

Company Announcement

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NKT receives order for second system of SuedOstLink, extension of one of the German high-voltage DC corridor projects

NKT has received an extension order for the SuedOstLink project of less than EUR 700m by the German transmission system operator 50Hertz. The order is an extension of the SuedOstLink project adding a second, parallel transmission line from the Northern part of Germany to the South and comprises supply and installation of 525 kV XLPE high-voltage DC (direct current) onshore power cable solutions. The second system of SuedOstLink transmission line will have a route length of approx. 550 km of which NKT is delivering approx. 275 km, the same volume as the first SuedOstLink system.

The combined SuedOstLink project will be the world's first large commercial 525 kV XLPE high-voltage DC 2 x 2 GW transmission lines. This is part of the German corridor projects aiming to significantly increase renewable energy supply in the country to realize the accelerated 'Energiewende' targets. NKT has a strong footprint and experience in Germany, with facilities in Cologne, Nordenham and Berlin, and is therefore ideally located to supply and install the needed solutions. Local production will contribute to the German economy and creation of jobs in the country.

The power cable solutions to be delivered by NKT for the second system of SuedOstLink comprises three lots with a total order value of less than EUR 700m (less than EUR 550m in std. metal prices). The second system will be established in connection with the existing project schedule with commissioning in 2027.

NKT President and CEO Alexander Kara says:

- I am very pleased that our leading expertise and know-how within 525 kV XLPE high-voltage DC technology is recognised by our long-term partner 50Hertz and has led to another major order for the German corridor projects. The overall SuedOstLink project is among NKT's largest orders ever and underlines our role as a key partner in the green transformation of Germany.

Both systems of SuedOstLink are long-distance power transmission lines in Germany to transport renewable energy from the Northern parts of the country to the South. These transmission lines are often referred to as the HVDC corridor projects covering a large proportion of the country and they are key to realize the 'Energiewende', Germany's long-term strategy for switching to renewable energies by 2045. The SuedOstLink will link the federal states of Saxony-Anhalt and Bavaria.

The order of the second system of SuedOstLink does not change the 2022 financial outlook for NKT.

Contact

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