

Company Announcement

16 November 2022
Announcement No. 23

NKT A/S
Vibeholms Allé 20
DK-2605 Brøndby
Denmark

T: +45 43 48 20 00
www.nkt.com
CVR 62725214

NKT A/S Q3 2022: Revenue increased driven by all three business lines and financial outlook 2022 updated

NKT CEO Alexander Kara says:

- Overall, we are satisfied with our financial performance in Q3 2022. We were navigating through the current economic uncertainties and a steep increase in cost levels in Applications. We expect the uncertainties to prevail for some time, but the focus on the green transition and transmission security is stronger than ever. The level of awards in the high-voltage market is unprecedented, and I am confident that NKT will continue to play a key role in connecting a greener world and lift our financial performance further in the coming years.

Financial highlights

NKT		
EURm	Q3 2022	9M 2022
Revenue	357.7*	1,058*
Organic growth	8%	9%
Operational EBITDA	35.2	114.8
Operational EBITDA margin	9.8%*	10.9%*

* Std. metal prices

2022 financial outlook

Based on the financial performance during 2022, the financial outlook is updated.

Revenue (in std. metal prices) is expected to be approx. EUR 1.4-1.45bn (previously approx. EUR 1.35–1.45bn) and the operational EBITDA is expected to be approx. EUR 140-155m (previously approx. EUR 130–155m).

The financial outlook assumes limited financial impact due to the global supply chain challenges and further deteriorations in the macroeconomic environment.

Q3 2022 development

NKT's revenue (std. metal prices) in Q3 2022 increased to EUR 358m from EUR 333m in Q3 2021, corresponding to 8% organic growth. The improvement was driven by all three business lines.

The operational EBITDA of EUR 35.2m in Q3 2022 was EUR 9.6m below the same quarter in 2021. However, the earnings in Q3 2021 were positively impacted by income of EUR 20.7m related to the closure of insurance cases. Exclusive of this, the operational EBITDA margin* increased from 7.2% in Q3 2021 to 9.8% in Q3 2022. The improved earnings were driven by Solutions and Service & Accessories; especially Service & Accessories contributed with increasing earnings due to higher

activity level compared to Q3 2021. Applications saw a decrease in operational EBITDA mainly due to higher input costs.

At end-Q3 2022, the high-voltage order backlog was EUR 4.5bn (EUR 4.0bn in std. metal prices). In Q3 2022, NKT secured various onshore projects and variation orders to existing projects to its order backlog. NKT also announced the turnkey award for the prospective East Anglia THREE offshore wind farm in the UK. The project will be included in the order backlog when the project owners provide NKT with a notice to proceed and make a final investment decision. This is expected no later than Q1 2023.

NKT has issued green hybrid securities amounting to EUR 150m to strengthen its financial position for future growth opportunities. These replaced the existing EUR 150m hybrid securities that have been redeemed.

Teleconference

NKT A/S hosts a teleconference for investors and financial analysts at 10:00am CET on 16 November 2022. The presentation to be used during the call will be available before the start of the teleconference. To attend, please register and access on investors.nkt.com (please be aware that this is an updated procedure).

Contact

Investor Relations: Michael Nass Nielsen, Head of Investor Relations, tel.: +45 2494 1654

Media Relations: Louise W. Naldal, Head of Group Communications, tel.: +45 2982 0022