

Multiconsult third quarter result 2024 – very strong quarter

Multiconsult ASA (OSE: MULTI)

Multiconsult delivered a very strong quarter, continuing the positive momentum. EBITA came in at NOK 102.9 million (29.2), equal to an EBITA margin of 9.0 per cent. The performance was influenced by high activity, with a billing ratio of 71.2 per cent, 3.4 percentage points higher than the comparable quarter last year. Net operating revenues grew by 17.5 per cent to NOK 1 148.4 million, the organic revenue growth was 15.9 per cent adjusted for the calendar effect. There was an impact of one more working day compared to the same period last year, with an estimated negative effect of NOK 6.1 million on net operating revenues and EBITA. The order intake was NOK 1 277 million resulting in an order backlog of NOK 4 838 million. During the quarter, Multiconsult resolved a contractual dispute with a client, resulting in a settlement payment of NOK 31.2 million, which is reflected in the group results.

THIRD QUARTER 2024

- Very strong quarter, driven by robust operational performance and high activity
- Net operating revenues increased by 17.5 per cent to NOK 1 148.4 million (977.0)
 - The organic revenue growth adjusted for the calendar effect was 15.9 per cent
- EBITA of NOK 102.9 million (29.2), equal to an EBITA margin of 9.0 per cent (3.0)
 - Net operating revenues and EBITA impacted negatively by NOK 6.1 million from the calendar effect compared with third quarter 2023
- EBITA adjusted for one-offs was NOK 71.7 million (29.2), equal to an EBITA margin of 6.4 per cent (3.0)
 - Net operating revenues and EBITA impacted by a one-time settlement payment from client of NOK 31.2 million related to a contractual dispute
- Significantly improved billing ratio of 71.2 per cent (67.8), up 3.4pp
- Order intake of NOK 1 277 million (1 349)
- Order backlog of NOK 4 838 million (5 094)
- Full-time equivalents (FTE) increased by 2.1 per cent, to 3 541 (3 469)
- Net profit of NOK 80.2 million (9.6)
- Earnings per share NOK 2.95 (0.40)
- The overall market outlook remains good and stable

YEAR TO DATE 2024

- Net operating revenues of NOK 3 940.3 million (3 441.0), a y-o-y growth of 14.5 per cent
 - The organic revenue growth adjusted for the calendar effect was 12.2 per cent
- EBITA of NOK 425.4 million (301.1), equal to an EBITA margin of 10.8 per cent (8.8)
 - Net operating revenues and EBITA impacted negatively by NOK 27.2 million from the calendar effect compared with same period 2023
- EBITA adjusted for one-offs was NOK 394.1 million (301.1), equal to an EBITA margin of 10.1 per cent (8.8)
 - Net operating revenues and EBITA impacted by a one-time settlement payment from client of NOK 31.2 million related to a contractual dispute
- Order intake of NOK 4 655 million (5 495)
- Net profit of NOK 323.7 million (203.7)
- Earnings per share 11.83 (7.46)
- Full-time equivalents (FTE) increased by 6.0 per cent, to 3 540 (3 340)

EXTRACT OF COMMENTS FROM CEO, GRETHE BERGLY:

Multiconsult delivered a very strong quarter, continuing the positive momentum. A continued high billing ratio throughout this quarter attests to the elevated activity levels across the organisation and in all business areas. We continue to achieve impressive results driven by robust operational performance and high activity levels in many of our large projects. I would like to express my gratitude to all our employees for their contributions to these results.

Three years into the strategy period, we have seen significant changes in our surroundings and macro-economic situation, which have also impacted our client base. In light of this, we have updated our strategy, and this will be presented in the Capital Markets Day presentation following the presentation of the third quarter results.

We continue to experience strong demand for our services, there are however variations in the market situation across geographical locations and business areas. With the ongoing geopolitical challenges, our strong references related to the defence sector is creating new business opportunities and we are well positioned for the increase in activities, both within the sector and to all services related to this market. It is a significant achievement that Multiconsult, at the start of November, was awarded a NOK 450 million framework agreement with the Norwegian Defence Estates Agency (NDEA) (Forsvarsbygg).

Looking ahead, Multiconsult is in a strong position to handle a changing market and support our clients' needs. Our solid order backlog, focus on sustainability, and growth in key areas position us well for future opportunities. With our dedicated teams and strong foundation, I am confident we will continue to build on our success.

For a full review of comments from CEO, please refer third quarter 2024 interim report.

FINANCIAL REVIEW, THIRD QUARTER 2024:

Net operating revenues amounted to NOK 1 148.4 million (977.0), an increase of 17.5 per cent compared to the same quarter last year. The organic revenue growth amounted to 15.9 per cent, adjusted for calendar effect and acquisition. The increase in net operating revenues was driven by increased capacity, higher billing rates, higher billing ratio and a one-time settlement payment from client of NOK 31.2 million. The billing ratio exceeded last year's comparable quarter by 3.4 percentage points, reaching 71.2 per cent (67.8). Higher capacity, reflected by an increase in full-time equivalents (FTE) of 2.1 per cent contributed positively.

Operating expenses consist of employee benefit expenses and other operating expenses. Operating expenses increased by 10.7 per cent to NOK 984.7 million (889.8) compared to the same quarter in 2023. Employee benefit expenses increased by 10.4 per cent in line with ordinary salary adjustment, increased staffing level from acquisitions, and increase in net recruitment. Other operating expenses increased by 12.0 per cent to NOK 154.0 million (137.4), primarily due to higher IT-cost and cost increase in general.

EBITDA was NOK 163.8 million (87.2), an increase of 87.8 per cent compared to the same period last year, reflecting an EBITDA margin of 14.3 per cent (8.9) in the quarter.

EBITA was NOK 102.9 million (29.2), an increase of 252.3 per cent year-over-year, reflecting an EBITA margin of 9.0 per cent (3.0) in the quarter.

EBITA adjusted for one-offs was NOK 71.7 million, reflecting an EBITA margin of 6.4 per cent (3.0) in

the quarter. One-off related to settlement payment of contractual dispute of NOK 31.2 million.

Calendar effect: In the third quarter there was one more working day compared to the third quarter of 2023, two additional days in July and one fewer day in August 2024. This had an estimated negative impact of NOK 6.1 million on net operating revenues and operating results. In connection with number of working days in comparable periods Multiconsult uses alternative performance measures to provide a better understanding of the group's underlying financial performance, see last section of this report.

FINANCIAL REVIEW, YEAR TO DATE 2024:

Net operating revenues increased by 14.5 per cent to NOK 3 940.3 million (3 441.0). The organic revenue growth amounted to 12.2 per cent, adjusted for calendar effect and acquisition. The increase in net operating revenues was driven by increased capacity, reflected by an increase in full-time equivalents (FTE) of 6.0 per cent, higher billing ratio, and higher billing rates. The billing ratio increased to 72.9 per cent (70.4), an increase of 2.5 percentage points.

Operating expenses consist of employee benefit expenses and other operating expenses. Reported operating expenses increased by 12.1 per cent to NOK 3 334.5 million (2 973.3) compared to the same period last year. Employee benefit expenses increased by 12.7 per cent and came in at NOK 2 869.5 million (2 545.3), an increase driven by net recruitment, regular salary adjustment and employee benefit expenses arising from acquisitions. Other operating expenses increased by 8.6 per cent to NOK 465.0 million (428.0), partly an effect of operating expenses included from prior acquisitions and from cost increase in general.

EBITDA was NOK 605.8 million (467.7), an increase of 29.5 per cent compared to the same period last year, reflecting an EBITDA margin of 15.4 per cent (13.6).

EBITA was NOK 425.4 million (301.1), an increase of 41.3 per cent y-o-y, reflecting an EBITA margin of 10.8 per cent (8.8).

EBITA adjusted for one-offs was NOK 394.1 million, reflecting an EBITA margin of 10.1 per cent (8.8) year to date. One-off related to settlement payment of contractual dispute of NOK 31.2 million in the third quarter.

Calendar effect: As of year to date 2024, the average number of working days was the same as in the corresponding period in 2023. However, due to variations in working days within the months between the two years, there was an estimated negative impact of NOK 27.2 million on net operating revenues and operating results.

OUTLOOK

The overall market outlook remains good and stable, although there are notable variations across sectors. Key markets are foreseen to maintain a positive trend, despite signs of a slowdown in specific areas. Uncertainty surrounding investment levels and political factors persists, but demand for key services - particularly related to defence, infrastructure and sustainability projects remains strong. The competitive landscape continues to evolve, with pricing and margins for architectural and engineering services remaining sensitive and variable. New opportunities are emerging, contributing to a generally favourable pipeline. The outlook supports continued stability and consistent performance.

For a full review, please refer to third quarter and year to date 2024 report.

Presentations today 6 November 2024:

Participants are invited to attend the Norwegian presentation that will be held at Hotel Continental, Stortingsgata 24/26, Oslo, Norway at 08:30 (CEST). The results will also be presented through a live webcast. Participants will have the opportunity to submit questions online throughout the webcast sessions.

Third quarter result 2024: 6. November 08:30 CET

https://channel.royalcast.com/landingpage/hegnarmedia/20241106_8/

Live webcasts, complete report, presentation and a recording of the webcast will be available on www.multiconsult-ir.com and <https://newsweb.oslobors.no/>

For further information, please contact:

Investor relations:

Ove B. Haupberg, CFO

Phone: +47 401 00 900

E-mail: oveb.haupberg@multiconsult.no

Media:

Gaute Christensen, VP Communications

Phone: +47 911 70 188

E-mail: gaute.christensen@multiconsult.no