



INTERIM REPORT

Q3 | 2021

Multiconsult



HIGHLIGHTS

THIRD QUARTER

- ▲ Net operating revenues of NOK 769.6 million (748.5)
- ▲ EBIT of NOK 46.0 million (68.1), equal to an EBIT margin of 6.0 per cent (9.1)
- ▲ Other operating expenses increased by NOK 24.1 million to NOK 103.5 million
 - Other operating expenses at the same level as the average for the previous six quarters (excl. Erichsen & Horgen)
 - Other opex ratio (ex. IFRS 16) increased to 19.0 per cent (16.3)
- ▲ Billing ratio of 67.4 per cent (69.2), down 1.8pp
- ▲ Lower activity level after the summer holiday, picking up through the quarter
- ▲ Result particularly impacted by lower activity within transportation, and restructuring in LINK Sweden
- ▲ Order intake NOK 749 million (919), impacted by the cancellation of E6 Moelv – Roterud NOK 135 million
- ▲ Stable or good market outlook in all business areas
- ▲ Post-pandemic situation causing uncertainty in the short term

YEAR TO DATE 2021

- ▲ Net operating revenues of NOK 2 735.4 million (2 693.8)
- ▲ EBIT of NOK 259.1 million (288.1), equal to an EBIT margin of 9.5 per cent (10.7)
- ▲ Other operating expenses increased by NOK 12.6 million to NOK 310.4 million
 - Other opex ratio (ex. IFRS 16) increased to 16.1 per cent (15.8)
- ▲ Net profit of NOK 172.2 million (186.5)
- ▲ Order intake of NOK 3 210 million (3 261)
- ▲ Order backlog at a high level of NOK 3 345 million



“During the first nine months of 2021, Multiconsult has delivered solid results and good order intake. In the third quarter, we experienced a slow start-up after the summer with lower activity level in the market, while also experiencing the impact of both the last part of Covid-19 pandemic and the transition into a post-pandemic situation. This had an adverse effect on our profitability in the quarter. However, activity level picked up in most of our business areas and markets towards the end of the quarter. We are on a steady course, and will continue to have high focus on our core business, sales and project execution, while stabilising profitability”

Grethe Bergly
CEO of Multiconsult ASA

KEY FIGURES

CONSOLIDATED KEY FIGURES

<i>Amounts in NOK million (except EPS and percentage)</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020
FINANCIAL				
Net operating revenues	769.6	748.5	2 735.4	2 693.8
Employee benefit expenses	572.0	521.0	2 021.9	1 927.9
Other operating expenses	103.5	79.4	310.4	297.8
EBITDA	94.1	148.1	403.1	468.2
EBITDA margin	12.2%	19.8%	14.7%	17.4%
EBIT	46.0	68.1	259.1	288.1
EBIT margin	6.0%	9.1%	9.5%	10.7%
Adjusted EBIT ¹⁾		98.1		318.1
Adjusted EBIT margin ¹⁾		13.1%		11.8%
Reported profit for the period	27.5	36.5	172.2	186.5
Earnings per share (EPS)	1.01	1.36	6.37	6.92
OPERATIONAL				
Other opex ratio (ex. IFRS 16)	19.0%	16.3%	16.1%	15.8%
Billing ratio	67.4%	69.2%	70.3%	70.8%
Number of employees	3 183	2 938	3 183	2 938
Order intake	749	919	3 210	3 261
Order backlog	3 345	3 040	3 345	3 040

¹⁾ Adjusted EBIT excluding one-off nextLEVEL restructuring cost of NOK 30.0 million in 2020.

THIRD QUARTER 2021

Multiconsult net operating revenues came in at NOK 769.6 million in the third quarter, up 2.8 per cent y-o-y. The third quarter EBIT was NOK 46.0 million and an EBIT year to date 2021 of NOK 259.1 million. The EBIT margin in the third quarter was 6.0 per cent, and 9.5 per cent year to date 2021. The billing ratio was low at 67.4 per cent reflecting lower market and project activity after the summer, partially caused by the transition into a post-pandemic situation. The result is also impacted by restructuring in LINK Arkitektur Sweden and particularly lower activity level within transportation. Towards the end of the quarter, we experienced a higher activity level in most of our business areas and markets.

The order intake was NOK 749 million in the third quarter, which gives a stable order backlog of NOK 3 345 million. Acquisition of Erichsen & Horgen was successfully completed and is an important milestone for continued growth. Erichsen & Horgen group is included in the financial accounts with effect from 1 September 2021.

FINANCIAL REVIEW

Multiconsult group ("Multiconsult" or "the group") comprises Multiconsult ASA ("parent company" or "company") and all subsidiaries and associated companies. (Figures in brackets = same period prior year or relevant balance sheet date 2020).

Group results

Third quarter 2021 Multiconsult group

Net operating revenues came in at NOK 769.6 million (748.5) an increase of 2.8 per cent compared to the same period last year. The increase in net operating revenues is partly impacted by revenues from the acquired Erichsen & Horgen group from September 2021. A slow start after the summer together with lower project activity impacted the billing ratio, which fell to 67.4 per cent (69.2). Average group billing rates are at a higher level than the same period in 2020.

Operating expenses increased by 12.5 per cent to NOK 675.4 million (600.4). The increase is mainly attributable to higher employee benefit expenses caused by ordinary salary adjustment effective from 1 July, increased manning level from acquisition and net recruitment, and lay-offs in 2020. Employee benefit expenses increased by 9.8 per cent compared to the same quarter in 2020. Other operating expenses increased to NOK 103.5 million (79.4). The cost increased is partly an effect of higher IT cost, certain periodic effects and operating expenses from Erichsen & Horgen. Other operating expenses are at the same level as the average for the previous six quarters, adjusting for such expenses in the Erichsen & Horgen group.

EBITDA was NOK 94.1 million (148.1), a decrease of 36.5 per cent compared to the same period last year, reflecting an EBITDA margin of 12.2 per cent (19.8) in the period.

EBIT amounted to NOK 46.0 million (68.1), reflecting an EBIT margin of 6.0 per cent (9.1) in the period. The EBIT in the third quarter 2020 was impacted by an impairment charge of NOK 30.0 million.

Net financial items were an expense of NOK 9.3 million (9.5).

Group tax rate was 23.6 per cent (37.6).

Reported profit for the period was NOK 27.5 million (36.5). Earnings per share for the quarter were NOK 1.01 (1.36).

Year to date 2021 Multiconsult group

Net operating revenues increased by 1.5 per cent to NOK 2735.4 million (2 693.8). The increase in net operating revenues is partly an effect from net recruitment, the acquisition of Erichsen & Horgen group and higher average group billing rates compared to the same period in 2020. Billing ratio contributed negative on the net operating revenue and came in at 70.3 per cent, a reduction of 0.5pp compared to the same period 2020.

Operating expenses increased by 4.8 per cent to NOK 2332.4 million (2 225.7). The increase is mainly attributable to higher employee benefit expenses caused by increased manning levels from acquisition, net recruitment, and ordinary salary adjustment effective from 1 July. Employee benefit expenses increased by 4.9 per cent compared to the same period last year due to lower social security costs in the first half of 2020. Other operating expenses increased to NOK 310.4 million (297.8), partly an effect of higher IT costs and operating expenses in Erichsen & Horgen. Total cost related to the acquisition of Erichsen & Horgen is expensed with NOK 3.7 million.

EBITDA was NOK 403.1 million (468.2), a decrease of 13.9 per cent compared to the same period last year, reflecting an EBITDA margin of 14.7 per cent (17.4) in the period.

EBIT was NOK 259.1 million (288.1), a decrease of 10.1 per cent y-o-y, reflecting an EBIT margin of 9.5 percent (10.7).

Net financial items were an expense of NOK 31.2 million (31.1 million).

Group tax rate was 24.2 per cent (26.8).

Reported profit for the period was NOK 172.2 million (186.5). Earnings per share for the period were NOK 6.37 (6.92).

Calendar effect: Year to date 2021 there is, on average, one less working day than in the period of 2020. This had an estimated negative impact of NOK 11 million on net operating revenues and EBIT for the group when comparing the periods.

Financial position, cash flow and liquidity

Third quarter 2021 Multiconsult group

Total assets amounted to NOK 2 997 million (2 574 - Jun 2021), and **total equity** amounted to NOK 808.8 million (698.9 - Jun 2021). The group held **cash and cash equivalents** of NOK 43.4 million (66.4 - Jun 2021), and had total draw on loan facilities of NOK 366.2 million (0.0 - Jun 2021).

Net interest-bearing liabilities (NIBD) amounted to NOK 1 194 million (745.7 Jun 2021). Adjusted for IFRS 16 lease obligations, net interest-bearing debt is NOK 307.3 million (negative 81.9 - Jun 2021). The gearing level (EBITDA/NIBD) was 0.89 (negative 0.16 - Jun 2021), adjusted for IFRS16 lease obligations.

Net cash flow from operating activities was negative NOK 30.8 million (positive 34.0). Net cash flow from operating activities is affected by change in working capital.

Net cash flow used in investment activities was NOK 314.7 million (5.2) in the third quarter of 2021. Ordinary asset replacement amounted to NOK 5.8 million. NOK 308.2 million is the net cash paid in the acquisition of Erichsen & Horgen.

Net cash flow from financing activities amounted to positive NOK 137.0 million (negative NOK 147.5 million) which is affected by drawdown on the revolving credit facility of NOK 180 million. Undrawn amounts under the company's revolving credit facility amounts to NOK 270 million, plus an uncommitted accordion option of NOK 150 million. In addition, the company had NOK 133.8 million available under the overdraft facility on the cash pool.

Year to date 2021 Multiconsult group

Net cash flow from operating activities was positive NOK 85.3 million (375.6) in the period. Net cash flow from operating activities is affected by change in working capital.

Net cash flow used in investment activities was NOK 343.2 million (19.1). Ordinary asset replacement amount to NOK 28.7 million. NOK 308.2 million relates to the acquisition of Erichsen & Horgen.

Net cash flow from financing activities amounted to negative NOK 159.7 million (negative NOK 314.4 million) which is mainly affected by drawdown on the revolving credit facility of NOK 180 million, paid dividend and instalments on lease liabilities.

ORDER BACKLOG AND INTAKE

The order backlog and order intake from the acquired company Erichsen & Horgen group is not included in the reported figures. A process of aligning the figures according to the Multiconsult group practice is part of the ongoing integration.

As per third quarter 2021 Multiconsult group consist of five different business areas; Buildings & Properties, Mobility & Transportation, Water & Environment, Renewable Energy and Industry. The order backlog at the end of the third quarter 2021 remains solid at NOK 3 345 million (3 040), an increase of 10.0 per cent compared to the end of third quarter last year. Business areas Buildings & Properties and Mobility & Transportation holds the largest proportion of the order backlog. All business areas except Mobility & Transportation have seen a decrease in the order backlog compared to the same period last year. The size and timing of execution of the order backlog varies significantly between the business areas and locations. Order backlog does not reflect the total expected volume related to frame agreements and includes

only call-offs that have been signed under these agreements.

Order intake during the quarter was NOK 749 million a decrease of 18.5 per cent compared to the third quarter last year. The order intake was negatively impacted with NOK 135 million due to the cancellation by Nye Veier of the E6 Moelv – Roterud, road and bridge crossing Mjøsa on 5 July. It has been more challenging than expected to find short-term replacement for this project.

Among significant sales or contracts awarded in the third quarter were:

- ▲ Sotra project PPP
- ▲ Construction City (LINK Arkitektur)
- ▲ Water supply to Oslo (City of Oslo)
- ▲ NOA Krafla Power from Shore
- ▲ Fornebubanen (City of Oslo) (ENG: Fornebu Line)
- ▲ Fv. 334 Oalsgata
- ▲ E10/rv.85 Tjeldsund-Gullesfjordbotn-Langvassbukt

There is an increase in use of frame agreements in the industry. Several new frame agreements were awarded during the quarter from:

- ▲ Bymiljøetaten – City of Oslo (ENG: Agency for Urban Environment)

- ▲ Forsvarsbygg (ENG: The Norwegian Defence Estates Agency)
- ▲ Statens vegvesen (ENG: The Norwegian Public Roads Administration)

Together with several other public and private clients.

SEGMENTS

Multiconsult's reporting segments are presented as five segments; Region Oslo, Region Norway, Energy, LINK Arkitektur and International.

Region Oslo

This segment offers services in all five business areas and comprises the Oslo region, Large Projects in Norway and partly Erichsen & Horgen group.

Key figures – Region Oslo

Amounts in NOK million	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Net operating revenues	254.2	231.8	865.0	863.2
EBIT	20.3	36.5	100.2	135.5
EBIT%	8.0%	15.7%	11.6%	15.7%
Order intake	137.1	252.1	898.1	847.7
Order backlog	1 142.9	889.0	1 142.9	889.0
Billing ratio	68.2%	70.5%	71.9%	73.4%
Number of employees	959	780	959	780

Third quarter 2021 Region Oslo

Net operating revenues came in at NOK 254.2 million (231.8) an increase of 9.7 per cent compared to the same quarter last year. The increase was mainly driven by the acquisition of the Erichsen & Horgen group. Organic growth in the period was 1.3 per cent, with net operating revenue impacted by lower billing ratio of 68.2 per cent (70.5), a decrease of 2.3pp compared to the same quarter last year. The increase in manning level is related to employees from Erichsen & Horgen group that has been included in the segment.

Operating expenses came in 20.0 per cent higher than in the same quarter 2020, to NOK 229.2 million (191.0). Employee benefit increased by 18.8 percent mainly driven by including a majority of the employees from Erichsen & Horgen to this segment, and regular salary adjustment from 1 July. Other operating expenses came in at NOK 55.5 million (44.7), an increase of NOK 10.7 million due to the inclusion of Erichsen & Horgen group, increased IT cost, and higher shared service cost compared to same period last year. In the comparable quarter of 2020, the other operating expenses were positively impacted by an adjustment of NOK 9.4 million related to the first half of 2020. The adjustment was due to reduced expenses related to overhead and shared services.

Order intake in the third quarter decreased by 45.6 per cent compared to same period in 2020. The reduction is mainly driven by the cancellation of E6 Moelv – Roterud project and lower order intake in Water & Environment. There was an increase in Buildings & Properties, Industry and Renewable Energy.

Order backlog for the segment at the end of the third quarter was NOK 1 143 million, a decrease of 12.8 per cent compared to last quarter. More than 70 per cent of the total order backlog for the segment is held by the business areas Buildings & Properties and Mobility & Transportation. Order backlog increased by 28.6 per cent from same period 2020.

Year to date 2021 Region Oslo

Net operating revenues for the period came in at NOK 865.0 million (863.2) an increase of 0.2 per cent compared to the same period last year, mainly due to acquisition of Erichsen & Horgen. The growth was offset by a lower billing ratio of 71.9 per cent (73.4), a decrease of 1.5pp compared to the same period last year. This is partially caused by the cancellation by Nye Veier of the E6 Moelv – Roterud, road and bridge crossing Mjøsa on 5 July.

Operating expenses came in 5.2 per cent higher than in the same period of 2020. Employee benefit expenses was NOK 592.3 million (556.7), an increase of 6.4 per cent mainly driven by the inclusion of the majority of employees from Erichsen & Horgen to this segment, and regular salary adjustment. In 2020 there was a cost-reducing one time effect on the employee benefit expenses related to Covid-19 reliefs from governments. Other operating expenses increased by 0.9 per cent, the net increase in other operating expense is mainly driven by inclusion of operating expenses from Erichsen & Horgen.

Order intake in the period increased by 5.9 per cent compared to the same period in 2020. There was a large increase in the business area Industry. There was also an increase in business area Mobility & Transportation. The other business areas had a reduction compared to same period in 2020.

Region Norway

This segment offers services in all five business areas and comprises all offices outside the Oslo region, except Erichsen & Horgen Lillehammer, with presence in all larger cities and several other locations in Norway.

Key figures – Region Norway

<i>Amounts in NOK million</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Net operating revenues	310.7	311.9	1 100.2	1 069.9
EBIT	25.7	56.2	132.3	137.4
EBIT %	8.3%	18.0%	12.0%	12.8%
Order intake	345.1	295.8	1 228.0	1 206.9
Order backlog	649.5	654.4	649.5	654.4
Billing ratio	67.4%	70.9%	69.5%	69.7%
Number of employees	1 102	1 042	1 102	1 042

Third quarter 2021 Region Norway

Net operating revenues came in at NOK 310.7 million (311.9) a decrease of 0.4 per cent compared to the same period last year. Organic growth in the period was negative 2.3 per cent with net operating revenue impacted by lower billing ratio of 67.4 per cent (70.9), a decrease of 3.5pp compared to the same quarter last year.

Operating expenses came in 12.4 per cent higher than in the same quarter last year. Employee benefit expenses increased by 7.7 per cent driven by regular salary adjustment, inclusion of employees from Erichsen & Horgen to this segment and organic growth in manning level. Other operating expenses increased by 30.1 per cent compared to the same quarter 2020 mainly due to an adjustment in shared service charge and overhead cost that was positively impacted by an adjustment of NOK 12.9 million in the comparable quarter.

Order intake in the quarter came in at NOK 345.1 million, an increase of 16.7 per cent compared to third quarter last year. Order intake increased in the business areas Mobility & Transportation, Renewable Energy and Water & Environment.

Order backlog for the segment at the end of the period was at NOK 649.5 million. The order backlog increased by 1.7 per cent compared last quarter. The order backlog increased in all business areas, except in Buildings & Properties. Order backlog decreased by 0.7 per cent from same period 2020.

Year to date 2021 Region Norway

Net operating revenues for the period came in at NOK 1100.2 million (1 069.9) an increase of 2.8 per cent compared to the same period last year. The increase is mainly due to higher on average billing rates, net recruitment in the period, and contribution from the acquired company Erichsen & Horgen. The growth in net operating revenues was offset by a lower billing ratio of 69.5 per cent (69.7), a decrease of 0.2pp compared to the same period last year.

Operating expenses consist mainly of employee benefit expenses and other operating expenses. Operating expenses increased by 3.9 per cent to NOK 900.8 million (866.8). Employee benefit expenses came in at NOK 717.1 million (685.9), an increase of 4.6 per cent in line with ordinary salary adjustment and the inclusion of employees from Erichsen & Horgen to this segment. In the comparable period of 2020,

there was a cost-reducing one-time effect on the employee benefit expenses related to Covid-19 reliefs from governments.

Order intake increased by 1.7 per cent compared to the same period in 2020. There was an increase in the business areas Industry, Renewable Energy and Water & Environment.

Energy

The segment offers national and international services in the business area Renewable Energy with some activity in Water & Environment and include the subsidiary Multiconsult UK.

Key figures – Energy

<i>Amounts in NOK million</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Net operating revenues	47.6	50.3	171.6	185.1
EBIT	(0.4)	1.1	2.7	3.4
EBIT %	(0.8%)	2.2%	1.5%	1.9%
Order intake	44.7	103.5	195.6	271.1
Order backlog	291.3	306.0	291.3	306.0
Billing ratio	61.9%	59.9%	62.3%	61.4%
Number of employees	164	189	164	189

Third quarter 2021 Energy

Net operating revenues came in at NOK 47.6 million (50.3) a decrease of 5.3 per cent compared to the same quarter last year. A net reduction in manning level of 25 employees y-o-y have a negative effect on net operating revenue. Higher on average billing rate, and higher billing ratio that came in at 61.9 per cent (59.9) contributed positively to the net operating revenue.

Operating expenses came in 2.3 per cent lower than in the same quarter last year. Employee benefit expenses decreased by 5.5 per cent driven by a net reduction in the number of employees. Other operating expenses increased by NOK 0.9 million, an increase of 9.2 per cent compared to the same quarter 2020 mainly due to an adjustment in shared service charge and overhead cost that was positively impacted by an adjustment of NOK 2.1 million in the comparable quarter.

Order intake in the third quarter came in at NOK 44.7 million a decrease of 56.8 per cent compared to the same quarter last year.

Order backlog was at NOK 291.3 million at the end of the period. The order backlog decreased by 4.7 per cent compared last quarter. The business segment has experienced some start-up issues in international projects due to local political- and Covid-19 constraints. Order backlog decreased by 4.8 per cent compared to the same period 2020.

Year to date 2021 Energy

Net operating revenues for the period came in at NOK 171.6 million (185.1) a decrease of 7.3 per cent compared to the same

period last year. A net reduction in manning level and lower average billing rates for the segment is the main drivers for the negative effect on net operating revenue. Billing ratio in the period was 62.3 per cent (61.4), 0.9pp higher than same period last year and contributed positively to the net operating revenues.

Operating expenses came in at NOK 168.0 million (180.3), 6.8 per cent lower than in the same period last year. Employee benefit expenses was reduced by 4.5 per cent on a net reduction in manning level. Other operating expenses decreased by 14.0 per cent, due to reduced costs on general expenditures compared to the same period in 2020.

Order intake in the period decreased by 27.9 per cent compared to the same period last year.

LINK Arkitektur

This segment comprises LINK Arkitektur with its 15 offices in Norway, Sweden and Denmark and offers services in the business area Buildings & Properties and Industry.

Key figures – LINK Arkitektur

<i>Amounts in NOK million</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Net operating revenues	111.2	106.5	420.4	409.9
EBIT	(2.3)	(5.8)	14.0	11.8
EBIT %	(2.1%)	(5.5%)	3.3%	2.9%
Order intake	107.5	163.4	436.2	566.8
Order backlog	566.5	645.3	566.5	645.3
Billing ratio	72.2%	71.0%	74.3%	73.3%
Number of employees	478	489	478	489

Third quarter 2021 LINK Arkitektur

Net operating revenues came in at NOK 111.2 million (106.5) an increase of 4.4 per cent compared to the same quarter last year. Billing ratio of 72.2 per cent in the quarter is 1.2pp higher than the same quarter last year and contribute to the growth in net operating revenue. Lower average billing rate for the segment have a net negative effect on operating revenue compared to the same quarter last year.

Operating expenses increased by 3.9 per cent to NOK 108.2 million (104.1) compared to the same quarter last year. Employee benefit expenses increased due to higher activity level for the workforce and in line with ordinary salary adjustment. Other operating expenses decreased by 8.9 per cent, due to reduced costs on general expenditures compared to the same period last year.

Order intake in the third quarter was NOK 107.5 million, a decrease of 34.2 per cent compared to the same quarter last year. LINK Arkitektur offers services mainly in the business area Buildings & Properties with some activity in the business area Industry.

Order backlog was at NOK 566.5 million at the end of the period. The order backlog decreased by 4.7 per cent compared last quarter, and decreased by 12.2 per cent compared to the same period last year.

Year to date 2021 LINK Arkitektur

Net operating revenues came in at NOK 420.4 million (409.9) an increase of 2.5 per cent compared to the same period last year. Billing ratio increased by 1.0pp and contributes to the growth in net operating revenues. Higher activity and billable hours compared to the same period last year had a positive effect on net operating revenue. Lower on average billing rates for the segment have negative effect on net operating revenue compared with the same period last year.

Operating expenses increased by 3.4 per cent in the period. Employee benefit expenses increased on ordinary salary adjustment and higher activity and by one-time cost-reducing effects related to Covid-19 in the comparable period last year. Other operating expense decreased by 0.1 per cent compared to the same period last year.

The financial performance in LINK in Norway is at a satisfactory level year to date 2021. Both the LINK units in Sweden and Denmark have been facing more challenges and are loss-making in the period. Combined year to date EBIT for LINK Denmark and LINK Sweden is negative NOK 12.3 million. For LINK Denmark the efforts to reduce the losses have started to have positive impact with a positive EBIT in the third quarter, while LINK Sweden has more recently started its turnaround process.

Order intake came in at NOK 436.2 million, a decrease of 23.0 per cent compared to the same period last year due to a reduction of sales in the main business area Buildings & Properties. Order intake increased in the smaller business area Industry.

International

This segment comprises the subsidiaries Multiconsult Polska and Iterio in Sweden.

Key figures – International

<i>Amounts in NOK million</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Net operating revenues	53.8	51.1	177.4	177.9
EBIT	4.8	4.3	17.2	19.1
EBIT %	8.9%	8.4%	9.7%	10.7%
Order intake	114.9	104.4	452.2	368.7
Order backlog	769.3	588.9	769.3	588.9
Billing ratio	66.5%	69.2%	72.3%	75.8%
Number of employees	351	312	351	312

Third quarter 2021 International

Net operating revenues came in at NOK 53.8 million (51.1) an increase of 5.2 per cent compared to the same quarter last year. Net increase in activity level reflected through a

higher manning level, together with a higher on average billing rates for the segment had a positive effect on net operating revenues when compared to the same period last year. The billing ratio was 2.7pp lower than same period last year and impacted net operating revenues negatively.

Operating expenses came in at NOK 45.1 million (42.9), 5.0 per cent higher than in the same period last year. Employee benefit expenses increased by 4.6 per cent however at a lower level than the net increase in manning level. In local currency employee benefit expenses increased in line with ordinary salary adjustment and net recruitment in the segment. Other operating expenses increase on higher expenditures in general compared to the same quarter last year.

Order intake in the third quarter increased by 10.1 per cent compared to same quarter last year driven by an increase in the business areas Mobility & Transportation.

Order backlog was at NOK 769.3 million at the end of the period. The order backlog increased by 4.2 per cent compared to the second quarter, and by 30.6 per cent compared to the same period last year. More than 90 per cent of the total order backlog for the segment is held by the business area Mobility & Transportation.

Year to date 2021 International

Net operating revenues came in at NOK 177.4 million (177.9) a decrease of 0.3 per cent compared to the same period last year. Main driver for the negative effect on net operating revenue is a lower billing ratio of 3.5pp. compared to the same period last year and a translation effect of the currency cross in local currency to the reported currency NOK. A net increase in manning level and higher on average billing rates for the segment had a positive effect on net operating revenues compared to the same period last year.

Operating expenses came in 0.6 per cent higher than in the same period last year. Employee benefit expenses increased by 3.1 per cent but at a lower level than the net increase in manning level, however the currency translation in the comparable periods more than offsets the increase when measured in the reported currency NOK. Other operating expenses decreased by 11.7 per cent on lower expenditures in general measured in NOK compared to same period last year.

Order intake came in at NOK 452.2 million for the period, an increase of 22.6 per cent compared to the same period last year.

ORGANISATION AND HSE

On 30 September 2021, and after the integration of Erichsen & Horgen group with 232 employees, the group had 3 183 (2 938) employees a net increase in manning level of 245 employees

y-o-y. The employee turnover ratio for the group for the period September 2020 to September 2021 was 10.9 per cent (11.7).

SUBSEQUENT EVENTS

On 1 October, Multiconsult initiated a share buyback programme in connection with its employee share purchase programme 2021, the duration of the buyback programme is until 26 November 2021.

On 1 October, Multiconsult ASA announced its agreement to acquire Nordland Teknisk AS and strengthens its competence and presence in the Helgeland region. Nordland Teknisk AS is a consulting engineering company with a core of construction

engineers, with a long history and solid presence in the county of Nordland, Norway.

On 19 October, Multiconsult announced that Norwegian Public Roads Administration has selected Multiconsult as advisor to carry out detailed zoning plan and preliminary design for development of a new four-lane road over a stretch of 3.1 km including a new bridge crossing at Fetsund, Norway.

OUTLOOK

These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances in the future.

The overall market outlook for Multiconsult's services remains generally good or stable across all five business areas. The potential opportunities in the pipeline are also at a good level in most business areas. Significant public sector transport projects are expected to provide stable business opportunities. The demand from the industry sector related to the energy transformation to clean energy and sustainable projects is increasing. This is partially driven by ongoing initiatives led by the industry itself and the political environment. In the building and properties industry transformation and rehabilitation is expected to increase, and with new projects in other sectors such as the hospital sector, the market outlook is stable. The

maintenance lag in water- and wastewater infrastructure is significant, which together with a growing market for climate change adoptions, suggests a good outlook in this area.

Uncertainty and delays caused by the Covid-19 pandemic has been experienced, and the transition into a post-pandemic situation is still causing uncertainty and may impact the results in the short term. The continued support and funding of public sector projects, as well as the timing of such projects, is of key importance to our business, and potential delays or cancellations may adversely impact our business.

Going into 2022 we continue to focus on our core business, sales and project execution. The order backlog provides Multiconsult with a good foundation to handle the continued uncertainties facing the economy and our industry.

RISK AND UNCERTAINTIES

The risk of disagreements and legal disputes related to possible cost of delays and project errors is always present in the engineering consultancy business. Multiconsult has developed internal procedures and competences to reduce risk exposure for legal disputes. Multiconsult has normal and relevant insurance policies and routines for protection of normal and most potential consequences of such matters. Further details regarding the insurance coverage are provided in note 20 to the consolidated financial statements, and under Risk and Risk Management in the 2020 Annual Report.

Multiconsult is exposed to a number of risk factors; Covid-19 risk, legal liability, credit risk, currency risk, interest rate risk, liquidity risk, accounting estimates risk and expertise risk. The Risk and Risk Management section in the 2020 Annual Report contains detailed description and mitigating actions.

Multiconsult has not identified additional risk exposures beyond the ones described in the 2020 Annual Report, including the Covid-19 risk.

Multiconsult has experienced an increase in the number of and size of potential legal disputes, which potentially may, in adverse circumstances, have negative financial impact.

In connection with a project completed several years ago, one of Multiconsult Norge AS' customers has taken legal action to seek compensation for losses amounting to approximately NOK 90 million. Multiconsult considers the claim without merit and has defended itself against the lawsuit. The case awaits judgment during fourth quarter 2021.

DEFINITIONS

Net operating revenues: Operating revenues less sub consultants, direct external project costs and disbursements.

EBITDA: EBIT before depreciation, amortisation and impairment.

EBITDA margin (%): EBITDA as a percentage of net operating revenues.

EBIT: Earnings before net financial items, results from associates and joint ventures and income tax.

EBIT margin (%): EBIT as a percentage of net operating revenues.

Other opex ratio (APM): Other operating expenses adjusted for IFRS 16 effects as a percentage of net operating revenue.

Billing ratio (%): Total billable hours in a period as a percentage of total hours reported in the period (including administrative staff) and employer-paid absence. Billing ratio per segment includes allocated administrative staff.

Employees: Number of employees comprise all staff on payroll including staff on temporarily leave (paid and unpaid), excluding temporary personnel.

Order intake: Expected operating revenues on new contracts and confirmed changes to existing contracts. Only group external contracts are included.

Order backlog: Expected remaining operating revenues on new and existing contracts. Only group external contracts are included. Call-offs on frame agreements are included in the order backlog when signed.

Net interest-bearing debt: Non-current and current interest-bearing liabilities deducted cash and cash equivalents.

DISCLAIMER

This report includes forward-looking statements, which are based on our current expectations and projections about future events. All statements other than statements of historical facts included in this notice, including statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, including our plans for future costs savings and synergies may be deemed to be forward-looking statements. Words such as “believe,” “expect,” “anticipate,” “may,” “assume,” “plan,” “intend,” “will,” “should,” “estimate,” “risk”

and similar expressions or the negatives of these expressions are intended to identify forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. In addition, any forward-looking statements are made only as of the date of this notice, and we do not intend and do not assume any obligation to update any statements set forth in this report.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited for the period ended 30 September 2021

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

<i>Amounts in NOK thousand, except EPS</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Operating revenues	885 072	833 266	3 080 529	3 083 150	4 186 161
Expenses for sub consultants and disbursements	115 496	84 720	345 086	389 305	525 225
Net operating revenues	769 576	748 546	2 735 443	2 693 845	3 660 936
Employee benefit expenses	571 963	520 999	2 021 935	1 927 860	2 660 077
Other operating expenses	103 486	79 412	310 423	297 807	402 174
Operating expenses excl. depreciation and amortisation	675 450	600 411	2 332 359	2 225 666	3 062 250
Operating profit before depreciation and amortisation (EBITDA)	94 126	148 135	403 084	468 178	598 686
Depreciation and amortisation	48 126	50 004	143 991	150 112	197 639
Impairment	-	30 000	-	30 000	30 000
Operating profit (EBIT)	46 000	68 131	259 094	288 066	371 047
Share of profit from associated companies and joint ventures	(725)	(52)	(620)	(2 079)	(2 269)
Financial income and expenses					
Financial income	4 435	4 411	11 625	15 897	22 692
Financial expenses	13 754	13 910	42 864	47 038	62 119
Net financial items	(9 320)	(9 499)	(31 239)	(31 141)	(39 427)
Profit before tax	35 956	58 580	227 235	254 847	329 350
Income tax expense	8 497	22 035	55 070	68 330	80 141
Profit for the period	27 459	36 545	172 165	186 517	249 209
Attributable to:					
Owners of Multiconsult ASA	27 459	36 545	172 165	186 517	249 209
Earnings per share					
Basic and diluted (NOK)	1.01	1.36	6.37	6.92	9.25

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in NOK thousand</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Profit for the period	27 459	36 545	172 165	186 517	249 209
Other comprehensive income					
Remeasurement of defined benefit obligations	-	-	-	-	228
Income taxes	-	-	-	-	(50)
Total items that will not be reclassified to profit or loss	-	-	-	-	178
Currency translation differences	(1 819)	1 693	(9 261)	18 240	12 640
Total items that may be reclassified subsequently to profit or loss	(1 819)	1 693	(9 261)	18 240	12 640
Total other comprehensive income for the period	(1 819)	1 693	(9 261)	18 240	12 817
Total comprehensive income for the period	25 640	38 238	162 904	204 757	262 026
Attributable to:					
Owners of Multiconsult ASA	25 640	38 238	162 904	204 757	262 026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>Amounts in NOK thousand</i>	30 September 2021	30 June 2021	31 December 2020
ASSETS			
Non-current assets			
Deferred tax assets	30 794	28 708	34 023
Intangible assets	27 113	18 491	20 913
Goodwill	843 586	451 771	454 692
Property, plant and equipment	109 304	111 146	103 640
Right-of-use assets	823 924	766 412	806 081
Investments in associated companies and joint ventures	9 531	10 258	10 227
Assets for reimbursement of provisions	7 925	9 200	23 172
Non-current receivables and shares	21 174	20 056	20 230
Total non-current assets	1 873 349	1 416 041	1 472 977
Current assets			
Trade receivables	651 076	697 545	626 726
Work in progress	338 487	273 141	255 894
Other receivables and prepaid costs	91 102	120 987	85 154
Cash and cash equivalents	43 437	66 376	277 435
Total current assets	1 124 102	1 158 049	1 245 209
Total assets	2 997 452	2 574 091	2 718 185
EQUITY AND LIABILITIES			
Shareholders' equity			
Total paid in equity	173 407	89 182	85 988
Other equity	635 353	609 713	687 627
Total shareholders' equity	808 760	698 895	773 615
Non-current liabilities			
Pension obligations	6 474	6 474	6 474
Deferred tax	17 937	13 656	11 512
Provisions	13 220	14 860	31 222
Non-current interest-bearing liabilities	-	-	-
Non-current lease liabilities	743 347	696 244	733 035
Total non-current liabilities	780 977	731 233	782 243
Current liabilities			
Trade payables	97 069	83 952	106 436
Prepaid revenues	125 922	133 789	155 656
Current tax liabilities	55 294	47 695	79 053
Public duties payable	269 353	334 382	354 779
Current interest-bearing liabilities	366 237	-	-
Current lease liabilities	142 893	131 355	131 499
Other current liabilities	350 947	412 789	334 905
Total current liabilities	1 407 714	1 143 962	1 162 328
Total liabilities	2 188 692	1 875 195	1 944 571
Total equity and liabilities	2 997 452	2 574 091	2 718 185

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>Amounts in NOK thousand</i>	Share capital	Own shares	Share premium	Total paid-in capital	Retained earnings	Employee share purchase programme	Pension	Currency	Total equity
31 December 2019	13 486	(1)	77 758	91 241	710 035	(24 565)	(203 183)	7 882	581 413
Dividend	-	-	-	-	-	-	-	-	-
Treasury shares	-	(3 837)	-	(3 837)	-	34	-	-	(3 804)
Employee share purchase programme	-	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	186 517	-	-	18 240	204 757
30 September 2020	13 486	(3 838)	77 758	87 406	896 552	(24 531)	(203 183)	26 122	782 366
31 December 2019	13 486	(1)	77 758	91 241	710 035	(24 565)	(203 183)	7 882	581 413
Dividend	-	-	-	-	(53 626)	-	-	-	(53 626)
Treasury shares	-	(5 255)	-	(5 255)	-	(3 232)	-	-	(8 487)
Employee share purchase programme	-	-	-	-	-	(7 712)	-	-	(7 712)
Comprehensive income	-	-	-	-	249 209	-	178	12 640	262 026
31 December 2020	13 486	(5 256)	77 758	85 988	905 619	(35 509)	(203 005)	20 522	773 615
31 December 2020	13 486	(5 256)	77 758	85 988	905 619	(35 509)	(203 005)	20 522	773 615
Share issue	230	-	83 995	84 226	-	-	-	-	84 226
Dividend	-	-	-	-	(215 437)	-	-	-	(215 437)
Treasury shares	-	3 193	-	3 193	-	(65)	-	-	3 129
Employee share purchase programme	-	-	-	-	-	325	-	-	325
Comprehensive income	-	-	-	-	172 165	-	-	(9 261)	162 904
30 September 2021	13 715	(2 062)	161 754	173 407	862 346	(35 249)	(203 005)	11 261	808 760

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<i>Amounts in NOK thousand</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Cash flow from operating activities					
Profit before tax	35 956	58 580	227 235	254 847	329 350
Interest lease liability	7 981	8 542	24 345	26 373	34 667
Interest expense interest-bearing liability	-	1 021	-	5 102	5 851
Income taxes paid	(3 521)	(12 189)	(75 832)	(17 248)	(12 769)
Depreciation, amortisation and impairment	12 118	12 873	35 885	39 428	51 945
Depreciation right-of-use asset	36 008	37 131	108 106	110 684	145 694
Impairment right-of-use asset	-	30 000	-	30 000	30 000
Results from associated companies and joint ventures	725	52	620	2 079	2 269
Other non-cash profit and loss items	-	-	(939)	-	-
Sub total operating activities	89 267	136 010	319 420	451 265	587 007
Trade payables	6 632	12 086	(15 852)	(8 299)	(54 227)
Trade receivables	88 907	11 406	18 088	(4 320)	11 750
Work in progress	(64 871)	(694)	(82 119)	(2 735)	53 140
Public duties payable	(87 670)	(22 449)	(108 067)	(3 838)	21 153
Other	(63 070)	(102 348)	(46 214)	(56 429)	48 873
Total changes in working capital ¹⁾	(120 072)	(101 998)	(234 162)	(75 620)	80 690
Net cash flow from operating activities	(30 805)	34 011	85 257	375 644	667 697
Cash flows used in investment activities					
Net purchase and sale of fixed assets and financial non-current assets	(5 823)	(5 020)	(28 672)	(14 035)	(25 187)
Proceeds/payments related to joint ventures and jointly controlled entities	(999)	-	(6 999)	-	-
Change in non-current financial assets, restricted funds	337	(166)	648	(5 051)	(2 649)
Net cash effect of business combinations	(308 208)	-	(308 208)	-	-
Net cash flow used in investment activities	(314 693)	(5 186)	(343 231)	(19 086)	(27 836)
Cash flow from financing activities					
Proceeds on interest-bearing liabilities	180 000	-	180 000	172 000	172 000
Instalments on interest-bearing liabilities	-	(100 000)	-	(350 400)	(350 400)
Paid interest on interest-bearing liability	-	(1 021)	-	(5 102)	(5 851)
Instalments on lease liabilities	(34 929)	(34 066)	(104 296)	(100 742)	(134 070)
Paid interest on lease liability	(7 981)	(8 542)	(24 345)	(26 373)	(34 667)
Paid dividends	-	-	(215 437)	-	(53 626)
Cost of share issuance	(140)	-	(140)	-	-
Sale treasury shares	-	-	4 470	6 400	21 919
Purchase treasury shares	-	(3 837)	-	(10 203)	(52 805)
Net cash flow from financing activities	136 950	(147 467)	(159 749)	(314 421)	(437 499)
Foreign currency effects on cash and cash equivalents	(629)	(337)	(2 512)	2 731	1 516
Net increase/decrease in cash and cash equivalents	(209 176)	(118 978)	(420 235)	44 869	203 877
Cash and cash equivalents at the beginning of the period	66 376	237 405	277 435	73 558	73 558
Cash and cash equivalents at the end of the period	(142 800)	118 427	(142 800)	118 427	277 435

NOK 186.2 million of the group's cash balance on 30 September 2021 is related to drawdown of the cash pool and presented as part of current interest-bearing liabilities in the consolidated statement of financial position.

¹⁾ Changes in working capital is adjusted for opening balance in Erichsen & Horgen at transaction date.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: General information

The Company and the Group

Multiconsult ASA (the company) is a Norwegian public limited liability company listed on Oslo Stock Exchange. The company and its subsidiaries (together the Multiconsult group/the group) are among the leading suppliers of consultancy and

design services in Norway and the Nordic region. The group has subsidiaries outside the Nordic region in Poland, United Kingdom and Singapore.

NOTE 2: Basis of preparation and statements

Basis for preparation

The financial statements are presented in NOK, rounded to the nearest thousand, unless otherwise stated. As a result of rounding adjustments, the figures in one or more rows or columns included in the financial statements and notes may not add up to the total of that row or column.

annual financial statements of the group and should be read in conjunction with the consolidated financial statements for 2020. The accounting policies applied are consistent with those applied and described in the consolidated annual financial statements for 2020, which are available upon request from the company's registered office at Nedre Skøyen vei 2, 0276 Oslo and at www.multiconsult.no.

Statements

These interim condensed consolidated financial statements for the third quarter of 2021 have been prepared in accordance with IAS 34 as approved by the EU. They have not been audited. They do not include all of the information required for full

These interim condensed consolidated financial statements for the third quarter of 2021 were approved by the board of directors and the CEO on 2 November 2021.

NOTE 3: Accounting policies

The group prepares its consolidated annual financial statements in accordance with IFRS as adopted by the EU (International Financial Reporting Standards - IFRS). References to IFRS in

these financial statements refer to IFRS as approved by the EU. The accounting policies adopted are consistent with those of the previous financial year, with the exemptions presented below.

NOTE 4: Estimates, judgments and assumptions

The preparation of interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these interim condensed consolidated financial statements, significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual consolidated financial statements for 2020 note 2.

Impairment test of Goodwill

Cash-generating units are reviewed for impairment when indicators exist. The estimated recoverable amounts are affected by assumptions in connection with the estimation of future cash flows, as well as discount rate for the estimation of the present value of the cash flows. An assessment of impairment indicators has been made on 30 September 2021 and the conclusion was that there were no impairment indicators and thereby a full test is not performed.

The group will perform a full impairment test on 31 December 2021.

NOTE 5: Segments

Refer to section Segments for more information on the segments. The group has three geographical reporting segments as well as a segment for Energy and LINK Arkitektur. Erichsen & Horgen group is included in Region Oslo and Region Norway,

based on geographical location of Erichsen & Horgen offices. This resulted in an increase of 179 employees to Region Oslo and 53 employees in Region Norway.

Q3 2021 <i>Amounts in NOK thousand</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	292 144	324 928	58 251	131 061	83 050	(4 362)	-	885 072
Internal revenues	13 020	9 194	747	5 798	837	3 211	(32 807)	-
Total operating revenues	305 163	334 122	58 999	136 860	83 887	(1 151)	(32 807)	885 072
Net operating revenues	254 240	310 706	47 600	111 246	53 765	(5 572)	(2 408)	769 576
Operating expenses	229 229	262 556	47 664	108 183	45 083	(14 830)	(2 435)	675 450
EBITDA	25 011	48 151	(65)	3 064	8 682	9 258	26	94 126
Depreciation, amortisation, impairment	4 716	22 456	322	5 426	3 913	10 958	334	48 126
EBIT	20 295	25 695	(387)	(2 363)	4 769	(1 700)	(308)	46 000
Associates and joint ventures	-	-	(725)	-	-	-	-	(725)
Number of employees	959	1 102	164	478	351	129	-	3 183

Q3 2020 <i>Amounts in NOK thousand</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	225 544	325 971	58 580	147 306	77 850	(949)	(1 037)	833 266
Internal revenues	27 405	10 249	2 483	(2 242)	2 653	7 639	(48 187)	-
Total operating revenues	252 949	336 220	61 063	145 064	80 503	6 690	(49 223)	833 266
Net operating revenues	231 762	311 913	50 289	106 548	51 095	(157)	(2 905)	748 546
Operating expenses	190 965	233 657	48 769	104 145	42 942	(16 877)	(3 190)	600 411
EBITDA	40 797	78 256	1 520	2 402	8 153	16 721	285	148 135
Depreciation, amortisation, impairment	4 334	22 012	433	8 210	3 853	42 802	(1 639)	80 004
EBIT	36 463	56 244	1 087	(5 808)	4 300	(26 081)	1 925	68 131
Associates and joint ventures	-	-	(52)	-	-	-	-	(52)
Number of employees	780	1 042	189	489	312	126	-	2 938

YTD 2021 <i>Amounts in NOK thousand</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	965 702	1 142 528	194 762	489 592	266 782	21 162	-	3 080 529
Internal revenues	45 165	33 563	4 609	19 372	2 919	7 085	(112 713)	-
Total operating revenues	1 010 867	1 176 091	199 371	508 965	269 701	28 247	(112 713)	3 080 529
Net operating revenues	865 039	1 100 172	171 633	420 374	177 418	7 225	(6 418)	2 735 443
Operating expenses	751 539	900 835	168 036	390 099	148 360	(20 065)	(6 444)	2 332 359
EBITDA	113 501	199 337	3 597	30 275	29 058	27 290	26	403 084
Depreciation, amortisation, impairment	13 276	67 042	943	16 241	11 851	34 441	197	143 991
EBIT	100 225	132 295	2 655	14 034	17 207	(7 151)	(171)	259 094
Associates and joint ventures	-	-	(620)	-	-	-	-	(620)
Number of employees	959	1 102	164	478	351	129	-	3 183

YTD 2020 <i>Amounts in NOK thousand</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	947 983	1 106 384	219 753	521 271	273 063	14 697	-	3 083 150
Internal revenues	37 317	26 973	8 187	20 402	4 294	7 833	(105 005)	-
Total operating revenues	985 299	1 133 357	227 939	541 673	277 356	22 530	(105 005)	3 083 150
Net operating revenues	863 231	1 069 932	185 109	409 927	177 934	(3 574)	(8 715)	2 693 845
Operating expenses	714 460	866 840	180 326	377 208	147 449	(51 346)	(9 271)	2 225 666
EBITDA	148 771	203 093	4 782	32 719	30 486	47 772	556	468 178
Depreciation, amortisation, impairment	13 230	65 681	1 349	20 962	11 378	68 892	(1 379)	180 112
EBIT	135 542	137 412	3 434	11 756	19 108	(21 120)	1 935	288 066
Associates and joint ventures	-	-	(2 079)	-	-	-	-	(2 079)
Number of employees	780	1 042	189	489	312	126	-	2 938

FY 2020 <i>Amounts in NOK thousand</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	1 293 843	1 506 295	292 059	695 317	379 392	19 256	-	4 186 161
Internal revenues	49 534	33 803	9 891	32 408	5 975	6 513	(138 125)	-
Total operating revenues	1 343 377	1 540 098	301 950	727 725	385 367	25 770	(138 125)	4 186 161
Net operating revenues	1 175 700	1 449 805	248 770	561 595	242 541	(10 276)	(7 200)	3 660 936
Operating expenses	972 416	1 178 641	240 333	509 870	202 361	(33 614)	(7 756)	3 062 250
EBITDA	203 284	271 164	8 438	51 725	40 181	23 338	556	598 686
Depreciation, amortisation, impairment	17 166	87 197	1 645	25 988	15 407	81 615	(1 379)	227 639
EBIT	186 118	183 968	6 793	25 737	24 774	(58 277)	1 935	371 047
Associates and joint ventures	-	-	(2 269)	-	-	-	-	(2 269)
Number of employees	769	1 033	186	487	321	129	-	2 925

NOTE 6: Explanatory comments regarding the impact of revenue seasonality on quarterly reporting

The group's net operating revenues are affected by the number of working days within each reporting period while employee expenses are recognised for full calendar days. The number of working days in a month is affected by public holidays and vacations. The timing of public holidays (e.g. Easter) during

quarters and whether they fall on weekends or weekdays impacts revenues, earnings, cash flows and working capital balances. Generally, the company's employees are granted leave during Easter and Christmas. The summer holidays primarily impact the month of July and the third quarter.

NOTE 7: Significant events and transactions

Multiconsult completed the acquisition of Erichsen & Horgen AS in the third quarter, refer to note 12 for details on the business combination. There were no other significant events or transactions in the period.

NOTE 8: Related party transactions

See note 23 to the consolidated financial statements for 2020 for a description of related parties and related parties' transactions in 2020.

NOTE 9: Treasury shares

Multiconsult held 15 986 treasury shares on 30 September 2021. The share purchase programme for employees and the performance-based bonus scheme for the group management is

described in note 9 in the consolidated financial statements for 2020.

NOTE 10: Earnings per share

For the periods presented there are no dilutive effects on profits or number of shares. Basic and diluted earnings per share are therefore the same.

	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Profit for the period (in NOK thousand)	27 459	36 545	172 165	186 517	249 209
Average no of shares (excl own shares)	27 179 471	26 966 485	27 017 649	26 956 110	26 930 713
Earnings per share (NOK)	1.01	1.36	6.37	6.92	9.25

NOTE 11: Financial instruments

The group's financial instruments are interest-bearing debt, accounts receivables and other receivables, cash and cash equivalents and accounts payables. It is assumed that the

book value is a good approximation of fair value for the group's financial instruments.

Interest-bearing liabilities

<i>Amounts in NOK thousand</i>	30 September 2021	30 June 2021	31 December 2020
Multiconsult ASA	366 237	-	-
Total	366 237	-	-

At the end of the period Multiconsult ASA has an overdraft loan facility of NOK 320.0 million, which is part of a cash pool. The cash pool is a multi-currency and multi-account system including the legal entities Multiconsult Norge AS, LINK Arkitektur AS, LINK Arkitektur AB, LINK Arkitektur A/S, Iterio AB, Multiconsult UK Limited and Johs Holt AS, where Multiconsult ASA is the owner of the cash pool's top account and the debtor of the facility. In addition, Multiconsult ASA holds a 3-year revolving credit facility of NOK 450.0 million, plus accordion option of NOK 150.0 million

until March 2023. In the third quarter 2021 Multiconsult ASA made a drawdown of NOK 180.0 million on the revolving credit facility, and at the end of the period an overdraft of NOK 186.2 million on the cash pool. The company is in compliance with its financial covenants on 30 September 2021.

Fair value of derivatives (interest rate swap) was recorded with an unrealised loss of NOK 0.6 million on 30 September 2021 (loss of NOK 0.9 million on 30 June 2021).

NOTE 12: Business combinations**Multiconsult completes strategic acquisition of leading Norwegian engineering consultancy Erichsen & Horgen.**

On 8 July, Multiconsult announced that they entered into an agreement to purchase 100% of the shares of Erichsen & Horgen AS at an enterprise value (EV) of NOK 410 million on a cash- and debt free basis based on normalised working capital. The total purchase price for the acquisition of Erichsen & Horgen AS of NOK 421.8 million after adjustments for working capital and net cash was settled in a combination of NOK 337.5 million in cash (80 per cent) and NOK 84.4 million in Multiconsult shares (20 per cent) on 16 August 2021. The transaction was based on a locked-box acquisition model where the locked-box date (reference date) was set to 31 Dec 2020. Consequently, Multiconsult in addition to the purchase price paid total consideration of NOK 9.1

million as locked-box compensation for the period 1 Jan 2021 to 16 Aug 2021 (the closing date).

Erichsen & Horgen is a leading Norwegian engineering consultancy with a strong market position within buildings construction, HVAC, WWT, energy, environment and sustainability. Erichsen & Horgen, including its subsidiary Ingeniørfirmaet Malnes og Endresen AS, has about 235 employees with headquarter in Oslo, the company also has offices in Trondheim, Skien, Drammen and Lillehammer. For 2020, the company recorded operating revenues of NOK 331.3 million, EBIT of NOK 31.3 million and net profit (after tax) of NOK 24.3 million.

The acquisition is a strategic milestone in Multiconsult's mission to provide solutions to clients for the most complex projects

and constructions in line with tomorrow's demands regarding environmental and innovative sustainable solutions. Erichsen & Horgen has leading expertise and a culture that fits well with Multiconsult. The two companies have a long history of successful collaboration projects based on trust and mutual respect. Multiconsult will together with Erichsen & Horgen be able to offer solid, interdisciplinary expertise and experience and bring our leading solutions to the next level.

In connection with the closing of the transaction, Multiconsult ASA has increased the limit of its revolving credit facility (RCF) from NOK 200.0 million including an accordion option of NOK 400.0 million until March 2023, to a total of NOK 450.0 million with an accordion option of NOK 150.0 million until March 2023. As part of the settlement in shares, Multiconsult, in accordance with the amendments approved at Multiconsult ASA's general

meeting on 19 April 2021, issued to the shareholders of the acquired company 460 129 shares on 16 August 2021, at a share price of NOK 183.35, representing approximately 1.68 per cent of the shares in Multiconsult ASA and an increase of share capital of NOK 230 064.50. The share capital increase and new shares was registered in the Norwegian Registry of Business Enterprises together with amended Company Articles of Association on 17 August 2021. The amended Articles of Association are available on Multiconsult website at <https://www.multiconsult-ir.com/articles-of-association>. Following registration, the total share capital of Multiconsult ASA is NOK 13 715 261.50 divided into 27 430 523 shares, each with a nominal value of NOK 0.5.

Preliminary Purchase Price Allocation

The initial, preliminary purchase price allocation identified the following assets and liabilities at the acquisition date:

Assets:

Amounts in NOK thousand

Intangible assets	8 900
Property, plant and equipment	4 030
Right-of-use assets	39 863
Non-current receivables and shares	431
Trade receivables	42 438
Work in progress	475
Other current receivables and prepaid cost	5 867
Cash and cash equivalents	38 377
Total identifiable assets	140 381

Liabilities:

Amounts in NOK thousand

Deferred tax	1 748
Provisions	360
Non-current lease liabilities	30 441
Trade payables	6 484
Current lease liabilities	9 422
Other current liabilities	53 087
Total identifiable liabilities	101 542

Net identifiable assets	38 839
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Goodwill:

Amounts in NOK thousand

Total consideration	421 831
Locked-box interest	9 120
Net identified assets	(38 839)
Goodwill	392 112
Total net assets and liabilities	430 951

Consideration:

Amounts in NOK thousand

Settled with Multiconsult shares	84 366
Settled with cash	337 465
Total consideration	421 831

Adjustments:

Amounts in NOK thousand

Locked-box interest	9 120
Cash in purchased entities	(38 377)
Net adjustments	(29 257)

Net cash paid	(308 208)
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This preliminary purchase price allocation is based on company accounts adjusted for calculated IFRS 16 right-of-use assets and lease liabilities. As part of the purchase price allocation an intangible asset related to the order backlog of NOK 8.9 million was identified. The acquisition generated an excess value of NOK 392.1 million allocated to goodwill. The goodwill is related to the competence of the staff and synergy effects.

Incremental external transaction related cost of NOK 2.7 million was expensed as part of other operating expenses.

Pro-forma impact of the acquisition on the result of the group

If the business combination of Erichsen & Horgen had been effective on 1 January 2021, the net operating revenue for the group for the third quarter of 2021 would have been NOK 798.7 million, and NOK 2 919 million year to date (NOK 803.3 million for the third quarter of 2020, and NOK 2 906 million year to date 2020). EBIT for the third quarter of 2021 would have been NOK 43.9 million, and NOK 273.9 million year to date 2021 (NOK 54.0 million for the third quarter 2020, and NOK 308.7 million year to date 2020). The group considers these pro-forma numbers to represent an approximate measure of the performance of the combined group and to provide a reference point for comparison in future periods.

NOTE 13: Events after the reporting period**Acquisition of Nordland Teknikk AS**

On 1 October, Multiconsult ASA announced its agreement to acquire 100% of the shares in Nordland Teknikk AS and strengthen its competence and presence in the Helgeland region. Nordland Teknikk AS is a consulting engineering company with a core of construction engineers, with a long history and solid presence in the county of Nordland, Norway.

Closing date for the transaction was on 1 November. The total purchase price was set to NOK 5.5 million, subject to subsequent adjustment pending the value of net debt and normalised working capital at the transaction date. The initial accounting for the business combination was incomplete at the time the financial statements were authorised for issue (2 November), due to the timing of the transaction. As a consequence no further disclosure regarding the acquisition is made in the interim report for the third quarter of 2021.

ALTERNATIVE PERFORMANCE MEASURES (APMs)

Multiconsult uses alternative performance measures for periodic and annual financial reporting in order to provide a better understanding of the group's underlying financial performance.

Adjusted EBITDA and EBIT including calendar effect

Reported figures adjusted for restructuring cost and other items affecting comparability. In the third quarter there was no calendar effect. In the first three quarters there was one less working day which had a negative impact on Net operating

revenue and EBIT of approximately NOK 11.2 million compared to 2020.

For full year 2020 EBIT ex. restructuring cost is calculated by excluding one-off nextLEVEL restructuring cost of NOK 30.0 million in Q3 and FY 2020. There were no material restructuring cost or other items affecting comparability in Q3 or year to date 2021.

<i>Amounts in NOK million (except percentage)</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Net operating revenues	769.6	748.5	2 735.4	2 693.8	3 660.9
Calendar effect	-	-	11.2	-	-
Adjusted net operating revenues	769.6	748.5	2 746.6	2 693.8	3 660.9
Operating expenses excluding depreciation and amortisation	675.4	600.4	2 332.4	2 225.7	3 062.3
Adjusting items	-	-	-	-	-
Adjusted operating expenses excluding depreciation and amortisation	675.4	600.4	2 332.4	2 225.7	3 062.3
Adjusted EBITDA including calendar effect	94.1	148.1	414.3	468.2	598.7
Depreciation and amortisation	48.1	50.0	144.0	150.1	197.6
Impairment	-	30.0	-	30.0	30.0
Adjusting items	-	(30.0)	-	(30.0)	(30.0)
Adjusted depreciation, amortisation and impairment	48.1	50.0	144.0	150.1	197.6
Adjusted EBIT	46.0	98.1	259.1	318.1	401.0
Adjusted EBIT including calendar effect	46.0	98.1	270.3	318.1	401.0
Adjusted EBITDA margin including calendar effect	12.2%	19.8%	15.1%	17.4%	16.4%
Adjusted EBIT margin	6.0%	13.1%	9.5%	11.8%	11.0%
Adjusted EBIT margin including calendar effect	6.0%	13.1%	9.8%	11.8%	11.0%

Other OPEX ratio

<i>Amounts in NOK million (except percentage)</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Other operating expenses	103.5	79.4	310.4	297.8	402.2
Other operating expenses IFRS 16 effect	42.9	42.6	128.6	127.1	168.8
Other operating expenses excluding IFRS 16	146.4	122.0	439.1	424.9	570.9
Net operating revenue	769.6	748.5	2 735.4	2 693.8	3 660.9
Other opex ratio	19.0%	16.3%	16.1%	15.8%	15.6%

Equity ratio

<i>Amounts in NOK million (except percentage)</i>	30 September 2021	30 June 2021	31 December 2020
Total shareholders' equity	808.8	698.9	773.6
Total assets	2 997.5	2 574.1	2 718.2
Equity ratio	27.0%	27.2%	28.5%
Total shareholders' equity (excl. IFRS 16)	871.1	760.1	832.1
Total assets (excl. IFRS 16)	2 173.5	1 807.7	1 912.1
Equity ratio	40.1%	42.0%	43.5%

Net interest bearing liabilities

<i>Amounts in NOK million</i>	30 September 2021	30 June 2021	31 December 2020
Cash and cash equivalents, excluding restricted cash	43.4	66.4	277.4
Cash and cash equivalents, restricted cash	-	-	-
Non-current financial assets, restricted funds	15.5	15.5	15.8
Interest-bearing liabilities	1 252.5	827.6	864.5
Net interest-bearing liabilities including IFRS 16 lease liabilities	1 193.5	745.7	571.3
Non-current and current IFRS 16 lease liabilities	886.2	827.6	864.5
Net interest-bearing liabilities excluding IFRS 16 lease liabilities	307.3	(81.9)	(293.3)

YOUR NOTES

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Multiconsult ASA

Visiting address:

Nedre Skøyen vei 2
0276 Oslo

Postal address:

P O Box 265 Skøyen
NO-0213 Oslo

T: (+47) 21 58 50 00

E: multiconsult@multiconsult.no

Investor relations:

E: ir@multiconsult.no

www.multiconsult.no

Org no 910 253 158