

Multiconsult – Solid fourth quarter and full year result

Multiconsult ASA (OSE: MULTI) fourth quarter EBIT came in at NOK 89.8 million, which gives an EBIT for the full year of NOK 348.9 million. The EBIT margin in the quarter was 8.4 per cent, and 9.2 per cent for the full year 2021. In the fourth quarter net operating revenues increased 10.5 per cent y-o-y mainly driven by M&A activities.

The overall market outlook for Multiconsult's services is expected to remain good and stable across all five business areas. A high activity level is expected in both the public and private sector. Furthermore, increased spending is expected on infrastructure, and the growing market for sustainability and solutions connected to the "green shift". At the beginning of 2022 we have experienced good sales.

The board of directors proposes a dividend of NOK 6.00 per share to be paid as ordinary dividend for 2021.

"I am pleased that we deliver solid profitability, good sales and maintain a strong market position in the fourth quarter, and in 2021 as a whole. Through important strategic acquisitions we have strengthened our market position and our capabilities to offer our customers the best solutions. In a year impacted by the Covid-19 pandemic, I would particularly like to thank our employees for their dedication and efforts in dealing with the challenges caused by the pandemic, and extensive home office situation. Looking forward, we see a high activity level and increased opportunities in providing solutions to support our clients in the "green shift" and developing sustainable solutions. We will continue our growth journey, leveraging on our strong business platform, solid market position and client base - combined with highly skilled people and strong partnerships." says Grethe Bergly, CEO of Multiconsult ASA.

Fourth quarter 2021

Net operating revenues increased by 10.5 per cent to NOK 1068.3 million (967.1). The increase in net operating revenues reflects higher production due to the acquisition of the Erichsen & Horgen group. Compared to the same period last year the organic growth in net operating revenues was 2.4 per cent. The net operating revenues was impacted by lower billing ratio of 0.5pp, which came in at 70.5 per cent (71.0). A higher shorth-term sick leave compared to the same period last year is a contribution factor to the lower billing ratio.

Operating expenses increased by 11.0 per cent to NOK 928.5 million (836.6). Employee benefit expenses increased by 7.8 per cent compared to the same quarter in 2020, and is mainly caused by ordinary salary adjustment, increased manning level from acquisitions and net recruitment. Other operating expenses increased to NOK 139.1 million (104.4). The changes from the same period last year are partly an effect of higher IT cost, certain periodic effects, and operating expenses from Erichsen & Horgen.

EBITDA was NOK 139.8 million (130.5), an increase of 7.1 per cent compared to the same period last year, reflecting an EBITDA margin of 13.1 per cent (13.5) in the period.

EBITA amounted to NOK 91.0 million (83.0), reflecting an EBITA margin of 8.5 per cent (8.6) in the period.

EBIT amounted to NOK 89.8 million (83.0), an increase of 8.2 per cent y-o-y, reflecting an EBIT margin of 8.4 per cent (8.6) in the period.

Full year 2021

Compared to last year, net operating revenues increased by 3.9 per cent to NOK 3 803.7 million. The increase is mainly an effect from the acquisition of Erichsen & Horgen group and net recruitment. Adjusted for acquisitions, organic growth was 1.1 per cent. Billing ratio came in at 70.4 per cent, a reduction of 0.5pp compared to 2020.

Operating expenses increased by 6.5 per cent to NOK 3 260.9 million (3 062.2) driven by a 5.7 per cent increase in employee benefit expenses due to new employees from acquisitions, net recruitment and ordinary salary adjustment. Other operating expenses increased by 11.8 per cent to NOK 449.5 million (402.2), partly caused by operating expenses from acquired companies and by higher IT cost in general.

EBITDA was NOK 542.8 million (598.7), a decrease of 9.3 per cent compared to last year, reflecting an EBITDA margin of 14.3 per cent (16.4) for the year.

EBITA was NOK 350.5 million (371.0), reflecting an EBITA margin of 9.2 percent (10.1).

EBIT was NOK 348.9 million (371.0), a decrease of 6.0 per cent y-o-y, reflecting an EBIT margin of 9.2 percent (10.1).

The overall market outlook for Multiconsult's services is expected to remain good and stable across all five business areas. A high activity level is expected in both the public and private sector. Furthermore, increased spending is expected on infrastructure and growing market for sustainability and solutions connected to the "green shift". The potential opportunities in the pipeline are also at a good level in most business areas, and we have experienced good sales in the beginning of 2022.

In the short term, the Covid-19 situation may particularly impact short-term sick leave, which has been experienced in recent months. Furthermore, there is a higher than normal short-term risk of potential delays in certain projects, mainly caused by increased cost in the building- and construction sector.

The recent acquisitions, strong portfolio of ongoing projects and a solid order backlog provides Multiconsult with an overall good foundation going into 2022.

For a full review of our report, please refer to our Fourth quarter 2021 report.

Presentation

The Norwegian presentation will be held at Felix Conference Centre, Bryggetorget 3, Oslo, at 08:30 (CET) and participants is invited to attend the presentation. The presentations will be held by CEO Grethe Bergly and CFO Hans-Jørgen Wibstad.

The results will also be presented through a live webcast: In Norwegian at 08:30 (CET) and in English presentation at 09:30 (CET). Participants will have the opportunity to submit questions online throughout the webcast sessions.

The Norwegian presentation at 08:30 (CET) can be accessed at:

https://channel.royalcast.com/landingpage/hegnarmedia/20220210_1/

The English presentation at 09:30 (CET) can be accessed at:

https://channel.royalcast.com/landingpage/hegnarmedia/20220210_2/

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

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