May 2025

Q1 2025 Interim Report

Webcast Presentation

Today's presenting team

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Forward looking statements

This presentation and related comments contain forward-looking statements.

Such statements are subject to many uncertainties and risks, as various factors of which several are beyond NKT A/S’ control, may cause that the actual development and results differ materially from the expectations.

Key messages Q1 2025

High activity level and progress on ongoing investments across all three business lines

High activity level and overall satisfactory execution across all three business lines resulted in 11% organic growth*

Operational EBITDA of EUR 81m up from EUR 75m in Q1 2024 driven by all three business lines. High-voltage order backlog of EUR 10.7bn providing good visibility for coming years

Capacity expansion projects progressing according to plan across all business lines. Two out of three medium-voltage capacity expansions in Applications have now been finalised

Long-term supply agreement signed with Hydro in April, strengthening our European value chain and ensuring security of aluminium supply until 2033

* Std. metal prices.

Agenda

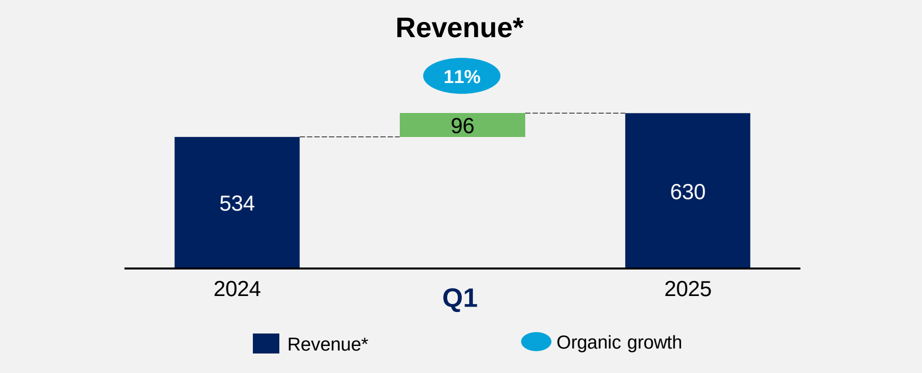
Financial performance in Q1 2025

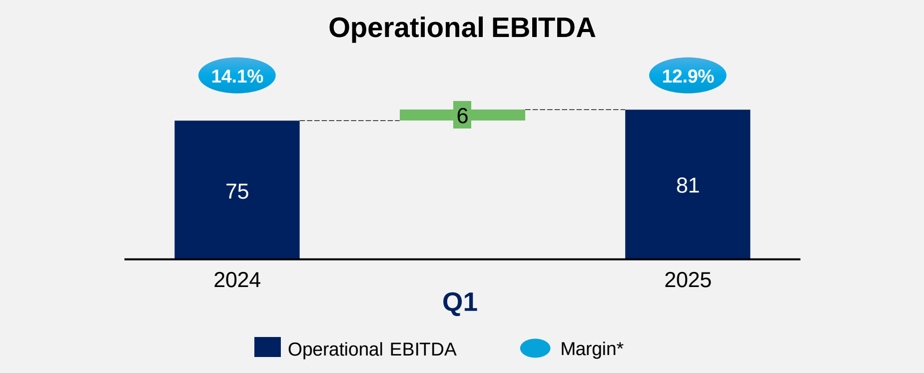
11% organic revenue* growth with high activity level across all three business lines

Key developments in Q1 2025

- **Solutions** with increased operational EBTIDA and organic revenue* growth of 20% driven by high activity level and overall satisfactory execution on the high order backlog
- **Applications** organic revenue* growth of 11% and higher operational EBITDA driven by the SolidAl acquisition and demand in the power distribution grid segment. Demand in the construction-exposed segment remained subdued
- **Service & Accessories** more than doubled operational EBITDA with high activity level and improved margins in both the Service and the Accessories business

Key financial highlights (EURm)





* Std. metal prices

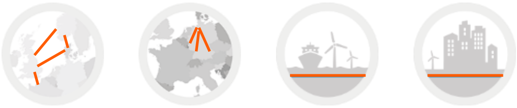
Solutions – Q1 2025

NKT

Solutions | Applications | Serv. & Acc.

High activity level and overall satisfactory execution

Customer offerings



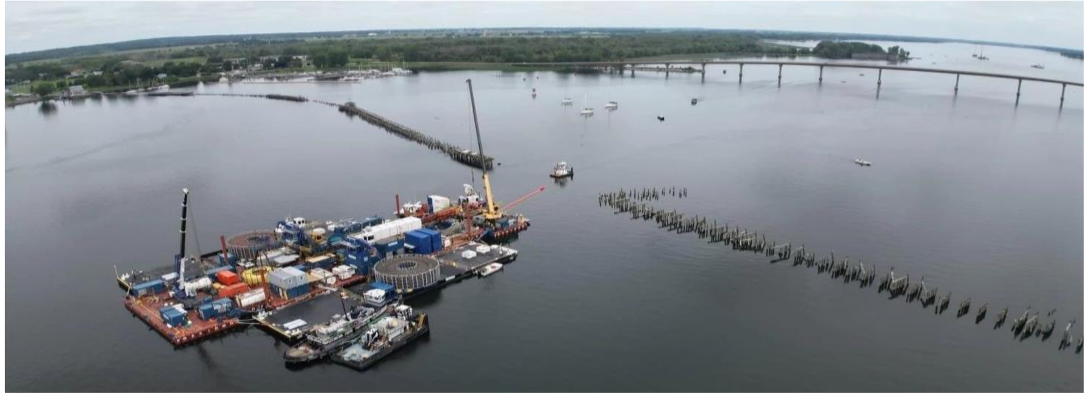
- High-voltage AC/DC off-/onshore power cable solutions

Development during Q1 2025

- Organic growth of 20% and operational EBITDA increase of EUR 5m driven by overall satisfactory execution and continued high activity level
- Continued progress on several projects through varying stages of execution including Champlain Hudson Power Express, East Anglia 3, Hornsea 3, SuedLink, and SuedOstLink
- The high-voltage investment programmes progressed according to plan. During Q1 the roof of the extrusion tower in Karlskrona was finalised, and activities are ongoing across several workstreams. Capacity is expected to be operational from 2027

Q1 2025 financial highlights

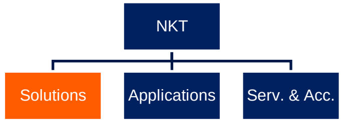
388m	20%	57m
Revenue*, EUR (Q1 2024: EUR 321m)	Organic growth (Q1 2024: 50%)	Oper. EBITDA, EUR (Q1 2024: EUR 52m)



* Std. metal prices

Note: AC = Alternating Current and DC = Direct Current

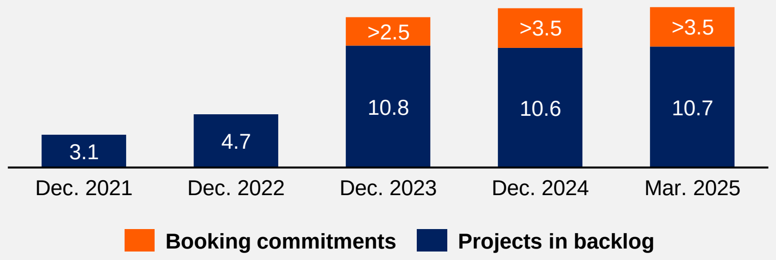
High-voltage market and order backlog



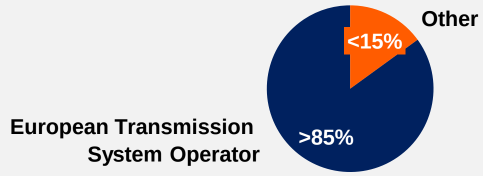
Continued high level of market activity in Q1 2025. High-voltage order backlog maintained at high level

- NKT estimates that **the value of projects awarded** in its addressable high-voltage power cable market **was around EUR 2bn** in Q1 2025, majority based on DC technology
- During the quarter, NKT was awarded a number of smaller orders and variation orders. At end-Q1 the high-voltage backlog was largely unchanged from end-2024
- NKT anticipates that its **average addressable high-voltage market will be above EUR 10bn per year between 2024 and 2030**. In 2025, several larger orders are expected to be awarded in the market
- Short-term variations from volatile political and economic environment, but supply/demand balance is expected to be healthy throughout the decade. High-voltage market is expected to become more balanced when approaching the 2030's

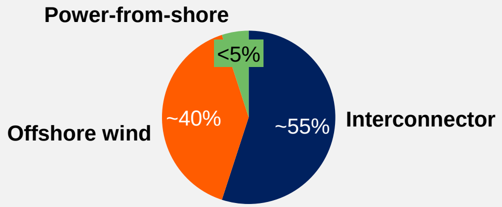
High-voltage order backlog (EURbn)



High-voltage order backlog by customer (%)



High-voltage order backlog by application (%)



Applications – Q1 2025

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Organic growth* driven by power distribution grid segment

Customer offerings

- Medium-voltage power cables for distribution grid
- Low-voltage power cables and building wires
- Telecom and other specialty power cables

Development during Q1 2025

- Revenue* increase driven by SolidAl acquisition and demand in the power distribution grid segment. The construction-exposed segment remained subdued
- EBITDA increased to EUR 18m, while the operational EBITDA margin* of 8.9% was 1.6%-points below Q1 2024, driven by the subdued construction-exposed segment, increased competitive environment in selected markets and a slightly different product mix
- During the quarter, two out of three medium-voltage capacity expansions were successfully finalised. SolidAl integration progresses according to plan

Q1 2025 financial highlights

203m	11%	18m
Revenue*, EUR (Q1 2024: EUR 153m)	Organic growth (Q1 2024: -6%)	Oper. EBITDA, EUR (Q1 2024: EUR 16m)

* Std. metal prices

Service & Accessories – Q1 2025

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Increase in operational EBITDA driven by both business areas

Customer offerings

- High- and medium-voltage accessories
- Power cable services

Development during Q1 2025

- Revenue declined from Q1 2024, which included large scope of offshore repair work on a legacy service agreement
- High activity level in both the Service and the Accessories business
- Operational EBITDA more than doubled to EUR 13m, driven by the high activity level and improved profitability in both business areas
- High-voltage capacity expansion in Accessories is progressing on plan and new test hall in Allingsås is expected to be completed in the first half of 2025

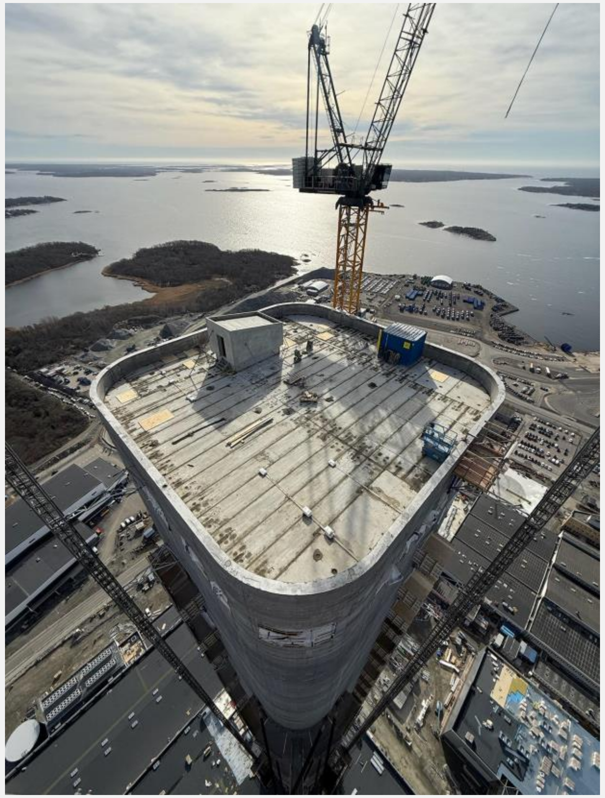
Q1 2025 financial highlights

70m	-6%	13m
Revenue*, EUR (Q1 2024: EUR 74m)	Organic growth (Q1 2024: 55%)	Oper. EBITDA, EUR (Q1 2024: EUR 6m)

* Std. metal prices

Update on major capacity investment projects

New high-voltage factory in Karlskrona



Key activities:

- Progressing according to plan
- Permission for habour expansion received
- Work ongoing across multiple work streams
- Roof installed in the extrusion tower and work inside the tower is ongoing
- Construction of other buildings and installation of machinery ongoing in parallel

New cable-laying vessel, NKT Eleonora

Key activities:

- Progressing according to plan
- Keel-laying ceremony in January

New medium-voltage capacity across four sites

Key activities:

- Expansions in Sweden and Czech Republic finalised
- Construction work in Denmark ongoing according to plan
- Relevant permissions received in Portugal. Construction has now started as planned

Agenda

Income statement: Organic growth driven by Solutions

Income statement highlights

EURm	Q1 2025	Q1 2024	FY 2024
Revenue	837	704	3,252
Revenue (Std. metal prices)	**630**	**534**	**2,489**
Organic growth			
NKT	11%	27%	26%
Operational EBITDA	**81**	**75**	**344**
Operational EBITDA margin*	12.9%	14.1%	13.8%
One-off items	0	0	-1
EBITDA	**81**	**75**	**343**
Depreciation, amortisation and impairment	-30	-22	-103
Financial items, net	25	8	34
Tax	-19	-13	-38
Net result from continuing operations	**57**	**48**	**236**
Net result from discontinued operations	0	-3	101
Net result	**57**	**45**	**337**
Average number of employees			
NKT	5,904	4,978	5,409

* Std. metal prices.

Key developments in Q1 2025

- **11% organic growth*** mainly from 20% organic growth* in Solutions driven by high activity level and overall satisfactory execution
- **Operational EBITDA** slightly up compared to Q1 2024 driven by all three business lines. Margin reduction from 14.1% to 12.9% mainly driven by project mix in Solutions
- **Financial items of EUR 25m** compared to EUR 8m in Q1 2024. Q1 2025 financial items were positively impacted by interest income and exchange rate hedges related to strengthening of the SEK
- **Tax** of EUR -19m, up from EUR -13m in 2024. The effective tax rate was 25%
- **Average number of employees** increased by 495 from full year 2024 average, driven by high activity levels, ongoing investments and SolidAI acquisition. Compared to Q4 2024 the average number of employees increased by 62

Cash flow: Negative cash flow driven by investments and working capital

Cash flow statement highlights

	Q1		FY
EURm	**2025**	**2024**	**2024**
Cash flow from operating activities	**-141**	**48**	**1,039**
EBITDA	81	75	343
Financial items paid/received, net	20	8	15
Changes in working capital	-234	-42	711
Others	-8	7	-30
Cash flow from investing activities	**-167**	**-64**	**-639**
Capex	-167	-64	-495
Acquisition and divestment of businesses	0	0	-144
Free cash flow	**-308**	**-16**	**400**
Cash flow from financing activities	**-15**	**-12**	**-27**
Cash flow from discontinued operations	**0**	**0**	**248**
Net cash flow	**-323**	**-28**	**621**

Key developments in Q1 2025

- **Cash flow from operating activities of EUR -141m** with negative contribution from changes in working capital more than offsetting positive operational EBTIDA
- Changes in working capital were due to normal phasing between milestone payments and project execution in Solutions, and also reflect timing effects following a strong end-2024 position
- **Cash flow from investing activities of EUR -167m** up from EUR -64m in Q1 2024 driven by ongoing investments to increase capacity and capabilities in Solutions and Applications. The high investment level is expected to continue throughout 2025
- **Free cash flow of EUR -308m** with EBITDA improvement being more than offset by changes in working capital and the elevated investment level

Balance sheet: Increased working capital since end-2024

Balance sheet highlights

	31 Mar		31 Dec
EURm	2025	2024	2024
Working capital	-1,184	-667	-1,432
Capital employed	1,033	955	573
RoCE	32%	22%	35%
Net interest-bearing debt (NIBD)	**-953**	**-642**	**-1,280**
NIBD / Operating EBITDA, LTM	-2.7x	-2.4x	-3.7x
Total assets	**4,930**	**3,707**	**4,859**
Total equity	**1,986**	**1,597**	**1,853**

Key developments in Q1 2025

- **Working capital** increased from EUR -1,432m at year-end 2024 to EUR -1,184m due to normal phasing between milestone payments and project execution in Solutions, and timing effects following a strong end-2024 position
- **RoCE** of 32% down from 35% at end-2024, mainly driven by higher capital employed from investments and working capital development
- **Net interest-bearing debt** increased by EUR 327m from end-2024, driven by negative free cash flow
- **Available liquidity reserves of EUR 1,394m,** comprising cash of EUR 1,194m and undrawn credit facilities of EUR 200m
- A conservative capital structure must be maintained to execute on investments in Solutions and Applications as NKT continues to progress on its growth journey

Financial outlook for 2025

Revenues*

EUR ~2.37-2.52bn

Operational EBITDA

EUR ~330-380m

The financial outlook is based on several assumptions including:

- Satisfactory execution of high-voltage investments and projects to deliver on expected profitability margin
- Satisfactory operational execution across business lines
- Stable market conditions for Applications and Service & Accessories
- Normalised offshore power cable repair work activity
- Stable supply chain with limited disruptions and access to the required labour, materials, and services
- Stable development in global economy, foreign currency, and metal prices

* Std. metal prices

Trajectory towards medium-term financial ambitions for 2028

Organic revenue* CAGR from 2021

>14%

Operational EBITDA

EUR >700m

RoCE%

>20%

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Questions
& Answers

Financial calendar 2025

2025	Event
15 August	Interim report, H1 2025
19 November	Interim report, Q1-Q3 2025

For full list of Investor Relations events, please visit investors.nkt.com