

**FOR FURTHER
INFORMATION:**

Please contact CEO Henrik Mielke and CFO Rasmus Untidt, phone: +45 22 70 93 65

INTERIM FINANCIAL REPORT

1 January - 31 March 2023

"The Danish business units continued to create growth and good results in the first quarter. In spite of a market slowdown, Group activity was high, and we generated a good return on the capital invested and strengthened both cash flows and cash and cash equivalents. At the same time, we intensified the restructuring of our international activities."

Henrik Mielke, CEO

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EXPANSION, PORT OF RØNNE

In the first quarter, MT Højgaard Danmark completed the second phase of the Port of Rønne expansion project, featuring, among other things, a 475 m long breakwater and a 350 m long dammed-in cruise ship quay.

This interim report covers MT Højgaard Holding A/S and has been published in both Danish and English. In case of any discrepancy between the two versions, or in case of any doubt, the Danish version will take precedence.

FINANCIAL HIGHLIGHTS – FIRST QUARTER OF 2023

- The business units operating in Denmark, MT Højgaard Danmark in particular, had a good start to 2023, while the performance of MT Højgaard International did not live up to expectations.
- Revenue rose by 27% to DKK 2.3 billion, driven by double-digit growth in the Danish business units.
- Operating profit before special items increased by 23% to DKK 42 million.
- Operating activities generated a cash inflow of DKK 44 million, i.e. an improvement of DKK 58 million.
- Order intake increased by 130% to DKK 4.1 billion, and the order book grew to DKK 15.7 billion, to which should be added orders awarded but not yet contracted and contributions from strategic construction partnerships and joint ventures.

OUTLOOK FOR 2023

- The outlook for the financial year is unchanged, supported by a healthy order book.
- Revenue is still expected to increase by 4-10% to DKK 9.0-9.5 billion.
- Operating profit before special items is still expected to increase by 9-18% to DKK 300-325 million.
- Based on the known phasing of projects, revenue and earnings are expected to peak in the second half of the year.
- About 88% of the expected contract revenue for 2023 was contracted by the end of the quarter.
- The restructuring of the international activities was intensified in the first quarter and will continue for the remaining part of the year.

Operating and financial review

As expected, MT Højgaard Holding improved its operating result in the first quarter, in spite of unsatisfactory results from the international activities. The order book grew to an all-time high of DKK 15.7 billion. The full-year outlook is reaffirmed.

Comparative figures for the first quarter of 2022 are shown in parenthesis. All comparative figures have been adjusted for Scandi Byg, which is only reported as discontinuing operations in the income statement.

The Danish business units of MT Højgaard Holding had a good start to 2023 with higher activity, double-digit growth in revenue, improved earnings and increasing order intake.

MT Højgaard Danmark continued to build on the positive momentum experienced by the business unit in recent quarters, improving its earnings by DKK 29 million after high revenue growth. The business unit made good progress in civil engineering and infrastructure, which generated about half of MT Højgaard Danmark's revenue.

Enemærke & Petersen's earnings were in line with the first quarter of 2022, while MT Højgaard Property Development cut its operating loss by half. MT Højgaard International recorded an unsatisfactory operating loss of DKK 19 million (2022: a profit of DKK 1 million). The loss was mainly attributable to the activities in Greenland due to lower earnings on three of the ongoing construction projects.

Also the closing down of activities on the Faroe Islands contributed to the loss.

ORDER INTAKE

The Group's business units contracted new orders and extra works worth a total amount of DKK 4.1 billion. Order intake was 130% higher than in the first quarter of 2022, with a good mix of project types, project sizes, geographical spread and with a satisfactory share of projects in strategic construction partnerships and other collaboration projects.

The focus on close collaboration with customers and consultants increases the growth opportunities available to the Danish business units at a time when the traditional tendering market has slowed down and an increasing number of clients prefer to enter into contracts directly with solid contracting companies with strong and well-documented collaboration skills.

The largest order was the contract with PensionDanmark for the design, construction and operation of new headquarters for the Danish Defence Intelligence Service. With a contract sum of around DKK 2 billion, the project is the largest public-private partnership (PPP) to date in Denmark. MT Højgaard Danmark

is the main contractor, while the operation and service of the building will be handled by MT Højgaard Property Development and the DEAS Group for a period of 30 years.

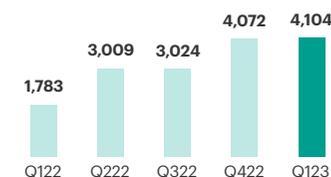
Also, Enemærke & Petersen and MT Højgaard International reported increasing order intake. In contrast, MT Højgaard Property Development's order intake decreased, but several major projects for the construction of residential and commercial buildings are expected to be launched in the second half of 2023, and interest in the business unit's current projects is growing.

Among the Danish customers, the interest in sustainability continued to grow. Since 1 January 2023, a life cycle assessment (LCA) has been required for all new buildings, and with our many years of experience with both life cycle assessments and sustainability certifications, the Group is well-prepared to meet the new requirements.

The reuse of building stock is also a focus area. By way of example, Enemærke & Petersen's largest order in the first quarter was the refurbishment of a property for Kirkbi Invest. In the period until 2025, the property will be transformed into a DGNB Gold certified multi-user building, and during the transformation process, materials from the property will be reused to the largest extent possible, supplemented by recycled materials from external suppliers such as the part-owned company Genbyg.

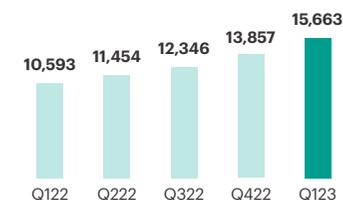
Order intake*

DKK million



Order book*

DKK million



Revenue and operating margin*

DKK million



* 2022 has been adjusted for Scandi Byg.

ORDER BOOK

The portfolio of firm, unconditional orders amounted to DKK 15.7 billion at the end of the quarter, a 13% increase since the turn of the year and a 48% increase compared to the first quarter of 2022.

In addition to the DKK 15.7 billion order book, the Group had orders awarded but not yet contracted worth DKK 1.5 billion (2022: DKK 3.5 billion). The decrease compared to last year was mainly due to the final award of orders worth DKK 2.6 billion under a number of phased agreements with DSB. To this figure should be added the value of future projects under the strategic partnerships with Civica, the Capital Region of Denmark, the City of Copenhagen and KAB.

The portfolio of orders does not include joint ventures. The largest joint venture order is the North Harbour Tunnel worth around DKK 2.6 billion, with MT Højgaard Danmark receiving half of that amount.

RESTRUCTURING OF INTERNATIONAL ACTIVITIES

The restructuring of the activities in Greenland has been intensified, and the management of MT Højgaard Holding monitors the process closely. The construction projects in progress are to be completed in the best possible manner during 2023-2024. Risk management has been reinforced, and a more selective approach to tendering has been taken, with a focus on less complexity and more collaboration projects.

The closing-down on the Faroe Islands is drawing to its end, and the last two construction projects are scheduled for completion in the second and third quarters, respectively. Seth is negotiating with potential business partners for the purpose of strengthening the business model. Finally, the management of the profitable business in the Maldives has been transferred to the water construction department of MT Højgaard Danmark for the purpose of creating synergies in this growth area.

DISPUTES

The efforts to settle or resolve old disputes progressed well in the first quarter. However, this did not apply to the disputes concerning the Niels Bohr Institute, the New Aalborg University Hospital and the Gødstrup Regional Hospital where the opposing parties are still unwilling to engage in mediation.

INCOME STATEMENT

Revenue increased by 27% to DKK 2.3 billion through organic growth. 31% of revenue came from strategic construction partnerships and other collaboration projects. The operating profit before special items increased by 23% to

DKK 42 million. The operating margin was 1.8%, compared to 1.9% in the first quarter of 2022.

The gross margin was 5.5% (2022: 6.7%). The decline was mainly caused by the operating loss reported by MT Højgaard International. Project write-ups and write-downs depressed operating profit by DKK 8 million, slightly less than last year. EBIT was DKK 37 million (2022: DKK 27 million) and, at 1.6%, the EBIT margin was in line with the first quarter of last year.

The return on invested capital improved in line with the financial ambitions to increase our financial latitude. ROIC was 21.6% (2022: 15.7%).

The profit before tax from continuing operations doubled to DKK 18 million (2022: DKK 9 million), while the result from discontinuing operations after tax was a loss of DKK 3 million (2022: a loss of DKK 2 million), which concerns Scandi Byg.

As a result, the profit for the period was DKK 15 million (2022: DKK 6 million). ROE was 1.9% (2022: 0.9%).

EQUITY

Equity rose to DKK 757 million, up from DKK 751 million at year-end 2022 and DKK 745 million at the end of the first quarter of 2022. The solvency ratio was 16.3%, which was 1 percentage point higher than at the turn of the year, but 0.5 percentage point lower than in the first quarter of 2022. The solvency ratio was 23.2%, including a subordinated loan from Knud Højgaards Fond.

CASH FLOWS

The cash inflow generated by operating activities improved to DKK 44 million (2022: a cash outflow of DKK 14 million) because of the continuous efforts to reduce the working capital. The Group's working capital fell to a negative DKK 56 million (2022: a positive DKK 144 million) due to lower receivables and a positive net development of work in progress. At the same time, trade payables fell compared to the end of 2022.

NET INTEREST-BEARING DEBT

The Group's interest-bearing debt of DKK 534 million remained more or less unchanged compared to the turn of the year, but fell from DKK 700 million compared to the first quarter of 2022 due to an increase in cash and cash equivalents.

Amounts in DKK million

	YTD 2023				YTD 2022			
	Revenue	Operating profit/ (loss) before special items	Order intake	Order book	Revenue	Operating profit/ (loss) before special items	Order intake	Order book
MT Højgaard Danmark	1,164	40.3	2,765	8,974	854	11.5	869	4,508
Enemærke & Petersen	935	34.3	1,157	5,893	808	34.9	870	5,209
MT Højgaard International	168	-18.8	191	637	164	0.6	120	938
MT Højgaard Property Development	124	-2.6	9	357	70	-5.4	27	481
Other (eliminations)	-92	-11.6	-18	-199	-82	-7.9	-103	-543
MT Højgaard Holding Group	2,299	41.6	4,104	15,663	1,814	33.7	1,783	10,593

Consolidated financial highlights

For the MT Højgaard Holding Group

Amounts in DKK million	2023 Q1	2022 Q1	2022 Year	Amounts in DKK million	2023 Q1	2022 Q1	2022 Year
INCOME STATEMENT				OTHER INFORMATION			
Revenue	2,299	1,814	8,654	Order intake	4,104	1,783	11,888
Gross profit/(loss)	125	122	626	Order book, end of period	15,663	10,593	13,857
Operating profit/(loss) before special items	42	34	276	Working capital	-56	144	4
Special items	-	-	-9	Net interest-bearing deposit/debt (+/-)	-534	-700	-548
Special amortisation	-5	-7	-85	Average invested capital incl. goodwill	1,290	1,425	1,352
EBIT	37	27	182	Average number of employees	2,941	2,612	2,774
Net financials	-13	-14	-86	FINANCIAL HIGHLIGHTS %			
Net profit/(loss) for the period from continuing operations	18	9	130	Gross margin	5.5	6.7	7.2
Profit/(loss) for the period from discontinued operations	-3	-2	-118	Operating margin	1.8	1.9	3.2
Net profit/(loss) for the period	15	6	12	EBIT margin	1.6	1.5	2.1
BALANCE SHEET				Return on invested capital incl. goodwill (ROIC)	21.6	15.7	20.0
Non-current assets	1,308	1,410	1,270	Return on invested capital incl. goodwill after tax	16.9	12.2	15.6
Current assets	3,303	2,929	3,519	Return on equity (ROE)	1.9	0.9	1.6
Total assets	4,611	4,339	4,789	Solvency ratio	16.3	16.8	15.3
Share capital	156	156	156	Solvency ratio incl. subordinated loan	23.2	26.0	23.7
Equity	757	745	751	SHARE-RELATED RATIOS			
Non-current liabilities	888	1,035	988	Number of shares, end of period, million shares	7.8	7.8	7.8
Current liabilities	2,966	2,559	3,050	Earnings per share (EPS), DKK	1.9	0.8	1.5
CASH FLOW				Diluted earnings per share (EPS-D), DKK	1.8	0.8	1.5
Cash flows from operating activities	44	-14	213	Earnings per share from continuing operations, DKK	2.3	1.1	16.9
Cash flows for investing activities, net	-16	5	-32	Diluted earnings per share from continuing operations, DKK	2.3	1.1	16.6
Of which for investments in property, plant and equipment	-17	-31	-76	Book value per share, DKK	96.2	93.6	94.1
Cash flows from financing activities	-12	-19	-47	Total market capitalisation, DKK million	1,090	1,402	1,133
Net increase (decrease) in cash and cash equivalents	17	-28	134				

Outlook for 2023

The outlook for 2023 is unchanged. The outlook is supported by a healthy order book and a good exposure to growth areas in an otherwise slumping market.

Revenue for 2023 is still expected to be around DKK 9.0-9.5 billion, corresponding to a growth rate of 4-10%. Increasing revenue is expected from projects in progress, orders already contracted with start-up in 2023 and the strategic construction partnerships.

Operating profit before special items is still expected to be DKK 300-325 million, corresponding to an increase of 9-18%. The increase is expected to be driven by higher activity and improved earnings in the Danish construction and civil engineering companies, MT Højgaard Danmark in particular, while the losses from the international activities are expected to be larger than originally assumed.

Based on the known phasing of projects and orders, revenue and earnings are expected to peak in the second half of the year.

FORWARD-LOOKING STATEMENTS

The interim financial report contains forward-looking statements, including projections of financial performance in 2023, which, by their nature, involve risks and uncertainties that may cause actual performance to differ from that contained in the forward-looking statements.

The outlook for the year is supported by a healthy order book, a solid pipeline and a good exposure to the market sectors which are expected to grow. The outlook is only sensitive to the decreasing demand in the overall Danish market to a minor extent since about 88% of the year's expected contract revenue was already contracted at the end of the first quarter.

KEY ASSUMPTIONS

Key assumptions relating to the outlook:

- Demand in the Danish construction and civil engineering market is expected to continue to decrease.
- Demand for civil engineering projects is expected to be strong, however, especially the demand for climate end energy solutions and digital infrastructure.
- To an increasing extent, clients are expected to choose solid contractors who, as part of trust-based partnerships, may contribute to increase the value of projects.
- Across customers and projects, the high level of interest in sustainability projects is expected to continue.
- Inflation is expected to ease compared to 2022, but inflation and high interest rates may still slow down or postpone new projects.
- The shortage of skilled labour is expected to decline.



REVENUE

9.0-9.5 DKK billion

Outlook 2023

9.0-9.5 DKK billion

Realised 2022

8.7 DKK billion

OPERATING PROFIT BEFORE SPECIAL ITEMS

300-325 DKK million

Outlook 2023

300-325 DKK million

Realised 2022

276 DKK million

PSYCHIATRIC HOSPITAL, AARHUS

MT Højgaard Danmark is participating in the conversion of the beautiful psychiatric hospital in Aarhus into 231 apartments for AAB.

- Postponements of project start-ups or delays in contract signing may occur, but the effect is assumed to be limited.
- The acquisition and sale of enterprises and activities may affect the full-year outlook.

Business units



Enemærke & Petersen

Nationwide contractor specialising in new builds, refurbishment and building services as well as strategic partnerships

[Read more on page 8 >](#)



MTHøjgaard
Property Development

Development and realisation of construction projects and urban development

[Read more on page 10 >](#)



MT HØJGAARD HOLDING

 **MTHøjgaard**
Danmark

Major contractor specialising in construction, civil works and infrastructure

[Read more on page 7 >](#)

 **MTHøjgaard**
International

International contractor specialising in construction, civil works and technical installations in selected markets

[Read more on page 10 >](#)



DSB, GODSBANEN, COPENHAGEN

GROWTH AND POSITIVE FIRST-QUARTER RESULTS

MT Højgaard Danmark maintained positive momentum and recorded a satisfactory financial performance in the first quarter, with growth in both revenue and operating profit compared to the same quarter last year. At the same time, business stability increases quarter by quarter, which is important in a challenging and unstable market.

Revenue rose by 36% compared with the same period last year, reaching DKK 1,164 million (2022: DKK 854 million), with an almost even distribution between construction projects (new builds and refurbishments) and civil engineering projects (infrastructure and other civil engineering projects). The projects consisted of small, medium-sized and large projects with a large geographical spread.

Earnings in the first quarter of 2023 improved to DKK 40.3 million (2022: DKK 11.5 million).

SPECIAL PROJECTS AND INITIATIVES

In the first quarter of the year, MT Højgaard Danmark recorded a solid order intake again. The largest individual order was an order for new headquarters for the Danish Defence Intelligence Service in Copenhagen. The project is a PPP project (public-private partnership) which is carried out in collaboration with MT Højgaard Property Development and the DEAS Group. Furthermore, contracts were signed for a number of minor and medium-sized projects, both east and west of the Great Belt.

MT Højgaard Danmark maintained its high tendering activity in the areas of new builds, refurbishments and infrastructure projects. The share of phased collaboration projects and framework agreements now takes up a significant part of the existing order portfolio and the current tendering opportunities pursued by MT Højgaard Danmark.

In the first quarter, MT Højgaard Danmark worked to finish its new strategy towards 2025 and to make the strategy ready for launch in the entire organisation in April.

ORDER INTAKE AND ORDER BOOK

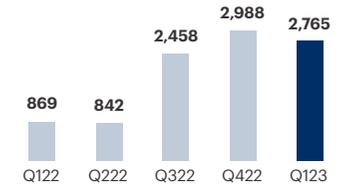
MT Højgaard Danmark's first-quarter order intake was DKK 2,765 million (2022: DKK 869 million). Consequently, the order book stood at DKK 8,974 million at the end of the first quarter (2022: DKK 4.5 billion).

SELECTED NEW PROJECTS IN Q1 2023:

- New headquarters for the Danish Defence Intelligence Service in Copenhagen, PPP project
- Energy optimisations at Skt. Kjelds Gård, Copenhagen
- Fitting-up of NIO House at Knud Højgaards Hus, Copenhagen
- Extension of Den Permanente, a public bathing establishment in Aarhus
- Precasting of quays, Lindholm Port, Nyborg
- New service building and storage facilities for energy company in the Port of Aarhus

Order intake

DKK million



Order book

DKK million



Revenue and operating margin

DKK million



The period in figures

REVENUE

1,164
DKK million

OPERATING PROFIT

40.3
DKK million

ORDER INTAKE

2,765
DKK million

ORDER BOOK

8,974
DKK million



RESIDENTIAL DEVELOPMENT, RIBE

The period in figures

REVENUE

935
DKK million

OPERATING PROFIT

34.3
DKK million

ORDER INTAKE

1,157
DKK million

ORDER BOOK

5,893
DKK million

SATISFACTORY FIRST-QUARTER PERFORMANCE

First-quarter revenue was DKK 935 million (2022: DKK 808 million). The increase compared to last year was primarily due to the fact that the order book at the end of 2022 was 10% higher than at the end of 2021.

First-quarter operating profit was DKK 34.3 million (2022: DKK 34.9 million). This meant that the operating margin was slightly lower than that of the same period last year, which was due to the lower than expected profitability of a few projects. All in all, the first-quarter result is satisfactory and in line with expectations.

At the end of the first quarter of 2023, it was still uncertain how the markets for new builds and refurbishments would develop in the long term. However, the tendering activity concerning refurbishment contracts in particular was still acceptable in the first quarter, but competition had grown considerably fiercer.

SPECIAL PROJECTS AND INITIATIVES

Enemærke & Petersen and the subsidiaries NemByg and Raunstrup are carrying out a number of projects for the construction of new housing. The common feature of some of these projects is that they are being carried out on a design-build basis with early involvement.

In collaboration with MT Højgaard Property Development, Enemærke & Petersen constructed 35 housing units at Kildegården in Roskilde, and the first tenants will be able to move in during the first half of 2023. The development will have DGNB Silver certifica-

tion. The town houses have 3.5 storeys with up to three balconies and ample light flowing through the windows.

In the first quarter, the subsidiary NemByg handed over three luxurious apartment blocks in the centre of Ribe. Enemærke & Petersen was the main contractor on this project, which was carried out for Nica Ejendomme, and the architecture of the project resembled that of the old part of Ribe.

At the Dalum Paper Factory in Odense, the subsidiary Raunstrup is carrying out a project for the construction of 301 rented apartments. The project includes nine apartment blocks with ground floor parking facilities beneath one of the buildings. The buildings will be made of concrete elements finished with yellow or red brickwork and partial elements in raw concrete, which will underline the industrial character in line with the former industrial buildings of the area. At present, two buildings have been handed over to the client. The last sub-project will be handed over in March 2024.

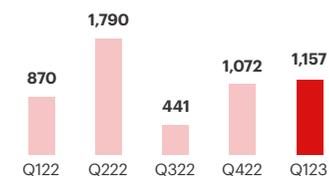
ORDER INTAKE AND ORDER BOOK

First-quarter order intake was DKK 1,157 million (2022: DKK 870 million). The slightly higher order intake compared to 2022 was primarily due to two major orders won by Enemærke & Petersen.

The order book amounted to DKK 5,893 million at the end of the first quarter, up 13.1% on the same period in 2022. The high order book was primarily due to an overall high order intake in 2022.

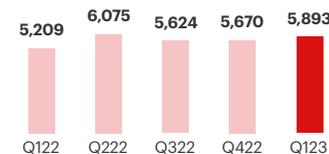
Order intake

DKK million



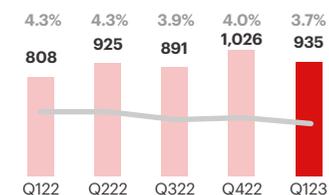
Order book

DKK million



Revenue and operating margin

DKK million



NEW MAJOR PROJECTS IN Q1 2023:

- Design and refurbishment of Lyngbyvej 100 in Copenhagen for Kirkbi Invest A/S
- Newbuild of Generationernes Byhus in Ørestad for KAB



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SØNDRESTRØM,
GREENLAND

UNSATISFACTORY FIRST-QUARTER PERFORMANCE

The first-quarter results were worse than expected and not satisfactory. In the first quarter, MT Højgaard International had a revenue of DKK 168 million (2022: DKK 164 million), while the company recorded an operating loss of DKK 18.8 million (2022: a profit of DKK 0.6 million). The first-quarter loss was mainly attributable to the activities in Greenland, which were particularly impacted by fixed price contracts for three of the ongoing projects – bids and contracts dating back to 2020 and 2021. Furthermore, the completion of MT Højgaard Færøerne's last project and the activities carried out by Seth had a negative effect on performance.

A number of initiatives have been taken to improve the profitability of the Greenlandic entities, including a more selective project approach in order to reduce complexity, more collaboration projects and participation in fewer tenders. Moreover, efforts have been made to carry out a reorganisation, adjust capacity and adapt the activities in Greenland for the purpose of creating a profitable business in Greenland.

SPECIAL PROJECTS AND INITIATIVES

In Greenland, the first quarter was characterised by finishing work on a number of major projects and additional work on existing projects. The collaboration with the Government of Greenland on the construction of new student halls of residence in Nuuk and Qaqortoq continued, and the first phase of the project in Nuuk and both student halls in Qaqortoq are expected to be handed over this summer. Work on the new international airport in Nuuk also continued. In North Greenland, to the

west of Kangerlussuaq, MT Højgaard Grønland started demolishing the Søndrestrøm Research Facility and reinstating the area of around 4.5 hectares.

The closing-down on the Faroe Islands is drawing to its end. However, an unusual winter with heavy snowfalls delayed the completion of the kindergarten at Gjái where the outdoor work is expected to be completed in the second quarter. The Heimasta Horn project, which is expected to be finished in September, is being carried out by RTS Bygging according to plan. The civil engineering activities of RTS Contractors were also affected by the winter weather. However, the solid order book was maintained, reaching well into 2025.

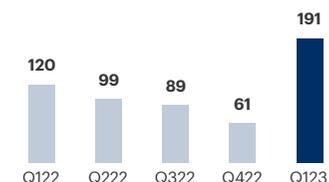
In the Maldives, the activities of the first three months focussed on the company's core segments: coastal protection and the manufacturing and assembly of prefabricated concrete elements. In the first quarter of 2023, a contract was signed for the delivery and assembly of prefabricated concrete elements for a major resort development project. Moreover, a contract was signed for substantial additional work on the existing coastal protection project on the island of Fuvahmulah. The activities in the Maldives have been attached more closely to MT Højgaard Danmark to create synergies from the water construction works, where activities are expected to increase in the years to come.

ORDER INTAKE AND ORDER BOOK

The order intake was DKK 191 million (2022: DKK 120 million). The order book stood at DKK 637 million at the end of the quarter (2022: DKK 938 million) due to the low order intake in the previous quarters.

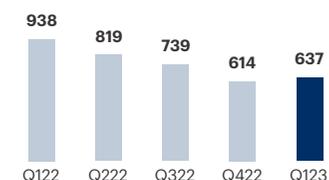
Order intake

DKK million



Order book

DKK million



Revenue and operating margin

DKK million



NEW MAJOR PROJECTS IN Q1 2023:

- Søndrestrøm Research Facility, Greenland, demolition/reinstatement
- The Maldives, delivery and assembly of concrete elements for the Velingandu Resort

The period in figures

REVENUE

168
DKK million

OPERATING LOSS

-18.8
DKK million

ORDER INTAKE

191
DKK million

ORDER BOOK

637
DKK million



RESIDENTIAL DEVELOPMENT, DALUM PAPER FACTORY

The period in figures

REVENUE

124
DKK million

OPERATING LOSS

-2.6
DKK million

ORDER INTAKE

9
DKK million

ORDER BOOK

357
DKK million

FIRST-QUARTER DEVELOPMENT AS EXPECTED

In the first quarter, MT Højgaard Property Development performed as expected, and a number of project opportunities are expected to make a positive contribution in the quarters to come.

First-quarter revenue reached DKK 124 million (2022: DKK 70 million). The revenue increase was primarily driven by higher construction project activity. The operating result before special items was a loss of DKK 2.6 million (2022: a loss of DKK 5.4 million). The result is expected to improve gradually as a number of major projects are realised in the course of the year.

After a relatively modest start to the year, business picked up in March with the sale of a number of the housing units of the Nivå and Roskilde projects. Interest in the commercial Copenhagen South Harbour project also increased although the expected profit from the project is still uncertain due to the market situation and few comparable transactions.

The value of the property portfolio was DKK 338 million at the end of the first quarter (2022: DKK 290 million). The increase was mainly due to the purchase of a number of major properties, including a commercial property in the South Harbour and Dalum Kloster.

SPECIAL PROJECTS AND INITIATIVES

During the first months of the year, MT Højgaard Property Development handed over around 100 rented and owner-occupied units at the Dalum Paper Factory, at Teglsøerne in Nivå and at Kildegården and in the Musicon

district in Roskilde. The construction of the next phases of the Dalum, Teglsøerne and Musicon projects is proceeding according to plan, and more units will be handed over in the third and fourth quarters of 2023.

In the South Harbour of Copenhagen, MT Højgaard Property Development is planning the construction of 8,000 m² mixed-use residential units, 1,200 m² retail and 10,000 m² commercial. The residential units and the retail area have been sold to PFA and REMA1000, respectively. The development borders on two commercial projects developed together with Arbejdernes Landsbank where MT Højgaard Danmark is in charge of construction.

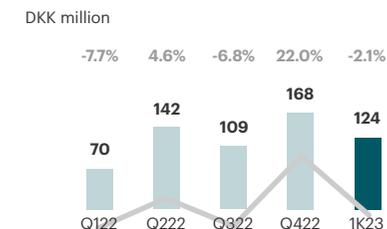
In Odense, MT Højgaard Property Development has taken over the monastery Dalum Kloster. The company is currently preparing an overall development plan in close collaboration with the Municipality of Odense and local stakeholders in order to create an attractive and recreational residential area interacting with the existing and new residential areas surrounding the monastery.

Our sustainability department is working on several project certifications and is in full swing with the implementation of the increased EU Taxonomy reporting requirements which are applicable to our project portfolio.

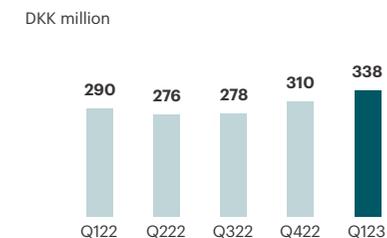
ORDER INTAKE AND ORDER BOOK

In the first quarter of 2023, the order intake was DKK 9 million (2022: DKK 27 million). At the end of the quarter, the order book stood at DKK 357 million (2022: DKK 481 million).

Revenue and operating margin



Portfolio of building plots*



* excluding own building projects

NEW MAJOR PROJECTS IN Q1 2023

A number of major projects for the construction of residential and commercial buildings are at the planning stage and are expected to be launched in the second half of 2023.

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THE WATER CULTURE HOUSE, COPENHAGEN

MT Højgaard Danmark continued working on the Water Culture House in Copenhagen with, for example, the installation of steel structures.

Income statement and statement of comprehensive income

Amounts in DKK million	2023 Q1	2022 Q1	2022 Year
INCOME STATEMENT			
Revenue	2,298.7	1,813.9	8,654.4
Production costs	-2,173.4	-1,691.8	-8,028.9
Gross profit/(loss)	125.3	122.1	625.5
Distribution costs	-26.9	-39.7	-144.3
Administrative expenses	-60.1	-51.3	-221.2
Profit/(loss) before share of profit/(loss) of joint ventures	38.3	31.1	260.0
Share of profit/(loss) after tax of joint ventures	3.3	2.6	15.5
Profit/(loss) before special items	41.6	33.7	275.5
Special items	0.0	0.0	-8.7
Special amortisation	-4.9	-6.7	-84.5
EBIT	36.7	27.0	182.3
Net financials	-13.3	-13.8	-86.1
Profit/(loss) before tax from continuing operations	23.4	13.2	96.2
Tax on profit/(loss) for the period from continuing operations	-5.3	-4.6	33.6
Profit/(loss) for the period from continuing operations	18.1	8.6	129.8
Net profit/(loss) for the period after tax from discontinued operations	-3.4	-2.4	-117.7
Net profit/(loss) for the period	14.7	6.2	12.1
Allocation of profit/(cover of loss):			
Shareholders of MT Højgaard Holding A/S	14.4	6.0	11.7
Non-controlling interests	0.3	0.2	0.4
Total	14.7	6.2	12.1

Amounts in DKK million	2023 Q1	2022 Q1	2022 Year
STATEMENT OF COMPREHENSIVE INCOME			
Net profit/(loss) for the period	14.7	6.2	12.1
Other comprehensive income			
Items that may be reclassified to the income statement:			
Foreign exchange adjustments arising on translation of foreign entities	-0.6	3.3	0.7
Capital items, joint ventures	-	-	0.2
Other comprehensive income after tax	-0.6	3.3	3.6
Total comprehensive income	14.1	9.5	13.0
Allocation of profit/(cover of loss):			
Shareholders of MT Højgaard Holding A/S	13.8	9.5	12.6
Non-controlling interests	0.3	-	0.4
Total	14.1	9.5	13.0

Balance sheet

Amounts in DKK million	2023 31-03	2022 31-03	2022 31-12
ASSETS			
Non-current assets			
Intangible assets	422.1	519.5	428.2
Property, plant and equipment	327.3	369.9	323.2
Lease assets	259.3	263.6	250.2
Investments in joint ventures	70.7	91.5	69.1
Receivables	50.8	10.6	24.6
Deferred tax assets	177.5	154.6	174.7
Total non-current assets	1,307.7	1,409.7	1,270.0
Current assets			
Inventories	485.0	362.4	444.2
Receivables	1,925.1	1,939.3	2,029.9
Construction contracts	306.3	362.8	447.9
Income tax	3.2	4.1	3.4
Prepayments	29.3	36.4	54.2
Cash and cash equivalents	403.1	223.8	386.4
	3,152.0	2,928.8	3,366.0
Assets held for sale	151.1	-	152.5
Total current assets	3,303.1	2,928.8	3,518.5
Assets	4,610.8	4,338.5	4,788.5

Amounts in DKK million	2023 31-03	2022 31-03	2022 31-12
EQUITY AND LIABILITIES			
Equity			
Share capital	155.7	155.7	155.7
Translation reserve	1.1	4.4	1.8
Retained comprehensive income	592.6	568.6	576.5
Equity attributable to shareholders	749.4	728.7	734.0
Non-controlling interests	7.5	16.3	17.1
Total equity	756.9	745.0	751.1
Non-current liabilities			
Deferred tax liabilities	42.3	68.1	44.8
Provisions	141.2	187.9	145.5
Mortgage debt	35.4	11.7	35.9
Lease commitments	230.0	247.1	230.6
Subordinated loan	240.0	320.0	320.0
Payables to Group enterprises	-	17.3	-
Other liabilities	198.7	182.5	211.1
Total non-current liabilities	887.6	1,034.6	987.9
Current liabilities			
Mortgage debt	1.9	4.3	2.0
Bank loans	103.0	1.0	3.4
Lease commitments	68.7	62.9	64.0
Subordinated loan	80.0	80.0	80.0
Construction contracts	1,124.7	958.4	979.8
Trade payables	1,044.6	975.7	1,384.2
Other liabilities	276.9	317.1	263.5
Income tax	24.3	11.6	15.3
Provisions	99.7	145.1	98.1
Deferred income	2.4	2.8	2.9
	2,826.2	2,558.9	2,893.2
Liabilities related to assets held for sale	140.1	-	156.3
Total current liabilities	2,966.3	2,558.9	3,049.5
Total liabilities	3,853.9	3,593.5	4,037.4
Total equity and liabilities	4,610.8	4,338.5	4,788.5

Statement of cash flows

Amounts in DKK million	2023 Q1	2022 Q1	2022 Year	Amounts in DKK million	2023 Q1	2022 Q1	2022 Year
EBIT	36.7	27.0	182.3	Purchase of intangible assets	-2.3	-0.5	-9.2
EBIT from discontinued operations	-4.5	-3.5	-109.2	Purchase of property, plant and equipment	-17.0	-30.5	-76.3
Adjustments for items not included in cash flows etc.	43.5	34.4	341.3	Sale of property, plant and equipment	2.0	18.2	40.4
Cash flows from operating activities before working capital changes	75.7	57.9	414.4	Acquisition of enterprises and activities	-0.2	-	-
Working capital changes:				Dividends from joint ventures	1.9	-	55.4
Inventories	-40.9	-6.1	-114.2	Loans to joint ventures	-	17.6	-42.2
Receivables	88.7	-94.6	-258.5	Cash flows from investing activities	-15.6	4.8	-31.9
Construction contracts	286.5	147.4	115.3	Loan financing:			
Trade and other current payables	-351.1	-100.1	115.0	Decrease in bank loans	-0.8	-1.2	-15.3
Cash flows from operating activities before net financials and tax	58.9	4.5	272.0	Decrease in lease debt	-21.1	-15.4	-73.5
Net financials	-13.2	-13.5	-44.7	Decrease in loans from related parties	-80.0	-	-17.3
Income tax paid	-1.5	-5.1	-14.5	Increase in bank loans	100.0	-	61.9
Cash flows from operating activities	44.2	-14.1	212.8	Shareholders:			
				Dividends to non-controlling interests	-10.0	-	-
				Purchase of treasury shares	-	-2.3	-2.3
				Cash flows from financing activities	-11.9	-18.9	-46.5
				Net increase (decrease) in cash and cash equivalents	16.7	-28.2	134.4
				Cash and cash equivalents at 01-01	386.4	252.0	252.0
				Cash and cash equivalents at 31-03	403.1	223.8	386.4

Statement of changes in equity

Amounts in DKK million

2023

	Share capital	Translation reserve	Retained comprehensive income	Equity attributable to shareholders	Non-controlling interests	Total equity
Equity at 01-01	155.7	1.8	576.5	734.0	17.1	751.1
Net profit/(loss) after tax	-	-	14.4	14.4	0.3	14.7
Other comprehensive income						
Foreign exchange adjustments arising on translation of foreign entities	-	-0.6	-	-0.6	-	-0.6
Total other comprehensive income	-	-0.6	-	-0.6	-	-0.6
Transactions with owners:						
Share-based payments	-	-	1.7	1.7	-	1.7
Total transactions with owners	-	-	1.7	1.7	-	1.7
Dividends to non-controlling interests	-	-	-	-	-10.0	-10.0
Total changes in equity	-	-0.6	16.1	15.5	-9.7	5.8
Equity at 31-03	155.7	1.2	592.6	749.5	7.4	756.9

Amounts in DKK million

2022

	Share capital	Translation reserve	Retained comprehensive income	Equity attributable to shareholders	Non-controlling interests	Total equity
Equity at 01-01	155.7	1.1	563.9	720.7	16.1	736.8
Net profit/(loss) after tax	-	-	6.0	6.0	0.2	6.2
Other comprehensive income:						
Foreign exchange adjustments arising on translation of foreign entities	-	3.3	-	3.3	-	3.3
Total other comprehensive income	-	3.3	-	3.3	-	3.3
Transactions with owners:						
Purchase of treasury shares	-	-	-2.3	-2.3	-	-2.3
Share-based payments	-	-	1.0	1.0	-	1.0
Total transactions with owners	-	-	-1.3	-1.3	-	-1.3
Total changes in equity	-	3.3	4.7	8.0	0.2	8.2
Equity at 31-03	155.7	4.4	568.6	728.7	16.3	745.0

Notes

Note 1 Accounting policies

This interim financial report covers the period 1 January – 31 March 2023. The interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and Danish disclosure requirements for listed companies.

Except as stated below, the accounting policies are unchanged from the consolidated financial statements for 2022 to which reference is made.

A full description of accounting policies is provided in the consolidated financial statements for 2022.

NEW STANDARDS

MT Højgaard Holding A/S has implemented the following new or amended standards and interpretations with effect from 1 January 2023:

- IAS 12 - Income Taxes
- IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2: Making Materiality Judgements
- IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

MT Højgaard Holding A/S has implemented the standards and interpretations that will become effective in 2023 for application in the EU. None of these standards or interpretations has affected recognition or measurement in 2023 or is expected to affect the Group.

Note 2 Accounting estimates and judgements

The preparation of the interim financial statements requires management to make accounting estimates and judgements that affect the application of accounting policies and recognised assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant estimates made by management when applying the Group's accounting policies and the associated significant estimation uncertainties are the same for the preparation of the interim financial statements as they were for the preparation of the consolidated financial statements and parent company financial statements for 2022.

Note 3 Revenue

The Group is engaged in construction and civil engineering activities in Denmark and internationally. In 2023, the Group has been engaged in international activities in the North Atlantic (Faroe Islands and Greenland), Asia (Maldives and Vietnam) and in Portugal and Africa through joint ventures.

The sale of building plots is recognised on delivery of the plot (point-in-time). All other revenue is recognised over time. Reference is made to the accounting policies in the 2022 Annual Report for further details on revenue recognition.

Amounts in DKK million	2023 Q1	2022 Q1
Primary geographical markets:		
Denmark	2,131.6	1,655.6
Rest of the world	167.1	158.3
Total revenue	2,298.7	1,813.9
Products:		
Construction contracts	2,190.4	1,715.3
Project development	-	3.5
Other products	108.3	95.1
Total revenue	2,298.7	1,813.9

Notes

Note 4 Segment information

Amounts in DKK million	2023 Q1					
	MT Højgaard Danmark	Enemærke & Petersen	MT Højgaard International	MT Højgaard Property Development	Scandi Byg	Profit/(loss) before special items
Revenue to external customers	1,149.1	856.0	167.3	123.8	-	2,296.2
Intersegment revenue	15.3	78.7	0.4	0.7	-	95.1
Total segment revenue	1,164.4	934.7	167.7	124.5	-	2,391.3
Profit/(loss) before special items	40.3	34.3	-18.8	-2.6	-	53.2

Amounts in DKK million	2022 Q1					
	MT Højgaard Danmark	Enemærke & Petersen	MT Højgaard International	MT Højgaard Property Development	Scandi Byg	Profit/(loss) before special items
Revenue to external customers	843.6	750.0	162.9	69.2	73.6	1,899.3
Intersegment revenue	10.4	58.0	1.1	1.2	4.3	75.0
Total segment revenue	854.0	808.0	164.0	70.4	77.9	1,974.3
Profit/(loss) before special items	11.5	34.9	0.6	-5.4	-5.2	36.4

Notes

Note 4 Segment information (continued)

Reconciliation of revenue and profit/(loss) from continuing operations before tax, for reportable segments

Amounts in DKK million	2023 Q1	2022 Q1
Revenue		
Segment revenue for reporting segments	2,391.3	1,974.3
Revenue MT Højgaard Holding	2.5	1.7
Elimination of intersegment revenue	-95.1	-75.0
Revenue Hisingsbron Bridge (joint venture)	-	-13.5
Revenue from discontinued operations	-	-73.6
Total revenue, see income statement	2,298.7	1,813.9
Profit/(loss) from continuing operations		
Profit/(loss) before special items for reporting segments	53.2	36.4
Profit/(loss) before special items for discontinued operations	-	5.2
Unallocated Group expenses	-11.6	-7.9
Special items and special amortisation	-4.9	-6.7
Net financials	-13.3	-13.8
Profit/(loss) before tax from continuing operations, see income statement	23.4	13.2

Note 5 Discontinued/discontinuing operations

Amounts in DKK million	2023 Q1	2022 Q1
Revenue	72.6	74.1
Costs	-77.1	-77.6
EBIT	-4.5	-3.5
Interest	0.1	0.3
EBT	-4.4	-3.2
Tax on profit/(loss)	1.0	0.8
Profit/(loss) after tax	-3.4	-2.4
Cash flows from operating activities	-6.3	24.2
Cash flows from investing activities	-	-
Cash flows from financing activities	-2.2	-2.5
Total cash flows from discontinued operations	-8.5	21.7
Assets held for sale		
Amounts in DKK million	2023 31-3	2022 31-3
Property, plant and equipment	18.4	-
Inventories	21.7	-
Receivables	111.0	-
Total assets held for sale	151.1	0.0
Bank loans	43.1	-
Provisions	11.8	-
Other liabilities	84.5	-
Liabilities related to assets held for sale	140.1	0.0

Statement by the Executive Board and the Board of Directors

The Board of Directors and the Executive Board have today discussed and approved the interim financial report of MT Højgaard Holding A/S for the period 1 January – 31 March 2023.

The interim financial statements, which have not been audited or reviewed by the company's auditors, have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and the additional disclosure requirements of the Danish Financial Statements Act.

In our opinion, the interim financial statements give a true and fair view of the Group's assets, equity and liabilities and financial position at 31 March 2023 and of the results of the Group's activities and cash flows for the period 1 January - 31 March 2023.

Further, in our opinion, the management's review provides a fair presentation of the development in the Group's activities and financial affairs, the results for the period and the Group's financial position as a whole as well as a description of the most significant risks and uncertainty factors faced by the Group.

Søborg, 11 May 2023

EXECUTIVE BOARD

Henrik Mielke
President and CEO

BOARD OF DIRECTORS

Carsten Dilling
Chairman of the Board of Directors

Anders Lindberg

Christine Thorsen

Pernille Fabricius

Peter Martin Facius

Rasmus Untidt
CFO

Morten Hansen
Deputy Chairman of the Board of Directors

Steffen Baungaard

Janda Campos

Stine Marie Søderdahl Friis

Lars Tesch Olsen

STUDENT HALL OF RESIDENCE, QAQORTOQ

MT Højgaard International is finishing work on the student hall of residence in Qaqortoq, Greenland. The project will be handed over to the Government of Greenland this summer.



