

FURTHER INFORMATION:

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INTERIM FINANCIAL REPORT

1 January - 30 June 2023

“Our Danish core business maintains high growth and improved performance in spite of intensifying competition. Order intake is solid. Cash flows have improved, cash and cash equivalents have been strengthened, and net interest-bearing debt has been cut in half in the past year. However, the performance of the international activities is highly unsatisfactory, and we give high priority to eliminating these losses in a controlled process.” *CEO Henrik Mielke*

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SKOLEN I SYDHAVNEN

Enemærke & Petersen has carried out a 5,500 m² expansion of Skolen i Sydhavnen in Copenhagen, with new class rooms for the older pupils and a brand new daycare centre for the younger pupils. Photo: Jonathan Weimar

FINANCIAL HIGHLIGHTS – FIRST HALF 2023

- Earnings from the Danish core business improved as a result of increased activity and more efficient project processes.
- Total Group results were negatively impacted by an operating loss of DKK 83 million generated by MT Højgaard International whose activities are being scaled down in a controlled process.
- Revenue increased by 24% to DKK 4.9 billion, while operating profit before special items decreased by 40% to DKK 64 million.
- Operating activities generated an increased cash inflow of DKK 160 million, and net interest-bearing debt decreased to DKK 438 million.
- The order book grew to DKK 15.5 billion. To this should be added orders awarded but not yet contracted and contributions from strategic construction partnerships and joint ventures.

OUTLOOK FOR 2023

- The full-year outlook is maintained and supported by the strong order book.
- Revenue is still expected to increase to DKK 9.0-9.5 billion.
- Operating profit before special items and any value adjustments is expected to reach DKK 200-225 million.
- Earnings from the Danish core business are expected to improve as a result of higher revenue, but the improvement will be eclipsed by a considerable loss from the international activities.
- About 95% of the expected contract revenue had been contracted at the end of the first half of 2023.

Operating and financial review

Good progress in the Danish core business in the first half of the year, but the unsatisfactory results from the international activities had a negative impact. The order book grew to DKK 15.5 billion.

In this interim financial report, Scandi Byg is shown as discontinuing operations, and all comparative figures have been adjusted. Comparative figures for the first half of 2022 are shown in parenthesis.

SECOND-QUARTER RESULTS

The Danish core business recorded solid growth in the second quarter. However, the results were negatively impacted by the substantial loss generated by MT Højgaard International. The quarterly results were thus in line with the adjusted outlook for the year announced by the Group in June.

Earnings from the Danish core business consisting of MT Højgaard Danmark, Enemærke & Petersen and MT Højgaard Property Development improved as a result of increasing activity and more efficient project processes, particularly in MT Højgaard Danmark. Operating profit before special items of the core business was DKK 86 million, up from DKK 72 million in the second quarter of 2022 (calculated as the Group's operating profit excluding MT Højgaard International).

The progress in Denmark was not sufficient to set off the deterioration of MT Højgaard International's performance, which resulted in the operating result before special items slumping

to a loss of DKK 64 million (2022: a loss of DKK 1 million). The Group's operating profit before special items therefore decreased to DKK 22 million (2022: DKK 72 million) in spite of revenue increasing by 21% to DKK 2.6 billion.

STRATEGIC FOCUS

In recent months, MT Højgaard Holding has strengthened its strategic focus on the Danish core business consisting of MT Højgaard Danmark, Enemærke & Petersen and MT Højgaard Property Development. The Group aims to maintain healthy and stable growth in both revenue and profitability of the Danish activities, which contribute 93% of Group revenue. The ambition is that the average annual growth in operating profit should exceed the growth in revenue.

Outside the Danish market, MT Højgaard Holding will primarily be active through a limited number of projects in selected areas of expertise. In June 2023, MT Højgaard Holding thus started downscaling MT Højgaard International through divestments, a close-down of activities, etc.

The Group is now focussing on the creation of viable solutions for the remaining international activities. Seth, the 60% owned Portuguese company which is mainly active in Africa, is in the process of negotiating with possible strategic

partners. In Greenland, the short-term focus is on completing three loss-making projects in the best possible way, changing the market approach radically and adjusting activities.

SCANDI BYG SOLD

On 5 July 2023, MT Højgaard Holding entered into a final agreement to sell Scandi Byg. The sale will be completed on 31 December 2023 if the competition authorities are able to grant their approval. The final selling price will be determined at closing, but it is expected to be around DKK 30 million.

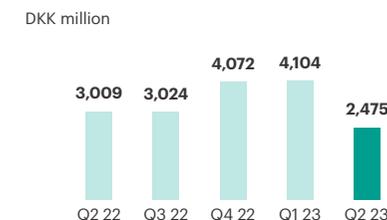
FIRST-HALF ORDER INTAKE AND ORDER BOOK

The Group's order book grew in the first half of the year, although the business units chose a prudent approach in order to ensure profitable growth in a market characterised by fiercer price competition with more bidders competing for fewer projects. The value of the Group's portfolio of final, unconditional orders rose to DKK 15.5 billion, corresponding to a 12% increase from the turn of the year and 36% from the end of the first half of 2022.

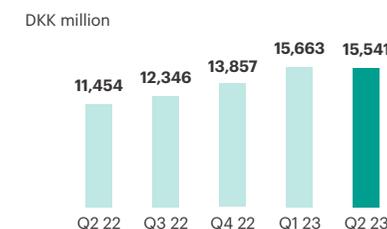
To this figure should be added awarded but not yet contracted orders worth DKK 0.6 billion, future contributions from strategic construction partnerships with Civica, the Capital Region of Denmark, the City of Copenhagen and KAB as well as joint venture orders, including MT Højgaard Danmark's share of the North Harbour Tunnel project which is worth around DKK 1.3 billion.

In the first half of the year, the business units contracted new orders and extra works worth DKK 6.6 billion (2022: DKK 4.8 billion). Although the tendering market was slowing down, 18%

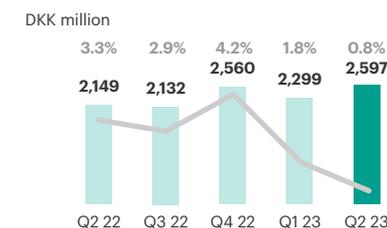
Order intake*



Order book*



Revenue and operating margin*



* 2022 figures have been adjusted for the sale of Scandi Byg

of the Group's order intake came from strategic construction partnerships and other collaboration projects with clients and consultants.

As expected, market demand was affected by the increasing interest rates and the hike in prices of building materials seen in recent

years. The slowdown was most pronounced in the areas of newbuilds and residential refurbishments. The demand for commercial buildings was more robust, and some parts of the civil engineering market saw increasing activity, particularly in relation to green transition projects and energy upgrading projects. Civil engineering works accounted for 50% of MT Højgaard Danmark's order intake in the second quarter and 22% in the first half of the year.

DISPUTES

The efforts to settle or resolve old disputes progressed well. 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 were still unwilling to engage in mediation.

FIRST-HALF RESULTS

The profitability of the Danish core business improved in the first half of the year, but the improvement was eclipsed by the considerable operating loss recorded by MT Højgaard International.

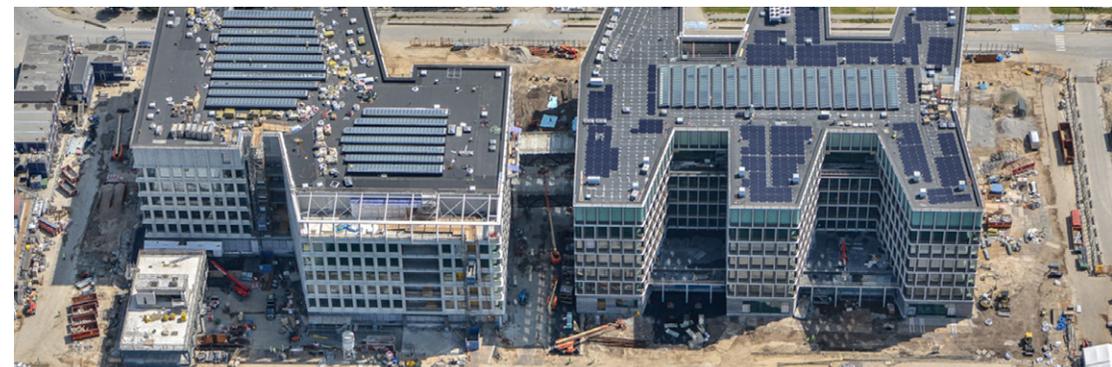
On a pro forma basis – exclusive of MT Højgaard International – the Group's organic

growth rose by 28% to DKK 4.6 billion, while operating profit before special items increased by 39% to DKK 147 million (2022: DKK 106 million), thus lifting the operating margin of the Danish business units to 3.2% (2022: 2.9%) as a result of better capacity utilisation, lower write-downs and decreasing capacity costs.

MT Højgaard International's operating result before special items was a loss of DKK 83 million (2022: DKK 0 million) after write-downs of DKK 71 million on three projects in Greenland and the last construction project on the Faroe Islands. The high capacity costs in Greenland also put a strain on earnings.

Due to the loss recorded by MT Højgaard International, the Group's operating profit before special items reached DKK 64 million (2022: DKK 106 million), while EBIT reached DKK 54 million (2022: DKK 92 million).

Profit from continuing operations after net financials and taxes fell to DKK 22 million (2022: DKK 46 million). In contrast, profit from discontinuing operations rose to DKK 20 million (2022: a loss of DKK 12 million). This was due to an adjustment of the expected future rental activities under the earn-out agreement from the sale



of Ajos's pavilion business in 2021, less the loss recorded by Scandi Byg for the first half of the year, including asset write-downs to fair value.

Based on a profit for the period of DKK 43 million (2022: DKK 34 million), the return on equity reached 5.6% (2022: 4.5%).

EQUITY

Equity increased to DKK 792 million, up from DKK 751 million at the turn of the year and DKK 778 million at the end of the first half of 2022. The solvency ratio was 15.9%, which was 0.6 percentage point higher than at the turn of the year, but 1.3 percentage points lower than at the end of the first half of 2022. Including a

MT Højgaard Danmark is constructing new headquarters for AP Pension at Svanemølleholmen in Copenhagen.

subordinated loan from Knud Højgaards Fond, the solvency ratio was 22.4%.

CASH FLOWS

The cash inflow from operating activities improved significantly to DKK 160 million (2022: a cash outflow of DKK 116 million) as a result of the continuous efforts to reduce the working capital. The Group's working capital fell to a negative DKK 111 million (2022: a positive DKK 308 million), particularly due to an increase in trade payables and a positive net development of work in progress. Working capital improved by DKK 115 million compared to the working capital at the turn of the year.

NET INTEREST-BEARING DEBT

The net interest-bearing debt decreased to DKK 438 million, a reduction of DKK 110 million compared to the interest-bearing debt at the turn of the year and DKK 434 million at the end of the first half of 2022, primarily as a result of an increase in cash and cash equivalents.

Amounts in DKK million

	H1 2023				H1 2022			
	Revenue	Operating profit/ (loss) b. special items	Order intake	Order book	Revenue	Operating profit/ (loss) b. special items	Order intake	Order book
MT Højgaard Danmark	2,558	92.3	4,048	8,864	1,835	42.4	1,711	4,370
Enemærke & Petersen	1,958	74.6	2,034	5,747	1,733	74.8	2,661	6,075
MT Højgaard International	328	-83.0	285	572	381	0.1	219	819
MT Højgaard Property Development	233	-5.4	235	475	213	1.1	322	634
Other (including eliminations)	-181	-15.0	-23	-117	-199	-12.8	-121	-444
MT Højgaard Holding Group	4,896	63.5	6,579	15,541	3,963	105.6	4,792	11,454

Consolidated financial highlights

MT Højgaard Holding Group

Amounts in DKK million	2023 Q2	2022 Q2	2023 H1	2022 H1	2022 Year	Amounts in DKK million	2023 Q2	2022 Q2	2023 H1	2022 H1	2022 Year
INCOME STATEMENT						OTHER INFORMATION					
Revenue	2,597	2,149	4,896	3,963	8,654	Order intake	2,475	3,009	6,579	4,792	11,888
Gross profit/(loss)	103	167	229	289	626	Order book, end of period			15,541	11,454	13,857
Operating profit/(loss) before special items	22	72	64	106	276	Working capital			-111	308	4
Special items	-	-	-	-	-9	Net interest-bearing deposit/debt (+/-)			-438	-872	-548
Special amortisation	-5	-7	-10	-14	-85	Average invested capital incl. goodwill			1,255	1,528	1,352
EBIT	17	65	54	92	182	Average number of employees			2,958	2,626	2,774
Net financials	-11	-19	-25	-32	-86	FINANCIAL HIGHLIGHTS %					
Net profit/(loss) for the period from continuing operations	4	37	22	46	130	Gross margin	4.0	7.8	4.7	7.3	7.2
Net profit/(loss) for the period from discontinued operations	24	-9	20	-12	-118	Operating margin	0.8	3.3	1.3	2.7	3.2
Net profit/(loss) for the period	28	28	43	34	12	EBIT margin	0.7	3.0	1.1	2.3	2.1
BALANCE SHEET						Return on invested capital incl. goodwill (ROIC)			18.3	17.9	20.0
Non-current assets			1,315	1,438	1,270	Return on invested capital incl. goodwill after tax			14.3	14.0	15.6
Current assets			3,618	2,983	3,519	Return on equity (ROE)			5.6	4.5	1.6
Total assets			4,933	4,421	4,789	Solvency ratio			15.9	17.2	15.3
Share capital			156	156	156	Solvency ratio incl. subordinated loan			22.4	26.3	23.7
Equity			792	778	751	SHARE-RELATED RATIOS					
Non-current liabilities			857	1,070	988	Number of shares at year end, million shares			7.8	7.8	7.8
Current liabilities			3,284	2,573	3,050	Earnings per share (EPS), DKK			5.5	4.4	1.5
CASH FLOW						Diluted earnings per share (EPS-D), DKK			5.4	4.3	1.5
Cash flows from operating activities	116	-102	160	-116	213	Earnings per share from continuing operations, DKK			2.8	5.9	16.9
Cash flows for investing activities, net	-15	-23	-31	-18	-32	Diluted earnings per share from continuing operations, DKK			2.8	5.8	16.6
Of which for investment in property, plant and equipment	-17	-19	-34	-49	-76	Book value per share, DKK			100.8	97.8	94.1
Cash flows from financing activities	-19	14	-31	-5	-47	Total market capitalisation, DKK million			818	833	1,133
Net increase (decrease) in cash and cash equivalents	82	-111	98	-139	134						

Outlook for 2023

In 2023, earnings from the Danish core business are expected to improve for the fifth year in a row. In contrast, MT Højgaard International is expected to generate a significant loss, while downscaling its activities in a controlled strategic process.

On 9 June 2023, MT Højgaard Holding adjusted its outlook for 2023, and the adjusted outlook is maintained: Revenue is expected to be around DKK 9.0-9.5 billion, while the Group expects an operating profit of DKK 200-225 million before special items and any value adjustments necessitated by the strategic process.

For the fifth year in a row, the Danish core business – the business units MT Højgaard Danmark, Enemærke & Petersen and MT Højgaard Property Development – is expected to improve its total earnings after having recorded solid growth, particularly in MT Højgaard Danmark. Increasing revenue is expected from ongoing projects, orders already contracted with start-up in 2023, strategic construction partnerships and new orders.

FORWARD-LOOKING STATEMENTS

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

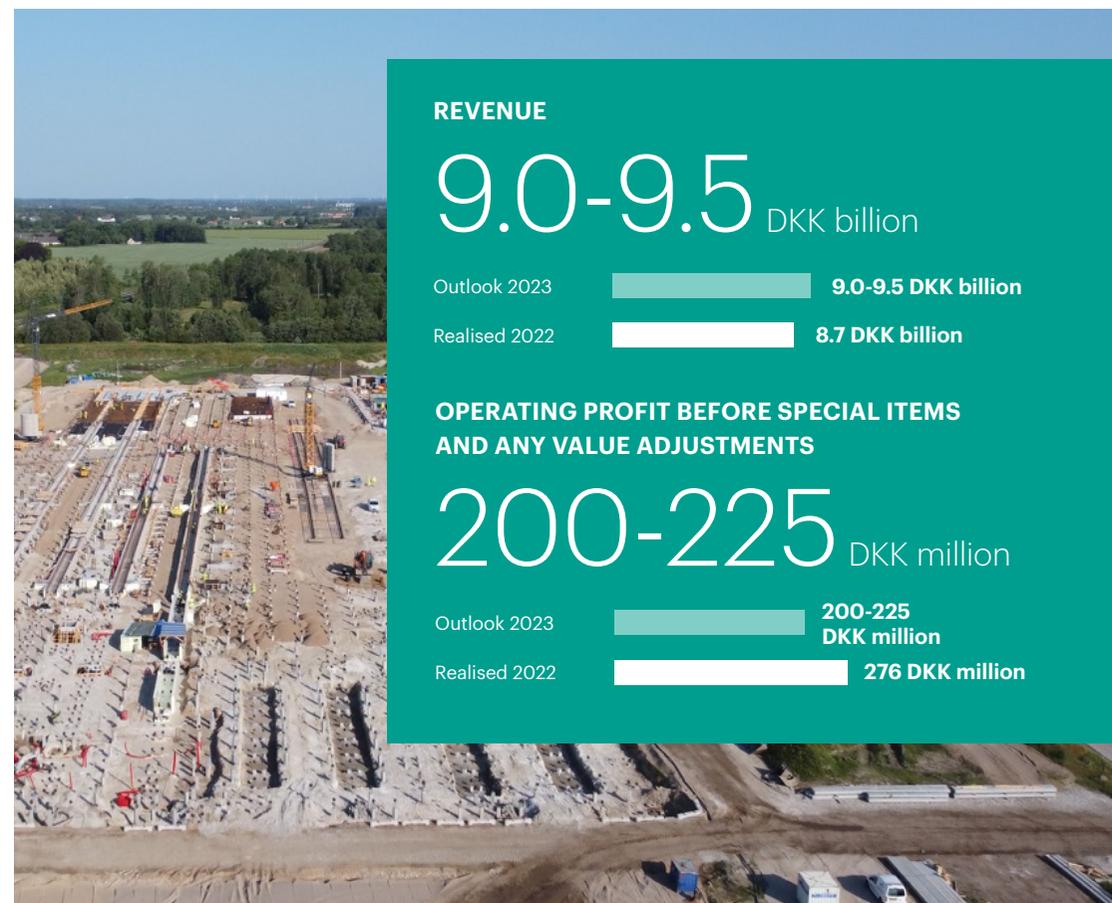
The expected positive outlook for the core business is supported by a healthy order book, a solid pipeline and strong exposure to the market sectors which are expected to grow. The outlook is only sensitive to an expected decrease in the overall Danish demand to a minor extent since about 95% of the year's expected revenue from construction and civil engineering projects had already been contracted at the end of the second quarter.

MT Højgaard International is expected to see a marked deterioration in its financial results, especially due to write-downs on three ongoing construction projects in Greenland and excessive capacity costs in Greenland compared to the reduced activity level. The international activities are being scaled down in a controlled process, which also comprises divestments and a close-down of activities. This may give rise to a number of value adjustments.

OTHER ASSUMPTIONS

Key assumptions relating to market and demand in 2023:

- Demand in the Danish construction and civil engineering market is expected to continue its downward trend.
- However, strong demand for civil engineering works is expected, especially for



The construction site for a new DSB workshop for electric trains has been established in Næstved. MT Højgaard Danmark is constructing similar workshops in Copenhagen and Aarhus. In June, DSB awarded another contract, a design-build contract for a new railway station for infrastructure purposes in Taastrup.

- climate end energy solutions as well as digital infrastructure.
- To an even greater extent, clients are expected to choose solid contractors who, as part of trust-based partnerships, may contribute to increase the value of projects.
- The strong interest in sustainable 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.
- Postponements of project start-ups or delays in contract signing may occur, but the effect is assumed to be limited.

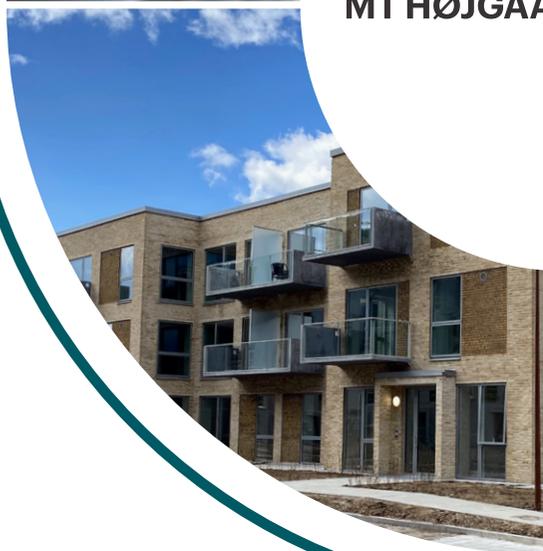
Business units



Enemærke & Petersen

Nationwide contractor within new build, refurbishment and building services as well as strategic partnerships

[Read more on page 8 >](#)



MT HØJGAARD HOLDING



MTHøjgaard
Property Development

Development and realisation of construction projects and urban development

[Read more on page 10 >](#)

 **MTHøjgaard**
Danmark

Major contractor within construction, civil works and infrastructure

[Read more on page 7 >](#)

 **MTHøjgaard**
International

International contractor within construction, civil works and technical installations contracts on selected markets and projects

[Read more on page 9 >](#)



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IKEA CITY STORE,
COPENHAGEN

CONTINUED STABLE AND POSITIVE PERFORMANCE

MT Højgaard Danmark's performance remained stable and positive, and the financial results in the second quarter were satisfactory with growth in both revenue and operating profit compared to the same period last year. The business grew even more robust in spite of a still challenging market.

First-half revenue rose by 39% compared to the same period last year, reaching DKK 2,558 million (2022: DKK 1,835 million). Second-quarter revenue was DKK 1,394 million (2022: DKK 981 million), distributed on around 100 ongoing construction and civil engineering projects across the country. Tendering activity remained high for both construction projects (new builds and refurbishments) and civil engineering projects (infrastructure and civil engineering works) throughout the first six months.

First-half operating profit improved to DKK 92.3 million (2022: DKK 42.4 million). Second-quarter operating profit was DKK 52.0 million (2022: DKK 30.9 million).

SPECIAL PROJECTS AND INITIATIVES

In the second quarter, MT Højgaard Danmark signed another contract with DSB as client. The contract for a new railway station in Taastrup is the result of the good collaboration with DSB on the new green workshops for electric trains in Copenhagen, Aarhus and Næstved. A common feature of all the DSB projects is the close, phased collaboration where all parties participate in the drafting of project material with a focus on economy, time and quality.

In the second quarter, MT Højgaard Danmark launched its new strategy towards 2025, MOMENTUM. The strategy is based on the key values of team spirit, professionalism and collaboration and is instrumental in further improving the company's competitiveness and strong market position. The goal is to hold the industry position which is best for both employees and customers, a position where culture, professionalism and close collaboration create both satisfaction and results.

ORDER INTAKE AND ORDER BOOK

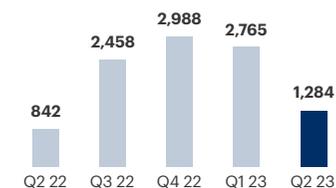
MT Højgaard Danmark's first-half order intake reached DKK 4,048 million (2022: DKK 1,711 million). Second-quarter order intake was DKK 1,284 million (2022: DKK 842 million). The order book totalled DKK 8,864 million at the end of the second quarter of 2023 (2022: DKK 4,370 million).

NEW MAJOR PROJECTS IN Q2 2023

- New railway station in Taastrup for DSB
- New transformer station for offshore wind farm in Thorsminde for RWE
- Refurbishment of 220 social family homes for the housing association Køge Boligselskab

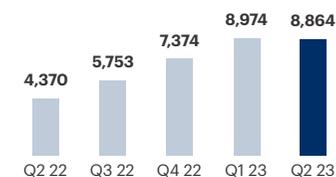
Order intake

DKK million



Order book

DKK million



Revenue and operating margin

DKK million



The period in figures

REVENUE

2,558
DKK million

OPERATING PROFIT

92.3
DKK million

ORDER INTAKE

4,048
DKK million

ORDER BOOK

8,864
DKK million



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SPECIALSKOLEN VED ROSEN-VÆNGETS HOVEDVEJ, COPENHAGEN
Photo: Laura Stamer

SATISFACTORY PERFORMANCE IN THE FIRST HALF OF 2023

The performance of Enemærke & Petersen was satisfactory in the first half of 2023, with a high level of activity throughout the period and results in line with expectations.

First-half revenue reached DKK 1,958 million (2022: DKK 1,733 million). Second-quarter revenue was DKK 1,023 million (2022: DKK 925 million). The first-half operating profit was DKK 74.6 million (2022: DKK 74.8 million), while the second-quarter operating profit was DKK 40.3 million (2022: DKK 39.9 million). The operating margin was thus slightly lower than that for the same period last year, which was due to the lower profitability of a few projects.

At the end of the second quarter of 2023, it was still uncertain how the markets for new builds and refurbishments would develop in the long term. In spite of that, the period was characterised by good tendering activity for refurbishment contracts in particular. However, the activity fluctuated throughout the period, with considerably fiercer competition and more bidders competing for each project.

SPECIAL PROJECTS AND INITIATIVES

Enemærke & Petersen completed the construction of a new residential building concept in partnership with VELUX, Artelia and EFFEKT. BoligVærkstedet in Jernbanebyen showcases future homes with a carbon footprint of 3.8 kg/CO₂/m²/year, corresponding to about one third of the current Danish statutory requirements.

Enemærke & Petersen completed a number of school refurbishment and construction projects in Copenhagen as part of the strategic partnership 'ByK with TRUST'. Among the projects was a new building at Skolen i Sydhavnen and the refurbishment and extension of Specialskolen ved Rosenvængets Hovedvej.

Raunstrup also focussed on school projects and signed a contract with the Municipality of Aarhus for the conversion and extension of Solbjergskolen. At the Port of Esbjerg, Nembyg initiated the first phase of 12,000 m² storage buildings for Jutlandia Terminal A/S. The first phase of 4,000 m² is to be ready for use in October and will consist of heated, insulated storage buildings.

ORDER INTAKE AND ORDER BOOK

First-half order intake was DKK 2,034 million (2022: DKK 2,661 million), while second-quarter order intake was DKK 877 million (2022: DKK 1,791 million). The reason for the somewhat lower order intake compared to 2022 was an unusually high order intake in the second quarter of 2022. The order intake in the second quarter of 2023 is considered satisfactory seen in the light of competition and the number of contracts awarded in the period.

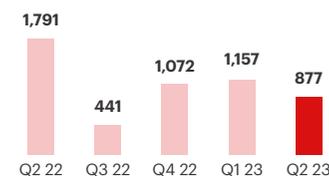
The order book stood at DKK 5,747 million at the end of the second quarter (2022: DKK 6,075 million), down 5% compared to last year, which was due to a lower order intake and higher revenue in the first six months of 2023.

NEW MAJOR PROJECTS IN Q2 2023

- Project development and construction of terraced houses for SF Management

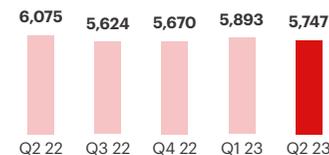
Order intake

DKK million



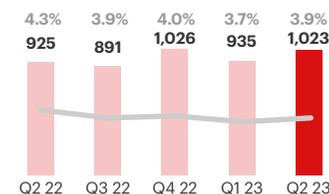
Order book

DKK million



Revenue and operating margin

DKK million



- Refurbishment of residential blocks and a communal building for housing association
- Refurbishment, modernisation and conversion for the Municipality of Gladsaxe
- Refurbishment of housing estate for the housing association ABB

The period in figures

REVENUE

1,958
DKK million

OPERATING PROFIT

74.6
DKK million

ORDER INTAKE

2,034
DKK million

ORDER BOOK

5,747
DKK million



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SØNDRESTRØM
RESEARCH FACILITY

CONTINUED UNSATISFACTORY PERFORMANCE

First-half performance was unsatisfactory and below expectations. In the first half of the year, MT Højgaard International generated revenue of DKK 328 million (2022: DKK 381 million), while second-quarter revenue was DKK 160 million (2022: DKK 217 million). The first-half operating result was a loss of DKK 83.0 million (2022: a profit of DKK 0.1 million), and the second-quarter operating result was a loss of DKK 64.2 million (2022: a loss of DKK 0.5 million). The deterioration in the first half of the year was mainly attributable to the activities in Greenland with further write-downs on three projects for which fixed price contracts had been concluded in 2020-21 and high capacity costs. Furthermore, the completion of MT Højgaard Færøerne's last project had a negative effect on performance.

As a result of the negative performance, the Board of Directors of MT Højgaard Holding launched a strategic process for MT Højgaard International in the second quarter. The goal is to reduce complexity and risks by downscaling the international activities in a controlled process, which also comprises divestments and a close-down of activities. Going forward, the Group will thus primarily be active internationally through a limited number of projects in selected areas.

SPECIAL PROJECTS AND INITIATIVES

As part of the process of downscaling the international activities, the management responsibility for the business in Greenland has been transferred to MT Højgaard Danmark. MT Højgaard Grønland ApS will remain an independent company having its own management and board of directors with

Carsten Lund, the Managing Director of MT Højgaard Danmark, as chairman. The goal is to strengthen the interaction between the activities in Greenland and Denmark as part of the process of stabilising the business in Greenland with the main focus being on the completion of ongoing projects.

In the second quarter, the collaboration with the Government of Greenland on the construction of new student residence halls in Nuuk and Qaqortoq continued. The work on Greenland's new international airport in Nuuk also continued. In North Greenland, MT Højgaard Grønland demolished the Søndrestrøm Research Facility and continues the work by cleaning the contaminated soil.

In the Maldives, the concrete plant producing prefabricated elements for resort development projects etc. experienced high activity in the second quarter, while the coastal protection project for the government on the island of Fuvahmulah continued. Civil engineering and costal protection projects are still in high demand by key customers. As at 1 July 2023, the activities in the Maldives were transferred to the water construction department of MT Højgaard Danmark.

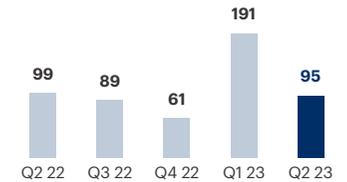
Seth, the 60% owned Portuguese company, which is mainly active in Africa, is in the process of negotiating with possible strategic partners.

ORDER INTAKE AND ORDER BOOK

- In the first half of 2023, the order intake was DKK 285 million (2022: DKK 219 million). The order book stood at DKK 572 million at the end of the second quarter of 2023 (2022: DKK 819 million).

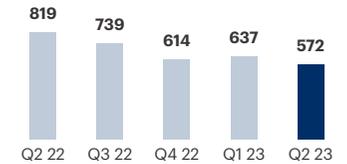
Order intake

DKK million



Order book

DKK million



Revenue and operating margin

DKK million



The period in figures

REVENUE

328
DKK million

OPERATING LOSS

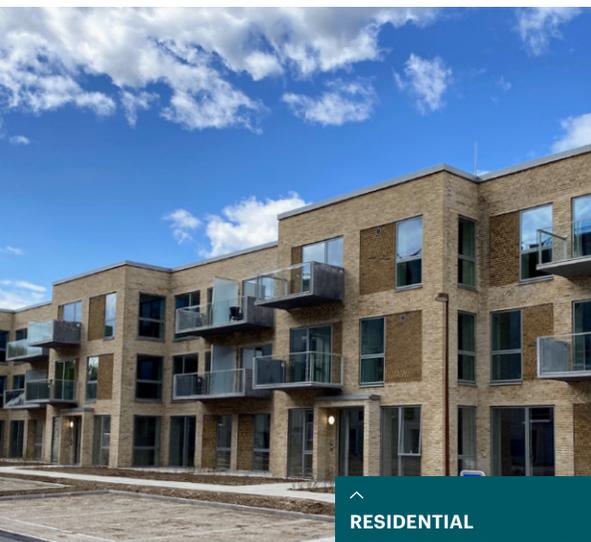
-83.0
DKK million

ORDER INTAKE

285
DKK million

ORDER BOOK

572
DKK million



RESIDENTIAL DEVELOPMENT, DALUM

HESITANT START, BUT POSITIVE OUTLOOK FOR THE REMAINDER OF THE YEAR

MT Højgaard Property Development performed as expected in the first half of the year. A number of project opportunities are expected to make a positive contribution in the quarters to come.

First-half revenue was DKK 233 million (2022: DKK 213 million). Second-quarter revenue was DKK 109 million (2022: DKK 142 million). The first-half operating result before special items was a loss of DKK 5.4 million (2022: a profit of DKK 1.1 million), while the second-quarter result was a loss of DKK 2.8 million (2022: a profit of 6.5 million). The operating result is expected to develop positively in the second half of the year as and when a number of major projects are completed.

Following a slow sale during the winter months, sale activities picked up and several homes were sold on ongoing projects in Nivå and Roskilde. On the basis of the positive development, the sale of owner-occupied units at the Dalum Paper Factory was launched in May and came off to a good start. There was also a clear increase in the activity and the interest in the commercial projects held in the portfolio.

The value of the portfolio of building plots was DKK 348 million at the end of the second quarter (2022: DKK 276 million). The increase was mainly due to the purchase of a number of major properties, including a commercial property in the South Harbour of Copenhagen and Dalum Kloster near Odense.

SPECIAL PROJECTS AND INITIATIVES

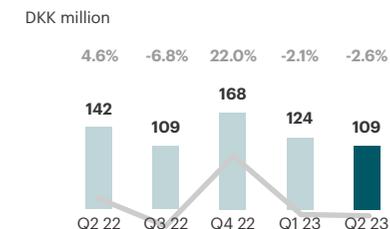
MT Højgaard Property Development entered into a 30-year PPP agreement with Pension-Danmark and the DEAS Group on the operation and service of new headquarters for the Danish Defence Intelligence Service.

In the second quarter, nearly 100 rental units at the Dalum Paper Factory were handed over to NIAM, a Swedish property company. The construction of the next phases of the Dalum Paper Factory, Teglsørerne and Musicon projects is proceeding according to plan, and more units will be handed over in the third and fourth quarters of 2023.

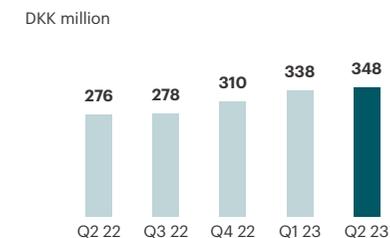
In the South Harbour of Copenhagen, a major mixed-use (residential and non-residential) development project of 22,000 m² is at the planning stage with expected start-up at the end of the year. The project comprises 8,000 m² of mixed-use residential units (sold), 1,200 m² of retail units (sold) and 10,000 m² of commercial rental units with parking spaces.

For the purpose of promoting the sustainability agenda, MT Højgaard Property Development participates in the "Housing construction from 4 to 1 planet" initiative started by the Villum Fonden and Realdania. MT Højgaard Property Development is to construct a single-family house with a climate impact of 2.5 kg CO₂e / m²/year, which corresponds to a fourth of the average climate impact of new buildings in Denmark today. MT Højgaard Property Development is currently searching for a suitable location for the building in consultation with a number of interested municipalities.

Revenue and operating margin



Capital tied up in property portfolio*



*Excl. construction projects developed in-house

The period in figures

REVENUE

233
DKK million

OPERATING LOSS

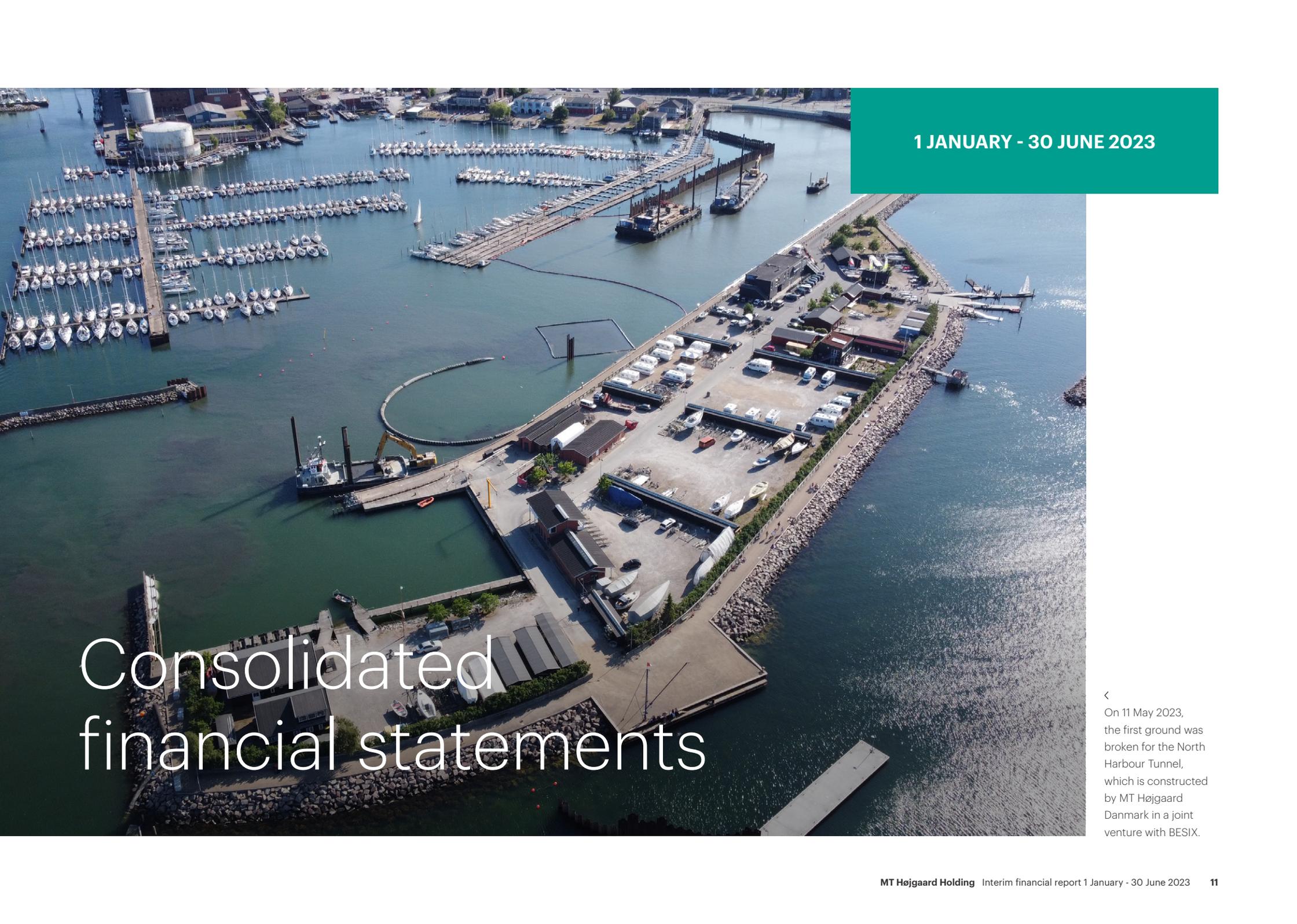
-5.4
DKK million

ORDER INTAKE

235
DKK million

ORDER BOOK

475
DKK million



1 JANUARY - 30 JUNE 2023

Consolidated financial statements

<
On 11 May 2023,
the first ground was
broken for the North
Harbour Tunnel,
which is constructed
by MT Højgaard
Danmark in a joint
venture with BESIX.

Income statement and statement of comprehensive income

Amounts in DKK million	2023 Q2	2022 Q2	2023 H1	2022 H1	2022 Year
INCOME STATEMENT					
Revenue	2,597.1	2,148.7	4,895.8	3,962.6	8,654.4
Production costs	-2,493.9	-1,981.5	-4,667.3	-3,673.3	-8,028.9
Gross profit/(loss)	103.2	167.2	228.5	289.3	625.5
Distribution costs	-28.9	-47.9	-55.8	-87.6	-144.3
Administrative expenses	-58.1	-54.3	-118.2	-105.6	-221.2
Profit/(loss) before share of profit/(loss) of joint ventures	16.2	65.0	54.5	96.1	260.0
Share of profit/(loss) after tax of joint ventures	5.7	6.9	9.0	9.5	15.5
Operating profit/(loss) b. special items	21.9	71.9	63.5	105.6	275.5
Special items	0.0	0.0	0.0	0.0	-8.7
Special amortisation	-4.8	-6.8	-9.7	-13.5	-84.5
EBIT	17.1	65.1	53.8	92.1	182.3
Net financials	-11.3	-18.5	-24.6	-32.3	-86.1
Profit/(loss) before tax from continuing operations	5.8	46.6	29.2	59.8	96.2
Tax on profit/(loss) for the period from continuing operations	-1.7	-9.3	-7.0	-13.9	33.6
Net profit/(loss) for the period from continuing operations	4.1	37.3	22.2	45.9	129.8
Net profit/(loss) for the period from discontinued operations	23.8	-9.4	20.4	-11.8	-117.7
Net profit/(loss) for the period	27.9	27.9	42.6	34.1	12.1
Attributable to:					
Shareholders of MT Højgaard Holding A/S	28.0	27.7	42.4	33.7	11.7
Non-controlling interests	-0.1	0.2	0.2	0.4	0.4
Total	27.9	27.9	42.6	34.1	12.1

Amounts in DKK million	2023 Q2	2022 Q2	2023 H1	2022 H1	2022 Year
STATEMENT OF COMPREHENSIVE INCOME					
Net profit/(loss) for the period	27.9	27.9	42.6	34.1	12.1
Other comprehensive income					
Items that may be reclassified to the income statement:					
Foreign exchange adjustments arising on translation of foreign entities	-	2.9	-0.6	6.2	0.7
Capital items, joint ventures	-	-	-	-	0.2
Other comprehensive income after tax	0.0	2.9	-0.6	6.2	3.6
Total comprehensive income	27.9	30.8	42.0	40.3	13.0
Attributable to:					
Shareholders of MT Højgaard Holding A/S	28.0	30.6	41.8	39.9	12.6
Non-controlling interests	-0.1	0.2	0.2	0.4	0.4
Total	27.9	30.8	42.0	40.3	13.0

Balance sheet

Amounts in DKK million	2023 30-06	2022 30-06	2022 31-12
ASSETS			
Non-current assets			
Intangible assets	413.8	509.7	428.2
Property, plant and equipment	331.2	374.3	323.2
Lease assets	258.0	284.5	250.2
Investments in joint ventures	74.3	97.1	69.1
Receivables	49.8	17.4	24.6
Deferred tax assets	187.8	154.7	174.7
Total non-current assets	1,314.9	1,437.7	1,270.0
Current assets			
Inventories	508.8	385.2	444.2
Receivables	2,110.4	2,151.5	2,029.9
Construction contracts	373.1	284.9	447.9
Income tax	-	5.2	3.4
Prepayments	33.0	43.7	54.2
Cash and cash equivalents	484.8	112.6	386.4
	3,510.1	2,983.1	3,366.0
Assets held for sale	107.5	-	152.5
Total current assets	3,617.6	2,983.1	3,518.5
Total assets	4,932.5	4,420.8	4,788.5

Amounts in DKK million	2023 30-06	2022 30-06	2022 31-12
EQUITY AND LIABILITIES			
Equity			
Share capital	155.7	155.7	155.7
Translation reserve	1.2	7.3	1.8
Retained comprehensive income	627.9	598.8	576.5
Equity attributable to shareholders	784.8	761.8	734.0
Non-controlling interests	7.3	16.5	17.1
Total equity	792.1	778.3	751.1
Non-current liabilities			
Deferred tax liabilities	40.7	66.4	44.8
Provisions	145.9	169.9	145.5
Mortgage debt	35.0	59.6	35.9
Lease commitments	226.4	260.9	230.6
Subordinated loan	240.0	320.0	320.0
Other non-current liabilities	168.5	193.2	211.1
Total non-current liabilities	856.5	1,070.0	987.9
Current liabilities			
Mortgage debt	1.8	5.3	2.0
Bank loans	104.1	1.0	3.4
Lease commitments	69.0	66.9	64.0
Subordinated loan	80.0	80.0	80.0
Construction contracts	1,134.3	906.1	979.8
Trade payables	1,339.0	1,033.2	1,384.2
Other liabilities	298.1	326.8	263.5
Income tax	37.4	19.5	15.3
Provisions	104.5	131.0	98.1
Deferred income	2.2	2.7	2.9
	3,170.4	2,572.5	2,893.2
Liabilities related to assets held for sale	113.5	-	156.3
Total current liabilities	3,283.9	2,572.5	3,049.5
Total liabilities	4,140.4	3,642.5	4,037.4
Total equity and liabilities	4,932.5	4,420.8	4,788.5

Statement of cash flows

Amounts in DKK million	2023 Q2	2022 Q2	2023 H1	2022 H1	2022 Year
EBIT	17.1	65.1	53.8	92.1	182.3
EBIT from discontinued operations	23.0	-11.4	18.5	-14.9	-109.2
Adjustments for items not included in cash flows etc.	59.8	32.9	103.3	67.3	341.3
Cash flows from operating activities before working capital changes	99.9	86.6	175.6	144.5	414.4
Working capital changes:					
Inventories	-23.8	-22.9	-64.7	-29.0	-114.2
Receivables	-171.0	-216.7	-82.3	-311.3	-258.5
Construction contracts	-57.2	25.5	229.3	172.9	115.3
Trade and other current payables	275.2	46.0	-75.9	-54.1	115.0
Cash flows from operating activities	123.1	-81.5	182.0	-77.0	272.0
Net financials	-10.3	-19.3	-23.5	-32.8	-44.7
Income taxes paid	3.2	-1.4	1.7	-6.5	-14.5
Cash flows from operating activities	116.0	-102.2	160.2	-116.3	212.8

Amounts in DKK million	2023 Q2	2022 Q2	2023 H1	2022 H1	2022 Year
Purchase of intangible assets	-0.4	-0.1	-2.7	-0.6	-9.2
Purchase of property, plant and equipment	-17.3	-18.8	-34.3	-49.3	-76.3
Sale of property, plant and equipment	0.5	2.5	2.5	20.7	40.4
Acquisition of enterprises and activities	-	-	-0.2	-	-
Dividends from joint ventures	2.2	3.1	4.1	3.1	55.4
Loans to joint ventures	-	-9.6	-	8.0	-42.2
Cash flows from investing activities	-15.0	-22.9	-30.6	-18.1	-31.9
Loan financing:					
Decrease in bank loans	-0.5	-10.7	-1.3	-11.9	-15.3
Decrease in lease debt	-18.8	-17.6	-39.9	-33.0	-73.5
Decrease in loans from related parties	-	-17.3	-80.0	-17.3	-17.3
Increase in bank loans	-	59.5	100.0	59.5	61.9
Shareholders:					
Dividends to non-controlling interests	-	-	-10.0	-	-
Purchase of treasury shares	-	-	-	-2.3	-2.3
Cash flows from financing activities	-19.3	13.9	-31.2	-5.0	-46.5
Net increase (decrease) in cash and cash equivalents	81.7	-111.2	98.4	-139.4	134.4
Cash and cash equivalents at 01-01	403.1	223.8	386.4	252.0	252.0
Cash and cash equivalents at 30-06	484.8	112.6	484.8	112.6	386.4

Statement of changes in equity

Amounts in DKK million

H1 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	-	-	42.4	42.4	0.2	42.6
Other comprehensive income:						
Foreign exchange adjustments arising on translation of foreign entities	-	-0.6	-	-0.6	-	-0.6
Transactions with owners:						
Share-based payments	-	-	9.0	9.0	-	9.0
Dividends to non-controlling interests	-	-	-	-	-10.0	-10.0
Equity at 30-06	155.7	1.2	627.9	784.8	7.3	792.1

Amounts in DKK million

H1 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	-	-	33.7	33.7	0.4	34.1
Other comprehensive income:						
Foreign exchange adjustments arising on translation of foreign entities	-	6.2	-	6.2	-	6.2
Transactions with owners:						
Purchase of treasury shares	-	-	-2.3	-2.3	-	-2.3
Share-based payments	-	-	3.5	3.5	-	3.5
Equity at 30-06	155.7	7.3	598.8	761.8	16.5	778.3

Notes

Note 1 Accounting policies

This interim financial report covers the period 1 January – 30 June 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 applying the Group's accounting policies and the associated significant estimation uncertainties are the same for the preparation of the interim financial statements as for the preparation of the 2022 consolidated financial statements and parent company financial statements.

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 H1	2022 H1
Products:		
Construction contracts	4,691.0	3,725.2
Project development	-	46.0
Other products	204.8	191.4
Total revenue	4,895.8	3,962.6
Primary geographical markets:		
Denmark	4,568.9	3,593.4
Rest of the world	326.9	369.2
Total revenue	4,895.8	3,962.6

Notes

Note 4 Segment information

Amounts in DKK million					2023 H1
	MT Højgaard Danmark	Enemærke & Petersen	MT Højgaard International	MT Højgaard Property Development	Total segments
Revenue to external customers	2,538.7	1,794.0	327.2	230.8	4,890.7
Intersegment revenue	19.6	164.3	0.7	1.9	186.5
Total segment revenue	2,558.3	1,958.3	327.9	232.7	5,077.2
Operating profit/(loss) before special items	92.3	74.6	-83.0	-5.4	78.5

Amounts in DKK million					2022 H1
	MT Højgaard Danmark	Enemærke & Petersen	MT Højgaard International	MT Højgaard Property Development	Total segments
Revenue to external customers	1,810.7	1,604.7	379.7	210.5	4,005.6
Intersegment revenue	24.1	128.0	1.5	2.2	155.8
Total segment revenue	1,834.8	1,732.7	381.2	212.7	4,161.4
Operating profit/(loss) before special items	42.4	74.8	0.1	1.1	118.8

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 H1	2022 H1
Revenue		
Segment revenue for reportable segments	5,077.2	4,161.4
Revenue MT Højgaard Holding	5.1	3.9
Elimination of intersegment revenue	-186.5	-155.8
Revenue Hisingsbron Bridge (joint venture)	-	-46.9
Total revenue, see income statement	4,895.8	3,962.6
Profit/(loss) from continuing operations		
Profit/(loss) before special items for reportable segments	78.5	118.4
Unallocated Group expenses	-15.0	-12.8
Special items and special amortisation	-9.7	-13.5
Net financials	-24.6	-32.3
Profit/(loss) before tax from continuing operations, see income statement	29.2	59.8

Note 5 Discontinued/discontinuing operations

Amounts in DKK million	2023 H1	2022 H1
Revenue	128.7	139.8
Costs	-110.2	-154.7
EBIT	18.5	-14.9
Interest	0.1	-0.5
EBT	18.6	-15.4
Tax on profit/(loss)	1.8	3.6
Profit/(loss) after tax	20.4	-11.8
Cash flows from operating activities	9.7	3.3
Cash flows from investing activities	-0.5	0.7
Cash flows from financing activities	-4.6	18.9
Total cash flows from discontinued operations	4.6	22.9
Assets held for sale	2023 30-6	2022 30-6
Property, plant and equipment	15.6	-
Inventories	19.7	-
Receivables	72.2	-
Total assets held for sale	107.5	0.0
Bank loans	40.7	-
Provisions	8.4	-
Other liabilities	64.4	-
Liabilities related to assets held for sale	113.5	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 – 30 June 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 30 June 2023 and of the results of the Group's activities and cash flows for the period 1 January – 30 June 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, 25 August 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

MT Højgaard Property Development is developing the old Dalum Paper Factory into an attractive residential area near Odense. In the second quarter, the multi-storey carpark became ready for use, the original sawtooth roof of the factory having been preserved.



