

## Successful renewables focus transfer

Dovre's Q2 results were close to our estimates. We don't make any large estimate changes but note Dovre is already back to the EUR 8m EBIT level without the write-down.

### Renewable Energy EBIT likely to be the biggest also in H2

Dovre's EUR 50.9m Q2 revenue was slightly above our EUR 50.1m estimate as Project Personnel and Consulting were a bit low relative to our expectations while Renewable Energy more than made up. This was also reflected in the segments' earnings as Renewable Energy achieved a very high Q2 EBIT of EUR 1.1m, and we believe its Q3 earnings will also set a new quarterly record. The EUR 1.9m EBIT Dovre posted, compared to our EUR 1.8m estimate, was also higher than the Q2'22 figure (a year when all the segments grew at double digits). We note Project Personnel and Consulting have recently faced some headwinds, yet Renewable Energy is now a lot less dependent on the Finnish wind power market and as a result its seasonal earnings profile is more stable.

### EBIT could touch the FY '22 EUR 8.5m high water mark soon

Renewable Energy EBIT (excl. the write-down) has gained a lot and is now above the FY '22 levels. We estimate Dovre will achieve ca. EUR 8m this year (excl. the EUR 5.8m write-down) and next as Renewable Energy achieves EBIT at a run rate of EUR 3.5-4.0m. We see Project Personnel EBIT down EUR 1m y/y this year but expect it to rise again above EUR 4m next year. In our view the more challenging Norwegian public sector market means Consulting EBIT will stay below EUR 2m also next year although it should stabilize at around 10% margin. We estimate Renewable Energy FY '25 EBIT at EUR 3.5m, which would be a bit soft figure as the segment should post ca. EUR 4m this year excluding the write-down; the segment grows at a double-digit rate in FY '24 which is likely to slow down, but in our view that shouldn't pose any big margin headwinds. Hence our FY '25 EBIT estimate seems conservative, and Dovre's EUR 2-4m EBIT guidance suggests the company may already perform above our EUR 8m EBIT estimates.

### Low valuation leaves a lot of upside potential

Dovre's valuation remains undemanding as the EV/EBIT multiple, on our FY '24-25 estimates excluding 49% of Renewable Energy EBIT, is only around 6x while peer multiples suggest the level could be a lot closer to 10x. We retain our EUR 0.50 TP and BUY rating.



## 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	201.9	2.2	1.1%	1.2	0.02	14.0	0.2	17.2	3.3	0.01
2025E	209.6	8.2	3.9%	2.4	0.04	9.8	0.2	4.4	6.5	0.01
2026E	215.2	9.4	4.4%	5.5	0.07	4.9	0.1	3.4	15.0	0.01
Market cap, EURm		37	Gearing 2024E, %			2.6	CAGR EPS 2023-26, %			22.8
Net debt 2024E, EURm		1	Price/book 2024E			0.9	CAGR sales 2023-26, %			3.0
Enterprise value, EURm		38	Dividend yield 2024E, %			2.9	ROE 2024E, %			6.9
Total assets 2024E, EURm		91	Tax rate 2024E, %			51.9	ROCE 2024E, %			4.7
Goodwill 2024E, EURm		20	Equity ratio 2024E, %			43.0	PEG, P/E 24/CAGR			0.3

## Estimates and valuation

Dovre	FY '20	FY '21	FY '22	Q1'23	Q2'23	Q3'23	Q4'23	FY '23	Q1'24	Q2'24	Q3'24e	Q4'24e	FY '24e
<b>Revenue</b>	<b>77.5</b>	<b>142.7</b>	<b>203.0</b>	<b>45.8</b>	<b>47.3</b>	<b>52.8</b>	<b>50.8</b>	<b>196.7</b>	<b>42.3</b>	<b>50.9</b>	<b>57.6</b>	<b>51.1</b>	<b>201.9</b>
Project Personnel	62.9	76.2	90.6	24.8	25.9	28.8	29.3	108.8	25.2	25.3	27.2	25.7	103.4
y/y growth	-18 %	21 %	19 %	9 %	16 %	28 %	27 %	20 %	2 %	-2 %	-6 %	-12 %	-5 %
Consulting	14.5	16.1	18.2	5.1	4.0	3.5	3.9	16.5	3.6	3.5	3.6	4.1	14.8
y/y growth	137 %	11 %	13 %	17 %	-13 %	-20 %	15 %	-9 %	-30 %	-13 %	3 %	5 %	-10 %
Renewable Energy		50.4	94.2	15.9	17.4	20.5	17.6	71.4	13.5	22.1	26.8	21.3	83.7
y/y growth			87 %	-23 %	-14 %	-38 %	-13 %	-24 %	-15 %	27 %	31 %	21 %	17 %
<b>EBIT</b>	<b>2.4</b>	<b>6.1</b>	<b>8.5</b>	<b>1.7</b>	<b>1.5</b>	<b>2.7</b>	<b>1.5</b>	<b>7.4</b>	<b>-4.9</b>	<b>1.9</b>	<b>2.9</b>	<b>2.3</b>	<b>2.2</b>
Project Personnel	1.9	2.9	4.3	1.2	0.9	1.7	1.1	4.9	0.7	0.7	1.3	1.2	3.9
EBIT-%	3 %	4 %	5 %	5 %	3 %	6 %	4 %	5 %	3 %	3 %	5 %	5 %	4 %
Consulting	1.5	2.3	2.5	0.6	0.4	0.4	0.4	1.7	0.3	0.2	0.3	0.4	1.2
EBIT-%	10 %	14 %	14 %	12 %	10 %	11 %	10 %	10 %	8 %	6 %	8 %	10 %	8 %
Renewable Energy		1.9	2.7	0.2	0.5	0.9	0.2	1.8	-5.7	1.1	1.6	1.0	-2.0
EBIT-%		4 %	3 %	1 %	3 %	4 %	1 %	3 %	-42 %	5 %	6 %	5 %	-2 %
Other & Unallocated	-1.0	-1.0	-1.0	-0.3	-0.3	-0.3	-0.2	-1.0	-0.3	-0.2	-0.3	-0.3	-1.1

Source: Evli Research

DOVRE PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			EBIT-%		
		23	24	25	23	24	25	23	24	25
Brunel International	473	7.7x	5.8x	5.0x	10.8x	7.8x	6.5x	4.1 %	4.6 %	5.1 %
Eezy	31	7.1x	8.6x	6.8x	25.7x	26.0x	14.7x	1.8 %	2.0 %	3.3 %
Randstad	7425	8.6x	8.7x	7.5x	10.6x	11.8x	9.7x	4.2 %	3.2 %	3.8 %
AFRY	1828	8.1x	9.3x	8.3x	12.2x	13.1x	11.3x	6.8 %	7.4 %	8.2 %
Etteplan	316	9.3x	8.4x	7.3x	14.7x	13.3x	11.2x	7.7 %	7.8 %	8.8 %
Sitowise Group	84	8.3x	8.3x	6.8x	15.0x	21.0x	13.3x	6.2 %	4.1 %	6.1 %
SWECO	5062	16.0x	16.8x	15.3x	22.0x	21.3x	19.1x	8.6 %	9.8 %	10.3 %
AF Gruppen	1223	11.4x	8.4x	7.5x	19.9x	12.1x	10.4x	2.5 %	4.5 %	5.1 %
Kreate Group	68	5.9x	6.9x	6.0x	11.1x	11.2x	9.0x	2.3 %	3.3 %	3.7 %
Sdiptech	1041	10.8x	11.3x	10.3x	15.2x	15.6x	14.0x	17.1 %	16.7 %	17.1 %
Veidekke	1421	4.9x			8.4x			3.3 %	3.7 %	3.9 %
Peer Group Average	1725	<b>8.9x</b>	<b>9.2x</b>	<b>8.1x</b>	<b>15.1x</b>	<b>15.3x</b>	<b>11.9x</b>	<b>5.9 %</b>	<b>6.1 %</b>	<b>6.8 %</b>
Peer Group Median	1041	<b>8.3x</b>	<b>8.5x</b>	<b>7.4x</b>	<b>14.7x</b>	<b>13.2x</b>	<b>11.3x</b>	<b>4.2 %</b>	<b>4.5 %</b>	<b>5.1 %</b>
Dovre (Evli est.)	<b>37</b>	<b>5.6x</b>	<b>12.2x</b>	<b>3.9x</b>	<b>6.3x</b>	<b>17.2x</b>	<b>4.4x</b>	<b>3.8 %</b>	<b>1.1 %</b>	<b>3.9 %</b>

Dovre prem./disc. to peer median

-32 % 44 % -47 % -57 % 31 % -61 % -11 % -76 % -22 %

Source FactSet, Evli Research

Segment	EBIT '24e <sup>4)</sup>	EV/EBIT '24e <sup>*</sup>	EV <sup>1)</sup>	EBIT '25e	EV/EBIT '25e <sup>*</sup>	EV <sup>1)</sup>
Project Personnel	3.9	11.8x	46	4.3	9.7x	41
Consulting	1.2	17.2x	21	1.7	12.3x	21
Renewable Energy	3.9	12.1x	24	3.5	10.4x	19
Other & Unallocated <sup>2)</sup>	-1.1	13.7x	-15	-1.2	10.8x	-13
Total	7.9	9.6x	76	8.2	8.2x	67
Net debt (Evli YE est.)			1			0
Equity value			75			67
Per share			0.70			0.63
EV/EBIT <sup>3)</sup>			12.6x			10.4x

\*Peer group median (FactSet)

1) 51% stake in Renewable Energy

2) Multiple based on the weighted segmental average

3) Excluding 49% of Renewable Energy EBIT

4) Renewable Energy EBIT adjusted for the EUR 5.8m write-down

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	0.35 PV of Free Cash Flow	47 Long-term growth, %	2.5 Risk-free interest rate, %	2.25
DCF share value	0.69 PV of Horizon value	29 WACC, %	9.2 Market risk premium, %	5.8
Share price potential, %	99.5 Unconsolidated equity	0 Spread, %	0.0 Debt risk premium, %	2.8
Maximum value	0.7 Marketable securities	8 Minimum WACC, %	9.2 Equity beta coefficient	1.20
Minimum value	0.7 Debt - dividend	-10 Maximum WACC, %	9.2 Target debt ratio, %	15
Horizon value, %	38.5 Value of stock	74 Nr of shares, Mn	106.0 Effective tax rate, %	20

DCF valuation, EURm	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	Horizon
Net sales	197	202	210	215	221	226	232	237	243	250	256	262
<i>Sales growth, %</i>	-3.1	2.6	3.8	2.7	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Operating income (EBIT)	7	2	8	9	10	11	12	12	12	12	13	13
<i>Operating income margin, %</i>	3.8	1.1	3.9	4.4	4.7	5.0	5.0	5.0	5.0	5.0	5.0	5.0
+ Depreciation+amort.	1	0	0	0	0	0	1	1	1	0	0	
EBITDA	8	2	9	10	11	12	12	13	13	12	13	
- Paid taxes	-2	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-3
- Change in NWC	-5	0	0	0	0	0	0	0	0	0	0	0
<i>NWC / Sales, %</i>	5.9	5.9	5.9	5.9	5.9	5.9	5.9	6.0	6.0	6.0	6.0	
+ Change in other liabs	-1	0	0	0	0	0	0	0	0	0	0	0
- Operative CAPEX	0	-1	-1	-2	-2	-2	-2	-2	15	-1	-5	
<i>opCAPEX / Sales, %</i>	0.1	0.5	0.6	0.9	0.9	0.9	0.9	0.8	-6.2	0.4	2.1	
- Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0
+ Divestments	0	0	0	0	0	0	0	0	0	0	0	0
- Other items	0	0	0	0	0	0	0	0	0	0	0	0
= FCFF	1	0	5	6	6	7	7	8	25	9	4	67
= Discounted FCFF		0	5	4	5	5	5	4	13	4	2	29
= DFCF min WACC		0	5	4	5	5	5	4	13	4	2	29
= DFCF max WACC		0	5	4	5	5	5	4	13	4	2	29

INTERIM FIGURES

EVLI ESTIMATES, EURm	2023Q1	2023Q2	2023Q3	2023Q4	2023	2024Q1	2024Q2	2024Q3E	2024Q4E	2024E	2025E	2026E
Net sales	45.8	47.3	52.8	50.8	196.7	42.3	50.9	57.6	51.1	201.9	209.6	215.2
EBITDA	1.9	1.8	2.9	1.8	8.4	-4.6	2.1	3.1	2.5	2.6	8.5	9.8
<i>EBITDA margin (%)</i>	<i>4.1</i>	<i>3.8</i>	<i>5.5</i>	<i>3.5</i>	<i>4.3</i>	<i>-10.9</i>	<i>4.1</i>	<i>5.4</i>	<i>4.9</i>	<i>1.3</i>	<i>4.1</i>	<i>4.5</i>
EBIT	1.7	1.5	2.7	1.5	7.4	-4.9	1.9	2.9	2.3	2.2	8.2	9.4
<i>EBIT margin (%)</i>	<i>3.7</i>	<i>3.2</i>	<i>5.1</i>	<i>3.0</i>	<i>3.8</i>	<i>-11.6</i>	<i>3.7</i>	<i>5.0</i>	<i>4.5</i>	<i>1.1</i>	<i>3.9</i>	<i>4.4</i>
Net financial items	-0.2	-0.2	-0.6	-0.1	-1.1	-0.2	-0.1	-0.1	-0.1	-0.5	-0.4	0.0
Pre-tax profit	1.5	1.3	2.1	1.4	6.3	-5.1	1.8	2.8	2.2	1.7	7.8	9.4
Tax	-0.3	-0.5	-0.5	-0.4	-1.7	-0.3	0.0	-0.3	-0.3	-0.9	-1.6	-1.9
<i>Tax rate (%)</i>	<i>20.0</i>	<i>37.5</i>	<i>24.4</i>	<i>28.6</i>	<i>27.0</i>	<i>-5.9</i>	<i>-0.9</i>	<i>10.7</i>	<i>13.6</i>	<i>51.9</i>	<i>20.4</i>	<i>20.0</i>
Net profit	1.0	0.8	1.3	1.0	4.1	-2.4	1.0	2.3	1.7	2.6	3.7	7.5
EPS	0.01	0.01	0.01	0.01	0.04	-0.02	0.01	0.02	0.02	0.02	0.04	0.07
EPS adjusted (diluted no. of shares)	0.01	0.01	0.01	0.01	0.04	-0.02	0.01	0.02	0.02	0.02	0.04	0.07
Dividend per share	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.01	0.01	0.01
<b>SALES, EURm</b>												
Project Personnel	24.8	25.9	28.8	29.3	108.8	25.2	25.3	27.2	25.7	103.4	106.5	109.2
Consulting	5.1	4.0	3.5	3.9	16.5	3.6	3.5	3.6	4.1	14.8	15.2	15.5
Renewable Energy	15.9	17.4	20.5	17.6	71.4	13.5	22.1	26.8	21.3	83.7	87.9	90.5
Total	45.8	47.3	52.8	50.8	196.7	42.3	50.9	57.6	51.1	201.9	209.6	215.2
<b>SALES GROWTH, Y/Y %</b>												
<i>Project Personnel</i>	<i>9.3</i>	<i>15.6</i>	<i>28.0</i>	<i>27.4</i>	<i>20.1</i>	<i>1.6</i>	<i>-2.3</i>	<i>-5.6</i>	<i>-12.3</i>	<i>-5.0</i>	<i>3.0</i>	<i>2.5</i>
<i>Consulting</i>	<i>15.9</i>	<i>-13.0</i>	<i>-18.6</i>	<i>-20.4</i>	<i>-9.3</i>	<i>-29.4</i>	<i>-12.5</i>	<i>2.9</i>	<i>5.1</i>	<i>-10.3</i>	<i>2.5</i>	<i>2.0</i>
<i>Renewable Energy</i>	<i>-23.2</i>	<i>-14.3</i>	<i>-37.7</i>	<i>-13.3</i>	<i>-24.2</i>	<i>-15.1</i>	<i>27.0</i>	<i>30.7</i>	<i>21.0</i>	<i>17.2</i>	<i>5.0</i>	<i>3.0</i>
Total	-4.2	0.0	-11.6	5.4	-3.1	-7.6	7.6	9.1	0.6	2.6	3.8	2.7
<b>EBIT, EURm</b>												
Project Personnel	1.2	0.9	1.7	1.1	4.9	0.7	0.7	1.3	1.2	3.9	4.3	4.9
Consulting	0.6	0.3	0.4	0.4	1.7	0.3	0.3	0.3	0.4	1.3	1.7	1.9
Other functions	-0.2	-0.2	-0.2	-0.1	-0.7	-0.1	-0.1	-0.2	-0.2	-0.7	-0.8	-0.8
Unallocated	-0.1	0.0	-0.1	-0.1	-0.3	-0.1	0.0	-0.1	-0.1	-0.3	-0.4	-0.4
Renewable Energy	0.2	0.5	0.9	0.2	1.8	-5.6	1.1	1.6	1.0	-2.0	3.5	3.8
Total	1.7	1.5	2.7	1.5	7.4	-4.9	1.9	2.9	2.3	2.2	8.2	9.4
<b>EBIT margin, %</b>												
<i>Project Personnel</i>	<i>4.8</i>	<i>3.5</i>	<i>5.9</i>	<i>3.8</i>	<i>4.5</i>	<i>2.8</i>	<i>2.8</i>	<i>4.8</i>	<i>4.7</i>	<i>3.8</i>	<i>4.0</i>	<i>4.5</i>
<i>Consulting</i>	<i>11.8</i>	<i>7.5</i>	<i>11.4</i>	<i>10.3</i>	<i>10.3</i>	<i>8.3</i>	<i>8.6</i>	<i>8.3</i>	<i>9.8</i>	<i>8.8</i>	<i>11.0</i>	<i>12.0</i>
<i>Unallocated</i>		<i>0.0</i>			<i>-75,000.0</i>		<i>0.0</i>			<i>-</i>		
<i>Renewable Energy</i>	<i>1.3</i>	<i>2.9</i>	<i>4.4</i>	<i>1.1</i>	<i>2.5</i>	<i>-41.9</i>	<i>4.8</i>	<i>6.0</i>	<i>4.7</i>	<i>-2.4</i>	<i>4.0</i>	<i>4.3</i>
Total	3.7	3.2	5.1	3.0	3.8	-11.6	3.7	5.0	4.5	1.1	3.9	4.4

Commercial Services & Supplies/Finland, August 16, 2024  
Company update

INCOME STATEMENT, EURm	2019	2020	2021	2022	2023	2024E	2025E	2026E
Sales	83.1	77.4	142.7	203.0	196.7	201.9	209.6	215.2
<i>Sales growth (%)</i>	<i>26.9</i>	<i>-6.9</i>	<i>84.4</i>	<i>42.3</i>	<i>-3.1</i>	<i>2.6</i>	<i>3.8</i>	<i>2.7</i>
EBITDA	3.5	3.2	7.0	9.5	8.4	2.6	8.5	9.8
<i>EBITDA margin (%)</i>	<i>4.2</i>	<i>4.2</i>	<i>4.9</i>	<i>4.7</i>	<i>4.3</i>	<i>1.3</i>	<i>4.1</i>	<i>4.5</i>
Depreciation	-0.9	-0.8	-0.9	-1.0	-1.0	0.0	-0.3	-0.3
EBITA	2.6	2.4	6.1	8.5	7.4	2.2	8.2	9.4
Goodwill amortization / writedown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	2.6	2.4	6.1	8.5	7.4	2.2	8.2	9.4
<i>EBIT margin (%)</i>	<i>3.1</i>	<i>3.1</i>	<i>4.3</i>	<i>4.2</i>	<i>3.8</i>	<i>1.1</i>	<i>3.9</i>	<i>4.4</i>
Reported EBIT	2.6	2.4	6.1	8.5	7.4	2.2	8.2	9.4
<i>EBIT margin (reported) (%)</i>	<i>3.1</i>	<i>3.1</i>	<i>4.3</i>	<i>4.2</i>	<i>3.8</i>	<i>1.1</i>	<i>3.9</i>	<i>4.4</i>
Net financials	-0.1	-0.2	-0.5	-1.0	-1.1	-0.5	-0.4	0.0
Pre-tax profit	2.5	2.2	5.6	7.5	6.3	1.7	7.8	9.4
Taxes	-0.6	-0.5	-1.3	-1.6	-1.7	-0.9	-1.6	-1.9
Minority shares	0.0	0.0	-0.6	-0.7	-0.5	1.8	-2.5	0.0
Net profit	2.0	1.7	3.7	5.2	4.1	2.6	3.7	7.5
Cash NRIs	0.0	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
<b>BALANCE SHEET, EURm</b>								
Assets								
Fixed assets	3	3	3	4	7	8	9	10
Goodwill	15	16	21	21	20	20	20	20
Right of use assets	0	0	0	0	0	0	0	0
Inventory	0	0	1	2	7	7	7	7
Receivables	15	14	32	42	44	45	47	48
Liquid funds	7	9	10	11	8	8	8	9
Total assets	41	44	70	82	88	91	94	97
Liabilities								
Shareholder's equity	24	24	28	34	37	39	42	48
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	6	8	8	9	9	8	4
Non-interest bearing current liabilities	13	13	30	36	38	39	41	42
Other interest-free debt	0	0	1	2	1	1	1	1
Total liabilities	41	44	70	82	88	91	94	97
<b>CASH FLOW, EURm</b>								
+ EBITDA	3	3	7	10	8	3	9	10
- Net financial items	0	0	0	-1	-1	0	0	0
- Taxes	-1	0	-1	-2	-2	-1	-2	-2
- Increase in Net Working Capital	-1	2	-2	-5	-5	0	0	0
+/- Other	0	0	-1	-1	-1	2	-2	0
= Cash flow from operations	2	5	3	1	0	2	4	8
- Capex	0	-5	-2	0	0	-1	-1	-2
- Acquisitions	0	0	0	0	0	0	0	0
+ Divestments	0	0	0	0	0	0	0	0
= Free cash flow	2	0	1	1	0	1	2	6
+/- New issues/buybacks	0	0	2	1	-1	0	0	0
- Paid dividend	-1	-1	-1	0	0	-1	-1	-1
+/- Other	0	3	0	0	-2	0	-1	-4
Change in cash	1	2	1	2	-3	0	0	0

Commercial Services & Supplies/Finland, August 16, 2024  
Company update

KEY FIGURES	2020	2021	2022	2023	2024E	2025E	2026E
M-cap	29	72	62	46	37	37	37
Net debt (excl. convertibles)	-2	-1	-3	1	1	0	-5
Enterprise value	26	71	59	47	38	37	32
Sales	77	143	203	197	202	210	215
EBITDA	3	7	10	8	3	9	10
EBIT	2	6	9	7	2	8	9
Pre-tax	2	6	7	6	2	8	9
Earnings	2	4	5	4	3	4	8
Equity book value (excl. minorities)	24	28	34	37	39	42	48
<b>Valuation multiples</b>							
EV/sales	0.3	0.5	0.3	0.2	0.2	0.2	0.1
EV/EBITDA	8.2	10.2	6.2	5.6	12.2	4.3	3.3
EV/EBITA	11.0	11.6	6.9	6.3	17.2	4.4	3.4
EV/EBIT	11.0	11.6	6.9	6.3	17.2	4.4	3.4
EV/OCF	5.5	23.6	52.0	363.9	16.4	10.3	4.3
EV/FCFF	81.0	33.1	16.4	65.5	-177.4	7.0	5.8
P/FCFE	153.8	143.0	66.4	-644.7	30.6	15.4	6.7
P/E	17.0	19.5	11.9	11.3	14.0	9.8	4.9
P/B	1.2	2.5	1.8	1.2	0.9	0.9	0.8
Target EV/EBITDA	0.0	0.0	0.0	0.0	24.5	6.2	4.9
Target EV/EBIT	0.0	0.0	0.0	0.0	24.5	6.4	5.1
Target EV/FCF	0.0	0.0	0.0	0.0	44.7	22.0	8.7
Target P/B	0.0	0.0	0.0	0.0	1.4	1.3	1.1
Target P/E	0.0	0.0	0.0	0.0	20.1	14.1	7.0
<b>Per share measures</b>							
Number of shares	102,960	105,960	105,960	105,960	105,960	105,960	105,960
Number of shares (diluted)	102,960	105,960	105,960	105,960	105,960	105,960	105,960
EPS	0.02	0.03	0.05	0.04	0.02	0.04	0.07
Operating cash flow per share	0.05	0.03	0.01	0.00	0.02	0.03	0.07
Free cash flow per share	0.00	0.00	0.01	0.00	0.01	0.02	0.05
Book value per share	0.23	0.27	0.32	0.35	0.37	0.39	0.45
Dividend per share	0.01	0.00	0.00	0.01	0.01	0.01	0.01
Dividend payout ratio, %	60.9	0.0	0.0	26.1	40.2	28.3	14.1
Dividend yield, %	3.6	0.0	0.0	2.3	2.9	2.9	2.9
FCF yield, %	0.7	0.7	1.5	-0.2	3.3	6.5	15.0
<b>Efficiency measures</b>							
ROE	7.1	14.1	16.5	11.3	6.9	9.3	16.8
ROCE	8.4	18.3	21.4	16.6	4.7	16.8	18.5
<b>Financial ratios</b>							
Inventories as % of sales	0.0	0.5	0.7	3.4	3.4	3.4	3.4
Receivables as % of sales	17.7	22.5	20.8	22.4	22.4	22.4	22.4
Non-interest bearing liabilities as % of sales	17.1	21.1	17.5	19.5	19.5	19.5	19.5
NWC/sales, %	0.2	1.2	3.2	5.9	5.9	5.9	5.9
Operative CAPEX/sales, %	6.0	1.8	0.1	0.1	0.5	0.6	0.9
CAPEX/sales (incl. acquisitions), %	6.0	1.8	0.1	0.1	0.5	0.6	0.9
FCFF/EBITDA	0.1	0.3	0.4	0.1	-0.1	0.6	0.6
Net debt/EBITDA, book-weighted	-0.7	-0.2	-0.3	0.1	0.5	0.0	-0.5
Debt/equity, market-weighted	0.2	0.1	0.1	0.2	0.2	0.2	0.1
Equity ratio, book-weighted	53.6	40.8	41.6	42.5	43.0	44.4	49.6
Gearing, %	-10.1	-3.7	-8.8	3.1	2.6	-0.8	-10.0

**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	19,000,000	6.612	17.9%
JOENSUUN KAUPPA JA KONE OY	11,482,391	3.996	10.8%
KOSKELO ILARI	6,155,000	2.142	5.8%
SKANDINAVISKA ENSKILDA BANKEN AB (PUBL) HELSINKI BRANCH	3,465,513	1.206	3.3%
SIIK SEPPO SAKARI	2,094,015	0.729	2.0%
K22 FINANCE OY	2,000,000	0.696	1.9%
MÄKELÄ PEKKA MIKAEL	1,775,713	0.618	1.7%
PAASI KARI	1,750,000	0.609	1.7%
SIIK RAUNI MARJUT	1,584,885	0.552	1.5%
KAKKONEN KARI HEIKKI ILMARI	1,500,000	0.522	1.4%
Ten largest	50,807,517	17.681	48%
Residual	55,152,483	19.193	52%
Total	105,960,000	36.874	100%

**EARNINGS CALENDAR**

October 24, 2024

Q3 report

**OTHER EVENTS****COMPANY MISCELLANEOUS**

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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



<p>ROE, %</p> $\frac{\text{Profit before extraordinary items and taxes - income taxes}}{\text{Shareholder's equity + minority interest + taxed provisions (average)}}$	
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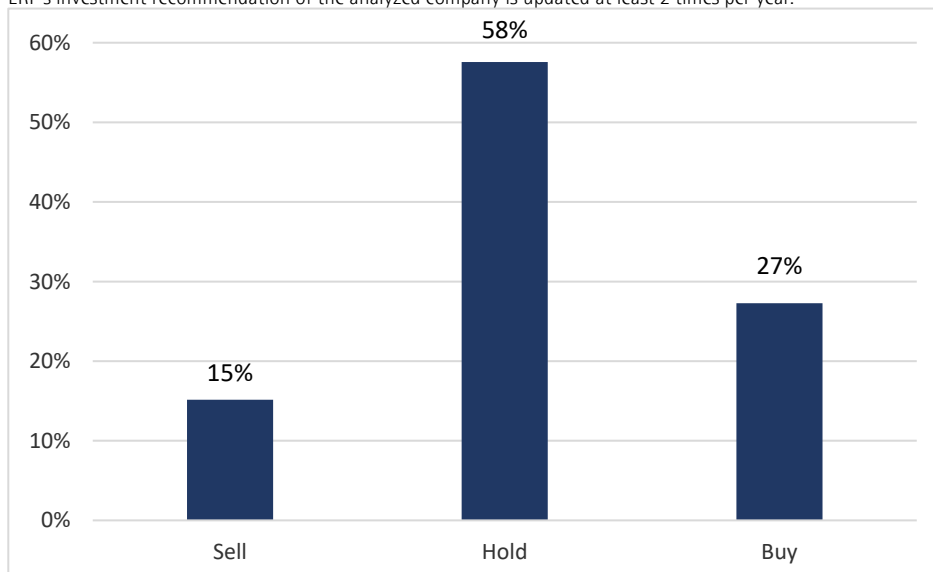
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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

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