

Company announcement no. 9/2023

## MT Højgaard Holding initiates strategic process for international activities and adjusts guidance for 2023

9 June 2023

The board of directors of MT Højgaard Holding has decided to initiate a strategic process for the business unit MT Højgaard International with the aim of reducing complexity and risk through a down-scaling of the international activities in a controlled process, which also includes divestments and winding-up. The group will to an even greater extent focus on the Danish core business and primarily be active internationally through well-defined projects in carefully selected areas.

Based on the sharpening of the group's strategic focus and deteriorating results in MT Højgaard International, MT Højgaard Holding adjusts the 2023 outlook and now expects operating profit to come to DKK 200-225 million before special items and potential value adjustments related to the strategic process against the previous operating profit guidance of DKK 300-325 million. Revenue is still expected at the level of DKK 9.0-9.5 billion.

The downwards adjustment is solely due to the international activities, which comprised just 7% of group revenue in Q1 2023. The results generated by the Danish core business until the end of May 2023 have exceeded expectations after a particularly strong development in MT Højgaard Danmark. Progress is expected to continue throughout the year, which will see the Danish core business improving earnings for the fifth consecutive year based on solid revenue growth. The progress in the Danish activities is, however, not strong enough to compensate for the significant deterioration of MT Højgaard International's results, which are mainly due to additional write-downs on three ongoing construction projects in Greenland and excessive capacity costs.

New management has been onboarded in the Greenlandic business where the main short-term focus is on completing the three aforementioned projects (two student halls of residence and an airport) as well as possible. The go-to-market approach will be changed radically, capacity and organisation will be adjusted to a new business scope, and steps will be taken to minimise tied-up capital. In the other international markets, the already announced initiatives will continue. In the 60%-owned Portuguese company Seth, which is mainly active in Africa, negotiations with potential strategic partners are ongoing. On the Faroe Islands, all construction works will be completed in Q3 2023. In addition, the profitable business in the Maldives continues under MT Højgaard Danmark's leadership to create synergies within water construction works.

"After intensifying the restructuring efforts and meticulously reviewing the activities in MT Højgaard International, we see a clear need for a fundamental change in the strategic approach to international activities. We are therefore changing the business model and scaling down the activities. As a general rule, we will only take on international work in clearly defined projects within carefully selected competence areas where we are particularly strong," says CEO Henrik Mielke, MT Højgaard Holding.

CEO Henrik Mielke and CFO Rasmus Untidt will present the changes and answer questions at a conference call on 12 June at 8:30 AM (CEST). The conference call will be conducted in Danish and can be attended live [here](#).

MT Højgaard Holding A/S  
Knud Højgaards Vej 7  
2860 Søborg

+45 7012 2400  
mthh.dk

CVR 16888419

Participants should dial the numbers provided below and enter PIN 531691.

Denmark + 45 78768490

UK + 44 203-7696819

US + 1 646-787-0157

**Contact:**

CEO Henrik Mielke and CFO Rasmus Untidt can be contacted on telephone +45 22 70 93 65.