

Company Announcement no. 17/2020

MT Højgaard Holding A/S – Adjustment to the company's long-term share-based incentive program

The board of directors of MT Højgaard Holding A/S has in accordance with the company's remuneration policy, approved at the annual general meeting on 17 March 2020, decided to implement a limited number of adjustments and clarifications to the company's current long-term share-based incentive program ("LTI programme"), which was introduced after the completion of the merger pursuant to the remuneration policy of 5 April 2019 applicable at that time.

The adjusted LTI programme will apply for 2020 and onwards and replaces the program applicable for 2019. The terms, overall principles and remuneration components, which applied under the LTI programme for 2019, are in all material respects carried forward in unamended form under the adjusted program.

The LTI programme for 2020 will apply in parallel with MT Højgaard Holding A/S' short-term cash-based management bonus program.

Participants in the LTI programme have the right to invest 25-100% of bonus earned under the short-term cash-based management bonus program. The LTI programme is a revolving, conditional share program which is based on an annual right to award of shares in MT Højgaard Holding A/S ("LTI award"). The shares being awarded under the LTI award are subject to a three (3) years' vesting period.

Subject to certain conditions, the participants may achieve right to "Matching Shares" as well as "Dividend Shares" as further described below.

The objective of the LTI programme is to ensure concurrent interests between the management and the shareholders, to strengthen and maintain the participants' affiliation to the group and to increase the management's focus on the financial objectives, including a high and long-term revenue growth.

The shares to be awarded under the LTI programme are acquired from MT Højgaard Holding A/S' stock of treasury shares (own shares).

The participants' purchase of shares under the LTI award will be at a share price equivalent to the average market price of the shares of MT Højgaard Holding A/S in the first five (5) trading days in the qualifying year for the LTI award.

The value of the annual LTI award is calculated on an annual basis at the time of the annual general meeting's approval of MT Højgaard Holding A/S' annual report.

Under the LTI programme, and subject to certain conditions being met, the participants' share of the LTI award in the share depository can either be increased with a number of additional conditional shares ("Matching Shares") paid by the company, or decreased.

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Any dividend distributed in respect of the shares acquired by the participants under the LTI programme, including any Matching Shares, is automatically reinvested in shares in MT Højgaard Holding A/S ("Dividend Shares"). Any addition with Dividend Shares will be at a share price equivalent to the average market price of the shares of MT Højgaard Holding A/S in the first five (5) trading days in the financial year where the dividend is distributed.

The value of the individual participant's shares under the LTI programme, including any Matching Shares and Dividend Shares, cannot exceed two (2) years' base salary for the individual participant at the vesting date per LTI award - the value of the shares is calculated on the basis of the market value of the shares at the vesting time. The total accumulated award of Matching Shares and Dividend Shares to all participants is capped at five (5)% of MT Højgaard Holding A/S' aggregate share capital at the vesting time.

To meet its obligations under the LTI programme, the company will purchase treasury shares, which are placed in share depository for the three (3) years' vesting period (see Company Announcement no. 18/2020 of 23 November 2020).

The participants' share of LTI award in the share depository, including Dividend Shares, will be subject to annual award of or reduction by Matching Shares on the basis of the development in the share price of MT Højgaard Holding A/S' shares or the company's performance. Thus the number of shares comprised by the LTI award granted/investment made by a participant may be reduced. Matching Shares are awarded to or reduced in whole shares and cannot exceed for the whole vesting period +/- ½ share per share in the share depository rounded down to nearest whole share. The participants' share of Matching Shares in the share depository is not included in the calculation of any award of or deduction by Matching Shares. Thus Matching Shares cannot be awarded to or reduced in Matching Shares in the share depository.

The participants' right to receive the shares in connection with the LTI award, including any Matching Shares and Dividend Shares, is conditioned on continued employment at the vesting time (or resignation as "good leaver"). Thus a "bad leaver" will lose all its LTI awards and thereby all non-vested conditional shares, including any Matching Shares and Dividend Shares.

The participants' right to receive Matching Shares is conditioned on MT Højgaard Holding A/S has either distributed dividend to the shareholders of MT Højgaard Holding A/S or reduced the long-term debt in at least one (1) year during the period constituted by the financial year preceding the LTI award and the subsequent three (3) financial years (in total four (4) financial years).

It is a further condition for maintaining the LTI programme, including award of shares pursuant thereto, that MT Højgaard Holding A/S at any time has distributable reserves to purchase treasury shares.

The adjustments to the LIT programme do not affect the previously disclosed forecast guidance for 2020.

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