Interim report

Q1 2024

The BIR Terminal and winner of Norconsult Awards Open category, Bergen, Norway (Photo: Thor Brødreskift)

Norconsult

CEO comment

Growth and underlying stable profitability

Norconsult delivered another quarter with growth and underlying stable profitability. The three months ending in March had significant calendar effects due to Easter holiday this year being in March resulting in five less working days for the quarter. The market for Norconsult's services in the first quarter of 2024 was at large in line with last quarter. We observe a slightly more optimistic market sentiment for the coming quarters, driven by macroeconomic forecasts.

The market for private Buildings & Architecture is still a bit on the weak side, however, there are some bright spots. In the first quarter Norconsult together with our architects in Nordic Office of Architecture (Nordic) was part of the winning team that will design and build the refurbishment and addition to the hospital in Nykøbing Falster in Denmark. During the quarter our win together with partners of the design-build competition for the expansion of Geneva Airport in Switzerland was also confirmed. In addition, there was a large number of smaller wins.


Egil Hogna, CEO Norconsult (Herman Dreyer)

As in recent quarters we see strong activity and healthy demand from the Energy & Industry segment, with a balanced mix of projects. In the Infrastructure segment there has been fewer large projects, but in total the demand remains stable. The water infrastructure market had a stable quarter, driven by increased requirements for water and wastewater treatment facilities.

“In all our projects, we take pride in delivering the little big differences – those that increase value for our clients and contribute to sustainable development.

In the first quarter Norconsult acquired Concreto AS, an Oslo-based planning and analysis company. Concreto operates mainly within buildings, infrastructure and urban planning, and their services primarily focus on economic analysis as a basis for decision-making by project owners in the early phases of projects. Norconsult also bought a majority share in the property developer company SQM AS which was completed 31 January.

Each year we engage in thousands of projects that require expertise in sustainability, digitalisation and collaboration. In all our projects, we take pride in delivering the little big differences – those that increase value for our clients and contribute to sustainable development. To highlight some of the projects our skilled employees participate in, and to highlight much of the fantastic work that is being done, we have during the first quarter honoured outstanding project and team performance within five categories during our Norconsult Awards. The Norconsult Awards categories are Sustainability, Digitalisation, Project Management, Collaboration and the Open Category. Examples of award-winning projects are the New Sotra Bridge, the world's largest all-digital bridge, and the Pre-feasibility study for Green Ammonia for Fortescue at Holmaneset, Norway.

I would like to thank our customers and our employees who work hard every day to improve everyday life with their dedicated work on thousands of projects. Their efforts resulted in Norconsult achieving another quarter of growth and underlying stable performance. We continue our efforts to attract, develop and retain the best employees in Norconsult as they are the foundation of our success.

Highlights Q1 2024

- Income after external project costs was NOK 2 360 million (2 359)
- Significant calendar effects in the quarter due to Easter holiday in March, resulting in five less working days compared with Q1 2023, amounting to NOK -178 million in reduced income after external project costs and adj. EBITA
- Organic growth of 6 percent adjusted for calendar effects
- Adj. EBITA was NOK 227 million (381) with an adj. EBITA margin of 9.6 percent (16.2)
- Adj. EBITA margin adjusted for calendar effects was 15.9 percent (16.2)
- Costs for employee share program 2023 (gift shares) of NOK 77 million (0) is excluded from adj. EBITA
- Net profit of NOK 103 million (283)
- Ordinary earnings per share NOK 0.36 (1.02)

Key figures for Q1 2024

2 360 mill Income after external project costs	6 % Organic growth adjusted for calendar effects	227 mill Adj. EBITA
6 148 FTEs	9.6 % Adj. EBITA margin	0.36 EPS

Consolidated key figures

GROUP	Q1 2024	Q1 2023	FY 2023
Financial			
Income after external project costs, NOKm	2 360	2 359	8 494
Organic growth, %	-2 %	13 %	9 %
Acquisition related growth, %	1 %	2 %	2 %
Currency, %	1 %	2 %	2 %
Total growth	**0 %**	**17 %**	**13 %**
Organic growth adj for calendar, %	6 %	12 %	10 %
Adj EBITA, NOKm	**227**	**381**	**810**
Adj EBITA margin, %	**9.6 %**	**16.2 %**	**9.5 %**
EBIT, NOKm	145	376	673
Profit for the period, NOKm	103	283	516
Earnings per share, NOK	0.36	1.02	1.83
Operational			
Number of FTEs	6 148	5 697	6 124
Billing ratio	72.1 %	74.0 %	73.5 %
Normal working days	60	65	246
Net debt/LTM EBITDA, ratio	0.59	0.13	0.51
Net debt/LTM EBITDA, excl IFRS 16, ratio	-1.45	-1.72	-1.13

Refer to page 34 for reconciliations and definitions of *Alternative Performance Measures*.

Group performance

Growth and underlying stable profitability

The first quarter was significantly affected by an Easter holiday calendar effect of five less working days compared to the first quarter of 2023, which negatively impacted income after external project costs and adjusted EBITA of NOK 178 million. Adjusted for calendar effect, income after external project costs increased with 8 percent, where the organic growth adjusted for calendar effects was 6 percent. Adjusted EBITA margin was 15.9 percent for the quarter adjusted for calendar effects (16.2).

Financial review

Q1 2024

Operating revenue and other income for the quarter ended at NOK 2 633 million, an increase of 1 percent compared with the same quarter last year.

Income after external project costs for the quarter ended at NOK 2 360 million, an increase of NOK 1 million compared with the same quarter last year. The negative impact due to calendar effects amounted to NOK 178 million. Income after external project costs adjusted for calendar effects increased with 8 percent compared to the same quarter last year.

Organic growth adjusted for calendar effects amounted to 6 percent. Acquired growth was 1 percent. Currency effects were 1 percent for the quarter.

The organic growth is mainly driven by higher number of employees and increased average billing rate.

Adjusted EBITA for the quarter ended at NOK 227 million, compared with NOK 381 million for the same period last year. Adjusted EBITA margin was 15.9 percent adjusted for calendar effects compared to 16.2 percent in the same period last year.

Solid improvement compared to last year in Norway Head Office and Renewable Energy contributed positively, mainly due to increased average billing rates and stable billing ratio. The improvement was partly mitigated by lower profitability in Norway Regions and Sweden mainly due to lower billing ratio. Expenses for the employee share program for 2023 (gift shares) of NOK 77 million are not included in adjusted EBITA.

EBIT for the quarter ended at NOK 145 million compared with NOK 376 million in the same period last year, mainly explained by the negative calendar effect of NOK 178 million. In addition, expenses for employee share programs for 2023 (gift shares) and 2024 were NOK 87 million (0) in the quarter.

Net profit for the period ended at NOK 103 million compared with NOK 283 million in the same period last year, mainly due to less working days and expenses for employee share programs for 2023 and 2024.

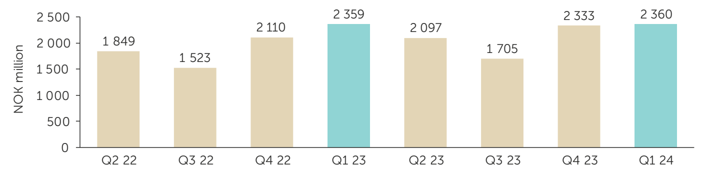
Ordinary earnings per share decreased from NOK 1.02 in the first quarter of 2023 to NOK 0.36 in the same period this year mainly as a result of the calendar effects for the current quarter and costs for employee share programs.

The order backlog at the end of the quarter increased to NOK 6.6 billion up from NOK 6.2 billion at the end of 2023.

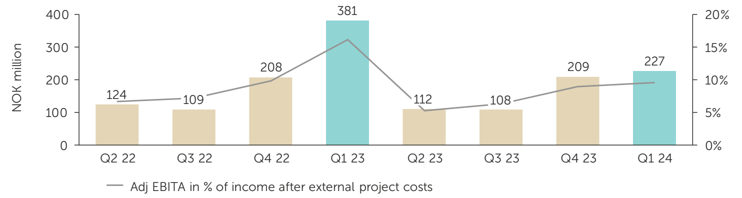
Calendar effects in the first quarter of 2024 were significant due to five less working days compared to the first quarter 2023. There will be four more working days in the second quarter 2024 compared with same quarter 2023 with an estimated positive effect on income after external projects and adjusted EBITA for the Group of NOK 140 million.

Note that the calendar effect has not been adjusted in the graphs below.

Income after external project costs



Adj. EBITA



Financial position, cash flow and liquidity
Total assets amounted to NOK 6 688 million, an increase of 5 percent compared with total assets at the year-end 2023. The change is mainly due to prepaid expenses, an increase in non-current assets as a result of acquisitions and additions of right-of-use assets. The Company's equity totaled NOK 2 257 million at 31 March 2024 compared to NOK 2 065 million at year-end 2023. The change in equity is mainly a result of net profit for the period.

Net interest-bearing debt (*NIBD*) amounted to NOK 656 million, up from NOK 633 million at year-end 2023. NIBD excluding IFRS leasing liabilities amounted to NOK -991 million, improved from NOK -947 million at 31 December 2023.

Net cash flow from operating activities was NOK 184 million, down NOK 75 million compared with same quarter last year mainly due to calendar effects. A new agreement for engineering software applications for the Group was entered into with yearly payments, whereas the previous agreements were invoiced quarterly. This had a negative effect on cash flow from operating activities in this quarter of approximately NOK 40 million. Fluctuations in working capital items are in general in line with seasonal variations and change in operating revenue.

Net cash flow used in investing activities was NOK -46 million in Q1 2024 compared with NOK -65 million the same period last year, mainly due to lower payments related to acquisitions.

Net cash flow from financing activities was NOK -105 million, compared with NOK -99 million in the same period last year.

Cash and cash equivalents at quarter end were NOK 592 million. Including placements in bond funds, with a fair value of NOK 398 million, total liquidity was NOK 991 million, up from NOK 947 million at the end of 2023.

People and organisation

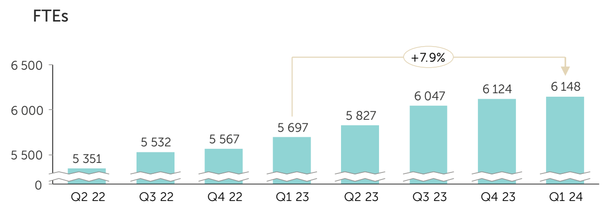
At the end of Q1 2024 the number of employees was 6 300 up from 5 870 employees by end of Q1 2023. The number of FTEs was 6 148 compared to 5 697 FTEs in the same period in 2023.

Our commitment to promoting diversity, equality, and inclusion (DEI) was highlighted on International Women's Day where our managers and employees were invited to discuss in panel debates and local sessions what we would need to do to abolish Women's Day. Further we have participated with a use case in the Executive Master Program Multicultural Leadership at the Norwegian Business School BI. We have refined and upgraded the Group's recruitment procedures to better assist our leaders in recruiting the best talent.

To highlight some of the projects our employees work in, and to highlight much of the work that is being done, we have during the first quarter honoured outstanding project and team performance within five categories in our own Norconsult Awards. The Norconsult Awards categories are Sustainability, Digitalisation, Project Management, Collaboration and Open Category.

The annual executive meeting EXECOM gathered around 90 leaders across the Group to discuss *The road to Nordic Top 3 – Making a decent profit decently* with focus on environmental, social, and economic sustainability.

Our employees have during the first quarter of 2024 conducted their yearly performance review and set goals for the upcoming period.



Markets and projects

The market for Norconsult's services in the first quarter of 2024 was, at large, in line with previous years. We observe a slightly more optimistic market sentiment, driven by macroeconomic forecasts. The market for Buildings & Architecture is still a bit on the weak side. We continue to see high activity and healthy demand from the Energy & Industry segments. Demand in the Infrastructure market remains stable, as expected. While the activity level overall remains stable, we do notice some delay with regards to construction of new capital-intensive projects, especially in Norway.

Norconsult reports on markets and projects through the following three main business markets:
- Buildings & Architecture
- Infrastructure
- Energy & Industry

Buildings & Architecture
Norconsult, as the rest of our industry, continues to navigate a weaker and uncertain buildings market, moved by macroeconomic investment sentiments. Given the external circumstances, we are relatively pleased with the order intake from Buildings & Architecture in this quarter. Our focus on the public buildings market mitigates some of the volatility we observe in the private segment. We continue to expect a fair level of activity in the public building segment across the Nordics, while we expect the private building market to be influenced by macroeconomic sentiments going forward.

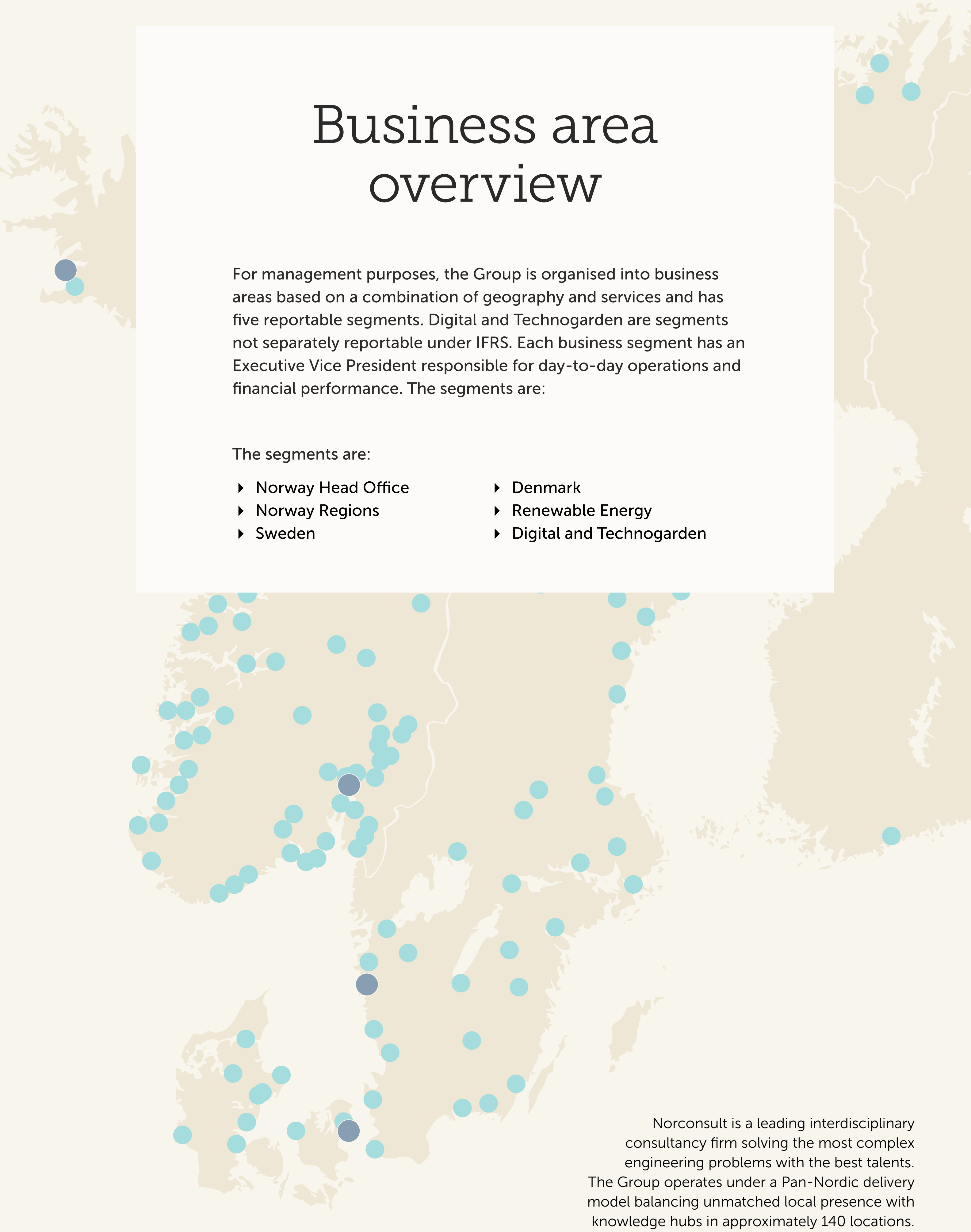
Among noticeable projects included in the order intake during the quarter were:
- Økern school – technical disciplines, Oslo, Norway
- New Sealand University Hospital, Nykøbing Falster, Denmark
- Stavanger emergency room, Stavanger, Norway

Infrastructure
The activity level in public and private infrastructure spending, observed by Norconsult, continues in line with previous periods. This observation is supported by the newly published proposal for a new *Norwegian national transport plan 2025–2036* (NTP). As expected, the NTP emphasizes steady public transportation infrastructure investments levels in the next decade, but with increased focus on modification and maintenance of existing infrastructure. We understand that the proposed NTP, if passed by parliament, will reallocate some resources from a few very large newbuild projects, to give economic room for an increased number of smaller projects distributed across a larger geography. The NTP is scheduled for parliamentary vote before summer. The water infrastructure sub-segment continues its stable development, driven by long term increased focus and requirements for water and wastewater treatment facilities.

Among noticeable projects included in the order intake during the quarter were:
- Highway 4, Almenningsdelet – Lygnebakken, Innlandet, Norway
- Frame agreement, Traffic investigation and traffic analysis, Umeå, Sweden
- Pilestredet, upgrade for light rail and water infrastructure, Oslo, Norway

Energy & Industry
The strong activity in the Energy & Industry market continues. We still observe a healthy demand in both new industry as well as energy projects across geographies. There continues to be a balanced mix between different sub-segments in Energy & Industry, such as new industrial buildings and infrastructure, pharmaceuticals, hydropower production as well as power transmission systems.

Among noticeable projects included in the order intake during the quarter were:
- Fortescue Future Industries – Holmaneset and Sundsmarka, Norway
- New Vinje hydropower dam, Telemark, Norway
- Bulk Infrastructure Norway Data Center Campus - N01, Agder, Norway



Business area overview

For management purposes, the Group is organised into business areas based on a combination of geography and services and has five reportable segments. Digital and Technogarden are segments not separately reportable under IFRS. Each business segment has an Executive Vice President responsible for day-to-day operations and financial performance. The segments are:

The segments are:

- Norway Head Office
- Norway Regions
- Sweden
- Denmark
- Renewable Energy
- Digital and Technogarden

Norconsult is a leading interdisciplinary consultancy firm solving the most complex engineering problems with the best talents. The Group operates under a Pan-Nordic delivery model balancing unmatched local presence with knowledge hubs in approximately 140 locations.

Norway Head Office

This segment includes operations in the greater Oslo area and supports the entire Group with expertise and experience from large complex projects in the market areas of transport, buildings, industry, water, environment, architecture as well as society and urban development.

NORWAY HEAD OFFICE	Q1 2024	Q1 2023	FY 2023
Income after external project costs, NOKm	716	719	2 544
Organic growth, %	-1 %	12 %	11 %
Acquisition related growth, %	1 %	2 %	1 %
Currency, %	0 %	0 %	0 %
Total growth	**0 %**	**15 %**	**12 %**
Organic growth adj for calendar, %	9 %	11 %	11 %
Adj EBITA, NOKm	**84**	**133**	**298**
Adj EBITA margin, %	**11.8 %**	**18.4 %**	**11.7 %**
Number of FTEs	1 567	1 475	1 553

Income after external project costs increased by 10 percent after adjustment for calendar effects, of which organic growth was 9 percent. The increase was mainly driven by higher number of FTEs and higher average billing rates, in addition to a slightly higher billing ratio compared with the same period last year. Calendar effects had a negative impact of approximately NOK 73 million on income after external project costs and adjusted EBITA.

Adjusted EBITA for the quarter was NOK 84 million compared with NOK 133 million in the same period last year, and the corresponding margin was 11.8 percent (18.4) The margin was negatively impacted by calendar effects and adjusted for these effects the adjusted EBITA margin was 19.9 percent in the quarter. The improved profitability was mainly due to increased number of FTEs, higher average billing rates and slightly improved billing ratio.

FTE increased from 1 475 in the first quarter of 2023 to 1 567 FTE in the first quarter of 2024 (+6.2 percent).

Norway Regions

This segment includes operations in Norway outside the greater Oslo area. Industry, and in particular renewable and green industry, is an important focus area for Norway Regions, while buildings as well as transport constitute the two largest market subareas in the business area. The segment has a larger exposure towards the Buildings & Architecture market compared with the other segments in Norconsult.

NORWAY REGIONS	Q1 2024	Q1 2023	FY 2023
Income after external project costs, NOKm	690	736	2 524
Organic growth, %	-6 %	17 %	12 %
Acquisition related growth, %	0 %	1 %	1 %
Currency, %	0 %	0 %	0 %
Total growth	**-6 %**	**18 %**	**13 %**
Organic growth adj for calendar, %	3 %	15 %	12 %
Adj EBITA, NOKm	**56**	**140**	**265**
Adj EBITA margin, %	**8.1 %**	**19.0 %**	**10.5 %**
Number of FTEs	1 675	1 585	1 691

Income after external project costs increased by 3 percent after adjustment for calendar effects as a result of organic growth. The increase was mainly driven by the higher number of FTEs and increased billing rates, however mitigated by lower billing ratio mainly explained by the Buildings & Architecture market, which has been weak for the last 12-18 months. Calendar effects had a negative impact of approximately NOK 70 million on income after external project costs and adjusted EBITA.

Adjusted EBITA for the quarter was NOK 56 million compared with NOK 140 million in the same period last year, and the corresponding margin was 8.1 percent (19.0). The margin was negatively impacted by calendar effects and adjusted for these effects the adjusted EBITA margin was 16.6 percent in the quarter. The decrease was mainly explained by a lower billing ratio due to a continued weak market within Buildings & Architecture.

FTE increased from 1 585 in the first quarter of 2023 to 1 675 FTE in the first quarter of 2024 (+5.7 percent).

Sweden

This segment consists of operations in Sweden within Infrastructure, Buildings & Architecture and Energy & Industry.

SWEDEN	Q1 2024	Q1 2023	FY 2023
Income after external project costs, NOKm	394	355	1 340
Organic growth, %	7 %	15 %	14 %
Acquisition related growth, %	0 %	0 %	0 %
Currency, %	3 %	4 %	6 %
Total growth	**11 %**	**20 %**	**19 %**
Organic growth adj for calendar, %	11 %	14 %	14 %
Adj EBITA, NOKm	**37**	**61**	**100**
Adj EBITA margin, %	**9.3 %**	**17.1 %**	**7.5 %**
Number of FTEs	1 312	1 116	1 284

Income after external project costs increased by 14 percent after adjustment for calendar effects, of which organic growth was 11 percent. The increase was mainly driven by higher number of FTEs in addition to increased billing rate partly mitigated by lower billing ratio. Sweden recruited approximately 100 senior resources during second half of 2023. The senior resources are according to plan gradually staffed on new projects, hence it will take some time to achieve a normal billing ratio. Calendar effects had a negative impact of approximately NOK 11 million on income after external project costs and adjusted EBITA.

Adjusted EBITA for the quarter was NOK 37 million compared with NOK 61 million in the same period last year, and the corresponding margin was 9.3 percent (17.1). The margin was negatively impacted by calendar effects and adjusted for these effects the adjusted EBITA margin was 11.7 percent in the quarter. The decline was a result of lower billing ratio mainly due to the recruitment of the senior resources, with an estimated effect of NOK -7 million in the first quarter. The billing ratio in Buildings & Architecture was slightly down from a strong first quarter last year, in addition to lower activity in geotechnical services.

FTE increased from 1 116 in the first quarter of 2023 to 1 312 FTE in the first quarter of 2024 (+17.6 percent).

Denmark

This segment consists of operations in Denmark with projects mainly within Buildings & Architecture, soil analysis, in addition to industry and life science.

DENMARK	Q1 2024	Q1 2023	FY 2023
Income after external project costs, NOKm	173	164	662
Organic growth, %	-8 %	-3 %	-3 %
Acquisition related growth, %	9 %	18 %	17 %
Currency, %	4 %	14 %	15 %
Total growth	**5 %**	**30 %**	**28 %**
Organic growth adj for calendar, %	-3 %	-4 %	-2 %
Adj EBITA, NOKm	**13**	**20**	**61**
Adj EBITA margin, %	**7.4 %**	**12.0 %**	**9.2 %**
Number of FTEs	467	452	461

Income after external project costs increased by 10 percent after adjustment for calendar effects, mainly driven by acquisitions. Organic growth adjusted for calendar effects was -3% compared with the same quarter last year, mainly due to a continued weak market within Buildings & Architecture. Calendar effects had a negative impact of approximately NOK 8 million on income after external project costs and adjusted EBITA.

Adjusted EBITA for the quarter was NOK 13 million compared with NOK 20 million in the same period last year, and the corresponding margin was 7.4 percent (12.0). The margin was negatively impacted by calendar effects and adjusted for these effects the adjusted EBITA margin was 11.3 percent in the quarter. The adj. EBITA was reduced by NOK 4 million related to leaver penalty and earn-out agreements in acquisitions.

FTE increased from 452 in the first quarter of 2023 to 467 FTE in the first quarter of 2024 (+3.3 percent).

Renewable Energy

Renewable Energy supplies services to the entire renewable industry and is transferring many decades of experience from hydropower to solar power, wind power and energy storage. The segment includes services for the renewable sector with locations in Norway, Poland, Iceland, Finland in addition to smaller project offices in Africa and Asia.

RENEWABLE ENERGY	Q1 2024	Q1 2023	FY 2023
Income after external project costs, NOKm	197	181	700
Organic growth, %	8 %	18 %	15 %
Acquisition related growth, %	0 %	6 %	4 %
Currency, %	1 %	1 %	2 %
Total growth	**9 %**	**25 %**	**21 %**
Organic growth adj for calendar, %	17 %	16 %	15 %
Adj EBITA, NOKm	**36**	**35**	**95**
Adj EBITA margin, %	**18.1 %**	**19.2 %**	**13.6 %**
Number of FTEs	452	386	440

Income after external project costs increased by 18 percent after adjustment for calendar effects, of which organic growth was 17 percent. The growth was mainly driven by higher number of FTEs, increased average billing rates and higher billing ratio. Calendar effects had a negative impact of approximately NOK 16 million on income after external project costs and adjusted EBITA.

Adjusted EBITA for the quarter was NOK 36 million compared with NOK 35 million in the same period last year, and the corresponding margin was 18.1 percent (19.2). The margin was negatively impacted by calendar effects and adjusted for these effects the adjusted EBITA margin was 24.4 percent in the quarter. The main contributor to the development in profitability was continued strong performance in Hydropower & Transmission with stable development in Wind- and Solar power.

FTE increased from 386 in the first quarter of 2023 to 452 FTE in the first quarter of 2024 (+17.1%).

Digital and Technogarden

This segment includes Digital and Technogarden. Norconsult Digital develops and distributes IT-solutions and offers IT-consultancy for the infrastructure and property sectors. Technogarden is a consultancy company offering engineers, technical specialists, project managers and IT consultants for hire. Technogarden is also offering recruitment services. Both divisions have operations in Norway and Sweden.

DIGITAL AND TECHNOGARDEN	Q1 2024	Q1 2023	FY 2023
Total revenue, NOKm	317	298	1 153
Income after external project costs, NOKm	202	210	776
Organic growth, %	-4 %	3 %	1 %
Acquisition related growth, %	0 %	0 %	0 %
Currency, %	1 %	1 %	1 %
Total growth	**-4 %**	**4 %**	**2 %**
Organic growth adj for calendar, %	0	0	0
Adj EBITA, NOKm	**11**	**13**	**51**
Adj EBITA margin, %	**5.7 %**	**6.3 %**	**6.5 %**
Number of FTEs	548	574	567

Total revenue for the quarter ended at NOK 317 million up from NOK 298 million in 2023. The increase was mainly due to increased volume and improved hourly rates in Technogarden.

Income after external project costs for the quarter was NOK 202 million compared with NOK 210 million in the same period last year. The decrease was mainly due to higher use of subconsultants and fewer FTEs in Technogarden. Digital is in line with the same quarter last year, with increased sales of licenses partly offset by lower utilisation of consultants.

Adjusted EBITA for the quarter was NOK 11 million compared with NOK 13 million in the same period last year. The reduced profitability was mainly due to lower billing ratio in the consulting business in Digital, whereas adjusted EBITA for Technogarden increased compared with the corresponding period last year. The profitability in Digital is not developing according to expectations. Further measures will be taken to improve profitability.

FTE decreased from 574 in the first quarter of 2023 to 548 FTE in the first quarter of 2024 (-4.5%).

Stavanger emergency room, Norway

Risk and uncertainties

Norconsult has a large number of private and public customers in several industries and is exposed to the economic development in a large number of industries in the Nordics. The Group is vulnerable for and exposed to risks related to economic downturns, public sector austerity programs, reductions in private sector spending and reduced activity in relevant markets and the ability to continue to attract, retain and motivate qualified personnel. Further, any adverse changes in the economic, political and market conditions (primarily in the Nordic region) and the current geopolitical instability could have a material adverse effect on the Group's business, revenue, profit and financial condition.
The Group is also exposed to certain types of financial risks, such as credit risk, liquidity risk, currency risk and interest rate risk. For additional information see Note 4 Financial risk management in the IFRS Financial statement for 2023.

Acquisitions and disposals

Norconsult Norge AS, a subsidiary of Norconsult ASA, acquired 51% of the shares in Oslo-based project management and consultancy company SQM AS. The company counts seven FTEs and is consolidated into the Norway Head Office business segment from 31 January 2024.

Further, Norconsult Norge AS also acquired the Oslo-based planning and analysis company Concreto AS. The company counts 13 FTEs and is included in the Norway Head Office business segment from 29 February 2024.

Norconsult has divested its business in the Philippines and sold all of the shares in the fully owned subsidiary Norconsult Management Systems Ph.Inc. (NMS) to the local managing director as of 5 March 2024.

Subsequent events

The Annual General Meeting was held on 13 May 2024. The Annual General Meeting approved all the proposed items on the agenda, including the proposed new composition of the Board of Directors in accordance with proposal of the nomination committee.
The Annual General Meeting resolved in accordance with the proposal of the Board of Directors to distribute a dividend of NOK 1.20 (0.96) pr share to the shareholders.

In connection with the offering and the listing of the Norconsult share 10 November 2023, the selling shareholders, members of the Board of Directors and the Executive Management undertook that they will not during a period ending 12 months after the listing, sell, pledge, or otherwise dispose of their shares. It was agreed that 50 percent of the shares will be released from lock-up 6 months after the listing, except for any shares held by members of the Board of Directors or the Executive Management. The lock up period for 50 percent of the shares expired on 10 May 2024.

At 25 April 2024, Norconsult Norge, together with the contractor Hent, has secured a contract with Avinor to design and build the buildings at the new airport in Bodø, Norway. Norconsult will act as a subcontractor to Hent, in collaboration with Archus and LPO architects. The new airport is tentatively scheduled for completion in 2029/2030. Norconsult`s revenue from the contract is estimated to be approximately NOK 100 million.

In order for Norconsult Digital to get closer to Norconsult's core business, Bård Hernes will succeed Kathrine Duun Moen as EVP Norconsult Digital as from 14 May 2024. Hernes continues as EVP Norway Head Office. Duun Moen continues as EVP Technogarden.

Outlook

The overall market is still affected by uncertainty influenced by macroeconomics.

There are signs of improvement in the market for Buildings & Architecture, while we expect high activity and healthy demand from the Energy & Industry markets. The demand in the Infrastructure market is expected to be quite stable going forward, but we do notice some delay with regards to construction of new large capital-intensive projects.

Norconsult has considerable flexibility, a diversified mix of services and end-market exposures in the Nordics. Most of the demand for our services comes from the public sector. This makes Norconsult less exposed towards short-term cyclicality in the general economy. We continue to expect a relatively stable market outlook going forward, despite the macroeconomic uncertainties we are experiencing.

Our orderbook has increased during the quarter, with a good mix of new projects and growth in existing contracts. We continue to take proactive measures to improve our underlying profitability and maintain our efficiency.

Sandvika, 13 May 2024
The Board of Directors and CEO of Norconsult ASA

Interim condensed consolidated statement of profit and loss

(unaudited in NOK million)	Note	Q1 2024	Q1 2023	FY 2023
Operating revenue	4	2 631	2 612	9 567
Other income		1	-2	7
External project costs	4	272	251	1 080
Operating revenue and other income after external project costs	4	**2 360**	**2 359**	**8 494**
Salaries and personnel cost	6	1 894	1 675	6 520
Other operating expenses		202	199	843
Depreciation and impairment tangible and ROU assets		115	106	438
Amortisation and impairment intangible assets		4	4	21
Total operating expenses		**2 215**	**1 983**	**7 821**
Operating profit (EBIT)	4	**145**	**376**	**673**
Finance income		18	13	72
Finance expense		24	24	71
Net financial items		**-6**	**-12**	**1**
Profit before tax		**139**	**364**	**674**
Income tax expense		36	80	158
Profit for the periods		**103**	**283**	**516**
Attributable to:				
Equity holders of the parent		103	283	516
Non-controlling interest		0	0	0
Earnings per share:				
Basic earnings per share in NOK	7	0.36	1.02	1.83
Diluted earnings per share in NOK	7	0.35	1.02	1.82

Interim condensed consolidated statement of comprehensive income

(unaudited in NOK million)	Note	Q1 2024	Q1 2023	FY 2023
Profit (loss) for the periods		**103**	**283**	**516**
Other comprehensive income that may be reclassified to profit or loss in subsequent years:				
Exchange differences on translation of foreign subsidiaries		**20**	55	47
Total comprehensive profit		**123**	**339**	**563**
Attributable to:				
Equity holders of the parent		123	338	563
Non-controlling interest		0	1	0

Interim condensed consolidated statement of financial position

(unaudited in NOK million)	Note	31.03.2024	31.12.2023
ASSETS			
Goodwill		1 059	1 003
Deferred tax assets		3	4
Other intangible assets		99	78
Property plant and equipment		152	158
Right-of-use asset		1 608	1 546
Non-current financial assets		65	61
Total non-current assets		**2 986**	**2 850**
Trade receivables		1 504	1 769
Contract assets		863	536
Other current assets		346	245
Total receivables		**2 712**	**2 550**
Other current financial assets	5	398	394
Cash and cash equivalents		592	553
Total current assets		**3 703**	**3 497**
Total assets		**6 688**	**6 347**
EQUITY AND LIABILITIES			
Share capital	8	6	6
Treasury shares	8	-1	-1
Share premium		221	221
Other paid in capital		88	19
Retained earnings		1 942	1 820
Equity attributable to the owners of the parent		**2 257**	**2 065**
Non-controlling interests	3	0	0
Total equity		**2 257**	**2 065**
Pension liabilities		8	9
Deferred tax		14	24
Non-current lease liabilities		1 274	1 226
Other non-current debt and accruals		65	39
Total non-current liabilities		**1 360**	**1 298**
Current lease liabilities		373	354
Trade payables		252	266
Contract liabilities		292	196
Current tax liabilities		142	186
Other current liabilities		2 013	1 982
Total current liabilities		**3 071**	**2 984**
Total equity and liabilities		**6 688**	**6 347**

Interim condensed consolidated statement of changes in equity

(unaudited in NOK million)	01.01.-31.03.2024	FY 2023
Opening equity	**2 065**	**2 256**
Profit	103	516
Other comprehensive income	20	47
Total comprehensive income	**123**	**563**
Capital increase share-based payment	69	35
Net change equity shares	0	80
Dividends paid	0	-869
Ending equity	**2 257**	**2 065**

Interim condensed consolidated statement of cash flows

(unaudited in NOK million)	Note	Q1 2024	Q1 2023	FY 2023
Profit before tax		**139**	**364**	**674**
Taxes paid		-101	-78	-161
Depreciation, amortisation and impairment		20	19	83
Depreciation right of use asset		100	91	376
Change in working capital items		-51	-147	-101
Other changes and reconciling items		76	11	52
Net cash flows from operating activities		**184**	**259**	**922**
Proceeds from sale of property, plant and equipment		0	0	1
Purchase of intangible assets		-4	-4	-23
Purchase of property, plant and equipment		-8	-12	-59
Acquisition of subsidiaries, net of cash acquired	3	-39	-53	-113
Other cash flows from investing activities		5	5	29
Net cash flows from investment activities		**-46**	**-65**	**-165**
Net sale/purchase of treasury shares		0	-4	80
Payment of principal portion of lease liabilities		-96	-87	-365
Interest paid		-12	-10	-43
Change in short term receivable for sale and purchase of shares		3	1	0
Dividends paid to equity holders of the parent		0	0	-869
Net cash flows from financing activities		**-105**	**-99**	**-1 197**
Net change in cash and cash equivalents		**33**	**95**	**-439**
Net foreign exchange difference on cash and cash equivalents		**6**	**26**	**22**
Cash and cash equivalents at beginning of period		**553**	**971**	**971**
Cash and cash equivalents at end of period	5	**592**	**1 092**	**553**
Here of:				
Free cash		579	1 085	536
Restricted cash		13	7	17

Vinje Dam, Norway (Photo: Tor Helge Mitbø, Statkraft)

Notes to the Interim condensed consolidated financial statements

NOK million unless otherwise stated

Note 1 Corporate information

Norconsult ASA (the *Company* or the *Group*) (formerly Norconsult Holding AS) is a public limited liability company registered and domiciled in Norway. The Company was listed on the Oslo Børs 10 November 2023. The registered office is located at Vestfjordgaten 4, 1338 Sandvika, Norway.

Note 2 Accounting policies

2.1 Basis of preparation
The condensed consolidated financial statements as of 31 March 2024 are prepared in accordance with IFRS® Accounting Standards as approved by the EU and comprise Norconsult ASA and subsidiaries. The interim financial report is presented in accordance with IAS 34, Interim Financial Reporting. The interim accounts do not contain all the information that is required in complete annual accounts, and they should be read in connection with the consolidated accounts for 2023. The report has not been audited. The selected historical consolidated financial information set forth in this section has been derived from the Company's consolidated and audited IFRS financial statements for 2023.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial investments and contingent consideration assumed in connection with business combinations that have been measured at fair value. The consolidated financial statements are presented in Norwegian Kroner (NOK) and all values are rounded to the nearest NOK million, except when otherwise indicated. Due to rounding, the numbers in one or more lines or columns in the consolidated financial statements may not be summarised to the total in the line or column. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The accounting principles applied in the interim report are consistent with those described in the audited consolidated financial statements accounts for 2023.

2.2 Significant accounting judgements, estimates and assumptions
The preparation of the Group's condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The main sources of estimation uncertainty have not changed compared to those that existed when the annual consolidated financial statements for 2023 were prepared.

Impairment of goodwill
Cash generating units have been reviewed to identify indicators for impairment as of 31 March 2024. No such indicators have been identified.

Note 3 Business combinations

In January 2024 Norconsult acquired 51% of the shares in SQM AS for an estimated consideration of NOK 31 million with an option to acquire the remaining 49%. SQM AS is a project management and consultancy company based in Oslo, Norway. The company has 7 FTEs and had revenues of NOK 21 million in 2023. The company is consolidated from 31 January 2024 and included in the Norway Head Office business segment. Purchase price allocations are not complete.

In February 2024 Norconsult acquired all of the shares in Concreto AS for an estimated consideration of NOK 21 million. Concreto operates within buildings, infrastructure and urban planning with services which primarily focus on economic analysis as a basis for decision-making by project owners in the early phases of projects. The company based in Oslo, Norway, has 13 FTEs and had revenues of NOK 20 million in 2023. The company is consolidated from 29 February 2024 and included in the Norway Head Office business segment. Purchase price allocations are not complete.

The draft purchase allocations of assets and liabilities acquired shows the following:

	SQM AS	Concreto AS
Date of acquisition	31.1.2024	29.2.2024
Share of ownership	51 %	100 %
Cash settlement	31	21
NPV of option on NCI	17	0
Cash in target	4	3
Net settlement	**44**	**17**
Right-of-use-asset	0	3
Intangible assets: Customer contracts and relations	17	0
Intangible assets: Trademark	3	0
Current assets	3	5
Deferred tax	-5	0
Lease liability	0	-3
Other current liabilities	-5	-4
Net identifiable assets and liabilities	**15**	**1**
Goodwill	**30**	**16**

Consolidated operating revenue and other income of the acquired businesses amounted to NOK 4 million in Q1 2024 with a profit after tax of NOK 0 million. Operating revenue and other income would have increased with approximately NOK 6 million and net profit increased with NOK 1 million had the acquired companies been included in the Group from the beginning of the year. The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities.

Norconsult has call options, and the non-controlling interest shareholders have put options, on the remaining 49 % of the shares in SQM. These options are exercisable between 2028 and 2030 and the valuation of the shares are based on a multiple of SQM's average EBIT over a 4-year period. Upon consolidation of SQM, and in accordance with IFRS 10, the fair value of acquiring the remaining 49 % have been estimated and recognized as other non-current debt and accruals with NOK 17 million. Future changes in the fair value of the liability will be accounted for as an equity transaction.

The gross and carrying value of goodwill was NOK 1 003 million at the beginning of the year. During Q1 2024 the gross and carrying value of goodwill has increased with NOK 46 million due to acquisitions and NOK 10 million following from foreign currency translation.

Note 4 Business areas

Q1 2024

	Norway Head Office	Norway Regions	Sweden	Denmark	Renewable Energy	Digital and Techno-garden*	Other - corporate cost and eliminations	Total
External revenue	777	719	426	204	210	295	0	2 633
Internal revenue	4	2	19	2	8	22	-57	0
Total revenue	**781**	**721**	**446**	**206**	**218**	**317**	**-57**	**2 633**
Project costs	65	31	52	33	21	115	-45	272
Income after external project costs	**716**	**690**	**394**	**173**	**197**	**202**	**-12**	**2 360**
Operating expenses	**605**	**628**	**354**	**156**	**162**	**196**	**-5**	**2 095**
EBITDA	**111**	**62**	**40**	**16**	**36**	**6**	**-7**	**265**
Depreciation and impairment	46	28	22	8	5	2	5	115
EBITA	**65**	**34**	**18**	**8**	**31**	**4**	**-12**	**149**
Amortisation and impairment	1	1	0	1	0	2	0	4
EBIT	**64**	**34**	**18**	**8**	**31**	**3**	**-12**	**145**

Q1 2023

	Norway Head Office	Norway Regions	Sweden	Denmark	Renewable Energy	Digital and Techno-garden*	Other - corporate cost and eliminations	Total
External revenue	787	792	374	188	198	273	-1	2 610
Internal revenue	5	3	29	5	7	25	-73	0
Total revenue	**792**	**795**	**403**	**193**	**205**	**298**	**-75**	**2 610**
Project costs	73	59	47	29	24	88	-69	251
Income after external project costs	**719**	**736**	**355**	**164**	**181**	**210**	**-6**	**2 359**
Operating expenses	**543**	**571**	**276**	**137**	**142**	**194**	**11**	**1 874**
EBITDA	**176**	**165**	**79**	**27**	**39**	**16**	**-17**	**485**
Depreciation and impairment	43	25	18	7	4	3	5	106
EBITA	**133**	**140**	**61**	**20**	**35**	**13**	**-21**	**379**
Amortisation and impairment	1	1	1	0	0	1	0	4
EBIT	**131**	**139**	**60**	**19**	**35**	**13**	**-21**	**376**

FY 2023

	Norway Head Office	Norway Regions	Sweden	Denmark	Renewable Energy	Digital and Techno-garden*	Other - corporate cost and eliminations	Total
External revenue	2 800	2 715	1 453	765	789	1 051	1	9 574
Internal revenue	23	11	103	15	31	102	-283	0
Total revenue	**2 823**	**2 726**	**1 556**	**779**	**820**	**1 153**	**-282**	**9 574**
Project costs	279	201	216	117	120	377	-230	1 080
Income after external project costs	**2 544**	**2 524**	**1 340**	**662**	**700**	**776**	**-52**	**8 494**
Operating expenses	**2 074**	**2 169**	**1 170**	**574**	**587**	**723**	**65**	**7 363**
EBITDA	**470**	**355**	**170**	**88**	**112**	**53**	**-117**	**1 131**
Depreciation and impairment	182	103	79	30	20	6	19	438
EBITA	**287**	**253**	**92**	**58**	**93**	**47**	**-136**	**693**
Amortisation and impairment	3	2	3	3	1	7	2	21
EBIT	**284**	**251**	**89**	**55**	**92**	**39**	**-137**	**673**

*Operating segments that due to quantitative thresholds are not separately reportable under IFRS and therefore aggregated.

Note 5 Financial instruments

The Group's financial instruments consist of investments in equity and debt funds, trade receivables, other receivables, cash and cash equivalents and trade payables, other liabilities and contingent consideration. A description of the financial instrument categories and valuation techniques can be found in note 5 to the Consolidated Financial statements for 2023. There are no transfers between fair value hierarchy levels during the period.

Non-current and current investments in equity and bond funds measured at fair value amounted to NOK 414 million at 31 December 2023 and to NOK 418 million at 31 March 2024. These assets are measured based on level 1 inputs which is quoted market prices.

Note 6 Share based payments

Norconsult has share-based payment programs as detailed in the 2023 annual financial statements note 8. Expenses charged for these programs including social security taxes are as follows:

	Q1 2024	Q1 2023	FY 2023
2023 program (gift shares)	77	0	43
Annual program 2024	10	0	0
Total expense	**87**	**0**	**43**

Total expense in 2024 for these programs is estimated to be approximately NOK 290 million.

Note 7 Earnings per share (EPS)

	Q1 2024	Q1 2023	FY 2023
Profit for the periods (NOK million)	103	283	516
Weighted average shares outstanding excluding treasury shares	285 693 904	278 000 471	281 179 178
Average outstanding shares including dilutive shares	299 061 244	278 000 471	283 294 184
Basic earnings per share in NOK	0.36	1.02	1.83
Diluted earnings per share in NOK	0.35	1.02	1.82

Diluted earnings per share includes the dilutive effect of the gift shares as detailed in the 2023 annual financial statements note 8.

Note 8 Share capital

A dividend of NOK 1.20 per share amounting to approximately NOK 343 million in total were approved at the Annual General Meeting on 13 May 2024. The dividend will be distributed during May 2024.

During Q1 2024 the Company purchased 0 and sold 196 140 treasury shares and at 31 March 2024 the Company held 24 732 477 treasury shares (31 December 2023: 24 928 617). The shares are primarily held for use in the employee shareholder programs.

Note 9 Related party transactions

Transactions with related parties comprising shareholders, Board of Directors and members of Executive Management are described in note 8 and 25 in the 2023 consolidated financial statements. There are no material changes in Q1 2024 to the amounts or transactions described there.

Note 10 Subsequent events

No events have been identified that require disclosure.

Traffic investigation, Sweden

Alternative Performance Measures – reconciliations

Group

Adjusted EBIT, EBITA and EBITDA	Q1 2024	Q1 2023	FY 2023
Operating profit (EBIT)	145	376	673
Depreciation and impairment of tangible and ROU assets	115	106	438
Amortisation and impairment of intangible assets	4	4	21
EBITDA	**265**	**485**	**1 131**
Depreciation and impairment of tangible assets	-115	-106	-438
EBITA	**149**	**379**	**693**
Adjusting items to EBIT, EBITA and EBITDA:			
Employee share programs for 2022 and 2023	77	0	41
IPO expenses	0	2	76
Adjusted EBITA	**227**	**381**	**810**
Depreciation and impairment of tangible assets	115	106	438
Adjusted EBITDA	**342**	**487**	**1 248**
Adjusted EBITA in % of operating revenue and other income after external projects (Adj EBITA margin)	**9.6 %**	**16.2 %**	**9.5 %**
Depreciation and Amortisation	**-120**	**-110**	**-459**
Adjusted EBIT	**222**	**377**	**789**
Adjusted EBIT in % of operating revenue and other income after external projects (Adj EBIT margin)	**9.4 %**	**16.0 %**	**9.3 %**

Growth and calendar effects			
Operating revenue and other income after external project costs	2 360	2 359	8 494
Total growth from period last year	1	347	1 001
Here of: Acquisition related growth	19	49	142
Here of: Currency related growth	23	35	163
Organic growth	**-41**	**264**	**697**
Calendar effect	-178	30	-34
Organic growth adjusted for calendar effect	**136**	**234**	**731**
Organic growth in % of operating revenue and other income after external project costs	-2 %	13 %	9 %
Acquisition related growth in % of operating revenue and other income after external project costs	1 %	2 %	2 %
Currency related growth in % of operating revenue and other income after external project costs	1 %	2 %	2 %
Organic growth adjusted for calendar effect in % of operating revenue and other income after external project costs	6 %	12 %	10 %

Net interest-bearing debt to Adj. EBITDA for last twelve months (LTM)			
Other current financial assets	-398	-373	-394
Cash and cash equivalents	-592	-1 092	-553
Non-current lease liabilities	1 274	1 282	1 226
Current lease liabilities	373	342	354
Net interest-bearing debt	**656**	**159**	**633**
Net interest-bearing debt/Adjusted EBITDA LTM	**0.59**	**0.13**	**0.51**
Net interest-bearding debt excluding IFRS 16	-991	-1 465	-947
Net interest-bearing debt ex IFRS 16/ Adjusted EBITDA LTM ex IFRS 16	**-1.45**	**-1.72**	**-1.13**

Norway Head Office

	Q1 2024	Q1 2023	FY 2023
EBITA (note 4)	65	133	287
Adjusting items to EBITA and EBITDA:			
Employee share programs for 2022 and 2023	19	0	10
IPO expenses	0	0	0
Adjusted EBITA	**84**	**133**	**298**
Growth and calendar effects			
Operating revenue and other income after external project costs	716	719	2 544
Total growth from period last year	-3	93	270
Here of: Acquisition related growth	4	14	18
Here of: Currency related growth	1	1	6
Organic growth	**-8**	**78**	**246**
Calendar effect	-73	10	-10
Organic growth adjusted for calendar effect	**65**	**68**	**256**
Organic growth in % of operating revenue and other income after external project costs	-1 %	12 %	11 %
Acquisition related growth in % of operating revenue and other income after external project costs	1 %	2 %	1 %
Currency related growth in % of operating revenue and other income after external project costs	0 %	0 %	0 %
Organic growth adjusted for calendar effect in % of operating revenue and other income after external project costs	9 %	11 %	11 %

Norway Regions

	Q1 2024	Q1 2023	FY 2023
EBITA (note 4)	34	140	253
Adjusting items to EBITA and EBITDA:			
Employee share programs for 2022 and 2023	22	0	12
IPO expenses	0	0	0
Adjusted EBITA	**56**	**140**	**265**
Growth and calendar effects			
Operating revenue and other income after external project costs	690	736	2 524
Total growth from period last year	-46	115	283
Here of: Acquisition related growth	1	8	19
Here of: Currency related growth	0	0	0
Organic growth	**-47**	**107**	**264**
Calendar effect	-70	11	-12
Organic growth adjusted for calendar effect	**23**	**96**	**276**
Organic growth in % of operating revenue and other income after external project costs	-6 %	17 %	12 %
Acquisition related growth in % of operating revenue and other income after external project costs	0 %	1 %	1 %
Currency related growth in % of operating revenue and other income after external project costs	0 %	0 %	0 %
Organic growth adjusted for calendar effect in % of operating revenue and other income after external project costs	3 %	15 %	12 %

Sweden

	Q1 2024	Q1 2023	FY 2023
EBITA (note 4)	18	61	92
Adjusting items to EBITA and EBITDA:			
Employee share programs for 2022 and 2023	18	0	9
IPO expenses	0	0	0
Adjusted EBITA	**37**	**61**	**100**
Growth and calendar effects			
Operating revenue and other income after external project costs	394	355	1 340
Total growth from period last year	39	58	219
Here of: Acquisition related growth	0	0	0
Here of: Currency related growth	12	13	63
Organic growth	**27**	**46**	**156**
Calendar effect	-11	5	-6
Organic growth adjusted for calendar effect	**38**	**41**	**161**
Organic growth in % of operating revenue and other income after external project costs	7 %	15 %	14 %
Acquisition related growth in % of operating revenue and other income after external project costs	0 %	0 %	0 %
Currency related growth in % of operating revenue and other income after external project costs	3 %	4 %	6 %
Organic growth adjusted for calendar effect in % of operating revenue and other income after external project costs	11 %	14 %	14 %

Denmark

	Q1 2024	Q1 2023	FY 2023
EBITA (note 4)	8	20	58
Adjusting items to EBITA and EBITDA:			
Employee share programs for 2022 and 2023	4	0	3
IPO expenses	0	0	0
Adjusted EBITA	**13**	**20**	**61**
Growth and calendar effects			
Operating revenue and other income after external project costs	173	164	662
Total growth from period last year	9	38	147
Here of: Acquisition related growth	15	23	86
Here of: Currency related growth	6	18	76
Organic growth	**-12**	**-3**	**-16**
Calendar effect	-8	1	-4
Organic growth adjusted for calendar effect	**-5**	**-5**	**-12**
Organic growth in % of operating revenue and other income after external project costs	-8 %	-3 %	-3 %
Acquisition related growth in % of operating revenue and other income after external project costs	9 %	18 %	17 %
Currency related growth in % of operating revenue and other income after external project costs	4 %	14 %	15 %
Organic growth adjusted for calendar effect in % of operating revenue and other income after external project costs	-3 %	-4 %	-2 %

Renewable Energy

	Q1 2024	Q1 2023	FY 2023
EBITA (note 4)	31	35	93
Adjusting items to EBITA and EBITDA:			
Employee share programs for 2022 and 2023	5	0	3
IPO expenses	0	0	0
Adjusted EBITA	**36**	**35**	**95**
Growth and calendar effects			
Operating revenue and other income after external project costs	197	181	700
Total growth from period last year	16	36	120
Here of: Acquisition related growth	0	8	22
Here of: Currency related growth	2	2	11
Organic growth	**14**	**26**	**86**
Calendar effect	-16	2	-3
Organic growth adjusted for calendar effect	**30**	**24**	**89**
Organic growth in % of operating revenue and other income after external project costs	8 %	18 %	15 %
Acquisition related growth in % of operating revenue and other income after external project costs	0 %	6 %	4 %
Currency related growth in % of operating revenue and other income after external project costs	1 %	1 %	2 %
Organic growth adjusted for calendar effect in % of operating revenue and other income after external project costs	17 %	16 %	15 %

Digital and Technogarden

	Q1 2024	Q1 2023	FY 2023
EBITA (note 4)	4	13	47
Adjusting items to EBITA and EBITDA:			
Employee share programs for 2022 and 2023	7	0	4
IPO expenses	0	0	0
Adjusted EBITA	**11**	**13**	**51**
Growth and calendar effects			
Operating revenue and other income after external project costs	202	210	776
Total growth from period last year	-8	8	12
Here of: Acquisition related growth	0	0	0
Here of: Currency related growth	1	1	7
Organic growth	**-9**	**7**	**5**
Calendar effect	0	0	0
Organic growth adjusted for calendar effect	**-9**	**7**	**5**
Organic growth in % of operating revenue and other income after external project costs	-4 %	3 %	1 %
Acquisition related growth in % of operating revenue and other income after external project costs	0 %	0 %	0 %
Currency related growth in % of operating revenue and other income after external project costs	1 %	1 %	1 %
Organic growth adjusted for calendar effect in % of operating revenue and other income after external project costs	-4 %	3 %	1 %

Other

	Q1 2024	Q1 2023	FY 2023
EBITA (note 4)	-12	-21	-136
Adjusting items to EBITA and EBITDA:			
Employee share programs for 2022 and 2023	2	0	1
IPO expenses	0	2	76
Adjusted EBITA	**-10**	**-20**	**-59**
Growth and calendar effects			
Operating revenue and other income after external project costs	-12	-6	-52
Total growth from period last year	-6	0	-48
Here of: Acquisition related growth	0	-3	-3
Here of: Currency related growth	0	0	0
Organic growth	**-6**	**3**	**-45**
Calendar effect	0	0	0
Organic growth adjusted for calendar effect	**-6**	**3**	**-45**
Organic growth in % of operating revenue and other income after external project costs	105 %	-58 %	1064 %
Acquisition related growth in % of operating revenue and other income after external project costs	0 %	58 %	83 %
Currency related growth in % of operating revenue and other income after external project costs	0 %	0 %	0 %

Definitions

The Group believes that the presentation of these APMs enhance an investor's understanding of the Group's operating performance and the Group's ability to service its debt. In addition, the Group believes that these APMs are commonly used by companies in the market in which it competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation and amortisation, which can vary significantly depending upon accounting methods or based on non-operating factors. Accordingly, the Group discloses the APMs presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies and across periods, and of the Group's ability to service its debts. However, these APMs may be calculated differently by other companies and may not be comparable. APMs may not be comparable with similarly titled measures used by other companies. The Group's APMs are not measurements of financial performance under IFRS and should not be considered as alternatives to other indicators of the Group's operating performance, cash flows or any other measures of performance derived in accordance with IFRS. The Group's APMs have important limitations as analytical tools, and they should not be considered in isolation or as substitutes for analysis of the Group's results of operations as reported under IFRS.

EBIT is defined as earnings before financial items and taxes.

EBITDA is defined as earnings before depreciation and impairment of tangible assets, amortisation and impairment of intangible assets, financial items and taxes.

EBITA is defined as earnings before amortisation and impairment of intangible assets, financial items and taxes.

Adj. EBITA is defined as earnings before amortisation and impairment of intangible assets, share-based compensation expenses for the employee share programs for 2022 and 2023, expenses related to the IPO process, financial items and taxes. The new employee share programs starting in 2024 are to be included in adj. EBITA. Adj. EBITA is a common measure in the industry in which the Group operates, however it may be calculated differently by other companies and may not be comparable. The Group believes that adj. EBITA defined above is a measure relevant to investors to understand the Group's ability to generate earnings.

Adj. EBITDA is defined as earnings before depreciation and impairment of tangible assets, amortisation and impairment of intangible assets, share-based compensation expenses for the employee share programs for 2022 and 2023, expenses related to the IPO process, financial items and taxes. The new employee share programs starting in 2024 are to be included in adj. EBITDA. Adj. EBITDA is a common measure in the industry in which the Group operates; however, it may be calculated differently by other companies and may not be comparable. The Group believes that adj. EBITDA is a key metric relevant to investors to understand the generation of earnings before investment in fixed assets and the Group's ability to serve debt.

Adj. EBITA margin is defined as adj. EBITA (as defined above) as a percentage of operating revenue and other income after external project costs. The Group believes that this ratio is a measure relevant to investors to understand the Group's ability to generate earnings.

Adj. EBIT is defined as earnings before financial items and taxes, share-based compensation expenses for the employee share programs for 2022 and 2023, expenses related to the IPO process, financial items and taxes. The Group believes that this ratio is a measure relevant to investors to understand the Group's ability to generate earnings.

Adj. EBIT margin is defined as adj. EBIT (as defined above) as a percentage of operating revenue and other income after external project costs. The Group believes that this ratio is a measure relevant to investors to understand the Group's ability to generate earnings.

Acquisition related growth is defined as increase in operating revenue and other income after external project costs in local currencies based on acquired businesses for 12 months from acquisition date. The Group believes it is relevant to investors to have information about the level of acquisition related growth.

Currency related growth is defined as effect of exchange rate changes on operating revenue and other income after external project costs.

Organic growth is defined as growth in operating revenue and other income after external project costs excluding the impact of acquisitions, divestments and currency effects.

Organic growth adjusted for calendar effects is defined as increase in operating revenue and other income after external project costs adjusted for calendar effects. Calendar effects adjusts for number of working days towards comparable periods. The Group believes that organic growth adjusted for calendar effects is a relevant metric to investors to understand the underlying growth from one reporting period to the corresponding reporting period as most projects are invoiced on an hourly basis.

Billing ratio is defined as hours recorded on chargeable projects as percentage of total hours worked (including administrative staff) and employer-paid absence. The Group believes this is a key metric to investors to analyse the underlying profitability as the greater part of the project portfolio is charged on hourly basis.

Number of full-time equivalents (FTEs) is a mathematical calculation of employees with regards to percentage of a full-time position. The term includes all staff on payroll including staff on temporary leave excluding temporary personnel. The Group believes this is a key metric to investors to monitor in order to analyse underlying growth due to increased capacity.

Net interest-bearing debt is defined as current and non-current interest-bearing debt reduced by cash and cash equivalents and other current financial assets. The Group believes that this is a key metric relevant to investors to understand the Group's net financial indebtedness including sensitivity to changes in interest rates.

Net interest-bearing debt/LTM adj. EBITDA (also presented as NIBD/adj. EBITDA) where Net interest-bearing debt and adj. EBITDA is defined above. The Group believes that this is a key metric relevant to investors to understand the Group's ability to serve debt.

Net interest-bearing debt/adj LTM EBITDA excluding IFRS 16 is defined as net interest-bearing debt excluding lease liabilities divided by LTM adjusted EBITDA under which all leases are treated as operating leases. The Group believes that this is a key metric relevant to investors to understand the Group's ability to serve debt.

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Financial calendar
Q2 2024 – 23.08.2024
Q3 2024 – 07.11.2024
Q4 2024 – 18.02.2025

Contact information IR and CFO

Dag Fladby, CFO

Elin Spieler, Head of Treasury and IR Manager

Executive management

Egil Olav Hogna, CEO
Dag Fladby, CFO
Janicke Garmann, EVP Sustainability & Staff
Hege Njå Bjørkmann, EVP Communication & Brand
Bård Sverre Hernes, EVP Norway Head Office
Vegard Jacobsen, EVP Norway Regions
Sten-Ole Nilsen, EVP Renewable Energy
Farah Al-Aieshy, EVP Sweden
Thomas Bolding Rasmussen, EVP Denmark
Kathrine Duun Moen, EVP Technogarden and Digital

Board of Directors

Nils Morten Huseby, Chair
Mari Thjømøe, Deputy Chair
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Lars-Petter Nesvåg, Board member
Annette Sandra Angelica Kuru, Board member
Helge Hesjedal Wiberg, Board member
Harald Trosvik, Board member
Anne Jenny Bergseth, Board member

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Norconsult is a leading pan-Nordic interdisciplinary consulting firm combining engineering, architecture and digital expertise across projects of all sizes, for private and public customers in infrastructure, energy and industry, buildings and architecture. Headquartered in Sandvika, Norway, Norconsult's delivery model is centered around knowledge hubs and local presence through approximately 6 300 employees across more than 140 offices in Norway, Sweden, Denmark, Iceland, Poland and Finland. *(Figures as of 31.12.2023)*

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