

## Company Announcement

10 May 2023  
Announcement No. 17

# NKT A/S Q1 2023 Interim Report: 34% organic growth and record-high operational EBITDA

NKT CEO Claes Westerlind says:

- I am excited to step into the CEO role and build upon the strong foundation created in recent years. During Q1 2023, we have had substantial organic revenue growth and the highest operational EBITDA ever achieved in any quarter which meant we raised the financial outlook for the full year.

During the quarter we announced significant high-voltage power cable awards for offshore wind farms in the Netherlands and the UK. The high order intake since the start of 2023 means we have decided to expand the high-voltage factory in Karlskrona, Sweden, which will be a key strategic priority for us to deliver upon in the years ahead.

## Financial highlights

EURm	Q1 2023	Q1 2022
Revenue*	422	319
Organic growth	34%	7%
Operational EBITDA	56.9	38.3
Operational EBITDA margin*	13.5%	12.0%

\* Std. metal prices

## 2023 financial outlook

The financial outlook is unchanged from Company Announcement No. 12 of 26 April 2023, when the initial financial outlook was updated.

Revenue (in std. metal prices) is expected to be approx. EUR 1.8-1.9bn and operational EBITDA is expected to be approx. EUR 200-230m.

## Positive development in revenues and operational EBITDA

In Q1 2023, NKT's revenues (in std. metal prices) grew by EUR 103m compared to Q1 2022, corresponding to 34% organic growth. The improvement was driven by increased revenues in all three business lines.

Driven by the high increase in revenues, operational EBITDA increased to EUR 56.9m in Q1 2023, up by EUR 18.6m from Q1 2022. The improved financial performance was mainly driven by Solutions and Applications. The all-time high level of execution of projects in the high-voltage order backlog in Solutions combined with continued recovery in Applications lifted the earnings level. The improvement in Service & Accessories was more moderate as no offshore repair work was conducted in Q1 2023.

In Q1 2023, the high-voltage order backlog took another significant step up to a new record-high level of EUR 7.0bn (EUR 6.3 in std. metal prices). The most significant awards were the three turnkey high-voltage power cable projects for the IJmuiden Ver and Nederwiek Offshore Wind Zones in the Netherlands and the supply contract for delivery of the export cable system for the Hornsea 3 offshore wind project in the UK.

NKT has signed a joint venture agreement with the Taiwanese cable company, Walsin Lihwa, to provide technical support for the construction of the first subsea power cable factory in Taiwan. Aside from establishing a joint venture, the agreement also includes a service agreement for the construction of the factory and a technology licence agreement licensing NKT technology to the joint venture. The factory is expected to be in operation in 2027.

#### **Teleconference**

NKT A/S hosts a teleconference for investors and financial analysts at 11:30am CET on 10 May 2023. The presentation to be used during the call will be available before the start of the teleconference. To attend, please register and access on [investors.nkt.com](https://investors.nkt.com)

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