

Strong quarter and continued growth

Multiconsult had a strong second quarter 2020 with an EBIT at NOK 102.5 million. For the first half of 2020 the EBIT was NOK 219.9 million, an improvement of 187.3% y-o-y. The EBIT margin in the second quarter was 10.8%, and 11.3% in the first half 2020. Net operating revenues in the second quarter increased by 9.8% y-o-y to NOK 951.7 million, other operating expenses were reduced by 13.1% to 108.4 million, and the billing ratio was improved to 73.8%. The nextLEVEL improvement programme is on track, partly reflected in a reduction in other operating expenses of 12.7% y-o-y to NOK 218.4 million for the first half of 2020. Solid order intake of NOK 1 037 million in the quarter ensures a stable order backlog of NOK 3 004 million.

“Multiconsult delivered a strong second quarter and a solid first half of 2020, with significantly improved profitability and revenue growth. We are well underway in the turnaround process that started in the first half of 2019. The improvements are a result of our focus on core business, sales and project execution, and significantly reduced operating expenses partially resulting from the nextLEVEL improvement programme.

We are also delivering solid sales resulting in a stable order backlog. While we have seen only modest impact of Covid-19 on our activity level, the pandemic is of course still creating some uncertainty. I am very impressed by the way our employees have adapted to the new working environment, and how their dedication in achieving solid and uninterrupted customer deliveries, has contributed to significant improvements.” says Grethe Bergly, CEO of Multiconsult ASA.

Second quarter 2020

Net operating revenues increased by 9.8% to NOK 951.7 million (NOK 866.7 million) compared to the same quarter last year. The increase in net operating revenues is exclusively organic. There was a calendar effect of one more working day with an impact of NOK 14.9 million.

Reported **operating expenses** decreased by 4.3% to NOK 799.4 million (NOK 835.4 million). Other operating expenses decreased by 13.1%, confirming that the nextLEVEL improvement programme is on track, together with the impact of lower activity cost such as travel and consultancy expenditure due to Covid-19.

EBIT was NOK 102.5 million (negative NOK 15.9 million), reflecting an EBIT margin of 10.8% compared to a negative EBIT margin of (1.8%) for the same period last year. The comparable 2019 EBIT figure includes non-recurring one-off charge of approximately NOK 20.2 million.

First half 2020

Net operating revenues increased by 7.4% to NOK 1 945 million (NOK 1 811 million) and is exclusively organic driven. There was a calendar effect of two more working days that impacted net operating revenues positively with NOK 28.3 million.

Reported **operating expenses** was reduced by 1.0% to NOK 1 625 million (NOK 1 641 million). Employee benefit expenses increased slightly, while other operating expenses decreased by

12.7%, partly a nextLEVEL effect, as well as impacted by lower travel costs and other costs reductions related to Covid-19.

EBIT was NOK 219.9 million (NOK 76.5 million), an improvement of 187.3% y-o-y, reflecting an EBIT margin of 11.3%. The comparable 2019 EBIT figure includes non-recurring one-off charges of approximately NOK 30.2 million.

The order backlog at the end of the second quarter 2020 remains solid at NOK 3 004 million (NOK 2 725 million), an increase of 10.2%. Order intake during the quarter increased by 14.9% compared to the second quarter in 2019.

Multiconsult is on track in the ongoing turnaround process that started in the first half of 2019, where the focus has been on the core business, sales and project execution. The nextLEVEL improvement programme is on track. The order backlog is at a solid level and provides a good foundation with a broad customer base. This is further supported by important projects awarded after 30 June 2020.

Subject to uncertainties caused by the Covid-19 situation, the market outlook for Multiconsult's services is good across most business areas, and with a good pipeline of potential projects coming up. There are however more uncertainties in particular within buildings and properties (including architects) and in certain areas within our energy sector, where a softening of the market is expected. The pandemic continues to create uncertainty for our industry. Multiconsult has registered modest negative impact due to the Covid-19 situation. In relation to Covid-19, Multiconsult has been, and will be, taking prudent, responsible and necessary actions, to secure our people, our business, and our deliveries in close cooperation with our customers.

With a solid market position, leading competences, technology and solutions for our customers, Multiconsult believes it is well placed to handle the challenges of the current uncertainties facing the economy and our industry.

Presentation

A presentation of the second quarter and half year 2020 results will be held today, Wednesday 26 August. In light of the Covid-19 outbreak corresponding restrictions, only a maximum of 20 (pre-registered) participants are allowed to attend the presentation, however the presentation will also be available as a live webcast.

A webcast in Norwegian will be held at 08:30 CET, followed by an audio cast at 09:30 CET in English. The presentations will be held by CEO Grethe Bergly and CFO Hans-Jørgen Wibstad.

The live webcast from the Norwegian presentation can be accessed at www.multiconsult-ir.com and at https://channel.royalcast.com/webcast/hegnarmedia/20200826_3/ or by conference call.

The live audio cast from the English presentation can be accessed at https://channel.royalcast.com/webcast/hegnarmedia/20200826_4/ or by conference call.

Questions to the management can be made directly on the conference call after the presentations or by in writing on the live webcast.

Participant Access Information for the conference calls:

Please join the selected event conference 5-10 minutes prior to the start time. You will be asked to provide the confirmation code or the title of your conference.

Event Conference Title: Multiconsult Q2 2020 Presentation
Confirmation Code: 469283

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