

Company Announcement

8 November 2023
Announcement No. 30

NKT A/S Q3 2023 Interim Report: 44% organic growth and record-high operational EBITDA

NKT CEO Claes Westerlind on the development in Q3 2023:

- For the fourth consecutive quarter, we achieved double-digit growth in revenues and operational EBITDA, driven by capacity expansions, satisfactory project execution, and continued growth in our Solutions and Applications business lines.

Our leading position in the high-voltage power cable market was once again confirmed by significant project awards, including the largest order in NKT's history from German Transmission System Operator 50Hertz. We are honoured by the trust that our customers continue to have in our ability to deliver leading power cable solutions and are proud that NKT continue to have a central role in connecting a greener world.

Financial highlights

EURm	Q3 2023	Q3 2022
Revenue*	501	358
Organic growth	44%	8%
Operational EBITDA	76.5	35.2
Operational EBITDA margin*	15.3%	9.8%

* Std. metal prices

2023 financial outlook

The financial outlook was updated in Company Announcement No. 29 of 30 October 2023.

Revenues (in std. metal prices) are expected to be approx. EUR 1.85-1.9bn (previously approx. EUR 1.8-1.9bn) and operational EBITDA is expected to be approx. EUR 240-260m (previously approx. EUR 215-245m)

Positive development in revenues and operational EBITDA

In Q3 2023, NKT's revenues (in std. metal prices) increased by EUR 143m compared to Q3 2022, corresponding to 44% organic growth. The improvement was due to increased revenues in Solutions and Applications, where satisfactory execution and previous capacity and capability investments drove the majority of growth. In Service & Accessories revenues decreased, reflecting lower service repair activity compared to Q3 2022.

Driven by higher revenues, as well as margin improvement, within Solutions and Applications, operational EBITDA increased to a record-high quarterly level of EUR 76.5m in Q3 2023, against EUR 35.2m in Q3 2022.

In Q3 2023, the high-voltage order backlog took another significant step up to a new record-high level of EUR 11.0bn (EUR 9.6 in std. metal prices). This was driven by the award of a framework agreement and five power cable projects with German Transmission System Operator 50Hertz. The five projects have a combined value of approx. EUR 3.5bn which set a new company record for NKT.

In Q3 2023, NKT also progressed execution of its approx. EUR 1bn investment program, which was announced in May 2023 to deliver on the company's record-high order backlog and support future profitable growth. Significant capital expenditures related to the investment program are expected to commence in the coming years. In preparation for this, NKT strengthened its capital structure through a fully subscribed rights issue, which contributed net proceeds of EUR 357m in Q3 2023.

Teleconference

NKT A/S will host a teleconference for investors and financial analysts at 11:30am CET on 8 November 2023. The presentation used during the call will be made available before the start of the teleconference. To attend, please register and gain access on investors.nkt.com

Contacts

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

Media Relations: Louise Westh Naldal, Head of Group Communications, Tel.: +45 2982 0022