

EBIT to improve this year and next

Dovre revised its guidance up earlier than we expected. We make some estimate updates, but we don't see major news.

We don't see any big news behind the guidance revision

Dovre specified its guidance somewhat earlier than we would have expected. The old guidance suggested revenue above EUR 165m and EBIT of more than EUR 6.1m, whereas the new guidance is for revenue above EUR 185m and EBIT in the range of EUR 6.5-7.5m. Our previous estimates were respectively for EUR 200.9m and EUR 8.4m. Dovre sees no negative changes in demand, which we do not consider especially surprising considering the three segments' favorable positioning within energy markets as well as the Norwegian civil and infrastructure sectors. Our updated FY '22 revenue and EBIT estimates stand at EUR 199.1m and EUR 7.4m respectively.

Renewable Energy is operating in a busy environment

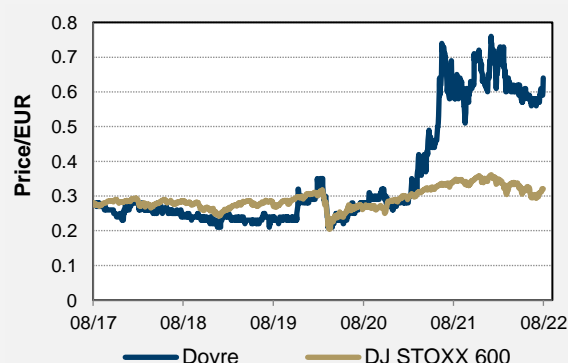
We leave our FY '22 estimates for Consulting intact ahead of the report. We make minor downward revisions for Project Personnel; the segment had a very strong Q1 thanks to its favorable positioning within the Norwegian oil & gas sector. We previously estimated 4.2% EBIT margin for FY '22, but we revise the estimate slightly down to 4.0%. We continue to expect similar levels for the coming years, although we don't consider 5% EBIT that challenging as a long-term target. Our downward revisions concern mostly Renewable Energy. We would expect the specialty construction business to proceed mostly according to plan as Suvic is set to deliver some EUR 90m in Finnish wind farm projects this year. Materials challenges, including steel availability and prices, have not come as a surprise, but there's still some uncertainty around execution and supplier networks given the current high demand. We thus revise our EBIT estimate for Renewable Energy down to EUR 2.8m from EUR 3.6m.

Still more earnings potential over the following years

We estimate Dovre's FY '22 EBIT margin at 3.7%, down from our previous estimate of 4.2%; in our view all three segments have further potential to improve beyond this year. Earnings growth outlook remains solid as before, while there have been no major changes in peer multiples. Dovre is valued around 9x EV/EBIT on our FY '22 estimates, and SOTP valuation still implies upside. We retain our EUR 0.70 TP and BUY rating.

Rating

BUY



Share price, EUR (Last trading day's closing price) 0.64

Target price, EUR 0.70

Latest change in 20-May-22

Latest report on company 20-May-22

Research paid by issuer: YES

No. of shares outstanding, 105,960

No. of shares fully diluted, 105,960

Market cap, EURm 68

Free float, % 94.3

Exchange rate -

Reuters code DOV1V.HE

Bloomberg code DOV1V FH

Average daily volume, EURm 0.1

Next interim report 18-Aug-22

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BUY HOLD SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2020	77.4	2.4	3.1%	0.2	0.02	17.0	0.3	11.0	0.7	0.01
2021	142.7	6.1	4.3%	0.5	0.03	19.5	0.5	11.6	0.7	0.00
2022E	199.1	7.4	3.7%	2.5	0.05	14.1	0.3	8.7	3.7	0.01
2023E	209.7	8.8	4.2%	3.3	0.04	14.3	0.3	7.0	4.9	0.01
2024E	218.4	10.5	4.8%	3.7	0.06	11.3	0.3	5.7	5.5	0.01
Market cap, EURm				68	Gearing 2022E, %		-10.6	CAGR EPS 2021-24, %		17.5
Net debt 2022E, EURm				-4	Price/book 2022E		2.0	CAGR sales 2021-24, %		15.2
Enterprise value, EURm				64	Dividend yield 2022E, %		1.6	ROE 2022E, %		15.7
Total assets 2022E, EURm				88	Tax rate 2022E, %		18.3	ROCE 2022E, %		18.6
Goodwill 2022E, EURm				21	Equity ratio 2022E, %		37.9	PEG, P/E 22/CAGR		1.0

Estimates and valuation

Dovre	FY '20	Q1'21	Q2'21	Q3'21	Q4'21	FY '21	Q1'22	Q2'22e	Q3'22e	Q4'22e	FY '22e
Revenue	77.5	19.7	34.2	46.5	42.3	142.7	47.8	50.5	53.2	47.6	199.1
Project Personnel	62.9	15.4	18.6	19.4	22.8	76.2	22.7	22.9	23.1	23.5	92.2
y/y growth	-18 %	-21 %	16 %	44 %	62 %	21 %	47 %	23 %	19 %	3 %	21 %
Consulting	14.5	4.3	4.4	3.3	4.1	16.1	4.4	4.5	3.4	4.3	16.6
y/y growth	137 %	2 %	27 %	7 %	13 %	11 %	2 %	5 %	3 %	2 %	3 %
Renewable Energy			11.2	23.8	15.4	50.4	20.7	23.1	26.7	19.8	90.3
y/y growth								106 %	12 %	29 %	79 %
EBIT	2.4	0.8	0.9	2.5	1.9	6.1	1.7	1.2	2.5	2.0	7.4
Project Personnel	1.9	0.6	0.5	0.7	1.1	2.9	1.1	0.6	0.8	1.2	3.7
EBIT-%	3 %	4 %	3 %	4 %	5 %	4 %	5 %	3 %	4 %	5 %	4 %
Consulting	1.5	0.6	0.7	0.4	0.6	2.3	0.4	0.6	0.5	0.6	2.1
EBIT-%	10 %	14 %	16 %	12 %	14 %	14 %	9 %	13 %	15 %	14 %	13 %
Renewable Energy			-0.2	1.7	0.4	1.9	0.5	0.3	1.5	0.5	2.8
EBIT-%			-2 %	7 %	3 %	4 %	2 %	1 %	6 %	3 %	3 %
Other & Unallocated	-1.0	-0.4	-0.1	-0.3	-0.2	-1.0	-0.3	-0.3	-0.3	-0.3	-1.2

Source: Evli Research

DOVRE PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			EBIT-%		
		21	22	23	21	22	23	21	22	23
Brunel International	522	8.2x	6.7x	5.8x	11.8x	9.2x	7.6x	5.0 %	5.2 %	5.6 %
Eezy	131	10.2x	7.6x	6.6x	17.3x	11.5x	9.4x	5.6 %	6.4 %	7.2 %
Randstad	9010	8.6x	6.5x	6.8x	10.9x	8.2x	8.7x	4.4 %	4.5 %	4.2 %
AFRY	1674	14.7x	8.7x	8.1x	22.3x	13.8x	12.0x	7.9 %	7.2 %	8.0 %
Etteplan	424	10.9x	9.7x	8.7x	18.6x	15.8x	14.1x	8.6 %	8.6 %	9.1 %
Sitowise Group	190		8.5x	8.0x		12.9x	11.7x	10.1 %	9.8 %	10.4 %
SWECO	3749	22.9x	14.0x	13.1x	32.4x	19.7x	18.5x	9.3 %	9.3 %	9.5 %
AF Gruppen	1818	10.0x	8.4x	7.6x	13.5x	11.1x	10.0x	5.8 %	5.4 %	5.7 %
Kreate Group	80							4.2 %	3.9 %	4.3 %
Sdiptech	953	31.8x	14.8x	12.7x	47.2x	19.4x	16.6x	13.4 %	17.5 %	17.7 %
Veidekke	1346	6.5x	4.7x	4.3x	10.9x	7.7x	6.9x	3.6 %	3.6 %	4.0 %
Peer Group Average	1809	13.8x	8.9x	8.2x	20.5x	12.9x	11.5x	7.1 %	7.4 %	7.8 %
Peer Group Median	953	10.2x	8.5x	7.8x	17.3x	12.2x	10.9x	5.8 %	6.4 %	7.2 %
Dovre (Evli est.)	67	10.2x	7.8x	6.4x	11.6x	8.7x	7.0x	4.3 %	3.7 %	4.2 %

Dovre prem./disc. to peer median

0 % -8 % -18 % -33 % -29 % -35 % -26 % -42 % -42 %

Source FactSet, Evli Research

Segment	EBIT '21	EV/EBIT '21 *	EV ¹⁾	EBIT '22e	EV/EBIT '22e *	EV ¹⁾
Project Personnel	2.9	11.8x	34	3.7	9.2x	34
Consulting	2.3	22.3x	51	2.1	14.8x	31
Renewable Energy ²⁾	2.4	13.5x	17	2.8	11.1x	16
Other & Unallocated	-1.0	15.9x	-16	-1.2	11.7x	-14
Total	6.6	13.1x	86	7.4	9.0x	67
Net debt (Evli YE est.)			-1			-3
Equity value			87			70
Per share			0.82			0.66

*Peer group median (FactSet)

1) 51% stake in Renewable Energy

2) Q1'22 LTM for FY '21

3) Multiple based on the segmental average

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	0.64 PV of Free Cash Flow	53 Long-term growth, %	2.5 Risk-free interest rate, %	2.25
DCF share value	1.02 PV of Horizon value	54 WACC, %	9.2 Market risk premium, %	5.8
Share price potential, %	59.3 Unconsolidated equity	0 Spread, %	0.0 Debt risk premium, %	2.8
Maximum value	1.0 Marketable securities	10 Minimum WACC, %	9.2 Equity beta coefficient	1.20
Minimum value	1.0 Debt - dividend	-8 Maximum WACC, %	9.2 Target debt ratio, %	15
Horizon value, %	50.3 Value of stock	108 Nr of shares, Mn	106.0 Effective tax rate, %	20

DCF valuation, EURm	2021	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	Horizon
Net sales	143	199	210	218	227	233	238	244	250	257	263	270
<i>Sales growth, %</i>	<i>84.4</i>	<i>39.5</i>	<i>5.3</i>	<i>4.2</i>	<i>3.9</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>
Operating income (EBIT)	6	7	9	10	12	12	12	12	13	13	13	13
<i>Operating income margin, %</i>	<i>4.3</i>	<i>3.7</i>	<i>4.2</i>	<i>4.8</i>	<i>5.3</i>	<i>5.0</i>	<i>5.0</i>	<i>5.0</i>	<i>5.0</i>	<i>5.0</i>	<i>5.0</i>	<i>5.0</i>
+ Depreciation+amort.	1	0	0	0	0	0	0	0	0	0	0	0
EBITDA	7	7	9	10	12	12	12	12	12	13	13	
- Paid taxes	-1	-1	-2	-2	-2	-2	-2	-2	-3	-3	-3	
- Change in NWC	-2	-1	0	0	0	0	0	0	0	0	0	
<i>NWC / Sales, %</i>	<i>1.2</i>	<i>1.4</i>	<i>1.4</i>	<i>1.4</i>	<i>1.5</i>	<i>1.5</i>	<i>1.5</i>	<i>1.5</i>	<i>1.5</i>	<i>1.5</i>	<i>1.5</i>	
+ Change in other liabs	1	0	0	0	0	0	0	0	0	0	0	
- Operative CAPEX	-2	-1	-1	-2	-2	-2	-2	-2	-2	17	-2	
<i>opCAPEX / Sales, %</i>	<i>1.8</i>	<i>0.6</i>	<i>0.6</i>	<i>0.9</i>	<i>0.9</i>	<i>0.9</i>	<i>0.8</i>	<i>0.8</i>	<i>0.8</i>	<i>-6.6</i>	<i>0.9</i>	
- Acquisitions	0	0	0	0	0	0	0	0	0	0	0	
+ Divestments	0	0	0	0	0	0	0	0	0	0	0	
- Other items	0	0	0	0	0	0	0	0	0	0	0	
= FCFF	2	4	6	6	7	7	7	8	8	27	8	123
= Discounted FCFF		4	5	5	5	5	5	4	4	13	4	54
= DFCF min WACC		4	5	5	5	5	5	4	4	13	4	54
= DFCF max WACC		4	5	5	5	5	5	4	4	13	4	54

INTERIM FIGURES

EVLI ESTIMATES, EURm	2021Q1	2021Q2	2021Q3	2021Q4	2021	2022Q1	2022Q2E	2022Q3E	2022Q4E	2022E	2023E	2024E
Net sales	19.7	34.2	46.4	42.4	142.7	47.8	50.5	53.2	47.6	199.1	209.7	218.4
EBITDA	1.0	1.1	2.7	2.2	7.0	1.9	1.4	2.7	2.2	7.4	8.8	10.4
<i>EBITDA margin (%)</i>	<i>5.1</i>	<i>3.3</i>	<i>5.8</i>	<i>5.1</i>	<i>4.9</i>	<i>4.0</i>	<i>2.8</i>	<i>5.1</i>	<i>4.6</i>	<i>3.7</i>	<i>4.2</i>	<i>4.8</i>
EBIT	0.8	0.9	2.5	1.9	6.1	1.7	1.2	2.5	2.0	7.4	8.8	10.5
<i>EBIT margin (%)</i>	<i>4.1</i>	<i>2.6</i>	<i>5.4</i>	<i>4.5</i>	<i>4.3</i>	<i>3.6</i>	<i>2.4</i>	<i>4.7</i>	<i>4.2</i>	<i>3.7</i>	<i>4.2</i>	<i>4.8</i>
Net financial items	-0.1	-0.1	-0.1	-0.2	-0.5	-0.1	-0.1	-0.1	-0.1	-0.4	-0.4	0.0
Pre-tax profit	0.7	0.8	2.4	1.7	5.6	1.6	1.1	2.4	1.9	7.0	8.4	10.5
Tax	-0.2	-0.2	-0.5	-0.5	-1.3	-0.2	-0.2	-0.5	-0.4	-1.3	-1.7	-2.1
<i>Tax rate (%)</i>	<i>22.9</i>	<i>23.5</i>	<i>20.7</i>	<i>26.1</i>	<i>23.0</i>	<i>12.5</i>	<i>20.0</i>	<i>20.0</i>	<i>20.0</i>	<i>18.3</i>	<i>20.0</i>	<i>20.0</i>
Net profit	0.5	0.6	1.9	0.6	3.7	1.4	0.6	1.6	1.2	4.8	4.7	6.0
EPS	0.01	0.01	0.02	0.01	0.03	0.01	0.01	0.02	0.01	0.05	0.04	0.06
EPS adjusted (diluted no. of shares)	0.01	0.01	0.02	0.01	0.03	0.01	0.01	0.02	0.01	0.05	0.04	0.06
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.01
SALES, EURm												
Project Personnel	15.4	18.7	19.3	22.8	76.2	22.7	22.9	23.1	23.5	92.2	95.9	99.2
Consulting	4.3	4.3	3.3	4.2	16.1	4.4	4.5	3.4	4.3	16.6	17.2	17.7
Renewable Energy	0.0	11.2	23.8	15.4	50.4	20.7	23.1	26.7	19.8	90.3	96.6	101.5
Total	19.7	34.2	46.4	42.4	142.7	47.8	50.5	53.2	47.6	199.1	209.7	218.4
SALES GROWTH, Y/Y %												
<i>Project Personnel</i>	<i>-20.6</i>	<i>16.1</i>	<i>44.0</i>	<i>62.9</i>	<i>21.1</i>	<i>47.4</i>	<i>22.5</i>	<i>19.7</i>	<i>3.1</i>	<i>21.0</i>	<i>4.0</i>	<i>3.5</i>
<i>Consulting</i>	<i>2.4</i>	<i>22.9</i>	<i>6.5</i>	<i>13.5</i>	<i>11.0</i>	<i>2.3</i>	<i>4.7</i>	<i>3.0</i>	<i>2.4</i>	<i>3.1</i>	<i>3.5</i>	<i>3.0</i>
<i>Renewable Energy</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>		<i>106.3</i>	<i>12.2</i>	<i>28.6</i>	<i>79.2</i>	<i>7.0</i>	<i>5.0</i>
Total	-16.5	74.5	181.2	139.5	84.4	142.6	47.7	14.7	12.3	39.5	5.3	4.2
EBIT, EURm												
Project Personnel	0.6	0.5	0.7	1.1	2.9	1.1	0.6	0.8	1.2	3.7	3.8	4.0
Consulting	0.6	0.7	0.4	0.6	2.3	0.4	0.6	0.5	0.6	2.1	2.3	2.7
Other functions	-0.3	-0.1	-0.2	-0.1	-0.7	-0.2	-0.2	-0.2	-0.2	-0.8	-0.8	-0.8
Unallocated	-0.1	0.0	-0.1	-0.1	-0.3	-0.1	-0.1	-0.1	-0.1	-0.4	-0.4	-0.4
Renewable Energy	0.0	-0.2	1.7	0.4	1.9	0.5	0.3	1.5	0.5	2.8	3.9	5.1
Total	0.8	0.9	2.5	1.9	6.1	1.7	1.2	2.5	2.0	7.4	8.8	10.5
EBIT margin, %												
<i>Project Personnel</i>	<i>3.9</i>	<i>2.7</i>	<i>3.6</i>	<i>4.8</i>	<i>3.8</i>	<i>4.8</i>	<i>2.6</i>	<i>3.5</i>	<i>5.1</i>	<i>4.0</i>	<i>4.0</i>	<i>4.0</i>
<i>Consulting</i>	<i>14.0</i>	<i>16.3</i>	<i>12.1</i>	<i>14.3</i>	<i>14.3</i>	<i>9.1</i>	<i>13.3</i>	<i>14.7</i>	<i>14.0</i>	<i>12.7</i>	<i>13.5</i>	<i>15.0</i>
<i>Unallocated</i>		<i>0.0</i>			<i>-75,000.0</i>							
<i>Renewable Energy</i>	<i>0.0</i>	<i>-1.8</i>	<i>7.1</i>	<i>2.6</i>	<i>3.8</i>	<i>2.4</i>	<i>1.3</i>	<i>5.6</i>	<i>2.5</i>	<i>3.1</i>	<i>4.0</i>	<i>5.0</i>
Total	4.1	2.6	5.4	4.5	4.3	3.6	2.4	4.7	4.2	3.7	4.2	4.8

Commercial Services & Supplies/Finland, August 4, 2022
Company update

INCOME STATEMENT, EURm	2017	2018	2019	2020	2021	2022E	2023E	2024E
Sales	62.7	65.5	83.1	77.4	142.7	199.1	209.7	218.4
<i>Sales growth (%)</i>	<i>-25.2</i>	<i>4.5</i>	<i>26.9</i>	<i>-6.9</i>	<i>84.4</i>	<i>39.5</i>	<i>5.3</i>	<i>4.2</i>
EBITDA	0.5	1.0	3.5	3.2	7.0	7.4	8.8	10.4
<i>EBITDA margin (%)</i>	<i>0.8</i>	<i>1.6</i>	<i>4.2</i>	<i>4.2</i>	<i>4.9</i>	<i>3.7</i>	<i>4.2</i>	<i>4.8</i>
Depreciation	-0.5	-0.4	-0.9	-0.8	-0.9	0.0	0.0	0.1
EBITA	0.0	0.6	2.6	2.4	6.1	7.4	8.8	10.5
Goodwill amortization / writedown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	0.0	0.6	2.6	2.4	6.1	7.4	8.8	10.5
<i>EBIT margin (%)</i>	<i>0.0</i>	<i>0.9</i>	<i>3.1</i>	<i>3.1</i>	<i>4.3</i>	<i>3.7</i>	<i>4.2</i>	<i>4.8</i>
Reported EBIT	-0.3	0.6	2.6	2.4	6.1	7.4	8.8	10.5
<i>EBIT margin (reported) (%)</i>	<i>-0.5</i>	<i>0.9</i>	<i>3.1</i>	<i>3.1</i>	<i>4.3</i>	<i>3.7</i>	<i>4.2</i>	<i>4.8</i>
Net financials	-0.4	0.5	-0.1	-0.2	-0.5	-0.4	-0.4	0.0
Pre-tax profit	-0.4	1.1	2.5	2.2	5.6	7.0	8.4	10.5
Taxes	-0.1	-0.2	-0.6	-0.5	-1.3	-1.3	-1.7	-2.1
Minority shares	0.0	0.0	0.0	0.0	-0.6	-0.9	-2.0	-2.4
Net profit	-0.9	0.9	2.0	1.7	3.7	4.8	4.7	6.0
Cash NRIs	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET, EURm								
Assets								
Fixed assets	4	4	3	3	3	5	6	8
Goodwill	15	15	15	16	21	21	21	21
Right of use assets	0	0	0	0	0	0	0	0
Inventory	0	0	0	0	1	1	1	1
Receivables	12	12	15	14	32	45	47	49
Liquid funds	5	5	7	9	10	13	14	15
Total assets	36	37	41	44	70	88	92	97
Liabilities								
Shareholder's equity	23	23	24	24	28	33	37	42
Minority interest	0	0	0	0	0	0	0	0
Convertibles	0	0	0	0	0	0	0	0
Lease liabilities	0	0	0	0	0	0	0	0
Deferred taxes	1	1	1	1	1	1	1	1
Interest bearing debt	3	3	3	6	8	10	8	6
Non-interest bearing current liabilities	10	10	13	13	30	42	44	46
Other interest-free debt	0	0	0	0	1	1	1	1
Total liabilities	36	37	41	44	70	88	92	97
CASH FLOW, EURm								
+ EBITDA	0	1	3	3	7	7	9	10
- Net financial items	-3	1	0	0	0	0	0	0
- Taxes	0	0	-1	0	-1	-1	-2	-2
- Increase in Net Working Capital	-1	0	-1	2	-2	-1	0	0
+/- Other	3	0	0	0	-1	-1	-2	-2
= Cash flow from operations	-1	1	2	5	3	4	4	6
- Capex	0	0	0	-5	-2	-1	-1	-2
- Acquisitions	0	0	0	0	0	0	0	0
+ Divestments	0	0	0	0	0	0	0	0
= Free cash flow	-1	1	2	0	1	3	3	4
+/- New issues/buybacks	-1	0	0	0	2	0	0	0
- Paid dividend	-1	-1	-1	-1	-1	0	-1	-1
+/- Other	1	0	0	3	0	1	-2	-2
Change in cash	-3	0	1	2	1	4	1	1

Commercial Services & Supplies/Finland, August 4, 2022
Company update

KEY FIGURES	2018	2019	2020	2021	2022E	2023E	2024E
M-cap	21	30	29	72	68	68	68
Net debt (excl. convertibles)	-2	-3	-2	-1	-4	-6	-8
Enterprise value	19	26	26	71	64	62	59
Sales	66	83	77	143	199	210	218
EBITDA	1	3	3	7	7	9	10
EBIT	1	3	2	6	7	9	10
Pre-tax	1	3	2	6	7	8	10
Earnings	1	2	2	4	5	5	6
Equity book value (excl. minorities)	23	24	24	28	33	37	42
Valuation multiples							
EV/sales	0.3	0.3	0.3	0.5	0.3	0.3	0.3
EV/EBITDA	17.8	7.5	8.2	10.2	8.7	7.1	5.7
EV/EBITA	31.1	10.0	11.0	11.6	8.7	7.0	5.7
EV/EBIT	31.1	10.0	11.0	11.6	8.7	7.0	5.7
EV/OCF	14.7	11.1	5.5	23.6	17.3	13.8	10.3
EV/FCFF	21.2	12.3	81.0	33.1	17.2	11.0	9.7
P/FCFE	16.2	14.2	153.8	143.0	27.0	20.4	18.1
P/E	23.2	14.9	17.0	19.5	14.1	14.3	11.3
P/B	0.9	1.3	1.2	2.5	2.0	1.8	1.6
Target EV/EBITDA	0.0	0.0	0.0	0.0	9.5	7.8	6.3
Target EV/EBIT	0.0	0.0	0.0	0.0	9.5	7.8	6.3
Target EV/FCF	0.0	0.0	0.0	0.0	28.1	20.5	17.5
Target P/B	0.0	0.0	0.0	0.0	2.2	2.0	1.8
Target P/E	0.0	0.0	0.0	0.0	15.4	15.7	12.4
Per share measures							
Number of shares	100,169	101,950	102,960	105,960	105,960	105,960	105,960
Number of shares (diluted)	100,169	101,950	102,960	105,960	105,960	105,960	105,960
EPS	0.01	0.02	0.02	0.03	0.05	0.04	0.06
Operating cash flow per share	0.01	0.02	0.05	0.03	0.04	0.04	0.05
Free cash flow per share	0.01	0.02	0.00	0.00	0.02	0.03	0.04
Book value per share	0.22	0.23	0.23	0.27	0.31	0.35	0.39
Dividend per share	0.01	0.01	0.01	0.00	0.01	0.01	0.01
Dividend payout ratio, %	110.7	51.3	60.9	0.0	22.0	22.4	17.7
Dividend yield, %	4.8	3.4	3.6	0.0	1.6	1.6	1.6
FCF yield, %	6.2	7.0	0.7	0.7	3.7	4.9	5.5
Efficiency measures							
ROE	4.0	8.6	7.1	14.1	15.7	13.5	15.2
ROCE	2.2	9.9	8.4	18.3	18.6	20.1	22.6
Financial ratios							
Inventories as % of sales	0.0	0.0	0.0	0.5	0.5	0.5	0.5
Receivables as % of sales	18.5	18.5	17.7	22.5	22.5	22.5	22.5
Non-interest bearing liabilities as % of sales	15.5	15.5	17.1	21.1	21.1	21.1	21.1
NWC/sales, %	2.7	2.7	0.2	1.2	1.4	1.4	1.4
Operative CAPEX/sales, %	0.0	0.3	6.0	1.8	0.6	0.6	0.9
CAPEX/sales (incl. acquisitions), %	0.0	0.3	6.0	1.8	0.6	0.6	0.9
FCFF/EBITDA	0.8	0.6	0.1	0.3	0.5	0.6	0.6
Net debt/EBITDA, book-weighted	-2.3	-1.0	-0.7	-0.2	-0.5	-0.7	-0.8
Debt/equity, market-weighted	0.1	0.1	0.2	0.1	0.1	0.1	0.1
Equity ratio, book-weighted	61.5	57.8	53.6	40.8	37.9	40.1	43.3
Gearing, %	-10.8	-14.9	-10.1	-3.7	-10.6	-15.7	-20.3

Commercial Services & Supplies/Finland, August 4, 2022
Company update

COMPANY DESCRIPTION: Dovre Group is a global provider of project management services. The Group's parent Dovre Group Plc is domiciled in Finland and is listed on Nasdaq Helsinki (symbol DOV1V).
Dovre Group has three business areas: Project Personnel, Consulting and Renewable Energy.

INVESTMENT CASE: The three segments' organic development has been strong in recent years, while outlook for the key markets, namely the Norwegian oil and gas industry, the Norwegian public sector and the Finnish wind power construction market, remains favorable in the short and long-term. We believe Dovre is therefore likely to reach a healthy 5% organic CAGR in the coming years, which would also help EBIT margin to improve to around 5%.

OWNERSHIP STRUCTURE	SHARES	EURm	%
ETRA CAPITAL OY	20,000,000	12.800	18.9%
JOENSUUN KAUPPA JA KONE OY	10,955,791	7.012	10.3%
KOSKELO ILARI	6,000,000	3.840	5.7%
SKANDINAVISKA ENSKILDA BANKEN AB (PUBL) HELSINKI BRANCH	2,836,216	1.815	2.7%
SIIK SEPPÖ SAKARI	2,033,243	1.301	1.9%
K22 FINANCE OY	2,000,000	1.280	1.9%
MÄKELÄ PEKKA MIKAEL	1,775,713	1.136	1.7%
PAASI KARI	1,631,048	1.044	1.5%
SIIK RAUNI MARJUT	1,512,029	0.968	1.4%
KAKKONEN KARI HEIKKI ILMARI	1,500,000	0.960	1.4%
Ten largest	50,244,040	32.156	47%
Residual	55,715,960	35.658	53%
Total	105,960,000	67.814	100%

EARNINGS CALENDAR

August 18, 2022

Q2 report

October 26, 2022

Q3 report

OTHER EVENTS**COMPANY MISCELLANEOUS**

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Ahventie 4 B

CFO: Sirpa Haavisto

Tel: +358 20 436 2000

IR:

DEFINITIONS

P/E	$\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS	$\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV	$\frac{\text{Price per share}}{\text{Shareholders' equity} + \text{taxed provisions per share}}$	DPS	Dividend for the financial period per share
Market cap	Price per share * Number of shares	OCF (Operating cash flow)	EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value)	Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow)	Operating cash flow – operative CAPEX – acquisitions + divestments
EV/Sales	$\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, %	$\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA	$\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX/sales	$\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT	$\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital	Current assets – current liabilities
Net debt	Interest bearing debt – financial assets	Capital employed/Share	$\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets	Balance sheet total	Gearing	$\frac{\text{Net debt}}{\text{Equity}}$
Div yield, %	$\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, %	$\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, %	$\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, %	$\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, %	$\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, %	Cumulative annual growth rate = Average growth per year
ROE, %	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholder's equity} + \text{minority interest} + \text{taxed provisions (average)}}$		

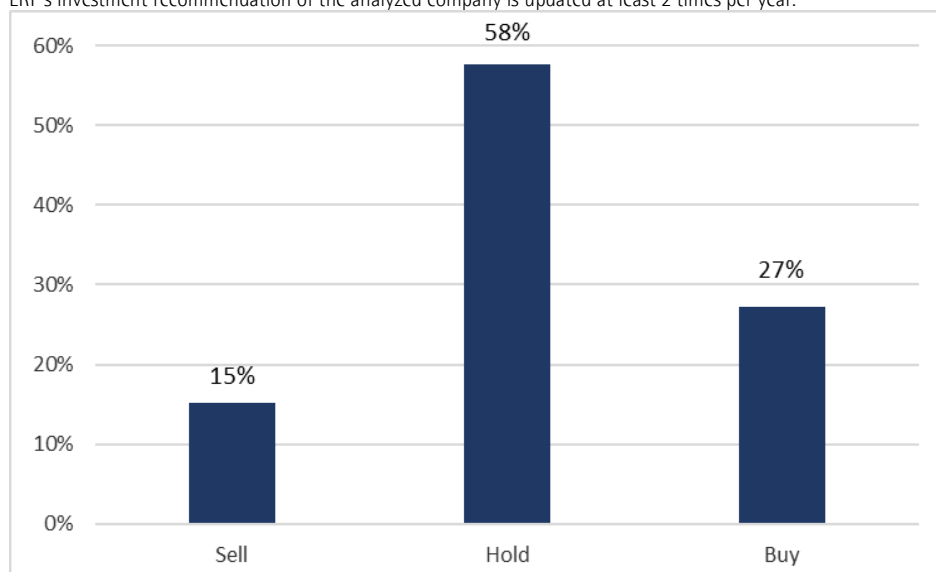
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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Name(s) of the analyst(s): Ilvonen

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