

MT Højgaard Holding: Strong earnings growth in the second quarter

22 August 2024

SECOND-QUARTER RESULTS

The continuing Danish activities showed sustained profitable growth in the second quarter, following stable production and order book execution. Earnings were improved, and the order intake showed a rising trend. With the divestment of Seth, MT Højgaard Holding exited Portugal and Africa, and in the winding up of the international activities, Greenland is the only outstanding item.

- Revenue was up by 8% to DKK 2.7 billion. Growth was driven in particular by MT Højgaard Danmark.
- Operating profit (EBIT) rose by 49% to DKK 124 million, and the operating margin rose from 3.4% to 4.7%.
- The continuing Danish activities improved the after-tax profit from DKK 55 million to DKK 81 million.
- The DKK 29 million loss from discontinued operations was due in particular to costs of winding up the activities in Greenland. The loss was on a level with last year and lower than in the first quarter of 2024.
- The profit for the period improved from DKK 28 million to DKK 52 million.
- The return on invested capital after tax for the six-month period rose by 29.7 percentage points to 51.3% due to the efforts to increase earnings and reduce the invested capital.

ORDER INTAKE AND ORDER BOOK

The order intake in the second quarter was the highest in five quarters. The order book remained solid and widely spread across segments, project sizes and geography.

- The order intake rose by 16% to DKK 2.8 billion, driven especially by new assignments in infrastructure, energy, climate and refurbishment of social housing. Enemærke & Petersen's order intake was 32% higher than in the second quarter of 2023, while Højgaard Danmark's order intake was 23% higher.
- Construction partnerships and other collaboration projects accounted for 33% of the order intake.
- At the end of June, the order book amounted to DKK 12.6 billion. In addition, the Group had orders awarded but not yet contracted to the value of DKK 0.9 billion, contributions from strategic construction partnerships etc. at an estimated future value of around DKK 5.4 billion and orders in joint ventures with a value of a little over DKK 0.8 billion.

GUIDANCE FOR 2024 MAINTAINED

MT Højgaard Holding maintains its full-year guidance for 2024 based on the results for the first half of the year and prospects of an unchanged level of activity in the second half of the year:

- Revenue is still forecast to be in the DKK 10-10.5 billion range, corresponding to growth of 2%-7%.
- Operating profit (EBIT) is still expected to be in the range of DKK 400-425 million, which will be an improvement of 3%-9%.

The outlook is supported by a healthy order book, a solid pipeline and a strong exposure to the growth segments of the market. At the end of June, contracts had been signed for 92% of the year's expected revenue from construction and engineering projects.

"We recorded a broadly-based improvement in our Danish activities in the second quarter. MT Højgaard Danmark consolidated its strong momentum, and both Enemærke & Petersen and MT Højgaard Property Development recorded a satisfactory performance. We maintain the pace of the winding up of the international activities and are now able to concentrate exclusively on finding

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good solutions in Greenland, where we are seeing a fair amount of interest in our assets,” says Steffen Baungaard, CEO.

Contact

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Steffen Baungaard and Rasmus Untidt will be presenting the interim report at a conference call today (22 August 2024) at 10:00 a.m. (CEST). Click [here](#) to follow the conference call live (in Danish).