

Company Announcement

5 May 2023

Announcement No. 15

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NKT awarded turnkey HVDC power cable project to connect France and Spain

NKT has won an order for one of the 400 kV high-voltage power cable systems for the Biscay Gulf Interconnector strengthening the transmission security and electricity supply between the two countries. With the order NKT further extends its market presence to the southern parts of Europe.

As informed in Company Announcement no. 9 of 10 March 2023, NKT were selected as turnkey supplier for the turnkey power cable project for the Biscay Gulf Interconnector by INELFE (Electricity Interconnection France-Spain), a joint venture between the Spanish transmission system operator, Red Eléctrica, and its French counterpart, Réseau Transport d'Électricité. Now, the final order has been awarded with an order value of more than EUR 600m. The order comprises design, production, offshore installation and commissioning of one of the two 400 kV high-voltage DC XLPE power cable systems enabling energy exchange between France and Spain.

NKT President and CEO Alexander Kara says:

- With the order, we continue to leverage our expertise in high-voltage DC power cable technology to play a central part in interconnecting the European power grids. The Biscay Gulf Interconnector will be important to strengthen transmission security and the green transition in Europe. We are also pleased to expand our market reach to Southern Europe and are looking forward to the collaboration with INELFE.

The order includes approximately 100 km onshore cables as well as 300 km offshore cables divided into three on- and two offshore sections to avoid cable laying in the submarine Capbreton Canyon.

The two cable systems of interconnector will increase the total potential energy exchange between France and Spain from 2,800 MW to 5,000 MW. It will improve safety, stability and quality of electricity supply, as well as efficiency in both countries. The project will strengthen the integration of renewable energy by connecting the Iberian Peninsula with continental Europe.

NKT will produce the power cables at the high-voltage factory in Karlskrona, Sweden, with expected commissioning of the full project by 2028.

The order award does not change the 2023 financial outlook for NKT.

Key facts:

- **Contract value:** Above EUR 600m (above EUR 550m in std. metal prices)
- **Customer:** INELFE is a joint venture between the Spanish transmission system operator, Red Eléctrica, and its French counterpart, Réseau Transport d'Électricité, in charge of the construction and commissioning of all cross-border connections between both countries.

- **Cable specifications:** 400 kV high-voltage DC XLPE power cable system, approx. 100 km onshore cables and 300 km offshore cables
- **Schedule:** Commissioning of the full project expected by 2028
- **Subjects in contract:** None

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