

MT Højgaard Holding: Significant growth in Danish core business in Q1-Q3

FINANCIAL RESULTS Q1-Q3 2023

The profitability of the Danish core business continued its upward trend. However, Group results were negatively impacted by a substantial loss generated by MT Højgaard International, whose remaining activities in the North Atlantic region have now been put up for sale.

- Group revenue rose by 23% to around DKK 7.5 billion, and operating profit before special items decreased by 43% to DKK 95 million due to an operating loss of DKK 185 million in MT Højgaard International.
- The revenue of the Danish core business – MT Højgaard Danmark, Enemærke & Petersen and MT Højgaard Property Development – increased by 26% to around DKK 7 billion. The operating profit improved by 59% to DKK 280 million, and the operating margin rose to 4.0% from 3.2%.
- The result from continuing operations was a loss of 2 million compared to a profit of DKK 65 million last year. The decrease was due to the operating loss recorded by MT Højgaard International and write-downs in the business unit.
- Cash inflow generated by operating activities improved to DKK 426 million, compared with DKK 18 million last year.
- Interest-bearing debt was DKK 221 million, down from DKK 523 million last year.

INCREASING ORDER BOOK

The order book grew during the first nine months in spite of a more challenging market:

- The order book rose by 16% to DKK 14.3 billion. To this figure should be added orders awarded but not yet contracted and contributions from strategic construction partnerships and joint ventures.
- At DKK 7.9 billion, order intake reached the same level as last year. This was due to projects being postponed from the third to the fourth quarter and the fact that the business units maintained a cautious approach in order to ensure profitable growth in a market characterised by fiercer price competition.

OUTLOOK FOR 2023

On 27 October, MT Højgaard revised the financial outlook for 2023 after having reclassified MT Højgaard International as discontinuing operations. This outlook is maintained:

- Revenue is expected to increase to DKK 9.5-10.0 billion.
- Operating profit before special items is expected to be around DKK 400 million.
- Earnings from the Danish core business are expected to improve as a result of higher revenue.
- MT Højgaard International's operating result will be recorded as "profit/(loss) from discontinuing operations" together with Scandi Byg and the effect of the earn-out agreement from the sale of Ajos in 2021.

"The positive trend continues for our Danish core business with double-digit growth in revenue and earnings, in spite of more challenging market conditions as expected. Our order book is healthy, and we are delivering on our strategic priorities. With the planned sale of the last of our international activities in the North Atlantic region, we bring ourselves in a position where we can invest all our efforts in further developing the Danish core business," says CEO Henrik Mielke.

Contact: CEO Henrik Mielke and CFO Rasmus Untidt can be contacted through Louise Lykke at telephone +45 2270 9300.

Henrik Mielke and Rasmus Untidt will be presenting the interim financial report at a teleconference today (10 November 2023) at 10.00 am (CET). The teleconference can be followed live here.