

August 2025

H1 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's control, may cause that the actual development and results differ materially from the expectations.



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



Organic growth of 13%
driven by high activity level
across all three business
lines



Record-high operational EBITDA of EUR 105m up
from EUR 86m in Q2 2024,
driven by Applications and
Service & Accessories



Capacity expansion projects progressing
according to plan across all
business lines. New high-
voltage capacity in
Karlskrona on track to be
operational from 2027



Updated 2025 outlook
NKT now expects revenue (in
std. metal prices) of
approximately EUR ~2.65bn-
2.75bn and operational
EBITDA of approximately EUR
~360-390m

Agenda



- 06 Business highlights
- 13 Financial highlights
- 18 Questions & Answers

Financial performance in Q2 2025

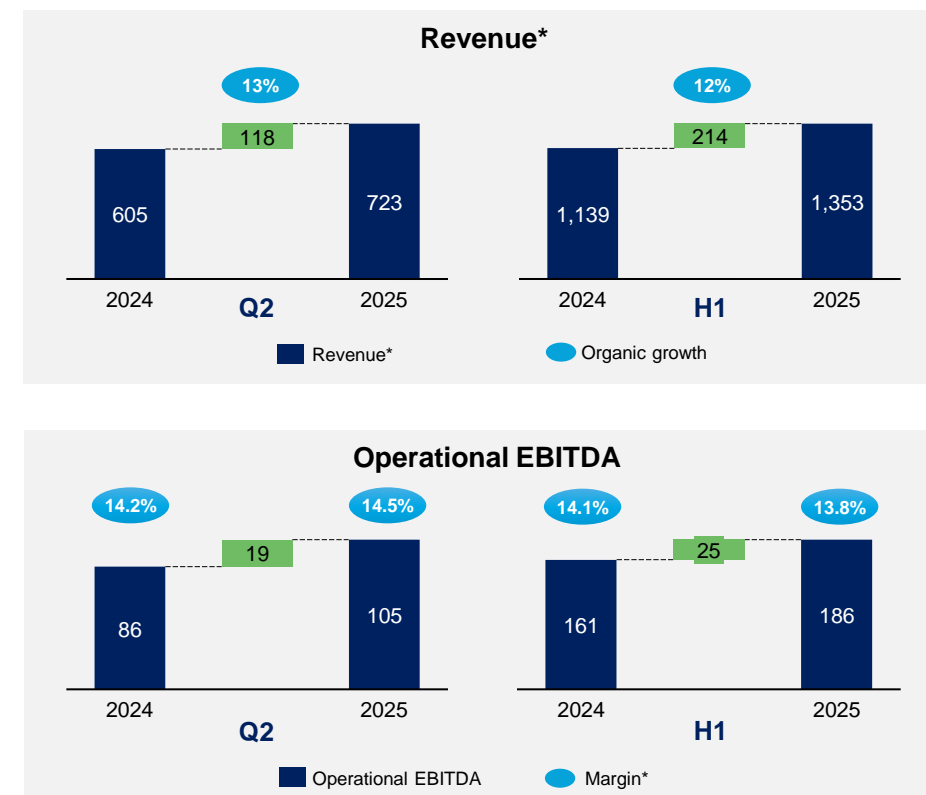


13% organic revenue* growth with high activity level across all three business lines

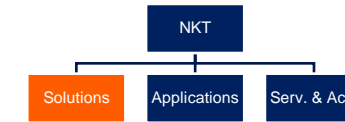
Key developments in Q2 2025

- **Solutions** with organic revenue* growth of 18% driven by high activity level, specific variation orders and overall satisfactory execution on the high order backlog. Operational EBITDA was largely unchanged from Q2 2024.
- **Applications** organic revenue* growth of 11% and higher operational EBITDA driven by the SolidAI acquisition and robust 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, satisfactory execution and improved margins in both the Service and the Accessories business.

Key financial highlights (EURm)



* Std. metal prices



High activity level and overall satisfactory execution

Customer offerings



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

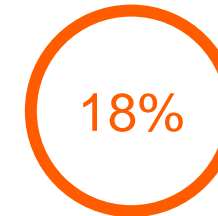
Development during Q2 2025

- Organic growth of 18% driven by continued high activity level, specific variation orders and overall satisfactory execution. Operational EBITDA largely unchanged from 2024. Lower operational EBITDA-margin of 14.7% due to project mix and specific variation orders with a relatively lower margin.
- Continued progress on several projects including Champlain Hudson Power Express, Hornsea 3, East Anglia 3, SuedLink, and SuedOstLink.
- The high-voltage investment programmes progressed according to plan, and activities are ongoing across several workstreams. Capacity is expected to be operational from 2027.

Q2 2025 financial highlights



Revenue*, EUR
(Q2 2024: EUR 379m)



Organic growth
(Q2 2024: 33%)



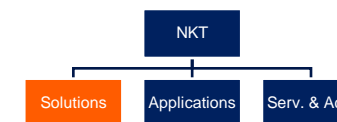
Oper. EBITDA, EUR
(Q2 2024: EUR 67m)



* Std. metal prices

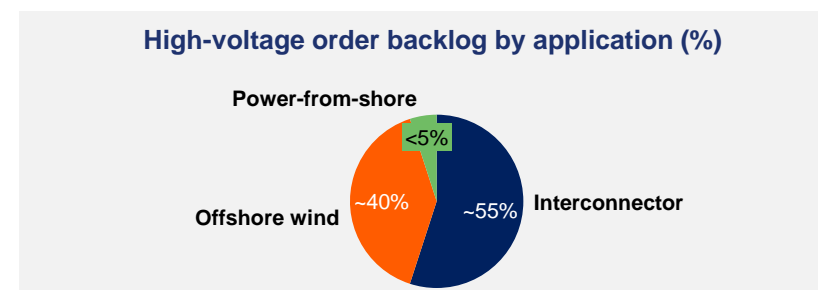
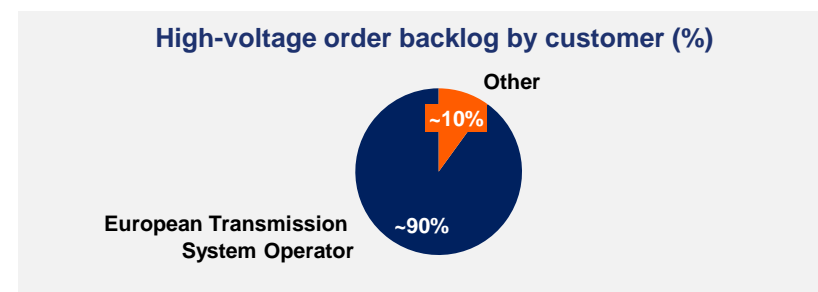
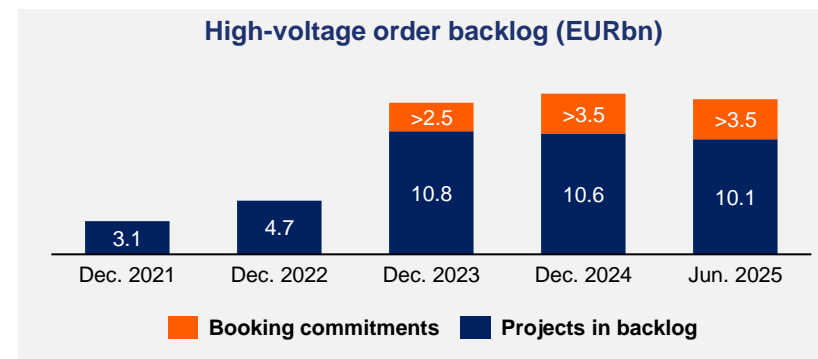
Note: AC = Alternating Current and DC = Direct Current

High-voltage market and order backlog

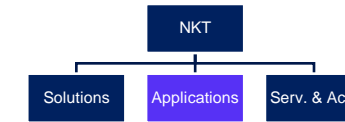


Continued high level of market activity in Q2 2025. High-voltage order backlog maintained at high level

- NKT estimates that **the value of projects awarded** in its addressable high-voltage power cable market **was around EUR 3bn** in H1 2025, majority based on DC technology.
- During the quarter, the high-voltage order backlog was supplemented by smaller orders and variation orders. At end-Q2 the high-voltage backlog was slightly down compared to end-Q1 2025 driven by ongoing execution.
- NKT continues to anticipate that its **average addressable high-voltage market will be above EUR 10bn per year between 2024 and 2030**. In H2 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.



Applications – Q2 2025



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

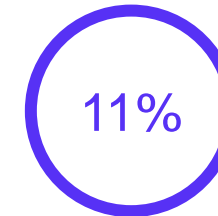
Development during Q2 2025

- Revenue* increase driven by SolidAI acquisition and robust demand in the power distribution grid segment. The construction-exposed segment remained subdued. However, a slight sequential improvement was observed from Q1 to Q2.
- EBITDA increased to EUR 31m driven by higher revenue. Operational EBITDA margin* Improved from 11.8% in Q2 2024 to 13.0% in Q2 2025, mainly driven by the SolidAI acquisition and higher revenue.
- Capacity investments in Denmark and Portugal progressed according to schedule. SolidAI integration progresses according to plan.

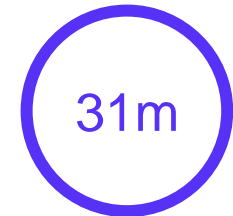
Q2 2025 financial highlights



Revenue*, EUR
(Q2 2024: EUR 175m)



Organic growth
(Q2 2024: 3%)

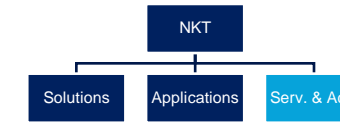


Oper. EBITDA, EUR
(Q2 2024: EUR 21m)



* Std. metal prices

Service & Accessories – Q2 2025



NKT

Growth in revenue and earnings driven by both business areas

Customer offerings

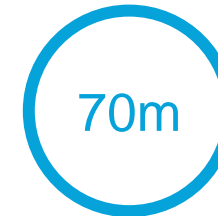


- High- and medium-voltage accessories
- Power cable services

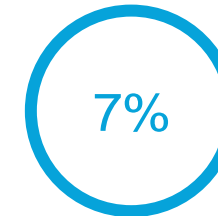
Development during Q2 2025

- Revenue increased from Q2 2024, with a high activity in both business areas. Organic growth was driven by the Accessories business.
- Operational EBITDA more than doubled to EUR 14m, driven by the high activity level and improved profitability in both business areas.
- NorNed interconnector repair was completed during the quarter.
- High-voltage capacity expansion in Accessories and new test hall in Allingsås was completed as expected during the quarter.

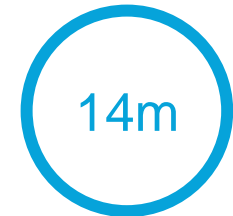
Q2 2025 financial highlights



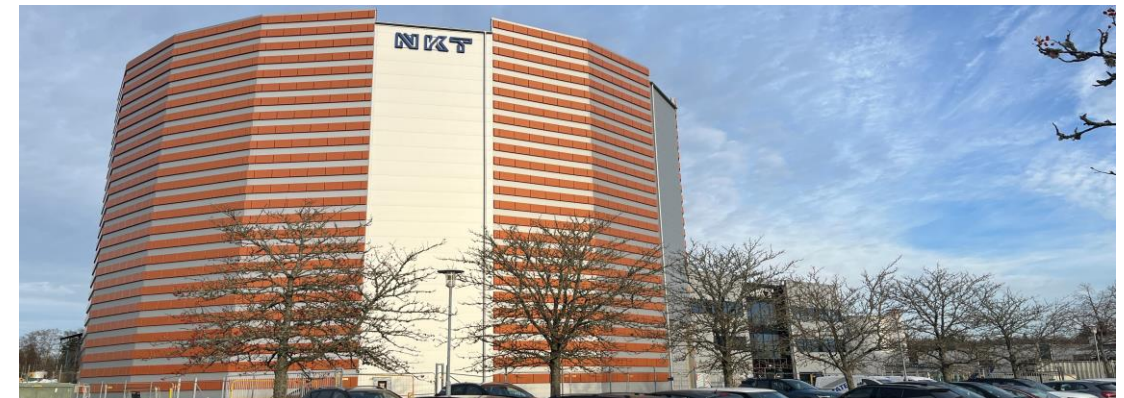
Revenue*, EUR
(Q2 2024: EUR 64m)



Organic growth
(Q2 2024: 19%)



Oper. EBITDA, EUR
(Q2 2024: EUR 5m)



* Std. metal prices

Update on major capacity investment projects



New high-voltage factory in Karlskrona



Key activities:

- Progressing according to plan across multiple work streams
- New logistics center inaugurated as first completed building

New cable-laying vessel, NKT Eleonora



Key activities:

- Progressing according to plan with the hull currently being constructed

Additional high-voltage capacity in Cologne



Key activities:

- Progressing according to plan across work streams
- Installation of new extrusion line initiated. Installation of other production assets ongoing

New medium-voltage capacity across four sites



Key activities:

- Construction work in Denmark ongoing according to timeline. Extrusion tower in final stages of construction
- Expansion in Portugal progressing as planned with construction of buildings ongoing

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Income statement: Revenue growth driven by all three business lines



Income statement highlights

EURm	Q2		H1	
	2025	2024	2025	2024
Revenue	945	802	1,782	1,506
Revenue (Std. metal prices)	723	605	1,353	1,139
Organic growth				
NKT	13%	29%	12%	28%
Operational EBITDA	105	86	186	161
Operational EBITDA margin*	14.5%	14.2%	13.8%	14.1%
One-off items	0	-1	0	-1
EBITDA	105	85	186	160
Depreciation, amortisation and impairment	-34	-24	-64	-46
Financial items, net	-1	16	24	24
Tax	-16	-2	-35	-15
Net result from continuing operations	54	75	111	123
Net result from discontinued operations	0	104	0	101
Net result	54	179	111	224
Average number of employees				
NKT	6,097	5,108	6,000	5,043

* Std. metal prices.

Key developments in Q2 2025

- **13% organic growth*** with high activity level across all three business lines.
- **Operational EBITDA** increase of EUR 19m compared to Q2 2024 driven by Applications and Service & Accessories, enabling a margin increase from 14.2% to 14.5%.
- **Financial items of EUR -1m** compared to an income of EUR 16m in Q2 2024 mainly driven by exchange rate fluctuations of the SEK.
- **Tax** of EUR -16m, up from EUR -2m in 2024, which was impacted by regulation of German tax assets. The effective tax rate was 23% in Q2 2025.
- **Average number of employees** increased by 989 from Q2 2024 average, driven by high activity levels, ongoing investments, and the SolidAI acquisition.

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



Cash flow statement highlights

EURm	Q2		H1	
	2025	2024	2025	2024
Cash flow from operating activities	-1	642	-142	690
EBITDA	105	85	186	160
Financial items paid/received, net	-8	16	12	24
Changes in working capital	-82	585	-316	543
Others	-16	-44	-24	-37
Cash flow from investing activities	-174	-244	-341	-308
Investments	-174	-100	-341	-164
Acquisition and divestment of businesses	0	-144	0	-144
Free cash flow	-175	398	-483	382
Cash flow from financing activities	-23	-5	-38	-17
Cash flow from discontinued operations	0	248	0	248
Net cash flow	-198	641	-521	613

Key developments in Q2 2025

- **Cash flow from operating activities of EUR -1m** with negative contribution from changes in working capital and other items more than offsetting positive operational EBITDA.
- Changes in working capital in Q2 2025 were due to phasing of milestone payments in Solutions. The development in the first half of the year also reflects timing effects following a strong end-2024 position.
- **Cash flow from investing activities of EUR -174m** compared to investments of EUR -100m in Q2 2024. The increase is driven by ongoing investments to increase capacity and capabilities in Solutions and Applications. A high investment level is expected throughout 2025.
- **Free cash flow of EUR -175m** with EBITDA improvement being more than offset by changes in working capital and the high investment level.

Balance sheet: Increased working capital and capital employed



Balance sheet highlights

	30 Jun		31 Mar		31 Dec
EURm	2025	2024	2025	2024	2024
Working capital	-1,132	-1,152	-1,184	-667	-1,432
Capital employed	1,196	552	1,033	955	573
RoCE	30%	30%	32%	22%	35%
Net interest-bearing debt (NIBD)	-757	-1,277	-953	-642	-1,280
NIBD / Operating EBITDA, LTM	-2.0x	-4.2x	-2.7x	-2.4x	-3.7x
Total assets	4,938	4,597	4,930	3,707	4,859
Total equity	1,953	1,829	1,986	1,597	1,853

Key developments in Q2 2025

- **Working capital** increased from EUR -1,184m at end-Q1 2025 to EUR -1,132m due to phasing of milestone payments in Solutions.
- **RoCE** of 30% down from 32% at end-Q1, driven by higher capital employed from investments and the working capital development.
- **Net interest-bearing debt** increased by EUR 196m from end-Q1, driven by negative free cash flow.
- **Available liquidity reserves of EUR 1,393m**, comprising cash of EUR 993m and undrawn credit facilities of EUR 400m. During Q2, NKT renewed its Revolving Credit Facility.
- A conservative capital structure is maintained to execute on investments in Solutions and Applications as NKT continues to progress on its growth journey.

Financial outlook for 2025 updated



Previously
EUR ~2.37-2.52bn

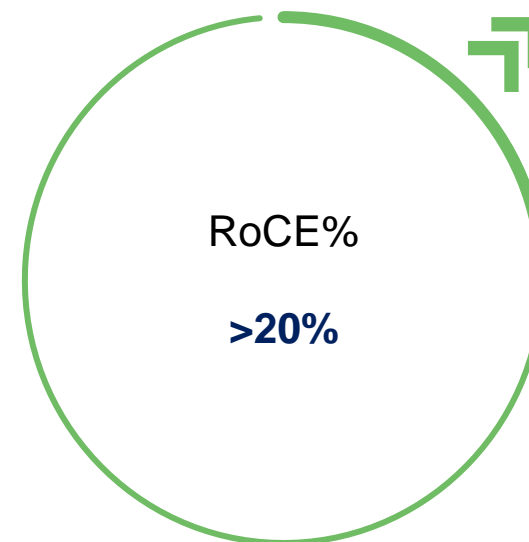


Previously
EUR ~330-380m

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

Trajectory towards medium-term financial ambitions for 2028



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NKT

Questions & Answers

Financial calendar 2025



2025

Event

19 November

Interim Report, Q1-Q3 2025

For full list of
Investor Relations
events, please visit
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