

## Company Announcement

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

T: +45 43 48 20 00  
[www.nkt.com](http://www.nkt.com)  
CVR 62725214

# NKT secures order for two power cable projects and invests in additional high-voltage capacity in Germany

*NKT has been awarded two onshore power cable projects by the German TSO Amprion. With the order, NKT further reinforces its position as the leading provider of power cable solutions for the German transition to renewable energy and consequently invests in additional high-voltage capacity at its existing factory in Cologne, Germany.*

Amprion, a German transmission system operator (TSO), has selected NKT to provide high-voltage alternate current (AC) and direct current (DC) onshore power cable systems for the ongoing expansion of the German power grid. With the award of these two specific turnkey projects, NKT will design, manufacture and install the high-voltage power cable systems with voltage levels of 110 kV, 380 kV AC and 525 kV DC. With a combined value of approximately EUR 1.2bn, NKT continues the positive development from 2023 and increases the high-voltage order backlog to approximately EUR 12bn.

NKT President and CEO Claes Westerlind says:

- We are excited to continue the long-term collaboration with Amprion in their ambitious development of the power grid supporting the transition to renewable energy. With this award, we leverage our local footprint, strong commitment to sustainability and confirm the strength of our high-voltage power cable capabilities. We are also very pleased to continue building upon our strong position in the German market.

With these project awards, Amprion progresses the extension of its high-voltage transmission grid as a key element in the acceleration of the Energiewende, Germany's long-term strategy for the transition to renewable energy by 2045.

Amprion CTO Dr. Hendrik Neumann says:

- Contracts like the one with NKT are fundamental to driving forward the energy transition. Only if we can procure the necessary resources on the market in time, we stay on schedule and on course for project success. Korridor B in particular plays an important role in achieving our climate targets.

In support of the continued expectations of a strong high-voltage market outlook, especially in Germany, and the award from Amprion adding to an already record-high order backlog, NKT has decided to invest approximately EUR 100m in additional capacity at its existing factory in Cologne. The investment will be funded within NKT's existing capital structure. The added capacity is planned to be gradually operational from 2027 and is expected to support NKT's medium-term financial ambition of delivering RoCE above 20%.

The majority of the power cables for the two projects will be manufactured in Cologne which is operating on renewable electricity and is located close to the installation sites in Germany. The local footprint will significantly reduce the carbon footprint of the power cable systems,

help create and maintain highly qualified German jobs supporting the transition to renewable energy in general and Germany's leading position within this transition.

The order does not change the 2024 financial outlook for NKT.

**Key facts:**

- **Customer:** Amprion GmbH
- **Combined contract value of the two specific turnkey projects:**  
Approximately EUR 1.2bn in market prices (approximately EUR 1bn in std. metal prices).
- **Project specifications:**
  - **Korridor-B V48:** Onshore corridor project with a route length of approximately 430 km of 525 kV HVDC power cables.
  - **Rheinquerung:** Cable lengths of approximately 120 km of 380 kV AC and approximately 50 km of 110 kV AC power cables for extension of the onshore power grid in Germany.
- **Schedule:** The two projects are expected to be commissioned from 2029 to 2031.

**Contact**

Investor Relations: Michael Nass Nielsen, Head of Investor Relations, Tel.: +45 2494 1654  
Press: Pelle Fischer, External Communications Lead, Tel: +45 2223 5870