

Underlying EBIT close to estimates

Dovre Q1 results included a write-down of EUR 5.8m related to a single renewable energy project. Beyond that the results were largely in line with our estimates, although slightly lower.

- Dovre Q1 revenue decreased by 7.6% y/y to EUR 42.3m, compared to our EUR 45.6m estimate. Project Personnel came in at EUR 25.2m vs our EUR 22.3m estimate, whereas Consulting amounted to EUR 3.6m vs our EUR 4.5m estimate. Renewable Energy was EUR 13.5m, compared to our EUR 18.8m estimate.
- EBITDA landed at EUR -4.6m vs our EUR 1.6m estimate while EBIT was EUR -4.9m vs our EUR 1.4m estimate. Project Personnel EBIT was EUR 0.7m, compared to our EUR 1.0m estimate, while Consulting amounted to EUR 0.3m vs our EUR 0.4m estimate. Renewable Energy EBIT was EUR -5.7m vs our EUR 0.3m estimate; the underlying segment profitability was thus largely in line with our estimate when excluding the EUR 5.8m one-off write-down of a single renewable energy project.
- Dovre guides FY '24 revenue to be in the range of EUR 185-210m and EBIT in the range of EUR 2-4m (including a significant one-time write-down of approximately EUR 6m due to a single renewable project in Q1). Renewable Energy revenue and EBIT are expected to clearly exceed the comparison period of 2023 in the remainder of 2024. Project Personnel and Consulting FY '24 revenue and EBIT are expected to decline compared to FY '23 due to the completion of a major project in Canada and somewhat slower activity in the Norwegian public sector.

Rating + BUY

| Q1'24 | Actual | Evli | Year ago | Q4'23 |
|---------|--------|------|----------|-------|
| Revenue | 42.3 | 45.6 | 45.8 | 50.8 |
| EBITDA | -4.6 | 1.6 | 1.9 | 1.8 |
| EBIT | -4.9 | 1.4 | 1.7 | 1.5 |

| Deviation | Actual | Evli | Year ago | Q4'23 |
|-----------|--------|--------|----------|--------|
| Revenue | | -7 % | -8 % | -17 % |
| EBITDA | | -388 % | -342 % | -356 % |
| EBIT | | -450 % | -388 % | -427 % |

Share price, EUR (Last trading day's closing price) 0.33

Target price, EUR 0.65

Latest change in 20-May-22

Latest report on company 23-Feb-24

Research paid by issuer: YES

No. of shares outstanding, 105,960

No. of shares fully diluted, 105,960

Market cap, EURm 35

Free float, % 94.3

Exchange rate -

Reuters code DOV1V.HE

Bloomberg code DOV1V FH

Average daily volume, EURm 0.1

Next interim report 25-Apr-24

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+ BUY + HOLD - SELL

PRE-REPORT KEY FIGURES

| | Sales EURm | EBIT EURm | EBIT % | FCF EURm | EPS EUR | P/E (x) | EV/Sales (x) | EV/EBIT (x) | FCF yield % | DPS EUR |
|-------|---------------|--------------|-----------|-------------|------------|------------|-----------------|----------------|----------------|------------|
| 2022 | 203.0 | 8.5 | 4.2% | 0.9 | 0.05 | 11.9 | 0.3 | 6.9 | 1.5 | 0.00 |
| 2023 | 196.7 | 7.4 | 3.8% | -0.1 | 0.04 | 11.3 | 0.2 | 6.3 | -0.2 | 0.01 |
| 2024E | 207.5 | 7.3 | 3.5% | 3.0 | 0.05 | 7.2 | 0.2 | 4.7 | 8.5 | 0.01 |
| 2025E | 215.4 | 8.4 | 3.9% | 2.2 | 0.04 | 9.1 | 0.2 | 4.0 | 6.2 | 0.01 |
| 2026E | 221.1 | 10.0 | 4.5% | 5.5 | 0.08 | 4.4 | 0.1 | 2.9 | 15.6 | 0.01 |

| | | | | | |
|--------------------------|----|-------------------------|------|-----------------------|------|
| Market cap, EURm | 35 | BV per share 2024E, EUR | -2.0 | CAGR EPS 2023-26, % | 25.2 |
| Net debt 2024E, EURm | -1 | Price/book 2024E | 0.9 | CAGR sales 2023-26, % | 4.0 |
| Enterprise value, EURm | 35 | Dividend yield 2024E, % | 3.0 | ROE 2024E, % | 12.5 |
| Total assets 2024E, EURm | 92 | Tax rate 2024E, % | 17.4 | ROCE 2024E, % | 15.3 |
| Goodwill 2024E, EURm | 20 | Equity ratio 2024E, % | 44.6 | PEG, P/E 24/CAGR | 0.3 |

All the important disclosures can be found on the last pages of this report.

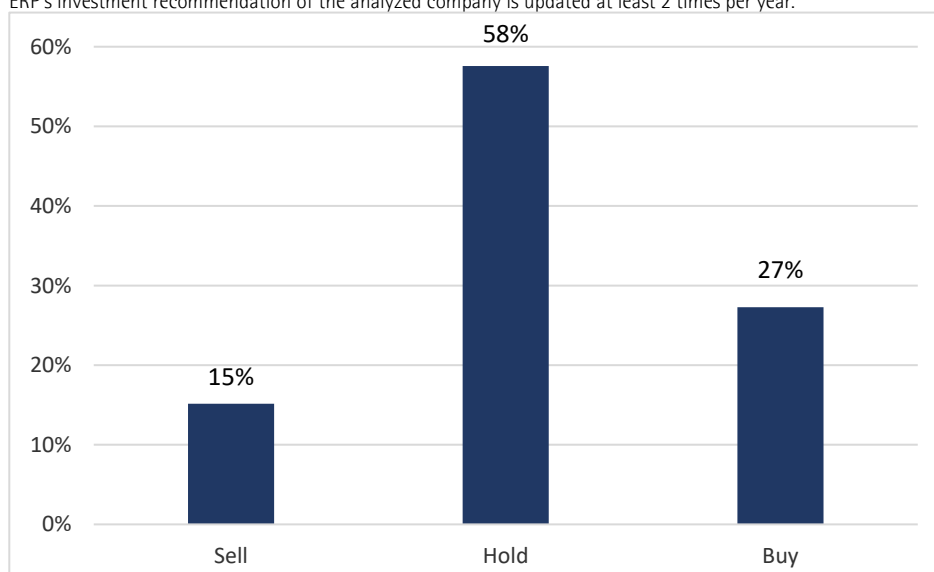
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| Target price compared to share price | Recommendation |
|--------------------------------------|----------------|
| < -10 % | SELL |
| -10 – (+10) % | HOLD |
| > 10 % | BUY |

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

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April 25, 2024

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