

The NKT logo is positioned in the top right corner of the page. It consists of the letters 'NKT' in a bold, white, sans-serif font. The background of the entire page is a photograph of an industrial construction site, featuring several tall, cylindrical concrete structures under construction. A yellow tower crane is visible in the center, and a tall lattice tower stands to the right. The sky is a pale, overcast blue. In the foreground, the blue, curved structures of a cable reel are partially visible, with the NKT logo embossed on them.

NKT

# Interim report Q1-Q3 2024

*We connect a greener world*

Interim Report of NKT A/S for the period 1 January – 30 September 2024

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“In Q3 2024, we continued the execution of the high-voltage order backlog and the ongoing investments across seven of our production sites. This positively impacted the financial performance, where we delivered double-digit revenue growth for the eighth consecutive quarter and record-high quarterly operational EBITDA of EUR 93m despite being impacted by non-recurring costs related to the integration of SolidAI.

We are constantly strengthening our market position, and as a pure-play power cable solutions provider, we are with our three business lines well-positioned to benefit from the robust demand driven by the energy transition. This will enhance NKT's value generation towards both customers and shareholders.”

**Claes Westerlind**

President & CEO, NKT A/S

# Key messages Q1-Q3 2024

NKT continued its positive financial performance, achieving 25% organic growth in Q3 2024, and for the eighth consecutive quarter, NKT delivered double-digit growth in both revenue\* and operational EBITDA. This was mainly driven by further growth in Solutions. Financial outlook for 2024 is maintained, but NKT now expects to conclude the year in the upper end of the ranges.

Across the organisation, execution was overall satisfactory. In Solutions, execution of the company's record-level high-voltage order backlog continued and high utilisation of existing and expanded capacity drove an increase in revenue and operational EBITDA. In

Applications, the steady demand in the power distribution grid segment and the inclusion of SolidAI drove minor increase in operational EBITDA. Service & Accessories increased revenue and earnings, mainly reflecting a high activity level in the service business.

At end-Q3 2024, NKT's high-voltage order backlog was EUR 11.0bn. During the quarter, NKT supplemented its high-voltage order backlog with a number of relatively smaller orders, including variation orders to existing projects.

Free cash flow amounted to EUR -134m in Q3 2024 driven by an increased investment level, as expected, associated with the ongoing investments, along with cash outflow from changes in working capital due to the phasing between milestone payments and project execution in Solutions. At end-Q3 2024, NKT maintained a robust balance sheet, with net interest-bearing debt of EUR -1,136m.

NKT commits to reach net-zero greenhouse gas emissions across the value chain by 2050, and in Q4, NKT secured approval from the Science Based Target Initiative on its net-zero target.

In May 2024, NKT successfully completed the divestment of NKT Photonics for a final enterprise value of EUR 254m. This resulted in a net gain of EUR 107m and a cash inflow of EUR 248m which was recorded during Q2 2024.

In June 2024, NKT acquired Portuguese power cable manufacturer,



SolidAI, for a final enterprise value of EUR 192m. During Q3 2024, the integration process has been initiated and progressed according to plan. The acquisition and the announced subsequent EUR 50m investment are expected to support NKT's medium-term financial ambitions, including delivering RoCE above 20%.

The construction of the new high-voltage factory in Karlskrona progressed in line with schedule during Q3 2024 and in November 2024 the slipform casting of the third

extrusion tower was completed. Executing on the investment program continues to have highest priority including managing risks and opportunities that have and will arise continuously.

Financial outlook for 2024 is maintained, but NKT now expects to conclude the year in the upper end of the ranges. Revenue (in std. metal prices) is expected to be approximately EUR 2.33-2.43bn and operational EBITDA is expected to be approximately EUR 310-345m.

EURm	NKT			
	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023
Revenue	856	661	2,362	1,882
Revenue at std. metal prices** 3	657	501	1,796	1,391
Organic growth** 4	25%	44%	27%	35%
Operational EBITDA** 6	93	76	254	191
Operational EBITDA margin* **	14.2%	15.3%	14.2%	13.8%
EBIT	66	54	180	125
Net result – continuing operations	57	23	180	88
Free cash flow** 16 – continuing operations	-134	90	248	274
Working capital** 10 – continuing operations	-1,069	-601	-1,069	-601
RoCE** 14 – continuing operations	31%	15%	31%	15%

\* Std. metal prices

\*\* Alternative performance measures

<sup>3-16</sup> Refer to Definitions on page 28

# Key highlights Q3 2024

## Revenue (std. metal prices) EUR

# 657m

EUR 501m in Q3 2023

Mainly driven by previous investments in capacity and capabilities in Solutions

## Organic growth

# 25%

44% in Q3 2023

Reflecting organic growth of 42% in Solutions, -1% in Applications and 25% in Service & Accessories

## Operational EBITDA EUR

# 93m

EUR 76m in Q3 2023

The record-high level was driven primarily by additional capacity in Solutions

## High-voltage order backlog EUR

# 11.0bn

EUR 11.0bn in Q3 2023

Compared to EUR 11.3bn at end-Q2 2024 as execution of the record-high backlog continued in Q3 2024. Two capacity reservation agreements from SSEN Transmission and three projects under a framework agreement with TenneT – awarded in 2023 – are not included in the order backlog. They have an estimated value of more than EUR 2.5bn

## Financial outlook for 2024

Financial outlook for 2024 is maintained, but NKT now expects to conclude the year in the upper end of the ranges. Revenue (in std. metal prices) is expected to be approximately EUR 2.33-2.43bn and operational EBITDA is expected to be approximately EUR 310-345m.

The financial outlook is based on several assumptions, including:

- Satisfactory execution of high-voltage projects
- Stable market conditions in Applications
- Stable supply chain with limited disruptions and access to the required labour, materials, and services

# Financial highlights and ratios

EURm	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Year 2023
<b>Income statement</b>					
Revenue	856	661	2,362	1,882	2,567
Revenue at std. metal prices* <sup>3</sup>	657	501	1,796	1,391	1,927
Operational EBITDA* <sup>6</sup>	93	76	254	191	255
One-off items* <sup>5</sup>	0	0	-1	0	0
EBITDA	93	76	253	191	255
Amortisation, depreciation, and impairment	-27	-22	-73	-66	-90
EBIT	66	54	180	125	165
Financial items, net	5	-24	29	-8	-16
Earnings before tax (EBT)	71	30	209	117	149
Net result - continuing operations	57	23	180	88	119
Net result - discontinued operations	0	2	101	3	5
Net result	57	25	281	91	124
<b>Cash flow</b>					
Cash flow from operating activities	-19	150	671	404	542
Cash flow from investing activities	-115	-60	-423	-130	-247
<i>hereof investments in Property, plant, and equipment</i>	-109	-52	-262	-97	-205
Free cash flow* <sup>16</sup>	-134	90	248	274	295
<b>Balance sheet</b>					
Share capital	144	144	144	144	144
Group equity	1,870	1,521	1,870	1,521	1,575
Total assets	4,486	3,562	4,486	3,562	3,604
Net interest-bearing debt (NIBD)* <sup>8</sup>	-1,136	-674	-1,136	-674	-671
Capital employed* <sup>9</sup>	734	847	734	847	904
Working capital* <sup>10</sup>	-1,069	-601	-1,069	-601	-709

EURm	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Year 2023
<b>Financial ratios and employees</b>					
Operational EBITDA margin, (std. metal prices)*	14.2%	15.3%	14.2%	13.8%	13.2%
Gearing (NIBD as % of Group equity)* <sup>11</sup>	-61%	-44%	-61%	-44%	-43%
NIBD relative to operational EBITDA* <sup>12</sup>	-3.6x	-2.9x	-3.6x	-2.9x	-2.6x
Solvency ratio (equity as % of total assets)* <sup>13</sup>	42%	43%	42%	43%	44%
Return on capital employed (RoCE)* <sup>14</sup>	31%	15%	31%	15%	20%
Number of DKK 20 shares ('000)	53,720	53,720	53,720	53,720	53,720
EPS, continuing operations <sup>1</sup>	1.0	0.4	3.2	1.7	2.2
Diluted EPS, continuing operations <sup>2</sup>	1.0	0.4	3.2	1.7	2.1
Equity value, EUR per outstanding share <sup>15</sup>	32	25	32	25	26
Market price, DKK per share	633	369	633	369	464
Average number of employees, continuing operations	5,708	4,508	5,265	4,396	4,473

<sup>1-16</sup> Refer to Definitions on page 28

\* Alternative performance measures

# Financial review

Driven primarily by expanded capacity and capabilities in Solutions, NKT achieved organic revenue\* growth of 25% in Q3 2024. This further increased operational EBITDA to EUR 93m, which was the highest quarterly level in company history despite being impacted by non-recurring costs related to the integration of SolidAI. Free cash flow generation was negative, EUR -134m, mainly driven by ongoing investments across business lines and a cash outflow from changes in working capital. Capital expenditures are expected to remain at an elevated level during the next couple of years as NKT continues to progress on its investment programmes to support the growth journey.

## Revenue growth across business lines

Revenue\* in Q3 2024 amounted to EUR 657m, an increase of EUR 156m compared to Q3 2023, which corresponds to 25% organic growth. Previous investments in capacity and capabilities in Solutions, as well as overall satisfactory execution, drove the majority of the growth. Applications contributed with higher revenue driven by the acquisition of SolidAI. Service & Accessories also contributed with higher revenue, primarily driven by a higher activity level in the service business.

Expressed in market prices, revenue in Q3 2024 was EUR 856m, compared to EUR 661m in Q3 2023.

Revenue\* in the first three quarters of 2024 amounted to EUR 1,796m, an increase of EUR 405m compared to EUR 1,391m in the same period last year. Organic growth in the first three quarters of 2024 was 27%. This was driven by the same parameters as in Q3 2024.

## Further improvement in operational EBITDA

Operational EBITDA increased from EUR 76m in Q3 2023 to EUR 93m

in Q3 2024, which is the highest quarterly operational EBITDA in company history despite being impacted by non-recurring costs related to the integration of SolidAI. This corresponded to an operational EBITDA margin\* of 14.2% in Q3 2024, representing a decrease of 1.1 percentage points versus the high comparison base from Q3 2023.

The higher earnings level was primarily driven by previous investments in capacity and capabilities within Solutions while all business lines contributed with higher EBITDA. The decrease in opera-

tional EBITDA-margin was mainly due to natural fluctuations in the project business.

Operational EBITDA for the first three quarters of 2024 amounted to EUR 254m, an increase from EUR 191m in the same period in 2023. This positive development was primarily driven by continued growth and improved profitability in Solutions, but all three business lines contributed to the improvement.

EBIT in Q3 2024 was EUR 66m, up EUR 12m from EUR 54m in Q3 2023. The higher EBIT was driven

by the same parameters as operational EBITDA, which more than offset an increase in depreciation and amortisation compared to Q3 2023.

## Financial items and net result

Net financial items in Q3 2024 amounted to EUR 5m, compared to negative EUR -24m in Q3 2023, driven by interest income from the net cash position. Q3 2023 was negatively impacted by exchange-rate fluctuations.

Earnings before tax amounted to EUR 71m in Q3 2024, compared to EUR 30m in Q3 2023. Tax amounted

## Operational EBITDA

EURm



## Revenue development and organic growth

EURm

<b>Q3 2023 revenue*</b>	<b>501</b>
Currency effect	2
Acquisitions	28
Organic growth	126
<b>Q3 2024 revenue*</b>	<b>657</b>
Organic growth, %	25%

\* Std. metal prices

\* Std. metal prices

to EUR -14m in Q3 2024, resulting in an effective tax rate of 20%. The net result from continuing operations was EUR 57m in Q3 2024, against EUR 23m in Q3 2023.

For the first three quarters of 2024, net result was EUR 281m. The divestment of NKT Photonics in Q2 2024 led to a net result from discontinuing operations of EUR 101m.

### Free cash flow affected by cash outflow from working capital and investments

Cash flow from operating activities\*\* was negative EUR -19m in Q3 2024, compared to EUR 150m in Q3 2023, as the positive development in operational EBITDA was offset by cash outflow from changes in working capital, due to the phasing between milestone payments and project execution in Solutions. At end-Q3 2024, working capital amounted to EUR -1,069m, an increase of EUR 83m from EUR -1,152m at the end of Q2 2024.

Cash flow from investing activities\*\* amounted to EUR -115m in Q3 2024, compared to EUR -60m in the same period of last year. Investments in Solutions and Applications were higher than in Q2 2024 and

will remain at an elevated level going forward as NKT executes on announced investments.

As a result of the investment level and the cash outflow from changes in working capital, free cash flow\*\* was EUR -134m compared to EUR 90m in Q3 2023. Free cash flow\*\* in the first three quarters of 2024 amounted to EUR 248m compared to EUR 274m in the first three quarters of 2023.

### Continued increase in RoCE

RoCE\*\* was 31% at end-Q3 2024, a further increase from 30% at end-Q2 2024. Increase was driven by further growth in EBIT, which amounted to EUR 66m in Q3 2024. Capital employed increased to EUR 734m at end-Q3 2024 compared to EUR 552m at end-Q2 2024 as a result of the investment level and increase in working capital. RoCE has continued to gradually improve, reflecting progressively higher earnings contributions and increased customer prepayments in recent years. RoCE will continue to vary depending on the project mix in production, the timing of payments from customers, and a higher capital base from ongoing investments.

### Liquidity, debt, leverage, and equity

Negative free cash flow led to an increase in net interest-bearing debt from EUR -1,277m at end-Q2 2024 to EUR -1,136m at end-Q3 2024.

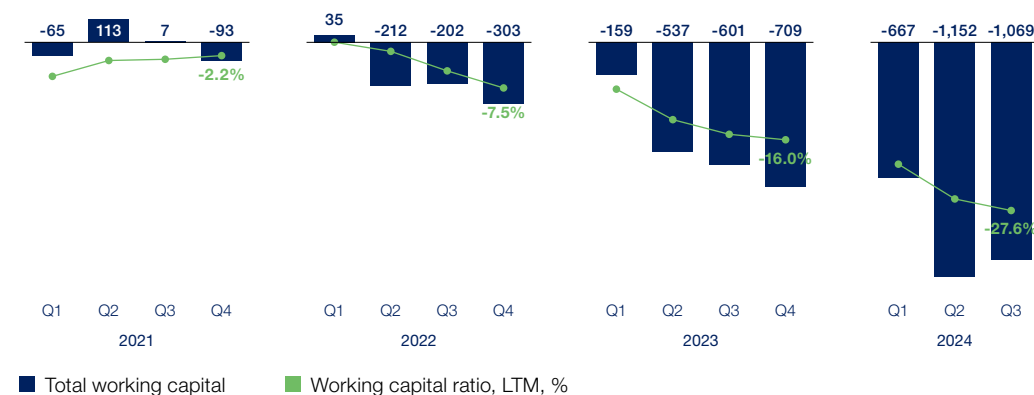
Net interest-bearing debt relative to operational EBITDA amounted to -3.6x at end-Q3 2024 compared to -4.2x at end-Q2 2024.

At the end of Q3 2024, NKT had total available liquidity reserves of EUR 1,559m, comprising cash of EUR 1,359m and undrawn credit facilities of EUR 200m. NKT's favourable cash position will gradually be deployed as the high-voltage order book is executed and announced investments continue to progress through varying stages of execution. A position of financial strength must be maintained as NKT continues to progress on its growth journey.

Group equity, including the green hybrid security issued in September 2022, amounted to EUR 1,870m. The company's solvency ratio was 42%, compared to 40% at end-Q2 2024.

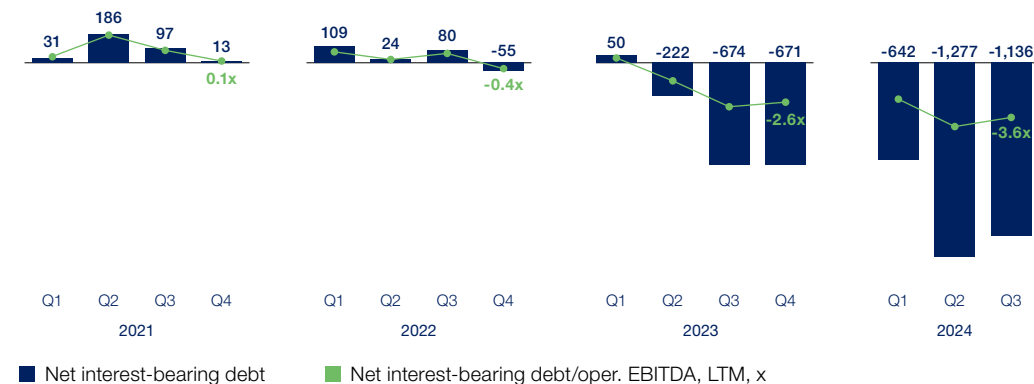
### Working capital

EURm



### Net interest-bearing debt

EURm



\*\* from continuing operations

# Sustainability

In Q3 2024, NKT was able to show good progress both in terms of increasing its product handprint and reducing its overall footprint in the value chain by executing on its sustainability strategy as one of the three pillars of the corporate strategy, ReNew BOOST.

## Environment

Enabling the transmission of renewable energy is paramount for NKT, and in Q3, the Shetland HVDC Link was completed, connecting the Shetland Islands to the main grid in Scotland. The 320 kV interconnector is now a key contributor to the integration of renewable energy in Great Britain.

On the other side of the ocean, the 400 kV HVDC power cable for the Champlain Hudson Power Express has successfully crossed the US-Canadian border. The Champlain Hudson Power Express is one of the largest infrastructure projects in the U.S., and the hydropower from Canada will provide 20% of New York City's power from 2026.

In Q4, NKT secured approval from the Science Based Target Initiative on its net zero target: to reach net-zero greenhouse gas emissions across the value chain (scope 1, 2 and 3) by 2050.

Electrification is a key initiative in the decarbonisation of the NKT site in Cologne, Germany, where NKT is currently working to eliminate the use of natural gas. To support the move away from natural gas, a photovoltaic system has been installed on the roof of the office building in Cologne.

## Social

In Q3, NKT maintained good progress on diversity recruitment targets, with 26% of hires being women, surpassing the target of

25%. In addition, a number of initiatives within the social area were carried out, including:

- Hosting a global seminar on 'Boosting participation of women in production' with best practice sharing from other industries
- Organising training on intersectionality and inclusion as well as understanding different abilities
- Launching the NKT Trainee cohort of 2024-25. 16 young graduates from seven countries attended their first global training module in Sweden

## Governance

NKT launched a new Code of Conduct which reflects NKT's

long-standing commitment to integrity, ethics and responsible business practice. The NKT Code of Conduct:

- Describes the principles to which NKT holds employees and business partners accountable
- Provides a practical guide for employees in doing the right thing and promoting integrity in everything NKT does

The NKT Code of Conduct has been rolled out to all employees during Q3 with training and awareness initiatives across the company. It is also anchored with NKT leaders to help drive ethical culture and promote accountability locally.



## NKT's sustainability strategy

Sustainability is an integrated part of the corporate strategy ReNew BOOST and is one of the three main strategic pillars.

### Climate action

Be a leader in driving the green transformation of the power cable industry by reducing corporate emissions, with the ambition of becoming a net-zero company by 2050.

### Sustainable value proposition and circularity

Offer a sustainable value proposition through the lifecycle of products and solutions, and actively pursue zero waste through circularity.



## Business line

## Solutions

 Highlights

- Continued growth in revenue and operational EBITDA
- Overall satisfactory execution of high-voltage order backlog during Q3 2024
- Further progress of high-voltage investments

429m

Revenue\*, EUR  
(Q3 2023: EUR 301m)

**Revenue growth from increased capacity and overall satisfactory execution**

Revenue\* for Solutions increased from EUR 301m in Q3 2023 to EUR 429m in Q3 2024, corresponding to organic growth of 42%. Growth was driven by overall satisfactory project execution in Q3 2024, as well as previous investments made to increase capacity and organisational capabilities. NKT continued to progress and execute on several projects through varying stages of execution in Q3 2024. These projects included Baltic Power, Champ-lain Hudson Power Express, Dogger Bank C, Hornsea 3, East Anglia 3, Yggdrasil (Krafla), Biscay Gulf, SuedLink, and SuedOstLink.

During the quarter NKT, in close collaboration with SSEN Transmis-

42%

Organic growth  
(Q3 2023: 69%)

sion, finalised the Shetland HVDC Link connecting the Shetland Islands to the main grid in Scotland. The 320 kV interconnector is now a key contributor to the integration of renewable energy in Great Britain.

Revenue generated from installation activities continued on a high level and the company's cable-laying vessel, NKT Victoria, was well-utilised throughout Q3 2024.

Revenue measured in market prices amounted to EUR 488m in Q3 2024, against EUR 343m in Q3 2023. In the first three quarters of 2024, revenue\* amounted to EUR 1,129m, an increase of EUR 328m compared to the first three quarters of 2023. Organic growth in the first three quarters of 2024 was 41%.

66m

Operational EBITDA, EUR  
(Q3 2023: EUR 51m)

**Continued growth in operational EBITDA**

Operational EBITDA in Q3 2024 amounted to EUR 66m up from EUR 51m in Q3 2023. This corresponded to an operational EBITDA margin\* of 15.5% in Q3 2024, a reduction of 1.2 percentage points compared to Q3 2023. Quarterly profitability margins will vary depending on the phasing of projects in execution. In Q3 2024 increased risk provisions related to a limited amount of legacy onshore high-voltage projects had a slight negative impact on profitability. Project execution was overall satisfactory, and NKT remains focused on managing risks associated with a growing high-voltage project portfolio.

The construction of NKT's second cable-laying vessel, NKT Eleonora, progressed as planned during Q3

2024, and the vessel is set for delivery in 2027. During Q3 2024, NKT also completed an upgrade of NKT Victoria, further increasing the company's offshore installation capacity and capabilities including certifying the vessel to run on biofuel. Following the upgrade, NKT has successfully utilised NKT Victoria's new integrated jet plough enabling reliable simultaneous cable-laying and burial operations. The operation highlights NKT's ability to successfully execute investments in the field of offshore installation, which is a vital part of the turnkey solutions business.

In the first three quarters of 2024, operational EBITDA amounted to EUR 185m, compared to EUR 128m in the same period of 2023. This development was driven by the same parameters as in Q3 2024.

\* Std. metal prices

## Business line

## Solutions

**Further progress of high-voltage investments**

In Q1 2024, NKT announced investments of EUR 100m to expand high-voltage production capacity and capabilities at its existing factory in Cologne. Progress of this investment continued according to plan throughout Q3 2024.

Execution of the approximately EUR 1bn Karlskrona investment programme, which also includes the second cable-laying vessel NKT Eleonora, progressed during Q3 2024. In July 2024, NKT initiated the construction of the third extrusion tower and slipform casting of the tower was finalised in November 2024 with a height of 200 meters above ground. Executing on the investment program continues to have highest priority including managing risks and opportunities that have and will arise continuously.

**High-voltage order backlog at a continued high level**

At end-Q3 2024, the high-voltage order backlog was EUR 11.0bn (EUR 9.7bn in std. metal prices) compared to EUR 11.3bn (EUR 9.9bn in std. metal prices) at end-Q2 2024. During the quarter, NKT supplemented its high-voltage order backlog with a number of relatively smaller orders, including variation orders to existing projects. NKT's backlog position does not include three projects awarded under a framework agreement from TenneT, as well as two projects awarded under framework agreement from SSEN Transmission. Combined, these have an estimated value exceeding EUR 2.5bn.

During Q3 2024, NKT was confirmed as partner for SSEN Transmission's two Scottish HVDC transmission links running from the Western Isles

to the Scottish mainland, and from Spittal in Caithness to Peterhead, totalling approximately 380 km of 525kV cables. NKT confirmed capacity reservation for the projects in August 2023 and have now signed a framework agreement with SSEN Transmission, where parties agree to proceed with the initial project work. NKT and SSEN Transmission expect the construction contracts to be finalised in H1 2026. Projects are not yet firmly fixed and therefore not included in the order backlog.

The composition of the order backlog divided per customer type was more than 80% with large European Transmission System Operators, and the balance with other types of customers. By application, the backlog was split by around 55% interconnectors, around 40% offshore wind projects, and less than 5% power-from-shore projects.

**Recent notable high-voltage project awards for NKT**

Project name	Customer type	Announced	Size (EURm)	Type
Korridor-B V48 + Rheinquerung (GER)	TSO	Mar 2024	~1,200	Interconnector
50Hertz HVDC projects (GER)	TSO	Sep 2023	~3,500	Interconnector / offshore wind
Baltic Power (POL)	Developer	Jun 2023	>120	Offshore wind
East Anglia 3 (UK)	Developer	Jun 2023	>250	Offshore wind

Note: Project sizes are shown in market prices

**Continued high market activity in Q3 2024**

Market activity continued at a high level in Q3 2024. NKT estimates that over EUR 15bn in projects have been awarded in its addressable high-voltage power cable market in the first three quarters of 2024. Continued strong demand for high-voltage production and installation capacity was mainly for DC technology, where NKT is well-positioned as a market leader. NKT's

market share in 2024 has to be seen in context of the high order intake in 2023 and timing of allocation of multi-year frame contracts across the industry.

In Q3 2024, progress continued on several project tenders across market segments and activities. The timing of actual project awards will depend on the timelines for the individual projects. With a record-high order backlog, NKT remains

focused on securing selected projects that will enable an optimal production and installation mix, thereby maximising earnings.

Business line

# Applications

## Highlights

- Higher revenue driven by the acquisition of SolidAI
- Integration progressed according to plan
- Continued positive development in the power grid distribution segment with announcement of new frame agreements

# 183m

**Revenue\*, EUR**  
(Q3 2023: EUR 155m)

### Revenue at continued high level

In Q3 2024, revenue\* increased to EUR 183m, compared to EUR 155m in Q3 2023. The acquisition of SolidAI contributed with revenue\* of EUR 28m in the quarter, while organic growth was -1% compared to Q3 2023. Demand and volumes in the power distribution grid segment continued at a satisfactory level, while demand in the construction-exposed segment remained subdued.

Revenue expressed in market prices amounted to EUR 325m in Q3 2024, up from EUR 272m in Q3 2023.

Revenue\* in the first three quarters of 2024 amounted to EUR 511m against EUR 489m in the first three quarters of 2023.

\* Std. metal prices

# -1%

**Organic growth**  
(Q3 2023: 18%)

### Operational EBITDA of EUR 14m

Operational EBITDA in Q3 2024 of EUR 14m was EUR 1m higher than the same quarter last year. The slight increase was mainly driven by positive effects from the specialisation of production sites and various efficiency initiatives implemented in recent years. Operational EBITDA-margin for the quarter was 7.6% compared to 8.5% in Q3 2023. In the quarter, the margin was impacted by non-recurring effects from the integration of SolidAI including costs of approximately EUR 4m related to revaluation of inventories. Supported by continued demand in the power distribution grid segment, NKT remains well-positioned to maintain satisfactory margins in Applications.

In the first three quarters of 2024, operational EBITDA amounted to EUR 51m, compared to EUR 48m in the same period last year. This was

# 14m

**Operational EBITDA, EUR**  
(Q3 2023: EUR 13m)

driven by the same parameters as in Q3 2024.

### Integration of SolidAI progressed according to plan

In June 2024, NKT acquired the Portuguese power cable manufacturer, SolidAI with manufacturing capabilities from 1 kV up to 225 kV. During Q3 2024, NKT initiated the integration of SolidAI, which is progressing according to plan. As part of the acquisition and development of SolidAI, NKT will invest EUR 50m to expand medium- and high-voltage capacity at the existing SolidAI site. The investment is progressing as planned, and additional capacity is expected to be operational in 2027.

In April 2024, NKT announced investments of approximately EUR 100m to expand medium-voltage capacity and capabilities across existing production sites in Asnaes, Denmark; Falun,

Sweden; and Velké Meziříččí, Czech Republic. Work across all three sites progressed as expected during Q3 and additional capacity is expected to be operational in 2025 and 2026.

### Continued positive developments in power distribution grid market

In Q3 2024, market developments continued to differ between segments within Applications. Demand in the power distribution grid market – particularly in Northern and Western Europe – remained robust, leading to continued revenue growth compared to Q3 2023. During Q3 2024, NKT announced new frame agreements with Nexel in Denmark and Enexis in the Netherlands. In November, NKT also announced an extension of two framework agreements with RTE in France. In NKT's construction-exposed segment, demand remained subdued and was slightly lower compared to Q3 2023.

Business line

# Service & Accessories

## Highlights

- Revenue growth driven by both the Service business and the Accessories business
- Earnings increase of EUR 3m compared to Q3 2023 driven by Service
- Increased activity level and satisfactory execution in on- and offshore Service business

# 60m

Revenue\*, EUR  
(Q3 2023: EUR 47m)

### Higher revenue driven by both Service and Accessories

Revenue\* for Service & Accessories increased to EUR 60m from EUR 47m in Q3 2023, corresponding to organic growth of 25%. The growth was mainly driven by increased activity level in the Service business, where the volumes increased in on- and offshore segments compared to Q3 2023. This was supplemented by slightly higher revenue in the Accessories business.

Revenue in the first three quarters of 2024 amounted to EUR 198m up from EUR 147m in the first three quarters of 2023, equivalent to organic growth of 36%. Growth was mainly driven by the volume of offshore repair work in the service business.

# 25%

Organic growth  
(Q3 2023: -21%)

### Increase in operational EBITDA

In Q3 2024, Service & Accessories reported operational EBITDA of EUR 8m, an increase of EUR 3m compared to Q3 2023, due to improved profitability in the Service business. The operational EBITDA margin\* increased to 12.8% in Q3 2024, compared to 11.6% in Q3 2023 and 7.1% in Q2 2024. Operational EBITDA margin in Q2 2024 was negatively impacted by the conclusion of offshore repair work related to one legacy service agreement, which was executed at an unusually low profitability margin.

In the first three quarters of 2024, operational EBITDA amounted to EUR 19m, up from EUR 15m in the same period last year. This was driven by the same parameters as in Q3 2024.

# 8m

Operational EBITDA, EUR  
(Q3 2023: EUR 5m)

### Satisfactory execution in Service

In Q3 2024, revenue and operational EBITDA in the Service business were higher compared to Q3 2023 driven by increased activity level and satisfactory execution in both the offshore repair segment and onshore segment. During the quarter, NKT completed smaller offshore repairs, including repair work on the Gemini Wind Park connection in the Netherlands. Within its reoccurring onshore repair business, NKT successfully executed projects related to the ongoing electrification of society, including solar parks. Geographical expansion remains a key strategic growth priority within Service, where NKT continued to increase its presence in the UK, the US, Poland, and Australia.

### Increased revenue, but slightly lower profitability in Accessories

Revenue in Accessories increased slightly in Q3 2024 driven by higher revenue from high-voltage accessories. Despite this development, operational EBITDA in the quarter was slightly lower compared to the same quarter last year, reflecting the continued ramp-up of HVDC accessories production and capabilities.

Similar to other business lines, structural growth trends continue to positively impact NKT's Accessories business. To meet increasing demand, NKT is expanding capacity in Alingsås, Sweden. The expansion is on track and NKT expects its new test hall will be completed in the first half of 2025.

\* Std. metal prices

# Shareholder information

## NKT A/S shares

The average daily turnover in NKT A/S shares on all trading markets was EUR 26m in Q3 2024, up from EUR 17m in Q3 2023. The average daily trading volume was around 315,000 shares in Q3 2024, compared to around 340,000 in Q3 2023. Nasdaq Copenhagen was the main trading market for the company's shares with 42% of the total traded volume in Q3 2024.

At end-Q3 2024, the NKT A/S share price was DKK 632.50, compared to DKK 463.80 at end-2023. This equaled a share price return of 36%. The corresponding dividend-adjusted share price returns in the same period for the company's largest European competitors, Prysmian and Nexans, were 60% and 69% respectively. The Danish OMXC25 Index, adjusted for dividends, increased by 9% in the first three quarters of 2024.

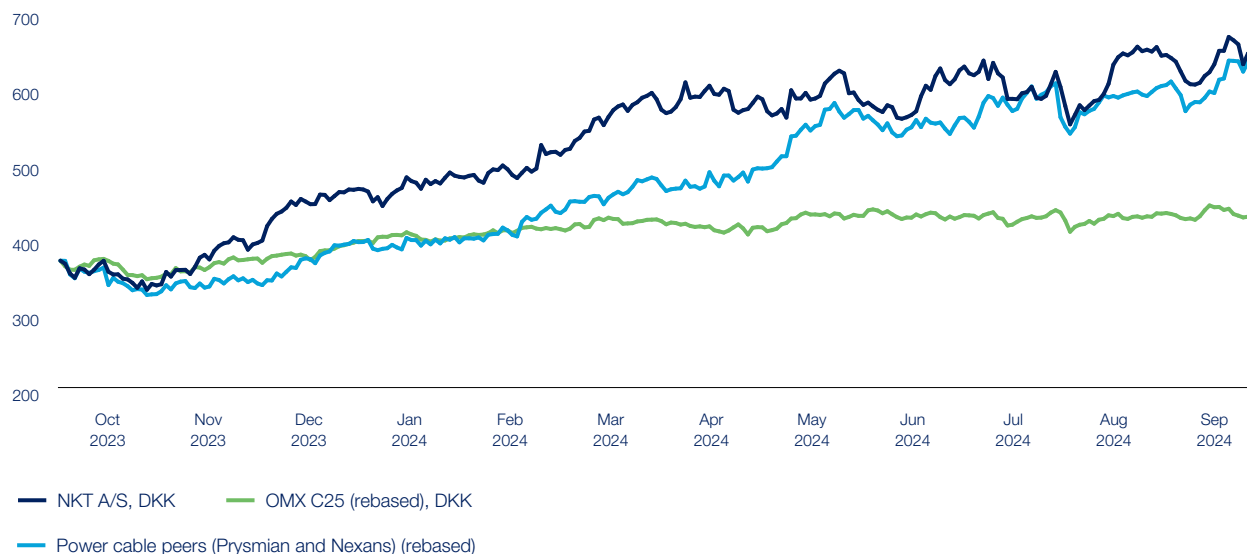
At end-Q3 2024, one NKT A/S investor had reported shareholdings of between 5.00–9.99%:

- BlackRock, Inc. (US)

The total share capital consists of 53,720,045 shares, each with a nominal value of DKK 20, corresponding to a total nominal share capital of DKK 1,074,400,900 (approximately EUR 144m).

**More shareholder information is available at [investors.nkt.com](https://investors.nkt.com)**

## NKT A/S share price development



### NKT A/S shares – basic data

ID code: DK0010287663  
 Listing: Nasdaq Copenhagen, part of the OMX C25 Index  
 Share capital: EUR 144m (DKK 1,074m)  
 Number of shares: 53.7 million  
 Nominal value: DKK 20  
 Share classes: 1



### Financial calendar 2025

21 Feb: Annual Report 2024  
 19 Mar: Annual General Meeting  
 9 May: Interim Report Q1 2025  
 15 Aug: Interim Report, H1 2025  
 19 Nov: Interim Report, Q1-Q3 2025

# Consolidated financial statements

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## Condensed income statement

EURm	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Year 2023
Revenue	856	661	2,362	1,882	2,567
Costs of raw materials, consumables, and goods for resale	-594	-451	-1,610	-1,271	-1,747
Staff costs	-99	-79	-293	-249	-308
Other costs	-73	-57	-212	-176	-261
Other operating income	3	2	6	5	4
<b>Earnings before interest, tax, depreciation, and amortisation (EBITDA)</b>	<b>93</b>	<b>76</b>	<b>253</b>	<b>191</b>	<b>255</b>
Depreciation and impairment of property, plant, and equipment	-21	-18	-58	-52	-71
Amortisation and impairment of intangible assets	-6	-4	-15	-14	-19
<b>Earnings before interest and tax (EBIT)</b>	<b>66</b>	<b>54</b>	<b>180</b>	<b>125</b>	<b>165</b>
Financial items, net	5	-24	29	-8	-16
<b>Earnings before tax (EBT)</b>	<b>71</b>	<b>30</b>	<b>209</b>	<b>117</b>	<b>149</b>
Tax	-14	-7	-29	-29	-30
<b>Net result - continuing operations</b>	<b>57</b>	<b>23</b>	<b>180</b>	<b>88</b>	<b>119</b>
Net result - discontinued operations	0	2	101	3	5
<b>Net result</b>	<b>57</b>	<b>25</b>	<b>281</b>	<b>91</b>	<b>124</b>
<i>To be distributed as follows:</i>					
Equity holders of NKT A/S	55	23	273	83	113
Hybrid capital holders of NKT A/S	2	2	8	8	11
<b>Net result</b>	<b>57</b>	<b>25</b>	<b>281</b>	<b>91</b>	<b>124</b>
Basic earnings - continuing operations, EUR, per share (EPS)	1.0	0.4	3.2	1.7	2.2
Diluted earnings - continuing operations, EUR, per share (EPS-D)	1.0	0.4	3.2	1.7	2.1
Basic earnings, EUR, per share (EPS)	1.0	0.4	5.1	1.8	2.3
Diluted earnings, EUR, per share (EPS-D)	1.0	0.4	5.1	1.8	2.3

## Condensed statement of comprehensive income

EURm	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Year 2023
<b>Net result</b>	<b>57</b>	<b>25</b>	<b>281</b>	<b>91</b>	<b>124</b>
<b>Other comprehensive income</b>					
<i>Items that may be reclassified to income statement:</i>					
Foreign exchange adjustment, foreign companies	3	13	-12	-22	7
Reclassification to profit or loss on disposal of NKT Photonics	0	0	-1	0	0
Value adjustment of hedging instruments	9	102	120	16	93
Tax on other comprehensive income	2	-38	-28	-1	-15
<i>Items that may be not reclassified to income statement:</i>					
Actuarial gains/(losses) on defined benefit pension plans, net of tax	0	0	0	0	1
<b>Total other comprehensive income for the period</b>	<b>14</b>	<b>77</b>	<b>79</b>	<b>-7</b>	<b>86</b>
<b>Comprehensive income for the period</b>	<b>71</b>	<b>102</b>	<b>360</b>	<b>84</b>	<b>210</b>
<i>To be distributed as follows:</i>					
Equity holders of NKT A/S	69	100	352	76	199
Hybrid capital holders of NKT A/S	2	2	8	8	11
<b>Comprehensive income for the period</b>	<b>71</b>	<b>102</b>	<b>360</b>	<b>84</b>	<b>210</b>

# Condensed balance sheet

EURm	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>Assets</b>			
Intangible assets	644	522	544
Property, plant, and equipment	1,260	878	1,014
Investment in associated companies	9	10	9
Other investments and receivables	4	0	1
Deferred tax	14	5	13
<b>Total non-current assets</b>	<b>1,931</b>	<b>1,415</b>	<b>1,581</b>
Inventories	392	314	311
Trade and other receivables	458	382	340
Derivative financial instruments	216	286	185
Contract assets	117	126	107
Income tax receivable	13	5	15
Cash and cash equivalents	1,359	863	888
Assets held for sale	0	171	177
<b>Total current assets</b>	<b>2,555</b>	<b>2,147</b>	<b>2,023</b>
<b>Total assets</b>	<b>4,486</b>	<b>3,562</b>	<b>3,604</b>

EURm	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>Equity and liabilities</b>			
Equity attributable to equity holders of NKT A/S	1,718	1,368	1,420
Hybrid capital	152	153	155
<b>Total equity</b>	<b>1,870</b>	<b>1,521</b>	<b>1,575</b>
Deferred tax	41	32	36
Pension liabilities	39	41	40
Provisions	18	14	11
Interest-bearing loans and borrowings	209	170	196
<b>Total non-current liabilities</b>	<b>307</b>	<b>257</b>	<b>283</b>
Interest-bearing loans and borrowings	14	9	11
Trade payables	481	377	364
Other liabilities	214	152	145
Derivative financial instruments	77	161	94
Contract liabilities	1,453	995	1,037
Income tax payable	40	29	27
Provisions	30	23	30
Liabilities associated with assets held for sale	0	38	38
<b>Total current liabilities</b>	<b>2,309</b>	<b>1,784</b>	<b>1,746</b>
<b>Total liabilities</b>	<b>2,616</b>	<b>2,041</b>	<b>2,029</b>
<b>Total equity and liabilities</b>	<b>4,486</b>	<b>3,562</b>	<b>3,604</b>



## Condensed cash flow statement

EURm	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Year 2023
Earnings before interest, tax, depreciation, and amortisation (EBITDA)	93	76	253	191	255
Non-cash operating items:					
Change in provisions, gain and loss on sale of assets, etc.	0	3	5	3	8
Changes in working capital	-128	90	415	218	320
<b>Cash flow from operations before financial items, etc.</b>	<b>-35</b>	<b>169</b>	<b>673</b>	<b>412</b>	<b>583</b>
Financial items paid/received, net	4	-14	28	2	-16
Income tax paid/received, net	12	-5	-30	-10	-25
<b>Cash flow from operating activities from continuing operations</b>	<b>-19</b>	<b>150</b>	<b>671</b>	<b>404</b>	<b>542</b>
Acquisition of subsidiaries	0	0	-144	0	0
Acquisition of associated companies	0	0	0	-9	-9
Investments in property, plant, and equipment	-109	-52	-262	-97	-205
Intangible assets and other investments, net	-6	-8	-17	-24	-33
<b>Cash flow from investing activities from continuing operations</b>	<b>-115</b>	<b>-60</b>	<b>-423</b>	<b>-130</b>	<b>-247</b>
<b>Free cash flow from continuing operations</b>	<b>-134</b>	<b>90</b>	<b>248</b>	<b>274</b>	<b>295</b>
Changes in loans	4	10	-10	-8	-1
Repayment of lease liabilities	-1	-1	-4	-3	-6
Capital increase	0	357	0	357	357
Purchase of treasury shares	0	0	0	-5	-7
Coupon payments on hybrid capital	-11	-9	-11	-9	-9
<b>Cash flow from financing activities from continuing operations</b>	<b>-8</b>	<b>357</b>	<b>-25</b>	<b>332</b>	<b>334</b>

EURm	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Year 2023
<b>Net cash flow from continuing operations</b>	<b>-142</b>	<b>447</b>	<b>223</b>	<b>606</b>	<b>629</b>
Net cash flow for the period from discontinued operations	0	-1	248	-2	-1
<b>Net cash flow</b>	<b>-142</b>	<b>446</b>	<b>471</b>	<b>604</b>	<b>628</b>
Cash and cash equivalents at the beginning of the period	1,504	416	890	262	262
Currency adjustments	-3	3	-2	-1	0
Net cash flow for the period	-142	446	471	604	628
<b>Cash and cash equivalents at the end of the period</b>	<b>1,359</b>	<b>865</b>	<b>1,359</b>	<b>865</b>	<b>890</b>
Of which associated with discontinued operations	0	2	0	2	2
<b>Cash and cash equivalents at the end of the period from continuing operations</b>	<b>1,359</b>	<b>863</b>	<b>1,359</b>	<b>863</b>	<b>888</b>

The above cannot be derived directly from the income statement and the balance sheet.

## Condensed statement of changes in equity

EURm	Share capital	Treasury shares	Foreign exchange reserve	Hedging reserve	Retained earnings	Total	Hybrid capital	Total equity
<b>Equity, 1 January 2024</b>	144	-4	-56	88	1,248	1,420	155	1,575
<i>Other comprehensive income:</i>								
Foreign exchange adjustment, foreign companies			-12			-12		-12
Reclassification to profit or loss on disposal of NKT Photonics			-1			-1		-1
Value adjustment of hedging instruments:								
Value adjustment for the period				94		94		94
Transferred to revenue				26		26		26
Tax on other comprehensive income				-28		-28		-28
<b>Total other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-13</b>	<b>92</b>	<b>0</b>	<b>79</b>	<b>0</b>	<b>79</b>
Net result					273	273	8	281
<b>Comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>-13</b>	<b>92</b>	<b>273</b>	<b>352</b>	<b>8</b>	<b>360</b>
Deferred hedge gains and losses transferred to inventory, net of tax				-56		-56		-56
<i>Transactions with owners:</i>								
Exercise of performance shares		3			-3	0		0
Share-based payment					2	2		2
Coupon payments, hybrid capital						0	-11	-11
<b>Total transactions with owners in Q1-Q3 2024</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>2</b>	<b>-11</b>	<b>-9</b>
<b>Equity, 30 September 2024</b>	<b>144</b>	<b>-1</b>	<b>-69</b>	<b>124</b>	<b>1,520</b>	<b>1,718</b>	<b>152</b>	<b>1,870</b>

## Condensed statement of changes in equity

EURm	Share capital	Treasury shares	Foreign exchange reserve	Hedging reserve	Retained earnings	Total	Hybrid capital	Total equity
<b>Equity, 1 January 2023</b>	<b>115</b>	<b>-1</b>	<b>-63</b>	<b>133</b>	<b>806</b>	<b>990</b>	<b>154</b>	<b>1,144</b>
<i>Other comprehensive income:</i>								
Foreign exchange adjustment, foreign companies			-22			-22		-22
Value adjustment of hedging instruments:								
Value adjustment for the period				-24		-24		-24
Transferred to revenue				40		40		40
Tax on other comprehensive income				-1		-1		-1
<b>Total other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-22</b>	<b>15</b>	<b>0</b>	<b>-7</b>	<b>0</b>	<b>-7</b>
Net result					83	83	8	91
<b>Comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>-22</b>	<b>15</b>	<b>83</b>	<b>76</b>	<b>8</b>	<b>84</b>
Deferred hedge gains and losses transferred to inventory, net of tax				-53		-53		-53
<i>Transactions with owners:</i>								
Purchase of treasury shares		-5				-5		-5
Capital increase	29				329	358		358
Share-based payment					2	2		2
Coupon payments, hybrid capital						0	-9	-9
<b>Total transactions with owners in Q1-Q3 2023</b>	<b>29</b>	<b>-5</b>	<b>0</b>	<b>0</b>	<b>331</b>	<b>355</b>	<b>-9</b>	<b>346</b>
<b>Equity, 30 September 2023</b>	<b>144</b>	<b>-6</b>	<b>-85</b>	<b>95</b>	<b>1,220</b>	<b>1,368</b>	<b>153</b>	<b>1,521</b>

# Notes

## 1 Material accounting policy information

### Accounting policies and new standards and interpretations

This condensed consolidated interim financial report for the period 1 January 2024 – 30 September 2024 is prepared in accordance with IAS 34 'Interim Financial Reporting', which has been approved by the EU and Danish disclosure requirements for interim reports for listed companies.

As of 1 January 2024, NKT adopted all relevant new or revised IFRS<sup>®</sup> Accounting Standards and IFRIC<sup>®</sup> Interpretations with effective date 1 January 2024 or earlier. The new or revised Standards and Interpretations did not affect recognition and measurement or result in any material changes to disclosures. Apart from this, the accounting policies applied are unchanged from those applied in the Annual Report 2023.

The Group has not prematurely adopted any standards, interpretations, or amendments issued but not yet effective.

The Interim Report includes financial performance measures that are not defined according to IFRS Accounting Standards. These measures are considered to provide valuable infor-

mation to stakeholders and Management. Since other companies might calculate these differently from NKT, they may not be comparable to the measures applied by other companies. These financial measures should therefore not be considered a replacement for performance measures as defined under IFRS Accounting Standards, but rather as supplementary information. Alternative performance measures are defined in Definitions.

### Significant estimates and judgements

Significant accounting estimates and judgements are described in Note 1.3 in the Annual Report 2023. They are related to the recognition of revenue from construction contracts, impairment of assets, valuation of tax assets, recognition and measurement of contingent liabilities, and presentation of NKT Photonics as discontinued operations.

NKT is a party to various disputes and inquiries from authorities. The outcome of these disputes and inquiries are uncertain by nature, but as per 30 September 2024 the outcome of these are not expected to materially affect profit for the year or the financial position.

NKT provides usual third-party guarantees issued by financial institutions in support of contractual performance, mainly in high-voltage projects, to cover the risks relating to NKT's performance inherent in these projects, quality, and delays. At 30 September 2024, NKT has issued guarantees with a value of EUR 2,470m (EUR 2,289m at 30 June 2024), none of which are currently expected to materialise.

### Risks and risk management

In the Annual Report 2023, risks are described in Note 5.6 in the consolidated financial statement as well as on page 24. No events or risk management activities carried out in the period 1 January 2024 – 30 September 2024 have altered the risk assessment applied in the Annual Report 2023.

# Notes

## 2 Segment reporting

EURm	Solutions	Applications	Service & Accessories	Non allocated	Inter-segment transaction	NKT
<b>Q3 2024</b>						
<b>Income statement</b>						
Goods <sup>1)</sup>	8	325	44	0	-15	362
Services etc. <sup>2)</sup>	6	0	1	0	-1	6
Construction contracts <sup>2)</sup>	474	0	15	0	-1	488
<b>Revenue (market prices)</b>	<b>488</b>	<b>325</b>	<b>60</b>	<b>0</b>	<b>-17</b>	<b>856</b>
Adjustment of market prices to std. metal prices	-59	-142	0	0	2	-199
<b>Revenue (std. metal prices)<sup>3)</sup></b>	<b>429</b>	<b>183</b>	<b>60</b>	<b>0</b>	<b>-15</b>	<b>657</b>
Costs and other income, net (excl. one-off items)	-422	-311	-52	5	17	-763
<b>Operational EBITDA<sup>3)</sup></b>	<b>66</b>	<b>14</b>	<b>8</b>	<b>5</b>	<b>0</b>	<b>93</b>
Depreciation, amortisation, and impairment	-17	-7	-1	-2	0	-27
<b>Operational EBIT<sup>3)</sup></b>	<b>49</b>	<b>7</b>	<b>7</b>	<b>3</b>	<b>0</b>	<b>66</b>
<b>Working capital<sup>3)</sup></b>	<b>-1,175</b>	<b>81</b>	<b>33</b>	<b>-8</b>	<b>0</b>	<b>-1,069</b>
<b>Reconciliation to net result</b>						
<b>Operational EBITDA</b>						<b>93</b>
One-off items <sup>3)</sup>						0
<b>Earnings before interest, tax, depreciation, and amortisation (EBITDA)</b>						<b>93</b>
Depreciation, amortisation, and impairment						-27
<b>Earnings before interest and tax (EBIT)</b>						<b>66</b>
Financial items, net						5
<b>Earnings before tax (EBT)</b>						<b>71</b>
Tax						-14
<b>Net result - continuing operations</b>						<b>57</b>
Net result - discontinued operations						0
<b>Net result</b>						<b>57</b>

<sup>1)</sup> Revenue recognised at a point in time

<sup>2)</sup> Revenue recognised over time

<sup>3)</sup> Refer to Definitions

# Notes

## 2 Segment reporting – continued

EURm	Solutions	Applications	Service & Accessories	Non allocated	Inter-segment transaction	NKT
<b>Q3 2023</b>						
<b>Income statement</b>						
Goods <sup>1)</sup>	9	272	38	0	-8	311
Services etc. <sup>2)</sup>	8	0	2	0	-1	9
Construction contracts <sup>2)</sup>	326	0	7	0	8	341
<b>Revenue (market prices)</b>	<b>343</b>	<b>272</b>	<b>47</b>	<b>0</b>	<b>-1</b>	<b>661</b>
Adjustment of market prices to std. metal prices	-42	-117	0	0	-1	-160
<b>Revenue (std. metal prices)<sup>3)</sup></b>	<b>301</b>	<b>155</b>	<b>47</b>	<b>0</b>	<b>-2</b>	<b>501</b>
Costs and other income, net (excl. one-off items)	-292	-259	-42	7	1	-585
<b>Operational EBITDA<sup>3)</sup></b>	<b>51</b>	<b>13</b>	<b>5</b>	<b>7</b>	<b>0</b>	<b>76</b>
Depreciation, amortisation, and impairment	-18	-3	-1	0	0	-22
<b>Operational EBIT<sup>3)</sup></b>	<b>33</b>	<b>10</b>	<b>4</b>	<b>7</b>	<b>0</b>	<b>54</b>
<b>Working capital<sup>3)</sup></b>	<b>-778</b>	<b>68</b>	<b>33</b>	<b>76</b>	<b>0</b>	<b>-601</b>
<b>Reconciliation to net result</b>						
<b>Operational EBITDA</b>						<b>76</b>
One-off items <sup>3)</sup>						0
<b>Earnings before interest, tax, depreciation, and amortisation (EBITDA)</b>						<b>76</b>
Depreciation, amortisation, and impairment						-22
<b>Earnings before interest and tax (EBIT)</b>						<b>54</b>
Financial items, net						-24
<b>Earnings before tax (EBT)</b>						<b>30</b>
Tax						-7
<b>Net result - continuing operations</b>						<b>23</b>
Net result - discontinued operations						2
<b>Net result</b>						<b>25</b>

<sup>1)</sup> Revenue recognised at a point in time

<sup>2)</sup> Revenue recognised over time

<sup>3)</sup> Refer to Definitions

# Notes

## 2 Segment reporting – continued

EURm	Solutions	Applications	Service & Accessories	Non allocated	Inter-segment transaction	NKT
<b>Q1-Q3 2024</b>						
<b>Income statement</b>						
Goods <sup>1)</sup>	25	925	122	0	-40	1,032
Services etc. <sup>2)</sup>	18	0	4	0	-3	19
Construction contracts <sup>2)</sup>	1,242	0	72	0	-3	1,311
<b>Revenue (market prices)</b>	<b>1,285</b>	<b>925</b>	<b>198</b>	<b>0</b>	<b>-46</b>	<b>2,362</b>
Adjustment of market prices to std. metal prices	-156	-414	0	0	4	-566
<b>Revenue (std. metal prices)<sup>3)</sup></b>	<b>1,129</b>	<b>511</b>	<b>198</b>	<b>0</b>	<b>-42</b>	<b>1,796</b>
Costs and other income, net (excl. one-off items)	-1,100	-874	-179	-1	46	-2,108
<b>Operational EBITDA<sup>3)</sup></b>	<b>185</b>	<b>51</b>	<b>19</b>	<b>-1</b>	<b>0</b>	<b>254</b>
Depreciation, amortisation, and impairment	-53	-14	-4	-2	0	-73
<b>Operational EBIT<sup>3)</sup></b>	<b>132</b>	<b>37</b>	<b>15</b>	<b>-3</b>	<b>0</b>	<b>181</b>
<b>Working capital<sup>3)</sup></b>	<b>-1,175</b>	<b>81</b>	<b>33</b>	<b>-8</b>	<b>0</b>	<b>-1,069</b>
<b>Reconciliation to net result</b>						
<b>Operational EBITDA</b>						<b>254</b>
One-off items <sup>3)</sup>						-1
<b>Earnings before interest, tax, depreciation, and amortisation (EBITDA)</b>						<b>253</b>
Depreciation, amortisation, and impairment						-73
<b>Earnings before interest and tax (EBIT)</b>						<b>180</b>
Financial items, net						29
<b>Earnings before tax (EBT)</b>						<b>209</b>
Tax						-29
<b>Net result - continuing operations</b>						<b>180</b>
Net result - discontinued operations						101
<b>Net result</b>						<b>281</b>

<sup>1)</sup> Revenue recognised at a point in time

<sup>2)</sup> Revenue recognised over time

<sup>3)</sup> Refer to Definitions

# Notes

## 2 Segment reporting – continued

EURm	Solutions	Applications	Service & Accessories	Non allocated	Inter-segment transaction	NKT
<b>Q1-Q3 2023</b>						
<b>Income statement</b>						
Goods <sup>1)</sup>	35	858	120	0	-27	986
Services etc. <sup>2)</sup>	16	0	6	0	-1	21
Construction contracts <sup>2)</sup>	872	0	21	0	-18	875
<b>Revenue (market prices)</b>	<b>923</b>	<b>858</b>	<b>147</b>	<b>0</b>	<b>-46</b>	<b>1,882</b>
Adjustment of market prices to std. metal prices	-122	-369	0	0	0	-491
<b>Revenue (std. metal prices)<sup>3)</sup></b>	<b>801</b>	<b>489</b>	<b>147</b>	<b>0</b>	<b>-46</b>	<b>1,391</b>
Costs and other income, net (excl. one-off items)	-795	-810	-132	0	46	-1,691
<b>Operational EBITDA<sup>3)</sup></b>	<b>128</b>	<b>48</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>191</b>
Depreciation, amortisation, and impairment	-51	-11	-3	-1	0	-66
<b>Operational EBIT<sup>3)</sup></b>	<b>77</b>	<b>37</b>	<b>12</b>	<b>-1</b>	<b>0</b>	<b>125</b>
<b>Working capital<sup>3)</sup></b>	<b>-778</b>	<b>68</b>	<b>33</b>	<b>76</b>	<b>0</b>	<b>-601</b>
<b>Reconciliation to net result</b>						
<b>Operational EBITDA</b>						<b>191</b>
One-off items <sup>3)</sup>						0
<b>Earnings before interest, tax, depreciation, and amortisation (EBITDA)</b>						<b>191</b>
Depreciation, amortisation, and impairment						-66
<b>Earnings before interest and tax (EBIT)</b>						<b>125</b>
Financial items, net						-8
<b>Earnings before tax (EBT)</b>						<b>117</b>
Tax						-29
<b>Net result - continuing operations</b>						<b>88</b>
Net result - discontinued operations						3
<b>Net result</b>						<b>91</b>

<sup>1)</sup> Revenue recognised at a point in time

<sup>2)</sup> Revenue recognised over time

<sup>3)</sup> Refer to Definitions



# Notes

## 3 Net interest-bearing debt and working capital

EURm	30 Sep 2024	30 Sep 2023	Year 2023
<b>Net interest-bearing debt</b>			
Borrowings, non-current - continuing operations	209	170	196
Borrowings, non-current - classified as held for sale	0	9	10
Borrowings, current - continuing operations	14	9	11
Borrowings, current - classified as held for sale	0	2	2
Cash and cash equivalents - continuing operations	-1,359	-863	-888
Cash and cash equivalents - classified as held for sale	0	-2	-2
<b>Net interest-bearing debt</b>	<b>-1,136</b>	<b>-674</b>	<b>-671</b>
<b>Working capital</b>			
Inventories	392	314	311
Trade and other receivables	458	382	340
Derivative financial instruments	216	286	185
Contract assets	117	126	107
Income tax receivable	13	5	15
Trade payables	-481	-377	-364
Other liabilities	-214	-152	-145
Derivative financial instruments	-77	-161	-94
Contract liabilities	-1,453	-995	-1,037
Income tax payable	-40	-29	-27
<b>Working capital</b>	<b>-1,069</b>	<b>-601</b>	<b>-709</b>

EURm	30 Sep 2024	30 Sep 2023	Year 2023
<b>Reconciliation to change in working capital in cash flow</b>			
Working capital 1 January	-709	-303	-303
Working capital end of period	-1,069	-601	-709
<b>Change in working capital based on balance sheet</b>	<b>-360</b>	<b>-298</b>	<b>-406</b>
Effect of unrealised hedges reported on Equity	-47	55	87
Effect of changes in current tax	13	17	6
Effect of changes in exchange rates, etc.	-21	8	-7
<b>Change in working capital based on cash flow statement</b>	<b>-415</b>	<b>-218</b>	<b>-320</b>

# Notes

## 4 Discontinued operations

In June 2022, NKT entered into an agreement to divest NKT Photonics to Photonics Management Europe S.R.L, a 100% owned subsidiary of Hamamatsu Photonics K.K. Closing of the transaction was subject to regulatory approvals which were obtained from Germany, the United Kingdom, and the United States; however, not approved in Denmark in May 2023. After refileing the application in July 2023 the sale was approved in April 2024 and NKT Photonics was sold with effect from 31 May 2024.

Discontinued operations and information on discontinued operations below solely relates to NKT Photonics.

EURm	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Year 2023
<b>Profit for the year – discontinued operations</b>					
Revenue	0	22	28	60	88
Costs and other income, net	0	-21	-38	-61	-81
<b>Earnings before interest, tax, depreciation, and amortisation (EBITDA)</b>	<b>0</b>	<b>1</b>	<b>-10</b>	<b>-1</b>	<b>7</b>
Depreciation, amortisation and impairment	0	0	0	0	0
<b>Earnings before interest and tax (EBIT)</b>	<b>0</b>	<b>1</b>	<b>-10</b>	<b>-1</b>	<b>7</b>
Financial items, net	0	0	109	0	-1
<i>Hereof gain from sale of discontinued operations, net</i>	<i>0</i>	<i>0</i>	<i>107</i>	<i>0</i>	<i>0</i>
<b>Earnings before tax (EBT)</b>	<b>0</b>	<b>1</b>	<b>99</b>	<b>-1</b>	<b>6</b>
Tax	0	1	2	4	-1
<b>Net result - discontinued operations</b>	<b>0</b>	<b>2</b>	<b>101</b>	<b>3</b>	<b>5</b>
NKT's share hereof	0	2	101	3	5
Basic earnings - discontinued operations, EUR, per share (EPS)	0.0	0.0	1.9	0.0	0.1
Diluted earnings - discontinued operations, EUR, per share (EPS-D)	0.0	0.0	1.9	0.0	0.1

EURm	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Year 2023
<b>Cash flows from discontinued operations</b>					
Cash flow from operating activities	0	3	-3	4	4
Cash flow from investing activities	0	-3	241	-12	-15
Cash flow from financing activities	0	-1	10	6	10
<b>Net cash flow from discontinued operations</b>	<b>0</b>	<b>-1</b>	<b>248</b>	<b>-2</b>	<b>-1</b>
<b>Balance sheet items comprise</b>					
Non-current assets	0	114	0	114	119
Current assets	0	57	0	57	58
<b>Assets held for sale</b>	<b>0</b>	<b>171</b>	<b>0</b>	<b>171</b>	<b>177</b>
Non-current liabilities	0	12	0	12	18
Current liabilities	0	26	0	26	20
<b>Liabilities associated with assets held for sale</b>	<b>0</b>	<b>38</b>	<b>0</b>	<b>38</b>	<b>38</b>

# Notes

## 4 Discontinued operations – continued

EURm	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023	Year 2023
<b>Consideration received or receivable:</b>					
Cash	0	0	254	0	0
<b>Total disposal consideration</b>	<b>0</b>	<b>0</b>	<b>254</b>	<b>0</b>	<b>0</b>
Intangible assets	0	0	85	0	0
Property, plant, and equipment	0	0	41	0	0
Inventories	0	0	29	0	0
Trade and other receivables	0	0	19	0	0
Cash and cash equivalents	0	0	3	0	0
Trade payables	0	0	-5	0	0
Provisions	0	0	-10	0	0
Other liabilities	0	0	-19	0	0
<b>Carrying amount of net assets sold</b>	<b>0</b>	<b>0</b>	<b>-143</b>	<b>0</b>	<b>0</b>
Transaction costs	0	0	-3	0	0
<b>Gain on sale before income tax and reclassification of foreign currency translation reserve</b>	<b>0</b>	<b>0</b>	<b>108</b>	<b>0</b>	<b>0</b>
Reclassification of foreign currency translation reserve	0	0	-1	0	0
<b>Gain on sale before income tax</b>	<b>0</b>	<b>0</b>	<b>107</b>	<b>0</b>	<b>0</b>
Income tax expense on gain	0	0	0	0	0
<b>Gain on sale after income tax</b>	<b>0</b>	<b>0</b>	<b>107</b>	<b>0</b>	<b>0</b>
<b>Cash effect:</b>					
Cash received	0	0	254	0	0
Cost related to transaction	0	0	-3	0	0
Cash and cash equivalents disposed of	0	0	-3	0	0
<b>Net cash effect</b>	<b>0</b>	<b>0</b>	<b>248</b>	<b>0</b>	<b>0</b>

## 5 Acquisition of companies

On 21 June 2024 NKT acquired 100% of SolidAI, a Portugal-based power cable manufacturer, from Njord Partners, adding medium- and high-voltage capacity to meet the growing demand from grid upgrades and renewable energy projects across Europe. The considerations were transferred in full and there are no contingent considerations.

EURm	Fair value
Intangible assets	39
Property, plant, and equipment	53
Other non-current assets	4
Inventories	37
Trade and other receivables	10
Cash and cash equivalents	5
Non-current liabilities	-22
Current liabilities	-43
<b>Acquired net assets</b>	<b>83</b>
Goodwill	66
<b>Purchase price</b>	<b>149</b>
Acquired cash and cash equivalents	-5
<b>Cash flow used for acquisition</b>	<b>144</b>

The acquisition consists of net assets of EUR 83m predominantly related to property, plant, and equipment, intangible assets and working capital. Acquired intangible assets are related to technology and customer relations. EUR 66m is recognised as goodwill reflecting expected synergies from the acquisition. The goodwill is not expected to be deductible for tax purposes. Acquisition related costs of EUR 1m are recognised in one-off items. The purchase price allocation is preliminary at the balance sheet date.

From the acquisition date to 30 September 2024 the impact on revenue was EUR 33m and there was no impact on EBITDA, due to costs of EUR 4m related to revaluation of inventories as part of the integration of SolidAI. Had the acquisition occurred on 1 January 2024, the impact for the period until 30 September 2024 on revenue and EBITDA would have been approximately EUR 97m and EUR 11m, respectively.

## 6 Events after the balance sheet date

Management is not aware of any subsequent matters that could be of material importance to NKT Group's financial position.

# Definitions

The Group operates with the following performance measures which are calculated in accordance with the Danish Finance Society's guidelines:

Performance measures defined by IFRS Accounting Standards:

1. **Earnings, EUR per outstanding share (EPS)** – Earnings attributable to equity holders of NKT A/S relative to average number of outstanding shares.

2. **Diluted earnings, EUR per outstanding share (EPS)** – Earnings attributable to equity holders of NKT A/S relative to average number of outstanding shares, including the dilution effect of outstanding share programmes.

Further the Group presents the following performance measures not defined according to IFRS Accounting Standards (non-GAAP measures) in the Interim Report:

3. **Revenue at standard metal prices** – Revenue at standard metal prices for copper and aluminium is set at EUR/tonne 1,550 and EUR/tonne 1,350 respectively.

4. **Organic growth** – Revenue growth (standard metal price) as a percentage of prior-year adjusted revenue (standard metal price). Organic growth is a measure of growth, excluding the impact of exchange rate adjustments, acquisitions, and divestments.

5. **One-off items** – Consist of non-recurring income and cost related to acquisitions, divestments, integration, restructuring, severance, and other one-time items.

6. **Operational earnings before interest, tax, depreciation, and amortisation (Operational EBITDA)** – Earnings before interest, tax, depreciation, and amortisation (EBITDA) excluding one-off items.

7. **Operational earnings before interest and tax (Operational EBIT)** – Earnings before interest and tax excluding one-off items.

8. **Net interest-bearing debt** – Cash and interest-bearing receivables less interest-bearing debt. Hybrid capital is not included in net interest-bearing debt.

9. **Capital employed** – Equity plus net interest-bearing debt.

10. **Working capital** – Current assets minus current liabilities (excluding interest-bearing items and provisions).

11. **Gearing** – Net interest-bearing debt as a percentage of equity.

12. **Net interest-bearing debt relative to operational EBITDA** – Calculated as net interest-bearing debt as defined in point 8 relative to LTM (last twelve months) of operational EBITDA for continuing operations as defined in point 6.

13. **Solvency ratio (equity as a percentage of total assets)** – Equity including hybrid capital as a percentage of total assets.

14. **Return on capital employed (RoCE)** – Operational EBIT last twelve months for continuing operations as a percentage of average of the last five quarters of capital employed for continuing operations.

15. **Equity value, EUR per outstanding share** – Equity attributable to equity holders of NKT A/S per outstanding share at 30 September. Dilution effect of outstanding share programmes is excluded.

16. **Free cash flow** – Cash flow from operating and investing activities.

17. **Orders on hand** – Value of the uncompleted work of contracts within the Solutions business line. Contracts are included when they are signed and all significant conditions which may impact the value of the contracts have been agreed.

Statements made about the future in this report reflect the Group Management's current expectations with regard to future events and financial results. Statements about the future are by their nature subject to uncertainty. The results achieved may therefore differ from the expectations. Among other things expectations may differ due to economic and financial market developments, legislative and regulatory changes in NKT A/S markets, development in product demand, competitive conditions, and energy and raw material prices. See the latest Annual Report for a more detailed description of risk factors.

NKT A/S disclaims any liability to update or adjust statements about the future or the possible reasons for differences between actual and anticipated results except where required by legislation or other regulations.

The NKT A/S Interim Report Q1-Q3 2024 was published on 14 November 2024 and released through Nasdaq Copenhagen.

The report is also available at [investors.nkt.com](https://investors.nkt.com).

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# Group Management's statement

The Board of Directors and the Executive Management Board have today considered and adopted the Interim Report of NKT A/S for the period 1 January – 30 September 2024.

The Interim Report for the period 1 January – 30 September 2024, which has not been audited or reviewed by the company auditor, has been prepared in accordance with IAS 34 'Interim Financial Reporting', as approved by the EU, and Danish disclosure requirements for interim reporting by listed companies.

In our opinion the Interim Report gives a true and fair view of the Group's assets, liabilities, and financial position at 30 September 2024 and the results of the Group's activities and cash flow for the period 1 January – 30 September 2024.

Furthermore, in our opinion, the Management's review includes a fair account of the development and performance of the Group, the results for the period, and of the financial position of the Group. Other than set forth in the interim report, no changes have occurred to the significant risks and uncertainty factors compared with those disclosed in the Annual Report for 2023.

Brøndby, 14 November 2024

## Executive Management

Claes Westerlind  
*President & CEO*

Line Andrea Fandrup  
*CFO*

## Board of Directors

Jens Due Olsen  
*Chair*

René Svendsen-Tune  
*Deputy Chair*

Nebahat Albayrak

Äkos Frank\*

Jean Leif Iversen\*

Karla Lindahl

Andreas Nauen

Pernille Blume Jørgensen\*

Anne Vedel

\* Employee-elected member

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Find the full reporting for 2024 at [investor.nkt.com](https://investor.nkt.com)

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NKT is signatory to:



Science Based Targets initiative.  
A commitment to become a net zero emissions company.



United Nations Global Compact.  
A pledge to implement universal sustainability principles.



Europacable Industry Charter.  
A commitment towards superior quality.