

MT Højgaard Holding: Continued growth in challenging market

MT Højgaard Holding publishes its interim financial report for the first quarter of 2022 with the following highlights:

FIRST QUARTER HIGHLIGHTS

The first-quarter results met expectations. The construction industry is highly affected by price and supply problems concerning building materials, but these problems only had a minor impact on the financial results for the first quarter of the year. However, the business units' focus on how to address the problems was substantial.

- Revenue increased by 25.5% to DKK 1,888 million, with organic growth accounting for approx. 6.5%.
- Operating profit before special items was DKK 31 million, up from DKK 14 million in the first quarter of 2021. The operating margin increased by 0.6 percentage points to 1.6%.
- Growth was mainly attributable to MT Højgaard Danmark and Enemærke & Petersen, whereas Scandi Byg's financial performance deteriorated due to lower activity.

ORDER INTAKE AND ORDER BOOK

A healthy order book provides stability and robustness.

- The Group's total order book increased by 30.0% to DKK 10.8 billion. To this should be added orders won but not yet contracted with an approximate value of DKK 3.5 billion and future projects under the strategic partnerships with a total potential value of DKK 6-7 billion.
- In the first quarter, the business units contracted new unconditional orders with a total value of DKK 1,923 million. The order intake was 7.4% higher than in the first quarter of 2021. MT Højgaard Danmark made the largest contribution to growth with an order intake of DKK 869 million.
- After a period of low order intake, Scandi Byg landed new orders worth DKK 201 million. Scandi Byg was also appointed design-build contractor for the new housing district Fælledby in Copenhagen. A final order is expected to be signed in the course of 2022.

OUTLOOK FOR 2022

The outlook for 2022 remains unchanged compared to the outlook announced in the 2021 annual report. However, there is an increasing risk that the price and supply problems may affect the Group's projects and financial performance.

- Revenue is still expected to be around DKK 8.0-8.2 billion.
- Operating profit before special items is still expected to be around DKK 250-275 million.
- The highest earnings are still expected in the second half of 2022.

"We created the expected results and recorded a solid order intake in the first quarter, while at the same time handling the all-time high prices for building materials and the increasing supply problems. But the difficult market conditions have required an increased focus, and it has been necessary to find alternative materials or suppliers for a number of our projects. We are preparing ourselves for these problems to continue, and we are in close and regular dialogue with our clients, suppliers and other partners on how to take remedial initiatives in time. But the risk is on the rise", says CEO Henrik Mielke.

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