

Q4

QUARTERLY REPORT

2021

Bouvet in brief

Digitalisation is a crucial factor today for the delivery capability and competitiveness of enterprises. Our many years of experience, closeness to clients and broad expertise make us a very attractive digitalisation partner for both private and public players.

The digitalisation process involves exploiting technology to deliver products and services in line with user expectations, and to meet challenges as well as exploiting opportunities. This is a far-reaching and continuous job, because an enterprise can never say that it is “fully digitalised”. Put simply, digitalisation is a matter of preparing for the future every single day.

We are a leading consultancy on IT and digital communication, which has developed an ability to understand the client’s business and to collaborate on creating and developing good and long-term digital solutions.

This has given us very close client relationships and a steadily increasing volume of assignments – from both new and existing clients. We are a strategic partner for many enterprises, and our broad range of services in IT, design, communication and enterprise management mean we are often selected as a turnkey supplier.

However, our close relationship with clients is only possible because we conduct every assignment in line with strict requirements for security and accountability. Our regional model reduces bureaucracy and ensures short decision-making lines, which gives us the adaptability needed to respond to each client’s challenges in an ever-changing landscape.

Close ties are a competitive advantage, but also a precondition for being able to develop solutions of ever higher quality – in line with our vision. By solving assignments for and in company with important societal players, we are involved in helping society to progress.

At 31 December 2021, we had 1 841 employees at 14 offices in Norway and three in Sweden.

Highlights and key figures of the fourth quarter 2021

→ Operating revenues increased by NOK 94 million from the fourth quarter of 2020 to NOK 739.6 million, a rise of 14.6 per cent

→ Operating profit (EBIT) rose by 13.5 per cent from the fourth quarter of 2020 to NOK 103.9 million

→ Employees increased by eight people from the previous quarter and by 185 people over the past 12 months

→ The board proposes a dividend of NOK 2.30 per share for 2021

→ The employee survey confirmed high levels of job satisfaction

→ The client satisfaction survey documents that clients continue to be very satisfied with Bouvet

NOK MILLION	OCT-DEC 2021	OCT-DEC 2020	CHANGE %	JAN-DEC 2021	JAN-DEC 2020	CHANGE %
Revenue	739.6	645.6	14.6%	2 695.1	2 401.8	12.2%
Operating profit (EBIT)	103.9	91.6	13.5%	340.1	314.6	8.1%
Ordinary profit before tax	102.9	90.5	13.8%	335.1	311.7	7.5%
Profit for the period	85.8	69.1	24.2%	265.9	241.2	10.2%
Net cash flow operations	201.6	198.7	1.4%	294.1	450.9	-34.8%
Liquid assets	541.2	576.8	-6.2%	541.2	576.8	-6.2%
Number of employees (end of period)	1 841	1 656	11.2%	1 841	1 656	11.2%
Number of employees (average)	1 842	1 653	11.4%	1 761	1 609	9.4%
Earnings per share	0.83	0.67	23.1%	2.58	2.35	9.7%
Diluted earnings per share	0.82	0.67	23.2%	2.55	2.33	9.5%
EBIT-margin	14.0%	14.2%		12.6%	13.1%	
Equity ratio	33.0%	32.6%		33.0%	32.6%	

CEO'S COMMENTS

Satisfied employees create satisfied clients

Digitalisation is continuing with great vigour in every sector. The changes taking place in society are thoroughgoing, call for developments in and changes to organisation and culture, and are occurring hand-in-hand with rapid technological progress and adoption.

This quarter has been characterised for us by solid turnover, good profitability and very positive feedback from both customer and employee surveys.

The quarter was once again strongly affected by the pandemic. Reopening society early in the period provided the longed-for inspiration, in that we were finally able get back together and share expertise and experience in ways we had missed. We could once again enjoy fellowship and inspiration from physical meetings between people. We must hope that the shutdown at the end of the quarter represents the final throes of this pandemic.

I would extend a big thank-you to all "Bouveteers" for their tireless commitment, unquenchable enthusiasm and ability to take care of our community and colleagues in a unusual time. The job done every single day continues to develop us as a community and workplace, creates value for our clients, and builds tomorrow's society.

The digitalisation of society calls for the cross-disciplinary capabilities we find in our ranks. Enterprise consultancy creates commercial results, change management develops organisations, and enterprise and design expertise realises new services for a digital age. Combining this commercial competence with our technological knowledge allows us to create great value for our clients.

We produce forward-looking answers through our expertise in designing and developing digital solutions, security, and platform services for secure and accessible solutions, combined with innovative technologies like artificial intelligence and machine learning. We delivered on this cross-disciplinary capability every day throughout the quarter. That is something we will continue to pursue through purposeful expertise and service development.

During the quarter, we also experienced how our clients need ever more of the expertise we offer. The increased level of activity we saw during the period was driven by existing clients increasing their purchases. We place great store by this trend. Not only are we increasingly able to support and add value to our most important clients, but ever closer collaboration also means that we are accorded trust and assignments which enhance both our clients and ourselves. Growing trust leads to more responsibility, which helps in turn to reinforce and continue developing long-term customer relations.

Our clients are all important societal players. At a time when information security is of the greatest importance, this must be as good as possible both organisationally and



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technologically. With our many years of experience in the defence and legal sectors, and from clients providing critical social infrastructure such as energy supply, health care and public services, we can deliver on these security requirements. We believe in closeness to our clients, and we deliver local expertise with the reassurance and transparency this provides. Our security expertise, ability to deliver nationwide, and solid experience of building socially critical solutions allows us to lead the way along with our clients and to construct an even more secure society for both today and tomorrow.

The client satisfaction survey we conducted during the quarter gave very positive confirmation of the value we create for them every single day. Our clients say they are met with a proactive attitude, an open and trusting mode of collaboration, leading-edge expertise and a cross-disciplinary approach, which make important contributions to the work of transforming their own operations. We are pleased and proud to be able to build tomorrow's society with our clients.

We are convinced that satisfied employees create satisfied clients. The employee survey carried out during the quarter

gave very positive confirmation of the strength of job satisfaction in our ranks. Job satisfaction, motivation with the work and the way Bouveteers acquire the personal development they dream of – it is gratifying to see positive feedback on these important questions. That said, the job of delivering on our ambition of being the world's best workplace is by no means finished. As ever, this work will be our most important priority in the time to come.

I would again express deep thanks to all the Bouveteers who create value every day for our clients, share their expertise every day and contribute every day to the fellowship we all appreciate so much.

Many thanks.

Per Gunnar Tronsli
President and CEO

Financial results

Operating revenues

Bouvet had operating revenues of NOK 739.6 million for the fourth quarter, compared with NOK 645.6 million in the same period of 2020. That represented a rise of 14.6 per cent. Fee income generated by the group's own employees came to NOK 635.3 million, up by 16.5 per cent from NOK 545.1 million in the fourth quarter of 2020. Fee income generated by sub-contractors rose by 7.3 per cent from the same period of 2020 to NOK 81.3 million. Other revenues came to NOK 23 million, down by 6.9 per cent from the fourth quarter of 2020.

An increase of 11.4 per cent in the average number of employees from the fourth quarter of 2020 had a positive effect of NOK 63.7 million on fee income from the group's own personnel. The quarter had one more working day than the same period of 2020, which increased fee income from the group's own employees by NOK 8.8 million. Rates for the group's hourly based services were up by two per cent from the fourth quarter of 2020, which increased fee income from the group's own employees by NOK 11.2 million. A 3.1 percentage point increase in the billing ratio for the group's consultants from the fourth quarter of 2020 had a positive effect of NOK 21.6 million on fee income. Sickness absence in the quarter was up by 1.4 percentage points from the same period of 2020, which reduced fee income from the group's own employees by 7.3 million. More parental leave and holiday were also taken compared with the fourth quarter of 2020, reducing fee income from the group's own employees by 6.7 million. Other effects, such as progress in projects and time off in lieu, had a negative impact of NOK 1.1 million on fee income from the group's own employees. All told, these factors had a positive effect of NOK 90.2 million on fee income generated by the group's own employees.

Sales to existing clients made good overall progress during the quarter. Clients who also used the group in the fourth quarter of 2020 accounted for 95.9 per cent of operating

revenues. In addition, new clients acquired since 31 December 2020 contributed total operating revenues of NOK 30.2 million in the fourth quarter.

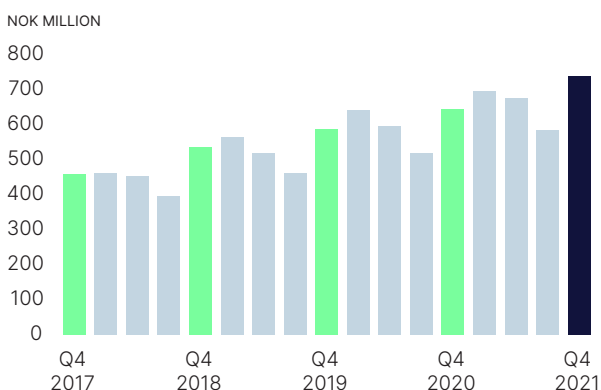
Bouvet's strategy is to use services from sub-contractors when it lacks the capacity to meet demand with its own personnel or when clients require leading-edge expertise outside the group's priority areas. The sub-contractor share of total revenues was 11 per cent in the fourth quarter, compared with 11.7 in the same period of 2020.

Operating revenues for 2021 as a whole came to NOK 2 695.1 million, compared with NOK 2 401.8 million the year before. That represented a rise of 12.2 per cent. Fee income generated by the group's own employees for the full year rose by NOK 271.1 million or 13.4 per cent from 2020. This increase primarily reflected a 9.4 per cent growth in the average number of employees, a 1.8 percentage point increase in the billing ratio for the group's consultants, and a 1.2 per cent rise in rates for the group's hourly based services. In addition, operating revenues generated by sub-contractors for the full year rose by 6.2 per cent from 2020. Other revenues increased by NOK 3.6 million or 4.9 per cent from 2020.

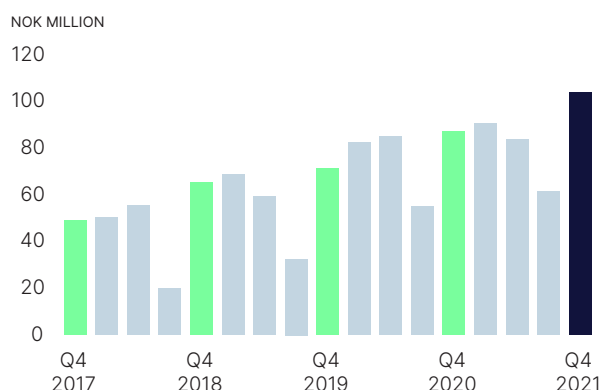
Operating costs

Bouvet's operating costs, including depreciation and amortisation, totalled NOK 635.7 million for the fourth quarter, up from NOK 554 million in the same period of 2020. That represented a rise of 14.7 per cent. Payroll costs rose by 14.8 per cent to NOK 477.6 million, reflecting a rise in the average number of employees as well as the general growth in pay rates. The group experienced a general rise in pay of 1.9 per cent over the past 12 months. The cost of sales was NOK 86.2 million, compared with NOK 82.1 million in the fourth quarter of 2020, and primarily comprised procurement of sub-contractor services and software as well as the hire of course instructors. Other operating expenses rose overall by NOK 15.8 million,

Operating revenue



Operating profit (EBIT)



primarily reflecting increased costs for software, social events and recruitment. Depreciation and amortisation came to NOK 17.7 million, compared with NOK 17.6 million in the fourth quarter of 2020.

Total operating costs, including depreciation and amortisation, for the full year rose by 12.8 per cent from 2020 to NOK 2 355 million. The cost of sales was up by 5.8 per cent to NOK 326.6 million, primarily because of increased use of sub-contractors. Payroll costs for the full year grew by 13.3 per cent from 2020 to NOK 1 790 million. Other operating expenses rose overall by NOK 36.8 million from 2020, primarily reflecting increased costs for software, social events and recruitment. Depreciation and amortisation amounted to NOK 69.7 million, compared with NOK 67 million in 2020.

The increase in other operating costs was largely an effect of the development of the Covid-19 pandemic. The group expects the rise in these costs will continue to move towards a normalised level as the pandemic recedes.

Profit

Operating profit (EBIT) for the fourth quarter came to NOK 103.9 million, compared with NOK 91.6 million in the same period of 2020. The EBIT margin was thereby 14 per cent, compared with 14.2 per cent for the fourth quarter of 2020. Net profit came to NOK 85.5 million, up from NOK 69.1 million in the same period of 2020. Diluted earnings per share were NOK 0.82 for the quarter, compared with NOK 0.67 in the same period of 2020.

Cumulative operating profit for the full year came to NOK 340.1 million, compared with NOK 314.6 million in 2020. That represented an increase of 8.1 per cent. The EBIT margin was thereby 12.6 per cent, compared with 13.1 per cent in 2020. Net profit for the full year came to NOK 265.9 million, up from NOK 241.2 million in 2020. Diluted earnings per share for the full year were NOK 2.55, compared with NOK 2.33 in 2020.

Cash flow, liquidity and capital adequacy

Consolidated cash flow from operations was NOK 201.6 million for the fourth quarter, compared with NOK 198.7 million in the same period of 2020. Cash flow for the quarter was positively affected by an increase of NOK 77.8 million in current liabilities and a reduction of NOK 21.1 million in short-term receivables from the third quarter of 2021. For the full year, consolidated cash flow from operations totalled NOK 294.1 million, compared with NOK 450.9 million in 2020.

Capital spending in the quarter totalled NOK 10.8 million, including NOK 8.2 million for the acquisition of new operating assets and NOK 2.6 million for investment in intangible assets. In the fourth quarter of 2020, capital spending totalled NOK 3.8 million, including NOK 2.2 million on fixed assets and NOK 1.6 million for intangible assets.

Total investment for the full year amounted to NOK 31.9 million, including NOK 22 million for operating assets and NOK 9.9 million for intangible assets. The group sold operating assets for NOK 0.2 million during 2021, so that net investment for the full year came to NOK 31.7 million, compared with NOK 27.4 million in 2020.

The group's client portfolio consists mainly of large, solid listed companies and public enterprises. No significant bad debts were suffered during the quarter, and the group has good oversight and control of its receivables.

The group has no interest-bearing debt. Bank deposits at 31 December totalled NOK 541.2 million, compared with NOK 576.8 million a year earlier. Of bank deposits at 31 December, the account for employee tax deductions totalled NOK 65.1 million. Disposable bank deposits thereby totalled NOK 476.1 million, compared with NOK 519 million at the same date in 2020. The group had an undrawn overdraft facility of NOK 100 million at 31 December. Bouvet held 4 670 of its own shares at 31 December.

Equity at 31 December totalled NOK 449.3 million, representing an equity ratio of 33 per cent. The corresponding figures for 31 December 2020 were an equity of NOK 422.9 million and an equity ratio of 32.6 per cent.

At its meeting of 9 November 2021, the board of Bouvet ASA exercised the mandate provided by the annual general meeting and resolved to pay a supplementary dividend of NOK 0.50 per share for fiscal 2020. The dividend was paid on 23 November 2021.

Segment reporting

The group does not report internally by separate business areas. Its business is homogenous and pursued within the Scandinavian market for IT consultancy services. Risk and return are followed up for the business as a whole, with shared markets, on a project basis and per consultant. On that basis, the group has one reportable operating segment.

Progress and market

The market for Bouvet's services was again good during the fourth quarter. Its commitment to long-term customer relationships yields trust and continuity, and a number of existing clients extended and expanded their assignments in the period. At the same time, this illustrates a clear market trend – an ever-growing number of clients see that digitalisation demands a cross-disciplinary commitment. That was also reflected in the assignments Bouvet won from new clients during the quarter. Demand was high and spread over many disciplines – and we had the expertise to meet it.

Sectors

Bouvet received a good flow of orders during the quarter in every sector where it has a presence. The background is the extensive digitalisation initiatives now launched by many players in both public and private sectors.

Big demand for digitalisation in the oil and gas sector

Oil and gas represent a big business area for Bouvet, accounting for 32,6 per cent of total turnover. Revenues from this sector rose by NOK 77,8 million from the same quarter of 2020. While petroleum production is still the main business, assignments also provide several signs of the industry's green focus. Both sustainable utilisation of oil and gas and efficient use of renewable energy sources call for extensive digitalisation. Bouvet's work for Equinor expanded during the quarter, and it began establishing "test as a service" and "enterprise architect as a service" for Aker BP. The group also secured a frame agreement with the Petroleum Safety Authority Norway and a preliminary design study for the next-generation data platform from the Norwegian Petroleum Directorate. Mention should also be made of WaveTech, an energy-storage innovator which is now receiving communication services from Bouvet.

Power sector scaling up assignments

Turnover from clients in the power sector accounted for 16 per cent of total revenues during the quarter, and rose by NOK 8,3 million from the same period of 2020. With power generation crucial for a sustainable society, Bouvet is experiencing a rising number of enquiries from this industry. A general feature of the sector is that players often scale up existing assignments and seek cross-disciplinary product teams as well as large, long-term partners. Bouvet serves as a partner of this kind with such clients as Statnett, BKK and Lyse. Developments in the fourth quarter include an expanding involvement with Lyse through a web team which will work on this client's consumer app. It also made enquiries about a job concerning smart management of electricity supply. In Sweden, Bouvet has won assignments for Svenska Kraftnät.

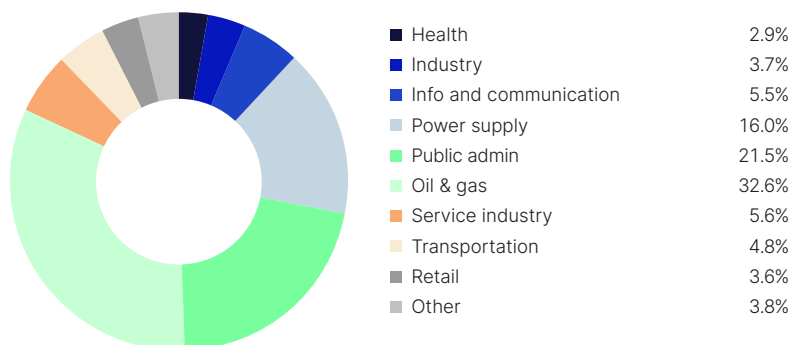
Revenue public/private



■ Revenue from customer
100 % public owned: 47.1 %

■ Revenue from customer wholly or partially private owned: 52.9 %

Revenue per sector



Major digital initiatives in the public sector

Bouvet's clients in public administration accounted for 21,5 per cent of total turnover during the quarter. The pace of digitalisation in this sector is high, and a number of major initiatives are now being rigged for start-up. Project, development and test managers, as well as various consultancy services, are therefore much in demand. During the quarter, Bouvet secured extended and expanded assignments from such clients as the Norwegian Labour Inspection Authority, the Norwegian Directorate of Mining, several county councils, the Norwegian Directorate of Fisheries, the County Governor Shared Services and Sweden's Royal Institute of Technology. The group also won new assignments from clients like the Norwegian Courts Administration as well as several highly interesting frame agreements from the Norwegian police, Bane NOR, the University of Tromsø/Norway's Arctic University and not least the new Norwegian Agency for Shared Services in Education and Research (Sikt).

Other sectors

Bouvet's assignments during the quarter revealed clearly that digitalisation is expanding. Many digital initiatives are under way in the health care sector, and the group is involved with many of these. One example of an important efficiency gain in the health service is provided by digital pathology. Bouvet has been working on a national project for this over several years, which is also continuing in 2022. In addition, the group won assignments during the quarter from Inomed, the Norwegian Health Network and Aleris Sjukvård, as well as the Southern and Eastern, Western, Central and Northern Norway Regional Health Authorities. A pen test was delivered to the Western Norway RHA. Bouvet also secured new assignments from various players, such as Color Line, the Norwegian Union of Municipal and General Employees and Komplet, and won new clients like Jula and Aptic. It can deploy the whole range of its expertise in these cases.

Services

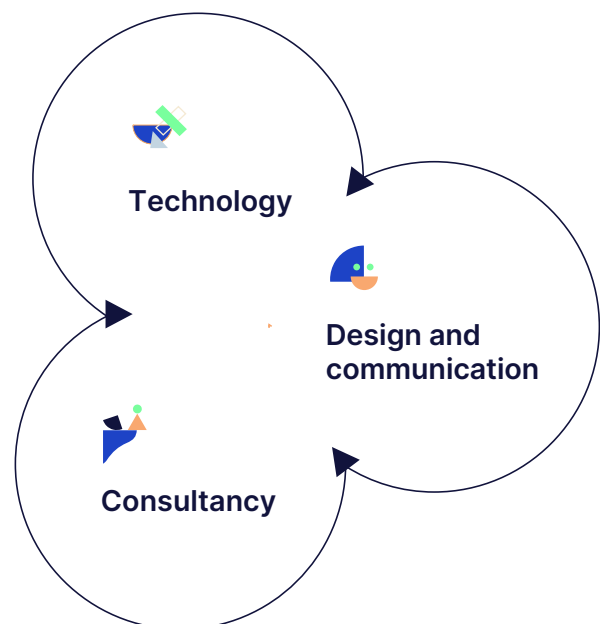
The steadily growing demand for cross-disciplinary teams is a clear sign that digitalisation is a broad-based specialist exercise. That is reflected in turn by activity in all Bouvet's service areas. The breadth of the group's capabilities has won it many assignments in a number of different engagements.



Consultancy

The number of enterprises seeking Bouvet's consultancy services is growing rapidly. A new frame agreement with the police, for example, includes advice on strategy and digital management. Knowledge about agile coaching at both project and enterprise levels is also in great demand, and the group established a separate department for agility advisers during the quarter. Bouvet also delivered consultancy services in sustainability during the period to such clients as Norlandia and Asker local authority, and will contribute to the latter's "sustainability bank". Consultancy can be integrated with technology and design services to provide an integrated solution for the client. Cross-functional service deliveries ensure quality.

The Bouvet Course department has also noted growing demand for expertise on agile coaching. Developed by a team from Bouvet itself, the introductory course on this subject has been one of the department's most popular programmes. Other sought-after courses include innovation and design methodology. Both virtual and physical courses have been in demand.





Design and communication

The market for communication and design was good in the fourth quarter, with the past year's rise in demand for service design and design thinking persisting. That also applies to design sprint as a methodology for workshops and development projects. In addition, design systems are being increasingly used by clients and Bouvet assisted a number of players here during the quarter. The group's services related to content and communication also experienced growth, with ever-greater demand for content which builds bridges between technology and users, and lays the basis for good user experiences. A small but good example of Bouvet's expertise and assignments which fit well with its vision of creating solutions which mean something is provided by the group's contribution to Unicef's Christmas campaign. This enhanced the user experience and the visual design while strengthening data security. That helped to boost turnover for the campaign by 58 per cent compared with 2020.



Technology

All Bouvet's technology services experienced a positive trend during the quarter. A particular feature was the rise in demand for support from clients seeking low-code/no-code tools. A low-code data platform, for example, has been crucial for the City of Oslo during the Covid 19 pandemic. Furthermore, integration and cloud services have been much-needed in both Norway and Sweden, and many enquiries have been received concerning digital ecosystems and platforms. Substantial interest is moreover being shown in data mesh, a method for organising data-platform teams and thereby optimising value creation. The market's greatest need during the quarter remained for system development services.

Sesam

Sesam, a Bouvet subsidiary, delivers a unique component which means that systems can communicate with each other without the need for changes, and ensures optimal data quality for data-driven solutions. This makes it simpler to build cost-effective and value-enhancing data platforms by reducing the number of integrations and making master data accessible.

Sesam had 24 clients divided between Norway, Sweden and Germany at 31 December. These include Oslo University Hospital, Elektroskandia, Statnett, the Norwegian and Swedish medicines agencies, Bane NOR, Elvia and Avinor.

At 31 December, the company had 11 partner agreements with national and international consultancies. That includes a close collaboration with Cognizant in both Norway and Europe.

Employees

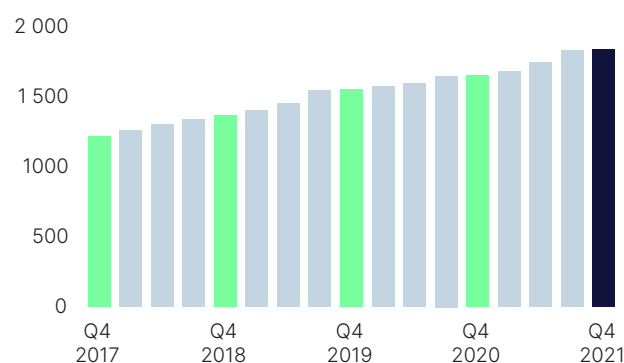
At 31 December, Bouvet had 1 841 employees. Collectively, this workforce represents a diversity of personalities, ages, genders, expertise, and work and life experience. It was up by 8 from the previous quarter and 185 from the same date in 2020.

The collective expertise of Bouvet's employees reflects the needs of its clients well. In line with the market's desire for integration and a cross-disciplinary approach, the group has nevertheless taken steps to make even better use of its broad capabilities. This has first and foremost meant continued strengthening of internal cross-disciplinary networks where different specialists can develop each other and create better services. The value is great – competent employees want to progress professionally, and Bouvet thereby creates development opportunities in day-to-day work and equips more of its employees to participate in a wider range of assignments.

Another component in the group's collective professional development is Bouvet One, which most of the regions were finally able to stage physically again during the quarter. This is a half-yearly seminar, with 10 or so internal speakers from all parts of the group, which tops up skills, increases understanding of each other's disciplines, and builds community spirit and social ties across the organisation.

Professional development and good, meaningful projects create job satisfaction. That is important if Bouvet is to retain employees in an overheated labour market, naturally in combination with various social measures. During the quarter,

Number of employees (end of quarter)



Bouvet devoted much innovation energy to creating social arenas within the framework imposed by the Covid-19 pandemic.

November's employee survey revealed a high level of job satisfaction in Bouvet's workforce. This reflects interesting assignments with exciting challenges and pride in their own workplace. However, the survey is primarily conducted to identify the potential for improvement. The group can thereby ensure that the high level of satisfaction is maintained.

Normality for many employees during the quarter was a hybrid working day divided between home, clients and Bouvet's own premises. This position is expected to persist.

Risk

Uncertainty prevails about economic trends and global developments. In addition comes uncertainty over the impact of Covid-19, both short-term and over a longer period.

Generally speaking, the group is exposed at any given time to various forms of operational, market and financial risk. The

board and executive management work continuously on risk management and control. This is described in more detail on pages 25-26 and in note 23 in the annual report for 2020. See also section 10 in the report's presentation on corporate governance.

Outlook

Digitalisation is a key to developing agile enterprises which can cope with frequent changes to operating assumptions, solve complex problems and meet ever-increasing demands – such as for sustainability. In every sector where it has a presence, Bouvet encounters enterprises which have digitalisation as an integrated element in developing their own business.

Specifically, digitalisation gives enterprises improved flexibility, greater ability to innovate, and increased opportunities for thinking along new lines around their own value creation. Exploiting data will also lay the basis for better decisions, while utilising artificial intelligence and machine learning permit automation and efficiency enhancements. However,

digitalisation also involves risk and increasing it will make data security enterprise-critical.

The scope of digitalisation means that enterprises have a growing need for cross-disciplinary expertise in design, technology and consultancy in order to succeed with their transformation and continued value creation. Bouvet has a breadth of expertise, delivery teams, closeness to clients and a sharing culture which mean it is well positioned to respond to this requirement and thereby to secure continued growth.

The group is recruiting continuously, in strong competition with other players, to ensure good delivery capacity.

Contacts

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Declaration by the board and CEO

We hereby confirm to the best of our knowledge that the interim financial statements for the fourth quarter of 2021 and the preliminary financial statements for the period from 1 January to 31 December 2021 have been prepared in accordance with IAS 34, and that the information in the financial statements provides a true and fair picture of the overall assets, liabilities, financial position and financial results of the Bouvet ASA group. We also confirm to the best of our knowledge that the interim report provides a true and fair view of important events in the accounting period and their influence on the interim financial statements, the most important risk and uncertainty factors facing the business in the next accounting period, and significant transactions with close associates.

Oslo, 17 February 2022

The board of directors of Bouvet ASA



Pål Egil Rønn
Chair of the board



Tove Raanes
Deputy chair



Egil Christen Dahl
Director



Sverre Hurum
Director



Lill Hege Hals
Director



Per Gunnar Tronsli
President and CEO

Consolidated income statement

NOK 1 000	NOTE	UNAUDITED OCT-DEC 2021	UNAUDITED OCT-DEC 2020	CHANGE	CHANGE %	UNAUDITED JAN-DEC 2021	JAN-DEC 2020	CHANGE	CHANGE %
Revenue	2	739 615	645 597	94 018	14.6%	2 695 124	2 401 844	293 280	12.2%
Operating expenses									
Cost of sales		86 228	82 090	4 138	5.0%	326 647	308 822	17 825	5.8%
Personell expenses		477 608	415 879	61 729	14.8%	1 790 025	1 579 668	210 357	13.3%
Depreciation fixed assets	4	15 592	14 944	648	4.3%	60 129	58 047	2 082	3.6%
Amortisation intangible assets	3	2 087	2 664	-577	-21.7%	9 577	8 921	656	7.4%
Other operating expenses		54 208	38 449	15 759	41.0%	168 660	131 827	36 833	27.9%
Total operating expenses		635 723	554 026	81 697	14.7%	2 355 038	2 087 285	267 753	12.8%
Operating profit		103 892	91 571	12 321	13.5%	340 086	314 559	25 527	8.1%
Financial items									
Interest income		537	232	305	131.5%	858	1 584	-726	-45.8%
Financial income		52	313	-261	-83.4%	313	1 677	-1 364	-81.3%
Interest expense		-1 244	-1 416	172	-12.1%	-5 033	-5 273	240	-4.6%
Finance expense		-336	-248	-88	35.5%	-1 110	-809	-301	37.2%
Net financial items		-991	-1 119	128	-11.4%	-4 972	-2 821	-2 151	76.2%
Ordinary profit before tax		102 901	90 452	12 449	13.8%	335 114	311 738	23 376	7.5%
Income tax expense									
Tax expense on ordinary profit		17 100	21 373	-4 273	-20.0%	69 256	70 539	-1 283	-1.8%
Total tax expense		17 100	21 373	-4 273	-20.0%	69 256	70 539	-1 283	-1.8%
Profit for the period		85 801	69 079	16 722	24.2%	265 858	241 199	24 659	10.2%
Assigned to:									
Shareholders in parent company		85 504	69 048			265 527	241 113		
Non-controlling interests		297	31			331	86		
Diluted earnings per share		0.82	0.67	0.15	23.2%	2.55	2.33	0.22	9.5%
Earnings per share		0.83	0.67	0.16	23.1%	2.58	2.35	0.23	9.7%

Consolidated statement of other income and costs

NOK 1 000	NOTE	UNAUDITED OCT-DEC 2021	UNAUDITED OCT-DEC 2020	CHANGE	CHANGE %	UNAUDITED JAN-DEC 2021	JAN-DEC 2020	CHANGE	CHANGE %
Profit for the period		85 801	69 079	16 722	24.2%	265 858	241 199	24 659	10.2%
Items that may be reclassified through profit or loss in subsequent periods									
Currency translation differences		-91	-149	58	NA	-762	1 250	-2 012	NA
Sum other income and costs		-91	-149	58	NA	-762	1 250	-2 012	NA
Total comprehensive income		85 710	68 930	16 780	24.3%	265 096	242 449	22 647	9.3%
Assigned to:									
Shareholders in parent company		85 414	68 899			264 765	242 363		
Non-controlling interests		297	31			331	86		

Consolidated balance sheet

NOK 1 000	NOTE	UNAUDITED 31.12.2021	31.12.2020	CHANGE	CHANGE %
ASSETS					
NON-CURRENT ASSETS					
Intangible assets					
Deferred tax asset		4 432	1 826	2 606	142.7%
Goodwill	3	32 982	33 573	-591	-1.8%
Other intangible assets	3	36 819	36 539	280	0.8%
Total intangible assets		74 233	71 938	2 295	3.2%
Fixed assets					
Office equipment		26 047	27 291	-1 244	-4.6%
Office machines and vehicles		4 160	4 582	-422	-9.2%
IT equipment		21 667	17 077	4 590	26.9%
Right-of-use assets	4	205 153	222 888	-17 735	-8.0%
Total fixed assets		257 027	271 838	-14 811	-5.4%
Financial non-current assets					
Other financial assets		10	10	-	-
Other long-term receivables		1 945	2 022	-77	-3.8%
Total financial non-current assets		1 955	2 032	-77	-3.8%
Total non-current assets		333 215	345 808	-12 593	-3.6%
CURRENT ASSETS					
Work in progress	2	45 186	59 267	-14 081	-23.8%
Trade accounts receivable		395 648	276 024	119 624	43.3%
Other short-term receivables		45 001	37 459	7 542	20.1%
Liquid assets		541 191	576 786	-35 595	-6.2%
Total current assets		1 027 026	949 536	77 490	8.2%
TOTAL ASSETS		1 360 241	1 295 344	64 897	5.0%

Consolidated balance sheet

NOK 1 000	NOTE	UNAUDITED 31.12.2021	31.12.2020	CHANGE	CHANGE %
EQUITY AND LIABILITIES					
EQUITY					
Paid-in capital					
Share capital	5	10 380	10 286	94	0.9%
Share premium		51 041	29 567	21 474	72.6%
Total paid-in capital		61 421	39 853	21 568	54.1%
Earned equity					
Other equity		384 168	382 195	1 973	0.5%
Total earned equity		384 168	382 195	1 973	0.5%
Non-controlling interests		3 666	873	2 793	319.9%
Total equity		449 255	422 921	26 334	6.2%
DEBT					
Long-term debt					
Lease liabilities		168 211	188 688	-20 477	-10.9%
Total long-term debt		168 211	188 688	-20 477	-10.9%
Short-term debt					
Current lease liabilities		42 183	38 229	3 954	10.3%
Trade accounts payable		58 613	59 064	-451	-0.8%
Income tax payable		69 142	64 468	4 674	7.3%
Public duties payable		237 555	207 360	30 195	14.6%
Deferred revenue	2	8 581	7 394	1 187	16.1%
Other short-term debt		326 701	307 220	19 481	6.3%
Total short-term debt		742 775	683 735	59 040	8.6%
Total liabilities		910 986	872 423	38 563	4.4%
TOTAL EQUITY AND LIABILITIES		1 360 241	1 295 344	64 897	5.0%

Consolidated statement of cash flows

NOK 1 000	NOTE	UNAUDITED OCT-DEC 2021	UNAUDITED OCT-DEC 2020	UNAUDITED JAN-DEC 2021	JAN-DEC 2020
Cash flow from operating activities					
Ordinary profit before tax		102 901	90 452	335 114	311 738
Paid tax		-21 250	-7 096	-67 188	-46 434
(Gain)/loss on sale of fixed assets		-12	15	-53	-183
Ordinary depreciation		15 591	14 944	60 129	58 047
Amortisation intangible assets	3	2 086	2 664	9 577	8 921
Share based payments		4 035	3 173	14 961	9 801
Changes in work in progress, accounts receivable and accounts payable		16 062	82 949	-105 994	16 122
Changes in other accruals		82 160	11 592	47 599	92 864
Net cash flow from operating activities		201 573	198 694	294 144	450 876
Cash flows from investing activities					
Sale of fixed assets		123	4	167	260
Purchase of fixed assets		-8 259	-2 152	-21 944	-18 571
Purchase of intangible assets	3	-2 614	-1 616	-9 929	-9 075
Investment in subsidiaries - net cash		2 462	0	2 462	0
Net cash flow from investing activities		-8 288	-3 764	-29 244	-27 385
Cash flows from financing activities					
Capital increase		21 568	19 603	21 568	19 603
Payments on lease liabilities	4	-10 233	-11 038	-44 331	-41 909
Dividend payments		-51 440	-84 568	-277 732	-169 125
Net cash flow from financing activities		-40 105	-76 003	-300 495	-191 431
Net changes in liquid assets		153 180	118 927	-35 595	232 061
Liquid assets at the beginning of the period		388 011	457 859	576 786	344 725
Liquid assets at the end of the period		541 191	576 786	541 191	576 786

Consolidated statement of changes in equity

NOK 1 000	SHARE CAPITAL	OWN SHARES	SHARE PREMIUM	TOTAL PAID-IN EQUITY	OTHER EQUITY	TRANSLATION DIFFERENCES	TOTAL OTHER EQUITY	NON-CON- TROLLING INTERESTS	TOTAL EQUITY
Equity at 01.01.2020	10 250	0	10 000	20 250	297 509	-804	296 706	795	317 751
Profit for the period	0	0	0	0	241 113	0	241 113	86	241 199
Other income and costs	0	0	0	0	0	1 250	1 250	0	1 250
Employee share scheme	0	0	0	0	12 251	0	12 251	0	12 251
Change non-controlling interests	0	0	0	0	0	0	0	8	-8
Share issue	36	0	19 567	19 603	0	0	0	0	19 603
Dividend	0	0	0	0	-169 125	0	-169 125	0	-169 125
Equity at 31.12.2020 (Unaudited)	10 286	0	29 567	39 853	381 748	446	382 195	873	422 921
Equity at 01.01.2021	10 286	0	29 567	39 853	381 749	446	382 195	873	422 921
Profit for the period	0	0	0	0	265 527	0	265 527	331	265 858
Other income and costs	0	0	0	0	0	-762	-762	0	-762
Employee share scheme	0	0	0	0	14 939	0	14 939	0	14 939
Change non-controlling interests	0	0	0	0	0	0	0	2 462	2 462
Share issue	94	0	21 475	21 569	0	0	0	0	21 569
Dividend	0	0	0	0	-277 732	0	-277 732	0	-277 732
Equity at 31.12.2021 (Unaudited)	10 380	0	51 041	61 421	384 483	-316	384 168	3 666	449 255

Notes

Note 1 Accounting principles

This interim report is presented in accordance with the International Financial Reporting Standards (IFRS) and interpretations determined by the European Union, and have been prepared in accordance with IAS 34. The interim financial statements have not been audited, do not include all the information required in annual financial statements and should be viewed in conjunction with the group's annual report for 2020.

The accounting policies applied are consistent with those applied in previous financial year.

Note 2 Revenue from contracts with customers

The Group is primarily delivering its services based on time and material used and has in most cases legal rights for payment for services delivered at date. In cases where the Group has income from projects with predefined results at a fixed price or which has elements causing the income per hour to be unknown before completion of the project, the income is recorded in correlation with the degree of completion. Progress is measured as incurred hours in relation to totally estimated hours. For these projects the customer controls the asset being made or improved.

Specification revenue

NOK 1 000	OCT-DEC 2021	OCT-DEC 2020
Contract category		
Fixed- and target price	952	6 065
Variable contracts	738 663	639 532
Total revenue	739 615	645 597
Sektor		
Power supply	117 970	109 361
Health	21 667	13 735
Industry	27 474	26 999
Info and communication	40 759	36 808
Public admin	159 173	173 831
Oil & gas	241 327	162 287
Service industry	41 356	33 163
Transportation	35 414	33 605
Retail	26 648	27 784
Other	8 853	10 090
Total revenue	739 615	645 597
Public/privat sector		
Public sector (100% owned)	348 249	351 305
Privat sector	391 366	294 292
Total revenue	739 615	645 597
Work in progress	45 186	59 267
Deferred revenue	8 581	7 394

At the balance sheet date, processed but not billed services amounted to NOK 45.19 million (2020.12.31: NOK 59.27 million). This is mainly services delivered on running account, invoiced to customers at the beginning of the next month.

Note 3 Intangible assets

Intangible assets and goodwill are related to added value from the acquisitions of subsidiaries, businesses, and costs related to development of software and internally developed internet homepage.

NOK 1 000	SOFTWARE	OTHER INTANGIBLE ASSETS	GOODWILL	JAN-DEC 2021	SOFTWARE	OTHER INTANGIBLE ASSETS	GOODWILL	JAN-DEC 2020
Book value 1 January	32 663	3 876	33 573	70 112	30 989	4 943	32 722	68 654
Additions of the period	0	0	0	0	0	0	0	0
Self-developed software	9 930	0	0	9 930	9 075	0	0	9 075
Amortisation	-8 383	-1 194	0	-9 577	-7 401	-1 520	0	-8 921
Exchange rate variances	0	-73	-591	-664	0	453	851	1 304
Book value end of period	34 210	2 609	32 982	69 801	32 663	3 876	33 573	70 112
Amortisation rate	20%	10-20%	N/A		20%	10-20%	N/A	
Economic life	5 years	5-10 years	not decided		5 years	5-10 years	not decided	
Amortisation method	linear	linear	N/A		linear	linear	N/A	

The group is developing Sesam, a software as a service (SaaS). This software provides a stand-alone, generic data platform component – a master data hub which continuously exchanges data with the business' core systems. Sesam delivers a unique platform component which continually ensures optimal data quality and makes it simpler and faster to build cost-effective, value-enhancing solutions on the basis of the platform. The latter is in continual development. NOK 67 959 thousand has so far been invested, which is capitalised and amortised in modules. These modules have an expected service life of five years.

Note 4 Leases

Right-of-use-assets

NOK 1 000	PREMISES	OTHER LEASES	JAN-DEC 2021	PREMISES	OTHER LEASES	JAN-DEC 2020
Book value 1 January	222 888	0	222 888	232 606	5	232 611
Additions/adjustments of the period	23 836	0	23 836	30 030	0	30 030
Depreciation	-41 223	0	-41 223	-39 256	-5	-39 261
Exchange rate variances	-348	0	-348	-492	0	-492
Book value end of period	205 153	0	205 153	222 888	0	222 888
			205 153			
Economic life	1-10 years	1-2 years		1-10 years	1-2 years	
Depreciation method	linear	linear		linear	linear	

Lease liabilities

NOK 1 000	FUTURE LEASE PAYMENTS	FUTURE LEASE PAYMENTS PER YEAR					
		2022	2023	2024	2025	2026	>2026
Undiscounted lease liabilities 31.12.2021	222 178	46 062	44 272	42 477	36 555	34 063	18 749

NOK 1 000	FUTURE LEASE PAYMENTS	FUTURE LEASE PAYMENTS PER YEAR					
		2021	2022	2023	2024	2025	>2025
Undiscounted lease liabilities 31.12.2020	241 390	42 417	41 558	39 451	37 895	32 516	47 553

Note 5 Share capital and dividend

SHARES IN THOUSANDS	31.12.2021	31.12.2020
Ordinary shares, nominal value NOK 0,10	103 801	102 860
Total number of shares	103 801	102 860

The nominal value of the share is NOK 0.10. All shares in the company have equal voting rights and are equally entitled to dividend.

Changes in share capital and premium

NOK 1 000	ANTALL AKSJER		AKSJEKAPITAL	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Ordinary shares issued and fully paid at 31.12.	103 801	102 860	10 380	10 286
Own shares at nominal value	-5	-5	0	0

In the period, Bouvet ASA, has not acquired any own shares. The company owns 4670 own shares at the end of the period. However, Bouvet ASA, has completed a private placement towards employees. A total of 937 007 shares at a nominal value of NOK 0.10 was issued. The cash consideration for these shares was NOK 21 569 thousand. The share issue has increased the share capital in Bouvet ASA by NOK 93 700.70 to NOK 10 380 063.70. The total number of shares outstanding after this share issue is 103 800 637.

Dividend

The company has paid the following dividends:

NOK 1 000	JAN-DEC 2021	JAN-DEC 2020
Ordinary dividend for 2020: NOK 0.50 per share (November 2021)	51 432	0
Ordinary dividend for 2020: NOK 2.20 per share (May 2021)	226 300	0
Ordinary dividend for 2019: NOK 0.83 per share (November 2020)	0	84 563
Ordinary dividend for 2019: NOK 0.82 per share (May 2020)	0	84 563
Total	277 732	169 125

Proposed dividend to be approved at the annual general meeting May 2022 amounts to NOK 2.30 per share.

Note 6 Transactions with related parties

Shares in the company directly or indirectly owned by the board and management

NAME	ROLE	NO. OF SHARES			31.12.2021
		30.09.2021	BUY	SALE	
Pål Egil Rønn	Chairman of the Board	50 000	0	0	50 000
Tove Raanes	Vice-chairman of the Board	8 950	0	0	8 950
Egil Christen Dahl	Board member	1 628 020	0	0	1 628 020
Lill Hege Hals	Board member	0	0	0	0
Sverre Hurum	Board member	3 609 060	0	-30 000	3 579 060
Per Gunnar Tronsli	CEO	70 340	2 258	0	72 598
Trude Hole	CFO	19 770	2 258	0	22 028
Total		5 386 140	4 516	-30 000	5 360 656

Note 7 Events after the balance sheet date

There have been no events after the balance sheet date significantly affecting the Group's financial position.

Alternative Performance Measures

The European Securities and Markets Authority (“ESMA”) issued guidelines on Alternative Performance Measures (“APMs”) that came into force on July 3, 2016. Bouvet discloses APMs that are frequently used by investors, analysts, and other interested parties. The management believes that the disclosed APMs provide improved insight into the operations, financing, and prospects of Bouvet. Bouvet has defined the following APMs:

EBITDA is short for earnings before interest, taxes, depreciation, and amortization. EBITDA is calculated as profit for the period before tax expense, financial items, depreciation, and amortization.

EBIT is short for earnings before interest and taxes. EBIT corresponds to operating profit in the consolidated income statement.

Net free cash flow is calculated as net cash flow from operations plus net cash flow from investing activities.

EBITDA-margin is calculated as EBITDA divided by revenue.

EBIT-margin is calculated as EBIT divided by revenue.

Cash flow margin is calculated as Net cash flow from operations divided by revenue.

Equity ratio is calculated as total equity divided by total assets.

Liquidity ratio is calculated as current assets divided by short-term debt.

Key figures Group

NOK 1 000	OCT-DEC 2021	OCT-DEC 2020	CHANGE %	JAN-DEC 2021	JAN-DEC 2020	CHANGE %
INCOME STATEMENT						
Operating revenue	739 615	645 597	14.6%	2 695 124	2 401 844	12.2%
EBITDA	121 571	109 179	11.4%	409 792	381 527	7.4%
Operating profit (EBIT)	103 892	91 571	13.5%	340 086	314 559	8.1%
Ordinary profit before tax	102 901	90 452	13.8%	335 114	311 738	7.5%
Profit for the period	85 801	69 079	24.2%	265 858	241 199	10.2%
EBITDA-margin	16.4%	16.9%	-2.8%	15.2%	15.9%	-4.3%
EBIT-margin	14.0%	14.2%	-1.0%	12.6%	13.1%	-3.6%
BALANCE SHEET						
Non-current assets	333 215	345 808	-3.6%	333 215	345 808	-3.6%
Current assets	1 027 258	949 536	8.2%	1 027 258	949 536	8.2%
Total assets	1 360 241	1 295 344	5.0%	1 360 241	1 295 344	5.0%
Equity	449 255	422 921	6.2%	449 255	422 921	6.2%
Long-term debt	168 211	188 688	-10.9%	168 211	188 688	-10.9%
Short-term debt	742 775	683 735	8.6%	742 775	683 735	8.6%
Equity ratio	33.0%	32.6%	1.1%	33.0%	32.6%	1.1%
Liquidity ratio	1.38	1.39	-0.4%	1.38	1.39	-0.4%
CASH FLOW						
Net cash flow operations	201 573	198 694	1.4%	294 144	450 876	-34.8%
Net free cash flow	193 285	194 929	-0.8%	264 900	423 491	-37.4%
Net cash flow	153 180	118 927	28.8%	-35 595	232 061	-115.3%
Cash flow margin	27.3%	30.8%	-11.4%	10.9%	18.8%	-41.9%
SHARE INFORMATION						
Number of shares	103 800 637	102 863 630	0.9%	103 800 637	102 863 630	0.9%
Weighted average basic shares outstanding	103 245 985	102 657 383	0.6%	102 956 511	102 536 065	0.4%
Weighted average diluted shares outstanding	104 357 686	103 782 102	0.6%	104 186 828	103 569 241	0.6%
EBIT per share	1.00	0.89	12.5%	3.30	3.07	7.6%
Diluted EBIT per share	0.99	0.88	12.5%	3.26	3.04	7.4%
Earnings per share	0.83	0.67	23.1%	2.58	2.35	9.7%
Diluted earnings per share	0.82	0.67	23.2%	2.55	2.33	9.5%
Equity per share	4.33	4.11	5.3%	4.33	4.11	5.3%
Dividend per share	0.50	0.83	-39.4%	2.70	1.65	63.6%
EMPLOYEES						
Number of employees (year end)	1 841	1 656	11.2%	1 841	1 656	11.2%
Average number of employees	1 842	1 653	11.4%	1 761	1 609	9.4%
Operating revenue per employee	402	391	2.8%	1 530	1 493	2.5%
Operating cost per employee	345	335	3.0%	1 337	1 297	3.1%
EBIT per employee	56	55	1.8%	193	195	-1.2%

Definitions

Cash flow margin	Net cash flow operations / Operating revenue
Diluted earnings per share	Profit for the period assigned to shareholders in parent company / weighted average diluted shares outstanding
Diluted EBIT per share	EBIT assigned to shareholders in parent company / weighted average diluted shares outstanding
Dividend per share	Paid dividend per share throughout the year
Earnings per share	Profit for the period assigned to shareholders in parent company / weighted average basic shares outstanding
EBIT	Operating profit
EBIT per employee	EBIT / average number of employees
EBIT per share	EBIT assigned to shareholders in parent company / weighted average basic shares outstanding
EBIT-margin	EBIT / operating revenue
EBITDA	Operating profit + depreciation fixed assets and intangible assets
EBITDA-margin	EBITDA / operating revenue
Equity per share	Equity / number of shares
Equity ratio	Equity / total assets
Liquidity ratio	Current assets / Short-term debt
Net free cash flow	Net cash flow operations - Net cash flow investments
Number of shares	Number of issued shares at the end of the year
Operating cost per employee	Operating cost / average number of employees
Operating revenue per employee	Operating revenue / average number of employees
Weighted average basic shares outstanding	Issued shares adjusted for own shares on average for the year
Weighted average diluted shares outstanding	Issued shares adjusted for own shares and share scheme on average for the year

Our regions and offices

The Group has 14 offices in Norway and Sweden. Our philosophy is that competence should be utilized across the company, while projects are attached locally.

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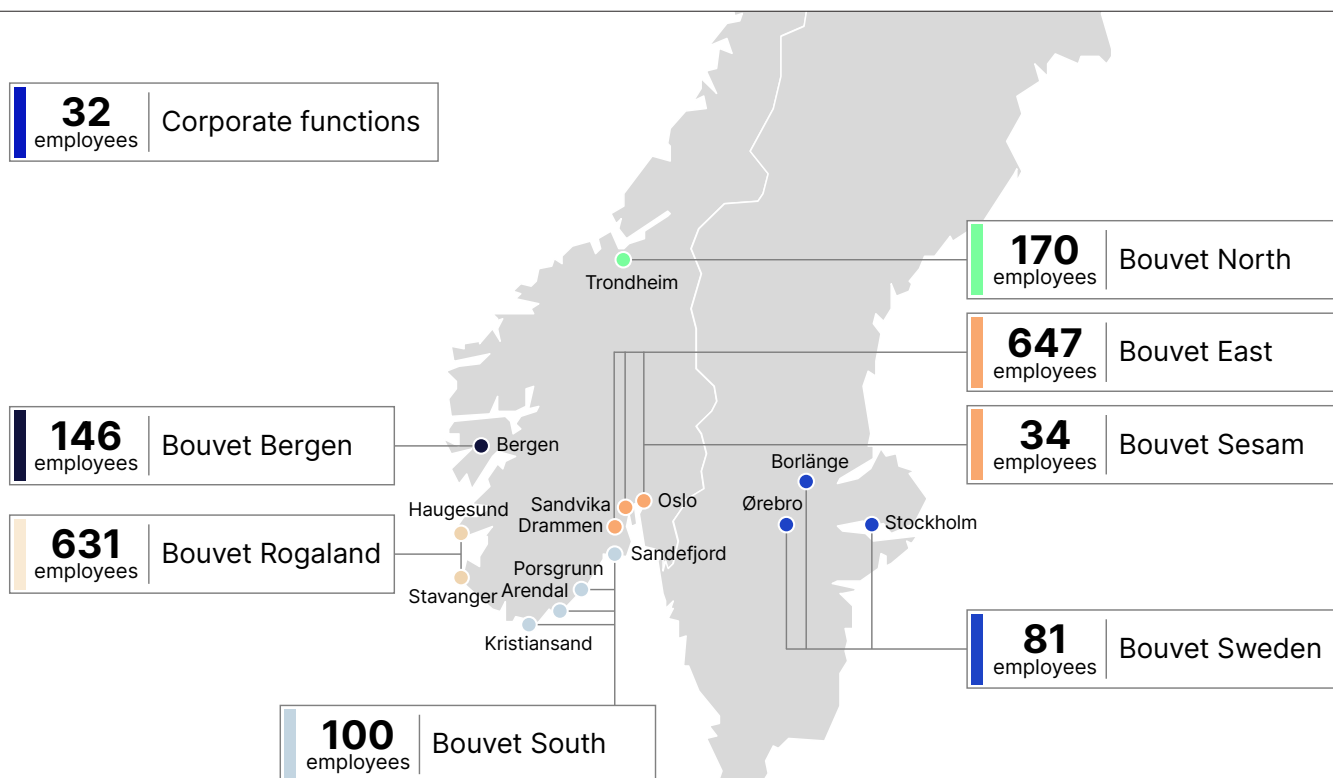
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EN.BOUVET.NO

This quarter, we have changed, renewed and improved:

- Began the ongoing work of creating a carbon capture solution which will potentially remove 1.2 million tonnes of CO₂ emitted annually by the factories in Grenland
- Created a solution which makes it simpler to both produce and take care of necessary documentation for hunters
- Helped to make ocean industry both more environment friendly and more productive
- Creating good user experiences with low-code
- Simplifying development for HoloLens 2 with a self-developed framework which has been released as open source code
- Supporting a number of local authorities in further developing their data lakes
- Involved in developing an app to give Norwegian electricity users better control of their own consumption
- Developing drone technology which will help to create a more secure industry.