences | | | | | -211 | -1 | -212 |
| Total comprehensive income | 0 | 0 | 0 | 0 | -211 | 843 | 632 |
| Transactions with shareholders | | | | | | | |
| Share based compensation | | | | | | 42 | 42 |
| Repurchases of own shares | | | | -153 | | | -153 |
| Dividend distribution | | | | | | -993 | -993 |
| Total transactions with shareholders | 0 | 0 | 0 | -153 | 0 | -951 | -1,104 |
| SHAREHOLDERS' EQUITY | | | | | | | |
| Dec. 31, 2018 | 9,603 | 12,300 | 2,869 | -237 | -3,462 | 1,080 | 22,153 |

Equity attributable to the shareholders of the parent

| EUR THOUSAND | SHARE CAPITAL | RESERVE FOR INVESTED NON-RESTRICTED EQUITY | FAIR VALUE RESERVE | TREASURY SHARES | TRANSLATION DIFFERENCES | RETAINED EARNINGS | TOTAL EQUITY |
|--|---------------|--|--------------------|-----------------|-------------------------|-------------------|---------------|
| SHAREHOLDERS' EQUITY | | | | | | | |
| Jan. 1, 2019 | 9,603 | 12,300 | 2,869 | -237 | -3,462 | 1,080 | 22,153 |
| Comprehensive income | | | | | | | |
| Result for the period | | | | | | 2,091 | 2,091 |
| Other comprehensive income | | | | | | | |
| Items that may be reclassified to profit and loss in subsequent periods: | | | | | | | |
| Translation differences | | | | | 597 | 1 | 598 |
| Total comprehensive income | 0 | 0 | 0 | 0 | 597 | 2,092 | 2,689 |
| Transactions with shareholders | | | | | | | |
| Directed share issue | | 361 | | | | | 361 |
| Share based compensation | | | | | | 109 | 109 |
| Dividend distribution | | | | | | -993 | -993 |
| Total transactions with shareholders | 0 | 361 | 0 | 0 | 0 | -884 | -523 |
| SHAREHOLDERS' EQUITY | | | | | | | |
| Dec. 31, 2019 | 9,603 | 12,661 | 2,869 | -237 | -2,865 | 2,288 | 24,319 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS, IFRS

1. GENERAL INFORMATION

Dovre Group is a global provider of project personnel and project management services and software. The Group's parent company, Dovre Group Plc, is a public limited company incorporated under Finnish law and domiciled in Helsinki, Finland. The company's registered address is Ahventie 4 B, 02170 Espoo, Finland. Dovre Group Plc's shares are listed on Nasdaq Helsinki Ltd (symbol DOVIV).

Dovre Group's Board of Directors has approved these financial statements for publication in its meeting on February 19, 2020. In accordance with the Finnish Companies Act, the shareholders of the company have the option to adopt, reject, or amend the financial statements in the Annual General Meeting to be held following their publication. A copy of the consolidated financial statements of Dovre Group is available online at www.dovregroup.com or at the company's offices at Ahventie 4 B, 02170 Espoo, Finland.

2. ACCOUNTING PRINCIPLES

Basis of preparation

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS). In preparing the financial statements, the IAS and IFRS standards and SIC and IFRIC interpretations effective on December 31, 2019 have been followed. In accordance with the Finnish Accounting Act and the regulations issued by virtue of it, 'IFRS' refers to the standards and interpretations, which have been endorsed by the EU in accordance with the procedure defined in the EU Regulation (EC) No. 1606/2002. The notes to the consolidated financial statements also comply with the provisions of Finnish accounting and corporate legislation that supplement IFRS provisions.

As of January 1, 2019, the Group has adopted new and amended IFRS standards with the effective date of January 1, 2019. The new standard IFRS 16 *Leases* had a material impact to the Group's tangible assets and interest-bearing liabilities, as well as to the profit and loss items. Interpretation IFRIC 23 *Uncertainty over Income tax*, amendments to IFRS9, IAS 28 and IAS 19 standards and annual improvements 2015–2017 to standards did not have material impact to the Group's financial statement.

Following the IFRS 16 standard, Dovre Group has recognized right-to-use asset and equivalent lease liability to its balance sheet from its office leases. As part of the assessment, the Group took into account possible options to extend the lease term and otherwise assessed the leases terms, if no fixed term defined in the agreement. The Group has applied the recognition exemptions permitted by the standard and, hence, has not applied the standard to office and other leases, of which the lease term was less than 12 months at inception of the lease or value of the lease was low.

With regard to the implementation of the IFRS 16 *Leases* standard, Dovre Group has applied a simplified approach and, hence, has not adjusted the comparative information from corresponding reporting period. The application of the standard at the beginning of the year increased tangible asset and interest bearing liabilities by 2,165 thousand euros. At the date of application, the weighted average of the lessee's additional borrowing rate used to determine

the lease liability recognized in the balance sheet was 3.63%. It also impacted the gearing by +9.8%, when the gearing changed from -7.8% to 1.9%.

A reconciliation of IAS 17 operating lease commitments in 31.12.2018 and recognized IFRS 16 lease liabilities in the opening balance sheet 1.1.2019 is presented below:

| EUR THOUSAND | |
|--|--------------|
| Operative lease commitments according to IAS 17 on Dec 31, 2018 | 1,567 |
| Discounted at 1.1.2019 | -96 |
| Variable lease payments | -199 |
| Extension options | 877 |
| Other items | 16 |
| Lease liabilities recognized on 1.1.2019 according to IFRS 16 | 2,165 |

The consolidated financial statements have been prepared under the historical cost convention unless otherwise stated. Monetary figures in the financial statements are expressed in thousands of euros (EUR thousand) unless otherwise stated.

The preparation of consolidated financial statements in accordance with IFRS requires management to make certain estimates and exercise judgment when applying accounting principles. The areas involving a higher degree of judgment or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed under 'Critical Accounting Estimates and Judgments'.

Principles of consolidation

Subsidiaries

The consolidated financial statements include the parent company, Dovre Group Plc, and all its subsidiaries. All subsidiaries are wholly owned. Subsidiaries are companies in which the Group holds control either directly or indirectly. Control arises when the Group either controls more than half of the voting rights or otherwise holds control. Subsidiaries are fully consolidated in the Group's financial statements from the date on which control has been transferred to the Group. They are deconsolidated from the date that control ceases.

Mutual shareholdings are eliminated using the acquisition method. The acquisition consideration and the acquired company's identifiable assets acquired and liabilities assumed are measured at fair value on the date of acquisition.

All intra-Group transactions, receivables, liabilities, unrealized gains, and the distribution of profits within the Group are eliminated in the consolidated financial statements.

Foreign currency translation

Items included in the financial statements are initially recognized in the functional currencies of each Group company. Consolidated financial statements are presented in euros, which is the parent company's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are recorded in the functional currency at the rate of exchange prevailing on the date of transaction. In practice, transactions are often translated at the rate of exchange that approximates the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies held at the end of the reporting period are translated using the period end exchange rate.

Foreign exchange gains and losses resulting from business transactions and from the translation of monetary items at period end exchange rates are recognized in the income statement and recorded in financial income and expenses.

Translation of financial statements of the Group's foreign subsidiaries

The statements of income of the Group's foreign subsidiaries are translated into euros at the weighted average rate of exchange for the financial period and the items in the statement of financial position at the rate of exchange at the end of the reporting period. The use of different exchange rates for items in the income statement and items on the statement of financial position results in a translation difference, which is recorded in the Group's other comprehensive income. Translation differences arising from the elimination of the acquisition cost of foreign subsidiaries and from equity items accumulated after the acquisition are also recorded in other comprehensive income.

As of the IFRS effective date of January 1, 2004, the translation differences in equity resulting from exchange rate fluctuations have been entered as a separate item in translation differences in the consolidated statement of changes in shareholders' equity. Translation differences accumulated prior to the effective date have been entered in the Group's retained earnings as allowed by the exemption in IFRS 1.

Tangible assets

Tangible assets are stated at historical cost, less accumulated depreciation and impairment losses.

Tangible assets include machinery and equipment as well as renovation expenditure relating to leased premises. Depreciation is calculated on a straight-line basis over the expected economic useful lives of the assets, which is 3-5 years.

Tangible assets include also land and buildings until September 2019, when Dovre Group Plc sold the office premises. No depreciation was recognized for land and the useful economic life for building was 40 years. Office premises were shares of Kiinteistö Oy Kuukoti and the presentation of the asset in land and building was according to IFRS.

At the end of 2019 buildings included right-to-use asset according to IFRS 16, of which accounting principles are explained under Leases.

Gains and losses on disposal of tangible assets are recognized in either other operating income or other operating expenses.

Intangible assets

Goodwill

For business combinations after January 1, 2010, goodwill represents the excess of the consideration transferred, non-controlling interest

in the acquiree, and previously held interest in the acquiree over the Group's interest in the fair values of the acquired net assets. Acquisitions of companies between January 1, 2004, and December 31, 2009, are accounted for in accordance with previous IFRS standards (IFRS 3 (2004)). For acquisitions prior to 2004, goodwill represents the carrying amount determined in accordance with previous accounting standards and which is used as the deemed cost as defined by IFRS.

Goodwill is not amortized, but it is tested annually for possible impairment. For impairment testing, goodwill is allocated to groups of cash generating units. Goodwill is stated at the historical acquisition cost less any impairment. Goodwill arising in connection with the acquisition of foreign subsidiaries has been translated into euros at the rate of exchange at the end of the reporting period.

Research and development costs

Research costs are expensed as incurred. Development cost are also mainly expensed as incurred, except development costs for new products and product versions with significant improvements, which are recognized as an asset according to IAS 38. Dovre Group has capitalized development work to create Intelli R software, which is a construction cost control tool for building and construction entities. Development work was finalized during the first half of the year in 2018. The capitalized development costs will be amortized over 4 years.

Other intangible assets

Other intangible assets include customer contracts and customer relations, trademarks, software, and other capitalized expenditure. Intangible assets are recognized in the statement of financial position when the criteria specified in IAS 38 are met.

Intangible assets with limited useful economic lives are initially recognized at historical acquisition cost in the statement of financial position and entered as an expense in the income statement during their estimated useful economic lives using the straight-line method. No amortization is recognized for intangible assets with indefinite useful economic lives, but they are tested annually for impairment. Dovre Group has not determined a definite useful economic life for the trademark that relates to the merger between Dovre Group and NPC in 2015.

The useful economic life of customer agreements and customer relations is estimated at 10 years. The useful economic life of other intangible assets is estimated at 2-5 years.

Leases

Under IFRS 16 Leases, as a lessee, Dovre Group recognizes an asset that represents a right to use a leased asset that is recognized as an item of property, plant and equipment, and a lease liability that represents a liability for unpaid future lease payments. Except for contracts of less than 12 months' duration and those where the value of the leased asset is less than US \$ 5,000.

For leases that are valid indefinitely and have a short notice period, Dovre Group estimates the probable lease term for each lease. Dovre Group has not included any overheads and / or telecommunications charges payable to the lessor in its calculation under IFRS 16. When calculating lease debt and interest expense, Dovre Group applies additional loan rates to all lease agreements that reflect company-specific factors, land and lease term.

Impairment of assets

Goodwill, intangible assets with indefinite useful economic lives, and intangible assets not ready to use are annually tested for impairment. In addition, assets and cash-generating units are regularly tested for indications of possible impairment. Should any such indications arise, the recoverable amount of the asset or cash-generating unit is estimated. An impairment loss is recognized in the income statement, if the carrying value of the asset or cash-generating unit exceeds its recoverable amount.

Employee benefits

Employee benefits expense

In addition to normal employee benefits expenses, the Group's employee benefits expense includes also expenses related to independent contractors and subcontracted personnel if so due to legislation reason who work for Dovre Group client companies. The Group acts as a principal towards its clients and, depending on the situation, the project personnel contracted to the client are either employees of the Group, independent contractors, or subcontracted personnel.

Pension liabilities

The Group operates various pension plans in accordance with local regulations and practices. In accordance with IAS 19, pension plans are classified as either defined contribution or defined benefit plans.

The Group's current pension plans are defined contribution plans. Contributions to defined contribution plans are charged to the statement of income in the period to which these contributions relate. The defined benefit plan that was previously in use in the Group's Norwegian subsidiary was changed to a defined contribution plan in 2011.

Share-based compensation

Dovre Group offers share-based incentive plans for its key employees. As of January 1, 2018, the Group has a new share-based remuneration and incentive program, where the remuneration is based on an annually set performance condition and a service condition. The performance obligation does not include a market condition, whereupon the program does not include a fair value part. The vesting condition for a service condition requires that an employee is employed by Dovre Group at the beginning of 2021. The program is a fully equity-settled share-based payment transaction. The cost will be recognized against in equity. If the assumption regarding the realized number of shares changes, an adjustment is recorded through profit and loss.

The Group has one valid option plan, the 2013 option plan that originally had three series. The subscription period for 2013C stock options ends on February 28, 2020. The vesting period of 2013C ended on February 28, 2017. The fair value of option right was determined on the grant date and recognized as an expense over the vesting period of a straight-line basis. When options are exercised, the proceeds received for share subscriptions, less any potential transaction costs, are recognized in the reserve for invested non-restricted equity in the accordance with the terms of the option plan in question.

Provisions

Provisions are recognized when the Group has, as a result of past events, a present legal or constructive obligation, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Income taxes and deferred taxes

The tax expense presented in the income statement comprises current taxes based on taxable result for the financial year and deferred taxes. Current income taxes are calculated from taxable result on the basis of current tax legislation in the countries where the Group operates and generates taxable income. Deferred taxes are determined using tax rates effective at the end of the reporting period.

Deferred taxes are recognized for temporary differences arising between the carrying amount of assets and liabilities and their tax bases. Deferred tax liabilities are recognized in full in the statement of financial position, and deferred tax assets only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax is not recognized for temporary differences that arise from goodwill that is not deductible for tax purposes or for the undistributed earnings of subsidiaries to the extent that the reversal of temporary differences is not probable in the foreseeable future. Most significant temporary differences arise from fair value measurements made in connection with acquisitions.

Revenue recognition

The Group's sales consist of revenue from the sales of services and licenses as well as maintenance of licenses. Revenue from sales is recognized in accordance with IFRS 15 *Revenue from Contracts with Customers* standard when a performance obligation, either a good or service or combination, is satisfied. Travel expenses related to rendering services and invoiced to the client are presented as sales of services. License revenue includes a sale or a lease of a license, as well as a lease as part of SaaS-service. Maintenance includes recurring maintenance fee of sold licenses.

Majority (99%) of Dovre Group's net sales is hour or day based service sales. In the case of staffing personnel, performance obligation varies depending the individual assignment, which is performed continuously for the duration of the assignment. Dovre Group has responsibility for employee performance but not overall responsibility for project delivery. Net sales of Consulting segment is complete, but even in these the billing is mainly done according to the hours done. Net sales of Consulting segment also includes sales of support services, which are also recognized on a monthly basis. The Group's line of business is the recurring staffing of project personnel, but to some extent the Group also looks for an employee for a client and receives a recruitment reward. These are recognized at a point of time when the client has approved the candidate.

Software license rental and maintenance revenue is recognized on a monthly basis as a continuous service. Most software licenses are sold as leases. License sale is recognized at a point of time, if a client purchases a license. The sales will be recognized upon the transfer of the license ownership to the buyer.

Dovre Group sales are hourly or daily service sales that only include one performance obligation. Hence, allocation of transaction price is not necessary. Consulting in Finland sells a combination of service and software, but pricing is based on unit rates and individual

projects are not significant in terms of euros. Dovre Group does not provide customer financing. Variable consideration in a contract is also extremely rare and is evaluated on a project-by-project basis. Currently one project is identified to be accompanied by a variable consideration, and for it a liability of EUR 87 thousand has been recognized as of 31 December 2019.

Other operating income

Other operating income includes proceeds from rental revenue, gains on disposal of fixed and financial assets, and public funding. Public funding is recognized when it is reasonably certain that the terms related to funding are met and that the funding will be received.

Financial assets and liabilities

Financial assets

Dovre Group classifies its financial assets to fair value through profit and loss and at amortized cost in accordance with IFRS 9 Financial instruments.

Dovre Group's ownership in SaraRasa Bioindo Pte. Ltd. has been classified as fair value through profit and loss, as the investment is not part of the Group's core business. SaraRasa Bioindo Pte. Ltd. is unquoted equity investment resulting to Level 3 category in the fair value measurement according to IFRS 13 *Fair value measurement* standard.

Loan receivables and receivables are recognized at amortized cost. They are presented in the statement of financial position as either current or non-current assets, with the latter including assets with maturities greater than 12 months. The loss allowance for trade receivables is measured using the simplified approach. The loss allowance is measured at an amount equal to lifetime expected credit losses with the basis of aging. Trade receivables in Dovre Group are not significantly overdue.

Financial liabilities

In accordance with IFRS 9, financial liabilities are initially recognized on the basis of the original consideration received, less trans-

action costs, and subsequently measured at amortized cost using the effective interest rate method. The Group's financial liabilities are non-current and current, and they can be interest-bearing or non-interest-bearing. Interest expenses are recognized in the income statement as incurred. Financial liabilities are recognized as current unless the Group retains the right to reschedule the date of payment to a date that is later than at least 12 months after the end of the financial period.

Critical accounting estimates and judgments

The preparation of consolidated financial statements requires the management to make estimates and assumptions concerning the future that may differ from actual results. Also, the management is required to use judgment when applying accounting principles. The estimates are based on the management's best knowledge and understanding at the end of the reporting period.

The Group's estimates and assumptions relate to the valuation of assets, impairment of trade receivables, deferred tax assets, and provisions. The Group annually tests goodwill and intangible assets with indefinite useful economic lives for impairment and monitors indications of impairment in accordance with the accounting principles presented above. The recoverable amounts of cash-generating units are determined using calculations based on value-in-use. The preparation of these calculations requires the use of estimates and assumptions.

Application of new and revised IFRS and interpretations

The Group applies new and revised standards and interpretations as of the effective date of each standard or interpretation or, when the effective date is other than the first day of the financial year, as of the first day of the financial year following the effective date of the standard.

The currently known future changes in the IFRS standards that are effective from periods on or after January 1, 2020, mainly include amendments and improvements to current standards that are not expected to have a material impact on the Group's consolidated financial statements.

3. SEGMENT INFORMATION

Reporting segments

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

- Project Personnel business area provides project personnel services for large investment projects worldwide
- Consulting business area provides management and project management consulting and software for enterprise level management in the Nordic 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 by segment

| EUR THOUSAND | 2019 | 2018 | % OF NET SALES |
|-------------------|---------------|---------------|----------------|
| Project Personnel | 76,995 | 59,652 | 29.1% |
| Consulting | 6,140 | 5,814 | 5.6% |
| Total | 83,135 | 65,466 | 27.0% |

In 2019, Dovre Group had one customer, which accounts for more than 10% of the Group's net sales. The Group's income from this customer was approximately EUR 10 million. In 2018, Dovre Group had one customer, which accounts for more than 10% of the Group's net sales. The Group's income from this customer was approximately EUR 9 million. The income is mainly included in the Project Personnel business area.

Operating result

| EUR THOUSAND | 2019 | 2018 | CHANGE % |
|-------------------|--------------|------------|---------------|
| Project Personnel | 2,376 | 1,485 | 60.0% |
| Consulting | 643 | 395 | 62.8% |
| Other functions | -63 | -1,121 | 94.4% |
| Unallocated | -252 | -220 | -14.5% |
| Total | 2,705 | 539 | 401.4% |

Other functions are the common resources used by both segments of the Group and shareholders' expenses. In 2019, other functions include a gain of EUR 776 thousand from the sale of the Kuukoti office property.

Unallocated expenses include amortization of customer agreements and relations, expenses recorded as a result of adoption of IFRS 16 in 2019.

Personnel

| AVERAGE NUMBER OF PERSONNEL | 2019 | 2018 |
|-----------------------------|------------|------------|
| Project Personnel | 580 | 454 |
| Consulting | 37 | 36 |
| Other functions | 3 | 5 |
| Total | 620 | 495 |

In the Project Personnel business area, 30 (29) % of employees were independent contractors.

Non-current assets

| EUR THOUSAND | 2019 | 2018 *) |
|--------------|---------------|---------------|
| Finland | 121 | 1,005 |
| Norway | 3,584 | 1,122 |
| Singapore | 428 | 454 |
| Canada | 301 | 0 |
| Trademark | 1,350 | 1,330 |
| Goodwill | 17,443 | 15,185 |
| Total | 23,227 | 19,096 |

Non-current assets excluding financial instruments and deferred tax assets by location of assets. Goodwill and trademark have not been allocated geographically.

*) Comparative information adjusted for Finland.

4. ACQUISITIONS

Acquisitions in 2019

Tech4Hire

Dovre Group Projects AS acquired 100% of the shares of Tech4Hire AS, a Norwegian privately held oil and gas personnel company. In exchange, Dovre Group Projects AS paid Tech4Hire owners a total of NOK 23,643 thousand (approximately EUR 2,440 thousand) on June 25, 2019.

As part of the transaction, Dovre Group issued 1,777,978 new shares to the sellers of Tech4Hire AS in a directed share issue. The number of new shares transferred was determined by dividing the NOK 4.0 million by the volume weighted average price of Dovre Group's shares on Nasdaq Helsinki between 12 June and 18 June, equaling to EUR 0.23 per share. The subscription price, EUR 408,935, was fully booked in the Company's reserve for invested non-restricted equity.

The sellers had the opportunity to receive an additional purchase price of NOK 0-10 million (EUR 0-1 million) if the agreed financial targets were met by the end of 2019. Part of the additional purchase price shall be used to subscribe for shares in Dovre Group. As of December 31, 2019, Dovre Group has recorded an additional

consideration of NOK 10.3 million (EUR 1.1 million) as a liability. The additional purchase price will be paid in the first quarter of 2020.

Advisory and expert service costs of EUR 117 thousand related to the transaction have been included in other operating expenses in the income statement. The expenses related to the directed share issue, EUR 47 thousand, are recognized in the reserve for non-restricted equity.

As of the acquisition date, the consolidated statement of comprehensive income includes net sales of EUR 8.2 million and result for the period of EUR 282 thousand contributed by the acquired business. The parties agreed in the agreement to combine Tech4Hire with Dovre Group result as of April 30, 2019.

Had the acquisition taken place on January 1, 2019, the consolidated statement of comprehensive income would have included net sales of EUR 11.8 million and result for the period of EUR 451 thousand.

The book values of the trade receivables and trade payables acquired correspond to their fair values.

SUMMARY OF ACQUISITION ITEMS ON JUNE 25, 2019

| EUR THOUSAND | FAIR VALUE |
|--------------------------------------|--------------|
| Cash consideration | 3,497 |
| Intangible assets | 1,136 |
| Trade and other receivables | 2,545 |
| Cash and cash equivalents | 662 |
| Deferred tax liabilities | -250 |
| Trade payables and other liabilities | -2,559 |
| Total net assets acquired | 1,534 |
| Goodwill | 1,963 |
| Total | 3,497 |

Acquisitions in 2018

The Group made no acquisitions in 2018.

5. NET SALES

| NET SALES BY REVENUE TYPE EUR THOUSAND | 2019 | % NET SALES | 2018 | % NET SALES |
|---|---------------|----------------|---------------|----------------|
| Services | 82,634 | 99.4% | 64,983 | 99.3% |
| License revenue | 314 | 0.4% | 281 | 0.4% |
| Maintenance | 187 | 0.2% | 202 | 0.3% |
| Total | 83,135 | 100.0% | 65,466 | 100.0% |

Services include 127 thousand euros (152 thousand euros in December 2018) revenue recognized as a point in time. License income includes 84 thousand euros (110 thousand euros) income recognized as a point in time.

Contract assets are sales accruals and presented in the note 19 Trade and other receivables. Contract liabilities are presented in the note 24 Trade payables and other liabilities.

| NET SALES BY DOMICILE OF THE COMPANY EUR THOUSAND | 2019 | % NET SALES | 2018 | % NET SALES |
|--|---------------|----------------|---------------|----------------|
| Finland | 8,193 | 9.9% | 5,709 | 8.7% |
| Norway | 58,158 | 70.0% | 44,333 | 67.7% |
| Canada | 7,476 | 9.0% | 8,264 | 12.6% |
| Singapore | 7,189 | 8.6% | 5,590 | 8.5% |
| Other countries | 2,119 | 2.5% | 1,570 | 2.4% |
| Total | 83,135 | 100.0% | 65,466 | 100.0% |

6. OTHER OPERATING INCOME

| EUR THOUSAND | 2019 | 2018 |
|--|------------|-----------|
| Rents | 18 | 8 |
| Gain on sales of tangible assets (Note 16) | 776 | 0 |
| Other operating income | 23 | 24 |
| Total | 817 | 32 |

7. MATERIAL AND SERVICES

| EUR THOUSAND | 2019 | 2018 |
|-------------------|-------------|-------------|
| License fees | -132 | -132 |
| External services | -48 | -63 |
| Total | -180 | -195 |

8. EMPLOYEE BENEFITS EXPENSE

| EUR THOUSAND | 2019 | 2018 |
|--|----------------|----------------|
| Salaries and fees | -69,611 | -53,955 |
| Pension expenses, defined contribution plans | -1,390 | -1,280 |
| Share-based compensation | -110 | -44 |
| Other employee benefits | -4,487 | -3,939 |
| Total | -75,598 | -59,218 |

Information on management remuneration and fringe benefits as well as compensation for key personnel is presented in the note 29 Related Party Transactions.

9. DEPRECIATION AND AMORTIZATION

| EUR THOUSAND | 2019 | 2018 |
|---|-------------|-------------|
| Amortization according to plan, intangible assets | -374 | -319 |
| Depreciation according to plan, tangible assets | -508 | -127 |
| Total | -882 | -446 |

10. OTHER OPERATING EXPENSES

| EUR THOUSAND | 2019 | 2018 |
|---|---------------|---------------|
| Premises | -253 | -619 |
| Marketing | -169 | -139 |
| Travel | -2,055 | -2,293 |
| Administration and other operating expenses | -2,110 | -2,048 |
| Total | -4,587 | -5,099 |

RESEARCH AND DEVELOPMENT

| EUR THOUSAND | 2019 | 2018 |
|--|-------------|-------------|
| Research and development expenses on the balance sheet | -125 | -126 |
| Capitalized research and development expenditure | -46 | -34 |
| Total | -171 | -160 |

AUDITOR FEES

| EUR THOUSAND | 2019 | 2018 |
|-----------------------------|-------------|-------------|
| External audit | -114 | -102 |
| Tax consultancy | -1 | -45 |
| Other professional services | -6 | -14 |
| Total | -121 | -161 |

11. FINANCING INCOME AND EXPENSES

| FINANCING INCOME EUR THOUSAND | 2019 | 2018 |
|---|------------|------------|
| Unquoted equity investments at fair value through profit and loss | 153 | 623 |
| Foreign exchange gains | 62 | 20 |
| Other interest and financing income | 52 | 25 |
| Financing income, total | 267 | 668 |

| FINANCING EXPENSES EUR THOUSAND | 2019 | 2018 |
|---------------------------------------|-------------|-------------|
| Foreign exchange losses | -103 | -9 |
| Other interest and financing expenses | -226 | -110 |
| Financing expenses, total | -329 | -119 |

| | | |
|---|------------|------------|
| Financing income and expenses, total | -62 | 549 |
|---|------------|------------|

12. INCOME TAX

| EUR THOUSAND | 2019 | 2018 |
|---|-------------|-------------|
| Tax on income from operations | -587 | -302 |
| Tax expense for prior years | 0 | 66 |
| Change in deferred tax assets and liabilities | 36 | 77 |
| Change in deferred tax assets and liabilities, prior year | 0 | -55 |
| Total | -551 | -214 |

Reconciliation of the tax expense recognized in the consolidated statement of income and income taxes computed at the Finnish statutory tax rate 20%

| EUR THOUSAND | 2019 | 2018 |
|---|-------------|-------------|
| Result before tax | 2,642 | 1,058 |
| Income tax expense at Finnish statutory rate | -528 | -212 |
| Effect of different tax rates in foreign subsidiaries | -108 | -54 |
| Income that is exempt from taxation and expenses that not deductible: | | |
| Unquoted equity investment at fair value through profit and loss | 31 | 125 |
| Share of results in joint ventures | 0 | -6 |
| Other income and expenses | -6 | -9 |
| Changes in corporate tax rates | 0 | 11 |
| Unrecognized tax benefits for losses for the period | -149 | -215 |
| Previously unrecognized and unused tax losses | 206 | 137 |
| Tax expense for prior periods | 0 | 11 |
| Other items | 3 | -2 |
| Income tax in the consolidated statement of income | -551 | -214 |

Deferred tax asset and liabilities

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|--------------------------|---------------|---------------|
| Deferred tax asset | 148 | 183 |
| Deferred tax liabilities | -954 | -758 |
| Total | -806 | -575 |

Reconciliation of deferred tax assets and liabilities 2019

| EUR THOUSAND | JAN. 1, 2019 | CHARGED TO INCOME STATEMENT | ACQUISITIONS | TRANSLATION DIFFERENCES | DEC. 31, 2019 |
|---|--------------|-----------------------------------|--------------|----------------------------|---------------|
| Tax losses carried forward | 183 | -183 | | | 0 |
| Allocation of fair value on acquisitions | -581 | 70 | -250 | -3 | -764 |
| Withholding tax on undistributed earnings | -17 | 0 | | | -17 |
| Other temporary differences | -160 | 149 | | -14 | -25 |
| Total | -575 | 36 | | -17 | -806 |

Reconciliation of deferred tax assets and liabilities 2018

| EUR THOUSAND | JAN. 1, 2018 | CHARGED TO INCOME STATEMENT | | TRANSLATION DIFFERENCES | DEC. 31, 2018 |
|---|--------------|-----------------------------------|--|----------------------------|---------------|
| Tax losses carried forward | 183 | 0 | | 0 | 183 |
| Allocation of fair value on acquisitions | -644 | 63 | | 0 | -581 |
| Withholding tax on undistributed earnings | -17 | 0 | | 0 | -17 |
| Other temporary differences | -127 | -41 | | 8 | -160 |
| Total | -605 | 22 | | 8 | -575 |

Carry-forward losses

On December 31, 2019, the Group carried forward losses worth of EUR 6.0 million (EUR 5.7 million on December 31, 2018), for which no deferred tax assets have been recognized. A total of EUR 1.2 million of the Group's losses expire in 2023-2026 and a total of EUR 3.3 million later. The remaining losses have no definite expiration date.

13. EARNINGS PER SHARE

Undiluted earnings per share

Undiluted earnings per share is calculated by dividing the result attributable to the shareholders of the parent by the weighted average number of shares during the financial year.

| UNDILUTED EARNINGS PER SHARE | 2019 | 2018 |
|--|-------------|-------------|
| Result attributable to the shareholders of the parent (EUR thousand) | 2,091 | 844 |
| Weighted average number of shares during the financial year (1,000) | 100,169 | 100,169 |
| Undiluted earnings per share (EUR / share) | 0.02 | 0.01 |

| UNDILUTED COMPREHENSIVE EARNINGS PER SHARE | 2019 | 2018 |
|--|-------------|-------------|
| Comprehensive result attributable to the shareholders of the parent (EUR thousand) | 2,689 | 632 |
| Weighted average number of shares during the financial year (1,000) | 100,169 | 100,169 |
| Undiluted comprehensive earnings per share (EUR / share) | 0.03 | 0.01 |

Diluted earnings per share

The potential increase in the number of shares caused by all instruments entitling to shares is taken into account when calculating the diluted earnings per share. The Group has instruments, share options, with the potential to increase the number of shares. An instrument has a dilutive effect when its subscription price is lower than the market value of the share. The weighted average number of shares and the dilutive effect are calculated quarterly taking into account those instruments that have an exercise price lower than the weighted average share price during that quarter. The dilutive effect is relative to the difference between the exercise price and the weighted average share price. The total dilutive effect for the financial year or several quarters is calculated as a weighted average for the period in question.

| DILUTED EARNINGS PER SHARE | 2019 | 2018 |
|--|-------------|-------------|
| Result attributable to the shareholders of the parent (EUR thousand) | 2,091 | 844 |
| Weighted average number of shares during the financial year (1,000) | 100,169 | 100,169 |
| Stock option adjustment (1,000) | 0 | 0 |
| Weighted average number of shares for calculating the diluted earnings per share (1,000) | 100,169 | 100,169 |
| Diluted earnings per share (EUR / share) | 0.02 | 0.01 |

| DILUTED COMPREHENSIVE EARNINGS PER SHARE | 2019 | 2018 |
|--|-------------|-------------|
| Comprehensive result attributable to the shareholders of the parent (EUR thousand) | 2,689 | 632 |
| Weighted average number of shares during the financial year (1,000) | 100,169 | 100,169 |
| Stock option adjustment (1,000) | 0 | 0 |
| Weighted average number of shares for calculating the diluted earnings per share (1,000) | 100,169 | 100,169 |
| Diluted comprehensive earnings per share (EUR / share) | 0.03 | 0.01 |

14. INTANGIBLE ASSETS

Customer agreements and relations related to acquisitions in Project Personnel segment in 2015 and 2019. The asset's average amortization period is 7.3 years. The trademark relates to the merger between Dovre Group and NPC in 2015, as a result of which Dovre Group's logo was changed and is now a combination of both companies' logos. The Group has not determined a definite useful economic life for the trademark. The trademark is annually tested for impairment in connection with goodwill.

| INTANGIBLE ASSETS 2019 EUR THOUSAND | CUSTOMER AGREEMENTS AND RELATIONS | TRADEMARK | DEVELOPMENT COSTS | OTHER INTANGIBLE ASSETS | TOTAL |
|--|---|--------------|----------------------|-------------------------------|--------------|
| Acquisition cost, Jan. 1 | 2,239 | 1,330 | 183 | 384 | 4,135 |
| Translation differences (+/-) | 32 | 20 | 0 | 0 | 52 |
| Additions | 1,116 | 0 | 0 | 0 | 1,116 |
| Disposals | 0 | 0 | 0 | -375 | -375 |
| Acquisition cost, Dec. 31 | 3,387 | 1,350 | 183 | 9 | 4,928 |
| Accumulated amortization and value adjustments, Jan. 1 | -803 | 0 | -34 | -348 | -1,184 |
| Translation differences (+/-) | -11 | 0 | 0 | 0 | -11 |
| Accumulated amortization from disposals | 0 | 0 | 0 | 375 | 375 |
| Amortization charges for the period | -292 | 0 | -46 | -36 | -374 |
| Accumulated amortization and value adjustments, Dec. 31 | -1,106 | 0 | -80 | -9 | -1,194 |
| Book value, Dec. 31, 2019 | 2,281 | 1,350 | 103 | 0 | 3,734 |

| INTANGIBLE ASSETS 2018 EUR THOUSAND | CUSTOMER AGREEMENTS AND RELATIONS | TRADEMARK | DEVELOPMENT COSTS | OTHER INTANGIBLE ASSETS | TOTAL |
|--|---|--------------|----------------------|-------------------------------|--------------|
| Acquisition cost, Jan. 1 | 2,304 | 1,329 | 98 | 384 | 4,114 |
| Translation differences (+/-) | -5 | 1 | 0 | 0 | -4 |
| Additions | 0 | 0 | 85 | 0 | 85 |
| Disposals | -60 | 0 | 0 | 0 | -60 |
| Acquisition cost, Dec. 31 | 2,239 | 1,330 | 183 | 384 | 4,135 |
| Accumulated amortization and value adjustments, Jan. 1 | -637 | 0 | 0 | -295 | -931 |
| Translation differences (+/-) | 6 | 0 | 0 | 0 | 6 |
| Accumulated amortization from disposals | 60 | 0 | 0 | 0 | 60 |
| Amortization charges for the period | -232 | 0 | -34 | -53 | -319 |
| Accumulated amortization and value adjustments, Dec. 31 | -803 | 0 | -34 | -348 | -1,184 |
| Book value, Dec. 31, 2018 | 1,436 | 1,330 | 149 | 36 | 2,951 |

15. GOODWILL

| EUR THOUSAND | 2019 | 2018 |
|-------------------------------|---------------|---------------|
| Acquisition cost, Jan. 1 | 15,185 | 15,177 |
| Additions | 1,930 | 0 |
| Translation differences (+/-) | 328 | 8 |
| Book value, Dec. 31 | 17,443 | 15,185 |

The increase of goodwill is related to the Tech4Hire acquisition in the second quarter of 2019.

| GOODWILL BY CASH GENERATING UNIT EUR THOUSAND | 2019 | 2018 |
|--|---------------|---------------|
| Project Personnel | 16,720 | 14,460 |
| Consulting, Finland | 484 | 484 |
| Consulting, Norway | 239 | 241 |
| Total | 17,443 | 15,185 |

Impairment testing has been performed at the year-end, with December 31, 2019 as the testing date. For Project Personnel, in addition to goodwill, we test also the NPC trademark, which has an indefinite useful life. The carrying amount of the trademark at December 31, 2019 was approximately EUR 1.4 million (EUR 1.3 million on December 31, 2018).

In testing, the carrying amount of a cash-generating unit is compared with its value in use, which is based on a calculation of its value in use. These calculations are based on management-approved plans

covering a five-year period. The key variables used in the calculation are revenue growth and operating margin. The variables are based on past performance, the business group's market position and growth potential in the business group's market. The discount rate is determined using a capital structure based on peer group balance sheets and financial statements to which IAS 17 Leases applies.

Based on testing, the recoverable amounts of all cash-generating units exceeded their carrying amounts and, therefore, no indications of impairment exist.

| KEY VARIABLES: | 2019 | 2018 |
|--------------------------------|------|------|
| Average growth in net sales, % | | |
| Project Personnel | 10.0 | 10.0 |
| Consulting, Finland | 1.5 | 1.3 |
| Consulting, Norway | 2.0 | 3.1 |
| Average EBIT, % | | |
| Project Personnel | 3.5 | 4.0 |
| Consulting, Finland | 10.3 | 8.8 |
| Consulting, Norway | 10.0 | 10.0 |
| Terminal growth rate, % | | |
| Project Personnel | 1.0 | 1.0 |
| Consulting, Finland | 1.0 | 1.0 |
| Consulting, Norway | 1.0 | 1.0 |
| Pre-tax discount rate, % | | |
| Project Personnel | 13.3 | 12.5 |
| Consulting, Finland | 13.1 | 12.3 |
| Consulting, Norway | 13.2 | 12.7 |

If any one of the following changes were made to the above key assumptions, the value in use value and the carrying amount would be equal.

| | CHANGE |
|-------------------------------|--------|
| EBIT %, %-unit | |
| Project Personnel | -0.7 |
| Consulting, Finland | -5.8 |
| Consulting, Norway | -9.2 |
| Pre-tax discount rate, %-unit | |
| Project Personnel | 3.7 |
| Consulting, Finland | 16.4 |
| Consulting, Norway | 482.6 |

16. TANGIBLE ASSETS

| TANGIBLE ASSETS 2019 EUR THOUSAND | LAND | BUILDINGS | MACHINERY AND EQUIPMENT | TANGIBLE ASSETS | TOTAL |
|---|----------|--------------|-------------------------------|--------------------|--------------|
| Acquisition cost, Jan. 1 | 240 | 638 | 823 | 39 | 1,740 |
| Translation differences (+/-) | 0 | 0 | 10 | 1 | 11 |
| Additions | 0 | 2,447 | 16 | 0 | 2,463 |
| Disposals | -240 | -706 | -36 | 0 | -982 |
| Acquisition cost, Dec. 31 | 0 | 2,379 | 812 | 40 | 3,231 |
| Accumulated depreciation and value adjustments, Jan. 1 | 0 | -70 | -671 | -39 | -780 |
| Translation differences (+/-) | 0 | 0 | -7 | -1 | -8 |
| Accumulated depreciation from disposals | 0 | 81 | 27 | 6 | 114 |
| Depreciation charges for the period | 0 | -423 | -79 | -6 | -508 |
| Accumulated depreciation and value adjustments, Dec. 31 | 0 | -412 | -730 | -40 | -1,182 |
| Book value, Dec. 31, 2019 | 0 | 1,967 | 82 | 0 | 2,049 |

In 2018, Dovre Group presented the shares of Kiinteistö Oy Kuukoti divided into land and buildings, although the parent company presented the shares in Kiinteistö Oy Kuukoti as shares in associates. Dovre Group sold the shares of Kiinteistö Oy Kuukoti in 2019 and booked a gain of EUR 776 thousand on the sale. The carrying amount of 2019, EUR 1,967 thousand, is the right-of-use assets of leases (see Note 17).

| TANGIBLE ASSETS 2018 EUR THOUSAND | LAND | BUILDINGS | MACHINERY AND EQUIPMENT | TANGIBLE ASSETS | TOTAL |
|---|------------|------------|-------------------------------|--------------------|------------|
| Acquisition cost, Jan. 1 | 240 | 638 | 794 | 53 | 1,725 |
| Translation differences (+/-) | 0 | 0 | -32 | -14 | -46 |
| Additions | 0 | 0 | 75 | 0 | 75 |
| Disposals | 0 | 0 | -14 | 0 | -14 |
| Acquisition cost, Dec. 31 | 240 | 638 | 823 | 39 | 1,740 |
| Accumulated depreciation and value adjustments, Jan. 1 | 0 | -52 | -635 | -28 | -715 |
| Translation differences (+/-) | 0 | 0 | 42 | 7 | 49 |
| Accumulated depreciation from disposals | 0 | 0 | 14 | 0 | 14 |
| Depreciation charges for the period | 0 | -17 | -92 | -18 | -127 |
| Accumulated depreciation and value adjustments, Dec. 31 | 0 | -70 | -671 | -39 | -780 |
| Book value, Dec. 31, 2018 | 240 | 568 | 151 | 0 | 960 |

17. LEASES

Dovre Group's right-to-use assets are office leases, which are presented as part of buildings. Dovre Group adopted a simplified approach to deployment, setting the starting date for existing contracts as January 1, 2019. Most office rentals are fixed-term contracts and some of these contracts include an option to extend the contract periodically. Dovre Group assessed in the determination of the right-to-use assets that the Group will utilize extension options. Leases, which are valid until further notice with a 3 to 12 month notice period, have a probable lease term of 2-4 years.

| RIGHT-TO-USE ASSETS EUR THOUSAND | 2019 |
|-------------------------------------|--------------|
| Translation differences (+/-) | 0 |
| Additions | 2,379 |
| Book value, Dec. 31 | 2,379 |
| Accumulated depreciations, Jan. 1. | 0 |
| Translation differences (+/-) | -1 |
| Depreciation charges for the period | -411 |
| Accumulated depreciations, Dec. 31 | -412 |
| Book value, Dec. 31, 2019 | 1,967 |

| LEASING LIABILITIES EUR THOUSAND | DEC. 31, 2019 |
|-------------------------------------|---------------|
| Non-current lease liabilities | 1,592 |
| Current lease liabilities | 417 |
| Total | 2,009 |

| MATURITY PROFILE OF PAYMENTS DUE EUR THOUSAND | DEC. 31, 2019 |
|--|---------------|
| 0-1 | -481 |
| 1-2 | -454 |
| 2-3 | -375 |
| 3-4 | -348 |
| 4-5 | -270 |
| Over 5 years | -275 |
| Total | -2,202 |

| CASH FLOW STATEMENT ITEMS EUR THOUSAND | 2019 |
|---|-------------|
| Lease liability amortization payments | -379 |
| Lease liability interest payments | -67 |
| Total | -446 |

| INCOME STATEMENT ITEMS EUR THOUSAND | 2019 |
|--|-------------|
| Right-to-use asset depreciations | -411 |
| Right-to-use asset interest cost | -76 |
| Short-term lease expense | -34 |
| Low value lease expense | -17 |
| Expense relating to variable lease payments not included in the measurement of lease liabilities | -79 |
| Total | -617 |

18. FINANCIAL ASSETS

Financial assets at fair value through profit and loss

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|----------------------------|---------------|---------------|
| Unquoted equity investment | 876 | 723 |
| Total | 876 | 723 |

Financial assets at fair value through profit and loss include Dovre Group Plc's ownership in SaraRasa Bioindo Pte. Ltd. (Bioindo). Dovre Group Plc's ownership is 19.86% at the year end 2019. Prior to 2018, the Group presented the ownership in the investment in joint ventures. Dovre Group's investment in Bioindo is not part of the Group's core business.

The category of the investment's fair value measurement is Level 3. The valuation technique has been discounted cash flow method with five year forecast period, deducted by net debt, and 1% as terminal growth rate. The other significant unobservable inputs used are the following:

- Net Sales during the forecast period of USD 6.5 million
- Operating result (EBIT) during the forecast period 12.2% of the net sales
- Post-tax discount rate 10.6%

Increase of 3% in the profitability would result in increase in fair value by EUR 0.2 million. Decrease of net sales by 5% and increase of discount rate by 2.5% would result in decrease in fair value by EUR 0.1 million.

The audited equity of Bioindo was USD +397 thousand at the year end 2018 (-1,850 thousand at end of 2017). The 2018 result includes an one time gain of USD 901 thousand following the restructuring of Bioindo's non-current loans (published on Jan 3, 2019), as well as an income of unamortized discount of interest-free debt of USD 917 thousand. The 2019 result is expected to be positive. The company has agreed to supply its entire production of pellets until January 2024 (published on July 25, 2019).

19. TRADE AND OTHER RECEIVABLES

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|---|---------------|---------------|
| Trade receivables | 17,997 | 11,759 |
| Valuation allowance for trade receivables | -15 | 0 |
| Other receivables | 49 | 65 |
| Accrued income on sales | 1,022 | 440 |
| Prepayments on expenses | 360 | 262 |
| Total | 19,413 | 12,526 |

Other prepayments and accrued income include accrued expenses.

The book values of the receivables are based on a reasonable estimate of their fair values. Dovre Group has not recognized an expected credit loss provision under IFRS 9 for accounts receivable because Dovre Group has not been able to do so due to the low amount of credit losses realized. During 2016-2018, the Group has not recognized any impairment provisions. The average amount of impairment of trade receivables recognized during the last 10 years has been EUR 14 thousand, which is an average of 0.09% of trade receivables.

AGEING ANALYSIS OF TRADE RECEIVABLES

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|--------------|---------------|---------------|
| Not due | 11,825 | 8,127 |
| Overdue | | |
| 1-30 days | 5,607 | 3,397 |
| 31-60 days | 429 | 155 |
| 61-90 days | 75 | 74 |
| Over 90 days | 61 | 6 |
| Total | 17,997 | 11,759 |

20. SHAREHOLDERS' EQUITY

Dovre Group Plc has one class of shares. The book value of the shares is EUR 0.10 per share (EUR 0.10 per share in 2018). Each share entitles the shareholder to one vote. Dovre Group Plc's shares are listed on Nasdaq Helsinki Ltd.

The maximum number of Dovre Group Plc's shares is 160 million shares (160 million in 2018). The shares do not carry a nominal value. The Group's maximum share capital is EUR 41.6 million (EUR 41.6 million in 2018). All shares issued have been fully paid for.

Reconciliation of the number of shares

| EUR THOUSAND | NUMBER OF SHARES | SHARE CAPITAL | RESERVE FOR NON-RESTRICTED EQUITY | FAIR VALUE RESERVE | TREASURY SHARES | TOTAL |
|--------------------------|--------------------|---------------|-----------------------------------|--------------------|-----------------|---------------|
| Dec. 31, 2017 | 100,168,769 | 9,603 | 12,300 | 2,869 | -84 | 24,688 |
| Repurchase of own shares | | | | | -153 | -153 |
| Dec. 31, 2018 | 100,168,769 | 9,603 | 12,300 | 2,869 | -237 | 24,535 |
| Directed share issue | 1,777,978 | | 361 | | | 361 |
| Dec. 31, 2019 | 101,946,747 | 9,603 | 12,661 | 2,869 | -237 | 24,896 |

Changes in 2019

Dovre Group Plc issued 1,777,978 new shares in a directed issue in June 2019. The number of new shares issued was determined by dividing NOK 4.0 million by the volume weighted average price of Dovre Group's shares on Nasdaq Helsinki between 12 June 2019 and 18 June 2019, equaling to EUR 0.23 per share. The subscription price was credited to the reserve for invested unrestricted equity less costs related to the share issue.

Changes in 2018

The repurchase of Dovre Group Plc's own shares continued until March 27, 2018, after which Dovre Group Plc held 839,262 of its own shares. Following his resignation from the position as Chairman of the Dovre Group's Board of Directors, Ole Olsen returned 31,075 shares to the company. At the end of December 2018, Dovre Group Plc held 870,337 of its own shares.

Dividend distribution in 2019

Dovre Group Plc's Annual General Meeting held on March 27, 2019, decided that shareholders be paid a dividend of EUR 0.01 per share for the financial year 2018, corresponding to approx. EUR 1.0 million. The dividend was paid on April 25, 2019. No dividend was paid to the shares owned by the company.

Dividend distribution in 2018

Dovre Group Plc's Annual General Meeting held on March 28, 2018, decided that shareholders be paid a dividend of EUR 0.01 per share for the financial year 2017, corresponding to approx. EUR 1.0 million. The dividend was paid on April 9, 2018. No dividend was paid to the shares owned by the company.

21. SHARE-BASED COMPENSATION

Long-term incentive programs 2018-2020

Key employees of Dovre Group are covered by a share-based incentive scheme. The reward is based on the achievement of annual targets and the fulfillment a service condition. The key metric is operating profit. The vesting conditions do not include a market-based condition, so the award scheme does not include the fair value portion at grant date. A prerequisite for meeting the terms of service is that the key person is employed by the Group at the beginning of 2021, when the key person will receive the earned shares. The key person is personally responsible for taxes on earned shares.

The expense recognized in the 2019 financial statements, EUR 110 thousand, corresponds to 354,564 shares. The cost of EUR 44 thousand for 2018 corresponds to 169,631 Dovre Group Plc shares. (See Note 8).

2013 stock option plan

In its meeting on January 24, 2013, the Board of Directors of Dovre Group Plc approved the 2013 option plan based on the authorization

granted by the Annual General Meeting held on March 15, 2012. The plan is divided into three series (2013A, 2013B, and 2013C). Each option series includes a maximum of 1,000,000 stock options. The stock options have been granted free of charge. Each stock option entitles its holder to subscribe for one Dovre Group Plc (DOVIV) share at a price determined by the stock options terms and for a period specified in the stock options terms.

Should the subscriber's employment in Dovre Group end for some other reason than retirement or death, the company has, by Board decision, the right to redeem at no cost the subscriber's option rights the subscription period of which has not yet started. Should the subscriber's employment in Dovre Group end for some other reason than those mentioned above after the start of the subscription period, the subscriber is entitled and liable to subscribe for the stock options within 30 days after the end of the term of employment. The company's Board reserves the right to grant subscribers the entitlement to stock options held or to a part of them.

| 2013 STOCK OPTION PLAN | 2013C |
|--|-----------------------------|
| Grant date | Jan. 22, 2014 |
| Option life in years | 5 |
| Subscription period | March 1, 2017-Feb. 28, 2020 |
| Period for determining subscription price | Feb. 1-March 31, 2015 |
| Original subscription price *) | EUR 0.51 |
| Subscription price on Dec. 31, 2019 | EUR 0.43 |
| Total number of options on grant date | 1,000,000 |
| Total number of options outstanding on Dec. 31, 2019 | 475,000 |

*) Should the company distribute assets as dividends or as equity return from non-restricted equity, the per-share amounts of dividends and/or equity returns distributed from non-restricted equity shall be deducted from the share subscription price of the stock options, if this distribution is decided after the period for determination of the share subscription price but before the share subscription period has begun and providing that the shares subscribed for do not entitle to such dividends or equity return. The minimum share subscription price shall always be at least EUR 0.01.

| CHANGES IN THE NUMBER OF OPTIONS AND THE WEIGHTED AVERAGE EXERCISE PRICE IN 2019 | NUMBER OF OPTIONS | WEIGHTED AVERAGE EXERCISE PRICE (EUR / SHARE) |
|--|-------------------|---|
| Outstanding at the beginning of the year | 850,000 | 0.47 |
| Expired | -375,000 | 0.52 |
| Outstanding on Dec. 31, 2019 | 475,000 | 0.43 |
| Exercisable on Dec. 31, 2019 | 475,000 | 0.43 |

| CHANGES IN THE NUMBER OF OPTIONS AND THE WEIGHTED AVERAGE EXERCISE PRICE IN 2018 | NUMBER OF OPTIONS | WEIGHTED AVERAGE EXERCISE PRICE (EUR / SHARE) |
|--|-------------------|---|
| Outstanding at the beginning of the year | 2,350,000 | 0.45 |
| Returned | -935,000 | 0.46 |
| Expired | -565,000 | 0.39 |
| Outstanding on Dec. 31, 2018 | 850,000 | 0.47 |
| Exercisable on Dec. 31, 2018 | 850,000 | 0.47 |

| OUTSTANDING OPTIONS ON DEC. 31, 2019; EXERCISE PRICE AND WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE | NUMBER OF SHARES | EXERCISE PRICE (EUR / SHARE) | WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE (YEARS) |
|--|------------------|------------------------------|---|
| Options 2013C | 475,000 | 0.43 | 0.2 |
| Outstanding on Dec. 31, 2019 | 475,000 | 0.43 | 0.2 |

| OUTSTANDING OPTIONS ON DEC. 31, 2018; EXERCISE PRICE AND WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE | NUMBER OF SHARES | EXERCISE PRICE (EUR / SHARE) | WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE (YEARS) |
|--|------------------|------------------------------|---|
| Options 2013B | 375,000 | 0.52 | 0.2 |
| Options 2013C | 475,000 | 0.43 | 1.2 |
| Outstanding on Dec. 31, 2018 | 850,000 | 0.47 | 0.8 |

Fair value of options

Dovre Group calculates the fair value of stock options at grant date using the Black & Scholes model. The fair value is recognized as personnel expense over the vesting period (see Note 6). The key variables used for determining the fair value of the options are presented in the table below.

| 2013 OPTION PLAN | 2013C |
|---|-----------|
| Share price at grant date | EUR 0.48 |
| Exercise price | EUR 0.51 |
| Expected volatility | 31% |
| Expected option life in years (at grant date) | 5 |
| Risk-free rate | 0.15% |
| Anticipated cuts in personnel % | N/A |
| Fair value of option at grant date | EUR 0.12 |
| Granted options | 1,000,000 |
| Fair value of option plan at grant date (EUR 1,000) | 122 |

22. NON-CURRENT FINANCIAL LIABILITIES

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|---|---------------|---------------|
| Non-current loans from financial institutions | 1,135 | 450 |
| Non-current lease liabilities (Note 17) | 1,592 | 0 |
| Other liabilities | 65 | 68 |
| Total | 2,792 | 518 |

The fair value of the Group's non-current financial liabilities is based on a reasonable estimate of their book value. The average interest rate for the Group's non-current loans from financial institutions was 3.78% in 2019 (0.75% in 2018).

MATURITY PROFILE OF NON-CURRENT LOANS

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|--------------|---------------|---------------|
| 0-1 years | 474 | 600 |
| 1-2 years | 324 | 450 |
| 2-3 years | 324 | 0 |
| 3-4 years | 324 | 0 |
| 4-5 years | 162 | 0 |
| Total | 1,609 | 1,050 |

23. CURRENT FINANCIAL LIABILITIES

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|---|---------------|---------------|
| Current loans from financial institutions | 474 | 600 |
| Lines of credit in use | 2,215 | 2,185 |
| Current lease liabilities (Note 17) | 417 | 0 |
| Total | 3,106 | 2,785 |

The average interest rate for current loans was 3.01% in 2019 (0.75% in 2018). The fair values of the liabilities correspond, in material aspects, to their carrying values. The interest rate for the Group's lines of credit in use in 2019 was 2.48% (2.33% in 2018).

24. TRADE PAYABLES AND OTHER LIABILITIES

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|---------------------------|---------------|---------------|
| Trade payables | 5,245 | 2,931 |
| Other current liabilities | 5,484 | 3,126 |
| Total | 10,729 | 6,057 |

CURRENT ACCRUALS AND DEFERRED INCOME

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|--|---------------|---------------|
| Current deferred income | 34 | 27 |
| Accrued employee expenses | 5,823 | 4,109 |
| Other current accrued liabilities on income and expenses | 1,111 | 832 |
| Total | 6,968 | 4,968 |
| Trade payables and other liabilities, total | 17,697 | 11,025 |

The fair values of the liabilities are equal to their carrying values.

25. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

| 2019 EUR THOUSAND | JAN 1, 2019 | CASHFLOW | TRANSFER | TRANSLATION DIFFERENCES | DEC. 31, 2019 |
|----------------------------------|--------------|------------|----------|----------------------------|---------------|
| Non-current loans and borrowings | 450 | 589 | 125 | -29 | 1,135 |
| Current loans and borrowings | 2,784 | 2 | -125 | 28 | 2,689 |
| Total | 3,234 | 591 | 0 | -1 | 3,824 |

| 2018 EUR THOUSAND | JAN 1, 2018 | CASHFLOW | TRANSFER | TRANSLATION DIFFERENCES | DEC. 31, 2018 |
|----------------------------------|--------------|------------|----------|----------------------------|---------------|
| Non-current loans and borrowings | 1,050 | -600 | | 0 | 450 |
| Current loans and borrowings | 1,977 | 752 | | 55 | 2,784 |
| Total | 3,027 | 152 | | 55 | 3,234 |

26. FINANCIAL RISK AND CAPITAL STRUCTURE MANAGEMENT

Financial Risk Management

In its operations, Dovre Group is exposed to common financial risks, most importantly foreign exchange risk. The purpose of financial risk management is to ensure that the Group has access to sufficient and cost-effective funding in all market situations and to monitor and minimize any potential risks. Financial risks are managed centrally by the Group's parent company's finance function, which is responsible for the Group's financing. Financial risk management is part of the Group's operational management.

Foreign exchange risks

The Group operates internationally and is thus exposed to a variety of foreign exchange risks. Such risks arise from exchange rate fluctuations relating to foreign currency denominated assets, liabilities, and planned business transactions (transaction risk) and from investments in foreign subsidiaries and associates (translation risk). The Group manages its foreign exchange risks in accordance with the Group's currency hedging policy, approved by the Board of Directors in 2014. The purpose of the policy is to minimize the company's subsidiaries' foreign exchange risks and to centrally hedge the Group's foreign exchange risks at the parent company, when necessary. The company does not automatically hedge its for-

eign currency positions. However, should it be deemed necessary for risk management and be in the best interest of the company's shareholders, the company's Board of Directors may pursue prudent and selective hedging. Operatively, the company seeks to avoid any unnecessary increase in foreign exchange risks and any unnecessary currency transactions.

Foreign exchange risk management is a regular part of the Boards' charter.

Transaction risks

Majority of the Group's operations is local service business and is denominated in local functional currencies. It does not therefore involve transaction risks. The Group's internal invoicing and loans are primarily initiated in the local currencies of the subsidiaries and any possible foreign exchange risks are hedged using foreign currency derivatives at the parent company.

The foreign exchange risk sensitivity analysis for the most important currency pairs, disclosed in accordance with IFRS 7, has been calculated for the Group's foreign currency nominated financial assets and liabilities including foreign currency derivatives outstanding on the balance sheet date. The exposures in the most important currency pairs are disclosed in the table below.

| EXPOSURE AGAINST EUR EUR MILLION | NOK | CAD | USD | SGD | GBP | AED | TOTAL |
|-------------------------------------|------|-----|-----|-----|-----|-----|-------|
| Exposure Dec. 31, 2019 | -0.9 | 0.0 | 1.1 | 0.0 | 0.0 | 0.0 | 0.2 |
| Exposure Dec. 31, 2018 | -0.7 | 0.0 | 0.4 | 0.0 | 0.0 | 0.1 | -0.2 |

| EXPOSURE AGAINST NOK EUR MILLION | NOK | CAD | USD | SGD | GBP | EUR | TOTAL |
|-------------------------------------|-----|-----|-----|-----|-----|-----|-------|
| Exposure Dec. 31, 2019 | | 0.0 | 1.0 | | 0.0 | 0.0 | 1.0 |
| Exposure Dec. 31, 2018 | | 0.0 | 0.1 | | 0.1 | 0.0 | 0.2 |

| EXPOSURE AGAINST SGD EUR MILLION | NOK | CAD | USD | SGD | GBP | EUR | TOTAL |
|-------------------------------------|-----|-----|------|-----|-----|-----|-------|
| Exposure Dec. 31, 2019 | 0.1 | | -0.2 | | | 0.0 | -0.1 |
| Exposure Dec. 31, 2018 | 0.2 | | -0.2 | | | 0.1 | 0.1 |

| EXPOSURE AGAINST USD EUR MILLION | NOK | CAD | USD | SGD | GBP | EUR | TOTAL |
|-------------------------------------|-----|-----|-----|-----|-----|-----|-------|
| Exposure Dec. 31, 2019 | | | | 0,1 | | | 0,1 |
| Exposure Dec. 31, 2018 | | | | | | | 0,0 |

| EXPOSURE AGAINST CAD EUR MILLION | NOK | CAD | USD | SGD | GBP | EUR | TOTAL |
|-------------------------------------|-----|-----|-----|-----|-----|-----|-------|
| Exposure Dec. 31, 2019 | 0,0 | | 0,1 | | | | 0,1 |
| Exposure Dec. 31, 2018 | 0,0 | | 0,1 | | | | 0,1 |

The foreign exchange risk sensitivity analysis illustrates the impact of a 20% movement in exchange rates and has been calculated before taxes. An estimated 20% movement in the foreign exchange rates on the balance sheet date would have resulted in an impact of EUR 0.2 (0.0) million on the Group's result before taxes with the exchange rates strengthening and EUR -0.2 (-0.0) million with the exchange rates weakening.

Translation risk

Changes in consolidation exchange rates affect the Group's income statement, cash flow statement, and the statement of financial position, which are presented in euros, thus giving rise to translation risk. As the majority of the Group's net sales occur in functional currencies other than the euro, the translation risk related to the Group's net sales and operating result is material to the Group. In 2019, the Group's comparable net sales changed by +27.0 (+4.4) % in euros. In local currencies the change in net sales would have been 28.3 (7.5) %.

The impact of a 10% movement in average annual exchange rates of the Group's main currencies on the Group's net sales is presented in the table below.

| EUR MILLION | CHANGE IN EXCHANGE RATE | IMPACT ON NET SALES DENOMINATED IN NOK | IMPACT ON NET SALES DENOMINATED IN CAD | IMPACT ON NET SALES DENOMINATED IN USD | IMPACT ON NET SALES DENOMINATED IN SGD |
|-------------|----------------------------|---|---|---|---|
| 2019 | 10% | -5,3 | -0,7 | -0,2 | -0,6 |
| | -10% | 6,5 | 0,8 | 0,3 | 0,8 |
| 2018 | 10% | -4,0 | -0,8 | -0,1 | -0,5 |
| | -10% | 4,9 | 0,9 | 0,1 | 0,6 |

In 2019, the translation differences arising from the translation of the Group's subsidiaries' balance sheets into euros was EUR 0.6 (-0.2) million. The translation difference was caused by the weakening of the Norwegian crown against the euro, when other currencies (CAD, SGD and USD) strengthened against the euro. In 2018, the translation difference was caused by the weakening of the Norwegian crown and the Canadian dollar against the euro, but the Singaporean dollar and the United States dollar in contrast strengthened against the euro. The translation risk was not hedged during the financial year.

Interest rate risk

The Group's interest rate risk relates to the Group's non-current loans, totaling EUR 1.1 (0.5) million on December 31, 2019. The Group does not hedge the interest rate risk.

Liquidity risk

The purpose of liquidity risk management is to ensure that the Group has access to sufficient liquid assets and credit facilities in order to guarantee sufficient funding of the Group's business operations. The Group's liquidity is controlled through cash and liquidity management. The Group's liquidity remained strong in 2019. The credit limit was increased in Finland, but decreased in Singapore.

On December 31, 2019, the Group's cash and cash equivalents were EUR 5.8 (5.0) million. In addition, the parent company and subsidiaries have unused credit limits.

| EUR MILLION | 2019 | 2018 |
|---------------------------|------------|------------|
| Cash and cash equivalents | 5,8 | 5,0 |
| Credit facilities | 4,5 | 4,3 |
| Lines of credit in use | -2,2 | -2,2 |
| Total | 8,1 | 7,0 |

Customer credit risk

A substantive part of the Group's receivables are from a small number of customers. However, the Group does not consider there to be any significant concentrations of customer credit risk because these customers are large and financially solid companies. Customers' credit-worthiness is secured through credit checks. Trade receivables are monitored centrally by Group functions. The Group does not provide customer financing.

Ageing structure of the Group's receivables and impairment losses recognized during the financial year are presented in Note 19 Trade and Other Receivables.

Capital Structure Management

The purpose of the Group's capital structure management is to ensure the Group's liquidity in all market situations, to secure funding for the Group's strategic investments, and to maintain the Group's shareholder value. Capital structure management comprises the management of the Group's solidity and liquidity. The Group's capital structure is monitored by using the debt to equity ratio (gearing). The debt-equity ratio is calculated by dividing total net liabilities by total assets. Net liabilities include interest-bearing liabilities less cash and cash equivalents.

| EUR MILLION | 2019 | 2018 |
|------------------------------|-------------|--------------|
| Interest-bearing liabilities | 5,8 | 3,2 |
| Cash and cash equivalents | 5,8 | 5,0 |
| Net debt | 0,0 | -1,7 |
| Shareholders' equity | 24,3 | 22,2 |
| Gearing | 0,2% | -7,8% |

27. COMMITMENTS AND CONTINGENT LIABILITIES

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|--|---------------|---------------|
| Collateral for own commitments | | |
| Trade receivables pledged as collateral | 5,677 | 4,021 |
| Floating charges | 3,000 | 3,000 |
| Pledged charges, book value in the Group | - | 809 |

Disputes and court proceedings

The Group's subsidiary company has received a claim related to an employee grievance. The claim brought against the company is approx. 34 thousand euros. The company has denied the claims in full. The dispute has not gone to court.

28. SUBSIDIARIES

| COMPANY | DOMICILE | COUNTRY | SHARE-HOLDING %, PARENT | SHARE-HOLDING %, GROUP |
|----------------------------------|----------------|-----------|-------------------------|------------------------|
| Dovre Asia Pte Ltd. | Singapore | Singapore | 100.00 | 100.00 |
| Dovre Australia Pty Ltd. | Sydney | Australia | 100.00 | 100.00 |
| Dovre Canada Ltd. | St. John's | Canada | 100.00 | 100.00 |
| Dovre Club Oy | Helsinki | Finland | 100.00 | 100.00 |
| Dovre Group Consulting AS | Stavanger | Norway | 100.00 | 100.00 |
| Dovre Group Inc. | Houston | USA | 100.00 | 100.00 |
| Dovre OOO | St. Petersburg | Russia | 100.00 | 100.00 |
| Dovre Group Projects AS | Stavanger | Norway | 100.00 | 100.00 |
| Dovre Group (Singapore) Pte Ltd. | Singapore | Singapore | 0.00 | 100.00 |
| Proha Oy | Espoo | Finland | 100.00 | 100.00 |
| Tech4Hire AS | Oslo | Norway | 0.00 | 100.00 |

At the beginning of 2019, the Group announced that it would integrate its ICT and project management operations in Finland into a new company called Proha Oy, which began operations on April 1, 2019. In June 2019, the Group announced the completion of the acquisition of Norwegian staffing and consulting company Tech4Hire AS. In addition, Dovre Group LLC registered in Yuzhno-Sakhalinsk was dissolved during the year and Dovre OOO was established in St. Petersburg.

29. RELATED PARTY TRANSACTIONS

Transactions with related parties

A related party is an entity, in which a member of the management of the Group or of its parent company holds either direct or indirect control, holds control together with another party, or has significant influence.

Dovre Group did not have any material transactions with any other related parties in 2019 or 2018. There were no loans given to management in the Group balance sheet on December 31, 2019 or December 31, 2018.

Management remuneration and compensation

Key management remuneration and compensation

Key management remuneration and compensation Information includes total remuneration paid to the members of the Board and the members of the Group Executive Team.

| EUR THOUSAND | 2019 | 2018 |
|---|-------------|---------------|
| Salaries and other short-term employee benefits | -775 | -964 |
| Share-based compensation | -99 | -44 |
| Total | -874 | -1,008 |

In 2019, the CEO's share-based compensation totaled EUR 58 thousand (EUR 44 thousand in 2018).

Remuneration paid to the CEO and the members of the Board

Information includes the total remuneration, compensation, and fringe benefits paid to the CEO and the acting CEO of the parent company and the members of the Board of Directors of Dovre Group Plc.

| EUR THOUSAND | 2019 | 2018 |
|--|-------------|-------------|
| Board members on Dec. 31, 2019: | | |
| Svein Stavelin - Chairman of the Board as of August 31, 2018 *) | -35 | -22 |
| Ilari Koskelo - Vice Chairman of the Board as of August 31, 2018 | -25 | -23 |
| Antti Manninen - Board member as of March 28, 2018 | -22 | -17 |
| Kristine Larneng - Board member as of March 27, 2019 | -17 | 0 |
| Former Board members: | | |
| Rainer Häggblom - Chairman of the Board until March 28, 2018 | 0 | -9 |
| Ole Olsen - Chairman of the Board March 28-August 31, 2018 *) | 0 | -21 |
| Louis Harrewijn - Board member until March 20, 2018 | 0 | -6 |
| CEO: | | |
| Arve Jensen as of November 1, 2018 | -267 | -49 |
| Patrick von Essen until October 31, 2018 | 0 | -208 |
| Total | -366 | -354 |

*) Svein Stavelin was Vice Chairman of the Board as of March 28, 2018. Ole Olsen was Vice Chairman of the Board between March 30, 2017 and March 28, 2018.

In 2018, 40% of total gross compensation paid to Board members has been paid in the company's shares purchased in public trading. The compensation was paid in cash in 2019.

Management stock options

Information includes stock options granted to CEO and other members of the Group Executive Team.

| | 2019 | 2018 |
|--|------|------|
| Number of options granted (1,000) | 200 | 400 |
| Of which exercisable (1,000) | 200 | 400 |
| Fair value of options, total (EUR million) | 24 | 42 |
| Total number of shares that can be subscribed for with stock options granted to management (1,000) | 200 | 400 |

5. FINANCIAL STATEMENTS OF THE PARENT COMPANY, FAS

INCOME STATEMENT OF THE PARENT COMPANY, FAS

| EUR THOUSAND | NOTE | JAN. 1-DEC. 31, 2019 | JAN. 1-DEC. 31, 2018 |
|------------------------------------|------|----------------------|----------------------|
| NET SALES | 2 | 8,352 | 6,807 |
| Other operating income | 3 | 795 | 10 |
| Material and services | 4 | -4,415 | -1,661 |
| Employee benefits expense | 5 | -2,771 | -4,000 |
| Depreciation and amortization | 6 | -48 | -88 |
| Other operating expenses | | -1,355 | -1,224 |
| OPERATING RESULT | | 558 | -157 |
| Financing income and expenses | 8 | 831 | -3,558 |
| RESULT BEFORE TAXES | | 1,389 | -3,715 |
| Appropriations: Group contribution | | 55 | 0 |
| Tax | 9 | -227 | -18 |
| RESULT FOR THE PERIOD | | 1,217 | -3,734 |

BALANCE SHEET OF THE PARENT COMPANY, FAS

| EUR THOUSAND | NOTE | DEC. 31, 2019 | DEC. 31, 2018 |
|--|------|---------------|---------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Intangible assets | 10 | 0 | 184 |
| Tangible assets | 11 | 0 | 13 |
| Investments | | | |
| Investments in subsidiaries | 12 | 25,381 | 24,222 |
| Investments in associates | 12 | 0 | 921 |
| Investments in other shares | 12 | 1,147 | 1,147 |
| NON-CURRENT ASSETS | | 26,527 | 26,486 |
| CURRENT ASSETS | | | |
| Non-current assets | | | |
| Loan receivables | 13 | 3,395 | 3,815 |
| Deferred tax assets | 13 | 0 | 183 |
| Current assets | 14 | 1,317 | 1,098 |
| Cash and cash equivalents | | 513 | 288 |
| CURRENT ASSETS | | 5,225 | 5,384 |
| TOTAL ASSETS | | 31,752 | 31,871 |
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' EQUITY | | | |
| Share capital | 15 | 9,603 | 9,603 |
| Reserve for invested non-restricted equity | 15 | 12,708 | 12,300 |
| Retained earnings | 15 | 5,259 | 9,986 |
| Result for the period | 15 | 1,217 | -3,734 |
| SHAREHOLDERS' EQUITY | | 28,788 | 28,155 |
| LIABILITIES | | | |
| Non-current liabilities | 16 | 0 | 518 |
| Current liabilities | 17 | 2,964 | 3,198 |
| LIABILITIES | | 2,964 | 3,716 |
| TOTAL EQUITY AND LIABILITIES | | 31,752 | 31,871 |

CASH FLOW STATEMENT OF THE PARENT COMPANY, FAS

| EUR THOUSAND | JAN. 1-DEC.31, 2019 | JAN. 1-DEC.31, 2018 |
|---|---------------------|---------------------|
| Cash flow from operating activities | | |
| Operating profit (+) / loss (-) | 558 | -157 |
| Depreciation and amortization | 48 | 88 |
| Other adjustments | -752 | -8 |
| Changes in working capital | -67 | 165 |
| Interest received | 33 | 54 |
| Interest paid | -51 | -33 |
| Other financial items | -57 | -6 |
| Income taxes paid | -44 | -18 |
| Net cash generated by operating activities | -332 | 85 |
| Cash flow from investing activities | | |
| Investments in tangible and intangible assets | 0 | -110 |
| Investments in Group companies | -3 | 0 |
| Proceed from liquidated shares in subsidiaries | 6 | 0 |
| Purchase of shares in associates | -68 | 0 |
| Proceeds from sale of shares in associates | 1,641 | 0 |
| Dividends received from investments | 221 | 516 |
| Increase (-) / decrease (+) in loan receivables | -20 | 81 |
| Net cash generated by investing activities | 1,777 | 487 |
| Cash flow from financing activities | | |
| Directed share issue | 409 | 0 |
| Repurchases of own shares | 0 | -160 |
| Repayments of non-current loans | -900 | -600 |
| Proceeds from current loans | 621 | 1,300 |
| Repayments of current loans | -366 | 0 |
| Dividends paid | -993 | -993 |
| Net cash generated by financing activities | -1,230 | -453 |
| Translation differences | 10 | -3 |
| Change in cash and cash equivalents | 225 | 116 |
| Cash and cash equivalents at the beginning of the period | 288 | 172 |
| Cash and cash equivalents at the end of the period | 513 | 288 |

NOTES TO DOVRE GROUP PLC'S FINANCIAL STATEMENTS, FAS

1. ACCOUNTING PRINCIPLES

The financial statements of the parent company Dovre Group Plc have been prepared in accordance with Finnish accounting and corporate legislation.

Foreign currency transactions

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transaction. At the end of the financial period, foreign currency nominated assets and liabilities are translated at the rate of exchange prevailing at the end of the reporting period. Foreign exchange gains and losses are presented under financing income and expense in the income statement.

Revenue recognition

Revenue from services is recognized upon delivery to the client. All service related travel and other expenses that have been invoiced from the client are included in revenue from services. Revenue from licenses is recognized upon the granting of user rights when all the main risks and rewards of license ownership have been transferred to the buyer. Revenue from maintenance is allocated to the contract period. Net sales includes royalty fee charged from Group companies for intangible marketing property and for using the Dovre Group trademark. Royalties are recognized on an accrual basis and in accordance with the respective licensing agreement.

Pensions

The parent company's pension schemes are funded through payments to an insurance company. Statutory pension expenses are recognized as expense in the year they are incurred.

Fixed assets

Fixed assets are stated at acquisition cost less accumulated depreciation and amortization. Depreciation and amortization are recorded

on a straight-line basis over the expected economic useful lives of the assets as follows:

| | |
|--|-----------|
| Intangible assets (capitalized development cost) | 4 years |
| Intangible assets (software) | 2-3 years |
| Intangible assets (trademarks) | 5 years |
| Merger assets | 5 years |
| Other capitalized expenditure | 3-5 years |
| Machinery and equipment | 3-5 years |

Derivative instruments

The company hedges, when appropriate, receivables and liabilities denominated in foreign currency with different currency forward and option contracts. Derivatives are recognized in the balance sheet under other receivables or payables at fair value on the date of trade. Outstanding derivatives are remeasured at their fair value at the end of each reporting period and the resulting gain or loss is immediately recognized in profit or loss under financial items. In determining the fair value of a derivative, the appropriate quoted market price is used, if available. Alternatively, fair value is determined using commonly used valuation methods. The company had no outstanding derivative contracts at the end of 2019.

Taxes

Income tax is recognized in accordance with Finnish tax legislation. Taxes withheld in foreign jurisdictions are recognized as cost in the income statement if they cannot be utilized in taxation. Deferred tax assets are recognized with utmost prudence.

2. NET SALES

NET SALES BY BUSINESS ACTIVITY

| EUR THOUSAND | 2019 | 2018 |
|-------------------|--------------|--------------|
| Consulting | 275 | 1,241 |
| Project personnel | 7,242 | 4,475 |
| Other functions | 835 | 1,091 |
| Total | 8,352 | 6,807 |

GEOGRAPHICAL DISTRIBUTION

| EUR THOUSAND | 2019 | 2018 |
|-----------------|--------------|--------------|
| The Netherlands | 5,737 | 3,595 |
| Finland | 1,200 | 1,678 |
| Norway | 922 | 643 |
| Singapore | 133 | 191 |
| Other countries | 360 | 700 |
| Total | 8,352 | 6,807 |

3. OTHER OPERATING INCOME

| EUR THOUSAND | 2019 | 2018 |
|----------------------------------|------------|-----------|
| Rents | 24 | 8 |
| Gain from transfer of a business | 752 | 0 |
| Other income | 18 | 2 |
| Total | 794 | 10 |

Dovre Group Plc recognized a capital gain of EUR 752 thousand from the divestment, whereby it transferred the Consulting business to its wholly owned subsidiary Proha Oy on April 1, 2019. In connection with the transaction, Dovre Group Plc subscribed for new shares in Proha Oy.

4. MATERIAL AND SERVICES

| EUR THOUSAND | 2019 | 2018 |
|-------------------|---------------|---------------|
| License fees | -23 | -132 |
| External services | -4,392 | -1,528 |
| Total | -4,415 | -1,660 |

5. EMPLOYEE BENEFITS EXPENSE

| EUR THOUSAND | 2019 | 2018 |
|-------------------------|---------------|---------------|
| Salaries and fees | -2,332 | -3,434 |
| Pension expenses | -349 | -485 |
| Other employee benefits | -90 | -81 |
| Total | -2,771 | -4,000 |

Management remuneration

| EUR | 2019 | 2018 |
|-----------------------------------|----------------|-----------------|
| CEO | 0 | -207,649 |
| Members of the Board of Directors | -98,500 | -96,667 |
| Total | -98,500 | -304,316 |

Pension liabilities for the members of the Board and the CEO

The contracts do not contain any special provisions concerning retirement age or pension. Arve Jensen from Norway has been President and CEO of Dovre Group Plc since November 1, 2018. His remuneration is paid by Dovre Group Projects AS. In 2018, a total of EUR 36,030 of the CEO's statutory pension expenses was charged to the income statement.

| NUMBER OF EMPLOYEES | 2019 | 2018 |
|----------------------------------|------|------|
| Average | 26 | 38 |
| At the end of the financial year | 25 | 33 |

6. DEPRECIATION AND AMORTIZATION

| EUR THOUSAND | 2019 | 2018 |
|---|------------|------------|
| Amortization according to plan, intangible assets | -46 | -79 |
| Depreciation according to plan, tangible assets | -2 | -9 |
| Total | -48 | -88 |

7. AUDITOR FEES

| AUDIT FIRM BDO OY EUR THOUSAND | 2019 | 2018 |
|-----------------------------------|------------|------------|
| External audit | -45 | -40 |
| Other services | 0 | -5 |
| Total | -45 | -45 |

8. FINANCING INCOME AND EXPENSES

| DIVIDEND INCOME EUR THOUSAND | 2019 | 2018 |
|--------------------------------------|------------|------------|
| Dividend income from Group companies | 221 | 516 |
| Total | 221 | 516 |

| GAIN FROM DISPOSAL OF SHARES EUR THOUSAND | 2019 | 2018 |
|--|------------|----------|
| Gain from disposal of subsidiaries | 2 | 0 |
| Gain from disposal of associated companies (Note 12) | 652 | 0 |
| Total | 654 | 0 |

| OTHER INTEREST AND FINANCING INCOME EUR THOUSAND | 2019 | 2018 |
|---|-----------|-----------|
| Interest income from Group companies | 39 | 45 |
| Other financing income from others | 3 | 1 |
| Total | 42 | 46 |

| IMPAIRMENT LOSSES EUR THOUSAND | 2019 | 2018 |
|--|----------|---------------|
| Impairment, investments in Group companies | 0 | -4,100 |
| Total | 0 | -4,100 |

| INTEREST AND FINANCING EXPENSES EUR THOUSAND | 2019 | 2018 |
|---|------------|------------|
| Interest expenses to Group companies | -28 | -12 |
| Interest expenses, interest-bearing liabilities | -24 | -21 |
| Other interest and financing expenses | -34 | 12 |
| Total | -86 | -21 |

| | | |
|---|------------|---------------|
| Financing income and expenses, total | 831 | -3,559 |
|---|------------|---------------|

| | | |
|--|----|----|
| Foreign exchange gains included in financing income | 0 | 0 |
| Foreign exchange losses included in financing income | 15 | 21 |

9. INCOME TAXES

| EUR THOUSAND | 2019 | 2018 |
|-------------------------------|-------------|------------|
| Tax on income from operations | -44 | -18 |
| Change in deferred tax assets | -183 | 0 |
| Total | -227 | -18 |

10. INTANGIBLE ASSETS

| CAPITALIZED DEVELOPMENT COSTS EUR THOUSAND | 2019 | 2018 |
|--|----------|------------|
| Acquisition cost, Jan. 1 | 183 | 98 |
| Additions | 0 | 85 |
| Disposals | -183 | 0 |
| Acquisition cost, Dec. 31 | 0 | 183 |
| Accumulated amortization and value adjustments, Jan. 1 | -34 | -34 |
| Accumulated amortization from disposals | 45 | 0 |
| Amortization charges for the year | -11 | 0 |
| Accumulated amortization and value adjustments, Dec.31 | 0 | -34 |
| Book value, Dec. 31 | 0 | 149 |

Dovre Group Plc has capitalized development work to create Intelli R software, which is a construction cost control tool for building and construction entities. The development work was finalized during the first half of the year 2018. The asset was part of the business transfer to Proha Oy on April 1, 2019 (See Note 3).

| INTANGIBLE RIGHTS AND OTHER CAPITALIZED EXPENDITURE EUR THOUSAND | 2019 | 2018 |
|---|----------|-----------|
| Acquisition cost, Jan. 1 | 229 | 229 |
| Disposals | -128 | 0 |
| Acquisition cost, Dec. 31 | 101 | 229 |
| Accumulated amortization and value adjustments, Jan. 1 | -194 | -149 |
| Accumulated amortization from disposals | 128 | 0 |
| Amortization charges for the year | -35 | -45 |
| Accumulated amortization and value adjustments, Dec. 31 | -101 | -194 |
| Book value, Dec. 31 | 0 | 35 |

11. TANGIBLE ASSETS

| MACHINERY AND EQUIPMENT EUR THOUSAND | 2019 | 2018 |
|---|----------|-----------|
| Acquisition cost, Jan. 1 | 105 | 119 |
| Disposals | -60 | -14 |
| Acquisition cost, Dec. 31 | 45 | 105 |
| Accumulated depreciation and value adjustments, Jan. 1 | -92 | -97 |
| Accumulated depreciation from disposals | 49 | 14 |
| Depreciation charges for the year | -2 | -9 |
| Accumulated depreciation and value adjustments, Dec. 31 | -45 | -92 |
| Book value, Dec. 31 | 0 | 13 |

12. INVESTMENTS

| INVESTMENTS IN GROUP COMPANIES EUR THOUSAND | 2019 | 2018 |
|---|---------------|---------------|
| Acquisition cost, Jan. 1 | 28,625 | 28,700 |
| Additions | 1,163 | 500 |
| Disposals | -4 | -575 |
| Acquisition cost, Dec. 31 | 29,784 | 28,625 |
| Accumulated value adjustments, Jan. 1 | -4,403 | -878 |
| Impairment on disposals | 0 | 575 |
| Impairment | 0 | -4,100 |
| Accumulated impairment and value adjustments, Dec. 31 | -4,403 | -4,403 |
| Book value, Dec. 31 | 25,381 | 24,222 |

| INVESTMENTS IN ASSOCIATES EUR THOUSAND | 2019 | 2018 |
|---|----------|------------|
| Acquisition cost, Jan. 1 | 921 | 4,292 |
| Additions | 68 | 121 |
| Transfer to other shares | -989 | -3,492 |
| Acquisition cost, Dec. 31 | 0 | 921 |
| Accumulated impairment and value adjustments, Jan. 1 | 0 | -2,346 |
| Impairment on transfer to other shares | 0 | 2,346 |
| Accumulated impairment and value adjustments, Dec. 31 | 0 | 0 |
| Book value, Dec. 31 | 0 | 921 |

| OTHER INVESTMENTS EUR THOUSAND | 2019 | 2018 |
|---|--------------|--------------|
| Acquisition cost, Jan. 1 | 1,147 | 0 |
| Transfer from investments in associates | 0 | 1,147 |
| Acquisition cost, Dec. 31 | 1,147 | 1,147 |
| Book value, Dec. 31 | 1,147 | 1,147 |

| INVESTMENTS IN SUBSIDIARIES ON DEC. 31, 2019 | DOMICILE | COUNTRY | PARENT COMPANY OWNERSHIP % |
|--|----------------|-----------|-------------------------------|
| Dovre Asia Pte Ltd. | Singapore | Singapore | 100.00 |
| Dovre Australia Pty Ltd. | Sydney | Australia | 100.00 |
| Dovre Canada Ltd. | St. John's | Canada | 100.00 |
| Dovre Club Oy | Helsinki | Finland | 100.00 |
| Dovre Group Consulting AS | Stavanger | Norway | 100.00 |
| Dovre Group Inc. | Houston | USA | 100.00 |
| Dovre OOO | St. Petersburg | Russia | 100.00 |
| Dovre Group Projects AS | Stavanger | Norway | 100.00 |
| Proha Oy | Espoo | Finland | 100.00 |

| INVESTMENTS IN OTHER COMPANIES ON DEC. 31, 2019 | DOMICILE | COUNTRY | PARENT COMPANY OWNERSHIP % |
|---|-----------|-----------|-------------------------------|
| SaraRasa Bioindo Pte Ltd. | Singapore | Singapore | 19.86 |

13. NON-CURRENT RECEIVABLES

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|---|---------------|---------------|
| Loan receivables | | |
| Non-current loan receivables from Group companies | 3,395 | 3,815 |
| Total | 3,395 | 3,815 |
| Deferred tax assets | 0 | 183 |
| Non-current receivables, total | 3,395 | 3,998 |

In 2019, the company had a total of EUR 0.2 million (EUR 0.2 million in 2018) unrecognized deferred tax assets for previous years' losses. The company used a portion of the losses as well as recognized a deferred tax asset of EUR 183 thousand to the income statement in 2019. Result for 2019 includes gain on sale of shares in Kiinteistö Oy Kuukoti and a business transfer to Proha Oy.

14. CURRENT RECEIVABLES

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|---|---------------|---------------|
| Current receivables from Group companies | | |
| Trade receivables | 59 | 65 |
| Loan receivables | 275 | 184 |
| Other receivables | 60 | 0 |
| Accrued receivables, interest receivable | 9 | 0 |
| | 403 | 249 |
| Current receivables from others | | |
| Trade receivables | 807 | 720 |
| Other receivables | 24 | 20 |
| Accrued receivables | 83 | 109 |
| | 914 | 849 |
| Current receivables, total | 1,317 | 1,098 |

| ACCRUED RECEIVABLES FROM OTHERS EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|---|---------------|---------------|
| Sales accruals | 30 | 49 |
| Accrued expenses | 53 | 60 |
| Total | 83 | 109 |

15. SHAREHOLDERS' EQUITY

Restricted equity

| SHARE CAPITAL EUR THOUSAND | 2019 | 2018 |
|-------------------------------|-------|-------|
| Share capital, Jan. 1 | 9,603 | 9,603 |
| Share capital, Dec. 31 | 9,603 | 9,603 |

Non-restricted equity

| RESERVE FOR INVESTED NON-RESTRICTED EQUITY EUR THOUSAND | 2019 | 2018 |
|--|--------|--------|
| Reserve for invested non-restricted equity, Jan. 1 | 12,300 | 12,300 |
| Exercised stock options | 409 | 0 |
| Reserve for invested non-restricted equity, Dec. 31 | 12,708 | 12,300 |

| RETAINED EARNINGS EUR THOUSAND | 2019 | 2018 |
|-----------------------------------|-------|--------|
| Retained earnings, Jan. 1 | 6,252 | 11,132 |
| Repurchase of own shares | 0 | -154 |
| Dividend distribution | -993 | -993 |
| Result for the period | 1,217 | -3,734 |
| Retained earnings, Dec. 31 | 6,476 | 6,252 |

| CALCULATION OF DISTRIBUTABLE EARNINGS EUR THOUSAND | 2019 | 2018 |
|---|---------------|---------------|
| Retained earnings | 5,260 | 9,986 |
| Reserve for invested non-restricted equity | 12,708 | 12,300 |
| Capitalized development costs | 0 | -149 |
| Result for the period | 1,217 | -3,734 |
| Total | 19,185 | 18,403 |

16. NON-CURRENT LIABILITIES

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|---|---------------|---------------|
| Non-current loans from financial institutions | 0 | 450 |
| Other non-current liabilities | 0 | 68 |
| Total | 0 | 518 |

17. CURRENT LIABILITIES

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|---|---------------|---------------|
| Current liabilities to Group companies | | |
| Trade payables | 20 | 15 |
| Other liabilities | 1,191 | 709 |
| | 1,211 | 724 |
| Liabilities to others | | |
| Current loans from banks | 150 | 600 |
| Current overdraft facility from banks | 726 | 912 |
| Trade payables | 321 | 309 |
| Other liabilities | 83 | 135 |
| Accruals and deferred income | 473 | 518 |
| | 1,753 | 2,474 |
| Current liabilities, total | 2,964 | 3,198 |

| ACCRUALS AND DEFERRED INCOME EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|--|---------------|---------------|
| Accrued employee expenses | 326 | 400 |
| Deferred income | 0 | 27 |
| Other accrued expenses | 147 | 92 |
| Total | 473 | 519 |

18. COMMITMENTS AND CONTINGENT LIABILITIES

Collateral

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|--|---------------|---------------|
| Collateral for own commitments | | |
| Chattel mortgages and other pledges given as collateral for liabilities and commitments | | |
| Loans from financial institutions | 150 | 1,050 |
| Floating charges | 3,000 | 3,000 |
| Collateral for own commitments, other | | |
| Pledged shares | - | 921 |
| Guarantees given for others | | |
| Loan guarantee (overdraft) | 1,929 | 2,272 |
| Other guarantees | 3,147 | 1,005 |
| Total | 5,076 | 3,277 |

Contingent liabilities and other commitments

| EUR THOUSAND | DEC. 31, 2019 | DEC. 31, 2018 |
|--------------------------------|---------------|---------------|
| Lines of credit | | |
| Lines of credit granted, total | 1,600 | 1,000 |

Pension liabilities

The company's pension liabilities have been insured with an outside pension insurance company.

Future minimum payments for non-cancellable operating leases

| EUR THOUSAND | 2019 | 2018 |
|---|------------|----------|
| Not later than one year | 48 | 3 |
| Later than one year and not later than five years | 121 | 0 |
| Total | 169 | 3 |

Employees of the subsidiary Proha Oy also work in the same premises as Dovre Group Oyj. Proha Oy has a sublease on the premises.

Disputes and court proceedings

The Group has no pending disputes or court proceedings.

6. SIGNATURES FOR THE FINANCIAL STATEMENTS AND THE REPORT OF THE BOARD OF DIRECTORS

Oslo, Norway, February 19, 2020

Svein Stavelin
Chairman of the Board of Directors

Ilari Koskelo
Vice Chairman of the Board of Directors

Kristine Larneng
Member of the Board of Directors

Antti Manninen
Member of the Board of Directors

Arve Jensen
CEO

Auditor's statement

Based on an audit, an opinion is expressed on these financial statements and on corporate governance on this date.

Espoo, February 27, 2020

BDO OY
Authorized Public Accountants

Ari Lehto
Authorized Public Accountant

AUDITOR'S REPORT



7. AUDITOR'S REPORT

(Translation of the Finnish original)

To the Annual General Meeting of Dovre Group Plc

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Dovre Group Plc (business identity code 0545139-6) for the year ended 31 December, 2019. The financial statements comprise the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including a summary of significant accounting policies, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial performance and financial position in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Board of Directors.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 9 to the consolidated financial statements and in note 7 to the parent company's financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|
| Valuation of Goodwill <i>We refer to the Group's accounting policies and the note 15</i> | |
| <ul style="list-style-type: none"> The value of goodwill in the consolidated balance sheet amounted to EUR 17.4 million representing 35% of the total assets and 72% of net assets (2018: EUR 15.2 million representing 40% of the total assets and 69% of net assets). Goodwill is not amortized but is tested annually for impairment. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Determination of the key assumptions in future cash flow forecasts underlying the impairment tests requires management make judgements over certain key inputs, for example discount rate, growth rates and profitability levels. The impairment test of goodwill is based on both market and financial assumptions. | <ul style="list-style-type: none"> We assessed the allocation basis, i.e. the allocation of goodwill to the tested cash-generating units complies with the allocation principles defined by the company. We have obtained an understanding of the management's process for evaluating the impairment of goodwill and reviewed assumptions supporting forecasted cash flows, comparison of prior year forecasts to actuals and the components of the cost of capital. We involved our own valuation specialist when assessing the assumptions used in determining the discount rate to market and industry information. Furthermore, we considered the accuracy of sensitivity analysis and the appropriateness of the notes in respect of impairment testing. |
| Revenue Recognition <i>We refer to the Group's accounting policies and the note 5</i> | |
| <p>The sales of the Group consist of revenue from the sale of services, licenses as well as maintenance of licenses. Revenue from sales of services, products or their combination is recognized when the performance obligation is satisfied. 99% of the Dovre Group's turnover consists of service sales based on hours or days done.</p> <p>Revenue recognition is a key performance measure used by the Group and due to the risk relating to incorrect timing of recognition of revenue a significant risk of material misstatement referred to in EU Regulation No 537/241, point (c) of Article 10(2).</p> | <ul style="list-style-type: none"> We have reviewed revenue recognition policies to verify its accordance to IFRS We have verified the design and implementation of key controls related to revenue recognition and performed analytical procedures and detailed transaction testing We have tested the sales cut-off on a transaction level before and after the balance sheet date Assessment of the disclosures related to revenues. |

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities in the Audit of Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than

for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER REPORTING REQUIREMENTS

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on 28.3.2018, and our appointment represents a total period of uninterrupted engagement of two years.

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report but does not include the financial statements and our report thereon.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Espoo 27.2.2020

BDO Oy, Audit Firm

Ari Lehto

Authorized Public Accountant

**CORPORATE GOVERNANCE
STATEMENT 2019**



8. CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

This Corporate Governance Statement has been composed in accordance with the reporting requirements of the Finnish Corporate Governance Code (2015) issued by the Finnish Securities Market Association, and Chapter 7, Section 7 of the Finnish Securities Markets Act. The Finnish Corporate Governance Code can be found on the Association's website, www.cgfinland.fi. This Corporate Governance Statement is issued separately from the report by the company's Board of Directors. The Statement has been reviewed by Dovre Group Plc's Board of Directors.

GENERAL PRINCIPLES

Dovre Group's parent company, Dovre Group Plc, is a public limited company registered in Finland and domiciled in Helsinki, Finland. In its decision-making and governance, Dovre Group complies with all applicable legislation, the company's Articles of Association, and the Finnish Corporate Governance Code issued by the Finnish Securities Market Association. In addition, the company complies with the rules and regulations of Nasdaq Helsinki Ltd and the standards, regulations, and guidelines of the Finnish Financial Supervisory Authority. Dovre Group's subsidiaries comply with local legislation.

The Board of Directors does not have any designated board committees. The establishment of committees has not been deemed necessary due to the size of the company and the Board. The duties of the Audit Committee are managed by the Board of Directors.

Up-to-date information about the company's corporate governance is available on the company's website, www.dovregroup.com/investors/corporate-governance.html.

DOVRE GROUP'S GOVERNING BODIES

The General Meeting of Shareholders, the Board of Directors, and the CEO are responsible for the Group's management. Their tasks and responsibilities are determined in accordance with the Finnish Limited Liability Companies Act. The CEO, assisted by the Group Executive Team, is responsible for the Group's operational management.

General Meeting of Shareholders

Dovre Group's supreme decision-making body is the General Meeting of Shareholders. The Annual General Meeting of Shareholders is organized once a year on a date set by the Board of Directors and is held within six (6) months of the end of the financial period. The Board of Directors may convene one or more Extraordinary General Meetings during the financial year if necessary. In accordance with the Articles of Association, the General Meeting is to be held in Espoo, Helsinki, or Vantaa. Notice of the Annual General Meeting and a proposal for the agenda are released as stock exchange releases and published on the company's website.

The Annual General Meeting decides on the following issues:

- Adoption of the income statement and balance sheet
- Use of the profit or loss shown on the balance sheet
- Discharging from liability the members of the Board and the CEO
- Number of Board members and their election
- Election of the Auditor
- Remuneration of the Board and compensation of the Auditor
- Other issues as outlined in the notice of the meeting

Board of Directors

Dovre Group's Board of Directors is responsible for the administration and the proper organization of the company's operations. The Board supervises the company's operations and management, and decides on significant matters concerning the company's strategy, organization, financing, and investments. The duties and responsibilities of the Board are determined in accordance with the company's Articles of Association and the Finnish Limited Liability Companies Act.

The Board has not established an audit committee; the duties of the audit committee are discharged by the Board in its entirety.

The Board prepares an annual charter that specifies the Board's meeting procedures and duties. In accordance with the Board charter, the duties of the Board include following:

- Assuming responsibility for tasks specified as obligatory for the Board of Directors by the Finnish Limited Liability Companies Act, the company's Articles of Association, or elsewhere
- Approving the Group's strategy and long-term financial targets
- Approving the Group's Code of Conduct
- Approving the Group's management system and organizational structure
- Approving annual business plans and changes to them, if any
- Approving internal control and risk management policies and monitor them
- Approving the Group's financial reports, including the company's half year financial report, annual financial statements, report by the Board of Directors, and Q1 and Q3 trading statements
- Assuming responsibility for communications related to the Group's financial objectives
- Approving the Group's financial policy
- Assuming responsibility for the development of the Group's market value and specifying dividend policy
- Approving business acquisitions and divestments and significant individual investments and contingent liabilities
- Approving the Group's incentive system and policy
- Appointing and dismissing the Group's top management (CEO and members of the Group Executive Team) and deciding on their terms of employment and remuneration
- Appointing a deputy to the CEO
- Overseeing the succession planning of the CEO
- Deciding on the establishment of new legal entities
- Assuming responsibility for the development of the Group's corporate governance
- Approving the agenda for Board meetings
- Reviewing the operations of the Board annually
- Reviewing the CEO's performance and giving feedback
- Acting as the Audit committee

In accordance with the Articles of Association, the Board has a minimum of three (3) and a maximum of eight (8) members. The Board members are elected by the Annual General Meeting for one term of office at a time. The term of office of a member of the Board begins at the end of the General Meeting that elected the member and expires at the end of the first Annual General Meeting following

the election. The company's Articles of Association do not specify an upper age limit for, or the maximum number of terms of office, of a Board member, and place no other restrictions on the authority of the General Meeting to elect members to the Board. The Board selects a Chairman and a Vice Chairman from among its members, and the Board is deemed to have a quorum present when more than half of its members are present.

The company considers diverse composition of the Board as an important asset. In selecting candidates to the Board, the company pays attention, amongst other things, to the candidates' diverse and mutually complementary background, experience, and expertise, especially in international business. The company also aims to have, where possible, representatives of both genders on the Board.

The Board convenes normally once a month according to an preagreed schedule, and may hold additional meetings, if necessary. Minutes are kept for all meetings. In addition to matters requiring Board decision, the Board, in its meetings, is provided with up-to-date information on the Group's operations, financial situation, and risks.

Chief Executive Officer (CEO)

The Board of Directors appoints the CEO. The CEO is responsible for the day-to-day management of the Group's business operations and governance in accordance with the Articles of Association, the Finnish Limited Liability Companies Act, and the instructions issued by the Board. The CEO is assisted by the Group Executive Team.

Group Executive Team

The Group Executive Team is appointed by the Board of Directors. The Group Executive Team assists the CEO in the operative management of the Group, prepares items for the Board and the CEO, and plans and monitors the operations of the Group's business units. The Group Executive Team convenes at least once a month. The CEO acts as the Chairman of the Group Executive Team.

INTERNAL AUDIT

The Group has no separate internal audit organization. The establishment of an internal audit organization has not been deemed necessary due to the size of the company. The Group's Executive Team assesses and ensures the sufficiency and effectiveness of the Group's internal control, as well as supports the Board with its monitoring responsibility.

EXTERNAL AUDIT

According to the Articles of Association, Dovre Group shall have one auditor who shall be an audit firm. The term of the auditor expires at the end of the first Annual General Meeting following their selection. The Board's proposal for the auditor is disclosed in the notice of the General Meeting.

The primary purpose of an audit is to verify that the financial statements give accurate and adequate information concerning the Group's result and financial position for the financial period. In addition, the auditors shall report to the Board of Directors on the ongoing auditing of administration and operations.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS PERTAINING TO FINANCIAL REPORTING

The purpose of the Group's internal control is to support the implementation of the Group's strategy and to ensure that the Group

complies with all relevant rules and regulations. The Group's internal control framework is based on the Dovre Group Authorization Matrix, which specifies the authority and the responsibilities of the Group's management. The Authorization Matrix is approved by the Board of Directors, which also acts as the highest supervisory body of the Group's internal control. The implementation of internal control measures is supervised primarily by the CEO and CFO, who report to the Board.

The ultimate responsibility for accounting and financial administration lies with Dovre Group's Board of Directors. The Board is responsible for internal control, and the CEO is responsible for the day-to-day organization and monitoring of the control system. The steering and monitoring of business operations is based on the reporting and business planning system that covers the entire Group. The CEO and CFO report monthly to the Board and the Group Executive Team on the Group's financial situation and development.

The purpose of financial reporting is to ensure that all assets and liabilities in the financial statements belong to the company; that all rights and liabilities of the company are presented in the financial statements; that items in the financial statements have been classified, disclosed, and described correctly; that assets, liabilities, income, and expenditure are entered in the financial statements at the correct amounts; that all transactions during the reporting period are included in the accounts; that transactions entered in the accounts are factual transactions; and that assets have been secured.

RISK MANAGEMENT AND RISK ASSESSMENT

The Group's risk management is guided by legal requirements, business requirements set by shareholders of the company, and the expectations of customers, personnel, and other important stakeholders. The goal of risk management is to acknowledge and identify systematically and comprehensively any risks relating to the company's operations and to make sure that all such risks are appropriately accounted for when making business decisions.

The Group's risk management procedures support the achievement of the Group's strategic goals and seeks to ensure the continuity of the Group's business operations. The Group takes risks that are a natural part of its strategy and objectives. The Group is not ready to take risks that might endanger the continuity of its operations or be uncontrollable or that may significantly harm the Group's operations.

In accordance with the Group's risk management procedures, the Board of Directors receives an annual report of the most significant risks facing the Group. The Board analyses the risks from the point of view of shareholder value.

The company's risk management process includes an annual identification and analysis of risks pertaining to financial reporting. In addition, the company seeks to analyze and report all new risks immediately as soon as they have been identified. Taking into account the extent of the Group's business operations, the most significant risks pertaining to the reliability of financial reporting relate to revenue recognition, impairment testing (including goodwill), and tax reporting.

CONTROL FUNCTIONS

The correctness and reliability of financial reporting are ensured through compliance with Group policies and guidelines. Control functions that ensure the correctness of financial reporting include

controls related to accounting transactions, to the selection of and compliance with the Group's accounting principles, to information systems, and to fraud or malpractice.

Revenue recognition is supervised by the Group's CFO and is based on the required sale and delivery documents.

The Group's bad debt provision is reviewed monthly. Any eventual bad debt provisions are based on the aging of trade receivables per sales company.

The Group's goodwill is tested for impairment at the end of each financial year on the balance sheet date. Key variables used in the calculations are net sales growth and the estimated change of profit margin. In addition, indications of impairment are monitored regularly. If indications of impairment are detected, a separate testing is performed.

The performance of business operations and the attainment of annual goals is assessed monthly in Group Executive Team and Board meetings. Monthly management and Board reporting includes both the actual and the estimated results compared to the budget and the actual results of previous periods. Financial reports generated for the management are used for monitoring certain key indicators associated with the development of sales, profitability, and trade receivables on a monthly basis.

In accordance with its strategy, Dovre Group may complement its organic growth with acquisitions. In making acquisitions, the Group follows due diligence and utilizes its internal competence together with external advisors in the planning phase (e.g. due diligence), takeover phase, and when integrating acquired functions into the Group's operations.

INTERNAL COMMUNICATION AND SHARING OF INFORMATION

The purpose of management reporting is to produce up-to-date, relevant information for decision-making. The CFO provides the Group's business units with monthly reporting guidelines and is in charge of any special reporting instructions related to budgeting and forecasting. The Group's financial administration distributes, on a regular basis, internal information on processes and procedures pertaining to financial reporting. Internal control tasks are carried out in accordance with this information. Financial administration also arranges targeted training for the organization's personnel on the procedures associated with financial reporting and changes in them, if necessary. The Group's investor relations maintains, in cooperation with the Group's financial administration, the guidelines on the disclosure of financial information, including, for example, the disclosure obligations of a publicly listed company.

MONITORING

Monitoring refers to the process of assessing Dovre Group's internal control system and its performance in the long term. The Group continuously monitors its operations also through various separate assessments, such as internal and external audits, and supplier audits carried out by clients. The Group's management monitors internal control as part of its day-to-day work. The Group Executive Team is responsible for ensuring that all operations comply with applicable laws and regulations. The Group's financial administration monitors compliance with the financial reporting processes. The financial administration also monitors the correctness of external and internal financial reporting. The Board of Directors assesses

and ensures the appropriateness and effectiveness of the Group's internal control and risk management.

The Group's internal control is also assessed by the Group's external auditor. The auditor verifies the correctness of external annual financial reporting. The most significant observations and recommendations of the audit are reported to the Board of Directors.

INSIDER ADMINISTRATION AND TRADING RESTRICTIONS

With regards the company's insider guidelines, Dovre Group complies with the applicable legislation, the standards of the Finnish Financial Supervisory Authority as well as Nasdaq Helsinki Ltd.'s Guidelines for Insiders effective as of July 3, 2016. In accordance with the legislation in force and the standards and guidelines in question, inside information refers to all information of a precise nature, which has not been made public and relates, directly or indirectly, to one or more issuers or to one or more financial instruments and which, if made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments. Dovre Group discloses any possible inside information concerning the company as soon as possible and as a stock exchange release. However, the company may, on its own responsibility and on a case-by-case basis, delay disclosure of inside information to the public in accordance with the conditions outlined in the Market Abuse Regulation ((EU) No 596/2014). Should the company decide to delay disclosure, the company documents and continuously monitors the preconditions of delayed disclosure. The company notifies the Finnish Financial Supervisory Authority of the delayed disclosure immediately after the information has been publicly disclosed.

Dovre Group does not maintain a list of permanent insiders, but establishes project-specific insider lists following the identification of a specific issue as inside information by the company's Board of Directors and the Board's decision to establish an insider list relating to the identified issue. The CFO is responsible for administration of the company's insider registers and project-specific insider lists are maintained by the company.

The company has defined the Board of Directors, the CEO and the Group Executive Team as persons discharging managerial responsibilities. The company maintains a list of persons discharging managerial responsibilities and their closely associated persons. In accordance with current legislation, persons discharging managerial responsibilities in Dovre Group as well as their closely associated persons are obliged to notify the company and the FSA of every transaction in the company's financial instruments. The notification obligation applies to all transactions once a total amount of EUR 5,000 has been reached within a calendar year. Dovre Group will disclose all such transaction notifications as stock exchange releases within three (3) business days of the date of transaction.

Persons discharging managerial responsibilities in the company may not trade in any financial instruments in the company during a closed period of 30 calendar days before the announcement of the company's half year financial report, annual financial statements, or Q1 and Q3 trading statements. In addition to persons discharging managerial responsibilities in the company, the trading restriction applies to the company's employees participating in the preparation, drawing-up, and disclosure of the company's financial reports.

REMUNERATION

The Annual General Meeting decides on the remuneration of the Board of Directors. The Board decides on the terms and conditions of the employment of the CEO, specified in writing. The remuneration principles of the key management are set by the Board. The Board annually approves the Group's short-term and long-term incentive schemes.

The Board decides on the CEO's and the Group Executive Team's remuneration. The remuneration of the management of the Group's business areas is based on the so-called one-over-one principle whereby the remuneration decision must be approved by the supervisor of the employee's direct supervisor.

CORPORATE GOVERNANCE IN 2019

Annual General Meeting

Dovre Group's Annual General Meeting was held in Helsinki on March 27, 2019.

Board of Directors

The Annual General Meeting elected four (4) members to the Board of Directors. The Chairman of the Board was Svein Stavelin and the Vice Chairman Ilari Koskelo. The other members were Kristine Larneng and Antti Manninen. Members of the Board were independent of the company and significant shareholders. Until the Annual General Meeting held on March 27, 2019, the Board of Directors consisted of Svein Stavelin (Chairman), Ilari Koskelo (Vice Chairman) and Antti Manninen.

In 2019, the Board convened 12 times, with an attendance rate of 98 per cent. The Group's CEO acted as the Secretary of the Board of Directors.

BOARD MEMBER ATTENDANCE AT MEETINGS:

| | |
|------------------|-------|
| Svein Stavelin | 12/12 |
| Ilari Koskelo | 12/12 |
| Kristine Larneng | 10/10 |
| Antti Manninen | 11/12 |

CEO

Arve Jensen has served as the Group's CEO as of November 1, 2018.

On December 31, 2019, Arve Jensen held a total of 100,000 options and a total of 80,000 shares in Dovre Group Plc.

Group Executive Team

At the end of 2019, the members of the Group Executive Team were Arve Jensen (CEO & President, business area Norway), Mari Paski (CFO) and Stein Berntsen (President, business area Consulting).

On December 31, 2019, members of the Group Executive Team held a total of 3,500 shares in Dovre Group Plc and a total of 100,000 stock options. Each stock option entitles the owner to subscribe to one share in Dovre Group Plc. The above information does not include the shares and options held by the company's CEO Arve Jensen.

Shareholdings and options of Dovre Group Plc's management on December 31, 2019:

| NAME | SHARES | OPTIONS |
|--|-----------|---------|
| Berntsen Stein (Member of the Group Executive Team) | 0 | 100,000 |
| Jensen Arve (CEO) | 80,000 | 100,000 |
| Koskelo Ilari (Vice Chairman of the Board) | 7,129,653 | 0 |
| Larneng Kristine (Member of the Board) | 0 | 0 |
| Manninen Antti (Member of the Board) | 533,485 | 0 |
| Paski Mari (Member of the Group Executive Team) | 3,500 | 0 |
| Stavelin Svein (Chairman of the Board) | 334,613 | 0 |

Information includes also ownership through controlled companies of the Board members.

External audit

In 2019, the Group's auditor was BDO Ltd., Authorized Public Accountants, with Ari Lehto, APA as the principal auditor.

REMUNERATION IN 2019

Board of Directors

The General Meeting decides on the remuneration of the Board of Directors. The proposal for the remuneration of the Board of Directors presented to the General Meeting is based on the shareholders' proposal delivered to the company. In 2019, the proposal for the remuneration of the Board of Directors came from shareholders, who represented over 32 per cent of all shares and votes in the company.

The Annual General Meeting held on March 27, 2019, decided that the Chairman of the Board be paid EUR 35,000, Vice Chairman EUR 25,000, and each other member of the Board EUR 22,000 for the term which will last to the next Annual General Meeting. Actual travelling expenses are compensated as incurred. Remuneration was decided to pay in cash.

Remuneration of the members of the Board of Directors in 2019:

| MEMBER | ANNUAL REMUNERATION, EUR |
|------------------|-----------------------------|
| Svein Stavelin | 35,000 |
| Ilari Koskelo | 25,000 |
| Kristine Larneng | 22,000 |
| Antti Manninen | 22,000 |

CEO

The Board of Directors decides on the remuneration of the CEO. The terms and conditions of employment of the CEO are approved by the Board and specified in writing.

The service terms and conditions of the current CEO, Arve Jensen, comprise of an annual salary (including holiday pay, and car and phone benefits) of NOK 1,950,000 (approx. EUR 196 thousand) and a performance-based bonus decided by the Board. The CEO will have same pension and personnel insurance as the other company employees in Norway. The contract does not specify the CEO's retirement age. The contract may be terminated by either party by giving six (6) months' notice. The contract does not include any additional severance payment to the CEO in case the company decide to terminate the employment contract.

The CEO's bonus is based on the company's or its individual units' performance and profitability or on the successful completion of organizational measures. These objectives are specified annually. The CEO will receive a yearly bonus of NOK 300,000 - 500,000 depending on budget compliance, structured in such a way that if budget for the year is met, minimum bonus payment will be NOK 300,000. In addition, the CEO is eligible for the STI/LTI program for the Group's key personnel. The STI part of the plan is paid in cash and the objectives are defined annually. The LTI part is a fully equity settled share-based payment transaction and the objectives are defined annually.

In 2019, CEO Arve Jensen's total compensation was NOK 2,530,005 (EUR 256,861). The amount includes performance bonus of NOK 438,212 (EUR 44,490). Additionally, Arve Jensen earned Dovre Group Plc shares from the LTI 2018-2020 program, which will be awarded to him at the beginning of 2021. On December 31, 2019, Arve Jensen held a total of 100,000 stock options and a total of 80,000 shares in Dovre Group Plc.

Group Executive Team

The Group Executive Team's remuneration consists of total salary (including salary in money and typical fringe benefits such as car and phone) as well as long- and short-term incentives as decided by the Board of Directors. Short-term incentives include a yearly performance-based bonus decided by the Board. Long-term incentives include option plans, for which all members of the Group Executive Team are eligible, as well as yearly performance-based share-based incentive plans. The Board decides on long term incentive plans. The Group has not taken out any additional pension insurance for the members of the Group Executive Team.

The Board approves annually the terms and criteria of the Group Executive Team's short-term incentives (or bonuses). Any bonuses are based on the achievement of financial targets, such as operating result and net sales and other related targets, on either Group and/or business unit level. In addition, members of the Group Executive Team may have either individual or team objectives.

In 2019, the total salaries and benefits of the Group Executive Team members, not including the CEO Arve Jensen, were EUR 404,099. The amount includes short-term performance bonuses of EUR 72,545.

Long-term incentive plans for key personnel (option plans)

In 2019, the company had one open option plan, option plan 2013, directed to the Group's key personnel. Each stock option entitles the holder to subscribe one share in Dovre Group Plc.

The 2013 option plan was approved by the company's Board of Directors in their meeting on January 24, 2013 based on the authorization given by the Annual General Meeting held on March 15, 2012. The share subscription price and period per series under the 2013 option plan are as follows:

- 2013C: Subscription price EUR 0.43; subscription period March 1, 2017 - February 28, 2020.

Options of the option plan 2013 were not granted during 2019. The subscription period for Dovre Group Plc's 2013B option plan ended on February 28, 2019. No shares were subscribed for under the option plan. The remaining 375,000 stock options expired as unused.

At the end of 2018, the company had granted a total of 475,000 options under the 2013 option plan and had in reserve a total of 525,000 options.

The full terms and conditions of the company's option plan can be found on the company's Investor pages at <https://www.dovre-group.com/investors/corporate-governance.html> -> Remuneration.

The company's Board of Directors has also an authorization granted by the Annual General Meeting held on March 27, 2019, to decide on the issuance of new shares and the granting of option rights and other special rights entitling to shares. The authorization is valid until June 30, 2020. In accordance with the resolution of the Annual General Meeting, the Board may use the authorization, among other things, for the company's incentive programs. The Board may issue a maximum of 9,900,000 shares by virtue of the authorization, and the Board may use the authorization in one or more installments.

The Board of Directors did use the authorization in 2019 and issued 1,777,978 new shares in connection with acquisition of Tech4Hire AS in Norway. The new shares were issued for the sellers of Tech4Hire AS.

Long-term incentive plans for key personnel (LTI 2018-2020)

As of January 1, 2018, the Group has a new share-based remuneration and incentive program, where the remuneration is based on an annually set performance condition and a service condition.

The executive is responsible for personnel income tax on award. The shares will be awarded when the vesting period ends at the beginning of 2021.

Estimated amount of shares earned:

| YEAR | SHARES PCS |
|----------------------|----------------|
| 2018 | 169,631 |
| 2019 | 354,564 |
| Total accrued | 524,195 |

Board members December 31, 2019

Svein Stavelin

Chairman of the Board
Board member since March 28, 2018

M.Sc. (Computer Science), Pedagogy (PUFS), Business Economist
b. 1957, Norwegian citizen

Key employment

Incepto AS, CEO and Founding Partner, 2007- present
Bridgehead AS (Oaklins), Partner, April 2005-August 2007
Telecomputing ASA (Visolit), CEO, January 2004-March 2005
Creuna AS, CEO and cofounder, June 2001-December 2003
Ementor ASA (Atea) (Avenir until 26 October 2000), Managing Director /CEO, 1994-2001

Other key positions of trust, current

Chairman of the board, Incepto AS (from 2007- present)
Chairman of the board, Proventus AS (from 2007- present)
Member of the board, Perx Folkefinansiering AS (from 2018- present)

Independent of the company and significant shareholders

Ilari Koskelo

Vice Chairman of the Board
Board member since February 28, 2008

M. Sc. (Management)
b. 1959, Finnish citizen

Key employment

Navdata Ltd., Managing Director and founder, August 1988- present
Thai Biogas Energy Corporation, Pte, Ltd., Thailand, Co-investor and Director, June 2016- present
SaraRasa Bioindo, Pte, Ltd., Singapore, Co-investor and Director, August 2014- present
Soil Scout Oy, Finland, Co-founder and CFO, May 2013- present
Planman Oy, Co-investor and Director, January 2010-June 2015
Global Satellite Solutions Inc, USA, Co-investor,
March 1997-September 2000

Other key positions of trust

Chairman of the Board, Navdata Ltd
Member of the Board, Soil Scout Ltd,
Chairman of the Board, SaraRasa Bioindo Pte. Ltd.
CEO, Proha Oy

Independent of the company and significant shareholders

Kristine Larneng

Member of the Board
Board member since March 27, 2019

Master of Law
b. 1982, Norwegian citizen

Key employment

LYNX advokatfirma DA, Senior attorney-at-law, 2018- present
LYNX advokatfirma DA, Attorney-at-law, 2012-2018
LYNX advokatfirma DA, Associate, 2008-2012

Other key positions of trust

Chairman of the board, Best Helse AS, 2018- present
Member of the board, Aega ASA, 2017- present

Independent of the company and significant shareholders

Antti Manninen

Member of the Board
Board member since March 28, 2018

M.Sc. (Econ.)
b. 1961, Finnish citizen

Key employment

Rio Group Oy, Chairman of the Board, 1998- present
Dovre Group Plc, Member of the Board, Vice Chairman and the Chairman, 2008-2013
Mega Vision S.A. Ltd., Director, Investments, 1993-1998

Other key positions of trust

Chairman of the Board, Event Management Group Oy, 2004- present

Independent of the company and significant shareholders

Group Executive Team on December 31, 2019

Arve Jensen

CEO and President, business area Norway
Member of the Group Executive Team since October 2009

M. Sc. (Mech.)
b. 1959, Norwegian citizen

Key employment

Dovre Group, CEO, November 2018- present
Dovre Group, President of Business Area Norway, Project Personnel June 2015-
Dovre Group, EVP - Project Personnel, May 2012-June 2015
Dovre Group, EVP Norway, 2009-May 2012
Dovre International AS, CEO, 2001-2008
Dovre International AS, Regional Manager Oslo, 1993-2001
Dovre International AS, Consultant within Contracts Management and Project Management (client : Statoil), various projects 1995-1999

ABB Global Engineering AS, Senior Project Engineer within Staffjord Satellite Project, 1990-1993
Entrepreneur, Senior Project Engineer at Aker and Statoil, 1988-1990
Aker Engineering AS, Piping Engineer with Statoil (Gulfaks B project), 1985-1987

Stein Berntsen

President, business area Consulting
Member of the Group Executive Team since July 2014

M. Sc. (Econ. and BA)
b. 1965, Norwegian citizen

Key employment

Dovre Group, President, business area Consulting 2014- present
Dovre Group, Managing Director/ Managing Partner, Dovre Consulting Norway 2011-2014
Dovre Group, EVP, Management Consulting 2008-2011

Dovre International AS, Vice President, Project Management, 2006-2008
Dovre International AS, Vice President, Project Consulting, 2002-2008
Dovre International AS, Manager Project Analysis, 2000-2002
Dovre International AS, Project Control Manager (at Statoil), 1999-2000
Dovre International AS, Senior Consultant (at Statoil), 1997-1999

Philips Petroleum AS, Department Manager, Risk Management, 1995-1997
Philips Petroleum AS, Senior Cost Estimator, 1993-1995
Philips Petroleum AS, Cost and Contracts Engineer, 1991-1993
Philips Petroleum AS, Cost Estimator, 1989-1991

Mari Paski

CFO
Member of the Group Executive Team since January 2018

M. Sc. (Econ)
b. 1974, Finnish citizen

Key employment

Dovre Group Plc, CFO, January 2018- present
Dovre Group Plc, Head of Group Accounting, June 2011-December 2017
Nokia Siemens Networks Oy, Senior Specialist at Corporate Accounting, April 2007-June 2011
Wihuri Oy, Controller/Financial Analyst (Group accounting), February 2001-March 2007

INVESTOR RELATIONS

The primary objective of Dovre Group's investor relations is to ensure that the market has at all times access to accurate and sufficient information to support the correct valuation of the company's share.

Up-to-date information about Dovre Group as an investment is available on the company's website www.dovregroup.com -> **Investors**. All financial releases can also be obtained by emailing to info@dovregroup.com.

Dovre Group reports half-yearly on its financial performance in accordance with the International Financial Reporting Standards (IFRS).

FINANCIAL REPORTING IN 2020

- Q1 trading statement for January 1-March 31, 2020 on Tuesday, April 28, 2020
- Half-year report for January 1-June 30, 2020 on Tuesday, July 28, 2020
- Q3 trading statement for January 1-September 30, 2020 on Tuesday, October 27, 2020.

Dovre Group's Annual General Meeting will be held on Tuesday, April 28, 2020. Dovre Group's Board of Directors will summon the meeting at a later date.

CONTACT INFORMATION

Mari Paski, CFO, tel. +358 20 436 2000

info@dovregroup.com

SHARE INFORMATION

Dovre Group Plc's shares are listed on the Nasdaq Helsinki Ltd. Dovre Group has one class of shares (trading symbol: DOV1V).

Market: Nasdaq Helsinki

ISIN: FI0009008098

Symbol: DOV1V

Segment: OMX Helsinki Small Cap

Sector: Industrial goods and services

Number of shares on December 31, 2019: 101,946,747

For more information: www.nasdaqomxnordic.com



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